

# DESK AND DERRICK DATE-LINE

The Monthly Newsletter for the  
Desk And Derrick Club of Wichita Falls, Texas

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JULY 2023—VOLUME 73—ISSUE 7

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## ‘Welcome Home’

Veterans honored with special trip to nation’s capital

*EDITOR’S NOTE: D. Alex Mills enlisted in the U.S. Army Security Agency in 1966 and was discharged in 1970. He lives in Wichita Falls, Texas, but he has family in the Kalamazoo, Michigan area. Through his family’s non-profit O’Leary Foundation, Mr. Mills was asked to participate in an honor flight. This is his report.*

By D. Alex Mills

On a chilly Saturday morning in May, I had the honor and pleasure of accompanying 87 other veterans on an honor flight to the nation’s capital.

The emotional journey, organized by Talons Out Honor Flight, began at 4:30 a.m. with our arrival at Kalamazoo, Michigan Airport. Amazingly, some people were there and cheered and shook our hand during our arrival.

We registered, got our picture taken, got a sack breakfast, and waited to board the airplane for the nation’s capital. About an hour later a young lady announced that we were ready to board our chartered flight courtesy of American Airlines, but first we were going to sing the national anthem. As we began to sing, some saluted, others removed their caps and placed them over their heart and everyone sang together. Very moving.

Most of the veterans – 74 – served during Vietnam and 11 served during Korea and 3 during World War II. A majority of the vets served in the Army followed by Navy, Marines and Air Force.

Also, each veteran was accompanied by a family member or friend, called “guardian,” who was assigned to take care of us if needed because about one-third of the vets were in wheel chairs and most of the remainder of the group probably had not walked the six miles or so we encountered on the one-day tour. My guardian was my great nephew, C.J., who served in the Marines in Afghanistan.

Continue on page 45

### INSIDE THIS ISSUE

▶ BOARD OF DIRECTORS

▶ STANDING COMMITTEES

▶ PRESIDENT’S LETTER

▶ CENTRAL REGION DIRECTOR’S LETTER

▶ ADDC PRESIDENT’S LETTER

▶ MEMBERSHIP APPLICATION

▶ STUDENT MEMBERSHIP APPLICATION

▶ JUNE PROGRAM RECAP

▶ 2023 CONVENTION PACKET

▶ JULY PROGRAM

▶ TEXAS RAILROAD COMMISSION—NEWS

▶ IN THE NEWS WITH ALEX MILLS

▶ JULY CALENDAR OF EVENTS

▶ AUGUST CALENDAR OF EVENTS



# CLUB PURPOSE & MOTO

## OFFICIAL COLORS

BLACK & GOLD

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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



## EDITOR INFORMATION

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**Monthly Board Meetings  
will be the first Tuesday  
of each month in the  
office of Stephens  
Engineering at Noon.  
All members are invited  
to attend.**

**Stephens Engineering  
811 Sixth St., Ste 300  
Wichita Falls, TX 76310**

**NICHOLE HARNEY  
COBRA OIL & GAS CORPORATION  
PO BOX 8206  
WICHITA FALLS, TX 76307  
PHONE: (940) 716-5100  
Nichole@cobraogc.com**

Contact Nichole if you would like to submit items, articles, or pictures in the Desk And Derrick Date-Line



# **Desk And Derrick Club of Wichita Falls**

## **2023 Board of Directors**

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**Sheila McGaughey  
Stephens Engineering**

**Vice President**

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Consulting**

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**Nichole Harney  
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**Parliamentarian**

**Doris Sterling  
General Operating**



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# 2023 COMMITTEES

## **BUDGET & FINANCE**

Diana Walker—Board Contact

Diana Walker—Chairman

## **BULLETIN**

Nichole Harney—Board Contact

Nichole Harney—Chairman

Jordan Jackson, Barbara Pappas

## **BYLAWS**

Vickie Young—Board Contact

Tracy Flynn—Chairman

## **EDUCATION**

Sheila McGaughey—Board Contact

Sheila McGaughey—Chairman

## **FIELD TRIP**

Lauren Martin—Board Contact

Jordan Moss—Chairman

Rena Shaffer

## **GENERAL ARRANGMENTS**

Shirley Bridwell— Board Contact

Jordan Jackson—Chairman

Jennifer Rodriquez

## **GOLF TOURNAMENT**

Vickie Young—Board Contact

Tracy Flynn/Vickie Young—Co-Chairman

Nelva White, Jordan Moss, Casie Mass,

Sheila McGaughey

## **MEMBERSHIP**

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Barbara Franklin—Chairman

Diana Walker, Nelva White

## **PROGRAM**

Rena Shaffer—Board Contact

Rena Shaffer—Chairman

Jordan Moss

## **OCTOBER BANQUET**

(Special Committee)

Nichole Harney—Board Contact

Nichole Harney—Chairman

Barbara Pappas, Jordan Jackson, Rena Shaffer

## **SOCIAL MEDIA**

Shirley Bridwell—Board Contact

Jordan Jackson—Chairman



**Desk and Derrick Club  
of Wichita Falls**

**2023 Board of  
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**Sheila McGaughey**  
President  
940-716-5340

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940-234-3307

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940-723-5585

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**Shirley Bridwell**  
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940-781-4532

**Nichole Harney**  
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940-716-5100

**Doris Sterling**  
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940-767-4801

**July 2023**

Happy Independence Day! As we celebrate the 4th of July, I can't help but feel a sense of pride for this great nation. The United States has a rich history and a unique identity that sets it apart from any other country in the world. From the bravery of our founding fathers to the sacrifices of our military men and women, even the pride for this industry and our club, we have a lot to be grateful for. This day is a reminder of the values that make America great: freedom, democracy and equality. It's a time to come together as a nation and celebrate our shared heritage.

Our June membership meeting was awesome! Thank you to **Rena Shaffer** for giving us a "quick" lesson on Natural Gas Severance Taxes. She explained that a Severance Tax is levied on the extraction of oil, gas and other natural resources from the ground. She was able to make a complex topic accessible and interesting for us all. You can see what I mean in her write-up in this issue of the Dateline.

One of our members, **Cecil Duke**, has been very busy with several speaking engagements. He was a guest speaker for the Ft. Worth Club on May 18th and the Graham Club on June 13th. I have heard so many great compliments about his presentations. Cecil always gives his programs with passion and enthusiasm and really connects with his audience. He is also scheduled for the OKC Club in September!



**Ft. Worth Desk and Derrick Club**



**Graham Desk and Derrick Club**



**Wichita Falls Club Supporters!**

**Ft. Worth Desk and Derrick Club (top left):**

L to R: Ieesha Stewart, Lois Roberts, Val Williams, Cecil Duke, Darlene Hollingsworth and Sharon Figueroa.

**Graham Desk and Derrick Club (top right):**

L to R: Judy Kinser, Barbara Daily, Vickie Newell, Cecil Duke, Melodee Guerrero, Bonnie Martin and BJ Peterson (seated).

**Wichita Falls Members attending Graham's Meeting (bottom left):**

L to R: Ron Pappas, Barbara Pappas, Nelva White, Cecil Duke and Tina Duke (Cecil's wife).

*Thank you—Ft. Worth Club, Graham Club and Barbara Pappas for sharing your photos with us!*

Continued on next page

(Continued)

We have so many talented members in our club, but it is an honor to work with both Rena and Cecil, and I am proud of their contributions to our organization, their knowledge AND bravery in being able to present a confident and effective program is unbelievable. They both do this so effortlessly!

It's time to start planning for the ADDC Convention held in Albuquerque, NM on September 20—24, 2023. The packets are in this month's bulletin. The week will be filled with some fantastic field trips, friends and FUN! The drive to Albuquerque will be a great road trip with a fun bunch of girls and getting to experience the beauty of the great American Southwest. There is already a good sized group attending and the club will be represented by Rena Shaffer as Delegate and Diana Walker as Alternate. Some key reasons to attend the ADDC Convention are: 1) It's a great way to meet people; 2) You will learn so much from the field trips, keynote speakers, workshops, seminars and panels; 3) It will be a source of inspiration and motivation. Seeing what others are doing in their clubs can spark new ideas and creativity; and 4) Conventions can provide a sense of community and belonging. You can connect with like-minded individuals who share your interests and passions. Overall, attending conventions can be a valuable investment in your personal and professional growth. So, don't miss out—the deadline to register is August 8th.

The Board of Directors has graciously approved club sponsorships to the ADDC Convention meeting which includes:

Paid registration, one (1) field trip and/or (1) seminar to 3 members.

The qualifications are:

1. A member who receives no financial support from their employer.
2. A retired member.
3. A new member who has become active and has attended many of the meetings since joining the club.

If you are interested in applying for one of these scholarships – please let me know by Noon on July 5 – or as soon as possible.

