# THE LONE STAR PIPELINE



#### In this Issue

1.	Industry News & Meeting Info1-2
Å	Dates & News3
Å	April Meeting Recap4
1.	ADDC President's Letter5
1.	Region IV President's Letter6
1.	Miscellaneous7
ł	General Information8
ł	Upcoming Events9
Ł	May Meeting Bio10
1.	Region IV Photos11

#### **Our Purpose**

The Association of Desk and Derrick Clubs (ADDC) is a non-profit, international organization whose purpose is to promote the education and professional development of individuals employed in or affiliated with the petroleum, energy, and allied industries and to educate the general public about these industries.

#### **Our Mission**

Our mission is to enhance and foster a positive image to the global community by promoting the contribution of the petroleum, energy, and allied industries through education by using all resources available.

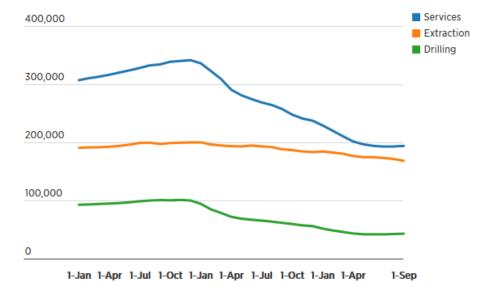
### Oil market sell-off puts a fragile energy sector hiring recovery at risk

Tom DiChristopher | Monday, 8 May 2017 | 9:34 AM ET

Hiring is picking up in the oil fields, but a sell-off in the crude market last week has created fresh uncertainty for jobs in the industry. Employment data released last week suggest that improvement in the first three months of the year is continuing into the second quarter. Layoffs in the energy sector are at a nearly one-year low, but the industry was the biggest job cutter among U.S.-based companies in 2015 and 2016, so recruiters and hiring managers remain guarded. "We are sort of holding our breath to see if the first four months was a fluke," said Gladney Darroh, president of Houston-based energy recruiting firm Piper-Morgan. On Friday, monthly jobs data showed employment in the oil and gas extraction sector holding between 177,000 and 181,000 positions, continuing a trend that began a year ago. That suggests employment in the sector has at least stabilized after dropping from roughly 200,000 positions since October 2014.

#### Stabilizing oil patch employment

Number of employees in the oil and gas support services, extraction and well drilling sectors, Jan. 2014 to Sept. 2016





Source: U.S. Bureau of Labor Statistics

& CNBC

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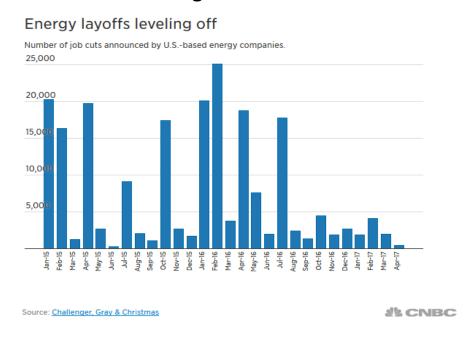
The latest quarterly data from the U.S. Census Bureau's more comprehensive count of employers indicates a similar trend may be emerging in two related sectors: drilling oil and gas wells and support services for oil and gas operations. The stabilization is due in part to a decline in layoffs.

U.S.-based energy companies announced plans to drop 459 workers in April, the lowest tally since June 2015, outplacement firm Challenger, Gray & Christmas reported Thursday.

That makes April only the second month that employers handed out fewer than 1,000 pink slips since October 2014, a month before the Organization of the Petroleum Exporting Companies (OPEC) decided against cutting production.



### Continued from Pg. 1.



Instead, the exporter group, which accounts for a third of global oil supplies, let prices slide to 12-year lows, piling pressure on U.S. producers, many of whom rely on expensive advanced drilling methods to unlock oil and gas from shale rock formations.

Since then, the industry has shed hundreds of thousands of workers around the world as employers tightened their belts. About 250 North American drillers and oil field services companies have filed for bankruptcy, according to a count by law firm Haynes & Boone.

Drillers began steadily putting up new oil rigs last summer as prices stabilized above \$40 a barrel, and later, above \$50 after OPEC and other producers finally agreed to cut output. Lower costs and more efficient drilling methods have also contributed to a recovery in U.S. drilling.

