T. Boone Pickens Media Coverage 1.22.10

Total of 20 Placements

- &#61623 Print: 6
- &#61623 Blog/Online: 6
- &#61623 Broadcast: 8

Coverage Summary:

Two more *Bloomberg* pieces were published after Pickens' appearance at yesterday's Bloomberg Forum. The first looks at certain manufacturers that will benefit if the trucking industry moves to running vehicles on natural gas. The second piece looks at natural gas futures, saying gas demand may increase further if the NAT GAS Act passes. The piece includes a quote from an analyst who said natural gas has to be a bigger part of the energy mix. He goes on to say the transportation side could be an interesting dynamic to watch unfold over the next five years.

Pickens appeared on Stossel last night on the *Fox Business Network*. During his interview, he discussed the Pickens Plan, the NAT GAS Act and the need to reduce our dependence on foreign oil.

A *Seeking Alpha* blog summarizes several of the key points Pickens made during a luncheon at the Union League Club this week. The piece says one thing is clear – alternative fuels, including natural gas, will play a bigger role in the future.

Highlighted Placements (Full Articles Below)

- &#61623 **Pickens' Natural-Gas Plan May Prove Boon to Truck Builders** – *Bloomberg* – 1/21/10
    - o *Indianapolis Business Journal*
- &#61623 **Natural Gas Rises as Cold Weather Eliminates Fuel Surplus** – *Bloomberg* – 1/21/10
- &#61623 **Pickens Pushes for Natural Gas** – *Seeking Alpha* – 1/22/10

Print Placements (Full Articles Below)

- &#61623 **Greener World to Feed Appetite for Gas** – *Calgary Herald* – 1/21/10
    - o *Edmonton Sun*
- &#61623 **'The Ivory Tower'—Who Does He Play For?** – *Wall Street Journal* – 1/22/10

Blog/Online Placements (Full Articles Below)

- &#61623 **Oil's the Next Easy Target for Obama** – *The Street* – 1/22/10
- &#61623 **Will There Be a Climate Bill Left?** – *Financial Times Blog* – 1/22/10
- &#61623 **T Boone Pickens on Energy – Pickens Top Stock Holdings** – *Guru Focus* – 1/21/10
- &#61623 **6 of the Greenest Cars You Can Buy (Plus 6 of the Meanest)** – *The Daily Green* – 1/21/10
- &#61623 **T. Boone Pickens: Proving to Be Hot Air About Wind Energy –** *Energy Boom* – 1/21/10

HIGHLIGHTED COVERAGE

Pickens' Natural-Gas Plan May Prove Boon to Truck Builders – *Bloomberg* – 1/21/10

By Christopher Martin

T. Boone Pickens, founder and chairman of Dallas-based BP Capital LLC, said converting the U.S. trucking industry to natural gas will benefit manufacturers including Paccar Inc.'s Peterbilt and Cummins Inc.

Pickens wants buses and trucks that run on natural gas to replace the diesel and gasoline engines that contribute to global warming and increase U.S. oil imports that cost the country about $1 billion a day.

Legislation to spur investment in natural gas vehicles over diesel, which doubles a 2005 tax incentive, has enough support in the House and Senate to pass by the end of May, Pickens said today during an interview in New York. Truck makers with natural gas technology will boost production when the bill passes.

"Kenworth's got it, Peterbilt's got it, Volvo, Cummins, they've all got it," Pickens said. "This is going to happen."

Peterbilt in August began taking orders for two new natural gas truck models made in Texas that use Cummins Westport engines. Cummins Westport is a venture with Westport Innovations Inc. Paccar, based in Bellevue, Washington, builds Kenworth and Peterbilt trucks.

Sweden's Volvo AB, the world's second-largest truckmaker, also makes trucks that run on natural gas, as well as flex-fuel vehicles that use either gas or diesel, the company said on its Web site.

The bill offers tax credits to cover 80 percent of the added cost to buy natural gas-fueled vehicles over conventional engines. The credits would reach as high as $12,500 for passenger cars and light trucks and as much as $64,000 for heavy vehicles, according to a summary of the legislation. Filling station tax credits would be doubled to as much as $100,000.

142,000 Vehicles

There are more than 250 million vehicles on the road in the U.S., and of those 142,000 are powered by natural gas, Pickens said. Pickens, whose plan for autos would initially emphasize heavy-duty trucks, said he'd like to see 1.3 million trucks running on natural gas by 2014.

Pickens in 2008 started a $60 million promotion for a national energy plan that relies on domestically produced natural gas and wind energy to cut U.S. dependence on foreign oil. Now he's focused on replacing fleet cars and trucks that run on gasoline with those that use cleaner-burning natural gas.

'Long Way to Go'

The Pickens measure has the support of Senator Harry Reid, a Nevada Democrat and the majority leader, as well as Senators Robert Menendez, a New Jersey Democrat, and Orrin Hatch, a Utah Republican.

Pickens said the investment in refueling stations would pay off in decreased dependence on oil from overseas. While a proliferation of natural-gas vehicles would raise the price of the fuel, he said it would still be cheaper than using gasoline or diesel.

"There's a long way to go," Pickens said. "You're not going to see natural gas prices shoot up."

He forecast U.S. natural gas won't top $7 per million British thermal units for the next two years. Natural gas for February delivery rose 11.3 cents, or 2.1 percent, to $5.609 per million British thermal units at 2:32 p.m. on the New York Mercantile Exchange.

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Natural Gas Rises as Cold Weather Eliminates Fuel Surplus – *Bloomberg* – 1/21/10

By Reg Curren

Natural gas futures advanced in New York for the first time in three days after frigid weather in recent weeks sent supplies tumbling, eliminating a surplus of the heating fuel.

