



T. T. Boone Pickens Media Coverage 2.26.11-2.28.11

Total of 11 Placements

- Blog/Online: 11

Coverage Summary:

Pickens appeared on Bloomberg Television's "Surveillance Midday" where he discussed oil prices, the amount of oil being used in the United States and the need for an energy plan. The interview can be viewed here: <http://www.bloomberg.com/video/67137202/>.

Pickens' prediction that oil prices could rise to \$120 to \$150 a barrel on tensions in the Middle East was quoted in a Bloomberg article.

Mother Nature Network recently spoke with Gasland Director Josh Fox who said he would be interested in debating Pickens or Aubrey McClendon. A blog from the Fort Worth Star-Telegram referenced this piece and the proposed debate.

Highlighted Placements (Full Articles Below) • Pickens on Oil Prices, Middle East Turmoil – Bloomberg TV – 2/28/11 • Crude Oil Declines Most in Two Weeks as Saudis Offer Additional Supplies – Bloomberg – 2/28/11 • Oscar-Nominated 'Gasland' Director Wants To Debate T. Boone Pickens – Mother Nature Network – 2/28/11 • Boone Pickens vs. Josh Fox of "Gasland"? – Fort Worth Star-Telegram Blog – 2/28/11

Blog/Online Placements (Full Articles Below) • T. Boone Pickens Tells Fox Business Oil Could Reach \$130 A Barrel – Guru Focus – 2/28/11 • T. Boone Pickens On the Unrest in the Middle East and North Africa – Wall Street Pit – 2/28/11 • T. Boone Pickens Sees Oil Going As High As \$150 (USO) (CLNE) – StreetInsider.com – 2/28/11 • Tapping Alaska – Portfolio.com – 2/25/11 • Boone Pickens - \$120 oil Likely, \$150 Is Too High Even for Opec's Tastes – Is Now the Time to Sell Some Oil Stocks? – Guru Focus – 2/25/11 • Wind Power: Questionable Benefits, Concealed Impacts – Town Hall – 2/28/11 •

HIGHLIGHTED COVERAGE

Pickens on Oil Prices, Middle East Turmoil – Bloomberg TV – 2/28/11

Feb. 28 (Bloomberg) -- T. Boone Pickens, the billionaire chairman of BP Capital LLC, talks about the impact of turmoil in the Middle East on oil prices and the need for new U.S. energy policy. He speaks with Tom Keene on Bloomberg Television's "Surveillance Middy."

Video: <http://www.bloomberg.com/video/67137202/>

Crude Oil Declines Most in Two Weeks as Saudis Offer Additional Supplies – Bloomberg – 2/28/11

By Margot Habiby and Mark Shenk

Oil fell the most in two weeks as Saudi Arabia offered to make up for supplies lost because of unrest in Libya and on reports the North African country is exporting crude.

Futures slid 0.9 percent in New York after Khalid Al-Falih, the Saudi Arabian Oil Co.'s chief executive officer, said the kingdom is ready to compensate for any shortfall in crude supply. Most ships picking up Libyan oil cargoes have done so successfully in the past week, said Bob Knight, head of tankers at Clarkson Plc, the world's largest shipbroker.

"The threat to supply overall doesn't look as dangerous as it did last week," said Tim Evans, an energy analyst at Citi Futures Perspective in New York. "Events in Libya seem to be moving steadily in one direction, with oil production apparently not dropping further and some exports being loaded."

Crude oil for April delivery declined 91 cents to settle at \$96.97 a barrel on the New York Mercantile Exchange, the biggest daily drop since Feb. 11. Futures reached \$103.41 a barrel on Feb. 24, the highest intraday price since Sept. 29, 2008. They gained 8.8 percent during February and have advanced 22 percent in the past year.

Armed opponents to Libyan leader Muammar Qaddafi control much of Libya's east and have deployed tanks and anti-aircraft weapons to defend Zawiyah near the capital, Tripoli, according to the Associated Press. The U.S. blocked \$30 billion in assets, the biggest sanction ever, and indicated it will assist the

Libyan rebels trying to Qaddafi from power.

Market Volatility Saudi Arabia wants to avoid “harmful” volatility in the oil market because of a decline in Libyan output, the state-run Saudi Press Agency reported today after a cabinet meeting. Oil options volatility jumped to an eight-month high last week on the Nymex.

“We’re ready to supply incremental change in demand from our customers,” Al-Falih told reporters in the eastern Saudi city of Khobar, when asked if Saudi Arabian Oil Co., also known as Aramco, would increase its production. He declined to specify the amount of additional oil Aramco would provide. “The customer demand varies from day to day, so it’s hard to tell by how much we will raise the output.”

