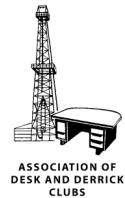


The

Catline



THE DESK AND DERRICK CLUB OF HOUSTON, TEXAS

The Catline March 2011 Volume 60, Issue 3

Houston Club President's Message

Spring is just a few weeks away! After the weather we had in early February I am sure we are all pleased that winter is almost behind us. For the first time in my memory the Houston Club had to cancel a membership meeting due to the threat of ice. I am sure there have been other instances caused by Mother Nature, but this was a rare event for Houston.

March is traditionally Desk and Derrick Awareness Month. This is a good time to invite your boss, colleague, or friend to a meeting. We will be pleased to welcome them any month of the year, except in October when the annual meeting and election of officers is held. By the way, if you are considering running for a position on the 2012 board, please contact

Carolyn Campbell, Chairman of the Nominating Committee. Otherwise, Carolyn or one of the other committee members will be calling you.

The March meeting is a very important one for our club, not only because we did not have a February meeting but for the sake of our speaker. It is always more rewarding for a speaker to have a large and attentive audience. In addition, you will be asked to vote on some important changes to our club's Bylaws and Standing Rules. Judi Adams mailed a copy of the proposed changes on February 10th. Familiarize yourself with the proposed amendments and bring a copy of the proposals to the March meeting. These amendments affect our annual club dues, term of office

and vacancies, and nominations and election of officers. Your VOTE is important.

On February 15, a group of 15 members and guests met at the Museum of Natural Science to visit the Galveston exhibit. The topic of this exhibit was the important role that Galveston played as a major gateway for immigrants from 1845 to 1924. It was a comprehensive coverage of the immigrants, their backgrounds, and the hardships endured during a period when an ocean voyage could take a month or more. The hardships faced in getting here were only the beginning of the struggles to make a new life in a fairly undeveloped country. Following the visit to the museum we met at the Black Labrador, a

(continued on Page 4)

"HONORING
OUR PAST—
PREPARING FOR
OUR FUTURE"



Meeting Notice

Date: March 9, 2011

Time: 6:00 p.m.

**Location: Hilton Houston Westchase Hotel,
9999 Westheimer Blvd, Houston, TX**

**Speaker: Bill Koehn, Manager of Invest-
ment Accounting, Hess Corporation**

**Topic: Your Oil and Gas Accounting Dept. -
More Than Just Overhead**

**Contact Judi Adams via e-mail at
dandd.judi@gmail.com or call 281-
224-7839 if you plan to attend.**

**Dinner reservations are due by noon
on Monday, March 7th.**

Menu: Dinner Salad, Braised Beef Tips
in Wine Sauce, Oven Roasted Potatoes,
and Chef's Choice of Vegetables

Or Chef Salad

New York Style Cheesecake

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ADDC President's Message



Dear Members,

It's March, Desk and Derrick Awareness Month. I know you and your Clubs are very busy generating awareness of the many opportunities that our Association has to offer to potential members in your area. I'm looking forward to hearing about your successes.

The ADDC Board met in Tulsa, Oklahoma for the annual Budget and Planning Meeting, January 14-15, 2011. The Board worked diligently, reviewing committee reports, discussing a variety of items, and approving a balanced budget. The Budget & Planning Meeting Highlights and the 2011 Approved Budget have been issued to all club presidents and are available to all members on the ADDC website.

I would like to share with you a few items discussed at the meeting. I was informed that during the website update some items were lost during migration. If you come across something on the website that is incorrect or needs updating please contact ADO. Another issue receiving a lot of discussion was Social Networking (Facebook, Twitter, etc.). Presently the Association does not support the use of social networking, but did approve the appointment of a special committee to further investigate these types of media and its uses.

It is important for clubs to submit Membership dues, applications, and transmittal forms to the ADO in a timely manner. The membership deadline is November 30th of each year. Any dues received after this date will be returned to the clubs.

The 2011 Convention General Arrangements Committee submitted a proposed budget for the upcoming convention.

