



DESK AND DERRICK DATELINE

2021 YEAR IN REVIEW

WORD OF THE YEAR VAX / JAB

Whether you are vaxed, double-vaxed, or unvaxed—this word has permeated our lives in 2021!



1

Awesome Field Trip!

Drilling rig tour on the W.T. Waggoner Estate

Thank you Jordan Moss, Pete Owens and Mark Gray for a great field trip!

Donation to Project Back to School

11 MONTHLY MEETINGS

January— Justin McKie, "The Future of Energy in a Green World"

February—Meeting cancelled—COVID

March— Lacey Foster, "The Sure Test"

April—Casie Mass, "Social Engineering and Red Flags"

May - Barbara Pappas, "What Makes an Effective Leader and What Kind Are You"

June—Craig Reynolds, "Bridging Geology and Seismic Utilizing Synthetic Seismograms"

July—Chad Cummings, Navigating in an Ever-Changing Climate"

August—Dr. Robert Forrester, "MSU Update: Business Analytics and More"

September—Casie Mass, "Committee Round-up"

October—IAL—Cye Wagner "Oil and Gas: Good, Bad & Fake News"

November— Lauren Martin—"The Railroad Commission's Responses to Winter Storm Uri-Preparedness Regulations"

December—Jordan Moss— Installation of Officers

2 Educational Seminars!

* An Electrifying Power Plant Tour

*Going with the Flow! - A drilling rig tour—Felty Operating Co., Inc.

4 MSU Scholarships

Elizabeth Elkins
Morgun Mason
Anugya Shiwakoti
Wesmond Williams

1

Very Successful Golf Tournament



December, 2021
Volume 70, Issue 12

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Thanks to all our members for another successful year!



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:

Everyone loves Christmas! There's warmth. There's cheer. There's more food than you know what to do with. I love everything about Christmastime. From the lights and sounds, to the smells that fill the house, to the family gatherings and watching the kids faces as they open their gifts. I love to see the random acts of kindness and strangers filled with the Christmas spirit. There is just something intoxicating about the holidays. I wish I could bottle it up to last the entire year.

As we are winding down the year, I would like to reflect on some of the club's accomplishments during 2021. We have had some very informative speakers which include everything from being an effective leader; to navigating through an ever-changing climate; to understanding the good, bad and fake news concerning our industry. We had an exceptional golf tournament, which is our biggest fund raiser, that allowed us to give 4 scholarships to qualifying MSU students and a donation to Project Back to School. Our club also had a terrific field trip to a drilling rig on the W.T. Waggoner Ranch, a special 'Thank You' to Jordan Moss, Pete Owens and Mark Gray. We had a seminar to a power plant, where we learned the importance of electricity and the natural gas used to operate the power plant. We also had a seminar to a drilling rig, courtesy of Stuart Felty, where we learned about the drilling process and the importance of core samples.

2022 is fast approaching, and it couldn't be more exciting for our club. We have the honor of hosting the 2022 Central Region Meeting here in Wichita Falls. We want to welcome everyone with that true Texas style! The CRM committee is currently planning this event, but needs your help! Please sign up, you don't want to miss out!

We have made some really good memories for 2021, but you never know what the new year will bring. I hope the new year brings you lots of new dreams and new achievements! Let's all celebrate life, this industry and the members of this club who make it so amazing! There are committees to be filled for 2022, if you are interested in serving on a committee, please contact Nichole Harney.

The club hopes your holiday is blessed with the best gifts this year: family, friends, love and good cheer! Merry Christmas and a Happy New Year to each of you!

Joy to the World! 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

December 2021

Merry Christmas and Happy Holidays!

I hope you all had a blessed Thanksgiving with friends and family. Christmas is right around the corner. Hope you all have started your Christmas shopping!

Don't forget that our December Membership Meeting is Tuesday, December 14th, at 6pm at the Forum. We will install our newly elected officers for 2022. Rena Shaffer has a fun gift exchange game planned for all of us. So don't forget to bring your gift and let's have a great evening.

At our November Member Meeting we held our annual election. Your 2022 Board of Directors are Nichole Harney, President; Sheila McGaughey, Vice-President; Lauren Martin, Secretary; Jordan Moss, Treasurer; Vickie Young, 2-year Director; Jordan Jackson, 1-year Director; Diana Walker, Immediate Past President. Please help me welcome the 2022 Board and support them with any requests they might have of you!

Since I will be serving as the 2022 President, I'm still looking for 2022 Committee Chairs. Please contact me if you are interest in participating. This is the best opportunity to get to know you fellow members and your organization. It is very important that everyone steps up and participates on committees and moving up to the board. If members don't participate it will end up effecting the club. As you have seen in just this past year our Central Region has lost 2 clubs. This is such an amazing organization I would hate to see it fall so let's keep our club strong!

I want to thank you all for an amazing year and letting me serve as your President this past year. I'm glad we were able to get back to some normalcy due to Covid. Hopefully next year we will be able to attend the Region Meeting which will be held here in Wichita Falls, and attend Convention in Pittsburgh, Pennsylvania. I'm looking forward to serving as your President again next year and ready to work alongside the new Board of Directors and Committee Chairman. Thank you all again!

Speaking of Region Meeting 2022. Rena Shaffer and Diana Walker are looking for volunteers to help plan for the Region Meeting that will be held here in Wichita Falls. So please reach out to the ladies and offer a helping hand.

I hope you all have a safe Merry Christmas and a Happy New Year. See you all on December 14th, 6:00pm at the Forum.

Merry Christmas!

Nichole Harney



You and Your Guest(s) are cordially invited to the annual

**DESK AND DERRICK CLUB OF WICHITA FALLS
INSTALLATION OF OFFICERS
AND CHRISTMAS PARTY**

**Tuesday, December 14, 2021
6 PM**

**The Forum - Club Room
2120 Speedway, Wichita Falls, TX 76308**

Cost \$18.00

**Reservations should be emailed to Rena Shaffer
rena@eagleog.com or call 940-234-3307**

**Reservation Deadline Thursday, December 9, 4pm
If you make a reservation and do not attend, you are still responsible for payment.
Make checks payable to: Desk and Derrick Club of Wichita Falls**

**If you would like to participate in the gift exchange,
please bring a wrapped \$10.00 gift and a signed Christmas card.**





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

December 2021

Merry Christmas, Happy Holidays, Happy Hanukkah, or Happy Kwanza – however you and your family celebrate the holidays. May you have a wonderful and joyous season.

