

Company Expands with Help of Texas Incentives

Oil and gas sector expands in Kilgore, Texas, with help from incentives, workforce and natural resources. Maverick Well Services plans to double in size over the next

Incentives

James Abell has been so busy maintaining oil wells over the last four years as president of Maverick Well Services that he failed to realize he had a partner willing to pump incentives back to him through the Kilgore Economic Development Corporation.

Abell has grown the local well servicing business from one rig to nine and employment from 5 to 50 since he took the company's reins four years ago. And, over the next five years, Maverick has committed to adding \$9.5 million in personal property improvements and 30 new full-time employees. In return, KEDC will grant rebates up to \$189,088 payable over the same time period.

"We looked at KEDC as a way to grow" Abell said. "Honestly, I wish I had thought about using them before now. It just hadn't occurred to me. I thought of them as more of trying to bring in outside business here, but it certainly makes sense for a business like ours that has the potential to continue to grow, to add employees, and to purchase equipment here, for them to be involved."

As a former member of the Chamber of Commerce Board of Directors, Abell had heard of the incentive program. "Then one day the light bulb went on and I said, 'Hey, maybe I ought to fill out an application and see what happens.' It's always been there. I just hadn't thought of ourselves as a big corporation."

Abell has continued to expand on the niche market began in 2006 by his father-in-law, Bill Maxwell, and business partners Rodney Williams and Karl Edmonds when they bought a rig to service their own oil wells. KBR (named for their initials) did the busy work of maintaining their sites through the life-cycle of the well. Working mostly for themselves "and a few independents we were friendly with," Abell came on board in 2010. "That's when things started ramping up. We started purchasing equipment and growing Maverick as a stand-alone business," he said.

Workforce

Key to their success was the issues of timing and location. "When the price of oil started going up, there weren't a lot of companies still around who did what we do. The equipment had all gone elsewhere," Abell said. "Everything turned around so the wait times for getting rigs grew lengthy." Today, Abell said all of his crews are out in the field every day. His intention is to double the size of the company again, adding nine more rigs (along with new crew members) over the next five years. "For the last three

years, we haven't had any downtime. Right now, things are busy enough around here that we could do what we say we're going to do."

The history of East Texas' oil field contributes to much of Maverick's success, particularly when it comes to inspiring willing workers. "One of our concerns about growing so quickly was that we would not be able to find qualified hands, particularly supervisors," Abell said. "So far, that has not been a problem. We've found some very good people."

"There are more people who know about the oilfield here, and know what the work is like. If you're hard-working and smart, and able to pick up on what's going on, then I think this a good fit for people who aren't college bound. You could certainly make a very good living for yourself doing this work," he said.

Economic Impact

With a payroll of \$300,000 a month, Maverick has turned its workhorse appearance into a thoroughbred presence in Kilgore. In addition to employees who spend their paychecks at home, the company's yard falls in the city's recent annexation along U.S. Hwy. 42, thus growing the city's tax base.

Abell refers to KEDC as "a good partner" and said he's always telling people about how they've helped him. Just as Maverick continues to keep wells producing, KEDC continues to help local businesses turn dreams into gushers.