



Sign Up with the Oilfield News Online

www.oilfieldnews.ca

www.wilsonimmigration.com
 What Immigration, Naturalization Or
 Your gateway to a new life.
 660 Rocky Mountain Plaza, 615 Macleod Trail SE, Calgary AB
 Phone: 403.264.2923 / Fax: 403.266.5162
 403.266.7143
 Toll Free: 1-888-657-8255
 Ann Wilson, CHRP, ICCRC R421415
 (Formerly Citizenship Judge)
 ann@wilsonimmigration.com

Published By: NEWS COMMUNICATIONS since 1977

Wednesday March 23rd 2016

LNG DREAM DYING IN B.C.'S GAS FIELDS

No LNG, few jobs, little hope

With no LNG projects confirmed, British Columbia's once booming gas fields are now one of the worst places in the province to find work.

And while analysts have been closely watching Alberta's oil patch slump, few have noticed the collapse of B.C.'s gas patch — except those who are suffering the most.

Don Loewen, a long-time contractor for the natural gas industry in northeastern B.C., has had to cut 48 people from his crew of 60 workers.

His experience is all too common.

"If these LNG plants don't go — at least one of them — these guys will quit drilling entirely," said Loewen. "As it is, it's almost ground to a halt."

"All our employees are off looking elsewhere, but there really is nothing else. There is no work," said Loewen, whose company builds roads to gas leases.

Tamara Kemble's husband recently lost his electrician's job in Fort St. John.

Her family is now living on her

husband's employment insurance benefits, while shelling out \$1,000 a month for medical expenses that used to be covered by his benefits plan.

"It's a huge hit to the ego," said Kemble. "It is tough not to be able to support your family. I just hope he can get a job."

Local officials say things will become even more desperate when El runs out for many in the summer.

Already, some unemployed workers have fallen on such tough times, they're turning to the Salvation Army in Fort St. John for Greyhound bus tickets home.

Captain Sheldon Feener hears from more and more men who travelled far from home to work in northeastern B.C.'s gas patch to support their families. Now, they've lost their jobs, their temporary apartments and even their pick-up trucks.

"They'll come in and some of them are still dressed in their work gear," said Feener. "They're like, 'There's just nothing left, I've got no way to get home. I can't afford to spend the money on the bus ticket.'"

"These are very proud people who've worked very hard to provide for

their families and are now stuck," said Feener, who's put workers on the Greyhound bus back home to B.C.'s Lower Mainland and Alberta.

"It's about as bad as it gets. Doom and gloom," said Art Jarvis, executive director of Energy Services BC, which speaks for 200 gas service companies.

Jarvis owns a contracting company, too. But he's had to lay off 80 per cent of his workers, and the cuts are still coming.

"We're going through another round of layoffs. It hurts. It's very difficult to sleep at night when you know that there's families depending on you."

Jarvis doesn't expect anything will improve in 2016. And it could get worse. He says only a definitive announcement from Shell or Petronas/Progress Energy that an LNG project is moving ahead will restore confidence and jobs.

Christy Clarke's B.C. Liberal government has staked the province's financial future on LNG and promised it would generate 100,000 jobs.

But the jobless figure for northeastern B.C.'s gas producing region hit 8.5 per cent in January.

In February, the number of people without jobs in that region rose to 9.2 per cent — despite the fact these months are traditionally the busiest and most profitable in B.C.'s gas patch.

"Right now most of our eggs are in this basket," admitted Loewen, the gas field contractor. "This seems to be a global thing. We just feel we have absolutely no control over what's going to happen."

DOMESTIC VIOLENCE EXPECTED TO ESCALATE AMID ALBERTA DOWNTURN

Financial hardship will leave more Albertans vulnerable to abuse, public health expert says

As Alberta's economy continues to struggle the rates of domestic violence are on the rise, according to new research from the University of Alberta.

Alberta already has the highest rates of interpersonal violence of any province in Canada. In the last five years, nearly 75,000 Albertans have reported violence by a spouse or partner.

A study recently published in

RENTAL EQUIPMENT & SURPLUS ASSETS
 Online Bidding Powered By
AUCTION BidSpotter.com
 Visit Us and Start Bidding Now!