U.S. energy companies are now adding employees, particularly in areas like the Permian Basin in Texas and New Mexico, where crude can be drilled at relatively low costs.

Last week, LinkedIn reported hiring in the oil and energy sector among people on its platform was 30 percent higher in April than a year ago. Cities that have seen hiring rev up include Houston, Dallas, Oklahoma City, San Antonio and Pittsburgh, the data show.

Head count should remain on an upswing so long as oil prices stay where they are today — around 50 a barrel — said Guy

Piper-Morgan, the Houston recruiter, reports it has done as much business in the first four months of this year as it did in all of 2016. Darroh said the firm believes the worst may be over.

"We're pretty optimistic that we've seen the bottom and we'll continue to grind upwards, barring any unforeseen precipitous drop in crude prices below \$40," he told CNBC. U.S Crude was changing hands at around \$46 a barrel on Monday.

That tone of cautious optimism is prevalent throughout the industry, a survey of hiring managers by recruiting firm Airswift and online job board Energy Jobline suggests.

Less than one-third of energy hiring managers anticipate the industry will recover in the next 12 months, while 44 percent of workers expect a rebound in that time.

The prospects for a stable recovery became clouded last week, as oil prices posted a third straight weekly loss, dropping on Thursday to levels not seen since before OPEC agreed to cut production last November. U.S Crude futures extended those losses in overnight trading on Friday, dropping as low as \$43.76 a barrel is a sort of a "flash crash."

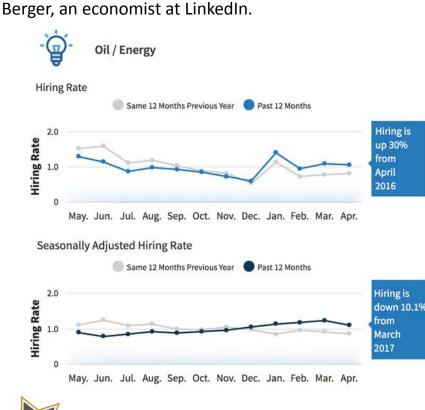
Analysts told CNBC the sell-off was fueled by computerized trading and forced selling as oil futures crashed through a number of technical levels. Thursday's lows likely represent a near-term bottom, they say.

Still, some drillers will find their profit margins coming under pressure if crude prices trade around \$45 a barrel, said Tom Kloza, global head of energy analysis at Oil Price Information Service. ~Tom DiChristopher



#### MEETING INFORMATION

 Our meetings are generally held the third Thursday of each month at 6:00 P.M. at



Brookhaven Country Club 3333 Golfing Green Drive Farmers Branch, TX 75234

- The cost of dinner is \$30, cash or checks made payable to Lone Star Desk and Derrick Club of Dallas | RSVPs must be made by the second Tuesday at 10:00 A.M. unless otherwise stated.
- Prior to the meeting, there will be a Social Hour from 5:00-6:00 P.M. with a cash bar.



### **Dates and News**

### **MONTHLY MEMBERSHIP MEETINGS**





- ✤ Yasmeen Sayed 5/6
- Ann Hallam 5/9
- Diana Chapman 5/9
- ✤ Greta McMichael 5/11
- ✤ Ian Stageman 5/12
- Joanna Iz 5/13
- Bryan Bruno 5/16
- Cindy Cottrell 5/16

### Glossary "U-W"

**UIC** - Underground Injection Control

Underground Injection Control - A program required in each state by a provision of the Safe Drinking Water Act (SDWA) for the regulation of Injection Wells, including a permit system. An applicant must demonstrate that the well has no reasonable chance of adversely affecting the quality of an underground source of drinking water before a permit is issued. Well log - A record of geological formation penetrated during drilling, including technical details of the operation. Wildcat well - A well drilled in an unproven area. Also known as an "exploration well". [The term comes from exploration wells in West Texas in the 1920s. Wildcats were abundant in the locality, and those unlucky enough to be shot were hung from oil derricks.]

### **COMMODITY PRICES**

**Energy Futures** 

Symbol	Price		Change	%Change	Volume
OIL	46.58	•	0.70	1.53%	229527
BRENT	49.45		0.72	1.48%	120975
*NAT GAS	3.273		0.046	1.43%	48859



**Workover** - Remedial work to the equipment within a well, the well pipework, or relating to attempts to increase the rate of flow.



