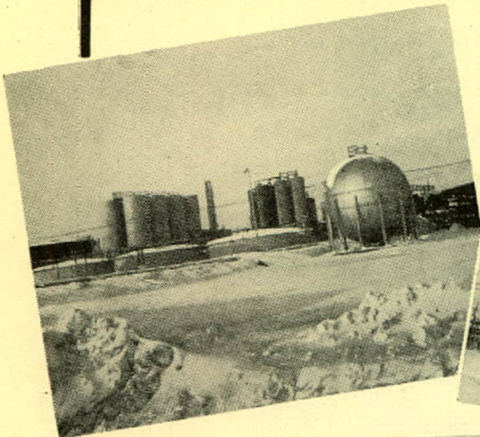
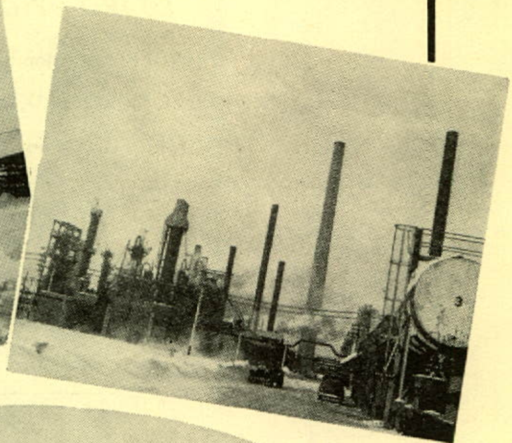
McCOLL-FRONTENAC
OIL COMPANY LIMITED

Texaco Canada Ltd.

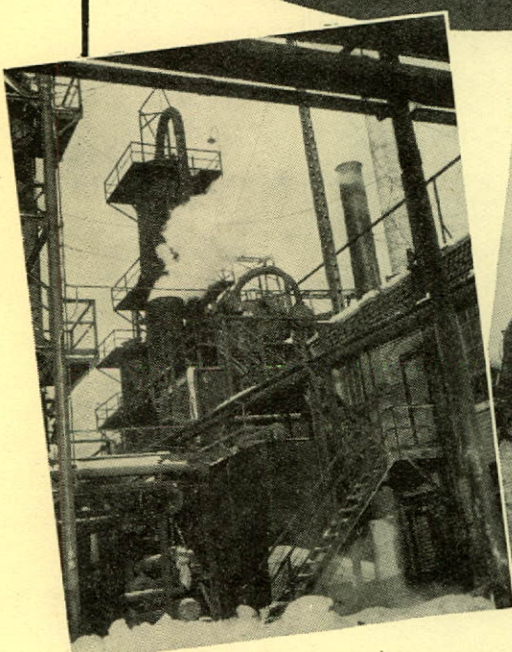
Sixteenth Annual Report

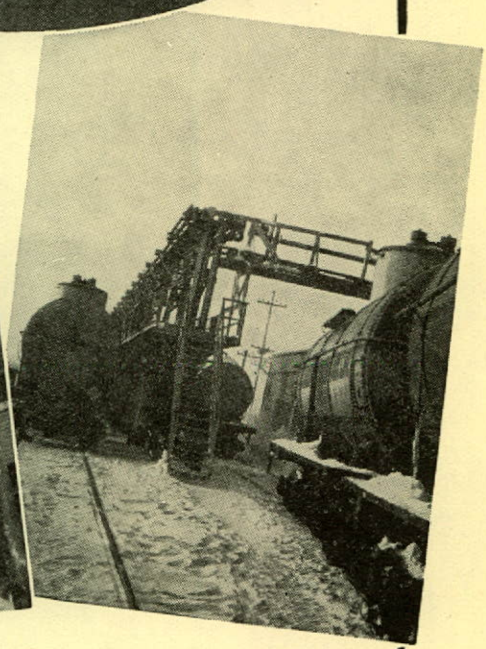
for the
Year Ending
December Thirty-First
1943