THE CAT RENTAL STORE
SATURDAY MARCH 26, 2016 @ 9 AM
 LOCATION: Montgomery Auction Sales Centre
 DIRECTIONS: 4-MILES SOUTH OF LACOMBE, AB, ON HWY 2A, 2 MILES EAST ON LAKESSIDE SARGENT RD.
 Selling Over 1000 Lots of Rental Equipment Live and Via Internet @ Bidspotter.com

Linde H30 & CAT DP25 Propane Forklifts, (New) Godwin Centrifugal Pumps, Plate Tamers, Electric Pallet Jacks, 40' Sea Can, Diesel Generators, Light Towers, Man & Scissor Lifts, Mini Excavator Buckets, Skid Steer Buckets, Pallet Forks, Boom Attachments, Landscape Rake, Cat T9 Skid Steer Trencher Unit, Portable Toilets, Poly John Sink/Wash Stands, DBL Drum Roller/Trencher, Kerosene, OHV Heaters & Construction Heaters, Omega Gas 13CFM Air Compressor, Jumping Jacks, Air Decontamination U/V Air Scrubbers, Air Movers, Electric & Air 60Lb Breakers, Centrifugal 2" Pumps - Gas, Electric Heaters, Explosion Proof Fans, Electric 8" Drum Type Floor Sander, Fuel Transfer Pumps -110V, Portable & Silent Gen Sets, Hammer Drills, Wildfire High Pressure Pump, Hyd. Port-a-Powers, Construction Laser Levels, Trash Pumps, Pallets Air Hose, Scaffold Frames, Guards, Braces, Decks, Concrete Vibrators & Coring Drills, Manual Garbage Dumpsters, Hinged Cutters, Mechanical 50 Ton Ratchet Jacks, Pipe Cutters, Spy Pipe Holiday Detectors, Tri-Stand Pipe Vises, Simplex Track Jack, Extension Cords, Heater Ducts, Water Suction & Discharge Hose, Electric & Welding Cable, Pedestal Fans, Ruffneck Steam Heater, Ton Bottle Jacks, Air Tools, Electric Tools, Explosion Proof Lights, H&M Machine Bevelers, Gas Powdered Lawn Aerators, Billy Goat Brush Cutter/Weed Eater, Gas Lawn Aerator & Lawn Rake, Job Boxes, Hydronic Air Exchangers 100M BTU, Wheel Barrows, Insulated Tarps, Victaulic Clamps, & Much More. LISTING SUBJECT TO ADDITIONS & DELETIONS WITHOUT NOTICE. PLEASE SEE WEBSITE FOR CONTINUALLY UPDATED LISTING.

Auctioneers Note: This is a line-up of very good equipment that you will not want to miss.
 VIEWING: Thursday March 24 9-4 PM REMOVAL: Wed. March 30@ 3PM
 CASH/CARD/BANK TRANSFER • 10% Buyers Fee on Site • 15% Buyers Fee on Internet

AUCTION SERVICES CAT
 www.catauctions.com

MONTGOMERY AUCTION SERVICES LTD.
 1-800-371-6963 BLACKFALDS, ALBERTA 403-885-5149
 www.montgomeryauctions.com

GREENGROVE A DIVISION OF PFG INC.

- * WE SUPPLY AND PLANT TREES
- * Wholesale and retail pricing depending on quantity
- * Tree moving and design
- * Large variety of trees available

Contact: BUSINESS: 780.795.2362
 CELL: 780.723.1678
 FAX: 780.795.2523
 EMAIL: greengrove@hughes.net

P.F.G Inc. A© 2007 ALL RIGHTS RESERVED

BMC Women's Health suggests issues like rising unemployment in an economic downturn could contribute to the troubling statistics.

"With the economic downturn, and the research and links that we've seen, we can expect to see an increase in domestic violence and interpersonal violence," said Stephanie Montesanti, a health policy expert and assistant professor in the U of A's School of Public Health.

The study found that interpersonal violence is not only a symptom of unhealthy relationships, but everyday living conditions, including housing, education and economic status.

"Violence is a public-health problem," Montesanti said in an interview on Radio Active. "When we look at the social determinants of health, we see inequities."

Rates of violence are higher among vulnerable populations including those living in poverty, struggling to find employment, or living with addictions, Montesanti said.

More fundamental demographics, such as ethnicity, disability and gender can also make people more vulnerable to abuse, according to the study.

Alberta is home to many vulnerable populations, including immigrants, visible minorities, and indigenous people, Montesanti said.

Those demographics provide some insight into why the province continues to lead the country in rates of domestic violence, she said.

