

Originally Processed With FOIA(s):

S

FOIA Number:

S

FOIA MARKER

This is not a textual record. This is used as an administrative marker by the George Bush Presidential Library Staff.

Record Group/Collection: Donated Historical Materials
Collection/Office of Origin: Bush, George H.W., Collection
Series: Personal Papers
Subseries: Zapata Oil File, Business Correspondence File

OA/ID Number: 25850
Folder ID Number: 25850-002

Folder Title:
Correspondence with Le Tourneau, Miscellaneous - Waiver of Option [1956-1957]

Stack:	Row:	Section:	Shelf:	Position:
G	5	1	3	5

George Bush Presidential Library Transfer Sheet

COLLECTION:

George Bush Personal Papers
Zapata Oil File

ACCESSION NUMBER:

1993.0005

FOIA/SYSTEMATIC
PROCESSING CASE
NUMBER (if app.):

Transferred During Accessioning

Transferred During Processing

2000-0022-S

The following material was transferred to:

Audiovisual Collection

Book Collection

Museum Collection

Other

Other (Specify):

DESCRIPTION:

Photographs of actual and proposed oil rigs

When transferring material to the museum collection, complete the following.

Donor:

Donor Org.:

Address:

Telephone:

Book Location:

Row:

Section:

Shelf:

Position:

Map Case Location:**Series:**

Zapata Oil File, Business Correspondence Files

Box Number:**Folder Title:**

Correspondence with LeTourneau Miscellaneous - Waiver of Option

OA/ID Number:

Transferred by:

John Laster

Date of Transfer:

10/26/99

Received by:

Mary Finch

Date Received:

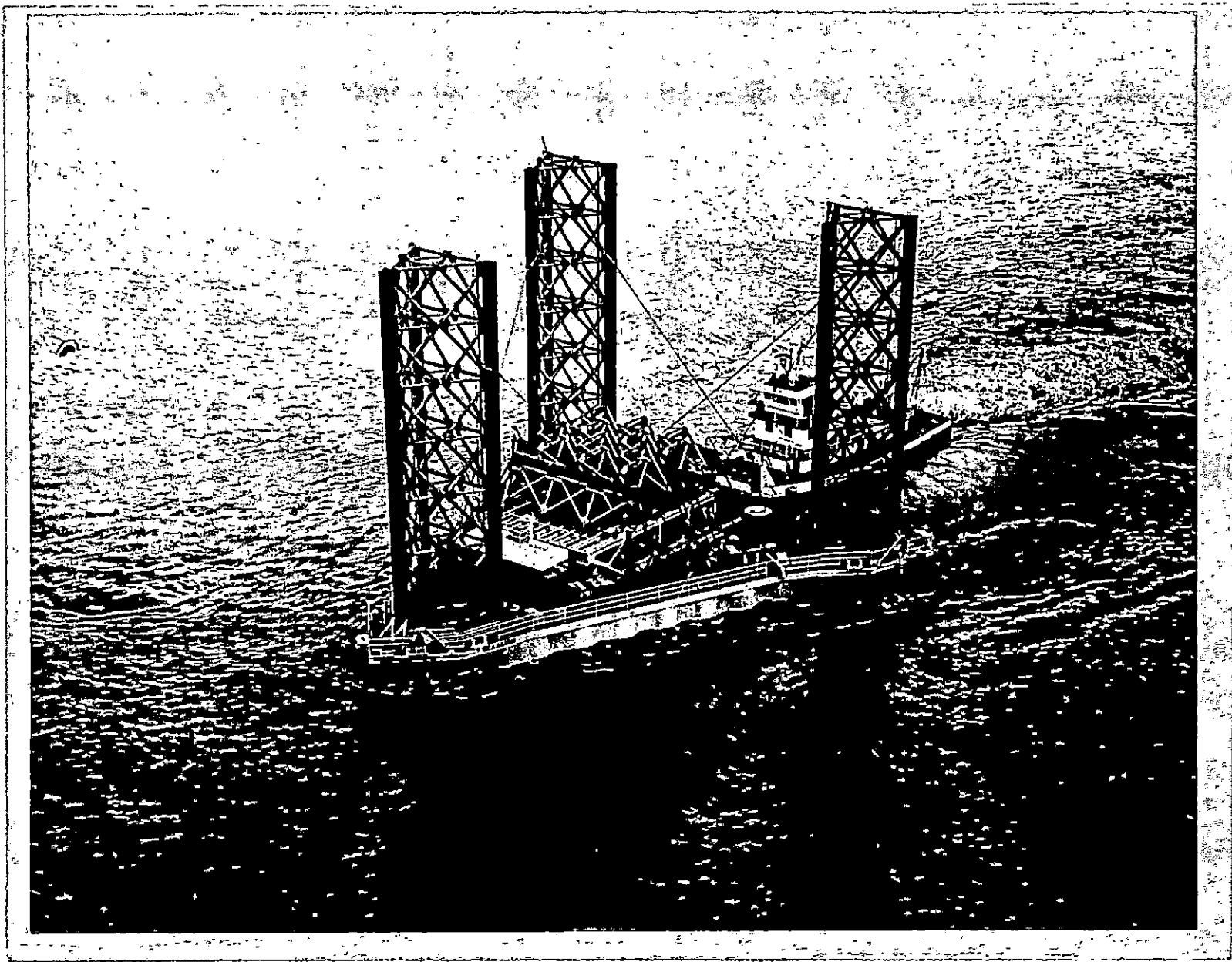
10/26/99

Go to Database
Navigator

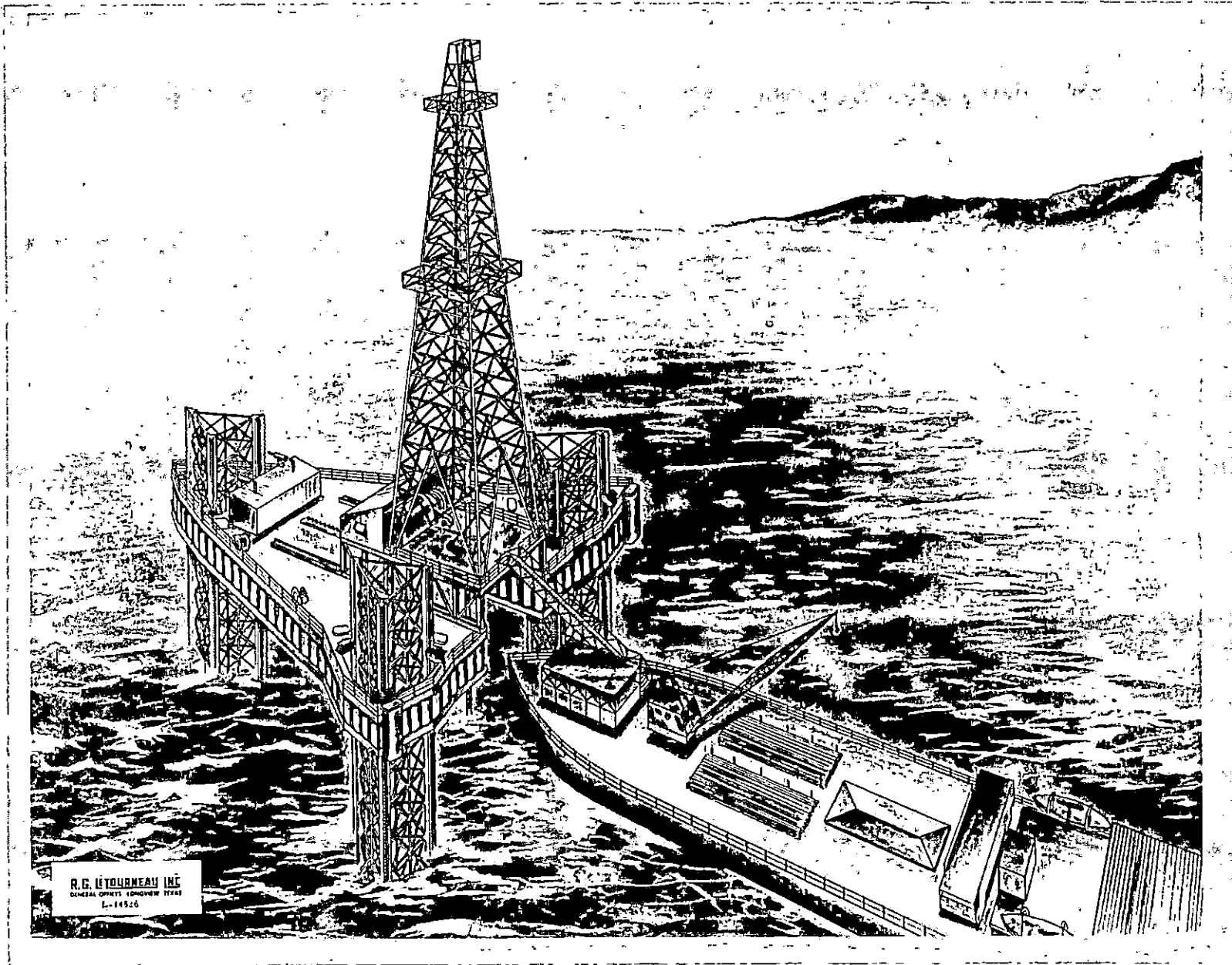
Go to Accession
Register

Go to Withdrawal
Sheet

Print Record



The recently completed "Scarabeo" built for SAIPEM of Milan, Italy, being towed down Mississippi River enroute to Persian Gulf. Top segments of legs are secured on deck for overseas towing.