Inventories fell 245 billion cubic feet in the week ended Jan. 15, more than double the average drop for the week, an Energy Department report today showed. Stockpiles compared with the five-year average slipped into a deficit last week after being at a 4.4 percent surplus in the previous report.

"We've removed the glut and it resets the dial looking forward at the underlying fundamentals," said Cameron Horwitz, an analyst at SunTrust Robinson Humphrey Inc. in Houston, who forecast a decline of 245 billion. "At a time when people are looking for year-over-year declines in production and improvements in industrial demand, that changes the picture."

Natural gas for February delivery rose 11.7 cents, or 2.1 percent, to $5.613 per million British thermal units at the 2:30 p.m. close of floor trading on the New York Mercantile Exchange.
The contract shed 1.1 percent yesterday.

The Energy Department last week forecast a decline in nationwide marketed gas production in 2010. Output will average 58.41 billion cubic feet a day in this year, down from 60.22 billion in 2009, according to the department's monthly Short- Term Energy Outlook.

Industrial gas consumption is forecast to gain 2.2 percent to 16.97 billion cubic feet a day this year, according to the report, released on Jan. 12. The department predicted total demand will be little changed at 62.44 billion cubic feet a day.

Pickens Bill

Gas demand may increase further as U.S. legislation that includes new incentives for natural gas vehicles will pass by late May, according to T. Boone Pickens, founder and chairman of Dallas-based BP Capital LLC.

"We've got a bill that's set to go," Pickens said in an interview today on Bloomberg Television. "It will pass by Memorial Day." Memorial Day falls on May 31 this year.

Pickens is promoting natural gas as a transportation fuel for fleet cars and trucks to help the U.S. cut its reliance on foreign oil sources.

"Natural gas has to be a bigger part of the energy mix if you want to wean yourself off foreign fossil fuels," Horwitz said. "The transportation side could be a very interesting dynamic to watch unfold over the next five years, where you could see incremental" increases in demand of 1 billion to 2 billion cubic feet a day.

Gas consumption by vehicles is forecast at 90 million cubic feet a day this year, according to the Energy Department.

Weather and Inventories

Below-normal temperatures in December and the first part of January pushed inventories 6 billion cubic feet, or 0.2 percent, below the five-year average, today's report showed. Supplies were at a surplus of 16 percent in the week ended Dec. 4.

Milder weather now may cut demand for the heating fuel, limiting withdrawals from storage and keep prices in a range between $5.40 and $5.80 per million Btu, said Tom Orr, director of research at Weeden & Co., a brokerage in Greenwich, Connecticut.

"We caught a little residual demand from the back end from the cold we just saw and now we've had considerably warmer temperatures," Orr said. "Now it's a cat-and-mouse game with the traders to see if the weather tilts back to the cold side."

A quick return to colder weather may allow traders to push futures above $6 per million Btu, he said. Gas settled at a one- year high of $6.009 per million Btu on Jan. 6 as the cold snap built across the U.S.

Mild weather will begin to fade by Jan. 26 and be replaced by below-normal temperatures, according to an outlook from MDA Federal Inc.'s EarthSat Energy Weather of Rockville, Maryland.

EarthSat predicted below-normal temperatures for the eastern half of the U.S. for February and expanded lower temperatures for March, especially across the southern Plains, from a previous report.

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Pickens Pushes for Natural Gas – *Seeking Alpha* – 1/22/10

By Vahan Janjigian

When T. Boone Pickens tried to take over Phillips Petroleum in 1984, he was accused of not willing to make any concessions. He responded by saying he would move to Bartlesville, Oklahoma. Yesterday, I attended a luncheon at the Union League Club of New York City. Pickens was the guest speaker. Although he made his name as an oil man, more recently he has been trying to promote the use of natural gas in this country. During his talk, he was very critical of the failure of all presidential administrations to articulate a coherent energy plan.

Pickens says the United States is much too dependent on foreign oil--especially on oil imported from countries that are not particularly friendly to us. He pointed out that the U.S. has the world's largest natural gas reserves, and that we can easily decrease our reliance on imported oil by switching to natural gas for transportation purposes. He proposed mandating that all 18-wheelers (i.e., tractor-trailers) be forced to switch to natural gas over some period of time. His idea is to provide a $65,000 tax credit for the purchase of each of these vehicles. However, he did not address the safety concerns, how the trucks would be refueled, or if natural gas could even provide sufficient power to push a fully loaded semi up a mountain.

He also failed to make a strong case that drilling for natural gas would be environmentally friendly. While the available technology may be good enough to drill safely, the natural gas industry must do a better job of conveying this message. In fact, Thursday's Wall Street Journal featured a front-page article about hydraulic fracturing, a process of using pressurized water mixed with certain chemicals to break rock formations in order to get at the gas. Opponents claim fracturing will pollute ground water. As the article pointed out, Exxon Mobil (XOM) insisted on a clause that would allow it to back out of its proposed acquisition of XTO Energy (XTO) if the government decides to outlaw fracturing.

How big a role natural gas plays in the future is uncertain, but one thing is becoming clear. Oil prices are too high. There is a big push to promote the use of alternative fuels. Society will remain dependent on oil for a long time, but natural gas, nuclear, wind, battery, and solar will all play bigger roles in the future. Unless global growth suddenly surges, demand for oil, which is already down, will continue to decline.

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PRINT COVERAGE

Greener World to Feed Appetite for Gas – *Calgary Herald* – 1/21/10

By Markus Ermisch

North America will need all the natural gas it can get to feed demand in a greener world, says an executive with pipeline giant TransCanada.

Chief operating officer Russ Girling also said he expects Alberta to overhaul its royalty regime and thereby spur natural gas production in the province.

“Our view is you need all the shale gas, all the frontier gas and you may need LNG,” Girling told an investors’s conference in Whistler on Thursday.

“We have a fundamental belief that natural gas demand will continue to grow in North America.”