In times of economic instability, reliable public programming such as

employment and housing supports, becomes even more critical, according to Montesanti who would like to see agencies be more active in their approach to the problem.

"Public health has been successful in reducing the prevalence of many complex health problems," Montesanti said.

"The same factors that influence obesity and chronic disease contribute to interpersonal violence. If we can address them, we can address violence in our communities."

OIL INDUSTRY LOSES \$600B TO PRICE SLUMP

With the global oil price slump leading to cancellations of significant projects and delays put at \$600 billion, oil and gas industry players have been urged to adopt cost-saving processes to remain in business.

The Managing Director/Chief Executive Officer, First Exploration and Petroleum Development Company Limited, Ademola Adeyemi-Bero, who gave the advice, said the over-supply and oil in storage are still at record levels, which is about three billion barrels.

He said global demand growth for oil would continue steady at 1.2 million barrels per day (bpd) per year.

He noted that the global over supply has been driven by the United States shale play and Canadian oil sands mines, despite the fact that United States oil and gas drilling experiencing a historic drop, well below 1990's levels.

Adeyemi-Bero said US oil shale reservoir declined by 6.8 per cent

monthly, but that these factors don't have visible impact because of market over-supply. He said most private players were driven by major budget cuts and shortages and that Brent oil price has reached bottom level while Henry hub gas price touched below \$2 per million standard cubic feet (mscf) with the US exporting its first liquefied natural gas (LNG) cargo in over four decades.

According to him, the global supplier with untapped fields (wild cats), are Iran and Iraq, while the primary energy demand drivers are China, Organization for Economic Co-operation and Development (OECD) countries and India, and all are yet to pick up.

Besides, he noted that all producers (Organization of Petroleum Exporting Countries (OPEC) and non-OPEC) that are able to grow production are increasing supply despite the oversupply, adding that highest cost tar producers – Venezuela and Canada – are still showing production growth.

To counter oil price volatility and instability, Adeyemi-Bero said smart solutions must be deployed to derive maximum value during project development and execution and throughout asset lifecycle operations.

He canvassed the use of low unit technical cost (UTC), such as maximizing hydrocarbon recovery and reservoir development and reservoir and facility management.

He said industry players had to minimize project delivery timeline and lifecycle development costs, that is, project delivery (wells and facilities) and operating costs,

ensure enabling environment while eliminating third party interference.

To address the problem, Adeyemi-Bero said approval and contracting cycle should improve, adding that the Joint Venture (JV) contracting and procurement and approval processes significantly erode project value.

He also noted that JV cash call processes in the last 10 years has killed growth. He said hydrocarbon recovery has to be maximized; wells and facilities development costs minimized, and also minimize deferrals through efficiency in operations and maintenance of equipment.

He said production losses and decline can be minimized through efficiency in export operations, production metering and reconciliation, efficiency in wells, reservoir and facilities management.

OIL PRICE APPEARS TO HAVE 'BOTTOMED OUT,' ENERGY AGENCY SAYS

The International Energy Agency says "there are signs that prices might have bottomed out" in the global oil market.

But the Paris-based organization warns a recent recovery in crude prices from multi-year lows does not mean that there will be a significant and sustained rebound in the short-term.

The IEA's monthly oil market report says supplies dropped in February by 180,000 barrels per day. But it also noted a sharp slowdown in demand growth, particularly in the United States and China.

OILFIELD EQUIPMENT APPRAISALS



PROVIDING VALUATION KNOWLEDGE
COAST TO COAST SINCE 1976

FOR BANKS & OIL INDUSTRY COMPANIES

Financing * Asset Disposition/Acquisition * Audit
& Review * Merger and Acquisition etc.

CONTACT AN EXPERT: 780-945-0256

Entire companies or Individual units

Joiner
SALES CORP

www.joinersales.com 1.604.852.8711

Abbotsford, BC - Edmonton, AB

AUCTIONEERS - EQUIPMENT APPRAISERS

SPRING MADNESS

WE'VE GONE CRAZY WITH
OUR RATES THIS SPRING!

BOOK ANY 2 NIGHT STAY
and SAVE 15% OFF our
BEST AVAILABLE RATE


DOUBLETREE
BY HILTON
WEST EDMONTON

RATES STARTING
AT \$135

PROMO CODE: PL1

» CLICK HERE «

1-800-661-9804

HOME2
SUITES BY HILTON

RATES STARTING
AT \$119

PROMO CODE: K09

» CLICK HERE «

1-877-646-6302

Offer valid from March 21, 2016 to June 30, 2016. Breakfast included only with Home2 Suites by Hilton.

