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Subseries: Zapata Oil File, Business Correspondence File

OA/ID Number: 25851
Folder ID Number: 25851-004

Folder Title:
[Inter-Office Correspondence] - Sterling Little [1957-1959]

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STERLING E. LITTLE
CONSULTING GEOLOGIST

SL

NEW ORLEANS 12, LA.
April 1, 1959

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

Re: MONTHLY PROGRESS REPORT (MARCH 1959)
Zapata Off-Shore Account

SUBMITTALS

<u>Area</u>	<u>Operator</u>	<u>Remarks</u>
X 1. Gulf Campeche, Mexico	Pauley - ODECO	Pending
2. Concession 143 & 144, Columbia S/A	D. Vasser, et al	Pending
✓ 3. Cayo Romano Area, Cuba	Cuba - California	Checking Loc.
4. Arsnicker Area, Florida	Gulf - Hargrove	Deal Expired
X 5. High Island Area (Blks. 215, 220, 224)	Texas Gulf Sulphur	Pending
X 6. High Island Area (Blks. 240, 241, N/2 255)	Humble	Pending
✓ 7. Matagorda Bay (Blks. 90, 91, 105, 106, 107)	Texas Gulf Sulphur	Pending
8. South Pelto (Blks. W/2 19, 20, 11 & 12)	Magnolia	Negotiating
9. Vermilion (Blks. 103 & 104)	California, et al	Negotiating
X 10. East Cameron (N/2 Blks. 60, 61, NE 62)	CATCO	Will Drop
11. Ship Shoal (Blk. 14, St. Lse. #3159)	CATCO	Rejected
X 12. South Timbalier Area (E/2 Blk. 97)	Hunt	Pending
X 13. Matagorda & Mustang Island Areas	Atlantic	Considering

MONTHLY ACTIVITY

1. Zapata et al #1 St. Lse. 2548, Blk. 51, West Delta Area, Spudded 2/12/59 - D & A February 26, 1959 @ 9025' T.D.
2. Seismic work on CATCO farmout N/2 Blks. 60, 61 and NE 62, East Cameron Area shot out unfavorable - will discuss with CATCO.

Very truly yours,

Sterling E. Little
Sterling E. Little

SEL:lg

March 25, 1959

Mr. Sterling E. Little
436 National Bank of Commerce Building
New Orleans, Louisiana

Dear Mr. Little:

Enclosed are the electric logs, micro logs and
core information on the Atlantic Refining Company's
Matagorda Island Area Wildcat, Block 726 Prospect.

Yours very truly,

ZAPATA OFF-SHORE COMPANY

R. C. Mosby

RCM:bb

encls

c.c. W.H. Dean

G. Bush

ZAPATA OFF-SHORE COMPANY
INTER-OFFICE CORRESPONDENCE

TO: Sterling Little
FROM: George H. W. Bush

DATE: March 20, 1959
SUBJECT:

Do we have any interest in this? I will
talk to you about it next week. Best regards.

STERLING E. LITTLE
CONSULTING GEOLOGIST

NEW ORLEANS 12, LA.

March 2, 1959

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

Re: MONTHLY PROGRESS REPORT (FEBRUARY 1959)
Zapata Off-Shore Account

SUBMITTALS

<u>Area</u>	<u>Operator</u>	<u>Remarks</u>
1. Gulf Campeche, Mexico	Pauley - ODECO	Pending
2. Concession 143 & 144, Columbia S/A	D. Vasser, et al	Pending
3. Cayo Romano Area, Cuba	Cuba - California	Negotiating
4. Arsnicker Area, Florida	Gulf - Hargrove	Considering
5. High Island Area (Blks. 215, 220, 221)	Texas Gulf Sulphur	Pending
6. High Island Area (Blks. 240, 241, N/2 255)	Humble	Pending
7. Matagorda Bay (Blks. 90, 91, 105, 106, 107)	Texas Gulf Sulphur	Pending
8. South Pelto (Blks. W/2 19, 20, 11 & 12)	Magnolia	Negotiating
9. Vermilion (Blks. 103 & 104)	California et al	Negotiating
10. East Cameron (N/2 Blks. 60, 61, NE 62)	CATCO	Will shoot
11. Ship Shoal (Blk. 44, St. Lse. #3159)	CATCO	Considering

MONTHLY ACTIVITY

1. Zapata et al #1 St. Lse. 2548, Blk. 51, West Delta Area, Spudded 2/12/59 - D & A February 26, 1959 @ 9025' T.D.
2. Contracted seismic work on CATCO farmout N/2 Blks. 60, 61 and NE 62, East Cameron Area.

Very truly yours,

Sterling E. Little
Sterling E. Little

SEL:lg

ZAPATA OFF-SHORE COMPANY

INTER-OFFICE CORRESPONDENCE

TO: Sterling Little

DATE: February 23, 1959

FROM: George Bush

SUBJECT:

Would you please follow up with Pan American and Texas Company on this in the middle of the week. Best regards.

GB:McB
Attachments

ZAPATA OFF-SHORE COMPANY
INTER-OFFICE CORRESPONDENCE

TO: Sterling Little

DATE: February 6, 1959

FROM: George Bush

SUBJECT:

Today I received a letter from Wallace Downer as follows:
"Re E $\frac{1}{2}$ Blk. #118-Eugene Is. Area. Sometime ago you were interested in working out a deal relating to above acreage. What are your thoughts at this time. Let me hear from you."

Please let me know what our interest in this is at this time.

GB:JMcB

STERLING E. LITTLE
CONSULTING GEOLOGIST

NEW ORLEANS 12, LA.
February 2, 1959

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

Re: MONTHLY PROGRESS REPORT (January 1959)
Zapata Off-Shore Account

SUBMITTALS

<u>Area</u>	<u>Operator</u>	<u>Remarks</u>
1. High Island Area (Blks. 215, 220, 224)	Texas Gulf Sulphur	Pending
2. High Island Area (Blks. 240, 241, N/2 255)	Humble	Pending
3. Matagorda Bay (Blks. 90, 91, 105, 106, 107)	Texas Gulf Sulphur	Pending
4. Gulf Campeche, Mexico	Pauley - ODECO	Pending
5. South Pelto Area (Blks. 20, W/2 19)	Magnolia	Negotiating
6. Vermilion Area (Blks. 103, 104)	California et al	Negotiating
7. Arsnicker Area, Florida	Gulf - Hargrove	Considering
8. East Cameron Area (N2 Blks. 60, 61)	QATCO	Considering
9. Cayo Romano Area, Cuba	Cuba - California	Considering
10. South Pelto Area (Blks. 11, 12, 19 & 20)	Magnolia	Considering

MONTHLY ACTIVITY

1. "NOLA" drilling barge departed shipyard 1/27/59 for Block 51, West Delta Location.

Very truly yours,

Sterling E. Little
Sterling E. Little

SEL:lg

STERLING E. LITTLE
CONSULTING GEOLOGIST

NEW ORLEANS 12, LA.

January 2, 1958

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

Re: MONTHLY PROGRESS REPORT (December 1958)
Zapata Off-Shore Account

SUBMITTALS

<u>Area</u>	<u>Operator</u>	<u>Remarks</u>
1. High Island Area	CATCO	Pending
2. High Island Area (Blks. 215, 220, 224)	Texas Gulf Sulphur	Pending
3. High Island Area (Blks. 240, 241, W/2-255)	Humble	Pending
4. Matagorda Bay (Blks. 90, 91, 105, 106, 107)	Texas Gulf Sulphur	Pending
5. Gulf Campeche, Mexico	Pauley - ODECO	Pending
6. South Pelto Area (Blsk. 20, W/2-19)	Magnolia	Negotiating
7. Vermilion Area (Blks. 103, 104)		

MONTHLY ACTIVITIES

1. Block 51, West Delta Area - Finalizing negotiations with California Company and CATCO to drill in January 1959 with "NOLA".
2. Block 51, West Delta Area - Advertised open acreage offset to west for bid.

Yours very truly,

Sterling E. Little
Sterling E. Little

SEL:lg

ZAPATA OFF-SHORE COMPANY
INTER-OFFICE CORRESPONDENCE

TO: Mr. George Bush

FROM: Sterling Little

CC: Mr. Wayne Dean

DATE: December 2, 1958

SUBJECT: Magnolia Petroleum Co. Farmout, Blocks 20 & W/2 19 (Block 20 Fld.),
South Pelto Area, Offshore, Louisiana

Following our recent meeting with Magnolia Petroleum Company, Mr. Basil Moss, District Landman, was again contacted relative to a proposal for the entire shallow rights on the Block 20 Field. "Shallow rights" would include depths to approximately 7500' or sufficient to include the apex and crown of the salt dome structure above the steeply dipping flanks. The basis of this farmout as generally outlined would possibly require at least four shallow tests with one to each quadrant of the structure to earn a one half interest in all leases to 7500' with possibly a minimum footage requirement in total or on a well basis. The salt crown covers portions of blocks 11, 12, 20 and 19 and lease exploration would undoubtedly be an additional requirement. We have suggested the "NOLA" as being ideal for this program with perhaps development assistance if required by the Vinegaroon.

