March 2024

SIPES HOUSTON

ENERGY ENTREPRENEURS

John Dvorak

Gerald “Jerry” Boelte

Buffett on OXY + Oil

1:6:90 Rule

Alberta’s New Pipelines

Life of an O&G Well

Higher Energy Bills

SIPES HOUSTON CHAPTER

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In This Issue

On the cover:
Corpus Christi, location of the annual SIPES National Conference

Letter from the Editor

Sad news as we mourn the loss of a legend in our industry. Jerry Boelte passed away this weekend. Please see page 21 for more details.

NAPE was a packed house, shockingly. Not many deals were sold, but the parties were packed and floors walked. Probably to enjoy one more company paid for trip before the debt ridden companies go belly up with gas prices this low for this long.

Don Cowden gave an exciting presentation last month showing his deep large prospect in detail. We encourage more people to show their prospect at luncheons. SIPES exists to help buyers and sellers come together.

Warren Buffett is bullish on our industry at OXY, specifically. His recent letter to investors can be seen on page 3.

SIPES Houston would like to thank Stratagraph for sponsoring our upcoming Chili Cookoff at Under The Radar Brewery on April 13th.

The SIPES National Convention is in Corpus Christi on June 10-13th. This is the annual event where all chapters come together. I highly encourage you to join in order to expand your network with ethical passionate independents.

The National Board meeting is this coming week. Houston sends two board members as representatives to help the other chapters learn from our success.

Another year ahead,
Jeff Allen

March 21st Luncheon

SIPES HOUSTON
ENERGY ENTREPRENEURS

Beyond Plate Tectonics

The theory of plate tectonics, while groundbreaking, has been recognized as incomplete, focusing primarily on the origin and evolution of ocean basins with less emphasis on continents and the deep Earth. A more comprehensive understanding of Earth, sometimes called the "Burkian Earth" after Kevin Burke, is emerging through seismic tomography. This new perspective highlights the significance of subducted ocean plates descending to the core-mantle boundary, causing upward flows of mantle material and hotspot volcanism. It also sheds light on delamination, the process where part of a tectonic plate sinks into the mantle, leading to geological features like the Colorado Plateau and mountain ranges like the Andes and the Alps. This evolving view promises to revolutionize our understanding of Earth's dynamics, similar to the impact of plate tectonics theory, influencing the search for mineral and oil resources.
John Dvorak began his scientific career studying volcanoes. He received his doctorate in planetary science and geophysics from the California Institute of Technology in 1979. After working for sixteen years studying eruptions for the U.S. Geological Survey in Hawaii, Indonesia and Italy, his interest shifted to astronomy. For twenty years he operated a telescope at Mauna Kea for the Institute for Astronomy, University of Hawai'i. His most recent book is How the Mountains Grew: A New Geological History of North America (Pegasus Books, 2021).

Date & Location:
Thursday, March 21st
Petroleum Club

Time:
Wine Served 11:00am
Lunch Served 11:30am

Purchase Ticket:

Speaker:
John Dvorak

Sponsorship provided by GDP Drilling

CLICK HERE TO REGISTER

◆

Buffett on Oil

"When the dust settles, America's power needs and the consequent capital expenditure will be staggering."

"Under Vicki Hollub's leadership, OXY is doing the right things for both its country and its owners. No one knows what oil prices will do over the next month, year, or decade. But Vicki does know how to separate oil from rock, and that's an uncommon talent, valuable to her shareholders and her country."
- Warren Buffett

berkshirehathaway.com

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This year, I would like to describe two other investments that we expect to maintain indefinitely. Like Coke and AMEX, these commitments are not huge relative to our resources. They are worthwhile, however, and we were able to increase both positions during 2023.

At yearend, Berkshire owned 27.8% of Occidental Petroleum's common shares and also owned warrants that, for more than five years, give us the *option* to materially increase our ownership at a fixed price. Though we very much like our ownership, as well as the option, Berkshire has no interest in purchasing or managing Occidental. We particularly like its vast oil and gas holdings in the United States, as well as its leadership in carbon-capture initiatives, though the economic feasibility of this technique has yet to be proven. Both of these activities are very much in our country's interest.

Not so long ago, the U.S. was woefully dependent on foreign oil, and carbon capture had no meaningful constituency. Indeed, in 1975, U.S. production was eight million barrels of oil-equivalent per day ("BOEPD"), a level far short of the country's needs. From the favorable energy position that facilitated the U.S. mobilization in World War II, the country had retreated to become heavily dependent on foreign – potentially unstable – suppliers. Further declines in oil production were predicted along with future increases in usage.

For a long time, the pessimism appeared to be correct, with production falling to five million BOEPD by 2007. Meanwhile, the U.S. government created a Strategic Petroleum Reserve ("SPR") in 1975 to alleviate – though not come close to eliminating – this erosion of American self-sufficiency.

And then – Hallelujah! – shale economics became feasible in 2011, and our energy dependency ended. Now, U.S. production is more than 13 million BOEPD, and OPEC no longer has the upper hand. Occidental itself has annual U.S. oil production that each year comes close to matching the entire inventory of the SPR. Our country would be very – *very* – nervous today if domestic production had remained at five million BOEPD, and it found itself hugely dependent on non-U.S. sources. At that level, the SPR would have been emptied within months if foreign oil became unavailable.

Under Vicki Hollub's leadership, Occidental is doing the right things for both its country *and* its owners. No one knows what oil prices will do over the next month, year, or decade. But Vicki does know how to separate oil from rock, and that's an uncommon talent, valuable to her shareholders and to her country.

