Dear Mr. Greenewald:

The enclosed documents were reviewed under the Freedom of Information/Privacy Acts (FOIPA), Title 5, United States Code, Section 552/552a. Below you will find check boxes under the appropriate statute headings which indicate the types of exemptions asserted to protect information which is exempt from disclosure. The appropriate exemptions are noted on the enclosed pages next to redacted information. In addition, a deleted page information sheet was inserted to indicate where pages were withheld entirely and identify which exemptions were applied. The checked exemption boxes used to withhold information are further explained in the enclosed Explanation of Exemptions.

<table>
<thead>
<tr>
<th>Section 552</th>
<th>Section 552a</th>
</tr>
</thead>
<tbody>
<tr>
<td>(b)(1)</td>
<td>(b)(7)(A)</td>
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<td>(b)(3)</td>
<td>(b)(7)(C)</td>
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<td>(b)(7)(D)</td>
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<td>(b)(7)(E)</td>
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<tr>
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<td>(b)(7)(F)</td>
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<td>(b)(8)</td>
</tr>
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<td>(b)(5)</td>
<td>(b)(9)</td>
</tr>
<tr>
<td>✓ (b)(6)</td>
<td></td>
</tr>
</tbody>
</table>

254 pages were reviewed and 140 pages are being released.

Please see the paragraphs below for relevant information specific to your request as well as the enclosed FBI FOIPA Addendum for standard responses applicable to all requests.

- Document(s) were located which originated with, or contained information concerning, other Government Agency (ies) [OGA].

- This information has been referred to the OGA(s) for review and direct response to you.

- We are consulting with another agency. The FBI will correspond with you regarding this information when the consultation is completed.

Please refer to the enclosed FBI FOIPA Addendum for additional standard responses applicable to your request. “Part 1” of the Addendum includes standard responses that apply to all requests. “Part 2” includes additional standard responses that apply to all requests for records about yourself or any third party individuals. “Part 3” includes general information about FBI records that you may find useful. Also enclosed is our Explanation of Exemptions.
For questions regarding our determinations, visit the www.fbi.gov/foia website under “Contact Us.” The FOIPA Request Number listed above has been assigned to your request. Please use this number in all correspondence concerning your request.

If you are not satisfied with the Federal Bureau of Investigation’s determination in response to this request, you may administratively appeal by writing to the Director, Office of Information Policy (OIP), United States Department of Justice, 441 G Street, NW, 6th Floor, Washington, D.C. 20530, or you may submit an appeal through OIP’s FOIA STAR portal by creating an account following the instructions on OIP’s website: https://www.justice.gov/oip/submit-and-track-request-or-appeal. Your appeal must be postmarked or electronically transmitted within ninety (90) days of the date of my response to your request. If you submit your appeal by mail, both the letter and the envelope should be clearly marked “Freedom of Information Act Appeal.” Please cite the FOIPA Request Number assigned to your request so it may be easily identified.

You may seek dispute resolution services by contacting the Office of Government Information Services (OGIS). The contact information for OGIS is as follows: Office of Government Information Services, National Archives and Records Administration, 8601 Adelphi Road-OGIS, College Park, Maryland 20740-6001, e-mail at ogis@nara.gov; telephone at 202-741-5770; toll free at 1-877-684-6448; or facsimile at 202-741-5769. Alternatively, you may contact the FBI’s FOIA Public Liaison by emailing foipaquestions@fbi.gov. If you submit your dispute resolution correspondence by email, the subject heading should clearly state “Dispute Resolution Services.” Please also cite the FOIPA Request Number assigned to your request so it may be easily identified.

☑ See additional information which follows.

The enclosed documents represent the final release of information responsive to your FOIA request.

For your additional information, a record that may be responsive to your Freedom of Information/Privacy Acts (FOIPA) request has been transferred to the National Archives and Records Administration (NARA). If you wish to review these records, submit a Freedom of Information Act (FOIA) request to NARA, Special Access and FOIA, 8601 Adelphi Road, Room 5500, College Park, MD 20740-6001. Please reference the file number HQ 161-7941.

This material is being provided to you at no charge.

Sincerely,

Michael G. Seidel
Section Chief
Record/Information
Dissemination Section
Information Management Division

Enclosure(s)
FBI FOIPA Addendum

As referenced in our letter responding to your Freedom of Information/Privacy Acts (FOIPA) request, the FBI FOIPA Addendum provides information applicable to your request. Part 1 of the Addendum includes standard responses that apply to all requests. Part 2 includes standard responses that apply to requests for records about individuals to the extent your request seeks the listed information. Part 3 includes general information about FBI records, searches, and programs.

Part 1: The standard responses below apply to all requests:

(i) 5 U.S.C. § 552(c). Congress excluded three categories of law enforcement and national security records from the requirements of the FOIPA [5 U.S.C. § 552(c)]. FBI responses are limited to those records subject to the requirements of the FOIPA. Additional information about the FBI and the FOIPA can be found on the www.fbi.gov/foia website.

(ii) Intelligence Records. To the extent your request seeks records of intelligence sources, methods, or activities, the FBI can neither confirm nor deny the existence of records pursuant to FOIA exemptions (b)(1), (b)(3), and as applicable to requests for records about individuals, PA exemption (j)(2) [5 U.S.C. §§ 552/552a (b)(1), (b)(3), and (j)(2)]. The mere acknowledgment of the existence or nonexistence of such records is itself a classified fact protected by FOIA exemption (b)(1) and/or would reveal intelligence sources, methods, or activities protected by exemption (b)(3) [50 USC § 3024(i)(1)]. This is a standard response and should not be read to indicate that any such records do or do not exist.

Part 2: The standard responses below apply to all requests on individuals:

(i) Requests for Records about any Individual—Watch Lists. The FBI can neither confirm nor deny the existence of any individual’s name on a watch list pursuant to FOIA exemption (b)(7)(E) and PA exemption (j)(2) [5 U.S.C. §§ 552/552a (b)(7)(E), (j)(2)]. This is a standard response and should not be read to indicate that watch list records do or do not exist.

(ii) Requests for Records about any Individual—Witness Security Program Records. The FBI can neither confirm nor deny the existence of records which could identify any participant in the Witness Security Program pursuant to FOIA exemption (b)(3) and PA exemption (j)(2) [5 U.S.C. §§ 552/552a (b)(3), 18 U.S.C. 3521, and (j)(2)]. This is a standard response and should not be read to indicate that such records do or do not exist.

(iii) Requests for Records for Incarcerated Individuals. The FBI can neither confirm nor deny the existence of records which could reasonably be expected to endanger the life or physical safety of any incarcerated individual pursuant to FOIA exemptions (b)(7)(E), (b)(7)(F), and PA exemption (j)(2) [5 U.S.C. §§ 552/552a (b)(7)(E), (b)(7)(F), and (j)(2)]. This is a standard response and should not be read to indicate that such records do or do not exist.

Part 3: General Information:

(i) Record Searches. The Record/Information Dissemination Section (RIDS) searches for reasonably described records by searching systems or locations where responsive records would reasonably be found. A standard search normally consists of a search for main files in the Central Records System (CRS), an extensive system of records consisting of applicant, investigative, intelligence, personnel, administrative, and general files compiled by the FBI per its law enforcement, intelligence, and administrative functions. The CRS spans the entire FBI organization, comprising records of FBI Headquarters, FBI Field Offices, and FBI Legal Attaché Offices (Legats) worldwide; Electronic Surveillance (ELSUR) records are included in the CRS. Unless specifically requested, a standard search does not include references, administrative records of previous FOIPA requests, or civil litigation files. For additional information about our record searches, visit www.fbi.gov/services/information-management/foipa/requesting-fbi-records.

(ii) FBI Records. Founded in 1908, the FBI carries out a dual law enforcement and national security mission. As part of this dual mission, the FBI creates and maintains records on various subjects; however, the FBI does not maintain records on every person, subject, or entity.

(iii) Requests for Criminal History Records or Rap Sheets. The Criminal Justice Information Services (CJIS) Division provides Identity History Summary Checks – often referred to as a criminal history record or rap sheet. These criminal history records are not the same as material in an investigative “FBI file.” An Identity History Summary Check is a listing of information taken from fingerprint cards and documents submitted to the FBI in connection with arrests, federal employment, naturalization, or military service. For a fee, individuals can request a copy of their Identity History Summary Check. Forms and directions can be accessed at www.fbi.gov/about-us/cjis/identity-history-summary-checks. Additionally, requests can be submitted electronically at www.edo.cjis.gov. For additional information, please contact CJIS directly at (304) 625-5590.

(iv) National Name Check Program (NNCP). The mission of NNCP is to analyze and report information in response to name check requests received from federal agencies, for the purpose of protecting the United States from foreign and domestic threats to national security. Please be advised that this is a service provided to other federal agencies. Private Citizens cannot request a name check.
EXPLANATION OF EXEMPTIONS

SUBSECTIONS OF TITLE 5, UNITED STATES CODE, SECTION 552

(b)(1) (A) specifically authorized under criteria established by an Executive order to be kept secret in the interest of national defense or foreign policy and (B) are in fact properly classified to such Executive order;

(b)(2) related solely to the internal personnel rules and practices of an agency;

(b)(3) specifically exempted from disclosure by statute (other than section 552b of this title), provided that such statute (A) requires that the matters be withheld from the public in such a manner as to leave no discretion on issue, or (B) establishes particular criteria for withholding or refers to particular types of matters to be withheld;

(b)(4) trade secrets and commercial or financial information obtained from a person and privileged or confidential;

(b)(5) inter-agency or intra-agency memorandums or letters which would not be available by law to a party other than an agency in litigation with the agency;

(b)(6) personnel and medical files and similar files the disclosure of which would constitute a clearly unwarranted invasion of personal privacy;

(b)(7) records or information compiled for law enforcement purposes, but only to the extent that the production of such law enforcement records or information (A) could reasonably be expected to interfere with enforcement proceedings, (B) would deprive a person of a right to a fair trial or an impartial adjudication, (C) could reasonably be expected to constitute an unwarranted invasion of personal privacy, (D) could reasonably be expected to disclose the identity of confidential source, including a State, local, or foreign agency or authority or any private institution which furnished information on a confidential basis, and, in the case of record or information compiled by a criminal law enforcement authority in the course of a criminal investigation, or by an agency conducting a lawful national security intelligence investigation, information furnished by a confidential source, (E) would disclose techniques and procedures for law enforcement investigations or prosecutions, or would disclose guidelines for law enforcement investigations or prosecutions if such disclosure could reasonably be expected to risk circumvention of the law, or (F) could reasonably be expected to endanger the life or physical safety of any individual;

(b)(8) contained in or related to examination, operating, or condition reports prepared by, on behalf of, or for the use of an agency responsible for the regulation or supervision of financial institutions; or

(b)(9) geological and geophysical information and data, including maps, concerning wells.

SUBSECTIONS OF TITLE 5, UNITED STATES CODE, SECTION 552a

(d)(5) information compiled in reasonable anticipation of a civil action proceeding;

(j)(2) material reporting investigative efforts pertaining to the enforcement of criminal law including efforts to prevent, control, or reduce crime or apprehend criminals;

(k)(1) information which is currently and properly classified pursuant to an Executive order in the interest of the national defense or foreign policy, for example, information involving intelligence sources or methods;

(k)(2) investigatory material compiled for law enforcement purposes, other than criminal, which did not result in loss of a right, benefit or privilege under Federal programs, or which would identify a source who furnished information pursuant to a promise that his/her identity would be held in confidence;

(k)(3) material maintained in connection with providing protective services to the President of the United States or any other individual pursuant to the authority of Title 18, United States Code, Section 3056;

(k)(4) required by statute to be maintained and used solely as statistical records;

(k)(5) investigatory material compiled solely for the purpose of determining suitability, eligibility, or qualifications for Federal civilian employment or for access to classified information, the disclosure of which would reveal the identity of the person who furnished information pursuant to a promise that his/her identity would be held in confidence;

(k)(6) testing or examination material used to determine individual qualifications for appointment or promotion in Federal Government service the release of which would compromise the testing or examination process;

(k)(7) material used to determine potential for promotion in the armed services, the disclosure of which would reveal the identity of the person who furnished the material pursuant to a promise that his/her identity would be held in confidence.

FBI/DOJ
Total Deleted Page(s) = 114
Page 16 ~ b6; b7C; b7E;
Page 17 ~ b7E;
Page 18 ~ b7E;
Page 19 ~ b6; b7C; b7E;
Page 20 ~ b7E;
Page 39 ~ b6; b7C; b7E;
Page 40 ~ b7E;
Page 41 ~ b6; b7C; b7E;
Page 42 ~ b6; b7C; b7E;
Page 43 ~ b6; b7C; b7E;
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Page 70 ~ b7E;
Page 71 ~ b7E;
Page 72 ~ b7E;
Page 73 ~ b7E;
Page 74 ~ b7E;
Page 75 ~ b7E;
Page 76 ~ b7E;
Page 77 ~ b7E;
Page 78 ~ b7E;
Page 79 ~ b7E;
Page 80 ~ b7E;
Page 81 ~ b7E;
TO: SAC, HOUSTON
FROM: SAC, OKLAHOMA CITY (196B-OC-56012) (TRA) (C)
SUBJECT: HUGH LEIDTKE, Chairman of the Board, Pennzoil Corporation;

On 3/9/95, residing at , contacted the Oklahoma City Office to report that captioned subjects were responsible for devaluing PENNZOIL reserves in North Dakota and Montana and then selling them to a limited partnership (CHOCTAW) at 25% below market value.

On 3/17/95, was recontacted and explained that he was PENNZOIL in Houston, Texas. HUGH LEIDTKE, Chairman of the Board of PENNZOIL. According to HUGH LEIDTKE used economic intimidation to pressure various executives at PENNZOIL to cooperate in a scheme wherein PENNZOIL-owned oil reserves in North Dakota and Montana were devalued by some 25% and then sold to CHOCTAW II in 1992. Recently these assets were sold to a Denver oil company at a 25% profit by CHOCTAW.

Approved: Transmitted (Number) (Time)
said he originally reported his allegations of fraud to IRS, CID, Houston. He was contacted by IRS about two weeks ago and assumed from the questions asked that IRS was pursuing the matter as a civil matter. wanted to be certain the FBI was advised of probable mail fraud and wire fraud violations committed by the subjects.

Any investigation in this matter is being left to the discretion of Houston.
FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE Date: 08/19/1995

To: SAC HOUSTON Attn: WC-4 Rotor

From: Houston WC-4

Contact: SSA ___ 3181

Approved By: 

Drafted By: VMGW

File Number(s): 196B-HO-42471

Title: HUGH LEIDTE;

Synopsis: Review of Unaddressed Economic Crime Files

Details: The above captioned matter should be assigned. Case agent should Present to USAO for preliminary opinion.

+++
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<th>NO.</th>
<th>COM ABBR/NTWK</th>
<th>STATION NAME/ TELEPHONE NO.</th>
<th>PAGES PRG.NO.</th>
<th>PROGRAM NAME</th>
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<td>002</td>
<td>-FBI HOUSTON</td>
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START=SEP-22 10:47  END=SEP-22 10:48

 nós

1968 - 4247 - 3

SEARCHED INDEXED FILED SEP
FBI FACSIMILE COVERSHEET

CLASSIFICATION

Precedence

☐ Immediate
☐ Priority
☑ Routine
☐ Top Secret
☐ Secret
☐ Confidential
☐ Sensitive
☐ Unclassified

To: Savannah FTC

Facsimile number: 912/231-1076

Attn: 

From: FBI - Houston

Subject: Hugh Lendtke

Special Handling Instructions: 

Originator's Name: 

Originator's Facsimile Number: 713/803-3182

Approved: 

FBI/DOJ
INVESTIGATIVE INFORMATION REQUEST FORM

FBI, Savannah Information Technology Center
220 East Bryan Street
Savannah, Georgia 31401

TO: FBI, SAVANNAH INFORMATION TECHNOLOGY CENTER

Date: 9/22/95
Forfeiture/Seizure Related: ☐

Type of Request: ☐ FAX ☐ Telac ☐ Mail
Reply: ☐ FAX ☐ Telac ☐ Mail
Phone #: 915/803-7182  FAX #: 915/803-7525 UCFN: 1761-H0-42447

Fugitive: ☐ Yes ☐ No NCIC Activity/Date:
CCH Conducted: ☐ Yes ☐ No Off-Line Searches Conducted:
Driver's Lic. Conducted: ☐ Yes ☐ No Subject: ☐ Yes ☐ No Vehicle: ☐ Yes ☐ No Driver's License: ☐ Yes ☐ No
Driver's License #: ____________________  State: ____________________  Vehicle Registration #: ____________________  State: ____________________

SEARCH CRITERIA (Attach additional sheets if necessary)

Name - Last: ____________________ First: ____________________ Middle: ____________________
Alias: ____________________ Sex: _______ DOB1: _______ / _______ / _______ DOB2: _______ / _______ / _______
SSAN1: ____________ SSAN2: ____________ Spouse: ____________________

RESIDENCE
Street Address: ____________________ City/State: ____________________ Zip: _______ Phone: _______

BUSINESS
Business Name: CHOCTAW II Limited Partnership (state of registration unknown)
Street Address: ____________________
City/State: ____________________ Zip: _______ Phone: _______ Business ID#: _______

CHECK DESIRED SEARCH PARAMETERS (Please check only those that are needed)
☐ 1. Specific Information Desired Any Info available on CHOCTAW II L.P. (state corporate/limited partnership records, etc.). Identify who associated with Limited Partnership.
☐ 2. Determine All Individuals Associated with Social Security Number(s)
☐ 3. Report Validity of Social Security Number
☐ 4. Employment Report (subject to availability) INQUIRY WILL POST TO CONSUMER'S ACCOUNT
☐ 5. Determine Who is Associated with Telephone Number(s)
☐ 6. Determine Address of Business/Person (____ U.S. ______, ______, ______ State(s))
☐ 7. Determine Property Owned by Individual (____ U.S. ______, ______, ______ State(s))
☐ 8. Determine Who Owns Property Listed Above
☐ 9. Determine Who Resides at Address Listed Above
☐ 10. Determine Financial Background Info, Financial Associates/Institutions (NOT FULL CREDIT REPORTING)
☐ 11. Determine Corporate Business Info/Institutions Associated with: ____________________ (Person/Business)

Reply From: FBI, Savannah Information Technology Center (SITC)

Return Reply To: SAC, ____________________
Attention: ____________________

Based on search criteria, marked records are attached:
☐ Possible Identifiable Records
☐ Other Peripheral Information
☐ Brief Synopsis of Information Found
☐ No Information Found
FBI FACSIMILE
COVERSHEET

CLASSIFICATION

PRECEDENCE
☐ Immediate
☐ Priority
☒ Routine

☐ Top Secret
☐ Secret
☐ Confidential
☐ Sensitive
☒ Unclassified

Time Transmitted: _____
Sender's Initials: _____
Number of Pages: 2

To: Savannah ITC
(Name of Office)
Date: 9/26/95

Facsimile number: 912/231-1074

Attn: (Name)

From: FBI - Houston
(Name of Office)

Subject: Hugh L. Little; 1963 - Hq-42471 - ET Al;

Special Handling Instructions:

Originator's Name: SA
Telephone: 713/803-3182

Originator's Facsimile Number: 713/803-3525

Approved: WGN/PLC
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<th>PRECEDENCE</th>
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To: Savannah FTC  
Facsimile number: 912/231-1076  
Date: 9/26/98

From: FBI - Houston  
(Name of Office)

Subject: Hugh Liestle; 1963-140-42471  
ET AL;

Special Handling Instructions:

Originator's Name: SA  
Telephone: 318/803-3182

Originator's Facsimile Number: 713/803-3525

Approved: NGJ/PJC
INVESTIGATIVE INFORMATION REQUEST FORM

TO: FBI, SAVANNAH INFORMATION TECHNOLOGY CENTER

Date: 9/26/95

Forfeiture/Seizure Related: ☐ Yes ☐ No

Type of Request: ☐ FAX ☐ Telephone ☐ Mail

Response: ☐ FAX ☐ Telephone ☐ Mail

Handle By:

Precedence: ☐ ROUTINE ☐ PRIORITY ☐ IMMEDIATE

SEARCH CRITERIA (Attach additional sheets if necessary)

Name - Last: ___________________ First: ___________________ Middle: ___________________

Alias: ___________________ Sex: ___________________ DOB1: / / DOB2: / /

SSAN1: ___________________ SSAN2: ___________________

RESIDENCE

Street Address: ___________________ City/State: ___________________ Zip: _______ Phone: _______

BUSINESS

Business Name: ANOIL COMPANY INC Street Address: ___________________

City/State: Houston TX Zip: _______ Phone: _______ Business ID#: _______

CHECK DESIRED SEARCH PARAMETERS (Please check only those that are needed)

☐ 1. Specific Information Desired

☐ 2. Determine All Individuals Associated with Social Security Number(s)

☐ 3. Report Validity of Social Security Number

☐ 4. Employment Report (subject to availability) INQUIRY WILL POST TO CONSUMER'S ACCOUNT

☐ 5. Determine Who is Associated with Telephone Number(s)

☐ 6. Determine Address of Business/Person ( __ U.S. ___, ___, State(s))

☐ 7. Determine Property Owned by Individual ( __ U.S. ___, ___, State(s))

☐ 8. Determine Who Owns Property Listed Above

☐ 9. Determine Who Resides at Address Listed Above

☐ 10. Determine Financial Background Info, Financial Associates/Institutions (NOT FULL CREDIT REPORTING)

☐ 11. Determine Corporate Business Info/Institutions Associated with: ANOIL COMPANY INC

(Person/Business)

Reply From: FBI, Savannah Information Technology Center (SITC)

Return Reply To: SAC. ___________________

Attention: ___________________

Based on search criteria, marked records are attached:

☐ Possible Identifiable Records

☐ Other Peripheral Information

☐ Brief Synopsis of Information Found

☐ No Information Found
FBI FACSIMILE COVERSHEET

To: Houston
(Name of Office)

Facsimile Number: 713-803-8525

Attn: SA
(Name)

From: SITE
(Name of Office)

Subject: Anak Animal Company

Special Handling Instructions:

Originator's Name: [Blank]

Originator's Facsimile Number: 512-231-1076

Approved: A.P.

Time Transmitted: 20:50
Sender's Initials: A.P.
Number of Pages: ________ (Including Cover Page)

Date: 9-26-95

Unclassified
Memorandum

To: SAC, HOUSTON (196B-HO-42421)  
    ATTN: SA

From: SAVANNAH INFORMATION TECHNOLOGY CENTER (SITC)  
      INVESTIGATIVE INFORMATION SERVICES (IIS)

Subject: ANOIL COMPANY, INC

IIS Analyst: ______________________ 912-944-0824.

Attached are printouts of results of inquiries conducted by Savannah IIS. Also attached are two copies of a reply form. It is requested that you record the accomplishments of this request on these forms, return one copy to SITC, and maintain one copy as a serial in your case file.

Set forth below is a brief synopsis of results of inquiries.

Included for your review are corporate records that appear to be associated with captioned company. A D&B Business report was retrieved also.

Please view all printouts for details.

