

UPDATE

THE OFFICIAL PUBLICATION OF THE UTAH PETROLEUM ASSOCIATION

ISSUE 1 2019

FUELING UTAH'S GROWTH AND PROSPERITY





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Welcome New Members



FUELING UTAH'S GROWTH AND PROSPERITY

We would like to communicate with you in the best possible way!

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01. WELCOME NEW MEMBERS

04. WHO WE ARE

05. Q & A GETTING TO KNOW UPA PRESIDENT RIKKI HRENKO-BROWNING

Rikki Hrenko-Browning is the President of the Utah Petroleum Association (UPA). UPA is a Utah based, statewide petroleum trade association representing companies involved in all aspects of Utah's oil and gas industry. We exist to serve our member companies and advance the responsible development of Utah's natural resources and manufacture of fuels that drive Utah's economy. Prior to leading UPA, Rikki was the CEO of Enefit American Oil with overall responsibility for the company's greenfield oil shale development project in Eastern Utah, including management of the project planning, engineering, permitting, lobbying and PR. Prior to that she was the International Project Director and an Environmental Policy Expert for Enefit (Eesti Energia) while living in Estonia. Originally from Ohio, Rikki graduated with Distinction from Carnegie Mellon University with a Master's of Science in Public Policy and Management. She holds a Bachelor's of Science in Botany and Environmental Science. Rikki previously served on the Board of the National Oil Shale Association as well as the Utah Mining Association, where she served as the Second Vice President. She is currently a member of a number of energy, industry, and natural resource boards.





06. UPA SUMMER 2019 EVENTS

Many thanks goes out to our sponsors and participants of the recent UPA Oil & Gas Classic Golf Tournament and the inaugural UPA Basin Shootout! Both were sold out events and we look forward to growing the shootout next year!

10. Reasons to Join UPA

Benjamin Franklin once wrote, "An investment in knowledge pays the best interest." He was right, especially when it comes to practical knowledge. Gaining knowledge — useful knowledge — is a clear strategy for learning how to add value.

11. JOIN THE UTAH PETROLEUM ASSOCIATION

We invite you to join UPA and unite your efforts behind an organization that continually strives to maintain and better the business environment for the petroleum industry in Utah. UPA Members include companies involved in upstream, midstream and down-stream activities, as well as service companies providing support to the industry. By joining UPA, you're helping stem the avalanche of laws and regulations that threaten to stifle responsible development in Utah. We need your support to continue and increase these critically important efforts.

12. IMO 2020 WILL FUEL UTAH'S ECONOMY

The shale revolution has been good for the US and good for Utah. Not only has it reduced U.S. dependence on foreign energy, it has also created high paying jobs, funded local schools, and provided revenues back to the state and local counties that are home to production. If current policies continue, then the 2020 sulfur standards for the International Maritime Organization (also known as "IMO 2020") stand to further boost Utah's already-thriving energy sector.

13. OZONE CHALLENGES LEADING UPA TO TEAM UP

Both our upstream and downstream members have been spending considerable time and energy on ozone nonattainment issues. As a refresher, both the airsheds along the Uintah Basin as well as the Wasatch Front were declared in nonattainment of the 2015 ozone standard (70 ppb for an eight-hour average) effective August 3, 2018. Areas classified as marginal nonattainment must either attain the standard or be bumped up to moderate attainment by the third year after designation (August 2021). Based on current data, both the Wasatch Front and the Uintah Basin are anticipated to bump up to marginal nonattainment.

14. EFFECT OF THE UTAH MEDICAL CANNABIS ACT ON PRIVATE EMPLOYERS

Anumber of our clients have asked us what effect, if any, Utah's new marijuana law will have on their drug-testing policies, and relatedly, whether they must accommodate use of medical marijuana by their employees. As discussed below, the answer is currently unclear; however, it appears unlikely that the new law will have a significant legal effect on private employers.

16. Women in Petroleum

The petroleum industry is facing a problem shared by many industries. As the baby boom generation enters retirement in ever-larger numbers, many open jobs are getting harder to fill. Male-dominated industries are being forced to face an important reality.



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20. UINTA MEMBER FOCUS

22. THANK YOU MEMBERS

24.

UPA IS PROUD TO JOIN FORCES WITH THE COALITION FOR AMERICAN ENERGY SECURITY (CAES)

CAES is a diverse and broad coalition of American manufacturing workers, integrated energy companies, refiners, industry associations, shipping companies and other groups that play a crucial role in the maritime fuel supply chain. CAES is committed to the scheduled implementation of the International Maritime Organization's 2020 low-sulfur fuel standards, which America's energy industry is best positioned to meet. IMO 2020 will be good for U.S. workers, the environment, and will strengthen America's energy dominance in the global oil market.

24. CHECK OUT THE UTAH PETROLEUM ASSOCIATION'S HEALTH PLANS!

The new UPA health and wellness plans can help your company avoid the ACA community rating and join a large group pool of petroleum companies to help control cost. Any UPA member that is directly involved in or supports the petroleum industry can participate in the program.





Misson Statement

The Utah Petroleum Association (UPA) is a Utah-based, statewide petroleum trade association representing companies involved in all aspects of Utah's oil and gas industry. We exist to serve our member companies and advance the responsible development of Utah's natural resources and manufacture of fuels that drive Utah's economy.