McCOLL - FRONTENAC





BOARD OF DIRECTORS

A. A. MAGEE, K.C., Montreal—*Chairman of the Board*

J. M. PRITCHARD, Montreal—*President*

C. P. TOMLINSON, Montreal—*Executive Vice-President*

H. H. BRADBURN, Winnipeg

J. H. GUNDY, Toronto

L. O. P. WALSH, Montreal

H. W. THORP, Montreal

T. C. TWYMAN, Montreal

W. ZIMMERMAN, K.C., Toronto

THE HON. E. L. PATENAUDE, P.C., K.C., Montreal

EXECUTIVE COMMITTEE

J. M. PRITCHARD, *Chairman*

A. A. MAGEE, K.C. J. H. GUNDY C. P. TOMLINSON

OFFICERS

J. M. PRITCHARD, *President*

C. P. TOMLINSON, *Executive Vice-President*

H. H. BRADBURN, *Vice-President*

G. R. TAYLOR, *Vice-President*

FRED HUNT, *Secretary-Treasurer*

D. F. JONES, *Assistant Secretary*

T. C. TWYMAN, *Vice-President*

AIR MARSHAL W. A. BISHOP, V.C., D.S.O., M.C., D.F.C., LL.D., *Vice-President*

T. V. ANDERSON, *Comptroller*

K. W. HOGG, *Assistant Secretary*

Transfer Agents:

MONTREAL TRUST COMPANY

Registrar:

ROYAL TRUST COMPANY

Auditors:

P. S. ROSS AND SONS

PRICE, WATERHOUSE & COMPANY

To the Shareholders:

Your Directors take pleasure in submitting herewith your Company's sixteenth Annual Report, together with the Balance Sheet as of December 31st, 1943, and the Profit and Loss Statement and Surplus Account of McColl-Frontenac Oil Company Limited and its Canadian Subsidiaries. Also submitted are the Balance Sheets, Profit and Loss Statements and Surplus Accounts of the Frontenac Pipe Line Company and the Antilles Petroleum Company (Trinidad) Limited, wholly-owned subsidiary companies which are shown in your Company's Balance Sheet under the item of "Investments In and Advances to Subsidiary Companies Outside of Canada."

Your Company's net profits for the year, including refundable portion of excess profits tax, amounted to $836,580.22, and, after deduction of the Preferred Stock Dividend of $456,397.50, there remained a balance of $380,182.72, equivalent to 42.2 cents per share on the 900,000 shares of Common Stock outstanding on December 31st, 1943. This compares with earnings, including refundable portion of the excess profits tax, of $507,015.49, or 56.3 cents per share for the previous year. The refundable portion of excess profits tax included in 1943 earnings was $257,000.00, or 28.6 cents per share of Common Stock, compared with $94,642.41, or 10.5 cents per share in 1942.

Net Working Capital, that is the excess of Current Assets over Current Liabilities, amounted to $9,105,469.57, as compared with $9,227,580.80 for the previous year, a decrease of $122,111.23.

The $300,000.00 3½% Serial Bonds maturing on October 1st, 1943, were redeemed and cancelled.

The heavy burden of income and excess profits taxes is reflected in your Company's Profit and Loss Statement and in the decline in the Working Capital shown on the Balance Sheet. The provision for income and excess profits taxes charged to 1943 earnings was $1,724,000.00, excluding the refundable portion of excess profits tax estimated at $257,000.00. This tax provision represented 67% of the profit shown before taxes, and was equal to $1.91 per share of Common Stock or more than 4½ times the balance remaining for the Common Stock after payment of Preferred Dividends. In an effort to secure taxation on an equitable basis, the Company has filed a claim to have its Standard Profits reviewed and finally established under the Excess Profits Tax Act.

Investments in Subsidiary Companies outside of Canada amounts to $950,497.85, of which amount $50,000.00 represents the investment in the Frontenac Pipe Line Company, and $900,497.85 the investment in Antilles Petroleum Company (Trinidad) Limited.

Advances to these subsidiary companies of $1,165,455.09 are made up principally of $1,156,475.25 owing from the Antilles Petroleum Company (Trinidad) Limited, after giving effect to By-Law "I."

On the basis finally determined by the Taxation authorities the maximum reserve for future depreciation in inventory values allowable under the regulations of the Excess Profits Tax Act amounted to $1,205,000.00 as at December 31st, 1943. The amount of $645,000.00 representing the excess provision made in prior years on the basis of the Company's interpretation of these regulations has therefore been brought back to Surplus and a corresponding amount transferred from Surplus to Reserve for Taxes to provide for the resulting tax liability and other tax contingencies.

