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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: 25852-005

Folder Title:
Reading File - 1959 (July 1 to September 30)

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

September 30, 1959

Mr. George Potter
Christiana Oil Co.
9869 Santa Monica
Beverly Hills, Calif.

Dear Potts:

Thank you for your letter of September 23rd.

After looking over the September 2nd memo and the net profits agreement, it seems to me that the only way that we will arrive at a price is if we will sit down and discuss things across the table. To properly evaluate this interest we will need a batch of logs and all that stuff but perhaps after you have come up with a rough idea as to price you can tell us what it is and maybe we can save a lot of red tape.

Do you have access to any shooting information and if so how does it shape up for the majority of the marine licenses? I'd say that we need some more geological dope and some idea as to what the geophysics show, if we are to be real scientific about this thing.

Best regards,

George H. W. Bush

GHWB/vf

September 29, 1959

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

Dear Herbie:

The Schlumberger to 10,350 ft. showed nothing. We will log again, probably tomorrow, at 10,650 ft. If we get nothing there we will plug back to 7800 ft. and complete. I am disappointed that we have not gotten any deeper sands so far.

We have gotten the August figures and I am not pleased with them. We showed a \$1271 profit for our drilling for the month. The net loss after \$98,300 depreciation and all expenses was \$1844.

The Scorpion operated at a loss; this was because of the rate in the Standard contract which we made a long time ago. As of the 10th of September we were on a new rate which should have the Scorpion in the black. In addition the Scorpion's income was \$143,000 which was not very good. We have had several major repair jobs on the Scorpion and it cost us a good deal every time we move the rig. The operating costs on the Scorpion are way up from what they were when we were drilling at Cay Sal; moving the rig is the reason for this.

The Vinegarroon operates a good deal cheaper than the Scorpion. This month the Vinegarroon showed an \$18,000 profit.

The Nola 1 broke even. Nola income was down considerably due to loss of time on the Atlantic job where we collected only a stand-by rate. Last month the Nola had \$138,000 revenue, this month \$121,000. Expenses remained about the same.

In addition we have had some expenses which have been prorated across the board which are unusual in connection with getting ready to move abroad. I have concluded that it is just impossible to make predictions on a month to month bases for drilling. For both July and August I felt that we were going to make a reasonably good profit. We cannot institute a purchase order system in the field and in the absence of a purchase order system we cannot control expenditures. Naturally, we know on the

Page Two
Mr. G. H. Walker, Jr.
September 29, 1959

larger items when they are spent but it is difficult to guess on the general overall business. Total drilling expenses for the month of August as an example ran \$430,000. We are working with Frank Allen on setting up a more detailed cost of control system. We are going to have to watch our money more closely in the next three months until we get these foreign contracts into effect.

I know that earnings as such will be non-exist nt for September, and October even in the light of raising our cost figures. We feel that our foreign contracts should be on a profitable basis, so am anxious to get these deals under way.

These figures are not final. We will have some changes in our year-end accounts. We plan to do some capitalizing on the Block 86. This probably will have the effect of offsetting a loss for the year. The main fact is that until we get all these rigs in operation we just are not going to be able to show earnings.

Very truly yours,

George H. W. Bush

GHWB/vf

September 30, 1959

Mrs. Billie F. Jackson
3735 Ingold
Houston 5, Texas

Dear Billie:

In accordance with our recent conversation I am attaching two checks which total six weeks compensation.

Now that it is evident that you will not be back, we felt you might like to have these funds at this time. I know that all your friends here will be very upset when the word has been confirmed here in the office.

I hope that the throat condition will not plague you too much longer. You have had a rough time of it.

The office, even more than usual, is most hectic with plaster flying, Mexicans and Venezuelans going to and fro, etc.

Very truly yours,

George H. W. Bush

GHWB/vf

September 28, 1959

Dear Mr. Butler,

Barbara and I were certainly happy to have been invited to the opening of the bank, and I just want to let you know that I think you have done a magnificent job and should be mighty proud of that building. I was particularly glad to get the opportunity to say hello to both you and Mrs. Butler.

We really miss Midland.

Best regards,

George H. W. Bush

Mr. John P. Butler, President
First National Bank
Midland, Texas

September 28, 1959

Financial Editor
Fort Worth Star Telegram
Fort Worth, Texas

Gentlemen:

On September 21st our company, whose headquarters are located in Houston, was admitted to trading on the American Stock Exchange. We have many local stockholders and a number of stockholders in the Fort Worth area. We would appreciate your carrying our stock on your daily American Stock Exchange sheet.

Thank you.

Very truly yours,

ZAPATA OFF-SHORE COMPANY

George H. W. Bush
President

GHWB/vf

cc: Dallas News

September 28, 1959

Dear Marion and Fred,

We can't thank you enough for the wonderful time that we had in Midland. Everything was perfect and it was a particular treat to us to be able to come back to Midland. From our flower decorated room at the hotel to the air show put on in our honor we felt you handled the arrangements perfectly. My only regret, as is usually the case, is that my golf was bad, but both of you seemed most understanding about this score. Thank you so much for the treat of our lives and come see us very, very soon.

Love to all the kids.

Best regards,

September 26, 1959

Mr. Charles H. Symington, Jr.
C. H. Walker & Co.
45 Wall Street
New York, N.Y.

Dear Charlie:

We have made arrangements to notify all our
stockholders of the listing on the American
Stock Exchange. This will be mailed out
this week. Thanks for calling this to my
attention.

Best regards,

George H. W. Bush

GHWB/vf

September 28, 1959

Dear Bill,

While the memories are still fresh in my mind I want to drop you a note to tell you what a great job you did on the Tournament. Everything went off beautifully and the good fun had by all reflected the tremendous amount of work that you and your committee did.

Congratulations and thanks for giving us such a great time.

Best regards,

George H. W. Bush

Mr. W. D. Kennedy
Chambers & Kennedy
Midland National Bank Bldg.
Midland, Texas

Nolan Stewart

George H. W. Bush

September 28, 1959

The attached copy of the Mortgage No. 1 should be forwarded to Venezuela. It should be kept with the ship's papers on board the vessel. Also the attached notice should be framed and kept in the chart room and the master's cabin of the vessel.

GHWB/vf
Enc.

September 25, 1959

AIR MAIL - SPECIAL DELIVERY

Mr. Paul B. Woodruff
G. H. Walker & Co.
45 Wall Street
New York, N.Y.

RE: Telegram September 23, 1959

Dear Paul,

I'm enclosing a copy of a statistical review of events which contains the information you have requested.

We have a later publication but the lease data and acreage has not changed where your question is concerned.

After you have read it please return to this office so we may keep our historical file in order.

Hope this will help.

Very truly yours,

R. C. Mosby

RCM/vf
Enc.

September 23, 1959

Mr. Edward Rotan
Rotan Mosle & Co.
Bank of the Southwest Bldg.
Houston, Texas

Dear Ed:

I have had a note from my good friend James Gammell in Edinburgh that Gordon Simpson will be in town on the 13th, 14th and 15th of October. I had the pleasure of meeting Mr. Simpson in Edinburgh and if he will have any spare time I would like very much to have a small luncheon for him at the Houston Club.

I should also like to suggest if time permits that we arrange a trip to an offshore drilling rig. We should allow a full day for this if he wants to do it.

I certainly do not want to interfere with any plans you have worked out for Gordon but I did want you to know that I would like very much to see him and Barbara and I would love to have him for dinner at our house one of the evenings that he is here. Perhaps it would be a good chance to get you and Ginny over to see our new house.

Best regards,

George H. W. Bush

GHWB/vf

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September 23, 1959

PERSONAL

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

Dear Jim:

We shall be on the look-out for Bugs Bunny. I have marked down on my calendar dates when he will be here and I promise to be a good host to him. There is one condition, however, he will not be permitted to wear his bowler in downtown Houston unless he promises it will not drop down over his ears like the last one he had.

Everything is fine in the Bush family.

We continue to have a fair degree of activity in offshore drilling, although we are not proud of our profit picture which is just slightly better than breakeven.

We are still sharing with Georgie the many pleasures he had this summer.

Love to all the family.

Best regards,

George H. W. Bush

GHWB/vf

September 23, 1959

TO ALL BLOCK 86 PARTNERS:

I am attaching the following:

1. A recently received letter from Brown & Root regarding our Block 86 well
- ✓ 2. An estimate of the cost of repairing said well
- ✓ 3. A program outlined by Drew Cornell for repairing subject well
4. A copy of a letter from our attorneys
- ✓ 5. A copy of my reply to the Brown & Root letter of September 21st.

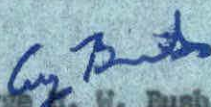
We have called five drilling contractors and we have not been able to get a rig to move onto our well immediately. We are hoping to get permission from the Standard Companies to permit us to put the Scorpion on Block 86 as soon as it finishes its present well. We have been advised by the lawyers that our claim, in their opinion, is a good one.

We are drawing up an AFE covering the above work-over, which we should like each of you to sign. Inasmuch as it is possible that Zapata will be out-of-pocket a good deal of money for a short period of time, we will probably want to send out billings when we have accomplished this work-over. However, as soon as the work-over is completed we will also bill Brown & Root for the entire amount and press them for prompt payment of the whole account. Should we be reimbursed by Brown & Root before payment from each of you is received, we will notify you immediately. Should your payment be received first we will immediately refund your money when Brown & Root pays us.

The #3 well is producing and as soon as we have a report on it we will forward it along. Russell Mosby is working with Union Oil Company to get a letter agreement regarding the distillate from our Block 86 field. When this has been accomplished we will forward a copy of that agreement to you.

Please let me know if you have any questions.

Very truly yours,


George W. Bush

GMW/vf
Enc.

September 23, 1959

Mr. Daniel E. Chieco
Essex Offshore, Inc.
265 Madison Avenue
New York 17, New York

RE: Block 86, Vermilion
Document 1 and Assignments

Dear Mr. Chieco:

We refer to your letter to Mr. Walne in Midland dated August 28th concerning the processing of Document 1, Exhibit A, in particular.

At the time of your letter we had two phases of the processing of paper with the State of Louisiana in progress. As a matter of fact we still do.

Since the last assignment (Zapata of Partners) was being processed by the Bureau of Land Management at the time Exhibit A was drawn we could not recite it at that time. The history of the lease is now complete with the exception of the State of Louisiana Mineral Board's approval. An effort was being made to clear out the Document 1, bringing the history up to date by amendment when the last assignment was cleared, under a plan already in progress which was initiated by Continental Oil Company while they were still a 50% working interest.

I am working in close personal contact with the Secretary, State Mineral Board and Mr. Marc Dupuy, Jr. attorney and Member of the Board. His advice is now to file the last assignment for approval at the next meeting of the Board (November 20th) and then he and I will get together in Baton Rouge or Marksville, La. (his home office) to clear the Document 1. Normally Mr. Dupuy reviews the documents involved with the Federal-State Agreements so that they are sure to be in order before presenting them to the State Mineral Board. The presentation of Document 1, etc. does not need to be done in a formal meeting.

All transactions for Block 86 are now complete and of record as far as the U.S. is concerned and will be complete as soon after November 20th as possible.

September 22, 1959

Ms. Dorothy E. Rowe
American Research and Development Corp.
The John Hancock Building
Boston 16, Mass.

Dear Ms. Rowe:

I certainly have no objections to your mentioning Zapata in your newsletter.

The attached draft seems to me to be entirely accurate. The only suggestion I would have is to add one sentence mentioning that Zapata has recently acquired two more YF tenders which have been converted to floating drilling vessels, in an effort to capitalize on this new drilling technique.

We are delighted that your company has taken a position in our company, and please let me know if I can ever answer any questions.

Best regards,

George H. W. Bush

GHWB/vf

September 22, 1959

Brown & Root Marine Operators, Inc.
P. O. Box 3
Houston 1, Texas

Attention Mr. Ben H. Powell, Jr.

RE: Well #1, Block 86
Vermilion Area, Louisiana

Gentlemen:

Thank you for your letter of September 21st. We have drawn up a broad general estimate for working over our well. We feel that this estimate is conservative and all inclusive. However, it is impossible to predict what actually will be encountered as the work proceeds.

We have checked the offshore area in an effort to find a drilling rig capable of working over our well immediately. No such rig has been located. Our drilling barge Scorpion is currently drilling a well for Standard Oil Company of Texas off the Texas coast. On completion of this well it has another well to drill for either the same operator or its sister company, the California Company. We feel that since we are losing money as a result of the #1 well being shut-in the above mentioned companies will co-operate with us and permit us to place the Scorpion on the work-over work as soon as the present well is finished. If this can be done, we propose to use the Scorpion.

We propose to use the same daily drilling rate as is being used under our Standard of Texas contract. We feel these rates are reasonable and customary for our type of equipment. We have been in touch with Mr. Christensen, whom we understand is being retained by your insurance carriers to be the observer in connection with the repair and work-over of the above well. We have shown him the attached estimate and have also shown him the procedure for working over the well which was furnished to you along with our letter dated September 15th. Mr. Christensen has indicated that as far as he is concerned we should proceed with our program to fix the well. We have agreed to keep him fully informed as to our progress and we will notify him as to our commencement date so that he may be present when any work is undertaken. We shall, of course, give you the same notice.

Page Two
Brown & Root Marine Operators
September 22, 1959

We will use every effort to minimize the damage and we will move as promptly as possible toward final repair of this well.

As soon as work is completed and the well restored to its original condition we will accumulate all the bills and present you with a final statement.

We appreciate your cooperation and are confident that this matter can continue to be amicably resolved.

Very truly yours,

ZAPATA OFF-SHORE COMPANY

George H. W. Bush
President

GHNB/vf

Dear Mom,

On Tuesday, September 29 Eastern Airlines Flight 501 leaves Washington at 11:15 a.m. and arrives in Houston at 1:10 p.m. We will be on hand to meet you.

On Friday, October 2nd you can return to Washington on Flight 502 which leaves Houston at 3:30 p.m. and arrives in Washington at 9:10 p.m.

These are not the only flights available but they seem to be the best. Please try to make it.

Love,

GHWB/vf

September 21, 1959

Mr. George Potter
Christiana Oil Company
9869 Santa Monica
Beverly Hills, Calif.

Dear Potts:

We still want to follow up on that deal.
Haven't you got some information you can
send us to help evaluate your interest.
Get going we want to make a deal.

Best regards,

George H. W. Bush

GHWB/vf

September 21, 1959

Mr. Charles H. Symington, Jr.
G. H. Walker & Co.
45 Wall Street
New York, N.Y.

Dear Charlie:

Would you please send us
several copies of the printed listing
application of Zapata Off-Shore Company.

Thank you,

George H. W. Bush

GHWB/vf

September 21, 1959

Central Airlines, Inc.
Amon Carter Field
Fort Worth, Texas

Gentlemen:

I regret that I will be unable to accept your invitation to attend the formal dedication of your new hangar on the 26th of September.

My best wish for your continued growth.

Sincerely,

George H. W. Bush

GHWB/vf

J. A. Rudolph

G. H. W. Bush

September 19, 1959

It is extremely important that we get out all the billings on Block 86 to date, before the middle of this coming week. This is necessary in connection with our fiscal year ending September 30th. Please get the large Brown & Root bill from Frank Allen.

Thanks a lot.

GHWB/vf

September 19, 1959

Mr. A. D. Quinn
Frederick Snare Corporation
233 Broadway
New York 7, N.Y.

Dear Mr. Quinn:

Thank you for your September 11th letter. We do not feel that it will be necessary to tow the Scorpion back to Vicksburg to do the work that we are discussing. It would be much better to do this work at Galveston or some other Gulf Coast port, thus, avoiding the expensive towing which is also trecherous due to the bridges, etc.

The Scorpion cost us approximately 3.3 million dollars, including drilling equipment. A rig like that today would cost roughly 3.5 million dollars. Approximately \$900,000 of the original cost was drilling equipment. We have in mind a price for the barge and crew quarters of roughly \$1,900,000. Although, if certain equipment is left out the price could be changed quite a bit.

Very truly yours,

ZAPATA OFF-SHORE COMPANY

George H. W. Bush

GHWB/vf

September 19, 1959

Mr. William C. Harvin
Baker, Botts, Andrews & Shepherd
Esperson Building
Houston, Texas

Dear Bill:

After considering everything involved we
have decided we will accept the settlement
offered to us in the case of the Alma
Victory.

Please proceed accordingly.

Very truly yours,

George H. W. Bush

GHWB/vf

September 19, 1959

Magnolia Petroleum Company
P. O. Box 900
Dallas, Texas

Attention Mr. Stuart Mossom

Gentlemen:

By letter dated July 16, 1959 you extended to us a 60-day option to purchase a third tender and rig at a price of \$225,000.

Our negotiations for contracts have not reached a point where we can definitely state that we want this equipment at this time. We are serious about this and for that reason we would like to have the option extended for an additional 60 days. I hope that you will be able to consider this request favorably.

Very truly yours,

ZAPATA OFF-SHORE COMPANY

George H. W. Bush

GHWB/vf

September 18, 1959

Mr. Robert Lacey
Pillsbury Flour Company
9200 Wayzata Blvd.
Minneapolis, Minn.

Dear Mr. Lacey:

I have enclosed Zapata Off-Shore's latest statements and the August 12th prospectus which I hope will give you the background information you requested.

Zapata is gathering some additional information which will be ready for you when we meet in New York.

I look forward to seeing you.

Sincerely yours,

Charles F. Spalding

CFS/vf
Enc.

September 19, 1959

Fitzwilliams, Stone & Alcazar
P. O. Box 75
Port-of-Spain
Trinidad, West Indies

Attention Mr. Neil Fitzwilliams

Dear Neil:

Attached is a draft copy of the proposed Texaco Trinidad, Inc. contract. Would you please scan this and let me have your comments prior to my expected departure for Trinidad the first week in October. Any scoop you may be able to come up with regarding this would be appreciated.

We are in the deepest negotiations with London, Kern also, and perhaps they will break rather close to each other.

Thank you for your cable and I enjoyed our phone conversation last week.

Best regards,

ZAPATA OFF-SHORE COMPANY

Nolan Stewart

NS/vf
Enc.

September 19, 1959

Mr. J. J. Collins
Revere Copper and Brass Incorporated
230 Park Avenue
New York 17, N.Y.

Dear Mr. Collins:

Enclosed is a resume of the discussions we had with the Offshore Exploration Group and a copy of Fairchild's Marine Sonoprobe information.

Our general outline of floating equipment will follow some time next week.

It was a pleasure meeting with you and discussing your interesting problem.

Best regards,

ZAPATA OFF-SHORE COMPANY

Nolan Stewart

NS/vf
Enc.

September 19, 1959

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

Dear Stewart:

I talked to Transcontinental about the Phillips deal. They originally had seen a deal from Phillips in the same area on a much tougher basis. I impressed on the vice-president the confidential nature of this, and I know that they will not repeat to anyone that the deal was offered. They are doing some checking on the deep around this dome and will be back in touch with us.

Generally speaking the area is fairly tricky and the two blocks are on the West and North flanks of a piercement dome. A deep test will be required.

In the existing leases Phillips owns 5/8, Spencer Chemical 1/8, Kerr Mc-Gee 1/8 and Ada Oil 1/8. Am I correct in assuming that we would pay all of the cost of the well to the casing point and from there on we would pay 5/8 of all costs, in the completion of that well and any additional wells drilled? For the drilling of this well we would earn a 5/8 working interest in both tracts. We think this deal is worth checking further and if the above assumptions are correct we will continue working.

I will be gone all next week but will be back the following Monday.

Block 104 is drilling pretty well, so far no shows.

Best regards,

George H. W. Bush

GHWB/vf

September 17, 1959

Mr. James S. Bush
Export-Import Bank of Washington
Washington 25, D. C.

Dear Jim:

Zapata Petroleum will soon call in some of the 5% bonds. The exact amount has not been settled. The \$500,000 was based on Zapata receiving 9 for the stock and since they received only 8-1/4 I think Hugh wants to cut down the amount of bonds retired. The amount retired will probably be around \$325,000.

Block 104 is drilling today around 6500 ft. It will probably be a dry hole being a wildcat but we feel it is a darn good possibility.

I plan to be in Washington next week-end and maybe I will be lucky enough to see you and Lois.

Very truly yours,

George H. W. Bush

GHWB/vf

September 17, 1959

Mr. W. G. Moehlenpah
Hydro-Air Engineering, Inc.
1317 South Vandeventer Ave.
St. Louis 10, Missouri

Dear Mr. Moehlenpah:

Thank you for your letter of September 15th.
I passed copies of your letter along to
Mr. Wayne H. Dean our Executive Vice-President
and Mr. Hoyt Taylor our Chief Engineer. I am
sure they will be extremely interested in the
job which you performed at Grange.

Very truly yours,

George H. W. Bush

GHWB/vf

September 17, 1959

Mr. Charles S. Garland
Alex. Brown & Sons
135 East Baltimore Street
Baltimore 2, Maryland

Dear Mr. Garland:

Thank you so much for your letter of September 14th. We naturally are delighted that Alex. Brown was in the recent Zapata financing. We hope that the performance of the company will live up to your expectations.

Now that the Congress is out I am hoping Mother and Dad will come down here to Houston to pay us a visit. Recently we had a new addition to our family, our fifth child. Her name is Dorothy Walker Bush so perhaps this will be enough to get Dad to bring Mother on down here.

I hope to see you sometime soon.

Best regards,

George H. W. Bush

GHWB/vf

September 17, 1959

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

Dear Bert:

I do not think we will be able to do anything with Bitucote Company right now. It is extremely interesting but my problem is principally one of giving it the proper attention at this point.

I had a nice visit with Bill Byham who stopped in to see me the other day. He said he would like very much to work something out between Zapata and his companies. This would be a marvelous deal for Zapata if we could work this out.

Hurriedly but with best regards,

George H. W. Bush

GHWB/vf
Enc.

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

1206 (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	4:45 P.M.

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

J. S. DEWER
H. C. PRICE & CO.

BARTLESVILLE, OKLAHOMA

COMMENCED SALE OF GAS 3:45 P.M. TODAY FROM WELL #3.
104 DRILLING 5200 ft.

REGARDS,

G.H.W. BUSH - ZAPATA OFF-SHORE COMPANY

ALL MESSAGES TAKEN BY THE 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.

September 16, 1959

Midland Hardware & Furniture Co.
P. O. Box 1311
Midland, Texas

Gentlemen:

We have received your statement dated
July 25, 1959 in the amount of \$21.80.
I would like to set forth the past history
of this account.

On May 4th we received your invoice
for \$17.50 which we paid by
check #202

In June we received no statement.

On August 1st we received a statement
showing a balance of \$21.80

On August 17th we wrote you stating that
our books did not reflect this
balance and asking for a list of
the articles covered by this
invoice.

To the above letter we received this
answer: "In answer to your request above,
we do not show a balance or charge in this
amount on your ledger sheet. Sorry if you
received same by error" Signed LaZelle Perry.

We wish to straighten this account out as soon as
possible. Would you, therefore, please check your
records to determine our correct balance and advise
us of the amount and the items purchased.

Thank you,

Vivian Flynn (Miss)
Secretary to G.H. W. Bush

September 16, 1959

Mr. Joseph Carroll
Field Enterprises
401 N. Wabash
Chicago, Illinois

Dear Joe:

This morning the well is down to 5077 feet. By the week-end, or the first of next week, there will be some news that is more meaningful.

The drilling has gone ahead without incident so far with one minor exception. Last week-end a storm blew up that threatened to reach hurricane proportions. The seas ran as high as twelve feet and all personnel were evacuated from the drilling platform. Fortunately, the storm's course took it off to the east, and the crew was returned to the platform having lost only one day's work.

Excitement is beginning to rise. However, everybody involved has been disappointed frequently enough before not to be carried away by the possibilities. Still as the well reports come in showing increasingly deeper penetration, there is a growing inclination to hold one's breath.

There is nothing else to add at this moment, but I'll reach you again later in the week.

Sincerely yours,

Charles F. Spalding

CFS/vf

September 15, 1959

Mr. C. V. Porter
Louisiana National Bank Bldg.
Baton Rouge, Louisiana

Dear Mr. Porter:

I am sorry that I will not be with you today. Mr. Allen our Controller has all the facts and we are hoping that you can work out a deal with the tax people under which we can live.

I am looking forward to seeing you again and I hope it will not be in the too far distant future.

Kindest personal regards,

George H. W. Bush

GHWB/vf

September 15, 1959

Mr. James W. Boswell
Boswell International, Inc.
401 Sanshin Building
1-10, Yuraku-Cho, Chiyoda-Ku
Tokyo, Japan

Dear Jim:

I have recently gone on the board of directors of a company called CAMCO. CAMCO is the leading gas lift company in this country. They manufacture all types of equipment for lifting oil through gas lifts.

