

Oil and Natural Gas Stimulate Alabama 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 Alabama, 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 101 businesses, spread across the state's seven 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 That study found that the oil and natural gas industry in Alabama supports some 103,300 jobs, which is 4.2 percent of the state's total employment. The amount of Alabama labor income supported by the oil and natural gas industry comes to \$4.9 billion annually. That's 4.2 percent of the state's total labor income.

Although Alabama is not a top U.S. energy producer, these job and labor income figures demonstrate that the people of

Alabama 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 Alabama across all industries and sectors is \$41,399, the average oil and gas industry salary (excluding gas stations) is significantly higher—\$63,832 annually.⁴ Overall the industry supports \$11.3 billion of the Alabama economy. That's 6.4 percent of the state's total economic activity.

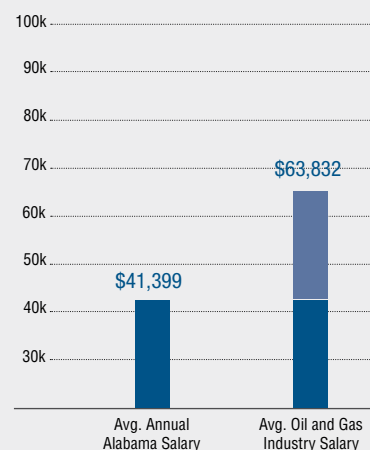
Alabama also benefits from the production of oil and natural gas from shales and so-called "tight formations," energy development that uses the proven engineering technologies of hydraulic fracturing, or "fracking," and horizontal

\$11.3 BILLION
THE INDUSTRY CONTRIBUTES
TO ALABAMA'S ECONOMY

103,300
ALABAMA 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. Data includes NAICS code 324, which may count some coal product manufacturing jobs.

State: Alabama

Vendors by Congressional District

| Congressional District | Total |
|--------------------------|------------|
| Congressional District 1 | 23 |
| Congressional District 2 | 4 |
| Congressional District 3 | 2 |
| Congressional District 4 | 2 |
| Congressional District 5 | 16 |
| Congressional District 6 | 9 |
| Congressional District 7 | 46 |
| Grand Total | 101 |

18,615

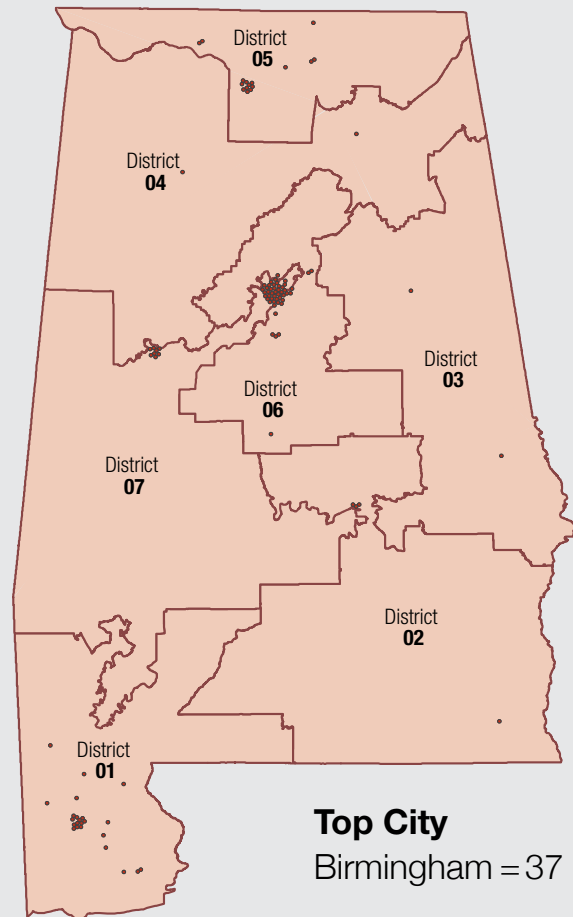
ALABAMA JOBS BY 2035
FROM HYDRAULIC FRACTURING
AND HORIZONTAL DRILLING

77%

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

Alabama Vendors by Congressional District

District Location 



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

drilling. Total jobs supported by these activities in Alabama reached 9,064 in 2012. That job total is projected to climb to 15,512 in 2020 and to 18,615 in 2035.⁵