Here is your July excerpt from Alex Epstein's book Fossil Future: "If they want to make the world a better place, one of the best things that can be done is to fight for more fossil fuel use. First, fossil fuels provide low-cost and reliable energy to billions of people. In fact, an increase in fossil fuel usage is necessary for the world's future and for the advancement of humankind. If policies to rapidly eliminate fossil fuels were fully implemented, that would make the world an impoverished, dangerous, and miserable place for most people."

I hope you all have a wonderful 4th of July celebration whether we're watching fireworks, having a barbeque, or spending time with loved ones, we're all united in our love for this country. So, let's raise our flags high and show the world what it means to be a proud American. I would like to leave you with the lyrics of one of my favorite, feel good songs by Lee Greenwood: "*And I'm proud to be an American, where at least I know I'm free. And I won't forget the men who died, who gave that right to me. And I gladly stand up, next to you and defend her still today, cause there ain't no doubt I love this land, God Bless the U.S.A.*". (I hear you singing loud and proud, sounds good!).

Land of the Free, Because of the Brave!

*Sheila McGaughey*



**FOSSIL FUELS**

\*

**FREEDOM**

\*

**ENERGY INDEPENDENCE**



**Val Williams**  
 3647 Marywood Dr  
 Spring, TX 77388  
 713-962-7184  
[valwilliams1950@gmail.com](mailto:valwilliams1950@gmail.com)

July 2023

**Board of Directors**

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**Barbara Pappas**

Cobra Oil & Gas Corp.

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**Wendy Sparks**

Carl E Gungoll Exploration

SECRETARY

**Jamie Sabata**

Gardner Cryogenics

TREASURER

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**Judi Adams**

CENTRAL REGION

DIRECTOR

**Val Williams**

NORTHEAST REGION

DIRECTOR

**Kelli Hiltbrand**

Sutton Pump & Supply

SOUTHEAST REGION

DIRECTOR

**Susan Miller**

WEST REGION

DIRECTOR

**Esther Greyeyes**

Merrion Oil & Gas Corp.

HAPPY FOURTH OF JULY!!! I hope all of you have a fun and safe holiday. I will be in Spring, Texas trying to stay cool. I hope all of you are staying cool this summer.

Just a reminder to all of you that the 2023 ADDC Convention Registration Packet is on the ADDC website ([www.addc.org](http://www.addc.org)). There are plenty of Field Trips and Seminars to choose from. I hope to see you all in Albuquerque on September 20 – 24, 2023. The Certification Class is Energy 101 and will be from 8:00 am to 3:00 pm on Thursday, September 21, 2023.

Please try and attend the 2023 ADDC Convention. You will learn a lot, meet new friends, and greet old friends. If you haven't ever been to Convention or Albuquerque, come and enjoy. You will be glad you came to Albuquerque.

ADDC **WANT'S YOU** for 2024 Officers. We need 2024 Treasurer, Secretary and President Elect to work with President Wendy Sparks and the 2024 Region Directors. If you have been a Region Director and are still employed in an allied industry, you qualify. Please think about helping ADDC out and put your name in for one of the 3 offices. The cutoff date is June 30, 2023.

Please remember to send your program reports to Diana Walker, she is the Region Representative for the Program Committee.

Also, the Distinguished Member or Special Achievement Award nominations are due by July 1, 2023. Please send your nominations to Helen Trujillo at [htrujillo@rbayless.com](mailto:htrujillo@rbayless.com). These awards can be for individuals or clubs.

Have you considered volunteering to be a ADDC Committee Chairman or Representative for 2024 ADDC. Check out the website and see if one of the ADDC Committees is right for you. You will be helping 2024 President, Wendy Sparks, and yourself.

Remember the Winning Image Photo Contest goes from 12-1-2022 to 11-30-2023, and the Convention Credentials forms are due by August 15, 2023.

As always, be safe but have loads of fun during the summer.

Val Williams





**Barbara Pappas**

2023 ADDC President

5244 Sunnybrook Lane

Wichita Falls, TX 76310

940-781-9888 (cell) or 940-716-5103 (work)

[bpappas1@ymail.com](mailto:bpappas1@ymail.com) or

[Barbara@cobraogc.com](mailto:Barbara@cobraogc.com)

**Board of Directors**

PRESIDENT

**Barbara Pappas**

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PRESIDENT ELECT

**Wendy Sparks**

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DIRECTOR

**Susan Miller**

WEST REGION

DIRECTOR

**Esther Greyeyes**

Merrion Oil & Gas Corp.

July 2023

To: ADDC Membership

The year is halfway over and the ADDC committees on the Region level and Association level have been busy. The Public Relations committee publicized the DSA and SSA and I hope clubs and individuals responded to their call for nominations of these awards. It is an honor to be nominated and it is an even greater honor to receive the Distinguished Service Award or the Special Achievement Award. The Nominating committee has also been busy searching for our 2024 Association officers. The West Region has been busy planning and organizing the 2023 ADDC Convention for our membership and guests in September. Registration packets were sent out and can be found on the ADDC website, [www.addc.org](http://www.addc.org) (News & Publications/"ADDCC News" and also can be found under the "Convention" link.

**Registration Fee:** \$250.00 for members (by August 28, 2023)

**Late Registration Fee:** \$275.00 for members (after August 28, 2023)

**Hotel Reservations:** 505-796-7500 or via the website:

<https://gettaroom.b4checkin.com/sandia/RLP/DESKANDDERRICKCLUBS>

**Reservation Code:** 9890 or mention ADDC

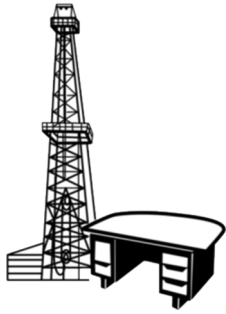
(All rooms are \$194.00 + tax for single, double, triple, or quad. Please make your reservations as soon as possible. The deadline for reservations is August 31, 2023.)

The West Region Clubs are excited to host this year's convention in Albuquerque, New Mexico! Field Trips will be Wednesday and Seminars and the Certification Class - "Energy 101" will be held on Thursday within one additional field trip being offered. Friday and Saturday will be our Business Meetings. If you have any questions or need any additional information, please do not hesitate to contact me or any member of the Board.

**"If you want to improve the organization, you have to improve yourself, and the organization gets pulled up with you." - Indra Nooyi, CEO of PepsiCo**

**Greater Knowledge ~ Greater Service**

*Barbara Pappas*



# Association of Desk and Derrick Clubs

## 2023 Membership Form

The Association of Desk and Derrick Clubs (ADDC), an international non-profit organization, is a premier provider of energy education and professional development. ADDC's purpose 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 as well as the companies and global communities the members serve.

Last Name: \_\_\_\_\_

Club: \_\_\_\_\_ Region: \_\_\_\_\_

First Name: \_\_\_\_\_ MI: \_\_\_\_\_

Submission Type:  Renewal  New Member

Gender:  M  F

Member Type:  Professional  Student

Company Name: \_\_\_\_\_

Preferred Mailing Address:  Home  Office

Job Title: \_\_\_\_\_

Secondary Address: \_\_\_\_\_

Preferred Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_

Country: \_\_\_\_\_ Zip: \_\_\_\_\_

Country: \_\_\_\_\_ Zip: \_\_\_\_\_

Home Phone: \_\_\_\_\_

Office Phone: \_\_\_\_\_

Cell Phone: \_\_\_\_\_

Primary Email: \_\_\_\_\_

Secondary Email: \_\_\_\_\_

Age:  21-30  31-40  41-50  51-60  61-70  71-80  80+

**NOTE:** Membership Dues and Donations to the Association of Desk and Derrick Clubs are not tax deductible as **CHARITABLE CONTRIBUTIONS** but may qualify as **BUSINESS DEDUCTIONS** on Federal and State Tax Returns. **DUES WILL NOT BE USED FOR LOBBYING PURPOSES.**

**Release Name:** For purposes of membership recruiting, I authorize the Association of Desk and Derrick Clubs to release my name as part of a list of ADDC members. Release Name?  Yes  No

Corporate Contribution: Amount \_\_\_\_\_  Local  Regional  Association

**Dues: \$65.00  
(ADDC+Region+Club)**

**Send Payment and form to:  
Diana Walker  
%Stephens Engineering  
P.O. Box 2249  
Wichita Falls, TX 76307-2249**

**Make checks payable to:  
Desk and Derrick Club of Wichita Falls, TX**

Signed \_\_\_\_\_

Date: \_\_\_\_\_

Association Distribution Office  
5014 FM 1500 | Paris, TX 75460  
Email: [ado@addc.org](mailto:ado@addc.org) | Phone: 405-543-3464





# Natural Gas Production Taxes

By Rena Shaffer

No one really likes to deal with taxes, do they? But it is a requirement and has to be done. I decided to present our club with a program on Natural Gas Production Taxes, also known as gas severance taxes.