Engineering illustration showing how LeTourneau mobile, tender-assisted platforms appear on drilling locations.

February 14, 1957

R. G. LeTourneau, Inc.
Longview, Texas

Gentlemen:

By previous letter you have advised us you have received a bona fide offer to build a mobile drilling platform for Barnwell Drilling Company to be delivered in June, 1957. We hereby waive our option rights on this platform.

You have further advised us that you have received a bona fide offer to build a mobile drilling platform for the Dixilyn Drilling Corporation to be delivered in November, 1957. We hereby waive our option rights on that platform.

You have further notified us you are building a combination mobile drilling platform for the Deep Water Exploration Company. We hereby waive our option rights on that platform.

Very truly yours,

ZAPATA OFF-SHORE COMPANY

George H. W. Bush
President

GHWB:JMcB
bcc: Houston Office
bcc: Baine P. Kerr

CLASS OF SERVICE

This is a fast message unless its deferred character is indicated by the proper symbol.

WESTERN UNION
TELEGRAM

W. P. MARSHALL, PRESIDENT

SYMBOLS

DL=Day Letter

NL=Night Letter

LT=International Letter Telegram

1201

The filing time shown in the date line on domestic telegrams is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination.

DU 205 PLS TREAT FLWG MSG AS SUSP DUPE

(06).

D LWA088 LONG PD=WUX LONGVIEW TEX 5 159PMC

G H WALKER JR=G H WALKER AND CO

1 WALL ST NYK=

RECEIVED
FEB 11 1957

ZAPATA

DIRECTLY AND INDIRECTLY WE UNDERSTAND THAT ZAPATA OFF-SHORE COMPANY HAS EXPRESSED AN INTEREST IN PURCHASING ANOTHER PLATFORM FROM THIS COMPANY. NORMALLY, WITH REGARD TO THE FINANCIAL ASPECTS, WE HAVE DEALT WITH GEORGE BUSH AND HUGH LIEDTKE. WE ARE INFORMED THAT BOTH MEN ARE UNAVAILABLE. WE UNDERSTAND THAT YOUR OFFICE SERVES ZAPATA OFF-SHORE COMPANY IN A FINANCIAL CAPACITY.

CLASS OF SERVICE
This is a first message unless the deferred character is indicated by the correct symbol.

WESTERN UNION TELEGRAM

DL =
NL =
LT = International Letter Telegram

W. P. MARSHALL, PRESIDENT

1201

The filing time shown in the date line on domestic telegrams is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination

DUSOS

1957 FEB 5 PM 3 18

DLWA 088 ✓

WE WANT TO ADVISE THAT OUR COMPANY FEELS THAT THE OPTION OPPORTUNITY AVAILED ZAPATA OFF-SHORE COMPANY ON NOVEMBER 17, 1956 HAS LAPSED. ALSO, THE ADDITIONAL OPTION OPPORTUNITY AVAILED ON JANUARY 12, 1957 WAS NOT EXERCISED.=

R G LETOURNEAU INC R L LETOURNEAU=

RECEIVED
FEB 11 1957

ZAPATA

1957 FEB 11 PM 4 09

ZAPATA OFFSHORE CO ATTN WAYNE H DEAN
2218 FIRST CITY NATL BANK BLDG

HUGH AND I HAVE BUSINESS DALLAS WEDNESDAY MORNING.
MEETING LE TOURNEAU THERE WEDNESDAY AFTERNOON.
WILL TAKE HIM ON ALONE. PLEASE CALL TOMORROW IF YOU
HAVE ANY SUGGESTIONS. HAVE TALKED TO KERR.

CONFIRMATION FURNISHED SENDER

DATE

MU

CHECK

FEB 11

TEL.
NO.

31 PD

DEST'N

MU 27

HOU

SIGNATURE

GEORGE

SUB.

BOX 2216

DRESSER INDUSTRIES, INC.

REPUBLIC NATIONAL BANK BUILDING

DALLAS, TEXAS

H. N. MALLON
CHAIRMAN OF THE BOARD

February 7, 1957

My dear Namesake:

My, what a fascinating letter you wrote to me! I liked the pictures of your dad, you, your brother and your friends. Now the next time you take snapshots, please take one of your mother and send it on to me as I love her very much.

When the weather gets a little warmer, please ask your mommy and daddy to bring you and all your brothers to visit me some weekend. We have a sandbox and many things you would like to play with.

Affectionately,

Uncle Neil

Neil Mallon Bush
c/o Mrs. George H. W. Bush
2703 Sentinel
Midland, Texas

Boyer, R. Ross
Auntie
M. Deane
done 1 copy

R L K Townum
P G L Townum Tr
Longview 1200

Returned to USA via Michael

last night. ~~Have reviewed~~

telegram correspondence.

Longview meeting Michael

Tuesday to clear up

all existing options

~~problems. We are~~

~~will be in other~~

all day Monday for call
in case Tuesday meeting

not OK. ~~meeting~~

C O P Y

February 10, 1957

R. L. LeTourneau
R. G. LeTourneau Inc.
Longview, Texas

Returned to USA and Midland last night. Have renewed telegram correspondence.

Suggest meeting Midland Tuesday to clear up all existing option problems.

Will be in office all day Monday for call in event Tuesday meeting not

OK.

George H. W. Bush

C O P Y

DOMESTIC SERVICE	
Check the class of service desired; otherwise this message will be sent as a full rate telegram	
FULL RATE TELEGRAM	<input checked="" type="checkbox"/> RUSH
DAY LETTER	<input type="checkbox"/>
NIGHT LETTER	<input type="checkbox"/>

\$
S
E

WESTERN UNION

1206

10-51

W. P. MARSHALL, PRESIDENT

INTERNATIONAL SERVICE	
Check the class of service desired; otherwise the message will be sent at the full rate	
FULL RATE	<input type="checkbox"/>
LETTER TELEGRAM	<input type="checkbox"/>
SHIP RADIOGRAM	<input type="checkbox"/>

NO. WDS.-CL. OF SVC.	PD. OR COLL.	CASH NO.	CHARGE TO THE ACCOUNT OF	TIME FILED
			Zapata Off-Shore Co. CA 2-0395	2/8/57 - 2 pm

Send the following message, subject to the terms on back hereof, which are hereby agreed to

**MR. R. L. LETOURNEAU
R. G. LETOURNEAU, INC.
LONGVIEW, TEXAS**

HAVE DISCUSSED WITH BUSH YOUR REFUSAL TO RECOGNIZE OUR OPTION RIGHTS ON BARNWELL PLATFORM. WE ARE SURPRISED AND MOST DISTURBED BY YOUR ACTION. CONSIDER URGENT MEETING MONDAY, FEBRUARY XX ELEVEN, IN MIDLAND TO REACH FINAL AND IMMEDIATE CONCLUSION OF THIS AND ALL OTHER POINTS OF DIFFERENCE BETWEEN US. PLEASE ADVISE AT ONCE IF YOU WILL MEET WITH US AS SUGGESTED. W. H. DEAN

G. Bush
B. Kern

ALL MESSAGES TAKEN BY THIS COMPANY ARE SUBJECT TO THE FOLLOWING TERMS.

To guard against mistakes or delays, the sender of a message should order it repeated, that is, telegraphed back to the originating office for comparison. For this, one-half the unrepeatable message rate is charged in addition. Unless otherwise indicated on its face, this is an unrepeatable message and paid for as such, in consideration whereof it is agreed between the sender of the message and the Telegraph Company as follows:

1. The Telegraph Company shall not be liable for mistakes or delays in the transmission or delivery, or for non-delivery, of any message received for transmission at the unrepeatable message rate beyond the sum of five hundred dollars; nor for mistakes or delays in the transmission or delivery, or for non-delivery, of any message received for transmission at the repeatable message rate beyond the sum of five thousand dollars, unless specially valued; nor in any case for delays arising from unavoidable interruption in the working of its lines.

2. In any event the Telegraph Company shall not be liable for damages for mistakes or delays in the transmission or delivery, or for the non-delivery, of any message, whether caused by the negligence of its servants or otherwise, beyond the actual loss, not exceeding in any event the sum of five thousand dollars, at which amount the sender of each message represents that the message is valued, unless a greater value is stated in writing by the sender thereof at the time the message is tendered for transmission, and unless the repeatable message rate is paid or agreed to be paid and an additional charge equal to one-tenth of one per cent of the amount by which such valuation shall exceed five thousand dollars.

3. The Telegraph Company is hereby made the agent of the sender, without liability, to forward this message over the lines of any other company when necessary to reach its destination.

