



# The Desk and Derrick Journal

Greater Knowledge - Greater Service

Association of  
Desk and Derrick  
Clubs

1st/2nd Quater 2009

Volume 58, Issue 1



**Inside this Issue:**

Editor’s Corner	3
From the ADDC President	4
Desk and Derrick of New Orleans	
60 Years & More to Come	5
Oil 150	6
The Discovery that Built an Industry	6
Alberta Foothills Desk and Derrick	
2008 Australia Energy Tour	7
“...And The Winner Is...”	8
Energizing Our Minds...	
Introducing Others Desk and Derrick...	
San Antonio Club	9
Celebrating Western Spirit In Calgary	10
Proposed Amendments	11
Athabasca Oil Sands—Dirty Oil— Fact or Fiction?	13
Its Time to Fight for Our Oil and Gas Industry... Before It’s Too Late	14
Bataan Memorial Death March	17
ADDC President 2010	19
Nominees for 2010 ADDC Board	20

***The Association of Desk and Derrick Clubs***

The Association of Desk and Derrick Clubs (ADDC) is an international educational organization made up of individuals employed in or affiliated with the petroleum, energy, and allied industries.

**Mission Statement**

To enhance and foster a positive image to the global community by promoting the contribution of the petroleum, energy, and allied industries through education by using all resources.

**Purpose**

The purpose of the Association shall be to promote the education and professional development of individuals employed in or affiliated with the petroleum, energy, and allied industries.

**Cover Photo**

Photo was taken on the property of The Permian Basin Petroleum Museum, taken by Kieron Corr-Wright of the Buckeye Club.



**2009 Association Board Of Directors**

The Desk and Derrick  
Journal

Contact Information

Nell Lindenmeyer—Editor  
nell@apluswell.com

Mailing address for  
Correspondence:

Association of  
Desk and Derrick Clubs  
5153 E. 51st Street, Suite 107  
Tulsa, OK 74135-7442

*The Desk and Derrick Journal (DDJ)* is the official publication of the Association of Desk and Derrick Clubs, an international energy education organization.

The *DDJ* is published by the Association of Desk and Derrick Clubs with offices at 5153 E. 51st Street, Suite 107, Tulsa, OK 74135-7442 to provide news of ADDC and the allied industries to its members.

Byline and credited articles represent the views of the authors. Publications in the *DDJ* neither implies approval of the opinions nor accuracy of the facts stated.

Bulk mailing rate postage paid at Tulsa, OK.

## *Association Board of Directors*

<p>Reginia Garner, President Silver Oak Drilling, LLC</p> <p>Donna Siburt, President-Elect Dominion East Ohio</p> <p>Angelia Duplessis, Vice President ConocoPhillips</p> <p>Judi Adams, Secretary Shell Exploration</p> <p>Ruby Redington, Treasurer ConocoPhillips</p> <p>Sheryl Minear, Immediate Past President WolfePak Software</p>	<p>Christine Wolfe, Region I Director Marathon Oil Company LLC</p> <p>Marsha Bundy, Region II Director Marathon Pipeline Company</p> <p>Elaine Lesnak, Region III Director M-I SWACO</p> <p>Lois Roberts, Region IV Director Edward Jones</p> <p>Linda Clark, Region V Director A-Plus Well Service</p> <p>Linda Gau, Region VI Director Continental Resources</p> <p>Brian Carter, Region VII Director FortisAlberta Inc</p>
---	---

## *Assisting the Board*

<p>Misty Hendricks, Executive Assistant Hendricks Consulting</p>	<p>Nell Lindenmeyer, Parliamentarian A-Plus Well Service</p>
--	--

Andre' Martin, Manager  
Association Distribution Office

## *Editor's Corner*

Some months just epitomize that life is what happens while you're planning for the future. When the first Desk and Derrick Journal editors had to resign due to personal reasons I jumped at the chance to carry forward a great publication. Lots of ideas and plans were formulated...and then life happened. Less than a month after taking over the co-editorship with Teri Hurt, I went down for the count with some health issues. I am now home recovering from major surgery as well as some complications that sent me back to the hospital for three more days the same week of my surgery. But being the eternal optimist I could find the positive side to all: the 2nd trip to the hospital was on the insurance company; I lost 12lbs and made my goal my trainer set for mid-April; I didn't have to eat hospital food the second time as I was hooked up to IVs the whole stay; AND I reaffirmed what great members we have in Desk and Derrick. When I realized the doctor WAS right about how long recovery would take the Journal was more than past due and panic setting in from all areas. I asked Christine Wolfe, who has handled the Journal the last couple of years, if she would help me get this one out. I had the articles and she had the template. Without a moment's hesitation she jumped right in (the same week of her Regional Meeting

no less) and got this issue of the Journal up and running. That's the great support mechanism within our wonderful organization...and even after 33 years of membership I'm humbled to be a part of it. Many thanks Christine for your support and friendship in getting this issue out. And just like our industry... sometimes we're down but we're never out when we ask for help. ♦



## *From the ADDC President*

*Intro to the series:*

Greetings ADDC Members:

Rather than the ADDC President writing you another letter each Journal that reiterates what's going on in the Association, we thought we'd give you a series of articles from your elected Board Members. Many of you may have seen the ADDC officers at a Regional Meeting or Convention, but few probably know us well enough to understand where we've come from, why we ran for the Board or even what motivates us in our "real world" jobs and lives. So, look throughout issues of your DDJs this year for these hopefully insightful snippets.

**This Is Not My Grandfather's Oilfield**

This is not my Grandfather's oilfield any longer ... or for that matter, it isn't even the oilfield that my Father worked in and in which I grew up! Without admitting my exact age, I can tell you I've watched as technology has totally revolutionized the industry that I've been a part of my entire life.

You see, my Grandfather (on my Mother's side) came from the oilfields of Illinois to work in the field where the first New Mexico oil find occurred and worked in the fields until his mid 50's when a heart attack forced him to retire. My Dad came out of the oilfields of Oklahoma down through the East Texas fields then across into New Mexico. He tried several times to leave the industry, but I guess it really does get into your blood because he did pretty much everything from hauling the product in all forms – crude to jet fuel – to working as a roustabout and pumper to helping produce all the various products working at Navajo Refinery.

From him I learned how to gauge a tank (I believe I was eight at the time) and learned how different gasoline octanes are blended through part of the refining process and lived in fascinating areas of Southeastern New Mexico with names like Loco Hills and Maljamar (try to find those on most maps!). When I graduated from high school, I had no ambition to enter the industry. I was going to college as a music major. But things change, majors change (business and computers seemed more logical), and family priorities change ... one thing led to another and I ended up back in Artesia looking for a job. And guess what my options were ... an oil company, a service company, another oil company ... you get the idea. That said, I still feel I was quite lucky to get the job I've had for 30+ years. I probably should say "jobs" because even though it was primarily all for the same bosses and in the same offices, I started as a receptionist and bookkeeping assistant, working primarily for a water transport company in an office that also housed a supply store, lease operator, drilling company and even a machine shop later down the road. At one time or other, I worked for all the entities, so I picked up a little bit more knowledge in each endeavor. Plus, I found Desk and Derrick to fill in the blanks for the jobs I didn't already know about.

After all those years you can sometimes find yourself in a "pattern", not necessarily a rut, but a usual way of doing things. Three years ago in March, I was offered a totally new experience – the buyout! Again, I've been fortunate because the company that purchased us also wanted all the employees, but the learning process began again. Just before the buyout was announced, I'd finally reached the point in Desk and Derrick where I felt I had something to offer the Association and had decided to run for office. Sure, I'd already been on the Board in '96 and '97 as the Region V Director and the Executive Assistant to ADDC President Nancy Jorren. At that time several people encouraged me to go "up the ladder", but I never felt that I had much to offer. I was happy with the way things seemed to be headed and ADDC didn't need me in that position ... instead I decided to work behind the scenes. I moved on to be the 2001 Convention GAC and was asked to be on the Educational Trust Board and life was good. Then ADDC seemed to hit that "pattern" again where we seemed to be headed down a path that I felt could be improved upon. So, instead of sitting back and complaining, I took the advice of a friend and decided to run for an office. Since that time, I've continued up that ladder, even though I'm still unaware at times where it leads. But times change and I'd done my best to go with the flow and change along with them.

Not even going back to the time when my Grandfather and Father were part of the "old" oilfield, just pulling from my own experiences ... the changes in our industries have been dramatic. Previously in the offices, everything was done by hand which required more "hands" actually in the office. As we slowly added computers, we found we needed fewer people to do the same amount of work ... but it also put more responsibility on those who remained. Work in the fields changed, too ... better technology allows us to drill wells faster, deeper and in previously non-accessible areas. Rigs that my Grandfather could only work during the daylight hours have been replaced many times over and now run 24/7. Wells that took months to drill now take only days in comparison. And now you are hard pressed to find a drilling rig that doesn't have a computer on it somewhere! Although rigs are my area, I realize that all our energy industries have gone through similar processes.

