

# DESK AND DERRICK DATELINE

## *Coming Up*

### **April Membership Meeting**

- April 20, 12 noon
- Speaker Mahmoud Elsharafi
  - Associate Professor  
MSU Texas



### **Central Region Meeting**

- April 29-30
- Registrations can still be submitted



### **Golf Tournament**

- May 20, 8 am arrival
- Registrations and sponsorships currently being accepted



April, 2022  
Volume 71, Issue 4

### INSIDE THIS ISSUE

|  |       |
|--|-------|
| Board of Directors                           | 2     |
| President's Letter<br>Nichole Harney         | 3     |
| ADDC President's Letter<br>Philana Thompson  | 4     |
| Central Region<br>Jamie Sabata               | 5     |
| March Meeting                                | 6-10  |
| Alex Mills                                   | 11-14 |
| Club News                                    | 15-16 |
| March Meeting                                | 17-18 |
| Golf Tournament                              | 19-21 |
| 2022 Committee Chairs<br>and Representatives | 22    |





## 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

## 2022 Board of Directors

**President** - Nichole Harney  
**Vice President** - Sheila McGaughey  
**Secretary** - Lauren Martin  
**Treasurer** - Jordan Moss

**1 Year Director** - Jordan Campagna Jackson  
**2 Year Director** - Vickie Young  
**Immediate Past President** - Diana Walker  
**Parliamentarian** - Rena Shaffer

## Letter from the Editor

*April - And just like that, we are officially in spring! Summer is just around the corner. Until then, enjoy the rain and flowers and crisp morning air.*

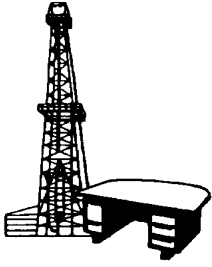
*We had a slight change with our speaker for our April meeting. We will now be enjoying a talk by Mahmoud Elsharafi, Associate Professor at MSU Texas. He will be speaking on water management in mature reservoirs.*

*Also in April, we have our Central Region Meeting. While we have a very respectable amount registered, we would still love to have more representation from our Wichita Falls club. If you are still on the fence, please consider attending. We would love to have you there!*

*Additionally, the golf committee has announced our tournament date. The 2022 Golf Tournament will be held on May 20. Registration and sponsorship forms are available at the back of this bulletin.*

*Enjoy your weekend and I hope to see you all in a couple of weeks,*

*Jordan Campagna Jackson*



Association of  
Desk & Derrick  
Clubs

**Desk and Derrick  
Club of Wichita  
Falls**

**2022 Board**  
**Nichole Harney**  
President  
716-5100

**Sheila  
McGaughey**  
Vice President  
716-5340

**Lauren Martin**  
Secretary  
723-5585

**Jordan Moss**  
Treasurer  
781-8008

**Jordan Jackson**  
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716-5100

**Vickie Young**  
Two Year Director  
716-5100

**Diana Walker**  
Immediate Past  
President  
716-5344

**Rena Shaffer**  
Parliamentarian  
234-3307

April 2022

HAPPY SPRING and HAPPY EASTER!

I hope everyone enjoyed our March Membership Meeting. I know I did! It was very interesting to see how service dog's work. Its an honor to see humans and animals working side by side.

April is here and you know what that means? Region Meeting time! As you all know the Central Region Meeting is here in Wichita Falls. We all should be excited and eager to be able to show off our wonderful city. I know Co-GAC's Rena Shaffer So please contact Rena at [rena@eagleog.com](mailto:rena@eagleog.com) or Diana at [dwalker@sjoc.net](mailto:dwalker@sjoc.net) to see where they need volunteers to help with making this event one to remember.

Back on March 25<sup>th</sup> I emailed out a copy of the Central Region Proposed Bylaw Changes, I hope you all took a moment to look them over. We will be briefly discussing them at the upcoming membership meeting. So please bring any comments, concerns, and questions to the meeting. The clubs will be voting on them at the Central Region Meeting in April.

Barbara Pappas, Field Trip Chairman and her committee are working hard to plan some fun and enjoyable field trips for this summer and fall. So be keeping an eye out on the coming bulletins and on our Facebook page [www.facebook.com/deskandderrickclubwf](http://www.facebook.com/deskandderrickclubwf) to see what they have in store for us.

Vickie Young and Tracy Flynn Golf Tournament Co-Chairman and their committee members are working very hard on the golf tournament that is scheduled for May 20<sup>th</sup>. The invitations and sponsorship forms have been mailed out. They could use everyone's help to reach out to coworkers, friends, and family members that love golf. Also, if you would like to help set up for the golf tournament, please contact Vickie at [vickie@cobraogc.com](mailto:vickie@cobraogc.com) or Tracy at [tracy@cobraogc.com](mailto:tracy@cobraogc.com).

Our April membership meeting will be April 20<sup>th</sup> and our guest speaker will be Mahmoud Elsharafi, Associate Professor with the Petroleum Department of Midwestern State University Texas. He will be speaking to us about "Water Management in Mature Reservoirs. Please contact Diana Walker at [DWalker@sjoc.net](mailto:DWalker@sjoc.net) to make your reservation to join us for this interesting program. Hope to see you all the upcoming meeting.

I hope everyone has a blessed and safe Easter with your kiddos hunting easter eggs.

**Nichole Harney**



**Philana Thompson**

2022 ADDC President

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April 2022

## Board of Directors

PRESIDENT

**Philana Thompson**

Merrion Oil & Gas Corporation

PRESIDENT ELECT

**Barbara Pappas**

Cobra Oil & Gas Corp.

SECRETARY

**Wendy Sparks**

Carl E Gungoll Exploration LLC

TREASURER

**Heather Woods**

Souder, Miller & Assoc.