Severance tax is a state tax imposed on the extraction of non-renewable resources that are intended for consumption. These natural resources include crude oil, condensate and natural gas, coalbed methane, timber, uranium, and carbon dioxide. This program focused on gas severance taxes filed by the Producer.

Gas severance taxes are due to the Texas State Comptroller by the 20<sup>th</sup> day of the second month following production, so January taxes are due by March 20. The gas severance tax is 7.5% of the market value of gas produced.

Each attendant received a packet of forms:

Form 10-159 *Producer Report of Natural Gas Tax*

Form 10-163 *Producer Lease Detail Supplement*

Form AP-217 *Texas Well Exemption Application*

Form AP-180 *Request for Approval of Reduced Tax Rate for a High-Cost Gas Well*

Form 10-169 *Amended Producer Report of Natural Gas Tax*

Form 10-173 *Amended Producer Lease Detail Supplement*

All of these forms are found on the Texas Comptroller website:

**[Comptroller.texas.gov](http://Comptroller.texas.gov)**

I also supplied them with a few pages of my actual March 2023 report (**Pictures 1-3**) to show examples of what was filed so they could associate the data with exemptions and deductions using real numbers.



a. 49100

Texas Report of Natural Gas Tax -- PRODUCER LEASE DETAIL SUPPLEMENT --

c. Taxpayer Number   d. Filing Period March, 2023

e. Taxpayer Name EAGLE OIL & GAS CO f. 2303



**TAXPAYER COPY** HP

1. Lease name (as recorded with the Railroad Commission)  
**Dfw 53 #1H**

2. County of production LOCATOR NUMBER  
Robertson

3. Commodity (Use the alpha codes listed in the instructions) RG

4. Commodity code (Numeric) 1

5. Lease type  OIL 1  GAS 2

6. County code 198

7. Lease number 285746 Check digit 2

8. Is Item 7 a drilling permit number?  YES 1  NO 2

9. Exemption type 5

10. API number  

11. Is this an off-lease sale?  YES 1  NO 2

12. Purchaser's name  

13. Purchaser taxpayer number  

14. Total lease volume 11,670

15. Is tax reimbursement included in calculating the value of this lease?  YES 1  NO 2

16. Your volume 11,670

17. Value of your volume \$ 26,367.08

18. Are you liable for the tax?  YES 1  NO 2

*If "NO" in Item 18, do not complete Items 19 thru 24.*

19. Governmental royalty volume 0

20. Governmental royalty value \$ 0.00

21. Marketing cost \$ 8,118.95

22. Net taxable value \$ 18,248.13

*Items 23 and 24 for Exemption Type 05 leases only.*

23. Reduced tax rate for Type 05 0.0310

24. Tax due on Type 05 \$ 565.69

1. Lease name (as recorded with the Railroad Commission)  
**Devon Fee 7-2**

2. County of production LOCATOR NUMBER  
Robertson

3. Commodity (Use the alpha codes listed in the instructions) RG

4. Commodity code (Numeric) 1

5. Lease type  OIL 1  GAS 2

6. County code 198

7. Lease number 294013 Check digit 2

8. Is Item 7 a drilling permit number?  YES 1  NO 2

9. Exemption type  

10. API number  

11. Is this an off-lease sale?  YES 1  NO 2

12. Purchaser's name  

13. Purchaser taxpayer number  

14. Total lease volume 30,821

15. Is tax reimbursement included in calculating the value of this lease?  YES 1  NO 2

16. Your volume 30,821

17. Value of your volume \$ 69,633.52

18. Are you liable for the tax?  YES 1  NO 2

*If "NO" in Item 18, do not complete Items 19 thru 24.*

19. Governmental royalty volume 0

20. Governmental royalty value \$ 0.00

21. Marketing cost \$ 21,441.55

22. Net taxable value \$ 48,191.97

*Items 23 and 24 for Exemption Type 05 leases only.*

23. Reduced tax rate for Type 05  

24. Tax due on Type 05 \$  

High-Cost Gas Well

No Exemptions

Picture 1 – Producer Lease Detail Supplement

## **Picture 1 - Producer Lease Detail Supplement**

I pointed out the information that must be supplied in setting up each well on the Producer Lease Detail Supplement pages – Lease Name, County, Commodity, Lease Type, RRC Lease Number, Exemption Type, etc.

There are eight types of exemptions (Line 9) that can benefit the Producer and reduce their taxes each month. This program focused on wells with No Exemption, High-Cost Gas Exemption 05, and Low Producing Gas Exemption 11, and is explained in detail later in this summary.

Another savings for the Producer is taking the deduction for **Governmental Exemption** Status (Lines 19 and 20). Any city, town or county government in Texas, school district in Texas, public state-owned colleges or universities in Texas, or political subdivision of the Federal government are not liable for gas severance tax. The Producer can deduct the governmental exemption percentage portion from the taxes to be paid. There are none being reported at this time by my company, but an example would be a university having an interest of .00334276 in a well. The Volume is 872 mcf at a Value of \$1,962.43.  $872 \times .00334276 = 2.91$ , so you would enter 3 mcf on Line 19. Line 20 would be  $\$1,962.43 \times .00334276 = \$6.56$  deduction.

The last deduction is **Marketing Cost** (Line 21). The “market value at the mouth of the well” is established by determining the actual marketing costs from the producer’s gross receipts from the sale of the gas. The Comptroller’s website lists what is allowed and not allowed as deductions, and includes 50% of the pumper well cost, compressor rental, ad valorem taxes and gathering cost to get the gas to market.

I explained that this is very cut and dry **IF** the well has no exemptions. **See Picture 1 - No Exemptions well.**

Line 17 Value – Line 21 Marketing Cost = Line 22 Net Taxable Value

Lines 22 Net Taxable Value x .075 = Gas Severance Tax Due to Comptroller

Our company also has high-cost gas wells and low producing gas wells which are calculated in a different manner.

**See Picture 1 – High-Cost Gas well**

Exemption 05 is for high-cost gas wells (Line 9). This is natural gas produced from any gas well if production is from a completion located at a depth of more than 15,000', produced from geo-pressure brine, produced from coal seams, produced from Devonian Shale, produced from designated tight formations, or produced as a result of production enhancement work.

Form **AP-180, Request for Approval of Reduced Tax Rate for a High-Cost Gas Well**, along with a copy of the certification letter from the RRC must be filed with the Texas Comptroller's office. Upon approval, the well will receive a reduced tax rate for ten years or until the well accumulates tax savings of 50% of the actual drilling and completion costs for the well, whichever occurs first. The reduced tax rate on each well is based on its drilling and completion costs. The reduced tax rate is calculated and supplied from the Comptroller's office. This rate is used to calculate the monthly severance tax due.

On this particular well, the reduced tax rate for Type 05 is 0.0310.

Line 22 Net Taxable Value x .0310 = Tax Due on Type 05.

We saved an estimated \$800.00 by filing for this reduced tax rate, compared to paying the 7.5% rate.

**Texas Report of Natural Gas Tax  
-- PRODUCER LEASE DETAIL SUPPLEMENT --**

c. Taxpayer Number d. Filing Period  
March, 2023

e. Taxpayer Name  
**EAGLE OIL & GAS CO**



f. **2303**

**TAXPAYER COPY**

HP

1. Lease name (as recorded with the Railroad Commission) <b>DON JONES</b>	
2. County of production <b>Archer</b>	LOCATOR NUMBER
3. Commodity(Use the alpha codes listed in the instructions)	<b>RG</b>
4. Commodity code (Numeric).....	<b>1</b>
5. Lease type ..... <input checked="" type="checkbox"/> OIL 1 <input type="checkbox"/> GAS 2	
6. County code .....	<b>005</b>
7. Lease number ..... <b>000364</b> Check digit <b>8</b>	
8. Is Item 7 a drilling permit number?... <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	<b>1</b> <b>2</b>
9. Exemption type.....	
10. API number.....	
11. Is this an off-lease sale? ..... <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	<b>1</b> <b>2</b>
12. Purchaser's name <b>ENERFIN RESOURCES</b>	
13. Purchaser taxpayer number ..... <b>17603811260</b>	
14. Total lease volume .....	<b>247</b>
15. Is tax reimbursement included in calculating the value of this lease? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	<b>1</b> <b>2</b>
16. Your volume .....	<b>247</b>
17. Value of your volume..... \$	<b>713.16</b>
18. Are you liable for the tax? ..... <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	<b>1</b> <b>2</b>
<i>If "NO" in Item 18, do not complete Items 19 thru 24.</i>	
19. Governmental royalty volume.....	
20. Governmental royalty value .....	
21. Marketing cost .....	
22. Net taxable value..... \$	
<i>Items 23 and 24 for Exemption Type 05 leases only.</i>	
23. Reduced tax rate for Type 05 .....	<b>0</b>
24. Tax due on Type 05 .....	

