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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: 25850-004

Folder Title:
Correspondence with G.H. Walker and Co. (to Jan. 1959) [1955-1959]

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

XXX 3195

December 2, 1958

Mr. Harold Shattuck
G. H. Walker & Co.
One Wall Street
New York 5, New York

Dear Harold:

Thank you for the annual reports which you sent to me.
Would you please send me the latest dope on Barnwell Offshore
Company and Reading & Bates when it is available.

I am not able to find Electronics Associates quoted in
any newspaper. Therefore, would it be possible to send me a
post card every Friday with the most recent quote. Inasmuch
as I hold the stock in a trust I should like to be able to
keep up with the price.

Thanks a lot for all your help.

Yours very truly,

George H. W. Bush

GHWB:JMcB

xxx 3195

November 21, 1958

Mr. G. H. Walker, Jr.
G. H. Walker & Co.
One Wall Street
New York 5, New York

Dear Herbie:

Thanks for your letter of November 17. I have heard of Mark Edwin Andrews; in fact, I believe I have met him. His father is a senior partner in Baker-Botts, and Baker-Botts has done all the legal work for registering his drilling syndicate. I shall make it a point to go by to see him in Houston. I have written the attached letter to Mr. Meek.

Thanks for the comments on the annual report.

I spent the last couple of days in New Orleans calling on the companies there and inspecting the Nola which is in the shipyard at Slidell, Louisiana. The conversion is under way and should be completed by December 15 or January 1. Still nothing definite on the Vinegarroon but we are hoping to land a contract with Continental. The rig is still working and will be for a week or so anyway. In New Orleans we looked at a couple of really good looking farmout deals that Sterling Little and I are going to commence work on. There is no pressing time on them, and if we can get them signed up and get them sold they will be good to have available for the Vinegarroon or Scorpion for next winter.

Best regards.

Yours very truly,

George H. W. Bush

GHWB:JMcB

*9 letters Thompson
420
L. H. H. H. H. H.
11/17/58*

G. H. WALKER & CO.

INVESTMENT BANKERS
ESTABLISHED 1900

MEMBER
NEW YORK STOCK EXCHANGE

ONE WALL STREET
NEW YORK 5, N. Y.

TEL. HA 2-4000
CABLE: "WALKERIAN"

ST. LOUIS
PROVIDENCE
HARTFORD
BRIDGEPORT
WHITE PLAINS

November 17, 1958

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

Dear Pop:

Thanks for your letter of November 13th and the outline of your annual report for Zapata Off-Shore Company. We feel the last paragraph of your President's letter could be somewhat expanded and I am enclosing herewith a few suggestions which lend weight to your proposition that "we face the future with confidence". I think the rest looks fine and I am sure you will cover everything in apple pie order. Personally, I am glad that you did not show any income for the Vinagarroon for September as that will get us off to a good start for the first quarter of the new year. Since the year's statement was poor anyway, it is better to get all the bad news we can behind us which you have done. The balance sheet makes pretty good reading and on the whole I think the statement will be favorably received. Certainly the stock at these prices would seem to have discounted pretty much of everything.

Sam Meek called me the other day about Mark Edwin Andrews of Houston, Texas, who evidently has gotten all the Fishers Island money including the Simmons, etc. in his drilling syndicates. Ed Andrews caught on the Lawrenceville team while I was catching at Hill School. He called me today and said that Sam had been talking Zapata to him and he would very much like to meet Hugh and yourself sometime to see if there was an area where possibly we could work together sometime in the future. He will not be back in Houston until December 15th and his office there is 1400 Bank of the Southwest. I told him you were in Houston frequently and that I would drop you a line suggesting you might drop in and call on him sometime after the 15th. This probably is a completely blind alley but one can never tell and I must say Sam Meek is an enthusiastic rooter for the Zapata Companies, and for this reason alone I would like to have you follow up on his suggestion.

My very best to all in Midland.

Sincerely,



G. H. Walker, Jr.

November 17, 1958

Mr. G. H. Walker, Jr.
G. H. Walker & Co.
One Wall Street
New York 5, New York

Dear Herbie:

I would like very much to have a copy of the most recent report on Anderson Clayton.

I had a most interesting weekend in Dallas. First of all I met Suzuki from the Japanese Embassy. He is their financial minister and it seems the Japanese need about \$10 million for their oil deal in Arabia. They want to borrow the money on debentures to be guaranteed by the Japanese banks. I have talked to Al Foote about this in some detail. I took Suzuki to Mineral Well's where we attended the Dallas Council on World Affairs Conference of the Far East. It was there I met Lamar Fleming, Chairman of the Board of Anderson Clayton. It was a most interesting meeting and I was lucky to have attended. Neil Mallon was there and I had a good visit with him. I got home last night.

The Vinegarroon is still working on the Continental fire. I am hoping we will get some additional work out there, but no guarantee of this is certain at this time. We also have a bid in now to Standard of Texas. I plan to go to New Orleans this week to try to work out the first location of the Nola and will then be back here for a final meeting with the auditors on the Offshore financial report.

Best regards.

Yours very truly,

George H. W. Bush

GHB:JMcB

ONE WALL STREET
NEW YORK 5, N.Y.

November 13, 1958

George Herbert Walker Bush, Esq.
Zapata Offshore Co.
Box 3195
Midland, Texas

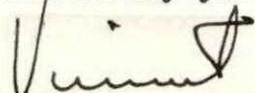
Dear Poppy,

Thank you very kindly for your bank check on Trice. Please be assured that not only will I throw the excerpt away, but that no reference will be made at any time to either you or your friends.

Drop us a line from time to time and keep us in touch with what you think you might be doing in our block during 1959.

Wishing you all luck, I remain

Sincerely yours,

A handwritten signature in dark ink, appearing to read "Vincent R. Smith, Jr.", with a long horizontal flourish extending to the right.

Vincent R. Smith, Jr.

November 13, 1958

Mr. G. H. Walker, Jr.
G. H. Walker & Co.
One Wall Street
New York 5, New York

Dear Herbie:

I am sending you the September figures for Zapata Offshore. They do not show any income for the Vinegarroon for this month although we were working the whole time and although the figures do reflect \$74,000 worth of expenses for the month. This all means that our next month's figures should look a good deal better, but since we were drilling on a footage basis we were unable to show the income as it accrued.

We are preparing our annual report and I have told the printers we do not want it to be extravagant in any way since we have operated at a substantial loss. We do not want to appear over-spending; however, it will be a good report. We are devoting the inside cover to a presentation of what we plan to do with the Nola. It is going to be prepared in such a way that we can use it as a promotional piece of literature by having extra copies apart from the text of the report. I am attaching a rough draft of the letter I intend to use. I have tried to make it frank and yet not overly pessimistic. In addition to that, there will be a rather detailed treatment of what we have done this year along the lines outlined which I am also attaching hereto. If you have any criticisms or suggestions, please shoot them to me fairly soon. The auditors are still working, but we should mail about the same time we did last year, namely the first week in December.

Yours very truly,

George H. W. Bush

GHWB:JMcB
Encl.

xxx 3195

November 11, 1958

Mr. G. H. Walker, Jr.
G. H. Walker & Co.
One Wall Street
New York 5, New York

Dear Herbie:

I thought you might be interested in the attached clipping from the Houston paper. This well is at TD but will be busy another 3 weeks or so. We have several other deals working and we are hoping we can land a contract shortly.

Yours very truly,

George H. W. Bush

GHWB:JMcB
Encl.

G H WALKER JR

1958 OCT 20 PM 5 19

THE HOMESTEAD HOTSPINGS VIR

TRIED TO CALL YOU THIS EVENING BUT YOUR ROOM DIDNT ANSWER.
WE GOT CONTINENTAL CONTRACT THIS MORNING RIG MOVING TOMORROW.
DONT KNOW HOW LONG WELL WILL TAKE. DEAN RETURNING ~~XXXXX~~ DEAL
POSTPONED IN JAPAN HOPE YOU'RE FEELING BETTER

GHWB

BUSH
ZAPATA OIL BOX 3195 MIDLAND TEXAS

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

1201

SYMBOLS

DL=Day Letter

NL=Night Letter

LT=International
Letter Telegram

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

DAO15 BA022

1958 OCT 13 AM 7 42

B GWA003 PD=GREENWICH CONN 13 755AME=

GEORGE H W BUSH=

ZAPATA PETRO CORP MIDLAND TEX=

YOU CAN REACH ME MOTHERS APARTMENT ALL THIS WEEK IF

ANYTHING COMES UP FONE LEHIGH 52258 BEST LUCK=

HERBIE=(

Withdrawal/Redaction Sheet

(George Bush Library)

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION	CLASS.
01. Letter	From George Bush to G.H. Walker, Jr. RE: Campaign contribution (1 pp.)	10/13/58	C	
COLLECTION George Bush Personal Papers Zapata Oil File Business Correspondence Files				
FILE LOCATION Correspondence with G.H. Walker and Co. (to Jan. 1959) [1955-1959] OA/ID Number Date Closed 10/26/99				

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P-1 National Security Classified Information [(a)(1) of the PRA]
 P-2 Relating to the appointment to Federal office [(a)(2) of the PRA]
 P-3 Release would violate a Federal statute [(a)(3) of the PRA]
 P-4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
 P-5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
 P-6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

Freedom of Information Act - [5 U.S.C. 552(b)]

F-1 National security classified information [(b)(1) of the FOIA]
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 F-7 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
 F-8 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
 F-9 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

/// 3195

October 3, 1958

Mr. G. H. Walker, Jr.
G. H. Walker & Co.
One Wall Street
New York 5, New York

Dear Herbie:

The attached letter to Jim Gammel will bring you up to date on recent happenings and on the visit of his associates here to Midland.

I have just talked to Houston and our offshore well is drilling at 8210'. I hesitate to pass this along to you since we have so often followed up with bad news, but both Little and our geologists here feel that on the 3500' log our well is running 200' high to the #1 well. I am hoping this proves to be correct and that this added structure will mean additional sands. We probably will run our first log towards the middle of the week. Other than this first log, which is certainly not at all conclusive, there is no indication whatsoever how we are looking and even our next log will not tell us much, since our first pay is expected around 10,800 and our first log will probably be taken around 10,000.

Our package deal appears to have gotten off to a good start although we are having some mechanical problems with the first Vacuum well. The Cummins well, which is in the Goldsmith Field, has been dually completed and all indications are that it will make a very good well. Our first wildcat is not deep enough to be at all conclusive.

Yesterday I had a short siege of flu, and although my case was extremely mild I thought of you in your agony up there. I hope you are well by now. I stayed home for half a day, but then I found things more restful here in the office than being caged up with the two smallest boys. Neil and Marvin were pretty wild.

Withdrawal/Redaction Sheet

(George Bush Library)

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION	CLASS.
02. Letter	From Thatcher to George Bush RE: Financial information (1 pp.)	9/25/58	C	
COLLECTION George Bush Personal Papers Zapata Oil File Business Correspondence Files				
FILE LOCATION Correspondence with G.H. Walker and Co. (to Jan. 1959) [1955-1959] OA/ID Number Date Closed 10/26/99				

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 F-9 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

August 18, 1958

Mr. G. H. Walker, Jr.
Kennebunkport, Maine

Dear Herbie:

Once again I am back at the desk in Midland, but I must say I wish I were out there battling you and Mary on the golf course. Our return flight worked out nicely. We got to Dallas at 4:45 in the morning, sacked out in a motel for 4 hours and then headed for Midland. I thought I would bring you up to date on the recent happenings here.

The South Penn matter appears to be stalemated. Hugh talked to Jack Roth Friday and although Roth professed he would like to see something done now, he said South Penn had decided to wait and try to work out individual deals with us and others. Hugh and I feel this is what Tidewater really wanted to happen, and we cannot help but feel Jack Roth blew the deal up.

Hugh talked to John Selden this morning about getting South Penn to join us on the Phillips farmout deal. We are offering them a participation on the ground floor with the promotion coming from the price on the drilling. With drilling money as it is right now, we felt we would have a better chance of making a deal on this basis rather than trying to promote it further. The Bill Liedtke Syndicate has agreed to take a quarter of the deal, and if Zapata keeps a half this will leave a quarter for South Penn or someone else. We do not anticipate trouble making the deal on this basis although we do have a pretty good drilling price in there for the Drilling Company. There are a few technical difficulties on the deal, mainly on the Andrews County Farmout, but Hugh expects that we will have those worked out before too long. The Drilling Company has 3 rigs working now, but Mickey has just landed contracts for the other 2, so all 5 should be turning again at the end of the week.

On Off-Shore, we still have not heard from the Standard Oil Company of Texas, although the status of that substantially remains the same. I am going down to Houston tomorrow and perhaps will know more then. Our quotation for Pan American on Iran must be in by Wednesday and we hope we can push them into some kind of a decision favorable to us.

Mr. Walker

-2-

August 18, 1958

I talked to George Newton today and he plans to call Mr. Keyser with Columbian Carbon to see if there might be some general interest on a deal there. I certainly think we should make a deal if at all possible.

The Oldham well should be in the Devonian in the next 3 days. Everyone seems to feel pretty good about the Strawn drillstem test, but we will not know anything conclusive on that until we see it logged. If the Devonian produces we certainly should get something out of the Strawn; the question is, just how much. In other words, the Strawn by itself might not be enough to be really good; on the other hand it could be very good. There is no possible scientific way of telling more at this time.

I played a couple of rounds of golf this weekend in a tournament here, and surprisingly enough fired an 82 and a 79. Without all that pressure from you and Mary I found I could do better. However, I would like a return engagement with both of you soon. Please thank Mary for everything she did for us up there at the Port. Bar and I both are convinced we sponged far too much off you and she and I both agreed we enjoyed every minute of it. Please give our love to all the family, and many thanks for a delightful week.

Best regards.

Yours very truly,

George H. W. Bush

GHWB:JMcB

--- 3195

May 20, 1958

Dear Herbie:

A note from Lily states you are home with a leg infection. I am sorry to hear about this. Thatcher sent along the letter to be delivered to Mr. Yamashita. Wayne and I are all set to leave Friday, and we will get back Thursday, May 29. We have gotten some good letters to take along, and I hope we can make some real headway over there.

Not much news here. We bid on the Sinclair job and lost it. Confidentially, we bid \$4675 a day which we felt was a bargain price. This is not quite as cheap as it sounds, since Sinclair agreed to furnish many of the things which we ordinarily furnish. In any event, Barnwell got the job by bidding \$3720 a day. Bear in mind this is the first contract well they will have drilled. Reading & Bates bid \$4000 a day, and Offshore Company bid \$4600 a day. We are still dickering with Continental and we hope to shape up another Block 86 well. To me, a good big thick pay section on 86 will answer many of our problems. The Standard of Texas well was drilling at 6100' this morning, and Cay Sal was at 5494'. We are having crooked hole trouble at Cay Sal, but it is nothing too serious at this point.

Hugh has had some good discussions with Phillips on some Panhandle gas. We are trying to get something kicked off there.

I hope the leg responds and that it is not too serious.

Best regards.

Yours very truly,

George H. W. Bush

GHWB:JMcB

July 17, 1958

Mr. G. H. Walker, Jr.
G. H. Walker & Co.
One Wall Street
New York 5, New York

Dear Herbie:

Wayne got back yesterday and reports as follows on Venezuela.