4. Except as otherwise indicated in connection with the listing of individual places in the filed tariffs of the Telegraph Company, the amount paid for the transmission of a domestic telegram or an incoming cable or radio message covers its delivery within the following limits: In cities or towns of 5,000 or more inhabitants where the Telegraph Company has an office which, as shown by the filed tariffs of the Telegraph Company, is not operated through the agency of a railroad company, within two miles of any open main or branch office of the Telegraph Company; in cities or towns of 5,000 or more inhabitants where, as shown by the filed tariffs of the Telegraph Company, the telegraph service is performed through the agency of a railroad company, within one mile of the telegraph office; in cities or towns of less than 5,000 inhabitants in which an office of the Telegraph Company is located, within one-half mile of the telegraph office. Beyond the limits above specified the Telegraph Company does not undertake to make delivery but will endeavor to arrange for delivery as the agent of the sender, with the understanding that the sender authorizes the collection of any additional charge from the addressee and agrees to pay such additional charge if it is not collected from the addressee. There will be no additional charge for deliveries made by telephone within the corporate limits of any city or town in which an office of the Telegraph Company is located.

5. No responsibility attaches to the Telegraph Company concerning messages until the same are accepted at one of its transmitting offices; and if a message is sent to such office by one of the Telegraph Company's messengers, he acts for that purpose as the agent of the sender.

6. The Telegraph Company will not be liable for damages or statutory penalties when the claim is not presented in writing to the Telegraph Company, (a) within ninety days after the message is filed with the Telegraph Company for transmission in the case of a message between points within the United States (except in the case of an intrastate message in Texas) or between a point in the United States on the one hand and a point in Alaska, Canada, Mexico, or St. Pierre-Miquelon Islands on the other hand, or between a point in the United States and a ship at sea or in the air, (b) within 95 days after the cause of action, if any, shall have accrued in the case of an intrastate message in Texas, and (c) within 180 days after the message is filed with the Telegraph Company for transmission in the case of a message between a point in the United States and a foreign or overseas point other than the points specified above in this paragraph; provided, however, that this condition shall not apply to claims for damages or overcharges within the purview of Section 415 of the Communications Act of 1934, as amended.

7. It is agreed that in any action by the Telegraph Company to recover the tolls for any message or messages the prompt and correct transmission and delivery thereof shall be presumed, subject to rebuttal by competent evidence.

8. Special terms governing the transmission of messages according to their classes, as enumerated below, shall apply to messages in each of such respective classes in addition to all the foregoing terms.

9. No employee of the Telegraph Company is authorized to vary the foregoing.

5-52

CLASSES OF SERVICE

DOMESTIC SERVICES

FULL RATE TELEGRAM

A full rate expedited service.

DAY LETTER (DL)

A deferred service at lower than the full rate.

NIGHT LETTER (NL)

Accepted up to 2 A. M. for delivery not earlier than the following morning at rates substantially lower than the full rate telegram or day letter rates.

INTERNATIONAL SERVICES

FULL RATE (FR)

The standard fast service at full rates. May be written in any language that can be expressed in Roman letters, or in secret language. A minimum charge for 5 words applies.

LETTER TELEGRAM (LT)

Overnight plain language messages. Minimum charge for 22 words applies.

SHIP RADIOGRAM

A service to and from ships at sea. Plain or secret language may be used. Minimum charge for 5 words applies.

COPY-----

WESTERN UNIO LEGRAPH CO.

1957 FEB 10 110

MIDLAND, TEXAS

R L LE TOURNEAU, HAS FONE, IF DA RES DLY MON AM OKAY.

CARE R G LE TOURNEAU INC

LONGVIEW TEX.

RETURNED TO USA AND MIDLAND LAST NIGHT. HAVE REVIEWED TELEGRAM
CORRESPONDENCE . SUGGEST MEETING MIDLAND TUESDAY TO CLEAR UP ALL
X EXSISTING OPTION PROBLEMS WILL BE IN OFFICE ALL DAY MONDAY FOR
CALL IN EVENT TO THE MEETING NOT OKAY.

GEORGE BUSH--ZAPATA OFFSHORE CO.

JM/

HARRY C. WEEKS
BENJAMIN L. BIRD
R. B. CANNON
FRANK B. APPLEMAN

LAW OFFICES
WEEKS, BIRD, CANNON & APPLEMAN
SUITE 525 THE FORT WORTH NATIONAL BANK BUILDING
FORT WORTH 2, TEXAS

Feb. 8, 1957

RECEIVED
FEB 11 1957

ZAPATA

Mr. George H. W. Bush
Zapata Off-Shore Company
901 West Missouri Ave.
Midland, Texas

Mr. Baine Kerr
c/o Baker, Botts, Andrews & Shepherd
Esperson Building
Houston, Texas

Gentlemen:

I am informed by Mr. Blancke Noyes of Hemphill Noyes & Co., New York City, that there will be taken up with Mr. Bush, upon his arrival in the United States, the matter of Zapata waiving its option on LeTourneau platforms insofar as the proposed Dixilyn platform is concerned.

In these discussions you will no doubt be advised that the time element is extremely important. In order to overcome problems of transportation I am, therefore, enclosing to Mr. Bush the original and two copies of the waiver which Mr. Noyes will suggest. I am sending to Mr. Kerr one copy of the same instrument.

If there is any way that I can give either of you assistance in this matter, I shall be happy to do so. My telephone here is ED2-3184 and my home phone is PE7-5077.

With appreciation for your courtesies, I am

Yours very truly,



Benjamin L. Bird
Counsel for Dixilyn Drilling Corp.

BIB:ceh
Encls.

P.S.

In the event you find the enclosed waiver to be satisfactory, with or without changes, I will appreciate your courtesy in calling, collect, me or Mr. Robert Chappell at Dixilyn's Odessa office--Federal 7-7379 or home phone Federal 7-9833, and we will arrange to pick up the signed instrument.

B.L.B.

STATE OF TEXAS)
COUNTY OF MIDLAND)

WHEREAS, by and through a contract dated November 11, 1954, the terms of which are substantially set forth below between Zapata Off-Shore Company (Zapata) and R. G. LeTourneau, Inc. (LeTourneau), Zapata was vested with an option to acquire certain additional mobile drilling platforms constructed by LeTourneau:

"It is agreed that in the event first party (Zapata) purchases said platform, then and in such event first party shall have an option to acquire any additional platforms of the same or similar design constructed by second party (LeTourneau). The second party agrees that it will not begin the construction of any such platform of the same or similar design for a period of six (6) months from the date of the acceptance of the platform which is the subject matter of this contract. At the expiration of such six months period and for a period of two (2) years thereafter, first party shall have the option to purchase any similar platform or platforms constructed by second party at any bona fide price at which such equipment would be offered to other parties."

WHEREAS, LeTourneau has entered into an option agreement, dated January 11, 1957, with Dixilyn Drilling Corporation (Dixilyn) under which Dixilyn is given the option of obtaining a firm contract commitment (Proposal No. OD-854) for the construction of a LeTourneau mobile, tripod, electric-powered offshore platform described in specification No. PN-1459 accompanying said Proposal No. OD-854, upon making the payment specified therein.

WHEREAS, in order to finance the purchase of said platform Dixilyn has filed with the Securities and Exchange Commission a Registration Statement relating to 930,000 shares of its Class A Convertible Stock to be sold to the public through underwriters and Dixilyn is to enter into a purchase contract with underwriters for such purpose.

WHEREAS, LeTourneau and Dixilyn have requested Zapata to waive such option rights as it may have with respect to the platform to be constructed for Dixilyn by LeTourneau, and Zapata has consented to do so.

NOW, THEREFORE, in consideration of the premises and other good and valuable considerations, Zapata does hereby waive and relinquish any and all rights which it may have to acquire from LeTourneau the aforesaid platform described in said specification No. PN-1459 accompanying said Proposal No. OD-854 and hereby consents to the construction, sale and delivery of such platform by LeTourneau to Dixilyn in keeping with the aforesaid option agreement dated January 11, 1957, between Dixilyn and LeTourneau.

ZAPATA OFF-SHORE COMPANY

BY *George W. Bunker*

(SEAL)

ATTEST:

Juanita McBride
Assistant Secretary, Zapata Off-Shore
Company

STATE OF TEXAS)
COUNTY OF MIDLAND)

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ZAPATA OFF-SHORE COMPANY

BY *Raymond B. ...*

(SEAL)

ATTEST:

Janita McBride
Assistant Secretary, Zapata Off-Shore
Company

January 30, 1957

Mr. R. L. LeTourneau
Vice President
R. G. LeTourneau, Inc.
Longview, Texas

Dear Mr. LeTourneau:

Your letter to Mr. Bush of January 25, 1957, has been received. Mr. Bush is still out of the office and it will probably be several days before he returns. I have forwarded a photostat of your letter to our Houston office, and I will call Mr. Bush's attention to you letter when he returns.

Yours very truly,

(Mrs.) Juanita McBride
Secretary to Mr. Bush

bcc: Baine Kerr
bcc: Houston Office

LETOURNEAU



EQUIPMENT

R. G. LETOURNEAU INC

MANUFACTURERS OF HEAVY DUTY ELECTRICALLY POWERED AND CONTROLLED EQUIPMENT

GENERAL OFFICES: LONGVIEW, TEXAS

January 25, 1957

Mr. George H. W. Bush
Zapata Off-Shore Company
Box 2216
Midland, Texas

Dear George:

I have your further letter of January 15, 1957 concerning the small combination platform.

