



## Drumbeat: June 14, 2010

Posted by [Leanan](#) on June 14, 2010 - 9:02am

Topic: [Miscellaneous](#)

### [Drilling Rules Hit Trans-Alaska Pipeline](#)

The federal government's new wariness about offshore drilling in the wake of the Gulf of Mexico oil spill is dimming what may be the best hope for extending the life of the Trans-Alaska Pipeline, a crucial artery supplying one-quarter of the West Coast's oil.

The 800-mile pipeline, owned by a BP-led consortium, carries about 670,000 barrels of oil a day -- 13% of U.S. production -- from Alaska's North Slope the length of the state to Port Valdez. From there it is sent by tanker to refineries in Washington and California.

That is a lot less than the two million barrels a day the pipeline carried at its peak back in 1988, because of a rapid -- and probably permanent -- decline in Alaska's onshore oil production.

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Deepwater Horizon rig drilling BP Plc's Macondo well off Louisiana blew up in April, Ixtoc was the only catastrophic oil spill at sea that was not caused by a tanker accident or sabotage.

That disaster made plain what could go wrong in deepwater drilling. After all, it took Mexico's state oil company Pemex 297 days and the drilling of two special relief wells -- the industry's slow moving but only certain fix for blowouts -- to intersect and cap the raging Ixtoc well, located in 150 feet (50 metres) of water.

But a review of hundreds of pages of U.S. government documents related to the Ixtoc spill, as well as interviews with many experts, shows that regulators for years downplayed the possibility of a similar disaster occurring in the United States.

### [BP stock drops another 9%](#)

NEW YORK (CNNMoney.com) -- BP's stock dropped 9% Monday morning -- the 56th day of the oil spill - as the oil giant geared up for another brutal week in the Gulf and on Capitol Hill.

### [US oil spill: Mapping the oil slick](#)

Thousands of gallons of oil has been leaking into the Gulf of Mexico since the Deepwater Horizon oil rig disaster on 20 April 2010.

### [For BP, breaking up is hard to do](#)

That's the corporate structure of BP, according to Citigroup, who supposedly went to the trouble of flow-charting the oil firm in response to client enquiries.

Understandably, given the recent rhetoric from President Obama, they want to know whether BP could firewall its US business.

And the answer to that question is that it would be very difficult, if not impossible.

### [BP has resources to clean up oil spill - Huhne](#)

(Reuters) - BP is strong enough to cope with the financial consequences of cleaning up the oil spill in the Gulf of Mexico, British Energy and Climate Change Secretary Chris Huhne told parliament on Monday.

"BP remains a strong company. Although its share price has fallen sharply since April, the company has the financial resources to put right the damage," Huhne said.

### [BP and the vortex of fear](#)

With BP's share price taking another beating on Monday – it finished 9.3 per cent lower in London – JPMorgan has been drawing clients' attention to cross current circularity – a situation whereby equity and credit markets look at each other for pricing information, apparently

Now, this is important, the bank says, because there is a risk a lower BP share price triggers a higher CDS spread and vice-versa as each security re-prices off the other, potentially creating a self feeding vortex of fear.

### [Lawmakers to BP: Put up \\$20 billion](#)

NEW YORK (CNNMoney.com) -- BP: Kick up \$20 billion to pay for the recent oil spill in the Gulf region. And make it snappy.

That's the message Senate majority leader Harry Reid and members of the Senate Democratic Caucus sent to BP CEO Tony Hayward in a letter on Monday.

### [Total CEO: Big Oil on Big Oil](#)

FORTUNE -- As CEO of Total, the French oil giant that is the world's fifth largest publicly traded oil and gas company, Christophe de Margerie reigns an empire with operations in 130 countries -- including some of the most politically sensitive ones, like Myanmar and Sudan -- and nearly 100,000 employees. Their boss is known for his colorful comments and straight-talking manner, but lately he's taken a more somber tone.

De Margerie sat down with *Fortune* during the International Economic Forum of the Americas' Conference of Montreal on June 7 to discuss the Gulf Coast oil spill and what the future holds for his industry.

### [Whither the dead bird, tar ball and oily boom?](#)

When the official Deepwater Horizon response website each day updates the status of the monumental Gulf oil spill cleanup effort — the miles of new boom deployed, the millions of gallons of oily water collected and the army of workers sent to scour beaches for tar balls and injured or dead wildlife — it is describing only the first steps along a long road.