In last year's Report you were advised that the accounts of the Company were being reviewed by a representative of the Income Tax Department and that it was indicated that the Reserve for Depreciation, according to that Department's records, amounted to approximately $4,000,000.00 more than the Depreciation Reserve shown by the Company's accounts. This difference, which accumulated in the years prior to 1934, has now been determined at $3,897,-756.74, and, in line with your Directors' recommendation, a portion of this has been absorbed by a transfer of $1,600,000.00 from Surplus, and the inclusion of approximately $350,000.00 in the current year's depreciation provision. This leaves a difference of approximately $1,950,000.00 to be adjusted in the future, over a reasonable length of time, by charges to Surplus or Earnings.

Frontenac Pipe Line Company

Since the sale in 1942 of the pipe line gathering system of the Frontenac Pipe Line Company, which was mentioned in last year's Report, this Company has continued to perform various services in the United States for your Company. As will be noted from attached statement of accounts, the year's operations resulted in a profit of $1,382.30.

Antilles Petroleum Company (Trinidad) Limited

Production for the year amounted to 215,364 barrels, as compared with 190,445 barrels during the previous year. Two deep and four shallow wells were drilled, of which one deep and two shallow wells were dry holes. The loss for the year amounted to $326,436.78, which compares with a loss of $249,116.56 for 1942. The increase in the annual deficit was due largely to the write-off of the aforementioned three dry holes.

Interesting new oil developments have taken place in Trinidad during the past two years, and the Company acquired in 1943 a large lease in one of the areas now claiming the greatest geological interest. Drilling operations have not yet been commenced on this lease. It is the intention of your Directors, by a conservative exploration program, to endeavour to protect your Company's investment in the Island and develop crude oil production. The exploration and drilling activities of the Company during 1943 were subject to Government wartime control, and such activities have not progressed to the point where the Company can estimate the extent of the additional crude oil reserves. However, it is your Directors' opinion that the Trinidad holdings of the Company, including newly acquired acreage, look more promising than has been the case in several past years.

Due to conditions over which your Company had no control, all crude oil produced during 1943 was sold locally to Trinidad refiners.

Company Operations

Exploration and Development—During the past year, your Company filed Petroleum and Natural Gas Reservations on over 800,000 acres in Western Canada and during the field season of 1943, extensive geological and geophysical surveys were undertaken upon these reservations.

From the result of this work, it was decided to drill the Black Butte Structure in the Pinhorn area, which lies along the International Border, approximately 30 miles east of Coutts, Alberta. The initial well on this prospect reached the top of the Madison limestone at 3281′ at the end of the year. This well encountered gas flows of five million cubic feet and six million cubic feet, respectively, under high pressures from sands in the Basal Lower Cretaceous and Ellis formations, and drilling is being continued.

Since the inception of your Company's exploration program in Western Canada, more than $700,000.00 has been spent without definite result, but your Directors feel that these efforts should be continued wherever favorable opportunities present themselves for developing additional oil producing areas.

Crude Oil—As mentioned in our Annual Report of last year, the purchases of crude oil were less in 1942 than in previous years, and, as a consequence, inventories at the beginning of 1943 were at low levels. During the year 1943 the Company was able to prevent a further decline in the inventory position. During the year, crude oil purchases amounted to 6,429,291 barrels as against purchases of 5,512,063 barrels in 1942. The crude oil purchased during the year was obtained from sources in the United States and from Venezuela and Colombia, South America.

Ocean Transportation—During 1943 our two remaining Norwegian tankers were in continuous service and were augmented by occasional voyages of four tankers assigned by the U.S. War Shipping Administration to Canadian service. All of the crude oil carried by these tankers was discharged at Portland, Maine, and transported to Montreal by the Montreal-Portland Pipe Line.

While we have been able to maintain our inventories at approximately the same level as at the end of the year 1942, these inventories are still not sufficient to provide a safe margin for meeting the essential demand. It is hoped, therefore, that during the coming year sufficient ocean transportation will be available to improve the inventory position.

Refineries—The output of your Refineries in Montreal and Toronto increased as compared to the previous year. About 56% of the total crude oil was refined in Montreal and the balance in your Toronto Refinery. Refinery operating efficiency has been maintained at highest levels and further improvements have been made in operating methods.

