DATA ON PETROLEUM AND ECONOMY OF VENEZUELA

1971

JULY 1972

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OF VENEZUELA
1971

Prepared by:

Comptroller's Department

Creole Petroleum Corporation

Caracas, Venezuela

July, 1972

C O N T E N T S

SOURCE OF STATISTICAL DATA

The statistical data contained in this booklet originate from the Annual Account of Activities presented by the Mines and Hydrocarbons Ministry to the Venezuelan Congress, except as indicated.

THE VENEZUELAN OIL INDUSTRY IN 1971

I - Production

During 1971 the Venezuelan crude oil production averaged 3,549.1 MB/D, down 158.9 MB/D from the 1970 average. This decrease was due mainly to a reduction in the exploration expenditures. Crude production from Venezuela's main sedimentary basins was as follows:

CRUDE OIL PRODUCTION BY BASINS
MB/D

Basin	1971	%	1970	%	% Change 1971 - 1970
Maracaibo	2,879.4	81.13	3,001.0	80.93	(4.05)
Falcón	1.1	0.03	1.1	0.03	(0.37)
Apure	56.5	1.59	57.6	1.55	(2.05)
Oriental	616.1	17.25	648.3	17.49	(5.59)
	3,549.1	100.00	3,708.0	100.00	(4.29)

II - Exploration

During 1971, 166 exploratory and semi-exploratory wells were drilled, compared with 102 wells for 1970 and an average of 136 per year drilled from 1962 to 1971. Of these exploratory and semi-exploratory wells 143 were completed as producers, compared with 63 for 1970. Seismographic surveys were up by 11.5 party months to 23.6. Other exploration activites went down when compared with the previous year or the yearly average for the last decade, as shown below:

PARTY MONTHS

	1971	1970	Annual Average 1962 - 1971
Surface Geology	-	7.76	6.04
Seismographic Survey	23.61	12.11	9.10
Stratigraphic Drilling	9.70	11.93	9.85
	33.31	31.80	24.99

III - Crude Oil Reserves

During 1971 the oil production totalled 1,296 million barrels, down from the 1,352 million barrels produced during 1970. This production exceeded additions to reserves by 302 million barrels, with a corresponding downward change in remaining reserves from 14,039 million barrels at year end 1970 to 13,737 million barrels at

year end 1971. Theoretical years of supply at 1971 production rate stood at 10.6 years at the end of the year, and the ratio of production to reserves was 9.4%.

1971 GROSS ADDITIONS TO RESERVES

	Million Barrels
New Discoveries	447
Extensions of Known Fields	270
Revisions to Prior Estimates	277
	994

IV - Natural Gas

During 1971 natural gas production totalled 1.680 billion cubic feet, 1.8% less than the 1970 production. Gas reinjected to aid recovery was up by 4.4% to 741 million cubic feet for a net production of 939 million cubic feet. Gas not utilized was reduced by 12.4% from the previous year. For the year end 1971 the natural gas reserves were estimated at 31.6 trillion cubic feet, a decrease of 0.1% from 1970. Theoretical life of production to reserves was 2.97%.

V - Refining

Venezuela oil refining capacity averaged 1,294,973 barrels per calendar day, up 5,527 barrels from 1970. Crude runs averaged 1,245,337 per calendar day, equivalent to 96.2% of installed capacity.

VI - Exports

Export sales of crude oil and refined products from Venezuela and the Netherlands Antilles average 3,261 MB/D, a decrease of 207 MB/D or 6.0% under the previous year. The decline reflected lower demand resulting from an unusually mild winter in principal markets, decreased economic activity in major consuming areas and greater competition from Eastern Hemisphere crude sources in traditional markets for Venezuelan oil.

The Western Hemisphere countries received 84.2% of Venezuela's and Netherlands Antilles' total exports of crude and products. The United States continued as the largest single market with 47.0% of the total; however, there was a reduction of 2.8% in the volumes exported to that country compared with the previous year. Canada also reduced its imports from this region by 10.6%, and Europe did likewise by 8.1%, compared with the 1970 figures.

VII - Financial Results

Despite the lower sales volumes, the financial results show an increase in revenue. Two principal factors contributed to the increased revenue, namely, general price improvements and increased production of low sulfur fuel oil which has a higher value than other fuel oils. The annual report of the Ministry of Mines and Hydrocarbons estimates total industry gross income at $ 3.108 million, up $ 516 million

over 1970. Cash operating expenses, which exclude depreciation, amortization, and retirements, were estimated at $ 577 million, up $ 31 million over 1970. Depreciation, amortization, and retirements were estimated at $ 243 million, same as 1970. Tax payments for the oil industry were estimated at $ 1,759 million, an increase of 24.9% over 1970. Industry net profit was estimated at $ 529 million an increase of $ 134 million from 1970.

According to the annual report of the Ministry of Mines and Hydrocarbons, the return on average net worth was 32.0%, compared to the previous year's 27.3%.

It is worthwhile to mention that these rates of return are unrealiztically high. In the first place there was a modification of the petroleum rate of exchange in 1964 from Bs. 3.09 to Bs. 4.40 per dollar, which increased considerably the earnings expressed in bolivars, while the fixed assets remained at their historical bolivar costs. In addition, the corresponding deductions for depreciation have remained at the same low level and the net income seems greater that it would be if a simple conversion of asset values were made utilizing the new rate of exchange. Another thing which must be recognized when evaluating profitability, is the replacement value of the fixed assets instead of the historic costs. This fact has been accepted and used by industry in evaluating the current rate of return. Since the Ministry of Mines and Hidrocarbons does not take these factors into consideration, in its published statistical tables, the value of fixed assets and the corresponding depreciation are reduced, and as a result the rate of return on net worth using bolivar earnings is much higher than the return computed using dollar earnings, since there is apparently a lower investment and, hence a lower deduction for depreciation which results in higher net earnings.

The amount invested in new fixed assets during 1971 was $ 252 million, a decrease of $ 42 million from 1970's $ 294 million. Of these $ 252 million 73.9% was invested in producing activities.

VIII - Highlights of World Oil Industry

The world's total proved crude oil reserves were estimated at 641.8 billion barrels as of the year end 1971, an increase of 21.1 billion barrels or 3.4% over the 620.7 billion estimated for year end 1970. Of the total volume of reserves 86.4% belongs to the Eastern Hemisphere and 13.6% to the Western Hemisphere.

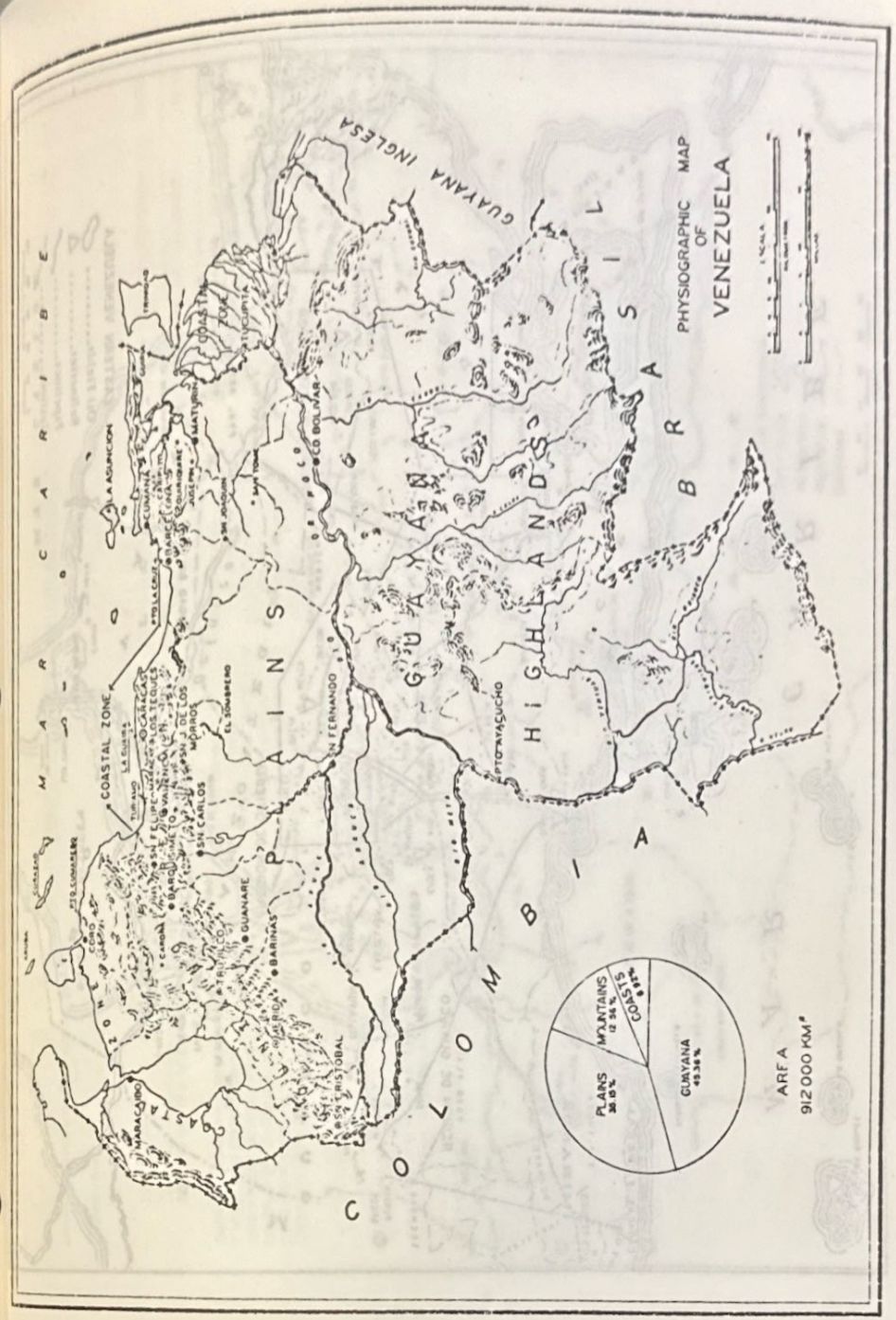
Total world crude oil production in 1971 was 50,370 MB/D, up 2,630 MB/D or 5.5% over 1970. Eastern Hemisphere production increased 9.0%, while Western Hemisphere production decreased 0.2%.

