



## **DrumBeat: February 8, 2007**

Posted by [Leanan](#) on February 8, 2007 - 10:25am

Topic: [Miscellaneous](#)

Couple of stories about Norway:

### [Norway Falls from Third to Fifth Place Among World Oil Exporters](#)

Norway dropped to fifth place among the world's crude oil exporters last year as the nation's North Sea production declined, the Norwegian energy ministry said.

### [Norway January Oil Output Falls to 2.419 Million Barrels a Day](#)

Norway pumped about 2.419 million barrels of crude oil a day in January, falling 1.2 percent from the month before, according to preliminary figures from the Norwegian Petroleum Directorate.

---

### [Dale Allen Pfeiffer: The Dirty Truth About Biofuels](#)

In a survey of a large sampling of ethanol studies, the authors found that the average of all these studies taken together showed a net energy loss of 8%. Throwing out the three highest and three lowest outliers cut this loss to 2%.

### [Scientists develop portable generator that turns trash into electricity](#)

A group of scientists have created a portable refinery that efficiently converts food, paper and plastic trash into electricity. The machine, designed for the U.S. military, would allow soldiers in the field to convert waste into power and could have widespread civilian applications in the future.

### [Pemex: Mexico's top oil field declining fast](#)

Chief Executive Jesus Reyes Heróles said the company's official production estimate for Cantarell was for an average of 1.526 million barrels per day during 2007, down 15 percent from an average 1.788 million bpd last year.

The figure is in line with recent industry talk but bleaker than Pemex's outlook six

months ago when it forecast Cantarell's output at 1.683 million bpd for 2007 and 1.430 million for 2008.

Reyes Heróles said that with an exploration and production budget of \$15 billion a year, Pemex could keep total crude oil production steady between 3.0 million and 3.1 million bpd -- also a much less rosy forecast than Pemex was making last year.

### [The Peak Oil Crisis: Connecting the Dots](#)

In the months after 9/11 there was much discussion about the American government's failure to "connect the dots." Hints and clues that Al Qaida was about to launch airborne suicide attacks inside the US abounded but nobody put the bits and pieces together into a convincing warning.

Such it may be with peak oil. There are trend lines and clues from across the earth pointing to serious troubles just ahead, but once again they are not generally perceived as making a "convincing case," especially when nobody really wants to contemplate the conclusion.

### [Venezuela '06 Foreign Oil Investment Plunges; Exploration Up](#)

Foreign oil investment in Venezuela fell 55% in 2006 compared with the year-ago period, indicating that firms halted spending amid contract uncertainty.

...While foreigners trimmed their budgets last year, state-run PdVSA appeared to be busy with exploration work. The 318-page message to Congress showed a 24% rise in exploration spending to 548 billion bolivars (\$255 million) last year from 415 billion (\$193 million) in 2005.

Venezuela completed 15 exploration wells last year, up from 10 in 2005. The number of oil production wells completed last year shot up to 450 from 182 in 2005.

### [Oil sands pumping problems: report](#)

According to Simon Dyer, researcher for the University of Alberta's Pembina Institute and co-author of the report, *Death by a Thousand Cuts*, Alberta is facing a serious environmental crisis due to oil sands development in the northern part of the province.

### [Devon: To Drill Additional Jack Well in 2nd-Half '07](#)

A second delineation well will be drilled at the Chevron Corp.-led Jack project in the second half of 2007, Hadden said. Jack serves as the bellwether for the exploitation

potential of the lower Tertiary trend, a rich hydrocarbons layer buried deep beneath the Gulf's subsoil.

### [Exporters should not fear energy-cost labelling](#)

Major British retailer Tesco has announced that it will soon label all produce that has been airfreighted to Britain with a sticker. Environmentally conscious customers would this way be warned of the energy costs of getting this product to market.

### [Russia pins energy hopes on new nuclear monopoly](#)

This is a revolutionary event - the state has established control over the entire civilian branch of the nuclear industry. It has revived the old but highly effective Soviet style of management: government control.

