

The Hidden Energy Giants of the Next Decade

By Jeff D. Opdyke

A Global Intelligence Report
www.globalintelligence.com



**Global
Intelligence**

The Hidden Energy Giants of the Next Decade

A Global Intelligence Report

Author: Jeff D. Opdyke

Cover photos: [istockphoto.com/metamorworks](https://www.istockphoto.com/metamorworks)

© Copyright 2025 Global Intelligence, Woodlock House, Carrick Road, Portlaw, Co. Waterford, Ireland. All rights reserved. No part of this report may be reproduced by any means without the express written consent of the publisher. Registered in Ireland No. 285214. to be reliable, but its accuracy cannot be guaranteed. Registered in Ireland No. 285214.

This report presents information and research believed to be reliable, but its accuracy cannot be guaranteed. There may be dangers associated with international travel and investment, and readers should investigate any opportunity fully before committing to it. Nothing in this report should be considered personalized advice, and no communication by our employees to you should be deemed as personalized financial or investment advice, or personalized advice of any kind. We allow the editors of our publications to recommend securities that they own themselves. However, our policy prohibits editors from exiting a personal trade while the recommendation to subscribers is open. In no circumstance may an editor sell a security before our subscribers have a fair opportunity to exit. The length of time an editor must wait after subscribers have been advised to exit a play depends on the type of publication. All other employees and agents must wait 24 hours after on-line publication prior to following an initial recommendation. Any investments recommended in this report should be made only after consulting with your investment adviser and only after reviewing the prospectus or financial statements of the company.

The Hidden Energy Giants of the Next Decade

There's an idea in science called the Red Queen hypothesis...

The name is a reference to a quote in Lewis Carroll's *Through the Looking-Glass*, in which the Red Queen tells Alice, "It takes all the running you can do, to keep in the same place."

In science, the concept is that a species needs to constantly adapt and proliferate as fast as possible if it's going to survive.

The same idea is also applied to the oil and gas industry...

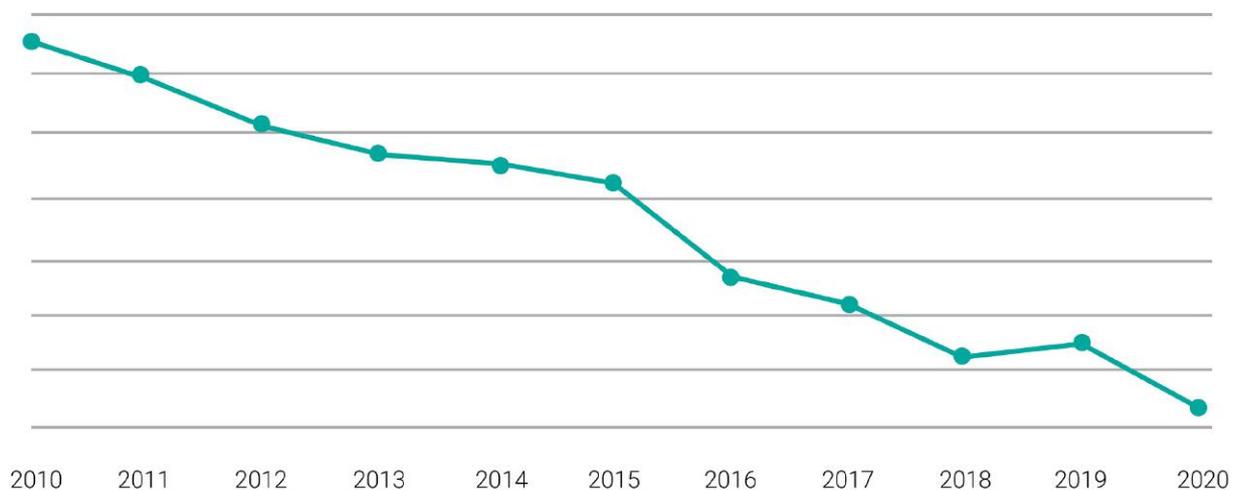
In this context, it means that oil and natural gas companies need to constantly explore and drill as fast as possible just to replace their annual production, and to keep up with the unending growth in global demand for energy.