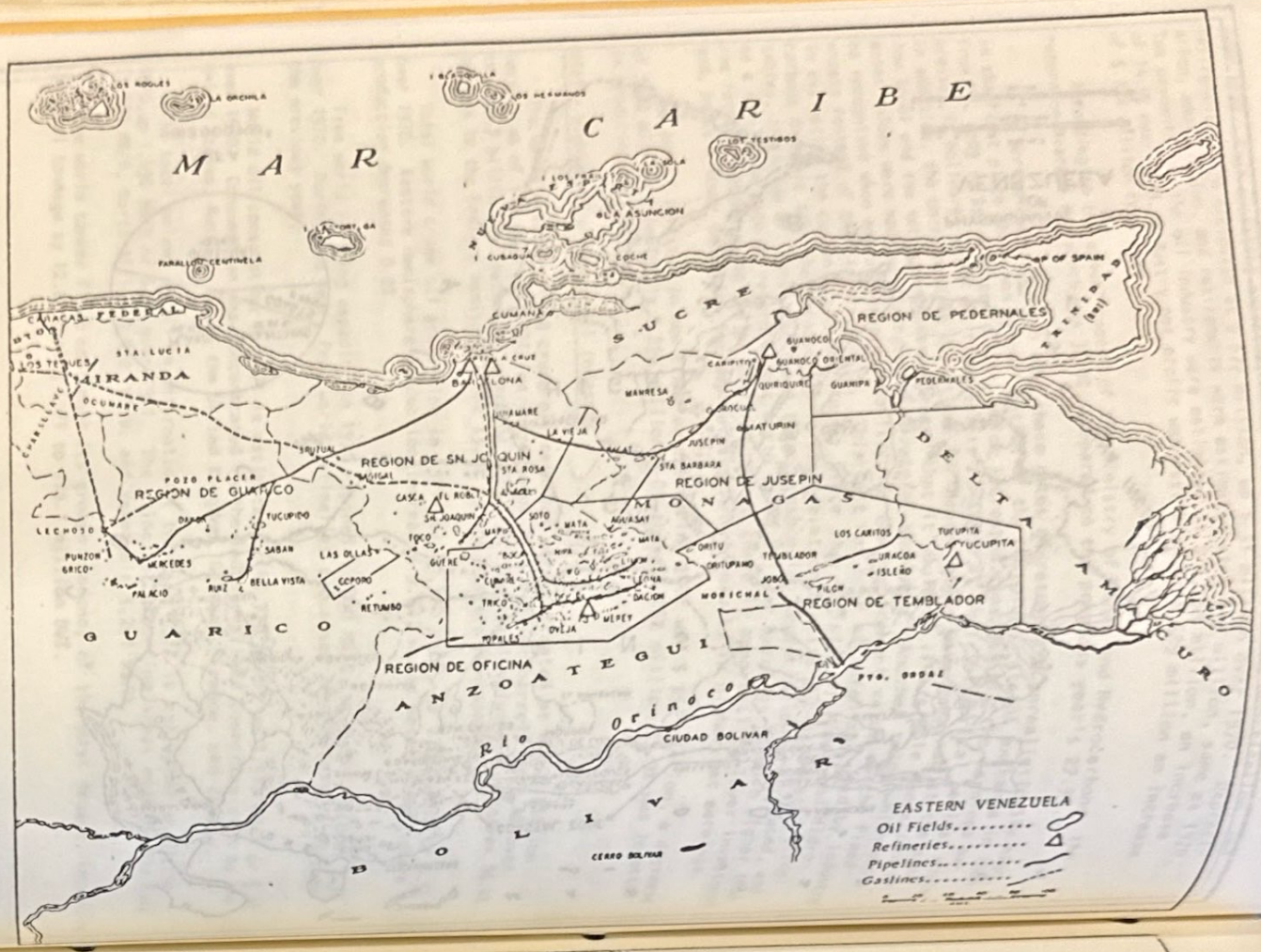
Free world refining capacity in 1971 reached 46,880 MB/D, up 3,940 MB/D or 9.1% over 1970. During the year, free world refineries processed 48,159 MB/D, 6.1% over the previous year.

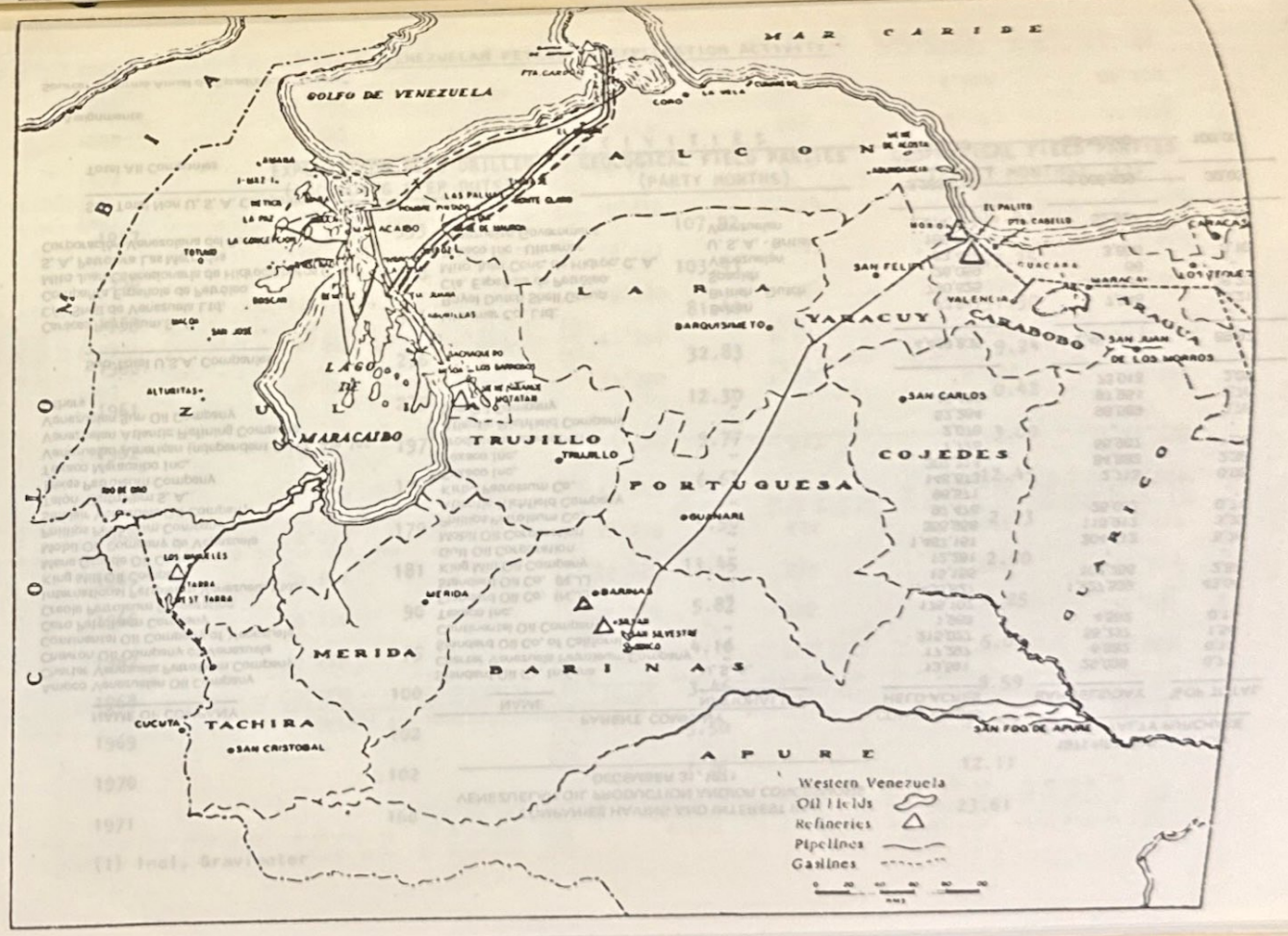
World oil consumption in 1971 is estimated at 48,770 MB/D, up 2,510 MB/D or 5.4% over 1970. Consumption was concentrated in the industrialized countries such as the United States, Russia, Japan, the United Kingdom, Germany, France, and Canada.

The total volume of oil in international trade in 1971 is estimated ar 27,290 MB/D,up 1,690 MB/D or 6.6% over 1970. The principal exporting areas were Middle East 15,250 MB/D, North Africa 3,870 MB/D, and Venezuela 3,261 MB/D.

The world tanker fleet continued its growth tendency of the past decade, increasing in total tonnage by 12.6% during 1971 to 175.3 million DWT.




MAR CARIBE
SUCRE
REGION DE PEDERNALES
REGION DE SN. JOAQUIN
REGION DE GUARICO
REGION DE JUSEPIN
REGION DE TEMBLADOR
REGION DE OFICINA
MONAGAS
DELTA AMACURO
GUARICO
ANZOATEGUI
BOLIVAR
Rio Orinoco
CIUDAD BOLIVAR
EASTERN VENEZUELA
Oil Fields
Refineries
Pipelines
Gaslines


MAR CARIBE
GOLFO DE VENEZUELA
ALCON
LARA
YARACUY
CARABOBO
ARAGUA
LAGO DE MARACAIBO
MARACAIBO
TRUJILLO
PORTUGUESA
COJEDES
GUARICO
MERIDA
BARINAS
TACHIRA
APURE
COLOMBIA
Western Venezuela
Oil Fields
Refineries
Pipelines
Gaslines

COMPANIES HAVING AND INTEREST IN
VENEZUELAN OIL PRODUCTION AND/OR CONCESSIONS
DECEMBER 31, 1971

NAME OF COMPANY	PARENT COMPANY NAME	PARENT COMPANY NATIONALITY	CONCESSIONS HELD-ACRES	1971 NET PRODUCTION PLUS ROYALTY PURCHASE BARRELS/DAY	1971 NET PRODUCTION PLUS ROYALTY PURCHASE % OF TOTAL
Amoco Venezuelan Oil Company	Standard Oil Co. Indiana	U. S. A.	13,591	25,039	0.71
Charter Venezuela Petroleum Company	Charter Venezuela Petroleum Company	"	17,297	6,882	0.19
Chevron Oil Company of Venezuela	Standard Oil Co. of California	"	215,027	55,237	1.56
Continental Oil Company of Venezuela	Continental Oil Company	"	1,969	4,552	0.13
Coro Petroleum Company	Texaco Inc.	"	175,107	-	-
Creole Petroleum Corporation	Standard Oil Co. (N.J.)	"	1,433,827	1,527,539	43.04
International Petroleum Venezuela Ltd.	Standard Oil Co. (N.J.)	"	15,155	102,256	2.88
King Mill Oil Company	King Mill Oil Company	"	12,281	-	-
Mene Grande Oil Company	Gulf Oil Corporation	"	1,467,151	204,512	5.76
Mobil Oil Company de Venezuela	Mobil Oil Corporation	"	355,958	118,912	3.35
Phillips Petroleum Company	Phillips Petroleum Co.	"	97,476	25,082	0.71
Sinclair Venezuela Oil Company	Atlantic Richfield Company	"	96,571	-	-
Talon Petroleum S. A.	Kirby Petroleum Co.	"	148,673	2,713	0.08
Texas Petroleum Company	Texaco Inc.	"	307,214	84,882	2.39
Texaco Maracaibo Inc.	Texaco Inc.	"	7,776	55,967	1.58
Venezuelan American Independent Oil Pr. Ass. Inc.	Producers Association	"	2,078	-	-
Venezuelan Atlantic Refining Company	Atlantic Richfield Company	"	52,264	98,569	2.78
Venezuelan Sun Oil Company	Sun Oil Company	"	49,420	97,951	2.76
Others	-	"	-	73,018	2.05
Sub-Total U.S.A. Companies			4,468,835	2,483,111	69.97
Caracas Petroleum S. A.	Ultramar Co. Ltd.	British	73,841	7,246	0.21
Cía. Shell de Venezuela Ltd.	Royal Dutch Shell Group	British - Dutch	730,625	1,002,030	28.23
Compañía Española de Petróleo	Cía. Española de Petróleo	Spanish	26,059	66	-
Mito Juan Concesionaria de Hidrocarburos C. A.	Mito Juan Conc. de Hidroc. C. A.	Venezuelan	83,458	3,660	0.10
S. A. Petrolera Las Mercedes	Texaco Inc - Ultramar	U. S. A. - British	155,738	-	-
Corporación Venezolana del Petróleo	Venezuelan Government	Venezuelan	2,214,157 *	52,927	1.49
Sub-Total Non U. S. A. Companies			3,283,878	1,065,929	30.03
Total All Companies			7,752,713	3,549,040	100.00

* Assignments

Source: Informe Anual de Estadísticas "Creole"