By drilling the shallow wells with possibly one on Block 19 and one on Block 20, we would also earn an option (time to be agreed upon) to drill either or both Blocks 19 and 20 to earn all rights with a deeper well for each block. Magnolia is not adamant about the 14,000' obligation test although Continental and Newmont are requesting this depth to seek the deeper pay found on the north flank.

The farmout proposal as suggested in principal would be recommended by the Magnolia New Orleans office subject, of course, to approval by their partners. Present operators are interested in further development, not alone for economic gain, but also to strengthen their lease and development picture with the Department of Interior. Magnolia is currently budgeted for the next few years in the offshore area not to include shallow development of this nature and a deal of this type certainly is of interest to them at this time. Mr. Moss intimated that possibly some commitment for the purchase of oil could be worked out with them but definitely not gas production.

We can discuss the farmout proposal further although we should keep in mind that salt domes are limited in number and acquisition of acreage on domes in favorable stratigraphy is highly desirable especially in the general vicinity of a structure like Block 128 Field with some 90 million barrels of shallow reserves in one flank segment. The "E" drilling platform in place on Block 19 could also be made available to us either as a production platform or for use in a farmout deal to an operator possessing a tender in the event we should elect not to drill the deeper Magnolia farmout. The possibility of exploration through the salt overhang or drill for known production at a higher structurally position could be suggested as an alternate deep farmout compromise with some future date left to explore at greater depths to earn all rights.

J.E.L.

BUS.: TULANE 0468
RES.: FAIRVIEW 7611

6 NAT'L. BANK OF COMMERCE BLDG.

STERLING E. LITTLE
CONSULTING GEOLOGIST

NEW ORLEANS 12, LA.
November 1, 1958

Bush

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

Re: MONTHLY PROGRESS REPORT (October 1958)
Zapata Off-Shore Account

SUBMITTALS

<u>Area</u>	<u>Operator</u>	<u>Remarks</u>
1. High Island Area	CATCO	Pending
2. Louisiana Areas	Gulf	Pending
3. High Island (Blks. 215, 220, 224)	Texas Gulf Sulphur	Pending
4. Matagorda Bay (Blks. 90, 91, 105, 106, 107)	Texas Gulf Sulphur	Pending
5. High Island (Blks. 240, 241, N/2 255)	Phillips	Pending
6. Gulf Campeche, Mexico	Pauley & ODECO	Pending
7. #443 Magdalena, Colombia S.A.	D. Vasser et al	Pending
8. East Cameron Area (Blk. 75)	Phillips	Rejected

MONTHLY ACTIVITY

1. Meeting in San Antonio on Pauley Mexican deal
2. Negotiating several deals to include participation dependent on "NOLA" conversion.
3. Possible Zapata Blk. 51, West Delta farmout & drilling deal with Gulf & CATCO.

DRILLING ACTIVITY

1. Drilled #2 Well to 11,427' - lost hole while attempting to set protection and/or production string to drill deeper - plugged and abandoned.

Very truly yours,

SEL

Sterling E. Little

SEL:lg

ZAPATA OFF-SHORE COMPANY

INTER-OFFICE CORRESPONDENCE

TO: Sterling Little
FROM: George H. W. Bush

DATE: October 15, 1958
SUBJECT:

Don MacPherson with Cima called me yesterday from New York. Tentatively, we would like to make the following arrangements:

1. Have Sterling Little to meet Ed Martin at Reynosa on the 27th or 28th of October to go over the geology on the Uplands deal.
2. Nolan Stewart will either go with Sterling or follow shortly thereafter to check out the location on the Grejalva structure to see if the Nola could do the work.

If the geology checks out and if the floating equipment can operate we would all then have a meeting in Mexico shortly to work out a deal with Cima. Cima will be in touch with me next week about confirming the appointment for October 27 or 28 and I shall get ahold of you.

GHWS:JMcB

cc: Nolan Stewart

ZAPATA OFF-SHORE COMPANY
INTER-OFFICE CORRESPONDENCE

TO: Sterling Little
CC: Wayne Dean, Geo. Bush

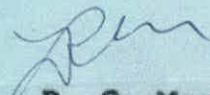
FROM: R. C. Mosby
DATE: October 10, 1958

SUBJECT: Puerto Rico Prospect

Here is the data and information on Maritime Oil Co., Houston, Texas prospect. Please review and return to the Houston office at your earliest convenience.

I met with Mr. Ray Ming and Mr. Tom Hughes today and they presented us with the data and particulars. Mr Ming is a Consulting Petroleum Geologist with offices in Houston as shown on his report. He is employed by Mr. David L. Gordon, president of Maritime Oil Co., Houston, Texas.

I told them we would be able to give them an initial answer by the end of the week of the 12th of October.


R. C. Mosby

BUS.: TULANE 0468
RES.: FAIRVIEW 7611

6 NAT'L. BANK OF COMMERCE BLDG.

STERLING E. LITTLE
CONSULTING GEOLOGIST

NEW ORLEANS 12, LA.

September 2, 1958

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

Re: MONTHLY PROGRESS REPORT (August 1958)
Zapata Off-Shore Account

SUBMITTALS

<u>Area</u>	<u>Operator</u>	<u>Remarks</u>
1. High Island Area	CATCO	Pending
2. Eugene Island Area (E/2 Blk.130)	Sohio et al	Pending
(W/2 Blk.137)	Sohio et al	Pending
3. Honduras, Central America	McCord Concession	Pending
4. Offshore, Gulf of Campeche, Mexico	D. Pauley & ODECO	Pending
5. #443 Magdalena, Colombia, S.A.	D. Vassar et al	Pending
6. Mustang Island (Blk. 774)	Gulf	Rejected
7. Birds Nest (Blks. 717, 742)	Gulf	Pending
8. West Cameron Area (Blk. 253)	Gulf	Pending
9. East Cameron Area (Blk. 110)	Gulf	Pending
10. East Cameron Area (Blks.105,114)	Gulf	Pending
11. Ship Shoal Area (Blks.1148,155)	Gulf	Pending
12. Ship Shoal Area (E/2 Blk. 138)	Gulf	Rejected

MONTHLY ACTIVITY

1. Vermilion Area (Blk. 96 Unit)	CATCO	Expired
2. Offshore, Gulf of Campeche, Mex.	E. Pauley & ODECO	Negotiating

DRILLING ACTIVITY

NONE

S. E. Little
Sterling E. Little

BUS.: TULANE 0468
RES.: FAIRVIEW 7611

36 NAT'L. BANK OF COMMERCE BLDG.

STERLING E. LITTLE
CONSULTING GEOLOGIST

NEW ORLEANS 12, LA.

August 11, 1958

Bush

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

Re: MONTHLY PROGRESS REPORT (July 1958)
Zapata Off-Shore Account

SUBMITTALS

<u>Area</u>	<u>Operator</u>	<u>Remarks</u>
1. High Island Area	CATCO	Pending
2. Eugene Island Area (E/2 Blk. 130)	Sohio et al	Pending
(W/2 Blk. 137)	Sohio et al	Pending
3. Honduras, Central America	McCord Concession	Pending
4. Offshore, Gulf of Campeche, Mexico	E. Pauley & ODECO	Pending
5. #143 Magdalena, Colombia, S.A.	D. Vassar et al	Pending
6. Mustang Island (Blk. 774)	Gulf	Checking
7. Birds Nest (Blks. 717, 742)	Gulf	Checking
8. West Cameron Area (Blk. 253)	Gulf	80' wtr.
9. East Cameron Area (Blk. 110)	Gulf	Checking
10. East Cameron Area (Blks. 105, 114)	Gulf	Checking
11. Ship Shoal Area (Blks. 148, 155)	Gulf	40-50' wtr.
12. Ship Shoal Area (E/2 Blk. 138)	Gulf	60' wtr.

