



OIL & NATURAL GAS EMPLOYMENT, ESTABLISHMENTS REPORT

FOR Q1 2017



BY THE TEXAS INDEPENDENT PRODUCERS & ROYALTY OWNERS ASSOCIATION

OCTOBER 2017

About TIPRO

The Texas Independent Producers & Royalty Owners Association (TIPRO) is a trade association representing the interests of over 3,000 independent oil and natural gas producers and royalty owners throughout Texas. As one of the nation's largest statewide associations representing both independent producers and royalty owners, members include small businesses, the largest, publicly-traded independent producers, and mineral owners, estates, and trusts. Members of TIPRO are responsible for producing more than 85 percent of the natural gas and 70 percent of the oil within Texas, and own mineral interests in millions of acres across the state.



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Introduction

TIPRO is pleased to release employment and establishment data for the U.S. oil and gas industry from the first quarter of 2017, the most current data available at the time of publishing this report. A full “*State of Energy Report for 2017*” will be compiled upon the release of updated U.S. census data and will include additional economic data tracked by TIPRO, including wages, payroll, and oil and natural gas production figures.

Key state and national findings:

- The U.S. oil and gas industry experienced a net loss of 21,521 jobs in the first quarter of 2017 compared to FY 2016. U.S. oil and gas jobs totaled 829,718 in the first quarter of the year.
- The U.S. oil and gas industry gained a combined 12,979 jobs in the Drilling Oil and Gas Wells and Support Activities for Oil and Gas Operations sectors in the first quarter of 2017.
- The U.S. oil and gas industry lost 1,348 oil and natural gas establishments in the first quarter of 2017, for a total of 40,337.
- Texas lost 12,007 oil and gas jobs in the first quarter, the largest decline in the country, for a total of 313,408 jobs.
- The Texas Oil and Gas Extraction Sector experienced the biggest drop in employment between 2016 and the first quarter of 2017, with a net loss of 17,870 jobs.
- Texas had a net positive gain in employment in five of the nine industry sectors in the first quarter of 2017 compared to FY 2016.
- Texas added 218 new oil and gas businesses in the state, the largest increase in the country. Total oil and gas related businesses in the state was equal to 12,500.

Detailed statistics for national and state oil and natural gas employment and establishment data can be found in the following appendices.

All data is derived from the U.S. Bureau of Labor Statistic’s QCEW (Quarterly Census of Employment and Wages) Series. The data from this source provides the most comprehensive source of industry data at the state level and allows for a true state-by-state comparison using the same data source. This series collects data from the state unemployment reports and as a result supplies a census of employment and establishments information. Establishments are single economic units, usually a single location. Companies often have multiple establishments at multiple locations. The term “businesses” may be used to refer to an establishment to facilitate ease of use and understanding. 2017 data is for the first quarter of the year. As such, the 2017 data does not represent the complete year of 2017, and will tend to undercount sectors that are growing when compared with the full year of 2017.

OIL & GAS EMPLOYMENT BY STATE

2016-2017(Q1)

	<u>2016</u>	<u>2017-Q1</u>	<u>Percent Change</u> <u>'16-'17</u>	<u>Numeric Change</u> <u>'16-'17</u>
Alabama	5,417	5,416	-0.02%	-1
Alaska	12,473	11,261	-9.72%	-1,212
Arizona	1,872	1,741	-7.00%	-131
Arkansas	5,904	5,094	-13.72%	-810
California	37,368	35,450	-5.13%	-1,918
Colorado	23,104	23,562	1.98%	458
Connecticut	1,473	1,421	-3.53%	-52
Delaware	229	226	-1.31%	-3
District Of Columbia	-	-	-	-
Florida	5,899	6,242	5.81%	343
Georgia	5,301	5,496	3.68%	195
Hawaii	1,064	1,129	6.11%	65
Idaho	495	508	2.63%	13
Illinois	13,798	13,795	-0.02%	-3
Indiana	5,214	5,164	-0.96%	-50
Iowa	2,264	2,269	0.22%	5
Kansas	10,447	10,223	-2.14%	-224
Kentucky	4,698	4,511	-3.98%	-187
Louisiana	54,688	50,450	-7.75%	-4,238
Maine	692	641	-7.37%	-51
Maryland	2,070	1,821	-12.03%	-249
Massachusetts	4,282	4,375	2.17%	93
Michigan	8,347	8,617	3.23%	270
Minnesota	4,217	4,166	-1.21%	-51
Mississippi	4,968	6,777	36.41%	1,809
Missouri	4,845	4,756	-1.84%	-89
Montana	4,763	4,556	-4.35%	-207
Nebraska	1,746	1,704	-2.41%	-42
Nevada	572	575	0.52%	3
New Hampshire	645	665	3.10%	20
New Jersey	9,216	8,526	-7.49%	-690
New Mexico	17,390	17,750	2.07%	360
New York	10,803	10,589	-1.98%	-214
North Carolina	5,405	5,175	-4.26%	-230
North Dakota	15,982	17,014	6.46%	1,032
Ohio	18,763	18,711	-0.28%	-52
Oklahoma	58,685	57,444	-2.11%	-1,241
Oregon	2,209	1,089	-50.70%	-1,120
Pennsylvania	26,838	26,497	-1.27%	-341
Puerto Rico	1,136	1,144	0.70%	8
Rhode Island	-	-	-	-
South Carolina	1,660	1,720	3.61%	60
South Dakota	1,300	1,231	-5.31%	-69
Tennessee	2,741	2,763	0.80%	22
Texas	325,415	313,408	-3.69%	-12,007
Utah	6,392	6,298	-1.47%	-94
Vermont	286	-	-100.00%	-286
Virgin Islands	76	375	393.42%	299
Virginia	4,462	4,510	1.08%	48
Washington	5,119	5,078	-0.80%	-41
West Virginia	9,738	9,182	-5.71%	-556
Wisconsin	2,251	2,472	9.82%	221
Wyoming	12,769	13,107	2.65%	338
U.S. Total	829,718	808,197	-2.59%	-21,521