1. Lease name (as recorded with the Railroad Commission) <b>Northcutt #2</b>	
2. County of production <b>Cherokee</b>	LOCATOR NUMBER
3. Commodity(Use the alpha codes listed in the instructions)	<b>RG</b>
4. Commodity code (Numeric).....	<b>1</b>
5. Lease type ..... <input type="checkbox"/> OIL 1 <input checked="" type="checkbox"/> GAS 2	
6. County code .....	<b>037</b>
7. Lease number ..... <b>204350</b> Check digit <b>7</b>	
8. Is Item 7 a drilling permit number?... <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	<b>1</b> <b>2</b>
9. Exemption type.....	<b>11</b>
10. API number.....	
11. Is this an off-lease sale? ..... <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	<b>1</b> <b>2</b>
12. Purchaser's name	
13. Purchaser taxpayer number .....	
14. Total lease volume.....	<b>1,049</b>
15. Is tax reimbursement included in calculating the value of this lease? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	<b>1</b> <b>2</b>
16. Your volume.....	<b>1,049</b>
17. Value of your volume..... \$	<b>2,590.50</b>
18. Are you liable for the tax? ..... <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	<b>1</b> <b>2</b>
<i>If "NO" in Item 18, do not complete Items 19 thru 24.</i>	
19. Governmental royalty volume.....	<b>0</b>
20. Governmental royalty value .....	<b>0.00</b>
21. Marketing cost .....	<b>308.55</b>
22. Net taxable value..... \$	<b>0.00</b>
<i>Items 23 and 24 for Exemption Type 05 leases only.</i>	
23. Reduced tax rate for Type 05 .....	
24. Tax due on Type 05 .....	

Low Producing Gas Well

**Picture 2 – Producer Lease Detail Supplement**

## **Picture 2 - Low Producing Gas Well**

To qualify for a low producing gas well, the production from a gas well for the prior three months cannot exceed an average of 90 mcf per day. You cannot just “take” this exemption. You must file Form **AP-217 Texas Well Exemption Application**, with the Texas Comptroller’s Office. Once it is approved, you may enter as Exemption 11 on Line 9 of the Producer Lease Detail Supplement report.

The Comptroller certified average price of gas to be used each month is posted on their website. Gas from qualified wells becomes eligible for different levels of credit based on the Average Taxable Gas Price:

- If the gas price is more than \$3.50 – NO credit
- If the gas price is \$3.00 - \$3.50 – 25% credit
- If the gas price is \$2.50 - \$3.00 – 50% credit
- If the gas price is \$2.50 or less – 100% credit

Because production can change from month to month, you must review each low-producing gas well on the Comptroller’s website to determine if the well qualifies for exemption and adjust your well records according to the approved credit before filing your monthly taxes.

In this example, the average gas price was under \$2.50, so we received the 100% credit.

Line 17 Value of Your Volume – Line 21 Marketing Cost = Line 22 Net Taxable Value of 0. The Producer is still responsible for the Oilfield Clean Up Fee (Volume x .000667).

If no credit is granted for the month, the Producer is responsible for paying 7.5% of the Net Taxable Value. We saved an estimated \$180 by taking this exemption.



MT-159  
(1-06)

CCCC



a. ■ 49180

You have certain rights under Chapters 552 and 559, Government Code, to review, request, and correct information we have on file about you. Contact us at the address or toll-free number listed on this form.

Texas Comptroller of Public Accounts  
PRODUCER REPORT OF NATURAL GAS TAX

Page 1 of 1

c. Taxpayer number  
■

e. Filing Period  
MARCH, 2023

f. ■ 2303

h. ■ FM i. ■  
[ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ]

g. Taxpayer name and mailing address

EAGLE OIL & GAS CO  
2525 KELL BLVD STE 510  
WICHITA FALLS, TX 76308-1061

Comptroller.texas.gov

1 Blacken this box if your address has changed. Show changes by the preprinted information.

2 FINAL REPORT - Blacken this box if you are no longer in business and enter the last business date

TAXPAYER COPY

i. If you have nothing to report for ALL leases for this filing period, blacken this box, sign and date this report, and return it to the Comptroller's office.

REPORT TOTALS AND TAX COMPUTATION (See instructions)

A REPORT MUST BE FILED EVEN IF NO TAX IS DUE

1. Total net taxable value of condensate (Enter dollars and cents.)	1. ■ \$	.00
2. Tax due on condensate (Multiply Item 1 by 0.046. Enter dollars and cents.)	2. ■ \$	.00
3. Total net taxable value of gas (Excluding exemption Type 05 high cost gas) (Enter dollars and cents.)	3. ■ \$	302,365.18
4. Tax due on gas (Multiply Item 3 by 0.075. Enter dollars and cents.)	4. ■ \$	22,677.39
5. Taxable regulatory fee volume (See instructions. Round volume to whole numbers.)	5. ■	269,856
6. Regulatory fee due (Multiply Item 5 by .000667. Enter dollars and cents.)	6. ■ \$	179.99
7. Tax due on exemption Type 05 (Total of Item 24 from attached Lease Detail Supplements, Form 10-163. Enter dollars and cents.)	7. ■ \$	3,599.50
8. Total tax and fee due (Add items 2, 4, 6, and 7. Enter dollars and cents.)	8. ■ \$	26,456.88



10-159  
(1-06)

\*\*\*DO NOT DETACH\*\*\*

9. Credits (NOT valid without attached Credit Transfer Form for Natural Gas Tax, Form 10-147)	9. ■ \$	.00
10. Net amount due (Item 8 minus Item 9)	10. ■ \$	26,456.88
11. Penalty & Interest (If report is filed or tax paid after the due date, see instructions.)	11. ■ \$	.00
12. TOTAL AMOUNT DUE AND PAYABLE (Item 10 plus Item 11)	12. ■ \$	26,456.88

Taxpayer Name  
EAGLE OIL & GAS CO

■ T Code ■ Taxpayer Number ■ Period  
49020 2303

Make the amount in Item 12 payable to : STATE COMPTROLLER

I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief.

Print Name	Business Phone (Area code and number)	Mail to: COMPTROLLER OF PUBLIC ACCOUNTS 111 E. 17th St. Austin, Texas 78774-0100
sign here Taxpayer or duly authorized agent	Date	m. [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ]

777

Picture 3 – Producer Report of Natural Gas Tax

### **Picture 3 - Producer Report of Natural Gas Tax**

My company files gas severance taxes electronically using the Natural Gas ETF System. Once all information has been entered on Form 10-163 *Producer Lease Detail Supplement*, the program will total the data and enter it on the front page, which is Form 10-159 *Producer Report of Natural Gas Tax*. The program will automatically total and calculate taxes due:

Line 3: Total Net Taxable Value of Gas (excluding the high-cost gas wells)

Line 4: Calculate Line 3 x 7.5%

Line 5: Total Taxable Regulatory Fee Volume (this is the total of ALL wells)

Line 6: Calculate Line 5 x .000667 for Regulatory Fee Due (Oilfield Clean Up Fee, which is used to plug abandoned wells)

Line 7: Total Tax Due on Exemption Type 05 (high-cost gas wells)

Line 8: Total Tax and Fee Due (Line 4 + Line 6 + Line 7)

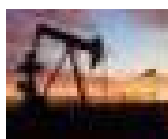
As I prepare this report each month, I like to enter the data into a spreadsheet so that I can adjust any exemptions/deductions/add/delete wells, etc. I also pencil in the data on a copy of the previous month's report so that I can physically see if any volumes or values seem out of proportion. Once I enter this data electronically and it matches my spreadsheet, then I know it is correct. I'm all about Checks and Balances!

I explained to the membership that this particular month included a 100% exemption on our low-producing wells. However, if the exemption would not have been available, we would have paid an estimated additional \$4,500.00. If we had not taken the high-cost gas well exemptions, those wells could have also been an estimated additional \$6,000.00, so we saved \$10,000.00 in taxes for the month!



We weren't able to discuss it in detail, but I also included *Form 10-169 Amended Producer Report of Natural Gas Tax* and *Form 10-173 Amended Producer Lease Detail Supplement*, in the packet. I informed the membership that life is much easier if you are able to file the original report correctly the first go-round. There are cases where you are able to back-out the original data and re-enter data. You may do this if you enter data using the Drilling Permit number. Once the RRC has assigned a Lease Number, you back out the data used with the Drilling Permit number and re-enter the data using the Lease Number. But in most circumstances, you are required to enter the difference between the data originally filed and the amended data, which can be confusing. If you entered 1049 mcf, but it should have been 1004, then you would enter (45) Volume. If the Value entered was \$2,595.00, but it should have been \$2,620.00, then you would enter \$25. So now you have a Volume credit of 45 and you have an additional value of \$25. Adjust any exemptions or deductions, and it gets even more confusing.

I do not claim to be an expert at this (or anything else), but I shared my knowledge with the membership and most were still awake at the end of the presentation. Researching, Preparing, and Filing monthly gas severance taxes can be very time consuming and it may not be the "Most Fun" item on the List of Things To Do – but as you can see from the savings mentioned – it can be very worthwhile.



