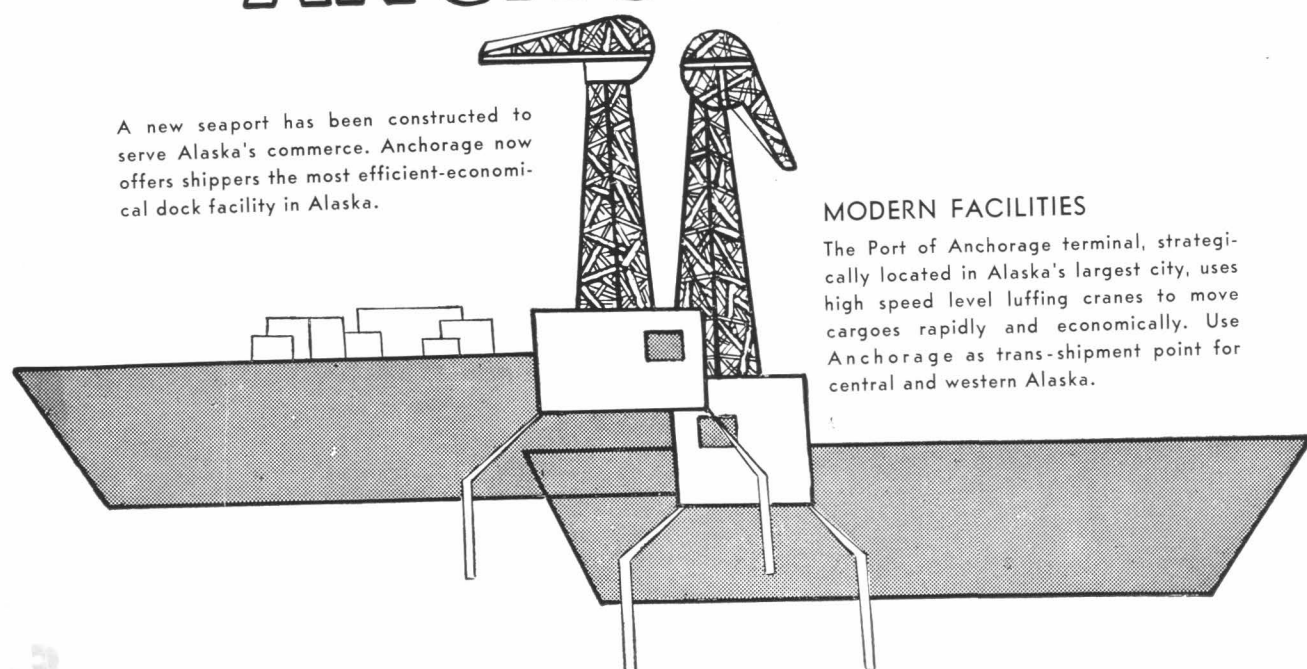


PORT OF ANCHORAGE

A new seaport has been constructed to serve Alaska's commerce. Anchorage now offers shippers the most efficient-economical dock facility in Alaska.



MODERN FACILITIES

The Port of Anchorage terminal, strategically located in Alaska's largest city, uses high speed level luffing cranes to move cargoes rapidly and economically. Use Anchorage as trans-shipment point for central and western Alaska.

"THE PORT THAT SERVES THE TOP OF THE WORLD"

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OIL REPORT

Copper River Basin may indicate entry of these companies into Alaskan oil industry activity.

Wayne C. Davison, petroleum geologist, and for the last year and a half editor and publisher of the 49TH STATE PETROLEUM REPORT, anticipates increased drilling activity next year. In his report in October, Davison predicted that 30 wildcat tests would be drilled in Alaska in 1962, with the comment: "It is believed that the trend toward the less expensive slim-hole drilling will bring about the increased wildcat drilling activity anticipated next year."

Geophysical exploration and gravity work will be done in areas other than Cook Inlet, with possible drilling in new basins as the Tanana and Copper River.

"Everything hinges somewhat on a new discovery," Davison said in an interview with ALASKA CONSTRUCTION NEWS, "which would correspondingly increase activities throughout the state."

However, he added that he did not foresee any decline unless no other discovery had been made by the end of 1962. In the event of no new discovery, he believed there would be some appreciable decline in wildcat drilling.

The slim-hole drilling Davison referred to is scheduled for this winter near Nenana about 54 miles southwest of Fairbanks. Plans call for shipment of the winterized rig from Seattle by barge in January, for use by Union Oil Co. as operator in a joint drilling venture in the Tanana Basin with Ohio Oil, Pure, Sinclair Oil and Gas Companies.

Federal and state engineers likewise see no decline in activity in 1962.

Richard V. Murphy, petroleum engineer with the state Division of Mines and Minerals, believes activity should continue on an even keel, unless there is a discovery. He anticipates the same number of exploratory wells in 1962, but believes unless a discovery is made there will be a sharp decline in development wells.