As the industries change, Desk and Derrick is also forced to change. When I first joined, we were still, literally, a group of secretaries with a smattering of technicians. The membership was higher in numbers because there were more people actually employed in the offices to keep up with all the paperwork and accounting involved. Industry support was high in all areas. With more companies turning to computers, fewer employees were needed, so we started noticing that our numbers were falling, but only slightly. Then suddenly, the price of oil

*Continued on Page 5*

Continued from Page 4

and gas dropped – employees were laid off, company support began to dwindle. You may think I’m talking about recent times here, but I’m actually discussing what happened in the mid-80’s – I remember this well because the first time I was Club President was in 1985, right in the middle of the shift. Since that time we’ve made a comeback, several of them, in fact.

The price of oil and gas continue to fluctuate and sometimes we feel we’re on the largest roller coaster in the world. Unfortunately, Desk and Derrick must take the same ride the industry takes. Right now we’re in one of the low points, having just gone over one of the really high peaks. I think we’re all still reeling from that huge drop that makes it feel like your stomach is still somewhere near the top and hasn’t quite caught back up with you yet. You all know that feeling. I’m just hoping that our current members have the same attitude and gumption (my Grandfather’s word for it) to stick with ADDC during the ride because another peak is on the horizon and you don’t want to miss the thrill! ♦

*Reginia*



*Notes from ADO*

Dear Membership,

I can’t believe how much time has passed since the beginning of the New Year . . . WOW, where does the time go?

I do hope by now that you have taken advantage of viewing and using the ADDC website. We are frequently making changes with new correspondence as well as updated information, in hopes of providing a usable and informative resource for you. If there are any changes or you need information, I’m sure there is a form or manual for it!!! Feel free to explore and use these useful tools.

Hopefully by now, everyone has received the updated Membership Handbook as well as ADDC Pins for the New Members. **Welcome New Members!!!** Within the next few weeks everyone will receive Membership Cards. Now that Regional meetings are over, ADO will be able to “catch up” with a few things that were not sent out prior. Thank you for your patience.

**Desk and Derrick Club of New Orleans  
60 Years & More to Come**

By: Debi Baiamonte, Historian Chairman  
Desk and Derrick Club of New Orleans

The idea of a personal meeting was suggested by Inez Awtz Schaeffer in 1949. Twelve women who had attended the cocktail party representing major oil companies and consultants became charter members and the board of directors. Thereafter events snowballed. The idea had spread through articles in trade magazines and clubs were formed in Jackson, Mississippi; Los Angeles, California and Houston, Texas.

Names and faces have changed over the last 60 years, but the goal has not been altered. Members continue to focus on our motto of **“Greater Knowledge - Greater Service”** and the Club continues to publish monthly issues of Desk and Derrick Times providing local, region and association news as well as industry related information.

Having just hosted Region III Meeting, New Orleans Club members are now focused on celebrating their 60<sup>th</sup> Anniversary at the Holiday Inn Downtown-Superdome on Wednesday, June 10<sup>th</sup>. All are invited to join the **#1 Founding Club** in marking this most memorable occasion. See our website: [www.deskandderrickneworleans.org](http://www.deskandderrickneworleans.org) . ♦

As always, if you have any questions that I can help you with please don’t hesitate to send me an email or give a call.

Enjoy,

Andre’ Martin  
ADO Manager



## *Regions of the Association of Desk and Derrick*




---

### REGIONAL INFORMATION

---

#### **Oil 150**

**By: Christine Wolfe**

It's hard to believe that this year marks the 150th Anniversary of Oil. In 1859, "Colonel Edwin L. Drake and the Seneca Oil Company struck oil in Venango Oil Field near Titusville, PA. The petroleum industry we know today, started from the humble beginning of The Drake Well producing about 40 barrels a day. The Oil 150 Celebration is commemorating this historic event, of The Drake Well with a seventeen month celebration from August 1, 2008 through December 31, 2009.

The Oil 150 gives everyone the opportunity to discover the historical meaning of the oil industry, from the discovery of oil on August 27, 1859 to the innovative ways, the global community use oil everyday.

The purpose of the Oil 150 is to:

- ◆ Increase worldwide awareness of the sesquicentennial of oil.
- ◆ Increase national public knowledge and understanding of the significance of the early oil and natural gas industry developments in Pennsylvania.
- ◆ Educate the public on the petroleum industry's development.
- ◆ Educate the public on the social and economic benefits the industry has brought to the nation.
- ◆ Enhance interest in oil history and oil-related education fields.
- ◆ Increase tourism at oil-related sites.

The Region I members this year will have the opportunity to participate in some of the Oil 150 Celebration during May 14-16, 2009. Come and discover the life-changing events that have made the petroleum industry, from The Drake Well to wherever the future may lead us.

\*Information on the Oil 150 was found at [www.oil150.com](http://www.oil150.com). ◆

#### **The Discovery that Built an Industry**

**By: Joan Richardson**

On Friday, February 13, 1947, Imperial Oil announced the discovery of oil at Leduc #1, predating the biggest oil boom in Canadian history. Many dignitaries gathered to watch Vern (Dry Hole) Hunter and his crew bring the well into production on a cold, blustery day. It truly was a great moment for Canada, for Alberta and for our industry. Prior to this discovery more than fifty years of exploration and the drilling of about one thousand wells at a cost of approximately two hundred million dollars had shown few positive results. No significant oilfield had been discovered since the Turner Valley find ten years earlier. Oil companies were discouraged and close to giving up on Alberta. Leduc #1 brought a feeling of optimism and new interest in drilling throughout central Alberta leading to the discovery to a series of major oil fields in previously untapped formations.

*Continued on Page 7*

*Continued from Page 6*

A group of volunteers formed the Leduc/Devon Oilfield Historical Society to commemorate this event, which is still a major contributor to Alberta's thriving economy. The Canadian Petroleum Discovery Centre opened at the Leduc #1 Historic Site in 1997. Their mission is to preserve and display oilfield and related artifacts of the past for the cultural and historical benefit of future generations and to educate individuals about environmental and energy industry related matters. It is also the home of the Canadian Petroleum Hall of Fame. Desk and Derrick is proud of our club members who are honored inductees, including Joyce Neary and Dorothy Harris from the Edmonton Club and Helen Turgeon and Marguerite Flood Mosher of the Calgary Club.

In June of 2008, many friends, members of sister clubs, past members and invited guests joined Edmonton Club members in a walk through our glorious past at the Discovery Centre. There are too many great displays to review them all here - it would fill the DDJ and still not do the Centre justice. In addition, the numerous educational programs available at the Centre make it truly a place where Discovery Happens! We invite you to take a virtual tour by visiting the website at [www.LeducNumber1.com](http://www.LeducNumber1.com). The attached photo shows some of us perched on the fully operational drilling rig spudded in on the exact spot where history was made in 1947. As the happy faces indicate - a good time was had by all. ♦



**ALBERTA FOOTHILLS DESK AND DERRICK  
2008 AUSTRALIA ENERGY TOUR  
By: Lucy Mulgrew**

Petroleum Club of Western Australia Meeting in Perth  
October 15, 2008

The Petroleum Club serves an important role in the Western Australian resources sector and we were honored to be invited as special guests. At the beginning of the evening waiters and waitresses were walking around making sure we tasted their delectable appetizers and kept our wine glasses full and our beer cold. After the mix and mingle, we then sat down for a

three course lamb dinner. They sat 3 of our ADDC members and guests at each table so that we could converse with PCWA members.

The guest speaker for the evening was Thys Heyns, managing Director BP Refining (Kwainana) Pty Ltd originally from South Africa who now resides and works in Perth. There was also discussion on current industry affairs and Kathi DesChene and Lucy Mulgrew presented a power point presentation on ADDC on all levels – ADDC, Regional and Club and our Motto – Greater Knowledge – Greater Service. Marie Malaxos, Petroleum Club of WA President was presented with an Oil Sands sample from Ft McMurray Tarsands and 5 ADDC Energy Activity books.

This club provides an opportunity for the 500 members to network and keep informed of industry issues through monthly dinner meetings and additional social functions. The 500 members are professionals from all aspects of the industry all with the common aim of sustainable development of Australia's petroleum resources.

This club is also the flagship of educational programs including the Schools Information Program which is delivered to Year 10 students throughout schools in Western Australia. Operating in government and non-government secondary schools since 1991, the Schools Information Program, helps to foster greater awareness and better understanding by the community of the oil and gas industry. They offer each school the opportunity to have a presentation delivered on site at the coordinating companies premises. These are done with no costs to the schools and the Petroleum Club bears any costs that are incurred by the schools for relief teachers needed for these day.

The Western Australia Petroleum Club (WAPC) and the Association of Desk and Derrick Clubs (ADDCC) have the same agenda – education and we felt a kindred spirit to this club even though 80% of the members were men. This was a little different from what we were used to, but we thoroughly enjoyed the interaction and the gentlemen were quite impressed with our knowledge of the oil and gas industry. ♦



“...AND THE WINNER IS.....”

By Sandee Parsons



In the grand tradition of pugilistic encounters like the title bouts between Mohammed Ali and George Foreman, or the fictional contest between Rocky Balboa and Apollo Creed, The Desk and Derrick Club of Denver started out the year with an impressive blow by blow account by J. Greg Schnacke on the latest draft of the “Americans for American Energy” Energy Bill currently before Congress. In one corner, in the black trunks is the undefeated and

defending champion, Mr. Big Crude Oil, looking strong and confident and foreboding. Dancing and punching air in the opposite corner, wearing green trunks, is southpaw, Mr. Clean “Environment”, an impressive but lighter weight opponent, who has yet to prove he can win a bout without caving in to public demands. Both have shown they have the muscle and hard edge it takes to stay on top.

