

DESK AND DERRICK DATELINE



July, 2022
Volume 71, Issue 7

"Builders of the Falls and MSU Texas"

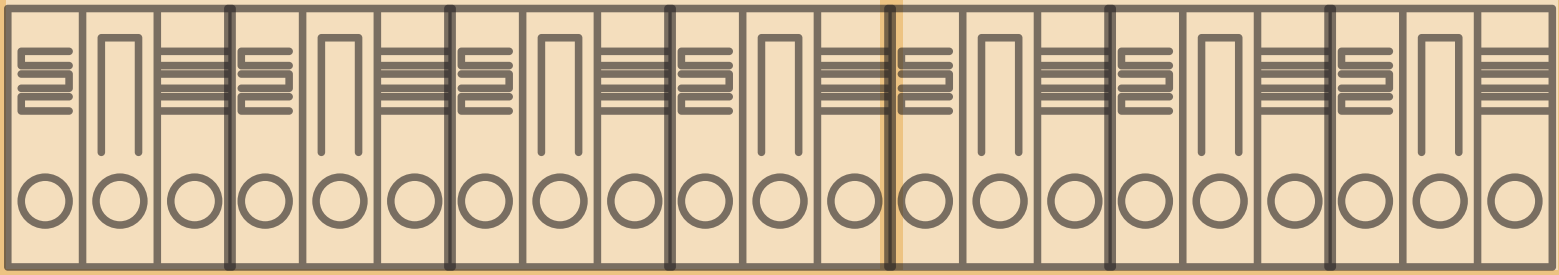
Dr. Jeff Stambaugh, Dean of Dillard College at MSU Texas, will be bringing their "Builders of the Falls" series to our July meeting. He will be customizing his already existing research to feature energy companies that built Wichita Falls.

RSVPs are due to Diana by July 14 at 4 pm.

Don't miss this meeting!

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Club Purpose

The purpose of the club shall be to promote the education and professional development of individuals employed in or affiliated with the petroleum, energy, and allied industries and to educate the general public about these industries.

Club Motto

Greater Knowledge - Greater Service

Official Colors

Black and Gold

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

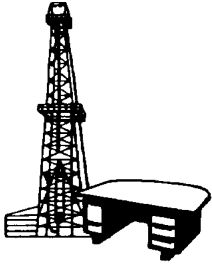
Things have finally calmed down for our club, but wow has the heat turned up outside!

A few weeks ago, our education committee organized a wonderful seminar presented by Ben Hoover and Grant Rogers surrounding the sometimes difficult topic of life and legacy planning. Several members and their guests were in attendance and I'm sure they received incredibly valuable information. Sheila has prepared a fantastic write-up of the seminar which is included in this bulletin.

Looking ahead, our committees are hard at work behind the scenes. The IAD Committee is making arrangements for a speaker and getting all their ducks in a row prior to releasing any information. The Education committee is making inquiries for the fall semester. So while not a lot of big things are happening, a lot of small things are happening to set up for big things that will be happening later in the year.

There will be opportunities for you to help when these events and activities are finalized so be on the watch for those details in the coming months.

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

One Year Director
716-5100

Vickie Young

Two Year Director
716-5100

Diana Walker

Immediate Past
President
716-5344

Rena Shaffer

Parliamentarian
234-3307

July 2022

HAPPY FOURTH OF JULY! I hope everyone had a fun and safe weekend. Fireworks, BBQ and a free country, what else could an American ask for?!

The ADDC Convention package is out on the website and has been emailed out to everyone. If you haven't received a copy, please let me know and I will send you a copy.

Speaking of the ADDC Convention, it was brought to the Board to possibly bring back the opportunity to offer 3 members a chance to attend the ADDC Convention and Educational Conference in Washington, Pennsylvania on September 21-25, 2022. The Club would pay for the member's registration and one field trip fee. The members who apply would need to be a member in good standing and have attended at least eight (8) meetings in the previous twelve (12) months, and the member would need to fall under one of these three (3) set criteria listed below to participate.

- 1) Receives no financial support from their employer
- 2) Retired
- 3) New Member – who has become active and attending many of the educational and/or meetings since joining the club

We will discuss this further at the July membership meeting to see if the membership would like to see this opportunity brought back.

