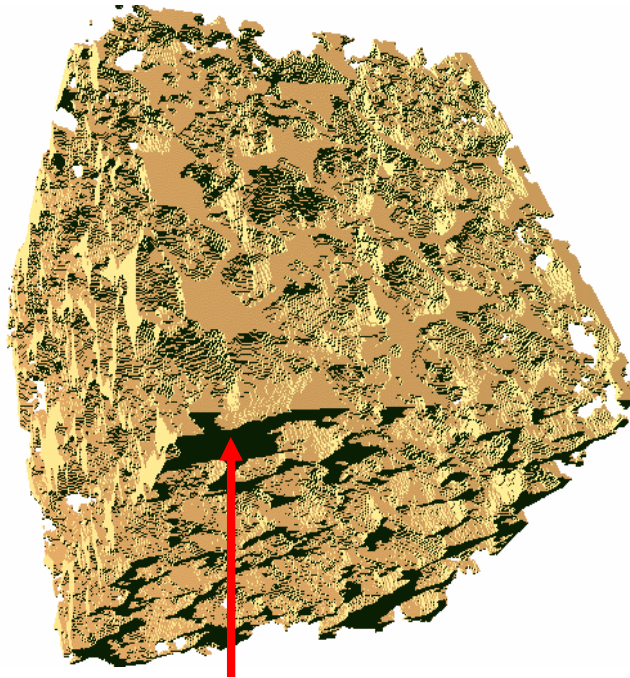


Geological sequestration or storage of CO₂

10-100 μm



Porous
matrix

Fluids (oil, natural gas, CO₂ and/or water) are contained in tiny pore spaces in porous (5-30%) geological matrices.

CO₂ can be stored in:

- Oil reservoirs – enhanced oil recovery (EOR).
- Saline aquifers.
- Coal beds.

Similar to a sponge

Berea sandstone

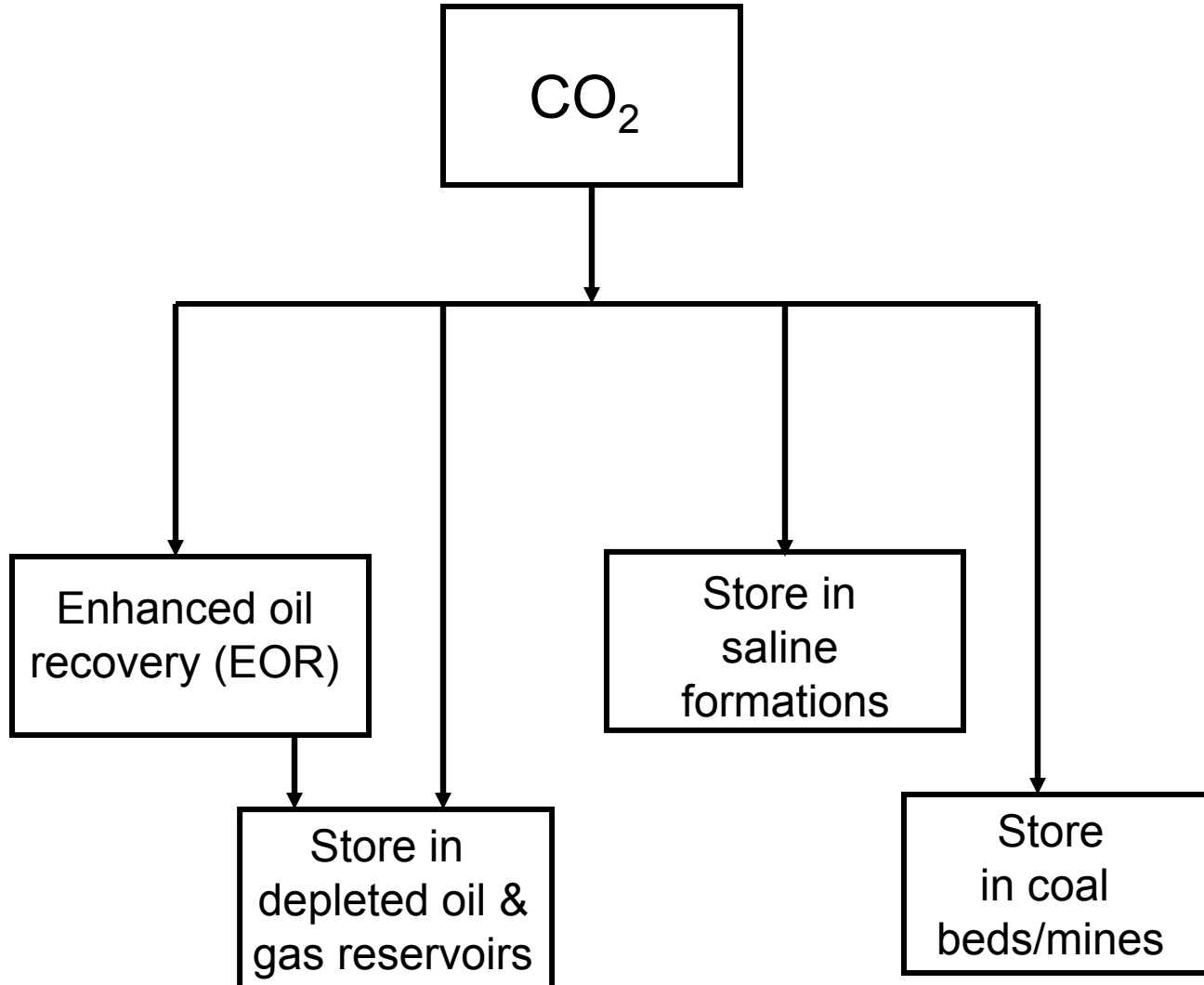
Dmitriy Silin - UC Berkley, 2005

Jim Rawson

GE Global Research

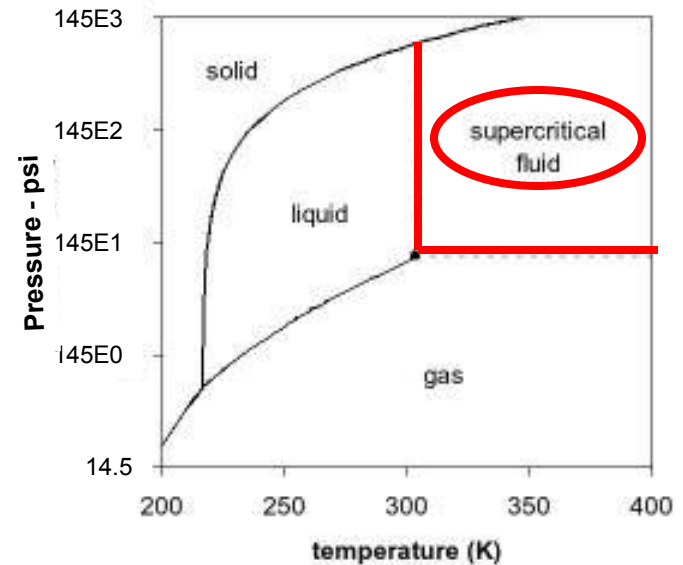
October 2007

Use and/or storage of CO₂ from coal-fired plants



CO₂ specs for injection into a geological storage formation

- Supercritical CO₂:
 - P & T dependent.
- High pressure required to maintain a supercritical liquid:
 - 1087 psi (88°F/31°C).
 - Minimum subsurface depth of 2400 ft.