I had lunch today with the president, Harold E. McGowen, Jr. and he told me he would be interested in making a connection in Japan provided it was with the right type of people. I told him that we had been pleased with our experience to date with your firm. If you would be interested in trying to get the CAMCO line for Japan I would suggest that you write a letter to :

Harold E. McGowen, Jr.
CAMCO
7010 Ardmore Street
Houston, Texas

McGowen is interested in knowing what the drilling activity is in Japan right now, how many rigs are running and how many wells are producing. This gas lift equipment has done some remarkable things in low producing areas and if the wells there have some gas this could be a terrific account over there.

Why don't you write Mr. McGowen a letter? CAMCO is a company which is moving ahead rapidly and would be a good one for you to know.

We will be in touch with you soon on the Arabian deal.

Best regards,

George H. W. Bush

GHNB/vf

Enc. - CAMCO annual report

September 16, 1959

Mr. John L. Mero
National Academy of Sciences
The AMSOC Committee
2101 Constitution Avenue
Washington 25, D. C.

Dear Mr. Mero:

I am happy to attach a photograph of the Nola and I hereby grant you permission to use this photo in your report. I am also enclosing a photograph of the Vinegarroon.

I regret that you did not receive a reply to your August 18th letter, we moved our office about that time and perhaps it went astray in the mail.

We are most interested in the Mohole project and want to continue to work with you in every way. Perhaps Mr. Bascom has told you of his recent meeting with the Electric Boat people. We feel that we can come up with some constructive ideas that might help the over-all project.

Very truly yours,

George H. W. Bush

GHWB/vf
Enc.

September 15, 1959

Mr. J. Hugh Liedtke
Zapata Petroleum Corp.
833 Bentall
Calgary, Alberta, Canada

Dear Hugh:

Tom Devine mentioned to me on the phone that he had heard that Walker's was doing a lot of selling in Zapata Off-Shore Company stock and that that was what was hammering the price down. He thought that Whiteweld had indicated that all the selling was coming from Walker's. I told him that Herbie was very much concerned about the market since they had so many customers in it and that Herbie had checked with the specialist and he was told that very few if any bids were on the books.

After receiving the report from Devine I called Herbie's office. He was out but called me this morning and reported the following: During the week of September 4th 6400 shares were traded. During the week of September 11th 8000 shares were traded. Of this Walker & Co. sold 4500 shares for a total of about \$22,500.

I think that there will be this kind of selling but I am satisfied from the above figures that there is no effort being made for large stockholders to get rid of their stock. I think it is sporadic small selling. The thing that does concern me is that before the end of the year we are apt to see a lot of tax selling unless the market firms up. This in itself might not be too bad but unless things get a little bit better it is liable to injure the general credit of the company immeasurably.

I have had quite a few calls on this. I know you do not want promotion on the stock but I can't help but feel that it would be helpful to have an investment company interested in Zapata so that they would keep up with what was happening and be constructive as far as making an orderly market. Perhaps you do not agree with these comments but I did want to pass them along for what they are worth.

I had a long talk with Mr. Bovaird and he thought the \$325,000 figure was ok, as to I.

Hurriedly but with best regards,

George H. W. Bush

GHWB/vf

Russell C. Mosby

George H. W. Bush

September 16, 1959

Just a reminder that we will need a report on the Mohole deal very soon -- October 1st I believe. The Electric Boat people met with Bascom in Washington and had a favorable reception. They will advise us of the meeting.

GHWB/vf

September 14, 1959

Mr. Clarence A. Bettman
Milton E. Rainer & Company
111 Broadway
New York 6, N.Y.

Dear Mr. Bettman:

Thank you very much for your letter of September 10th. I appreciate you taking the trouble to help me understand the way the American Stock Exchange works regarding specialists. Due to some of the facts you mention, I believe we will have the same specialists as Zapata Petroleum Corp.

Our application was approved and subject to S.E. C. clearance we should begin trading fairly soon.

Very truly yours,

George H. W. Bush

GHWB/vf

September 11, 1959

Mr. C. Rhoades McBride
General Dynamics Corp.
445 Park Avenue
New York 22, New York

Dear Rhoades:

I am attaching a draft of an agreement drawn up by our attorneys. Would you please look it over and let me know what changes should be made.

In drafting the agreement it was difficult to specifically outline all duties, etc. If you have any ideas as to clarifying this let me know. We are not wed to any terms in this agreement but I feel this is a good first draft.

I am anxious to hear how Vince Harrington and Mr. Mitchell make out in Washington next Monday.

Very truly yours,

George H. W. Bush

GHWB/vf
Enc.

September 15, 1959

Brown & Root Marine Operators, Inc.
4100 Clinton Drive
Houston, Texas

Attention Mr. H. A. Lindsey

Gentlemen:

RE: Damage to Well #1, Block 86
Vermilion Area, Louisiana

From August 30, 1959 to September 5, 1959 certain repair work was undertaken on the above referenced well. This work was the subject of a contract between us dated August 21, 1959.

It now appears that the work which was the subject of the contract did not completely restore the well to its original state. It is apparent that the collision with your barge caused the casing and tubing to be bent and in the opinion of Drew Cornell, Inc., an independent engineering firm of Lafayette, Louisiana, the well should not be produced in its existing condition. We must, therefore, advise you that we are still looking to Brown & Root to restore the well to its original condition.

Mr. Drew Cornell has recommended a course of action for working over the well, a copy of which is being attached to this letter. We estimate that the proposed workover work will take _____ days and will cost a total of \$_____.

We should like to suggest that we immediately have a meeting to work out the best possible program for remedying the situation, since gas will be going into the system in this field within the next few days.

Very truly yours,

ZAPATA OFF-SHORE COMPANY

George H. W. Bush
President

GRWB/vf

September 11, 1959

Share Corporation
233 Broadway
New York, N.Y.

Attention Mr. Quinn:

Gentlemen:

I am sending you some information on the Scorpion. As you mentioned on the phone, you might want to add 18 ft. of leg which could easily be done. It would probably be advantageous to build up the cans on the bottom which are 16 ft. high on the Scorpion. We computed the figures on Maricaibo and felt the cans should be 35 or 40 ft. this is quite simple.

As to the price on the rig, before we could give you a price we would need to know just how much of the barge or rig equipment you would need. It is our general idea that we would take off the drilling equipment and use it for our new barge. How about the crew quarters? Would you want to have them left on the barge? They are fully air conditioned, sleep 44 men, etc.

As to the drilling slot. This may not have to be filled in since you would probably want to place the whirley a little bit back from the slot.

If you are successful in your bidding, I think it would be important that we get together to discuss this matter. If you would let me have the answer to the above questions I could attempt to get you a round figure on price.

Very truly yours,

George H. W. Bush

GHWB/vf
Enc.

September 11, 1959

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

Dear Herbie:

I am including a couple of schedules which Woodruff might find interesting.

We feel that Assumption A and Assumption B. are both conservative based on the contracts we have in hand. I think Zapata Off-Shore Company would make a mistake to put out any estimates of future cash flow or earnings. It seems to me that the reaction on the down-side is always so much worse if they are not lived up to. Assumption B shows that we will be making roughly \$692,000 a quarter or about \$2,768,000 a year cash flow. As stated above, I feel quite confident that we can live up to these predictions.

These figures are not accurate in every respect regarding debt but I believe the cash flow figures will be useful to Paul in doing some analysis work. Please ask him not to let them out of the office and not to publish them as they are presented here. Tell him to give me a ring if he has any questions about them.

Best regards,

George H. W. Bush

GHWB/vf
Enc.

September 11, 1959

Mr. Herbert C. Hawth
H. C. Hawth Company, Inc.
130 William Street
New York 38, N.Y.

Dear Herbert:

I have written Bill Thornton setting out some of the reasons for a possible deal between our two companies.

Your long letter of September 4th was most welcome and perhaps there is a chance after all to work out a merger. I do not quite know where to go from here but perhaps I shall be hearing something from Bill Thornton. I understand you and Herbie have talked about this.

I would like to meet Bill Pfeiffer when I am next up that way.

Best regards and thanks again for your help,

George H. W. Bush

GHWB/vf

September 10, 1959

Dear Mom,

We are excited at the prospect that you may come to Houston shortly. Bar and I will be gone the week of September 21 - 27. I have to go to New York on the 21st and we then plan to go to Midland for several days. Any time other than that would be perfect for us, so please just name your own date when you see how your plans shape up.

Everyone is fine here. School has started for Georgie and Jebbie, both seem happy there. Dorothy is coming along very well and is loved by all.

Hurriedly but with much love to you and Dad.

Ever devotedly,

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

September 9, 1959

Mr. Souther Whittelsey
H. Newton Whittelsey, Inc.
17 Battery Place
New York 4, N.Y.

Dear Mr. Whittelsey:

Thank you for your letter of September 9th.
I am glad to know of your engineering services
and if I ever see a deal where we can work
together I will be sure and let you know.

If you come down to Houston please come by and
see me.

Very truly yours,

George H. W. Bush

GHWB/vf

September 9, 1959

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

Dear Herbie:

What should I be doing about a specialist for our stock on the American Stock Exchange? I am wondering whether it would be smart to have the same people handle this who handle Petroleum or should we get some new people.

One outfit has contacted me directly on this but said there is some provision in the Exchange rules which states that in a spin-off the original specialist takes over the new company. Technically, of course, ours is not a spin-off.

In any event I should like to know what your feeling is about this, particularly, if I should be doing anything about it.

Best regards,

George H. W. Bush

GHWB/vf

September 10, 1959

Mr. Joe T. Dickerson, President
Shell Pipe Line Corp.
Shell Building
Houston, Texas

Dear Mr. Dickerson:

Just a note to tell you how pleased I was to read the recent announcement concerning your future. I hope that when you get to spending some time in Washington I will be there some time and we can have lunch with my Father, I would like to have you meet him.

I think that your appointment is a great thing for all of us in the oil business, and I am delighted that you are going to do this much needed job.

Please do not bother to acknowledge this.

Best regards as always,

George H. W. Bush

GHWB/vf

Mr. Dickerson:

September 10, 1959

Dear Anna,

Thank you so much for the beautiful plant which you and Juanita sent to our new baby. The kid didn't quite understand the card that came with it but in any event she seemed to enjoy the flowers.

Barbara and I will come out to Midland for the golf tournament the middle of September and I hope we will see you then. I cannot tell you how much we miss our friends out there in Midland.

I hope Jimmy's new business is going along satisfactorily and that both are well and happy.

See you soon and many, many thanks for the thoughtfulness.

Best regards,

George H. W. Bush

Mrs. James H. Williams
2712 Mariana
Midland, Texas

Sterling E. Little

George H. W. Bush

September 10, 1959

Stewart Dewar talked to Mr. Stark and the Phillips deal has been taken off of the market. He said that the well with 300+ ft. of sand in it prompted then to make this decision. If we get any more deals with Phillips I think it is a good idea to have Dewar go right to the top on them.

Regarding the Mohole Test, General Dynamics is meeting in Washington Monday with the Mohole people and after that test we will know better what to do.

GHWB/vf

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

\$
S
E

WESTERN UNION TELEGRAM

1206 (4-35)

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	

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

MATT GORMLEY
JOHNSON & HIGGINS
63 WALL STREET
NEW YORK, N.Y.

REURTEL MOTOR VESSEL JIM VALUED \$250,000

ZAPATAOFF-SHORE - J.A. RUDOLPH

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.
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Withdrawal/Redaction Sheet

(George Bush Library)

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION	CLASS.
01. Letter	From George Bush to G.H. Walker and Co. RE: Financial information (1 pp.)	9/9/59	C	
COLLECTION George Bush Personal Papers Zapata Oil File Business Correspondence Files				
FILE LOCATION Reading File - 1959 (July 1 to September 30) OA/ID Number Date Closed 12/7/99				

RESTRICTION CODES

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

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

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

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

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

September 9, 1959

Mr. Jay N. Whipple
Bacon, Whipple & Co.
135 South LaSalle Street
Chicago 3, Illinois

Dear Jay:

Thank you for your letter about Bill Thornton.
I had a good talk with him and if we can get
rid of Mason and company I think we can work
out a deal that would be good for Zapata and
a heck of a good deal for Thornton.

Thank you for your help and I shall keep you
advised if anything should happen.

Best regards,

George H. W. Bush

GHWB/vf

September 9, 1959

CA-20395

The California Company
800 The California Company Building
1111 Tulane
New Orleans 12, Louisiana

Attention Mr. Charles F. Caliga

Gentlemen:

In accordance with our farmout letter dated June 19, 1959, we have commenced drilling on Block 104, Vermillion Area.

Arrangements have been made to forward daily drilling reports and other information to Mr. Weaver H. McCracken, Jr. Should you need any other information on this well, please call S. E. Little at Express 4001, New Orleans, or me at the above number.

Very truly yours,

George H. W. Bush

GHWB/vf

September 8, 1959

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

Dear Stewart:

Block 104 is under way at last. Keep your fingers crossed for about three weeks.

Brown & Root set the platform and straightened up the #1 Well. The whole process went very smoothly. We put a ring gauge inside the tubing and it went down very well, however, it hit a snag which it could not by-pass at 81 ft. We then took a longer ring gauge, comparable to the whole assembly, but this was not able to pass through the tubing. We probably will have to pull the top stand of tubing and replace it. Wayne feels this might be done without killing the well. It also might be possible to produce the well as it is now. This all came up Saturday and we have not had a chance to get into it yet. As soon as we get the final recommendation on this we will let you know.

The flowline was being completed from the #1 Well to the #3 Well. The main pipeline is already in.

Very truly yours,

George H. W. Bush

GHWB/vf

September 9, 1959

Mr. J. A. Lawless
Pan American Petroleum Corp.
P. O. Box 266
New Orleans 9, Louisiana

Dear Mr. Lawless:

In accordance with our farmout letter dated May 29, 1959, we have commenced drilling on Block 104, Vermilion Area.

Arrangements have been made to forward daily drilling reports and other information to Mr. K. D. Soule. Should you need any other information on this well, please call S. E. Little at Express 4001, New Orleans, or me at the above number.

Very truly yours,

George H. W. Bush

GHWB/vf

CA20395

September 9, 1959

Texaco, Inc.
Texas Company Bldg.
1501 Canal Street
New Orleans, Louisiana

Attention Mr. Roger Keller

Gentlemen:

In accordance with our farmout letter dated May 29, 1959, we have commenced drilling on Block 104, Vermillion Area.

Arrangements have been made to forward daily drilling reports and other information to Mr. D. F. Beaumont and Mr. L. W. Calahan. Should you need any other information on this well, please call S. E. Little at Express 4001, New Orleans, or me at the above number.

Very truly yours,

George H. W. Bush

CHWB/vf

I understand that you intend eventually to dispose of Mervel. Such a disposition will eliminate Mervel's debt completely. As of today Zapata's total debt is about \$600,000; however, we will raise this to approximately \$2.5 million in order to acquire two new rigs. This debt will be liquidated under our proposed loan agreement in approximately two years. Thus the merged company will have a sound debt structure.

From the figures at hand, it would appear that both the dredging division and the off-shore drilling end will enjoy a good cash flow position. Zapata on a break-even net basis will show a cash flow of approximately \$1.5 million. In addition we now have three 1-year contracts estimated to be quite profitable.

The merged company should have appeal in the market place and more important to true values it should have appeal to industrial customers. It will be big enough to be more important in our home area. Personnel-wise I think the deal is a natural. As our top drilling and operating people are in essence sales people, given a broader field we feel that we can help immeasurably with sales for the engineering division.

We would need three divisions--dredging, engineering, offshore drilling and production. Eventually it might be well to split the last into two divisions, one for contract drilling and one for producing and exploration. This latter division would contribute a factor which is successful could add immeasurably and spectacularly to what otherwise would be a straight contract drilling operation.

We do not believe that a merger should be entered into just to make a larger company. Our business goal is to build a strong company, one which will eventually show its owners a good return. Certain ingredients are essential to achieve this goal. Among them are full-time management working 100% for the company, a strong helpful board of directors prepared to spend the necessary amount of time to help in the growth and a strong group of major stockholders who will take a constructive position.

I hope you agree with the above views. I am prepared to pursue this matter further at your convenience. I am attaching an extra copy of this letter for forwarding to Mr. Mason.

Very truly yours,

ZAPATA OFF-SHORE COMPANY

George H. W. Bush

CHW/vt
etc.

September 9, 1959

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

Dear Hugh:

I have a couple of things that I would like to take up with you regarding the over-all Zapata situation.

We plan to list Zapata Off-Shore Company stock on the American Stock Exchange within the very near future, probably within two weeks. With this in mind, I would like to know what your feeling is about changing the name of Petroleum. I don't know what legally is required in this connection but I understand it is not difficult to do. I think it would avoid a good deal of confusion if this could be accomplished fairly soon. I do not know about you, but I have had several comments on this from outside people.

Secondly, I am wondering just how long I should stay on the Zapata Petroleum Corp. Board. We are beginning here to look at deals not only on shore near the Gulf of Mexico but in other areas where we would run into direct conflict and competition with Zapata Petroleum. It could prove very embarrassing to both companies should Off-Shore work out a deal which might appear to the public to be in the Petroleum area. I think we both feel that each company is independent and should go its own way, but I think with my being on the Board of Petroleum I am not fully free to do the things here that perhaps should be done in the future.

You will recall that at the time all this happened, I was to stay on the Board to represent not only my own stock and my family's but also the Walker holdings which are substantial. By way of suggestion, it would seem to me that if I got off the Board it might be well to have somebody from Walkers, perhaps Cliff McKinney or George Newton of St. Louis on the Board, certainly as long as the over-all position was substantial. I mentioned my feelings to Herbie on this and he assured me that as far as he was concerned it would be satisfactory, if satisfactory to you, and that having either of these two people or anyone else on the Board would not interfere with your making any outside banking connections and financial arrangements that you have in mind market-wise. In fact, I think that G. H. Walker & Co. would welcome any such arrangements. If this suggestion is not satisfactory and I can see where you may have objections to it, I would like to have your thoughts on the matter to see if we can resolve what eventually might become a problem.

Page Two
Mr. J. Hugh Liedtke
September 9, 1959

Nothing much new has happened here. We are starting our farmout on 104 at last. The Nola 1 will leave for Venezuela in ten days and the Nola 2 and the Vinegarroon will be going to Mexico in a month or so. We continue to have a good degree of activity but we are having trouble making money out of it.

I hope the Canadian situation is looking good and I am real anxious to hear from you after you have had a chance to look it over.

I will be in Midland on the 23rd, 24th and 25th of September for the golf tournament. Perhaps I will catch a glimpse of you then.

Best regards,

George H. W. Bush

GEWB/vf

September 8, 1959

Mr. James S. Bush
1683 - 31st Street, N.W.
Washington 7, D. C.

Dear Jim:

I talked to Pres Eastop the day that you called me, however, it did not seem like a deal that we could fit into. The main reason being that they would be competing with Standard of Cal, for whom we do an awful lot of work, and if they were successful in purchasing the leases it might incur the wrath of Standard of Cal. Pres seemed to understand this very well and I suggested that he talk to Ambassador Oil Company who, it seems to me, would be extremely interested in such a deal.

We received a notice of your new address and I hope you are all settled by now.

Best regards to the family,

GHMB/vf

September 8, 1959

Mr. Robert R. Lockwood
Oil Capital Building
Tulsa, Oklahoma

Dear Bob:

The date of separation of the two companies was August 12, 1959. We would like to add the names of Zapata International Corp. and Zapata de Mexico S.A.

I am asking Jerry Rudolph to check the census information furnished you last year and if there is any substantial changes we will let you know.

How are the rates shaping up on this business?

Very truly yours,

George H. W. Bush

GHWB/vf

September 8, 1959

Dear Pres,

That was a lovely evening with the Bemisses Thursday night. I am sorry you got stuck for such a big check there. It was a great treat to see Gruff too.

See you soon.

Best regards,

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

Withdrawal/Redaction Sheet

(George Bush Library)

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION	CLASS.
02. Letter	From George Bush to A.L Pharr RE: Financial information (1 pp.)	9/8/59	C	
COLLECTION George Bush Personal Papers Zapata Oil File Business Correspondence Files				
FILE LOCATION Reading File - 1959 (July 1 to September 30) OA/ID Number Date Closed 12/7/99				

RESTRICTION CODES

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

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

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

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

F-1 National security classified information [(b)(1) of the FOIA]
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 F-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]

September 8, 1959

Mr. J. D. Haynes
2703 Sentinel Drive
Midland, Texas

Dear J.D.:

Thank you for forwarding some mail which was addressed to us at 2703 Sentinel Drive. Incidentally, our new address is 5525 Briar Drive, Houston 27, Texas, in the event any more mail should come in.

In July Irby Dyer told me he would try to forward me a copy of the title opinion on the oil payment interest which I now have. I am wondering if you have it around and if so could you send it to me at the above office address. I would also appreciate your giving me the name of the people taking the oil so that I can forward them a copy of my Assignment of Production Payment Interest.

I hope you are enjoying the house.

Very truly yours,

George H. W. Bush

GHWB/vf

September 8, 1959

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

Dear John:

The attached statements came to me in error.

I hope that I will see you over the golf
tournament week-end in about two weeks.
Bar and I will come out to Midland for several
days at that time.

Best regards to all.

Very truly yours,

George H.W. Bush

GHMB/vf
Enc.

J. A. Rudolph

G. H. W. Bush

September 8, 1959

When you next talk to Bob Lockwood please see that our people abroad will be bonded in both Venezuela and Mexico. We want to be sure that our coverage includes Wilson, Bratt, and Bradco in Paria as well as our Mexican people.

September 1, 1959

Mr. Earle M. Craig
Midland National Bank Bldg.
Midland, Texas

Dear Earle:

It certainly was good hearing from you.

A lot has happened to us in one week. We got a new baby, a new house and a new office. We are certainly looking forward to our September visit. We are particularly eager to see all the Craigs again.

Best regards,

George H. W. Bush

GHWB/vf

September 1, 1959

Mr. Robert R. Lockwood, Jr.
Oil Capital Bldg.
Tulsa, Oklahoma

Dear Bobby:

Thank you for your letter of August 28th.
The Reading and Bates clipping was not
enclosed but I have seen the figures
independently.

Regarding our bond, as you know the
Petroleum Company now has disposed of all
their stock in Off-Shore. We, therefore,
are two separate companies. Should we
have separate bonds at this point? I
would like your advice on this.

Best regards,

George H. W. Bush

GHWB/vf

September 1, 1959

Mr. John L. Walsh, Jr.
Bank of the Southwest
Houston, Texas

Dear John:

The Commercial Bank gave me the attached booklet which might be of interest to you at this time.

We have moved our office to 1701 Houston Club Bldg. Come see us.

Best regards,

George H. W. Bush

GHWB/vf
Enc.

September 1, 1959

Mr. James W. Boswell
Boswell International, Inc.
401 Sanshin Building
1-10, Yuraku-Cho, Chiyoda-Ku
Tokyo, Japan

Dear Jim:

Here is a copy of a cable we sent today to Mr. Yamashita. Although it is very broad it does give a general estimate of what can be done.

Please press for a negotiated contract. I am confident it is the only way to successfully get this deal on the track.

Very truly yours,

George H. W. Bush

GHWB/vf
Enc.

August 28, 1959

R. G. LeTourneau, Inc.
Longview, Texas

Attention Mr. C. T. Peterson

Gentlemen:

We are returning herewith your proposal OD-960 dated August 26, 1959. This proposal has been signed by Mr. Wayne H. Dean and dated August 28, 1959.

We would appreciate it very much if you could speed this job up in every way possible. The proposal calls for five week delivery but since we need to receive these leg extensions as soon as possible we would appreciate you doing all you can to speed up this delivery.

Regarding the down payment, in accordance with Mr. LeTourneau and Hoyt Taylor's phone conversation, the \$60,000 down payment will be forthcoming within two weeks.

Very truly yours,

George H. W. Bush

GHWB/vf
Enc.

August 31, 1959

Dear Bill,

That was a marvelous party Saturday night at the bank. Thanks so much for including me. It was a pleasure to meet some more of your associates there and I really enjoyed the football game. Thanks again.

Best regards,

George H. W. Bush

GHWB/vf

Mr. J. W. McClain
Texas National Bank
Houston 2, Texas

Withdrawal/Redaction Sheet

(George Bush Library)

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION	CLASS.
03. Letter	From George Bush to G.H. Walker, Jr. RE: Financial information (2 pp.)	9/1/59	C	
COLLECTION George Bush Personal Papers Zapata Oil File Business Correspondence Files				
FILE LOCATION Reading File - 1959 (July 1 to September 30) OA/ID Number Date Closed 12/7/99				

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

August 27, 1959

Mr. Charles F. Spalding
Saint Phalle Spalding & Co.
230 Park Avenue - Rm. 817
New York, N.Y.

Dear Chuck:

I received a copy of an engineering report today from Rusty Cobb on Cobra Petroleum.

The figures do not jibe with the figures you sent me from the Dravis Report. Apparently Cobra has a much smaller interest than appeared on the big sheet which you sent me. The total Cobra oil reserves, research and development, in the report from Tulsa was 230,585 bbls. whereas the large sheet showed 1,450,667 bbls. I do not believe we would be interested in this Cobra deal unless the full interest were available. Perhaps we are talking about the larger figure but if not it seems to me that the deal would be an awful lot of trouble for relatively small amount of money.