Executive Committee



UPA Administrative Staff & Office



Rikki Hrenko-Browning President



Jennette King Administrative Assistant



536 S 500 W, Salt Lake City, UT 84101 | 801-619-6680

Getting to Know UPA President Rikki Hrenko-Browning



ikki Hrenko-Browning is the President of the Utah Petroleum Association (UPA). UPA is a Utah based, statewide petroleum trade association representing companies involved in all aspects of Utah's oil and gas industry. We exist to serve our member companies and advance the responsible development of Utah's natural resources and manufacture of fuels that drive Utah's economy. Prior to leading UPA, Rikki was the CEO of Enefit American Oil with overall responsibility for the company's greenfield oil shale development project in Eastern Utah, including management of the project planning, engineering, permitting, lobbying and PR. Prior to that she was the International Project Director and an Environmental Policy Expert for Enefit (Eesti Energia) while living in Estonia. Originally from Ohio. Rikki graduated with Distinction from Carnegie Mellon University with a Master's of Science in Public Policy and Management. She holds a Bachelor's of Science in Botany and Environmental Science. Rikki previously served on the Board of the National Oil Shale Association as well as the Utah Mining Association, where she served as the Second Vice President. She is currently a member of a number of energy, industry, and natural resource boards.

Tell us your back story – was it always your goal to be President of the Utah Petroleum Association?

Not exactly. When I was in undergrad I was ambitious and naïve and thought I would be scouring the rain forest to find the cure for cancer. Instead I ended up spending a lot of time crawling through dense new growth forests. I was determined to be a published researcher by graduation and was working on invasive species research. Far too often I was washing spiders out of my hair and picking seeds out of bird poop. I quickly realized this wasn't for me. I decided to go to Carnegie Mellon for Grad School where I got a Masters in Public Policy and Management with a focus on environmental policy.

During my time at Miami, and also at Carnegie Mellon, my focus was environmental science and policy but I often found myself on the opposite side of the debate as my classmates. I have a deep respect for our environment and think it's unfortunate that conservation has been made into a dirty word, but I also recognized the broad ranging value that comes from responsible use of our natural resources. I have always been grounded by real world practicalities and am proud of the technological and environmental improvements that the US has led out on, particularly in the oil and gas industry. I'm from northeast Ohio, the edge of the Marcellus and center of the rust belt. I understood from an early age that energy and mining allow us to enjoy an amazing quality of life and that there doesn't have to be a conflict with environmental stewardship.

What Brought you to Utah and what convinced you to stay?

I took a pretty big detour between Ohio and Utah. When I was at Carnegie Mellon I took an adventurous summer internship in Estonia and after graduating moved to Estonia. I joined the largest industrial company in the country and the Baltics, which had just recently joined the European Union, and was in the process of transitioning from the Soviet era to the much more environmentally demanding world of the EU. During my nearly 7 years in Estonia I moved through various roles. I started in the environmental department where I was responsible for setting up a continuous environmental monitoring and database system in our oil plant. That was a true example of baptism by fire - sending a young American girl to the border of Russia (the plants sit just on the border of Estonia, which is the border of the EU with Russia) with the message that corporate is implementing an environmental monitoring system! From there I moved on to our business development team and spent a considerable amount of time in Jordan in the middle east where I worked with the Jordanian government to set up the environmental framework that would govern their burgeoning oil shale sector. After that I helped identify, acquire, and then set up and run Enefit American Oil here in Utah - which is what brought me to Utah in 2012.

So why did you leave Enefit?

It was a very hard decision to make. I have had an amazing 12 years with Enefit, but 12 years is a long time. It was a very rewarding experience to establish and then grow and steer the company. During that time we achieved a number of the key milestones including successfully obtaining a major federal permit for an oil shale project; which when I first came to Utah, plenty of people told me would never happen. We booked the first oil shale to shale oil reserve in the world. I'm also proud of the strong social license to operate we cultivated. We went from being a complete unknown in the state to having an 84% approval rating.

I'm excited to go from developing one small segment of the industry (oil shale) to much more broadly representing the oil and gas industry. UPA is particularly interesting because there is a lot of opportunity to grow the association and value add for members. There is a real need and opportunity to tell an impressive story of the industry's resilience, technological advancement and significant contributions to the quality of life that we enjoy. I look forward to helping our members amplify their good work and more successfully and proactively telling that story.

UPA Summer 2019 Events

any thanks goes out to our sponsors and participants of the recent UPA Oil & Gas Classic Golf Tournament and the inaugural UPA Basin Shootout! Both were sold out events and we look forward to growing the shootout next year!

Proceeds from these events will go to grow our public relations and community outreach activities and support our state level political objec-

tives. We need to better tell the industry's story. Thank you for helping us amplify your economic contributions, environmental and safety accomplishments, and community stewardship. Together we can keep Utah a friendly home for the oil and gas industry! UPA is growing stronger thanks to your generous support and active participation.

















OCCIDENTAL IS PROUD TO BE THE NO. 1 NATURAL GAS PRODUCER IN THE UINTA BASIN, AND PART OF UTAH'S ENERGY SOLUTION.



Reasons to Join UPA

enjamin Franklin once wrote, "An investment in knowledge pays the best interest." He was right, especially when it comes to practical knowledge. Gaining knowledge — useful knowledge — is a clear strategy for learning how to add value.

That's one of the main reasons why joining an association is a good idea. Done right, it is an investment in yourself and your future.

You can find trade and professional associations with a local, state, or national presence. You might even want to consider belonging to more than one; for example, you could consider a general association, such as your local Chamber of Commerce, but you can also look for something specific to your industry. The federal government lists national and state associations at www.usa.gov and entering "associations" or "consumer trade organizations" into their search feature can provide a range of options. A simple online search can also be surprisingly helpful. Another option is talking with colleagues or other people in your industry, and asking them what organizations they are involved in and what they would recommend.

Put some effort into evaluating any associations you think you might like to join. Check the event calendar and see what's offered. Find out what committees are active and the types of issues typically on their agendas. Connect with current members or ask for referrals, then contact them and ask them about their experiences.

Yes, it costs money to join. Sometimes people think that's a reason not to join. If you join an association and you don't take advantage of the many benefits that are offered in exchange for that membership fee, maybe they are right. Membership by itself does not justify the expense. Fortunately, however, there is more to joining an association than a membership card. After you join an association, what are the main benefits you can expect? Read on.

