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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: 25852
Folder ID Number: 25852-004

Folder Title:
Reading File - 1959 (April 6 to June 30)

Stack:	Row:	Section:	Shelf:	Position:
G	5	1	3	7

June 30, 1959

Dear Mom:

I thought you might like to have the attached pictures of the little lads. They seem to be thriving here in the Houston heat. Neil and Jeb are really looking forward to coming to visit you on August 2. I hope they will not be too much of a strain on you; they are quite active.

Neil is very proud of himself. He is learning to swim without a life jacket. If I turn my back he is completely submerged but this doesn't seem to bother him.

Bar is tired but seems to be holding up as well as can be expected.

Georgie is up to his neck in all kinds of activities.

Tell Dad that I saw Mrs. Hobby at lunch yesterday. He suggested that she invite us over. We have purposely not gone out much until after we get the new house and until after the baby comes.

I will be in New York next Monday for one day but will give you a call from there.

Hurriedly but with much love,

Mrs. Prescott S. Bush
3415 Volta Place, N.W.
Washington 7, D. C.

June 30, 1959

Senator Prescott S. Bush
Senate Office Bldg.
Washington, D. C.

Dear Dad:

I am attaching Commercial Bank and Trust Co.
dividend check No. 82. This represents
\$3 a share on the 65 shares that you own
and are about to sell. As soon as I receive
the proceeds from the sale of the stock I
will forward them on to Mr. Whitaker.

Best regards,

George H. W. Bush

GHWB/vf

Enc.

cc: Robert M. Whitaker

June 30, 1959

JIMMIE KEEN
Assessor & Collector of Taxes
P. O. Box 1826
Midland, Texas

Gentlemen:

Enclosed is my check for \$0.94 in payment of
the tax notice enclosed.

I have moved from Midland to Houston and my
new address is as follows:

George H. W. Bush
c/o Zapata Off-Shore Company
2218 First City National Bank Bldg.
Houston 2, Texas

Very truly yours,

George H. W. Bush

GHWD/vf
Enc.

June 30, 1959

Mrs. Nancy Talman
Del Monte Lane Corp.
4307 W. Alabama
Houston, Texas

Dear Mrs. Talman:

Enclosed is my check for \$142.00 for one month's apartment rent.

This letter is to serve as our thirty days notice of our intention to relinquish the apartment on August 1, 1959.

Thank you.

Very truly yours,

George H. W. Bush

GHWB/vf
Enc.

June 29, 1959

Mr. Dick Steadman
G. H. Walker & Co.
45 Wall Street
New York, N.Y.

Dear Dick:

Thank you for your help on the Block 104 deal. I asked Vincent Smith to tell you on the phone Friday that the thing has been buttoned up. Maybe we can do some work on something else in the future together.

Best regards and thanks for your interest.

Very truly yours,

George H. W. Bush

GHWB/vf

Withdrawal/Redaction Sheet

(George Bush Library)

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION	CLASS.
01. Letter	From George Bush to C. Fred Chambers RE: Financial informaiton (1 pp.)	6/29/59	C	
COLLECTION George Bush Personal Papers Zapata Oil File Business Correspondence Files				
FILE LOCATION Reading File- 1959 (April 6 to June 30) OA/ID Number Date Closed 12/6/99				

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]
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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]

June 29, 1959

Mr. Preston Butcher
1703 W. Ohio
Midland, Texas

Dear Preston:

I certainly do remember our visit there in Midland. I am enclosing a brochure on one of our drilling rigs, along with some pictures of the lay-out. The pictures are as follows:

1. Scorpion drilling off the Texas Coast. In this picture the barge is 40 ft. above the water.
2. The Vinegarroon at the dock in New Orleans
3. The Vinegarroon under tow
4. Explanation on back
5. Explanation on back
6. Explanation on back
7. Explanation on back.

If you could let me know in a little more detail what you would like to know in the way of information on electricity and electronics I would be happy to try and supply this information.

Very truly yours,

George H. W. Bush

GHWB/vf
Enc.

June 29, 1959

Mr. Nobuo Yamamoto
Chief of Drilling Division
Japan Petroleum Exploration Co., Ltd.
No. 4 1-Chome Ohtemachi, Chiyoda-Ku
Tokyo, Japan

Dear Mr. Yamamoto:

It is always nice to hear from you. Thank you
for your letter of June 24, 1959.

We will be on the look out for Messrs. Okino
and Sekijima. I am pleased to hear that your
barge is working satisfactorily.

Best regards from all of us here at Zapata.

Very truly yours,

George H. W. Bush

GHWB/vf

June 29, 1959

Mr. T. R. Anderson
General Mills
9200 Wayzata Blvd.
Minneapolis 28, Minnesota

Dear Mr. Anderson:

This will advise that once again the interest that we were talking to you about in Block 104 Vermilion Area, has been placed.

If it is agreeable to you, I would like from time-to-time to talk to you about drilling opportunities in the Gulf of Mexico. I am convinced there is a real opportunity here.

Best regards,

George H. W. Bush

GHWB/vf

June 25, 1959

The California Company
800 The California Company Bldg.
New Orleans 12, Louisiana

Gentlemen:

We hand you herewith the Farmout Agreement on the Vermilion Area Block 104, dated June 19, 1959.

Our acceptance of the Letter Agreement is conditioned upon and made with the understanding, heretofore expressed to you, that notwithstanding the provisions of the Letter Agreement we shall not be liable for any damages, liquidated or otherwise, in the event we should become obligated to drill a well on OCS Lease No. 0569 but should fail to do so within the time provided by the Letter Agreement by reason of force majeure or any other similar or dissimilar cause not reasonably within our control.

Very truly yours,

George H. W. Bush

GHWB/vf
Enc.

Withdrawal/Redaction Sheet

(George Bush Library)

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION	CLASS.
02. Letter	From George Bush to Robert Whitaker RE: Financial information (1 pp.)	6/25/59	C	
COLLECTION George Bush Personal Papers Zapata Oil File Business Correspondence Files				
FILE LOCATION Reading File - 1959 (April 6 to June 30) OA/ID Number Date Closed 12/6/99				

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June 25, 1959

SATURDAY EVENING POST
Independence Square
Philadelphia 5, Pa.

Gentlemen:

Several weeks ago we notified you of a change of address. Our address formerly was 2703 Sentinel Drive, Midland, Texas. Until August 15th would you please send the magazine to:

2218 First City National Bank Bldg.
Houston 2, Texas.

After August 15th our permanent mailing address will be:

5525 Briar Drive
Houston 27, Texas

Thank you.

Very truly yours,

George H. W. Bush

GHWB/vf

June 25, 1959

Mr. J. Stewart Dewar
H. C. Price
P. O. Box 1111
Bartlesville, Oklahoma

Dear Stewart:

Attached is a copy of California Company Farmout Letter, which has been approved by the lawyers and which has today been accepted.

I shall forward you, as soon as we have given it final approval, the Pan American - Texas Company agreement. There are some changes that we are trying to get them to make at this point but they are not of substance. As soon as we have these papers finalized I will be in touch with you regarding a final decision on your interest. I do not think we will have a 1/4 open but it may be that we can get you a little more than the 1/8 you have requested. I hope this will be satisfactory to you.

We had a long visit with the California Company geologist and I am glad he left when he did because he had us very optimistic about 104.

Apparently our pipe has been loaded and is on its way from the plant to our Block 86 for Transco's line. Things are shaping up, particularly if we can get a well on 104.

Best regards and try to dream up an excuse to come down if you can.

Sincerely,

George H. W. Bush

GHWB/vf
Enc.

June 24, 1959

Mr. William H. Mortensen
166 Capital Avenue
Hartford, Conn.

Dear Bill:

I thought that I should follow up our phone conversation of yesterday with a few comments about ABC oil payment financing, since it is a rather complicated transaction at first blush.

The main feature of it, from the buyer's standpoint, is that a large part of the purchase price can be financed and repaid without the funds necessary to repay going through the purchaser's income account.

Assuming that you were going to purchase \$150,000 oil property, the deal might work as follows:

Let us first assume that an engineering report had substantiated an oil payment loan for a reputable financial institution in the amount of \$100,000. Usually one can borrow from 60 - 80% on this type of financing.

The seller in making out the deed to you would sell you the property for \$50,000 and at the time of the sale he would reserve unto himself \$100,000 to be paid out of say 80% of the runs.

As buyer you would then be receiving only 20% of the runs until this \$100,000 had been paid back, at which time you would receive all of the runs.

The seller would then sell this oil payment of \$100,000 to an oil payment purchase company, which in turn would mortgage the oil payment to a bank, in the full amount. The bank would take the note from the oil payment purchasing company and would make interest on the \$100,000 it loaned out. The seller and you, the buyer, would both be free of all liability as to this \$100,000. The bank would look only to the oil property itself and to the credit of the oil payment purchasing company for satisfaction of its loan.

After the oil payment is paid out 100% of the runs would come to you and only then would you start paying income taxes on all the runs subject, of course, to depletion.

Page Two
Mr. William H. Mortensen
June 24, 1959

The above is perhaps an oversimplification of the ABC method but maybe you will find it useful. In general all oil properties should be purchased on the ABC method where possible. Please let me know if I can answer any other questions.

Very truly yours,

George H. W. Bush

GHWB/vf

Withdrawal/Redaction Sheet

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03. Letter	From George Bush to IRS RE: Financial information (1 pp.)	6/24/59	C	
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FILE LOCATION Reading File - 1959 (April 6 to June 30) OA/ID Number Date Closed 12/6/99				

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June 23, 1959

Mr. J. H. Clark
c/o Postmaster
Longville, Minnesota

Dear Mr. Clark:

My friend, Mr. Bill Bixby, called me today and advised me that he had told you about the 229,000 share block in our company which Zapata Petroleum Corp. wants to sell. He suggested that I send you a letter setting out something about our company so that you might determine whether you would be interested in purchasing from Zapata Petroleum Corp. their holdings in this company.

So that you will have some background material on Zapata Off-Shore Company, I am attaching the following papers:

1. Our three most recent annual reports
2. Report for six months period ended March 31, 1959
3. Prospectus from our most recent public financing
(convertible debenture offering July 1, 1956)
4. Miscellaneous material describing company drilling equipment.

BACKGROUND :

In 1954 Zapata Petroleum Corp. in which Hugh Liedtke and myself were the principal officers founded Zapata Off-Shore Company. Our purpose was to start an offshore drilling company which would use drilling tools as a means to acquire production. Zapata Off-Shore Company built the first mobile LeTourneau drilling platform, the Scorpion and subsequently acquired the second such platform, the Vinegarroon. These mobile barges have lived up to our expectations and have done a good job.

In the early days there was a large demand for offshore drilling equipment and few pieces of equipment available. However, toward the end of 1957 the recession which hit most of the oil industry struck hard at the offshore business, with the result that many rigs were idle and companies experienced difficult times. Our company was among those, and although we kept current with the banks we did have a large loss.

Page Two
Mr. J. H. Clark
June 23, 1959

ZAPATA PETROLEUM CORP. BLOCK OF STOCK:

Zapata Petroleum Corp. now owns 229,000 shares of Zapata Off-Shore Company stock, having recently reduced their holdings from 400,000 shares through private placement. When the directors of Zapata Petroleum Corp. decided to liquidate its holdings in Off-Shore, I made an exchange with Zapata Petroleum under which I transferred over most of my holdings from Petroleum to Off-Shore. This accounted for 65,000 shares of stock and another group transferred over another 100,000 shares, thus reducing Petroleum's holdings to the present level. Zapata Petroleum Corp. wants to get rid of its stock for various reasons. First, it does not like the drilling business as such. Secondly, it has need of the funds in order to move ahead itself. As an individual I was pleased to be able to make the exchange with Petroleum because I personally believe in the future of Off-Shore.

PHILOSOPHY OF ZAPATA OFF-SHORE COMPANY:

It is our intention to attempt to build up production in Zapata Off-Shore Company. I recognize the limits of drilling equipment as assets, but we have found that we can acquire interest in offshore farmouts because we are out in the Gulf with drilling equipment. We plan to do more and more of this as our finances permit. We have established one small gas field in which our net reserve is 20 billion cubic feet. We are about to start on another farmout deal which is a wildcat. We have developed new floating method of drilling and we do plan to acquire additional units in the future. These will be acquired only if we have on hand contracts of sufficient duration to pay out the purchase.

I am firmly convinced that for the long pull the offshore business will out strip the rest of the domestic oil business. There are many who disagree with this premise at this time but it is my contention that they are not fully familiar with the current costs offshore. I believe that a new Federal Lease Sale will be well received and that the people who are predicting that the offshore business is dead will soon realize that this is not the case. There are many risks in drilling in the Gulf of Mexico or elsewhere offshore but in terms of what one is seeking I believe the risks are not disproportionate.

In summary then, our philosophy is to continue building a reputation as drilling contractors but at the same time to attempt to build reserves through farmout participation.

CURRENT STATUS OF OFFSHORE DRILLING INDUSTRY:

Until quite recently there was a vast over-supply of drilling equipment in the Gulf. Right now all our mobile barges are working. There is a fair degree of activity and prices, which suffered tremendously during the slow-down, have begun to improve a little bit. All of our rigs are currently working and we anticipate that they will be so improved for the rest of the year. We recently negotiated a contract for a years drilling in Venezuela for Paria Operations, Ltd. In addition to that, we are vigorously attempting to acquire additional contracts in foreign waters for our foreign subsidiary Zapata International Corp. We look for increased foreign offshore activity over the next few years.

This year our company has not made a lot of money. We are operating at a small profit and I anticipate we will show a profit for the year. This, on top of a substantial depreciation. In this business it is very difficult to predict earnings, since down-time for one piece of equipment can throw off all calculations. I do feel that the general climate is better for offshore now than it has been in the last two years and we think this will continue. Naturally, a cut in the price of crude or some such factor having an adverse effect on the whole industry would be bad for offshore, but contra-wise anything helping the domestic industry will be felt disproportionately offshore. The problem of the offshore business to date has not been reserves or ability of wells to produce, it has been primarily economics. If the domestic industry improves over the long pull I look for a steady improvement in offshore.

IN CONCLUSION:

These remarks I am afraid have been extremely sketchy. As president of Zapata Off-Shore Company I am not directly concerned with what Petroleum does with their 229,000 shares of stock. However, I would like to see it end up in the hands of people who were enthusiastic about the prospect of offshore, who understood the risks and problems of the business but who also could see the potential provided we in the management do our job properly.

I believe it is fair to say without question we have one of the finest offshore organizations in the Gulf of Mexico. Our people are extremely experienced and I think we enjoy a good reputation among the major companies on whom we are dependent for our business. I personally believe in the future of this company and have backed up this belief by switching stock from Zapata Petroleum into this company. There are many things about our picture which trouble me and worry me but I believe we are going to make some real headway during the next couple of years.

June 23, 1959

Mr. J. Hugh Liedtke
Zapata Petroleum Corp.
P. O. Box 3195
Midland, Texas

Dear Hugh:

I am confirmed on Flight 310, arriving in Tulsa
at 10:08, Friday, June 26th.

I am attaching a draft of the letter which Baine
has looked over. At Kerr's suggestion I am
checking with Drew Cornell about reserves.

Please feel free to comment on the attached letter.

Very truly yours,

George H. W. Bush

GHWB/vf
Enc.

June 22, 1959

Mr. R. T. DeLouche
The California Company
California Company Bldg.
New Orleans, Louisiana

Dear Mr. DeLouche:

Your farmout letter dated June 19, 1959 was received today as was the Texas Company - Pan American letter. We have forwarded this letter to our attorneys Baker, Botts, Andrews and Shepherd for review. In principle the terms of your letter appear to be satisfactory and in accordance with our verbal understanding. We shall be in touch with you shortly.

Very truly yours,

George H. W. Bush

GHWB/vf

June 18, 1959

Mr. C. T. Peterson
R. G. LeTourneau, Inc.
Longview, Texas

Dear Cliff:

Here is the photostatic copy of the cancelled Princeton University note which I promised you in my letter of April 6, 1959. I believe this completes your file so that you can issue Zapata Off-Shore Company the credit of \$4,500.00 which you mentioned in your letter of April 2, 1959.

Very truly yours,

ZAPATA OFF-SHORE COMPANY

George H. W. Bush

GHWB:FMA:vf

Enc.

bcc: F. H. Allen

June 18, 1959

Miss Lily Gerum
G. H. Walker & Co.
One Wall Street
New York, N.Y.

Dear Lily:

In Midland I used to receive the month late copies of the Standard and Poor's stock guide. I believe I was getting Dave McKnight's old copy. These were very helpful. Would you please see if they are still being mailed to Midland. If so, please have them mailed to my Houston office address.

Very truly yours,

George H. W. Bush

GHWB/vf

XXXXXXXX 2218 First City National Bank Bldg.
XXXXXXXXXXXXXXXXXXXX Houston 2, Texas

June 17, 1959

Mr. Brendan J. Farrington
Phillips Academy
Andover, Massachusetts

Dear Ben:

Thank you for your letter of June 10th. I was
very pleased to be elected to the Alumni
Council.

Would you please change my address of record
from Midland to:

2218 First City National Bank Bldg.
Houston 2, Texas
Phone: CA-20395

and home address after August 1st will be

5525 Briar Drive
Houston 27, Texas
Phone: Mo-50038

Looking forward to seeing you at Andover
before too long.

Very truly yours,

George H. W. Bush

GHWB/vf

June 17, 1959

Mr. Prescott S. Bush, Jr.
Johnson & Higgins
63 Wall Street
New York, N.Y.

Dear Pres:

I am attaching a copy of the bill dated April 14th, from Charles D. Wood to Johnson & Higgins. Our feeling is that this is an obligation of Southern Marine.

I have not talked to Jerry or anyone about whether Zapata agreed to pay 1/2 interest. If we did, I am sure it was only to be out-of-pocket expenses involved. You will note that the bill has a \$500 fee plus expenses.

Regarding the expenses it includes two trips to Miami. I understand that the man went to Miami, had other business attend to, and had to leave before going to the rig. Therefore, we certainly should not have any obligation to pay for two trips. If we agreed to pay 1/2 of the expenses, it seems to me we should pay 1/2 of the trip to Miami and 1/2 of the trip from Miami to Marathon, and 1/2 of the necessary expenses.

I just heard that Charlie Wood died. This, of course, is a real blow to all of us, since he was such a good friend.

Best regards,

George H. W. Bush

GHNB/vf
Enc.

~~XXXXXXXX~~ 2218 First City National Bank Bldg.
~~XXXXXXXXXXXXXXXXXXXX~~ Houston 2, Texas
June 17, 1959

Mr. John D. Baker, Jr.
Reynolds & Co.
120 Broadway
New York 5, N.Y.

Dear John:

Thank you for your letter of June 12th. We have moved to Houston now and my address is as shown above. Therefore, it took a little longer for me to get your letter.

I do know Ed Spalding. His brother, Chuch, has been a good friend of mine. The Spaldings come from Chicago and were people of some means there.

Ed has moved around some from different jobs and is a little bit prone to be a so-called "big deal" guy. I feel that Ed in every way he is honest, energetic and capable. I don't know anything about the Buying Department and, therefore, I don't know what to say about him in this regard. I think he has plenty of imagination and energy and he makes friends easily. He is not the world's most conservative individual.

I do hope you will keep the above comments confidential. I was nice hearing from you, and if you ever get down to Houston please be sure and come to see me.

Very truly yours,

George H. W. Bush

GHWB/vf

TELEGRAM

June 17, 1959

ZAPATA OFF-SHORE COMPANY

STEWART MOSSON
MAGNOLIA PETROLEUM CO.
DALLAS, TEXAS

PREPARED TO REVISE JUNE 10 MEMO AS FOLLOWS ON FIRM OFFER
BASIS: CHANGE PARAGRAPH 3B TO READ, PAYMENTS COMMENCE
THE FIRST OF THE MONTH AFTER POSSESSION HAS BEEN TAKEN.
CHANGE PARAGRAPH 3A TO READ AS FOLLOWS: ZAPATA WILL
MAKE A DOWN-PAYMENT OF \$30,000 UPON SIGNING OF THE
CONTRACT AND WILL EXECUTE A NOTE IN FAVOR OF MAGNOLIA
FOR \$200,000, ETC. PLEASE WIRE IF THESE TERMS ACCEPTABLE
AND WE WILL COMMENCE TO DRAW UP CONTRACT AND MORTGAGE,
ETC. HIGHLY LIKELY WE WILL WANT SECOND RIG BUT PREFER
TO LEAVE PRICE AS PRESENTED IN JUNE 10 MEMO.

