



Drumbeat: March 2, 2011

Posted by [Leanan](#) on March 2, 2011 - 10:28am

[Oil shakes starting to unsettle Saudi Arabia](#)

FEARS that Saudi Arabia, the world's biggest oil exporter, could be destabilised and rock global economic recovery have edged closer to reality.

As oil prices reached a fresh 2½ year high - just shy of \$US100 a barrel - on Tuesday night, the Saudi stockmarket dropped to its lowest since April 2009, shedding 6.8 per cent.

Economists believe the selloff was sparked by the jailing of a senior Shiite cleric, who was pushing for a constitutional monarchy in the predominantly Sunni Muslim kingdom.

[Libya's oil exports cut as companies hedge their bets](#)

Oil companies are hedging their bets over who to back in Libya as the country descends further into chaos, leaving oilfields, pipelines and export terminals in the hands of different warring parties.

The fighting has encouraged foreign energy groups to make tentative approaches to rebels holding key oil and gas assets, but they are anxious not to fall out with Colonel Gaddafi for fear he could still restore his autocracy.

[Libya: Spending oil money across the globe](#)

NEW YORK (CNNMoney) -- In the span of a few years, Libya's financial tendrils have reached across oceans, across borders and across continents.

The U.S., the U.K., Switzerland and the European Union recently moved to freeze billions of dollars of Libyan assets, as the violence and chaos spread.

[Asia moves to shore up strategic oil reserves](#)

As oil prices spiral higher amid turmoil in Libya, developing countries across Asia are taking evasive action, shoring up their strategic petroleum reserves against the risk of a

prolonged supply shock. Their actions could propel crude even higher.

[Clinton says China seeks to outflank Exxon in Papua](#)

(Reuters) - China wants to elbow U.S. oil giant Exxon Mobil out of a \$15 billion liquefied natural gas (LNG) project in Papua New Guinea, U.S. Secretary of State Hillary Clinton said on Wednesday in an example of the new competition Beijing presents to U.S. interests.

[Texas activists ready to fight over \\$7bn oil pipeline in the home of black gold](#)

In an earlier life, David Daniel jumped through fire and performed a motorcycle stunt called the Wheel of Death. For his second act, he picked a fight with a \$7bn oil pipeline set to run through Texas.

He is not doing badly for a man taking on big oil in the home of black gold. Growing opposition to a Canadian project to pump crude from tar sands in Alberta across six American states to the Gulf coast could force the Obama administration to reconsider – and possibly delay – the project.

[U.S. military to help develop energy storage device](#)

(Reuters) - The energy-hungry U.S. military plans to help develop advanced power storage devices with the help of a branch of the Energy Department that fosters innovation in high-risk, but high-potential, technologies.

The Department of Defense, the single largest user of energy in the world, will work with the Energy Department's Advanced Research Projects Agency-Energy, known as Arpa-E, to develop technologies that could also have civilian applications, officials said on Wednesday.

[Biofuels only major way to decarbonise road fuel - BP](#)

(Reuters) - Biofuels represent the only way to significantly reduce carbon emissions in road transport fuel and are likely to account for at least 12 percent of supply by 2030, an official with oil giant BP said on Wednesday.

"There is no other alternative that I can really subscribe to in terms of decarbonising road transport," Olivier Mace, head of strategy, regulatory affairs and communications at BP unit BP Biofuels, told a conference organised by Agra Europe.

[Sharon Astyk: Nasty, messy things that make you late for dinner: Energy, environment, reality](#)

What I found eloquent and right about Lindberg's story is simply that it mirrors my own direct experience and the experience of people and organizations I know - that we who are preparing and doing good work are in some measure not expecting the realities into which we plunge. We speak, as Lindberg points out of "after peak oil" or "when climate change really hits" the way children do of "when we grow up" even though these things have already struck us. We are, in many ways, already living the grand sweep of adventure that we sometimes imagine will come "someday." Someday, in fact, is here.

[Analysis: Regulation, Prices Top Issues Facing Energy Execs](#)

Regulation, prices and investment are the top issues affecting energy executives' outlook for the industry in the coming year, according to Grant Thornton LLP's ninth annual Survey of Upstream U.S. Energy Companies. The survey revealed that 68 percent of U.S. oil and gas senior executives believe that an increase of 20 percent or more in the cost of drilling because of changes in government regulation would make new exploration and development projects uneconomical.

[Top EU official warns of 'volatility' in energy supply](#)

A senior commission official has warned of "volatile" energy supplies due to continuing instability in the Arab world.

