No copy of original was made - this was done via shorthand notes. Lee [illegible] 8/31/78

August 29, 1978

NOTE TO: COL. WILLIAM ODOM

ATTN: NANCY

FROM: FRANK R. PAGNOTTA

Attached are the comments from Jim Schlesinger due to Mr. Brzezinski immediately.

Please see they are hand carried to his office immediately.

NOT DETACH FROM CORRESPONDENCE

FROM: DUNCAN, CHARLES W. DOD
DEP SECY OF DEFENSE

ORIG. DATE: 08/26/78
REC'D DATE:
DUE DATE: 09/05/78
COMP DATE:
ROUTE SYM:

ACTIVITY: A
SOURCE DOC.: NL
FILE CODE:
BY WHOM:
SPEC INT:

CONTROL NO.: OS13322
SOURCE CODE: FO

TO: BRZEZINSKI

SUBJECT: THE DRESSER INDUSTRIES' ROCK DRILL BIT MANUFACTURING PLANT EXPORT APPLICATION

ENCLOSURES:
REMARKS: AN ASSESSMENT OF ROCK DRILL BIT TECHNOLOGY

	REFERRED TO:	REF. DATE:	FOR
(1)	COOPER	08/28/78	ACTN
(2)	UNDER SECY		INFO
(3)	ASST SECY/DP		INFO
(4)	ASST SECY/IA		INFO
(5)	GENERAL COUNSEL		INFO
(6)	SPECIAL ASST		INFO
(7)	DIRECTOR/OSE		INFO
(8)			
(9)			
(10) LAST			
(11)			
(12)			

REMARKS:
ENCLOSURES: BACKGROUND ATTACHED: AUG 14 REPLY TO SENATOR JACKSON, OSE/CO 12421.

TYPE OF ACTION: APPROPRIATE ACTION
FOR SIGNATURE OF:

COORDINATE ROUTING
~~CHANGES THROUGH OSE/CO~~ for mk ~~DIRECTOR~~

OFFICE OF THE SECRETARY
U.S. DEPARTMENT OF ENERGY
PENDING ACTION CONTROL

DOE FORM CR-2A (4-78)

UPON COMPLETION RETURN TO DIRECTOR, OFFICE OF THE SECRETARY

THE DEPUTY SECRETARY OF DEFENSE
WASHINGTON, D.C. 20301

26 August 1978

MEMORANDUM FOR: HONORABLE ZBIGNIEW BRZEZINSKI, ASSISTANT TO THE PRESIDENT FOR NATIONAL SECURITY AFFAIRS

SUBJECT: The Dresser Industries' Rock Drill Bit Manufacturing Plant Export Application

I am forwarding to you the assessment made under the auspices of the Defense Science Board of the Dresser Industries' application to export technical data and equipment for a rock drill bit manufacturing facility to the USSR.

To assist you in making best use of this evaluation, I would make the following observations. First, the determination of the strategic significance to the U.S. of enhancing Soviet capabilities for oil exploration should precede any evaluation of the technology transferred through this specific application. Without such a policy determination, any technological impact assessment is without context and any two assessments will vary depending upon the interpretation of U.S. interests made by the individual evaluators. Indeed, assessments of military significance narrowly defined may be influenced by differing views of the broader strategic significance of the transfer of oil production technology. Because of the importance ascribed today to oil resources by all industrial nations, and because of the international trade uncertainties introduced by any indeterminancy of U.S. policy on this matter, I recommend that you ask for suspension of the approvals already granted for the Dresser Industries' export application pending a determination of U.S. energy-related export policies. This suggestion would simply make this case subject to the 1 August 1978 decision to review exports of oil producing technology.

I am prompted in my suggestions by the variations in impact assessment which characterize the many evaluations of this particular export license request. The attached Defense Science Board sponsored report provides an excellent evaluation which points out the broad strategic significance of U.S. manufacturing technology related to deep well drilling and which highlights the critical fact that the technology transferred by selling a manufacturing <u>process</u> is much more significant than transfer of the individual components involved in the sale. However, to arrive at a recommendation, the DSB panel had to assume a national policy relative to enhancing the capabilities of the Soviet Union for oil exploration. The national issues at stake far transcend the particular interests of the DoD and the energy issues certainly lie most directly within Jim Schlesinger's province.

