

Title:

Oil Crisis Affects More Than Just Gas Prices

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Summary:

Did you know that petroleum is used to manufacture an enormous number of products that we use in our everyday lives?

Keywords:

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Article Body:

Did you know that petroleum is used to manufacture an enormous number of products that we use in our everyday lives?

Less than 20 percent of all recovered oil is used for any type of fuel. Over 30 percent is used for the creation of food via fertilizers. Nearly the same amount is used to manufacture plastics.

If you were to walk through your home or office, you would be overwhelmed by the thousands of items you use every day that would not be available without access to oil.

Now think about what you would do without those things. What would life be like without telephones, antiseptics, deodorant, ballpoint pens, shoes or toilet seats? And life would certainly be more difficult without antihistamines, artificial limbs, heart valves, hearing aids, dentures, umbrellas, insecticides, eyeglasses and contact lenses. As President Bush has said in his State of the Union Address: "America is addicted to oil."

"The problem is that the list of oil-importing countries grows every year and the list of oil-exporting countries shrinks every year," said Roger L. Cory, president of Mammoth Resource Partners, a Kentucky-based oil and gas exploration company. "Fewer oil producers are supplying more oil to consumers, and that is putting great stress on the supply-demand equation for world oil. That's why we are seeing crude oil prices remain near historic highs."

For example, although China's and India's flourishing business sectors are using more oil, they're actually producing very little. Europe and Japan, meanwhile,

are completely oil dependent. The situation isn't expected to get any better, even with conservation efforts.

However, it is possible to benefit from higher oil prices by investing in oil and gas partnerships. Investors own a percentage of the resources extracted from the wells they have funded. Drilling partnerships, like those with Mammoth, offer tax advantages because they are located in the United States.