



# PESANEWS

PETROLEUM EQUIPMENT  
& SERVICES ASSOCIATION

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## 2017 Outlook

### Navigating a Market in Transition

For the past two years, much discussion has focused on the question of when the market will recover. Given how the price of oil impacts our industry, our companies and our employees, there is little doubt this should be foremost on our minds...

*More on the inside cover.*

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# Chairman's Letter



As we approach what hopefully is a recovery point, we must think beyond the immediacy of the marketplace today. It is time to consider impending industry and societal transitions, how they will impact our companies, and how we will navigate these changes.

For the oilfield service, supply, and manufacturing sector, we are impacted while leading the change. This position makes the stakes ever greater.

Today, like no time in our industry's history, PESA member companies are technology leaders. But they are more than just leaders – they are developing disruptive technologies that should be mentioned in the same breath as self-driving cars, gene-based medicine, and the like.

This has resulted in efficiencies that have enabled the industry to navigate the downturn, and moving forward it will enable us to build on the revolutionary combination of horizontal drilling and hydraulic fracturing.

Critical to these efforts is big data and its analysis. Sensor technologies and analytical systems will increasingly drive efficiency and productivity.

Taking these efforts one step further is the emerging potential of automation across the oilfield. This has especially important benefits for safety while continuing efforts to reduce the cost per well.

From the downturn to new technology, we have been forced to rethink how we engage our greatest asset, the men and women of our industry. Without them, our core entrepreneurial spirit and commitment to safety would be nothing more than words on paper.

For companies across the service, supply, and manufacturing sector, this transition and disruption offers an opportunity to empower our employees with that entrepreneurial and purposeful spirit, much in the same way startups from Silicon Valley and Austin do.

Focusing on what impact employees have within our companies and on our industry's global image will be critical to attracting future talent. We must be proud of the fact that the work of our industry not only enables every iPhone and cancer treatment, but it is also on the front lines of the fight against global poverty.

That talent is crucial moving forward. The transition is not happening within a bubble. Societal trends, in the form of shifting behaviors and new government requirements, are forcing further changes.

The most apparent emergence can be found in government regulations across the globe. Whether it is the new Well Control Rule offshore in the U.S., proposed restrictions on hydraulic fracturing in Colorado, or methane regulations in countries across the globe, the impact of these requirements on our day-to-day activities cannot be overstated.

It is important that our industry, including the oilfield service and supply sector, be engaged with the agencies proposing these rules, ensuring that they are fully informed about our work.

Many of these new rules are empowered by a shift to lower carbon energy sources. This is more than subsidized solar or the signing of the Paris Agreement. Germany has pledged a goal of an emissions-free car fleet by 2030, and even in China demand for renewables is helping growth in this sector exceed all other energy sources.

While oil and natural gas will continue to be critical to global economic development, especially as the demand for electricity is forecast to double by 2060, it is critical that we bring our industry's commitment to innovation and entrepreneurial spirit to helping solve these emissions challenges.

Helping society navigate these challenges is critical to our industry moving forward. If we are not working on solutions, a more dangerous trend looms that not only threatens our industry's license to operate, but also the continued economic advancement of our society.

The emergence of movements which seek to restrict access to the resources the world needs, whether by opposing necessary pipeline developments or even campaigning to restrict access to oil and gas reserves, need to be addressed with the truth of our actions and the benefits our endeavors bring to society.

Throughout our history, the oil and gas industry has brought about transformation. We have always navigated these transitions, whether in our industry alone or across society.

As we face the challenges of tomorrow, we must not shy away from directing our talent, our technology, and our spirit toward navigating them, both for the good of our industry and society. ●

**Paul Coppinger**  
PESA Chairman



# President's Letter

Our most sincere thanks and appreciation for your support and engagement in 2016, we trust that you have seen the value of your investment in PESA. While significant industry challenges have continued this year, true achievements have also been realized, benefiting each of your individual companies, our sector and industry thanks to your participation.

