



Drumbeat: December 5, 2011

Posted by [Leanan](#) on December 5, 2011 - 9:39am

[BP says Halliburton destroyed Gulf spill evidence](#)

(Reuters) - BP Plc accused Halliburton Co of destroying evidence that the oilfield services company did inadequate cement work on the Gulf of Mexico oil well that blew out last year, and asked a federal judge to punish Halliburton.

The accusation, in a BP court filing, raises the stakes ahead of a trial, expected in late February, to assign blame and damages for the April 2010 blowout of the Macondo well, which triggered the largest offshore oil spill in U.S. history.

[Saudi Arabia finds more gas, not for use now](#)

RIYADH: Saudi Arabia has discovered commercially viable quantities of natural gas in the Red Sea and Empty Quarter, but has no plans to immediately start production, Oil Minister Ali Al-Naimi said in a speech delivered on his behalf yesterday. The world's top oil exporter will continue to explore the country for tight gas and heavy oil for future energy needs, according to the speech read by Naimi's adviser Ibrahim Muhanna in Riyadh.

[OPEC heading for deal on 30 mln bpd oil target](#)

(Reuters) - OPEC oil producers, at odds over supply policy since June, look set at a mid-December meeting to agree a new production target that legitimises current cartel output at 30 million barrels a day.

OPEC's leading price hawk Iran, appears to have given up its campaign to have Gulf Arab nations including top producer Saudi Arabia cut back supply.

[Pipeline deal could open up Alaskan oil reserve](#)

WASHINGTON (Reuters) - Two U.S. agencies have reached an agreement with ConocoPhillips on a plan in Alaska that could let the company be the first to drill for crude and gas in a national oil reserve in the state, the Interior Department said on Monday.

[Gazprom says Ukraine can now pay for supplies in roubles](#)

(Reuters) - Russian energy giant Gazprom on Monday said it signed an agreement with Naftogaz under which the Ukrainian state energy company will be able to pay for supplies in Russian roubles.

[EU reconsiders Iran oil sanctions](#)

The EU is having second thoughts about slapping sanctions on imports of Iranian oil, diplomats and traders say, as awareness grows that the embargo could damage its own economy without doing much to undercut Iran's oil revenues, according to a report.

[India sees no issues with Iran oil imports](#)

DOHA: India sees no impediments to importing Iranian oil despite a new wave of sanctions imposed by the West, Oil Minister S Jaipal Reddy said yesterday. "As long as there are no sanctions on oil as such, other problems can be managed," he told reporters on the sidelines of the World Petroleum Congress. "There are some practical problems in making payments but we have managed to surmount those problems.

[Schlumberger sheds 14 more rigs with Saxon deal](#)

(Reuters) - Schlumberger is selling its rig management business to a Canadian company that it part owns, as the world's largest oilfield services company sharpens its focus on providing services for rigs instead of owning them.

[If the Lights Go Out](#)

Regulators are letting EPA compromise U.S. electric reliability.

[OPEC members: We want clean energy](#)

DOHA, Qatar (CNNMoney) -- Representatives from a half-dozen OPEC nations acknowledged Monday what many U.S. politicians won't -- that global warming is indeed a problem.

The representatives attending the World Petroleum Congress -- a week-long gathering of oil industry executives and government officials held every three years -- outlined steps their countries are taking to move toward cleaner, renewable energy.

"Increasing climate effects are an unquestionable reality," said Sheikh Hamad bin Khalifa Al Thani, the Emir of Qatar. "Developing clean and renewable resources is a goal fully supported by oil and gas exporters."

[Oil Rises for Second Day on Iran Tension, European Efforts to Ease Crisis](#)

Oil rose for a second day in New York on concern that tension in the Middle East threatens supplies and as investors bet that European leaders will take steps to tame the region's debt crisis.