Crane County, Texas Circa 1927 - 1930



## April Meeting Recap: Optimizing Operational Efficiency via Payment Optimization: An Easy Win – Don Drake

Mr. Don Drake was our April speaker and he stated that the Oil and Gas Journal said back on September 14<sup>th</sup>, 2015, and perhaps it is even truer today in the face of rising service prices; the presence of \$50 oil has created a heightened urgency in the industry to use every available tool to squeeze the most out of their margins. The question is not if, but where and how to reduce costs, increase production, and improve efficiency. Companies must take a hard look at one of the few factors within their control-the efficiency of their business operations.

While perhaps not the first idea that comes to mind, nevertheless, properly optimizing how your company pays its vendors is a relatively simple "no-brainer" way to drastically cut the cost of paying vendors, and even generate revenue in the process. The key to maximally optimizing this operational area lies in selecting the right partner. VENDORIN is a company that can save your company many dollars.

They state that companies should optimize their business processes, not just their technical programs. Vendorin is an integrated network and supplier engagement platform. They help companies optimize payments resulting in: improved operational efficiency, reduced costs, revenue generation and network discounts. They help your organization both eliminate and optimize payments faster with more certainty. Vendorin connects with most ERP systems, provides a direct connection to electronically enabled suppliers, pro-actively engages with and enrolls suppliers not already in the Vendorin Payment Network for electronic payments, and combines multiple electronic payment methods into a comprehensive payment solution that lowers costs, streamlines processes, and delivers improved margin through increased discount capture. Vendorin delivers tremendous savings, ROI and value to their clients. A very important issue is the elimination of paper checks which cost money and time but perhaps more importantly is that ACH payments are more secure and there is less chance of fraud. Optimization does not simply mean switching to electronic payment means, Vendorin optimizes your A/P like your company optimizes its well completions. Two companies in our industry which use Vendorin are Range Resources and Apache. Vendorin has a special program called "Well Pay" for our industry. If your company would be interested in finding out more about Vendorin any member of the Lone Star Desk and Derrick Club can give you the information or you can contact Mr. Drake at <u>DonDrake3@gmail.com</u>. Submitted by Pat Blanford



### May ADDC President's Letter



#### Board of Directors

PRESIDENT Maggi Franks K & E Computer Services

PRESIDENT ELECT Christina Forth AOG International

VICE PRESIDENT Terry Ligon L Chem Tech Co., Inc.

SECRETARY Keith Atkins Murphy USA

TREASURER Tammy Watkins CTKW Petroleum Land Service, LLC.

IMMEDIATE PAST PRESIDENT Connie Harrison Valero Energy Corp.

EXECUTIVE ASSISTANT Linda Rodgers Process Equipment & Service Co.

PARLIAMENTARIAN Shervl Minear, RP Silver Oil & Gas, Inc.

REGION I DIRECTOR Bev Roberts American Refining Group

REGION II DIRECTOR Jan Bell Advanced Energy LLC

REGION III DIRECTOR Claudia Prather

Maggi Franks President

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May 2017,

Friends and fellow members,

What can I say, ADDC is in full swing. Four regional meeting are now in the books, and we have 4 new RD Elects eagerly waiting to get down to business. In less than a month all 7 regions will have had their meetings, and preparations for Convention in San Antonio will be in hyper drive. It's amazing to see all of the enthusiasm for our Association. I am inspired more and more by each Regional meeting.

The month of May brings with it flowers, new life and the end of tax season. Well almost. If you haven't done so yet, you must file your club's 990 by May 15th. Also, your club must fill out ADDC TAXE1 by the 15th, and send copies of both to your Region's Tax Exempt committee rep. I know the board talks about it every year, but it is an important part of keeping our tax exempt status. If you have any questions, you can contact Judy Saf, Committee Chair, or me.

Since I'm mentioning deadlines, the deadline for nominees to the 2018 Board of Directors is approaching. Have you thought about being an officer of the Association? I have to admit I loved my time on the board. Being an officer for ADDC is one of the most rewarding experiences in my life. Have I loved every minute? No, of course not, but I have enjoyed every step in my journey. ADDC has afforded me the opportunity to learn more about the industry, and myself than any school or employer ever could. So think about it, and take the next step. You will not regret it. You have until June 2, 2017 to decide and submit your nomination.