And that demand, Girling said, will inevitably make the proposed Mackenzie and Alaska natural gas pipelines a reality.

The only question is when.

Plans for both projects have existed for years, and especially the Mackenzie project has been entangled in red tape, but Girling said “the need for this gas hasn’t diminished at all.”

TransCanada’s long-term bullishness on natural gas rests on two basic tenets, the most important of which is the advent of a world with more stringent environmental regulations.

A greener world, Girling said, will ultimately raise the demand for natural gas, a cleaner alternative especially to coal-generated energy. Others, including Texan oil billionaire T. Boone Pickens, who converted to a faith in renewables and clean energy, are also banking on natural-gas-powered cars to significantly drive up demand for the resource.

Secondly, shale gas wells tend to diminish quickly. This means, Girling said, that supply has to be fed from elsewhere, including from the northern reservoirs targeted by the Mackenzie and Alaska pipelines.

“That’s the treadmill that the industry is on,” Girling said.

That’s the long term.

In the short term, TransCanda is banking on a change in Alberta’s royalty structure to help fill pipelines that were shipping less natural gas last year.

Edmonton has yet to commit to a change in the royalty regime it introduced one year ago, but an overhaul is widely anticipated for next month.

Girling said he expects changes in the royalty rates to increase production in Alberta, where drilling has dropped off sharply over the past two years.

Because of the drop in production, TransCanada had to raise the toll charged to natural-gas shippers last year.

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'The Ivory Tower'—Who Does He Play For? – *Wall Street Journal* – 1/22/10
By Mark Bauerlein

A few weeks ago, on a brisk January night in Knoxville, hundreds of University of Tennessee students raced out of their dorm rooms in fury, lighting small fires, defacing campus landmarks and blocking traffic, all because the school had dropped U.S. history from the general-education requirements.

Just kidding—sort of. The Tennessee students did go on a rampage, but what incensed them was the departure of football coach Lane Kiffin for the University of Southern California Trojans after just one year at the helm of the Volunteers. Some students tried to enter the university's press conference, one of them telling a local reporter: "We just really wanted to see Lane Kiffin and tell him how we feel." Another said: "Pretty much he just completely betrayed us."

However sophomoric the display, the students were right to be distressed, and the reasons go well beyond undergraduate emotion. As Mark Yost, a regular contributor to The Wall Street Journal, recounts in "Varsity Green," a disturbing ramble through the business of NCAA sports, the arrival or departure of a coach can affect a university far beyond the confines of the football stadium or basketball arena, from admissions to laboratories to the endowment.

Consider Mr. Yost's first example, the hiring of basketball coach Bob Huggins by Kansas State University in 2006. Mr. Huggins had spent 18 years at University of Cincinnati compiling a superb record that was rewarded with 14 NCAA tournament appearances and a trip to the Final Four in 1992. But he also acted like a lout (including a 2004 drunk-driving conviction) and recruited "street thugs" (Mr. Yost's term) with no interest in academics. Worse, the graduation rate of his players held steady at 0%. In 2005, Cincinnati's president fired him and nobody complained.

Nevertheless, the following year Kansas State gave Mr. Huggins a five-year contract for $1 million per year, hoping, one might assume, that the coach would eventually turn the K-State Wildcats from a middling team to an Elite Eight perennial. But the deal also paid immediate dividends: Season-ticket sales leapt to $2.7 million from $1.2 million. Sales of apparel sporting the Wildcat logo rose by 30%. TV coverage increased, the royalties from one game alone delivering $135,000. Just a few weeks into the season, Mr. Huggins reeled in a $10 million contract with Nike to supply every varsity athlete with gear.

So when the itinerant Mr. Huggins left a year later for West Virginia University, Mr. Yost concludes, the coach didn't betray Kansas State or ruin its investment. The school had been repaid many times over. As one higher-up in the K-State athletic department put it: "Bob Huggins is, himself, a national brand. And in many ways he made us a national brand, too."

Mr. Huggins carried embarrassing baggage, but rare is the college president who could turn down the benefits the coach offers. That's the lesson of "Varsity Green"—not the book's diagnosis of what's wrong, for everybody knows that money corrupts college sports, but rather Mr. Yost's illustration of why nobody can do anything about it. He moves casually from one topic to another, covering 19th-century violations of academic rules in one section, football-bowl payouts in another, the donations of T. Boone Pickens ($270 million to Oklahoma State athletics), Phil Knight of Nike ($100 million to University of Oregon athletics) and other billionaire boosters in another. The sections don't add up to an exposé, and the chapters contain repetitions and vagaries characteristic of a book spliced together from shorter pieces written over the years. But Mr. Yost effectively describes actions and consequences that show how intractable the problem has become.

For instance: When tiny Adrian College in Michigan began building a $6.5 million stadium in 2005, observers might have wondered how that sum might improve education if it were devoted to academics instead. But 18 months later, freshman applications more than doubled, thus raising the selectivity of the student body and the intellectual caliber of every classroom.

Also: People are appalled at the million-dollar-plus salaries of big-time coaches, but in fact only a small portion is paid by the college. Football coach Tommy Tuberville earns more than $2 million at Auburn University, but the school covers only $235,000 of it. The rest comes mostly from media and marketing rights with ISP Sports. Roy Williams, the basketball coach for the University of North Carolina in Chapel

Hill, makes $1.6 million annually, but Nike provides $500,000 of the salary, and radio and TV bring $350,000 more. A booster club pays most of the rest.

