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Record Group: Bush Presidential Records
Office: Records Management, White House Office of (WHORM)
Series: Subject File - General
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WHORM Category Code: CM010
WHORM Category Name: Petroleum (Gas-Oil)

Document Number: 238159
Alpha File Name:
**THE WHITE HOUSE**
**CORRESPONDENCE TRACKING WORKSHEET**

**INCOMING**

DATE RECEIVED: MAY 14, 1991

NAME OF CORRESPONDENT: THE HONORABLE PHIL SHARP

SUBJECT: URGES THE PRESIDENT TO CONSIDER THE SAUDI ARABIAN PROPOSAL TO PROVIDE OIL FOR THE SPR IN LIEU OF PAYMENT OF A PORTION OF THE DEBT FROM OPERATION DESERT SHIELD / STORM

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**COMMENTS:** INCOMING REC'D FROM LEGISLATIVE AFFAIRS, MAY 13 91, FOR TRACKING SPR (STRATEGIC PETROLEUM RESERVE)

ADDITIONAL CORRESPONDENTS: 3 MEDIA:L INDIVIDUAL CODES: 1230

MAIL USER CODES: (A) (B) (C)

*ACT* *DATE* *TYPE* *C* *D* YY/MM/DD

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**ACTION CODES:**
*A-APPROPRIATE ACTION*  *A-ANSWERED*
*C-COMMENT/RECOM*  *B-NON-SPEC-REFERRAL*
*D-DRAFT RESPONSE*  *C-COMPLETED*
*F-FURNISH FACT SHEET*  *S-SUSPENDED*
*I-INFO COPY/NO ACT NEC*  *
*R-DIRECT REPLY W/COPY*  *
*S-FOR-SIGNATURE*  *
*X-INTERIM REPLY*  *

**DISPOSITION**

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*OUTGOING*  *
*CORRESPONDENCE:*  *
*TYPE RESP=INITIALS*  *
*OF SIGNER*  *
*CODE = A*  *
*COMPLETED = DATE OF*  *
*OUTGOING*  *

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REFER QUESTIONS AND ROUTING UPDATES TO CENTRAL REFERENCE (ROOM 75,0OB0) EXT-2590
KEEP THIS WORKSHEET ATTACHED TO THE ORIGINAL INCOMING LETTER AT ALL TIMES AND SEND COMPLETED RECORD TO RECORDS MANAGEMENT.
May 31, 1991

ACTION

MEMORANDUM FOR BRENT SCOWCROFT

THROUGH: TIMOTHY E. DEAL

FROM: ERIC MELBY

SUBJECT: Congressional Letter on SPR

Fred McClure has asked that we respond to a letter from Congressman Gephardt, Dingell, Panetta and Sharp on the SPR. In essence, they urge that the Administration accept Saudi oil in lieu of financial payments for Desert Shield obligations.

The draft response states that we expect Saudi Arabia to fulfill its 1991 Desert Shield obligations by the end of June. It also states that we are prepared to undertake separate discussions on filling the SPR.

The draft response has been cleared by OMB, DOE, and State.

Concurrences by: Ginny Lampley, Sandy Charles

RECOMMENDATION

That you sign the letters to the Congressmen at Tab I.

Attachments
Tab I Letters to Congressmen
Tab II Incoming
THE WHITE HOUSE
WASHINGTON
June 11, 1991

Dear Mr. Chairman:

Thank you for your letter of May 10, co-signed by three of your colleagues, concerning Saudi contributions to help meet the cost of Operation Desert Shield.

By the end of June, we expect that Saudi Arabia will have met all its 1991 Operation Desert Shield financial commitments of $13.5 billion. Most of this will have been in cash, although Saudi Arabia is also making in-kind contributions to support U.S. forces in the region.

In this regard, it has not been necessary to offset Saudi financial payments with oil for the Strategic Petroleum Reserve. We have discussed this situation with Saudi officials, who understand our position.

Nevertheless, we believe it important to resume expeditious acquisition of oil for the SPR. In this connection, we will be exploring a full range of options with key producers, including Saudi Arabia, to enhance our mutual security. We will take your views into consideration in these discussions.

Sincerely,

[Brent Scowcroft]

The Honorable Philip R. Sharp
Chairman
Subcommittee on Energy and Power
Committee on Energy and Commerce
House of Representatives
Washington, D.C. 20515
THE WHITE HOUSE
WASHINGTON
June 11, 1991

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Sincerely,

Brent Scowcroft

The Honorable Leon E. Panetta
Chairman
Committee on the Budget
House of Representatives
Washington, D.C. 20515
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Sincerely,

Brent Scowcroft

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Committee on Energy and Commerce
House of Representatives
Washington, D.C. 20515
May 16, 1991

Dear Congressman Sharp:

Thank you for your recent letter to the President, cosigned by 3 of your colleagues, regarding discussions between the U.S. and Saudi Arabian governments to explore means through which the Saudi Arabian debt from Operation Desert Shield and Desert Storm may be repaid.

