



## DrumBeat: March 9, 2007

Posted by [Leanan](#) on March 9, 2007 - 10:13am

Topic: [Miscellaneous](#)

### [Happy Birthday Peak Oil](#)

Commemorating the 51st Anniversary of M. King Hubbert's Seminal Speech, the Hubbert Tribute site ([www.mkinghubbert.com](http://www.mkinghubbert.com)) has released a 1976 video clip of Hubbert speaking about world oil depletion and explaining the concept of peak oil. Several years after his startlingly accurate prediction that the U.S. would peak in 1970 and in the context of the 1970s energy crisis, Hubbert speaks about the theoretical Hubbert curve which suggested a worldwide peak of oil extraction in 1995.

...In the past several years, Hubbert and his predictive model have been roundly criticized by detractors such as CERA (Cambridge Energy Research Associates) because world oil extraction did not peak in 1995 and still has yet to peak.

Hubbert clearly articulates that the OPEC countries had already by 1976 changed their production profiles such that his world production curve would likely be shifted by about ten years. He also speculates that the growth rate at the time could also be flattened in the future which could also change the curve.

### [Output Falling in Oil-Rich Mexico, and Politics Gets the Blame](#)

...Pemex is in trouble. Its production and proven reserves are falling, and it has no money to reverse the slide. Mexico is the second-largest supplier of imported oil to the United States, after Canada, but its total exports are slipping. If the company continues on its current course, Mexico may one day have trouble just keeping up with rising demand at home.

### [Heerema Workers Vote to Strike Over Pay Deadlock](#)

Workers at rig builder Heerema last night voted overwhelmingly in favor of taking industrial action at the firm's North-East UK site after pay negotiations broke down.

### [Japan Endorses Energy Policy to Step Up Oil Diplomacy](#)

Japan's Cabinet today approved a revised energy policy that highlights stronger ties

with nations producing oil, natural gas and uranium, and the development of next-generation nuclear technology, the government said.

### [PdVSA, ConocoPhillips, Chevron Set Transition Team for Orinoco, Corocoro](#)

ConocoPhillips (COP) and Chevron Corp. (CVX) have agreed to set up a transition team with Petroleos de Venezuela SA to guarantee stable supply during the transfer of two major projects in the Orinoco tar basin and the Corocoro offshore oil block, said PdVSA on its Web site Thursday.

### [Turning the Baltic Sea Into a Second Bosphorus?](#)

The Russian government recently declared its intention to turn the Baltic Sea into an oil-shipping corridor to Western Europe, carrying up to 150 million tons of Russian oil annually aboard tankers. This intention constitutes only the most recent threat to maritime safety and ecology in the crowded Baltic Sea and the straits leading to the North Sea. Parallel plans for a Russian gas pipeline along the Baltic seabed and for a liquefied-natural-gas (LNG) plant near Leningrad, which would involve still more traffic by tankers, add up to a gathering danger for the entire Baltic basin, affecting the North Sea as well.

### [Turkey-Russia: End of an era](#)

Russian giant oil company Lukoil's decision not to build a \$2.5 billion dollar refinery in Turkey is a very important sign of the change.

### [US State Dept Warns Intl Cos Face Rising Risk in Iran Deals](#)

The U.S. State Department on Wednesday warned that international companies investing in Iran face an increasing business risk given heightened chances for harsher sanctions amid efforts to halt Iran's alleged nuclear weapons program.

### [Ontario was alerted to 'hiccup' in fuel supply, group says](#)

The Ontario government was warned that the province was facing the spectre of a fuel shortage last year, 13 months before many gas stations temporarily shut down last week after running out of supplies.

### [Iran Sets Mar Deadline on Total's Gas Field Invest](#)

French energy major Total SA (TOT) has until the end of March to decide on its

investment in the upstream development of phase 11 of the South Pars gas field in the Persian Gulf, an Iranian Oil Ministry official said Wednesday.

### [Industry Testifies Before Congress In Food Vs. Fuel Debate](#)

Testifying before the livestock, dairy and poultry subcommittee of the House Agriculture Committee Thursday, members of the poultry and livestock industries warne that consumer food prices will rise if the burden of expensive corn is not alleviated.

### [New House panel to study global warming](#)

House Democrats, intent on making climate change a marquee issue, created a special panel Thursday to study and offer recommendations on how to deal with global warming.

### [EU leaders clinch climate change deal](#)

European Union leaders clinched a landmark climate change accord on Friday that set a binding target for renewable energies to make up 20 percent of overall EU energy consumption by 2020.

### [Climate change pushes "African" diseases north](#)

Global warming is pushing northwards diseases more commonly found in developing countries, posing a risk to the financial and physical health of rich nations, the head of a livestock herders' charity said.

### ["Don't discuss polar bears": memo to scientists](#)

Polar bears, sea ice and global warming are taboo subjects, at least in public, for some U.S. scientists attending meetings abroad, environmental groups and a top federal wildlife official said on Thursday.

Environmental activists called this scientific censorship, which they said was in line with the Bush administration's history of muzzling dissent over global climate change.

### [Biofuel push draws inventors and investors](#)

The effort to turn plant waste into a new form of ethanol is attracting ingenuity and

investors.

### [DOE Selects 13 Solar Energy Projects for up to \\$168 Million in Funding](#)

U.S. Department of Energy (DOE) Secretary Samuel W. Bodman today announced the selection of 13 industry-led solar technology development projects for negotiation for up to \$168 million (FY'07-'09) in funding, subject to appropriation from Congress. These projects will help significantly reduce the cost of producing and distributing solar energy.

