

DESK AND DERRICK DATELINE

Seminar

CCI Cogeneration Plant Saturday —September 11 – 9:00 am

Eddie Morrow will give us a tour of the power generation facility in Wichita Falls and answer any questions we may have about the power grid, ERCOT and renewables. <u>Extended Deadline: Sept 9th</u>

Life was meant for good friends and great adventures!

The ADDC Convention has been cancelled due to Hurricane Ida. To all our friends in Louisiana: Be strong and courageous; and know the Wichita Falls Club is thinking of you in our thoughts and prayers!

See you next year friends!

Industry Appreciation Luncheon

Join us for lunch as we honor our bosses' with an incredible speaker— Cye Wagner. Cye is the Chairman of the Texas Alliance of Energy Producers, one of the most long-standing oil and gas industry trade associations in America, with a legacy that goes all the way back to 1930.

See inside for more details!



Seminar—History of Burkburnett October 2—Saturday—9:00 am

Stuart Felty will give us a tour of the Felty Outdoor Museum. We will experience BOOMTOWN in it's heyday! Also, Lunch and visit the Littlest Skyscraper!

THERE'S A LOT GOING ON! SIGN UP NOW!



September, 2021 Volume 70, Issue 9

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Club Purpose

The purpose of the club shall be 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.

Club Motto

Greater Knowledge–Greater Service

Official Colors

Black and Gold

2021 Board of Directors

President—Nichole Harney Vice President—Casie Mass Secretary—Jessica Cain Treasurer—Lauren Martin One Year Director—Barbara Franklin Two Year Director—Jordan Jackson Immediate Past President—Diana Walker Parliamentarian— Rena Shaffer



From the Editor:

Summer is winding down and there is a lot going on within the club in the next couple of months. First and foremost, the ADDC Convention has been cancelled due to Hurricane Ida. Blessings to everyone in New Orleans affected by the hurricane, our hearts are with you. Locally, we have a seminar to the CCI Cogeneration Plant here in Wichita Falls on Sept. 11th. This is a follow up to our July Membership meeting on going green and renewables! October 2nd, we will have a seminar in Burkburnett to learn all about the history of BOOMTOWN! We are also working on the Industry Appreciation Luncheon—October 20th — Cye Wagner will be an <u>awesome</u> speaker! Be sure and sign up for everything!

Here's a random question. How would you describe a doodle bug? Wikipedia describes it as: The doodlebug is an insect that digs a funnel in the sand and goes to the bottom of the funnel, covering his whole body with sand. Then he shakes the sand off his mouth and waits for an ant to fall into the hole so he can eat it. I remember sitting and swirling our fingers in a doodlebug's hole and singing this little song. "Doodlebug, Doodlebug, Come out of your hole, Your house is on fire, and your children will burn". (Sounds weird, I know, but this is how we entertained ourselves before electronics!).

But, did you know that a Doodlebug or Doodlebugger also applies to the oil and gas industry?

Here's your Did you know?....

Doodlebug is an American oil-industry slang to describe a seismologist performing seismic field work. Dating back to the 1940's in America, the "doodlebug" initially referred to devices that were said to be able to locate oil and water deposits. The earliest known reference to a doodlebug as an oil-finding device is in the Wichita, Kansas Beacon of July 13, 1914, where it is applied to the invention of Wilbur McCleary, an undertaker from Altus, Oklahoma. His original doodlebug was a V shaped rod, with each end of the V connected to an electric battery, and a sample of crude oil at the apex of the V.

The number of active doodlebuggers rose rapidly 1900-1920, peaked in the 1920's, then declined slowly over the next 40 years. The decline seems to have been caused by the introduction of real geophysical methods in the 1920's, and by the increasing influence of professional geophysics within the industry. But, please do not mourn the extinction of the doodlebugs. They are still with us, just a little more sophisticated! Stay Awesome!

Sheila McGaughey



Association of Desk & Derrick Clubs

Desk and Derrick Club of Wichita Falls

2021 Board Nichole Harney President 716-5100

Casie Mass Vice President 716-5100

Jessica Cain Secretary 631-1597

Lauren Martin Treasurer 723-5585

Barbara Franklin One Year Director 613-3600

Jordan Jackson Two Year Director 716-5100

Diana Walker Immediate Past President 716-5344

Rena Shaffer Parliamentarian 234-3307 September 2021

I hope you all had a safe and enjoyable Labor Day weekend. Fall is just around the corner. I don't know if you are as happy as I am. I have already started pulling out my Fall décor.

With the cooler weather approaching its time to get outside and get educated. The seminar at CCI Power Plant is this Saturday at 9:00 am. If you have not signed up, you still have time. Please contact Sheila McGaughey at <u>smcgaughey@sjoc.net</u>.

An email was sent out to the membership regarding the cancellation of the 2021 Convention in New Orleans, Louisiana. I hope you have taken a moment to read over it. It's so upsetting what Louisiana and all the East Coast are going through. We all need to keep them in our prayers. When I hear any updates regarding the business meetings, the updated 2022 ADDC Board of Directors and the AIMEE winners that would have been taken care of at Convention, I will pass everything along to the membership.

Sheila McGaughey, our Education Chairman, has set up another fun seminar for our members. This seminar will take place on October 2 at 9:00 am in Burkburnett "Boomtown", Texas. We will take a step back in time to experience Burkburnett during the Boomtown era. Please see Sheila's invite in this month's bulletin for more information. Thank you, Education Committee!