With a three-well program on Nushagak for Pure Oil Co., and possibly more drilling in the Gulf of Alaska Basin and more tests in Cook Inlet, and with exploratory interest being shown in lands north of Fairbanks, Alaska's oil industry promises, if black gold is to be found in the 49th state in other locations, the companies will continue to search for it.

Every indication is that the industry will continue to grow and develop as the state grows.

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THE FUTURE

THE year 1962 promises to see increased activities in exploration and drilling as well as new construction projects related to the oil industry in Alaska.

Standard Oil Company of California has announced its plan to build a basic crude distillation unit which will cost about \$10 million and have a capacity of refining 20,000 barrels a day, the plant to be located on acreage near the Nikiski terminal north of Kenai. The refinery will manufacture heating oils, diesel fuels, jet fuels and fuel oils to be sold in Alaska.

When complete, it is expected to employ 25 people on a permanent basis.

Target date for completion is the middle of 1963, but the company hopes to complete the refinery by the end of 1962.

Another, though smaller, refinery was announced by Ralph G. Hand, Western Frontier Oil Co., as also planned for 1962 construction.

The refinery will process 2500 barrels of crude from the Swanson and Soldotna oil fields at the plant, located 1 mile south of the Standard Oil Company. Refined products from the straight run plant will be gasoline, jet fuel, diesel fuel, heating oils, and bunker "C" fuel oil.

The heaters, exchangers and condensers for the crude unit are being engineered and fabricated by Industrial Engineers in Los Angeles. An asphalt unit for making of road asphalt and road oil is in the engineering stage.

Various vessels for the refinery will be delivered during the winter and installed in the spring of 1962, according to Hand.

It has also been reported that Union Oil Co. of California is investigating

the possibility of constructing a petrochemical plant on the Kenai Peninsula.

Reese H. Taylor, chairman of the board for Union, in an address before the New York Society of Security Analysts last summer, said that feasibility studies were being made of liquefying natural gas and shipping it by tanker. He also said there is a possibility that the gas might be used as a feedstock for a petrochemical plant which Union has been considering constructing in Alaska.

Shell Oil Company plans to construct a \$1.4 million 329,000 barrel tank farm for jet fuel storage on five acres of land leased from the City of Anchorage in October. Plans call for completion of the six tanks by September 1962, according to W. B. Waterman, assistant division engineer of Shell's Northwest Marketing Division.

Feasibility studies have been made by the same company on the construction of a fuel pipeline from the dock area in Anchorage to International Airport, where Shell supplies fuel for airlines operations.

Texaco Company also has proposed a five acre lease of port property in Anchorage to establish a storage tank farm, according to Henry Roloff, port manager.

Next year may see drilling programs in the Susitna lands where Pan American Petroleum and Tidewater took over Honolulu Oil Company's Alaskan leases, including one third interest in the Susitna Lands owned jointly with British American and Harry Bass and Sons.

Land leasing activity by Cities Service Petroleum Co. in the Port Heiden area, the opening of Atlantic Refining Company's Anchorage office, and assembly of a block by the Snowden interests of Fort Worth, Texas, in the

City of Anchorage

Founded 1915 Incorporated 1920

CITY COUNCIL

Mayor: George Sharrock
William Besser Robert Livie
E. N. Courtney Roy Nigh
Frank Feeman Jr. Harry Pursell
Frank Harris Joe Yesenski
City Manager C. A. Hostetler



January

MUNICIPAL BULLETIN

1962

COUNCIL HIGHLIGHTS FOR DECEMBER

December 5: Council passed Ordinance 1531. This authorizes a tax exemption for value added to property by reason of the construction of an approved bomb, fallout, or disaster shelter.

December 12: Stanley Erickson was appointed to the Citizens Budget Committee; George Byer, Delbert Van Sickle, and Mrs. Virginia Gebhart were appointed to the Citizens Council for Community Improvements.

City Attorney Richard Gantz was designated to serve as Acting City Manager during the coming vacation absence of C. A. Hostetler.

Although this meeting had been publicized as the opportunity for any person to question or comment on the 1962 City budget, no one present asked to address Council on the subject. The required public hearing on the budget therefore was closed.

Council voted to request the State to pay for a traffic light and its installation on Seward Highway at Northern Lights Boulevard, the City accepting responsibility for the power and maintenance--this intersection being partially within the Anchorage limits.

Councilman Feeman was appointed to represent the City in working with a committee studying the possibility of a 1967 Alaska Centennial Celebration in Anchorage.

December 19: Council decided to disapprove a Planning Commission resolution which denied a Texaco request for rezoning an area at Hollywood Drive and Loop Road from R-2 (residential) to B-1 (local business).

