

# T. Boone Pickens: The Legacy of a Famous Oil Barron

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While most people think about September 11th as the anniversary of the saddest day in recent United States history because of the Twin Towers tragedy, T. Boone Pickens died on September 11, 2019 at the age of 91. He was born in Oklahoma and first worked in the oil industry with Phillips Petroleum. Pickens then did a little bit of wildcatter activities, founding the company that would become Mesa Petroleum. His corporate acquisition activities in the 1980s made him most famous with attempted buyouts of Cities Service, Gulf Oil, Phillips Petroleum, and Unocal. The purpose of this research is to share both the ups and downs of his life as well as examine the influence that his life had on the entire energy industry.

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## Introduction

While the oil industry is affected by many individuals, T. Boone Pickens had a much bigger role than most people. He died on September 11, 2019 and the purpose of this research is to examine his life and his legacy. In the same way that the oil industry experiences “booms and busts”, T. Boone Pickens’ life and legacy seemed to have the same types of ups and downs. This article will investigate his personal life, his career as an oil baron, his professional contributions to other aspects of the energy industry, his political interests, his philanthropic activities, and his letter to others upon his death.

## T. Boone Pickens’ Personal Life

Mr. Pickens was born in Oklahoma, but grew up in Amarillo and first attended Texas A & M University on a basketball scholarship. He actually graduated from Oklahoma State University (OSU) with a degree in geology. T. Boon Pickens had five wives and four biological children along with one adopted daughter. Pickens married Lynn O’Brien in 1949 and they had four children, but they divorced in 1971. While they had no children together, Mr. Pickens married Beatrice Carr Stuart and adopted one of her daughters. He married Nelda Cain in 2000 and also had no children with this marriage. Their divorce took place in 2004. His fourth marriage was to Madeleine Paulson and they divorced in 2012 with no children together. Mr. Pickens’ final marriage was to Toni Chapman Brinker in 2014 and they divorced with no children in 2017. He lived in Dallas most of the time, but had a ranch and private airport near Pampa, Texas.

## His Career as an Oil Barron

After graduating from OSU in geology, T. Boone Pickens worked for Phillips Petroleum and then became a wildcatter on his own. He then founded Mesa Petroleum in 1956. With this company, he started major takeover

activities and was successful with the acquisition of Hugoton Production Company, a company thirty times the size of Mesa Petroleum at the time. Mr. Pickens became somewhat famous with his merger and acquisition activities during the 1980s and the most celebrated deals were actually just attempted buyouts of Cities Service, Gulf Oil, Phillips Petroleum, and Unocal. His successful acquisitions were only with Pioneer Petroleum and just assets of Tenneco. Despite many of his failed takeover attempts, T. Boone Pickens had a reputation as a “corporate raider” or “greenmailer” because he received substantial profits through the eventual sale of their stock even though most of the takeover deals were never completed. He continued with other takeover targets with Newmont Mining, Diamond Shamrock, and Koito Manufacturing. His last major activity involved the creation of the United Shareholders Association, an organization that attempted to influence the governance and several large companies in the late 1980s and early 1990s. In the late 1990s, T. Boone Pickens founded BP Energy Fund and ran two hedge funds from this company, investing in energy companies, such as Halliburton, Schlumberger, Shaw Group, Suncor Energy, ExxonMobil, and Occidental Petroleum. He earned more than \$900 million in 2006 and almost \$3 billion in 2007 from his equity in the two funds. Additionally, Mr. Pickens earned more than \$100 billion in 2006 and almost \$600 million in 2007 from the fees applied to fund the profits in the two funds. In 2009, T. Boone Pickens won the Bower Award for Business Leadership for serving many years of both visionary leadership in the energy industry and philanthropic leaderships with education, medicine, and environmental conservation.

### **His Contributions to Other Aspects of the Energy Industry**

In addition to work in the oil business, T. Boone Pickens encouraged the construction of nuclear power plants, the use of natural gas for even transportation, and alternative energy, such as wind farms in West Texas. In 1997, Pickens’ founded Pickens Fuel Corporation and promoted natural gas because it resulted in 30% less pollution than gasoline. In 2001, this company was reincorporated as Clean Energy Fuels Corporation and it operates natural gas fueling stations throughout the United States.

