



DrumBeat: September 27, 2007

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Topic: [Miscellaneous](#)

[UK Oil Output Up on Six Oilfield Start-Ups](#)

U.K. crude oil production increased 2.8% during the second quarter compared with the same quarter a year ago due to the start-up of six oil fields, including the very large Buzzard field in the U.K. North Sea, the government's latest energy statistics report showed Thursday.

...The start-up of the oil fields transformed the U.K. into a net oil exporter during the second quarter of this year, exporting 0.8 million tons more than it imported of oil and oil products. The U.K. was a net oil importer in the second quarter of last year.

[Overpopulation could be people, planet problem](#)

Environmentalists have long been concerned about the resources threatened by rapidly growing human populations, focusing on phenomenon such as deforestation, desertification, air pollution and global warming. But the worst-case scenario for people experiencing overpopulation, according to Lawrence Smith, president of the Population Institute, is a lack of fresh, clean water.

"If the water goes, the species goes," he said.

"That sounds kind of alarmist," Smith conceded, "considering there's water all around us, but 97 percent plus is saltwater, and the freshwater that we use to sustain ourselves is just native to 3 percent. ... So the accessibility of water, the competition for water, the availability of water is going to be a major, major threat," he said, noting world population growth estimates at more than 9 billion people by 2050.

[Hunt oil deal creating tension in Iraq: US](#)

A US official on Thursday criticised an oil deal between Texas-based Hunt Oil Company and Iraq's Kurdistan Regional Government (KRG), saying it had "needlessly elevated tensions" in Iraq.

[TD report says Alberta boom will continue to bloom, no bust in sight](#)

The report by two TD economists says there are plenty of warning signs on the horizon, but they are not enough to signal the traditional boom-and-bust scenario that has plagued oil and gas producers in the past.

[BP's Buncefield fuel bid refused](#)

GLOBAL oil company BP has been dealt a blow to its hopes of resuming the storage of petrol and diesel at the Buncefield fuel depot following the giant blast and fire there in December 2005.

Herts County Council decided it would not support the storage of volatile fuel on the site at a meeting last week following concerns which were raised by Dacorum Borough Council when BP submitted plans to reinstate part of the site, which fringes Redbourn, earlier this year.

[Eni says one dead, two missing in Nigeria attack](#)

One Saipem worker is dead and two are missing after armed men attacked a Nigerian facility of the Italian oilfield services company on Thursday, Saipem's parent Eni said.

[Kazakhstan says higher oil stake not key goal](#)

Kazakhstan said on Thursday that securing a bigger stake in the huge Kashagan oilfield was not its main goal in a row with the project's Italian-led consortium of Western oil majors.

[Azerbaijan Ups Reserves for Shah Deniz](#)

Azerbaijan's state oil company announced Thursday that natural gas reserves in a major offshore Caspian Sea field are believed to be nearly twice as large as previously estimated.

[Warming linked to 'unprecedented' algae growth in Arctic lake](#)

Global warming is believed to be softening the harsh Arctic environment, causing the algae population in Canada's northernmost lake to spike over the past two centuries, researchers said Wednesday.

The team, led by Laval University scientists Warwick Vincent and Reinhard Pienitz, found aquatic life in Ward Hunt Lake, located on island north of Ellesmere Island,

increased 500-fold during the period.

[Competition for oil and gas reserves heating up, says UN trade body](#)

The emergence of new players in the global market and shifts in the policies of gas and oil producers means that traditional conglomerates from industrialized nations are facing increasing competition in the race to access the world's reserves, the United Nations agency on trade and development issues said today.

With crude oil prices staying well above \$70 a barrel, traditional transnational corporations are losing bargaining power to oil-producing countries "eager to use climbing demand to capture a larger share of the rents," according to the UN Conference on Trade and Development (UNCTAD).