MONTHLY ACTIVITY

1. Vermilion Area (Blk. 96 Unit)	CATCO	Negotiating
2. Offshore, Gulf of Campeche, Mexico	E. Pauley & ODECO	Negotiating

DRILLING ACTIVITY

1. West Delta Area (Blk. 51)

Schmitz & Zapata

Drilling in lieu
of rentals (D & A)

*(Zapata sublease with carried w. interest from Schmitz et al)

Sterling E. Little
Sterling E. Little

ZAPATA OFF-SHORE COMPANY

INTER-OFFICE CORRESPONDENCE

TO: Sterling Little

DATE: July 23, 1958

FROM: J. Hugh Liedtke

SUBJECT:

I enclose herein a report by James M. Cunningham covering School Board Well #1 in Section 16-21S-14E, Terrebonne Parish, Louisiana. Also enclosed is a photostat of structure map and portion of log.

The asking price on this deal is roughly \$600,000 for a one-half of the working interest.

I would appreciate it if you would take a preliminary look at this prospect and let me know what you think of it. If, in fact, the reserve figures covered by Cunningham are in the ball park and a connection can be secured, it looks as though the deal is worth checking into further.

Best regards.

JHL:JMcB
Encls.

cc: Mr. Rex E. Walker
Mayo Building
Tulsa, Oklahoma

ZAPATA OFF-SHORE COMPANY

INTER-OFFICE CORRESPONDENCE

TO: Sterling Little
FROM: George H. W. Bush

DATE: July 25, 1958
SUBJECT:

Regarding the Gulf Oil deal which I mentioned to you, the man to contact with Gulf is G. D. Relf, Manager of Exploration, Gulf Building, CA 5-3141, Houston. Locations of the deal are as follows:

(1) Mustang Island Area. Block 774, 5600 acres approximate; expires this year; 50-72' water.

(2) West Cameron Area. Block 252 and 253; 78' water, 1960 expiration; 1/2 of this acreage is owned by Shell--Gulf and Shell cross-assigned on these two blocks.

(3) Ship Shoal Area. Blocks 138 and 155; 40-60' water; east flank of jumbo structure.

(4) West Cameron Area. Blocks 103, 104, 105, 114, 115 and 116; Flat Top; 64-72' water. This is the deal on which Continental recently spent \$2 million. They have earned a 1/9 WI in the deal for that.

(5) Ship Shoal Area. E/2 Block 138; 2500 acres; 50' water. On this deal we should either get acreage or money out of Shell on Block 139. Shell has a gas well in 139 and 2 dry holes. Gulf wants a 13,000' test near here. This is the deal that appeals to me the most if the sand conditions and the drilling conditions are as represented by Gulf.

Incidentally, all these deals were on the Gulf drilling budget for this year. The sooner you can check these out, the better. If this Block 138 deal looks attractive, let's immediately figure out how to get money out of Shell and set the thing up for immediate action.

I note that my land map for offshore is out of date. If you could swab me a new one from Magnolia or Sinclair, I certainly would appreciate it. Houston has a new one; perhaps this was intended for me, but I never got one.

It was too bad the Block 51 deal was dry, but you and Russ certainly did a good job for Zapata on the deal on the basis by which it was drilled by Schmitz.

Best regards.

EB:JMcB -- cc: Russ Mosby

ZAPATA OFF-SHORE COMPANY
INTER-OFFICE CORRESPONDENCE

TO: Sterling Little
FROM: George H. W. Bush

DATE: July 11, 1958
SUBJECT:

A fellow named Bill Golden from Houston has been talking to me about various foreign concessions. It turns out that he is now in touch with Dave Vassar about a concession which Louisiana Delta Offshore Company has in Colombia.

He claims that Dave Vassar is eager to talk to us about this concession. Without wasting a great deal of time on this matter, would you please call Dave and get the general idea as to what he wants to do, what their concession consists of, what the obligations are, etc. It is doubtful that we can do anything with this, but if the thing had real merit it might be that we would want to give it a try. No rush, but let me know what you find out at your convenience.

GHWB/jk
CC: Wayne Dean

ZAPATA OFF-SHORE COMPANY

INTER-OFFICE CORRESPONDENCE

TO: Sterling Little

DATE: June 3, 1958

FROM: George Bush

SUBJECT:

Your letter of May 28 was on my desk when I returned to the office today. Thank you very much. It will adequately serve our purposes.

Our trip was most interesting and I will tell you about it in detail when I see you.

I am attaching a copy of a proposed letter which I sent to CATC today.

Best regards.

GB:JMcB

Attachment

STERLING E. LITTLE
CONSULTING GEOLOGIST

NEW ORLEANS 12, LA.

May 28, 1958

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

Dear Sir:

The drastic curtailment of drilling and exploration activity in the Gulf of Mexico within the past few months has been a noticeable result of the unfavorable economic conditions now generally affecting the petroleum industry. These circumstances are deserving of careful analysis and emphasize the need for a complete reappraisal of the "exploration potential" for the offshore provinces. A recent study has indicated a timely opportunity exists for the aggressive group or imaginative operator to acquire offshore properties that heretofore would have been unattainable. Of paramount importance to any successful exploration venture is the reaffirmation of certain previous basic concepts and cognizance of present dominant factors resulting from this uncommon turn of events.

Previous Concepts:

The attractiveness of the offshore Gulf of Mexico for exploration is reassured with statistical confirmation of the original production expectancy as compared to onshore areas. The tremendous thickness i.e., in excess of forty thousand feet of the sediments of Eocene and Miocene age offer excellent multiple objective sands of desirable reservoir characteristics. Development to date has indicated the coastal area of Louisiana to have a greater occurrence of sand deposition than the Texas coastal area and primarily for this reason merits our greater consideration for exploration. The coastal area of southern Louisiana embracing the Miocene trend includes some 10,000 square miles onshore as compared to approximately 12,500 square miles offshore to a water depth of 100 feet. A comparable occurrence of present fields will eventually be proved offshore through projection of similar structural events that have made the Gulf Coast area one of America's largest oil and gas producing provinces.

Other advantages of offshore exploration previously acknowledged are soon lost in obscurity although become of increasing importance when compared to constant rising costs for land exploration. The flexibility of operational freedom offered by relatively large tracts of acreage, the unnecessary

May 28, 1958

title and legal preparation, the low cost of rapid and thorough geophysical investigation are only a few of the previous concepts of this type of exploration that deserves reconsideration. Herein presented is the following classification of wells drilled up to 1958 in the Louisiana offshore area:

<u>Total Wells</u>		<u>Wildcat Wells</u>		<u>Field Wells</u>	
Field Wells	2,160	Gas	51	Gas	225
Wildcat Wells	1,913	Oil	39	Oil	1,216
	247	Dry	157	Dry	472

Availability of Acreage:

A cardinal fact at this time is the willingness of major lease holders to farmout highly desirable selective acreage primarily because of impending early lease expiration dates or high rental costs and a temporary inability to increase necessary appropriations for both development and exploration commitments. A major portion of the leases have less than two years before expiration with the last Federal or State offshore sale occurring in 1956. The type of acreage being offered or that can be negotiated is usually of serious merit having been purchased at a competitive premium when only the more obvious and larger structural features were selected. More than often an exploratory well has been drilled on or nearby to the acreage considered for farmout which in reality sets up or lends attractiveness to the prospective area. Considerable improvement has been made in geophysical equipment and techniques of employment since acquisition of some of the leases and frequently a re-evaluation or new seismic investigation is advised especially in areas susceptible to complex faulting. It can be reasonably assumed that with little exception all of the offshore leases were acquired on better than average graded structural anomalies that because of the size of the leases and the greater structural magnitude are hardly condemned by at least one or possibly even a greater number of wells.

Texas Offshore Area (1958)

Acreage under lease	430,291 acres
Leases validated (H.B.P.)	8%
Acreage validated (H.B.P.)	8%

Louisiana Offshore Area (1958)

Acreage under lease	1,712,217 acres
Leases validated (H.B.P.)	59%
Acreage validated (H.B.P.)	62%

The special operating conditions prevailing in the offshore area have constantly demanded and received continued improvement in operational equipment as well as in all phases of related servicing. The mobile submergible and self elevating type of drilling barges are excellent examples of this highly specialized equipment developed solely for the purpose of exploring continental shelf areas. Fortunately a past period of successful operation has reduced the tremendous initial investment required to produce and improve this drilling and marine equipment affording thereby a more "in line" cost for exploration heretofore not previously enjoyed.

May 20, 1958

With improving rates of drilling depth penetration, offshore costs can now be compared slightly in excess of coastal swamp or marsh drilling although completion costs because of the greater operational day rates are not in direct relation.

Gas Distillate Potential:

An ever increasing demand for this product has recently focused considerable attention on the offshore areas for further exploration to add to the tremendous reserves already found. Facilities for the transportation and handling of gas distillate production are daily being expended with improved contracts being negotiated at prices already above 20¢ per thousand at the well head. The high rate of production permissible with the chance of an early favorable market has been the primary inducement to seek additional gas distillate reserves in preference to oil.