## **Crude Oil and Natural Gas**



**JUNE SPEAKER -  
RENA SHAFFER  
EAGLE OIL & GAS  
GAS SEVERANCE TAXES**



LEFT PIC: CECIL DUKE, DORIS STERLING, ASHLEY PIERCE, ZACK PATTERSON (GUEST OF CECIL DUKE)

RIGHT PIC: STANDING- DIANA WALKER, DEBBIE HICKS, NELVA WHITE, BARBARA PAPPAS, SITTING- VICKIE YOUNG

BOTTOM PICS L-R:  
SHEILA MCGAUGHEY, SHIRLEY BRIDWELL, ASHLEY PIERCE, JESSICA RODRIQUEZ  
AND MS. MONEY BAGS DIANA WALKER







SEPTEMBER 20 - 24, 2023 | SANDIA RESORT & CASINO | ALBUQUERQUE, NM



# PRESIDENT'S WELCOME LETTER



September 2023

Dear Desk and Derrick Members:

Welcome to Albuquerque, and the 71st Annual ADDC International Convention and Educational Conference! The West Region, led by General Arrangements Chairman, Philana Thompson, have put together a week filled with education, entertainment, networking, and camaraderie.

Wednesday, members and guests will have the opportunity to choose one of three field trips. One option is a trip to Santa Fe where you will visit the NM History Museum, Church of Loretto/DeVargas Home, and Audubon Center/Sanctuary. Another field trip offered is the Valles Caldera National Preserve, and the third choice is touring the NM Museum of Natural History & Science, UNM Geology and Meteorite Museum, National Museum of Nuclear Science and History, and a Team Building Adventure at The Escape Room.

Thursday, in addition to the certification class - Energy 101 (course is under the Energy Technician Certification and will cover renewable and non-renewable energy) being offered, we will be learning about ADDC 101 and AIMEEs 101 in seminars led by Evelyn Green and the Contest Committee, respectively. For those who wish to venture out, an alternate field trip is planned to the Sandia Peak Tramway where you will rise above Albuquerque, reaching the 10,378-foot crest of the Sandia Mountains in just 15 minutes! The adventure does not stop there because you will then visit the Casa Rondena Winery where you will be the “toast of the town”!

Friday night, the Icebreaker, will be hosted by the Grand Prairie club. This will be a great time to enjoy the evening and networking with one another.

We will be conducting business on Friday and Saturday. If you have any questions, comments, or suggestions, be sure to have them ready for the Open Forum. The Board and I will do our best to answer them for you. You will also be hearing from

industry speakers who are motivational and knowledgeable concerning the cutting edge of our industry technologies.

I hope you are ready for a busy weekend of education, entertainment, and networking in a special way that only New Mexico can provide. The West Region was able to squeeze in a little free time on Thursday so you can enjoy your time here in Albuquerque. This year, the host region is following a different format than in past years. We will not be having a Saturday night banquet, instead the Saturday afternoon luncheon will act as the banquet, so leave your “fancy duds at home.” This will allow the Convention to end early and you will be able to travel back home Saturday afternoon, if you wish. Most of all, I want to thank you for being an integral part of our great organization and participating in this annual time of Greater Knowledge – Greater Service.

Barbara Pappas  
2023 ADDC President

# Tentative Agenda

## **TUESDAY, SEPTEMBER 19, 2023**

10:00 AM to 8:00 PM Registration/Hospitality/Club Sales

## **WEDNESDAY, SEPTEMBER 20, 2023**

6:30 AM to 10:00 AM Registration/Hospitality/Club Sales

7:30 AM to 5:30 PM Field Trips 1,2,3

5:30 PM to 9:00 PM Registration/Hospitality/Club Sales

6:00 PM to 10:00 PM ADDC Educational Trust

## **THURSDAY, SEPTEMBER 21, 2023**

6:30 AM to 9:00 PM Registration/Hospitality/Club Sales

8:00 AM to 3:00 PM Certification- Energy 101

8:00 AM to 3:00 PM Field Trip 4

8:30 AM to 10:00 AM Desk and Derrick 101 (Seminar 1)

10:30 AM to 12:00 PM Contest- AIMEE's 101 (Seminar 2)

5:30 PM to 6:30 PM President's & 1st Timer Social

## **FRIDAY, SEPTEMBER 22, 2023**

6:30 AM to 7:45 AM Registration/Hospitality/Club Sales

8:00 AM to 8:30 AM Delegate & Alternate Check In

9:00 AM to 11:30 AM Business Meeting

11:30 AM to 12:00 PM Registration/Hospitality/Club Sales

12:00 PM to 1:30 PM Member Appreciation Luncheon

1:30 PM to 2:00 PM Registration/Hospitality/Club Sales

2:00 PM to 4:00 PM Business Meeting

4:30 PM to 6:00 PM Board & Club Photos

5:30 PM to 6:30 PM Registration/Hospitality/Club Sales

6:30 PM to 9:30 PM Ice Breaker

## **SATURDAY, SEPTEMBER 23, 2023**

6:30 AM to 7:30 AM Registration/Hospitality/Club Sales

8:00 AM to 8:30 AM Delegate & Alternate Check In

9:00 AM to 11:30 AM Business Meeting

12:00 PM to 2:30 PM Luncheon Banquet

2:30 PM to 5:00 PM Registration/Hospitality/Club Sales

3:00 PM to 5:00 PM Post Convention Board Meeting

## **SUNDAY, SEPTEMBER 24, 2023**

6:30 AM to 10:00 AM Hospitality



# SANDIA RESORT & CASINO

The Pueblo of Sandia is a federally recognized Indian Tribe located in central New Mexico and adjacent to Albuquerque, the largest metropolitan area in New Mexico. The reservation covers 22,877 acres on the east side of the Rio Grande Valley. Sandia Pueblo is one of 19 pueblos located throughout New Mexico. The Sandia people are members of the pre-Columbian Tiwa language group who once dominated the Albuquerque area and their lineage can be traced back to the Aztec civilization who later migrated to the New Mexico region. The present site has been home to the Sandia people, where they have cultivated the land and raised their families, since 1300 AD. The Sandia Mountain provides the source of their spirituality as well as plants, animals and other resources which have been critical to their survival in this desert region. Once the largest pueblo in the area with over 3000 people, they currently have just under 500 members.

**DATE: SEPTEMBER 17 - SEPTEMBER 24, 2023**

**ROOM RATE: \$194**

**RESERVATION DEADLINE: AUGUST 31, 2023**

**RESERVATION LINK: [HTTPS://GETTAROOM.B4CHECKIN.COM/SANDIA/RLP/DESKANDDERRICKCLUBS](https://gettaroom.b4checkin.com/sandia/rlp/deskandderrickclubs)**

**RESERVATION CODE: 9890 OR MENTION ADDC**

**AIRPORT SHUTTLE: FREE AIRPORT SHUTTLE**

TUESDAY, SEPTEMBER 19 AND SUNDAY, SEPTEMBER 24  
DEPARTING AT THE TOP OF THE HOUR THROUGH 8PM.

*\*If you are in need of transportation to and from airport 9/20-9/23  
please email [pthompson@merrion.bz](mailto:pthompson@merrion.bz) for arrangements (free of charge).*

**SANDIA RESORT & CASINO | 30 RAINBOW ROAD | ALBUQUERQUE, NM  
505-796-7500 | RESERVATION CODE: 9890 OR MENTION ADDC**



Field Trip #1 Geology of NM  
Wednesday 9/20/2023



**First Stop:** Soda Dam, Jemez, NM

<https://www.atlasobscura.com/places/jemez-springs-soda-dam>



**Second Stop:** Valles Caldera Visitor Center

<https://www.nps.gov/vall/index.htm>



**Third Stop & Lunch :** Jemez Pueblo

<https://www.jemezpuablo.org/places/welcome-center/>

This field trip is approximately 300 miles round trip, but tons of beautiful and unique views and plenty of stops along the way!

**Cost:** \$85.00 Member & Non-Member (Lunch Provided).

**Date:** 9/20/2023

**Time:** 7:30AM-5:30PM



**Fourth Stop:** San Ysidro Geology Stop



Field Trip #2  
Santa Fe  
Wednesday 9/20/2023



**First Stop:** Santa Fe Plaza & Downtown

<https://www.santafe.org/visiting-santa-fe/neighborhoods/plaza-and-downtown/>

**Second Stop:** Canyon Road

<https://www.santafe.org/visiting-santa-fe/neighborhoods/canyon-road/>

**Third Stop:** Randall Davey Audubon Center/Sanctuary

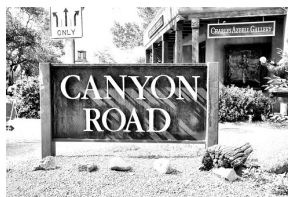
<https://randalldavey.audubon.org/>

**Cost:** \$95 Member and Non-Member

**Lunch on Own**

**Date:** 9/20/2023

**Time:** 7:30AM-5:30PM



Field Trip #3

Energy & Team Building

Wednesday 9/20/2023

**Science & Tech Tour**

We will visit the NM Museum of Natural History & Science, UNM Geology & Meteorite Museum and the National Museum of Nuclear Science!