The Dominion Oil Company deal, for which bids were supposed to be in by July 15, has been set back to allow late bids to get in. When Wayne left Dominion did not give a definite time as to deciding on a contractor. He did feel he had made some real headway there, not only with Dominion, but with the Texas Company and with Kern. Nolan Stewart went from Trinidad on over to Venezuela. We will get a report from him early next week. Our Block 51 farmout deal is drilling ahead today, and the Vinegarroon is still fishing. I am wondering if you could get Paul Woodruff to send me the latest financial dope on Barnwell, Dixilyn and Reading & Bates. I should like to have this in the event a couple of these deals we are working on should break at one time.

It is hard to predict how we did with Tidewater, although Hugh and I both felt that we made real progress with Jack Roth. We did not talk to Getty long enough to be able to say the same for him.

Not much else to report on this end. Best regards.

Yours very truly,

George H. W. Bush

GHWB:JMcb

Withdrawal/Redaction Sheet

(George Bush Library)

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION	CLASS.
03. Letter	From George Bush to G.H. Walker, Jr. RE: Financial information (2 pp.)	5/15/58	C	
COLLECTION George Bush Personal Papers Zapata Oil File Business Correspondence Files				
FILE LOCATION Correspondence with G.H. Walker and Co. (to Jan. 1959) [1955-1959] OA/ID Number Date Closed 10/26/99				

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- F-8 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

/// 3195

May 6, 1958

Mr. G. H. Walker, Jr.
G. H. Walker & Co.
One Wall Street
New York 5, New York

Dear Herbie:

I am attaching a draft of a letter which I propose to mail to the Off-Shore stockholders. I wanted you to take a look at it, however, before we prepared it since I do not want to do anything that would disturb the market. I realize the problems you have with this. I do think it is important to tell our stockholders what is going on from time to time, especially since we have a few guys like Katz lurking around. When you have had a chance to look this over, would you drop me a line to Houston, or call me, or send a teletype message there. I will be there Thursday and Friday.

It was good seeing you in New York. We are, of course, concerned about the general business outlook, but we well know the domestic oil business has a way of snapping back. Then, too, in a small situation like ours, any one or two breaks could change the whole picture. I talked to Hugh at length about this, and both of us are afraid we might have painted too gloomy a picture. Our spirits are certainly not down, but we did want you to know that we feel the domestic producer, and particularly the domestic service company, has some problems at this time. I feel very good about our Standard of Texas contract. We will have a meeting in Houston Thursday after which we will be prepared to make some recommendations on 86 and 96.

The flight back was not bad, and we certainly had a wonderful time at the theater. Please tell Lily to forward the bill to Box 3195 and I shall mail her my check. The seats were perfect.

I have a letter on my desk from John Ecklund asking me to speak for our group at RTA. I don't know whether I will be able to do this or not. We have a tenth reunion, but with our class situation so disarranged I am not sure that I would know many people there.

Not much else to report on this end right now. I talked to Wayne last night and he says Cay Sal is proceeding satisfactorily, although we are having the expected drilling problems.

----- 3195

April 8, 1958

Mr. G. H. Walker, Jr.
G. H. Walker & Co.
One Wall Street
New York 5, New York

Dear Herbie:

Attached is a copy of my loan application to the Texas National Bank plus our most recent balance sheet showing our position at February 28 and our proforma position to April 15. You will note the Company operated at a rather substantial loss for the first five months. This, of course, is due to the fact that we had only the Vinegarroon working, and that on a part interest deal. I am not too disturbed at these figures since the cash loss was very modest in the face of bad business. You will note the depreciation charge was \$495,289.00.

It is very difficult to make any forecast of earnings since I have no way of knowing for sure how much of the equipment will be working and for how long. I will let you know when we hear anything from the Bank.

Keep your fingers cross on Block 96.

Best regards.

Yours very truly,

George H. W. Bush

GHWB:JMcB
Encls.

ST. LOUIS
PROVIDENCE
HARTFORD
BRIDGEPORT
WHITE PLAINS

G. H. WALKER & CO.

INVESTMENT BANKERS

ESTABLISHED 1900

MEMBER
NEW YORK STOCK EXCHANGE

ONE WALL STREET
NEW YORK 5, N. Y.

RECEIVED
MAR 18 1958

ZAPATA
TELETYPE 2-4000
CABLE "WALKERIAN"

March 17, 1958.

Mr. George H. W. Bush,
Zapata Petroleum Corporation,
Box 3195,
Midland, Texas.

Dear Pop:

Hugo Money-Coutts of the Fleming organization, is in town and we had lunch with him today. He has with him an associate, Raymond Johnstone, who, Thatcher says, will be the next partner of Robert Fleming & Co., Limited. He is well-connected in England and is anxious to visit Midland to see you and Hugh, and, if possible, to see a drilling rig and in general familiarize himself with our activities. He plans to arrive in Midland on Sunday night, April 13th, at 9:46 p. m., and will go directly to the hotel. Would you be good enough to make a reservation for him at the hotel and note that he may not be there until 10 or 11 o'clock. He will telephone you or Hugh on Monday morning, and I hope you can have some kind of a schedule mapped out for him and perhaps turn him over to Sandy McCormick or Mickey Voltz for guidance and seasoning. If there are any hitches in this plan let me know but otherwise you can expect him as outlined above.

Best to you and all.

Devotedly,

H. Walker

G. H. Walker, Jr.

GHWJr:G

P.S. Keeping fingers crossed on 96.
Keep me posted - *[Signature]*

March 21, 1958

Mr. G. H. Walker, Jr.
G. H. Walker & Co.
One Wall Street
New York 5, New York

Dear Herbie:

We had a wonderful trip to the Gulf and I feel this was one of the best things we have ever done in the way of public relations. All of our partners really enjoyed themselves. The Price Company plane added considerably to the pleasure of everybody. They picked us up here in Midland at noon and then the following went to New Orleans: Harold C. Price, Jr., Stewart Dewar and Alton Rowland all with H. C. Price Company; Walter Walne, Vice President and Luke Thompson, chief geologist, for Felmont Oil Corporation; and me. We were joined in New Orleans by Bradley Martin, Charles Lea and Hadley Case. We lived it up a little in New Orleans, but only Charles Lea and I managed to see Lily Christine, the cat girl, and Chris, the bongo girl. Bradley Martin could not be induced to join us, although I frankly think it would do him a world of good. He turned out to be a most delightful guy. He is very hard of hearing, but he had a good sense of humor and I think he enjoyed himself immensely. He was extremely nice to me and I am glad he came.

Charles Lea was very enthusiastic and I think he will be an excellent fellow for us to work with. I am glad he had an opportunity to see the rig and meet our partners. I tried to review our basic philosophy about the whole deal with all the partners, and I think we are all in accord about what we might do in the future.

We flew to Lafayette early Wednesday morning and were met by Russ Mosby and Jack Davis of Continental. We drove down to our base at Intercoastal City and there boarded 2 Sikorsky S-55 helicopters. The weather cleared up beautifully and we had clear skies, thus permitting all of us to see many platforms in the Gulf. The Vinegarroon was on bottom drilling when we got there and we broke the group up into 2 tours conducted by Joe Tullis, our senior tool pusher, and Russ Mosby. We left Lafayette about 5:00 in the evening in Price's plane for Houston. As we boarded the plane the co-pilot handed out drinks for everybody, so we had a delightful and quick ride. All had dinner at the Houston Club, and yesterday

Mr. Walker

-2-

March 21, 1958

I had a chance to visit with Charles Lea. The group met again for lunch which was followed by a visit to Tennessee Gas where I introduced them to Bill Witmer, Vice President in charge of gas purchases. All in all things worked out very nicely and I wish you had been along. We should be running a log on Block 96 over the weekend which should be very important to us.

It looks like Tidewater and Cities Service will definitely take their working interest instead of the override. Atlantic may take the override, and Continental, as of yesterday, was undecided, but I feel they may come in for their working interest. If they do, we are going to make a determined effort to see if they will let Zapata operate, although they are the operators under the contract. If we operate we can schedule the drilling to suit ourselves. These elections affect only Block 86, but I am disappointed that any of the companies are going to come back in for working interests since previous indications showed they were going to take the override. It shows they like the deal, which is reassuring, but we had rather go without reassurance and have the working interest since we believe in the deal ourselves.

Best regards.

Yours very truly,

George H. W. Bush

GHWB:JMCB

G. H. WALKER & CO.

111 PEARL STREET
HARTFORD 3, CONN.

July 26
TELEPHONE
JACKSON 2-4101

Dear Mr. Bush:

Chances are you're aware of
offshore activity in Gulf of Paria
and of Venezuela — as per page
2 + 3 of enclosed letter. If not
thought you might be interested.
Your recent activities leaving us

happy — if a bit breathless

Bud Graham

ST. LOUIS
PROVIDENCE
HARTFORD
BRIDGEPORT

G. H. WALKER & CO.
INVESTMENT BANKERS
ESTABLISHED 1900
MEMBER
NEW YORK STOCK EXCHANGE
ONE WALL STREET
NEW YORK 5, N. Y.

RECEIVED
MAR 18 1958

ZAPATA
TEL. HA 2-4000
CABLE "WALKERIAN"

March 17, 1958

Mr. George H. W. Bush, President
Zapata Off-Shore Co.
P. O. Box 3195
Midland, Texas

Dear Poppy:

Thank you very kindly for all your prompt drilling reports and general information.

check
About a week ago I received a letter which you had sent me ten days before which had come via Edinburgh. On the envelope someone had written "letter stuck to another envelope". In this morning's mail I found a long list of drilling reports which did not make sense and checked the envelope to find that it had been addressed to a Mr. Williams in St. Louis. I gather from this that something may be wrong with your mailing machine and that envelopes are sticking together. Please pardon the opening of Mr. Williams' letter. It was forwarded on to him.

Looking forward to seeing any or all of you very soon, I remain

Very truly yours,

Vincent
Vincent R. Smith, Jr.

VRS-Jr./sm

G. H. WALKER & CO.

INVESTMENT BANKERS

ESTABLISHED 1900

MEMBERS

NEW YORK STOCK EXCHANGE

BROADWAY & LOCUST

ST. LOUIS 1, MO.

March 17, 1958

NEW YORK
PROVIDENCE
HARTFORD
BRIDGEPORT
WHITE PLAINS

TELEPHONE
CENTRAL 1-0838
CABLE: "WALKERIAN"

RECEIVED
MAR 19 1958
ZAPATA

Mr. George H. W. Bush,
Zapata Off-shore Company
Box 3195
Midland, Texas

Dear Poppy:

Thanks for keeping in mind Alaska Oil and Mineral. Again, let me say please do not inconvenience yourself too greatly in this manner, but if you do come across anything of interest I would certainly like to have it.

Best wishes -

Sincerely yours,



George A. Newton

GAN:ee

G. H. WALKER & CO.

INVESTMENT BANKERS
ESTABLISHED 1900

MEMBER
NEW YORK STOCK EXCHANGE

ONE WALL STREET
NEW YORK 5, N. Y.

ST. LOUIS
PROVIDENCE
HARTFORD
BRIDGEPORT
WHITE PLAINS

TEL. HA 2-4000
CABLE: "WALKERIAN"

December 19, 1957

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

Dear Poppy:

Reading & Bates Offshore Drilling Company expects delivery of their Le Tourneau barge in March. They say they are dickering with five major oil companies for its employment but nothing finalized.

Will forward you a copy of the September 30, 1957 Annual Report on above.

Fortune Magazine yesterday asked for a copy of Zapata Off-Shore Annual Report which I sent. They said that they are still considering writing an article on the company.

Merry Christmas,

Paul

Paul B. Woodruff

PBW:gl

Withdrawal/Redaction Sheet

(George Bush Library)

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION	CLASS.
04. Letter	From George Bush to G.H. Walker, Jr. RE: Financial information (1 pp.)	12/16/57	C	
COLLECTION George Bush Personal Papers Zapata Oil File Business Correspondence Files				
FILE LOCATION Correspondence with G.H. Walker and Co. (to Jan. 1959) [1955-1959] OA/ID Number Date Closed 10/26/99				

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P-1 National Security Classified Information [(a)(1) of the PRA]
 P-2 Relating to the appointment to Federal office [(a)(2) of the PRA]
 P-3 Release would violate a Federal statute [(a)(3) of the PRA]
 P-4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
 P-5 Release would disclose confidential advise between the President and his advisors, or between such advisors [(a)(5) of the PRA]
 P-6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

Freedom of Information Act - [5 U.S.C. 552(b)]

F-1 National security classified information [(b)(1) of the FOIA]
 F-2 Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
 F-3 Release would violate a Federal statute [(b)(3) of the FOIA]
 F-4 Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
 F-6 Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
 F-7 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
 F-8 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
 F-9 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

December 16, 1957.

Mr. G. H. Walker, Jr.
G. H. Walker & Co.
One Wall Street
New York 5, New York

Dear Herbie:

This weekend we encountered heaving shale on the Mississippi River Fuel well, and it is impossible to take it any deeper. Therefore, we are coming back up the hole to test another shale prior to plugging and abandoning. The sand we are about to test does not look as good as the stuff we have tested so far, so I am not particularly optimistic about this.

Continental has given us more time on the big deal, but we still have not gotten any partners lined up. We have talked to some 48 different individuals and oil companies, most of whom were just flat out of money. We are, of course, disturbed by the prospect of three rigs down for a period of time, and our people are talking every day to the oil companies regarding contracts, but we have no firm deals on the horizon.

I hate to bring you this rather tragic report, but perhaps things will pick up before too long.

Best regards.

Yours very truly,

George H. W. Bush

GHWB:JMcb

December 11, 1957

Mr. Paul Woodruff
G. H. Walker & Co.
One Wall Street
New York 5, New York

Dear Paul:

Thank you for your telegram about Dixilyn. I
appreciate very much your getting the answer for me.
Still not definite word on the farmout.

Yours very truly,

George H. W. Bush

GHWB:JMcB

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

1201

SYMBOLS

DL=Day Letter

NL=Night Letter

LT=International
Letter Telegram

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

DA152

:(23)...

D CDU577 PD=CD NEW YORK NY 10 405PME=

1957 DEC 10 PM 3 43

GEORGE H W BUSH=

2703 SENTINEL AVE MIDLAND TEX=

=DIXILYN DRILLING CHRISTENS LE TOURNEAU BARGE JAN
14TH 1958 IS NEGOTIATING BUT HAS NO CONTRACTS SIGNED
AS YET FOR NEW BARGE=

PAUL WOODRUFF==

DIXILYN 14TH 1958=

File

December 9, 1957

Mr. Paul Woodruff
G. H. Walker & Co.
One Wall Street
New York 5, New York

Dear Paul:

I am sorry I did not mention to you on the phone today about the checking which I have done on Randall Dyer. I called two people in Houston, both of whom were in the business of syndicate drilling, and neither had ever heard of Randall Dyer. Listed in the Houston phone book there is a Randall Dyer II and a Randall Dyer. The Randall Dyer II has an office located somewhere out of town in Houston. Both of the people with whom I checked were going to do further checking, but each of them did check with a couple of their friends and neither could turn up any information at all on Dyer. This is somewhat strange in that the oil business in Houston is small enough that these people should have at least heard of him. Perhaps he is a new-comer to Houston. If Mr. Hugue could give us some indication of the man's past or where his deals were perhaps we could find out something about him. I will let you know if my people come up with anything really constructive.

Sorry to have so little information. Best regards.

