

# CAPITALISM'S SILENT PANIC

The ongoing conflict to gain control of the world's remaining oil reserves...and the shocking truth behind why Big Oil is frantically buying back all of their own shares

## Bloomberg reports...

- "...Exxon is buying back about \$30 billion of its shares each year. If that continues, Exxon will have repurchased all its stock by about 2024."
- "If Chevron keeps buying back its stock at the current rate, the company will have liquidated all its shares by 2023."  
- October 1, 2007

## And according to an oil study released by Rice University...

- "The handwriting is on the wall. The oil majors used 56% of their cash flow on share repurchases... They are not replacing reserves. It's as if they are slowly liquidating their long-term asset base." -November 12, 2007

**The Death of Big Oil is Opening Up an Incredible  
Investment Opportunity that'll  
Allow You to Pocket an Extra \$299,200 In 2008**

Dear Reader,

The financial news service Bloomberg recently reported on a crisis in **Big Oil** that'll forever change the way you get and use energy.

According to Bloomberg, in as short as 16 years, companies like Exxon and ConocoPhillips may no longer exist.

Here's a short excerpt from the report:

*"There's a steady liquidation of the world oil industry... Exxon is buying back about \$30 billion of its shares each year. If that continues, Exxon will have repurchased all its stock by about 2024."*

In fact, the Big 5 (Exxon, Chevron, BP, ConocoPhillips and Royal Dutch Shell) are spending more on stock buybacks than they are on finding new oil.

This begs the question: **With oil trading near \$100 a barrel and demand soaring, why aren't these companies investing every penny they have exploring for more oil?**

The answer will shock you.

We've been following this emerging crisis for 5 years... and here's what we've uncovered. Not only did we learn that **Big Oil** is preparing for the last days of its existence, but we also discovered that this situation represents one of the greatest investment opportunities of the 21st Century.

How much so?

Well listen to this: The International Energy Agency (IEA), an independent energy watch dog out of France, reported that the world will have to spend \$20 trillion to meet surging energy demand.

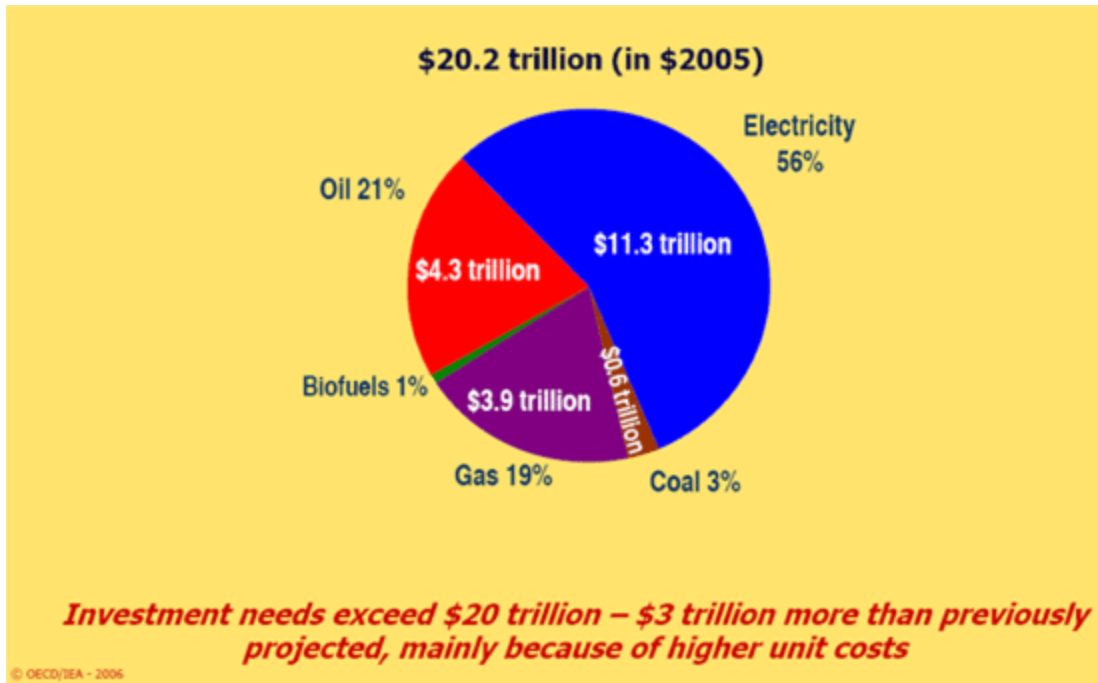
Read that again: The world needs \$20 trillion to meet energy demand.

Twenty trillion dollars is nearly the equivalent of 2-years' worth of US GDP... and is roughly 10x the size of China's stock market.

That's a huge amount of capital. And the select few who know where that money will be invested - and the companies that'll profit - stand to make a fortune.

Through our extensive research, we know exactly where, and how, all those trillions will be invested.

Take a look:



Bottom line - Energy is this century's first great bull market. Regardless of what tech stocks do, or if housing remains in the tank for years, the energy sector will outperform everything and make money for its investors.

In fact, the past 5 years, energy has nearly quadrupled the returns on the Dow. Take a look at the Energy Select Sector SPDR Fund vs. the Dow:



Many savvy investors are going to make life-changing wealth in energy... the kind of wealth they'll be able to retire early on... and pass onto their children.

One of the very best oil plays for 2008 is an oil company that's sitting on a pretty sizable reserve. According to its latest reserve survey, they have as much as 34 barrels of resource per share. At today's oil price of \$88, if you buy 100 shares of this company, you're potentially getting access to nearly \$299,200 worth of oil and energy.

The company's stock has been one of the best performing in the entire oil and energy sector – up over 175% in a year. Compare that to just +18% for Exxon this year and you can see why I'm excited.

Even though the company's market valuation is nearly \$5 billion, it's still very small and not followed by Wall Street.

And in a moment, I'm going to show you how to profit from this oil stock and the coming, massive surge in energy investments.

I'd be doing a disservice, though, if I didn't tell you that the profit-potential is only half the story.

## Over a Barrel

You see, when the IEA said that \$20 trillion needs to be spent to meet surging energy demand, what they really meant was \$20 trillion needs to be spent to avert an all-out global crisis and war.

On November 7th, the IEA released its World Energy Outlook for 2007. Its contents sent shockwaves throughout the industry and sent the price of oil up \$2 in a single day.

Here's what the IEA said:

"An abrupt escalation of oil prices after 2015 as a result of a global supply crisis cannot be ruled out.

. . . it is very uncertain whether new oil production in the period to 2015 will be enough to compensate for the natural falloff in output from existing oil fields and keep pace with the projected increase in demand.