Iraq's oil exports in February fall below planned levels

Russia says global deal on oil output cap is close

The Brent crude international benchmark for oil was up 81 cents to \$40.86 a barrel on Friday, having hit a low of \$28.50 a barrel in January. The price was above \$100 a barrel as recently as 2014.

Meanwhile, futures contracts for the West Texas Intermediate benchmark crude used in the United States and Canada were trading at US\$38.59 and higher this morning. WTI had also been above US\$100 a barrel at the peak in mid-2014.

WTI contracts from May forward were above US\$40 a barrel Friday morning.

Canada's economy has been hit hard by a rapid and deep decline in global oil prices that began in late 2014 and persisted through 2015 and early this year.

TRANSCANADA ANNOUNCES \$13B US DEAL TO ACQUIRE COLUMBIA PIPELINE GROUP

Columbia Pipeline owns more than 24,000 kilometres of gas pipelines in the U.S.

TransCanada has inked a \$13-billion US deal that would help expand its already vast natural gas pipeline footprint.

The deal with Columbia Pipeline Group would create one of the largest regulated natural gas transmission businesses in North America, the Calgary-based energy giant said Thursday.

Columbia operates a 24,000-kilometre pipeline

network that stretches from New York to the Gulf of Mexico.

The deal — which includes the assumption of \$2.8 billion US in debt — represents a rare opportunity to snap up assets in the Marcellus and Utica shale gas regions of the northeastern U.S., said TransCanada CEO Russ Girling.

"The assets complement our existing North American footprint which together will create a 91,000-kilometre natural gas pipeline system connecting the most prolific supply basins to premium markets across the continent," Girling said in a statement.

"At the same time, we will be well positioned to transport North America's abundant natural gas supply to liquefied natural gas terminals for export to international markets."

A business school head says it's a wise move for the company in an area with growing demand.

"If the transaction goes through TransCanada is acquiring a gas network in the northeast of the U.S. in the area referred to as the Marcellus region, where there has been a lot of shale gas production," said Joseph Doucet, dean of the Alberta School of Business in Edmonton.

"That production is growing, so it means that those pipes are going to be used and thus TransCanada is going to be able to get hopefully a very good return on those assets."

An oil and gas analyst says shareholders have reason to celebrate.

"Is it a good deal for TransCanada shareholders?" asks Rafi Tahmazian, a senior portfolio manager and

director at Canoe Financial.

"It is because of the price they probably paid, relative to competition they would have had if their peers were involved."

Tahmazian says competing companies have struggled with low share prices relative to TransCanada, which has been resilient.

Tahmazian says it may be time to take a bigger-picture look at transactions like this.

"I think our government needs to realize what these things can do to our resources, and are they going to get into the middle of it?" he asks.

"I think this becomes an issue that

politicians have to address as well, because TransCanada is not going to do any favours. They are going to do what's best for TransCanada."

TransCanada has made headlines in recent years for its challenges in building new crude oil pipelines, like Keystone XL and Energy East.

U.S. President Barack Obama nixed Keystone XL in November following a seven-year regulatory saga.

National Energy Board hearings have not yet begun into the Alberta-to-Atlantic Energy East proposal, which has been facing mounting opposition from environmental groups and some Quebec politicians.



216 36 Ave NE Calgary AB T2E 2M2
403-276-3460
www.donz.ca



Award Winning Finishes
Custom Car Build

Antique Car Restoration
Street Rods

Paint Specialist
Body Fabrication
From Classics to New

SCS SAFETY COORDINATION SERVICES

Safety Compliance Health Environmental Learning Leaders

Working safely may get old, but so do those who practice it. Because life and limb are on the line, we have assembled the best safety training instructors anywhere.

www.safetycoordination.com

On-site & On-location Training
7 Days A Week

780.485.3585

7633 50 St, 2nd Flr.
Edmonton AB
T6B 2W9

www.leducsaafety.com 1903 - 4th Street, Nisku AB

P: 780.955.3300 * F: 780.955.7651 * T: 1.800.668.4299

- * First Aid
- * TDG
- * H2S Alive
- * Ground Disturbance
- * Confined Space Entry/Rescue

Keeping You Safe

