

Macro Roundup Article

Headline: [U.S. Shale Boom Shows Signs of Peaking as Big Oil Wells Disappear](#)

Article Link: <https://www.wsj.com/articles/u-s-shale-boom-shows-signs-of-peaking-as-big-oil-wells-disappear-2adef03f>

Author(s)	Collin Eaton and Benoît Morenne
Publication	Wall Street Journal
Publication Date	March 08, 2023

Tweet: [The rate of increase of shale production is slowing. Domestic oil output last year grew at one-third of the annual average pace seen in shale's heyday from 2017-2019. @WSJ](#)

Summary: Recent results out of the Permian, are mimicking the onset of a production plateau that has taken place at other, more mature U.S. shale plays. Oil production from the best 10% of wells drilled in the Delaware portion of the Permian was 15% lower last year, on average, than top 2017 wells, according to data from analytics firm FLOW Partners LLC. Meanwhile, the average well put out 6% less oil than the prior year, according to an analysis of data from analytics firm Novi Labs. Oil production in the U.S. rose from about 7.2 million barrels a day a decade ago to a high of about 13 million barrels a day before the pandemic. But domestic output last year grew at one-third of the annual average pace seen in shale's heyday from 2017 to 2019, and hasn't yet caught up with prepandemic levels. The slowdown was mostly because of investor pressure on companies to curtail spending and limit growth in favor of generating higher returns. At the same time, weaker well results in the Delaware basin contributed to flattening output.

Related Articles: nan

Primary Topic: Energy

Topics: Energy, Factoid, Investment, News article

Permalink: <https://www.edwardconard.com/macro-roundup/the-rate-of-increase-of-shale-production-is-slowing-domestic-oil-output-last-year-grew-at-one-third-of-the-annual-average-pace-seen-in-shales-heyday-from-2017-2019-wsj?view=detail>