CO₂ P-T phase diagram

If you understand CO₂ – EOR, it's easy to understand other types of geological storage of CO₂

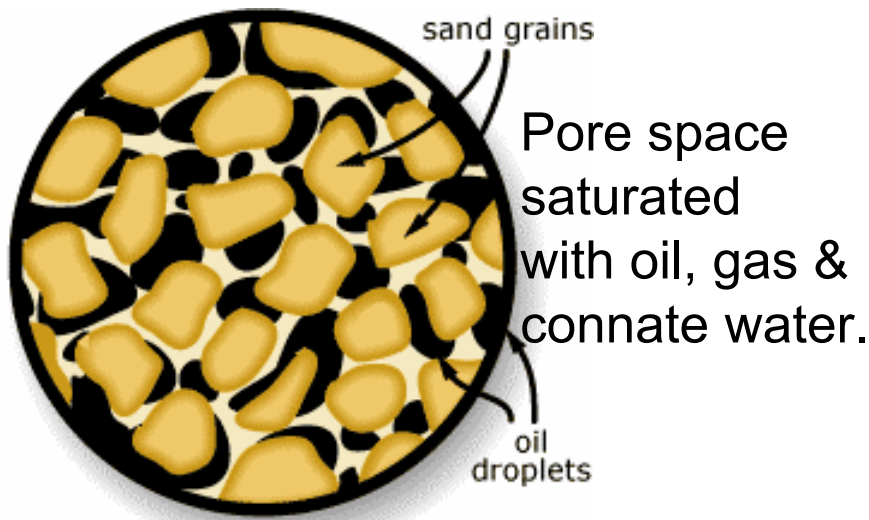
Important physical properties of a geological storage formation:

- Porosity: % Void space.
 - Controls volume (tons) of CO₂ that can be stored.
- Permeability: Flow of fluids through void space of rock.
 - Controls ease of fluid flow.
- Long term containment.

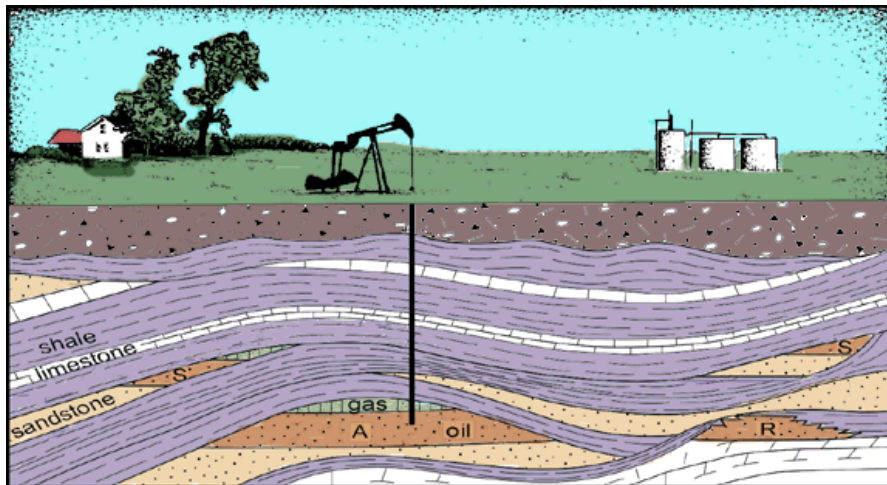
Important physical chemical properties of oil for EOR:

- Viscosity.
- Interfacial tension – affinity of oil for geological surface.
- Chemical composition – low asphaltenes.

Primary oil production

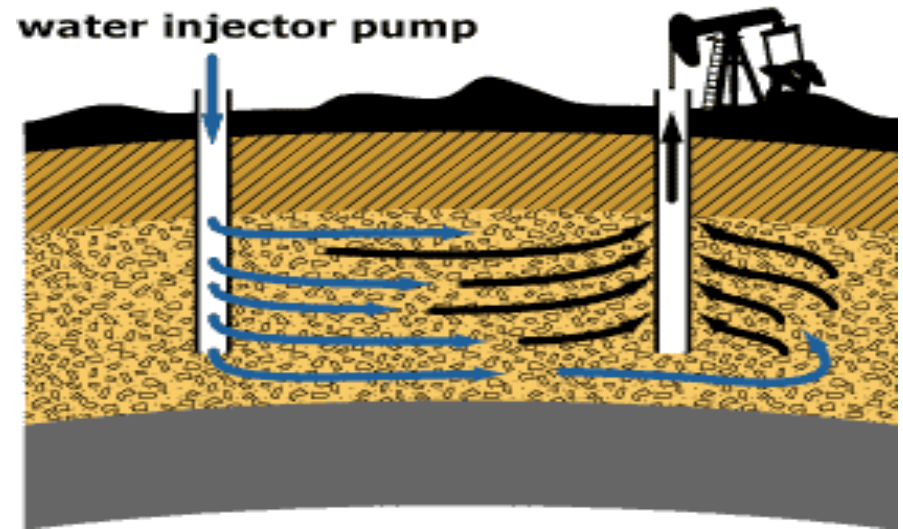
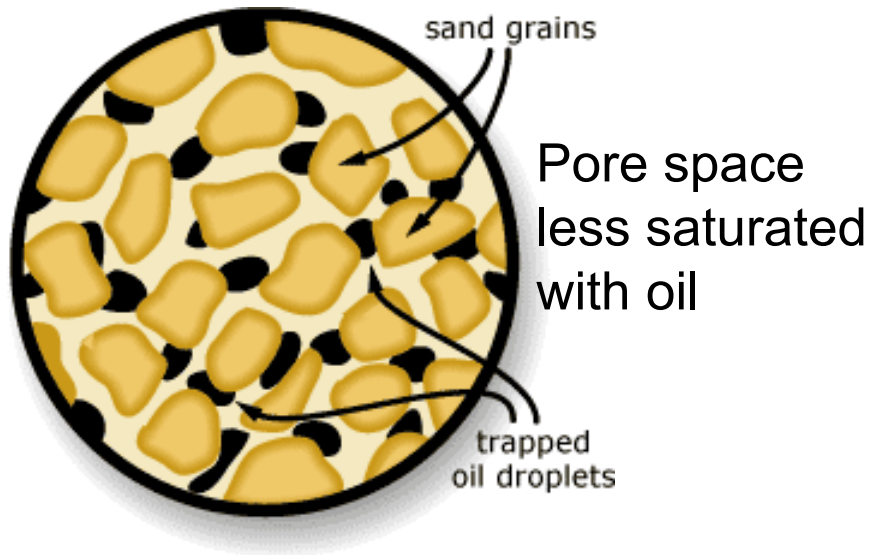


Hydrostatic pressure production of oil & gas.