* * * * * * * * * * * *

Life of an O&G Well, P&A Solutions

Oil and Gas exploration began in the mid-1800's. Since that time, over 4 million oil and gas wells have been drilled in the United States. Many wells produce for a few decades, but others produce for over 50 years. In fact, there are still some producing wells that were drilled over 100 years ago. Generally, the lifespan of a well looks something like the scenario below:

In Northeast Texas and Northwestern Louisiana, the Rodessa Oilfield was discovered in 1936. Many wells were originally drilled by Texaco, a major exploration and drilling company. Peak production in the Rodessa field was over 12 million barrels of oil in 1937. Over time, production naturally declined. Eventually, many of these wells in the Rodessa field were no longer economic for Texaco to produce. Texaco plugged many of these wells, but most of the marginally-producing wells were sold to smaller operators that could work on thinner margins due to lower overhead costs.

These small operators produced these old wells as long as they could. Eventually, their margins got too thin and they chose to sell the remaining, marginally-producing wells to a local mom and pop operating company because these wells are more of a plugging liability than an asset. The mom and pop operating company then continued to produce these wells for as long as possible.

Over time and one by one, the wells stop producing enough to cover the costs of electricity, maintenance, and water disposal. Eventually, the mom and pop operators in the Rodessa field end up with 50 wells, but only 5 are producing. In Texas, after a well has stopped producing for a year, operators are required to plug it. Thus, to avoid plugging the other 45, the operating company reports that all 50 are still producing, and the amount of production they report is what the 5 remaining wells are actually producing.

This is why the Rodessa field in Northeast Texas has hundreds of "active" well sites. Some are still marginally producing, but many are sitting there idle, waiting to be plugged. Many were drilled in the 1930's, while others were drilled decades later.

Eventually for the mom and pop operator, production on the remaining 5 will no longer be economical. The state regulatory agency will come breathing down their necks and require that all 50 wells be plugged.

Considering a plugging job with site restoration costs anywhere from $30,000 to $100,000 per well, do you think the mom and pop operating company will fork over $1.5 to $5 million to plug all 50 wells?

Not a chance.

So what does mom and pop operating do? Declare bankrupcy. All 50 wells end up as orphan wells, and the responsibility to plug them lies with the state regulatory agency through state and federal funding. This is why we have somewhere between 100,000 and 3 million orphan wells in the United States today.

There is hope, though. Orphan wells have gotten lots of attention as of the last few years. The Federal government is providing $4.7 BILLION to plug orphan wells!!! That sum of money is FANTASTIC, but what are we going to do to stop the constant flow of FUTURE orphan wells? If you ask me, the federal funding to plug orphan wells is like forgiving student loan debt while issuing more loans to students …. how helpful is that?
The solution ~~~ CARBON CREDITS.

Life of an O&G Well, P&A Solutions, contd.

Okay, so what is a carbon credit? One carbon credit represents 1 ton of CO2 equivalent from entering the atmosphere. By VOLUNTARILY taking action to reduce greenhouse gas emissions, we (as a society) can generate carbon credits.

Companies such as CarbonPath , ZeroSix, BCarbon, Onyx Transition, and ClimateWells are trying to incentivize early well plugging. They have written specific methodologies that a project developer can follow to quantify greenhouse gas emissions reductions and therefore generate high-quality carbon credits. Their methodologies are based on quantifying the remaining reserves and/or gas emissions and determining how much gas would be emitted to the atmosphere from combusting these resources. By plugging these resources in the ground permanently, we AVOID future gas emissions. Hence, these carbon credits are considered "avoidance" credits, meaning they reduce future emissions from ocurring.

Now, I know what you are asking. Who buys these credits? And how much are they worth? Well, in most of the US, the carbon market is unregulated. Companies are not "required" to meet carbon emissions targets yet. Currently, the market we operate on is the Voluntary Carbon Market (VCM). The VCM is where companies that pledge "net zero" or "carbon neutral" go to offset their carbon emissions. Each year, to be carbon neutral, companies must calculate their carbon footprint and purchase the carbon credits (technically called carbon offsets) in order to claim "carbon neutral" or "zero-emissions".

The value of these credits is driven by the buyer, each of which will value credits differently. Some may value carbon credits generated from planting trees, while others may value improving refrigerant technology, and another may value directly sucking CO2 out of the air. Some companies may want to support providing improved cooking solutions to 3rd world countires, and others may want to support solar and wind energy projects. All of these methodologies in some form VOLUNTARILY reduce CO2 emissions to the atmosphere and are valid ways of generating carbon credits.

We believe that avoidance credits generated from permanently plugging wells are some of the highest-quality carbon credits you can buy. All the data, photos, and regulatory signatures are held publicly on the blockchain, and all the transaction history and selling prices are as transparent as it gets.
So I'll return to my question - How much are these well-plugging avoidance carbon credits worth? Maybe $20-$40 each as of now, but with the carbon maket expected to grow from $2 billion to $50 billion by 2030, you'd better believe that the price is going to rise.

At Guardian Plug & Abandonment, we can help you learn how to plug wells for carbon credits. We are project developers. Additionally, we are Qualified Measurement Specialists and can detect and quantify methane emissions from your wells.

Feel free to reach out with questions at info@plugandabandonment.com or visit our website at https://www.plugandabandonment.com/. ◆

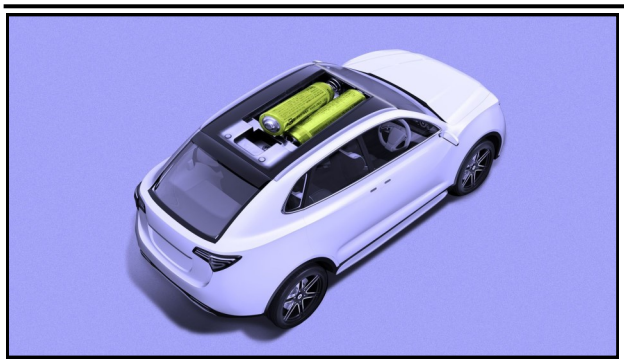
SIPES Houston

We have a packed room at our luncheons.
The 3rd Thursday of every month.

A Crude Awakening 
@allengilmer

Veriten's Arjun Murti, speaking at NAPE lunch made a very interesting observation... an integration under the S curve so to speak. If all the other 7 billion people in societies outside Western Europe and the US try to improve their quality of life to even half of the West's standard, world oil demand will be 250 mmbopd.

