



Deck and Derrick Club of Graham, Texas

# Jet Jotter

January 2021

2021-issue 1

Happy New Year's 2021 to you all:

Hopefully with this new year we will see an upward trend in becoming a vital part of a more improved oil and gas industry.

Each month I will present a challenge to each and every one receiving this newsletter.

**January Challenge:** invite either a first-time guest or previous member to the January meeting. If you get someone to come, then your name will be put in a drawing for a prize. If no one wins the prize will be available at next meeting.

Meeting date: Tuesday, January 12<sup>th</sup> at 5:30 pm to be held at the Dinner Bell Café, Graham TX

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*Alex Mills, former President of the Texas Alliance of Energy Producers*

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2021 Officers

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President

Judy Kinser

Vice-President

Sheila Burt

Secretary

Barb Daily

Treasurer

Lanette Mills

1-year Director

Shannon Potts

2-year Director

Connie Bass

Immediate Past President

2021 ADDC Officers

Evelyn Green

President

Philana Thompson

President Elect

Barbara Pappas

Treasurer

Connie Bass

Secretary

Keith Atkins

Immediate Past President



## Board of Directors

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**Connie Bass**

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**Terry Ligon**  
President, Graham Club  
HC 75 Box 495  
Eliasville, TX 76481  
940-550-5168  
terryligon@hotmail.com

January 2021

HAPPY NEW YEAR! I know we are all hoping this year is better than the last and, at some point, we will be able to return to what we consider our "normal" lives.

I want to urge each and every one of you to come to our first meeting this year. It will be on Tuesday, January 12<sup>th</sup>, at 5:30 p.m. at the Dinner Bell. We have taken extra precautions to make sure our meetings this year will be safe for everyone. Please join us! I know, as well as I think you all do, that attending the meetings gives me a little boost for the month. If we want to continue to be viable as a club, we need to make an effort.

You need to get your membership renewals in to Barbara Daily, our 2021 treasurer. The deadline for sending those in to ADO is February 1<sup>st</sup>, so please get them sent in.

I am still working on getting our committee positions filled for this year. I do want to thank everyone who has stepped up and made a commitment for a committee. Please let me know where you are willing to serve. Remember, the more you give the more you get back in return.

**REMEMBER --- Your attitude determines your direction. Follow your arrow wherever it points!**

Sincerely,

*Terry Ligon*

2021 Graham Desk and Derrick President



**Evelyn Green**  
2021 ADDC President  
P.O. Box 17289  
San Antonio, Texas 78217  
Cell: 210-863-7437  
Home: 210-695-8215  
evelyn@gbcminerals.com

## Board of Directors

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DIRECTOR  
**Margie Steed**

WEST REGION  
DIRECTOR  
**Heather Woods**  
Souder, Miller & Assoc.

January 2021

Happy New Year to each of you, my wonderful Desk and Derrick Family!

Welcome to 2021 where we, as members of ADDC, are “**Celebrating 70 Years of Greater Knowledge – Greater Service**”. In July 1951, the Association of Desk and Derrick Clubs of North America was formed by signing the Articles of Association. The first four (4) Desk and Derrick Clubs signing the Articles were: New Orleans, Louisiana; Jackson, Mississippi; Los Angeles, California and Houston, Texas. The dream of our Founder, Inez Awty Schaeffer, became a reality. In 1977 the Association name was changed to “Association of Desk and Derrick Clubs”. Our Association is very rich in history and I am honored to be serving as the 2021 ADDC President.

**Thank you** to the 2020 Board of Directors, and especially Keith Atkins, 2020 President, for ensuring that we continued on our path forward. It wasn’t an easy task but with his leadership we made it through.

I am sure that you are as anxious to “**kick 2020**” out the back door as I am. Last year was a year that turned everything up-side-down. Not having the ability to get together at club meetings, Regional Meetings and then we had to cancel the Annual Convention in Pittsburgh! Hopefully, in 2021 we will get back to some normalcy in our lives. So now, let’s look forward to a wonderful 2021.

As you know, since we didn’t have Convention, our elections were held by a mail ballot – a first for ADDC. We, as your 2021 Board, thank each of you for your vote of confidence. We are anxious and excited to begin this year.

All of us probably know at least one person that was affected by the Covid19 Virus or possibly someone who has passed away from this virus. It goes without saying that we all hope that 2021 brings a much brighter outlook.

Some members lost their jobs in the industry because of shut-downs, a reduction of employees, price of oil and the list goes on. If you are one of those individuals or you have a family member that lost their position, we hope that you are able to return to work soon.

(continued on page 2)

At the end of 2020 the ADDC membership total was 958. In 2021 we will strive to increase or maintain our membership. Membership renewal forms have been sent out to each of the club presidents. I do hope that you will send in your renewal and remain a very important part of our Association.