In many cases, athletics deals spill over into academic support. When TCF Financial spent a headline-making $35 million on naming rights for a new University of Minnesota football stadium—the TCF Bank Stadium opened in the fall—the company also donated $10 million for academic scholarships. Notre Dame has an exclusive contract with NBC for its football games, but the school earmarks the bulk of the proceeds for need-based scholarships, doctoral fellowships and minority fellowships. Of every dollar that UNC-Chapel Hill makes on sales of trademarked apparel, 75 cents go to academic scholarships and financial aid. The bounty from college athletics fosters learning and access at the schools, and it also makes academic budgets ever more dependent upon playing field performance.

Why not hire that expensive celebrity coach, then, if competing schools are also eyeing him? Why not renovate the arena if it will spark more freshman applications (a key variable in the U.S. News & World Report college rankings)? Why not expand sports marketing if some of the resulting revenue can be siphoned into classrooms? Surrounded by television networks, shoe companies and wealthy alumni throwing money at the athletic department, and noting the rate of high-school seniors who apply only to colleges with a good football team, university leaders are trapped in a spiraling system. They recognize the compromises they're making but can't stop.

There is another group, though, that doesn't understand the system so well: the thousands of high-school athletes who watch ESPN for hours and dream of glory, girls and cash. They spend afternoons working on their game like madmen, believing that they have a shot at the pros even though, to take basketball as an example, only 3% of them ever play in college, much less the NBA. What would happen if these deluded adolescents spent half their court time studying algebra and DNA, reading literature and history, following politics and learning a foreign language? Say that to kids, though, and they'll just roll their eyes. As long as they watch nightly highlights of three-pointers and QB sacks, and hear tales of plush locker rooms and hot cheerleaders, the show-time side of "varsity green" is more meaningful and more real than anything in a textbook or a test tube.

—Mr. Bauerlein, the author of "The Dumbest Generation: How the Digital Age Stupefies Young Americans and Jeopardizes Our Future," teaches at Emory University.

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BLOG/ONLINE COVERAGE

Oil's the Next Easy Target for Obama – *The Street* – 1/22/10

By Jim Cramer

Oil's next. Let's face it.
A president who cannot get things done, who faces the rejection of the people, must attack entities that are perceived to be hated. He has to. It is right out of the playbook.

You can see it happening. You know I like natural gas and believe it is the natural bridge fuel. You know, though, if you watched my interviews with Richard Kinder from the great Kinder Morgan Partners (KMP - commentary - Trade Now) or the night before with Boone Pickens, I am skeptical that natural gas will catch a break in this country.

I now think that Obama could turn on natural gas drilling with a vengeance even if it creates jobs, makes us more energy-independent and is cleaner than coal. Why not? I am sure that he can join those who are saying that it pollutes drinking water, because we know from polls that clean water matters. He might just tax them to the point where it isn't worth drilling.

Or how about big oil? How much do we hate Exxon (XOM - commentary - Trade Now) and Chevron (CVX - commentary - Trade Now) and Conoco (COP - commentary - Trade Now) because they charge so much for oil? Why not tax them several dollars a barrel that they get from leases? That's a winner.

You can just see it coming. He can attack drilling on the same day Schlumberger (SLB - commentary - Trade Now) reports, just like he attacked hedge funds on the same day that Goldman (GS - commentary - Trade Now) reports. He can say that he's been talking about it for months. And he can spring it on us.

I wouldn't put it past him. Just makes too much sense politically.

And that's what this is all about.

At the time of publication, Cramer was long Chevron and Goldman Sachs.

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Will There Be a Climate Bill Left? – *Financial Times Blog* – 1/22/10

By Kate Mackenzie

It’s hard not to be pessimistic about the likelihood of the US Congress committing to a cap on carbon emissions, and consequently pricing carbon. The win by Republican Scott Brown in the late Edward Kennedy’s Senate seat has raised a great deal of speculation and no doubt made many representatives up for re-election this year more nervous about supporting either cap and trade or a carbon tax.

The weird thing is, most Americans believe climate change is real, and that something should be done about it. For more striking evidence of that, look at this presentation by (unlikely as it sounds) conservative pollster Frank Luntz for the Environmental Defense Fund (H/T TNR). Actual sceptics only make up 18 per cent; believers in anthropogenic global warming are 52 per cent. Support for cap and trade is not too shabby either, at 49 per cent.

Luntz’ presentation stresses that energy security and jobs should be the selling points for climate change legislation - whereas phrases like ‘carbon neutral’ are anathema to many voters. It seems like some pro-environment legislators might be taking this a little too far, however. One of the big themes from lawmakers in recent days has been the idea of government support for green jobs and renewable energy projects, without putting a price on carbon. We’ve written before why this doesn’t make sense, economically or in terms of effectiveness. And it is pretty much impossible to target specific CO2 emissions reductions without any means for capping carbon.

But the idea of climate measures that don’t include cap and trade or carbon taxes appears to be gaining momentum - as is talk of taking even the green jobs and renewable measures out of the climate bill, and putting them into a new economic stimulus bill.

From Bloomberg:

> “A large cap-and-trade bill isn’t going to go ahead at this time,” Senator Dianne Feinstein, a California Democrat, told reporters in Washington yesterday.
>
> Putting energy provisions into a bill to stimulate job creation instead “makes sense” because that’s the Senate’s next priority after health-care legislation, Senator Sherrod Brown, a Democrat from Ohio, said before Brown’s win.
>
> “Everybody who’s got a job-creation idea is going to try to get on this train,” Brown said in a Jan. 15 interview, referring to a new jobs bill. “Anything that we’re thinking of doing in any energy related area that can produce jobs short-term, mid-term, long-term will be considered in this.”

There are yet more signs of targeted, rather than broad, environmental legislation in the form of T. Boone Pickens, talking up a bill to support natural gas-powered vehicles.

Meanwhile Steven Chu appeared before the Senate Energy and Natural Resources Committee yesterday to explain what was needed to push private investment into new energy technologies. Committee chairman Jeff Bingaman called the hearing, according to Argus, because it is “troubling that current legislative proposals before Congress to address climate change give relatively low emphasis to providing funding for the needed science and technology”. Bingaman has a pro-environmental record and has historically supported cap-and-trade; he is not up for re-election this year and has held a New Mexico senate seat since 1982.