It is very hard to believe that this is my last President's Letter! This year has gone by so quickly. It really feels like we just started 2021 and now we are in December - at the end of another year.

The Association of Desk and Derrick Clubs has endured a great deal this year. With the pandemic, we have not been able to meet in person for most of the year, not able to have Regional Meetings or have our Annual Convention in person. But, with all of the hurdles that we have encountered this year – we remain strong in our goal to continue to support our industry and educate our members as well as educate the general public about the oil and gas industry. This, in itself, is an accomplishment with the downturn of the industry last year and this year – many members have lost their jobs due to downsizing, layoffs and many other factors. However, with members like each of you – we continue to strive to gain new members and remain a viable Association.

I urge you to renew your membership and continue to be a part of this great organization. Remember that you do not have to be in the industry to be a member of Desk and Derrick. Membership Renewals have been sent out to club presidents in November 2021. I hope that you have received your renewal and have returned it to your Club President. In 2022, hopefully, we can return to a somewhat normal year – being able to meet for our monthly meetings in person, being able to attend your respective Regional Meeting and have the opportunity to be in Pittsburgh, Pennsylvania for the 2022 Annual ADDC Convention. I miss the ability to visit, give hugs and just see each other face to face.

We are very fortunate to have the incoming 2022 Board of Directors and through their leadership, we will move forward with many ideas for each of you to expand your horizons and learn more about the oil and gas and allied industries. There are many committees Regional Representatives that are needed to fill the ADDC Committees. If you haven't volunteered, contact Philana Thompson, 2022 President to say you will help. This Association does not run solely on the Board, but it takes each member to continue to maintain the excellent organization that we are a part of – YOU are needed.

2021 has been a dream come true for me – to serve the Association of Desk and Derrick Clubs as the President. Many, many years ago – 1979 to be exact, when I joined Desk and Derrick in Corpus Christi, I was in awe of many people who became my mentors. As many of them moved up the ladder in the Association, their guidance and encouragement were always there for me. After serving two (2) times as the Region IV Director (now part of the Southeast Region), I decided to follow my dream and run for the Board of Directors for the position of Secretary. After being fortunate enough to continue to move up to various positions, I accomplished my dream and became the President of ADDC for 2021. Yes, it took some time because as they say, "Life gets in the way sometimes," but now here I am as my year is over. I will continue to serve on the Board as the Immediate Past President for 2022.

I mention this journey, my dream, as a reminder that each and everyone of you can achieve the same. If you want to be a Regional Director or move up in the Association for one of the other offices on the Board – don't let anything keep you from realizing your dream or goal. When you are asked to volunteer – raise your hand and go for it!

Thank you, thank you and thank you for your support, encouragement, kind words and love during this year and all the years past. I am so fortunate to have each and everyone of you in my life and circle of wonderful friends. I want you to know that I am always here to help in any way I can. I want to give back to this Association and industry that I have been a part of for 43 years.

Again, I wish you and your family the very merriest of the Christmas season. May you be blessed ten-fold in the new year.

Many, many hugs to all of you,

Evelyn

"My life is so blessed with some of the most amazing people.
Thank you for being part of my journey"



Kay McKinley
 Central Region Director
 Route 1, Box 12
 Hooker, OK 73945
 (620) 629.3878
 maeciesmaemie@gmail.com

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.

December, 2021

Every year, about this time, I get nostalgic about life and time and how quickly it passes. Maybe it was because friends and family helped celebrate my 62nd birthday (and just how did that happen!) yesterday and I am so humbled and blessed. I have also been so honored and blessed this year by being allowed to be the 2021 Central Region Director. Through this opportunity, I have made new friends and strengthened relationships with my "already" (not "old") friends. I have learned so much about an entire new level of our organization by being a member of the ADDC board. Even after 32 years in Desk and Derrick, I gained appreciation and respect for what the ADDC Board officers do that I never realized before this year. Thank you, Central Region, for making this a most memorable year.

With that, here it is my final letter as Central Region Director. I can think of so many clichés such as:

- "Where has this year gone?"
- "Time flies when you're having fun" (Albert Einstein)
- "Half our time is spent trying to find something to do with the time we have rushed through life trying to save", (fellow "Okie" Will Rogers)
- "Life is like a roll of toilet paper, the closer you get to the end, the faster it goes." Andy Rooney. - My personal favorite.

I want to use this opportunity to say heartfelt "thank you" to Evelyn Green, and the rest of the ADDC Board for teaching, helping, correcting, and being patient with me through the year.

I am also grateful to each Central Region member who did ANYTHING for our region. Whether it was an encouraging note, or finding a speaker, entering a submission for the Aimee contest, inviting a friend, volunteering for a committee (whether in your local club or at the Region level) in what can only be described as a difficult year for all of us with Covid restrictions. The year didn't go as I envisioned, but we tried to make the best of it and I appreciate the personal support of the Club Presidents, Michelle Burgard, our Treasurer, Sharon Hiss, Parliamentarian, and Jamie Sabata, our 2021 secretary and 2022 Central Region Director, all Committee Volunteers, and all members! Also, a very special "thank you" to Jamie Sabata, who certainly didn't take 32 years to step forward to serve as our Central Region Director in 2022. You will do great and we look forward to 2022 with you as the director. You ALL have certainly "made a difference" and "were the difference" in Desk and Derrick this year and a tremendous difference to me.

There are a couple of business items I need to share and remind to end the year. It is with great regret that I share with you that Donna Taylor has informed me of the disbandment of the Dallas Club. It is my hope that many of the Dallas and Enid members will join another club and continue on with ADDC. We just aren't the same without you!

Dates to remember:

Send in your Aimee entries. All material must be printed, written, and/or presented by and to clubs during the December 1, 2020 to November 30, 2021 time period and entry MUST be postmarked by December 16. Forms and instructions have been sent to club presidents. We want Central Region to rock in 2022!

Please make sure your club's ballot for the student membership fee proposal is mailed to Sue Weaver by December 20th.

In closing, and reflecting through this year, with all the craziness going on in this world right now, especially in our political, economic, and industry realms - for me, this stanza from one of my favorite hymns is where I hang my anchor.

Many things about tomorrow
I don't seem to understand
But I know who holds tomorrow
And I know who holds my hand.

Hold tight and take the time to make a difference in someone's life. Let's get through this together.

Jamie - it's all yours!