Brent crude for April settlement slipped 34 cents, or 0.3 percent, to \$111.80 a barrel on the London-based ICE Futures Europe exchange. The contract reached \$119.79 on Feb. 24, the highest price since Aug. 22, 2008. Brent gained almost 13 percent during February.

The price difference between New York and London-traded futures widened to \$15.10 a barrel today. The spread averaged 76 cents last year. It had narrowed to \$10.36 from a record \$16.03 a barrel last week.

Libyan Output

Libya’s oil chief told AP that output is down 50 percent because of the exodus of foreign oil workers from the country. Shokri Ghanem, head of the National Oil Co., said it was safe for foreign workers to return. All refineries, installations and oil fields in the country are “safe and protected,” he said.

“The Saudi offer to make up for any missing barrels has calmed things a bit,” said Michael Lynch, president of Strategic Energy & Economic Research in Winchester, Massachusetts.

The Organization of Petroleum Exporting Countries’ crude- oil output fell in February as Libya’s production dropped to an eight-year low, a Bloomberg News survey showed.

Total OPEC production slipped 285,000 barrels, or 1 percent, to an average 29.11 million barrels a day, according to the survey of oil companies, producers and analysts. Daily output by members with quotas, all except Iraq, decreased 335,000 barrels to 26.515 million, 1.67 million above their target.

Libyan output fell 200,000 barrels a day to 1.385 million this month, the lowest level since January 2003.

Omani Unrest In Oman, the largest Middle Eastern producer outside the Organization of Petroleum Exporting Countries, two demonstrators were killed and several wounded in clashes with police

yesterday, according to hospital and government officials.

“All eyes are on the Middle East,” said Tom Bentz, a broker with BNP Paribas Commodity Futures in New York. “There’s now an uprising in Oman, which produces about 800,000 barrels.”

Hedge funds and other large speculators increased net-long positions, or wagers on rising prices, by 30 percent in the seven days ended Feb. 22 to 240,572 futures and options combined, the highest in records dating back to June 2006, according to the Commodity Futures Trading Commission’s weekly Commitments of Traders report.

Oil prices could rise to \$120 to \$150 a barrel on tensions in the Middle East, T. Boone Pickens, the billionaire energy investor, said in a Bloomberg Television interview on “Surveillance Middy” with Tom Keene.

Oil volume in electronic trading on the Nymex was 503,685 contracts as of 3:25 p.m. in New York. Volume totaled 672,386 contracts Feb. 25, 13 percent below the average of the past three months. Open interest was 1.52 million contracts.

Oscar-Nominated 'Gasland' Director Wants To Debate T. Boone Pickens – Mother Nature Network – 2/28/11

He may not have won an Oscar, but the director of Gasland isn’t backing off the natural gas industry.

By Andrew Schenkel

Many eyes in the documentary world were on Josh Fox on Oscar night as he had a chance to bring a whole new level of exposure to the world of hydraulic fracking. In the end, Fox didn’t get the Oscar for best documentary for 'Gasland,' an expose on the world of fracking. Fracking is the process of injecting toxic chemicals into the ground at high pressures to extract natural gas supplies. But while Fox didn’t take home the 18-inch statute on Sunday night, he does want one other prize: a chance to debate billionaire energy tycoon debate T. Boone Pickens.

Pickens has been on a campaign as of late to convince the American public that fracking is safe. On The Daily Show with Jon Stewart, Pickens said he had never heard of a problem with fracking causing water contamination or any other issues. That’s a bold claim for a man who has fracked thousands of wells.

Perhaps it's so bold that he invited a debate from the Oscar-nominated documentary filmmaker. When I caught up with Fox, when he was in Washington, D.C., I asked him about Pickens' claim.

"I want to debate T. Boone Pickens. I want to debate Aubrey McClendon. I want these guys to come out from behind their desks so I can stop having to talk to Chris Tucker, who is like debating a slug."

For the record, McClendon is the CEO, chairman and co-founder of Chesapeake Energy. Chris Tucker is the spokesperson for Energy in Depth, the natural gas front group that has been attacking 'Gasland' since it came out. Now that Fox is done traveling on the Oscar banquet circuit he will be able to squeeze in these debates to his schedule.

Video: <http://www.mnn.com/earth-matters/energy/blogs/oscar-nominated-gasland-director-wants-to-debate-t-boone-pickens>

Boone Pickens vs. Josh Fox of "Gasland" ? – Fort Worth Star-Telegram Blog – 2/28/11

By Jack Z. Smith

It seems that hydraulic fracturing--aka "fracking"--increasingly is becoming part of the national conversation. Energy lobbyist Frank Maisano, known for his regular e-mails to those interested in energy issues in Washington, D.C., began today's mail thusly:

"So tired from a weekend of lacrosse tryouts and field hockey tournaments that I couldn't stay up through the Oscars last night...or maybe it was just the terrible hosts that put me to sleep. It looked like James Franco might have been sampling some fracking fluids prior to the show last night."

