



## DrumBeat: September 7, 2006

Posted by [threadbot](#) on September 7, 2006 - 9:12am

Topic: [Miscellaneous](#)

[Update by Leanan on 09/07/06 at 9:14 AM EDT]

### [Plenty of Oil—Just Drill Deeper](#)

*The discovery of reserves in the Gulf of Mexico means supply isn't topping out*

You can tune out all the scare talk about Peak Oil for a while—probably a long while. Peak Oil is the theory, on the verge of becoming conventional wisdom, that the world's petroleum supply is topping out and will not be able to meet global demand soaring along with the economies of China and India. But a successful test in a mammoth field deep beneath the Gulf of Mexico, announced on Sept. 5 by Chevron, Devon Energy, and Norway's Statoil, should help put that scary scenario on hold for decades.

[Update by Leanan on 09/07/06 at 9:27 AM EDT]

### [A Bubble In Crude](#)

Those worried about having enough oil can relax. A big new discovery shows there's plenty out there — if we have the guts and patience to go get it.

### [Rift widens between producers, consumers](#)

High crude prices have widened the rift between consuming nations, hungry for oil now, and producers who argue they must manage their reserves for the future.

Britain used the latest technology to pump as much North Sea oil as possible and now its fields are declining at the fastest rate in the world.

At the other extreme, under-explored Libya, whose oil development was hobbled by years of international sanctions, has rising production rates and great potential.

[Congress finds BP Alaska problems](#): Investigators find "significant problems" with the way BP Plc maintained its Prudhoe Bay facility in Alaska. Matt Simmons says BP's CEO was "AWOL."

### [Energy stats of confusion](#)

One of the hazards involved in energy analysis is placing too much emphasis on raw data, like the kind one finds in the U.S. Energy Information Agency's weekly and monthly reports. While rawness may be a desirable attribute in certain meats and vegetables, it is less desirable in statistical information that is susceptible to errors requiring a correction at some later point. It is even more exasperating when the changes are significant enough to warrant junking a hypothesis that explained the earlier results well but doesn't fit at all with the newly redrawn picture.

### [Offshore-drilling legislation heats up](#)

Tom Whipple - [The Peak Oil Crisis: The Word Begins to Spread](#).

### [Norway oil output 'peaking'](#)

Norway's oil output is peaking at around 3 million barrels per day and will stay at this level for the next four to five years before the country switches focus to natural gas production, a senior government official said today.

### [SRAK Begins Drilling for Gas in Saudi Arabia's Empty Quarter](#)

### [Malaysia runs short of palm oil estates](#)

Malaysia, the world's largest palm oil producer, says that it has almost run out of land suitable for new plantations of the crop, and that it will need to raise productivity of existing trees if it is to tap rising demand.

### [China says energy needs won't cause conflict](#)

### [China to Invest in "Combustible Ice" As New Energy Source](#)

Over the next decade, China plans to invest 800 million RMB (US \$100 million) in the development of methane gas hydrate—so-called “combustible ice”—to meet its rising energy demand and alleviate heavy dependence on fossil fuels, according to a report by the National Development and Reform Commission, the country's top economic planner.

### [Botswana: Analysts Warn of High Fuel Prices](#)

[Russia may face gas supply crisis in 2 years](#)

**[Update by Leanan on 09/07/06 at 1:28 PM EDT]**

[Summary of Weekly Petroleum Data for the Week Ending September 1, 2006](#) - Oil falls below \$67 a barrel after BP says Prudhoe Bay could hit full capacity by next month and report shows surprise jump in gasoline inventories.



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