**The consequences of unfettered growth in world energy demand are alarming."**

That's why **Big Oil** finds itself in a race against time to secure every last barrel it owns. By buying up all of their shares, not only will they control the billions of barrels they currently own once the supply crunch hits (assuming it hasn't already)... but they'll also profit handsomely as the price of oil continues to skyrocket from insatiable demand.

Let's be clear about this - the world has never experienced an event this severe. What is unfolding in front of our very eyes is a crisis of epic proportions.

Earlier in 2007, the world's top oil investment banker and former energy advisor to Bush and Cheney -Matthew Simmons- told a stunned Bloomberg audience that oil could reach \$300 a barrel, and...

### **Fuel-laden tanker hijacked from Curtis Bay, emptied**



Authorities said there was no evidence that the hijacking of the tanker, found in Washington, was linked to terrorism. (AP photo / October 19, 2007)

With the cost of fuel on the rise, there have been scattered reports around the county over the past year of thefts of diesel fuel and the tankers that carry it.

In this landmark report we're releasing today, we detail how you can prepare yourself and profit from the end of the oil era.

"... I am firmly of the belief that over the course of the next year or two, this issue of peak oil will replace global warming as an issue that we're all worrying, debating and talking about." -Matthew Simmons on Bloomberg

Recently, Simmons was quoted saying...

"This [oil] crisis, leads to social chaos."

We couldn't agree more. In fact, we're already seeing signs of unrest. In Nigeria, more than 1,000 foreign oil workers have been either kidnapped or murdered in the last 3 years.

In October, a man in China was killed when a riot occurred over diesel fuel rationing.

And in our hometown of Baltimore, not too far from our office, a fuel tanker was stolen at gunpoint.

Criminals know where the profit opportunities are...

And so do we.

## Turn the Tables on Big Oil...And Secure Your Profits Now

We've identified 5 of the very best strategies to profit from this escalating crisis.



1. Our first strategy is to buy one of the most undervalued oil companies in the market today. The company is in Calgary... and when you buy its stock, you can own as much as 34 barrels of oil for just \$47.

With oil trading over \$90, every 100 shares you buy gives you access to \$299,200 of oil resource.

So far, investors who own this stock have earned over 175% this past year alone!



2. Second, we'll tell you about an ETF dedicated to the Canadian oil sands which provides stellar growth, in addition to paying a nice, steady dividend.

This is our favorite fund for the future. We consider it a no-brainer as Canada has become America's #1 oil lifeline. The Canadian oil sands is

also one of the only few places in the world that'll experience significant production growth.



3. Third, we reveal our favorite oil stock under \$10 a share... a stock we think has the potential to hit \$26 in the next 3 years. It's a Texas oil and gas company that's doing something unique - it's reviving old oil fields...and squeezing out what's been left behind. For instance, did you know that for every barrel of oil that was pumped out of the ground in America, 2 barrels were left behind. More on this opportunity in a moment.

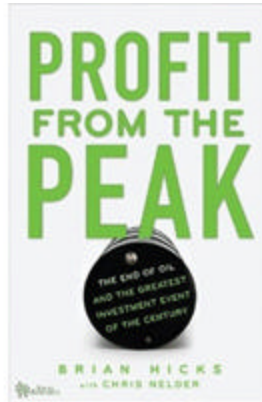


4. Fourth, is a strategy we call the Energy Trade of 2008. It's a stock that an American billionaire recently bought 395,000 shares of. The company is an "alternative energy" company... and this billionaire bought those shares for \$13.95 apiece in the open market. Not exactly chump change.

He did this exact thing last summer, but with a different stock. And it rallied 100%.

That's why we're calling this "The Energy Trade of 2008." It currently trades for around \$15... but we think it'll reach \$30 in the next couple of months.

5. And lastly, I'll show you how to receive my book, *Profit from the Peak*, absolutely free of charge.



*Profit from the Peak* is a roadmap that shows you how to profit from the rise of oil prices. And I'll give you a signed copy, absolutely free. I'll show you how in a minute.

But first...

### **Let Me Introduce Myself and My Research Team...**

My name is Brian Hicks. I'm the president of the investment research company Angel Publishing. I've spent my entire investment career uncovering the market's best moneymaking trends and developing friendships and contacts with some of the brightest financial minds around the world.

I've taken research trips to remote, historic boomtowns like Desdemona, Texas, to the Powder River Basin in Wyoming to Kiev, Ukraine. We've been to the heart of the oil sands industry, Fort McMurray in Alberta, Canada. And I've seen first-hand the natural gas boom in the Barnett Shale.



My investment insights and ideas have landed me frequent spots on financial shows like CNBC, Bloomberg, Fox, CNN and Fox Business.

Recently, I co-authored a book with Chris Nelder, an energy expert who has designed and built dozens of solar energy projects. This is a guy who understands the energy market inside-and-out...from energy's worst problems to its brightest solutions.

Together, we wrote ***Profit from the Peak: The End of Oil and the Greatest Investment Event of the 21st Century***.

And that's why I'm writing to you today. The end of oil is, without a doubt, one of those investment events that come along once in a lifetime... an event where you can make a legendary fortune that lasts a lifetime.

That's why we created an investment report that's solely dedicated to this opportunity. Called ***The \$20 Trillion Report***, we invest in everything energy related. Whether it's nuclear energy, Canadian oil sands, or a wind farm... if it has to do with energy...and we think we can make you money, we'll buy it.

We named our letter ***The \$20 Trillion Report*** in reference to the IEA's study that says the world needs to spend \$20 trillion to meet surging energy demand.

For those who grab a hold of this opportunity, the fortunes will be unimaginable. For those who ignore it, the results could be disastrous. Not to mention you could lose your entire life savings.

But don't take my word for it. Look at what **Big Oil** is doing.

Companies like Exxon and Chevron see the iceberg in the distance. They know the "End of Oil" is coming. And they are "getting their houses" in order to prepare for the coming economic shockwaves that dwindling oil supply will cause.

And, so are we.

To fully understand what the future holds for energy... and why oil is headed to \$300 a barrel, you first have to understand why **Big Oil** is disappearing before our very eyes.

## **Fire Sale**

### *The Liquidation of Big Oil... by Big Oil*

With a market value of \$460 billion, Exxon Mobil is the second largest publicly-traded oil company in the world.

In 2006, they posted a net profit of \$39 billion. A record for the company.

Sitting on a massive amount of cash, Exxon could've distributed that \$39 billion to its shareholders in a massive, pig-choking dividend. Every single share you owned would've received an additional \$7.22 cash payment.

It could've also taken that \$39 billion and developed alternative energy sources like solar, biodiesel or ethanol, which are all the rage these days.

Better yet, Exxon could've used those billions to explore for more, much-needed oil.

But the company didn't do any of that. Instead, Exxon used \$30 billion of that money to buy back roughly 350 million shares of its own stock.