GEORGE BUSH - ZAPATA OFF-SHORE COMPANY

June 17, 1959

Transcontinental Gas Pipe Line Corp.
3100 Travis
Houston, Texas

Attention Mr. J. N. Younger

Gentlemen:

We enclose one copy of our Summary of Completion
Report on OCS-0172 (State Lease 1446 #3)
Vermilion Area, as per our telephone conversation
this date.

Please call me if you find need of more
information.

Very truly yours,

R. C. Mosby

Enc. (1)

W. H. Dean

G. H. W. Bush

June 17, 1959

C.I.M.A.

Ed Martin called today. He said that the Nola deal was about to eat him up. He also stated that he felt that their neck was stuck way out on the work but he felt that Zapata was also. I concurred. He said that Pauley thought the price was too high by \$1000. They have approved the use of the Nola in principle but need to cut the price.

He said that Pauley told him that he had received a previous bid from Zapata for \$3750. He had not gotten across to Pauley that the difference in price was do to extras but he would like some kind of breakdown to back up his position (since talking to him I have looked the bid over and the \$3750 was without boats, for one thing). He says the California people are going to talk and compare the cost of California drilling methods, etc. They keep questioning whether the thing will work.

Regarding the beach rigs, they are going to put out or ask for competitive bids on it. Probably for 5 wells on a day rate basis and then ask for renegotiations to drill _____ wells. It looks like the rig will have to come in from the States. One rig down there can do the work. Delmar National 75 but it is busy and has to drill other wells.

I told him we would try to provide him with some kind of breakdown and if necessary you would be glad to sit down with him and show him that they are getting a reasonable deal. He would like either of us to call before the week-end.

GHWB/vf

June 17, 1959

Mr. Charles F. Sapling
817 - 230 Park Avenue
New York, N.Y.

Dear Chuck:

Rather than write out another deal, I am sending you a copy of a letter written to Charles Bell about our present deal. Regarding this letter which I sent to Bell, Meek, and Tom Watson, I notified each of them that the deal had been sold. A company in Oklahoma City told me they were committing to the full 1/2 interest, however, they raised some objections to the Texas Company farmout letter. Objections, incidentally, which our lawyers do not find valid. They still want to make the deal if we can get Texas Company to make some changes. However, I do not plan to talk to Texas Company anymore about this thing.

I am attaching the following papers which will show you how the deal is set up.

1. Letter to Charles Bell
2. AFE
3. Drilling Contract
4. Letter Agreement
5. Area Plat
6. Photostat copy of geophysical consultant's letter

We have checked out this dope with CATC, Magnolia and California Company and all of them show the same thing.

I think it is important that anybody going into this understand fully what the risks are. We think that if we hit we will be getting something big but we also realize that the thing can be expensive. After the field has been partially developed it will be necessary to spend about one-half million dollars to install a gas gathering system. This expense, of course, can be fully financed. We certainly will make available to you, or anyone else, the shootings, if you have any real interest in this prospect.

I believe on the phone I made it clear that the deal is subject to prior sale but as of right now there is 1/4 interest open. Be sure to come down so we can talk over the over-all syndicate approach to the offshore business. I think it makes real good sense.

Very truly yours,

George H. W. Bush

GHMB/vf
Enc.

June 16, 1959

Mr. J. S. Dewar
H. C. Price
P. O. Box 1111
Bartlesville, Oklahoma

Dear Stewart:

Russ Mosby tells me that we are using
2-3/8" J55 tubing for flow lines from
the #1 Well to the platform. The pipe
is lined up and is being coated against
salt water corrosion.

Very truly yours,

George H. W. Bush

GHWB/vf

June 16, 1959

Mr. J. Hugh Liedtke
Zapata Petroleum Corp.
P. O. Box 3195
Midland, Texas

Dear Hugh:

I tried to call you this morning but you were in a directors meeting. I spent a couple of hours with Mr. Eck of DeWitt Conklin. He called his lawyers in New York and they concluded that they would not be able to immediately undertake our job if there was any chance it would be sold in the near future. In other words, if we were willing to wait to sell the stock until September or October their attorneys advised him they would be free to go ahead and do the job. If not, they would not be able to touch it until the books had been closed and the stock sold.

I have not yet talked to Baine about this but I have been trying to get him this afternoon. The fee for the service was \$1250 per month for one year deal, plus expenses estimated at \$8,000. This is a total cost of \$23000 per year, which frankly seems a little bit high.

I gather from our talk that you may not want to wait this long any way. I passed this along to Herbie and he tells me that Pidgeon, their New York man for DeWitt Conklin, had already called him to tell him this. I asked Herbie about the deal and he said that if you wanted to wait, as far as the market went it was in fair shape, although they had been buying a lot of stock. I looked up the record and 62,624 shares had been placed since April 21st, exclusive of 165,000 shares private placement. Herbie had gotten a letter from Roberts telling him he wanted to get on with the deal.

One problem involved is that some of the things that I think are important will not be put in a prospectus immediately, such as the Pauley Mexican deal that we are working on, the California wells, the CATC wells for the Nola, etc. We do have some reserve figures which I think we can use.

June 16, 1959

Mr. James G. S. Gannell
British Assets Trust, Ltd.
9 Charlotte Square
Edinburgh 2, Scotland

Dear Jim:

It has been a long time since we have heard from you and I am wondering how you all are and whether it is still going to work out for Georgie to come this summer. He is looking forward to it but if your plans have changed in any way we will all understand perfectly.

Regarding business, the offshore business seems to be enjoying a little bit of an increase in activity. We have negotiated a contract for the Nola for the Gulf of Paria on the Venezuelan side for one year. This work is to be done for the Paria Operators, namely, Continental, Texas, Union and Richfield. We will replace the Nola with a tender to be purchased from Magnolia in Dallas. We shall convert the Magnolia tender and use it to drill wells for Continental and Magnolia here in the Gulf of Mexico. The Scorpion and the Vinegaroon are both working for Tennessee Gas. Whichever one is finished first will then move over to drill two wells for California Company. The other one will drill another well for Tennessee or will drill a well at Block 104, Vermilion, in which we have an interest.

Our Block 86 made quite a decent well and we have now been certified by the Federal Power Commission to sell gas this summer. This will add about \$10,000 - 15,000 per month to Zapata's income. We may drill another well there before the end of the year.

We are negotiating on a couple of contracts to drill for Pauley in Mexico. These contracts would involve more floating equipment similar to the Nola, all of which can be purchased on a lease purchase deal.

Page Two
Mr. James G. S. Gammell
June 16, 1959

Generally speaking, there is more work to be had than there was a year ago. We are not making any money to speak of, although our cash flow has held up fairly well. The completion of our gas well will give us the additional credit to take on the other equipment that I am speaking about and our deal with Magnolia will call for our being able to give back the equipment without liability if we should so elect. I still favor making our goal the establishing of reserves and we hope to take some additional farmout deals this year. All of the deep water rigs are running at this time. I don't know how long this situation will last but I hope it will be long enough for the price to move a little. The prices are still not particularly good.

I have been getting regular phone calls from Hugh and Herbie regarding the underwriting. An awful lot of the Zapata Off-Shore stock has been on the market and I don't think this has helped our market any, although Walker has stayed in there with the bid, thus keeping our position fairly stable. Without their efforts I fear the stock would be selling for a good deal less. 62,640 shares have been traded since April 21st, not counting the private placement of stock. I think G. H. Walker has placed most of this.

I think Hugh was very disappointed that he has not been able to get \$9 a share, and I think Herbie is disappointed that the market has not responded so that the deal could be done on this basis. However, I don't feel that I can do anything about this. Our business is somewhat better but far be it from me to say that our stock should be selling higher than the \$9 it now brings. I have been told that the Zapata Petroleum block hanging over the market hurts us. I have also been told that the falling of Zapata Petroleum Stock effects our shares too. I do not know just how much either of these things have effected the actual market but I do not feel that our company should get itself in the position of putting out a lot of promotion literature in an effort to have the stock up for a short period of time. I am sure you would agree with this comment.

Hugh called me yesterday and asked what I felt and the only thing I could comment on was the state of our business. I think he is now thinking about taking less than \$9 per share. From both Zapatas standpoint I think this might be constructive. Zapata Petroleum because it should get rid of the offshore stock and frankly I do not think Hugh could sell this block of stock to any underwriter other than Walker at any reasonable price at this time. There is still a very broad pessimism as to offshore business in investment circles and since our business has been so bad, I think it will be sometime before it is dispelled.

Page Three
Mr. James G. S. Gammell
June 16, 1959

I talked to Herbie today and he feels the deal could be underwritten with Zapata netting \$8. I passed this along to Hugh and suggested that they talk to each other about it. I think the matter that we talked about at length in Midland, namely the lack of mutual confidence between the two, hinders negotiations on this matter. I think Hugh feels that Herbie is committed to \$9 net to Zapata no matter what and I think Herbie feels as he felt at the time that the deal was made but that he never guaranteed it, that he has been very active in the offshore picture ever since and that he is no magician and cannot make the market respond more than it has. Hugh's position of wanting \$9 is certainly understandable and I find Herbie's position clear also but because of matters we discussed I don't think either of them see eye to eye exactly.

As a Zapata Petroleum director, I would like to see the deal done now at the best price that can be accomplished. As Zapata Off-Shore director my feelings are the same, since it would get this big block of stock off of the market. I think that Hugh should consider that certain adverse things can always take place and if they did he would not be able to get \$8 per share. In any event, as I write this letter the situation is still confused.

We enjoy Houston. We will be moving into our house around the first of August. Bar is uncomfortable since our baby will be due the middle of August but she is a good manager. We have rented a small house until we can get into our own place. All the boys are fine and we are hoping to hear that you will be over this way soon.

No rush in answering this letter but I did want to kind of bring you up to date.

Best regards,

George H. W. Bush

GHWB/vf

June 15, 1959

Mr. James S. Bush
496 Arcade Bldg.
St. Louis 1, Mo.

Dear Jim:

I was very pleased to get your letter of June 9th. Naturally, I am both flattered and pleased to be named a trustee along with Lois and the St. Louis Trust Company. I can assure you it will be no burden and it will give me a real opportunity to keep in touch with your wonderful family. This all is assuming, of course, that you die. After the 80 and 84 you had on the golf course it seems to me questionable that you will ever die.

Business seems to be picking up a little bit. We have some decent contracts lined up for the two mobile barges. They are both now working for Tennessee but as soon as one of them finishes it will move over to California Company.

Thank you again for your letter, it was great hearing from you.

Best regards,

George H. W. Bush

GHWB/vf

June 15, 1959

Mr. Ashley E. Pidgeon
De Witt Conklin Organization
120 Broadway
New York 5, N.Y.

Dear Mr. Pidgeon:

Thank you for your letter of June 12th.

I am not sure that we will be interested
in working out a deal with Mr Eck but I
will be happy to see him when he calls.

Very truly yours,

George H. W. Bush

GHWB/vf

June 15, 1959

Mr. Baine P. Kerr
Baker, Botts, Andrews & Shepherd
Esperson Building
Houston 2, Texas

Dear Baine:

I would appreciate it if you would have someone read the attached contract as soon as possible. The contract calls for four wells. Unless it is implied or stated in the contract already, we would like to see it clearly set out in the contract that Zapata has the right to cease drilling on the contract at any time. If we should cease drilling before the first well is completed we should get no money. If we should cease drilling during the drilling of the second well, or prior to the commencing of the second well, we should only be paid for the first well, etc. In other words, we want to avoid the situation where we are obligated for four wells. Then if some unforeseen condition occurs and we were not physically able to drill the wells we would not want CATC to be able to hold our nose to the grindstone for four wells.

Perhaps language to this effect should go under Page 2, III, A, or perhaps it should go back under Page 9, IV, Payment. If someone else does this would you please have him call me as soon as he gets an answer on this.

Very truly yours,

George H. W. Bush

GHWB/vf
Enc.

June 15, 1959

Mr. Frank J. McGrath
Frank J. McGrath Corporation
680 Fifth Avenue
New York 19, N.Y.

Dear Mr. McGrath:

Thank you for your letter of June 12th.
Naturally, we would be interested in exploring
any matter which would be of advantage to our
stockholders.

You state that you will be happy to give any
essential details. We would, of course, like
to know who the principals involved are and
what they are thinking about as terms for an
exchange. Upon receiving this information
I would then discuss the matter with our Board
of Directors and we could let you know promptly
whether we could recommend pursuing the matter
further.

Very truly yours,

George H. W. Bush

GHWB/vf

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XXXXXX 2218 First City National Bank Bldg.
XXXXXXXXXXXXX Houston 2, Texas

June 16, 1959

Mr. Lavan Pharr
Commercial Bank & Trust Co.
Midland, Texas

Dear Lavan:

I should like to close out the attached savings account for my four-year old son, Neil. Will you please forward me a check for the full amount due at your convenience. I have signed the book in a couple of places, not knowing quite where I should sign.

How are things in Midland? I saw that you eased out from under the presidency of American Cancer Society, thus demonstrating the foot-work for which you are notoriously famous. This, after all the deliberation I gave the matter at the time I was instrumental in your appointment.

Please come see me if you ever get down to Houston. We like it here pretty well but we certainly miss all our friends in Midland.

Please give my best regards to all the people at the bank. I have been reading in the paper about all the changes.

Sincerely,

George H. W. Bush

GHWB/vf
Enc.

XXXXXXXX 2218 First City National Bank Bldg.
XXXXXXXXXXXXXXXXXXXX Houston 2, Texas
June 16, 1959

Mr. T. L. Cauthen
First Savings and Loan Association
P. O. Box 1811
Midland, Texas

Dear Ike:

I should like to cash in the four small savings accounts enclosed herewith. They are #741, 742, 743 and 1190. Would you please hold these until after the next interest payment, which I understand is the last day of June, and at that time forward me the proceeds in four separate checks to the above address.

I hope the people to whom we sold our house are proving to be good neighbors. We certainly miss seeing the Cauthen family. In fact, we miss seeing all our friends in Midland.

Our house here in Houston will be finished at which point we will feel more settled. If you are ever down this way please don't forget to see the Bush family.

Best regards,

George H. W. Bush

GHWB/vf
Enc.

June 12, 1959

Mr. Prescott S. Bush, Jr.
Johnson & Higgins
63 Wall Street
New York, N.Y.

Dear Mr. Bush:

The G.H.W. Bush family is moving once again,
this time from the apartment to a house.
The new address is :

5615 Piping Rock
Houston 27, Texas
Phone: MA 3-4338

Very truly yours,

Vivian Flynn (Miss)

/vf

June 12, 1959

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

Dear Mr. Walker:

Mr. Bush is moving from the apartment to
a house this week-end. For your records
the new address is:

5615 Piping Rock
Houston 27, Texas
Phone: MA 3-4338

Very truly yours,

Vivian Flynn (Miss)

/vf

June 12, 1959

Mr. William E. McBride
Trans Western Transport
Box 490
Odessa, Texas

Dear Bill:

Thank you for your letter of June 8th.
I am sorry I did not get to see you when
you were in Houston. I will look forward
to seeing you the next time you are in
town.

Very truly yours,

George H. W. Bush

GHWB/vf

June 12, 1959

Commercial Bank and Trust Co.
Midland,
Texas

Gentlemen:

Please change the address of Zapata
International Corporation from
P. O. Box 3195, Midland, Texas to
2218 First City National Bank Bldg.
Houston, Texas,

Thank you.

Very truly yours,

George H. W. Bush

GHWB/vf

XXXXXX
XXXXXXXXXXXXXXXXXXXX

2218 First City National Bank Bldg
Houston 2, Texas

June 11, 1959

Mr. James Hall Brooks
Morgan Guaranty Trust Company
23 Wall Street
New York 8, N.Y.

Dear Mr. Brooks:

Thank you for your letter of June 8th regarding PT-535. I would appreciate your delivering the securities to G. H. Walker, Jr., G. H. Walker & Co. One Wall Street, New York City.

Regarding the cash balance, please forward that to me at the above address.

For your permanent records would you please note my change of address from Midland to Houston.

I appreciate very much the way in which your bank has handled the trust affairs. Thank you very much.

Very truly yours,

George H. W. Bush

GHWB/vf

June 11, 1959

Mr. J. Hugh Liedtke
Zapata Petroleum Corp.
P. O. Box 3195
Midland, Texas

Dear Hugh:

I talked to Herbie today. The LeTourneau stock is still there. He was not able to make any prophecy as to time on any net price of \$9 to Zapata. He feels the market is pretty clean, however, and that it will not take much buying to get it higher.

I know he realizes that we are anxious to get the offering made but I am convinced in my own mind that he cannot do any more than he has been doing in this regard. He and Mary personally have bought a good deal of Off-Shore stock and the firm has actively handled anything that has come on the market. I know he feels the whole deal could be done right this minute but Zapata would not get \$9 a share. He told me he would keep me informed if there were any changes in the market which would enable the deal to be made on a different basis.

No word today on Nolan although we are expecting confirmation at any time.

The work picture seems to be fair for the next 2 or 3 months and I hope more than that.

Very truly yours,

George H. W. Bush

GHWB/vf

June 10, 1959

Mr. Harold Pernod
P. O. Box 385
Midland, Texas

Dear Harold:

We received your Mayflower Invoice in the amount of \$921.08 which has been placed in line for payment. We have not received any bill from Rocky Ford. Barbara tells me that this was to come from you. Perhaps it was included in the amount we paid. In any event will you please check up on this and let me know what the status of this account is.

Very truly yours,

George H. W. Bush

GHWB/vf

June 10, 1959

Mr. J. Stewart Dewar
H. C. Price
P. O. Box 1111
Bartlesville, Okla.

Dear Stewart:

We are moving the Vinegarroon on a well for Tennessee. The starting date for 104 has been set back. We are still hoping to sell that interest but I thought you would like to know about the deal.

Please keep me advised about the contract.

Very truly yours,

George H. W. Bush

GHWB/vf

June 10, 1959

Mr. Frank Guernsey
Sorg Printing Company
1801 Walker
Houston, Texas

Dear Frank:

My temper has now subsided enough that I can write you to thank you for the most wonderful lesson in self-control ever experienced by me. I have clutched up in games before in my life but please believe me when I tell you this was the saddest exhibit. My principle regret was that I let you down so terribly when you played so well.

Nevertheless, I have only happy memories of a great week-end. It was great meeting Joan and as soon as we get settled in something bigger than our overcrowded apartment we will try to repay you in some small way for your hospitality.

Many, many thanks from your contrite partner.

Very truly yours,

George H. W. Bush

GHWB/vf

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.)	6/9/59	C	
COLLECTION George Bush Personal Papers Zapata Oil File Business Correspondence Files				
FILE LOCATION Reading File - 1959 (April 6 to June 30) OA/ID Number Date Closed 12/6/99				

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]
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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]

Page Two
Transcontinental Gas Pipe Line Corporation
June 9, 1959

If Transcontinental is agreeable to accepting this Agency Appointment, please indicate agreement thereto by signing all copies and returning 7 copies to this office.

Very truly yours,

ZAPATA OFF-SHORE COMPANY

By _____
President

ESSEX OFFSHORE, INC.

By _____
President

PEIMONT OIL CORPORATION

By _____
President

HAROLD G. PRICE

G. H. WALKER, JR.

Accepted this _____ day
of _____, 1959

TRANSCONTINENTAL GAS PIPE LINE CORPORATION

Vice President

June 9, 1959

TO ALL BLOCK 86 PARTNERS:

FROM: Russel Mosby

SUBJECT: Transcontinental Gas Pipeline Corp. Agency Appointment

We are enclosing 9 copies of Agency Appointment dated May 27, 1959 and 9 copies of Letter dated June 9, 1959 covering the above subject.

Please sign all copies of both of these instruments and return to this office as soon as possible. When this transaction is finalized we will furnish you executed copies for your files.

Thank you.

/vf
Enc.

June 8, 1959

Mr. H. F. Davies
Cuba California Oil Company
320 Market Street
San Francisco 11, California

Dear Mr. Davies:

Please excuse our delay in answering your letter of May 26, 1959. We have again reviewed our proposal on the Cuba farmout and we do not feel that we can substantially change our offer at this time.

Our estimated drilling costs are well in excess of the bottom hole contribution. We would be agreeable to reducing our interest in your block away from the well site if that would help lessen your objection to our proposal.

If we do not hear from you, we will assume that our proposal is unsatisfactory.

Thank you for letting us consider this farmout.

