Midwest Geological Sequestration Consortium

An Assessment of Geological Carbon Sequestration Options in the Illinois Basin

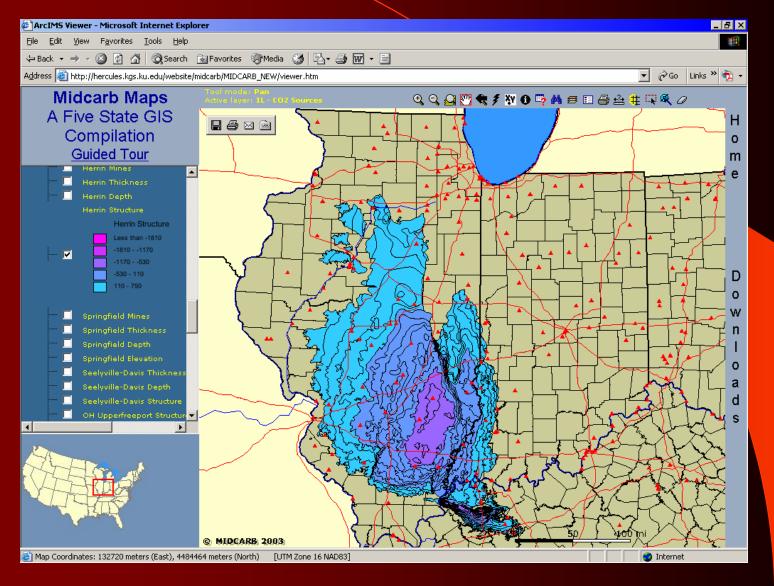
Robert J. Finley Illinois State Geological Survey and the MGSC Team

U.S. Department of Energy Kickoff Meeting November 3, 2003

Partnership Focus

- Geological sequestration potential in the 60,000 sq mi area of the Illinois Basin of Illinois, western Indiana and western Kentucky
- Stationary sources emit in excess of 255 MMTCO₂ annually
- Emphasis on the three geological sinks: deep, uneconomic coal seams, mature oil reservoirs amenable to CO₂ EOR, and deep, saline reservoirs

Herrin Coal Structure Defines Illinois Basin



Midwest Geological Sequestration Consortium (MGSC) A DOE Regional Partnership

- Lead by Illinois State Geological Survey in collaboration with the Kentucky and Indiana Geological Surveys
- Survey staff make up six-member Technical Committee
- Subcontractors at BYU (geophysics), SIU (coal adsorption), D.J. Nyman & Assoc. (transportation [Houston]) and Dr. Dave Thomas (advisor [Chicago])

Midwest Geological Sequestration Consortium (cont'd)

- Three utility partners: Ameren, Louisville Gas and Electric, and Cinergy
- Three industry partners: Peabody Energy, Aventine Renewable Energy, and Air Liquide
- Trade groups and consortia: IL, IN, and KY Oil & Gas associations, ICGA, EPRI, IOGCC
- Illinois Office of Coal Development, DCEO
- Illinois Department of Natural Resources

Geologic Carbon Sequestration Options in the Illinois Basin: Project Structure

- Phase 1: Compile all available data and review CO₂ capture and transportation options
- Phase II: Assess the storage options, the heart of the project, looking at uneconomic coals, mature oil fields, and the deep, saline reservoirs
- Phase III: Integrate results from first two phases, determine how capture-transportation-storage would be linked, and generate plans for field tests

Geologic Carbon Sequestration Options in the Illinois Basin: Phase I

- 1: Compile and assess data (4 months)
- 2: Assess carbon capture options for the Illinois Basin (9 months)
- 3: Assess CO₂ transportation options in the Illinois Basin (9 months)
- Phase I completed in Year 1
- Topical report delivered and website operational

Geologic Carbon Sequestration Options in the Illinois Basin: Phase II

- 4: Assess coalbed sinks and methane production options (13 months)
- 5: Assess oil reservoir sinks and oil recovery options (15 months)
- 6: Assess deep saline reservoirs sinks (13 months)
- Tasks extend 4-5 months into Year Two

Geologic Carbon Sequestration Options in the Illinois Basin: Phase III

- 7: Integrate storage options to linked capturetransportation pathways (4 months)
- 8: Assess environmental-regulatory framework for linked capture-transportation-storage options
 (3 months)
- 9: Define scenarios and evaluate outcomes (4 months)

Geologic Carbon Sequestration Options in the Illinois Basin: Phase III (cont'd)