The Industry Appreciation Banquet is still coming along strong. All the invitations are being sent out. Cye Wagner, Chairman of the Board for the Texas Alliance of Energy Producers, will be our speaker. Her program will be "Oil and Gas Good, Bad and Fake News". You can find the official invitation in this month's bulletin. So don't forget to ask your coworkers and bosses to mark their calendars to attend the October Industry Appreciation Luncheon.

Our September Membership Meeting will be presented by Casie Mass and her Program Committee. This will be an orientation program "Committee Round Up". They will be explaining all the Committee's and Board positions that make up our club. So, make your reservation with Rena Shaffer at rena@eagleog.com. Hope to see you all there.

Stay Well and Safe! **Nichole Harney**

2021 Committees

Budget & Finance

Chairman: Diana Walker Board Contact: Diana Walker Members: Rena Shaffer, Geneva Wood

Bulletin

Chairman: Sheila McGaughey Board Contact: Diana Walker Members:

By-Laws

Chairman: Doris Sterling Board Contact: Barbara Franklin Members: Shirley Bridwell

Education

Chairman: Sheila McGaughey Board Contact: Jessica Cain Members: Rena Shaffer

Field Trip

Chairman: Jordan Burgess Board Contact: Lauren Martin Members:

General Arrangements Chairman: Rena Shaffer Board Contact: Rena Shaffer

Members: Kacie Turner

Golf Tournament

Chairman: Vickie Young / Casie Mass Board Contact: Casie Mass Members: Barbara Franklin, Jordan Burgess, Tracy Flynn

Membership

Chairman: Rena Shaffer Board Contact: Rena Shaffer Members: Betty Wilson

Program Chairman: Casie Mass Board Contact: Casie Mass Members: Diana Walker

Scrapbook Chairman: Sheila McGaughey Board Contact: Lauren Martin Members:

Social Media

Chairman: Jordan Jackson Board Contact: Jordan Jackson Members: Kacie Turner



Board of Directors

PRESIDENT Evelyn Green GBC Minerals, Ltd

PRESIDENT ELECT Philana Thompson Merrion Oil & Gas Corp

SECRETARY Connie Bass New Tex Trucking

TREASURER Barbara Pappas Cobra Oil & Gas Corp.

IMMEDIATE PAST PRESIDENT Keith Atkins Murphy USA Inc.

PARLIAMENTARIAN Sheryl Minear, RP Silver Oil & Gas Inc.

CENTRAL REGION DIRECTOR Kay McKinley

NORTHEAST REGION DIRECTOR Cindy Krebs

SOUTHEAST REGION DIRECTOR Margie Steed

WEST REGION DIRECTOR Heather Woods Souder, Miller & Assoc. Evelyn Green 2021 ADDC President P.O. Box 17289 San Antonio, Texas 78217 Cell: 210-863-7437 Home: 210-695-8215 evelyn@gbcminerals.com

September 2021

This is a difficult letters to write to you, our Membership. I delayed my September letter because of what was happening in the beautiful city of New Orleans and State of Louisiana. Who knew that Ida was going to drop by Louisiana and say – "*Hey, I'm here!*"

The very hard decision to cancel our 2021 ADDC Annual Convention was made by the Board. We could not continue our plans to be together in New Orleans. Our first concern was for the many people of New Orleans and the surrounding areas. The hurricane left a large part of the state with no power, no water and flooding. Devastation has been widespread and it is going to be a very recovery and return many of the services that we all depend on each and every day.

The reality of the situation was that we had to think of you, our membership, and what we thought was best for you. Not knowing exactly how much damage was done to the hotel, as it has been difficult to reach them without power, it was a necessary decision to make. Never would I have imagined that we would not be able to have an in-person meeting this year, especially after all that happened last year. But, here we are – cancelling our annual time to get together.

To the members of the Host Club, Westbank, and all of the members of the Southeast Region – thank you for all of your hard work preparing for all of the members to have been able to have a wonderful time in New Orleans.

Please NOTE - All members that had registered for the Convention will be receiving a full refund. If you paid through PayPal, your funds will be reimbursed to your account. If you paid by check, you will be receiving a check from ADO as reimbursement. I ask that you please be patient during this process. Please do not forget to cancel any and all of your reservations – hotel, airlines and car rental. You will need to cancel your hotel room because these were made by you individually with the hotel. Unfortunately we cannot cancel these for you.

To cancel your reservation, you may use the link below, which is the one that was used to make your reservations through the hotel. **Go online and use the following link for reservations:** (<u>https://book.passkey.com/e/50167145</u>) It will take you to the website where you made your reservation on line with Crowne Plaza Hotel, and in the upper right part of the site, there is a tab labeled "Manage your Reservation" where you should be able to cancel your reservation. Or you may call the hotel direct at **504-962-0500** and cancel

We will have a Virtual Meeting in the very near future, to conduct the business portion of our Convention. The Election of the 2022 ADDC Board of Directors as well as the voting on the Proposed Amendments to the Bylaws.

The Club Presidents will receive an email in the very near future with the date and the process of this meeting. The Delegates will be voting on all matters that come before the Assembly.

I ask that you please be patient as we get the details and logistics set up for the meeting.