Hotel room, food and beverage minimums and other related costs continue to rise, while attendance dwindles. In order to meet contract requirements, the convention registration would have been unaffordable. If you have ever been involved with planning a Region Meeting or Convention, you understand a budget cannot be set dependent on donations. After further consideration, the Board felt the ADDC Convention Fund's retained earnings were sufficient enough to subsidize any loss that may occur, provided donations are not adequate to cover all costs. The Board approved a \$250 registration fee. The members of Region II are busy putting the final touches to the 60th Annual Convention in St. Louis, Missouri. The registration packet should be available soon.

Region Meetings kick off this month, beginning with Region III – Westbank Club, March 24-26 in New Orleans. Regions IV, V, and VI are scheduled for the month of April; followed by Regions I, II, and VII in May. Take advantage of your opportunity to grow, get your registration form in early.

GO...

Angie

Purpose

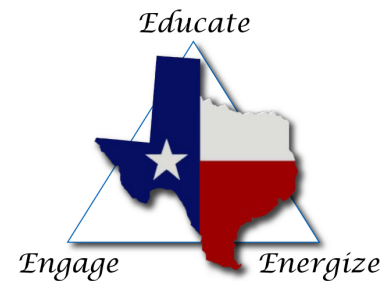
THE PURPOSE OF THIS CLUB SHALL BE TO PROMOTE THE EDUCATION AND PROFESSIONAL DEVELOPMENT OF INDIVIDUALS EMPLOYED IN OR AFFILIATED WITH THE PETROLEUM, ENERGY, AND ALLIED INDUSTRIES, AND TO EDUCATE THE GENERAL PUBLIC ABOUT THESE INDUSTRIES.

GREATER
KNOWLEDGE—
GREATER SERVICE

Region IV Director's Message

Can you believe it, here we are in March and spring is just around the corner. Seems like we just took down the Christmas decorations and now we are thinking about Easter Eggs.

March is Desk and Derrick Orientation Month and I know that every club is planning a special program for this month. Please remember to invite your bosses to this important meeting to let them hear why it benefits them to support you in your continuing education of this vibrant industry. Take this opportunity to invite everyone you know or come in contact with that is a part of the Petroleum Industry to attend your March meeting. What better way to Educate, Engage and Energize your club. Be proactive and make your March meeting your showcase for Desk and Derrick. Many of the clubs have some very innovative programs for this Month and when we come together at the Presidents training meeting we will exchange ideas that all clubs can use and benefit from.



What an unbelievable time of learning I experienced at Budget and Planning Meeting in Tulsa, OK. We have a fantastic group of ladies that are leading our Association and they are all committed to this Association and YOU the members. We poured over the budgets for the Association as well as the budget for the 2011 Convention. Region II is hosting this year's convention and it looks like it will be bigger and better than ever as we celebrate 60 years of our Association. As I sat in that room with all of these talented ladies, I came away with such a renewed commitment to this Region and to this Association. I will be covering this meeting with the Presidents and Committee Reps at our training meeting on 2/26/11. Here are just some of the highlights from Budget and Planning:

- A special committee has been appointed to research the possibility of using Social Networking Media. There will be a report from this committee to the board about their findings.
- If you have something to discuss with Andre at ADO please email it to me and then it will be forwarded to Andre.
- Remember that all clubs must submit a TAXE 1 form to Misty Hendricks by May 16, 2011.

You should have all received your registration packets for the 2011 Region IV meeting in The Woodlands. The NH/MC club has worked very hard to put this meeting together and they have done a fantastic job. Please fill out our registration forms and get them sent back in. We want to see each one of you there.

If we had no winter, the spring would not be so pleasant; if we did not sometimes taste of adversity, prosperity would not be so welcome.

Connie

President's Message (continued)

cozy British style pub, for dinner and fellowship. The members and guests participating in this Social Committee outing had a very enjoyable and educational time. Thank you, Judy Battle, for organizing this!

The 52nd Annual Region IV Meeting is being held in The Woodlands April 6 through April 9. The North Harris/Montgomery Counties Desk and Derrick Club will be our host for the meeting. For those of you attending your first Region Meeting, a special reception is planned for First Timers and Mentors on Thursday April 7th at

5:30 p.m. in the Hospitality Room. I am sure you will enjoy this time to meet other club members in a more intimate setting than a general meeting.