Speaking at an energy conference on Wednesday, Philip Lowe said that, currently, there were "legitimate concerns" about the security of Europe's energy supply from Libya and other parts of the region.

"At present, there is great uncertainty over which gas and oil fields will be under whose control in Libya," said Lowe, the commission's director general for energy.

[A dirty little oil market secret](#)

Holy smokes. Are we gullible!

Have the Saudis really boosted oil output?

Fresh Saudi oil output or are they just tapping storage?

[Oil prices are too high. Period.](#)

Rumors seem to be playing more of a role in what's going on with oil than anything else. Crude prices popped Tuesday morning on reports (which later turned out to be false) that Saudi Arabia was sending tanks to neighboring Bahrain to help quell unrest there.

"The run-up in oil prices is all due to concerns about 'what-if' situations," Ober said. "None of the fundamentals have really changed."

[Gas: Why I'm paying \\$4 but my neighbor isn't](#)

Gas prices vary a lot depending on the state, city, and even the block where you buy your gas.

The biggest reason is taxes. 75% to 80% of the disparity between states is due to taxes, according to Rayola Dougher, senior economic advisor for the American Petroleum Institute.

[Crude Oil at \\$200 a Barrel? Oil Output at Risk](#)

Most of the Libyan (oil and gas) fields are well to the south of the country and in areas of low population (this is why the oil companies had to build their own airports). However, the crude is exported from Tripoli, Benghazi and Ajdabiya (40km south of Benghazi), so it is the infrastructure that is the main risk. But any incoming regime of whatever flavor will want to keep the oil and gas flowing, so we doubt there will be any "official" destruction of infrastructure ... but the risk of collateral damage remains. Libya produces around 1.6mb/d of crude and consumes 200kb/d. The whole of this output is at risk of being put out in the short term.

[Gaddafi's rehabilitation with the West and Libya's current oil production](#)

Libya's time of greatness as an oil-producing nation was around 1970 when they had their maximum production of over 3 million barrels per day (Mb/d). This then declined to a stable production of 2 Mb/d until 1980. During the 1980s their production sank for a few years to just above 1 Mb/d. It was clear that Libya's oilfields had past their first phase of oil extraction during which the fields' innate initial pressure is the force driving oil flow. They needed help with modern technology to increase oil flow.

[10 dead as Libyan rebels repulse deadly Gadhafi offensive](#)

BREGA, Libya - Libyan rebels fought intense battles to repel Moammer Gadhafi's forces from the key eastern oil port of Brega Wednesday as the regime's biggest counter-offensive yet left at least 10 people dead.

[IEA: Political Unrest Impacts Libyan Oil Production](#)

The International Energy Agency (IEA) estimates that between 850,000 kb/d and 1 million b/d out of 1.6 million b/d of Libyan oil production is currently shut-in as political unrest in the country has prompted oil companies to evacuate employees and shut-in production.

The IEA said it continues to closely monitor developments with regard to Libya's production and export facilities. However, information on production levels and export volumes is incomplete due to the poor communications channels and staff shortages in Libya. "In addition, there continue to be conflicting reports on the status of Libyan port activity due to very high winds affecting operations in some of the ports," IEA said in a statement.

[Libya's oil status is hard to tell with any certainty](#)

CAIRO — Libya's leader blamed rebel "gangs" Wednesday for scaring off international oil firms and triggering a steep drop in crude output, but he also said all oil facilities were firmly under government control.

Oil officials in the rebel-held east, meanwhile, in an apparent attempt to reassure oil companies, said there was no dip in exports from the region and that funds from oil sales would continue to be deposited in Libya's accounts, even if the OPEC member state comes under international sanction.

[Recession Threat Due to Higher Oil Prices Grows](#)

The recent and growing civil unrest in Libya has raised the specter for an explosion in crude oil prices, the possibility of a supply cutoff and a potential global recession. These increasing fears come despite statements from Saudi Arabian oil minister Ali Naimi that the world is adequately supplied with crude and that his country stands ready to boost production to prevent a spike in world oil prices such as happened in 2008. He did acknowledge that recent oil price volatility will continue to be experienced in the near term but would fade as market participants recognize the large amount of surplus production capacity available to offset any supply shortfall coming from the problems of Libya's oil industry.

[FACTBOX-Mexico's historic oil field operating contract auction](#)

(Reuters) - Mexico's state oil monopoly Pemex will auction operating contracts for three mature oil fields to private companies in 2011, the first time in more than 70 years that private firms will be allowed to operate Mexican oil fields.