At the beginning of round one, Mr. Clean puts up his dukes and throws a strong right punch followed by a few flashy uppercuts reminding Crude Oil about lower emissions, clean energy, and funding for the Apollo project. But Big Oil, with fancy footwork serves up a wicked left hook followed by a sweeping blow to the head that tells Mr. Clean, his programs, although green and environmentally pleasing, are overly expensive and often impractical. And so the battle rages on. Each committed to drawing blood and strengthening their positions. This “fight”, this battle of the titans, has been waged for eons. With nose to nose and toes to toes they will undoubtedly continue until one or both literally “runs out of gas.”

On the surface, this latest bill appears broad based and realistic highlighted by lower emissions through efficiency gains, Apollo-Project Funding for CCS Technologies, a clean energy infrastructure build out, decreased foreign oil through CO2 storage, oil shale development, and CO2 sequestration legal reforms. However, the bill gets bogged down in linguistics proving once again that “talk is cheap but going GREEN is not.” The solutions, although appearing do-able on paper, are more difficult in reality. The resounding chant is the same old song “We want lower cost fuel, but we don’t want to give up anything for it.” Are Americans that naïve or just plain spoiled?

How many remember 1973 (you must be over 40 to recall this moment in history) – the great American gasoline shortage – putting locks on your gas caps and only filling up on even days behind a line of 30 or 40 cars. “Out of Gas” became a common sign outside the corner gas station. Because Americans cut back on consumption during that time we basically used about half of what we were using before the crisis. As the country used half as much gasoline it became cheaper and more abundant. Enter the bigger cars and trucks, and good bye to the little VW Rabbits and beetles. And now in 2009 Hummers and big SUVs abound. Does this reek of repetition? Can we possibly be this learning-impaired?

As the lyrics go, “Nothing comes from nothing, nothing ever will...” Everything has a price and the solutions to the high cost of natural gas is on the very top of every political “To do” list, **BUT** to do it **cheaply and in house**, so to speak, is unspeakably expensive. When natural reserves run out, what is left are alternative fuels, which tend to be even more costly and in many cases unproven or only in developmental technological stages. This latest energy bill will attempt to knock down the five biggest problem areas:

- Foreign energy dependency
- Decreasing Domestic energy production
- Skyrocketing energy prices
- Policies that limit access to domestic resources
- Support for foreign nations hostile to our interests.

The organization “Americans for American Energy” was created to educate the American people, and policymakers at the federal, state and local levels, on the urgency of working together to help America increase its energy independence. Supporters of this organization want to see Americans:

- Reduce its growing addiction to foreign energy,
- Develop a balanced portfolio of all domestic energy resources including: renewable and alternative energy supplies, clean fossil fuels, nuclear power, hydrogen and other advanced technologies,
- Be smarter and more efficient in our energy use, while we grow our overall energy supply to support the standard of living American has come to enjoy.

Dealing with these issues will require **Production, Conservation and Innovation** on the part of everyone participating in this process. The Americans for American Energy has developed a 12-Step Plan to address these issues:

Continued from Page 8

1. Increase the supply of affordable, domestically-produced natural gas
2. Promote responsible development of American oil resources
3. Utilize America's 200-year coal supply
4. Develop America's largest untapped energy resource: Oil shale
5. Increase use of clean and affordable nuclear power for electricity production
6. Invest in domestic renewable energy resources
7. Promote greater energy efficiency and conservation
8. Increase America's domestic gasoline refining capacity
9. Adopt common-sense regulatory relief and tax reform
10. Improve America's electricity transmission and energy infrastructure systems
11. Restore our domestic energy workforce
12. Tap American ingenuity and innovation to develop new technologies.

If there is one true fact it is that Americans are ingenious, selectively common-sensible, always daring and forever inventive and innovative. "When the going gets tough, the tough get going" and Americans have always been the leaders of the pack. But Americans hate inconvenience. Therefore, conservation vs. inconvenience becomes its own problem. When we want something, we want it now and we usually find a way to get now. Who will win this round? Remember, this issue will always be wrapped around profit and loss, supply and demand – **it is about money**. To quote the conservative environmental magazine, "High Country Angler" (Summer 2008, pg. 46) regarding responsible oil and gas development, "The costs of strategies that minimize, or often eliminate serious negative effects do not have to seriously diminish the profit margins of the energy developers." Maybe there is no clear winner or loser, just a commitment on both sides of the issue (energy vs. conservation) to make sound decisions and work within that framework.



It is time to head back to our perspective corners of the ring, and come up with a new fight strategy, to deal with the day to day tsunami of changes in the energy and conservation industries. A strategy that produces a winner...in any bout! ♦

---

### Energizing Our Minds... Introducing Others to Desk and Derrick...San Antonio Club By: Connie Harrison

As we began to plan our Desk and Derrick Orientation Event we wanted to have the event on a Saturday morning so that we could have a relaxed atmosphere for learning more about Desk and Derrick and maybe incorporate a mini field trip and some good food in the process. We had just the venue for this. Our board meetings are held at the Valero Hangar so that was our venue and our mini field trip all in one place along with a "killer" gourmet brunch prepared by Chefs who have served some of our top Military Officers. We began our plans and invited a most prestigious panel to give more insight into Desk and Derrick and the benefits of being a member.

Sheryl Minear, Immediate Past ADDC President, Lois Roberts, Region IV Director, Vickie Newman, Assistant to the Region IV Director and Frances Hidell, whose offices are too numerous to mention here, were our panelists. As a slideshow continued overhead in the conference room, so did the exchange of knowledge for our potential new members and current members who joined us that Saturday Morning. After a wonderful brunch and lots of educational conversation everyone was given a tour of a working hangar and the planes. Several drawings were held for items donated to all who attended.

Later that evening many reconvened at the hangar and we all went to the San Antonio Riverwalk for dinner together. The San Antonio River has many aqueducts that carried water many, many years ago that ran the electricity that powered San Antonio.

All in all this was a very successful event and we gained two new members. We also had two new members step up and volunteer to help out on the Scholarship Committee and the IAD committee.

This day **ENERGIZED OUR MINDS AND OUR SPIRITS.** ♦

---

**CELEBRATING WESTERN SPIRIT IN CALGARY****September 13 – 19, 2009****By: Marilyn Carter**

Calgary is located in the Foothills of the Rocky Mountains and combines a thriving metropolis with Western roots. It was founded in 1875 as a police fort for the North West Mounted Police at the junction of the Elbow and Bow Rivers. Named after Calgary Bay on the Isle of Mull, Scotland, Calgary means “clear running water” in Gaelic and was originally home to the Blackfoot First Nations who were soon joined by the Stoney and Sarcee in the 1800’s.

Surrounded by the rich grassy foothills, rolling hills and vast grassy prairies, the major industry for the area was cattle ranching and the area soon became the cattle centre of Canada and maintains this important status even today. The arrival of the Canadian Pacific Railroad (completed in 1883) brought many pioneer ranchers from across Canada to the area and by 1884 the population had grown to 4,000 and Calgary was proclaimed a city. It became a major stopping off point for the railroad to the west, and once connected to the rest of Canada it soon saw a huge jump in population spawned from the free land give away by the government.

Oil made its presence known in 1914 with the Dingman #1 well in nearby Turner Valley. Calgary’s first and shortest oil boom, lasting four months, was brought to an abrupt halt by the First World War. 1924 began another boom when Royallite started drilling near the Dingman well and struck it rich. For the next 2 years numerous wells were drilled and flares could be seen 20 miles away in Calgary. This boom lasted another year before it began to sputter. The Depression of the 30’s and World War II followed spurring a greater demand for oil and oilmen began looking further afield into the other formations of Alberta.

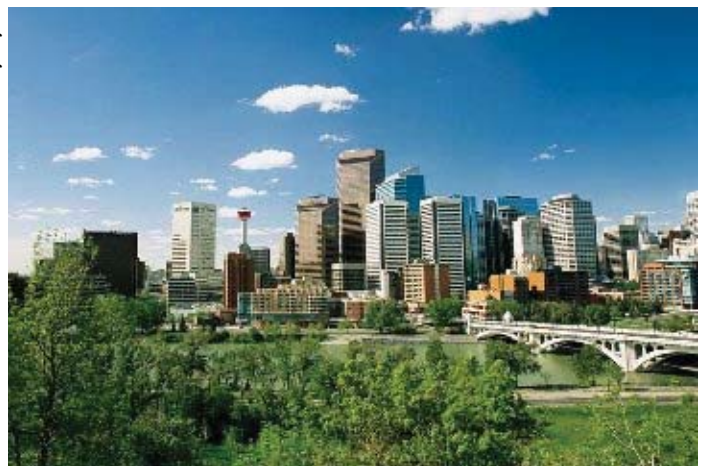
In 1947, the Leduc oil field was discovered near Edmonton and thousands of new residents poured into Calgary, many of them from Oklahoma, Texas and other oil-producing areas of the United States. In the 50’s Calgary became the fastest growing City in Canada from a population of 100,000, it mushroomed to 200,000 by 1955 and 325,000 by 1965

In the 1960s Calgary saw a huge change. Cow town became a gleaming metropolis of high-rise office buildings. This was due to the discovery, in vast quantities of oil across Alberta. Over 450 oil companies set up base in Calgary employing 70% of the population. The growth continued to center on oil with reliable and constant help from the agricultural industries. The establishment as “oil capitol” in the heyday of Turner Valley held and as the oil patch spread across the province, Calgary remained the heart of the industry.