PESA's vision of providing a united voice for the oilfield service and supply sector, promoting and reinforcing our role as innovators and supporting our membership through networking opportunities, elevation of key issues and targeted workforce development is reflected in our mantra: Train. Elevate. Network. We have grown stronger and more focused, and are continuing that commitment in 2017.

Significant changes in committee structure have enhanced our ability to achieve our mission and provide more benefits than ever. The newly-formed International Outposts Subcommittee is providing unique opportunities beyond networking to serve the service and supply sector in targeted international locations, promoting the PESA brand internationally. Utilizing a regional district growth model to scale for success in targeted international locations, the committee has implemented a phased approach with strategic intent for sustainability of programs starting with the Mexico market. The

Mexico Task Force is providing resources to PESA members of all sizes relative to the changes in that market. Additionally, the Engagement Committee is focused on the overarching goal of promoting diversity within the oilfield service and supply sector, specifically promoting leadership of diverse groups within PESA.

As PESA expands our outreach in the industry and grows as a resource to our sector, we partnered with multiple industry organizations to elevate oilfield service, supply and manufacturing priorities. We now reach more individuals than ever, strengthening the sector and our member companies.

PESA will continue to articulate the value of the service and supply sector, promote achievements in innovation and support members in trainings, advocacy and networking. We have realized the highest membership renewal rate in decades; reflecting our momentum. Preparations for a strong 2017 Annual Meeting are well underway, and we look forward to seeing you April 19–21 at the Ritz-Carlton Dove Mountain in Marana, Arizona. We are truly appreciative of your time and resources in support of PESA. ●

**Leslie Beyer**  
PESA President

## PESA Officers 2016–2017

### PAUL COPPINGER

**PESA Chairman**  
Division President  
Weir Oil & Gas

### BURK ELLISON

**PESA Vice Chairman**  
President  
Supply Chain Services  
DistributionNOW

### DAN DOMERACKI

**PESA First Vice President**  
Vice President  
Government, Industry  
and Global Stewardship  
Schlumberger

### DAVE WARREN

**PESA Finance**  
President and  
Chief Executive Officer  
Energy Alloys

« Adjacent article ran in the  
December issue of *World Oil*.



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**PESA PRESIDENT**  
Leslie Beyer

**PESA VP  
COMMUNICATIONS AND  
MEMBER RELATIONS**  
Molly Smart



# PESA Honors Mewbourne Oil Company at Annual Explorers Reception

In 1999, the PESA Explorers of Houston Committee created an annual award program for leading exploration and production companies exemplifying technological innovation and leadership in the industry. On October 26, PESA members gathered at Lakeside Country Club for the annual reception as Explorers of Houston Committee Chairman Robert Workman, President and CEO of DistributionNOW, presented this year's award to Mewbourne Oil Company.

"I am honored to present this award to Mewbourne Oil Company. As a prominent independent oil and natural gas producer, Mewbourne operates over 2,000 wells across the Anadarko and Permian Basins of Texas, Oklahoma and New Mexico," stated Workman. "Mewbourne's consistent culture, stable management and perseverance are some of the keys to the company's success. Another driving factor is their ability to combine extensive geologic knowledge with new technologies."

**Curtis Mewbourne**, Founder and Owner, **Kenneth Waits**, President and CEO, and **Roe Buckley**, Chairman of the Board and CFO, accepted the award. Mewbourne attributed their success to a low-cost structure and strong financials that operate within their cash flow and without debt.

"We are honored to accept this award and although we have great assets, our people are our most important asset," stated Mewbourne.

Despite challenging market conditions, Mewbourne did not cut wages and benefits or lay off any employees. Additionally, by contributing to educational scholarship funds and continuing to hire recent graduates, Mewbourne further demonstrated their commitment to developing the industry's top asset: knowledgeable and skilled people.

"Even in the midst of the downturn, the technological revolution is alive and well, thanks to the service and supply companies," said Mewbourne.