EV's Are Inefficient?



Car batteries are like wine fridges: They're never big enough. That's a real problem for anybody who hopes that electric vehicles will help decarbonize the planet and reduce pollution.

Why it matters: EVs are extraordinarily heavy, and the larger their batteries, the heavier they become. That makes them more dangerous, increases pollution, minimizes decarbonization, and locks in a geopolitically fraught reliance on China.

The big picture: Hybrid vehicles that are electric most of the time but can fall back to an internal-combustion engine when needed are a much more efficient use of battery resources.

- **By the numbers:** Toyota has what it calls the 1:6:90 rule. Its scientists have calculated that the amount of raw material needed to make a long-range EV could instead be used to make six plug-in electric hybrid vehicles or 90 hybrid vehicles.

"The overall carbon reduction of those 90 hybrids over their lifetimes is 37 times as much as as single battery EV," they write.

Between the lines: Heavy EVs might not have tailpipe emissions, but they still cause pollution, from eroding tires, road dust and brakes.

- They're also significantly more lethal when they collide with pedestrians or cyclists.

The bottom line: "Government policy should match a limited battery supply to where it can have the maximum impact for consumers and the environment," writes auto journalist Edward Niedermeyer. That means a lot more hybrids and e-bikes — and a lot fewer EVs with 500-mile ranges. ◆

Toyota's 1:6:90 Rule

Why Toyota is not jumping on the EV bandwagon:

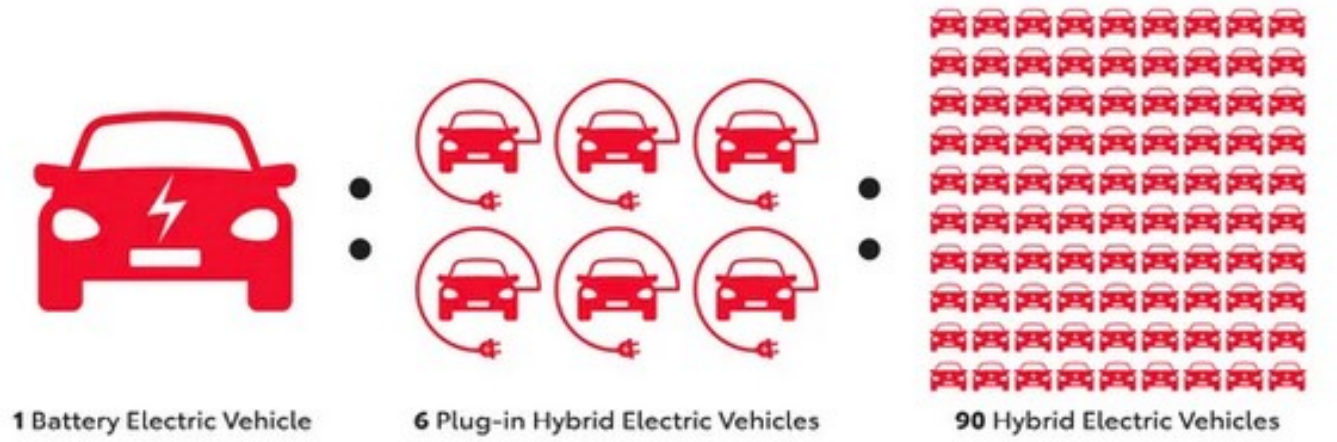
A Practical Path Forward

While we work to address the challenges, the most immediate way to reduce carbon emissions is through a mix of electrified options, which includes battery electric, plug-in hybrid, and hybrid vehicles.

Taking limited battery resources and sharing them among different options allows lower carbon options in every vehicle segment, will get more customers, regardless of status or income, in electrified vehicles, and will take more carbon off the road.

The 1:6:90 Rule

The amount of raw materials in one long-range battery electric vehicle could instead be used to make 6 plug-in hybrid electric vehicles or 90 hybrid electric vehicles. For the same limited resources, instead of replacing one internal combustion engine vehicle, you can replace 90. **The overall carbon reduction of those 90 hybrids over their lifetimes is 37 times as much as a single battery electric vehicle.**



1 Battery Electric Vehicle

6 Plug-in Hybrid Electric Vehicles

90 Hybrid Electric Vehicles

Western Oil Production Dominance

For decades, the Eastern Hemisphere had been the biggest driver of global oil production growth. Until a decade ago, when the Middle Eastern oil producers – bound by the OPEC cartel – started yielding the growth momentum to the Western Hemisphere with their pursuit of high oil prices and unwittingly helping the first stage of the U.S. shale revolution.

Sure, the Eastern Hemisphere, mostly the Middle East, continues to be the most formidable force in global oil production and markets.

But the Western Hemisphere – led by the United States, Canada, Brazil, and most recently, Guyana – is now the key growth region in oil supply, to the point of partly offsetting OPEC's policies to rein in the cartel's output in the name of "market stability," or, in other words, higher oil prices. The growth in oil production in the Western Hemisphere actually captured all the growth in global oil demand in the decade 2012 through 2022, according to statistics data analyzed by Reuters market analyst John Kemp.

Oil production in the Western Hemisphere jumped in one decade to account for 34% of global supply in 2022, compared to 27% in 2012, per Kemp's analysis of the Energy Institute's Statistical Review of World Energy 2023.

The growth from the U.S. and other producers in the Western Hemisphere stood at 8.7 million barrels per day (bpd) in that decade, meeting the entire 8.6 million bpd growth in global consumption, Kemp's analysis showed.

Since 2023, the U.S., Canada, Brazil, and Guyana have continued to see booming production, leading a surge in non-OPEC+ oil supply and frustrating the cartel's efforts to keep oil prices well supported and above $80 a barrel, and preferably higher. Analysts and forecasters expect those countries, plus Norway, to lead non-OPEC supply growth this year and next.

