

LUBER FINER

BUILT TO DO MORE™

SHALE OIL & GAS ATTACK-A-MARKET™ NEWSLETTER

Meeting the Inherent Challenges of the Shale Oil & Gas Plays, by Keeping
All of Your Machinery Running at Peak Performance!



www.luberfinerenergy.com

Volume 1, Issue No. 9 | June 21, 2013

World Energy Review Reveals 2012 U.S. Oil Surged; Top-50 Companies' E&P Capital Spending Over \$185B

NOTE: This Shale Oil and Gas Newsletter from Luber-finer is a quick read on the shale oil and gas market as it pertains to opportunities or "need to know" news related to Luber-finer products. If you have news to share, please send an email (with a link) to Darren Wight at dwright@deanhouston.com.

World Energy Review Reveals 2012 U.S. Oil Production Surged

BP said the United States saw its biggest-ever annual increase in oil production in 2012, while the world's demand for energy grew at a slower pace than the year before.

In its annual *Statistical Review of World Energy*, BP PLC said the U.S. produced 8.9 million barrels a day, up 13.9% from 2011.

Global oil production rose by 1.9 million barrels a day.

BP Chief Executive Bob Dudley said the industry was seeing "a shift in supply towards a greater diversity of energy sources," including unconventional hydrocarbons.

He said there was "ample energy available" to meet growing demand throughout the world markets.

Growth in energy consumption slowed to 1.8% from 2.4% in 2011. But demand boomed in China and India, which together accounted for 90% of the increase.

Full story: <http://bit.ly/12EgVvu>
SOURCE: *ImpoMag.com*

Top-50 U.S. Companies' E&P Spending Exceeds \$185 Billion

United States oil and gas producers boosted exploration, development and acquisition spending in 2012 despite a steep decline in after tax profits driven largely by low natural gas prices, Ernst & Young reported June 4 in the latest issue of its U.S. oil and gas reserves study.

The study analyzes U.S. upstream spending and performance data for the largest 50 companies based on year-end 2012 oil and gas reserves.

Total capital expenditures for the 50 companies reached \$185.6 billion—up 20% from 2011—and marking the highest in the study's history.

Total 2012 exploration spending climbed 20% from the previous year to a total of \$26.3 billion, which E&Y attributed to increased tight oil and liquids activity.

Development spending last year soared to \$103.4 billion, up 21% compared with 2011.

"The increased exploration and development spending we're seeing in this year's study speaks to the incredible opportunity unfolding in tight oil from shale formations and the high cost of developing these unconventional resources," said Marcela Donadio, E&Y Americas oil and gas leader.

Full story: <http://bit.ly/14dYcUI>
SOURCE: *Oil & Gas Journal*

Upcoming Industry Events JUNE/JULY/AUGUST

VA Oil & Gas Assn. Meeting
Virginia Beach, VA – June 26-28

WV Oil & Gas Equipment Show
Buckhannon, WV – July 10-11

Independent Petro Assoc. of NM
Albuquerque, NM – Aug. 7-9

Complete list at
www.luberfinerenergy.com

Featured Product



Luber-finer Imperial XL Filter

Imperial XL premium-quality heavy-duty lube filters provide exceptional filtration for high-dust, off- and on-highway applications with extended drain intervals.

Upcoming Luber-finer Ads

<i>Oil Patch Hotline</i>	June
<i>Well Servicing</i>	June
<i>Oil & Gas Product News</i>	June
<i>Gas Oil & Mining Contractor</i>	June

New Numbers Show Economy May Be Better Than First Thought

While not all the recent numbers that measure the health of the U.S. economy are glowing, they are not as bad, and in some cases much better, than analysts were expecting during the second quarter.

Consumer confidence dipped this month from a six-year high reported in May. The Thomson Reuters University of Michigan preliminary index of consumer sentiment declined to 82.7 in June from 84.5, which was the highest since July 2007. But confidence in the next six months was up, at the highest level since last November.