With respect to our national military interests per se as distinguished from these broader national strategic interests, we had earlier initiated a reassessment. This reassessment took account of the DSB report when it was received on August 25, 1978. We are forwarding separately the details of this reassessment. It was structured in terms of: (1) the manufacturing technology resident in the rock drill bit turnkey plant, (2) the rock drill bit output, (3) the tungsten carbide insert manufacturing process technology, (4) the tungsten carbide insert slugs, (5) the numerically controlled electron beam welder, (6) the PDP8E computer.

The results of the reassessment reconfirm previous evaluations which showed small risk to military security from the transfer of any of these components. As an example, we would point out that the N/C electron beam welder has been cited by several evaluators, including Fred Bucy, as being a current militarily critical technology. We do not concur with this view based on a synthesis of all data available to us. For instance, the manufacturing plant will not be operational until 1981 and the N/C electron beam welder need not be shipped for several years. In addition, known current foreign availability coupled with the rapidly widespread international acquisition of related technology makes us comfortable with allowing exports of the electron beam welder from the point of view of military application as such. Its strategic significance in the larger sense is related to the fact that it is a key component in increasing the overall efficiency of the manufacturing process being transferred. Our other specific comments are in our reassessment which is being forwarded separately. As is apparent, I am not suggesting that you consider disapproval on the basis of the military significance of any of the components proposed for transfer.

I agree with Fred Bucy and have been concerned for some time, from DoD's vantage point, with the piecemeal fashion in which our staff and others in the government are asked to look at individual components of export license requests. Fred states very well many of our beliefs that in a transfer of technology, the whole may well be greater than the sum of the parts. We are putting together in DoD the structure and talent which together we believe will allow us to develop and apply properly a coherent and comprehensive export assessment strategy. It is not an easy task.

Returning to the consideration of the Dresser Industries' export application, I note that the manufacturing plan in question would primarily affect the Soviets capabilities for oil exploration. The effect of improvements in oil exploration on the other steps in the oil production process is totally unclear; namely, the steps of oil recovery, retorting, refining, transportation and distribution. I believe it essential that all these facets of oil production be factored into the U.S. export control policy which I think essential to derive.

Finally, let me add that I believe it essential to identify the probable impact of a decision to suspend the export license approvals made by the Department of Commerce on 30 May and 9 August. We have given this rather complex subject much attention and I would be glad to discuss it with you at your convenience.

Attachment

Charles W. Duncan, Jr.

cc: The Honorable Cyrus R. Vance
The Secretary of State
The Honorable Juanita M. Kreps
Secretary of Commerce
The Honorable James R. Schlesinger
Secretary of Energy
Admiral Stansfield Turner
Director, Central Intelligence Agency

AN ASSESSMENT OF ROCK DRILL BIT TECHNOLOGY

The evaluation of this technology emphasized the relationship of this technology to oil-well drilling technology, and the impact of the overall design and manufacturing technology for rock drill bits more so than the technology of any one component. As this analysis developed, a very striking and changed perspective of the strategic value of the overall design and manufacturing technology was gained, which was not as evident in examining the individual components of the manufacturing system.

As a result, the principal conclusions of this assessment are:

1. Deep-well drilling technology is a critical technology, which is wholly concenterated in the U.S.

2. Rock drill bit manufacture in high volume and its supporting design and application technology are critical technologies. These technologies are concentrated in the U.S.

3. Electron beam welding has military significance when computer controlled:

   It is easily diverted
   It is not foreign-sourced; the numerical control technology is licensed from U.S.

4. Tungsten carbide has military significance:

   It is easily diverted
   It is not foreign sourced, at this scale of manufacture.

Therefore, the recommendations are:

1. The export of technology for the manufacture of drill bits should not be approved.

2. The export of rock drill bits should be approved; however, the volume should be monitored closely.

3. Computer-controlled electron beam welding equipment should not be approved for export to ComeCom.

The following assessment is divided into four sections:

Deep-Well Technology
Rock Drill Bits
Sensitive Technology Elements
Summary

Deep-Well Technology

Deep-wells are defined by the combination of rock density, pressure, and temperatures that are encountered. As a general rule, "deep-well technology" is required for depths greater than 15,000 to 20,000 feet. At these depths, the principal product recovered from the well is natural gas.