If we had found this platform involved with the November 11, 1954 option, we would have proceeded accordingly. It seems to us that, nevertheless, we can do exactly what we have both desired. Whatever additional platform or platforms you need can be purchased now with good delivery.

Why don't you have your people meet with us to establish accord on the many variable details? Then we can provide the plans, specifications, and price to fit the specific requirement; and, if you buy it, get going on a fast delivery.

Yours very truly,

R. G. LeTOURNEAU, INC.

RECEIVED
JAN 29 1957

R. L. LeTourneau
Vice President

ZAPATA

RLl:bjm

ZAPATA OFF-SHORE COMPANY

2218 CITY NATIONAL BANK BUILDING
HOUSTON 2, TEXAS

January 28, 1957

Mr. R. L. LeTourneau
R. G. LeTourneau, Inc.
Longview, Texas

Dear Dick:

George is still out of the city but I have advised him of your letter of January 22, and he has asked me to write you about this. We are definitely interested in another platform. There are several things we need to clear up before we make a final decision, and would like your answers to these questions.

In your letter you say this platform is not for the Barnwell interests. Are you still talking to them about a platform and, if so, what are the details of that proposal? You will remember that we gave you a conditional two-weeks waiver in November, but since you did not sign a contract with Barawell in that time, we still have an option on that platform. Therefore, please let us know the details on the Barnwell deal, including delivery date, payment terms, etc., as this is the platform we are primarily interested in.

Also, we would like your statement that, if we accept your proposal, we could work out with you a satisfactory form of contract similar to the one covering the Scorpion II.

Finally, Dick, we would have to see and approve a lot more detailed plans and specifications than the general description you sent us before we agree to buy a 2-1/2 or 3 million dollar piece of equipment. However, we do not want to delay you unnecessarily, and you may be assured of our fullest cooperation.

Yours very truly,

ZAPATA OFF-SHORE COMPANY



Wayne H. Dean
Vice President-Manager of Operations

WHD:bj

Dear Dick:

George is still out of the city but I have advised him of your letter of January 22, and he has asked me to write you about this. We are definitely interested in another platform. There are several things we need to clear up before we make a final decision, and would like your answers to these questions.

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Also we are disturbed over the statements in your January 22 proposal and in your recent advertisements which might suggest that you plan to use our plans and design work for the Scorpion II in these additional platforms which you are offering to others. I think you know as well as anyone how much time, effort and expense we have been to in developing this information, which we consider unique and highly

confidential. We assume you do not plan to use our work and know-how for the benefit of our competitors, but would like to have your assurance as to this.

Also, we would like your statement that, if we accept your proposal, we could work out with you a satisfactory form of contract similar to the one covering the Scorpion II.

Finally, Dick, as we have told you, we think the time is past when you have to buy a "black box", and we would like to see detailed plans and specifications and not just the general description you sent us, before we agree to buy a 2-1/2 or 3 million dollar piece of equipment. However, we do not want to delay you unnecessarily, and you may be assured of our fullest cooperation.

Yours very truly,

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Yours very truly,

January 25, 1957

Mr. R. L. LeTourneau
R. G. LeTourneau, Inc.
Longview, Texas

Dear Mr. LeTourneau:

Your letter of January 22 with its enclosures has been received. Mr. Bush is out of town and does not plan to return until the latter part of next week. At that time your letter will be on his desk for his attention.

Yours very truly,

(Mrs.) Juanita McBride
Secretary to Mr. Bush

LETOURNEAU



R.G. LETOURNEAU INC

MANUFACTURERS OF HEAVY DUTY ELECTRICALLY POWERED AND CONTROLLED EQUIPMENT

GENERAL OFFICES: LONGVIEW, TEXAS

January 25, 1957

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Box 2216
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Yours very truly,

R. G. LeTOURNEAU, INC.

RECEIVED
JAN 29 1957

R. L. LeTourneau
Vice President

ZAPATA

RLl:bjm

LETOURNEAU



R. G. LETOURNEAU INC

MANUFACTURERS OF HEAVY DUTY ELECTRICALLY POWERED AND CONTROLLED EQUIPMENT

GENERAL OFFICES: LONGVIEW, TEXAS

RECEIVED
JAN 24 1957

January 22, 1957

ZAPATA

Mr. George H. W. Bush
Zapata Off-Shore Company
Midland National Bank Building
P. O. Box 2216
Midland, Texas

Dear George:

Thanks for your reply of January 15th, from which we assume that you have a genuine interest in exercising your option on the bona fide offer named in my letter of January 12th. This offer is not the Barnwell platform, which was a bona fide offer previously availed to you.

For the additional information concerning the current offer, enclosed is a proposal summary providing the essential details. Disclosure of the name of the party to whom the bona fide offer was made is not called for in the option provision.

In order that there be no restraint or obstruction to the construction for others, we will expect a prompt decision on exercise of your option.

Yours very truly,

R. G. LeTOURNEAU, INC.

R. L. LeTourneau
Vice President

RLL/ht
Enclosures

cc: Mr. Wayne Dean
Zapata Off-Shore Company
Houston, Texas

January 22, 1957

Mr. George H. W. Bush
Zapata Off-Shore Company
Midland National Bank Building
P. O. Box 2216
Midland, Texas

Dear George:

Thanks for your reply of January 15th, from which we assume that you have a genuine interest in exercising your option on the bona fide offer named in my letter of January 12th. This offer is not the Barnwell platform, which was a bona fide offer previously availed to you.

For the additional information concerning the current offer, enclosed is a proposal summary providing the essential details. Disclosure of the name of the party to whom the bona fide offer was made is not called for in the option provision.

In order that there be no restraint or obstruction to the construction for others, we will expect a prompt decision on exercise of your option.

Yours very truly,

R. G. LeTOURNEAU, INC.



R. L. LeTourneau
Vice President

RL/ht
Enclosures

✓ cc: Mr. Wayne Dean
Zapata Off-Shore Company
Houston, Texas

LETOURNEAU



EQUIPMENT

R. G. LETOURNEAU INC

RECEIVED
JAN 24 1957

MANUFACTURERS OF HEAVY DUTY ELECTRICALLY POWERED AND CONTROLLED EQUIPMENT

GENERAL OFFICES: LONGVIEW, TEXAS

ZAPATA

TO: Zapata Off-Shore Company
Midland National Bank Building
P. O. Box 2216
Midland, Texas

DATE: January 22, 1957

SUBJECT: Mobile Offshore
Platform

We propose to furnish at the price and under the terms and conditions hereinafter set forth and set out on the reverse side hereof, and as described in the accompanying specification No. PN-1459 which forms a part hereof, the following:

One - LeTourneau Mobile, tripod, electric-powered offshore Platform; and additional accessories and services.

During the 90 day period following delivery the Seller will furnish the services of a representative to assist and advise the Buyer's personnel in the operation of the Platform.

In addition to the terms and conditions set forth on the reverse side hereof, this proposal includes the Supplemental provisions on continuation pages 3, 4 and 5.

WE WILL MAKE SHIPMENT November 15, 1957

ALL THE ABOVE FOR THE SUM OF \$2,640,000.00

TERMS: Per payment schedule on Page 5 hereof

ACCEPTED:

Date _____

Firm _____

By _____

APPROVED:

Date _____

R. G. LETOURNEAU, INC.

By _____

R. G. LETOURNEAU INC

TERMS AND CONDITIONS

1. Until approved in writing by R. G. LETOURNEAU, INCORPORATED (a California Corporation hereinafter called "SELLER") at Seller's home office, Longview, Texas, this order shall constitute an offer of purchase. When so approved it shall constitute the entire contract between the parties. Seller shall not be bound by any terms, conditions, representations or warranties, express or implied, not stated herein.
2. (Deleted)
3. All claims that there is a shortage in delivery must be presented in writing to Seller within thirty (30) days after receipt of merchandise by Buyer. Failure of Buyer so to present any claim shall constitute a waiver thereof and Buyer shall have no such claim against Seller.
4. (Deleted)
5. The delivery of any merchandise under this contract to any common or private carrier, for delivery to Buyer or his order, shall constitute delivery hereunder and Buyer will bear all risk of loss or damages in transit.
6. Seller shall not be liable for any other default or failure to perform this contract caused by any cause or contingency beyond its control or beyond the control of any of its sources of supply, including but not limited to strikes, lockouts or other labor disputes, shortage of materials or labor, fires, accidents, floods, war, delays in transportation and any federal or state law regulation, action or order. In the event of occurrence of any such cause or contingency Seller may extend delivery schedules for the duration of such cause or contingency.
7. If Buyer is in default in payment or otherwise on this or any other contract, Seller shall have the right, in addition to all other legal remedies and without prejudice to any of its rights hereunder, to defer on further shipments until such default is removed, or, at its option to cancel any undelivered portion of this or any other contracts at any time after such default occurs, or to declare all outstanding bills of the Buyer due and payable forthwith.
8. All federal, state or municipal taxes, excises and duties on the manufacture, sale, use or delivery of the merchandise herein described, whether now or hereafter imposed, shall be paid by the Buyer unless otherwise stated on the front side hereof.
9. This contract shall not be subject to cancellation or modification except as hereinabove provided unless such modification or cancellation is agreed to in writing by Seller. If cancellation or modification is agreed to by Seller, Buyer will promptly pay all reasonable engineering and other expenses incurred by Seller in connection with this contract.
10. This contract shall be construed in accordance with the laws of the State of Texas.