Last night's Oscar awards had special interest for the natural gas industry. There no doubt were a number of industry people, ranging from CEOs to toolpushers, who were delighted to see that the controversial "Gasland," a highly critical look at natural gas drilling and fracking, failed to win in the feature documentary category.

In this blog posting today, political commentator Andrew Schenkel suggested that a debate between natural gas advocate Boone Pickens and "Gasland" creator, director and narrator Josh Fox might be an interesting next step in the debate over gas drilling and fracking. Fox wants to debate the Dallas billionaire, Schenkel wrote.

BLOG/ONLINE COVERAGE

T. Boone Pickens Tells Fox Business Oil Could Reach \$130 A Barrel – Guru Focus – 2/28/11

In an interview to appear today on FOX Business Network's (FBN) Bulls & Bears (4 PM/ET), oil tycoon T. Boone Pickens speaks with anchors Liz Claman and David Asman about how the turmoil in the Middle East will affect the price and supply of oil. Pickens says that the price of oil is "going to go up" as a result of the unrest and could reach "\$130 a barrel." Pickens goes on to say that the United States is "headed in the direction to use our own resources" and "at the end of this year, the energy situation for America is going to look a lot different than it does today."

On whether oil could reach \$130 a barrel: "We don't know where the oil's going to go [in Libya]. Algeria is another 800,000 barrels a day. You start adding these up, these countries that are over there demonstrating and they all have a blueprint for how you kick out these rulers. So sure you could get to \$130 a barrel. You're not going to average \$130 a barrel this year but all that hurts the global economy. "

On how high the price of oil will get before we start to find other sources: "We're funding both sides of the war right now. Why wouldn't we go back to the United States? We have resources here. We don't have to rely on them. Five million barrels a day comes from OPEC and you know really, some very stable places like Venezuela, Nigeria, Libya, down the line you go. It's crazy. People view the United States as not very smart on handling our energy requirements when we use oil from the enemy and not our own resources."

On the price of oil six months from now: "It's going to go up. But there's so many unknowns here. You're going to see oil above \$100 a barrel. How much can it go above that? Well, what kind of unrest are you going to have in the Mid-East...You're going to see four dollar gasoline this summer and that's going to cause a lot of brouhaha when that happens. But we're headed in the direction to use our own resources. This Congress is working on a bill now to use natural gas for heavy duty vehicles, which is exactly what we should do. And I would say, at the end of this year, the energy situation for America is going to look a lot different than it does today."

On the possibility rising oil costs will lead to another recession: "Last year the price for oil was \$80 a barrel. If we average \$130 a barrel for oil, we will have wiped out all of the gains we made on GNP since the recession in 2008."

On how rebel control of the oil in Libya will affect output: "If they need money, they're going to produce the oil. If they're going to just try to inflict some kind of pain on the United States or the rest of the world, they'll shut it off. If they shut off a million and a half barrels a day, the Saudis claim that they can cover

that loss. I question that. The oil price is going to go up.”

On whether Saudi Arabia is capable of producing 10 million barrels a day: “Well, they're about nine now and I don't think it's easy for them to do. They can't produce 12. They may get it up to 10. I'm not sure they can hold 10 very long.”

On whether the Environmental Protection Agency and the Obama administration in general is at war with fossil fuels: “I think probably so. But I can tell you what, you're going to run the cost of gasoline, diesel, electricity, and power. You're going to run it through the ceiling and I can tell you that people that cause that to happen, and the consumer that has to experience those increases. That consumer is the same guy that votes. And I can tell you when he figures out who ran all these costs up on him, he's going to vote against him.”

On what country has the best plan for oil:

“China has got the plan. They've loaned money and they're going to be paid back with oil; probably \$50 or \$60 a barrel. They have a huge advantage. And they have purchased a lot of oil. The Chinese always have a plan.”

On Cuba's plans for drilling offshore: “The Cubans aren't going to find much. Off the western coast of Florida, I like that and I think that's a good place for us to look for oil and gas.”

On whether the turmoil in the Middle East surprises him: “No, it doesn't. I'm not one for going in there and trying to install democracy because I don't think the people want democracy and they hate us for trying to change what they're doing. And so, consequently I think it's a losing situation. I'd get out Afghanistan, I'd get out of Iraq. I'd come home and let them work on the problem themselves.”

