



## DrumBeat: March 14, 2007

Posted by [Leanan](#) on March 14, 2007 - 9:03am

Topic: [Miscellaneous](#)

[Crude Addiction](#) - *an interview with Samsam Bakhtiari* [PDF]

If you believe a number of growing voices on the subject, our industrialised, oil based global economy teeters precariously on the verge of a spectacular crisis. If you believe the peak oil theorists, 2006 marks the year of peak oil, the global peak of crude oil production.

For the peak oil set, the theory is simple. For six generations, the world has gorged on a ready supply of cheap oil. This fundamental commodity has proven to be in abundant supply – augmented in times of high demand by the seemingly endless supply of sweet light crude pumped effortlessly from the mega oil fields like the Saudi Arabian Ghawar field. Those days are gone, the theory contests. A new era with a different set of rules means there will be nothing like business as usual.

Such views belong to a small but growing league of global oil experts like the Tehran based Dr Ali Morteza Samsam Bakhtiari.

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## [World population may reach 9.2 billion by 2050](#)

The world's population will likely reach 9.2 billion in 2050, with virtually all new growth occurring in the developing world, a U.N. report said Tuesday.

According to the U.N. Population Division's 2006 estimate, the world's population will likely increase by 2.5 billion people over the next 43 years from the current 6.7 billion – a rise equivalent to the number of people in the world in 1950.

## [Forecast: Partly Cloudy](#)

What happens when the world population hits 7 billion? How about 8 billion? Or 9 billion, as the United Nations is predicting? Hospitals without life-support machines. Grocery stores without refrigerators. Shopping malls, office towers, and neon gone dark. Printers and fax machines that don't hum. Trains that don't run, phones that don't ring, computers that don't blip or announce new e-mail. . . . because there is no e-mail; there is no Internet. The global grid is down. And where it's still up and running, it's pockmarked with dead zones that have made the whole network slow to a crawl. Even

the electronic stock tickers on Wall Street have flickered out.

### [Is OPEC Set To Pump Again?](#)

OPEC's campaign to boost oil prices by constraining supply has worked. As oil ministers meet this week, signs are mounting that the group will soon have to begin pumping more crude.

### [Foreign Energy Firms Pay Bolivia \\$30M 'Under Protest'](#)

Brazil's state-owned Petrobras, Spain's Repsol YPF and French oil major Total paid Bolivia some \$30 million in accord with La Paz's so-called nationalization of its natural gas reserves, but the companies said they were forking over the money "under protest."

### [Shell Eyes Developing Iraqi Gas Fields - Iraqi Official](#)

Royal Dutch Shell PLC (RDSA) has expressed its willingness to the Iraqi government to invest in Iraq's gas fields and to set up a pipeline that would connect these gas fields to Europe via Turkey, a senior Iraqi oil official said Tuesday.

### [Chevron reviews possible expansions at refineries](#)

Chevron Corp. said Tuesday that it was considering expansions at several refineries, including two in California, but was abandoning plans to build a natural gas import facility off the coast of Baja California.

The nation's second-largest oil company also said it expected to spend \$19.6 billion on infrastructure and development projects this year, with three-quarters of the money going toward oil and natural gas exploration and production in places such as the Gulf of Mexico, northwest Australia and the deep waters off West Africa.

### [The end of garbage](#)

Can you imagine a world of zero waste? Cities and towns across the world - and a surprising number of companies - have adopted that goal.

### ['Green fuel' from seaweed could help solve energy crisis](#)

The new technology unveiled by the firm at an international conference on marine biotechnology that opened on Sunday in Eilat, allows the industrial cultivation of

seaweed through the use of carbon dioxide emissions from power plants.

### [Capitalism Put on Trial, Buffett Eats: New Nonfiction](#)

*Deep Economy: The Wealth of Communities and the Durable Future* by Bill McKibben (Times, \$25). In a vein similar to Barber's, McKibben offers a clear-eyed reassessment of the meaning of growth, arguing that it's no longer making the world wealthier but instead is "generating inequality and insecurity" and "bumping against physical limits, like climate change and peak oil, so profound that continuing to expand may be impossible or even dangerous."

### [OPEC likely to keep output levels steady](#)

OPEC is unlikely to change output levels when oil ministers of the 12-nation organization meet Thursday, senior Kuwaiti and Libyan oil officials suggested Wednesday — comments that reflect producer satisfaction with present prices.