[Saudi's Naimi: Climate Change Policies Unfairly Taxing Oil](#)

Some industrialized countries are unfairly placing high taxes on petroleum products to discourage consumption as a method of addressing climate change, while encouraging greater use of polluting coal and nuclear power, Saudi Arabian Oil Minister Ali Naimi said.

[Are sunspots prime suspects in global warming?](#)

Climate-change 'optimists' say complex natural cycles may be at the heart of global warming.

[Mouse click could plunge city into darkness, experts say](#)

Economist Scott Borg, who produces security-related data for the federal government, projects that if a third of the country lost power for three months, the economic price tag would be \$700 billion.

"It's equivalent to 40 to 50 large hurricanes striking all at once," Borg said. "It's greater economic damage than any modern economy ever suffered. ... It's greater than the Great Depression. It's greater than the damage we did with strategic bombing on Germany in World War II."

[Transport shortage impairs minorities](#)

"Social problems caused by a lack of appropriate transport is a major problem in

Australia. The problem is growing as fuel prices increase, suburban-sprawl trends continue and our population ages," he said.

"The problem is almost an epidemic in the fringe of Australian cities and in rural areas."

[Storm threat to Gulf scares oil higher](#)

Oil prices rose by a dollar a barrel Thursday, extending overnight gains as a tropical depression near Mexico raised concerns about possible disruptions to oil and gas production there.

[Average Oil Price Seen Hitting Record Next Year](#)

Tight oil supplies, red-hot global demand and a weakening dollar will boost average oil prices to a record level next year, a Reuters poll showed on Wednesday.

Analysts raised their average 2008 oil price forecast for U.S. crude to \$67 a barrel as many believe the current rally will continue well into next year. The forecast surpasses the record average of \$66.24, reached in 2006.

[Canada faces NAFTA lawsuit from ExxonMobil](#)

U.S. oil giants ExxonMobil and Murphy Oil are accusing Ottawa of breaching the North American Free Trade Agreement by allowing Newfoundland to require them to spend millions of dollars on research in the province.

[How Bush's Iraqi Oil-Grab Went Awry](#)

The primary evidence indicating that the Bush administration coveted Iraqi oil from the start comes from two diverse but impeccably reliable sources: Paul O'Neill, the Treasury Secretary (2001-2003) under President George W. Bush; and Falah Al Jibury, a well-connected Iraqi-American oil consultant, who had acted as President Ronald Reagan's "back channel" to Iraqi President Saddam Hussein during the Iraq-Iran War of 1980-88. The secondary evidence is from the material that can be found in such publications as the *New York Times* and the *Wall Street Journal*.

[Greenspan sees threat of '70s-style inflation](#)

An important point in Alan Greenspan's much-hyped memoir has gone largely unnoticed: He acknowledges that global economic forces, more than Federal Reserve policy, kept inflation low and manageable for two decades.

By global forces he means free trade, the rise of emerging, cheap-labor economies led by China and India and the benefits from information technology and the Internet.

He warns that these forces — "globalization," in shorthand — are weakening as they mature. He fears that could mean a gradual return to persistent 1970s-style inflation over the next 20 years or so.

[Chevron extends \\$5bn programme](#)

Chevron, the second-largest US oil company, is to spend \$15bn on its own shares within the next three years, extending a \$5bn-a-year programme that began in 2005.

The move reflects big oil companies' difficulties in finding uses for their large cash flows, boosted by high oil prices.

[Coal consolidation](#)

Australian coal miners could be gearing up for a huge round of consolidation as Asian demand for the fuel increases, according to UBS.

It says as major international miners seek to expand and as Asian power companies look to secure supplies, it expects to see more merger and acquisition activity in the sector.

A shortage of the fuel and surging prices have already prompted some takeover activity.

[Shell signs heavy oil deal with Russia's Tatneft](#)

Royal Dutch Shell and Tatneft signed on Thursday a deal which can strengthen the oil major's position in Russia's energy sector and help Tatneft tap hard-to-extract oil.

