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ENERGY
Producers

Changing Teams

Oil- and gas-industry executives are taking what they learned, and heading down a new career path

By **ISABEL ORDÓÑEZ**
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For two decades as a manager at **Exxon Mobil Corp.**, Richard Haut viewed environmental regulations as bureaucratic hurdles.

Now, as part of a nonprofit project that seeks to reduce the impact of oil drilling, he sees protecting the environment as the main drive of his life.

THE JOURNAL REPORT


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Venture capitalists are pouring money² into clean-energy companies. Here's an early look at where -- and how -- it's going. Plus, as the Arctic gets warmer³, oil and gas producers see the chance for a big expansion. But plenty of technological hurdles remain.

• See the complete [Energy](#)⁴ report.

"I got to a point in my life where I asked myself, 'What do you want to be remembered for?' " Mr. Haut says. "I had enough money to pay for the college education of my three children; I had enough money to retire on. I could have made more money, but I really wanted to help the environment."


Mr. Haut, 55, is one of a growing number of professionals who, after working for years in an industry long demonized for environmental

destruction, are reinventing themselves as protectors of the earth. They are taking what they learned in the oil and gas fields and using it to develop and push greener drilling and production technologies. Some have formed their own companies for that purpose, while others have joined environmental nonprofits.

In many ways, these executives come prepared for their new tasks. In the wake of catastrophic events such as the Exxon Valdez oil spill in Alaskan waters in 1989 and a fatal **BP PLC** refinery explosion in Texas City in 2005, the oil industry has taken steps to improve its environmental track record, giving rise to a growing corps of energy executives whose focus is on the cleanup and mitigation side of the business. Carole Fleming, 66, a chemical engineer who retired from **Chevron Corp.** last year, says her 25 years at the San Ramon, Calif.-based oil giant shaped her current interest in the environment. During her last nine years at Chevron, she was in charge of making sure waste such as mud, chemicals or oil generated during drilling operations was treated and properly disposed. Still, Mrs. Fleming says she wasn't able to devote as much time to environmental work as she wanted.

Retirement marked the turning point of her life, allowing her to pursue full-time what she says had

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become "a passion." She became a consultant on waste-disposal for oil-service companies and writes books on how to make drilling more environmentally friendly.

"I'm glad to be able to devote" more time to protecting the environment, Mrs. Fleming says, adding that her hope is that the oil industry eventually will be "seen as environmentally astute."

Tom Williams, 55, is another former oil executive who used retirement to make the transition to environmental work. He says he always believed that producing more oil and gas and protecting the environment didn't have to be mutually exclusive, so after retiring in June as vice president of research-and-business development for Noble Technology Services, a subsidiary of drilling-contractor **Noble Corp.**, he founded a company dedicated to developing and commercializing technologies that reduce the impact of drilling and oil-and-gas production in environmentally sensitive areas.



Richard Haut

Mr. Williams is trying to convince companies to use the new technologies in the frozen tundra of Alaska as well as the Gulf Coast wetlands. He holds nonexecutive positions on the boards of various oil and oil-services companies, including firms with operations in China, and he pushes those companies to adopt environmentally friendly technologies as well.

"I believe the oil industry will transform," Mr. Williams says. "It's the right thing to do."

A Shifting Tide

These stories are part of bigger transformation sweeping the oil industry, as concerns about climate change and energy security converge, says Joseph Stanislaw, independent senior adviser to Deloitte & Touche's Energy & Resources practice.

Until recently, to be an environmentalist meant "to reside on the cranky fringe, heralding doom and gloom," Mr. Stanislaw says. "Today, to be an environmentalist implies something very different -- that you are at the patriotic vanguard of a global movement," he says. "Environmentalists today are emerging as entrepreneurs, visionary policy makers, and the high priests of hope and eco-chic."

The industry's drive to become more pro-environment is evident in the gradual change in the topics presented at conferences of the Society of Petroleum Engineers, a professional industry organization.

"Environmental issues have become fundamental in our sessions," says David Burnett, who is planning discussion topics for the group's 2008 annual conference in September. "Critical issues, such as global warming, are catching the attention of our hundreds of members. This hasn't happened before."

Some oil companies are hiring respected independent environmentalists as advisers. Marine biologist Ian Hudson, for example, represents **Transocean Inc.**, the world's largest offshore drilling contractor, on the board of a foundation that works to conserve marine life in the Gulf of Mexico, where oil companies are drilling hundreds of wells.

Lessons From Norway

Mr. Haut says his conversion to environmentalism was a gradual "awakening" that started in the early 1990s, when he was working for Exxon Mobil in Norway.

"When you work in Norway, the first thing you learn is that the environment is definitely important," says Mr. Haut, who recalls attending the 1994 Winter Olympics in Lillehammer and being struck by the fact that the huge crowds who attended cross-country ski events left behind no trash when they dispersed. "I was truly impressed with the Norwegians' respect for the environment," he says.

Mr. Haut left Exxon Mobil in 1998 to take a position with drilling giant **Halliburton** Co. that involved developing more environmentally friendly technologies. But he sometimes had to put aside environmental projects for budget reasons, so he left the oil industry in 2002 to work on environmental issues full-time.

Mr. Haut joined Houston Advance Research Center, a nonprofit organization dedicated to sustainable development, where he currently is the lead researcher for several environmental programs. His responsibilities range from advising oil companies on how to reduce the environmental footprint of offshore operations to supporting programs that reduce emissions from diesel engines. Mr. Haut also represents nonprofits across the U.S. on the U.S. Green Building Council Research Committee, a trade organization that promotes environmentally responsible building.

Mr. Haut's career shift has meant changes in his lifestyle. He said his salary is now half the \$180,000 he was making at Exxon Mobil, and he and his wife -- an artist -- live in a house about half the size of the 4,000-square-foot place with a pool they had before.

"I don't regret it," Mr. Haut says. "It was the best decision I've ever made."

--Ms. Ordóñez is a reporter for Dow Jones Newswires in Houston.

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