- After oil ceases to flow on its own, it can be pumped out of a reservoir until the well runs “dry”.
- Up to 20% of the oil can be recovered by pumping.

Enhanced oil recovery - EOR

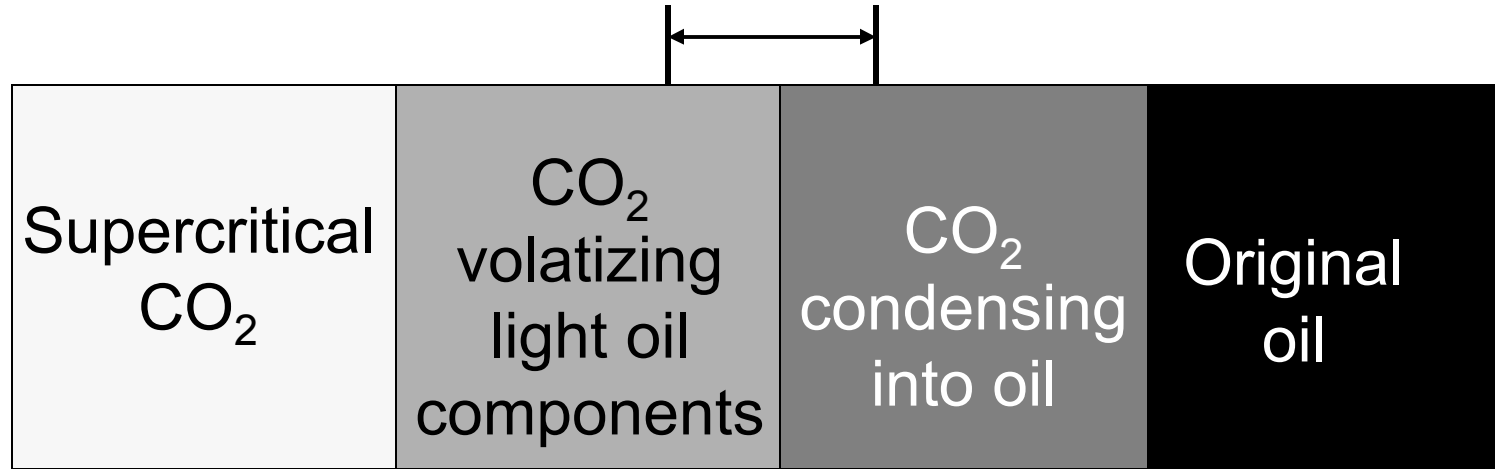


When a well runs “dry”, reservoir conditions must be altered to recover additional (residual) oil:

- Waterflood – water mobilizes residual oil & pushes it to a recovery well.
- Miscible gas flood – gas dissolves into oil & changes properties of the oil. CO₂ can be used for this purpose.

CO₂ miscible flood for EOR

CO₂ & oil form a
single phase (miscibility)



Direction of displacement of fluids

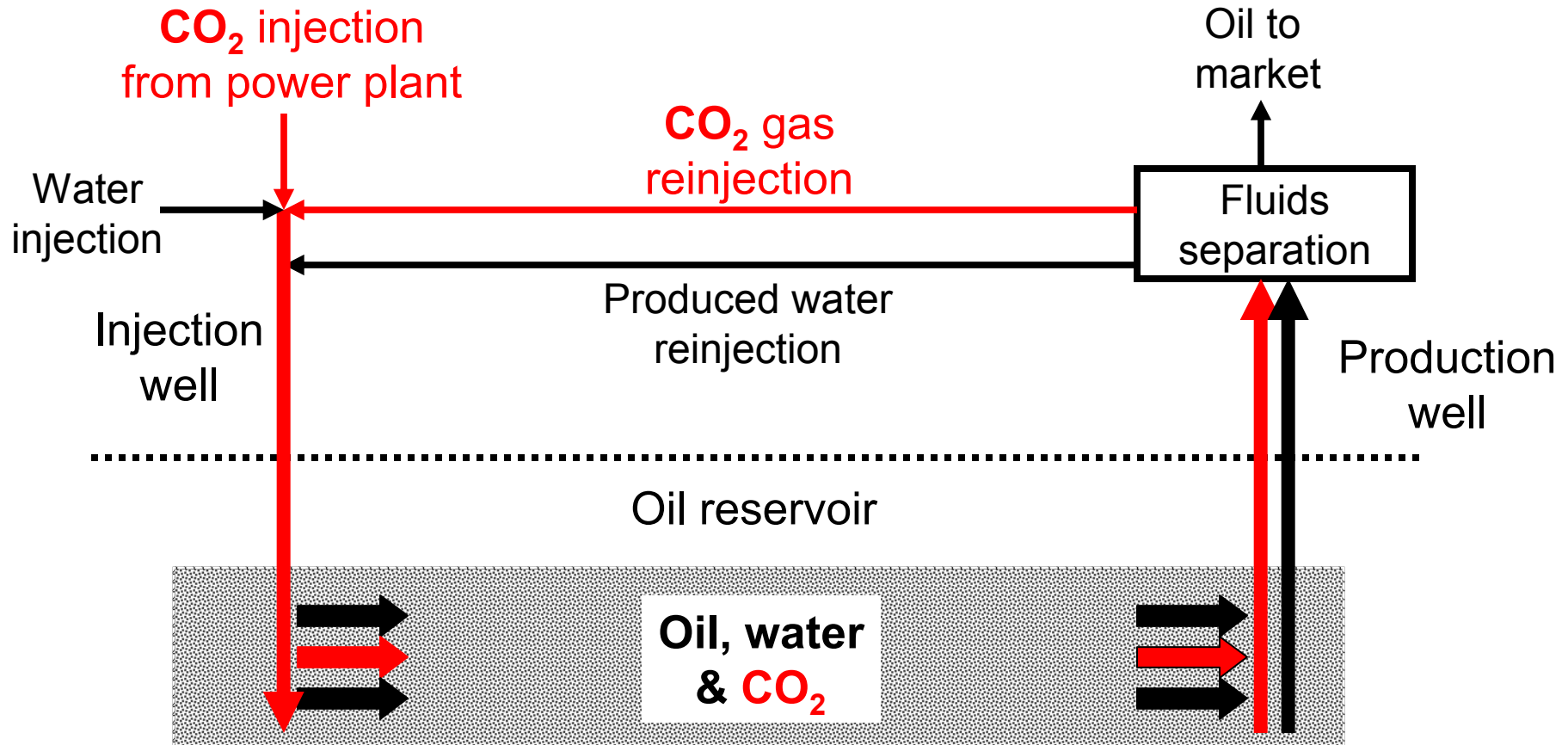


Mechanism:

- CO₂ & oil become miscible:
 - Minimal miscible pressure (MMP) is minimum pressure required to dissolve CO₂ into oil.
 - Lowers the viscosity of the oil.
 - Lowers the interfacial tension between the oil & the rock.