- 10: Compile results in print and digital media (6 months)
- 11: Carry our education/outreach activities (5 months)
- 12: Generate action plan for technology validation activity (5 months)
- All Phase III tasks in Year 2

Illinois Basin Offers Multiple Opportunities to Test Geological CO₂ Sequestration Options

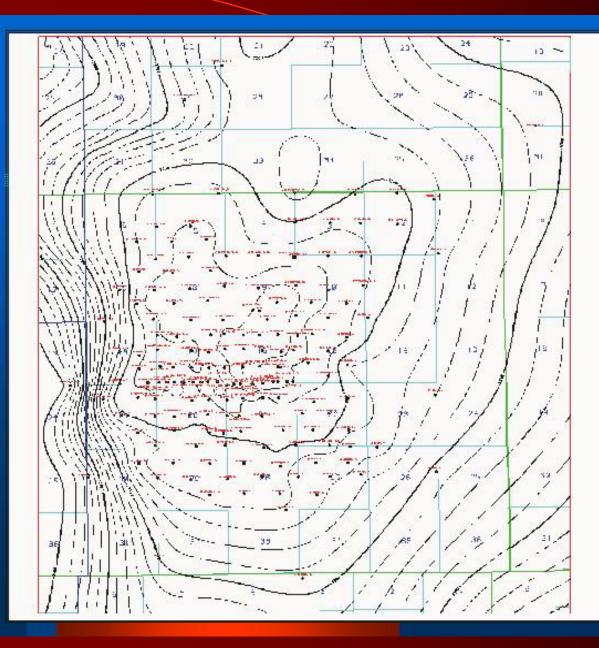
- Potential CO₂ sinks are vertically stacked in much of the central and southern parts of the Illinois Basin
- CO₂ available from ethanol production for field testing
- Illinois has a strong interest in coal redevelopment including gasification processes leading to sequestration-ready CO2 streams

Mt. Simon Sandstone Supports Natural Gas Storage

- Illinois is the second leading state in natural gas storage capacity in the nation
- Many of these facilities are in the Mt. Simon, proving gas containment capability and providing a data base of cores, water chemistry data, and reservoir engineering properties
- ISGS has completed a Mt. Simon storage facility study for DOE

Manlove Field Geology

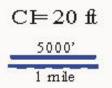
- 175 wells in northwest Champaign County, IL
- Depth to top Mt. Simon averages about 4,000 ft
- Porosity 7-15 %, permeability mostly ~ 100 md
- Excellent caprock with 300-400 ft of Eau Claire shale/silt sealing the Mt. Simon

