



Drumbeat: July 2, 2012

Posted by [Leanan](#) on July 2, 2012 - 9:22am

[Chesapeake's 1% Tax Rate Shows Cost of Drilling Subsidy](#)

Chesapeake Energy Corp. made \$5.5 billion in pretax profits since its founding more than two decades ago. So far, the second-largest U.S. natural-gas producer has paid income taxes on almost none of it.

Chesapeake paid \$53 million over its 23-year history, or about 1 percent of the cumulative pretax profits during that period, data compiled by Bloomberg show. That's less than half of Chief Executive Officer Aubrey McClendon's compensation, for example, in 2008 alone.

[Oil Declines After Biggest Gain Since 2009 on Europe](#)

Oil declined in New York on speculation that last week's surge, the biggest in three years, may have been excessive amid signs of slowing growth in China and a deepening slump in Europe.

West Texas Intermediate futures lost as much 2.1 percent, paring some of a 9.4 percent rally on June 29 that was crude's biggest jump since 2009. Manufacturing output in the euro area contracted in May, a Markit Economics index showed. The region's jobless rate rose to a 17-year high of 11.1 percent, data from the European Union's statistics office in Luxembourg showed. An EU embargo on Iranian oil started yesterday.

[Russia's first half oil output up despite June slip](#)

MOSCOW (Reuters) - Top oil producer Russia is on course for its highest output in the post-Soviet era this year helped by new fields after a 1.1 percent rise in the first half, Energy Ministry data showed on Monday.

Russia is aiming to increase its overall 2012 crude production by around 1 percent after adding 1.2 percent last year to reach a post-Soviet era high of 10.27 million barrels per day (bpd), or 511 million tonnes.

[Pertamina Seeks 430,000 bpd From Iraq to Make Up for Declining Reserves](#)

As Indonesia's oil reserves dwindle, state oil and gas company Pertamina is moving to acquire petroleum fields in Iraq that would allow the company to bring home at least 430,000 barrels per day.

[Iraq's oil revenues drop by 17.6 percent in June](#)

Iraq's oil revenues dropped by 17.6 percent from May to June due to plummeting prices in the international market and the diversion of some production to meet domestic needs, the government said Monday.

[Pertamina Claims Sumatra Oil Theft Totals More Than \\$10m in Losses](#)

Pertamina EP says theft of crude oil piped through the Tempino-Plaju pipeline spanning Jambi and South Sumatra provinces has caused more than 100,000 barrels of oil worth Rp 90 billion to Rp 100 billion (\$9.5 million to \$10.6 million) to be siphoned away.

[Iranian natural gas flow in Turkey to resume soon](#)

Turkish Energy & Natural Resources Minister Taner Yildiz said that the interrupted natural gas flow from Iran to Turkey would resume on Tuesday.

[UAE must create energy policy, experts warn](#)

The UAE needs a comprehensive energy policy if it wants to reduce consumption, say experts.

A two-day workshop in the capital recently discussed the county's energy needs, as well as ways to improve efficiency through technology.

[What Happens To Clean Technology Innovation If Oil Prices Drop?](#)

Cheaper gas might be nice for your wallet in the short term, but if oil prices plummet (and it looks like it might) what will it do to the quest for renewable energy?

[Iran threatens Israel; new EU sanctions take force](#)

(Reuters) - Iran announced missile tests on Sunday and threatened to wipe Israel "off the face of the earth" if the Jewish state attacked it, brandishing some of its starkest threats on the day Europe began enforcing an oil embargo and harsh new sanctions.

[Clinton Says Sanctions Pushing Iran Toward Negotiations](#)

Secretary of State Hillary Clinton said Iran will face increasing pressure from economic sanctions aimed at its disputed nuclear program.

“The pressure track is our primary focus now, and we believe that the economic sanctions are bringing Iran to the table,” Clinton said in an interview with Bloomberg Radio in Geneva on June 30. “They are going to continue to increase and cause economic difficulties for them.”