Mewbourne commended the service and supply sector as the leading producer of the innovative technology that drives our industry. PESA members are proud to partner with companies like Mewbourne Oil Company as they set the stage for a strong future through technological innovation and leadership.

## EXPLORERS OF HOUSTON HOSTS 18TH ANNUAL GOLF TOURNAMENT

The 18th Annual Explorers of Houston Golf Tournament will be held on March 2 at the at Golf Club of Houston. The tournament supports the Explorers of Houston Award Program and PESA's annual contributions to the IPAA/PESA Education Center and Offshore Energy Center. ●

*Pictured opposite, counter-clockwise from top: PESA Chairman Paul Coppinger, Weir Oil & Gas, PESA Advisory Board Member David Paradis, Weir Oil & Gas, and PESA Board Member Santosh Mathilakath, LoneStar Group*

*Explorers of Houston Committee Chairman Robert Workman, President & CEO of DistributionNOW, presented the Explorers of Houston Award for Leadership & Innovation to Mewbourne Oil's Leadership: Curtis W. Mewbourne, Founder and Owner; Kenneth S. Waits, President and CEO; and J. Roe Buckley, Chairman of the Board and CFO.*



"Even in the midst of the downturn, the technological revolution is alive and well, thanks to the service and supply companies."

Curtis Mewbourne



## GOLF TOURNAMENT SPONSORS

≈ "We are honored to accept this award and although we have great assets, our people are our most important asset."

Curtis Mewbourne



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PESA Membership  
**2017 Growth  
 and Development**



The Membership Committee works with PESA staff, Directors, and members to develop and carry out a membership strategy focused on identifying and recruiting new PESA members as well as cultivating relationships with current members.

PESA Advisory Board Members **Larry Kerr**, Vice President & General Manager, Petroleum & Industrial Pumps, Gardner Denver, and **Otto Windholz**, President and COO, Consolidated Pressure Control, have assumed leadership of the PESA Membership Committee as co-chairmen. Membership Committee Participating Companies include **Consolidated Pressure Control, Ellwood Group, Galtway Industries, Gardner Denver, Lockton, Lonestar Fasteners and Simmons & Company.**

In 2017, the Membership Committee will focus on aggressively growing PESA membership by defining recruiting strategies for the market upturn, identifying target companies in various sectors, and continuously reaching out to current members in order to ensure all member companies are engaged and are aware of the full PESA value proposition.

In order to articulate the value of the organization to new and potential members, PESA held a value proposition breakfast with market outlook in December to introduce prospective members to the activities and benefits of the association.

*Pictured above: PESA Member John Daniel, Managing Director & Co-head of Oilfield Services Research at Simmons & Company*

*Opposite: PESA Board Member Galen Cobb, Vice President – Industry Relations, Halliburton*

PESA Board Member **Galen Cobb**, Vice President – Industry Relations, Halliburton, shared the benefits his company has received from their membership in PESA. Attendees from more than 40 companies met senior leaders in the oilfield service, supply, and manufacturing sector and learned how PESA membership can benefit their company.

PESA Member **John Daniel**, Managing Director & Co-head of Oilfield Services Research, Simmons & Company, provided a market outlook “Prospectives on the U.S. Oil Service Market.” Prior to joining Simmons & Co., Daniel worked for Key Energy Services for eight years, most recently as vice president, corporate development. His responsibilities included investor relations and mergers and acquisitions. Daniel also spent four years as an analyst with PNC Bank, serving in its corporate banking and leverage finance groups.

Daniel shared his perspective on the state of the industry as well as a forecast for the coming years. According to Daniel, the outlook for energy has much improved following the recent OPEC accord. Overall industry activity levels are rebounding as equipment and services reactivations in virtually all segments are seeing activity improvements. The U.S. land drilling outlook is a positive one with Daniel believing that the recovery in the U.S. land rig count will continue.

