

United States Oil Fund, LP  
Form 8-K  
July 06, 2009

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): July 6, 2009

UNITED STATES OIL  
FUND, LP  
(Exact name of registrant as  
specified in its charter)

Delaware  
(State or other jurisdiction  
of incorporation)

20-2830691  
(I.R.S. Employer  
Identification No.)

1320 Harbor Bay Parkway,  
Suite 145  
Alameda, California 94502  
(Address of principal  
executive offices)  
(Zip Code)

Registrant's telephone  
number, including area code

(510) 522-3336

Not Applicable  
(Former name or former  
address, if changed since  
last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- ☐ Written communication pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

- o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4c))
-

Item 8.01. Other Events

In recent months, a number of published reports have attempted to make the case that last year's run-up in crude oil prices and their subsequent fall and recent rise this year, were the result of the investments made in the crude oil futures market by large, un-levered and passive index funds. Many of these reports cited the United States Oil Fund, LP ("USO" or the "Fund") as an example of such a fund whose buying and selling activities were alleged to be causing unusually wide swings in crude oil prices.

USO's management believes these reports significantly mischaracterize USO's impact on the market price of oil and is providing factual information that rebuts these reports. USO in no way intends that the information included in this Form 8-K be considered an "offer" of its units.

Many of the articles published on this topic have stated that USO's large size, and the fact that it was the first publicly-offered, exchange-traded vehicle that exclusively offered exposure to crude oil futures, made it a key factor in the rapid rise of crude oil prices in 2008. Furthermore, several articles continue to make such claims for market activity continuing into 2009. However, the management of USO believes that readily available information from USO's website and other widely available financial news and data sources indicate that many or most of these claims lack merit.

The chart below compares the price of the NYMEX front month light, sweet crude oil contract ("CL") to the actual size of USO's crude oil futures contracts holdings. The time period covered by this chart runs from USO's inception date, April 10, 2006, to June 24, 2009. The CL price, shown on the left hand axis is in dollars per barrel. USO's crude oil futures contract holdings, shown on the right hand axis, are in 1,000 barrel contract equivalents.

The data shows that during the run-up in crude oil prices from January 2007 and \$53 a barrel price, to July 2008 and roughly \$145 a barrel, USO's holdings in crude oil futures contracts declined. Furthermore, the increase in crude oil contracts held by USO occurred in late 2008 and continued to February 2009, coinciding with a period of time when crude oil prices trended lower, not higher. The data presented in the chart below does not support the theory that USO's large scale purchasing of crude oil futures contracts drove prices significantly higher because crude oil prices fell during that same time period.

Finally, the most recent increase in crude oil prices, which began in February of 2009 and continues to the present, coincides with a period in which USO was a large scale seller of futures contracts, not a buyer. The data presented in the chart does not support the theory that USO's activities drove oil prices significantly higher in recent months.

In sum, management strongly believes that the activities of USO have not caused the extreme swings in the price of crude oil as alleged in some published articles during the above-noted time frame. However, due to the nature of these unfounded claims about USO and its investing practices, USO management has a legitimate concern that the activities of USO could be negatively impacted to the detriment of its thousands of unitholders, unless such claims are publicly refuted.

USO's management is of the view that the best source of information regarding its investment objective and the risks associated with an investment in USO is its most current prospectus and the periodic reports it files with its regulators, including the Securities and Exchange Commission ("SEC"). Copies of the most current version of the foregoing can be found at USO's website, [www.unitedstatesoilfund.com](http://www.unitedstatesoilfund.com), or through the SEC on its website, [www.sec.gov](http://www.sec.gov). Copies are also available on request from USO's general partner, United States Commodity Funds LLC.

Certain matters discussed in this current report on Form 8-K, including any statements that are predictive in nature or concern future market and economic conditions, our future performance, or our future actions and their expected results are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on current expectations and projections about future events and are not guarantees of future performance. We do not have a specific policy or intent of updating or revising forward-looking statements. Actual events and results may differ materially from those expressed or forecasted in forward-looking statements due to a number of factors. Please see our periodic reports and other filings with the SEC for a further discussion of these and other risks and uncertainties applicable to our business. The forward-looking statements and projections contained in this current report on Form 8-K are excluded from the safe harbor protection provided by Section 21E of the Securities Exchange Act of 1934.

---

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

UNITED STATES OIL FUND, LP

By: United States Commodity Funds LLC,  
its general partner

Date: July 6, 2009

By: /s/ Howard Mah

Name: Howard Mah

Title: Chief Financial Officer