

REPORT OF
MILITARY AND GOVERNMENT PETROLEUM REQUIREMENTS COMMITTEE
OF THE
NATIONAL PETROLEUM COUNCIL

January 10, 1949

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TO THE MEMBERS OF THE NATIONAL PETROLEUM COUNCIL:

Attached is a statement of bulk military requirements and firm commitments made as of January 5, 1949 for the period January to June 1949. It is emphasized that the figures shown under commitments represent firm contracts made and do not include offers on which negotiations are still under way.

There has been a sharp drop in requirements since the last report of October 1948. A recent revision of the Air Force requirement estimates has reduced the aviation gasoline requirements to about two-thirds of the actual purchases during July to December 1948.

Commitments for aviation gasoline are in balance with requirements and total offers of aviation gasoline are in excess of requirements.

Commitments have not been made nor offers received for the entire amount of motor gasoline during the period, however the January-February requirements are covered. Offers have been received for about 2,000,000 barrels more than shown as commitments. Some offers are for the first three months with tentative indications of like offers in the second three months period by these suppliers. The ASPPA advised that in view of the availability of motor gasoline on the market and increasing industry stocks of this product, they are not pressing for full coverage at this time and do not anticipate any difficulties in making commitments as required. They will, however, entertain additional offers at any time, particularly for the second three months of the period.

Kerosene requirements are covered by commitments. Diesel oil requirements are not yet covered by commitments but outstanding offers are more than adequate to allow full coverage.

Navy special fuel requirements are in excess of commitments because the requirement figures include stock buildup for which tankage is not yet available. No problem is foreseen as outstanding offers exceed the total requirement estimates.

In general, it may be stated that the problem of obtaining adequate offers to meet military needs no longer exists.

Respectfully submitted,

J. F. Drake
Chairman

BULK MILITARY REQUIREMENTS AND FIRM COMMITMENTS

JANUARY - JUNE 1949

(Thousand Barrels)	<u>Aviation</u>	<u>Motor Gasoline</u>	<u>Kerosene</u>	<u>Diesels</u>	<u>Navy Special</u>	<u>Total Products</u>
<u>WEST COAST</u>						
Requirements	3,567	1,795	275	1,650	6,300	13,587
Commitments	3,526	240	275	1,650	6,733	12,424
<u>INLAND</u>						
Requirements	2,101	-	-	-	-	2,101
Commitments	1,438	-	-	-	-	1,438
<u>GULF/EAST COAST</u>						
Requirements	4,623	2,775	-	2,425	215	10,038
Commitments	5,283	962	-	1,260	-	7,505
<u>TOTAL U.S.A.</u>						
Requirements	10,291*	4,570	275	4,075	6,515	25,726
Commitments	10,247**	1,202	275	2,910	6,733	21,367
<u>FOREIGN</u>						
Requirements	-	1,310	-	4,080	12,225	17,615
Commitments	-	1,130	-	3,080	9,895	14,105
<u>TOTAL</u>						
Requirements	10,291	5,880	275	8,155	18,740	43,341
Commitments	10,247	2,332	275	5,990	16,628	35,472

* Includes 1,118 Jet Fuel, 2,961 of 115/145, 5,276 of 100/130

** Includes 1,101 Jet Fuel, 2,961 of 115/145, 5,258 of 100/130