

Jeff Nichols Talks With Natural Gas Intelligence About Oil, Natural Gas Production in Lower 48

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Haynes Boone Partner [Jeff Nichols](#) was quoted in a *Natural Gas Intelligence* article titled “Too Many Constraints’ to Rapidly Boost Lower 48 Oil, Natural Gas Production, Experts Say.” Here is an excerpt:

Lower 48 oil and natural gas production is on the rise, particularly in the Permian Basin, but shortages of labor, materials and equipment will prevent a rapid supply response to current market tightness, according to experts.

The Biden administration has called on U.S. producers to ramp up supply in order to lower gasoline prices and reduce global dependence on energy imports from Russia. ...

However, the notion of investor pressure as the primary factor holding back production is “outdated a little bit,” [Jeff Nichols](#), a partner at Haynes Boone, told NGI. He said producers’ “current limitation is people and rigs and supplies. With the price of oil as high as it is, they’re currently doing everything they can to increase production.”

Nichols explained that “a lot of people left the industry during the downturn. You need people, you need engineers to supervise these drilling projects.” ...

On the mergers and acquisitions (M&A) front, Nichols noted that “over the past 12 months, there’s been a big story of assets moving from public to private hands. Our firm has been involved in several large deals where big packages of oil wells were transferred from the majors to small private companies that you’ve never heard of.”

That may be changing though, Nichols said, “because the capital markets are starting to open up [and] more investors are coming back to the space. So looking forward, we may look forward to more M&A deals where private companies sell asset packages to public companies and private companies go public themselves.”

To read the full article, click [here](#).