Booming output in the U.S., Brazil, Canada, and Guyana has more than offset a collapse in production from Venezuela and a decline in Mexico's oil output in the past decade. Offshore Guyana, three already operational Exxon projects are currently producing more than 550,000 bpd of crude oil and are expected to reach more than 600,000 bpd in output later this year.

Non-OPEC liquids production is expected to grow by 1.2 million bpd this year, driven by the U.S., Canada, Guyana, Brazil, and Norway, OPEC said in its Monthly Oil Market Report for February. The forecast for non-OPEC liquids supply growth in 2025 stands at 1.3 million bpd, with the same key growth drivers in the Western Hemisphere.

North America will be leading the expected production growth, and within it, the U.S. is set to see liquids output grow by 540,000 bpd this year and another 600,000 bpd next year. Latin America – led by Brazil and Guyana – is forecast to raise its liquids production by 350,000 bpd in 2024 and by 270,000 bpd in 2025, according to OPEC's estimates.

The Energy Information Administration (EIA) is much more conservative on U.S. output in its latest estimates from its February Short-Term Energy Outlook (STEO). U.S. oil production fell to 12.6 million bpd in January 2024 because of shut-ins related to cold weather, down from an all-time high of over 13.3 million bpd in December. The EIA expects U.S. oil production will return to almost 13.3 million bpd output in February before decreasing slightly through the middle of 2024. The EIA does not expect U.S. crude oil output to exceed the December 2023 record until February 2025.

Annual U.S. oil production will grow from 12.93 million bpd in 2023 to 13.10 million bpd this year and 13.49 million bpd next year, show the EIA's latest estimates, which were revised down from previous forecasts. HERE ◆

Toby Rice Responds to Biden

Click on the image below to read the full response to Biden halting LNG export investments. It is a worthwhile and detailed reply we should all read.

EQT CORPORATION
625 Liberty Ave | Pittsburgh, PA 15222-3111
P: 412.553.5700 | www.eqt.com

The Honorable Jennifer Granholm
Secretary, U.S. Department of Energy
1000 Independence Ave, S.W.
Washington, DC 20585

January 30, 2024

Dear Secretary Granholm-

I am writing to you in response to the moratorium imposed on the issuance of authorizations for liquefied natural gas ("LNG") projects announced on January 26, 2024 (the "Moratorium"). I have previously written to you and the Administration with respect to the criticality of U.S. LNG in the energy transition,[1] and it should come as no surprise that I view the Moratorium as a significant step in the wrong direction.

Before getting into the issues with the Moratorium itself, it is important to lay out the context in which it is being imposed, from both a climate and geopolitical landscape.

When

June 10-13, 2024

Where

Corpus Christi, Texas

CLICK on the image to learn more

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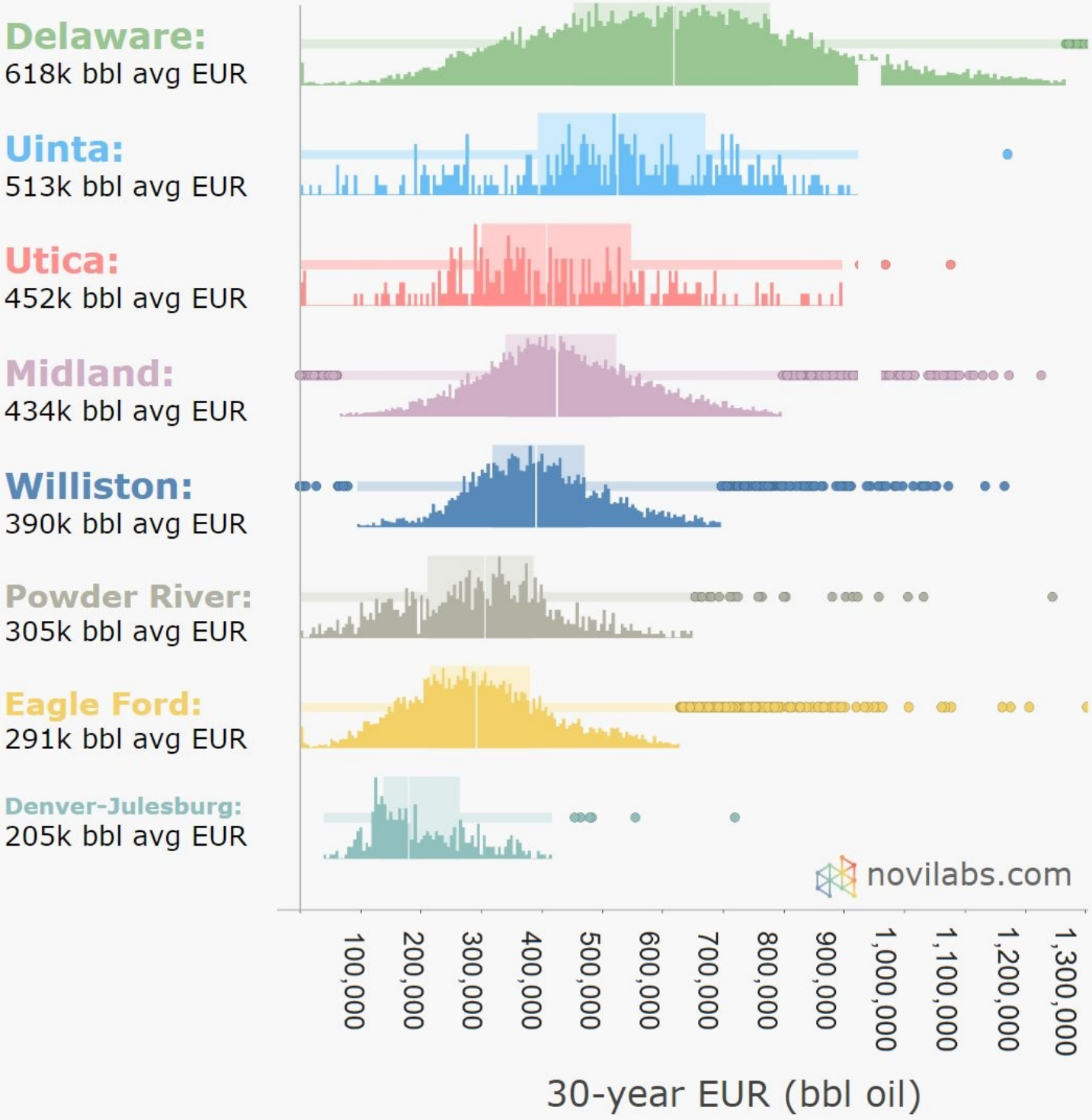
Which basins have the highest EURs?