Katy McKinley
2021 Centra Region Director

November Membership Meeting

November 17, 2021

Speaker: Lauren Martin

"The Railroad Commission's Response to Winter Storm Uri - Weather Preparedness Regulations"

Our November Membership meeting's speaker was Lauren Martin. Lauren is a member of the Desk and Derrick Club of Wichita Falls, Texas and employed with Gunn Oil Company as their Engineering Assistant. Even though her topic title was a long one, her presentation was informative and interesting. Well, just the fact of Winter Storm Uri was an interesting topic in relation not just with Texas' power grid but the oil and gas industry.

Ms. Martin began with a recap of the Winter storm that became known as Uri. Uri hit our Lone Star state and shut us down for four days. Four days of no electricity is bad but what if your home is all electric. No electricity nor heat and you also pay attention to your water pipes' possibilities of bursting. What a mess! What an unusual time! It all began on February 13th lasting through the 17th, but there were cities that had to deal with the water situation for days after that initial four days. The state's power grid could not keep up with the energy and heating demand, it peaked with outages for 4.5 million Texans. Electricity demands in Texas hit a record 69,692 megawatts which played out to be 12,329 MW higher than its capacity. 195 billion dollars in damages made it the costliest natural disaster recorded in the United States of America and focus was on our oil & gas industry!

Ms. Martin reported that there were studies and analysis done by groups trying to sort out the reason for the power grid failure. The oil and gas industry reviewed their own improvements in hope that IF another severe storm came, our industry would be ready. Natural gas (this is us!) provides 50% of the electric generation in Texas followed by wind, solar and coal at 20% and nuclear at 10%. Frozen natural gas facilities, a gas production decline and the state's dependency for natural gas and electric reliability all forced the generation facilities to start what we call blackouts. There came the round and round situation, no electricity and you get a blackout, but you get the blackout because there is no electricity!

The Texas Legislation brought about the House Bill 3648 ("The RRC of Texas is to establish a process to designate certain natural gas facilities and entities associated with providing natural gas in this state as critical during energy

emergencies.") and a Senate Bill 3 (states the RRC shall require gas supply chain facilities and gas pipeline facilities to "implement measures to prepare to operate during a weather emergency."); both were prompted by the Railroad Commission of Texas (RRC) which were passed. The RRC has proposed Rule 3.65-Critical Design of Natural Gas Infrastructure. This rule has four items: Critical Designation Criteria, Acknowledgement of Critical Status, New RRC Forms CI-D and CI-X, and Table CCI (Critical Customer Information). Critical Design includes producing gas wells, gas processing plants, natural gas pipelines and facilities, local company pipelines, natural gas storage, natural gas transportation, saltwater disposal pipelines and others. Acknowledgement of Critical Status comes from the facility operators by filing a Form CI-D and if the operator says it is not prepared to operate during an emergency, it will file a Form CI-X. These bi-annual paper forms will be due in January and September 2022 then each year forward and hopefully all online. This information filings to the electric utilities especially if it has a Form CI-D certification but if there is an exemption filed (CI-X) that does not need filing to the utility company. There are hopeful plans to improve the state's power grid with processes and determination. What this means is time, money, paperwork, and data collections twice a year to winterize gas facilities or not but if the operator fails to file the forms needed it can result in fines.

Questions and comments addressed to Ms. Martin, with one about the wind/solar percentage. Was it listed as a failure because it said to be able to cover a winter storm emergency? Emphasis was on the oil and gas industry therefore not much came about the wind/solar properties. Ms. Martin encouraged to file the intended forms early so that it arrives to the utility providers in a timely manner. Another was what if your company changes operators, yes you will need to refile all the needed forms and fees. But if there are no operator changes made, then you only file once.

Even though our jobs may get a little busy and hectic with all the new regulations, it will open the doors to help everyone in the long haul. So, let us all do our part to keep our oil and gas industry alive and vibrant whether our regular Texas weather or another winter emergency!

Diana Walker



ACKNOWLEDGEMENT OF CRITICAL CUSTOMER/CRITICAL GAS SUPPLIER DESIGNATION

1. Operator Name		2. P-5 Organization No. (If applicable)	
3. Operator Address	4. City	5. State	6. Zip Code

ACKNOWLEDGED CRITICAL FACILITIES

(Check box for each type of facility acknowledged on Form CI-D Attachment)

- Gas wells producing >15 Mcf/day (§3.65(b)(1)(A))
- Oil leases producing >50 Mcf/day in casinghead gas (§3.65(b)(1)(B))
- Gas processing plants (§3.65(b)(1)(C))
- Natural gas pipelines and pipeline facilities (§3.65(b)(1)(D))
- Local distribution company pipelines and pipeline facilities (§3.65(b)(1)(E))
- Underground natural gas storage facilities (§3.65(b)(1)(F))
- Natural gas liquids transportation and storage facilities (§3.65(b)(1)(G))
- Saltwater disposal facilities and pipelines (§3.65(b)(1)(H))

CONFIDENTIAL INFORMATION.

- Check box if confidential information is included on the CI-D Attachment.

CERTIFICATION. By signing this Form CI-D, I certify that all statements on this form and the associated attachment are true and correct and I acknowledge responsibility for the regulatory compliance of all listed facilities on this form and associated attachment. I declare, under penalties prescribed in Tex. Nat. Res. Code § 91.143, that I am authorized to sign this form; that this form was prepared by me, or under my supervision and direction; and that the statements made are true and correct, and complete to the best of my knowledge.

Signature _____ Name (print) _____ Phone _____

Title _____ Contact (if different) _____ Phone _____ Date _____

IMPORTANT NOTICE: It is the sole responsibility of each critical customer as defined in §3.65(b)(2) to provide the Form CI-D and CI-D Attachment to its electric utility/utilities. Designation as a critical customer does not guarantee the uninterrupted delivery of electric service to your facilities.

CERTIFICATION: CRITICAL CUSTOMERS ONLY. By signing and submitting this Form CI-D, I certify that I, a critical customer as defined in §3.65(b)(2), have provided the Form CI-D and CI-D Attachment to the electric entities providing service to my acknowledged facilities as identified on the CI-D Attachment. I certify the information has been provided as required in 16 Tex. Admin. Code §25.52 and 16 Tex. Admin. Code §3.65.