As you might remember the Nominating Committee was changed in our Bylaws last year and the Committee will be the past 3 presidents. The 2022 Nominating committee is 2020 Diana Walker, 2019 Rena Shaffer and 2018 Barbara Pappas and they will soon be searching through our membership for willing members to serve on the Board of Directors for 2023. If you would like to serve on the 2023 Board of Directors, please let these ladies know. This is a great way to learn about your club and fellow members.

The October Appreciation Banquet isn't too far around the corner, and I know the IAB Committee is already working hard. The October Luncheon has had a date change and is now scheduled for October 18th, please make a note on your calendar so you won't miss this meeting to celebrate our industry.

Our July membership meeting speaker will be Dr. Jeff Stambaugh with Midwestern State University, dean of Dillard Business, whose topic will be "Oil and Gas Businesses that have shaped Wichita Falls over the last 100 year". Please contact Diana Walker at (DWalker@sjoc.net) to make your reservation to join us for this interesting program. Hope to see you all at The Forum on July 20.

Nichole Harney



Philana Thompson

2022 ADDC President

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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

PARLIAMENTARIAN

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

July 2022

We officially have a slate of candidates for the 2023 term. You can find the nominations forms on our website at <https://addc.org/news/>

President-Elect	Wendy Sparks, Oklahoma City Club
Treasurer	Kathy Martin, Lafayette Club
Secretary	Jamie Sabata, Liberal Club
	Heather Wood, Farmington Club

The deadline to register for convention is fast approaching, the sooner you get registered the easier it makes for planning. You can find the registration packet on our website at <https://addc.org/upcoming-conventions/#!event/2022/9/21/70th-annual-addc-convention-pittsburgh-pa>

The 1st quarter financials will be sent out to membership by the end of this month. Thank you for your patience, with the world gearing back up some of our jobs are becoming more demanding.

We are currently at 684 members, which meets our annual goal of 675, however, this is still a decline from last year. Not only should we be brainstorming for ideas to get members, but also membership retention.

This website <https://memberclicks.com/blog/increase-membership/> has 50 ways to increase membership! When it comes to membership retention this website also has great information <https://www.springly.org/en-us/blog/member-retention/>. The internet has a vast number of tools to retain and gain members, be sure to share those ideas with your club, region and association.

Prayers and Blessings!
Philana Thompson
pthompson@merrion.bz



Jamie Sabata

2022 Central Region Director
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Board of Directors

PRESIDENT
Philana Thompson
Merrion Oil & Gas Corporation

PRESIDENT ELECT
Barbara Pappas
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SOUTHEAST REGION
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Kathy Martin
Acadian Ambulance Service,
Inc

WEST REGION DIRECTOR
Ingrid Burton

July 2022

Happy 4th of July!!! Hope you all have a fun and safe holiday! My hubby and I are spending our holiday weekend in the New Mexico mountains and we sure hope it's cooler there than Kansas! Ha!

Great news! All the club TAXE1 forms and 990N Epostcard filings were received for Central Region! Thank you club presidents and treasurers!

Convention registration packets have been sent out. So book your flights and pack your bags! So excited to be able to attend convention this year, especially since it had to be cancelled due to Covid in 2020 and a hurricane in 2021. I'm hoping many of our region members will attend to represent our awesome region! It's going to be amazing with all the planned field trips and of course, seeing all the ADDC members from the other regions. Most importantly, it will be time to elect the 2023 ADDC officers.

The ADDC Nominating Committee is pleased to announce the following candidates for 2023 ADDC Officers:

President-Elect	Wendy Sparks, Oklahoma City Club
Treasurer	Kathy Martin, Lafayette Club
Secretary	Jamie Sabata, Liberal Club
	Heather Woods, Farmington Club

Important dates to remember:

- July 15 - Proposed Central Region Bylaws Vote - Club votes due date has been extended from July 1 to July 15 due to a proposed amendment to Proposed Amendment #2. Please get club votes in by the 15th
- September 21-25, 2022 - 2022 ADDC Convention

Have a safe, blessed and wonderful July!