1 - HOUSTON  (Enc. 3)  
    Attn: Special Agent Supervisor  
    Note: Copy forwarded SA

1 - SITC  
    (2)

ACP
INVESTIGATIVE INFORMATION REQUEST FORM

FBI, Savannah Information Technology Center
220 East Bryan Street
Savannah, Georgia 31401
- Commercial Telephone or FTS: (912) 944-0824 thru 0828
- FAX: (912) 231-1076 and (912) 231-0974
- Secure FAX & STU III: (912) 231-1075

TO: FBI, SAVANNAH INFORMATION TECHNOLOGY CENTER

Date: 9/26/95
Forfeiture/Seizure: [ ] Yes [ ] No
Requestor: [SA] [ ] Fax
Office/RA: [ ] Fax

Precedence: [ ] ROUTINE [ ] PRIORITY [ ] IMMEDIATE

Type of Request: [ ] FAX [ ] Telcol [ ] Mail
Reply: [ ] FAX [ ] Telcol [ ] Mail
(DBP) [ ] Yes [ ] No

SEARCH CRITERIA (Attach additional sheets if necessary)

Name - Last: ____________________________ First: ____________________________ Middle: ____________________________
Alias: ____________________________ Sex: _____ DOB1: __/__/____ DOB2: __/__/____
SSAN1: ____-____-____ SSAN2: ____-____-____ Spouse: ____________________________

RESIDENCE
Street Address: ____________________________ City/State: ____________________________ Zip: ______ Phone: ______

BUSINESS
Business Name: ____________________________ Street Address: ____________________________
City/State: ____________________________ Zip: ______ Phone: ______ Business ID#: ____________________________

CHECK DESIRED SEARCH PARAMETERS (Please check only those that are needed)

[ ] 1. Specific Information Desired
   [ ] ANOIL COMPANY INC
   [ ] ANOIL
[ ] 2. Determine All Individuals Associated with Social Security Number(s)
[ ] 3. Report Validity of Social Security Number
[ ] 4. Employment Report (subject to availability) INQUIRY WILL POST TO CONSUMER'S ACCOUNT
[ ] 5. Determine Who is Associated with Telephone Number(s)
[ ] 6. Determine Address of Business/Person (U.S. _____, _____, _____ State(s))
[ ] 7. Determine Property Owned by Individual (U.S. _____, _____, _____ State(s))
[ ] 8. Determine Who Owns Property Listed Above
[ ] 9. Determine Who Resides at Address Listed Above
[ ] 10. Determine Financial Background Info, Financial Associates/Institutions (NOT FULL CREDIT REPORTING)
[ ] 11. Determine Corporate Business Info/Institutions Associated with: ____________________________

(Person/Business)

Return Reply To: SAC.
Attention: ____________________________

Based on search criteria:
[ ] Other Peripheral Information
[ ] Brief Synopsis of Information Found
[ ] No Information Found
MAIL-IT REQUESTED: SEPTEMBER 26, 1995 1032ZC

CLIENT: 
LIBRARY: INCORP 
FILE: ALLSOS 

YOUR SEARCH REQUEST AT THE TIME THIS MAIL-IT WAS REQUESTED: 
ANOIL AND TX OR TEXAS

NUMBER OF DOCUMENTS FOUND WITH YOUR REQUEST THROUGH: 
LEVEL 1... 11

LEVEL 1 PRINTED

DISPLAY FORMAT: FULL

SEND TO: SAVANNAH, # 3 
FBI 
220 EAST BRYAN STREET 
SAVANNAH GEORGIA 31402FRANC

*************************************************************************07427*************************************************************************
LEVEL 1 - 1 OF 11 DOCUMENTS

*** THIS DATA IS FOR INFORMATION PURPOSES ONLY. CERTIFICATION CAN ONLY BE
OBTAINED THROUGH THE OFFICE OF THE NORTH DAKOTA SECRETARY OF STATE ***

NORTH DAKOTA SECRETARY OF STATE, CORPORATE RECORD

Name: MOIL COMPANY

Business Address: 700 MILAM 13TH FLR
HOUSTON, TX 77002

Type: CORPORATION (PROFIT)

Status: ACTIVE

Status Date: 7/8/1994

Filing Date: 12/28/1992

Duration: PERPETUAL

State of Incorporation: TEXAS

Registered Agent: C T CORPORATION SYSTEM

Registered Office: 314 E THAYER AVE; PO BOX 400
BISMARCK, ND 58502

Number: 9318800

TO ORDER OR FILE CORP DOCUMENTS OR FOR REGISTERED AGENT SERV. CALL 800-634-9738
LEVEL 1 - 2 OF 11 DOCUMENTS

*** THIS DATA IS FOR INFORMATION PURPOSES ONLY. CERTIFICATION CAN ONLY BE OBTAINED THROUGH THE OFFICE OF THE WYOMING SECRETARY OF STATE ***

WYOMING SECRETARY OF STATE, CORPORATE RECORD

Name: ANOIL COMPANY

Mailing Address: PENNZOIL PLACE 13TH FLOOR
HOUSTON, TX 77002

Type: CORPORATION (PROFIT)

Status: ACTIVE

Filing Date: 12/29/1992

Duration: PERPETUAL

State of Incorporation: TEXAS

Registered Agent: CT CORPORATION SYSTEM

Registered Office: 1720 CAREY AVE
CHEYENNE, WY 82001

Number: 92278599

TO ORDER OR FILE CORP DOCUMENTS OR FOR REGISTERED AGENT SERV. CALL 800-634-9738
COLORADO DEPARTMENT OF STATE, CORPORATE/LTD PARTNERSHIP RECORD

NAME: ANOIL COMPANY

TYPE: FOREIGN PROFIT

STATUS: IN GOOD STANDING

FILING-DATE: 04/05/1993

DURATION: PERPETUAL

STATE OF INCORPORATION: TEXAS

ADDRESS: PENNZOIL PL, 13TH FLR
DENVER, CO 80202

REGISTERED AGENT: THE CORPORATION COMPANY

REGISTERED OFFICE: 1600 BROADWAY
DENVER, CO 80202

ANNUAL-REPORT:

CURRENT REPORT/NO: 05/16/1995 951065637

NUMBER: 931035887

OFFICERS:

HISTORY:

1. DATE: 04/05/1993
COLORADO DEPARTMENT OF STATE, CORPORATE/LTD PARTNERSHIP RECORD

TRANSACTION: FOREIGN CERTIFICATE OF AUTHORITY
COMMENT: ANOIL COMPANY
DOCUMENT NO: 931035887

DATE: 03/16/1995
TRANSACTION: REPORT
COMMENT: CR - 04/01/95 - 06/30/95
LEVEL 1 - 4 OF 11 DOCUMENTS

*** THIS DATA IS FOR INFORMATION PURPOSES ONLY. CERTIFICATION CAN ONLY BE OBTAINED THROUGH THE OFFICE OF THE TEXAS SECRETARY OF STATE AND THE TEXAS COMPTROLLER OF PUBLIC ACCOUNTS. ***

TEXAS SECRETARY OF STATE, CORPORATE RECORD

Name: ANOIL COMPANY

Tax Address: 700 MILAM ST FL 13
     HOUSTON, TEXAS 77002

Type of Corporation: DOMESTIC PROFIT

Status: ACTIVE

Standing from Comptrollers Office: IN GOOD STANDING BUT NOT FOR DISSOLUTION

Status Date: 09/03/1986

Filing Date: 09/03/1986

Duration: PERPETUAL

State of Incorporation: TEXAS

Registered Agent: C T CORPORATION SYSTEM

Registered Office: 811 DALLAS AVENUE
     HOUSTON, TEXAS 77002

Assumed Names: CHOCTAW CORPORATION

    Status: ACTIVE
    Counties: ONLY - HARRIS
    Filed: 05/12/1993
    Duration: 10 YEARS
    Expiration: 05/12/2003

    RIVER GARDENS
    Status: ACTIVE
    Counties: ONLY - COMAL
    Filed: 03/31/1989
    Duration: 10 YEARS
    Expiration: 03/31/1999

Capital/Stock: 80 CO AT $ .10

Tax Year: 1994

State Tax ID: 030008129410

Incorporators: 

LEXIS·NEXIS

A member of the Reed Elsevier plc group

LEXIS·NEXIS

A member of the Reed Elsevier plc group

LEXIS·NEXIS

A member of the Reed Elsevier plc group
TEXAS SECRETARY OF STATE, CORPORATE RECORD

Officers and Directors:

Number: 01009678-00

History:

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</table>

TO ORDER OR FILE CORP DOCUMENTS OR FOR REGISTERED AGENT SERV. CALL 800-634-9738
Texas Secretary of State, Limited Partnership Record

Name: ANOIL ACQUISITIONS, LTD.

Principal Office: 1021 MAIN STREET, STE. 1700
HOUSTON, TEXAS 77002

Type of Limited Partnership: DOMESTIC LIMITED PARTNERSHIP

Status: ACTIVE

Status Date: 04/28/1989

Filing Date: 04/28/1989

State of Origin: TEXAS

Registered Agent: _________________

Registered Office: 1021 MAIN STREET, STE. 1700
HOUSTON, TEXAS 77002

General Partners: ANOIL COMPANY
1021 MAIN ST., STE. 1700
HOUSTON, TEXAS 77002

Number: 00055180-10

To order or file corp documents or for registered agent serv. Call 800-634-9738
LEVEL 1 - 6 OF 11 DOCUMENTS

*** THIS DATA IS FOR INFORMATION PURPOSES ONLY. CERTIFICATION CAN ONLY BE OBTAINED THROUGH THE OFFICE OF THE TEXAS SECRETARY OF STATE AND THE TEXAS COMPTROLLER OF PUBLIC ACCOUNTS. ***

TEXAS SECRETARY OF STATE, CORPORATE RECORD

Name: THE BOAT DOCTOR, INC.

Tax Address: LARRY ANIOL 740 RUSK AVE
NEW BRAUNFELS, TEXAS 78130

Type of Corporation: DOMESTIC PROFIT

Status: DEAD

Status Comment: DISSOLUTION

Status Date: 03/26/1987

Filing Date: 08/27/1984

Duration: PERPETUAL

State of Incorporation: TEXAS

Registered Agent

Registered Office: 750 RUSK AVE.
NEW BRAUNFELS, TEXAS 78130

Capital/Stock: 1,000 AT NPV

Tax Year: 1986

State Tax ID: 030008563030

Incorporators:

Officers and Directors:

LEXIS·NEXIS®
**LEVEL 1 - 8 OF 11 DOCUMENTS**

*** THIS DATA IS FOR INFORMATION PURPOSES ONLY. CERTIFICATION CAN ONLY BE OBTAINED THROUGH THE OFFICE OF THE NORTH DAKOTA SECRETARY OF STATE ***

NORTH DAKOTA SECRETARY OF STATE, CORPORATE RECORD

<table>
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<tr>
<th>Name: CHOCROW II OIL &amp; GAS, LTD.</th>
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<tr>
<td>Mailing Address: 700 MILAM 13TH FL</td>
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<tr>
<td>HOUSTON, TX 77002</td>
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<th>Type: LIMITED PARTNERSHIP</th>
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<tr>
<td>Filing Date: 12/29/1992</td>
</tr>
<tr>
<td>Number: 9319500</td>
</tr>
</tbody>
</table>

Officers/Directors/Partners/Members:

- ANOIL COMPANY
  - PARTNER

TO ORDER OR FILE CORP DOCUMENTS OR FOR REGISTERED AGENT SERV. CALL 800-634-9738
Texas Secretary of State, Limited Partnership Record

Name: Choctaw II Oil & Gas, Ltd.

Principal Office: 700 Milam Street, North Tower, 13th Floor
Houston, Texas 77002

Type of Limited Partnership: Domestic Limited Partnership

Status: Active

Status Date: 12/14/1989

Filing Date: 12/14/1989

State of Origin: Texas

Registered Agent: CT Corporation System

Registered Office: 811 Dallas Avenue
Houston, Texas 77002

General Partners: Anoil Company
700 Milam Street, North Tower, 13th Floor
Houston, Texas 77002

Number: 00056865-10

To order or file corp documents or for registered agent serv. call 800-634-9738
LEVEL 1 - 10 OF 11 DOCUMENTS

*** THIS DATA IS FOR INFORMATION PURPOSES ONLY. CERTIFICATION CAN ONLY BE OBTAINED THROUGH THE OFFICE OF THE TEXAS SECRETARY OF STATE AND THE TEXAS COMPTROLLER OF PUBLIC ACCOUNTS. ***

TEXAS SECRETARY OF STATE, CORPORATE RECORD

Name: RIVER GARDENS, INC.

Tax Address

Type of Corporation: DOMESTIC PROFIT

Status: DEAD

Status Comment: CHARTER FORFEITED (failure to pay franchise tax)

Status Date: 01/20/1987

Filing Date: 05/19/1980

Duration: PERPETUAL

State of Incorporation: TEXAS

Registered Agent:

Registered Office: 750 RYS
                     NEW BRUNFELS, TEXAS 78130

Capital/Stock: 10,000 NPV

Tax Year: 1984

State Tax ID: 030005056020

Incorporators:

Officers and Directors:
TEXAS SECRETARY OF STATE, CORPORATE RECORD

Number: 00520504-00

TO ORDER OR FILE CORP DOCUMENTS OR FOR REGISTERED AGENT SERV. CALL 800-634-9738
LEVEL 1 - 11 OF 11 DOCUMENTS

*** THIS DATA IS FOR INFORMATION PURPOSES ONLY. CERTIFICATION CAN ONLY BE OBTAINED THROUGH THE OFFICE OF THE TEXAS SECRETARY OF STATE. ***

TEXAS SECRETARY OF STATE, LIMITED PARTNERSHIP RECORD

Name: WULFE-AMOIL, LTD.

Principal Office: 2538 S.W. 36TH STREET
SAN ANTONIO, TEXAS 78237

Type of Limited Partnership: DOMESTIC LIMITED PARTNERSHIP

Status: ACTIVE

Status Date: 08/12/1992

Filing Date: 08/12/1992

State of Origin: TEXAS

Registered Agent: [Redacted]

Registered Office: 711 NAVARRO, 6TH FL
SAN ANTONIO, TEXAS 78205

General Partners: JLC PROPERTIES, INC.
2538 S.W. 36TH STREET
SAN ANTONIO, TEXAS 78237

Number: 00064918-10

TO ORDER OR FILE CORP DOCUMENTS OR FOR REGISTERED AGENT SERV. CALL 800-634-9738
MAIL-IT REQUESTED: SEPTEMBER 26, 1995

CLIENT:
LIBRARY: LIENS
FILE: ALLUCC

YOUR SEARCH REQUEST AT THE TIME THIS MAIL-IT WAS REQUESTED:
ANOIL AND TEXAS OR TX

NUMBER OF DOCUMENTS FOUND WITH YOUR REQUEST THROUGH:
LEVEL 1... 1

LEVEL 1 PRINTED

DISPLAY FORMAT: FULL

SEND TO: SAVANNAH, # 3
FBI
220 EAST BRYAN STREET
SAVANNAH GEORGIA 31402FRANC

*****************************************************************************07442*****************************************************************************

LEXIS® NEXIS® Services of Mead Data Central, Inc.
Texas Secretary of State, UCC Record

Active Debtors:

John H Young Inc [Business]
903 Esperon Bldg
Houston, Texas 77002

HSA Energy Partnership [Business]
2001 Kirby Dr Ste 900
Houston, Texas 77019

Amoil Company [Business]
P.O. Box 2967
Houston, Texas 77252

Tex Con Oil and Gas Company [Business]
9401 S W Frwy
Houston, Texas 77074

Cornerstone Energy Corporation [Business]
2121 Sage Rd Ste 280
Houston, Texas 77056

Lombard Investments Inc [Business]
2121 Sage Rd Ste 280
Houston, Texas 77056

L M Josby Inc [Business]
504 Waugh Dr
Houston, Texas 77019

Active Secured Party: HSA Energy Partnership
2001 Kirby Dr Ste 900
TEXAS SECRETARY OF STATE, UCC RECORD

HOUSTON, TEXAS 77019

ANOIL COMPANY
P O BOX 2967
HOUSTON, TEXAS 77252

TEX CON OIL AND GAS COMPANY
9401 S W FRWY
HOUSTON, TEXAS 77074

CORNERSTONES ENERGY CORPORATION
2121 SAGE RD STE 280
HOUSTON, TEXAS 77056

LOMBARD INVESTMENTS INC
2121 SAGE RD STE 280
HOUSTON, TEXAS 77056

TYPE: FINANCING STATEMENT

STATUS: ACTIVE     AS OF: 09/17/1990

FILING-DATE: 09/17/1990
FILING-TIME: 2:13 PM Central Time
EXPIRATION: 09/17/1995
FILING-NUMBER: 9000196662
NUMBER OF PAGES ATTACHED TO FILING: 24
FAIL-IT REQUESTED: SEPTEMBER 26, 1995

CLIENT: 
LIBRARY: COMPNY
FILE: COMPNY

OUR SEARCH REQUEST AT THE TIME THIS MAIL-IT WAS REQUESTED:
CHOCTAW II

NUMBER OF DOCUMENTS FOUND WITH YOUR REQUEST THROUGH:
LEVEL 1... 1
LEVEL 1 PRINTED

THE SELECTED DOCUMENT NUMBERS:

DISPLAY FORMAT: FULL

SEND TO: SAVANNAH, #10
FBI
220 EAST BRYAN STREET
SAVANNAH GEORGIA 31402

1968-HO-42471
SEP 27 1995
Memorandum

To: SAC, HOUSTON (196B-HO-42471)
   ATTN: SA

From: SAVANNAH INFORMATION TECHNOLOGY CENTER (SITC)
      INVESTIGATIVE INFORMATION SERVICES (IIS)

Subject: CHOCTAW II LIMITED PARTNERSHIP
         #60280

IIS Analyst: 912-944-0824.

Attached are printouts of results of inquiries conducted by Savannah IIS. Also attached are two copies of a reply form. It is requested that you record the accomplishments of this request on these forms, return one copy to SITC, and maintain one copy as a serial in your case file.

Set forth below is a brief synopsis of results of inquiries.

Enclosed please find the information I was able to obtain on Choctaw II Oil & Gas LTD, 700 Milam St, 13th Floor, Houston, TX. This company has a telephone number of 713-546-8090. Other information is enclosed. Enjoy reading and call if I can be of any further assistance to you.

1 - HOUSTON (Enc. 3)
   Attn: Special Agent Supervisor
   Note: Copy forwarded SA

1 - SITC
   (2)
   ATG

196B-HO-42471
INVESTIGATIVE INFORMATION REQUEST FORM

FBI, Savannah Information Technology Center
220 East Bryan Street
Savannah, Georgia 31401

Commercial Telephone or PTS: (912) 944-0824 thru 0828
> FAX: (912) 231-1076 and (912) 231-0974
Secure FAX & STU III: (912) 231-1075

Date: SEP-22-1995 10:47 Fbi HOUSTON

FORFEITURE/Seizure Related: [ ]

Type of Request: [X] FAX [ ] Telex [ ] Mail

Reply: [X] FAX [ ] Telex [ ] Mail

FORFEITURE/Seizure Related: [ ]

ITC Use Only: [ ] [ ]

Date/Time In: 07/22/95 11:14:07 [9] am [ ] pm

FBI, Savannah Information Technology Center
220 East Bryan Street
Savannah, Georgia 31401

Date/Time Out: 07/22/95 15:30 [ ] am [9] pm

Database(s) Used: [TC] 9

FORFEITURE/Seizure Related: [ ]

Handled By:

To: FBI, Savannah Information Technology Center

Date: 07/22/95

Forfeiture/Seizure Related: [ ]

FBI, Savannah Information Technology Center
220 East Bryan Street
Savannah, Georgia 31401

Type of Request: [X] FAX [ ] Telex [ ] Mail

Reply: [X] FAX [ ] Telex [ ] Mail

Requestor: [ ]

FBI, Savannah Information Technology Center
220 East Bryan Street
Savannah, Georgia 31401

Date/Time In: 07/22/95 11:14:07 [9] am [ ] pm

Date/Time Out: 07/22/95 15:30 [ ] am [9] pm

Database(s) Used: [TC] 9

FORFEITURE/Seizure Related: [ ]

Office/RA: [ ]

Precedence: [ ] ROUTINE [ ] PRIORITY [ ] IMMEDIATE

Search Criteria (Attach additional sheets if necessary)

Name - Last: ___________ First: ___________ Middle: ___________

Alias: ___________ Sex: ___________ DOB: ___________ DOB2: ___________

SSAN1: ___________ SSAN2: ___________ Spouse: ___________

Residence

Street Address: ___________ City/State: ___________ Zip: ___________ Phone: ___________

Business

Business Name: CHOC TAN II LIMITED PARTNERSHIP (state of registration unknown)

City/State: ___________ Zip: ___________ Phone: ___________ Business ID#: ___________

Check Desired Search Parameters (Please check only those that are needed)

[ ] 1. Specific Information Desired (Please check only those that are needed)
[ ] 2. Determine All Individuals Associated with Social Security Number(s)
[ ] 3. Report Validity of Social Security Number
[ ] 4. Employment Report (subject to availability) INQUIRY WILL POST TO CONSUMER'S ACCOUNT
[ ] 5. Determine Who is Associated with Telephone Number(s)
[ ] 6. Determine Address of Business/Person (U.S. , ___________ State(s))
[ ] 7. Determine Property Owned by Individual (U.S. , ___________ State(s))
[ ] 8. Determine Who Owns Property Listed Above
[ ] 9. Determine Who Resides at Address Listed Above
[ ] 10. Determine Financial Background Info, Financial Associates/Institutions (NOT FULL CREDIT REPORTING)
[ ] 11. Determine Corporate Business Info/Institutions Associated with: ___________ (Person/Business)

Reply From: FBI, Savannah Information Technology Center (SITC)

Return Reply To: SAC, ___________ Houston, ___________

Attention: ___________

[ ] Possible Identifiable Records
[ ] Other Peripheral Information
[ ] Brief Synopsis of Information Found
[ ] No Information Found

TOTAL P.02
TX UCC Summary/Detail Search by Debtor-Name

Date: 9/22/95
Reference:
Search Criteria: CHOCTAW II OIL & GAS

This data is for informational purposes only. Certification can only be obtained through The Office of The Texas Secretary of State.

1 Filing Number: 9300000134
Document Type: UCC1 - Financing Statement
File Date/Time: 01/05/1993
Debtor: CHOCTAW II OIL & GAS LTD
        PENNZOIL PLACE 13TH FLOOR
        HOUSTON, TX 77002
Secured Party: TEXAS COMMERCE BANK NATIONAL ASSOCIATION
              P O BOX 2558
              HOUSTON, TX 77252-8096
Expire Date: 01/05/1998

-To select Document(s), enter LINE NUMBER(S) (ex. 1, or 1,2,3), or 'ALL
-Press ENTER to continue or enter "E" to End:
Alt-Z FOR HELP  | TTY  | FDX | 9600 E71 | LOG CLOSED | PRINT OFF | ON-LINE
MAIL-IT REQUESTED: SEPTEMBER 22, 1995

CLIENT:  
LIBRARY: LIENS  
FILE: ALLUCC

YOUR SEARCH REQUEST AT THE TIME THIS MAIL-IT WAS REQUESTED: CHOCTAW II

NUMBER OF DOCUMENTS FOUND WITH YOUR REQUEST THROUGH:
   LEVEL 1... 1

LEVEL 1 PRINTED

THE SELECTED DOCUMENT NUMBERS:
   1

DISPLAY FORMAT: FULL

SEND TO: SAVANNAH, # 2
FBI
220 EAST BRYAN STREET
SAVANNAH GEORGIA 31402FRANC

*******************************************************************************02502*******************************************************************************
TEXAS SECRETARY OF STATE, UCC RECORD

ACTIVE DEBTORS: CHOCTAW II OIL & GAS LTD [Business]
PENNZOIL PLACE 13TH FLOOR
HOUSTON, TEXAS 77002

ACTIVE SECURED PARTY: TEXAS COMMERCE BANK NATIONAL ASSOCIATION
P O BOX 2558
HOUSTON, TEXAS 77252-8096

TYPE: FINANCING STATEMENT

STATUS: ACTIVE AS OF: 01/05/1993

FILING-DATE: 01/05/1993

FILING-TIME: 1:56 PM Central Time

EXPIRATION: 01/05/1998

FILING-NUMBER: 9300000134

NUMBER OF PAGES ATTACHED TO FILING: 316
MAIL-IT REQUESTED: SEPTEMBER 22, 1995

CLIENT:
LIBRARY: INCORP
FILE: ALLSOS

YOUR SEARCH REQUEST AT THE TIME THIS MAIL-IT WAS REQUESTED:
CHOCTAW II

NUMBER OF DOCUMENTS FOUND WITH YOUR REQUEST THROUGH:
LEVEL 1 ... 4

LEVEL 1 PRINTED

THE SELECTED DOCUMENT NUMBERS:
1-4

DISPLAY FORMAT: FULL

SEND TO: SAVANNAH, # 2
FBI
220 EAST BRYAN STREET
SAVANNAH GEORGIA 31402FRANC

*****************************************************************
Name: CHOCTAW II OIL & GAS, LTD.

Mailing Address: 700 MILAM 13TH FL
HOUSTON, TX 77002

Type: LIMITED PARTNERSHIP

Status: ACTIVE

Status Date: 12/29/1992

Filing Date: 12/29/1992

Number: 9319500

Officers/Directors/Partners/Members:

ANOIL COMPANY
PARTNER

TO ORDER OR FILE CORP DOCUMENTS OR FOR REGISTERED AGENT SERV. CALL 800-634-9738
NORTH DAKOTA SECRETARY OF STATE, CORPORATE RECORD

Name: CHOCTAW II OIL & GAS, LTD. (LIMITED PARTNERSHIP)

Mailing Address: 700 MILAM ST N TOWER 13TH FL
HOUSTON, TX 77002

Type: FICTITIOUS NAME

Status: ACTIVE

Status Date: 12/29/1992

Filing Date: 12/29/1992

Homestate Name: CHOCTAW II OIL & GAS, LTD.

Number: 9321300

TO ORDER OR FILE CORP DOCUMENTS OR FOR REGISTERED AGENT SERV. CALL 800-634-9738
TEXAS SECRETARY OF STATE, LIMITED PARTNERSHIP RECORD

Name: CHOCTAW II OIL & GAS, LTD.

