

Why Conventional Oil Prospects Are Needed Now

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Oil production is falling: <https://www.eia.gov/outlooks/steo/> <https://www.eia.gov/outlooks/steo/?mod=article> inline

Oil demand and price will return (“This is not a speculative bust like the 1980s or 2015-16, with the price of oil falling from \$110 per barrel,” according to Gilmer, who expects prices to return to near \$60 or \$65 per barrel by 2022. “It is a severe, but relatively short-lived, virus-driven event.” <https://www.forbes.com/sites/scottcarpenter/2020/05/11/americas-oil-and-gas-jobs-could-soon-come-roaring-back/#1b6cfc5210dc>):

<https://www.eia.gov/analysis/>

<https://www.forbes.com/sites/rrapier/2020/05/17/short-term-energy-outlook-shows-impact-of-covid-19-on-energy-sector/#c469b8545ed9>

<https://finance.yahoo.com/news/goldman-sachs-says-remains-bullish-063643245.html>

<https://oilprice.com/Energy/Oil-Prices/How-Oil-Prices-Could-Go-To-100.html>

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Pandemic consequence: return of the car and future unpopularity of public transportation (personal mortality trumps existential societal risk):

<https://www.forbes.com/sites/judeclemente/2020/05/17/why-us-oil-and-natural-gas-demand-will-rebound-from-covid-19/>

<https://finance.yahoo.com/news/car-staging-comeback-spurring-oil-110000205.html>

Not enough electricity for electric cars without continued use of gasoline/diesel or additional nuclear power (which isn't likely in the USA). Renewable energy is insufficient to meet future electrical demand:

<https://www.publicaffairsbooks.com/titles/robert-bryce/a-question-of-power/9781610397506/>

Federal & several state budgets rely on oil revenues:

<https://www.api.org/news-policy-and-issues/taxes>

<https://taxfoundation.org/historic-oil-price-burns-hole-in-state-budgets/>

<https://www.nytimes.com/2020/04/15/business/economy/state-tax-revenue-debt-coronavirus.html>

In addition, now is good time to develop conventional oil prospects (no links yet as this is obvious to those in oil industry):

Geologic development of oil prospects is an inexpensive effort relative to others such as land, geophysical data, drilling, and development

Competition and costs for land, services, etc. are less

Lead time is long for developing oil prospects into viable commercial enterprises

A significant return of unconventional oil-shale production in the USA is an open question now.

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