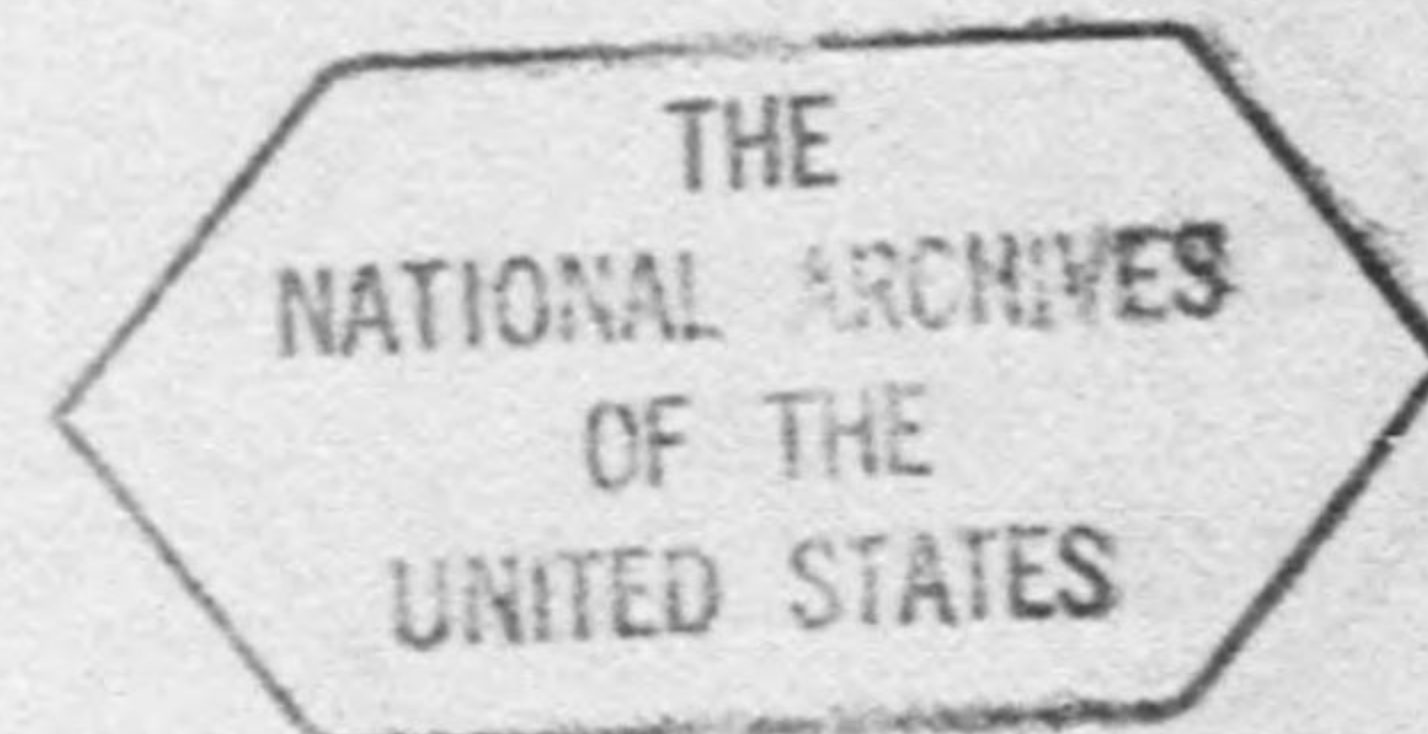


**GHQ/SCAP Records(RG 331)**  
**Description of contents**



- (1) Box no. 2724
- (2) Folder title/number: (19)  
Pacific Coasr Oil Refinery
- (3) Date: July 1950 - Dec. 1950

(4) Subject:

Classification	Type of record
617, 621	e

(5) Item description and comment:

(6) Reproduction:  Yes  No

(7) Film no.

Sheet no.

*Oil Refineries*KANTO  
INFORMATION:O.D. // *bH*

DEC 11 1950

PACIFIC COAST REFINERIES  
OPERATING RATES FOR OCTOBER - DECEMBERTea Nenryo K K

Shimizu Refinery ✓	5,000 bbl/d of crude oil
Wakayama Refinery	5,500 bbl/d of crude oil

Nippon Oil Co.

Yokohama Refinery ✓	4,000 bbl/d of crude oil
Kudamatsu Refinery	3,750 bbl/d of crude oil

Narusen Oil Co.

Shinetsu Refinery	5,000 bbl/d of crude oil
-------------------	--------------------------

Showa Oil Co.