Why?

Hold that thought.

ConocoPhillips is the 3rd largest oil company in the world. On January 24, 2007, the company announced its 2006 year-end financials. Like Exxon, it was a record year for Conoco. They posted a total net profit of \$15.5 billion for the year.

Two weeks later, the company's management revealed a plan to buy back \$15 billion worth of its stock!

Flush with more cash than they originally thought, Conoco announced this past July it would raise its buyback to \$25 billion.

Chevron is doing the same. They announced in September it'll buy back \$15 billion worth of its own stock too.

Oil buybacks aren't exclusive to just American oil companies.

BP (British Petroleum) has repurchased 643 million shares so far this year. In 2006, the company bought back a whopping 1.3 billion of its own stock. The most ever.

To give you an idea of how aggressive BP has been "retiring" its stock, take a look at how much the company has purchased this decade:

	Number of shares (million)	Total Cost in \$ (US\$ million)
Current quarter to date	100.8	\$1,244
Total in 1Q 2007	238	\$2,499
Total in 2Q 2007	176	\$1,999
Total in 3Q 2007	128	\$1,499
Total in 4Q 2007	101	\$1,244
Cumulative 2007 total	643	\$7,242
Total in 2000	222	\$2,001
Total in 2001	154	\$1,281
Total in 2002	100	\$750
Total in 2003	299	\$1,999
Total in 2004	827	\$7,548
Total in 2005	1,060	\$11,597
Total in 2006	1,334	\$15,481
Total since 2000	4,639	\$47,900

Since 2000, BP has repurchased 60% of all its shares!

Overall, the oil industry spent \$52.4 billion on buybacks last year, nearly double the amount in 2005. And in 2007 it looks like the industry will set another record.

In fact, Exxon has done a complete 180. It is now spending 50% more on stock buybacks than they are on oil exploration.

I know what you're thinking, because I thought about it too.

With oil prices approaching \$100 a barrel, demand growing at an insatiable rate and **Big Oil** companies making record profits, you would think that they would be eager to spend gobs of money exploring for more oil, because more oil means more profits in the future.

But you would also be wrong.

You see, **Big Oil** is in a race against time.

Exxon, Chevron and the others are no longer worried about finding new oil and adding reserves. Why?

Because quite simply, there is no more easy oil to be found. It's all gone or has already been discovered.

Did you know that in December 2005 the world achieved a remarkable milestone when it consumed its one-trillionth barrel of oil.

That's why, **Big Oil** is occupied with protecting its current reserves and making as much profit off of it.

This alarming development was featured in the Bloomberg report this past October.

According to the Bloomberg report...

- ***"...Exxon is buying back about \$30 billion of its shares each year. If that continues, Exxon will have repurchased all its stock by about 2024."***
- ***"If Chevron keeps buying back its stock at the current rate, the company will have liquidated all its shares by 2023."*** -October 1, 2007

But the real disaster of **Big Oil's** demise is the fact that as Exxon, BP, etc. enter a slow death, the world will be at the mercy of oil-producing nations that despise the West.

As the Bloomberg report says...

***"The industry isn't finding new crude-oil reserves fast enough to keep up with world demand..."***

***This bodes ill for consuming nations that will become even more dependent on OPEC..."***

And now that OPEC - including nations whose leaders hate the West like Chavez in Venezuela and Ahmadinejad in Iran - holds all the cards, they can charge whatever they want for oil... and there's absolutely nothing we can do about it.

***"In the case of an attack from the U.S., forget about our oil. There will be no oil for anyone, and the price per barrel will go up to US\$200."*** -Hugo Chavez, December 3, 2007

In the past, America could count on companies like Exxon to come to the rescue and explore for and pump more oil into the market. Not anymore. It's a new era.

Even with oil near \$100 a barrel, that's not enough to entice the Big 5 to produce more oil. And that's the problem America faces today.

I mean, that used to be capitalism's "relief valve": Higher prices and higher demand automatically produce an incentive for oil companies to explore for and produce more oil.

However, that's no longer the case. And capitalism finds itself in a silent panic. With **Big Oil** not spending the necessary money to find and produce more oil, the price of oil is headed for a permanent "super spike."

## **Capitalism's Silent Panic**

### *Why There'll Be No Rescue From Higher Oil Prices*

*"Unscientific reserve claims for political reasons may obscure the fact that most large, economic oil fields have been found, and a permanent oil shock is inevitable early in the next century." -WORLD OIL, October 1995*

The world has long known that oil is a finite resource. In fact, fears of hydrocarbon depletion are, in a sense, actually as old as the industry itself.

Let me explain...

Colonel Edwin Drake is popularly credited as founding the American petroleum industry. But this is not the case.

It's true that Drake drilled the first oil well near Titusville, PA back in 1859. But it was Samuel Kier, inventor and businessman, who is really the grandfather of the American oil industry.

Kier - a Scotch-Irish immigrant - owned several salt wells around Livermore and nearby Saltsburg, PA. Kier also held interests in several coal mines, a brickyard, and a pottery factory but it was his salt business that really put food on the table.

In the early 1800s, Kier's salt business was booming. But by the 1840s, after years of mining, a crisis was looming as Kier's salt wells were becoming fouled with petroleum.

At first, Kier simply dumped the then useless oil into a nearby Canal. But after an oil slick caught fire, he was forced to stop. He then decided to look for some way to profit from this otherwise worthless byproduct.

With no formal training in science or chemistry, he began experimenting with several distillates of the crude oil. And in 1848 Kier developed a substance called Rock Oil (a "snake oil" type tonic whose key ingredient was the petroleum from his salt wells) and began selling the liquid as a 'cure for everything' making him the first person to market petroleum.

Now the really interesting part to this story is...in an 1855 advertisement for the Rock Oil, Kier prophetically urged customers to buy soon before **"this wonderful product is depleted from Nature's laboratory."**

Unbeknownst to Kier, these words would be echoed throughout history seemingly as the first hydrocarbon depletion warning.

