

# Oil producers' market manipulation aspirations are likely to fail

CHRIS TOMLINSON  
Commentary



Negotiators from oil producing countries are stepping up talks ahead of an OPEC summit later this month, sending the ru-

mor mill into overdrive and putting oil prices on a roller coaster for the next three weeks.

The price for a barrel of West Texas Intermediate jumped almost 6 percent Tuesday.

The U.S. election, meanwhile, has thrown a wrench in the works by installing a president who has promised to make it easier for companies to pump North American oil, while also rolling back regulations that limit carbon dioxide and methane emissions.

The big problem, though, remains how to reduce the 1 million-barrel-a-day glut of crude on the 93 million-barrel-a-day global market. The United States has recently competed with Saudi Arabia and Russia for the title of world's largest crude producer, so all three have the potential to manipulate prices.

Saudi Arabia wants all OPEC members to sell less oil next year, knowing that could push up prices. Negotiators from all 14 countries are trying to reach a

deal by Nov. 30.

The problem is that Iran wants to produce at levels last seen in 2006, before the world imposed punitive sanctions. Nigeria, Libya and Iraq want exemptions from cutting crude sales because they are fighting off armed rebellions. Saudi officials are willing to cut Nigeria and Libya a break but are demanding that Iran and Iraq accept new production quotas.

Saudi Arabia also needs Russian President Vladimir Putin

on board, or else Russia will simply pump more and steal OPEC's customers. The Saudi and Russian oil ministers are reportedly meeting this week in Qatar to discuss a deal that would include Russian production cuts, or at least a freeze.

Russian oil companies, meanwhile, probably don't want a deal. They expect President-elect Donald Trump to lift sanctions on them, clearing the way for international oil companies

*Tomlinson continues on B7*

INSIDE

Twitter releases new tools to fight hate speech. **Page B2**

# BUSINESS

AT A GLANCE

**DOW** 18,923.06, up 54.37 (+0.3%)  
**S&P 500** 2,180.39, up 16.19 (+0.7%)  
**OIL** \$45.81, up \$2.49 (+5.7%)  
**NATURAL GAS** \$2.709, down 4¢ (-1.5%)

Houston Chronicle @HoustonChron

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Section B ★★

SPACECOM

## A capital liftoff for industry

By Andrea Rumbaugh

Venture funding has flowed more freely into space businesses in recent years, bringing the industry into the mainstream and boosting confidence that new space-related products can both make money and provide useful data.

"It is enabling new businesses of a different type," said Carissa Christensen, managing partner of analytic consulting firm the Tauri Group. "They're smaller, they're more entrepreneurial, they're more accepting of market risk and they're targeting very high growth rates."

Venture investment was one of many topics Tuesday during the opening day of the second-annual SpaceCom that seeks to bolster the commercialization of space. About 2,000 people are expected to attend the three-day event at

*Space continues on B9*

WOLFCAMP

## A new Permian bonanza

By Collin Eaton

Wildcatters have wrung oil out of West Texas for a century, but there's still enough left to keep drilling for decades.

That's the conclusion of a U.S. Geological Survey report released Tuesday that said drillers could find 20 billion barrels of oil, undiscovered but technically recoverable, buried beneath the Wolfcamp shale, a formation in the Midland section of the prolific Permian Basin.

That's almost three times as much oil as the geological survey believes is in the Bakken Shale in North Dakota.

The vast bounty, which could make enough gasoline to drive your car some 9.6 trillion miles, would take nearly 30 years to ex-

*Wolfcamp continues on B7*

## United will add 'basic economy'

But airline says those in cheapest seats will have in-flight experience similar to those in regular economy

By Lauren Zumbach  
CHICAGO TRIBUNE

CHICAGO — Early next year United Airlines will try to woo a customer it's only gone after in fits and starts — the penny pincher.

Its "basic economy" fare strategy, which United has worked on for months and detailed Tuesday, offers the cheapest seats on a plane in exchange for giving up the few perks that come with standard econ-

omy tickets.

The Chicago-based airline isn't alone in its quest to snare price-conscious travelers who might otherwise fly low-cost carriers such as Spirit Airlines and Frontier Airlines. Delta Air Lines already offers its own basic economy fares in some markets and American Airlines has announced plans for a similar program.