IMMEDIATE PAST

PRESIDENT

**Evelyn Green**

GBC Minerals, Ltd

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**Nell Lindenmeyer**

A-Plus Well Service, Inc

CENTRAL REGION

DIRECTOR

**Jamie Sabata**

Gardner Cryogenics/Air  
Products

NORTHEAST REGION

DIRECTOR

**Samuel Thomas**

SOUTHEAST REGION

DIRECTOR

**Kathy Martin**

Acadian Ambulance Service,  
Inc

WEST REGION DIRECTOR

**Ingrid Burton**

As was mentioned in last month's letter and how hard the board worked to make sure we were operating within our budget, some changes were made that would allow me to visit our regions, these changes did not affect individual services to our membership. At the end of this month I will have the honor of attending the first in-person regional meeting since 2019! My tour of the regions kicks off in Lafayette, LA for the Southeast Region meeting, my next stop will be Wichita Falls, TX for the Central Region and my last in-person meeting will stop at my own region, West, in Amarillo, TX. I will be able to attend the last regional meeting of 2022 in the Northeast at their virtual meeting.

We have many deadlines coming up fast, ADDC nominations, distinguished service awards, tax filings, and then add into the mix preparing for our regional meetings. It seems another year is flying by. If you are not sure what those deadlines may be please reach out to your club president, regional director, committee chairs and even myself. The committee chairs, board and myself are working hard to clean up the website so that more information can easily be found there as well, if you don't see something you need, once again please let us know.

As I look towards our future and being notified of another ADDC club's disbandment this year, I would like to ask that members begin to think about what the future of our organization looks like now, tomorrow and years to come. We are not unique in our decline in membership, I have mentioned many times that other organizations I am in are seeing declines as well. Do we continue on operating as if we have 800 to 1000+ members, or do we find new ways to adapt so our organization does not die? What hard questions we should ask ourselves as clubs start to disband is:

1. Regionals and conventions; as we begin to shrink the burden of hosting a regional or convention gets tougher on regions and clubs, what are some ideas to help ease that burden?
2. What can ADDC do to help clubs and regions adapt new ways of engaging members and bringing in new?
3. What is holding us back from moving to the future?

Simply stating we have some hard times ahead and this organization is built on the strength and hard work of many folks since its inception. They also faced hard decisions that may have caused a "ruckus" but did what had to be done to see this organization thrive! Please don't be afraid that an idea or way to help this organization survive is not a good one just because you are short timer, middle of the road or long timer.

I look forward to seeing everyone at the regionals I will be happy to hear any ideas you may have.

Prayers and Blessings!

*Philana Thompson*

pthompson@merrion.bz



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Acadian Ambulance Service,  
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WEST REGION DIRECTOR

**Ingrid Burton**

**Jamie Sabata**

2022 Central Region Director

1621 N. Cain Ave

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Cell #620-655-6503

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April 2022

Hello all!

Spring is here and my favorite season! The trees and flowers are starting to bud out and bloom along with the warmer temps! One of the many changes this season holds...

Central Region meeting is just around the corner- April 29-30! Hoping everyone has sent in their registrations and made their hotel reservations. If you haven't yet, please get them in as soon as possible! Wichita Falls Club and the GAC's have been hard at work preparing for a fun and great time for us all! I've been working on the podium book, and have a "to do" list for the delegates, so be expecting an email from me this week. I'm so excited to see and catch up with everyone....been a long time since we've been together!

Everyone should have received correspondence from Kay McKinley, 2022 Central Region Nominating region rep, seeking a 2023 Central Region Director. It is SO important to have another leader represent our great region. Please consider taking that next step to learn and grow within our organization plus gain strength, courage and confidence!

Reminders:

- 1) Credential Forms - Due ASAP - send your club's credential forms to Kay McKinley at: [maeciesmaemie@gmail.com](mailto:maeciesmaemie@gmail.com). This includes a club that will not be represented at the annual region meeting, in which the bottom portion of the form will need to be filled out.
- 2) Presidents will be reading their reports at the meeting and reports are due April 15 to add to the podium book.
- 3) Committee Chairman/Region Reps - plan on reading the committee reports and need to be sent to add to the podium book as well.
- 4) Proposed Central Region Bylaws were sent out last month. Inform and discuss with your club members - will be voted on at Region Meeting.

See you in a few weeks 😊

Love, Light & Blessings,  
Jamie

# Oil and Gas Industry Going to the Dogs:

## Sniffing Out Pipeline Leaks

“A Dog’s Nose & Energy Industry. A Sustainable Solution”

### Black Creek K-9 Pipeline Leak Detection LLC

March 16, 2022  Dwayne Farris—Speaker

Submitted by: Sheila McGaughey



**BCK-9**  
PIPELINE LEAK DETECTION

I am a dog lover, all breeds, shapes and sizes. They are “man’s best friend” to say the least, but I believe it goes so much deeper. While many dogs are simply companions, other dogs have serious jobs. It is truly amazing to think about all the capabilities of the service and working dogs. Dogs can be trained to do just about anything imaginable. For centuries they were used to hunt, guard, or herd for man. Today, they are used for sniffing out certain diseases like cancer, narcolepsy, migraines, low blood sugar, seizures, fear and stress. Dogs are trained to “serve and assist” the blind and deaf. They are trained for search and rescue, or even our worst fear—to be a cadaver dog. Remember all the images of the dogs searching through the rubble of the Twin Towers after 9/11? Those images are forever embedded in our hearts. Certain breeds are trained to search for narcotics, firearms, and explosives. Dogs can even be trained to detect bed bugs and mold. Amazing creatures! God created these remarkable animals knowing that they would be our “fur” ever companions and the beneficial impact they would have on our lives.