VENEZUELAN PETROLEUM EXPLORATION ACTIVITY

	ACTIVITIES		
	EXPLORATION WELL DRILLED (INCLUDING STEP OUTS)	GEOLOGICAL FIELD PARTIES (PARTY MONTHS)	GEOPHYSICAL FIELD PARTIES (PARTY MONTHS) (1)
1957	533	107.92	305.43
1958	598	103.43	259.25
1959	341	81.40	91.30
1960	276	32.83	9.24
1961	279	12.30	0.42
1962	197	9.77	3.00
1963	170	6.62	12.45
1964	179	5.90	2.13
1965	181	13.45	2.50
1966	90	5.82	8.25
1967	75	4.16	5.62
1968	100	3.46	9.59
1969	102	3.50	13.53
1970	102	7.76	12.11
1971	166	-	23.61

(1) Incl. Gravimeter

STATUS OF CRUDE OIL WELLS AT YEAR END

YEAR	CAPABLE OF IMMEDIATE PRODUCTION ACTIVE	CLOSED-IN	TOTAL	AWAITING ABANDONMENT	ABANDONED	GRAND TOTAL
1957	10,124	5,281	15,405	814	3,369	19,588
1958	10,376	5,976	16,352	746	3,643	20,741
1959	10,411	6,539	16,950	634	3,821	21,405
1960	9,933	7,285	17,218	624	3,985	21,827
1961	10,367	7,098	17,465	614	4,187	22,266
1962	10,335	7,415	17,750	617	4,431	22,798
1963	10,588	6,962	17,550	1,090	4,855	23,495
1964	10,851	6,995	17,846	1,149	4,930	23,925
1965	11,641	6,609	18,250	1,125	5,234	24,609
1966	11,416	7,075	18,491	1,132	5,345	24,968
1967	11,598	6,941	18,539	1,078	5,669	25,286
1968	11,338	7,505	18,843	913	5,953	25,709
1969	11,792	7,277	19,069	675	6,342	26,086
1970	12,128	7,238	19,366	701	6,662	26,729
1971	11,097	8,420	19,517	892	6,937	27,346

VENEZUELAN CRUDE OIL PRODUCTION

(Annual Average in Thousands of Barrels per Day)

YEAR	AVG. GRAVITY °API	MB/D	YEAR	AVG. GRAVITY °API	MB/D
1917	17.8	0.3	1932	22.2	319.0
1918	17.8	0.9	1933	22.3	323.8
1919	17.8	0.8	1934	21.0	373.4
1920	17.8	1.3	1935	20.4	406.9
1921	17.9	4.0	1936	20.1	422.5
1922	18.6	6.1	1937	19.2	508.9
1923	20.8	11.9	1938	19.2	515.2
1924	22.4	24.9	1939	19.2	560.4
1925	24.0	54.6	1940	19.2	502.3
1926	22.5	97.7	1941	21.5	621.3
1927	24.1	165.5	1942	23.2	405.9
1928	24.1	289.5	1943	23.9	491.5
1929	22.8	372.8	1944	24.8	702.3
1930	20.1	370.5	1945	25.5	886.0
1931	21.4	320.2	1946	25.4	1,064.3
			1947	25.5	1,191.5
			1948	25.5	1,338.8
			1949	26.6	1,321.4

YEAR	AVG. GRAVITY °API	MB/D	PERCENTAGE BY AREA ZULIA/FALCON	EAST.VENEZ.	OTHER
1950	26.4	1,498.0	70.8	28.9	0.3
1951	25.6	1,704.6	70.3	29.4	0.3
1952	25.4	1,803.9	70.6	29.1	0.3
1953	25.8	1,765.0	68.1	31.5	0.4
1954	25.7	1,895.3	68.4	31.1	0.5
1955	25.2	2,157.2	70.3	29.3	0.4
1956	25.1	2,456.8	70.2	29.4	0.4
1957	25.0	2,779.2	70.9	28.5	0.6
1958	26.2	2,604.8	67.8	29.9	2.3
1959	25.6	2,771.0	72.5	26.1	1.4
1960	25.4	2,846.1	72.6	25.1	2.3
1961	25.6	2,919.9	74.4	23.2	2.4
1962	25.7	3,199.8	75.2	22.6	2.2
1963	25.7	3,248.0	75.0	22.7	2.3
1964	25.3	3,392.8	77.1	20.4	2.5
1965	24.8	3,472.9	76.5	21.1	2.4
1966	25.4	3,371.1	76.9	20.6	2.5
1967	25.3	3,542.1	76.9	20.7	2.4
1968	25.4	3,604.8	79.7	18.2	2.1
1969	25.6	3,594.1	81.2	17.2	1.6
1970	25.2	3,708.0	81.0	17.5	1.5
1971	25.5	3,549.1	81.2	17.2	1.6

PRODUCTION AND USE OF NATURAL GAS IN VENEZUELA
(Million Cubic Feet)

Year	(a) Gross Production	Injected Vol.	Injected % Gross	Net Prod.	Used by Oil Industry Vol.	Used by Oil Industry % Gross	Used by Oil Industry % Net	Sold Vol.	Sold % Gross	Sold % Net	Gas Made Into Liquids Vol.	Gas Made Into Liquids % Gross	Gas Made Into Liquids % Net	Not Utilized Vol.	Not Utilized % Gross	Not Utilized % Net
1952	737,165	63,426	8.61	673,739	53,608	7.27	7.96	8,405	1.14	1.25	459	0.06	0.07	611,267	82.92	90.72
1953	730,208	91,324	12.50	638,884	56,504	7.74	8.84	20,059	2.75	3.14	2,861	0.39	0.45	559,460	76.62	87.57
1954	764,040	73,243	9.59	690,797	58,764	7.69	8.51	23,944	3.13	3.47	8,935	1.17	1.29	599,154	78.42	86.73
1955	858,437	137,411	16.01	721,026	67,840	7.90	9.41	29,205	3.40	4.05	11,160	1.30	1.55	612,821	71.39	84.99
1956	976,460	171,596	17.58	804,864	72,819	7.46	9.05	32,914	3.37	4.09	13,066	1.34	1.62	686,065	70.25	85.24
1957	1,134,600	260,766	22.98	873,834	88,429	7.79	10.12	39,553	3.49	4.53	14,620	1.29	1.67	731,232	64.45	83.68
1958	1,113,306	329,136	29.57	784,170	94,256	8.47	12.02	44,497	4.00	5.68	19,494	1.75	2.49	625,923	56.21	79.81
1959	1,124,288	344,003	30.60	780,285	94,538	8.41	12.12	53,502	4.76	6.86	19,635	1.74	2.51	612,610	54.49	78.51
1960	1,114,577	390,690	35.05	723,887	103,120	9.25	14.25	59,541	5.34	8.22	17,163	1.54	2.37	544,063	48.82	75.16
1961	1,169,809	461,072	39.41	708,737	109,830	9.39	15.50	62,896	5.38	8.87	16,704	1.43	2.36	519,307	44.39	73.27
1962	1,281,970	483,993	37.75	797,977	111,101	8.67	13.92	72,149	5.63	9.04	19,529	1.52	2.45	595,198	46.43	74.59
1963	1,323,078	574,506	43.42	748,572	118,694	8.97	15.86	79,423	6.00	10.61	19,706	1.49	2.63	530,749	40.12	70.90
1964	1,386,820	598,236	43.14	788,584	127,664	9.21	16.19	90,301	6.51	11.45	19,459	1.40	2.47	551,160	39.74	68.89
1965	1,442,477	625,782	43.38	816,695	135,433	9.39	16.58	95,457	6.62	11.69	18,929	1.31	2.32	566,876	39.30	69.41
1966	1,457,591	652,445	44.76	805,146	139,741	9.59	17.36	102,378	7.03	12.72	21,789	1.49	2.70	541,238	37.13	67.22
1967	1,616,014	700,650	43.36	915,364	145,886	9.03	15.93	119,329	7.38	13.04	27,440	1.70	3.00	622,709	38.53	68.03
1968	1,634,625	738,189	45.16	896,436	148,464	9.08	16.56	125,333	7.67	13.98	27,404	1.68	3.06	595,235	36.41	66.40
1969	1,673,013	752,845	45.00	920,168	151,078	9.03	16.42	130,736	7.81	14.20	32,278	1.93	3.51	606,076	36.23	65.87
1970	1,710,200	710,220	41.53	999,980	180,989	10.58	18.10	136,528	7.98	13.65	31,113	1.82	3.11	651,350	38.09	65.14
1971	1,680,252	741,121	44.11	939,131	196,280	11.68	20.90	134,480	8.00	14.32	37,469	2.23	3.99	570,902	33.98	60.79

(a) Associated and non-associated.

VENEZUELAN CRUDE OIL RESERVES
(Millions of Barrels)

YEAR	GROSS INCREASE IN RESERVES	PRODUCTION	NET INCREASE IN RESERVES	RESERVES YEAR-END	THEORETICAL LIFE OF RESERVES (YEARS)
1952	818	660	158	9,226	14.0
1953	1,572	644	928	10,154	15.8
1954	1,472	692	780	10,934	15.8
1955	2,283	787	1,496	12,430	15.8
1956	2,466	899	1,567	13,997	15.6
1957	2,610	1,014	1,596	15,593	15.4
1958	2,139	951	1,188	16,781	17.7
1959	1,233	1,011	222	17,003	16.8
1960	1,446	1,044	402	17,405	16.7
1961	541	1,063	(522)	16,883	15.8
1962	1,094	1,170	(76)	16,807	14.4
1963	1,390	1,182	208	17,015	14.4
1964	1,421	1,239	182	17,197	13.9
1965	1,321	1,271	50	17,247	13.6
1966	855	1,232	(377)	16,870	13.7
1967	384	1,296	(912)	15,958	12.3
1968	1,031	1,321	(290)	15,668	11.9
1969	560	1,315	(755)	14.913	11.3
1970	478	1,352	(874)	14,039	10.4
1971	994	1,296	(302)	13,737	10.6

VENEZUELAN NATURAL GAS RESERVES

(Million Cubic Feet)

YEAR	NET INCREASE IN RESERVES	NET PRODUCTION	RESERVES AT YEAR-END	PRODUCTION RESERVES RATIO	THEORETICAL LIFE OF RESERVES (YEARS)
1956	4,449,559	804,648	26,949,182	2.98	33.5
1957	2,949,916	873,829	29,025,269	3.01	33.2
1958	5,153,842	783,882	33,395,229	2.34	42.6
1959	792,641	780,281	33,407,589	2.33	42.8
1960	958,267	723,883	33,641,973	2.15	46.5
1961	(460,046)	708,732	32,473,195	2.18	45.8
1962	(627,367)	797,974	31,047,854	2.57	38.9
1963	35,527	748,568	30,334,813	2.46	40.5
1964	1,198,831	788,579	30,745,065	2.56	39.0
1965	91,042	816,690	30,019,417	2.72	36.8
1966	(37,257)	805,142	29,177,018	2.75	36.2
1967	(430,911)	915,360	27,830,747	3.27	30.4
1968	(181,085)	896,431	26,753,231	3.35	29.8
1969	7.038,421	920,167	32,871,485	2.80	35.7
1970	(212,208)	999,980	31,659,297	3.16	31.7
1971	905.018	939,132	31,625,183	2.97	33.7

MAJOR VENEZUELAN OIL PIPELINES

COMPANY	FROM	TO	LENGTH (MILES)	APPROXIMATE CAPACITY B/D	DIAMETER INCHES MIN.	DIAMETER INCHES MAX.
Cía. Shell de Venezuela	Palmarejo de Mara	Pto. Caballo, Pta.Palma, Pra.Cardón	153.7	327.069	20.0	30.0
	Bachaquero	Lagunillas, Cabimas, Pto. Miranda	66.6	754.776	30.0	34.0
	Casigua	El Calvario, La Rivera, La Solita	84.7	25.159	8,0	8.0
Creole Petroleum Corp.	Ulé	Amuay - No. 1	143.2	299.998	24.0	26.0
	Ulé	Amuay - No. 2	143.2	328.957	26.0	26.0
	Temblador	Caripito	93.4	49.998	30.0	30.0
Mene Grande Oil Co.	Oficina	Pto. La Cruz	97.1	471.106	30.0	30.0
	Travieso	Pto. La Cruz	95.2	174.856	16.0	16.0
	Anaco	Pto. La Cruz	121.4	638.415	16.0	16.0
Mobil Oil Co.	Silvestre	El Palito	209.8	99.939	20.0	20.0
	Anaco	Pto. La Cruz	126.4	180.002	12.0	16.0
S.A. Petr. Las Mercedes	Guasimito	Pamatacual	154.4	60.005	16.0	16.0
Texaco Maracaibo	Lama	Altagracia	59.1	125.005	13.0	24.0

Note: Latest official data was published in the 1970 edition of the Mines and Hydrocarbons Ministry's Bulletin "Petróleo y Otros Datos Estadísticos" (Page 124).