Currently, about 650 deep-wells are being drilled around the world. Of this number, only 50 are outside the United States. Last year, 92% of all deep-wells were drilled in the United States. A deep-well requires approximately one year to complete.

The recovery of natural gas through deep-wells is one of the major petroleum reserves throughout the world. Every country that has oil fields realizes that its shallow-well oil reserves are limited, and, in the future, that deep-wells must be developed for additional source of energy. The demand for deep-well technology is expected to expand rapidly through the mid-1980's:

Year	% Deep-Wells of all Wells Drilled
1975	1%
1979	5%
1982-85	20%

Even today, the deep-well drilling companies are operating near capacity.

The Soviet requirements for deep-well technology are significant to their energy needs of the 1980's. As of present, the Soviets oil-well technology is wholly oriented to shallow-wells. They have a very limited production of rotary bits, but these products are so inferior that they apply their turbojet drills to a wide variety of well conditions.

The principal elements of deep-well technology are: rock drill bits, hydraulics (mud), drill piping (both metallurgy and dimensions), tool joints, and overall system or drilling engineering. Each of these elements is substantially different and more technology demanding than its equivalent element required for shallow-wells.

Deep well technology has almost exclusively been developed in the U.S. over the past 20 years, and its technology remains concentrated in the U.S.

Foreign availability of these products is very limited, and the effectiveness of the products and technology are reported to be substantially inferior to the U.S.

One of the particular advances made by U.S. deep-well technology is the optimizing of each well's design for its particular requirements and rock strata.

The Soviets are aware of U.S. deep-well technology and have approached various firms in an attempt to acquire it. Their pride or institutional barriers have kept them from using U.S. crews for drilling deep-wells within the Soviet Union.

This technology is critical to development of U.S. energy requirements, and has strong strategic value in its application to Soviet energy needs of the 1980's. The technology is concentrated in the U.S., and, therefore, effectivity of export controls can be attained over the next three to five years or longer.

Rock Drill Bit Technology

Rock drill bits were developed by Hughes and Reed, and today the two firms are estimated to serve 75% of the world market. Within the past five years, their principal patents have expired, and Smith and Dresser (Security Engineering) are making competitive products and are gaining market share. However, at this time, they are still small factors in the market.

The rock drill bit technology is the principal element of deep-well technology. This technology remains concentrated in the U.S., and no foreign producer, including subsidiaries of U.S. firms, can make comparable rock drill bits.

The manufacture of effective rock drill bits has an element of "art" to it, that is derived only from experience of individuals in these firms. It was reported that foreign subsidiaries of Hughes still do not make as effective a rock drill bit as the parent operation in Houston.

It is the practice of the principal suppliers to lease, and not sell, rock drill bits. The cones containing the teeth and the bearings require frequent replacement, whereas the housing has an extensive life.

The basic technology has not significantly advanced over the past twenty years. Major technology advances in recent years have been in two areas:

1. The introduction of sealed-bearings by Hughes significantly advanced bearing life, allowing drill bits to stay in the well for five to ten times longer. Formerly, bearings may have worn-out within a period of hours, whereas today, the bearings will last for several days or longer. Due to this advance, the effective cost of rock drill bits has been dramatically reduced to about $800 per day, versus the $20,000-$30,000 per day for overall deep-well drilling costs.

2. The interplay and optimizing of the mud and the drill bit for specific rock densities is the other advancement. This includes both the use of high-velocity nozzles to direct the mud into the teeth doing cutting, and tailoring the shape and hardness of teeth for each specific cutting requirement. Today, computer simulations have been developed that predict the optimum combination of these elements.

Both of these technology advances are included in the proposed technology transfer. The sealed-bearing technology is applicable to other drill bits, and would have a significant impact on the life of Soviet turbojet and rotary drills.

A volume of 100,000 rock drill bits per year is judged to be excessive for Soviet requirements through the mid-1980's, as they will not have acquired other deep-well elements to rapidly exploit this technology (see Appendix A).

Further, it is speculated that it may take the Soviets another three to five years after completion of the technology contract before their drill bits would be effective by U.S. standards. However, during the intermediate period the rock drill bits would be more effective than the Soviets' turbojet drills. Of equal importance, this capability would introduce the "systems" approach of tailoring drill bits and mud to setting requirements into Soviets' well drilling technology.