### [El Paso settles oil-for-food allegations](#)

The nation's largest natural gas pipeline company agreed to pay the federal government \$7.7 million to settle corruption allegations related to the U.N. oil-for-food scandal over aid to Iraq, according to a settlement announced Wednesday.

[Filipino woman kidnapped in Nigeria](#) - the first female captive. A French engineer has also [been seized](#).

CNN ran a special report on Nigeria last night. [Big guns, big oil collide in Nigeria](#)

### [ExxonMobil signs deal with Libya for offshore oil](#)

US oil giant ExxonMobil announced it had signed an agreement with Libya's National Oil Corporation to start exploration activity in the Sirte Basin off the Libyan coast.

### [Gore: Nations must take lead in warming](#)

Emerging economies such as China are justified in holding back on fighting greenhouse gas emissions until richer polluters like the United States do more to solve the problem, former Vice President Al Gore said Wednesday.

### [Is President Bush Changing His Views on Global Warming?](#)

[White House issues rare letter defending record on warming](#), claims climate change has been a top priority since Bush's first year in office. Also, the White House says the [U.S. is doing more than Europe](#) to combat global warming.

### [Global Warming and Hot Air](#)

Don't be fooled. The dirty secret about global warming is this: We have no solution. About 80 percent of the world's energy comes from fossil fuels (coal, oil, natural gas), the main sources of man-made greenhouse gases. Energy use sustains economic growth, which -- in all modern societies -- buttresses political and social stability. Until we can replace fossil fuels or find practical ways to capture their emissions, governments will not sanction the deep energy cuts that would truly affect global warming.

### [Jeremy Leggett: Let the train take the strain](#)

The theory is this. The world is full of wonderful books, and terrible airports. Drop the airports. Read the books. Take the train.

### [The US Dollar will Crash during 2007 due to \\$8.6 trillion debt](#)

As long as foreign lenders are willing to take our paper, Bush will keep expanding our debt. As Chalmers Johnson opined, "We are dependent on 'the kindness of strangers'". (The Blanche Dubois economy)

Of course, if the central banks grow tired of this pyramid-scheme and dump the dollar; the world can get on with the business of addressing global warming, poverty, AIDs, Peak Oil, nuclear proliferation etc. That won't happen as long as the dollar reigns supreme and a small cadre of unelected racketeers at the Fed continue Gerry-rig the system.

### [Gold Prices Rise as Gold Mining Output Drops](#)

But what about "Peak Gold", we wonder. What might it do for investors looking to offset a little of the turbulence caused by Peak Oil...?

### [Texas-Sized Energy Crisis Looms](#)

The worst of these proposals would limit the natural gas burned in Southern California to a "Wobbe" index of 1360. Current sources of natural gas have a Wobbe rating of 1400 or so, and the State Public Utilities Commission last year set a requirement of getting a Wobbe rating of 1385.

What does all of that mean? Practically speaking, it means that natural gas from California, the Rocky Mountains and liquefied natural gas would be verboten across Southern California—and any territory served by Sempra Energy's So Cal Gas Company. And of course, what is a primary source of electric generation for Southern California—you guessed it...natural gas!

### [Majority Leader: House Dems 'Not Going to be Locked into One Giant Bill'](#)

House Democrats plan to bring several smaller energy bills to the floor by early summer instead of a single, comprehensive measure, Majority Leader Steny Hoyer (D-Md.) said yesterday.

### [Science ain't cheap](#)

The budget only has a 1 percent real increase — real means adjusted for inflation — in R&D in energy, atomic energy, natural resources and environment and transportation.

### [Strickland: Ohio must pursue alternative fuels](#)

When the United States experienced an energy crisis in the 1970s, attention suddenly focused on alternative fuels. However, when the price of gas went down again, much of that attention on alternative energy drifted.