MAJOR GAS PIPELINES

Company Operator	From	To	Length Miles	Volume Transport MM/CF
Venezuelan Atlantic Ref. Co.	Campo Roblecito y Placer	Lechoso	54,2	24,897
Venezuelan Atlantic Transmission Corp.	Lechoso	Bifurcación Charallave		
	Sector I	Santa Lucía		
	Bifurcación Charallave	Valencia		
	Bifurcación Charallave	Tacagua		
	Sector II	Caracas	280,1	21,260
	Tacagua	Arrecifes		
	Tacagua	La Guaira		
	Varios ramales en Valencia, Maracay y Caracas			
Eastern Venez. Gas Trans. Co.	Anaco	Puerto La Cruz	66,6	14,444
	Puerto La Cruz	Pertigalete	2,5	1,307
Sinclair Venez. Oil Co.	Pto. La Cruz	Ref. El Chaure		
Chevron Oil Co. de Venezuela	Gasducto Shell	Bajo Grande, Campo Boscán	26,1	3,990
		Est. No. 21 Campo Los Claros		
Mene Grande Oil Co.	Santa Rosa	San Joaquín	11,8	34,361
Creole Petroleum Corp.	Ule	Ref. Amuay	148,1	12,219
	Quiriquire	Ref. Caripito	11,8	4,732
Venezuelan Sun Oil Co.	Bloque I	Bajo Grande	38,0	35
Cía. Shell de Venezuela	La Paz y Sibucara	Maracaibo		
	Mara	Palmarejo de Mara - Carrasquero		
	Mene Grande-Lago Bloque IV	San Lorenzo	443,2	71,654
	Tía Juana-Lago Bloque I	Las Morochas		
	La Paz	Cardón		
Corporación Venez. del Petróleo	Anaco	Caracas		
	Anaco	Puerto Ordaz		
	Caracas	Valencia		
	Guacara	Morón	502,3	11,160
	El Palito	Pto. Cabello		
	La Encrucijada	Cagua		
	Morón	Venepal		
	Valencia	Guigue		
	Casigua	La Fría	74,7	1,766
	Morón	Barquisimeto	91,5	11,265
	Las Morochas y Pta. Gorda	Las Morochas y Cabimas	1,9	27,864
		Total	1,752,8	240,954

Note: From "Petróleo y Otros Datos Estadísticos 1970", latest Mines and Hydrocarbons Ministry's Publication with this information. (Page 125).

REFINERIES IN VENEZUELA

(Figures in Barrels per Calendar Day)

Location	Ownership	Current Capacity	ACTUAL THRUPUT 1962	1963	1964	1965	1966	1967	1968	1969	1970	1971
Caripito	Creole	64,100	69,896	65,358	64,275	68,902	58,391	63,880	57,386	55,412	56,303	46,939
Amuay	Creole	452,000	373,802	379,535	370,872	395,914	380,572	397,560	418,055	418,361	448,236	447,033
Punta Cardón	Shell	348,000	299,010	305,312	328,438	342,882	355,142	324,799	334,179	338,526	370,672	358,368
San Lorenzo	Shell	32,000	29,658	27,481	30,473	31,711	30,109	29,095	27,622	27,275	26,445	24,206
El Cubo	Shell	-	302	346	389	29	5	-	-	-		
Pto. La Cruz	Vengref	156,000	136,212	143,544	155,415	158,212	154,444	160,005	141,587	104,397	160,571	138,670
El Chaure	Sinclair	39,500	34,609	37,615	33,266	33,474	36,729	32,799	33,904	30,572	32,477	39,088
El Toreño	Sinclair	4,696	-	-	-	-	-	2,476	5,298	4,809	4,697	5,249
Tucupita	Texas	9,000	4,262	4,019	4,083	6,484	6,245	6,174	5,442	4,430	4,195	4,237
El Palito	Mobil Oil	104,000	52,704	54,896	67,911	81,091	81,232	80,740	93,372	95,728	104,831	99,555
Silvestre	Mobil Oil	-	252	290	398	496	458	-	-	-		
San Roque	Phillips	4,300	3,374	3,412	3,579	3,686	4,441	3,961	3,939	4,001	4,246	4,325
Bajo Grande	Chevron	58,450	19,197	17,658	30,329	50,307	63,835	63,061	60,983	61,330	62,758	57,462
Morón	Venez. Gov't.	22,927	2,168	2,467	2,578	2,226	2,045	1,291	4,117	10,729	16,921	20,205
Total		1,294,973	1,025,446	1,041,933	1,092,006	1,175,414	1,173,648	1,165,841	1,185,884	1,155,570	1,292,352	1,245,337

VENEZUELAN REFINERY YIELDS

Year	Gasoline and Naphthas %	Kerosene and Distillates %	Fuel Oil %	Other* %
1952	15.2	24.9	53.2	6.7
1953	14.9	22.4	56.9	5.8
1954	13.7	23.3	56.6	6.4
1955	13.2	25.7	53.0	8.1
1956	12.3	22.8	54.7	10.2
1957	13.5	22.6	54.2	9.7
1958	14.5	22.5	53.3	9.7
1959	14.2	22.6	54.9	8.3
1960	12.0	20.6	58.0	9.4
1961	12.6	22.0	55.6	9.8
1962	13.0	22.8	56.7	7.5
1963	13.4	23.2	56.4	7.0
1964	11.5	21.9	58.5	8.1
1965	11.1	18.3	62.5	8.1
1966	11.8	18.0	60.8	9.4
1967	11.8	17.1	60.2	10.9
1968	13.2	16.5	59.6	10.7
1969	14.3	14.4	61.1	10.2
1970	13.9	12.5	63.1	10.5
1971	15.1	13.8	62.5	8.6

*Includes asphalts, lubricants, liquefied gases and refinery gains and losses.

INTERNAL CONSUMPTION OF PRODUCTS REFINED IN VENEZUELA BY SECTOR

(Thousand Barrels)

Year	% Change From Past Year	Total	Industrial and Domestic Use	Oil Industry	Delivered to Ships
1962	19.0	55,297	27,401	9,360	18,536
1963	3.4	57,161	30,184	9,103	17,874
1964	6.1	60,647	32,577	8,870	19,200
1965	5.8	64,170	34,426	9,346	20,398
1966	2.2	65,574	36,057	9,912	19,605
1967	2.0	66,857	37,859	9,196	19,802
1968	6.0	70,889	41,133	9,376	20,380
1969	(1.0)	70,202	42,104	9,239	18,859
1970	4.2	73,141	44,644	9,463	19,034
1971*	4.1	76,152	47,312	9,971	18,869

* Preliminary

INTERNAL DEMAND - DOMESTIC AND INDUSTRIAL CONSUMPTION (1)

(Thousand Barrels)

Products	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971 (2)
Gasoline 74-76 Oct.	8,313	8,294	8,340	8,318	8,468	8,840	9,291	9,585	9,451	7,800
Gasoline 77-84 Oct.	5,299	6,166	7,206	7,670	8,406	8,794	9,013	9,078	10,127	14,169
Gasoline more than 85 Oct.	1,399	1,493	1,723	2,309	2,600	3,175	3,900	4,811	5,596	4,744
Aviation Gasoline	296	294	305	259	248	225	221	210	186	191
White Gasoline	105	93	91	90	87	82	81	80	76	96
Total Gasolina	15,412	16,340	17,665	18,646	19,809	21,116	22,506	23,764	25,436	27,000
Kerosene	3,743	3,913	3,978	4,008	3,979	3,978	3,924	3,790	3,719	3,658
Fuel Oil	2,013	2,536	2,675	3,010	3,354	2,921	3,722	3,343	3,852	3,894
Gas and Diesel Oil	4,066	4,595	5,119	5,563	5,821	6,514	6,963	7,330	7,828	8,696
Lubricanting Oils	290	364	437	508	487	551	580	611	598	679
Asphalt	1,551	1,971	2,201	2,033	1,878	2,041	2,588	2,360	2,207	2,276
Turbo Fuel	86	164	146	276	327	331	388	416	463	480
Naphthas & Solvents	145	191	227	242	268	279	327	346	378	465
Chemical Products	95	110	129	140	134	128	135	144	163	164
Total	27,401	30,184	32,577	34,426	36,057	37,859	41,133	42,104	44,644	47,312

(1) Excludes Bunkers

(2) Preliminary

VENEZUELA

CONSUMPTION OF REFINED PRODUCTS WITHIN OIL INDUSTRY

(Thousand Barrels)

	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971
74-76 Oct. Gasoline	4	27	6	3	2	2	3	4	2	3
77-85 Oct. Gasoline	34	66	66	65	59	54	52	47	43	44
85 and over Oct. Gasoline	58	52	74	67	63	54	52	55	56	59
Aviation Gasoline	8	6	7	7	5	7	7	7	8	6
White Gasoline	1	4	2	3	2	1	1	1	196	1
Total Gasoline	105	155	155	145	131	118	115	114	305	113
Kerosene	35	30	32	30	27	21	56	98	107	110
Fuel Oil	1,357	1,027	1,223	1,910	1,928	1,885	2,553	2,650	2,135	2,525
Gas and Diesel Oil	696	825	830	683	582	624	767	429	413	713
Lubricating Oil	36	83	60	65	69	68	73	91	73	73
Asphalt	87	116	75	56	53	44	59	86	4	71
Turbo Fuel	*	*	*	*	*	1	1	5	7	5
Naphthas and Solvents	6	47	11	17	13	28	62	-	-	-
Gas	6,224	6,067	5,853	5,720	6,314	5,727	4,879	4,873	5,530	5,602
Others	814	753	631	720	795	680	811	893	889	759
Total	9,360	9,103	8,870	9,346	9,912	9,196	9,376	9,239	9,463	9,971

* Less than 1,000 MB

INTERNAL DEMAND - BUNKERS

(Thousands Barrels)

	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971
Gasoline	74	68	79	83	69	67	57	28	6	6
Turbo Fuel	453	415	482	607	716	862	939	1,174	1,214	1,214
Gas and Diesel Oil	1,509	1,464	1,251	1,153	999	1,003	1,071	1,003	931	896
Fuel Oil	16,499	15,926	17,386	18,553	17,818	17,867	18,311	16,648	16,876	16,749
Lubricating Oil	1	1	2	2	3	3	2	6	7	4
Others (a)	-	*	*	*	*	*	*	*	*	*
Totals	18,536	17,874	19,200	20,398	19,605	19,802	20,380	18,859	19,034	18,869