CO₂ EOR can only be used for light oils

CO₂ EOR – fluids handling



*Multiple fluids (oil, water & CO₂)
are simultaneously produced.*

30-80% of injected CO₂ is produced with the oil – must be reinjected

1 barrel oil requires ~ 0.5 ton of CO₂ (8000 cf)

CO₂ purity – Why worry?

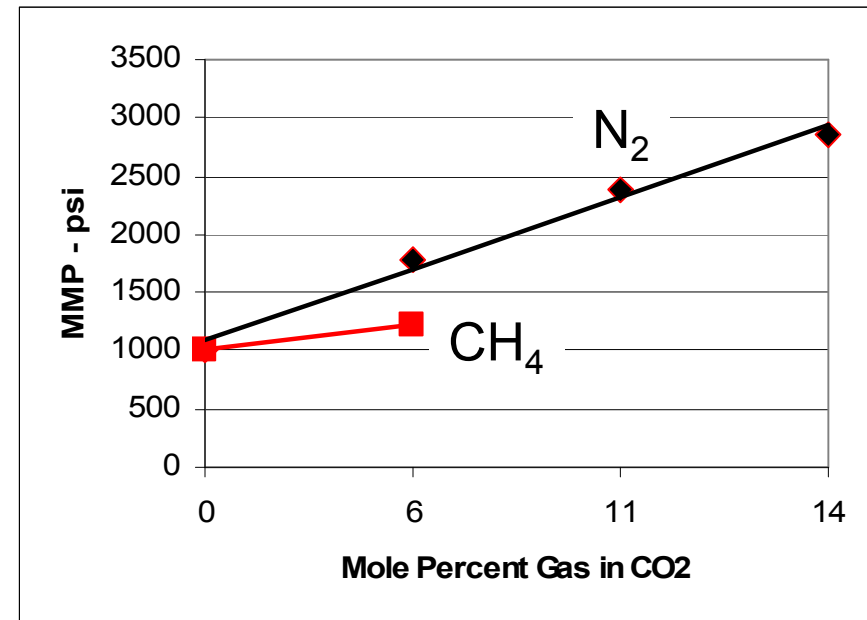
- Cost of compression to form supercritical CO₂.
- Controls MMP requirements for EOR:
 - Cost of injection pressure to generate required MMP.
- MMP must be less than fracture pressure of bedrock.
 - No leakage & safety.
- Cost of handling sour (H₂S) produced fluids during EOR.
- Pipeline transportation safety – H₂S:
 - Cost of pipeline materials.
 - Regulations associated with transporting hazardous materials.

Physical chemistry of gases controls the formation of supercritical CO₂.

- N₂ & CH₄ decrease the supercritical P.
- H₂S increases the supercritical P.

Physical chemistry of gases & oil control the MMP.

- N₂ & CH₄ increase MMP.
- H₂S decreases MMP.
- Composition of oil also controls MMP.



Ref.: Johnson & Pollin (1981) SPE/DOE 9790

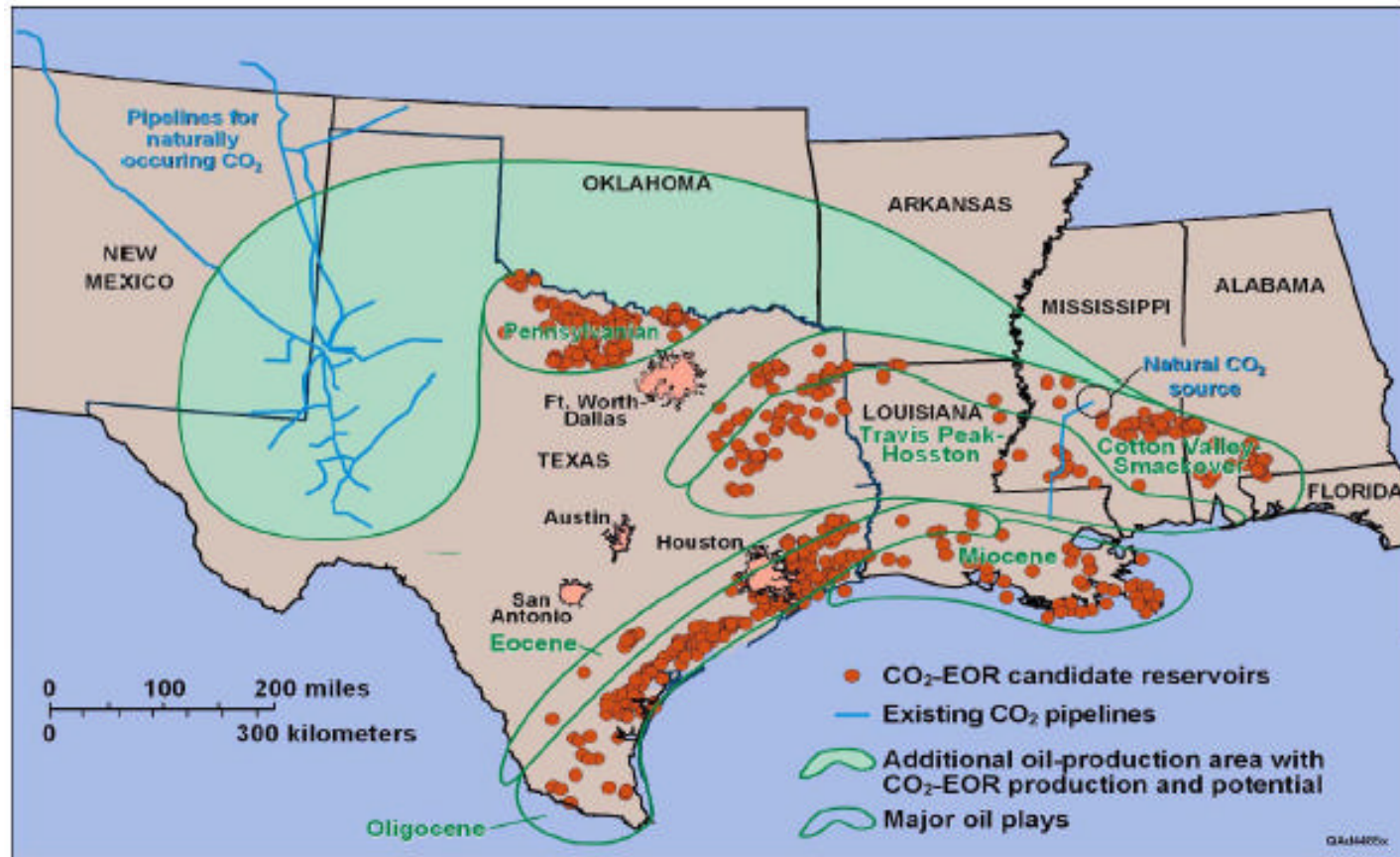
Status of use of CO₂ for EOR in the U.S.

