

Oil and Natural Gas Stimulate Montana 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 Montana, 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 226 businesses, spread across Montana's at-large congressional district, 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 That study found that the oil and natural gas industry in Montana supports some 43,100 jobs, which is 6.7 percent of the state's total employment. The amount of Montana labor income supported by the oil and natural gas industry comes to \$2.01 billion annually. That's 7.7 percent of the state's total labor income.

Although Montana is not a top U.S. energy producer, these job and labor income figures demonstrate that the people of Montana enjoy significant benefits from

energy development.³ The benefits show up in the state's salary statistics as well. Thus, while the average annual salary in Montana across all industries and sectors is \$36,499, the average oil and gas industry salary (excluding gas stations) is very substantially higher—\$81,226 annually. Overall the industry supports \$4.5 billion of the Montana economy. That's 10.8 percent of the state's total economic activity.

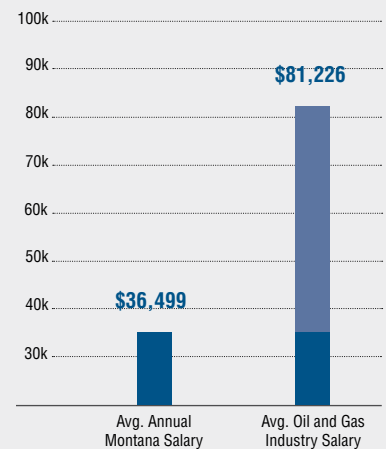
Montana also benefits from the production of oil and natural gas from shales and so-called "tight formations," energy development that uses the proven technologies of hydraulic fracturing, or "fracking," and horizontal drilling. Total jobs supported by these activities in Montana

\$4.5 BILLION
THE INDUSTRY CONTRIBUTES
TO MONTANA'S ECONOMY

43,100
MONTANA 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 in the survey 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).

State: Montana

Vendors by Congressional District

Congressional District	Total
Congressional District (At Large)	226
Grand Total	226

18,811

MONTANNA JOBS BY 2035

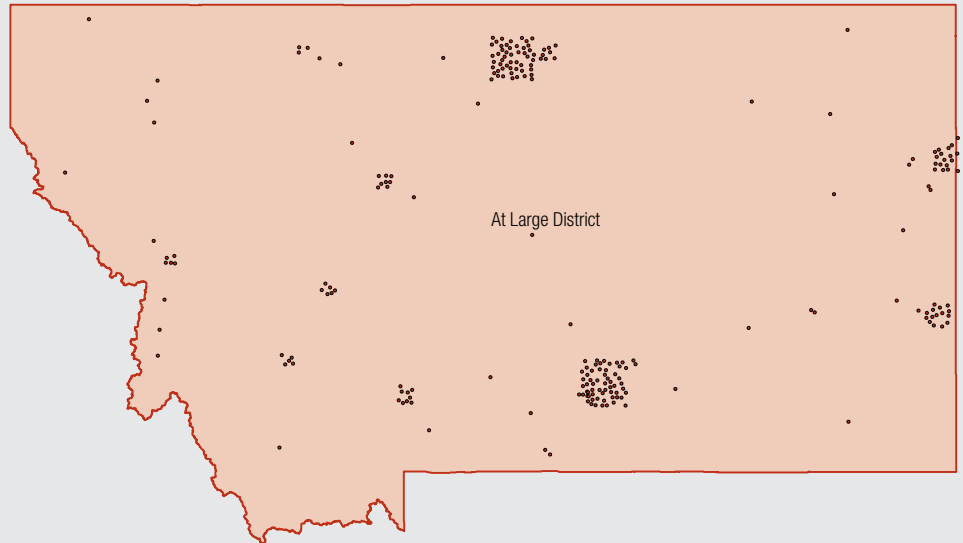
FROM HYDRAULIC FRACTURING
AND HORIZONTAL DRILLING

77%

OF AMERICANS SUPPORT
INCREASED PRODUCTION OF OIL
AND NATURAL GAS IN THE U.S.

