



# Wisdom & Trust

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## In This Issue

President's Corner

Oil Patch Highlights

Company Highlights

Things to Think About

### Useful websites

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

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

[www.oilprice.com](http://www.oilprice.com)

### Now Available:

[Eratz Oil and Gas Investor Handbook](#)

### Contact Us

[wisdom@eratz.com](mailto:wisdom@eratz.com)

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**"Mail back your enclosed postcard and receive our Eratz Oil and Gas Investor's Handbook!"**

--Sam Roden, President and Founder

### President's Corner

I believe seeing the world through a grateful heart is key to having a good life and when things are less than perfect even more so. Yes, these are critical times that demand our total concentration; some are calling it the perfect storm for independent oil producers. Therefore, we must keep an eye on the proverbial weather vane and work our storm plan because when others see scary lightening and thunder, Eratz knows blue and calm skies follow, typically doubling-down when others wait the storms out. For us domestic oil investors "drilling on American soil for American oil" remains our motto. Moving ever closer to energy independence should always be at the front of our American energy policy, so when Eratz produces load after load of Patriot barrels, it's as if we're saying to the world, specifically Russia, "**Putin, you are not going to bully the world to kneel to your twisted vision by threatening to cut Europe off at the energy tap!**" Drilling for oil has always been patriotic, but especially now--what we do will echo for years to come world-wide.

But all this comes with responsibility. Going on four decades, we have never shirked neither responsibility nor moral obligations --we don't take shortcuts or risk our reputation. So when you decide to adopt into the Eratz family, replete with all due rights and responsibilities, you are truly family. You'll want to stay connected, informed, intrigued, questioning, discovering. You should eagerly anticipate our newsletters, postcards, our handbook; and you are happy to take our calls as we will always take yours because we are family. Friends, not everything is going to go perfectly, but that's what we shoot for and when life happens, and as Clint said, "(we) improvise, overcome and adapt."

Almost every day I am approached by land managers, owners, geologists, someone who knows something about a parcel of land, etc., and every time I take each one seriously because you just don't know what venture will yield the millions of Patriot barrels. Since 1989 I have been sending mailbox money to my investors, even in the thinnest of times. But today is not thin, it's fat; and we appreciate walking in the tall cotton. So if you are still sitting on the fence, why? You should know us by now. Life has risk but anything worthwhile has risk; my job is to provide a good ROI and limit risks to investors...I own 1/8th of each well, so believe me, I work hard to lower risks. Every month I partner with new investors who share my sensibilities and vision...if you can only see the opportunities through my eyes. Friends, open your eyes.

### Oil Patch Highlights

Eratz opened its doors in the '80s and has lived through the worst of times to the best of times and back again; right now it's pretty darn good, albeit confusing, especially when you open your mail box and see our check.

All eyes remain deservedly on Ukraine. Did you know that Russia's natural gas and oil exports accounted for a little over 7% of the US's total energy imports? To address the shortage, President Biden recently said we have over 9,000 oil and gas drilling permits, but what he doesn't say is that it takes years for a permit to mature to an operational venture. Major industry verticals are like freight trains: when they're moving down the rails, they're difficult to stop; but when they stop it takes a lot of energy to get them moving again, and that's where we

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

Did You Know...

that the creation of oil started from the Paleozoic Age 542 million years ago to the Cenozoic Age 65 million years past?

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are with our domestic oil policy. Strangely though, the price of oil dropped and that's because OPEC released more oil into the market and...you guessed it...CoVid 19. China is in another lockdown so their energy demand isn't nearly as high, plus the impact of the missing Russian oil world-wide hasn't been as bad as we predicted.

## Company Highlights

When times are good you reinvest and improve your down-hole zones for better output. Eratz has re-completed eight wells opening up new pay zones, changing down-hole pumps and some light stimulation that should increase our total yield significantly. Additionally, we are in the process of purchasing a saltwater disposal well in Archer County, and we are researching our Hughes lease in Young County to drill a disposal well. We are also bringing on early-retired O&G professionals; they bring a lot of excitement and experience to the team, so we're blessed. As for prospective development in Throckmorton County, we have several leases with 2D and 3D seismic from Chevron, Penzoil and Gulf Oil ranging from 300 to 720 acres. Eratz has negotiated a lease option for 23,000 acres in Shakelford County giving us access to over 300 miles of seismic data and access to a geological data room. The back story is that when the grandfather wildcatter passed, the estate brought in operators to continue, but they did a bad job leaving a sour taste in every one's mouth. Since then the land has been in limbo between three entities. Recently, one of the parties contacted Eratz to take a look at this opportunity because of the work we did in the mid 90's in Palo Pinto County on the Carter Ranch where Eratz drilled 55 wells in seven years. I flew to Houston to interview and be vetted by law firms from Houston and NYC. It looks promising, and we have a great chance to secure options on adjacent tracts. If we are successful, this could be a game changer for the Eratz family...as in *cha ching!*

## Things to Think About

President "Band-Aid" Biden dipped into our Strategic Oil Reserve (SOR) of 180 million barrels. Why? That might sound like a lot, but really it's not. And considering that we have a cumulative 40% decline in our domestic production over the last few years, AND for some strange reason still have not replenished our SOR, this is just a band-aid on a ruptured artery. Folks, domestic oil can make up this difference if the USA just commits to good domestic policy instead of looking over its borders. Staying relevant in the eyes of the world is great, but even after all "our masterful moves", Putin goes in and does the stupid. All this leads to the bad news that the price of a gallon of gas in California hovers around \$9 and the flyover states still see a gallon close to \$5. With world oil prices the highest they've been in 10 years at around \$100/bbl, don't look for any relief until Russia gets out of Ukraine, which brings me to ponder this: How will this play out?

I believe for this tragedy to stop, Putin must be given a "way out." A scenario that he can spin as a moral victory and his so-called hedge against impending Nazism. *I know this sounds so ridiculous but we are talking Putin, probably the biggest spin doctor in the last 80 years.* So don't be surprised that somehow Gazprom's Nordstream 2 is back in play with all the proper assurances that Russia will not hold Europe hostage at the pump (*which we all know is BS*). Secondly, Ukraine must remain neutral and not a NATO member, and thirdly, Luhansk and Donetsk will probably be proxy states of Russia. Heck, they've been that way for over eight years. Of course, it's not perfect, but in the big picture, Russia is even more politically isolated with border countries clamoring to belong to NATO--I'm certain Putin did not see this coming; and *future* Ukraine, although neutral *just like Sweden and Finland once were*, will be solidly pro-Western. Plus, the world will be ever-watchful of the mad-hatter Putin. Personally, I doubt Putin and his oligarch cronies will lose too much sleep because over the decades they have bilked the good Russian people hundreds of billions of dollars and they'll probably steal billions more before it's all over.

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.