Sad, yes that I won't be able to give each of you a Texas size hug in New Orleans. But I am very thankful that all of our Members in Louisiana and surrounding states are safe and sound. That is more important than anything – your safety.

Look for details shortly and hopefully we can at least see each other on the screen!

Thank you to the amazing 2021 Board of Directors.

Many, many hugs to all of you and thank you,

Evelyn

"Thank you for your support, your love and your understanding" Evelyn Green



Board of Directors

PRESIDENT Evelyn Green GBC Minerals, Ltd

PRESIDENT ELECT Philana Thompson Merrion Oil & Gas Corp

SECRETARY Connie Bass New Tex Trucking

TREASURER Barbara Pappas Cobra Oil & Gas Corp.

IMMEDIATE PAST PRESIDENT Keith Atkins Murphy USA Inc.

PARLIAMENTARIAN Sheryl Minear

CENTRAL REGION DIRECTOR Kay McKinley

NORTHEAST REGION DIRECTOR Cindy Krebs Range Resources

SOUTHEAST REGION DIRECTOR Margie Steed

WEST REGION DIRECTOR Heather Woods Souder, Miller & Assoc. Kay McKinley Central Region Director Route 1, Box 12 Hooker, OK 73945 (620) 629.3878 maeciesmaemie@gmail.com

Sept 7, 2021

Hello Central Region! By now everyone should know that our 2021 ADDC Convention in New Orleans has been cancelled. This was a very difficult decision for the board to make, especially since it is the second cancellation in a row. We will be meeting next week to make arrangements for a virtual meeting to take care of the business to elect 2022 officers and vote on the amendments. Details will be sent out when arrangements have been made.

Filled up your car lately? This past weekend kicked off College Football Season. I was listening to my favorite team (Oklahoma Sooners – BOOMER SOONER) on the radio and heard a very interesting ad from OERB (Oklahoma Energy Resources Board). I went online to look for the wording of the ad. This ad, based on the article "Energy industry's financial benefits measurable" written by Mindy Stitt, March 26, 2021, gave an interesting perspective that without our oil and gas industry, things would be even more expensive. The article states, "According to the White House Council of Economic Advisors, increased domestic oil and natural gas production, including right here in Oklahoma, saves American families an estimated \$2,500 annually. A majority of that savings comes from affordable, clean and reliable natural gas, which has helped lower electricity costs by 45% since 2007. These are huge impacts for the average family, especially during colder seasons in Oklahoma when many households rely on natural gas to heat their homes.

For lower-income families who spend a larger share of their household budget on energy costs, these savings are even more significant. Energy costs for these families can be as much as 7% of their monthly budget, which is more than five times the energy cost of higher-income families. The savings is even higher for Oklahomans. In 2018, Oklahoma electricity costs averaged 7.55 cents per kilowatt-hour, compared to the national average of 10.8 cents. Thanks to the ingenuity of the hardworking men and women of the Oklahoma oil and natural gas industry, we are fortunate to have access to lower household energy costs. While we all weather the ups and downs of the past year, I'm grateful that our state is powered by such a resilient, innovative and dependable industry."

Where would we be without this valuable natural resource? Not just to help keep our heating and electricity affordable, but the good paying jobs, the taxes collected for education, that our industry provides to American families. Our pocketbooks are hurting with the price at the pump, which in turn increases prices at the grocery stores, the lumber yards, etc.

This was just six months ago that this optimistic article was written. So much has happened since them. Shut down of the Keystone Pipeline, production restricted on federal land, dependency on foreign oil again, and now Hurricane Ida that has affected production that will take time to recover from. But the politicians are telling us the number one problem in the world today is Climate Change. This seems to be the favorite tool to demonize our energy industry. More and more mandates are coming (all electric cars by 2035). Folks, our industry is under attack! Education is more important than ever to teach Americans the benefits of the oil and gas. It is the backbone of our economy! Yes, solar and wind energy is important, but at this point, it **does not** provide the energy to run the generators that are helping our fellow Americans survive without electricity from the destruction of Hurricane Ida.

Our motto, GREATER KNOWLEDGE, GREATER SERVICE – maybe more important now than ever!

As I write this letter, my emotions are everywhere with the economy, freedoms being eroded, COVID and now the never ending variants, the vaccination debate, the 13 soldiers we lost in Afghanistan and the turmoil that remains with the Taliban, the 9/11 anniversary coming up later this month, not to mention, the impact that all this turmoil has had on people's mental health - stress from jobs lost, marriages dissolved, increases in suicide, family relations strained, death of loved ones, and for many of our friends and associate members, recovery from storm devastation.

Perhaps I am not the only one struggling, so, I will close with this: Do what you can, where you can, and when you can. Speak up for our American values, for our critical industry, take extra care of yourself, be kind and "be there" for others, and hold fast to His hand. That's what I am trying to do.

Kay McKinley 2021 Central Region Director

MSU Update: Texas Tech, Business Analytics, and More

Midwestern State University celebrates its 100th anniversary next year. It's bittersweet because this year, the university will be joining the Texas Tech System Dr. Robert Forrester, Chair of Economics, Finance, and General Business of the Dillard College of Business Administration at MSU Texas started our August meeting by discussing this transition from one of Texas' very few independent universities to the 5th member of the Texas Tech System.

