Midland Club Receives Highest Honor

by Joyce Nolly

The Midland Club was surprised and humbled at the same time when we were notified by SHALE Oil and Gas Business Magazine of the recent decision to name Desk and Derrick Club of Midland as their “2018 Premier Organization in Midland”. SHALE Oil & Gas Business Magazine is “The Premier Magazine Covering the Shale Revolution”. Their online publication showcases the dynamic impact of the energy industry. The mission of SHALE Magazine is to promote economic growth and business opportunities and to further the general understanding of how the energy industry contributes to the economic well-being of Texas and the United States. The magazine’s distribution includes industry leaders and businesses, service workers, entrepreneurs and the public at large.

They look at areas throughout the U.S. with oil and gas activity to share the good work of some of the non-profits with their audience. They selected our club and wanted to share our organization and raise awareness of the good work we are doing. It was stated that “Your mission and drive for helping energy professionals has been an inspiration to many and has helped many energy professionals to improve their professional lives.” It’s always a good feeling to be recognized by others!

They go on to say that “Upon reviewing Desk and Derrick’s years of service, mission, and accomplishments, we see an enormously positive effect in the community. Your organization’s ability to help energy professionals to grow and flourish professionally is truly appreciated and deserves to be recognized”. This designation is their highest honor for a non-profit or not-for-profit organization. Additionally, this designation is exclusively given to Desk and Derrick in the Midland area for all of 2018, meaning no other organization in Midland can hold this title for all of 2018. This is quite an honor for our club and to help bring awareness to our motto “Greater Knowledge, Greater Service”.

We are happy to be included among other organizations in the regions and to be given this designation by SHALE Magazine in 2018. We look forward to continuing our work in the Permian Basin and to further our mission by increasing awareness of Desk and Derrick. Kym Bolado is the Publisher of Shale Magazine and radio talk show host on “In the Oil Patch”. Lauren Guerra, Editor-in-Chief of SHALE Magazine will attend our Industry Appreciation Dinner on April 12th to personally present this award to our club. It will be accepted by our President, Lea Ann Spurlock. The magazine’s website is www.shalemag.com
Report: People Who Live Closer to Shale Development Tend to Be More Supportive of Fracking

BY Seth Whitehead May. 04,

Those who live in the closest proximity to unconventional oil and gas wells are generally more familiar with, and more supportive of development than those who live farther away, a new study finds. Titled, “The Effect of Geographic Proximity to Unconventional Oil and Gas Development On Public Support for Hydraulic Fracturing,” the Oregon State University report also found that those with a higher level of education are more likely to be familiar with and supportive of hydraulic fracturing (fracking). From the study:

“Does proximity to UOGD influence support for hydraulic fracturing? By coupling national geo-referenced opinion data with high-resolution well location data, we overcome some of the limitations of existing research and find generalizable empirical evidence that those who are located closer to a new unconventional oil and gas well are more familiar with and more support of hydraulic fracturing, even after controlling for individual- and contextual-level variables.” (emphasis added)

Considering the substantial economic benefits associated with oil and gas development, along with unwarranted environmental concerns that can come with not understanding the process, it’s no surprise that those who are closer to shale development have a better understanding and more positive opinion of fracking. According to a 2016 report from the Energy Policy Institute at the University of Chicago, the net local economic impacts of fracking include the Robson Ranch and Vintage Homes permanent homeowner voting precinct (which includes the Robson Ranch and Vintage Homes communities), voted 65% AGAINST the drilling ban. Additionally, Denton seniors who cast their absentee ballots by mail voted 51.5% AGAINST the drilling ban.

First, this gives credence to the idea that those who have a better understanding of fracking — i.e. those in areas where it is occurring — are more likely to support it or to encourage further development to take place. In turn, this helps explain why campaigns to ban or restrict fracking often originate from areas with little to no oil and gas development, including countless fake “local control” campaigns funded and organized by out-of-state activist groups such as San Francisco-based Sierra Club and Washington, D.C.-based Earthworks.

For example, a few years ago in Denton, Texas, a suburb north of Fort Worth, small factions within the community pushed to ban fracking within the city limits. One such group, Frack Free Denton, a “project of the Denton Drilling Awareness Group (DAG),” pushed for what it called the “restoration of local regulatory authority over urban oil and gas production.” Notably, this group was backed by Earthworks, which not only supported efforts such as collecting signatures, it also donated roughly $40,000 to back DAG’s anti-fracking campaign. Though the ban passed (and has since been overturned), the fact that voters in the two most-drilled Denton neighborhoods — Vintage and the Meadows of Hickory Creek — rejected the fracking ban by two-to-one margin, debunking the activist narrative that the push for a fracking ban was being driven by neighborhoods that would be directly affected by development. As Denton Taxpayers for a Strong Economy observed:

“The heaviest drilling corridor, and its largest permanent homeowner voting precinct (which includes the Robson Ranch and Vintage Homes communities), voted 65% AGAINST the drilling ban. Additionally, Denton seniors who cast their absentee ballots by mail voted 51.5% AGAINST the drilling ban.”

