



This year, the Texas Alliance of Energy Producers is proud to celebrate its 90th Anniversary by looking back at how the organization began. We have a long – and distinguished – history of representing Texas oil and gas Independents and allied companies.



A merger of the North Texas Oil & Gas Association (NTOGA) and the West Central Texas Oil & Gas Association (WeCTOGA) occurred in 2000, and the Alliance was created. This organization has grown to be the largest statewide oil and gas association for Independents in the country and a leading voice in state and federal politics.

WeCTOGA's past is rich in historic accomplishments. It was founded in 1933 at a time when the oil industry was experiencing extreme difficulty.



The oil business was at a low ebb, particularly in this area, when WeCTOGA was organized. There was too much oil. The giant East Texas Field had been flowing almost unchecked, causing prices to drop to as low as 10 cents a barrel in some areas.

There was no organized representation of this district at the state-wide proration hearings in Austin. Only individuals appeared before the Railroad Commission on behalf of their personal interests.

There were also other problems common to all independents in the area. Realizing that a group effort to solve these problems would be more beneficial, the independent operators in Breckenridge invited those from surrounding cities to an organizational meeting on Feb. 3, 1933.

This historic meeting created WeCTOGA. According to the minutes of the meeting, "A motion to create the West Central Texas Oil & Gas Association, with **J.D. Sandefer, Jr.**, as president, was made by **J.E. Lewis**, duly seconded, and unanimously carried."

Sandifer appointed a nomination committee composed of **Horace Sedwick** of Albany, chairman, **W.W. Wallace** of Cisco, and **Barney Kleinfelder** of Breckenridge.

At the Breckenridge Petroleum Club atop the Burch Hotel, the meeting was at full capacity with attendees from 16 area counties. And all 16 counties were represented on the list of 28 names submitted by Sedwick's nominating committee. The Board of Directors included: **Bob Lindsey** and **Bob Windfohr**, Young County; **J.E. Lewis, Bill Conway** and **W.W. Wallace**, Eastland County; **George Callihan** and **M.R. Young**, Shackelford County; **James B. Dunigan** and **C.M. Caldwell**, Taylor County; **W.D. Gulley** and **George Lamb**, Brown County; **Jack B. Robert** and **W.J. Rhodes**, Jones County; **Leon Shields** and **M.G. Cheney**, Coleman County; **P.J. O'Donnell** of Hamlin and **Matt Grisham** of Abilene, Fisher County; **E.W. Moutray** and **Tom Bryant**, Callahan County; **A.H. Rhodes** and **C.W. Hoffman**, Palo Pinto County; **F.W. Holder** and **George Dickie**, Throckmorton County; **Joca Sheaffer**, Runnels County; **W.W. Lowe**, Comanche County; **Will Clay**, Erath County; **C.K. West** and **M.E. Daniel**, Stephens County.

One of the early problems tackled by the association was that of price differentials of oil going into differ-PAGE 8 ent pipelines. At one time, the price of Fisher County oil was 35 to 40 cents a barrel lower than comparable crude being produced nearby. Since the oil was going into lines carrying sour crude from West Texas, it was bringing lower prices. A committee from the association contacted the head of one of the major purchasers, and the condition was corrected.

Another early project was the matter of proration. The allowables for Texas oil in those days were prorated according to districts, rather than "across-the-board".

Representatives from the association spent a lot of time in Austin trying to help the cause of the independents in this area, and their fight was successful.

Also, among the fundamental purposes of the association was to acquaint the citizens of West Central Texas with the fact that they, too, were in the oil business, even though they did not actually produce oil or gas.



Glen D. Michael WeCTOGA EVP 1963-1983

The association took a strong lead in an education campaign to familiarize the average citizen with the oil and gas industry. They struggled with the perception that an oilman was rich and was the only one realizing a profit from his oil ventures. The association worked with merchants, landowners, and the general public so they would understand that it was in their interest to see that the oil operator had fair treatment before state and federal authorities.

Along with this project, the association sought to acquaint tax authorities of each county and school district with the facts concerning the value of oil properties. Previously, some counties had attempted to raise most of their budgets from the oil industry. A member of the association was assigned to each county to work with the commissioner's court to assure fair and equitable treatment in taxation matters. The result was a good spirit of cooperation between the committees and the tax authorities.

WeCTOGA also took the lead in the fight against theft within the oil industry. During the depression and other times when crude was cheap, theft was a problem for the industry. The association hired a full-time person to work exclusively on theft prevention. The popularity of this antitheft movement spread, and the operation finally was taken over by the Mid-Continent Oil and Gas Association.

At that time, WeCTOGA had been a great voice for the industry, with large and small operators receiving equal treatment. While the production in the area was increasing, one of the slogans of the association became "Preserve the Stripper Well."

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WeCTOGA Board of Directors, June 25, 1938

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Sandefer, the first president, had always been stripper well conscious and fought to protect and preserve the marginal wells. He was at one time president of the National Stripper Well Association and traveled to Washington numerous times to protect the stripper wells' interest.

WeCTOGA's headquarters were moved to Abilene in 1947, when **R.J. (Bob) Tiffany** was employed as secretary-treasurer on a part time basis. Tiffany served in this position until 1958.

In 1958, **Kirk Jordan** was named executive vice president. He served for five years before moving to Ohio to head another oil and gas association. Jordan was replaced by **Glen Michel**, who took the reins in 1963. **Alex Mills**, former Alliance President, succeeded Michel in 1983. Following Mills' leadership was **Morris Burns**. **Bill Stevens** became executive vice president in 1998, and served the association until the merger with NTOGA in 2000.

In 1983, WeCTOGA celebrated its 50<sup>th</sup> Anniversary, and printed a commemorative program which stated: "Although many of those problems we had 50 years ago have been unraveled, we have many new problems staring us in the face. As in the past, the membership of WeCTOGA will pull together to solve these problems."

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## **Memories and Involvement with WeCTOGA** By Bill Stevens

I became an active member in WeCTOGA (1980 - 1989) through my industry employment with Pride Refining, among others. During my time, I served as a member of the Board of Directors and Vice President of Membership.

In 1982, I was the founding President of WeCTOGA's Young Producers Forum, which was an effort to gain younger members and to bridge the age gap in our Washington lobby effort with young Congressional staff. Some initial participants included **Roy Pitcock**, **Jr** (Pitcock, Inc, Graham), **Bob Eagle** (Clearfork, Abilene), **Allan Frizzell** (Enrich, Abilene) and **Rick Rhodes** (Reeves Company, Sweetwater). In all, the YPF counted about 30 young producers under 35 and was guided by EVP **Glen Michel** and Presidents **Russell Taylor**, **Harry Bettis** and **Jon Rex Jones**.

In 1998, **Bill Core** of Instrument Maintenance was WeCTOGA President and hired me to be the EVP after a short stint away from industry. The industry was suffering with low crude oil prices recovering from \$6/barrel the previous six months. It was an uphill battle which did turn around for the association and the industry by 2001.

It was during this period, I teamed with **Alex Mills**, EVP at NTOGA to suggest a merger between the two associations. Then WeCTOGA President **Roy Pitcock**, **Jr** and NTOGA President **Charlie Seely** negotiated a deal through the two Boards to merge the two entities. We all knew independents needed a larger and full-time voice in Austin and Washington, D C. Seely became the first chairman of the Alliance and Pitcock followed him.

The relationship has been successful and fulfilling for me, as well. It is gratifying to have worked with so many fine individuals and companies over the past 40 years. As well, I continue to do so as the lobbyist, legislative director for the Panhandle Producers and Royalty Owners Association.