**Last Stop:**

Time for some team building at Escape the Room! Escape The Room Albuquerque is a fun and challenging form of reality entertainment in which teams of people must attempt to escape a locked room or rooms in a specified amount of time by uncovering secret messages and solving puzzles.

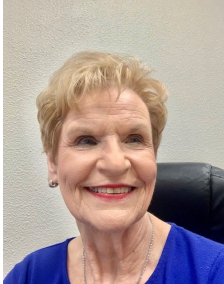


**Cost: \$85 Member and Non-Member (Lunch Provided).**

**Date: 9/20/2023**

**Time: 7:30AM to 5:30PM**

Seminar #1  
Desk and Derrick 101  
Presented By Evelyn Green; 2021 ADDC President  
Thursday 9/21/2023



**DESK AND DERRICK 101**

What do you know about Desk and Derrick?  
What do you expect from Desk and Derrick?  
What have you received from your membership in Desk and Derrick?

These and many more items will be discussed during the seminar! There are many opportunities with Desk and Derrick. Who, What, When, Where and WHY?

It doesn't matter if you are a "newbie" to our wonderful organization, or if you have been in for 10, 20, 30 or even 40 years. There is always something to learn or to discuss. This will be a time to find and formulate new ideas, or how about revamping old ideas into new, exciting and wonderful ideas for our Association.



Perhaps there are some members that really have no idea about the story of Desk and Derrick – so maybe we can enlighten them. There might be some members who aren't sure about the positions in their clubs, the guidelines of Desk and Derrick, or about serving on one of the ADDC Committees or aspire to serve on the ADDC Board of Directors!

If you are new (less than 20 years in the organization), what do you think we can do to bring new members into our fold. Or do you want to learn the how's, the who's and why's?

***Desk and Derrick 101! Where an idea or a discussion can be a part of the solution!***

Being a part of the endless discussion would be valuable to you and your club. Let's formulate new and exciting ideas for all of our clubs to benefit. A true menagerie of expressing ideas, answering questions to look forward to the future!

**Cost: Free**

**Date: 9/21/23**

**Time: 8:30AM to 10:00AM**

Seminar #2

AIMEE's 101

Thursday 9/21/2023

You are invited to attend a **FREE** Seminar on Thursday , September 21<sup>st</sup> in Albuquerque, New Mexico, presented by the 2023 Contest Chair and Regional Representatives.

The Seminar is to help clarify many clubs' concerns, to help understand the Rules and Guidelines, exchange ideas about how your club can make your submissions for Contest, hopefully be the one that stands out with the Judges!

We also would like to discuss the current guidelines and how you as clubs/members would like to see them improved.

***Cost: Free***

***Date: 9/21/2023***

***Time: 10:30AM-12:00PM***





# Certification Thursday 9/21/2023

## Energy Technician Certification

The purpose of the Association of Desk and Derrick Clubs' (ADDC) certification program is to provide an educational program covering the subjects within the established curriculum at the annual ADDC convention and/or the annual regional meetings.

The Energy Technician track offered at this convention will be *Producing Energy 101* and will be presented on *Thursday, September 21, 2023*.

Topics covered:

⇒ Renewables

- ◆ Solar
- ◆ Wind
- ◆ Biomass
- ◆ Hydropower
- ◆ Geothermal
- ◆ Hydrogen

⇒ Non-Renewables

- ◆ Oil & Gas
- ◆ Coal/Peat
- ◆ Oil Sands
- ◆ Nuclear

## Renewable and non-renewable energy sources

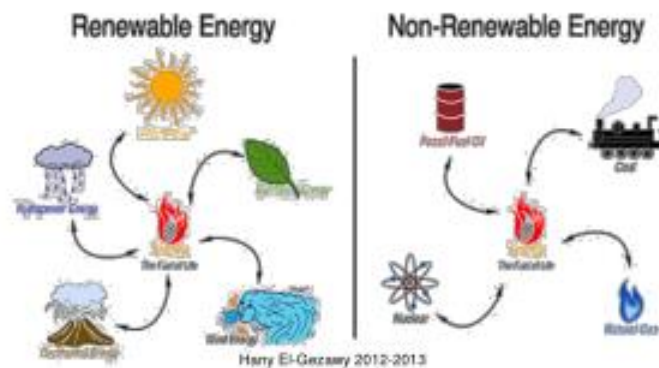


Photo Credit : creative commons

Presenters will be both virtual and in-person from many different and diverse backgrounds.

**Cost: Members \$75.00, Non-Members \$125.00**

**Lunch will be provided and is included in the registration**

Field Trip #4  
Thursday 9/21/2023



Photo Credit: Dirt Road Travels |

**First Stop:** Sandia Peak Aerial Tramway  
<https://sandiapeak.com/>



Photo Credit: Casa Rondena

**Second Stop:** Casa Rondena Winery & Lunch  
<https://www.casarondena.com/winery/>

**Cost:** \$85 Members & Non-Member (Lunch Provided)

**Date:** 9/21/2023

**Time:** 8:00AM to 3:00PM



# Ice Breaker Friday 9/22/2023

Come join us in the Sandia Ballroom to enjoy an interesting evening of fun, networking and great entertainment, hosted by the Grande Prairie Club!

Cash Bar and Music, Dinner Buffet Provided!

Cost: Included for member, Non-Member \$64.00

Date: 9/22/2023

Time: 6:30PM-9:30PM

Photo Credit: Jak+Flux

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5 LTB941  
NEW MEXICO

## Member Appreciation Luncheon

Speaker

Friday 9/22/2023



**NADIA KORPUS**

**MEMBER SINCE 1953 (70 YEARS)**

Nadia was a charter member of the Grande Prairie Desk and Derrick Club. She was instrumental in organizing the club to be a part of the Association of Desk and Derrick Clubs. Nadia worked in Grande Prairie, Edmonton, and Calgary in the Oil and Gas Industry for many years.

Nadia will provide an inspirational and motivational speech concerning her years as a Desk and Derrick member, her passion for ADDC and our industry.



## Energy Symposium

Friday 9/22/2023

To kick off, George Sharpe, with Merrion Oil & Gas will discuss the Math to Net Zero and how it Doesn't Add Up! Ryan Davis will then provide an overview of how we are adapting to the regulatory environment and agencies demands to reduce emissions by finding creative ways to meet those requirements with a new bit Crib Mining project at an active oil well. We will then close with Reed Page with Summit Corporation on how the bit coin mining project at the Merrion location converts to Bit Coin and how they make money in the mining process and how it ties to bitcoin.



George Sharpe spent 8 years with Chevron, primarily in reservoir positions. Worked East Painter in the Overthrust, the CO2 flood at Rangely, and was doing steam flood expansions in Bakersfield when the offer came to move home. He has been with Merrion ever since (1990), and has been managing the Investment group (A&D and development) since 1993. He is their chief deal maker, negotiator, candle stick maker.



Ryan Davis is the Operations Manager for Merrion Oil & Gas out of Farmington, NM. Ryan was born in Durango, CO but was raised in the Northwestern part of New Mexico. He received his bachelors of science in Mechanical Engineering from New Mexico Institute of Mining and Technology (New Mexico Tech).



Reed Page of Summit Corporation is an adventurous, entrepreneurial energy industry professional. He enjoys learning languages and meeting people from all over the world. His focus is on sustainable growth and team-building and strives daily to create a corporate culture that facilitates both.

Reed is also a mountaineer and climber, husband to a beautiful wife and father to three crazy little kids.

***The symposium will be on Friday 9/22/2023 during the Friday Business Session.***

ADDC Banquet Keynote Speaker

Saturday 9/23/2023



Daniel Turner is the Founder and Executive Director of Power The Future (PTF). After 20 years working in communications and public affairs he started PTF to advocate for rural energy communities in the power center of Washington, DC which makes those policy decisions which impact energy workers. Daniel is an expert in energy and environmental issues as they pertain to jobs, rural communities, the U.S. economy, international affairs, and our national security. His op-eds have been published in dozens of outlets and he is a regular guest on multiple programs on Fox News, Fox Business, Newsmax, and One America News Network. He has appeared on over 1500 radio programs.

Daniel lives on a working sheep farm in rural Virginia with his family and several dogs.

# Club Sales

Please fill out the form below and return with your registration to reserve your table for club sales. A listing of all pre-registered club sales will be printed in program.

Region \_\_\_\_\_

Club \_\_\_\_\_

Contact \_\_\_\_\_

Description of items(s) for Club Sales

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Proceeds benefit (i.e. program fund, scholarship fund, educational field trip, etc.)

