



# 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

This is our last newsletter for 2019 and it has been great year for our Eratz family; I know we have been blessed. I sincerely pray that you and your families are doing well and good as we officially move into the Holiday Season. I'll say it now...you'll hear it again, I'm sure...*Merry Christmas and a Happy New Year!*

To profit from good advice requires more wisdom than to give it. It's time again...do you know the new tax codes? Are you going to owe? The experienced investor is always on top of the changing tax codes and understands the benefits of oil and gas especially the tax advantages of oil and gas in his portfolio. Most (translated as *practically all*) successful financial advisors agree that some risk with deep tax shielding is a great combination. Oil and gas tax benefits are truly one of our country's greatest gifts to our nations' investors, and I treat these opportunities and responsibilities very seriously. Many of my contemporaries just try to push the tax advantages of oil and gas, but as for Eratz we must make money because we invest very heavily into our own wells. I recall a few years back, my wife and I went to a small, intimate restaurant in Dallas, and we were seated in a cozy booth with just the right sight angle to the kitchen. Inquisitive--I like seeing people in the middle of their profession--as I looked in the direction of the waitstaff passing to a fro though the swinging doors, I caught glimpse of fast food bags and drinks on a shiny stainless steel make-ready table. Not good—I've left for lesser offenses—and we certainly left then. The message is clear: You should never do business with anyone unless they have their own skin in the game. Never. Many oil and gas companies don't. And I don't mean the 4% off the capture, I mean hard cash upfront.

For a few of you, you might have previously read some version of my tax message and still have not taken the next step. Why? Do you remember Carl Thornton of Redmond Washington? Probably not...because like a few of his fellow charter employees, he opted **not to** invest in the small company he worked for. Bob O'Rear did and stayed with Microsoft until 1993. Oh, Bob the now-retired cattle rancher in Texas? He's a multimillionaire many times over. You might not become a millionaire investing with Eratz, but as The Great Wayne Gretzky posited, "You will miss 100% of the time on shots you do not take."

## Oil Patch Highlights

There are two kind of companies: one who want to get things done and those who want to get things done right. There is a big difference and unfortunately many oil and gas companies are the former. To do it right you must set proper expectations with everyone and operate with the highest integrity, especially when life gets very real. Things are going to break, rain is going to pour, snow is going to blanket and yes, some holes are dry. Things happen. Eratz is in a great place now that all our wells are

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### Redirect

For up to date information on Harris#1 Well, please visit our website: [www.eratz.com](http://www.eratz.com)

### Did You Know...

At the end of 2018, the world's consumption of oil exceeded 36 billion barrels of oil, and the United States accounted for a seventh of that total.

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making oil, and we're picking up oil every week. On the prospect side, we have three of the seven leases. It's not easy finding the perfect project when your wells are flowing 100 barrels a day; you tend to want to go bigger, deeper, riskier. I have to temper my appetite because if I submit to those urges...I like calling it "reading my own press clippings" I'm no longer staying in my lane. Eratz is the master of the vertical offset wells—that's what Eratz does best. We believe that WTC will stay around \$60 bbl. We are still looking for the 1-5 million barrel oilfield and have in our sights two such leases. With our record, landowners are seeking us out and that's a good thing.

### Company Highlights

Tax season is here and honestly this is probably the biggest reason why all oil and gas investments are so captivating, Our investor's handbook has a great section that explains the benefits and features of these unique tax advantages so, please, read. Our government affords us the opportunity and we are obligated to file and pay our taxes. However, don't use the past as your guide. If you drove your truck the way most people approach their taxes, you might have the steering wheel looking out the back window to see where you came. Everybody's tax liability is different, so see your tax professional.

### Things to Think About

The year is coming to a close and just like its start, turmoil is the norm. Between the international back-and-forth shouting, conspiracies real and imagined, Brexit, Ukraine, Iran, Iraq, Syria, the Kurds, Hong Kong, always North Korea, India and Pakistan, etc., and within our own borders there is talk of impeachment, a rumor of a recession, a chorus on border immigration, and a stampede of progressive politicians to capture our attention, if not our votes; where do you go and what do you believe? The nationally syndicated radio talk show host and author of millions of books Dave Ramsey tells us it all starts with proper values, and active proper values yields high integrity. Regardless what the world throws at you, wisdom will help you discern, and discernment will guide you to do the right thing and never lose focus. Notice, I didn't say *easy or reasonable thing* but the **right thing**. Have you noticed how the **right thing** is rarely easy? Staying on point and doing right is much outside today's norm. It's so easy to get caught up and beat down in our political, economic and intellectual hysteria to really make you just plop down and do nothing. We are becoming a nation of anesthetized vassals, numb to everything important and sensitive to the ridiculous. Currently many Americans hide or best observe from a distance what others are doing, and honestly, nothing good happens when we just sit back and mope. What's the antidote? Action, to move forward and to create. I can't afford nor can you afford for me to be idle. I must stay focused and keep my eye on the ball and consistently keep moving, seeking and hitting oil. Ask yourself about your self-limiting thoughts, "**why am I so fearful, so frozen in indecision in so many areas of my life?**" and, friends, I didn't even mention oil and gas.

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.