Specific to oil service, Daniel stated that E&P CapEx spend is estimated to increase over the next two years and that oil service pricing must inflate due to sizable increases within the pressure pumping and frac sands markets as well as unsustainably low margins within all oil service product specification levels.

If you know of a company in the oilfield that would benefit from PESA membership or if you are interested in joining the Membership Committee, please contact Peggy Helfert at [phelfert@pesa.org](mailto:phelfert@pesa.org).

**DANIEL’S KEY TAKEAWAYS**

**5757**

The most recent U.S. land rig count stood at 5757 rigs as of December 3, 2016.

**~950–1,000**

The working assumption is that we exit 2018 at ~950-1,000 rigs.

**\$**

If, however, we see a more expeditious rise in oil prices, it is likely that rig activity will accelerate more quickly.

**?**

A key question remains the impact of drilling efficiencies and how it relates to future rig count gains. Mitigating this concern is the ample number of low-priced, idle drilling rigs.

# PESA's Human Resources Committee Promoting the **Industry's Best Practices**

The PESA Human Resources Committee educates member companies on the various trends, challenges and solutions affecting global HR departments and promotes PESA training opportunities within member companies.

The HR Committee holds roundtables, which encourage open dialogue, connecting PESA members to discuss relevant topics including benefits, competency management, shared services and global mobility. In addition to roundtables, the committee also plans seminars, which are geared to address current as well as anticipated topics and host industry executive speakers with panel discussions.

In 2017, the Committee is focusing on activities with multiple PESA committees in order to create opportunities to share best practices across all organizational divisions.

The HR Committee includes representation from **Weir Oil & Gas, DistributionNOW, GE Oil & Gas, Gulfmark, Halliburton, Oil States Energy Services, Schlumberger, PwC and TechnipFMC.**

The HR Committee hosted a collaborative forum with the Emerging Leaders Committee on Talent Management with a focus on Succession Planning in December at DistributionNOW. This roundtable discussion targeted what leadership is doing to best equip the next generation of leaders and how to keep high performers engaged.

In October 2016, the Committee held an HR Seminar highlighting future human capital trends, requirements and challenges. The half-day seminar included a presentation on CEO expectations of HR as well two panel discussions focused on Integration and Operator/Customer Challenges.

PESA Advisory Board Member **Charles Davison**, President & CEO, FairfieldNodal, presented on CEO expectations of HR where he identified several critical drivers to value and success within Human Resources. HR executives that develop strong business acumen, become integral to the business strategy, and uncover root causes of problems within the organization were highlighted.

Mr. Davison also spoke about modern HR as being part of the business strategy rather than simply transactional. He stressed the importance of balancing between tactical fundamentals and providing a voice and conscience for the organization. "The HR function plays at the heart of any strong corporate strategy, with a seat at the table driving culture and productivity," said Davison.

**Wayne Finger**, HR Integration Manager, Cameron, a Schlumberger Company, and **Lara Isaacs**, Director of HR at DistributionNOW, presented on an Integration Panel. HR Committee Member **Terry Woodall**, VP HR, Oil States, moderated.

The operator panel was led by **Khymerly Booth**, VP Human Resources, BP America; **Glenda de Silano**, HR General Manager, Chevron Africa and Latin America Exploration and Production Company; **Karla Lundquist**, Human Resources Director, Oasis Petroleum; and moderated by HR Committee Vice Chairman **Susan Webb**, Global Human Resources, TechnipFMC. The panel spoke to challenges HR is currently facing in the operator community; namely generation gaps, motivating recent graduates to join the oil & gas industry, and talent development roadblocks.