In closing, I wish you a happy Mardi Gras, happy St. Patrick's Day, happy first day of Spring, and most of all **Happy Birthday to Elizabeth Angelos!**

Marie



ADDC Booth at NAPE Expo

Judi Adams, leasha Stewart (Fort Worth Club—ADDC PR Chairman), and Barbara Landrum

2011 Budget and Planning Highlights—January 14-15, 2011

- Approved votes taken during 2010 by the 2010 ADDC Board
- Approved handling all votes by the Board via email for 2011.
- Approved Michael Gray, CPA, to conduct the annual review.
- Approved continued use of Arvest Bank and Bank of America as Association financial institutions.
- Approved ADDC Certificates of Deposit.
- Approved insurance policies and amounts of coverage.
- Approved the publication of three issues of *The Desk and Derrick Journal* with article submission deadlines of March 1, July 1, and November 1.
- Assigned Education Committee the task of reviewing the video library and other educational material at ADO.
- Approved giveaway items for trade shows.
- Approved purchase of promotional materials.
- Approved Credentials deadline of August 1, 2011 for the 2011 Convention.
- Assigned Long Range Planning Committee the task of researching ways to attract and retain members and providing leadership training.
- Approved reducing the cost of the Spanish version of the EAB to \$1.50 per copy.
- Approved funds to research registering trademarks for the Energy Activity Book, Teaching Guide, and characters, PetroMolly and PetroMack.
- Approved the 2011 Convention Budget, Registration Fee, Field Trips and Seminars.
- Approved the 2013 Convention administration fee.
- Approved 2013 Convention GAC Melinda Johnson.
- Approved the 2011 balanced Budget for the Association.

March Birthdays

Elizabeth Angelos—3/9
Kimberly Brunsing—3/15



TEXAS—Coal Energy Use

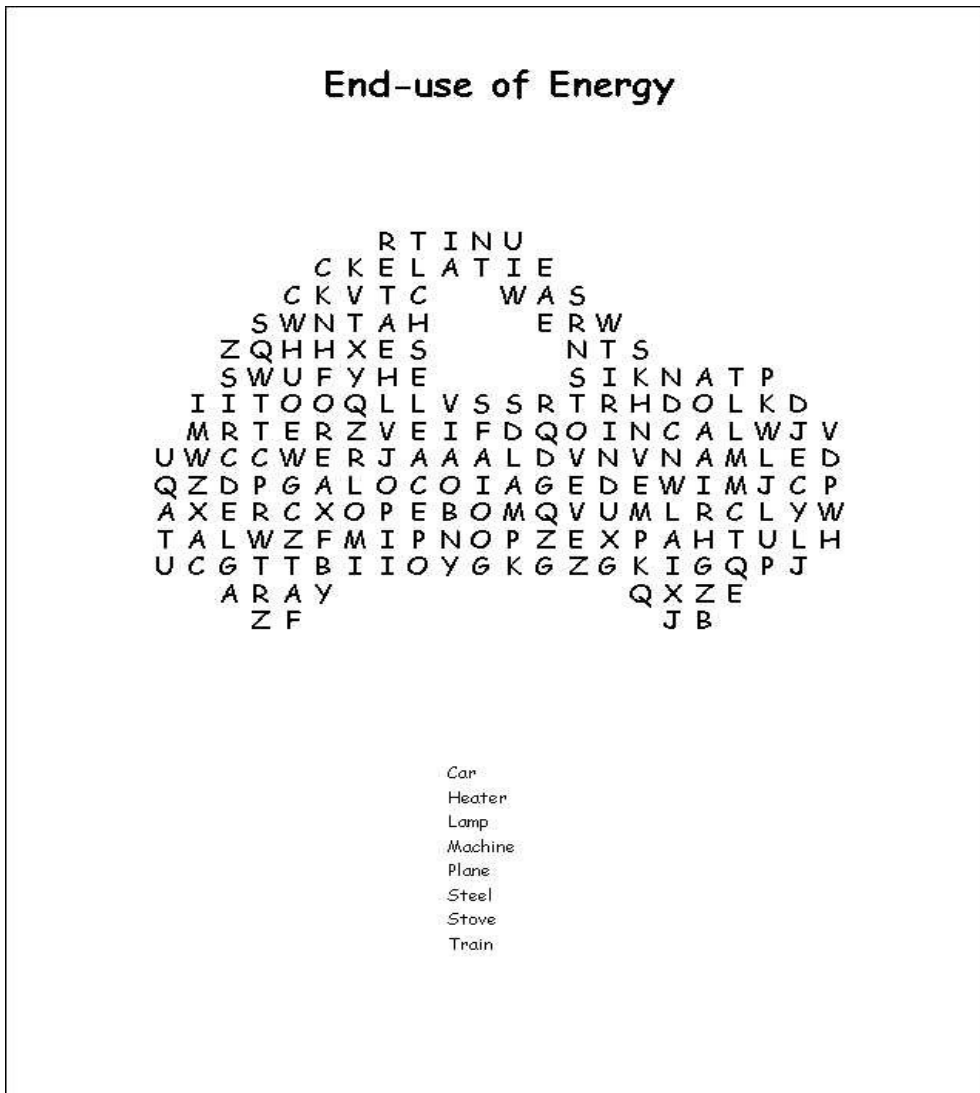
Use of coal for electricity in Texas is below the national average; the state has the 16th highest power costs in the country.