Relationships

We've gotten used to thinking of networking as a good way to advance a career, but what many people forget is that networking is nothing more than the power of good relationships being put to work. The unspoken foundation is that a network is made up of people who have shared connections, may be allies and even develop into friends. It starts with directories of other association members, committee meetings and work groups, but who knows where those relationships might end?

An association gives you plenty of excuses to get together with others in the association and, while benefiting from other membership benefits, also forging relationships. You can learn a lot from these association connections that often open views and opportunities you might not otherwise have access to. You can create partnerships and alliances. You can help each other. Even if it turns out that some of the relationships you make are business competitors, an association can help your relationship to be more collaborative and less adversarial.

Understanding other people is an important part of doing business with them. Associations are the place where you can gain that understanding.

Pooled Resources

Many associations spend considerable resources ensuring that they understand their specific industries and are active in policy and rulemaking that affect their members' bottom lines. As a result, they research and analyze subjects, share valuable information that may not otherwise be readily available and pool resources to tackle often complex rulemakings and regulatory issues.

By yourself, you may not have the resources to provide the quality of analysis and comments that most associations can provide on proposed rules, policies or other issues. As part of an association, however, you do have the combined resources of the group and often will find subject matter experts and legal resources that are willing to lend their expertise to the association on behalf of another member of the association or as a business development effort. That's a significant benefit. When the people in an association decide they need to engage on a particular subject and use their combined resources to get and share that information with everyone in the group, everyone benefits.

Pooled resources can also mean access to enhanced benefits programs, certification and licensing programs, and discounts.

Advocacy

U.S. business environments are often complex with many competing interests and needs. An association is an excellent way to work together as a group and to advocate for your interests when doing so alone may be less effective, make you vulnerable to retaliation or single you out. Even if you have competing or divergent interests or positions in other areas or issues, coming together with others under the umbrella of an association can add powerful weight to your message. Hiring a lobbyist to represent only your business is not only very expensive, but (worse) it would probably also be less effective. One business by itself doesn't seem all that important to politicians. Get an association involved, though, and the situation changes at once. What is expensive for one person is reasonable for a group of businesses. And when politicians understand that your association represents, say, an entire industry filled with members who are also likely to vote in upcoming elections, suddenly you have the politicians' respect and potential support. Never underestimate the power of acting as a political group.

Educational Opportunities

If you want to know what the best practices in your industry are, the developing trends, or how to prepare for or respond to a changing regulatory or business environment, membership in an association can give you a place to find out. You can learn new techniques, participate in training programs and conferences, and get written materials for yourself and (if people work for you) your employees. If attending national or international conferences is out of reach, you can still participate in webinars and committees. Don't forget the newsletters, either, which are a valuable resource that can give you timely information that has been written with your specific interests and needs in mind.

It is wise to stay current in your field, whether you are involved in formal training or not. An association can help you keep your competitive edge sharp.

Keep in mind, too, that networking is not necessarily just for your personal benefit. Associations give you an opportunity to do something for your community that you couldn't accomplish on your own. They offer a way to repay some of the generous efforts others have made to help you develop your career.

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Join the Utah Petroleum Association

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Government Affairs

UPA has a professional staff to advocate industry positions and issues before Utah's legislature, executive branch, local governments, and other policy makers.

- It is present, active and engaged on Utah's capitol Hill every day of the legislative session.
- It keeps members informed of key legislative initiatives through UPA's Legislative Committee and weekly Legislative Report.



Policy & Regulatory Advocacy

- We bring industry together to understand and unite on proposed regulations and negotiate the industry's position with key regulatory agencies; we shape the policy that impacts your operations.
- We monitor and engage with each regulatory agency and board that affects the interest of Utah's oil and gas industry.
- We participate in coalitions, work groups and boards to represent the industry and regularly form coalitions with other associations to achieve our members' public policy goals.



Member Networking

- We provide meetings, sporting events and other opportunities to get to know industry colleagues and share best practices.
- We organize workshops and seminars to provide critical information and education on important issues – some with continuing education credit opportunities (coming soon!)
- We have tradeshow and marketing opportunities for vendors to exhibit products and services to your target clients.



Public Relations & Community Outreach

- Our goal is to keep our supporters informed to ensure that Utah remains friendly to the oil and gas industry!
- We create effective messaging to educate and positively influence decision makers and the public.
- We provide communications to promote the economic and social value and the environmental and safety achievements of our industry.
- We sponsor community outreach events to bring the public and industry together, building good will and fostering a better understanding of our industry.

Join more than 100 member companies in a shared commitment to better Utah's business environment, expand opportunities and move the industry forward. Your membership dollars fund critical advocacy programs that promote demand for petroleum products and protect supply at the state level. UPA holds networking and informational events that bring together industry executives and professionals to learn, forge mutually beneficial relationships, and advance the interests of the industry.



Learn More at:

https://utahpetroleum.org/membership/

IMO 2020 Will Fuel Utah's Economy

he shale revolution has been good for the US and good for Utah. Not only has it reduced U.S. dependence on foreign energy, it has also created high paying jobs, funded local schools, and provided revenues back to the state and local counties that are home to production. If current policies continue, then the 2020 sulfur standards for the International Maritime Organization (also known as "IMO 2020") stand to further boost Utah's already-thriving energy sector.

Eleven of Utah's 29 counties produce oil or natural gas. When it comes to producing oil in the U.S., Utah is the 10th largest producer and is in 13th place for gas production. The oil and gas industry is a key wealth generating industry significantly contributing to the state's economy. For example, the Utah School and Institutional Trust Lands Administration, SITLA, manages the state's 3.4 million acres of trust lands for the benefit of 12 beneficiaries, primarily public schools. In 2018, 45 percent of the \$61.8M deposited into the fund was from oil and gas, the single largest contributor.

