



DrumBeat: September 29, 2007

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Topic: [Miscellaneous](#)

[Private industry conference finds much less oil](#) (podcast)

A secretive gathering some of the world's biggest oil companies has concluded the industry will discover far less oil than officially forecast, meaning global oil production may peak much sooner than many expect.

The Hedberg Research Conference on Understanding World Oil Resources was held by the American Association of Petroleum Geologists in Colorado Springs last November to try to reconcile widely divergent estimates of likely future reserves additions. In an interview with Lastoilshock.com, oil executive Ray Leonard said the majority view was that future oil discovery would amount to some 250 billion barrels, rather than the 650 billion barrels suggested by the United States Geological Survey.

[Got \\$100 to burn? Here are your energy options](#)

During the panic buying triggered by the Arab oil embargo and supply disruptions of the early 1970s, oil still cost less than \$50 a barrel in today's money and you could get a pair of them for under \$100. Fifty dollars doesn't even buy two-thirds of a barrel at the moment and supplies are relatively healthy.

[Heating oil prices soar, elderly panic](#)

And, they have reason to panic, say fuel oil dealers who are paying record-high prices and therefore charging record-high prices even before the winter cold sets in. The problem is even worse for those who rely on government fuel assistance programs, administrators say.

"Never in my lifetime," veteran oil dealer Charlie Dyer of Raynham said about today's prices. "It's going to be a very difficult winter for customers, no doubt about it."

[Adnoc to cut supplies](#)

Abu Dhabi National Oil Co (Adnoc) has notified more Asian term lifters it will sharply cut November exports of its three offshore crudes due to oilfield maintenance, trading sources said.

[Nigeria's Leader Says Oil Production Up](#)

Nigeria's president said that oil production has been increasing in his country and attacks on oil workers in its crude-rich southern delta region have been decreasing as a result of the dialogue his government initiated with militants.

['Go local,' author McKibben urges, to stop global warming](#)

Just say "no" to globalism? Cities that make more of their own food, energy and other goods are better off, and do less harm to the environment.

So argues Bill McKibben, an author and environmentalist whose best-selling books have helped shape the debate on climate change.

[Myanmar: Gas reserves prop up economy](#)

According to the Japan Oil, Gas and Metals National Corporation, an independent administrative body, Myanmar's natural gas reserves were estimated to be about 538 billion cubic meters as of the end of 2006.

The figure represents the third-largest reserves in Southeast Asia, following Indonesia and Malaysia.

[A massive wrench thrown in Putin's works](#)

It almost seemed since the month of May that in the battles of the Caspian energy war, Russian President Vladimir Putin was destined to glide serenely from victory to victory until next March when he leaves office in the Kremlin.

But a backlash was bound to happen. Putin's standing as the ace player in the Great Game of our times had surely become an eyesore for Western capitals.

[Russia warns of retaliation on EU energy plan](#)

Russia sees EU plans to limit foreign investment in its energy sector as violating free market principles and will respond if the measures are enacted, a top Russian official

warned Friday.

[China's Thriving NOCs](#)

Among the world's national oil companies, the three Chinese NOCs – CNPC, Sinopec, and CNOOC – may be the oddest. Over the past half decade or so, they have certainly been among the most financially successful. Although they are an integral part of the Communist Chinese system, which comes with a heavy dose of central government control, the three NOCs are also engaged in serious capitalism. Their top executives are semi-independent businessmen controlling operations worth hundreds of billions of dollars, at the same time working closely with the government to form China's national energy policies. The industry provides 12.5 percent of the government's total tax revenues.

[Recasting Big Oil's Battered Image](#)

Despite past ad campaigns aimed at dousing consumers' ire over high oil prices or dissuading lawmakers set on new taxes or regulations, the oil industry remains more disliked than any other business in the United States other than the tobacco industry. A poll of 1,500 adults conducted by the Kaiser Family Foundation in August found that 45 percent had "very unfavorable" and another 21 percent "somewhat unfavorable" views of oil companies.

[Big Oil's Big Stall On Ethanol](#)

Even as it pockets billions in subsidies, it's trying to keep E85 out of drivers' tanks.