Love, Light & Blessings,
Jamie Sabata
Love, Light & Blessings,

"I'm About to Go Out and Raise Some Scalp"

By Lauren Barrientos

We had the pleasure of hearing from Terry Caves at our June 2022 meeting. Mr. Caves is a wonderful speaker and has a passion for sharing his industry related knowledge. Terry is a University of Oklahoma PLM graduate. He is an AAPL certified professional landman and has experience with major multinational oil companies, mid-majors & for the last 14 years has worked for a family-owned oil and gas company. He is well versed in all aspects of oil & gas land work, contracts & agreements.

He began by touching on the pandemic and how it affected the industry. Did you know that historically a pandemic occurs once per generation? The COVID-19 pandemic caused the WTI crude price to drop by 306 % in April 2020 to a record breaking NEGATIVE \$33.67!!

He went on to say that during times of trouble making sure that you "keep your leases alive" is imperative to avoiding any further problems. There are things that can happen if you're unable to rework a well, or you're having trouble finding equipment. Deadlines can be difficult to meet. The lease language offers some relief for various instances that are beyond our control. We learned that one of the many clauses to make sure to include in your oil & gas leases is the Force Majeure clause. Force majeure, by definition, is an unforeseeable circumstance that prevents someone from fulfilling a contract. If something has happened beyond the operator's control - the lease can be sustained with the inclusion of a force majeure clause.

Other savings provisions include a continuous drilling clause-when you're drilling wells on a new oil and gas lease and drill a dry hole- this clause gives you a time frame to continue drilling to keep the lease alive. The shut-in royalty clause - if you shut a well in it must have produced gas or have been capable of producing gas in paying quantities. If you run pipe in it and do not perforate or frack it-it's not capable of producing anything, so in those cases, to protect yourself you have shut-in language in your leases.

There is also a dry-hole clause that allows an extra 60-90 day extension to drill another well if your first was a dry hole. Cessation of production/rework clause-probably one of the most important issues right now. If you had a problem getting the equipment needed to continue production-this clause will allow you 60 to 90 days to reestablish production. The pooling clause is an opportunity to reach across lease lines-usually involves a lot of acreage and landowners. The pooling clause affords the ability to scoop in more acreage with lower expenditures.

When they started drilling the wells in the Barnett Shale were \$25-\$50 an acre. The leases offered a 5-year extension with a 1/8th royalty. When you have a lease with those terms and the prices start going up to \$2,000/acre you want to make sure and maintain those leases and not lose them to time restrictions and things out of our control.

In closing - try to remember the Four Corners rule when dealing with contractual agreements. The term "four corners" refers to the four corners of a document. Basically, it implies that the only legal parts of the contract are within the four corners of a page. If there is evidence that exists outside of these four corners, they cannot be used in court if they directly contradict the terms of the written contract.



Petroleum supplies increase but demand remains strong forcing upward pressure on price

By Alex Mills

Crude oil and natural gas prices remain strong as market conditions indicate supply will be unable to meet rising demand.

Brent crude oil increased to \$120 per barrel this week and West Texas Intermediate settled at \$119 on the New York Mercantile Exchange on June 8. Natural gas spot price topped \$9 per million British thermal units.

There are some signs that supply may be on the rise in the future. OPEC+ said it will increase production quotas by 648,000 barrels per day. Also, the U.S. drilling rig count continues to rise as does expectations of oil and natural gas production.

The Energy Information Administration at the U.S. Department of Energy releases its latest forecast this week that world production of petroleum and other liquids reached 99.5 million barrels per day (b/d) in May, which is within 1% of pre-pandemic level of March 2020.

EIA also noted rising production in the U.S. as crude oil and other liquids averaged 19.9 million b/d in May, which is within 3% of the record high production level recorded in January 2020 of 20.5 million b/d.

Questions remain about OPEC's ability to meet the new production targets. Recently, some OPEC members had trouble meeting previous production targets, and Saudi Arabia appears to be the only member able to increase production significantly.

Russia, which is a member of the OPEC+ group, produced some 11 million b/d and exported 7 million b/d before its invasion of Ukraine in February. The U.S. and the European Union have imposed sanction on exports from Russia. EIA estimates oil production from Russia will decrease to 9.3 million b/d in 2023 fourth quarter.