[Kuwait approves \\$14 bln budget for new oil refinery](#)

Kuwait has approved a budget of 4 billion dinars (\$14.29 billion) to build the Middle East's largest refinery, more than double the initial estimate, state refiner Kuwait National Petroleum Co (KNPC) said.

The cost of building new refineries has spiralled as the energy industry strains to increase capacity to meet rising global fuel demand. The Gulf's top oil producers were all building new refineries and expanding old plants, but costs have hurt budgets and delayed plans.

[U.S. officials woo Turkmenistan's president](#)

American officials, striving to weaken the grip of Gazprom, Russia's state-owned energy monopoly, in energy-rich Central Asia, are forcefully wooing the president of Turkmenistan on his first visit to the United States.

[South Korea aims to expand tax cuts on energy projects](#)

South Korea's energy ministry is pushing to expand tax cuts for local companies investing in overseas energy projects, a proposal that would encourage firms to seek stakes in major oil and gas fields abroad.

[Russian gas: Will there be enough investment?](#)

Approximately \$18 billion per year of investment will be needed to ensure that sufficient gas is produced between now and 2030, the majority of which is needed in production assets.

[Eating local is a good way to go](#)

The World Bank reports that 15 per cent of the world's present food supplies, upon which 160 million people depend, are being grown with water drawn from rapidly depleting underground sources or rivers which are drying up.

The Intergovernmental Panel on Climate Change predicts that rain-dependent agriculture globally could be cut in half by 2020 as a result of climate change.

The OECD predicts food price rises of between 20 per cent and 50 per cent over the next decade.

[Topic of ethanol has steadily grown](#)

Ironically one of the biggest factors in increased food costs over the past 2 years has been transportation costs due to higher fuel prices. I can make a strong argument that increasing fuel supplies (ethanol can do this) could actually lower food costs by lowering fuel and transportation costs.

[ADM and ConocoPhillips to Make Biofuel](#)

Archer Daniels Midland Co. and ConocoPhillips said Thursday they will team up to develop biofuel, creating a partnership between the biggest U.S. ethanol producer and

one of the biggest oil refiners.

ADM, a Decatur, Ill.-based agricultural processing company, will provide "biomass," or organic material left over from crops, wood or switchgrass. Houston-based ConocoPhillips will convert the materials into "biocrude" fuel for transportation.

[Global Warming Not Affected by Man](#)

The mass hysteria over the alleged warming of the planet, with everyone from the president to, reportedly, the Pope buying into the global warming alarms and calling for Draconian steps to stop Mother Nature from turning up the thermostat reminds me of one of the more bizarre examples of widespread panic created by a fictional crisis.

[Coal is carbon is emissions is not good](#)

However, there is a way that a global carbon tax could be introduced, and Australia would have a key role. Coal is the biggest greenhouse polluting fossil fuel because it is composed mainly of carbon. Most electricity generation worldwide comes from burning coal. Most of China's projected emission increases will come from coal-fired power stations. Australia, as the world's leading coal exporter, is uniquely placed to play a key role in implementing a global carbon tax, starting with an export tax on coal.

[From Papal Indulgences to Carbon Credits: Is Global Warming a Sin?](#)

In a couple of hundred years, historians will be comparing the frenzies over our supposed human contribution to global warming to the tumults at the latter end of the 10th century as the Christian millennium approached. Then, as now, the doomsters identified human sinfulness as the propulsive factor in the planet's rapid downward slide.

[Winemakers heading to the hills](#)

Global warming is forcing vintners in Mediterranean countries like Spain, France and Italy to move to cooler areas, while producers in northern areas like Britain are benefiting from higher temperatures.

