

Oil and Natural Gas Stimulate Nevada

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 Nevada, 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 40 businesses, spread across all four of Nevada'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 Nevada supports some 48,600 jobs, which is 3.2 percent of the state's total employment. The amount of Nevada labor income supported by the oil and natural gas industry comes to \$2.43 billion annually. That's 3.2 percent of the state's total labor income.

Although Nevada is not a top U.S. energy producer, these job and labor income figures demonstrate that the people of Nevada 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 Nevada across all industries and sectors is \$42,941, the average oil and gas industry salary (excluding gas stations) is significantly higher—\$57,722 annually. Overall the industry supports \$4.5 billion of the Nevada economy. That's 3.8 percent of the state's total economic activity.

Nevada 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 drilling. Total jobs supported by these activities in Nevada reached 6,295 in

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).

\$4.5 BILLION

THE INDUSTRY CONTRIBUTES TO NEVADA'S ECONOMY

48,600

NEVADA JOBS

SUPPORTED BY OIL AND NATURAL GAS INDUSTRY

AVERAGE ANNUAL SALARY COMPARISON

Category	Average Annual Salary
Avg. Annual Nevada Salary	\$42,941
Avg. Oil and Gas Industry Salary	\$57,722

State: Nevada

Vendors by Congressional District

Congressional District	Total
Congressional District 1	15
Congressional District 2	15
Congressional District 3	8
Congressional District 4	2
Grand Total	40

13,867

NEVADA JOBS BY 2035
FROM HYDRAULIC FRACTURING
AND HORIZONTAL DRILLING

80%

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

Vendor Profile⁶

Silver State Analytical Laboratories, Inc.

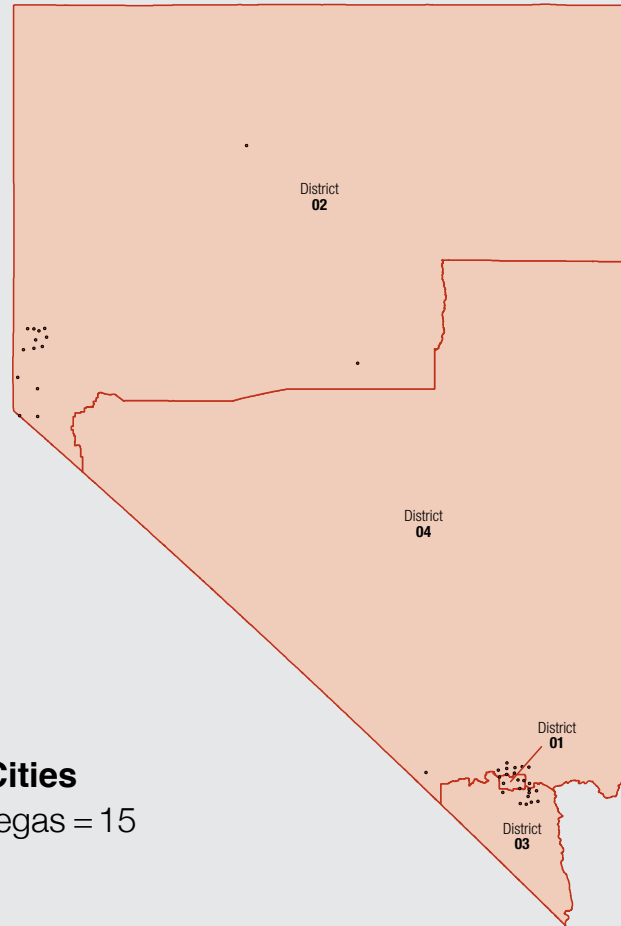
Silver State Analytical Laboratories is an environmental and chemical testing, lab, and field equipment supply company. Services provided include testing water, soil, and air to ensure environmental compliance, health, and safety; and testing materials to ensure high levels of quality. The company also provides field test equipment and supplies, such as sampling pumps, air gas monitors, water quality meters, and safety supplies. "We are a critical support organization to ensure that oil and gas work is done in an environmentally responsible way."

These testing and supply services add a dimension of independent checks and balances to ensure that development and production are done with the proper permit compliance and unbiased testing reports. The company offers a degree of expertise and objectivity in this industry that satisfies both the producers and the regulators.

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

Nevada Vendors by Congressional District

District Location ●



Top Cities
Las Vegas = 15

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

2012. The job total is projected to climb to 11,270 in 2020 and to 13,867 in 2035.⁴

And the people of Nevada get it. A state-wide telephone poll of 603 registered Nevada voters, conducted on behalf of the

American Petroleum Institute, found that 80 percent of them, regardless of party affiliation, support increased production of oil and natural gas resources located here 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/apr-2014/poll-large-majorities-of-nevada-voters-support-us-investments-in-oil-natural-gas>, the results of a Nevada poll conducted by Harris for API April 3-9, 2014. Click on "a new poll" to see how percentages of voters answered this and other questions.



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NEVADA - VENDOR LIST

Congressional District 1

Ahern Rentals, Inc
American Institute of Formation
Evaluation, LLC
Att Infrared Services
Brady Industries, LLC
Emicole Land Services, LLC
Energy Electrical Distribution Co
Green River Enery Resources,
Inc

John M. Pinckney IV
Marietta Sironen
Nevada Unclaimed Property
QED, Inc
Refining Systems, Inc
River Basing
Taney Engineering, Inc
Vision Building Systems

Congressional District 2

Bently Nevada, Inc
Castagra Products, Inc
Frontline Systems
Haws Corporation
Internetwork Expert, Inc
James K. Kanekoa
Jensen Precast
Lake Tahoe T&W
Manpower Professional

Microsoft Licensing Group
Multi-Phase Technologies, LLC
Neilsen Barnard Drilling &
Blasting, Inc
SSD, Inc
Tidelands Energy Co, LP
Universal Analyzers, Inc

Congressional District 3

Cresta Land Services, Inc

David A Miler Consultants
E8, LLC
Enerspect Medical Solutions
Nationwide Power Solutions, Inc
Reed Gary J.
Sage Consulting, LLC
Silver State Engineering &
Testing, Inc
Connie F. Munoz
JCH Wire & Cable