R. G. LETOURNEAU INC

SUPPLEMENTARY PROVISIONS

11. The Seller warrants the equipment of its manufacture specified herein to be free from defects in material and workmanship under normal use and service; its obligation under this warranty being limited to making good at its factory any part or parts thereof within six (6) months after delivery of such equipment to the Buyer, which shall be returned to us with transportation charges prepaid and which the Seller's examination shall disclose to its satisfaction to have been thus defective.

This warranty being expressly in lieu of all other warranties expressed or implied and of all other obligations or liabilities on the Seller's part, and the Seller neither assumes nor authorizes any person to assume for it any other liability in connection with the sale of its equipment.

This warranty shall not apply to any equipment which shall have been repaired or altered unless repaired or altered by the Seller or its authorized representatives, if, in its judgment, such repair or alterations altered the stability of the equipment or if the equipment has been subject to misuse, negligence or accident.

The Seller reserves the right to make changes in design or add any improvements on equipment at any time without incurring any obligations to install same on equipment previously purchased.

12. The Seller will not assume liability for patent infringement by reason of purchase, manufacture, sale, or use of devices not included in and covered by its specification and design.
13. The Buyer assumes full responsibility for the inspection and condition of all Owner Furnished Equipment listed in the Specification and agrees to cause delivery of all such material and equipment to be made prepaid F.O.B. LeTourneau Riverside facilities at Vicksburg, Mississippi, in accordance with the delivery schedule listed in the Specification.
14. The Platform will be constructed at the LeTourneau Plant, Vicksburg, Mississippi. Upon completion of the platform, the Seller will give the Buyer notice of such completion and of the intention to conduct tests of the Platform. The Seller will conduct the testing in accordance with the provisions in the Specification and the Buyer shall have the right to have its representatives present during the testing of the Platform. When such tests are completed, the Buyer shall accept delivery of the Platform.

R. G. LETOURNEAU INC

15. The Buyer shall have the right to have one or more representatives present at any and all times at the Seller's facility during the construction of the Platform so as to familiarize themselves with the equipment. It is understood that the Buyer's representatives shall have no control over the design or construction of the Platform by Seller.
16. The Seller will furnish documentation with the Bureau of Customs and deliver the Platform free and clear of any encumbrances.

R. G. LETOURNEAU INC

PAYMENT SCHEDULE

1. Upon acceptance of proposal - - - - - \$650,000.00

2. Monthly payments:

April 1, 1957	\$200,000.00
May 1, 1957	200,000.00
June 1, 1957	200,000.00
July 1, 1957	200,000.00
August 1, 1957	200,000.00
September 1, 1957	200,000.00
October 1, 1957	200,000.00

3. Final payment
Upon completion and delivery - - - - - \$590,000.00

SUMMARY OF

SPECIFICATION NUMBER PN-1459

Le TOURNEAU TRIPOD OFFSHORE MOBILE DRILLING PLATFORM

The same categories of Owner-Furnished Equipment and Builder-Furnished Equipment are involved as provided for on Zapata Platform No. 2.

The detailed Specifications for construction, installation, etc., are comparable to the details for Zapata Platform No. 2.



EQUIPMENT

R. G. LETOURNEAU INC

MANUFACTURERS OF HEAVY DUTY ELECTRICALLY POWERED AND CONTROLLED EQUIPMENT

GENERAL OFFICES: LONGVIEW, TEXAS

TO: Zapata Off-Shore Company
 Midland National Bank Building
 P. O. Box 2216
 Midland, Texas

DATE: January 22, 1957

SUBJECT: Mobile Offshore
 Platform

We propose to furnish at the price and under the terms and conditions hereinafter set forth and set out on the reverse side hereof, and as described in the accompanying specification No. PN-1459 which forms a part hereof, the following:

One - LeTourneau Mobile, tripod, electric-powered offshore Platform; and additional accessories and services.

During the 90 day period following delivery the Seller will furnish the services of a representative to assist and advise the Buyer's personnel in the operation of the Platform.

In addition to the terms and conditions set forth on the reverse side hereof, this proposal includes the Supplemental provisions on continuation pages 3, 4 and 5.

WE WILL MAKE SHIPMENT November 15, 1957

ALL THE ABOVE FOR THE SUM OF \$2,640,000.00

TERMS: Per payment schedule on Page 5 hereof

ACCEPTED:

Date _____

Firm _____

By _____

APPROVED:

Date _____

R. G. LETOURNEAU, INC.

By _____

R. G. LETOURNEAU INC

TERMS AND CONDITIONS

1. Until approved in writing by R. G. LETOURNEAU, INCORPORATED (a California Corporation hereinafter called "SELLER") at Seller's home office, Longview, Texas, this order shall constitute an offer of purchase. When so approved it shall constitute the entire contract between the parties. Seller shall not be bound by any terms, conditions, representations or warranties, express or implied, not stated herein.
2. (Deleted)
3. All claims that there is a shortage in delivery must be presented in writing to Seller within thirty (30) days after receipt of merchandise by Buyer. Failure of Buyer so to present any claim shall constitute a waiver thereof and Buyer shall have no such claim against Seller.
4. (Deleted)
5. The delivery of any merchandise under this contract to any common or private carrier, for delivery to Buyer or his order, shall constitute delivery hereunder and Buyer will bear all risk of loss or damages in transit.
6. Seller shall not be liable for any other default or failure to perform this contract caused by any cause or contingency beyond its control or beyond the control of any of its sources of supply, including but not limited to strikes, lockouts or other labor disputes, shortage of materials or labor, fires, accidents, floods, war, delays in transportation and any federal or state law regulation, action or order. In the event of occurrence of any such cause or contingency Seller may extend delivery schedules for the duration of such cause or contingency.
7. If Buyer is in default in payment or otherwise on this or any other contract, Seller shall have the right, in addition to all other legal remedies and without prejudice to any of its rights hereunder, to defer on further shipments until such default is removed, or, at its option to cancel any undelivered portion of this or any other contracts at any time after such default occurs, or to declare all outstanding bills of the Buyer due and payable forthwith.
8. All federal, state or municipal taxes, excises and duties on the manufacture, sale, use or delivery of the merchandise herein described, whether now or hereafter imposed, shall be paid by the Buyer unless otherwise stated on the front side hereof.
9. This contract shall not be subject to cancellation or modification except as hereinabove provided unless such modification or cancellation is agreed to in writing by Seller. If cancellation or modification is agreed to by Seller, Buyer will promptly pay all reasonable engineering and other expenses incurred by Seller in connection with this contract.
10. This contract shall be construed in accordance with the laws of the State of Texas.

R. G. LETOURNEAU INC

TERMS AND CONDITIONS

1. Until approved in writing by R. G. LETOURNEAU, INCORPORATED (a California Corporation hereinafter called "SELLER") at Seller's home office, Longview, Texas, this order shall constitute an offer of purchase. When so approved it shall constitute the entire contract between the parties. Seller shall not be bound by any terms, conditions, representations or warranties, express or implied, not stated herein.
2. (Deleted)
3. All claims that there is a shortage in delivery must be presented in writing to Seller within thirty (30) days after receipt of merchandise by Buyer. Failure of Buyer so to present any claim shall constitute a waiver thereof and Buyer shall have no such claim against Seller.
4. (Deleted)
5. The delivery of any merchandise under this contract to any common or private carrier, for delivery to Buyer or his order, shall constitute delivery hereunder and Buyer will bear all risk of loss or damages in transit.
6. Seller shall not be liable for any other default or failure to perform this contract caused by any cause or contingency beyond its control or beyond the control of any of its sources of supply, including but not limited to strikes, lockouts or other labor disputes, shortage of materials or labor, fires, accidents, floods, war, delays in transportation and any federal or state law regulation, action or order. In the event of occurrence of any such cause or contingency Seller may extend delivery schedules for the duration of such cause or contingency.
7. If Buyer is in default in payment or otherwise on this or any other contract, Seller shall have the right, in addition to all other legal remedies and without prejudice to any of its rights hereunder, to defer on further shipments until such default is removed, or, at its option to cancel any undelivered portion of this or any other contracts at any time after such default occurs, or to declare all outstanding bills of the Buyer due and payable forthwith.
8. All federal, state or municipal taxes, excises and duties on the manufacture, sale, use or delivery of the merchandise herein described, whether now or hereafter imposed, shall be paid by the Buyer unless otherwise stated on the front side hereof.
9. This contract shall not be subject to cancellation or modification except as hereinabove provided unless such modification or cancellation is agreed to in writing by Seller. If cancellation or modification is agreed to by Seller, Buyer will promptly pay all reasonable engineering and other expenses incurred by Seller in connection with this contract.
10. This contract shall be construed in accordance with the laws of the State of Texas.