Yours very truly,

George H. W. Bush

GEWB:JMCB
cc: Clarke Simonds

November 25, 1957

Mr. Paul Woodruff
G. H. Walker & Co.
One Wall Street
New York 5, New York

Dear Paul:

I shall check on Mr. Randall Dyer just as soon as I possibly can. Tell Mr. Hugue that I shall have something for you on this in the near future if I can scare anything up.

Thanks for the report on Calvert Drilling.

Our report should be mailed the first week in December. I think it is shaping up pretty well.

Best regards.

Yours very truly,

George H. W. Bush

GHWB:JMcB

G. H. WALKER & CO.

INVESTMENT BANKERS

ESTABLISHED 1900

MEMBER
NEW YORK STOCK EXCHANGE

ONE WALL STREET
NEW YORK 5, N.Y.

ST. LOUIS
PROVIDENCE
HARTFORD
BRIDGEPORT
WHITE PLAINS

TEL. HA 2-4000
CABLE: "WALKERIAN"

November 21, 1957

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

Dear Poppy,

A friend of Clarke Simonds has asked me to get in touch with you to see if you or any of your associates know of a Mr. Randall Dyer of Houston. Dyer is understood to be in the business of promoting or operating syndicates - oil deals whereby high tax bracket people participate in oil drilling deals, etc.

If, without too much trouble on your part, you could get a line on Randall Dyer, it would be appreciated. Mr. Fred J. Hugue, the friend of Clarke Simonds making the inquiry, is interested in what kind of a reputation Dyer has. Possibly you might have some suggestions as to how to find out about Dyer. Mr. Hugue indicated his willingness to pay for the expense of getting information on Dyer. However, as I know you are pretty busy, please don't go to any trouble yourself about this.

Thank you for whatever you can do.

Very truly yours,



Paul B. Woodruff

PBW:ro

G. H. WALKER & CO.

INVESTMENT BANKERS

ESTABLISHED 1900

MEMBER
NEW YORK STOCK EXCHANGE

ONE WALL STREET
NEW YORK 5, N. Y.

ST. LOUIS
PROVIDENCE
HARTFORD
BRIDGEPORT
WHITE PLAINS

TEL. HA 2-4000
CABLE: "WALKERIAN"

November 19, 1957

Mr. George H. W. Bush, President
Zapata Off-Shore Company
910 West Missouri Avenue
Midland, Texas

Dear Poppy:

Thank you for sending the copy of the stockholders' letter. I read it and passed it along to Herbie.

We both feel that the letter represents an excellent job in reviewing the year's operations and financial accomplishments. It should make interesting reading for stockholders and reinforce their confidence despite temporary industry problems.

Very truly yours,

Paul

Paul B. Woodruff

P.S. Enclosing clipping from Wall St. Journal.

PHW:geg

October 7, 1957

Mr. G. H. Walker, Jr.
G. H. Walker & Co.
One Wall Street
New York 5, New York

Dear Herbie:

I have looked over the transfers on Off-Shore and Petroleum since August. It is very difficult to determine any pattern for selling. There have not been many sales of the stock in either Petroleum or Off-Shore. In Petroleum no names stick in my mind, but in Off-Shore the following seem to have done some selling:

Stillman
Spaulding
Kit Kat
Wonham Albert.

I don't think this information is particularly relevant, but I thought you might like to know who seemed to be disposing of their stock.

Yours very truly,

George H. W. Bush

GHWB:JMcB

October 7, 1957

Mr. G. H. Walker, Jr.
G. H. Walker & Co.
One Wall Street
New York 5, New York

Dear Herbie:

The attached letter addressed to you gives you a general picture of off-shore to date. I am sending copies of this letter to Jerry Jamieson, Richard Fleming, Eric Ivory, Jim Bush, George Erker with Hill Brothers, George Newton, Clarke Simonds, and perhaps a few others. I have purposely left out the names of the companies with whom we are dealing since I do not want anything to happen at this time to jeopardize our deals. For your information alone at this time, we have made a firm offer to Continental for a three-well farmout on a 2700 acre block in the Vermillion Area. Their Exploration Manager has told me that we have the deal and he is drawing up a letter agreement for us to sign this Thursday. Unless one of the CATC partners turns down the final deal, and at this time they have verbally agreed they will go ahead, we should close the deal before too long. This will be the second biggest farmout ever made in the Gulf. We, of course, will have a lot of selling to do to get partners, but Sterling Little feels that it will not be a difficult deal to turn. This one deal could get us out of the doldrums, and, of course, it could be the makings of a very nice oil reserve if we should ever get lucky. Please do not mention Continental to anybody until we get the deal closed. The farmout market is tremendously competitive and I would hate for some other company to inadvertently learn that we had the inside track on this trade. The deal is extremely complicated involving a Federal unit, some shut-in gas production, and several other things, but it is one which has us tremendously excited at the present. I am just hoping that Jack Davis, Continental's Exploration Manager, can draft the deal as he has outlined it to us. I have had two meetings with him, and at the last one we worked out the terms verbally and agreed the deal is ours, subject, of course, to the approval of the letter agreement.

I hope you are feeling better. Best regards.

Yours very truly,

George H. W. Bush

GHWB:JMcB
Attachment

September 30, 1957

Mr. G. H. Walker, Jr.
G. H. Walker & Co.
One Wall Street
New York 5, New York

Dear Herbie:

While talking to Cyprus Mines in Houston last week, I learned that twice within the last ten days they had been offered the opportunity to "look at" Drilling & Exploration Company. Two separate financial people in Houston, whose names I do not know at this point, brought the deal to Mr. Cartwright. He was not interested for Cyprus Mines in the deal, and he just casually mentioned it to me. I am wondering if any new dope is out on this matter.

I am hopeful that some of the very interesting farmout deals which we are working on will materialize before too long. We also have an opportunity to do some straight contracting with Gulf and are working very hard on that. In spite of the fact there does not seem to be a great deal of contract work, I cannot get bearish about the off-shore business. We have looked at some fascinating farmouts, and cannot help but feel some of them will break for us before too long. If they do, we will be in deals which I never would have thought we could acquire six months ago.

By the time this letter has been typed I will be in California, but I did want to let you know about D & E.

Yours very truly,

George H. W. Bush

GHWB:JMcB

September 25, 1957

Mr. Paul Woodruff
G. H. Walker & Co.
One Wall Street
New York 5, New York

Dear Paul:

Thank you very much for your letter of September 16.
I am glad to have your suggestions as to the Zapata Off-Shore
Company annual report. I can assure you we will take them into
consideration when we draw up our statement.

Thank you for your interest.

Yours very truly,

George H. W. Bush

GHWB:JMcB

September 24, 1957

Mr. G. H. Walker, Jr.
G. H. Walker & Co.
One Wall Street
New York 5, New York

Dear Herbie:

I talked to Ted Patterson yesterday and gave him my opinion of the current tightness in the off-shore business. We will let you know as things develop down here. Wayne is in New Orleans now and I hope he will be able to scare up some contracts.

Not much to report from here. I am just burrowing out from under a stack of papers. I may have to go to the West Coast this week to talk to Mr. Pauley. If I don't do that I will probably head for the Gulf Coast.

Best regards,

Yours very truly,

George H. W. Bush

GHWB:JMcB

July 31, 1957

Mr. G. H. Walker, Jr.
Kennebunkport, Maine

Dear Herbie:

I am attaching the financial statements through June 30. The statement of operations and earned surplus does not show any charge off for dry hole expense. Part of this will, of course, come out of the provision for federal income tax and part of it will come out of net income.

The Mississippi River Fuel deal has spudded in and we feel that we have worked out a pretty good deal. The West Delta 51 well is drilling today at 7,041 ft. and we hope that it will be down by the weekend or the first of next week. We are now negotiating with Tennessee Gas on a possible deal for the Scorpion in between wells for California Company. We have not got a contract for the Nola as yet. If we had this worked out I would be able to depart for Maine with a light head and clear conscience. I am sending you a copy of a letter which I wrote today to Sid Lanier just for your information. I hope that he will take this matter up with some of the wheels over there at Morgan's since I feel we can do a real job for one of these gas companies and at the same time we would have the wherewithal to keep our rigs planned ahead on a very nice schedule.

Incidentally, I just received today an estimate from Sun Oil Company through Wayne of the dry hole costs in Block 67, the well which we just finished with the Vinegarroon. They figure that this dry hole cost them \$1,200,000. This can indeed be an expensive business. The petroleum reports have been sent to the printers and should be out toward the end of the week provided Morgan gets the envelopes to Houston.

I guess that is about all of the news for now. I think I may get up there Saturday, the 10th of August.

Yours very truly,

George H. W. Bush

GHWB/jk
Encls.

July 30, 1957

Mr. Bud Graham
G. H. Walker & Co.
111 Pearl Street
Hartford 3, Connecticut

Dear Mr. Graham:

Thank you so much for the Burnham and Company Foreign Letter. It just so happens that we did negotiate with the Standard of California Company to do some drilling for them off Trinidad; however, we did not get the work since Standard felt they could do it cheaper by using another method. Thanks for sending this information along to us.

Best regards.

Yours very truly,

George H. W. Bush

GHWB:JMcB

FOREIGN



LETTER

JULY 1957

BURNHAM AND COMPANY, 15 BROAD STREET, NEW YORK 5, N. Y.

• MEMBERS NEW YORK AND AMERICAN STOCK EXCHANGES

CABLE: COBURNHAM • TELEPHONE Dlgby 4-1400

• TELETYPE N Y 1-2003 • TELEX CALL LETTERS N Y 062

MARKET COMMENT

London

For American investors the most interesting recent development in London has been an alteration in certain exchange regulations.

Residents of certain parts of the sterling area —e.g. Kuwait and Hong Kong— are allowed to purchase dollars in their local exchange markets, or to sell sterling in New York for dollars. The dollars so acquired, in turn, could be legally resold to U. K. residents for the purchase of dollar securities. In consequence, if the exchange premium on "investment dollars" in London rose above the discount on free sterling in Hong Kong and Kuwait, this technique could be employed as an arbitrage between the two rates, and kept them roughly in line with each other. It had the additional effect of enabling U. K. residents to acquire dollar securities — at a premium — for sterling. The sterling, in turn, could be resold at a discount in New York by residents of Hong Kong and Kuwait, and could be used by Americans to purchase British securities.

The new regulations forbid U. K. residents to purchase foreign securities from residents of other parts of the sterling area, so that Kuwait and Hong Kong can no longer profit from the London premium on such securities. The effects are two-fold. First, there is now no source of supply of additional "investment dollars" for London, so that there is no theoretical limit on the premium at which American securities may sell in London. Secondly, there should be a sharp reduction in the amount of "free sterling" sold in New York at a discount, because if Kuwait and Hong Kong accept this discount, they can no longer offset it by collecting a premium in London on the resultant "investment dollars". The demand for discount sterling will now tend to be more equal to the supply, and the discount will be narrow (as it is at present). This will increase the dollar price of

British stocks to U.S. buyers, with Canadian Eagle bearer shares being the only important exception. Since this is a Canadian company the bearer shares are regarded as a dollar stock, and once sold to a non-resident of the sterling area they cannot now be bought back into London except for "investment dollars." The recent price increase in London is a consequence of this change in currency rates, and has not been reflected in New York.

The action of the London market in June featured a continued decline in government bonds, some of which have fallen to the lowest price levels ever recorded. Equities, generally regarded as an inflation hedge, have continued their rise, and the yield on the Financial Times index of industrials is now only 0.3% higher than the yield on 2½% Consols.

FINANCIAL TIMES INDUSTRIAL STOCK INDEX

July 17	June 28	June 5	May 3	Year Ago
204.6	204.8	203.0	204.6	174.9

It appears that there are two bases for the London market's continued preference for equities. One is that industrial output continues to recover from the Suez setback; the official index showed a seasonally-adjusted figure for May of 140 (1948=100), which represents a three-year high for May. On the other side of the balance sheet is continuing inflation: recent increases in coal prices and railroad prices alone have raised industrial costs by about 0.5% overall. The rise in the gold and dollar reserves (up \$248 million in the first half of 1957) has been mostly due to non-recurring items and to the deferment of liabilities. The prices of important sterling area commodities have been weak and the softness of sterling itself has been disappointing. However, the expansion of the economy lends attraction to carefully-selected equities.

Amsterdam

The latter part of June was marked by a reaction in share prices, after small gains in the first two weeks of the month. The shares of the international companies, however, were ahead on balance; Philips and A.K.U. have begun to participate more fully in the strength of this group, while Royal Dutch and Unilever continue in demand. The dullness of the market in Dutch domestic securities is explained by the stringent governmental measures against inflation, which will restrict the domestic economy of the Netherlands. It is estimated that private domestic consumption in 1957 will increase only 1.7% over 1956. Although wages will rise 6.7%, the increase in prices should be held down to 4-5%. It should be encouraging to investors that these measures are expected to convert a previously anticipated balance-of-trade deficit of fl. 200 million to a surplus of fl. 100 million.

Germany

July 1 was the quarterly payment date for interest on a number of German bond issues, while on the

previous day money became available through the expiration of certain term savings contracts on which the German government allows tax concessions. Both these developments tend to occur at the beginning of the calendar quarter, and exercise a gradually diminishing influence over the ensuing three months. Accordingly, at the end of June, German equities hit their lowest level for three years, but the influx of money generated a modest recovery at the beginning of July.

"DER VOLKSWIRT" INDUSTRIAL STOCK INDICES

July 3	June 26	May 28	Yr. End '56	Yr. End '55
170.8	166.7	172.9	180.9	204.6

The increase in the money supply has had an easing effect on the money market, and call money is now available at $4\frac{1}{2}\%$. Equity yields, however, have risen — dividend increases having offset the moderate price appreciation — and now stand at around 5%. This still looks low compared to the 8% or better available on good industrial bonds, but German investors show increasing anxiety over wage increases and other inflationary factors, and recent rights issues on leading equities have quickly gone to a premium.

COMPANY BRIEFS**Two Trinidad Oil Companies —
T.P.D. and Shell Trinidad**

There has recently been great activity in New York in the stock of *Trinidad Petroleum Development Company* (controlled by British Petroleum). This stock, which in 1956 traded in London between about \$3.40 and about \$6.65, is now quoted at around \$18.50. This rapid advance may be attributed largely to two factors:

(1) Growing realization that proven oil reserves and acreage in Trinidad had, for all companies, been markedly undervalued by comparison with similar assets elsewhere. This undervaluation was highlighted in 1956 when The Texas Company purchased Trinidad Oil Company Ltd. for approximately twice the valuation previously placed on the company by the stock market.

(2) Recognition of the potentials of Trinidad offshore acreage, especially in the Gulf of Paria. Adjoining blocks totalling 148,200 acres, in the Venezuelan portion of the Gulf, have recently been leased by a group of five major American companies for bonuses averaging \$675 per acre. The upward revaluation of Trinidad oil securities has proceeded apace; T.P.D. has merely led a general trend. However, it appears that at least one stock in the group — *Shell Trinidad* — still reflects, at present prices, little or no element of speculative inflation. A comparative evaluation of these two companies is shown below.

