

Oil and Natural Gas Stimulate Maryland

Economic and Job Growth

Oil and natural gas are driving the U.S. economy through a major energy boom and that boom is rippling through the economy of Maryland, supporting business activity across the state. This finding grows out of a new American Petroleum Institute survey of domestic oil and natural gas vendors,¹ which offers a glimpse into the job and business creation engine that is the current oil and natural gas industry. The survey shows that at least 93 businesses, spread across all eight of Maryland's congressional districts, are a part of the larger oil and natural gas supply chain.

The survey's snapshot of state-by-state activity reinforces the impressive level of industry success throughout the country documented in a recent PriceWaterhouseCooper study conducted for the American Petroleum Institute.² That study found that the oil and natural gas industry in Maryland supports some 75,400 jobs, which is 2.2 percent of the state's total employment. The Maryland labor income supported by the oil and natural gas industry comes to \$4.2 billion annually. That's 1.9 percent of the state's total labor income.

Although Maryland is not a top U.S. energy producer, these job and labor income figures demonstrate that the people of Maryland enjoy significant benefits from energy development.³ The benefits show up in the

state's salary statistics as well. Thus, while the average annual salary in Maryland across all industries and sectors is \$51,928, the average oil and gas industry salary (excluding gas stations) is substantially higher—\$60,903 annually. Overall the industry supports \$7.08 billion of the Maryland economy. That's 2.2 percent of Maryland's total economic activity.

Maryland also benefits from the production of oil and natural gas from shales and so-called "tight formations," energy development that uses the proven engineering technologies of hydraulic fracturing, or "fracking," and horizontal drilling. Total jobs supported by these activities in Maryland reached 11,749 in 2012. The job total is projected to climb to

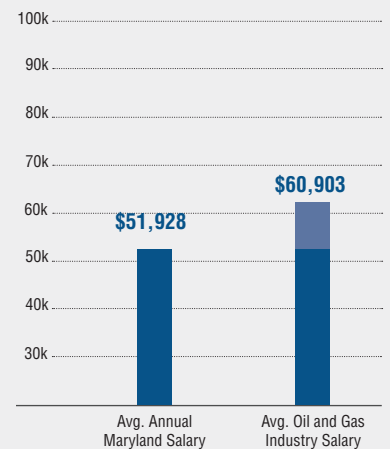


\$7.08 BILLION
THE INDUSTRY CONTRIBUTES TO MARYLAND'S ECONOMY

75,400
MARYLAND JOBS

SUPPORTED BY OIL AND NATURAL GAS INDUSTRY

AVERAGE ANNUAL SALARY COMPARISON



1. American Petroleum Institute, "API Onshore Oil and Gas Vendor Identification Survey," Washington, D.C., 2014. The survey was distributed to API members in January 2014 to collect information for the period October 2012 to September 2013. Included are companies that provide goods and services for onshore oil and natural gas development, whether as operators, contractors, service companies, suppliers, or vendors.

2. PWC, "Economic Impacts of the Oil and Natural Gas Industry on the U.S. Economy in 2011," Washington, D.C., July 2013. Prepared for API using the IMPLAN input-output modeling system, based on 2011 U.S. Bureau of Economic Analysis data.

3. Information cited in this paragraph comes from the Bureau of Labor Statistics, Quarterly Census of Employment and Wages (preliminary data for 2013 accessed July 2014); and PriceWaterhouseCoopers, "The Economic Impacts of the Oil and Natural Gas Industry on the U.S. Economy: Employment, Labor Income and Value Added," 7/12/13 (based on 2012 IMPLAN database).

State: Maryland

Vendors by Congressional District

Congressional District	Total
Congressional District 1	3
Congressional District 2	9
Congressional District 3	8
Congressional District 4	1
Congressional District 5	1
Congressional District 6	17
Congressional District 7	37
Congressional District 8	17
Grand Total	93

Vendor Profile⁶

Williams Scotsman

Since 1955, Williams Scotsman has offered mobile and modular space solutions for the construction, energy, industrial, commercial/retail, healthcare, and government markets, with operations in the United States and Canada. As part of the Algeco Scotsman network, Williams Scotsman provides turnkey office, accommodations, and storage solutions (modular units that come fully equipped with technology solutions, kitchen equipment, office furniture, etc.) to the energy market.

Williams Scotsman's services range from equipment rental to the design, build, and management of workforce housing solutions to support the development of remote energy resources. The company services projects in North America and around the globe.

Domestically, William Scotsman delivers turnkey modular solutions across numerous North American energy fields, ranging from the Permian Basin and Eagle Ford Shale in Texas, to the Marcellus Shale in Pennsylvania, to the Bakken Shale in North Dakota, to the Alberta oil sands, and even the North Slope of Alaska.