U.S. Dept. Of Energy (Feb. 2006)

- Approximately 80 CO₂ EOR projects:
 - Natural CO₂
 - 3000 miles of CO₂ distribution pipelines in Permian Basin (U.S.).
 - Efficiency of CO₂ EOR ranges from 11 to 15% OOIP.
- Multiple oil reservoirs are available for CO₂ EOR.
- Many CO₂ EOR projects have been limited by CO₂ availability.

A lot has been safely done in the past.

Permian Basin areas with CO₂ EOR potential



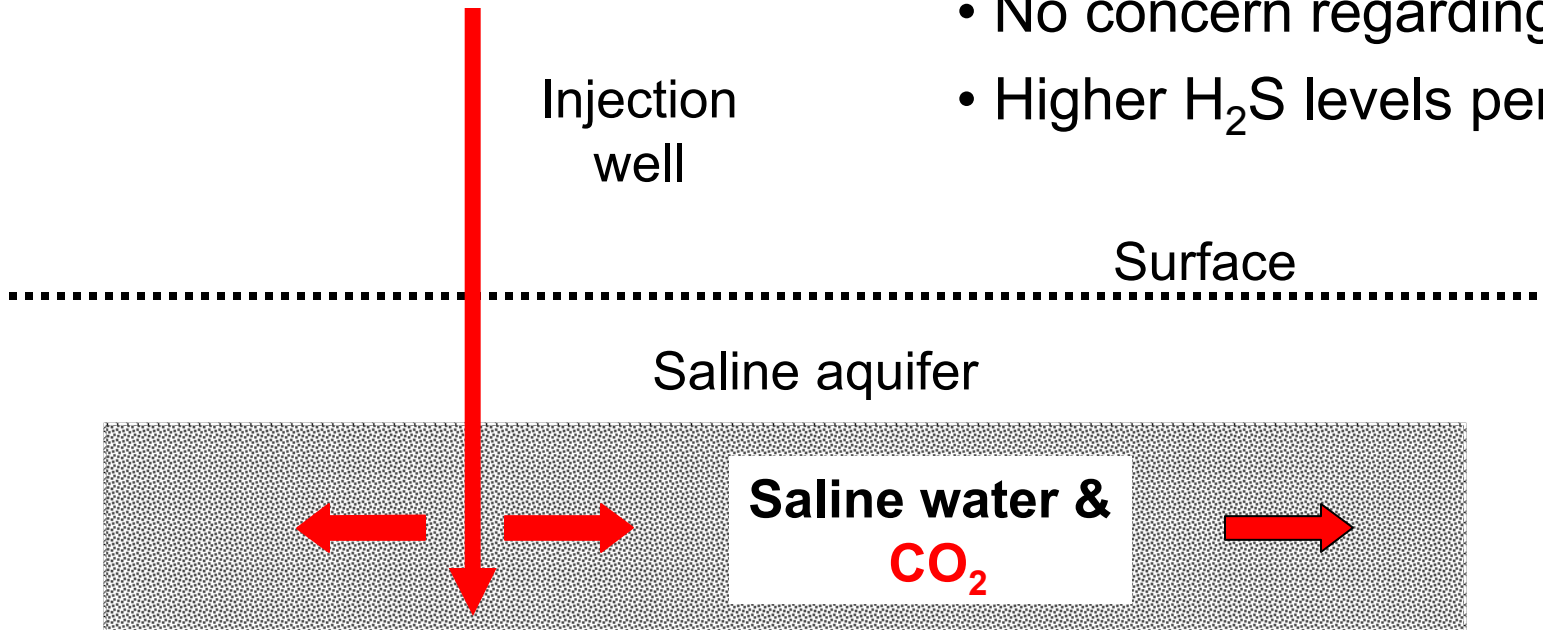
- **Multiple natural sources of CO₂ available.**
- **Multiple reservoirs available for CO₂ EOR.**

Saline aquifer – fluids handling

**CO₂ injection
from power plant**

CO₂ specs for saline aquifers:

- Less stringent.
- No concern regarding MMP.
- Higher H₂S levels permitted.