And that's exactly what they did for decades... until suddenly in 2020, when all that changed.

For the past several years, the exploration and production (E&P) side of the energy business has not been spending nearly as much as it needs to on finding and tapping new reserves.

In fact, in 2021, oil discoveries fell to their lowest levels since 1946!

Oil Discoveries



E&P companies, then, not only stopped running, they came to a complete halt. There are two reasons for this:

1. *COVID shut down the global economy.*

Oil demand plunged during the pandemic as cars and planes sat idle.

Oversupply built up, storage tanks filled to capacity, and E&P companies didn't want to invest billions drilling exploratory holes in the ground when they had nowhere to put the oil, and they had no idea if, or when, energy demand would rebound.

2. *Western governments, in their rush to suck up to the environmental lobby, are aggressively pushing a green energy future.*

Yes, the green energy future is coming, and yes, that future is necessary. But Western governments are going about this in the worst possible way.

They're imposing overly stringent environmental regulations that take effect across the next decade or so to phase out all manner of fossil fuel energy sources and things that rely on them like cars.

Yet, there's simply no feasible path toward building out all the infrastructure necessary to switch from fossil fuels to green tech so quickly.

Meanwhile, these green policies have, understandably, caused hang-wringing inside E&P boardrooms.

After all, why invest billions of dollars to hunt for new oil and gas reserves when the government is constantly throwing up new environmental roadblocks and telling anyone who'll listen that the era of fossil fuels is coming to an end?

Here's the dirty little not-so-secret in all of this: Western economies are heading for disaster.

Demand for oil is not falling off, despite Western government's green energy dictates. In fact, global oil demand hit a new record high in 2023, according to the International Energy Agency.

Yet supply is falling, and too few new fields are being discovered.

At some point, it's a "boom goes the dynamite" moment, when the world suddenly realizes that oil supplies are insufficient to meet demand. And at that moment, oil prices will go absolutely bonkers.

And it's not just me who sees an oil price shock. Here's Ken Rogoff, a Harvard prof and the former chief economist at the International Monetary Fund: *"In the longer term, energy prices look set to rise unless investment picks up sharply, which seems unlikely given current policy guidance. Supply and demand shocks will most likely continue to roil the energy market and the global economy."*

I project oil prices could soar above \$150 per barrel in coming years as this supply crunch plays out... more than double current levels. They could even touch \$250 per barrel during price spikes.

A run to \$250 would see gasoline prices push above \$15 per gallon.

It's simple math really: Each 42-gallon barrel of oil produces roughly 20 gallons of unleaded gasoline. So, \$250 for the barrel, divided by 20 gallons, gives us \$12.50 per gallon just to recoup the cost of the barrel of oil. Add on taxes and corporate profits, and gasoline easily tops \$15 per gallon.

We are, then, on the cusp of a global energy super shock... a massive spike in energy prices that will define this decade.

A lot of money will be made by oil and gas companies in this coming energy super shock. Though they may not be the companies that everyone expects...

The "Hidden" Winners of the Energy Super Shock

Many people might expect Exxon or Chevron or the other Big Oil giants to benefit as this crisis plays out. And they certainly will. Clearly, their profits will skyrocket as energy prices soar higher.

But they also face a big strategic risk—something called a "windfall tax," a special tax that governments impose on energy companies for making "excess" profits.

This self-defeating idea—stealing money away from energy companies that they could reinvest in new jobs and further exploration—is already a reality across much of the world.

This is our fantasy economy in action...

Politicians create an artificial shortage of a commodity by imposing unrealistic environmental mandates, and then tax the very producers of that commodity for making a profit.

The European Union imposed a windfall tax in September 2022, taking \$140 billion away from energy companies...

The U.K. did the same. Its windfall tax totals 35% of oil and gas company profits in 2023, and the tax is due to last until 2028.

America, too, has a history of imposing a windfall tax. Carter did it in 1980 and Biden has threatened to do it again...

But the key point is that this tax would most likely target major oil and gas companies... meaning the Big Oil giants like Exxon and Chevron.

Certain other energy companies could easily fly under the radar.