Very truly yours,

ZAPATA OFF-SHORE COMPANY

George H. W. Bush

GHWB/vf

June 8, 1959

Mr. J. Stewart Dewar
H. C. Price
P. O. Box 1111
Bartlesville, Oklahoma

Dear Stewart:

We are having all kinds of heck finalizing Block 104. The original Texas Company farmout letter had some objectionable paragraphs in it. The Texas Company has now agreed to change these and we are awaiting a re-draft. The same is true of the California Company letter. There are no substantial changes in the deal, however, there were some details which we felt were rather burdensome. The result is that we will have to postpone the drilling of the well for a little while.

We now have a contract with Tennessee (I am sure Mr. Price's original help was invaluable) to drill a well on Block 77 in the Vermilion Area. You will recall that this is the block which you tried to get from Phillips for us. This will give us time to get the 104 deal flanged up properly. I don't know what it will do to our partners in Oklahoma, Mid-America Minerals Corp. but they have objected to some of the provisions in the Texas Company letter so they may drop out. If they do, I will let you know in the event you want to take more than the 1/8 interest. Under the Mid-America deal Zapata was only going to take 1/4; I would rather have 3/8 for our company.

Incidentally, Magnolia is very high on 104. Sterling Little talked to their geologist in New Orleans and Magnolia liked the location and had tried to buy the lease in the Federal Sale five years ago.

Russ is working away on getting our gas line stuff hooked up. We expect our temporary certificate from the FPC this week. Last week the FPC lawyer told our man that both our application and Transco's were in order. This should keep us from having to make the agency agreement with Tennessee.

I have gotten a little dope on Mississippi but not enough to be helpful as yet. Business seems to be picking up a little although we did not make any money in April or May. It looks like we are going to send a floating drilling vessel to the Gulf of Paria in Venezuela for one year.

June 8, 1959

Mr. H. M. Shriber
1633 - 10th St., N. E.
Massillon, Ohio

Dear Mr. Shriber:

I am awfully sorry to advise that we do not have any openings on our drilling equipment at the present time. I am sorry that I cannot help you in this connection.

Very truly yours,

George H. W. Bush

GHWB/vf

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XXXXXXXXXXXXXX

2218 First City National Bank Bldg.
Houston 2, Texas
June 8, 1959

U. S. Army,
Corps of Engineers
Bg.T-7
Pentagon
Washington, D. C.

Gentlemen:

I would like to have some information on
wall maps. I am particularly interested
in a 9' X 12' map of the world which you
put out. Could you please let me know
how much it costs.

Very truly yours,

George H. W. Bush

GHWB/vf

Withdrawal/Redaction Sheet

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

June 8, 1959

Mr. J. Hugh Liedtke
Zapata Petroleum Corp.
P. O. Box 3195
Midland, Texas

Dear Hugh:

I think this was meant for out there.

I talked to Johnny Johnston, Stanolind's chief geologist. He was going to call me back about the Humble well but to date he has not done so. He said he heard that they were going in to do the testing to which you referred.

Best regards,

George H. W. Bush

GHWB/vf
Enc.

June 8, 1959

Mr. Theodore G. Patterson
Preston, Moss & Company
24 Federal Street
Boston, Mass.

Dear Ted:

It is difficult for me to appraise the Pauley Petroleum discovery. I do know that Pauley is very high on it and I do know that they are talking about doing a good deal of drilling in Mexican water. Zapata has been talking to them about participating in this program. The discovery is on the South flank of a large salt dome but Pauley feels that the geology is so good that there is little doubt that further tests will confirm the fact that they have a major producing dome. I do not know enough about salt dome geology to know why they feel that it will be as big as that which is getting in the papers. All the way from the people in Mexico to the people in California they are most enthusiastic. I think they are right that it will be a substantial discovery. As you know, Pauley is working under a formulae where he gets roughly a 1/15 to 1/18 override after he has gotten all his money back. Therefore, the discovery has to be fairly large for it to be substantial in terms of Pauley stock.

While we are on the subject, I will appreciate your letting me know if you have any credit information on Pauley Petroleum. As I mentioned above, we are negotiating with them on drilling and we are anxious to know whether they have the money to make a substantial commitment for drilling.

Our business is rocking along ok. We will probably lose money in April and May but the work picture is shaping up pretty well and if it continues to hold up I think we will be in good shape by the end of the year.

Best regards,

George H. W. Bush

GHWB/vf
Enc.

June 5, 1959

Mr. W. Frederic Colclough
American Bank Note Company
70 Broad Street
New York 4, N.Y.

Dear Mr. Colclough:

Thank you very much for the very attractive book "The Story of American Bank Note Company". I read this with particular interest for several reasons. First, I note that Mr. Harriman, one of my father's partners, is on your Board of Directors. Secondly, Mr. Daniel Woodhull was a life-long friend of our family.

Our companies have been very modest customers of the American Bank Note Company. Thank you again for including me on the list of those privileged to receive this attractive book.

Sincerely,

George H. W. Bush

GHWB/vf

13 B gas	13 million mcf	650,000
500,000 bbls.	distillate	
500,000 bbls.	oil	1,000,000
		Sept. 30, 1958

WI net	1,079.85	proved	1,651,000
	3,430.49	unproved	2,033,000 sh.

60 oil wells) gross in 10 fields
19 gas wells)

NDR	2,493 mcfgas	Book	1,557,657
	96 bbls.	distillate	= .77/share
	122 bbls.	oil	

\$1/bbl and 5c	1st quarter -	6000 profit
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Tax carry forward	260,000
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Net cash income for 1st quarter 1959 est.	250K
debt	160
	<u>90</u>

June 4, 1959

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

Dear Herbie:

We had a cruel blow this morning. Having agreed on the drilling rates and on the terms of the deal with Mid-America Minerals, they called this morning to say that they did not like some of the wording in the Texas Company Farmout letter. I spent all day yesterday with a lawyer of the Texas Company and we have satisfied ourselves that the requirements of the Texas Company letter are certainly not burdensome. In fact, the form to which Mid-America objects is the same form upon which every single Texas Company Farmout is negotiated.

This will delay the starting of the well since we will have to find somebody else to take the interest. I suggested that they send their lawyer down to talk to the Texas Company but they were not agreeable to this.

We are hoping we will find another place for the Vineagrroon in the meantime, since we do not have to start 104 until August 15th. I will keep you informed on this.

Best regards,

George H. W. Bush

GHMB/vf

Wayne H. Dean

G. H. W. Bush

June 4, 1959

CONTINENTAL-EMSCO COMPANY - Bolivia

The attached came in unsolicited. I assume California advised Continental-Emsco that we are interested in the Bolivia deal. I think we should advise Davies that we will not be able to bid on the deal unless you have ideas to the contrary.

GHWB/vf
Enc.

June 4, 1959

Mr. Charles H. Bell
9200 Wayzata Boulevard
Minneapolis 23, Minnesota

Dear Charley:

As fate would have it, Mid-America Minerals called me today and said they could not go on the deal because they did not like certain provisions in the Texas Company dry hole agreement. Mid-America has never participated in any farmout in the offshore area and the Texas Company has a form which on the surface appears to be very rough on the operator. I spent all day yesterday with the Texas Company lawyer and we are satisfied that the Texas Company provisions are not only routine but extremely workable provided the operator lives up to his agreements.

Therefore, there is still open in our deal up to a 3/8 interest. If you should by any chance have any interest in it, I would like very much to talk to Mr. Anderson on the phone about it. I would like to have our geologist from New Orleans come up and talk to him in order to explain the deal. I would gladly make the trip to talk to him provided there was any interest at all.

G. H. Walker, Jr. is taking a 1/8 interest and H. C. Price is also taking a 1/8 interest. Zapata wants to take 3/8 interest. We believe that this is the best offshore farmout that we have seen and although it should certainly be classed as a rank wildcat, we think we have a fair chance for offshore reserves in an area where we will get a good price and a quick market.

It is embarrassing to have written you that the deal was taken but I was only passing along what I believed to be the facts at that time. I would not bring the deal up again unless I was convinced that Mid-America's objections were highly technical and in this case high illogical. If you feel that this deal will work into your immediate plans please call me so that we can discuss the details more fully.

Very truly yours,

George H. W. Bush

GHWB/vf

June 3, 1959

Dear Kirby:

Thank you for your letter of June 2nd. It certainly will be no inconvenience to keep you up-to-date on Zapata in the manner you suggested.

Actually I am having a little static with Mid-America on the deal about which I wrote to you. It seems that they are not satisfied with the farmout agreement we have worked out with Texas Company. Our company and our lawyers feel the agreement is satisfactory but Mid-America is not sure they like all the provisions that Texas Company is asking for. Right now we are in the process of trying to satisfy them that the Texas Company provisions are not too onerous. I think the problem stems from the fact that they have never operated in the Gulf Coast Area where things are done in a considerably different fashion from Oklahoma.

We have worked out a deal to take a drilling rig to the Gulf of Paria in Venezuela for a year. The contract has not been signed on this but we are drawing it up now.

I shall keep you advised as to our drilling situation in the event your investment plans change.

Very truly yours,

Mr. Kirby H. Fisk, Chairman
Allied Chemical Corporation
61 Broadway
New York 6, N.Y.

June 4, 1959

Mr. Endicott P. Davison
Forty Wall Street
New York 5, N.Y.

Dear Cottie:

I am happy to send you a modest donation to
help out on the project which you and Si
Spaulding are working on.

I hope to see you before too long.

Very truly yours,

George H. W. Bush

GHWB/vf
Enc.

June 4, 1959

Mr. John J. Redfern, Jr.
P. O. Box 1747
Midland, Texas

Dear John:

Thank you for your letter of May 28th. Please pardon my delay in answering it but I have been out of town for some time.

I certainly will go along with your suggestion that the trusts each buy 100 shares of Lehman Corporation. Let me know if you want me to do anything in this regard.

If I hear of any other investment opportunities I will certainly be in touch with you.

Bar and I certainly miss Midland and all our friends there. If I ever hear that you have been to Houston and did not call me I will be looking for you with a gun.

Best regards to all the family.

Very truly yours,

George H. W. Bush

GHWB/vf

Withdrawal/Redaction Sheet

(George Bush Library)

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION	CLASS.
06. Letter	From George Bush to Charles Ervin RE: Financial information (1 pp.)	6/4/59	C	
COLLECTION George Bush Personal Papers Zapata Oil File Business Correspondence Files				
FILE LOCATION Reading File - 1959 (April 6 to June 30) OA/ID Number Date Closed 12/6/99				

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-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]

Wayne H. Dean

George H. W. Bush

June 4, 1959

Okasaki called from New York. Reading and Bates has made reservations for him here starting Sunday night June 7th. He will be here June 7 - 11 th.

He would like to go to our rig one day but they do not know which day that will be.

I also told him we would like to give him a luncheon inviting some of the oil people to meet him and his father. He is to call me at home Sunday night.

GHWB/vf

May 28, 1959

Mr. George Allan Hays, Jr.
2001 North Lamar
Dallas, Texas

Dear George:

Thank you for sending me the copy of your letter to Mr. Naylor and also his reply. I will look forward to meeting Mr. Naylor. I have heard a good deal about him from some of my Houston friends.

Very truly yours,

George H. W. Bush

GHWB/vf

May 28, 1959

Mr. C. Jim Stewart
Lamb-McAshen Company
P. O. Box 1637
Houston 1, Texas

Dear Mr. Stewart:

Thank you for your letter of May 27th.
My wife and I are already in an apartment and
in a month and a half we should be in our new
house. I appreciate very much your calling to
my attention the Beaconsfield Apartments and
I wish I had known about them sooner.

Very truly yours,

George H. W. Bush

GHWB/vf

May 28, 1959

TO: W. H. Dean

FROM: G. H. W. Bush

The following things may come up tomorrow:

1. Transco:

Walter Walne was to call you tomorrow to tell you that they would go ahead on all of our plans on Block 86. I checked with Harold Vaughn and their steel purchasing man feels that there is very little chance that we will not get the steel due to the strike. It only takes one day to roll 4-1/2 miles of pipe and they can deliver it immediately, so this risk is minimized.

2. Block 103-104:

I talked to Little and he is going to call you tomorrow. The G-D California Company will not have the letter until noon tomorrow. They called me at 5:00 p.m. today about this and even then it will only be a draft. Little plans to pick it up. Little is mailing to you today here in Houston an air mail of Pan-American Texas Company letter. He volunteered to fly the two letters to Oklahoma if they are in line.

3. Title Work:

Kerr is sending over some title work on the deal. We should forward a copy of the opinion immediately to Mid-America Minerals.

4. Designation of Operator:

Russ should see that we have filed the necessary designation of operator form with OCS or BLM. I will leave a note on Russ' deks but would you please remind him.

5. Office Space:

Posey tells me that Felix Runion has refused to get out of his office space. Due to this narrow-minded attitude we may have to make other arrangements. Felix is not willing to sign a lease so it could be that we could get his space by negotiating directly with Gus Worsham who will own this building when the bank gets out. In any event Runion has changed his mind about moving and has gone to Austin so we can't track him down.

6. I received the attached letter from Mr. Davies on the Cuba deal. Appears to be dead for the time being.

7. Magnolia Deal:

Apparently Isaac Ault was trying to call you. If it would be wise to have a meeting in Dallas on Monday I can meet you there or go directly there alone from St. Louis. I will check into the office after lunch tomorrow afternoon.

Frank M. Allen

George H. W. Bush

May 29, 1959

Princeton University Note

When we have gotten all these releases from Princeton, we should furnish LeTourneau with copies of the cancelled note, at which time they will credit our account with about \$45,000. It is important that we remember to do this, since they will probably want to forget it.

G.H.W.B.

May 27, 1959

Mr. Baine P. Kerr
Baker, Botts, Andrews & Shepherd
Esperson Bldg.
Houston, Texas

Dear Baine:

Enclosed is a map of the Outer Continental Shelf. I thought perhaps this would be useful to you in connection with your offshore work.

Very truly yours,

George H. W. Bush

GHWB/vf
Enc.

May 27, 1959

Mr. Baine P. Kerr
Baker, Botts, Andrews & Shepherd
Esperson Bldg.
Houston 2, Texas

Dear Baine:

I would appreciate you getting somebody to write me a letter on this as soon as possible. Little has checked the records and his letter will be in on this tomorrow. If the letter is to be written this afternoon it can refer to Mr. Sterling E. Little's letter dated May 27th which states that there are no encumbrances.

Very truly yours,

George H. W. Bush

GHWB/vf
Enc.

May 26, 1959

Dear Jack:

Congratulations. I was really thrilled to read of your recent election. I know that you deserve this. It has been with great pride that I have followed your career there at LL&E.

I hope that I will be seeing you before too long, but I did not want to wait until I saw you to pass along how pleased I am for you and your family.

Best regards,

George H. W. Bush

Mr. J. O. McCall
Louisiana Land & Exploration Co.
American Bank Building
New Orleans, Louisiana

May 26, 1959

Mr. A. W. Crawford
Reed Roller Bit Co.
6501 Navigation
Houston, Texas

Dear Gus:

Just a note to thank you for the hospitality showed me by you and your company over the Oil Show. Though we did not get very far on the Reed plane, it was a good fun trip, and the \$1.25 I made at gin rummy was probably more than I would have made for the company had I stayed here in the office.

I enjoyed very much the visit to the Oil Show which was made much more pleasurable by the arrangements provided for me by Reed. Please pass along to your associates my appreciation.

Very truly yours,

George H. W. Bush

GHWB/vf

May 26, 1959

G. H. Walker & Co.
One Wall Street
New York, N.Y.

Gentlemen:

Please send me the most recent financial
report on the following companies.

1. Brewster - Bartles
2. Barnwell
3. Reading & Bates
4. Dixilyn
5. Louisiana-Delta

Thank you.

Very truly yours,

George H. W. Bush

/vf

May 26, 1959

Mr. Walter Walne
Felmont Oil Corp.
P. O. Box 1855
Midland, Texas

Dear Walter:

I just wanted to let you know that the interest we talked to you about in Block 104 has been taken by another company. The last time I talked to Felmont I felt that this was probably more than you would be able to take on but I did want to advise you that the deal has been made in the unlikely event you had been considering participating in it.

Best regards and I will see you soon I hope.

Sincerely,

George H. W. Bush

GHWB/vf

XXXXXXXX 2218 First City National Bank Bldg.
XXXXXXXXXXXXXXXX Houston 2, Texas
May 26, 1959 Phone: CA-20395

Mr. J. F. Gibson
Mid-America Minerals Corp.
Mid-America Bank Bldg.
Oklahoma City, Oklahoma

Dear Mr. Gibson:

I am delighted to know that your company will be joining us on the Block 104 deal. I have asked Mr. Mosby in our office to forward to you today the proposed operating agreement, said agreement to include a switch clause; the proposed drilling contract and the proposed letter agreement.

I have discussed the lease situation with Baker, Botts and they will write a letter for us after examining the Federal leases in question. These leases are in Zone 4, an area which is not being claimed by the State. As soon as the farmout letters are received I will forward them to you.

Regarding the insurance, I have asked Johnson and Higgins, our brokers in New York, to forward you insurance certificates.

If you have any questions about these matters, I will appreciate your calling me or Mr. R. C. Mosby at the above number.

Very truly yours,

George H. W. Bush

GHWB/vf
bcc: R. C. Mosby

2218 First City National Bank Bldg.
Houston 2, Texas
May 26, 1959

AIR MAIL

Mr. Charles Bell
General Mills
9200 Wayzata Blvd.
Minneapolis, Minnesota

Dear Charley:

On Friday, May 21st, I wrote you about an offshore gas deal. Today the Mid-America Minerals Company from Oklahoma City called and took the whole interest that we had available. I am sorry to have given you such a short time on this. In the event you are interested in the deal, I will let you know should Mid-America back out for some reason.

If you would be interested in any deals in the future of this nature I certainly will be happy to let you know from time to time what Zapata is doing along these lines.

Very truly yours,

George H. W. Bush

GHWB/vf

2218 First City National Bank Bldg.
Houston 2, Texas
May 26, 1959

AIR MAIL

Mr. Thomas J. Watson, Jr., President
International Business Machines
590 Madison Avenue
New York, N.Y.

Dear Tom:

On Friday, May 21st, I wrote you about an offshore gas deal. Today the Mid-America Minerals Company from Oklahoma City called and took the whole interest that we had available. I am sorry to have given you such a short time on this. In the event you are interested in the deal, I will let you know should Mid-America back out for some reason.

If you would be interested in any deals in the future of this nature I certainly will be happy to let you know from time to time what Zapata is doing along these lines.

Very truly yours,

George H. W. Bush

GHWB/vf

2218 First City National Bank Bldg.
Houston 2, Texas
May 26, 1959

Mr. Sam W. Meek
J. Walter Thompson
420 Lexington
New York, N.Y.

Dear Mr. Meek:

On Friday, May 21st, I wrote you about an offshore gas deal. Today the Mid-America Minerals Company from Oklahoma City called and took the whole interest that we had available. I am sorry to have given you such a short time on this. In the event you are interested in the deal, I will let you know should Mid-America back out for some reason.

If you would be interested in any deals in the future of this nature I certainly will be happy to let you know from time to time what Zapata is doing along these lines.

Very truly yours,

George H. W. Bush

GHWB/vf

2218 First City National Bank Bldg.
Houston 2, Texas
May 21, 1959

Mr. Lynn K. Lee
Route 3,
Box 214
Fort Worth, Texas

Dear Mr. Lee:

Thank you for your letter of May 20th.

I would appreciate it if you would return
all of the information which we forwarded
to you.

Very truly yours,

George H. W. Bush

GHWB/vf

2218 First City National Bank Bldg.
Houston, Texas
May 21, 1959

Mr. George P. Caulkins, Jr.
Caulkins Oil Company
720 N.W. 50th Street
Oklahoma City 18, Oklahoma

Dear George:

Thank you for your letter of May 13th. It was
good hearing from you.

Our addresses are as follows:

Office:

2218 First City National Bank Bldg.
Houston 2, Texas
Phone: CA-20395 & CA-20573

Residence:

5107 Del Monte Drive
Houston 27, Texas
Phone: MO-50038

Residence after August

5525 Briar Drive
Phone - same

Barbara is here now. We are building a house which
will be finished around the first of August. We do
hope you will come see us when you get down this way.

Please let me know if you should ever be interested
in looking at any offshore deal, since we plan to
be working on quite a few of them in the future.

I have not seen Jim recently but maybe I will get
lucky soon.

