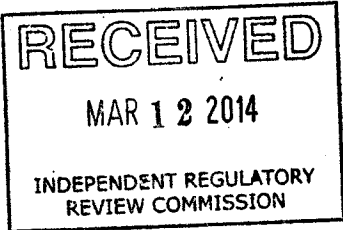


3042

HOOPER OILFIELD SUPPLY
PAUL D. NUZZO
11 HENR DRIVE
GRANDPOND, PA. 16701



MY NAME IS PAUL NUZZO. I AM HERE
THIS EVENING REPRESENTING HOOPER OILFIELD
SUPPLY OF GRANDPOND. HOOPER HAS STARTED
IN 1986 TO SERVICE THE LOCAL & AREA
OIL PRODUCERS. WE PROVIDE THE PRODUCTS
NEEDED TO COMPLETE & PRODUCE THE WELLS
THAT THEY DRILL. I HAVE PERSONALLY
BEEN IN THE SUPPLY BUSINESS SINCE
1975 WITH SEVERAL COMPANIES - THE
LAST 10 WITH HOOPER. WE'VE BEEN THROUGH
THE BOOM & BUST CYCLES THAT ARE A
REMARKABLE OF THIS INDUSTRY AND SOMEHOW
HAVE MANAGED TO SURVIVE. HOWEVER,
I FEAR THAT IF THE CURRENT 78 REGULATION
ARE APPLIED TO THE CONVENTIONAL

WELL OPERATORS ARE SURVIVAL WILL
BE IN STEPACD, SINCE WE RELY 100%
ON THESE COMPANIES FOR OUR EXISTENCE.

MANY OF THESE COMPANIES ARE FAMILY
(NOT MULTI MILION CORPORATIONS)
OWNED BUSINESSES THAT ~~WE~~ BE FORCED
OUT OF BUSINESS DUE TO THE ADDED COSTS
OF COMPLYING WITH THE NEW REGULATIONS

WE AT HOWEVER ARE CURRENTLY IN
THE PROCESS OF OPENING A NEW
BRANCH IN BEADFORD, PA. AND ARE
RELYING ON THE SUPPORT OF THE
^{PRODUCERS}
CONVENTIONAL WELL DRILLERS* FOR OUR
SUCCESS. THE ECONOMIES OF MANY
COMMUNITIES
NORTHWESTERN PA WOULD ALSO BE
SEVERELY IMPACTED BY THESE REDUCTIONS.

OUR INDUSTRY "CONVENTIONAL WELL
OPERATORS" HAS BEEN COMPLIING
WITH THE OIL & GAS ACT OF 1984 FOR
30 YRS AND IN THAT TIME NOT
MUCH HAS CHANGED IN THE WAY THESE
TYPE OF WELLS ARE DRILLED & PRODUCED.
THE SHALE WELLS ARE A TOTALLY

AT A ~~TIME WHEN THE CONVENTIONAL~~
OUR INDUSTRY HAS BEEN COMPLIING
THE OIL & GAS ACT
WITH REGULATIONS FOR 1984 FOR
THE CONVENTIONAL WELL OPERATORS
~~NOT~~ MUCH HAS CHANGED IN
THE WAY THESE WELLS ARE DRILLED
& PRODUCED.

DIFFERS ANIMAL & I BELIEVE
THE REQUIRE A TOTALLY DIFFER.
SET OF REGULATIONS