"Our forecast reflects the EU's announcement that that it will impose its crude oil import ban in 6 months," EIA stated. "We assume that about 80% of the crude oil subject to the EU import ban will find alternative buyers, mainly in Asia. Our forecast does not reflect restrictions on shipping insurance, as details regarding such restrictions were not available when we finalized this forecast on June 2. The possibility that these sanctions or other potential future sanctions reduce Russia's oil production by more than expected creates upward risks for crude oil prices during the forecast period."

Low oil inventories amplify the potential for oil price volatility. EIA reported this week U.S. oil inventories of 416 million barrels up 2 million barrels from last week but down 57 million barrels from last year. EIA said oil stock in the Organization for Economic Cooperation and Development (OECD) will stay below the five-year average levels until fourth-quarter 2023.

EIA forecasts US refinery utilization to average 94% in third-quarter 2022, up from 89.5% in first-quarter 2022 and 93% in second quarter, as a result of high wholesale product margins.

"Despite our expectation that refinery utilization will be at or near the highest levels in the past 5 years, operable refinery capacity is about 900,000 b/d less than at the end of 2019, and as a result, we do not expect total refinery output of products to reach its highest level in the past 5 years. Although we expect high refinery utilization will help bring wholesale margins down from record levels," EIA said.

President Biden faces shortages in his energy policy

By Alex Mills

Just 18 months ago Joe Biden took the oath of office as President of the United States of America and began releasing the full power of the federal bureaucracy to change the nation's energy industry. He vowed to rid America's power grid from fossil fuels with "clean energy."

Day one he nixed the construction of the Keystone XL pipeline. Later came changes in the leasing of federal lands for oil and gas exploration. EPA proposed new regulations on oil and gas wells. SEC wants more information from companies about how they are addressing environmental, social and governance (ESG) issues.

Shortly after Biden's inauguration in January 2021, crude oil prices began to rise from \$50 per barrel to \$70 by summer to \$90 in January a year later and \$120 today. Gasoline followed going from \$2.40 per gallon in January 2021 to \$5 today.

Rising energy prices fueled inflation, which has resulted in a decline in Biden's approval rating.

His response has been verbally attack oil producers and refiners, the very industry he needs to create more supplies of petroleum products to soften prices.

The "quick fix" that the president is seeking doesn't exist, and it involves many moving parts to increase supply in an effort to meet rising demand internationally.

The International Energy Agency (IEA) forecasts world oil demand will expand by 2.2 million barrels per day (b/d) to 101.6 million b/d in 2023, surpassing pre-pandemic levels.

IEA also expects oil demand in China will increase in the future as its economy expands after lockdown from Covid-19.

Increasing oil supplies will be critical to meet rising demand. IEA said tighter sanctions against Russia by the U.S. and European Union could result in less oil available for consumption. EU countries have agreed to ban 90% of the bloc's imports of Russian crude and oil products, to be phased out over the next 6-8 months.

OPEC said it is increasing production quotas, but questions remain if it will be able to meet those goals. Already Libya has said it will shut-in 1 million b/d because of conflicts within the country.

IEA said production from non-OPEC+ sources, led by the US, is set to lead world supply growth through next year, adding 1.9 million b/d in 2022 and 1.8 million b/d in 2023.

Global refining capacity is set to expand by 1 million b/d in 2022 and 1.6 million b/d in 2023, boosting throughputs by 2.3 million b/d and 1.9 million b/d, respectively, IEA forecasts.

Refineries in the U.S. are running at full capacity, but inventories continue to be below the 5-year average for crude oil and distillates.

President Biden's attempt to solve his political problem of high gasoline prices with political rhetoric will not solve his economic problem of shortages of oil and petroleum supplies.

President Biden seeks suspension of federal gasoline tax

By Alex Mills

President Joe Biden proposed a 90-day suspension of the federal gasoline tax this week, and it was promptly met with skepticism by many members of Congress and economists. It's an idea that has been around for many years. Former President Obama called it a "gimmick" in 2008.

The proposal, which must be enacted by the U.S. House and Senate, is estimated to lower gasoline prices by about 3% at today's price.

However, gasoline prices were already retreating, according to the Wall Street Journal.

"American drivers are starting to buy less gasoline as they feel the economic burden of record prices that continue to hover near \$5 a gallon," the WSJ reported this week. "In the first full week of June, gasoline sales at U.S. stations were down about 8.2% compared with the same week last year—the 14th consecutive week that sales have lagged behind 2021 levels, according to surveys by energy-data provider OPIS."