[Eight Utilities Seek To Increase Energy Efficiency Investment by \\$500 Million Annually](#)

The Clinton Global Initiative (CGI) announced today that eight utilities -- Con Edison, Duke Energy, Edison International, Great Plains Energy, Pepco Holdings, PNM Resources, Sierra Pacific Resources and Xcel Energy -- are committed to seeking regulatory reforms and approvals to increase their investment in energy efficiency by

\$500 million annually to about \$1.5 billion annually. This increased level of investment in energy efficiency, when fully implemented in 10 years, will reduce carbon dioxide emissions by about 30 million tons -- the equivalent of removing nearly 6 million cars from the road. It will also avoid the need for 50 500-megawatt peaking power plants.

[Power play or hot air? Islanders hear Cape Wind project debate](#)

The stakes are high, as are passions on both sides of the debate over the controversial Cape Wind Associates proposal to place wind powered electrical generators in Nantucket Sound. After more than six years of claims, counterclaims, political maneuvering, regulatory hearings, and court cases, there is no shortage of conflicting arguments.

[Scientists, Policymakers, and Industry Leaders Gather to Discuss Ocean Iron Fertilization](#)

On September 26-27, scientists at the Woods Hole Oceanographic Institution (WHOI) will host an international, interdisciplinary conference on the proposed "iron fertilization" of the ocean as a means to combat rising concentrations of greenhouse gases in the atmosphere.

[The village that could save the planet](#)

How two men plan to extend the ecological miracle that is Gaviotas, Colombia, across the rest of the Third World.

[China Warns of Catastrophe from Three Gorges Dam](#)

China's huge Three Gorges Dam hydropower project could spark environmental catastrophe unless accumulating threats are quickly defused, senior officials and experts have warned.

[Hydrogen from Algae](#)

Algae are a promising source of biofuels: besides being easy to grow and handle, some varieties are rich in oil similar to that produced by soybeans. Algae also produce another fuel: hydrogen. They make a small amount of hydrogen naturally during photosynthesis, but Anastasios Melis, a plant- and microbial-biology professor at the University of California, Berkeley, believes that genetically engineered versions of the tiny green organisms have a good shot at being a viable source for hydrogen.

[Is there a third route to produce nuclear energy?](#)

Cold fusion has not been accepted by mainstream scientists.

[Storing Solar Power Efficiently](#)

Thermal-power plants could solve some of the problems with solar power by turning sunlight into steam and storing heat for cloudy days.

[Statoil Ceases Oil Development at Snohvit](#)

The Snohvit partnership has decided to cease all work relating to oil zone development at the Snohvit field in the Barents Sea. Evaluations undertaken show that such a development would not be economically viable.

..."These analyses show the presence of oil to be significantly less than we expected to find in this structure," says Geir Pettersen, senior vice president for the Tromso Patch business cluster.

"This decision is final, since the start-up of gas production from Snohvit shortly will prevent the oil zone being developed at a later stage."

[De-Clogging Energy Regulation](#)

Politicians are right in suggesting that America faces certain serious energy problems, but they've misdiagnosed both the problems and the cure. America's energy markets, including the infrastructure that makes trading in energy possible (made up of pipelines, oil and gas terminals, and refineries), are clogged with the debris of almost a hundred years of state and federal regulation. This "regulatory cholesterol" is as damaging to our economy as the "cholesterol" analogy suggests. Remaining within the analogy, the proposals that have been made by politicians are the equivalent of recommending that a heart patient in need of a triple bypass eat more steak instead of undergoing surgery. If we are going to meet our future energy needs, we need to unleash entrepreneurs on the problem. And that means politicians need to get out of the way, not add another layer of regulation.

[Energy market ruling opens way for consumer payback](#)

California consumers could recover hundreds of millions of dollars in damages from the state's 2000 energy crisis following a recent court decision.

The 9th U.S. Circuit Court of Appeals in San Francisco issued a decision that clears the way to hold natural gas suppliers accountable for manipulating the market and tripling energy prices during 2000-2001.

[Planning saves oil money this winter](#)

If you haven't done it, do it now because with winter on the way, Vermonters should be prepared for record high heating oil costs, according to those in the industry. This season, local fuel oil companies report that the earlier people have signed contracts for oil the better deal they are getting, as the price continues to rise.

