

News-Sun

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Challenge bringing energy companies to Lea

Challenge could bring millions in investments



LEVI HILL
NEWS-SUN

Looking to bring energy-related companies to Lea County and even those involved in the budding space industry could bring millions to Lea County.

That was the message at a recent public information workshop in Hobbs where New Horizons Foundation Executive Director Dennis Holmberg highlighted what Q Station's energy challenge could do for Lea County.

"Through their efforts they have been able to build about \$500 to \$600

million in investments," Holmberg said of a similar type challenge Q Station put together in the Albuquerque area previously. "We have hired them to put together the Energy Challenge. This isn't just oil and gas and the jobs we have now, but what could come our way."

"There is no guarantee here, but we have the ability to pick people who are a fit here with us," he added. "There is a lot that can hap-



Balzano

pen there. We are not the economic development corporation. Our goal is to enhance and advance economic development in Lea County. I do believe that if this succeeds, it could be like Urenco coming. New Horizons Foundation has pledged \$250,000 to make this work."

Toni Balzano, vice president of communications and strategy for Q Station, said the company is working across the globe with energy sector companies, start-ups and tech developers and is working to recruit 20 or so energy sector companies to bring to Lea County for a 90-day accelerator.

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"How do we get them to a place where they can raise money or get their technology a little further advanced," she said. "We are going to expose them to southeast New Mexico and how to do business in southeast New Mexico. Really the goal of this is to develop this long-term pipeline of energy. How do we make the Permian the innovation leader in energy innovation in the country?"

"Our goal is to get the most innovative energy solutions," she said. "It could be around battery storage or small modular nuclear reactors. It can be around solar and wind as well. Those technologies are not going anywhere."

She said the goal is to get the 20 or so companies focused on how to either develop their tech or get it to market and then have a "pitch" day in Hobbs where they show off

their products and look for local partners.

"After the showcase we continue our work with them over the next year," she said. "This is not a relocation program, although I want them to relocate here. And it is not a replacement for oil and gas. This is true, hard work economic development. Realistically, I think we could see two businesses locating here."

She said 10 companies are already signed up for the energy challenge and once the roster is full, Q Station will narrow down the pool to the most valuable and ready to be pitched companies.

"How you support this really matters," she told a small group of local political and government leaders. "The turnaround on these companies is often three to five years."

Holmberg said two technologies that could

find a home in Lea are semi-truck-sized batteries with 20-year lifespans to help with the area's energy shortage, particularly in rural areas of the Permian Basin, and an enhanced oil recovery system that is being developed that works on a closed-loop system used during the hydraulic fracturing stage of drilling an oil well.

"They are showing a 500 percent increase in production," he said.

In regards to the modern space race, he said rocket fuel could be created at Navajo Refinery between Hobbs and Lovington and be closer to launch sites in New Mexico and Texas, reducing fuel loss from evaporation as

rocket fuel is currently trucked to the region from Florida.

"Texas offered \$600 million to Space Force for them to bring things in and they (the government) said 'yes,'" he said. "Space is a domain of commerce."

The "pitch" day is slated to occur this fall once the 90-day incubator is completed.

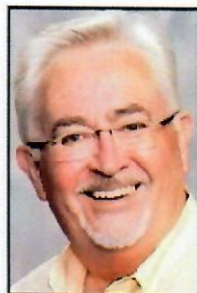
For more information on the Energy Challenge, contact the New Horizons Foundation at 492-4712.

Levi Hill's email is reporter1@hobbsnews.com.

Energy Challenge workshop today

LEVI HILL
NEWS-SUN

Have an idea that could change the world? Own a company looking for expert outside help? Want to get in on the ground floor of the space race industry in New Mexico?