The infrastructure companies nobody notices...

The guys who do the difficult but important tasks of delivering oil on ships... or building pipelines... or maintaining rigs... or operating storage tanks.

These are the boring but necessary jobs that no one wants to interfere with.

Which means these “hidden energy giants” could continue operating quietly in the background, reaping huge profits.

I’ve identified a handful of these companies that are best positioned to take advantage as the energy super shock plays out.

Hidden Giant #1—Enterprise Products Partners

Houston-based Enterprise Products Partners is one of America’s largest pipeline companies.

It operates a range of businesses, from propane and crude oil terminals, to natural gas storage facilities, to a 50,000-mile spiderweb of pipelines zigzagging across the middle of the country and covering nearly half of the US.

The company has the capacity to store more than 260 million barrels of crude oil and so-called natural gas liquids, or NGLs. (These are various components of natural gas—ethane, propane, etc.—that are separated out as liquids and used for all kinds of different purposes, from heating to manufacturing processes.)

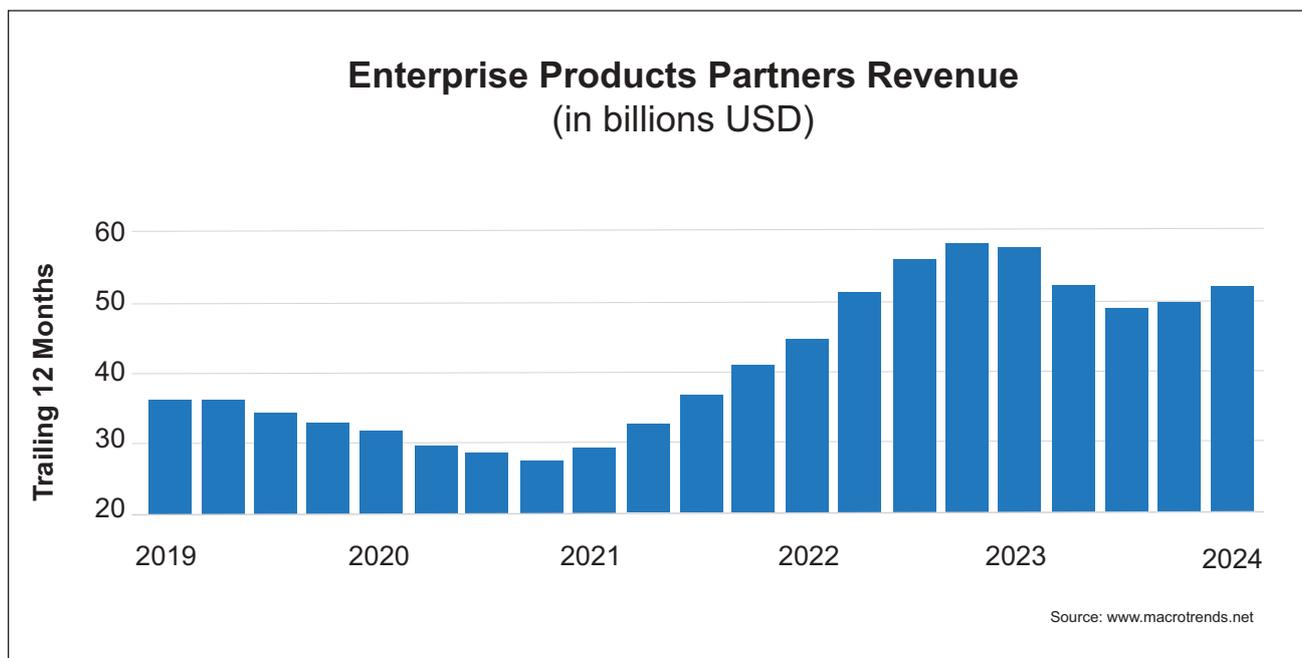
At its core, Enterprise earns its keep by delivering raw energy products to a broad range of end- users. This includes:

- Natural gas to electricity producers and industrial users that manufacture fertilizer.
- Ethane to petrochemical plants that, in turn, create ethylene that goes into a wide range of products such as food packaging, textiles, and detergents.
- Crude oil, which is turned into gasoline, heating oil, kerosene, jet fuel, asphalt, synthetic rubber, and a broad assortment of other products.