It's something that the school knew would likely happen someday. The benefits far outweigh the negatives. During Covid, Midwestern was able to see a glimpse of what joining the system would do for them. They were able to utilize economies of scale, which is when a purchaser sees savings if they purchase in larger quantities. Since the Texas Tech System is much larger than MSU, MSU was able to take advantage of the System to get reduced pricing in many areas. Another benefit that Dr. Forrester observed during Covid was access to a full legal team. MSU has a lawyer on staff, but he is just one man. The Texas Tech System has a team. They were able to expedite new policies and review state guidance much quicker and more efficiently than what one would expect from an individual lawyer.

Dr. Forrester also updated us on enrollment at the University. For years, we have all just heard that enrollment is around 6,000 students. This number determines the funding the school receives from the state. He said the 6,000 student figure isn't entirely accurate. The Wichita Falls campus has been shrinking while the Flower Mound campus has been growing. He said that 6,000 also includes high school students in our area and in the DFW area that do concurrent courses. Since those students get a highly discounted rate, they affect the budget in a negative way by not paying as much as a traditional student. All of that together resulted in a \$500,000 budget cut last year. Economies of scale was a huge factor in reducing costs to overcome the budget cut.

Dr. Forrester also touched on the university's goals to better meet Diversity, Equity, and Inclusion (DEI) figures by better matching the demographics of the faculty with the demographics of the students. He stated that students have made it clear that they want to see professors that look like them. With 45% of Midwestern's students being black, indigenous, and people of color, this is a large priority for the university. He stated that along with working to improve the demographics of the faculty, they will also be following DEI guidelines when starting their nationwide search for a new university president in the coming months to ensure that they are looking at diverse candidates while still prioritizing finding the best person for the job.

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After updating our club on the university as a whole, Dr. Forrester switched gears.

He asked us to drive through the school in our minds and imagine all of the buildings. He asked us to recall what names are on those buildings. He called several out.

Dillard. Gunn. Bridwell. McCoy. Bolin.

These are the names that built Midwestern. What do they have in common? Our local oil and gas industry.

Dr. Forrester discussed how our industry supported the school even when things were terrible. He went back in time six years to when he sat on the University's steering committee for future development. This was when University President Dr. Suzanne Shipley first arrived. In a committee meeting, it was decided that they would be attempting to raise \$50 million for this campaign. They reached the goal and Dr. Shipley increased the goal to \$75 million in response. Despite Covid greatly damaging the industry, that goal was recently achieved. Even in the bad times, our industry sees the incredible value in Midwestern State University.

Our industry supports the university in ways other than financial contributions. One local company, Burke Royalty, encourages their staff to adjunct teach courses. In the fall, two employees from Burke Royalty will be teaching courses in the energy management specialty. Mark Carter, Vice President of Land, will be teaching Energy Management. This course focuses on terms, concepts and issues that are important to the energy industry. Students learn about drilling and production, geology, negotiations, and land. They also touch on ownership and the process for obtaining mineral lease rights. Rob Hyde, Vice President of Operations, will be teaching Energy Industry Finance. This class will teach the financing and economics side of the industry, including risk management, commodity markets, sources of financing, budgeting, and more.

Speaking of the energy management specialty, Dr. Forrester informed us that undergraduate students are now able to take energy courses that will count towards elective classes. They found that undergrads are attracted to this subject matter, and it has really helped increase enrollment while also educating the young generation on the energy industry.

Staying on the topic of the MBA program, Dr. Forrester spoke about the new specialty that is being offered starting this year – Business Analytics. It is already proving to be highly in demand. In the past, the MBA program averaged about 50 students. Currently, they have over 100 and over 25% of

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them are enrolled in this new specialty. This program was inspired after a local oil & gas industry leader lamented to Dr. Forrester about the lacking data analytics skills in many graduates. Dr. Forrester said that students in this specialty could learn things that will allow them to analyze the impact of a change in the price of a barrel of oil on the local economy. Students will learn model estimation, inference, and forecasting and how to use those skills to solve business problems. There will be a heavy focus on practical usage of the latest methods and tools. Students will spend time gaining experience in software such as Excel, Tableau, Python, R, SAS, and SQL. There are several courses that have been designed for this specialty and minor changes have been made to various existing courses to improve the analytics skills of all MBA students, even those that are not in this new specialty.

With this new specialty, Dr. Forrester said that they expect some that have already received their MBA to be interested in taking courses. To allow this to happen, a certification program is being developed that will only include courses relevant to the specialty, similar to a continuing education program. For those who are just interested in a course or two, there is also an option to audit classes. In that situation, an individual would just sit in the class each day and learn without having any required assignments or exams.

If you are interested in learning more about the MBA program, the Data Analytics certification program, or auditing courses, please reach out to Dr. Forrester at robert.forrester@msutexas.com



Dr. Robert C. Forrester–Speaker and Nichole Harney–2021 President



Dr. Robert C. Forrester, Jordan Jackson and Shirley Bridwell



MSU Update: Business Analytics & More Dr. Robert C. Forrester



Jo Ann Baker and Shirley Bridwell



Lauren Martin, Casie Mass and Pam Coburn

Are you ready for a Seminar?

Have you ever wondered how a power plant operates? Here is your chance!

Eddie Morrow has generously offered to give us a tour of the CCI Cogeneration plant. He will touch on power generation, and answer any questions we may have about the power grid, ERCOT and renewables.