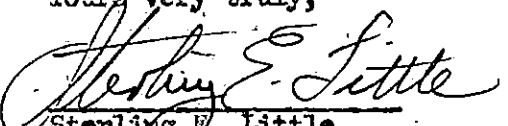
Of extreme importance to an operator is to determine precisely in what manner a search for gas distillate alone should be made and exactly what are the prerequisites necessary. Unfortunately no methods or firm avenues of approach exist to accomplish this result although the success ratio can be immeasurably increased by analysis of comparable onshore structural and stratigraphic conditions.

Careful study of basic seismic information together with experience and good judgement in properly evaluating all available information are necessary tools for this particular task. An example of this approach to the problem can be found in the western part of the Louisiana offshore area where the expectancy for gas distillate is much greater than to the east and correspondingly more uniform structures influenced by deep salt are observed.

From purely an operational standpoint the exploration and development of gas reserves can be done more effectively and economically than for oil. The wider spacing permissible and the completeness of ultimate depletion affords greater conservation of the product and saving in costs by avoiding dangerous edge development. The installations required for production and marine equipment necessary for maintenance are negligible wherein compared to oil production with burdensome tanks and separators with accompanying transporting facilities.

The economics of gas distillate production in competition with other hydrocarbon fuels is much more stable under long term contracts permitting a more intelligent projection of income and expenses. A seasonal market does influence to some extent the deliverability of the product although it may be safely assumed our constantly increasing domestic demand will remain undersaturated for some time. Certainly from a long range viewpoint as well as for immediate profit the search for desirable gas distillate reserves is fully justified.

Yours very truly,


Sterling E. Little

SEL:lg

STERLING E. LITTLE
CONSULTING GEOLOGIST

NEW ORLEANS 12, LA.

May 28, 1958

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

Dear Sir:

The drastic curtailment of drilling and exploration activity in the Gulf of Mexico within the past few months has been a noticeable result of the unfavorable economic conditions now generally affecting the petroleum industry. These circumstances are deserving of careful analysis and emphasize the need for a complete reappraisal of the "exploration potential" for the offshore provinces. A recent study has indicated a timely opportunity exists for the aggressive group or imaginative operator to acquire offshore properties that heretofore would have been unattainable. Of paramount importance to any successful exploration venture is the reaffirmation of certain previous basic concepts and cognizance of present dominant factors resulting from this uncommon turn of events.

Previous Concepts:

The attractiveness of the offshore Gulf of Mexico for exploration is reassured with statistical confirmation of the original production expectancy as compared to onshore areas. The tremendous thickness i.e., in excess of forty thousand feet of the sediments of Eocene and Miocene age offer excellent multiple objective sands of desirable reservoir characteristics. Development to date has indicated the coastal area of Louisiana to have a greater occurrence of sand deposition than the Texas coastal area and primarily for this reason merits our greater consideration for exploration. The coastal area of southern Louisiana embracing the Miocene trend includes some 10,000 square miles onshore as compared to approximately 12,500 square miles offshore to a water depth of 100 feet. A comparable occurrence of present fields will eventually be proved offshore through projection of similar structural events that have made the Gulf Coast area one of America's largest oil and gas producing provinces.

Other advantages of offshore exploration previously acknowledged are soon lost in obscurity although become of increasing importance when compared to constant rising costs for land exploration. The flexibility of operational freedom offered by relatively large tracts of acreage, the unnecessary

May 28, 1958

title and legal preparation; the low cost of rapid and thorough geophysical investigation are only a few of the previous concepts of this type of exploration that deserves reconsideration. Herein presented is the following classification of wells drilled up to 1958 in the Louisiana offshore area:

<u>Total Wells</u>		<u>Wildcat Wells</u>		<u>Field Wells</u>	
Field Wells	1,913	Gas	51	Gas	225
Wildcat Wells	247	Oil	39	Oil	1,216
		Dry	157	Dry	472

Availability of Acreage:

A cardinal fact at this time is the willingness of major lease holders to farmout highly desirable selective acreage primarily because of impending early lease expiration dates or high rental costs and a temporary inability to increase necessary appropriations for both development and exploration commitments. A major portion of the leases have less than two years before expiration with the last Federal or State offshore sale occurring in 1956. The type of acreage being offered or that can be negotiated is usually of serious merit having been purchased at a competitive premium when only the more obvious and larger structural features were selected. More than often an exploratory well has been drilled on or nearby to the acreage considered for farmout which in reality sets up or lends attractiveness to the prospective area. Considerable improvement has been made in geophysical equipment and techniques of employment since acquisition of some of the leases and frequently a re-evaluation or new seismic investigation is advised especially in areas susceptible to complex faulting. It can be reasonably assumed that with little exception all of the offshore leases were acquired on better than average graded structural anomalies that because of the size of the leases and the greater structural magnitude are hardly condemned by at least one or possibly even a greater number of wells.

Texas Offshore Area (1958)

Acreage under lease 430,291 acres
 Leases validated (H.B.P.) 8%
 Acreage validated (H.B.P.) 8%

Louisiana Offshore Area (1958)

Acreage under lease 1,712,217 acres
 Leases validated (H.B.P.) 59%
 Acreage validated (H.B.P.) 62%

The special operating conditions prevailing in the offshore area have constantly demanded and received continued improvement in operational equipment as well as in all phases of related servicing. The mobile submersible and self elevating type of drilling barges are excellent examples of this highly specialized equipment developed solely for the purpose of exploring continental shelf areas. Fortunately a past period of successful operation has reduced the tremendous initial investment required to produce and improve this drilling and marine equipment affording thereby a more "in line" cost for exploration heretofore not previously enjoyed.

May 28, 1958

With improving rates of drilling depth penetration, offshore costs can now be compared slightly in excess of coastal swamp or marsh drilling although completion costs because of the greater operational day rates are not in direct relation.

Gas Distillate Potential:

An ever increasing demand for this product has recently focused considerable attention on the offshore areas for further exploration to add to the tremendous reserves already found. Facilities for the transportation and handling of gas distillate production are daily being expended with improved contracts being negotiated at prices already above 20¢ per thousand at the well head. The high rate of production permissible with the chance of an early favorable market has been the primary inducement to seek additional gas distillate reserves in preference to oil.

Of extreme importance to an operator is to determine precisely in what manner a search for gas distillate alone should be made and exactly what are the prerequisites necessary. Unfortunately no methods or firm avenues of approach exist to accomplish this result although the success ratio can be immeasurably increased by analysis of comparable onshore structural and stratigraphic conditions.

Careful study of basic seismic information together with experience and good judgement in properly evaluating all available information are necessary tools for this particular task. An example of this approach to the problem can be found in the western part of the Louisiana offshore area where the expectancy for gas distillate is much greater than to the east and correspondingly more uniform structures influenced by deep salt are observed.

From purely an operational standpoint the exploration and development of gas reserves can be done more effectively and economically than for oil. The wider spacing permissible and the completeness of ultimate depletion affords greater conservation of the product and saving in costs by avoiding dangerous edge development. The installations required for production and marine equipment necessary for maintenance are negligible wherein compared to oil production with burdensome tanks and separators with accompanying transporting facilities.

The economics of gas distillate production in competition with other hydrocarbon fuels is much more stable under long term contracts permitting a more intelligent projection of income and expenses. A seasonal market does influence to some extent the deliverability of the product although it may be safely assumed our constantly increasing domestic demand will remain undersaturated for some time. Certainly from a long range viewpoint as well as for immediate profit the search for desirable gas distillate reserves is fully justified.

Yours very truly,

Sterling E. Little

SEL:lg

ZAPATA OFF-SHORE COMPANY
INTER-OFFICE CORRESPONDENCE

TO: Sterling Little
FROM: George H. W. Bush

DATE: May 14, 1958
SUBJECT:

Attached is a copy of a letter I received from
Tennessee Gas.

GHWB:JMc

Attach.

HONOLULU OIL CORPORATION

P. O. DRAWER 1391
MIDLAND, TEXAS

April 22, 1958

Mr. Sterling Little
National Bank of Commerce
New Orleans, Louisiana

Dear Mr. Little:

I wish to thank you again for taking the interest and time in providing a geological briefing on the Bay Marchand Area and Gulf Coast offshore problems in general. I feel particularly indebted to you since you obviously have a very busy schedule.

Upon returning, I learned from George Bush that perhaps your common interest might be concerned with this very deal that we discussed. As yet, I have received no indication as to what our company will do.