As you can see, Enterprise is an essential cog in our economy that touches so many aspects of our everyday lives.

In 2020, the pandemic year, Enterprise's revenue declined by about 17%. Not horrible, given the economic shutdown. But in 2021, revenues bounced back by 50%, and were well ahead of 2019's pre-pandemic numbers.

Growth further soared in 2022 as annual revenue jumped 43% from 2021. Revenue declined in 2023 but was up again in 2024.



Enterprise Products Partners' revenue dipped during COVID, but roared back to significantly exceed pre-pandemic levels.

Recently, the company has been expanding its pipeline footprint through acquisition, snapping up a competitor called Navitas Midstream, which serves the so-called Midland Basin that stretches across West Texas.

I fully expect to see Enterprise continue this growth-by-acquisition strategy.

On top of that, Enterprise has a long-term tailwind because of its deep exposure to natural gas and NGLs.

Demand for natural gas and NGLs is not going to fade anytime soon because of how the Russian invasion of Ukraine has altered energy flows into Europe.

With the EU imposing sanctions on Russian energy exports, American NGLs are suddenly far more important to Europe than ever before, as witnessed by former President Biden's agreement to increase US liquified natural gas exports to the continent through at least 2030.

That will necessitate more processing infrastructure and export terminals... which means more pipelines across the Gulf Coast, where Enterprise has an enormous footprint.

This fact has seemingly not escaped members of Congress. At least seven members of Congress have a few thousand to a million dollars invested in this company.

MY RECOMMENDATION:

Buy Enterprise Products Partners (symbol: EPD) at prices up to \$32.

Risk Profile: Lower Risk. (What does this mean? Before you act, read a full breakdown of my five-level risk assessment scale by clicking [here](#).)

Stop/Exit: 20% Trailing Stop-Loss.

As a US company, Enterprise trades on the New York Stock Exchange, thus it's available through any brokerage firm.

Enterprise pays out a substantial dividend of 7.5% per year. Indeed, in 2023 Enterprise was awarded Standard & Poor's Dividend Aristocrat status, placing it in a collection of fewer than 70 companies that have increased their dividend payout every year for at least 25 consecutive years.

Enterprise is a master limited partnership, which is why the dividend distribution is so plump.

MLPs, as they're known, aren't taxed at the corporate level. Instead, they pass all profits and losses directly to investors, who are then taxed. Here's how that works: MLPs report their distributions on a tax form known as a K-1. This form will be delivered to you in the mail every year and you have to report it on your taxes.

The MLP structure also means that they're not always the best investment inside an IRA. Any income from an MLP that exceeds \$1,000 annually is subject to something called "unrelated business taxable income" or UBTI. It is immediately taxable.

That means owning an MLP in an IRA, a tax-deferred or a tax-free account, depending on which IRA you have, can negate the benefit of the IRA. In short: please consult a tax pro if you're looking to own Enterprise inside an IRA.

In terms of risk, I am categorizing Enterprise as a Lower Risk stock.

Absolutely, it can fluctuate. In the early days of 2020, amid the uncertainty and fear of an emerging pandemic, Enterprise fell to the mid-\$12 range from about \$24, a meaningful 50% decline, in the span of two weeks. But as soon as society understood the nature of the pandemic, Enterprise recovered to the \$20 range before the end of the year.

That said, I wouldn't expect the same kind of downward price movement unless we have another "black swan" event like the pandemic that lands on the world unexpectedly. Instead, I would expect Enterprise to steadily march higher on stronger earnings and ever-rising dividend payments.

My price target is \$40 to \$45 over the course of the next 18 months.

To conclude, Enterprise finds itself in a great position since it is a key infrastructure player in America's oil and natural gas market.

Hidden Giant #2—Black Stone Minerals

Black Stone Minerals traces its origins to a Texas-based lumber company founded in the 19th century called W.T. Carter & Bro.

W.T. Carter & Bro. owned a great swath of forested land across East Texas to feed its timber operations.

