

SECURITY INFORMATION

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CENTRAL INTELLIGENCE AGENCY REPORT  
INFORMATION REPORT

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50X1-HUM

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Percentage of Rumanian petroleum products allocated to internal consumption.

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[redacted] 25 to 35 percent of the entire production of the industry was being utilized for internal purposes. [redacted] the estimated figure of three and one-half million tons as the composite annual production for 1947, emphasizing that because of increasing obsolescence of equipment the production figure has fallen off radically since then. For example, [redacted] a single refinery at Ploesti (the Orion Refinery of the Unirea Co.) had a capacity of 2,800 tons daily in 1947 and that this figure had now dwindled to 1,650 tons daily. [redacted] the maximum capacity of the refineries is the processing of a theoretical 10,000 tons of crude oil daily, but [redacted] this figure is optimum, and has not been obtained for a number of years.

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[redacted] petroleum products being stockpiled in Rumania for military use [redacted] products, and locations where stockpiled [redacted]

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[redacted] approximately 800 tons of petroleum products were consumed by the Rumanian Army in 1949 - 1950 [redacted] bases [redacted] on deliveries made to the Army against official receipts.

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Since the maximum octane content refined in Rumania is 72 percent, [redacted] for internal military aviation purposes, this fuel is mixed with imported gasoline and ethyl.

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[redacted] there were large underground storage reservoirs of aviation fuel at Stalin (Brasov) in Transylvania.

[redacted] their capacity ranged as high as 30,000 tons. per reservoir.

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[redacted] Monthly production of crude petroleum in Rumanian fields as listed.

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Monthly production in the fields:

Arbanasi	40 Wag. <sup>x</sup>	70 km. distance to Ploesti.
Baicci	100 Wag.	18 km. distance to Ploesti.
Berca	60 Wag.	70 km. distance to Ploesti.
Bustenari	10 Wag.	40 km. distance to Ploesti.
Bordeni	10 Wag.	42 km. distance to Ploesti.
Campina	10 Wag.	30 km. distance to Ploesti.
Ialieti	160 Wag.	12 km. distance to Ploesti.
Tintea	300 Wag.	12 km. distance to Ploesti.
Ochiuri	60 Wag.	60 km. distance to Ploesti.
Gorgota	20 Wag.	60 km. distance to Ploesti.
Moreni	100 Wag.	32 km. distance to Ploesti.
Gura		
Ocnitel	200 Wag.	38 km. distance to Ploesti.
Teis	30 Wag.	60 km. distance to Ploesti.
Valea		
Voevozi	20 Wag.	55 km. distance to Ploesti.
Ceptura	50 Wag.	40 km. distance to Ploesti.
Comanesti	3-4 Wag.	Near Bacau (Moldova)

(x) 1 Wagon = 10,000 kilograms.

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[redacted] refineries presently operating and capacity of each. [redacted] percentage of capacity [redacted] refineries working.

In Ploesti there are nine refineries:

	<u>Capacity</u>	<u>Worked on</u>
Astra-Romano No. 1	320 Wag.-24 H.	240 Wag.
Romano-Americana No. 2 Tebojen	260 Wag.-24 H.	140 Wag.
Orion No. 5	240 Wag.-24 H.	30 Wag.

all kinds of oils,

Unirea No. 5	180 Wag.-24 H.	--
Kenia	30 Wag.-24 H.	--
Standard Sovrompetrol	80 Wag.-24 H.	60 Wag.
Colombia Sovrompetrol	120 Wag.-24 H.	80 Wag.
Fratia	25 Wag.-24 H.	--
Vega Sovrompetrol	180 Wag.-24 H.	120 Wag.

In addition to these there exist:

1. Dacia - Romano	dismantled	
2. Redeventa	30 Wag.-24 H.	
3. Kronstadt-Vacuum Oil		
Lubricating Oil only	25 Wag.-24 H.	10 Wag.
4. Ramnicul - Sarat	25 Wag.-24 H.	10-15 Wag.
5. Campina	250 Wag.-24 H.	50 Wag.
6. Targoviste-Cufu	20 Wag.-24 H.	--
7. Brasii (Credit Minier)	250 Wag.-24 H.	200 Wag.

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Estimate of quantities of petroleum products shipped monthly to USSR by pipe-line, tank and train. Quantities of petroleum products shipped to other satellites.

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approximately two-thirds of the annual production is shipped to the satellite countries and Russia, principally to the former. no specific figures relating to the shipment to individual countries. all crude oil reached the refineries by pipe-line from the fields, and no other method of transportation was used. In regards to transportation of petroleum products to Russia and satellites the following informations

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a. By tanker from Russia through the Sulina Canal to Reni (near Galati). At Reni there is a small facility for tanker loading; the pipe-line from Ploesti to Reni is "the most important single channel" for products exported to Russia.

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b. By pipe-line from Ploesti to Ruse-Giurgiu on the Danube. most of the production for the satellite countries was shipped by Danube tankers from this port.

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c. An unestimated number (perhaps as high as five) pipe lines carry diverse products from Ploesti to Constanta; one or two of these are laid via Bucharest. At Constanta products are loaded into tankers for general export.

