



# Wisdom & Trust

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### Useful websites

[www.oil-price.net](http://www.oil-price.net)

[www.bloomberg.com/energy](http://www.bloomberg.com/energy)

### Now Available:

[Eratz Oil and Gas Investor Handbook](#)

### Contact Us

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## President's Corner

I hope you had a great Labor Day. This sleepy little holiday, traditionally falling on the first Monday in September, is the unofficial end of Summer where we martial that last summer weekend get-away with an army of hotdogs and hamburgers flanked by iced sodas and beers. As bucolic and unassuming this respite seems, it is the only federal holiday steeped in violence. So what are we celebrating, our hard labor? No. Labor Day is a celebration of Big Labor and its contribution to our great country. But even today when we talk about big or organized labor, just the topic brings a strong mixed reaction to many citizens.

By the late 19<sup>th</sup> century many states, mainly the industrial states, had labor holidays as an appeasement to and recognition of their anxious and over-worked labor force. However, it didn't become a federal holiday until President Grover Cleveland nervously signed into law "a working man's holiday" and only after he witnessed a number of bloody labor-police clashes. During the last quarter of the 19<sup>th</sup> Century at the height of our Industrial Revolution, our "blowing-and-going" country was stuck in a noxious quagmire of social upheavals. Between massive rural-to-urban migration, social Darwinism and engineering, unrestrained capitalism and international colonialism, our labor force was proverbially squeezed between a rock and hard place, or in this case, between concrete and steel.

Today this holiday recognizes how our dedicated work force shapes and transforms our nation's infrastructure and secures our future. Over 150 years ago our national focus was on railroads, canals, roads, big cities and all those things that made domestic life possible...and we needed oil. Later, Big Labor no doubt won two World Wars and probably prevented a dozen others, ushered in highways and interstates, plastics, suburbia and America's ascension onto the world stage...and we needed even more oil. There is no other country as blessed as the United States. Today, we celebrate all these wonderful contributions, but let's add internet, Google, Apple, MicroSoft, carbon fiber, cell towers, nuclear and genetic medicine and engineering, and an explosion of artificial intelligence...and again, oil. We still lead the world in most production metrics, but none of this happens without energy and not just the human kind such as perspiration, inspiration and aspiration, but the Eratz kind: oil and gas. Now is a great time to move forward. Just like our great labor force, Eratz moves confidently while sharing a clear vision with our investors. We expect our investors to **reflect** if a partnership is a good fit, to **review** our material and ask questions, to **relate** and **recall** what makes a good investment, to **revisit** the material and do their **research**, and then to invest and to **reinvest**. Why all the "re" words? Because the "re" prefix indicates "again" and "return". Almost every investor moves cautiously with due diligence; they **return**, **rethink**, **rehash** and then commit and then **recommit**. We need investors who bring an affirming vitality, unwavering confidence and deep trust to each project. And, friends, if it does not happen on this current venture or project, do not worry; we are very confident that you will come in on the next.

Do you have an article you want to submit? Let us know by emailing us at the address below.

### Redirect

For up to date information on Hodges #2 Well, please visit our website:  
[www.eratz.com](http://www.eratz.com)

### Did you know?

The oil rig count is 860 --a little more than half of 2015s September 5th end-of-week number of 1584.

### Contact Us

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## Oil Patch Highlights

Did you know that oil imports or exports do not have tariffs? True. Governments and heads of states may rail against an *unfair this* or *unbalanced that*, but when it comes to energy, the world stage dims and becomes very quiet. At this time no country imposes tariffs on oil. True, aligned nations might keep a rogue country from getting oil and gas or exporting them out, but not a single tariff applies. But there are tariffs on oil and gas equipment and in the last two years we have seen applied tariffs and cost of goods shoot up 20 percent. Eratz has kept its operational costs low and has largely restrained from passing on these rising costs to our investors, but we could see price increases on completion costs in the future. Presently, we stand firm against the prevailing tide of rising costs and soaring hype.

## Company Highlights

Tax Season is here! And as you've read many times before, doesn't it make sense to use your pre-tax dollars for the up-chance for a positive return in the future? This is probably the biggest reasons why oil and gas investments are so captivating. There are so very few investment opportunities that afford such tax-shelter protection. And this isn't some obscure tax loophole afforded only to the super rich, it's something you can take advantage too! When you factor writing off intangible drilling costs and well-life depreciation and all the other things so unique to oil and gas, you're overall capital risk is much less than you think. Of course, the higher your tax bracket, the more attractive oil and gas becomes. Visit [www.eratz.com](http://www.eratz.com), click on **New Prospects** and go down to **Tax Incentives**, and don't forget to review the **Eratz Oil and Gas Handbook**. Both are great reads.

## Things to Think About

I just came back from an extended trip to the East and MidWest where I met with several investors. They are very excited about Eratz's direction and their investment futures. Is it out of blind loyalty? No. They read our newsletters, revisit our website, keep our handbook close by and talk with other clients... oh, and they're making money. Friends, look for our add in the highly respected Investors Business Daily. With a monthly subscription base of 300,000 and over 80,000 reading their blogs, it will get even more exciting! A few investors confided that they are still getting calls for "oil deals" from other operators but remain loyal because Eratz only does projects (there's a difference, remember?). Informed and loyal clients...you can't have better investors!

While Harris #1 is being drilled this month, we will also upgrade current shallow oil production. Nash #1, our next project which we expect to drill in late October provided the weather holds out, is going to be a prolific producer. We will shoot the site with 17 lines of 3D seismic overlays encompassing over three square miles. According to our geologists and geophysicists, we expect to find 40-acre mud mounds (bubbles at the top of oil formations). Incidentally we only have four half units available.

Success breeds success, so we are garnering a lot of attention from land managers and geologists. They want Eratz to help them launch their projects. Eratz has never been about quantity, but about quality projects but it's nice to skim the cream from the top. Thank you again for your continued faith in us.

**Again. it's important to Eratz—and to you as well--that you familiarize yourself with our website, [www.eratz.com](http://www.eratz.com). You should know who we are, what we do and how we do it.**