



Drumbeat: June 8, 2010

Posted by [Leanan](#) on June 8, 2010 - 9:02am

Topic: [Miscellaneous](#)

[Saudi Aramco Has 260 Billion Barrels Oil Reserves](#)

(Bloomberg) -- Saudi Arabian Oil Co., the world's biggest state oil company, has 260 billion barrels of oil reserves, said Mohammed Al-Qahtani, the executive director of the company's Petroleum Engineering & Development unit.

"To ensure availability and reliability, we have invested heavily in new developments to increase oil production capacity," Al-Qahtani said at a conference in Beijing today. "A lack of resources isn't a constraining factor."

howed. The estimate for next year was down 3.5 percent from May's report.

[It's now a race against time](#)

PEAK OIL is like reaching 50: you know there are fewer years ahead of you than behind. Like turning 50, you try not to think about it, but it doesn't go away.

There are many objections to the claim that peak oil will mean permanently expensive energy, but most objections do not stand up to scrutiny.

[Scientists challenge BP containment claims](#)

Some scientists are taking issue with BP's statement that a containment cap placed over a gushing well could be capturing "the vast majority" of oil spewing into the Gulf of Mexico.

They suggest it's misleading, if not irresponsible, to make such a statement when the company has acknowledged it doesn't know how much oil is flowing from the busted well, or how much the spill rate has increased since engineers cut a riser pipe so it could properly fit the containment cap.

[Rig survivors: BP ordered shortcut on day of blast](#)

(CNN) -- The morning the Deepwater Horizon oil rig exploded, a BP executive and a Transocean official argued over how to proceed with the drilling, rig survivors told CNN's Anderson Cooper in an exclusive interview.

The survivors' account paints perhaps the most detailed picture yet of what happened on the deepwater rig -- and the possible causes of the April 20 explosion.

[Lawmaker Questions Staffing Level Aboard Rig](#)

The chairman of a congressional committee investigating the Gulf oil spill is questioning whether key personnel aboard the Deepwater Horizon oil rig were tired or off duty, in the hours before the explosion that destroyed the floating platform and started the Gulf of Mexico oil spill.

[Ala. governor mobilizes Guard to educate residents on filing of BP oil spill claims](#)

ROBERTSDALE, Ala. (AP) — Alabama Gov. Bob Riley has called out the National Guard to help spread the word among coastal residents that they can apply to BP for oil spill compensation.

Riley said Tuesday at a training session for Guardsmen that fewer than 30 people have applied for lost rental revenue out of 17,000 condominiums in the region.

[Family of BP boss under police protection - report](#)

(Reuters) - BP boss Tony Hayward and his family are under police protection after receiving threats and hate mail from campaigners over the worst oil spill in U.S. history, London's Evening Standard newspaper reported.

[Mexico police arrest 13 in fuel theft tunnel case](#)

MEXICO CITY - Police have arrested 13 people they say excavated a 500-foot (150-meter) tunnel under a busy neighborhood in Mexico's capital to steal fuel from oil company pipelines, officials said Tuesday.

[Iran: fuel swap deal is one-time opportunity](#)

ISTANBUL – Iranian President Mahmoud Ahmadinejad said Tuesday that a nuclear swap deal brokered by Turkey and Brazil was a one-time opportunity to resolve his nation's standoff with the West, days before the U.N. Security Council is expected to

vote on new sanctions.

Ahmadinejad told reporters on the sidelines of an Asian security summit that new sanctions would be a mistake and President Barack Obama stands to lose unless he changes his policies toward Iran.

[10 steps to creating your own local currency](#)

Local currencies ensure that money spent at local shops gets reinvested in the community and fosters community spirit and involvement. Learn all you need to know to get one started in your area...

[Saudi Aramco Has 260 Billion Barrels Oil Reserves](#)

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[Spill forces fossil fuels rethinking](#)

Is it possible to energize our civilization without fear? Fear of oil spills and oil wars, fear of nuclear meltdowns and nuclear waste, fear of global warming and polluted air and water?

