



## Drumbeat: December 31, 2011

Posted by [Leanan](#) on December 31, 2011 - 10:02am

### [Iran proposes new round of nuclear talks with six world powers as sanctions hit hard](#)

TEHRAN, Iran — Iran has proposed a new round of talks about its controversial nuclear program with the six world powers, the country's top nuclear negotiator said Saturday.

Saeed Jalili said he has formally called on the six powers — the United States, Russia, China, Britain, France and Germany — to return to the negotiating table with Iran.

The invitation comes in the wake of new sanctions recently imposed by the West over Tehran's uranium enrichment program, which is a potential pathway to making nuclear arms.

### [Crude Oil Pares Third Annual Increase as Manufacturing in China Contracts](#)

Oil fell, paring a third annual increase, as Chinese manufacturing contracted for a second month in December, spurring concern that demand from the world's second-largest crude-consuming country may slow.

Futures dropped 0.8 percent after the report by HSBC Holdings Plc and Markit Economics also showed China's exports fell for the first time in three months as Europe's debt crisis reduced orders. Oil advanced 8.2 percent in 2011 as a collapse in Libyan exports cut supply, U.S. stimulus measures revived the economy and Iran threatened to close the Strait of Hormuz.

### [Energy Department predicted the 2011 boom in U.S. fuel exports](#)

Even as U.S. refiners were shutting down facilities because of lowered U.S. demand, Shore and Hackworth explained, they had already found thriving and lucrative markets overseas for their products.

Their main points: "world growth in distillate fuels" demand had "provided some attractive export opportunities for U.S. refiners"; U.S. low-sulfur diesel products were more attractive to foreign buyers than higher-sulfur fuel coming out of Russia; and they were far closer to South and Central American markets than distant European competitors.

### [Iran refuses to fuel certain airlines](#)

Iran is refusing to refuel some European and Arab airlines at its main international airport in a tit-for-tat move over major oil companies denying fuel to Iranian planes abroad, the airport's chief said Saturday.

### [Pemex oil output slips for 7th year](#)

MEXICO CITY (MarketWatch) -- Mexico's state-owned oil company Petroleos Mexicanos, or Pemex, was unable to turn around a long trend of falling crude-oil production this year, but it did manage to nearly stabilize oil output and exports over the course of 2011, according to the oil monopoly's data.

Pemex's crude-oil production averaged 2.549 million barrels a day during the first 11 months of the year and 2.562 million barrels a day in the first 25 days of December, putting the company on track for a 2011 average of 2.55 million barrels a day.

### [Putin's Goal of Benchmark Urals Seen in Rotterdam Terminal Tanks](#)

Prime Minister Vladimir Putin has been calling for Russia, the world's largest oil producer, to narrow the price gap between its Urals export crude and the Brent benchmark since 2005. A \$1 billion terminal in Rotterdam may help achieve that goal.

### [Ukraine gas transit system price to fall severely in 2012 - Miller](#)

Ukraine's gas transit system that Kiev presently estimates to cost \$20 billion may become significantly cheaper, the head of Russia's gas giant, Gazprom, Alexei Miller, said on Saturday.

### [Drilling goes ahead despite fears](#)

The UK government has awarded 46 exploratory drilling licences to firms, including Shell and Centrica, looking for oil and gas.

The awards were initially held back due to environmental concerns. However, the government said it is now confident exploring in the regions, including the North Sea and west of Shetland, is safe.

### [GOP lays out top 3 resolutions for 2012](#)

Within the regulatory and energy areas, Isakson reiterated Republicans' support for the Keystone XL pipeline project, which would carry crude oil from Alberta, Canada, to

refineries on the Gulf coast.

"This project would give America a reliable source of oil from our largest trading partner, and it would create tens of thousands of jobs for the American people," he said. "The Keystone pipeline is exactly the type of energy project this country needs."

### [Saudi diesel grant covers two months: Yemen](#)

SANAA - Yemen's oil minister said on Saturday a grant of diesel from Saudi Arabia would be enough to cover the country's needs for two months.

"Yemen's diesel consumption is 260,000 tonnes monthly, worth \$280 million," oil minister Hisham Sharaf told Reuters.

### [Yemen protesters demand end to southern fighting](#)

ADEN (Reuters) - Thousands of Yemenis began a 50 km (31 mile) march on Saturday to demand an end to a conflict which has forced nearly 100,000 people to flee southern Yemen, residents said, a day after seven militants were killed in fighting there with the army.

Up to 20,000 activists set out from the port city of Aden towards Zinjibar, the capital of Abyan province where the army has been battling Islamist militants suspected of having links with al Qaeda, residents said.

### ['Terrible' and Plenty of It: The Oil That Comes in from the Cold](#)

CARACAS - Thanks to soaring oil prices and new technology, oil producers in the hot sands of Arabia, the torrid Niger delta or the humid plains of the Orinoco are facing new competition from rivals in the frozen North.

### [Keeping a lid on jungle oil wells](#)

AN ALLIANCE of European local authorities, governments, US film stars, Japanese shops, soft drink companies and Russian foundations have stepped in to prevent the extraction of 900 million barrels of crude oil from one of the world's most biologically rich tracts of land.