The Tulsa present worth figures show a total after salvage of \$1,063,826. As you know production will sell for 60-70% of present worth as a rule, unless it is exceptionally long life stuff.

I wonder if you could clear this matter up with Cobb so that we will not be holding him up.

We are hoping the Vinegarroon will be through in four days and the Mexicans will give us permission to drill immediately with it.

Best regards,

George H. W. Bush

GHWB/vf

August 27, 1959

Mr. Robert C. Phelps
General Dynamics Corp.
445 Park Avenue
New York, N.Y.

Dear Bob:

Thank you a lot for your interesting
brochure on General Dynamics. I have
looked it over with great interest.

I hope to be seeing you before too long.

Very truly yours,

George H. W. Bush

GHWS/vf

August 27, 1959

Mr. R. O. Childers
The Atlantic Refining Company
P. O. Box 2819
Dallas 21, Texas

Dear Rocky:

Thank you for your note about Mr. Ravesties.
On our next trip to Venezuela someone will
contact him. I appreciate the information.

Please come over and see us when you are
next in Houston.

Very truly yours,

George H. W. Bush

GHWB/vf

August 27, 1959

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

Dear W.M.:

Would it be too much trouble to compile an Income Statement over the years showing what the L&K has been and is currently paying. What I would like to have is total production by months, or if this is too much of a strain just the monthly production for 1959 and an annual report for the years preceeding. If this can be whipped up I would like a copy to go to Chambers and a copy to Mr. Harrison.

I think it would be a real good thing for Zapata if we could help the Meyers interest dispose of this interest in these wells.

Best regards,

George H. W. Bush

GHWB/vf

bcc: Kirby Fisk

August 27, 1959

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

Dear Kirby:

I am attaching a recently written letter to
Bumley requesting additional information
from that which he forwarded to Mr. Harrison.

Please do not acknowledge this but it is
merely to keep you informed.

Best regards,

George H. W. Bush

GHWB/vf
Enc.

August 27, 1959

Mr. Russell Cobb, Jr.
Thompson Building
Tulsa 3, Oklahoma

Dear Rusty:

Thank you for your letter of August 26th.

I will look over the figures and get in touch with Chuck Spalding. Then, we can decide whether we should get together. I would be happy to meet you any place.

I recall meeting you sometime ago in Tulsa. I believe it was over a swingeroo golf tournament.

Very truly yours,

George H. W. Bush

GHWB/vf

August 27, 1959

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

Dear Pres:

Enclosed is a check for \$28.82 for Georgie's
additional fare.

Thanks loads for taking care of this little
chore for me.

Devotedly,

GHWB/vf
Enc.

PHONE CA-20395

August 26, 1959

Houston Press
Box 172B
Houston Texas

Gentlemen:

With reference to your ad in the Houston Press, we are interested in purchasing office furniture for an executive office and also for a secretarial office.

Please let us know when we may see this furniture, the location, and, if a purchase is negotiated when the furniture could be released.

Thank you.

Very truly yours,

Vivian Flynn (Miss)
Secretary to G.H.W. Bush

CHWB/vf

ZAPATA OFF-SHORE COMPANY

LT

TARO YAMASHITA
ARABIAOIL TOKYO

YOUR CONVERSATION BOSWELL INDICATES YOU DESIRE QUOTATION.
PLEASE ADVISE TIMING ANXIOUS MEET YOU TO FINALIZE CONTRACT
FLOATING ZAPATA METHOD. INCONSIDERING FLOATING DRILLING
SUGGEST CAREFUL ANALYSIS COMPLETION EXPERIENCE AND LOCATION
BLOWOUT PREVENTERS. RIG PROVEN GULF COAST WEATHER AND
PRESSURE STANDARDS AVAILABLE 45 DAYS. LETTER MAILED
AUG. 25.

BUSH - ZAPATA

August 25, 1959

Mr. Sanford E. McCormick
112 Ridgley Drive
Midland, Texas

Dear Sandy:

I certainly would appreciate your writing Mr. Pagliai about us. I expect I will be down in Mexico City before too long and I would like to go call on him. I had already read the Fortune article with great interest. Our Mexican contract should firm up within 30 days and we will have two rigs down there operating out of Coatzacoalcas.

Last week was an exciting one for us with the new baby and also moving into our new house. A week from today we will move into new offices at 1701 Houston Club Bldg., so there has been a lot going on.

I hope that Balena is comfortable and that the baby comes soon.

I am looking forward to coming to Midland for the Golf Tournament in September. I saw Johnny Bush at Bucky's wedding and he is probably going to leave the theater and go into business. If you have any ideas that would be interesting to him please let me know. I think he will come down here to talk and look things over.

Best regards and be sure and give me a call if you are ever down this way.

Yours truly,

George H. W. Bush

GHWB/vf

Nolan Stewart

G.H.W. Bush

August 25, 1959

Letter from Sandy McCormick

Nolan, please speak to me about this when you get a chance.

GHWB/vf
Att.

Wayne H. Dean

George H.W. Bush

August 25, 1959

The following calls or letters regarding work have recently come in.

Matt Gordy - Pan American - want to drill in 200 ft. of water.

Boswell - see letter to Boswell and Yamashita

Matthews - Texaco - want to drill 100 ft. water South Pass Area - drill next fall.

General American - bid on three wells to start next winter (see bid request)

Bill Boyd - British American - wants to drill in 25 ft water near Cameron, felt we wouldn't be competitive on day rates (Near Block 45-E Cameron)

Dow Mims and Ken Shuter - Standard of Texas job. Say Vinegarroon will be released in 6 days. Nolan says Ed told him OK to drill one more well.

GHWB/vf

Wayne H. Dean

George H. W. Bush

August 25, 1959

Mathews of Texaco New Orleans called. Wanted information about drilling their new South Pass Area acreage (Block 24 Area) with Nola. 100 ft. water - soft bottom. Figart talked to him from Orange.

GHWB/vf

August 25, 1959

Mr. James W. Boswell
Boswell International, Inc.
401 Samshin Building
1-10, Yuraku-Cho, Chiyoda-Ku
Tokyo, Japan

Dear Jim:

The attached letter was mailed today.

We are reluctant to send prices by cable. They will mean nothing and past experience shows what happens.

Zapata is in the best position to do this job, both as to know-how and availability of equipment. Try to get it so we can negotiate a contract. We can't stand another deal where all are played against each other.

Wayne gets back tonight and we'll talk tomorrow.

Global Marine is a West Coast outfit who have merely done cove drilling. They are probably trying to sell Arabian on sub-sea drilling and completions. This is the only way they can drill a well since they drill through the center of the vessel.

If Arabian would only talk to some experienced offshore operators I feel certain Zapata's method would be singled out as the only floating method worthy of consideration on this project.

We'll be in touch with you shortly.

Best regards,

ZAPATA OFF-SHORE COMPANY

George H. W. Bush
President

GHWB/vf

August 25, 1959

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

Dear Mr. Yamashita:

I should like to set out herein some of our feelings which we would like you to consider in making your decision on another rig for the Persian Gulf.

We believe that the Zapata floating method is well adapted to your needs, and that our company is the only company which has had the experience necessary with this type of floating drilling to do a first class job for you. Please let me elaborate.

The advantages of Zapata's over-the side floating drilling for Arabian Oil Company.

1. Rig can be towed safely and quickly.
2. Versatility as to bottom conditions. Can drill in soft or hard bottoms without fear of too much or too little penetration.
3. Well adapted to Persian Gulf weather conditions.
4. Can complete wells without resorting to relatively untested sub-sea completions (sub-sea completions to date have been limited to low pressure areas).
5. All important blow-out preventers are above surface, readily accessible for inspection and service.
6. In event of very bad weather Zapata over-the-side rigs can move off without complicated problems. Can also move back on with ease.
7. No raising and lowering mechanism to cause trouble.
8. Can drill deep holes and can drill in deep water (we feel we can drill in 200 ft. of water without altering present anchoring system).

ANSWER SHEET

To Supplement Letter of August 25, 1959
To Arabian Oil Company, Ltd.

1. Nola type rig can be ready to sail 45 days following signing of contract. Depending on work schedule in Gulf of Mexico Nola 3 might be available for sailing 18 days following contract signing.

2. If auxiliary vessel required (such as Bates on other operation) Zapata could furnish one with ease. We'd propose use of YF fully equipped, with quarters, air conditioning, storage room, etc.

3. Nola type floater can tow faster than mobile barge. Estimate 72 - 85 days towing time.

4. Drilling and completion experience with Nola 1.

A. Drilled 9000 ft. dry hole - plugged and abandoned (Zapata-CATC Block 51 West Delta)

B. Drilled 11,500 ft. - Set 11,000 ft. 5-1/2" casing - dual completion (CATC Block 84 West Delta)

C. Worked over triple completion went through separate completion procedure on all zones. (CATC Block 84)

D. Drilled 8950 ft. plugged and abandoned California Co. Block 69, Main Pass

E. Drilled 7300 ft. plugged and abandoned California Co. Block 47, Main Pass

F. Drilling 7500 ft. test off Aransas Pass Atlantic Refining.

G. Nola 2 - will drill for Pusley Pan American in Mexican waters 100 ft. deep commencing September 15th.

Nola 1 - will drill for Paria Operations, Inc., Gulf of Paria-Venezuela, in 100+ ft. water depths commencing September 17th.

Nola 3 - will drill for CATC in 100 ft. water depths in Gulf of Mexico prior to going abroad around December 1, 1959.

5. Sub-sea completions - Zapata recommends that existing sub-sea completion methods not be attempted at this time in Persian Gulf. Nola rigs can utilize such methods if Arabian insists but we do not feel they are necessary and we feel conventional completion methods are safer and much more proven. We also feel there is much to be gained by having above the water blow-out equipment.

August 24, 1959

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

Dear Geza and Gisella:

How very thoughtful of you to remember Barbara in the hospital and then today Eva's lovely present came in the mail. You can imagine how thrilled we are to have a baby girl in the family. Barbara came home yesterday and the boys all gathered around and looked over the new baby with great concern. She looks just like all the others.

Many thanks again and I am sure you will be hearing from Barbara.

I hope to see you before too long.

Best regards,

George H. W. Bush

GEWB/vf

August 24, 1959

Mr. Charles Symington
G. H. Walker & Co.
45 Wall Street
New York, N.Y.

Dear Charlie:

All of the application forms for listing our stock on the American Stock Exchange have been received by the attorneys, however, I understand it will be impossible for us to be listed by September 14th the date we were originally shooting for.

In order to accomplish the September 14th date I understand we had to have everything filed by the 19th. This, of course, was impossible since we did not have all the papers in our hands by then. In any event we have scheduled a Directors meeting for August 28th which is this Friday, the soonest I could get together a quorum. At the meeting we will approve all the forms. I do not know what this will do to the timing but I am certain you and Baker, Botts will be talking about this.

Best regards,

George H. W. Bush

GHWB/vf
cc: G. H. Walker, Jr.

PHONE: CA-20395

August 24, 1959

Mr. M. E. Ripp
Standard Oil of California
225 Bush
San Francisco, California

Dear Earl:

I have not had a chance to set out the deal to Wayne Dean since you called me ten days ago. He was vacationing then in Mexico and now in New York.

I did tell him on the phone about your call and he said he thought we could work something out to drill for you in Trinidad, particularly if there was no rush on your part. What we would plan to do is to get permission from one of the operators with whom we are working in Trinidad to permit us a period of time in which to move over and drill a well for you. We feel that this can be done.

Since there is no rush on this project, if it is satisfactory with you I would like to leave it that we are to notify you as soon as our plans for Trinidad firm up. If in the meantime you need additional information or if your schedule should change, would you please call either Wayne or me at the above number.

Incidentally next Monday we will move into our new offices which will be 1701 Houston Club Bldg.

Very truly yours,

George H. W. Bush

GHWB/vf

PHONE: CA-20395

August 24, 1959

Mr. E. A. Gabriel
Gabriel Oil Co.
2223 First City National Bank Bldg.
Houston 2, Texas

Dear Ed:

Kern has written that Shell has indicated that they will renew their obligation to take Trinidad oil. We have advised them that we will do nothing further on this until we hear from them. If your people have developed any interest I would appreciate your telling them that it will be a little while before we will know whether the deal can be done.

I guess Odie has told you that we have found office space so that all of Zapata can be together on the 17th floor of the Houston Club Bldg. In case I do not see you before we move, I certainly want to thank you for accomodating us in such fine fashion.

Best regards and thank you for your help,

George H. W. Bush

GHWB/vf

August 24, 1959

Dear Pres,

I have a very large favor to ask of you. Georgie arrives at Idlewild Airport Monday, August 31st at 7:40 a.m. He will be on KLM Flight 605 which leaves Prestwick at 9:45 p.m. Would it be possible for you to have somebody meet him and put him on the first available flight to Houston?

He has a tourist ticket in his pocket made out in blank from New York to Houston so if the first available flight is first class I will have to come up with some additional money. Eastern has the best schedules to Houston but Delta and National also fly down here.

I am afraid it is a terrible imposition but it doesn't look like Mother will be there now. Perhaps she will change her mind and be up there. Maybe Alex and Antonina could meet him or Johnny Bush might be available. I just hate for him to arrive back in the States with no one there at Idlewild. If this is not convenient I am sure I can get somebody from Herbie's office to pick him up.

Please give me a ring after you have had a chance to reflect on this weighty problem.

Regards,

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

August 24, 1959

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

Dear Herbie:

The attached letter is self-explanatory. There is voluminous paper work connected with this and the attorneys tell me it was just impossible to get it done by the 19th of the month. As it is the forms will not accurately reflect our number of stockholders etc. since several of the firms have not transferred their stock as yet.

I am holding the letter of welcome to the new stockholders until the underwriters have transferred their shares to the new holders. Both Transfer Agents are keeping me advised on this.

At Friday's Directors meeting we plan to elect you a Director and plan to accept Hugh's resignation.

I thought you might be interested in the attached clipping out of Sunday's Midland paper.

My appointment with Mr. Thornton of Williams-McWilliams has been set back to Thursday. He got rained out and couldn't get a plan from New Orleans.

We are moving our office to 1701 Houston Club Bldg. a week from today. Our phone number will be the same. My home address is 5525 Briar Drive and my phone number is MO50038. I am sending a copy of this to your New York address so that Lily can make a note of these addresses.

Page Two
G. H. Walker, Jr.
August 24, 1959

Dean was in Mexico last week and today he is up at the Electric Boat. Everything is rocking along pretty well but I am having a fit with the bank. They are extra slow closing our bank note deal and we have spent money by the fist-full for the conversion and other major items. I hope to have this buttoned up by Friday.

Baby and Bar came home Sunday and both are doing fine. We moved into the new house and it far exceeds our fondest hopes.

Best regards,

George H. W. Bush

GHWB/vf
Enc.

August 24, 1959

Midland Reporter
Midland,
Texas

Gentlemen:

RE:

Effective this date the mailing address on
the above account has been changed to:

5525 Briar Drive
Houston 27, Texas

Please correct your records accordingly.

Very truly yours,

Vivian Flynn (Miss)
Secretary to G.H.W. Bush

/vf

August 24, 1959

The Sporting News
Charles C. Cpink & Son
P. O. Box 56
St. Louis 65, Missouri

Gentlemen:

RE:

Effective this date the mailing address on
the above account has been changed to:

5525 Briar Drive
Houston 27, Texas

Please correct your records accordingly.

Very truly yours,

Vivian Flynn (Miss)
Secretary to G.H.W. Bush

/vf

August 24, 1959

TO ALL EMPLOYEES OF ZAPATA PETROLEUM CORP.

Barbara and I certainly appreciate the beautiful flowers which all of you sent to her recently. They did much to cheer up Barbara's room but far more important we were deeply touched by your thinking of us.

I cannot tell you how much I miss all of you and when I come out there to win the Midland Championship this September I will come by to see you and thank you personally.

Best regards and many many thanks from the five Bush boys and the two Bush girls.

George H. W. Bush

GHWB/vf

S. E. Little

G.H.W. Bush

August 24, 1959

The attached letter from Stewart Dewar explains why we have not heard anything , will let you know as soon as we do.

GHWB/vf
Enc.

Notes on Telephone Conversation with
Boswell - Tokyo
Re Arabian Oil Company
Gulf of Persia

7. When will rig be ready to move? Quickly as possible? if it was ready now it would be fine.

How will the Nola be moved?

8. Completion program? Sub-sea completion?

Auxiliary boats for quarters, extra power, supplies? They think one is necessary for additional housing etc.

9. A new base camp will be required. Have to bring in all our own facilities including housing for 8-10 Arabian men.

Location: Las Al Khasai, 25 miles South of present base camp operated by IDE at Khor Al Musatta will be closer to the drilling rig.

10. Water?

11. Estimated time of contract based on one year and 2 year periods.

12. Mobilization

Towing

Working rate - day, footage, etc.

Demobilization

Separate estimate on Nola #4

Mobilization

Auxiliary boat

Base cost and facilities

crew boat

13. How soon can Nola #4 be available to commence drilling?

14. How much experience has Zapata had with completion on Nola type vessels.

Average drilling depth 9500 ft.
deviation less than 3 deg. verticle

McDermott, IDC and another company are talking to AOC, Cuss group also negotiating.

Would prefer to have Zapata if at all possible.

TO: Wayne H. Dean

DATE: August 24, 1959

FROM: G.H.W. Bush

SUBJECT: Arabian Oil Co.
Persian Gulf

Boswell called today and he says that Yamashita called him Friday. They are very anxious to have us put a rig in the Persian Gulf. Boswell was most impressed that Yamashita called him personally. The questions on which they need answers are as follows:

1. The Nola #4 - how soon can it move? The actual date it can be ready to sail.
2. Reading & Bates use the Thornton and Bates. Yamashita feels that we will need an auxiliary vessel with quarters, extra power supplies, etc. I assume that they are talking about another tender like the Bates. They would like to have it on hand for standby assistance.
3. We will need a new base camp, bringing in all of our own facilities plus facilities for 8-10 Arabian Oil Company men.

The location is to be at Las Al Khasi (Khafir) 25 miles South of the present base camp operated by IDS. The IDC camp is at Khor Al Misatta (Muf---) The new camp is closer to the drilling rig being 25 miles to the rig.

4. Water - we will use distilled sea water.
5. Estimate contract. Figure on a one year basis and then figure again on a two year basis. Include in the estimate the following rates:

Mobilization,
Towing
Work rate (day rate and footage)
Demobilization

Breakdown estimate as follows

Nola #4
Auxiliary boat
Base camp and facilities
Crew boat
Cargo boat

The standard form offshore contract will be used.

6. How soon can Nola #4 be on location ready to drill.
7. How much completion experience have we had.

Page Two
W. H. Dean
August 24, 1959
Arabian Oil Co.

8. Drilling Program. Boswell is sending us a letter dealing with the drilling program. 9500 ft. depths wells generally, less than 3 deg. deviation.
9. Sub-sea completion. Japanese are considering this method.
10. Miscellaneous. Monty Garrison is in Tokyo this week, also J. Ray McDermott. The Japanese have been visited by the Cuss group they are trying to sell them on the through the middle method.

Yamashita wants an answer by the end of this week.

Boswell asked about us coming over. He said he definitely wanted us to come over but it would be a little later on. He claimed they would prefer to use Zapata. He made some general remarks about sharpening our pencils, etc.

Boswell suggests we use the most optimistic arrival time.

CHWE/vf

August 21, 1959

Dear Pat,

It was certainly thoughtful of you to send that lovely orchid to Barbara at the hospital. Furthermore, we appreciate tremendously your going by to see her. She and the baby are both doing fine and I am looking forward to getting them home Sunday.

Thanks again for your thoughtfulness.

Mr. Pat C. Roten
HOMCO
1524 Maury
Houston, Texas

August 21, 1959

Dear John,

How thoughtful of you and Louise to send Barbara the beautiful flowers. She and our baby daughter both look grand surrounded by them. Thanks for thinking of us,

Capt. John G. Leech
G&H Towing Co.
P. O. Box 5336
Houston, Texas

August 21, 1959

Dear Tilman and Mae,

The lovely yellow plants that you sent Barbara at the hospital are just perfect . You two are very thoughtful and have always been too kind to the Bush family.

We are moving this week-end and as soon as we are settled in our new house you have got to come to see us.

Barbara and the baby are both fine and we are tickled to death to have a lovely daughter.

Best regards,

Mr. & Mrs. Tilman J. Falgout
Falgout Boat Company
P. O. Box 936
Galveston, Texas

Messrs. E. G. McMillan and A. E. Rachel
Cantrell & McMillan
12130 Mossycup
Houston, Texas

Just a note to thank you for the beautiful
flowers you sent to Barbara. She is
extremely appreciative as am I, and you
ought to see my beautiful daughter in the
surrounding of pretty flowers.
Thanks again for thinking of us.

Dear Adrian and Glenn

August 21, 1959

August 21, 1959

Dear Charlie,

Barbara was touched by your bringing her those flowers and by your coming by to see her. I am a very lucky guy to have two such terrific girls and I particularly like it when others feel the same way.

Best regards,

Mr. Charles A. Perlitz, Jr.
Baker, Botts Andrews & Shepherd
Esperson Bldg.
Houston, Texas

August 21, 1959

Dear Dorothy,

Your telegram was the nicest one we received because it set out so perfectly our feeling which apparently you share. I think that you and our Dorothy are very lucky.

It was such fun seeing you and all your family at the wedding and I am just sorry that I did not get to see Betsy. I hope that it will not be so long before we see each other again.

Again, many, many thanks to you and your family for that lovely telegram.

Miss Dorothy Bush Walker
c/o Mr. Louis Walker
G. H. Walker & Co.
111 Pearl Street
Hartford, Connecticut

August 21, 1959

Dear Georgie:

Wasn't that exciting about the baby? Please tell Mr. and Mrs. Gammell that I really appreciate the telegram and it was wonderful hearing from them.

I have checked into the plane schedules and you cannot do any better to go to London. Therefore, you will have to take KLM Flight 605 leaving Prestwick Field at 9:45 p.m. Somebody will meet you in New York at Idlewild Airport at 7:40 a.m. it may be your Uncle Pressie, or perhaps Ganny or Gampa Pierce. In any event you will be met and they will put you on a plane to Houston because we are so eager to see you.

The Giants and Chicago are still out in front in the Leagues. Mother and the baby come home Sunday and we are moving into the new house tomorrow. It certainly has been an exciting week but the most excitement of all will be when you come home Monday.

If you can think of it, remember to buy a very small present for Hallie and, of course, it would be nice if you could pick up a little something for Mrs. Rogers. Hallie is real excited and I think she interpreted your request to spend your additional money to mean that she might receive a little gift. Don't you think she would look good in a kilt?

Love to all the wonderful Gammells and be sure to tell them for me how much we appreciate all they have done for you. We are a lucky family to have such good friends.

TO: J. A. Rudolph
W. H. Dean
Billie Jackson

DATE: August 20, 1959

SUBJECT: MOVE & OFFICE SPACE

FROM: George H. W. Bush

Jerry, in your absence we have worked out some new office space and I should like to outline to you my thoughts on this and let you follow up and finish the deal.

1. THE SPACE INVOLVED. There is approximately 6600 sq. ft. on the 17th floor of the Houston Club Bldg. The Company address will be 1701 Houston Club Bldg., Houston 2, Texas.

2. LEASE ARRANGEMENTS. We will enter into a sub-lease with Texas Gulf Sulphur Company based on a price of \$5.00 per sq. ft. per year. This figures out to be approximately 41¢ per month.

3. PURCHASES FROM TEXAS GULF SULPHUR COMPANY. I have agreed that we will purchase from Texas Gulf Sulphur Company the carpet and floor covering in these offices at 50¢ on the \$1.00. The figure given to me so far has been 1/2 of \$7030.31 or \$3515.16 that we will owe. However, it is possible that we will owe them a little bit more than this for the carpet and floor covering.

Texas Gulf Sulphur Co. also has some furniture which they may sell to us. As soon as you get back I will put you in touch with the man who will be in charge of such a sale.

4. DATE OF MOVE. We can move into the offices on Saturday, August 29th. Our rent will start September 1st and upon moving in we should mail Texas Gulf Sulphur Company a check for the full month's rent plus a check covering any purchases we make from them. We are their tenant and we want to pay them promptly and in rigid accordance with our sub-lease.

5. PHYSICAL CHANGES IN EXISTING OFFICE. In as much as we plan to have more space than we need for the time being I want to keep changes such as partitions to an absolute minimum. We have looked into the acquisition of temporary partitions for the Accounting Department and for the room shown on the plat as 1701-D. I will want to have a door put between my room and my secretary's office but beyond that there will be very few improvements necessary at this time.

6. ASSIGNMENT OF OFFICES. On the attached plat I have made certain assignments. Beyond this, I want you to get with Wayne Dean and assign the rest of the offices. Please handle this in any manner you want.