West Texas Intermediate oil gained as much as 1 percent, after posting the first weekly rise in three. Iran said crude will surge to more than \$250 a barrel if nations threaten to ban its exports, according to the Shargh newspaper. European leaders meet this week as U.S. Treasury Secretary Timothy F. Geithner visits the region. Hedge funds and other money managers raised bullish bets on Brent by 26 percent in the week ended Nov. 29.

[\\$9 for a gallon a gas in Alaska? What's the cost in your state?](#)

A story last week reported that residents of Nome, Alaska, could be looking at a costly winter: \$9-a-gallon gasoline. The news, rightfully, has some of the 3,500 residents in the coastal town freaked out.

"It is going to kill us," said Sunny Song, owner of Mr. Cab, which ferries children to school, nurses to their patients' homes and women to hospitals to give birth.

[Economy Avoiding a 'Death Spiral' Boosts Bullish Fund Wagers: Commodities](#)

Hedge funds boosted wagers on higher commodity prices for the first time in three weeks as the outlook for the U.S. economy improved.

[Hyundai, Samsung May Jump 80% on Demand for Oil Drilling Ships, Mirae Says](#)

South Korean shipbuilding stocks may jump as much as 80 percent in four months as they catch up with gains in oil prices, according to Mirae Asset Securities Co., an affiliate of the nation's second-largest money manager.

[Iraq oil hub Basra wants bigger say, more autonomy](#)

(Reuters) - Officials in Iraq's southern oil hub Basra are trying to cancel a \$17 billion Shell gas deal because they want a bigger say, highlighting the pressure on central government to ease its control over the provinces.

[Chinese envoy to mediate on Sudan oil dispute](#)

Beijing - China says it will send an envoy to mediate between Sudan and South Sudan over a dispute threatening their oil exports.

Sudan said last week it had suspended oil exports from South Sudan via its ports until the two nations reached a deal on transit fees.

[Qatar's emir says oil and gas producers will ensure supplies despite unrest in Arab world](#)

DOHA, Qatar - Qatar's ruler is seeking to assure energy consumers that the unrest roiling the Arab world this year will not affect supplies of oil and natural gas.

[U.S. official says Iran becoming a pariah state](#)

SEOUL (Reuters) - A senior U.S. official on Monday said the situation over Iran's nuclear program was becoming increasingly worrying and an urgent diplomatic solution needs to be found.

[Output at giant Norway gas field stopped -Shell](#)

OSLO (Reuters) - A plant processing gas from Ormen Lange, Royal Dutch Shell's giant Ormen Lange field off Norway, was restarting operations on Monday after shutting down unexpectedly and curtailing a key gas supply to Europe.

The energy firm said the plant processing gas from the offshore field, which can supply up to 20 percent of Britain's gas needs, sustained a power dip at 0200 GMT that shut down production.

[Statoil shuts Heimdal amid well fears](#)

Statoil has been forced to shut down tail-end gas production at its mature Heimdal field in the Norwegian North Sea due to concerns over well integrity.

[World Petroleum Congress in Qatar This Week Will Be Carbon Neutral](#)

This week in Doha, the capital of Qatar, over 12,000 attendees from around the world will gather for the triennial World Petroleum Congress (WPC). In layperson's speak, the 20th WPC is the Oscars, the World Cup and Coachella Music Festival for the global oil and gas industry. Plenaries include "Responsible and Sustainable Investment for the Future," "Peak Oil," and "Multi-Sectoral Cooperation and a Sustainable Energy Industry." Speakers include officials from Gulf Cooperation Council (GCC) countries and executives from CNOOC, Total, Petrobras and Chevron. Ironically, this is the first time the WPC will be hosted in the Middle East.

[Budgeting for turbulent times](#)

The forthcoming budget is at a critical time: the Nigerian economy is doing well but living dangerously. The dangers are not internal – the domestic economy is now being well-managed and has good prospects for growth. But in respect of both government revenue and the capacity to import, Nigeria has all its eggs in one basket: oil.