That's because the recovery sets in motion a lengthy and elaborate process designed to safely dispose of a wide array of hazardous materials. Even bird and turtle carcasses face a lengthy journey before they reach their final resting places.

### [Could oil-eating microbes save the Gulf?](#)

Lyons and his colleagues hope that during the next 6 months, their bioreactor will help to rapidly evolve a population of superefficient oil-eating bacteria ideally suited to the conditions of the Gulf of Mexico. Later this year, the company plans to spray the bacteria over the Gulf's oil-covered waters. But Evolugate is facing long odds. In peer-reviewed scientific studies, seeding oil spills with microbes has never helped the cleanup process, and microbiologists who worked on the Exxon Valdez spill off the coast of Alaska doubt that the outcome will be different this time.

### [California's legendary oil spill](#)

The Lakeview gusher of 1910 spewed 378 million gallons of oil in Kern County scrubland, far more than the gulf spill wreaking havoc today.

### [Hurricanes could bust Gulf oil pipelines](#)

Hurricanes roaring across the Gulf of Mexico create strong enough underwater waves to dig up and potentially bust open oil pipelines that run across the ocean floor, according to a new study that recorded the currents created by the massive storms.

### [Enjoy low gas prices while they last](#)

It looks like the nearly six-week run in lower gasoline prices is just about over.

Gasoline prices have dropped about 8 percent since hitting \$2.93 per gallon on May 6 on the back of lower oil prices. Pump prices fell 0.3 cent to a national average of \$2.698 a gallon Monday, according to AAA, Wright Express and Oil Price Information Service.

### [Kurdistan Should Resume Oil Exports, Minister Says](#)

(Bloomberg) -- The Kurdish areas of northern Iraq should resume oil exports "immediately," without waiting for clearance from the finance ministry, Iraqi Oil Minister Hussain Al-Shahristani said.

Kurdistan should not wait for an agreement on payments to foreign companies before resuming oil exports, he said in an interview in Baghdad today.

"We have informed them that they should resume oil exports immediately, and we are surprised at their reluctance to do so," he said.

### [Norway wealth fund rises to \\$437 bln in May](#)

(Reuters) - Norway's sovereign wealth fund rose by 1.60 percent in May to a preliminary 2.802 trillion Norwegian crowns (\$436.6 billion) from 2.758 trillion at the end of April, central bank data showed on Monday.

### [Give your home a break while on vacation](#)

As you pack up the kids and head out the door for your well-deserved summer vacation, don't forget to give your home an energy break as well.

### [Europe's New Wind Power Rivals Gas](#)

The amount of power generated by new wind turbines in the European Union this year will be about the same as the amount from new gas plants, according to the European Wind Energy Association, an industry group.

### [Solar struggles in U.S. market](#)

It sounds so simple: Take a clean, free and endlessly renewable resource — the sun — and use it to power your homes and businesses.

Yet even as the Gulf oil disaster offers yet another reminder of the drawbacks of fossil fuels, solar power remains on the fringes of the energy industry, especially here in the United States.

### [New Hampshire Takes Carbon Auction Funds to Plug Budget Hole](#)

(Bloomberg) -- New Hampshire will use money raised by auctioning carbon dioxide permits in the U.S. Northeast's cap-and-trade program to help close the state's \$295 million budget shortfall.

### [Drilling Rules Hit Trans-Alaska Pipeline](#)

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Volumes may fall low enough to halt operations by the middle of the next decade without an expensive modification of the pipeline to handle less oil. At a reduced flow, oil in the pipeline can freeze or form into a waxy buildup, raising the risk of interruptions and spills.

### [Japan, Saudi Arabia reach oil storage deal](#)

Saudi Arabia will store 3.8 million barrels of crude oil in Japan, helping the Pacific nation stock up its reserves while giving the top oil exporter better access to Asian markets.

The well-flagged deal between Japan's trade ministry and state oil firm Saudi Aramco would see the crude start arriving later this year at the Okinawa Oil Base (OCC), according to a trade ministry statement.

### [Battle to control oil industry continues](#)

RIYADH: The Opec is turning 50. And what a journey it has been - turbulent, topsy-turvy and of changing fortunes. Yet perseverance has paid off. Today oil producers to an extent are controlling their own destiny. And Opec has played a significant role in it.

