

Sky Changer

LARRY NICHOLS PROMISED HIS FATHER TWO YEARS. MORE THAN FOUR DECADES LATER, HE AND DEVON ENERGY, THE COMPANY THEY BUILT ON BEDROCKS OF INTEGRITY AND LOVE OF HOME, ARE RAISING OKLAHOMA CITY TO NEW HEIGHTS.

By Randy Krehbiel | Photography by John Jernigan

THE WAY DEVON Energy executive chairman J. Larry Nichols tells it, he might have stayed in Washington, D.C., if it hadn't been for Richard Nixon. He might not have come back to Oklahoma, might never have gone into the oil and gas business, might not have seen that business rise, quite literally, to new heights.

Few places in Oklahoma are untouched by the company Larry Nichols and his father John started in 1971 with two-and-a-half employees. Devon Energy holds mineral leases in all seventy-seven counties and operates 2,100 wells in Oklahoma. In 2011, it paid \$33 million in gross production ad valorem taxes, spent \$900 million on goods and services, and disbursed \$125 million to state royalty owners. In 2012, the company expected to spend \$1.3 billion to drill three hundred oil and liquid natural gas wells in the state.

From the roughnecks working Devon wells to the 1,800 employees in the new 850-foot-tall, 1.8-million-square-foot Devon Energy Center—the company's downtown Oklahoma City headquarters complex—Devon's impact on the state is almost incalculable.

But it's not all about money. Devon's statement of core values includes "Always do the right thing" and "Be a good neighbor." Over the years, the company and its employees have contributed thousands of hours and millions of dollars to Oklahoma charities, schools, and universities.

The boss is not excluded. Larry Nichols' community service includes stints as chairman of the Oklahoma Nature Conservancy, the National Cowboy & Western Heritage Museum, and the Greater Oklahoma City Chamber and State Chamber of Oklahoma. His directorships include the Dean McGee Eye Institute, the Arts Council of Oklahoma City, and the Oklahoma Medical Research Foundation.

Mostly, Larry Nichols gets things done. As the Devon Energy Center project unfolded, he went to Oklahoma City with a proposal: Use the additional tax revenue generated by the headquarters complex to pay for \$224 million in improvements to downtown streets and a rejuvenation of the Myriad Botanical Gardens, located across from Devon's new campus. It was an unusual arrangement. Tax increment finance districts—or TIFs, as they are

called—typically benefit the property from which the revenue is derived.

In other words, Nichols and Devon could have demanded the TIF money be spent on something directly related to their headquarters complex.

"Larry would have qualified for a lot of the money from the TIF," says former Oklahoma City mayor Ron Norick, chairman of the Downtown Oklahoma City TIF Review Committee. "What he did was say, 'I don't want one penny of it. As I upgrade my building, I want the city to upgrade its infrastructure, too.'"

"Larry set the standard for the rest of the business community," says Oklahoma City mayor Mick Cornett. "It's hard to say you're too busy if Larry Nichols has time to get involved."

But all this might never have happened without Richard Nixon.

THE STORY IS long but instructive. An Oklahoma City native, Larry Nichols earned a geology degree from Princeton and a law degree from the University of Michigan, then went to Washington to build his resumé in expectation of a gilt-edged legal career.

OKLAHOMAN OF THE YEAR
"Larry Nichols is—and he would probably be uncomfortable having anyone say it—a visionary and a leader," says Devon Energy Center design architect Jon Pickard. "This is a great man."

“It’s hard to say you’re too busy if Larry Nichols has time to get involved.” —MICK CORNETT

He enjoyed law, and in Washington, he made the kind of contacts almost certain to guarantee his future. He clerked for Supreme Court Chief Justice Earl Warren, a hale and garrulous man who talked baseball with his clerks and took them to lunch on Saturdays.