(a) Includes Kerosene and solvents

* Less than 1,000 MB

MARITIME TRANSPORTATION
TANKERS UNDER VENEZUELAN FLAG (1)

Company	Name of Unit	Cargo Moved	Net Capacity (Bbls.)	Average Speed (Knots)	Deadweight (Metric Tons)
Creole Pet. Corp.	Esso Amuay	Crude	296,061	15.5	37,797
	" Caripito	"	296,061	15.5	37,797
	" Caracas	"	331,982	15.5	41,582
	" Maracaibo	"	331,982	15.5	41,582
	" Margarita	Product	88,768	11.0	11,080
	" La Guaira	"	88,768	11.0	11,080
Sub-Total	6		1,433,622		180,918
Cía. Shell de Venezuela	Shell Mara	Crude	309,999	15.6	45,780
	" Aramare	"	262,656	14.1	35,633
	" Naiguatá	"	262,668	14.4	35,464
	" Charaima	Crude/Prods.	140,489	11.8	15,342
	" Caricuao	Products/LPG	140,489	11.9	14,906
	" Murachí	" "	56,168	11.6	6,831
Sub-Total	6		1,172,469		153,956
Venezuelan Total	12		2,606,091		334,874

(1) Not incl. Barge

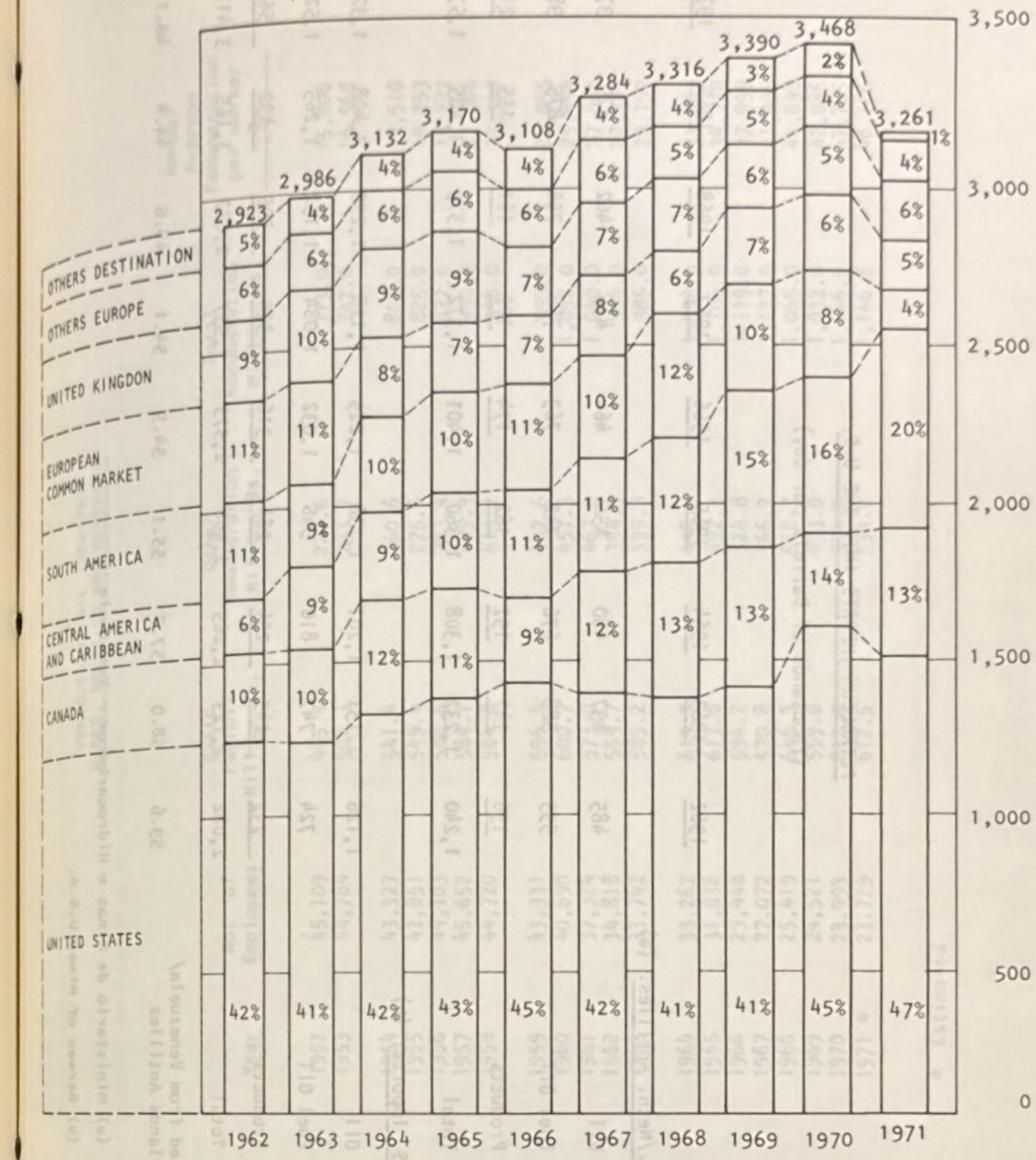
ULTIMATE DESTINATION OF VENEZUELA/NETHERLANDS ANTILLES PETROLEUM EXPORTS

(Figures in Thousand Barrels Per Day)

	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971
A. Crude Oil Exports (Excl. Crude Oil to Neth. Antilles)										
United States	485	497	480	456	464	436	462	375	371	403
Canadá	233	242	281	232	169	248	280	299	329	337
Central America & Caribbean	98	143	179	191	223	224	233	313	333	441
South America *	221	214	245	260	266	290	327	302	209	78
European Economic Community	178	181	161	139	137	210	173	196	177	130
United Kingdom	159	149	151	175	153	154	168	140	141	170
Other Europe	94	84	91	110	98	104	101	118	90	67
Other Destinations	9	6	9	9	10	8	9	15	13	9
Total	1,477	1,516	1,597	1,572	1,520	1,674	1,753	1,758	1,663	1,635
B. Heavy Fuel Oil Exports										
United States	599	588	676	742	763	764	756	875	987	929
Canadá	28	30	44	69	70	83	64	68	88	55
Central America & Caribbean	44	68	68	61	61	63	73	70	82	71
South America *	32	18	18	25	24	17	19	25	20	16
European Economic Community	36	44	34	28	17	17	16	18	7	4
United Kingdom	55	74	73	67	27	18	12	14	13	7
Other Europe	23	22	32	38	25	38	28	13	18	15
Other Destinations	31	21	15	14	9	20	21	13	10	5
Total	848	865	960	1,044	996	1,020	989	1,096	1,225	1,102
C. Other Products Exports										
United States	156	147	152	162	174	172	161	155	218	200
Canadá	32	33	37	51	50	61	81	76	62	36
Central America & Caribbean	46	49	48	62	66	72	105	120	135	147
South America *	64	36	50	36	35	33	38	31	33	32
European Economic Community	92	114	64	56	55	43	22	12	18	19
United Kingdom	62	72	58	50	51	48	42	36	26	31
Other Europe	56	72	76	53	60	47	34	29	29	34
Other Destinations	90	82	90	84	101	114	91	77	59	25
Total	598	605	575	554	592	590	574	536	580	524
D. Total Crude & Products Exp.										
United States	1,240	1,232	1,308	1,360	1,401	1,372	1,379	1,405	1,576	1,532
Canadá	293	305	362	352	289	392	425	443	479	428
Central America & Caribbean	188	260	295	314	350	359	411	503	550	659
South America *	317	268	313	321	325	340	384	358	262	126
European Economic Community	306	339	259	223	209	270	211	226	202	153
United Kingdom	276	295	282	292	231	220	222	190	180	208
Other Europe	173	178	199	201	183	189	163	160	137	116
Other Destinations	130	109	114	107	120	142	121	105	82	39
Total	2,923	2,986	3,132	3,170	3,108	3,284	3,316	3,390	3,468	3,261

* Includes Trinidad and Tobago

ULTIMATE DESTINATION OF VENEZUELA/NETH. ANTILLES PETROLEUM EXPORTS
(Thousand of Barrels per Day)



PETROLEUM IMPORTS INTO THE U.S.

(Thousands of Barrels per day)

	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971
From Ven./Neth. Antilles: (a)										
Crude Oil	485	497	480	456	464	436	462	375	371	403
Heavy Fuel Oil	599	588	676	742	763	764	756	875	987	929
Other Products	156	147	152	162	174	172	161	155	218	200
Total	1,240	1,232	1,308	1,360	1,401	1,372	1,379	1,405	1,576	1,532
Total U.S. Imports: (b)										
Crude Oil	1,126	1.131	1,201	1,238	1,225	1,128	1,290	1,408	1,324	1,681
Heavy Fuel Oil	724	747	810	946	1,032	1,084	1,152	1,265	1,528	1,519
Other Products	232	245	254	284	316	325	395	492	565	677
Total	2,082	2,123	2,265	2,468	2,573	2,537	2,837	3,165	3,417	3,877
% Imported from Venezuela/ Netherlands Antilles	59.6	58.0	57.7	55.1	54.5	54.1	48.6	44.4	46.1	39.5

Source: (a) Ministerio de Minas e Hidrocarburos - Venezuela

(b) Bereau of Mines U.S.A.

VENEZUELAN OIL INDUSTRY
WAGES, SALARIES AND BENEFITS

Year	No. of Employees	Basic Payroll Million Bs.	Other Remuneration Million Bs.	Total Remuneration Million Bs.	Annual Average Remuneration per worker Bs.
1952	45,109	485.4	227.6	713.0	15,806
1953	44,784	508.3	233.7	742.0	16,568
1954	43,327	541.4	260.6	802.0	18,510
1955	42,851	549.4	275.6	825.0	19,253
1956	44,103	588.6	283.4	872.0	19,772
1957	45,652	584.1	405.9	990.0	21,686
1958	44,720	584.8	413.2	998.0	22,317
1959	43,331	596.4	402.6	999.0	23,055
1960	40,690	600.7	451.3	1,052.0	25,854
1961	37,324	573.0	467.0	1,040.0	27,864
1962	34,818	559.7	394.3	954.0	27,400
1963	33,742	585.2	399.8	985.0	29,192
1964	33,262	619.2	458.8	1,078.0	32,409
1965	31,838	613.8	492.2	1,106.0	34,738
1966	29,448	594.2	524.8	1,119.0	37,999
1967	27,072	570.8	566.2	1,137.0	41,999
1968	25,419	546.3	518.7	1,065.0	41,898
1969	24,521	559.0	473.0	1,032.0	42,086
1970	23.993	612.5	534.0	1,146.5	47,785
1971 *	23.729	612.5	534.0	1,146.5	48,316

* Estimated

VENEZUELAN OIL INDUSTRY
GROSS INCOME DISTRIBUTION

(Million Dollars)

Year	Operating Expenses	Depreciation and Amortization	Payments to Government (3)	Net Profit	Gross Income
1952	491	172	443	408	1,514
1953	543	181	451	408	1,583
1954	572	198	500	457	1,727
1955	554	220	574	553	1,901
1956	600	237	689	684	2,210
1957	674	268	899	898	2.739
1958	622	315	951	523	2,411
1959	651	346	881	432	2,310
1960	647	388	852	415	2,302
1961	622	356	914	478	2,370
1962	591	350	1,035	548	2,524
1963	608	319	1,054	543	2,524
1964 (1)	550	226	1,123	558	2,457
1965	523	219	1,134	600	2,476
1966	523	225	1,089	569	2,406
1967	509	221	1,223	571	2,524
1968	487	213	1,246	603	2,549
1969	511	229	1,249	514	2,503
1970	546	243	1,408	395	2,592
1971 (2)	577	243	1,759	529	3,108

(1) Original data shown in Bs. converted into dollars at prevailing rates for each year.

