

Former Devon Energy employees create Oklahoma City oil startup named Senex



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Five former Devon Energy Corp. analysts have joined to create Oklahoma City's newest oil and natural gas company.

Named after the Latin word for "senior," Senex Energy Partners is built by a team of experienced oil and natural gas professionals, CEO John F. Templin II said.

"Senex was the old sage you went to for advice and information," he said.

Besides Templin, Senex is led by vice president and chief operating officer A. Paul Baclawski, vice president of engineering John H. Gram Jr., vice president of exploration Steve T. Whitaker, and vice president of geosciences Dean R. Richmond.

All five worked together in Devon's corporate new ventures and acquisition and exploration department, where they helped teams at Devon explore and identify potential acquisition prospects.

The team members' experience at Devon can be helpful in finding new prospects at Senex, Whitaker said.

"The opportunities are outstanding," he said. "We know where to go for prospects companies like Devon, EOG (Resources Inc.) and other larger companies can't go after because the profits aren't enough to impress Wall Street, but are plenty big enough to make money for us. We see those as excellent opportunities."

Despite continued low oil prices, there are many opportunities for small producers to be profitable, Baclawski said.

"We're not going to go out and look at projects that companies like Devon or Chesapeake would be interested in drilling," he said. "We're not looking at \$10 million or \$12 million wells. We're looking at projects that are economic at this price. They may be shallow, vertical wells. We know there are projects out there that are economic at this price point."

Senex also benefits from down prices in that it is able to attract strong, experienced employees and team leaders, Templin said.

"Down markets like this are the only times you can put a group like this together," he said. "When big, high-powered guys take severance packages because companies are downsizing, it's the only time they're able to come together in a new way."

Templin was at Devon for the past 15 years. Most of the team members were there for five to 10 years.

While down markets can provide opportunities for new companies, they also pose challenges, Tulsa money manager Fred Russell said.

"They have access to great people, lower prices, great real estate, and most importantly great oil and gas properties," said Russell, CEO of Fredric E. Russell Investment Management Co. "The bad part is that if they need to raise more capital, people may be scared to invest. This is a very capital intensive business, and that could be a real challenge for them."