Principal Office: 700 MILAM STREET, NORTH TOWER, 13TH FLOOR
HOUSTON, TEXAS 77002

Type of Limited Partnership: DOMESTIC LIMITED PARTNERSHIP

Status: ACTIVE
Status Date: 12/14/1989
Filing Date: 12/14/1989
State of Origin: TEXAS

Registered Agent: CT CORPORATION SYSTEM

Registered Office: 811 DALLAS AVENUE
HOUSTON, TEXAS 77002

General Partners: ANOIL COMPANY
700 MILAM STREET, NORTH TOWER, 13TH FLOOR
HOUSTON, TEXAS 77002

Number: 00056865-10

TO ORDER OR FILE CORP DOCUMENTS OR FOR REGISTERED AGENT SERV. CALL 800-634-9738
COLORADO DEPARTMENT OF STATE, CORPORATE/LTD PARTNERSHIP RECORD

NAME: CHOCTAW II OIL & GAS, LTD.

TYPE: FOREIGN LIMITED PARTNERSHIP

STATUS: IN EXISTENCE

FILING-DATE: 12/28/1992

DURATION: PERPETUAL

STATE OF INCORPORATION: TEXAS

ADDRESS: 1675 BROADWAY

DENVER, CO 80202

REGISTERED AGENT: THE CORPORATION COMPANY

CURRENT AGENT APPOINTED: 09/01/1993

REGISTERED OFFICE: 1675 BROADWAY

DENVER, CO 80202

NUMBER: 921124260

HISTORY:

1. DATE: 12/28/1992
   TRANSACTION: FOREIGN LIMITED PARTNERSHIP
   COMMENT: CHOCTAW II OIL & GAS, LTD.
   DOCUMENT NO: 921124260

2. DATE: 09/01/1993
   TRANSACTION: ARTICLES OF AMENDMENT
   COMMENT: DF1
   DOCUMENT NO: 931110300
MAIL-IT REQUESTED: SEPTEMBER 22, 1995

CLIENT: 
LIBRARY: COMPNY
FILE: COMPNY

YOUR SEARCH REQUEST AT THE TIME THIS MAIL-IT WAS REQUESTED:
CHOCTAW II

NUMBER OF DOCUMENTS FOUND WITH YOUR REQUEST THROUGH:
LEVEL 1... 1

LEVEL 1 PRINTED

THE SELECTED DOCUMENT NUMBERS:
1

DISPLAY FORMAT: KWIC

SEND TO: SAVANNAH, # 2
FBI
220 EAST BRYAN STREET
SAVANNAH GEORGIA 31402FRANC

**************************************************************************02567**************************************************************************
MAIL-IT REQUESTED: SEPTEMBER 22, 1995

CLIENT:
LIBRARY: NEWS
FILE: ALLNWS

YOUR SEARCH REQUEST AT THE TIME THIS MAIL-IT WAS REQUESTED:
CHOCTAW II

NUMBER OF STORIES FOUND WITH YOUR REQUEST THROUGH:
LEVEL 1... 11

LEVEL 1 PRINTED

THE SELECTED STORY NUMBERS:
1-11

DISPLAY FORMAT: FULL

SEND TO: SAVANNAH, # 2
FBI
220 EAST BRYAN STREET
SAVANNAH GEORGIA 31402FRANC

*************************************************************************02617*****************************************************************************
Executive expectations lower since last year

BYLINE: MICHAEL CROWDEN, HOUSTON

U.S. oil executives have lowered their expectations since last year. A year ago, executives attending the Arthur Andersen Oil & Gas Symposium said they expected 1995 to bring $26 oil and $2.50 gas prices. This year, they forecast $25 oil and $2 gas. The forecast is based on a survey of attendees. Uncertain prices were cited as the industry's biggest problem. It was listed first by 62% of the group. A year ago, 52% cited uncertain prices. The survey revealed a big drop in the popularity of natural gas. A year ago, 53% said their U.S. exploration plan focused on natural gas. This year, it was 36%.

GRAPHIC: Figure 1; A drawing of one of the twelve 208-ft-long vessels ordered by the Marine Spill Response Corp. for oil recovery operations. Trinity Marine is building the vessels; Figure 2; The former semisubmersible derrick/pipelay vessel Choctaw II has been reactivated by OPI International as the DLB 423. The vessel can now work in water depths of 2,000 ft and lay pipe as large as 48 in. in diameter.
OPI International Inc., Houston, has completed sea trials and reactivated DLB 423, the only semisubmersible derrick/pipelay barge operation in the Gulf of Mexico.

Formerly Choctaw II, the barge is one of 23 vessels OPI acquired from Brown & Root in 1990.

DLB 423 is working for Exxon Co. U.S.A. on a deepwater assignment in the Mississippi Canyon area of the gulf. It's laying a 51 1/2 mile, 20 in. line from Exxon's Alabaster platform in Mississippi Canyon Block 397 to a shallow water point near Venice, La.

OPI said maximum water dept of 1,229 ft in the project is a record for large diameter line in the Western Hemisphere, based on information from Offshore Data Services.

OPI spent 8 months and several million dollars upgrading the barge at its Orange, Tex., yard.

OPI said the barge's semi-submersible hull affords excellent seakeeping ability, allowing the unit to work during Gulf of Mexico winters and in the severe environment of the North Sea.

GRAPHIC: Picture, DLB 423 is equipped to work in as much as 2,000 ft of water. Depending on water depth it can lay pipe as large as 48 in.

LANGUAGE: ENGLISH
Brent field is the largest oil and gas reservoir in the British sector of the North Sea. Above the oil there is a significant gas cap with associate natural-gas liquids. The development of the field is a joint venture of Shell U.K. Ltd. and Esso Petroleum Co. Ltd., with Shell Expro acting as operator.

The Brent gas and associated gas liquids are transported to the mainland at St. Fergus, Scotland, through a 450-km-long, 36-in.-diameter subsea pipeline, which is the offshore part of the FLAGS (Far North Liquid and Associated Gas System) Project.

At St. Fergus the FLAGS gas-processing plant extracts the natural-gas liquids and delivers dry methane into the British Gas Corp. crosscountry transport pipeline. The liquids will be transported overland via a 222-km, 20-in.-diameter pipeline, to a NGL fractionation plant now under construction at Mossmoran. The liquids will be separated into ethane, propane, butane, and natural gasoline. Transport of these products will be through a tanker-loading facility near Mossmoran at Braefoot Bay on the Firth of Forth (Fig. 1).

The system is designed for an initial capacity to handle about 1,000 MMscfd of methane gas, plus about 100,000 b/d of associated liquids.

This two-part article reviews the construction and commissioning of the offshore gas pipeline project, with emphasis on the planning and special engineering efforts which resulted in cost savings of about $138 million.

Background. The decision to export gas from Brent field via pipeline to St. Fergus, Scotland, was made in 1974. Preliminary route surveys and project studies established the approximate route and the diameter of the pipe in June 1975. Completion of the pipeline was targeted for July 1979, in advance of completion of the St. Fergus plant, targeted for October 1979.

The preliminary engineering studies of the pipeline project highlighted the very large scope of the project and the problems associated with laying large-diameter, heavy-wall pipe over such a long and exposed route in the deeper waters of the northern North Sea. Additionally, market surveys indicated that lay barges of a capability to handle large-diameter, deepwater pipeline projects of that nature would be in very short supply during the FLAGS construction
schedule.

These factors prompted Shell, Esso, and Zapata to form a joint venture to design, construct, and operate the Semac I laybarge spread (Fig. 2). In June 1975, the Semac I spread was contracted to lay all but the nearshore shallow-water part of the FLAGS Gasline.

At that time, Semac I was in the final stages of design. Procurement of materials and construction of the laybarge was just getting under way, with a target for completion in mid-1976. However, steel shortages and construction delays prolonged the schedule, and the Semac I did not arrive in the North Sea, ready for service, until early 1977.

Meanwhile, in late 1975 and early 1976, the preliminary engineering studies and essential administrative and governmental matters pertaining to the FLAGS offshore project were handled as a part-time activity by the Shell Expro Pipeline Construction Group which was also engaged in construction of the Brent oil pipeline system. During this period additional Shell and Esso personnel were being seconded to Shell Expro for the FLAGS Gasline project. By May 1976, sufficient personnel were available to form a project team which then assumed responsibility for the project.

Construction began in May 1976, with preparations for the pipelineshore pull to landfall at St. Fergus. In mid-July 1976, the Santa Fe laybarge, Choctaw II, moved into position in 60 ft of water about a mile offshore. As Choctaw II welded pipe joints into the line, the pipe was pulled to shore into the prepared cofferdam and trench through the beach sand dunes. Subsequently, Choctaw II continued laying pipe and completed 32 km of the pipeline during the 30-day contract period, which ended in mid-August 1976. The pipeline was then flooded with inhibited sea water to provide additional weight on bottom for stability against 1976-77 winter storms.

Project planning and risk management. With the formation of the dedicated project team in early 1976, an overall project execution plan was developed. This plan identified each activity required for the planning and execution of the project, showing the timing, duration, and available float for each activity. The required prerequisites and sequential or conflicting relationships between activities were also identified.

The plan highlighted the areas of major risks to a successful and timely completion of the project. It also provided a basis to estimate the lead time available and the order of magnitude of the time and cost incentives of efforts which might be undertaken to reduce the major risks.

The major risks then identified were:

* The potential of poor performance of the unproven design of the Semac I laybarge and the newly assembled Semac organization.

* The risks of "wet buckle" incidents during pipelaying operations and the catastrophic consequential delays that could ensue from these incidents on such a large, long pipeline in deep water.

* The probability that trenching the pipeline would delay the completion of the project and/or result in excessive costs. This was due to a tight market
of jet trench barges which required multiple passes to achieve the specified trench depth. The short work season (May through August), and short schedule, required that trenching be carried out concurrently with pipelaying on an empty, lightweight pipe. This would increase the number of passes necessary to achieve the required depth.

* The probability of excessive concrete coating damage during pipelay since Semac was designed to work in more severe weather situations and an extended work season (March through October). Additional concrete damage was also anticipated due to the multiple passes of the jet trenching barges.

* The preliminary route surveys had found, in the deeper waters midway along the FLAGS route, extensive areas where the seabed was pock marked with crater-shaped depressions. These features had been reported by others and there was speculation that they were caused by gas seeps. If this were so, and they were of recent origin and still active, the stability and safety of the pipeline would be at risk. Changing the route to avoid the extensive areas would greatly increase the length of the pipeline, reduce the throughput capacity, and increase the construction time and costs.

* The arrester sleeve to be installed on every 12th joint in the pipeline was designed by proven criteria to stop propagating buckles due to hydrostatic pressure collapse during pipelay operations. The sleeve was also intended to serve as an arrester, to stop a propagating ductile fracture of the gas pipeline under operating conditions. However, the capabilities to serve this purpose had not been demonstrated by analysis or tests.

Each of the foregoing problem areas was evaluated from the point of view of what could be done to minimize both the probability of the risk and the consequential impact on the project. Conceptional engineering approaches to these problems were identified. Outlines of special study plans were prepared, complete with objectives, scope, approach, and estimates of time and resource required. Consultants and specialists of the Shell and Esso research and engineering support organizations were consulted to develop ideas and organize the special study programs.

The engineering resources required to implement the overall studies and development plans that were identified and proved were far beyond the capability of the dedicated project team. However, both Shell and Esso have technical support organizations and research laboratories that can provide technical support and specialist staff consultants to project teams. These resources were used extensively to formulate and to implement the various study efforts.

Often this was done by "farming out" the special projects to a Shell or Esso research laboratory or technical support organization. In some instances, temporary assignments were arranged for specialist staff to be seconded to the project team, serving as project leaders to coordinate the work of consultants, or to spearhead a task force comprised of specialists from several of the Shell and Esso support organizations and outside consultants.

In so far as possible, and to the extent it was desirable, the special engineering efforts were set up as distinctly independent projects, so as not to disrupt the routine ongoing activities of the construction project team. Coordination and periodic review of each of the study programs was handled by the project manager or a designated subordinate.
Concurrently with the decision to undertake special study efforts, the project execution plan was reviewed and contracting strategies were developed to delay or minimize commitments and decisions that could benefit by a successful outcome of the study efforts. The critical dates for decisions and commitments were identified; this established deadlines for the results of the study efforts.

Most of the special studies were initiated and completed in 1976 and 1977. Additional risks and problems were identified later and they too were approached by special study groups, coordinated by a leader assigned to the FLAGS project team.

In the actual event, the commissioning and final turnover of the pipeline to Operations was delayed 2 1/2 years, pending completion of the connecting facilities, both offshore production facilities and onshore plant facilities. However, these delays were not evident until late 1978, and they did not influence project execution plans that were maintained in 1976, 1977, and early 1978 (Fig. 3).

The following discussion reviews the major special study efforts organized by the project team and covers their impact on the execution of the project. The references provided at the end of Part 2 of this article give a list of previous publications stemming from the FLAGS studies.

Assuring laybarge performance

The efforts to ensure good performance of Semac I were aimed at three objectives:

* Ensure safety and reliability of the pipe handling system to minimize mishaps and pipe buckles.

* Increase pipelay rates by developing an automatic welding system.

* Provide adequate logistics and underwater inspection/survey support services for Semac operations.

Pipe-handling system. Consistent and reliable safe handling of the pipe during pipelay operations is a key factor in the performance of a laybarge. This is not only a function of safe and adequate equipment but also depends on the operating procedures and the diligence of the crew in following procedures and monitoring the system.

Before 1976 the experience of others laying pipe in the northern North Sea indicated that the pipelay barges had averaged one "wet buckle" mishap for about every 150 km of pipeline laid. A "wet buckle" is a mishap in which the suspended pipe is buckled and ruptured. The lower section of the open ended, empty pipe falls to the seabed and quickly floods the entire pipeline with sea water and bottom debris.

In such an event, it may take weeks to dewater and recover the pipe. If the pipe is plugged by mud and sand, sections may have to be abandoned and relaid.

Semac I had been specifically designed to improve on the safety of handling large-diameter pipe in the deeper waters of the northern North Sea. However,
it was also intended to continue pipelaying in more adverse sea conditions and to extend the work season from March through October, as compared to the more favorable weather periods, May through August, worked by the conventional barges. The design of the pipe-handling system and the operating guidelines for Semac I were developed with the assistance of pipelay specialists in Exxon Production Research Co., Houston (EPRCO). The project team decided to make an independent study of the pipe-handling system and commissioned this to be done by pipelay specialist in Shell Development Co.

The study established guidelines and detailed procedures for establishing pipe tension and stinger control for all ranges of pipe weight, water depths, and sea conditions. Safe operating limits were established for adverse weather situations, and step-by-step procedures were documented for the safe abandoning and recovering of the pipe after periods of severe weather.

The independent study developed a few recommended changes in the operating plans. These were reviewed with Semac and EPRCO and a consensus plan was agreed and documented. The discussions highlighted key critical elements of the pipe-handling system that required careful control and monitoring and led to a decision by the project team to augment the instrumentation and data-recording system which had been provided by the contractor.

Underwater television cameras were installed on the stinger to monitor the contact of the pipe with the stinger guide and support rollers. Video displays were placed in the stinger control room at the stern of the barge and in the main control room, where they could be monitored by the anchor-winches operators.

Having agreed on the operating plans for the laybarge, a formal training program was organized and given to all key supervisory, operating, and inspection personnel (both Semac and Shell Expro). This training was held in early 1977.

Before picking up and resuming work on the 30 km of pipe laid in 1976, Semac I was required to demonstrate the safety of the pipe-laying system on location in the North Sea in March 1977. Approximately 20 joints of the FLAGS pipe were welded up and laid on the bottom with a seabed anchor set to maintain pipe tension.

The abandoning and recovery (A&R) system and operating procedures were checked by laying the capped pipe on the bottom. The pipe was then recovered onto the laybarge and cut up joint by joint. The pipe was returned to the shore base for inspection and refurbishing.

Automatic welding system. The initial effort to develop an automatic welding system which would meet the FLAGS welding specifications was carried out by Semac; the project team monitored the results of its studies and test trials. Several automatic systems under development in 1976 were screened. The system offered by CRC Crose was chosen as being the more promising.

Early trials of the standard equipment on sample joints of the FLAGS high strength (X-60) heavy wall (0.867 in) pipe failed to meet the specified limited hardness -- not to exceed Rockwell C 22. Various attempts were made to overcome this deficiency, with preheating and post-weld heat treatment. Results with preheating were promising but the very high temperatures required resulted in problems with the internal welding and line-up equipment.
In late 1976, satisfactory results were achieved with novel experimental equipment which provided a high temperature, short-duration heat-treatment cycle (1,350 degrees F. for 30 sec) to temper the partially completed weld which would then provide residual preheat for the remaining weld passes. However, to implement this procedure offshore would require the development of an electrical induction heating system and controller that could be installed and operated at one of the work stations on Semac.

The risks and cost of such a development effort were more than the contractor and equipment supplier were willing to undertake. Therefore, the project agreed to share in the cost of development program and in December 1976, a task force was organized to guide the development effort. The task force was headed by a FLAGS project engineer (full time) and made up of staff from Semac and CRC Crose. Welding specialists from Shell and Esso provided consulting assistance.

Concurrently with this decision, another project was organized to develop weld-inspection techniques and weld-acceptance criteria that would cater to the automatic welding process and provide assurance that the specified weld quality and integrity would be achieved. Firstly, extensive tests were made on sample girth welds to demonstrate that the heat treating process did not adversely reduce the toughness or strength of the pipe material or the longitudinal weld seam.

Fracture mechanics analysis was used to establish minimum specified weld toughness and strength. Sample welds were tested with crack-opening displacement (COD) tests to demonstrate toughness of the girth welds and to establish acceptance limits for minor imperfections of the weld. In particular, the acceptance standards for lack of sidewall fusion (LOF) was modified from the normal limits by increasing the permissible length of LOF imperfections but reducing the permissible depth dimensions.

The experience of others with automatic welding equipment had shown that this change could substantially reduce the number of weld repairs that would otherwise be required. This change in the acceptance criteria requires that LOF defects within the length limits as determined by X-ray inspection, had to also be qualified by ultra-sonic inspections to be within the depth limits.

The acceptance criteria and inspection procedures were reviewed and approved by the Pipeline Inspectorate of the Department of Energy.

Prior to the start of pipelay operations in 1977, the laybarge supervisory staff, the welding foremen, and the welding inspectors were given a 3-week training program on the FLAGS welding specifications, inspection, and weld-repair procedures. This program included both the manual welding procedures which had been developed and qualified by Semac, and also the automatic system being developed. The Battelle Memorial Institute was commissioned to organize and conduct the training program with assistance by Shell and Esso specialists.

Logistics and support of Semac operations. Studies to ensure adequate support units for the Semac I operations resulted in a decision to provide a dedicated survey vessel equipped with navigational and sidescan sonar facilities. This could provide seabed inspection/survey of the pipeline route immediately preceding pipe lay. The vessel was also equipped with an underwater remotely controlled video unit, Recon II, manufactured by Perry Oceanographics Inc. This provided underwater visual inspection if any junk or debris was found along
the route or in the event of a pipe-handling mishap.

As a safeguard against disruption of pipelay operations due to industrial disputes at the pipe-supply ports, stockpiles of pipe supplies were maintained at four supply bases, three in the United Kingdom and one in Norway. The number of pipe supply vessels dedicated to the Semac operation varied between two and five. More were required toward the end of construction, as Semac moved away from the principal supply bases in the U.K.

Semac I performance. The performance of Semac I during construction of the FLAGS Gasline was truly outstanding. In the 8-month work season, March through October 1977, it completed a record 156 miles of the pipeline. In one 123 day period, April 26 through August 26, it worked continuously without weather interruption, a record for the northern North Sea.

Manual welding was used on Semac in early 1977, until the newly developed automatic equipment was ready and installed in June. The switch over from manual to automatic welding was well planned and organized and stopped pipelay operations for only a few hours. The effect of the automatic system and the weld inspection/acceptance criteria is shown graphically in Fig. 4. The proof of the "fit for purpose" acceptance criteria was demonstrated by the fact that all of the 36,985 girth welds in the pipeline withstood the stresses of North Sea pipelaying and three separate hydrostatic testing cycles without a single failure or leak.

Semac I experienced one pipebuckle incident in early 1977. The pipe did not rupture, and the buckled joint was retrieved onto the laybarge and removed with only a minor delay to the pipeline construction. There were also a couple of incidents of broken tension cables during abandonment operations in bad weather.

Eventually the cause was traced to under capacity of the abandonment and recovery (A & R) winch, which could not cope with the payout speeds required to accommodate barge surges in heavy seas. This was temporarily resolved by rigging one of the twelve anchor winches as an A&R winch, until the capacity of the original A&R winch was increased. There were no wet-buckle incidents.

The logistic support of Semac was effective. No delays were experienced for lack of pipe on Semac, even though industrial disputes on occasion prevented shipments from one or more of the supply bases. This was so, even though Semac often laid more than a mile (132 joints) per day, and once laid 262 joints in one 24-hr period.

The outstanding performance permitted Semac to complete the pipeline in June 1978, well ahead of schedule and without assistance of a second laybarge, which had been scheduled for 1978 in the project-execution plan drawn up in 1976. Elimination of the second laybarge (which would have started at the northern end of the line and laid south toward Semac) also eliminated a subsea hyperbaric welded tie-in, which would have been required to join the two pipe segments. The contract period for Semac had been established for all of the work seasons of 1977 and 1978 and the first 90 days of 1979. Therefore, when Semac finished laying FLAGS, it was used as a diving support vessel to install a large subsea valve assembly in the FLAGS pipeline and to make hyperbaric welded tie-ins to the pipe expansion loop at Brent Alpha platform.
Where there was other pipelay work required by Shell Expro, it was used by other projects. In this way the Semac spread was utilized through the contract period. This eliminated the need to hire other spreads for the various tasks and contributed to cost savings. Overall, it is estimated that Semac resulted in a saving of $56 million to the pipeline project.

Wet buckle contingency studies. As mentioned above, based on industry experience, we were anticipating a wet-buckle mishap for about every 150 km of pipelay operations -- about three for the 450 km long pipeline. The efforts taken to ensure the safety and reliability of the Semac pipe-handling system were aimed at reducing the number of incidents. Efforts were also made to develop means to reduce the consequential delays and costs of any wet buckle incident.

An engineering consultancy group was commissioned to develop detailed plans and equipment which could be immediately implemented by the Semac diving team in the event of a wet buckle. The devised plan included subsea power tools to cut off the end of the buckled pipe and to mill a hole through the diameter of the pipe for a 16-in.-diameter pin to be fitted to a lifting yoke. The lifting yoke would be fitted to the A&R winch cable for recovery of the pipe as soon as the pipe was dewatered. Air compressors and pig-launching facilities were maintained at landfall so that the flooded pipe could be dewatered as soon as the divers completed installation of the pin and yoke device.

The tools and equipment were fabricated and tested. The Semac diving team was given onshore training in the use and deployment of the tools and equipment. The equipment was then packaged and maintained onshore in a ready condition to be shipped immediately if needed.

Studies also identified the point along the pipeline where it would be more economical to not delay Semac for dewatering and retrieval of a wet buckle, but to start laying a new pipe section which would later be tied-in to the first part of the pipeline with hyperbaric welding.

Two other development efforts were undertaken to minimize the consequences of a wet buckle. A tool and equipment manufacturer/service company was commissioned to develop a gauge autoplug (GAP) which could be deployed inside the pipe and pulled by an electromechanical cable about 1,500 ft behind the laybarge.

In the event of a wet buckle, which presumably would be in the suspended pipe ahead of the plug, the self-energizing device would set slips and packer elements to prevent flooding of the pipeline. There were delays in the development program and the tool was not ready for field trials until 1978. Two attempts to deploy the device from Semac were unsuccessful and a decision was then taken to abandon the project.

Another effort undertaken by Shell Development Co., Houston, set out to develop and test a pumpable gel material that could be deployed in the pipeline between two sealing pigs or spheres. The batch of gel would have sufficient yield strength to resist flow due to hydrostatic pressures, but could be forceably pumped through the pipe to be maintained a half mile or so behind the lay barge. In this way, most of the pipeline already laid could be maintained filled with water, while the pipe suspended off bottom at the lay barge, would be air filled. This would minimize the amount of sea-water flooding in the event of a wet buckle.
The scheme would also increase the effectiveness of trenching operations during pipelay and provide increased pipe weight and stability during winter storms.

The recommended gel-plug system was developed and tested in an idle 6-in., 10-mile long pipeline, in the summer of 1977. While the test results were satisfactory, a decision was taken not to deploy the plug. However, during the field trials, it was found that the gel systematically collected, dispersed, and transported debris that had been in the pipeline. This discovery was used later for cleaning the FLAGS pipeline.

Part 2, the conclusion of this article, will appear in next week's journal. Paper titled "FLAGS Offshore Gasline Project" first presented at the 1982 European Petroleum Conference in London, Copyright 1982, Society of Petroleum Engineers of AIME.

The authors

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Manfred Lux is services manager with Esso's Odin Gas Development Project (Norwegian North Seal. Before then, he was seconded to Shell U.K. to work on the FLAGS Gas Line Project. During the period, May 1979 through September 1980, he took over from Douglas Broussard as FLAGS offshore project manager. Lux holds a BS mechanical degree from Ilmenau College, Germany.

