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WELL-OILED ECONOMY



AP PHOTO

Oil-field workers, from left, Johnnie Morrow, Bob McDaniel, Milton Avery and Jim Wheeler talk recently in Seminole about how high oil and natural gas prices are benefiting their lives. Across the nation's oil patch, workers are trickling back. Rising energy prices are prompting producers to drill new wells and boost output from old ones.

Many state oil rig workers getting called back amid energy mini-boom

By Danny M. Boyd
Associated Press Writer

SEMINOLE — Johnnie Morrow's oil rig pay has afforded him a new computer and a 1996 Ford Ranger pickup, the nicest vehicle he has ever owned. The 23-year-old worked as a busboy at a barbecue place, detailed cars and held other minimum-wage jobs, but his pay more than doubled at Mills Well Service, and high oil and natural gas prices mean plenty of overtime.

Across the nation's oil patch, workers are trickling back. Rising energy prices are prompting producers to drill new wells and

boost output from old ones.

"There's nothing that can help you out more than the oil field," said Morrow, his earring and youth conspicuous on a crew with three wind-worn, ruddy-faced oil patch veterans.

The number of oil and gas drilling rigs in use nationally has risen from 488 in April 1999 to more than 1,100 now.

Oklahoma added 400 workers in oil and gas mining over the past year, bringing the total to 25,600 in December. The number of new employees is small but significant in an industry where employment had been falling.

In Texas, which produces 30 percent of the nation's gas supply, oil and gas exploration companies and related businesses added 1,800

workers last year, pushing employment to 137,000.

More workers still are needed.

"We've got a lot of drilling rigs still sitting in fields because we don't have enough people to operate them," said Larry Claxton of the Oklahoma Corporation Commission, which regulates the industry. "When prices were low, a lot of these guys went to work for Wal-Mart and everywhere else, and they don't want to come back into this business."

Still, the future looks brighter around Seminole, an oil and gas town of 7,000. The new

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oil and gas jobs are giving locals something better to shoot for than minimum-wage positions at fast-food restaurants or work at a Wrangler jeans factory.

At his office on an old highway on the edge of town, Morrow's boss, Roger Mills, tries to keep enough qualified workers to man his 15 workover rigs. The machines install pipes and pumps and do other work on existing wells.

Mills has a backlog of requests for his rigs as producers wait to mine more oil and gas.

Climbing demand, flat production and foul weather have combined to create a gas supply crunch that has caused some people's heating bills to triple. At the same time, OPEC production cuts have pushed the price of a barrel of oil to around \$30 from the mid-\$20s.

The bust of the 1980s drove away 500,000 oil and gas workers nationwide and put thousands of oilmen and service contractors out of business. The downturn of the late 1990s cost the industry an estimated 50,000 jobs throughout the oil patch.



AP PHOTO

Roger Mills, owner of Mills Well Service, sits in his Seminole office as he talks about the rising demands for natural gas and what it means to Oklahoma producers.

In Seminole, Halliburton and other major companies that treat oil and gas wells to enhance production packed up and moved.

"There are so few people left and so few service companies left in our industry that everybody's up to their eyeballs in work," Mills said.

Oklahoma producers, which pump about 8 percent of the country's gas, are applying for 400 to 500 drilling permits a month, up 50 percent from a year ago. Texas producers applied for 12,021 permits for new wells last year, also up 50 percent.

Mills gave his employees two raises over the past year, including one last week. He also

handed out bonuses last summer and at Christmas. Morrow earns \$12.25 now.

The crew boss, Milton Avery, has worked in the oil patch 13 years and said he earned \$34,000 last year, the most he figured he had ever made. He planned to retire his mortgage this year, six months early.

"Since the oil business has come up it's really been a blessing for a lot of people," Avery said.

Bob McDaniel, 55, a weathered rig hand of 20 years, said he is being cautious with the extra pay.

"I ain't buying no more than I used to," he said. "I've seen it come, and I've seen it go."