



Is Fracking Technology Using Up the Last of the Oil?

Four years ago we wrote to [invest in oil shale](#) or rather companies that use fracking technology to extract oil and natural gas from these deposits.

We suggested that one look at investment in sustainable fracking technology. Recovery of petroleum from oil shale deposits has allowed the USA to reduce its reliance on foreign oil to the lowest level in more than twenty years. Today the USA imports forty percent of its oil, down from sixty percent just a few years ago. If predictions hold true the USA will continue to increase oil and gas production from fields in both the South and North of the country. All of this is possible because of the technology that allows oil and gas extraction from oil shale deposits. Before you decide to invest in oil shale consider just how to do it. There are exploration companies, drilling companies, big oil companies that refine and sell petroleum products, oil cleanup crews, and companies that make the robots that work a mile down in the sea to fix things. In short there are lots of ways to invest in oil shale and lots of profits to be made along the way.

And despite a supply glut and lower oil prices there are still companies making money by extracting oil and natural gas from oil shale formations. But, there may be a fly in the ointment. The easy supplies of gas and oil were extracted from US formations years ago. Now they are going after hard to extract resources using advanced technology. And they are working on what appear to be the last reserves. *Investopedia* wrote about this issue and says that [oil stocks may gush big losses](#).

Fears that the Permian Basin is drying up sooner than anticipated has sent the stocks of major U.S. oil producers tumbling. Concerns over America's fastest-growing oil field, where almost half of the rigs currently drilling in the U.S. are located, arose as one of the Basin's major players unveiled some disconcerting news at the beginning of this month.

The news is that oil wells in the Permian Basin are producing higher and higher percentages of natural gas and propane and lower percentages of oil. This typically happens as the reserves in an oil field are running out. Companies whose stocks were hit by this news were Pioneer Natural Resources Co. (PXD) whose earnings report contained this information and both Parsley Energy Inc. (PE) and Concho Resources Inc. (CXO) which are also major players in the Permian. Is fracking technology using up the last of the oil? If so this is a major blow to investors in fracking operations.

That is because this is a higher tech and more expensive way to recover oil and natural gas and thus these wells need to have a decent life expectancy in order to eventually turn a profit. If these were the only supplies in the world the law of supply and demand would kick in and drive the price up as supplies dwindled. But there is currently a worldwide oil glut and lots of producers waiting in line to sell oil even at today's low prices. **When to buy oil tocks** is when prices are down and in advance of a greater demand for oil. But if fracking technology is using up the last of the oil investors need to be careful which companies they buy based on their prospects for recovering oil into the long term future.

Educational Resources

**Click the links below to get your
FREE training materials.**

Free Weekly Investing Webinars

Don't miss these free training events!

<http://www.profitableinvestingtips.com/free-webinar>

Forex Conspiracy Report

Read every word of this report!

<http://www.forexconspiracyreport.com>

Get 12 Free Japanese Candlestick Videos

Includes training for all 12 major candlestick signals.

<http://www.candlestickforums.com>

Disclaimer: Trading and investing involves significant financial risk and is not suitable for everyone. No content on this document should be considered as financial, trading, or investing advice. All information is intended for educational purposes only.