Again thank you. When you happen to be in Midland, please drop by or give me a call on the telephone and we will arrange to have lunch together.

Kindest personal regards,

HONOLULU OIL CORPORATION

W. T. Schneider (Bill)

W. T. Schneider
Division Manager of Exploration

WTS:dm

*George — Passing this note on to you
for possible future interest
Little*

STERLING E. LITTLE
CONSULTING GEOLOGIST

NEW ORLEANS 12, LA.

Mr. Wayne Dean
Zapata Off-Shore Company
2218 First City Nat'l. Bldg.
Houston 2, Texas

Re: MONTHLY PROGRESS REPORT (February 1958)
Zapata Off-Shore Account

SUBMITTALS

<u>Area</u>	<u>Operator</u>	<u>Remarks</u>
1. Ship Shoal Area (Blk. 113 Fld.)	California Co.	3,750 ac S/2 of 118 & SW/4 of 117 - Spud prior to 5/5/58 - Checking, Declined Water too Shallow & numerous dry holes, etc.
2. S. Timbalier Area (Blks. 12, 13)	Texas Company	Declined - Water too Shallow & numerous dry holes, etc.

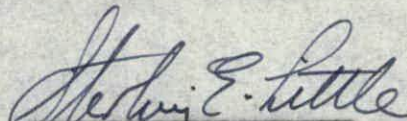
MONTHLY ACTIVITY

1. Vermilion Area (Blk. 96 & Unit) - Soliciting partnership interest for participation in Blk. 96 and Blk. 96 Unit Area.
2. Vermilion Area (Blk. 96 & Unit) - Revised and conducting new seismic survey.

DRILLING ACTIVITY

1. Vermilion Area (Blk. 86) - Completed #1 Zapata-Felmont, et al. Blk. 86 as gas/distillate well Feb. 20, 1958 with TD 10910'.

Yours very truly,


Sterling E. Little

SEL:lg

STERLING E. LITTLE
CONSULTING GEOLOGIST

NEW ORLEANS 12, LA.
February 15, 1958

Mr. Wayne Dean
Zapata Off-Shore Company
2218 First City Nt'l. Bk. Bldg.
Houston 2, Texas

Re: MONTHLY PROGRESS REPORT (JANUARY 1958)
Zapata Off-Shore Account

DRILLING ACTIVITY

CATCO Farmout

Block 86 - W. C.

Vermilion Area

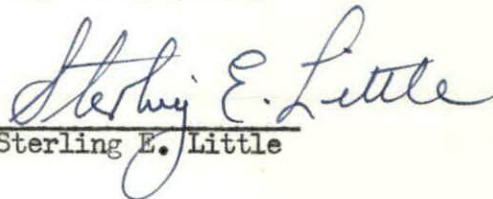
Zapata - Felmont, et al

#1 St. Lse. 1446 (OCS-0172)

Block 86

Spudded January 18, 1958, set surface casing at 4526' - drilling
at 10,910'.

Very truly yours,


Sterling E. Little

SEL:lg

STERLING E. LITTLE
CONSULTING GEOLOGIST

NEW ORLEANS 12, LA.
January 10, 1958

Bush

Zapata Off-Shore Company
2218 First City Nat'l. Bank Bldg.
Houston 2, Texas

Re: MONTHLY EXPENSE STATEMENT
Zapata - Little Agreement
(Period ending 12/31/57)

A. TRAVEL

- (1) Block 96 - Vermilion Area
December 6, 1957
N. O. to Lafayette to N. O.

Air Trans.	\$17.60
Taxi	7.50
Meals	8.00

Total \$33.10

B. EXPENSES

Office - Miscellaneous

- | | | |
|--------------------------------|---------------------------------------|---------|
| 1. Answerphone | (Monthly Account Terminated 12/31/57) | \$15.00 |
| 2. Blakey's Log Service | (Electrical Logs - Blk. 96) | 6.03 |
| 3. So. Bell Telephone Co. | (Monthly Statement ending 12/7/57) | 109.38 |
| 4. Extra Meals & Entertainment | | 23.00 |

Total \$153.41

\$186.51

Yours very truly,

Sterling E. Little
Sterling E. Little

SEL:lg

STERLING E. LITTLE
CONSULTING GEOLOGIST

NEW ORLEANS 12, LA.

January 10, 1958

Bush

Mr. Wayne Dean
Zapata Off-Shore Company
First City Nat'l. Bank Bldg.
Houston 2, Texas

Re: MONTHLY PROGRESS REPORT (DECEMBER 1957)
Zapata Off-Shore Account

BLOCK 96 PARTICIPATION

Practically the entire month of December was devoted to negotiating the CATCO farmout and contacting partnership interest.

DRILLING ACTIVITY

Sun Farmout

S/2 Block 14 - W. 1/4.

East Cameron Area

Zapata - Miss. River Fuel #1 St. Lse. 1379(OCS-0257)

Block 14

Abandoned as dry hole, December 23, 1957, with total depth of 14,118' in sidetracked hole.

Yours very truly,

Sterling E. Little
Sterling E. Little

SEL:lg

BUS.: TULANE 0468
RES.: FAIRVIEW 7611

36 NAT'L BANK OF COMMERCE BLDG.

STERLING E. LITTLE
CONSULTING GEOLOGIST

NEW ORLEANS 12, LA.

January 10, 1958

Bush

Zapata Off-Shore Company
2218 First City Nat'l. Bank Bldg.
Houston 2, Texas

Re: ZAPATA - LITTLE OFF-SHORE CONTRACT
(Period ending December 31, 1957)

STATEMENT

Geological services rendered under above contract for
month of December, 1957----- \$1,000.00.

COPY

Yours very truly,

Sterling E. Little
Sterling E. Little

SEL:lg

ZAPATA OFF-SHORE COMPANY

INTER-OFFICE CORRESPONDENCE

TO: Sterling Little
FROM: George H. W. Bush

DATE: December 27, 1957
SUBJECT: Off-shore maps

I would like to have another lease map of the off-shore area. You gave me a map made by the U. S. Department of Interior Geological Survey entitled "Gulf Coast State of Louisiana" dated April 1957. This would suffice. Equally satisfactory would be a straight land map from either Magnolia or Sinclair which they gave me once before. I have given away one of my maps to Felmont and need another land map as soon as you can send one to me.

GB:McB

ZAPATA OFF-SHORE COMPANY

2210 FIRST CITY NATIONAL BANK BUILDING
HOUSTON 2, TEXAS

Bush

December 2, 1957

Answerphone
306 Luisa Bldg.
427 Carondelet Street
New Orleans 12, Louisiana

Gentlemen:

We wish to compliment you for satisfactory service rendered,
although for reasons of our own we wish to discontinue this account
effective January 1, 1958.

Our records indicate payment has been made in advance for the
month of December, 1957.

Yours very truly,

ZAPATA OFF-SHORE COMPANY

By:

S. E. L.
Sterling E. Little

SEL:lg

BUS.: TULANE 0468
RES.: FAIRVIEW 7611

136 NAT'L. BANK OF COMMERCE BLDG.

STERLING E. LITTLE
CONSULTING GEOLOGIST

NEW ORLEANS 12, LA.

December 2, 1957

Zapata Off-Shore Company
2218 First City Nat'l. Bank Bldg.
Houston 2, Texas

Re: ZAPATA - LITTLE OFF-SHORE CONTRACT
(Period ending November 30, 1957)

STATEMENT

Geological services rendered under above contract for
month of November, 1957----- \$1,000.00.