During the year your Company continued to perform certain sub-contract work on war jobs in the Refinery machine shops.

Distribution and Marketing—Your Company owns and operates 128 tank cars and operates 144 more under lease for the movement of refined products by rail. It also owns approximately 170 motor trucks and, through subsidiary companies, three lake tankers.

The Company owns and operates 13 Marine Terminals, 221 storage warehouses and bulk stations throughout the Dominion of Canada, and it also owns or leases 622 service stations, most of which are operated by lessees. In addition, approximately 3,500 independent dealers sell your Company's products which are marketed under the various trade names listed on the last sheet of this Report.

Sales—The sale of your Company's principal products is regulated by rationing and other regulations designed to assure, first of all, that the requirements of the armed services and essential war industry will be met out of available supplies. Your Company has made every effort to do its full part in the vital war work of the Oil Industry. During the year, as a result of research, many new products were developed and sold for use in the war effort.

Fixed Assets—The properties of your Company used in the marketing of products are being maintained in as good a condition as possible, and necessary rehabilitations are being made wherever permitted under existing Government control regulations. Refining properties, which are essential to the war effort, have been maintained at high operating efficiency.

Employees' Relations—Employee relations continued harmonious and at no time in its history has there ever been a serious dispute between the Company and its employees.

A Group Hospitalization Plan has been added to the other employee benefit plans mentioned in previous Annual Reports, and an Employees' Relations Committee carefully administers all plans to insure equitable treatment to all employees.

On the back cover of this Report, your Directors are proud to present your Company's Roll of Honour, containing the names of 255 employees in the Armed Services. As in previous years, a Christmas gift of $25.00 was sent to each of those serving in Canada, and £5. to each of those serving overseas.

General

At the last date of record, your Company had a total of 3,336 Preferred Shareholders and 6,814 Common Shareholders.

Your Directors wish to express their thanks for the faithful and efficient service rendered by the officers and employees of your Company and its subsidiaries. Again during the past year, due to war conditions, very heavy demands have had to be made on employees, and it is with appreciation that your Directors record the excellent spirit and co-operation with which such demands have been met.

On behalf of the Board,

J. M. PRITCHARD,
President.

April 11th, 1944.

McCOLL-FRONTENAC
AND ITS CANADIAN

CONSOLIDATED BALANCE SHEET

ASSETS

CURRENT ASSETS:		
Cash on Hand and in Bank	$ 1,662,306.51	
Dominion of Canada Bonds at par value	520,000.00	
Other Marketable Securities at quoted values	127,248.26	
Accounts and Bills Receivable, less Reserves	4,034,262.33	
Inventories—		
Raw Materials, Finished and in Process Products, etc., as determined and certified by the Management and valued at cost or market whichever was the lower	8,159,549.12	
Stores, Containers and Supplies at or below cost	582,110.03	
		$15,085,476.25
INVESTMENTS IN AND ADVANCES TO SUBSIDIARY COMPANIES OUTSIDE OF CANADA:		
Investments at book value	$ 950,497.85	
Advances	1,165,455.09	
		2,115,952.94
MORTGAGES, LOANS AND OTHER INVESTMENTS, less Reserve		392,976.90
REFUNDABLE PORTION EXCESS PROFITS TAX, ESTIMATED		372,000.00
DEFERRED CHARGES:		
Insurance, Taxes and Other Prepaid Expenses	$ 149,634.14	
Alberta Oil Leases and Development Expenses, less amounts written off	149,780.92	
Bond Discount and Expense, less Amortization	202,331.00	
		501,746.06
COST OF PROPERTIES:		
Land, Buildings and Plant, including Transportation and Other Equipment	$24,261,666.20	
Trade Marks, Processes and Goodwill	831,037.66	
Premium on Purchase of Subsidiary Companies' Capital Stock	7,552,180.06	
		32,644,883.92
		$51,113,036.07

NOTE: The Company has filed a claim to have its Standard Profits established under the Excess Profits Tax Act, and any benefit which may result from such claim will be reflected in the Company's accounts, when ascertained.