[Korea may use Iranian oil tankers](#)

Korea is considering accepting Iran’s proposal to supply oil to Seoul using its own oil tankers, a government source said yesterday, after oil imports from Tehran were halted due to the European Union’s ban on insuring Iranian oil shipments.

Iran has proposed that Korean oil refiners use Tehran’s own oil tankers, a move that would allow them to receive crude shipments without concerns over insurance guarantees, the source said on the condition of anonymity.

[Kenya agrees to buy Iran oil, silent on sanctions](#)

Kenya has agreed to import 4 million tonnes of Iranian crude oil per year, a senior Kenyan energy official said on Monday.

Patrick Nyoike, permanent secretary at the energy ministry, said the two governments signed the memorandum of understanding on the oil last month. He did not say how many years the agreement covered.

[Iran oil minister names OPEC governor as his marketing adviser: report](#)

Tehran (Platts)- Iranian Oil Minister Rostam Ghasemi Monday appointed OPEC Governor Mohammad Ali Khatibi his adviser for hydrocarbon marketing, an unusual move that came as Iran is grappling to cope with the impact on oil exports of US sanctions and an EU import ban that came into effect on Sunday.

[Sunoco, Carlyle to keep Phila. plant open](#)

(Reuters) - Sunoco Inc and Carlyle Group LP reached an agreement to keep the largest refinery on the East Coast in operation, sources familiar with the situation said on Monday.

Terms of the deal will be announced at a news briefing later Monday morning, sources said.

[Statoil makes 'high impact' gas, condensate find offshore Norway](#)

London (Platts)- Norway's Statoil has made a significant gas and condensate discovery in the King Lear prospect in the southern part of the Norwegian North Sea, the company said Monday.

[Millions still without power amid record heat wave](#)

(CNN) -- Residents in the central and eastern United States will sweat through another blistering day Monday as power outages from weekend storms continue to plague millions.

The intense early-summer weather has baked areas from Missouri to New York to Georgia with record-breaking heat and unleashed fierce storms that knocked out power over the weekend. At least 16 people were killed from the series of storms.

[Why There is No New Coal When Reserves Run Out, And How That Could Help Biofuels](#)

Although peak coal gets less attention than peak oil, the issue is gaining attention. The world consumes 6 billion tons of coal per year (2010 data), with coal consumption trending upward. The largest user of coal, China, faces the imminent depletion of national coal reserves at current use rates, raising disturbing political, social, and environmental issues about neighboring Mongolian coal reserves.

[In Japan, First Reactor Is Restarted Since Quake](#)

TOKYO — A two-month shutdown of Japan's nuclear power plants ended on Sunday when officials at a western plant reactivated a reactor for the first time since the disaster last year in Fukushima.

[Shock of Japan disaster still ripples round globe](#)

As the United Kingdom pushes for a bigger presence in the nuclear field, companies in other nations are drawing down their presence.

The effects of last year's meltdown at Japan's Fukushima Dai-Ichi plant sparked a wave of popular anti-nuclear sentiment that led governments to abandon atomic energy in Germany, Switzerland and Italy. Now companies are grappling with the aftermath.

[Steel City takes a nuclear rethink](#)

But on the heels of nuclear and financial meltdowns, the United Kingdom's nuclear manufacturing research centre was completed just in time for one of the most uncertain periods in atomic energy's history. The official opening in May came in the same month Hinkley Point C, the first of the new reactors and the centre's first target market, was put on delay.

The reaction of the centre? A shift in focus to sectors such as wind and oil and gas - the very thing nuclear was meant to replace.

[The Dam Boom in the Amazon](#)

A confrontation between the insatiable appetite for energy and the enduring need for habitability is under way in Brazil as it moves aggressively to harness the power of its rivers with plans for dozens of hydroelectric dams.

