

Regional Carbon Sequestration Partnership
Annual Peer Review Meeting

Pittsburgh, Pennsylvania October 7, 2008

Ed Steadman

Energy & Environmental Research Center







The PCOR Partnership has brought together the key stakeholders to make geologic CO₂ sequestration a viable option for carbon management in our region.





















































































































































































Phase III Goals

- Meet or exceed our partners' expectations develop a project that leads to commercial success.
- Develop:
 - Infrastructure and expertise that propagate the region's competitive advantage into the future.
 - Public support through outreach and education.
 - Practical industry standards for:
 - Site selection/permitting.
 - Risk assessment.
 - Monitoring, mitigation, and verification (MMV).
 - Markets and standards for the monetization of carbon credits.









Phase III Philosophy

- There are two likely strategies for early adopters of carbon dioxide (CO₂) sequestration in our region:
 - Enhanced oil recovery (EOR) followed by saline injection.
 - Saline injection followed by EOR.
- EOR is a bridge technology for future large-scale implementation of CO₂ carbon capture and storage (CCS).
- There is a tremendous capacity for sequestration in PCOR Partnership region oil fields (30 billion tons).







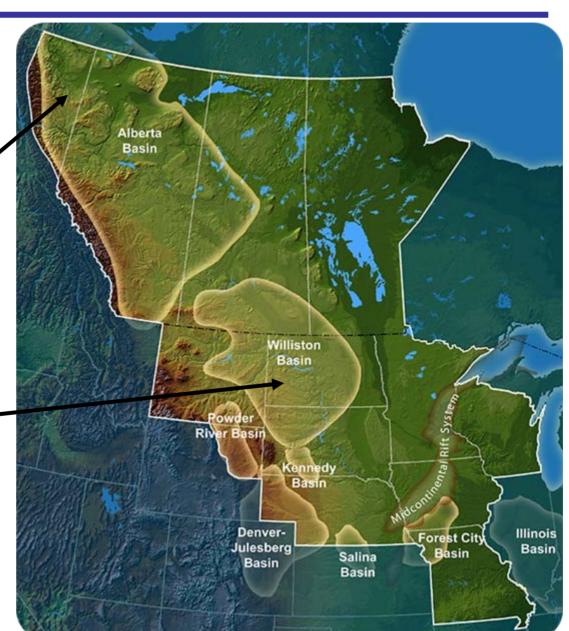




Planning Two Phase III Efforts

Saline Formation Injection in Canada

A Williston Basin Project



Williston Basin Phase III – Concept

- Capture at least 1 million ton/yr of CO₂ at existing coal-fired power plant in central North Dakota.
- Transport via pipeline to Williston Basin oil field.
- Meet or exceed all of the U.S. Department of Energy (DOE) Phase III objectives.
- Conduct MMV activities to document integrity of storage.
- Ultimately monetize credits.



Why the Williston Basin?

- We have great Partners!
- The Williston Basin is perfect (both geologically and socioeconomically) for this demonstration.
- Potential to be one of the first commercial-scale projects to capture CO₂ from a retrofitted conventional coal-fired power plant.
- Develop supporting evidence for the hypothesis that effective MMV need not be intrusive to field operations nor expensive to implement.