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## 2023 ADDC CONVENTION REGISTRATION FORM

(One form per person, non-members will use this form and check guest of)

### REGISTRATION DETAILS

ADO Use Only	
Emergency Form Attached	_____
Payment Processed/Deposited	_____
Scanned (copy to Treasurer & GAC)	_____

Name:	Club:		
Company:	Region:		
Delegate: <input type="checkbox"/>	Alternate: <input type="checkbox"/>	First Convention: <input type="checkbox"/>	Guest: <input type="checkbox"/> Guest of: _____
Phone:	Cell:	Email:	
Mailing Address:	City:	State:	Zip:
Current ADDC Position:	Past ADDC President (Year):		

Specific diet requirements (vegetarian, allergies, etc.) \_\_\_\_\_

### REGISTRATION FEE

Member			Non-Members		
<b>Registration Fee</b> (Covers all business sessions, Industry & Recognition Luncheons and Banquet)	<input type="checkbox"/>	\$ 250.00	<b>Ice Breaker Luncheon Banquet</b>	<input type="checkbox"/>	\$ 64.00
				<input type="checkbox"/>	\$ 77.00
				<input type="checkbox"/>	\$
<b>Late Registration Fee</b> (Registration after <b>8/28/2023</b> )	<input type="checkbox"/>	\$ 25.00	<b>Certification (Non-Member)</b>	<input type="checkbox"/>	\$ 125.00
<b>Subtotal of Field Trips, Seminars &amp; Certification</b>	<input type="checkbox"/>	\$	<b>Subtotal of Field Trips &amp; Seminars</b>	<input type="checkbox"/>	\$
<b>Total</b>		\$	<b>Total</b>		\$

### FIELD TRIPS, SEMINARS, CERTIFICATION

<input type="checkbox"/>	Field Trip #1	\$ 85.00	<input type="checkbox"/>	Seminar #1	\$ 0		
<input type="checkbox"/>	Field Trip #2	\$ 95.00	<input type="checkbox"/>	Seminar #2	\$ 0		
<input type="checkbox"/>	Field Trip #3	\$ 85.00	<input type="checkbox"/>	Certification	\$ 75.00		
<input type="checkbox"/>	Field Trip #4	\$ 85.00					
	<b>Subtotal</b>	<b>\$</b>		<b>Subtotal</b>	<b>\$ 0</b>		

### REFUND AND RETURN CHECK POLICY

Full refunds on cancellations emailed/postmarked by **8/28/2023**, if funds are available. NO REFUNDS after **9/4/2023**. Returned Checks will be subject to a fee of **\$50.00**

### PAYMENT: CHECKS PAYABLE TO: ADDC CONVENTION FUND

MAIL PAYMENT AND REGISTRATION FORMS TO: ADDC 5014 FM 1500 PARIS, TX 75460

<input type="checkbox"/> <b>Check this box if payment is being made for multiple participants</b>			
<b>Check Amount:</b>	\$	<b>Payor:</b>	<b>Payor Phone:</b>
<b>Check Number:</b>	#		
<b>Payor email:</b>		<b>Payor Address:</b>	
<input type="checkbox"/> <b>CREDIT CARD Payments:</b> Send this form(s) via email to <a href="mailto:ado@addc.org">ado@addc.org</a> and request to be invoiced via Square, a credit card fee will be added to the invoice. In case of cancellation, credit card processing fees will not be refunded. If paying for multiple members please check the box above and provide all registration forms for all attendees that are to be invoiced. DO NOT SEND Credit Card info in email.			

**EMERGENCY INFORMATION & RELEASE FORM  
ASSOCIATION OF DESK AND DERRICK CLUBS**

This form is to be completed by each person participating in association activities.  
All information is confidential.

**PARTICIPANT'S INFORMATION**

PARTICIPANT NAME
ADDRESS
OFFICE PHONE
CELL PHONE

**IN CASE OF EMERGENCY, PLEASE NOTIFY**

NAME	RELATIONSHIP
ADDRESS	
OFFICE PHONE	
CELL PHONE	

**HOSPITALIZATION INSURANCE COMPANY**

INSURANCE COMPANY
ADDRESS
PHONE
POLICY NUMBER

I understand that my participation in the field trips and/or special events is at my own risk and responsibility. The Association of Desk and Derrick Clubs assumes no liability.

SIGNATURE
CLUB NAME
DATE

This signed release form must be received before departure of any field trip and/or special event. Please return signed release form with your registration form.

**Desk and Derrick Club of Wichita Falls  
July 19, 2023**

Membership Meeting  
The Forum, 2120 Speedway Avenue

**Presiding:** **Sheila McGaughey**  
Stephens Engineering

**Invocation:** **Vickie Young**  
Cobra Oil & Gas Corp.

**Introduction of Speaker:** **Nichole Harney**  
Cobra Oil & Gas Corp.

**Program:** **Carrie-Anne Taylor**  
Vice President  
Echometer Company

**“Echometer Company – Who We Are and What We Do”**

Brief history of Echometer leading up to their current operation as an ESPO, and overview of how oil & gas companies use their equipment to troubleshoot and optimize their wells.

Reservations should be emailed to Diana Walker, [dwalker@sjoc.net](mailto:dwalker@sjoc.net) or call/text cell phone 940-636-0971, or call office 940-716-5344

**Reservations Deadline 4:00pm Thursday, July 13**

**MEAL COST \$19.00**

**\*\*\*RESERVATIONS MUST BE MADE\*\*\***

If you make a reservation and do not attend, you are still responsible for payment.

**(If paying with cash, please bring exact change)**



# NEWS RELEASE

from the RAILROAD COMMISSION OF TEXAS

Christi Craddick, Chairman ★ Wayne Christian, Commissioner ★ Jim Wright, Commissioner

June 14, 2023

[www.rrc.texas.gov](http://www.rrc.texas.gov)

## **New Oil and Gas Monitoring and Enforcement Plan Approved for Fiscal Year 2024**

RRC commissioners have approved the agency's Oil and Gas Monitoring Plan for Fiscal Year 2024 which continues to build on the agency's strong record of stewardship of protecting the environment and residents.

The new plan includes goals to accurately demonstrate the Commission's oil and gas monitoring and enforcement activities and to strategically use the oil and gas monitoring and enforcement resources. It focuses on developing a framework to describe the totality of oil and gas monitoring and enforcement efforts, beyond inspections and remediation work the agency does, which would include the extensive work that is done involving technical permit monitoring and administrative compliance enforcement.

The RRC's well plugging program, which has exceeded goals set by the Legislature for six straight years, will continue its prioritization system to extend its successful work plugging orphaned oil and gas wells throughout the state with state funds. This fiscal year the RRC utilized federal grants to add to the number of wells that were plugged. The agency has submitted comments on draft federal guidance on another set of grants that could be utilized next fiscal year.

"Our oil and gas regulatory work is nationally recognized because of our staff's tireless work and the way we have leveraged technology to improve our efficiency over the years," said Wei Wang, RRC Executive Director. "The new plan for next fiscal year keeps building on that as we regulate more than 430,000 wells in the state. Texas is the largest oil and gas producer in the nation, and we will continue to help that economic vitality."

Staff training has been very important for the agency as it regulates a cutting-edge oil and gas industry. Inspectors will continue to receive in-house and external training to learn about the technologies employed in conventional and shale oil and gas field operations.

Part of the Commission's most recent goals are to use data from inspections, enforcement, and compliance to improve our information management systems so that they are more user-friendly for operators. That work will continue in the next fiscal year to help efficiency for both RRC staff and oil and gas operators.

The Fiscal Year 2024 Oil and Gas Monitoring and Enforcement Plan can be found at this link: click [here](#).

The Spanish version of the Oil and Gas Monitoring and Enforcement Plan for Fiscal Year 2024 is also available at this link: click [here](#).

# IN THE NEWS

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WITH ALEX MILLS

JUNE 16, 2023 thru

JULY 6, 2023

## Texas Petro Index in a three-month decline

Mixed economic indicators for the upstream oil and gas industry in Texas have industry watchers wondering which direction the industry will be going during the remainder of the year.

The Texas Alliance of Energy Producers' "Texas Petro Index" (TPI) has declined during the last three months, but is still ahead of the same period in 2022.

The culprit: primarily lower prices.

"Once again, weak pricing for crude oil and natural gas are largely responsible for the decline, with downward pressure on the index coming from prices themselves, as well as the falling value of crude oil and natural gas production," Alliance Executive Vice President Karr Ingham, who is a petroleum economist and author and founder of the TPI, said. "Drilling permits are the other TPI component to register year-over-year negatives for April and the first four months of the year."

"Nominal (unadjusted for inflation) crude oil prices (posted WTI) increased in April, averaging \$75.22 for the month," Ingham said. "This is up from \$69.28 in March but still down 23% compared to year-ago levels. In real (inflation-adjusted) terms, the April crude oil average is down by nearly 27% year-over-year."