It is, according to Amory Lovins of the Rocky Mountain Institute (RMI), among the world's most respected authorities on alternative energy strategies. In a new video available at www.rmi.org/rmi/ReinventingFire#video, Lovins makes the case that a richer, fairer, cooler, safer world is now possible because saving and replacing fossil fuels works better -- and costs less -- than buying and burning them.

[Fossil fuels have plenty of room in staring down disasters](#)

The Gulf oil spill may be raising prices for long-dated (eight years hence) crude oil futures. But is it really going to have much effect on fossil fuel production around the world?

Fossil fuels, after all, have a lot of room for enduring all kinds of disasters and tragedies.

[Going to Extremes](#): *Our unbridled pursuit of untapped energy is taking us into treacherous new territory*

The ongoing debacle in the Gulf of Mexico is a sign of many things—the incompetence of BP, poor oversight, and an industry that places too much emphasis on production technology and too little on safety technology. But it also highlights a larger truth. We’ve entered an age in North America where the production of energy, especially from fossil fuels, comes with ever-more-expensive environmental tradeoffs. We’ve entered what Michael Klare, a professor at Hampshire College, calls the era of “extreme energy.”

[Pemex Lawsuit Targets U.S. Firms in Smuggling Ring](#)

(Bloomberg) -- Petroleos Mexicanos, the state-owned oil company, has accused BASF Corp., Murphy Energy Corp. and three other U.S. companies of knowingly buying stolen natural gas condensate from Mexican bandits, according to a lawsuit filed in Houston federal court.

[Uneasy passage](#): *The Northwest Passage is central to Canadian identity, yet its future remains uncertain*

While most Canadians are well aware of what some of the threats to the Arctic are, what to do about them is largely unresolved. So far, the government of Canada has responded largely by making Arctic sovereignty a priority.

Prime Minister Stephen Harper laid it all on the table in the summer of 2007 when he announced plans for a new icebreaker, up to eight ice-capable patrol boats, a deepsea port at Nanisivik on Baffin Island and a world-class scientific research station to be located somewhere along the Northwest Passage.

The biggest threat to Canadian sovereignty in the Arctic, he seemed to suggest, were illegal aliens, terrorists and rogue ships that might try to make the voyage without asking for permission or complying with Canadian regulations.

[Up to \\$10k in Subsidies for Electric Cars](#)

As oil continues to flow into the Gulf, it is becoming increasingly clear that this environmental disaster will be a major sticking point for voters come November.

And I'm convinced this is why we're now seeing new House and Senate bills that, if passed, will increase incentives for electric vehicles.

[Rethinking our oil-drenched lifestyles](#)

Pity the birds; hate the company. But I couldn't help but wonder how much I should hate myself, too. My life, after all, is one giant petroleum glut, from the diapers and diaper rash ointment for my son to the toothpaste in my bathroom to the Lycra in my jeans. Oil gets me to work and back, puts food on my plate, gets pumped into the tank in my basement every winter. Imagining a world without it is next to impossible.

But there are some people who are trying.

Their work is based on the controversial concept of "peak oil," the theory that US oil production reached its apex in the 1970s and global production will reach its high point by 2020. There will still be oil to be had, the theory goes, but less of it, harder to reach, requiring risky technology like BP's deep underwater wells. The threat of ecological disasters and foreign encumbrances are nothing compared to the spectre of the spigot turning off. And the theory implicates us all; according to Richard Heinberg, senior fellow at the California-based Post Carbon Institute, half of the world's non-renewable resources have been used up in the lifetime of the Boomer generation.

[If BP Is Evil Then So Are We All](#)

If we were ever in doubt that the world is running out of oil and so-called Peak Oil has arrived then the BP oil disaster should put that to rest, and despite the horror unfolding in the Gulf of Mexico we should get used to the idea of deepwater oil drilling because that is what will keep our cars running for a bit longer.

Or should we get used to that idea?

