



# Wisdom & Trust

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### Useful websites

[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)

972-392-2677

**“Mail back your enclosed postcard and receive our Eratz Oil and Gas Investor’s Handbook!”**

--Sam Roden, President and Founder

## Company’s Highlights

Welcome back! It’s been 60 days since the last *Wisdom and Trust*, and Eratz has prevailed! We are drilling the last of the four wells, the Shirley 2 in Shackelford County. We are now funding the Sloan 1 and you have an opportunity to step up, do yourself a big favor and give us a shot on Sloan 1, built on the successes of the Bramlette 1 and Shirley 1. These offsets look even more promising, accessing multi zones, notably the Atoka Conglomerate, a narrow, very deep oil sands, and the Mississippi Reef, a prolific oil and gas structure.

By staying in our lane with better techniques, technologies and geology, our yield continues to spiral upward. Our sweet spot remains 7-10,000 foot wells with 150-300,000 barrels in reserve, initially producing 200 barrels a day, leveling off to 30-50 barrels a day.

Our 2026 drilling plan is broken down in halves. The first half we’ll drill three offsets starting with Hughes 7 in Young, Shirley 2 in Shackelford and Sloan 1 in Throckmorton County, and finishing the last half with new tracts in two counties: Calahan (name TBD; 900 acres with 3 million in reserves) and Nolan (name TBD, 1200 acres with 7 million in reserves).

## Oil Patch Highlights

Year 2025 is in the past; it’s late in the deer season, and it’s cold and rainy. The holiday crush has slowed down most folks, but like any rancher or farmer will tell, *there’s always something to do on the farm*, just like there is always something to do in the oil patch. We are finishing Hughes 6, our last well of 2025, with the Shirley 2 to follow in February. Both teams are hard at it, staying busy and doing the next thing on the punch list without being told. We have completion teams on site as we go to press. We are blessed. Over the decades, we have encountered, some would say, novel work stalls, such as landowners seeding their acreage for deer; fancy sportsmen and their guides paying for the privilege to hunt Texas white tail and mule deer; ranchers and cowboys moving their cattle and all the familiar demands of ranch life. In fact, many of our teammates work their own lands, hunt deer and hogs, raise cattle and swine, so we truly respect the lives of others...scheduled or not. One of the many reasons why Eratz is sought out by landowners is that we are more than familiar with the ebb and flow of ranch life in West Texas. When I’m in the field inspecting our operations, not only do I check on the roads, gates, cattle crossings, the pits, cleanliness of the sites, etc., but I also ask landowners if our teams are respectful and thoughtful by honoring their land and possessions. Eratz only moves forward when everyone is pulling in the same direction with respect and grace.

The three injection wells are set to be completed once I have TXRRC affidavits for the Trimont well on the Aldridge lease and Trimont and Hughes in Young County with the Sloan disposal well in Throckmorton County, which will serve Bramlette and Shirley 1 and 2. Incidentally, Sloan 1 is our first project in 2026 (book is ready to go). It took money to finish 2025 the way we did, and we thank our power clients. CY 2025 was very good, no doubt, but Eratz expects a banner year for 2026!

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

Did You Know...

...that some experts opined that well over 50%, perhaps 70-90% of mass-market consumer products, have some petroleum or petrochemical components.

Contact Us

wisdom@eratz.com  
972-392-2677

## Things to Think About

It's hard to believe how surreal 2025 started and ended. As others have cheekily coined, "you just can't make this stuff up!" Wow! Our president is all about big business and America first hence the flexing tariffs, which are finally leveling. By now every country should know where they stand in the global pecking order--basically behind the USofA! We are approaching midterm elections, so historically the stock markets are going to soften. Thankfully, the prices of most things in the oil patch have stabilized--higher by quite a bit--but stable. I know inflation appears to be in check, but you should largely thank oil and gas for staying steady. Sadly, electricity is skyrocketing due to the massive, energy-sucking data centers coming on line--don't get me going. However, with what is happening with Russia, Ukraine, the EU, Taiwan, China, Venezuela, North Korea, Israel, Gaza, Iran, etc., energy prices will surge; Unfortunately, the *Doomsday Clock* is definitely approaching midnight and that's not good. Driller operators have never made policy, but we do have to live with their consequences. Do you remember Clint Eastwood's classic line in 1976's *Outlaw Josey Wales*, "**Dying aint much of a livin', boy.**"? I feel very unsettled about the world discord, but as true with every patriot, we'll take the good, the bad, and the ugly often at the same time.

Last January, I predicted EV market retractions--my prophecy was correct. Last week Ford took a \$19 billion write-off as it pulled the plug on its EV 150 Lightning. To wit, the total sales of Telsa's ungainly cybertruck stands a little over 52,000 units. Compare this number the one million cybertruck reservations placed a scant 2.5 years ago.

Oil prices are in a down cycle with a few doomsayers say it could get as low as \$55 pointing to China's reliance on electric vehicles and their continued soft economy, while war-hawks say the opposite, with oil streaking past \$75 by the 3<sup>rd</sup> Qtr. I predict it to be around \$62 by end of 1<sup>st</sup> Qtr, and if all heck breaks loose, who knows how high it will rise. This we do know: Eratz makes money when most can't; our break-even is in the low \$30s because 1) our lifting costs are little over \$2 per barrel, 2) of our very efficient field operations, and 3) we have great multi-formation leases. Interestingly this was just reported: Apparently hedge fund traders and day traders are moving big into the spot oil market. Usually when these quick-money artists start circling, they know something is about to shake loose--my bets are: regional conflicts and AI.

## Presidents Corner

Happy new year! For many, you've read at least a couple of *Wisdom and Trust* newsletters. Therefore, you already know we have the great leases, the production and the proof of mailbox money, so I have to ask my Potential Investors, "what's going on in your mind?" And I know it's not for a lack of information, transparency, production, or field successes. Eratz has a stellar record; so this leaves me with the last and only consideration: *you don't trust me*. So, if you want to know the real me and the company I built, talk to my Power Clients (PCs)/investors because I only do business with people I know and trust--I bet you're the same. Trust takes time to earn but only minutes to lose. But if your hold-up is that you can't get past bad experiences; you can't tolerate operational hiccups (they happen, Mother Nature sees to that); if you just can't decide because it's too much--and it's not because of a lack of information or transparency, or you are a marginally qualified accredited investor, afraid of risks, then oil and gas is simply not for you. If I have talked with you more than twice, then I was told (and I believe) that I'm talking to a person with the alleged means and temperament to partner with Eratz, or you wouldn't be getting our letters, postcards, reports, the shared calls, the PPMs, so again I ask, "Why the fence sitting?" Eratz #1 goal is to make good money for our investors with the least amount of hassles. My investors--many repeat PCs--trust me do this reliably and profitably. And keep in mind, I haven't stayed in business just on my good looks or by erecting drilling rigs. No, Eratz succeeds because, as the #1 investor in virtually every Eratz project, my profit comes in selling oil and gas not by punching holes in the ground. Friends, ROI is all about barreleage and cubic feet!

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.