When the great oil boom began in the early 20th century, much of the exploration and production activity in Texas was focused on the east of the state. So, W.T. Carter & Bro. began leasing some of its land to E&P companies, exacting not just rent for the land, but royalties from the oil that producers sold.

The company also began operating some oil rigs itself and was making good money producing oil. In fact, the lumber company was making such hefty profits off mineral leases and oil production that in 1968 it sold off all of its timber operations to focus exclusively on oil and gas.

From 1968 to the early 1990s, W.T. Carter & Bro. drilled for oil and leased mineral rights to other companies on the lands it had accumulated over the previous century. In 1992, however, the company shifted focus again...

That year, it bought the mineral rights held by Texas-based Kirby Lumber Co.—the first time it had acquired mineral rights rather than land itself. (Land and the rights to the minerals beneath it can be sold separately.)

Four years later, the company sold off its production operations to focus exclusively on acquiring and leasing mineral rights. Changing its name to Black Stone Minerals, it snapped up 14 million acres of mineral and royalty rights across a number of states from Bethlehem Steel Corp.

With its now-diversified footprint across the country, Black Stone had become America's largest oil and gas mineral rights company.

Black Stone remained a private company until 2015, when it finally went public on the New York Stock Exchange. That happened at one of the worst moments for oil.

Crude oil prices that had topped \$130 per barrel in 2008, had plunged into the \$30s by the time Black Stone held its initial public offering. Wall Street begged the company not to go public, telling company executives that the shares would not find a receptive audience.

And, indeed, Wall Street was right.

The stock quickly fell from \$9.25 on May 1, 2015, when it first began to trading, to \$7.20 a month later. By February 2016, the shares were trading at just \$6.72, a decline of nearly 30%. (Note: These prices are adjusted to include dividends paid.)

But Black Stone's management was not deterred. In fact, the Houston-based company explicitly wanted to go public at a bad time.

Management knew that the \$427 million raised in the IPO would give it a substantial war chest to snap up mineral rights at fire-sale prices from owners desperate to sell in a down market. That's how Black Stone has grown into a company that today holds more than 20 million acres of mineral and royalty rights across 41 energy-rich American states.

Those rights are within several of America's most prolific oil and gas fields: the Permian Basin in West Texas, the Haynesville Shale that stretches from East Texas to western Alabama, and the Bakken oil fields across western North Dakota and eastern Montana.

And those assets now put Black Stone in an enviable position as the energy super shock unfolds...

The Purest Play on Oil Prices

At this point you might be thinking: What exactly does a mineral rights and royalties company do, since it's not actually producing any oil and gas?

Basically, it's an Airbnb for exploration and production companies.

E&P companies pay a rental fee to Black Stone to tap into its mineral rights on a particular piece of land. Then, if they happen to find sufficient oil and gas to make the well profitable, they pay Black Stone a royalty based on current energy prices for each barrel of "oil equivalent" they pump from the ground.

That's Black Stone's entire business model: Generate income from leasing activities and royalties. I would argue it's the purest play on energy prices you'll find without going out and buying barrels of oil to store in a warehouse or in your backyard.

Black Stone faces no exploration and production costs. It doesn't need to build drilling rigs. It doesn't have to hire roustabouts to operate those rigs. And it doesn't have to figure out the logistics of getting oil and gas from the field to the pipelines and refineries.

It just owns a bunch of invisible mineral rights that it leases out.

The company's current flow of cash is based on leasing activity taking place on just 26% of its acreage. That means there are growth opportunities across the other 74% of those 20 million acres of mineral rights it owns.

The oil and gas industry is moving into a new boom phase as energy demand expands globally. E&P companies are already ramping up spending to locate and produce more oil and gas (though still not at sufficient levels to keep pace with increasing demand). Black Stone's portfolio reflects this shift.

Back in 2020, when oil prices plunged in the wake of the COVID pandemic, the number of rigs operating on Black Stone acreage fell to 29 in June of that year, from 94 in January, a shockingly quick collapse.

By 2023, rig counts were back in the mid-90s, with more on the way.

As a result, earnings per unit soared to \$2.12 from just \$0.49 in 2020. I use "per unit" there instead of "per share" because Black Stone is also an MLP, just like Enterprise Products Partners.