Approved on behalf of the Board:

J. M. PRITCHARD, Director.
C. P. TOMLINSON, Director.

OIL COMPANY LIMITED

SUBSIDIARIES

- DECEMBER 31, 1943

LIABILITIES

CURRENT LIABILITIES:			
Accounts Payable and Accrued Liabilities		$ 2,630,027.63	
Preferred Dividend Payable		114,186.00	
Common Dividend Payable		135,000.00	
Bond Interest Accrued		115,187.49	
Reserve for Income, Gasoline and Other Taxes		2,985,605.56	
			$ 5,980,006.68
MORTGAGES PAYABLE			177,203.13
RESERVE FOR DEPRECIATION			11,275,327.53
RESERVE FOR FUTURE DEPRECIATION IN INVENTORY VALUES			1,205,000.00
FIRST MORTGAGE AND COLLATERAL TRUST BONDS:			
(Authorized Issue—$13,500,000.00)			
3½% Serial Bonds due October 1, 1944, to October 1, 1946		$ 900,000.00	
4¼% Sinking Fund Bonds due October 1, 1949		10,100,000.00	
			11,000,000.00
PREFERRED STOCK:			
6% Cumulative Sinking Fund Preferred Shares of $100.00 each.			
(Authorized Issue—91,899 Shares)			
Outstanding January 31, 1939	78,774 Shares		
Less: Redeemed 2,650 Shs.			
Held for Redemption 4 "	2,654 "		
	76,120 Shares		7,612,000.00
Redeemable at $105.00 on any dividend date on thirty days' notice.			
COMMON STOCK AND SURPLUS:			
Common Shares of No Par Value—			
Authorized	2,487,763 Shares		
Issued	900,000 Shares	$11,053,903.92	
Capital Surplus		265,400.00	
Earned Surplus— Balance per statement attached		2,544,194.81	
			13,863,498.73
			$51,113,036.07

Submitted with our Report to the Shareholders dated March 15, 1944.

P. S. ROSS & SONS,
PRICE, WATERHOUSE & CO.,
Chartered Accountants.

CONSOLIDATED STATEMENT OF SURPLUS
DECEMBER 31, 1943

EARNED SURPLUS:

Balance at Credit, January 1, 1943, including Refundable Portion Excess Profits Tax of $94,642.41		$3,795,750.98
Adjustment of Reserve for Future Depreciation in Inventory Values to amount allowable under the Excess Profits Tax Act	$645,000.00	
Less: Transfer to Reserve for Taxes to provide for increased Excess Profits Taxes thereon and for other tax contingencies	645,000.00	—
		$3,795,750.98
Add:		
Other Prior Years' Adjustments, after deduction of relative taxes and expenses		185,316.77
Net Profit for year ending December 31, 1943, as per statement attached		836,580.22
		$4,817,647.97
Deduct:		
Annual Retirement Income Plan Instalment for past services		49,587.91
		$4,768,060.06
Deduct:		
Dividend on—Preferred Shares	$456,397.50	
—Common Shares	135,000.00	591,397.50
		$4,176,662.56
Deduct:		
Cost of Preferred Shares purchased for Redemption during 1943		32,467.75
		$4,144,194.81
Deduct also:		
Transfer to Reserve for Depreciation		1,600,000.00
Balance at Credit, December 31, 1943, including estimated Refundable Portion Excess Profits Tax of $372,000.00		$2,544,194.81

CAPITAL SURPLUS:

Balance at Credit, January 1, 1943, representing the par value of Preferred Shares purchased for Redemption since February 1, 1939	$ 231,900.00
Par Value of Preferred Shares purchased for Redemption during 1943	33,500.00
Balance at Credit, December 31, 1943	$ 265,400.00

OIL COMPANY LIMITED

SUBSIDIARIES

CONSOLIDATED STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDING DECEMBER 31, 1943

Profit from Operations		$4,521,327.89	
Income from Investments	$ 37,943.80		
Net Profit from Sale of Investments and Other Assets	4,042.52		
		41,986.32	
			$4,563,314.21
Deduct:			
Depreciation		$1,374,253.04	
Contribution to Officers and Employees' Retirement Income Plan		106,590.32	
Amortization of Bond Discount		40,271.03	
			1,521,114.39
			$3,042,199.82
Bank Interest		$ 3,628.08	
Bond and Mortgage Interest		477,991.52	
			481,619.60
			$2,560,580.22
Deduct also:			
Provision for Income and Excess Profits Taxes		$1,981,000.00	
Less: Refundable Portion Excess Profits Tax		257,000.00	
			1,724,000.00
Net Profit for the year—(Transferred to Earned Surplus)			$ 836,580.22

NOTE—The year's operations have been charged with the following: Legal Fees, $18,322.88; Remuneration of Executive Officers, including those who are also Directors of the Company, $193,024.99; and Fees and Remuneration of other Directors, $15,475.00.