The Delaware reigns supreme, but performance from the Uinta and Utica shows the potential for emerging plays. All EURs are oil only, wells from 2019+.



Data details: forecasted EURs from Novi Labs using machine learning. Includes input production data from various state agencies and proprietary sources, plus completions data, geology, spacing, and parent-child. Data has been filtered to horizontal oil wells only, put on production since January 2019.

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Consulting Services

Geologic & Engineering Consulting

We've got an experienced team of geoscientists and engineers ready to help on your projects.

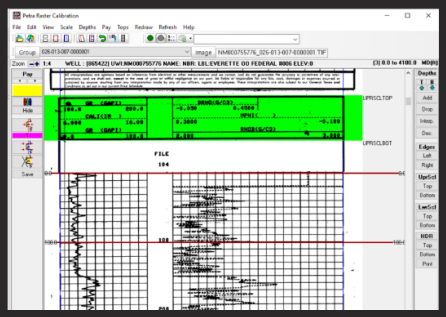
Our specialties include:

- Geologic mapping
- Decline curve analysis
- Well interference testing
- Frac hit analysis
- Rate & pressure transient analysis
- Reservoir simulation

Geotech Services

Have a storage unit full of well logs? Let us get it into a usable format! Want to catalog your data? Done. Scan it? Done. Straighten, depth calibrate, or digitize your rasters? We can do that, too. Better yet — we can store your paper data in our warehouse so it's ready to pull when you need it.

Be sure to check out our proprietary way to catalog well logs and index cards — we can tag & bag data 5x faster and 20% cheaper than our competitors thanks to our strategic partnership with Geolumina!

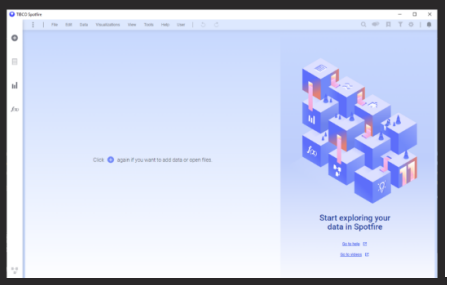


Dashboards & Software Training

Like our Spotfire dashboards? Let us put our skills to work on your internal data! We regularly build dashboards for clients as well as provide training for TIBCO Spotfire and Python.

Check out our upcoming courses via Petroleum Technology Transfer Council (Midcontinent) and Midland College's Petroleum Professional Development Center.

Want training for your entire team? Shoot us an email at info@sabata.us to get on our schedule either in-person or virtual!

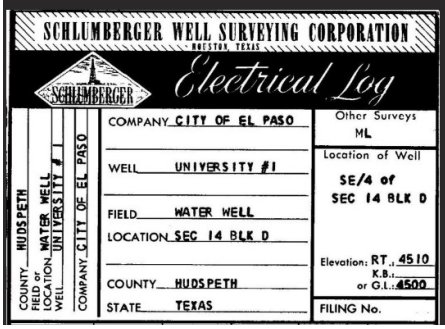


Data Services

Data Sales

Need geoscience data for your next prospect? We've got you covered with 1+ million well logs across the Permian, Rockies, Midcontinent, and Gulf Coast. We've also got helium gas compositions, P&P analyses, DST reports, and more.

Don't see what you need? Shoot us an email at info@sabata.us, and we'll get you fixed up. No project is too small or big.

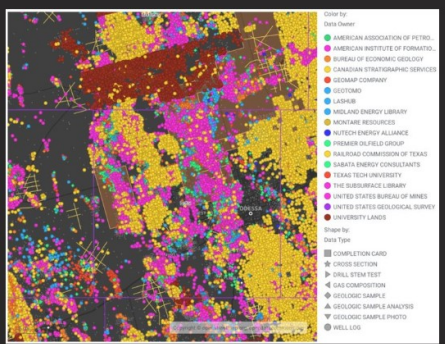


Data Directory

Where it all started...

Sabata has the largest directory of public + private sourced geoscience data in the USA — 3+ million records and counting. And the best part? You can check it out for free at https://sabata.us/directory!

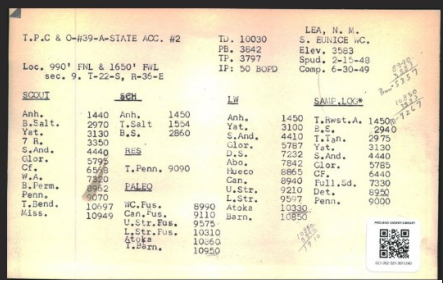
Keep an eye our for the release of our premium version in March 2022!



Data Advertisement & Brokerage

Want to get your data in front of a bigger audience? We can put your inventory on our data directory at little-to-no cost. Have an API list or shapefiles? We'll post it for free within five business days! Don't have a list? We'll help you index it via a brokerage contract — no matter the size.

Our current brokerage clients include Midland Energy Library and American Institute of Formation Evaluation.



SABATA ENERGY CONSULTANTS

2023 Luncheon Review

Are You An Oil Man or Woman?

First oil and gas deal memorabilia looks great! Can't wait to wear this on the golf course and generate some BD from the old guys out there

Show us where you wear it! :)

SOLD OUT TWICE

WANT THIS HAT?