Data was rounded for ease of use. More detailed data was used to reach all numeric and percentage changes.
Using the rounded data on this page could result in different numeric and percentage numbers.

U.S. OIL & GAS EMPLOYMENT - BY SECTOR

2016-2017(Q1)

	<u>2016</u>	<u>2017-Q1</u>	<u>Percent Change</u> <u>'16-'17</u>	<u>Numeric Change</u> <u>'16-'17</u>
Oil and gas extraction	174,948	142,881	-18.33%	-32,067
Drilling oil and gas wells	45,344	51,571	13.73%	6,227
Support activities for oil and gas operations	202,301	209,053	3.34%	6,752
Natural gas distribution	112,214	111,838	-0.34%	-376
Petroleum refineries	69,154	70,414	1.82%	1,260
Petrochemical manufacturing	26,391	25,836	-2.10%	-555
Oil and gas field machinery and equipment	55,315	52,443	-5.19%	-2,872
Petroleum merchant wholesalers	95,098	94,819	-0.29%	-279
Pipeline transportation	48,953	49,343	0.80%	390

TEXAS OIL & GAS EMPLOYMENT - BY SECTOR

2016-2017(Q1)

	<u>2016</u>	<u>2017-Q1</u>	<u>Percent Change</u> <u>'16-'17</u>	<u>Numeric Change</u> <u>'16-'17</u>
Oil and gas extraction	93,333	75,463	-19.15%	-17,870
Drilling oil and gas wells	24,268	27,037	11.41%	2,769
Support activities for oil and gas operations	90,732	95,704	5.48%	4,972
Natural gas distribution	7,289	7,375	1.18%	86
Petroleum refineries	19,493	19,366	-0.65%	-127
Petrochemical manufacturing	17,581	17,605	0.14%	24
Oil and gas field machinery and equipment	37,297	35,174	-5.69%	-2,123
Petroleum merchant wholesalers	17,099	17,047	-0.30%	-52
Pipeline transportation	18,323	18,636	1.71%	313

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Source: U.S. Bureau of Labor Statistics
All data for the first quarter of 2017 is preliminary.

OIL & GAS ESTABLISHMENTS BY STATE

2016-2017(Q1)