7. PURCHASE OF FURNITURE. I will submit to you a list of furniture which I want to put in Vivian's office and mine. Will you please check with Wayne Dean and see what additional furniture he will require. Please do the same thing for Frank Allen's department. Beyond this the purchase of all furniture will be left to you.

8. MISCELLANEOUS. In your absence I have asked Billie Jackson to take care of the following items and I should like for her to continue to follow up on these.

a. The telephone system and the follow through to see that it is installed on time.

b. Change of address notices. She has arranged for cards to be printed and I should like for everybody who can type to help on this project so that these notices can be mailed out by the middle of next week. Regarding the stockholders of the company, I will send out a stockholders letter the end of next week welcoming the new stockholders into the company and notifying all of our change of address.

c. I have authorized Billie to purchase a minimum amount of stationery for Mr. Dean and myself and to purchase a rubber stamp so that we can use up, where practicable, all of our existing forms and writing paper. I want you to decide as to all printing beyond this after you have had a chance to look the stationery over.

d. I have asked Billie to arrange for our company listing to be shown in the Houston Club and to see that my name and Mr. Dean's are also placed on the directory.

9. SUB-LEASE OF OFFICE SPACE. We have two problems here.

a. We will want to sub-lease approximately 1400 ft. in our new office. Before making any deal on this I would like you to check with me advising who the proposed tenant is. On this arrangement we want to have this space on a short term notice basis so that we can use this additional space for our people if required. We also want to have a tenant suitable to Texas Gulf Sulphur Company, the Houston Club, and compatible with Zapata Off-Shore Company in every way.

b. Get rid of our existing office space. We have given 30 days notice to Gabriel Oil Company and will pay them on this basis. We have given 30 days notice to the bank on our short term notice and will have to pay them through October 1st. On our leased space I should like for you to mention to everyone in the office that we want to sub-lease this and try to accomplish this as quickly as possible so that we will not be paying rent on this leased space.

Wayne H. Dean

George H. W. Bush

August 21, 1959

Wayne, the Snare Corporation, an engineering and construction firm in New York is contemplating the purchase of a LeTourneau derrick barge to be used for the setting of concrete. They say Shell is going entirely to these platforms. Their chief engineer called today wanting to know something about these platforms. He was saying that Letourneau has sold another barge to use at Lake Maracaibo for erecting the bridge across the lake.

I have given Russ the name of the Snare Corporation engineer so he can call him when he is in New York.

CHWB/vf

Withdrawal/Redaction Sheet

(George Bush Library)

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION	CLASS.
04. Letter	From George Bush to Bine Kerr RE: Financial information (1 pp.)	8/20/59	C	
COLLECTION George Bush Personal Papers Zapata Oil File Business Correspondence Files				
FILE LOCATION Reading File - 1959 (July 1 to September 30) OA/ID Number Date Closed 12/7/99				

RESTRICTION CODES

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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]

August 20, 1959

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

Dear Ray:

I have been thinking some about your mentioning that you knew a fellow who might be really interested in getting into the drilling business and working hard from the ground up. I am afraid that I was not particularly receptive to the idea. Actually we would be extremely interested in finding such a person, providing he was willing to spend the grueling hours in the field which are essential to an understanding of this business. I would say that a man should be prepared to spend at least a year and probably more on the drilling rigs. This involves long hours, two weeks on and two weeks off, and hard work. If you think your man might be interested in this type of arrangement, I think that something could be worked out, and I think we should be very fortunate to find such a guy.

Don't bother to answer this but just keep it in mind for the future. Thanks for thinking of us in this connection.

Best regards,

George H. W. Bush

GNWB/vf

August 20, 1959

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

Dear W. M.:

I had a call from Kirby Fisk, New York. Would you please prepare the schedule referred to in the letter to Fred Chambers and deliver him a copy, one to the Mayers and one to me. I believe we have these things up to the present year but perhaps we could make up one summary schedule.

This might be a real good chance to get out of the whole deal and I would be glad to assist you in lining up all of the sellers if any buyers could be found. Why don't you go down and talk to Fred Chambers about it.

I have not heard from Hugh lately but I am wondering whether his Canadian plans have all worked out.

Also I did not receive our financial statements for June. If they have been sent out perhaps my copy went astray.

Best regards,

George H. W. Bush

GHWB/vf
Enc.

August 20, 1959

Mr. C. Fred Chambers
Midland National Bank Bldg.
Midland, Texas

Dear Fred:

By way of following up on our Tuesday phone conversation, I would like to set out the course of action that the Meyers would like to follow.

As you know, Mr. Meyers recently passed away and, therefore, Mr. Kirby Fisk would like to sell Mr. Meyers' interest in the L&K Properties as soon as possible at a fair price. He also feels that since the interest is fairly small it would be well to dispose of the three other Meyers' interest at this time.

I realize that it is difficult to find a purchaser for fractional work interests but I would appreciate your turning this matter over to somebody and seeing if a buyer can be found in the existing group of L&K owners or on the outside. Perhaps it would be a good time to sell the whole lease in the event a buyer could be found.

I am writing W. M. Brumley asking that he prepare a summary sheet showing the Meyers' interests, what they have been paying, how much money they have invested, etc. I will forward this to you when it is prepared. If any of your people have any ideas on this, however, please have them proceed without waiting for that data.

Best regards,

George H. W. Bush

GHWB/vf
cc: W. M. Brumley
Kirby Fisk

August 20, 1959

Mr. F. M. Ziegler
Kern Trinidad Oilfields Limited
Barrington House
Love Lane
London, E.C. 2

Dear Mr. Ziegler:

Since Nolan is now in Mexico City I am answering your letter to him dated August 17, 1959.

We did instigate the E. A. Gibson inquiry through a local importer in this country who is reliably and favorably known to our company.

I am pleased to see that the situation may be changed enough so that you will be able to continue your existing relationship with Shell. We shall advise our importer friend here that the oil is not available at this time for negotiation but we shall try to keep him interested in the event your Shell talks do not result in a renewed contract.

You state that you will keep us informed so, therefore, we shall do nothing further. We are all keeping our fingers crossed and hoping we shall be able to get on with the offshore drilling in the Gulf of Paria.

Very truly yours,

George H. W. Bush

GHWB/vf

August 20, 1959

Mr. Earl A. Brown
Magnolia Petroleum Company
P. O. Box 900
Dallas 21, Texas

Dear Mr. Brown:

How thoughtful of you to write to me. I am sorry that we missed connections in Dallas but I shall drop in to call on you when I am up there again.

We are gradually getting settled in Houston but miss Midland having lived there 11 years.

If you are ever down this way please come see me. Our office starting next Saturday will be on the 17th floor of the Houston Club Building.

Very truly yours,

George H. W. Bush

GHWB/vf

Wayne H. Dean

George H. W. Bush

August 20, 1959

Dow Mims called me today. He was in New Orleans yesterday and talked to DuPree about trying to get the Scorpion. DuPree told him the Vinegarroon was already drilling Block 104 which was erroneous. Dow said he would like to have us drill 104 and then he would get Calco to agree that the Scorpion would drill one more for Standard of Texas and then fulfill the Calco obligation. I told him this would be agreeable to us but that it was essential that we move from where we are now to 104. I asked him as to an estimate of how long he would be on the present well and he said from 25 to 30 days. I hope he is wrong on this.

GHWB/vf

Wayne H. Dean

George H. W. Bush

August 20, 1959

Wayne, today we agreed with Brown & Root on a form of a contract under which we can fix the well. Their lawyers and our lawyers are all in agreement and now the way is clear for the operating people to proceed as we have previously outlined. The only thing we are waiting for in the contract is the price. We should have a draft of the contract in your hands shortly. Russ is following up to get the operation started.

GHWB/vf

Nolan Stewart

G.H.W. Bush

August 20, 1959

William-MacWilliams Industries, Inc.

I am having a meeting Monday in my office with Mr. L. R. Thornton, President of Williams-MacWilliams Industries, Inc. If possible I would like you to be at the meeting which will be at 2:00 p.m. to discuss the construction offshore of the Trinidad job.

GHWB/vf

August 18, 1959

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

Dear Pres:

I believe we should leave the Builder's Risk policies as they are, since a lot of the total equipment will not be placed on the vessels until after they are ready to go. Upon their release from the shipyard the \$600,900 should apply.

Best regards,

George H. W. Bush

CHWB/vf

August 18, 1959

Mr. Walter A. Hogan, Field Editor
The Petroleum Engineer
P. O. Box 1589
Dallas 21, Texas

Dear Mr. Hogan:

In reply to your letter of August 17th, I am enclosing a few printed pages from the recent prospectus filed by our company with the S.E.C. These comments are up-to-date and I believe should serve your purpose.

Very truly yours,

George H. W. Bush

GHWB/vf

August 18, 1959

Rush Johnson & Associates
2120 Travis Street
Houston, Texas

Attention Mr. Dave Boyd

Gentlemen:

RE: Repairs to #1 Well SL 1446
OCS 0172 Block 86 Vermilion

We enclose one copy of a report of the Inspection
Trip (August 8, & 9, 1959) for your information.

We will continue to keep you informed of future
developments in this work.

Very truly yours,

ZAPATA OFF-SHORE COMPANY

R. C. Mosby

RCM/vf

Enc. (1)

August 18, 1959

Southern Marine & Aviation Underwriters
610 Poydras Street
New Orleans, Louisiana

Attention Mr. Stents

Gentlemen:

RE: Repairs to #1 Well SL 1446
OCS 0172 Block #6 Vermilion

We enclose one copy of a report of the Inspection
Trip (August 8, & 9, 1959) for your information.

We will continue to keep you informed of future
developments in this work.

Very truly yours,

ZAPATA OFF-SHORE COMPANY

R. C. Mosby

RCM/vf

Enc. (1)

August 18, 1959

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

Dear Ted:

Thank you for your letter of the 17th.

I agree with you that Herbie did a magnificent job on the stock. As to the stock reflecting developments, I am not sure how I feel on this since I believe some of the increase in price has been a discount of things that will happen. We will be drilling our wildcat well soon and, of course, if this is successful it could have a tremendous impact.

I have become convinced that the one thing we should do is to broaden our base and get some kind of diversification into our picture. I have more confidence in the offshore picture than I have had in a long time, and yet I still feel that offshore drilling rigs as such are not particularly attractive assets. What I would really like to find is a company with whom we could make a stock swap sufficient to broaden out our base and add stability. I am going to look very hard for such a situation. It would be best if it were in a business allied to ours, perhaps marine construction or contracting or better still in the production of oil, if we could find the right set-up.

Regarding Zapata Petroleum Corp., I would think that \$6 a share should be a groundfloor price based on values. However, I must say that since I have left Midland I have not been too closely in touch with the situation there. As you know, I am still a director and still own a pretty fair amount of stock; some of my family have a good deal more, so the company is still of vital interest to me. Hugh told me, at the only meeting we have had in the last four months, that he was planning after the disposition of the Off-Shore stock to get a qualified investment firm interested in the company. I will be talking to him about this later on. His most recent idea is to try to use our money judiciously in order to acquire gas reserves. I think the general idea is fine.

Page Two
Theodore G. Patterson
August 18, 1959

The recent offshore sale was tremendous. Eighty-eight million dollars was spent by the low bidders. This was a sale in Zone 3, conducted by the Federal Government. One reason for the high prices was the fact that some of the leases were offsets to production. I do think that it is a very bullish factor for the industry. There will be a Zone 4 sale this fall and if that is well received I think we should be in fair shape for some time to come.

Please let me know if you have any more questions.

Unfortunately we will not get up to Maine this summer. Our baby is due any day and we are also moving into our new house this week.

Best regards,

George H. W. Bush

GHWB/vf

Wayne H. Dean

G. H. W. Bush

R. C. Mosby

August 18, 1959

T. J. Devine called. At my request he went by to talk to C. R. McBride at General Dynamics. The meetings will last two days and they are to start early Monday morning. Therefore, he has suggested the following:

Leave Houston 9:00 a.m. Eastern Air Lines Flight 508

Arrive Idlewild 3:10 p.m.

Take cab to New York City, Grand Central Station

Leave Grand Central Station 5:00 p.m. train

Arrive New London 7:21 p.m.

Reservations have been made New London Motor Inn for Mosby, Dean and Devine. T. J. Devine will meet you at train gate at Grand Central Station just before train time.

John Mitchell and McBride of General Dynamics plan to attend the meetings.

If plans change please call Devine, South Hampton, New York, phone South Hampton 12453.

There is a 6:00 p.m. train if you cannot make the 5:00 p.m.

GHMB/vf

August 17, 1959

Johnson & Higgins
63 Wall Street
New York, N.Y.

Attention Mr. M. E. Gornaly, Jr.

Gentlemen:

Mr. Rudolph is away on vacation, hence my reply to your letter of August 13th.

1. When the conversion of the two barges is completed we will furnish you the date and time of completion.
2. Magnolia is to remain as a less payee after conversion.

I assume you have talked to Prescott Bush and you will change the values to \$600,000 on each piece of equipment.

If you have any further questions, please let us know.

Very truly yours,

George H. W. Bush

GHWB/vf
cc: J. A. Rudolph

August 17, 1959

Mr. T. A. van Griethuysen
Raria Operations, Inc.
Apartado 4312
Correos del Este
Caracas, Venezuela

Dear Mr. van Griethuysen:

The attached letter regarding the insurance certificates is self-explanatory. I believe Mr. Mason has certificates of our insurance but I will follow up on this immediately.

Thank you for calling this to our attention.

Very truly yours,

George H. W. Bush

CHMB/vt

August 17, 1959

Mr. J. V. Harrington
Electric Boat Division
General Dynamics Corp.
Groton, Connecticut

Dear Mr. Harrington:

Wayne H. Dean and R. C. Mosby will arrive at New London at about 10:30 a.m. on the early morning train from New York on Monday, August 24th. Will you please make motel reservations for them.

It is possible that T. J. Devine will also be attending but I do not know this for sure.

Very truly yours,

George H. W. Bush

GHWB/vf

Withdrawal/Redaction Sheet

(George Bush Library)

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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]

August 17, 1959

Mr. John L. Rankin, Manager
Outer Continental Shelf Office
Bureau of Land Management
1001-A, Maritime Building
New Orleans 12, Louisiana

RE: OCS 0172, Block 86
Vermilion Area Offshore

Dear Mr. Rankin:

We enclose the following for your consideration
and approval:

1. Three fully executed copies of an
Assignment of Interests in
OCS 0172, Block 86, Vermilion
2. Three fully executed Applications
for Approval
3. Zapata Off-Shore Company's check #8282
for \$10.00 filing fee.

We will appreciate ten extra copies of the decision
if possible so we may forward a complete file to all
parties.

Thank you.

Very truly yours,

ZAPATA OFF-SHORE COMPANY

R. C. Masby

RCM/vf
Enc. (1)
(2)
(3)

TO: George H. W. Bush
FROM: R. C. Mosby
DATE: August 17, 1959
SUBJECT: Felmont letter of August 11, 1959

I have talked to Jerry Carlson, Union Oil of California and the following comments apply to Mr. Walne's four points.

1. There are no ad valorem taxes in the State of Louisiana when this term is taken as Property.

If the term ad valorem in the wide sense is used there will be those taxes due which are related to the State of Louisiana through the original State Lease which is not now recognized by the State as a State Lease but is recognized by the United States as a United States' lease (Block 86). These taxes due will be paid to the Federal Government as additional royalty which is provided for in P.L. 212. Condensate is taxed at 20¢ per bbl. and will be paid the United States. Gas is taxed at 1.3¢ per 1000 cu. ft. and will be paid the United States.

The Gas Contract provides for 3/4 coverage of any increases imposed by either United States or State in the future. We will pay 1.3¢ per 1000 tax on gas delivered to Transco and title will never leave Transco for that amount of gas. Since fuel gas used is that supplied from the total volume within the limits of the 5% (Transco Art. V - 1 (c), (m), and a tax will have already been paid, which covers the total volume, it would appear that fuel gas has been taken care of. Further to this effect the Gas Contract, the Goliad system and the Union scrubber plant agreement all three have provided that title to any liquid hydrocarbons is retained by the Producer until such time it is sold in a final form. The grantee's benefit of part of products and all of fuel gas is true, but if grantee were a user in the strict sense wherein each grantor were a distributor the implications are such that the entire system would be quite complicated.

2. Along with Goliad's exclusive right to sell the products comes the situation where they are required to maintain sufficient output volume to satisfy a sales contract at 12 month intervals.

Harry L. Bass & Sons own Goliad and there are no subsidiaries other than their drilling and production interests in another area. Union has an interest in the plant which is less than 50% and intend to supply chemicals etc. to Down, Esso, Monsanto etc. in the lower Mississippi River chemical products field. The sale of products is pretty well set up and a certain amount of subsidiary buying could be possible through this avenue but certainly none is apparent at this time.

3. The contract was checked with Mr. Carlson with Union over the telephone and I'm satisfied that it is the same as our present copy of the Hydrocarbon Agreement presented to us by Goliad.

4. Have not been able to talk to any one on compression as yet.

RCM/vf

Brown & Root - Damage to Block 86

Friday, August 14th,

Report of R. C. Mosby

Meeting with Tom Moore, Brown & Root in my office. Moore presented a modified sketch of the support structure proposed to be installed over the #1 Well. Mr. Figart and Mosby checked it and agreed we could get a rig over it and away after any workover deemed necessary. We said it would be an acceptable device to accomplish the job if a proposal were formally submitted.

In a telephone conversation with H. A. Lindsay at approximately 2:30 p.m. an effort was made to have Brown & Root give us a report on progress if any each morning along the line of any plan they might have to repair the damage to #1 Well. Mr. Lindsay first said he would have to talk about it, then later said he would see it done. (No report or word from Brown & Root as of 11:00 a.m. Friday). Mr. Lindsay then made mention of a meeting which must be held prior to actually beginning work. I asked again what plan was currently being studied in their shop. His reply was such that it led me to wonder just what was controlling at this time since he referred to a meeting with attorneys.

3:00 p.m. Thursday

Called Bill Harvin and asked if he had talked to Brown & Root or any one (Frank Harmon was out and had left the file with Mr. Harvin) He said he had not and I then said it appeared that some thing was up and he said he would call Mr. Brown.

4:30 p.m.

Mr. Harvin called me back and reported that a change was indeed in the making. Brown's position was now presented as follows:

1. Zapata Off-Shore Company have Brown & Root complete the repair of the well structure with Zapata Off-Shore Company holding Brown & Root harmless for any down hole damage which might be caused by their repair operations.

2. Brown & Root upon completion of repairs at regular prices would present Zapata Off-Shore Company with a bill for such repair.
3. Zapata Off-Shore Company would pay Brown & Root
4. Zapata Off-Shore Company would collect from Insurance Company.

Mr. Harvin told Mr. Brown that this was totally unacceptable and furthermore outside the reasoning of the August 4th letter agreement.

I then told Mr. Harvin it appeared to be time (actually past time) to take a very positive stand from our position and he said he thought so too. He said he would talk to Baine Kerr.

W. H. Dean

G.H.W. Bush

Nolan Stewart

August 13, 1959

Standard of California

Earl Shipp called today. They have a 10,000 ft. well to drill on the Trinidad side of the Gulf of Paria in 25 ft. of water. They are in no hurry and there is no deadline. He referred to the test as a deep strat hole test.

He called us because his big mobile barge was too expensive to drill this test in 25 ft. of water, he says, and the small floater cannot go into that shallow water with the blow-out preventer hook-up necessary. He does not have enough of this work to have a mobilization and demobilization rig and therefore, he was wondering whether we could take care of him with one of our units, which might be in the area. I told him I would talk to you about this and we would be in touch with him next week sometime. Perhaps we can work this in with the Pan American well or the Texas Company or Kern contracts.

He passed along the following information:

1. They had not drilled pedernales yet and do not plan to in the future.
2. Their Equiderian deal will be drilled with the G.P. core boat. They have three core wells to drill there.
3. Their mobile barge is on location and is completing the well that was first drilled by the floater.

August 14, 1959

Department of Conservation
State of Louisiana
Box 1285 Oil Center Station
Lafayette, Louisiana

Re: OCS 0570 Block 104
Vermilion Area
(offshore)

Gentlemen:

We enclose the following:

1. Form MD-10-R in duplicate
2. Our check # 8746 for \$25.00, renewal permit fee, on the above captioned well.

Thank you.

Very truly yours,

ZAPATA OFF-SHORE COMPANY


R. C. Mosby

RCM:bb
encl. (1-2)
(2-1)

August 13

From R. C. Mosby

Brown and Root has now taken the position that we should enter into a contract to straighten the well with Zapata holding them harmless for any damage encountered down hole. This was developed in conversation between Bill Harvin and Brown (Brown & Root's lawyer). They also proposed that Brown & Root Marine Operators do this work for Zapata's account. Zapata then paying Brown & Root Marine Operators and getting our money from Brown & Root insurance people.

Frank Allen

George H. W. Bush

August 17, 1959

In returning from New York I used the company credit card for three personal tickets, one for me and one for each of my two boys. I signed the charge slip and marked it personal. Please be on the look-out for this and bill me for my part.

GHWB/vf

August 13, 1959

Pauley Petroleum Inc.
717 North Highland Ave.
Los Angeles 38, California

Gentlemen:

Enclosed are two executed counterparts of the Addendum dated July 17, 1959, forwarded to us by Kliewer and Roach. We have retained two executed copies for our files.

Kliewer and Roach also forwarded us two executed counterparts of the Drilling Contract dated July 14, 1959. We understand that you have two executed counterparts of this Contract for your files. If this is not correct please advise us and we will furnish you a copy.

Very truly yours,

Vivian Flynn (Miss)
Secretary to G. H. W. Bush

/vff
Enc.

August 13, 1959

Club Petrolero de Mexico, A.C.
Paseo De La Reforma No 76
Mexico 6 D.F.

Attention Mr. Antonio Garcia Solis

Gentlemen:

We have your recent letter regarding the Petroleum Club. We would like to know what the \$1000 represents. Will it be a share of stock or will it be an entrance fee? Also, what do you anticipate the monthly dues will be?

We would appreciate you sending us this information at your convenience.

Very truly yours,

George H. W. Bush

GHWB/vf

August 13, 1959

Mr. Charles F. Spalding
Saint Phalle-Spalding
230 Park Avenue - Rm 817
New York, N.Y.

Dear Chuck:

Thank you for the various notes. I will probably be seeing you before you receive this letter.

What we need on the Cobra deal is some income projections. The reserve information is interesting but I will need some projections of annual income.

Best regards,

George H. W. Bush

GHWB/vf

August 13, 1959

Mr. James W. Roswell, President
Roswell International, Inc.
401 Sanshin Building
1-10, Yuraku-cho, Chiyoda-Ku
Tokyo, Japan

Dear Jim:

Just a note to let you know that as of today
the letter which you referred to on the phone
last week has never reached us here in Houston.

I am sending you a photostat copy of a cable
received from Yamashita this week.

Best regards,

George H. W. Bush

GHWB/vf
Enc.

August 13, 1959

Dear George,

Barbara and I want to thank you for the lovely I.P.E. glasses. They are most attractive and will be a great addition to our new house. Thank you for sending them along.

Very truly yours,

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

August 13, 1959

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

Dear Herbie:

I sent the attached letter to all of the
underwriters in the recent financing.

Best regards,

George H. W. Bush

GHWB/vf
Enc.

August 13, 1959

A. C. Allyn and Company, Inc.
122 South LaSalle Street
Chicago 3, Illinois

Gentlemen:

I would like to extend to you the thanks of the Management of Zapata Off-Shore Company for the good job done by you and the other underwriters on the recent offering of Zapata Off-Shore Company common stock. We appreciate very much your interest in the company and hope that we can justify the confidence shown in us by your taking a position in the underwriting.

Please call on me directly if you need any information about the company from time to time.

Very truly yours,

George H. W. Bush

GHWB/vf

J. A. Rudolph
R. C. Mosby

G. H. W. Bush
August 13, 1959

In any future contracts with Tennessee Gas there are two insurance matters which we should have revised, if possible:

1. Their form calls for an occurrence property damage insurance. We do not have such insurance in effect in this manner.
2. They call for higher medical limits in Louisiana than we carry.

We should try to use our standard form with them from now on.

GHWB/vf

August 13, 1959

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

Dear Mr. Yamashita:

I am attaching some information for you on floating drilling. Until we know what you would want us to furnish by way of base, extra supplies, etc., it would be impossible for us to come up with a realistic proposal on floating drilling.

We have recently purchased two more tenders from Magnolia Petroleum Company and are in the process of converting them to floating drilling units. At the end of this year we hope to have three floating drilling units working in foreign waters, two in the Gulf of Paria and one in the Gulf of Mexico. Two of the contracts for these rigs have already been signed.

I hope the attached information will be useful to you, and as soon as it appears it would be worth sitting down to actually discuss prices we will be at your service. Generally speaking, the cost of the floating drilling should not be as expensive as the set-up you now are employing, but since we do not know all the terms of your existing contract we cannot be more definite on this at this time.