Best regards,

George H. W. Bush

2218 First City National Bank Bldg.
Houston 2, Texas
May 21, 1959

Mr. Eugene F. Williams, Jr.
St. Louis Union Trust Company
St. Louis 1, Missouri

Dear Gene:

It sounds good about 21 St. Andrew's Drive.
I have not heard from Jim on this, but if
that arrangement is ok with him I'll see
you Friday night.

Best regards,

George H. W. Bush

GHWB/vf

May 21, 1959

Mr. Walter Walne
Felmont Oil Company
P. O. Box 1855
Midland, Texas

Dear Walter:

I think the attached memo, which will be mailed tomorrow to all partners will answer the questions raised in your letter of May 20th.

Russ will be calling to check with you on No. 5.

Best regards,

George H. W. Bush

GHWB/vf
Enc.

May 21, 1959

Mr. Kirby Fisk
20 Pine Street
New York; N.Y.

Dear Kirby:

From time to time our company runs across farmouts offshore which we feel are particularly attractive and particularly well-suited to participation by individuals in high tax brackets. I do not know whether the Meyer family still participates in drilling deals, but in the event that you do I would like to tell you about this one.

BACKGROUND

We believe that more and more individuals and small companies such as Zapata will be participating in offshore farmouts. Our reasons can be summarized as follows:

1. Costs of drilling have come way down.
2. Companies have only fairly recently begun to make farmouts. This is due to the large number of 1960 lease expirations.
3. Risks to the non-operator can now be much more limited since contractors such as Zapata have been forced to take footage contracts. Also cost of control insurance can be carried with adequate limits.
4. It is becoming easier to "get a payout" as pipelines are built.
5. Offshore is one of the few remaining areas where exposure to major reserve prospects is possible.
6. Discovery ratios in the Gulf remain better than onshore.

OUR PRESENT FARMOUT

Zapata has taken a farmout from California Company, Pan American and Texas--the details of which are discussed in the attached sheet. (see plat for location).

Page Two
Mr. Kirby Fisk
May 21, 1959

Zapata hired an independent geophysicist, Raleigh Upshaw, to make a review of the California Company seismic records. Upon completion of the review Upshaw recommended that Zapata drill the prospect. Only Wednesday did we get final approval of the deal from California Company.

Zapata wants to retain 1/4 to 1/2 of the deal. We have set a drilling rate which is competitive. We will operate the lease. There is no promotion in the deal. We want to find partners to take 1/4 or 3/8 of the deal.

SUMMARY OF PROS - CONS OF THE DEAL

Naturally, we feel the pros well outweigh the cons.

PROS :

1. This is an extremely cheap test for offshore with no promotion. We have \$105,000 dry hole money from the major companies (see summary sheet)
2. The structure is such that if the first well is dry it should condemn the whole prospect. If it produces, much of our acreage should produce.
3. We should be able to attract a market for our gas. This is primarily a gas distillate prospect. Transco plans to be taking gas at 21.4¢ per m.c.f. from Zapata this summer on Block 86, 8 miles from 104. Transco wants the gas. The nature of the prospect is such that it would be easy to prove reserves with one or two wells.
4. Should the well be successful we think a 3 year payout would be reasonable to expect.
5. Gas is much cheaper to operate offshore. Zapata has other operations in the area.
6. Limit of risk by insurance and footage contract where loss of hole is on Zapata.
7. All expenditures in event of dry hole will be deductible.

CONS :

1. Test is offshore where costs are higher.
2. We would like to have more acreage.
3. In spite of Zapata's footage contract there are risks to non-operator. The major risks are:

a) Gulf Coast Clause conditions. If heaving shale, flowing salt water, abnormal pressures are encountered work goes on day-work basis and costs could be higher.

b) Risks of hurricanes, etc. Damage to contractor's equipment is not on non-operators under any condition, but standby rate is paid if delay is due to excessive weather.

c) Risk of blowout, etc. This risk is there in any well drilled and is minimized by insurance, however.

d) Risk that Zapata has estimated completion costs wrong or encounter unforeseen costs in completion. We have drilled and completed wells of our own, but we could go over our own estimates.

e) Risk that production would be marginal, thus incurring long delay in getting pipeline.

COSTS :

We estimate the costs will be as follows:

	<u>Dry Hole *</u>	<u>Producer</u>
Full Well	200,000	500,000
1/2	100,000	250,000
3/8	75,000	187,500
1/4	50,000	125,000
1/8	25,000	62,500
1/16	12,500	31,250

*After deducting proportionate part of \$105,000 dry hole money. Attached AFE gives full costs.

Page Four
Mr. Kirby Fisk
May 21, 1959

Two partners in our Block 86 Field have comitted for 1/4 of the new deal. Zapata will take either 1/4, 3/8 or 1/2. Therefore, there is open now from 1/4 to 1/2 of the deal. We do not want to have a lot of small interests unless they are all in one family group. I would like to ask you to consider either 1/4 or 1/8 for the Meyer group, if you have any interest at all.

To summarize, I feel this is a good wildcat. Odds say most wildcats will be dry. There is risk but we think our risks are fairly well limited. For offshore this is a relatively cheap shot at what could be big reserves. Our shooting map is, of course, available if you would like to have someone check it out. I have avoided speculating as to what the reserves might be if we were truly successful. They could be big with 100 ft. of pay. Our acreage could have \$60 million in gas and distillate under it. This would be awful good, but I mention it to show we do have potential. It could also be dry as a bone.

I would appreciate your giving me a call in Houston if you have any interest. We want to start the well within a week or so, therefore, we have to put it on a "subject to prior sale" basis.

I will understand perfectly if this does not fit your picture, but I felt it was good enough to call it to your attention.

Very truly yours,

George H. W. Bush
President

GHWB/vf
Enc.

May 21, 1959

Mr. Thomas J. Watson, Jr. President
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590 Madison Avenue
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Very truly yours,

George H. W. Bush
President

GHWB/vf
Enc.

May 21, 1959

Mr. Sam W. Meek
J. Walter Thompson
420 Lexington
New York, N.Y.

Dear Mr. Meek:

From time to time our company runs across farmouts offshore which we feel are particularly attractive and particularly well-suited to participation by individuals in high tax brackets. I do not know whether you still participate in drilling deals, but in the event that you do, I would like to tell you about this one.

BACKGROUND

We believe that more and more individuals and small companies such as Zapata will be participating in offshore farmouts. Our reasons can be summarized as follows:

1. Costs of drilling have come way down.
2. Companies have only fairly recently begun to make farmouts. This is due to the large number of 1960 lease expirations.
3. Risks to the non-operator can now be much more limited since contractors such as Zapata have been forced to take footage contracts. Also cost of control insurance can be carried with adequate limits.
4. It is becoming easier to "get a payout" as pipelines are built.
5. Offshore is one of the few remaining areas where exposure to major reserve prospects is possible.
6. Discovery ratios in the Gulf remain better than onshore.

OUR PRESENT FARMOUT

Zapata has taken a farmout from California Company, Pan American and Texas--the details of which are discussed in the attached sheet. (see plat for location).

Page Two
Mr. Sam W. Meek
May 21, 1959

Zapata hired an independent geophysicist, Raleigh Upshaw, to make a review of the California Company seismic records. Upon completion of the review Upshaw recommended that Zapata drill the prospect. Only Wednesday did we get final approval of the deal from California Company.

Zapata wants to retain 1/4 to 1/2 of the deal. We have set a drilling rate which is competitive. We will operate the lease. There is no promotion in the deal. We want to find partners to take 1/4 or 3/8 of the deal.

SUMMARY OF PROS - CONS OF THE DEAL

Naturally, we feel the pros well outweigh the cons.

PROS :

1. This is an extremely cheap test for offshore with no promotion. We have \$105,000 dry hole money from the major companies (see summary sheet).
2. The structure is such that if the first well is dry it should condemn the whole prospect. If it produces, much of our acreage should produce.
3. We should be able to attract a market for our gas. This is primarily a gas distillate prospect. Transco plans to be taking gas at 21.4¢ per m.c.f. from Zapata this summer on Block 86, 8 miles from 104. Transco wants the gas. The nature of the prospect is such that it would be easy to prove reserves with one or two wells.
4. Should the well be successful we think a 3 year payout would be reasonable to expect.
5. Gas is much cheaper to operate offshore. Zapata has other operations in the area.
6. Limit of risk by insurance and footage contract where loss of hole is on Zapata.
7. All expenditures in event of dry hole will be deductible.

Page Three
Mr. Sam W. Meek
May 21, 1959

CONS :

1. Test is offshore where costs are higher.
2. We would like to have more acreage.
3. In spite of Zapata's footage contract there are risks to non-operator. The major risks are:

a) Gulf Coast Clause conditions. If heaving shale, flowing salt water, abnormal pressures are encountered work goes on day-work basis and costs could be higher.

b) Risks of hurricanes, etc. Damage to contractor's equipment is not on non-operators under any condition, but standby rate is paid if delay is due to excessive weather.

c) Risk of blowout, etc. This risk is there in any well drilled and is minimized by insurance, however.

d) Risk that Zapata has estimated completion costs wrong or encounter unforeseen costs in completion. We have drilled and completed wells of our own, but we could go over our own estimates.

e) Risk that production would be marginal, thus incurring long delay in getting pipeline.

COSTS:

We estimate the costs will be as follows:

	<u>Dry Hole *</u>	<u>Producer</u>
Full Well	200,000	500,000
1/2	100,000	250,000
3/8	75,000	187,500
1/4	50,000	125,000
1/8	25,000	62,500
1/16	12,500	31,250

*After deducting proportionate part of \$105,000 dry hole money. Attached AFE gives full costs.

Page Four
Mr. Sam W. Meek
May 21, 1959

Two partners in our Block 86 Field have comitted for 1/4 of the new deal. Zapata will take either 1/4, 3/8 or 1/2. Therefore, there is open now from 1/4 to 1/2 of the deal. We do not want to have a lot of small interests unless they are all in one group. I would like to ask you to consider either 1/8 or 1/16 if you have any interest at all.

To summarize, I feel this is a good wildcat. Odds say most wildcats will be dry. There is risk but we think our risks are fairly well limited. For offshore this is a relatively cheap shot at what could be big reserves. Our shooting map is, of course, available if you would like to have someone check it out. I have avoided speculating as to what the reserves might be if we were truly successful. They could be big with 100 ft. of pay. Our acreage could have \$60 million in gas and distillate under it. This would be awful good, but I mention it to show we do have potential. It could also be dry as a bone.

I would appreciate your giving me a call in Houston if you have any interest. We want to start the well within a week or so, therefore, we have to put it on a "subject to prior sale" basis.

I will understand perfectly if this does not fit your picture, but I felt it was good enough to call it to your attention.

Very truly yours,

George H. W. Bush
President

GHWB/vf
Enc.

May 21, 1959

Mr. Charles Bell
General Mills
9200 Wayzata Blvd.
Minneapolis, Minnesota

Dear Charley:

From time to time our company runs across farmouts offshore which we feel are particularly attractive and particularly well-suited to participation by individuals in high tax brackets. I do not know whether you still participate in drilling deals, but in the event that you do, I would like to tell you about this one.

BACKGROUND

We believe that more and more individuals and small companies such as Zapata will be participating in offshore farmouts. Our reasons can be summarized as follows:

1. Costs of drilling have come way down.
2. Companies have only fairly recently begun to make farmouts. This is due to the large number of 1960 lease expirations.
3. Risks to the non-operator can now be much more limited since contractors such as Zapata have been forced to take footage contracts. Also cost of control insurance can be carried with adequate limits.
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May 21, 1959

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Zapata wants to retain 1/4 to 1/2 of the deal. We have set a drilling rate which is competitive. We will operate the lease. There is no promotion in the deal. We want to find partners to take 1/4 or 3/8 of the deal.

SUMMARY OF PROS - CONS OF THE DEAL

Naturally, we feel the pros well outweigh the cons.

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1. This is an extremely cheap test for offshore with no promotion. We have \$105,000 dry hole money from the major companies (see summary sheet).
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Page Three
Mr. Charles Bell
May 21, 1959

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2. We would like to have more acreage.
3. In spite of Zapata's footage contract there are risks to non-operator. The major risks are:
 - a) Gulf Coast Clause conditions. If heaving shale, flowing salt water, abnormal pressures are encountered work goes on day-work basis and costs could be higher.
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 - d) Risk that Zapata has estimated completion costs wrong or encounter unforeseen costs in completion. We have drilled and completed wells of our own, but we could go over our own estimates.
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We estimate the costs will be as follows:

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Page Four
Mr. Charles Bell
May 21, 1959

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To summarize, I feel this is a good wildcat. Odds say most wildcats will be dry. There is risk but we think our risks are fairly well limited. For offshore this is a relatively cheap shot at what could be big reserves. Our shooting map is, of course, available if you would like to have someone check it out. I have avoided speculating as to what the reserves might be if we were truly successful. They could be big with 100 ft. of pay. Our acreage could have \$60 million in gas and distillate under it. This would be awful good, but I mention it to show we do have potential. It could also be dry as a bone.

I would appreciate your giving me a call in Houston if you have any interest. We want to start the well within a week or so, therefore, we have to put it on a "subject to prior sale" basis.

I will understand perfectly if this does not fit your picture, but I felt it was good enough to call it to your attention.

Very truly yours,

George H. W. Bush
President

GHWB/vf
Enc.

2218 First City National Bank Bldg.
Houston 2, Texas
May 21, 1959

P. O. Box 61
Triumph, Louisiana

The enclosed envelope was received in our
Midland Office without contents. If you
wish to further correspond with us please
use the above Houston address.

Thank you.

Very truly yours,

George H. W. Bush

GHWB/vf

2218 First City National Bank Bldg.
Houston 2, Texas
May 20, 1959

Mr. William J. Phelan
American Trading and Production Corp.
Petroleum Life Bldg.
Midland, Texas

Dear Bill:

Enclosed are summary sheet, AFE, and maps
covering our Block 103-104, Vermilion
area prospect.

After you have had a chance to inspect these
papers, please give me a call if you are
interested. Please keep in mind that this
deal is subject to prior sale.

Very truly yours,

George H. W. Bush

GHWB/vf
Enc.

Withdrawal/Redaction Sheet

(George Bush Library)

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION	CLASS.
07. Letter w/ attachments	From George Bush to Sen. Prescott Bush RE: Financial information (3 pp.)	5/19/59	C	
COLLECTION George Bush Personal Papers Zapata Oil File Business Correspondence Files				
FILE LOCATION Reading File - 1959 (April 6 to June 30) OA/ID Number Date Closed 12/6/99				

RESTRICTION CODES

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

- P-1 National Security Classified Information [(a)(1) of the PRA]
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C. Closed in accordance with restrictions contained in donor's deed of gift.

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

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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]

2218 First City National Bank Bldg.
Houston 2, Texas
May 19, 1959

PHONE: CA-20395

Mr. Louis Tipton
5945 Fredericks Sq. Apt. #B
Dallas, Texas

Dear Mr. Tipton:

At the request of Fred Chambers of Midland, I am attaching some information on our Block 103 - 104 prospect in Vermilion Area of the Louisiana Coast.

We plan to start a well in the very near future to drill to 10,500 ft., production at a lesser depth, or to a depth at which "Gulf Coast Clause" conditions are encountered. Zapata Off-Shore Company will be the operator and will do the drilling at the rates shown in the attached AFE. We have operated many wells offshore and our people are among the most experienced in the offshore drilling industry. We are looking for partners to take 25% or ~~37.5~~ of the deal. We do not want to have people for less than 1/8 interest in the deal. The costs for the interest available are estimated to be as follows:

<u>Interest</u>	<u>Dry Hole</u>	<u>Producer</u>
1/8	\$ 25,000	\$ 62,500
1/4	50,000	125,000
3/8	75,000	187,500

I am sure that you will make all arrangements with Mr. Chambers regarding compensation for him.

Generally speaking this is a very cheap offshore deal, but one with lots of potential. We have an opportunity to earn 2187.5 acres. The thing that makes the deal most attractive to us is that it is relatively low on risks due to the nature of the structure and it is especially cheap for the area since we are getting \$105,000 dry hole support. The prospect is a deep-seated structure which means that it should be broad in extent and should be low on risks so far as drilling goes. Incidentally, in this connection Zapata will drill the well on footage, thus eliminating for our partners much of the drilling risk. There will be a Gulf Coast Clause in the contract and if Gulf Coast Clause conditions should be encountered our dry hole money will be reduced.

Page Two
Mr. Louis Tipton
May 19, 1959

A key to this deal will be our ability to sell gas, since we feel that this is essentially a gas distillate prospect. Zapata has recently completed its second gas well on Block 36, 8 miles to the North and East of this prospect. We have a contract with Transcontinental calling for the sale of gas at 21.4¢ and we hope to be selling gas this summer. Transcontinental has informed us that they will want to take the gas from the Block 104 field, depending, of course, on our developing sufficient reserves. We feel that a pipeline can be installed within a year at the latest.

It is difficult to estimate pay-outs until we know what kind of reserve picture that we have. This prospect is a multi-sand prospect. On our wells to the North, where we have only one sand, we estimate that the wells will pay-out in roughly 2 years. If you add a year for waiting on pipeline, we could be talking about a 3 year pay-out and a 20 year life. Naturally, if we have additional sands the pay-out will be shortened substantially.

It is impossible to predict what reserves may be discovered. We do, however, feel that we are shooting for the same type of structure that Union Oil Company has to the North. One of the Union wells has 300 ft. of sand in it while others go down to about 50 ft. of sand. We have studied the economics of this deal and naturally, we would not be taking a substantial interest unless we felt that the prospect would result in economics which were extremely satisfactory.

It is impossible to cover all the points which you may wish covered in this letter. However, I suggest that if you are interested that you call me at the above number.

We will want to move very fast, since we would like to drill this well with our mobile rig Vinegarroon as soon as our Block 36 #2 well is completed. That could be within a week.

To summarize, we feel that this is the most attractive offshore farmout which Zapata has seen. It is low on risk and yet it has high potential. I would like to emphasize here that it is a wildcat and that even though the risks are limited by footage contract any participant will be exposed to force majeure, weather, etc. He will not be responsible at any time for the contract drilling equipment, however, the costs could go up some if our estimates are wrong or if some force majeure should occur, such as a hurricane. We do carry adequate limits for cost control insurance and they are figured on the attached AFE. Prior to making a deal with any individual I would like to be satisfied that he understands the deal thoroughly and that he is aware of his contractual liability. The way to do this is for you to give me a call if you are interested.

Very truly yours,

George H. W. Bush
President

GHWB/vf
Enc.

2218 FirstCity National Bank Bldg.
Houston 2, Texas
May 18, 1959

Dear Clem:

1/4 of the deal is taken by Price and Walker, our partners in Block 86. In addition Zapata will take either 1/4, 3/8 or 1/2.

There is open, therefore, either

1/4 - \$50,000 for dry hole

3/8 - \$75,000 for dry hole

1/2 - \$100,000 for dry hole.

I would appreciate your returning this map to me when it has served its purpose.

My best to Russ and Sleepy.

Best regards,

George H. W. Bush

GHWB/vf
Enc.

Mr. J. C. Barnes, Jr.
401 W. Missouri
Midland, Texas

May 18, 1959

Mr. Robert I. Dickey
Texas Pacific Coal & Oil Co.
Fort Worth National Bank Bldg.
Fort Worth, Texas

Dear Bob:

Sterling Little will be seeing you tomorrow but I thought you might like to have the attached AFE and Summary Sheet on our Block 104, Vermilion Area prospect.

We have been working on this deal for several months but the problem has been that until recently California Company, Pan American-Texas Company would not give up any acreage at all. They started off with 1250 acres total on 4 separate leases. Due to the fact that these are September, 1960 lease expirations, the companies are now willing to make a deal that we feel we can live with.

The cost estimates are, we believe, realistic. They are based on Zapata drilling a footage well to 10,500 ft. Footage price will be \$15.35 per foot, including bits. On top of this there will be mud, logs, mud logging, pipe, etc. The risk for the drilling of the well will be entirely upon Zapata as contractor, except for Force Majeur or Gulf Coast Clause conditions. If there is a hurricane, we will be paid a stand-by rate, but if Zapata should lose the hole due to a fishing job or failure of our equipment, that will all be on us.

Zapata has drilled and operated several wells on our own in the Gulf, and I feel that our experienced offshore operating personnel will help reduce the risks to all parties in the deal.

As to the gas connections, the only thing we can say is that Transcontinental has told us they wanted the gas, and we feel that the nature of the prospect is such that the first well will pretty well tell us the full story. If it is successful it should not be hard to prove enough reserves to get Transcontinental in for the gas.