T. Boone Pickens On the Unrest in the Middle East and North Africa – Wall Street Pit – 2/28/11

T. Boone Pickens appeared on Bloomberg Television's “Surveillance Midday” with Tom Keene this afternoon to discuss the effect of the unrest in the Middle East and North Africa on oil and reiterate his call for the U.S. to come up with a comprehensive energy plan. He said that American consumers are “paying for both sides of the war” in Afghanistan because “some of the money you pay for OPEC oil is going to the Taliban.” Pickens also said that oil prices could rise to \$120 to \$150 a barrel on tensions in the Middle East.

Excerpts from the interview can be found below, courtesy of Bloomberg Television: Pickens on where he sees oil in the next 2-4 months: “You have asked a question that geopolitics can be a big factor in

answering that question. I can tell you that the Mideast is in real turmoil. It is on fire. I do not think our media has picked up on it. Once the Egypt deal moved out of the way, and then Libya, and there are others Oman, Algeria, even the Saudis—there may be something stirring there. The Iranians may have another problem. I do not know where you go. You start taking some of that oil off the market and the price can go anywhere.”

On what the media can do to cover the oil story better: “We spend too much time on the Wisconsin deal. Everybody knows that they are not going to shut down the government. But I have to watch that a lot of the day. Focus on the real problem for me. Like somebody said, Pickens, the only subject you know is energy and that’s right, that may be the case. You will see oil go up from here. How high up, I cannot tell you. But if it went to \$120, if it went to \$150, that could all happen.”

On what sustained oil prices mean: “I think that sustained oil prices—let’s go back to two years ago when it ran up to \$147. I think you are killing demand very fast at around \$120. Then it ran on up and then fell off and then we went into a global recession and the price went all the way down to \$33. I believe if you have a global economy that is doing ok, then you can probably stand oil prices up to \$120. But when you get supply and I think supply is getting pretty well all it can do globally, which is around 88 million barrels per day and you’re projecting Q4 at 90 million barrels per day. Something has to happen between now and the fourth quarter. But if supply is capped, if you are reaching max supply now, then the only way you are going to kill demand is with price.”

On 1986, when oil dropped to under \$10: “What happened then was you had oversupply. Consequently, everyone was trying to sell into the market, which was OPEC. Consequently, you oversupplied the market, like any other commodity. If you have too much corn, it will go down. Shortage and it will go up. Right now, you’re not going to go back to 1986, I can tell you that.”

On what he needs from Obama right now: “An energy plan. We have gone 40 years and never had an energy plan. We are the largest user of oil in the world. We use almost 25% of all the oil used every day with 4% of the population and we have no energy plan. None, zero. Let’s focus on ourselves. We are the problem.”

On a dedicated gas tax improving infrastructure: “There is no question the money could be used for a grid and to fund the Pickens Plan. The Pickens Plan is a cheap fix, but it’s not going to fix everything. What you’ve got to do is get on your own resources. In the meantime, thank Canada for having the oil. OPEC sets the price of oil, so it is not a free market. Part of what you are paying for OPEC oil is going to the Taliban. You are paying for both sides of the war. Now, stop right there and look at yourself and you look pretty stupid. If you have resources to use and you are using the enemy’s resources—not good. Get on your own resources. Our oil industry in the United States is doing very well. These guys are working

like hell and they're finding oil and our oil production in the United States is up slightly. We can take care of ourselves if we just understand the problem, get an energy plan and then carry it out."

On what the oil companies and government should do regarding the unrest in the Middle East: "I do not see dictating to the people in the Middle East. From what position do we dictate? We need the oil desperately and we have resources here. Develop your own resources. People all around the world think we are stupid that we look to the Middle East to solve our energy problems. If you do not do anything, which you have not for 40 years, and if you do not do anything for the next 10 years, you'll be paying \$300 per barrel for the oil. It is that simple. It is going to happen."

On the issue that the U.S. has oil but cannot move it efficiently: "You can move the oil around efficiently. There's plenty of infrastructure to move oil. I want to get on natural gas for heavy-duty trucks. Natural gas is the most widely distributed resource in America. It is up every street and down every alley. There's no trick to infrastructure. Don't think the government has to pay for the infrastructure. Industry can pay for that." On a natural gas energy plan in the U.S.: "I think we're going to get a natural gas act and it will pass before July 4th. It will pass in the House overwhelmingly. You will have over 300 votes for it and it will move through the Senate quickly and be passed this year. You will have the start—it is not the total energy plan, but it will be the first step to an energy plan for America."

On managing China and the country's insatiable demand for oil: "We are using 20 million barrels per day. China uses 10. We import 13. China imports 5. China is way behind us on the use of oil, but the Chinese have spent over \$200 billion buying and tying up, getting calls on oil. Can you imagine today, we spent \$1.5 trillion, lost 5,000 people and had 31,000 injured in Iraq and guess who got the oil in Iraq? That is right, China. We got none of it. We do not look after our business is one thing."

