Oil Boom Brings Scarcity of Workers in Small Towns

SEAN MURPHY,Associated Press

WOODWARD, Okla. (AP) — The local prison is so short on guards that inmates can sometimes just walk away. A gas station barely has enough cashiers to keep up with the trucks filling the parking lot. And "help wanted" signs seem to hang from every restaurant and shop.

Yet almost no one is interested in the jobs.

This is the flip side of the nation's oil and natural gas boom. Although the expansion of drilling has breathed economic life into many small Oklahoma towns, the lucrative opportunities are also drawing people away from traditional service-sector jobs and even once-coveted state positions.

The result: Many businesses and government agencies now struggle to find enough workers. Most able-bodied people can double or triple their income in the oil patch.

"If you can walk and breathe out here, you can get a good job," said LaVern Phillips, president of the Industrial Foundation in Woodward. The county's unemployment rate hovered around 3 percent in June, 5 percentage points lower than the national average. In some nearby counties, the rate has dipped below 2 percent.

In towns like Woodward, which is home to dozens of oil and gas companies, housing is scarce, hotels are booked solid and vacant jobs are everywhere.

"Everybody is having a tough time hiring," Phillips said. "It's a good problem to have."

But it hasn't been good for the minimum-security state prison in nearby Fort Supply. Eight inmates have escaped since January, more than all of last year, and prison officials say low staffing levels are at least partially to blame.

With no fence around the perimeter and just 54 officers to watch more than 1,000 inmates around the clock, a prisoner can simply wait for the overworked guards to be distracted and make the short 30-yard walk to a nearby highway.

"I could hire 17 correctional officers today if I could get them to walk through the door," said William Monday, the prison's deputy warden.

When Monday started working at the prison six years ago, job applicants were looking for a career with good benefits and a state pension after 20 years.

"I could pull a register and get four or five guys to interview," he said. "Over the last three years, I've got more vacancies than I have people to interview."

A starting correctional officer makes $11.82 per hour, but jobs in the oil field start at close to $20 per hour, and without the extensive background check required of prison workers, Monday said.

"We're competing with convenience stores for workers," Monday said.

Sam Jones, the prison's security chief, said he's lost two officers to jobs in the energy industry in just the past few months, including a 10-year veteran who worked as a supervisory sergeant.

"I would say at least a dozen have skipped ship for those kinds of jobs," Jones said. "I hope some of those jobs are still available when I retire."

Oklahoma is one of several states, including North and South Dakota, that has enjoyed a boom in the energy sector driven in large part by new and improved drilling techniques such as horizontal drilling and hydraulic fracturing, which cracks open fissures in rock formations to retrieve oil and gas.

The statewide unemployment rate is the fourth lowest in the nation, at 4.7 percent, and more than 6,200 jobs have been added in the mining sector since last year, according to the Oklahoma Employment Security Commission.

Although nothing like the oil boom in the 1970s and 1980s, when Oklahoma had more than twice as many rigs pumping for oil and gas, the most recent boom started around the time natural gas prices spiked in 2008. Gas prices have since dropped, but producers have simply switched their focus to oil and other liquids.

The drilling is concentrated in sparsely populated areas of western and north-central Oklahoma, where communities have been losing population for years and few have the infrastructure to support more people.

Woodward, with 12,000 residents at last count, is the largest population center in a nine-county area of gently sloping prairies dotted with oil rigs, wind turbines and one-stoplight towns.

At the local Dairy Queen, owner Kenny Vassar is considering scaling back the hours the store is open because he can't hire enough workers to cover all the shifts.

"I never dreamed we'd have to offer a sign-on bonus to work here," said Vassar, who gives employees an extra $200 after three months.

Vassar said his employees traditionally have been high school kids looking for spending money or married women trying to supplement the family income.

"We've got kids that don't have to work anymore because Dad is making $28 an hour in the oil field, and the wives don't have to get out and work," Vassar said. "We've got women out there driving oil trucks for $28 an hour."

Tarin Earnest-Smith worked for more than a decade as an X-ray technician before taking a higher paying job three years ago with a land company that researches and negotiates for mineral rights. She more than doubled her salary.

"I just liked the money because I could buy land and do more things," Earnest-Smith said. "I did quite a bit of traveling because I had that extra money."

Paul McFeeters had two jobs — delivering pizzas and working as a night watchman at a manufacturing facility in Arkansas — when he landed a job with a hydraulic fracturing crew. Even without his wife's salary as a nurse's assistant, the couple's income jumped from $2,000 a month to $4,000.

"My wife and I were barely getting by," said McFeeters, who now works with a Woodward-based crew that helps transition hydraulically fractured wells into production. "Now my wife doesn't have to work anymore."

Carl Harmon was operating a grain elevator when he joined a drilling crew operating across western Oklahoma and the Texas Panhandle.

"I doubled my salary doing that," said Harmon, who said he often works 60 to 80 hours a week on the same crew with McFeeters. "That's what makes you money in the oil field is the overtime."

Harmon said there's no shortage of opportunity for people who don't mind hard work and long hours.

"Those people that are looking for jobs everywhere," he said, "they just better figure on moving."

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