Harold C. Price and G. H. Walker, Jr. have committed to take 1/4 of this deal. They are our partners in Block 86. Zapata will take 1/4, 3/8 or 50%. I would like to suggest that TP consider either a 1/4, 3/8 or 1/2 interest. There is no promotion in the deal. We are interested in acquiring partners on the same basis on which Zapata will be paying.

We are anxious to start this well very soon and so I would appreciate you letting us know as soon as possible what interest you might have.

Best regards,

George H. W. Bush
President

GHWB/vf
Enc.

2218 First City National Bank Bldg.
Houston 2, Texas
May 18, 1959

Diners' Club, Inc.
900 North La Cienega Bldg.
Los Angeles 46, California

Gentlemen:

Enclosed is my credit card and the
statement for annual membership fee
for the coming year.

Please accept this letter as my
resignation from the Diner's Club
effective May 31, 1959.

Very truly yours,

George H. W. Bush

/vf
Enc.

2218 First City National Bank Bldg.
Houston 2, Texas
May 18, 1959

Mr. W. M. Brumley
Zapata Petroleum Corp.
P. O. Box 3195
Midland, Texas

Dear Bill:

Would you please forward a check
directly to the Yale Club for the
attached bill. I believe these
were for expenses of Hugh on a
recent trip to New York.

Very truly yours,

George H. W. Bush

GHWB/vf
Enc.

2218 First City National Bank Bldg.
Houston 2, Texas
May 18, 1959

The First National Bank
Tulsa,
Oklahoma

Attention Mr. R. P. Davis
Assistant Vice President

Gentlemen:

Please disregard our letter of May 12th.

The Zapata Petroleum Corp. account is
correct, however, the address should be
P. O. Box 3195, Midland, Texas.

Very truly yours,

George H. W. Bush

GHWB/vf

2218 First City National Bank Bldg.
Houston 2, Texas
May 18, 1959

Dr. H. E. Sheets
Electric Boat Division
General Dynamics Corp.
New London, Connecticut

Dear Dr. Sheets:

Ian Figart will be at New London on the morning of May 28th. He will have his own transportation and will make his own reservations if required. He is looking forward very much to his visit.

Very truly yours,

George H. W. Bush

GHWB/vf

2218 First City National Bank Bldg.
Houston 2, Texas
May 18, 1959

Mr. T. G. Patterson
Preston, Moss & Co.
24 Federal Street
Boston, Massachusetts

Dear Ted:

I am returning your letter from
Gardiner Symonds.

Thank you so much for your help in
this connection. Our well for
Tennessee is getting along satis-
factorily. I sure hope we get
some more of this work.

Best regards,

George H. W. Bush

GHWB/vf
Enc.

Page Two
Grace National Bank
May 14, 1959

Important to the deal is the selling of the gas at 21.4¢ rate. Transcontinental assures us that they would like to have the gas, and we feel confident that if the well is any good at all they will work an immediate deal with us to take the gas. Our production in 86 has a contract signed on it, and we should be selling gas this summer. We have geophysical work on the prospect done by Raleigh Upshaw from the California Company records. CATC, Pan American-Texas Company, and California Company all show the same feature.

If you would be interested we can furnish you a copy of the shooting. I realize that this is fairly sketchy information, but if you are interested I will ask Sterling Little, our geologist, to fly to New York immediately to give you all of the details.

Best regards and I hope you will be able to join us on the deal.

Very truly yours,

George H. W. Bush

GHWB/vf
Enc.

2218 First City National Bank Bldg.
Houston 2, Texas
May 14, 1959

Mr. Walter Walne
Felmont Oil Corporation
P. O. Box 1855
Midland, Texas

Dear Walter:

I took up the matter of direct payment on the gas with Harold Vaughn at Transcontinental. He has agreed that they will make direct payment to each of the partners. Zapata will, of course, have to make distribution to the royalty owners.

Transcontinental wants the attached letter signed, since they want to know that we do have the authority to deliver the gas to them at our platform.

Very truly yours,

George H. W. Bush

GHWB/vf
Enc.

2218 First City National Bank Bldg.
Houston 2, Texas
May 14, 1959

Mr. T. Jones
Assistant Football Coach
The University of Texas
Austin 12, Texas

Dear Mr. Jones:

I am embarrassed.

I talked to Wayne Dean, our Vice-President and Manager of Operations and we have already hired five boys for the summer. All of them are from Rice with the exception of one boy from the East. When I talked to you I thought we only had two Rice boys signed up. I am afraid that unless one of these boys cancels out, we will not be able to employ James Skillingburg. I will be on the look-out for something for him, however, or perhaps our situation will change.

I thought we would be able to take care of him for sure but due to the confusion I will have to make it strictly tentative. I am sorry to let you down.

Very truly yours,

George H. W. Bush

GHWB/vf

May 13, 1959

Dear Buck:

Mom told me on the phone yesterday about your election to Wolfshead. Needless to say, Bar and I are both tickled to death for you. I am delighted that you will have the wonderful experience in Wolfshead and that so many of your friends will be in there. I know very well that you deserve this honor and as usual I am very proud of you.

Things here in Houston are rocking along fairly well. Bar and the two littlest lads are with me now. Georgie and Jeb and train on the 29th of May, and our apartment will be bulging. We hope our house will be finished late in July.

Business is going along fairly well, although we could stand some real improvement.

I am sure looking forward to the wedding this summer and Bar only regrets that she will not be flower girl.

Love to Pattie and my best to you,

Withdrawal/Redaction Sheet

(George Bush Library)

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION	CLASS.
08. Letter	From George Bush to Donald Shaw RE: Financial information (1 pp.)	5/13/59	C	
COLLECTION George Bush Personal Papers Zapata Oil File Business Correspondence Files				
FILE LOCATION Reading File - 1959 (April 6 to June 30) OA/ID Number Date Closed 12/6/99				

RESTRICTION CODES

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2218 First City National Bank Bldg.
Houston 2, Texas
May 12, 1959

60015
Mr. Lewis Walker
G. H. Walker & Co.
111 Pearl Street
Hartford, Connecticut

Dear Lew:

I talked to Mr. Golsen at the University of Texas, Admissions Office. He is sending you an application blank for Jimmy.

Generally speaking the requirements are that a boy from out of state must be in the upper 1/2 of his high school class, must have acceptable scores on the college boards or must have a real good recommendation from the high school. I believe since Jimmy has gone to Brooks, which is far harder than the average high school, that a good strong letter of endorsement from the head master there would be satisfactory. Although Jimmy felt he did not do well on the college boards perhaps he will find that they are satisfactory for the University of Texas.

I certainly hope Jim will give serious consideration to this idea.

Very truly yours,

George H. W. Bush

GHWB/vf

2218 First City National Bank Bldg.
Houston 2, Texas
May 12, 1959

Mr. Tom Montgomery
Phillips Petroleum Co.
Heyman Oil Center
Lafayette, Louisiana

Dear Tom:

From time to time we have considered different approaches to advertising. Our main interest of course is in bringing whatever special message on offshore matters that we might have to the attention of people like yourself.

Tom, I hate to bother you, but would you write down in order of preference the two trade magazines which you read most often and most thoroughly. I am enclosing a self-addressed envelope to make this as painless as possible.

Very truly yours,

George H. W. Bush

GHWB/vf
Enc.

1st Choice _____

2nd Choice _____

cc: A. J. DeJager - B.P.M.
G. P. Laird - Texaco Trinidad, Inc.
S. V. McCollum - CATC
C. D. Mims - Std. of Texas
Wallace Donner - Texaco - N.O.
M. S. Kendrick - CATC

R. A. Wright - Sinclair - N.O.
J. C. Craig - CATC - N.O.
Jesse Chambers - California - N.O.
O. W. Crisman - Gulf - Morgan City
I. L. Ault - Magnolia - Morgan City
Tom Montgomery - Phillips-Lafayette

2218 First City National Bank Bldg.
Houston 2, Texas
May 12, 1959

Mr. J. S. Dewar
H. C. Price & Co.
P. O. Box 1111
Bartlesville, Oklahoma

Dear Stewart:

We are still getting our paper work flanged up on the Block 103 - 104 deal. That is why you have not heard from me lately on it. It is still working and we will be in touch with you when we have some additional information.

Very truly yours,

George H. W. Bush

GHWB/vf

Mr. Tom Devine
607 Midland National Bank Bldg.
Midland, Texas

Dear Tom:

Here is the redraft. Neil Mallon talked to Underwood today and we will have to change this again making it friendlier, etc., therefore, I will not be mailing this out.

Best regards,

George H. W. Dush

GHWB/vf
Enc.

Withdrawal/Redaction Sheet

(George Bush Library)

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION	CLASS.
09. Letter	From George Bush to Mildred Hill RE: Financial information (1 pp.)	5/12/59	C	
COLLECTION George Bush Personal Papers Zapata Oil File Business Correspondence Files				
FILE LOCATION Reading File - 1959 (April 6 to June 30) OA/ID Number Date Closed 12/6/99				

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

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

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 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]

2218 First City National Bank Bldg.
Houston 2, Texas
May 11, 1959

First National Bank
Galveston, Texas

Gentlemen:

Please change the address on all bank statements
and correspondence for our company to read as
follows:

Zapata Off-Shore Company
2218 First City National Bank Bldg.
Houston 2, Texas
Attention Mr. Frank Allen

Please send us new corporate records and
signature cards.

Thank you.

Very truly yours,

George H. W. Bush

/vf

XXXXXXXXXXXX
2218 First City National Bank Bldg.
Houston 2, Texas
May 11, 1959

First City National Bank
First City National Bank Bldg.
Houston 2, Texas

Gentlemen:

Please change the address on all bank statements
and correspondence for our company to read as
follows:

Zapata Off-Shore Company
2218 First City National Bank Bldg.
Houston 2, Texas
Attention Mr. Frank Allen

Please send us new corporate records and
signature cards.

Thank you.

Very truly yours,

George H. W. Bush

/s/

XXXXXX
XXXXXXXXXXXXXX
2218 First City National Bank Bldg.
Houston 2, Texas
May 11, 1959

Commercial Bank and Trust Company
Midland,
Texas

Gentlemen:

Please change the address on all bank statements
and correspondence for our company to read as
follows:

Zapata Off-Shore Company
2218 First City National Bank Bldg.
Houston 2, Texas
Attention Mr. Frank Allen

Please send us new corporate records and
signature cards.

Thank you.

Very truly yours,

George H. W. Bush

/vf

XXXXXX
XXXXXXXXXXXX
2218 First City National Bank Bldg.
Houston 2, Texas
May 11, 1959

Texas National Bank
Texas National Bank Bldg.
Houston 2, Texas

Gentlemen:

Please change the address on all bank statements
and correspondence for our company to read as
follows:

Zapata Off-Shore Company
2218 First City National Bank Bldg.
Houston 2, Texas
Attention Mr. Frank Allen

Please send us new corporate records and
signature cards.

Thank you.

Very truly yours,

George H. W. Bush

/vrf

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XXXXXXXXXXXXXX

2218 First City National Bank Bldg.
Houston 2, Texas
May 11, 1959

The First National Bank and Trust Company
Tulsa, Oklahoma

Gentlemen:

Please change the address on all bank statements
and correspondence for our company to read as
follows:

Zapata Off-Shore Company
2218 First City National Bank Bldg.
Houston 2, Texas
Attention Mr. Frank Allen

Please send us new corporate records and
signature cards.

Thank you.

Very truly yours,

George H. W. Bush

/vf

XXXXXX
XXXXXXXXXXXXX
XXXXXXXXXXXXX
2218 First City National Bank Bldg.
Houston 2, Texas
May 8, 1959

Phone: CA-20395

Mr. Vince Harrington
Electric Boat Division
General Dynamics Corp.
New London, Connecticut

Dear Mr. Harrington:

Mr. C. Rhoades MacBride called today suggesting that our drilling superintendant could meet with you next week. I tried to call you this afternoon but due to the time difference I did not get any answer. I wonder if it would be inconvenient to you to set the meeting back two weeks.

Mr. Ian Figart, our drilling superintendant, would be the best man for you to talk to and due to the fact that he will be completing a well next week, then attending the International Oil Show at Tulsa, any time during the week starting May 25th would be best for him. If this is too long a delay, it is entirely possible he could make a short trip to New London before that or that we could get someone else to take his place. Please be perfectly frank about this and give me a call at the above number if this plan will not suit you.

Mr. Figart is a drilling man with considerable experience. He is in direct charge of all of our drilling equipment and has been in the offshore drilling since its infancy. I think you will find him well-versed on all practices and I hope that his visit will be helpful to you.

We are most anxious to work with you on the general ideas that Mr. MacBride and I discussed.

Very truly yours,
ORIGINAL SIGNED
GEORGE H. W. BUSH

George H. W. Bush

GHWB/vf

Ian: Mr. Harrington is the chief engineer of Electric Boat Division of General Dynamics Corp. and Mr. MacBride is the Senior Vice-President - Operations for General Dynamics Corp. in New York. Mr. Harrington's telephone number is Hilltop 44321 ext. 528.

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2218 First City National Bank Bldg.
Houston 2, Texas
May 8, 1959

Mr. J. H. Liedtke
Zapata Petroleum Corp.
P. O. Box 3195
Midland, Texas

Dear Hugh:

I am returning 4 signed copies of the Option Agreement and the investment letter on our recent transactions.

I also have a copy of your letter of May 1 to Mr. H. B. Black at the First City National Bank. I believe that the exemption applied to the stock which I turned into Zapata Petroleum, not to the Off-Shore stock which I received from Petroleum. That is why the bank forwarded you the bill for \$185.33. I have talked to Baine and I think he feels that this amount is an obligation of Zapata Petroleum. It might be well to talk to him again on this.

Best regards,



George H. W. Bush

GHWB/vf
Enc.

RF
May 8, 1959

Mrs. Myrle Smith
The First Presbyterian Church
804 West Texas Avenue
Midland, Texas

Dear Mrs. Smith:

Thank you for your letter of May 1, 1959.

I do not believe my records indicate the same balance. I believe my pledge was for 500 shares of Zapata Petroleum Corp. Common Stock, and not for any dollar amount. Would you please look up my pledge card to see if this is not the case. I believe I have another 300 shares to go.

Very truly yours,

GHWB/vf

XXXXX

XXXXXXXXXXXXX

2218 First City National Bank Bldg.

Houston 2, Texas

May 8, 1959

Mrs. Martha Elder
Desk and Derrick Club
201 West Building
Midland, Texas

Dear Martha:

How nice of you to invite me to your
Industry Appreciation dinner on
May 13th. Unfortunately I will not
be in Midland at that time and,
therefore, I will not be able to attend.

Thank you anyway for inviting me.

Best regards,

George H. W. Bush

GHWB/vf

XXXXXX

XXXXXXXXXX

2218 First City National Bank Bldg.
Houston 2, Texas
May 8, 1959

Mr. Lovett C. Peters
Continental Oil Company
P. O. Box 2197
Houston 1, Texas

Dear Pete:

The attached donation I fear is not the world's largest, however, it may be useful and in the future I may be able to do more. I plan to donate the first 100 shares later this year unless the market in Zapata should improve suddenly; if it does, I will make the first installment sooner.

We recovered a little from the St. John's blow when George was accepted at Kinkaid. I am sorry we will not be able to share allegiance with you at the elementary school level.

Best regards,

George H. W. Bush

GHWB/vf
Enc.

XXXX
XXXXXXXXXX

2218 First City National Bank Bldg.
Houston 2, Texas
May 8, 1959

Dear Pres:

I think you are correct in assuming that the \$25 involved with the Waiver of Subrogation did involve a deal between Felmont Petroleum Corp. and Zapata Off-Shore Company. The only deal we have ever had with Felmont and Zapata are the wells we have drilled in Vermilion Area offshore.

I am sending the attached letter to Geza Kapus.

Regards,

Mr. Prescott S. Bush, Jr.
Johnson & Higgins
63 Wall Street
New York 5, N.Y.

XXXXXX
XXXXXXXXXXXXX
2218 First City National Bank Bldg.
Houston 2, Texas
May 8, 1959

Mr. Geza Kapus
Zapata Petroleum Corp.
P. O. Box 3195
Midland, Texas

Dear Geza:

Perhaps the attached correspondence will
make sense to you. Would you please
write Pres to clear this matter up, at
your convenience.

Very truly yours,

George H. W. Bush

GHWB/vf

Enc.

XXXXXX
XXXXXXXXXXXXXX
2218 First City National Bank Bldg.
Houston 2, Texas
May 8, 1959

Mr. Kline McGee
Texas National Bank
Texas National Bank Bldg.
Houston 2, Texas

Mr. Al Foote
J. P. Morgan & Co.
3rd Floor
120 Wall Street
New York, N.Y.

Gentlemen:

Enclosed is a copy of Statement of
Operations and Earned Surplus for the
Period October 1, 1959 through
March 31, 1959 and Balance Sheet
March, 1959.

Very truly yours,

George H. W. Bush

GHWB/vf
Enc.

XXXXXX
XXXXXXXXXX
2218 First City National Bank Bldg.
Houston 2, Texas
May 8, 1959

The Andover Program
Phillips Academy
Andover, Massachusetts

Gentlemen:

It is my intention to make a gift to Phillips Academy of 500 shares of Zapata Petroleum Corp. Common Stock. This donation will be made as follows :

100 shares during the calendar year 1959
200 shares during the calendar year 1960
200 shares during the calendar year 1961

I may wish to revise this schedule, however, for the purpose of your program, this is a firm pledge of 500 shares of Zapata Petroleum Corp. stock.

Very truly yours,

George H. W. Bush

GHWB/vf

XXXXXX
XXXXXXXXXXXX
2218 First City National Bank Bldg.
Houston 2, Texas
May 8, 1959

Mr. Charles R. Ervin
111 W. Wall
Midland, Texas

Dear Charles:

I sent the attached telegram to Mr. J. D. Haynes, Odessa, Texas. I certainly would appreciate very much your calling him to see that the papers are properly drawn, etc, if this is a service that you normally render.

Regarding your commission, I am aware of my 5% obligation. Need this all be in cash, since I am receiving no cash whatsoever in the transaction?

Very truly yours,

George H. W. Bush

GHWB/vf

XXXX
XXXXXXXXXXXX
2218 First City National Bank Bldg.
Houston 2, Texas
May 8, 1959

Mr. Tom Sealy
Stubbeman, McRae, Sealy & Laughlin
Petroleum Life Bldg.
Midland, Texas

Dear Tom:

I am sending you a copy of a telegram forwarded today to J. D. Haynes, plus a copy of my letter to Mr. Ervin.

I would appreciate your having somebody in your office review the papers on this deal when they are prepared, particularly the oil payment. Irby Dyer will be preparing the oil payment papers. I am to receive all of the runs from the oil payment until I recover \$25,000.

Would you please give this to somebody in your office and when it is complete ask him to bill me, at the above address, for his services.

I sure miss Midland already.

Best regards,

George H. W. Bush

GHWB/vf
Enc.

ZAPATA OFF-SHORE COMPANY

~~SECRET~~

~~CONFIDENTIAL~~

GEORGE H. W. BUSH, PRESIDENT

2218 First City National Bank Bldg.

Houston 2, Texas

May 1, 1959

C
O
P
Y

Mr. Grant G. Simmons, Jr.
Simmons Company
300 Park Avenue
New York 22, N. Y.

Dear Grant:

Thanks so much for your wonderful letter of April 28th. I plan to call Mr. S. I. Hollowell today.

Pres gets down here from time-to-time and he does bring me up-to-date on many of our old Greenwich friends. It would be a real treat to see you and Leslie again and also Sandy. Please give my best regards to your mother and dad.

Sincerely,

George H. W. Bush

GHWB/vf

Withdrawal/Redaction Sheet

(George Bush Library)

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION	CLASS.
10. Letter	From George Bush to G.H.Walker, Jr. RE: Financial information (1 pp.)	5/1/59	C	
COLLECTION George Bush Personal Papers Zapata Oil File Business Correspondence Files				
FILE LOCATION Reading File - 1959 (April 6 to June 30) OA/ID Number Date Closed 12/6/99				

RESTRICTION CODES

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

ZAPATA OFF-SHORE COMPANY

BOX 3195

MIDLAND, TEXAS

GEORGE H. W. BUSH, PRESIDENT

C
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Y

Dear Dad:

Thanks for your letter to Grant Simmons. Until now all is quiet up there in New York as far as Grant jumping to the fore with some wholesale beds, but I am sure your letter will get through to him and I expect I will hear from him soon. Gee, it's nice of you to give us these for our new house.