On reception of the Pickens Plan in Washington: "No question. I told you the House is going to pass this bill before July 4th. They're working hard on it. I have met with them. Yes, they understand it and they know we have resources that we should be using instead of OPEC's oil."

T. Boone Pickens Sees Oil Going As High As \$150 (USO) (CLNE) – StreetInsider.com – 2/28/11

Today on Bloomberg Television, T. Boone Pickens commented that oil prices could rise to \$120-\$150 with the tension in the Middle East and Northern Africa being ongoing. He mentions that the in next 2-4 months its unpredictable to tell what is going to happen, as one country solves an issue another two are brought up in another.

When Pickens was asked about what the media could do to better cover the oil story, he stated that they need to back away from the Wisconsin deal and focus more on how high the price of oil will go, if it does

reach \$150 the government may shut down. He believes that the only way to sustain the demand of oil is with the price, but if the price goes too high then the global economy will hit another recession as it did in the past.

Pickens reports that Obama needs to come up with an energy plan, it has been 40 years and the government has never had an energy plan. He states that we are the problem considering that we only make up 4% of the entire population and consume 25% of the oil used daily. He believes that the U.S. need to increase the amount of their own oil that they use because using OPEC oil is practically funding their own enemy. The OPEC sets the price of the oil, so it's not a free market, and paying for OPEC oil is going to the Taliban.

On the topic of Natural Gas T. Boone feels that the natural gas bill that is currently being discussed, will be passed overwhelmingly in the House before July 4th. He notes that this is not the total energy plan, but that it will be a good start.

Related stocks and ETF's United States Oil (NYSE: USO), Clean Energy Fuels Corp. (NASDAQ: CLNE).

Tapping Alaska – Portfolio.com – 2/25/11

By Kent Hoover

Gasoline prices already were high for this time of year, but the disruption of Libyan oil exports has caused the average price of regular gasoline in the U.S. to jump nearly 12 cents in the past three days, to \$3.29 a gallon.

That's according to AAA's daily survey of prices at the pump.

As the weather warms and Americans drive more, that price could creep up to \$4 a gallon, or beyond, depending on what happens to world oil supplies.

These higher gasoline prices will squeeze both consumers, who will have less money to buy other goods and services, and businesses, who will try to pass along their additional transportation costs to their customers. That's not what a still-recovering economy needs.

The oil shocks of the past week have prompted many business groups to call for increased oil production in the U.S.

Yesterday, the Energy Security Leadership Council, a group co-chaired by FedEx chairman and CEO

Fred Smith, renewed its call for increased domestic oil production. Dependence on foreign sources of petroleum poses both an economic risk and a national security risk to the country, the council maintains.

“The country has to mobilize and take some action to finally address this problem, which has been going on now for an awfully long period of time,” Smith said.

Smith’s group isn’t looking to increased domestic oil production as the only solution to making America energy-independent; it also proposes electrification of short-haul transportation fleets and wants the federal government to help build the infrastructure to make that possible. T. Boone Pickens, chairman of Dallas-based BP Capital Inc., thinks the nation’s trucking industry should convert to natural-gas vehicles.

For now, however, we’re stuck with cars and trucks that depend on gasoline and diesel fuels.

“Despite advances in alternative energy, the trucking industry will continue to depend on traditional diesel fuel for the foreseeable future,” said Rick Moskowitz, vice president of the American Trucking Associations.

The trucking industry spent more than \$101 billion in diesel fuel in 2010, up 28 percent from 2009. Truckers already were expecting to pay 20 percent more for diesel this year before the recent spike in crude oil prices.

“Fuel is our members’ second-largest expense, so uncontrollable spikes cut right at their bottom line,” he said.

Plus, they’ll soon have less freight to haul “as consumers spend more on energy and are forced to reduce their spending on other consumer goods,” Moskowitz said.

ATA called on the Obama administration to open more areas in the U.S. to oil drilling, including the Outer Continental Shelf.

The U.S. Chamber of Commerce agrees, saying the launch of a new initial well-containment response system makes deepwater drilling safer, so the administration should allow drilling to resume in the Gulf of Mexico.

“As a result of the administration’s de facto moratorium on drilling in the Gulf last year, the U.S. sent \$72 billion more to foreign countries for oil and gas imports in 2010 than we did the previous year,” said Karen Harbert, president and CEO of the U.S. Chamber’s Institute for 21st Century Energy. “America must become more self-sufficient, not less.”

Alaska Governor Sean Parnell said his state is ready to help, if the Obama administration will let it. Alaska currently accounts for 11 percent of U.S. production. It could produce a lot more oil if government agencies would end delays in leasing oil fields and permitting new wells and open more areas to drilling.

