

Newsletter 16 How I came to Realize I was Wrong About Peak Oil

Dear Reader,

For this edition of my free newsletter I have decided to share with you some personal intellectual history. Namely, how I realized that I was completely wrong about accepting the idea that hydrocarbons--oil, gas and even coal--were a depleting, finite resource that was at or near its "peak" in production worldwide.

I want to give here a personal account of the change in my own belief about the genesis of hydrocarbons as I feel it will become increasingly important in the near future to grasp precisely what the Oil Game of the Big Four Anglo-American oil giants--ExxonMobil, Chevron, Shell and BP--is truly about. It's about creating myths, lies and ultimately oil wars based on those myths and lies.

It was during the period in late 2002 as it became clear that the Bush-Cheney US Administration was determined to destroy Iraq and depose Saddam Hussein. How a US government could risk a potential break with its European and other major allies for any real or imagined threat from Iraq at that point puzzled me greatly. There must be a deeper ground, I told myself.

Then a friend sent me an article from a now-defunct website, *From The Wilderness*, founded by the late Mike Ruppert. The article laid out a major argument as to how the volume of oil in the ground was finite and disappearing rapidly. It argued that the single largest oil field in history, Ghawar in Saudi Arabia, was so depleted that it needed water injection of millions of barrels daily to get an ever declining output of crude oil. They argued that Russia was past the "peak" in its oil. They illustrated their notion with the famous Gaussian bell curve graph. The world, after more than a Century in the hydrocarbon era, had consumed so much oil that we were near to "absolute peak." Or so they claimed.

Absolute Peak?

I dug deeper, found other articles on the peak oil theme. It seemed to offer an explanation for the mad Iraq War. After all, Iraq according to estimates had the world's second largest undeveloped reserves of oil after Saudi Arabia. If oil was in such short supply, it would offer an explanation.

I decided I should go deeper on such a pivotal question as the future of world oil and its potential impact on the very questions of war and peace, world prosperity or famine.

I went to the annual conference of something calling itself the Association for Study of Peak Oil (ASPO), held in May 2004 in Berlin. There I met the gurus of Peak Oil--Colin Campbell, a retired Texaco geologist whose research on well production had given the peak oil movement a seeming scientific foundation; Matt Simmons, a Texas oil banker who had written a book titled *Twilight in the Desert* claiming Ghawar was well past peak. Mike Ruppert was also there as was peak oil author Richard Heinberg.

Far from being treated to a high level scientific demonstration of the geophysics behind peak oil, however, I was gravely disappointed to be witness to bitter, acrimonious verbal battles between peak oil critics such as an energy expert from the Paris International Energy Agency and various peak oil advocates who managed to lob mere ad hominem attacks on the Paris speaker rather than lay out serious science.

I decided to make a meeting with the then-President of ASPO International, Swedish atomic physicist, Kjell Aleklett, a few weeks later, at his University in Uppsala, Sweden, in an attempt to get a deeper scientific argument for Peak Oil. There Aleklett treated me to his latest slide show. He argued that, as oil was a fossil fuel, we knew, through study of plate tectonics, where all major oil deposits were to be found. Then, citing depletion of production in the North Sea, in Ghawar, Texas and a few other spots, Aleklett claimed, "voila! The case is proven." For me it was anything but proven.

An alternative view

At that point, presented by Aleklett with what could only be described as a slide show loaded with unproven assertions, I began to question my earlier conviction about peak oil. Months before, a German researcher friend had sent me a paper by a group of Russian geophysicists on something they called "abiotic origins" of hydrocarbons. I had filed it for future reading. Now I opened it and read. I was impressed, to put it mildly.

As I searched more translations of the Russian scientific abiotic papers, I dug deeper. I learned of the highly-classified Soviet era research begun in the 1950s at onset of the Cold War. Stalin had given a mandate to the leading Soviet geo-

scientists to, simply put, insure that the USSR was entirely self-sufficient in oil and gas. They should not repeat the fatal error that had contributed to Germany's losing two world wars--lack of oil self-sufficiency.