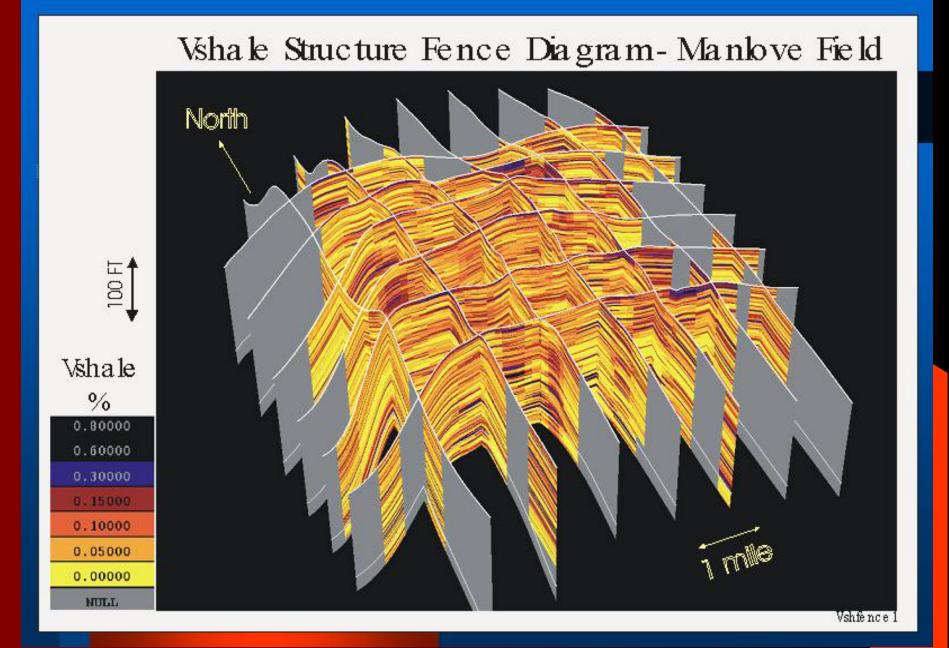


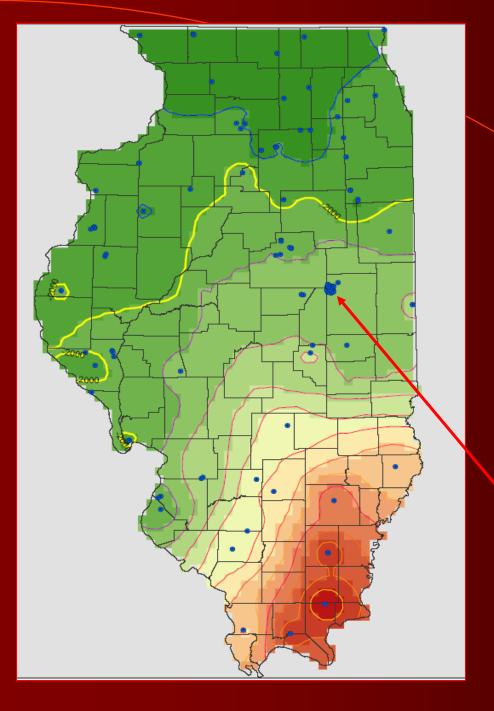
Top Mt Simon Structure



Manlove Field Champaign Co, IL



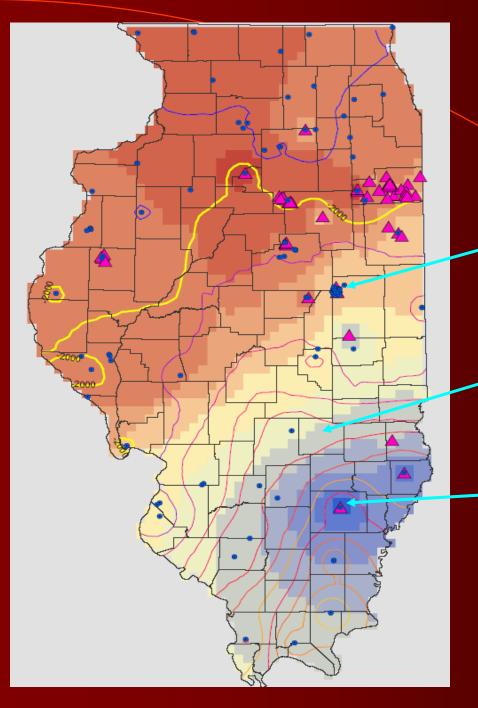




Mt. Simon Structure

 Sub sea depths from < 1,000 ft in northern Illinois to
 > 13,000 ft in southeastern Illinois

 Manlove Field southernmost area of detailed data



Mt. Simon Porosity

 Porosity at Manlove Field can be up to 15%, mostly 9.5-11%

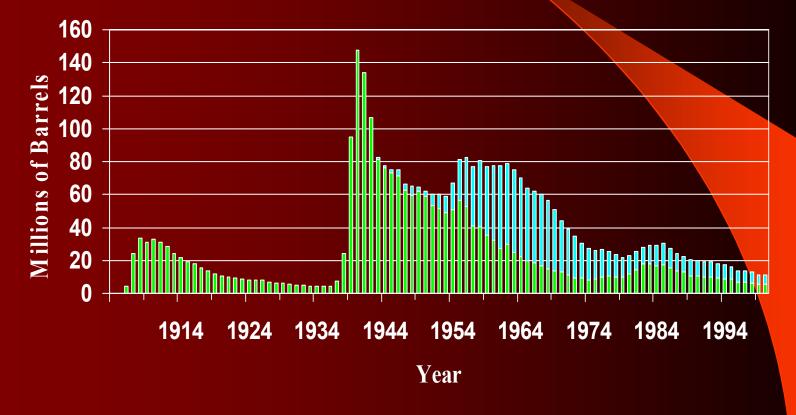
 Porosity expected to decrease with depth: ~ 7-8% at 8,000 ft

3% porosity at deepest locations?