K. P. Havik is head of pipelines of Shell Internationale Petroleum Maatschappij B.V. in The Hague. He formerly was the technical manager of Semac Services in Rotterdam and responsible for the technical aspects of the commissioning and initial operations of the semisubmersible pipelay barge Semac -- 1.

GRAPHIC: Figure 1, Route of FLAGS gas line in North Sea, OGJ; Figure 2, Semac I pipelay barge in operation in North Sea was contracted to lay all but the nearshore shallowwater part of FLAGS gas line.; Figure 3, FLAGS gas line construction schedule, OGJ; Figure 4, Semac 1 pipelay performance, OGJ; Picture 1, Broussard; Picture 2, Lux; Picture 3, Havik

LANGUAGE: ENGLISH
OILFIELD INSPECTION SERVICES GROUP has been awarded a contract worth £500,000 by the UK arm of the U.S. contractor Brown and Root. The contract is to provide specialised internal X-ray inspection services of pipes on board the pipelaying barges Semac I and Choctaw II during the 1982 North Sea season.
Each December we poll our editorial advisors for their expert opinions on industry conditions for the coming year. We have always found these discussions to be invaluable detection devices, especially for identifying coming business and operational trends.

This year, each board member responded to an identical set of questions as they pertained to each specific marine segment. Their answers were collected by our editors and combined to form this Q&A discussion on future offshore activities.

Do you expect growth in your segment of the industry in 1982? If so, do you expect it to continue for the next two to three years?

Kobus: I am confident that there will be continued growth in the offshore industry rig fleet throughout 1982. In fact, the growth trend is somewhat like Jack's beanstalk, in that it rises as far as the eye can see until it is obscured by the clouds of the long-range future. The rate at which the offshore fleet expands in 1982 may lessen from the growth rate of the 1980-81 period as the supply of jackup rigs converges on the market demand for jackups, but the overall trend in growth will continue to be upward.

Palmer: I expect to see continued growth in the offshore rig market in 1982 and several years beyond. At Rowan, our confidence is reflected by a capital expansion program in excess of half a billion dollars in years 1981-1985 for offshore drilling expansion.

Savit: The offshore geophysical industry should continue to grow in 1982, probably, however, at a lower rate than prevailed in 1981. Growth should continue for the next two or three years, provided political factors do not change radically. In particular, the current U.S. offshore leasing plans would have to remain in place to assure continued growth.

Van Engleshoven: We anticipate a very moderate growth in marine seismic but a considerable growth of 10% in exploration/appraisal drilling offshore. Existing production areas where we expect growth include Brunei and Sarawak where, in the latter, gas is being developed for an LNG export scheme. In the North Sea, investment overall is likely to continue at existing levels, although there will be differences between the various countries -- for example, in Denmark activity is likely to increase relative to the present level.

Wardwell: The diving services market size grew steadily in 1981, and I anticipate continued growth through 1982. Demand for underwater services, particularly in the inspection, maintenance, and repair of offshore structures
will continue to grow throughout the decade. There is a strong demand for the 4,000+ divers working worldwide. The trend into 1983 will be a shift to fewer, larger diving companies can more readily offer complete project management capabilities, turn-key bidding, the latest deepwater technology, and more comprehensive safety controls.

Andreani: 1982 will be, as expected, the first of a three, maybe four-year period with significant pipelaying activity in the North Sea. The Dong Project will pave the way to such major projects as the Statpipe and, eventually, a rescheduled gas-gathering system in the UK sector, when new schemes will be defined to set off the recent and much publicized decision of the British government not to financially support the project.

Other areas where Saipem is present with offshore pipelaying and construction, namely Italian offshore, the Red Sea, and the Middle east, will confirm the level of activities recorded in 1981 with improved employment for owned resources, at terms which should reflect, nonetheless, the fiercely competitive conditions still prevailing on most markets.

Mention must unfortunately be made of the political uncertainties which continue in such areas as the Middle East. This situation adds risks, which are particularly difficult to evaluate, the already burdensome initiatives of international contractors such as Saipem which, for the performance of its work, must concentrate fairly substantial amounts of resources. This includes personnel and equipment on or near project locations, as well as permanent and semipermanent logistic/construction facilities (shore-based supporting facilities, fabrication yards, storage areas, etc.).

West Africa is another area of potential interest where a definite growth in offshore construction activities is expected in the next few years. This is a logical consequence to recent finds already being developed and other discoveries, also in deep waters, presumed to be under consideration for development.

Keefe: It is unlikely that there will be a significant increase in the coming year in the total number of helicopter flights in support of offshore oil projects in the North Sea.

The glut in worldwide oil supplies, plus the high level of taxation imposed by the British government, are not likely to encourage the oil companies to increase production or push ahead with exploration activities.

The outlook for the helicopter industry is, however, far from bleak. We in British Airways Helicopters have introduced the 44-seater Boeing Vertol 234 into service and I am now even more convinced than I was a year ago that this is the most important development in our segment of the industry for years to come.

In a relatively short period, the BV 234 has established itself as the most comfortable, the most versatile and, in the longer-range sectors, the most efficient form of transport in service between the mainland and offshore installations.

And as we all know, there is no tougher testing ground than the North Sea.
What factors do you expect to most affect activity in your segment of the industry during 1982?

Palmer: Enactment of the 1982 proposed accelerated OCS oil and gas lease sale schedule will have the greatest impact on offshore drilling during the period 1982-1986.

The prospect of developing potential gas condensate reservoirs offshore, with gas price deregulation in 1985 or possibly earlier under the Reagan administration is also very positive for offshore drilling.

The fact that new offshore rig orders have fallen off sharply in the last half of 1981 portends that there will likely be no oversupply during the next few years.

Kobus: The recent increase in the Mid-East turmoil brought on by the assassination of Egypt's President Sadat, the Iran-Iraq war, the upsurge of Muslim fanaticism, the encouragement of terrorism and the heightening confrontation between the Israelis and the PLO should dramatically increase the concern of the nations of Western Europe and North America on the reliability of the oil supply from the Mid-East hotbed.

This concern has grown and slackened since the oil embargo of 1973, but I now expect that concern to manifest itself in new resolve by the nations dependent on Mid-East oil to pursue every avenue available to achieve supply-independence from that area of demonstrated instability. Those pursuits should be directed in a large part to significant increases in offshore exploration and development and, therefore, to the offshore fleet.

Savit: The dominant force controlling the level of activity in seismic exploration, as in all other phases of the offshore oil industry, are political. Of secondary importance is the availability of skilled personnel worldwide. Training programs presently under way can meet current needs, but the average experience level throughout the industry will continue to decline until the growth rate flattens out.

Van Engleshoven: Leaving aside the effect of political events, particularly in the Middle East, which undoubtedly could have an impact on the level of activity, then it is constraints within the industry such as the availability of skilled personnel, particularly those willing to work in unaccustomed environments, and the availability of equipment that will most influence developments.

Andreani: Offshore pipelaying and construction should remain most competitive in 1982. A tendency to specialization seems to seek confirmation; one sign for it is the concentration of interest of statutory clients on a relatively small number of last generation work vessels (semi-submersible super-heavy lift crane vessels and super-automated lay vessels), in spite of some of the contracts being awarded for works compatible with more conventional craft. Another sign could be identified in a certain concentration of resources with fewer specialized contractors (consider the recent changes of ownership on such craft as the Viking Piper, the Choctaw II, etc.)

It may be inferred that the market is moving towards increasing specialization and "experienced" technology.
Also in response to this tendency of this energy market sector and apart from the contingent slackness of the other market sectors in which Saipem is engaged -- land drilling, onshore construction of industrial plants and pipelines -- it may be noted that the weight of Saipem's offshore involvement, for both offshore drilling and offshore construction, is considerably increasing relative to its global corporate activities.

Wardwell: Oceaneering usually segments the diving industry into four broad categories -- exploration support, new construction, inspection and repair, and deepwater technology. I'll discuss each briefly:

Exploration support -- much of the new work is going to companies offering advanced technology, in one-atmosphere systems or remote-controlled vehicles. Economics and logistics for very deep water mitigate against the use of saturation diving in water deeper than 600 ft. A single saturation dive to 900 ft can cost more than $200,000. Oil companies increasingly recognize the economies of hiring Atmospheric Diving Suits (ADS).

Near-term forecast for this market segment looks good, if oil companies continue their aggressive deepwater exploration programs.

New offshore construction support -- after several poor years in the late 1970's, this industry segment is again healthy and becoming healthier. There is a strong demand for pipeline tie-ins and support work during the construction of production facilities.

This segment relies heavily upon the capital expenditure programs within producing companies and is therefore dependent upon the cost of money, existing oil and gas reserves, and various governmental energy policies.

Inspection and repair -- by far the largest segment of the diving industry and least vulnerable to rapid shifts in policy and the economy.

The diving industry now offers well-established inspection techniques and acceptable repair capabilities. Cost efficient inspection programs carried out on a predictable basis now make sense to producing companies.

This segment will continue to grow significantly in terms of both work scope and revenues. Factors contributing to this growth include even more stringent industry regulations, an increasing number of older offshore production facilities, and encouragement by government bodies to extend platform and pipeline life.

One noteworthy trend is the increasing emphasis on project management teams, within diving companies, to control all aspects of a repair operation. Oil companies are in short supply of experienced field personnel and are becoming more reliant upon diving companies to assume overall management responsibilities in an offshore project.

Deepwater technology -- there is a growing use of ADS and manned submersibles to support exploration and inspection programs in deepwater areas. For instance, Oceaneering operates 30 ADS and four manned submersibles outfitted with ARMS manipulators. Working dives to 2,000-ft depths are now routine. This equipment has been repeatedly used for most of the same tasks as are carried out by dives in shallower depths. Deepwater equipment will also play an
increasingly important role in subsea construction activity in 1982.

Remotely operated vehicles (ROV's) continue to gain acceptance for inspection work throughout the industry. Most larger diving companies now operate ROV'S. The ability for an ROV to carry out the full range of diver inspection tasks is in the foreseeable future. Most industry experts believe the ROV will complement wet-diver and manned submersible programs.

Keefe: There are two factors -- greater competition that will lead to keener prices, and greater concern about air safety. But let me emphasize that the two are not -- and never should be -- linked. The reputable helicopter operator will never compromise on safety.

British Airways Helicopters has spent millions of dollars on the design and manufacture of two simulators, one for the Sikorsky 61 and the other for the BV 234, because I fervently believe that safety is really a reflection of training standards.

BAH has never had a fatal accident in the 34 years it has been operating -- and for half of that period operating in one of the world's most hostile areas. Seven million people have boarded a British Airways helicopter and every one has disembarked safely. And it is not a matter of luck. Every aircraft operator has a measure of luck at times, but over a lengthy period the measure is levelled out so that all have an equal amount.

We at BAH have earned our reputation by demanding high professional standards from our pilots and engineers. The result has been a safety record that is unequalled by any major transport enterprise anywhere in the world.

How do you think high interest rates and tight money will affect offshore exploration and production during 1982?

Kobus: The high interest rates and tight money supply will affect the offshore exploration and production efforts to a significantly smaller degree than will be the effect on most other industries. Although money is tight, it is available for blue-chip investments, and the offshore effort has always been a blue-chip glamour investment venture with a proven track record. It is still like investing in umbrellas when there is a long range forecast of heavy rain.

The high interest rates are certainly adding to the cost of doing our business. Inflation, high interest rates, lower productivity in shipyards and the added equipment to satisfy environmental and safety regulations have all piled on like straws on the proverbial camel's back to drive the cost of new rigs skyward.

Savit: High interest rates and tight money will inhibit the expansion plans of some operators and will hold down profit margins for everyone. A further substantial increase in interest rates could throttle further expansion.

Van Engleshoven: The continuation of high interest rates into 1982 is unlikely, at this stage, to have any significant impact on expenditure next year, since funds for exploration and production have already been committed.

Palmer: There is no doubt that high interest rates will have negative effects on the companies marginally in or about to enter offshore exploration. But
the overriding issue, as I see it, is the necessity for the ongoing oil and gas producers to replace depleted reserves.

Never before have the oil companies had the opportunity to acquire adequate unexplored acreage in accessible offshore areas in a stable country within a thirsty market and without price controls, as can be expected in the proposed 1982 federal OCS lease sales. In other words, I believe expanded exploration and development offshore the U.S.A. will occur, in spite of temporary high interest rates that increase costs.

Keefe: The likely effect of the present worldwide financial situation on the North Sea is a very difficult judgment for me to make. I do not think it will escape unscathed an it is already feeling the effects of the British government's economic policy on taxation.

The government recently declared its intention to sell of a majority shareholding in the British National Oil Corp. and also in the Gas Council's offshore projects. The reason given is to make both companies more competitive, which, in turn, must favor the more efficient of the offshore support companies in every segment of the market.

Wardwell: The cost and availability of money has such a varied effect from oil company to oil company, no general statement accurately describes the overall outlook. Each company reacts to the problem with different solutions, and we must stay aware of how these solutions will affect the diving work available.

We have noted a curtailment in a few exploration and production programs recently, but new work from other sources has more than compensated for these isolated incidents.

Andreani: High interest rates and tight money in the offshore construction sector, apart from contributing to generally increased costs, should not influence offshore construction activities as long as the demand for energy in the industrialized countries will secure top levels of priority to most energy related activities.

Which frontier areas of the world do you think will see the greatest increase in offshore activity?

Van Engleshoven: Over the next few years, there could be several areas where new offshore activity could commence, notably China, which was previously closed to foreign investment, West Africa, which has had relatively little offshore exploration, and northern Norway, north of latitude 62, where limited activity is now taking place. But we should not be surprised if activities in the Canadian Arctic area would increase.

Kobus: In 1977, I spoke at a Sea Grant conference in Houston. The title of my talk was "Breaking the Benthic Barrier." The talk dealt with the challenges facing the offshore industry in exploring and ultimately producing the hydrocarbon reserves and mineral deposits in the deep abyssal plains that from the benthic basins of the oceans separating the Earth's continents.

Today, the challenges of benthic basins is still the most imposing and exciting frontier that the industry is facing. Breaking the benthic barrier
will require the Nth degree of technological skill and operating know-how of every aspect of the broad offshore industry.

In the long range, I also foresee a greatly increased interest, investment and activity in efforts to explore and develop the Polar region of this globe. As equipment is being used and proven suitable for cold-weather service on the North Slope, the pursuit for oil and gas will be pressed farther north into the foreboding regions of the Arctic Sea and then into the seemingly impregnable land mass and surrounding seas of the Antarctic.

Wardwell: I believe the greatest increase in offshore activity during 1982 will take place on the West African Coast, as well as both the East and West Coasts of the U.S.

Palmer: The frontier areas which will see the most offshore activity in the next few years are the countries that are politically motivated and of course have coastlines with sedimentary basins. The prominent areas in this respect are Australia, Alaska, Central West Africa, Asia and Eastern South America.

Savit: The frontier areas that will see the most rapid expansion will be those in which the political climate and geological factors combine to encourage exploration. At the present time, the brightest future is in the U.S. Outer Continental Shelf.

A significant discovery and continued political stability could produce a boom in Australian waters. Political factors alone govern the potential expansion of activity off the China coast. Similar considerations apply on many other continental shelves.

Andreani: Deepwater drilling should be followed eventually by the development of discoveries, as these are progressively being declared commercial in deeper and deeper waters. Several sectors of the industry are making considerable efforts to be ready in time with technologically viable answers. Deepwater pipelaying is just one example.

A comment here can be made concerning a useful opening which may be achieved by developing advanced technological capacities whereby a European contractor, such as Saipem, may eventually be consulted, for difficult projects -- e.g., very deep pipelines -- in the U.S. offshore, with a natural contribution to an area otherwise self-sufficient.

Keefe: There are several growth areas that we are studying at the present time. It is becoming even more important for the oil support industry to be prepared to react quickly to developments in various areas.

Do you foresee a shortage of equipment or personnel during 1982? If so, in what areas?

Andreani: In offshore pipelaying and construction there are no foreseeable problems of relevance concerning equipment availability with, maybe, the exception of pipecarriers, whose market is fairly tight and may get tighter in 1983 and 1984, particularly for the North Sea class type, unless new vessels are timely built. A different situation prevails on the other hand for both project management personnel and for skilled specialists, whose shortage the industry has had to face for many years.
Saipem's answer to this problem relies basically on personnel training within its corporate training facilities, which in some cases are internationally recognized for the levels of proficiency, thanks also to the realistic practicing conditions -- with complex simulation and/or real equipment -- as well as to the modern didactic procedures. A typical example would be Saipem's drilling training center and its welding schools for manual, semi-automatic and fully automatic welding on pipelines.

Keefe: There is certainly no shortage of equipment in the helicopter industry at the present time. Nor is there likely to be an acute shortage of personnel in the next year. What does concern me is the likely shortage in the longer term of skilled engineers and pilots. The industry is not attracting enough youngsters with a technological background.

Kobus: In the period of the semisubmersible building boom of 1971-75, there were dire forecasts of critical shortages of rig personnel and equipment. Then again, the same alarming forecasts were heard during the period of the jackup building boom that has reached its peak at this time.

During both periods of predicted people problems, the industry reacted to and overcame those forecasts by the time-proven oil-patch technique of "recruiting and diluting." Stepped-up recruiting efforts extended far into the interior of the U.S. and eastern seaboard which where not considered traditional sources of rig hands. The steadily rising unemployment in the mid-central, eastern and northern parts of this country seemed to provide the impetus for a steady infusion of new blood into our drilling industry.

Modern training programs enabled those newly recruited men to enter the job sites onshore and offshore with a level of understanding and familiarity for the work program, the job-site conditions and hazards, and a good job package of benefits and pay. These programs have paid off in spades since these new men have been able to become responsible and productive hands in amazingly short periods of time.

The value of thorough training has spoken for itself loud and clear. As the new rigs came onto line, a "dilution" process also took place when some of the more experienced rig hands were selected and transferred from the working rigs and mixed with the newly trained green hands to man the new rigs. The older rigs receive new men to fill the vacancies created by the transfers of the experienced men, and so the experienced level on that older rig is diluted. Time has shown that the process of "recruit and dilute" works. The industry has successfully weathered two storms of manpower shortages and come through unscathed.

And what words can be spoken or printed to adequately described the capability of the offshore industry equipment manufacturers and suppliers...? Throughout the past 25 years that I have been a working member of the salt water oil-patch, I have seen cyclic building booms push the equipment makers to and beyond the limits of imaginable capability.

Each time the plants and shops where the iron is thrown together somehow become cornucopian and turn out more drawworks, more derricks, more mud pumps, more anchor chain and more drill string than should be possible for their plant facilities, so that the deadlines for delivery of owner furnished equipment to the shipyards can be made on time.
Therefore, I do not foresee any shortages of equipment or manpower crippling the industry in the near term.

Palmer: The expanded OCS lease sale will hardly be off the ground in 1982. This, plus there are 145 new offshore rigs scheduled for delivery in 1982, 45 not now contracted for employment, indicates there will be no offshore rig shortage next year. It is those years beyond 1982 in which I could foresee any possibility of an offshore rig shortage.

Van Engleshoven: As I mentioned earlier, there will definitely be shortages of equipment and manpower, not just in 1982, but for the next few years. For marine seismic work, there is a lack of qualified personnel and modern equipment, and there is a shortage of personnel for offshore exploration drilling.

On the production side, there is a lack of trained production technicians for operating new fields -- for example, in the U.K. Also, there will be a need for good engineers to develop technology for economic exploitation of marginal and deepwater fields.

Savit: Equipment shortages do not seem to pose a problem in view of current manufacturing capacity. Expansion of the personnel base will continue but, as discussed earlier, the average experience level will be lowered.

Wardwell: The growth within the diving industry has tightened the demand for well-qualified and experienced divers worldwide. Those individuals with high technology skills and experience are in particular demand.

Should deepwater exploration programs continue on an aggressive path, there may be some isolated instances of shortages in deepwater support equipment. No shortages are expected in the supply of conventional saturation diving systems.

What effect do you expect from the current worldwide oil surplus?

Palmer: The effect of the 1982 oil surplus has weakened investors' confidence in oil and oil service stocks. I believe there has been an overreaction to the expected longevity of the oil inventory surplus, which will probably dry up in 1982.

Savit: The current worldwide oil surplus is a political phenomenon and can change on short notice. If the surplus continues and worsens, the price of crude could come down, resulting in reduced cash flow to the major oil companies and reduced exploration budgets. It is extremely unlikely that a surplus can continued for more than a few years. Market forces tend to win over political forces in the long run, and supply and demand tend to balance out.

Van Engleshoven: I believe that the current oil surplus will have little effect on conventional offshore exploration, although it may lead to a slowdown in deep water and in the development of expensive oil from existing deepwater and marginal small fields, where greater amounts of risk capital are required. The reasons though, why I believe that the impact will be relatively small are:

* In setting an exploration and production strategy, you must be looking 15 or 20 years ahead, and by that time it is possible the demand for conventional oil would be supply constrained.
Within geological and economic limits, the widest geographical spread of profitable upstream activities seem attractive.

* Most importantly, we believe that we are well equipped for the competitive game of finding the more elusive and as yet undiscovered oil accumulations, and for optimizing from existing reservoirs the production through enhanced recovery.

Andreani: No special effects on our involvement in the offshore industry.

Keefe: As far as the helicopter industry is concerned, a lack of growth in the offshore support air services.

Kobus: I do not feel that the oil-dependent industrialized nations of the world, and, in particular, the U.S., will be lulled into cutting back their oil exploration and development efforts by an oil surplus condition that is reported to exist today.

If a diligent rancher has a leaky barn roof, he does not forestall his plan to repair or replace that roof when the rain stops, falling and the forecast is for dry weather for a few days. The roof of the barn of oil supply is to be heavily based upon a dependency of the Mid-east and is blatantly in need of replacement.

The surplus of oil that exists today could vanish like the fair sky in the oncoming black storm clouds by another Mid-East war, wide-spread terrorist sabotage or politically motivated embargo. I trust and hope that the common sense of the leaders of this country and the people themselves will insist that the long-needed roof replacement will some day be accomplished. This will mean and require forebearance with the rising cost of fuel, so that the present levels of oil and gas recovery activities will not only be maintained but also greatly accelerated.

Wardwell: In the short term, through 1982, the current worldwide oil surplus will have little if any effect upon the diving industry. Despite the supposed overall surplus, there are still many countries seeking energy independence by producing their own proven reserves and even more nations with excellent offshore energy prospects who want in on the action. There should be continued strong demand for diving support in these offshore communities.

What trends do you see in government regulations internationally now and in 1982 -- i.e., more or less regulation and greater or less opportunity for private companies?

Andreani: In the offshore, as stated also above, premium considerations are granted to technological capabilities, experience and advanced equipment, as far as our involvement is concerned.

The recent political changes in some of the countries with most active offshore activities are not expected to influence significantly our sector of the industry at least in the short/medium term. Statpipe for example, is not thought to be rescheduled or modified by the re-entry of conservatives in the Norwegian government.
On the other hand, government-originated pressure should keep influencing most energy related activities, including the sector of our involvement offshore, mainly for such issues which are sensitive with public opinion such as control of pollution, safeguard of the environment, safety, and reliability.

One typical example of effort frequently imposed on the industry is the trenching of submarine pipelines considered by many a measure imposed by anxious politicians/environmentalists rather than a technically efficient solution to hypothetical problems which have in many studies been determined to be in most cases practically non-existent.

Palmer: Generally, I see more regulation of offshore driller intentionally throughout the 1980's. Regulations seem to multiply if development drilling occurs.

A successful exploration program nearly always entices the politicians to create a national oil company, initially as a watchdog for private companies with outside capital. In any event, the independent drilling contractor will carry out the work and, if he is adaptable and efficient, can create expanded opportunity within a regulated environment.

Keefe: As I have already said, the British government intends to sell a majority shareholding in BNOC and the Gas Council exploration activities, which can only benefit the private sector. But whether this will result in greater opportunities for private companies is far from clear at the moment.

Kobus: I think the industry has experienced the peak of the proliferation of costly and restricting regulatory measures that have been largely instigated and pushed into enactment by the "go-all-out-and-overboard" brand of environmental pressure groups that sprung up and flourished during the 1970's.

The runoff from the deluge of environmental protection demands of these groups for regulations and control over nearly every major U.S. industry is now flooding down upon the public consumer in the form of increased costs and shorter supply of purchasable products. The myriad of statutes, codes, regulations, rules, and orders have required new equipment, modifications to existing equipment and restricted used of this equipment in operations. The changes have not resulted in added production but in most cases have decreased production.

Thus, these legislative bodies and governmental agencies have added to the capital cost required to engage in offshore activity and decreased the output of the effort. I feel that there is now an awareness of what has been taking place and a realization that changes are now in order to eliminate some of the rules and regulations that neither enhance safety nor protect the environment to any more degree than the industry was before the environment evangelists began preaching doom in the 1970's.

