



RECRUITING OFFICE

TREASURY DEPARTMENT

UNITED STATES COAST GUARD

30 MAY, 1940

FROM : LIEUTENANT K.P. MALEY.
 TO : COMMANDER JACKSONVILLE DISTRICT.
 SUBJECT: GERMAN S.S. ARRUGCA, PURCHASE OF DIESEL OIL
 REFERENCE: (A) MY 302212.
 (B) YOUR 310021.

INTELLIGENCE

REC'D JUN 5 - 1940

ANSO

1. THE INFORMATION IN REBERENCE (A) IS FROM THE FOLLOWING SOURCE: MR. T. A . PROVENCE OF T.A. PROVENCE & CO. OF MOBILE. MR. PROVENCE IS A PERSONAL FRIEND OF MINE AND HAS BEEN SUPPLYING MOBILE SHIPPING WITH COAL AND OIL FOR APPROXIMATELY FIFTEEN YEARS . HE HELD A COMMISSION AS ENSIGN IN THE NAVY DURING THE WAR AND IS OF UNQUESTIONABLE CHARACTER

2. ON WEDNESDAY THE 29TH, MR. PROVENCE WAS IN THE OFFICE OF THE VICE PRESIDENT OF THE STANDARD OIL COMPANY OF KENTUCKY AT LOUISVILLE WHEN THE VICE PRESIDENT SHOWED HIM AN INVOICE FOR 500 TONS OF OIL DELIVERED TO THE ARRUGCA THROUGH THE STANDARD OF NEW JERSEY. THE INVOICE WAS MARKED DIESEL WHEREUPON MR. PROVENCE QUESTIONED IF IT WAS NOT BUNKER OIL AS HE KNEW THAT THE ARRUGCA WAS NOT A DIESEL SHIP. THE STANDARD OFFICIAL OFFICIAL MAINTAINED THAT THE OIL DELIVERED WAS DIESEL AND EXPLAINED AS FOLLOWS QUOTE THAT THE MASTER OF THE ARRUGCA HAS MADE PRESENTATION TO THE STANDARD OF NEW JERSEY FOR DELIVERY THROUGH THE MEDIUM OF AN EXISTING CONTRACT WITH THE AGENTS OF THE ARRUGCA. THE ARRUGCA BEING IN PORT EVERGLADES AND IN THE TERRITORY OF THE STANDARD OF KENTUCKY, THE STANDARD OF NEW JERSEY REFERRED THE MATTER TO THE STANDARD OF KENTUCKY WHO TOLD THE STANDARD OF NEW JERSEY TO DELIVER AT THE CONTRACT PRICE PROVIDING THAT IT WAS A CASH SALE. THE STANDARD OF NEW JERSEY ADVISED THAT THE MASTER HAD PRODUCED THE CASH ## AND THAT THE STANDARD OF NEW JERSEY HAD DELIVERED THE OIL UNQUOTE.

3. FURTHER VERIFICATION MUST BE MADE FROM EITHER OF THE ABOVE OIL COMPANIES AS THE ABOVE IS THE TOTAL KNOWLEDGE OF MR. PROVENCE WHO PASSED THE INFORMATION TO ME UPON HIS RETURN TO MOBILE THIS DAY. MR. PROVENCE INSISTS THAT HE SAW THE INVOICE; THAT THE VICE PRESIDENT OF STANDARD OF KENTUCKY INSISTED THAT IT WAS FOR DIESEL OIL AND THAT THE OIL HAD BEEN DELIVERED.

K.P. Maley
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