No production of fluids

Status of geological storage of CO₂ in saline aquifers

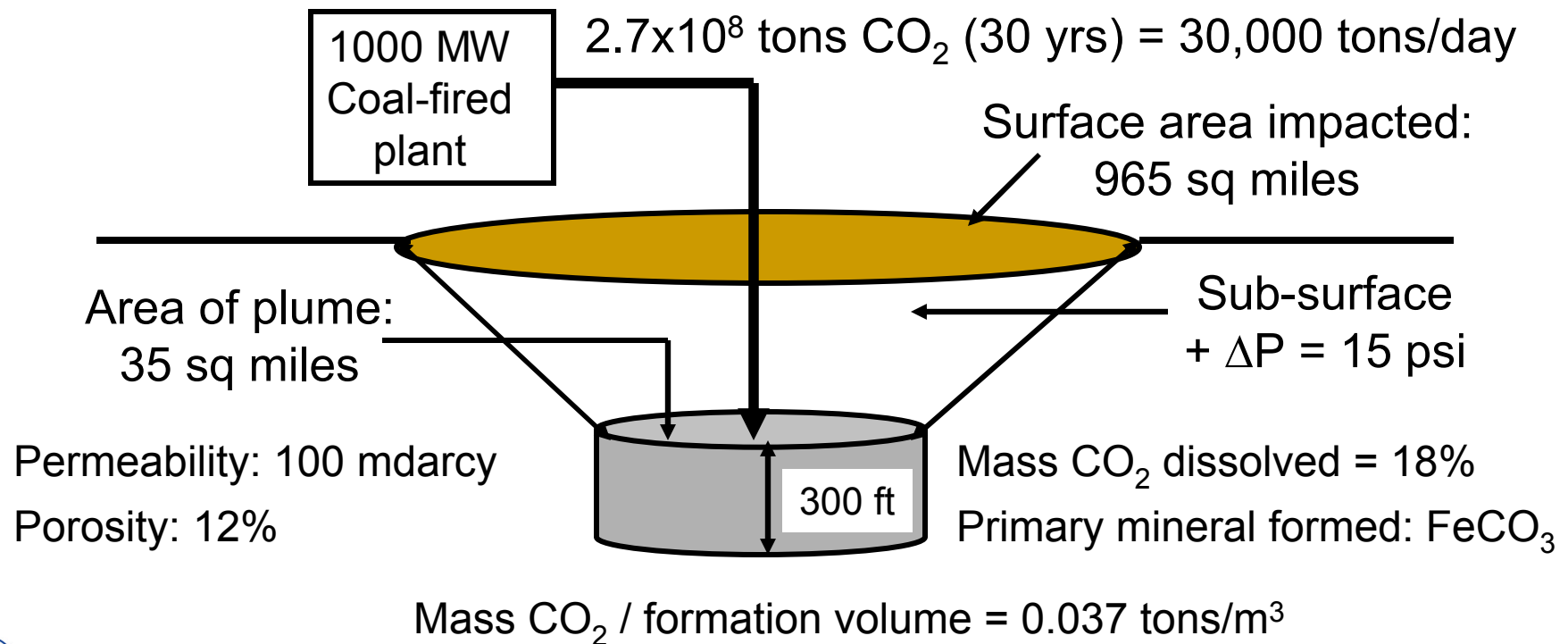
Field

Sleipner – North Sea: 1×10^6 tons CO₂ per yr.

In Salah – Algeria: 1×10^6 tons CO₂ per yr.

Frio – Texas: 1600 tons total.

Modeling: Pruess et al. (2003) SPE Journal. pp 49.



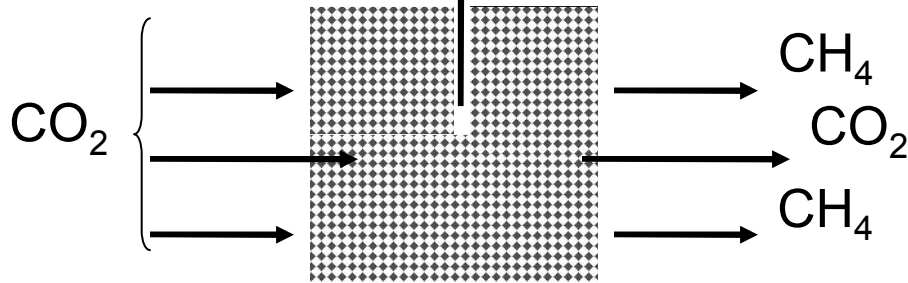
CO₂ storage in coal beds & natural gas recovery

Significant unique technical hurdles

- Fractures – channeling & leakage.
- Swelling of coal – lowers permeability & injectivity.

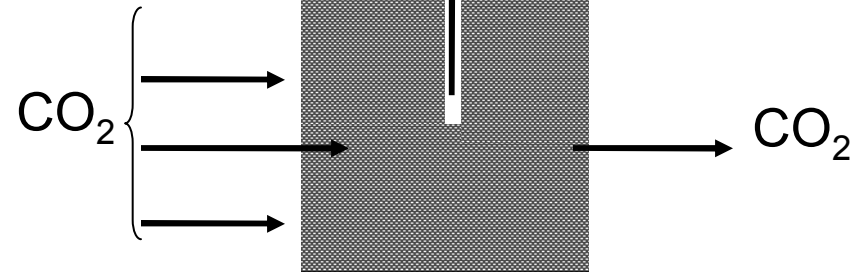
time = 0

CO₂ leakage to surface



time > 0

CO₂ leakage to surface



Example: Allison Unit, NM – Burlington Resources

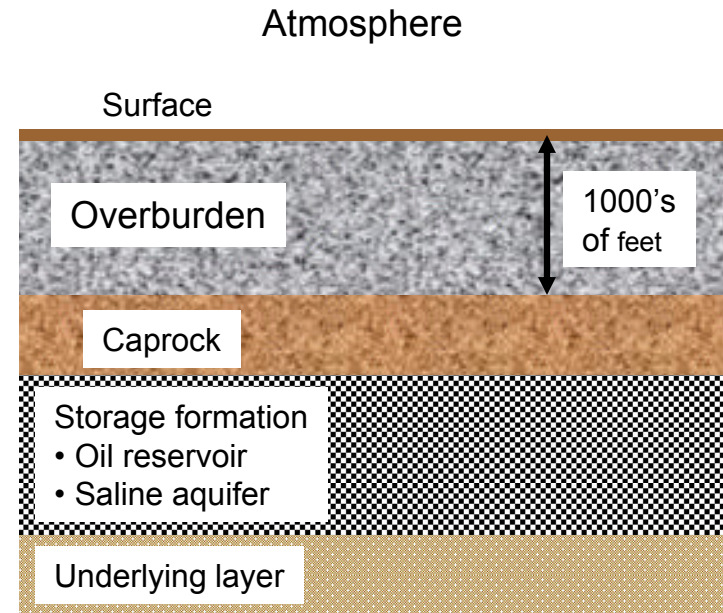
- Increased methane recovery ~ 20%.
- Only ~ 80% of CO₂ remained in coal bed.
- 20% of CO₂ produced with methane.
- Significant decrease in permeability.