T.P.D. Compared With Shell Trinidad

	T.P.D. (1)	Shell Trinidad (2)
1956 production, bbls.	4,071,000	7,277,000
Est. reserves, bbls.	88,000,000	120,000,000
Value of above @ 60¢/bbl.	\$52,800,000	\$ 72,000,000
Working capital 1956 (less senior securities)	\$ 2,240,000	\$ 11,955,000
Refinery, @ \$500 per b/d capacity	—	\$ 18,500,000
Total tangible asset value	\$55,040,000	\$102,455,000
Common shares outst'ding	4,000,000	4,500,000 (3)
Tangible asset value/sh.	\$13.76	\$22.77 (4)
Recent price	19	20
Recent price as % asset value	142%	88% (5)
Earned/sh. 1956	40¢	\$1.37
Cash flow/sh. 1956	1.25	2.42
Price/earnings ratio	47.5 X	14.6 X
Price/cash flow ratio	15.2 X	8.3 X
Dividend 1956	23½¢	35¢
Yield (%)	1.2%	1.8%

(1) Year ended 7/31.

(2) Year ended 12/31.

(3) Increase in par value from 6s8d (93¢) to £1 (\$2.80) authorized 5/18/57.

(4) Excluding refinery assets, \$18.66.

(5) Excluding refinery assets, 107%.

Other Factors

By all these statistical measurements, Shell Trinidad is the cheaper stock. The background of the two companies lends little or no support to the present unbalanced price relationship between them. For example:

(1) T.P.D. is developing an interesting new field at Moruga Bouffe, which is expected to contribute to an increase of 13% in production for fiscal 1957. But Shell Trinidad has, at Catshill, in the Ortoire district, the most important new field established in Trinidad in 20 years. Production from Ortoire doubled in 1956; 28 wells were drilled (of which 19 were successful). In the first four months of 1957 total daily production was up 20% over the 1956 average, principally due to Ortoire.

(2) T.P.D.'s connection with B.P., which owns 77% of its stock, is matched by Royal Dutch/Shell's 85% ownership of Shell Trinidad. Both companies are backed by majors.

(3) T.P.D., in 1956, showed cash flow of \$1.24 per barrel produced. Shell Trinidad, on the same basis, would have realized cash flow of \$9.02 million. In fact its cash flow was \$10.93 million. The additional \$1.91 million can be attributed to superior integration. This amount represents a cash return of 10.3% on our valuation of refinery assets.

(4) T.P.D. is exposed to possible developments offshore through a 50% interest in 225,000 acres of marine concessions. This is equivalent to 0.028 acres per common share. Shell Trinidad has a $\frac{1}{3}$ interest in Trinidad Northern Areas, which holds 207,000 acres of offshore land. This is virtually all in the promising Gulf of Paria, whereas 75% of T.P.D.'s offshore acreage is on the less promising southern coast. Also, through T.N.A., Shell Trinidad has a $\frac{1}{6}$ interest in T.P.D.'s offshore concessions, so that its total offshore interest is equivalent to 106,500 acres, or 0.024 acres per share. In the Gulf of Paria itself, T.P.D. has 28,500 net acres; Shell Trinidad has 78,500 net acres.

These considerations confirm what is suggested by statistical analysis: that Shell Trinidad is considerably cheaper than T.P.D. There are persistent reports from well-informed sources of merger negotiations between the two companies. If such a merger took place it appears that the terms would have to recognize the greater asset values and earning power in Shell Trinidad.

Prospective purchasers should bear in mind that the floating supply of both stocks is small, but that of Shell Trinidad is considerably the smaller of the two.

Canadian Eagle Oil Company Limited A Current Appraisal

Canadian Eagle vs. International Petroleum

In the May issue of this Foreign Letter were reported preliminary earnings for Canadian Eagle. More detailed information has since become available, justifying a re-appraisal of the company's position and prospects.

The last issue of the Foreign Letter contained an evaluation of Royal Dutch/Shell as against Creole. Canadian Eagle can be similarly evaluated against International Petroleum, which is also a participant in Mene Grande Oil Company.

	Canadian Eagle	International Petroleum
Recent Price.....	11 $\frac{1}{4}$	58
Shares outstanding.....	30,130,130	14,525,608
Market value of common (000).....	\$388,964	\$842,485
Plus minority interest, etc. (000)	8,052	39,589
Total Market Valuation (000).....	\$347,016	\$882,074
Less working capital (000).....	46,470	87,200
Net market valuation.....	\$300,546	\$794,874
÷ by Latin American production		
1956 (000 bbls.).....	17,005 (1)	44,859 (2)
Net market valuation per bbl.	\$17.67	\$17.72

(1) Venezuela (Mene Grande) and Colombia.
(2) Venezuela (Mene Grande) and Peru.

The assets of International Petroleum — aside from production with its concomitant reserves and acreage — comprise: wholly-owned refining capacity of about 70,000 b/d (in Peru and Colombia), which might be valued at \$500 per b/d capacity or \$35 million, and miscellaneous investments and advances totalling \$25.3 million. If this total is deducted from the above "net market valuation," the balance of \$734.6 million, which can be properly attributed to production, works out to \$16.37 per barrel.

Other Assets

If Canadian Eagle's Latin American production is appraised at this same figure of \$16.37 per barrel, then it would appear that the market is attributing a total value of \$22.2 million to all the company's other assets. These assets include:

1) A tanker fleet of 349,798 deadweight tons, worth not less than \$150 per ton, or \$52.5 million. Ships under construction or on order will increase the size of this fleet (allowing for retirements) to 500,000 tons by the end of 1959, and upwards of 680,000 tons by the end of 1965.

2) A contract to purchase Kuwait crude oil, substantially below the open market price, which supplied nearly 11 million barrels in 1956 and is expected to supply 18 million barrels by 1959. Assuming that the contract runs for 20 years at an average of 15 million barrels a year, and valuing the oil arbitrarily at 5¢ a barrel to Canadian Eagle, this interest in Kuwait would be worth \$15 million.

3) Refining contracts and marketing facilities which generated sales of 58.9 million barrels in 1956. If these operations are worth 50¢ per barrel sold, they add \$29.45 million to Eagle's asset value.

4) Real estate interests in London which are believed locally to be worth \$12.6 million.

Possible Additional Reserves

These four items alone total nearly \$110 million, or almost 5 times the value placed on them by the market. But possibly more important than the apparent undervaluation of existing assets, is the possibility that new values will accrue to the company, especially in the form of additional reserves. Through Mene Grande, Eagle has an 8 1/3% participation in almost 127,000 acres of concessions in Lake Maracaibo (in addition to Mene Grande's existing concessions). Three good wells have already been drilled on the new acreage, and several blocks of it are regarded as promising. It is generally estimated that average recoveries in Lake Maracaibo are likely to run 50,000 barrels an acre, allowing for dry holes. This indicates potential new reserves to Eagle's interest of 440 million barrels net of government royalty, which in conjunction with existing reserves of some 225 million barrels in Venezuela and Colombia would work out to 22 barrels a share. In terms of market value for the stock, the potential new reserves, assessed at a conservative 30¢ a barrel, would add \$132 million (nearly \$4.40 per share) to the value of the Company.

1956 Results Reviewed

The corporate structure, background and past earnings record of Canadian Eagle are discussed

in the April, 1957 issue of the Foreign Letter. To bring these figures up to date for 1956:

Production (Venezuela and Columbia) was.....	17,005,000 bbls.
Crude oil contracts at Kuwait provided.....	10,791,000 bbls.
Product sales , about equally divided between the U.K. and Latin America, were.....	58,936,00 bbls.
Net Income was.....	\$26.16 mil. (+ 21% vs. 1955)
Earnings per common share after preferred dividends were.....	86.5¢
The dividend (free of U.K. withholding tax) was.....	28¢ (vs. 24 1/2¢ in 1955)

The stock has appreciated by about 40% in a period of six months. However, due to new exchange regulations (see "Market Comment") it has reacted in New York from a high of 12 to the present level of around 11 1/4. The potentialities in Venezuela, the profitable long-term purchase contract for Kuwait crude, the expanding British market (recently the scene of important product price increases), and the growing tanker fleet all hold out excellent prospects of rising earnings and capital appreciation for Canadian Eagle.

FOREIGN SECURITIES QUOTATIONS
RECENT PRICES IN DOLLARS

Amsterdam

Royal Dutch FL. 20—par value (N. Y. S. E.)	\$57 1/2—57 3/4
Royal Dutch FL. 33 1/4—par value (N. Y. shs.)	95 1/2—96
Unilever N. V. FL. 1000—par value (Foreign shs.)	1172—1180
Unilever N. V. FL. 50—par value (A. D. R.'s)	58 1/2—59
Philips' Lamps FL. 1000—par value (Foreign shs.)	758—765
Philips' Lamps FL. 50—par value (bearer shs.)	37 3/4—38 1/4
A. K. U. (Algemene Kunstzijde Unie) FL. 1000 (Foreign shs.)	480—495
A. K. U. (Algemene Kunstzijde Unie) FL. 50 (A. S. E.)	24—25

Germany

I. G. Farben Liquidation Stubs	\$ 8—8 3/4
Farbwerke Hoechst	39—40
Badische Anilin & Sodawerke	39—40
Farbwerke Bayer	41—42
Casella Farbwerke	168—170
Siemens & Halske (A. D. R.)	23 1/4—23 3/4
Deutsche Erdoel	39—40
Ford of Germany	47—49
Mannesmann	37—38
Portland Cement Heidelberg	63—64

Belgium

Union Miniere du Haut-Katanga	\$ 100—102
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Italy

Motecatini (reg.)	\$ 4.10—4.25
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London**

Anglo-Ecuadorian	\$ 6 3/4—7
Associated Portland Cement	6—6 3/4

Borax Holdings, Ltd. (A. D. R.)	4.50—4.60
Bowater Paper Corp. (A. D. R.)	5 1/4—5 1/2
Burmah Oil Company (A. D. R.)	14 7/8—15 1/4
Canadian Eagle Oil (bearer)	10 3/4—11
Gas Purification & Chemical	2 1/2—3
Hudson's Bay Company	37 1/2—38 1/2
Lobitos	3.50—3.60
Rio Tinto Mines	13—13 1/2
Shell Transport & Trading (N. Y. S. E.)	28 5/8—28 3/4
Shell Trinidad	19—19 1/2
Selection Trust	19—19 1/2
Trinidad Petroleum Development	18 1/2—19
Vickers Ltd.	5 1/2—6
Ultramar	13—13 3/4

South Africa**

Anglo-American Corp. of S. A.	\$16 1/2—17 1/2
DeBeers (A. D. R.)	14 3/4—15
Orange Free State Inv. Trust	6 3/4—7 1/4
Potgietersrust	2.00—2.20
Virginia Orange Free State	1.25—1.35
Merriespruit	.47—.57

Rhodesia**

Bancroft	\$ 5—5 1/4
British South Africa (Chartered)	9 1/4—9 1/2
Nchanga	30—30 1/2
Rhokana	95—96 1/2
Tanganyika Concessions	21 1/4—23 3/4

* Foreign stocks listed on the New York or American Stock Exchange are included only if a comparison with the unlisted stock of the company may be useful. In other instances, they are deleted because they can be ascertained from the daily newspapers. Burnham and Company will make trading markets in many other foreign securities.

** All prices in London, South Africa and Rhodesia are for registered shares unless otherwise indicated.

For quotes or information regarding Foreign Securities only, Teletype NY 1-2003.

For any other information Teletype NY 1-2262.

Material prepared July 18, 1957.

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July 11, 1957

Mr. G. H. Walker, Jr.
G. H. Walker & Co.
One Wall Street
New York 5, New York

Dear Herbie:

I thought you might be interested in the attached letters which we received. After you have had a chance to glance them over, would you please return them to me for our files.

Best regards.

Yours very truly,

George H. W. Bush

GHWB:JMcB
Attachments

June 6, 1957

Mr. G. H. Walker, Jr.
G. H. Walker & Co.
One Wall Street
New York 5, New York

Dear Herbie:

I heard a rumor that the G. G. Glasscock Tidelands Company can be bought, and we do not know whether this is something Zapata Off-Shore Company might be interested in. However, we would like to know if there is any truth to this. I know Mr. Glasscock slightly and have talked to Jimmy Storm who is their manager, but I do not feel I can call them about this. Do you by any chance know somebody at Eastman Dillon who might know about this? Another possibility might be Pete Lindley at Mutual since Mutual made Glasscock a rather substantial loan. I would appreciate any dope you might get on this.

We heard from the California Company today and we did not get the Trinidad deal. I was really disappointed over this. The job went to the Off-Shore Company who bid with a deck barge. Wayne tells me does not believe a deck barge will work on this particular job since he feels the weather will be such the deck barge will be off location a great deal of the time. The California Company apparently does not agree with this, but in any event we would not have elected to bid it with such equipment. A deck barge is a great deal cheaper than any of the equipment we own, and makes sense that Off-Shore's bid will be lower than ours. Our only foreign job working now is the Cay Sal between Florida and Cuba. We should have our bid in on Tuesday. At this point it looks like they will use a mobile rig and it will be between our SCORPION and some rig of the Off-Shore Company. I believe we can underbid them on this job. If they go to some other type of equipment we probably will not get it, however.

The off-shore farmout spudded in today and we will be putting out our announcement this coming week to all the shareholders along with the attached brochure.

With best regards,

Yours very truly,

George H. W. Bush

GHWB:JMcB
Attachment

June 4, 1957

Mr. G. H. Walker, Jr.
G. H. Walker & Co.
One Wall Street
New York 5, New York

Dear Herbie:

Attached is the estimate of cash flow on Off-Shore. We are, of course, anxious to keep these figures confidential, but I believe they are more realistic than any we have seen to date. We do not yet have the actual figures for May, but the April figures were as follows:

Income	\$598,154.78
Total expenses	\$390,421.60
Net income before provision for taxes	\$207,733.18
Provision for taxes	\$108,000.00
Net income for period	\$ 99,733.18

Best regards.

Yours very truly,

George H. W. Bush

GHWB:JMcB

May 14, 1957

Mr. Reginald W. Pressprich, Jr.
G. H. Walker & Co.
One Wall Street
New York 5, New York

Dear Reg:

Phil Neuhaus has sent me the annual statement and the memorandum to underwriters on Levingston. He mentioned that perhaps you would like to hear from me on this. I do not know a great deal about Levingston's affairs, although I do know the Company is held in high regard in Houston. A great deal of their business has been from the construction of the Deep Water off-shore drilling tenders. My personal feeling is that the off-shore tender business does not look good for the short term. Some of the off-shore tenders are not working and I do not feel that there is much demand for tenders right now. This, of course, could change.

The Malloys are very well regarded and I think that in the oil industry Levingston has established the reputation of being an excellent company. I do not know any of the management people other than the Malloys.

Please let me know if I can get you any specific information on Legingston. I realize the above remarks are very general and probably not too helpful, but I just do not know too much.

Best regards,

Yours very truly,

George H. W. Bush

GHWB:JMcB

RIDER "A"

Page 1 - GHW draft

however, they do not tell the full story, since the 1957 figures are lower than normally might be expected due to two factors:

(1) The Company's drilling tender NOLA I was dry-docked during January and some abnormal expenses were incurred, and

(2) The income figures are further reduced by certain substantial non-recurring expenses in connection with the completion of the VINEGARROON.

Cash earnings, before taxes in these months were \$ _____ per share, but this accounting period only reflected two days operations by the VINEGARROON. With all equipment operating cash earnings could be raised to a \$3.00 per share annual rate, this figure being the sum of depreciation and pre-tax net income.

RIDER "B"

Page 5 - GHW draft

Zapata Off-Shore Company's goal is to continue its position of leadership as offshore drilling contractors and to acquire interests in offshore oil production.