Our members have so much to offer, you have to wonder why our numbers are dwindling. I have to believe part of that is how we represent ourselves. How do you respond when someone asks you what Desk and Derrick is? Do you just shrug it off? Do you say that we're an oil and gas organization, and just leave it there? Or are you enthusiastic and start a five minute discussion on what D&D is? This point was brought up at the Region III meeting this past weekend. We are going to be posting an "elevator speech" on the website. This a s brief synopsis of what ADDC represents, something that gives you all the information you need, and can be presented briefly, while on an elevator for example. We plan to have it available to the membership by the end of the month. In the meantime, think about what D&D means to you, and how you describe it to someone outside of our industry. You may just be the best advertising agent for what ADDC has to offer.

REGION IV DIRECTOR Evelyn Green

REGION V DIRECTOR Joan Cartwright Burk Royalty Co. LTD

REGION VI DIRECTOR Wendy Sparks Carl E. Gungoll Exploration Inc.

REGION VII DIRECTOR Marilyn Carter

Until next month,

Maggi Franks

### **Region IV Director's Newsletter**

### Region IV Director's Newsletter



#### Evelyn Green

2017 Region IV Director evelyn@gbcminerals.com

May 2017

Dorothy Jordan Corpus Christi DorothyJ@headingtonenergy.com

Tiffany Sellars Dallas TSellars@pittsoil.com

Helen Lovato Fort Worth helovato@swbell.net

Lynda McCluer Graham Ismccluer@yahoo.com

Donna Altomari Houston dyatx@yahoo.com

Carla Adams Lone Star cadams@jkmii.com

Val Williams NHMC Valwilliams1950@gmail.com

Sue Weaver San Antonio suew@osbornheirs.com

Lori Lawrence Victoria lori lawrence@kindermorgan.com

Connie Bass Wise County Connie.bas@btt-group.com As you read this letter, we will be in Corpus Christi for the Region IV Meeting. I wish each of you were able to attend. A very full and exciting weekend – election of the 2018 Region IV Director, educational & fun field trips, great seminars, networking, seeing old friends and making new ones! An exciting time to be in Desk and Derrick!

One of the highlights of the Regional Meeting is the Regional AIMEE Awards. In next month's letter I will have all of the Members/Clubs that took home awards. I will also give the results of the vote on the Amendment to the Region IV Resolution.

I was privileged to attend the Region V Regional Meeting in San Angelo, Texas and what a warm welcome I received. A great field trip and educational seminar – not to mention the Friday Night Function at Fort Concho! Wonderful food, show and music. I will be attending Region I Regional Meeting in Niagara Falls, NY in May. Every member of Desk and Derrick can attend any Regional Meeting – so if you have never visited another Regions Meeting - please put this on your list!

Do you realize that in just four and one-half months – the 66<sup>th</sup> ADDC Annual Convention will be held in San Antonio? The Registration Packet is now available on the ADDC website – easy to find. Look at the left side of your screen and you will see a drop down list, go to Convention – General Information and you will see the Registration Packet. Open it up and print this off, decide what activities you want to attend and send your check to the address on the form. The Holiday Inn Riverwalk is the host hotel and you can go ahead and make your hotel reservations now.



At the Region IV Meeting, during the President's Meeting, we discussed how each club can assist for the 2017 ADDC Convention. So be sure and ask your President what committee your club will be assisting with during the Convention. **Remember this is Region IV endeavor** and we want to as many "*hands on deck*" as possible. It does indeed take a village to put on a Convention!



"I know the price of success: Dedication, Hard Work and an Unremitting Devotion to the things you want to see happen"

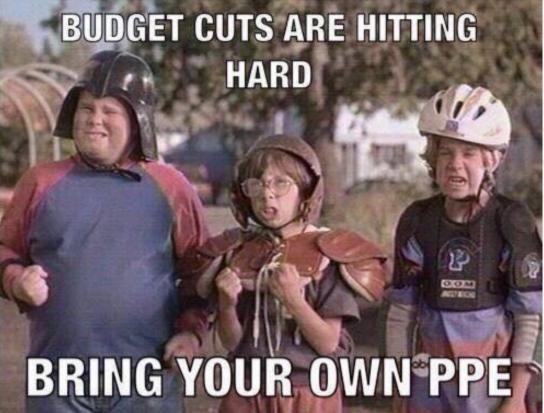
Frank Lloyd Wright

### Miscellaneous

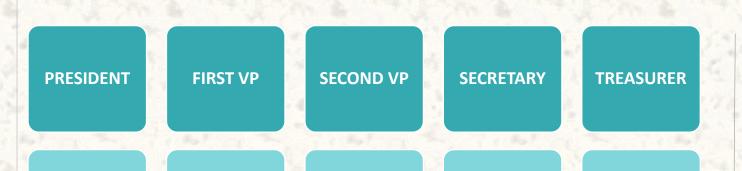
**Just for Fun** 







### LoneStar D&D Board



MAILING ADDRESS The Lone Star D&D Club of Dallas P. O. Box 600416 Dallas, Texas 75360-0416