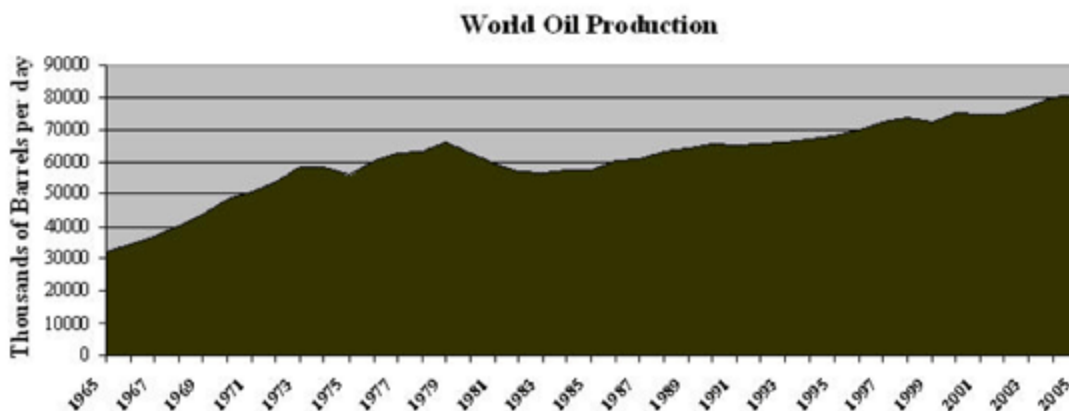
Kier did not know the full scope of his words. At the time, his message was nothing more than an advertising ploy. Nonetheless, over 150 years later we hear similar forecasts today from the world's leading petroleum geologists.

Now, as we've talked about many times before, we're not exactly running out of oil. What we *are* running out of is cheap oil.

The world's insatiable demand for oil has already overtaken our ability to produce it cheaply. Because of this, oil prices will skyrocket to unprecedented levels.

## The End of Oil is Really a Two-Headed Snake

There's no denying that global oil production has been increasing for over 140 years. In fact, the world has managed to more than double its oil production since 1965 alone.



But regardless of this considerable boost in production over the past 40 years, you can bet the farm that the world will not be able to keep up this kind of increase for much longer.

You see, the thing is...you have to find oil way before you can produce it.

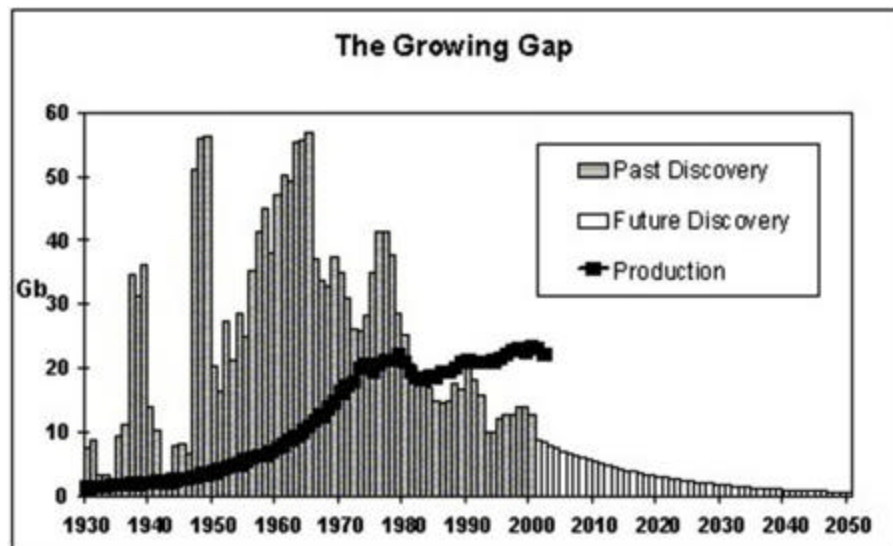
But new discoveries of major oil fields peaked over 40 years ago and has followed a steady decline ever since. In fact, the last major oil field discovery - Cantarell in Mexico - occurred 30 years ago.

**"Technology is great, but it can't find what's not there. In the last five years, we consumed 27 billion barrels of oil a year, but the oil industry discovered only three billion barrels a year. So only one barrel was replaced for every nine we used."**

- L.B. Magoon, U.S. Geological Survey

Since then we've been unable to find any new field that is able to produce more than 1 million barrels per day. And logic dictates that without new major discoveries, we're simply unable to significantly ramp up production.

That means the "peak" in global oil production is soon to follow if it hasn't already. So, peak oil is really a result of peak discovery. The model looks something like this:



The bottom line is that there are very few, if any at all, significant discoveries remaining to be made.

And as investors we need to strike while the energy iron is still hot.

### The Biggest Con-Job in History?

"But wait a minute, doesn't the Middle East have hundreds of billions of barrels left?" If only I got a nickel every time I've heard that question.

Let me just say that government petroleum ministries have an inherent interest in announcing the "good news" of large national hydrocarbon reserves inasmuch as large political reserves are useful for national prestige and in negotiations for OPEC production quotas, World Bank loans and grants, etc.

Sudden unsubstantiated reserve increases announced by any government ministry should be viewed with considerable skepticism. They may be mostly the puffery of political reserves which will increase a nation's paper reserves, but have no effect on near-term oil production.

The best example of this is what OPEC did in the late 1980s. Take a look at the sudden jump in oil reserves that literally occurred overnight. These reserve increases happened without a single major oil discovery.

**Declared reserves with suspicious increases (in billion of barrels) Colin Campbell, SunWorld, 80-95**

Year	Abu Dhabi	Dubai	Iran	Iraq	Kuwait	Saudi Arabia	Venezuela
1980	28.00	1.40	58.00	31.00	65.40	163.35	17.87
1981	29.00	1.40	57.50	30.00	65.90	165.00	17.95
1982	30.60	1.27	57.00	29.70	64.48	164.60	20.30
1983	30.51	1.44	55.31	41.00	64.23	162.40	21.50
1984	30.40	1.44	51.00	43.00	63.90	166.00	24.85
1985	30.50	1.44	48.50	44.50	90.00	169.00	25.85
1986	31.00	1.40	47.88	44.11	89.77	168.80	25.59
1987	31.00	1.35	48.80	47.10	91.92	166.57	25.00
1988	92.21	4.00	92.85	100.00	91.92	166.98	56.30
1989	92.20	4.00	92.85	100.00	91.92	169.97	58.08
1990	92.20	4.00	93.00	100.00	95.00	258.00	59.00
1991	92.20	4.00	93.00	100.00	94.00	258.00	59.00
1992	92.20	4.00	93.00	100.00	94.00	258.00	62.70
2004	92.20	4.00	132.00	115.00	99.00	259.00	78.00

Most oil insiders believe that OPEC doesn't have the reserves they say they do. And in January '06, Petroleum Intelligence Weekly shocked the industry when it announced that they've seen documents that prove that Kuwait has less than half the reserves they claim they have.

**Sounding Alarm**  
*OPEC and Big Oil are Screaming,  
 But Nobody is Listening*

"There is not much we can do. OPEC has done all it can do. This is out of the control of OPEC." - Qatar Oil Minister Abdullah al-Attiyah

Gone are the days when Exxon could talk down the price of oil. Gone are the days when a US President could call the Saudi's and ask them to pump more in order to lower the price.

This is a new era... a new oil market. And those "in-the-know" are sounding the alarm.

A widely-followed industry report on international oil supplies recently released suggested that oil prices could move permanently over \$100 a barrel very soon.