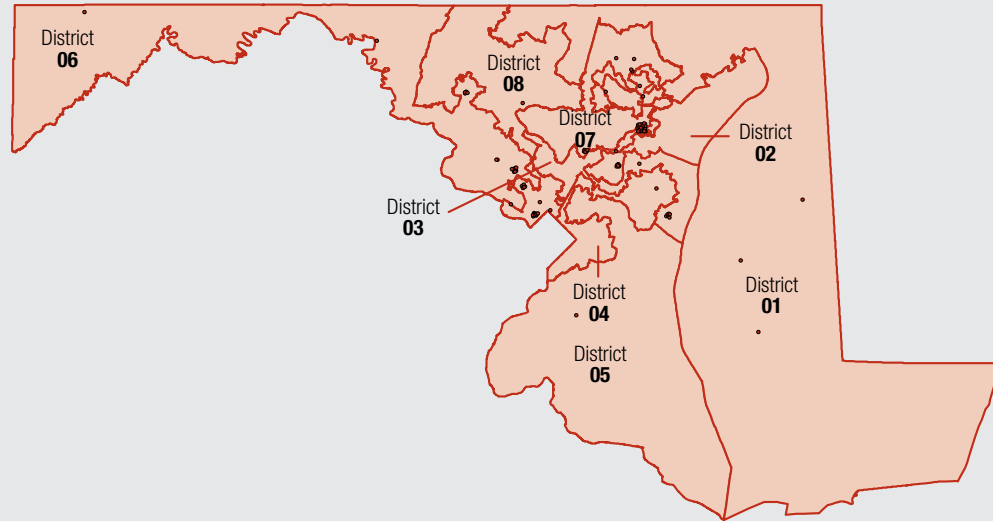
In the company's modular spaces, contractors meet and review work documents, discuss project progress, and have a break area away from the job site. Turnkey housing and catering solutions enable workers in remote areas to rest, refuel, and recuperate after long, demanding workdays in extreme climates. In addition, the inherent nature of temporary modular solutions is safer for the environment, as it reduces the need for permanent construction and allows equipment to be reused as development activity inevitably migrates to new areas.

The ever-growing oil and gas business is also driving the company's overall growth in non-residential construction. With many of the shale projects located in isolated areas, there is a ground-up need for infrastructure development. As workers move into these areas to develop the energy side of the industry, families follow and need schools, hospitals, housing, and recreational facilities.

6. From the 2014 "API Onshore Oil and Gas Vendor Identification Survey" returns.

Maryland Vendors by Congressional District

District Location ●



Top Cities

Baltimore = 28

Sources: Esri, DeLorme, NAVTEQ, TomTom, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), and the GIS User Community

20,059 in 2020 and to 22,241 in 2035.⁴

And the people of Maryland get it. A state-wide telephone poll of 602 registered Maryland voters, conducted on behalf of

the American Petroleum Institute, found that 81 percent of voters, regardless of party affiliation, support increased production of domestic oil and natural gas resources located here in the United States.⁵

4. "IHS Inc., "America's New Energy Future: The Unconventional Oil and Gas Revolution and the U.S. Economy," Washington, D.C., December 2012.
5. "What America is Thinking on Energy Issues." <http://www.api.org/news-and-media/news/newsitems/2014/apr-2014/poll-maryland-voters-support-ing-exports-investments-in-oil-and-natural-gas>, the results of a state poll conducted by Harris for API April 9-16, 2014. Click on "a new poll" to see how percentages of voters answered this and other questions.



AMERICAN PETROLEUM INSTITUTE

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Congressional District 1

Calgaz, LLC
 Georgia Steel & Chemical Co
 Omega Steel Company

Congressional District 2

Air2, LLC
 Allegis Group Services, Inc
 Ancile Solutions, Inc
 CH IV International, LLC
 Chesapeake System Solutions
 Emerson Electric Company
 North Dakota One Call, Inc
 One Call Concepts, Inc
 Structural Preserations Systems, LLC

Congressional District 3

Compass Lexecon
 Frontiermedex, Inc
 HDH Construction Consultants, Inc
 Slogic, LLC
 Trace International

Veil Environmental, LLC
 VIM Technologies, Inc
 WSI International, LLC

Congressional District 4

Eric Jones

Congressional District 5

Patent Reproduction Co

Congressional District 6

Axxis Software
 David Owens
 Edith M. Powers
 Equant, Inc.
 Fugro Earthdata, Inc
 Infrared Predictive Surveys, Inc
 Integrated Environment
 MDA Information Systems, Inc
 Meggitt, Inc
 NPA International, Inc
 Oil Price Information Service, LLC

Opis Energy Group
 Optical Scientific, Inc
 Pillar Innovations, LLC
 Premia Relocation Mortgage, LLC
 Spirit Services, Inc
 Wells Fargo Home Mortgage, Inc

Congressional District 7

Acton Mobile Industries
 American Lubrication Equipment Corporation
 Audio Visual Innovations, Inc
 Aviation Spectrum Resources, Inc
 BNA
 Carol J. Reynolds
 Cogent Communications, Inc
 Cort Business Services Corporation
 Crowell & Moring LLP
 DLA Piper LLP
 Easylink Services
 Glenn O. Hawbaker, Inc
 Insite Towers, LLC

Kastle Systems
 Kaydon Ring & Seal, Inc
 Kentucky Berwind Land Co
 Leasing
 Logic Solutions Group, LLC
 Maxim Health Systems, LLC
 Miller & Chevalier Chartered
 MK Technology Data, LLC
 Penn Schoen & Berland Associates
 PHH Vehicle Management Services
 Railinc Corporation
 Shimadzu Scientific Instruments, Inc
 Signal Perfection Ltd
 Smith System Driver Improvement Institute, Inc
 Society For Human Resource Management
 Standard Industries, LLC
 State Power & Lighting, LLC
 Tessco Technologies, Inc
 Titan Engineering, Inc
 Transcat, Inc

Vanguard Wireless
 Venable LLP
 Williams Scotsman, Inc
 WR Grace & Co Conn

Congressional District 8

A. Morton Thomas & Associates
 Bregman, Berbert, Schwartz & Gilday
 Columbia Books, Inc
 Computer Packages, Inc
 Democracy Data & Comm, LLC
 Digging & Rigging, Inc
 Fidelis Security Systems, Inc
 Floatograph Technologies, LLC
 Foster Associates, Inc
 Gexcon US, Inc
 Greenspace Unlimited
 Jason R. Warran
 Kruger Environmental Strategies
 Network Service Solutions, LLC
 The Growth Group, LLC
 The Sans Institute
 W. Devier Pierson