Later, Nichols worked in the Nixon Justice Department’s Office of Legal Counsel under future Supreme Court Chief Justice William Rehnquist, a man Nichols refers to as “a lawyer’s lawyer” and in many ways Warren’s opposite. One of Nichols’ duties was conducting background checks of potential Supreme Court nominees. It was a job that soon led to disenchantment with the inner workings of the federal government.

In 1968, Senate Republicans and southern Democrats blocked President Lyndon B. Johnson’s nomination of Associate Justice Abe Fortas to become chief justice. A year later, the Senate rejected President Nixon’s first Supreme Court nominee, Clement Haynsworth.

“Everyone agreed in Washington that this settled the score and that whomever Nixon nominated next was going to be a shoo-in,” recalls Nichols.

But President Nixon nominated an obscure and mediocre federal judge named G. Harrold Carswell. Neither Nichols nor Rehnquist had even heard of him, and Nichols was more than a little miffed by the Nixon administration’s handling of the situation.

He and Rehnquist learned of the nomination secondhand and were not told to investigate Carswell until Nixon had already announced on national television that the judge had been thoroughly vetted—which, as later developments proved, was not true.

Nichols says, “I thought, ‘I just heard the President of the United States tell a bold-faced lie.’”

So when, not long after, Nichols was offered the job of deputy White House counsel under John Dean, he decided to turn it down and return to Oklahoma to help his father launch Devon Energy.

“With this rather sour experience of the Carswell nomination, I said, ‘I’ve had enough of this stuff,’” Nichols says.

Larry Nichols’ friends and associates would likely say the story illustrates important aspects of his nature—an aversion to dishonesty, an ability to weigh risk and caution, and a willingness to run against the grain. Where many an ambi-

tious young lawyer would have seen only a chance to work in the White House, Nichols sensed a tolerance of deceit and shoddiness he wanted no part of.

His instincts were sound. Many of the people Nichols would have worked with in the Nixon White House, including John Dean, wound up in prison in the years following the Watergate scandal.

“Larry Nichols is a person of absolute integrity,” says Klay Kimker, who has known the Nichols family for more than forty years, oversaw construction of the Devon Energy Center, and is now Devon’s vice president of administration. “I’ve never seen him take a dime from the shareholders. He’s never been involved in a conflict of interest. He takes integrity as a very serious, twenty-four-hour, seven-day-a-week thing.”

At the center of the new Devon headquarters’ Rotunda, in fact, is a plaque that reads: “Integrity defines the core of every relationship we have.”

“If you’re going to conduct a business, it’s critical to have that kind of relationship with the people you deal with, because you need to have those long-term relationships,” says Nichols. “You need to have the right kind of reputation—and not just the reputation, but the reality of delivering what you promise. It’s the right thing to do.”

LARRY NICHOLS AND Polly Ann Puckett met on the steps of the U.S. Supreme Court Building. Polly worked next door at the Library of Congress. Their mothers were schoolmates growing up in McAlester,

Dining With a View

STUNNING CITYSCAPES AND WORLDLY CUISINE DEFINE THE VAST EXPERIENCE.

Ever since **Vast**—a restaurant occupying the forty-ninth floor of the Devon Tower—opened in late October, Oklahoma City’s fine dining scene has reached a new level.

“It’s very modern but somewhat timeless,” says John Williams, president of Williams & Associates Hospitality, the company that manages the restaurant. “A lot of the aesthetic is on the other side of the glass.”

Suspended 726.2 feet above the earth, Vast delivers on its name, with a seemingly endless south-facing

panorama of cityscape. An earthy blend of textures including wood, leather, and cowhide brings polished warmth to the restaurant’s clean, modernist architecture. Under a canopy of hanging lights, guests can socialize at the centrally located bar, while nine private dining rooms provide a more intimate experience.

Entrées include items like ancho chili-coffee rubbed strip steak with Maytag bleu cheese sweet potatoes and asparagus and lemongrass butter-poached shellfish in Thai coconut broth with raisin saffron rice.