[Freight railroad customers complain about prices, service](#)

In the late 1800s, railroad robber barons enjoyed monopolies in many rural markets before regulation and the trucking industry tempered high freight prices.

Now, businesses contend the nation's major railroads are trying to resurrect that Gilded Age.

[Wood is the future, says architect](#)

The 21st century will be the “era of renewable timber”, architect Alex de Rijke told delegates at the Building With Wood conference.

Mr de Rijke was one of 27 speakers who addressed the conference, which attracted over 260 building professionals to the University of Exeter, and said that the move towards the greater use of timber was being driven by the “global energy crisis”.

[Ireland: Is it time to join the nuclear family?](#)

With rising energy costs, global warming directly linked to the burning of fossil fuels which power our electricity stations and the political uncertainty of the Middle East, isn't it time we re-opened the debate about building an Irish nuclear reactor, especially now that the age of cheaper, more efficient and, most importantly, safer and more reliable nuclear power is here?

[Turkey pledges a greener future](#)

Turkey is seriously considering signing a key international agreement, the Kyoto Protocol, which sets binding targets for levels of greenhouse gas emissions that spur global warming, Prime Minister Recep Tayyip Erdoğan has declared, stressing this could happen provided that its special circumstances, setting it apart from highly industrialized countries, are taken under consideration.

[Presentation analyzes oil prices](#)

About 30 people gathered in the Collins Center yesterday for a lecture entitled "Energy: An Industry of Opportunity." Bruce Bullock, the director of the Maguire Energy Institute, and James L. Smith, the Cary M. Maguire chair in oil and gas management, were the featured speakers. The lecture was the first of six presentations on the energy industry.

Smith focused his remarks on the July report from the National Petroleum Council, which showcased an 18-month study about energy use for the future. Smith discussed topics like oil prices and peak oil time periods.

[Lester R. Brown: Learning From the Past](#)

Our twenty-first century global civilization is not the first to face the prospect of environmentally induced economic decline. The question is how we will respond. We do have one unique asset at our command—an archaeological record that shows us what happened to earlier civilizations that got into environmental trouble and failed to respond.

As Jared Diamond points out in his book *Collapse*, some of the early societies that were in environmental trouble were able to change their ways in time to avoid decline and collapse. Six centuries ago, for example, Icelanders realized that overgrazing on their grass-covered highlands was leading to extensive soil loss from the inherently thin soils of the region. Rather than lose the grasslands and face economic decline, farmers joined together to determine how many sheep the highlands could sustain and then allocated quotas among themselves, thus preserving their grasslands and avoiding what Garrett Hardin later termed the "tragedy of the commons."

[John Michael Greer: Civilization and succession](#)

Thus humanity is no more exempt from ecological processes than from the law of gravity. The invention of airplanes doesn't mean that gravity no longer affects us; it means that if we use a lot of energy, we can overcome the force of gravity and lift ourselves off the ground for a while. The same principle holds with the laws of ecology. Using an immense amount of energy, we lifted a minority of the world's population high above the subsistence level for a while, but that doesn't mean that ecological laws no longer affect us. It means that for three hundred years, we've been able to push past the limits normally imposed by those laws, by burning up huge amounts of fossil fuels. When the fossil fuels are gone, the laws will still be there.

[Weak dollar central to oil price boom](#)

The weak dollar's leading role in oil's ascent to record highs is partly due to a tide of

financial flows into commodity investments but also reflects a shift in the greenback's relationship with crude.

[Grain stockpiles at a 30-year low](#)

Australian Farm Institute executive director Mick Keogh said the growing affluence of the developing world and the demand for biofuels, as well as the weather, were behind the substantial price rises in international wheat, dairy and oilseed prices.

The US Agriculture Department estimates that world wheat stocks, at the end of the current crop year, will fall to their lowest level since 1977-78.