May 3, 1957

Mr. G. H. Walker, Jr.
G. H. Walker & Co.
One Wall Street
New York 5, New York

Dear Herby:

I am leaving for a week's business trip to New Orleans to do some concentrated work on the off-shore farmout situation. Since I will be gone then, and since I probably won't be in New York when you and Hugh talk about the financing, I thought I would put down some of my thoughts on the subject for what they might be worth.

In the first place, I feel like everyone else that we should immediately do some financing. We have been carrying on a very active drilling program, and our cash position will just not sustain this much activity for the rest of the year. In fact, we must drastically curtail our operations until Jameson pays out. Incidentally, the oil payments look like they should be retired in October.

Our general feeling towards Zapata Petroleum is one of real optimism. Personally, I am more optimistic than I have ever been, because I firmly believe that the caliber of the well deals has really improved. I also feel that Zapata is better known now than before and this alone will cause us to see more and more merger type deals of a substantial nature.

The off-shore picture, though admittedly difficult to evaluate, seems to me to be well worth the time spent on it by Zapata Petroleum--lately my time for the most part. If we felt that Zapata Off-Shore was to be relegated to the sole role of domestic drilling contractor, we would feel that perhaps we had arrived at the fullest possible value of one of Zapata Petroleum's principal assets--its stock in Zapata Off-Shore Company. But the more talking we do about farmouts and foreign drilling, the more convinced I become that we might make a mistake to soft-peddle our interest in off-shore in any way. If we have misjudged the domestic demand situation, I would probably be forced to change my feeling, since I know well that we cannot stand much "down time"; but so far, though we see increasing competition, we do not see prolonged periods of idle rig time. Frankly, as competition increases we may have to cut prices somewhat. So far we have seen no indication that wells are not being drilled because of the rates charged by off-shore contractors.

We do not view Zapata Off-Shore Company as strictly a Gulf Coast drilling contractor. We want to be known as an excellent

May 3, 1957

drilling company, and frankly I feel we are. But further, we want to build production in off-shore and we want to get into foreign areas where profits are high, contracts are long, and the possibility of opening up other opportunities is great. Admittedly, we have not succeeded as yet in attaining either of these goals, but I cannot be discouraged. I returned from California somewhat disappointed since we had hoped to sign up our Trinidad deal, but at the same time convinced that there are many virgin areas of off-shore opportunity all over the world. Our entry into these areas, when and if we get in, will, of course, be as drilling contractors, but I feel that once we go abroad we will get into other plays.

In the field of farmouts we remain convinced that there are good opportunities. These arrangements take lots of work and one of our current weak spots is that we do not have someone in the Gulf Coast area all the time who is actively seeking out deals. Until recently we have had our hands full with the very important task of financing the VINEGARROON and getting it to work, while keeping our other units going.

And so I think it is safe to say that we recognize soft spots in the off-shore business, but we firmly believe we are in on the ground floor of what will one day be a tremendous industry, and we are in on a good basis.

Hugh and I discuss the role that off-shore should play in our total picture a good bit. We are well aware that there are different opinions amongst the directors as to how much of my time should be committed to off-shore, and frankly our own feelings sometimes change on this. Jim Gammell feels that we should work towards the day when our commitment in time to off-shore is reduced to a minimum. I agree with him that we should do this, but the big question is when should we begin to taper off our actual participation or when should we begin to look for a deal for Zapata Off-Shore Company by perhaps merging with another similar company which would provide top management on the financial and planning side and thereby free Zapata Petroleum of any time commitment. I frankly do not feel that now is the time. As mentioned above, if a real softening of demand shows up soon, then we should actively move in the above direction, but for the immediate future I would have to say that we are confident and that we feel off-shore has big growth possibilities.

All of this boils down to the fact that at this time we are reluctant to reduce our percentage ownership in off-shore if it can be avoided. The mechanics and the expenses of a dual-conversion on a Zapata Petroleum debenture financing are bad, there is no question about this. We need two audits; we need to keep the off-shore registration statement effective at SEC; we need essentially two registrations instead of one; but it is not only the burdensome mechanics which trouble us.

The main thing is this--if we feel confident as to Off-Shore's future, shouldn't we resist giving up this asset as strongly as

Mr. Walker

-3-

May 3, 1957

possible? I feel that first in importance to Zapata Petroleum is that it do this financing--this I feel is unquestionably more important than keeping our Off-Shore stock intact, but at this time I believe I would rather take a tougher deal in Zapata Petroleum, using Petroleum stock alone, than I would go the dual conversion route, for I can't help but feel that sooner or later an increase in the Off-Shore stock will come, and when it does, it should more than off-set any weakening in Petroleum stock. By this I don't mean we would want to be associated with a doggy offering and I'm equally sure you wouldn't go on any such deal, but perhaps there is some way to make an especially attractive straight Petroleum offering.

We know the problem facing you and we admittedly do not like to argue and fight with the pencil-sharpeners who compare balance sheets all day every day, such as we ran into on D & E, but perhaps there is some intermediate ground. A couple of good wells here would help a lot--we know that.

In conclusion, I guess I cannot bring myself to be anything but optimistic about the future of Off-Shore. Feeling this way it seems to me we should continue to spend time on it--a lot of time, and if we spend a lot of time and have confidence in it, I just hate to give it up--any of it, unless there really is no other way to accomplish our admitted first immediate goal, namely, a successful \$3 million financing for Petroleum.

If I come up with any other observations as a result of my next week's trip I will add them to the thoughts above.

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In the field of farmouts we remain convinced that there are good opportunities. These arrangements take lots of work and one of our current weak spots is that we do not have someone in the Gulf Coast area all the time who is actively seeking out deals. Until recently we have had our hands full with the very important task of financing the VINEGARROON and getting it to work, while keeping our other units going.

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Hugh and I discuss the role that off-shore should play in our total picture a good bit. We are well aware that there are different opinions amongst the directors as to how much of my time should be committed to off-shore, and frankly our own feelings sometimes change on this. Jim Gammell feels that we should work towards the day when our commitment in time to off-shore is reduced to a minimum. I agree with him that we should do this, but the big question is when should we begin to taper off our actual participation or when should we begin to look for a deal for Zapata Off-Shore Company by perhaps merging with another similar company which would provide top management on the financial and planning side and thereby free Zapata Petroleum of any time commitment. I frankly do not feel that now is the time. As mentioned above, if a real softening of demand shows up soon, then we should actively move in the above direction, but for the immediate future I would have to say that we are confident and that we feel off-shore has big growth possibilities.

All of this boils down to the fact that at this time we are reluctant to reduce our percentage ownership in off-shore if it can be avoided. The mechanics and the expenses of a dual-conversion on a Zapata Petroleum debenture financing are bad, there is no question about this. We need two audits; we need to keep the off-shore registration statement effective at SEC; we need essentially two registrations instead of one; but it is not only the burdensome mechanics which trouble us.

The main thing is this--if we feel confident as to Off-Shore's future, shouldn't we resist giving up this asset as strongly as

May 3, 1957

possible? I feel that first in importance to Zapata Petroleum is that it do this financing--this I feel is unquestionably more important than keeping our Off-Shore stock intact, but at this time I believe I would rather take a tougher deal in Zapata Petroleum, using Petroleum stock alone, than I would go the dual conversion route, for I can't help but feel that sooner or later an increase in the Off-Shore stock will come, and when it does, it should more than off-set any weakening in Petroleum stock. By this I don't mean we would want to be associated with a doggy offering and I'm equally sure you wouldn't go on any such deal, but perhaps there is some way to make an especially attractive straight Petroleum offering.

We know the problem facing you and we admittedly do not like to argue and fight with the pencil-sharpeners who compare balance sheets all day every day, such as we ran into on D & E, but perhaps there is some intermediate ground. A couple of good wells here would help a lot--we know that.

In conclusion, I guess I cannot bring myself to be anything but optimistic about the future of Off-Shore. Feeling this way it seems to me we should continue to spend time on it--a lot of time, and if we spend a lot of time and have confidence in it, I just hate to give it up--any of it, unless there really is no other way to accomplish our admitted first immediate goal, namely, a successful \$3 million financing for Petroleum.

If I come up with any other observations as a result of my next week's trip I will add them to the thoughts above.

Very truly yours,

George H. W. Bush

GHWB:JMcB

May 1, 1957

Mr. G. H. Walker, Jr.
G. H. Walker & Co.
One Wall Street
New York 5, New York

Dear Herbie:

I thought you might like to have the attached snapshots taken the day we were out on the VINEGARROON. One picture was taken on top of the crew quarters facing the back leg. In the background you will note the ladder going up to the helicopter platform. The other was taken from the helicopter just as we were leaving the barge. It is not a particularly good shot. It does show the Zapata emblem.

Yours very truly,

George H. W. Bush

GHWB:JMcB
Attach.

May 1, 1957

Mr. G. H. Walker, Jr.
G. H. Walker & Co.
One Wall Street
New York 5, New York

Dear Herbie:

Here are the corrected figures which were
wired to you this afternoon.

Yours very truly,

George H. W. Bush

GHWB:JMcB
Attachments

Withdrawal/Redaction Sheet

(George Bush Library)

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION	CLASS.
05. Letter	From George Bush to G.H. Walker, Jr. RE: Financial information (2 pp.)	4/30/57	C	
COLLECTION George Bush Personal Papers Zapata Oil File Business Correspondence Files				
FILE LOCATION Correspondence with G.H. Walker and Co. (to Jan. 1959) [1955-1959] OA/ID Number Date Closed 10/26/99				

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P-1 National Security Classified Information [(a)(1) of the PRA]
- P-2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P-3 Release would violate a Federal statute [(a)(3) of the PRA]
- P-4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P-5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P-6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

Freedom of Information Act - [5 U.S.C. 552(b)]

- F-1 National security classified information [(b)(1) of the FOIA]
- F-2 Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- F-3 Release would violate a Federal statute [(b)(3) of the FOIA]
- F-4 Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- F-5 Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- F-6 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- F-7 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- F-8 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

April 29, 1957

Mr. G. H. Walker, Jr.
G. H. Walker & Co.
One Wall Street
New York 5, New York

Dear Herbie:

I am attaching a resume on George Pfau. To be quite frank, he is not happy at Carl W. Stern & Co., Inc., although he is an officer in this company. The firm is not a first rate outfit and I think that George feels he would be able to do much better with a larger and better known company. His particular interest is in merger type deals. He tells me that White, Weld has a new office in San Francisco. He feels that he is not in too good a position to approach other people at this point while he is a member of the Stern firm. I am wondering if you know anyone over at White, Weld well enough to make a general inquiry to see if they could use a good man in their San Francisco office. Pfau is a very sincere and honest fellow, and I am sure he would make them just the type of hand they need. I am not too intimate with his ability in the stock and bond business, but I feel he would be very good at it. While in San Francisco last week he had a very nice luncheon for me at which he drummed up Zapata enthusiasm. I would like to see him located with a good strong firm on the West Coast. He is not the least bit interested in leaving San Francisco. Please let me know if you have any ideas on this.

I had a very hectic trip to the West Coast. We worked pretty hard trying to convince Dominion Oil Company, a subsidiary of the Standard Oil Company of California, that they should put the NOLA I in Trinidad. They will let us know on this on Friday. They are not asking for any other bids on this type of equipment, but there is a chance they will go to a smaller unit, thereby saving on the immediate outlay. We are hopeful they will go along on our deal, but it is hard to predict at this time exactly what they will do.

I am enclosing my check for the Texas Gulf stock purchased on April 25, 1957. Best regards.

Yours very truly,

George H. W. Bush

GHWB:JMcB
Encl.

G. H. WALKER & CO.

INVESTMENT BANKERS
ESTABLISHED 1900

MEMBER
NEW YORK STOCK EXCHANGE

ONE WALL STREET
NEW YORK 5, N. Y.

TEL. HA 2-4000
CABLE: "WALKERIAN"

ST. LOUIS
PROVIDENCE
HARTFORD
BRIDGEPORT
WHITE PLAINS

April 25, 1957

Mr. J. Hugh Liedtke
Zapata Petroleum Corporation
Box 2216
Midland, Texas

Dear Hugh:

As I told you over the telephone, we are anxious to put out a good up-to-date story on Zapata Offshore, giving the six months figures and showing a balance sheet as of the end of the first six months - March 31, 1957.

I am enclosing herewith our draft which we wish you would go over with George and Bill Brumley and return to us with the figures just as soon as you possibly can. We also would like your comments, criticism, or whatever changes might better or more accurately portray the story. We will appreciate all the help from you all that we can get and trust that this will be another constructive forward step in the life of the Zapata Companies. We intend to give this circular a very wide distribution and to advertise it extensively.

With all the best always,

Devotedly,


G. H. Walker, Jr.

GHW:mm

April 10, 1957

Mr. G. H. Walker, Jr.
G. H. Walker & Co.
One Wall Street
New York 5, New York

Dear Herbie:

I received the prospectus on the Prince Marine Drilling and Exploration Company. George and I have gone over this matter again and do not believe that any of the Zapata companies would be interested in it at the present time. As you know, we looked at this deal before Shields & Company made a public offering out of it. The oil reserves of the company are not significant and we do not feel that it would be advisable for us to get further into the land or barge drilling business at the present time.

Both Poppy and I appreciate Virge Sherrill's interest in working out some sort of a merger deal. Possibly this deal may be of interest at some later date, and we will certainly keep it in mind.

With best regards,

Sincerely,

J. Hugh Liedtke

JHL:JMcB

G. H. WALKER & CO.

INVESTMENT BANKERS

ESTABLISHED 1900

MEMBERS
NEW YORK STOCK EXCHANGE

BROADWAY & LOCUST
ST. LOUIS 1, MO.

TELEPHONE
CENTRAL 1-0838
CABLE: "WALKERIAN"

NEW YORK
PROVIDENCE
HARTFORD
BRIDGEPORT
WHITE PLAINS

April 4, 1957

AIR MAIL

Mr. George H. W. Bush,
Zapata Petroleum Company,
2218 First City National Bank Bldg.
Houston, Texas

Dear Poppy:

The annual reports for Ocean Drilling and for Glasscock Company apparently are not going to be available for another ten days to two weeks - at least that is what we have been told by parties very close to the trading markets of each security. As soon as we get copies, I will see that they are forwarded to you.

In the meantime, you might like to see a write-up on Glasscock, which Eastman Dillon has recently prepared and a writeup on the Ocean Drilling & Exploration which Equitable has just started distributing.

Best wishes to Hugh and warmest personal regards to yourself.

Sincerely,

George
George A. Newton

GAN:ee
Enclosures - 2

RECEIVED
APR 10 1957

ZAPATA

*Dear Geo.
Thanks so m*

April 2, 1957

Mr. George Newton
G. H. Walker & Co.
503 Locust Street
St. Louis, Missouri

Dear George:

If you have an extra copy of the G. C. Glasscock annual report and an extra one for the Ocean Drilling & Exploration Company, would you please forward them to me at your earliest convenience.

Thanks and best regards.

Yours very truly,

George H. W. Bush

JMcB

REINHOLDT & GARDNER

ST. LOUIS . . . NEW YORK

400 LOCUST STREET

ST. LOUIS 2, MISSOURI

TELEPHONE
CENTRAL 1-6640

RUSSELL E. GARDNER, JR.
J. W. REINHOLDT, JR.
FRED W. GARDNER
HENRY F. LANGENBERG
A. A. CHRISTOPHEL
JOHN H. HAYWARD
WARREN L. DAHL
JOHN R. GARDNER
BURCH WILLIAMS
DANIEL UPTEGROVE, JR.