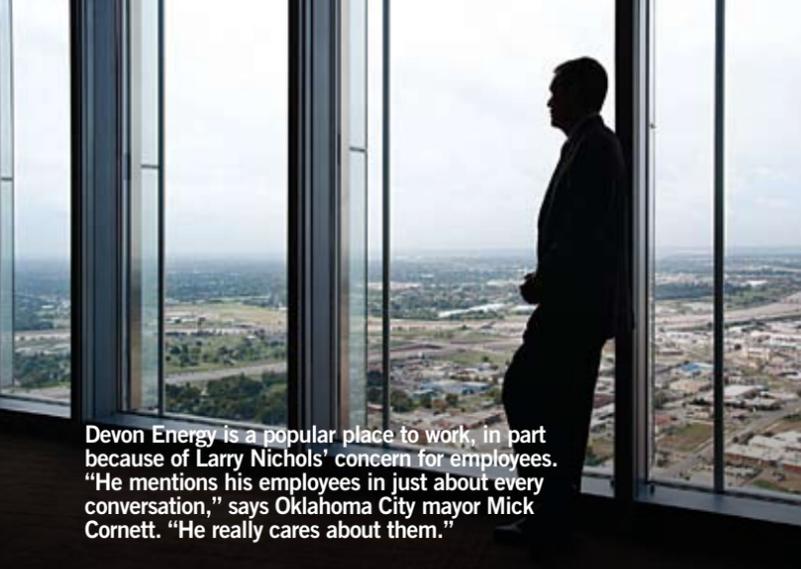
Williams & Associates, which also manages the nearby Flint restaurant and adjoining Colcord Hotel, created the Vast menu, which Williams describes as globally inspired American cuisine.

—MEGAN ROSSMAN

Vast is open for lunch Monday through Friday and for dinner Monday through Saturday. Dinner reservations are strongly encouraged. 333 West Sheridan Avenue. (405) 702-7262 or vastokc.com.



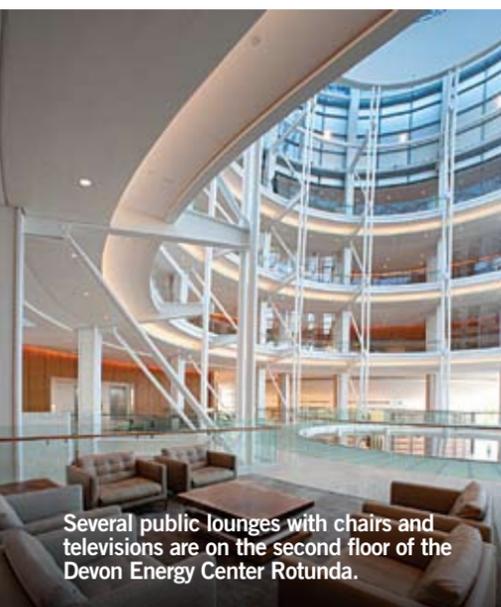
Devon Tower dominates Oklahoma City’s skyline. The \$750 million skyscraper is the state’s tallest building, outdistancing the BOK Tower in Tulsa by almost 200 feet.