After the formation of OPEC sent oil prices spiraling upward in the 70’s a fresh boom began in Calgary making past booms look tame. At the peak, 3,000 people a month were arriving in the city and Calgary was gripped by a building frenzy to accommodate the boom. The recession, which had already reached most of the world, finally found Calgary in 1982. Assisted by the Federal Government’s National Energy Program, the failing cohesiveness of OPEC, Reaganomics and a world oil glut, this oil boom was finally over. Vacancy rates shot up, unemployment escalated overnight to 15% and the trains heading east were finally fuller than the ones coming west.

In 1988, Calgary stepped into the world spotlight when it became the first Canadian city to host the Olympic Winter Games. Fortunately the Olympics helped boost the economy, and the oil market picked up once again. Throughout the 90s and early 2000s, growth in the oil and gas industries helped fuel a prolonged economic boom in Alberta. Oil production gradually expanded after the mid-1990s as technological advancements reduced the cost of mining Alberta’s vast oil sands.

Once again Calgary has become one of the fastest growing cities in Canada and today is the largest city in Alberta with a population over one million people. It is the fifth largest city in Canada and has the second largest number of head offices located there. Eighty-five percent of Canada’s Oil & Gas Industry is headquartered in Calgary. ♦



## *Proposed Amendments*

### **Proposed Amendment Number 1**

**Amend Article II – Purpose** by adding “and to educate the general public about these industries” at the end of the sentence.

**Now Reads:**

The purpose of the Association shall be to promote the education and professional development of individuals employed in or affiliated with the petroleum, energy, and allied industries.

**Amend to Read:**

The purpose of the Association 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.

**Rationale:**

This proposed amendment is based on discussions with Mike Gray, CPA and follow up with Allison McGrath Gardner, Attorney with Conner & Winters. We needed to make some changes in the ADDC purpose; otherwise our Energy Activity Book sales could possibly be considered unrelated business income. To avoid the application of UBIT (Unrelated Business Income Tax), the distribution of the EAB must contribute importantly to the Association’s tax exempt purpose. Because the distribution of the Books promotes the education of elementary school children, not individuals employed in or affiliated with the petroleum, energy or allied industries, the IRS could argue that the sale of the EAB is outside the scope of the Association’s exempt purposes. This proposed amendment would ensure that there can be no question that the sale of the EAB contributes to the Association’s exempt purposes.

Proposed by:

**ADDC Board of Directors**

ADDC Board of Directors  
 12 For            0 Against            1 Abstain

Rules Committee  
 7 For            0 Against            1 Abstain

**Comments For:**

I am for each of the proposed amendments and feel the rationale presented by the Board sufficiently explains why we need these items.

This gives a more in-depth meaning to our purpose.

I am for the proposed amendments in order to have our bylaws meet the Association's exempt purpose.

Educating the public is covered in our Mission Statement, but if the professionals think it should also be added to our purpose, then we should do so. The wording they suggest is simple and straight forward.

The proposed amendment serves a two-fold purpose. It reflects our purpose more fully since we not only educate our members but go beyond and provide educational opportunities for the general public too as well as addressing the issue of Unrelated Business Income Tax.

**Comments Against:**

None ♦

### **Proposed Amendment Number 2**

**Amend Article X – Duties of Officers, Section 5** by striking the word “audit” between the words “for” and “at” and inserting the words “review by an independent certified public accounting firm”.

**Now Reads:**

The Treasurer shall supervise the collection and disbursements of all funds of the Association as directed by the Association Board of Directors; shall furnish the Board of Directors with a quarterly statement of income and expenditures; shall submit the Association books for audit at the close of each fiscal year or as directed by the Board of Directors; and shall submit a written report at least twice annually to the clubs. The Treasurer shall furnish a surety bond in an amount fixed by the Board of Directors, the cost of which shall be borne by the Association. The Treasurer shall prepare a budget at the beginning of the year to be submitted to the Board of Directors for their consideration and shall perform such other duties as may be required of the office.

**Amend to Read:**

The Treasurer shall supervise the collection and disbursements of all funds of the Association as directed by the Board of Directors; shall furnish the Board of Directors with a quarterly statement of income and expenditures; shall submit the Association books for review by an independent certified public accounting firm at the close of each fiscal year or as directed by the Board of Directors; and shall submit a written report at least twice annually to the clubs. The Treasurer shall furnish a surety bond in an amount fixed by the Board of Directors, the cost of which shall be borne by the Association.

*Continued on Page 12*

Continued from page 11

The Treasurer shall prepare a budget at the beginning of the year to be submitted to the Board of Directors for their consideration and shall perform such other duties as may be required of the office.

**Rationale:**

Prior to commencing work on the 2007 financial statements, it was recommended by Mike Gray, CPA, who has been the Association auditor for several years, that we change from audited to reviewed financial statements. The American Institute of Certified Public Accountant’s Auditing Standards Board instituted 10 amendments to existing auditing standards. These new amendments significantly increase the work required to issue audited financial statements. The new amendments require an in depth risk assessment, a more rigorous assessment of material misstatement and an improved linkage between the assessed risk and nature, timing and extent of audit procedures performed in response to those risks.

Audits must be conducted in accordance with auditing standards generally accepted in the United States. An audit includes assessing the overall accounting principles used and significant estimates made by management, as well as evaluating overall financial statement presentation. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements.

After assessing the Association’s accounting procedures currently being used as well as the cost comparison between an audit and review, the board of directors believe that an annual review of the Financial Statements will be sufficient.

**Proposed by:**

ADDC Board of Directors

ADDC Board of Directors  
12 For            0 Against            1 Abstain

Rules Committee  
7 For            0 Against            1 Abstain

**Comments For:**

I am for each of the proposed amendments and feel the rationale presented by the Board sufficiently explains why we need these items.

This change still ensures that appropriate procedures are met and will not affect the integrity of our organization.

A lot of businesses are changing from an audit to a review because new audit requirements are so time consuming which translates to higher fees. I think this is a good move. Since we report on the cash basis we will lose little or no actual quality work. However, I think the insertion should read "review by an independent certified public accountant" instead of "accounting firm."

A review is so much simpler and less costly.

As noted in the rationale, the Association has numerous procedures in place in regards to accounting and an annual review should be sufficient.

**Comments Against:**

None ♦

**Proposed Amendment Number 3**

Amend Bylaws by adding a new **Article XXIII—Dissolution Clause** and renumbering the following Articles accordingly.

**Now reads:**

**Amend to Read:**

Upon the dissolution of the Association, the Board of Directors will, after paying or making provision for the payment of all of the liabilities of the Association, distribute all of the assets of the Association to an organization which qualifies as an exempt organization under Section 501(c)(3) or Section 501(c)(6) of the Internal Revenue Code of 1986 or the corresponding provision of any future United States Internal Revenue Law at such time as the Board of Directors will determine. Any of such assets not so disposed of will be disposed of by the District Court of the County in which the principal office of the Association is then located to such organization or organizations as said Court will determine which are organized and operated exclusively for such exempt purposes.

**RATIONALE**

It is required by the IRS to have a dissolution clause in our bylaws. At the 2007 ADDC Convention, the delegates were asked to vote on adding a proposed dissolution clause to the bylaws. The proposed amendment was referred to committee to study the issue in more detail. The Dissolution Review Committee was asked to present a proposed amendment to the 2009 Rules Committee for consideration at the 2009 ADDC Convention. Katherine G. Coyle, an attorney with Conner & Winters, suggested the wording for this dissolution clause.

Continued on Page 13

**Proposed by:**

ADDC Board of Directors

ADDC Board of Directors

12 For      0 Against      1 Abstain

Rules Committee

7 For      0 Against      1 Abstain

**Comments For:**

I am for each of the proposed amendments, and feel the rationale presented by the Board sufficiently explains why we need these items.

We each hope that this is never needed; however, it is necessary....compare it to a will or trust.

The wording covers all of the bases. We have the option of disbursing our assets to a like-kind Section 501(c)(6) business league or to a charitable organization under Section 501(c)(3) which includes the Desk and Derrick Education Trust and the ADDC Foundation.

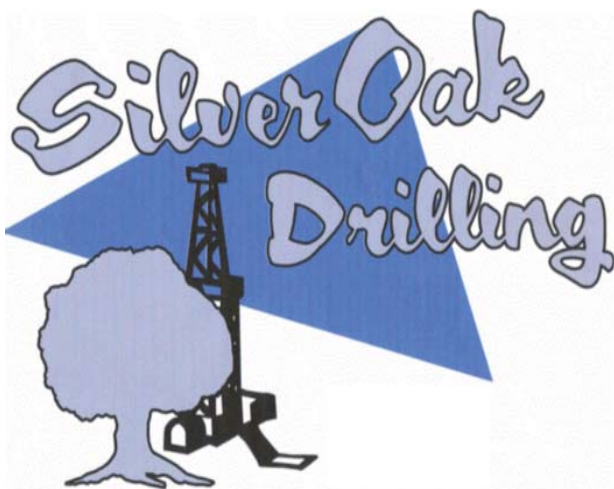
Even though we don't want to think about the dissolution of the Association, this provides adequately for the disposition of the funds.

