# Boom, Bust, and Wind

Trace how energy choices affect Oklahoma communities

**OKH.C.8.2.C** "Analyze recent oil and gas boom-and-bust cycles, such as new discoveries in the Anadarko Basin and the growth of alternative energy sources, such as wind power."

NAME _____ DATE _____

## 1 READ AND MARK

Read it twice

**YOUR JOB** Underline reasons drilling expanded or slowed, circle effects on people or businesses, and number two ways wind power changes the picture. Use your marks to trace causes and effects.

### When the Energy Economy Shifts

1. At a diner near the Anadarko Basin, a drilling crew may fill every booth during a boom. The basin stretches across western Oklahoma and into nearby states. It has produced oil and natural gas for decades, but horizontal drilling and hydraulic fracturing made some hard-to-reach rock more profitable to develop. In the 2010s, companies expanded drilling in parts of the basin, including the STACK and SCOOP areas of Oklahoma. More wells meant demand for truck drivers, equipment, and hotel rooms. Landowners with productive leases could receive royalty payments, while local governments could collect more tax revenue.

2. A boom depends on more than finding fuel underground. Companies also need prices high enough to cover drilling costs and earn a return. When global oil prices fell sharply in 2014, many producers cut spending and drilling slowed. In 2020, the COVID-19 pandemic reduced travel and oil demand, deepening another downturn. Fewer active rigs meant less work for crews and businesses that served them. Some families had to look for other jobs. A price rebound could bring activity back, but a new well does not guarantee steady employment when prices and company budgets can change quickly.

3. At the same time, wind farms expanded across Oklahoma. Wind produces electricity without buying fuel, and projects can bring lease payments to landowners and tax revenue to communities. Wind and natural gas often compete in electricity generation, so more wind power can reduce demand for gas-fired power at some times. Oil is mostly used for transportation, so wind power alone does not explain a drop in oil prices. Wind output also changes with weather, while gas plants can supply power when the wind is low. Together, these industries offer different opportunities and risks for a community deciding where to invest.

## 2 ANSWER WITH EVIDENCE

Use the passage

1. How did drilling technology help create a boom in parts of the Anadarko Basin, and how did that boom reach nearby businesses?

2. What was different about the pressures on drilling in 2014 and 2020? What effect did the downturns have in common?

3. Why could more wind power reduce demand for natural gas at some times without explaining a fall in oil prices?

4. During a drilling slowdown, how could wind farms still bring money into a community? What cause of the slowdown would they not fix?

## 3 YOUR TURN

Your own words

Imagine your county has a one-time tax surplus. In one paragraph of four or five sentences, recommend spending it on roads to drilling sites, training for wind and gas power jobs, or both. Explain a boom benefit, a bust risk, and a trade-off involving wind and gas.

ANSWER KEY

# Boom, Bust, and Wind

HIGH SCHOOL · OKH.C.8.2.C

## PART 1 · READ AND MARK

Underline reasons drilling expanded or slowed, circle effects on people or businesses, and number two ways wind power changes the picture. Use your marks to trace causes and effects. Accept any marking that follows this job and points at the right text.

## PART 2 · ANSWERS

| # | QUESTION | ANSWER |
|---|---|---|
| 1 | How did drilling technology help create a boom in parts of the Anadarko Basin, and how did that boom reach nearby businesses? | **Horizontal drilling and hydraulic fracturing made hard-to-reach rock more profitable to develop. Companies drilled more wells, increasing demand for drivers, equipment, and hotel rooms.** |
| 2 | What was different about the pressures on drilling in 2014 and 2020? What effect did the downturns have in common? | **Global oil prices fell sharply in 2014. In 2020, the pandemic reduced travel and oil demand. Both downturns led to less drilling work.** |
| 3 | Why could more wind power reduce demand for natural gas at some times without explaining a fall in oil prices? | **Wind and natural gas both generate electricity, so wind can replace some gas-fired power. Oil is mostly used for transportation, not electricity.** |
| 4 | During a drilling slowdown, how could wind farms still bring money into a community? What cause of the slowdown would they not fix? | **Wind farms can provide landowner lease payments and local tax revenue. They would not restore oil demand lost when travel declines or reverse a fall in global oil prices.** |

## PART 3 · YOUR TURN (SAMPLE ANSWER)

I would split the county's one-time tax surplus between roads to drilling sites and training for wind and gas power jobs. Better roads could help crews and trucks reach wells during a boom. But oil prices can fall and companies may cut drilling, leaving the roads with less use. Training could give residents other work options, while wind projects may bring lease payments and taxes. Because wind output varies with weather, gas plants can still supply power when wind is low.

Accept either spending choice or a combination if the response explains a boom benefit, a bust risk, and the wind-gas trade-off using accurate cause-and-effect reasoning from the passage.