Oil Reservoirs in the Illinois Basin

- Oil industry in Illinois is mature: production declined from 18 mmbbls in 1989 to 11 mmbbls in 2001; peak in 1940 was 140 mmbbls
- Three major reservoirs: Cypress and Aux Vases sandstones and St. Genevieve limestone
- CO2 flooding largely untested
- Numerous reservoirs depleted

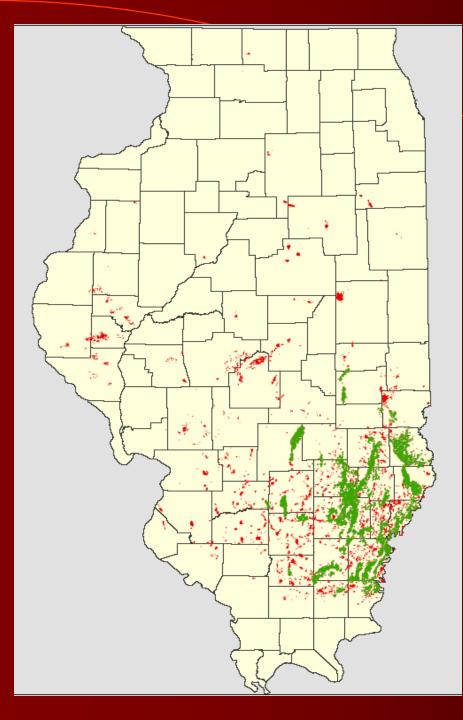
Conventional Production and Waterflood Production have Matured in Illinois



Primary Production Secondary Recovery

Issues with CO₂ Enhanced Oil Recovery Potential in Illinois

- Most reservoirs in Illinois would be primarily suitable for immiscible flooding
- Some reservoirs would be amenable to miscible flooding at depths > 2,500 ft with API oil gravity of 25 or greater
- Uncertain economics have prevented development, particularly the availability of CO₂



Oil Field Distribution

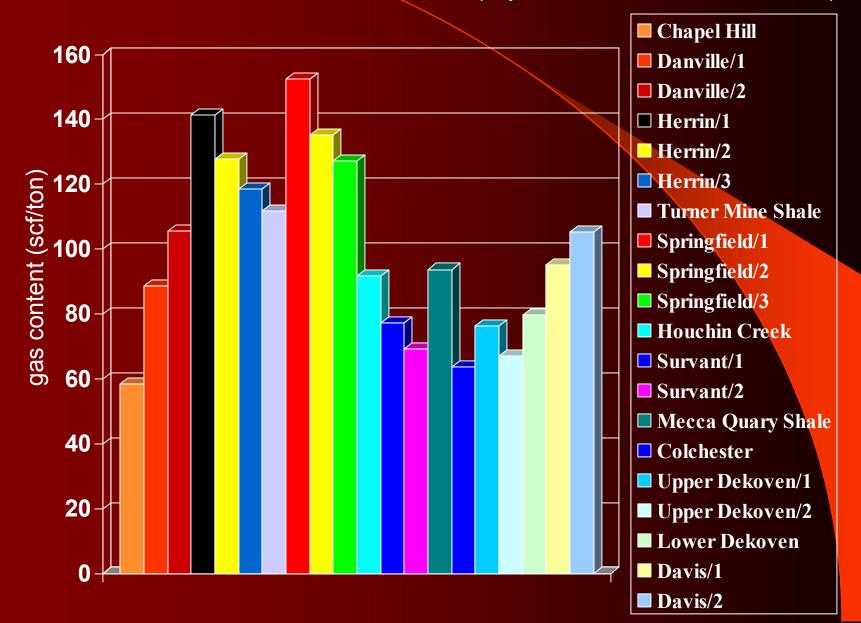
- 559 oil and gas fields shown in red
- 43 large oil fields (green) have one or more reservoirs at >2,500 ft depth
- Large fields average > 18 sq mi and have produced
 ~ 2.4 billion bbls oil

Illinois Contains Extensive Coal Resources

- Coal is mostly hi-vol C and B bituminous
- Over 36,000 sq mi is underlain by multiple seams
- Most bituminous coal of any state
- Two major seams (Herrin and Springfield) and 7 additional seams account for most resources
- Total resources of 199 billion tons of which only 30% economically minable (current and foreseeable future)

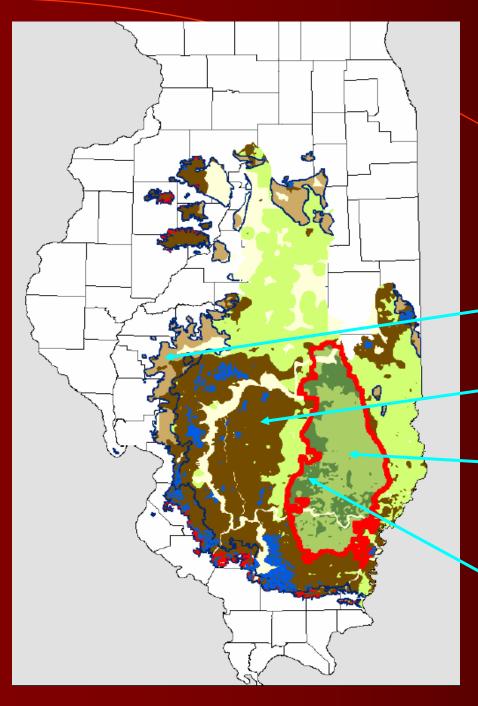
Franklin County Gas Contents

(dry, mineral matter free basis)