Use of CO₂ for enhanced natural gas recovery from coal beds is in its infancy

Characteristics of a good CO₂ geological storage site

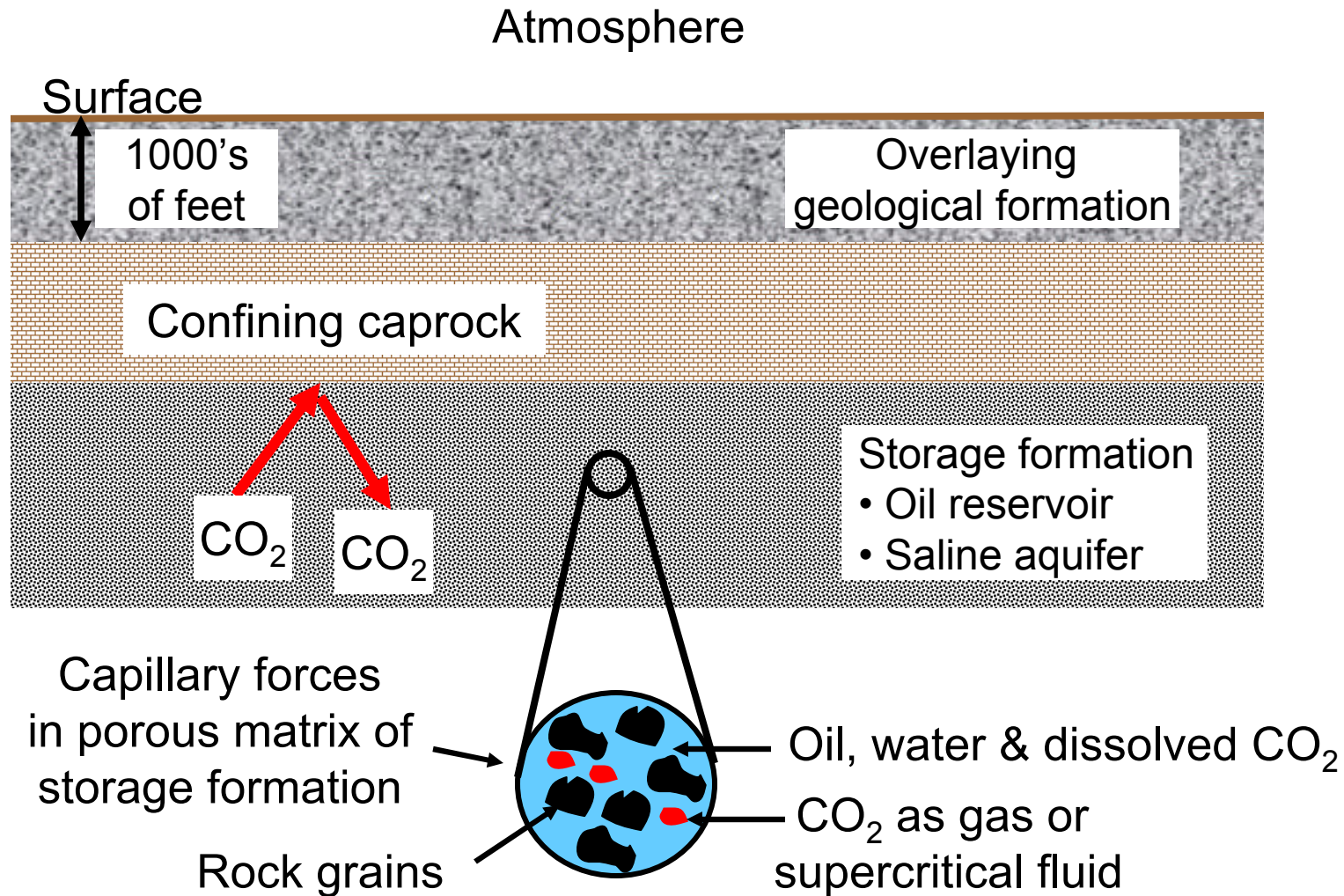
Complete characterization of the geological formation:

- Geologically stable.
- Geological containment structures.
- Minimal leakage potential.
- Injectivity.
- Geochemistry.
- Oil chemistry.
- No adjacent sensitive aquifers.
- CO₂ capacity.



Greatest uncertainty is calculating the CO₂ storage capacity

Initial CO₂ containment mechanisms in a geological storage formation are geophysical processes



Long-term CO₂ containment mechanisms in a geological storage formation are geochemical processes

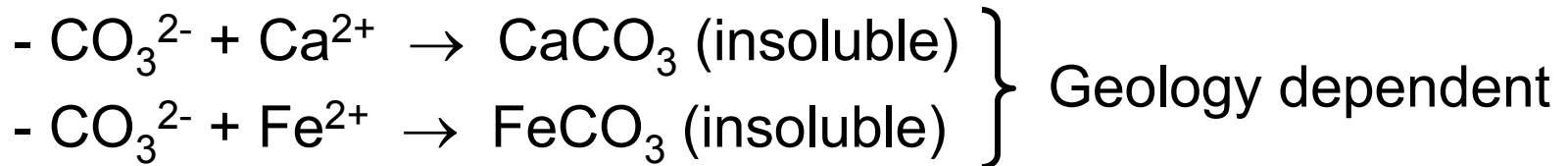
- Aqueous solubility trapping (oil reservoirs & saline aquifers):

- CO₂ is dissolved into water
- Ions are formed



- Mineral formation (oil reservoirs & saline aquifers):

- Carbonate ions react with dissolved metals: Ca²⁺ & Fe²⁺

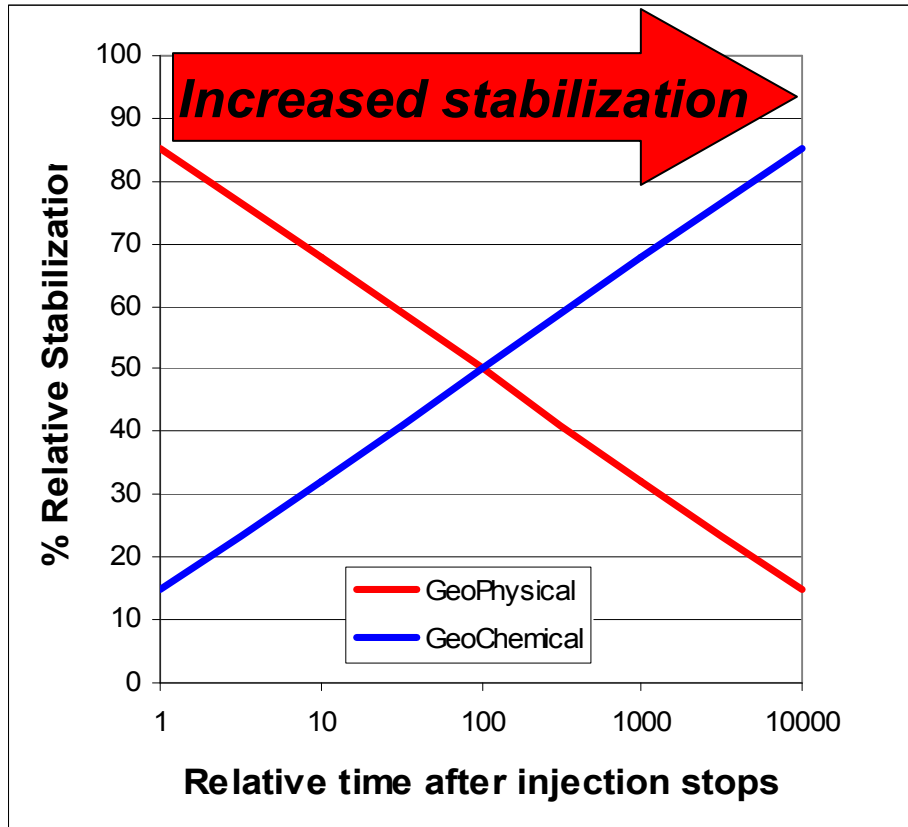


- Miscibility of CO₂ with oil (oil reservoirs):

- CO₂ is dissolved into oil

High pressures in geological storage formations favor these geochemical processes.