Montana Vendors by Congressional District

District Location ●



Top Cities

Billings = 56

Havre = 51

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

Vendor Profile⁶

Geo-Link, Inc.

Geo-Link, Inc., is a geological consulting company that provides services such as mud logging, geosteering, and wellsite geology to various operators in the oil field and throughout the Rocky Mountain region. Growth in the oil and natural gas industry has enabled the company to continue to hire new employees in and around the region.

The services provided to the oil and natural gas industry include safety services, such as gas detection, and services that help make possible the profitable and timely completion of individual wells.

reached 9,634 in 2012. The job total is projected to climb to 16,799 in 2020 and to 18,811 in 2035.⁴

And Americans, including the people of Montana, 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.⁵

4. IHS Inc., "America's New Energy Future: The Unconventional Oil and Gas Revolution and the U.S. Economy," Washington, D.C., December 2012.
5. "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
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6. From the 2014 "API Onshore Oil and Gas Vendor Identification Survey" returns.

Congressional District (at Large)

4P Catering	Doorbust N Portables & Septic	Havre Laundry and Dry Cleaning Co	Mt. Marian Enterprises	Scada West, Inc
A Excavation	DPHHS Environmental Lab	Havre Muffler & Brake	Nancy K. Vermeulen	Schine Electric
A Tool 4 U Mac Tools Distributor	Drake Water Technologies	Havre Rental	Navigator Direct, Inc	Schroeder Land Co, Inc
Ace Hardware	DXP Enterprises, Inc	Highland Projects	Nemont	Shawn Nystrom
ADH Wyoming	Dyann Otto	Hi-Line Audio & Video	NFB Excavation, Inc	Sherwin-Williams
Advanced Technical Sales, Inc	Eagle Leasing, LLC	Ho Auto & Paint Havre	Normans Ranch & Sportswear	Sidney Cleaners & Laundry
Alarm Service, Inc	Empire Steel Manufacturing Co	Holden's Hot Wheels, Inc	Norse Well Services, LLC	Sidney Rental
American Pipe & Supply Co, Inc	Energy Equity Co	Holt Plumbing & Heating	North Central Auto Parts	Sign Products, Inc
American Steel, Inc	Energy Job Solutions	Hurley Enterprises, Inc	Northern Consulting Services	Smith Equipment Company, Inc
American Welding & Gas, Inc	Energy Laboratories, Inc	Industrial Measurement and Control, Inc	Northland Corrosion Services Ltd	Spencer Fluid Power, Inc
Anvil Corporation	Envirocon, Inc	Integrated AG Services, Inc	Northwest Industries, Inc	Stidham Computer & Security LI
Automatic Vending & Coffee Service	Environmental Materials, Inc	Interstate Industrial Steam	Northwest Pipe Fittings, Inc	Sunburst Consulting, Inc
Baker Boy Bakery	Environmental Solutions Resource, Inc	J&L Fencing & Pitliners, Inc	Northwest Security Services, LLC	T.P. Construction, Inc
Baker Metal & Recycling	Excel Drilling, Inc	Jane Schultes	Northwestern Energy	T.W. Enterprises, Inc
Barkus Home Center	Executive Lawn Service	Jares Fence Co, Inc	Nuwave Oil Tools, Inc	Tailwind Transport, Inc
BC Energy, LLC	Extreme Ice, Inc	JC Energy, LLC	O'Donnell Pumping	Target Pest Control, Inc