I am an Oil **Man or** I am an Oil **Woman**

$50.00

CLICK TO BUY

TWEETS!

Follow SIPES Houston @SIPESHouston

Ryan Gerritsen @ryan... · 19h

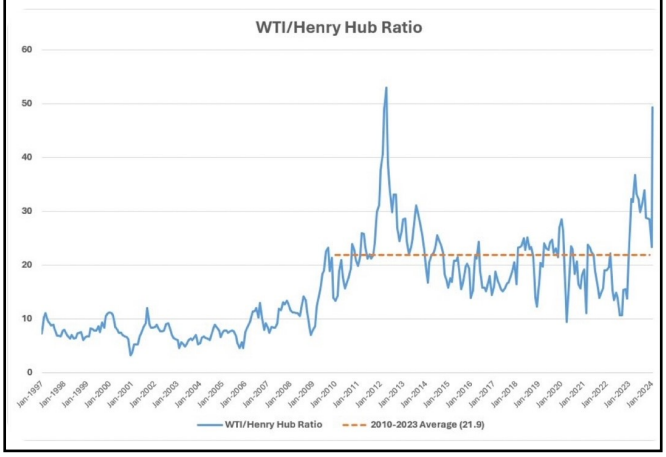
On April 1st 38 million Canadians will get a 23% increase on the carbon tax, while 457 million other people living on the same piece of land pay nothing, yet our Government tells us we're altering the worlds climate with it. Good one.

R GURRAM
@RGURRAM999

#natgas As in past 2 yrs it is supply that decides price. If #natgas production falls say just 2% to $102 bcf/d then price will bottom. O&G producers hiring more Frac Spreads in recent weeks so production decline may be slow. Best outcome is if some producers go out of business

Rock Creek Freak
@rockcreekfreak

Somewhat unprecedented divergence in the ratio between WTI Oil price and Henry Hub Natural Gas price recently. 2010 to 2022 average stood at 21.9, today it is 49.



Billy Bailey
@wrbailey8

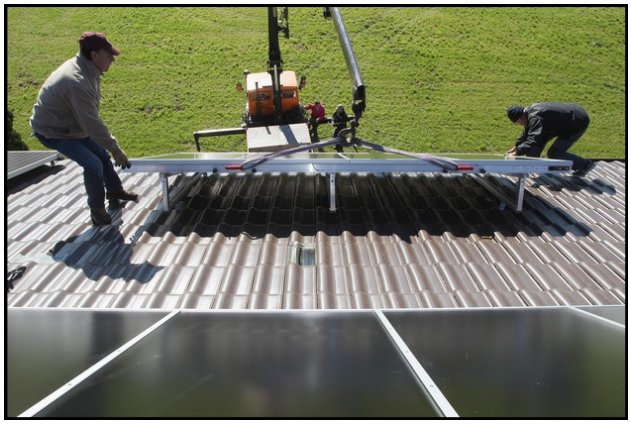
Aethon is going through significant growth & are planning to reduce activity OT as move into more maintenance...

They're looking at curtailment & deferred completions in the Hville but recognize significant demand pull given future #LNG

7 rigs today
2.7bcfpd gross

◆

Climate Religion = High Energy Bills



California Democrats proudly authored nation-leading clean energy goals that forced the automobile industry to go electric and shaped global climate policy.

Then the bill came due.

There is intensifying political pressure on state lawmakers to do something about utility bills that have shot up by as much as 127 percent over the last decade. Climate spending — from wildfire prevention to building out transmission capacity and paying for renewables — is partly to blame.

Lawmakers there and in other Democratic states with nation-leading climate objectives — like New York and Massachusetts — are scrambling to make their transitions from fossil fuels affordable before they face an all-out ratepayer revolt. The problem is more pressing in an election year when Republicans say Democrats don't pay enough attention to Californians' ability to afford the high costs of daily life.

In California, the latest flashpoint is a proposal to restructure utility bills to make them more like the state's progressive tax system, where the wealthy pay the most. Nearly every Democratic state lawmaker voted for the proposal two years ago, but now at least 20 are supporting legislation to repeal it, citing its potential impacts on middle- and high-income households. New York lawmakers are also raising concerns about rising utility rates driven by investments in maintaining the gas system and upgrading the grid to accommodate new renewables and increasing electrification.

Last year's state budget in New York included $200 million to assist households with utility bills. Some Democratic lawmakers are also pushing a measure this session to enshrine into law the state's policy goal of capping utility costs at 6 percent of income for struggling households. How lawmakers and energy officials parcel out costs could determine how far transition plans get. It's pressing, with California aiming for 60 percent renewables by 2030 and New York pursuing 70 percent by then.

"Absolutely high rates can threaten the energy transition, and we should be very concerned," said Matt Baker, director of the California Public Utilities Commission's Public Advocates Office. "The energy transition depends on public support, and we have to do whatever we can to maintain that public support. That means doing it in the least-cost manner." Baker said the state hasn't seen rate hikes like these since the 1970s.

California's largest utility, Pacific Gas and Electric, raised its rates over the winter by an average of about $34 per month, or a 127 percent increase over 10 years. A fifth of its customers are behind on their bills, according to an analysis from Baker's office. The state's two other major investor-owned utilities are also seeking increases. The proposal Democrats voted for two years ago aimed to make electricity bills more equitable by adding a fixed monthly charge that would vary with income, with the wealthiest paying the most.

The charge is intended to make electricity bills more equitable — reducing overall costs for the poorest while keeping monthly bills stable for many middle-income customers, especially those in California's sun-baked interior who use a lot of air conditioning. And by reducing electricity costs, the change would make it more attractive for everyone to switch to electric cars and appliances.

"They don't care where it comes from, how we got it," Bradford said. "It's, 'Can I afford it?' And ratepayers, especially working-class people, are paying for most of these aspirational projects that, like you say, are way down the line. And we haven't even proven that they're going to pan out and hit our environmental goals." ◆

Trans Mountain Expansion, Alberta

The next 12 to18 months could be pivotal for Alberta's energy sector as the long-awaited Trans Mountain expansion (TMX) and Coastal Gas Link (CGL) pipelines come on stream, says Alberta Premier Danielle Smith.