We will continue to look for ways to increase our membership however it will take all of us working together. Do you have any ideas of how we can attract new members, maintain or increase industry support? What about ideas that your club uses for monthly meetings? Please share your ideas and thoughts with your Regional Director, any of the ADDC Board Members or contact me direct.

The 2021 ADDC Board will hold the annual Budget and Planning Meeting on Saturday, January 16<sup>th</sup> and it will be held virtually by a Zoom Meeting. By not having an "in person" meeting, we will save the Association a considerable amount of money. This annual meeting is a time when your board establishes the budget for 2021. We will review the ADDC Committee plans; set goals for the year 2021 and work on ways that we can strengthen this Association.

Looking forward to 2021, each of the Regional Meetings will be held on different weeks. Thank you to each of the Regional Directors for making this happen. If you have the opportunity to go to a Regional Meeting that is not your own, I encourage you to do it. You certainly won't regret it.

I look forward to being able to spend time with each of you during 2021. As we continue to celebrate 70 years as the Association of Desk and Derrick Clubs – our ADDC.

To each of you, remember that the ADDC Board is here to serve YOU, the member. This is a year that we all have to play a part in rebuilding our Association. Be active in our own clubs and our Regions.

Hugs to each of you,  
Evelyn

"Life isn't about finding yourself. Life is about creating yourself."  
— **George Bernard Shaw**



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WEST REGION  
DIRECTOR  
**Heather Woods**  
Souder, Miller & Assoc.

**Kay McKinley**  
Central Region Director  
Route 1, Box 12  
Hooker, OK  
620.629.3878  
maeciesmaemie@gmail.com

OK. Here goes, my first letter of 2021 Association of Desk and Derrick Central Region! I am looking forward to a new year with opportunities to work with the ADDC Board and get to know more and more about the clubs and individual members of Central Region.

Shew... 2020 was a tough year for so many! So many have lost their jobs and family businesses. Our industry and organization have especially suffered as well with layoffs and decreased memberships. More importantly, many have lost family and friends during this pandemic. I don't know about you, but I am ready to take my 2020 calendar, (which was run over by a semi-truck on Hi-way 54 after it fell off the roof of my car along with my phone -true story) and wrap it in a mask and toilet paper, spray it down with Lysol and flush it and have a "do-over" for 2021.

For those who don't know me, a brief introduction: I am retired from ExxonMobil where I spent 26.5 years in a variety of assignments ending up as a Procurement Business Analyst. I've been married to my Cowboy, Neal for 22 years and we live on a ranch/farm outside of Hooker, Oklahoma where we both grew up on family farms. I have been in Desk and Derrick for 30 years and have been so blessed by this organization. Not only has it helped me grow as an individual with knowledge and experiences, but the friendships I've made along the way are paramount.

Liberal, Kansas is the location for our Central Region Meeting this year April 8-10. Katie Berg and Jamie Sabata are Co-GAC and they and our club are busy planning an educational and memorable weekend for all who can attend. I have chosen the theme of "Be the difference to make a difference," not only for our Region Meeting, but for my focus as Central Region Director for 2021. My contact information to reach out to me with comments, questions, suggestions, is listed above.

(My email may seem strange, but I have one twelve your old granddaughter and she is my pride and joy. (I am sure all you grandparents out there can relate.) So, just to give you a memory peg, her name is Maecie and her "grandma name" for me is "Maemie", therefore maeciesmaemie@gmail.com.) Also, I am on facebook as Katy Kay Witt McKinley, so send me a request and "let's be friends!"

The first thing I am going to need help with is to fill the ADDC committee Representatives and Region officers, so I will be contacting you after the first of the year. Here's to a new year where we can make a difference!

Kay

## Natural gas leads the nation in electricity generation

By Alex Mills

Natural gas became the leading energy source for electricity generation a few years ago, and it is expected to gain more market share this year.

The Energy Information Administration (EIA) released its final projections for 2020 recently stating electric power generation from natural gas will increase from 37% in 2019 to 39% in 2020.

Coal, the leading power source for electricity for many years, will decline from 24% in 2019 to 20% in 2020.

Renewable energy (hydro, wind, solar and biomass) will increase to 20% this year from 18% last year.

Nuclear also will provide 20% this year, which is identical to 2019.

So, coal, renewables and nuclear each will provide 20% of electricity generation in 2020, and natural gas will almost double that with 39%.

Liquefied natural gas (LNG) exports from the U.S. are expected to increase, too.

