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## **STUDY: America Is Just At The Beginning Of A Gas Boom That Will Last For Decades**

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A new study[1] from the University of Texas and the Sloan foundation suggests Texas' Barnett shale oil and gas play has barely reached a third of its potential.

However, it also concedes that the area's production rate has peaked.

The study's findings were first reported by the Wall Street Journal's Russell Gold[2].

"We are looking at multi, multi decades of growth," Scott Tinker, director of the **Bureau of Economic Geology** at the university and a leader of the study, told Gold.

The study looked at every one of the 16,000 wells in the Barnett, and found that the area is ultimately capable of producing 44 trillion cubic feet of oil and gas, three-times more than it currently puts out, assuming a break-even price of \$4.

That's actually about 25 cents above the current Henry Hub price.

The study argues natural gas prices are still low enough to produce a gently declining production curve in the Barnett, located in north-central Texas. Here's the chart:

Sloan said it found no conflict of interest among the studies co-authors despite one having ties to BP[3].

"The consensus from those meetings was that the quality of the research was excellent and that there was no indication that it was influenced by conflicts of interest," the foundation said in a statement.

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[1]: <http://www.utexas.edu/news/2013/02/28/new-rigorous-assessment-of-shale-gas-reserves-forecasts-reliable-supply-from-barnett-shale-through-2030/> [2]: [http://online.wsj.com/article/SB10001424127887323293704578330700203397128.html?mod=WSJ\\_hp\\_LEFTWhatsNewsCollection](http://online.wsj.com/article/SB10001424127887323293704578330700203397128.html?mod=WSJ_hp_LEFTWhatsNewsCollection) [3]: [http://www.businessinsider.com/blackboard/bp?](http://www.businessinsider.com/blackboard/bp?utm_source=partner&utm_medium=newstex&utm_term=original&utm_campaign=partner)

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