Areas the size of America's East Coast already are off limits in Alaska, "yet Interior is shopping for more," Parnell said.

"This is the moment our government must examine its 'no new wells' policy," Parnell said today during a speech at the National Press Club.

The Alaska Wilderness League hopes the Obama administration doesn't listen to Governor Parnell. His call for oil exploration in the Arctic Ocean, for example, is reckless, as evidenced by a recent accident in Norway, where a tanker ruptured and 200,000 gallons of fuel oil were spilled in the water. Cleanup crews couldn't get to it because of ice.

That's a "tiny taste of what would happen in the arctic," if oil companies were allowed to drill there, said Emilie Siurusco, the league's communications director.

Plus, increasing domestic production of oil might not lead to lower gasoline prices, she said. Oil produced in the U.S. goes into the world oil market, and Saudi Arabia could ramp down its production as we ramp up ours in order to keep prices high.

Drilling more oil wells "isn't going to solve anything," Siurusco said.

Boone Pickens - \$120 oil Likely, \$150 Is Too High Even for Opec's Tastes – Is Now the Time to Sell Some Oil Stocks? – Guru Focus – 2/25/11

I can't believe Boone Pickens is over 80 years old. He still does a nice job presenting myself on television again just like Buffett and Munger proving that doing what you love keeps your mind young.

Today Pickens was on CNBC talking about his natural gas plan for America and made the following comments about the oil market which we are all of course anxiously watching:

"Be careful counting on the Saudis.....they claim they can produce 12 million barrels a day, but they won't let anyone audit their reserves.....so you are totally at the mercy of what they tell you they can do"

He went on to suggest that \$120 oil could be in the fairly near future and that wouldn't force OPEC (meaning the Saudis) to do anything about it. He thought that even Saudi Arabia would want no part of \$150 oil given what it would do to oil demand.

Here is the link to the video of Pickens who is one of America's oil gurus:

<http://www.cnbc.com/id/41780773>

As I watched Pickens talk about \$120 oil it struck me as a little hard to believe that here we are coming out of the worst recession in 80 years and we are already back to \$100 oil. Even with a weak economy we have triple digit oil prices.

Even though I have been writing regularly for gurufocus for almost a year about my intention to profit from higher oil prices \$100 oil at this point frightens me a little bit. And I feel like I need to get my head around some answers to the following questions:

1. At what price does expensive oil create another recession ?
2. Do I try and reduce my oil exposure before the start of another recession ?
3. Or do I just ride a recession out in my oil stocks and wait for the next wave of escalating oil prices ?
4. Should I hedge my exposure to oil instead of selling my stocks outright ?
5. Will oil prices rebounding so quickly increase the likelihood that America embraces natural gas as a transportation fuel ?
6. At what point does the leadership in America realize that this oil issue is here to stay and commit to solving it by throwing money at alternative sources in a meaningful way ?
7. Should I start looking at alternative energy investments ?

I don't have any clear answers to any of these questions at this point. I felt like being invested in the oil sector was a no-brainer over the past couple of years. I feel like I made some good stock selections, but I have to be honest as any idiot could have done well with this run for oil and the stock market.

Now I'm starting to wonder when I should look for the exit.

One stock I'm not close to selling is Petrobank. After spinning out Petrominerales which has almost doubled in the past few months the parent company is just as attractive as it was when I wrote this

article:

<http://www.gurufocus.com/news.php?id=109940>

Wind Power: Questionable Benefits, Concealed Impacts – Town Hall – 2/28/11

By Paul Driessen

America is running out of natural gas. Prices will soar, making imported liquefied natural gas (LNG) and T Boone Pickens' wind farm plan practical, affordable and inevitable. That was then.

Barely two years later, America (and the world) are tapping vast, previously undreamed-of energy riches – as drillers discover how to produce gas from shale, coal and tight sandstone formations, at reasonable cost. They do it by pumping a water, sand and proprietary chemical mixture into rocks under very high pressure, fracturing or “fracking” the formations, and keeping the cracks open, to yield trapped methane.

Within a year, US recoverable shale gas reserves alone rose from 340 trillion cubic feet to 823 tcf, the Energy Department estimates. That's 36 years' worth, based on what the USA currently consumes from all gas sources, or the equivalent of 74 years' of current annual US oil production. The reserves span the continent, from Barnett shale in Texas to Marcellus shale in Eastern and Mid-Atlantic states – to large deposits in western Canada, Colorado, North Dakota, Montana and other states (and around the world).

Instead of importing gas, the United States could become an exporter. The gas can move seamlessly into existing pipeline systems, to fuel homes, factories and electrical generators, serve as a petrochemical feedstock, and replace oil in many applications. States, private citizens and the federal government could reap billions in lease bonuses, rents, royalties and taxes. Millions of high-paying jobs could be “created or saved.” Plentiful gas can also provide essential backup power for wind turbines.

