

Oil and Natural Gas Stimulate Michigan 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 Michigan, 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 295 businesses, located across all 14 of Michigan'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 That study found that the oil and natural gas industry in Michigan supports some 182,000 jobs, which is 3.6 percent of the state's total employment. The amount of Michigan labor income supported by the oil and natural gas industry comes to \$8.81 billion annually. That's 3.5 percent of the state's total labor income.

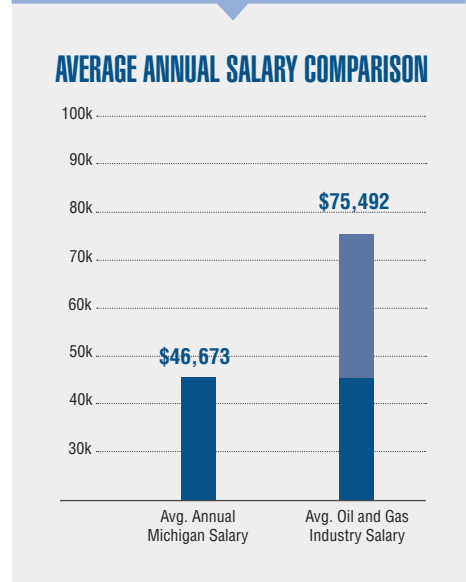
Although Michigan is not a top energy producer these job and labor income figures demonstrate that the people of Michigan

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 Michigan across all industries and sectors is \$46,673, the average oil and gas industry salary (excluding gas stations) is substantially higher—\$75,492 annually.⁴ Overall the industry supports \$15.8 billion of the Michigan economy. That's 4.1 percent of the state's total economic activity.

Michigan 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

\$15.8 BILLION
THE INDUSTRY CONTRIBUTES TO MICHIGAN'S ECONOMY

182,000
MICHIGAN JOBS
SUPPORTED BY OIL AND NATURAL GAS INDUSTRY



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: Michigan

Vendors by Congressional District

Congressional District	Total
Congressional District 1	128
Congressional District 2	9
Congressional District 3	15
Congressional District 4	22
Congressional District 5	5
Congressional District 6	4
Congressional District 7	10
Congressional District 8	12
Congressional District 9	11
Congressional District 10	7
Congressional District 11	34
Congressional District 12	10
Congressional District 13	1
Congressional District 14	27
Grand Total	295

Vendor Profiles⁷

Plasma-Tec, Inc.

Plasma-Tec is a precision machining, turning, grinding, and thermal-spray coating shop. The company's niche is round, turned, ground, and coated wear components, usually for severe environments, such as high-wear or corrosion applications. Plasma-Tec's sweet spot is 1"–8" in diameter and up to 60" in overall length of tightly toleranced, engineered wear or perishable components that are bought in small to medium-sized batches. Pump components are a specialty.

Plasma-Tec's coating and manufacturing expertise has doubled the wear life of fracturing pump components.