Savit: Government regulation and government involvement in the oil industry have been increasing worldwide, with only occasional interruptions, for decades. The trend will probably continue. The service organizations in the industry tend to be affected less by government intervention than are the producing segments.
Existing production and installed facilities and equipment are generally of greater interest to governments than are technical personnel and mobile high-technology instrumentation.

Van Engleshoven: The worldwide trend for increased government regulation is likely to continue, but this does not necessarily mean that there will be less opportunity for private companies. Often government regulations, for example on government matters, are necessary in order to protect all parties involved, although we like to feel that within Royal Dutch/Shell we are often in advance of any government requirements in these fields.

What is important, however, is that regulations should be realistic, but not so onerous or restrictive as to frighten potential investors. In addition, the industry must feel confident that regulations, once applied, particularly of a fiscal nature, will not be changed during the game and to the detriment of long-term investments which often have involved considerable risk.

Paradoxically, it is in the producing areas, and particularly in countries with appreciable budget deficits, that government regulations may regretfully become more stringent, while non-producing areas, wishing to reduce the drain on their capital reserves from importing expensive energy, may be more willing to relax their current regulations in order to attract private investment.

Wardwell: We will be seeing even more pressure towards nationalism in 1982 and the years ahead. This increasing regulation will certainly affect the diving industry; those companies with the most advanced high technology and deepwater capabilities will experience greater opportunity. The number of entries into the industry will decrease. As mentioned previously, mergers and acquisitions will create fewer and larger companies to meet these changes.

Thank you, gentlemen. Are there any final comments?

Andreani: It appears worthwhile to volunteer a few indications on long-range trends now shaping up on which a useful exchange of views is welcome in the near future:

Regions -- not merely countries -- net importers of hydrocarbons are increasingly determined to identify their hydrocarbon resources, with special reference to offshore almost regardless of their relevant viability (technical and economical) as of today's frontier prospects in very deep offshore such as North America, Australia, West Africa, Mediterranean, North European Atlantic and the Arctic.

* Nationalization and optimization of offshore (and land) transport systems. Gas-gathering systems in the North Sea could be the forerunners of similar developments in other areas.

* The offshore industry should get ready for any contribution naturally extendable to such other industry sectors as loading and receiving terminals for coal.

These items are hereby mentioned because of the huge implications and the consequent close contacts necessary within the industry to allocate in due time proportionate endeavors and resources.
Keefe: If I had to select the most important development in the helicopter industry, it would undoubtedly be passenger comfort. Gone are the days when the oil company worker would be prepared to put up with just any conditions. To attract the highly skilled technician, the oil company has to offer attractive working conditions.

The new helicopter types, such as the BV 234 and the British-built Westland 30 that is presently going through its flight test program, are an important part of those conditions because they provide standards of comfort that have never been offered before.

Palmer: The dominant factor, in my estimation, that impacts the drilling industry deserves reiteration ... the conduct of OCS lease sales that provide new areas for exploration.

Savit: Virtually all forecasts are based on projections of current or currently expected trends. The greatest economic and political effects, however, have always come from the unexpected events, the flukes. If someone discovers a way to produce an oilwell for $1 a foot, the geophysical companies would be out of business.

If some dedicated scientist in a musty lab in some far away place discovers a way to promote a nuclear fusion at room temperature in solid materials and thereby produce a box at $9.95 that would continue to generate electricity without refueling for 20 years, we would all be out of business. For that matter, any low-cost, portable energy source that might be invented would have a drastic effect on existing energy industries.

Such substantial sources are conceivable. One may already be invented or 50 years may pass before one appears. We have no way to know.

Van Engleschoven: As I have said, in answer to your question on the current oil surplus, that it is unlikely to have a significant impact on the level of exploration activity. However, although we in Royal Dutch/Shell judge each individual business on its own merits, margins in downstream operations will need to improve as, otherwise, inevitably the necessary fund will not be available for investment upstream, particularly in new ventures.

GRAPHIC: Cover Photo, Predicting Offshore business conditions for 1982 is a topic only our editorial board of experts could tackle and they do so beginning on page 54.; Picture 1, Andreani; Alessandro Andreani, managing director and general manager of operations technical and commercial services for Saipem, holds a degree in chemical engineering from Polytechnico University in Milan, where he graduated in 1953. He joined the ENI Group in 1956, first at Nuovo Pignone and then at Snamprogetti as project manager for important refinery projects in the Middle East and Europe. In 1966 Andreani joined Saipem as manager of the commercial department and the coordination of the company's domestic and international subsidiaries. Andreani served as deputy general manager for 1974 to 1978, when he was appointed general manager of operations, technical and commercial services, a position he maintained before moving to his current post earlier this year.; Picture 2, Palmer; C. R. (Bob) Palmer was named chairman and chief executive officer of Rowan Companies, Inc. in 1972. A native of Gorman, Texas, he attended high school in Metairie, La., and in Dallas. In 1957, while on leave of absence from Rowan, he received a Bachelor of Science degree in mechanical engineering from Southern Methodist University and in
1966 he received a Master of Science in engineering administration from SMU. Beginning his industry career as a student, Bob Palmer served as a member of the drilling crew during 5 years of combination work and school before receiving his first degree. From 1957-58, Palmer was an engineerman with Rowan. He later worked briefly for Gardner-Denver from 1958-60 as a design engineer before returning to Rowan as a project engineer. He served in that capacity until 1965 when he took leave to return for postgraduate work. From 1966-68, Palmer was a project manager for Rowan on various rig construction projects on the U.S. Gulf Coast and in Alaska, and in 1968 was named Assistant to the President responsible for special assignments related to corporate development. In 1969 he was named the first president of Rowan's then recently organized international drilling division, Rowan International, Inc. before being designated as Chairman of Rowan Companies, an international oil service company engaged in onshore and offshore drilling and contract aviation services. Picture 3, Savit; Carl H. Savit is senior vice president, technology, of Western Geophysical Co. of America. He received his undergraduate and graduate education in mathematics at the California Institute of Technology and has served in a number of professional and government capacities, notably as editor of Geophysics, president of the Society of Exploration of Geophysicists, president of the International Association of Geophysical Contractors, chairman of the National Ocean Industries Assoc., chairman of the National Academy of Sciences-National Research Council Committee of Seismology. In 1970-71, he was assistant for earth, sea and air sciences to the President's Science Advisor. He is the author of numerous professional papers and the holder of 28 U.S. patents in geophysics and related fields. He was named Classic Author of Geophysics by SEG in 1960, awarded the Marine Technology Society Compass Award and the SEG Kauffman Gold Medal in 1979. Picture 4, Keefe; Russell Keefe, filling in for British Airways Helicopter president John A. Cameron, now retired, has divided his 34-year airline career between the fixed wing and helicopter crafts. He joined British Airways Helicopter at its inception in 1964 where he subsequently became general manager. Two years ago, he was named deputy to company chief Cameron. Picture 5, Van Engelshoven; Jean Marie Hubert Van Engelshoven was appointed exploration and production coordinator in December, 1979, and a director of Shell Internationale Petroleum Maatschappij in March, 1981. Van Engelshoven was born in Heerlen in The Netherlands in 1930 and was educated at Delft University. He graduated in 1953 as a mechanical engineer, and for the following two years he served with the engineering troops ending his military career as a second lieutenant. Van Engelshoven joined N. V. de Bataafsche Petroleum Maatschappij in 1955 as a field engineer at Pladju until 1961. He then joined the Shell-BP petroleum development company of Nigeria Ltd., in Port Harcourt as a field engineer until 1963 when, after two months training in the U.S., he became senior oil and gas engineer.

In January, 1967, Van Engelshoven was appointed head of the engineering planning department and two years later superintendent of eastern region operations. In 1971, he became manager of midwest and western states division, and in 1973 he was nominated as the general operating manager of Shell-BP in Lagos. Picture 6, Kobus; L. C. Scot Kobus, president and principal surveyor for Seamount Offshore Services, started with Shell Oil in 1958 as staff offshore engineer involved with offshore underwater equipment, operational techniques, and drilling operations on rigs. He was instrumental in the design and construction of the first dynamically positioned drilling vessel, semisubmersible, diving chamber and pipelaying unit. Kobus moved to Zapata
Off-Shore in 1968 as senior vice-president in design construction, operations and salvage of offshore drilling rigs, workboats, pipelay barges and dredgers. There he remained until two years ago, when he moved to Seamount Offshore. Kobus also has been involved in the design and review of Conoco's tension leg platform and supervised the uprighting of the Alexander Kielland rig in the North Sea.; Picture 7, Wardwell; Edward A. Wardwell is the president, chief executive officer and chairman of the board of Oceaneering, International, Inc. Wardwell received his bachelor of science degree in 1955 from the U.S. Naval Academy at Annapolis. During his eight years of active service with the Navy, Wardwell served in the engineering and operation departments of nuclear submarines.

From 1965 to 1972, he held a variety of executive positions with Ocean Systems, Inc., an underwater construction firm. In 1972, he founded the Seaward group of private companies headquartered in Falls Church, Virginia. This group provides services, equipment, and accessories to the U.S. Navy and offshore petroleum industry. Wardwell was Seaward's president and chief executive officer until leaving that company to join Oceaneering in July, 1979.; Picture 8, The Industry is entering 1982 near the peak of a growth curve that should continue through the year.; Picture 9, The crude oil glut, which may affect profitability, is generally considered a political phenomenon which could dissolved in 1982.; Picture 10, The industry has become accustomed to shortages of skilled personnel in virtually every area of operations during growth conditions.; Picture 11, Offshore exploration and production is still considered a blue-chip investment and thus can attract the funding needed.; Picture 12, General exploration might be affected by the crude oil glut, but major changes aren't likely because of commission to rigs and acreage.; Picture 13, A glut may produce a slowdown in a reserves buy-up, but services and equipment companies with a good cash flow still want to expand worldwide.
Brown & Root, Inc. has announced the purchase from Santa Fe International Corp. of the pipeline/derrick barge Choctaw II. The semisubmersible vessel measures 400-ft by 106-ft by 54-ft deep and is under tow to Brown & Root's facilities at Sabine Pass, Texas.
Brown & Root Inc. has bought Santa Fe International Corp.'s semisubmersible barge Choctaw II for $37.75 million. The unit, a combined derrick-pipelaying vessel, was delivered to Brown in the Gulf of Mexico after completing a pipeline project off Mexico. Choctaw II was built in 1974 and worked in the North Sea before being transferred to the gulf last August.
Anta Corporation's Bonray Drilling Corporation subsidiary purchased three drilling rigs from the Tiger Drilling Company for $13 million in cash.

Cooper Industries Inc. said that about 7.2 million Crouse-Hinds common, including 4,110 preferred shares, had been tendered or guaranteed to Cooper under its tender for Crouse-Hinds.

Deltec Panamerica S.A. disclosed control of 5.6 percent of First Empire State Corporation's stock in a filing with the Securities and Exchange Commission.

Florida Power and Light Company filed a $476 million, or 23 percent, rate increase with the Florida Public Service Commission.

Kenai Corporation and Southwest Factories Inc. terminated talks with on the proposed acquisition of Southwest by a subsidiary of Kenai.

Medford Corporation plans to build a $40 million medium-density fireboard plant in Ireland.

Midland Southwest Corporation acquired two drilling rigs for $12 million.

Norden Systems Inc. received a $29 million Army contract for a battery computer system.

Occidental Petroleum Corporation's wholly owned subsidiary, OPI Holding Corporation, acquired more than 90 percent of the outstanding common shares of the Crestmont Oil and Gas Company at $24 a share.

Penn-Dixie Industries Inc. agreed to sell its Kingsport, Tenn., and Richard City, Tenn., cement plants to a subsidiary of Moore McCormack Resources Inc. for $7.6 million plus an uncertain inventories.

Sante Fe International Corporation sold the Choctaw II semisubmersible barge to Brown & Root Inc. for $35.8 million in cash.

Texas American Bancshares agreed in principle to buy Fondren Southwest Bank of Houston in an exchange of stock valued at about $10 million.

LANGUAGE: ENGLISH
HEADLINE: Combination Barges

BODY:
Type/location: Semisubmersible derrick/lay barge/Mexico
Specs: 400x106x54; 260 men
Equip: Clyde 52 with 230 ft main boom and Manitowoc 4100W crawler
Lift cap. (tons), fixed/rotary: 750/600
No. of working stations: 8
Sgl./dbl. pipe: Single pipe
Diving equip: 1500 ft saturation system

GRAPHIC: Picture, CHOCTAW II Santa Fe Int'l. Corp.

LANGUAGE: ENGLISH
EVER since the Hamilton Bros. group installed the first floating production platform at Argyll field in 1975 and British Petroleum and Shell/Esso set the first piled-steel structures in northern waters soon after, oilmen have talked of "climbing the learning curve."

Judging from the offshore program planned for the U.K. North Sea this summer, the oil companies, equipment suppliers, and constructors have learned a great deal. One lesson well learned is that fearful delays and horrendous cost overruns result from too much haste with construction, not enough care with design, shoddy workmanship, and poor industrial relations.

Steel jackets for three fields -- Texaco's Tartan, Conoco/Gulf/British National Oil Corp.'s Murchison, and the Mesa group's Beatrice -- will be floated out this summer. All apparently will be completed on time, and so far they are within budget.

Behind them is coming another generation of developments -- Shell Esso's North Cormorant and Fulmar, BP's Magnus and Buchan, Phillips's Maureen, and Amoco's Northwest Hutton. All will be a little bit further up the learning curve.

The object will not be just to budget accurately and build on time, but to do it cheaper and more quickly so that the smaller oil reservoirs which can't stand the luxury of grandiose development can be brought on stream.

Meanwhile, first-generation development programs are still not complete. And as in previous years the northern part of the North Sea is swarming with supply boats, cranes, accommodation and other support vessels.

The three jackets being floated out this summer still have to be piled and have the modules loaded out and hooked up -- operations that provide ample scope for delays and losses. But the new philosophy of design and plan before making any move onshore or at sea should smooth the way.

Bill Bell, Shell Exploration & Production's boss, says that in the early days of North Sea development it was difficult to get value for the vast sums of money being spent.

Now that the pace of development is more measured and there is more productive capacity in the offshore-construction business, the oil companies are getting a much better deal.
There is no one better placed to comment. Shell/Esso's decision to proceed with the development of North Cormorant field has brought the number of fields being exploited by the group to six. And there is the possibility of yet another development on the horizon.

Shell/Esso will have around 2,500 workers offshore during the weather window, the majority of them centered on the key programs planned for Brent, Dunlin, and South Cormorant fields.

As in previous years, transporting, accommodating and feeding such a large workforce demands considerable organization. Shell, group operator, thought once again of hiring a large North Sea ferry and using it to move men direct from Aberdeen -- bypassing the fixed-wing aircraft flight to Sumburgh in the Shetlands and on by helicopter to the fields. But it finally decided against this.

Sufficient helicopter capacity exists to move the workforce in the traditional manner, but this system is vulnerable to summer fog. The converted ferry service, operated last year, proved to be a fog-beater but was expensive. Offshore, Shell has three semis acting as accommodation units.

Brent. Three of the four platforms in the field have been operating throughout the winter via the upgraded Spar loading buoy. Priority is being given this summer to completing the pump station on the nonproducing C platform which will allow Brent to divert all its production into the 36-in. pipeline to Sullom Voe.

Progress on the concrete C platform has been slow, even by the usual North Sea crawl. It was ordered from the McAlpine/Sea Tank group in December 1973 and installed in June last year.

Shell originally had hoped to have the pump station operating by March or April. But this schedule fell afoul of the 6-week strike by construction workers, and the unit now is unlikely to be ready before July.

During installation of the pumps, Shell has confined its drilling efforts on C to setting conductors and now has 18 in place, enough for the next 4 years.

Drilling will start as soon as pumping operations begin. And first output from the platform is slated for early next year. During the summer a flare tower and auxiliary living quarters also will be installed.

After the start of pumping on C, the line moving production from the northerly D platform past C for loading into tankers via Spar, will have to be cut and redirected into C.

Throughout the winter Shell has been delighted with the performance of its Spar loading facilities and the storage facilities provided in concrete B and D platforms. With the revamped Spar able to load at up to 300,000 b/d, storage has been able to compensate for much of the weather downtime.

The three operational platforms are producing an average of 200,000 b/d. The biggest producer is B, with between 80,000 and 95,000 b/d from six wells. D has been running 60,000-80,000 b/d, while A has been running at 60,000-70,000 b/d.
Hookup work is virtually complete on all three platforms. And the main effort now is on ironing out the snags in the gas-compression programs and doing further development drilling.

On the drilling side, the emphasis at all three platforms will be placed on drilling of water and gas injection wells.

No new producing wells are due to be completed until well into next year. On D platform, gas injection already has started, and water input will begin later this year. Gas injection at B should start during the summer, followed by water injection later in the year. Gas injection has started at A and will be followed by water in October.

But the overall gas injection program is still way behind target. And up to 400 MMcfd is being flared -- which represents an easing of U.K. Government policy in this sensitive area.

Brent oil production will remain at 200,000-220,000 b/d this year while the injection buildup continues but will rise to 350,000 b/d next year and average 400,000 b/d throughout 1981-82.

Peak production of 460,000 b/d will be reached in 1983. The gas flow will rise from 400 MMcf/d to 600 MMcf/d by 1983. Gas-liquids output, both through the oil line to Sullom Voe and the gas line to St. Fergus and eventually to Mossmoran, should start at between 70,000-80,000 b/d in 1981 and build to a peak of 100,000 b/d in 1983.

Dunlin. This field has been producing 120,000-130,000 b/d from five wells since the field started volume production through the Brent pipeline to Sullom Voe last November. Levels are well in excess of expectations; but, like Brent, there will be a development lull while four water-injection wells are drilled.

The first of the input wells could push 40,000 b/d into the reservoir, and the total is expected to climb to 160,000-180,000 b/d.

Oil production will increase to 130,000 b/d next year and will peak at 150,000 b/d in 1982.

Dunlin began producing oil into concrete storage facilities last summer. The 800,000-barrel storage unit permitted a sizeable flow once the Brent pipeline overcame its start-up problems. As a result the field -- in which Conoco/Gulf/BNOC each has a 12% stake -- was able to average 14,000 b/d for the whole year.

South Cormorant. The four-lead concrete platforms on S. Cormorant serves as the main gathering and pumping station for Brent field, as well as the production unit for the small (110 million bbl) reserve.

Because the platform was late being delivered, the pumping facilities on S. Cormorant platform have been temporarily bypassed; and the final modules needed to complete the station will not be loaded until later this summer.

The delay will not have any serious effect on crude throughput in the Brent line to Sullom Voe. Shell estimates that over 600,000 b/d can be pumped down the line without the aid of the S. Cormorant platform station.
Drilling began last December, and production is due to start by yearend. Given the favorable conditions that some other fields in the East Shetlands basin have experienced, S. Cormorant could be producing an average of over 45,000 b/d this year. Next year output will be limited by a shutdown to complete platform facilities. Peak 60,000-b/d flow should come in 1981.

The field has a moderate gas/oil ratio, and the associated gas will feed into the western leg of the Brent-St. Fergus gas line.

Using Brown & Root's Semac, the 21-mile line was laid in 40 days early this spring at a cost of

30 million ($62 million). The line contained two "T" junctions -- one for associated gas from Heather and North Comorant and a second to take gas from Ninian and possibly Hutton.

Along the serving as junction for the western-leg gas line and the oil lines from Brent and Dunlin/Thistle, S. Cormorant will also take a 20-in. crude line from North Cormorant field.

North Cormorant. Shell/Esso paid

21 million for the North Cormorant acreage in Block 211/21 in the auction of U.K. acreage in the fourth round -- the highest single bid.

But other fields in the area proved more attractive and the group only recently submitted development plans to the U.K. Department of Energy.

Following approval of development for the 400-million-bbl reservoir, Shell/Esso placed a contract for a 560-ft steel jacket with UIE of France and RGC of Methil, Scotland. The

30-million ($62 million) structure will be barge-floated out to the field during the weather window in 1981.

Tenders for the topsides will be issued before the end of the summer. Production is due to start in 1982 and reach peak output of 180,000 b/d in 1983. Total development cost is put at

700 million ($1.442 billion).

Auk. Shell/Esso began its North Sea development program in the more southerly area due east of Dundee with Auk field. The single platform, served by a tanker-loading buoy, began production at the end of 1975 and was thought to have a 5-7 year lifespan.

Peak production of 48,000 b/d was reached during 1977. Output since, as expected, has declined sharply and will probably average less than 20,000 b/d this year.

Fulmar. In the northeastern corner of the Auk block, Shell/Esso also found Fulmar field. It was the first find in the Jurassic in this southerly region, and the group delayed disclosure of the discovery for nearly 2 years.
Development proposals were submitted for the 500-million-bbl reservoir in 1977, and a steel jacket and small satellite drilling platform were ordered in June last year, soon after approval by the Department of Energy.

Fulmar scored another notable first when it won government permission to use a permanently moored tanker for field storage.

A seabed template for the satellite platform was installed last year, and three of the four wells have been completed. The platform jacket, under construction by RGC at Methil, will be floated out later this summer.

Shell is confident that once the main platform jacket -- being built by Highland Fabricators -- is floated out next year, installed, piled, and the modules fitted, production can begin from the wells on the satellite platform.

First oil from the billion-dollar field is expected in 1981, reaching peak rate of 165,000 b/d in 1983.

Shell has designated one of its supertankers, the 210,000-dwt Medora as the floating storage unit. And Shell Expro has decided on a Dutch-built SALM for the offshore loading facility.

The Medora will be fitted with a yoke and fastened to the base of the SALM. Three conventional tankers will load over the stern of the storage vessel.

Fulmar has up to 200 billion cu ft of associated gas. The Department of Energy will not give permission for flaring from the field, and the gas initially will be reinjected.

The nearest gas pipeline runs from the Ekofisk complex, about 47 miles away, to northern Germany. But it is doubtful whether sufficient spare capacity would be available in this line to accommodate the Fulmar supplies.

Forties. British Petroleum's Forties field remains the backbone of Britain's growing oil production. Output reached 525,000 b/d during the winter as Iranian supplies faded. And the field has responded well to the demands made on it.

All major construction work is complete, although this summer two of the four platforms will be fitted with new helidecks and new crew accommodations completed.

BP also will be fine-tuning its NGL facilities and experimenting with a new television aerial that would insure reception from the Scottish mainland 110 miles away -- a project the company says is close to the hearts of the full-time crews.

The four platforms cover most of the reservoir, and BP currently is completing a 60 degrees deviated well into the eastern lobe of the field that extends onto acreage held by the Shell/Esso group.

To recover oil from this far sector, BP is considering a subsea wellhead.

With such generous flow rates, Forties gave British Petroleum the dubious privilege of making the first payments of Petroleum Revenue Tax (PRT). Although the ring-fence principle allows BP to offset only the exploration and
production expenses from Forties against the PRT liability, it can reduce its immediate corporation-tax requirements through new North Sea investments.

Magnus. The major tax offset will come through development of the far-northerly Magnus field. After a protracted dealy, BP now has permission for a single steel platform capable of handling 120,000 b/d and linked by a 24-in. spur line to the Ninian trunk line into Sullom Voe. Total development costs are expected to top 1.3 billion ($2.7 billion).

BP discovered Magnus, the northernmost field in British waters in June 1974. It is an overpressured upper Jurassic reservoir at 9,498 ft. The middle and lower Jurassic proved to be waterbearing. Oil is 39 degrees gravity.

Because of the complexity of the reservoir, it took BP a further five wells in the ensuing 15 months to confirm reserves of 450 million bbl -- about 45% of the oil in place.

Magnus lies in 603 ft of water, 124 miles northeast of the Sullom Voe terminal. BP has opted for a steel, piled platform with provision for 20 wells, plus seven satellite wells -- four of them producers and three for water injection.

Design contracts for the platform and topsides have gone to CJB Offshore and Matthew Hall. Construction contracts will be awarded later this year, probably to a British yard.

Peter Stuart, Magnus platform structure manager, says it will be a conventional platform drawing on BP's experience with Forties and, indirectly, Ninian.

Innovations have been deliberately avoided, because Magnus is the largest platform yet in the deepest water. It also will be in some of the most severe sea and weather conditions even by North Sea standards.

The platform will have two flare booms to the basic Indair design. Fuel and water will be stored in the jacket legs, and there will be accommodations for a crew of 200. The accommodation area will be separated from the production area by fire walls.

An access way will be built through the center of the platform for all cables and pipes, and all well heads will be on one side of the unit for better access.

BP's timetable for Magnus sees towout of the jacket in the first quarter of 1982 followed by hookup and commissioning of modules into the third quarter of 1983.

Pipelaying will begin next year. The connection with the Ninian central platform is expected towards the end of 1981, with the Magnus tie-in a year later. The route crosses Shell/Ess's Dunlin-S. Cormorant and Brent-S. Cormorant oil lines and the western-leg Brent-to-S. Cormorant gas line. There also will be 6-in. flow lines to each of the subsea wells.
Drilling program for 1979 includes two subsea wells to test the aquifer. Drilling will continue into 1981, and by the time the platform is installed the satellite wells should be ready to produce. Drilling of the 15 wells from the main platform will continue until 1986.