Dakota Gasification Company

Commercial-scale Carbon Sequestration Project

Weyburn, Saskatchewan

13 million tons sequestered to date



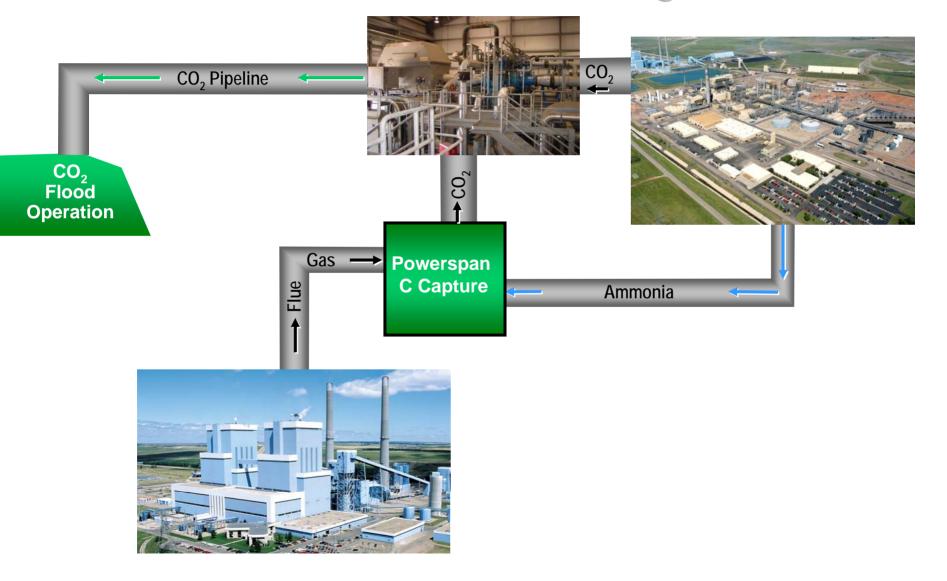








Carbon Capture Demonstration Project



Williston Basin Oil Field EOR

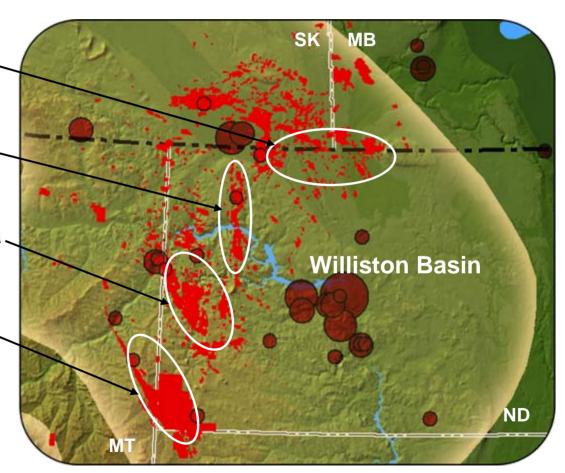
 There are several major areas of opportunity for million ton/year CO₂-based EOR projects in the Williston Basin:

Northeast Flank ___50 MMcf/day(~1,000,000 t/year)

Nesson Anticline ~100 MMcf/day(~2,000,000 t/year)

Billings–Dickinson Area50 MMcf/day(~1,000,000 t/year)

Cedar Creek Anticline400 MMcf/day(~8,000,000 t/year)





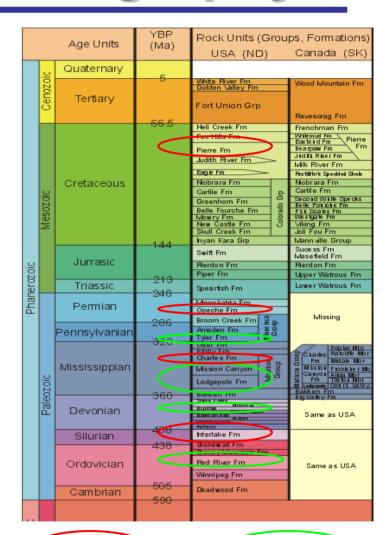
- Need to coordinate and integrate our activities with ongoing and planned power plant and oil field operations.
- Data deemed by operating partner to provide competitive advantage may not be available.



Williston Basin Stratigraphy



Petrophysical modeling of sealing formations in the Williston Basin based on well log data, geophysical data, and core data from North Dakota Department of Mineral Resources – Oil & Gas Division and commercial data vendors.



Seal Fm

Oil Producing Fm

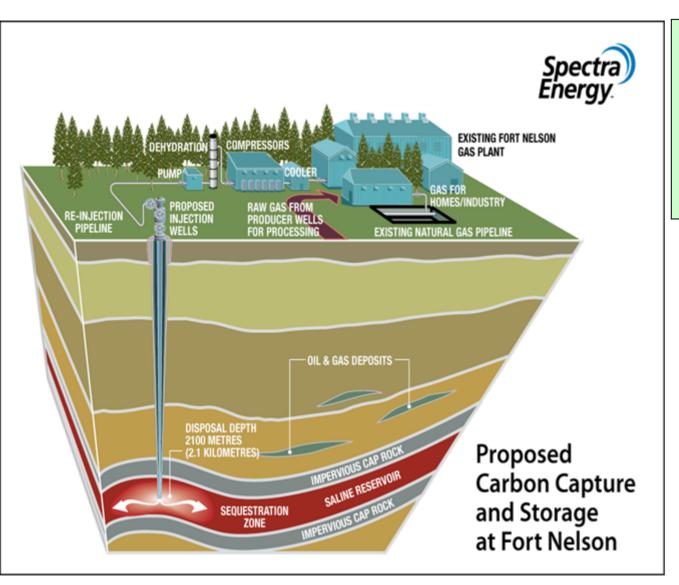
Fort Nelson Carbon Capture and Sequestration in a Deep Saline Formation



Spectra Energy Transmission

Fort Nelson Gas Plant, British Columbia, Canada

Fort Nelson CCS Project



Major Features:

- Deep saline sequestration at 7000 to 8000 ft deep to maximize storage capacity
- Inject and permanently store 1 to 2 Mt/yr CO₂
- Fort Nelson gas plant owned 100% by Spectra Energy
- Tenure to deep saline formations of interest are obtained

Why Fort Nelson?

- Satisfies DOE desire to participate in a demonstration of CCS of 1 million ton/year in a saline formation.
- The project will result in the establishment of relevant, cost-effective MMV protocols for saline formation CCS that can be applied throughout the world.
- International nature of the project is a positive.
- The efficient and streamlined nature of the key elements will likely lead to a rapid deployment.





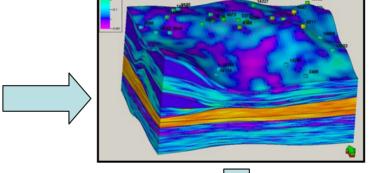




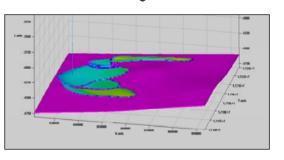


Brine-Saturated Formation Modeling

Well logs, core analyses, and geophysical data are used to create maps of key formation properties.



Maps are then used to create a petrophysical model of the sink—seal system.



Injection and plume behavior and fate can then be modeled.



esteadman@undeerc.org