AUDITORS' REPORT TO THE SHAREHOLDERS

We have made an examination of the Consolidated Balance Sheet of McColl-Frontenac Oil Company Limited and its Canadian Subsidiary Companies as at December 31, 1943, and of the related Consolidated Statements of Surplus and of Profit and Loss for the year ended on that date, having been furnished with the audited Financial Statements of one of the Subsidiary Companies whose accounts have not been examined by us. In connection with our examination, while we did not make a detailed audit of the transactions for the year, we examined or tested accounting records and other supporting evidence of the Companies and obtained all the information and explanations which we required. We also made a general review of the accounting methods and of the operating and income accounts for the year.

The Assets and Liabilities of the Subsidiary Companies outside of Canada, as shown by their audited statements at December 31, 1943, are not included in the attached Consolidated Balance Sheet and in accordance with Section 114 of the Companies' Act, 1934, we report that the net accumulated surplus of the Frontenac Pipe Line Company amounted to $19,735.34 U.S. Currency after crediting $1,382.30 profit from operations for the year; and the net accumulated deficit of the Antilles Petroleum Company (Trinidad) Limited amounted to $3,262,532.33 Trinidad Currency, of which $326,436.78 arose during the year. Under the terms of By-Law "I", provision was made in 1939 to the extent of $2,043,259.96 Canadian Currency for the aforementioned deficit.

In our opinion, based upon the examination referred to above, we report that the attached Consolidated Balance Sheet of the Company and its Canadian Subsidiaries and related Statements of Surplus and of Profit and Loss are properly drawn up so as to show a true and correct view of the state of the combined affairs of the Companies consolidated herein, according to the best of our information and the explanations given to us and as shown by the books of the Companies.

P. S. ROSS & SONS,
PRICE, WATERHOUSE & CO.,
Chartered Accountants.

MONTREAL, March 15, 1944.

BALANCE SHEET AS AT

ASSETS

CURRENT ASSETS:		
Cash in Bank and on Hand	$ 3,606.12	
Accounts Receivable	16,039.13	
Inventory of Stores and Supplies at Cost	215,251.18	
Inventory of Crude Oil, as certified by the Management	14,405.60	
		$ 249,302.03
DEFERRED CHARGES:		
Prepaid and Deferred Expenses		14,168.98
OIL WELLS:		
Intangible Well Costs	$2,057,056.18	
Less: Amortization	1,902,668.75	
		154,387.43
OIL LEASES:		
Cost of Leases and Development Cost	920,529.87	
Less: Amortization	776,423.27	
		144,106.60
FIXED ASSETS:		
Plants, Buildings, Drilling and Oil Well Equipment, Storage Tanks, Pipe Lines, etc., at Cost		840,917.15
		$1,402,882.19
DEFICIT:		
Balance at 31st December, 1943		3,262,532.33
		$4,665,414.52

STATEMENT OF PROFIT AND LOSS AND DEFICIT ACCOUNT
TWELVE MONTHS ENDING 31st DECEMBER, 1943

Loss from Production of Crude Oil and Gas		$ 65,568.74
Add: Oil Lease Rentals on Non-Producing Properties		40,736.31
		$ 106,305.05
Add, also: Amortization of Well Costs	$ 127,392.04	
Amortization of Lease Costs	18,810.00	
Depreciation of Fixed Assets	73,929.69	
		220,131.73
		$ 326,436.78
Add: Deficit Balance at 31st December, 1942		2,936,095.55
DEFICIT, Balance at 31st December, 1943		$3,262,532.33

(TRINIDAD) LIMITED

31ST DECEMBER, 1943

LIABILITIES

CURRENT LIABILITIES:		
Accounts Payable	$ 45,880.15	
Royalty Payable	2,670.60	
		$ 48,550.75
BALANCE OF ADVANCES from McColl-Frontenac Oil Co., Ltd		3,193,956.69
RESERVE FOR DEPRECIATION		462,907.08
CAPITAL:		
Authorized and Issued:		
200,000 Ordinary Shares of £1 each, fully paid		960,000.00
		$4,665,414.52

NOTE—The above Balance Sheet is expressed in Trinidad Dollars, which are fixed to the Pound Sterling at $4.80 to the Pound.