If it appears that you will be needing additional equipment, I would like to suggest that you forward us a set of specifications setting out what we should contemplate furnishing. With these in hand we could come up with approximate figures.

A couple of months ago I had the pleasure of meeting Mr. Okazaka, Sr. here in Houston. We was our guest at a small luncheon at the Houston Club and it was for all of us at Zapata a memorable occasion.

Page Two
Mr. Taro Yamashita,
August 13, 1959

I am sorry that you are having the worry on your Persian Gulf concession but perhaps this is a forerunner of many big and good things which are yet to come.

Respectfully,

George H. W. Bush
President

GHWB/vf

Enc.

August 12, 1959

TIME, INC.
540 No. Michigan Ave.
Chicago 11, Illinois

Gentlemen:

RE:

Effective August 21, 1959 my mailing address
will be 5525 Briar Drive, Houston 27, Texas.
I would appreciate your changing your records
accordingly.

Very truly yours,

George H. W. Bush

GHWB/vf

August 12, 1959

Texas National Bank
Houston,
Texas

Gentlemen:

RE: George H.W. Bush and Barbara P.
Bush HOME ACCOUNT

Effective August 21, 1959 the mailing address for
the above account will be 5525 Briar Drive,
Houston 27, Texas. I would appreciate your
changing your records accordingly.

Very truly yours,

George H. W. Bush

GHWB/vf

BROWN & ROOT - Damage to Block 86

Report of Inspection Trip

August 8th & 9th 1959

Saturday 0500

All people except Mr. L. B. Christensen arrived Cameron, Louisiana to board the M/V Mel 2. Mr. Christensen arrived at 0730 and it was learned he was delayed through no fault of his own.

The following people were among those aboard the Mel 2 when it departed Cameron at 0745:

Tom Moore - Brown & Root
Mr. Carrol - Brown & Root
Mr. Perry - Brown & Root
Otis Pressure Control equipment and two men
Halliburton crew of two men
Drew Cornell of Lafayette
R. C. Mosby of Zapata
L. B. Christensen of Houston

The tug Judie and the HM71 barge had proceeded ahead of the Mel 2 and arrived Block 86 #1 approximately 0100 August 8th. Halliburton cement unit and equivalent of 100 bbls. of 15# mud were loaded on HM71 in Houston Thursday, August 6th. The HM71 and tug Judie departed Brown & Root Marine Operation dock, Green Bayou, Houston 1400 Thursday, August 6th.

The following procedure was taken:

1. 1600 HM71 was anchored up to the #1 well caisson with four anchors. Since the wind and seas were mostly Westerly (wind 5-10 mph, waves 2'-3') the barge was lined up with the bow toward the west and the port stern corner approximately 8 ft. from the caisson. This alignment was agreed to by Moore, Mosby and Carrol and Cornell and Christensen had knowledge of the plan prior to execution.

2. When the barge was secure in its intended position it was agreed that the next step would be to make a visual inspection of the tree inside the caisson before further decision. Mosby went aboard the caisson alone with all hands standing by to assist. Photo #3 was taken before entering caisson.

The 2" valve provided for access to the 7" annulus was attached to the tree in good order and there were no signs of any leaks at any point in the tree. Mosby handed his camera across to Mr. Cornell

and Mr. Cornell came over to the caisson after it was reported that all appeared to be in order. Cornell took a position at the opening of the caisson while Mosby entered the caisson to check the position of the 2" valve to the 7" annulus. The valve operating handle could be turned toward closed one-fourth turn and toward open two turns. The valve appeared to be either frozen or closed. This was discussed and it was then agreed between Mosby, Moore, Christensen and Cornell that the gauge cock and gauge be installed in the tapped bull plug down stream of the 2" valve which is the normal place for it. The bull plug had a bad thread in the 1/2" end and it was necessary to install a 2" x 1" swage which was obtained from Halliburton along with a 1" x 1/2" steel reducing bushing which was found at #3 well. The removal of the 2" tapped bull plug and the installation of the 2" x 1" swage and reducer was accomplished by Mr. Perry directing his two helpers. Cornell and Mosby took the Mel 2 to the #3 well to get the necessary gauge and reducing bushing for installation of the gauge cock and gauge.

When the gauge cock and gauge (0-2000 psi range) had been installed on the tree and all still appeared in good order it was agreed between Mosby, Moore, Christensen and Cornell that the 2" valve leading to the annulus between the 7" casing and the 2-7/8" tubing should be opened.

Perry and Mosby took a position at the opening of the caisson and the two helpers were one just inside the caisson and the other standing on the 20" flange facing the 2" valve operating handle.

The man near the operating handle (Clark) was instructed by Perry after Perry consulted with Mosby to see that the 1/2" gauge cock was opened. It was and no pressure was seen to be on the gauge. The gauge was in a position to be seen by all four men on and in the caisson.

The man at the valve operating handle was instructed by Perry to open the 2" valve. The valve appeared quite hard to open though it had been lubricated when the well was completed and did not need any more. The valve was opened and immediately the 0-2000 psi gauge indicated pressure in excess of the range of the gauge. The valve was closed, the gauge cock closed and pressure bled off the gauge. The 0-2000 psi gauge was removed and replaced by a 0-10000 psi gauge. The 2" valve was opened all the way and a pressure reading of 2500 psi was noted and reported to Cornell, Christensen and Moore.

The valve was closed, the gauge cock was closed and the pressure bled off the gauge. The gauge was removed, leaving the gauge cock, swage and reducing bushing installed. The 2" valve was checked for closed position and the gauge cock opened.

1800

At this time the 0-10,000 psi gauge was installed in the gauge cock in the top of the tree's flow ^{tee} stream of the wing valve and choke cross after agreement between Cornell, Christensen, Mosby and Moore.

The man who had operated the 2" valve on the 7" annulus was still in a position to operate the safety master valve and the master valve. The name and position of each valve was made known to this man directly by Hobby and the man repeated and pointed to each by name.

The safety master valve on the tubing head was opened and 500 psi was noted on the gauge. The safety master valve stem leaked grease and while it was being opened at two points and then stopped leaking.

The master valve was opened after Hobby gave instructions to Perry and the man jointly. The gauge indicated 4950 psi and this information was called across to Cornell and Christensen and Moore.

Hobby instructed Perry to have the master valve closed and the safety master valve closed in that order. This was done and then Perry was instructed to close the gauge cock, remove gauge and bleed down the cross top. This was done and the gauge cock was left open.

During this time the diver was picking up the diver to inspect casing (report attached). Since it was within 30 minutes of sundown by this time it was decided by all concerned to move the barge KM71 away from all casing pick up anchors and re-anchor KM71 at least 1/2 mile from structure and port a watch. Halliburton was instructed to begin assembling unit in preparation for work to be decided.

Cornell and Hobby went to Block 36 53 structure and radioed information through Cornell's office in Lafayette, La. to Zapata people in Houston.

August 27th early a.m.

Christensen and Moore came to Block 36 53 in tug Jodie and Christensen suggested to Cornell that we do no more than what we had done because he felt the well to be in good shape and in such a condition where it could reasonably and prudently be straightened and the proposed structure installed around it. His plan consisted of using the Lindsey equipped with Halliburton, Ote, and etc to perform the straightening in generally the following order:

1. Bleed the tubing down just prior to straightening since the absence of equalized pressure between the 2-7/8" tubing and 7" annulus was a satisfactory indication of normal conditions in the well. The well had pressure (4950 psi) was attributed to a slow build up (over the period from Feb. 25, 1958 when the well was shut in to present) of pressure since the Ote plug choke placed at 4512' in the hole. Ote advised that as soon as pressure is bled down the plug choke will hold pressure down above 4512 feet.

Page Four

2. Install proposed batter pile support structure.
3. Pull caisson up to batter pile structure and secure.
4. Ram Otis tools to check for gauge of tubing.
5. Bleed 7" annulus down to zero.
6. All this to be done on the same trip.

The above procedure was discussed and it was agreed by Christensen, Moore and Mosby that we would do no more to the well and return to Cameron, Houston, Lafayette, etc.

1145

The Margaret Boat was left to standby #1 caisson and M471, rug Judis and Mel 2 with all personnel and equipment departed location for Cameron.

R. C. Mosby
August 10, 1955

August 11, 1959

Mr. Robert B. Payne
Strasburger, Price, Kelton, Miller & Martin
Gulf States Building
Dallas 1, Texas

Dear Bob:

I was delighted to see the nice donation that Bright Star was able to make to Memorial Hospital. I am confident that Dr. Rhoads must be very pleased.

If you are ever down here in Houston, please be sure to come over. Congratulations on your good work with Bright Star and thank you for keeping me so well informed.

Very truly yours,

George H. W. Bush

GHNB/vf

August 11, 1959

Mr. Robert R. Lockwood, Jr.
Oil Capital Bldg.
Tulsa, Oklahoma

Dear Bob:

Thank you for your note about Reading & Bates.
I am sure that by now you have seen the article
on Page 80 of the Oil and Gas Journal. I am
sorry that Jack is having this worry.

In confidence, we have already had a phone
call from Tokyo on this matter.

Best regards,

George H. W. Bush

GHWB/vf

TO: Ian Figart

FROM: K. L. Roy

CC: W. H. Dean
Nolan Stewart
J. A. Rudolph
Hugo Zanelli & Co.

DATE: August 11, 1959

SUBJECT: Preparing Nola I for Venezuela

I. To clear the Nola I for Venezuela, we must furnish the Venezuelan Consulate with the original and two copies of the Bill of Sale and the ships documents

II. Material & Property:

1. A complete list of all component parts of rig must be made and all items so listed marked but not numbered unless packed in containers.
2. Parts, materials and supplies for rig and barge must be listed, each on a separate list, and locked in a room or rooms on the barge. The room must be numbered and a list or lists attached.
3. All parts, materials, and supplies purchased must be put in a container (i.e. box, carton, crate, or sack) with a list of contents attached to each and numbered chronologically. (Room #1 and on up with no duplicates) Recommend that all items on one invoice be put in one container, and the delivery ticket be attached to same with an additional copy to us. Each of these can be numbered as received.
4. Lubricating oils must be listed as well as fuel soundings
5. Paints must be listed separately as well.
6. A list of bits, including quantity, valve, whether they are tungsten, carbide or diamond, and make must be made.
7. Ships stores must be listed.
8. Items of crews personal property must be packed with notation that they are men's personal property by name and no drugs or firearms are allowed. Each individual will number his packages from #1 up.
9. All the above lists and delivery tickets including prices and weights will be furnished Hugo Zanelli & Co. who furnish this information and they will prepare the proper lists for customs and return all records to us.

August 11, 1959

Mr. Walter Walne
Felmont Oil Corporation
P. O. Box 1655
Midland, Texas

Dear Walter:

Thank you for your letter of August 10th. The trip to the well convinced Mosby, Drew Cornell, the Brown & Root people and Christensen, representing the insurance company, that there are no leaks and that the well can be straightened up. Brown & Root is proceeding with the fabrication of the platform and Russ Mosby will be in touch with you about the exact program, but I wanted to write you now about the liability.

Perhaps our wording was a little strong when I stated that Brown & Root people denied liability. Officially they did so state but I have since learned from our lawyers that this is just a formality until they had a chance to look into the matter further. Christensen, representing the insurance people, has agreed with the steps that we propose to take. Brown & Root keeps telling us that they plan to have the insurance company pay off.

Yesterday the Brown & Root lawyer called Frank Harmon our attorney from Baker, Botts to discuss a settlement that the insurance company was proposing. I have instructed Harmon not to make any settlement whatsoever that will entail a lump sum figure. We should leave this claim open until the well has been totally restored and even beyond that since we do not know what shape the down hole is in nor can we know until the tubing has been tripped.

As to their grounds for denying liability, the only mention that has been made was a veiled reference to force majeure, in this situation meaning a hurricane. Baker, Botts advised that force majeure certainly is no escape from property damage insurance claims. Beyond this they have made no mention at all of anything and it is difficult for us to see that they can be anything but liable. It is comforting to me that Baker, Botts feels this is a very clear cut case.

We will keep you advised.

Very truly yours,

George H. W. Bush

GHWB/vf

August 11, 1959

TO ALL BLOCK 104 PARTNERS

Neither the Scorpion nor the Vinegaroon has been released from its contract as yet. We have gotten an extension on Block 104 from August 15th to September 15th, so we are in good shape so far as the commencement date of the deal goes.

I am sorry that we are having this delay but the equipment situation in the Gulf of Mexico is tight right now and we will be on this well as soon as we get a rig loose. The Vinegaroon has a commitment to be drilling in Mexican waters by mid-September so if it does not finish very soon we will have to use the Scorpion. Either rig can do the job well.

We shall keep you advised on this.

Very truly yours,

George H. W. Bush

GHWB/vf

CHUCK SPALDING:

Thank you for the letter of August 10th about Cobra. As soon as I have had a chance to look it over I will be in touch with you.

G.H.W.B.

August 10, 1959

Mr. W. L. Kistler, Jr.
San Ysidro Ranch
Santa Barbara, California

Dear Bill:

I called you the other day since I knew you knew Al Meadows real well. In your absence I took up the matter that was on my mind with Rush Ardrey of the Republic National Bank who is also a good friend of Meadows.

I have heard that General American plans to do more offshore drilling and a geologist friend of mine would be interested in going to work for them. He was in charge of a large major company's exploration offshore for the past ten years and I feel would be extremely useful man to Mr. Meadows. There is no need to do anything about this now since I feel Rush will go into it with G. A.

I hope you are having a pleasant vacation out there in California. If you ever get to Houston give us a ring.

Best regards,

George H. W. Bush

GHWB/vf

August 10, 1959

Mr. O. B. Norman
Dresser Industries, Inc.
P. O. Box 713
Dallas 21, Texas

Dear Mr. Norman:

Thank you for your letter of August 7th.

Would you please mail me the exclusion since I do not believe we will need to clear all of our Directors.

I would also like to have four extra sets of DD form 48 on the security questionnaire and the certificate of non-affiliation, we want to clear that many additional people.

We will include a certified list of all officers and directors when we return all of the forms to you for forwarding to the Navy.

Also, at your convenience could you forward me the "Standard Practice Procedures for Industrial Security and Safeguarding Classified Information."

Very truly yours,

George H. W. Bush

GHWB/vf

August 10, 1959

TO ALL PARTNERS - BLOCK 86

We are today forwarding for execution the following:

8 copies of Document 1, Productive
Leases (Section 6 OCS Leases)

17 copies of Lessee's Consent and Waiver

Please execute and return all copies so we may file with
the State Mineral Board and the Bureau of Land Management
OCS where necessary.

We are forwarding the entire set to Pelmont Oil Corp. first.

Very truly yours,

R. C. Mosby

RCH/vf

August 7, 1959

Mr. W. M. Brunley
Zapata Off-Shore Company
P. O. Box 3195
Midland, Texas

Dear W. M.:

I wonder if you could send to Johnson & Higgins a copy of our Blanket Honesty Bond or, if we don't have a copy, a certificate pointing out the nature of the insurance, the name of the insurance company, the amount of premium and any other pertinent data.

We need this information so that Johnson & Higgins can analyze our overall insurance program to decide whether we need a different type of umbrella policy for Off-Shore.

I would appreciate it if you or Geza could take care of this as soon as you get this letter since Johnson & Higgins need the dope as soon as possible.

Best regards to everybody there in Midland. What are you doing for a partner in the golf tournament this year? Whatever you do I feel certain that you will miss the smooth swing and even temper of last year's partner.

Best regards,

George H. W. Bush

GHWB/vf

August 7, 1959

Brown & Root Marine Operators, Inc.
P. O. Box 3
Houston 1, Texas

Attention Mr. H. A. Lindsay

Dear Sir:

This will confirm our conversation this morning wherein you were advised of the five general stages contained in Drew Cornell's letter to us of August 5, 1959.

In addition to the letter we made known to you that we had made provisions to have Halliburton and Otis Equipment engineer and instruments on the location to assist in testing and recording the operations as directed by Zapata and Brown & Root representatives. Also we stated that we had provided enough dry mud and chemicals to be used in case of various eventualities as directed by said representatives.

The M/V Mel II has been retained upon agreement with Mr. Motley of your Company to assist in the transportation of various individuals to the location and from the location to Cameron, Louisiana.

Arrangements have been made by your Company to have the barge MM-71 and the tug Judy leave Houston for Cameron, Louisiana and the location with equipment and personnel needed to perform this phase of the project.

Our Company will be represented by R. C. Mosby, Zapata Off-Shore Co. through these operations. We understand that Mr. Tom Moore will represent your Company.

Very truly yours,

R. C. Mosby

RCM/vf

August 7, 1959

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

Dear Herbie:

I thought you might be interested in seeing the cover ad on the new Offshore magazine.

Here it is Friday and we still have had no word out of the S.E.C. Kerr and company have done everything in their power to get acceleration out of the S.E.C. but I am confident that it just is impossible to make them move at this time. I hope that late today we will have our deficiency letter.

We had an inquiry today from Japan regarding our drilling a well in the Persian Gulf. The Reading & Bates rig is in real trouble having encountered a blow-out at 1500 ft. We do not know as yet the extent of the damage to this rig.

All of our equipment is getting along ok although we are most anxious for the Nola and one of the mobile rigs to finish up. The Nola has to drill for Atlantic one well and then go to Paria and the Vinegarroon should go to 104. If time is going to be cut too short between that and Mexico we will have to send the Vinegarroon on to Mexico and drill 104 with the Scorpion but the Scorpion probably won't get through for another three or four weeks. It is nice not to have to worry about work for a change but I am most anxious to get on our farmout.

The two conversions are coming along satisfactorily and we hope to have them both finished by the middle of September, one should be out about the first of September.

We do not yet have our July figures but we think our profit should be around \$40,000 before taxes. This is not as good as I had hoped since the rigs were working almost all the time. Preliminary glances indicate that we had major repairs on both the Scorpion and the Vinegarroon which cut our earnings down about \$25,000 but I really will know nothing about this for another week.

Page Two
Mr. G. H. Walker, Jr.
August 7, 1959

I do not feel that we have the earning potential from drilling alone that we should have and that is why I am interested in diversification or in getting oil reserves. I am confident our foreign contracts will be profitable and with a year's continuity the operation should be efficient but considering the risks involved we really should be getting more money. I have tried without much avail to sell the companies on this.

Give my love to everybody up there and I am looking forward to the wedding. I will be flying up Friday with Neil Mallon and we will be landing at Westchester airport.

Best regards,

George H. W. Bush

GHWB/vf
Enc.

August 7, 1959

Mr. James W. Boswell, President
Boswell International, Inc.
401 Sanshin Building
1-10, Yuraku-cho, Chiyoda-Ku
Tokyo, Japan

Dear Jim:

Thank you for your phone call. I am pleased that the Arabian Oil Company people contacted you and I hasten to send you the information which you requested.

I am attaching some data on the Nola I. In addition to the Nola I, Zapata recently purchased two similar barges from Magnolia, which we are in the process of converting now. Both of these barges should be ready by mid-September. However, they are committed to existing contracts. We have an option on a third Magnolia barge, which we could execute immediately. This barge could be ready to leave the United States within 60 days of the execution of our option. We are confident that it is well adapted to Persian Gulf drilling. It will be able to drill 13,000 ft. or better and operate in most of the weather that is encountered in the Persian Gulf. It can, of course, drill in deep water.

The overall offshore business in this country has picked up and right now is a bad time for the Arabian Oil Co. to be looking for rigs. Every offshore rig that we know of is working and I believe that considering the speed of towing, etc. and the water depth, a proposal from us on the floating method would be Yamashita's best bet. We have drilled and completed wells at 11,500 in the high pressure area of the Gulf of Mexico. Provided we could get the right kind of contract, we would move immediately to convert Magnolia #3.

It is possible that we could make the Scorpion available to Arabian Oil Co. but several things are not in its favor:

1. Maintenance costs would be a great deal higher.
2. It would take a good deal longer to tow over there.
3. There would be many more rigging up problems after the barge arrives.

Page Two
James W. Boswell
August 7, 1959

We will, of course, be happy to come to Tokyo to discuss this with Arabian Oil Co. but I would be less than frank unless I point out to you that we do not want to come over there at this time unless there is every assurance that we will return from there with a contract.

I think the price involved will probably be somewhere around the price for the Scorpion although we will want to review our contract to see if we could do it for the same thing.

I do not have any details on the fire in the Persian Gulf and I am sure you have more information on this than I do.

I still have not received your letter but perhaps it will be in in the next day or so.

Wayne is away on vacation but I will bring him up-to-date on this as soon as he returns. If the Japanese are definitely going to need another rig either to replace the Thornton or to operate as a second piece of equipment I am confident that Zapata can do the job for them for the least amount of money.

Please do not hesitate to ask for additional information.

Very truly yours,

George H. W. Bush

GHWB/vf
Enc.

August 6, 1959

Mr. G. H. Sanders
Radio Station KSTL
Lubbock, Texas

Dear Jerry:

Would you please have your records
changed to reflect my new address
which is as follows:

2216 First City National Bank Bldg.
Houston 2, Texas
Phone: GA-20395

Best regards,

George H. W. Bush

GHWB/vf

August 6, 1959

Mr. David R. Worley
Amarillo Broadcasters
P. O. Box 905
Amarillo, Texas

Dear Dave:

Thank you for your note and the \$300
check enclosed therewith.

I am glad to see that KAMQ is on the
move. I am sure that your enthusiasm
and know-how will eventually pay off
in handsome style. Let me know if
there is anything I can do.

Good luck and best regards,

George H. W. Bush

GHWB/vf

August 6, 1959

Mr. T. A. Vangriethuysen
Paria Operations Inc.
Apartado 4312
Correos del Este
Caracas, Venezuela

Dear Mr. Vangriethuysen:

I wanted to get you know that our company has hired Mr. R. G. Wilson to be our Manager in Venezuela. We feel that Dick Wilson is the type of aggressive, honest young man who will do a good job for us on the important contract which we have entered into with your company. I hope that this appointment meets with your approval and that you will not hesitate to call upon Mr. Wilson for any service which he may render.

In addition to Mr. Wilson we will have an experienced floating drilling man in charge of the day to day drilling operations of the Nola I.

Very truly yours,

George H. W. Bush

GHWB/vf
cc: S. P. Kent

August 6, 1959

Magnolia Petroleum Company
P. O. Box 900
Dallas, Texas

Attention Mr. Stuart Mossman

Gentlemen:

We hereby nominate Rig 48, Barge 4 as
the equipment onup which we shall have
an option in accordance with your
letter of July 16, 1959.

Very truly yours,

George H. W. Bush

GHWB/vf

August 6, 1959

Mr. O. B. Norman, Security Officer
Dresser Industries, Inc.
Republic National Bank Bldg.
Dallas, Texas

Dear Mr. Norman:

Thank you for the security forms forwarded to Mr. Devine at out office. I have several questions which I would appreciate your answering for us.

1. Are we correct in assuming that the directors of the company need not be cleared provided the Board makes the affirmation included in your letter?

2. Is it necessary to have some government agency supervise the filling out of the fingerprint form (FD-258)?

3. What normally is put in on DD-48 under "Job Title and Description of Employees Duties"?

4. Who in this case will be the cognizant security office?

We did not receive the Dresser Industries, Inc. "Standard Practice Procedures for Industrial Security and Safe-guarding Classified Information. I believe Mr. Devine told me that you were going to help us with the Navy Office in Dallas on the filing of these papers. Is this correct? If not could you outline to me what procedure we should follow.

I certainly appreciate all of your help in this matter which is completely foreign to us.

Very truly yours,

George H. W. Bush

CHWB/vf

August 6, 1959

Mr. C. Fred Chambers
Midland National Bank Bldg.
Midland, Texas

Dear Fred:

Thank you for the comprehensive report on our radio business. I was delighted to get it and I am tickled to death that you feel the way you do. I like your idea about two separate corporations since the problem of evaluation would be extremely difficult particularly since one station seems to be doing better than the other and we all have varying percentages in the two deals.

I saw in Cantrell & McMillan's bulletin that Mal Kutner bought a house from them. I hope to see him when he gets down here.

Our business is going pretty well. We have one-year contracts for three of our equipment and plenty of other ideas working. We will not make a lot of money but the general business climate is a lot better.

Family wise we have farmed out the three older boys to Mother in Greenwich. Bucky's wedding will take place next week-end and I hope to go up for two days flying up with Neil Mallon on Friday. Georgie leaves tomorrow for Scotland. Baby has not come yet and Barbara is real eager although the due date is still three weeks away. The same date will apply for the completion of our house. Barbara's aunt from Ohio is here with us and will be until the baby comes.

Everything is rocking along ok here but I certainly miss Midland and our friends there. Be sure you let me know which week-end the golf tournament is scheduled for. Nothing will interfere with my appearance there.

Best regards and find an excuse to come on down here real soon.

