

Invest in These 5 Companies Supplying the Oil and Gas Industry

Description

Want dividends via oil and gas, without investing in oil and gas producers? Consider these oil and gas termark field services companies for your portfolio instead.

1. Ensign Energy Services

Ensign Energy Services (TSX: ESI) provides Canadian, U.S., and international oilfield services. It's one of the globe's top land-based drillers and well-servicing providers for crude oil, natural gas, and geothermal wells. Additionally, Ensign has extensive expertise in directional drilling.

Presently, Ensign's construction in progress includes 11 new automated drilling rigs, one new wellservicing rig, and eight major retrofits to existing drilling rigs.

In Q1 2014, Ensign declared a quarterly cash dividend on common shares of \$0.1175 per share.

2. Gibson Energy

Gibson Energy (TSX: GEI) is an integrated service provider to the oil and gas industry in the U.S. and an independent midstream energy company in Canada. Recently, Gibson closed the purchase of Stittco Energy, a provider of propane equipment, service, and delivery to commercial, industrial, and residential customers in northern Manitoba and the Northwest Territories.

In May, Gibson Energy approved a quarterly dividend of \$0.30 per common share. In 2013, Gibson paid total dividends of \$134 million, or \$1.10 per share, versus \$106 million, or \$1.01 per share, the year prior.

3. ShawCor

ShawCor (TSX: SCL) focuses on technology-based products and services for the pipeline and pipe services market and the petrochemical and industrial market.

ShawCor recently announced that Bredero Shaw, its pipe coating division, received a contract worth

roughly U.S.\$70 million from BP Exploration (Shah Deniz) Ltd. for and on behalf of the South Caucasus Pipeline Company. The contract is for coating services for the South Caucasus Pipeline Expansion project.

ShawCor recently declared a common share dividend of \$0.15 per share. This is a 20% increase over the prior quarterly dividend.

4. Calfrac Well Services

Calfrac Well Services (TSX: CFW) is a pressure pumping services provider. It concentrates on leading unconventional natural gas and light oil plays in North America and strategic global markets. Moreover, the company has considerably increased its exposure to oil-focused fracturing services. In 2013, Calfrac was independently rated as having the No. 1 overall market share across five key Canadian unconventional plays.

In May, Calfrac announced a split of its common shares on a two-for-one basis. In Q1 2014, Calfrac declared a quarterly dividend of \$0.25 per share.

5. National Oilwell Varco

South of the border, **National Oilwell Varco** (NYSE: NOV) is a supplier of equipment and components used in oil and gas drilling and production operations, oilfield services, and supply chain integration services to the upstream oil and gas industry.

In mid-May, National Oilwell Varco announced an increase in the regular quarterly cash dividend to \$0.46 per share of common stock from \$0.26 per share of common stock.

Company president and CEO Clay Williams said, "Even with this increase, our business model generates sufficient operating cash flow to allow future investment in strategic internal growth and acquisitions that will further strengthen our existing businesses."

You don't have to go "well deep" so to speak with producers to earn regular income from the oil and gas industry. Companies that supply the industry can supply your trading account as well.

CATEGORY

Investing

TICKERS GLOBAL

- 1. NYSE:NOV (NOV)
- 2. TSX:CFW (Calfrac Well Services Ltd.)
- 3. TSX:ESI (Ensign Energy Services Inc.)
- 4. TSX:GEI (Gibson Energy Inc.)
- 5. TSX:MATR (Shawcor)

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