In an exclusive interview with *The Western Standard*, Smith said both would open up new markets for Alberta's main energy products, diversify markets and pad treasury coffers.

In the case of oil, Smith said initial analysis by government beancounters shows that TransCanada Mountain will help shrink differentials between Alberta's signature Western Canadian Select (WCS) and North American benchmark West Texas Intermediate (WTI) by almost half, adding up to USD$7 to $10 per barrel — which will have an equally beneficial impact on producers' expansion plans as well as government coffers.

"The thing that happens when you do have the opportunity to potentially send your product internationally, and once you're on water, we're anticipating it will cause a tightening of the differential that we've had between Western Canada Select by West Texas (Intermediate) that it probably would have been up I think as high as around 19 bucks. I think they're anticipating it'll come down to more like $11 or $12. If we can earn an extra $7 on every barrel of oil we sell it will make a big difference," she said.

"And then on top of that, to have the additional 600,000 barrels per day able to go to the market, I think that's getting a number of our producers looking at ways that they might continue the expansion."

In the case of CGL, looming tidewater exports may not have as much of an immediate impact on price when it begin operations later this year or early 2025, but she said providing an outlet for Alberta's landlocked natural gas could help spur expansion of Canada's nascent LNG export industry.

"When it comes to Coastal Gas, that's going to be really key in helping to accelerate some of the other LNG projects that are being contemplated," she said. "So I'm feeling like there's a real opportunity for us to be able to benefit and again it's the same issue. Once you get your product on the ocean, it can go anywhere. Now you can start getting some international pricing. So I'll be very interested to see what kind of impact that has."

Alberta natural gas prices were about CAD$1.60 on Friday compared to more than $10 for landed LNG in Japan.

That in turn could open up new markets for other value added products like ammonia — which is a storage medium for hydrogen — and also facilitate further exports under Article 6 of the Paris Accord to potentially earn emissions credits.

"I think that should also put some upward pressure on prices. We'll watch and see, it's been very low because we have such a huge basin for natural gas. But there's such a huge demand in the world — South Korea, Japan, a lot of our other Asian partners, India — everybody is looking to see whether they're going to have that long term supply. And I think we have an opportunity now to be able to supply it." ◆

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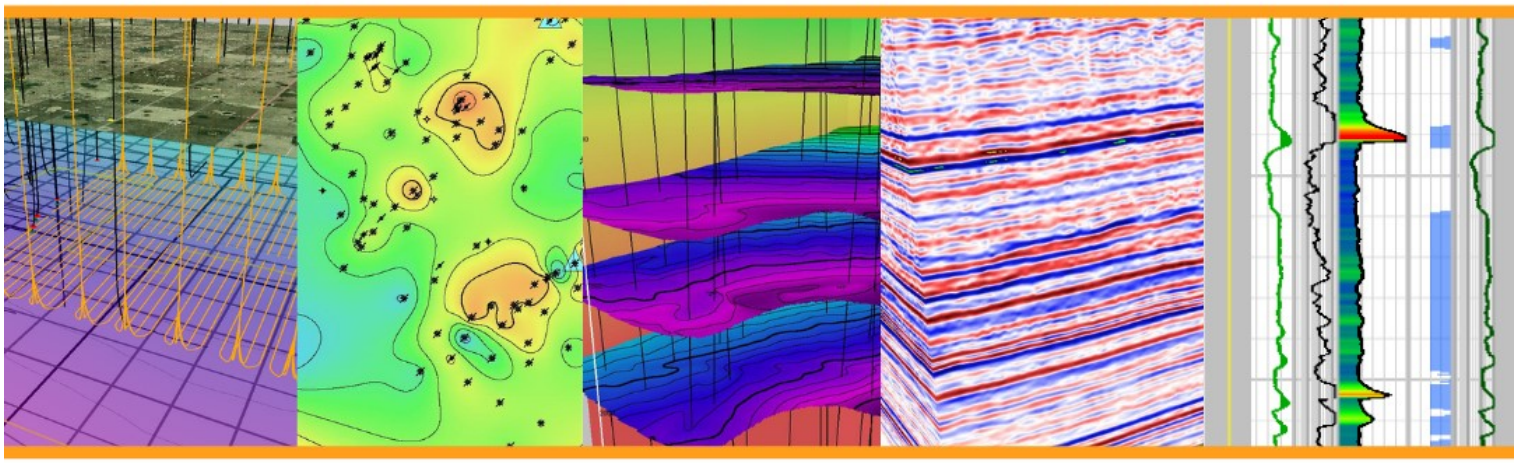

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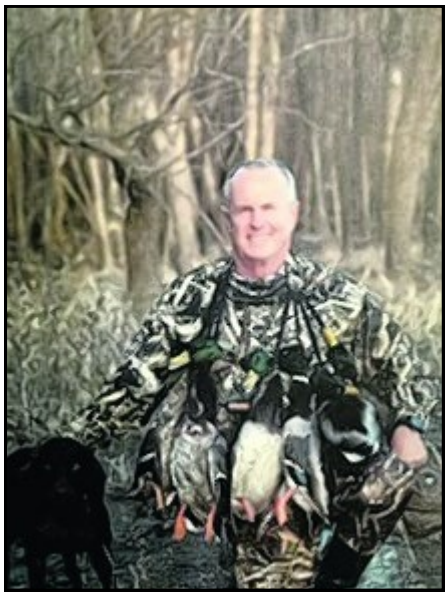
Gerald A Boelte, A Legend Passes



Gerald Alfred Boelte, affectionately known as Jerry, passed away in a single-vehicle accident on his family property on February 22, 2024 at the age of 77. He was born August 15, 1946 in New Orleans, LA, to Katherine and John Boelte. Jerry is survived by his cherished wife, Hedy, his sister Carolyn Sanford, his brother John Boelte (Jan), his five children Letty K. Boelte, Leah Chace (Trey), Annie Heard (Chris), Jeremy Boelte (Caitlin), and Caroline Butterworth (Taylor).