Signature _____ Name (print) _____ Phone _____

Title _____ Contact (if different) _____ Phone _____ Date _____

CI-D Form – Critical Infrastructure Designation / For Office Use Only

Acknowledgement Received Date	Review Completion Date	Name of RRC Employee for Intake
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CRITICAL DESIGNATION EXCEPTION APPLICATION

1. Operator Name		2. P-5 Organization No. (If applicable)	
3. Operator Address	4. City	5. State	6. Zip Code
FACILITIES FOR WHICH OPERATOR IS REQUESTING AN EXCEPTION (Section 4, S.B.3, 87th Regular Session) (Check box for each type of facility listed on Form CI-X Attachment)			
<input type="checkbox"/> Gas wells producing >15 Mcf/day ¹ and <250 Mcf/day			
<input type="checkbox"/> Oil leases producing >50 Mcf/day ² and <250 Mcf/day in casinghead gas			
<input type="checkbox"/> Natural gas pipelines and pipeline facilities that do not directly serve local distribution companies or electric generation			
<input type="checkbox"/> Saltwater disposal wells and pipelines that do not support a facility listed under §3.65(e)(1)-(7))			
CERTIFICATION THAT NONE OF THE FACILITIES ON THE CI-X ATTACHMENT ARE LISTED IN §3.65(e).			
1. Is any facility included on the CI-X Attachment a facility included on the Electricity Supply Chain Map (see §3.65(e)(1))? <input type="checkbox"/> Yes <input type="checkbox"/> No			
2. Is any facility included on the CI-X Attachment a gas well or oil lease producing gas or casinghead gas in excess of 250 Mcf/day averaged from the six most recently filed monthly production reports (see §3.65(e)(2))? <input type="checkbox"/> Yes <input type="checkbox"/> No			
3. Is any facility included on the CI-X Attachment a natural gas processing plant (see §3.65(e)(3))? <input type="checkbox"/> Yes <input type="checkbox"/> No			
4. Is any facility included on the CI-X Attachment a natural gas pipeline or pipeline facility that directly serves LCDs or electric generation (see §3.65(e)(4))? <input type="checkbox"/> Yes <input type="checkbox"/> No			
5. Is any facility included on the CI-X Attachment an LDC pipeline or pipeline facility (see §3.65(e)(5))? <input type="checkbox"/> Yes <input type="checkbox"/> No			
6. Is any facility included on the CI-X Attachment an underground natural gas storage facility (see §3.65(e)(6))? <input type="checkbox"/> Yes <input type="checkbox"/> No			
7. Is any facility included on the CI-X Attachment a natural gas liquids storage and transportation facility (see §3.65(e)(7))? <input type="checkbox"/> Yes <input type="checkbox"/> No			
8. Is any facility included on the CI-X Attachment a saltwater disposal facility, including a saltwater disposal pipeline, which supports a facility in §3.65(e)(1)-(7) (see §3.65(e)(8))? <input type="checkbox"/> Yes <input type="checkbox"/> No			
JUSTIFICATION.			
<input type="checkbox"/> Check box to certify that a reasonable basis and justification, including objective evidence, has been provided in accordance with §3.65(f) in support of this Form CI-X exception application for each facility for which the operator is requesting an exception.			
CONFIDENTIAL INFORMATION.			
<input type="checkbox"/> Check box if confidential information is included on the CI-X Attachment.			
CERTIFICATION. By signing this Form CI-X, I certify that all statements on this form, the CI-X Attachment, and the attached written justification are true and correct and I acknowledge responsibility for the regulatory compliance of all listed facilities on this form and attachment. I declare, under penalties prescribed in Tex. Nat. Res. Code §91.143, that I am authorized to sign this form; that this form was prepared by me, or under my supervision and direction; and that the statements made are true and correct, and complete to the best of my knowledge.			
Signature _____ Name (print) _____ Phone _____			
Title _____ Contact (if different) _____ Phone _____ Date _____			

CI-X Form – Critical Designation Exception Application / For Office Use Only

Exception Received Date	Review Completion Date	Name of RRC Employee for Intake
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¹ Gas wells producing gas ≤15 Mcf/day are not designated critical in §3.65(b).

² Oil leases producing casinghead gas ≤50 Mcf/day are not designated critical in §3.65(b).

Lauren Martin—Speaker and
Nichole Harney—President



Railroad Commission’s Response to Winter Storm Uri-Weather Preparedness Regulations

Presented by: Lauren Martin

Gunn Oil Company

Barbara Pappas, Stephanie Jones and
Jordan Jackson



Jennifer Rodriguez and
Shirley Bridwell



RRC Proposed Rule 3.65

Critical Designation of Natural Gas Infrastructure

New RRC Forms for 2022:

CI-D and CI-X



Rena Shaffer and
Lauren Martin



Jordan Moss, Annaliese Hancock and Doris Sterling

November 11, 2021

EIA forecasts increased energy consumption

By Alex Mills

Consumption of energy will continue to rise through the remainder of the year firming the price of petroleum products, according to a new study released by the Energy Information Administration at the Energy Department.

Even though EIA noted its Short-Term Energy Outlook “remains subject to heightened levels of uncertainty” because of the global pandemic’s impact on economic activity and demand, EIA estimates petroleum and liquid fuels demand increased 4.5 million barrels per day (b/d) worldwide in October compared to October 2020. EIA puts global demand at 98.9 million b/d.

Crude oil prices rose in response to the gain in demand. Brent crude oil spot prices, the international benchmark price, averaged \$84 per barrel in October, an increase of \$9 from September and \$43 from October 2020 during the pandemic, according to EIA.

“Crude oil prices have risen over the past year as result of steady draws on global oil inventories, which average 1.9 million b/d during the first three quarters of 2021,” EIA stated. “We expect Brent prices will remain near current levels for the rest of 2021, averaging \$82 per barrel in the fourth quarter of 2021.”

EIA expects volatility in natural gas prices this winter, which increased from an average of \$5.16 per million British thermal units (mmBtu) in September to \$5.51 in October. “We forecast that inventory draws... will keep U.S. natural gas prices near recent levels before downward price pressures emerge,” EIA stated.

U.S. crude oil and natural gas production is recovering from drastic declines witnessed last year. Oil production rose to 11.4 million b/d in October up from 10.7 million b/d in September. Natural gas production averaged 94.9 billion cubic feet per day in October up from 94.5 billion cubic feet per day in September.

“The share of electricity generation produced by natural gas in the United States averages 36% in 2021 and 35% in 2022 in our forecast,” EIA stated, noting that it expects some utilities to switch from natural gas to coal if prices remain at current levels.

Electricity generation from wind and solar will increase again this year. “We expect 17 gigawatts (GW) of new wind capacity will come online in 2021 and 6.9 GW in 2022. Our forecast for added utility-scale solar capacity is 15.7 GW for 2021 and 18.2 GW for 2020.” Wind and solar accounted for 9% and 3%, respectively, of the electricity generation in the U.S. during the first six months of this year.