SUPPLEMENTARY PROVISIONS

11. The Seller warrants the equipment of its manufacture specified herein to be free from defects in material and workmanship under normal use and service; its obligation under this warranty being limited to making good at its factory any part or parts thereof within six (6) months after delivery of such equipment to the Buyer, which shall be returned to us with transportation charges prepaid and which the Seller's examination shall disclose to its satisfaction to have been thus defective.

This warranty being expressly in lieu of all other warranties expressed or implied and of all other obligations or liabilities on the Seller's part, and the Seller neither assumes nor authorizes any person to assume for it any other liability in connection with the sale of its equipment.

This warranty shall not apply to any equipment which shall have been repaired or altered unless repaired or altered by the Seller or its authorized representatives, if, in its judgment, such repair or alterations altered the stability of the equipment or if the equipment has been subject to misuse, negligence or accident.

The Seller reserves the right to make changes in design or add any improvements on equipment at any time without incurring any obligations to install same on equipment previously purchased.

12. The Seller will not assume liability for patent infringement by reason of purchase, manufacture, sale, or use of devices not included in and covered by its specification and design.
13. The Buyer assumes full responsibility for the inspection and condition of all Owner Furnished Equipment listed in the Specification and agrees to cause delivery of all such material and equipment to be made prepaid F.O.B. LeTourneau Riverside facilities at Vicksburg, Mississippi, in accordance with the delivery schedule listed in the Specification.
14. The Platform will be constructed at the LeTourneau Plant, Vicksburg, Mississippi, Upon completion of the platform, the Seller will give the Buyer notice of such completion and of the intention to conduct tests of the Platform. The Seller will conduct the testing in accordance with the provisions in the Specification and the Buyer shall have the right to have its representatives present during the testing of the Platform. When such tests are completed, the Buyer shall accept delivery of the Platform.

15. The Buyer shall have the right to have one or more representatives present at any and all times at the Seller's facility during the construction of the Platform so as to familiarize themselves with the equipment. It is understood that the Buyer's representatives shall have no control over the design or construction of the Platform by Seller.
16. The Seller will furnish documentation with the Bureau of Customs and deliver the Platform free and clear of any encumbrances.

PAYMENT SCHEDULE

1. Upon acceptance of proposal - - - - - \$650,000.00

2. Monthly payments:
 - April 1, 1957 \$200,000.00
 - May 1, 1957 200,000.00
 - June 1, 1957 200,000.00
 - July 1, 1957 200,000.00
 - August 1, 1957 200,000.00
 - September 1, 1957 200,000.00
 - October 1, 1957 200,000.00

3. Final payment
 - Upon completion and delivery - - - - - \$590,000.00

SUMMARY OF
SPECIFICATION NUMBER PM-1159
LeTOURNEAU TRIPOD OFFSHORE MOBILE DRILLING PLATFORM

TRIPOD OFFSHORE MOBILE DRILLING PLATFORM

It is the intent of this specification to produce an Offshore Drilling Platform. Arrangement, construction, materials, details, and outfitting are to be in accordance with this specification and its reference diagrams and drawings. Construction, installation of machinery, and outfit shall be to the extent specified herein.

The platform shall consist of a barge roughly triangular in plan, equipped with three triangular spuds with cylindrical bearing tanks which can be lowered to the Gulf bottom and on which the platform can elevate itself above the Gulf water surface. Two deck extensions on one end of the barge will form a notch over which the drilling derrick will be installed.

Elevating and lowering the spuds and platform shall be accomplished by gears meshing with rocks on the spuds. The gears shall be operated by electric motors taking power from Diesel-electric generators installed in the platform.

ASSUMED CRITERIA

A. With the platform at maximum elevation

Wind forces created by a maximum wind velocity of 70 MPH. Wave forces associated with storm waves of a maximum height of 30 feet above mean sea level.

B. With the deck of the platform elevated to a height not to exceed

145 feet above the bottom of the spud cylinders.

Wind forces created by a maximum wind velocity of 125 MPH. Wave forces associated with storm waves of a maximum height of 40 feet above mean sea level.

In conditions "A" or "B" above, the following additional

criteria are assumed:

- (1) The bottom of the barge will always be elevated above all waves.
- (2) The maximum wave forces on two spuds simultaneously shall be assumed only on the two spuds flanking the drilling derrick.
- (3) Other combinations of two spuds shall be protected from maximum wave forces by orientation of the platform in relation to the coast line.
- (4) Operation on soil bottoms having a shear value of 0.25 tons per square foot or more.
- (5) Operation in waters of sufficient depth to prevent undue scouring of the Gulf bottom by wave action.

DIMENSIONS AND CAPACITIES

Length Over All	193'-0"
Width Over All	151'-9"
Depth of Hull	20'-0"
Length of Spuds	175'-0"
Racks C. L. to C. L. of Rack Pitch Line	36' - 03/4"
Diameter of Spud Tank	35' - 4"
Height of 1 Spud Tank	32' - 0"
Available for Elevating Drilling Equipment, Mud, Fuel, Water, Quarters, Piping, Etc.	5,000,000 lbs.
Maximum Imposed Load With Platform in Fixed Position, Including Derrick, Line Pull	6,000,000 lbs.
Minimum Rate of Elevating on One Spud	12 in. per min.
Draft of Hull Fully Loaded	11'-6"
Draft with Appendages	14'-0"
Potable Water Capacity	1,000 bbls.
Drilling Water Capacity	5,000 bbls.
Diesel Oil Capacity	1,000 bbls.
Active Mud Capacity	1,500 bbls.
Dry Mud Capacity	10,000 sacks

The C. L. spud end shall be considered as the bow or forward end when referred to in this Specification.

TESTING

After launching and outfitting the platform shall be elevated in the Mississippi River to its maximum elevation, shall remain up eight hours and then be lowered to the river.

All pumps and equipment shall be tested in the eight hour period above.

The same categories of Owner-Furnished Equipment and Builder-Furnished Equipment are involved as provided for on Zapata Platform No. 2.

The detailed Specifications for construction, installation, etc., are comparable to the details for Zapata Platform No. 2.

Copied/
1/24/57

Dudgansoon

January 17, 1957

Mr. R. L. LeTourneau
Vice President
R. G. LeTourneau, Inc.
Longview, Texas

Dear Dick:

Thank you for your letter of January 14. I have passed this letter along to Wayne. As I wrote to you a couple of days ago, I am going to be completely out of pocket next week, but I am in favor of having such a meeting at Vicksburg. I have asked Wayne to get in touch with you to see if this could be done without me. If not, perhaps we could set it up for the following week. He will be able to go over any ideas for commissioning, although we have not finalized anything in our own minds at this time.

Yours very truly,

ZAPATA OFF-SHORE COMPANY

George H. W. Bush

GHWB:JMcB
CC: Wayne H. Dean

LETOURNEAU



R. G. LETOURNEAU INC

MANUFACTURERS OF HEAVY DUTY ELECTRICALLY POWERED AND CONTROLLED EQUIPMENT

GENERAL OFFICES: LONGVIEW, TEXAS

January 14, 1957

RECEIVED
JAN 17 1957

Mr. George H. W. Bush, President
Zapata Off-Shore Company
Box 2216
Midland, Texas

ZAPATA

Dear George:

Several months have passed since our last meeting together at Vicksburg.

Perhaps this may be a good time to make an inspection trip of Zapata No. 2 at Vicksburg and discuss any items of mutual interest. Perhaps we could discuss at that time the plans for any commissioning ceremony that you may have in mind.

If this suggestion has any merit, I would suggest any day next week except Thursday.

With best wishes,

Yours very truly,

R. G. LeTOURNEAU, INC.

A handwritten signature in cursive script, appearing to read 'R. L. LeTourneau'.

R. L. LeTourneau
Vice President

RLl:bjm

ZAPATA OFF-SHORE COMPANY

2218 CITY NATIONAL BANK BUILDING
HOUSTON 2, TEXAS

January 15, 1957

Mr. R. L. LeTourneau
R. G. LeTourneau, Inc.
Longview, Texas

Dear Dick:

In talking to our Midland office today, they told me that there was a letter from you advising of an offer by you to build a platform for October delivery. We appreciate your offering us this platform in accordance with the option and most assuredly will let you know promptly whether we can purchase at this time. Before we can tell you definitely we'd like to know whether this is the barge for the Barnwell interests.

We would also like to have some more information on what is covered by the \$2.6 million price which you mentioned. If you could outline this for us and give us a description of the barge, the name of the purchaser, and the terms of the offer we will most assuredly make a prompt decision.

I would like to reiterate the position we took in our letter of November 17th. We do not want to obstruct your construction for others, but we are most anxious to preserve our right of prior purchase. Only when we receive some detail as to the bona fide offer received by you can we decide what course of action to take.

I plan to be gone all next week, so I would like to suggest that any correspondence to us on this matter be sent to Midland with a copy to Wayne Dean at Houston. This will enable us to give you a quicker answer.