Similarly, an out-of-state activist-backed effort to ban fracking in Youngstown, Ohio, has been rejected six consecutive times. Ohioans who have experienced first-hand the benefits of Utica Shale development have repeatedly rejected repeated attempts by activists who live nowhere near the oil and gas development to end that development. Contrary to what national “Keep It In the Ground” groups have trumpeted for years, this study confirms that folks who live near fracking — and truly understand it — are more supportive of shale development, while the “local control” movement is, ironically, largely the product of outside national activist groups.
April 26, 2018

Dear Membership,

Finally, spring is finally here, and I am looking forward to my flowers blooming in my flower bed.

It’s been another busy month with Regional Meetings; I had a great opportunity to go to Region VI and Region II. Meet with existing members but also members who returned for the last regional meeting in their area. I was very honored to have great conversations and hear the enthusiasm for the new regional alignment. Some members were sad, but it is understandable.

Review of the Regional Fund Resolutions are being combined to form Regional bylaws. Mail votes will start to be sent to your presidents in your area to vote for new Regional directors and the new Regional Resolutions.

We have been working hard on the strategic business plan for the next 3 years. This will be sent to membership to review, if you have any suggestions to add or would like to help us. If you have some time to help us with the strategic plan, please send me an email. If you have other suggestions about this plan, please contact the board and let them know. We also have sent out the first quarter treasure report. The convention package is out; please find it on our website.

If we are going to work together, we must first stop the internal fighting going on with membership. It’s been very discouraging to see members tearing down other members. This is happening in all regions at club level. It was so sad to hear previous lot past ADDC presidents experience this first hand as well. We need to encourage, support and help each other. Educate each other along the way of forming new friendships. That is the association; I remember joining 15 years ago.

We have also started working on a financial business plan as well. Once we have this completed, we will be sending this out to membership. It will outline the next finical steps the association must take, and at what point changes will be required.

Region I May 17th to 19th, 2018
Region VII May 23 to 27, 2018
Convention September 18th to 22nd, 2018

Sincerely,
Christina Forth
It is has finally turned to spring in our part of the world with the sun coming up earlier and earlier and staying up later, energizing us all to enjoy this time of year whether it is doing some Spring cleaning or getting out into the great outdoors. This month I am featuring Diana Zelasek, from the Edmonton club.

My roots are certainly anchored in the country and when I first moved to the city, locking doors was a foreign chore, talking to a stranger was regarded as a friend you didn’t know yet, hitch hiking was a mode of transportation and sharing a drink was endearing. The first 4 years I moved to Edmonton my awaited timeline each week was Friday when I jumped on the Greyhound bus and headed for home.

I met Dorothy Harris at a function and she encouraged me to attend a Desk and Derrick meeting. Not that I was shy; but I was rather intimidated at the thought – after all meetings were held at the renowned MacDonald Hotel and membership was 100. However, it offered awareness about the industry path I had chosen and my mind was still absorbing all the knowledge. Hearing of the social activities was enticing as well. So…..in 1984 I became a member and 34 years later I am still an active member to bid Region VII farewell.

In preparing this bio it has caused me to reflect on the knowledge and friendship that I have acquired. I have served on all Club committees with the exception of Treasurer’s position. Served as Club President 3 terms and awarded 2007 Canadian Energy Woman.

The memories are a treasure: the gatherings to publish our Club bulletin page by page, making decorations for Regional and Convention, participating in Norma Jean’s public speaking course and hoping I could fade into the woodwork and not have to deliver a speech, adorning costumes at our curling bonspiel in Red Deer, enjoying an injected watermelon at our golf tournaments in Eckville, white water rafting in Grande Prairie and praying that I would survive, scenic canoe trip down Red Deer river, adding to my pottery from the factory in Medicine Hat, walking Lombard Street in San Francisco, stirring tour of Alcatraz, learning the ups and downs of our rented convertible in Wichita, my first fork steak BBQ in Cody, touring the space shuttle in Houston, spending an afternoon with the Amish in Traverse City and attending my first national ball game in St. Louis. As I tip toe through the adventures I would require another book – possibly a future endeavor! It just doesn’t get any better.

I have gratefully welcomed another avenue in my life – my little man Gavin. He turned 4 in December and has completely stolen my heart. There is so much to learn from the innocence of a child – clear vision, honesty and abundant love. When the day seems upside down and going to hell in a handbag a hug from Gavin makes everything right in my world.

Time is a grand instructor – although all things are not created fairly I have taken the attitude of ‘do the best you can and bless the rest’. Positive attitude and faith are the perfect prescription.

Throughout the years I changed jobs, changed marital status, lost parents and siblings but Desk and Derrick has always remained a constant.
February 21, 2018

To: All Club Presidents

RE: Nominations for 2019 ADDC Officers

The 2019 Officers of the Association of Desk and Derrick Clubs will be elected at the 2018 ADDC Convention to be held in Evansville, Indiana. The ADDC Nominating Committee is currently accepting nominations for the following 2019 ADDC Officers:

President-Elect
Secretary
Treasurer

The deadline for all nominations to be received by the Nominating Committee Chair is June 8, 2018. Any nominations received after that date will not be considered by the Nominating Committee.

Requirements and procedures for submitting nominations and the duties of the Officers are described in the Association Bylaws and can be found on the ADDC website in the Guidelines section. All candidates for nomination to ADDC offices shall:

1. Have served or be serving as Regional Director
2. Be employed in the petroleum, energy or allied industries
3. Be bondable

The ADDC Officer Nomination Forms are available in the Forms section of the Members Only pages of the ADDC website (addc.org).