The rise of Opec is tied to a shifting balance of power from the multinational oil companies to the oil producing countries. It came into being at a juncture when oil industry was in almost total control of the so called 'Seven Sisters' - US Standard Oil, Standard Oil Company of New York, Standard Oil of California, Gulf Oil and Texaco - along with the Shell and the Anglo-Persian Oil Company.

### [Gulf countries facing shortage of gas: report](#)

The hydrocarbon-rich Gulf countries are facing shortage of gas and might find themselves in a position where they have to import the fuel, a new report said.

Although the global economic slump has reduced the need for gas in most regions, demand in the Gulf Cooperation Council (GCC) for power generation has outpaced the region's gas exploration and production.

"Bahrain, Kuwait, Oman, Saudi Arabia and the United Arab Emirates are facing a reversal of a decades-old status quo: an increasing gas shortage in the region amid a significant supply overhang in the rest of the world," said the report.

"As a result, GCC find themselves in uncharted territory, an almost contradictory position of having to import gas, when they have exported gas for decades," according to the report by Booz and Company.

### [Armed ethnic clashes rage in Kyrgyzstan; thousands flee](#)

(CNN) -- Tens of thousands of Uzbeks are fleeing ethnic violence in southern Kyrgyzstan amid what one aid official described Sunday as a "humanitarian catastrophe," according to the International Committee of the Red Cross.

...Kyrgyzstan hosts a U.S. military transport base that is vital for supplying its troops in Afghanistan. It also has a Russian military base and strategically important natural gas pipelines.

## [Exxon, Chevron Seek Reprieve From 'Crucifixion' in U.S. Gulf](#)

(Bloomberg) -- Exxon Mobil Corp., Chevron Corp. and ConocoPhillips, the largest U.S. oil companies, will ask lawmakers not to punish them for the human and environmental damage inflicted by BP Plc's oil spill in the Gulf of Mexico.

## [US turned down Britain's offer to help clean up BP oil rig spill](#)

A high-level British offer of help to clean up the Gulf of Mexico oil spill was rebuffed by America shortly after the accident, fuelling fresh fears of political tension between the two countries over the disaster.

## [BP may face charges, but execs likely won't](#)

Plans for a federal criminal investigation into the Gulf of Mexico oil spill may evoke visions of oil industry executives lined up in handcuffs for a perp walk into the federal courthouse.

But bringing criminal charges against individuals is difficult in such environmental cases, say legal experts, particularly against high-level executives removed from day-to-day operations.

## [BP oil spill may not be capped until Christmas, expert warns](#)

One of the world's leading authorities on oil well management has warned it could take until Christmas to cap the Gulf of Mexico spill that is devastating the southern coast of America – and BP's reputation.

Nansen Saleri, a Gulf drilling expert, said he hoped BP would meet its August timetable for capping the blown-out well, but made it clear success was not certain.

"I know it is a frightening assessment but everyone should be prepared for a worst-case scenario, and that could mean a Christmas timeframe," said Saleri, chief executive of the consultancy group Quantum Reservoir Impact. "The probable outcome is much better but the technological challenges ... are enormous."

## [Deepwater Drilling Ban to Face House Test](#)

DALLAS — U.S. Rep. Pete Olson, R-Sugar Land, announced Saturday that he would file legislation early this week that would rescind the Obama administration's six-month ban on deep-water offshore oil drilling.

The moratorium “is turning a tragedy into a nightmare,” Olson said, flanked by Republican House colleagues Kevin Brady of The Woodlands, Mike McCaul of Austin and Joe Barton of Ennis, at a news conference at the state Republican convention in Dallas.

### [Mexicans still haunted by 1979 Ixtoc spill](#)

If the worried inhabitants of the southern coast of the US wonder what long-term effects the BP oil spill will have on their livelihoods and the environment, they could come to the Mexican state of Campeche to find answers.

### [Maybe the price at the gas pump is not the total cost](#)

BP and Transocean, the drilling operator on the Deepwater Horizon, have a spotted history around the globe. In the 1930s and 1940s, offshore wells were at maximum depths of 15 to 20 feet below the water's surface. As recently as 1994, the record depth for water drilling was about 3,300 feet. By 2000, it was about 5,000 feet and today is more than 10,000 feet. This advancement is mostly because of improved computer technology.

However, the technology of emergency management in cases like this one has not changed much in the past 30 years. This is the most profitable industry in the history of humanity and it disturbingly has, at best, a strangely myopic view of its safety obligations.