George H. W. Bush

GHWB/vf

August 6, 1959

Mr. John Ashmun
Wilco Bldg.
Midland, Texas

Dear Ashie:

I had a very interesting communique from the president of Big Piney Oil and Gas dated July 30th. Did he by change put you on his mailing list. I would appreciate your taking out your microscope and trying to find the price on these shares. Incidentally, I shall always be grateful to you for getting me into this wonderful company on the ground floor.

I am hoping that one day our phone will ring and that either you or Hilliard will be down in Houston. I realize that you are accustomed to the River Oaks set but nevertheless we will scalp you if we find that you have come to Houston and did not call us.

Everything here is certainly rocking along o.k. but we miss Midland and our friends there. I plan to come out to the golf tournament with C. Fred. The baby has not come yet, should be about two weeks more. We expect to get in our house in about the next couple of weeks at which time we will be set and have a place for our friends.

I am still working very hard for you in your capacity as a stockholder of Zapata Off-Shore. Things are looking up a little bit and we are starting well #1 on Block 104 farmout fairly soon. We have work lined up for our rigs as far as we can see, which admittedly is not too far down the line.

Give our love to Brucie and let us know what happens there in Midland.

Best regards,

George H. W. Bush

GHWB/vf

August 6, 1959

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

Dear Pres:

Thank you for your letter of August 5th regarding the vessels Nola I and Nola II. We are happy to accept the rates outlined in your letter.

I believe when the time comes for a renewal we should raise the rates to about \$600,000 on each vessel inasmuch as that will be approximately the amount of money invested in each unit.

I have also read your letter to Rudolph dated August 5th regarding the Tennessee Gas Contract. The Tennessee wells have been completed. I shall talk to him about the medical coverage and he will be in touch with you.

Best regards,

George H. W. Bush

GHWB/vf

August 6, 1959

Board of Directors
Houston Club
Houston Club Bldg.
Houston 2, Texas

Gentlemen:

I have recently moved to Houston from Midland and intend to make this my permanent residence. I wish to change my membership status from non-resident to resident.

Enclosed is a check for \$1320.00 which I have been informed is the difference between the initiation fee for resident and non-resident membership.

Thank you.

Very truly yours,

George H. W. Bush
President

GHWB/vf
Enc.

BROWN & ROOT - Damage to Block 86 Well

Report of R. C. Mosby

Thursday - July 23, 1959

Conversation with Tom Moore and Mr. Carroll, Brown & Root Marine Operators, Inc pertaining to the placing of the MM71. The tug Alice Pratt had placed the MM71 near the #1 Well to begin laying pipe. Two welds were made and I was informed by Mr. Moore that the wind and waves were such that the men would have to quit until the waves and seas calmed. Mr. Carroll said later that the tug Alice Pratt had gone to shelter to the North.

Friday July 24, 1959

Since the storm had no indication of laying I asked Mr. Moore what he intended doing about the barge which was tied on four anchors near the #1 Well. He said they could do nothing since the Alice Pratt was not there and the Tug Pan America was too large to work near the MM71. Also it was stated that the Tug Pan America could not leave the Lindsay unattended.

I informed both Mr. Moore & Mr. Carroll at this time they had the barge in a dangerous position and that they would probably have a major repair job on their hands if they did not move it. The reply was to the effect that it couldn't be helped.

Sunday July 26, 1959

Went aboard the Margaret Root with Mr. F. W. Motley and rode close to the #1 Well. Upon asking Mr. Motley if Brown & Root considered themselves liable to put the #1 caisson back in its original condition and shape Mr. Motley replied yes, and then we discussed the fact that a fog horn, battery box and diesel tank were overboard and would be replaced.

I then described the construction of the well to Mr. Motley who had said he needed information as to how the well was constructed so he could better understand what was needed to be done.

Friday July 31, 1959

Talked to Mr. Burchell, American General about when a meeting was forthcoming. He said at this time that the engineering expert Mr. Christensen of Houston, was hurrying to finish his report and recommendations and it would appear that a Monday meeting could be accomplished. He informed me he was leaving on vacation the next day and Mr. Strawbridge in his office would have the file.

Saturday August 1, 1959

Called Mr. Strawbridge and he informed me that a meeting was quite possible for Monday between Mr. Wilson Brooks, Mr. Christensen, Mr. Motley and others and that the legal department was clearing on whether or not it was mandatory for Mr. Christensen to visit the location in Block 36 which had been the major cause of the delay.

Saturday Afternoon

Mr. Strawbridge called me at my house to inform me that the meeting was definite for 2 p.m. Monday and asked if it could be in Zapata's office since there would be a number of people present. I assured him it would be fine to use our office.

Monday August 3, 1959

Mr. Wilson Brooks called to confirm the 2 p.m. Monday meeting and at this time said that Mr. Eichel, Mr. Brown or Mr. Cherry and he would be in our office.

I asked what subject the meeting would cover and Mr. Brooks said that it would concern liability. I asked if they had accepted liability and he said "well, yes and no". I asked what that meant exactly. He said something about he and I driving cars down main street and colliding and expounded at some length on what would happen etc. I said I did not understand the connection and since he had legal assistance lined up for the meeting did he think it advisable for me to do likewise. He said he did not think so. I said we will have the meeting at 2 p.m.

August 5, 1959

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

Dear Pres:

I am attaching a copy of a letter from Mr. Pauley's lawyer and an Exhibit "D" that he would like to have put into our Mexican contract. Would you please look this Exhibit over and let me know if this can be substituted for the one now in the contract. Nolan tells me he has forwarded you a copy of the contract recently. Let me know on this as soon as possible as I must answer Ed Kliever.

Best regards,

George H. W. Bush

GHWB/vf
Enc.

August 5, 1959

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

Dear Pres:

Recently Siegfried in Tulsa increased our automobile insurance rates. I instructed Rudolph to cancel out with Siegfried and place this coverage locally with Andrew Jackson Wray's office.

I decided to do this since Wray has been helpful to us here in a couple of ways and I would like to give him this small amount of business. I believe I mentioned to you that I planned to place this with Johnson & Higgins and I hope you will understand this change in plans. It does not amount to much dollar-wise but it will be helpful to us to have Wray here in Houston handling this matter.

Best regards,

George H. W. Bush

GHWB/vf

August 5, 1959

Mr. W. I. Baranetsky
Morgan Guaranty Trust Company
140 Broadway
New York 15, N.Y.

Dear Mr. Baranetsky:

Thank you for your letter of July 30th regarding your Foreign Exchange Department. We will probably be in touch with you when our needs become clearer. Incidentally, will you please ask your office to note that all mail to this office should be addressed to 2218 First City National Bank Bldg. Houston 2, Texas.

Very truly yours,

George H. W. Bush
President

CHWB/vf

August 5, 1959

TO ALL BLOCK 86 PARTNERS

We are enclosing some photographs of the Block 86 Production Facilities around the #3 Well. This project is complete with the exception of running and tying in the #1 Well flow line. The flow line will be run as soon as the #1 Well protector caisson can be restored to its original position.

Transcontinental Gas Pipe Line Corp. will begin August 20th laying the 10" flow line from our separator structure (the one with the boat landing and stairway) to the tie-in point 5 miles to the Northeast. They estimate to be flowing gas in the line September 3rd.

We have arranged to have the Brown & Root Marine Operators do the first step toward restoring the Number 1 well and work will begin on this first step August 6th. This step will consist of making tests on the well to determine the exact condition prevailing in the well. We will have Drew Cornell of Drew Cornell, Inc. on the location to advise and assist the performance of the various tests involved. The well is shut-in with Otis subsurface pressure control equipment and Otis will be on the location to check the condition of the blank choke, storm choke, etc. in the tubing. Halliburton will be on location to perform the various pressuring up service if needed.

A close up visual inspection has been made to determine if there are any leaks around the well head. None could be found and from the preliminary inspection of the well head it is not expected that any situation exists in the well that will prevent it from being straightened up.

After the first step has been accomplished, estimated to be some time Sunday, August 8th we will then proceed with plans to accomplish the straightening of the caisson and installing an additional supporting structure similar to the one shown around Well #3 in the photographs.

CHB/VI
Enc.

If you will merely fill out one form in your own handwriting I will have the forms typed.

Department of Defense.
will also have to enter into a security agreement with the
time in connection with this project. The company
This information may be made available to us from time to
the hands of General Dynamics Corp. and Research Industries.
to have access to certain classified information that is in
It is necessary that we have these forms filled out in order
questionnaire in form 48. Will you please fill this out in
will detail and return it to me personally. I will have
the forms typed in my office and will be solely responsible
for the forms due to the confidential nature of the questionnaire.

Security Clearance

W. H. Dean
William Stewart
R. C. Moberg
Tom Elgart
Royce Taylor
L. J. Devine

August 5, 1959

G.M.W. Bush

August 4, 1959

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

Dear Hugh:

I have been thinking about our phone conversation and plans to go to Canada. My general feeling is that we should not spend any of the money of the proceeds from the sale of the Off-Shore stock in wildcat drilling. I think most people familiar with the situation feel that we are using the funds to purchase production or to acquire companies of one kind or another, and this is the course of action I would like to see us follow.

Within this general framework I am most enthusiastic about the Canadian play, provided it checks out as you expect because I agree with you that gas production is excellent to have and that the long pull Canada will be a profitable place.

I know you will check it very thoroughly. I talked to Hal Deal yesterday and was swabbing him on El Paso's experience in Canada. He has mixed feelings about what they and Western Natural have done up there. This is just a random opinion but he is right when he says the deal should be checked very carefully there.

My main reason for feeling that we should use the funds generally in accordance with what has been our plan is because I think it will be necessary for Zapata to develop a cash flow from one source or another. We do have debts that will have to be eventually paid off. As I remember the projection we felt that our current cash flow will be enough to complete the water flood project and do a certain amount of drilling. I think we would make a mistake to dip into newly acquired capital funds to carry our drilling programs unless they are of such a proven nature that we would be using our own cash rather than borrowing money to develop fields.

Page Two
Mr. J. Hugh Liedtke
August 4, 1959

I am afraid this letter is pretty sketchy but generally I can say that based on what you tell me I am most enthusiastic about our prospects of acquiring gas reserves in Canada.

I keep getting frantic calls from the lawyers and G. H. Walker & Co. about the financing. I hope that by the time this letter reaches you we have had letters from the S.E.C. and the deal can be done.

Best regards to Betty and the kids.

Very truly yours,

George H. W. Bush

GHWB/vf

August 4, 1959

Mr. Irving D. Fisk
Oil Trading Associates, Inc.
12 E. 44th
New York, N.Y.

Dear Irv:

I am sorry to be so long in following up on my phone call to you about the Trinidad situation. It turns out that I am not at liberty to discuss this in detail at this time and, therefore, please keep our conversation confidential. As soon as we are able to go ahead I will call you and maybe you will have an idea as to how we can make an honest dollar on this deal. In the meantime I would appreciate you not mentioning that I talked to you about this. We are working on one angle now which might materialize and, therefore, I do not want to get cross-wise with anybody.

Why don't you try to get an invitation to Bucky's wedding? "I have a good deal of stroke and might be able to work it out for you". I plan to come up on Friday the 14th and leave on the 16th. Let's get together.

Best regards to Hallie and the kids.

Very truly yours,

George H. W. Bush

GHWB/vf

Brown & Root - Damage to Block 86 Well

Meeting - July 27, 1959

People Present

Zapata:

Wayne H. Dean
G.H.W. Bush

Brown & Root

H. A. Lindsey
F. W. Motley

Mr. Lindsey said that he was sorry to meet under these circumstances but that they would fix our well and that they were here for this very purpose. An amiable discussion followed at which both companies tried to estimate the extent of the damage.

It was generally felt that the damage was not extensive and that the well could be straightened up by pulling the well head back into position utilizing a four-cornered small platform.

The meeting ended with Brown & Root saying that they would come up with a plan for fixing the well and be back in touch with Mr. Dean.

Brown & Root - Damage to Block 86 Well

Meeting - August 3, 1959

People Present

Zapata

Frank Harmon, lawyer Baker, Botts
W. Nolan Stewart
G. H. W. Bush

Brown & Root

Mr. Brown, lawyer for Brown & Root
Wilson Brooks, insurance agent
Bob Ikle, lawyer for insurance company

Mr. Ikle stated that as of this minute the insurance company is denying liability for the accident in the Gulf of Mexico. Mr. Bush told him that he understood that several Brown & Root people had agreed that it was Brown & Root's fault and that they were going to fix the damage. He said that he expected this meeting to be a meeting about how the well was to be fixed and what course of action was to be followed.

Brown & Root people stated that they were not in any position to advise how to fix our well and that as of this moment they were admitting no liability. Mr. Bush stated that more was at stake than just this one well and he would like to know from Brown & Root if they were changing their position on this matter since it was important to know this when considering the over all business relationships of the two companies. He said that Zapata had other business that they were doing right now and he would appreciate knowing just what Brown & Root's position was in this matter.

Mention was made of the boat standing by the well head and Mr. Ikle advised that the boat was standing by with the understanding that this was not an admission of liability on the part of Brown & Root and the insurance company.

Other general discussion ensued.

August 2, 1959

Mr. E. A. Gabriel
Ray, Minnesota

Dear Ed:

I hasten to answer the questions which you raised last night on the telephone. To accomplish this I am enclosing a memorandum written today by Nolan Stewart, who was conducting our negotiations in London, an agreement on the sale of the crude oil, and a Saybolt description of the oil. Let me briefly answer your questions as you raised them:

- 1) Shell verbally informed Kern that they would not purchase any more oil if Kern developed the marine concession;
- 2) Amount of drilling planned by Kern - see memorandum;
- 3) Large tankers can be accommodated - see memorandum;
- 4) Specifications of oil - see attachment;
- 5) Shell now takes oil in accordance with attached Sale Agreement;
- 6) United British Oilfields of Trinidad, Limited, purchases the crude oil;
- 7) Mr. Stewart thinks Kern would accept a lower price for its oil but he is not positive on this point. We can, of course, ask them directly on this since we are in touch with all of the top officials involved.

As soon as you have had a chance to look over the attached information I would appreciate your letting me know whether anything can be done. I realize we have presented a very difficult problem to you but we are most anxious to work on it even though it is a tough one.

Oddie has been kind enough to write this for me. Everything in the office is fine.

Yours sincerely,

GHWB:OD

George H. W. Bush

P. S. Since dictating, Mr. Stewart informed me that he pledged not to release the Sale Agreement; therefore, I am substituting it with a brief.

August 3, 1959

M.E.L. Corporation
P. O. Box 936
Galveston, Texas

Gentlemen:

Enclosed is an Operating Agreement, Dated July 1, 1959,
covering Block 104.

Please have this instrument executed in the proper space
and return to this office as soon as possible.

Very truly yours,

Vivian Flynn (Miss)
Secretary to Mr. G.H.W. Bush

/vf
Enc.

August 3, 1959

Mr. H. A. Herzig
Dresser Industries, Inc.
Republic National Bank Bldg.
Dallas, Texas

Dear Mr. Herzig:

I certainly enjoyed meeting you at the very interesting meeting with the Electric Boat people.

I am wondering if you would ask Mr. Norman to forward us the security clearance papers. I would write to him directly but I do not have his name. He advised Mr. Devine that the papers would be mailed last week but as yet we have not received them.

Thanks again and I am looking forward to seeing you soon.

Very truly yours,

George H. W. Bush
President

GHWB/vf

August 3, 1959

Mr. J. H. Binford
Associated Pipe Incorporated
P. O. Box 22302
Houston 27, Texas

Dear Jim:

Thanks for sending us your insurance
certificates. I passed them along to
Ian Figart, our drilling superintendent.

See you soon.

Best regards,

George H. W. Bush

GHWB/vf

G.H.W. Bush, Wayne H. Dean,
Hoyt S. Taylor, Ian Figart

T. J. Devine

July 31, 1959

Mohole Project

SECURITY:

You should receive from Mr. Norman of Dresser today sufficient personal security questionnaires for Bush, Dean, Figart, Taylor, Stewart, Mosby, G. H. Walker, Jr., M. R. Underwood and T. J. Devine.

You should also receive instructions as to the agreement which Zapata Off-Shore Company must make with the Government.

We should return the completed P.S.Q.'s as soon as possible to Mr. Norman, who will process them through the Navy. When this is out of the way all of us will be free to deal with Electric Boat on such aspects of the project which may involve classified data. The company and each of us individually will be cleared through Secret.

STABILITY DATA ON NOLA II

At our Dallas meeting we agreed to furnish Vince Harrington with stability data on the Nola II for use by his crew in studying the stability and anchoring problems involved in adapting our floating rigs to use in deep ocean.

Attached is a scale drawing of the Nola II and four survey reports prepared by Harry W. Blakely of the Charles D. Wood Company on the Nola I. In tomorrow's mail you should receive a survey report on the Nola II. The latter is based on experimental determination concerning the Nola I and certain assumptions reflecting the addition of the second sponson and other changes made in the design of the Nola II. These items are enough to get Harrington started on his study.

Page #2 - Mohole Project

In two or three weeks, when the Nola II is completed, Blakely has to run an inclining experiment to check his assumptions and satisfy the Coast Guard, A.B.S., etc. That report can also serve to give Harrington the last word on the new conversion. When you send this stuff along Monday or so, tell him that we believe the assumptions concerning the Nola II are conservative, and that we intend to furnish him within three weeks with the actual situation, as determined by the inclining experiment.

We do not expect to have a complete set of blueprints on the Nola II until days, or probably weeks, after the conversion is completed. However, we should be able to answer most of the questions EB may come up with in the course of their study. I suggest you tell Vince in your letter that we are prepared to answer any questions which may come up. You can rely on Hoyt and Blakely to come up with the answers as we go along.

Also enclosed is a "preliminary description" of drilling barge "Nola II" to send along with the rest of the material.

TJD/vf
Enc.

G.H.W. Bush, Wayne H. Dean

T. J. Devine

July 31, 1959

Mohole Project - Correspondence Procedure

At our meeting in Dallas on July 29th we agreed to the following initial correspondence procedure:

General Dynamics:

Mr. J. V. Harrington, Chief Projects Engineer
Research and Development Department
Electric Boat Division, General Dynamics Corp.
Groton, Connecticut

Mr. C. Rhoades McBride, Senior Vice-President--Operations
General Dynamics Corp.
445 Park Avenue
New York, N.Y.

Dresser Industries:

Mr. H. A. Herzig, Operating Vice-President
Dresser Industries, Inc.
Republic National Bank Bldg.
Dallas, Texas

Zapata Off-Shore Company

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

Information copies of any correspondence we send to any of the above addressees should be sent to each of the others. Within General Dynamics, copies of anything sent to Mr. Harrington should be sent to Mr. McBride also.

General Dynamics and Dresser have agreed to do likewise. Thus, each of us will be kept informed of the activities of our partners on the project.

TJD/vf

July 31, 1959

Mr. Herschel F. Ezell
500 W. Illinois
Midland, Texas

Dear Mr. Ezell:

Mr. Bush has just traded his 1957 Plymouth Station Wagon for the following:

1959 Rambler V-8 Super Fordor Station Wagon
Serial No. A-28497
Price \$3887.00

Please make this substitution on his present policy.

Also would you please advise when we may expect to receive a refund check on the Comprehensive Drilling Policy on the house which Mr. Bush recently sold.

Very truly yours,

Vivian Flynn
Secretary to G.H.W. Bush

/vff

July 30, 1959

Mr. J. V. Harrington, Chief Projects Engineer
Research and Development Department
Electric Boat Division,
General Dynamics Corporation
Groton, Connecticut

Dear Vince:

Here is the first installment of information we shall send you on equipment and supplies we now use offshore. It is the book of specifications on tubular goods which we promised you in Dallas yesterday.

This book happens to be from Jones & Laughlin. However, virtually all tubular goods are manufactured to standards set by the American Petroleum Institute. Consequently, there is little variation in commonly used items produced by the various manufacturers.

We may be consulting different mills, according to their individual capabilities, if we encounter special requirements as to metallurgy, design, etc. down the line.

We shall send you shortly drawings and specifications on one of our new floating rigs for your use in studying deep ocean positioning and stability problems.

It was a pleasure meeting you in Dallas. We look forward to working with you on the Mohole Project.

Very truly yours,

George H. W. Bush
President

GHWB/vf
Enc.

cc: H. A. Herzog
C. R. McBride

July 30, 1959

Pan American Petroleum Corporation
P. O. Box 266
New Orleans 9, Louisiana

Attention Mr. W. A. Blankenship, Jr.

Texaco, Inc.
P. O. Box 252
New Orleans, Louisiana

Attention Mr. George A. Gammill

Gentlemen:

We are returning herewith two signed copies
of the Letter Agreement granting us an extension of
time to commence our well on Block 104, Vermilion
Area.

Thank you for your cooperation in this matter.

Very truly yours,

ZAPATA OFF-SHORE COMPANY

George H. W. Bush
President

GHWB/vf
Enc.

July 30, 1959

Mr. M. E. Gormly, Jr.
Johnson & Higgins
63 Wall Street
New York 5, N.Y.

Dear Mr. Gormly:

The Texas National Bank no longer has any interest in the Nola I, having released their mortgage. Therefore, it is no longer necessary to have them named as loss Payee.

Please go ahead and have Zapata International Corp. named as co-loss Payee, as outlined in your letter of July 28th to Rudolph.

Very truly yours,

George H. W. Bush
President

GHWB/vf

July 30, 1959

Dear Cookie:

Thanks very much for the use of this informative book.

Why don't you and Lib get cranked up and come down here and we will head on down to Mexico to talk to Dr. Araul Martinez Ostos.

Sure was fun catching a glimpse of you, and I hope it won't be so long before we get together.

Best regards,

George H. W. Bush

GHWB/vf

Mr. George Cook, III
Fiberglas
717 Fifth Avenue
New York 22, N.Y.

July 30, 1959

Mr. Charles F. Spalding
Saint Phalle-Spalding & Co.
230 Park Avenue
Rm. 817
New York, N.Y.

Dear Chuck:

We have now received a quotation on the expense of
"Cost of Control" insurance. The rates breakdown
as follows:

\$1,000,000	60¢ per ft.
\$2,000,000	75¢ per ft.
\$4,000,000	92-1/2¢ per ft.

These rates are for drilling wells. We deem \$1,000,000
to be sufficient, however, it might be that the
syndicate, at their cost cost and expense, would like
to carry the additional \$3,000,000 at 32-1/2¢ per ft.
This would roughly be \$3200 on a 10,000 ft. well.

Don't bother to answer this letter but I thought you
would like to have the dope on this in your file.

Best regards,

George H. W. Bush

GHWB/vf

July 30, 1959

Mr. Henry W. Hoagland
American Research and Development Corp.
The John Hancock Building
Boston 16, Massachusetts

Dear Harry:

Thank you for your letter of July 28th.

I am pleased to hear that your company will be
in Zapata Off-Shore Company and don't hesitate
to call on me for information from time to time.

Best regards,

George H. W. Bush
President

GHWB/vf

July 28, 1959

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

Dear Mr. Dewar:

Enclosed is a copy of a letter from Baker, Botts and order from the F.P.C. Mr. Bush thought that perhaps these would be of interest to you.

Mr. Ballew is very pleased that the Commission is setting this up for a "quickie disposition". He is hoping that nobody will intervene.

Very truly yours,

Vivian Flynn
Secretary to G.H.W. Bush

/vf
Enc.

July 28, 1959

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

Dear Mr. Walker:

Enclosed is an Operating Agreement, dated July 1, 1959,
covering Block 104.

Please execute this instrument in the proper space
and return to this office as soon as possible.

Very truly yours,

Vivian Flynn (Miss)
Secretary to Mr. G. H. W. Bush

/vF
Enc.

July 27, 1959

Dear Mrs. Harwood

Thank you for inviting us to the
Thursday buffet for Bucky and
Patty.

Barbara will not be coming, since
we are expecting a baby and I am
afraid I will not get there until
Friday. However, if I should come
earlier I would certainly like to
come to your party.

Sincerely,

Mrs. R. K. Harwood
Grove Lane
Greenwich, Conn.

July 27, 1959

Mr. E. W. Henderson
Oil and Gas Supervisor
U. S. Geological Survey
204 Maritime Building
New Orleans 12, Louisiana

Dear Mr. Henderson:

We have heard varying reports about the legality of exploratory test drilling on unleased Federal acreage. I am wondering if there are any set rules on this, and if so, if you would be kind enough to send me a copy so that we can look them over or drop me a line giving me your views on this subject.

Since we have converted the Nola into an over-the-side drilling vessel several companies have asked us about doing drilling for them, some of it on unleased acreage. They had planned to look into this same question that I am raising. I would appreciate any information that you can give me on this.

I hope to be in New Orleans before too long and would like to come by and see you.

Very truly yours,

George H. W. Bush
President

GHWB/vf

July 27, 1959

Mr. Robert R. Lockwood, Jr.
Oil Capital Bldg.
Tulsa, Oklahoma

Dear Bobby:

I had a very nice visit with Peter Whiteford. His version of the Gas Bill episode was about third hand and was completely screwed up. I found him to be open minded and apparently he was merely passing along something somebody else had told him. I think the whole matter is completely straightened out and as far as I'm concerned the visit was completely friendly and construction.

