



## DrumBeat: August 4, 2006

Posted by [threadbot](#) on August 4, 2006 - 9:35am

Topic: [Miscellaneous](#)

And we were worried: [Mexico sees no dent to oil output from Cantarell](#)

A dip in output this year at Mexico's aging Cantarell oil field will be offset by rises elsewhere and will not alter oil monopoly Pemex's goal of steady overall output for the years ahead, a senior executive said on Thursday.

They blame the drop in production on well closures:

Morales said the drop occurred because 40 wells at Cantarell were shut as underground natural gas or water cut off oil. Some will reopen and others will be replaced by new horizontal wells that can reach into narrow oil seams.

"It is a temporary impact. We have not modified our forecasts," Morales told Reuters, a day after state-owned Pemex conceded Cantarell's 2006 output would fall 8 percent from 2005, rather than the 6 percent previously forecast.

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### [Iran warns oil could reach \\$200 on sanctions](#)

Global oil prices could hit \$200 per barrel if the United States pursues international sanctions against Iran, an Iranian official said on Thursday, although analysts passed the comment off as saber rattling.

### [Near-meltdown incident at Swedish nuclear reactor](#)

Sweden's nuclear regulator SKI will meet in emergency session tomorrow (3 August) to decide on a possible immediate shut-down of all but one of the country's nuclear power stations supplying up to 50% of Sweden's electricity. Greenpeace has called for the reactors to be shut down following a serious incident last week at Sweden's Forsmark nuclear power station, in which "it was pure luck there wasn't a meltdown" according to a former director of the plant.

Australia: [States go cool on carbon trading](#)

The states have downgraded plans for a multi-billion-dollar nationwide carbon trading system as they concede it threatens to increase electricity prices for families already hit by petrol and interest rate hikes.

The concerns have forced the states' emissions trading taskforce to propose subsidies for poor families facing higher power bills, while also looking at complicated exemptions for greenhouse gas emitters such as aluminium producers and petroleum refiners.

U.K.: [World must race to develop green energy](#) While some scientists want an Apollo-type program, at least one thinks industry should carry the load:

David Baker, a British scientist who joined Nasa's Apollo programme in the 1960s, said rather than copying the Apollo programme, oil and other energy companies should be forced to participate.

"We know what is happening to the climate and we need a concerted sharing of the problem throughout the whole of industry. Why should it be borne wholly by government when there are these companies making huge profits out of all of us?" he said.

### [3 Filipino workers kidnapped in Nigeria](#)

Nigeria: [Two Killed, Policeman Injured As Youths Protest Power Outage in Oturkpo](#)

At least two persons were killed and one police officer injured Tuesday in Oturkpo, Benue State during a violent protest by youths of the town against one week of power outage occasioned by a technical fault at the zonal office of the Power Holding Company of Nigeria, PHCN in the town.

### [New oil takes time](#)

Everyone talks about the need to boost North Slope oil production. Actually, Alaska would be happy with just a slower decline. Production could fall below 800,000 barrels a day in the next year. That's a drop of almost 60 percent from the 1988 peak. Forget the dreams of getting back to 1 million barrels a day as too many candidates have promised eager voters in past years. That's swimming upstream, and the best Alaska can hope for these days is to tread water.

From Tom Whipple: [Portland Takes the Lead](#)

[Heat converts Bush ally Robertson on global warming](#)

Conservative Christian broadcaster Pat Robertson said on Thursday the wave of scorching temperatures across the United States had converted him into a believer in global warming.

..."We really need to address the burning of fossil fuels," Robertson said on his "700 Club" broadcast. "It is getting hotter, and the icecaps are melting and there is a buildup of carbon dioxide in the air."

The *Wall St. Journal* says [Grid Operators Are Scraping the Bottom of the Barrel](#).

### [A shift in forces pushing oil prices higher](#)

According to economist Rakesh Shankar at Moody's Economy.com in West Chester, 2006 has seen a shift in the forces pushing oil prices higher.

"The oil crunch has entered a new phase," Shankar writes. "While higher oil prices in 2004 and 2005 were due primarily to strong demand growth, supply-led constrictions have been the major driver this year.

"The symptoms may appear the same, but the underlying malady and the pain inflicted on the economy are different."



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