### [Obama Compares Gulf of Mexico Oil Spill to 9/11](#)

While the Obama administration has fended off comparisons between its response to the Gulf of Mexico oil spill and the Bush administration's response to Hurricane Katrina, the president is not averse to making comparisons with the worst terrorist attack on American soil.

In an interview with Politico.com's Roger Simon on Friday, Mr. Obama likened the effect upon the national psyche of what may become the largest oil spill in history with that of 9/11.

### [We're for transparency](#)

The Deepwater Horizon incident, and the oil spill that has followed, is a terrible tragedy for the families and friends of those who lost their lives, and for the people living in communities all along the Gulf Coast. It should never have happened. We're working around the clock to stop the flow of oil, protect the shore, clean up the damage and restore the Gulf Coast. We also want to ensure that a tragedy like this never happens



again.

### [BP says it's baring all; facts say something else](#)

When a CNN camera crew tried to talk to workers cleaning oil-drenched birds on the Gulf Coast last Thursday, it was turned away by a man from the Louisiana State Animal Response Team, a group that says it's working with BP to help wildlife. Never mind that the crew had federal permission to visit the site. "I make the final call," the man said brusquely.

Not far away, on Grand Isle, La., a reporter from New Orleans' WDSU-TV was barred from interviewing cleanup workers. "I can tell you where to go because I am employed to keep this beach safe," a private guard said, even though the beach is public.

### [Why Obama Needs a Healthy BP](#)

Obama and BP are locked in a deadly, messy transatlantic dance. The U.S., deeply in debt and facing a voter rebellion over that fact, needs as many billions as it can siphon from London-based BP to pay for the cleanup of the Gulf of Mexico. The cleanup could cost tens of not hundreds of billions of dollars over the next decade.

But Obama, who told POLITICO on Friday that the spill "echoes 9/11" because of the way it will shape policy for years to come, doesn't want to unduly weaken, let alone destroy, the company for that very reason. It's stock price already battered, its market value down nearly 50 percent since the accident, BP would face yet another pumelling if it refused (or said it was unable) to pay the dividend, which, after all, is based of profits made before the April spill.

### [Obama Was Against It Before He Was for It](#)

On March 31, three weeks before the Deepwater Horizon exploded, President Obama announced the end of a longstanding federal ban on offshore drilling in the Atlantic and eastern Gulf of Mexico. "It turns out," he said April 2, "that oil rigs today generally don't cause spills." That ill-timed policy shift, which gave way a drilling moratorium as the BP catastrophe unfolded, had its roots in the 2008 presidential campaign. What follows is excerpted from *The Climate War: True Believers, Power Brokers, and the Fight to Save the Earth*, by Bloomberg BusinessWeek Deputy Editor Eric Pooley.

### [Kunstler: Fierce Urgency](#)

It all comes down to one thing: the world is mismanaging contraction. The world will not solve the problems of massive over-complexity with more complexity. But scaling down is apparently not an option, though it will happen whether we participate or not. The

USA is like Herman Melville's *Bartleby the Scrivener* who, when asked to do anything, replied, "I prefer not to." His preference led him to a pauper's grave.

### [Massive 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.

### [Kevin Rudd's carbon pledge error](#)

SINCE BP first announced the disastrous oil spill in the Gulf of Mexico on April 21, what President Barack Obama is calling the biggest environmental disaster in US history has seen BP's share price fall from about 650 pence to a low of 366p on Thursday of last week, a fall of 43 per cent.

In a similar time, many Australian clean energy stocks have fallen by a similar amount. Since April 23, shares in carbon sink company Carbon Conscious have fallen by 51 per cent, geothermal energy developer Geodynamics by 42 per cent, hot water company Quantum Energy by 33 per cent, wind energy generator Infigen by 29 per cent, bioenergy developer AnaeCo by 29 per cent, and geothermal company Hot Rock by 28 per cent.

So what have these companies done to be compared to BP? Are they behind a great environmental disaster in Australia? Certainly not. But an environmental disaster is unfolding here and the clean energy sector is among the victims.

### [Power outages threaten Vietnam's industry](#)

Hanoi - A rash of blackouts threatens to hurt Vietnamese export industries, and authorities are unsure when the power outages will end, business executives and officials said Monday.

The power shortage is caused by droughts that have reduced hydroelectric capacity, as well as rapidly rising demand and inefficient use of energy.