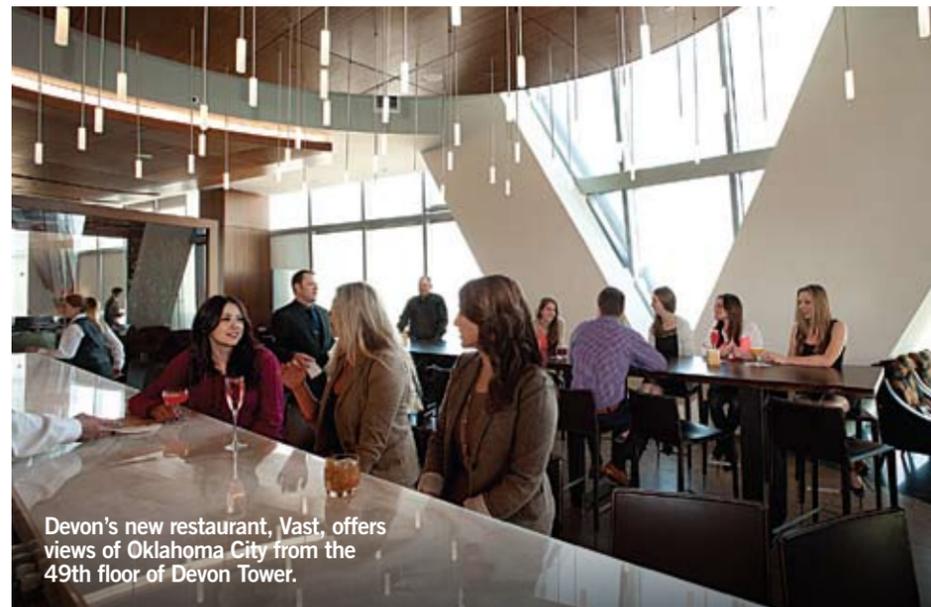
Devon Energy is a popular place to work, in part because of Larry Nichols' concern for employees. "He mentions his employees in just about every conversation," says Oklahoma City mayor Mick Cornett. "He really cares about them."



The 285-seat auditorium overlooks one of the green spaces at the Devon Energy Center.



Several public lounges with chairs and televisions are on the second floor of the Devon Energy Center Rotunda.



Devon's new restaurant, Vast, offers views of Oklahoma City from the 49th floor of Devon Tower.



Devon Tower was dedicated on October 23, 2012, in a private ceremony that followed three years of construction.

"Larry Nichols takes integrity as a very serious, 24-hour-a-day, 7-day-a-week thing." —KLAY KIMKER

and relatives had been trying to get the two together since Larry moved to Washington a few months after Polly in 1967. Polly says she put Larry off the first few times he called but finally agreed to meet him one day at noon. That first "date" involved driving back and forth across the Arlington Memorial Bridge four times.

"He struck me as very clean cut," Polly says. "He was a very interesting person. Smart. He enjoyed being

surprised, which is something I'm good at. He was very focused. Quite focused. And a nice dancer."

Their marriage four years later coincided with their return to Oklahoma City to join Larry's father in the founding of Devon Energy. Their first child, Tyler, was born in 1972, daughter Sally in 1974.

Larry's initial commitment to his father was for two years. John Nichols was a certified public accountant who had, years before, unraveled the mysteries of the federal tax code as they applied to oil and gas development. He had come up with a new idea: matching foreign investors with producing U.S. wells. Thus was born Devon, after Devonshire, England, a name taken from a map on the wall of a London law office.

"We were essentially broke," says Nichols. "Dad used to have a story

that he delighted in telling. He would say, 'Larry had exactly the skills I wanted. He had a law degree and a geology degree, and he could not read a financial statement.'"

All of that was true, Nichols says, but he didn't consider it a problem.

"I didn't look at it as a career," he says. "I thought of it as a learning experience."

But two years became four, and then six, and then eight. In 1980, Larry Nichols became chairman and chief executive officer of the company. But that didn't mean he or Devon were exactly walking in tall cotton.

Klay Kimker remembers an incident several years after the oil and gas crash of the early 1980s. Kimker was working for Liberty Bank at the time and ran into Nichols at a men's store that was going out of business. Nichols said his car battery was dead and asked for a jump.

"Larry is very, very frugal, especially where shareholder assets are concerned," says Kimker. "He was driving a '70s Cougar with the rockers rusted out. This had been a field car that had been driven up and down county roads until it was well worn and sent back to the home office for replacement, and then Larry took it."

The next week, Kimker told his boss the story and said, "This is why Devon will always make good on what it owes us."

The elder Nichols, John, remained active in Devon even after he retired his title in 1980, coming to work almost every day and attending every board meeting. He died in 2008 at age ninety-three.

"John had a huge influence on Larry," says Polly Nichols. "Obviously, he had the vision that brought Larry back from Washington—a wonderful vision but with an uncertain future."