Did you know that they are also very beneficial to our oil and gas industry? Would you believe there are dogs trained to search miles of oil and gas pipelines looking for leaks? Our guest speaker for our March membership meeting was Mr. Dwayne Farris, owner/operator of Black Creek K-9 Pipeline Leak Detection, LLC and BCK-9 Services located in Decatur, Texas. He served in the United States Marine Corps as a Military Police Officer assigned to be a Military Dog Handler. He served in multiple operations and canine positions, including Explosives; Narcotics, Patrol and Combat Tracking; Presidential Dignitary Protection; Operation Golden Spear in Nairobi, Kenya; Operation Enduring Freedom and Operation Iraqi Freedom; and the U.S. Aviation Operations for the Federal Government. BCK-9 has been in business for about 5 years, steadily growing and getting the word out about the different services they offer. He mentioned that his humble beginnings of serving in the United States Marine Corps and having the opportunity to be a military police officer and dog handler prepared him to be doing what he loves today, some 22 years later.

BCK-9 offers detection services that range from narcotics, firearms, explosives, bed bugs, and pipeline leak detection for the oil and gas industry specifically for buried pipelines that are transporting our product that is very critical for our infrastructure here in the United States. They have worked in South Texas, Arizona, New Mexico, Oklahoma, Louisiana, and most recently Alaska. The Alaska job involved a five-mile pipeline, with three lines running parallel to each other. Two of them passed the pressure test, but the third failed. It was October, winter was coming, so they needed to repair this quickly. Ozzy, one of his K-9’s, geared up and pinpointed the leak in 46 minutes within the first mile, but they still had to complete the other four miles to be certain that there weren’t other leaks. He explained that the odorant injected into the pipelines is non-invasive to the environment. The leak was three or four feet beneath the surface, exactly where Ozzy

pinpointed it. These dogs are trained for all types of terrain. Alaska had just received heavy rains and some of the area was waist high in water, so this reiterated the importance of their training regime and the ability of these dogs wanting to go ahead and put themselves in any kind of environment to basically get the job done.

He explained to us the importance of having dogs in the oil and gas industry. It is a career and a passion for him, but more of a passion. He said that without their four-legged partners, they wouldn't be making a living. Mr. Farris also brought one of his handlers, Mr. Cade Goodman and six of his canines to assist him in his presentation. We were introduced to Ozzy first, he is a three-and-a half-year-old Belgian Malinois Shepherd. Ozzy is a certified pipeline leak detection dog but is also certified in narcotics. So, when he is not detecting line leaks, he is searching for narcotics in schools in the surrounding counties of Ft. Worth, Texas.

Dogs have a supernatural sense of smell and can find the smallest of leaks, saving a company money, time and manpower. A dog's nose is more accurate than modern technology. Their olfactory system is so incredible that there is a course at Texas Tech University where people are studying the olfactory system of the dog's nose. "There is so much more that we don't know about the olfactory system, and we are constantly striving to learn, not necessarily to make them better, but to make us better for others", said Mr. Farris. The dogs also have a deep desire to work. Their regime is to train daily, sunup to sundown. It requires hundreds of hours of training to get the dogs where they are dependable to perform the tasks for which they are trained. They do it every day and they want to do it.

BCK-9 can detect and pinpoint the smallest of leaks in pipelines that are buried below or above ground. He trains the K-9's to efficiently locate leaks in pipelines using industry approved odorants. This odorant is fed through the pipelines and rises through the earth where there is an oil or gas leak. The dog detects the smell and is trained to dig at the ground to alert the handler. Detecting an oil/gas leak in a timely manner is important to an operator to protect the environment, reduce financial costs, and eliminate the risks to personnel and to the public.

#### **Q & A Session:**

**Rena Shaffer:** *Are certain dog breeds better than others for detection?*

**Mr. Farris:** *More of the working dog types, like German Shepherds, Malinois, Labrador Retrievers, and German Short Hair. They are genetically prone to wanting to be out there in all types of terrain and temperatures. Sometimes a job may require them to swim through marshland or walk through mesquites. He even mentioned them getting goat head stickers on their pads, nose or tongue.*

**Rena Shaffer:** *How long does it take to train one?*

**Mr. Farris:** *Pipeline leak detection on one odor can be up and running in about 30 days, But a good rule of thumb is about 12 months to have a dog trained and able to handle the different environments and terrain. There also needs to be a bond between the handler and the dog and vice versa. It's all about working together.*

**Susan Van Huss:** *How many years do you work a dog?*

**Mr. Farris:** *We are just in our fifth year so I can't really say. My black lab, Crash, was 15 months old when I got him and he's turning five. So, if they continue to want to be out there and they are proficient and doing it well, we will work them if we can.*

**Pete Flynn:** *Mr. Farris, where do you get your dog handlers? Are they mostly retired military?*

**Mr. Farris:** *Yes Sir. One of the big reasons is that military and law enforcement people have history and experience. Mr. Goodman has gone through Fire Training Academy, and he's been interning with us for the last four years. He graduated out of Paradise, Texas and now he's a full-time handler. It took those years of being with us, getting out, getting to know the dogs, learning how to train, learning how to trouble-shoot, and just being comfortable working with the dogs.*

**Sheila McGaughey:** *Have you ever been in an area with high H2S and how are the dogs protected?*

**Mr. Farris:** *Safety protocols are very important for the handler and the dog. We have the proper PPE and continuing education before we go onto any site. We have gas monitors for the handlers and the dogs. Because the dogs are closer to the ground, they have a vest and a H2S monitor as close as possible to their face. The PPE consists of booties, collar, harness, leash and the H2S monitor, We always request an operator that knows the area to be with us on the ground, that way they can point out any hazards for that area. They are taken care of with every safety precaution, because with out these guys, we're not working.*

*We also administer the snake vaccination to all our dogs. First thing we do on any jobsite is contact the nearest Veterinary Clinic to be sure they are equipped with an anti-venom. We check the hours of operation, the waypoints and the GPS coordinates are immediately punched in. We always want to be prepared in case of an emergency.*

After the Q & A session, Mr. Farris said it was time for a demonstration and then some "puppy love". Once we were all outside, Mr. Farris handed Nichole Harney a puck, which is a clump of compressed soil with a drop of oil or gas on it. Nichole then took the puck and "hid" it for Ozzy to find. Ozzy immediately put his nose to the ground and was off. We barely had time to blink before Ozzy was on active alert. It was pretty impressive!