ONLINE RESOURCES Club Website: www.lonestardandd.org Facebook: Click Here Public Calendar: Click Here ADDC Website: www.addc.org Club Email: info@lonestardandd.org Texas Energy Council Website: www.texasenergycouncil.org







### **Upcoming Events**

### **ADDC Convention Registration:**

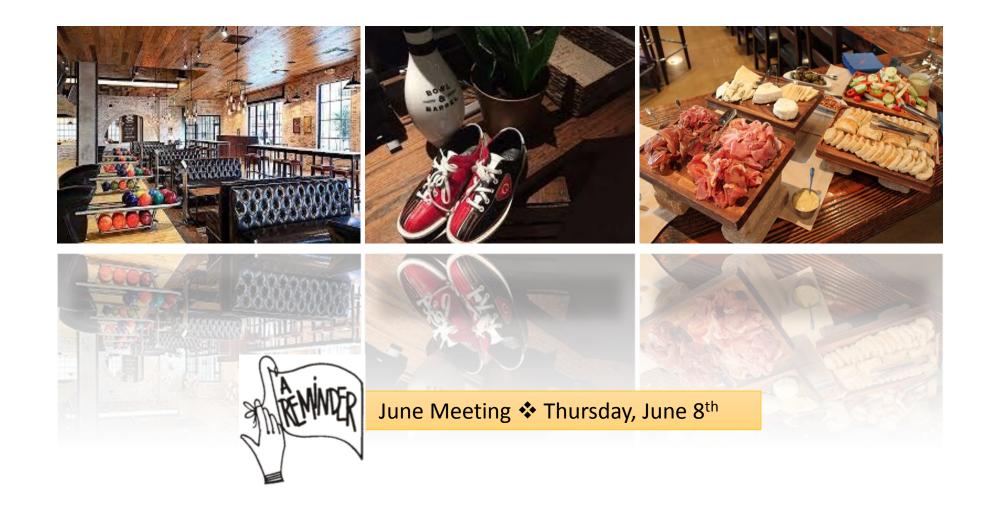
https://www.addc.org/site/assets/files/1083/addc\_convention\_registration\_form\_2017.pdf



Halliburton Field Trip – Friday, May 19<sup>th</sup> 2:30 p.m. Tour the Halliburton plant in Carrollton - 2601 E Belt Line Rd, Carrollton, TX 75006

### July Social: Bowl & Barrel

July 21<sup>st</sup> <u>http://www.bowlandbarrel.com/bowl/</u> The Shops at Park Lane, 8084 Park Ln Ste 145, Dallas, TX 75231



Fritz Brinkman, President & CEO Align Midstream Partners, LP

### **Change Just Keeps Happening**



Mr. Brinkman founded Align Midstream in March, 2013. Mr. Brinkman has over 40 years of energy experience. Mr. Brinkman's primary responsibility is sourcing opportunities in the midstream sector through both acquisitions and greenfield opportunities including: pipelines, processing, treating and compression. Prior to founding Align, Mr. Brinkman was VP of Business Development with Tenaska Capital Management. Prior to Tenaska, Mr. Brinkman was President, CEO and founder of Nexus Gas Partners which was sold to Regency Gas Partners within 14 months of its founding. Prior to Nexus, Mr. Brinkman initiated and developed the acquisition of Regency Gas Partners with Hicks Muse in 2004. Prior to Regency, Mr. Brinkman was Chairman, CEO and majority owner of Excel Resources. Mr. Brinkman spent his first 16 years working with Northern Natural Gas and Tennessee Gas Transmission in the areas of operations, supply, marketing and transportation. Mr. Brinkman attended the University of Nebraska at Omaha.





### Region IV Conference Photos

