

April 23, 1975

POOL REPORT

"New Era" Drilling Rig -

The President arrived at rig by helicopter at 3:40 p.m. local time. He was wearing navy blue "Camp David" windbreaker, gray shirt without tie, dark gray pants, and brown hush-puppies. He was accompanied by Zarb, Cheney, Lukash, and Rep. David Treen, a Louisiana Republican.

President was greeted at edge of helipad by Don E. McMahon, President of Diamond M and Glenn Miller, Executive Vice President of Diamond M. which owns the \$28 million semi-submersible mobile rig which Gulf is using to drill its hole in the recently acquired federal lease 35 miles off Louisiana coast.

Gulf and Mobil Oil share ownership of lease which they paid \$7.9 million for last year.

After being presented with plastic blue hardhat embossed with "Jerry Ford," President descended one level to recreation room where he got short briefings from Miller, McMahon, and Z. D. Bonner, President of Gulf. (See attached sheet for Bonner's remarks.)

McMahon presented Ford with certificate naming him "Head Toolpusher" of New Era rig. Bonner presented a core sample from a successful off-shore rig of ten years ago.

Responding to the certificate, Ford said "I'd better start as an apprentice."

More seriously, he praised the exploration efforts here. "This has to be done, and as far as I'm concerned it's going to be done to protect our country from vulnerability to foreign sources." (of oil)

After a 5-minute chart briefing which went into greater detail about the operations, Ford got a 40-minute guided tour.

His first stop was the wheelhouse, analgous to the bridge of a normal ship. Surveying the sophisticated gadgetry, ex-navigator Ford said "I know more about this than any of the rest of it."

Guided by Miller, Ford proceeded to the drilling site, the shale-shaker, the motor control room, the pump room, and other stations. In the room where anchors are controlled to keep the mobile rig in place, Ford said "...When you're there, you're there." But Ford then asked, "How do you know precisely where you want to go?" "And how do you know you're there when you get there?"

The reply was audible but not intelligible to the pool. Most comments during tour were either inaudible or highly technical.

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Ascending to the drill control area, Ford saw a green chalkboard where someone had printed "WELCOME, MR. PRESIDENT." Ford then chalked, "THANKS, G.R.F.," adding his initials as an afterthought because he feared no one would know who wrote "Thanks."

Ending his tour in mess hall, Ford chatted with cafeteria attendants and other workers. They gave him a yellow hardhat signed by the crew.

Cafeteria employee also gave him a small 1-pound bag of coffee with chicory.

Ford joked with crew, then said "Thank you very much for a very interesting, very informative, and quite thrilling opportunity to be here." President then said country needs more of these off-shore oil rigs off all the nation's coastal waters.

President said we can't afford to be vulnerable to foreign sources of oil.

Ford said purpose of his visit was not only to educate himself but the Washington press corps as well. He said he thought these Washington neophytes will come back with a better appreciation of the investment and complexity the operation requires.

After Bonner asked Ford for "all the help from you we can get." President replied "We'll do all we can." He added, "I'm having a little trouble with Congress....we ought to bring them down here to educate them."

This site is not yet productive. Bonner, in reply to a question from Ford, said the chances for a successful drill here are one out of six.

President then sampled seafood buffet, saying to crew "you fellows live pretty high off the hog."

After thanking crew profusely, Ford went topside, departing on schedule at 4:50 local time.

Cochran, DeFrank, Sloyan

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Suggested remarks of Z.D. Bonner/Meeting with President Ford at the "New Era" - April 23, 1975.

Mr. President,

1. Gulf is certainly honored to have you and your distinguished guests visit with us today here at our Grand Isle Block 88.
2. The "New Era" is one of the most modern drilling rigs in the Gulf of Mexico -- or anywhere else for that matter. Hundreds of rigs are operating continuously offshore -- as well as onshore -- in an effort to increase this country's domestic oil reserves. Exploration of the Outer Continental Shelf is essential if we are to attain a reasonable degree of energy self-sufficiency.
3. Since the industry began offshore exploration more than 18,000 wells have been drilled offshore. Today, about 17 percent of our oil and gas supply for the U.S. comes from the Gulf of Mexico. The industry's total investment in the Gulf of Mexico is many billions of dollars and many companies are still operating in the red offshore. For example, Gulf has invested more than \$2 billion in the Gulf of Mexico since 1939 and has generated revenues of only \$1.5 billion.
4. As a memento of your visit with us today we would like to present you with this unique piece of sculpture. It is made from a core sample which was taken at more than 12,000 feet from a well we drilled here in the Gulf of Mexico.
5. We were lucky in this instance, for this core sample comes from a well where we hit oil. Today it costs about \$3 million dollars to drill an offshore well. When we drill -- both onshore and offshore -- the odds are that six times out of seven all we get is a pretty core sample such as this one. And one time out of 50 will we find a well of commercial significance.

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