



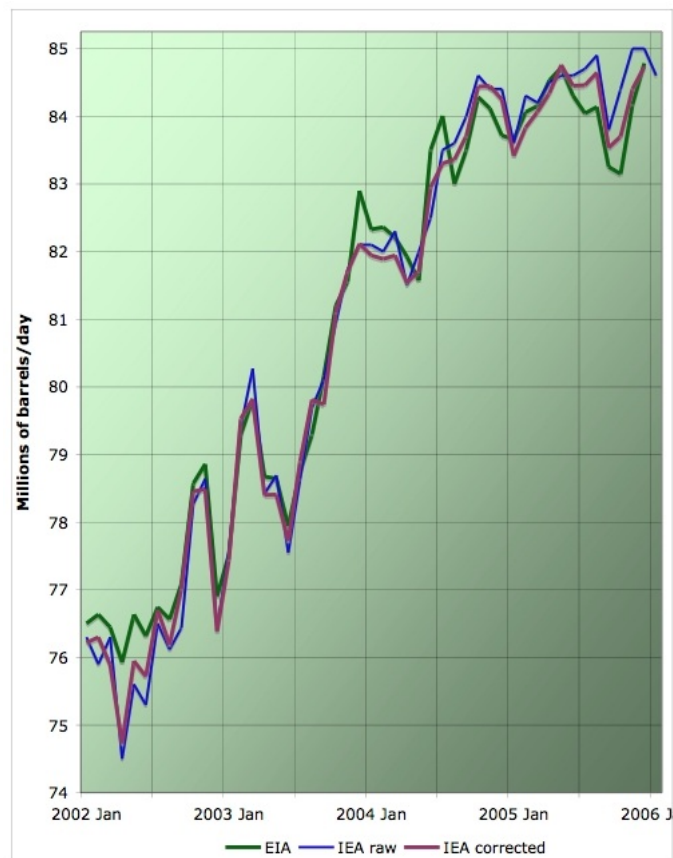
Cigar Now?

Posted by [Stuart Staniford](#) on March 3, 2006 - 8:18pm

Topic: [Supply/Production](#)

Tags: [eia](#), [hubbert peak](#), [iea](#), [peak oil](#), [plateau](#) [[list all tags](#)]

We discussed [a little while ago](#) that the IEA had corrected December 2005 production to be slightly below May 2005 production. Now, [Lou Grinzo alerts us](#) that the EIA has come out with their initial December 2005 numbers, and they show December **higher** than May. So which is it? Here's the updated plateau graph with the IEA and EIA numbers. You can see that while of late the EIA has been running a bit below the IEA, in December they estimated a little higher.



Average daily oil production, by month, from various estimates. Click to enlarge. Believed to be all liquids. Graph is not zero-scaled. Source: [IEA](#), and [EIA](#). The IEA raw line is what they initially state each month. The IEA corrected line is calculated from the month-on-month production change quoted the following month.

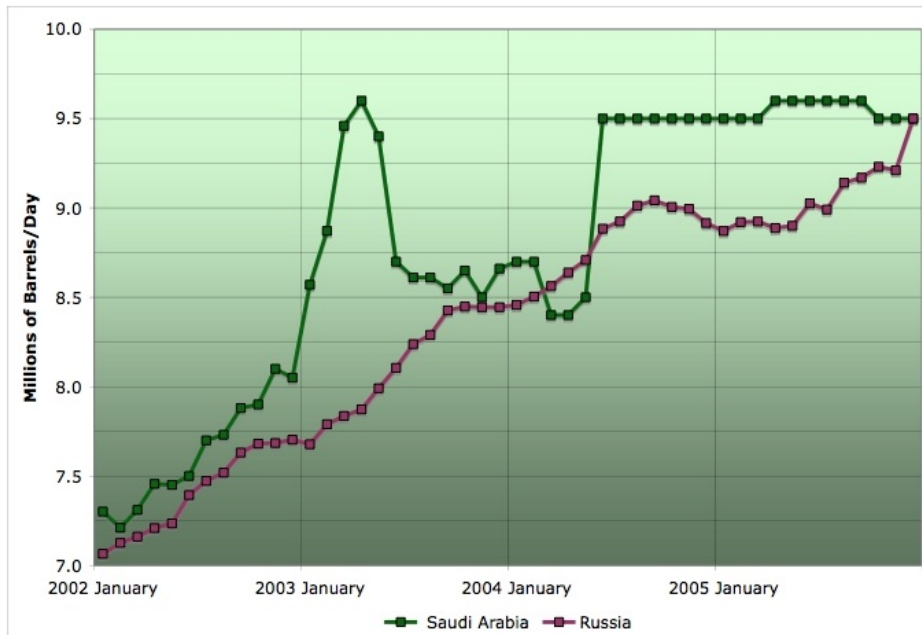
Clearly, the two months are a statistical tie - any reasonable estimate of uncertainty in the numbers would have to be larger than the difference between them. One way to nominally separate them is to average the EIA and IEA numbers together. This next graph shows that series, together with a nine month centered moving average of it.