### [‘The Saudi Arabia of wind’](#)

It's both challenging and revivifying to try to keep up with the latest developments in peak oil/climate change. As I write, the news is that Shell and BP are opting for wind turbine development. "All the stars are aligning in a way that supports alternative energy," says Robert Lukefahr, president of BP Alternative Energy North America, as reported in the March 2 Boston Globe. "Energy security issues will cause many communities to seek indigenous supplies of energy."

### U.K.: [Going "Green" - thinking beyond Peak Oil!](#)

We are constantly being told by the Government that we, as a nation, must reduce the size of our "Carbon footprint". The fact that we are adding, net, some 250,000 people to our population each year through immigration – whom, in aggregate, adds significantly to that footprint – and probably cancels out any reduction made by the current population - appears to have escaped this government!

If the government were serious on this issue then they would halt immigration immediately.

### [Who's Afraid of Liquefied Natural Gas?](#)

Think about the eco-friendly posture America has widely embraced: Recycling, open space, water purification, the increasing market for hybrid cars, the ban on offshore oil drilling along the Florida and California coasts. This is truly a sea change (the oceans have benefited as well), so it's truly a cause for celebration, no? Well, to hear leading environmentalists tell it, the answer is an emphatic "no." And if they keep up the gloom and doom, it could mean real trouble for the larger issues they claim to care about most.

### [Snubbing Chavez and Seducing Brazil Are Two Sides of Same Bush Game](#)

The cost of the alliance can be measured in terms of its environmental and social impact. It assumes the destruction of the Amazon and the ruin of millions of small farmers.

But it is also a call to re-route North-South relations in the Americas. The second objective of Bush's tour March 8-14 relates to the need to control the spreading influence of Hugo Chávez.

### [Saving the World, One Plastic Bag at a Time](#) - *San Francisco Lawmaker Pushes For Plastic Bag Ban*

"We all have a responsibility in dealing with what I think is going to be an unabated oil crisis, an energy crisis," Mirkarimi said, "and I think our determination to save this planet, environmentally and economically, starts here at home."

### [Venezuela kicks off surveys to build USD 2.5 billion refinery in Nicaragua](#)

Venezuela has started land surveys required for construction in Nicaragua of a USD 2.5 billion 150,000 bpd refinery expected to be completed in four years, Reuters reported.

### [South Africa: Gas Shortage Looms As Refinery Shuts Down for Maintenance](#)

The Western Cape is poised for another energy crisis this year after the Chevron Refinery in Milnerton announced a planned maintenance shutdown that is expected to cut short the supply of Liquid Petroleum Gas (LPG) for more than a month.

### [Government can't solve energy crisis it created](#)

Cut through the hype and this fact stands out: We have an estimated 112 billion barrels of crude oil reserves in U.S. oil sands and in offshore deposits, mostly in the Gulf of Mexico. That will power 60 million cars and heat 25 million homes over the next 60 years. Job No. 1 for achieving energy independence is removing regulatory roadblocks and encouraging the enormous investment needed to extract these domestic oil supplies.

### [Energy Taxes, Oil Prices and Economic Illiteracy](#)

Wood ought to know that free markets, not taxes, conserve resources. This is really basic stuff. When the supply of any resource falls its price rises. Eventually the price could reach a level where the cost of producing an additional unit exceeds the demand. In other words, the point at which production further units of the product become uneconomic. This is why we never run out of resources in a free market. If, however, a resource is treated as a free good, as in the case of fish, then complete exhaustion is possible. This is obviously not the case with oil.

### [Alaskans already aware of energy issues](#)

Rural Alaska's energy crisis has been underway for years, and domestic natural gas from here in the Great Land would be a godsend for Alaskans far removed from the energy-supply infrastructure. The recent, gradual acknowledgment of Southcentral's impending gas-supply crisis urges progress on this issue.

### Kenya: [Hola horror as fuel shortage grips](#)

Hola town and its environs are facing an acute shortage of fuel having gone without fuel for the last one week.

The situation has forced all Government vehicles using petrol to be grounded making and halting government services.

### [Surplus of gasoline blends leads to shortage of fuel, higher prices](#)

Why don't the nation's smoggiest areas use the same gas California sells, which is the cleanest-burning fuel in the United States? The Clean Air Act of the early 1990s requires special blends of gasoline to be used in the country's urban areas. Instead of settling on one type of reformulated gas, Washington permits each area to use whatever blend it wants. There are about 18 different types, making it difficult to move gas from one region to another when supplies run tight. That is a major reason behind the 40-cent-a-gallon increase over the last month.

### [Weekly Offshore Rig Review: Floating Rig Fans](#)

In the previous edition of the Weekly Offshore Rig Review, we looked at the companies that are contracting the largest competitive jackup fleets in the world. This week, we will continue our examination of leading operators by looking at the companies that are contracting the largest numbers of semisubmersibles and drillships.

### [New ideas from Germany's professor of wind energy](#)

'The market is booming worldwide,' says Kuehn. 'It is expanding by 20 per cent a year.' Last year, world sales of equipment totalled more than 11 billion euros, with German makers capturing somewhat more than one third of that.

### [Arguments stack up for steady Opec oil output](#)

"There is little fundamental argument for a cut now. Oil prices are on a rising trajectory

and market balances are tightening," said Paul Horsnell, an analyst at Barclays Capital.

"If anything, Opec should be starting to think about increasing production later in the year."



This work is licensed under a [Creative Commons Attribution-Share Alike 3.0 United States License](http://creativecommons.org/licenses/by-sa/3.0/).