[Ethanol, schmethanol](#)

Everyone seems to think that ethanol is a good way to make cars greener. Everyone is wrong.

[Brazil's biofuel blues](#)

They are far from perfect, but the new sources of energy have an important role to play. Lula is right to defend them.

[Nuclear power surge coming](#)

In the next 15 months, US regulators expect applications for up to 28 new plants.

[Country Split Over Global Warming Widens Among Evangelicals](#)

Christians have a biblical mandate to be "good stewards of God's creation," Ms. Paynter says she told the Rev. Frank Brown, pastor of the Bellmead First Baptist Church here in the county where President Bush has his ranch. So, Texas Baptists should demand that controversial plans to build a slew of coal-fired power plants be put on hold.

Mr. Brown was not impressed. God, the pastor said, is "sovereign over his creation" and no amount of coal-burning will alter by a "millisecond" his divine plan for the world. Fighting environmental damage is "like chasing rabbits," he recalls telling her. It just distracts from core Christian duties to spread the faith and protect the unborn.

[Clean, green power - but at what price?](#)

On the surface, harnessing the power of the pristine Albany River to generate clean electricity sounds like a good idea. But it raises the question: Who should decide what happens in the far north: Queen's Park or the locals?

[Green IT strategies stifled by inertia](#)

Almost half of IT executives--42 percent--admit their company does not monitor IT-related energy spending.

A further 9 percent don't know if their company has such a monitoring program in place, and of those that do monitor it, a quarter have seen their energy consumption increase over the past two years.

[Former CIA Chief looks to future](#)

Crude oil and salt have a lot in common, in R. James Woolsey's mind.

The former CIA director, who has become an authoritative voice on energy security, sees oil headed down the same path as salt, previously the only means of preserving meat.

"Wars were fought and national strategies driven, in part, by salt. Today, we haven't stopped using salt, but no part of our national behavior is driven by the need for it," he said in congressional testimony in April.

[Rising gas prices likely to linger](#)

Tom Kloza, chief oil analyst for the Oil Price Information Service, said crude oil prices may well set more records in the coming weeks. Then he foresees a slow, gradual fall in prices as the end of the year approaches.

That doesn't mean gasoline will get cheap, however. Kloza's predicting this winter's low price for gasoline could easily be the "highest low" consumers have ever seen.

[Rising Oil Prices Seen Pushing Costs Higher For Coal Miners](#)

Coal miners consume millions of gallons of diesel annually to run their mining equipment. If the price of oil and petroleum products rises significantly, companies will face millions of dollars in added costs.

[Argentine energy shortage repeat for Chilean mines](#)

In recent months the major mining firms have stepped up preparations to compensate for expected electricity rationing, which they estimate could affect up to 20% of their current energy consumption. The precarious energy situation is largely due to reductions in the supply of natural gas from Argentina.

[Argentine energy crunch looms over next government](#)

Argentina's next government will have to consider raising natural gas and electricity prices soon after it takes office in December as a way to avoid a repeat of the energy crisis of recent months.

[UK: Fuel duty rise 'will hit hard'](#)

A SMALL business leader in North Wales is warning that next week's automatic 2p rise in fuel duty, which is set to send some diesel prices past the £1 a litre mark, will hit firms hard.

['123' will allow India to buy fuel outside US: Sibal](#)

he Indo-US civil nuclear deal would give India the flexibility to buy nuclear fuel not only from the US, but also from countries like France, Russia or even Australia.

Minister for Science and Technology Kapil Sibal said today the bilateral agreement, also called "123 agreement", would not make it binding on India to buy nuclear fuel from just the US.

[Shedding a little light on consumption](#)

As society rushes to go “green” in creating new energy supplies, such as developing wind and solar farms and adding tidal generators to our oceans to help us keep our lights and air conditioners on, it can be easy to overlook another option to combat climate change and any potential future energy crisis.

In fact, it is down right disturbing to think just how easily and often we forget about the one little word that could mean as much to our future as “green” energy. The word is conservation. Simply put, cutting energy use is as good as coming up with new sources of it.