Please send all nominations by the June 8, 2018 deadline, including NOMN1, NOMN2 and NOMN2A forms, along with a photo of candidate to Lori Landry, Nominating Committee Chair, via mail at the address above or via email to llandry@wkprod.com.

Lori L. Landry
Nominating Committee Chair

P. O. Box 52726
Lafayette, LA 70505
337-806-9355 O
337-288-9440 C
llandry@wkprod.com
Welcome to the new ADDC Store

Have you always wanted an ADDC shirt, and just didn’t know where to get it? How about a cap with our logo? Or maybe just something small to put on your desk?

Now you can own your very own ADDC wear!!!

Once a quarter, we will be taking orders for a modest offering of ADDC Wear. Orders will be placed on May 25th, August 15th and November 15th, and shipped within 10-15 days. Just think—you can have a new polo shirt by Convention or Christmas! Items are available to members only. Orders must be placed by the 10th of each order month. No inventory will be kept at the ADO, so if you place a request after the order dates, your order will fall into the next quarter’s order.

Items available–black polos with the ADDC oval, white t-shirts with the blue/green trade stamp in women’s and men’s pocket tees, khaki ball caps, and ADDC oval magnets. See order form for pricing and shipping details.
## ADDC STORE

### ORDER FORM

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**Orders due by May 10th, August 10th or November 10th.**

**Send checks made payable in US Funds to:**

ADDC  
PO Box 777  
Jane Lew, WV 26378
Hello Everyone-

We had a fun, educational Region V Meeting. Thank you to the Roswell Club for their organization and hospitality! Region Meetings are great experiences that bring us together with friends and colleagues and remind us why we need to keep working together to keep ADDC moving forward. I would also like to thank all of the members of Region V for the surprise baby shower they held for me. It was so much fun and I truly appreciate all the gifts and the heartfelt wishes for Peter (the new baby on the way), Logan and me. If you've never attended a Regional Meeting, I encourage you to do so. They are wonderful experiences.

Andrea McGarrah
Region V Director

Member Interview

Sheila McGaughey

Introduction:

I’m Sheila McGaughey. I have been a member of the Wichita Falls Desk and Derrick Club for probably a total of 20 years. I started working for Stephens Engineering in 1993. Diana Walker is also employed at Stephens Engineering and got me hooked immediately on Desk and Derrick. I continued to be a member for 10 or so years, but then I became a little overwhelmed with raising kids (1 son and 2 stepsons) and taking care of elderly parents. I felt that if I could not give 100% to the club then I should just get out for a while. I regret that decision to this day. I rejoined in 2008 and have loved every minute of it. I was the club President in 1999 and 2015. Being the club President sounds like a very frightening experience, but I had the best board and membership to guide me—both times. I have also served on different positions on the board and chaired various committees.

Greatest D&D Moment:

There are too many to list! But one that comes to mind was during one of our Region V meetings, I was asked to introduce Michael Williams, who was the Texas Railroad Commissioner. That was a definite highlight for me. It scares me to death to do public speaking, but Mr. Williams got me laughing and relaxed. I was absolutely impressed with him and everything that he was doing for the Texas Railroad Commission that the introduction was a breeze.

Another moment, we were at ADDC in September 2015, Lubbock, TX. The speaker was Dr. Barent McCool, father of William “Willie” McCool. Commander Willie McCool was a shuttle astronaut aboard the Space Shuttle Columbia mission 2003. It disintegrated upon reentry over the Texas Panhandle. His presentation made such an impact on me. It was incredible and I will never forget it!

Biggest D&D Goal:

In Desk and Derrick, we are always learning and increasing our knowledge of our industry. Our motto is “Greater Knowledge – Greater Service”. This helps me in my job and life. I love the fact that it also helps us to educate our younger generation through various projects like MOLU – Mobile Oilfield Learning Unit and Region IX here in Wichita Falls,
where we presented a history of oil and gas to around 500 students in April. Wow! My goal is that a few of these students were so impressed with our industry that they will be on our list of scholarship recipients in a few years.

What do you want D & D to be:

On the ADDC level, I would like to see better communication and unity with the membership and better control over how the membership money is budgeted and spent. Teamwork is an essential part of a team because in the end we are all trying to reach the same goal. This can be achieved with:

- Open communication to avoid conflicts.
- Effective coordination to avoid confusion and the overstepping of boundaries.

On our local level, I would like to see our name out there more. We are involved in 3 golf tournaments, Texas Alliance and our local schools, but still people are not familiar with our organization. I would also like to see us involved more with the community.

What will you do to create that D & D:

Educate! Educate! Educate! I am so proud of our club and our Annual Golf Tournament – which is our biggest fundraiser. The money raised at this tournament is used for hosting MOLU each year for our area schools. Our goal next year is to reach more of our elementary schools and some from the surrounding counties. We helped at Project Back to School last year, which gives backpacks and school supplies to area kids, the education committee is planning on how to reach and educate more children there. Also, working at Region IX – reaching 500 students and giving them the Bit of Fun Energy Activity books and an overview of the Oil and Gas Industry in Texas. These children are our future, the future of our industry. We need to educate them with more hands-on events like these. A quote from Benjamin Franklin “Tell me and I forget. Teach me and I remember. Involve me and I learn.”

I feel very fortunate to have found such a wonderful organization that has molded and shaped my career and has made me who I am - this is in part to all the great speakers, all the wonderful, educational field trips and of course knowing all of you!