A conventional steel platform was chosen only after an evaluation of a number of alternatives including concrete, tethered leg, and concrete/steel hybrids.

BP says the advances in hydraulic and steam hammers that allow deep pile-driving in stiffer soils contributed to the choice of steel. The fact that storage was not needed was another factor.

Negotiations with the Department of Energy were prolonged by the question of disposing of the 50 MMcf/d of associated gas that will be available at the peak oil rate of 120,000 b/d.

BP will make the gas available at the base of the platform. British Gas Corp. and British National Oil Corp. will finance and build a northern leg to the Shetlands gas-gathering network funnelling into the Brent gas line to Scotland.

Due to the Magnus development program BP has increased its stake in the Ninian pipeline by 15% to 24.9%.

Buchan. The 6-million ($12.3 million) program to convert the semisubmersible rig Drillmaster into a floating production platform for Buchan field has slipped several months behind schedule. But BP is still hoping to meet its target of producing oil from the field in the third quarter this year.

If BP's development team meets the target, it's likely to be with only a day or two to spare. Buchan is typical of the small, marginal fields that will have to replace much of the production decline from the larger fields later in the 1980s.

It has reserves of 50 million bbl. With the floating-platform setup, BP hopes to produce the 50 million b/d over a 5-year period from the Block 21/1 field in the central part of the North Sea.

By using a floating production platform connected to predrilled wells to give early production, BP reckons it can keep development costs to 135 million ($278 million).

Conversion work on the Drillmaster is under way by Lewis Offshore in the Hebrides. It will be renamed Buchan A, and all the production systems and process equipment will be tested and precommissioned before the unit is towed out to the field during the summer.

The steel template was set last summer; and all seven wells -- four through the template and three satellites -- have been drilled. BP is now completing all the wells and expects production to build rapidly to its 48,000-b/d average soon after installation of the platform. The unit will have capacity to handle 72,000 b/d.
Perhaps the most interesting feature of the Buchan program this summer will be the laying of the flow lines by Santa Fe's dynamically positioned, reel lay barge, the Apache.

Due to delay in completion of the Apache, the 12-in. loading line will be laid by Choctaw II, one of Santa Fe's orthodox lay barges.

The 13,500-ton Apache is fitted with an 82-ft diameter spool which holds 5.7 miles of 16-in. pipe. It has to lay -- cable style -- four 4 in. flow lines and two umbilical control lines from the template to the satellite wells, a mile away.

BP has chosen the CALM system -- catenary anchor-leg mooring. The buoy is being fabricated by Press Imodco at Teesside and is due to be floated out to the field shortly. Two 100,000-dwt tankers are being converted for offshore loading in Holland.

After 18 months of operation BP will have to go back to the Department of Energy to discuss the future of the field in the light of operating experience to that point. The department wants maximum recovery from the field and is concerned that reserves may have been underestimated.

BP operates Buchan with an equity share of 54.167%. Other shareholders are St. Joe Minerals, CanDel Oil, and Natomas with 14% each; Gas & Oil Acreage 2.5%; Lochiel 1%; and Charterhall Finance 0.333%. Through the farm-in with BP, City Petroleum, CCP North Sea Associates will have a financial interest.

BP has plans for a fourth satellite well in the northern part of the field 1.8 miles from the template. It may be installed in 1980. Buchan also is though to extend into the adjoining Block 20/5 held by Texaco which is not participating in the development.

Ninian. This Chevron-operated field is facing one of its most crucial development phases. All three platforms are installed, and a large workforce will be assembled offshore this summer for the hookup work and development drilling on the northern and central platforms.

Work will continue on injection and development drilling on the southern platform where production has reached 80,000-90,000 b/d. The concrete central platform came on stream in May increasing field total to nearly 180,000 b/d. By the end of the year production should pass 200,000 b/d.

Hookup on the steel southern platform is just about complete. Output rates have been higher than expected, but there have been pressure drops since injection hasn't begun.

The southern end of the long, thin field was thought to be the least productive, and the production rates have caused some surprise. If the wells on the central and northern platforms perform as well, there should be no trouble in meeting the target of 300,000 b/d by 1981 and peak rate of 360,000 b/d the following year.

The northern steel platform emplaced last autumn will have modules loaded this summer and produce its first oil around the middle of 1980.
Ninian is flaring gas under temporary permits from the Department of Energy.

But completion of the western leg of the Brent-to-St.-Fergus line with a T-junction for Ninian gas should help solve this problem.

Chevron also is building a gas-liquids separation plant to produce dry ethane and methane as platform fuel. When the plant is complete toward the end of this year, liquids will be injected into the crude stream and recovered at Sullom Voe. The NGL will replace diesel oil as fuel for the power station.

Thistle. BNOC is discovering it has a difficult field on its hands. Production is running at 70,000-80,000 b/d, well below the 100,000-b/d-plus that was achieved in October last year.

Reservoir pressure has been falling, and the decline is likely to continue until June. By that time pressure should begin to build again in response to water injection through one input well completed in April and two completed in May. Two to four more water input wells are likely to be completed this year, plus two to four more oil producers and two gas injectors.

Production has been flowing through the Brent pipeline to Sullom Voe via the Dunlin platform. Despite the problems with the reservoir, the Thistle group partners have decided to go ahead with repair of the SALM (single anchor-leg mooring) tanker-loading buoy.

Repairs are likely to cost up to 5 million ($10 million). The loading buoy part of the installation has been dismantled and taken to Holland. The middle riser section also is damaged and is being removed.

The partners agreed to the repair bill on the SALM as insurance against unforeseen shutdowns of the Brent pipeline or terminal at Sullom Voe.

BNOC is sticking by its estimate of 550 million bbl of reserves, about 53% of oil in place.

Current difficulties with reservoir pressure indicate that reserves may be closer to 450 million bbl.

Piper. As tradeoff for government approval to increase maximum output from the Occidental group's Piper field to 300,000 b/d from 250,000 b/d, the four-company group agreed to install gas-processing and separation modules so flaring could be reduced and the gas pipelined to BGC's St. Fergus plant.

The module was lifted on in the early part of the winter and up to 50 MMcfd is already flowing into the Frigg gas line to St. Fergus through a spur line (see article p. 110).

Claymore. Oxy's nearby but much smaller Claymore field received a bonus from a prolific step-out well. Not only was it capable of producing up to 20,000 b/d but, unlike other parts of the field, also had a good associated gas flow.

Occidental had laid a spur gas line from Piper to provide platform fuel. The new stepout now provides a sizeable portion of platform fuel needs. Claymore
currently is producing around 85,000 b/d.

Maureen. In direct contrast to BP's strictly conventional, noninnovative approach to the development of Magnus, Phillips is breaking new ground with a steel gravity platform for Maureen field.

Maureen is a small, marginal reservoir with reserves of only 125-150 million bbl. With no tax incentives from other U.K. oil fields, the Phillips group had to come up with an economic development scheme for the field. Total development cost is put at

300 million ($618 million).

Phillips chose the Italian Technomare design for the jacket. A similar design is working well off the Congo, but the structure for Maureen will be considerably larger.

The structure will have three subsea tanks that will provide 650,000 bbl of storage as well as the weight needed for a gravity installation.

Contract for the gravity structure has been let to Ayrshire Marine Constructors, a partnership of the British-owned Weirs group and Chicago Bridge & Iron.

This team will activate the construction yard at Hunterston on the Clyde Estuary in Scotland. It was laid out originally for concrete-platform work but received no orders.

Howard Doris and NAPM will build the deck structure using the Howard Doris facilities at Lock Kishorn on the Scottish West Coast -- another concrete-platform construction yard. The group has just completed the Maureen template there, and it is now being installed offshore.

Work is starting immediately on both contracts, and delivery is set for the spring of 1981.

By the time the 24-well template is mated with the gravity structure during the weather window of 1981, between 10 and 12 wells should be completed and ready for production.

Bob Rayl, Phillips area manager for the U.K. and Ireland, says the jacket deck and modules will be fully hooked up, commissioned, and tested before being floated out to the field.

Once the platform is on the template, only the wells have to be connected and production could start within 2-4 months. The predrilled wells should provide immediate peak production.

Production will be directly into tankers, and Phillips is evaluating the various designs available. Rayl says, now contracts have been awarded, it is vital that the floatout hits the 1981 weather window. An 8-month delay would destroy the economics of the early production plan.

There's going to be one or two areas where delivery of equipment could be tight. But the vast amount of time that has been spent on advance scheduling
and design should help to ease this problem.

Detailed planning for Maureen started 6-7 months ahead of the Department of Energy's permit. Materials have been ordered, and the design was at an advanced stage when the green light came.

Tartan. Texaco's Tartan field development apparently will be the first second-generation project to come in both on schedule and under budget.

Tartan is on a long, thin structure discovered by Texaco in 1974, southwest of Occidental's Piper field. It is highly faulted, with four separate oilbearing areas. Reserves are estimated at 250 million bbl.

After considerable discussion with the British Government over the initial decision to award the jacket contract to the UIE yard in Cherbourg, France, Texaco suggested a joint jacket-building venture between UIE and Scotland's RGC yard at Methil.

The partnership has worked well, and the four-leg jacket left the yard on schedule. There is a 3-week program for piling.

Texaco had to move in on one of its module producers, Burntisland Engineers & Fabricators of Fife, Scotland, which had contracts for the well head and production manifold, drilling package, drilling, substructure, and bulk storage.

Problems with the modules have been largely overcome, and the loadout is expected to be completed this summer with the first drilling toward the end of the year.

Production during 1980 should average 40,000 bo/d, building to the peak of 65,000 b/d in 1981 plus 12,000 b/d of NGL.

During the coming weather window a spur line will be laid to Oxy's Claymore platform so Tartan crude and NGL can be moved through Oxy's main line to Flotta in the Orkney Islands along with crude from Piper and Claymore.

Tartan crude is a 37 degrees gravity, low-sulfur crude which should help make the flotta mix -- Piper's 36 degrees, 0.92% sulfur and Claymore's 30 degrees, 0.3% sulfur -- into a more-attractive blend.

A second spur line already has been laid from Tartan to the new Piper facilities for dispatching Texaco gas to the Frigg line. Tartan could produce up to 60 MMcfd of methane.

Murchison. Conoco/Gulf/BNOC's Murchison field straddles the median line with about 84% of the 360 million bbl of reserves in the U.K. sector.

Conoco is operator for the 12 partners in the now-unitized field. The 21,000-ton steel jacket is under construction at the Ardersier, Scotland, yard of J. Ray McDermott. The floatout is scheduled for later in the summer. That's very close to the original construction schedule.

The jacket will be floated out and positioned from a barge, the first time that a barge has been used to launch a structure of this size. Heerema has had a 183-m-long barge specially built in Japan for the project.
Murchison is still sticking close to its 1-billion ($2.06 billion) budget.

Conoco has installed subsea wellheads for two producers and one injection well. These wells will go on production once module hook-up is far enough advanced.

The main platform has slots for 27 wells. Ten producing well will be drilled from it plus 10 water and 2 gas injectors. If Conoco sticks to schedule, first oil will flow via the Thistle/Dunlin line into the Brent system during the second half of 1980. Output will rise to 80,000 b/d in 1981 and reach a peak of over 120,000 b/d in 1983.

Beatrice. Development progress at Britain's near-shore oil field in Moray Firth has been overshadowed by a series of changes in the ownership culminating in BNOC's offer to buy out Mesa. BNOC has replaced Mesa as operator.

This summer will be a vital one for the project. Two steel jackets are being built in Spain for the main production center. The first, a drilling platform, is scheduled for floatout this year. Work also is due to start on the pipeline to the site of a shore terminal at Nigg Bay where reclamation work is starting.

The jack-up Zapata Nordic, now completing the fourth production well for the main production complex, will later this year move to the northern end of the field where it will become a satellite drilling/production platform, tapping that end of the reservoir.

Beatrice has a waxy crude that will require treatment by chemical pourpoint depressant before production can begin in May 1981. Peak flow of around 80,000 b/d may come by yearend 1981.

As many as 22 producing and injection wells should be drilled by May 1981.

Montrose. Amoco now is drilling the 18th of the 24-well program which should boost Montrose's productive capability to 40,000 b/d. That is likely to be the peak. Current production is around 32,000 b/d.

The Amoco partnership has been looking closely at a small accumulation at the southern end of the Montrose field. It's thought to be about one third the size of Montrose (100-million-bbl reserve) but perhaps could be produced economically from a small drilling platform linked to the main field facilities.

Decision could be made by the end of this year. Increasing the throughput of the Montrose main platform might make it feasible to revamp the tanker-loading system.

Montrose has no storage, and tanker-loading downtime during the winter is high. A Spar-type storage and loading buoy could reduce the downtime.

Northwest Hutton. Amoco also is operator for this Northeast Shetlands field and has been eager to push ahead with the development program for the 300-million-bbl reservoir for the past 18 months. Not all the other partners have been as enthusiastic, and detailed proposals have just gone to the Department of Energy.
The program calls for a single steel platform with a pipeline link to the Brent system. Peak production will be around 100,000 b/d with 75 MMcf/d of associated gas flowing into the Brent gas line via the western-leg extension.

Argyll. Hamilton Bros. had the distinction of inaugurating oil production from the British sector of the North Sea at Argyll field. In its fourth year of production, it is still bringing on new wells and maintaining output.

It's been a field of hopes and disappointments. The ninth well completed last summer proved considerably more prolific than expected and has added up to 10,000 b/d to the flow rates. In contrast, the No. 10 well has been equally disappointing. Hamilton Bros. had hoped for 4,000-5,000 b/d but is getting only 1,500 b/d. And it seems likely the No. 10 may be shut in within the next few months.

Lessons have been learned from this relatively poor producer. Early evidence indicated water was coming into the Zechstein from the lower Rotliegendes. But No. 9 suggests water is coming from the other parts of the Zechstein.

An 11th well should be completed and tied into the floating production platform shortly.

There are no specific plans for future drilling. Hamilton Bros. wants first to see production over a longer period from Nos. 9 and 11.

Brae. The Marathon group's field has been one of the North Sea's great teasers. Thirteen appraisal wells have been drilled on the long straggling structure with good producing areas -- wells up to 33,000 b/d -- alternating with tight sands with poor permeability.

With such varying results and a large, nine-company grouping, it's not surprising that devising a development program has been a long and often painful operation.

Marathon is now nearing completion of a submission to the Department of Energy based on the estimated 250-million-bbl reserve in the southern end of the field.

The group will be seeking permission for an eight-leg 48-slot steel platform for 36 producing and water and gas input wells. Marathon is shooting for first production in 1983, with output building to a peak of 100,000 b/d.

One of Brae's problems remains its high gas-oil ratio -- an average of 1,400:1 -- in the southern ones that will be developed. The Department of Energy will be reluctant to allow flaring. And the chances of hooking into either the Frigg or Brent gas lines seem remote.

Hutton. Like its northwestern neighbor, this field been around for a long time while debate continue over the most viable development scheme for the 240-280-million-bbl reserve.

Conoco, operator for the eight-company group, favors breaking new ground with a tension-leg platform. An application to the Department of Energy could be made by the end of the year. Production, which would move into the Brent pipeline, could reach 100,000 b/d.
Heather. Union Oil Co. of California's small Heather field is suffering greater-than-expected pressure decline, and flow is lingering at 27,000 b/d against a hoped-for 35,000 b/d.

It's a highly fragmented reservoir, but the company says it has been surprised at the extent of the pressure drop.

Water-injection plans are being reappraised in the light of current problems. One water injector is operational, and a satellite input well is being drilled by the semisubmersible Venture II.

This summer a NGL-reinjection module will be loaded out and hooked up, and the group is cooperating with the BNOC-led Thistle consortium on waterflood studies for both fields.

Union has to make a decision shortly on whether to build a spur line into the western-leg gas pipeline. Even before the pressure problems the economics of the gas link-up were in doubt.

Beryl. Output is back to 70,000 b/d after the problems caused by the flooding of one of the concrete utility shafts last year.

The Mobil Group's platform is sitting in Block 9/13 out of reach of a number of secondary accumulations - mostly to the north. A major subsea program with up to 19 satellite wells is being considered to tap these reservoirs and move the oil to the main platform.

30/17b. BNOC's confirmation there of twin reservoirs makes early development much more likely.

The two structures lie close to Shell/Esso's Fulmar field in Block 30/16. Those firms are minority partners in 30/17b.

Field reserve is estimated at 400 million bbl and peak production at 100,000 b/d. Although planning is still in the early stages, BNOC might opt for a single steel platform is the main field and drain the newly discovered offspring via satellite wells.

Southern gas fields. Southern operators are well into the installation of new compression units as part of the deal giving operators slightly higher prices in return for greater flexibility of liftings by BGC.

Amoco is installing the next phase of an intermediate minicompressor program on Indefatigable A platform. It includes two 500-hp Ruston gas turbine and Cooper Bessemer units. To accommodate the units, the platform is being revamped with a new helideck and connecting bridge.

The joint compressor program with Shell/Esso and Amoco on Indefatigable should be completed by 1981. A new compressor platform under construction at Highland Fabricators will be floated out this year. Amoco will install 30,000 hp of compression with Cooper Bessemer units powered by Rolls-Royce RB-211s.

The Indefatigable program will be followed by two new units on the Leman platform. Design work is under way but equipment not yet ordered.
Also in the southern gas fields the Phillips/Arpet group will this summer be hooking up two subsea well-heads on small gas deposits northwest of Hewett field.

Phillips, operator, will link a subsea well-head in Deborah field to the small production platform tapping Big Dotty field. Gas will be piped to the Hewett field terminal platform in Block 48/29 and then through the 30-in. trunkline to the Bacton terminal.

Little Dotty's subsea wellhead will be linked directly to Hewett platform 48/29-A.

GRAPHIC: Picture 1, PLATFORM JACKETS take shape for three more U.K. North Sea oil fields. At top, long line of cranes hoists 3,732-ton frame for Conoco group's Murchison field jacket at Ardersier yard of McDermott Scotland. RDL raises second frame of jacket at Methil yard for Shell/Esso's Fulmar field. And jacket for Texaco's Tartan field nears completion at UIE's Cherburg, France, yard.; Picture 2, PLOWING NEW GROUND in North Sea technology is the Phillips group at Maureen field with the sea's first steel gravity platform. Scale models show steel jacket and base and topsides layout.; Picture 3, ADDED ACCOMMODATIONS are hoisted aboard Oxy group's Piper field platform -- a common occurrence in both U.K. and Norwegian waters due to stiffer government safety requirements and some operator underestimation of personnel needs on producing platforms.; Picture 4, DE-ETHANIZER column is hoisted into position in first-train fractionation section of huge Sullom Voe terminal on Calback Ness. Complex will process and load out hydrocarbons from big clump of fields east of the Shetlands.; Chart, Tartan's development, injection program, OGJ; Map, Tartan's development, injection program, OGJ

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DATELINE: OVER EKOFISK CITY, North Sea

BODY:

"I've never been in hell, but I've heard it described and that's what it sounds like down there on Ekofisk Bravo."

Aleks Buvik, 34, a drilling engineer of the Norwegian Petroleum Directorate, was describing working conditions on the Ekofisk oil field's Bravo platform, where a well that "blew out" last week has been spewing millions of gallons of oil into the North Sea.

Buvik was the expert guide for reporters flying over the Bravo area Friday.

From 5,000 feet, the lowest safe level for aircraft in the area, Platform Bravo looked like a thumbtack stuck into the sea, half-hidden in the spray of rust brown oil and water pumped onto the platform by the fireboat Seaway Falcon.

Buvik was the first non-Phillips official to go to Ekofisk after the blowout last Friday, arriving Saturday morning.

"My job is to see that everything is being done according to the agreement between Phillips and the authorities," he said.

On the platform, the blowout is an unremitting thunderous roar, Buvik explained.

"Boots Hansen and the team are working in a 'cellar' 45 feet square. They can't talk. They wear ear protectors. They're constantly drenched in a very heavy rain of hot oil - about the temperature you'd wash your hands in.

"But those are normal working conditions for those guys, like an office for you. They're used to it and perfectly calm," he said.

Buvik had last seen Hansen, the Texan leader of the trouble-shooting team trying to stop the well, at 6 p.m. Thursday after the third failed attempt to cap the well.

"No, he was not dejected. He says there's always a way to kill a well. The crew is perfectly relaxed back on the barge. They play a lot of cards."

From the air, the Bravo platform is dwarfed by the surrounding four-mile-long complex of platforms and catwalks that is Ekofisk Central, the heart of the field. At the core of the complex is the so-called "North Sea Hilton," a
214-bed hotel sitting atop a huge oil storage tank.

Three miles away, the Seaway Falcon played a ceaseless stream of water onto the gusher. The blowout team's headquarters barge, the Choctaw II, lay about 30 yards off the stricken rig.

A surprisingly narrow dirty brown slick, like a thin tail to the platform, trailed off a mile or so before dispersing over the sea.

The dispersed oil, a slick of almost 300 square miles, was distinguishable from the air only by the fact that it was smoothing out the white caps on the three-foot-high waves upcurrent from the platform.

Buvik said the fireboat was pumping at only 44 per cent of capacity to avoid any danger of rupturing metal and causing a spark that could ignite the gusher.

He explained that the danger of igniting gas was not in the working area, but away from the platform as it dispersed and mixed with air to form a potentially explosive combination.

At the south end of the central complex, about seven miles from the rig, a small flare was burning. Buvik explained that this was burning off gas from other wells.

As the returning plane approached Stavanger airport, tugs could be seen bustling around the towering Borgny Dolphin drilling platform in a nearby bay, preparing to tow it to Ekofisk. Once there, and if other methods fail to stop the gusher, the platform would be used to drill a relief well to divert pressure from Bravo.

LANGUAGE: ENGLISH
Indices Search Slip
FD-160 (Rev. 9-28-92)

Requested by: 9/26/95
Ext. 3182 Squad: WC4 File No. 1968-HB-42471
Social Security Account #

To: Administration Office

All

Address

Birth Place

Date

Place an "X" by the Field Office(s) to Query for Regional Searches

Northeast

Legats

Athens
Bangkok
Brussels
Bruxelles
Brussels
Bogota
Bonn
Bridgetown
Canberra
Caracas
Hong Kong
London
Madrid
Manila
Mexico City
Montevideo
Ottawa
Panama City
Paris
Rome
Vienna

Mid-Atlantic

Atlanta
Baltimore
Birmingham
Bogota
Bonita
Charleston
Charlotte
Columbia
Jacksonville
Jackson
Knoxville
Memphis
Miami

Central

Buffalo
Chicago
Cincinnati
Cleveland
Dallas
Denver
Detroit
El Paso
Houston
Indianapolis
Kansas City
Little Rock
Louisville
Milwaukee
Minneapolis
Oklahoma City
Omaha
Pittsburgh
San Antonio
Springfield

Western

Albuquerque
Anchorage
Anchorage
Anchorage
Anchorage

All above

Northeast

Legats

Athens
Bangkok
Brussels
Bruxelles
Brussels
Bogota
Bonn
Bridgetown
Canberra
Caracas
Hong Kong
London
Madrid
Manila
Mexico City
Montevideo
Ottawa
Panama City
Paris
Rome
Vienna

Mid-Atlantic

Atlanta
Baltimore
Birmingham
Bogota
Bonita
Charleston
Charlotte
Columbia
Jacksonville
Jackson
Knoxville
Memphis
Miami

Central

Buffalo
Chicago
Cincinnati
Cleveland
Dallas
Denver
Detroit
El Paso
Houston
Indianapolis
Kansas City
Little Rock
Louisville
Milwaukee
Minneapolis
Oklahoma City
Omaha
Pittsburgh
San Antonio
Springfield

Western

Albuquerque
Anchorage
Anchorage
Anchorage
Anchorage

All above

File & Serial Number

Remarks

File & Serial Number

Remarks

CHOCOLAW II OIL & GAS LIMITED

File Review Symbols

I - Identical
NI - Not identical
U - Unavailable reference

Consolidated by

Date

Reviewed by

Date

SEARCHED: INDEXED
MANUAL SERIALIZED
FILED

SEP 27 1995
Memorandum

To: SAC, HOUSTON (196B-HO-42421)

ATTN: SA

From: SAVANNAH INFORMATION TECHNOLOGY CENTER (SITC)
INVESTIGATIVE INFORMATION SERVICES (IIS)

Subject: ANOIL COMPANY, INC

IIS Analyst: ____________________________ 912-944-0824.

Attached are printouts of results of inquiries conducted by Savannah IIS. Also attached are two copies of a reply form. It is requested that you record the accomplishments of this request on these forms, return one copy to SITC, and maintain one copy as a serial in your case file.

Set forth below is a brief synopsis of results of inquiries.

Included for your review are corporate records that appear to be associated with captioned company. A D&B Business report was retrieved also.

Please view all printouts for details.