[ConocoPhillips: Great Dividend With Solid Prospects For Growth](#)

Now, as to future prospects, I believe in the peak oil theory, but I just don't see it peaking just yet. As demand continues to inch higher nearly every year oil companies somehow seem to find more reserves. I remember when someone said that all the really big oil reserves have been found several years ago and yet we see new major finds coming into play pretty regularly.

[Navigating the Clean and Bloody Streets of Europe](#)

Europe, with its high energy prices and early acceptance of the science of climate change has for many years been growing industries with the technology and skills to confront peak oil and climate change. These stocks have been falling along with most other European stocks as a break-up of the Euro zone has begun to look increasingly likely.

[Accell Looks Like The Best Peak Oil Investment To Buy Now](#)

One of my "four best" peak oil stock picks was a Chinese company with a NASDAQ listing. The other three were European. The Chinese company was Advanced Battery Technologies (ABAT), which I liked because of their e-bike business and apparent cheap valuation. I did not foresee that the company would be one of many Chinese companies accused of cooking their books.

[As Gas Riches Remake Plains, Lawmaker Shares in Bounty](#)

CALUMET, Okla. — Gas money is transforming vast stretches of Oklahoma. Here, 40 miles west of the state capital, crews work through the night drilling new wells deep into the earth, and a small army of laborers rips through just-planted fields of winter wheat to install miles of gas pipeline.

Across the state in tiny Atoka, a Cadillac and a Jaguar park next to pickups outside the local store that sells cowboy boots and overalls; in nearby Coalgate, the natural gas industry has created six overnight millionaires.

The spreading wealth from gas fields has also benefited Representative Dan Boren, a Democrat who has deep family ties to the industry — and has acted as one of its best friends on Capitol Hill.

[To the Battlements, Mark Ruffalo](#)

Major environmental groups are lobbying for strict regulations on natural gas drilling in New York State, which could begin as early as next year. But activists like the actor Mark Ruffalo are seeking an all-out drilling ban, arguing that the country should move quickly toward reliance on renewable energy sources rather than reinforce dependence on a fossil fuel.

[Plaintiffs' Lawyers in a Bitter Dispute Over Fees in Gulf Oil Spill Cases](#)

Lawyers routinely battle each other, representing the conflicting interests of plaintiffs and defendants. But lately in the vast tangle of federal litigation over last year's Deepwater Horizon oil spill, lawyers on the same side — for the plaintiffs — are fighting one another.

[Tepco Says More Radioactive Water Leaks at Fukushima Plant](#)

As much as 45,000 liters (11,870 gallons) of highly radioactive water leaked from Japan's crippled Fukushima nuclear station at the weekend and some may have reached the sea, Tokyo Electric Power Co. said.

[Greenpeace Infiltrates French Nuclear Reactor to Highlight Security Lapses](#)

Greenpeace activists broke into a nuclear reactor southeast of Paris to highlight what the environmental group described as a lack of security at France's atomic plants.

[Richard Branson's Carbon War Room Launches Jet-Fuel Reduction Initiative](#)

The Carbon War Room, funded by Virgin Atlantic Airways Ltd. founder Richard Branson, today launched a web and information site aimed at reducing the use of traditional jet fuels by as much as 50 percent.

[Solar Costs Crunched at Auctions as India Veers From European Aid Model](#)

India, the world's third-largest energy consumer, is cutting solar-power costs to a record by forcing project developers into auctions, helping avoid the spiraling renewable-energy subsidies that have hurt Europe.

[Those Romantic Wood Stoves](#)

It is not only more work to heat with wood, it also costs more, at least for us. In New

Jersey, over the past five years, we spent an average of just under \$1,000 a year for our natural gas heat. In our part of Maine, hardwood costs \$225 a cord split and delivered, and we started with \$1,350 worth of wood stacked under the porch. Granted, the winter is colder and longer in Maine. But the cabin is much better insulated and 20 percent smaller than our small house in New Jersey, yet the cost to heat it this winter is likely to be 25 percent more.