- Join us: Saturday–September 11, 2021–9:00 am (possibly 1 hour tour)
- Meet: 8:45 a.m. at the old ball field next to CertainTeed on Allendale Rd. We can carpool in if you don't want to drive on the gravel road.
- Wear: Bring a hard hat if you have one, if you don't there will be some available, just not many. Comfortable clothes and good shoes. For those that want to will have an opportunity to climb the stairs and see the steam.

Contact: Sheila McGaughey 940-716-5340 or smcgaughey@sjoc.net to reserve your spot!

Deadline: September 9, 2021 (extended deadline)

WICHITA FALLS COGENERATION PLANT

The Wichita Falls Cogeneration Plant is strategically located in Wichita County, Texas near the fastgrowing Dallas/Fort Worth metropolitan area. Wichita Falls is a 77 megawatt electric power generation facility using GE gas combustion turbines with associated heat recovery steam generators and an ABB steam generator.

Wichita Falls supplies power into the ERCOT market during periods of peak demand and/or supply volatility. The facility was awarded with the 2014 Certificate of Recognition by the City of Wichita Falls, Texas for its achievements in environmental excellence including pollution prevention, waste minimization, and water conservation.

CCI acquired Wichita Falls in 2012.







of Burkburnett, Texas Join us for a seminar to the Felty Outdoor Museum in Burkburnett.

When: Saturday-October 2, 2021

Time: 9:00 am

Meeting Place to be determined.

We will be given a tour of machinery and equipment from the past.



Experiencing Burkburnett in its Boomtown era.

We will then head back to town for a quick tour of the "Littlest Skyscraper" in downtown Wichita Falls, followed by lunch (lunch will be on your own).

Reservation Deadline: <u>September 27th</u> 940-716-5340 or smcgaughey@sjoc.net



You are cordially invited to attend The Desk and Derrick Club of Wichita Falls

Industry Appreciation Luncheon

Celebrating our Seventieth Anniversary and Featuring our Keynote Speaker

Cye Wagner

Chairman of the Board Texas Alliance of Energy Producers

Topic: Oil and Gas: Good, Bad, & Fake News

Wednesday, October 20, 2021

The Forum 2120 Speedway, Wichita Falls, TX 76308

Lunch will be served at 11:45 AM Meeting will begin at 12:00 noon

Cost: \$18, pre-paid reservation Deadline: Thursday, October 14 by 4 pm

Please make checks payable to: Desk and Derrick Club of Wichita Falls

Please email your RSVP and remit payment to: Rena Shaffer 2525 Kell Blvd., Suite 510 Wichita Falls, TX 76308-1061 rena@eagleog.com 940-234-3307

August 19, 2021

Biden administration seeks more oil production from foreign countries

By Alex Mills

President Joe Biden and his administration want the countries that export crude oil, many of which are not friendly to the United States (such as Russia, Venezuela and Iran), to increase oil production in an effort to drive down gasoline prices in the U.S.

Doesn't asking foreign countries to increase oil production contradict the administration's policy to reduce the use of fossil fuels produced in the U.S.?

President Biden said recently OPEC should increase oil production to decrease gasoline prices, and his national security advisor, Jake Sullivan, expanded on Biden's request.

"Higher gasoline costs, if left unchecked, risk harming the ongoing global recovery. The price of crude oil has been higher than it was at the end of 2019, before the onset of the pandemic," Sullivan said in a statement released by the White House. "While OPEC+ recently agreed to production increases, these increases will not fully offset previous production cuts that OPEC+ imposed during the pandemic until well into 2022. At a critical moment in the global recovery, this is simply not enough."

The administration wasn't finished. National Economic Council Director Brian Deese also asked Federal Trade Commission Chair Lina Khan to use all available tools -- including monitoring prices, reviewing merger-and-acquisition activity and investigating market manipulation -- to stem price fluctuations, according to a report from Bloomberg.

"During this summer driving season, there have been divergences between oil prices and the cost of gasoline at the pump. While many factors can affect gas prices, the President wants to ensure that consumers are not paying more for gas because of anti-competitive or other illegal practices," Deese wrote.

This is the same administration that since its first day in office this January has been issuing executive orders, proposing stringent regulations and seeking legislation to virtually bankrupt the oil and gas industry in the U.S.

The recent rise in gasoline prices – up about \$1 per gallon from a year ago – comes from increases in economic activity, which has reduced supplies, and increased crude oil prices, the primary component of the cost of gasoline (55%).

Gasoline in storage has been declining since reaching historic highs last year. On April 27, 2020, the average price of gasoline in the U.S. was \$1.655 and gasoline inventories were 263 million barrels, according to the Energy Information Administration. The current average price is \$3.174 and gasoline inventories are down 36 million barrels to 227 million barrels. This is an indication that supplies have tightened putting more pressure on price.

Last year was an exceptional year as a global pandemic destroyed economic activity. An oversupply of crude oil drove prices down from \$60 per barrel in January to \$15 in April. The price of oil on the New York Mercantile Exchange for 30-day delivery closed at \$66 on Tuesday.

Of course, if the administration really wanted to reduce the price of gasoline to consumers it could work to reduce or repeal the federal tax on gasoline.

-30- Alex Mills is the former President of the Texas Alliance of Energy Producers.