Ever devotedly,

GHWB/vi

ZAPATA OFF-SHORE COMPANY

~~XXXXXX~~
BOX 3195

~~XXXXXXXXXX~~
MIDLAND, TEXAS

April 30, 1959

GEORGE H. W. BUSH, PRESIDENT

C
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Y

Dear Bert:

Gosh, I'm sorry that we did not have more time to visit while you were here. I feel really badly about this, but let's be sure this is the first of many visits down here and let's also resolve that this one is the shortest.

You will be pleased to hear that the well seems to be corrected, or in the process of being corrected.

Best regards,

George H. W. Bush

GHWB/vf

Mr. G. H. Walker, III
G. H. Walker & Co.
503 Locust
St. Louis, Missouri

ZAPATA OFF-SHORE COMPANY

BOX 3125

MIDLAND, TEXAS

GEORGE H. W. BUSH, PRESIDENT

C
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Dear Pres:

**Thanks for your recent letters. I will
answer them in detail tomorrow.**

No word yet on the Gulf of Paria.

Best regards,

George H. W. Bush

GHWB/vf

ZAPATA OFF-SHORE COMPANY

BOX 3185

MIDLAND, TEXAS

2218 First City National Bank Bldg.

Houston 2, Texas

April 30, 1959

GEORGE H. W. BUSH, PRESIDENT

Mr. David R. Worley
P. O. Box 5123
Midland, Texas

Dear Dave:

Mr. Bill Davidson the commercial photographer sent me a bill for the KSEL picture, as I requested. Bill sent the bill to Houston and I cannot find it. Will you call Davidson and ask him how much the pictures are and then let me know how much you want from me. I intended to pay the whole thing and then dun you guys, but I can't find the bill so this way I can hook you better.

Best regards,

George H. W. Bush

GHWB/vf

C
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ZAPATA OFF-SHORE COMPANY

~~XXXXXX~~
~~MIDLAND, TEXAS~~
~~XXXXXXXXXX~~

GEORGE H. W. BUSH, PRESIDENT

**2218 First City National Bank Bldg.
Houston 2, Texas
April 30, 1959**

**Mr. H. C. Price, Jr.
P. O. Box 1111
Bartlesville, Oklahoma**

Dear Mr. Price:

**I wanted to tell you that we were awarded
the contract to drill the well for
Tennessee Gas in East Cameron.**

**I am deeply indebted to you for your help
on this project. Mr. Ralph Graham told
me today that we were not the low bidder
(by far!). We will be working very hard
to do a good job for Tennessee. I would
like to do more work for them in the
future and equally important I don't want
to let you down after your help.**

Thanks a lot.

Best regards,

George H. W. Bush

GHWB/vf

ZAPATA OFF-SHORE COMPANY

~~HOUSTON TEXAS~~

~~MIDLAND TEXAS~~

2218 First City National Bank Bldg.

Houston 2, Texas

April 30, 1959

GEORGE H. W. BUSH, PRESIDENT

**Mr. Thomas McCance
Brown Brothers, Harriman & Co.
59 Wall Street
New York, N. Y.**

Dear Mr. McCance:

**It certainly was thoughtful of you to stop
by the office yesterday. I know that your
schedule on a trip like this is extremely
complicated, and I was delighted when
you came over.**

**I hope that our move to Houston means
that we will be seeing you more often.**

**Best regards and thanks again for taking
the time to come by.**

Very truly yours,

George H. W. Bush

GHWB/vf

C
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XXXXXXXXXXXXXX
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2218 First City National Bank Bldg.
Houston 2, Texas
April 30, 1959

Mr. Alvin H. Howard
Louisiana-Delta Offshore Corporation
216 Carondelet Building
New Orleans 12, Louisiana

Dear Alvin:

I have talked with Wayne Dean and some of our others about the possibility of Zapata continuing discussions along the line of our meeting in New Orleans with Mr. Chenery. We have concluded that we should not enter into further discussions and that you should not consider us as one of the companies to join in the plan.

We were very pleased that you did think of us in this connection and we did give the matter a good deal of thought. Perhaps I'm over complicating Zapata's problems, but in any event, we just don't see how we fit in.

I am attaching a copy of this letter in the event you should want to send it along to Mr. Chenery. I'm afraid our position is not very constructive. I do appreciate all the work that you both have done in an effort to solve the problems of many of us.

Best regards and I hope that I shall see you before long.

George H. W. Bush

GHWB/vf

ZAPATA OFF-SHORE COMPANY

~~FOOTNOTES~~
~~MIDLAND, TEXAS~~

2218 First City National Bank Bldg.

Houston 2, Texas

April 30, 1959

GEORGE H. W. BUSH, PRESIDENT

**Mr. Harold Vaughn
Transcontinental Gas Pipeline
3100 Travis
Houston, Texas**

Dear Harold:

Here is a summary of our Vermillion deal. We are offering you a 1/2 interest in the deal, if you are interested. We think that the lack of acreage in the deal is more than made-up for by the cheapness of the well should it be a dry hole. We have geophysical work on this which we will be happy to make available to you.

Very truly yours,

George H. W. Bush

GHWB/vf

C
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XXXXXX
XXXXXXXXXXXX
XXXXXXXXXXXX
April 30, 1959

Mr. Fitzgerald Bemiss
P. O. Box 1156
Richmond, Virginia

Dear Jerry:

How good to hear from you. I was very interested to hear that you will be running for the State Senate. It seems to me that the most logical step from here would be Governor of the State or perhaps you can be on the floor of the Senate with the old man. Good luck and please be sure and send me a flash after July 14th.

We are moving to Houston and our addresses are as follows:

Office: 2218 First City National Bank Bldg.
Houston 2, Texas
Phone: CA-20395

Residence: 5107 Del Monte Drive
Houston 27, Texas
Phone: MO-59232

Residence address after August:
5225 Briar Drive
Phone: Same as above

Unfortunately our lives have been really complicated by the Zapata deal and we will not be getting to Maine. In addition to this our fifth boy will probably be born about August 25th, so Bar will not be in any position to travel. Will you be coming to Bucky's wedding about the 17th of August? ? Regardless of the baby I feel I must make the wedding and perhaps we can get together there.

Business is looking up here. At least there's a hell of a lot going on. I'll write you in more detail soon but in the meantime thanks for the letter and good luck in the race.

Best regards,

George H. W. Bush

GHWB/vf

ZAPATA OFF-SHORE COMPANY

~~HOUSTON~~

~~MIDLAND, TEXAS~~
~~ATLANTA, TEXAS~~

GEORGE H. W. BUSH, PRESIDENT

**2218 First City National Bank Bldg.
Houston 2, Texas
April 29, 1959**

**Executive Committee
of the Class of 1948
Yale University
Groton, Connecticut**

Gentlemen:

**Please change your records to reflect
my change of address as follows:**

**2218 First City National Bank Bldg.
Houston 2, Texas**

Thank you.

George H. W. Bush

/vi

ZAPATA OFF-SHORE COMPANY

~~FOOTNOTES~~

~~MODIFICATIONS~~

2218 First City National Bank Bldg.

Houston 2, Texas

April 29, 1959

GEORGE H. W. BUSH, PRESIDENT

**Mr. Roy A. Minear, Treasurer
The First Presbyterian Church
804 West Texas Avenue
Midland, Texas**

Dear Sir:

**Will you please send me the outstanding
balance of my pledge to the First Presbyterian
Church Building Fund.**

Very truly yours,

George H. W. Bush

/v/

Withdrawal/Redaction Sheet

(George Bush Library)

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION	CLASS.
11. Letter	From George Bush to Harold Black RE: Financial information (1 pp.)	4/29/59	C	
COLLECTION George Bush Personal Papers Zapata Oil File Business Correspondence Files				
FILE LOCATION Reading File - 1959 (April 6 to June 30) OA/ID Number Date Closed 12/6/99				

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

ZAPATA OFF-SHORE COMPANY

HOUSTON, TEXAS

2218 First City National Bank Bldg.

Houston 2, Texas

April 29, 1959

GEORGE H. W. BUSH, PRESIDENT

**Mr. Robert K. Hanger
Sinclair Bldg.
Fort Worth, Texas**

Dear Mr. Hanger:

We were awarded the contract to drill the well for Tennessee Gas in East Cameron. I know your suggestion proved extremely helpful and I wanted to thank you for suggesting that I talk to Mr. Graham. This is very important to our little company and we will be working very hard to do a good job for Tennessee.

Thank you very much.

Sincerely,

George H. W. Bush

GHWB/vf

ZAPATA OFF-SHORE COMPANY

~~XXXXXXXX~~

~~XXXXXXXX~~

2218 First City National Bank Bldg.

Houston 2, Texas

April 29, 1959

GEORGE H. W. BUSH, PRESIDENT

**Mrs. Juanita McBride
Chambers & Kennedy
Midland National Bank Bldg.
Midland, Texas**

Dear Juanita:

**Do you remember when we wrote to Hal Dean
about Mrs. R. G. Scott, who owned acreage
in Zapata County, Texas. Where would the
files on this stuff be? We need a hint.**

Best regards,

George H. W. Bush

**P.S. Our well looks like a good well except
for the fact that we are having mechanical
problems. The casing parted causing me
six additional folds in my lower duodenal.
The Zapata transaction as far as I'm concerned
has closed, thus releasing three of the folds.**

ZAPATA OFF-SHORE COMPANY

~~SECRET~~

~~CONFIDENTIAL~~

2218 First City National Bank Bldg.

Houston 2, Texas

April 29, 1959

GEORGE H. W. BUSH, PRESIDENT

**Y. M. C. A.
Midland,
Texas**

Gentlemen:

**Will you please send me the outstanding
balance of my pledge to the Y. M. C. A.**

Building Fund.

Very truly yours,

George H. W. Bush

GHWB/vf

**C
O
P
Y**

ZAPATA OFF-SHORE COMPANY

~~RECEIVED~~

~~RECEIVED~~

2218 First City National Bank Bldg.

Houston 2, Texas

April 29, 1959

GEORGE H. W. BUSH, PRESIDENT

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

Dear Herbie:

I would like to get your advice on one thing. Inasmuch as I am claiming a cost basis of \$7.00/per share for tax purposes on my block of recently acquired stock, I should like to hold this stock for six months prior to transferring it to Greenway. I can put the stock in escrow or do anything that would be fair but I would like to deliver it effective six months from April 21st.

Actually I own someother Off-Shore stock I could deliver 1/2 of the stock immediately and then another 1/2 down-the-line. Let me know if you think this would be a fair arrangement and I will take it up with Greenway. If I don't do this I will have to pay straight income tax on the difference between 6-1/2 and 8 per share.

Very truly yours,

George H. W. Bush

GHWB/vf

ZAPATA OFF-SHORE COMPANY

**BOX 3185
MIDLAND, TEXAS
XXXXXXXX**

GEORGE H. W. BUSH, PRESIDENT

**2218 First City National Bk Bldg.
Houston 2, Texas
April 28, 1959**

**Mr. Paul R. LaFleur
Prudential Insurance Co. of America
P. O. Box 660
Houston 1, Texas**

Dear Mr. LaFleur:

**I am returning signed forms which you forwarded
to us under cover of letter dated April 24, 1959,
relative to George H. W. Bush's loan application.**

Very truly yours,

Vivian C. Flynn (Miss)

**/vf
Enc.**

R7
ZAPATA OFF-SHORE COMPANY

~~SECRET~~

~~MIRANDA TEXAS~~

GEORGE H. W. BUSH, PRESIDENT

2218 First City National Bank Bldg.
Houston 2, Texas
April 27, 1959

C
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Commander Clem B. Connally
4309 Bradley Lane
Chevy Chase, Maryland

Dear Commander Connally:

Thank you for your letter of April 22nd.

Unfortunately right now we do not have any openings in our organization. Having been a Navy pilot myself I was particularly interested in your resume. I will keep it here and if anything should develop I would like to get in touch with you. I am sorry we do not have anything right now.

Very truly yours,

George H. W. Bush

GHWB/vf

ZAPATA OFF-SHORE COMPANY

MIDLAND, TEXAS

2218 First City National Bank Bldg.

Houston 2, Texas

April 27, 1959

GEORGE H. W. BUSH, PRESIDENT

**The National Supply Company
Export Division
600 Fifth Avenue
New York 20, N. Y.**

Gentlemen:

**I regret that I will be unable to accept your
invitation for cocktails on May 18th.**

Sincerely,

George H. W. Bush

GHWB/vf

ZAPATA OFF-SHORE COMPANY

~~CONFIDENTIAL~~

~~MIRAMAR, TEXAS~~

GEORGE H. W. BUSH, PRESIDENT

2218 First City National Bank Bldg.

Houston 2, Texas

April 27, 1959

Mr. Charles F. Red
4402 Warm Springs
Houston 35, Texas

Dear Mr. Red:

We have filled the accounting job which you and I discussed. If anything should happen to change this I will let you know immediately since we felt you were qualified in every way to handle the assignment and we would have liked very much to have you work with us.

I appreciate your taking the time to come down and talk to me. I hope our paths cross again soon.

Very truly yours,

George H. W. Bush

GHWB/vf

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ZAPATA OFF-SHORE COMPANY

**BOX 3195
MIDLAND, TEXAS**

GEORGE H. W. BUSH, PRESIDENT

**2218 First City National Bank Bldg.
Houston 2, Texas
April 27, 1959**

**Mr. James P. Simmons
Commercial Bank & Trust Co.
Midland, Texas**

Dear Jim:

**As requested in your letter of April 24th,
I am enclosing the signed note and a check
in the amount of \$5950.**

Best regards,

George H. W. Bush

CHWB/vf

Enc.

C
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ZAPATA OFF-SHORE COMPANY

~~HOUSTON~~

~~HOUSTON, TEXAS~~

2218 First City National Bank Bldg.

Houston 2, Texas

April 27, 1959

GEORGE H. W. BUSH, PRESIDENT

Mr. William R. Humphreys
8718 Bob White Drive
Houston 36, Texas

Dear Mr. Humphreys

The accounting job which we discussed
recently has been filled by another person.

I appreciate your interest in talking to
Zapata and thank you for your time.

Very truly yours,

George H. W. Bush

GHWB/vf

C
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ZAPATA OFF-SHORE COMPANY

~~XXXXXXXXXX~~

~~HOUSTON, TEXAS~~

2218 First City National Bank Bldg.

Houston 2, Texas

April 27, 1959

GEORGE H. W. BUSH, PRESIDENT

Mr. Donald K. Walker
Committee on Enrollment and Scholarships
730A Yale Station
New Haven, Connecticut

Dear Don:

I talked to John Younger over the vacation and he tells me that he still hopes to get into Yale. His dad tells me he did better on the college board tests. Recalling your interest in John in the past I am wondering if you feel he has a fighting chance for this year.

We have recently moved to Houston. I am attaching a card giving my new address. My home phone number is MO-59232. I hope that this move to Houston means I will see you more often. When my house is built in August we will have plenty of guest room, so we will expect you.

Best regards,

George H. W. Bush

GHWB/vf

ZAPATA OFF-SHORE COMPANY

MEMPHIS, TENN.

MIDLAND, TEXAS

2218 First City National Bank Bldg.

Houston 2, Texas

April 27, 1939

GEORGE H. W. BUSH, PRESIDENT

Mr. J. Hugh Liedtke
Zapata Petroleum Corp.
P. O. Box 3195
Midland, Texas

Dear Hugh:

We logged Block 86 last night and just received the core dope. We have 32 ft. of net pay. The field pay came in high at 10,796' - 10,820'. We had another sand at 10,856-67'.

I am enclosing a copy of the Electric Log.

We hope that Felmont will approve drilling this well deeper since we have not lost much section between 10,550' and total depth. You recall that we were thickening but on this last log we seemed to have held up all right. Little is optimistic about the deeper horizons.

I am off to Morgan City now to talk to them about some of the tenders and thought you would like to have a copy of this log.

Best regards,

George H. W. Bush

GHWB/vf
Enc.

P.S. If you see Walter on the street tell him that we ought to drill deeper.

DOMESTIC SERVICE	
Check the class of service desired; otherwise this message will be sent as a fast telegram	
TELEGRAM	
DAY LETTER	
NIGHT LETTER	

\$
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WESTERN UNION TELEGRAM

1211 (4-55)

W. P. MARSHALL, PRESIDENT

INTERNATIONAL SERVICE	
Check the class of service desired; otherwise the message will be sent at the full rate	
FULL RATE	
LETTER TELEGRAM	
SHORE SHIP	

NO. WDS. - CL. OF SVC.	PD. OR COLL.	CASH NO.	CHARGE TO THE ACCOUNT OF	TIME FILED
			ZAPATA OFF-SHORE COMPANY	

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

G. H. WALKER
ESCREWCO
QUAYAQUIL, ECUADOR

#3 WELL LOGGED 2 PAYS - NET TOTAL 31'.
SETTING PIPE THEN PROBABLY DRILL AHEAD.
SCORPION AWARDED TENNESSEE CONTRACT.
FEELING GOOD.

G. H. W. BUSH

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

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

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

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

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

4. The applicable tariff charges on a message destined to any point in the continental United States listed in the Telegraph Company's Directory of Stations cover its delivery within the established city or community limits of the destination point. Beyond such limits and to points not listed in the Telegraph Company's Directory of Stations, the Telegraph Company does not undertake to make delivery but will endeavor to arrange for delivery by any available means as the agent of the sender, with the understanding that the sender authorizes the collection of any additional charge from the addressee and agrees to pay such additional charge if it is not collected from the addressee.

5. No responsibility attaches to the Telegraph Company concerning messages until the same are accepted at one of its transmitting offices; and if a message is sent to such office by one of the Telegraph Company's messengers, he acts for that purpose as the agent of the sender; except that when the Telegraph Company sends a messenger to pick up a message, the messenger in that instance acts as the agent of the Telegraph Company in accepting the message, the Telegraph Company assuming responsibility from the time of such acceptance.

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

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

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

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

4-54

CLASSES OF SERVICE

DOMESTIC SERVICES

TELEGRAM

The fastest domestic service.

DAY LETTER (DL)

A deferred same-day service, at low rates.

NIGHT LETTER (NL)

Economical overnight service. Accepted up to 2 A. M. for delivery the following morning; at rates lower than the Telegram or Day Letter rates.

INTERNATIONAL SERVICES

FULL RATE (FR)

The fastest overseas service. May be written in code, cipher, or in any language expressed in Roman letters.

LETTER TELEGRAM (LT)

For overnight plain language messages, at half-rate. Minimum charge for 22 words applies.

SHIP RADIOGRAM

For messages to and from ships at sea.

ZAPATA OFF-SHORE COMPANY

~~RECEIVED~~

~~MIDLAND, TEXAS~~

GEORGE H. W. BUSH, PRESIDENT

2218 First City National Bank Bldg.

Houston 2, Texas

April 24, 1959

Mr. David R. Worley
P. O. Box 5123
Midland, Texas

RE: KSEL

Dear Dave:

You have advised me that KSEL plans to borrow up to \$140,000 from our Lubbock bank. It is my understanding that the Citizens National Bank will require each of us to sign a note, the amount of our liability limited to the percentage which we own in KSEL. If we borrow \$140,000, then my 15% liability on the note will be \$21,000.

I further understand that the bank will also require us to pledge KSEL assets and each of the partners in KSEL is to maintain a compensating balance in the amount of 20% of the existing liability, less the average KSEL operating fund deposit.

I further understand that you intend to use the proceeds of this loan to retire notes due J. H. Speck (Down payments new 5000 watt transmitter) and W. G. Russell in the amount of \$8,000 and repay all of the partners in KSEL in proportion to their investment.

By this letter I agree that I will maintain the compensating balance referred to above and that I am in full agreement with the general plan as outlined above. I am attaching a financial statement which in confidence may be passed along to the Lubbock bank.

Very truly yours,

George H. W. Bush

GHWB/vf
Att.

ZAPATA OFF-SHORE COMPANY

~~RECEIVED~~

~~MIDLAND TEXAS~~

2218 First City National Bank Bldg.

Houston 2, Texas

April 24, 1959

GEORGE H. W. BUSH, PRESIDENT

Mr. L. H. Lawler
Midland Country Club
P. O. Box 113
Midland, Texas

Dear Mr. Lawler:

I appreciate your pointing out to me the possibilities of non-resident membership, however, after giving the matter some thought, I do not feel that I should avail myself of this offer.

