



MANHATTAN INSTITUTE FOR POLICY RESEARCH

## Press Release

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# U.S. Won't Hit Peak Oil Until It Hits Peak Imagination

**New York, NY:** Advocates for renewable energy claim that the innovation occurring in that sector will transform the U.S. energy landscape. However, innovation in the oil and gas industry is producing staggering quantities of energy. In 2013, the Energy Information Administration expects U.S. oil production to rise yet again, by 815,000 barrels per day.

On Tuesday, **April 2, 2013**, the Manhattan Institute's Center for Energy Policy and the Environment released a new report, [\*New Technology for Old Fuels: Innovation in Oil and Natural Gas Production Assures Future Supplies\*](#), authored by MI senior fellow Robert Bryce. Bryce shows that while renewable energy remains the darling of the political and media world, the oil and gas industry is being transformed by cutting-edge drilling technologies that ensure it will remain the dominant players in the global energy market for decades to come.

Bryce finds that:

- Between 1949 and 2010, thanks to improved technology, oil and gas drillers reduced the number of dry holes drilled from 34 percent to 11 percent.
- Global spending on oil and gas exploration dwarfs what is spent on "clean" energy. In 2012 alone, drilling expenditures were about \$1.2 trillion, nearly 4.5 times the amount spent on alternative energy projects.
- Despite more than a century of claims that the world is running out of oil and gas, estimates of available resources continue rising because of innovation. In 2009, the International Energy Agency more than doubled its prior-year estimate of global gas resources, to some 30,000 trillion cubic feet—enough gas to last for nearly three centuries at current rates of consumption.
- In 1980, the world had about 683 billion barrels of proved reserves. Between 1980 and 2011, residents of the planet consumed about 800 billion barrels of oil. Yet in 2011, global proved oil reserves stood at 1.6 trillion barrels, an increase of 130 percent over the level recorded in 1980.

- The dramatic increase in oil and gas resources is the result of a century of improvements to older technologies such as drill rigs and drill bits, along with better seismic tools, advances in materials science, better robots, more capable submarines, and, of course, cheaper computing power.

**View the report online [http://www.manhattan-institute.org/html/eper\\_12.htm](http://www.manhattan-institute.org/html/eper_12.htm)**

**To speak with the author or obtain a copy of the report please contact Matthew J. Olsen at 646-839-3352 or by e-mail at [molsen@manhattan-institute.org](mailto:molsen@manhattan-institute.org)**

**Robert Bryce** is a senior fellow at the Manhattan Institute's Center for Energy Policy and the Environment. He has been writing about energy for two decades. *The Wall Street Journal* called his fourth book, *Power Hungry: The Myths of "Green" Energy and the Real Fuels of the Future* (PublicAffairs) "precisely the kind of journalism we need to hold truth to power." Bryce is based in Austin, Texas.

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