[FACTBOX-Key political risks to watch in Tanzania](#)

The state-run utility imposed Christmas power cuts after a shortage of natural gas to turbines led to a power deficit. Power rationing was expected to end in January, but drought at hydropower stations has now pushed up the power deficit to 230 MW.

[Hope for improved power dims](#)

Is the hope for regular power supply in Nigeria about to become a dashed hope for Nigeria's long-suffering energy deficient citizens? Is the trumpeted gas-to-power project, upon which the Federal Government has anchored its plans to boost energy supply on the verge of going into history as another white elephant project?

[Zimbabwe: Govt Can't Afford to Run Dry](#)

Although the fuel situation has since normalised over the past weeks, events of the past month call for Zimbabwe to urgently build its own reserve stocks to use in the event of a mishap in the supply line.

[\\$100 million more sought for Exxon Valdez cleanup](#)

ANCHORAGE, Alaska (AP) -- A federal judge will hear arguments Friday on whether Exxon Mobil Corp. owes another \$100 million to remove oil remaining on the Prince William Sound shoreline from the 1989 Exxon Valdez tanker spill.

[Oil Spill Response in Arctic Requires Further Study](#)

The Macondo oil spill has prompted government regulatory agencies worldwide to study the environmental impact of an oil spill and how to respond to such an incident. This concern appears to be even greater for the Arctic, which has been relatively undeveloped and is viewed as a pristine environment with a delicate ecosystem.

['Fracking' Comes to Europe, Sparking Rising Controversy](#)

As concerns grow in the U.S. about the environmental impact of hydraulic fracturing, or "fracking," to extract natural gas from shale, companies have set their sights on Europe and its abundant reserves of this "unconventional" gas. But from Britain to Poland, critics warn of the potentially high environmental cost of this looming energy boom.

[How Solar and Oil Coexist in Saudi Arabia](#)

Saudi Arabian solar, however, looks like it's a part of an overall oil strategy. The country wants to diversify its energy portfolio with solar and nuclear. By reducing its need to burn oil for electricity, it can preserve more oil for money-making exports, Reuters writes.

[UK consumers add solar panels to shopping lists](#)

LONDON (Reuters Life!) - British shoppers can now pick up a solar panel while out grocery shopping as the country's third largest supermarket J Sainsbury Plc has started

to sell renewable energy technology in some stores. Sainsbury's Energy -- a five-year partnership with British Gas -- is offering small solar panels and loft insulation at stores and online so people can start generating their own energy at home.

[Utah: Open state agencies five days](#)

The inconvenience is just not worth it. The program saved \$502,000 in energy costs in 2010, about a sixth of what its proponents claimed would be saved.

[Interview: Richard Heinberg](#)

The problem is that for policy makers all of the incentives are to continue with business as usual. To pursue economic growth, for example, even if it's no longer possible.

And to deny that there are even limits to economic growth. Which means that, because there are, in fact, limits to economic growth, this means that policy makers are basically operating in a delusional condition.

And deluded people who are fundamentally separated from reality just don't make good choices.

[What gas spike? Americans still hungry for SUVs, pickups](#)

NEW YORK (CNNMoney) -- Rising gas prices did not keep Americans from buying large pickups and SUVs in February, according to sales results from leading automakers.

Industrywide U.S. auto sales shot up 27% compared to a year ago according to sales tracker Autodata. That's well above forecasts of about a 19% increase. The sales rate was the best since the Cash for Clunkers program, and at that pace, sales could reach 13.4 million vehicles over a full year.

[GM, less reliant on U.S., focuses on global market](#)

The famous Chevy bowtie seems to be popping up everywhere, from Berlin to Beijing. A full 45 percent of the brand's sales came from outside the U.S. last year, and Chevy wants to raise its share of the international market in 2011. Chevy is a dominant force in Latin America and one of the fastest-growing nameplates in both Europe and China.

[How high can oil go before it derails growth?](#)

Francisco Blanch, head of global commodity research at BofA-Merrill Lynch, warns that the disruption in Libya could be the eighth-largest supply shock since 1950. "Worryingly, the oil infrastructure in Libya sits on the eastern side of the country and

could be prone to attacks by either Gaddafi loyalists or opposition forces, creating the risk of a prolonged output loss," he says.

[Lessons from oil shocks](#)

Korea might as well throw this year's targets - 5 percent growth and 3 percent inflation based on oil prices of \$85 per barrel - out the window.

[ANALYSIS - Iran can seize brief window to fill Libya gap](#)

DUBAI (Reuters) - Lost Libyan oil gives Iran a chance to sell off its shunned crude stored on tankers, but only in a brief time window before promised Saudi supplies sail to the rescue of anxious European refiners.