In 2023 earnings were in the range of \$1.80 per unit, but that doesn't speak to any weakness. It's just a reflection of the ebb and flow of oil and gas prices.

2022 saw high prices as oil raced to nearly \$115 per barrel. Today, they're lower. But that's not likely to impact dividends.

The company has a robust balance sheet with a paltry \$10 million in total debt. It's earning just under \$2 per unit in "cash flow" (the real earnings of a company after accounting for non-cash expenses like depreciation), with cash flow expected to top \$2 again in coming years.

The dividend yield is around 11% currently.

Note: Oil is sold in barrels. Natural gas is sold in millions of cubic feet. "Oil equivalent" measures the amount of energy each commodity generates so that they can be fairly compared financially on an apples-to-apples basis.

And because it's an MLP, these are required dividends. The company profits must flow through to the unit-holders. Those distributions, of course, can fluctuate as profits fluctuate, but they are guaranteed to arrive simply because of how MLPs operate.

MY RECOMMENDATION:

Buy Black Stone Minerals (BSM) at prices up to \$17.50.

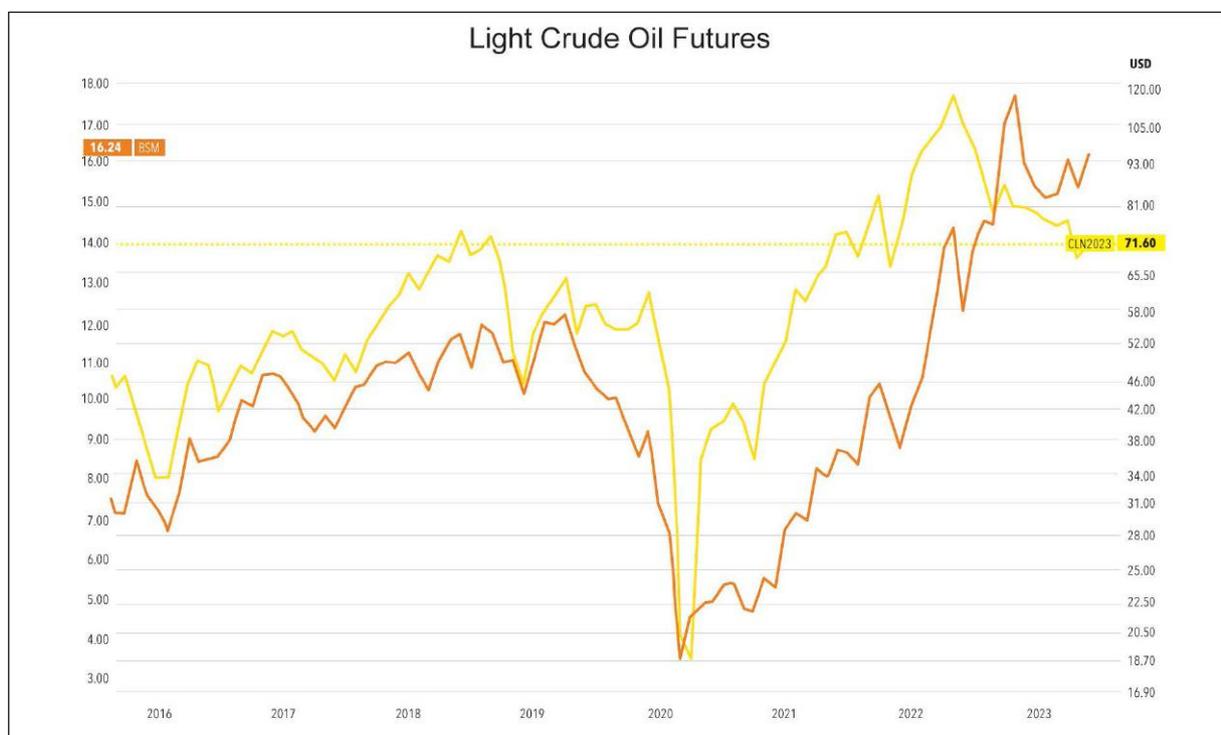
Risk Profile: Medium. (What does this mean? Before you act, read a full breakdown of my five-level risk assessment scale [here](#).)

