



DrumBeat: January 31, 2007

Posted by [Leanan](#) on January 31, 2007 - 9:45am

Topic: [Miscellaneous](#)

[Mirror, mirror on the wall, how can oil plan at all?](#)

Every morning as he brushes his teeth, a European oil company chief is reminded of the big question: is his business more like a tube of toothpaste or a glass of water?

If the latter, his job is to make money by being efficient, to keep the tap flowing, the water clean and the glass adequately replenished.

A glass half-empty or half-full is the conventional view of integrated oil companies. These are utilities: there is plenty of oil and gas about and the job is to invest adequately, not overfilling the glass, in order to maximise the amount of money that flows from the taps and pipes.

The other view is that the business of big oil is to capture scarce resources. It's about squeezing as much as you can out of the wrinkly tube. Oil companies are custodians of wasting assets: it's all about reserves, who owns the barrels and the price, monetary or political, to acquire more of them.

Suddenly the debate over what oil companies are about is becoming shrill — and not only because the supporters of peak oil theory are getting more noisy. Whether or not the global oil industry has reached maximum output at some 85-90 million barrels per day, the stock market seems to have lost its ability consistently to price risk in the oil sector.

[Mexican Cantarell Oil Field in Decline: Prelude to a Larger Crash?](#)

Daily output at Mexico's biggest oil field tumbled by half a million barrels last year, according to figures released Friday by the Mexican government. The ongoing decline at the Cantarell field could pressure prices on the global oil market, complicate U.S. efforts to diversify its oil imports away from the Middle East, and threaten Mexico's financial stability.

[Venezuela Hits US Drilling Company with Stiff Tax Bill](#)

Venezuelan tax authorities said Houston-based Pride International, one of the world's top oil drilling firms, evaded paying more than \$32 million in taxes and now must make

good on the bill.

[Goldseek Radio](#): One of the featured guests is Jim Kunstler.

[CEOs, Retired Generals Push to Curb Oil Reliance](#)

An influential private group of corporate chief executives and retired generals is telling lawmakers on Capitol Hill to "think big" on energy.

[More Trains, Less Grain](#)

Mr. Bush never mentioned the only realistic way to reach that goal: transit.

[A Faith-Based Fuel Initiative](#)

Americans who heard President Bush's State of the Union address, including his pledge to reduce America's gasoline consumption, can be forgiven for thinking he was finally ready to change that. But all Mr. Bush really asked for was the authority to set mileage standards in a different way.

[On global warming, what US can learn from Europe](#): *Four Senate bills offer market-based ways to reduce emissions of greenhouse emissions.*

[World energy council highlights nuclear power in Europe](#)

With the world population expected to reach 9 billion by 2050, WEC forecast that global energy consumption will double every year while demand for electricity is to triple.

However, the report points out, there are solid economic reasons to support the development of nuclear power in Europe. "For existing plants the economics behind nuclear power look particularly attractive considering that planned lifetime extensions, capacity increases and license renewals can further reduce costs."

[Loser: Corn-o-copia](#) - *Extravagant subsidies and low coal prices have made for some strange ethanol projects.*

[Oil Companies Lukewarm Over Gazprom's Shtokman Invitation](#)

Oil and gas companies Statoil ASA and Total SA gave a lukewarm response Tuesday to

an offer from Russian gas monopoly OAO Gazprom for them to join the massive Shtokman gas field development in the Arctic as sub-contractors.

[After 4 Years of Growth, Texas Production Activity Hits Plateau](#)

Texas' oil and natural gas production-related activity has plateaued after more than four years of steady growth, according to an index compiled by the Texas Alliance of Energy Producers.

[China Sees Declining Oil Reserves Last Year While Natural Gas Soars](#)

China's proven crude reserves dropped 12.33% last year to 2.19 billion tonnes from a year earlier while natural gas reserves surged more than 50% to 2.27 trillion cubic metres, far higher than the 1.15% average increase of world reserves, the National Development and Reform Commission (NDRC) said.

[JAXA Targets 2008 Launch for Greenhouse Gases Observing Satellite](#)

The Japan Aerospace Exploration Agency (JAXA) is planning a summer 2008 launch for its new Greenhouse Gases Observing Satellite (GOSAT). JAXA unveiled a prototype of GOSAT at its space center in Tsukuba on Monday.

[Russia and Japan Move to Strengthen Energy Ties](#)

After decades of weak ties because of a dispute over four Pacific islands, officials from Japan and Russia have launched high-level talks on such strategic issues as trade and energy.