Lighter Saudi grades also make a better substitute for Libyan crude than heavier Iranian oil, which Tehran has struggled to sell as international sanctions limit its capacity to trade.

[Libya woes pulls tankers' oil storage deals-shipper](#)

(Reuters) - U.S.-listed Overseas Shipholding Group said it expects all tankers used for storing crude to be released due to the tightness in the oil market amid the conflict in Libya.

"We're expecting all ships that have been used for storage to be released due to the tight market because of what's happening in Libya, so it's obvious that storage is vaporising," Overseas Shipholding Group CEO Morten Arntzen told Reuters on the sidelines of a seminar.

[We're No. 1 \(and No. 3\)! Surprising Facts About the U.S. and Oil](#)

With the price of oil fluctuating around \$100 per barrel, here's a timely question: Where does America get its oil? Some of the answers might surprise you.

[Gold, Oil & Dow: Death Spiral Update](#)

The current events of the Mid East have made the Death Spiral more possible than at any previous point in the crisis. Exponentially more possible.

[A Peak-Oil Survival Kit for Meetings](#)

There was a moment during the Green Meeting Industry Council's 2011 Sustainable Meetings Conference last week in Portland, Ore., when more than 300 meeting professionals glimpsed the end of the world as they've known it.

Ian Lee, an airline industry analyst at Carleton University's Sprott School of Business, had just made the case that six out of 14 European airlines will go out of business by 2015 if oil prices stay above \$100 per barrel. If prices reach \$150 per barrel, nine of the 14 will disappear.

[PG&E rejected safety warning for shut-off valves](#)

WASHINGTON — The California utility whose gas pipeline exploded last fall had rejected federal recommendations to install more automatic shut-off valves to help reduce the risks from a rupture and fire, an investigative panel was told Tuesday.

[Farmers can meet nation's energy needs](#)

"The simple math is that we are going to need a new energy source to grow food to feed the world," he said.

"In the old days we'd grow oats to feed the horses to grow oats.

"Now we need to feed the iron horses and I believe the best way is with oilseeds which can be converted to biodiesel."

[Where the Sidewalks End, and Why: Don't Blame the Market](#)

When I wrote that being carless in America is like second-class citizenship, it stirred up quite a debate. In between the calls for me to "go back to Britain", and the firm metaphorical nods of agreement from many carless Americans, commenter Vboring made an assertion that "the fact that neighborhoods without sidewalks exist implies that people don't value sidewalks enough to pay for them. If they don't want sidewalks, who are you to force them to install them?" On the face of it, there's a certain logic to this argument—but that logic is limited. The market is not, and should never be, the final and only authority on what should, and should not, exist.

[Motorist in Brazil ploughs through Critical Mass cyclists](#)

A dozen cyclists were knocked down after a motorist appeared to deliberately plough his car straight into them.

[Frozen Assets](#)

Sometimes our assumption of the availability of energy got seriously in the way, like when we tried to open the garage to take out the car but couldn't because we have an electric garage door opener. I grew up without garage door openers quite well, but the convenience of opening the door without having to get out of the car is wonderful, particularly in winter or on rainy days. Such conveniences are one of the trappings of middle class life, which attempts to make our things easier for us through the burning of fossil fuels. In reality, they are an unnecessary extravagance that attempt to let us think we are among the privileged.

[The United States: A Country without a Revolution](#)

The way of life that Americans enjoy is unequivocally more privileged than that of the average Egyptian or Tunisian. But it would be a dire mistake to think of that way of life as something indestructible. What we have seen in North Africa and the Middle East is that a dictatorship can be taken down. What we are seeing in the West is that a stable democracy can be chipped away at as well.

[Five pieces of pizza to go](#)

For the sensible people who don't follow such things, let me fill you in on (I think) one of the most intriguing debates taking place within the environmental movement. It concerns global issues large enough in scope to seem abstract and almost unreal to us – and yet your take on them will likely dictate the contours of your everyday life.

I like to think of it as the “save the world”/“save yourselves” argument. At face value, of course, the former is a more appealing slogan. But a growing number of prominent voices within the movement are throwing themselves behind the uglier second option.

[Ungreen the Capitol? Styrofoam returns](#)

When Democrats held the majority, the various cafeterias throughout the Capitol complex served their wares in compostable food containers as a part of former Speaker Nancy Pelosi's initiative to "Green the Capitol."

But the GOP's reorganization of the House means that the more environmentally-friendly containers and utensils – which were biodegradable but flimsy - have been replaced with cheaper plastic and Styrofoam versions.

"Styrofoam and Libya," one Hill staffer was overheard saying. "Are we back in the 80's?"