Best regards,

ZAPATA OFF-SHORE COMPANY

George H. W. Bush
President

GHWB:jv

ZAPATA OFF-SHORE COMPANY

2218 CITY NATIONAL BANK BUILDING
HOUSTON 2, TEXAS

January 15, 1957

Mr. R. L. LeTourneau
R. G. LeTourneau, Inc.
Longview, Texas

Dear Dick:

I have received your letter of January 8, 1957, relating to the proposed mobile drilling platform which you have announced you are building for one of our competitors. It does not seem to us that you have answered the specific inquiries contained in our letter of January 4, 1957, in connection with the same subject, and we feel we are entitled to insist that you do so as soon as possible.

Also, as you know, we and our counsel believe this platform clearly to be subject to our first refusal rights, and we therefore renew our request that you send us detailed plans and specifications for this platform which you have announced you are building, and the bona fide price at which you are offering it for sale. When we have had a reasonable opportunity to review this information, we will be glad to get together with you to discuss this matter.

Very truly yours,

ZAPATA OFF-SHORE COMPANY

George H. W. Bush
President

GHWB:jv

LETOURNEAU



R. G. LETOURNEAU INC

MANUFACTURERS OF HEAVY DUTY ELECTRICALLY POWERED AND CONTROLLED EQUIPMENT

GENERAL OFFICES: LONGVIEW, TEXAS

January 12, 1957

Mr. George H. W. Bush, President
Zapata Off-Shore Company
Box 2216
Midland, Texas

Dear George:

We have made an offer to furnish an offshore platform similar to the SCORPION. The price of the unit is \$2,640,000.00, and delivery time is approximately 10 months.

We hope your deals are materializing, so that another Zapata platform can begin. In any case, will you let us know promptly whether or not you will exercise your option?

Yours very truly,

R. G. LeTOURNEAU, INC.

R. L. LeTourneau
Vice President

RLL:bjm

RECEIVED
JAN 14 1957

ZAPATA

LETOURNEAU



R. G. LETOURNEAU INC

MANUFACTURERS OF HEAVY DUTY ELECTRICALLY POWERED AND CONTROLLED EQUIPMENT

GENERAL OFFICES: LONGVIEW, TEXAS

*Recd
1-10-57*

January 8, 1957

Mr. George H. W. Bush, President
Zapata Off-Shore Company
Box 2216
Midland, Texas

Dear George:

I have your letter of January 4, 1957, and you probably know of my letter of January 4, 1957, to Mr. Wayne Dean, regarding the combination platform. A copy of this letter is enclosed. We did not even remotely associate the combination platform with the option in our November 11, 1954 agreement.

In the course of developing a program for the small combination platforms during this entire past year, we have studied the problems and applications with numerous oil, sulfur, and drilling companies. This background information may be helpful in working out the details of the platform you currently contemplate.

As indicated in our letter to Mr. Wayne Dean, we are sending him today a preliminary drawing and description of a platform applicable to your indicated requirements. (You may remember that we sent you a preliminary layout on October 12, 1956 along the lines of the combination platforms we have just started.)

Continuing our regard for Zapata as a most favored customer, we most assuredly want to give Zapata early delivery of one or more platforms. This could be the platform you currently contemplate; or it could be the lighter ones we are now building, or both.

We can get together, on short notice, and work out the details.

Yours very truly,

R. G. LeTOURNEAU, INC.

A handwritten signature in black ink, appearing to read 'R. L. LeTourneau'.

R. L. LeTourneau
Vice President

RLL:ht
Enclosure

P. S. You will be interested to know that we have already started construction on another light combination platform which could be for you if you want it.



EQUIPMENT

R. G. LETOURNEAU INC

MANUFACTURERS OF HEAVY DUTY ELECTRICALLY POWERED AND CONTROLLED EQUIPMENT

GENERAL OFFICES: LONGVIEW, TEXAS

*Correct
LET*

January 4, 1957

Mr. Wayne H. Dean
Zapata Off-Shore Company
2218 City National Bank Bldg.
Houston 2, Texas

Dear Wayne:

Listed below are dimensions and capacities for the small combination platform that we have designed and are building for Deepwater which you asked me about over the telephone:

Length Overall (including over-hang)	121' 0"
Width Overall	118' 0"
Depth of Hull	12' 0"
Length of Spuds	115' 0"
Length of One Side of Triangular Tank	22' 0"
Height of Spud Tank	20' 0"

See Note 1-Available for Elevating Drilling Equipment, Mud Fuel, Water, Piping, Etc. 1,000,000 lbs.

See Note 2-Maximum Imposed Load with Platform in Fixed Position, Including Derrick Line Pull 1,500,000 lbs.

Draft of Hull Loaded for Elevating 6' 6"

Note 1: 1,000,000 lbs. includes quarters, cranes, winches, and skid rails.

Note 2: 1,500,000 lbs. includes item listed in Note Number 1 plus 500,000 lbs. pull on the traveling block.

Minimum Rate of Elevating on One Spud 12 in/min.

Draft with Appendages 9' 0"

Potable Water Capacity 10,000 gals

Drilling Water Capacity 2,000 bbls

R. G. LETOURNEAU INC

Zapata Off-Shore Company
January 4, 1957
Page 2

Diesel Oil Capacity	10,000 gals
Dry Mud Capacity	2,000 sacks
Living Quarters for	22 men

With regard to the length of spuds, there is a limitation under so called "hurricane" conditions that the platform deck can be elevated only to a maximum height of 90 feet above the bottom of the spud tanks and under substantially less than the so called "hurricane" conditions, the platform could be elevated to its maximum height.

The intermediate combination unit that you have indicated an interest in will be larger than the one covered above. As mentioned to you, our preliminary guess for the basic intermediate combination unit is about \$1,400,000. Shortly we will send you the preliminary plans and specs for this unit.

Very truly yours,

R. G. LeTOURNEAU, INC.



R. L. LeTourneau
Vice President

RLl:bjm

WAYNE H. DEAN

1-7-57

Geo. & Hugh:

Received this in
the morning mail.
Thought you would
like to see same.

WHD

WHD

C.C. to Kerr.



R. G. LETOURNEAU INC

MANUFACTURERS OF HEAVY DUTY ELECTRICALLY POWERED AND CONTROLLED EQUIPMENT

GENERAL OFFICES: LONGVIEW, TEXAS

January 4, 1957

Mr. Wayne H. Dean
 Zapata Off-Shore Company
 2218 City National Bank Bldg.
 Houston 2, Texas

Dear Wayne:

Listed below are dimensions and capacities for the small combination platform that we have designed and are building for Deepwater which you asked me about over the telephone:

Length Overall (including over-hang)	121' 0"
Width Overall	118' 0"
Depth of Hull	12' 0"
Length of Spuds	115' 0"
Length of One Side of Triangular Tank	22' 0"
Height of Spud Tank	20' 0"

See Note 1-Available for Elevating Drilling Equipment, Mud Fuel, Water, Piping, Etc. 1,000,000 lbs.

See Note 2-Maximum Imposed Load with Platform in Fixed Position, Including Derrick Line Pull 1,500,000 lbs.

Draft of Hull Loaded for Elevating 6' 6"

Note 1: 1,000,000 lbs. includes quarters, cranes, winches, and skid rails.

Note 2: 1,500,000 lbs. includes item listed in Note Number 1 plus 500,000 lbs. pull on the traveling block.

Minimum Rate of Elevating on One Spud 12 in/min.

Draft with Appendages 9' 0"

Potable Water Capacity 10,000 gals

Drilling Water Capacity 2,000 bbls

R. G. LETOURNEAU INC

Zapata Off-Shore Company
January 4, 1957
Page 2

Diesel Oil Capacity 10,000 gals
Dry Mud Capacity 2,000 sacks
Living Quarters for 22 men

With regard to the length of spuds, there is a limitation under so called "hurricane" conditions that the platform deck can be elevated only to a maximum height of 90 feet above the bottom of the spud tanks and under substantially less than the so called "hurricane" conditions, the platform could be elevated to its maximum height.

The intermediate combination unit that you have indicated an interest in will be larger than the one covered above. As mentioned to you, our preliminary guess for the basic intermediate combination unit is about \$1,400,000. Shortly we will send you the preliminary plans and specs for this unit.

Very truly yours,

R. G. LeTOURNEAU, INC.



R. L. LeTourneau
Vice President

RLL:bjm

1-7-57

Geo. & Hugh:

Received these in
the morning mail.

Thought you would
like to see some.

WID

C.C. to Kerr.



R. G. LETOURNEAU INC

MANUFACTURERS OF HEAVY DUTY ELECTRICALLY POWERED AND CONTROLLED EQUIPMENT

GENERAL OFFICES: LONGVIEW, TEXAS

January 4, 1957

Mr. Wayne H. Dean
 Zapata Off-Shore Company
 2218 City National Bank Bldg.
 Houston 2, Texas

Dear Wayne:

Listed below are dimensions and capacities for the small combination platform that we have designed and are building for Deepwater which you asked me about over the telephone:

Length Overall (including over-hang)	121' 0"
Width Overall	118' 0"
Depth of Hull	12' 0"
Length of Spuds	115' 0"
Length of One Side of Triangular Tank	22' 0"
Height of Spud Tank	20' 0"

See Note 1-Available for Elevating Drilling Equipment, Mud
 Fuel, Water, Piping, Etc. 1,000,000 lbs.