Average daily oil production, by month, EIA and IEA (corrected) estimate averaged. Also a nine month centered moving average of the monthly series. Click to enlarge. Believed to be all liquids. Graph is not zero-scaled. Source: [IEA](#), and [EIA](#).

This combined series shows **December 2005** to be the new champion. The difference is about 20,000 barrels a day (ie a handful of good wells' worth of production). I don't think this changes anything much about the overall bumpy plateau pattern (particularly not given that the IEA's initial estimate for January is down).

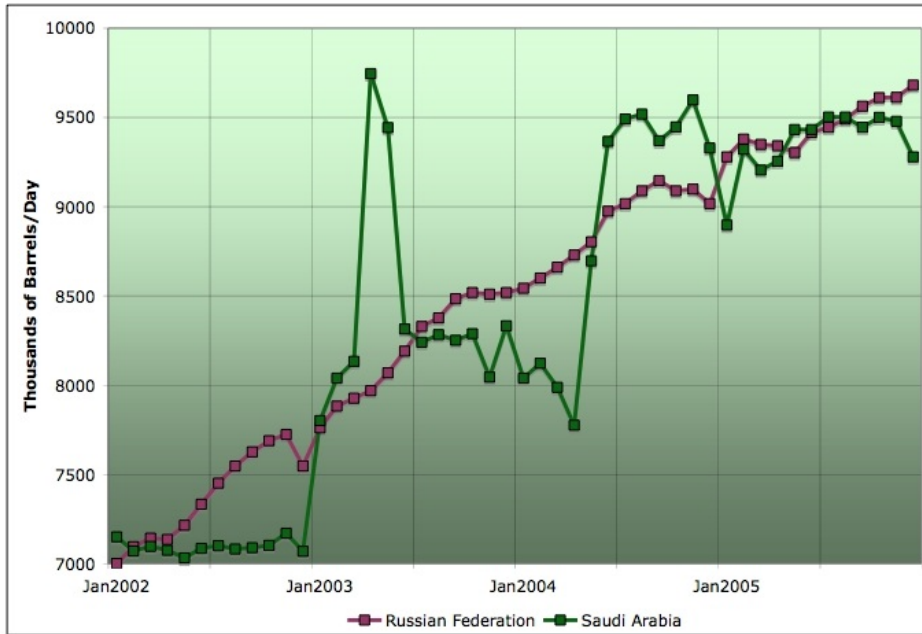
My view is that the leading threat to the "peak oil is about now" hypothesis would be if either Saudi Arabia or Russia can significantly increase production in the next year or two. Checking the EIA country estimates, we see that Saudi Arabia continued flat, but part of the reason for the strength of December global production, besides US hurricane recovery, was that the Russians had a very good month. (I speculate that this may also be why January looks like it might be off a little - Russia had production problems with cold weather). The two countries are now tied for being the world's leading producer.



Average daily oil production, by month, for Saudi Arabia and Russia. Believed to be all liquids. Graph is not zero-scaled. Source: [EIA](#).

Update [2006-3-3 22:40:43 by Stuart Staniford]:

For comparison with that last graph, here's the same thing except sourced from the [Joint Oil Data Initiative](#).



Average daily oil production, by month, for Saudi Arabia and Russia. Believed to be all liquids. Graph is not zero-scaled. Source: [Joint Oil Data Initiative](#).

In this version of events, Russian production has been increasing more steadily, Saudi production is more realistic looking but dropped in December, and Russia has been the world's largest producer for several months.



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