Kawasaki Refinery ✓	3,750 bbl/d of crude oil
---------------------	--------------------------

Kea Oil Co.

Marifu Refinery	3,000 bbl/d of crude oil
-----------------	--------------------------

Mitsubishi Oil Co.

Kawasaki Refinery ✓	3,000 bbl/d of crude oil
---------------------	--------------------------

Dairyo Oil Co.

Yokkaichi	1,500 bbl/d (fuel oil)
-----------	------------------------

-----

The above rates are subject to change for the January - March period.

*Info recorded  
on both charts  
12 Dec 50 JMW.*

	<u>November Actual Production</u>	<u>Authorized for Nov.</u>
Nihon Sekiyu Yokohama Ref.	120,661 Bbl (19,186 Kl)	120,000 Bbl (19,100 Kl)
Showa Sekiyu Kawasaki Ref.	112,392 Bbl (17,842 Kl)	112,770 Bbl (17,900 Kl)
Toa Nenryo Shimizu Ref.	148,995 Bbl (23,651 Kl)	150,255 Bbl (23,850 Kl)
Mitsubishi Sekiyu Kawasaki Refinery	91,618 Bbl 3000 (14,567 Kl)	90,000 Bbl (14,284 Kl)

120000  
112770  
-----  
7230

770  
390  
-----  
380

*Pacific Coast  
Refineries*GENERAL HEADQUARTERS  
SUPREME COMMANDER FOR THE ALLIED POWERS  
APO 500AG 386.7 ( 13 Feb 50)GD  
SCAPIN 2079/1

18 September 1950

MEMORANDUM FOR: JAPANESE GOVERNMENT

SUBJECT: Procedure With Respect to Importation and Distribution  
of Petroleum Products Procured With United States  
Aid Funds

1. References. a. Memorandum for the Japanese Government from General Headquarters, Supreme Commander for the Allied Powers, AG 463.7 (6 Aug 48)ESS/FTC, SCAPIN 1924, 6 August 1948, subject: Use of Japanese Tankers for Lift of Fuel Oil ex Persian Gulf and Saudi Arabia.

b. Memorandum for the Japanese Government from General Headquarters, Supreme Commander for the Allied Powers, AG 386.7 (13 Feb 50)GD, SCAPIN 2079, 13 February 1950, subject: as above.

c. Memorandum for the Japanese Government from General Headquarters, Supreme Commander for the Allied Powers, AG 463.7 (30 Mar 50)GD, SCAPIN 7124-A, 30 March 1950, subject: Bunkering Japanese Merchant Shipping.

2. Paragraph 2c of the memorandum referred to in paragraph 1b above is rescinded and the following is substituted therefor:

c. Quantities indicated on the shipping document will govern both (1) sales to the commercial company and (2) transfers to the U.S. Aid Counterpart Fund, as follows:

- (1) When petroleum products are delivered to the Japanese civil economy in non-Japanese bottoms, the Japanese Government will bill the refiner or distributor according to quantities shown on the shipping document and at official Japanese Government selling prices. The Japanese Government will transfer to the Counterpart Fund the yen equivalent of actual CIF costs (i.e., shipping document quantities times CIF prices as listed in the official GARIOA price list in force as of the date of arrival of the cargo).
- (2) Likewise, when petroleum products are lifted at sources outside Japan by SCAJ/P vessels and delivered to civil storage in Japan, the Japanese Government will bill the distributor or refiner according to quantities shown on

AG 386.7 (13 Feb 50)GD  
SCAPIN 2079/1

the shipping documents and at official Japanese Government selling prices. The amount to be transferred to the Counterpart Fund, however, will be the yen equivalent of FOB costs (i.e., shipping document quantities times original prices as listed in the official GARIOA price list in force as of the date cargo was loaded). The Japanese Government will be responsible for payment of cost of transporting cargoes by SCAJAP tankers to civil storage in Japan.

d. Bunker fuel lifted by SCAJAP vessels at sources outside Japan will be sold through a commercial distributor. In this case the Japanese Government will bill the distributor according to quantity shown on the ship's manifest of bunkers loaded and according to official Japanese Government selling prices. The Japanese Government will transfer to the Counterpart Fund the yen equivalent of FOB cost (i.e., quantity shown on the ship's manifest for bunkers times original cost as listed on the GARIOA price list in force at time of taking bunker fuel). The quantity of bunker fuel shown on the ship's manifest will also govern the distributor's sale to the vessel operator.