Nichole presented Certificates of Appreciation to Mr. Farris and the dogs for sharing their "paws"itively valuable training with us. She also presented the dogs with "doggie" bags filled with freeze-dried chicken treats. Mr. Farris and Mr. Goodman then gave us time for our "puppy love". We loved on Ozzy, Crash, Cera, Sasha, Spencer, and Bena (Rena's favorite) and gave them plenty of treats! You could tell from his presentation that he loves his job and he believes in his companions. They truly are remarkable creatures and we have become better humans by learning from them!

I honestly believe that this is the very first meeting where everyone left covered in dog drool, but the smile on everyone's faces was priceless! They definitely left pawprints on all of our hearts and a sense of pride for the work they are doing for the industry. So, let's "paws" for a quick reflection, if indeed the oil and gas industry is "going to the dogs", then what a way to go! I think it is safe to say that our industry is in good hands/paws.

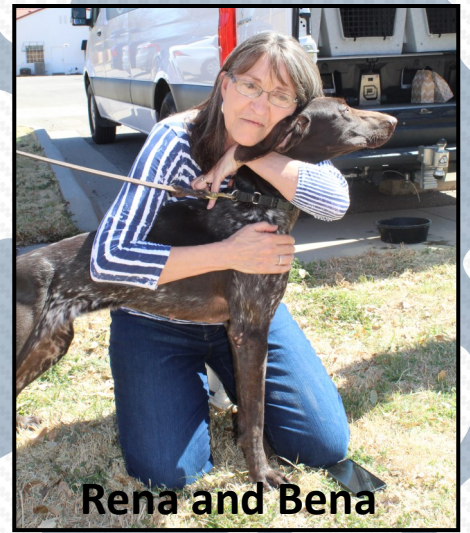






**"It is a pretty prideful thing to know what these animals can do. They do it every day and they want to do it."**

**- Dwayne Farris**



**Rena and Bena**

***"There is so much more that we don't know about the olfactory system, and we are constantly striving to learn, not necessarily to make them better, but to make us better for others."*** - Mr. Farris



**A dog's nose is more accurate than modern technology for leak detection.**



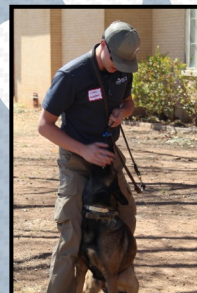
**Doggone Good Time!**



**Puppy Love!**



**This program deserves a Round of A-Paws!**



*Some interesting facts shared by Mr. Dwayne Farris prior to our Membership Meeting.....*

*Amazing!*

He was telling Barbara Franklin and myself about a Horned Lizard (Horny Toad) Detection Dog Project. It is a project to reintroduce the endangered reptiles back into the Texas environment. A canine will be trained to detect the presence of horned lizards, scat, eggs, and nests to enable the conservationists from the San Antonio Zoo Center of Conservation and Research to reintroduce them back into Texas.



### **Rigs-to-Reefs - How a Rig Gets Reefed**

Decommissioned petroleum platforms are the heart of the Texas Artificial Reef Program. An oil or gas rig may be decommissioned because the well is no longer producing or for other economic reasons. These structures make ideal reefs because they are environmentally safe, are constructed of highly durable and stable material and already support a thriving reef ecosystem below the waterline since many of the structures have been in the water for 30 years or longer.



Obsolete petroleum structures are inspected before any reefing takes place to locate environmental hazards. All decks (where oil production occurs) are removed and taken to shore for recycling or reuse. All equipment associated with the deck is removed in the process (such as drilling equipment, tanks, pumps, buildings and so on). Insides of legs are inspected to assure they contain no petroleum. They then cut the legs and gently tip it over to lay on the ocean floor.

From rig-to-reef—the transformation begins quickly. Marine species, including fish, find the structure immediately. Settlement by invertebrates is well established within a month, and after six months to a year, the site is well established as an artificial reef.



### ***Some of the terms in our industry refer to dogs.....***

**Doghhouse**— the steel-sided room adjacent to the rig floor, usually having an access door close to the driller's controls. This general-purpose shelter is a combination tool shed, office, communication center, coffee room, lunchroom, and general meeting place for the driller and their crew.

**Dog collar**— a safety device used when running and retrieving tools or drill collars with a flush external surface that may easily pass through the rotary table slips. The dog collar is temporarily attached to the assembly between the tool joint and the slips. If the slip fails to hold the tool assembly, the dog collar will prevent the entire assembly from dropping through and being lost in the wellbore.

# Biden's energy agenda raises many questions

By Alex Mills

In just four months after taking office, Joe Biden canceled the Keystone XL oil pipeline, put a hold on leasing federal lands for future exploration, and proposed \$35 billion in new taxes on oil and gas producers.

By year-end, he had accused the oil industry of "price gouging" and instructed the Federal Trade Commission and Department of Justice to investigate. His Environmental Protection Agency issued new regulations on the industry. His Securities and Exchange Commission has proposed new regulations, too.

He has pleaded with members of the Organization of Petroleum Exporting Countries (OPEC) and other countries that consult with OPEC, which includes Russia, to increase oil production. His administration also has had talks with Iran and Venezuela.

In his State of the Union address, Biden said sanctions on Russia would have an impact on energy prices, but made no comments about working with American oil producers to increase domestic oil and gas production.