The overarching theme for the seminar was clear: people are our biggest asset and we must work to continuously train, develop and motivate our current and future workforce. ●

*"The HR function plays at the heart of any strong corporate strategy, with a seat at the table driving culture and productivity."*

**Charles Davison**  
President & CEO, FairfieldNodal



From top:  
PESA Advisory Board Member Charles Davison, President & CEO, FairfieldNodal  
Lara Isaacs, Director of HR, DistributionNOW; Wayne Finger, HR Integration Manager, Cameron, a Schlumberger Company; and Terry Woodall, VP HR, Oil States



Karla Lundquist, Human Resources Director, Oasis Petroleum; Glenda de Silano, HR General Manager, Chevron Africa and Latin America Exploration and Production Company; Khymerly Booth, VP Human Resources, BP America; and Susan Webb, Global Human Resources, TechnipFMC



# HR

## A CRITICAL SEAT AT THE TABLE

# PESA HSE Committee Prioritizes **Key Industry Issues**

The PESA HSE Committee focuses throughout the year on legislation or regulations that impact PESA member companies and/or their customers in the areas of health, safety and environment. This committee also works on independent research projects for publication by PESA.



## ENVIRONMENT

One of the issues the committee addressed in 2016 was the EPA Region 4 and Region 6 permit language used by the U.S. Environmental Protection Agency (EPA) for these regions. The committee worked collaboratively to develop language which was more accurate for specific topics in the permits and was able to provide comments to the EPA for their review.



## SAFETY

In 2017, the committee will identify key HSE issues companies are facing. One focal point already identified by the committee is the importance of safety record keeping and documentation, how to collect and house that information and, in turn, present the results to members in a meaningful way.



## HEALTH

The PESA HSE Committee's goals are to ensure that companies in the oil and gas industry are furthering HSE priorities, sharing best practices, identifying ways to improve and potentially implementing safety programs. Companies involved in the HSE Committee are **Baker Hughes, FairfieldNodal, Halliburton, Hoover, Newpark, PwC, R.A.K.I Computers, Ringers Gloves, Schlumberger, Stream-Flo, and Weir Oil & Gas**. If your company is interested in participating, please contact PESA Staff Liaison Peggy Helfert at [phelfert@pesa.org](mailto:phelfert@pesa.org). ●



# High Performer **Spotlight**



**Will Li**  
Vice President, Li Gear

### What influenced your decision to enter the oil and gas industry?

Being from the Midwest, entering the oil and gas industry was not intuitive, but a choice. I enjoy following global economic trends and history. The more I learned about the global oil and gas industry and the role it has played in our nation's economic history, the more I felt drawn to be a part of it.

### What was your impression of the industry beforehand and how has it evolved?

When I joined the industry, I knew of its influence on our everyday lives, from the gas pump to the heating in our homes. The more deeply I became involved, the more I appreciated the sophisticated technology and the hard work by entire communities that goes into producing the important resources that all of us depend on.

### What have you found to be the most surprising about the industry?

I was surprised to learn of whole families who have grown up in the oilfield across multiple generations, surrounded by the industry. More workers are employed by the industry today than 10 years ago. Oil and gas directly impacts the lives and welfare of numerous communities throughout our country.

### What do you find most challenging and most rewarding about the industry or your work?

It is both challenging and rewarding to educate the public on the benefits of the oil and gas industry. With so many conflicting viewpoints, it is important for people to understand the facts about our industry and the extent to which it influences our lives.

### Where do you hope to see the industry develop over the next five years?

Our country is experiencing an energy revolution. I believe that the oil and gas industry will play an essential role in years to come by providing more jobs, revamping our infrastructure, and enabling our country to become energy independent.

### What role do you believe you will play in the industry's future?

Our business manufactures gears, gearboxes, and other components for oilfield equipment. Our products are used in advanced applications such as hydraulic fracturing. There is going to be an increased demand for better gears and machine parts, a superior supply chain, and streamlined technology. My goal is to meet that demand and enable my customers to achieve success in this growing industry.

### How has your involvement in PESA supported your career goals?

PESA is a great organization that I have been fortunate to be a part of. Being involved with PESA has given me the opportunity to meet many

kind people, as well as smart mentors. In business and in life, I believe we can only be successful with the support of other people.