**Comments Against:**

None ♦

**Athabasca Oil Sands – Dirty Oil – Fact or Fiction?**

By: Linda Topolinsky



Recently, I read, with much interest the article on oil sands that appeared in the March 2009 issue of National Geographic. It was a lengthy article filled with facts and biased commentaries as well as detailed photos depicting the devastation and ravaged landscape of Northern Alberta wrought by the oil sands giants. Unfortunately the author did not include photos

of the reclaimed mining pits which are now home to grasslands and wildlife such as bison, deer, elk, etc.

There were no interviews or comments from oil sands spokespersons, Alberta government officials; the only input seemed to come from the author, his tour guide, environmentalists and university professors who are experts in their fields of study.

Based on this, I felt compelled to provide some facts, figures and strategies, not mentioned in the article, that these “dirty” oil sands companies are currently practicing and developing for the future.

**Facts and Figures**

There are an estimated 1.7 – 2.5 trillion barrels of bitumen in place in the oil sands of Alberta, more oil than the known deposits of oil in the Middle East! Alberta’s oil sand deposits contain resources that could supply Canada’s energy needs for more than 475 years, or total world needs for up to 15 years. One third of all oil produced in Canada is from oil sands.

Alberta contains three major oil sands areas: Athabasca, Cold Lake, and Peace River. Together they encompass nearly 80,000 square kilometers, which is just more than the size of the Province of New Brunswick. Alberta’s oil sands deposits contain one third of the known oil reserves in the world. A layer of overburden consisting of muskeg, glacial tills, sandstone and shale covers the oil sands areas. In the Fort McMurray area the oil sands are close enough to the surface to be mined. Everywhere else, the bitumen has to be recovered using wells and in-situ methods.

Three companies, the pioneers in this industry, Suncor Energy, Syncrude Canada Ltd., and Albian Sands (recently acquired by Shell Canada), are currently mining oil sands from the Athabasca deposit. Suncor produces approximately 279,000 barrels of synthetic oil per day. Syncrude produces approximately 240,000 barrels per day. Shell Albian Sands produces approximately 172,000 barrels per day.

They use big shovels to dig the oil sand and dump it into the back of huge heavy hauler trucks. A shovel can scoop about 100 tons of oil sands in one load. And the trucks can carry up to 400 tons of oil sand in each load. To put things into perspective, that equals about 58 elephants!

**The Environment – Cleaning Up The Leftovers (Strategy)**

When the oil sands companies are finished mining, by law they must return that area of land to a natural area that will support wildlife. Returning the area “back to nature” is called reclamation. The leftover tailings sand is used to fill in the mine pit. Topsoil and overburden that was originally removed

Continued on Page 18

**Its Time to Fight for Our Oil and Gas Industry...**

**Before It's Too Late!**

**By: Ellen Montgomery**

If you like your job and want it to be there in 2011, we only have a few short weeks to fight for those jobs! To stop Obama's Federal Budget from being approved in its present form, with the tax repeals that will end our industry as we know it. The legislators who will be voting on this and the general public do not know that Obama's Tax Budget Proposals will eliminate nearly **ALL** drilling for Oil and Gas in this, our great country. **NOW** is the time to contact your Congressmen and Representatives and tell them what you think. America needs American energy.

Questions we will be asking if drilling by independent producers stops in this country are: how many times higher gasoline prices will go compared to where they were last year; where do you think costs will be when the oil producing countries of the world know we are entirely dependent upon foreign fuels? What will the availability be, will we have enough for defense and daily needs? I make these points now so they will be in the back of your mind as you read on.

Independent producers are essential to providing American natural gas and oil. Independents develop and produce 82 percent of American natural gas and produce 68 percent of American oil. Over the past several years independents have been reinvesting 150 percent of US cash flow back into new US production. Independents receive their capital three ways - from selling their natural gas and oil, from obtaining credit and from investors willing to invest capital in high risk ventures. The dramatic reductions in natural gas and oil prices this past year have similarly reduced cash flow to producers. The credit crunch limits access to that capital. Investors are cautious and will not invest once the tax laws change and eliminate the ability to write off losses.

The Obama Administration tax proposal will radically shift investment incentives for development of American natural gas and oil - changing policies that have been in place since 1913 in some cases. Let's be clear - it will mean much less American natural gas and oil, less American jobs, our jobs! These results run counter to the Obama Administration's campaign agenda of cleaner energy and less foreign oil dependency. I urge you to reject these unjustified changes to energy tax policy and to oppose them any chance that you have. Congress needs to develop rational national energy strategies - strategies that rely on American energy first, including American natural gas and American oil.

To further explain the Obama tax proposal and the ramifications on us, let's examine the proposed repeals and how they work, which may or may not have been understood when proposed. These proposals take effect for the year 2011, however the goal for his budget was to be decided upon in the first 100 days of his presidency. It is hard to think now of the effects so far off, we must and right **NOW**.

Obama's federal budget is the greatest threat many of our companies have ever faced. The consequences will be **CATASTROPHIC** to our companies; their employees, and the 1,000+ others who benefit. The projected impacts of each coffin nail are as follows:

1) Repeal the manufacturing tax deduction, but only for natural gas and oil companies:

The intended purpose of this deduction was to create or keep American jobs. It worked for many operators. We constructed more wells and infrastructure, which created good paying, American jobs. We can live without this deduction, but why single out and punish small oil & gas producers?? We create American jobs the same as any other industry. This repeal makes no logical sense.

2 & 3) Repeal expensing of intangible drilling and development costs (IDC) & Repeal the passive loss exception for working interests in natural gas and oil properties:

These repeals will absolutely shutdown drilling by small producers through governmental capture of their capital. This is a BIG DEAL as small producers drill 82% of America's wells. The USA is the 3rd biggest oil producer on earth, producing more than Iran and Iraq combined. What would happen to oil prices if either Iraq or Iran stopped drilling?

Top World Oil Producers, 2006 (Thousand barrels per day)

1 Saudi Arabia	10,665
2 Russia	9,675
3 United States	8,331
4 Iran	4,149
5 China	3,856
6 Mexico	3,710
7 Canada	3,287
8 United Arab Emirates	2,945
9 Venezuela	2,806
10 Norway	2,786
11 Kuwait	2,678
12 Nigeria	2,443
13 Brazil	2,167
14 Algeria	2,122
15 Iraq	2,010

Amazingly, these repeals do not apply to Exxon, only to small producers. They are not tax loopholes, but logical accounting for real expenses special to drilling. For example, labor costs to drill would be depreciated over 7 years rather than written off in the year of expenditure. What would happen to any business if labor costs were considered income and taxed? They would go bankrupt.

**Table S-6. Mandatory and Receipt Proposals**  
(Deficit increases (+) or decreases (-) in millions of dollars)

												Totals	
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2010-2014	2010-2019
<b>Tax Provisions:<sup>1</sup></b>													
<b>Tax cuts for families and individuals:</b>													
Provide Making Work Pay Tax Credit <sup>2</sup> .....	.....	.....	11,017	63,682	64,119	64,661	65,291	66,001	66,671	67,307	67,979	203,479	536,728
Expand Earned Income Tax Credit <sup>2</sup> .....	.....	.....	19	4,013	3,961	3,961	4,006	4,090	4,176	4,268	4,364	11,954	32,858
Expand refundability of the Child Tax Credit <sup>2</sup> .....	.....	.....	.....	8,714	8,616	8,609	8,703	8,786	8,902	9,020	9,119	25,939	70,469
Expand saver's credit and automatic enrollment in IRAs and 401(k)s <sup>2</sup> .....	.....	.....	257	3,018	4,707	5,926	6,909	7,722	8,371	8,916	9,406	13,908	55,232
Provide American Opportunity Tax Credit <sup>2</sup> .....	.....	.....	932	6,770	7,487	8,144	9,237	10,036	10,312	10,646	11,295	23,333	74,859
Total, tax cuts for families and individuals .....	.....	.....	12,225	86,197	88,890	91,301	94,146	96,635	98,432	100,157	102,163	278,613	770,146
<b>Tax cuts for businesses:</b>													
Eliminate capital gains taxation on small businesses .....	.....	.....	.....	.....	.....	297	734	1,026	1,345	1,695	2,076	297	7,173
Make research and experimentation tax credit permanent .....	.....	3,111	5,486	6,142	6,785	7,384	7,960	8,530	9,103	9,680	10,281	28,908	74,462
Expand net operating loss carryback .....	27,800	35,700	-10,700	-10,200	-7,900	-5,600	-3,900	-2,700	-1,800	-1,300	-900	1,300	-9,300
Modify Federal Aviation Administration financing <sup>3</sup> .....	.....	.....	7,225	7,599	7,980	8,260	8,559	8,869	9,190	9,527	9,873	31,064	77,082
Total, tax cuts for businesses .....	27,800	38,811	2,011	3,541	6,865	10,341	13,353	15,725	17,838	19,602	21,330	61,569	149,417
Continue remaining expiring provisions through calendar year 2010 <sup>4</sup> .....	668	10,183	5,088	607	578	623	798	883	612	604	688	17,079	20,664
<b>Other revenue changes and loophole closers:</b>													
Reinstate Superfund Taxes .....	.....	.....	-1,213	-1,667	-1,803	-1,896	-1,970	-2,040	-2,113	-2,203	-2,300	-6,579	-17,205
Tax carried interest as ordinary income .....	.....	.....	-2,742	-4,347	-4,168	-3,494	-2,803	-2,204	-1,725	-1,351	-1,060	-14,751	-23,894
Codify "Economic Substance Doctrine" .....	-23	-70	-140	-240	-346	-438	-552	-656	-743	-834	-930	-1,234	-4,949
Repeal LIFO .....	.....	.....	.....	-2,992	-6,748	-8,080	-8,431	-8,590	-8,545	-8,630	-9,036	-17,820	-61,052
Implement international enforcement, reform deferral, and other tax reform policies .....	.....	.....	-10,000	-15,000	-20,000	-25,000	-26,000	-27,000	-28,000	-29,000	-30,000	-70,000	-210,000
Require information reporting for rental payments .....	.....	-319	-339	-357	-374	-390	-408	-426	-445	-465	-486	-1,779	-4,009
<b>Eliminate oil and gas company preferences:</b>													
Levy excise tax on Gulf of Mexico oil and gas (limits excess royalty relief) .....	.....	.....	-582	-623	-542	-526	-537	-510	-632	-649	-682	-2,273	-5,283
Repeal enhanced oil recovery credit <sup>5</sup> .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Repeal marginal well tax credit <sup>4</sup> .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Repeal expensing of intangible drilling costs ..	.....	.....	-347	-595	-526	-395	-269	-226	-237	-266	-488	-1,863	-3,349
Repeal deduction for tertiary injectants .....	.....	.....	-5	-9	-9	-8	-7	-6	-6	-6	-6	-31	-62