[Peak Oil: When Reduce, Reuse Recycle Isn't Enough](#)

We are running out of oil-fast. Funny thing is a lot of people think alternative energy sources are going to save us. This is funny because it's just not going to happen that way.

Think about it, it takes energy, power and oil to build EVERYTHING that is a part of our daily lives. Coal plants, nuclear plants, hydro-plants, even solar panels and windmills take energy to make. Airplanes, tires, bottles, food, cars, cell phones, you name it-even if it doesn't take oil to run it, it takes oil to make it. Without oil, our whole lives are in for an abrupt change-that is, unless you're prepared.

[WeatherBill Raises \\$42 Million](#)

Google Ventures and Khosla Ventures have led a \$42 million financing round in WeatherBill, a San Francisco start-up that insures farmers against extreme weather conditions that can cripple crop production.

Founded by Google alumni, the four-year-old WeatherBill runs computer simulations to predict the likelihood of extreme weather in any location at any time and charges farmers accordingly.

[Clothes Makers Join to Set 'Green Score'](#)

With just a few clicks on Google Maps, anyone can call up a satellite image of blue dye and other chemicals washing downriver from textile mills in Xintang, China — the world capital of blue jeans production.

But American shoppers in a typical department store encounter no obvious connection between those polluting plumes of dye — or really any other environmental impact — and their favorite pair of designer blues. In many cases, the company whose name appears on the label is only marginally better informed.

But a new and prominent assemblage of retailers, clothing manufacturers, environmental groups and academics plans to change that.

[Popular unrest could crush OPEC spare capacity](#)

(Reuters) - Unrest sweeping the Middle East could squeeze OPEC's precious spare oil capacity for the long term as well as the near term as fearful governments delay reforms needed to tame galloping domestic fuel use.

The disruption of much of Libya's 1.6 million barrels per day (bpd) of production already threatens to make a serious dent in the less than 5 million bpd of OPEC oil that can be swiftly added to markets in times of shortage.

[INTERVIEW-Libya hopes oil does not become weapon](#)

TRIPOLI (Reuters) - Libya hopes tensions with Western countries over a popular revolt in the country do not reach the stage where the Tripoli government considers oil

as a political weapon, a top oil official said on Wednesday.

Shokri Ghanem, chairman of Libya's National Oil Corporation, also told Reuters in an interview that Libya's troubles had created the country's worst energy crisis in decades and Libyan supply disruptions to world markets could push oil above \$130 a barrel in the next month if troubles persist.

[Jeff Rubin: Only a recession stands in the way of \\$200 oil](#)

With very limited excess capacity in Saudi Arabia and the rest of OPEC, further production shutdowns in the convulsing Middle East will soon push oil prices to new record highs. The Brent futures contract, the world's benchmark price, almost reached \$120 per barrel in London last week. With gasoline soon to cost six pounds a gallon (£1.32 pounds/liter), the British government is already considering alternative rationing systems to the brute price mechanism at the pumps.

[Oil rises near \\$100 after surprise US supply drop](#)

SINGAPORE – Oil prices rose to near \$100 a barrel Wednesday in Asia as a report showed U.S. crude and gasoline supplies unexpectedly dropped last week, suggesting demand may be improving.

...The American Petroleum Institute said late Tuesday that crude inventories fell 1.1 million barrels last week while analysts surveyed by Platts, the energy information arm of McGraw-Hill Cos., had forecast an increase of 1.6 million barrels. Inventories of gasoline fell 4.9 million barrels and distillates fell 1.4 million barrels, the API said.

[Credit Suisse Sees Oil Prices Falling Below \\$100 on Saudi Arabia's Supply](#)

Global oil prices will probably decline to below \$100 a barrel as Saudi Arabia releases supply from its reserves and demand drops from elevated December levels, Credit Suisse Group AG said.

The rise in prices is “manageable” and central banks are unlikely to raise interest rates “on account of oil alone,” Andrew Garthwaite, an analyst at Credit Suisse, wrote in a note dated today. Still, any rally driving Brent crude 100 percent higher year-on-year to between \$140 and \$155 a barrel may be a “trigger point” that has historically led to equities “correcting” by 34 percent, he wrote.

[U.S. gasoline price jump biggest since Katrina](#)

WASHINGTON (Reuters) – The average price U.S. drivers paid for gasoline soared 19.4 cents in the latest week to \$3.38 a gallon, the biggest jump in pump prices since Hurricane Katrina disrupted petroleum supplies in September 2005, the Energy

Department said on Monday.