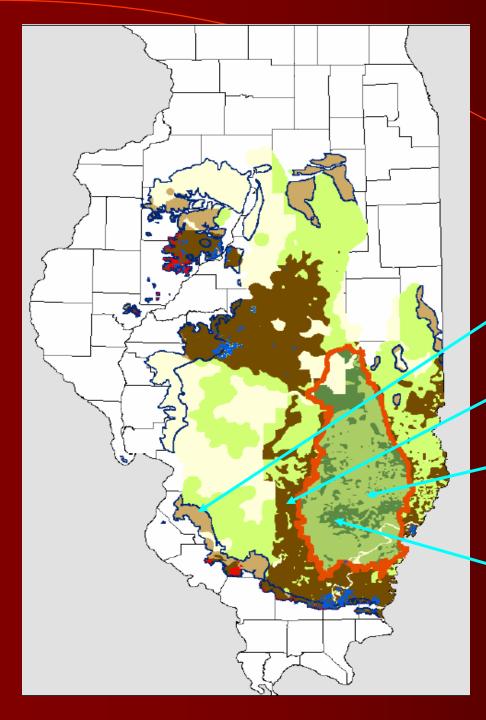
Classification Chart

Depth	Thickness	Class
Shallow (Depth < 200 ft)	0" ~ 17"	Thin Coal Seam
	18" ~ 41"	Coal Seam Probably Available for Mining Only
	42" ~ 66"	Coal Seam Available for Mining Only
Moderate (200 ft ≤ Depth < 900 ft)	0" ~ 17"	Thin Coal Seam
	18" ~ 41"	Coal Seam Possibly Available for CO2 Sequestration
	42 <i>" ~</i> 66"	Coal Seam Available for Mining Only
Deep (Depth≥900ft)	0" ~ 17"	Thin Coal Seam
	18" ~ 41"	Coal Seam Available for CO2 Sequestration
	42" ~ 66"	Coal Seam Probably Available for CO2 Sequestration



Herrin Coal Resources

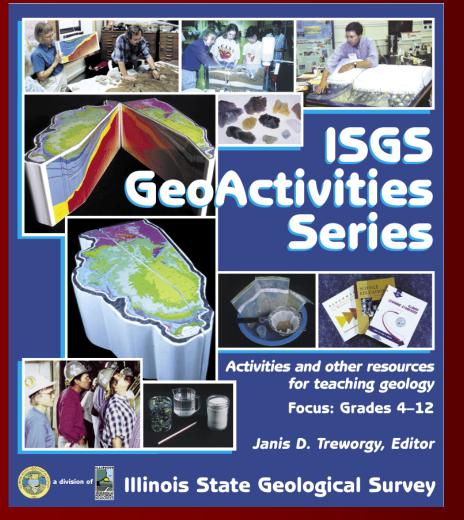
Mined areas around basin margin Shallow coals are strippable at < 200 ft Coal > 42 in thick is minable at 200 to 900 ft Coal > 42 in thick and > 900 ft probable for sequestration Coal <42 in thick and > 900 ft most likely sequestration target



Springfield Coal Resources

- Mined areas at basin margin
- Shallow coals are strippable at < 200 ft
- Coal > 42 in thick is minable at 200 to 900 ft
- Coal > 42 in thick and > 900 ft probable for sequestration
- Coal <42 in thick and
 > 900 ft most likely sequestration target

Project Includes Customized Outreach Materials



- GeoActivities sequestration module to be created; ISGS workshops reached ~ 5,000
 Illinois teachers in the last 4 years; IN and KY Surveys also conduct workshops
- Newsletter contributions for the three O & G associations, EPRI, IOGCC
- Illinois Corn Growers Association reaches 5,000 members throughout the state

Project Outlook

- Project Advisory Group meetings twice annually beginning January 21, 2004
- Web site up by end of Year 1, topical report on capture and transportation
- Carry out extensive outreach activities in last four months with seminars in Springfield, IL and Evansville, IN, final report, 3D models and visualizations, classroom materials, ArcGIS files
- Define plans for a field test of CO₂ injection