(2) Preliminary.

(3) Includes income tax, taxes arising out of the Hydrocarbons Law, as well as some other payments to the government. Excludes those excise taxes paid by the industry which are charged to operating expenses.

FINANCIAL SUMMARY OF THE VENEZUELAN OIL INDUSTRY

(Millions of Dollars and %)

Concept	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971(a)
Total Income	2,525	2,524	2,456	2,476	2,406	2,524	2,550	2,504	2,592	3,108
Total Cost and Other deductions	1,977	1,981	1,898	1,876	1,837	1,953	1,947	1,989	2,197	2,579
Profit after income tax	548	543	558	600	569	571	603	515	395	529
Profit % of income	21.71	21.52	22.73	24.22	23.65	22.63	23.65	20.57	15.25	17.03
Total Assets	3,627	3,355	2,523	2,573	2,378	2,188	2,320	2,561	2,590	2,630
Total Liabilities	634	588	607	645	647	561	587	820	925	972
Detail	2,993	2,767	1,916	1,928	1,731	1,627	1,733	1,741	1,855	1,858
Income Tax	473	500	512	528	514	626	626	625	743	1,106
Royalty	551	560	581	583	534	605	617	619	657	646
Other Taxes	20	18	12	11	10	10	10	12	8	8
Total Share	1,044	1,078	1,105	1,122	1,058	1,241	1,241	1,256	1,408	1,759
% Government/% Industry Profit Share	66/34	66/34	66/34	65/35	66/34	68/32	68/32	71/29	78/22	77/23
Detail Costs										
Production	117	131	132	163	114	116	198	194	214	196
Transportation	17	17	11	9	15	9	13	40	24	29
Refining	8	6	17	7	9	12	42	88	49	32
Marketing	5	3	6	3	3	5	2	4	5	3
Others	6	8	5	6	4	5	14	31	2	2
Total	153	165	171	188	145	147	269	357	294	252
Production as % of total	76.37	79.06	77.16	87.03	78.68	79.44	73.60	54.32	72.87	73.83
Net Accumulated Investment										
Production	2,007	1,872	1,260	1,247	1,151	1,073	1,120	1,129	1,089	1,057
Transportation	339	323	230	217	209	196	194	215	208	205
Refining	294	262	174	153	139	130	147	212	305	302
Marketing	39	38	29	27	27	28	27	26	26	26
Others	125	122	75	72	75	67	69	91	68	67
Total	2,804	2,167	1,768	1,716	1,601	1,494	1,557	1,673	1,696	1,657
Production as % of total	71.60	71.60	71.29	72.63	71.92	71.79	71.91	67.46	64.20	63.78
Average Capital, before income tax	2,133	2,880	1,930	1,922	1,829	1,679	1,680	1,738	1,898	1,856
	548	543	558	600	569	571	603	515	395	529
Net % avg. Capital (b)	17.49	18.86	28.94	31.20	31.11	34.03	35.89	29.61	27.27	31.96

(a) Preliminary

(b) The 1968 Ministry's Memoria indicated the following note: "the considerable rise in the rate of return on average capital from 1964 through 1968 is due to the fact that invested capital in fixed assets has not been revalued as a consequence of the exchange rate modification of January 1964, while gross income was calculated at the new exchange rate of Bs. 4.40/$".

WORLD OIL RESERVES

(Billion Barrels)

Country/Area	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971
United States	38.7	38.6	38.7	39.4	39.8	40.0	39.3	37.8	46.7	45.4
Canada	5.2	5.6	7.0	7.7	9.1	9.5	10.0	10.5	10.4	10.2
Venezuela	16.8	17.0	17.2	17.2	16.9	16.0	15.7	14.9	14.0	13.7
Others	7.4	7.4	8.4	8.0	10.2	10.9	13.1	14.3	12.2	17.9
Total Western Hemisphere	68.1	68.6	71.3	72.3	76.0	76.4	78.1	77.5	83.3	87.2
Western Europe	1.9	2.3	2.7	2.6	2.9	2.8	2.6	2.4	4.4	14.8
Africa	12.3	16.4	19.4	23.0	32.4	42.3	44.6	54.8	74.7	58.9
Middle East	193.9	207.0	211.5	214.9	234.6	248.5	270.1	332.8	343.9	366.8
Soviet Block	30.0	29.5	30.8	33.5	33.8	35.8	55.9	60.0	100.0	98.5
Others	11.3	11.6	11.6	11.0	11.8	11.8	13.7	13.1	14.4	15.6
Total Eastern Hemisphere	249.4	266.8	276.0	285.0	315.5	341.2	386.9	463.1	537.4	554.6
Total World	317.5	335.4	347.3	357.3	391.5	417.6	465.0	540.6	620.7	641.8

Source: Statistical Review of World Oil Industry - The British Petroleum Co. Ltd.
Venezuela: Ministerio de Minas e Hidrocarburos.

WORLD OIL PRODUCTION

(Thousand Barrels Daily)

Country/Area	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971
United States	8,353	8,640	8,770	9,015	9,580	10,220	10,600	10,830	11,295	11,225
Venezuela	3,200	3,248	3,393	3,473	3,371	3,542	3,605	3,594	3,708	3,459
Canada	735	790	855	925	1,015	1,110	1,195	1,310	1,475	1,595
Others	1,103	1,142	1,167	1,222	1,284	1,383	1,500	1,546	1,587	1,746
Total Western Hemisphere	13,391	13,820	14,185	14,635	15,250	16,255	16,900	17,280	18,065	18,025
Middle East	6,190	6,820	7,615	8,340	9,305	9,960	11,215	12,390	13,825	16,165
Soviet Block	4,156	4,595	4,970	5,395	5,870	6,340	6,785	7,270	7,810	8,315
Africa	806	1,190	1,715	2,215	2,815	3,160	4,070	5,180	6,215	5,800
Indonesia	460	452	464	485	455	515	600	750	855	890
Others	479	528	576	615	690	730	775	810	970	1,175
Total Eastern Hemisphere	12,091	13,585	15,340	17,050	19,135	20,705	23,445	26,400	29,675	32,345
Total World	25,482	27,405	29,525	31,685	34,385	36,960	40,345	43,680	47,740	50,370

Source: Statistical Review of the World Oil Industry - The British Petroleum Co. Ltd.
Venezuela: Ministerio de Minas e Hidrocarburos

WORLD OIL REFINERY RUNS

(Thousand Barrels Daily)

Country/Area	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971
United States	8,486	8,774	8,882	9,131	9,539	9,909	10,384	10,723	10,974	11,319
Caribbean	2,435	2,526	2,539	2,742	2,795	2,840	2,926	3,029	3,100	3,275
Western Europe	4,707	5,395	6,257	7,174	8,081	8,814	10,048	11,200	12,754	13,091
Middle East	1,406	1,452	1,487	1,527	1,580	1,644	1,812	1,876	2,104	2,373
Others	7,531	8,324	9,253	10,023	11,064	12,133	13,600	14,921	16,456	18,101
TOTAL WORLD	24,565	26,471	28,418	30,597	33,059	35,340	38,770	41,749	45,388	48,159

PERCENTAGE YIELDS ON CRUDE

Uninet States	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971
Gasolines	46	46	47	47	47	47	47	47	48	48
Middle Distillates	29	30	29	29	29	29	30	30	30	30
Fuel Oil	8	7	7	7	7	7	6	6	5	5
Other (Including Refinery Fuel and Loss)	17	17	17	17	17	17	17	17	17	17
TOTAL	100	100	100	100	100	100	100	100	100	100
Western Europe										
Gasolines	21	21	21	21	21	21	21	21	20	20
Middle Distilates	28	30	30	31	31	30	31	30	32	32
Fuel Oil	36	35	35	35	36	35	34	35	34	34
Others (Including Refinery Fuel and Loss)	15	14	14	13	12	14	14	14	14	14
TOTAL	100	100	100	100	100	100	100	100	100	100

Source: Statistical Review of the World Oil Industry - The British Petroleum Co. Ltd.

WORLD OIL CONSUMPTION

(Thousand Barrels Daily)

Country/Area	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971
United States	10,230	10,550	10,820	11,300	11,850	12,280	13,080	13,810	14,350	14,780
Canadá	930	1,000	1,070	1,150	1,220	1,290	1,380	1,440	1,520	1,610
Others	1,710	1,820	1,900	2,010	2,150	2,250	2,450	2,610	2,830	2,990
TOTAL WESTERN HEMISPHERE	12,870	13,370	13,790	14,460	15,220	15,820	16,910	17,860	18,700	19,380
Benelux	560	640	740	840	870	900	1,040	1,150	1,290	1,290
France	730	870	970	1,110	1,190	1,360	1,470	1,700	1,920	2,090
Germany	1,010	1,210	1,400	1,620	1,820	1,940	2,140	2,420	2,660	2,740
Italy	700	800	930	1,040	1,170	1,260	1,380	1,530	1,740	1,840
United Kingdom	1,130	1,240	1,360	1,510	1,590	1,680	1,820	1,950	2,060	2,070
Scandinavia	500	570	620	690	780	790	880	1,010	1,130	1,090
Others	660	780	910	1,030	1,150	1,310	1,480	1,650	1,860	2,060
TOTAL WESTERN EUROPE	5,290	6,110	6,930	7,840	8,570	9,240	10,210	11,410	12,660	13,180
Japan	950	1,250	1,490	1,770	1,990	2,370	2,800	3,420	4,000	4,440
Australasia	300	330	380	410	450	490	530	560	600	620
Soviet Block	3,520	3,880	4,170	4,460	4,840	5,240	5,690	6,340	6,760	7,350
Others	1,790	1,910	2,040	2,160	2,370	2,730	2,990	3,320	3,540	3,800
TOTAL WESTERN HEMISPHERE	11,850	13,480	15,010	16,640	18,220	20,070	22,220	25,050	27,560	29,390
TOTAL WORLD	24,720	26,850	28,800	31,100	33,440	35,890	39,130	42,910	46,260	48,770

MAIN PRODUCT DEMAND

(Including Bunkers)

United States	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971
Gasolines	4,570	4,830	4,910	5,110	5,370	5,560	5,920	6,120	6,330	6,560
Middle Distillates	2,540	2,600	2,620	2,720	2,850	3,030	3,280	3,430	3,520	3,690
Fuel Oil	1,380	1,360	1,410	1,510	1,610	1,680	1,710	1,860	2,090	2,090
TOTAL	8,490	8,790	8,940	9,340	9,830	10,270	10,910	11,410	11,940	12,340
Western Europe										
Gasolines	1,030	1,150	1,320	1,530	1,740	1,870	2,080	2,260	2,410	2,530
Middle Distillates	1,540	1,840	2,040	2,330	2,580	2,800	3,190	3,650	4,170	4,420
Fuel Oil	1,970	2,220	2,550	2,850	3,090	3,230	3,500	3,890	4,340	4,440
TOTAL	4,540	5,210	5,910	6,710	7,410	7,900	8,770	9,800	10,920	11,390

Source: Statistical Review of the World Oil Industry - The British Petroleum Co. Ltd.