My stock certificate apparently is lost but if found I will return it to you immediately.

Very truly yours,

George H. W. Bush

GHWB/vf

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ZAPATA OFF-SHORE COMPANY

~~PO BOX~~
MIDLAND, TEXAS
~~PO BOX~~

GEORGE H. W. BUSH, PRESIDENT

**2218 First City National Bank Bldg.
Houston 2, Texas
April 24, 1959**

**Commercial Bank & Trust Co.
Midland,
Texas**

Gentlemen:

**Until further notice, please send all notices,
statements and correspondence regarding
the George H. W. Bush and George H. W.
Bush Home Account to the following address:**

**2218 First City National Bank Bldg.
Houston 2, Texas**

Thank you.

Very truly yours,

George H. W. Bush

GHWB/vf

ZAPATA OFF-SHORE COMPANY

BOX 3125

MIDLAND, TEXAS

April 24, 1959

GEORGE H. W. BUSH, PRESIDENT

Mr. Baine P. Kerr
Baker, Botts, Andrews & Shepherd
Esperson Bldg.
Houston 2, Texas

Dear Baine:

Attached is Last Will and Testament of George
H. W. Bush and Last Will and Testament of
Barbara Pierce Bush, which I would like
returned to me after you have had a chance to
look at them.

I am also attaching for your file a copy of the
children's trust.

Very truly yours,

George H. W. Bush

GHWB/vf
Enc.

C
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ZAPATA OFF SHORE COMPANY

~~CONFIDENTIAL~~

~~MILKIN TEXAS~~

2218 First City National Bank Bldg.

Houston 2, Texas

April 24, 1959

GEORGE H. W. BUSH, PRESIDENT

Mr. Prescott S. Bush, Jr.
Johnson & Higgins
63 Wall Street
New York, N. Y.

Dear Pres:

Hugh has resigned as a Trustee from the kids trust. I thought it would be most appropriate for Baine Kerr to join us as co-trustee. If you agree, would you please sign the attached letters, retaining one for your file and send the rest along to me at the above address.

Best regards,

George H. W. Bush

GHWB/vf

Enc.

April 24, 1959

Mr. Baine P. Kerr
Baker, Botts, Andrews & Shepherd
Esperson Building
Houston 2, Texas

Dear Mr. Kerr:

Re: George Walker Bush
John Ellis Bush
Neil Mallon Bush

We, the undersigned Trustees, in accordance with Section 2 of that certain Trust Agreement dated November 16, 1955, created by George H. W. Bush and Barbara Pierce Bush, do hereby appoint you as co-trustee to fill the vacancy created by the resignation of J. Hugh Liedtke.

George H. W. Bush

Prescott S. Bush, Jr.

XXXXXXX
XXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXX
2218 First City National Bank Bldg.
Houston 2, Texas
April 23, 1959

Mr. C. Rhoades MacBride, Vice-President
General Dynamics Corporation
445 Park Avenue
New York 22, New York

Dear Mr. MacBride:

The purpose of this letter is two-fold.

1. I should like to tell you that our company, which has pioneered floating drilling in the Gulf of Mexico, would be extremely interested in working with your company on any projects where our experience might be of advantage to you. In this connection, I am sure you have seen the correspondence between Mr. Shugg and me regarding a project in which Mr. Blanding showed some interest. I understand that your office, and not the Electric Boat Division, will be handling such a project and if there is a place for Zapata Off-Shore Company in the picture, we would be most interested in talking to you.

2. We have been talking to a Government Agency regarding the drilling of a deep test to explore the Mohorovicic discontinuity between the earth's crust and the underlying mantle. We are curious to know whether you have done any work on stabilization of floating vessels which might make the drilling of such a deep test practical in deep waters. This project is quite a way down the road but if you have any printed information on stabilization techniques which might help keep a floating vessel steady in rough waters we would like very much to know about it.

Very truly yours,

George H. W. Bush

GHWB/vf

cc: Mr. C. Shugg: I am sorry about the mix-up on your letter. My misinterpretation stemmed from the fact that I thought you said that if we wanted to talk to someone in General Dynamics, talk to Mr. MacBride. I had no intention of talking to General Dynamics itself if the Electric Boat Division should be handling the matter. I am now squared away on this and will not bother you any more on this subject. Thanks for your help.

GHWB

April 24, 1959

Mr. J. Hugh Liedtke
Zapata Petroleum Corp.
P. O. Box 3195
Midland, Texas

Dear Hugh:

Would you please ask Foncille to check the directors file regarding transfer of Zapata stock on Form 4 for the SEC. I never did keep copies of the transfers I made and I would like to have them for my records. If Foncille could photostat all the sheets involving my interest and send them to me at Houston, I would certainly appreciate it.

I received the stock certificate today and will hold it awaiting further word from you.

See you soon.

Best regards,

George H. W. Bush

GHWB/vf

XXXXXX

XXXXXXXXXX

2218 First City National Bank Bldg.

Houston 2, Texas

April 24, 1959

Mr. Paul LaFleur
Prudential Insurance Co. of America
P. O. Box 660
Houston, Texas

Dear Mr. LaFleur:

Attached is a signed financial statement and
my check for \$400. As soon as I receive
the forms from your office I shall forward
them to you.

Very truly yours,

George H. W. Bush

GHWB/vf
Enc.

P/C
ZAPATA OFF-SHORE COMPANY

203395

FOR INFORMATION

2218 First City National Bank Bldg.

GEORGE H. W. BUSH, PRESIDENT

Houston 2, Texas

April 22, 1959

C
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Board of Directors
Midland Country Club
Midland, Texas

Gentlemen:

With reference to my letter of April 20, 1959,
I am unable to locate my Stock Certificate.
Mr. Brumley has been in contact with
Mr. Lawler and I believe that we have been
informed that no affidavit is necessary,
however, I will be happy to furnish you one if
you would like to have it.

Very truly yours,

George H. W. Bush

GHWB/vf

ZAPATA OFF-SHORE COMPANY

~~BOX 2185~~

~~MIDLAND, TEXAS~~

GEORGE H. W. BUSH, PRESIDENT

2218 First City National Bank Bldg.

Houston 2, Texas

April 22, 1959

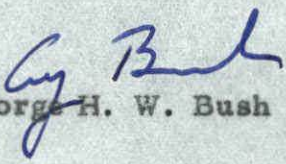
Mr. Hector Dyer
2310 West Kansas
Midland, Texas

Dear Mr. Dyer:

I have given some thought to the concern in Australia and have decided that we at Zapata cannot go along on this at this time.

I am enclosing an article written by a friend of mine Edgar Locke which I thought might be of interest to you inasmuch as it mentions Australia. I am sending an extra copy of this letter in case you might want to pass it along to Robert Kamon.

Very truly yours,


George H. W. Bush

GHWB/vf
Enc.

ZAPATA OFF-SHORE COMPANY.

~~XXXXXXXX~~

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April 22, 1959

GEORGE H. W. BUSH, PRESIDENT

Dear Pres:

We have been doing some long shot thinking regarding the sunken Andrea Doria. Nolan Stewart and Hoyt Taylor feel that using some of the things that we have learned from the Nola I, we might have a chance to work with someone on a project for raising the ship.

Could you get us a set of general plans on the ship and could you inquire among some of J&H's marine friends to see what the status of the vessel is, what the value of the ship might be when delivered to a ship yard and if any efforts have been made toward salvage. Please do not spend too much time on this but we think we have an idea on this.

It was a treat seeing you here and I hope to see you before too long.

Best regards,

**Mr. Prescott S. Bush, Jr.
Johnson & Higgins
63 Wall Street
New York, N. Y.**

XXXXXXX
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XXXXXXXXXXXXXXX

2218 First City National Bank Bldg.
Houston 2, Texas
April 22, 1959

Mr. David R. Worley
P. O. Box 5123
Midland, Texas

Dear Dave:

Thank you for your note. If I am talking to Washington I will certainly check on KAMQ.

I had lunch with Milton Underwood yesterday. He asked me if we were interested in his Odessa station, and I told him you did not feel it was a good deal based on the way it was presented to us. I asked him if he would be interested in selling KXYZ in Houston. He told me he would, but he said it would take from \$900,000 - \$1,000,000 cash to buy it. He has had several offers where he would receive 29% down and the rest to be financed; he is not interested in this type of deal.

Milton gave me some figures; the station is grossing between \$50,000 - \$80,000 per month. He kept talking about 1957 which I gather was a very good year. In that year the net, including depreciation, was close to one-quarter million. Underwood says that on \$900,000 the deal is about a 5 year pay-out now. If you have any real interest here maybe we could get a group together here and buy this station.

Underwood also owns other stations down in the Valley. What he needs, although he may not know it now, is someone like yourself to manage his radio stations and ours too. Let's be thinking about a big merger which would put together all of these stations into a corporation. He owns a station in Corpus Christi, Odessa, Houston and maybe some others. This is a long-shot idea but if we keep smoking this opium pipe long enough something may materialize.

I wrote Simmons yesterday to make arrangements for having my money available on KAMQ.

Very truly yours,

George H. W. Bush

GHWB/vf

ZAPATA OFF-SHORE COMPANY

~~MEXICO CITY~~

~~MIDLAND TEXAS~~

April 22, 1959

GEORGE H. W. BUSH, PRESIDENT

C
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**First Savings & Loan Association
P. O. Box 1811
Midland, Texas**

Gentlemen:

**Effectively immediately please change
the address on all George H. W. Bush
accounts to read as follows:**

**2218 First City National Bank Bldg.
Houston 2, Texas**

Thank you.

Very truly yours,

George H. W. Bush

/vf

REF
ZAPATA OFF-SHORE COMPANY

XXXXXXXXXX
MIDLAND, TEXAS

2218 First City National Bank Bldg.

Houston 2, Texas

April 20, 1959

GEORGE H. W. BUSH, PRESIDENT

C
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Mr. W. W. Brinkley
1401 Jones
San Francisco, California

Dear Bill:

I was home in Midland for the week-end to find that you had been there. I sure am sorry to have missed you.

Barbara and I are moving to Houston. In fact I'm already living here now. My office address is:

2218 First City National Bank Bldg.
Houston 2, Texas
Phone: CA-20395

Residence:

5107 Del Monte Drive
Houston 27, Texas
Phone: Mo-59232

Please be sure to drop by when you are next in town. I would like to get all caught up on what you have been doing.

Very truly yours,

George H. W. Bush

GHWB/vf

RF
ZAPATA OFF-SHORE COMPANY

BOX 2185
HOUSTON, TEXAS

2218 First City National Bank Bldg.

Houston 2, Texas

April 20, 1959

GEORGE H. W. BUSH, PRESIDENT

C
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Mr. T. C. Patterson
Preston Moss & Co.
24 Federal
Boston, Mass.

Dear Ted:

Thanks for the copy of your letter to Gardiner Symonds. I am not overly optimistic about the job today but I know it will be helpful when we go to do some work with them down the line.

I hope you had a good trip out to the rig. It was a pleasure seeing you. Let me know if you ever need any dope.

Very truly yours,

George H. W. Bush

CHWB/vf

24
ZAPATA OFF-SHORE COMPANY

MEMPHIS

MEMPHIS, TEXAS

2218 First City National Bank Bldg.

Houston 2, Texas

April 20, 1959

GEORGE H. W. BUSH, PRESIDENT

C
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Mr. G. A. Holloway
Lee C. Moore Corporation
2201 Mercantile Bank Bldg.
Dallas 1, Texas

Dear Mr. Holloway:

You were very thoughtful to mail me the article from the SCIENTIFIC AMERICAN. Oddly enough, we have talked with Mr. Bascomb, the author of this article and he plans to visit our rig tomorrow. The project sounds mighty wierd, but several years ago we never realized that people would be orbiting around in space.

Thanks for your thoughtfulness.

Very truly yours,

George H. W. Bush

GHWB/vf

27
ZAPATA OFF-SHORE COMPANY

BOX 2185
MIDLAND, TEXAS
XXXXXXX

GEORGE H. W. BUSH, PRESIDENT

2218 First City National Bank Bldg.

Houston 2, Texas

April 20, 1959

C
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Mr. A. L. Pharr, Vice-President
Commercial Bank & Trust Co.
Midland, Texas

Dear Lavon:

I will not be able to make the meeting on
April 22nd of the West Texas Small Business
Investment Co.

For the record, I should like to state that I
have moved away from Midland and I will not
be able to participate in the activities of the
West Texas Small Business Investment Co.
It is with regret, therefore, that I ask you
to consider someone else to take my place,
both as a stockholder and director, in the
new company. Best of luck to you and the
others.

Very truly yours,

George H. W. Bush

GHWB/vf

3E
ZAPATA OFF-SHORE COMPANY

292-3125
MIDLAND, TEXAS

GEORGE H. W. BUSH, PRESIDENT

2218 First City National Bank Bldg.

Houston 2, Texas

April 20, 1959

C
O
P
Y
Mr. Joe Ferguson
Offshore Exploration Group
2711 Timmons
Houston, Texas

Dear Joe:

Thank you for your letter of April 17th
addressed to Russ Mosby.

This week-end in Midland a man offered
us some offshore leases off of Darwin,
Australia. This seems to me a pretty
long way to look for oil but there is a
play going on there. Leases can be
bought for 1/54¢ per acre. Maybe we
ought to go in together and buy an acre
or two.

Thanks a lot for the article.

Very truly yours,

George H. W. Bush

GHWB/vf

2X
ZAPATA OFF-SHORE COMPANY

XXXXXX

MIDLAND, TEXAS

2218 First City National Bank Bldg.

GEORGE H. W. BUSH, PRESIDENT

Houston 2, Texas

April 21, 1959

C
O
P
Y

Mr. Dick Steadman
C. H. Walker & Co.
One Wall Street
New York 5, N.Y.

Dear Dick:

Thank you for the article from SCIENTIFIC
AMERICAN.

Oddly enough the author of that article is
going out to the Nola today with one of our
directors, Tom Devine. We have been
talking to the government agencies about
doing some of this work at the appropriate
time.

Hope to see you before long.

Very truly yours,

George H. W. Bush

GHWB/vf

RF
ZAPATA OFF-SHORE COMPANY

~~MEMORANDUM~~

MIDLAND TEXAS

April 21, 1959

GEORGE H. W. BUSH, PRESIDENT

C
O
P
Y

Mr. Tom Laros
Rauscher, Pierce & Co. Inc.
P. O. Box 1422
Midland, Texas

Dear Tom:

I shall be on the look-out for the \$20 check from Canadian Industries. When it arrives I will endorse it and send the check to you.

My apartment address is 5107 Del Monte Drive, Houston 27, Texas, phone MO-59232. Please don't forget your old buddy and come see me when you are down this way.

Very truly yours,

George H. W. Bush

GHWB/vf

ZAPATA OFF-SHORE COMPANY

~~BOX 3185~~
~~MIDLAND, TEXAS~~
~~XXXXXXXX~~

GEORGE H. W. BUSH, PRESIDENT

2218 First City National Bank Bldg.
Houston 2, Texas
April 21, 1959

Mr. H. Ames Richards
Essex Offshore, Inc.
285 Madison Avenue
New York 17, N. Y.

Dear Mr. Richards:

Enclosed is a photostat copy of the material
you requested.

This is an excerpt from Leasing and Operating
Regulations for the Submerged Lands of the
Outer Continental Shelf, published by the
United States Department of the Interior, which
I believe you have in your files.

Very truly yours,

George H. W. Bush

GHWB/vf
Enc.

C
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Y

R-7
ZAPATA OFF-SHORE COMPANY

HOUSTON:

MIDLAND, TEXAS

GEORGE H. W. BUSH, PRESIDENT

2218 First City National Bank Bldg.

Houston 2, Texas

April 20, 1959

C
O
P
Y

Mr. J. B. O'Connor, President
Dresser Industries
Republic National Bank Bldg.
Dallas, Texas

Dear Mr. O'Connor:

I am very sorry to have missed the luncheon in Dallas on Friday. I did telephone to leave word but I just wanted you to know that I appreciated having been invited and had planned to come.

Hope to see you soon.

Very truly yours,

George H. W. Bush

GHWB/vf

ZAPATA OFF-SHORE COMPANY

~~PO BOX 100~~
~~MOBILE, ALABAMA~~

**2218 First City National Bank Bldg.
Houston 2, Texas**

GEORGE H. W. BUSH, PRESIDENT

April 21, 1959

**Mr. Stewart Dewar
Harold C. Price
P. O. Box 1111
Bartlesville, Oklahoma**

Dear Stewart:

I believe I have already sent you a copy of the geophysical map on the 104 prospect. The attached summary sheet summarizes the main points in the deal itself. Please call me if you have any questions.

I am attaching a copy of a letter written today to Walter Walne, which may give you some additional dope on the deal. You might want your secretary to note the addresses at the bottom of Walne's letter.

Best regards,

George H. W. Bush

GHWB/vf

Enc.

ZAPATA OFF-SHORE COMPANY

MIDLAND, TEXAS

GEORGE H. W. BUSH, PRESIDENT

2218 First City National Bank Bldg.

Houston 2, Texas

April 21, 1959

**Mr. Walter Walne, Jr.
Felmont Oil Corp.
P. O. Box 1855
Midland, Texas**

Dear Walter:

I believe the attached information relating to our Block 103 and 104 deal is self-explanatory. I would appreciate your looking the dope over. I would be delighted to have you and Essex in this deal. Zapata plans to take a 1/4 interest, Horbie Walker has stated that he wants a 1/8 interest. At this point that leaves 5/8 of the deal open. I have offered an interest to Mr. Price and we have also talked to the Empire Bank and Continental Oil Co. We have to put this on a prior sale basis but rest assured that we would like very much to have you in if you are interested.

Very truly yours,

George H. W. Bush

P.S. Please ask Edy to note these addresses:

**2218 First City National Bank Bldg.
Houston 2, Texas
Phone: CA-20395 & CA-20573**

**5107 Del Monte Drive - Residence
Houston 27, Texas
Phone: MO-59232**

**Residence after August will be
5525 Briar Drive**

GHWB/vf

XXXXXX
XXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXX

Dear Dad:

Bar and I are going to have to buy at least two new beds and a couple of hide-away-bed couches. Do you still have the arrangement with Simmons where you can make a substantial saving on the price, and if you do can this, without embarrassment, work for me and Bar? Simmons has a place here in Houston. What I would like to do is have permission to go out there and look at the various things, as in the case of couches we are going to have to pick colors, etc. Please let me know whether this can be arranged. If it cannot be, I shall just go ahead and make some purchases locally.

Our move is drawing nearer. I am now living in an apartment at 5107 Del Monte Drive, Houston 27, Texas, phone MO-59232, office address 2218 First City National Bank Bldg., Houston 2, Texas, phone CA-20395 or CA-20573 (Bush private number). Please give this information to Margaret Hampton. I believe the home phone number will be the same at our new house.

Bar plans to join me in the apartment about May 10th bringing Neil along. Then, when school is out the other three boys will come down. Until that time Mr. & Mrs. Rogers will move into our Midland house to take care of the kids. We have complete confidence in them. They also plan to move to Houston with us and live in our Houston house. Mr. Rogers can work around the yard, clean windows, etc. while Mrs. Rogers will take care of the baby and do all the cooking. This is a tremendous comfort to Bar in her condition and the Rogers have agreed to do this for what we feel is a very nominal price.

It has been so wet in Houston that our house has not gotten started yet but once they get going they tell me it will not be long.

I thought you might be interested in the attached memo from Baker, Botts which sets out the most recent status of our deal. I believe the deal should go through in the next day or two. You can throw these papers away after you have had a chance to look at them. In them you can see who is shifting over to Off-Shore, etc.

I have adjusted to the idea that I shall have to sell stock in order to pay my capital gains tax. This blow is offset by the fact that I feel we will have some real interesting deals here in Houston which should in the long run be more than compensating. I am working right now in a merger deal where we would merge a company with some oil and gas production with the offshore company. The company is one in which Neil Mallon, Cole, O'Connor and Weyerhauser are interested.

Our business generally has been improving although we are not making much money. I think we will show about \$100,000 profit for the first six months and \$570,000 depreciation. The thing I am convinced of is that we have a good organization here and that all of our people are willing to work. With our making a set-up in Houston we should do better.

Regarding our bank stock, the Directors of our bank ask that I stay on the Board for another month or so. I plan to do this but at the end of that time I still feel that we should sell our stock so that it can be used to the benefit of the bank in Midland. As mentioned before, we paid \$160 for our stock and I believe we ought to get \$220 per share. One thing which makes me feel that we ought to sell it is that Jim Simmons, the president of the bank, in whom I have a lot of confidence, may be leaving the bank before too long.