Being serious scientists, they took nothing for granted. They began their work with an exhaustive search of world scientific literature for rigorous proof of the genesis of hydrocarbons, beginning with the accepted fossil fuel theory. To their shock, they found not one serious scientific proof in the entire literature.

I then read of the cross-disciplinary researches by academics such as Professor V.A. Krayushkin, head of the Department of Petroleum Exploration in the Institute of Geological Sciences of the Ukrainian Academy of Sciences in Kiev, one of the leading abiotic scientists.

Krayushkin presented a paper following the end of the Cold War to a 1994 Santa Fe, New Mexico conference of DOSECC (Drilling, Observation and Sampling of the Earth's Continental Crust). There Krayushkin presented his researches of the Dnieper-Donets region of Ukraine. Traditional mainstream geology would have argued that that region would be barren of oil or gas. Traditionally-trained geologists had argued it senseless to drill for oil or gas there because of the complete absence of any "source rock" -- the special geological formations which, according to Western geological theory, were the unique rocks from which hydrocarbons were generated or were capable of being generated -- presumably, the only places where oil could be found, hence the term "source."

What Krayushkin presented to the disbelieving audience of American geologists and geo-scientists went against their entire oil genesis training. Krayushkin argued that the oil and gas discoveries in the Ukraine basin came from what geologists called 'crystalline basement,' deep rocks where Western geological theory claimed oil and gas (which they termed 'fossil fuels,') could not be found. No dinosaur fossils nor tree remains could have been buried so deep, the Western theory went.

Yet the Russians had found oil and gas there, something tantamount to Galileo Galilei telling the Holy Inquisition that the Sun -- and not the Earth -- was the center of our system. According to one participant, the audience was not at all amused by the implications of Russian geophysics.

The speaker from Kiev went on to tell the scientists at Santa Fe, New Mexico that the Ukrainian team's efforts to look for oil where conventional theory

insisted no oil could be found had, in fact, yielded a bonanza in commercial oil and gas fields.

He described in detail the scientific tests they had conducted on the discovered petroleum to evaluate their theory that oil and gas originated not near the surface – as conventional fossil fuel theory assumes – but rather at great depth in the Earth, some two hundred kilometers deep. The tests confirmed that the oil and gas had indeed originated from great depth.

The speaker clearly explained that the Russian and Ukrainian scientists' understanding of the origin of oil and gas was as different from what the Western geologists had been taught as was day from night.

More shocking to the audience was Krayushkin's report that during the first five years of exploration of the northern part of the Dneiper-Donets Basin in the early 1990's, a total of 61 wells had been drilled, of which 37 were commercially productive, a success rate of more than 60%. For an oil industry where a 30% success rate was typical, 60% was an impressive result. He described, well-by-well, the depths, oil flows and other details. ¹

Several of the wells were at a depth of more than four kilometers, a depth of roughly 13,000 feet into the Earth and some produced as much as 2600 barrels of crude oil a day, worth almost \$3 million per day at 2011 oil prices.

