



Message from President/CEO Ron Lallo



This year is such a big year for our company. 20 years in business and now the preparation begins to transition into the World Class realms of performance!

By the time you are all reading this, we should be moving into our new corporate office in Bakersfield. This is a big deal! We have constructed a \$4 million facility that is designed to bring our Central Support Center and our

executive staff under one roof with the intention to bring this organization together as one team. World class, cutting-edge technology will be present in every room allowing us to connect visually to our customers and employees in other states and regions. It is long overdue for our main office to begin providing a higher level of support to all of our regions. I believe that one of our corporate offices' primary reasons for existence is to remove obstacles, help pave a path to success and provide the tools necessary to keep our people, the motoring public and our environment safe and free from hazards. As we integrate into this new facility and begin a new chapter at Gazelle, we will be focusing on removing those obstacles from the paths of the people that make our success possible. Our drivers and regional management will soon experience a level of service that is long overdue and much deserved. Significant efforts and resources are being poured into leadership and team development. We are serious about building a high

performance team of people to take us into the next 20 years. We are raising the bar on everything we do, especially how we support and develop our most precious resource, our people.

During the week of July 15th all of our area managers and executive management will meet in Bakersfield to kick off the most profound management change in this companies history. If I had a way to look at all of you directly in the eyes at this very moment, I would tell you that this will be the changing point in our company's history that propels us to the top. We will develop a discipline at Gazelle that teaches us how to execute the critical tasks in a timely manner. We will be developing this new process at the direction of one of the world's finest leadership development groups. This newly learned process will put our entire team on one field, playing one game and with a score board we can all see.

I am making a pledge to all of you that I will champion this effort with everything

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Gazelle Transportation Ranks in Top Half of the Inc. 5000



Inc. magazine listed Gazelle Transportation #2247 in its 2012 annual ranking of the fastest growing private companies in the U.S. Gazelle's growth is 113% over three years, compared to the median growth rate of 97% for other companies on the list. Gazelle is proud to be growing, adding jobs and fueling the economies in the markets we serve – California, Colorado, Texas and Wyoming.

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Taking a Proactive Approach to Safety

Safety & Compliance Director: Steve Wittels



Unsafe conditions and behaviors are around us all of the time, at work, away from work, and even at home. People commit unsafe acts and tolerate unsafe conditions for many reasons and often times they may not even realize it. Picture a person who speeds down the highway on their way to work in their car that has worn out tires. This is an example of both of an unsafe act (speeding) and an unsafe condition (worn out tires). So why do people take these risks? They take the risk for many possible reasons. In this example perhaps to save some time, have some fun, and there are no cops around. They may not replace the tires because they are short on cash, rather spend money on something else, or maybe haven't even bothered to check them for a long time.

So consider this; wherever and whenever there is an unsafe condition or unsafe act observed, there is an opportunity to fix the problem **BEFORE** there is an accident. In the example above, slowing down and getting new tires will go a long way to preventing a terrible car accident.

Unsafe acts and conditions exist “beneath the surface”, meaning that they are all around but haven’t “surfaced” in the form of an incident yet. An Iceberg is a fitting analogy. By eliminating the unsafe acts and conditions beneath the surface, we can stop incidents before they happen and appear “above the surface.”

In our line of work, it is not enough just to address the unsafe situations we see. We must actively seek out these situations and fix the problems. Fortunately, we have some great resources to help us. Always report an unsafe condition on a lease to your supervisor and company representative on site if available. A “Lease Hazard Report” is a great tool to use to document and report the condition. We have found that our customers are very responsive to reports and are quick to correct problems. Remember, just because you were not injured by an unsafe condition, doesn’t mean that the next guy to come along will be as fortunate.

Supervisors conduct field verifications to ensure that we are all following proper procedures. A “Field Verification” is a great opportunity for you to discuss with your supervisor how well you are following the correct procedures. When accidents, spills, and injuries occur, often times, it is found that the proper steps were not followed. Standard Operating Procedures are there to protect you!

No job is worth doing if it can't be done safely. We owe it to our families, coworkers, and ourselves to return home every day safely. Think about your day-to-day activities at work and away from work. What unsafe acts might you be making that you can correct immediately? Are there unsafe conditions that need to be reported and corrected? A little bit of action goes a long way when you take a proactive approach to safety! ➔

“ **Unsafe acts and conditions exist ‘Beneath the Surface’** ”

INCIDENTS

- Accidents
- Injuries
- Spills

UNSAFE ACTIONS

- Speeding
- No H2S Monitor
- Using wrong tool
- Not using 3 points of contact

UNSAFE CONDITIONS

- Bad Roads
- Broken Steps on Tanks
- Bad Weather
- Muddy Conditions

Eliminate these before they become incidents!



New Developments: Michele Kehoe



Thank

you everyone for your warm welcome since joining the Gazelle family. It's hard to believe that I have been here

five months already; the time has gone by so fast. Each day I learn more about the company, what we do, and about the people here and how you each contribute. During my time here, I have visited several facilities, gone out in the field and observed drivers at seven different lease sites, shadowed several different people in corporate functions, attended Field Safety Manager Training, gone through TMW systems training, observed many monthly safety meetings and met with many vendor partners. Those of you that have come to know

me have probably figured out that I ask a lot of questions! I'm absorbing a huge amount of information, and am grateful for your patience as I continue to learn! Every interaction and new experience gives me such an appreciation for what each of you do to keep this Company moving forward. And, I'm learning to talk like I know the crude oil transportation industry. Wow!! It's a whole new language!