Rock drill bit design and manufacturing is a critical technology for the development of major energy resources throughout the world in the 1980's. For all practical considerations, this technology is concentrated in four U.S. firms. Foreign availability is not a factor in today's market.

It is judged that U.S. technology is at least 10 years or more ahead of the Soviets, and probably three to five years more advanced than available in other Western countries. If the transfer is made, a significant advance in Soviet drilling bit and well drilling capability will have been made. As the effectiveness of their rock drill bits approaches that of U.S. products, it is estimated that Soviet capability would become comparable to the U.S. for a period of twenty years or more, since this technology has followed an evolutionary rate of advance.

The strategic ramifications of this Soviet capability are not only the ability to fully develop their own energy reserve, but also, it would allow the Soviets to enter the major oil and gas fields through the world with advanced drilling technical competence, presenting increased opportunities for them to exert their political influence.

Sensitive Technology Elements

a. Tungsten Carbide Inserts

Although this technology is old, it remains centered in the U.S. Foreign firms are licensees of U.S. companies.

Of greater importance, the manufacturing "art" for making inserts that are effective in drill teeth remains concentrated with the rock drill bit producers.

As noted in the documentation supplied by the Department of Defense, this capability could readily be diverted to military applications.

Also, although, a recent transfer of carbide coating capability has been made to the Soviets by a Swedish firm, there is no evaluation of its status or capabilities. Until more evidence is obtained on this other Soviet capability, it must be assumed that the Soviets do not have comparable capability.

As in the case of rock drill bit capacity, an annual production rate of 15,000,000 inserts per year is judged to be excessive for their mid-1980's deep-well requirements.

b. Electron-Beam Welding

The significance of the electron-beam welder is the application of computer-control. It is not the computer's performance, but how the overall system impacts electron-beam welding.

For this application, the computer positions the workpiece, positions the path of the weld, and from a predetermined profile controls the buildup of current and voltage supplied to the electron beam. The computer-control is operating in an "open-loop."

The significant advantage of this control is that it provides a more uniform weld and has better penetration. These factors are important to welding refractory materials and titanium, and this welder is being applied to both nuclear components and swept-wing aircraft parts in the U.S.

There is considerable manufacturing "art" to defining the profile, controlling the environment, and preparing the parts for welding.

Electron-beam welding equipment has been available for some time, and equipments have been shipped from West Germany to East Bloc countries (Leybold Heraeus of West Germany is reported to have supplied such equipment to East Bloc). However, it is not evident that computer-controls have been made available to ComeCom countries on this class of electron-beam welder.

The U.S. lead time may be minimal for this type of control. Even so, exports should be denied due to military significance until it is established that a comparable capability exists in the Eastern Bloc countries.

c. Other Machine Tools

The 6 spindle, 5 axis numerical-controlled machine tools for cutting teeth are typical "customized" machine tools made for special operations. The principal gain to the Soviets through the proposed technology transfer is lead time, as opposed to the Soviets specifying the custom configuration, proving it out, and then scaling-up to a manufacturing operation.

It is reported that a 6 spindle, 5 axis machine has greater capability than is required for this particular task. The principal U.S. suppliers use 2 spindle machines for this cutting teeth.

d. Metallurgical

The metallurgical requirements for rock drill bits are very demanding, and the quality of this technology is key to the success of the manufacturing plant. This emphasized in the documentation supplied.

There is concern that the laboratory evaluations of Soviet metals, and the subsequent engineering exchanges will provide a direct path to upgrading their metallurgical skills.

Summary

Rock drill bit technology is a significant contribution to deep-well capability, which will be of major importance to the recovery of energy resources in the 1980's. This technology was developed and remains concentrated in the United States.

Due to its impact on the development of future Soviet and world-wide energy resources, the technology is of strong strategic value, and is, therefore, a critical technology.

The transfer of this technology to the Soviets would allow them to develop their energy resources, and to enter world markets with advanced drilling capabilities. This could increase their presence and influence in the Middle East and other major oil and gas producing areas of the world.

Several of the supporting technologies, tungsten carbide inserts and computer-controlled electron beam welding have a potential military application.