U.S. energy-related carbon dioxide (CO₂) emissions decreased by 11% in 2020, but are forecast to rise 7% in 2021 because of the increase in economic activity and rising energy use.

-30-

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

Petroleum industry evolves amid changing times

By Alex Mills

The times; they are changing...especially in the energy arena.

Two of the largest, international oil companies announced major changes this week, and OPEC+ tells the President of United States of America thanks, but no thanks, for his suggestion to increase oil production.

ExxonMobil said it will sell all of its petroleum production in the Barnett Shale in North Texas, and Royal Dutch Shell announced it will change its name (dropping Royal Dutch) to just Shell.

The shale revolution began in the geological formation called the Barnett Shale in the 1990s, which includes about 20 counties surrounding Fort Worth. ExxonMobil got a late start, but became a big player when it acquired independent XTO.

ExxonMobil has 2,700 wells across some 182,000 acres, and the properties are valued around \$400 million. The company also is selling assets in Europe, Africa and Asia. It lost \$22.4 billion in 2020.

Exxon has been the target of radical environmental groups as they have filed numerous lawsuits alleging it is responsible for global warming. Two environmentalists won seats on Exxon's Board of Directors recently.

Shell also has been targeted by extremists losing a court case in May, which it is appealing, regarding emissions, and battling an activist investor who wants to split Shell into two companies because of environmental concerns.

In addition to changing its name, Shell decided it is time to leave the Netherlands and move its headquarters to London. The Dutch Minister for Economic Affairs and Climate Policy said, "We are unpleasantly surprised by this news. The government deeply regrets that Shell wants to move its head office to the United Kingdom."

Meanwhile, President Joe Biden and his administration pleaded with the members of OPEC+ to increase oil production over current levels in an effort to bring down oil prices and eventually gasoline prices.

November 17, 2021

Officials from Saudi Arabia and United Arab Emirates indicated this week they will support keeping the previously scheduled increase to 400,000 barrels per day in place when they meet on Dec. 2.

“That should be enough,” UAE Energy Minister Suhail Al Mazrouei told Bloomberg. “All what we know and what all the experts in the world are saying is that we will have a surplus (in 2022). So we need not panic. We need to be calm.”

However, as gasoline prices rise in the U.S., the Biden administration becomes very nervous about the impact rising energy prices will have on the economy, inflation and opinions of voters.

Biden’s request is a big change from the previous administration, which encouraged U.S. production of petroleum to replace foreign oil imports.

For ExxonMobil and Shell, changes became critical as time marched on.

-30-

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



EDITORS: Here is this week's energy column a day early. Best wishes for great Thanksgiving!

Biden attempts to manipulate oil price with release from SPR

By Alex Mills

Just about a half a century ago, the United States was battling rising inflation fueled by energy costs. The year was 1976, and inflation was 7.7% and gasoline prices averaged \$0.59 per gallon. Four years later, inflation averaged 13.5%, peaking in February 1980 at 18%, and gasoline prices had doubled to an average of \$1.19 and the U.S. economy went into a recession.

President Jimmy Carter and his administration and a majority of the members of Congress decided the solution involved increasing taxes on the U.S. oil and gas industry, create more regulations, and implement policies discouraging and restricting future development of U.S. oil and natural gas resources.

Today, 45-years later, Joe Biden is President, and his policies bear close resemblance to those of President Carter. Since his first day in office, Biden has tried to restrict, discourage and limit the ability of American oil and natural gas companies to explore, drill and produce hydrocarbons. He even has pleaded with the foreign countries of OPEC+ to produce more oil in an effort to get gasoline prices down while turning his back on the U.S. industry.

Biden announced this week he has authorized the release of 50 million barrels of oil from the Strategic Petroleum Reserve in an effort to drive down gasoline prices.

While Biden's announcement came just two days before Thanksgiving, energy experts were not very surprised because the president's popularity has been in sharp decline as inflation and gasoline prices rose. Also, the Energy Department is obligated under law to sell 260 million barrels by 2027.

The administration said 32 million of the 50 million barrels announced on Tuesday will be an exchange during the next several months, while 18 million will come from an accelerated release from previously authorized sales.

The drawdown will be the biggest, surpassing U.S. interventions amid Libyan unrest in 2011 and Operation Desert Storm in 1991.

The SPR contains some 600 million barrels and it is about 85% full.

While he was making this announcement, Biden accused the oil and gasoline industries of price manipulation. He alleged that the difference between the retail price of gasoline was larger than the wholesale price of gasoline.

However, an analysis of wholesale and retail gasoline prices reported by the Energy Information Administration shows the average difference between wholesale and retail from January to August 2021 is \$0.884 compared to \$0.974 during the period in 2020.

Time will tell if this plan will be successful, but industry officials point out the release will have limited impact during the short term. Some oil analysts anticipate a potential downward impact on price when the administration begins releasing oil from the SPR sometime in December, but by spring prices will return.

Meanwhile, long-time industry observers are shaking their heads about the similarities of the energy policies of Jimmy Carter and Joe Biden.

-030- *Alex Mills is the former President of the Texas Alliance of Energy Producers.*

December 2, 2021

Strategic Petroleum Reserve created after Arab oil embargo

By Alex Mills

The Strategic Petroleum Reserve (SPR) has been a controversial part of the energy debate since the first Arab oil embargo.

During the 1973 Arab-Israeli War, Arab members of the Organization of Petroleum Exporting Countries (OPEC) imposed an embargo against the United States in retaliation for the U.S. decision to re-supply the Israeli military. Shortages of crude oil and petroleum products resulted which created rapidly rising prices and long lines at gasoline pumps.

The embargo highlighted the nation's dependence on oil imports from unfriendly Arab countries. Political leaders in Washington decided to implement policies designed to conserve petroleum products, such as the 55-miles-per-hour speed limit and fuel economy standards for vehicles.

The federal government also passed legislation creating the SPR.

One of the SPR's core missions is to hold enough oil stocks to fulfill U.S. obligations under the International Energy Program, the 1974 treaty obligated the U.S. to maintain stocks of crude oil and petroleum products, both public and private, to provide at least 90 days of U.S. net import protection. The U.S. Department of Energy calculates this value by dividing the SPR inventory level by the Energy Information Administration's (EIA) sum for net crude oil and petroleum product imports.

Crude oil production in the U.S. increased from 6 million barrels per day in 2012 to 11 million barrels per day today. As domestic production rose, the need to import foreign oil declined.