The Biden administration also implied this week American oil producers are not committed to increasing production because U.S. producers "have 9,000 permits to drill now — they can be drilling right now, yesterday last week, last year," he said Tuesday. "They have 9,000 to drill onshore that are already approved. So let me be clear, let me be clear: they are not using them for production now."

Mike Sommers, President of the American Petroleum Institute, responded: "Just because you have a lease doesn't mean there's actually oil and gas in that lease, and there has to be a lot of development that occurs between the leasing and then ultimately permitting for that acreage to be productive,"

Additionally, many drilling projects are dry holes. Those that are successful are usually in very remote areas and the oil needs to be stored and transported to a refinery before it is fit for consumers. All of this can take a lot of time - up to a year, in many cases - and a lot of money.

Even though the president has pushed an anti-oil agenda, the Energy Information Agency forecasts U.S. production of crude oil and natural gas liquids will increase 1.1 million barrels per day (b/d) in 2022 from 16.5 million b/d to 17.6 million b/d.

Gains could be larger but the industry is coming out of five difficult years where the drilling rig count hit historic lows in 2020 as did employment and oil prices dropping to \$15 per barrel.

Crude oil, natural gas, gasoline and a host of other petroleum products are traded daily on many exchanges around the world. The volumes traded make it very difficult for any group to manipulate price. Prices change up and down daily based on supply and demand.

Biden's energy policy, reflected by his comments and actions, shows he would rather seek more oil from foreign countries rather than encourage and support American companies. Is this because his administration lacks an accurate understanding of the energy industry? Or could it be a political ploy to blame American oil companies for rising prices and away from his energy agenda?

# Energy prices reach 'heightened levels of uncertainty'

By Alex Mills

The war in Ukraine creates great uncertainty and volatility in energy markets across the globe as supplies tighten further and prices rise.

During the past week, crude oil prices in the U.S. rose to \$110 and the average price of gasoline hit \$4.30 per gallon.

The Energy Information Administration (EIA) at the U.S. Department of Energy forecast this week oil price for West Texas Intermediate oil will average \$112 per barrel for the second quarter of 2022. Gasoline will average about \$4.10 during the second quarter, according to EIA. Diesel, jet fuel and home heating oil all increased during the week.

"Our forecast is subject to heightened levels of uncertainty due to various factors, including Russia's further invasion of Ukraine, government-issued limitations on energy imports from Russia, Russian petroleum production, and global crude oil demand," EIA stated. EIA did not mention Covid-19, but it is still around and could make a comeback.

Global oil supplies were tight before Russia invaded Ukraine. Supplies were some 800,000 barrels short of demand. Many countries, including the U.S., have placed sanctions on Russian oil, which exported about 7 million per day (b/d). It is not clear the impact of the sanctions will have on oil supply, but supplies most likely will decline further.

In the U.S., the world's largest oil producing country, oil recovered roughly 1 million b/d in 2021 from the low of 11 million b/d because of the impact of Covid-19. EIA projects another increase of 1 million b/d by year end 2022. If that occurs, U.S. oil production will return to 13 million b/d where it was before the pandemic.

The drilling rig count, which is a key indicator of oil and gas industry activity, has increased 65% since March 2021. The U.S. rig count stands at 663 up from 402 last March 15. Half of the drilling rigs (320) are working in Texas.

Just two years ago the U.S. rig count was just 250 at the beginning of the pandemic. At that time, oil prices plunged into negative territory briefly and averaged \$15 for WTI on the New York Mercantile Exchange.

Price volatility makes planning for the future very difficult. The impact on U.S. exploration-and-production (E&P) companies is especially hard. More than 10,000 privately owned companies with less than 100 employees - often referred to as "mom-and-pop" companies - operate on thin margins.

The industry also consists of some 50 publicly-held E&P companies, which generally have larger budgets, employees and capital expenditures. These companies, often referred to as "independents," do not have refining and marketing operations like ExxonMobil and Chevron.

Over the years independents have struggled to finance their drilling and production operations. The sale of oil and natural gas is the primary source of capital of the privately-held companies. Publicly-held companies have other sources but they are dependent on the price of product, too.

Many companies have implemented hedging to soften the volatility in price either up or down. Hedging contracts are complicated but it is similar to buying an insurance policy to protect the price of future production from going too high or too low.

Reports from companies indicate fewer are securing hedging contracts, and those that are hedging future production are hedging smaller percentage of production. This is an indication these companies anticipate oil prices remaining near current prices.

## Rising petroleum prices cause decline in consumers' confidence

By Alex Mills

Demand for petroleum products continued to grow during February, but consumers are pumping the brakes as prices reached historic highs in March.

Crude oil prices for West Texas Intermediate on the futures market was \$76.08 at the beginning of 2022 and quickly rose to \$91.34 on Feb. 1 and \$119.90 on March 1, according to the Energy Information Administration (EIA). Crude oil closed at \$111.76 on March 22.

Gasoline prices generally follow oil prices. On Jan. 1, the average retail price of gasoline in the U.S. was \$3.381 per gallon and rose to \$3.538 on Feb. 1 and to \$4.196 on March 1, according to EIA. Gasoline average price on March 21 was \$4.239.

U.S. petroleum demand, as measured by total domestic petroleum deliveries, reached the highest level for the month of February since records have been kept which began in 1963 and the highest for any month since August 2005, according to the American Petroleum Institute.

"As a benchmark to before the pandemic, the demand reflected an increase of 6.6% compared to February 2019," API noted. Domestic petroleum deliveries were 21.6 million barrels per day (b/d) in February.

"Other oils" (including naphtha, gasoil, propane, and propylene) that feed refinery and petrochemical operations, including packaging and medical plastics, remained strong, API said.