Dear Members,

You may have noticed that this issue of the insight was a little later than normal. As editor, I have no excuse other than my home life has to take precedence every now and again. To that end, I am seeking an assistant editor for the Insight. Your responsibilities would include gathering Energy news, help collecting Club information, and keep your eyes and ears open to the industry. Any volunteers will be greatly appreciated.

The Financials for the first quarter have been published to the ADDC website for member review. Please feel free to contact Wendy Sparks at wsparks@cegx.net with any questions or concerns. Remember this document is to be shared with fellow members, but not published in club newsletters.

As the Regional meetings start coming to a close this month, it is time to start preparing for the 67th ADDC Annual Convention and Educational Conference. This year’s meeting will be held at the Double Tree by Hilton in Evansville Indiana, September 18 - 22, 2018. Region II has been working tirelessly to make this a convention to remember. Where will you be in September?

Don’t forget to send in copies of your club’s newsletters. We may use part of it for the next issue of the Insight.

Until next month,

Maggi Franks
Editor
How high before Wall Street freaks out?

Boom to bust: Wall Street is cheering the rapid rise in crude oil prices, even if drivers aren’t.

CNNMoney (New York) First published May 13, 2018: 7:09 AM ET, by Matt Egan and Danielle Wiener-Bronner, @CNNMoneyInvest

Investors are already piling back into Big Oil stocks on wall street, a bet that crude’s 50% spike in the past year will mean fatter profits and bigger share buybacks. Oil hit $70 last week, and it helped carry the stock market to its best week in two months.

Higher oil prices are undoubtedly a huge positive for the notoriously boom-and-bust oil industry — and its millions of workers. Those fortunes are being shared even more across the country thanks to surging US oil production from the shale boom.

Oil’s comeback is also evidence of an economy that’s humming along, and requiring more and more crude.

But that formula only works for so long. At a certain point, higher oil and gasoline prices will become a negative — for the stock market and the economy alike. Pain at the pump eventually eats into consumer spending, the main driver of the economy.

“You can’t argue crude going up every day is a good thing for the US consumer, who has little wage growth and record debt,” said Ian Winer, head of equities at Wedbush Securities.

Gasoline prices are up 22% this year to a national average of $2.86 a gallon, according to AAA, even before President Trump’s sanctions on Iran take effect. Drivers in 10 states are already paying $3 or more.

Higher gas prices are on track to cost Americans an extra $38 billion in 2018, erasing about one-third of the direct benefit from President Trump’s tax cuts, Morgan Stanley estimates.

Related: The oil market is about to get scary

Of course, oil and gas prices are nowhere near the extremes of 2008. And just two years ago Wall Street was freaking out about the oil crash, when crude plunged to $26 a barrel.

Still, all of this raises the question: How high is too high for oil?

Rather than a specific price, pay attention to the speed of the increase. It’s less of a shock if the change occurs over time.

Nicholas Colas, co-founder of DataTrek Research, notes that the US economy tipped into a recession in 1990 when Iraq’s invasion of Kuwait caused oil prices to hit $40 a barrel, more than doubling in just three months.

History shows that when crude spikes by more than 80% in a year, it can pose serious problems, according to Brad McMillan, chief investment officer for Commonwealth Financial Network.

“This has been a reliable signal of past recessions,” McMillan wrote to clients last week.

Crude was fetching about $47 a barrel a year ago. That suggests the price to watch is about $85 a barrel. That’s roughly 19% above current levels. Even if crude rises that high, it could take time before the economic shockwaves reach Wall Street.

“For the moment, we’re not close to the danger zone,” McMillan said.
The ADO remains a fervor of activity. Regional Meetings support, daily operations accounting, financial reporting preparation, and new memberships and renewals processing remain the top priorities.

New membership applications and membership renewals continue to trickle in and are being processed as quickly as possible. We are close to reaching our minimal membership goal for 2018. Think about this—if just half of our current membership were to obtain one new membership application, we would exceed the 2017 membership count by nearly 300 members! That gets me excited. What about you? All Directories are current for 2018 membership renewals and re-applications for previous ADDC memberships that have been dormant for one or more years. However, any updates or corrections that you noted on your 2018 Membership Renewal form have not yet been processed. I am currently processing new membership applications so that these folks can gain access to the Members area of the Association website.

ADO support to the 67th Annual ADDC Convention started in April with the publication of the Convention Registration Packet. Online Convention Payment is again available for members, non-members, and guests. Please note that Online Convention Payment is in addition to completing and submitting the registration and emergency contact forms to the ADO. Special thanks to Judi Adams, 2012 ADDC President, for final testing of the Online Convention Payment module. Judi is our second Convention registrant and the first online payment for 2018!

Special thanks to Margie Desmond and Scott Raines at PDC Energy, Inc., in Bridgeport, West Virginia. PDC Energy is a local, corporate supporter of Desk and Derrick with several members in the West Virginia Club. PDC Energy recently donated a very nice, 72”, hardwood bookcase to the Association of Desk and Derrick Clubs for the ADO. Margie made the donation possible and Scott was a huge help with getting the bookcase loaded in my pickup truck. Thank you, PDC Energy!

If you have an opportunity to have a presence at a chamber of commerce event, trade show, or the like, please let me know and I will make sure you have brochures to display and hand out to potential new members. Remember, ADDC membership is open to all individuals within the energy and allied industries as well as anyone interested in learning more about the energy industry. Working together, we will all be able to assure that the ADDC will continue to grow!

