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[Uncertainty Clouds Outlook for Oil Sector](#)

NEW YORK — As its most prosperous decade screeches to a halt, the oil industry is confronting a far tougher and more hazardous future. The huge profits of the past years have mostly vanished, leaving companies to confront a difficult readjustment to a world of lower prices and uncertain demand.

Between 1998 and 2008, oil prices swung from lows of \$10 a barrel to highs reaching nearly \$150. But as the global recession last year pushed down oil consumption for the first time in 25 years, prices collapsed. Since the beginning of the year, oil futures have traded in a range around \$50 a barrel.

As a result of the market's slide in the second half of 2008, many small and midsize producers — though not the giants like Exxon, Total or Shell — have posted big losses, oil exporting nations are suffering crippling revenue declines, and even the major oil companies are seeing substantially lower profits this year. In response, many companies are sharply curtailing investments, reducing costs and firing workers in a frantic bid to drive down expenses.

[The Race to Harness Hydrates](#)

PERUGIA, ITALY — Hydrates have long been a costly and dangerous nuisance to the natural gas and oil industries, crystals with an irritating tendency to build up in pipelines deep under the sea or in very cold regions, completely blocking any flow.

But lately they have started to be seen in a fresh light, as a new frontier in energy exploitation. Estimates of global natural gas hydrate reservoirs remain vague, but the U.S. Department of Energy says on its Web site that the amount of energy held in methane hydrate form is “immense, possibly exceeding the entire combined energy content of all other known fossil fuels.”

[Report Weighs Fallout of Canada's Oil Sands](#)

Canada has the second-largest petroleum deposits after Saudi Arabia and the biggest in

the Western hemisphere. Its oil sands produce 1.3 million barrels of oil a day, up from 600,000 a day in 2000. As a result, Canada has become the biggest foreign oil supplier to the United States, accounting for 19 percent of imports in 2008.

But the development of these sands in the Alberta region has also been sharply criticized by ecological groups, local communities and even Catholic bishops, for their impact on the environment, and their intensive use of both water and natural gas.

[In Ecuador, Resentment of an Oil Company Oozes](#)

SHUSHUFINDI, Ecuador — Mention to Anita Ruíz the name of the giant oil company Chevron, and she trembles with rage. At her wooden hut here in the Amazon forest, where oil-project flares illuminate the night sky, she points to a portrait of her youngest son, who died seven years ago of leukemia at age 16.

“We believe the American oilmen created the pollution that killed my son,” said Ms. Ruíz, 58, who lives in a clearing where Texaco, the American oil company that Chevron acquired in 2001, once poured oil waste into pits used decades ago for drilling wells.

[China's oil processing capacity to increase by 18% by 2011](#)

BEIJING (Xinhua) -- China plans to raise its annual crude oil processing capacity to 405 million tonnes by 2011, the State Council, or the Cabinet, said on Monday in its restructuring and stimulus plans for the petrochemical industry.

That would represent an increase of about 18.4 percent over its processing volume last year, which topped 342.1 million tonnes, according to the January figures from the National Bureau of Statistics.

[Shell to face shareholder anger at annual meeting as Co-op criticises pay policies](#)

Shareholders in Royal Dutch Shell have increased the pressure on the Anglo-Dutch oil and gas group to reconsider its pay policy as a second institutional investor promised to vote against the directors' remuneration report at tomorrow's annual meeting.

[Peru dispatches army to quell indigenous protests](#)

LIMA (AFP) — Peru authorized the armed forces Saturday to back up police to quell indigenous groups' protests over Amazon land, oil and mineral rights, after protestors declared an insurgency against the government.

The Ministry of Defense in a decree said it "authorizes for 30 days the intervention of

the armed forces to ensure the continued functioning of essential services in select districts" of five provinces in Peru's Amazon rainforest region.

[Fire at US oil refinery contained; no injuries](#)

CLAYMONT, Del. - Firefighters contained a blaze early Monday caused by an explosion overnight at an oil refinery in the U.S. state of Delaware. The blast rattled nearby homes but caused no injuries.

