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REPORT INFORMATION REPORT

CENTRAL INTELLIGENCE AGENCY

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COUNTRY	East Germany	REPORT	[Redacted]
SUBJECT	Expansion and Long-range Planning of Plants of the Main Administration of Hydrocarbons up to 1975	DATE DISTR.	18 JUN 1958
		NO. PAGES	3

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DATE OF INFO.	[Redacted]
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SOURCE EVALUATIONS ARE DEFINITIVE. APPRAISAL OF CONTENT IS TENTATIVE.

long-range planning for plants under the Main Administration of Hydrocarbons

The material includes the following:

- a. VEB Kombinat Otto Grotewohl, Boehlen. Open-pit lignite mining of the combine is to increase from 9 million tons in 1957 to 11 million tons in 1960 and 12 million tons in 1975. The briquette plant's capacity is to be expanded by 320 tons per year of lignite briquettes. The gas works are to be expanded to a capacity of from 285 million cubic meters to 535 million cubic meters as of 1963. The power plant will be expanded. The hydrogenation installation will not be expanded. *26 JUN 1958*
- b. VEB Kombinat Espenhain. The development of the open-pit mining operations will depend on requirements for raw lignite and this point is expected to be clarified after discussions with State Secretary Johannes Kier. The construction of a new gas plant at Espenhain would require additional investments, such as the construction of a new briquette plant and the installations of a number of new boilers. On the basis of economical consideration, this is not recommended. *5 AUG 1958*
- c. VEB Hydrierwerk Zeitz. For the complete exploitation of the water production a further 300 atü compressor for hydrogen is to be erected. This will give an average yearly through put increase (Durchsatzsteigerung) to 700,000 tons. Zeitz cannot relinquish the production of lubricants derived from lignite tar processing, since the production of lubricants in Luetzkendorf on the basis of Tymazy crude oil does not yield sufficient quantities of high-viscosity oils. The expansion of the bright stock installation at Zeitz is necessary. Requirements of the *OCT 1958*

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(Note: Washington distribution indicated by "X"; Field distribution by "#")

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-2-

automobile industry will necessitate an early decision concerning a site for the erection of a large additive-producing plant. Hydrierwerk Zeitz is recommended by the Administration as the choice for this site.

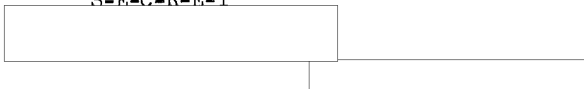
- d. Synthesewerk Schwarzheide. The Fischer-Tropsch installation, now working with normal pressure is to be converted to medium pressure, changing the emphasis from fuel production to the production of organic chemical material. The necessary synthesis gas will, in future, come from the Kombinat Schwarze Pumpe. The processing of crude oil in the cracking plant will be expanded, as of 1960, to a production of 320,000 tons per year.
- e. VEB Mineraloelwerk Luetzkendorf. The development of the Luetzkendorf installation is to begin with an input (Einsatz) capacity of 700,000 crude oil per year. In the first stage of expansion, as of 1959, the distillation plants will operate partially. Full capacity operation will be possible in 1960 only when the loading and unloading facilities, rail installations, tanks, etc. are completed. The new construction of the lubricant plant is to be finished by the end of 1962. After 1960, Matzen (Austria) crude oil will not longer be available as raw material and Tuymazy crude oil will be processed exclusively; distillation capacity will be increased over the original plan for 500,000 tons per year to 700,000 tons per year (von 500 auf 700 Tt im Jahr). [redacted] various points to be considered as a result of the change in raw material. Distillation capacity can be expanded without significant modifications of the other installations. Leuna, which is building an atmospheric distillation plant for a throughput (Durchsatz) of 1 million tons per year of Tuymazy crude oil, will pipe the Topp residue to Luetzkendorf through a 15-km pipeline for further processing. Leuna intends to process all residues which Luetzkendorf can not use (crude paraffin (Gatsch) and bitumen) into coke and gas, as well as refine Luetzkendorf gasoline.
- f. Rositz. The capacity is being expanded by present construction of a fourth cracking plant. The obsolete low-temperature plant (Schwelerei) is expected to close down by the end of 1958.
- g. VEB Kombinat Goelzau. Intensive investigation has shown that it will be more economical to supply Goelzau from its own pits. Prior to 1975, it will not be feasible to close down the operations of this plant, and the Main Administration has recommended the start of mining operation in parts of the Zoerbig mine fields.
- h. VEB Paraffinwerk "Vorwaerts". For the expansion of hard paraffin production it is planned to use the increased yield of Luetzkendorf crude paraffin for the production of gg-paraffin.
- i. VEB Teerdestillation und Chemische Fabrik Erkner. Expansion of the Erkner plant is not envisaged. Processing of bituminous crude tar will continue to be the chief operation of this plant. The processing of crude phenol will be suspended in the interest of an improved water supply to Berlin. This production will probably be transferred to the VEB Leuna-Werke "Walter Ulbricht."

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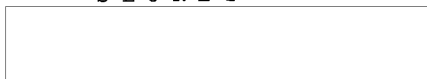
- j. VEB Montanwachsfabrik Voelpke. The improvement of the hard gloss wax production is planned. These improvements will make it possible for the plant to assume the production not carried out at Dessau.
- k. Used Oil Processing Plants in Freital, Klaffenbach, Mittelbach, and Nordhausen. These plants have no future. Their partial close-down is envisaged. It is expected that only one plant will remain in operation for the manufacture of special oils. Oil regeneration will be transferred to Luetzkendorf eventually.
- l. Erdoelkombinat. Existing facilities are insufficient to cover the requirements planned for the production of fuel and heating oil **after** 1965. The erection of an oil combine with a processing capacity of 8 million tons is recommended. During the first stage of construction to be completed in 1966, processing of 2 million tons of crude oil per year is envisaged. The selection of the site will depend on transportation facilities. Construction should begin in 1961. The technological facilities of the plant should comprise the following:

- Topp Distillation
- Hydrogenating refining plant**
- Regeneration plant (Reformanlage)
- Varga cracking process
- Vacuum distillation
- Lubricant plant
- Bitumen plant
- Petrochemical section



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