Hemco Gage

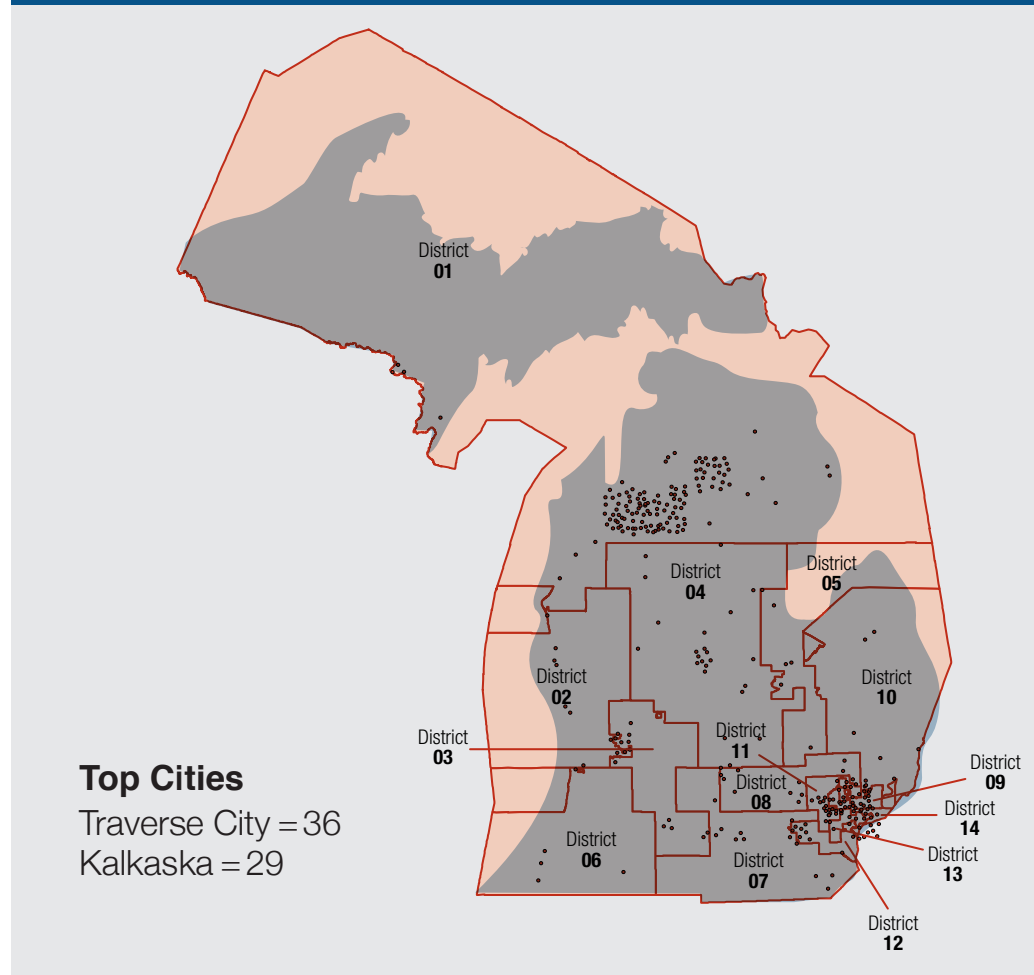
Hemco Gage designs and manufactures thread, cylindrical, and pin gaging, with a specialty in American Petroleum Institute threading. The company is API-licensed to manufacture masters, one of only two so licensed companies in the United States.

In sum: "We provide needed gage engineering talent, knowledge, and application know-how, allowing the oil and natural gas industry to move forward with new thread forms. These allow for faster piping, casing, and tool changeovers."

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

Michigan 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 Michigan reached 37,848 in 2012. The job total is projected to climb to 64,551 in 2020 and to 78,632 in 2035.⁵

And the people of Michigan get it. A telephone poll of 600 registered Michigan

voters, conducted on behalf of the American Petroleum Institute, found that 77 percent of them, 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/apr-2014/poll-large-majorities-of-michigan-voters-support-investments-in-oil-natural-gas>, the results of a state poll conducted by Harris for API April 2-8, 2014. Click on "a new poll" to see how percentages of voters answered this and other questions.



AMERICAN PETROLEUM INSTITUTE

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Congressional District 1

1st Choice Trucking & Rental, Inc
Ackerman Blaine W.
Acuren Inspection, Inc
Advanced Energy Services, LLC
Advantage Electric Services
Alpena Power Co
Alpena Supply
Alpine Auto Shine
Alpine Electric Corporation
American Waste Arrow
American Waste, Inc
Antrim Processing Co
Archer Contracting
Archer Directional Drilling
Arrow Energy Services, Inc
Bach Services & Manufacturing Co
Beckman Production Services, Inc
Beckman Production Services, Inc
Bengal Industries
Bronco Oil Co
Bush Jon F.
Cantoola, LLC
Cherryland Electric Coop
Clark Manufacturing Co
Clhowser, LLC
CVK Energy Services, Inc
D&W Flow Testing, Inc
Daves Dust Control, LLC
Destination Unknown Trucking, Inc
Diamondback Directional Drilling
Double Check Services, Inc
Dougs Welding
Dunns Office Supply & Machines, Inc
Earthworks Enterprises, Inc
Energy Quest, Inc
Environmental Consulting & Technology, Inc
Evans Geophysical, Inc
Excel Site Rentals, LLC
Extreme Truck Wash
Field Tech Services, Inc
Flowtek, Inc
Fortis Energy Services, Inc
Gosling Czubak Engineering Sciences
Grand Traverse Resort & Spa, LLC
Graywind, Inc
Great Lakes Hydraulics
Great Lakes Wellhead, Inc
Grush Surveying & Mapping
GT Profile, LLC
GT Rubber Supply, Inc
Hague Equipment Company
Harbor Pipe & Supply, Inc
Horizon Geologic, LLC