The President accused oil companies of not increasing drilling and oil production on Wednesday. However, data from the Baker Hughes Rig Count shows the number of drilling rigs has increase 54% in the U.S. from 470 a year ago to 740 this week.

Oil production has increased, too. Energy Information Administration data puts U.S. oil production up 700,000 barrels per day, or 6%, as of March, the most current production figures available.

President Biden claimed oil companies were greedy because they were using capital to buyback their stock rather than using capital for exploration and production.

"The market typically perceives a buyback as a positive indicator for a company, and the share price often shoots up following a buyback," according to Investopedia.

"A firm's management is likely to say that a buyback is the best use of capital at that particular time. After all, the goal of a firm's management is to maximize return for shareholders, and a buyback typically increases shareholder value," Investopedia stated.

Biden also criticized refiners. He wants refineries to produce more gasoline, but refineries in the U.S., which have maximum capacity of around 17 million barrels per day, are working at 94% capacity.

American oil producers and refiners were not the only targets on Wednesday. He blamed Vladimir Putin, too, for raising oil prices. Actually, Putin did not raise oil prices. Prices increased following the implementation of sanctions by the U.S. (President Biden) and other countries on oil produced in Russia following the invasion of Ukraine in February. The sanctions on Russian oil indicated to global oil traders that supplies of oil were going to be reduced and demand was going to continue upward. When supply weakens and demand strengthens prices escalate.

President Biden never talked about supply-and-demand issues during his announcement Wednesday.

His negative comments about an American industry, and even accusing their business practices as being un-American, are counterproductive.

Biden should embrace American workers and encourage them instead of threatening them with additional rules and regulations.

Global demand forecast indicates more pressure on prices for petroleum products

By Alex Mills

As global economies came out of the coronavirus pandemic, demand for petroleum products escalated quickly and supplies of crude oil could not keep pace. Prices rose as did inflation.

A report from the International Energy Agency (IEA) forecasts an additional increase in demand worldwide, and volatility in global crude oil markets will result in continued pressure on price. IEA's Oil Market Report says global demand will rise in 2023 to 101.6 million barrels per day (b/d), which is an increase of 2.2 million b/d.

IEA speculates growth in demand but higher prices will begin to force consumers to cut back and prices will soften.

If inflation continues to rise, some economists predict recession could set in, which would have a negative impact on demand.

However, IEA expects China's economy will expand 2.2 million b/d next year as sectors return after encountering lockdown during the first half of this year.

On the supply side, many questions arise concerning Russia, which produced some 11 million b/d and exported some 7 million b/d before its invasion of Ukraine. Russia's neighboring countries, many which are members of the European Union and/or the North Atlantic Treaty Organization, and the U.S. imposed sanctions on the export of Russian oil. However, it is undetermined as to the effectiveness of the sanctions. Reports indicate Russia has reached agreements to sell oil to China and India at discounted prices.

Russia is also a part of OPEC+, which makes the supply situation even more complicated. OPEC+ was organized at the beginning of the pandemic when demand for petroleum crashed, and countries that exported oil wanted to reduce supplies to help stabilize price. Russia, and several other oil exporting countries who were not members of OPEC, agreed to work with the members of OPEC to reduce supplies. Russia's invasion of Ukraine and the resulting sanction on its oil exports has complicated Russia's commitments under its agreement with OPEC.

OPEC members seem to be having problems meeting their own production quotas.

IEA projects a 1.9 million b/d increase in oil production this year and 1.8 million b/d in 2023 in the U.S.

Global refining capacity to increase 1 million b/d this year, but product markets will remain tight for diesel, kerosene, jet fuel and gasoline.

"As the refinery maintenance season winds down in the US, Europe, and Asia and a rebound in Chinese throughputs gathers pace, global refinery activity is set for a solid recovery," IEA stated.

IEA said stocks of middle distillates have fallen by 25% since January 2021 to their lowest levels since 2004.

"That very limited cushion is driving middle distillates prices to record highs, with a knock-on effect for other products which could cause more pain at the pump just as pent-up demand is unleashed during the peak driving and summer cooling season," IEA said.