Covid 19 resurgence impacts crude oil and gasoline

By Alex Mills

Crude oil and gasoline prices in the U.S. have been meandering up and down for several weeks as traders try to get a solid grip on the economy and Covid19.

Gasoline prices in July averaged \$3.156 across the nation compared to \$3.146 on Wednesday, according to AAA.

In Texas, the regular gasoline price averaged \$2.794 on Wednesday compared to \$2.812 in July. AAA reported gasoline prices on Wednesday of \$2.812 in North Texas, \$2.726 in West Central Texas, and \$2.873 in East Texas.

Crude oil prices ranged from \$71 per barrel for Brent crude traded on the international exchange to \$67 for West Texas Intermediate on the New York Mercantile Exchange to posted prices for crude oil at the lease in Texas from \$57 to \$64.

Oil lost several dollars per barrel earlier in this week, but rebounded on news that crude oil inventories decreased 3 million barrels in the U.S. to 432.6 million barrels, which is about 6% below the five-year seasonal average, according to the Energy Information Administration (EIA). EIA estimated a 2.2-million-barrel draw in gasoline stocks and a 600,000-barrel build in middle distillate stocks.

"On Monday, oil broke a seven-day series of losses caused by a more expensive U.S. dollar and pandemic concerns. This week, as China reported zero new Covid-19 infections, sentiment began to improve, aided by a drop in the dollar," Oilprice.com said.

Even though this data indicates growth in demand for petroleum products, analysts are watching these trends closely. Investors are trying to understand the impact the Delta variant will have on economic activity and the demand on petroleum products.

"Yet prices continue to be volatile as rising Covid19 infection numbers fuel worry about the prospects of oil and fuel demand," Oilprice.com said.

The International Energy Agency (IEA) recently lowered its estimated oil demand during the second half of this year by about 500,000 barrels per day driven primarily by worsening pandemic conditions. IEA lowered global demand projection to 97.4 million barrels per day from 98.1 million barrels per day in the third quarter.

Other organizations, including the EIA at the U.S. Department of Energy and OPEC, have not changed their oil demand forecasts since their last projections.

August 26, 2021 (Continued)

Oilprice.com also reported that Commerzbank analysts wrote a note quoted by CNBC that they believe the weakness in price "has more to do with the psychology of market participants than with any deterioration of fundamental data.

Goldman Sachs also believes demand will continue to rise during the remainder of 2021. "While liquidity will likely remain low and the trend is not our friend right now, we believe the micro — steadily tightening commodity fundamentals — will trump these macro trends as we move toward autumn, pushing many markets like oil and base metals to new highs for this cycle," analysts from the bank wrote this week.

-30-

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



September 2, 2021

Hurricane Ida damages petroleum facilities

By Alex Mills

While Hurricane Ida was cutting a path of destruction through the Gulf of Mexico this week, OPEC oil ministers were meeting to discuss oil production quotas for the remainder of the year.

The U.S. Bureau of Safety and Environmental Enforcement reported some 2 million barrels per day (90%) of the crude oil and natural gas production in the Gulf was shutin on Monday, which equates to about 20% of the daily oil production in the U.S.

OPEC oil ministers on Wednesday agreed to increase oil production by 400,000 barrels a day, which is slight increase from its cut of 9.7 million barrels per day in 2020. The production reduction came in response to a huge oversupply of oil internationally that forced a crash of prices as the coronavirus pandemic swept across the globe.

Demand for petroleum products began increasing earlier this year. The oversupply evaporated and prices began to rise. President Joe Biden and his administration urged OPEC to increase production significantly. However, OPEC stuck with it previous announced goal of 400,000 barrels per day.

President Biden said in August OPEC should increase oil production to decrease gasoline prices, and his national security advisor, Jake Sullivan, expanded on Biden's request.

"Higher gasoline costs, if left unchecked, risk harming the ongoing global recovery. The price of crude oil has been higher than it was at the end of 2019, before the onset of the pandemic," Sullivan said in a statement released by the White House. "While OPEC+ recently agreed to production increases, these increases will not fully offset previous production cuts that OPEC+ imposed during the pandemic until well into 2022. At a critical moment in the global recovery, this is simply not enough."

Hurricane Ida damages include refineries and other petroleum infrastructure in addition to oil and gas production facilities.

World Oil magazine reported Port Fouchon, which is used by more than 250 companies working in the Gulf, suffered significant damage and could be out of operation for several weeks. Louisiana Highway 1 will need to be cleared of debris for heavy equipment to reach the port and navigable water around the port must be surveyed for safe travel.

Nationally, crude oil and gasoline prices remained calm. Crude oil closed at \$68 per barrel on the New York Mercantile Exchange. Gasoline averaged \$3.174 on Wednesday compared to \$3.147 last week, according to AAA. -30-



september

Tracy Flynn 9/09 **Rhona Steinberger** 9/22





If you would be interested in serving on the Nominating Committee please contact Nichole Harney !

UPCOMING DATES **TO REMEMBER**

MEMBERSHIP MTG SEPTEMBER 15 **BOARD MEETING** OCTOBER 5

Please pray for Geneva Wood.

She is having health problems and the Dr. wants her to rest and take it easy.

Just a thought: Geneva loves to read, so if you have any books to donate, please bring to the membership meeting and we will get them to her!



