

***The ABC's (and X's) of scouting the future for oil shale development***

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Three times in the past century, the rich oil shale deposits in the Green River Formation have attracted significant attention as a potential source of domestic energy, twice prompting major booms. All three times this interest has ended abruptly, most recently in the excruciating bust of the early 1980s. This presentation offers an analysis of these past development cycles and the applicable lessons they provide for the current round of development. Based on the historical case studies, the authors have developed a formula to appraise the forces that shape oil shale development. The authors find that the combination of three key elements – (a) national security anxieties, (b) rising oil prices, and (c) active federal encouragement – predict whether or not efforts to develop oil shale will take hold and the intensity with which development will occur. The presentation will use this formula as a framework to examine the history of oil shale in the western United States, concluding with a consideration of the necessary X-factor that might transform the cyclical historical pattern into a sustainable oil shale industry.