Holmberg

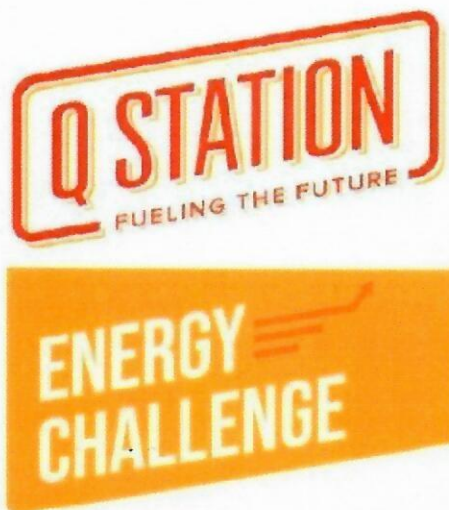
Then the Energy Challenge Workshop sponsored by New Horizons Foundation and hosted by Q Station today from 3-5 p.m. at the Hobbs Country Club is your place to be.

The workshop is designed to introduce local leaders and businesses to what Q Station is doing for the area with its Energy Challenge program.

"This will be the communities' workshop," said Dennis Holmberg, executive director of the New Horizons Foundation, an economic development entity funded by New Mexico Junior College and Lea County. "This is to get the communities here to understand what we are trying to do. We already have companies and individuals lined up that are going to be those entering the challenge. They could be engineers or private labs or companies."

The Challenge is bringing in energy companies from across the spectrum to Lea County and is designed to help them connect with resources here as well as patented military technology that could be adapted to commercial uses in the energy industry.

"The oil and gas drives this state," Holmberg said. "What we want to do



is include all aspects of energy. That's nuclear — with URENCO here that is important for people to understand what they can do — wind and solar — they are here to stay and what we need to understand is what can we do to help them."

"We will have people coming in to talk about whatever they would like talk about, maybe it's a new isotope or a new technology, maybe it leads to programs to train people to work on solar panels or turbines, but there is new tech out there all the time," he added. "Battery storage is one of the big new techs. If they had the ability to store energy in long-term batteries, the size of a semi-truck, the energy could be stored for 20-25 years so that it is on immediate demand. These new batteries will allow them to store that energy for later use when the turbines aren't going."

New Horizons also contracted Q Sta-

tion to begin working on luring the growing space industry to Lea County.

"They put on a space challenge along with the Air Force research lab in Northern New Mexico and it was a huge success," he said. "They are doing the same type of thing in the Dakotas. Southeast New Mexico could be a place where the satellites can be built. We could provide the fuel for the rockets. New Mexico and Texas together — they have the launch sites — we have the ability to build the satellites and there is no inventory tax like in Texas."

The event was slated to happen earlier this month, but was pushed back last minute.

Toni Balzano, vice president of communications and strategy for Q Station, said the delay was chosen because an opportunity came to lure in a few more speakers for the event that was too good to pass up.

"This is about any energy company with an innovative solution around oil and gas, wind, solar or nuclear," Balzano said. "How can the area benefit from this challenge and how can the community participate in this innovation challenge and bringing in new companies and jobs into the area?"

Holmberg said the program will be a success if it lures even one new technology or industry to the area.

"The New Horizons board thinks this is an opportunity to get recognition for what New Horizons has done and wants to do, and if we could find just three or four ideas to develop here and keep it here, that is a positive," he said.

For more information call 575-492-4708 or email info@qstation.tech.

SPACE

Is it Lea's next economic frontier?



LEVI HILL
NEWS-SUN

Space: The latest frontier. These are the voyages of southeast New Mexico. Its continuing mission to lure in new industries and new opportunities. To boldly build rockets — a job no oil worker has done before. But they can!

That's what Dennis Holmberg, executive director of The New Horizons Foundation at New Mexico Junior

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College, and Randy Trask, CEO of Q-Station, a collaborative innovation hub that currently work with the Air Force and Space Force, believe and they are working to lure the budding space industry to southeast New Mexico where oil workers are a perfect fit.

"They are finding that oil and gas workers are the perfect match for launch workforce," Trask said. "This is a new frontier and there are going to be a lot of companies needing this workforce. Space is not all rocket scientists. There are entry-level positions."