Chu of course said a price on carbon was the most important way to get companies actually spending on energy development, as they need that certainty to make medium and long-term investments. But is Congress willing to listen?

Also this week, Republican Senator Lisa Murkowski confirmed she will indeed propose limits to the EPA’s powers to regulate CO2 emissions, and three Democratic senators have agreed to co-sponsor the bill.

And all this is happening as the deadline (albeit a soft deadline) for countries to make their emissions commitments under the Copenhagen Accord draws near.

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T Boone Pickens on Energy – Pickens Top Stock Holdings – *Guru Focus* – 1/21/10

T Boone Pickens was on Fox News, talking about energy. Pickens chairs the private equity firm BP Capital Management. BP Capital Mangment, holds stocks such as Transocean LTD (ticker: RIG), Hess Corp (ticker: HES), Devon Energy Corporation (ticker: DVN), Chesapeake Energy Corporation (ticker: CHK), Occidental Petroleum Corporation (ticker: OXY) and SandRidge Energy Inc (ticker: SD).

In the video, Pickens talks about why he wants to reduce dependence on OPEC based oil. He is specific in stating that he is not talking about foreign oil, but OPEC in particular. This is 4.5 million barrels a day out of the 12 million barrels imported. Part of the reason is that many of the OPEC countries are countries that the US state department recommends not traveling to.

In particular, he want's to move the US trucking fleet to natural gas. About 8.5 million of the 250 million autos in the US are 18 wheelers to natural gas. Doing this will reduce our dependence on OPEC by 50%.

He has reduced his exposure to wind power, but he has always been pushing both wind power and natural gas. He has reduced a total plan for 687 wind turbines to about half that number.

Moving America to natural gas does two things. It reduces exposure to OPEC while at the same time, it will help the US with its current unemployment/underemployment situation by creating new jobs in energy.

Important Catalyst:

John Larson from Connecticut is pushing a new bill. It is HR-1835, The Natural Gas Act. Pickens expects this bill to put natural gas into autos. Pickens has worked with Larson on this bill and expects this bill to pass within the next 2 months.

Holdings:

It is clear that Pickens is a subject matter expert on energy. He holds many oil and gas companies as investments. His top holdings are as follows.

No. 1: Transocean LTD (ticker: RIG), Weightings: 16.29%

Transocean LTD., formerly Transocean Inc., is an international provider of offshore contract drilling services for oil and gas wells. The company offers deepwater and harsh environment drilling, oil and gas drilling management, and drilling engineering and project management services, as well as explores, develops, and produces oil and gas resources. The company is based in Houston, Texas. Transocean Inc. has a market cap of $28.66 billion; its shares were traded at around $89.24 with a P/E ratio of 6.9 and P/S ratio of 2.3. Transocean Inc. had an annual average earning growth of 6% over the past 10 years.

No. 2: Hess Corp (ticker: HES), Weightings: 11.64%

Hess Corporation, is a global integrated energy company engaged in the exploration for and the production, purchase, transportation and sale of crude oil and natural gas, as well as the production and sale of refined petroleum products, electricity. Hess Corp. has a market cap of $19.69 billion; its shares were traded at around $60.19 with a P/E ratio of 83.6 and P/S ratio of 0.5. The dividend yield of Hess Corp. stocks is 0.6%. Hess Corp. had an annual average earning growth of 19.2% over the past 10 years. GuruFocus rated Hess Corp. the business predictability rank of 3.5-star.

No. 3: Devon Energy Corporation (ticker: DVN), Weightings: 10.65%

Devon Energy Corporation is an independent energy company engaged primarily in oil and gas exploration, development and production, and in the acquisition of producing properties. Devon currently owns oil and gas properties concentrated in four operating divisions: the Northern Division; the Southern Division,; Canada; and the International Division. Devon Energy Corp. has a market cap of $31.72 billion; its shares were traded at around $71.43 with a P/E ratio of 23 and P/S ratio of 2.1. The dividend yield of Devon Energy Corp. stocks is 0.9%. Devon Energy Corp. had an annual average earning growth of 18.1% over the past 10 years.

No. 4: Chesapeake Energy Corporation (ticker: CHK), Weightings: 9.65%

Chesapeake Energy Corp. is an independent oil and gas company engaged in the development, exploration, acquisition and production of onshore natural gas and oil reserves. Chesapeake owns interests in producing oil and gas wells concentrated in three primary operating areas: the Mid-Continent region of Oklahoma, western Arkansas, southwestern Kansas and the Texas Panhandle; the Gulf Coast region consisting primarily of the Austin Chalk Trend in Texas and Louisiana and the Tuscaloosa Trend in Louisiana; and the Helmet area of northeastern British Columbia. Chesapeake Energy Corp. has a market cap of $17.61 billion; its shares were traded at around $27.18 with a P/E ratio of 10.8 and P/S ratio of 1.6. The dividend yield of Chesapeake Energy Corp. stocks is 1.1%. Chesapeake Energy Corp. had an annual average earning growth of 19.6% over the past 5 years. GuruFocus rated Chesapeake Energy Corp. the business predictability rank of 3-star.

No. 5: Occidental Petroleum Corporation (ticker: OXY), Weightings: 9.19%

Occidental Petroleum Corp. explores for, develops, produces and markets crude oil and natural gas and manufactures and markets a variety of basic chemicals, including chlorine, caustic soda, and ethylene dichloride, as well as specialty chemicals and vinyls, including polyvinyl chloride resins and vinyl chloride monomer. Occidental conducts its principal operations through its oil and gas and chemical subsidiaries. Occidental Petroleum Corp. has a market cap of $61.69 billion; its shares were traded at around $76.01 with a P/E ratio of 20.8 and P/S ratio of 2.6. The dividend yield of Occidental Petroleum Corp. stocks is 1.7%. Occidental Petroleum Corp. had an annual average earning growth of 17% over the past 10 years. GuruFocus rated Occidental Petroleum Corp. the business predictability rank of 2.5-star.