The Utah Petroleum Association is proud of the role our industry plays in driving the state's economy. Our members represent companies across every segment of the industry, from upstream producers, primarily located in the Uintah Basin, to midstream and service companies, to the five refineries in the Wasatch Front. Our association is also proud to be a member of the Coalition for American Energy Security, which is a coalition of industry associations, integrated energy companies, manufacturing workers, refiners, shipping companies, and other groups that are pushing for an "on time" implementation of the IMO 2020 sulfur reduction requirements.

The U.S. approved the IMO 2020 standards more than 10 years ago. These standards, which are slated to take effect on Jan. 1, 2020, will reduce the amount of sulfur in the fuel used by ships globally from 3.5 percent to 0.5 percent. Not only will the standards reduce sulfur pollution, they will also promote U.S. energy dominance. The U.S. already enforces sulfur standards that are five times more stringent than those required by IMO 2020, and it's refining sector is positioned to be completely ready by January. As a result, the standards are a win-win for our country. We joined the coalition because the IMO 2020 standards will further solidify the US's role as the global energy leader and support our industry in the state while also providing for reduced global sulfur levels.

Energy and Environmental Research Associations released a study on May 16, 2019 to analyze the economic benefits of IMO 2020. According to the study's co-authors, Dr. James J. Corbett from the University of Delaware and Dr. Edward W. Carr from Clark University, the U.S. is ready to provide the advanced fuels and technologies that are needed to achieve IMO 2020 standards, and they already have a competitive advantage. U.S. Coast Admiral John Nadeau agrees; he has said that the U.S. is more than ready for the standards.

IMO 2020 is already providing benefits to U.S. manufacturing employees. A few years ago, PBF Energy invested upwards of



\$100 million in a Delaware City refinery that was about to close. Now the refinery is blending low-sulfur fuel, is running at almost full capacity, and employs approximately 600 well-paid manufacturing workers.

Other refineries across the U.S. have made similar investments in order to meet the increasing demand for low-sulfur fuel. Fortunately for the U.S., many foreign refiners have not made similar investments. That has given the U.S. a significant international competitive advantage. For example, a senior research analyst at IHS Markit has said that Russia is not prepared for the standards to be implemented and cannot possibly be ready by the beginning of January 2020. Russia is not alone and an "on time" implementation of the standard will provide a significant market advantage to those that made the necessary and timely capital investments, such as the US refining sector.

Columbia University's Center on Global Energy Policy has said that a delay would be harmful to the U.S. businesses, particularly shippers and refiners in the energy industry, which have already spent a significant amount of time and money during the last 10 years preparing to comply. The countries that would benefit from a delay are those that held off on undertaking costly investments.

Lawmakers in Washington are beginning to understand the opportunity that IMO 2020 presents to the American energy sector. In April 2019, 14 senators sent a letter to the Trump administration, asking it to avoid anything that would delay implementation of the standards. They said that the consequences of a delay would include market uncertainty, harm for the U.S. energy industry, and adverse effects on consumers."

President Trump has approved pipelines, reduced unnecessary regulatory burdens and has created an environment allowing the U.S. energy sector to flourish and emerge as a global leader. This global leadership is not only beneficial for the US, but sets the standard in terms of industry efficiency and environmental performance. If his administration continues to support the IMO 2020 standards, energy producing states like Utah stand to benefit and the broader U.S. energy industry can expect further gains in their dominance of the worldwide market for low-sulfur fuel.



Ozone Challenges Leading UPA to Team Up

oth our upstream and downstream members have been spending considerable time and energy on ozone nonattainment issues. As a refresher, both the airsheds along the Uintah Basin as well as the Wasatch Front were declared in nonattainment of the 2015 ozone standard (70 ppb for an eight-hour average) effective August 3, 2018. Areas classified as marginal nonattainment must either attain the standard or be bumped up to moderate attainment by the third year after designation (August 2021). Based on current data, both the Wasatch Front and the Uintah Basin are anticipated to bump up to marginal nonattainment.

What does that actually mean? The start of an ever escalating series of regulations, costs and uncertainty, all without any assurance that those burdens will actually result in the needed air quality improvements. While that may sound like the typical industry skeptic view, there is broad consensus amongst various stakeholders that unfortunately, the best available models of Uinta Basin air quality are unable to accurately simulate reality. Regulatory emissions reduction plans that rely on flawed models are certain to have an economic cost but are likely to be ineffective at reducing ozone. With the August 2021 deadline getting closer, UPA's efforts to find solutions have been ramping up.

In the spring, we announced a joint effort between UPA and the Utah Mining Association (UMA) focused on the Wasatch Front. We are collaboratively working to demonstrate the impact of exceptional events, such as wildfires, while also evaluating the role of transport of domestic and international background ozone. This work effort will take months of rigorous evaluation before we have confidence if the strategy can support demonstrating attainment of the standard "but for" the combined exceptional events and international emissions (per Section 179B of the Clean Air Act). For updates on this effort, please reach out to Rikki or Rachel Agnew with Chevron, who is currently the Chair of the Refinery Environmental Subcommittee. Looking ahead, this committee is also closely following the work of DEQ and EPA on the Clean Data Determination for the Salt Lake PM 2.5 nonattainment area.

Similarly, to better coordinate efforts and resources, our Upstream Committee has partnered with the Western Energy Alliance (The Alliance) to create the Joint Utah Upstream Air Quality Subcommittee. This subcommittee works jointly on all air quality issues impacting the Uintah Basin, from various upcoming Federal Implementation Plans (FIPs) to the looming jump to moderate ozone nonattainment. The challenge of being able to defend an attainment demonstration for the basin is significantly greater than along the Wasatch Front. UPA's goal for the basin is rather to halt the inevitable progression from moderate to serious nonattainment and beyond. Efforts are underway to consider such strategies as well as what further data and modelling will be needed to tackle this issue.