With Sympathy

Please pray for Geneva Wood on the passing of her sister, Cathy Gonzales, 62 years of age. She lived in Seminole, Oklahoma.

You are in our thoughts and our heartfelt prayers.





We're thrilled to have you on board and can't wait to get to know you!!



One of the worst days in America's history saw some the bravest acts of America's history. We'll always honor the heroes of 9/11. And here at this hallowed place, we pledge that we will never forget their sacrifice.

George W. Bush 9/11

AISSEZ LES BON TEMPS ROULER

(FRENCH FOR LET THE GOOD TIMES ROLL, THE MOTTO IN NEW ORLEANS)

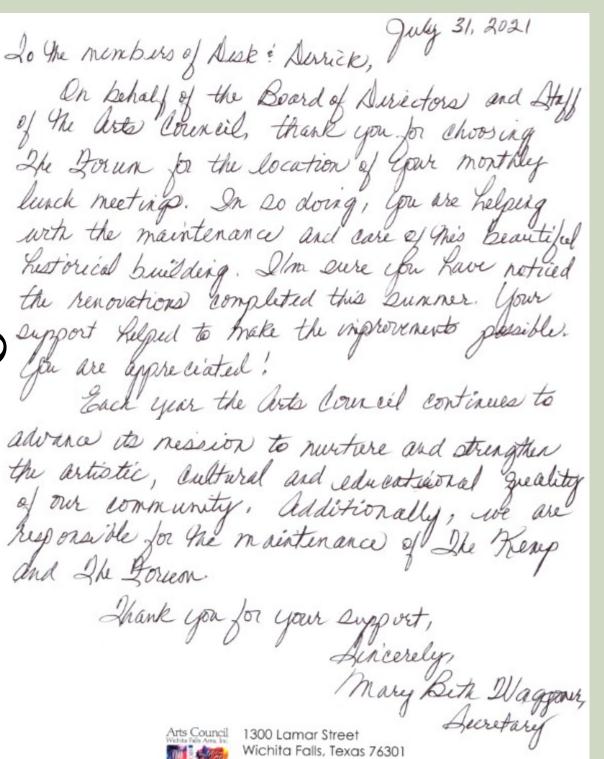
Best of Luck!

Barbara Pappas

on your bid for 2022 ADDC President-Elect.



Thank you!



The mission of the Arts Council is to nurture and strengthen the artistic, cultural, and educational quality of the community and surrounding area.

ArtsCouncilWF.org



Here is a bit of Louisiana history for those that are attending Convention in New Orleans, LA, but then some Texas history to remember your roots!

SEPTEMBER

September 21, 1901–First Louisiana Oil Well

Just nine months after the January 1901 "Lucas Gusher" at Spindletop, Texas, another historic oilfield was revealed 90 miles east in Louisiana. W. Scott Heywood already successful thanks to wells drilled at Spindletop Hill—completed a well that produced 7,000 barrels of oil a day on the Jules Clements farm six miles northeast of Jennings.

Drilled in a rice field, the Jules Clements No.1 well found oil at a depth of 1,700 feet. "The well flowed sand and oil for seven hours and covered Clement's rice field with a lake of oil and sand, ruining several acres of rice," noted the Jennings Daily News. The discovery led to the state's first commercial oil production by opening the



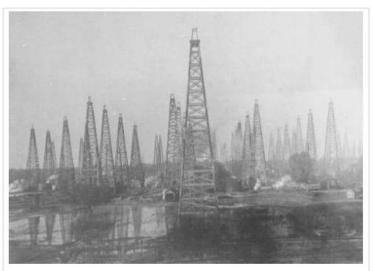
Mrs. Scott Heywood unveiled a marker as part of the Louisiana Golden Oil Jubilee in 1951. Times Picayune (New Orleans) image courtesy Calcasieu Parish Public Library.

prolific Jennings field, which Heywood further developed by building pipelines and storage tanks. As the field reached peak production of more than nine million barrels in 1906, new oilfield discoveries arrived in northern Louisiana.

September 7, 1917–Oilfield Legacy of Texas Governor Hogg

In 1917, the Tyndall-Wyoming Oil Company's No. 1 Hogg well discovered oil south of Houston and ended a streak of dry holes dating back to 1901—when former Texas Governor James S. "Big Jim" Hogg first thought oil might be there and leased the land.

Hogg, the Lone Star State's 20th governor, would die in 1906 and not see the latest Texas drilling boom he helped launch. His family would benefit from his unwavering belief in finding oil in the Gulf Coast region's highly prolific salt dome geology revealed at a 1901 oil gusher at Spindletop Hill.



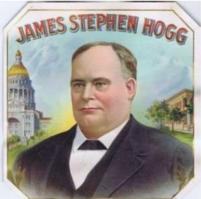
A drilling boom resulted in the West Columbia oilfield reaching its annual peak production of 12.5 million barrels of oil a few years after its discovery in 1917.

Tyndall-Wyoming Oil completed its No. 1 Hogg well 50 miles south of Houston. Far to the east at Beaumont, a 1901 discovery at Spindletop launched the modern petroleum industry. A decade later wildcatters became interested in Gov. Hogg's original lease south of Houston. Many would pursue opportunities in the increasingly prolific West Columbia oilfield of Brazoria County.

