

Oil and Natural Gas Stimulate Kansas

Economic and Job Growth



Oil and natural gas are driving the U.S. economy through a major energy boom and that boom is rippling through the economy of Kansas, supporting business activity across the state. This finding grows out of a new American Petroleum Institute survey of domestic oil and natural gas vendors,¹ which offers a glimpse into the job and business creation engine that is the current oil and natural gas industry. The survey shows that at least 245 businesses, spread across all six of the state's congressional districts, are part of the larger oil and natural gas supply chain.

The survey's snapshot of state-by-state activity reinforces the impressive level of industry success throughout the country that is documented in a recent PriceWaterhouseCoopers study conducted for the American Petroleum Institute.² The study found that the oil and natural gas industry in Kansas supports some 148,300 jobs, which is 8.1 percent of the state's total employment. The amount of Kansas labor income supported by the oil and natural gas industry comes to \$7.2 billion annually. That's 8.6 percent of the state's total labor income.

Another way in which the oil and gas industry benefits the people of Kansas, in addition to total employment and labor income, is in terms of salary.³ While the

average annual salary in Kansas across all industries and sectors is \$42,294, the average salary in the oil and gas industry (excluding gas stations) is significantly higher—\$66,918 annually. Overall the industry supports \$12.9 billion of the Kansas economy. That's 9.5 percent of the state's total economic activity.

Kansas ranks 10th in oil and 12th in natural gas production.⁴ That makes it one of the nation's top energy-producing states.

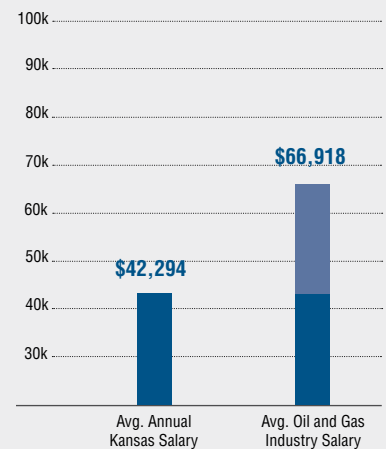
Kansas particularly benefits from the production of oil and natural gas from shales and so-called "tight formations," energy development that uses the proven

\$12.9 BILLION
THE INDUSTRY CONTRIBUTES
TO KANSAS'S ECONOMY

148,300
KANSAS JOBS

SUPPORTED BY OIL AND
NATURAL GAS INDUSTRY

AVERAGE ANNUAL SALARY COMPARISON



1. American Petroleum Institute, "API Onshore Oil and Gas Vendor Identification Survey," Washington, D.C., 2014. The survey was distributed to API members in January 2014 to collect information for the period October 2012 to September 2013. Included are companies that provide goods and services for onshore oil and natural gas development, whether as operators, contractors, service companies, suppliers, or vendors.

2. PriceWaterhouseCoopers, "Economic Impacts of the Oil and Natural Gas Industry on the U.S. Economy in 2011," Washington, D.C., July 2013. Prepared for API using the IMPLAN input-output modeling system, based on 2011 U.S. Bureau of Economic Analysis data.

3. Information cited in this paragraph comes from the Bureau of Labor Statistics, Quarterly Census of Employment and Wages (preliminary data for 2013 accessed July 2014); and PriceWaterhouseCoopers, "The Economic Impacts of the Oil and Natural Gas Industry on the U.S. Economy: Employment, Labor Income and Value Added," 7/12/13 (based on 2012 IMPLAN database).

4. EIA, "Rankings: Crude Oil Production, April 2014 (thousand barrels)," accessed 7/31/2014. <http://www.eia.gov/state/ranking/?sid=UA#/series/46>. EIA, "Rankings: Natural Gas Marketed Production, 2012 (million cubic feet)," accessed 7/31/2014. <http://www.eia.gov/state/rankings/?sid=US#/series/47>.

State: Kansas

Vendors by Congressional District

Congressional District	Total
Congressional District 1	122
Congressional District 2	24
Congressional District 3	24
Congressional District 4	75
Grand Total	245

Vendor Profiles⁷

River City Engineering, Inc.