We appreciate being apprised of your support for a proposal to provide Saudi oil for the Strategic Petroleum Reserve. Please know that I have shared your comments with President Bush. Additionally, I have taken the liberty of providing your remarks to several of the President's advisors on this matter so that they, too, are aware of your recommendations.

Thank you again for your interest in writing.

With best regards,

Sincerely,

Frederick D. McClure
Assistant to the President
for Legislative Affairs

The Honorable Philip R. Sharp
House of Representatives
Washington, D.C. 20515

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The Honorable George W. Bush  
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The White House  
Washington, DC 20500

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Please let us know how we can assist you in working out such a mutually beneficial agreement.

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The Honorable John A. Dingell
Chairman
Committee on Energy and Commerce
House of Representatives
Washington, D.C. 20515
TO: GEOPHARDT, RICHARD A
    ET AL

FROM: SCOWCROFT

KEYWORDS: SAUDI ARABIA
          CO

DESSERT STORM

PERSONS:

SUBJECT: RESPONSE TO CONGRESSIONAL LTR ON SPR

ACTION: SCOWCROFT SGD LTRS

DUE DATE: 28 MAY 91

STAFF OFFICER: HAASS

LOGREF:

FILES: WH

NSCP:

CODES:

DOCUMENT DISTRIBUTION

FOR ACTION

FOR CONCURRENCE

FOR INFO

CHARLES

DEAL

LAMPLEY

MELBY

NSC CHRON

COMMENTS:

DISPATCHED BY RC AS DATE 6/1

BY HAND W/ATTCH

OPENED BY: NSRCB

CLOSED BY: NSRCB

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FROM: SHARP, PHILIP R

KEYWORDS: SAUDI ARABIA
            CO
            DESERT STORM
            OIL

PERSONS:

SUBJECT: LTR RE SAUDI PROPOSAL TO CONTRIBUTE OIL TO SPR IN LIEU OF PAYMENT OF
            DESERT STORM / SHIELD DEBT

ACTION: DUE DATE: 28 MAY 91 STATUS: C

STAFF OFFICER: HAASS

FILES: WH NSCP:

LOGREF:

DOCUMENT DISTRIBUTION

FOR ACTION FOR CONCURRENCE FOR INFO

COMMENTS:

DISPATCHED BY DATE BY HAND W/ATTCH

OPENED BY: NSRCB CLOSED BY: NSRCB DOC 1 OF 3

UNCLASSIFIED
TO: PRESIDENT

FROM: SHARP, PHILIP R

KEYWORDS: SAUDI ARABIA

CO

DESSERT STORM

PERSONS:

SUBJECT: LTR RE DISCUSSIONS BTW US & SAUDI ARABIAN GOVT TO EXPLORE MEAN
THOUGH WHICH SAUDI ARABIAN OPERATION DESSERT SHIELD & DESSERT STORM

ACTION: PREPARE MEMO FOR SCOWCROFT

DUE DATE: 28 MAY 91

STATUS: S

STAFF OFFICER: HAASS

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FILES: WH

NSCP:

CODES:

DOCUMENT DISTRIBUTION

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LAMPLEY HAYDEN

FOR INFO O'LEARY

HULL

PAVITT

SCOWCROFT

COMMENTS:

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OPENED BY: NSRCB CLOSED BY:

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National Security Council  
The White House

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|             |          |             |
| Bill Sittmann |      |             |
|             |          |             |
| Bob Gates   |          |             |
|             |          |             |
| Brent Scowcroft |    |             |
|             |          |             |
| Bill Sittmann |      |             |
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COMMENTS

DISPATCH INSTRUCTIONS:
National Security Council
The White House

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**SEQUENCE TO HAS SEEN DISPOSITION**

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**cc:** VP Sununu Other

Should be seen by: [Date/Time]

**COMMENTS**

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**INCOMING**

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**NAME OF CORRESPONDENT:** THE HONORABLE PHIL SHARP

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- *TYPE RESP=INITIALS*
- *OF SIGNER*
- *CODE = A*
- *COMPLETED = DATE OF OUTGOING*

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REFER QUESTIONS AND ROUTING UPDATES TO CENTRAL REFERENCE (ROOM 75, OEOB) EXT-2590

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Subcommittee on Energy and Power
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