[Gas station owners: Don't call us gougers!](#)

Bellman knows why prices are rising, and it isn't because of any shortage of oil in the United States or the world market.

"It's because of speculation about things that could hurt the supply in the future," he said. "These last couple of years, speculators have moved market prices for gas more than they have ever before."

[Planned layoffs spike in February](#)

"At the very least, rising energy costs could force employers to postpone hiring plans," Challenger said. "At worst, increased costs could kill the fragile recovery and spur another round of layoffs."

[IEA economist says expensive oil here to stay](#)

BERLIN (Reuters) - High oil prices are a threat to the global economic recovery and present a challenge the world will have to face over the long term, the International Energy Agency's chief economist said on Wednesday.

"The age of cheap oil is over, though policy action could bring lower international prices than would otherwise be the case," Fatih Birol said at a conference in Berlin.

[Is the price of oil rising too fast?](#)

Harsh winters, quantitative easing and political unrest have pushed crude to around \$100 a barrel. Rising oil prices could cause a double dip recession.

[Crude Oil: Are we headed to inflated 2008 levels?](#)

The April 2011 WTI Crude oil contract opened last week at \$90.04 and closed the week at \$97.88. Crude hit a high last week of \$103.41. With record supplies of crude in the United States why are we paying so much? Is it the fear of an oil stoppage from Libya? Actually Libya makes up only 5% of OPEC's production. Saudi Arabia already said they would make up the difference, so where is the problem. Was the reported threat of the Suez Canal getting shut down real or simply uninformed speculation?

[Mideast Crisis Update: Don't Count on the Saudi Oil Supply](#)

Almost two-thirds of the world's known conventional oil supplies are located in the Middle East region. And the question that isn't being answered - or even asked - right now is this: Are oil supplies sustainable in the face of a longer-term crisis?

The answer to that question will leave you feeling less than sanguine.

[Shell CEO: Oil Market To See Short-Term Spikes Amid Libya Turmoil](#)

PARIS -(Dow Jones)- The oil market will continue to see price spikes in the short-term, but additional output from OPEC will stabilize market more long-term, Royal Dutch Shell's Chief Executive Peter Voser said Wednesday .

"You will see price spikes in the short-term, but in the longer term, the OPEC has made very clear on how it will operate," Voser told reporters in Paris on the sidelines of a conference at the Organization for Economic Cooperation and Development.

[UAE sticks to OPEC oil quota despite Libya cuts](#)

DUBAI - The United Arab Emirates, OPEC's third-largest oil exporter, continues to produce oil within its OPEC quota despite Libyan supply disruptions that led Saudi Arabia to pump more oil, an official told Reuters on Wednesday.

"The UAE is producing within its OPEC quota," an industry official told Reuters. Production is still in the range of 2.3 million barrels per day (bpd), while total capacity is around 2.8 million bpd, he said.

[Adnoc signals rise in crude oil availability](#)

Abu Dhabi National Oil Company (Adnoc) has issued a strong signal that it will join Saudi Arabia in making more crude available to the international market.

Adnoc's marketing and refining directorate lifted restrictions yesterday on three of its four export grades of crude oil in a note to its customers.

[Libya exposes risks of China's African ventures](#)

Tens of thousands of Chinese workers are scrambling to escape the chaos in Libya, highlighting the risks taken by Chinese businesses now piling into unstable African countries in search of oil, gas and other resources.

Beijing is taking unprecedented steps to aid with the evacuation, sending charter flights and ferries along with military transport planes and dispatching a navy frigate to provide security for its nationals in Libya, where increasingly violent clashes are

threatening to transform the 15-day popular rebellion into a civil war.

[Qaddafi Counterattacks in Rebel-Held East Libya After Rebuke](#)

Libyan forces loyal to Muammar Qaddafi counterattacked against rebels who have seized the east coast ports where much of the country's oil is refined or shipped abroad.

[Germany seeks block on Libyan oil payments](#)

New threats emerged to Libya's dwindling oil supply yesterday when Germany's foreign minister urged a freeze on payments for oil shipments to the regime of Muammar Qaddafi.

[Libya's Gadhafi claims oil fields, ports safe as his loyalists try to retake key installation](#)

BREGA, Libya - Leader Moammar Gadhafi says Libya's oil fields and ports are "safe" and "under control."

He said Libya will replace Western banks and companies by others from China, Russia and Brazil.

[Officials: Libya's account still gets oil payments](#)

CAIRO — A Libyan oil official said Wednesday that exports from the rebel-held east were proceeding normally and that funds for the shipments would continue to be deposited in the country's accounts even if the OPEC nation comes under international sanctions.