-30-

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



JULY

vacation, all i ever wanted

2022

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
26	27	28	29	30	1	2 Nelva White
3	4 Independence Day	5	6	7 Paige Baumer	8	9 Annaliese Hancock
10	11	12 Board Meeting	13	14 RSVP Deadline	15	16
17	18	19	20 Membership Meeting	21	22	23
24	25	26	27 Casie Mass	28	29	30
31						

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This Month



2022

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
31	1	2	3	4	5	Doris Sterling
7	Betty Wilson	Board Meeting	10	RSVP Deadline	12	13
14	15	16	Membership Meeting	18	19	20
21	22	23	24	25	26	27
28	29	30	31	1	2	3

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next month

Leaving a Legacy...

A guide to life and legacy planning

Seminar — June 27, 2022

Presented by: Ben Hoover and Grant Rogers



Submitted by: Sheila McGaughey

What is a legacy? Webster's dictionary defines legacy as: a gift of property, especially personal property, as money, by will; a bequest. What if you should die tomorrow or become incapacitated—what happens to your estate? This is not something that is easy to think about at all. Everything that you have worked so hard for in your lifetime, could possibly be turned over to the state for distribution to your relatives. Having an estate planned is about one of the most important things you can do for your loved ones. It is, however, a task that many of us don't want to think about. We think we'll take care of it when we are older or have more time, or for some of us, it is "I'll get around to it". It is never too early to start planning, but you can wait too late. Estate planning is an important strategy for arranging financial affairs and protecting your heirs. When you hear the word "estate", you might think of mansions, huge stock portfolios, art and antiques, lavish jewelry, or fat bank accounts. But estate planning isn't just for the wealthy or elderly. Everyone, regardless of your financial status or age, can benefit from having an estate plan in place.

On June 27th, we had the privilege of having a seminar on estate planning presented by Ben Hoover and Grant Rogers of Hoover Rogers Law, LLP and they brought some especially important facts concerning estate planning to light. The first question they asked us was "What brought you here today?". The sentiment around the room was: 1) peace of mind, 2) knowing that our loved ones would not bear the burden of settling our estate, and 3) taking care of the estate of our elderly parents.

What is estate planning?

Your estate is essentially everything you own, including your home or other property, car, bank accounts, investments, life insurance, furniture, and personal possessions. It is a written record of your wishes and intentions. It expresses your final say on how those things will be distributed to your family or organizations.

If you do not make these decisions and designations while you are alive and able, state law and probate courts will make them for you after you're gone, and it may not be to your choosing.

Estate planning saves time and money.

If you die intestate (without a will), the probate court takes jurisdiction over your estate, appoints an administrator and determines what happens to your property, bank accounts, securities, assets, and even the guardianship of your minor children based on the intestacy laws in your state. It can lead to long court battles, delay property distributions, and result in substantial expense for your heirs and beneficiaries.

One way to avoid all this is to have a will in place that names an executor of your estate. You will also need to make sure all of your investment accounts (IRAs, 401ks or other brokerage accounts) have the correct beneficiaries listed.

Estate planning avoids big taxes.

Estate taxes are assessed on and paid by a deceased person's estate. There are ways to ensure your property passes on to your heirs without the state or federal government taking an enormous chunk of it first: you can set up trusts, make irrevocable gifts, or establish joint accounts. All these effectively remove assets from your estate.

Estate planning will protect your minor children.

No one likes to think of something happening to take us away from our children, it is an extremely uncomfortable topic. If you and your spouse die, or you die without a surviving spouse, what will happen to your children?

Without an estate plan, the probate court will appoint a legal guardian for them—typically, a family member, such as a grandparent. If a minor child has no surviving family members and a third party doesn't step forward, the child could become a ward of the state and enter the foster care system. It is extremely important that you have the *final* say as to who will raise your children.

What is a Will?

A will is a legal document that coordinates the distribution of your assets after death and can appoint guardians for minor children. A will generally includes: Designation of an executor—who carries out the provisions of the will; beneficiaries—those who are inheriting the assets; instructions for how and when the beneficiaries will receive the assets. Assets that pass through the will must undergo the probate process.

What is Probate?

Probate is a legal process for settling an estate, whether you have a will or not. The probate process varies by state. It can be very costly and time consuming. They stated that with a probate you will have executor's fees, attorney's fees, appraiser's fees, bond premiums, creditors and filing fees. It is a very slow process. They defined probate as "A lawsuit you file against yourself, with your own money, for the benefit of your creditors."