In addition to these efforts UPA actively participates in the Uintah Basin Ozone Working Group and is excited to join the steering committee as Dr. Laura Nelson from the Office of Energy Development steps up to lead the group. Many thanks goes out to Marie Durrant for helping to bring the broad stakeholder group together and her leadership of the group for more than a year. UPA and the Alliance recently jointly commented on the Advanced Notice for Proposed Rulemaking for a Federal Implementation Plan to Establish a Bank for Ozone Precursor Emission Reduction Credits from Existing Sources on Indian Country Lands Within the Uinta Basin Ozone Nonattainment Area, (ANPR). We look forward to continuing this collaboration to find proactive solutions to the basin's air quality challenges.

We were also honored to host EPA Region Eight Administrator Gregory Sopkin for a lunch and learn event in Denver on August 9th. Administrator Sopkin talked about his focus on communication and transparency as well as a desire to allow states to come up with locally tailored solutions that meet their needs while also fulfilling EPA requirements. We applaud the Administrator for delivering on those principals in the following productive and engaging conversation. Topics discussed ranged from the current limitations and areas of needed improvement in the air quality model for the basin, to concerns around the emissions inventory, the Wasatch Front Clean Data Determination and forward path on PM 2.5 and various other upstream and downstream air quality issues.

UPA is committed to being part of the solution to our air quality challenges both along the Wasatch Front and in the Uintah Basin. We will continue to advocate for smart solutions and look for opportunities to partner to pool resources and leverage expertise.

EFFECT OF THE UTAH Medical Cannabis Act on Private Employers

number of our clients have asked us what effect, if any, Utah's new marijuana law will have on their drug-testing policies, and relatedly, whether they must accommodate use of medical marijuana by their employees. As discussed below, the answer is currently unclear; however, it appears unlikely that the new law will have a significant legal effect on private employers.

As a reminder, in November, Utah voters passed Proposition 2, legalizing medical marijuana. Weeks later, the Utah Legislature passed a compromise bill, the Utah Medical Cannabis Act (the "Act"), which revised and superseded Proposition 2. The Act was signed into law on December 3, 2018.

Initial versions of the Act prohibited discrimination in employment based solely on an individual's status as a medical cannabis cardholder. Specifically, the proposed provision stated:

"An employer may not refuse to hire, suspend, terminate, take an adverse employment action against, or otherwise penalize an individual solely for the individual's status as a medical cannabis cardholder, unless failing to do so would cause the employer to lose a monetary or licensing-related benefit under federal law."

See Draft Utah Medical Cannabis Act (2019FL-4444/020), dated October 4, 2018, at lines 1442-45.

Importantly, the version of the Act that was signed into law only prohibits discrimination with regard to government employment (Utah Code Ann. s 26-61a-111). It states that the state or any political subdivision must treat "an employee's [legal] use of medical cannabis ... in the same way the state or political subdivision treats employee use of opioids and opiates" except where doing so "would jeopardize federal funding for the employee's position." (Utah Code Ann. s 26-61a-111(2)(a), (b)).)

Some states outside of Utah that recently adopted marijuana laws have provided employers with much more certainty by including specific carve-outs for employer drug testing and discipline. For example, both Vermont and Michigan passed ballot initiatives legalizing the recreational use of marijuana by persons 21 years of age or older. Michigan's new law specifically states that employers need not "permit or accommodate [use of medical marijuana] in the workplace or on the employer's property," and may discipline employees for violating "workplace drug policy or for working while under the influence" of marijuana (Mich. Comp. Laws Ann. § 333.27954(3)). Vermont's law similarly provides that employers are not required to "accommodate the use, consumption, possession, transfer, display, transportation, sale, or growing of marijuana in the workplace" and may discharge "an employees." (Vt. Stat. Ann. tit. 18, § 4230).

Unfortunately, Utah's new law is silent with respect to private employers and drug testing. This raises some concern because individuals eligible for a medical cannabis card are also likely to be protected by the Americans with

Marijuana

Disabilities Act and the Utah Antidiscrimination Act. See Utah Code Ann. § 26-61a-104(2)(a)-(p) (which lists qualifying conditions for a medical cannabis card). Although there are open questions regarding how the Act will be interpreted and applied, it appears unlikely that Utah courts will, as a result of the Act, require private employers to change their drug testing policies and/or accommodate the use of medical cannabis.

To begin with, the Utah Legislature's consideration and rejection of a provision prohibiting discrimination by private employers against medical cannabis cardholders gives Utah companies an argument that the Act should not affect their current drug-testing policies. Further, unless expressly provided for by statute, most courts have concluded that the decriminalization of medical marijuana does not shield employees from adverse employment actions. Compare, e.g., Roe v. TeleTech Customer Care Mgmt. (Colorado) LLC, 171 Wash. 2d 736, 752 (2011) (recognizing that statutory silence supports the conclusion that private employers are not required to accommodate off-site medical marijuana use) with Whitmire v. Wal-Mart Stores Inc., No. CV-17-08108-PCT-JAT, 2019 WL 479842, at *8 (D. Ariz. Feb. 7, 2019) (recognizing the "drastic dissimilarity" between medical marijuana statutes that do not apply to private employment and Arizona's statute, which prohibits employers from terminating medical marijuana users unless they used, possessed, or were impaired by marijuana on-site and during work hours). Because Utah's statute is silent as to accommodation of medical marijuana use, such accommodation does not appear to be required.

That being said, employers interested in taking a more conservative approach should, at the very least, engage in an interactive process with the applicant or employee to evaluate other options, such as different medications, before making employment decisions. See Barbuto v. Advantage Sales & Mktg., LLC, 477 Mass. 456, 466 (2017) (stating that even if the accommodation of the use of medical marijuana were facially unreasonable, Massachusetts employers are still obligated to participate in the interactive process to explore whether there was an alternative, equally effective, medication the employee could use that was not prohibited by the employer's drug policy).