[A global approach to low energy consumption and CO2 emission reduction](#)

There can be a significant energy savings in industries like cement, pulp and paper, ammonia, ethylene, iron and steel, and a number of other chemical, petro-chemical and pharmaceutical industries.

[EU Commissioner Says New Investments Can Solve Chronic Energy Crisis in Balkans](#)

The European commissioner for energy said Friday that southeastern Europe could solve its chronic energy shortages by cutting down waste in consumption and cross-border connections rather than by generating new supplies.

But Commissioner Andris Piebalgs said that doing so required major investments in efficiency-boosting projects like upgrading power plants and promoting household insulation.

[The end of Las Vegas: Why alternative energy sources won't save us in the post-oil age](#)

They talked about all the usual, obvious solutions. We should harness the power of the sun; use soybeans and fry grease to run the cars; create a hydrogen economy; and all the other stuff Americans have been hearing about of late to lower those nasty emissions destroying Mother Earth. Best part is: We'll get to continue living the same way -- tooling around in our cars, relaxing in our air-conditioned homes. Only now we'll finally be treating our old Momma with some respect while we do it.

Many energy experts say this a dangerous myth, one that will prevent us from adapting to a monumental change with no historical parallels. While it's surely imperative we clean up our act in the name of preserving our planet, a potentially even bigger issue than that of global climate change is staring us down: an oil shortage.

['Murderer's row' of fund managers targets little firms that can](#)

"If the U.S. can scrape by for a couple of years and everybody else keeps growing at the same rate, oil will go to \$90 or \$100. Oil in particular is telling you that the world isn't slowing down as much as people think it is, or that there's a supply problem and we're at peak oil already."

[Iran to sign gas deal with Pakistan in October](#)

"It was agreed that the price be calculated according to the current gas market standards," Ghanimi-Fard was quoted as saying by the state IRNA news agency.

"Pakistan asked for 60 million cubic metres per day, 30 million of which was approved," he said.

[Stelmach insists he wants the right balance](#)

Premier Ed Stelmach urged calm but appeared unmoved Friday after energy giant EnCana threatened to cancel \$1 billion of proposed projects in Alberta next year if the province fully accepts a review panel's recommendations to hike royalties.

[Shipbuilding: China to build deep water oil exploration fleet](#)

China will build its own deep water oil exploration fleet in three to four years. The fleet will be able to work in deep waters all over the world, except for the north pole.

[BP says halts shipments of Azeri crude to Turkey](#)

Baku-Ceyhan pipeline has halted shipments of crude oil due to technical problems, a company spokeswoman told Reuters on Friday. "Shipments of oil from the Azeri-Chirag-Guneshli fields have stopped for several days. Output will fall to 160,000 barrels per day," Tamam Bayatly, spokeswoman for BP's Azeri operations said.

[Japan's crude oil imports from Kuwait jump 20.2 percent](#)

Japan's crude oil imports from Kuwait soared 20.2 percent in August from a year earlier to 9.97 million barrels but fell 19.1 percent from the previous month, according to the latest government report.

[Global food shock real, says former Nats leader](#)

"We talk about oil shocks. We have gone on assuming that the supermarket shelves will always be loaded."

[New fuels vie for place in the market](#)

Grass-roots businesses are thriving, but experts don't know if any will beat out the oil industry.

[Warming to the environment?](#)

PUNDITS are calling it "climate week". On Monday the United Nations held a special summit in New York to discuss climate change. Not to be outdone, George Bush has convened a two-day conference of his own on the subject, which will conclude on Friday September 28th in Washington, DC. In theory, both summits are working towards the same goal: a new international agreement on climate change, to replace the UN's existing treaty, the Kyoto protocol, which will expire in 2012. But America, long a laggard in its response to climate change, is struggling to convince the rest of the world that its pow-wow is anything more than a distraction.

[Peak Oil Passnotes: Neo-Peak Oil](#)

The basics of peak oil are in fact quite simple. Under the present, failing, economic system scarcity breeds profits. Thus peak oil presents opportunities for those who control resources and powerful people, powerful nations and institutions rarely give away their golden goose. That the consequences may be painful for weaker people like you and me matters not.