United's basic economy fares are part of a group of initiatives expected to increase revenues and control costs to the tune of a combined \$4.8 billion by 2020.

United doesn't want no-frills fares to cheapen its brand, so basic and regular economy fliers will have a similar in-flight experience — no soft drink charges or smaller seats.

"It's going to be the same experience onboard as economy, which as we all know is better than our ultra-low cost carriers," Julia Haywood, United's executive vice president and chief commercial officer said, adding that the new fares are about offering "greater choice."

But basic economy passengers without elite sta-

*United continues on B7*

DAKOTA ACCESS

## Pipeline pressure



Karen Warren photos / Houston Chronicle

Protesters stage a demonstration Tuesday in downtown Houston against the Dakota Access Pipeline.

Dallas-based company sues in effort to finish project as activists, Sioux tribe protest it

By Jordan Blum and David Hunn

Energy Transfer Partners filed a lawsuit on Tuesday asking a federal court to let it finish building the Dakota Access Pipeline in North Dakota without final approval from the U.S. Army Corps of Engineers, even as opponents protested the pipeline in Houston and across the country.

Energy Transfer Partners, based in Dallas, asked the

court to let it lay pipe under a Missouri River reservoir, a plan the Standing Rock Sioux tribe says threatens its drinking water and cultural sites.

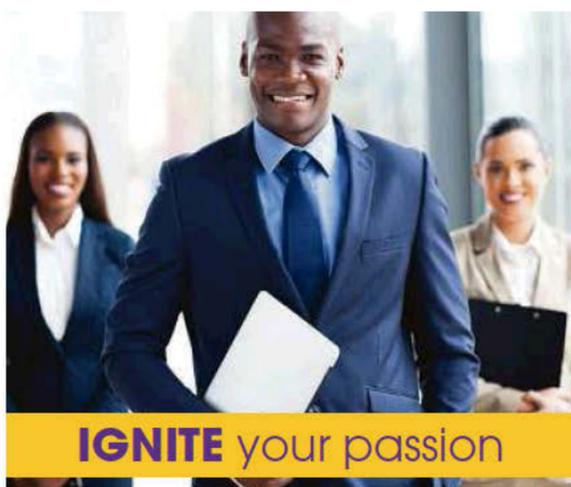
The Army Corps of Engineers said Monday that it needs more time to study the impact of the 1,200-mile, \$3.8 billion oil pipeline.

The project is mostly complete but awaits a final easement from the Corps to dig beneath Lake Oahe, a reservoir

*Pipeline continues on B9*



Along with Houston, protests against the Dakota Access Pipeline were held Tuesday across the country, from California to Vermont.



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FROM THE COVER

# Pipeline's 'waited long enough,' CEO says

Pipeline from page B1

along the Missouri River. The delay has already cost nearly \$100 million, the company said in court documents, and further delay would "add millions of dollars more each month."

Energy Transfer disputes that the pipeline would endanger the tribe or tribal lands.

The company, which began preparing last week to bore under the river, has "waited long enough," the

chief executive, Kelcy Warren, said in a statement on Tuesday.

The Justice Department and the Army Corps declined comment Tuesday.

The Dakota pipeline, which would transport crude oil from North Dakota's Bakken shale, has been the target of protest by Native Americans and environmentalists over the past few months.

In addition to the local issues, the pipeline has become a symbol in the

debate over climate change and efforts to reduce the use of fossil fuels, such as the Keystone XL pipeline was before it was blocked by the Obama administration.

In his statement, Warren blamed the administration of President Barack Obama for the Dakota Access delay, arguing that the Corps would have already granted the easement without "political interference." President-elect Donald Trump has vowed

to speed up such regulatory processes.

Environmentalists, land owners and American Indians, meanwhile, gathered Tuesday outside Warren's gated Dallas mansion, at Energy Transfer offices in Houston and San Antonio, and at Army Corps offices across the country, to protest the pipeline.

Hundreds demonstrated in Houston, according to organizers.

Adam Baker, 39, a Hous-

ton restaurateur and member of the Big Bend Conservation Alliance, attended the day's protests in downtown Houston in part because of another pipeline.