If you have a fact-specific inquiry, including regarding your drug testing policy or a requested accommodation, you should consult legal counsel.



Jascha Clark practices in Ray Quinney & Nebeker's Employment & Labor Law and Litigation Sections. Mr. Clark advises clients on an array of personnel-related matters involving compliance with federal and state labor and employment laws – from day-to-day human resource issues (such as employee discipline, employee leave, wage and hour questions, and disability accommodation) to defending employers from claims involving employment discrimination and harassment. Mr. Clark also drafts and revises handbooks and other employment-related policies and procedures.

Vomen in Petroleun

Hiring as many qualified employees as possible means you have to hire women as well as men, or too many jobs will stay empty. Only 15 percent of the workforce in the oil and gas industry currently consists of women.

he petroleum industry is facing a problem shared by many industries. As the baby boom generation enters retirement in ever-larger numbers, many open jobs are getting harder to fill. Male-dominated industries are being forced to face an important reality.

Hiring as many qualified employees as possible means you have to hire women as well as men, or too many jobs will stay empty. Only 15 percent of the workforce in the oil and gas industry currently consists of women. For the higher-paying technical jobs, that percentage drops even lower, to approximately half . Yet half the world's population consists of women. Clearly, women are under-represented in an industry that has many challenging, rewarding, and high-paying jobs just waiting for the right person to fill them.

How well do these jobs pay? According to researchers at Bloomberg, energy (including oil

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It is important for the petroleum industry to hire as many people as possible, because there is so much work to be done. Although progress is being made in the renewable energy sector, the oil and gas industry supplies about half of all energy needs throughout the world. It's going to be a while before that situation changes.

and gas) had the highest average industry salaries in the U.S. in 2018. The median salary in 2017 was \$123,000. The U.S. Department of Labor's Bureau of Labor Statistics listed the following stats in July 2019:

Industry	Hourly mean wage	Annual mean wage
Oil and gas extraction	\$75.73	\$157,520
Petroleum and coal products manufacturing	\$68.72	\$142,930

Schools are trying to help. Many of them are developing an infrastructure and pipelines that will help women to transition more easily into the industry. As a result, more women are finding their way into the petroleum industry.

There's an advantage to having a more diverse work force. Diversity of gender brings with it diversity of thought, and that translates into teams that are better balanced and that make better decisions as a direct result of that balance.

Now is definitely the time for a shift toward employing more women:

- Women are choosing to study STEM subjects, and those subjects provide a natural path into the petroleum industry.
- Those women who work in the industry say they are being treated with courtesy and respect. That isn't the case in every industry, but it is in this one.
- Petroleum is an excellent choice for those who enjoy the outdoors, because much of the work is done away from an office environment. Lindsey Gordon, one of BP's petroleum engineers, notes that she gets to work by helicopter, and has found great camaraderie with fellow employees working with her in an offshore environment.

 Although it can be difficult to balance the demands of work and children, having a spouse who is a full-partner makes a real difference. That is more likely to happen now than ever before. In addition, it is also important to be very clear about priorities. Nobody can do everything. You have to make choices. But if you are clear about the main direction, a career and a family are not mutually exclusive.

Who are some of the women who have gotten involved?

- Katie Mehnert, CEO of a business called Pink Petro that she started in 2015 with money from Shell and other companies in the energy industry, is working to recruit more women because she sees the need. The biggest problem she has is just getting women to apply. They don't think they've got a shot at the jobs, and maybe they don't realize how good the pay is. She is trying to change that.
- In 2016, Vicki Hollub became the first women in the U.S. to lead an oil company. She is the president and CEO of Occidental Petroleum.
- Christina Smith, the former manager of a Subway store who also worked at a dive shop until she was laid off, decided to go back to school. She learned about a scholarship program sponsored by Shell and Marathon. The program paid for her degree. Now, at 40, she works in Deer Park at a Shell plant as a shift supervisor. She says she hasn't had to deal with harassment or discrimination. She feels respected, at least in part because she also thinks people listen to what she has to say.
- Lori Fremin is a Shell employee who is currently working as a general manager for surface engineering. She's been working for Shell for 26 years. She's less than five feet tall. Sometimes the people who meet her don't initially realize that she is part of senior management and that she has an engineering background. She makes it a point to mentor other women.

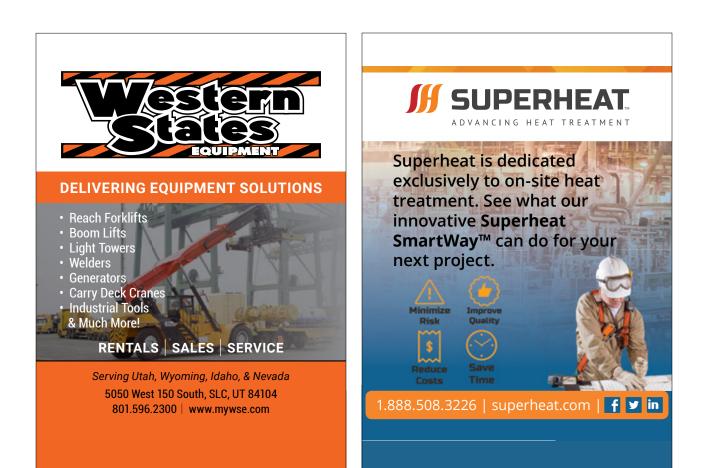
The Society of Petroleum Engineers has a committee called Women in Energy that was organized to promote gender diversity and create career opportunities for women. There are eight members:

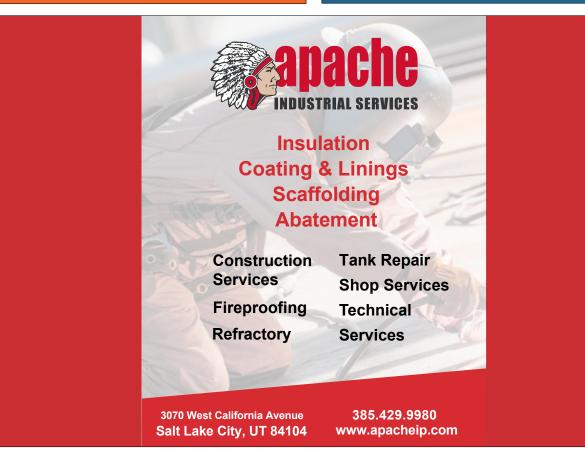
- The chair
- The deputy chair
- An advisor
- Five focus area leads

All committee members except the advisor serve for three years; the advisor can serve as long as four years. For more information about this committee, visit www.spe.org/volunteer/women-in-energy.php.