[The Tricky Business of Counting Rain](#)

The number of water-monitoring stations around the world has declined steadily over the last quarter-century, and economic doldrums and a lack of resolve on the policy-making front could cause the trend to hold for years to come, researchers warn. This could deprive scientists and practitioners of data essential to immediate and long-term water resource management decisions, many argue.

[Small Farmers Creating a New Business Model as Agriculture Goes Local](#)

SEATTLE — The cultivated rusticity of a farmers' market, where dirt-dusted beets are status symbols and earnest entrepreneurs preside over chunks of cheese, is a part of weekend life in cities across the nation as the high days of the summer harvest approach.

But beyond the familiar mantras about nutrition or reduced fossil fuel use, the movement toward local food is creating a vibrant new economic laboratory for American agriculture. The result, with its growing army of small-scale local farmers, is as much about dollars as dinner: a reworking of old models about how food gets sold and farms get financed, and who gets dirt under their fingernails doing the work.

[What are 'Eco Villages?'](#)

There are people seeking a different way of life that are moving into 'Eco Villages' as an alternative to the modern, urban life and they are not crazy hippies or wannabe cult leaders. Professionals from ALL walks of life, ethnicity and social standing are joining or starting 'Eco Villages' all around the world. In the case of Pura Tierra in Costa Rica, groups of people with mixed but essential skills are being hand selected to start a new community. Think of it as a lifestyle job offer!

[Time to Get Crazy](#)

ExxonMobil, BP and the coal and natural gas companies—like the colonial buffalo hunters who left thousands of carcasses rotting in the sun after stripping away the hides, and in some cases carrying away only the tongues—will never impose rational limits on themselves. They will exploit, like the hustlers before them who eliminated the animals that sustained the native peoples of the Great Plains, until there is nothing left to exploit. Collective suicide is never factored into quarterly profit reports. Forget all those virtuous words they taught you in school about our system of government. The real words to describe American power are “plunder,” “fraud,” “criminality,” “deceit,” “murder” and “repression.”

[Humans and nature turn American West into a tinderbox](#)

Historically, small ground fires would burn through old growth forests every 20 to 30 years, using up the fuel on the forest floor, but leaving the big trees mostly unaffected. Without these small, natural fires, the build-up of undergrowth on the forest floor acts as fuel for more massive fires.

"The ponderosa pine forests that are burning right now in Colorado have all kinds of understory species that historically wouldn't have been there," says Jahnke. "This fuel, combined with the summer's heat and wind, is providing the opportunity for these low-intensity ground fires to become high-intensity crown fires. And that is not good."

[Carbon-Price Future Clouded as Gillard Trails in Polls](#)

Australia's price for carbon emissions will survive whatever happens in elections due next year, the government says. Power markets aren't so sure.

[Peak oil and the lost message of the carbon tax](#)

Whether or not one believes in human-induced climate change, with the Carbon Tax's introduction on Sunday, it is worth remembering the fundamental reasons for its conception. The Carbon Tax debate, which has been memorable for its hyperbole, but not its content, has obscured why we contemplated it in the first place.

The concept of an Emissions Trading Scheme (ETS) has two core aims: firstly, the reduction of carbon emissions with the intention of retarding global warming. and secondly, to shift our economy away from reliance on fossil fuels. This second aim, arguably far more compelling, has been neglected in the national discussion.

['The Eskimo and the Oil Man': the high-stakes race for offshore Arctic oil](#)

In "The Eskimo and the Oil Man," author and former Chicago Tribune reporter Bob Reiss documents the high stakes for drilling in offshore Arctic waters — for the oil industry, for the Inupiat Eskimos and for the world, as the burning of fossil fuel impacts climate change.

[Scientists Conclude Rise in Sea Level Cannot Be Stopped](#)

Rising sea levels cannot be stopped over the next several hundred years, even if deep emissions cuts lower global average temperatures, but they can be slowed down, climate scientists said in a study on Sunday.



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