Thank you for calling this to my attention. It is entirely possible that as a result of this meeting we will be able to get some business from Peter's company, since they serve as brokers in areas where we do business offshore.

Best regards,

George H. W. Bush

GHWB/vf

July 27, 1959

Mr. G. H. Walker, Jr.
C. H. Walker & Co.
45 Wall Street
New York, N.Y.

Dear Herbie:

I wonder if you could get Paul Woodruff to send me the latest annual report and any other information available on the Williams-McWilliams Industries, Inc. It is conceivable that this well might be of interest. Wayne could not recall the name of the person whom you know in the picture.

Regards,

George H. W. Bush

CHWB/vf

July 27, 1959

Mr. Joe Carroll
Field Enterprises, Inc.
401 North Wabash Avenue
Chicago 11, Illinois

Dear Mr. Carroll:

Thank you for returning the signed Letter Agreement dated July 1st. We did not receive a signed copy of the A.F.E., the form setting out the estimated expenses on the well. If you have that there, we would appreciate you signing one copy and sending it to us.

I certainly do remember our pleasant meeting of several years ago.

I am hoping that the Block 104 well will prove to be successful. It is, of course, a wildcat but we think it has exceptional merit.

I am attaching a brochure on our drilling rig Vinegarroon with which we plan to drill the Block 104 well. The Vinegarroon is currently drilling below 10,000 ft for the California Company, a subsidiary of Standard of California. When it has finished this well in about ten days we will move over to Block 104.

I hope that our paths will cross before too long. If you or Mr. Field ever get down this way, please let us know so that we can get together.

Very truly yours,

George H. W. Bush
President

GHWB/vf

Enc.

cc: Charles F. Spalding

Withdrawal/Redaction Sheet

(George Bush Library)

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION	CLASS.
06. Letter	From Wayne Dean to Howard Duke RE: Employment information (4 pp.)	7/27/59	C	
COLLECTION George Bush Personal Papers Zapata Oil File Business Correspondence Files				
FILE LOCATION Reading File - 1959 (July 1 to September 30) OA/ID Number Date Closed 12/7/99				

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]

July 27, 1959

Brown & Root , Inc.
4100 Clinton Drive.
Houston, Texas

Attention Mr. H. A. Lindsay

Gentlemen:

We certainly appreciate your coming down to the office today to discuss the accident at our Well #1, Block 86, Vermilion Area.

We appreciate your co-operation in this matter, and also that we shall be hearing from you or your insurance people as to a course of action to be followed. Under the circumstances we are obliged to look to you or your insurance carriers to make good all damages we may sustain as a result of this action.

Very truly yours,

ZAPATA OFF-SHORE COMPANY

George H. W. Bush
President

GHWB/vf

July 27, 1959

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

Dear Mr. Liedtke:

Please sign the enclosed Waiver of Notice and return to me at your convenience.

Mr. Bush is out of town so it will be a few days before the minutes of the last meeting are recorded. I will forward you a copy of these minutes as soon as they are available.

Very truly yours,

Vivian Flynn (Miss)

/vf
Enc.

July 24, 1959

Dear Richard:

Nolan Stewart with our company will be in London next week and I have asked him to come by and call on you. In the event you will not be in your office, I have suggested that he talk to either Jerry Jamieson or Hugo Money-Coutts. Nolan is going to London to negotiate a contract with Kern Oilfields Limited. He is up-to-date on Zapata Off-Shore Company happenings and I thought you might enjoy visiting with him if you had a moment.

I wish I were coming with him because I still remember with pleasure my hectic but interesting visit to London several years ago.

Our business has picked up some and we now have in hand three one-year foreign contracts. If Nolan is successful in London, we will have four.

Best regards to you and all your associates.

Very truly yours,

George H. W. Bush

GHWB/vf

Mr. Richard Fleming
Robert Fleming & Co., Limited
8 Crosby Square
London, E. C. 3

July 24, 1959

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

Dear Walter:

I thought you might be interested in the attached letter received today from Baker, Botts and the attached order from the F.P.C.

Bill Ballew is very pleased that the Commission is setting this up for a "quickie disposition". He is hoping that nobody will intervene.

I talked to Transco today and Harold Vaughn told me that he hopes to be actually laying pipe on the 15th of August.

Under separate cover I am sending a copy of this correspondence to Hadley in New York.

Very truly yours,

George H. W. Bush
President

GHWB/vf
Enc.

cc: Hadley Case w/ enc.

bcc: R. C. Mosby

July 24, 1959

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

Dear Hugh:

I am returning the three waivers. I am also attaching a letter of resignation as a director of Zapata Canadian Petroleum Corporation, since I think the business of the subsidiaries could best be handled by having all Midland directors.

Regarding the minutes, I think they should be corrected to show that I am not a vice-president of the company.

The directors meeting of Zapata Off-Shore Company has been scheduled for 4:00 p.m. on Monday. As I mentioned to you before, it will primarily have to do with formal adoption of resolutions, etc. in connection with the financing.

Best regards,

George H. W. Bush

GHWB/vf
Enc.

July 23, 1959

Dear Lud:

I am delighted to hear that you are coming to Houston. It would be neat if you could have some time to go out in the Gulf and look over one of our rigs.

Incidentally, please tell your secretary that our address after August 1st will be

5525 Briar Drive
Houston 27, Texas

Until then it will be

5615 Piping Rock
Houston 27, Texas

Still no action on the baby front but can't be much more than 30 days away.

Best regards,

George H. W. Bush

GHWB/vf

Honorable T. L. Ashley
House of Representatives
Washington, D. C.

July 23, 1959

Mr. James A. Elkins, Jr.
First City National Bank Bldg.
Houston, Texas

Dear Jim:

I understand that when I was out of town our
lawyers asked you to vouch for my character in
a letter to several securities commissions.

Thanks for stretching a point and doing it so
promptly and so well.

Best regards,

George H. W. Bush

GHWB/vf

July 23, 1959

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

Dear Mr. Dewar:

Enclosed is an Operating Agreement, dated July 1, 1959,
covering Block 104.

Please have this instrument executed in the proper
space and return to this office as soon as possible.

Very truly yours,

Vivian Flynn (Miss)
Secretary to Mr. G. H. W. Bush

/vf
Enc.

July 23, 1959

Mr. Harold E. McGowen, Jr.
P. O. Box 14484
Houston 21, Texas

Dear Mr:

I am delighted that you are putting me on the board of Camco, Incorporated. I want to know a lot more about our company, and I am looking forward very much to working with you.

I hope you have a pleasant trip to Ireland.

Best regards,

George H. W. Bush

GHWB/vf

July 23, 1959

Mr. Robert L. Pendleton
Commercial Bank & Trust Company
Midland, Texas

Dear Mr. Pendleton:

I had many regrets about leaving Midland. Foremost among these was my having to resign from the Board of the Commercial Bank & Trust Co.

I would like to take this opportunity to tell you that our company plans to continue banking with your bank to every degree possible. I should also like to point out to you that I have a personal note there at the bank, and I want you to feel absolutely free to ask me to place it elsewhere should this tight money situation force you to make available these funds to other customers of the bank.

I still feel that my family is a part of Midland, and therefore, I want to extend you a long-distance welcome to that wonderful city. I hope that we meet before too long.

Respectfully,

George H. W. Bush

GHWB/vf

July 23, 1959

Mr. Charles L. Krueger
Krueger & Krueger
Littlefield Building
Austin, Texas

Dear Mr. Krueger

I am happy to furnish you with the names and addresses of contractors who lay lines in the Gulf to transport gas to shore. The leading contractors in this regard are:

Brown & Root, Inc.
4100 Clinton Drive
Houston, Texas

Commonwealth Oil Company
510 Texas National Bank Bldg.
Houston, Texas

J. Ray McDermott & Co., Inc.
Houston Club Bldg.
Houston, Texas

I do not know anything about Timco Company but I will check on it and try to get some information for you.

Thank you for your interest, and please let me know if I can be of any further help to you.

Very truly yours,

George H. W. Bush

GHWB/vf

July 23, 1959

Mr. C. Rhoades McBride
General Dynamics Corp.
445 Park Avenue
New York, N.Y.

Dear Mr. McBride:

I wish to confirm that I will be at the meeting in Dallas on Wednesday, July 29th at 10 a.m. in the Dresser Office.

I talked to Wayne Dean and Nolan Stewart today. They had a very enlightening visit at Electric Boat yesterday and are confident that the submarine completion idea merits immediate action. I will have more information on this Wednesday.

I have invited one of our directors, Tom Devine, to come to the Dallas meeting. He has been in touch with Bascom and others on the Moho project a great deal.

My preliminary response to using a novel submarine drilling method in order to obtain interest in production has been fairly discouraging. I will report to you on this Wednesday, also.

Best regards,

George H. W. Bush

GHWB/vf

P.S. Please ask your secretary to make a note of the following address, which should be used in corresponding with us:

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

Some of the correspondence has gone to Zapata Petroleum Corp. or to Midland.

July 21, 1959

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

Dear Stewart:

The farmout deal I mentioned to you is located as follows:

Block 1, (State Lease 1170), East
Cameron Area.

The lease is owned by Phillips. Kerr-McGee
may have part interest.

The field in the area is Hog Bayou.

Block 1 is north of some deep wells drilled
by McDermott in Block 33.

Geologically, for the deep play, Block 1, is on the north
flank of a high centering in Block 2. Callery's dope
shows Block 1 to be in a separate fault segment.

There is a well drilling near the south line of Block 1.
Callery has no late dope on this well so any inquiry to
Phillips should be very general, since this well might
affect our interest.

Callery was trying to get the deep rights on Block 1 on
a 25% net profits deal.

My suggestion would be to make a general inquiry of Phillips.
If they are at all receptive we can get a lot more detailed
deop for you. I'm advised this will be a hard trade to get,
but we might as well try.

Best regards,

George H. W. Bush

GHWB/vf

ZAPATA OFF-SHORE COMPANY

NIGHT LETTER

**DR. HERMAN E. SHEETS
GENERAL DYNAMICS CORPORATION
ELECTRIC BOAT DIVISION
GROTON, CONNECTICUT**

**WAYNE DEAN OUR EXECUTIVE VICE-PRESIDENT AND NOLAN
STEWART WILL ARRIVE NEW LONDON WEDNESDAY MORNING
JULY 22 AROUND 10 A.M. PLEASE TELETYPE OR WIRE
IF THIS NOT CONVENIENT FOR YOU AND YOUR ASSOCIATES.**

**GEORGE H. W. BUSH
ZAPATA OFF-SHORE COMPANY**

July 20, 1959

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

Dear Baine:

I have returned two signed copies to Midland
and retained two for our files.

Is your office taking care of seeing that Pete
gets copies of the S.E.C. stuff referred to in
this letter agreement.

Very truly yours,

George H. W. Bush

GHWB/vf
Enc.

July 20, 1959

Mr. Edward Kliewer, Jr.
Kliewer and Roach
2210 Mercantile Bank Bldg.
Dallas 1, Texas

Dear Ed:

Thank you for your letter of July 17th.

It was a pleasure meeting you in Dallas, and I certainly appreciate all the midnight oil burning you did to help us emerge with a contract in record time.

I hope our paths cross soon again.

Very truly yours,

George H. W. Bush

GHWB/vf

July 20, 1959

Mr. Henry W. Hoagland
American Research & Development Co.
John Hancock Life Bldg.
Boston 60, Mass.

Dear Harry:

Just a note to tell you that I was very pleased and honored to be tapped for the Camco board. I'll try to do a constructive job. I enjoyed meeting McGowan at lunch a few weeks ago, and I have particularly enjoyed getting to know Grover Ellis. It will be fun working with both of them at Camco.

Our business has shown some real life lately, and it makes it very exciting after some months of famine offshore. I brought Grover up to date Friday on some items of particular importance to Zapata.

Best regards and, once again, I'm very pleased about Camco.

George H. W. Bush

GHWB/vf

bcc: G. H. Walker, Jr.

July 20, 1959

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

Dear Jim:

Pardon my delay in answering your letter of July 10th. I was naturally delighted to get the deposit. I am leaving my note as is for the time being but after we get our house deal closed I plan to reduce it somewhat. If there are any interest payments due now please let me know and I will forward you a check.

I hate to think that our nifty association of the last two years has all but drawn to a close but I really do feel that we will meet somewhere again and we can renew not only a pleasant business association but a very delightful friendship which means far more to me.

Very truly yours,

George H. W. Bush

GHWB/vf

July 20, 1959

Mr. William Bellis
144 Centre Avenue
New Rochelle, N.Y.

Dear Mr. Bellis:

Thank you for your letter of July 8, 1959, which was referred to me.

I regret to say that we do not have any immediate prospects of declaring dividends. We are trying to build up our working capital position and trying to take care of our expansion needs without incurring too much more debt. If the current activity continues for a long period of time we are hoping that we will be able to go on a dividend bases but I would be less than frank if I did not say that there are no plans now for paying dividends.

If you have any additional questions about our company, please write to me directly at the above address.

Very truly yours,

George H. W. Bush
President

GHWB/vf

July 20, 1959

Mr. John T. Oxley, President
Texas Natural Gasoline Corporation
800 Enterprise Building
Tulsa 3, Oklahoma

Dear John:

Hugh Liedtke asked me to forward you a copy of our farmout letter from CATC dealing with the one-half reversionary interest. I am happy to do this. The main purpose in setting the deal up this way is that the company drilling the farmout can get the entire charge-off.

I would appreciate your returning this instrument to me at your convenience.

Very truly yours,

George H. W. Bush, President

GHWB/vf
Enc.

July 20, 1959

Mr. Jay N. Whipple
Bacon Whipple & Co.
135 S. LaSalle
Chicago, Illinois

Dear Jay:

A belated note to thank you for a most hospitable time in Chicago. We enjoyed the luncheon thoroughly and appreciated all the courtesies showed us in your office.

Herby feels the deal is shaping up well. He is particularly pleased to have your firm in. We will be working hard to justify your confidence.

Within the last week we got two firm contracts one for Paria Operations in Venezuela (to which we mysteriously referred in our meeting), the other for Pauley in Mexico. These contracts should keep three rigs busy for at least one year.

Best regards and thanks again for your hospitality. I'm sorry to be so late in telling you how much I enjoyed it. Please give my best to yachtsman Burt and Bacon, the greens bodyguards.

Sincerely,

George H. W. Bush

GHWB/vf

July 20, 1959

Mr. C. P. McKinney
G. H. Walker & Co.
503 Locust
St. Louis, Mo.

Dear Cliff:

I am sorry to be so long in writing this note to thank you and your associates for the luncheon and other courtesies shown us on our recent St. Louis tour. Wayne Dean was most impressed by your set-up there and really enjoyed meeting you, Mr. Bixby, and the others.

Herby feels the deal is shaping up well. I guess he told you we now have firmed up the Venezuelan and Mexican contracts with three rigs involved in the two deals. We are thrilled over the general activity and hope we can profit on it.

Thanks again for the hospitality. Best regards to Mr. Bixby, Jake Shepley, and all the others,

George H. W. Bush

GHWB/vf

July 20, 1959

Magnolia Petroleum Company
P. O. Box 900
Dallas 21, Texas

Attention Mr. William H. Tabb

Gentlemen:

We are returning two signed copies of our Ship, Drilling Rig, and Equipment Sale and Option Agreement. When these are signed by all parties will you return one of these to us for our files?

In accordance with the terms of the agreement, we are attaching our check for \$60,000. Said check to be the down payment on the two barges which are the subject of the agreement.

If there will be a delay in sending us a signed copy of the agreement, I would appreciate you forwarding me immediately four extra copies unsigned so that we can pass them out to our various departments here in the office.

I am also attaching a letter exercising our option to purchase the third barge.

Very truly yours,

ZAPATA OFF-SHORE COMPANY

George H. W. Bush
President

CHWB/vf
Enc.

cc: Stuart Mossom

July 20, 1959

Magnolia Petroleum Company
P. O. Box 900
Dallas 21, Texas

Attention Mr. William H. Tabb

Gentlemen:

With reference to our Ship, Drilling Rig, and Equipment Sale and Option Agreement dated July 20, 1959, we invite your attention to Page 6, VII. We hereby notify you that we are exercising our option to purchase YF 1068 in accordance with the option provisions.

Shortly we will be in touch with you to see if the items referred to in VII (b) are available for purchase.

Our down payment of \$30,000 has been forwarded to you along with the down payment on YF 1076.

Respectfully yours,

ZAPATA OFF-SHORE COMPANY

George H. W. Bush

GHNB/vf

cc: Stuart Mosson

July 17, 1959

Morgan Guaranty Trust Co.
140 Broadway
New York, N.Y.

Attention Mr. Sidney Lanier

Gentlemen:

I understand that Lewis Preston is away on vacation. Therefore, I would like to ask you to take care of a matter for me. Provided you are willing, we should like for Morgan Guaranty Trust Company to be co-transfer agent for Zapata Off-Shore Company along with the First City National Bank of Houston, who have been our sole transfer agent in the past.

As you know, there will be a secondary financing of our stock and therefore, I would like to get this arrangement set up promptly. Would you please send me the necessary forms and instructions so that this can be accomplished within the next week or so.

Very truly yours,

George H. W. Bush

GHWB/vf

cc: Lewis T. Preston

Dear Lew:

I tried to call you in New York Thursday, sorry I missed you.

G.H.W.B.

bcc: G. H. Walker, Jr.

July 17, 1959

Mr. John T. Reynolds
General American Oil Co.
Meadows Bldg.
Dallas 6, Texas

Dear Mr. Reynolds:

Through some mutual friends at Oil Well Supply Co. we heard that you were planning some wells for this year in the South Pass Area--offshore. I called Mr. O'Neil at your office and he suggested I contact you.

Zapata Off-Shore Co. operates three deep-water drilling units in the Gulf of Mexico, two large LeTourneau platforms (Scorpion and Vinegarroon) and a floating drilling vessel, Nola I. We have drilled for most of the region offshore operators in the Gulf. I am attaching some general data which will describe our equipment.

We certainly would like to do your drilling in the Gulf and hope that you will consider us when the wells come up. Please call me if you need any additional information.

Very truly yours,

ZAPATA OFF-SHORE COMPANY

George H. W. Bush
President

GHMB/vf
Enc.

July 17, 1959

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

Dear Hugh:

Thanks for your various letters which were on my desk when I got back to the office today. I will forward a copy of our original CATC Contract to Oxley. I am also enclosing two executed copies of the July 10th Agreement in accordance with your July 13th letter.

Monday night we made our deal with Pauley which we hope will be a year's drilling for both the Vinegarroon and one of the Marnolia barges. They have a back out provision in each contract which really makes it a well-to-well deal but if they do back out it will be tremendously expensive for them. The Paria contract has also been approved although I am not sure that it has been signed in Venezuela.

The demand seems to be continuing for drilling in the Gulf. This good news is offset by the fact that we will have a large loss in June due primarily to the Vinegarroon being down and to the Nola being on the tail-end of the unprofitable work over contract. We expect July to be a very profitable month.

We will be having a Directors Meeting next week. The principle purpose of which will be to ratify the existing contracts and to approve the financial arrangements which I am still working on with Oil Well and the Texas National Bank. Generally speaking these arrangements are as follows:

1. Texas National Bank will up the existing loan from \$640,000 to \$1,500,000, if necessary.

Page Two
Mr. J. Hugh Liedtke
July 17, 1959

2. Oil Well will put up the \$600,000 necessary to convert the two tenders.

3. Magnolia will carry all but a \$30,000 down payment on the purchase of each tender.

I hope you will be able to attend the meeting, however, if you cannot come do not worry about it since most of the proceedings will be routine. Tentatively I am scheduling the meeting for Thursday, July 23rd.

How did we come out on the Wildcat with Ashman and Hilliard?
Also, is there anything new on the gains deal for Canada?

Best regards,

George H. W. Bush

GHB/vf
Enc.

July 17, 1959

Mr. C. Rhoades McBride
General Dynamics Corp.
445 Park Avenue
New York 22, N.Y.

Dear Mr. McBride:

Thank you for your telegram. I will be available for a meeting July 27th in Dallas. Would you please let me know when the plans firm up on this proposed meeting.

Yesterday I talked with Bascom. He has very strong opinions and he told me he had talked with Vince Harrington and he was not sure Electric Boat knew anything about waves. As I mentioned in the meeting, Mr. Bascom has many preconceived ideas and I think one of the first things to do is to find someone else of influence to whom we can talk there in Washington. Bascom is steering the project at this time but I think it is important that we try to make contact with those who will be over him.

He said no money had been appropriated. He said that the CUSS Group (Global Marine Exploration) had gotten money from the O.N.R. and from the Operations Research Office of the Army to do a feasibility study.

On Monday I shall know when Wayne Dean and Nolan Stewart can be at Electric Boat to discuss submarine completions with your people there.

I certainly enjoyed the meeting in New York.

Very truly yours,

George H. W. Bush

GHWB/vf

July 9, 1959

Mr. David R. Worley
Radio Station KAMQ
Amarillo, Texas

Dear Dave:

I am enclosing a copy of our stock option plan which might be of interest to you. This plan is deductible for the company. You might like to look it over and if you want some more dope on the tax advantages let me know.

Incidentally, Dave, my brother John has been in the theater for the last four years. He is talented both from an acting and writing standpoint but he now wants to get married and he is not making any money in acting. If you have any ideas where he might fit in in the entertainment business in Dallas or New York let me know. I think he would be real good. He is bright and makes friends easily and has a lot on the ball. He used to work for Zapata in Midland and did a good job there. Don't knock yourself out on this but if you have any ideas send them on to me, since he is trying to decide what to do now.

Best regards,

George H. W. Bush

GHWB/vf
Enc.

July 10, 1959

Mr. J. Elwood Armstrong
17402 Monica
Detroit 21, Michigan

Dear Mr. Armstrong:

How very thoughtful of you to write to me regarding our company's letter to our stockholders.

We feel that our business is improving. There are certain developments happening now which could give Zapata two foreign contracts of real importance. In addition all three rigs are still working domestically and we plan to start another exploratory well in which we will have an interest in the near future.

Thank you so much for your interest in the company and please let me know if I can answer any specific questions.

Very truly yours,

George H. W. Bush

GHWB/vf

July 10, 1959

Mr. John P. Laborde
Tidewater Marine Service Inc.
200 Tulane Building
New Orleans 19, Louisiana

Dear John:

Thank you for your letter of July 6th, which was on my desk when I returned Wednesday from a trip to St. Louis and New York. We are going to have a rig in Venezuela but unfortunately we will not be doing anything about the marine equipment. Paria Operations, Inc. is furnishing all boats.

I thought your brochure is terrific and thanks very much for sending it along to me. Perhaps we will be able to get together on a deal somewhere down the line.

Very truly yours,

George H. W. Bush

GHNB/vf

July 10, 1959

Dear John:

It now appears that I will be in New York Wednesday for a meeting. How about a little dinner Wednesday night either in town or at Greenwich. I will be at the Yale Club Wednesday morning early and perhaps Tuesday night. I will give you a ring or you can always reach me through Herbie's office.

Best regards,

GHWB/vf

Mr. John J. Bush
Grove Lane
Greenwich, Conn.

July 10, 1959

Dear Pres:

Thank you for your informative letter about the possible change in the Hull Rates. Naturally, we are upset at the prospect of paying more money and we know you will work diligently to get us the best possible deal.

I will be in New York Wednesday and look forward to seeing you then.

Best regards,

GHNB/vf

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

July 10, 1959

Mr. George R. Conant
9630 Ladue Road
St. Louis, Mo.

Dear George:

I am sorry to have missed you on your recent Houston trip. By pure coincidence I happened to be in St. Louis reading about the Conant family's golf progress and attending a wedding reception at the St. Louis Country Club remenicent in every detail of the Memorial Day golf week-end.

Please be sure to give us a ring when you are near here. We will have a spare sack starting the first of August.

Best regards,

George H. W. Bush

GHNB/vf

July 10, 1959

Dear Sandy:

It certainly was good hearing from you. I have been wondering how things were going there in Midland.

Things have been picking up here a little on the Gulf Coast. Our Paria deal was approved yesterday, at least the Venezuelan Government has now given their ok. We hope to have the rig under tow in 30 days for a one year contract. In addition we have deals working for lots of work in both Mexico and Trinidad, for the first time in a long time I feel confident that they will go through. Also, for some strange reason our drilling here in the Gulf has picked up and all our rigs have been busy. We should be selling gas from our two wells on Block 86 in September.

We plan to acquire a couple of more Nola type rigs. The Nola has done a good job and we can make as much money with it as we can with the mobile barges. We think these rigs are particularly well adapted to foreign areas.