[Oils Erases Losses Before U.S. Supply Report as Euro Recovers](#)

(Bloomberg) -- Oil reversed earlier declines before a report forecast to show that U.S. crude inventories declined a second week as the euro recovered against the dollar.

Crude for July delivery was at \$71.52 a barrel, up 8 cents, in electronic trading on the New York Mercantile Exchange as of 12:18 p.m. London time. The euro advanced to \$1.1931 from an earlier low of \$1.1902.

"The U.S. economy is still on a track to recovery," said Andrey Kryuchenkov, an analyst with VTB Capital in London. "The market is feeling upbeat about signs that demand for fuel products in the U.S. is quite healthy."

[Kuwait minister says current oil price acceptable](#)

KUWAIT CITY (AFP) – The current oil price is "acceptable" and there is no need for

OPEC to hold an extraordinary conference, Kuwait's Oil Minister Sheikh Ahmad Abdullah al-Sabah said on Tuesday.

"The price (of oil) is acceptable," said Sheikh Ahmad when asked about the current crude prices, adding he expects the price to continue to fluctuate but to remain within the current range until the end of the year.

[Gas prices appear to be leveling off](#)

After dropping 20 cents in the past month, gasoline pump prices are leveling off.

Retail gasoline prices fell 0.3 cent Monday to a national average of \$2.724 per gallon, according to AAA, Wright Express and Oil Price Information Service.

[Oil spills escalated in this decade](#)

The number of spills from offshore oil rigs and pipelines in U.S. waters more than quadrupled this decade, a trend that could have served as a warning for the massive leak in the Gulf of Mexico, according to government data and safety experts.

The spills — and the amount of oil that leaked — grew markedly worse even when taking increases in production into account, a USA TODAY analysis of federal data shows. The leaks came as the oil industry repeatedly claimed that offshore drilling was never safer.

[Reports at BP over years find history of problems](#)

A series of internal investigations over the past decade warned senior BP managers that the oil company repeatedly disregarded safety and environmental rules and risked a serious accident if it did not change its ways.

The confidential inquiries, which have not previously been made public, focused on a rash of problems at BP's Alaska oil-drilling operations. They described instances in which management flouted safety by neglecting aging equipment, pressured employees not to report problems and cut short or delayed inspections to reduce production costs.

[Killer Undersea Oil Plumes From BP Spill Lurk in Gulf of Mexico](#)

(Bloomberg) -- Undersea plumes of oil that can kill off marine life have been confirmed stretching for miles in the Gulf of Mexico from BP Plc's leaking Macondo well, according to findings researchers will announce today.

[Obama has strong words as Gulf spill spreads](#)

VENICE, La/WASHINGTON (Reuters) – President Barack Obama said he wanted to know "whose ass to kick" over the Gulf of Mexico oil spill, adding to the pressure on energy giant BP Plc as it sought to capture more of the leak from its gushing well.

"I don't sit around just talking to experts because this is a college seminar. We talk to these folks because they potentially have the best answer so I know whose ass to kick," Obama said in an interview with NBC News' "Today" to air on Tuesday.

[Could the spill restore Jindal as a GOP whiz kid?](#)

The Republican's rapid-fire command of facts and determination to lead are his second act on the national stage — and a chance to erase the memories of his pedantic, sing-songy rebuttal of President Barack Obama's first speech to Congress in February 2009. The 38-year-old, Oxford-educated political prodigy was widely criticized, and suddenly didn't seem like presidential material as he once did.

"His reputation still hasn't overcome that speech," said Ed Chervenak, political science professor at the University of New Orleans.

[BP Becomes Lawmakers' 'Pinata' as Oil-Spill Hearings Reach 28](#)

(Bloomberg) -- BP Plc's failure to stop the oil leaking from its well in the Gulf of Mexico is yielding a gusher of inquiries by U.S. lawmakers.

Twenty-eight congressional hearings have been held or scheduled so far. BP America President Lamar McKay has testified before the Senate four times and the House three times. Twelve panels are claiming jurisdiction over parts of the spill and the cleanup.