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d. Transportation by rail is described as negligible, and confined to "special products" in infinitesimally small quantities.

Rumanian requirements for equipment, et cetera.

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the needs of the Rumanian oil industry urgent and desperate in technical equipment, building materials, et cetera. Deterioration and obsolescence have interfered seriously with the effective operation of the various facilities and the inefficiency and poor planning in the industry since its nationalization have further jeopardized production. Insufficient glass, cement, steel and machinery are at hand and inadequate transportation facilities even for wood, which material is available in sufficient quantity.

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The single advantage of nationalization, has been in the control of transportation and greater efficiency of pipe-line use. With very little new pipe-line material come into the country "a little from Poland and Czechoslovakia", through nationalization and consolidation of facilities a number of pipe-lines have been dismantled and the material used for the construction of new lines. In theory Rumania can manufacture and construct new pipe-lines utilizing domestic material and production facilities, but material shortages and deficiencies in machinery have brought domestic production to a standstill.

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All importation of materials and equipment for the oil industry is controlled by Masinimport, the general state agency for the importation of all technical materials for

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industrial use. [ ] there is no private importing whatever, and [ ] the material brought in for the petroleum industry was all handled through a special division of Masinimport. 50X1-HUM

Basically, equipment and material imported is being paid for in products exported. (No details)

The inability to secure vital equipment and material from abroad has curtailed production to the extent that [ ] the entire production of the industry in 1950 not to have exceeded 60 percent of the figure for 1939. [ ] this is a constantly diminishing return. 50X1-HUM 50X1-HUM

[ ] New refineries built and improvements in existing facilities. 50X1-HUM

[ ] no new refineries whatever are being built nor is it possible under present circumstances to plan or contemplate new construction. There is a constant effort being made to repair existing facilities. Many of the facilities are 20 to 30 years old. [ ] in 1950 alone approximately 1,800 tons were lost at the largest refinery in Ploesti through the poor condition of pipe-lines. In 1949 the Ploesti-Constanta pipe-line broke down with large losses. Sabotage was declared and the technical director, Engineer Heimsann, was imprisoned for six months following a public trial. His assistant, Wiwowsky was given a term of five years imprisonment. [ ] sabotage was not involved but [ ] the pipe-line deteriorated through "sweating", that inferior Russian material had been utilized and was "unsupported" at critical places in the pipe-line. 50X1-HUM 50X1-HUM

New drilling projects are being undertaken constantly with antiquated drilling apparatus. There has been no opportunity to import the most modern drilling equipment. [ ] a drilling was undertaken at Iasi, Arges and Arad, without success in any one of these areas. [ ] no Russian technicians are participating in drilling projects. 50X1-HUM 50X1-HUM

[ ] Security controls in and anti-aircraft protection for oil fields and refineries. 50X1-HUM

[ ] the basic security precautions at Ploesti are carried out by the Securitate, the regular security organization; [ ] security officials wear plain clothes and are all Party members; [ ] there is no security personnel in uniform and [ ] there are no special security units at the refineries. 50X1-HUM

Military personnel stationed at Ploesti include Militia and artillery units, infantry units (7 and 32 Regiments), a cavalry unit (14 Regiment) and an indeterminate number of Russian troops quartered in Rumanian barracks.

[ ] the total strength of the military at Ploesti [ ] 15,000 maximum [ ] arrives at [ ] by the receipts for petroleum products delivered to the units stationed there. 50X1-HUM

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Anti-Aircraft

[redacted] there are some new installations at Floesti since World War II, [redacted]

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[redacted] seen three new guns mounted at a distance of approximately 100 meters from Refinery No. 1. [redacted] the anti-aircraft installations on the Floesti-Bucharest route, mounted between the road and the railroad line, which roughly parallel each other, are exceedingly strong and highly concentrated.

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[redacted] Full description of all existing Rumanian pipe-lines.

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In addition to the pipe-lines described above [redacted] there are pipe-lines laid to Floesti from the fields at Baicci, Tintea, Gura Ocnitei, Ceptura, Buzau, Bustenari, Berca, Arbanasi, Glodeni, Lilesti. As stated above, these pipe-lines are utilized for the entire transportation of crude oil from the fields to the refineries and no other mode of transportation is utilized.

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[redacted] on the route from Floesti et cetera terminating at either Odessa or Kiev?

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[redacted] no [redacted] pipe-line has been built.

[redacted] Details in regards to the organization of Rumanian oil industry and personalities in this industry.

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The nationalized petroleum industry of Rumania is presently controlled by two major combines, Sovrompetrol and Centrala Muntenia. The latter organization is under the direction of the Ministry of Petroleum and Mines, there being a sub-Ministry for Petroleum. Twenty-two individual companies, formerly under private ownership, were merged at the time of nationalization in 1948 into Centrala Muntenia, with an aggregate capitalization of 40 million pound sterling. Of these 22 companies [redacted] the names of [redacted] 13, enumerated as follows:

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Unirea, (formerly Phoenix Oil Co.)  
Astra Romana  
Dacia Romana  
Niculescu Ciufu  
Steaua Romana  
Kenia  
Redeventa  
Star Naphta  
Vacuma Oil Co.  
Dacia Petrolifera  
Venus  
Petrolul Bucuresti  
Prahova.