Baker and his wife own a home north of Big Bend National Park; Energy Transfer is building another disputed pipeline, the Trans-Pecos, nearby.

"I've never been a big activist until the fight came to my front door," said Baker. "The more I've learned, the more I've be-

come unsettled."

In July, the Army Corps of Engineers granted Energy Transfer Partners the permits needed for the Dakota Access project, but said in September that further analysis was warranted, given the tribe's concerns.

On Monday, the Corps called for more study and input from the Standing Rock Sioux.

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# Space industry ventures often focus on data from satellites

Space from page B1

the George R. Brown Convention Center.

"We want Houston to be the epicenter of the next generation of space," Mayor Sylvester Turner told the gathering. "And with the help of the Johnson Space Center, I am sure we can get there. Your presence signifies that we are well on our way."

Christensen highlighted venture investment while moderating a panel on the state of global space commerce. Outside of the billionaire-founded endeavors like SpaceX and Blue Origin, she said, a lot of venture investment has gone into using data and analytics from satellites. For example, companies

can take pictures of the globe and use algorithms to track things such as supply chain logistics, retail sales or factory production.

"The data that these satellite systems produce and the market that they're targeting, they're not space markets," she said. "They're world markets. They're energy markets, they're transportation markets, they're health-care markets. And that is a perfect fit with SpaceCom."

Christensen also noted that three out of four venture-funded firms fail. This is the stage to watch how companies perform and where they will go.

"Some are going to fail," she said. "This is a high-

risk business."

After a day of such presentations, SpaceCom opened its exhibition hall at 4:30 p.m. Houston Airport System Director Mario Diaz gave the media a sneak peek at the Houston Spaceport display.

He compared this phase of commercial space to the deregulation of airlines. Before, Diaz said, airlines didn't need to market themselves.

Similarly, the government has led and funded space initiatives so Houston didn't need to market itself.

"Now we're in a very different environment," Diaz said. "We're now in a commercial environment. We're now in an environment where every city has

the ability to compete with Houston."

The exhibition display is one way to market the spaceport at Ellington Airport. Attendees can wear a virtual reality headset to explore Phase 1 of its development plan, which is creating a cluster of aerospace businesses. They "walk" around the proposed developments and listen to plane engines and chirping birds.

Arturo Machuca, general manager of Ellington Airport and the Houston Spaceport, said officials are talking to large aerospace and aviation companies about potentially opening facilities there. This could represent a couple of thousand jobs in the near future.

As part of its initial development phase, the Houston Airport System spent \$6.9 million on a building that has 53,000 square feet of laboratory and office space.

It is supposed to be a co-working facility with incubation space for early-stage companies, more permanent offices for developing companies and larger facilities for those wishing to manufacture or assemble products.

Clear Lake-based Intuitive Machines was the first to open a location there in August.

The company is using the facility to assemble and test its drone systems.

"As an entrepreneurial company in the area, I wanted to show support

and be part of bringing high-technology ideas to life here in Houston," president and CEO Steve Altemus said.

In addition, Ellington will soon begin construction on a traffic-control tower that will have a mission-control area for future flights.

It has received funding to build a taxiway along its 8,000-foot runway, which will provide access to the runway for future spaceport hangars and support the development of land.

"This is unleashing, if you will, the development by creating this very basic but necessary infrastructure," Machuca said.

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## LIFE TRIBUTES

### ETHEL RAIBOURN

1931-2016

Ethel Ruth Alexander Raibourn was welcomed into the loving arms of her Savior on November 10, 2016. She passed away in Kingwood Hospital at the age of 85.

Ruth was born October 11, 1931 to Henry Washington Alexander and Ruth P.G. Hammer in Spring, TX. She spent the majority of her adult life living in Houston, TX.

She was preceded in death by her husband of 41 years Raymond M. Raibourn, her parents, 5 brothers and her great-granddaughter Corlyn M. Brown.

She is survived by her son Raymond L. Raibourn & wife Sally Raibourn, Daughter Linda M. Brown & husband Clayton Brown, Brothers Howard Alexander and John Lawson Daniel & wife Betty Daniel, Grandchildren Paul J. Brown III & wife Kristi Brown, Tracy Immebart & husband Ryan Immebart, Chance Brown, Ashton Brown & wife Randi Brown and Austin Brown, Great-Grandchildren Sierra & Chloe Brown, Ethan & Noah Immebart, Corbyn Brown and Ashtin Brown, Step-Grandchildren Angie Williams Roach, Jim Williams and Jason Williams, Step-Great-Grandchildren, Joshua & James Roach, Travis & Kadie Williams and Bailee Williams, 3 Step-Great-Grandchildren as well as many nieces & nephews.

