



DrumBeat: April 3, 2007

Posted by [Leanan](#) on April 3, 2007 - 8:54am

Topic: [Miscellaneous](#)

[Crude: Barrels of fun to crack you up](#)

In 1949, the movie *It Happens Every Spring* chronicled the professional baseball exploits of a bookish US Midwestern science professor, played by Ray Milland, who discovers a chemical coating for baseballs that will make them impossible to hit. However, if somebody was making a movie called *It Happens Every Spring* in 2007, the subject would not be baseball, but the now annual spring reaming that oil consumers are once again undergoing at the hands of the world's oil interests.

[Defence report underlines terrorist threat to oil refineries](#)

Oil refineries could become a key target in terrorist efforts to cripple economies around the globe, warns a Department of National Defence report obtained by the Ottawa Citizen.

[U.S Oil Companies Look to Invest in Riskier Regions](#)

Major oil companies are looking to invest in increasingly risky corners of the world, as high oil prices and tightening access to oil reserves make these regions more attractive.

[Gazprom plans to become global energy leader](#)

Russia's energy giant Gazprom [RTS: GAZP] said Tuesday it plans to become the world's largest energy company.

[UAE awards Hormuz bypass oil pipeline contract](#)

Abu Dhabi's government-owned International Petroleum Investment Company (IPIC) has awarded Germany's ILF a contract to build a pipeline that would allow more than half of UAE's crude exports to bypass the Strait of Hormuz.

[Japanese Official Pessimistic About Gas Talks](#)

Foreign Minister Taro Aso of Japan has said he is "not optimistic" about progress in talks with China over joint development of natural gas reserves in a disputed area of the East China Sea.

[Beijing explores sea beds, in search of oil](#)

The China National Petroleum Corp (Cnpc), announced today that it will ramp up its exploration of offshore gas and oil reserves this year. The biggest oil discovery in China in 10 years was recently confirmed in the Bohai Sea.

[Vietnam's crude oil export down in Q1](#)

Vietnam exported over 3.9 million tons of crude oil worth more than 1.7 billion U.S. dollars in the first quarter of this year, down 7.9 percent and 14.6 percent respectively year-on-year.

[Judge Tosses \\$7.6M Kerr-McGee Verdict](#)

A federal judge has overturned a jury's verdict that Kerr-McGee Corp. knowingly underpaid federal oil royalties by nearly \$7.6 million, saying the government auditor who accused the company did not have the legal standing to file a lawsuit.

[Alternative-Fuels Pioneer Receives First-Ever \\$100,000 Lemelson-MIT Award for Sustainability](#)

Your car could soon become a vegetarian thanks to a process for cost-effectively converting cellulosic biomass, such as grass, wood, wheat and rice straw, into ethanol that can be used for fuel.

[Clearing the ethanol air](#)

Canadians, especially Barrie residents, need the straight facts about ethanol.

[The proposed Iranian oil bourse will accelerate the fall of the US Empire](#)

A nation-state taxes its own citizens, while an empire taxes other nation-states. The history of empires, from Greek and Roman, to Ottoman and British, teaches that the economic foundation of every single empire is the taxation of other nations. The imperial ability to tax has always rested on a better and stronger economy, and as a consequence, a better and stronger military.

...For the first time in history, in the twentieth century, America was able to tax the world indirectly, through inflation. It did not enforce the direct payment of taxes like all of its predecessor empires did, but distributed instead its own fiat currency, the US dollar.

[Using Oil to Understand Inflationary Pressures](#)

Due to oil's inseparable connection to economic growth, any supply constraints will inflate the cost of everything from the food we eat to the computers we buy. As the prices of these goods and services rise with the cost of energy so do inflationary pressures. Attempts to control this type of inflation through the use of rate cuts will only be successful once economic growth is stifled (recession) and the demand for the supply diminished. Only then will prices correct and inflationary pressures be eased.

[Iran crisis will put Asian economy in clear danger](#)

The crisis also brings into focus Asia's growing reliance on oil and natural gas supplies from the volatile Gulf region and the economic and political repercussions of this dependence. Asia's export-oriented but oil-short economies are tied to the fortunes of the Gulf by an energy lifeline. Both regions are integral parts of a vast conveyor belt of seaborne commerce that runs between the Indian and Pacific oceans.

Time: [51 Things We Can Do](#)

Can one person slow global warming? Actually, yes. You—along with scientists, businesses and governments—can create paths to cut carbon emissions. Here is our guide to some of the planet's best ideas, with an assessment of their impact and feel—good factor.

[WTTC launches debate on climate change with global ad campaign](#)

The World Travel & Tourism Council (WTTC) launches an international campaign to call to dialogue the issues on climate change. The campaign will run full pages in authoritative publications including The Daily Telegraph, Newsweek, The Wall Street Journal and travel trade media around the world.