INTERNATIONAL PETROLEUM TRADE

(Thousand Barrels Daily)

Exports	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971
United States	170	210	200	190	200	310	200	230	260	230
Venezuela	2,923	2,986	3,132	3,170	3,108	3,284	3,316	3,390	3,468	3,261
Other Western Hemisphere	377	424	388	450	382	526	554	710	612	719
Middle East	5,570	6,150	6,930	7,690	8,570	9,140	10,440	11,520	12,930	15,250
North Africa	670	1,050	1,440	1,720	2,240	2,460	3,620	4,230	4,690	3,870
South East Asia	310	340	370	340	350	410	440	830	800	850
Soviet Block	690	740	800	900	1,030	1,090	1,100	1,130	1,160	1,090
Others	290	300	360	530	670	690	730	1,130	1,680	2,020
TOTAL	11,000	12,200	13,620	14,990	16,550	17,910	20,400	23,170	25,600	27,290
Imports										
United States	2,080	2,120	2,260	2,470	2,570	2,540	2,810	3,170	3,420	3,880
Western Europe	5,290	6,070	6,900	7,600	8,580	9,250	10,480	11,430	12,940	13,550
Japan	930	1,220	1,470	1,720	2,000	2,400	3,060	3,590	4,280	4,620
Others	2,700	2,790	2,990	3,200	3,400	3,720	4,050	4,980	4,960	5,240
TOTAL	11,000	12,200	13,620	14,990	16,550	17,910	20,400	23,170	25,600	27,290

Source: Statistical Review of the World Oil Industry - The British Petroleum Co. Ltd
Venezuela: Ministerio de Minas e Hidrocarburos

WORLD TANKER FLEET BY SIZE

(Million Tons D. W.)

D. W. Tons	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971
Under 25,000 D.W.T.	34.0	32.7	31.3	31.2	30.0	29.7	29.8	28.9	28.3	28.5
25-45,000 D.W.T.	24.7	25.4	25.4	25.5	25.3	25.0	25.6	26.7	27.4	28.0
45-65-000 D.W.T.	8.4	12.0	16.1	19.3	21.2	21.8	22.1	22.0	22.5	22.6
65-125,000 D.W.T	3.1	4.8	8.7	14.0	21.8	28.9	33.4	36.3	38.5	39.4
125-205,000 D.W.T.	0.1	0.1	0.1	0.1	0.9	2.3	5.4	8.2	10.3	12.0
205-285,000 D.W.T.	-	-	-	-	0.2	0.2	2.6	11.1	26.7	42.5
285,000 D.W.T. and over	-	-	-	-	-	-	0.6	2.0	2.0	2.3
TOTAL	70.3	75.0	81.6	90.1	99.4	107.9	119.5	135.2	155.7	175.3

Source: Statistical Review of World Oil Industry - The British Petroleum Co. Ltd.

V E N E Z U E L A

GROSS NATIONAL PRODUCT AND NATIONAL INCOME

Year	Population (Thousand)	Gross National Product: Million Bolivars (at Market Prices)	Gross National Product: Bolivars Per Capita	National Income: Million Bolivars	National Income: Bolivars Per Capita
1951	5,179	13,007	2,511	9,547	1,843
1952	5,422	13,981	2,579	10,236	1,888
1953	5,665	14,806	2,614	10,903	1,925
1954	5,908	16,377	2,772	12,154	2,057
1955	6,150	17,893	2,909	13,057	2,123
1956	6,393	20,400	3,191	14,712	2,301
1957	6,636	23,847	3,594	16,782	2,529
1958	6,879	24,585	3,574	18,279	2,657
1959	7,122	25,557	3,588	19,742	2,772
1960	7,364	25,671	3,486	19,372	2,631
1961	7,612	26,997	3,547	19,988	2,626
1962	7,872	29,525	3,751	21,517	2,733
1963	8,144	32,186	3,952	23,563	2,893
1964	8,427	35,637	4,229	27,595	3,275
1965	8,722	37,925	4,348	29,467	3,378
1966	9,030	39,516	4,376	30,669	3,396
1967	9,352	41,625	4,451	32,508	3,476
1968	9,686	41,265	4,260	32,932	3,400
1969	10,035	42,715	4,257	34,233	3,411
1970	10,399	45,809	4,405	37,246	3,582

SOURCE: "Petróleo y Otros Datos Estadísticos"

V E N E Z U E L A

GROSS NATIONAL PRODUCT AND EXPORTS

(Thousand Million Bolivars)

Year	Gross National Product (1)	Total Exports: Oil	Total Exports: Other	Total Exports: Total	% Share of Exports in GNP	% Share of Oil Exports in GNP
1951	11.63	3.80	0.17	3.97	34.14	32.67
1952	12.53	4.21	0.25	4.46	35.59	33.60
1953	13.35	4.33	0.29	4.62	34.61	32.43
1954	14.77	4.84	0.32	5.16	34.94	32.77
1955	15.99	5.43	0.38	5.81	36.33	33.96
1956	17.93	6.30	0.46	6.76	37.70	35.14
1957	20.60	7.81	0.65	8.46	41.07	37.91
1958	22.49	7.06	0.62	7.68	34.15	31.39
1959	23.67	6.66	0.66	7.32	30.93	28.14
1960	23.57	6.64	1.08	7.72	32.75	28.17
1961	24.68	6.81	0.62	7.43	30.11	27.59
1962	26.80	7.22	0.61	7.83	29.22	26.94
1963	29.33	7.20	0.63	7.83	26.70	24.55
1964	32.41	10.14(a)	0.71	10.85	33.48	31.29
1965	34.43	10.14	0.69	10.83	31.48	29.45
1966	36.12	9.75	0.81	10.56	29.24	26.16
1967	38.35	10.26	0.89	11.15	29.01	26.75
1968	37.95	10.36	0.79	11.15	29.38	27.30
1969	39.59	10.14	0.92	11.06	27.94	25.61
1970	43.17	10.55	1.01	11.56	26.78	24.44

(a) The sharp increase shown in 1964 versus 1963 is due mainly to the new exchange rate of Bs. 4.40/$1.00 introduced on 1-18-64.

(1) At market price

SOURCE: "Petróleo y Otros Datos Estadísticos"

VENEZUELA

VOLUME AND VALUE OF IMPORTS

Year	Volume M.T.	Kgs. Per Capita	Total Value (Thousand $)	Dollars Per Capita
1951	1,958.881	378	685,252	132
1952	1,773,409	327	763,467	141
1953	1,847,839	326	825,508	146
1954	2,076,113	351	922,062	156
1955	2,196,751	357	950,582	155
1956	2,480,209	388	1,148,492	180
1957	3,747,244	565	1,843,889	278
1958	2,997,132	436	1,441,031	210
1959	2,913,581	409	1,424,073	200
1960	2,277,579	309	1,072,839	146
1961	2,155,444	283	1,075,511	141
1962	2,268,234	288	1,171,177	149
1963	2,175,378	267	1,112,091	137
1964	2,937,170	349	1,101,763	131
1965	2,959,421	339	1,266,782	145
1966	2,602,965	288	1,165,279	129
1967	3,111,326	333	1,285,998	138
1968	3,768,403	389	1,488,796	154
1969	3,638,340	363	1,525,586	152
1970	4,255,063	409	1,665,032	160

SOURCE: "Petróleo y Otros Datos Estadísticos"

VENEZUELA

FISCAL INCOME & PETROLEUM INDUSTRY

Year	Total Ordinary Fiscal Income		Fiscal Income From Petroleum Industry	
	Million Bolivars	Bolivars Per Capita	Million Bolivars	Bolivars Per Capita
1951	2,266.5	438	1,317.0	254
1952	2,407.7	444	1,476.0	272
1953	2,533.6	447	1,589.0	281
1954	2,631.8	445	1,498.0	254
1955	2,970.4	483	1,714.0	279
1956	3,397.5	531	2,062.0 (a)	323
1957	4,262.5	642	2,680.0 (a)	404
1958	4,706.0	684	2,930.0	426
1959	5,441.6	764	3,506.5	492
1960	4,968.0	675	3,248.1	441
1961	5,792.1	761	3,859.6	507
1962	5,910.3	751	4,077.4	518
1963	6,596.3	810	4,711.0	578
1964	7,133.4	846	5,004.9	594
1965	7,264.6	833	4,826.1	553
1966	7,751.4	858	4,991.7	553
1967	8,539.1	913	5,716.6	611
1968	8,775.1	906	5,836.4	603
1969	8,660.6	863	5,483.1	546
1970	9,498.1	913	5,800.9	558
1971 (b)	11,637.2	1,080	7,760.2	720

(a) Additional income derived from granting new oil concessions amounting to Bs. 974 and Bs. 1,142 millions for the years 1956 and 1957 respectively, are not included.

(b) Preliminary.

SOURCE: "Memoria del Ministerio de Hacienda" (Cuadro A-6 y A-7)

VENEZUELA

FOREIGN INVESTMENT BY ECONOMIC ACTIVITY

(Million Dollars)

	1965	1966	1967	1968	1969
Oil	1,992	1,738	1,568	1,670	1,710
Mining	109	106	106	110	127
Industry	418	481	517	635	682
Trade	215	238	267	265	265
Banking	90	93	95	90	126
Services	44	53	64	74	90
Construction	14	13	17	18	26
Insurance	15	18	19	17	20
Livestock	5	6	6	11	11
Others	75	82	78	92	112
Total	2,977	2,828	2,737	2,982	3,169

% SHARE

Oil	66.4	61.0	56.7	55.5	53.4
Mining	3.6	3.7	3.8	3.6	4.0
Industry	14.3	17.3	19.1	21.6	21.8
Trade	7.3	8.6	9.9	9.0	8.5
Banking	3.1	3.3	3.5	3.0	4.0
Services	1.5	1.9	2.4	2.6	2.9
Construction	0.5	0.5	0.6	0.6	0.8
Insurance	0.5	0.6	0.7	0.6	0.6
Livestock	0.2	0.2	0.4	0.4	0.4
Others	2.6	2.9	2.9	3.1	3.6
Total	100.0	100.0	100.0	100.0	100.0

Source: "Petróleo y Otros Datos Estadísticos"

V E N E Z U E L A

INTERNATIONAL TRANSACTIONS: OIL SECTOR

(Million Dollars)

	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970
Exports	2,213	2,343	2,336	2,341	2,305	2,221	2,333	2,356	2,305	2,398
Imports	(51)	(85)	(75)	(61)	(61)	(48)	(42)	(58)	(99)	(66)
Freight and Insurance on Merchandise	-	-	(1)	(4)	(3)	(3)	1	(1)	9	11
Income from Investment	(464)	(539)	(534)	(557)	(587)	(556)	(534)	(589)	(500)	(400)
Other Services	(59)	(70)	(50)	(104)	(68)	(59)	(42)	(106)	(107)	(81)
Capital Exchanges	(126)	(304)	(106)	(98)	(93)	(232)	(84)	43	77	(95)
Adjustments	(184)	(108)	(233)	(120)	(122)	46	(96)	(58)	(90)	(81)
Total Deductions	(884)	(1,106)	(999)	(944)	(934)	(852)	(797)	(769)	(710)	(712)
Total Net	1,329	1.237	1,337	1,397	1,371	1,369	1,536	1,587	1,595	1,686
% Ratio (1)	60.1	52.8	57.2	59.7	59.5	61.8	65.8	67.4	69.2	70.3
Oil Foreign Exchange	1,329	1.237	1,337	1,397	1,371	1,369	1,536	1,587	1,595	1,686