T. Boone Pickens started building the world’s largest wind farm with his Mesa Power LP construction company. It installed large wind turbines in the Texas Panhandle. While it did not result in the project that he expected because of slowdowns and costs, there are many wind turbines in West Texas because of the vision that he brought to the alternative energy. The natural gas prices made many utility companies select this alternative because of low cost.

In 2008, T. Boone Pickens promoted reduction of the USA dependence on foreign oil and announced a major energy policy proposal called the Pickens Plan. The plan called for both wind and solar energy increases, the major change involved the commercial vehicles converting from diesel to natural gas. Additionally, it encouraged the United States to take advantage of the wind corridor in the middle of the country to generate energy. With this plan, his federal subsidies for wind could be renewed, too. In 2013, New York City Mayor Michael Bloomberg and Pickens spoke on behalf of Clean Energy Fuels in support of a new eco-friendly food truck. The involved company, Neapolitan Express, explained how their mobile pizzeria would emit 75% less pollution than trucks running on diesel.

### **Pickens’ Political Activities**

Over the years, T. Boone Pickens made over \$5 million in political donations and he was a supporter of President George W. Bush as well as many Republican groups. He was also an executive-committee member of

the Rudy Giuliani Presidential Committee. Pickens still focused his advocacy of solar and wind power, but also positioned himself to align with environmentally friendly Democrats in spite of his long-time Republican affiliation. As an experienced oil and gas industry baron, he knew that drilling for more oil was the solution to the United States' energy needs. Pickens' Clean Energy Fuels Corporation was the primary advocate of California's Proposition 10 referendum regarding natural gas, but the voters rejected it. This vote stopped the sale of bonds to provide almost \$10 billion of alternative energy rebates and incentives that would have benefitted his company the most. In spite of the loss, the natural gas stations continue to operate in California.

### **T. Boone Pickens' Legacy With Philanthropic Activities**

In addition to being active with the Republican Party, T. Boone Pickens chaired the West Texas A & M University Board of Regents and contributed significant amounts of money to the school. He was also a generous contributor to his alma mater, Oklahoma State University, and the football stadium is named in his honor after he gave more than \$265 million of his donations to athletics. His total contributions to Oklahoma State University totaled more than \$1 billion.

In 2005, Pickens donated significant sums to the Hurricane Katrina relief efforts and chartered airplanes to transport animals rescued in the floodwaters. In 2006, he donated more than \$5 million for the construction of a Texas Woman's University, T. Boone Pickens Institute of Health Sciences in Dallas, Texas. While the money is required to grow to \$1 billion within 25 years before they can be used, T. Boone Pickens donated \$100 million to UT Southwestern Medical Center in Dallas and the UT M.D. Anderson Cancer Center in Houston. He also donated \$5 million to the Downtown Dallas YMCA in an attempt to inspire others to be healthy. Pickens also contributed to educational initiatives with brain science with a donation of more than \$10 million to the University of Texas at Dallas Center for Brain Health

T. Boone Pickens won several honors over the years. In 2003, he was inducted into the Oklahoma Hall of Fame and the Texas Legislative Conference honored Pickens as its "Texan of the Year" in 2008. In 2012, Mr. Pickens was awarded the Albert Schweitzer Leadership Award for his lifetime accomplishments.

### **T. Boone Pickens' Final Message**

In his final message to social media followers, T. Boone Pickens had the following poem, *Indispensable Man* written by Saxon White Kessinger in 1959:

Sometime when you feel that your going  
 Would leave an unfillable hole,  
 Just follow these simple instructions  
 And see how they humble your soul;  
 Take a bucket and fill it with water,  
 Put your hand in it up to the wrist,  
 Pull it out and the hole that's remaining  
 Is a measure of how you'll be missed.  
 You can splash all you wish when you enter,  
 You may stir up the water galore,  
 But stop and you'll find that in no time  
 It looks quite the same as before.

He encouraged the social media followers with the following statement—“You be the judge of how long the bucket remembers me”. He will be remembered for a long time!

### Conclusion

T. Boone Pickens made important leadership changes to the oil and gas industry as well as contributed to society through philanthropic activities during his lifetime. Lessons learned from his legacy involve efficiency in the industry, progress with other aspects of energy, contributions as a citizen with politics, and generosity. By studying the life of legends, people can learn and make their own mark in society for the future.

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