



DrumBeat: September 30, 2007

Posted by [Leanan](#) on September 30, 2007 - 9:13am

Topic: [Miscellaneous](#)

[Saudi Arabia expected to meet rising oil demand](#)

Ghawar is hence crucial to continued Saudi production and meeting the galloping global requirements. People like Matthew Simmons have been arguing for years now that Ghawar is on decline. That is a cause of major concern to the energy fraternity.

Stuart Staniford is another sceptic. He recently undertook computer study of the publicly available information on Ghawar. After going through the available data on Saudi production before 1980, Staniford infers that the depth of the remaining oil column in northern Ghawar at that time was about 500 feet.

And with water level rising by about 18.4 feet per year, Staniford extrapolates that the northern part of Ghawar by now is quite depleted.

[Iraq and Angola oil output will soar in two years](#)

The oil output of Iraq and Angola, two members of the Organisation of Petroleum Exporting Countries (Opec), which are outside the Opec-10, is set to rise over the next two years, according to the International Energy Agency (IEA).

[Algeria says OPEC output rise would not halt prices](#)

Any decision by OPEC to expand oil output further would fail to stop crude prices from climbing, the Algerian official news agency APS quoted Algeria's energy minister as saying on Saturday.

"I think a further production rise would not stop oil prices from soaring because geopolitical problems still exist," APS quoted Chakib Khelil as saying.

[Black gold turns grey as Western giants prepare to draw from the wells of Iraq](#)

The big oil multinationals thought the prize was theirs under new production-sharing

agreements in the war-torn country. But the 'Iraqi wealth for the Iraqi people' movement is growing amid internecine conflicts and trade union resistance.

[“Black Rush” in Sakhalin: For a Dramatic Discovery of Oil and Natural Gas](#)

Skyrocketing oil prices since 2000 have triggered global companies to dive into the oil and natural gas fields in Sakhalin. The so-called “black rush” was initiated by Exxon Mobil which started digging up 100,000 tons of oil a day in the Sakhalin Oil Field 1 in 2005. For discovery of the “black gold,” not only major global oil companies such as Exxon Mobil, Royal Dutch Shell and BP, but also government officials from countries around the globe including China, India, Japan and Turkey are paying frequent visits to Sakhalin.

[Costly Fuel Is Never Far From a Match](#)



THERE are deep roots to Myanmar’s current unrest, pitting its repressive regime against Buddhist monks, but the immediate spark was the junta’s unexpected decision in August to double fuel prices. Overnight, diesel prices skyrocketed, and compressed natural gas rose fivefold.

In this respect, Myanmar is not an isolated case. Rising oil prices in recent years have created all kinds of headaches as they have rippled across the world. Many governments, especially in the developing world, have had to choose between raising domestic subsidies to offset the increases or letting the people bear the brunt.

[How Economy Could Survive Oil At \\$100 A Barrel](#)

The world economy has managed, with some indigestion, to swallow the rise of oil prices past \$80 a barrel. How well could it survive \$100 a barrel? The answer is quite well -- so long as several conditions still hold true. The price rise would probably have to be gradual. Inflation couldn't get so bad as to force big interest-rate hikes. Oil-rich nations would need to pump their profits back into U.S. and European economies.

[Does BP have licence to drill?](#)

The price of oil adds to the intrigue. Four years ago you could buy a barrel of the black stuff for \$25. It trebled in price in the next 36 months, then fell from \$75 to \$50, only to climb above \$80 this year. Oil price volatility is a headache because it makes BP's exploration investment decisions more risky. But by and large the upwardly mobile oil price has helped, and masked, BP's disconcerting company-specific problems.

[Riding an Israeli electric car to peace](#)

Cornucopians are becoming extinct; scientists, engineers, politicians, and oil tycoons have recognized that we have used 50% of the world's oil supply in less than 150 years, and with China and India ramping up their industrial economies we may run out of our most used energy source in far less time. A full circle energy solution would include fully renewable sources of energy such as solar, wind, geothermal and hydroelectric along with efficient machines to plug into those systems. In other words, the West desperately needs a futuristic approach to life without oil. Enter Israel.

[Wind power only part of the solution](#)

Kunstler, a New York author and frequent speaker at environmental conferences, said he sees more similarities than differences between the "greenies" and the giant corporations, land developers and others they oppose.

What they have in common is a belief -- a delusion, Kunstler says -- that the current way of life can be maintained; the only difference is that "green yuppies" think they'll have to pull up to the filling station and put something other than gasoline in their fuel tanks.

[Oman crude oil prices up 7.5pc for November](#)

Middle East crudes climbed this month as refiners snatched up cargoes on concerns that maintenance at fields in Abu Dhabi would limit supplies for October and November. Royal Dutch Shell Plc's buying of a record 310 Dubai partials contracts through the oil

pricing system of Platts boosted prices.

[Corn-to-Ethanol: US Agribusiness Magic Path To A World Food Monopoly](#)

Eight years of Biofuels (ethanol) policy and legislation has cemented in place the first world wide food cabal, which promises a humanitarian disaster, a famine more serious than those caused by any tsunami, earthquake or drought. This crisis is not in the dim future, it is here.

[Mandelson told to halt biofuel flood](#)

BIOFUELS firms are demanding the British government and the European Union take action to stop American rivals exploiting subsidies to flood the European markets with cut-price fuel.

