

MEET ETHAN HOUSE

Ethan House was born into an oil and gas family in Panhandle, Texas, near Amarillo, though initially he did not see himself joining the business. Despite having a grandfather who was in the oilfield-equipment business and a father who was an oil and gas attorney, House says he “didn’t do a lot of listening back then” and chose instead to seek a career in agriculture.

After moving to Houston with his family when he was eight, House returned to the Amarillo area when he received a scholarship to attend West Texas A&M University in Canyon, Texas, where he intended to learn about agriculture and equine management. He received a bachelor’s in marketing and, after returning to Houston in 2002, a friend recommended a job prospect back in Amarillo.

The prospect turned out to be EnergyNet Inc., an oil and gas property online-auction company barely two years old at the time.

House was intrigued by the opportunity to join a promising, nascent company, so he joined EnergyNet and worked his way up to director of marketing.

At its launch, in 1999, EnergyNet faced tremendous competition. It was one of nine such online-auction websites focusing on oil and gas assets. However, the company proved to be the survivor—all the rest eventually folded. House says the key to EnergyNet’s success was that it created a well-capitalized, continuous-auction format, as opposed to a one-day sale.

House spoke with Oil and Gas Investor about EnergyNet’s operations and his plans for his future with the company, the current A&D marketplace, and the joys of quail hunting and mountain biking.

Investor How did you come to be in asset marketing?

House When I first started, my duty was marketing the company as a whole. We are a Finra/NASD broker-dealer and sell all types of oil and gas interests. My focus was raising industry awareness of EnergyNet. Slowly, but surely, we grew our business-development team. Those guys are out there on the front line, developing and finding properties. This area, the Texas Panhandle, is the smallest area of all of our sales regions.

Marketing and business development go hand in hand. I’ve matured with the company, including finding assets to sell. It’s exciting to see so many deals come across our desks from all different basins and regions.

Investor What is challenging in your work?

House EnergyNet is a pretty small company, and everyone here wears a lot of hats. The challenge is to effectively manage numerous projects at the same time, which also teaches you how to prioritize and manage your time effectively. Our environment is challenging, but also the most rewarding, because everyone is involved in so many aspects of the company.



Investor What do you enjoy the most?

House The most rewarding part is traveling and meeting folks—getting out to events and trade shows and getting to know clients. Being a web-based company, it’s good for people to see there are faces behind the scenes. You could say that I’ve never met a stranger.

Investor What do you like about the oil and gas industry?

House It’s exciting to be involved in this industry at this time, with prices never before seen and such a feverish activity level. It’s amazing to be involved in an industry that has so much to do with how our country—better yet, our world—operates. I don’t think there’s any other industry that has as big an impact on economics and people’s everyday lives.

Investor What about this 2008 A&D marketplace?

House It’s great. Companies are exiting old, conventional areas. You’re

seeing them move capital and manpower to the resource plays. Also, companies are re-evaluating their core areas. We’ve sold big packages for the majors, and those guys are out pursuing completely new frontiers, such as offshore, and are exiting a lot of the on-shore areas. The big companies don’t see these assets as core to their business; however, the smaller operator can make a pile of money operating efficiently in these areas. What’s noncore to one company can become the core area to a start-up.

Investor What type of basin or play is everybody trying to buy into?

House Currently, all of the unconventional-resource plays. But some of the legacy basins, like the Permian and Michigan, have a lot of active development.

Investor Tell us about one of your mentors.

House Bill Britain, who’s our chairman and CEO. He started an operating company in 1987 and drilled a lot of successful wells, and participated in a number of live auctions. He started EnergyNet in 1999. That’s a big step for anyone. Perseverance, hard work, honesty, integrity and vision—all of these attributes are what he encompasses. Being able to work for someone like him is a privilege.

Investor Where do you see yourself in five years?

House I would say here. We have a lot of exciting opportunities coming up, and I think this company has a lot more growth potential. I definitely want to be a part of it. I hope to be a principal in the company, and I value my opportunity to be involved.

Investor How do you spend your free time?

House I play golf and enjoy mountain biking and hunting. I hunt everything from big game to upland birds. Quail hunting is my favorite. I have two Brittany hunting dogs, and I enjoy taking them to the field whenever I get the chance.

—Stephen Payne