His legacy also extends to his 12 grandchildren who brought him immeasurable joy and wonder. Their memories of their beloved "Grand Duka" will forever be treasured. Jerry loved to spend time with his family members and was sincerely interested in the lives of each of his children and grandchildren. He was extremely cheerful in affection and ardent in his desire to have a tight-knit family. Pet names, meaningful birthday cards, long outdoor adventures, and purposeful conversation were commonplace in the Boelte household. He possessed a zest-for-life, brimming with fervor and driven by an insatiable passion for learning, family, faith, health and wildlife. His unwavering determination propelled him to remarkable achievements both personally and professionally. Though professionally known as an oil and businessman, one of Jerry's greatest joys in life was his dedication to the conservation and enhancement of wildlife. He was deeply committed to the natural world around him, and his efforts to preserve and cultivate land were nothing short of inspiring. His favorite pastime was enjoying the great outdoors and had a daily habit of walking and observing God's creation to his heart's delight. This experience was greatly enhanced for him when he was joined by members of his family. Jerry obtained his BS in Petroleum Engineering from LSU and grew to become an industry leader in exploration and discovery of oil and gas reserves. His business acumen was admired by many and he worked tirelessly with the staff until his dying day. His enthusiasm for exploration was infectious and in this spirit he built an organization of dedicated, loyal staff who strove for excellence. In recent years, Jerry underwent a profound spiritual deepening in which he devoted countless hours to truly knowing and loving The Lord. He compiled writings from spiritual giants highlighting insights that were inspiring to him. He joyously shared his "Keys to Success" in the hopes that each person would find at least one item that resonated with them.

Though Jerry may no longer walk among us, his legacy will forever live on in the hearts of those who were touched by his extraordinary presence. His "keys" will continue to serve as guiding lights, helping his loved ones as they navigate life's challenges and uncertainties without him. Rest in peace, Jerry, you were truly "one of a kind". A funeral mass will be celebrated at 11:00 a.m. on Wednesday, February 28 at St. Mary's Basilica in Natchez, MS. Visitation will begin at 9:30 a.m. with the Rosary at 10:30 a.m. In lieu of flowers, the family has requested memorial donations to St. Joseph's Monastery, 31 Airport Road, Natchez, MS 39120.

Information HERE ◆

Juice, a 5-part series on Power Demand

In February 2021, millions of Texans lost power, and the state's grid came within four or five minutes of a total failure that would have resulted in tens of thousands of deaths. It's hard to overstate the importance -- and complexity -- of our electric grid. But how did our most important energy network get weakened? And what can we do to fix it? Watch JUICE: POWER, POLITICS & THE GRID via links below:

Episode 1: Texas Blackout • JUICE (Episode 1) - Texas Blackout

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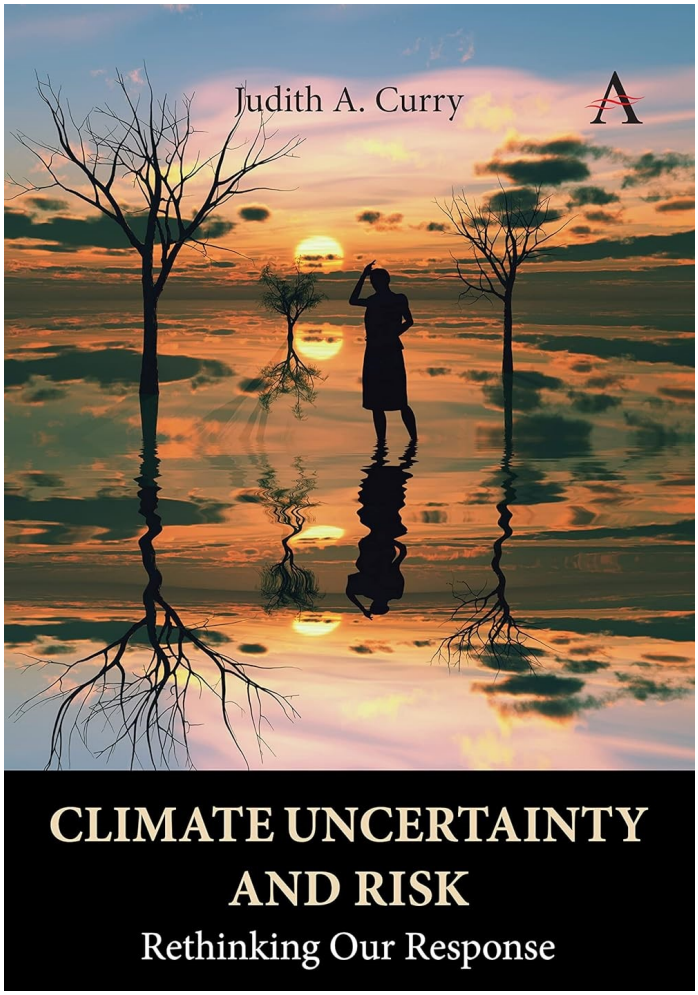

World leaders have made a forceful statement that climate change is the greatest challenge facing humanity in the 21st century. However, little progress has been made in implementing policies to address climate change. In *Climate Uncertainty and Risk,* *eminent climate scientist Judith Curry shows how we can break this gridlock. This book helps us rethink the climate change problem, the risks we are facing and how we can respond to these challenges. Understanding the deep uncertainty surrounding the climate change problem helps us to better assess the risks. This book shows how uncertainty and disagreement can be part of the decision-making process. It provides a road map for formulating pragmatic solutions.* *Climate Uncertainty and Risk* *is essential reading for those concerned about the environment, professionals dealing with climate change and our national leaders.*

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