Motor gasoline increased in February, offsetting monthly decreases in distillates, jet fuel, and residual fuel oil. Consumer gasoline demand, measured by motor gasoline deliveries, was 8.7 million b/d in February. This reflected an increase of 4% month-on-month (m-o-m) but was 3.8% below its level in February 2019.

API said industrial production and broader economic activity have continued to grow sparking the high level of demand.

However, the University of Michigan's consumer sentiment index decreased by nearly 30% to readings of 59.7 in early March and 62.8 in February from a January level of 84.9. "The survey attributed the drop in the index to decreased inflation-adjusted incomes, rising fuel prices, and high year-ahead expected inflation rates. Notably, the February and March readings were at their lowest compared with any point with the pandemic since 2020," API said.

Even though consumers are beginning to react to higher petroleum prices, the EIA believes energy consumption – oil, natural gas, wind and solar – will increase during the next 30 years.

EIA's Annual Energy Outlook 2022 states petroleum and natural gas will remain the most-consumed sources of energy in the US through 2050, but renewable energy will be the fastest growing.

U.S. crude oil production will reach record highs, while natural gas production is increasingly driven by natural gas exports, EIA projects.

"The share of generation from renewable energy sources, such as wind and solar, will rapidly increase over the next 30 years as state and federal policies continue to provide significant incentive to invest in renewable resources for electricity generation and transportation fuels. New technologies will continue to drive down the cost of wind and solar generators, further increasing their competitiveness in the electricity market, even as assumed policy effects lessen over time," EIA said in the report.

## President Biden promises more gas from U.S. to Europe

By Alex Mills

President Joe Biden's energy policy took on new challenges this week when he announced additional exports of U.S. natural gas to Europe to replace imports from Russia.

He forgot to say how, where and when he was going to get an additional 15 billion cubic meters of natural gas. It certainly will not come from his encouragement of domestic producers. He has publicly accused American oil and natural gas companies of "price gouging" and instructed his Federal Trade Commission and Department of Justice to investigate. His chiefs of the federal bureaucracies – Interior, Energy, Securities and Exchange Commission - continue to propose new regulations and restrictions upon the U.S. oil and natural gas industry.

Western Europe depends upon crude oil and natural gas imports from Russia today. Natural gas from Russia provides about 40% of the European Union's energy needs.

Even in the best of political and economic situations it will take years to achieve such mammoth growth.

World Oil magazine said in an editorial headline: "Biden's energy policy buffoonery knows no bounds."

It continued: "In the idle of a major military conflict in Ukraine, with energy supply concerns prevalent throughout Europe, accompanied by high oil prices and rabid inflation at home, U.S. President Joe Biden continues to promulgate an incredibly ignorant energy policy that is rife with ideology and exudes no practicality."

The Wall Street Journal termed it "magical thinking."

"Liquefying gas requires long-term investment and reliable power," WSJ stated in an editorial in its weekend edition. "Facilities can't run on intermittent renewables, and companies won't invest billions of dollars if they think regulators will kill them once a crisis passes."

Much of the 124 billion cubic meters per year of exports that the U.S. can technically ship are tied up in long-term contracts with Asia, WSJ stated.

Europe long resisted signing long-term contracts for U.S. LNG because Russia provided cheap gas.

This hampered U.S. investment in LNG export facilities and is one reason there are 13 approved terminals that could ship 258 billion cubic meters each year that still aren't under construction, the WSJ reported.

Now, Europe is finally agreeing to long-term contracts, but the Administration says it opposes long-term U.S. gas investment.

Europe apparently will receive an estimated 15 billion cubic meters of additional LNG supplies by the end of the year, though it's not clear where it will come from and at what price.

Member states also will work to ensure demand and facilities to take in up to 50 billion cubic meters of American fuel until at least 2030.

Russia ships about 150 billion cubic meters of gas to Europe via pipelines every year, and another 14 billion to 18 billion cubic meters of LNG.

Exports from the U.S. to EU were a record 4.4 billion cubic meters in January. Supplying another 15 billion cubic meters would be "magical" by the end of the year, by the end of next year, or even within the end of Biden's term in office.



# APRIL

*i've got sunshine on a cloudy day*



**2022**

| SUNDAY                                | MONDAY | TUESDAY                   | WEDNESDAY   | THURSDAY                   | FRIDAY                                  | SATURDAY                    |
|---------------------------------------|--------|---------------------------|---|----------------------------|---|-----------------------------|
| 27                                    | 28     | 29                        | 30  | 31                         | 1 April Fools' Day                      | 2                           |
| 3                                     | 4      | 5<br><b>Board Meeting</b> | 6<br><b>Shirley Bridwell</b>                              | 7                          | 8                                       | 9                           |
| 10                                    | 11     | 12                        | 13  | 14<br><b>RSVP Deadline</b> | 15 Good Friday<br>Passover              | 16                          |
| 17<br>Easter<br><b>Barbara Pappas</b> | 18     | 19                        | 20<br><b>Membership Meeting</b><br>Jordan Burgess<br>Moss | 21                         | 22 Earth Day<br><b>Sheila McGaughey</b> | 23                          |
| 24                                    | 25     | 26                        | 27  | 28                         | 29<br><b>Region Meeting</b>             | 30<br><b>Region Meeting</b> |

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## *2022 Central Region Meeting*

April 28 - May 1, 2022 in Wichita Falls, TX

Please reach out to Rena Shaffer or Diana Walker to volunteer. We need you!