3. Overpayment to the Counterpart Fund resulting from full CIF payment on withdrawal of petroleum products from military storage in Japan and replaced by import of GARIOA procured product transported in SCAJAP vessels will be adjusted.

4. The procedure outlined in paragraph 2, above, is retroactive to 1 April 1950.

FOR THE SUPREME COMMANDER:

*K.B. Bush*  
#  
K. B. BUSH,  
Brigadier General, USA,  
Adjutant General.

775013

*Mr Jacobs*

*Pacific Coast Refineries  
Spratt*

GENERAL HEADQUARTERS  
SUPREME COMMANDER FOR THE ALLIED POWERS  
Civil Affairs Section  
APO 500

463.8 (24 July 1950) CAS-EM

31 JUL 1950

SUBJECT: Operation of Pacific Coast Refineries and Import of Crude Petroleum

- TO:
- Chief, Tohoku Civil Affairs Region, APO 7
  - Chief, Kanto Civil Affairs Region, APO 500
  - Chief, Kinki Civil Affairs Region, APO 25-1
  - Chief, Chugoku Civil Affairs Region, APO 710
  - Chief, Tokai-Hokuriku Civil Affairs Region, APO 710

1. Reference is Memorandum for Ministry of International Trade and Industry, Mining Bureau, Petroleum Administrative Section, from Economic and Scientific Section, General Headquarters, Supreme Commander for the Allied Powers, 463.8(21 July 1950)ESS/IND, subject as above, dated 24 July 1950.

2. Surveillance on this activity will be exercised in accordance with paragraph 3a, Operational Directive No. 11, General Headquarters, Supreme Commander for the Allied Powers, Civil Affairs Section, dated 10 April 1950.

FOR THE CHIEF, CIVIL AFFAIRS SECTION:

1 Incl:  
Memo for MITI  
dtd 21 July 50 (Cy)

*Jacobson*  
J. COBRIEN  
CWO USA  
Adm  
GPO

775013

GENERAL HEADQUARTERS  
SUPREME COMMANDER FOR THE ALLIED POWERS  
Civil Affairs Section  
APO 500

31 JUL 1950

463.8 (24 July 1950)CAS-EM

SUBJECT: Operation of Pacific Coast Refineries and Import of  
Crude Petroleum

TO: Chief, Tohoku Civil Affairs Region, APO 7  
Chief, Kanto Civil Affairs Region, APO 500  
Chief, Kinki Civil Affairs Region, APO 25-1  
Chief, Chugoku Civil Affairs Region, APO 710  
Chief, Tokai-Hokuriku Civil Affairs Region, APO 710

1. Reference is Memorandum for Ministry of International Trade and Industry, Mining Bureau, Petroleum Administrative Section, from Economic and Scientific Section, General Headquarters, Supreme Commander for the Allied Powers, 463.8(21 July 1950)ERS/IND, subject as above, dated 24 July 1950.

2. Surveillance on this activity will be exercised in accordance with paragraph 3a, Operational Directive No. 11, General Headquarters, Supreme Commander for the Allied Powers, Civil Affairs Section, dated 10 April 1950.

FOR THE CHIEF, CIVIL AFFAIRS SECTION:

1 Incl:  
Memo for MITI  
dtd 21 July 50 (Cy)



- COPY -

Economic and Scientific Section

HBO/WT/TJMc/lh

463.8(21 Jul 50)ESS/IND

21 July 1950

MEMORANDUM FOR: Ministry of International Trade and Industry  
Mining Bureau, Petroleum Administrative Section,  
No. 2-chome, Kasumigaseki, Chiyoda-ku, Tokyo

SUBJECT: Operation of Pacific Coast Refineries and  
Import of Crude Petroleum

## 1. References are:

a. Memorandum for the Japanese Government from General Headquarters, Supreme Commander for the Allied Powers, AG 463.7 (13 Jul 49)ESS/IND, SCAPIN 6983-A, 28 November 1949, subject: Operation of Pacific Coast Refineries and Import of Crude Petroleum.

b. Estimated Production Plan of Pacific Coast Refineries for August, September and October 1950 as submitted by Petroleum Administrative Section, Ministry of International Trade and Industry, on 18 July 1950.

2. Sufficient crude petroleum to satisfy minimum requirements of finished products for the Japanese economy is being imported and distributed to subject refineries in accordance with reference 1b. Maximum utilization is not being made of this crude petroleum, however, and sufficient products, especially lubricating oils are not being recovered to meet requirements.