(Enc. 3)

Special Agent Supervisor

Copy forwarded SA

1 - SITC

(2)

SEP
INVESTIGATIVE INFORMATION SERVICES
REPLY FORM

In order to help us better serve your investigative needs, please complete the following and return to:

FBI, Savannah Information Technology Center
220 East Bryan Street
Savannah, Georgia 31401

SAVANNAH ITC RECORD #: 60631  UCFN: 196B-HO-42421

Was the information provided helpful to your investigation? □ YES □ NO
If NO, please let us know how we could be more helpful to your investigation: ________________________________________________________________

ACCOMPLISHMENT(S) resulting from information:
PERSON(S): (Enter total number applicable to each of the following)
   □ FBI Fugitive(s) Arrested: □ FBI □ Local Date________
      (Forward photo of Fugitive arrested with this Reply form)
   □ Local Fugitive(s) Arrested: □ FBI □ Local Date________
      (Forward photo of Fugitive arrested with this Reply form)
   □ Subject(s) □ Arrested □ Located □ Identified
      (Forward photo of Subject arrested with this Reply form)
   □ Witness(es) □ Located □ Identified
   □ New Witness(es) □ Located □ Identified

BUSINESS(ES): (Enter total number applicable to each of the following)
   □ New Business(es) Identified
   □ New Business Associates/Associations Identified
   □ Financial Audit Trail(s) Enhanced

ASSET(S): (Enter total number applicable to each of the following)
   (TYPES: C = CASH  R = REAL PROPERTY  P = PERSONAL PROPERTY)
   □ Asset(s) □ Located □ Identified [VALUE: _____ TYPE: ___]
   □ Asset(s) Subject to Seizure/Forfeiture [VALUE: _____ TYPE: ___]
   □ Potential Economic Loss Prevented [VALUE: _____ TYPE: ___]

OTHER: (Enter total number applicable to each of the following)
   □ New Case(s) Initiated
   □ New Lead(s) Generated

COMMENTS:
____________________________________________________________________

Case File RE: ANOIL COMPANY, INC
   1 - SITC
INVESTIGATIVE INFORMATION REQUEST FORM

FBI, Savannah Information Technology Center
220 East Bryan Street
Savannah, Georgia 31401

TO: FBI, SAVANNAH INFORMATION TECHNOLOGY CENTER
Date: 9/26/95

Forfeiture/Seizure: 5A
Requestor: SA

Officer/RA: AD

Type of Request: □ FAX □ Telex □ Mail
Phone: 713/323-3525 FAX: 713/323-3525 UCFN: 96B-44-92-47

Fugitive: □ Yes □ No
NCIC Activity/Date: ____________________________

CCH Conducted: □ Yes □ No
Off-Line Searches Conducted: ____________________

Driver's License Conducted: □ Yes □ No
Subject: □ Yes □ No Vehicle: □ Yes □ No
Driver's License #: ____________________________
Vehicle Registration: ____________________________
State: ____________________________

SEARCH CRITERIA (Attach additional sheets if necessary)

Name - Last: ____________________________ First: ____________________________ Middle: ____________________________

Alias: ____________________________ Sex: ____________________________ DOB1: / / DOB2: / /

SSAN1: ____________________________ SSAN2: ____________________________ Spouse: ____________________________

RESIDENCE
Street Address: ____________________________ City/State: ____________________________ Zip: ____________________________ Phone: ____________________________

BUSINESS
Business Name: ANDIL COMPANY INC
Street Address: ____________________________

City/State: ____________________________ Zip: ____________________________ Phone: ____________________________ Business ID#: ____________________________

CHECK DESIRED SEARCH PARAMETERS (Please check only those that are needed)

☐ 1. Specific Information Desired

☐ 2. Determine All Individuals Associated with Social Security Number(s)

☐ 3. Report Validity of Social Security Number

☐ 4. Employment Report (subject to availability) INQUIRY WILL POST TO CONSUMER'S ACCOUNT

☐ 5. Determine Who is Associated with Telephone Number(s)

☐ 6. Determine Address of Business/Person (U.S. , , State(s))

☐ 7. Determine Property Owned by Individual (U.S. , , State(s))

☐ 8. Determine Who Owns Property Listed Above

☐ 9. Determine Who Resides at Address Listed Above

☐ 10. Determine Financial Background Info, Financial Associates/Institutions (NOT FULL CREDIT REPORTING)

☐ 11. Determine Corporate Business Info/Institutions Associated with: ANDIL COMPANY INC (Person/Business)

Return Reply To: SAC, HOUSTON

Attention: ____________________________

Based on search criteria:

☐ For

☐ Other Peripheral Information

☐ Brief Synopsis of Information Found

☐ No Information Found
MAIL-IT REQUESTED: SEPTEMBER 26, 1995

CLIENT: LIBRARY: INCORP
FILE: ALLSOS

YOUR SEARCH REQUEST AT THE TIME THIS MAIL-IT WAS REQUESTED:
ANOIL AND TX OR TEXAS

NUMBER OF DOCUMENTS FOUND WITH YOUR REQUEST THROUGH:
LEVEL 1... 11

LEVEL 1 PRINTED

DISPLAY FORMAT: FULL

SEND TO: SAVANNAH, # 3
FBI
220 EAST BRYAN STREET
SAVANNAH GEORGIA 31402FRANC

**********************************07427**********************************
Name: ANOIL COMPANY

Business Address: 700 MILAM 13TH FLR
HOUSTON, TX 77002

Type: CORPORATION (PROFIT)

Status: ACTIVE

Status Date: 7/8/1994

Filing Date: 12/28/1992

Duration: PERPETUAL

State of Incorporation: TEXAS

Registered Agent: C T CORPORATION SYSTEM

Registered Office: 314 E THAYER AVE; PO BOX 400
BISMARCK, ND 58502

Number: 9318800

TO ORDER OR FILE CORP DOCUMENTS OR FOR REGISTERED AGENT SERV. CALL 800-634-9738
LEVEL 1 - 2 OF 11 DOCUMENTS

*** THIS DATA IS FOR INFORMATION PURPOSES ONLY. CERTIFICATION CAN ONLY BE
OBTAINED THROUGH THE OFFICE OF THE WYOMING SECRETARY OF STATE ***

WYOMING SECRETARY OF STATE, CORPORATE RECORD

Name: ANOIL COMPANY

Mailing Address: PENNZOIL PLACE 13TH FLOOR
               HOUSTON, TX 77002

Type: CORPORATION (PROFIT)

Status: ACTIVE

Filing Date: 12/29/1992

Duration: PERPETUAL

State of Incorporation: TEXAS

Registered Agent: CT CORPORATION SYSTEM

Registered Office: 1720 CAREY AVE
                 CHEYENNE, WY 82001

Number: 92278599

TO ORDER OR FILE CORP DOCUMENTS OR FOR REGISTERED AGENT SERV. CALL 800-634-9738
COLORADO DEPARTMENT OF STATE, CORPORATE/LTD PARTNERSHIP RECORD

NAME: ANOIL COMPANY

TYPE: FOREIGN PROFIT

STATUS: IN GOOD STANDING

FILING-DATE: 04/05/1993

DURATION: PERPETUAL

STATE OF INCORPORATION: TEXAS

ADDRESS: PENNZOIL PL, 13TH FLR
DENVER, CO 80202

REGISTERED AGENT: THE CORPORATION COMPANY

REGISTERED OFFICE: 1600 BROADWAY
DENVER, CO 80202

ANNUAL-REPORT:
CURRENT REPORT/NO: 05/16/1995 951065637

NUMBER: 931035887

OFFICERS:

HISTORY:

1. DATE: 04/05/1993
TRANSACTION: FOREIGN CERTIFICATE OF AUTHORITY
COMMENT: ANOIL COMPANY
DOCUMENT NO: 931035887

2. DATE: 03/16/1995
TRANSACTION: REPORT
COMMENT: CR - 04/01/95 - 06/30/95
TExAS SECRETARY OF STATE, CORPORATE RECORD

Name: ANOIL COMPANY

Tax Address: 700 MILAM ST FL 13
HOUSTON, TEXAS 77002

Type of Corporation: DOMESTIC PROFIT

Status: ACTIVE

Standing from Comptrollers Office: IN GOOD STANDING BUT NOT FOR DISSOLUTION

Status Date: 09/03/1986
Filing Date: 09/03/1986
Duration: PERPETUAL

State of Incorporation: TEXAS

Registered Agent: C T CORPORATION SYSTEM

Registered Office: 811 DALLAS AVENUE
HOUSTON, TEXAS 77002

Assumed Names: CHOCTAW CORPORATION

Status: ACTIVE
Counties: ONLY - HARRIS
Filed: 05/12/1993
Duration: 10 YEARS
Expiration: 05/12/2003

RIVER GARDENS

Status: ACTIVE
Counties: ONLY - COMAL
Filed: 03/31/1989
Duration: 10 YEARS
Expiration: 03/31/1999

Capital/Stock: 80 CO AT $ .10

Tax Year: 1994

State Tax ID: 030008129410

Incorporators:
Number: 01009678-00

History:

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<th>Transaction</th>
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<td>08/08/1989</td>
<td>PUBLIC INFORMATION REPORT FILED WITH NO REVISIONS</td>
</tr>
<tr>
<td>03/31/1989</td>
<td>ASSUMED NAME ADD</td>
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<td>05/02/1988</td>
<td>RESTATED ARTICLES CHANGE OF NON-DATA BASE DATA</td>
</tr>
<tr>
<td>12/02/1987</td>
<td>PUBLIC INFORMATION REPORT FILED</td>
</tr>
</tbody>
</table>

TO ORDER OR FILE CORP DOCUMENTS OR FOR REGISTERED AGENT SERV. CALL 800-634-9738
Name: ANOIL ACQUISITIONS, LTD.

Principal Office: 1021 MAIN STREET, STE. 1700
HOUSTON, TEXAS 77002

Type of Limited Partnership: DOMESTIC LIMITED PARTNERSHIP

Status: ACTIVE

Status Date: 04/28/1989

Filing Date: 04/28/1989

State of Origin: TEXAS

Registered Agent:

Registered Office: 1021 MAIN STREET, STE. 1700
HOUSTON, TEXAS 77002

General Partners: ANOIL COMPANY
1021 MAIN ST., STE. 1700
HOUSTON, TEXAS 77002

Number: 00055180-10

TO ORDER OR FILE CORP DOCUMENTS OR FOR REGISTERED AGENT SERV. CALL 800-634-9738
LEVEL 1 - 6 OF 11 DOCUMENTS

*** THIS DATA IS FOR INFORMATION PURPOSES ONLY. CERTIFICATION CAN ONLY BE OBTAINED THROUGH THE OFFICE OF THE TEXAS SECRETARY OF STATE AND THE TEXAS COMPTROLLER OF PUBLIC ACCOUNTS. ***

TEXAS SECRETARY OF STATE, CORPORATE RECORD

Name: THE BOAT DOCKTOR, INC.

Tax Address: LARRY ANIOL 740 RUSK AVE
NEW BRAUNFELS, TEXAS 78130

Type of Corporation: DOMESTIC PROFIT

Status: DEAD

Status Comment: DISSOLUTION

Status Date: 03/26/1987

Filing Date: 08/27/1984

Duration: PERPETUAL

State of Incorporation: TEXAS

Registered Agent:

Registered Office: 750 RUSK AVE.
NEW BRAUNFELS, TEXAS 78130

Capital/Stock: 1,000 AT NPV

Tax Year: 1986

State Tax ID: 030008563030

Incorporators: L. ANIOL, NEW BRAUNFELS, TEXAS
J. A. ANIOL, NEW BRAUNFELS, TEXAS

Services of Mead Data Central, Inc.
Number: 00718289-00

TO ORDER OR FILE CORP DOCUMENTS OR FOR REGISTERED AGENT SERV. CALL 800-634-9738
Name: CHOCTAW CORPORATION

Mailing Address: 700 MILAM 13TH FlR
HOUSTON, TX 77002

Type: TRADENAME

Status: ACTIVE

Status Date: 4/12/1993

Filing Date: 4/12/1993

Number: 9481100

Officers/Directors/Partners/Members:

ANOIL COMPANY
OWNER

TO ORDER OR FILE CORP DOCUMENTS OR FOR REGISTERED AGENT SERV. CALL 800-634-9738
**NORTH DAKOTA SECRETARY OF STATE, CORPORATE RECORD**

**Name:** CHOCTAW II OIL & GAS, LTD.

**Mailing Address:** 700 MILAM 13TH FL
HOUSTON, TX 77002

**Type:** LIMITED PARTNERSHIP

**Status:** ACTIVE

**Status Date:** 12/29/1992

**Filing Date:** 12/29/1992

**Number:** 9319500

**Officers/Directors/Partners/Members:**

ANOIL COMPANY
PARTNER

TO ORDER OR FILE CORP DOCUMENTS OR FOR REGISTERED AGENT SERV. CALL 800-634-9738
TEXAS SECRETARY OF STATE, LIMITED PARTNERSHIP RECORD

Name: CHOCTAW II OIL & GAS, LTD.

Principal Office: 700 MILAM STREET, NORTH TOWER, 13TH FLOOR
HOUSTON, TEXAS 77002

Type of Limited Partnership: DOMESTIC LIMITED PARTNERSHIP

Status: ACTIVE

Status Date: 12/14/1989

Filing Date: 12/14/1989

State of Origin: TEXAS

Registered Agent: CT CORPORATION SYSTEM

Registered Office: 811 DALLAS AVENUE
HOUSTON, TEXAS 77002.

General Partners: ANOIL COMPANY
700 MILAM STREET, NORTH TOWER, 13TH FLOOR
HOUSTON, TEXAS 77002

Number: 00056865-10

TO ORDER OR FILE CORP DOCUMENTS OR FOR REGISTERED AGENT SERV. CALL 800-634-9738
TExAS SECRETARY OF STATE, CORPORATE RECORD

Name: RIVER GARDENS, INC.

Tax Address: LARRY ANOIL 750 RYS
NEW BRAUNFELS, TEXAS 78130

Type of Corporation: DOMESTIC PROFIT

Status: DEAD

Status Comment: CHARTER FORFEITED (failure to pay franchise tax)

Status Date: 01/20/1987

Filing Date: 05/19/1980

Duration: PERPETUAL

State of Incorporation: TEXAS

Registered Agent: LARRY ANOIL

Registered Office: 750 RYS
NEW BRAUNFELS, TEXAS 78130

Capital/Stock: 10,000 NPV

Tax Year: 1984

State Tax ID: 030005056020

Incorporators: ______________________________________

Officers and Directors: ________________________________
Number: 00520504-00

TO ORDER OR FILE CORP DOCUMENTS OR FOR REGISTERED AGENT SERV. CALL 800-634-9738
TE~ SECRETARY OF STATE, LIMITED PARTNERSHIP RECORD

Name: WULFE-ANOIL, LTD.

Principal Office: 2538 S.W. 36TH STREET
SAN ANTONIO, TEXAS 78237

Type of Limited Partnership: DOMESTIC LIMITED PARTNERSHIP

Status: ACTIVE

Status Date: 08/12/1992

Filing Date: 08/12/1992

State of Origin: TEXAS

Registered Agent: 

Registered Office: 711 NAVARRO, 6TH FL.
SAN ANTONIO, TEXAS 78205

General Partners: JLC PROPERTIES, INC.
2538 S.W. 36TH STREET
SAN ANTONIO, TEXAS 78237

Number: 00064918-10

TO ORDER OR FILE CORP DOCUMENTS OR FOR REGISTERED AGENT SERV. CALL 800-634-9738
MAIL-IT REQUESTED: SEPTEMBER 26, 1995

CLIENT:
LIBRARY: LIENS
FILE: ALLUCC

YOUR SEARCH REQUEST AT THE TIME THIS MAIL-IT WAS REQUESTED:
ANOIL AND TEXAS OR TX

NUMBER OF DOCUMENTS FOUND WITH YOUR REQUEST THROUGH:
LEVEL 1... 1

LEVEL 1 PRINTED

DISPLAY FORMAT: FULL

SEND TO: SAVANNAH, # 3
FBI
220 EAST BRYAN STREET
SAVANNAH GEORGIA 31402FRANC

**********************************07442**********************************
LEVEL 1 - 1 OF 1 DOCUMENT

*** THIS DATA IS FOR INFORMATION PURPOSES ONLY. CERTIFICATION CAN ONLY BE OBTAINED FROM THE OFFICE OF THE TEXAS SECRETARY OF STATE ***

TECHAS SECRETARY OF STATE, UCC RECORD

ACTIVE DEBTORS:  
1. JOHN H YOUNG INC [Business]  
   903 ESPERSON BLDG  
   HOUSTON, TEXAS 77002

2. HSA ENERGY PARTNERSHIP [Business]  
   2001 KIRBY DR STE 900  
   HOUSTON, TEXAS 77019

3. ANOIL COMPANY [Business]  
   P O BOX 2967  
   HOUSTON, TEXAS 77252

4. TEX CON OIL AND GAS COMPANY [Business]  
   9401 S W FRWY  
   HOUSTON, TEXAS 77074

5. CORNERSTONE ENERGY CORPORATION [Business]  
   2121 SAGE RD STE 280  
   HOUSTON, TEXAS 77056

6. LOMBARD INVESTMENTS INC [Business]  
   2121 SAGE RD STE 280  
   HOUSTON, TEXAS 77056

7. L M JOSEY INC [Business]  
   504 WAUGH DR  
   HOUSTON, TEXAS 77019

ACTIVE SECURED PARTY:  
HSA ENERGY PARTNERSHIP  
2001 KIRBY DR STE 900
TEXAS SECRETARY OF STATE, UCC RECORD

HOUSTON, TEXAS 77019

ANOIL COMPANY
P O BOX 2967
HOUSTON, TEXAS 77252

TEX CON OIL AND GAS COMPANY
9401 S W FRWY
HOUSTON, TEXAS 77074

CORNERSTONE ENERGY CORPORATION
2121 SAGE RD STE 280
HOUSTON, TEXAS 77056

LOMBARD INVESTMENTS INC
2121 SAGE RD STE 280
HOUSTON, TEXAS 77056

TYPE: FINANCING STATEMENT

STATUS: ACTIVE AS OF: 09/17/1990

FILING-DATE: 09/17/1990

FILING-TIME: 2:13 PM Central Time

EXPIRATION: 09/17/1995

FILING-NUMBER: 9000196662

NUMBER OF PAGES ATTACHED TO FILING: 24
FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

To: HOUSTON

From: HOUSTON WC-4

Contact: 

Approved By: 

Drafted By: MGW

File Number(s): 196C-HO-4297 (Pending)

Title: Hugh Leidke

Synopsis: RECLASSIFY

Details: The above case should be reclassified according to FY 96 classification changes.

Reclassify for "C" 10/19/95

196C-HO-4297 - 10

SEARCHED: FORMS INDEXED
MANUAL FILED 10/13/95

FBI-HOUSTON

OCT 13 1995
FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

To: Houston Division

From: SA

File Number(s): 196B-HO-42471 (Pending)

Title: "CHANGED:

HUGH LIEDELTKE,
Chairman of the Board,
PENNZOIL CORPORATION;

FBW; MF;

Synopsis: Investigative summary.

Details: Title marked "Changed" to reflect correct spelling of LIEDTKE's surname, as well as to reflect the complete name of CHOCTAW II OIL & GAS, LTD. Title previously carried as "HUGH HUGH LIEDELTKE, Chairman of the Board, PENNZOIL CORPORATION;

FBW; MF; OO: HOUSTON."

On 9/22/95 and dates thereafter, record inquiries conducted through Savannah ITC identified the following information: A Texas Secretary of State Limited Partnership Record identified CHOCTAW II OIL & GAS, LTD. (CHOCTAW) as a Texas domestic limited partnership, located at 700 Milam Street, North Tower, 13th Floor, Houston, Texas. The Texas corporate records further identified ANOIL COMPANY (ANOIL) as the General Partner involved in CHOCTAW. ANOIL's address was listed as the same address as that of CHOCTAW.
FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE Date: 10/26/1995

To: Oklahoma City
From: Houston

Sqd. WC-4
Contact: SA 713/803-3182

Approved By:

Drafted By:

File Number(s): 196C-HO-42471 (Pending)
196B-OC-56012

Title: HUGH LIEDETK, CHAIRMAN of the Board, PENNZOIL CORPORATION;
FBW; MF;

Synopsis: Lead for interview of

Enclosures: Enclosed for OC is one copy of a two-page portion of

Details: Re Oklahoma City airtel to Houston, dated 3/24/95.

By referenced airtel, OC furnished information to

Houston of allegations made by

Information Systems, PENNZOIL, Houston, Texas, to

the effect that HUGH LIEDETK used economic intimidation to

pressure various PENNZOIL executives to cooperate in a scheme to
devalue by 25% certain PENNZOIL oil reserves located in North

Dakota and Montana which were then sold to CHOCTAW II.

Further alleged that these oil reserves were then sold by CHOCTAW
II to an unidentified Denver oil company resulting in a 25%

profit to CHOCTAW II. Referenced airtel advised believed

mail and wire fraud violations had been committed in the course

of this transaction by subjects.
FEDERAL BUREAU OF INVESTIGATION

To: Oklahoma City From: Houston
Re: 196C, 10/26/1995

Preliminary investigation by Houston determined that in

As referenced airtel did not set forth the basis of allegations that mail and wire fraud violations occurred related to the sale of the above reserves, Oklahoma City is requested to conduct interview of regarding all pertinent details of above oil & gas transaction. Information should be obtained from confirming identity of property involved and sales price; details regarding subsequent sale of property to unidentified Denver oil company; details of misrepresentations made by subjects supporting allegations of mail and wire fraud; obtain any pertinent documentation in possession and identify other witnesses to fraud. Attempt to identify any prior PENNZOIL evaluations of those same reserves for tax or other purposes, in particular if prior studies valued the reserves at a much higher amount. should identify any pertinent documentation believed to be in possession of PENNZOIL, CHOCTAW or Denver oil company that should be obtained in course of investigation. OC should determine whether believes
To: Oklahoma City From: Houston
Re: 196C, 10/26/1995

Material false statements were made in enclosed PENNZOIL Proxy Statement regarding transaction.

Upon receipt of results of interview of [blank] captioned matter will be presented to U.S Attorney's Office, Southern District of Texas, Houston, Texas, for initial prosecutive opinion whether prosecutable federal violation(s) are involved.

LEAD(s):

Set Lead 1:

OKLAHOMA CITY

AT STROUD, OKLAHOMA

[ ] Telephone

Interview regarding his allegations as previously set forth in referenced OC airtel. Obtain pertinent details of any potential mail and/or wire fraud violations and other information as set forth above.