Energy sources are:

- Coal: 35%
- Natural Gas: 47%
- Nuclear: 10%
- Renewables: 6%
- Other Sources: 1%

On a national basis, coal is one-third the cost of natural gas, which is the number-two fuel used to generate electricity in the United States. And because fuel costs are an important factor in determining the cost of electricity to the consumer, electricity from coal is more affordable than electricity produced by natural gas. Four of the five states with the lowest cost electricity generate 80 percent or more of the electricity in their state by using coal (Kentucky, Utah, West Virginia and Wyoming).

Source:
www.americaspower.org



Recycling means to use something again. Newspapers can be used to make new newspapers. Aluminum cans can be used to make new aluminum cans. Glass jars can be used to make new glass jars. Recycling often saves energy and natural resources. Natural resources are things of value provided by the Earth. Natural resources include land, plants, minerals, and water. By using materials more than once, we conserve natural resources.

Recycling Saves Energy in Production of New Products

It almost always takes less energy to make a product from recycled materials than it does to make it from new materials. Using recycled aluminum scrap to make new aluminum cans, for example, uses 95% less energy than making aluminum cans from bauxite ore, the raw material used to make aluminum. In the case of paper, recycling saves trees and water. Making a ton of paper from recycled paper saves up to 17 trees and uses 50% less water.

RECYCLING — IT
 ALMOST ALWAYS
 TAKES LESS ENERGY
 TO MAKE A
 PRODUCT FROM
 RECYCLED
 MATERIALS THAN IT
 DOES TO MAKE IT
 FROM NEW
 MATERIALS.

2011 Club Committees

| | |
|--------------------------|-------------------------|
| Audit/Tally: | Faye Stanley |
| Contact: | Judy Battle |
| Education: | Joel Battle |
| History: | Barbara Landrum |
| Membership: | Ethel Pourciaux |
| Nominating: | Carolyn Campbell |
| Photography: | Kimberly Ray |
| Program: | Karol Wood |
| Publications: | Judi Adams |
| Public Relations: | Barbara Landrum |
| Rules: | Pat Cook |
| Social: | Judy Battle |

**Allied Updates
HZ Program in Tx**

Over the last year or two, there has been a series of horizontal Woodbine wells on trend, which were drilled and completed for production and reported average initial production rates of approximately 200 to 300 BO per day.

Some horizontal wells in this trend have produced at a rate as high as 900 barrels of oil per day. The ability to drill horizontal laterals and apply multi-stage treatments to the Woodbine Formation has created what appears to be a growing trend of horizontal drilling activity in the regional area of the East Texas Basin.