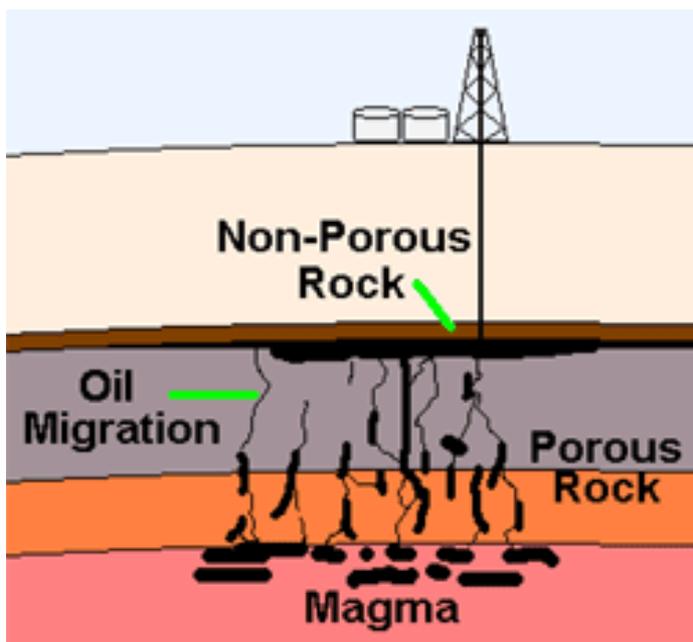
Following such reading, I came into personal contact with one of the leading Russian abiotic scientists, Vladimir Kutcherov, then a professor at the Swedish Royal Institute of Technology, Sweden's ETH or MIT. We met several times and he tutored me in the confirmed deep earth origins of all hydrocarbons. Not from dead dinosaur detritus and biological remains. Rather oil is being constantly generated from deep in the core of the Earth in the giant nuclear oven we call the core. Under enormous temperature and pressure, the primal methane gas is forced to the surface through what they term migration channels in the Earth's mantle. ² Indeed, Kutcherov demonstrated that existing "depleted" oil wells, left capped for several years, had been proven to "refill" with new oil from deep under. Depending on the elements the methane migrates through on its upwards journey, it remains gas, becomes crude oil, tar or coal.

The implications of the deep Earth genesis of hydrocarbons were profound and forced me to change my previously-accepted belief. I read further the fascinating geophysical theories of the brilliant German scientist, Alfred

Wegener, the true discoverer of what in the 1960s was dubbed Plate Tectonics. I came to realize that our world is, as the Dutch oil economist, Peter O'dell famously put it, "not running out of oil, but running into oil." Everywhere, from offshore Brazil to Russia, to China, to the Middle East. I wrote what became one of my most read online articles, "Confessions of an Ex-Peak Oil Believer," in 2007.³

Indeed I realized that the entire foundations of Western petroleum geology was a kind of religion. Rather than accept the Divine Birth, Peak Oil "church-goers" accepted the Divine Fossil Origins. No proof needed, only belief. To this day there exists not a single serious scientific paper proving the fossil genesis of hydrocarbons. It was posited in the 1760's as an untested hypothesis, by Russian scientist Mikhail Lomonosov. It has served the American oil industry, especially of the family Rockefeller, to build an immense fortune based on a myth of oil scarcity.

Today, clearly the new US Administration under a President Trump, with his ExxonMobil Secretary of State Rex Tillerson, is returning to the era of Big Oil after eight years of Obama and alternative strategies. If our world is to avoid yet more carnage and unnecessary wars over bountiful oil, it would be important to study the true history of our Age of Oil. In 2012 I published a book based on this work titled *Myths, Lies and Oil Wars*. For those interested, I'm convinced you will find it a useful alternative.



endnotes:

¹ F. William Engdahl, *Myths, Lies & Oil Wars*, edition.engdahl, Wiesbaden, 2012, pp. 150-151.

² Fossils From Animals And Plants Are Not Necessary For Crude Oil And Natural Gas Swedish Researchers Find, <http://www.viewzone.com/abioticoilx.html>
<http://www.viewzone.com/abioticoilx.html>.

³ F. William Engdahl, Confessions of an "Ex-Peak Oil" Believer, September 14, 2007, http://www.engdahl.oilgeopolitics.net/Geopolitics___Eurasia/Peak_Oil___Russia/peak_oil___russia.html.

Reader Reviews of [Myths, Lies & Oil Wars](#):

"Everyone has to read this book. Period!!!" - Peter B.

"This book is a weapon of mass awakening" - Michael Ivey

"...a must read" - NeoFeudalSerf

"Very interesting..." - D. Russell

"...excellent book..." - Ryan

"Eye opening" - Sean C. Markus

"...most amazing documentation..." - Robert E. King

"A stunning book" - Norman

"... I cannot stop reading..." - Stephen

"An outstanding read." - Financial Foghorn

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