

## U. S. Petroleum Demand Approaches 20 million barrels a day

The **American Petroleum Institute (API)**, Washington, D.C., reports total petroleum deliveries (a measure of demand) was at 19.9 million barrels per day in September '11, up 2.5 percent in compared with September a year ago. While motor gasoline demand was up only slightly by 0.3 percent, distillate demand reached a record for the month. On a year-to-date basis, gasoline demand was 1.3 percent down from 2010. Deliveries of jet fuel were at a four-year high for the month.

U.S. refinery gasoline production was up by 3.0 percent from September 2010 and was at a record high on a year-to-date basis. Refinery inputs remained over 15 million barrels per day for the fourth month in a row, although slipping from the month before partly due to the effects of Tropical Storm Lee. Total petroleum imports were down for the month of September from last year by 9.9 percent. Crude imports fell by 2.3 percent while product imports fell by 37.0 percent. Canadian imports of crude oil showed a 9.9 percent jump from last year.

Crude oil production continued to exhibit weakness in September '11 over September a year ago. However, on a year-to-date basis, production was up by 1.2 percent. Crude production in the lower 48 states in September was down while Alaska production increased. According to Baker Hughes Inc., oil and gas rigs jumped by 21 to 1978 in September, a three-year high for the month. For the fourth time this year, crude oil stocks showed year over year declines as crude imports fell compared with the prior year. However, with the exception of last year, crude oil stocks were at their highest level for any September since 1983. Motor gasoline stocks also fell in September versus September a year ago, although they increased from August levels.

## New Oil & Gas Discoveries in Kansas

**Lario Oil & Gas Company**, Wichita (KS), has discovered Marmaton oil reserves in **Scott** County at the Williams Trust No. 1-2, spotted in approximately SW NW SW in section 2- T19s- R34W. The wildcat well is producing an undisclosed amount of oil from Pawnee formation about one mile southwest of the Taos field which Lario established last year with Lansing-Kansas City and Marmaton oil production. Duke Drilling tools bottomed the well at a total depth of 4,925 ft. The new unnamed field lies four miles southeast of the town of Modoc, Kansas.

Wichita (KS)-based **Brito Oil Company, Inc.** has completed the No. 1-7 F-G Unit, located in approximately NE NW SE in section 7- T15s- R32W, **Logan** County, as a new field oil discovery. The nearly 4,700-foot deep well is producing crude at an unknown rate about one and one half miles southeast of the active Burris Draw (Lansing-Kansas City and Marmaton oil). Exact producing formation has not been reported, however, the LKC, Marmaton, Cherokee and Mississippian zones were all explored. Field area is located seventeen miles southeast of Russell Springs, Kansas.

**Falcon Exploration, Inc.**, Wichita (KS), has a Wabaunsee (Stotler) gas discovery in southwestern **Gray** County. The firm's No. 1-2 Andee Fry is shut-in waiting on pipeline connection at site in the approximately SE SE SW of section 2- T28s- R 30W, about six miles northwest of Montezuma, Kansas. Production information has not been released. The new unnamed field discovery found reserves over one mile east of the Renegade field (Mississippian oil).