The U.S. became a net exporter in October 2019 meaning the U.S. exported more oil and petroleum products than it imported.

The SPR was designed to hold up to 714 million barrels of crude oil across four storage sites along the Gulf of Mexico, where much of the U.S. petroleum refining capacity is located. It currently holds about 600 million barrels, but several scheduled withdrawals could decline to 318 million barrels, according to EIA.

Crude oil can be released from the SPR under four conditions: emergency drawdowns, test sales, exchange agreements, and nonemergency sales, EIA said. Emergency drawdowns and test sales are relatively rare. The most recent emergency drawdown occurred in 2011 in response to production disruptions in Libya, and the most recent test sale occurred in 2014.

“The SPR has released crude oil under exchange agreements 13 times since 1996, most recently after Hurricane Ida earlier this year. In these exchange agreements, crude oil is released to private companies and repaid in kind by specified dates with additional barrels, similar to monetary interest on a loan,” EIA said.

Most recently, President Biden announced plans to make 50 million barrels of crude oil available to the market through a combination of exchanges and accelerating previously announced sales in hope the increase in supply will lower the price of gasoline.

-30-

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





Welcome Baby!

Casie Mass had her baby!

Tate James Mass

Born: 1:38 am Nov. 15

Weight: 7 lbs. 4 oz.

Height: 19.5 in.



*Congratulations
Casie and family!*

Pics
soon!

OH!
WHAT
FUN

Make plans now to
attend the Desk and
Derrick Christmas Party
and Installation of
2022 Officers

December 14

6:00 pm

The Forum

ho ho ho

Taking Life

Bit by Bit



UPCOMING DATES TO REMEMBER

**CHRISTMAS
PARTY**

**DECEMBER
14**

**BOARD MEETING
JANUARY 4**



2022 Central Region Meeting—Wichita Falls, Texas

April 28 — May 1, 2022

Sign up NOW to volunteer — Call Rena Shaffer or Diana Walker



Welcome to the 2022 Board of Directors

President: Nichole Harney

Vice President: Sheila McGaughey

Treasurer: Jordan Moss

Secretary: Lauren Martin

1 Year Director: Jordan Jackson

2 Year Director: Vickie Young

Immediate Past President: Diana Walker

Parliamentarian: Rena Shaffer



It's Contest Time!

We are in the process of choosing entries for the AIMEE Awards. If there is a program review that you especially enjoyed; or if there was a bulletin that you liked; please let us know. Your input is greatly appreciated!



Congratulations

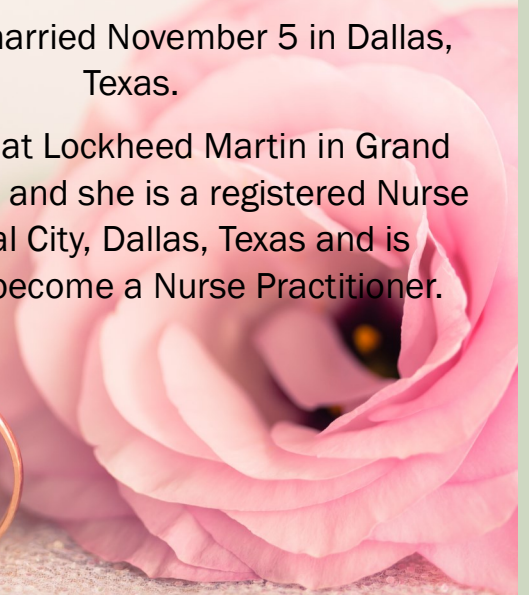
to

Ryan and Yanin Shaffer

Son of Rena and Kirk Shaffer

They were married November 5 in Dallas,
Texas.

He works IT at Lockheed Martin in Grand
Prairie, Texas and she is a registered Nurse
at Medical City, Dallas, Texas and is
working to become a Nurse Practitioner.



***2022 Committee Sign ups are
going on now!***

If you are interesting in serving on a
committee next year, please contact
Nichole Harney.

RAILROAD COMMISSION OF TEXAS Critical Infrastructure Division



NOTICE TO OIL & GAS AND PIPELINE OPERATORS

Rules Adopted for Critical Designation of Natural Gas Infrastructure

The Railroad Commission of Texas (RRC) has adopted rules to implement a process for designating certain natural gas entities as critical during an energy emergency as specified in Senate Bill 3 and House Bill 3648 passed by the 87th Legislature (Regular Session). The adopted rules are effective on December 20, 2021.

On November 30, 2021, the RRC Commissioners adopted proposed new rule 16 Texas Administrative Code (TAC) §3.65, *relating to Critical Designation of Natural Gas Infrastructure*, and amendments to 16 TAC §3.107, *relating to Penalty Guidelines for Oil and Gas Violations*. To view the adopted rules, visit the RRC website at <https://www.rrc.texas.gov/general-counsel/rules/proposed-rules/> under "Chapter 3: Oil and Gas."

In conjunction with the adopted rules, the RRC has also adopted two new forms related to 16 TAC §3.65.

- Form CI-D, *Acknowledgement of Critical Customer/Critical Gas Supplier Designation*, and its attachment would be submitted by an operator of a facility designated as critical acknowledging the facility's critical status.
- Form CI-X, *Critical Designation Exception Application*, and its attachment would be submitted by an operator certifying a facility seeks an exception to critical designation because the facility is not prepared to operate in a weather emergency.

The new rules define the types of natural gas facilities that are critical gas suppliers and critical customers. Critical customers are critical gas suppliers that require electricity to operate. The Form CI-D is required to be filed bi-annually with the RRC. Critical Customers are also required to submit Form CI-D and its attachment to their electric providers. In the year 2022, the form must be filed by January 15, then updated and refiled by either September 1, or 30 days following the date the map is produced by the Texas Electricity Supply Chain Security and Mapping Committee, whichever is later. Beginning in 2023, the form must be filed bi-annually by March 1 and September 1 of each year. The form can be submitted to the RRC via email at FormCID@rrc.texas.gov or the RRC Online System. It is anticipated online form submissions will become available via the RRC Online System on December 20, 2021, the effective date for this rule.