River City Engineering, Inc. (RCE) provides process engineering services to the oil and natural gas industry. The company's services include providing an unbiased perspective on plant design and operation, as well as designing and troubleshooting primarily natural gas processing facilities worldwide. River City provides similar services to the upstream industry (oil and gas production), both onshore and offshore.

"Most companies have licensed technology they are pushing or they are trying to reduce bid costs at the expense of functionality and operability. We do not have any licensed processes. Instead we possess an expert understanding of most of the licensed processes used in the industry. We are able to provide objective cost comparisons as well."

Jacam

Jacam is a chemical sales and service company that provides problem-solving technology and superior service to the oil and gas industry. Jacam works with its customers to analyze well and pipeline data, precisely diagnose problems, and develop tailored solutions to increase efficiency, productivity, and profits. Jacam's state-of-the-art manufacturing facility in Sterling, Kansas, has an annual production capacity of more than 70 million gallons of its patented products.

Jacam was founded in 1982 in the Sterling garage of founder and CEO Dr. Gene Zaid. The company now employs more than 400 people nationwide. Jacam Carriers, the company's freight shipping and trucking company, transports company products from the Kansas manufacturing facility to more than 20 warehouses across the United States.

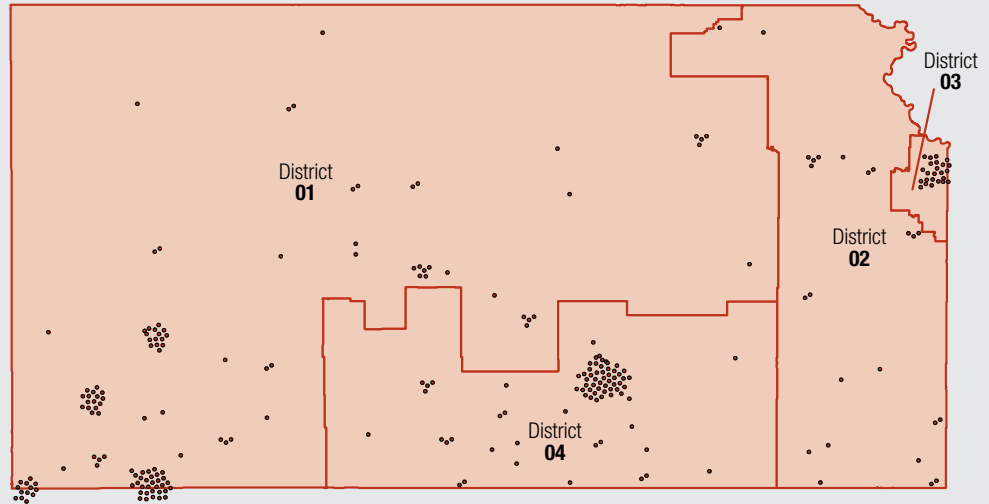
The company has a number of innovative products that contribute to enhanced safety and environmental protection in the oil and gas industry. The development of the SuperCorr® binary corrosion inhibitor has made it possible to help customers maintain a higher degree of pipeline integrity. Solid Chemistry products eliminate the environmental risks associated with spills during application.

In short: "Jacam's products are designed to increase the productivity and efficiency of oil and gas wells, making oil and gas a more cost-effective and sustainable energy choice."

7. From the 2014 "API Onshore Oil and Gas Vendor Identification Survey" returns.

Kansas Vendors by Congressional District

District Location ●



Top Cities

Wichita = 45

Liberal = 31

Sources: Esri, DeLorme, NAVTEQ, TomTom, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), and the GIS User Community

engineering technologies of hydraulic fracturing, or "fracking," and horizontal drilling. Total jobs supported by these activities in Kansas reached 11,032 in 2012. That job total is projected to climb to 25,340 in 2020 and to 43,959 in 2035.⁵

And Americans, including the people of

Kansas, get it. A telephone poll of 1,012 registered voters across the country, conducted on behalf of the American Petroleum Institute, found that 77 percent of Americans, regardless of party affiliation, support increased production of oil and natural gas resources located in the United States.⁶

5. "IHS Inc., "America's New Energy Future: The Unconventional Oil and Gas Revolution and the U.S. Economy," Washington, D.C., December 2012.
6. "What America is Thinking on Energy Issues." <http://www.api.org/news-and-media/news/newsitems/2014/july-2014/voters-say-us-should-do-more-to-develop-oil-natural-gas> the results of a national poll conducted by Harris for API July 10-13, 2014. Click on "national poll" to see how percentages of voters answered this and other questions.