This gloomy assessment came from the International Energy Agency (IEA). Let me say it again, the IEA is well-respected within the industry... and isn't known for alarmist warnings.

However, in a recent interview, the IEA did a complete turnaround. The IEA argued that governments need to make urgent, bold decisions on energy policy, or risk massive energy-supply crises within two decades - crises and shortages that could spark serious global conflicts.

"I am sorry to say this, but we are headed toward really bad days," IEA chief economist Fatih Birol was reported saying.

Read that again. And again.

That's exactly what my team and I have been saying for the past 5 years.

### **We Were Right:**

"The fact is that we're at a tipping point. The world's oil supply has been flat while demand is growing up to 3% annually.

"Will we see a barrel of oil cost \$100?

"That's a possibility. As I said before, the next year is going to test the theory of peak oil."

--Keith Kohl, August 7, 2007

". . . heck you can kiss \$45 a barrel goodbye. . . maybe even \$50! In fact, we're probably facing a price spike between \$80 to \$100 a barrel within the next 24 months."

--Brian Hicks, January 18, 2006

"Our resident energy expert believes that oil prices will continue their rise . . . heading to at least \$80 near term . . . then to \$105 a barrel in the next three years."

--Brian Hicks, February 7, 2006

". . . I think these estimates are a bit on the conservative side, and we should see \$80 oil this year, no problem."

--Chris Nelder, January 18, 2007

"Today, we're calling for the price of oil to reach over \$100 within the next twelve months."

--Brian Hicks, October 15, 2007

"As I've said before, if there is an open confrontation between the U.S. and Iran, we'll be lucky if oil prices ever drop below \$100 per barrel again."

--Keith Kohl, February 26, 2007

"When oil spirals up to and beyond \$100 per barrel as a result of declining production, a domino effect begins. Oil is energy. Energy prices skyrocket. Everything else follows."

--Phantom Trader, February 24, 2005

"IEA predictions point to a 53 percent surge in global energy needs over the next 25 years and oil prices running in excess of \$100 a barrel by 2030.

"I suspect we'll see it much sooner that!

"The fact is that oil prices are going to skyrocket. I'm talking way over \$100 a barrel."

--Keith Kohl, February 26, 2007

"I think we'll see oil over \$100 per barrel before 2009."

--Keith Kohl, July 10, 2007

"The price of oil could get as high as \$185 a barrel with oil hitting \$80 a barrel within the next two years."

--Brian Hicks, March 3, 2005

". . . within the next three to five years, Saudi oil production is going to collapse by as much as 30% to 40%.

"Clearly, this would push oil well over \$100."

--Brian Hicks, January 16, 2007

"The long-term fundamentals, on the other hand, are still in place for a continuing energy bull market that will eventually push oil prices to well over \$100 a barrel."

--Luke Burgess, October 10, 2006

Need more evidence?

How about the CEO of a major oil company.

On November 7, 2007, Christophe de Margerie, CEO of the French oil giant Total, told the Financial Times that even the target of 100 million barrels a day is

an optimistic one for an industry that currently produces 85 million - far short of the 118 million barrels a day the IEA projects will be needed by 2030 to fuel the global economy.

This blunt and stark talk started a confessional line that same week from the world's oil leaders.

First into the confessional was the International Energy Agency. The usually sanguine IEA sounded unusually negative and nervous about a potential price spike in oil:

According to the IEA's World Energy Outlook for 2007:

"An abrupt escalation of oil prices after 2015 as a result of a global supply crisis cannot be ruled out."

". . . it is very uncertain whether new oil production in the period to 2015 will be enough to compensate for the natural falloff in output from existing oil fields and keep pace with the projected increase in demand."

"The consequences of unfettered growth in world energy demand are alarming."

Whoa.

I want you to think about something. Oil prices are already near \$100 a barrel. If the IEA is warning us about an "an abrupt escalation of oil prices," what exactly does that mean?!

Could it mean \$150 a barrel . . . \$300 a barrel . . . \$480 a barrel?

Yes.

Think about it, with oil trading for around \$90 a barrel, we're paying the equivalent of 13 cents a cup.

There's 667 cups in every barrel of oil. So  $\$90 \div 667 = \$0.13$ .

No matter how you spin it or slice it, oil is still insanely cheap. I know that sounds absurd, but it's true.

So with oil selling for \$0.13 a cup, the price of oil could go way up . . . to levels unimaginable.

And the IEA knows and understands this.

They know that economic development will raise global energy demands by about 50% in a generation, from today's 85 million barrels a day to about 118 million barrels a day in 2030.

Nearly half that increase in demand will come from just two countries - China and India, which are electrifying hundreds of cities and putting millions of new cars on their roads, most driven by people who once walked, or rode bicycles and buses.

Do the math. In the next 23 years, global oil consumption will increase by 33 million barrels PER DAY!

Thirty-three million barrels is the equivalent of about 4 Saudi Arabias!

And that doesn't even take into account the declines we're witnessing in current oil fields. Throw in the decline rates, which is hovering around 2% per year (or nearly 1.8 million barrels per day), and the situation grows even more dire.

OK, back to the confessional. Next was Tony Hayward, CEO of British Petroleum, BP plc.

Here's what Tony confessed on November 8:

"Every geopolitical event causes a spike in the price [of oil], but these spikes only happen because the underlying market is itself tight. **For the medium term, the era of cheap energy is behind us.**"

Let's move on.

Next into the confessional was the CEO of ConocoPhillips, Jim Mulva...

"Oil and gas production fell at all of the largest publicly traded oil companies in the third quarter, as aging oil fields, declining access and soaring costs for drilling services took their toll on output.

"I don't think we're going to see the supply go over 100 million barrels a day. Where is it all going to come from?" - November 8, 2007

Good question, Jim. Where is it all going to come from?

Last, but not least, was George Bush.

Here's an exchange he had with a journalist at the Rose Garden on November 7, 2007:

Question: "Mr. President, with oil approaching \$100 a barrel, are you concerned that your hard words for Iran on its nuclear program are helping drive up oil prices, which can end up hurting the U.S. economy?"

Bush: "No. **I believe oil prices are going up because the demand for oil outstrips the supply for oil. Oil is going up because developing countries still use a lot of oil.** Oil is going up because we use too much oil, and the capacity to replace reserves is dwindling. That's why the price of oil is going up." -November 7, 2007

In that brief exchange, George Bush confirmed that the world is running out of oil.

And this realization couldn't come at a worse time...

### **Mirage in the Desert** *Why the World Must Find 4 More Saudi Arabia's*

According to the International Energy Agency, we'll need about one-and-a-half million barrels a day of new production capacity to meet new demand, and about 4 million barrels a day of new production capacity to offset declines.

So in total, the world needs between 5-and-a-half million and 6 million barrels a day of new production capacity.