The official said production in the east had declined by just over 50 percent, but that full storage tanks meant exports were continuing at normal levels for now. The country's de facto oil minister, Shukri Ghanem, said several days ago that production nationwide has also declined by half.

[FACTBOX-Libyan oil production, outage, exports, customers](#)

(Reuters) - As fighting continues across Libya, the oil industry is trying to assess the output lost from Africa's third-largest producer, with outage estimates currently around 800,000 barrels per day (bpd).

Shokri Ghanem, chairman of Libya's National Oil Corporation, said on Wednesday the country's oil output had fallen to 700,000 to 750,000 bpd due to the worst crisis for Libya's oil industry in decades.

[Fitch slashes Libyan credit rating to junk](#)

Fitch Ratings has cut its rating on Libya for the second time in just over a week, citing increasingly chaotic political and economic conditions in the oil-rich North African country.

[Gov't focuses on stable oil supply than relief from price hikes](#)

MANILA, Philippines - Saying the government has more urgent matters to attend to, Energy Secretary Jose Almendras hit back at critics who are complaining about the recent string of oil price increases and the agency's alleged lack of transparency in its computations.

Almendras said their priority right now is to ensure stable supply of fuel in the market so as not to disrupt economic activities.

[Iraq's February oil export highest since invasion](#)

A senior Iraqi oil official says the country's crude oil exports in February reached their highest level since the 2003 U.S.-led invasion.

[Mexico opens bids on 1st integrated oil contracts](#)

State oil company Pemex announced on Tuesday the first "integrated" exploration and production contracts, which allow greater private involvement in the tightly controlled sector.

[Nigeria to build 8 industrial plants](#)

Nigeria's government says it is building eight industrial plants to turn the oil-rich West African nation into a regional petrochemical hub.

[Nigerian oil firm has poorest transparency -study](#)

ABUJA (Reuters) - Nigeria's state oil company had the poorest transparency record of 44 national and international energy companies evaluated in a report published by international watchdogs this week.

[Turkmenistan agrees to raise natural gas supply to China](#)

BEIJING (Xinhua) -- Turkmenistan has agreed to increase its natural gas supply to China by 20 billion cubic meters a year, China's top economic planning body announced Wednesday.

[BP in UK sale 'talks'](#)

BP is talking to a range of interested buyers over the sale of some of its UK oil and gas interests, a company spokesman was reported as saying today, with the North Sea element alone reported to be valued at \$1 billion.

[Iraq to start water injection project in a month](#)

(Reuters) - Iraq is expected to start the first phase of a multibillion-dollar water injection project to help boost crude production rates from its southern oilfields in a month, an Iraqi oil official said on Wednesday.

[Arkansas Quake Is Its Most Powerful in 35 Years](#)

An earthquake Sunday was the latest in a group that has raised questions about links to natural gas drilling.

[U.S. to study health impact of BP oil spill](#)

WASHINGTON (Reuters) – The U.S. National Institutes of Health has launched a massive, long-range health study of people who helped clean up last year's BP oil spill in the Gulf of Mexico.

The study aims to check for possible health effects on 55,000 clean-up workers and volunteers in Louisiana, Mississippi, Alabama and Florida. Participants will be followed for up to 10 years, NIH said in a statement.

[Few taking final offers to settle oil spill claims](#)

Records show that in the last two weeks more than 8,100 people and businesses have been offered final payments from BP's oil spill compensation fund, but few have accepted so far.

[Revolution in the Gulf States](#)

With peak oil on the horizon (or already passed, if one considers recent Wikileaks), only decades of Gulf oil exports are left. And with stalled diversification programmes due to poor planning, corruption, and nepotism - all by-products of the undeveloped political

system - the monarchies' economies are going to be tied to oil for the foreseeable future. As a result, the grandchildren and even children of present-day citizens are being doomed to a rather bleak future.

Bahrain has already provided a glimpse into this ugly fate, as its oil reserves are now pretty much finished. Unable to shift to an extractive state and alter fiscal policy due to decades of subsidizing citizens in return for no representation, the ruling family has run out of options and the Bahraini people have made their move. And with the Al-Khalifa sanctioning the use of live ammunition (warning: video includes scenes of death) and deploying Pakistani-origin mercenaries on the very first day of protests, the regime has exposed itself for what it really is.

[International Energy Agency confirms peak oil was in 2006](#)

The Energy Watch Group (EWG) has reiterated its warning that the highpoint of conventional worldwide oil exploitation had been reached in 2006 and said that with its "World Energy Outlook 2010", the International Energy Agency (IEA) expressly endorsed this conclusion for the very first time, corroborating that the production of crude oil will never again achieve the 2006 level.