AMERICAN PETROLEUM INSTITUTE

To find out more, visit API.org

for more information and follow us on
[Twitter@EnergyTomorrow](https://twitter.com/EnergyTomorrow).

Congressional District 1

Alejandro Gallardo
Alliance, Inc
Alpha Services & Production, Inc
American Warrior, Inc
Architekton
B&K Consulting
Baker Petrolite
BG Consultants, Inc
Brady Fluid Service, Inc
Brent Services
Brian Mulcahy
Brian's Hot Oil Service, LLC
Brown & Dupree Oil Co, Inc
Brown Dupree Oil Co, Inc
Bultman, Inc
CF Service & Supply, LLC
Chaosland Services, LLC
Chase Tubing Testing
CMS Electric Cooperative, Inc
Collectia Ltd
CPI Qualified Plan Consultants, Inc
Crown Consulting, Inc
C-T Machine Shop
Curtis Machine Company, Inc
D&D Roustabout Services
D&K Oilfield Services, LLC
Dale Fullerton
Dans Oilfield Service & Supply, Inc
Double T Industries, Inc
Eatherly Constructors, Inc
Electric Motor Service, Inc
Elkhart Hot Oil Service, LLC
Elkhart Lumber Co
Exact Well Service, LLC
Exline, Inc
Farrar Corporation
Flinthills Trading Company
Flowtech Energy Services, LLC
Francis Casing Crews, Inc
Gabel Lease Service, Inc
Geres, LLC
Gilmores Roustabout Service, Inc
Hancock Electric, LLC
Harder & Associates
Harris Engine & Compressor
Hess Services, Inc
High Plains Energy, LLC
Howco Oilfield Service
Hub of Syracuse, Inc
Inermotion Engine Rebuilding, Inc

J&J Services
J&R Sand Co, Inc
J&S Trucking, Inc
Jacam Chemicals, LLC
JGS Pumping, LLC
Jim Wilson Crane Service
Jomax Construction Co, Inc
Just A Second Ago
JV Energy Services, Inc
KBK Industries, Inc
KBK Industries, LLC
Kynco, LLC
Lathem Water Service
Liberal Gasket Mfg Co, Inc
Liberal Magneto Company
Liberal New Iron & Metal, LLC
Log-Tech of Kansas, Inc
Madden Oil Co
Maxs Water Service
MBC Well Logging & Leasing, LLC
Mercy Regional Health Center
Mickey & Amanda Stout
Midwest Electric, Inc
Midwestern Well Service, Inc
Mikes Pipe Inspection, Inc
Monster Pump Operations, Inc
National Compliance Mgmt Service, Inc
Nichols Fluid Service, Inc
Nusser Oil Company
Oilfield Machine & Repair, Inc
Palmer Mfg & Tank, Inc
Panhandle Oilfield Service
Panhandle Oilfield Service Co, Inc
Passmore Brothers, Inc
Peters Management Trust
Pioneer Electric Coop, Inc
Prairie RV & Car Wash
Precision Wireline & Testing
Pro-Tech Spraying Service
Quality Integrated Services, Inc
Ralphs Hot Oil Service
Raquel Nieto
Riley Ford Mercury
Robertson Tank Service, Inc
Rowley Pumping Service
S&S Meter Shop & Weed Control
Satanta Auto & Tire Center
Scantlins Mini Storage
Scott's Welding
Service Janitorial Supply, Inc
Sign Pro
Smyth Oil & Gas Services, Inc

Southern Pioneer Electric Co
Southwest Energy Products
Spare Closet
Stanion Wholesale Electric Company
Sublette Cooperative, Inc
Sunflower Electric Supply
SWG Southwest Gas Propane
Tanking Compressor Services, LLC
Teeter Irrigation, Inc
Tex Ok Kan Oil Field Services, LLC
TM Roustabout Service
Tresco, Inc
Trinidad Drilling LP
Underground Vaults & Storage, Inc
Unifirst Corporation
Victory Electric Cooperative
Wellhead Systems, Inc
Wheatland Electric Cooperative
Wireless Data Communications, LLC
Wranglers, Inc