That's nearly two-thirds of the total current oil production of Saudi Arabia, the world's top oil producer, which currently produces 8.6 million barrels per day.

The year after that, we'd need the same amount of new capacity again.

Like Jim Mulva (the CEO of ConocoPhillips) said: "Where's it all going to come from?"

In fact, according to the EIA's IEO 2006 reference case, world oil demand will skyrocket from 80 mbpd in 2003 (85 mbpd in 2007) to 118 mbpd in 2030—and the reality could easily be higher than the reference case.

That means we would need at least 33 mbpd of new capacity—almost a 40 percent increase from current production levels—to meet the projected increase in demand. That's like adding four new Saudi Arabias.

There isn't another one Saudi Arabia, let alone another four.

That's the crisis the world is facing.

## **The 2006 Oil Summit in Houston**

### *The Day the United States Begged for Help*

There is one region in the world that contains massive amounts of oil. It's our neighbors to the north, Canada.

In 2003, the US Geological Survey finally recognized Canada's massive oil resource. Known as oil sands or tar sands, the Alberta province in Canada holds an estimated 174 billion barrels of oil. Some believe that Canada ultimately contains nearly 2 trillion barrels of oil.

It's anybody's guess, really.

But one thing is for sure: The United States wants as much Canadian oil as it can get.

In fact, U.S. and Canadian oil executives and government officials met for a two-day oil summit in Houston in January 2006 and made plans for a "five-fold expansion" in oil sands production in a relatively "short time span," according to minutes of the meeting obtained by the CBC's French-language network, Radio-Canada.

The meeting was organized by Natural Resources Canada and the U.S. Department of Energy.

Canada is already the top exporter of oil to the American market, exporting the equivalent of one million barrels a day — the exact amount that the oilsands industry in Alberta currently produces.

A five-fold increase would mean the export of five million barrels a day, which would supply a quarter of current American consumption and add up to almost half of all U.S. imports.

"We need to look at additional pipelines from Canada to the U.S. as a new source of supplier, a growing source of supply," said Bob Greco of the American Petroleum Institute.

Paul Michael Weaby, a Washington insider and an expert on the geo-strategic aspect of the oil industry, said Bush is counting on Canada to help wean the United States off Middle Eastern oil — a goal now defined as a national security objective.

"He wanted to have a reduction of 1.5 million barrels a day by 2015 from the Middle East. Although he did not mention Canada, that is in fact where the replacement supply will come from."

Over the next 10 years, more than \$120 billion in capital investment will be pumped into the Canadian oil sands to increase production.

Investors in Canadian oil sands stocks will continue to make fortunes.

So our first investment strategy is to follow where all the money is going. And that means going north to Canada.

### **Oh Canada!**

*Forget About Filthy Rich Oil Sheiks... Filthy Rich Oil Canucks  
Now Control the Oil Market*

You see, the oil boom in Canada will be so profound in the coming years, that I actually sent my research analyst Keith Kohl on a road trip to Fort McMurray (nicknamed Fort McMoney) to get a first-hand look at the Canadian oil boom.

But get this, when he got there he quickly realized he wasn't the only one interested in the Canadian oil markets.

The Chinese were there too. And they want Canada's oil... and are willing to pay a lot for it.

The competition between US and China for Canada's prized oil is setting up the scenario for an absolute profit making frenzy.

Right now the world is witnessing a grand geopolitical chess match between many players, the main ones being US and China. The prize is control of the world economy. And the way to achieve it is by controlling the world's oil supply.

### **The Chinese Century?**

"The Chinese are on an aggressive quest to boost their supply of oil throughout all seven continents; whether Iran, Sudan or Venezuela, you name it, they are after it." -James Lilley, ambassador to China under President George H.W. Bush.

Frightening, but true.

China is the world's second-biggest oil consumer on the planet.

**“US and China Covet Oil Sands”**

*-Forbes, 2005*

Currently, the United States exceeds China's demand. But for how much longer?

According to the US Energy Department, America devours 22 million bpd while China consumes over 7 million bpd.

Anne Korin, director of policy and strategic planning for the Institute for the Analysis of Global Security recently said:

The U.S. Energy Information Administration estimates that China's daily oil demand will boost to 8 million barrels of oil by the end of this year.

"China's energy needs are going to be enormous in the future," according to Christopher Hill, the State Department's assistant secretary for East Asia and the Pacific.

China could top America's astounding 22 million bpd in 2030.

The Institute for Analysis of Global Security predicts that in only 20 years China will import as much oil as the US.

And no wonder, China's automobile market is doubling in size every 6 years!

China's official state policy is "growth imperative." To grow its economy at all costs, and especially before the 2008 Summer Olympics, which it will host in Beijing.

To do so, China has to guzzle crude oil to nourish its breakneck economy.

China is striking deals with oil exporting nations around the globe to secure its supply that could leave other nations high and dry.

"In all of 29 yrs of investing, I have not ever experienced the kind of gains \$20 Trillion has given subscribers. I personally cannot thank you enough. -RPL, a grateful subscriber."

And the US would be the most affected.

State-run Chinese companies have spent billions on oil assets overseas to boost supplies for the country. Chinese firms are currently striking long-term deals in Canada to tap North America's biggest oil reserves.

Sen. Lisa Murkowski of Alaska, chairperson of the East Asian and Pacific Affairs subcommittee, said the United States faces growing competition from China in Canada. "China has brought the competition for natural resources to our backyard."

Until now, Canada sent almost all its exports to the US.

Canadian and Chinese firms are now cooperating to build a \$2 billion pipeline to ship crude oil from Canada's vast oil sands in Alberta to the West Coast to be sent by tanker to China.

This is huge...you have 2 massive economies going after the same resource.

It's the simple law of supply and demand. The price of that resource (oil) is going up!

And that's why there's a current "gold rush" by dozens of energy companies to get a stake in the region. Because they know for years to come, Canada might be the only profitable oil play of the 21st Century.

More than \$120 billion has been committed to oil projects in the area. That's nineteen times the total U.S. investment in the alternative energy sector.

**The profit potential for smart investors is simply huge.** Just take a look at the numbers:

"All I can say: Thank You! Too bad I didn't join your "club" earlier. I signed up with \$20 Trillion in Jan 2005... and I'm UP 258%! Many thanks again!" -E.B.

At current prices of more than \$90 a barrel, and with at least 174 billion barrels ready to be extracted from the oil sands - there could be as much as \$15.6 trillion in oil revenues up for grabs.

And if the oil price continues to rise... the profit potential is even greater.

In short, the money to be made from this situation is phenomenal - provided you know how to get your share...

In short, I've discovered the very best Canadian Oil sand stock to buy right now.