(1) Total Net Over Total Exports

Source: Banco Central de Venezuela (A-X-7)

IRON ORE

VENEZUELAN PRODUCTION & EXPORTS

(Thousands of Metric Tons)

	Accumulated 1950-1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	Accumulated 1950-1971
Production	113,970	13,305	12,047	15,681	17,493	17,752	17,123	15,502	19,716	22,074	20,500	285,163
Exports	110,993	13,314	12,371	14,893	17,006	17,037	16,457	15,034	18,991	21,094	19,400	276,590
Sales Within Country	92	511	439	574	629	630	660	539	633	714	200	5,621

OPERATING INCOME

(Millions of Dollars)

	1962	1963	1964	1965	1966	1967	1968	1970	1971
Sales Within Country	11.5	7.6	14.4	16.5	17.3	16.6	13.0	17.9	5.8
Sales Abroad	374.9	308.1	469.8	540.4	541.7	518.6	453.4	639.7	649.1
Total Mineral Sales	386.4	315.7	484.2	556.9	559.0	535.2	466.4	657.6	654.9
Service Income	28.2	28.4	33.9	37.8	36.3	33.1	29.7	37.2	30.7
Total Income	414.6	344.1	518.1	594.7	595.3	568.3	496.1	694.8	685.6

* Preliminary

CENT DISTRIBUTION OF EACH DOLLAR EARNED FROM IRON ORE

	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971
Operation Cost & Expenses	45.68	43.42	33.35	28.74	29.60	30.51	43.66	30.25	32.04	34.45
Depreciation & Amortization	15.41	18.89	8.02	6.89	7.31	7.28	8.15	7.25	6.88	9.88
Mining Law Tax	0.43	0.41	0.54	0.54	0.72	0.39	0.48	0.60	0.72	0.64
Import Rights	0.34	0.78	0.42	0.34	0.37	0.39	0.30	0.13	0.27	0.23
Other Taxes	0.34	0.46	0.27	0.28	0.40	0.25	0.28	0.29	0.42	0.44
Total Operating Cost & Expenses	62.20	63.96	42.60	36.79	38.40	38.82	52.87	38.52	40.33	45.64
Income Tax	18.79	17.61	27.85	31.68	30.56	31.51	23.58	30.11	35.74	31.53
Earnings	19.01	18.43	29.55	31.53	31.04	29.67	23.55	31.37	23.93	22.83
Total Income	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

INCOME DISTRIBUTION FROM IRON ORE

(Million Dollars)

	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971
Operating Cost & Expenses	56.88	44.86	39.27	38.86	40.05	39.41	49.23	42.75	50.59	53.68
Depreciation & Amortization	19.19	19.52	9.43	9.33	9.89	9.41	9.18	10.25	10.86	15.39
Mining Law Tax	0.54	0.42	0.64	0.73	0.97	0.50	0.55	0.84	1.14	1.00
Import Rights	0.42	0.81	0.50	0.45	0.50	0.50	0.34	0.18	0.43	0.36
Other Taxes	0.42	0.48	0.32	0.36	0.55	0.32	0.32	0.41	0.66	0.68
Total Operation Cost & Expenses	77.45	66.09	50.16	49.73	51.96	50.14	59.62	54.43	63.68	71.11
Income Tax	23.39	18.20	32.80	42.82	41.34	40.70	26.59	42.55	56.43	49.14
Earnings	23.66	19.04	34.79	42.61	42.00	38.32	26.54	44.34	37.80	35.57
Total Income	124.50	103.33	117.75	135.16	135.30	129.16	112.75	141.32	157.91	155.82
Relation Between Taxes and Earnings	49/51	49/51	49/51	51/49	49/51	52/48	51/49	50/50	60/40	59/41

HIGHLIGHTS OF VENEZUELAN OIL HISTORY

Prior to 1878 — Oil used by Indians for medicinal purposes. Spaniards and pirates used heavy asphaltic seepages along the eastern shore of Lake Maracaibo for caulking ships. In 1854 the first mining code was legislated, based on the 1783 Mining Ordinances of Charles III of Spain; provided that subsoil belongs to the Nation and that royalty share was to accrue to the Nation for the right of exploitation.

1878 — First concession of 100 hectares (250 acres) in Táchira to Manuel Antonio Pulido. Produced first oil for market from shallow, hand-dug pits. Small still produced a maximum of 15 bbls. of kerosene daily in an operation which continued on the same scale until 1934.

1900 — Around beginning of centry, asphalt exploitation at Inciarte, 75 Km. west of Maracaibo.

1904 — New Mining Law, including special provision for hydrocarbons.

1907 — First significant concessions; 10 million acres in Zulia 2.5 million acres in Bolívar/Maracaibo, 1.25 million acres in Falcón/Lara and 1.25 million acres in Falcón, all to Venezuelans.

1909 — Concession to Tregalles of 65 million acres in 12 States and one Territory. Concession lapsed and was granted to Dr. R. M. Valladares in 1912.

1910 — Valladares concession in Sucre transferred to Caribbean Petroleum Co. (General Asphalt Co.). On this lease was drilled the first producer - next to Guanoco Lake, the largest known asphalt deposit in the world.

1912 — Tregalles concession renewed to Valladares, transferred to Caribbean Petroleum. On this concession the first well in the Maracaibo basin was drilled. In 1918 concession sold to Shell. Subsequently, concessions were granted under various laws throughout Venezuela, with most considered on an individual basis, until they were all converted to the terms of the hydrocarbons law of 1943, still in effect.

1914 — Shell brought in a commercial producer in the Mene Grande field.

1918 — First well completed in the Bolívar Coastal fields.

1922 — Shell's well Los Barrosos No. 2 on the northeastern shore of Lake Maracaibo "blew up", flowing from 1,500 ft. for 10 days at 100,000 barrels per day before being brought under control. This turned the attention of the world to Venezuela as a potentially important source of oil, and marked the beginning of a period of great petroleum activity in all Venezuela, and specially in the Lake region.

1926 — Discovery of Lagunillas field, which became Venezuela's most important producing field.

1928 — Discovery of Tía Juana field. First discovery of importance in Eastern Venezuela (Quiriquire field).

1930 Discovery of Bachaquero field.

1931 Refinery at Caripito inaugurated.

1937-1939 Discoveries in Central Venezuela (Oficina, Jusepín, San Joaquín and Las Mercedes fields).

1939 Important discovery in Lake Maracaibo (LL-370). Expansion of Caripito Refinery.

1943 Hydrocarbons Law passed; still in effect. All former concessions converted to its terms.

1944 Beginning of Cretaceous limestone production in the La Paz field (Zulia).

1949 Refinery operations commenced at Punta Cardón. Expansion of refinery continuing.

1950 Refinery operations commenced at Amuay. Expansion of refinery continuing.

1956 Large area of concessions granted, the first since 1945. Granted to established oil companies and to new-comers. Plans advanced for a Venezuelan petrochemical industry. Crude production received strong upward stimulus from Suez crisis at end of year.

1957 Grant of new concessions continues until the end of May. Venezuelan crude production continues to increase sharply until June, then declines substantially as a result of weak demand and U.S. import restrictions.

1958 Active drilling on new (1956-1957) concessions, specially in Lake Maracaibo. Venezuelan crude production continues depressed until mid. 1958 and then recovers strongly to over 3 million B/D in early 1959.

1959 Venezuelan crude production almost at the 1957 record level, but rate of increase slow in comparison with gains of earlier postward period. Exploration activity declines to a low point.

1960 New refinery at El Palito begins operations. Crude production once more at record levels, but exploration continues to decline.

1961 Venezuelan government oil company commences drilling operations. Crude production exceeds last year's record but proved reserves show a net drop for the first time.

1962 Crude oil output registers a 9.6% increase, steepest in the post-Suez Crisis period. Remaining proved reserves experiment a reduction for the second consecutive year.

1963 Production increase 1.5% over the previous year while world production increased by 7.1%. Exports to South America decreased by 19%, this being the fifth consecutive year with reduced exports to these markets.

1964 Exports to South America increased by 13.3%, thus reversing the downward trend which had prevailed for the previous five years. Crude production increased by 4.4% to 3,393 MB/D.

1965 Exports to South America increased by 2.6% over the previous year. Export sales to Europe decreased once more in 1965. Venezuelan crude exports to this area were 25 MB/D lower. Crude production increased by 2.4% to 3,473 MB/D.

1966 Oil production decreased 2.9% compared to 1965. For the first time after 1958, the volume of Venezuelan Oil exports shows a decline from the prior year. Exports to Europe plummeted 13.1%, to 622 MB/D, 93,500 barrels per day less than in 1965.

1967 The Venezuelan National Congress modified article 3° of the Hydrocarbons Law, by means of which CVP is legally authorized to celebrate Service Contracts. Crude production increase by 5.1%, to 3,542 MB/D, reflecting the Middle East crisis.

1968 The construction of desulphurization facilities started in Amuay and Cardón. CVP receives service contract offers on South Lake acreage. Crude oil production increased 1.8% over 1967 and reached the level of 3,605 MB/D. Crude oil volume refined in Venezuela increased 1.7% over 1967 and reached 1,186 MB/D.

1969 Oil production decreased 10,624 B/D (0.3%) while oil processed in Venezuela fell to the lowest level since 1964. On the other hand, total and export sales were higher. Late in 1969, however, Venezuela temporarily lost its position as largest petroleum exporting country to Iran, but remained first on average for the year.

1970 The Venezuelan Congress approved the minimum bases for Service Contracts. The Congress also enacted a partial reform to the Income Tax Law of 1966.

Oil production increased 3.17% over 1969.

1971 Based on the 1970 amendment to the income tax law of 1966, the government unilaterally established new, substantially higher crude oil and product export values for tax purposes, effective from March 18 through December 31, 1971.

In March a Law was introduced in the Venezuelan Congress for the nationalization of the marketing activity within Venezuela.

In July the Venezuelan Congress enacted a law which controls the management and disposition of oil industry assets until, as provided by the Hydrocarbons Law, they are transferred to the Nation upon expiration of the present concessions. This Law is entitled "Law Concerning Properties Subject to Reversion in Hydrocarbon Concessions".

In August, a law was enacted which reserves the natural gas industry to the Nation and assigns it to the state-owned Corporación Venezolana del Petroleo (CVP). It requires concessionaires to deliver natural gas to the Nation under conditions to be established by the government.

In a resolution published in December, the Venezuelan government established new and substantially higher petroleum export values for tax purposes to apply in 1972. Also, the same resolution introduced a system of penalties, in the form of even higher export values for tax purposes, which are calculated for each quarter in which export volumes vary more than 2% above or below those in the corresponding quarter of 1970.

In December, the rate of exchange applicable to oil companies operating in Venezuela was changed from Bs. 4.40 to Bs. 4.30 to the U.S. dollar. The rate applicable to most other sectors of the economy was similarly changed from Bs. 4.50 to Bs. 4.40 to the U.S. dollar.

On December, the Venezuelan government issued Decree No. 832 imposing on concessionaires a system of controls over programs covering their oil exploration, production, sales, and investments.

Towards the end of the year the Venezuelan government renounced the Reciprocal Trade Treaty with the United States signed in 1939 by the two countries.

The first Service Contracts for the exploration and drilling in the Southern part of Lake Maracaibo were signed with CVP by the Occidental Petroleum Co., Cía Shell de Venezuela; and Mobil de Maracaibo. Three wells were being drilled under these contracts towards the end of the year.

N O T E S