One thing I've learned in my short tenure is that there are many exciting opportunities on the horizon for Human Resources. As I've worked with the leaders and managers, I've been assessing their needs so that I can make the appropriate recommendations for organizational structures, programs and policies that are right for us. Because our business is experiencing significant growth, it makes 'people' decisions especially important. Making sure individuals are in jobs where they can best utilize their skills, ensuring that we

offer benefit and wellness programs that meet the needs of our employees, and making certain that our policies reflect our culture and our changing expectations.

My next assignment is to assemble a group of people for the HR Department who will assist me in serving you and future employees. This newly formed team will focus on finding and onboarding top talent for all areas of the organization, supporting the changing culture, helping to elevate employee engagement, and providing a steady curriculum of training and development programs.

It didn't take me long to confirm what I thought I already knew - that Gazelle is a great place to work. Everywhere you look, in Corporate or in the field, there is great opportunity. I feel very fortunate to be included in this adventure. Please let me know if there is anything I can do to help you. I'm looking forward to working with you in the many years to come! ➤

HR News

FREE Quit For Life® Program

Quitting tobacco isn't about willpower; it's about planning and support. The **Quit For Life®** mobile app will help you through the entire quitting process and it's based on the knowledge and experience of the distinguished Quit For Life® Program.

When you download the app, you will get the following features:

- **Set Your Quit Date:** Setting a specific quit date makes you more likely to succeed than if you want to quit "pretty soon."
- **Pick Your Reasons to Quit:** Having your own reasons to quit, rather than

"my doctor wants me to quit," makes you more likely to succeed. Choose what matters most to you.

- **Calculate Your Savings:** Based on how many cigarettes you smoke per day and the price you pay per pack, you'll see your future savings before you quit and your daily savings following your quit date.
- **Pre- & Post-Quit Tips:** These tips help you prepare to quit and stay tobacco free.
- **Time Quit Counter:** At a glance, you can see how long – to the minute – you've been tobacco free. You'll also see every day of life that you gain back as a result of not smoking.

- **Support for Urges:** The app will give you suggestions for coping with urges, send you motivational messages if you slip up, and can even be reset to "Pre-Quit" if you relapse.

The app is free to anyone – no eligibility requirements – and it's easy to use. Your plan to quit tobacco is now in your hands. Get started for free at www.quitforlifeapp.com. Find out more about the **Quit For Life®** program at www.quitnow.net, or call **1-866-QUIT-4-LIFE (1-866-784-8454)** to enroll in the full program. ➤



Safety Tips

Rough Road Reminders



Oilfield lease roads are trucker wild cards. Some are fine, and some are a navigational nightmare. Even experienced drivers can struggle with uncertain road conditions. Here are two reminders to keep you on track for unpredictable roads:

Ruts

Unpaved roads develop deep ruts due to tire wear or erosion, making your rig subject to getting stuck or suffering undercarriage damage.

What to do:

- Try to keep one or both tires out of wheel ruts by driving on the edge or in the center of the road.
- Approach from an angle when 'crossing' the rut, instead of straight ahead (i.e., don't form a 'T' with your truck and the rut).
- Stop and check for damage or fluid leaks if you feel the truck's undercarriage make contact with the road.

Loose surfaces

The dirt and gravel of unpaved roads can lead to loss of traction and losing control or getting stuck. Also, visibility reduces with dust or snow, impairing your ability to stay on the road.

What to do:

- Reduce speed and avoid sharp turns to prevent skidding. If you do skid, brake gently and keep the steering wheel straight.
- Avoid braking or accelerating suddenly in soft sand or gravel.
- Change air and oil filters more frequently. The dust and dirt of unpaved roads can reduce engine performance and cause damage to the engine or the radiator surface.
- Know the weather forecast for your destination so that you don't end up stuck on clay roads that turn to mud with a little rain.
- Leave extra distance between your vehicle and those ahead of you to maintain better visibility. Slow down when approaching oncoming vehicles to prepare for loss of visibility.

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I have. I must say that without your buy in and support, it will make the required change difficult. Please, let's work together by supporting one another and support this company changing process that we are all about to play a very big part in!

Not only are we providing tools and resources to develop our leadership skills, we are also committed to helping our Gazelle family at large to live and maintain a healthy lifestyle through proper diet and exercise and living a smoke/tobacco free life. I'm hopeful you all take advantage of our newly rolled out smoking cessation plan. This is a choice that you ultimately have to make, we can't make it for you. Join this program and quit smoking! I would love nothing more than to see our entire work force living a smoke-free, healthy life. If you take the courageous step of choosing to become healthy, we pledge to put the resources in place to come alongside you and help you achieve your goal.

In our new facility, you will also find a 1,500 square foot gym, equipped with cutting edge Life Fitness and Hammer Strength gym equipment, treadmills, ellipticals and stairclimbers. Our goal is to have a comprehensive wellness program rolled out by the end of this year that not only provides smoking cessation plans but also provides a dedicated resource available to you for nutritional guidance, exercise routines and general health guidance. Our plan is to eventually equip our other larger terminals with gyms and provide discounted gym memberships for other smaller areas. Our wellness program will not be a cookie cutter, run of the mill program. We fully intend on helping our people make the decision that changes your life forever!

Thank you all for your hard work, dedication and support. I hope to see you all soon. Until then, please be safe and think healthy. Blessings to you all! ➔



We're here for you. If you're in a tough situation, your safety is the number one priority. Contact the Safety Department or Senior Management if you suspect a problem and need help or advice.