MEMBERS
NEW YORK STOCK EXCHANGE
AMERICAN STOCK EXCHANGE (ASSOCIATE)
MIDWEST STOCK EXCHANGE
CHICAGO BOARD OF TRADE

March 29, 1957

Mr. Herbert Walker
G. H. Walker & Co.
1 Wall Street
New York 5, New York

Dear Herbie:

Enclosed is a report on Ocean Drilling and Exploration Company, which the Equitable Securities Corporation in co-operation with our firm, has just completed. Reinholdt & Gardner has been closely identified with Odeco from its inception and my partner, John Hayward, has been on the board since its beginning in 1953.

I believe you will find that the company's management is highly regarded by those engaged in this offshore exploration and development business. The administrative and technical staffs are supplemented by the personnel of the Murphy Corporation, whose president, C. H. Murphy, Jr., is chairman of the board of Odeco.

Since this report was written, Odeco has chartered for a 15 month period a fifth barge (similar to the John Hayward) for the purpose of taking advantage of doing some of its own development work and also to take advantage of farm-outs to which it is exposed.

If you wish further information about Odeco or would like to have additional reports, be sure to let me know. I might add that we are active in trading this over-the-counter situation and from time to time maintain a position in the stock.

Sincerely,

H. F. Langenberg
H. F. Langenberg

HLF-hb

Pop
Thought this would be of interest to you Herbie

February 25, 1957

Mr. G. H. Walker, Jr.
G. H. Walker & Co.
One Wall Street
New York 5, New York

Dear Herbie:

Our Check #2581 on the Texas National Bank dated January 31, 1957, in the amount of \$15,000 should have been mailed to you on Saturday, February 9. If you can find no record of this please let us know and we will stop payment on the check and forward you a substitute.

I hope this has not caused you any inconvenience.

Yours very truly,

George H. W. Bush

GHWB:JMcB

January 2, 1957

Mr. G. H. Walker, Jr.
G. H. Walker & Co.
One Wall Street
New York 5, New York

Dear Herbie:

I have just talked to Dr. Weatherby in Tulsa. He assures me that Amerada is still very interested in finding deals, but at this point they do not have anything definitely lined up. I told him that our practical problem was that before too long we were going to have to commit the barge to do some drilling since we cannot afford to be shut down at all. He understood this perfectly and told me if they did not have any concrete deals we should go ahead and make a deal with someone else to drill a well or two. He could continue to look for deals. He has talked to several of the major companies, a couple of which have been quite encouraging, although they do not have any farmouts immediately available. Some of the companies were quite discouraging saying they definitely would not make any farmouts.

To summarize, the deal is still on, but Amerada does not have any definite place to drill at this minute. I am going down to Houston tomorrow and plan to be there some next week at which time I will have a better for our short term position. Our own tax picture will require we do some drilling this year, commencing at least before June.

Best regards.

Yours very truly,

George H. W. Bush

GHWB:JMcB

November 30, 1956

Mr. G. H. Walker, Jr.
G. H. Walker & Co.
One Wall Street
New York 5, New York

Dear Herbie:

Because of our plans to do some drilling which could affect our provisions for taxes tremendously, it is difficult to make any accurate predictions as to Zapata Off-Shore's earnings for a full year. However, the attached figures might be useful to you as estimates. We have supplied these to the banks in essentially this form. These figures are for one full year of operations with the NOLA, the SCORPION and the new rig all working full time. Please bear in mind these figures are estimates and could change substantially. The interest figure includes interest on all the debentures. If we call the debentures we will, of course, be able to reduce the interest figure by \$120,000 which would add to the net income picture.

Best regards.

Yours very truly,

George H. W. Bush

GHWB:JMcB

Income	\$7,128,000.00
Expenses:	
Drilling operations	3,660,000.00
General & administrative	144,000.00
Interest	<u>260,300.00</u>
	<u>\$4,064,300.00</u>
Income before depreciation and Federal income taxes	\$3,063,700.00
Depreciation	1,256,000.00
Net income before Federal taxes	1,807,700.00
Federal Income taxes at 52% (this includes the "provision for taxes payable")	950,196.00
Net Income	857,504.00
Add back items not requiring cash depreciation	1,256,000.00
Net cash provided by oper.	\$2,113,504.00

Net income per share
before conversion (767,498) = \$1.12
after conversion (1,007,250) = \$.85

Cash throw-off per share
before conversion (767,498) = \$2.75
after conversion (1,007,250) = \$2.10

205C
G. H. Walker & Co.

November 28, 1956

Mr. G. H. Walker, Jr.
G. H. Walker and Co.
1 Wall Street
New York 5, New York

Dear Herbie:

By way of reminder, as soon as I get to New York I would like to discuss with you your thoughts on calling the Zapata debentures. If we plan to call them, we should plan to do something about it fairly soon since we need 30 days notice and the first interest payment is set up for January 20. If you are talking to Houston while I am in Florida, perhaps you can give any thoughts to them.

Looking forward to seeing you in New York.

Very truly yours,

George H. W. Bush

GHWB:bs

November 22, 1956

off-share
Mr. Ernest A. Eddy, Jr.
G. H. Walker & Co.
Broadway & Locust Streets
St. Louis 1, Missouri

Dear Mr. Eddy:

We have a copy of Mr. Taylor's letter of November 20 to you wherein he advises that the Houston Office supply of prospectuses for the convertible debenture offering is depleted. Our Midland Office supply of these prospectuses is extremely low, but I am enclosing five copies with the hope that these will be of some use to you. I am sorry we cannot furnish you with the 30 copies which you requested.

Yours very truly,

(Mrs.) Juanita McBride

ZAPATA OFF-SHORE COMPANY

2218 CITY NATIONAL BANK BUILDING
HOUSTON 2, TEXAS

November 20, 1956

Mr. Ernest A. Eddy, Jr.
G. H. Walker & Co.
Broadway & Locusts Streets
St. Louis 1, Missouri

Dear Mr. Eddy:

With reference to your letter of November 16 in which you requested 30 copies of our prospectus on our recent 5-1/2% Subordinated Convertible Debenture offering.

We regret we cannot furnish you with these copies as our supply is depleted. By copy of this letter we are requesting the Midland office to forward you some copies if they have some on hand.

Our records indicate that we mailed your office 46 copies of this issue and four to you personally. If you find this number is not sufficient, please advise this office as to the number required and we will set up our records accordingly.

Jeanita
do you have any to spare?

Very truly yours,

ZAPATA OFF-SHORE COMPANY

Hoyt S. Taylor

Hoyt S. Taylor
Secretary

HST:bj

November 20, 1956

*G.H.W. + Co.
off. Sec.*

Mr. G. H. Walker, Jr.
G. H. Walker and Company
1 Wall Street
New York 5, New York

Dear Herbie:

I just talked to Dr. Weatherby inasmuch as I wanted to check with him before using Amerada's name in our annual report. He stated that of course it was our report and we could do what we liked, but he preferred that we not mention their name until we have actually signed the deals up. I told him that of course we would honor this preference. He was very nice, stating that he had just returned yesterday to his office from his over-seas trip. I told him that word had gotten out on the Amerada deal and he said that he had heard that. He plans to start next week or the week after, depending on Thanksgiving complications, to pursue the farm outs. He was very nice and I feel that we are doing the right thing in going along with his preference on not making public our deal with Amerada. We are using essentially the same language in the report, but deleting Amerada's name.

It was wonderful seeing you over the week end.. Paul left yesterday evening and I think that he got all the information available here.

Best regards to you.

Yours very truly,

George H. W. Bush

GHWB:bs

P. O. Box 2216
Midland, Texas
September 25, 1956

Mr. G. H. Walker, Jr.
G. H. Walker & Co.
One Wall Street
New York 5, New York

Dear Herbie:

Following are the figures for the month of August:

Contract drilling income	\$198,003
Drilling operations other than depreciation	192,482
Depreciation	67,717
General & administrative	12,020
Interest	<u>18,379</u>
Total	\$290,600
Net income before provision for Federal taxes	\$ 92,596
Provision for taxes	32,440
Net loss for period	125,036
Earned surplus at beginning of period	203,719
Earned surplus August 31, 1956	78,682

These figures assume that we will collect nothing on our insurance, which I do not believe is the situation. Our insurance claim could run as high as \$100,000.00. Whether we get this much or more depends on the position the underwriters will finally take. For statement purposes we have put the disputed items into a special account so that our published figures will show a deferred charge or a suspense item totaling about \$100,000.00. The income shown is for the Nola's operations, but the operating expenses are for the whole company, both the Nola and the Scorpion. I will furnish you with the figures as we present them when they have been finalized. These are just rough overall operating figures showing no deferred charge for possible insurance claim.

Our rigs weathered the storm all right. Fortunately, we were not in the main path of the storm. We took our men off at 1:30 A.M. Sunday morning. We took everybody off the Scorpion but left 4 men on the Nola. The Nola was hung on her bow anchor and pulled away from the platform. Both rigs rode the storm out well and they are

Mr. Walker

September 25, 1956

now drilling ahead on both operations.

We have not gotten the final reports from the Louisiana coast. One tender owned by Murminall Company tipped over. This was a lousy tender to begin with, and everybody seemed to predict this would happen. A couple of tenders washed up on the beach and many of the submersible type platforms moved off location. I will let you know more details when we get them.

Please keep these above figures confidential.

Best regards.

Yours very truly,

George H. W. Bush

GHWB:JMcB

TEXAS NATIONAL BANK
HOUSTON, TEXAS

RECEIVED
SEP 26 1956
ZAPATA

September 24, 1956

Mr. Reginald W. Pressprich, Jr.
G. H. Walker & Co.
1 Wall Street
New York 5, New York

Dear Mr. Pressprich:

At the request of Zapata Off-Shore Company,
we are enclosing a list of their customers who sub-
scribed through you to convertible debentures.

Very truly yours,

(Original Signed) EDGAR S. COX, JR.

Trust Officer

ESC:ls

Enclosure

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

COPY

ZAPATA OFF-SHORE COMPANY

2218 CITY NATIONAL BANK BUILDING
HOUSTON 2, TEXAS

September 10, 1956

RECEIVED
SEP 13 1956
ZAPATA

Mr. G. H. Walker, Jr.
G. H. Walker Company
One Wall Street
New York 5, New York

Dear Herbie:

George just called and said you and Art Palmer were going to be in Houston before going on to the Midland meeting. That was pleasing news and I am certainly looking forward to having you with us again.

Reservations for you, Art, George and Hugh are confirmed at the Shamrock Hilton for arrival on October 13th. By copy of this letter I am informing the others. If, by any chance, your plans are changed please notify me and we will contact the hotel.

Best personal regards.

Sincerely,

Wayne H. Dean

Wayne H. Dean

WHD:bj

cc: A. E. Palmer
Winthrop, Stimson,
Putnam & Roberts
40 Wall Street, New York

J. Hugh Liedtke
George Bush
Midland, Texas

[Handwritten initials]

September 24, 1956

Mr. G. H. Walker, Jr.
G. H. Walker and Company
1 Wall Street
New York 5, New York

Dear Herbie:

Bob Parrish spoke to me while I was in Houston. He asked if I would object if he stopped in to see you about his drilling syndicate. I told him that I would not object. I also said that perhaps you would feel that your relationship with Zapata might restrict the interest that you might have in other such ventures.

I hope that he won't cause you any inconvenience, but I couldn't flatly tell him not to see you. I don't know anything about their deal, but I rather suspect that it might not be too great. Please don't quote me on this. Maybe John Swan or somebody would like to talk to him.

Best regards.

Very truly yours,

George H. W. Bush

GHWB:ba

P. O. Box 2216
Midland, Texas
September 17, 1956

Mr. Reginald W. Pressprich, Jr.
G. H. Walker & Co.
1 Wall Street
New York 5, New York

Dear Reg:

Thank you for your letter of September 11 addressed to W. M. Brumley. We have requested, by copy of the attached letter, that the Texas National Bank prepare a list for you. Let me know if we can be of further service.

Yours very truly,

ZAPATA OFF-SHORE COMPANY

George H. W. Bush
President

GHWB:JMcB
Encl.

To Mr. Brumley

ST. LOUIS
PROVIDENCE
HARTFORD
BRIDGEPORT
WHITE PLAINS

G. H. WALKER & CO.
INVESTMENT BANKERS
ESTABLISHED 1900
MEMBER
NEW YORK STOCK EXCHANGE
ONE WALL STREET
NEW YORK 5, N. Y.

RECEIVED
SEP 13 1956
ZAPATA
TEL. RA 2-4000
CABLE: "WALKERIAN"

September 11, 1956

Mr. William M. Brumley, Jr.
Zapata Off-Shore Company
Box 2216
Midland, Texas

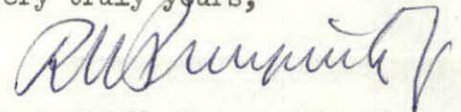
Dear Mr. Brumley:

We appreciate receipt of your recent check representing our commission for soliciting subscription agreements in connection with your $5\frac{1}{2}\%$ Subordinated Convertible Debenture financing.

If it is convenient, we would like to have you forward us a list of the stockholders who subscribed for the \$237,850.00 principal amount of Debentures on which this commission was based, in order that we may properly compensate our salesmen.

Please advise if you would rather have us request this information from the Texas National Bank in Houston.

Very truly yours,



Reginald W. Pressprich, Jr.
Partner.

RWPJr:VC

ZAPATA OFF-SHORE COMPANY

2218 CITY NATIONAL BANK BUILDING
HOUSTON 2, TEXAS

September 10, 1956

RECEIVED
SEP 13 1956
ZAPATA

Mr. G. H. Walker, Jr.
G. H. Walker Company
One Wall Street
New York 5, New York

Dear Herbie:

George just called and said you and Art Palmer were going to be in Houston before going on to the Midland meeting. That was pleasing news and I am certainly looking forward to having you with us again.

Reservations for you, Art, George and Hugh are confirmed at the Shamrock Hilton for arrival on October 13th. By copy of this letter I am informing the others. If, by any chance, your plans are changed please notify me and we will contact the hotel.

Best personal regards.

Sincerely,


Wayne H. Dean

WHD:bj

cc: A. E. Palmer
Winthrop, Stimson,
Putnam & Roberts
40 Wall Street, New York

J. Hugh Liedtke
George Bush
Midland, Texas

P. O. Box 2216
Midland, Texas
August 23, 1956

Mr. William H. Donaldson
G. H. Walker & Co.
1 Wall Street
New York 5, New York

Dear Bill:

Thanks for the suggestion. I have gotten off the three attached letters to the New York papers. The Southwest edition of the Wall Street Journal is now quoting both Petroleum and Off-Shore.

Best regards.

Yours very truly,

ZAPATA OFF-SHORE COMPANY

George H. W. Bush
President

GHWB:JMcB
Encls.

*Cross reference
Public Relations
(under Miscellaneous)*

G. H. WALKER & CO.

INVESTMENT BANKERS

ESTABLISHED 1900

MEMBER
NEW YORK STOCK EXCHANGE

ONE WALL STREET
NEW YORK 5, N. Y.

ST. LOUIS
PROVIDENCE
HARTFORD
BRIDGEPORT
WHITE PLAINS

TEL. HA 2-4000
CABLE: "WALKERIAN"

August 21, 1956

Via Air Mail

Mr. G. H. W. Bush
Zapata Petroleum Company
Box 2216
Midland, Texas

Dear Poppy:

It seems that when it became time to get Zapata Petroleum listed in the New York papers, you wrote a letter to the various Financial Editors indicating local interest in the issue. It has now been suggested that you write a similar letter proposing that they list Zapata Off-Shore, using as a basis for your request the fact that the National Association of Security Dealers has okayed Zapata Off-Shore for listing in the WALL STREET JOURNAL and that the JOURNAL has been carrying the listing since August 1.