Please give this letter to Mom so she will have my addresses and phone numbers in Houston.

Ever devotedly,

Withdrawal/Redaction Sheet

(George Bush Library)

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION	CLASS.
12. Letter	From George Bush to Jim Simmons RE: Financial information (1 pp.)	4/21/59	C	
COLLECTION George Bush Personal Papers Zapata Oil File Business Correspondence Files				
FILE LOCATION Reading File - 1959 (April 6 to June 30) OA/ID Number Date Closed 12/6/99				

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]
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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]

MIDLAND, TEXAS

April 20, 1959

GHWB/vf

April 20, 1959

Mr. David R. Worley
P. O. Box 5123
Midland, Texas

RE: KSEL

Dear Mr. Worley:

You have advised me that KSEL plans to borrow \$125,000, approximately, from our Lubbock bank. It is my understanding that the bank will require each of us to sign a note, the amount of our liability limited to the percentage which we own in KSEL. If we borrow \$125,000 then my liability on the note will be \$18,750.

I further understand that the bank will require each of the partners in KSEL to maintain compensating balances in the amount of 20% of the existing liability.

I further understand that you intend to use the proceeds of this loan to repay yourself and all of the partners in KSEL in proportion to their investment.

By this letter I agree that I will maintain the compensating balance referred to above and that I am in full agreement with the general plan as outlined above. I am attaching a financial which in confidence may be passed along to the Lubbock bank.

Very truly yours,

George H. W. Bush

GHWB/vf
Att.

19 F

ZAPATA OFF-SHORE COMPANY

FOXTON

MIDLAND, TEXAS

2218 First City National Bank Bldg.

Houston 2, Texas

April 17, 1959

GEORGE H. W. BUSH, PRESIDENT

C
O
P
y

Mr. John S. Greenway
1634 North Olsen Avenue
Tucson, Arizona

Dear Jack:

The president of our bank in Midland is being considered for the presidency of a new state bank in Phoenix. His name is Jim Simmons and he is an excellent man and has done a good job in Midland.

The Phoenix people have given him a glowing picture of prospects. He is anxious to get a run down on some of the principle people involved and I am wondering if there is any way you could check on these people through some of your friends in Arizona. The men involved are:

A. B. Robbs - mortgage business
Graham Mattison - automobile dealership
and other business interests
Dave Murdock - building owner
Zach Stewart - Camelback Inn

Naturally, it would be better if people did not know why we needed this information, but if you could get a run down on any or all of these people without any trouble, I would appreciate it.

Please call me collect in Houston at CA-20395 if you know anything about any of these guys. I will be here all next week and Jim is anxious to get some word on them.

Many thanks.

Best regards,

George H. W. Bush

- e. Depth 10,500', Gulf Coast escape clause, or production at lesser depth.

2. Additional acreage Block 104. By drilling a well at a location to be approved by California Company on the NW/4 Block 104, Zapata can earn the full 1250 acre tract subject to 3/32 override or either 60 days after completion California Company may elect to take 1/2 working interest in the well by paying 1/2 the cost of the well. California Company will make a \$75,000 dry hole contribution to this well.

3. Acreage in S/2 Block 103. Zapata can earn the E/2 SE/4 Block 103 (625 acres) by drilling to 10,500' or production at a lesser depth within 6 months after the completion of Well #1 above. The election to drill this test must be made 60 days after completion of Well #1. Pan American and Texas Company retain a 1/16 override on this tract until payout. After payout of this well override will be 1/8.

Summary:

A. Drilling Obligation: One 10,500 foot test with \$90,000 dry hole contribution.

B. Total acreage that can be earned:

From California Company	1562.5
From Pan American and Texas Company	625
TOTAL:	<u>2187.5 acres</u>

C. To earn all acreage must drill 4 tests, two of which will be supported by dry hole contributions of \$105,000 and \$75,000.

D. Percentage interests in acreage to working interest:

1. 312.5 acres (W/2 W/2 SW/4 103) - 77.08334
2. 1250 acres (NW/4 104) - 73.95834 or if Calco elects 50% WI
3. 625 acres (E/2 SE/4 103) - 70.83334

RF
ZAPATA OFF-SHORE COMPANY

221825

~~MILANO TEXAS~~

GEORGE H. W. BUSH, PRESIDENT

2218 First City National Bank Bldg.

Houston 2, Texas

April 17, 1959

C
O
P
Y

Mr. Robert K. Hanger
Sinclair Building
Fort Worth, Texas

Dear Mr. Hanger:

I had a very nice talk with Mr. Graham today. We are working very hard to get the Tennessee deal, especially since we have heard persistent rumors that Tennessee plans to be much more active in this area in the future. Thanks for suggesting I see Mr. Graham.

Attached are our two most recent annual reports. I am sending this along not because I am proud of the large loss we showed last year but I thought you might be interested in seeing how I have been spending my time since I last saw you.

Thanks again for your help.

Very truly yours,

George H. W. Bush

GHWB/vf

Att.

ZAPATA OFF-SHORE COMPANY

TEXAS

XXXXXXXXXX
MIDLAND, TEXAS

2218 First City National Bank Bldg.

Houston 2, Texas

GEORGE H. W. BUSH, PRESIDENT

Department of Internal Revenue

**Dallas,
Texas**

Gentlemen:

**My address has been 2703 Sentinel Drive,
Midland, Texas. I am now moving to Houston,
Texas. Please change your records to show
our address to be:**

**Mr. and Mrs. George H. W. Bush
2218 First City National Bank Bldg.
Houston 2, Texas**

**Our residence will be 5525 Briar Drive, Houston,
Texas but mail cannot reach us here until
August.**

Very truly yours,

George H. W. Bush

GHWB/vf

ZAPATA OFF-SHORE COMPANY

~~MEMPHIS~~

~~MEMPHIS, TEXAS~~

GEORGE H. W. BUSH, PRESIDENT

2218 First City National Bank Bldg.

Houston 2, Texas

April 17, 1959

Mr. Arthur E. Palmer, Jr.
Winthrop, Stimson, Putnam & Roberts
40 Wall Street,
New York 5, N. Y.

Dear Art:

Thank you for the SEC Form 4's.

Would you please tell your secretary that my
address is now as follows:

2218 First City National Bank Bldg.

Houston 2, Texas

Phone: CA-20395 & CA-20573

Residence:

5107 Del Monte Drive

Houston 27, Texas

Phone: MO-59232

As of now I am spending all of my time in Houston
although I go home for a week-end or two.

Our apartment has an extra sack, small though it
may be. Please call me whenever you are down
this way.

Best regards,

George H. W. Bush

GHWB/vf

Withdrawal/Redaction Sheet

(George Bush Library)

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION	CLASS.
13. Letter	From George Bush to T.H. Pattillo RE: Financial information (1 pp.)	4/17/59	C	
COLLECTION George Bush Personal Papers Zapata Oil File Business Correspondence Files				
FILE LOCATION Reading File - 1959 (April 6 to June 30) OA/ID Number Date Closed 12/6/99				

RESTRICTION CODES

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

- P-1 National Security Classified Information [(a)(1) of the PRA]
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- P-5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
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Freedom of Information Act - [5 U.S.C. 552(b)]

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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]
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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]

RF
ZAPATA OFF-SHORE COMPANY

MEMPHIS
MISSISSIPPI

GEORGE H. W. BUSH, PRESIDENT

2218 First City National Bank Bldg.
Houston 2, Texas
April 17, 1959

C
O
P
Y

Mr. H. C. Bailey
Chemical Corn Exchange Bank
165 Broadway
New York 15, N. Y.

Dear Nick:

Thank you for your letter of April 13th.

Did I tell you that Barbara and I plan to move to Houston? In fact, I am already here and will be permanently from now on. All of my business time will be spent on affairs of Zapata Off-Shore Company. Our office is:

2218 First City National Bank Bldg.
Houston 2, Texas
Phone: CA-20395
CA-20573

My home address is:

Del Monte Lane Apartments
5107 Del Monte Drive
Houston 27, Texas
Phone: MO-59232

We are building a house which should be finished in August. In the meantime I have an apartment at the address given above. Please be sure to call me.

Best regards,

George H. W. Bush

25
ZAPATA OFF-SHORE COMPANY

20X/5/65

XXXXXX
MIDLAND, TEXAS

2218 First City National Bank Bldg.
Houston 2, Texas

GEORGE H. W. BUSH, PRESIDENT

C
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Y

Mr. Taro Yamashita, President
Arabian Oil Company, Ltd.
Chiyoda Denden Building
No. 6, 1-Chome, Otemachi, Chiyoda-Ku
Tokyo, Japan

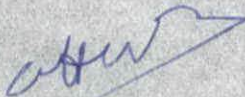
Dear Mr. Yamashita:

I regret to say that Mr. Wayne Dean is in the hospital and has been for a little while, hence our delay in answering your letter of March 17th.

Your letter has been brought to my attention and we shall now promptly come up with a recommendation on a firm of engineering consultants which will be helpful to you. I will let you hear from us shortly.

I am still hoping you will pay us a visit in the United States before very long. It would be a real pleasure to be able to repay you for the hospitality shown all of us in Japan.

Very truly yours,



George H. W. Bush

GHWB/vf

bcc: Wayne Dean

Billie: When talking to Wayne on the phone ask him about this. I believe he wants to recommend Brown and Root.

Withdrawal/Redaction Sheet

(George Bush Library)

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION	CLASS.
14. Letter	From George Bush to Dudley Sharp RE: Political information (1 pp.)	n.d.	C	
COLLECTION George Bush Personal Papers Zapata Oil File Business Correspondence Files				
FILE LOCATION Reading File - 1959 (April 6 to June 30) OA/ID Number Date Closed 12/6/99				

RESTRICTION CODES

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

27
ZAPATA OFF-SHORE COMPANY

BOX 3195

MIDLAND, TEXAS

GEORGE H. W. BUSH, PRESIDENT

April 15, 1959

C
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P
Y

Mr. Carleton Shugg
Division General Manager
Electric Boat Division
General Dynamics Corp.
Groton, Connecticut

Dear Mr. Shugg:

Thank you for your letter of April 10th.

I was pleased to hear that Mr. Edward Blanding is indeed with the Electric Boat Division, and we are certainly hoping that we will be allowed to work with your division on this project.

My letter to Mr. Pace was prompted merely by the fact that we have not had dealings with so-called "secret projects", and we wanted to be sure that Mr. Blanding was in good standing with your company. We see no reason to talk with Mr. MacBride, if we should in fact be dealing with Mr. Blanding.

In any event, I certainly thank you for your prompt reply to my letter addressed to Mr. Pace.

Very truly yours,

George H. W. Bush

GHWB/vf

bcc: R Mosby

RF
ZAPATA OFF-SHORE COMPANY

~~BOX 2185~~
~~MIDLAND, TEXAS~~

GEORGE H. W. BUSH, PRESIDENT

2218 First City National Bank Bldg.
Houston 2, Texas

C
O
P
Y

Mr. Earl Craig
Odin Industries
Midland National Bank Bldg.
Midland, Texas

Dear Earl:

The attached letter from our geophysicist might be useful to you in the event we get the go ahead on our well deal. Unfortunately Texas Company is still holding us up. I talked to them in New Orleans yesterday and again today but they are acting "typically Texas Company".

See you soon, I hope.

Best regards,

George H. W. Bush

GHWB/vf

Att.

cc: E. Craig

Yale Club

Hy

RF
ZAPATA OFF-SHORE COMPANY

BOX 3185

MIDLAND, TEXAS

2218 First City National Bank Bldg.
Houston 2, Texas

GEORGE H. W. BUSH, PRESIDENT

C
O
P
Y

Mr. C. D. Di Giambattista
Mellon Hall B-25
Harvard Business School
Boston 63, Massachusetts

Dear Mr. Di Giambattista:

Thank you for your letter of April 13th.

Unfortunately neither Zapata Petroleum Corp. nor Zapata Off-Shore Company have any openings at this time. As you may know, the geological employment situation in West Texas is pretty tight right now. I shall keep your letter and resume on hand and if anything should come up soon I will certainly get in touch with you.

Dr. Jake Roden is a good friend of mine and I am glad he suggested you write to us. I am sorry I cannot be of immediate assistance.

Very truly yours,

George H. W. Bush

GHWB/vf

RF
ZAPATA OFF-SHORE COMPANY

~~RECEIVED~~

MICHAEL J. JAMES

2218 First City National Bank Bldg.
Houston 2, Texas

GEORGE H. W. BUSH, PRESIDENT

C
O
P
Y

Mr. G. H. Walker, III
G. H. Walker & Co.
Broadway & Locust
St. Louis 1, Mo.

Dear Bert:

As far as I know now I will be here on
the 27th and 28th, and I will certainly look forward
to seeing you then. Plan to stay with me at my
apartment for those two days.

Best regards,

GHWB/vf

24
ZAPATA OFF-SHORE COMPANY

~~HOUSTON TEXAS~~
HOUSTON TEXAS

2218 First City National Bank Bldg.
Houston 2, Texas

GEORGE H.W. BUSH, PRESIDENT

C
O
P
Y
Mr. Alvin H. Howard
Louisiana-Delta Offshore Corporation
216 Carondelet Building
New Orleans 12, Louisiana

Dear Alvin:

I am sorry I could not get by for a drink last night. I stayed with Little until practically plane time. I enjoyed the meeting very much.

I will be in touch with you shortly as to whether Zapata can go ahead further or not.

Thank you for including me.

Very truly yours,

George H. W. Bush

GHWB/vf

Sterling Little

G. H. W. Bush

April 16, 1959

I talked today to Johnny Johnson, head of Geology in Houston for Pan American. He is sore at the Texas Company on our 104 deal and could not tell me anybody here to talk to. However, he is checking with his New Orleans Office tomorrow and will then call Mr. Bay, the head of the Texas Company in New Orleans himself. Pan American wants very much to make the deal and Johnson has volunteered to help us.

GHWB/vf

April 7, 1959

Pelmont Oil Corporation
P. O. Box 1855
Midland, Texas

Gentlemen:

We charge you for sale of 2/3 of 11.71875% working interest in SL 1446, Block 86, GCS 0172, Vermilion Area, per letter agreements of February 16, 1959, and March 31, 1959.

Your 2/3 of
Total
11.71875%

1. Cost of Well #1, less
protection platform
\$521,455.94 \$40,738.74

2. Cost of protection platform
64,836.61 2,532.68*

3. Total
\$586,292.55 \$43,271.42

Representants only 2/3 of 11.71875% of 1/2 of cost. Should the GATC members request refund of costs which they have paid for, you will be charged an additional \$2,532.68.

Yours very truly,

ZAPATA OFF-SHORE COMPANY

William H. Brunley, Jr.

WMB:JMB

April 7, 1959

Essex Offshore, Inc.
P. O. Box 1855
Midland, Texas

Gentlemen:

We charge you for sale of 1/3 of 11.71875% working interest in SL 1446, Block 26, OCS 0172, Vermilion Area, per letter agreements of February 16, 1959, and March 31, 1959.

	<u>Total</u>	<u>Your 1/3 of 11.71875%</u>
1. Cost of Well #1, less protection platform	\$521,455.94	\$20,369.38
2. Cost of protection platform	<u>64,836.61</u>	<u>1,266.34*</u>
3. Total	\$586,292.55	<u>\$21,635.72</u>

*Represents only 1/3 of 11.71875% of 1/2 of cost. Should the CATC members request refund of costs which they have paid for, you will be charged an additional \$1,266.34.

Yours very truly,

ZAPATA OFF-SHORE COMPANY

William M. Brumley, Jr.

WMB:JMcB

April 6, 1959

Mr. Theodore G. Patterson
Preston, Moss & Company
24 Federal Street
Boston, Massachusetts

Dear Ted:

Thank you for your letter of April 3.

My plans are shaping up as follows. I will be in Houston all of this week, I will be in Midland April 13 and 14, and I will be in Houston the rest of that week. If you would like to go to the Vinegarroon, which will be operating off Cameron, Louisiana, we can easily arrange that for the 15th, 16th or 17th, so call me from Dallas. My home telephone number is MUTual 4-4380, and I will probably be home Sunday. If I am not, you can probably reach me in Houston at MADison 3-6847, the home of Baine P. Kerr. I will hand this letter to Hugh, but he will probably be here Monday and Tuesday of next week.

Yours very truly,

George H. W. Bush

GHWB:JMcB

April 6, 1959

Mr. C. T. Peterson
R. G. LeTourneau, Inc.
Longview, Texas

Dear Cliff:

I was very pleased to receive your letter of April 2. Princeton still has not returned the cancelled note. When they do we will forward a copy to you.

Yours very truly,

ZAPATA OFF-SHORE COMPANY

George H. W. Bush

GHWB:JMcB

April 6, 1959

Essex Offshore, Inc.
P. O. Box 1855
Midland, Texas

Gentlemen:

I am returning herewith a signed copy of our letter agreement dated March 31. Shortly we will be sending you an invoice covering the acquisition of the interest in well #1 in accordance with our letter agreement dated February 16.

Yours very truly,

ZAPATA OFF-SHORE COMPANY

George H. W. Bush
President

GHWB:JMcB
Encl.

The so-called "new Felmont interest" will be owned 2/3 by Felmont, 1/3 by Essex Offshore, Inc.

The following table sets out the various interests. Please bill Well #3 operating expenses according to the table.

	<u>% To Be Paid in Well #3</u>	<u>% Operating Expenses to be Charged Starting 3-1-59</u>
Zapata Off-Shore Company	23.4375	35.15625
Felmont	40.6250	32.8125
Essex	20.3125	16.40625
Price	12.5	12.6
G. H. Walker, Jr.	<u>3.125</u>	<u>3.125</u>
Total	100.0000	100.00000

April 6, 1959

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

Dear Harold:

With reference to the trusts for John J. Redfern, Rosalind Redfern and Roberta Redfern, will you please have your records changed so that all correspondence regarding these trusts will be sent to the following address:

Mr. John J. Redfern
P. O. Box 1747
Midland, Texas.

Yours very truly,

George H. W. Bush

April 6, 1959

Mr. John Mitchell
Christy, Mitchell and Mitchell
Houston Club Building
Houston, Texas

Dear Johnny:

As I may have told you, I am moving my family and office to Houston after 11 years in West Texas.

Last week a girl in your office applied for a job at Zapata--Miss Vivian Flynn. I hired her on Friday and tried to call you that day and again today, but both times you were out of the office. Miss Flynn is apparently a secretary in the land and geological departments but she wanted to be a personal secretary. I have hired her as such. I hope that this move will not inconvenience you or your associates in any way, and I just wanted to be sure that you understood the circumstances. I believe she has given two weeks' notice to your office manager, although I would like for her to start work sooner if at all possible.

This is a hell of a way to start off a new life in Houston--robbing a girl out of your office, but I promise you I will buy you a lunch shortly and perhaps that will make us even. Incidentally my office in Houston will be at 2218 First City National Bank Building, CA 2-0395. I am there four or five days a week now, and I expect my family will be in Houston by June 1 at the latest.

Best regards.

Tours very truly,

April 6, 1959

Mr. Frank Pace, Jr.
General Dynamics Corporation
445 Park Avenue
New York 22, New York

Dear Mr. Pace:

First I would like to identify myself by stating that I met you at the Greenwich Field Club a couple of years ago. My father is Senator Prescott Bush and my uncles are Herbie Walker and Johnny Walker.

Last week in Houston one of our men was invited by Continental Oil Company to discuss some deep water drilling with a Mr. Ed Blanding. Mr. Blanding stated that he works for the Electric Boat Division and that he lives in Old Lyme, Connecticut. However, his card showed Edmond Blanding and Associates. He was discussing a certain secret government project having to do with drilling holes in very deep water in the Atlantic. Our Company has pioneered floating drilling in the Gulf of Mexico; in fact, we are the only Company to date who has drilled a deep test from a fully self-contained barge in the Gulf. Work similar to this has been done in California employing a method similar to ours.

We are extremely interested in working with Mr. Blanding on the proposed work; however, before we get too far into the matter I thought we should check to see that Mr. Blanding is indeed employed by your Company and if he does have authority to discuss these matters. I believe our Company got into the discussion since we have done a good deal of work for the Continental Oil Company.

I hate to trouble you with this, but I did not know whom to write. If someone in your office could advise me about Mr. Blanding I would be very grateful. Would you have the reply addressed to me at 2218 First City National Bank Building, Houston, Texas.

Yours very truly,