COPY

Yours very truly,

Sterling E. Little
Sterling E. Little

SEL:lg

STERLING E. LITTLE
CONSULTING GEOLOGIST

NEW ORLEANS 12, LA.
December 2, 1957

Zapata Off-Shore Company
2218 First City Nat'l. Bank Bldg.
Houston 2, Texas

Re: MONTHLY EXPENSE STATEMENT
Zapata - Little Agreement
(Period ending 11/30/57)

A. TRAVEL

(1) Block 96 - Vermilion Area

November 6, 1957

N. O. to Houston to N. O.

Air Trans.	\$ 36.47
Taxi	6.50
Meals	4.75
Total	<u>\$ 47.72</u>

(2) Block 96 - Vermilion Area

November 14, 1957

N. O. to Houston to N. O.

Air Trans.	\$ 43.89
Taxi	12.75
Meals	6.50
Total	<u>\$ 63.14</u>

(3) Block 96 - Vermilion Area

November 19, 1957

N. O. to Houston to N. O.

Air Trans.	\$ 43.89
Taxi	7.50
Meals	8.50
Total	<u>\$ 59.89</u>

(4) Block 96 - Vermilion Area

November 26 - 27, 1957

N. O. to Tulsa & Dallas to N. O.

Air Trans.	\$ 98.23
Taxi	16.50
Hotel	14.88
Meals	15.00
Total	<u>\$ 144.61</u>

STERLING E. LITTLE
CONSULTING GEOLOGIST

NEW ORLEANS 12, LA.
December 2, 1957

B. EXPENSES

Office - Miscellaneous

1. Anserphone	(Monthly Statement ending 11/30/57)	\$ 15.00
2. So. Bell Telephone Co.	(Monthly Statement ending 11/7/57)	168.09
3. Copelands	(Monthly Statement ending 11/30/57)	14.73
4. Henri Petetin, Inc.	(Office Supplies - Invoice 11/14/57)	9.99
5. Cambe Log Library	(Electrical Logs - Blk. 14 Inv. 11/1/57)	11.38
6. Extra Meals	(New Orleans Pet. Club, etc.)	24.50
	Total	<u>\$243.69</u>

\$559.05

COPY

Yours very truly,

Sterling E. Little
Sterling E. Little

SEL:lg

STERLING E. LITTLE
CONSULTING GEOLOGIST

NEW ORLEANS 12, LA.

Mr. Wayne Dean
Zapata Off-Shore Company
First City Nt'l. Bank Bldg.
Houston 2, Texas

Re: MONTHLY PROGRESS REPORT (NOVEMBER 1957)
Zapata Off-Shore Account

OPERATORS CONTACTED

<u>Company</u>	<u>Executive</u>	<u>Proposal</u>	<u>Remarks</u>
Hunt Oil Company	Hunt, Herbert	Farmout Deal	Texas Offshore Areas
Mattison, et al	Mattison, Plumly	Farmout Deal	Nicaraguan Concession

BLOCK 96 PARTICIPATION

<u>Company</u>	<u>Executive</u>	<u>Status</u>	<u>Remarks</u>
Union Cal.	W. E. Farrar	Pending	Interested 1 or 2 Well deal
Miss. River Fuel	J. Crouere	Rejected	Gas contract objectionable
Tennessee Gas	P. Oxley	Rejected	Insufficient funds
California Co.	C. Caliga	Possible	Need seismic confirmation
Union Producing	J. Storey	Pending	Checking currently
Southwest Gas	M. Eubener	Pending	Budget meeting December 4th.
Texas Gas Exp.	W. Elmer	Pending	Checking currently
Abercrombie		Rejected	Not interested offshore
Offshore Ventures	Loyd & White	Rejected	Insufficient Funds
Amerada	Weatherby	Rejected	Early Lec. expirations
Houston Nt'l. Gas	Dearborn	Rejected	Not interested offshore
Republic Nt'l. Gas	J. Harang	Possible	Considering offshore operations
Pan American Pet.		Pending	Checking currently
General American	Martin	Possible	Contact Mr. Meadows

STERLING E. LITTLE
CONSULTING GEOLOGIST

NEW ORLEANS 12, LA.
December 2, 1957

<u>Company</u>	<u>Executive</u>	<u>Proposal</u>	<u>Remarks</u>
Frankfort Oil Co.	J. Scott	Possible	Not operating offshore
Olin Oil & Gas	Moses	Rejected	Interested next year
T. P. Coal & Oil	<u>R I Dick</u>	_____	_____
Lone Star Gas Co.	C. Hill	Rejected	Timing inappropriate
Humble	R. Huffington	Pending	Interested 1 or 2 Well deal
TXL Oil Co.	W. Burkhead	Rejected	Not interested offshore
Hunt Oil Co.	Herbert Hunt	Rejected	Offering own deals
Brown & Root Magnolia Phillips	T. Leroy	Rejected	Not interested offshore

FARMOUT DEALS EVALUATED

<u>Company</u>	<u>Prospect</u>	<u>Status</u>
Phillips Petroleum	E/2 Blk. of Cameron Area	Pending
Texas Company	Offshore Areas	Pending Reg. Deal
California Company	Blk. 39, S. Pass Area	Rejected
Phillips	Blks. 90,93,112 - Eugene Isl.	Rejected
Arkansas Fuel Corp.	Blk. 796 - Mustang Island	Rejected
Magnolia	Blk. 110 - Eugene Island Area	Rejected
Deepwater, et al	Blk. 154 - Eugene Island Area	Pending

DRILLING ACTIVITY

<u>Sun Farmout</u>	<u>S/2 Block 14 - W.C.</u>	<u>East Cameron Area</u>
Zapata - Miss. River Fuel	#1 St. Lse. 1379(OCS-0257)	Block 14
Drilling @ 13,654 in sidetrack hole.		

Yours very truly,

Sterling E. Little

BUS.: TULANE 0468
RES.: FAIRVIEW 7611

136 NAT'L. BANK OF COMMERCE BLDG.

STERLING E. LITTLE
CONSULTING GEOLOGIST

Buck

NEW ORLEANS 12, LA.
November 15, 1957

Mr. Wayne Dean
Zapata Off-Shore Company
First City Nt'l. Bank Bldg.
Houston 2, Texas

Re: MONTHLY PROGRESS REPORT (OCTOBER 1957)
Zapata Off-Shore Account

OPERATORS CONTACTED

<u>Company</u>	<u>Executive</u>	<u>Proposal</u>	<u>Remarks</u>
Texas Company	Downer, Nelson	Farmout Blk. 49	Eugene Island Area
Magnolia	Clark, Mugler	Farmout Blk. 110	Eugene Island Area
California Co.	L. Funkhouser	Farmout Blk. 39	South Pass Area
Phillips Pet.	T. Montgomery	Farmout E/2 Blk. 10	East Cameron Area
Phillips Pet.	T. Montgomery	Farmout Blks. 90, 93 and 112	Eugene Island Area
CATCO	J. Davis	Farmout Blk. 96 Fld.	Vermilion Area
Ark. Fuel Corp.	J. J. Marty	Farmout E/2 Blk. 796	Mustange Island Area

FARMOUT DEALS EVALUATED

<u>Company</u>	<u>Prospect</u>	<u>Status</u>
Phillips Pet.	E/2 Blk. 10, E. Cameron Area	Pending-Drilling of S/2 Blk. 14
Texas Company	Blk. 118, Eugene Island Area	Farmout Withdrawn by Texas Co.
Magnolia	Blk. 94, Eugene Island Area	Farmout accepted by ODECO
CATCO	Blk. 96 Field, Vermilion Area	Farmout accepted by Zapata
Ark. Fuel Corp.	E/2 Blk. 796	Pending

DRILLING ACTIVITY

<u>Sun Farmout</u>	<u>S/2 Block 14 W. C.</u>	<u>East Cameron Area</u>
Zapata, Miss. River Fuel, etal	#1 St. Lse. 1379(OCS-0257)	Block 14
Testing - Pending possible deepening operations.		

Yours very truly,
Sterling E. Little
Sterling E. Little

STERLING E. LITTLE
CONSULTING GEOLOGIST

NEW ORLEANS 12, LA.
November 15, 1957

Zapata Off-Shore Company
2218 First City Nat'l. Bank Bldg.
Houston 2, Texas

Re: MONTHLY EXPENSE STATEMENT
Zapata - Little Agreement
(Period ending 10/31/57)

A. TRAVEL

(1) Ark. Fuel Corp. (E/2 Blk. 796)

October 1, 1957

N.O. to San Antonio - Houston - N.O.

Air Trans.	\$ 89.79
Taxi	6.50
Meals	4.50
Total	<u>\$100.79</u>

(2) Phillips Pet. (E. Cameron & Eugene Isl. Area)

October 3, 1957

N.O. to Lafayette to N.O.

Air Trans.	\$ 17.69
Taxi	6.50
Meals	3.50
Total	<u>\$ 27.69</u>

(3) Block 14 - East Cameron Area

October 12 - 13, 1957

N.O. to Cameron to N.O.

(Running Electrical Log)

Air Trans.	\$ 26.62
Taxi	7.50
Meals	6.00
Auto Rental	23.66
	<u>\$ 63.78</u>

B. EXPENSES

Office - Miscellaneous

1. Southern Bell Telephone	10/7/57 (Monthly Statement)	\$113.01
2. Copelands	10/31/57 (Monthly Statement)	6.81
3. Answerphone	10/1/57 (Monthly Statement)	15.00
4. Extra Meals	(N.O. Pet. Club & Entertainment)	27.00
	Total	<u>\$161.82</u>

\$354.08

Yours very truly,

Sterling E. Little
Sterling E. Little

SEL:lg

ZAPATA OFF-SHORE COMPANY

INTER-OFFICE CORRESPONDENCE

TO: Sterling Little

DATE: November 15, 1957

FROM: George Bush

SUBJECT:

Liedtke was in Bartlesville today and talked to Stark, the head of Phillips' ^{Exploration} production. Stark said, "Are we going to make any deal off-shore with you people?" Liedtke said, "The deals are too tough." Stark said, "We'll trade. Put on your trading clothes and come on up here. We will make a deal." Is there anything we can do at this time on those 2 deals to make them more saleable provided we can trade Phillips down?