[Lurching toward the peak](#)

Many have pointed out that while humans can have all kinds of arguments and disagreements, when we try and argue with the laws of physics, we will always lose. But in the meantime, companies make massive profits from spreading false information about climate change, oil production, energy use. They point to worst-case scenarios of the costs of making any changes to our energy systems, all the while ignoring the much more significant and fundamental costs to humanity of continuing on our current path of depleting resources at an unsustainable rate.

[City's Lengthy Push for Hybrid-Engine Taxicabs Hits a Legal Dead End](#)

The Bloomberg administration has banned cars from parts of Broadway, prohibited smoking in public parks and cracked down on fats and salts in restaurants. But City Hall's march toward better living, whether its citizens want it or not, may have finally met a yellow-hued Waterloo.

The United States Supreme Court on Monday declined to consider an appeal by the city on its longstanding effort to mandate fuel emissions standards in New York City's taxicabs, using up the legal options for a policy that had twice been struck down by lower courts.

[Rolls sets its venerable sights on green future](#)

An electrically powered Rolls-Royce? It sounds as unlikely as nicotine-free Havana

cigars or low-fat beluga caviar.

But the British maker of petrol-guzzling limousines has taken the revolutionary step of developing a battery-powered version of its Phantom model and plans to unveil it at the Geneva car show today.

[Terra Firma Capital May Invest Almost \\$700 Million in Clean Energy in 2011](#)

Guy Hands's Terra Firma Capital Partners Ltd. may invest as much as 500 million euros (\$692 million) in clean energy this year as low interest rates and rising oil prices make the industry more attractive.

[Native American groups sue to stop solar projects](#)

BLYTHE, Calif. – Native Americans are clashing with the federal government over plans to fast-track approval and construction of massive solar energy projects that the Indians fear will harm sacred and culturally significant sites in Western deserts.

Recent lawsuits by two native groups pose a threat to half dozen proposed solar developments that the Obama administration has identified as a high priority in its quest for more clean energy production. One suit already has halted work on a major solar farm in Southern California.

[Randy Udall and Auden Schendler: Guest opinion Aspen should take the lead on clean hydropower](#)

The next step in getting to 100 percent clean power is back to the future. For its first 50 years, Aspen was powered by “white coal,” hydropower, and no wonder, since four different drainages converge here. The sun delivers its energy democratically, every town gets a dollop. But great hydropower sites — places where water and steep drops converge — are rare birds indeed. We've been blessed with a great natural opportunity, one we ought to seize.

[Ageing Australia: a crisis or triumph?](#)

A healthy demographic transition leading to a stable population of around 23-26 million by 2050 is still possible. It would be a major triumph for Australia. Conversely it would be a tragedy if we let selfish lobbies continue to enforce population growth in the face of climate change, peak oil, the depletion of our mineral wealth and diminishing food security.

[David Suzuki: Politicians who reject science are not fit to lead](#)

Times have changed. I wish I could say that we've evolved when it comes to science. But sometimes reading the news and listening to the pronouncements of politicians, especially south of the border, I'm bewildered by the rampant ignorance about science and the antipathy toward it.

[FACTBOX-Japan proposes new CO2 market mechanisms to UN](#)

(Reuters) - Japan has submitted proposals on new market mechanisms to cut greenhouse gases to the United Nations, aiming to complement U.N. talks by developing ways to use its low carbon technology.

Japan, the world's fifth-biggest emitter, called for new mechanisms to co-exist with existing ones under the Kyoto Protocol but to allow countries to establish their own following basic principles agreed at U.N. meetings.

[Electricity tops carbon emitters](#)

BIG electricity generators reduced their emissions of greenhouse gases last financial year but still dominate the Australian corporate sector's carbon footprint, according to the latest federal government statistics.

[CO2 farming could help Australia brake emissions](#)

SINGAPORE (Reuters)- Australia's farms and vast outback could help cut or offset up to a fifth of the economy's greenhouse gas emissions, a senior scientist says, as the government struggles to put a price on carbon pollution.

The country is a major coal exporter and consumer and is among the highest per-capita producers of planet-warming carbon emissions in the rich world.

[Scientists: Global warming to blame for big U.S. snowstorms](#)

What caused the colossal snowfalls that buried much of the USA this winter, setting snow records in New York City and Chicago? One group of scientists blames. .. global warming.

Counterintuitive though it may be, "heavy snowstorms are not inconsistent with a warming planet," says Jeff Masters, director of meteorology for the Weather Underground, a private weather service.



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