[Texas biodiesel low on fuel?](#)

A series of bad blows -- high corn prices, intense commodity speculation, a shortage of crushing plants and excess production capacity -- have formed a "perfect storm" for the fledgling Texas biodiesel industry.

At least two small biodiesel production plants in Texas already have ceased operating for lack of feedstock, says an industry source, and it's likely that across the nation more will be shuttered, energy economists say.

[Unions and nuclear energy](#)

The International Brotherhood of Electrical Workers has stepped into the fight over whether to renew the Oyster Creek nuclear power plant's operating license.

Chip Gerrity, president of the IBEW's state chapter, says his union's support of relicensing reflects the Lacey Township plant's economic importance for the state, along with its contribution to limiting greenhouse gas emissions and providing an alternative to importing oil.

[As Prices Soar, U.S. Food Aid Buys Less](#)

Soaring food prices, driven in part by demand for ethanol made from corn, have helped slash the amount of food aid the government buys to its lowest level in a decade, possibly resulting in more hungry people around the world this year.

The United States, the world's dominant donor, has purchased less than half the amount of food aid this year that it did in 2000, according to new data from the Department of Agriculture.

[Hold onto your wallet](#)

THE squeeze on the ordinary American promises only to get worse as the world price of oil goes up, the U.S. economy fails to create jobs, mortgage foreclosures increase, and the value of the dollar falls against other currencies.

[Operators balance safety with production](#)

Any storm, small or large, has the potential to shut down all production in the Gulf of Mexico, or about 25 percent of the nation's oil and gas production.

And even a small supply interruption could easily trigger panic buying across the nation, resulting in a critical shortage, Shell Oil President John Hoffmeister said this month in a speech in New Orleans. Hoffmeister said the country is just one hurricane away from that scenario.

[Nigeria loses ground in OPEC in face of unrest](#)

Oil output in Nigeria has plunged by a quarter since the start of 2006 in the face of political unrest in the Niger Delta, reducing the country's influence in OPEC and limiting the effectiveness of OPEC itself.

[New oil law is not in Iraq's interest](#)

Iraq's draft oil and gas law, which was approved by the Iraqi government in April and which is scheduled for parliamentary approval, is one of the most dangerous laws issued since the occupation of the country began in 2003.

The permanent constitution, passed in 2005, is another dangerous document that threatens the future of Iraq.

[China to invest vast foreign reserves](#)

The Chinese government launched a company Saturday to invest \$200 billion from its vast foreign reserves, creating one of the world's richest investment funds at a time of rising scrutiny of such state-run entities.

Financial analysts are watching to see where the new company invests and the impact on financial markets, especially demand for U.S. Treasury securities, in which Beijing holds a big share of its reserves.

[Big, bad oil in all its glory: Stupid to the Last Drop: How Alberta Is Bringing Environmental Armageddon to Canada \(And Doesn't Seem to Care\)](#)

William Marsden's book, *Stupid to the Last Drop*, paints a darker picture of the oilsands. Not only does Marsden argue that Alberta's oil business poses significant environmental risks, he tries to portray the industry and its supporters as somewhat thick.

[The Race Against Warming](#)

It's the oldest and most cliched of metaphors, but when it comes to global warming, it's the only one that really works: We're in a desperate race. Politics is chasing reality, and the gap between them isn't closing nearly fast enough.

[L.A. County calling for lights-out hour](#)

Coordinating with San Francisco's plan, officials are urging Angelenos to agree to a voluntary blackout one day next month to help conserve energy.

[Others have moved past their oil addiction](#)

While Brazil didn't have enough fossil fuel, it did have a wealth of sugarcane. Sugarcane was found to be an efficient source of biofuel, much better than the corn kernels we use. The switch to biofuel was an instant success, and cars running on alcohol quickly hit the market.

[Controlling costs key to keeping biofuels competitive](#)

Ethanol needs to be able to compete with oil prices in the \$30-\$50 range, James Woolsey, former CIA director and now an advocate for renewable energy, said during the recent Renewable on Parade conference.

[Solar pushes for tax breaks](#)

Hoping that federal regulators follow the lead of states like Florida and California, the solar energy industry is launching a major effort to persuade Congress to extend tax breaks and other incentives they say are critical to keep the industry's recent

momentum going.

[The Earth is out of time](#)

ANOTHER week on a changing planet. Australian farmers struggling through the worst drought on record are offered \$150,000 by Canberra to walk off their land. Federal police chief Mick Keelty declares climate change - not terrorism - as the greatest threat to national security (a position doused down yesterday to an "equal" threat). Scientists drop a red-hot report forecasting catastrophic wildfires as a regular hazard of Australian summers. Suburbanites spooked by drought-inflated grocery bills contemplate a return to the vegie patch, but how to water it?

[Algae Against Climate Change?](#)

Research into the use of algae to capture carbon dioxide from the air is changing the negative reputation of these organisms, often seen as a plague associated with agricultural fertiliser run-off.

[At Climate Meeting, Bush Does Not Specify Goals](#)

President Bush said Friday that the nations that contribute most to global warming should all set goals for reducing greenhouse-gas emissions. But he did not specify what those goals should be and repeated his stand that nations should not be held to mandatory targets for capping carbon dioxide emissions.



This work is licensed under a [Creative Commons Attribution-Share Alike 3.0 United States License](#).