### [Indian officials hope to lift blockade in 'jeweled land'](#)

New Delhi, India (CNN) -- A two-month blockade by ethnic tribes that stripped the

luster from a "jeweled land" in a remote northeastern corner of India may be ending soon, a top Indian official said Friday.

More than 2 million people were fast running out of food, fuel and life-saving drugs in Manipur state amid a blockade of vital roadways in place since mid-April.

### [EU wind power grows steadily, funding issue looms](#)

(Reuters) - Investment in new European wind farms is likely to hold steady in 2010, adding a further 13 percent to capacity, but funding problems cloud the outlook, the European Wind Energy Association (EWEA) said on Monday.

### [A better way to take salt out of seawater](#)

Shuaibah 3 is just one of several large desalination facilities in Saudi Arabia that get their power from oil-fired generation stations. "The World Bank estimates that the Middle East will need roughly another 50 to 60 billion cubic feet (1.42 to 1.7 billion cubic metres) of water annually over the next 10 to 15 years to meet the region's burgeoning water demand," writes Rubin. "Desalinating that immense volume of water could ultimately require the use of a million barrels of oil per day."

This is why a company like Saltworks is so important. It has figured out a new process that can cut the energy demands of a desalination plant by more than half, and in some cases by as much as 80 per cent. Ben Sparrow, the mechanical engineer who co-founded Saltworks in 2008, says a small pilot plant is already operating in Vancouver that can process 1 cubic metre of ocean water a day.

### [Hansen: What will Des Moines look like in 100 years?](#)

A hundred years from now, the cheapest bus ticket from Des Moines to Chicago will cost closer to \$200, or maybe even \$2,000, than \$2.

Seeing how the average worker will make more than a million dollars a year - inflation has an upside - scraping together the fare won't be much of a problem.

Yes, it will be great to be alive in 2110, unless you live on a coast that gets washed away by the rising sea. Speaking of climate change, in 100 years, will the KCCI-TV weather beacon constantly flash red for "warmer weather ahead"?

### [Tanker Rates to Gain 43% as China Oil Buys Frontline](#)

(Bloomberg) -- Supertanker rates are poised to surge to a two-year high by December

as China's demand for oil sends ships the equivalent of 11 extra times around the globe in a month.

The 31 percent jump in China's imports increased return journeys for supertankers to about 1.13 million miles in April, or 284,000 miles more than a year ago, based on customs data and voyage lengths. Daily rates may reach \$100,000 by December, said Rikard Vabo, an analyst at Fearnley Fonds ASA, whose November recommendation to buy shares of Frontline Ltd., the biggest supertanker operator, earned 49 percent. His prediction for freight is 43 percent higher than the June 11 price of \$70,025.

China, the engine of the global economic recovery, is going further to get oil, with Angola a bigger provider than Saudi Arabia this year. Longer journeys combined with what the International Energy Agency says will be record consumption in 2010 are driving shipping demand even as forward freight agreements show prices will average \$44,944 for the third quarter and \$45,466 in the fourth.

### [Crude Oil Rises on Forecasts That U.S. Recovery Is Under Way](#)

(Bloomberg) -- Crude oil advanced in New York to trade above \$75 on speculation growth in the U.S. economy will boost fuel demand from the world's biggest energy consumer.

Oil climbed for the fourth time in five days as European equity indexes advanced before reports this week that may show U.S. factories churned out more goods last month and the cost of living declined. These may point to a manufacturing-led recovery without inflation, according to a Bloomberg News survey of economists. The dollar dropped to its lowest level against the euro in more than a week, bolstering the appeal of commodities.

### [Hedge Funds Cutting Bullish Oil Futures Bets](#)

(Bloomberg) -- Hedge funds cut their bets on higher oil-futures prices to a 10-month low as U.S. economic reports signaled fuel demand is diminishing.

### [Gas prices continue their fall](#)

CAMARILLO, Calif. - The average price of regular gasoline in the United States has dropped more than 11 cents over a three-week period to \$2.72.

That's according to the national Lundberg Survey of fuel prices released Sunday.

### [Chavez suggests naming PDVSA "Socialist Petroleum"](#)

CARACAS (Reuters) – President Hugo Chavez on Sunday proposed changing the name of one of the world's largest oil companies and a major supplier of crude to the United States, Venezuela's state-run PDVSA, to Socialist Venezuelan Petroleum.