And Americans, including the people of Alabama, 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

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ALABAMA - VENDOR LIST

Congressional District 1

Aaron Oil Co, Inc
 B&W Drilling Tools
 DRC Logistics, Inc
 Fire Sprinkler Supply, Inc
 Greater Mobile Urgent Care PC
 Greenes Synergy Services
 Division of Greenes Energy
 Group, LLC
 Gulf Coast Emergency
 Response
 Hale Consulting, LLC
 Industrial Valve Sales & Service,
 Inc
 Interstate Battery
 Isam North America Corporation
 Marine & Industrial Supply
 Martin Energy Services, LLC
 MDL Contracting, Inc
 Moody's Electric, Inc
 Precision Engineering, Inc
 RD Midwest, LLC
 RDA Service Co, Inc
 Ronbeck Enterprises, Inc
 Skelton's Fire Equipment, Inc
 The Embroidery House, Inc

Transportation Safety Services
 Vulcan Utility

Congressional District 2

AAA Cooper Transportation
 Govdeals, Inc
 Sabel Steel Service
 Thornton Farish, Inc

Congressional District 3

Barbara Chesser Johnson
 Metal Samples Corrosion

Congressional District 4

Kappler
 T&K Leasing, LLC

Congressional District 5

Caltex Water, LLC
 Centro Resources, LLC
 Circle C Services, Inc
 Global Technical Services, Inc
 Goss Electric
 Intergraph Corporation

Intergraph Corporation
 Lynd A. Johnson
 Mav-Con Oilfield Services, Inc
 Maverick Aggregates, Inc
 Midway Oilfield Constructors, Inc
 Parker Hannifin Corporation-Ipd
 Perfection Equipment, Inc
 Pierce Mfg Consulting
 Rush Truck Centers of Ok, Inc
 Sewell Ford, Inc

Congressional District 6

Alabama Line Location Ctr, Inc
 Amerex Corporation
 Contrec-Usa, LLC
 Key Fire Hose Corporation.
 Motion Industries, Inc
 Occupational Health Dynamics
 SCM E&P Solutions, Inc.
 Spoc Automation, Inc
 Trimec, LLC

Congressional District 7

Adams & Reese LLP
 Alabama Power Co

Asset Management Services,
 LLC
 Boyd Logistics, LLC
 Buddy Moore Trucking
 Chet Morrison Contractors, LLC
 Consolidated Pipe & Supply
 Co, Inc
 Diamond Displays, Inc
 Diversified Well Logging, Inc
 Ebsco Industries, Inc
 Energen Resources Corporation
 Eurofins Lancaster Laboratories,
 Inc
 Greenbrier-Pa, LLC
 Guardsmark, LLC
 Industrial Health Council
 Interstate Properties An Alabama
 General Partnership
 Jay Electric Co, Inc
 John Plott Company, Inc
 Kathryn Flournoy Nicholson &
 John Nicholson
 L&L Oil & Gas Services, LLC
 Lancaster Laboratories, Inc
 Law Office of John Foster Tyra
 PC
 Martin Energy Services, LLC

McGiffert & Associates, LLC
 Medjet Assist.
 Metal Samples Co
 Motion Industries, Inc
 Music Mountain Spring Water
 North American Construction
 Oil Mop, LLC
 Orcutt, LLC
 P&S Transportation
 Plaza Investments II Holdings
 Quinn Pumps, Inc
 Ram Tool & Supply Company,
 Inc
 Regions Bank
 RMS Texas Timberlands I LP
 STI Trucking, LLC
 Stone Trucking Co
 Terra Renewal
 Tommy Beasley Construction
 Co, Inc
 Tri Element, Inc
 TTL, Inc
 USA Environment LP
 Video Industrial Services, Inc
 Vulcan Utility Signs & Product