The scale of the proposed facility is at a magnitude that is not consistent with Soviet requirements for much of the 1980's. A capability of 100,000 rock drill bits would support over 200 deep-well drilling operations, based on current U.S. experience. It is not realistic to expect the Soviets to collect all the technology elements and convert them to effective experience so that they could operate 200 deep-well drilling operations in the next five years or longer. (Appendix A)

Secondly, based on the U.S. current experience, the facility has a capacity for tungsten carbide inserts 10 times greater than would be required to support 100,000 rock drill bits manufacture. (Appendix A)

The specification of 6 spindle, 5 axis machine tools, also, is in this same pattern of over specification.

APPENDIX A

ANALYSIS OF CAPACITY REQUIREMENTS

A. Current U.S. Practice

1.	Estimated number of deep-wells currently being drilled (worldwide)	650
2.	Estimated world output of rock drill bits	300,000year
3.	Number of rock drill bits required to support a deep-well operation	450/year
4.	Number of rock drill bits "consumed" by a deep-well drilling operation	30
5.	Ratio of rock drill bits in support of a bit in the well	15:1
6.	Average number of tungsten carbide inserts per rock drill bit	250
7.	Trungsten carbide inserts consumed in drilling 650 deep-wells	4,875,000

B. Proposed Soviet Facility

1.	Output of rock drill bits	100,000/year
2.	Estimated number of deep-well drilling operations supported	222
3.	Number of rock drill bits "consumed" per year	6,660
4.	Number of tungsten carbide inserts consumed (average 250 inserts per rock drill bit)	1,665,000
5.	Capacity of tungsten carbide inserts	15,000,000

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United States Senate

COMMITTEE ON
GOVERNMENTAL AFFAIRS
SENATE PERMANENT SUBCOMMITTEE
ON INVESTIGATIONS
WASHINGTON, D.C. 20510

August 4, 1978

The Honorable James R. Schlesinger
Secretary of Energy
Forrestal Building
Washington, D. C. 20545

Dear Mr. Secretary:

As you may know, the Permanent Subcommittee on Investigations has been concerned for some time about the transfer of American technology to the Soviet Union. As part of its continuing interest in this problem, the Subcommittee is making a preliminary inquiry into the Government's handling of the applications by Dresser Industries, Inc. for licenses to export to the Soviet Union technical data and an electronic beam welder for use in the construction of an oil well drill bit manufacturing plant. In this regard, I request that you make available to the Subcommittee's staff your Department's files relating to the Dresser applications and Department personnel who have had responsibility for reviewing those applications.

Your prompt attention to this matter will be much appreciated. Questions concerning this request should be referred to Mr. Peter M. Sullivan of the Subcommittee staff.

Sincerely,

Henry M. Jackson

Henry M. Jackson
Chairman

Department of Energy
Washington, D.C. 20585

AUG 14 1978

Dear Mr. Chairman:

I have received your letter of August 4, 1978, and I have instructed Dr. Donald Kerr, Acting Assistant Secretary for Defense Programs, to have his staff furnish all possible assistance to Mr. Peter Sullivan and other Committee investigators. I am certain that, by the time this letter reaches you, Dr. Kerr's staff and Mr. Sullivan will already have made suitable arrangements so that the Subcommittee can perform its investigation expeditiously.

If I can be of further assistance in this matter, please let me know.

Sincerely,

Signed

James R. Schlesinger
Secretary

Honorable Henry M. Jackson, Chairman
Permanent Subcommittee on Investigations
Committee on Governmental Affairs
United States Senate
Washington, D.C. 20510

Handcarried by special messenger 8/14/78.

FROM: JACKSON, HENRY M. (USSR)
CHAIRMAN

ORIG. DATE: 08/04/78
REC'D DATE:
DUE DATE: 08/22/78
COMP DATE:
ROUTE SYM:

ACTIVITY: A
CONTROL NO.: 051242
SOURCE DOC.: JI
SOURCE CODE: C
FILE CODE: Leg Jackson
BY WHOM: JRS 8/14/78
SPEC INT: 8/16/78

TO: SECRETARY

SUBJECT: TRANSFER OF AMERICAN TECHNOLOGY TO USSR & INQUIRY RE APPLICATIONS BY DRESSER INDUSTRIES FOR LICENSES TO EXPORT TO THE USSR BOTH TECH DATA AND AN ELEC BEAM WELDER