### [China pipeline ready for Russian oil - agency](#)

(Reuters) - China is ready to receive Russian crude oil after completing the construction of a 927-km crude oil pipeline to the border city of Mohe in the northeast, official news agency Xinhua reported on Monday.

### [BP's Gulf oil spill costs now at \\$1.6 billion](#)

NEW ORLEANS -- BP's costs for responding to the massive oil spill in the Gulf of Mexico have risen to \$1.6 billion.

According to a company news release, that includes new \$25 million grants the British oil giant has given to Florida, Alabama and Mississippi. It also includes the first \$60 million for a project to build barrier islands off the Louisiana coast. The estimate does not include future costs for scores of lawsuits already filed for damages.

### [BP oil spill costs jump as directors meet](#)

LONDON (AFP) – BP said on Monday that the cost of sorting out the Gulf of Mexico oil spill had jumped to about 1.6 billion dollars (1.3 billion euros) for the embattled British energy group.

The news came ahead of a meeting of BP directors in London, due at 1200 GMT, to discuss whether to suspend payment of a shareholder dividend amid US pressure to do so in the wake of the oil spill disaster.

### [BP May Lose U.S. Oil Leases, Contracts as Gulf Spill Punishment](#)

(Bloomberg) -- BP Plc may lose control of its U.S. oil and natural gas wells and be barred from doing business with the federal government as punishment for the worst oil spill in U.S. history, industry and regulatory analysts said.

President Barack Obama and lawmakers are debating penalties that would cripple the company's ability to do business in the U.S. as public outrage intensifies. In addition to BP's culpability in the Gulf of Mexico spill, a 2005 explosion at BP's Texas City refinery that killed 15 workers and a 2006 pipeline leak that dumped 200,000 gallons of crude at Prudhoe Bay, Alaska, will figure in the debate, said Michael Wara, associate professor of environmental law at Stanford University in Palo Alto, California.

## [Obama Plans First Oval Office Speech to Put Pressure on BP](#)

WASHINGTON — President Obama will use his first Oval Office speech Tuesday night to outline a plan to legally compel BP to create an escrow account to compensate businesses and individuals for their losses from the oil spill in the Gulf of Mexico, administration officials said on Sunday.

## [Obama leadership on BP spill faces testing week](#)

WASHINGTON/LONDON (Reuters) – Barack Obama's leadership of the Gulf of Mexico oil spill faces key tests this week as the U.S. president gives his first national address on the disaster and meets top BP executives for the first time.

With America's largest-ever environmental disaster nearing the two-month mark, Obama will press BP executives to set up an escrow account to pay damage claims by individuals and businesses hurt by the oil spill disaster.

## [BP Speeds up Containment Plan for Gulf Oil Spill](#)

(CBS/AP) Facing increasing pressure from the White House, BP has stepped up its efforts to contain the oil leaking into the Gulf of Mexico, an administration official told CBS Radio News White House correspondent Peter Maer.

## [BP Crisis Wipes \\$19 Billion From Energy Bonds](#)

(Bloomberg) -- The biggest oil spill in U.S. history has wiped about \$19 billion off the value of energy company bonds as investors bet increasing regulation will curb revenue and profits.

## [In Case of Storm, Spill Containment and Relief Drilling Could Be Suspended](#)

BP may finally be achieving success in capturing oil from its runaway well in the Gulf of Mexico, and relief wells are on pace to permanently stem the flow this summer, but a formidable obstacle still looms: the weather.

## [BP Spill May Be 'Opportunity in Disguise' for Oil-Rig Makers](#)

(Bloomberg) -- Heightened U.S. scrutiny of offshore drilling after the BP Plc spill, the worst in the nation's history, may spur oil companies to replace aging rigs with new platforms made in South Korea and Singapore.

## [The Ahab Parallax: 'Moby Dick' and the Spill](#)

A specially outfitted ship ventures into deep ocean waters in search of oil, increasingly difficult to find. Lines of authority aboard the ship become tangled. Ambition outstrips ability. The unpredictable forces of nature rear up, and death and destruction follow in their wake. "Some fell flat on their faces," an eyewitness reported of the stricken crew. "Through the breach, they heard the waters pour."