Stop/Exit: 35% Trailing Stop Loss.

Black Stone trades on the New York Stock Exchange, so you will have no trouble buying this stock through any US-based brokerage firm, such as Fidelity, Charles Schwab, or Robinhood.

I've given Black Stone a Medium risk rating because of the industry it's in. Oil, as you well know, is a volatile asset class, and where oil prices go, so goes Black Stone.

You can see that exceedingly tight relationship in this chart:



Black Stone is the orange line... oil prices are in yellow. The two are like twins moving through life holding hands. Which, along with the fat yield, is a primary reason I want to own Black Stone.

This stock gives us direct and near-pure exposure to oil prices.

Yes, that means we will see Black Stone dip anytime oil prices dip. But it also means we'll see Black Stone's price surge as oil prices surge.

As I've noted, I expect we're going to see oil at \$150 per barrel, with spikes to \$250 as the energy "super shock" plays out.

So, we'll weather whatever dips happen because we know that higher oil prices are going to drive up the value of our stock over time.

And we know that even as oil prices ebb and flow, we're going to continuously earn a handsome quarterly payout for patiently holding Black Stone Minerals in our portfolio.

Hidden Giant #3—Equinor

Led by Germany amid long memories of two world wars, European leaders over the past three decades purposefully worked at drawing a post-Soviet Russia into the European economy. The idea was to create financial ties so thick and interdependent that war would never again be an issue.

Good intentions. Paving. Road to hell.

The invasion of Ukraine essentially severed economic ties between Russia and Europe. This created a major problem for the European Union.

Prior to the war, Russia was the EU's primary source of natural gas, as well as a major supplier of oil. After the invasion, those supplies were largely halted amid tit-for-tat sanctions, meaning the EU needed to seek out alternative energy sources.

So, it turned to the US and Qatar—both liquified natural gas-exporting giants—as well as Europe's own energy superpower... a sparsely populated nation of 5.5 million people in the northwest corner of the continent: Norway.

While Norway is a major oil and gas producer, historically it has limited production to a certain quantity per year. That was the country's way of keeping alive for as long as possible the energy cash-cow that has allowed it to grow into a super-wealthy nation that now controls the largest investment fund in the world—the \$1.3 trillion Norwegian sovereign wealth fund.

But after the invasion, it opened the taps to rescue its European partners...

In 2021, Russia was supplying about 45% of the EU's natural gas, while Norway was supplying less than 15%.

As of March 2022, Norway had become the largest supplier of natural gas to Europe, accounting for more than 25% of demand from Britain and the EU.

The key player in that is Equinor, what was once the Norwegian state-owned Statoil.

Equinor's operations span the globe. It's a player in Algeria, one of the world's top producers of natural gas. And it owns production in three of America's biggest natural gas fields: Bakken (North Dakota), Marcellus (Eastern US, one of the very largest fields in the world), and Eagle Ford (Texas).

Through its LNG division, the company is sending liquified gas to more than 20 countries.

But we primarily care about Europe. And there, Equinor is the second-largest gas supplier to the continent.

The key point to note here is that Equinor operates pipelines to Europe. It has pipelines running from the Norwegian continental shelf to terminals in the U.K., Belgium, Germany, and France. Supplying gas through these pipelines is significantly cheaper and easier than delivering gas on ships in the form of LNG.

So, Equinor is perfectly placed to benefit from the energy super shock for two reasons:

First, even if the war ended tomorrow, Europe will not return to Russia for its gas... which means Equinor will remain a vital energy supplier to the EU for a generation. Indeed, in the wake of Russian aggression, the European Commission (the executive branch of the EU government) created a plan that would require EU countries to have storage facilities at 90% of capacity by Nov. 1 of each year starting in 2023. Equinor is a primary beneficiary of that plan.

Second, while other natural gas and oil companies globally have been hesitant to invest in boosting production, Equinor is ahead of the game because of these emergency energy demands from Europe. Since the war, the Norwegian government has allowed Equinor to increase production at several fields, and the company announced plans to drill 25 new exploratory wells in 2023 alone.