[Firms seek access to Myanmar oil fields](#)

Just last Sunday — when marches led by Buddhist monks drew thousands in Myanmar's biggest cities — Indian Oil Minister Murli Deora was in the country's capital for the signing of oil and gas exploration contracts between state-controlled ONGC Videsh Ltd. and Myanmar's military rulers.

The signing ceremony was an example of how important Myanmar's oil and gas resources have become in an energy-hungry world. Even as Myanmar's military junta intensifies its crackdown on pro-democracy protests, oil companies are jostling for access to the country's largely untapped natural gas and oil fields that activists say are funding a repressive regime.

[Oil income boosts Gulf producers' foreign buying power](#)

Gulf Arab states' oil revenues this year are likely to be near last year's record \$336 billion, giving them an edge in buying foreign assets as credit dries up for competing investors.

[Petrodollar flush](#)

Even though the UK is gradually running out of oil, to Scotland's great loss, London's fortunes are increasingly positively correlated to the price of oil. Crude hit a record high of \$83.90 a barrel on 20 September on a combination of factors: a weak dollar; falling US inventories; buoyant demand from booming Asian economies led by China and India; storm-related disruption in the Gulf of Mexico; tension between the West and Iran; and nervousness following an Israeli air raid on Syria.

Though oil prices have fallen back a little in recent days as oil companies in the Gulf of Mexico began restoring production, high oil prices are here to stay and could yet reach \$100 a barrel within the next two years.

[Jordan receives first shipment of Iraqi oil](#)

Eight tankers carrying the first shipment of Iraqi oil since the two countries reached an agreement last year arrived at the Jordanian-Iraqi border on Friday, Energy Ministry spokesman Maher Shawabkeh said.

[Toyota denies battery woes delay next Prius](#)

Introduction of the next version of Toyota's hit Prius gas-electric hybrid won't hinge on the development of a more efficient battery called lithium-ion, a senior Toyota executive said Friday.

The executive brushed off a recent Wall Street Journal report that said Toyota Motor Corp. was delaying the launch of the next-generation Prius by as much as two years because of problems in developing the lithium-ion battery. Hybrids on sale now use nickel-metal-hydrate batteries.

[Little-known Indian tribe spotted in Peru's Amazon](#)

Ecologists have photographed a little-known nomadic tribe deep in Peru's Amazon, a sighting that could intensify debate about the presence of isolated Indians as oil firms line up to explore the jungle.

[With Legacy in Mind, Bush Reassesses His Agenda](#)

As he addresses a conference on climate change this morning, President Bush will face not only a crowd of skeptics but the press of time. For nearly seven years, he invested little personal energy in the challenge of global warming. Now, with the end in sight, he has called the biggest nations of the world together to press for a plan by the end of next year.

[Europeans angry after Bush climate speech 'charade'](#)

George Bush was castigated by European diplomats and found himself isolated yesterday after a special conference on climate change ended without any progress.

European ministers, diplomats and officials attending the Washington conference were scathing, particularly in private, over Mr Bush's failure once again to commit to binding action on climate change.

[Climate 'shift' no cause for panic: Howard](#)

THE Prime Minister, John Howard, said yesterday he believed the continuing drought was an example of "climate shift", not climate change.

"We are seeing what the experts call a climate shift and I do think we should keep our heads about it. I don't think we should write off farming," Mr Howard told Southern Cross broadcasting.

[Bush's Climate Meeting: Talk, But No Action](#)

For President George W. Bush, climate change is one of those pesky issues that he would love to see just go away. International diplomats say that when the topic of global warming comes up, Bush appears annoyed and has expressed exasperation that the issue still garners so much attention. After all, the White House position has been consistent from the very start of Bush's tenure: The U.S. will not require mandatory reductions in emissions of the so-called greenhouse gases, such as carbon dioxide, that scientists say are warming the Earth. Bush, the self-proclaimed decider, has decided.



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