REMARKS:
ENCLOSURES: FORWARD REPLY TO D/OSE FOR REVIEW PRIOR TO SIGNATURE

TYPE OF ACTION: COORD & DRAFT FINAL REPLY
FOR SIGNATURE OF: SECRETARY

COORDINATE ROUTING
CHANGES THROUGH OSE/CO

for mh
DIRECTOR

ENCLOSURES:
REMARKS:

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(1)	JEFF COOPER	08/08/78	ACT
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(3)	ASST SECY/DP		CON
(4)	DIRECTOR/ER		CON
(5)	GENERAL COUNSEL		CON
(6)	SECRETARY		INF
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(8)	DIRECTOR/OSE		INF
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OFFICE OF THE SECRETARY
U.S. DEPARTMENT OF ENERGY
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UPON COMPLETION RETURN TO DIRECTOR, OFFICE OF THE SECRETARY

DOE FORM CR-2A
(4-78)

fwp - NSC

Department of Energy
Washington, D.C. 20585

July 10, 1978

NOTE TO RICK INDERFURTH

Attached is the Memorandum about which you called -- please let me know if there are any problems.

Frank R. Pagnotta
Director
Office of the Secretary

Attachment

NSC File

January 31, 1978

Frank R. Pagnotta, Director
OSE Administration

FOLLOW-UP ACTION ON COSMOS 954

The lead representative for DOE to the NSC ad hoc task force for follow-on action on COSMOS 954 should be Dr. Thomas A. Dillon, Acting Director, Advanced Systems and Materials Production Division. Since the focus of the activity may require DOE technical support in the area of space nuclear systems safety, he will be better prepared than our current representatives who addressed operational problems associated with search and clean-up. Bob Thorne suggested Dr. Dillon and Harry Bergold concurs.

Signed by DMK.

Donald M. Kerr
Acting Assistant Secretary
for Defense Programs

cc: Dillon
Thorne
Bergold
Bratton

OFFICE						
SURNAME						
DATE						

Form ERDA 318 (9-76) ERDAM 0240

NATIONAL SECURITY COUNCIL

March 14, 1977

IDS Dial Code 103; Direct Dial 395 pluse extension
Extension beginning 2; IDS Dial 145; Direct Dial 456 plus extension

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Chapman, Dennis, Gd.Fl.WW..... 2292
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Ficklin, John, Rm 383..... 6926

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Hornblow, Michael, Rm 374A..... 3440
Hoskinson, Samuel, Rm 300 1/2..... 4682
Hunter, Robert, Rm 368..... 5646
Huntington, Samuel, Rm 393..... 3116
Hyland, William, Rm 368..... 5607

Inderfurth, Karl F. (Rick), 1st Fl.WW. 2236

Jayne, Edward R., Rm 479..... 4684
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Proctor, Mrs. Dona, Rm 380..... 5004

Quandt, William, Rm 386..... 3330

Reed, Miss Mary Ann, Rm 375..... 4996
Roberts, Edward, Gd.Fl.WW..... 6313
Robertson, Lucius G., Rm 383..... 5000
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Rubio, Manuel, Gd.Fl.WW..... 2291

Schechter, Ms. Janice, Rm 386..... 3308
Schecter, Jerrold, Gd.Fl.WW..... 2257
Sick, Gary, Rm 386..... 3308
Simkus, Mrs. Lora, 1st Fl.WW..... 2235
Smith, Miss Patricia, Rm 397..... 4974
Soxman, Kirk, Rm 385..... 3723
Spafford, Miss Clara, Rm 361..... 5026
Squires, Miss Donna, Gd.Fl.WW..... 2258
Stebbins, Charles, Rm 485..... 3622
Stifflemire, Mrs. Mary, Gd.Fl.WW... 2255
Strong, Tom, Rm 383..... 6926
Suber, Thomas, Rm 365..... 5725
Sweeney, Mrs. Rita, Rm 365..... 3587

Thornton, Thomas, Rm 375..... 4996
Toles, Miss Thelma, Rm 386..... 3330
Treverton, Gregory, Rm 368..... 5732
Troia, Michael, Rm 385..... 3723
Tuchman, Dr. Jessica, Rm 382..... 6965

