



Wisdom & Trust

March 1, 2020

Volume 5, Number 2

In This Issue

President's Corner

Oil Patch Highlights

Company Highlights

Things to Think About

Useful websites

www.oil-price.net

www.bloomberg.com/energy

Now Available:

[Eratz Oil and Gas Investor Handbook](#)

Contact Us

wisdom@eratz.com

972-392-2677

President's Corner

Well, it was going to happen, never was a question of “if” but “when” but the civilized world is reeling from the threat of a viral pandemic. As expected, there’s more “knee-jerk reaction” than “calm response” from all corners, and most reactions are rife with fear. Incidentally, by definition a pandemic is a world-wide spread of a disease where most people do not have immunity. And although it has been opined that the Corona Virus hasn’t by definition risen to the level of being a true pandemic, among the world economies it truly is a pandemic. While optimism moves a market, fear is the killer of markets. Last night President Trump assured our nation and the world that skilled, talented and dedicated people and assertive well-thought-out procedures are in place to handle this anticipated contagion when it hits our shiny shores. I predict the roiling markets will calm quite a bit. A whisper here, a hushed tone there and before long the masses are prattling on how scary the world is. I’m not one of these doomsayers; I believe, like President Trump, that we will get through this; but when the proverbial dust settles, there will be big winners and many, many losers. Eratz will be the former. Consider the 2008 housing debacle, there was a huge shift of wealth. Sweaty desperate hands dumped trillions of dollars into calm eager hands. It is in these sobering moments that calm investors leap in net wealth. I suspect this Corona Effect will be no different. A week ago President Trump tweeted “...the market looks great to me.” He tweeted the same thing in 2008. Draw your own conclusion, but as for me and my house, I will remain calm and vigilant. The stock markets and oil and gas are no different... oh, one other thing, the market does not like what is happening with the Democratic primaries. The idea of a Socialist Democrat being the front runner scares a lot of investors and business owners. Again though, we must stay calm and wise. Does it surprise you to know that in the last couple of weeks I’ve moved forward on securing some previously log-jammed prime oil tracts? Many of my contemporaries, if not already pressed by their lending institutions, are really under the gun, certainly not making purchases. Smart investors are calm investors, so now is probably the best time to move into oil and gas. Not coincidentally, Eratz has picked up several new investors in the last few months. Our newest family members have been following Eratz for less than a year and they decided to move forward. Undaunted yet cautious, like most contrarians, they jump at opportunities when so presented. So for the few of you that have not yet asked for a prospectus, now is the best time because Eratz literally has the “pick of the litter” but it won’t always be this way.

Oil Patch Highlights

Have you ever wondered how a 42-gallon barrel of oil breaks down? This is a good time to explore because these percentages will be sharply different 15 years from now

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 Harris#1 Well, please visit our website: www.eratz.com

Did You Know...

West Texas Intermediate (WTI), also known as Texas light sweet, is a grade of crude oil used as a benchmark in oil pricing. This grade is described as Medium crude oil because of its relatively low density, and sweet because of its low sulfur content.

Contact Us

wisdom@eratz.com
972-392-2677

Gasoline:	19.4 gallons	Propane:	1.7 gallons
Diesel Fuel and Heating oil:	10.5 gallons	Asphalt and Road Oil:	1.4 gallons
Jet Fuel:	4.1 gallons	Petrochemicals/Feedstocks	1.1 gallons
Heavy Fuel Oil:	1.7 gallons	Other:	5.0 gallons

Notice that the aggregate is greater than 42 gallons? That's because 42 gallons of crude yields 45 gallons of petroleum products because of refinery processing gains.

Company Highlights

It happens in the field...always does. The weather always plays a part and just because it's rainy, sloppy mucky doesn't mean things aren't happening. Everyone knows the best time to acquire the nicest car at the lowest possible price requires a few things: cash is a must, hit the sales floor in the slowest part of the slowest sales quarter, and for good measure make it a sloppy inclement day. Securing oil leases is pretty much the same way. Eratz is making some major moves. I can't share completely right now, but just be happy to know our Eratz family is looking pretty secure sitting in tall cotton.

Things to Think About

The conspiracy trolls are out in force. But like so many conspiracy theories, this one is built on two or three facts, not total truths. And like most conspiracy theories they either ignore, blow past or discredit other truths, truths that don't support or discount the conspiracy of the day. True, Wuhan China is the epicenter of this pandemic and true, China's Level 4 biosafety lab is in Wuhan, but everything past that point is merely speculation. Many bio-contagion experts have weighed in on this, and without exception, they believe it is highly unlikely that this Corona Virus CoVid 19 is man made or modified. Sadly, yet not surprisingly, China isn't helping itself either on debunking this theory as it is a very closed society, especially when it comes to news and access to information. Although discredited, the fact that this conspiracy theory has infused into our world consciousness so readily with so many adherents is a sad testament to how we, Mr. and Mrs. Joe Average, are so quick to think the worse of our fellow man. When you look at the spread of this conspiracy, isn't it remarkable how its dispersion outpaces the spread of...you guessed it...a flu virus? Are we just programmed to think the worst of our fellow man? As for me, I choose to believe things like this happen organically and not necessarily aided by men. What is scary are the parallels between the 2020 Corona Virus and the Spanish Flu of 1918 and the Swine Flu of 2008. When you consider sedentary 19th century world compared to today's fluidity, that H1N1 infected almost a third of the world's population with an estimated 20-50 million lives lost; isolationist America lost 675,000 souls. So I'm not saying we don't have a real problem. I am saying let's stop pointing fingers and wasting our energy vilifying this politico or that country and just get down to what America does best: fixing it and making it better.

Please visit our website, www.eratz.com. You should know who we are, what we do and how we do it.

