

Houston-based energy co. triples headcount with acquisition

By Joshua Mann – Reporter, Houston Business Journal
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Houston-based Tally Energy Services has tripled its headcount with its latest deal — the acquisition of Premier Directional Drilling, also based in Houston.

The acquisition takes Tally's headcount from about 50 to about 150 employees, said Stephanie Hertzog, a senior vice president for the company.

The deal also comes with a leased office in Greenspoint, which Hertzog said Premier will stay in for the time being.

“For the next 12 months or so, we're going to let them keep doing what they're doing,” Hertzog said.

But this isn't Tally's first acquisition in directional drilling. It acquired Terra Directional Services, another Houston-based company, and eventually Tally plans to merge Terra and Premier under one roof and one business structure, Hertzog said. She also said that there is room for everyone in both companies under the Tally banner.

“If we achieve the desired growth plans, we'll need the current teams plus more,” she said.

Hertzog declined to comment on the financial terms of the acquisition, but Tally had raised more than \$130 million in capital commitments and had “additional equity available for substantially larger acquisitions,” according to an earlier press release.

How the deal came about

The Premier deal has its roots in an existing relationship between Don Mason, the president of Terra, and Michael Kennedy, the president of Premier. Tally wanted a larger platform for directional drilling, so its leadership sat down with Mason to get some ideas for acquisition targets.

Mason suggested Premier, and he made the introductions before long, Hertzog said.

Kennedy had been looking for a capital partner to fuel his own company's growth at the time, so he was receptive to an acquisition, Hertzog said.

And Premier had the qualities Tally was looking for in their target, too.

“Most importantly, we wanted to acquire a company with a management team that wanted to stay with the business,” Hertzog said.

It was also important that Mason and Kennedy work well together, since their companies will eventually be merged, Hertzog said.

And finally, Tally was looking for scale — it needed a platform that would give it access to all the major shale markets in the U.S., and Premier has that, too, Hertzog said.



*Stephanie Hertzog, Senior Vice President
Tally Energy Services*