No. 6: SandRidge Energy Inc (ticker: SD), Weightings: 7.25%

SandRidge Energy, Inc. is an oil and natural gas company headquartered in Oklahoma City with its principal focus on exploration and production. SandRidge also owns and operates drilling rigs and a related oil field services business operating under the Lariat Services, Inc. brand name; gas gathering, marketing and processing facilities; and, through its subsidiary, PetroSource Energy Company CO2 treating and transportation facilities and tertiary oil recovery operations. SandRidge focuses its exploration and production activities in West Texas, the Cotton Valley Trend in East Texas and the Gulf Coast. SandRidge also owns oil and gas properties in the Piceance Basin of Colorado, the Gulf of Mexico and the Anadarko and Arkoma Basins. Sandridge Energy Inc has a market cap of $1.98 billion; its shares were traded at around $9.65 with a P/E ratio of 13.9 and P/S ratio of 1.7.

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6 of the Greenest Cars You Can Buy (Plus 6 of the Meanest) – *The Daily Green* – 1/21/10

By Jim Motavalli

The countdown to zero-emission battery cars has begun, but very little of the rubber has hit the road yet. That means that, for the 2010 model year, hybrids (and a lone natural gas car) are the cleanest and greenest vehicles on the market. Each year, at Greenercars.org, the American Council for an Energy-Efficient Economy (ACEEE) presents its list of best and worst choices, and the news this year is not that Honda and Toyota are the stars of the show (that's been a given for more than a decade) but that American companies, Ford and Chevrolet, actually made the list (with the Fusion Hybrid, also known as the North American Car of the Year, and the soon-to-be-replaced Cobalt XPE).

ACEEE awards a green score based on fuel economy, emissions and other variables, including manufacturing practices. The low-emissions Honda Civic GX, which is the car that natural gas-loving billionaire T. Boone Pickens drives, is once again the top green scorer, at 57. The GX is the only natural gas vehicle on the U.S. market, however, in part because we have no significant public infrastructure for the fuel. The chances are, then, that you're looking for something a bit more mainstream.

It's no surprise that the Toyota Prius and Honda Civic Hybrid are at the top of the list, and they're both excellent choices. Honda's newest hybrid, the Insight, is at #5, just below the Smart fortwo. I'm not a huge fan of either of these -- the Insight is bare-bones compared to the Prius and Civic, and the Smart is simply not the best small car choice: The top-rated Honda Fit, Toyota Yaris, Hyundai Accent and Mini Cooper are better bets. The Nissan Altima Hybrid, also on the list, remains a good alternative.

Now the fun part: Not the greenest, but the "meanest" cars on the road. It may surprise you to learn that the winners here aren't for the most part huge, gas-guzzling SUVs but the kind of "supercars" routinely celebrated in the pages of Car and Driver and Motor Trend. The single worst environmental performer is the Lamborghini Murcielago and its roadster variant. Not only does this European boulevardier get only eight mpg in the city and 12 on the highway from its 6.5-liter V-12 engine, but it also does dismally in the emissions ratings.

The Bugatti Veyron (a whopping 16 cylinders and eight liters of displacement) is almost as bad, though it musters 14 mpg on the highway. Greens can take a grim pleasure in a YouTube video showing the owner of a brand-new Veyron accidentally dumping his car into a Texas salt marsh (below).

Other big offenders include the Bentley Azure/Brooklands, the Maybach 57S limo, the Ferrari 612 Scaglietti and the Mercedes ML63 AMG. I assume there's no Hummer on the list because it's slightly better than behemoths like the Chevrolet Suburban K2500 and the Dodge Ram 2500 Mega Cab, but the sale of the brand to China may have something to do with it.

Here's the top six from both lists, followed by the cars' green scores.

Greenest:

•Honda Civic GX (57)
•Toyota Prius (52)
•Honda Civic Hybrid (51)
•Smart fortwo convertible coupe (50)
•Honda Insight (50)
•Ford Fusion/Mercury Milan Hybrid (47)

Meanest:

•Lamborghini Murcielago/Murcielago Roadster (18)
•Bugatti Veyron (18)
•Bentley Azure/Brooklands (18)
•Maybach 57S (19)
•Dodge Ram 2500 Mega Cab (20)
•Ford F-250 (20)

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T. Boone Pickens: Proving to Be Hot Air About Wind Energy – *Energy Boom* – 1/21/10

By Harry Tournemille

T. Boone Pickens: sounds like a name for a cartoon character from Looney Tunes. But the man has made a fortune for himself in the world of energy, and at one time appeared to be looking to the renewable sector as well.

An American financier who became famous in the 80's for his cutthroat acquisitions of independent oil and gas companies, Pickens has also made news in the past for his supposedly keen interest in renewable energy. So much that he announced an investment of $2 billion in purchasing nearly 700 wind turbines form General Electric to create farms in the Texas panhandle. An investment that boasted a massive 4,000 megawatts of power by 2014.

So what happened? And what appears to be the motivation behind Pickens' actions?

In a Nutshell:

It started in 2008, when Pickens offered up the Pickens Plan--his surefire means of reducing American independence (and addiction) on foreign oil by using wind energy to displace natural gas from the national grid, and then using that displaced gas to fuel America's vehicles.