AUDITORS' REPORT TO THE SHAREHOLDERS

We have made an examination of the Books and Accounts of Antilles Petroleum Company (Trinidad) Limited to 31st December, 1943, and have obtained all the information and explanations which we have required.

In our opinion the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs as at 31st December, 1943, according to the best of our information and the explanations given to us, and as shown by the Books of the Company.

FITZPATRICK, GRAHAM & CO.,
Chartered Accountants.

TRINIDAD, 3rd February, 1944.

Approved on behalf of the Board.

T. W. G. THOMSON, Director.
P. E. TAAFFE O'CONNOR, Director.

FRONTENAC PIPE LINE

BALANCE SHEET

(Expressed in Unite

ASSETS		
CURRENT ASSETS:		
Cash in Banks	$ 16,929.68	
Accounts Receivable (Less Reserve)	2,543.84	$ 19,473.52
ADVANCE PURCHASE CONTRACTS:		
Net Cash Outlay, payment contingent upon oil production (valuation not available)		5,282.80
DEFERRED CHARGES		2,690.00
FIXED ASSETS:		
Tank Cars, Automobile, Furniture and Fixtures—at Cost	$ 66,246.52	
Other Oil Properties—at Cost	19,718.26	85,964.78
TOTAL		$113,411.10

STATEMENT OF PROFIT AND LOSS AND SURPLUS
TWELVE MONTHS ENDED DECEMBER 31, 1943

Profit and Income from Operations and Investments, before Depreciation, Depletion and Other Deductions		$ 7,600.04
Deduct: Depreciation and Depletion		5,106.70
		$ 2,493.34
Deduct also: Bank and Other Interest		1,111.04
Net Profit for Year		$ 1,382.30
Add: Balance of Surplus, beginning of Period	$ 23,753.79	
Less: Prior Years' Adjustments	5,400.75	18,353.04
EARNED SURPLUS BALANCE, December 31, 1943		$ 19,735.34

DECEMBER 31, 1943

tates Currency)

LIABILITIES

CURRENT LIABILITIES:		
Crude Oil Accounts Payable (Suspense)	$ 12,726.89	
Other Accounts Payable and Accrued Liabilities	1,926.59	$ 14,653.48
McCOLL-FRONTENAC OIL COMPANY LIMITED		13,573.95
RESERVE FOR DEPRECIATION AND DEPLETION		15,448.33
CAPITAL STOCK AND SURPLUS:		
Common Stock—Authorized, Issued and outstanding, 500 Shares of $100.00 Par Value	$ 50,000.00	
Earned Surplus	19,735.34	69,735.34
TOTAL		$113,411.10

NOTE—Contingent liabilities of approximately $13,000.00 in respect to income taxes payable for the year ended December 31, 1943.

AUDITORS' CERTIFICATE

We have examined the balance sheet of the Frontenac Pipe Line Company as of December 31, 1943, and the statements of profit and loss and surplus for the year then ended, and without making a detailed audit of the transactions, have examined or tested accounting records of the company and other supporting evidence, by methods and to the extent we deemed appropriate.

In our opinion, the accompanying balance sheet and related statements of profit and loss and surplus present fairly the position of the Frontenac Pipe Line Company at December 31, 1943, and the results of its operations for the calendar year 1943, in conformity with generally accepted accounting principles applied on a basis consistent with the preceding year.

ARTHUR SQUYRES & CO.,
Certified Public Accountants.

TYLER, Texas, February 16, 1944.