Mary Nichols, John's widow and Larry's mother, is ninety-six. In John Nichols' 2004 biography, *Deals, Deals, and More Deals*, she is quoted as saying, "John was the accelerator—Larry was the brake. With both, you had a beautiful car."

SALLY NICHOLS WAS in college in California when she received a call from her father.

"He says, 'There's been an explosion in Oklahoma City. Your mom's been injured. I think she will be okay. I just found her. I have to go.'"

If Oklahomans share one experience, it is the morning of April 19, 1995. The Nichols family is no different.

As executive director of the Oklahoma Foundation for Excellence, Polly Nichols worked across the street from the Alfred P. Murrah Federal Building. The truck bomb that killed 168 people sent a piece of shattered glass through her esophagus and cut open an artery.

Larry Nichols, learning Polly had been injured, rushed to St. Anthony Hospital to look for her. As many worried relatives did that morning, he picked his way through the injured, looking for his wife. Unable to find her, he called Tyler and Sally, then spotted Polly coming out of surgery.

Fortunately, she had been among the first of the blast victims rescued, and though she would spend seven days in

High Style

THE VOLUME OF MATERIALS AND DETAILS INVOLVED IN THE DEVON ENERGY CENTER'S CONSTRUCTION IS STAGGERING.

- Stone from all over the world—including Morocco, China, Canada, Italy, and Brazil—was used to construct the interior of the Devon Energy Center.
- Devon Tower's elevators travel 1,200 feet per minute, which translates to a 40-second trip from the ground floor to the top.
- The tower's foundation is 12 feet thick and required a continuous pour of concrete that lasted nearly 20 hours.
- The foundation of the tower alone contains 26 million pounds of concrete.
- During construction, workers did calisthenics prior to each shift in order to minimize injuries. Comprehensive safety initiatives resulted in an exceptionally safe job site.
- At the peak of construction, 1,500 people were working on the Devon Energy Center.
- There are 805,000 square feet of glass throughout the center, enough to cover seventeen football fields.
- Tens of thousands of individual LED diodes light Devon Tower. They can be programmed to display 356 variable colors, including Thunder blue on home game nights.
- Vast customers have a view that stretches approximately 35 miles.

the hospital in voice rehabilitation, Polly Nichols made a full recovery and went on to co-chair the fundraising drive to build the Oklahoma City National Memorial & Museum.

Years later, when the time came to design the Devon Energy Center, Larry Nichols insisted on a first-floor space open to the public so that visitors could easily walk from the Oklahoma City National Memorial & Museum to the renovated Myriad Botanical Gardens. It was one component of his desire to make the complex an inviting and integral heart of downtown rather than a corporate bastion.

"The Rotunda grew out of a recognition of the public nature of the build-



With a coffee shop, restaurant, and sitting areas, the ground floor of the Devon Energy Center is foot-traffic friendly. A walk of a few blocks south on Harvey Avenue takes pedestrians directly to Devon from the Oklahoma City National Memorial & Museum.

ing,” says Devon Energy Center design architect Jon Pickard of Pickard Chilton in New Haven, Connecticut. “Larry was on a mission to help his community. He was interested in how the building would engage the Myriad Gardens and connect with the rest of downtown.”

Pickard says Nichols wanted Devon Tower to be no larger than necessary—which would, nevertheless, make it quite large. Nichols thought the building should be functional but distinctive. By design, it has no front or back.

“He was not interested in a box,” says Pickard. “He said the world is filled with boxes. Why not build something special?”

