At a special meeting of the Gold Export Committee of the Federal Reserve Board held in the office of the Board on Tuesday, June 25th, at 3:30 P.M.,

PRESENT:
Mr. Warburg, presiding, Mr. Willis, Secretary.
Mr. Miller,

Present also: Mr. Walker, Mr. Doheny, and Mr. Kellogg, representing the Huasteca Petroleum Company.

Mr. Doheny made a general statement as to the need of his company for gold in the Tampico oil district. He asked that all oil producers be permitted to receive 10-12½ of the value of the oil in gold for export to Mexico.

Mr. Doheny stated that conditions in the Tampico district had grown more and more difficult for a long time past. The premium on gold was now very high and even at that it was difficult to obtain any. Probably this premium would run about 20½ to 25½ at times. The money brokers knew that the Huasteca Petroleum Company required gold and they would force the premium up at times of necessity accordingly. Mr. Doheny stated that the present urgency of the difficulty was due to the fact that agitation among Mexican workmen at the oil field had led the latter to demand to be paid in gold.
coin instead of in American money. The agitation was probably carried on with German funds but was also partly Socialism of I.W.W. origin. Unless he could get gold to convince the workmen of his good faith he did not think that it would be possible to continue operation of the wells. Such operation, however, was absolutely essential because both the American and Allied Navies were depending more and more upon fuel oil for the operation of ships. Fuel oil was now being placed at their disposal in a satisfactory quantity but if the Tampico field were unavailable the domestic supply in the United States would be entirely inadequate. It was therefore essential to have the petroleum wells in Tampico constantly operated but he believed this could not be done unless he could obtain gold.

After further discussion the pending application of the Huasteca Petroleum Company (No.2166) for $112,000 gold to Mexico was granted insofar as the company determines that it is necessary. Letter sent to State Dept.

At 5 P.M., the Committee adjourned.

APPROVED:

[Signature]

Chairman.

[Signature]

Secretary,