Utgoff, Victor A., Rm 476..... 4985

VanEron, George, Rm 385..... 3723

Waldman, Roger, Rm 380..... 5010
Wengrzynek, Miss Mary, Rm 361.... 3393
Werner, Miss Gertrude, 1st Fl.WW... 2235
West, Harold, Rm 383..... 6926
Woods, Mrs. Grace, Rm 393..... 3116
Wozniak, Miss Natalie, Rm 368..... 5646

Zerwick, Mrs. Katherine, Rm 300 1/2. 4682

NATIONAL SECURITY COUNCIL

March 14, 1977

IDS Dial Code 103; Direct Dial 395 pluse extension
Extension beginning 2; IDS Dial 145; Direct Dial 456 plus extension

IMPORTANT TELEPHONE NUMBERS

Zbigniew Brzezinski	2235	EPS Visitor Control	6742
David Aaron	2236	Health Room 6101 NEOB	5064
Michael Hornblow	3440	Mail Room	6926
Administrative Office	4974	NSC Conference Room	3168
Cable Analysts	5000	Situation Room	6313
Document Control	3723	Telephone Trouble Call	9611
EOB Operator	"0"	White House Garage	2660
		White House Operator	2414

Aaron, David, 1st Fl.WW..... 2236
Armacost, Michael, Rm 372A..... 3345
Auten, Miss Linda, Gd.Fl.WW..... 2291

Bagnall, Mrs. Florence, 1st Fl.WW.. 2236
Barron, Gary, Rm 369..... 3587
Barry, Gordon, Rm 383..... 5000
Battenfield, Miss Patricia 1st Fl.WW.. 2236
Beck, Buddy, Rm 489..... 4675
Bellamy, Ralph, Rm 383..... 5000
Betts, Richard, Rm 396..... 6907
Biery, Miss Marilyn, 1st Fl.WW..... 2236
Blitgen, William, Rm 383..... 6910
Booth, Mrs. Ruth K., Rm 385..... 3344
Braxton, Miss Loretta, Rm 385..... 3723
Brzezinski, Zbigniew, 1st Fl. WW... 2235
Butler, Malcolm, Rm 361..... 5026

Carr, Charles, Rm 385..... 3723
Carron, Theodore, Rm 365..... 3505
Chapman, Dennis, Gd.Fl.WW..... 2292
Cleveland, Mrs. Carolyn, Rm 476.... 4985
Cote', Miss Mary Ann, Rm 372A..... 3345
Cubbage, Miss Gilda, Gd.Fl.WW..... 2292

Davis, James W., Rm 383..... 5000
Deal, Timothy, Rm 361..... 3537
DePue, Mrs. Evelyn, Rm 300 1/2.... 3334
Diering, Mrs. Barbara J., Rm 397.. 4974
Dodson, Mrs. Christine, Rm 374A... 3162

Farrar, Miss Carole, Rm 373A..... 5028
Ficklin, John, Rm 383..... 6926

Giancola, Carmel, Gd.Fl.WW..... 2255
Grabon, Miss Barbara, Rm 300 1/2.. 5022
Gwyer, Mrs. Florence, 1st Fl.WW... 2236
Gwynn, Mrs. Margaret A., Rm 376A. 4905

Hall, Mrs. Wilma, 1st Fl.WW..... 2236
Hansen, Roger, Rm 376A..... 4905
Henze, Paul B., Rm 300 1/2..... 3334
Hormats, Robert, Rm 361..... 3393
Hornblow, Michael, Rm 374A..... 3440
Hoskinson, Samuel, Rm 300 1/2..... 4682
Hunter, Robert, Rm 368..... 5646
Huntington, Samuel, Rm 393..... 3116
Hyland, William, Rm 368..... 5607

Inderfurth, Karl F. (Rick), 1st Fl.WW. 2236

Jayne, Edward R., Rm 479..... 4684
Jennings, Jerry D., Rm 393..... 4970

Kelly, Ms. Sandra, Rm 479..... 4684
Kimmitt, Robert, Rm 392..... 6963
Kirchner, Miss Mindy, Rm 385..... 3723

Lapinski, Mrs. Francesca, Rm 376A. 5054
Lauria, Anthony, Rm 385..... 3723
Layne, Frank, Rm 383..... 6926
Lopez, Mrs. Sheila, Rm 368..... 5607