Following are Financial Editors to whom you should address your letter:

NEW YORK HERALD TRIBUNE
Donald I. Rogers

NEW YORK WORLD TELEGRAM and SUN
Robert Denver

NEW YORK TIMES
John Forest

I am also enclosing a copy of a letter I wrote to John Hodges at the NASD, which they required when we applied for listing in the WALL STREET JOURNAL.

For your interest
~~I am also enclosing~~ a report by Van Alstyne, Noel & Company on Zapata Off-Shore.

Thanks for the papers on Sea Service, Inc., received this morning.

Sincerely,

Bill D.

WHD:F
ENC.

July 26, 1956

Mr. John H. Hodges,
Secretary, Quotations Committee,
National Association of Securities Dealers, Inc.
25 Broad Street
New York, N.Y.

Dear Mr. Hodges:

Rather than wait for Merrill Lynch, Pierce, Fenner & Beane's area breakdown of their 40 Zapata Off-Shore Company stockholders, we have checked our own offices in St. Louis, New York, and Providence, and find that our holdings in street name for customers are enough to bring the totals above your minimum requirements. The breakdown is as follows:

Zapata Off-Shore Company reports	1,411 individual holders
Zapata Off-Shore Company reports	55 brokerage house holders
G.H. Walker & Co. reports	<u>75</u> individual holders (stock in street name)
Total	1,541

In addition, the Zapata Off-Shore Company reports 185 holders in this area (New York 141, Connecticut 34, and New Jersey 10). G.H. Walker & Co. has 65 area holders (New York 48, Connecticut 13, and New Jersey 4, and there are 55 brokerage houses listed, all in the New York area, giving a total of 305 in the tri-state area.

As I pointed out this morning, there are actually many more holders in this area represented in the holdings of the 55 brokerage houses. This letter will serve as an interim indication that Zapata Off-Shore at least has exceeded the minimum requirements.

In accordance with our conversation, we understand that you will be able to grant approval on the basis of this information and that you will inform us of any further breakdown you may need.

Sincerely yours,

William H. Donaldson
Assistant to Mr. G.H. Walker, Jr.

WHD:ro

Poppy:

NASD requires that you have over
1500 shareholders and over 300 in the
New York, New Jersey + Conn. area -

Rip

August 20, 1956

Mr. Reginald Pressprich
G. H. Walker & Co.
1 Wall Street
New York 5, New York

Dear Mr. Pressprich:

Billie Jackson in our Houston office handed me your letter of August 16. We are getting very low on these prospectuses but I am sending you a few under separate cover. You will note that some of these have the additional statements attached to them and the remainder do not. I believe you have some of the statements there, but if you do not, please let us know and we will forward you some from our Houston office.

Yours very truly,

George H. W. Bush
President

GHWB:JMcB

G. H. WALKER & CO.

INVESTMENT BANKERS

ESTABLISHED 1900

MEMBER
NEW YORK STOCK EXCHANGE

ONE WALL STREET
NEW YORK 5, N. Y.

ST. LOUIS
PROVIDENCE
HARTFORD
BRIDGEPORT
WHITE PLAINS

TEL. HA 2-4000
CABLE: "WALKERIAN"

August 16, 1956

Miss Johnson
Zapata Off-Shore Company
2218 First City National Bank Building
Houston 2, Texas

Dear Miss Johnson:

We would appreciate receiving from you 100
copies of the prospectus relating to \$2,150,000 Zapata Off-Shore
Company 5 $\frac{1}{2}$ % Subordinated Convertible Debentures due 1971 with
supplements to fill requests.

Thanking you kindly, I am

Very truly yours

G. H. WALKER & CO.


Reginald W. Pressprich, Jr.
Partner

RWPJr/az

P. O. Box 2216
Midland, Texas
August 10, 1956

Mr. A. V. Morin
G. H. Walker & Co.
1 Wall Street
New York 5, New York

Dear Al:

I believe that you or either Mr. Pressprich called our Houston office regarding conversions. We are having some instructions drawn up by our attorney for the use of J. P. Morgan & Co. Incorporated and the Texas National Bank, and as soon as this has been prepared, copies will be forwarded to you and the banks.

In the meantime, if there is a conversion that has to be made I suggest that J. P. Morgan & Co. pass the debenture along to Mr. Leslie Lewis at the Texas National Bank since they have already handled two conversions.

Best regards.

Yours very truly,

ZAPATA OFF-SHORE COMPANY

George H. W. Bush
President

GHWB:JMcB
cc: Baine Kerr

P. O. Box 2216
Midland, Texas
August 9, 1956

Mr. G. H. Walker, Jr.
G. H. Walker & Co.
1 Wall Street
New York 5, New York

Dear Herbie:

Sam Winstead has elected to resign as a Director of Zapata Off-Shore Company and we are going to accept his resignation.

Because of the support he has shown in both Petroleum and Off-Shore, we are planning to elect Tom Devine a Director of Zapata Off-Shore. The quorum provisions in our by-laws are such that we need a four-man quorum and with Tom in this part of the country it will greatly facilitate our Board meetings. I hope that there will be at least one more vacancy created before the first of the year and if I had my choice I would like to see Underwood resign as well. Although I doubt that such a resignation will be voluntarily forthcoming. Bob Parish should rightfully resign and if he does shortly we will most certainly want to get your ideas as to whether Mr. Stillman or somebody else should be approached. I hope that this plan meets with your approval. I am sure it is in the best interest of the Company and all of the stockholders and bondholders. Tom is a very thorough going and hard working fellow and he has always given lots of time to the Company just because he is interested. We have not notified him of his election, but I will plan to hold a Directors meeting at Houston before too long to formalize this action.

We are looking forward to Mother's visit tomorrow.
Hurriedly, but with best regards.

Yours very truly,

George H. W. Bush

GHWB:JMcB

P. O. Box 2216
Midland, Texas
August 7, 1956

Mr. G. H. Walker, Jr.
One Wall Street
New York 5, New York

Dear Herbie:

I have mailed the mimeographed memorandum to a few people who have been particularly interested in the Scorpion. These people include your various offices and a few of our stockholders. The typed letter is a proposed letter to stockholders. I have not had this printed as yet and would like to have your reaction to it before proceeding. Could you give me a collect call here in Midland after looking it over.

The market certainly has acted nicely and I do not want to do anything to disturb that. It might be that we should hold this letter in readiness until we feel that it should be sent out.

Another thing I would like to get your opinion on is the problem of short term paper for Zapata Off-Shore. We are looking into ways of prepaying some of our debt so as to save on the 6% interest. Do you think this would be better than buying treasury bills or some such liquid investment? Milton Underwood called me today about some Fanny Maes so I told him we wanted to think the problem through a little more before doing anything and be sure exactly what our cash requirements are going to be.

Hurriedly but with love to all the family.

Yours very truly,

George H. W. Bush

GHWB:JMcB

July 24, 1956

Mr. G. H. Walker, Jr.
G. H. Walker & Co.
1 Wall Street
New York 5, New York

Dear Herbie:

I am attaching the Zapata Off-Shore Company check for \$10,000 for the agency fee on the recent financing. Hugh and I have both stated how reasonable we feel this is especially in light of the tremendous job you did for us up there.

Would you please thank Bill Donaldson, Al Morin and all the others who assisted you in making this thing successful.

Very truly yours,

George H. W. Bush

GHWB:JMcB
Attachment

Withdrawal/Redaction Sheet

(George Bush Library)

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION	CLASS.
06. Letter	From G.H. Walker, Jr. to George Bush RE: Financial information (2 pp.)	7/18/56	C	
COLLECTION George Bush Personal Papers Zapata Oil File Business Correspondence Files				
FILE LOCATION Correspondence with G.H. Walker and Co. (to Jan. 1959) [1955-1959] OA/ID Number Date Closed 10/26/99				

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P-1 National Security Classified Information [(a)(1) of the PRA]
- P-2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P-3 Release would violate a Federal statute [(a)(3) of the PRA]
- P-4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P-5 Release would disclose confidential advise between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P-6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

Freedom of Information Act - [5 U.S.C. 552(b)]

- F-1 National security classified information [(b)(1) of the FOIA]
- F-2 Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- F-3 Release would violate a Federal statute [(b)(3) of the FOIA]
- F-4 Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- F-5 Release would constitute a clearly unwarranted invasion of personal privacy [(b)(5) of the FOIA]
- F-6 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- F-7 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- F-8 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

July 30, 1956

Dear Herbie,

I am attaching a pro-forma balance sheet on Off-Shore dated Jan. 31, 1957. Some of these figures we want to keep confidential but I did want you to see them.

The bank called and they have stated that they are 95% sure of making the deal but they want plenty of time to commit. Kline McGee is going on vacation and they want more time when he gets back. We must let LeTourneau know very soon whether we want him to carry any paper. Even though we have no firm bank commitment, we will notify LeTourneau that we will go the cash route with him. This will give us an \$85,000 cash savings on the new lease. We are sure we can work the deal out even if Texas National does not come through. We are talking to them about a \$1.7 million loan. To get our cash discount from LeTourneau we only need about a \$1 million loan, however we want to pay Oil Well Supply in cash if we can.

The Scorpion is moving again. They started yesterday and were about to raise up when one leg broke through a hard sand shelf. It went in 32' before it got a bearing. They are now jetting trying to break through the shelf with the other two legs. We were just lucky the shelf didn't give with the barge raised. Dean thought it might take another 12 hours to jet the other two legs through.

Thanks for handling the stock deal so quickly and so well.

Off to Dallas tomorrow.

Take a plunge and a good martini for me.

Love to all,

Withdrawal/Redaction Sheet

(George Bush Library)

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION	CLASS.
07. Letter	From Hugh Liedtke to G.H. Walker, Jr. RE: Financial information (1 pp.)	5/18/56	C	
COLLECTION George Bush Personal Papers Zapata Oil File Business Correspondence Files				
FILE LOCATION Correspondence with G.H. Walker and Co. (to Jan. 1959) [1955-1959] OA/ID Number Date Closed 10/26/99				

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P-1 National Security Classified Information [(a)(1) of the PRA]
- P-2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P-3 Release would violate a Federal statute [(a)(3) of the PRA]
- P-4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P-5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P-6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

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- F-3 Release would violate a Federal statute [(b)(3) of the FOIA]
- F-4 Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- F-6 Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- F-7 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- F-8 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- F-9 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

P. O. Box 2216
Midland, Texas
February 6, 1956

Mr. G. H. Walker, Jr.
G. H. Walker & Co.
1 Wall Street
New York 5, New York

Dear Herbie:

I have sent the attached letter to Falgout today. As soon as you get the figures perhaps we should talk more about setting up a meeting with Falgout. It was too bad he did not have them while you were in Florida, but he could not get Ernst & Ernst to speed them up. I have a good deal of confidence in Tillman. He has told me that if it is not practical to set the thing up as a large boat company, he would have from time to time individual boat deals which would require financing and which he could own on a partnership basis. Dean and I feel there is a definite place in this growing industry for a large boat company, and Falgout, with his experience and integrity, seems to us to be a good man to head it up. He is not too savvy on high finance or anything like that, but he knows his own business and has been very successful.

We had an encouraging talk with Continental on the tender and were very pleased with our reaction with the COLLIERS man. He maintains he is going to feature Zapata in the COLLIERS article.

We had two dry holes here in West Texas over the weekend; one of these was a disappointing one in Martin County. This was a deep well in which Louis had an interest. It ran high but was not high enough to make a well. Of course, we cannot expect them all to be wells, but this one could have been very big had it hit. We have set pipe on a couple of other wells which we should know more about in a week or so.

I will be talking to you shortly. Best regards.

Yours very truly,

George H. W. Bush

GHWB:JmCB

Losc

Midland, Texas
October 17, 1955

Mr. G. H. Walker, Jr.
G. H. Walker & Co.
One Wall Street
New York 5, New York

Dear Herbie:

I am attaching the N.A.S.D. forms as requested by you in your letter of October 10. With the stock held in the names of the brokers we may reach the 1500 share mark, but the 300 from the district of New York, New Jersey and Connecticut might be difficult to achieve.

Bar and I were in Houston Friday and Saturday for the opening of the Texas National Bank. We went down to Galveston and went out on one of our Falgout boats. The Nola is on location and is practically rigged up. LeTourneau is supposed to launch the platform either today or yesterday, so I will probably be in Vicksburgh most of this week.

Still no word on the Jameson.

Best regards,

Yours very truly,

George H. W. Bush

GHWB:JMc
Encl.

To---
District No. 13

National Association of Securities Dealers, Inc.
25 Broad Street, New York 4, New York.

Date October 15, 1955

Application for market-release to the Press through N.A.S.D. with respect to

ZAPATA OFF-SHORE COMPANY - common stock
(correct title of security issue)

Authorized 760,000 Outstanding 722,000

1. What is the present market quotation?
2. Has this security been registered with the S.E.C.? Yes
3. Is this issue listed or traded on any Securities Exchange? No
Where?
4. Are there at present any plans to list or obtain trading privileges on any
Securities Exchange? No Where?
- x 5. List amount held by each of the ten highest holders of record See Exhibit "A"
See Exhibit "A" attached
6. Do you know of any option outstanding and if so, give details?
2500 share option in favor of Hoyt S. Taylor, Chief Engineer
7. Do you know of any plans for a "secondary" distribution or additional
offerings and if so, give details? There are no plans for either
8. Has this security been rejected for registration or distribution by any
Federal or State authority? No Where?
- x 9. Number of stockholders 1344 exclusive of brokers (see attachment)
10. Stockholders-distribution. Please report on form attached.

INFORMATION REGARDING THE COMPANY

- A. Correct name Zapata Off-Shore Company
- B. Address of main office City National Bank Building, Houston, Texas
- C. Is it the custom of this company to make public announcements as to
dividend declarations at least one week prior to the stock of record
date; if not, what will be the company's policy in this respect? (See
"Minimum Requirement E"). Have not paid dividends as yet. By
policy will comply with minimum requirements "E".
- D. What is the policy of this company with respect to the publication of its
financial statements? (See "Minimum Requirement F").
Financial statements will be available for publication at least
once a year.
at least once a year.

(Signature)

MINIMUM REQUIREMENTS

No security will be accepted which does not meet the following minimum requirements, unless it should appear to be in the public interest to make exception:

- A. There shall be outstanding, satisfactorily distributed, in the hands of the public securities of the issue of a market value of \$500,000. for stocks, \$2,000,000. for bonds.
- B. There shall be a sufficient number of stockholders in this district to indicate relative public interest.
- C. There shall be sufficient dealer activity indicated to assure a realistic market.
- D. The market price shall be not less than \$3.00 per share.
- E. Dividend Declaration Policy must include publication of declaration at least one week prior to Stock of Record date.
- F. It shall be the policy of the company to make available to the public, through the Press or some financial service, their financial statements at least once a year.

Date October 15, 19 55

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.
25 Broad Street
New York 4, N. Y.