The words could well have been spoken by a survivor of the doomed oil rig Deepwater Horizon, which exploded in the Gulf of Mexico in April, killing 11 men and leading to the largest oil spill in United States history. But they come instead, of course, from that wordy, wayward Manhattanite we know as Ishmael, whose own doomed vessel, the whaler Pequod, sailed only through the pages of "Moby-Dick."

## [Obama on fourth visit to Gulf oil spill region](#)

WASHINGTON (AFP) – President Barack Obama sets off Monday on a fourth visit to states stricken by the Gulf of Mexico oil spill in a sign of the seriousness of the disaster both for the country and his presidency.

## [BP deploys deepsea sensors to better measure spill](#)

NEW ORLEANS – BP mounted a more aggressive response to the oil spill in the Gulf of Mexico on Sunday as it started deploying undersea sensors to better measure the ferocious flow of crude while drawing up new plans to meet a government demand that it speed up the containment effort ahead of President Barack Obama's visit to the coast.

## [Impoverished by oil spill, still waiting for a check from BP](#)

HOUMA, Louisiana (AFP) – Impoverished by the massive oil spill which has closed huge swaths of the Gulf of Mexico to fishing and washed away tourists, people here are growing increasingly frustrated with the long wait for compensation from BP.

## [Barataria estuary now ground zero in oil spill](#)

BARATARIA BAY, La. – The meandering sand dunes and bird islands of Barataria Bay have become the epicenter of the environmental disaster spewing from BP's offshore well. And fishermen are bitter.

Oil-caked birds, stranded sea turtles, globs of goopy brown crude on beaches, coated crabs and mats of tar have been found throughout the inlets and mangroves that dot the

bay. The oil has smothered this watery otherworld with a rainbow sheen and is threatening the complex web of wetlands, marshes and bayous that make up this national treasure.

Everything from crabbing to bait fishing is shutting down, and the anger on the bayou is palpable.

### [Obama tells Britain no hard feelings over spill](#)

LONDON – President Barack Obama reassured Prime Minister David Cameron on Saturday that his frustration over the mammoth oil spill in the Gulf of Mexico is not an attack on Britain as the two leaders tried to soothe trans-Atlantic tensions over the disaster.

### [After BP cleans up the oil, it has to clean up its image](#)

BP's name now is inextricably linked with the worst man-made environmental disaster in U.S. history. No amount of public relations razzle-dazzle can change that reality.

And while oil still is pouring into the Gulf of Mexico, almost any step that even seems like PR has a risk of backfiring.

"They've created a Frankenstein of a PR problem," says Howard Rubenstein, the New York publicist who cleans up PR messes for some of the nation's top companies, executives and celebrities. "They tried to minimize it at the beginning, but you can't do that in a crisis of this magnitude."

### [The Saga of the Anglo-Iranian Oil Company \(Better Known as BP\)](#)

That's right – BP was originally called the Anglo-Iranian Oil Company. It adopted the name British Petroleum in 1954. The story of BP is really the story of British aggression and imperialism. As in India, Hong Kong, Ireland, Singapore, and America, the British had their imperialistic eyes on the Middle East. In fact, it was a British civil servant that drew the borders of Iraq and Kuwait and other countries in the region with no regard to tribal history but with all regards to exploiting oil. As in India, Ireland, and elsewhere the rule was always “divide and conquer”. Religion was a very useful tool for the British. More often than not the people of whatever country being economically devoured would fall prey to this tactic.

But religion never mattered to the British. All they were after was the loot. And this is exactly why BP is responsible for the largest ecological disaster in U.S. history. But before I explain how and why, let us take a brief look at some oil history.



[Thomas L. Friedman: This Time Is Different](#)

We cannot fix what ails America unless we look honestly at our own roles in creating our own problems. We — both parties — created an awful set of incentives that encouraged our best students to go to Wall Street to create crazy financial instruments instead of to Silicon Valley to create new products that improve people's lives. We — both parties — created massive tax incentives and cheap money to make home mortgages available to people who really didn't have the means to sustain them. And we — both parties — sent BP out in the gulf to get us as much oil as possible at the cheapest price. (Of course, we expected them to take care, but when you're drilling for oil beneath 5,000 feet of water, stuff happens.)

As Pogo would say, we have met the enemy and he is us.

[The Niger delta: some perspective to the BP oil spill](#)

The response to the Deepwater Horizon oil spill in the Gulf of Mexico has, understandably for such a catastrophe, been huge -- from international condemnation of BP, to a narrowly-missed diplomatic row between Britain and the US.