A fireball at Sunoco Inc.'s Marcus Hook facility lit up the sky Sunday night at the complex, which straddles the border between Delaware and Pennsylvania.

[Saudi holds over supply of gas in ships off Jeddah](#)

Saudi Arabia, the world's top oil exporter, is holding up to 1.5 million barrels of gasoline on ships just off the Red Sea Coast port of Jeddah, industry sources said on Monday.

The ships have been waiting to discharge for more than two days but, because of brimming inventories on land, they have not been able to proceed, shipping sources said.

[Brazil Turns to China to Help Finance Oil Projects](#)

SÃO PAULO -- Brazil's oil industry is turning to China for cash in the latest sign of how Beijing's clout is growing amid the global economic downturn.

Brazilian President Luiz Inácio Lula da Silva was set to arrive in Beijing Monday to meet with Chinese President Hu Jintao, who is expected to unleash billions of dollars of credit to help Brazil exploit its massive oil reserves. Brazil will return the favor by guaranteeing oil shipments to Chinese companies.

[Russian firm seen as hostile bidder for Nabucco](#)

A Russian oil and gas company considered close to Prime Minister Vladimir Putin has won participation in Hungary's MOL petrochemical group, with the aim of taking over this key member of the Nabucco gas pipeline consortium, experts told EurActiv.

[Nigerian militants threaten to blockade oil tankers](#)

Lagos (Platts)- Nigeria's main militant group threatened Monday to blockade key access channels for fuel tankers as tension in the oil-rich Niger Delta continued to escalate.

"We have ordered the blockade of key waterway channels to oil industry vessels, both for export of crude oil and gas and importation of refined petroleum products," the Movement for the Emancipation of the Niger Delta said in an e-mailed statement.

[Norway's ruling parties delay oil sands vote](#)

OSLO (Reuters) - Norway's centre-left government effectively delayed a parliamentary vote on Monday on whether majority state-owned oil and gas producer StatoilHydro (STL.OL) should withdraw from a \$2 billion Canadian oil sands venture.

The oil sands issue has put the government in a bind four months before a general election, with political opponents saying state support for the oil sands project was hypocritical given the cabinet's self-professed environmental ambitions.

[A new way to get inside scoop on oil](#)

Big Oil is thinking small — really, really small — in its quest to squeeze more oil and gas from the ground.

A consortium of companies is funding research at Rice University, the University of Texas and other schools around the country to develop tiny devices 70,000 times smaller than the width of a human hair to gather information about oil and gas reservoirs deep underground.

[UAE firms to send Iraq gas to Europe](#)

Dubai: Sharjah-based upstream energy explorers Dana Gas and Crescent Petroleum, and European energy exploration giants OMV and MOL have signed a partnership to invest up to \$8 billion (Dh29.36 billion) in Iraq's energy-rich Kurdistan region that will help surplus gas to be pumped to Europe through the trans-continental Nabucco project.

[Brain power can meet the energy crisis](#)

Back in the 1970s, North Sea oil was seen as the saviour of the British economy. The money would be spent modernising industry so that it could play in the big league with the Germans, the Japanese and the Americans. Instead, we spent the money on unemployment benefit and tax cuts. The industrial renaissance never happened.

By the time the oil started to run out, financial services were the next big thing. The City would be Britain's unique selling point, we would pay our way in the world through banking, insurance, arranging bids and deals and by being better speculators than our

rivals. With the banks bust and the financial sector in a state of petrification, we are now going to find out what life is like without artificial stimulants.

[Kurt Cobb: The freedom lobby](#)

Again, the concern is with so-called economic freedom, primarily to grab whatever wealth one is able to grab. This is an appealing doctrine to those who have the skills and social position to do just that. And, there is an important second component to this freedom, property rights. Property rights become very important if you already have a lot of property (wealth) or the prospect of gaining a lot of property. So, it is again no surprise that the financial press--The Wall Street Journal and the Financial Post among them--see climate change as a canard to gyp them and their readers out of their rights to use their property--primarily property that emits a lot of greenhouse gas--as they see fit.

