



DrumBeat: August 5, 2007

Posted by [Leanan](#) on August 5, 2007 - 9:02am

Topic: [Miscellaneous](#)

[Deffeyes on the NPC report](#)

For the North Sea, the statement in the NPC report did not cite specific data. A different style, also misleading, is to present the data but camouflage the bad news. Specifically, Figure T-VII.1 on page 262 contains historical data on oil discoveries. The NPC graph locates the peak of oil discoveries in the five years from 1960 to 1965. (Oddly, their world data excludes the US and Canada. A similar result for world discoveries including the US and Canada is on pages 48-49 of *Beyond Oil*.) As far as I know, this striking result was originally presented by ExxonMobil around the year 2000. In the NPC report, the oil data (shown in blue) are buried beneath natural gas discoveries on the same graph in a lighter shade of blue. Further, a second curve (shown in red) reports the number of new-field discoveries, peaking around 1985. In my opinion, the number of discovered oilfields is massively irrelevant. Is counting yet another one-well oilfield in Kansas relevant to the present debate? I tip my hard hat to the NPC authors; figure T-VII-1 is a competent job of camouflaging.

[Oil sector's big issue now delivery, not discovery](#)

So, what happened to \$100-per-barrel oil? On Wednesday, the price of US light crude reached \$78.77, briefly topping last summer's record and then subsided. A few dreary bulletins about the US economy and signs that American petrol stocks were rising were enough to kill the excitement and stall the rally.

Those investors who are obsessed with the notion of the end of oil tend to forget that the price fluctuates on short-term supply considerations and signals from the underlying economy about energy demand. The oil market is not driven by guesses about how large are the Saudi Arabian reserves.

[Canada's oil sands mergers get painfully pricey](#)

Fat wallets and limited opportunities elsewhere may continue to push acquisitions in Canada's oil sands region, analysts say, though soaring costs may leave the sector open to only the very biggest companies.

[Cold war breaks out as Russia freezes out rivals in Arctic](#)

Mir-1 is part and parcel of this new swagger - a voyage in search not only of national pride, but also economic leverage. Russia is already an energy superpower - it has by far the biggest gas reserves and, in oil export terms, is second only to the Saudis. Now it wants the Arctic too - home to around a quarter of the world's untapped oil and gas.

[Peak Oil, and what I think it means to the petroleum industry](#)

Innovations are especially needed in the earth science and engineering disciplines where they will lead to new science. Sciences that may require multiples of effort per barrel of oil. Asking the current bureaucracies to keep up with the current and future changes in the sciences is asking too much in my opinion. Would anyone argue the organizational bureaucracies of today will be the solution to Peak Oil?

What would a system based on these changes look like, how would it be different, and could it make the difference?

[Getting Iraq Wrong](#)

As a former denizen of Harvard, I've had to learn that a sense of reality doesn't always flourish in elite institutions. It is the street virtue par excellence. Bus drivers can display a shrewder grasp of what's what than Nobel Prize winners. The only way any of us can improve our grasp of reality is to confront the world every day and learn, mostly from our mistakes, what works and what doesn't. Yet even lengthy experience can fail us in life and in politics. Experience can imprison decision-makers in worn-out solutions while blinding them to the untried remedy that does the trick.

[Market Meltdown: Understanding Climate Economics](#)

The market's real failure is that it allows for no signal from the future to the present, either from the conditions that will exist 30 years hence or from the people who will be alive and working then. The question becomes: Can we really create a market in which those far-off voices are effectively heard?

[Making data centers greener](#)

While the high-tech industry pursues solutions to global warming, it's also contributing to the problem.

Ever-multiplying computer server facilities will double their consumption of energy in the next five years, according to a U.S. Environmental Protection Agency study sent to Congress on Friday.

[Record oil prices deepen rich-poor divide, say analysts](#)

Record high oil prices, while having little effect on the world's industrialised nations and benefiting oil-producing emerging economies, are taking a toll on poor countries that rely on imports, analysts say.

['Hot fuel' putting oil companies in hot seat](#)

The oil companies are again in the hot seat, trying to fend off claims they've been taking advantage of motorists for decades by not taking temperature into account when dispensing fuel during the summer months.

The industry has been adjusting for temperature when selling fuel in bulk at the wholesale level since the 1920s.

[Alaska's addiction to oil](#)

Investigations into whether the oil industry has undue influence in the state should come as no surprise.

[Fuel problem wreaks havoc with Inuvik flights](#)

Some flights in Inuvik, N.W.T., are being cancelled or delayed Friday because of a mysterious problem making the local airport's supply of jet fuel unusable.

