



## Hysteria doesn't help

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As the oil supplies begin to dry up, there will be all sorts of rumors and misunderstandings of what is going on that will start to appear. There is a likelihood of having too many people cry "wolf" before it actually appears. Perhaps one such is the quote in [The Energy Bulletin](#) yesterday quoting an investment monthly in Montreal. The quote is

Because the combination of the news that there's no new Saudi Light coming on stream for the next seven years plus the 27% projected decline from existing fields means Hubbert's Peak has arrived in Saudi Arabia. The Kingdom's decline rate will be among the world's fastest as this decade wanes. Most importantly, Hubbert's Peak must have arrived for Ghawar, the world's biggest oilfield, and Wall Street's most-cited reason for assuring us month after month that oil prices would plunge because there were so many billions of barrels of readily-available crude overhanging the market.

Well the problems with the story, which comes from [Harris Nesbitt](#) are several. The oil production increases that the Saudis have announced does include more light oil. Haradh, for example, is increasing 300,000 bd and this is light crude; Fadhili which is to increase 500,000 bd is extra light crude (see [Greg Croft](#)).

Ghawar has been in decline for years and the use of waterflooding, which Mr Coxe (the Harris author) finds worrisome, has been the standard for quite some time. So the overall tone of the review is just a little more worrisome than need be.

That being said of course, there is a major concern with Ghawar, and with Abqaiq, and I'll get to those with the aid of a couple of pictures, in a bit.

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