### Tell us about some of the people you've met while working in the industry and how they've impacted your thinking.

I have interacted with people of all managerial levels and backgrounds, and it is fascinating to see the integral role family plays throughout the industry. Many people's families have worked in this industry for generations. For some, the company is their family and for others, the company becomes their family, and I admire this aspect of our industry.

### What are you most excited about for your career, your company and your industry?

I am looking forward to the future, as our industry continues to grow in influence, develop new innovations, and engage local communities. I am excited to contribute my part and I hope that my company will continue to perform and exceed expectations.

### What do you wish other people knew about oil and gas?

I wish others could see through the eyes of the passionate people in our industry and understand the commitment and perseverance that goes into extracting these natural resources, creating value in the lives of people around the world. ●

# PESA Kicks Off 2017 Executive Leadership Program

“I have seen the difference in how I relate to my employees, co-workers and managers. Enhanced listening and a better understanding of how to give and receive feedback cultivated my personal leadership skills.”

2016 Program Graduate



The PESA Emerging Leaders Committee kicked off its third annual Executive Leadership Program in Houston this January with record enrollment numbers. The Executive Leadership Program is a professional development program offering one-on-one executive coaching sessions, mentorship and networking.

To meet an increased interest, the 2017 program now features two separate tracks, **Engaging Leadership** and **Executive Presence**. Both provide professional development and training for member company high performers. Through the program, participants cultivate relationships with peers and leading industry executives.

Pat Lipovski, International Executive Specialist, led the kick-off seminars with co-facilitators from Envision Group, an innovative global leader in corporate advising and coaching.

The Engaging Leadership Seminar, which was held on January 18, focused on identifying strategies to create a collaborative, resilient workplace. Teambuilding exercises and presentations aimed to directly align attendees with their organization's vision in a positive, productive way. Geared toward entry-level and experienced leaders alike, attendees developed strong communication methods and explored the difference between being a leader and a boss. Interactive exercises highlighted the importance of giving and receiving feedback in order to grow both personally and professionally. Through this course, participants identified their personal leadership style and calibrated it to positively influence others.

Many graduates of the 2016 Executive Leadership Program, which included participants from more than 20 member companies, continued their leadership development with enrollment in the 2017 Executive Presence Program.

“I have seen the difference in how I relate to my employees, co-workers and managers. Enhanced listening and a better understanding of how to give and receive feedback cultivated my personal leadership skills,” stated a 2016 program graduate. “I look forward to applying the skills learned in the 2017 Executive Presence Program to further improve my company's work dynamic.”

The Executive Presence Program focuses on building personal brands to expand leadership competencies to lead and motivate others. Participants collaborate to establish core values and ethics to elevate their presence and increase their influence within the industry. Through lectures, group discussions, case analyses and experiential coaching emphasizing self-reflection, this course helps already experienced leaders further develop their personal vision through creativity and innovation.

In addition to the seminars held in January and June, participants must also partake in leadership development outside their company and attend two PESA Leadership Meetings such as the bi-monthly Leadership Forums. One of the most important elements of the program is the mentorship provided by the PESA Board and Advisory Board Members, giving participants a unique opportunity to gain strategic career advice and develop valuable relationships with industry leaders. ●

#### 2017 EXECUTIVE LEADERSHIP PARTICIPATING COMPANIES:

Baker Hughes Incorporated  
DistributionNOW  
Ellwood Group, Inc.  
Energy Alloys  
FairfieldNodal  
GE Oil & Gas  
Halliburton  
Li Gear  
LoneStar Group  
LTR  
MRC Global  
OFS Portal LLC  
Pratt Industries, Inc.  
Rubicon  
Schlumberger  
Tesco Corporation  
ValTek Industries, Inc.  
Weir Oil & Gas

*Pictured above:*  
Pat Lipovski, International Executive Specialist, Envision Group

*Opposite page:*  
Executive Leadership Program participant Marcus Oesterberg, Global Product Line Director – Directional Drilling Systems, Baker Hughes

# PESA Government Affairs Subcommittee Launches a Robust Agenda for 2017

The PESA Government Affairs Subcommittee establishes relationships with elected officials and their staff to expand the reach and influence of the service, supply and manufacturing sector. The committee also convenes members for congressional dialogues and other local/regional events designed to engage and educate policy makers.