[Oil Spill's Erratic Geography Fuels Angst](#)

(CBS/AP) In sensitive marshes on the Louisiana coast, oil thick as pancake batter suffocates grasses and traps pelicans. Blobs of tar the size of coins or dinner plates dot the white sands of Alabama and the Florida Panhandle. Little seems amiss in Mississippi except a shortage of tourists, but an oily sheen glides atop the sea west of Tampa.

The oil spill plaguing the states along the Gulf of Mexico isn't one slick - it's many.

[Spill prompts tougher British oil rig inspections](#)

London, England (CNN) -- Britain will step up its inspection of North Sea drilling rigs following the massive oil spill in the Gulf of Mexico, the government announced Tuesday.

The government will also increase monitoring of offshore drilling compliance and has asked a new oil industry group to report on Britain's ability to prevent and respond to oil spills, Energy Secretary Chris Huhne said.

[BP Oil-Capture-Rate Increases as Pace of Spill Stays a Mystery](#)

(Bloomberg) -- BP Plc said more oil is being recovered from its leaking Gulf of Mexico well with a cap device, as the commander of the U.S.'s spill-response team said it's unknown how much crude continues to leak.

[Oily tide erases cleanup work](#)

COCODRIE, La. — Wash, rinse and repeat. And repeat.

And then repeat some more.

That's the routine for rescue workers in the Gulf of Mexico, where oil creeps back into marshes and wetlands faster than they can clean it up. Coast Guard Adm. Thad Allen, the coordinator of the federal response to the disaster, warned Monday that it could take "years" of hard work to fully scrub the Gulf Coast of all the crude.

[Obama shouldn't rule out nuking oil well](#)

Find a way to plug the hole in a way that does less harm than good. That should be the only concern for those working to end the nightmare in the Gulf of Mexico, and the nuclear option should not be summarily dismissed as something too radical and frightening to consider.

[Gull dripping in oil is a call for action on energy](#)

A lot of writers are talking about our addiction to oil and saying the obvious -- that it's time to stop it. But the very nature of addictions is that they don't change easily. I once asked my friend Susan to explain to me how, despite her intentions to not smoke, she could walk by a convenience store and ask me to wait while she went in to buy cigarettes. What happened in her brain to silence her intention to stop the habit and instead empower her amble into the store? Basically, she said, the overwhelming imperative to satisfy the addiction screamed louder than her judgment.

[Nigeria's forgotten oil spills](#)

BP has said again and again that it will cover the costs of cleaning up its oil spill in the Gulf of Mexico.

But away from the cameras, thousands of Nigerians in the Niger Delta, continue to battle for any compensation from numerous oil spills.

[The Doctor And The Dealman](#)

Q: So this is clearly going to be a setback to offshore drilling. What are the implications from a supply perspective? Are you guys believers in the whole Peak Oil thing?

Bustin: Fundamentally, I'm a believer in the concept of Peak Oil. Yet, with the new accessibility to reservoirs made possible by technologies that allow us to drill horizontally and release petrocarbons unconventionally through fracking, I am not sure we have actually seen Peak Oil. Ultimately, however, we are burning through an awful lot of what is undeniably a finite resource.

[Russian PM says gas pipeline may not go to Israel](#)

ANKARA, Turkey—Russia's prime minister says a new gas pipeline that will link Russia to the Middle East via Turkey may not be extended to Israel as originally projected. He says there are economic concerns after Israel found gas in its own waters.

[India Delays Fuel Price Decision Amid High Inflation](#)

(Bloomberg) -- India delayed a decision to raise prices of fuels including gasoline and diesel on concern higher costs will stoke inflation, already running at the fastest clip among the Group of 20 nations. Shares of state refiners fell.

[Enterprise Products Shuts Texas Pipeline After Blast Kills One](#)

(Bloomberg) -- Enterprise Products Partners LP shut a portion of a 36-inch natural-gas pipeline in Texas after an explosion and fire yesterday killed one person and put four others in hospital.