For those who are thinking about a career in petroleum geology, one book to read is Anomalies — Pioneering Women in Petroleum Geology: 1917–2017 by Robbie Rice Gries. The author, who studied geology at Colorado State University, was the first woman to graduate there in geology. She credits Affirmative Action for the fact that she was treated equally after she was employed; bosses judged women the same way they judged men. Her book celebrates the stories of women who became leaders in the field, starting at a time when women were not allowed a vote in elections. They also had to deal with unfair working conditions and an assumption that they ought to be home if they had husbands and children. One of the women whose stories were included in the book was Emma Summers, who taught piano in the 1890s in Los Angeles and later became known as the Oil Queen of California after doing everything she could to understand the business, including visiting wells, finding out how the equipment worked and learning how to sell oil.

It is important for the petroleum industry to hire as many people as possible, because there is so much work to be done. Although progress is being made in the renewable energy sector, the oil and gas industry supplies about half of all energy needs throughout the world. It's going to be a while before that situation changes. The companies that don't recognize the importance of hiring every qualified applicant are companies that will be less likely to survive in the challenging (and adventurous) years ahead.





Uinta Member Focus



FINLE

Tell us a little bit about your company?

Finley Resources began operations in 1997. We own, manage and develop over 3,000 oil and gas properties in eight states: Alabama, Mississippi, Texas, Oklahoma, New Mexico, Wyoming, North Dakota, and Utah. One of our largest production bases is in Utah. Our primary focus is on acquisition and development with a growing commitment to drilling programs.

What do you think makes you successful?

Our people. We take great pride in hiring great people. Our organizational structure is lean and efficient, and we empower decision-making throughout all levels of the company – we want our people to speak up.

We're a culture of choice – ethically, technically and environmentally. We all know what the right thing is in any given situation. We encourage and support our employees in making the right choices by giving authority starting at low levels and moving all the way to our top management, and then supporting the decisions made. We train our people and we trust our people.

Our Mission

We are a company with specific, time-bound profitability and growth goals accomplished by financial and goal discipline in our core operating areas.

We are able to act on any transaction and close quickly, no matter the complexity, to further those goals.

This mission gives our employees continuous opportunities to further their professional learning and development.



http://finleyresources.com/



What makes your company different?

Our employees are empowered to make decisions and structure deals that conform to our mission statement. Our employees know and expect that the Company will stand behind their deals and support their decisions. We encourage our staff to bring innovative ideas to our environment daily and we support employee decisions to further develop their decision-making ability.

Our mission statement translates our culture into each work day:

- We strive to structure deals that are win-win. We never take the last nickel off the table.
- We return phone calls and treat everyone who contacts our Company with respect and respond to their needs.
- We are open, honest, and to the point, in our dealings. If we make a mistake or error, we correct it promptly.
- We follow through on deals we make, even if we lose money.
- We consider and respond to the suggestions our partners make.
- We manage our financial affairs in a responsible manner.
- We rely on each other, sharing successes and failures. Our work ethic reflects the need for urgency and all hands on deck when the company needs us.
- We exercise collaborative, informed decision-making to maximize long-term value. We encourage, accept and value innovative and forward thinking.
- We change direction in unison when economic conditions present opportunities or challenges.
- We value each employee and care about the employees' families and their well-being.

What about philanthropy? How important is that for your culture?

As a company, we are all about philanthropy in the communities we work in. Being a good corporate citizen is important for us and our employees. Some of the charities we support are:

- Boys and Girls Clubs of Greater Fort Worth
- FWPD S.W.A.T. Group
- Cherokee Crossroads
- Jackson Hole One Fly
- Two Fly Foundation
- Rivertree Academy
- · Longhorn Council Boy Scouts of America

- DRC Community Solutions to End Homelessness
- Trout Unlimited
- College of Natural Sciences
- · Optimist Club of Fort Worth
- Cristo Rey Fort Worth High School

What advice would you give to a young person going into the petroleum industry?

Do the right thing. Adhere to ethics above all. Learn the business from the ground up. Bring new ideas to the forefront. All industries need new ideas, including this one. And help those around you.

What do you see as the future trends in the petroleum industry?

Well first, this industry is going to be around for a long time. It's really great industry; it provides a real combination of field work and office work, and I think that's appealing to a lot of people. I see this industry as growing.

It's an exciting field, and one in need of good people. Technology, sustainability and mobility are three top reasons to consider the oil and gas industry. We are seeing that technology and being technology proficient is a really important part of the industry, which is something that we are really invested in as a company. As interest in environmental sustainability within the petroleum sector grows, so does the demand for people who are qualified to help our industry monitor, manage and improve our impact on the environment.

I think the domestic oil and gas industry is going to increase in value as we're geopolitically more stable. I think we're going to see more and more emphasis put on energy efficiency, which we should all strive towards.

If you could look back at your career and condense it all into one lesson learned, what would it be?

Work hard and think bigger.



Thank You Chairman's Circle Members



Big West Oil is committed to be a top-tier refiner, marketer, and employer in the Rocky Mountain Region, focused on building lasting value through operational excellence, continuous improvement, and pursuit of internal and external growth opportunities.