Production of this much gas would reduce oil price shocks and dependence on oil imports from the likes of Gadhafi and Chavez, while lowering greenhouse gas emissions. Talk about a game changer!

What's not to like? Plenty, it turns out. The bountiful new supplies make environmentalist dogmas passé: the end of the hydrocarbon era, America as an energy pauper, immutable Club of Rome doctrines of sustainability and imminent resource depletion, the Pickens' Plan and forests of wind turbines.

What to do? Environmentalists voiced alarm. HBO aired “Gasland,” a slick propaganda film about alleged impacts of fracking on groundwater. Its claims have been roundly debunked (for instance,

methane igniting at a water faucet came from a gas deposit encountered by the homeowner's water well – not from a fracking operation). A politically motivated Oscar was predicted, but didn't happen.

The Environmental Protection Agency revealed a multiple personality disorder. Its Drinking Water Protection Division director told Congress there is not a single documented instance of polluted groundwater due to fracking. (Studies by Colorado and Texas regulators drew the same conclusion.)

EPA's Texas office nevertheless insisted that Range Resources was "endangering" a public aquifer and ordered the company to stop drilling immediately and provide clean water to area homes. EPA officials then failed to show up at the hearing or submit a single page of testimony, to support their claims.

Meanwhile, EPA Administrator Lisa Jackson announced plans to conduct a "life-cycle" or "cradle-to-grave" study of hydraulic fracturing drilling and gas production techniques, to assess possible impacts on groundwater and other ecological values. Depending on whether the study is scientific or politicized, it could lead to national, state-by-state or even city-by-city drilling delays, bans – or booms.

The industry and many states that have long experience with drilling and are confident the needed regulations, practices and testing procedures are already in place. They voice few worries, except over how long a life-cycle study could take or how political it might become. In fact, it's a very useful tool.

But if a life-cycle study is warranted for hydraulic fracturing, because drilling might pass through subsurface formations containing fresh water, similar studies are certainly called for elsewhere: wind turbine manufacturing, installation and operation, for instance.

Turbines require enormous quantities of concrete, steel, copper, fiberglass and rare earth minerals – all of which involve substantial resource extraction, refining, smelting, manufacturing and shipping. Land and habitat impacts, rock removal and pulverizing, solid waste disposal, burning fossil fuels, air and water pollution, and carbon dioxide emissions occur on large scales during every step of the process.

Over 95% of global rare earth production occurs in China and Mongolia, using their technology, coal-fired electricity generation facilities and environmental rules. Extracting neodymium, praseodymium and other rare earths for wind turbine magnets and rotors involves pumping acid down boreholes, to dissolve and retrieve the minerals. Other acids, chemicals and high heat further process the materials. Millions of tons of toxic waste are generated annually and sent to enormous ponds, rimmed by earthen dams.

Leaks, seepage and noxious air emissions have killed trees, grasses, crops and cattle, polluted lakes and streams, and given thousands of people respiratory and intestinal problems, osteoporosis and cancer.

In 2009, China produced 150,000 tons of rare earth metals – and over 15,000,000 tons of waste. To double current global installed wind capacity, and produce rare earths for photovoltaic solar panels and hybrid and electric cars, China will have to increase those totals significantly – unless Molycorp and other companies can rejuvenate rare earth production in the US and elsewhere, using more modern methods.

Made in China turbines are shipped to the USA, trucked to their final destinations, and installed on huge concrete platforms; new backup gas generating plants are built; and hundreds of miles of new transmission lines are constructed. That means still more steel, copper, concrete, fuel and land. Moreover, the backup power plants generate more pollution and carbon dioxide than if they could simply run at full capacity, because as backups for turbines they must operate constantly but ramp up to full power, and back down, numerous times daily, in response to shifting wind speeds.

Wind farms require roads and 700-1000 ton concrete-and-rebar foundations, which affect water drainage patterns in farm country. The 300-500 foot tall turbines affect scenery, interfere with or prevent crop dusting over hundreds of acres, and kill countless birds and bats. Farmers who lease their land for wind turbines receive substantial royalty payments; neighbors are impacted, but receive no compensation.

Despite these ecological costs, wind farm projects are often fast-tracked through NEPA and other environmental review processes, and are exempted from endangered species and migratory bird laws that can result in multi-million-dollar fines for oil, gas and coal operators, for a fraction of the carnage.