The pillars of his plan:

•Create millions of new jobs by building out the capacity to generate up to 22 percent of our electricity from wind. And adding to that with additional solar generation capacity;
•Building a 21st century backbone electrical transmission grid;
•Providing incentives for homeowners and the owners of commercial buildings to upgrade their insulation and other energy saving options;
•Using America's natural gas to replace imported oil as a transportation fuel in addition to its other uses in power generation, chemicals, etc.
In his mind, Pickens saw this as the only way to compete with oil, and wean America from it. One could not rely on renewable energy alone, but had to find ways to use it alongside fossil fuels--especially when it came to transportation.

Not a surprising opinion from someone who has and continues to make their fortune from the fossil fuel industry. But not necessarily a horrible idea when looking for methods of transition.

So, What Happened?

Pickens proffered a superficial and unsustainable plan that contained far more problems than it did solutions. And the cost would have been extensive. The Pickens Plan did little to invest in vehicle efficiency, opting rather to place heavy emphasis on converting vehicles and service stations to be suited for natural gas usage.

And the dependency on natural gas is grossly substantial--which is, by the way, a fossil fuel with only marginally better emissions than oil.

As for his wind plans, one year later and suddenly the 687 wind turbines were reduced to 300, and then to zero. That's right, no wind farms for Texas--at least not from Mr. Pickens.

Pickens declared his cancelling of the enormous Texas wind farm for the foreseeable future, scrambling to figure out where to place the 687 wind turbines that he already ordered.

The project was largely done-in by major problems with electricity transmission. Wind farms and other forms of clean energy are usually located in remote locations and require huge new transmission lines to carry the electricity to cities. Mr. Pickens initially hoped to finance the construction of his own transmission lines but was unable to secure funding.

Pickens has stated that he is far more interested in natural gas than wind energy because it is cheaper and offers more consistent output. Cheaper to produce mind you, not cheaper to clean up after. Pickens went as far to say, "You have only one resource in America that will compete with oil, and it's natural gas."

Remember, this is a man who was once considered the 117th richest man in the world, his fortune coming from buying out independent oil companies over several decades and managing hedge funds. It is not too great a stretch of the imagination to determine what his motivation would be for testing the merits of wind energy.

What Does This Mean?

The real question is likely, how much stock can people put in a renewable energy plan implemented by someone in the oil industry? There seems to be a necessary cynicism required even to consider such a thing.

Pickens' historical business methods also add fuel to skepticism, as he is clearly an individual fueled more by the potential for profit than a conscience for reducing harmful greenhouse gases.

Now, it would be unfair to completely dismiss Pickens ideas. His goal is to create a self-sufficient industry for the American people, one that would create jobs and help boost the economy. Something that is pretty difficult to argue against, considering the country's current economic situation. It's just a matter of whether or not his plans are viable. As they stand, they appear to not even be close. Neither do Pickens' intentions.

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BROADCAST COVERAGE

1. Mad Money (Rebroadcast) **DMA: N/A**
CNBC (---) National **Spot Cost: $986**
01/21/2010 11:00 PM - 12:00 AM **Est. Audience: 86,614**

Available formats: QuickView, DVD, CD, digital link, videotape, transcript, NewsBoard

[CC] 00:21:56 And to a minor extent in one of our pipelines. So renewable **fuels**, that's a thing that's going to happen. **Natural gas** is a thing that's going to happen. You say it's going to happen. We had **boone pickens** on yesterday, you know, because we watch the show. Half the **natural gas** ceos I talk to are such realists they're afraid that Washington is still against it. There was a horrible excuse me, that's too pejorative, there's a critical article about when you drill for it. Where are we really in terms of getting the ball over to the goal line for **natural gas** usage as our bridge **fuel** for the next 20 years. You have to start with the basic proposition that **natural gas** emits half the carbon of coal, for example. So to the extent you substitute more **natural gas** you will have carbon emissions. And the numbers are pretty big for **natural gas**. After all, it's about 20% of all the electricity generated in this country. Whereas, as we've seen before, the things that the administration likes so much, solar and **wind** power are less far less than 1%. So if you're going to have a meaningful impact, you want to tax something that already has 20% of the market. So a reasonable increase in it could really make a difference. To me, that outweighs some of the issues from an environmental standpoint from the use of fluids in the fracking. I think the industry has been forth coming in saying this is safe technology. I think sierra club would agree with you. Thank you very makinso much money for all of our viewers. 00:23:44

2. Mad Money **DMA: N/A**
CNBC (---) National **Spot Cost: $2,802**
01/21/2010 06:00 PM - 07:00 PM **Est. Audience: 300,434**

Available formats: QuickView, DVD, CD, digital link, videotape, transcript, NewsBoard

00:14:55 TZ; Executive Decision : Cramer talks with Richard Kinder the CEO of Kinder Morgan Partners. GR; Kinder Morgan Partners. Kinder Morgan Partners is part of Cramer's model dividend portfolio in Getting Back to Even. GR; Dow Industrials. Cramer mentions Olivier in Marathon Man. SI; Richard Kinder, Kinder Morgan Chairman and CEO, discusses what makes them different from other companies, discusses their 4th quarter, discusses growth in the future, discusses CO2, discusses **natural gas** as a bridge **fuel**. Cramer says **Boone Pickens** was on yesterday. Cramer ran a Swan Song from the guy who ran the Sierra Club, and he said there were no new coal plants commissioned. 00:23:51

3. Stossel **DMA: N/A**
Fox Business Network (---) National
01/21/2010 08:00 PM - 09:00 PM

[CC] 00:00:00 We cannot power **energy** on countries from a foreign dictator. What am I doing? I am sorry. I will stop. I will not do this anymore I need the **gas** and I need it to drive and I need electricity to power appliances and keep on the lights. What can I do? Is there an alternative? Yes. What if we could use **fuel** that is not exnsive and abundantly available right here at home? We have such **fuel** we have the **wind** and the sun and heat trapped beneath the earth. We can start right now using solar and **wind** power and geothermal to make electricity for our homes and businesses. In 10 years we can get all electricity from their car been freeources. I am **T**. **Boone Pickens** and I have a plan. We can unleash **wind** power and free up the **natural-gas** to power up the health flts we can save billions by eight using **wind** and **natural** guest? 00:01:49