3. Production of lubricating oils to date has not been sufficient to meet requirements and planned production, as contained in reference 1b, clearly indicates a serious continuous decrease for the concerned period. Deficiencies now exist in supplies of several grades of lubricating oils and inasmuch as the crude petroleum being supplied to the refineries contains the necessary lube distillates it is essential that maximum production of lubricating oils be achieved.

4. It is requested that necessary action be taken immediately to secure maximum production of lubricating oils from the refineries now receiving imported crude petroleum and having necessary equipment to process that crude petroleum into a full line of products, also, that a revised plan of production for the period mentioned in reference 1b be submitted by 28 July 1950 indicating maximum production of lubricating oils from crude petroleum supplies.

FOR THE CHIEF, ECONOMIC AND SCIENTIFIC SECTION:

Copies furnished:  
CHS  
CAS

MAURICE M. CLASS  
Chief, Industry Division

- COPY -



HEADQUARTERS  
KANTO CIVIL AFFAIRS REGION  
APO 500

*Pacific Coast Refineries*  
JWJ/MSW

KEDI 678

22 JUL 1950

SUBJECT: Pacific Coast Oil Refineries, Kanto Region

TO: Chief  
Civil Affairs Section  
General Headquarters  
Supreme Commander for the Allied Powers  
APO 500

1. Of four refineries in this region, three are in operation and the fourth is to begin operation 1 August. All four are presently limited in operation to processing a maximum of 4,000 barrels of crude oil per day.

2. If limits on operation were lifted the companies advise production could be increased as follows:

Toa Nenryo K. K.	5,000	bbl/day
Nippon Sekiyu	6,000	"
Showa Sekiyu	6,000	"
Mitsubishi Sekiyu	5/6,000	"

3. In view of the possibility of unusual demand for petroleum products, current availability of electric power, and present freedom from hindrance of shipping, it is suggested that limits on daily operation of these refineries be temporarily suspended.

FOR THE CHIEF:

GEO. B. NIBLOCK Jr.  
Major, Infantry  
Deputy Chief

775013

*Mr Jones*

KANTO  
INFORMATION *Pacific Coast Refineries*

O.D. 11  
*EDW*  
JUL 21 1950

GENERAL HEADQUARTERS  
SUPREME COMMANDER FOR THE ALLIED POWERS  
Economic and Scientific Section  
APO 500

MMC/HBO/WT/lh  
DATE: 11 July 1950

SUBJECT: Field Trip to Pacific Coast and Arsenal Refineries  
Travel Order # \_\_\_\_\_

TO: Chief, ESS

THRU: Chief, Industry Division

1. Mission of visit: To examine the present operations and progress of re-habilitation of the operating Pacific Coast refineries; to determine the readiness of the Koa Oil Co. Marifu refinery to receive and process crude and to examine arsenal refinery equipment to be used by the Marifu and Daikyo refineries.

2. I reported to the following local military officials:

<u>NAME</u>	<u>GRADE</u>	<u>ORGANIZATION</u>
Upon arrival:	None	
Upon departure:	None	

3. Variations from approved itinerary: None

4. Personnel interviewed:

<u>Name</u>	<u>Position</u>	<u>Organization</u>
T. Kuwahara	Refinery Supt.	Nippon Oil Co., Kadamatsu
T. Sasano	Chief, Refining Section	" " " "
Y. Kasahara	Managing Director	" " " "
H. Usui	Managing Director	Koa Oil Co., Marifu
A. Jochi	General Manager	" " " "
H. Katayama	Refinery Supt.	" " " "
Y. Sugimoto	Chief Engineer	" " " "
S. Yoshino	Managing Director	Toa Nenryo Co., Wakayama
M. Yanada	Refinery Supt.	" " " "
A. Matsuyama	Technical Engineer	" " " "
M. Nambu	Manager of Planning	Maruzen Oil Co., Shinotsu
I. Kagehira	Managing Director	" " " "
Y. Kato	Chief Engineer	" " " "
W. Posch	Manager of Foreign Trade	" " " "
M. Manders	American Consultant	" " " "

COPY

<u>Name</u>	<u>Position</u>	<u>Organization</u>
M. Otsubo	Managing Director	Daikyo Oil Co., Yokkaichi
K. Takahashi	Refinery Manager	" " " "
S. Nakayama A	Assistant Refinery Manager	" " " "
M. Furihata	Managing Director	Toa Henryo Co., Shimizu
Y. Ohashi	Assistant Refinery Supt.	" " " "
S. Tsukuda	Chief, Refining Dept.	" " " "