IDC Industries
Independent Oilfield Services, Inc
Integrity Business Solutions
J&N, Inc
J&R Well Service, Inc
Jasper Kevin M
Jet Subsurface Pump, Inc
Johnson Oil Company of Gaylord
Kinnco Services, LLC
Kodiak Group, LLC
L&KJ Enterprises, LLC
L&R Well Drilling, Inc
Land Services, Inc
Laser Printer Tech
Lees Instrumentation
Leibenguth Boos & Associates
Loshaw Brothers, Inc
Magnum Solvent, Inc
Maintenance Contracting, LLC
Mancelona True Value
Manistee Co Register of Deeds
Maximum Oilfield Services, Inc
McCarty Leathel W.
McLeans Hardware Home Center, Inc
Mid American Inspection Services
Midwest Bit Service, Inc
Mikes Steamer Service, Inc
MOA Solid Waste Management
Nash Melani Sue
Natural Gas Compression Systems, Inc
North Central Production, Inc
North Pine, Inc
Northern Fire & Safety
Northern Machine & Repair, Inc
Northern Seal, Inc
Oil Niagaran, LLC
Patrick Hejl
Peter M. Windsor Sr
Phoenix Operating Co, Inc
Pittman Richard W.
Presque Isle Electric & Gas
R.L. Morgan Co, Inc
RC Safety
Reimer Travis A.
RF System Lab
Roadrunner Hotshot, Inc
Rock Oil Co
Safety By Design, LLC
Safety By Design, LLC
Safety First
Silverado, Inc
Silversmith, Inc
Siwecki Construction, Inc
SjL Well Service, LLC
Skoglund Enterprises, LLC
Smetzer Land Services, Inc
Smith & Johnson Attorneys PC

Stephens Lynnwood C.
Sturgeon Point Development Company
Superior Inspection Services, Inc
SWD Specialties, LLC
Systems Control
Target Oil Tools, LLC
Team Services, LLC
Tech Services, Inc
Thorsen Jack
TNT Oilfield Products
Todds Welding Service, Inc
Top of The Line Crane Service, LLC
Treetops Acquisition Co, LLC
Trend Services Co
Van Den Berge Peter D.
Weaver Services, LLC
Wendel Construction, Inc
West Bay Professional Centre, LLC
Wilber Automotive Supply, Inc
Zaremba Walter

Congressional District 2

Great Lakes Energy
J&J Springs Enterprises, LLC
Kuka Robotics Corporation
Ottawa Gage, Inc
Reid Safety Supply
Snow Protect, LLC
Steelcase, Inc
Trendway Corporation
Western Land Services, Inc

Congressional District 3

20 20 Technologies Commercial Corporation
Carr Brothers & Sons, Inc
Clyde Union, Inc
Crisis Care Network, Inc
Custer Office Environments, Inc
Great Lake Fasteners
Mika, Meyers, Beckett & Jones Plc
Netapp
Plasma-Tec, Inc
Radley Corporation
Rosler Metal Finishing USA, LLC
Rush Petroleum, Inc
Seiler Tank Truck Service, Inc
Textron, Inc
Varnum Riddering Schmidt
Howelett

Congressional District 4

Axflow S.P.A.
B&B Oilfield Equipment Corporation
Central Michigan Cementing Services
Chad M. Thelen