We continue to receive orders for the newly-published third edition of the Bit of Fun Energy Activity Book. It is a great educational tool for teaching the younger generation how oil and gas affects their lives. Keep those EAB orders coming!

Speaking of printed materials, we have several printed copies remaining of the final Desk and Derrick Journal at the ADO. This has come as a surprise to several members I have been talking with. This final edition of the Desk and Derrick Journal has a wealth of information and decades of ADDC history in those mere forty pages. If you are interested in obtaining copies for your next meeting or trade show, please contact me. Once they're gone, they're history!

Have you always wanted ADDC gear, and just didn’t know where to get it? We now have ADDC gear and we’ve received our first ADDC Store order! Thank you for your order, Lea Ann Spurlock, 2018 Midland Club President! Keep those ADDC gear orders coming!

Until next month,

Wayne Ammons
Business Manager
It is May and that can only mean one thing...it is almost time for the Region I Meeting. In past RD letters I have showcased the educational benefits to attending our meeting in Findlay, Ohio. This month I would like to showcase those Buckeye members that have dedicated the past year to planning the meeting.

I believe many thought I was taking on too much by being Region Director and General Arrangements Chair. However, I knew that I had the support of a wonderful team and they would make this a great Region I meeting. The Region I Planning Committee consists of:

- Natalie McClelland - Findlay Inn point of contact
- Jennie Hammond/Maria Shull - Registrations
- Ann Eatherton - Certification and Hospitality
- Lisa Taylor - Thursday icebreaker
- Penney Gerdeman - Friday field trip
- Michelle Courtad - Friday entertainment and Region I secretary
- Alicia Young - Program

We hope all attendees have a wonderful time May 17th-19th!

I would like to thank the members of Penn York Oil and Gas Affiliates for welcoming me and my mom to Bradford, PA in April. I had the honor of being their guest speaker where I spoke about the benefits of being a member of ADDC, the Region I meeting and discussed the proposed bylaw amendments. As I wrap up my club tour, I find myself with a renewed sense of what ADDC is all about...Education, Friendship, and Family.

Next month look for a recap of the Ergon refinery tour attended by members of Three Rivers. And if you love salsa talk to the members of Tuscarawas Valley as they are having a salsa fundraiser in May. For each jar of locally made salsa sold, they receive 50% of the proceeds for their scholarship fund. For more information please contact Angel Perry.

Until next time, let your voices be heard!

Carrie
U.S. produces record amounts of oil

Martin Leske’s fuel business increased by 600 percent last year because of demand.

The oil industry has continued to grow during the last year and a half, said Leske, who owns Legacy Fuels and Lubricants in Victoria. As more oil rig activity occurs, more diesel is needed, but oil and gas refineries have a limit as to how much fuel they can process.

“We’re swimming in crude oil in the U.S. because of the shale play. The crude oil is not the problem – it’s the refining capability. You can only refine so much per day,” he said. “If you have an oil rig, they might burn 15,000 to 25,000 gallons of diesel a day.”

Oil prices per barrel cut through the $70 mark May 7 for the first time since late 2014, which is expected to increase the price at the pump, according to the Associated Press.

Oil and gas experts said demand for oil and fuel is increasing in the U.S.

“The amount of product the refineries can make in any given day is finite – is a given number – but demand is going up, and we can’t make any more supply,” Leske said. “That naturally drives up prices, and it creates shortages.”

The price of oil has increased partly because OPEC has kept its commitments to not overproduce, said economist Thomas Tunstall, who is a senior research director at the University of Texas at San Antonio Institute for Economic Development.

OPEC members have also persuaded Russian producers to put limits on their production to create higher prices in the market for crude oil.

In February 2016, the price of crude oil hit rock bottom – about $26 a barrel – partly because there was too much supply for the demand, Tunstall said.

Investors have persuaded oil exploration companies to keep a hand on how much they produce to prevent that from happening again.

“The U.S. domestic industry is monitoring itself in terms of production,” he said.

The Permian Basin is producing more than 2 million barrels of oil a day, which is increasing, Tunstall said. The Eagle Ford Shale, which includes the Crossroads, is producing about 1 million barrels a day.

Comparatively, the U.S. is producing 10.6 million barrels of oil a day, Tunstall said.

Another concern is the pipeline capacity in exporting the produced crude oil, which will have an impact on supply.

“Because supply will find its way into the market, the prices will eventually be going back down somewhat; who can say?” he said. “I don’t think, for example, we’re going to see $100 oil again for a long time.”

The U.S. is the No. 2 crude oil producer in the world, with OPEC being No. 1, said Chris Ashcraft, South Texas Energy and Economic Roundtable vice president. Texas produces about 45 percent of the oil in the U.S., which generated $11 billion in state taxes last year.

“It just shows the sheer impact of what that means for our state, for our schools, for our water, infrastructure and for jobs and manufacturing,” he said.

The strong growing economy of the U.S. and Texas has also driven up the demand for oil, which has increased production, Ashcraft said.

While the Permian Basin is booming in the oil industry, the Eagle Ford Shale has come back slowly, said Bud Weinstein, associate director of the Maguire Energy Institute at Southern Methodist University.

Until three years ago, the U.S. could not export diesel and fuel because of an embargo put in place in the 1970s, Weinstein said.