As provided by legislation, an eligible facility may seek an exception to be designated as critical. For this purpose, operators would file the Form CI-X and pay the required filing fee. It is important to note that the newly adopted rules exclude certain types of facilities from being able to apply for an exception. The form is required to be filed bi-annually with the RRC. In the year 2022, the form must

Austin, Texas

December 2021

be filed by January 15, then updated and refiled by either September 1, or 30 days following the date the map is produced by the Texas Electricity Supply Chain Security and Mapping Committee, whichever is later. Beginning in 2023, the form must be filed bi-annually by March 1 and September 1 of each year. The form can be submitted to the RRC via email at FormCIX@rrc.texas.gov or the RRC Online System. Again, it is anticipated online form submissions will become available via the RRC Online System on December 20, 2021. Form CI-X does not need to be filed with the electric providers.

To download the forms, visit the RRC website at <https://www.rrc.texas.gov/about-us/organization-and-activities/rrc-divisions/critical-infrastructure/>.

The RRC will provide training on the rules and forms prior to the rules' effective date. To receive email notice of the training and other related announcements, signup for the Oil & Gas News or Pipeline Safety News email subscriptions on the RRC website at <https://www.rrc.texas.gov/resource-center/subscription-services/>.

Please Forward to the Appropriate Section of Your Company

this MONTH in petroleum history

DECEMBER

December 8, 1931—Advanced Blowout Preventer patented

Improving upon the success of Cameron Iron Works' mechanically operated ram-type blowout preventer (BOP), James S. Abercrombie patented a "Fluid Pressure Operated Blow OUT Preventer" designed to be operate "instantaneously to prevent a blowout when an emergency arises." After the success of the first ram-type BOP of 1922, the company's machine shop in Humble, Texas, manufactured the latest rapidly reacting device in time for discoveries in the Oklahoma City oilfield.

December 1, 1913—First U.S. Drive-In Service Station opens in Pittsburgh

"Good Gulf Gasoline" was sold when Gulf Refining Company opened America's first drive-in station at the corner of Baum Boulevard and St. Clair Street in Pittsburgh, Pennsylvania. Unlike earlier simple curbside gasoline filling stations, this purposefully designed pagoda-style brick facility offered free air, water, crankcase service, and tire and tube installation. A manager and four attendants stood nearby. The service station's lighted marquee provided shelter from bad weather.

"On its first day, the station sold 30 gallons of gasoline at 27 cents per gallons. On it's first Saturday, Gulf's new service station pumped 350 gallons," notes the Pennsylvania Historical and Museum Commission. "Prior to the construction of the first Gulf station in Pittsburgh and the countless filling stations that followed throughout the United States, automobile drivers pulled into almost any old general or hardware store, or even blacksmith shops in order to fill up there tanks."

When the station was opened in 1913, Baum Boulevard had become known as "automobile row" because of the high number of dealerships that were located along the thoroughfare. In addition to gas, the Gulf station provided free air and water—and sold the first commercial road maps in the United States.

The modern gasoline pump can trace its roots to a pump that dispensed kerosene at an Indiana grocery store in the late 1880's.



December 18, 1934—Hunt Oil Company founded in Texas

Hunt Oil Company, today one of the largest privately held U.S. petroleum companies, incorporated in Delaware and opened its first office in Tyler, Texas. Four years earlier, H.L. Hunt had acquired the Daisy Bradford No. 3 well from C. Marion “Dad” Joiner at Kilgore.

“H.L. Hunt bought the lease out ‘lock, stock and barrel’, financing the deal with a first-of-its-kind agreement to make payments from future ‘down-the-hole’ production,” noted a company history. “The Bradford No. 3 turned out to be the discovery well of the greatest East Texas oilfield, which, at the time, was the greatest oilfield in the world.”

Hunt Oil moved its headquarters to Dallas in 1937, and developed the first oil well in Alabama in 1944. The company entered offshore exploration in 1958 with leases in the Gulf of Mexico.



H.L. Hunt's oil career began in Arkansas and East Texas and spanned much of the industry's history, notes Hunt Oil Company. Photo circa 1911.

December 10, 1955—*LIFE* magazine features Stella Dysart's Uranium Well

Mrs. Stella Dysart spent decades fruitlessly searching for oil in New Mexico. Some questionable business dealings led to bankruptcy in the late 1930's, but in 195, a radioactive uranium sample from one of her failed oil wells made her a very wealthy woman.

Dysart was 78 years old when *LIFE* magazine featured her pictured with the caption: “Wealthy landowner Mrs. Stella Dysart, stands before her abandoned oil rig which she set up on her property in a long vain search for oil. Now uranium is being mined there and Mrs. Dysart, swathed in mink, gets a plump royalty.”

Just three years before the article, Dysart had been \$25,000 in debt when cuttings from one of her “dusters” in McKinley County registered strong Geiger counter readings. Test wells confirmed that she owned the world's richest deposits of high-grade uranium ore.



LIFE magazine featured Stella Dysart in December 1955.

**Desk and Derrick Club of Wichita Falls
Membership Meeting
December 14th, 2021**

The Forum, 2120 Speedway Avenue

Presiding:	Nichole Harney Cobra Oil & Gas Corp.
Invocation:	Geneva Wood Retired: Stelucan Energy LLC
Introduction of Speaker:	Betty Wilson Retired: Wichita Clutch
Program:	Shirley Bridwell Bridwell Reporting & Consulting, LLC

"WILL YOUR LIGHT SHINE IN 2022?"

Reservations should be emailed to Rena Shaffer

Email rena@eagleog.com

or call 940-234-3307

Reservations Deadline - 4:00pm- December 9th, 2021

Cost \$18.00

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.)