[Greenspan, oil, and Osama bin Laden](#)

Alan Greenspan, the anti-war U.S. left, virtually the entire Arab world, and Osama bin Laden have something in common: they think the war in Iraq is mainly about oil.

[Iran warns India over Pakistan gas pipeline deal](#)

Iran warned India that it would sign a multi-billion dollar gas pipeline deal with Pakistan alone if New Dehli did not swiftly agree terms on transit pricing with Islamabad.

[Gov't computer fails to track royalties](#)

A \$150 million computer system that is supposed to help the government keep track of oil and gas royalties has been a "profound failure," contributing to possibly millions of dollars in lost revenue, according to Interior Department investigators.

[US slams Gulf laws restricting migrant workers](#)

A senior US human rights official on Wednesday criticised laws in the oil-rich Gulf states that restrict migrant workers under a system that some campaigners say is akin to slave labour.

[China's Hydropower May be Global Warming Time Bomb](#)

China is scrambling to build massive hydropower dams to curb pollution and slake its thirst for energy, but scientists warn that reservoirs can also worsen global warming by emitting a powerful greenhouse gas.

[EU Lawmakers Eye Bold Targets for Renewable Energy](#)

European Union lawmakers agreed on Tuesday to seek ambitious targets for renewable energy sources in negotiations next year on details of the bloc's programme to fight climate change.

[Ever-prepared, Mormon canning enthusiasts furnish their homes with stockpiles of long-lasting foods](#)

National news events of the past decade — Hurricane Katrina, the World Trade Center collapse and Y2K panic at the turn of the millennium — brought the idea of planning for disasters into public consciousness.

It's a novel idea for many people in an age when preparing for a long, hard winter means making sure to drain the swimming pool. But the Mormons have a long history of hoping for the best and preparing for the worst.

They know how much food will last you through a year and how you must store it.

They know how to fit piles of cans in small apartments by covering them with mattresses, comforters, glass tabletops and tapestries — and using them as furniture. And the whole process starts at a cannery.

[Jane Goodall says biofuel crops hurt rain forests](#)

Primate scientist Jane Goodall said on Wednesday the race to grow crops for vehicle fuels is damaging rain forests in Asia, Africa and South America and adding to the emissions blamed for global warming.

[Bush climate goals marked by bureaucracy](#)

The United States is lining up with China, India and the world's other biggest polluters in opposition to mandatory cuts in Earth-warming greenhouse gases sought by the United Nations and European countries.

[Biggest polluters gather for US-led climate forum](#)

The United States on Thursday was launching talks among the world's biggest greenhouse-gas polluters in the quest to spur action against dangerous climate change.

Representatives from leading industrial and emerging economies, the UN and European Union (EU) were to meet for two days under the chairmanship of US Secretary of State Condoleezza Rice.

[Diplomats accuse Bush of attempting to derail UN climate conference](#)

President George Bush was yesterday criticised by diplomats for attempting to derail a UN initiative on climate change by pressing ahead with his own conference, which starts in Washington today.

[Deeper level of interest in climate fix](#)

High-level climate-change summits this week reveal a supportive environment for action.

[Banks Urging U.S. to Adopt the Trading of Emissions](#)

A group representing some of the world's leading banks will urge the United States and other industrial nations this week to move quickly to introduce a lightly regulated system for trading carbon emissions permits.

[Scientists question computerised climate-change models](#)

As world leaders gathered in New York for a high-level UN meeting on climate change, a new report by some of the world's most renowned scientists urges policymakers to keep their eyes on the "science grapevine", arguing that their understanding of global warming is still far from complete.

[For all this talk, still we head steadfastly for catastrophe](#)

If talking could cut greenhouse gas emissions, then this would be a good week for international action on climate change. It opened with more than 80 speeches from governments at a special session on the issue at the UN, and will close with a two-day "summit" in the White House bringing together all the world's major emitters. The bad news is that we are still heading steadfastly in the direction of an avoidable climate catastrophe.



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