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Gaining Confidence

DESPITE RECENT SUCCESS, GREENE'S ENERGY GROUP SAYS IT HAS NEVER OVERLOOKED THINGS LIKE SAFETY AND CUSTOMER SATISFACTION.

Plus:

Jacobs strives to bring some predictability to its clients' work in the oil sands of Canada.



GAINING CONFIDENCE

DESPITE RECENT SUCCESS, GREENE'S ENERGY GROUP SAYS IT HAS NEVER OVERLOOKED THINGS LIKE SAFETY AND CUSTOMER SATISFACTION.

Greene's Energy Group (GEG) LLC puts its client's peace of mind first. Originally founded as Greene's Pressure Testing and Rentals (GPTR) in 1953 by H. Rowe Greene Sr., the Lafayette, La.-based company provides blowout preventer (BOP) testing services to reduce downtime and control potentially dangerous downhole pressure for drilling rigs in the oil and gas industry. GEG says it is the largest BOP tester in the United States today.

GEG diversified its offerings through new service development and acquisitions, and has doubled its size and tripled its profitability in the past two years. This growth was fuelled by strong drilling activity, construction and maintenance of offshore production and pipeline facilities, and geographical market share gains in Texas, Oklahoma and Wyoming.

Today, the company has expanded its services to offer oilfield, pipeline and production facility construction-related services, as well as rental equipment to oil and gas exploration, production, processing and transportation companies.

A wide range of pressure testing, pumping, torquing, cutting and cleaning services and rentals are offered to the market. GEG performs its services both offshore and onshore for drilling businesses, exploration and production companies, pipeline operators and contractors, and Gulf Coast fabrication and construction entities.

The company has established long-term relationships with its customers, such as Cal Dive, GE-PII, EOG, Greywolf, Nabors and Chevron. GEG has worked with Chevron and Marathon for more than 15 years. GEG serves approximately 2,000 clients.

Its strong client base is what sets GEG apart, Vice President of Sales and Marketing Tom Sawyer says. "Companies are always impressed with the excellent long-term relationships we have [with clients]," he states. "We have managed to maintain and establish repeat business with some of the major companies [in the market]. They have a lot of confidence in us."

Following the Trend

In July 2004, GEG acquired all of GPTR's assets and employees. This shift made GEG even stronger, Saw-



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COMPANY PROFILE

Greene's Energy Group LLC

www.greenesenergy.com

Proj. 2007 revenues: \$65 million to \$80 million

Headquarters: Lafayette, La.

Employees: 300

Services: Drilling, production, pipeline, construction and rental equipment

Tom Sawyer: "[Clients] have a lot of confidence in us."

'WE WORK IN A VERY DANGEROUS ENVIRONMENT, SO WE CONTINUE TO BRING IN NEW SAFETY PROCESSES.'

yer notes, who joined the company the same year. "We now have a good, strong company [with a combination of] long-established Greene employees that has historical relationships with customers, and new people who have worked for large *Fortune* 100 companies," he says.

Since 2004, the company says, it has further expanded geographically and increased its service offerings. Its most recent acquisition is the rental services company Cherokee Services of Louisiana LLC.

Acquired in May 2007, Cherokee's assets include high-pressure pumps, well drilling and completion services, iron and equipment, and pipeline cleanout equipment.

"Our Cherokee acquisition strengthens our offshore rental business and well servicing products and equipment," Sawyer says. "It will expand our fleet of high-pressure pumps."

In March 2007, GEG also acquired the BOP and production testing services of Rocky Mountain Testers Inc. of Marbleton, Wyoming. Previous acquisitions

include PAV Services in August 2006, which included services such as torquing and flowline and casing testing. In April 2005, GEG acquired Eagle Oilfield Services of Weatherford, Okla., which expanded the company's drilling and production service operations in the Midwest.

GEG is currently looking at numerous acquisition opportunities globally, Sawyer says. "We're looking for the same, and slightly different [services]," he explains. "We're looking for potential acquisition in fields ranging from seismic-related to refining services."

Other than acquisitions, the company's future growth strategies include:

- Geographic expansion to markets in North America, including the Rockies and Canada
- A greater presence in global offshore markets
- Expanding relationships with key customers
- Focusing on safety and technical training

Sawyer adds that GEG wants to expand to South America, Mexico, West Africa, Southeast Asia and the Caribbean. "More and more oil and gas is being found





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in remote and hostile environments," he notes. "We integrate services to test BOPs, well heads and production facilities, as well as pressure test and clean pipelines. Our strategy is to follow the same trend right into processing and refining."

Keeping a Good Record

Sawyer notes that safety is the No. 1 priority for GEG customers. "If you don't have a good record, companies will not allow you to work with them," he says.

"We work in a very dangerous environment, so we continue to bring in new safety processes used to keep everyone safe at all times."

Sawyer says GEG achieved two million man-hours without an OSHA lost-time accident in 2006. According to the company, its safety initiatives are constantly being updated.

Its safety program requires:

- Three to five days of training before an employee can work on a project
- Daily and weekly safety meetings
- Job-site inspections both prior to and after project completion
- An annual Smith driver instructor

training course for employees who operate company vehicles

- A Safe Driving Week, which encourages drivers to review and adhere to safe driving practices. This is an annual program, which involves employees taking tests and submitting answers to daily questions.

As a result of such initiatives, GEG's Lafayette facility achieved OSHA's SHARP status for its outstanding safety record and practices in 2004.

SHARP recognizes small companies with exemplary safety practices; less than 10 percent of companies achieve this rating, Sawyer says. GEG Houston is working on achieving similar status in the near future, he adds.

People Power

Despite the company's ongoing success, GEG says, it never fails to recognize that its greatest asset is its people. "I know it's a cliché," Sawyer states, "but you can buy all [the] equipment in the world, but without people, [work] won't get done. We take care of our employees, equipment and customers, and the bottom line of the business will take care of itself."

Every employee has an annual review by his or her supervisor to identify strengths and improvement areas and to set goals and training objectives, Sawyer adds. He says GEG retains its employees by recognizing the top performers annually.

In addition, GEG's key employees are enrolled in third-party management training programs, in addition to continuing educational programs, bonus systems, paid vacations, hospitalization and 401k programs.

"We have a lot of integrity in what we do," Sawyer continues. "We have the discipline to make and execute our plans from the bottom-up and [the top-down]."

Future Growth

When GEG took over GPTR, it faced a challenge of reorganizing the small family owned firm. "It ran informally," Sawyer recalls. "So we had to bring in necessary processes, procedures and policies such as marketing, literature and [putting up a] Web site. We systemized the business and now we're a mid-sized player. We're not too big of a company, but still not too small [to be considered] family owned."

In the future, GEG plans for continued growth. "The market is strong," Sawyer notes. "We'd like to see our company double again. We anticipate the demand to remain strong, and with proper geographical and global expansion, we will [grow]." ■