With the embargo lifted, the U.S. exports 2 million barrels a day.

During the Eagle Ford Shale boom, the embargo contributed to oversupply.

“We had more oil than we knew what to do with,” he said. With oil production doubling in the last five years, OPEC doesn’t have the market power it used to, Weinstein said.

The U.S. has become a swing producer.

“If and when the next glut appears on the global market and supply exceeds demand, it will be the shale producers that cut back first,” he said. “And we can do that more quickly than OPEC.”

Leske is ensuring he has fuel for his customers by expanding his Victoria location and storing fuel on-site, so terminal allocations don’t affect him as much. He is also creating good relationships with suppliers.

“Restrictions can be a challenge. Our customers are calling us demanding product, so we have to match the supply to that demand,” he said.

“If there is an allocation issue or a shortage here, I can truck it from Louisiana or Houston and put it in my tanks here and have inventory to operate out of.”

Kathryn Cargo reports on business and agriculture for the Victoria Advocate. She may be reached at kcargo@vicad.com or 361-580-6328. Follow her on twitter @kathryncargo.
May 2018

I wanted to take a moment to express my sincere, heartfelt thanks to each and every member of the New Orleans Club for their hard work, dedication and exceptional job on their achievements to make this a Region III meeting that will be remembered for a long time to come. It may have been our last “Region III” meeting but it certainly will be remembered as one of the best Region III meetings ever experienced.

From the get-go we started out with our Tri-GACs doing their very best from arranging the hotel, food, field trips, decorations, sponsors, and entertainment - leaving no stone unturned. I believe we had the best NEGOTIATOR of all time – Johanna Lae you are exceptional!!! Karen Ohlsson and Kathy Gowland - your talent getting an industry speaker for the luncheon on Saturday at the last minute was surely appreciated by all as Rick Fowler never ceases to amaze and entertain, yet be so informative at the same time. He was wonderful and though I hate to admit it – I am not sorry our original speaker had to cancel due to an unavoidable conflict in scheduling.

And let’s not forget the great field trips thanks to Kathy Gowland and Karen Ohlsson. Dianne Badeaux did an awesome job handling the World War II Museum tour that was enjoyed by all attendees. KUDOS to all three of you!

Nellie Ware and Carol Wallace, you did a fantastic job with decorations. Both of you and your decorating committee added just the right touches for a spectacular presentation. Everyone was so impressed and, of course, as was my husband, that the decorations that I had been purchasing and storing in one of our closets over the years finally got put to use. Let’s not forget a THANK YOU to our Registration Committee, JoNel Savoy and Mary Ann Talabock, our registrants were in very capable hands. Our registration bag was filled with lots of information and memorabilia which was enjoyed by all attendees. Thanks to all who contributed to the abundant handouts and information contained therein.

We certainly don't want to forget our proof readers, who we couldn’t have done without. Hard as we tried, there were still corrections to our program but thankfully not due to our mistakes. Diana Glaze – we can’t tell you how much everyone enjoyed the entertainment. They were WONDERFUL! There are so many folks to thank and I don’t want to miss anyone – Carla Valaske – you and Dianne Badeaux did an outstanding job with the hospitality room – keeping us fed and having something to drink at all times.

Sandra and Marshall Harris, from the beginning you were very instrumental in all of our design and printing needs, exceptional in every aspect. THANK YOU!!! To all who sponsored and/or donated of your time, talents, items and/or monies – WE THANK YOU FROM THE BOTTOM OF OUR HEARTS!!!!!!

I also wanted to personally thank each and every member who stepped up to the
plate to fill committee positions so that all reports needed were covered and appropriately reported on. I encourage you to step up to the plate next year for the incoming 2019 Director-Elect.

All members of the 2019 Southeast Region Director Nominating Committee and those involved in the preparation of the newly written Proposed Southeast Region Fund Bylaws, THANK YOU for your time and dedication to seeing that these very important items were handled timely.

Region IV members, Evelyn Green, Val Williams, Jill Coble – THANK YOU for sharing your expertise with the group, Region III members are truly looking forward to 2019 as we become one in the newly formed Southeast Region. Together we can and will survive working as one for the betterment of our Clubs.

For your support since I was elected last April and through the last Region III Meeting – I thank each and every one of you and hope you know that this success comes from YOU – the #1 Club members, all Region III Members, and all members throughout the Association. You are the GREATEST!!

Remembering our Past, living in the Present – we will achieve our goals for the FUTURE of Desk and Derrick!!!

Carol Schiavone
Region III Director
May 2018

Happy May! I am writing this letter prior to leaving for the Region II meeting in Gaylord, Michigan. I am looking so forward the educational opportunities, the field trips, and of course, spending time with the members of Region II. They are a very special group who are very supportive of their clubs and the Association. They always enjoy being together and look forward to the next opportunity.

The 2018 ADDC Convention is fast approaching and will be held on September 18 – 22, 2018, in Evansville, Indiana. The registration package is now available on the ADDC website. The field trips will fill up fast, so be sure and get your registrations in early.

The deadline for Clubs and Region Funds to file ADDC Form 990 TAXE1 and IRS Form 990/990N with the committee is May 15, 2018. These must be submitted to the IRS by the same date. If you have filed your return, please email a copy of the filed return to me as soon as possible.