EIA estimates that the United States exported 9.4 billion cubic feet per day (Bcf/d) of LNG in November—the most for any month on record. EIA expects LNG demand to continue increasing. EIA forecasts that U.S. LNG exports will exceed 9.5 Bcf/d from December through February and will average 8.5 Bcf/d in 2021, a 30% increase from 2020.

EIA's report finds consumption of electricity decreasing by 3.9% and consumption of natural gas declining 2% in 2020 primarily because of reduced economic activity created by the COVID-19 pandemic.

EIA forecasts U.S. dry natural gas production will average 90.9 Bcf/d in 2020, which is down from an average of 93.1 Bcf/d in 2019.

Working natural gas in storage ended October at almost 4.0 trillion cubic feet (Tcf), 5% more than the five-year (2015–19) average and the second-highest end-of-October level on record, EIA stated.

In November, the Henry Hub natural gas spot price averaged \$2.61 per million British thermal units (MMBtu), up from the October average of \$2.39/MMBtu. Price increases last month were moderated by significantly warmer-than-normal temperatures, which reduced residential space heating demand for natural gas despite many remaining at home in response to the pandemic. EIA expects Henry Hub spot prices to reach a monthly average of \$3.10/MMBtu in January 2021. Although EIA still expects prices to increase in the coming months because of rising space heating demand and rising U.S. liquefied natural gas (LNG) exports amid declining U.S. natural gas production, the lower January price forecast reflects higher forecast storage levels this winter compared with last month's forecast. EIA expects that monthly average spot prices will average \$3.01/MMBtu in 2021, which is up from the forecast average of \$2.07/MMBtu for 2020.

EIA expects that U.S. energy-related carbon dioxide (CO<sub>2</sub>) emissions, after decreasing by almost 3% in 2019 from the previous year's level, will decrease by 11% in 2020.

*Alex Mills is the former President of the Texas Alliance of Energy Producers*

HAPPY NEW YEAR!

## Oil and gas industry faces many questions in 2021

By Alex Mills

The viability of the oil and natural gas industry in Texas in 2021 relies upon finding the answers to many questions raised during this year, which was like no other.

A worldwide pandemic swept across the globe infecting, and even killing, millions of people. Governments enacted policies to prevent human interaction, including restrictions on travel and lockdown of many businesses.

Economic activity went into a tailspin as did demand for petroleum products.

The International Energy Agency (IEA) said global oil demand fell by 8 million barrels per day (b/d). Oil prices followed declining from \$60 in January to \$10 in April. Oil traded on the New York Mercantile Exchange (NYMEX) fell below zero (-\$37) for West Texas Intermediate on April 22.

“On the supply side, record output cuts from OPEC+ and steep declines from other non-OPEC producers saw global oil production fall by a massive 12 million b/d in May,” the IEA reported. Oil producers in the U.S. responded to market conditions by cutting production by 2 million b/d from 13 million b/d to 11 million b/d.

Crude oil inventories surged to record highs, and refinery runs declined 20%.

Financial analysts within the petroleum industry saw the warning signs and suspected the financial health of the industry was bad from the wellhead to the burner tip. Even large integrated oil companies reported losses. ExxonMobil lost \$1.1 billion, Chevron reported \$8.3 billion loss and BP said its losses were \$17.7 billion during the first half of 2020. Service and supply companies, refiners, transporters and marketers all reported losses. The rig count fell, and thousands of workers became unemployed.

Overall, 23 North American petroleum companies, with some \$30 billion in debt, filed for bankruptcy during the first half of 2020, according to the law firm of Haynes and Boone. Other companies decided to merge in an effort to become more efficient and return to profitability.

The IEA said global energy market were in a “delicate re-balancing” situation.

The Energy Information Administration at the U.S. Department of Energy predicts the U.S. gross domestic product (GDP), which began rising in the third quarter, will grow by 3.1% in 2021 offsetting a 4.4% decline in the first half of this year.

As economic activity rises, so will consumption of energy. EIA projects crude oil consumption will increase 5.8 million b/d worldwide in 2021, and it expects oil prices will average \$49.

Oil prices traded on the New York Mercantile Exchange (NYMEX) on Dec. 30 at \$48 per barrel.

The unpredictability and volatility in oil prices will continue in 2021. The success of the vaccinations, which began in December, will play a key role in the return of economic activity.

*Alex Mills is the former President of the Texas Alliance of Energy Producers*

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Birthdays in January:

Elaine Wells, January 28th

Projected program for January meeting

"Can We Talk?" ---- "Some of our Members Will....."

Special comments:

Sympathy goes out to Teresa Carson for the loss of her father and mother.

Congratulations to Rebecca Hearne for birth of her grandbaby in December.

Get well wishes sent out to those who have dealt with the dreaded pandemic.

Congratulations to the 2021 Board members installed at the December Christmas Party/Installation.