Sovrompetrol comprises the following:

Colombia  
Concordia  
Creditul Minier  
Continental Oil.

[redacted] the Sovrompetrol organization did not fall under the jurisdiction of the Ministry of Petroleum and Mines.

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[redacted] there are three separate organizations involved in the export, import and sales aspects of the industry. These are: Comp petrol (for sales and domestic transactions) Petrolexport (for export of petroleum products) and Masinimport (division of; for import of equipment and material).

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The following personalities [redacted] by name and function:

1. General Director of Sovrompetrol, a Russian [redacted] 50X1-HUM
2. Anatol Miljutin, director of prospecting and drilling, Sovrompetrol 1948 - 1950, Rumanian citizen of Russian origin; subsequently imprisoned.
3. De Bie, Rumanian citizen [redacted] chief chemical engineer, Sovrompetrol. 50X1-HUM
4. Gotcu, Rumanian citizen of Rumanian origin, chemical engineer and director of laboratories, Sovrompetrol.
5. Horatio Iancu, [redacted] Rumanian [redacted] Party member, director of the Department of Drilling, Ministry of Petroleum and Mines, recently replaced by a mechanic. 50X1-HUM
6. Dumitru Bogdan, Rumanian, [redacted] without Party affiliations, now in less important position with Centrala Muntenia. Has been replaced by Sandor Ignat, a former machinist, as Director of Refineries. 50X1-HUM
7. Nicolae Draghicescu, Rumanian, [redacted] Communist Party member, Director of Administration and Finance. 50X1-HUM
8. Aurel Armatu (formerly Itcovici), Director of the Planning Section of the Drilling Department.
9. Alecu Stefanescu, Production Manager in the Refineries Department.
10. Teodor Henciulescu, planning director in the Ministries of Petroleum and Mines.
11. Engineer Aurel Lieblich, manager of Petrol Export. Adviser of the Ministry of Fuel. Manager of fuel export matters. Rumanian born, [redacted], old Party member. Faithful to the regime. 50X1-HUM
12. Engineer Gheorghe Chimpu (Weinberg). Manager of the internal fuel consumption trust. Rumanian born. Old Party member. Energetic.
13. Eugen Jolankorski. Manager of Sovrompetrol, Bucharest. Russian, speaks Russian and Rumanian. Devoted to the regime.
14. Engineer Arutian. Armenian from Russia, chemist, Party member but not devoted to the regime. 50X1-HUM

[redacted] the Centrala Muntenia combine is organized in three major divisions, drilling (with headquarters at Campina, director Horatio Iancu, see above), refineries (headquarters at Ploesti, director Dumitru Bogdan, see above), and administration and

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finance (headquarters at Bucharest, director Nicolae Draghicescu). Director General of the entire enterprise is a certain Osman, brother-in-law of the Minister Gheorghe Gheorghiu Dej. Osman is described as having full political responsibility for the enterprise. He is a Party member and former chauffeur. There are separate sub-directorates for drilling (production), planning, finance, personnel and accounting.

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Techniques of Soviet control, identities of Soviet personnel et cetera.

Apart from the aforementioned fragmentary information [redacted] no details.

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Import [redacted] of petroleum products into Rumania from USSR et cetera.

[redacted] not [redacted] any petroleum products are being imported from Russia, with the possible exception of a very small quantity of high-octane aviation fuel for mixture with lower octane content fuel refined domestically. No further details available.

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Movement of Soviet petroleum products from the Soviet Union through Rumania to other satellites.

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[redacted] not [redacted] such movement was taking place.

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## Miscellaneous

1. Sabotage.

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[redacted] active sabotage was almost negligible, but [redacted] "passive resistance (or 'Italian sabotage')" has become a very important factor in jeopardizing production. No significant details [redacted] heard of one active group of partisans, who in 1949 were in hiding in the forest between Floesti and Stalin, and carried out acts of sabotage.

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2. Communists in the Oil Industry.

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[redacted] "sincere and loyal" Communist Party members comprise less than five percent of the workers employed in the industry. [redacted] categorically [redacted] before nationalization there were only about 100 Communists among the workers in the industry.

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[redacted] concerning the number of workers employed in the industry, [redacted] there are approximately 12,000 workers employed throughout the Centrala Muntenia organization, about 25,000 employed in all of the refineries and in the neighborhood of 75,000 in the entire industry.

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3. Payroll, wages, taxation et cetera.

[redacted] payroll for the No. 1 Refinery at Ploesti was 25 million lei; [redacted] the lowest wage level for work in the refineries was between 3,000 and 4,500 lei monthly and [redacted] personnel engaged in drilling operations received an average of 12,000 to 15,000 lei monthly. Taxes for workers range from six to sixteen percent of the total wage, and work clothes are issued gratis.

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