Probate:

"A lawsuit you file against yourself, with your own money, for the benefit of your creditors."

One of our guests proposed the question: "When a spouse dies and there is still a surviving spouse, do you need to have the will probated?" The answer was no, you do not need to probate the will if there is a surviving spouse.

Probate can be avoided all together by having everything in a trust—that way there's nothing to probate.

What is a Trust?

A trust is as fiduciary arrangement that allows a third party, or trustee, to hold assets on behalf of your beneficiaries. A trust can usually avoid probate. It is also beneficial for your beneficiaries to gain access to your assets more quickly than they might with assets being transferred using a will. Assets in a trust may also be able to pass outside of probate, saving time, court fees, and potentially reducing estate taxes.

Revocable Trust: Also referred to as a living trust. A revocable trust can help assets pass outside of probate yet allows you to retain control of the assets during your lifetime. It is flexible and can be dissolved at any time, should your circumstances or intentions change. A revocable trust typically becomes irrevocable upon the death of the grantor.

Irrevocable Trust: An irrevocable trust typically transfers your assets out of your estate and potentially out of the reach of estate taxes and probate but cannot be altered by the grantor after it has been executed. Therefore, once you establish the trust, you will lose control over the assets and you cannot change any terms or decide to dissolve the trust.

The bottom line is the careful use of wills, trusts, or both, can assure your assets and possessions end up where you want them to go.

What is a Medical Directive?

A medical directive is a legal document that contains instructions concerning your health care. If a person becomes incapacitated, they may not be able to make and communicate their own decisions about medical treatment. One example they presented to us was in setting up a DNR (do not resuscitate) order. You may be thinking that this is something to set up once you are older, but every adult should have one. A person can become too ill to make their own healthcare decisions, for example, if you were in a serious accident. A medical directive is also known as a living will, advance healthcare directive, or power of attorney for healthcare.

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It's true, life is full of surprises and there is no guarantee of tomorrow. Estate planning helps you to plan on who will own or manage your assets when you are alive (incapacitated) or after death. In turn, the beneficiaries have their burden reduced as the transfer and other taxes are reduced, which reduces the amount of money being taken away from the estate. After hearing everyone's testimonials and learning of the pitfalls that can occur without the proper plan in place, you can bet I am reviewing my plan of action. So, now I will ask you, "How will you leave your legacy?"

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Leaving a Legacy...

A guide to life and legacy planning

Seminar — June 27, 2022

Presented by: Ben Hoover and Grant Rogers



Submitted by: Sheila McGaughey

What is a legacy? Webster's dictionary defines legacy as: a gift of property, especially personal property, as money, by will; a bequest. What if you should die tomorrow or become incapacitated—what happens to your estate? This is not something that is easy to think about at all. Everything that you have worked so hard for in your lifetime, could possibly be turned over to the state for distribution to your relatives. Having an estate planned is about one of the most important things you can do for your loved ones. It is, however, a task that many of us don't want to think about. We think we'll take care of it when we are older or have more time, or for some of us, it is "I'll get around to it". It is never too early to start planning, but you can wait too late. Estate planning is an important strategy for arranging financial affairs and protecting your heirs. When you hear the word "estate", you might think of mansions, huge stock portfolios, art and antiques, lavish jewelry, or fat bank accounts. But estate planning isn't just for the wealthy or elderly. Everyone, regardless of your financial status or age, can benefit from having an estate plan in place.

On June 27th, we had the privilege of having a seminar on estate planning presented by Ben Hoover and Grant Rogers of Hoover Rogers Law, LLP and they brought some especially important facts concerning estate planning to light. The first question they asked us was "What brought you here today?". The sentiment around the room was: 1) peace of mind, 2) knowing that our loved ones would not bear the burden of settling our estate, and 3) taking care of the estate of our elderly parents.

What is estate planning?

Your estate is essentially everything you own, including your home or other property, car, bank accounts, investments, life insurance, furniture, and personal possessions. It is a written record of your wishes and intentions. It expresses your final say on how those things will be distributed to your family or organizations.

If you do not make these decisions and designations while you are alive and able, state law and probate courts will make them for you after you're gone, and it may not be to your choosing.