Gentlemen:

Re: ZAPATA OFF-SHORE COMPANY - Common stock

The number of stockholders in each state is as follows:

	State Totals
Alabama.....	5
Arizona.....	2
Arkansas.....	1
California.....	6
Colorado.....	17
Connecticut.....	13
Delaware.....	
District of Columbia.....	
Florida.....	4
Georgia.....	4
Idaho.....	
Illinois.....	20
Indiana.....	2
Iowa.....	
Kansas.....	4
Kentucky.....	
Louisiana.....	51
Maine.....	
Maryland.....	
Massachusetts.....	1
Michigan.....	3
Minnesota.....	3
Mississippi.....	6
Missouri.....	64
Montana.....	

	State Totals
Nebraska.....	2
Nevada.....	
New Hampshire.....	
New Jersey.....	3
New Mexico.....	1
New York.....	52
North Carolina.....	1
North Dakota.....	
Ohio.....	1
Oklahoma.....	64
Oregon.....	
Pennsylvania.....	1
Rhode Island.....	
South Carolina.....	
South Dakota.....	
Tennessee.....	25
Texas.....	90
Utah.....	3
Vermont.....	
Virginia.....	2
Washington.....	
West Virginia.....	
Wisconsin.....	74
Wyoming.....	1
Canada.....	2
British Honduras.....	1
Puerto Rico.....	1

The total number of stockholders is 1344

Signed _____

G. H. WALKER & CO.

INVESTMENT BANKERS

ESTABLISHED 1900

MEMBER
NEW YORK STOCK EXCHANGE

ONE WALL STREET
NEW YORK 5, N.Y.

ST. LOUIS
PROVIDENCE
HARTFORD
BRIDGEPORT
WHITE PLAINS

TEL. HA 2-4000
CABLE: "WALKERIAN"

October 10, 1955

Mr. George H. W. Bush
Zapata Off-Shore Company
2218 City National Bank Building
Houston 2, Texas

Dear Pop:

Enclosed herewith are forms that must be filled out if we are to get a regular quotation for Zapata Off-Shore through the N.A.S.D. If we can accomplish this it will mean that Zapata will be quoted in the papers every morning. That would be THE NEW YORK TIMES, NEW YORK TRIBUNE and THE WALL STREET JOURNAL. Next to listing, this is the best that can be done and I know that people appreciate being able to look in the paper and see what their stock is selling at. I know the people at the N.A.S.D. here very well as I served on one of their principal committees for several years. Consequently I feel that I can get as much cooperation in getting this through as anybody but I will need the enclosed questionnaire to be filled out and returned to me. I think you will be able to furnish detailed answers for all but No. 1, which I will do when you return it here.

Their basic requirements are that we have to have 1500 individual shareholders and 300 in the district of New York, New Jersey and Connecticut. Probably a fair amount of the stock will show up in the names of brokers and I will have to get the various New York firms to break that down into the number of customers so that we can qualify under the 300 rule.

Will you return this data to me as soon as possible.

Enjoyed your letter on the Off-Shore company and the pictures of the mobile drilling platform. This is very good publicity and I am glad you are continuing to get something out periodically.

With all best to you,

Devotedly,

Herbie

G. H. Walker, Jr.

GHWjr:ms
Encl.

Minutes of a special meeting of the Board of Directors of Zapata Off-Shore Company held at 3:00 p.m. in the offices of the Company at Houston, Texas, Thursday, Oct. 6, '55. Directors present were George H. W. Bush, Sam G. Winstead, Milton R. Underwood, and Wayne H. Dean. Directors absent: J. Hugh Liedtke and Robert U. Parish. Mr. Bush served as Chairman and Secretary of the meeting. Mr. Bush stated that the purpose of the meeting was to ratify certain agreements which the Company had entered into. He pointed out that these agreements, for the most part, had been authorized by the Directors at the last meeting.

Chairman presented to the meeting an option agreement between Zapata Petroleum Corporation and Zapata Off-Shore Company. He stated that this agreement, in effect, gave Zapata Petroleum Corporation certain preferential rights for the purchasing of the Nola I, however, the main purpose for this agreement was to extend to Zapata Off-Shore Company so that it could borrow money from the Texas National Bank ~~the~~ credit to Zapata Petroleum Corporation. Mr. Winstead noted that in event of default before Zapata Petroleum Corporation could execute its rights to purchase the Nola I and assume the Zapata Off-Shore Company debt, Zapata Off-Shore Company had a period of thirty days in which it could try to refinance or sell the Nola I on a more profitable basis. Upon motion duly made and seconded ~~the directors~~ ^{approved} the execution and delivery of the option agreement with Zapata Petroleum Corporation, dated August 8, 1955 ~~was unanimously ratified.~~

Mr. Bush presented to the meeting a loan agreement with the Texas National Bank of Houston, dated August 18, 1955. It was pointed out that the loan covered by this agreement was in the amount of \$575,000, payable in 24 months. Upon motion made by Mr. Underwood and seconded by Mr. Dean, the Directors unanimously ratified the execution of the loan agreement dated August 18, 1955 with the Texas National Bank of Houston.

The Chairman stated that it would be necessary to authorize the borrowing of the \$575,000 pursuant to the loan agreement and further to authorize the execution of note referred to in the loan agreement. Upon motion made by Mr. Winstead and seconded by Mr. Underwood, the Directors unanimously authorized the borrowing of the \$575,000 pursuant to the loan agreement and execution of the note referred to therein.

Mr. Bush stated that the bank required a Ship Mortgage securing the note. He presented a form of Ship Mortgage to the Directors and upon motion made by Mr. Underwood and seconded by Mr. Winstead, the Directors unanimously authorized the execution of the Ship Mortgage securing the bank note.

Mr. Bush pointed out that the loan agreement called for assignments of the option agreement ratified as the first order of business at this meeting and the assignment of the Standard Contract. Upon motion made by Mr. Underwood and seconded by Mr. Dean, the Directors authorized the collateral assignments of the option agreement and of the Standard contract as contemplated by the loan agreement.

Chairman stated that the officers should have a general authority conferred on them by the Directors to take any other action which might be necessary to close the Texas National Bank deal. The following ^{resolution} ~~motion~~, made by Mr. Winstead and seconded by Mr. Underwood, was unanimously adopted.

RESOLVED: That the Officers of the Company are hereby authorized to take any and all other action and to execute and sign and deliver any other documents that may be necessary or appropriate in connection with the loan agreement with the Texas National Bank of Houston.

Mr. Dean reported on the progress of the Nola I, the Company's YF Tender which had been converted at Hunt Tool Company Marine Yard at Harvey, Louisiana. He stated that the Nola was presently at Galveston about ready to go on location for the

Standard of Texas. Mr. Bush suggested that it would be wise to authorize the Officers to accept the conversion work on the Nola at such time the Officers determine that the work had been satisfactorily completed. Upon motion made by Mr. Underwood and seconded by Mr. Winstead, it was unanimously resolved that the Officers of the Company are hereby authorized to accept the conversion work on the Nola I at such time that the Officers determine that the work has been satisfactorily completed.

Chairman presented to the meeting a note form to be executed by the Company in favor of the Hunt Tool Company and a second Maritime Mortgage Form also to be delivered to Hunt. Upon motion made by Mr. Winstead and seconded by Mr. Underwood, the Directors unanimously approved the form of the Hunt Tool Company note and a second Maritime Mortgage securing it and authorized the Officers to execute and deliver the note and the mortgage when they have accepted the conversion work.

Mr. Bush presented some financial reports to the meeting, showing the overall expenditures of the Company. He pointed out that the Company's working capital position, though less than originally estimated, was in sound shape.

Mr. Bush then stated that in order to conduct the affairs of this Company it was, in his opinion, advisable to have an assistant treasurer of the Company. Upon motion duly made and seconded, Mr. J. A. Rudolph was unanimously elected assistant treasurer to serve until the next regular election of officers.

There being no further business to come before the meeting it was moved that the meeting stand adjourned.

205C

September 12, 1955

Mr. G. H. Walker, Jr.
G. H. Walker & Company
One Wall Street
New York, New York

Dear Herbie:

Thanks for your letter of September 8. It was on my desk when I returned this morning from Houston.

Hugh and I are inclined to agree with your reaction namely that we should look very carefully at this deal before going into it. I understand that Hugh has written you in some detail about our thinking on this point.

While in Houston I did some inquiring about the Texas Gulf well but did not come up with anything too authoritative. Mike Halbouty, a prominent Houston geologist, told me that he had seen something in the paper about this well. Said they were suppose to have some 80 neet feet of pay out of four sands which occurred fairly close together. I have a few feelers out and if I come up with anything authentic I will let you know.

I was in New Orleans on last Thursday and the YF tender is just about ready to go. In fact, they will start loading this week and the tender leaves port on the morning of the 16th of September. We will be on the payroll with Standard starting that day. A couple of our boats are already on Standard's payroll.

No definite news yet on the LeTourneau barge contract but will keep you posted.

Best regards,

GHWB/cd

205C

September 7, 1955

Mr. G. H. Walker, Jr.
G. H. Walker & Company
One Wall Street
New York, New York

Dear Herbie:

First of all let me thank you for the many things that you did for Barbara, the kids and myself during the month of August. Both Bar and I had an absolutely perfect vacation and we can think of no way in which it might have been improved. I have never enjoyed myself more and I returned here to Midland feeling like a million dollars. You and Mary were wonderful to us with all the picnics, the golf, the laughs, etc. I don't even dare hope that we will ever have another vacation like this again.

I was home one day and then I went to Houston. Thursday, the first, we went to Vicksburg and had a very inspiring trip. The deck of the platform was 80 feet above the ground and while we were there they raised the platform another five feet. The whole thing was terrific. The platform is huge and it moved beautifully - just like an elevator only actually it was smoother. The whole thing was moved by three simple little levers all controlled by one man. They have tested the platform with 7½ million pounds and it moved very nicely. The anticipated schedule is as follows: LeTourneau will complete their work in three weeks. We will then require about six weeks to finish our work. This means that we will have a delivery working date of around November 15 or December 1.

We had two of Shell's top people out of New Orleans at the platform Thursday and they were very enthusiastic about it. They have asked that I come to New Orleans with Wayne Dean the end of this week to discuss contract. Last Friday we had a meeting in Houston with the top Gulf people. Mr. Brockett, the vice president, kind of presided but Newie Simpson, chief of production, and three other top officials were on hand. They have asked that we submit a proposal based on a footage incentive deal. It is too early to say when we will work out a contract, but I am confident that we will be able to negotiate a very favorable one for Zapata Off-Shore. Of course we can't say as yet that the LeTourneau platform is an absolute cinch, but having been to Vicksburg and seeing it 85 feet above the ground I can only say that it is most impressive and everyone who has seen it thinks it will work.

Mr. G.M. Walker, Jr.

-2-

9-7-55

The YF tender is making good progress and we hope to have it leave Harvey, Louisiana on the 10th of September. That means that it will be on the Standard payroll then. Friday, after returning from Vicksburg, I went over to Galveston to see our shore base. This is a small dog house type of arrangement right on the water front where Standard Oil Company of Texas has a wharf. We signed our boat contract Friday for the use of the crew boats and tugs. It will be good to get this tender working so that we will at last have some income.

Our house and dog and everything here in Midland was in good shape when we returned. Georgie starts to school this week so once again all will be normal. We will miss the wonderful picnics, the marvelous cold water and the lobster dinners. We certainly have many happy memories to carry through the year. Many thanks again to you and Mary and all the Walkers for giving us such a marvelous time.

Devotedly,

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June 16, 1955

Mr. G. H. Walker, Jr.
G. H. Walker & Company
One Wall Street
New York, New York

Dear Herbie:

Hugh and I returned from St. Louis yesterday. We had a very nice visit there at G. H. Walker & Company. We were in meetings all Monday afternoon and all of Tuesday so that we did not have a chance to do anything but meet. As always everyone was wonderful to us. I saw Cliff and Mr. Bixby very briefly and saw a good bit of George Newton since he set up and sat in on two meetings that we had. His Syrian deal, although a long shot, is well worth some preliminary work. It could be a tremendous thing and it seems to me it is one we can check very easily. He had three real live Arabs there in the office which made things mighty interesting. We made the lead Arab, Mr. Menhall, a general proposition which he might or might not accept. All it really consists of is to give us some time to do some checking on the deal. At first we did not think we would really be interested but after setting in on the very first meeting, the tremendous possibilities of the deal unfolded and we can now see Zapata of Syria producing several 8,000 per day wells.

On returning I found an interesting letter from Jim Gammell. This proposed sale brings out many complicated problems regarding our corporate structure. (Incidentally, our meeting in St. Louis with Climax was a successful one and they are still very interested in the property. Our report will be finished next week and at that time they will know a lot more about what they want to do). I have given a lot of thought to the problem on this end. If we make this sale I would like, if possible, to get Zapata and Walker-Bush back together again. I know that Hugh would like this and he feels that the Tulsa people who may have been reluctant to give value to the Walker-Bush assets now would be willing to make some kind of a deal. Eric and I talked some about this and from Gammell's recent letter I know that he too would like to see an amalgamation, provided, of course, that it could be worked out on a fair basis for all. It seems to me that we will have some negotiating with Climax to do before too long. At this time I would like to explore your ideas as to what is the best way to go. Under the current set up we have so darn many companies that, in my opinion, anything we could do to simplify the corporate structure would be an improvement. I think many things have

Mr. G. H. Walker, Jr.

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changed since our discussions last year. For one thing, I think that Hugh and I have a much better understanding of each other and I think we are both convinced that together, working towards the same goal, we could do a creditable job. I will try to give some thought to a possible solution so that we won't have to start from scratch in any discussion.

Our Crockett County well is a dry hole. The Lowry well which we fraced is pumping 70 barrels a day. We have our fingers crossed hoping it will hold up to this rate. Even if it falls off to 20 or 25 barrels this job will have been well worth while. The L & E #2 is shut in to let the pressure build up. This is not costing us anything and the engineer hopes that by leaving it shut in for a few days the well may flow.

We have had a favorable response so far from our last Off-Shore release. I had another good talk with the Gulf in Houston, last Friday, and we hope to get some of their people to Vicksburg next week. Hoyt Taylor reports optimistically from Vicksburg on the barge's progress.

I am sorry that I am going to miss the O'Brien-Mead wedding but things have been so hectic here between our traveling to Dallas and Houston so much that I just cannot possibly get away.

Best regards to all.

Very truly yours,

George H. W. Bush

GHWB/cd

May 25, 1955

Mr. G. H. Walker, Jr.
G. H. Walker & Co.
One Wall Street
New York 5, New York

Dear Herbie:

Attached are two copies of the press release on the Standard of Texas deal.

As soon as we have received word from the American Bureau of Shipping and have signed the Standard contract, I will send you a wire.

Please do not let this information get out until that time. Many thanks.

Yours very truly,

George H. W. Bush

GHWB:JMc
Encl.

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G. H. Walker

January 7, 1957

Mr. G. H. Walker, Jr.
G. H. Walker & Company
1 Wall Street
New York 5, New York

Dear Herbie:

Regarding the deal LeTourneau has reportedly made with Deepwater, it is most important that any action we might take to remedy LeTourneau's failure to notify us not be publicly aired. There is a very serious question involved here and we do not want to expose ourselves to any legal action on the part of Deepwater Exploration Company.

Our lawyers are charting our course of action, but they asked us to notify all our company people and all others familiar with our feelings in this matter, not to mention it at all. I'll keep you advised.

I am off again today--this time to Dallas, Houston, New Orleans, Baton Rouge and Vicksburgh.

Regards to all,

Yours very truly,

George H. W. Bush

GHWB:bs