**Table S-6. Mandatory and Receipt Proposals—Continued**  
(Deficit increases (+) or decreases (-) in millions of dollars)

												Totals	
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2010-2014	2010-2019
Repeal passive loss exception for working interests in oil and natural gas properties .....	.....	.....	-2	-5	-6	-6	-6	-6	-6	-6	-6	-19	-49
Repeal manufacturing tax deduction for oil and natural gas companies .....	.....	.....	-757	-1,311	-1,392	-1,464	-1,531	-1,600	-1,670	-1,745	-1,823	-4,924	-13,293
Increase geological and geophysical amortization period for independent producers to seven years .....	.....	.....	-41	-154	-240	-233	-187	-140	-91	-56	-47	-668	-1,189
Repeal percentage depletion for oil and natural gas .....	.....	.....	-316	-752	-925	-960	-996	-1,033	-1,065	-1,091	-1,113	-2,953	-8,251
Subtotal, eliminate oil and gas company preferences .....	.....	.....	-2,050	-3,449	-3,640	-3,592	-3,533	-3,521	-3,707	-3,819	-4,165	-12,731	-31,476
Eliminate Advanced Earned Income Tax Credit <sup>2</sup> .....	.....	-588	-163	8	-10	-16	-20	-23	-24	-23	-23	-769	-882
Total, other revenue changes and loophole closers .....	-23	-977	-16,647	-28,044	-37,089	-42,906	-43,717	-44,460	-45,302	-46,325	-48,000	-125,663	-353,467
<b>Upper-income tax provisions dedicated to deficit reduction:</b>													
Reinstate the 36 percent and 39.6 percent rates for those taxpayers earning over \$250,000 (married) and \$200,000 (single) ..	.....	.....	-15,818	-29,604	-32,755	-35,653	-38,429	-41,588	-45,020	-48,217	-51,676	-113,830	-338,760
Reinstate the personal exemption phaseout and limitation on itemized deductions for those taxpayers earning over \$250,000 (married) and \$200,000 (single) .....	.....	.....	-7,227	-15,752	-17,848	-19,383	-20,844	-22,364	-23,955	-25,491	-26,984	-60,210	-179,848
Impose 20 percent rate on capital gains and dividends for those taxpayers earning over \$250,000 (married) and \$200,000 (single) ..	182	-1,102	-5,416	-3,656	-7,550	-12,235	-15,322	-16,607	-17,663	-18,625	-19,940	-29,959	-118,116
Total, upper-income tax provisions dedicated to deficit reduction .....	182	-1,102	-28,461	-49,012	-58,153	-67,271	-74,595	-80,559	-86,638	-92,333	-98,600	-203,999	-636,724
Total, tax provisions .....	28,627	46,915	-25,784	13,289	1,091	-7,912	-10,015	-11,776	-15,058	-18,295	-22,419	27,599	-49,964
<b>Climate Revenues:</b>													
Dedicated to climate policy (clean energy technologies) .....	.....	.....	.....	-15,000	-15,000	-15,000	-15,000	-15,000	-15,000	-15,000	-15,000	-45,000	-120,000
Dedicated to Making Work Pay .....	.....	.....	.....	-63,682	-64,119	-64,661	-65,291	-66,001	-66,671	-67,307	-67,979	-192,462	-525,711
Total, climate revenues <sup>5</sup> .....	.....	.....	.....	-78,682	-79,119	-79,661	-80,291	-81,001	-81,671	-82,307	-82,979	-237,462	-645,711

Continued from Page 14

As to the impact of these repeals to our independent operators, we would likely drill 90% fewer wells, or 3 instead of 36 new wells/year. Our workforce would be reduced by 75% or more. *It is likely that the majority of independent oil and gas company employees would lose their jobs and 75% indirect jobs would be lost.* Rather than increasing gas & oil production, it would decline.

As American production declines, foreign oil and gas purchases would increase and as these countries learn the USA is totally dependent upon them, what do you think will happen to the prices? If you did not like the price of gasoline at the pump last year when it was in the \$4 and \$5 range, you surely will not like the price if it doubles or triples?

4) Repeal percentage depletion:  
This would further reduce drilling and cause an estimated 25% of many independent operators existing wells to be prematurely plugged. Thus creating a further reduction in our existing employees. Marginal wells account for roughly 20% of our country's production.

5) Repeal Enhanced Oil Recovery Credit – a credit that allows industry to get more energy from wells that are “tired” and depleted, instead of drilling new wells.

6) Increases Geological and Geophysical Amortization Costs – allowed for some expensing of the high costs of doing seismic and other high-tech studies/surveys. Such surveys are important to locate reserves and reduce the number of dry holes and unnecessary wells (a.k.a. the industry's footprint).

7) Excise tax on Gulf of Mexico Production – where the nation produces much of its oil and natural gas resources and where much of our future energy supplies are located.

O'Bama's budget is an **AMERICAN NIGHTMARE**. The unintended consequences are disastrous for our companies and America. Please make an intelligent decision. Ask what could happen if we loose the farm by gambling America's existing energy sources for experimental sources. Remember, the USA is the 3<sup>rd</sup> largest oil producer on earth. We might be able to support a gradual change and investment in experimental renewables, but Obama's budget is an ALL or NOTHING GAMBLE.

**DON'T GAMBLE AWAY THE USA** ◆

**CONGRATULATIONS!**



**Lois Roberts  
Region IV Director**

## Bataan Memorial Death March

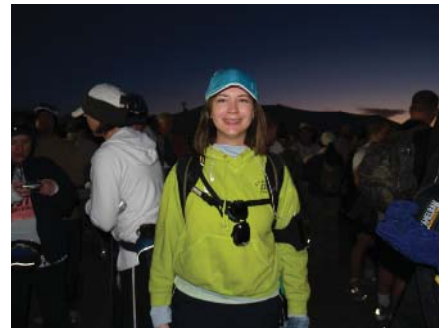
By: Molly Limpus and Kate Ediger

Part 1 of 2

In the spring of 1942, approximately 70,000 American and Philippine soldiers became Japanese POWs. These men, already in poor health from the fierce fighting in the jungles, were forced to march 100 miles to the POW camp. Approximately 10,000 men did not survive the march. This came to be known as the Bataan Death March, for which, Japan later faced war crimes charges. They were denied food, water, and medical attention. They were shot or bayoneted for the slightest of offenses, and often for no reason at all. The brutality and hardships that these men endured are horrific and hard to imagine. In honor of their heroics! and sacrifice, an annual marathon is held. It is the Bataan Memorial Death March. This is a challenging trek through the high desert terrain of the White Sands Missile Range, near Las Cruces, NM.