GB:JMcB

cc: Dean

ZAPATA OFF-SHORE COMPANY

INTER-OFFICE CORRESPONDENCE

TO: Sterling Little
FROM: George H. W. Bush

DATE: November 15, 1957
SUBJECT:

Charlie McMahon called me from Tulsa about the acreage deal which belongs to Ada which he called to our attention. If you have any dope on this will you please call me on Monday so we can discuss it since I am supposed to call him that day.

I am attaching a copy of a letter written today to Continental.

GB:JMcB
Encl.
cc: W. H. Dean

ZAPATA OFF-SHORE COMPANY

2218 FIRST CITY NATIONAL BANK BUILDING
HOUSTON 2, TEXAS

October 25, 1957

Mr. Sterling E. Little
436 National Bank of Commerce Bldg.
New Orleans, Louisiana

Dear Sterling:

We are sending copies along to you of a recent subject
which George Bush is developing.

Kermac and California Company might be able to lend light
on the problem to help evaluate the acreage.

I'm talking to Jake Nunnally (Gulf) for their thoughts on
Block 111. I intend to get with Pure and CATC on 125 and
129. This should help verify everyone's opinion as we go.

Very truly yours,

ZAPATA OFF-SHORE COMPANY

Russ Mosby

RCM:jc

cc: George H. W. Bush ✓

Wayne H. Dean

October 15, 1957

*Burch
Copy*

Zapata Off-Shore Company
2218 First City Nt'l. Bldg.
Houston 2, Texas

Re: ZAPATA - LITTLE OFF-SHORE CONTRACT
(Period ending September 30, 1957)

STATEMENT

Geological services rendered under above contract for
month of September, 1957-----\$1,000.00.

Yours very truly,

Sterling E. Little

SEL:lmg

October 15, 1957

Zapata Off-Shore Company
2218 First City Bldg.
Houston 2, Texas

Re: MONTHLY EXPENSE STATEMENT
Zapata - Little Agreement
(Period ending 9/30/57)

A. TRAVEL

Block-14 East Cameron Area

(Running Electrical Log)

(1) September 3 - 5, 1957
N.O. to Cameron to N.O.

Air Transportation	13.97
Hotel	9.16
Taxi	8.75
Auto Rental	26.40
Rail Fare	19.95
Meals	12.50
Total	\$ 90.73

(2) September 19 - 20, 1957
N.O. to Cameron to N.O.

(Running Electrical Log)

Air Transportation	26.62
Taxi	4.25
Auto Rental	19.46
Meals	6.50
Total	\$ 56.83

B. EXPENSES

Office - Miscellaneous

1. Answerphone Service	(Monthly Statement)	15.00
2. Telephone	(Monthly Statement)	106.38
3. Ridgway's (Purchase Offshore Maps)	(Monthly Statement)	38.93
4. Copelands (Blueprinting)	(None for Month of Sept.)	Total \$ 160.31

\$ 307.87

Yours very truly,

SEL:mg

Sterling E. Little

October 15, 1957

Mr. Wayne Dean
Zapata Off-Shore Company
First City Nt'l. Bank Bldg.
Houston 2, Texas

Re: MONTHLY PROGRESS REPORT (SEPTEMBER 1957)
Zapata Off-Shore Account

OPERATORS CONTACTED

<u>Company</u>	<u>Executive</u>	<u>Proposal</u>	<u>Remarks</u>
Texas Company	Downer, Nelson	Farmout Blk. 15	South Pass Area (Exp. 5/18/58)
Texas Company	Downer, Nelson	Farmout Blk. 118	Eugene Island Area
Texas Company	Downer, Nelson	Farmout Blk. 26	Eugene Island Area
Texas Company	Downer, Nelson	Farmout Blk. 49	Eugene Island Area
Texas Company	Downer, Nelson	Farmout Blk. 207	Eugene Island Area
Magnolia	Clark, Mugler	Farmout Blk. 94	Eugene Island Area
Shell, et al	Chas. S. Headon	Farmout Blk. 249	Galveston Texas Area
Kerr-Mc Gee	R. Capps	Farmout S/2 Blk. 50	Breton Sound Area
California Co.	J. Desmond	Farmout Blk. 39	South Pass Area
Superior	C. Noble	Farmout SE/4 Blk. 23	South Pelto Area
Gulf	W. Chrisman	Farmout Blk. 129	Ship Shoal Area
Phillips Pet.	S. Spence	Farmout E/2 Blk. 10	East Cameron Area

FARMOUT DEALS EVALUATED

<u>Company</u>	<u>Prospect</u>	<u>Status</u>
Phillips Pet.	E/2 Blk. 10, E. Cameron Area	Pending-Drilling of S/2 Blk. 14
Texas Company	Blk. 118, Eugene Island Area	Union Cal. checking seismic
Magnolia	Blk. 94, Eugene Island Area	Recommended-priority on deal

October 15, 1957

<u>Company</u>	<u>Prospect</u>	<u>Status</u>
Kerr-Mc Gee	S/2 Blk. 50, Breton Sound Area	Lease Expired
California Co.	Blk. 30, South Pass Area	Calif. withdrew farmout
Superior	SE/4 Blk. 23, South Pelto Area	Superior withdrew farmout

DRILLING ACTIVITY

<u>Sun Farmout</u>	<u>S/2 Block 14 W. C.</u>	<u>East Cameron Area</u>
Zapata, Miss River Fuel, Et Al	#1 St. Lse. 1379(OCS-0257)	Block 14
Drilling @ 12,454		

Yours very truly,

Sterling E. Little

SEL:mg

Buck

STERLING E. LITTLE
CONSULTING GEOLOGIST

NEW ORLEANS 12 ,LA.

September 10, 1957

August 14 - 15, 1957

ZAPATA OFF-SHORE

#1 STATE LSE. 2548

Blk 51 W. Delta Area

Schlumberger Run #2 - Dr. T.D. 9052' (Sh. T.D. 9057)

C O R E R E C O R D

2947	Rec 2"	SAND - firm, shaley, medium grained greenish gray, w/shell fragments
2951	Rec 2"	SAND - soft, slightly silty, medium grained, pale gray w/shell fragments
3066	Rec 2"	SAND - soft, silty, medium grained, dark gray w/shell fragments
3076	Rec 2"	SAND - soft, silty, fine grained, dark gray
3409	Rec 2"	SAND - shaley, firm, fine to medium grained, dark gray w/shell fragments
3655	Rec 2"	SAND - shaley, firm, fine grained, dark gray w/shell fragments
3658	Rec 2"	SAND - firm, shaley, fine grained, dark gray w/shell fragments
3902	Rec 2"	SAND - soft, silty, fine grained, dark gray
4330	Rec 2"	SAND - shaley, firm, fine grained, dark gray w/shell fragments
4332	Rec 2"	SAND - firm, shaley, fine to medium grained w/shell fragments
4412	Rec 2"	SAND - firm, silty, medium grained, dark gray
4654	Rec 1½"	SAND - soft, silty, fine grained, dark gray
* 4809	Rec 1½"	SAND - shaley, firm, fine grained w/streaks of shale Very faint odor -- No fluorescence--no ether cut
4918	Rec 2"	SAND - firm, silty, fine to medium grained, dark gray
4920	Rec 2"	SAND - firm, shaley, fine to medium grained w/shell fragments
5049	Rec 2"	SHALE - firm, with streaks, fine grained silty sand
5127	Rec 2"	SAND - shaley, firm, fine grained, dark gray
5519	Rec 1 3/4"	SAND - soft, fine to medium fine grained, dark gray

5745 Rec 2" SAND - shaley, firm, fine to medium grained, w/shell fragments
6007 Rec 2" SAND - slightly shaley, firm, fine grained, dark gray
6083 Rec 2" SAND - shaley, firm, fine to medium grained w/shells, dark gray
6095 Rec 1 3/4" SAND - soft, dark gray, with shell fragments, medium grained
6175 rec 2" SAND - shaley, soft, fine grained w/streaks shale
6261 Rec 2" SAND - shaley, soft, medium grained, dark gray
6452 Rec 2" SAND - shaley, firm, dark gray, medium grained
6461 Rec 2" SHALE- firm, fine, dark gray
6876 Rec 2" SHALE- firm, w/alternate thin streaks fine grained sand
7287 Rec 1 1/4" SAND - soft, slightly silty, fine grained, dark gray
7983 1/2 Rec 1 1/2" SAND - soft, slightly silty, dark gray, fine grained
7995 Rec 1" SAND - soft, slightly silty, dark gray, fine grained