[CC] 00:22:27 This intolerable, excessive to spend, dependence on foreign **energy** sources we will bring us closer to independence by 1980, 1985, the 10 years, but the year 2025. Our failure to achieve it has not dampened it. That is what this is about in the final analysis, this great country of ours and making a stand for what we believe in. Standing up for American dominance and superiority. Dominance and the superiority? There is another point of view and I and the author of A Gusher Of Lies The Danger Is Dilution Of **Energy** Independence. What do you need? It is just that. I look at the **Pickens** plan website he says **energy** independence now. Side with the petions 64,000 people have signed the petition but the fact is I agree with Mr. **Pickens** when it comes to the **natural gas** but **energy** independence is never going to happen. The U.S. is the world's sickest **energy** producer and consumer and we should be independent of global **oil** and **energy** is ludicrous. They will cut us off. Who is Day? Day? If you talk about the evils of foreign **oil**, grab your wallet. They would for your money. I appreciate Mr. **Pickens** position but he is asking for welfare 4 billion and **natural gas** vehicles? He is the largest shareholder of clean **energy** that provides **natural** guest to the **natural gas** vehicle market. They will come into the market regardless of what congress does. 00:24:21

4. Fox Business **DMA: N/A**
Fox Business Network (---) National
01/21/2010 10:00 AM - 11:00 AM

[CC] 00:27:08 . What is on your show tonight? We have **T**. **Boone pickens** who is promising a **boondoggle**. Give me money and I will bring you **natural gas**. I need government to kick start it. I argue with him about it saying get your hand out of my pocket. You confront him? Yes. He runs these videos saying look at this town in Texas where my **wind mills** will created these jobs. We have lifted a sound bite. The idea that government subsidies create jobs is a fallacy ... 00:30:08

5. Your World With Neil Cavuto **DMA: N/A**
Fox News Channel (---) National **Spot Cost: $16,919**
01/21/2010 04:00 PM - 05:00 PM **Est. Audience: 1,941,885**

Available formats: QuickView, DVD, CD, digital link, videotape, transcript, NewsBoard

00:33:15 TZ; Government Cash Grab: The White House wants to protect your 401K. It's looking to guide people into supposedly safer investments like government bonds. SI; John Stossel, Fox Business Network Anchor, Host of Stossel on FBN, says there is this proposal reportedly from the Department of Labor and the Treasury that people were hurt so much in their 401Ks by the stock market crash that they want to protect us by requiring all of us to put at least some of our money into annuities based on treasury bonds, if the Chinese stop loaning us money, you'll really regret it, when the government has that much debt, they will grab for money where ever they can find it, he tells about tonight's show, **energy** subsidies, **T**. **Boone Pickens** wants subsidies to start us on natural as. Anchor says if you got into treasury bonds at the start of the Carter Administration, you would have really regretted it by the end of the administration. Anchor makes reference to Warren Buffett. Anchor says that Treasury Secretary Timothy Geithner is concerned that politics is influencing these reforms. V; scenes from Stossel, **T**. **Boone Pickens** featured. GR; Promo for Stossel, Fox Business. 00:38:12

6. Fox & Friends **DMA: N/A**
Fox News Channel (---) National **Spot Cost: $11,836**
01/21/2010 07:00 AM - 08:00 AM **Est. Audience: 1,743,995**

Available formats: QuickView, DVD, CD, digital link, videotape, transcript, NewsBoard

00:46:18 TZ; **Oil** Crisis: John Stossel investigated alternative **energy** instead of paying for **oil**. SI; Stossel said **T**. **Boone Pickens** said give me money for **natural gas**. Stossel said billionaires should get their hands out of our pockets. Stossel said we don'**t** have iPod independence and trade protects us. 00:49:33

7. Don Wade And Roma **DMA: 3**

WLS-AM 890 (ABC) Chicago **Spot Cost: $560**
01/21/2010 **07:00 AM - 08:00 AM** **Est. Audience: 75,700**

00:38:00 **T Boone Pickens** is actually hooked up with not only with the **windmills** but with **natural gas** and some people say that there's a connection. Can you explain? It is very complicated. He is now dropping the wind portion for the most part. Look gas is cheap enough just move to gas. We can't just move to gas because the gas stations won't put in the **natural gas** pumps. Car makers won't make **natural gas** cars unless the gas stations go first. I need the government to subsidize this. 00:39:59

00:43:13 (guest is John Stossel)...Tonight this program with a **T Boone Pickens..**.I am going to fight with T Boone. He has big tanks for natural gas in his garage ..I also make a ten thousand dollar bet with him...we have a bet that oil won't go over a hundred dollars a barrel by his birthday. 00:46:13

8. The Frank Beckman Show **DMA: 11**
WJR-AM 760 (ABC) Detroit **Spot Cost: $350**
01/21/2010 **11:00 AM - 12:00 PM** **Est. Audience: 49,900**

00:40:00 What is the deal with **T. Boone Pickens?** He did not make all his money because he is stupid. What is he doing with this multihundred acre wind farm in Texas that they can't even hook up to the grid. What is going on with that. He is loosing money on that. He is a billionaire. Tell us about the program tonight. I confront him about putting his hand in our pocket because if there is an alternative energy idea that is better the free market will make it happen. **T. Boone** if he can get away with it. He used to say **wind** power and now he says **natural gas.** Give me some of your money and let me force some gas stations to convert. Won't that be great. He claims it will create jobs. His windmills in Texas created jobs. 00:41:59