### [Constructive engagement with NY Times?](#)

Overall, the thrust of the article is much of what we have come to expect from a lot of the mainstream media: don't worry, we have plenty of oil left, and we will use technology to recover a great deal of what has heretofore been regarded as unrecoverable, especially now that high oil prices make enhanced recovery more attractive. The phrase or paraphrase "running out of oil" is used in a couple of different places, one a quote from Yergin at CERA. This tends to perpetuate the seemingly purposeful and continuing obfuscation of the critical significance of getting just half way to running out - the Peak Oil phenomenon.

### [Selective reporting does not disprove peak oil](#)

It is simply amazing how often journalists and editors can dutifully report the facts as told to them by their sources without bothering to try and understand the larger picture. Specific data, cited as "proof" for a particular theory could in fact be evidence for the complete opposite conclusion if the entire data set was examined.

### [Peak oil: What the media don't want you to know](#)

For each isolated example they provide for a production increase in an old field, it's easy to list multiple examples of fields that have had more dramatic decreases in production. As an example, the Prudhoe Bay field has declined ~1,250,000 b/d in less than half the time it took the Kern River field to increase ~75,000 b/d. While it took the Duri field ~20 years for production to increase ~135,000 b/d, production from the Cantarell

complex (Mexico) is likely to decline ~1,700,000 b/d in an 11 year period (2004-2015).

If the examples provided in the NYTimes article are so dramatic, one has to ask the following questions: Why has California's oil production declined ~500,000 b/d since 1985 in spite of the Kern River field exhibiting its dramatic increase? Why has Indonesia's oil production declined ~600,000 b/d since the early 1980s if Duri is such a miracle? Why has Texas' oil production declined ~2,500,000 b/d since 1972 even as the estimated ultimate recovery for the Means field doubled?

### [Britain aims for CO2-limit target dates](#)

The British government proposed bold new environmental legislation Tuesday that would set legally binding, long-term limits on carbon emissions — a move it hopes will prompt the United States, China and India to follow suit.

### [Survey: Climate change seen as threat](#)

A survey on climate change conducted in more than a dozen countries found that a majority of people in nations including South Korea, Australia, Iran and Mexico — but not the United States — view global warming as a critical threat.

### [Hydrogen Is Already Having An Impact On The Automotive Market](#)

Despite commercial deployment being at least two decades away, hydrogen powered vehicles are already having an impact on today's automobile market. This is one of the conclusions of a report published this week by Cambridge, UK based analysts CarbonFree. The report highlights examples of automobile manufacturers and energy companies experimenting with hydrogen powered automobiles to add a shade of green to their existing brands. However, CarbonFree warns it would be difficult for incumbent players to commercialise these next generation vehicles without cannibalising revenue from existing products.

### [Idaho's Bounty: Linking regional farmers and buyers](#)

Spurred by concerns about "peak oil," dissatisfaction with industrialized farming methods, and a growing demand for local produce, about 40 organic farmers and ranchers, entrepreneurs and community leaders met in Hagerman in late February to establish the "Idaho's Bounty" food cooperative. The co-op organizers plan to link regional growers and food producers from the Magic Valley and Hagerman with Internet-based food shoppers in the Wood River Valley.

### [Oil and Gas Industry Prefers Personal HPC Capacity, Says Microsoft](#)

But the most interesting part of the day, perhaps, was a report that Microsoft commissioned by Gelb Consulting Group that indicated that companies in the oil and gas industry believed that their ability to discover oil and gas reserves and thereby help their companies increase production was being hampered by limitations on access to high performance computing resources.

[UPI Energy Watch](#): Putin calls for setting up state-controlled shipping firm, Gazprom, Egypt to strengthen gas cooperation, Iran mulls India's request to boost gas supplies

### [Nausea - Kunstler](#)

I went around some neighboring towns here in upstate New York to look at the real estate yesterday. I was impressed by how uniformly crummy everything was... In the old houses priced above \$300-K, the rotting sills and delaminating surfaces are plain to see. Of course, the buildings are worth something, but my guess is less than a third of the asking price by any realistic valuation. But at least these things were made of materials generally found in nature. The new houses were all glue and vinyl, and of course they were mostly built in places dissociated from any town itself, meaning the hapless owners will have to own multiple cars to live there and make multiple trips per day — not a good prospect for the years ahead.



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