Full story: <http://bit.ly/18SfCN2>
SOURCE: *TruckingInfo.com*

Kinder Morgan Energy Partners To Expand Eagle Ford Crude

Kinder Morgan Energy Partners LP will expand its Kinder Morgan crude and condensate pipeline system (KMCC) deeper into the Eagle Ford shale play in Karnes County, TX.

The expansion, supported by a long-term contract with ConocoPhillips, will extend the 178-mile pipeline 31 miles from the KMCC DeWitt Station in DeWitt County, TX, to ConocoPhillips's central delivery facility near Helena in Karnes County.

Full story: <http://bit.ly/19dIYIG>
SOURCE: *Oil & Gas Journal*

Bill Would Change How LNG Is Taxed, Would Benefit Exploration

Two U.S. representatives have introduced a bill aimed at equalizing federal fuel taxes between diesel fuel and liquefied natural gas (LNG). The bill, the "LNG Excise Tax Equalization Act of 2013" (H.R. 2202), was introduced into the U.S. House of Representatives and a similar bill will go to the Senate when it returns from recess.

Full story: <http://bit.ly/11fEhKN>
SOURCE: *FleetOwner.com*

Shale Oil And Gas Reserves Above Initial Estimates Worldwide

Shale oil and shale gas resources are "abundant" around the globe, according to a recent study conducted by Advanced Resources International Inc. under contract to the U.S. Energy Information Administration. The EIA/ARI study also ranks Russia in the top spot for technically recoverable shale oil resources.

The study, released June 10, estimates that global shale resources—in conjunction with the agency's own assessment of resources within the U.S.—indicate technically recoverable worldwide resources of 3.4 trillion bbl of shale oil and 7,299 tcf of shale gas.

Full story: <http://bit.ly/13OcmNc>
SOURCE: *Oil & Gas Journal*

Oilfield Helps Fuel Most Recent Construction Sector Growth

Total construction spending registered a small gain in April but showed very mixed patterns among major segments, according to an analysis of new Census Bureau data by the Associated General Contractors of America.

New construction and apartments were the standouts.

Full story: <http://bit.ly/12QT1OQ>
SOURCE: *BulkTransporter.com*

Fracking Process Fuels Water Fights In The Nation's Dry Spots

The latest domestic energy boom is sweeping through some of the nation's driest pockets, drawing millions of gallons of water to unlock oil and gas reserves from beneath the Earth's surface.

Hydraulic fracturing has been used for decades to blast huge volumes of water, fine sand and chemicals into the ground to crack open valuable shale formations.

Full story: <http://bit.ly/11KE61Z>
SOURCE: *Vindy.com*

Unconventional Oil, Gas Makes Changes To U.S. Energy Outlook

While unconventional oil and gas technology breakthroughs have dramatically changed the U.S. oil and gas outlook in the last five years, U.S. Sec. of Energy Ernest Moniz said it will be important to recognize and continue progress in other forms of energy, as well.

"The energy security problems of many of our allies could become national security problems for us if we're not careful," Moniz said in his keynote address June 17 at the U.S. Energy Information Administration's 2013 annual energy conference.

Full story: <http://bit.ly/19JRZFS>
SOURCE: *Oil & Gas Journal*

Atlas Resource To Buy Gas Reserves For \$733 Million

Atlas Resource Partners is acquiring about 466 billion cubic feet worth of proven natural gas reserves for \$733 million.

Atlas Resource now expects its full year 2014 distribution to its unit holders to be at least \$2.60 per unit, up about 27% from its current annualized distribution of \$2.04. When the acquisition from a subsidiary of EP Energy LLC closes, Atlas expects the new resources to immediately boost its cash flow.

Full story: <http://bit.ly/1bNWWYIm>
SOURCE: *ChemInfo.com*

NRP To Buy Oil, Gas Interests In North Dakota, Montana For \$35M

Natural Resource Partners LP said it reached a deal to buy non-operated working interests in producing oil and gas properties in North Dakota and Montana from Abraxas Petroleum Corp. for about \$35.3 million in cash.

The acquisition consists of about 13,500 net acres, with about 11% in the Bakken and Three Forks plays.

Full story: <http://bit.ly/12Ei4Dj>
SOURCE: *ChemInfo.com*