	<u>2016</u>	<u>2017-Q1</u>	<u>Percent Change</u> <u>'16-'17</u>	<u>Numeric Change</u> <u>'16-'17</u>
Alabama	427	434	1.64%	7
Alaska	198	194	-2.02%	-4
Arizona	180	179	-0.56%	-1
Arkansas	625	604	-3.36%	-21
California	1,572	1,527	-2.86%	-45
Colorado	1,699	1,630	-4.06%	-69
Connecticut	89	87	-2.25%	-2
Delaware	35	32	-8.57%	-3
District Of Columbia	11	12	9.09%	1
Florida	655	666	1.68%	11
Georgia	381	374	-1.84%	-7
Hawaii	59	58	-1.69%	-1
Idaho	122	113	-7.38%	-9
Illinois	879	876	-0.34%	-3
Indiana	378	383	1.32%	5
Iowa	252	248	-1.59%	-4
Kansas	1,287	1,259	-2.18%	-28
Kentucky	530	510	-3.77%	-20
Louisiana	2,437	2,385	-2.13%	-52
Maine	52	55	5.77%	3
Maryland	179	172	-3.91%	-7
Massachusetts	168	164	-2.38%	-4
Michigan	602	580	-3.65%	-22
Minnesota	304	317	4.28%	13
Mississippi	736	695	-5.57%	-41
Missouri	429	429	0.00%	0
Montana	560	556	-0.71%	-4
Nebraska	297	267	-10.10%	-30
Nevada	101	95	-5.94%	-6
New Hampshire	45	42	-6.67%	-3
New Jersey	303	306	0.99%	3
New Mexico	1,287	1,242	-3.50%	-45
New York	505	495	-1.98%	-10
North Carolina	369	364	-1.36%	-5
North Dakota	1,018	1,012	-0.59%	-6
Ohio	1,174	1,138	-3.07%	-36
Oklahoma	4,129	3,992	-3.32%	-137
Oregon	130	131	0.77%	1
Pennsylvania	1,451	1,400	-3.51%	-51
Puerto Rico	73	78	6.85%	5
Rhode Island	33	28	-15.15%	-5
South Carolina	188	182	-3.19%	-6
South Dakota	132	131	-0.76%	-1
Tennessee	307	304	-0.98%	-3
Texas	12,245	11,616	-5.14%	-629
Utah	606	555	-8.42%	-51
Vermont	21	-	-100.00%	-21
Virgin Islands	10	32	220.00%	22
Virginia	324	320	-1.23%	-4
Washington	214	204	-4.67%	-10
West Virginia	747	727	-2.68%	-20
Wisconsin	209	210	0.48%	1
Wyoming	1,035	1,018	-1.64%	-17
U.S. Total	41,685	40,337	-3.23%	-1,348

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U.S. OIL & GAS ESTABLISHMENTS - BY SECTOR

2016-2017(Q1)

	<u>2016</u>	<u>2017-Q1</u>	<u>Percent Change</u> <u>'16-'17</u>	<u>Numeric Change</u> <u>'16-'17</u>
Oil and gas extraction	9,058	7,517	-17.01%	-1,541
Drilling oil and gas wells	2,396	2,548	6.34%	152
Support activities for oil and gas operations	14,648	14,689	0.28%	41
Natural gas distribution	2,927	2,924	-0.10%	-3
Petroleum refineries	634	624	-1.58%	-10
Petrochemical manufacturing	187	186	-0.53%	-1
Oil and gas field machinery and equipment	1,343	1,340	-0.22%	-3
Petroleum merchant wholesalers	7,629	7,593	-0.47%	-36
Pipeline transportation	2,863	2,916	1.85%	53

TEXAS OIL & GAS ESTABLISHMENTS - BY SECTOR

2016-2017(Q1)

	<u>2016</u>	<u>2017-Q1</u>	<u>Percent Change</u> <u>'16-'17</u>	<u>Numeric Change</u> <u>'16-'17</u>
Oil and gas extraction	3,942	3,203	-18.75%	-739
Drilling oil and gas wells	620	693	11.77%	73
Support activities for oil and gas operations	4,916	4,945	0.59%	29
Natural gas distribution	334	328	-1.80%	-6
Petroleum refineries	140	127	-9.29%	-13
Petrochemical manufacturing	83	84	1.20%	1
Oil and gas field machinery and equipment	705	717	1.70%	12
Petroleum merchant wholesalers	892	892	0.00%	0
Pipeline transportation	613	627	2.28%	14

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METHODOLOGY

All data is derived from the U.S. Bureau of Labor Statistic's QCEW (Quarterly Census of Employment and Wages) Series. The data from this source provides the most comprehensive source of industry data at the state level and allows for a true state-by-state comparison using the same data source. This series collects data from the state unemployment reports and as a result, supplies a census of employment and establishments information for the oil and natural gas sector. Establishments are single economic units, usually a single location. Companies often have multiple establishments at multiple locations. The term 'businesses' may be used to refer to an establishment to facilitate ease of use and understanding.

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DEFINITION OF THE OIL AND GAS INDUSTRY-

<i>NAICS CODES:</i>	<i>SECTOR:</i>
211	Crude Petroleum & Natural Gas Extraction
213111	Drilling Oil & Gas Wells
213112	Support Activities, Oil and Gas Operations
2212	Natural Gas Distribution
32411	Petroleum Refineries
32511	Petrochemical Manufacturing
333132	Oil and Gas Field Machinery and Equipment
4247	Petroleum Merchant Wholesalers
486	Pipeline Transportation