### [Re-enactor 'Perfect Storm' Strikes Shell Station](#)

A group protesting the United States' dependence on foreign oil had dressed in leisure suits and were lining up outside the station in 1970s-era cars to simulate the gas lines of the first energy crisis in 1973.

### [Nabors: Canada Drilling, Dayrates Down 20% in '07](#)

Nabors Industries Ltd. (NBR) drilling operations in the U.S. and Canada will decline in 2007, as low natural gas prices and high service costs turn off producers, chief executive Gene Isenberg said Wednesday.

### [Bush Requests \\$16.2M Budget Increase for MMS](#)

"This is a critical year for the nation and our growing energy needs," said Johnnie Burton, MMS director.

"With this budget request, MMS can continue moving forward to ensure safe and clean development of needed ocean energy, as well as an efficient and accurate mineral revenue collection process," Burton said.

### [Same Story, Different Day](#)

China has a rapacious hunger for nearly everything under the sun. Now the Waking Dragon is turning its head-and its wallet-towards Africa.

### [From Afghanistan to Iraq: Connecting the Dots with Oil](#)

In the Caspian Basin and beneath the deserts of Iraq, as many as 783 billion barrels of oil are waiting to be pumped. Anyone controlling that much oil stands a good chance of breaking OPEC's stranglehold overnight, and any nation seeking to dominate the world would have to go after it.

### [Iran Nuclear: Weapons or Energy](#)

...the Ford administration strongly supported the Shah of Iran's plan to develop nuclear energy, according to *The Washington Post*. President Ford even endorsed a multibillion-dollar deal that would have provided Tehran with substantial quantities of plutonium and enriched uranium, either of which could be used to build nuclear bombs. "The introduction of nuclear power will both provide for the growing needs of Iran's economy and free remaining oil reserves for export or conversion to petrochemicals," said the Ford strategy paper.

### [Vegetarian Is the New Prius](#)

Livestock destroy the environment, so fill your bowl with veggies instead of veal.

### [Fuel from forests is new clean energy goal](#)

By 2010, China plans to plant an area the size of England, or 13 million hectares, with trees from which biofuel can be extracted as a source of clean energy, according to the State Forestry Administration (SFA).

### [European blowback for Asian biofuels](#)

New European concerns about the adverse environmental impact associated with Southeast Asian-produced biofuels threatens to scupper the rapidly growing

multibillion-dollar industry, just as big new production facilities and cultivation areas come onstream.

### [U.S. Seeks Partnership With Brazil on Ethanol: Countering Oil-Rich Venezuela Is Part of Aim](#)

#### [Idea to use biofuel to reach rural India](#)

Idea Cellular, which will launch its Initial Public Offering (IPO) on Feb. 12, Ericsson and the GSM Association's (GSMA) Development Fund have teamed up to develop biofuels as a source of power for wireless networks in rural India. In a pilot project in Pune, the three organizations will begin using biofuels to power mobile base stations located beyond the reach of the electricity grid.

#### [Scholars to consider the shrinking of cities](#)

Scholars gather at UC Berkeley this week to ponder a trend much-studied in Europe but little-discussed in the United States: the shrinking city.

The phenomenon touches places as varied as Paris; Youngstown, Ohio; Leipzig, Germany; the Taebak Mountain region of South Korea; and parts of the San Francisco and San Jose metropolitan areas, scholars say.

#### [Jaimini Bhagwati: Strategic oil reserves and other options](#)

Obviously, each country has to work out for itself the tradeoff between costs and benefits of holding strategic oil reserves. The current cost of importing 5 million tonnes of oil is about \$2 billion. Assuming a 5 per cent risk-less rate of return, the financial cost of holding 5 million tonnes of oil would be about \$100 million per annum. In addition, there would be storage and personnel costs. It appears that no significant hedging benefit would be realised by holding such a low volume of strategic oil reserves.



This work is licensed under a [Creative Commons Attribution-Share Alike 3.0 United States License](#).