Bear Paw Lumber, Inc	Ezzies Wholesale, Inc	Jerrys Services of N.Dakota, Inc	Office Equipment Co	Taylor Aviation, Inc
Bergren Transmission	Farstad Oil, Inc	Jet Heat Nw, LLC	Pacific Steel & Recycling	Terracon Consultants, Inc
Big R Stores	Ferguson Enterprises, Inc	Josh Elliott Fine Art, LLC	Pardee Excavating, LLC	The Duck Inn, Inc
Bighorn Ag Services, Inc	Fickler Oil Company, Inc	KC Harvey Environmental, LLC	Parka, Inc	Thielen Welding
Bill Baltrush Construction, Inc	Finest Boot Repair	Kenneth D. Tate	Patrick Trucking, LLC	Thomas E. Ebzery PC
Bill Chupp	Fire Suppression Systems, Inc	Kenneth L. Holmlund	Paul Vosters Consulting	Three Rivers Well Service, Inc
Bison Engineering, Inc	Fleet Warehouse Supply	Kirst Engineering Company	Pauper Industries, Inc	Thunderbird International
Black Butte Electric, Inc	Florens Printing	Lambert Saltwater Disposal, Inc	Peak Supply Co, LLC	Tilleman Motor Co
Blue Rock Products Co	Flowmark Hightech Co	Lamp Recyclers of Montana, LLC	Performance One, LLC	Timothy S Herron
Bosserman Meter Proving	Franz Construction, Inc	Lancasters Pressure Testing	Pete Clausen & Sons, Inc	Tire Rama Havre
Brenntag Pacific, Inc	Funchaser, LLC	Landtech Enterprises, LLC	Peterson Quality Office	TNT Diversified, LLC
Brock Easley, LLC	G&G Garbage, Inc	Las Vegas, LLC	Pioneer Technical Services, Inc	Top Dog Performance, LLC
Bruco, Inc	Galla Consulting	LCC Properties, LLC	Plant Services, Inc	Torgerson's
CAD, Inc	Garbage, Inc	Liquid Gold Well Service, Inc	Planteriors	Triangle Telephone Cooperative
Cal-Kern, LLC.	Gary & Leos Iga	Loenbro, Inc	Power Service of Montana, Inc	Triple J Dirt Works, LLC
Cayman Holdings, Inc	General Distributing Co	Louis Iverson Jr	Prairie Fuels	Triple S Disposal, Inc
Central Machine & Welding, Inc	Geo-Link, Inc	Master Sports, Inc	Priority Communications, Inc	Triple T Sales
Checkers, Inc	Georgia Fair Trust	Mathews Answering Service, Inc	Pro Energy, Inc	TriState Services, LLC
Chinook Disposal Service, Inc	Gerald W Brewer	Max Mart, Inc	Pro Pipe Corporation	Truenorth Steel
Combustion Service	Glassworks	Metals Testing Services, Inc	Probuild	TW Enterprises, Inc
Coopers Consulting LLP	Gliko Aviation, Inc	Mid Rivers Telephone Cooperative	R&R Welding, LLC	UELS LLC
Crowley Fleck PILP	Gray & Johnson PILP	Milam Floral	Rainbow Irrigation, Inc	Up 5 Welding & Fabrication, LLC
Culligan	Graybar Electric Co, Inc	Millers Garbage Service, Inc	Range Telephone Coop, Inc	Vac-U-Jet Septic & Sump Service, Inc
D&D Oilfield Service, Inc	Great Northern Consulting, LLC	Mitchell's Oilfield Service, Inc	Rasmussen Janitorial Service, Inc	Valerie L.Abbott
D&M Water Service, Inc	Green River Enery Resources, Inc	Mk Weeden Construction, Inc	Rick Partin Trucking	Valley Motor Supply Carquest
Dak Tana Wireline, Inc	Griffith Excavating, Inc	Montana Seals & Packing	Rieger Fencing & Contracting, Inc	Waggoners Trucking
Dan's Auto Parts	Griggs Printing & Publishing	Montana Self Insurers Guaranty Fund	RM Reps Co	Watson Trucking
Dick Irvin, Inc	Gtuit, LLC	Montana Tech	Rockmount Research Alloys In	Wild Horse Seeds LLP
Dicks Heating & Cooling, LLC	Havre Heating & AC, Inc		Safety1 Enterprises	Wildcat Trucking, LLC