Ruth was a stay-at-home



Mom until her children were in junior high. She then spent about 4 years working part-time during their school hours at OS's Dairy Burger Barn. She always spoke fondly of working there and of all the people she met. She later took a job at Delta Airlines, cleaning and preparing the airplanes for flights. She retired from Delta after 15 years of service due to a serious injury. She spent the remainder of her life helping to look after her grandchildren and great-grandchildren. Her love and devotion to family and friends will be greatly missed.

Visitation will be held from 5-8pm on Friday, November 18th at Calvary Hill Funeral Home at 21723 Aldine Westfield Rd, Humble, TX 77338. The funeral services will be held at Calvary Hill on Saturday, November 19th at 2:30pm. Pastor S.E. Gatlin and Pastor Rick Martinez will be officiating.

Everyone is encouraged to wear red to the visitation and funeral in honor of Ruth's favorite color.

### LEONOR M. SMITH

1928-2016

Leonor Maria Smith was born in San Antonio, Texas on July 31, 1928. Leonor is preceded in her death by her parents, Leonor Magnon Grubbs and Phillip Grubbs, her brother Edward L. Grubbs, her twin grandsons Stephen and John Maher, and her husband, John Charles Smith.

Leonor attended Ursuline Academy and later graduated from Martin High School in Laredo, Texas in 1945. She received her bachelor's degree in English and Spanish from Texas Women's University in 1949 and received a Professional Teaching Certificate for Secondary Education.

On August 20, 1949, she married John Charles Smith at St. Peter Catholic Church in Laredo. The couple lived in Bellville, where all her children were born, and for three years in Bay City, Texas.

In 1961, the family moved to Houston and joined St. Cecilia Catholic Church, where Leonor remained a parishioner until her death. Leonor was a teacher of English and Spanish at St. Cecilia Catholic School from 1961 to 1978. Leonor was a substitute teacher at Duchesne Academy of the Sacred Heart from 1979 to 1987. For the following two years, she volunteered full-time at Saint John Paul II Catholic School to teach Spanish and then retired from professional teaching in 1989.

Leonor was the granddaughter of Leonor Villegas de Magnon, founder of La Cruz Blanca or the White Cross of Mexico and the author of two memoirs, The Rebel and La Rebelde, the English and Spanish language accounts of her work in the Mexican Revolution of 1910. Leonor assisted her grandmother in editing and publishing the memoirs, and establishing her permanent collection at the University of Houston Special Collections



Library. In retirement, Leonor enjoyed her volunteer work as a Eucharistic Minister for the home-bound, an office worker at the St. Vincent de Paul Society at St. Cecilia, and as an interpreter and counselor for the Emergency Services of Memorial Area Ministries.

Leonor's greatest joy was always the time she spent with her husband and her family, and her years of commitment to her beloved St. Cecilia community.

She is survived by her four children, Herbert Smith and wife Leanna, Valerie New and husband Charlie, Susan Maher and husband Stephen, and Mary Nugent and husband Mark, as well as her ten grandchildren and eight great-grandchildren.

The Funeral Vigil for Leonor will be held on Wednesday at 5:00 PM at Memorial Oaks Funeral Home at 13001 Katy Freeway. The Funeral Mass for Leonor will be held at St. Cecilia Catholic Church, located at 11720 Joan of Arc, on Thursday, November 17 at 10:00 am., followed by the Rite of Christian Burial at Memorial Oaks Cemetery. A reception will follow at St. Cecilia Community Center.

In lieu of flowers, please make a donation to the St. Vincent de Paul Society at St. Cecilia Catholic Church.