[Farming on the fringe](#)

Trevor Budge, associate professor of planning at La Trobe University, says good soil should be managed like any other resource. "If you found a supply of building sand or gravel, you wouldn't just build over the top of it, you'd treat it as a finite resource," he says.

"From everything we know - whether it's climate change, peak oil, energy costs or transport costs - having productive agricultural land close to the city makes us more resilient for the future".

[Not too late for Canada to support Kyoto, May says](#)

Green Party Leader Elizabeth May called on Canada to reverse its position and support an extension of the 191-country Kyoto climate change agreement, rather than walk away from the protocol.

[Hot Planet, Cold Market](#)

The future of the Kyoto Protocol is the biggest issue facing the international delegates at Durban, and it's also the biggest question facing the global carbon market. Kyoto's commitment period for carbon reductions ends in 2012, and right now it's not clear what, if anything, will follow it. Developing countries, which are currently exempt from any mandated greenhouse-gas reductions under Kyoto, want to see rich nations take on additional cuts under the existing Kyoto framework.

[Cardinal: failure to address climate change is 'moral apartheid'](#)

As the Durban Climate Change Conference reached its midway point, the president of the Church's confederation of relief and development agencies compared current environmental policies to apartheid.

Cardinal Óscar Rodríguez Maradiaga, president of Caritas Internationalis, said that "just as South Africa's apartheid era policies sought divisions along race lines, today the world's environment and energy policies divide man from nature."

[Inuit hunter takes climate-change message to Durban conference](#)

It took 30 hours of flying, but Inuit hunter Jordan Konek has arrived in the land of surfers and palm trees with a message for the world's politicians: Climate change is real, and it could devastate Canada's Arctic people.

[Food security should be no idle food for thought for Russia](#)

DURBAN, South Africa – The implications of climate change for global food security – a threat well appreciated even by those countries where food shortages have not yet become a problem – still remains a blind spot for Russia, an issue that Moscow does not believe is relevant to its foreign or domestic policy goals. Russia is certainly underestimating the risks.

[Preparation for climate displacement too slow, experts say](#)

DURBAN, South Africa (AlertNet) – Climate impacts such as worsening droughts, flooding, storm surges and sea level rise could displace tens of millions of people by mid-century, scientists predict. But national and international rules governing resettlement of forced environmental migrants, and how they will be treated under the law, remain at a worryingly early stage, migration experts said at the U.N. climate talks in Durban.

[Scientists say Himalayan glaciers melting](#)

GLACIERS in the Himalayas have shrunk by as much as a fifth in just 30 years and scientists say climate change is to blame.

The findings, published in three reports by the Kathmandu-based International Centre for Integrated Mountain Development, show Nepal's glaciers have shrunk by 21 per cent and Bhutan's by 22 per cent over 30 years.

[Builders revise plans as higher sea levels predicted](#)

City engineers and developers are beginning to revise building plans to allow for new projections for higher sea-level rises on the B.C. coast.

In Vancouver, the company building a significant development along the Fraser River in the southeast part of the city is planning to raise its land about two-thirds of a metre. Dikes along the river in Richmond are also being planned to go higher.

[Sea Levels Will Rise Much Faster Than Previously Predicted, Says New Report on Antarctic Polar Ice Melt](#)

Climate change models are only as good as the assumptions plugged into them. Findings published in the December *Science* could lead those models to predict faster ice melt, and therefore rising sea levels worse than currently foreseen.

[Carbon Emissions Show Biggest Jump Ever Recorded](#)

Global emissions of carbon dioxide from fossil-fuel burning jumped by the largest amount on record last year, upending the notion that the brief decline during the recession might persist through the recovery.

Emissions rose 5.9 percent in 2010, according to an analysis released Sunday by the Global Carbon Project, an international collaboration of scientists tracking the numbers. Scientists with the group said the increase, a half-billion extra tons of carbon pumped into the air, was almost certainly the largest absolute jump in any year since the Industrial Revolution, and the largest percentage increase since 2003.



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