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Lawson reflects on nearly 40 years in oil and gas business

[Energy](#)

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Bentonville businessman and entrepreneur Randy Lawson founded Lawco Energy Group in 1985. The company's headquarters are at 113 S. Main St. in downtown Bentonville inside the Charles Craig Building. Lawson bought the two-story building, originally built in the early 1900s, in 2001. After a renovation, the property was listed on the National Register of Historic Places.

Randy Lawson, a longtime Bentonville oil and gas man, started his career like most in the energy industry — a landman, acquiring mineral rights from landowners.

Nearly 40 years later, and chief executive of his own energy company for most of that time, Lawson, 61, still has the heart of a landman, probing for new leases whenever and wherever a new play arises that seems favorable.

His desire for education perhaps equals Lawson's passion for energy. During a recent interview, he blended the two topics when asked about the state of the oil and gas business.

To explain the country's success in the energy business, Lawson reiterated a point that some take for granted. The United States is one of a handful of countries in which private real estate owners can hold and own subsurface mineral rights. In a majority of the world, only the government can own and benefit from those rights.

"That is a significant thing that people miss, that it's unique to the world," he said. "If we did not have the private mineral rights [ownership], America would not be leading the world in production today. I don't think there's any question about that.

"Private ownership has allowed ranchers and farmers to be incentivized. When we lease land from a private landowner, we pay them a bonus for the lease. If any oil or gas is produced, they get royalties with no risk. They're incentivized to make a deal with the oil company. It's one of the key factors that's allowed the U.S. to be energy self-sufficient for the most part. The private mineral estate has helped the industry thrive. It has helped us lead the world in energy innovation."

Lawson said mineral rights combined with hydraulic fracturing (fracking) and improved technology of horizontal drilling have allowed the U.S. to have a renaissance in energy. America now dominates new oil and gas production. According to the U.S. Energy Information Administration (EIA), U.S. petroleum and natural gas production increased by 16% and 12%, respectively, in 2018. Those totals combined established a new production record. The U.S. surpassed Russia in 2011 to become the world's largest producer of natural gas and surpassed Saudi Arabia in 2018 to become the world's largest producer of petroleum. The 2018 increase in the U.S. was one of the most substantial absolute petroleum and natural gas production increases from a single country in history, according to the EIA. America is now responsible for roughly 17% of global oil production and approximately 23% of gas.

In other words, it's an excellent time to be in the energy business. In 2020, Lawco Energy Group, an independent oil and gas exploration company headquartered in downtown Bentonville, will celebrate its 35th anniversary. Lawson founded the original entity from the spare bedroom of a Jackson, Miss.-townhouse in 1985.

Lawco and its multiple affiliates own interests in more than 150 producing oil and gas properties, both operated and non-operated, in the Gulf of Mexico, Arkansas, Alabama, Mississippi, Louisiana, Texas and Oklahoma in the United States.

Lawco had operating and non-operating interests in multiple wells in the Fayetteville Shale, with more than 20,000 acres under lease at one time. The company ultimately accepted an offer from Texas-based XTO Energy Inc. in March 2008 to sell its position.

“The price of natural gas at that time was \$12 per mcf [per thousand cubic feet],” Lawson recalled. “Today it’s below \$2. In hindsight, we’re thankful we sold.”

Lawson said the company’s exploration is busiest these days in southeast Kansas and northeast Oklahoma, where it has a significant position of roughly 50,000 acres in its control. Lawco also has investments in other energy projects, including hydroelectric developments in Cameroon and Sierra Leone.

From the beginning, Lawson said Lawco has strived to be a company driven by technology. That is the secret, he said, to find new energy reserves.

“We try to use the best technology available to help us mitigate risk,” he said. “Whether it’s 3D seismic [surveys] or high-quality geological work. Occasionally we’ll stub our toe and drill a dry hole, but fortunately, we have a lot more producers than dry holes.”

NWA ROOTS

Lawson moved with his family from Kansas City, Mo., to Houston when he was 9. He came to Northwest Arkansas for college in the 1970s as a walk-on football player for the University of Arkansas. His first year was Frank Broyles’ last as head coach. Lawson joked that he quickly realized football as a career was not viable.

Lawson hit the books with a bit more effort than most and also ran a small sales company in Springdale while he was an undergrad. After graduating from the UA in 1981 with a business degree emphasizing economics and geology, he sifted through numerous job offers before deciding to go to work for Gulf Oil Corp. in Houston.

His career trajectory from that point was upwardly mobile. The path took him to Louisiana and Mississippi before he and his wife took their young family from Jackson back home to Bentonville in the summer of 1989.

Yes, home. Despite growing up in Missouri and Texas, the Lawson name goes back decades in Northwest Arkansas. Lawson’s father was born in Bentonville in 1930. In 1937, his mother was born inside a log cabin along the Buffalo River.

“Our family roots go back to the Civil War days in Northwest Arkansas,” Lawson said. “All my life I’ve been around Northwest Arkansas. My ‘summer camp’ was spent on my grandparents’ family farm hauling hay, milking cows and feeding chickens.”

Those summers instilled a strong work ethic, principles reinforced regularly by his parents, Lawson said. It has been a trademark throughout his career. Whether as oil and gas man, real estate developer, angel investor, philanthropist or education leader, Lawson is naturally inquisitive and has a lengthy resume of work on the national, regional and local civic level for numerous professional and nonprofit groups.

He was elected and served on the Bentonville School Board for a decade, including a two-year term as president. He was appointed to the Arkansas State Board of Education by former Gov. Mike Huckabee for a six-year term that ended in 2009. He served two years as chairman.

“For Republican democracy to work, you have to have a well-educated workforce, and that’s why I have always been interested in education,” Lawson said. “My mom and dad instilled in me a work ethic and value of education and the free enterprise system. It has been good for our family, and in America, if you follow that, you’re going to be successful.”

Lawson presently sits on Arvest Bank’s board of directors for the Benton County market. He is also vice chairman of Economics Arkansas, an educational organization that promotes economic literacy to K-12 students in the state.