Nolen and Dean have been spending a good deal of time in Mexico recently. We have reopened negotiations with Pauley and it is possible we will have two rigs working for him within six months. We are going ahead to form a Mexican company provided one of these contracts comes through. I am even thinking about twisting off a good bit of the equity in the Mexicans provided there is such a thing as a Mexican investment broker. If not, perhaps we could suit up Tom Laros and send him down there. Seriously, we are considering a company in which the Mexicans would participate more actively. Pemex is going to do a good deal of offshore drilling on their own account and we have been in touch with Dr. Roldan on this. In fact, I had a very nice cable from him today and I am planning to go to Mexico soon. I wish you were going to be along to help me understand whats happening. Wayne Dean went down there with Pat Murphy the other day but unfortunately he and Pat got separated just when Wayne went into Pemex's office. Dean summed the situation up most adequately by telling me later "Christ, I have enough trouble speaking English not to mention Mexican." He was very funny about it, but Roldan although he could not see him that day did give him a very nice reception.

Page Two

I was pleased to get your comments about Texas Crude and was glad that you are liking Midland more and more.

Did you know that John Bush was thinking about leaving the theater? I am going to New York Wednesday and will have a good long visit with him.

Our house is coming along to slowly to suit us but we hope to be in by August 15th. This is as good a day as any except for the fact that Bucky gets married that day and our baby is supposed to appear then too.

Give my best to Balene and dig up a good excuse to come down here so we can have a good talk.

Best regards,

CHWB/vf

Mr. Sanford E. McCormick
112 Ridglea Drive
Midland, Texas

July 10, 1959

Ing. P. Gutierrez Roldan
General Managing Director
Petroleos Mexicanos
Humboldt 35
Mexico, D. F.

Dear Ing. Gutierrez Roldan:

It was very considerate of you to answer my cable regarding Wayne Dean. Mr. Dean went to your office and was received very courteously but was unfortunately unable to stay over until Saturday. Thank you very much for agreeing to see him at all. In cabling you I realized it was unlikely you could work Mr. Dean in on such short notice but rest assured we both appreciate the consideration shown him. Both he and I plan to be in Mexico City within the next month and we would like very much to arrange an appointment with you.

By way of a preliminary introduction, I am a personal friend of Mr. N. H. Mallon of Dresser Industries and my father is Senator Prescott Bush, Senior Senator in the United States Senate from the State of Connecticut; perhaps you have run into him.

Our company is presently talking to the Pauley interest in Mexico about doing some offshore drilling for them, however, we would be extremely interested in talking to your company in the event you are considering offshore drilling of your own.

I am taking the liberty of enclosing a little information on our company.

Very truly yours,

ZAPATA OFF-SHORE COMPANY

George H. W. Bush
President

Withdrawal/Redaction Sheet

(George Bush Library)

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION	CLASS.
07. Letter	Redaction of personal information (1 pp.)	7/9/59	C	
COLLECTION George Bush Personal Papers Zapata Oil File Business Correspondence Files				
FILE LOCATION Reading File - 1959 (July 1 to September 30) OA/ID Number Date Closed 12/7/99				

RESTRICTION CODES

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

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

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

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

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

ZAPATA OFF-SHORE COMPANY

BOX 3195

MIDLAND, TEXAS

GEORGE H. W. BUSH, PRESIDENT

July 9, 1959

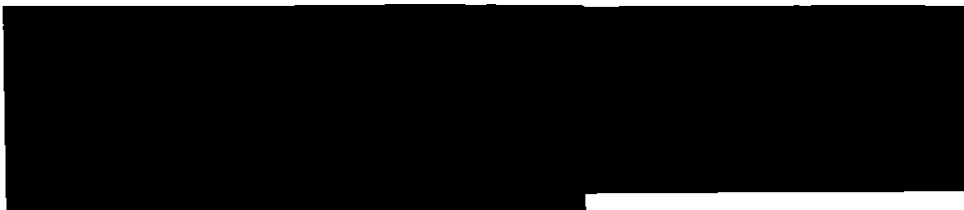
C
O
P
Y

Dear John:

I was delighted to get your letter. I think I will be in New York toward the middle or end of next week, around the 16th of July. If so, I will let you know in advance and we can get together and have a good talk.

In the meantime I shall talk to some people here about radio or TV. Please do not forget my friend Flink has just written a book and though somewhat of a blower may have some constructive ideas. Milton Underwood, one of our directors, owns a radio station here in Houston and then I own a part interest in two stations one in Lubbock and one in Amarillo, along with a fireball named Dave Worley. I shall write to Worley. In addition I talked to Chuck Spalding today and he is about to purchase a TV station and wants to talk to you about that.

I think the thing we definitely should do is have a long talk. Nothing would give me more pleasure than to treat you to a fast trip to Houston any time you want to come down here. The tourist rates on the airlines now are down enough that it will not have to be a Greyhound trip. Let me know if you want to do this.



Whitey and Jebbie will be in Greenwich with Mother on the first of August. Georgie is bringing them up before leaving for Scotland.

See you soon I hope.

Best regards,

Mr. John J. Bush
Grove Lane
Greenwich, Conn.

July 9, 1959

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

Dear Hugh:

The tour is over, the actors have all retired from the stage and are back in business. We had meetings in New York, Chicago and St. Louis and Herbie feels that the deal was fairly well received.

Wayne and I got back last night. When I last talked to Herbie he was hoping to be able to file on Monday.

Still have not heard from Venezuelan Government although we keep getting reassuring letters from Paria Operations.

This is about all for now.

Best regards,

George H. W. Bush

GHWB/vf

July 9, 1959

Dear Mom:

Georgie, Jebbie, and Neil are scheduled to leave Houston on Friday, July 31st at 8:50 in the morning on Delta Airlines Flight 570. They arrive Idlewild at 3:40 p.m. I will give Georgie a letter of instructions prior to his departure home phone number, Herbie's office number, etc. in case there is any foul-up in meeting him. What a real treat it will be for them but I hope it will not be too much of a strain on you.

I had a letter from John Bush today and I will write him soon. I hope I can be of help in getting him squared away.

Our trip through New York, Chicago and St. Louis was primarily to help Herbie in the sale of the 229,000 shares of Zapata Off-Shore Co. stock. Herbie feels that the deal is being received favorably. The sale of this will be a good thing for both companies and I am anxious to have it over with. We hope to file with the S.E.C. Monday and it will be three weeks from then before the stock can be sold.

I may have to be in New York Tuesday or Wednesday and if so I will play hockey from business and come down to Washington for dinner.

Much love to you both,

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

July 9, 1959

Mr. Thomas J. Devine
Midland National Bank Bldg.
Midland, Texas

Dear Tom:

It is most important that you sign these and send them back immediately.. We have to have them in by Saturday so that we can have all the papers in Washington on Monday. I suggest, therefore, that you send them to Baine P. Kerr, 283 Maple Valley, Houston, Texas.

It is not necessary that Hugh sign these although it would be nice if he is readily available. Sorry to rush you on this but it is real important that we get them back as soon as possible.

Best regards,

George H. W. Bush

GHWB/vf
Enc.

July 9, 1959

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

Dear Jim:

Thanks for your letter of July 3rd. Georgie will leave New York on KLM's flight #602 on August 7th at 6 p.m. and arrive at Prestwick Field at 11:15 a.m. on August 8th. I am sending you an extra typed page on this so that you can have it at home if you want.

Your letter was on my desk when I returned from a three day tour of New York, Chicago and St. Louis in conjunction with the sale of the remaining stock. Herbie felt that the dealers received the deal and I think the underwriting group is pretty well along.

Regarding the price on the stock, it seems unlikely that Zapata will get \$9 a share if the deal is done right away. I am afraid that you and I differ a little bit here in degree. I realize that Herbie felt we would get \$9 for the stock and stated this emphatically and clearly and there is no question on this. On the other hand, I don't think he can work miracles and I do not think in the face of declining oil stocks, including our own, that he could do any more than he has. I agree that developments in the company have been in our favor, at least our business has improved over what it was when we made the deal. Quite frankly I am not very good when it comes to discussing the market and predicting what it will do. The place where I do differ with you is I think that Herbie has tried real hard in this case, that he has done a good job, and that there are certain factors over which he has no control which prohibit making the deal at \$9. Perhaps in this regard I am being over loyal to Herbie but I do know that he bought an awful lot of stock and I am confident that if it weren't for Walker's interest Off-Shore stock would be a great deal lower than it is now in spite of business conditions.

Like you, Jim, I am not going to let this business interfere with our friendship. Far more important to me is the love and affection I feel for Sue, you and the rest of your family. The only topic of conversation in the Bush family these days is Georgie's trip to Scotland. He is the luckiest boy we know. I am still trying to figure out a way to cut him out of the trip and put me in. If there are any last minute changes in Georgie's schedule I will let you know and prior to his departure I will reconfirm these plans.

Best regards,

George H. W. Bush

July 2, 1959

Mr. R. E. Womack
Commercial Bank & Trust Co.
Midland, Texas

Dear R. E.:

The attached check should close out the George H. W. Bush and Barbara Pierce Bush Home Account. In the event that Barbara has any outstanding checks will you please just take the money out of my regular account. I know that you will be happy to see this money losing proposition removed from your books.

Also the attached check for \$83.95 should be used to close out the George H. W. Bush, Trustee Account. The proceeds of this account should be deposited in the account of G. H. Walker, Jr. in your bank. Would you please make out a deposit slip in this amount and mail to me so that I can pass it on to Mr. Walker. This will remove another dormant account from the books.

Best regards, and I certainly miss all of you out there in Midland.

Very truly yours,

George H. W. Bush

GHWB/vf
Enc.

July 2, 1959

Mr. Stewart Mosson
Magnolia Petroleum Co.
P. O. Box 900
Dallas, Texas

Dear Stewart:

In the letter to you of even date I mentioned I would be in Dallas some time next week to discuss our equipment deal with you. In the meantime I would like to set out a possible alternate plan for South Pelto which you might like to consider.

Rather than approach a farmout in this area as a shallow deal how about a proposal which would be much more expensive to us and give much more extensive exploration of the dome. Under the new idea to earn a 1/2 interest we would drill a 14,000 ft. test on the W/2 of 11. You would retain all rights to the E/2 of 11. Then we would drill a 14,000 ft. test on the W/2 of 12 to earn a 1/2 interest here excepting enough acreage around the well on 12 to give you adequate protection from drainage. A third test would be 10,500 ft. on the W/2 of 19 and the final test would be a shallow test on Block 20. Wells would be drilled with 60 days in between.

In this deal we are talking about drilling 46,000 ft. of hole to earn a 1/2 interest in the dome except we would leave out the E/2 of 11 and the acreage around your well on 12. You might be thinking about this and we can discuss it when I come to Dallas, if you have any interest. If you have any questions prior to then my office here will know where I can be reached.

Very truly yours,

George H. W. Bush

GHWB/vf

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

July 3, 1959

Dear Dad:

Gosh, Bar and I were thrilled to get that midnight phone call last night. I just wish that we had it monitored. I believe it would have been excellent material to have when your vote comes up on the depletion allowance.

It was great hearing from you and I just wish I had been up there in Maine with you and Howie.

I thought you might like to have our new addresses in the event you ever do get down this way.

Residence until August 1st.
5615 Del Monte Drive
Houston 27, Texas
Phone: MA 34336

Residence after August 1st
5525 Briar Drive
Houston 27, Texas
Phone: MO 54338

Office: See above
Phone: CA 20395

Best regards and thanks for the call. I hope I get to see you before too long.

Best regards,

George H. W. Bush

Honorable T. W. L. Ashley
House of Representatives
Washington, D. C.

July 3, 1959

Mr. R. T. DeLouche
The California Company
800 California Company Bldg.
New Orleans 12, Louisiana

Dear De:

In order to help your Financial Department
check the credit rating of the people to whom
we wish to assign, the following information
may be helpful:

G. H. Walker, Jr., Managing Partner,
G. H. Walker & Co, New York, N.Y.
Member firm New York Stock Exchange

H. C. Price, owner H. C. Price, Bartlesville
Oklahoma, pipeline construction firm

M.E.L. Corporation, Galveston, Texas, boat
company with whom Zapata has done
business since its inception.

Marshall Field, Jr., Chicago, Ill.
publishing and investments

Florence C. Spalding, Chicago, Ill.
investments

Samuel Meek, Executive Vice-President
J. Walter Thompson, Co. advertising
New York, N.Y.

Frank Farwell and John Reynolds, Chicago,
investments.

Very truly yours,

George H. W. Bush

GHWB/vf

July 3, 1959

Benjamin Franklin Savings & Loan Association
Houston Club Bldg.
Houston 2, Texas

Gentlemen:

Enclosed are New Account forms and checks to open trustee accounts for my four sons. Please open these accounts immediately. Signature cards will be mailed to you shortly.

Very truly yours,

George H. W. Bush

GHMB/vf
Enc.

July 3, 1959

Mr. C. D. Mims
Standard of Texas
First City National Bank Bldg.
Houston 2, Texas

Dear Dow:

Recently we bid on a well for Standard. I tried to call you today and since I'm leaving for New York thought I better drop you a line.

I understood from Wayne, who called in from Mexico yesterday, that Standard was still considering us for drilling your forthcoming offshore well. We have still not been released from Tennessee Gas. In fact, they told us yesterday they plan to go deeper or quit the present well and move over at the same spot to another well. This they can do under their present contract.

We do not want to cause you to miss any deadlines, so if the well must be started soon we better not be considered further. We have an early August commitment of long standing to California-Texas Co. in Vermilion Area, so unless Tennessee changes their minds we will not be available until mid-August at the earliest.

We hate to have to withdraw from consideration and would still like very much to do the job, but we can't get loose and we don't want to hold you up.

Very truly yours,

George H. W. Bush

GHWB/vf

July 3, 1959

TO: Block 86 Partners

FROM: Vivian Flynn

We are enclosing a letter of consent to Transcontinental Gas Pipe Line Corporation. This letter should be signed by all of the partners in the following order:

1. Felmont Oil Corporation
P. O. Box 1855
Midland, Texas
2. Essex Offshore, Inc.
285 Madison Avenue
New York 5, N.Y.
3. Mr. G. H. Walker, Jr.
45 Wall Street
New York 5, N.Y.
4. Mr. Harold C. Price
Attention Mr. Stewart Dewar
Box 1111
Bartlesville, Oklahoma

When Mr. Price has completed the signing of this letter, it is requested that he return it to Zapata Off-Shore Company to the attention of the writer. All parties will be furnished with a signed copy for their records by Zapata Off-Shore Company.

July 2, 1959

Yale Club
44th & Vanderbilt
New York, N.Y.

Gentlemen:

I will be in New York Sunday night and would like to reserve two single rooms, one for myself and one for Wayne H. Dean. This will be for one night, arriving late Sunday.

Very truly yours,

George H. W. Bush

GHWB/vf

July 2, 1959

Mr. Stewart Mosson
Magnolia Petroleum Co.
P. O. Box 900
Dallas, Texas

Dear Stewart:

Yesterday our Drilling Superintendent and Chief Engineer were in Morgan City. Our choices of equipment are as follows:

1. Rig 45 - Barge 6, National 125
Draw works
2. Rig 44 - Barge 5, Masco 1250
Draw works

There are a few very minor questions about the equipment but I would prefer to wait until Wayne Dean gets back from Mexico so we can discuss these with Isaac Ault, as you suggested. The lawyers are preparing the papers and I believe they will contact your Legal Department in Dallas with some questions.

I still feel we will want the two barges and it is conceivable that we will want another barge or two. I hope the door will still be open.

I am leaving town and will be gone Monday, Tuesday, and Wednesday but if the papers are in final form perhaps I can come up and see you in Dallas a week from today.

Very truly yours,

George H. W. Bush

GHWB/vf

July 2, 1959

Mr. Stewart Mosson
Magnolia Petroleum Co.
P. O. Box 900
Dallas, Texas

Dear Stewart:

In the letter to you of even date I mentioned I would be in Dallas some time next week to discuss our equipment deal with you. In the meantime I would like to set out a possible alternate plan for South Selto, which you might like to consider.

Rather than approach a farmout in this area as a shallow deal how about a proposal which would be much more expensive to us and give much more extensive exploration of the dome. Under the new idea to earn a 1/2 interest we would drill a 14,000 ft. test on the W/2 of 11. You would retain all rights to the E/2 of 11. Then we would drill a 14,000 ft. test on the W/2 of 12 to earn a 1/2 interest here excepting enough acreage around the well on 12 to give you adequate protection from drainage. A third test would be 10,500 ft. on the W/2 of 19 and the final test would be a shallow test on Block 20. Wells would be drilled with 60 days in between.

In this deal we are talking about drilling 46,000 ft. of hole to earn a 1/2 interest in the dome except we would leave out the E/2 of 11 and the acreage around your well on 12. You might be thinking about this and we can discuss it when I come to Dallas, if you have any interest. If you have any questions prior to then my office here will know where I can be reached.

Very truly yours,

George H. W. Bush

GHWB/vf

July 2, 1959

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

Dear Joe:

Would you please return to us our various
papers and shooting map on Block 104,
Vermilion Area.

I am sorry that we were not able to get
together on this deal.

We are still drilling the Tennessee well
but we plan to move immediately to 104
from there.

Very truly yours,

George H. W. Bush

GHWB/vf

cc: Don Shaw

Dear Don:

I sent the above letter to Joe Gibson today.
As soon as we have gotten the Letter Agreement
back from the Texas Company showing both our
signatures I will send you a copy for the record
as we discussed on the phone yesterday.

Sorry you did all this work to no avail.

G.H.W.B.

July 1, 1959

M.E.L. Corporation
P. O. Box 936
Galveston, Texas

Gentlemen:

Enclosed in the blue manuscript cover are the following papers relative to our Block 104 deal:

1. Drilling Contract
2. Operating Agreement
3. A.F.E.
4. Letter Agreement

We have also enclosed for your file completion photostat copy of the Texaco, Inc. - Pan American Farmout letter, the California Company Farmout letter, our letters of acceptance, and the Sub-Lease.

We are enclosing an extra A.F.E. and Letter Agreement which are to be signed and returned to this office.

Very truly yours,

George H. W. Bush

GHWB/vf
Enc.

July 1, 1959

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

Dear Herbie:

Enclosed in the blue manuscript cover are the following papers relative to our Block 104 deal:

1. Drilling Contract
2. Operating Agreement
3. A.F.E.
4. Letter Agreement

We have also enclosed for your file completion photostat copy of the Texaco, Inc. - Pan American Farmout letter, the California Company Farmout letter, our letters of acceptance, and the Sub-Lease.

We are enclosing an extra A.F.E. and Letter Agreement which are to be signed and returned to this office.

Very truly yours,

George H. W. Bush

GHWB/vf
Enc.

July 1, 1959

H. C. Price
P. O. Box 1111
Bartlesville, Oklahoma

Attention Mr. J. S. Dewar

Gentlemen:

Enclosed in the blue manuscript cover are the following papers relative to our Block 104 deal:

1. Drilling Contract
2. Operating Agreement
3. A.F.E.
4. Letter Agreement

We have also enclosed for your file completion photostat copy of the Texaco, Inc. - Pan American Farmout letter, the California Company Farmout letter, our letters of acceptance, and the Sub-Lease.

We are enclosing an extra A.F.E. and Letter Agreement which are to be signed and returned to this office.

Very truly yours,

George H. W. Bush

GHWB/vf
Enc.

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

July 1, 1959

County Clerk
Pecos County
Ft. Stockton, Texas

Gentlemen:

Please put the attached Assignment of
Production Payment of record. After
the instrument has been recorded, please
return to the above address.

Please bill me at the above address for
the recording fee.

Very truly yours,

George H. W. Bush

GHWB/vf
Enc.

July 1, 1959

Mr. Irby L. Dyer
Turpin, Kerr, Smith & Dyer
First National Bank Bldg.
Midland, Texas

Dear Irby:

Thank you for your letter of June 30th and the attached papers. I have forwarded the Production Payment to the County Clerk for recording. If you do see J. D. I would appreciate your reminding him to send me the title opinion on the oil payment.

Thanks for your help.

Very truly yours,

George H. W. Bush

GRWB/vf

July 1, 1959

Midland Savings & Loan Association
Drawer 351
Midland, Texas

Gentlemen:

Re: Account Number 2686

With reference to the above numbered account, I would like to officially notify you that I have sold my house at 2703 Sentinel to J. D. Haynes. Commencing with the June 1st. payment you should look to Mr. Haynes for payment on my note.

Please let me know if you wish the account book returned or if you need any additional information.

Very truly yours,

George H. W. Bush

GHWB/vf

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

July 1, 1959

Mr. T. S. Maffitt, Jr.
1626 South Blvd.
Houston 6, Texas

Dear Mr. Maffitt:

Please pardon my delay in answering your note of June 10th. I have been out of town some since then.

I certainly look forward to meeting you and perhaps it will be at some Yale Club gathering. If you are down town sometime give me a ring at CA-20395 and we will have a bite together.

Very truly yours,

George H. W. Bush

GHWB/vf

July 1, 1959

Mr. Charles F. Spalding
230 Park Avenue
Rm. 817
New York, N.Y.

Dear Chuck:

I am enclosing in the blue manuscript cover a set of instruments covering the Block 104 deal, for each of your group. Each set includes the following:

1. Drilling Contract
2. Operating Agreement
3. A.F.E.
4. Letter Agreement

Also enclosed is an A.F.E. and a Letter Agreement. These instruments are to be signed by your group and returned to me.

I am also sending a photostat copy of the executed Sub-Lease, which should complete your file on this deal.

Will you please begin the circulation of the original Operating Agreement, in the manuscript cover, and when this has been executed, witnessed and acknowledged by all of your group, return to me for further handling.

Very truly yours,

George H. W. Bush

/vf
Enc.

June 29, 1959

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

Dear De:

Here is the letter on the assignment of interest as set out therein. We do not intend to make these assignments now and we possibly will not get them ever, unless the well becomes productive and only then for division order purposes.

You will note that we have accepted full responsibility for all participants. Price, Walker and Zapata have all been cleared by the OCS Office and prior to assigning to any of the others we will take care of the necessary arrangements with OCS.

I am sure Charles Calliga told you we have signed and returned to him the original of the June 19th letter. Now all we need is some production.

Very truly yours,

George H. W. Bush

GHWB/vf
Enc.

DRAFT OF LETTER TO BE SENT FROM TEXACO, INC
AND PAN-AMERICAN PETROLEUM CORP. TO.
ZAPATA OFF-SHORE COMPANY

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

Gentlemen:

We have agreed that if you fulfill certain conditions we will sublease to you by agreement dated May 29, 1959 certain acreage in Block 103, Vermilion Area, Offshore Louisiana.

We hereby agree that nothing contained in the Sub-lease is intended to prohibit you from selling any wells which you may drill on the Sub-lease tract provided such sale is to an operator generally recognized as capable and prudent and provided that we have the right of refusal on any sale made by you.

Very truly yours,

TEXACO, INC.

By _____

PAN AMERICAN PETROLEUM CORP.

Bya _____ $\frac{1}{2}$

Sterling Little

George H. W. Bush

June 29, 1959

Block 104, Vermilion Area - Farmout Agreement

Dear Sterling:

I am sure that if this arrangement is acceptable to Texaco they will want to change the language. This is agreeable so long as we do get the right to sell out.

GHWB/vf
Enc.

June 29, 1959

The California Company
300 California Company Bldg.
New Orleans, Louisiana

Attention Mr. R. T. DeLouche

Gentlemen:

In accordance with II, Paragraph 4, Page 9, of our Farmout Agreement, Vermilion, Offshore Louisiana, dated June 19, 1959, we should like to advise that the division of interest in Zapata's well, to be located on Block 104, will be as follows:

Zapata Off-Shore Company
G. H. Walker, Jr.
Harold C. Price
M.E.L. Corporation
Marshall Field, Jr.
Florence C. Spalding
Samuel Meek
Frank Farwell
John Reynolds

Houston, Texas
New York, N.Y.
Bartlesville, Okla.
Galveston, Texas
Chicago, Ill.
Chicago, Ill.
New York, N.Y.
Chicago, Ill.
Chicago, Ill.

Zapata hereby requests permission to make assignments to the people shown above. We do not intend to make assignments at this time and it is probable that most of these interests will never be put of record. However, we should like to clear all of these interests with you.

Zapata agrees that it shall act as agent for said parties for the purpose of receiving notices, making elections and making any retransfer of interest as provided for in the June 19th letter and Zapata further agrees that in any instrument of transfer a provision will be included therein constituting Zapata as agent to accomplish these purposes. Further, Zapata vouches for the financial responsibility of the above listed participants and will obligate itself to fulfill all commitments made individually or collectively by the above group.

Page Two
The California Company
June 29, 1959

✓

Zapata is making the assignment to these people as a transfer of beneficial interest and there are no overrides or net profits connected with the transfer.

If the foregoing is acceptable to you, would you please sign one copy of this letter and return it to this office.

Very truly yours,

ZAPATA OFF-SHORE COMPANY

By: _____
George H. W. Bush,
President

ACCEPTED this _____ day
of _____, 1959.
THE CALIFORNIA COMPANY

By _____

AAA