Club Bylaws Review Committee—Christine Wolfe, Chairman

Club Bylaws updated to conform to the ADDC and Standing Rules amendments at the annual convention need not be submitted to the Club Bylaws Review Committee for review.

If Club Bylaws are amended for any other reason than to conform to the ADDC Bylaws and Standing Rules, four copies of the amended Club Bylaws documents must be submitted to the Club Bylaws Review Committee.

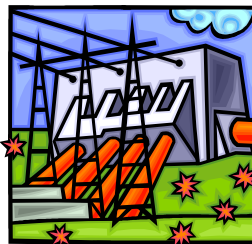
Club Bylaws shall be submitted for review at least once every six (6) years. Clubs in odd numbered Regions (i.e. I, III, V, VII) should submit a current copy of their Bylaws in odd years. Clubs in even numbered Regions (i.e. II, IV, VI) should submit a current copy of their Bylaws in even years.

A copy of all Club Bylaws document shall be maintained at ADO and with the Club Bylaws Review Committee Regional Representative. Each Regional Director shall maintain a current copy of each Club's Bylaws documents in the Region's permanent files.

So Presidents of clubs in Regions I, III, V and VII need to have your Bylaws Committee submit them to the Association Bylaws Committee. Presidents of clubs II, IV and VI will need to submit copies to you representatives if you have made changes to your bylaws.

If your Club Bylaws have not been submitted for review yet, please do so as soon as possible.

All Bylaws should have been received by April 1, 2011 for review.



**Energy Timeline:
Hydropower**

B.C. **Hydropower** was used by the Greeks to turn water wheels for grinding grains more than 2,000 years ago.

Mid-1770s French hydraulic and military engineer Bernard Forest de Belidor wrote *Architecture Hydraulique*, a four-volume work describing vertical- and horizontal-axis machines.

1880-95 Hydropower was beginning to be used for electricity. The first hydroelectric plants were direct current (DC) stations used to power nearby arc and incandescent lighting.

1880 Michigan's Grand Rapids Electric Light and Power Company generated DC electricity, using hydropower at the Wolverine Chair Factory.

1893 The Austin Dam, near Austin, Texas, was completed. It was the first dam specifically designed for generating hydropower.

1895-96 The Niagara Falls hydro-power station opened, providing electricity to the local area.

1920 Federal Power Act established the Federal Power Commission to issue licenses for hydropower development on public lands.

1933 The Tennessee Valley Authority (TVA) was established to take charge of the hydroelectric potential of the Mississippi River in the Tennessee Valley. Construction of the Grand Coulee Dam began on the Columbia River.

1941 Grand Coulee, the Nation's largest hydroelectric dam, began operation.

1949 Almost one-third of the Nation's electricity came from hydropower.

1961 The Columbia River Treaty was signed between the United States and Canada.

1977 The Federal Power Commission was disbanded by Congress and the Federal Energy Regulatory Commission (FERC) was created to regulate energy production and transmission.

2006 The United States ranked among the Top 4 countries in the world for hydroelectric generation, along with China, Canada, and Brazil. These countries generated 44% of the world's electricity from hydropower.

Today Between 6% and 10% of U.S. electricity comes from hydropower, depending on water supply and annual rainfall.

Source: www.eia.doe.gov

Energy industry does its part to ensure safety

Since the lifting of the moratorium in early October, industry continues to suffer from a de facto moratorium resulting from the federal government's inability to permit drilling projects and effectively impose new rules and regulations.

The decision to lift the deepwater drilling ban was certainly a step in the right direction, but action carries more weight than words.

Industry has done its part by meeting the conditions set forth by the BOEMRE.

Those conditions included improvements of industry response plans, availability of spill cleanup resources, and the final plugging of the Macondo well.

Industry has also shown great progress in adhering to new safety and drilling practices in order to obtain drilling permits.

In the end, the unfortunate case is that the federal government is not doing its part. It was only until a month ago that several deepwater drillers obtained permits for new drilling operations in the Gulf.

Since the lifting of the moratorium there has been little progress for shallow-water drillers.