[Saudi Arabia refining Chinese relations](#)

Given the length of time it has taken to conclude the deal, some analysts have noted that rising project costs may well have been a factor too - across the world high steel and other material prices have led to hefty cost hikes and even the abandonment of some

projects.

[Toughening Up in the Gulf](#)

Royal Dutch Shell's Mars oil platform is whole again, with two months to spare before hurricane season begins in June.

...But this time, revamped clamps give the substructure a much stronger grip on the platform, said Charlie Williams, chief scientist of well engineering and production technology for Shell.

[Biofuel Bliss - The Second Coming](#)

Research like that being done at the Colorado State University's (CSU) Engines and Energy Conservation Laboratory and the University of New Hampshire (UNH), suggests that algae could supply enough fuel to meet all of America's transportation needs in the form of biodiesel.

That's right . . . all of it!

[Investigative Carte Blanche casts doubt on De Beers Fuel](#)

Investors in De Beers and Infiniti Biodiesel were given the impression that algae was an almost immediate solution to the anticipated shortage of vegetable oil for biofuels production.

However, when approached by Cart Blanche, GreenFuels CEO Paul Rodzianko said that "on an accelerated schedule, from today on, the earliest that a commercial scale facility would be available will probably be the end of next year, to the beginning of 2009."

[Petrobras Returns Block to Bolivia](#)

Brazilian energy giant Petrobras has returned an oil block to Bolivia, citing the risk of not being able to recoup its investment and higher taxes stemming from last year's decree nationalizing the country's fossil-fuel resources, industry officials told Efe Saturday.

[Dominican Republic: Sichuan team to define coal project site details](#)

A team from Chinese firm Sichuan Machinery Equipment is due to arrive in the Dominican Republic this week to advance a 600MW coal-fired plant project, a

generation official from state power holding company CDEEE told BNamericas.

...The plants are part of the government's power sector plan unveiled last year to mitigate the country's energy crisis.

[Ghana: The Energy Crisis - Ghanaians Turn](#)

For over two decades Ghana has been having uncomfortable close encounters with the weather, leading to drastic reductions in the country's main hydro-electric dam's generating capacity. Now the dam is approaching near collapse due to a prolonged drought and the country is in dire need of alternative sources of power for the short, medium and eventual long terms.

[Ghana: Go For Solar Energy](#)

The Chief Executive Officer of the Korle-Bu Teaching Hospital, Professor Kwabena Frimpong-Boateng, has called for an aggressive programme to begin the manufacture and use of solar panels for domestic use to reduce the burden on the national electricity grid.

[Botswana may build solar-geothermal power plant](#)

The Botswana government has called for companies to tender for the provision of consultancy services to conduct a prefeasibility study for the construction of a solar geothermal power plant in the country.

[Shell reserves show shift from oil to gas](#)

Royal Dutch Shell pumped twice as much oil as it found last year, forcing the company to rely on traditionally lower-margin natural gas and oil sands to boost its reserves.

Figures issued on Monday echoed a trend across the industry as resource holders increasingly shun the oil majors.

[CERA: Oil prices, CO2 concerns to spur nuclear renaissance](#)

High fossil fuel prices and a global push for cleaner energy have created an environment ripe for a nuclear renaissance, Cambridge Energy Research Associates said in a report published Monday.

[America 'unnecessarily at risk' by looming fall-off in petroleum](#)

The endless calls by politicians for "energy independence" are perhaps the most striking example of how little this issue is understood by the people in charge.

Former oil men George W. Bush and Dick Cheney cannot be among those in the dark on this, though they clearly have chosen not to make it an issue for reasons we may not find out until they publish their memoirs. By then, they may have a lot of explaining to do.

[In the Zone - Kunstler](#)

The more interesting point in all this, for the moment, is that the media has still not put together the collapse of the housing bubble and the permanent oil crisis. These events will be happening simultaneously. The housing industry, so-called, will never recover because the oil crisis spells the end of the suburban build out. The cycle is over. The big production homebuilders will go down and never come back. We won't need any more retail, either. We won't be building anymore WalMarts and Target stores, and the thousands now running will die off just as the giant Baluchitherium of the Asian steppes crapped out in the early Miocene epoch.

[Post-oil scaleback](#)

James Howard Kunstler, author of the book, "The Long Emergency," and one of the leading experts on peak oil, recently spelled out what needs to happen next.

"Life in the USA will have to become much more local, and virtually all the activities of everyday life will have to be rescaled," wrote Kunstler. "If you can find a way to do something practical and useful on a smaller scale than it is currently being done, you are likely to have food in your cupboard and people who esteem you."

[Lula: Petrobras Will Continue to Invest in Iran](#)

Brazil's state-run oil firm Petroleo Brasileiro SA (PETR4.BR), or Petrobras, will continue to invest in Iran despite U.S. concerns, President Luiz Inacio Lula da Silva told U.S. President George W. Bush, the Valor newspaper said Monday.