No-one denies that the oil spill is a disaster that is having a devastating effect on ecosystems in the affected areas, as well as on the fishing and tourism industries. But what about a little proportion?

[Bhopal Gas victims plea to Obama for action against UCC](#)

Seeking justice for the victims of the Bhopal Gas Tragedy of 1984, its survivors have started a signature campaign for a memorandum to be sent to US President Barack Obama against Union Carbide Corporation (UCC).

"Your (Obama) tough stand against British Petroleum for the oil spill in the Gulf of Mexico is worthy of emulation by other governments around the world and the same yardstick should be applied to the Bhopal Gas tragedy involving a US company," the memorandum, scripted by, Bhopal Gas Peedit Mahila Udyog Sangathan, an NGO working for the disaster victims, said.

[Official: Oil spill hasn't reached Great Salt Lake](#)

SALT LAKE CITY – Emergency workers believe they have stopped a 21,000-gallon oil leak from reaching the environmentally sensitive Great Salt Lake, one of the West's most important inland water bodies for migratory birds that use it as a place to rest, eat and breed.

But the spill has taken a toll on wildlife at area creeks and ponds, coating about 300

birds with oil and possibly threatening an endangered fish.

The leak began Friday night when an underground Chevron Corp. pipeline in the mountains near the University of Utah broke. The breach sent oil into a creek that flows through neighborhoods, into a popular Salt Lake City park, and ultimately into the Jordan River, which flows into the Great Salt Lake.

### [Pak says will welcome India joining pipeline project](#)

A day after sealing final pacts with Iran on a long-talked gas pipeline, Pakistan today said it will welcome India joining the project and will guarantee safe delivery of the fuel.

With New Delhi boycotting talks on Iran-Pakistan-India pipeline over pricing and security concerns, Iran and Pakistan yesterday signed government guarantees - the last of a series of agreements - that commits the Islamic republic to supply its eastern neighbour with natural gas from 2014.

### [Twilight of the Coal Era?](#)

The electricity market is in the doldrums, but the market for new generating stations that use natural gas is going strong, industry experts say. Why? Because gas is beginning to replace coal, according to Randy H. Zwirn, president of the Siemens Power Generation Group.

### [Shale Gas 'Revolution' Could Turn Out to Be Mammoth Spin Job](#)

Among other things, my excursions in the blogosphere have convinced me that certain people are hard at work trying to convince the television and 'blog' audiences in the U.S. that their energy troubles are almost over because of the huge amounts of shale gas that – ostensibly – can be economically extracted in various parts of that country. Moreover, if this turns out to be true, then it is likely that the same could apply to many other parts of the world, since the shale gas phenomenon is largely a matter of technological improvements that can be easily transferred between countries or continents. At the same time it should never be forgotten that what some observers call the shale gas 'revolution' might turn out to be no more than one of those mammoth 'spin' jobs that are mainly concerned with increasing somebody's money and power. Personally, for reasons given below, I remain sceptical to a large part of the shale gas song-and-dance, but admittedly I could be completely wrong. I certainly hope that I am.

### [Wind turbines set out to conquer Sweden's great north](#)

MARKBYGDEN, Sweden (AFP) – While community opposition often blocks or hampers new wind power projects, Sweden has managed to break ground for Europe's largest

wind park counting more than 1,000 giant turbines, with barely a whisper of protest.

The secret? The giant Markbygden wind farm -- covering more than 500 square kilometres, or the equivalent of five times the size of Paris -- is being built in a virtually uninhabited, desolate stretch of Sweden's great north.

### [Goldwind Shelves \\$1.2 Billion Hong Kong Share Sale](#)

(Bloomberg) -- Xinjiang Goldwind Science & Technology Co. shelved a plan to raise as much as HK\$9.09 billion (\$1.2 billion) in a share sale in Hong Kong, citing poor market conditions.

The Chinese wind-turbine maker won't proceed "in light of the deterioration in market conditions and recent unexpected and excessive market volatility," Goldwind said in a statement to the Hong Kong stock exchange today. A sale would be "inadvisable" at this time, the company said.

### [IEA Urges Governments, Industry to Advance CO2 Storage Projects](#)

(Bloomberg) -- Governments and industry should boost efforts to deploy carbon capture and storage projects that reduce emissions of the greenhouse gas and help fight global warming, the International Energy Agency said in a report.



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