On September 7, 1917, the Tyndall-Wyoming Oil Company completed a well on the land leased by Gov. Hogg in 1901. Although the Hogg No. 1 well was a small producer, when the Hogg No. 2 well came in at 600 barrels of oil a day in January 1918, speculators rushed to lease nearby acreage.

The Hogg wells ended a succession of more than 20 dry holes dating back to 1901—when Gov. Hogg leased 4,600 acres for \$30,000. Hogg, who served as governor from 1887 to 1891, believed the land would one day yield an abundance of oil. The two Tyndall– Wyoming Oil Company wells were part of the giant West Columbia oilfield. The 20-square-mile field yielded more than 119,000 barrels of oil in 1918 alone.

Newspaper advertisements appeared across Texas. Many included



Governor James Stephen "Big Jim" Hogg (1851 -1906) was the first Texas governor to be born in Texas. His oil investment paid off a decade after his death.

\$10 per share stock promotions enticing investment in the West Columbia oilfield—with a promise to pay out 75 percent of any net earnings to shareholders. Many of the region's new and inexperienced exploration companies would not survive in the highly competitive Texas oil patch.

Fortunately for his family, Gov. Hogg had stipulated in his will that the mineral rights should not be sold for 15 years after his death.

At its drilling peak, most wildcatters tried and failed in the crowded West Columbia oilfield. As operating and lease costs rose, most ventures did not succeed in raising enough capital. South Texas "poor boy" operations could not compete with larger companies, which could absorb costs of dry holes and continue drilling.

The Texas Company (later Texaco) after drilling several dry holes in the West Columbia field—in July 1920 brought in the Abrams No. 1 well, which produced 26,500 barrels a day for six weeks.



The Texas Company (later Texaco) was among companies that found success in the 20-squaremile oilfield in Brazoria County. The field yielded more than 119,000 barrels of oil in 1918 alone.

The West Columbia field, 50 miles southwest of Houston, "was the youngest of the first rank salt dome oilfields of the Texas-Louisiana coastal region, and at present is the most productive of these fields," according to the 1921 Bulletin of the *American Association of Petroleum Geologists*. The West Columbia field reached it speak annual production – 12.5 million barrels of oil—the same year.

www.aoghs.org

Desk and Derrick Club of Wichita Falls Membership Meeting September 15th, 2021

The Forum, 2120 Speedway Avenue

Please arrive early so that we may start the meeting shortly after noon.

Presiding:

Nichole Harney Cobra Oil & Gas Corp.

Invocation:

Rena Shaffer Eagle Oil & Gas

Program:

Program Committee Desk & Derrick WF

"Committee Round Up"

Reservations should be emailed to Rena Shaffer Email <u>rena@eagleog.com</u> or call 940-234-3307

Reservations Deadline - 4:00pm Thursday September 9th, 2021 Cost \$17.50

RESERVATIONS MUST BE MADE

If you make a reservation and do not attend, you are still responsible for payment. (If paying by cash, please bring exact change.)

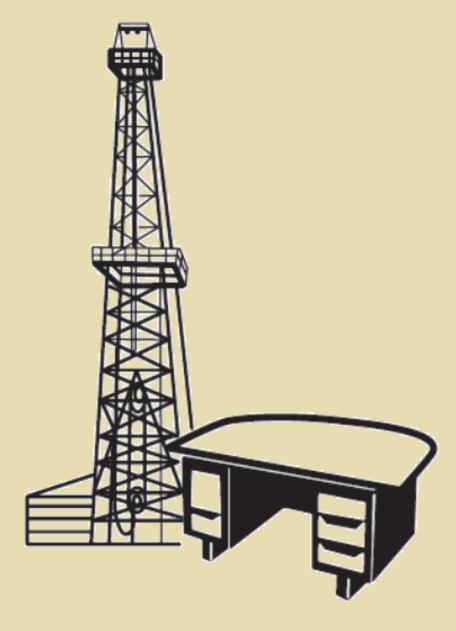
<u>Please bring the exact money or check for your meal.</u>



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Sun	Mon	Tue	Wed	Thu	Fri	Sat
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3	4	5 Board Meeting	6	7	8	9
10	11 Columbus Day	12	13	14 DEADLINE FOR MEMBERSHIP MEETING	15	16
17 Pat Hensley	18	19 Inc	20 Justry Appreciat Luncheon	21 ion	22	23
24 Diana Walker	25 Jo Ann Baker	26	27	28	29	30
					Amber Koch	



Life is always fluctuating. And just as the world outside us constantly changes, so can the way we view it. Make positive changes today and start living the positive life you've always imagined.



ASSOCIATION OF DESK AND DERRICK CLUBS

Front Cover and Page 18 - Retro Shell gas station and pumps-Photo 205027856-Maria Dryhout-Dreamstime.com

 $\label{eq:source} Front\ Cover\ and\ Page\ 20\ -\ Old\ retro\ vintage\ suitcase-Phone\ ID\ 86649353-Udra 11\ -\ Dreamstime.\ Com$

Page 12-MSU Logo-internet search

Page 20-Lady bug reader-internet search

Page 21-Mardi Gras or Venetian mask on yellow-Photo ID 37754054-Michael Flippo - Dreamstime.com

Page 21-Remembering the 20 years of 9/11-ID 226523849-Andrew Angelov-Dreamstime.com

Page 21-George W. Bush 9/11 quote-internet search

Page 23-24 – Week in History–www.aoghs.org