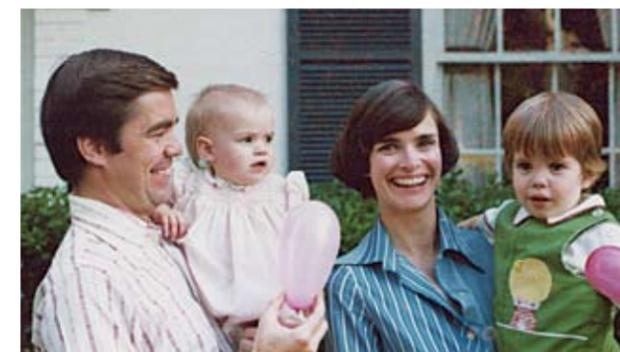
The result is a sleek, faceted column that splits the central Oklahoma sky. The forty-ninth floor is occupied by an upscale restaurant, Vast (see sidebar, page 42). From the north side of Devon Tower, views are particularly spectacular, taking in the State Capitol and most of the city’s landmarks.

Adjoining the tower is the five-story, glass-ceiling Rotunda, the building’s public space. A clear glass, five-story structure known as the Garden Wing stretches to the west and contains offices, classrooms, meeting rooms, a wellness center, an auditorium opening onto a small park, a coffee shop, and a dining area called Nebu. Nebu is named for Northeast Blanco Unit, the New Mexico natural gas field that enabled Devon to increase its reserves by 500 percent and production by 40 percent in the late 1980s.

Incorporated into the complex is one of the oldest and most significant buildings in downtown Oklahoma City, the Colcord Hotel. Oklahoma City’s first skyscraper, it was constructed in 1910 by Charles Colcord, who was one of the investors in the Ida Glenn No. 1, the well southwest of Tulsa that opened up the Glenn Pool and turned Oklahoma into one of the world’s leading oil and gas producers.

“It happened by coincidence,” Nichols says of the Devon/Colcord connection, “but I love that it happened.”

LARRY NICHOLS IS NO J.R. Ewing, and not just because he places a premium on honesty. While he has demonstrated a willingness to take calculated risks—from joining a fledgling venture to investing in unproven drilling technologies to erecting



Clockwise from top left: John Nichols holding his infant son, Larry; Larry Nichols’ 1957 ninth-grade student portrait from Casady School in Oklahoma City; Larry Nichols, wife Polly, and son Tyler

a \$750 million building in downtown Oklahoma City—he is no plunger.

“*Reckless* is not a word I associate with my father,” says Sally Nichols Starling, who recently moved back to Oklahoma City with her husband, Jeff Starling, and their young daughters. “Dad is also super-organized. He has files within files. Someone ought to look in his briefcase. Most businessmen just throw things in there. His is a work of art.”

Polly Nichols calls her husband “a map person,” one whose catch phrase is, “This is the way the world sits.”

“He knows where he is,” she says, “and he knows where he is going.”

Polly Nichols is among many who describe her husband as someone concerned with his employees and with the community. Devon perennially is rated as one of the best companies in the country to work for, and Pickard says many of the decisions about the new headquarters’ design were made with employees in mind. Ceilings are high, sunlight plentiful, and each floor has a break room with an expansive view of the city.

“Larry would always ask, ‘What’s the right thing to do for the employees?’” says Pickard. “Because of his knowledge of Devon and its needs, he was able to make good decisions.”

John Richels, who in 2010 became Devon’s president and CEO, is among those who swear by Nichols’ thoughtfulness and eye for talent.

In 1998, when Devon acquired the Canadian firm Northstar Energy, Richels did not see a place for himself in the deal he helped put together. Like Nichols an attorney by training, Richels had been Northstar’s chief financial officer.

“I was thinking, ‘I won’t have a job,’” Richels says. “I already had one foot out the door. Larry grabbed me and said there would be a lot of opportunity for me. I realized it didn’t have anything to do with what I was doing with Northstar. He had taken the time to think about where I would fit into the company.”

AT SEVENTY, LARRY Nichols is not exactly retired, but he does have more time for his grandchildren, hiking, and bird watching. Maybe he even has a chance to sit back and watch all the developments he helped make happen in his hometown.

Aside from spending time with family, Nichols says, “The most enjoyable thing right now is to be playing a role with a lot of other people in building a city and moving it forward.”