[Kirkuk pipe fix 'to take up to 5 days'](#)

A pipeline rupture that halted Iraq's crude oil exports to the Turkish Mediterranean

port of Ceyhan was sabotage and could take up to five days to fix, a source at Iraq's North Oil Company said today.

[Bank of America Says European Power Demand to Recover by 2012](#)

(Bloomberg) -- Bank of America Corp.'s Merrill Lynch unit said European electricity demand will gain to pre-recession 2008 levels by 2012 as industrial energy consumption recovers.

The lowest point in European power demand was reached in the second quarter of last year, Merrill analysts in London including Eric Lopez said today in an e-mailed report.

[First U.K.-Dutch Power Link to Narrow Price Gap](#)

(Bloomberg) -- The gap between electricity prices in the U.K. and the Netherlands is set to narrow next year as utilities complete the first cable linking the two nations.

[Hoping for a fair wind](#)

UNDER targets set by the EU, Ireland must meet 40pc of its electricity needs from renewable sources by 2020. In the age of "peak oil" this is no longer a dim, distant aspiration but a pressing need.

The good news is that we are actually on target to achieve a 15pc rate this year, and 40pc or even higher in 10 years. At present we have 117 wind farms. This will rise to 361, but the wind turbines will not spring up at regular intervals all around the country. Most will be on the west and south coasts, with no fewer than 66 wind farms in Kerry, 52 in Donegal and 46 in Cork.

[Two good reasons to drive an electric car](#)

BP's oil disaster in the Gulf of Mexico and the latest troubles in the Middle East could have an unexpected outcome for the auto industry: a boost for electric vehicles (EVs).

The ecological nightmare that BP has unleashed has put the spotlight on the deep water oil drilling that for a while seemed to have peak oil theorists eating crow. Now we can all see in vivid images the cost of oil dependency: dying oil-soaked birds, choking fish and beaches covered in gooey gobs of oil.

[E.ON, RWE's Earnings May Be Cut by German Nuclear Tax, UBS Says](#)

(Bloomberg) -- E.ON AG and RWE AG, Germany's largest utilities, could see earnings squeezed next year if the country imposes a new tax on the nuclear power industry to help reduce the budget deficit, according to UBS AG.

[An Old Nuclear Problem Creeps Back](#)

The American nuclear industry, primed to begin new construction projects for the first time in 30 years, is about as eager for an operating problem at an old reactor as the oil industry was for a well blowout on the eve of opening the Atlantic coast to oil drilling.

Nonetheless, a nuclear reactor where a hidden leak caused near-catastrophic corrosion in 2002 has experienced a second bout of the same problem.

[Officials battle superstition to boost births](#)

Nations in Asia are witnessing record low birthrates that experts warn will eventually leave the region without the workers needed to bolster the economy and pay for social benefits.

And 2010 may be the worst year yet because children born under the Chinese Zodiac sign of the Tiger are believed to be fierce and bring harm to their families.

[Biodiversity Hot Spots More Vulnerable to Global Warming Than Thought](#)

ScienceDaily — Global warming may present a threat to animal and plant life even in biodiversity hot spots once thought less likely to suffer from climate change, according to a new study from Rice University.

[Seeds of doubt against climate science](#)

If some of the ongoing attacks on the credibility of climate science feel familiar, there's a reason. With their unattributed claims downplaying the severity of the problem and their vague allegations of scientific impropriety, the assaults are the latest in a long tradition of organized efforts by industry and free-market enthusiasts to undermine the credibility of science they don't like.

One early campaign was launched by tobacco companies. Seeking to prevent government regulation of its product, the American cigarette industry created the Council for Tobacco Research to generate research disputing the work of mainstream scientists. "Doubt is our product," said a 1969 industry memo, "since it is the best means of competing with the 'body of fact' that exists in the minds of the general public." Fighting regulation meant creating doubt about the health effects of smoking. The strategy proved enormously successful, helping prevent most regulation of tobacco

products until 2009, nearly six decades after the carcinogenic properties of tobacco were established.



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