MEMBER SPOTLIGHT – SAM THOMAS

Sam Thomas has been a member of the Tri-State Desk and Derrick Club since 2017 and is currently the club president. Shortly after joining the club, Sam didn’t hesitate to jump right in and run for the Tri-State’s top office! I was very impressed! He is the Chief Financial Officer of Campbell Energy LLC and holds a Bachelor’s Degree in Accounting from the University of Kentucky. He has been a very active member of the Tri-State Club and a great leader—recently recruiting five new members from his company to join the club.

Sam believes in the same mission and goals as Desk and Derrick. Education is very important, and he feels the Association is filling a void in the energy sector that not only helps its members to improve their knowledge but helps them obtain leadership skills to improve their careers. He would like to help his club achieve new heights, spotlight the community, and the tri-state area to make a difference. Since the 2018 ADDC Convention is going to be in Evansville, Indiana, he feels we have the opportunity to showcase our members’ talents; the enormous beauty of the Illinois Basin, which encompasses Illinois, Indiana and Kentucky and our local communities. Through Desk and Derrick, Sam has gained a greater appreciation for the energy effects on the community, the great wealth of talent within his club, and the ADDC organization.

He grew up in Kentucky and has been married to his wife for 35 years and they have been blessed with two sons and two grandchildren. His hobbies include hunting, fishing, scuba diving, and world traveling. He is also a HUGE Kentucky Wildcats fan! Once a Wildcat... always a Wildcat!

Beth Etzkorn

ADDC Motto - “Greater Knowledge - Greater Service”
May 2018

“Be stubborn about your goals, but flexible about your methods.”

What an enjoyable Region meeting we had last month in Wichita. I would like to once again thank the Wichita club for all of their hard work! I hope this time was an opportunity for you to reconnect with other Region members and energize your clubs.

Recently, Tammy Watkins, Shelly Jech and I took a planning trip to Kansas City. We have pinned down several activities. We soon will be reaching out to each club to prepare for an amazing convention in 2019! If you have ideas or speakers in mind, please reach out to us!

Your club tax forms are due in May, so be sure to get those in on time!

Remember, Rome was not built in one day and we cannot expect to fix every issue in one day either. Speak up, get involved and stay positive! We can and will right the ship and move forward into a promising future for our Association.

Name: Dorothy Lenhart

Current City: Tulsa, OK

Home Club: Tulsa, OK

Office(s) Served: Secretary, Vice President, and President

Year Joined ADDC: 2012

Current Job: Lead Accounting Analyst, Laredo Petroleum, Inc.

A little bit about you: I am a middle child, which always gave me the benefit of learning from my older sister, but it also came with the disadvantage of not getting spoiled like my younger brother. Both of my parents taught me to work hard at everything you do, to always respect your elders, and to have faith even during uncertain times. I developed a love for math at an early age, and knew that accounting was the career for me in my senior year of high school. I have now worked in oil and gas accounting for 18 years, and am very grateful for my job and my co-workers.

My husband and I are celebrating our 25th anniversary this year, have two beautiful daughters who recently got married, and a very handsome and bright 13-year old son who loves to tell stories and wants to grow up to be a professional wrestler named Leatherback. He definitely keeps us entertained.

Fun Fact: My husband and I recently became grandparents (GiGi and Pops) to a wonderful grandson named Luca, who has special powers! Every time I hold him, all I feel is ultimate happiness...no stress and no worries. Amazing right? And if that wasn’t enough, my other daughter is expecting twins very soon. My cup overflows!

Goals for 2018: I have a personal goal of passing my remaining CPA exams this year. Some of my club goals for this year are 1) growing our membership by continuing to reach out to others about the benefits of our organization, 2) educating children about the positive aspects of the oil and gas industry by volunteering with the Tulsa Geological Society and delivering Energy Activity Books to a local elementary school, and 3) staying on budget by cutting costs and using creative fundraising ideas.

Leave us with a quote or a bit of advice: Everything happens for a reason, just believe! We don’t always understand why things happen. Sometimes it feels like the worst timing ever or that it might be too difficult to overcome, but believing that there is a reason for everything can help us stay positive and keep moving forward.
May 2018

A special thank you to all who planned, prepared, assisted, attended, participated and sent good thoughts toward the Region IV Meeting that was held this past April 18 – 21, 2018, in Graham, TX. It was a fantastic event, that I know, we won’t soon forget! A very big Thank You and Congratulations to the Graham Club, for a job well done!!! Those members went above and beyond to assure all our members and guests attending had a wonderful time from the Certification Class to the Saturday Night Banquet, what an outstanding job!!!

The Region IV – Regional Award of Merit, being one of the highlights of the Regional Meeting were awarded to the following clubs/members:

**Best Large Bulletin:**
- First Place - San Antonio Club
- Second Place - Lone Star Club of Dallas
- Third Place - Graham Club

**Best Industry Article:**
- First Place - San Antonio Club
- Second Place - Graham Club

**Best President’s Letter:**
- First Place - Dallas Club
- Second Place - North Harris/Montgomery Counties Club
- Third Place - San Antonio Club

**Best Desk and Derrick Article:**
- First Place - Graham Club
- Second Place - San Antonio Club
- Third Place - Dallas Club

**Best Industry Program:**
- First Place - Lone Star Club of Dallas
- Second Place - Graham Club
- Third Place - North Harris/Montgomery Counties Club
**Best Desk and Derrick Program:**

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**Best Industry Seminar:**

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**Best Industry Field Trip:**

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**Best Industry Photograph:**

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**Congratulations** to each club and member for a job well done!! Each of the First Place Winners will now be judged again, by three new judges, to compete for the A.I.M.E.E Award, to be awarded at the ADDC Convention in Evansville, IN in September 2018. Now is the time to start thinking about your Club’s entries for the 2019 ADDC Contest. Don’t wait until December 15, 2018 to begin gathering your entries. Start looking at your Programs, Articles, Bulletins, Field Trips and your Industry Photographs. Remember A.I.M.E.E. stands for “Achievement in Maintaining Energy Excellence”.

