

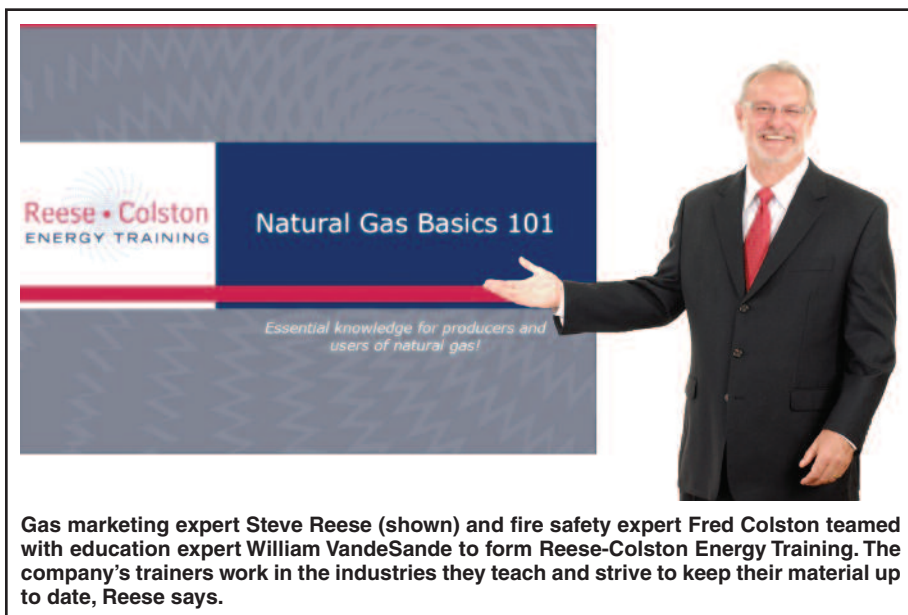
Old Hands Form New Companies To Serve, Supply Producers

By Colter Cookson

Like producers and operators, the service and supply sector runs on equal parts innovation and opportunity.

Turning a bright idea into a commercial business opportunity sometimes means starting a new company. That requires guts, experience and funding.

But many service and supply entrepreneurs have something else: a rock-solid belief in the oil and gas industry. For them, helping producers and operators is more than a way to turn a profit. Whether they focus on protecting the environment, enhancing oil recovery, training young employees, refining pumps or developing software, service and supply companies take pride in being part of an industry that provides the energy to power the world.



extracted, and what values are associated with the NGLs,” Reese details. “Then we apply certain contractual terms to that process and show producers how their revenue is affected at the wellhead.”

All of the courses are one or two days long and cost less than \$1,000 for each attendee, he notes, stating, “We feel we can convey a lot of knowledge in that time span.”

Although it offers public courses, Reese says the company prefers to conduct in-house seminars. “It is cheaper for the client; its personnel do not need to travel, and we give it a discount per student,” he explains.

The in-house classes also make it easier to explain the bigger picture, he indicates. To illustrate, he uses a recent class. “I had 80 students from the client’s marketing, legal, operations, and information technology departments,” he recalls. “Once you have a flavor for who is in the class, you can convey how their jobs interact.

“We want to be a company’s internal training process,” he continues. “With courses related to natural gas, power, hedging and safety, we want to be the people our clients call because they know we can be there. They will not need to worry about the internal experts’ schedules or what else they need to do.”

Despite its focus on in-house seminars, Reese-Colston will continue offering public seminars so it can reach smaller companies that do not have enough staff to need an in-house seminar, according to Reese.

For clients that do not wish to travel, Reese-Colston offers online courses. “We are incorporating tests and quizzes so supervisors know employees understand the material,” Reese says, adding that courses include graphics and video.

Whatever the format, the courses will be objective, Reese assures. “We have been in the business for 20-30 years, and most of us have worked for several companies,” he notes. “We will bring what we perceive as the real world perspective with no fluff.” □

Gas marketing expert Steve Reese (shown) and fire safety expert Fred Colston teamed with education expert William VandeSande to form Reese-Colston Energy Training. The company’s trainers work in the industries they teach and strive to keep their material up to date, Reese says.

Industry Trainer

Steve Reese co-founded Reese-Colston Energy Training earlier this year with fire safety expert Fred Colston and education expert William VandeSande, employing trainers the three partners had worked with at other companies. “Our goal is to bridge the gap between the people in the industry who are 30 years old and the people in the industry who are 50 years old,” he says. “We think we can best articulate our knowledge. The key is this: We are professionals in the industry who like to train.”

In addition to ensuring their expertise, continuing to work in their fields has enabled Reese-Colston’s trainers to offer better services, Reese says. “Because training is not our primary source of income, it is easier for us to set reasonable prices and to invest money into the company to make sure our materials are of a high standard,” he indicates.

According to Reese, the company’s courses cover:

- The natural gas industry as a whole;
- The gas midstream arena;
- Gas hedging;
- Gas processing agreements and negotiations;
- The refinery industry in nontechnical

language;

- Oil and gas law; and
- Occupational Safety & Health Administration guidelines.

He says Reese-Colston is adding an introduction to electricity, a course on pipeline scheduling, and a division order and revenue distribution course.

The courses are divided into basic and advanced versions, Reese indicates. “Our flagship basic course is Natural Gas Basics 101,” he says. “It is designed to bring a layman from the wellhead to the burner tip through the three main phases of the business: the financial side, the contractual side, and the operations side. Most attendees go away with a working knowledge of how natural gas is produced, gathered, transported, processed, distributed, and marketed.”

The more advanced courses tend to be more technical in nature, Reese goes on. “The instructor is going to drill down onto some hard numbers and give a flavor of being in that business every day.”

To demonstrate, he references the advanced gas processing course. “We take typical gas from a well all the way through a gathering system and a gas plant, showing what happens to the gas’s volume and heating value, how the liquids are