Memorial Oaks Funeral Home

13001 Katy Freeway  
Houston, TX 77079  
(281) 497-2210  
Condolences may be offered at  
www.memorialoaksfunerals.com

### MARY AND MARION "PETE" FLETCHER

2016



Marion "Pete" Fletcher passed away on November 3, 2016. He is reunited in Heaven with his loving wife, Mary Fletcher, who passed January 2, 2015. A memorial service honoring both of their lives will be held on Friday, November 18, 2016 at 10 a.m. in The Chapel of Pat H. Foley & Co. Funeral Home.

Pat H. Foley & Company

1200 West 34th Street  
Houston, TX 77018  
(713) 869-6261

Condolences may be offered at  
www.PathFoleyFuneralDirectors.com

### Share Memories, Photographs Online

When a loved one passes, family and friends find comfort in sharing remembrances. Take part at [chron.com/obits](http://chron.com/obits) by signing an online guest book and uploading your own photos of your loved one at no charge.

Be part of a circle of comfort at [chron.com/obits](http://chron.com/obits).

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### RAE EVELYN BELL MCBRIDE

1940-2016



Rae Evelyn McBride was born on 5/5/1940. She Passed away on 11/09/2016. Visitation will be held at St. Luke Missionary Baptist Church 4200 Lockwood Dr. Houston, TX on Thursday Nov. 17 from 9-10:45 a.m. follow by Funeral Service at 11 a.m., Interment Houston Memorial Gardens Cemetery.

### RODNEY H SMITH

1954-2016



May 31, 1954 - Nov 5, 2016  
Memorial Service 1 pm Sat Nov 19, 2016  
Forest Park Funeral Home  
6900 Lawndale, Houston, TX 77023

### SANDRA RAE THOMAS

1942-2016

Sandra Rae Thomas passed into God's arms October 27, 2016. Sandy was born to James and Genetta Branham on August 1, 1942 in Beaumont, Texas. In her youth her family moved first to Venezuela and then to Aruba. It was here that Sandy developed many special friendships that lasted her lifetime. She truly enjoyed the island life and loved sharing these memories with her family. After graduating from Lago High School, she moved back to Texas. Houston soon became her home and this is where she happily devoted her life to raising her family, traveling with her husband, and eventually becoming a doting grandmother. Her most cherished moments were spent at family cookouts by the pool, surrounded by her husband, children, and grandchildren.

Sandy is preceded in death by her loving husband of 35 years, Bob Thomas; her parents, James and Genetta Branham; and a son, Randy Michael Curry.

Sandy is survived by her children, Angela Dentler and husband Dale, Colin Curry, D'Nette Dodds and husband Dale, Dana Sheward, Jeff Thomas and wife Stacy; her



treasured grandchildren, Dalton, Dane, Cody, Lauren, Cade, Ryan, Mary, Kyle, Brandy, Brock, Teylor, Hope, Chase and Cole; her sisters Esther Tanner, Martha Huffman and husband Don; her brothers James Branham Jr. and wife Ruby, Eldon Branham; her first husband Mike Curry; as well as countless other family members and friends who loved her dearly.

A celebration of Sandy's life will be held on Saturday, November 19, 2016 at 10:00 a.m. at Memorial Oaks Funeral Home with a reception to follow. Memorial Donations may be made in Sandy's name to the American Cancer Society at [www.cancer.org](http://www.cancer.org).

Memorial Oaks Funeral Home

13001 Katy Freeway  
Houston, TX 77079  
(281) 497-2210  
Condolences may be offered at  
www.memorialoaksfunerals.com

### FRED A. WASHINGTON

1924-2016

passed away on Saturday, November 12, 2016. There will be a visitation on Wednesday, November 16 2016 from 10am to 11am at South Union Missionary Baptist Church 3550 Lydia St. Houston, Tx 77021. The funeral services will begin at 11am following the visitation at the Church. Pastor Michael Smith, officiating. The interment will follow at Cemetery Beautiful Cemetery.



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Send your condolences at  
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### In Loving Memory Of

#### HAROLD WAYNE HORNBACK

1979-1998

Eighteen years and our hearts are still broken. Your precious Memories live within our hearts. May your Holidays be wonderful with Jesus. We love and miss you with all hearts.

Loving Family.



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#### PRAYERS

GOD'S MIRACLE !! He removed 2 tumors from me. Praise God. KS

God grant me the serenity to accept the things I cannot change, courage to change the things I can, and wisdom to know the difference.