Coil Drilling Technologies, Inc
Dubar Drilling Fluids, LLC
Great Lakes Central Railroad
H&M Investment Properties, LLC
Lf Batterbee Excavating, Inc
M&L Services, LLC
McLachlan Drilling Company
Mears/Hdd, LLC
Merrill Tool & Machine
Mill Brook Water Co, Inc
Minnesota Life
Navigator Wireline Services, Inc
Nocti Business Solutions
Premier Casing Crews, Inc
The Dow Chemical Company
Warner Petroleum
Wildcat Buildings, Inc
Wilson Lawn Care

Congressional District 5

Bay Plastics Machinery Company, LLC
Daniels Septic Services, Inc
L&L Machine Tool, Inc
Soli-Bond, Inc
Stone Well Service, LLC

Congressional District 6

GAL Gage Company
HBE Engineering, Inc
Leco Corporation
Vickers Engineering, Inc

Congressional District 7

Advanced Heat Treat
Clayton Energy Company
Jan X-Ray Services, Inc.
Knickerbocker Daniel R.
Liebherr Aerospace Saline, Inc
Premier Corporate Security, Inc
RMS Enterprises
Spection, LLC
Vanex Fire Systems
Worth Surveying

Congressional District 8

Consumers Energy Co
Continental Production
Dry Coolers
General Machining
Heck Industries
Loomis Ewert Parsley Davis and Meridian Energy Corporation
Michigan Salt Products, LLC
Schlaybaugh Susan
Sterling Commercial Credit, LLC
Techsmith Corporation
Worman Dixon & Manis PLC

Congressional District 9

Advanced Manufacturing Group, LLC
Barnes Industry
Dell Marking Systems, Inc
Element Material Technology
Filtration Services Group
Flood Law PLLC
Inductoheat, Inc
Invecast Corporation
Knoll America, Inc
Knowledge Transformation Partners
Systems Integration Specialists Co, Inc

Congressional District 10

Cedarline, LLC
CKS Precision Machining
Don Yohe Enterprises, Inc
Ebbco, Inc
ILM Systems
Lube Power, Inc
Lumco Manufacturing Company

Congressional District 11

ABC Rental Tool Co
Acro Service Corporation
Acro Staffing, Inc
Altair Engineering, Inc
Aristo Construction Company
Articulus, Inc
Boll Filter Corporation
Casper Corporation
Cavaloz Energy, Inc
Corrosion Fluid Products Corporation
Cummins Bridgeway, LLC
Energy Services, LLC
Form Tech Concrete Forms, Inc
G&T Machine Company
Integrated Security Corporation
Jacob & Son Operating Company, LLC
Kelly Services, Inc
Michigan Steel
Nextep Systems, Inc
Plunkett Cooney PC
Professional Engineering Associates, Inc
Qualigence, Inc
Resource Development Company, LLC
Roger Zatkoff Co, Inc
Roush Industries, Inc
Rubber Stamps Unlimited, Inc
Ryder Integrated Logistics, Inc
Safetyserve.com
Sample Webtrol, Inc
Summit Health, Inc
TR Encoder Solutions
Trubiquity, Inc

MICHIGAN - VENDOR LIST

W. Dan Wiersig
Waste Management of Michigan,
Inc

Congressional District 12

FAAC, Inc
Horn Land & Energy Acquisition
Merit Network, Inc
Mode2 Consulting, LLC
Omni Metals Laboratory, Inc

Royal Arc Welding Engineering &
Fabrication Division
The Trenton Corporation
Trenton Corporation
University of Michigan
Zoller, Inc

Congressional District 13

The Environmental Quality

Congressional District 14

Alro Steel
Altair Engineering, Inc
Anxe Business Corporation
Bunting Bearings Corporation
CA, Inc
Chemtrade Refinery Services,
Inc
Comerica Bank
Composite Forgings Ltd

Compuware Corporation
Crain Communications
Domino's Pizza Dominos Pizza
DTE Energy Co
Guideware Systems, LLC
John O. Dilland
J-W Measurement Company
LMT - USA, Inc
Master Data Center, Inc
McNaughton-McKay Electric
Company

Michcon Lateral Co
Occupational Health Centers of
Michigan, PC
Pro-Seal, Inc
Radview Software, Inc
Resource Development Co, LLC
The Environmental Quality
Thomson Reuters, Inc
Unifirst Corporation
Vox Mobile, Inc