# MAY



*i can see clearly now the rain is gone*

**2022**

| SUNDAY             | MONDAY             | TUESDAY                       | WEDNESDAY                       | THURSDAY                   | FRIDAY                       | SATURDAY |
|--------------------|--------------------|-------------------------------|---------------------------------|----------------------------|------------------------------|----------|
| 1                  | 2                  | 3<br><b>Board Meeting</b>     | 4                               | 5<br>Cinco de Mayo         | 6                            | 7        |
| 8                  | 9                  | 10<br><b>Barbara Franklin</b> | 11                              | 12<br><b>RSVP Deadline</b> | 13                           | 14       |
| 15<br>Mother's Day | 16                 | 17                            | 18<br><b>Membership Meeting</b> | 19                         | 20<br><b>Golf Tournament</b> | 21       |
| 22                 | 23                 | 24                            | 25                              | 26                         | 27                           | 28       |
| 29                 | 30<br>Memorial Day | 31                            | 1                               | 2                          | 3                            | 4        |

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*Don't forget to sign up for the annual golf tournament!*

*Forms are available at the back of the bulletin.*

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**Desk and Derrick Club of Wichita Falls  
Membership Meeting**

**April 20, 2022**

*The Forum, 2120 Speedway Avenue*

- Presiding:** Nichole Harney  
Cobra Oil & Gas Corp.
- Invocation:** Shirley Bridwell  
Bridwell Reporting & Consulting
- Introduction of Guests:** Stephanie Jones  
Cobra Oil & Gas Corp.
- Introduction of Speaker:** Sheila McGaughey  
Stephens Engineering
- Program:** Mahmoud Elsharafi, Associate Professor  
Petroleum Department of MSU Texas

**“Water Management in Mature Reservoirs”**

Reservations should be emailed to Diana Walker

Email: [dwalker@sjoc.net](mailto:dwalker@sjoc.net)

or call/text Cell: 940-636-0971 or Office: 940-716-5344

**Reservations Deadline: 4:00 pm—April 14th**

**Cost \$19.00**

**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)



**Desk and Derrick Club**

**April 20, 2022**

**Membership Meeting**

## **Water Management in Mature Reservoirs**

**Speaker: Mahmoud Elsharafi, Associate Professor**

**MSU Texas**

Excess water production has become a major problem of oilfield operations as reservoirs mature. Water production can be as much as 98% of the material brought to the surface for crude oil wells nearing the end of their productive lives. Treatment of water associated with hydrocarbon production is a key goal of Oil Company because production of salt water has resulted in serious environment issues. Excess water production makes a well unproductive and economically inefficient, leading to both an abandonment of early wells and a reduction in hydrocarbon production. In addition, excess water increases costs related to scale, corrosion, water/oil separation, and, eventually, well shut-in. These costs climb as water production increases.

Worldwide, an estimated 210 million barrels of water, accompanied with 75 million barrels of oil, are produced daily; on average, approximately three barrels of water are produced with each barrel of oil. The situation is even worse in the United States, where more than seven barrels of water are produced for each barrel of oil. The annual cost of both treating and removing this water is estimated to be 40 billion U.S. dollars (USD) worldwide. Therefore, water shutoff and conformance control represent a significant financial and environmental challenge for the petroleum industry.

## DESK AND DERRICK CLUB OF WICHITA FALLS

The Desk and Derrick Club of Wichita Falls, Texas is excited to host its Annual Spring Classic Golf Tournament this year on **May 20<sup>th</sup>**!

Desk and Derrick is part of an international non-profit organization who is a premier provider of energy education and professional development with a purpose 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 as well as the companies and global communities the members serve.

Covid restrictions limited our community involvement, but for several years we have sponsored the Mobile Oilfield Learning Unit (MOLU), a hands-on traveling exhibit, for local elementary students. Our members have also given presentations at Region 9 - Texas Living History Day and Desk and Derrick supplied those students with Energy Activity Books.

We continue to provide scholarships annually to four Midwestern State University students majoring in the energy industry. We also donate to Project Back to School, a nonprofit organization that provides free school supply kits, backpacks and uniform shirts for economically disadvantaged children.

We are inviting you and asking for your support, either through golfing or providing sponsorship for our tournament. Players are provided both breakfast and lunch and each golfer receives a door prize! Enclosed are the Golf Tournament Entry form and the Sponsorship form.

Thank you for your support and we look forward to seeing you tee off on May 20th!

Sincerely,

Vickie and Tracy  
Co-Chairman

Desk and Derrick Club Golf Tournament Committee  
Enc.

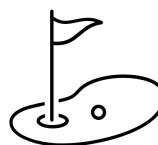
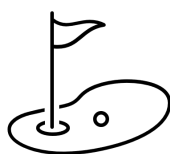
Questions: 940-716-5100

Vickie Young or

Tracy Flynn

[vickie@cobraocg.com](mailto:vickie@cobraocg.com)

[tracy@cobraocg.com](mailto:tracy@cobraocg.com)



**DESK AND DERRICK CLUB  
OF WICHITA FALLS, TEXAS**

**Annual Spring Classic Golf Tournament  
Friday, May 20, 2022**

***The Champions Golf Course at Weeks Park***

4400 Lake Park Drive, Wichita Falls, TX (view at [www.weeksparkgolf.com](http://www.weeksparkgolf.com))  
"North Texas Scramble" with each foursome playing the best ball.  
(only one "A" player per foursome)

**ENTRY FEES:** \$85.00 per person includes green fees, carts, meals, door prizes and mulligans (Limit 2 mulligans per person).  
**\$25.00 Per Team for a Red Tee (Limit 1 per team)**

**TIME:** Be at the course by 8:00 AM for instructions, carts, score cards, etc.  
Shotgun Start - Tee Off at 9:00 AM

**LUNCH:** Provided on course

**GOLF &  
DOOR PRIZES:** *Awards will be given after completion of tournament.*

**DIRECTIONS:** Weeks Park is located at 4400 Lake Park Drive in Wichita Falls between Midwestern Parkway and Southwest Parkway.