See Note 2-Maximum Imposed Load with Platform in Fixed Position,
 Including Derrick Line Pull 1,500,000 lbs.

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R. G. LETOURNEAU INC

Zapata Off-Shore Company

January 4, 1957

Page 2

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Very truly yours,

R. G. LeTOURNEAU, INC.



R. L. Letourneau
Vice President

RLl:bjm

Drill pipe, line
and tanks primarily
by the firm.

New Offshore Rig Would Cut Costs

LONGVIEW —(AP)— R. G. Le-Tourneau, Inc., is building an offshore oil drilling platform that can be lowered to the water, floated to location and raised on electrically-powered legs, the firm said Saturday.

The platform is supposed to cut offshore exploration costs drastically. It is being built for the Deepwater Exploration Company of Houston at a cost of more than \$1,500,000 for delivery in June.

Read The Want Ads.

SAMPLE

LO

January 4, 1957

Mr. Wayne H. Dean
Zapata Off-Shore Company
2218 City National Bank Bldg.
Houston 2, Texas

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Zapata Off-Shore Company
January 4, 1957
Page 2

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Very truly yours,

R. G. LeTOURNEAU, INC.

R. L. LeTourneau
Vice President

RLl:bjm



R. G. LESTOURNEAU INC

MANUFACTURERS OF HEAVY DUTY ELECTRICALLY POWERED AND CONTROLLED EQUIPMENT

GENERAL OFFICES: LONGVIEW, TEXAS

EQUIPMENT

December 1, 1956

Mr. George H. W. Bush
Zapata Off-Shore Company
Box 2216
Midland, Texas

RECEIVED
DEC 3 1956
ZAPATA

Dear George:

Thanks for the letter of November 21st and your willingness to waive option rights at this time.

It is not intended that this negotiation with the Barnwell interests go on and on, but we may not be able to finalize our present agreement within the period that you suggest.

If one of the deals you are working on materialize in the next few weeks, our position at Vicksburg is such that the Barnwell rig will not interfere with favorable purchase and performance for you.

Very truly yours,

R. G. LESTOURNEAU, INC.

R. L. Lestourneau
Vice President

RL:bjm

For your info.

January 4, 1957

If you have in fact entered into a contract with Deepwater Exploration Company for the construction of such a platform, it might appear that you do not intend to offer this platform to us at the same price, as we believe is required under Paragraph III of our November 11, 1954, agreement. We find this surprising, and we feel that there must be some other explanation of this matter.

In view of the circumstances outlined above, we think it only fair to ask you to advise us at the earliest possible date as to the following matters:

1. Whether you have in fact entered into any contract with Deepwater Exploration Company for the construction of the type of platform described in the public announcement issued today;
2. Whether, if you have so entered into a contract with Deepwater Exploration Company, such contract is by its terms subject to our first refusal rights referred to above;
3. If you think for some reason that the platform which is described in the public announcement issued today is not subject to our first refusal rights, the basis, giving specific details, why such platform is not of "the same or similar design"; and
4. Whether such proposed platform incorporates any of the features which we discussed with you, as set out above.

Since the answers to the above inquiries have a very important bearing on our financing and other plans for the ensuing months and since they might well affect our ability to consummate profitable contracts with the major companies referred to above, we will sincerely appreciate an early reply to these inquiries.

Yours very truly,

George H. W. Bush

GHWB:bs

December 6, 1956

R. G. LeTourneau, Inc.
Longview, Texas

Gentlemen:

Reference is made to our letter of November 23, 1956.

The "Scorpion" departed from Federal Block 104, off Galveston, Texas, at 7:00 A.M., November 23, 1956, under tow to new location. Scorpion arrived at State Lease 1263, Well No. 1, Main Pass Area, Block 41 (Well Site 1320' N and 660' E of S.W. Corner of Block 41) off Venice, Louisiana.

Barge "Scorpion" was in drilling position at 10:00 P.M. November 28, 1956.

Very truly yours,

ZAPATA OFF-SHORE COMPANY

J. A. RUDOLPH
Office Manager

JAR:jv
cc: Midland, Texas
George H.W. Bush
Johnson & Higgins
M. E. Gromly
Texas Employers
R. Schwartz
Houston Office
W.H. Dean



R. G. LETOURNEAU INC

MANUFACTURERS OF HEAVY DUTY ELECTRICALLY POWERED AND CONTROLLED EQUIPMENT

GENERAL OFFICES: LONGVIEW, TEXAS

December 1, 1956

Mr. George H. W. Bush
Zapata Off-Shore Company
Box 2216
Midland, Texas

RECEIVED
DEC 3 1956
ZAPATA

Dear George:

Thanks for the letter of November 21st and your willingness to wave option rights at this time.

It is not intended that this negotiation with the Barnwell interests go on and on, but we may not be able to finalize our present agreement within the period that you suggest.

If one of the deals you are working on materialize in the next few weeks, our position at Vicksburg is such that the Barnwell rig will not interfere with favorable purchase and performance for you.

Very truly yours,

R. G. LeTOURNEAU, INC.

A handwritten signature in dark ink, appearing to read 'R. L. LeTourneau', written in a cursive style.

R. L. LeTourneau
Vice President

RLL:bjm

A handwritten signature in dark ink, appearing to read 'R. L. LeTourneau', written in a cursive style.

Handwritten text, possibly a signature or initials, including the letters "R", "E", and "C".

Mr. R. L. LeTourneau
Vice President
R. G. LeTourneau, Inc.
Longview, Texas

Dear Mr. LeTourneau:

Your letter of December 1 to Mr. Bush has been received. Mr. Bush is out of town, but your letter will be on his desk for attention when he returns to the office.

Yours very truly,

Secretary

November 21, 1956

*Let
come
Miss comes
w/let.*

Mr. R. L. LeTourneau
R. G. LeTourneau Inc.
Longview, Texas

Dear Dick:

I was in Connecticut when you called last Saturday.

With reference to your letter of November 17, 1956, we do not choose to exercise our option at this time; however, since we are working on several deals, any one of which could materialize in the next few weeks, we would like to make our waiver of our option rights on your existing bona fide offer subject to the following:

- (1) A contract being signed between you and your proposed purchaser within two weeks from the above date.
- (2) Your notifying us promptly as to the name of the person making the bona fide offer.

We are not anxious to waive our option rights and then have negotiations on the deal go on and on, since this situation would preclude us from making a purchase if we so desired. I can assure you we do not want to obstruct your making a deal--we mainly want to preserve our first refusal rights so we can build when we want. If the above provisions seem too burdensome, please let us know and we will certainly consider any changes.

Yours very truly,

ZAPATA OFF-SHORE COMPANY

George H. W. Bush

GHWB:bs

copy - Houston office



R. G. LETOURNEAU INC

MANUFACTURERS OF HEAVY DUTY ELECTRICALLY POWERED AND CONTROLLED EQUIPMENT

GENERAL OFFICES LONGVIEW, TEXAS

November 17, 1956

✓
r
3,

Mr. George Bush, President
Zapata Offshore Company
Midland National Bank Bldg.
Midland, Texas

Dear George:

I have tried to reach you on the telephone to talk to you about this matter, but your office advised that you could not be reached by telephone.

We have made an offer to furnish an offshore platform similar to the Scorpion. The price of the unit is two and a half million dollars, and delivery time is approximately 10 months.

As you may already know, this deal is ready to go. Would you, therefore, let us know promptly whether or not you choose to exercise your option.

With best regards,

Yours very truly,

R. G. LeTOURNEAU, INC.

R. L. LeTourneau
Vice President

RLL:ht

LETOURNEAU



EQUIPMENT

R. G. LETOURNEAU INC

MANUFACTURERS OF HEAVY DUTY ELECTRICALLY POWERED AND CONTROLLED EQUIPMENT

GENERAL OFFICES: LONGVIEW, TEXAS

November 17, 1956

1. ✓
2.
3.

Mr. George Bush, President
Zapata Offshore Company
Midland National Bank Bldg.
Midland, Texas

Dear George:

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We have made an offer to furnish an offshore platform similar to the Scorpion. The price of the unit is two and a half million dollars, and delivery time is approximately 10 months.

As you may already know, this deal is ready to go. Would you, therefore, let us know promptly whether or not you choose to exercise your option.

With best regards,

Yours very truly,

R. G. LeTOURNEAU, INC.

R. L. LeTourneau
Vice President

RLL:ht

ZAPATA OFF-SHORE COMPANY

BOX 2216

PHONE: MUTUAL 2-7316

MIDLAND, TEXAS

C O P Y

November 21, 1956

Mr. R. L. LeTourneau
R. G. LeTourneau Inc.
Longview, Texas

Dear Dick:

I was in Connecticut when you called last Saturday.

With reference to your letter of November 17, 1956, we do not choose to exercise our option at this time; however, since we are working on several deals, any one of which could materialize in the next few weeks, we would like to make our waiver of our option rights on your existing bona fide offer subject to the following:

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Yours very truly,

ZAPATA OFF-SHORE COMPANY

George H. W. Bush

GHWB:bs

copy - Houston office