#### 5. BRIEF SUMMARY OF RESULTS AND ACCOMPLISHMENTS OF THIS TRIP:

a. The Kudamatsu refinery was visited on 23 June. The operation of their furfural extraction plant seemed to be satisfactory except that the loss was running 50-70% of the charge at a solvent-oil ratio of 2:1. They explained that the high solvent ratio and consequent loss was necessary to meet stability tests on Diesel Engine Oil 450 which is in short supply. They are the only refinery now able to make this grade. It was recommended that they definitely determine if such severe treatment is required and to reduce it if not to increase total lube production. A proposal to shut down their topping tower for removal and cleaning of all trays was discussed and approved. This work will improve fractionation and yields of gasoline and kerosene. It was noted that they use a fuel lighter than grade C so a recommendation to use heavier than grade C was made to increase availability of marketable product. Their supply of fire foam chemicals was checked and found adequate. Their B/A dewaxing unit was operating satisfactorily.

b. The Marifu refinery was visited on 24 June. Their topping unit has been tested with hot gas oil and is satisfactory. The cracking unit has been tested with water only and many leaks were found. The leaks were being repaired and a gas oil test was scheduled for the following week. They reported that all tower trays had been removed and cleaned during rehabilitation. There is every evidence that their topping and cracking equipment will be ready to operate when crude is received. Their fire protection was not adequate but they have a fire engine and 2250 gallons of foam liquid on order and expect delivery before crude is received. There is no fire protection provided for the Arsenal tanks they use but they have agreed to provide the required foam connections. The Arsenal crude tanks had not been tested nor had the 10-inch crude line. Assurance was given that they would test and make necessary repairs to this equipment before crude was received.

c. The Wakayama refinery was visited on 26 June. As they had finished processing their crude allotment for the month, the topping unit was shut down and repairs were being made. Progress was being made on the construction of their cracking unit but materials were not arriving as scheduled further delaying completion. The fuel oil burned is much heavier than C grade and so is acceptable. Their fire protection is satisfactory except for their foam powder supply. They have on hand only 2900 kilograms whereas their minimum requirement is 34,000 kilograms. They agreed to order immediately the 31,100 kilograms lacking.

COPY

d. The Shimotsu refinery was visited 27 June. A very efficient job of rehabilitation has been done on this refinery. They have largely met their scheduled completion dates. Their operating results to date are equal to or better than those of the other refineries. However, they have in storage 100,000 barrels of semi products which they estimate can be processed into finished products in the next 100 days. If that goal is reached, they should receive consideration as a candidate for a larger crude allocation. They burn a fuel much heavier than the C grade. Their fire protection for the refinery including supply of foam chemicals is adequate. All members of the party were very favorably impressed with the work done and in progress here.

e. The Yokkaichi refinery was visited 29 June. The operation of this refinery is very satisfactory. Their original rehabilitation plans have been completed including wax sweating ovens. Good progress is being made on the construction of their new B/A plant now scheduled for completion 31 August. The completion of this new dewaxing unit will augment their lube oil production by 250 to 300 barrels per day and provide greater flexibility in future operations. They are burning a fuel lighter than C grade and were requested to use heavier than C grade to increase availability of saleable products. The Arsenal tanks and lines they are using have been tested and found suitable for service. No foam, steam or water lines are now installed on these tanks but they assured us these facilities would be installed by the end of August. As they handle no product lighter than kerosene their fire risk is much less than that of other refineries. The fire protection of the refinery proper is satisfactory except they have only a 1200 kilogram inventory of foam powder. They should have a minimum of 14,000 kilograms and have assured us it will be purchased promptly. To alleviate the present shortage of motor oils Daikyo is blending motor oils from bright stock and SAE 10 motor oil (supplied by others) with their heavy wax distillate to which 0.5% of pour depressant has been added. They supplied 500 kiloliters of the blend in May and anticipated doing equally as well in June and July.

f. The Shimizu refinery was visited 30 June. The operation of this refinery is satisfactory. Although they have not been able to consistently surpass their crude rate they process their crude to finished products and do not accumulate an abnormal inventory of semi-product. Their refinery fuel is heavier than C grade as it should be. Their fire protection system is acceptable except that their present supply of foam powder is 4800 kilograms whereas the minimum supply on hand should be 34,200 kilograms. They have agreed to make up the deficiency at once. They started their B/A dewaxing plant on 19 June. Many mechanical difficulties were encountered and had to be corrected so no production had been realized to the date of visit. A Mr. Rich of Standard Oil Development Co. was at Shimizu assisting in the work and they expect to have this unit operating successfully by 15 July.

s/ Joseph K. Kelsey  
t/ JOSEPH K. KELSEY

COPY