Malone, Patricia, Gd.Fl.WW..... 2257
Mance, Curtis, Rm 383..... 5000
Marcum, John, Rm 476..... 3194
Matheny, John, Gd. Fl.WW..... 2255

Mawyer, Mrs. Mary, Rm 392..... 6965
McGraw, Kathy, Rm 392..... 6963
Meinking, Miss Nancy, Gd.Fl.WW... 2255
Merchant, Brian, Rm 385..... 3723
Middleton, James, Gd.Fl.WW..... 6313
Millison, Mrs. Cathy, Rm 374..... 3440
Molander, Roger, Rm 479..... 3371
Moock, Mrs. Lois G., Rm 397..... 4974
Murphy, John H., Rm 385..... 3342

Newman, Miss Sammie, Rm 369..... 3587
Nichols, Margaret, Rm 380..... 5010

Obermiller, Miss Francine, Rm 373.. 3044
Odom, William E., Gd.Fl.WW..... 2255
Oksenberg, Michel, Rm 373..... 3044
Owen, Henry D., Rm 380..... 5004

Palanzo, Miss Edwina, Rm 374..... 3440
Paoli, Mrs. Flora, Rm 476..... 3194
Pass, Mrs. Penny L., Gd.Fl.WW..... 2292
Pastor, Robert, Rm 398..... 6961
Pisano, Mrs. Jane, Gd.Fl.WW..... 2255
Proctor, Mrs. Dona, Rm 380..... 5004

Quandt, William, Rm 386..... 3330

Reed, Miss Mary Ann, Rm 375..... 4996
Roberts, Edward, Gd.Fl.WW..... 6313
Robertson, Lucius G., Rm 383..... 5000
Rosenberg, Robert, Rm 300 1/2..... 5022
Rubio, Manuel, Gd.Fl.WW..... 2291

Schechter, Ms. Janice, Rm 386..... 3308
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Wozniak, Miss Natalie, Rm 368..... 5646

Zerwick, Mrs. Katherine, Rm 300 1/2. 4682

MEMORANDUM

NATIONAL SECURITY COUNCIL

March 7, 1977

NSC

c/ Put in [illegible] & [illegible]

MEMORANDUM FOR THE NSC STAFF

FROM: Michael Hornblow MH

This is to inform you that the NSC Personnel Officer, Mrs. Lois Moock, will be retiring effective April 9, 1977, after 42 years of government service. Given also the retirement of our Budget Officer, Mary Lee Chatrnuck, on February 26, the day-to-day functions of the administration office will be distributed as follows:

> Pat Smith will handle recruiting, personnel and payroll of NSC employees; Barbara Diering will handle consultants, financial matters, purchasing of supplies and equipment, and services such as parking permits, telephones, White House mess accounts, etc. Pat will handle travel and per diem of NSC personnel and Barbara will handle travel and per diem of consultants. To assist them we are hiring a clerk/typist for the administration office. Pat and Barbara will be reporting to Christine Dodson on all ordinary matters.

To help us implement the above distribution of functions and to get an overall sense of volume and type of requests, please send Christine in writing all initial requests for authorization of expenditures, personnel and office changes, major purchases, etc. She will let you know who will be handling the detailed work and you can then work directly with either Pat or Barbara.

VSC

July 22, 1977

MEMORANDUM FOR: Mary Barron

FROM: Frank R. Pagnotta

SUBJECT: Freedom of Information Act Request for Attached Documents on "A National Petroleum Program - dated November 27, 1951"

We do not think that the "National Petroleum Program - dated November 27, 1951" should be released because it pertains to Government planning and concerns that highlight and exacerbate concerns that are much more serious today than they were in 1951. Release of the report in our opinion would tend to underscore the United States' position unnecessarily. Therefore, DOD and State Department should make the final decision.

Also, passing references to military plans for the "rehabilitation and operation of Mid-East petroleum facilities during military occupation "would seem to invite speculation about our plans of a similar nature in a counter productive way.

Hence, it is our opinion that the report not be released unless both the Secretary of State and Secretary of Defense concur with its release and if the report is released at all it should be properly censored by all of the agencies concerned with national security and international energy policy.

Attachment

cc: JRS-Central Files/Frank Pagnotta
bcc: DFreeman/JAhearne