The Manager was asked to report on all tax-exempt properties in the City. Thought was expressed that the application of a sewer use charge against such parcels could aid in reducing the general tax rate.

Council reviewed the snow plowing priority schedule and suggested several changes. The administration was instructed to make any necessary fund adjustments that will ensure effective street snow clearance.

Approval was given to a Port Commission recommendation and Planning Commission resolution on subdivision of lots adjacent to the Anchorage Port. The Shell Oil Co. has indicated interest in leasing land here for the establishment of a tank farm.

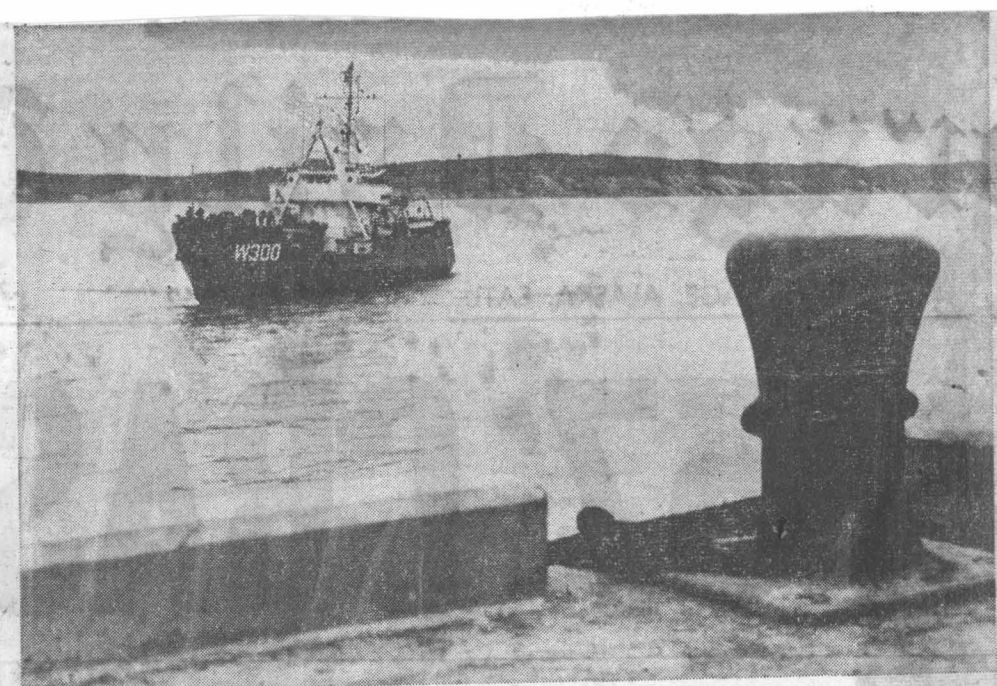
December 28: Council held this special meeting to give final consideration to the 1962 budget. This session concluded a series of meetings Council had held with the

(Continued on page 4)

business firms in the "South 48." We have a tremendous educational and selling job to do, a fact well known to the Port Commission headed by Harold Strandberg, and to Port Director Henry Roloff and his small staff. They are now concentrating attention on the analysis of market opportunities abroad, and the encouragement of Alaskan business that should be passing out through this port.

A step in this direction is consideration of a project tagged with the name, "Operation Identification." Under this plan a port representative, in conjunction with community business leaders, would seek out those products and natural resources currently and potentially available for export. In addition, regular personal contacts would be established with import-export firms, steamship agencies, and government officials, both in the Orient and along the U. S. Pacific Coast.

"In analyzing the trade hinterland of Anchorage, however," says Director Roloff (seated, at right, with Terminal Manager J. J. Cahill) "and in soliciting cargoes, and in publicizing the natural and economic advantages of our community and port, it must be recognized that Anchorage will have to accomplish within the next few years what Seattle, Portland, Vancouver, and other port cities have been doing for over 50 years. This is quite a challenge -- but challenges are not new to Alaskans."



CUTTER HOLDS OPEN HOUSE

The U.S. Coast Guard cutter "Citrus" docked at city dock yesterday afternoon to take part in Anchorage area Armed Forces Day activities. The cutter will hold open house from 4 to 9 p.m. today. The Citrus, captained by Lt. Cmdr. C. R. Hallberg, operates as a marking buoy tender and supply ship to Coast Guard installations in Alaska. Its home port is Ketchikan. The crew of six officers and 46 men will be on board to take guests on tours of the ship. Tomorrow an open house at the Army's Nike-Hercules Site Summit, above Arctic Valley Ski Bowl, will close Armed Forces Week activities in the Anchorage area. The Nike Site will be open from 1-4 p.m. (U.S. Army Photo)

1 The Anchorage Daily News
2 Saturday, May 19, 1962

Open House Set Today

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