McColl - Frontenac

A Leader in Canada's Petroleum Industry

• • •

MOTOR FUELS

Sky Chief Gasoline
Red Indian Gasoline
Diesel Chief

AUTOMOTIVE LUBRICANTS

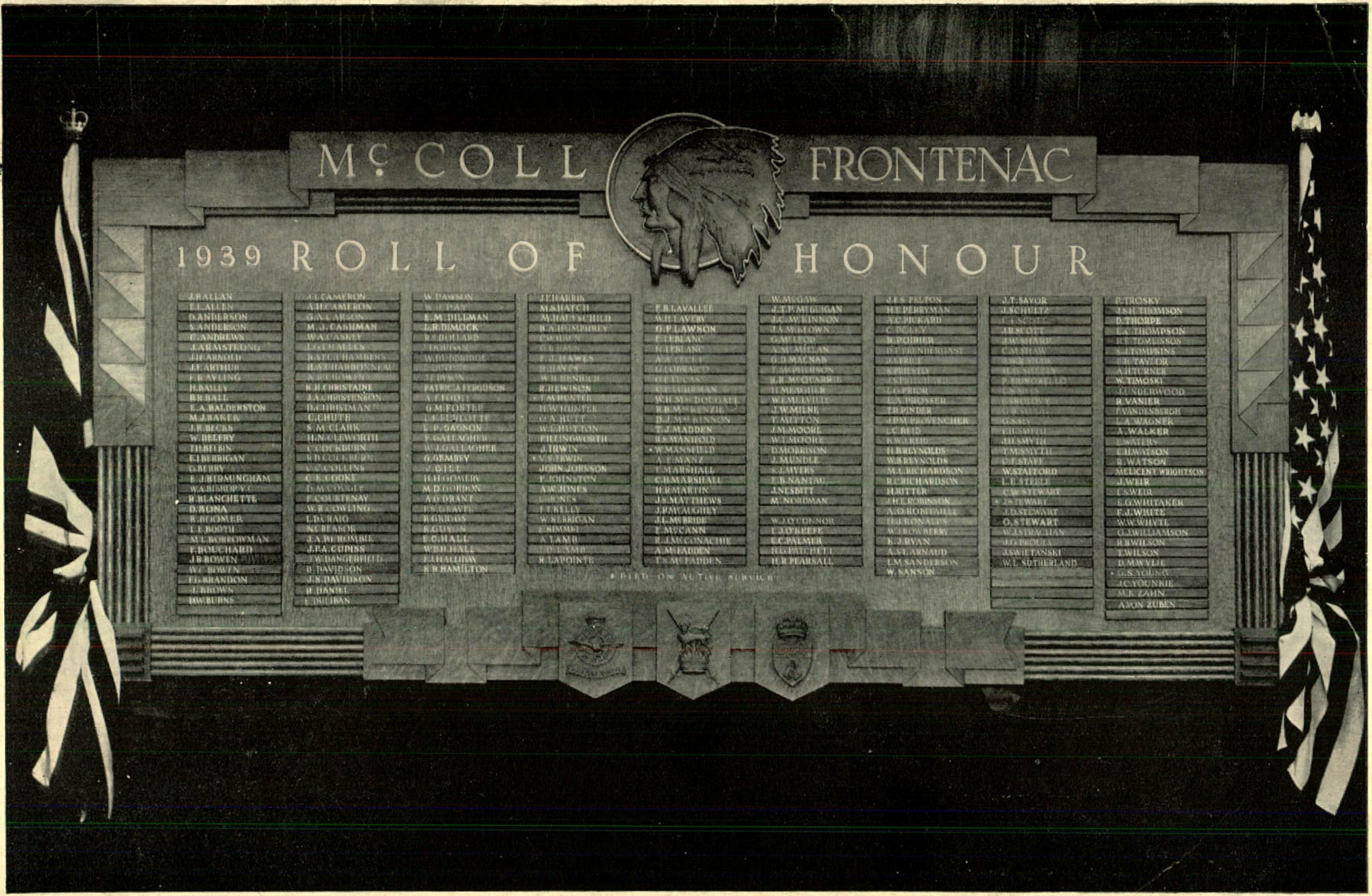
Red Indian Aviation Motor Oil
Red Indian Motor Oil
Ursa Oil X ** (Canada)
Texaco Marfak
Red Indian Geartak
Red Indian Water Pump Grease
Red Indian Cup Greases
Red Indian Steering Gear Lubricant
Anti-Freeze
Marathon Rustproof Compound

INDUSTRIAL LUBRICANTS

All types of lubricating oils and greases for all industrial purposes, and an engineering service to assist the customer in reducing lubrication and maintenance costs.

MARINE LUBRICANTS

Complete line of Texaco Marine Lubricants



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