## **Our #1 Oil Stock** *You Get As Much As 34 Barrels for Just \$47*

In the past four years, I've recommended two oil sands stocks that have gained more than 300% each.

The first one was Connacher Oil & Gas. I recommended it in 2005 at \$0.90 a share. Today it trades for \$3.10 . . . a gain of 244%.

Another favorite of ours has been UTS Energy. This stock, which landed one of the biggest production development deals in the region, was trading for less than \$0.50 a share in 2003.

*Just wanted to tell you that my small investment for a one year subscription to The \$20 Trillion Report has increased by 40 times!!! Basically I have made about \$28,000 since July. Keep up the good work!*

*- John A.*

Today it's over \$5 a share, a gain of 900%.

However, I know a lot of my readers didn't participate in these two plays because the stocks were just too darn small. Penny stocks, really. And that forced a lot of investors to sit on the sidelines.

Not a day goes by that I don't get an email from a reader looking for a "more liquid" way to play the Canadian oil sands bull market.

And aside from some oil sands giants that have market caps in excess of \$50 or even \$100 billion, there wasn't much out there that promised great future growth while also providing liquidity.

Until now.

That's because I've found the sweet spot of the Canadian oil sands sector.

### **Diamond in the Rough.**

Public companies involved the Canadian oil sands can be divided into three categories:

1. Mature
2. Outright speculative
3. Small but emerging superstars

As for mature companies, you've heard of Suncor and Shell Canada, right? I've talked about these guys numerous times before. They are the Canadian oil sands equivalent of **Big Oil**.

Suncor went public in December 1993 for \$2.20. Since then, it has risen to \$112 a share, for a gain of 4,990%. That's an average gain of 356% PER YEAR!



Suncor now commands a market cap of more than \$40 billion. But guess what?

I've never recommended Suncor or Shell Canada. Never.

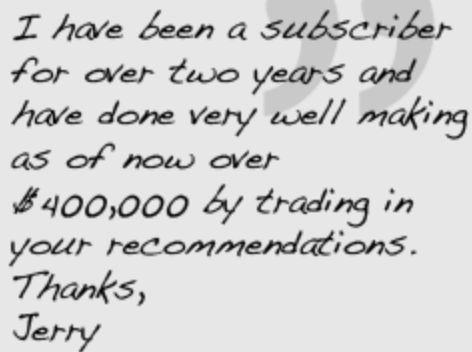
Know why?

Because, quite frankly, that's not where the next round of oil sands profits will come.

The profits are in companies you've never heard of . . . in companies that are just now getting started with production. The small but emerging superstars.

That's the sweet spot.

Like the company I'm recommending right now. Even though it trades at a market cap of about \$5 billion, I still consider it a ground-floor opportunity. I believe it could eventually become one of the biggest players in the Canadian oil sands. And we're getting in at the right time.



*I have been a subscriber  
for over two years and  
have done very well making  
as of now over  
\$400,000 by trading in  
your recommendations.  
Thanks,  
Jerry*

But don't let "ground-floor" scare you away. As you'll see, this play is super safe.

It's like buying Suncor back in 2001 when it was trading for \$9 a share.

Plus, the company does \$100 million in annual sales. So this isn't a start-up exploration play. They've got real assets and real sales. (Just for comparison's sake, Suncor rakes in \$15 billion in sales per year.)

I hope you will take a position in the stock, because I think it could return triple-digit gains real soon . . . and quadruple-digit gains in the long term. But you have to hurry.

The company is under everybody's radar as an emerging oil sands player. But as you'll soon see, the technology this company is involved with is the hottest thing since sliced bread.

That's because this company - and its technology - is emerging as one of the most important players in Canada. Some are saying it'll save the entire Canadian oil sands industry from disaster.

### **The Picks and Shovels of the Oil Sands Industry**

Typically, oil sands production works like this. Oil sand (oil + sand) is dug up and transported to an upgrader, where it's heated, allowing the oil to be separated from the sand. I'm explaining it in very simple terms, but the one thing you really need to know is that oil sands production is super energy intensive.

"Thanks for the solid advice. As of today I am ahead \$16,978.00. Not bad considering I only put up \$19,618 to start with---and that includes all of the commissions and fees! Let's see then: That means \$38,618 turned into \$55,596 in just 67 days. That's nearly a 50% increase in only 10 weeks. Keep up the good work. You are simply astounding. -J.T.

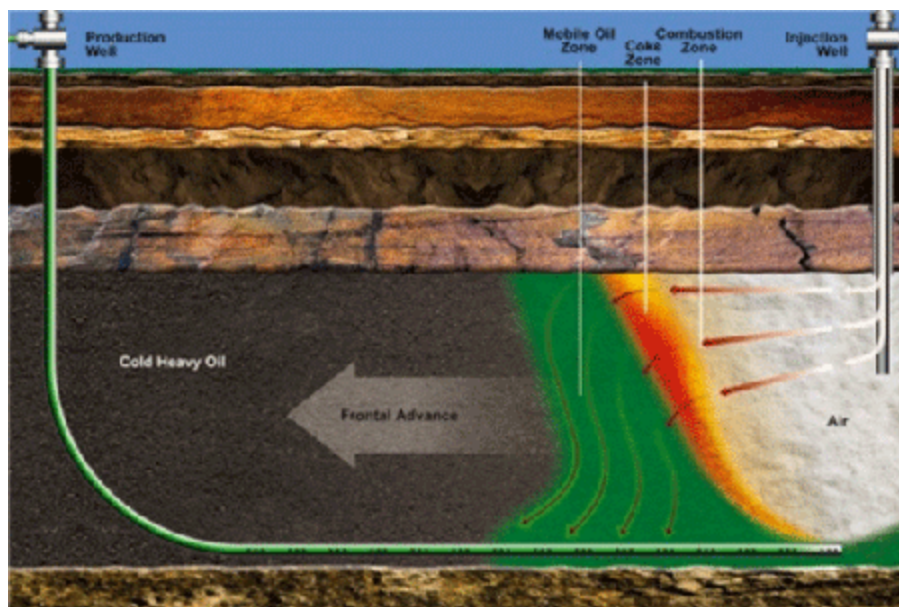
In other words, it takes a lot of energy to extract the oil from the sand. Namely, a lot of natural gas. So much, in fact, that some oil sands companies have

entertained the idea of building a nuclear power plant nearby as the primary energy source used in the oil sands production process.

But this company uses a completely different method of extraction.

They use a new combustion process that combines a vertical air injection well with a horizontal production well. A combustion front is created where part of the oil in the reservoir is burned, generating heat that reduces the viscosity of the surrounding oil and allowing it to flow to the horizontal production well.

The next generation oil sands production technology recovers an estimated 80 percent of the original oil in place while partially upgrading the crude oil on site.



The process was discovered in 1993.