Please fill out this form and mail it along with all four (4) entry fees by **MAY 12, 2022** to:

**COBRA OIL & GAS CORPORATION, P.O. Box 8206 Wichita Falls, Texas 76307**  
Please make all checks payable to: **DESK AND DERRICK CLUB OF WICHITA FALLS**

Come out and enjoy the fun! If you have any questions, call Vickie Young or Tracy Flynn at 940-716-5100. Email: [vickie@cobraogc.com](mailto:vickie@cobraogc.com) or [tracy@cobraogc.com](mailto:tracy@cobraogc.com)

**DESK AND DERRICK GOLF TOURNAMENT ENTRY FORM**

**TEAM NAME:** \_\_\_\_\_

| <u>PLAYER NAME</u>                | <u>Entry Fee</u> | <u>Cell Phone #</u> |
|-----------------------------------|------------------|---------------------|
| 1. _____                          | \$ _____         | _____               |
| 2. _____                          | \$ _____         | _____               |
| 3. _____                          | \$ _____         | _____               |
| 4. _____                          | \$ _____         | _____               |
| <u>RED TEE - \$25.00</u> (1/Team) | \$ _____         |                     |
| <b>Total Paid</b>                 | <b>\$ _____</b>  |                     |



# DESK AND DERRICK CLUB OF WICHITA FALLS

## Annual Spring Classic Golf Tournament Friday, May 20<sup>th</sup>, 2022

*The Champions Golf Course at Weeks Park*  
4400 Lake Park Drive, Wichita Falls, Texas

**9:00 am Shotgun Start**

┌ **Breakfast and Lunch provided. Each player gets a door prize.** ┘

### SPONSORSHIP FORM

◇ **\$1,000 Platinum Sponsor**

- ▶ Advertised on all media
- ▶ Tee Box signage

◇ **\$500 Gold Sponsor**

- ▶ Advertised on all media
- ▶ Tee Box signage

◇ **\$250 Silver Sponsor**

- ▶ Advertised on all media
- ▶ Tee Box signage

◇ **\$150 Tee Box Sponsor**

- ▶ Advertised on all media
- ▶ Tee Box signage

◇ **\$\_\_\_\_\_ Donation**

- ▶ Advertised on all media

Name on Sign/Program: \_\_\_\_\_

Company: \_\_\_\_\_ Tel #: \_\_\_\_\_

Street: \_\_\_\_\_ Email: \_\_\_\_\_

City/Town: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Make check payable to **DESK AND DERRICK CLUB OF WICHITA FALLS**

Mail form & payment to:

Cobra Oil & Gas Corporation

P.O. Box 8206

Wichita Falls, Texas 76307

Questions?

Call Vickie Young or Tracy Flynn

940/716-5100

Email: [vickie@cobraogc.com](mailto:vickie@cobraogc.com) or [tracy@cobraogc.com](mailto:tracy@cobraogc.com)

**ASSOCIATION OF DESK AND DERRICK CLUBS  
2022 COMMITTEE CHAIRS AND REPRESENTATIVES**

| Committees   | Chairman           | Board Contact    | Sam Thomas         | Jamie Sabata     | Kathy Martin   | Ingrid Burton         |
|--|--------------------|------------------|--------------------|------------------|----------------|-----------------------|
|  |                    |                  | Northeast Region   | Central          | Southeast      | West                  |
| <b>STANDING</b>  |                    |                  |                    |                  |                |                       |
| Club Bylaws  | Judi Adams         | Wendy Sparks     | Lynda Middlecalf   | Terry Ligon      | Margie Steed   |                       |
| Guidelines Review  | Rena Shaffer       | Wendy Sparks     |                    | Rena Shaffer     |                |                       |
| Education/Certification                                      | Philana Thompson   | Philana Thompson |                    | Michelle Burgard | Evelyn Green   | Heather Woods         |
| Finance Review   | Keith Atkins       | Evelyn Green     |                    | Rena Shaffer     |                | Linda Rodgers         |
| Membership   | Evelyn Green       | Philana Thompson |                    |                  | Cindy Miller   |                       |
| Program  | Audra Horton       | Philana Thompson |                    | Diana Walker     | Judi Adams     | Audra Horton          |
| Public Relations   | Helen Trujillo     | Barbara Pappas   |                    |                  |                |                       |
| Rules  | Judi Adams         | Philana Thompson |                    | Terry Ligon      | Judi Adams     |                       |
| Tax Exempt - US  | Shelly Hildebrandt | Heather Woods    |                    |                  | Angela Cutrera |                       |
| Tax Exempt - CDN   | Wanda Guenther     | Heather Woods    |                    |                  |                |                       |
| <b>SPECIAL</b>   |                    |                  |                    |                  |                |                       |
| Contest  | Esther Greyeyes    | Evelyn Green     |                    | Ann Mefford      | Judi Adams     | Pam Garcia            |
| Leadership - Strategic Planning, Long Range Planning, GAME   | Barbara Pappas     | Evelyn Green     |                    |                  |                |                       |
| Marketing - Publications, Insight, Social Media, Trade Shows | Helen Trujillo     | Barbara Pappas   |                    |                  |                |                       |
| Nominating*  | Terry Ligon        | Evelyn Green     | Vice- Donna Siburt |                  |                | Member- Regina Garner |
| Registrar Committee  | Connie Bass        | Wendy Sparks     | Kelli Hiltbrand    | Kay McKinley     | Angie Convers  | Wanda Guenther        |
| Technology   | Nell Lindenmeyer   | Evelyn Green     |                    |                  | Evelyn Green   |                       |
| 2022 GAC (NE)  | Penny Jacobs       | Philana Thompson |                    |                  |                |                       |
| 2023 GAC (West)  | Philana Thompson   | Barbara Pappas   |                    |                  |                |                       |
| 2024 GAC (Central)   |                    | Philana Thompson |                    |                  |                |                       |