We, D & D of Roswell, NM members, Molly Limpus and Kate Ediger have decided to challenge ourselves to walk the 26.2 miles. This marathon is supposed to give you a glimpse of what the soldiers went through. Kate was inspired to walk since her sister is coming from Utah in order to run the marathon. Not wanting to walk alone, Kate convinced Molly to come along. Molly thought training for the walk would be great exercise and stress therapy for her upcoming wedding. Kate thought it would be a great way to honor the veterans that have done so much for every American. Kate also thought it wouldn't be that hard since we both walk our dogs a good distance daily - she was wrong! Finding trails to train on has taken us all over the Roswell area, from the bike path through town, to the sinkholes of Bottomless Lakes State Park, to the flat paths at Bitterlake Wildlife Refuge, to the steep hills leading out of Roswell along a busy highway. The hardest part so far has been getting our feet used to the pounding of all those miles. Walking the dogs just doesn't cut it for training. We are enjoying the many challenges: how far can we walk this week, can we climb that hill, can we find interesting conversation for the next four hours? We thought we knew each other pretty well as friends in D & D, but hours upon hours of time to talk - we *really* know each other now. The marathon will be on March 29 and should take about 8 hours to complete. Late March in Southern New Mexico could mean anything from snow to 100 degrees. We are hoping that no matter the temperature, there is no wind. The trail winds on and off! the base, including one mile of deep sand and a small mountain to climb up, around and back down. There are usually 4,000 participants and most are military. To some, this is a race and they want to win their division. The divisions are based on male or female, military or civilian, age group, and light or heavy. The heavy category participants carry rucksacks weighing at least 35 pounds. We will *not* be in this category. Finishing the March is our goal.

From speaking with a few friends that have completed the March in the past, we are expecting this to be an emotional experience that we will never forget. One such friend said that you will get tired and will think you can't make it the whole way, but then you will see a soldier with an artificial limb or a group of soldiers all carrying the 35 pound sacks. This will make you swell with pride and confidence that you can do this. She also said everyone is very supportive as you are walking and encouraging you along. We are also looking forward to the history seminars that are held the weekend of the event and the opening ceremonies honoring the Survivors of Bataan that are in attendance. Sadly, there were only 19 survivors able to be at the starting line to cheer the participants on last year. We are hoping to honor these men while they are still alive. Stay tuned for part 2, if we survive.... ♦



*Continued from Page 13*

is placed on top of the sand. Grasses, shrubs and trees are planted on the overburden to return the area into forest, grassland, wetland or a combined forest/grassland/wetland area. Reclamation takes a long time, but it does produce results.

In 1993, Syncrude opened their Wood Bison Facility. After reclaiming a large area to grassland, they introduced a herd of 30 wood bison to this reclaimed area. Today, this healthy herd has increased in size to over 250 bison.

Since oil sands mining operations began in 1967 at Suncor, 3.5 million trees have been planted, and 1,000 hectares of land have been reclaimed. This represents about 9 percent of the total land disturbed. By 2010, Pond One at Suncor's oil sands plant will be reclaimed to a solid surface. A hike along the Crane Lake Nature Trail will show the successes of land reclamation. Less than 0.1% of Canada's boreal forest has been disturbed by oil sands mining over the past 40 years.

The National Geographic article failed to report some very important facts about the emission and reclamation work the oil sands companies are doing in Northern Alberta.

### **Climate Change Facts**

Over 10 years ago, the oil sands companies adopted a comprehensive climate change action plan. By harnessing technology, they have significantly cut their greenhouse gas (GHG) emission intensity at the oil sands plants. They have realized a 44% decrease in GHG emission intensity at the plants since 1990.

Technology is important in addressing the climate change challenge posed by the companies' growth. Innovations like carbon capture and storage hold the potential to reduce GHG emissions from large industrial sources such as the oil sands.

Energy Efficiency improvements also play a significant role as they find new ways to reduce both energy costs and GHG emissions from their operations.

Some of these companies are investing in alternative energies such as wind power, biofuels and CO<sub>2</sub> sequestration. They have committed hundreds of millions of dollars to renewable energy development by 2012.

The research and development in new technologies to create more efficient and cleaner ways to extract this resource were never mentioned in the National Geographic article.

### **Air Emissions**

Here are some quick facts to support the argument of excessive negative coverage of the Oil Sands by the media:

- ◆ CO<sub>2</sub> emissions from China equal 4.3 billion tons. U.S. coal-fired electrical power production equal 1.9 billion tons. The oil sands produce 3.3 million tons. Out of the 29 billion tons of greenhouse gases released into the world's atmosphere each year, Canada is responsible for 2 percent of these emissions. Less than 0.1% of global GHG emissions come from the oil sands industry. Oil sands emissions are also about ½ of what the city of New York emits each year.
- ◆ The oil sands companies remain committed to improving air quality. In 2007, Alberta became the first in North America to legislate mandatory greenhouse gas reductions for large industrial facilities. Alberta's large industrial facilities were required to reduce their emission intensity by 12 percent as of the end of 2007.
- ◆ Results for the first year show that companies made 2.6 million tones of actual reductions through operational changes and practices. This included better use and re-use of energy. Companies have chosen to pay approximately \$40 million into the Climate Change and Emissions Management Fund, which will invest in projects and technology to reduce GHG emissions.
- ◆ The companies continue to implement equipment upgrades and enhanced air monitoring at the plants to address air quality issues. They have also committed more than \$1 billion dollars to sulphur recovery facilities to reduce air emissions.

### **Water**

Pressure on the Athabasca River is increasing as oil sands development expands. The companies are working to become more efficient in the way they use water in their operations. Technology is helping to accelerate the release of water from tailings so it can be recycled in the plant operations. Water use and discharge are closely monitored to ensure the water they return to the river meets or exceeds regulatory requirements.

In the past five years, they have reduced their water use by 40%. Over 90% of the water used to generate steam at the In situ operations is recycled.

0.3% of the Athabasca River's average flow is withdrawn by a single company for their operations.

### **Community Involvement**

The oil sands companies help to build communities through investing in the community non-profit groups. But it's not just about writing checks. They also encourage partnerships

*Continued on Page 22*

**2009 ADDC President** *(No vote required)*

Donna Siburt—Region I  
Tuscawaras Valley Club



### One Step Leads to Another

I was asked to write an article telling a little about myself. Hmm, that's easier said than done because I often wonder how I ever got here. What was I thinking or, for that matter, was I thinking? I don't hold offices in organizations. I don't chair committees. I am the one who sits in the back

and supports everyone and helps to keep things running but not wanting public recognition. How did this all happen? Well, here's how the story goes.

After I had my children and spending their first years at home, I decided to return to work part-time. That should have been a hint right there. That part-time very quickly became 40 hour weeks. My first part-time assignment was doing data entry for a gas company. At the time, I thought that was strange because my father worked his whole career for a gas company and I never once ever considered applying there. After working for five years, I was finally hired as a permanent employee. I guess they thought I knew what I was doing.

Shortly after I was hired, an outside vendor who occasionally made stops in our office came into my office and introduced herself. She asked if I had ever heard of Desk and Derrick. I told her I had not, and she then told me about the organization and asked if I would like to come to a meeting. I politely listened and politely declined, saying that I had small children at home and that was my personal time. Thinking no more about it, I was surprised one day when she returned and asked if I had thought any more about coming to a meeting. To be honest, I really had not and told her that I just did not have the time. She proceeded to tell me about the speaker they were going to have at the next meeting and that I would enjoy it. Maybe I would have, but I still said no. Come on, my job was behind a desk, and I knew everything I needed to know about my daily routine work. What else was there?

Over time, my duties expanded and I was given other responsibilities. I started seeing terms like pigging, swabbing, well fracs, well stimulation and many more. I just typed the titles for Human Resource purposes and put numbers into various reports. It was just titles and numbers. I didn't need to know anymore.

Surprise! The vendor returned. She was persistent and very pleasant and yes we are still friends. She said there was a meeting the next evening and she would like me to be her guest. She told me the speaker was going to be talking about drilling wells. Hmm. It sounded interesting, but again I declined. After a few more visits, I finally accepted just so that

she would quit asking me to go. I could always say it just wasn't what I was looking for, and I wasn't that interested. I was wrong (the first of many times). It was very interesting

and I actually understood what he was talking about! I never realized that was what they did in one of the departments in my company.

I attended a few meetings as a guest and then it was membership time. Yes, I joined - but I would just go when I wanted, and I wasn't going to get involved. Wrong again! As soon as it was time to elect new officers, I was asked to give it some thought. Oh, I had. No was my response. I was best at sitting in the back and supporting those who led the way. That excuse worked for one year but, due to the fact we only had about nine members at the time I said I would hold an office for just one year. One year became two, and then it was Treasurer for two years, Vice President for two years and President for a total of four years. Amazingly, each year it got easier to step out of that comfort zone that I had created. Each time my "zone" kept expanding and I stepped a little farther. I would step out a little, and then that became comfortable, so I would take another step.

After holding all of the offices at club level, I was content, but others within the organization weren't. I was asked to be a committee chairman, and I had never served on a committee at the Association level before, so how could I do it? What were they thinking? They convinced me it would be okay, so I stepped up and stepped out. I survived. It was just for one year (sure), so there was an end in sight. One year and I could just be a member again. Serving on committees at the club and Association levels gave me a broader understanding of the workings of the Association. The more I learned, the more I stepped out and stepped up to volunteer to learn more.

What can I say! That led me to serving as a convention GAC and my decision to run for an Association office. WOW! Talk about jumping in! I had told myself if I would do one year at the Association level then I would definitely be able to say I stepped out of my comfort zone and prove to **myself** that I could do it. That was three years ago, and I still can't believe it. With a lot of help and support from family, fellow members, friends and co-workers, I have stepped out of the background and stepped up to become a leader. That still sounds odd to me when I say it. I doubt that I will ever be completely comfortable there, but it does get easier and it has become a goal both personally and professionally to keep stepping out of that comfort zone. ♦

### Nominees for 2010 ADDC Board

Each Candidate must submit the Candidate’s Qualification Form, photo, and up to a 100 word goal essay. Here are the Nominees for the 2010 Board and their goals.