But here's the real potential. This \$4 billion company owns all the intellectual property rights associated with the technology . . . and they're commercializing it to allow other oil sands companies to benefit from it.

"I am up 47 % for the year. Thanks for letting me share in his wealth." -M. L.

Plus, the technology emits 50% less greenhouse gases than typical oil sands production methods.

This is going to be a boon in terms of licensing fees.

But listen, this isn't the whole story. It gets better. For those of you looking for a sure-fire way to play the Canadian oil sands market, this fits the bill perfectly.



I'm releasing my latest Energy Investment Research Report #1 "*The Next Oil Giant*."

When you sign up for ***The \$20 Trillion Report***, you'll immediately get access to this report.

But that's not all you'll get...

I have 4 more money-making reports to give you.

Here's what I suggest...

### **Test-drive *The \$20 Trillion Report***

There's a super-easy, no-risk way to receive everything I've mentioned in this letter, including

- **Energy Investment Research Report #1:** *The Next Oil Giant* - How To Get Access to 34 Barrels of Oil Resource for just \$47
- **Energy Investment Research Report #2:** *The Mother Lode Up North* (over 20 companies in the region) for \$26
- **Energy Investment Research Report #3:** *Our Favorite Oil Stock Under \$10*. This company is doing something unique - it's bringing back old oil wells back to life. You see, for every barrel that was extracted out of the ground in America, 2 were left behind. Based on its reserves, we think this stock is worth \$26 a share. Right now you can buy it for under \$6.

"Just wanted you to know how much I appreciate the hard work you do in finding the great companies for your readers. Currently I am up 252%, 165%, and 101% respectively. You made a believer out of me. Regards." - N. W.

Just click on the link at the end of this email, and let me and my team know that you'd like to begin your membership to ***The \$20 Trillion Report***.

Heck, you'll have plenty of time to examine my research and my investment philosophy. If you decide ***The \$20 Trillion Report*** is not for you, simply let

me know in the first 30 days by phone, mail, or e-mail, and we'll completely reimburse you for the entire subscription fee of \$99.

You can even keep my book, ***Profit from the Peak: The End of Oil and the Greatest Investment Event of the Century***.

And in a minute, you'll get access to it all.

Before I give you the specifics, let me quickly tell you about one more investment idea I'm extremely excited about right now...

## **The Energy Trade of 2008**

As part of my connections and contacts across the globe in the energy industry, I uncovered another little-known way you can earn more profits from the energy bull market...

I'm calling it "The Energy Trade of 2008."

"I subscribed about 6 months ago and wish I did it sooner. I'm still up 336%. Yesterday alone my portfolio went up 23%!!! Thanks a lot!" -B. W.

Simply put, some of America's richest investors are placing huge bets on energy and especially "alternative" energy.

There's an alternative energy stock that currently trades for around \$15 a share. Its market cap is \$700 million... and it does \$114 million in annual revenue. So as you can see, it's a real company with real revenues.

But more importantly, a billionaire recently bought 395,000 shares of it. He bought those shares for \$13.95 apiece in the open market. Not exactly chump change.

He did this exact same thing last summer, but with another energy stock. And it rallied 100%.

We think the stock he's buying now is an easy double in 2008. And you can get your hands on it immediately, when you become a member to ***The \$20 Trillion Report***.

## **How to Get \$20 Trillion for Just \$99**

***The \$20 Trillion Report*** costs only \$99 for an entire year of research and reports.

"Hello, I have to admit that I joined your service more out of desperation than anything else but am I glad that I did! My recent trading history is poor to say the least. I'm just sorry that I

didn't act on your information sooner but I guess I can't be too upset with a 250% boost in one week! Keep up the great work!" -Judy (a very satisfied member)

Let me ask you a simple question: Is it worth paying \$8 and change a month to learn about the best energy investment opportunities you'll hear about nowhere else?

We absolutely believe so. If we didn't believe in the research my team and I are doing... then we wouldn't spend weeks traveling to the Barnett Shale, Fort McMurray, Alberta, Kiev, Ukraine, Wyoming and Montana.

I'd like you to have the opportunity to try **The \$20 Trillion Report**, without feeling obligated to pay a single penny.

When you sign up for a trial subscription to **The \$20 Trillion Report** today, you will receive:

- **Monthly Issues of The \$20 Trillion Report.** You'll receive every copy by e-mail, which is the most expedient and convenient method of delivery available.
- **Hotline Updates.** In addition to the monthly issues, we'll also send you a weekly hotline update.
- **Research Report #1:** The Next Oil Giant - How To Get Access to 34 Barrels of Oil Resource for just \$47
- **Research Report #2:** The Mother Lode Up North (over 20 companies in the region) for \$26
- **Research Report #3:** Our Favorite Oil Stock Under \$10. This company is doing something unique - it's bringing back old oil wells back to life.
- **Energy Investment Research Report #4:** The Energy Trade of 2008

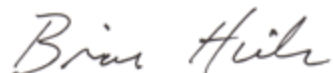
Take the next couple of weeks to have a look at my work closely.

If you don't agree **The \$20 Trillion Report** delivers the safest and most lucrative, energy investment ideas and recommendations you've ever received, please contact my staff within the first 30 days by phone, e-mail, or regular mail, and we will see that you receive full reimbursement for the money you've paid.

The longer you wait to get started with these investments, the less money you will have in 2008 and beyond.

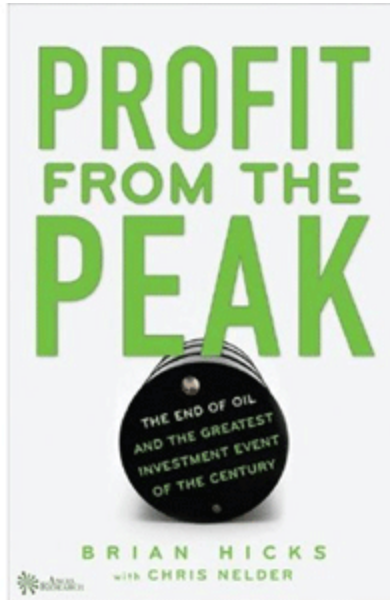
To order, <http://www.angelnexus.com/o/op/3704>

Sincerely,



Brian Hicks December, 2007

P.S. I forgot to mention one more moneymaking opportunity you'll have access to right away. Like I said earlier, I'll send you a signed copy of my soon-to-be released book, *Profit from the Peak*.



The book describes, in great detail, how we are facing the end of our oil-based economy. Not just the United States, but the world.

But the coming oil crisis doesn't have to have entirely negative implications. *Profit from the Peak* shows you the potential upside to the end of oil and how this event can actually be a positive for investors.

It will educate you on which companies and industries are best positioned to take advantage of the changing marketplace. See the [order form](#) for more details.