✦✦
FBI FACSIMILE

COVERSHEET

PRECEDENCE: CLASSIFICATION:

☐ Immediate
☐ Priority
☒ Routine

☐ Top Secret
☐ Secret
☐ Confidential
☐Sensitive
☒ Unclassified

Time Transmitted: ____________________
Sender's Initials: ____________________
Number of Pages: 2
(including coversheet)

To: Savannah ITC
(Name of Office)
Facsimile Number: 912/231-1076

Attn: ____________________
(Name Room Telephone Number)

From: FBI - Houston
(Name of Office)

Subject: Hugh Liedtke (176C-17D-42441)
CEO, Pennzoil Corp

Special Handling Instructions:

______________________________

Originator's Name: SA
Telephone: 713/903-382

Originator's Facsimile Number: 713/803-3931

Approved: MOW/PLD
INVESTIGATIVE INFORMATION REQUEST FORM

FBI, Savannah Information Technology Center
220 East Bryan Street
Savannah, Georgia 31401

Commercial Telephone or FTS: (912) 944-0824 thru 0828
FAX: (912) 231-1076 and (912) 231-0974
Secure FAX & STU III: (912) 231-1075

TO: FBI, SAVANNAH INFORMATION TECHNOLOGY CENTER

Date: 10/30/15
Forfeiture/Seizure: 

Type of Request: FAX □ Telecall □ Mail
Phone #: 713/603-2182 FAX #: 713/805-2931 UCFN: 46c-1h-4247
(For FAX use UCFN is Required)

Reply: FAX □ Telecall □ Mail

Date/Time In: ____________________ □ am □ pm
Date/Time Out: ____________________ □ am □ pm

ITC Use Only: SITC Record #: 

Database(s) Used:
1. ____________________ 2. ____________________ 3. ____________________ 4. ____________________ 5. ____________________
6. ____________________ 7. ____________________ 8. ____________________ 9. ____________________
10. ____________________ 11. ____________________ 12. ____________________

Handled By: ____________________

Secure FAX

STU III: (912) 231-1075

Comm. Telephone 4 or FT& (912) 944-{)824 thru 0828

FAX! (912) 231-1076 and (912) 231-{)974

Fugitive Conducted: □ Yes □ No

CCH Conducted: □ Yes □ No

Driver's License Conducted: □ Yes □ No

Driver's License #: ____________________ State: ____________________

Date/Time In: ____________________ Date/Time Out: ____________________

Search Criteria (Attach additional sheets if necessary)

Name - Last: ____________________ First: ____________________ Middle: ____________________

Sex: ____________________ DOB1: / / DOB2: / /

SSAN1: ____________________ SSAN2: ____________________ Spouse: ____________________

FBI, Savannah Information Technology Center
220 East Bryan Street
Savannah, Georgia 31401

Commercial Telephone or FTS: (912) 944-0824 thru 0828
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Type of Request: FAX □ Telecall □ Mail
Phone #: 713/603-2182 FAX #: 713/805-2931 UCFN: 46c-1h-4247
(For FAX use UCFN is Required)

Reply: FAX □ Telecall □ Mail

Date/Time In: ____________________ □ am □ pm
Date/Time Out: ____________________ □ am □ pm

ITC Use Only: SITC Record #: 

Database(s) Used:
1. ____________________ 2. ____________________ 3. ____________________ 4. ____________________ 5. ____________________
6. ____________________ 7. ____________________ 8. ____________________ 9. ____________________
10. ____________________ 11. ____________________ 12. ____________________

Handled By: ____________________

Secure FAX

STU III: (912) 231-1075

Comm. Telephone 4 or FT& (912) 944-{)824 thru 0828

FAX! (912) 231-1076 and (912) 231-{)974

Fugitive Conducted: □ Yes □ No

CCH Conducted: □ Yes □ No

Driver's License Conducted: □ Yes □ No

Driver's License #: ____________________ State: ____________________

Date/Time In: ____________________ Date/Time Out: ____________________

Search Criteria (Attach additional sheets if necessary)

Name - Last: ____________________ First: ____________________ Middle: ____________________

Sex: ____________________ DOB1: / / DOB2: / /

SSAN1: ____________________ SSAN2: ____________________ Spouse: ____________________

RESIDENCE
Street Address: ____________________ City/State: ____________________ Zip: __ Phone: __

BUSINESS

Business Name: Pennzoil Corp ____________________ Street Address: ____________________

City/State: Houston Zip: TX Phone: __ Business ID#: ____________________

CHECKED DESIRED SEARCH PARAMETERS (Please check only those that are needed)

□ 1. Specific Information Desired: dm + Broadstreet Apt - Need to determine if lied+he still

CEO or if he is currently retired (left Pennzoil)

□ 2. Determine All Individuals Associated with Social Security Number(s)

□ 3. Report Validity of Social Security Number

□ 4. Employment Report (subject to availability) INQUIRY WILL POST TO CONSUMER'S ACCOUNT

□ 5. Determine Who is Associated with Telephone Number(s)

□ 6. Determine Address of Business/Person ( U.S. _____, _____, _____ State(s))

□ 7. Determine Property Owned by Individual ( U.S. _____, _____, _____ State(s))

□ 8. Determine Who Owns Property Listed Above

□ 9. Determine Who Resides at Address Listed Above

□ 10. Determine Financial Background Info, Financial Associates/Institutions (NOT FULL CREDIT REPORTING)

□ 11. Determine Corporate Business Info/Institutions Associated with: ____________________

(Person/Business)

Reply From: FBI, Savannah Information Technology Center (SITC)

Return Reply To: SAC, ____________________

Attention: ____________________

Based on search criteria, marked records are attached: 

□ Possible Identifiable Records

□ Other Peripheral Information

□ Brief Synopsis of Information Found

□ No Information Found
Memorandum

To: SAC, HOUSTON (196C-HO-42471)
ATTN: SA

From: SAVANNAH INFORMATION TECHNOLOGY CENTER (SITC)
INVESTIGATIVE INFORMATION SERVICES (IIS)

Subject: PENNZOIL CORP
REQUEST #63397

IIS Analyst: ________________________________ 912-944-0824.

Attached are printouts of results of inquiries conducted by Savannah IIS. Also attached are two copies of a reply form. It is requested that you record the accomplishments of this request on these forms, return one copy to SITC, and maintain one copy as a serial in your case file.

Set forth below is a brief synopsis of results of inquiries.

Attached for your review are copies of American Business information reports regarding Pennzoil and Liedtke, one of which makes reference to J. Hugh Liedtke retiring for the board in May 1994; and Dun/Bradstreet Business Information report per request.

Other record checks failed to develop information identifiable with the subject of this request, at this time.

1 - HOUSTON (Enc. 4)
Attn: Special Agent Supervisor
Note: Copy forwarded SA

1 - SITC
(2)
DR

CASE FILE COPY
INVESTIGATIVE INFORMATION SERVICES
REPLY FORM

In order to help us better serve your investigative needs, please complete the following and return to:

FBI, Savannah Information Technology Center
220 East Bryan Street
Savannah, Georgia 31401

SAVANNAH ITC RECORD #: 63397 UCFN: 196C-HO-42471
ANALYST: ________ SUBJECT: PENNZOIL CORP

Was the information provided helpful to your investigation? □ YES □ NO
If NO, please let us know how we could be more helpful to your investigation:

____________________________________________________________

**ACCOMPLISHMENT(S) resulting from information:**

**PERSON(S):** (Enter total number applicable to each of the following)

- □ FBI Fugitive(s) Arrested: □ FBI □ Local Date_____
  (Forward photo of Fugitive arrested with this Reply form)

- □ Local Fugitive(s) Arrested: □ FBI □ Local Date_____
  (Forward photo of Fugitive arrested with this Reply form)

- □ Subject(s) □ Arrested □ Located □ Identified
  (Forward photo of Subject arrested with this Reply form)

- □ Witness(es) □ Located □ Identified
- □ New Witness(es) □ Located □ Identified

**BUSINESS(ES):** (Enter total number applicable to each of the following)

- □ New Business(es) Identified
- □ New Business Associates/Associations Identified
- □ Financial Audit Trail(s) Enhanced

**ASSET(S):** (Enter total number applicable to each of the following)

- □ Asset(s) □ Located □ Identified [VALUE: ____ TYPE: ___]
- □ Asset(s) Subject to Seizure/Forfeiture [VALUE: ____ TYPE: ___]
- □ Potential Economic Loss Prevented [VALUE: ____ TYPE: ___]

**OTHER:** (Enter total number applicable to each of the following)

- □ New Case(s) Initiated
- □ New Lead(s) Generated

COMMENTS: __________________________________________________________________

1 - Case File
1 - SITC

Please complete or return.
INVESTIGATIVE INFORMATION SERVICES
REPLY FORM

In order to help us better serve your investigative needs, please complete the following and return to:

FBI, Savannah Information Technology Center
220 East Bryan Street
Savannah, Georgia 31401

SAVANNAH ITC RECORD #: 63397 UCFN: 196C-HO-42471
ANALYST: ______________________ SUBJECT: PENNZOIL CORP

Was the information provided helpful to your investigation? □ YES □ NO
If NO, please let us know how we could be more helpful to your investigation:

______________________________________________________________

ACCOMPLISHMENT(S) resulting from information:

PERSON(S): (Enter total number applicable to each of the following)
   ___ FBI Fugitive(s) Arrested: □ FBI □ Local Date_______
      (Forward photo of Fugitive arrested with this Reply form)
   ___ Local Fugitive(s) Arrested: □ FBI □ Local Date_______
      (Forward photo of Fugitive arrested with this Reply form)
   ___ Subject(s) □ Arrested □ Located □ Identified
      (Forward photo of Subject arrested with this Reply form)
   ___ Witness(es) □ Located □ Identified
   ___ New Witness(es) □ Located □ Identified

BUSINESS(ES): (Enter total number applicable to each of the following)
   ___ New Business(es) Identified
   ___ New Business Associates/Associations Identified
   ___ Financial Audit Trail(s) Enhanced

ASSET(S): (Enter total number applicable to each of the following)
   (TYPES: C = CASH   R = REAL PROPERTY   P = PERSONAL PROPERTY)
   ___ Asset(s) □ Located □ Identified [VALUE: ____ TYPE: ____]
   ___ Asset(s) Subject to Seizure/Forfeiture [VALUE: ____ TYPE: ____]
   ___ Potential Economic Loss Prevented [VALUE: ____ TYPE: ____]

OTHER: (Enter total number applicable to each of the following)
   ___ New Case(s) Initiated
   ___ New Lead(s) Generated

COMMENTS:____________________________________________________

1 - Case File
1 - SITC
MAIL-IT REQUESTED: OCTOBER 31, 1995

CLIENT:
LIBRARY: COMPNY
FILE: COMPNY

YOUR SEARCH REQUEST AT THE TIME THIS MAIL-IT WAS REQUESTED:
PENNZOIL AND HOUSTON
AND LIEBTKE

NUMBER OF DOCUMENTS FOUND WITH YOUR REQUEST THROUGH:
LEVEL 1... 840 LEVEL 2... 92

LEVEL 2 PRINTED

DISPLAY FORMAT: KWIC

SEND TO: SAVANNAH, #10
FBI
220 EAST BRYAN STREET
SAVANNAH GEORGIA 31402

**********************************************02205**********************************************
PENN ZOIL CO

DECEMBER 31
(EXPRESSED IN THOUSANDS)

<table>
<thead>
<tr>
<th>LIABILITIES AND SHAREHOLDERS' EQUITY</th>
<th>1994</th>
<th>1993</th>
</tr>
</thead>
</table>

* * * * * * * * FULL TEXT OF INCOME STATEMENT * * * * * * * *
SOURCE: 10-K 12/31/94

PENN ZOIL COMPANY AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF INCOME
YEAR ENDED DECEMBER 31
(EXPRESSED IN THOUSANDS EXCEPT PER SHARE ...
LEVEL 2 - GROUP 3 - 2 OF 2 US CO PROFILES

Copyright 1995 The Reference Press, Inc.
Hoover's Handbook of American Business

1995

PENNZOIL COMPANY

TS: PZL

Exchange: NYSE

PO Box 2967, Pennzoil Place,
Houston, TX 77252-2967
713-546-4000 FAX: 713-546-6639

COMPANY OVERVIEW:

Houston-based Pennzoil, which makes the US's best-selling motor oil, has operations in oil and gas exploration, production, and marketing and in sulfur
...

...Lube International, the world's largest franchiser of quick lube centers, and it makes and markets Gumout car care products.

Pennzoil is keeping the home fires burning while it looks abroad for new opportunities. The company plans to rely on ... next few years, particularly in the Gulf of Mexico, while it looks for growth from major international projects. Pennzoil has signed an agreement with the Azerbaijan Republic to develop the Guneshli oil field in the Caspian Sea. Also, Pennzoil Canada recently acquired Canadian oil and gas company Co-enerco Resources, increasing Pennzoil's presence in the North American natural gas market. The company is also looking overseas for new markets for its motor oils and lubricants, with plans to expand in South America and Eastern Europe.

However, one possible glitch in Pennzoil's travel plans might be the taxman. In 1994 the IRS ordered the company to pay nearly $1 billion in taxes and ...

...acquired using the proceeds from a $3 billion settlement (of a $10.5 billion judgment against Texaco) in 1988. Pennzoil is appealing the ruling.

HISTORY:

The post-WWII oil boom in West Texas attracted brothers J. Hugh and Bill Liedtke and a Connecticut scion named George Bush. Eager to make their fortunes, they formed Zapata Petroleum. Zapata hit big, with ...

...Zapata expanded with a subsidiary that drilled in the Gulf of Mexico. In 1959 Bush bought out the subsidiary and moved to Houston, where he later embarked on a political career that eventually took him to the White House. The Liedtkes set their sights on South Penn Oil of Oil City, Pennsylvania -- a rusty relic from the 1911 dissolution of Standard...

...support of J. Paul Getty, they took control of South Penn in 1963, merged
it with Zapata, renamed it Pennzoil in honor of the lubricant it sold,' and moved the headquarters to Houston.

In 1965 J. Hugh Liedtke engineered the historic takeover of Shreveport-based United Gas Pipeline, 5 times the size of Pennzoil. Though blessed with a large pipeline system and vast mineral interests, United Gas was hampered by lethargic management. Using a takeover tactic that would break ground for a generation of corporate raiding, Liedtke launched a hostile cash tender offer.

Pennzoil invited United Gas shareholders to sell their shares at a price higher than the market price. Shareholders tendered 5 times the number of shares that Pennzoil wanted to buy. Undaunted, the Liedtkes raised the additional funds to buy 42% of United Gas stock. They spun off a scaled-down United in 1974.

In the late 1960s Pennzoil financed speculative drilling by selling, directly to the public, stock in subsidiary companies. Shareholders in the subsidiaries were given some security, with fights to Pennzoil stock if the risky drilling proved unsuccessful.

In 1983 J. Hugh Liedtke hoped to purchase Getty Oil, the company begun by his old benefactor, and thought he had a deal. Texaco bought Getty instead. Pennzoil sued, and in 1985 a Texas jury awarded a record $10.52 billion in damages. Texaco sought refuge in bankruptcy court, emerging after settling with Pennzoil for $3 billion.

Liedtke stepped down as CEO in 1988 but remained chairman as Pennzoil determined how to spend its booty. In 1989 Pennzoil spent $2.1 billion for 8.8% of Chevron, but Liedtke denied that his company had a takeover in mind. Chevron wasn't convinced and filed suit in 1989 to keep him at bay. Much of the suit was dismissed in 1990, and by year's end Pennzoil had increased its stake to 9.4%, just under Chevron's poison pill threshold.

In 1992 Pennzoil swapped $1.17 billion of its Chevron stock for 266 of Chevron's oil and gas properties primarily located in the Gulf of Mexico and along the Gulf Coast. The swap ended litigation between the 2 companies. Also in 1992 Pennzoil spun off filtermaker Purolator to the public, raising about $206 million.

In 1994 Pennzoil signed a joint venture agreement with Conoco to build a lube oil hydrocracker at Conoco's refinery in ... MARKET:

... Virginia) and in 3 foreign countries.
Products: 3 refineries -- Oil City, PA; Shreveport, LA; and Roosevelt, UT. Pennzoil motor oil and lubricants are sold in 60 countries.
Franchise Operations: 1,071 Jiffy Lube service centers in the ...

PRODUCTS:

... Subsidiaries
Jiffy Lube International, Inc. (quick lubrication shops)
Pennzoil Exploration and Production Company
Pennzoil Petroleum Company (oil and gas)
Pennzoil Products Company (refining, processing, and marketing of automotive products, industrial specialties, and motor oil)
Pennzoil Sulphur Company (mining and marketing)
Richland Development Corporation (real estate)

Selected Brand Names
Gumout car care products
Pennzoil motor oil and lubricants

KEY COMPETITORS:
DuPont

Pennzoil

Total
INVESTIGATIVE INFORMATION REQUEST FORM

FBI, Savannah Information Technology Center
220 East Bryan Street
Savannah, Georgia 31401

Date: 10/30/1995

TO: FBI, SAVANNAH INFORMATION TECHNOLOGY CENTER

Type of Request: □ FAX □ Telec □ Mail

Requestor: SA

Forfeiture/Seizure Related: ☐

Date/Time In: 10/30/95 11:30 am 0 pm

Date/Time Out: 10/30/95 03:00 pm 0 am

Database(s) Used: 

1. DB
2. EN
3. 
4. 
5. 
6. 
7. 
8. 
9. 
10. 
11. 

Month: 10
Day: 30
Year: 1995

FBI, Savannah Information Technology Center (SITC)

Handed By:

SEARCH CRITERIA (Attach additional sheets if necessary)

Name - Last: __________________________ First: __________________________ Middle: __________________________

Sex: ______ DOB1: __ __ __ / __ __ __ / __ __ __ DOB2: __ __ __ / __ __ __ / __ __ __

SSAN1: __________ SSAN2: __________ Spouse: __________________________

RESIDENCE

Street Address: __________________________ City/State: __________________________ Zip: __________ Phone: __________

BUSINESS

Business Name: Pennzoil Corp Street Address: __________________________

City/State: Houston Zip: TX Phone: __________ Business ID#: __________________________

1. Specific Information Desired on Breadstreet Corp. Need to determine if deceased still CEO or if he is currently retired/last Pennzoil.

2. Determine All Individuals Associated with Social Security Number(s)

3. Report Validity of Social Security Number

4. Employment Report (subject to availability) INQUIRY WILL POST TO CONSUMER'S ACCOUNT

5. Determine Who is Associated with Telephone Number(s)

6. Determine Address of Business/Persn __________________________

7. Determine Property Owned by Individual __________________________

8. Determine Who Owns Property Listed Above

9. Determine Who Resides at Address Listed Above

10. Determine Financial Background Info, Financial Associates/Institutions (NOT FULL CREDIT REPORTING)

11. Determine Corporate Business Info/Institutions Associated with: __________________________

(Threat for SITC)

Reply From: FBI, Savannah Information Technology Center (SITC)

Return Reply To:
SAC: __________________________

Attention:

Based on search criteria, marked records are attached:
☐ Feasible Identifiable Records
☐ Other Peripheral Information
☐ Brief Synopsis of Information Found
☐ No Information Found
INVESTIGATIVE INFORMATION REQUEST FORM

FBI, Savannah Information Technology Center
220 East Bryan Street
Savannah, Georgia 31401
- Commercial Telephone or FAX: (912) 944-0824 thru 0828
- FAX: (912) 231-1076 and (912) 231-0974
- Secure FAX & STU III: (912) 231-1075

TO: FBI, SAVANNAH INFORMATION TECHNOLOGY CENTER

Date: 10/30/95
Forfeiture/Seizure Related: □
Type of Request: □ FAX □ TeleC □ Mail
Requester: (Ref) __________
Office/RA: __________

Fugitive: □ Yes □ No
CCH Conducted: □ Yes □ No
Driver's Lic. Conducted: □ Yes □ No
Driver's License #: __________
NCIC Activity/Date: __________
Off-Line Searches Conducted:

Precedence: □ ROUTINE □ PRIORITY □ IMMEDIATE

SEARCH CRITERIA (Attach additional sheets if necessary)

Name - Last: ____________________________ First: __________________ Middle: __________________
Alias: __________________ Sex: _______ DOB1: / / DOB2: / /
SSAN1: _______ SSAN2: _______ Spouse: __________________

RESIDENCE
Street Address: __________________ City/State: __________ Zip: _____ Phone: __________

BUSINESS
Business Name: Penzi Corp
City/State: Houston Zip: TX Phone: __________ Business ID#: __________

CHECK DESIRED SEARCH PARAMETERS (Please check only those that are needed)
1. Specific Information Desired
   (Note: Brief Statement Needed to Determine if Docketed/Still CFO or if he is currently retired/left Penzi)
   □ 2. Determine All Individuals Associated with Social Security Number(s)
   □ 3. Report Validity of Social Security Number
   □ 4. Employment Report (subject to availability) INQUIRY WILL POST TO CONSUMER'S ACCOUNT
   □ 5. Determine Who is Associated with Telephone Number(s)
   □ 6. Determine Address of Business/Person (U.S., , State(s))
   □ 7. Determine Property Owned by Individual (U.S., , State(s))
   □ 8. Determine Who Owns Property Listed Above
   □ 9. Determine Who Resides at Address Listed Above
   □ 10. Determine Financial Background Info, Financial Associates/Institutions (NOT FULL CREDIT REPORTING)
   □ 11. Determine Corporate Business Info/Institutions Associated with: ____________________________ (Person/Business)

Reply From: FBI, Savannah Information Technology Center (SITC)
Return Reply To:
SAC, ________________

Attention: ____________________________

Based on search criteria, marked records are attached:
□ Possible Identifiable Records
□ Other Peripheral Information
□ Brief Synopsis of Information Found
□ No Information Found
Pennzoil to cut costs, dividend following loss

By CHARLES BOISSEAU
Houston Chronicle

Pennzoil Co. on Thursday posted a net loss of $275.3 million for the third quarter and disclosed a sweeping cost reduction program designed to save $167 million a year by slashing the dividend and cutting jobs.

Pennzoil said its loss of $5.95 per share was mostly from $271.2 million in nonrecurring write-offs, including noncash charges of $265.5 million related to the adoption of a new accounting standard.

The Houston-based company, the nation's No. 1 supplier of engine motor oil and operator of Jiffy Lube oil change stores, said it would cut its quarterly dividend to 25 cents a share from 75 cents to conserve $92 million a year—a cut that analysts have been predicting for some time.

Also, citing continued low natural gas prices, Pennzoil said it will launch a program to slash general and administrative expenses by $40 million a year, on top of a $35 million reduction effort in the oil and gas division it announced earlier this month.

Pennzoil spokesman Bob Harper said it was too early to tell how many of the company's employees—10,000 worldwide, 1,700 of whom are in Houston—would lose their jobs. The company, which had laid off 348 workers earlier this year, said most of the reductions will be implemented in the first quarter of 1996.

See PENNZOIL on Page 4C.

Benjamin Rice, analyst with Brown Bros. Harriman, expressed concern over what he described as the company's high debt of $1.65 billion, which he said was nearly twice the company's shareholder equity.

"They're going to have to sell some properties. I can tell you right now, these guys aren't out of the woods," he said.

Rice had forecast the company would lose 10 cents a share on an operating basis in the third quarter. Pennzoil said eliminating the effects of nonrecurring charges, it had a net loss of $4.1 million, or 9 cents a share on operations.

Pennzoil said it was taking the actions as part of a strategy to focus on core businesses and assets. It has a capital expenditure budget of about $475 million next year, including its largest exploration project ever—the start of production in the Caspian Sea, where the company is a member of an energy consortium.

Harper said the company was "very confident" the cost-reduction program would free up cash for the growth opportunities.

"We believe the cost reduction program and the selling of some assets ... and dividend reduction is going to generate cash in 1996 to sustain our ongoing programs as well as provide for growth," he said.

Combined, the cost-cutting steps are expected to add $76 million to future annual profits and $152 million to yearly cash flow, Pennzoil said.
FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE Date: 11/20/1995

To: Houston

From: Oklahoma City
Stillwater RA

Approved By: ____________________________

Drafted By: ____________________________ : jmh

Case ID #: 196C-HO-42471 (Pending)

Title: HUGH LEIDTKE,
Chairman of the Board,
Pennzoil Corporation;
FBW; MF

Synopsis: Houston to contact [ ] in Houston.

Reference: 196C-HO-42471 Serial 12

Details: On 11/20/95, [ ] advised he would not be available for an interview for several weeks. [ ] advised he had originally referred this case to [ ] advised that a review of Pennzoil Proxy Statements for a ten year period would reveal many questionable transactions perpetrated by the subjects.

[ ] advised he would make himself available for a detailed interview by the FBI, if necessary, but that the IRS in Houston has all the details he can provide.

SOC 32401. JMH
FEDERAL BUREAU OF INVESTIGATION

To: Oklahoma City From: SA
Re: 196-HO-42471, 11/20/1995

On 11/20/95, SSA Houston Division, was advised of the above. She advised the case Agent, would contact, and would advise the writer of the results of the contact and whether or not the lead in Stroud, Oklahoma, still needs to be covered.
To: Oklahoma City  From: SA
Re: 196-HO-42471, 11/20/1995

LEAD(s):

Set Lead 1:

HOUSTON

AT HOUSTON, TEXAS

Advise writer of results of [ ] and whether or not the lead in Stroud, Oklahoma, still needs to be covered.

**
FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE
Date: 12/08/1995

To: Oklahoma City
Attn: Stillwater RA

From: Houston
Sqd. WC-4
Contact: SA
713/803-3182

Approved By: ____________________________
Drafted By: ____________________________

File Number(s): 196C-HO-42471 (Pending)

Title: HUGH LIEDTKE,
Chairman of the Board,
PENNZOIL CORPORATION;
ET AL;
FBW; MF;

Synopsis: Discontinue lead for interview of

Details: Re Houston EC to Oklahoma City, dated 10/26/95.

By referenced EC, Oklahoma City was requested to
conduct interview of complainant to obtain details re
previous allegations that possible mail and wire fraud
violations had been committed in the course of PENNZOIL
CORPORATION's (PENNZOIL) sale of certain oil and gas reserves to
CHOCTAW II OIL & GAS, LTD (CHOCTAW II).

Subsequent recent information

---

DEC 1 1 1995
FBI - HOUSTON
Precedence: ROUTINE
To: Houston
From: SA
Approved By: 
Drafted By: 

File Number(s): 196C-HO-42471 (Closed)

Title: HUGH LIEDTKE,
Chairman of the Board,
PENNZOIL CORPORATION;
ET AL;
FBW; MF;

Synopsis: Closing EC.

Details: On 12/6/95, information was [redacted] to the effect that allegations received from complainant [redacted] re-captioned matter had been determined to be unsubstantiated. In light of this information, it is recommended that captioned matter be administratively closed.
Automated Serial Permanent Charge-Out
FD-5a (1-5-94)

Case ID: 196C-HO-42471 Serial: 20

Date: 08/29/00 Time: 10:38

Description of Document:

Type: 
Date: 08/22/00
To: HOUSTON
From: 
Topic: DATE OF CONTACT 8/16/00, 8/18/00 - STAT

Reason for Permanent Charge-Out:

INCORRECT FILE NUMBER ON DOCUMENT

Employee: 

196C-HO-42471-20