Trask said space is within southeast New Mexico's grasp.

"Until everyone recognizes space is a domain of commerce like land, sea, air, we have to keep pushing this," Trask said. "We are at the early stage of it. It is an industrial revolution. It is not an untouchable thing."

Space Valley

You've heard of Silicon Valley, but chances are you haven't heard about Space Valley but if you live in New Mexico you live in it.

In a very real sense, New Mexico is the birthplace of the space race. In the 1940s the first rocket tests that lead to the space race were launched from White Sands Missile Range, as were the first primates sent into space in 1948.

Today, New Mexico has mostly forgotten it's space history, even failing to see the importance of Spaceport America.

"Spaceport was so visionary it was too early," said Randy Trask, CEO of Q-Station,

a collaborative innovation hub that currently work with the Air Force and Space Force. "Now is the moment when we need to double down and instead, we are being pessimistic."

Trask said the non-profit is in the process of trying to brand Colorado, New Mexico and the area around El Paso, Texas, as "Space Valley."

"New Mexico is the heart of Space Valley and birthplace of the space industry," Trask said. "We have not leveraged that as part of our identity in New Mexico. In the grand scheme of things, the amount of dollars spent on space in New Mexico is much higher and yet Houston calls itself Space City."

SENM is well positioned

It's a reality Holmberg saw during a recent event at University of Texas El Paso called "Texas Space Coalition."

"What was odd is they showed a map and showed all the assets of the Texas space program.

All of their assets were in New Mexico," he said.

White Sands Missile Range, Spaceport America, Los Alamos, Air Force testing labs in Albuquerque — the majority of Texas' space "assets" were in New Mexico. There is the Blue Origin launch site near Van Horn and a planned launch site near Midland and those present opportunities for Southeastern New Mexico, Holmberg said.

"What is happening is a lot of our satellites are outdated and being brought down

and there is a real need to update that," Holmberg said. "Blue Origins and Texas are building a vertical launch site. Texas allocated \$300 million to it last year and again this year to build this corridor. There is a place for us in this in two areas: Where to store the equipment — Texas has inventory tax and we don't. The other thing is those jobs that are going to come from that. They are not masters or doctorates degree job. These are jobs that could be filled with two-year programs."

One instance where southeast New Mexico has a play is Navajo Refinery. Trask said rocket fuel, or jet fuel, requires diesel.

"We have that here in Lea County," Holmberg said.

"They are hauling their fuel from Florida to Blue Origins," Trask added. "We have talked to a couple of potential customers and they are interested in buying (diesel) if it is closer. We are developing a new market maybe for that product."

Trask said research in the types of jobs needed for both rocket and satellite manufacturing fit right in with New Mexico's oilfields.

"As we have been watching this, it is starting to percolate into a region," Trask added. "Los Alamos has the second largest research portfolio is space. NASA has a test facility at White Sands Missile Range. All of the research universities in the state are doing space research. There is a huge play in southeast New Mexico in the space industry that no one is working toward yet."

Statewide effort

Holmberg said the push to capitalize on space in New Mexico is not just one city or one region, but a statewide push that is building momentum.

"Other communities have said they want to join us. To join in developing this space valley," he said. "We need to quit thinking about state lines and county lines. The challenge isn't Hobbs or Lea County. New Horizons is working to represent southeast New Mexico. We need to develop partnerships and that is what we are trying to do."

He said working with Q Station to help build those connections and develop that identity as Space Valley is one piece of the puzzle.

What is the plan?

Holmberg and Trask said the contract between New Horizons and Q Station is a projected-based contract and Q Station is tasked with bringing the eyes of the budding space industry to New Mexico.

"Our approach is much more practical," Trask said. "We are identifying opportunities and exploring them. We are bringing (the companies) here and showing them, this is a place where they aren't just one of many small companies but they could stand out. That is a first step."

The contract between New Horizons and Q Station for the work is \$250,000 and comes from New Horizon's operating funds, which are supplied by Lea County and the New Mexico Junior College.