[Strained to breaking, Iraq's power grid falters](#)

Iraq's power grid is on the brink of collapse because of insurgent sabotage, rising demand, fuel shortages and provinces that are unplugging local power stations from the national grid, officials said Saturday

[Zimbabwe 'has come to a standstill'](#)

Zimbabweans trying to survive food shortages, lengthy power outages, lack of fuel and other economic and social pressures have found a way to let the world know of their suffering - regular emails to friends and family abroad.

[The Philippines: We have a serious crisis coming](#)

Even if the prolonged dry spell does not end in drought, the country still faces a possible energy crisis down the road - perhaps even earlier than the next three years. There has been so much talk about an energy crisis but we have not really tapped alternative sources, which is quite ironic considering that the Philippines has such a great potential for clean and reliable sources of energy like geothermal, wind, solar, hydro, and biomass - which could lessen our dependence on imported oil.

[Brazil: Amazon Fruit Gatherers Face Biofuel Dilemma](#)

he babaçú, an abundant native palm tree in the eastern Amazon and in the north and northeast of Brazil, has great potential for the production of "biodiesel" and biomass fuel, but the women who make their living from gathering its fruit fear the loss of their traditional source of income.

[House slaps \\$16 billion in taxes on oil industry](#)

Declaring a new direction in energy policy, the House on Saturday approved \$16 billion in taxes on oil companies, while providing billions of dollars in tax breaks and incentives for renewable energy and conservation efforts.

Republican opponents said the legislation ignored the need to produce more domestic oil, natural gas and coal. One GOP lawmaker bemoaned "the pure venom ... against the oil and gas industry."

[Do your part to destroy the Earth](#)

By now, most of us have heard of peak oil, the concept that we've tapped the majority of the world's oil reserves and are now on a downward trajectory.

As far as peak water goes, we ran out of clean water years ago, with five countries completely out of fresh, clean water. Saudi Arabia is one of them, and one of its leaders has recently said he wishes they had water instead of oil.

Trouble is, we Americans haven't changed our ways much, knowing what we know. We haven't signed the environmental accords like every other country on the planet. We aren't about to act like good world citizens, conserving resources, using alternative energy sources and leading the way out of the mess we made.

[Going Green Without Starting From Scratch](#)

Consumer interest in green construction has continued to grow, but few people can afford to build an environmentally friendly house from the ground up. They don't have

to, says architect Kelly Lerner, co-author of "Natural Remodeling for the Not-So-Green House."

[The End Of Cheap Food](#)

A straight switch is happening from food to fuel. As oil prices rise - and Peak Oil guarantees they will - it pulls up the price of biofuels as well, so it becomes more attractive for farmers to switch from food to fuel.

Lester Brown of the Earth Policy Institute says: "The stage is now set for frontal competition for grain between the 800 million people who own automobiles, and the world's two billion poorest who will need it to survive."

[Farmland, too, has a 'community need:' I call it vision and planning](#)

Technological advances will continue and the nature and character of industry will change. Yet people will still work and work places will occupy land -- some more intensively than others.

We will always need to eat; therefore, we will continue to need to secure a food supply, albeit with our efforts impacted by climate change and peak oil on international distribution.

[CNN Heroes: Mathias Craig \(video\)](#)

Many of Nicaragua's poorest and most isolated communities do not have electricity. Mathias Craig helped start "blueEnergy," a non-profit company that has brought sustainable energy -- generated by wind turbines -- to six communities on Nicaragua's Caribbean coast.

Craig builds the windmills on site, and trains locals to maintain them. But I'm not sure you can really call that sustainable, if the parts must be shipped in.

[India on African safari, hunting oil](#)

Mahatma Gandhi once said that "commerce between India and Africa will be of ideas and services, not of manufactured goods against raw materials after the fashion of western exploiters." However, according to Zambian opposition MP Guy Scott, "People are saying, 'The Whites were bad, the Indians were worse, but the Chinese are worst of all.'"

[Hopefuls use jets at cut rates](#)

Matthew Simmons, a Texas investment banker who deals with oil and gas companies, said people are foolish to think he wants something in return for providing a plane to former Gov. Mitt Romney, a Massachusetts Republican, on several occasions.

"Anyone that thinks me offering time in a plane to Mitt Romney means that I'm buying his mind, that's wrong," he said.

[Energy Search Goes Underground](#)

When tremors started cracking walls and bathroom tiles in this Swiss city on the Rhine, the engineers knew they had a problem.

"The glass vases on the shelf rattled, and there was a loud bang," Catherine Wueest, a teashop owner, recalls. "I thought a truck had crashed into the building."

But the 3.4 magnitude tremor on the evening of December 8 was no ordinary act of nature: It had been accidentally triggered by engineers drilling deep into the Earth's crust to tap its inner heat and thus break new ground - literally - in the world's search for new sources of energy.



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