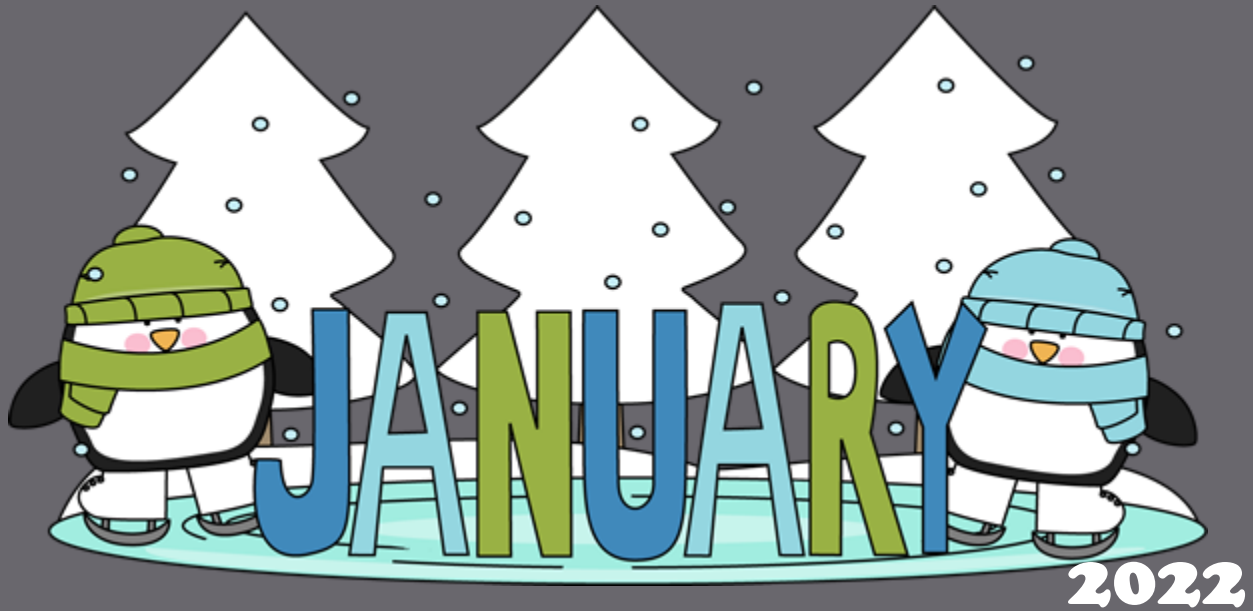


Sun	Mon	Tue	Wed	Thu	Fri	Sat
Reminder : Desk and Derrick Christmas Party! 6:30 PM – December 14th Make your reservation!!			1	2	3	4
5	6	7 Board Meeting	8	9 DEADLINE FOR MEMBERSHIP MEETING	10	11
12	13	14 CHRISTMAS PARTY 6 pm	15	16	17	18
19	20	21	22	23	24 Christmas Eve	25 Christmas
26	27	28	29	30	31 New Year's Eve	



Christmas is not a time nor a season, but a state of mind. To cherish peace and goodwill, to be plenteous in mercy, is to have the real spirit of Christmas.

- Calvin Coolidge



Sun Mon Tue Wed Thu Fri Sat

May joy, peace and success follow you everywhere you go and whatever you do. Have a wonderful new year with your family and friends!

**HAPPY
NEW YEAR**

Kacie Turner

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Board Meeting

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DEADLINE FOR
MEMBERSHIP
MEETING

Brooke Luxton

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Membership
Meeting

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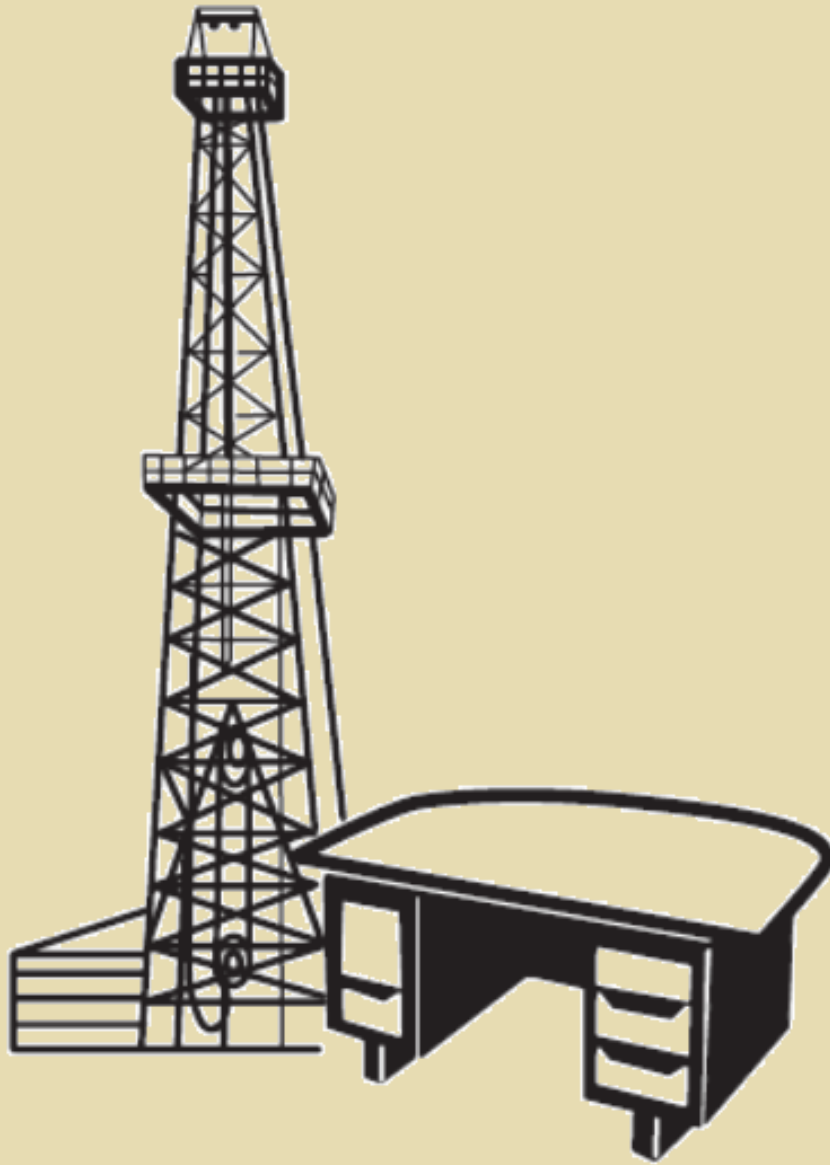
Vickie Young

30

31

“In the end, it’s not the years in your life that count. It’s the life in your years.”





ASSOCIATION OF DESK AND DERRICK CLUBS

Front Cover—Page 16—Oil Production in the winter on Mount Synechka—ID 106412816 @ Panaramaka—Dreamstime.com
Page 19—Santa Clause fuelling up in his car in a petrol station—File ID 164497048 @ Xavier Lroenzo—Dreamstime.com
Page 20—Santa Clause and his deer—ID 27909529 @ Vladimir Melnikov—Dreamstime.com
Page 21—Cartoon Polar Bear—File ID 62136267—Tatiana Ronzhina—Dreamstime.com
Page 21—Red Christmas baubles on snow with red background—File ID 61446560 @ Sara Winter—Dreamstime.com
Page 22—Wedding Background with gold rings, gentle flower and light pin—File ID 48024459 @ Taiga—Dreamstime.com
Page 22—Pretty Christmas holiday border with gifts—File ID 59801996 @ stockcreations—Dreamstime.com
Page 25-26—Week in History—www.aoghs.org