Estate planning saves time and money.

If you die intestate (without a will), the probate court takes jurisdiction over your estate, appoints an administrator and determines what happens to your property, bank accounts, securities, assets, and even the guardianship of your minor children based on the intestacy laws in your state. It can lead to long court battles, delay property distributions, and result in substantial expense for your heirs and beneficiaries.

One way to avoid all this is to have a will in place that names an executor of your estate. You will also need to make sure all of your investment accounts (IRAs, 401ks or other brokerage accounts) have the correct beneficiaries listed.

Estate planning avoids big taxes.

Estate taxes are assessed on and paid by a deceased person's estate. There are ways to ensure your property passes on to your heirs without the state or federal government taking an enormous chunk of it first: you can set up trusts, make irrevocable gifts, or establish joint accounts. All these effectively remove assets from your estate.

Estate planning will protect your minor children.

No one likes to think of something happening to take us away from our children, it is an extremely uncomfortable topic. If you and your spouse die, or you die without a surviving spouse, what will happen to your children?

Without an estate plan, the probate court will appoint a legal guardian for them—typically, a family member, such as a grandparent. If a minor child has no surviving family members and a third party doesn't step forward, the child could become a ward of the state and enter the foster care system. It is extremely important that you have the *final* say as to who will raise your children.

What is a Will?

A will is a legal document that coordinates the distribution of your assets after death and can appoint guardians for minor children. A will generally includes: Designation of an executor—who carries out the provisions of the will; beneficiaries—those who are inheriting the assets; instructions for how and when the beneficiaries will receive the assets. Assets that pass through the will must undergo the probate process.

What is Probate?

Probate is a legal process for settling an estate, whether you have a will or not. The probate process varies by state. It can be very costly and time consuming. They stated that with a probate you will have executor's fees, attorney's fees, appraiser's fees, bond premiums, creditors and filing fees. It is a very slow process. They defined probate as "A lawsuit you file against yourself, with your own money, for the benefit of your creditors."

Probate:

"A lawsuit you file against yourself, with your own money, for the benefit of your creditors."

One of our guests proposed the question: "When a spouse dies and there is still a surviving spouse, do you need to have the will probated?" The answer was no, you do not need to probate the will if there is a surviving spouse.

Probate can be avoided all together by having everything in a trust—that way there's nothing to probate.

What is a Trust?

A trust is as fiduciary arrangement that allows a third party, or trustee, to hold assets on behalf of your beneficiaries. A trust can usually avoid probate. It is also beneficial for your beneficiaries to gain access to your assets more quickly than they might with assets being transferred using a will. Assets in a trust may also be able to pass outside of probate, saving time, court fees, and potentially reducing estate taxes.

Revocable Trust: Also referred to as a living trust. A revocable trust can help assets pass outside of probate yet allows you to retain control of the assets during your lifetime. It is flexible and can be dissolved at any time, should your circumstances or intentions change. A revocable trust typically becomes irrevocable upon the death of the grantor.

Irrevocable Trust: An irrevocable trust typically transfers your assets out of your estate and potentially out of the reach of estate taxes and probate but cannot be altered by the grantor after it has been executed. Therefore, once you establish the trust, you will lose control over the assets and you cannot change any terms or decide to dissolve the trust.

The bottom line is the careful use of wills, trusts, or both, can assure your assets and possessions end up where you want them to go.

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**Desk and Derrick Club of Wichita Falls
Membership Meeting
July 20, 2022**

The Forum, 2120 Speedway Avenue

- Presiding:** Nichole Harney
Cobra Oil & Gas Corp.
- Invocation:** Barbara Pappas
Cobra Oil & Gas Corp.
- Introduction of Guests:** Tracy Flynn
Cobra Oil & Gas Corp.
- Introduction of Speaker:** Jordan Jackson
Cobra Oil & Gas Corp.
- Program:** Jeff Stambaugh
MSU-Texas, Dean of the Dillard College
of Business Administration

**“Oil and Gas Businesses that have shaped Wichita Falls
over the last 100 years”**

Reservations should be emailed to Diana Walker
Email: dwalker@sjoc.net
or call/text Cell: 940-636-0971 or Office: 940-716-5344
Reservations Deadline: 4:00 pm—July 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)