[Australia PM welcomes report on energy future](#)

Prime Minister John Howard has backed a new energy report which supports his push for nuclear power as a way to combat climate change.

[Scotland Power Crisis Reinforces Need for Fossil Fuel Alternatives](#)

Energy rationing. Energy famine. Are they even possible? It's almost unthinkable in our bright, shiny, well-lit modern world that we'd have to get along without electricity. But it seems to be happening more and more often in densely populated urban areas that rely on centrally generated and distributed power. This time, it's Scotland.

[Paris to roll out free bicycles](#)

The City of Light wants to soon become a city of bicycles. Paris City Hall announced it has selected French outdoor advertising firm JCDecaux SA to operate a new free bicycle service in the capital.

[Harnessing Hydrogen - It's a Gas](#)

"The Hydrogen Office project will show renewable energy for ordinary everyday use in offices and homes can be a realistic and affordable option."

The development is expected to create 1350 jobs and generate up to £81 million in revenue across Scotland over the coming years.

U.K.: [Parking hike for high polluters](#)

Richmond Council in south-west London, has said high carbon dioxide-emitting vehicles will now incur three times the normal residential parking fees.

[South Africa: 'No quick fix to Eskom energy crisis'](#)

The Cape Town Regional Chamber of Commerce and Industry has appealed to businesses to re-examine the way in which they use energy in order to save electricity.

[Brussels urges action on EU blackout threat](#)

EU states should sign up to European Commission reforms on the internal market for energy if they want to avoid the kind of blackouts seen in November last year, Brussels said Tuesday (30 January), trying to steer a middle way between advice and alarmism.

[10 First Steps for a Transition Town Initiative](#)

Transition Town initiatives engage community in peak oil and climate change awareness, planning and action, building on the influential Kinsale Energy Descent Action Plan concept.

[EU Tackles Oil Companies over Climate Change](#)

The European Commission will propose stricter environmental standards for fuel and will require a drop in emissions from oil exploration and transport as part of the fight

against global change, a proposal set for release on Wednesday shows.

[Harnessing the Wind Power of the Highway](#)

How many speeding cars does it take to power a lightbulb? Not such a stupid question —just ask GE.

[Once a Dream Fuel, Palm Oil May Be an Eco-Nightmare](#)

The production of biofuels, long a cornerstone of the quest for greener energy, may sometimes create more harmful emissions than fossil fuels, scientific studies are finding.

["Halt needed on number of biofuel plants"](#)

Governments should introduce a halt on the number of biofuel processing plants until they are certain of how many are being built and are in control of the sector's growth, according to environmentalist Lester Brown from the 'US Earth Policy' Institute.

[Washington state aims to build biofuels industry](#)

Washington state legislators are considering a bill to promote a biofuels industry in the state and require state-owned fleet vehicles to reduce use of fossil fuels.

[Africa seen missing out on clean energy investment](#)

Africa has missed out on booming investment in clean energy projects partly over worries that it is a tough destination to do business, a U.N. official said on Tuesday.

[California may ban conventional lightbulbs by 2012](#)

The "How Many Legislators Does it Take to Change a Lightbulb Act" would ban incandescent lightbulbs by 2012 in favor of energy-saving compact fluorescent lightbulbs.

[Lawns to Gardens](#)

The Humboldt County Peak Oil Action Group will be sponsoring a free two-part Lawns to Gardens workshop on Feb. 6 and March 13, beginning at 7 p.m. both nights, in the Arcata Community Center Senior Room.

[Iran's Khamenei Calls for 'Gas OPEC' with Russia](#)

Iran's supreme leader Ayatollah Ali Khamenei has called on Russia, the world's biggest holder of gas reserves, to help create an organization of natural gas producing countries, the official state news agency IRNA reported.

[Russian Officials Oppose Iran's Idea of Creating Gas Cartel](#)

Officials at the Economic Development and Trade Ministry and the Industry and Energy Ministry do not see any economic expediency in creating a gas cartel.

[An OPEC of a Different Color](#)

Looming on the European horizon may be a new type of "natural gas OPEC" led by Russia. The secret to its success, however, will be its ability to operate under the global radar.

[Climate change report paints doomsday scenario for Sydney](#)

Global warming will leave Sydney in permanent drought by 2070, with huge seas battering its famous beaches and raging bushfires threatening its outskirts, a new report says.

[Bush accused of distorting evidence on climate change](#)

The Bush administration has been accused of routinely misleading the public over the threat of global warming and of orchestrating efforts to try to suppress scientific findings that highlight the reality of climate change.



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