#### President-Elect

Angie Duplessis—Region III  
Westbank Club



My goal is to promote education and the professional development of our members. Our Association offers valuable programs to enhance our knowledge and provide us with a better understanding of the industry we serve.

I believe community service is very important. It allows us to share the Desk and Derrick vision, “Greater Knowledge – Greater Service”; therefore gaining a source for new members. With the new public relations ad that is now available for use, we will continue to market Desk and Derrick as a viable resource and increase awareness to those in our industry, community, and employers.

I am confident that the Association of Desk and Derrick Clubs will foster the development of our members through dedication, education, and learning new things to achieve this success. The camaraderie, friends and relationships I have made through my Desk and Derrick adventures are priceless. No words can express the educational value that has opened up doors of opportunity for me due to being a member of this organization. ♦

\_\_\_\_\_

#### Vice President

Judi Adams—Region IV  
Houston Club



In the past 60 years since the first Desk and Derrick meeting was held in New Orleans, this organization has become well-known within the energy industry for providing meaningful educational opportunities for our members and others in the industry. I feel that our focus on knowledge and service is key to our continued success as an organization, and my primary goal is to ensure we continue

providing valuable programs for our members. By maintaining our focus on “Greater Knowledge—Greater Service,” we will continue to enhance our reputation as an organization known for outstanding educational opportunities such as the Certification Program. ♦

\_\_\_\_\_

#### Secretary

Marilyn Carter—Region VII  
Alberta Foothills Club



My goal as Secretary for 2010 is to document accurate and timely minutes for the Association Board and the membership. I believe it is important for me as a Board member to step forward as an ambassador of Desk and Derrick to the industry and potential members. As an organization, we need to promote the benefits of being a members in order to gain the interest of potential members. Nothing can replace the enthusiasm of spreading the word via “word of mouth.” ♦

\_\_\_\_\_

#### Secretary

Christine Wolfe—Region I  
Buckeye Club



As Secretary, I will keep detailed notes and minutes of correspondence and decisions made by the Board, and relay information in a timely manner to all Board, Club Presidents, and members of the Association in an efficient and timely manner. ♦

\_\_\_\_\_

### Nominees for 2010 ADDC Board continued

Continued on Page 20

#### Treasurer

Linda Clark—Region V  
Farmington Club



Regardless of when we joined Desk and Derrick, one of our strengths as an organization lies in our primary goal: to further educate our members. My vision is that we continue to develop educational opportunities that will keep existing members informed and help attract potential members. I look forward to sharing my passion and enthusiasm for Desk and Derrick with others.

It is an honor to be considered for nomination to this important position. My strong background in banking and finance make me perfectly suited for the position of Treasurer and I would appreciate the opportunity to serve. ♦

---

#### Treasurer

Melinda Montgomery—Region IV  
Houston Club



My main goal as Treasurer would be to assure that all monies are being utilized effectively and efficiently to serve the best interests of membership. As a Board member I would also be responsible for communicating with membership and making sure they understand the various uses that their membership dues provide. We, as a Board, must continually

reevaluate our strengths and weaknesses to make sure we are guiding the Association in the right direction. We must be open to change and new methods to make sure that we are able to continue to reach higher levels of achievement in all aspects of what we do. ♦

---

#### Treasurer

Lucy Mulgrew—Region VII  
Alberta Foothills Club



If elected for 2010 Treasurer, my main goal is to oversee the collection and disbursements of ADDC funds as set by our ADDC rules and guidelines plus maintain an efficient system of accountability. Also added to my goals list is to help revitalize our great Association

by lending a hand to rejuvenate existing members and enticing new members. We need to assist our clubs in ADDC to work together to ensure that we still exist for the next generations. Working together we are a powerful force in the industry because we have many talented, energetic and many dedicated members. Each of us joined Desk and Derrick to satisfy a personal need whether for education, belonging, participation, or growth and this association can supply that. Let's share our resources, our ideas, our thoughts and get our passion back –“Why did we join ADDC?” ♦

---

Continued from Page 18

between industry, governments and community organizations to promote a long-term approach to addressing infrastructure concerns. They are helping to address some of the challenges facing the Wood Buffalo region, including transportation infrastructure, affordable housing and the impacts of a mobile workforce.

**Aboriginal Relations**

The oil sands companies work to build long-term relationships with our Aboriginal stakeholders. They focus on minimizing the impacts of their operations on their communities while providing opportunities to develop partnerships with Aboriginal businesses and return benefits locally to help build strong communities.

They also support training initiatives to expand the local Aboriginal workforce. They continue to work with First Nations Industry Relations to understand and help address their concerns about oil sands development, including environment, and human health issues.

**In Conclusion**

This article has supplied facts from the “other side” of the story. It is now up to you to do your own research and analysis and make your own decision. How important is the oil sands industry to the future of Alberta and the increasing

demands on fossil fuel and alternative energy? The industry is rising to the challenge of meeting the growing demand for energy in sustainable ways – unfortunately this progress does not attract much media coverage.

Source Documents

- “Scraping Bottom”, by Robert Kunzig, *National Geographic* March 2009
- Government of Alberta Website
- Suncor Energy Inc. website
- Syncrude Canada Ltd. Website
- Shell Albian Sands website
- Oil Sand Interpretive Centre website
- High-Minded Hypocrisy, *Rex Murphy Point of View* (February 26, 2009) ◆

*The Desk and Derrick Journal*

**ADVERTISING RATES**

(Ad copy sizes stated in columnar widths, based on a 2-column page.)

SIZE	WIDTH	HGT	Members/ Clubs	Member/ Clubs	Non-Memb Business
Vertical Sizes					
1/2 Pg	3 ¼"	9"	\$100.00	\$130.00	\$175.00
1/4 Pg	3 ¼"	5"	\$ 50.00	\$ 70.00	\$ 90.00
Horizontal Sizes					
1/2 Pg	7 ¼"	4 ¾"	\$100.00	\$130.00	\$175.00
1/3 Pg	7 ¼"	2 ½"	\$ 70.00	\$ 95.00	\$120.00
Horizontal Sizes Outside Back Cover Only					
1/2 Pg	7 ¼"	4 ¾"	\$100.00	\$150.00	\$200.00
Other					
Full Pg	7 ¼"	9"	\$200.00	\$275.00	\$350.00
Column (4 issues)			\$200.00	\$250.00	\$300.00
Business Card	3"	2"	\$ 25.00	\$ 35.00	\$ 60.00
Patron Saint (one line)				\$10.00	

## What Do You Want From Your ADDC Membership?

One of the things I love most about Desk and Derrick members is our passion. When we throw ourselves into something, we give it all we've got. For those of us who enjoy writing, the Achievement in Maintaining Energy Excellence (AIMEE) contest is of great value to us. For members who do more than "point and shoot", the Winning Image Photo Contest (WIPC) may be important to you. If you're a Trustee on the ADDC Foundation you want to know how to best benefit our members. If you're an Educational Trust (ET) Trustee or a scholarship applicant, you know the worth of the ET. However, members who have never participated in the AIMEE contest cannot know how much value is placed on those awards and its whole process. ADDC members who have never seen the Energy Activity Book (EAB) cannot possibly know how valuable it is in properly educating young people about our industry. Luckily we have almost as many benefits, resources, and tools as we have opinions. While I believe that the Association strives to make us all happy, just think of the possibilities if we actually knew what is important to the majority of our membership. What do you consider a benefit of your membership?

The ADDC Membership Committee's goal is not only to increase membership, but also to discover the elements of our Association that are most important to members. Now that we've got you, we want to keep you. Plus, we want your brothers, sisters and co-workers. How do we do that in the current economy? We can ask the tough questions, but just "asking" isn't enough--you have to answer us. I believe that a request was made (or will soon be made) at every Region Meeting this year. We asked, "What do you want?"; I have yet to get a response. But if Desk and Derrick is as important to the general Association membership as the Region VI members indicated during our recent Open Forum, you'll shoot me an email or reply anonymously. I'll share the responses with you, (though confidences will be kept) after analyzing the returns. There are only four simple questions on this test and everyone who replies gets an A+.

- 1) Why did you join ADDC?
- 2) Why do you remain a member?
- 3) What do you consider a benefit of your membership?
- 4) What suggestion for improvement would you offer?

Membership Committee Survey

**Susan Cook, Chairman**

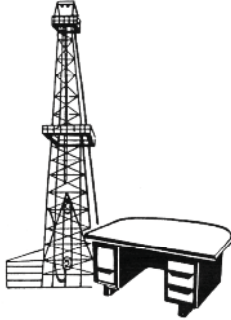
c/o Elson Oil Company  
 20 E. 5th St., Suite 1404  
 Tulsa, OK 74103-4429  
 E-mail: susan@elsonoil.com

---

**Association of  
Desk and Derrick Clubs  
5153 E. 51st Street, Suite 107  
Tulsa, OK 74135**

---

PRSR STD  
U.S. POSTAGE  
PAID  
TULSA, OK  
PERMIT #2146



**Association of  
Desk and Derrick  
Clubs**

**[www.addc.org](http://www.addc.org)**