What these defenders of freedom don't tell us is what they are willing to do to defend the property rights of the inhabitants of coastal cities and countless seaside villages should their communities be swamped by rising sea level--one of the most widely expected effects of global warming. Nor do they tell us what they might be willing to do to protect the water supplies of billions dependent on Asian mountain rivers as the glacial meltwater that feeds them disappears. How might they answer the farmers whose formerly fertile fields become drought-stricken deserts as climate change proceeds? Who do all these people see about the violation of *their* property rights?

[The next big thing in wind: Slow wind, huge turbines](#)

With politicians pushing adoption of renewable energy in the United States and Europe, the last few years have seen a surge in plans for wind farms--both on land and sea. But wind power isn't viable everywhere--and prime coastal spots are often already developed.

So some wind-turbine makers are shifting their focus toward building bigger wind turbines that can harvest the lower-speed winds that are more readily available. This next generation of wind turbines is no small matter: their rotors have a diameter the size of a football field.

[Farmers consider wood-based ethanol after corn hopes stall](#)

Orangeburg County Clemson Extension Agent Lewis Beckham said in the future, grain-based ethanol solutions such as corn will "be very limited in its value as an alternative fuel."

"The net energy gained in converting corn to ethanol is energy inefficient," Beckham said. "The net energy gained in that process is not as much as we need for it to be a

genuine problem-solver. It takes nitrogen and nitrogen takes a lot of energy to produce. It is real expensive.

"If you can't make it on paper, you can't make it in the field."

Orangeburg County Clemson Extension Agent Beth Richardson said while the county has enough trees to support wood-based ethanol production, she says it won't be a cure-all either.

[Which ministry is least green? The one that runs climate change](#)

One in three government buildings has the lowest possible rating for energy efficiency, according to official figures seen by the Observer, which show the Department for Energy and Climate Change is one of the worst offenders.

[Japan Needs 'Ambitious' Carbon Target, Hedegaard Says](#)

(Bloomberg) -- Danish Climate Minister Connie Hedegaard will urge Japan to set an "ambitious" target for cutting greenhouse gases by 2020 to lead the way for developed nations negotiating a climate treaty this year.

"If Japan comes up with an ambitious target, Japan will then have a significant role in paving the way for a new emissions deal," she said in an interview today.

[Climate impact of aviation greater than IPCC report](#)

A group of experts reporting to the Intergovernmental Panel on Climate Change has increased dramatically the figure it believes aviation contributes to climate change.

In a report published last month, the eight international scientists put aviation's total contribution ('radiative forcing') in 2005 at 4.9%.

This is well over the 3% these same authors came up with two years ago in the IPCC's Fourth Assessment Report on the state of global warming.

[Report: Shipping would profit from 20 per cent emission reduction](#)

The global shipping sector could slash its greenhouse gas emissions by at least a fifth at no net cost to the industry, according to a new report from the International Maritime Organisation (IMO).

[As Alaska Glaciers Melt, It's Land That's Rising](#)

JUNEAU, Alaska — Global warming conjures images of rising seas that threaten coastal areas. But in Juneau, as almost nowhere else in the world, climate change is having the opposite effect: As the glaciers here melt, the land is rising, causing the sea to retreat.

Morgan DeBoer, a property owner, opened a nine-hole golf course at the mouth of Glacier Bay in 1998, on land that was underwater when his family first settled here 50 years ago.

[Krugman: Empire of Carbon](#)

TAIPEI, Taiwan - I have seen the future, and it won't work.

These should be hopeful times for environmentalists. Junk science no longer rules in Washington. President Obama has spoken forcefully about the need to take action on climate change; the people I talk to are increasingly optimistic that Congress will soon establish a cap-and-trade system that limits emissions of greenhouse gases, with the limits growing steadily tighter over time. And once America acts, we can expect much of the world to follow our lead.

But that still leaves the problem of China, where I have been for most of the last week.



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