2ND GUN

6006 Missfire
6261 Missfire
6452 Missfire
6461 Missfire
6498 Rec 1 1/2" SAND - soft, slightly silty, very fine grained, dark gray
6506 Rec 1 1/2" SAND - soft, medium grained, dark gray w/streaks shale
6510 Lost Bullet
6814 Rec 2" SAND - shaley, firm, dark gray, fine grained, non-calcareous
6819 Rec 2" SAND - shaley, firm, dark gray, fine grained, non-calcareous
6876 Missfire
6979 Rec 2" SHALE- sandy, firm, fine grained
7001 Rec 1 3/4" SAND - silty, very fine grained w/streaks sandy shale
7004 Missfire
7073 Rec 2" SAND - firm, slightly shaley, fine to medium grained w/shells
7085 Rec 3/4" SAND - soft, slightly silty, fine grained, dark gray
7286 1/2 Missfire

ZAPATA OFF-SHORE#1 STATE LSE. 2548Blk 51 W. DELTA AREA

7288	No Rec	
* 7290	Rec 2"	SAND - soft, slightly silty, fine to medium grained, dark gray, porous Fair Odor -- no fluorescence -- no ether cut
7292	Rec 1½"	SAND - silty, fort, fine grained, slightly calcareous
7319	Rec 2"	SAND - shaley, firm, fine grained, slightly calcareous, dark gray
7844	Rec 2"	SAND - slightly shaley, fine grained, slightly calcareous, dark gray
7854	Rec 2"	SAND - shaley, firm, fine grained, calcareous, dark gray
7858	Rec 1½"	SAND - soft, firm, slightly silty, fine grained, dark gray w/shell frag.
8131	Rec 2"	SAND - silty firm, very fine grained, slightly calcareous, dark gray
8314	Rec 2"	SAND - shaley, firm, fine grained, calcareous, dark gray
8317	Rec 13/4"	SAND - shaley, firm, fine grained, calcareous, dark gray
8320	Rec 2"	SAND - shaley, firm, fine grained, calcareous, dark gray
8323	Rec 2"	SAND - shaley, firm, fine grained, calcareous, dark gray
8339	Rec 2"	SHALE- shaley, firm, fine grained, calcareous, dark gray, calcareous sand
8665	Rec 1½"	SAND - firm, very fine grained, silty, dark gray, slightly calcareous

STERLING E. LITTLE
CONSULTING GEOLOGIST

NEW ORLEANS 12 ,LA.

September 11, 1957

ZAPATA OFF-SHORE COMPANY

Re: #1 St. Lease 2548
Block 51, West Delta Area

W - E - L - L S - U - M - M - A - R - Y

LEASE

- (a) St. Lease #2548 (Tract 5693) expires 7/15/59 with 1/6 Royalty, Rental \$705,500.00 (original bonus \$1,411,000.00)
- (b) 3,538.00 acres being N 2/3 of Block 51, West Delta Area
- (c) FARMOUT - California Co. farmout acquired directly by Zapata Off-Shore Company (to be operator).
 - 1. Zapata will earn drill site (40 ac on oil and 160 ac on gas) less 1/12 overriding royalty interest to California Co. on drill site plus a one half working interest in remainder of acreage for the drilling of a shallow water test to 9000:
 - 2. On drilling deep water location in SW/c of lse, California can elect to pay their proportionate share (50%) or give Zapata a drill site on same basis as above plus \$35,000.00 dry hole money. Subsequent operations on fifty-fifty basis with 200% penalty for non participation - Open acreage to the West to be jointly purchased.

GEOLOGY

- (a) Subsurface and revised seismic information made available by California Company after drilling 3 dry holes on the acreage.
- (b) There are three prospective locations on this lease with the first being in the northeast corner as a shallow water exploration test to seek a higher structural position than the #1 & #2 Calco wells.

A semi proven shallow gas location (above 5000) is present in the southern center part of the lease as an offset to the CATCO wells.

The third wildcat location was originally permitted as Calco #4 in the SW/c of the lease.

WELL DATA

Location: From SE/c Block 51, West Delta Area (St. Lse 2548) go North 4978' thence West 5173' to location.

Contractor: Buster Gardner Drilling Co. with inland drilling barge "BUSTER GARDNER"

Spud: July 14, 1957 (Rig on location July 12, 1957)

Elevation: 24.65' from KB to MWL (Water depth 4½')

Casing: 26" @ 59' (Driven)
16" @ 530'
10 3/4" @ 2524'

Drilling: Normal - no upusual or hazardous drilling encountered

Completion: August 14, 1957 abandoned as dry hole T.D. 9057'

THIRD SERVICES

Electrical Logs: @ 2524' @ 9057 T.D.

Sidewall cores: Recovered 51 out of 60 cores attempted.

COMPLETION

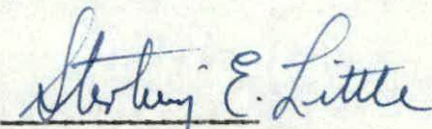
Cement plugs: 25' to 75' w/25 sw (Halliburton)
2424' to 2524' w/50 sw (Halliburton)
2524' to 2624' w/50 sw (Halliburton)

REMARKS

Sidewall core evidence showed gas odors of no commercial importance in cores @ 4809' and 7290'. This well had similiar development of sands found in Calco #1 and was only about 20' structurally higher rather than 100' plus anticipated from seismic data. With the absence of any section thickening or thinning to suggest faulting or structural gain, it was decided not to deepen this test. (Calco concurred in abandonment)

Tidewater and Gulf Oil Co. contributed \$10,000.00 dry hole money towards this well for evaluation of their West Bay leases (HBP) adjacent to the norht.

Yours very truly


Sterling E. Little

STERLING E. LITTLE
CONSULTING GEOLOGIST

NEW ORLEANS 12, LA.

June 30, 1957

Mr. Wayne Dean
Zapata Off-Shore Company
First City Nt'l. Bank Bldg.
Houston, Texas

Re: MONTHLY PROGRESS REPORT (JUNE 1957)
Zapata Off-Shore Account

OPERATORS CONTACTED

<u>Company</u>	<u>Executive</u>	<u>Proposal</u>	<u>Remarks</u>
Texas Co.	Wallace Downer	Farmout Deals	Available currently
		Blk. ? Eugene Is. Area	Will investigate
Sohio (Combine)	Ed Pettit	Farmout Deals	Possibly later in year
Superior	R.P. Nelson	Farmout Deals	Only one short term lease
		Blk. 131 W. Cameron Area	Checking
British American	Fred Goerner	Blk. 3 W. Cameron Area	Checking
ODECO	A.J. Laborde	Blk. 3 W. Cameron Area	Checking
California Co.	L. Funkhouser	Farmout Deals	None available
So. Nt'l. Gas	T. Wynn	Joint participation	Sun Farmout S/2 Blk. 14
Miss. River Fuel	J. Crouere	Joint participation	Sun Farmout S/2 Blk. 14
T.X.L.	C Schwartz	Joint participation	Future deals

FARMOUT DEALS EVALUATED

<u>Company</u>	<u>Prospect</u>	<u>Status</u>
Magnolia	Block 55 West Cameron Area	Farmout accepted
California	Block 51 West Delta Area	Farmout withdrawn--Co. will drill before 7/14/57
Superior	Block 131 West Cameron Area	Lease expired
British American	Block 3 West Cameron Area (Creole)	Not recommended
Sun	Blk. 14(S/2) West Cameron Area	Pending

DRILLING ACTIVITY

Magnolia Farmout	BLOCK 15 FIELD	West Cameron Area
ZAPATA OFFSHORE & ODECO	# 1 OCS - 085	Block 55
(a) June 19 - 20, 1957	(Field Supervision)	Spud: June 5, 1957
(b) June 22 - 23, 1957	(Field Supervision)	Ran electrical log @ 7484'
(c) June 30 -----	Drilling @ 8433'	Ran electrical log @ 8383'
	"Audrey" - Rig off location	when shut down for hurricane
		June 30, 1957.

MISCELLANEOUS

(a) New Orleans phone ordered and promised first week in July.

RECEIVED
JUL 18 1957

ZAPATA