Committee members met January 23, 2017 and shared insights on the new Administration and Congress and discussed implications for the oil and gas industry and the service and supply sector in particular.

Committee co-chairmen **Kevin Crowley**, Forged Products, and **Tom Moyers**, Cameron, a Schlumberger Company, reviewed plans for the Washington Fly-In held February 26-28, 2017. More than 20 meetings are scheduled with House and Senate members and staff from both parties. PESA leaders will highlight the sector's commitment to the principles of Innovation; Health, Safety, and Environment; Education and Workforce Development; Energy Security; and Jobs. In addition, attendees will gain the insight of energy experts from policy institutes and industry-specific media. A panel of customer Washington representatives will also discuss their outlook for key legislative and regulatory issues, highlighting areas where PESA members are encouraged to support their efforts. Finally, senior personnel from the International Trade Administration (ITA) at the US Department of Commerce will share goals and objects for the ITA/PESA partnership. The committee identifies ways to increase member participation as the Fly-In is an important part of PESA's efforts to elevate the story of the service, supply and manufacturing sector to policymakers.

Additionally, the committee discussed industry's plans to seek further improvements to the Well Control Rule (WCR). Since May 2016, when the final rule was issued, industry has been seeking implementation guidance from the Bureau of Safety and Environmental Enforcement (BSEE) on numerous provisions of the WCR. While progress has been made, there still are provisions of the WCR that must be further refined. Industry experts are

currently identifying provisions of the rule that need to be clarified, modified or eliminated. Assessments and recommendations are expected to be presented to the Trump Administration in April. The committee agreed that PESA will continue to provide support to the effort which is being led by the American Petroleum Association (API).

The committee also reviewed plans for Texas Energy Day which will occur on March 22, 2017, in Austin. The goal of the event is to showcase the energy industry's economic and employment contributions to legislators, regulators and other key stakeholders. PESA has joined a coalition of trade associations led by the Texas Oil and Gas Association (TXOGA), in sponsoring the event. Activities will occur throughout the day and will include engagement with Governor Greg Abbott, Lieutenant Governor Dan Patrick and Texas State Senators and Representatives. The committee will assess additional involvement in the event once the agenda is finalized.

Finally, the committee discussed plans for 2017 Leadership Dialogue series. In the recent past, PESA has hosted US Congressional members primarily in Houston for informal dialogues over a group dinner, in a non-fundraising environment. During 2017, the committee will pursue opportunities to host additional similar events in other key states including Pennsylvania, Louisiana and Oklahoma.

Companies involved in the Government Affairs Subcommittee are **Forged Products, Cameron (SLB), FairfieldNodal, Galtway Industries, Halliburton, National Oilwell Varco, Rubicon Oilfield International, Schlumberger and Stallion Oilfield Services**. If your company is interested in participating, please contact PESA Sr. Director Public Policy Jean Gould at [jgould@pesa.org](mailto:jgould@pesa.org).

# PESA International Trade Policy Subcommittee Outlines Full Agenda for 2017

The PESA International Trade Policy Subcommittee stays current on trade-related policies and regulations impacting the oilfield service and supply sector and recommends appropriate response on behalf of PESA membership. These responses include submitting written comments and meeting with elected officials and Administration representatives.

As the committee looks toward 2017 and the new Administration and Congress, it will be focused on identifying the priority issues and developing unified messages to promote the interests of the oilfield service, supply and manufacturing sector.

The committee plans to engage key personnel from Federal Agencies and educate them on policy issues impacting the sector. A broad list of key issues has been identified including:

- » Sanctions
- » Import classification
- » Export reform
- » Enforcement actions
- » International access
- » Trade agreements
- » Anti-corruption elements
- » Anti-dumping provisions
- » Currency manipulation
- » Anti-boycott laws
- » Reauthorization of the U.S. Export-Import Bank

In addition, the committee plans to undertake a compliance benchmarking effort in order to promote risk mitigation across the sector.