Congressional District 2

Acme Foundry
Aqua-Dyne, Inc
Ash Grove Resources, LLC
Atec Steel, LLC
Atkinson Industries, Inc
Bartlett & West, Inc
Bnsf Railway Company
Bruest Catalytic Heaters
Carl R. Deepe & Julia E. Deepe
Consolidated Oilwell Services, LLC
Crossland Construction Company, Inc
Fairview Mills, LP
Improved Hydrocarbon Recovery
Industrial Sealing & Lubrication I
ISL
Lakeside Cedar Lodge, LLC
Michael Charles Thorp
Mid West Fire Training Associates
Patricia O'Neil
Sales & Excise Tax
Taylor Forge Engineered Systems, Inc
University of Kansas
Watco Transportation Services LLC
Whitaker Aggregates, Inc

Congressional District 3

Barr Thorp Electric Co, Inc
BB Colorado Holdings, LLC
Big Star Trucking, LLC
Caravan Ingredients, Inc
Celeritas Works, LLC
Chemtrade Refinery Services, Inc
Danco Systems, Inc
Elecys International Corporation
Fishnet Security, Inc
GE Energy
Industrial Medical Supply, Inc
Jennings Tool & Mfg.
Jimmy Gowens
Kansas City Valve & Fitting
Kaw Valve & Fitting Co, Inc
Layne Christensen Co
Petroexergy, LLC
Robert J. Wilson
Rozel, LLC
S&A Mfg
Sor, Inc
Staples Promotional
The Triple I Corporation
Xact Data Discovery

Congressional District 4

A Box 4 U, LLC
Air Capital Equipment, Inc
Alliance Well Service, Inc
Allite, Inc
Andale Ready Mix Central, Inc
Asbestos Removal & Maint, Inc
Bakken Oil Express, LLC
Beneterra, LLC
Berexco, LLC
Carolyn A. Langenwalter
Central Electropolishing
Chieftain Supply, LLC
Dark Oil Co, Inc
Depew Gillen Rathbun & Mcinteer LC
Doris E. Ames
Drilling Consulting Services I
Edward J. Starnes
Enertech
Exact Inspection, LLC
Foley Equipment Co
Foley Equipment Company
Foster Design, Inc
Garret Burkhardt
Gateway Wireless Services
Great Plains Fluid Service, Inc
Hinkle Law Firm
Hoidale Co., Inc
I-Con Repair Solutions, LLC
Invena Corporation
ISI Environmental Services
Jayhawk Oilfield Supply, Inc
Jayhawk Oilfield Supply, Inc
Jeffry L. Base
Jerry Colborn Mechanical
Juriko Technology, LLC
Kanokla Networks
Kansas Corporation Commission
Kansas Fence Co
Kansas Geological Survey
Kiowa Welding, LLC
Koch Glitsch LP
Marietta (Snider) O'Neil
Mary June Riggerbach
Mid West Oilfield Services, Inc
Mid-Continent Safety, LLC
Midwest Single Source, Inc
Mobilecal
Morris Laing Evans Brock and Murfin Drilling Company
Nicholas Water Service, LLC
Ninnescah Rural Electric Coop
Oil Producers, Inc of Kansas
Paradigm Alliance, Inc
Paradigm Liaison Services, LLC
Paragon Geophysical Services, Inc
Patrick Butler Trust
Patriot Roustabout Service
Pizza Hut
Prairiefire Coffee Roasters
Pratt Oilfield Service, Inc
Pratt Well Service, Inc
Reliable Power Products Group
Rob Denton
Rockwell Collins, Inc
Russell O & Lorene Rauh Fam Tr
Saundra A. Smith Trust
Sentry Pumping Units Intl, Inc
Slawson Exploration Company, Inc
Star Lighting & Supply
Sumner Cowley Electric Coop, Inc
Truck Parts & Equipment, Inc
Waste Connections
Waste Connections of Kansas, Inc
Wilko Paint, Inc
Wilmore Oil Company
Woolsey Operating Company