The company has also snapped up the British operations of Canada's Suncor Energy. That gave Equinor a nearly 30% stake in the Buzzard oil field, the largest oil field discovered in the North Sea in the last 20 years.

And now... some math.

Equinor, for the second quarter of 2023, saw per-share earnings plunge by 57%, which would theoretically be a cause for concern. Alas, it's not.

As a production company, Equinor's fortunes rise and fall with the price of oil and gas. Both commodities spiked higher on the invasion and have since come down in price. But that just shows the leverage Equinor has when oil and gas prices once again sprint higher due to the energy super shock. Its shares will surge.

Indeed, despite that decline in profits, Equinor's stock price didn't really slip much because the investment community recognizes the company's ties to energy prices, which are in a long-term uptrend.

Equally important, the investment community recognizes Equinor's commitment to paying a robust dividend—as well as its ongoing capacity to do so. Thus, the shares barely fell because investors are happy to get paid well while they await the next boom in energy prices.

The company is also using its profits to buy back its own shares, which reduces the number of shares that exist... which means corporate profits are spread across a smaller number of shares... so that per-share profits are larger.

And because per-share profits are a key input into a company's share price, those higher profits- per-share should translate into a higher Equinor share price for us.

MY RECOMMENDATION:

My Recommendation: Buy Equinor (EQNR) at prices up to \$33.75.

Risk Profile: Higher (What does this mean? Before you act, read a full breakdown of my five-level risk assessment scale [here](#).)

Stop/Exit: 55% Trailing Stop Loss

Though Equinor is a Norwegian company trading primarily on the Oslo Stock Exchange, its shares are listed in New York as American depositary receipts. As such, you can trade Equinor through any major US brokerage firm without a problem.

I've given this a Higher risk rating since Equinor's fortunes are tied to volatile energy prices, particularly gas, and its dividends are not guaranteed like the two MLPs above.

In terms of price expectations, we're in a moment where much of the market is flagging because of continuing inflation and higher interest rates. Yet, that's a good market for a company such as Equinor.

As a commodity player, it's a beneficiary of rising prices. And because of that, I expect we're going to see its price-to-earnings ratio (P/E) expand in the years ahead.

In simple terms, P/E is the total market valuation of the business, divided by the last 12 months of earnings.

I expect Equinor's P/E ratio to rise from mid-single digits today to between 17 and 20. Apply the low-end P/E multiple of 17 to that \$4.40 in earnings and we're looking at a stock price in the mid-\$70s. I'm gonna go super-conservative and say we see a price in the mid-\$50s—a return of about double from here.

Finally, let me wrap up by noting that with Equinor, we gain exposure to the Norwegian krone, one of the best-managed currencies in the world.

It's also an oily currency, meaning that it's tied to Norway's energy-rich economy.

The krone exposure comes by way of the stock price and the dividends. Though we're buying Equinor shares in the US, the US shares are priced based on the Oslo market. So as the krone strengthens, it buys more dollars, which means the dollar value of the US shares rises to reflect the underlying krone strength. It's the same with the dividends.

To be fair, the krone weakened against the US dollar in recent years as the Federal Reserve pushed up interest rates. But I don't think that narrative is long for this world.

The Fed cannot raise interest rates again without causing serious knock-on effects in the economy and with consumers and business. As the Fed lowers rates, and as oil prices strengthen, currencies such as the krone gain a tailwind.

Recommendations Recap

Recommendation #1: Buy Enterprise Products Partners (symbol: EPD) at prices up to \$32.

Risk Profile: Lower Risk. (What does this mean? Before you act, read a full breakdown of my five-level risk assessment scale by clicking [here](#).)

Stop/Exit: 20% Trailing Stop-Loss.

Recommendation #2: Buy Black Stone Minerals (BSM) at prices up to \$17.50.

Risk Profile: Medium.

Stop/Exit: 35% Trailing Stop Loss.

Recommendation #3: Buy Equinor (EQNR) at prices up to \$33.75.

Risk Profile: Higher.

Stop/Exit: 55% Trailing Stop Loss.