According to the United Nations, the "crowdfunding" initiative had by this weekend raised \$116 million, enough to temporarily halt the exploitation of 1870 square kilometres of "core" Amazonian forest, Ecuador's Yasuni National Park.

### [Gulf drilling thrives year after BP spill](#)

(CBS News) ALAMINOS CANYON BLOCK 857, Gulf of Mexico - Two hundred miles off the coast of Texas, ribbons of pipe are reaching for oil and natural gas deeper below the ocean's surface than ever before.

These pipes, which run nearly two miles deep, are connected to a floating Shell platform that is so remote they named it Perdido, which means "lost" in Spanish. What attracted Shell to this location is a geologic formation found throughout the Gulf of Mexico that may contain enough oil to satisfy U.S. demand for two years.

While Perdido is isolated, it isn't alone. Across the Gulf, energy companies are probing dozens of new deepwater fields thanks to high oil prices and technological advances that finally make it possible to tap them.

### [Florida tourism rebounds in 2011, overseas visits up](#)

ST. PETERSBURG, Fla. – A flood of new visitors from Brazil and a stunning post-oil-spill rebound by Panhandle beaches were bright spots in 2011 for a Florida tourism industry that has weathered some hard times the past couple of years.

### [Doomsday and Your Portfolio](#)

Some partygoers may add nervous laughter to the midnight clink of champagne glasses and celebratory horn-tooting at tomorrow's New Year's Eve celebrations. The ancient Mayans predicted a doomsday scenario in 2012, and the intense disasters that marked the past year make it tempting to wonder if maybe those folks were onto something.

Earthquakes, floods, droughts, hurricanes, and tsunamis all made headline news in 2011. Now more than ever, investors must realize that such risks, which are growing in frequency, could have serious impacts on their portfolios, and adjust their thinking -- and holdings -- accordingly.

### [Year of revolution and crisis](#)

LONDON – Every year brings changes, but some years really are turning points: 1492, 1789, 1914, and 1989, for example. Does 2011 belong in the august company of such Really Important Years? Probably not, but it definitely qualifies for membership in the second tier of Quite Important Years.

### [Bin Laden's death named year's top story](#)

NEW YORK – The killing of al-Qaida leader Osama bin Laden during a raid by Navy SEALs on his hideout in Pakistan was the top news story of 2011, followed by Japan's earthquake/tsunami/meltdown disaster, according to the Associated Press' annual poll

of U.S. editors and news directors.

Placing third were the Arab Spring uprisings that rocked North Africa and the Middle East.

Here are 2011's top 10 stories, in order:

### [Steve LeVine's Weekly Wrap, End of Year Editon](#)

For years, a leading mantra in energy has been Peak Oil, a theory that the world has either already reached, or will soon, the highest daily volume of oil production that it possibly can, and will imminently experience a long drop in output, along with an ugly war for the remaining supplies. In recent months, a competing theory has begun to take hold -- that the western hemisphere is actually on the brink of oil abundance; the U.S. specifically, it is said by some of our most prominent oil experts and writers, is on the way to independence from foreign oil.

### [Sharon Astyk: 2012 Predictions: The More Things Change...](#)

In 2012, the "brass ring" will come around for the peak oil issue, and there will be an opportunity, driven by events, to bring it into the mainstream and begin to shape a conversation around material limits. The big question is - will those of us able to do so grab the ring or will it pass around again? I'm not making any predictions on what will happen - just that the opportunity will exist. My hope is we'll all be ready.

### [A Second Chance for Christmas Trees](#)

The gifts have long since been opened, the turkey leftovers are gone, and the eggnog has been drunk. For those who purchased real Christmas firs or pines, the tree may be looking a bit droopy or thin. How to dispose of it?

Luckily, creative and eco-friendly recycling options abound around the country. With alternatives like turning Christmas kindle into kilowatts and creating fish farms from firs, locally tailored recycling can ensure that the tree keeps on giving after its retirement.

### [Organic Agriculture May Be Outgrowing Its Ideals](#)

Even as more Americans buy foods labeled organic, the products are moving away from a traditional emphasis on local growing and limited environmental strain.

### [Quinn signs tweaked smart-grid law](#)

(Crain's) — Gov. Pat Quinn on Friday signed a bill that makes modestly consumer-friendly changes to the “smart grid” law benefiting Commonwealth Edison Co. that he unsuccessfully opposed.

### [China lights up UAE solar future](#)

Driven by the need to find new markets for its overproducing manufacturers, Chinese solar panel producers are looking to the Gulf's nascent renewable energy sector.

### [Green-eyed monster to stalk energy summit](#)

"There's been a shift in the past years, between the German and the Chinese participation, and it does reflect the shift in the market, because Chinese competition makes the German and US industry struggle a lot, and [China is] taking more and more market share," said Mr Theux.

### [Gingrich kills chapter on climate change in upcoming book](#)

DES MOINES -- Newt Gingrich says he has killed a chapter on climate change in a post-election book of essays about the environment. But the intended author of the chapter, who supports the scientific consensus that humans contribute to climate change, says that's news to her.



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