[KS Energy to build ME oil rig](#)

Singapore's oil & gas services firm KS Energy Services said on Tuesday it has formed a joint venture to build its first offshore oil drilling rig at a Middle East shipyard in a deal worth \$148 million.

[China to adjust its refined oil pricing mechanism](#)

China is waiting for the right opportunity to adjust its refined oil pricing mechanism but disadvantaged groups will be subsidised, a senior official has said.

[ConocoPhillips: In Talks with Venezuela Over Oil-Projects Compensation](#)

ConocoPhillips (COP) is engaging in discussions with the Venezuelan government over compensation for the reduction of ownership and new commercial terms in its oil projects there, Chief Executive Jim Mulva said Monday.

[Is 'King Coal' making a comeback?](#)

Coal is trickling out of a Yorkshire mine for the first time in 13 years. Hargreaves Services, the country's biggest independent coal producer, has bought a pit and there are rumblings about re-opening five mines in south Wales.

So is "King Coal" making a comeback? Not as a major producer but as a power generator, courtesy of clean coal technology and some astute marketing.

[With Cellulosic Ethanol, There Is No Food Vs. Fuel Debate According To MSU Scientist](#)

As more and more corn grain is diverted to make ethanol, there have been public concerns about food shortages. However, ethanol made from cellulosic materials instead of corn grain, renders the food vs. fuel debate moot, according to research by a Michigan State University ethanol expert.

[A Better Biofuel](#)

A California biotech company is engineering microbes to produce cheap biofuels that could out-compete ethanol.

[Australia tells EU to do more on emissions](#)

Australia called on the European Union on Tuesday to do more to cut its own greenhouse emissions before lecturing Kyoto skeptics Australia and the United States about climate change.

[Brent maintains Iran premium over WTI](#)

Traditionally, WTI trades at a premium to Brent, but the European benchmark can be more sensitive to political developments in the Middle East as it is the main reference price used by the region's exporters. WTI is the reference for US oil imports.

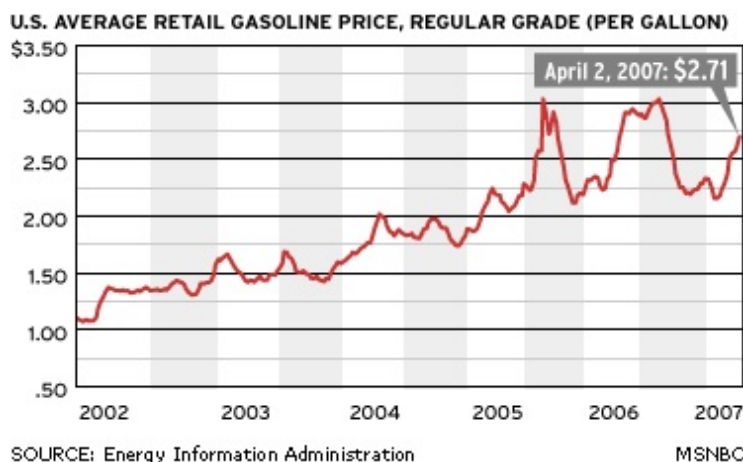
Another factor behind the price gap is that the physical delivery point for the Nymex WTI contract is Cushing in Oklahoma, where oil storage levels are near capacity according to energy analysts. This means that there is excess oil in the most important storage centre in the US, although it is not reflective of the total US oil storage situation.

[Risks of rising oil nationalism](#)

It's hard to shed a tear for Big Oil. The top five publicly traded companies racked up a record \$119.5 billion profit last year – roughly the size of Ireland's economy.

Yet these corporations are steadily losing ground to a surging group of nationally run companies – a trend that could come back to hurt oil-consuming nations such as the United States, some experts say.

[Gas prices climb for ninth straight week](#)



The U.S. Energy Information Administration said drivers paid an average of \$2.707 a gallon for regular gasoline in the week ended April 2, up from \$2.610 the previous week.

[Iraq Invites 15 International Oil Cos To Drill 50 Wells In South](#)

Iraq has invited 15 international oil companies to drill 50 new oil wells in southern oil fields which would increase the country's output by 70,000 barrels a day, an Iraqi Oil Ministry spokesman said Tuesday.

[General Motors reports strong China sales](#)

General Motors Corp. and its joint venture partners said Tuesday their combined sales in China jumped 25 percent in the first quarter, a boon for the U.S. automaker struggling to revive sales at home.

[Canada biodiesel must withstand cold weather](#)

Canada's fledgling biodiesel industry must prove its fuel additive can work in frigid winter weather before users can meet new government targets, an official with Shell Canada Ltd. said on Monday.

[Smaller cars to grab attention in big city](#)

At a large international auto show held in a city where space is limited and only the well-off can afford the pricey garage fees, insurance rates and the inevitable parking tickets that come with owning a car, it seems appropriate that small, fuel-friendly cars would capture a big share of the limelight.



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