The BOEMRE has effectively shut down shallow-water drilling by refusing to issue new drilling permits. This de facto moratorium hits especially hard on a sector of offshore drilling that is volatile even in the best of times. Shallow-water companies are waiting for months to obtain permits that took days to obtain prior to the spill.

Instead of ensuring a streamlined process for companies to obtain permits, the federal government is now moving to propose increased

fees for offshore activities.

If it's increased revenue they seek, maybe they should promote business rather than chase it away. Last year alone, the industry paid \$4 billion in royalties, \$245 million in rent and \$979 million in lease bids.

The situation in the Gulf of Mexico is creating much uncertainty for offshore companies.

Just last week, Seahawk Drilling, a major offshore drilling company, filed bankruptcy due to the inability to solidify permits and establish future plans and projects.

In my opinion, this is only the beginning of a continued economic decline due to the fallout of the moratorium.

Don Briggs • Guest columnist • February 23, 2011

Source: theadvisor.com

This de facto moratorium hits especially hard on a sector of offshore drilling that is volatile even in the best of times.

TEXAS-SIZE POTENTIAL

Texas has a large wind energy potential. The main regions where wind resources are the greatest are in west Texas, the High Plains and along the Gulf coast from Mexico to Matagorda. Studies have shown that the annual wind power available is approximately 250,000 MW. This amount of energy potential is around four times the amount of electricity that is being created in Texas right now. Lands that are considered good sites are areas where the ground can hold a wind turbine and where the average wind speed is at least 12 miles per hour measured at a height of 33 feet.



New Contract Clears Path for Wind Energy Project in Hawaii

Kahului, Maui, Hawaii

The Hawaii Public Utilities Commission recently approved a power purchase agreement between Kaheawa Wind Power and Maui Electric Company for an additional 21 megawatts (MW) of wind energy. The project is an expansion of the existing 30 MW Kaheawa Wind farm above Maalaea in West Maui.

When complete, the expanded wind farm will be the largest wind energy project in Hawaii. Under the terms of

the contract, Kaheawa Wind Power, a subsidiary of Massachusetts-based First Wind, will sell as-available renewable energy to Maui Electric at pre-determined prices over 20 years. The expanded wind farm will have a combined capacity of 51 MW, with the potential to produce enough energy for the equivalent of 20,000 Maui homes.

The project will also include a battery energy storage system to assist in meeting performance standards and smoothing fluctuations in wind energy output, similar

to the system installed at First Wind's Kahuku Wind project on Oahu. First Wind is an independent wind energy company exclusively focused on the development, financing, construction, ownership and operation of utility-scale wind projects in the United States. Based in Boston, First Wind has wind projects in the Northeast, the West and in Hawaii, with the capacity to generate up to 504 megawatts of power. For more information on First Wind, please visit www.firstwind.com.

Greater Knowledge—Greater Service

The



THE DESK AND DERRICK CLUB OF HOUSTON, TEXAS

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Humble TX 77346

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The Desk and Derrick Club of Houston, Texas 2011 Board of Directors

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Ethel Pourciaux

OUR MISSION

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.

Visit our Web Site:
www.deskandderrickhouston.org

Region IV Meeting

Date: **April 6-9, 2011**

Host: **North Harris/
Montgomery Counties
Club**

City: **The Woodlands,
TX**

Theme: **Engage, Edu-
cate, Energize**

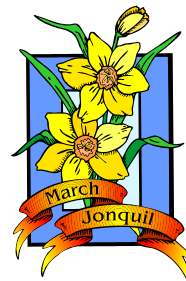
Region IV Director:
Connie Harrison

Mark your calendars!

The Catline is published by the Desk and Derrick Club of Houston, Texas, P.O. Box 571982, Houston, TX 77252-1982 to provide ADDC, D&D, and energy and allied industries information to its members.

Byline and credited articles represent the views of the authors. Publication neither implies approval of the opinions nor accuracy of facts stated.

Editor: Judi Adams
dandd.judi@gmail.com



“Bit of Fun” Energy Activity Book

The Desk and Derrick Club of Houston, Texas supports ADDC's “Bit of Fun” Energy Activity Book by providing copies to Houston area elementary schools and to other educational programs.

Contact Barbara Landrum for additional information.