In 2016, PESA entered into a partnership with the Department of Commerce's International Trade Administration (ITA). As 2016 drew to a close, the Committee helped ITA in the development of an Oil and Gas Toolkit. ITA joined the committee's February 1, 2017 meeting to discuss projects and programs to collaborate on throughout 2017.

Companies involved in the International Trade Policy Subcommittee are **Vallourec, Baker Hughes, Halliburton, Hoover Ferguson, Schlumberger, Weir Oil & Gas, National Oilwell Varco, Weatherford and TechnipFMC**. If your company is interested in participating, please contact PESA Sr. Director Public Policy Jean Gould at [jgould@pesa.org](mailto:jgould@pesa.org).

## U.S. OIL AND GAS FIELD EQUIPMENT EXPORTS

Top 15 Destinations for 2016  
(in U.S. \$1,000)

	OCT	NOV	DEC
Singapore	3,236	4,504	33,779
India	1,813	3,081	27,937
China	10,235	8,259	23,314
Saudi Arabia	9,122	7,925	13,230
Canada	7,062	8,220	12,688
Norway	2,685	6,897	9,434
Iraq	1,455	1,008	9,154
Algeria	18,257	8,328	8,405
UK	7,792	7,870	7,896
UAE	8,053	7,994	7,739
Mexico	5,140	5,075	6,884
Russia	3,293	44,571	6,505
Brazil	17,494	5,678	6,245
Colombia	8,503	2,953	4,888
Marshall Is.	11,364	3,612	4,609
<b>Subtotal:</b>	<b>115,505</b>	<b>125,976</b>	<b>182,707</b>
<b>All Other:</b>	<b>75,870</b>	<b>132,832</b>	<b>54,923</b>
<b>Total:</b>	<b>191,375</b>	<b>258,808</b>	<b>237,630</b>

Sources: Data has been compiled from tariff and trade data from the U.S. Department of Commerce and the U.S. International Trade Commission.



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# New Members Reflect PESA's **Broad Impact**

"PESA's ability to deliver on the needs of the diverse oilfield service, supply, and manufacturing sector is shown by our continued growth in membership," said PESA President Leslie Beyer. "We are pleased to have these five companies join us as PESA strengthens individual companies, unifies our sector, and promotes the oil and gas industry."

Gyrodata Incorporated is a provider of high accuracy wellbore surveying, logging and directional drilling technologies for the global oil and gas industry. Robert Trainer III is President of Gyrodata in Houston.

Keane is a full-service completions provider for hydraulic fracturing, wireline, and coiled tubing services – all with custom chemistries. James Stewart is CEO & Chairman of Keane in Houston.

KPMG is a global professional services advisory, tax, and auditing firm. Regina H. Mayor is Principal, Global Sector Head and U.S. National Sector Leader of Energy and Natural Resources in Houston.

M&M Forgings USA manufactures and supplies open-die steel forgings for BOPs, valves, bonnets, master valve blocks, frac blocks, and clamps. Gaia Moncheri is CEO with offices in Houston and Italy.

Tex-Isle Supply distributes oil country tubular goods and line pipe. Curtis R. Kayem is president of the company in Houston. ●

## UPCOMING EVENTS

### Feb 26–28

Washington Fly-In  
Capitol Hill,  
Washington, DC

### March 2

Explorers of Houston  
Golf Tournament  
Golf Club of Houston

### April 5

Oilfield Metallurgy  
Seminar, Houston

### April 19–21

PESA Annual Meeting  
Marana, Arizona

### June 21–22

Executive Leadership  
Program, Houston

### Oct 18–20

PESA-CID  
Annual Meeting,  
Houston

Find all of our upcoming  
events at [www.pesa.org](http://www.pesa.org)