"Nominal natural gas prices are down a sharp 71% in April compared to year-ago levels, and in real terms were off by close to 73%," he said. "That means that, even though production continues to climb, the real value of that production is down by over 20% for crude oil, and nearly 60% for natural gas production through the first four months of the year."

Ingham points out employment numbers in the oil patch continue to rise as does crude oil and natural gas production.

The industry continues to add jobs, though at a snail's pace over the last three months. The upstream oil and gas industry has added more than 20,000 jobs over the last 12 months, but only a net of about 115 jobs have been added over the last three months, Ingham said.

"A sustained decline in the Texas Petro Index means a contraction in the upstream oil and gas industry in Texas," said Ingham. "Declining prices, followed by a decline in drilling permits, suggests that the rig count will weaken in the coming months, absent price recovery that would turn things around. At some point, employment will follow suit. We can hope that the economy shrugs off a recession and that growing domestic and global demand will begin to stabilize prices and return some optimism to the oil patch in 2023."



## **Oil and gas companies have rough first half of 2023**

Oil and natural gas companies have experienced a rugged time during the first half of 2023.

Inflation, supply chain issues, and attacks by politicians in the U.S. and Europe have resulted in a decline of investment capital from financial institutions and outside investors.

Out of the top eight oil and gas producing companies, six have had their stocks decline since Jan. 1. Chevron's stock price has declined 12%, Conoco and EOG down 11%, Pioneer Natural Resources off 9%, ExxonMobil down 5%, and Oxy off 3%. All of these companies are headquartered in the U.S.

The only two with an increase in stock price are Shell up 9% and BP up 3%. Both of these companies are headquartered in Europe.

Crude oil prices are off 30% and natural gas prices are down 40% from a year ago.

The drilling rig count in the U.S. is down 11% to 695, which has resulted in a decline in the companies that provide drilling rigs.

The Wall Street Journal reported this week shares of the four largest onshore drilling companies have plunged by 33% on average this year, while the S&P 500 energy index is down 8% and the broader S&P 500 is up 15%.

“Some of the drillers say the hit to their share prices is an overreaction,” the WSJ story stated.

Recent news reports indicate Exxon Mobil and Chevron have been looking to acquire other exploration and production companies.

This week the merger between Patterson-UTI and NexTier Oilfield Solutions, valued at \$5.4 billion, was announced. The merger will allow Patterson-UTI, which is largely focused on onshore-drilling services, to get more into fracking. NexTier, which was born out of a 2019 merger between C&J Energy Services and Keane Group, is a provider of well-completion and production services that doubled its revenue to \$3.24 billion last year thanks to higher prices and increased fracking activity, according to the WSJ.

Even though the political rhetoric has died somewhat from last year, the regulatory agencies in Washington continue to propose pursue new regulations that would deter drilling and production in the U.S.

# Questions arise about volume of global oil supplies

## Oil production by Saudi Arabia and Russia

Saudi Arabia's extension of its 1 million barrels per day (b/d) production into August has had little to no effect on overall oil prices, with ICE Brent settling at \$74.65 per barrel at the end of the day, 35 cents lower than last Friday, Oilprice.com reported on July 4.

"All this indicates that OPEC+'s supply cuts are perceived by the market at large as a bearish signal of suppliers wary of slackening demand, rather than Riyadh cornering the physical market," Oil price stated.

"Whilst Russia refrained from additional supply cuts, it did promise to cut its crude export by 500,000 b/d, however, the current pace of loadings is already 450,000 b/d lower than May. The only time when Saudi Arabia was producing 9 million b/d or less on a sustainable basis was in peak COVID period in early 2021 and during the Great financial crisis of 2008."

## LNG sets record

In 2022, global trade in liquefied natural gas (LNG) set a record high, averaging 51.7 billion cubic feet per day (Bcf/d), a 5% increase compared with 2021, according to data by CEDIGAZ. Liquefaction capacity additions, primarily in the United States, drove growth in global LNG trade. At the same time, increased LNG demand in Europe also contributed to trade growth as LNG continued to displace pipeline natural gas imports from Russia.

Texas Energy Report stated Cheniere Energy Inc's Sabine Pass LNG export facility returned to full production this week after undergoing maintenance, data from Refinitiv showed. The increased production is expected to help third quarter exports of U.S. liquefied natural gas (LNG) which fell in May to 7.66 million tonnes from a record 8.01 million tonnes in April, as plant maintenance curbed some output.

## Investors re-looking at petroleum companies?

The first half of 2023 has been tough for oil and gas companies, but some investors are turning bullish on energy stocks. Texas Energy Report notes that out of the S&P 500 index's 11 sectors, analysts are the most optimistic about the energy industry, with the sector earning roughly 60% of buy ratings, according to FactSet. Energy stocks have fallen 7.8% this year, compared to a gain of 14.5% for the S&P 500.

## Tesla sets record

Tesla reports it delivered 466,140 Teslas in the second quarter, a record and around 24,000 more than analysts polled by FactSet forecast. Production outpaced deliveries for the fifth consecutive quarter, meaning that Tesla's inventories are still increasing despite better sales. This gives the company a reason to continue finding ways to stimulate additional demand, such as a June offer that any Model 3 ordered before the end of the quarter would come with three months of free charging, the Wall Street Journal reported.

## Wind takes a hit

Costly failures at wind turbine manufacturer Siemens Gamesa last month sent shares of parent company tumbling 37%, and analysts are concerned about wider problems across the industry. Siemens Energy CEO Christian Bruch said "too much had been swept under the carpet" at Siemens Gamesa and that the quality issues were "more severe than [he] thought possible." The problem involves critical components like bearings and blades.

Continuation from Cover:

The hour-and-fifteen minute flight received a water cannon salute in Kalamazoo and again at Washington Reagan Airport. Very impressive! The respect given to these soldiers, sailors, and airmen who served many decades ago brought tears of joy.

The weather in the nation's capital was overcast, but cloudy skies and drizzling rain was not going to spoil this day for these guys and ladies. By the way there were 3 women veterans in the group.

A short bus ride to Arlington National Cemetery and we arrived at the Tomb of the Unknown Soldier and the changing of the guard. The precision of the march of the guards, the timing of the three guards during the exchange of duty, and the beauty of the bugler playing Taps brought chills down my back and tears to my eyes.

Next stop the statue of Marines raising the flag of the United States at Iwo Jima during World War II, then to the Vietnam wall, Lincoln Memorial, Korean conflict, and World War II Memorial.

Everywhere we went in Washington we were greeted with strangers shaking our hand and thanking us for our service to the nation. Some even said "Welcome Home."

During the flight back to Kalamazoo, the volunteers and staff of Talons Out Honor Flight gave each veteran a letters-from-home package, which included letters, cards, notes, etc. from our family members (adults and children) and some from even strangers expressing many emotions but they all boiled down to the feeling of "Welcome Home."

"Welcome Home" touches the heart of all veterans but especially to Vietnam-era veterans because many did not get that "Welcome Home" feeling when they returned home some 50 years ago.

I, for one, always had pride I served in the Army, but many Vietnam-era vets were shaken by the controversy during the war and the treatment they received. Now, groups of citizens, like those in Kalamazoo, Michigan, have taken it upon themselves to say "Welcome Home" and it feels good!

The plane arrived just as the sun began to set in Kalamazoo, and we were met with a parade with a police escort to a nearby museum where hundreds of people warmly welcomed us home.

God bless and thanks to all of the staff and volunteers who took the time and effort to work on such a special event. And thanks to everyone who thanks all veterans for their service and "welcomes us home."



# July 2023

Sun	Mon	Tue	Wed	Thu	Fri	Sat
						1
NELVA WHITE 2	3	<i>HAPPY 4TH OF JULY</i>	BOARD MEETING 5	6	PAIGE BAUMER 7	8
ANNALIESE HANCOCK 9	10	11	12	13	14	15
16	17	18	MEMBERSHIP MEETING 19	20	21	22
23	24	25	26	CASIE MASS 27	28	29
30	31	<p>"WE'RE BLESSED WITH THE OPPORTUNITY TO STAND FOR SOMETHING-FOR LIBERTY AND FREEDOM AND FAIRNESS. AND THESE ARE THE THINGS WORTH FIGHTING FOR, WORTH DEVOTING OUR LIVES TO." - RONALD REAGAN 40TH PRESIDENT OF THE UNITED STATES Credit: <a href="https://www.realsimple.com/holidays-entertaining/holidays/4th-july-quotes">https://www.realsimple.com/holidays-entertaining/holidays/4th-july-quotes</a></p>				

# August 2023

Sun	Mon	Tue	Wed	Thu	Fri	Sat
		1	BOARD MEETING 2	3	4	5
DORIS STERLING 6	7	8	9	10	11	12
13	14	15	MEMBERSHIP MEETING 16 1ST DAY OF SCHOOL	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