Other areas discussed during Region Meeting were the Proposed Bylaws Amendments and Standing Rules; please reflect on any issues that were discussed and have conversations among your members about the proposed amendments and standing rules, that will be voted on in September. Speaking of Convention in September, the deadline for registration is August 1, 2018 and the hotel is the Double Tree by Hilton.

The date of Convention is September 17 - 21, 2018. The registration packet is now available on the ADDC website – easy to find. The certification class this year is “Completion and Production” and there are numerous seminars and field trips to choose from.

I know the year is almost half over, but it is never too early to volunteer for a committee on the ADDC level or the Region Level. Our ADDC 2018 President-Elect, Terry Ligon, spoke at Region IV Meeting for the need of volunteers for 2019. If you are interested in being a committee chairperson or a region representative, you can obtain information from your club President or from me. This is a terrific way to see the many sides of our organization. Also, ADDC Officer Nomination forms for the Executive Board are due by June 8th, if anyone is interested. These nominations are to be mailed to Lori Landry, the Nominating Committee Chair.

Our “highlighted” President, this month is Helen Lovato, from the Fort Worth Club. Helen has been a member of the Fort Worth Club for 13 years and worked in the oil and gas industry for 15 years. She retired from her full-time job in 2015 but continues to work her second job, of 27 years, as Office Manager for a national non-profit professional organization of teachers who teach the Deaf and Hard of Hearing. She also works as a relief Crossing Guard for the City of Bedford, Texas, volunteering at the elementary school near her house. When she is not “working” she enjoys spending time with her 6 grandchildren and she will soon have a 7th grandchild due in August. Helen attends Bible studies and enjoys various needlepoint. She wants to educate her club members on the workings of their club, committees, Region IV (soon to become Central Region with the re-alignment) and with ADDC. She wants to recruit younger members, as she feels that they are the future of their club and the Association. Thank you, Helen, for your commitment to the Fort Worth Club and the hard work you have given to it over the years.

*Sue Weaver*
The D&D Standard Oil & Gas Abbreviator is an indispensable tool for anyone working in oil and gas or other energy industries, for students pursuing courses of study related to the industry, and for employees of allied industries. The book is available from The Desk and Derrick Club of Tulsa through Gaye Marrs, gmarrs@cimarex.com or 918-295-1677. Cost is $40 to members and $45 to non-members, plus $5 for shipping, if necessary.

Just Released!
The Third Edition

The newly revised Bit of Fun Energy Activity Book

Be the first to order the latest edition of PetroMolly’s & PetroMack’s Discoveries in Energy.

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Contact Wayne @ the new ADO office for details!
ado@addc.org
Department of Energy Announces Funding to Support Long-Duration Energy Storage
May 1, 2018

ARPA-E provides up to $30 million to develop storage technologies for secure, resilient grid.

WASHINGTON, D.C. — The U.S. Department of Energy (DOE) today announced up to $30 million in funding for projects as part of a new Advanced Research Projects Agency-Energy (ARPA-E) program: Duration Addition to electricity Storage (DAYS). DAYS project teams will build innovative technologies to enable long-duration energy storage on the power grid, providing reliable electricity for 10 to approximately 100 hours.

Energy storage will play an increasingly critical role in the resilient grid of the future. Storage systems provide important services, including improving grid stability, providing backup power, and allowing for greater integration of renewable resources. Today’s dominant storage options have limitations that inhibit their use as long-duration solutions, particularly their high cost.

“Building the grid of tomorrow will require new tools and technologies to ensure Americans have access to affordable and secure energy,” said U.S. Secretary of Energy Rick Perry. “At DOE, we are peering over the energy horizon and identifying the key technologies we need to support the power system of the future. These new storage options will offer us the opportunity to make the grid more resilient while enabling greater integration of our domestic energy resources.”

DAYS teams will develop energy storage systems that are deployable in almost any location and discharge electricity at a per-cycle cost target much lower than what is possible in systems available today.

The funding opportunity is open to a range of storage technology choices, including thermal, mechanical, electrochemical, chemical, and others. Driving the challenge are an aggressive set of cost targets, siting, power output, and duty cycle requirements.

A summary of the DAYS program can be found HERE. Additional information, including the full FOA, is available on ARPA-E’s online application portal, ARPA-E eXCHANGE.

ADDC NEEDS YOU!

There are still committees that need regional representatives!

Do you have an hour a month to spare? That’s all it takes. Some committees take less time than that. You can make a difference by volunteering.

Contact your Region Director today or any Board member and step up to help the Association!
MOTTO
Greater Knowledge—Greater Service

PURPOSE
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.

MISSION STATEMENT
Our mission is 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 available.

2018 ADDC Board of Directors

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<th>Position</th>
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<td>Christina Forth</td>
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