We will accomplish this by embracing the following value statements: Integrity and Responsibility, People and Community, Relationships with Partners, Performance and Continuous Improvement.



Chevron's success is driven by our people and their commitment to getting the results the right way - by operating responsibly, executing with excellence, applying innovative technologies and capturing new opportunities for profitable growth.

Our company's foundation is built on our values, which distinguish us and guide our actions to deliver results. We conduct our business in a socially responsible and ethical manner, protect people and the environment, support universal human rights, and benefit the communities where we work.



ConocoPhillips is the world's largest independent E&P company based on proved reserves and production of liquids and natural gas.

We explore for, develop and produce crude oil and natural gas globally with a relentless focus on safety and environmental stewardship.

To learn more, visit conocophillips.com.



Encana is a leading North American resource play company focused on oil and natural gas production, growing its strong multi-basin portfolio and increasing shareholder value and profitability. By partnering with employees, community organizations and local businesses, Encana contributes to the strength and sustainability of the communities where it operates. Our strategy is built on four Pillars—top tier assets; market fundamentals; capital allocation; and operational excellence—which are critical to our business success.

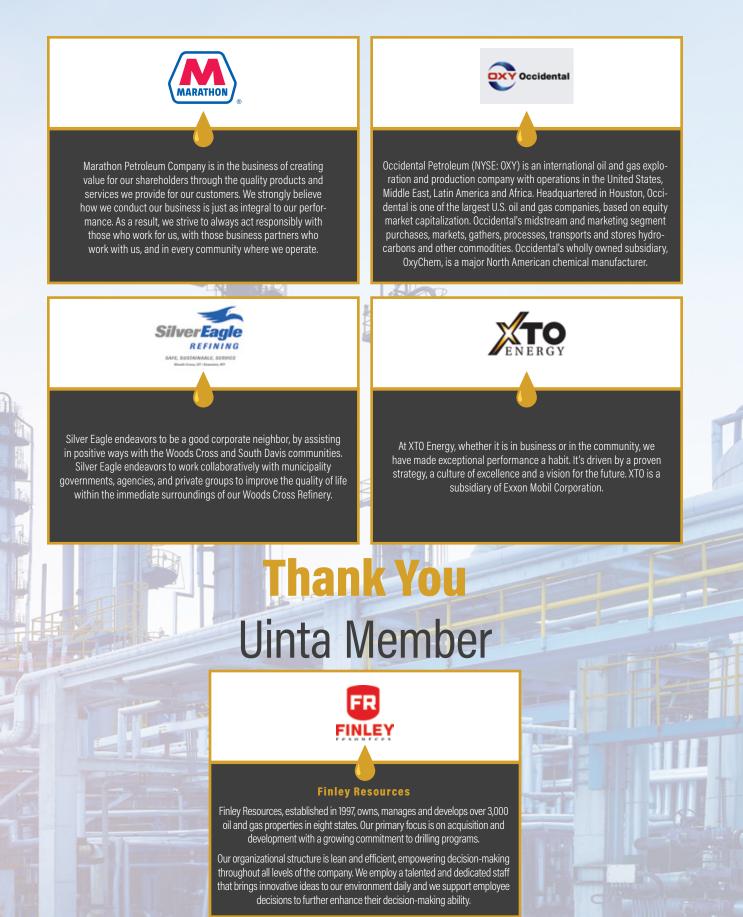


EOG Resources, Inc. is one of the largest crude oil and natural gas exploration and production companies in the United States with proved reserves in the United States, Trinidad and China. EOG's business strategy is to maximize the rate of return on investment of capital by controlling operating and capital costs and maximizing reserve recoveries. EOG strives to maintain the lowest possible operating cost structure that is consistent with prudent and safe operations.



HollyFrontier Corporation, headquartered in Dallas, TX, is an independent petroleum refiner and marketer that produces high value light products such as gasoline, diesel fuel, jet fuel and other specialty products.

HollyFrontier owns and operates refineries located in KS, OK, NM, WY and UT and markets its refined products principally in the southwest U.S., the Rocky Mountains extending into the pacific northwest and in neighboring plains states. HollyFrontier produces base oils and other specialized lubricants in the U.S., Canada and the Netherlands, and exports products to more than 80 countries.





Utah Petroleum

BEEHIVE

INSURANCE

UPA Is Proud To Join Forces With The Coalition for American Energy Security (CAES)

AES is a diverse and broad coalition of American manufacturing workers, integrated energy companies, refiners, industry associations, shipping companies and other groups that play a crucial role in the maritime fuel supply chain. CAES is committed to the scheduled implementation of the International Maritime Organization's 2020 low-sulfur fuel standards, which America's energy industry is best positioned to meet. IMO 2020 will be good for U.S. workers, the environment, and will strengthen America's energy dominance in the global oil market. UPA is proud to be a member of this effort and we would encourage you to find out more at the **CAES website**.



https://americanenergysecurity.com/

Check Out the Utah Petroleum Association's Health Plans!

he new UPA health and wellness plans can help your company avoid the ACA community rating and join a large group pool of petroleum companies to help control cost. Any UPA member that is directly involved in or supports the petroleum industry can participate in the program.

Member Benefits:

- Groups with 2-200 benefit eligible employees can participate in the UPA plans
- By joining the UPA plan, you are eligible for large group plan designs & premium benefits
 Your group may choose from a wide variety of plans to meet your specific needs,
- including life, accident, hospitalization and critical illness coverage.

Check out our website for more information or contact https://utahpetroleum.org/insurance-benefits/ upa@beehiveinsurance.com 801-685-6892 | Beehiveinsurance.com





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Rick St. Laurent 714.466.7118 rstlaurent@aegion.com

www.aegion.com

Michael Wolf 714.450.2845 mwolf@aegion.com