Perhaps worst, all this is supported generously by renewable energy mandates, tax breaks, feed-in tariffs, “prioritized loading orders,” and other subsidies, courtesy of state and federal governments and taxpayers. In fact, wind power gets 90 times more in federal subsidies than do coal and natural gas, per megawatt-hour of electricity actually generated, according to US Energy Information Administration data. And wind-based electricity costs consumers several times more per kilowatt-hour than far more reliable electricity from coal, gas and nuclear power plants.

Simply put, the wind might be free, when it blows. But the rest of the “renewable, green, eco-friendly” wind energy system is anything but.

It might be far better all around to simply build the most efficient, lowest-polluting coal, gas and nuclear generating plants possible, let them run at full capacity 24/7/365 – and just skip the wind power.

Life-cycle studies would be a positive development – for all energy sources. In fact ...

“Think globally, act locally” might be a very good motto for EPA and wind energy advocates.

Paul Driessen is senior policy adviser for the Committee For A Constructive Tomorrow (CFACT), which is sponsoring the All Pain No Gain petition against global-warming hype. He also is a senior policy adviser to the Congress of Racial Equality and author of Eco-Imperialism: Green Power - Black Death.

The Libya Factor - Pasco County Political Buzz Examiner – 2/26/11

By Tim Williams

The first few months of 2011 have become overwhelmed with revolution in the Mid East. Currents of unrest cascaded first upon Egypt and spread to Libya as wave after wave broke on unsuspecting regimes. But as with any revolution comes dire consequences not only for the countries involved but for all those who in one way or another depend on commerce generated by affecting countries. It just so happens that Libya is a major oil producing nation whose leader has used the profits generated by the exportation of oil not for the betterment of the citizens but for self gratification. In 30 or more years in power is how today, Moammar Gadhafi has garnished an estimated net worth of over 50 billion dollars. It was only a matter of time that the people in Libya revolted because of the continuing deplorable conditions that have been evident for far too long.

What makes this revolt much more devastating than the one in Egypt is the exportation of crude oil from Libya. Today, their oil production is almost shut down. Nations like Saudi Arabia who continues to be the ranking oil exporter has indicated that oil production will remain constant what ever the outcome in Libya. There is always a catch! That catch is the price of crude oil has risen and will undoubtedly continue to escalate to well over \$110 per barrel. Already the United States is feeling the effects of rising prices not only in the rising cost of gas but all the other byproducts that are associated with oil. With the economy still limping along any disruption like rising energy costs only will push the United States economy back almost to the point that recovery is all but impossible.

Every American is now being faced with ever increasing energy costs in a time of economic instability. This is just another realization that the governmental policies since the first oil crisis of 1974 haven't changed all that much. Any distribution in any oil producing nation regardless of whether the United States imports oil from those countries or not causes the American citizen to suffer financially. Today the United States continues to import more oil than ever before. With the amount of oil being imported at a rate of over 700 billion dollars annually from the tax paying public and the escalating costs incurred by all Americans in every thing we purchase is directly proportional to the costs of imported oil.

If there wasn't a better time to reform our energy policies now is about the best time to start. To continue

to drain every American's pocketbooks with our outdated energy programs will only exasperate the ongoing deepening economic conditions that are ravaging a nation. If we delay the prognosis is that gas prices will reach again over \$4.00 per gallon by mid summer if not sooner. A repeat of gas hikes of the 2008 but this time the price of gas like everything else will only continue to rise. Compounding this scenario is the fact that those who are still employed and those who are slowly entering the workforce will be subjected to wages that will not even come close to offset the escalating cost of living.

Now that the realization of what is at stake is so apparent our government must come to a consensus on what to do to remedy this ongoing crisis. The United States is so fortunate in that this country has enough natural resources to be totally energy independent. A major stumbling block is that our elected officials in Washington are so reluctant to alter their rationale' in regards to an energy policy that actually reduces costs to the average American. Another road block is that oil companies continue to rake in billions of profit every quarter. A prime example is that after the BP Oil spill in the Gulf of Mexico and after most of the payment of claims and cleanup costs still managed to reap huge profits in each quarter afterwards. It is too bad that with all that revenue coming back to the likes of Exxon Mobil and Chevron haven't yet produced alternate fuel sources at a lower cost for the American consumer. Sure, there is some research and development going on within these companies but most of their profits are returned to their stock holders.

The Pickens Energy Plan was first proposed more than two years ago but so far our illustrious legislature either ignored it or thought it wasn't in "their" best interest. If the government had acted sooner in putting forth an energy policy even remotely similar to the Pickens plan this country would now be more secure. Time is running out for the United States to act. An energy policy for the 21st century is more that apparent. We have the technology, the resources, but the resolve is still questionable. The sooner we act the sooner this country and the American public will be able to reap the financial and economic rewards associated with regaining the stability and security that is being depleted by our inaction on reforming our antiquated energy policies.

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