



Drumbeat: December 29, 2012

Posted by [Leanan](#) on December 29, 2012 - 10:15am

[U.S. Oil Imports Fall to Lowest Level Since 2000](#)

U.S. crude imports fell 9.2% in October from a year earlier to 8.091 million barrels a day, the lowest amount of imported crude since January 2000, according to U.S. Department of Energy data released Friday.

The data are the latest illustration of how the drilling boom in North Dakota and other states is remaking the U.S. energy picture.

The year-over-year drop of 816,000 barrels a day was the eighth straight decline from year-earlier levels.

[Saudi Arabia Boosts 2013 Spending in Record Budget: State TV](#)

Saudi Arabia boosted its 2013 expenditure target to 820 billion riyals (\$219 billion) as the world's biggest oil exporter pushes ahead with expansion plans diversify the economy away from oil, state television reported.

...King Abdullah pledged more than \$500 billion on social welfare and to build projects to ensure that the country remains unscathed by the kind of political unrest that swept through other Arab countries last year. He is using oil money to fight high unemployment -- about a quarter of Saudis between 20 and 30 don't have jobs -- and to build schools and hospitals.

[Oil Slips as Gasoline Supplies Surge](#)

Oil slipped as gasoline supplies climbed to a nine-month high on weaker demand and President Barack Obama sought an up-or-down vote on his proposal to extend tax cuts to avert a fiscal crisis.

Prices fell after the government said gasoline stockpiles rose to 223.1 million barrels last week and distillate inventories gained. Obama met with congressional leaders today and asked for an interim plan to prevent more than \$600 billion in automatic tax increases and spending reductions set to begin in January, an official familiar with the talks said.

[Oil Rigs Decline in U.S., Paring 10th Annual Advance](#)

Oil rigs in the U.S. dropped for the sixth week in a row, paring a 10th straight annual gain.

[Iraq Star Rises in OPEC as Embargo Hurts Iran](#)

Iraq jumped two places to No. 2 in OPEC's rankings this year, cementing its position among the world's leading oil producers. Neighboring Iran dropped three spots to fifth as international sanctions took hold.

Second only to Saudi Arabia within the Organization of Petroleum Exporting Countries, Iraq's output rose by 24 percent this year as the BP Plc-led Rumaila field increased supply. Iranian production shrank by the same percentage to the lowest level since 1988, data compiled by Bloomberg show, and its exports will continue to drop into 2013, according to the International Energy Agency.

[Din of hammers, oil wells signal Bakersfield boom](#)

Much of the boom Bakersfield is enjoying is because high oil prices and new technology for extraction have revived the \$10 billion industry that seemed dried up 25 years ago when Kern County set out to diversify its economy and expand its tax base. Some estimates place up to 80 percent of California's oil under Kern County soil, with an estimated 12 billion barrels trapped in shale, the largest deposit of any county in the nation. Today's \$100-a-barrell prices have inspired the innovation needed to extract it.

Chevron is expanding its offices, and other oil companies and related industries are eying land for development.

[Myanmar Muslims recall Buddhist assault](#)

Kyaukphyu was significant because those expelled from there included another Muslim minority, the Kaman, whose right to citizenship is recognized. That they too were targeted raises fears the conflict is spreading to Myanmar's wider 4 percent Muslim minority.

For Myanmar, also called Burma, the town symbolizes the country's hopes of scoring a piece of the Asian economic surge. China is building a deep-water port and an oil pipeline terminal there.

"We never thought this could happen to us," said Kyaw Thein, a 48-year-old Kaman who fled Kyaukphyu and is now a refugee in the island village of Sin Thet Maw.

[The 2013 Outlook For BP](#)

BP's determination to have a substantial and long-term interest in Russia remains a fairly high-risk strategy, but climbing out of bed with the oligarchs of TNK-BP and into bed with the Russian state looks like the lesser of two evils.

An even bigger issue for BP going into 2012 was, of course, the continuing legacy of the Deepwater Horizon disaster of spring 2010. Here again, some of the uncertainty has now been removed.

[Too Many Oil Bargains: Which Is The Best Bet For Now?](#)

Thus, while the other oil majors are also selling at cheap valuations and attractive dividend yields, the case is a little stronger for Shell on many parameters. If an investor has a highly diversified portfolio of up to fifty stocks, they may consider buying all five companies discussed in the article. Except for Shell, all stocks are well undervalued and worthy of investor attention. However, if the investor has fewer of stocks, Exxon would be our pick from the five companies. The recent shale field acquisitions by Exxon might be the catalyst for unlocking this value over the next decade.

[Crew of drill ship in Gulf of Alaska to evacuate](#)

ANCHORAGE, Alaska (AP) -- The Coast Guard prepared Saturday to evacuate an 18-member crew of a Shell drill ship that was stalled in rough Gulf of Alaska waters, south of Kodiak Island.

The Coast Guard requested that the crew evacuate the Kulluk for safety reasons. The guard said it would have no more details until the evacuation was completed.

[A Coal Sales Ticker Next to a 'Clean Energy' Claim?](#)

Just to the right of a ticker-style, real-time tally of tons of coal sold (about eight tons per second or so) is the message that the company is the "global leader in clean energy solutions..."

[Kerry's climate change credentials](#)

Kerry is among the most forward-thinking members of the U.S. Senate when it comes to understanding both the threats of and the practical responses to global warming. He's struggled to bring along the Senate, which rejected his attempt to win passage of a cap-and-trade bill in 2010, but Kerry's new post should give him expanded opportunities to lead.

[State building changes ordered to avert flood damage](#)

Declaring that Maryland's coastal areas are increasingly at risk from a rising sea level, Gov. Martin O'Malley has ordered state agencies to weigh the growing risks of flooding in deciding where and how to construct state buildings.

"Billions of dollars of investments in public infrastructure will be threatened if the state of Maryland fails to prepare adequately for climate change," he said in Friday's executive order, which calls for avoiding low-lying sites and elevating new or reconstructed state buildings to avert flooding.

[New maps reflect greater flood threat](#)

Several times a day lately, Sussex County official Jeff Shockley finds himself plunging into the fine points of flood plains, prompted by calls from residents anxious about big storms and bigger insurance bills.

"There's been much more interest in the past couple of years, and I think that it's due to the storms that have hit and missed all around us," Shockley said. "I get several calls a day from homeowners wanting to know if their property is close to a flood plain, how close they are to a body of water."



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