Relative time frame of CO₂ storage processes

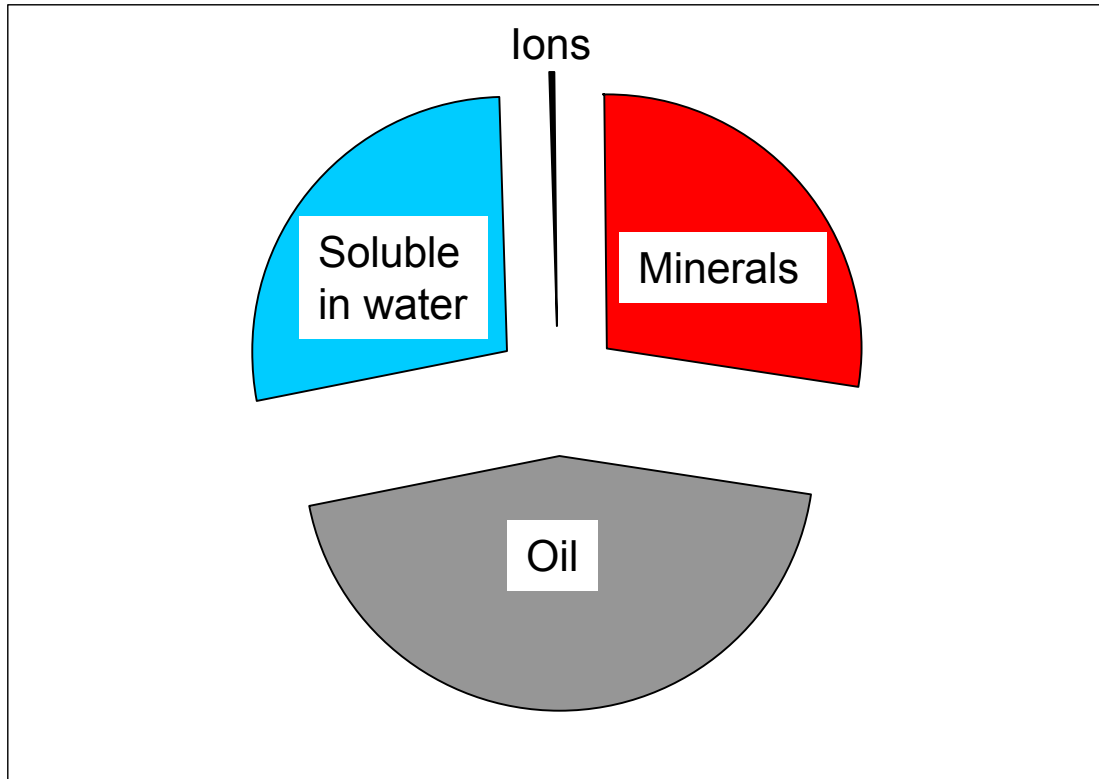


Storage mechanisms:

- **Geophysical:**
 - Confining caprock.
 - Capillary forces in porous matrix.
- **Geochemical:**
 - Aqueous solubility trapping.
 - Mineral formation.
 - Miscibility of CO₂ with oil.

Storage security increases over time.

CO₂ distribution in Weyburn reservoir – 5000 years

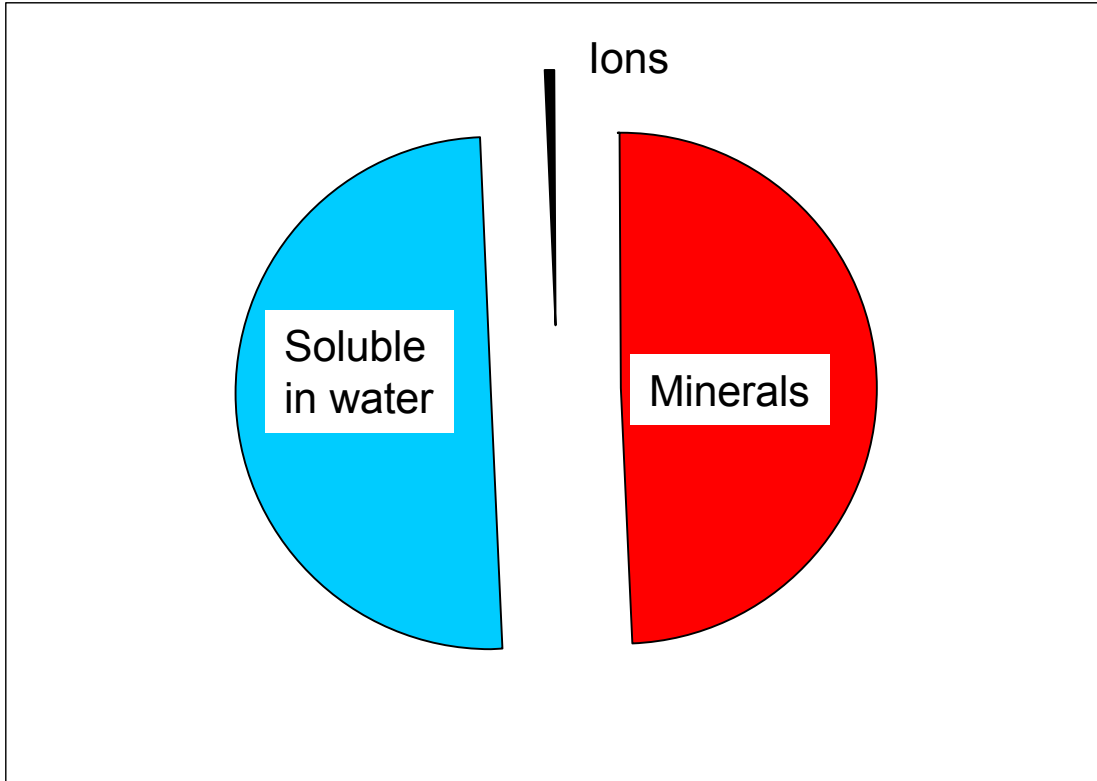


- Phase distribution of CO₂
- Mineral trapping – 27.5%
 - Oil miscible – 44.2%
 - Solubility trapping – 28.0%
 - CO₂ dissolved in water
 - Ionic trapping – 0.3%
 - HCO₃⁻ & CO₃²⁻

Based on geochemical modeling – IEA GHG Weyburn (PTRC)

CO₂ distribution in saline aquifer – 5000 years

Ions



- Phase distribution of CO₂
- Mineral trapping – 49.3%
 - Solubility trapping – 50.2%
 - CO₂ dissolved in water
 - Ionic trapping – 0.5%
 - HCO₃⁻ & CO₃²⁻

Based on geochemical modeling – IEA GHG Weyburn (PTRC)

- Assumed no oil & proportionally adjusted percent distribution.

Major “No, No’s” in geological storage of CO₂

Do not:

- Plug the geological storage formation!
 - Carbonate scale formation.
 - Iron sulfide formation.
 - Gas hydrates.
- Over pressure the geological storage formation!
 - Fracture the bedrock:
 - Seeps to surface.
 - Fluid channeling & subsequent bypassing of oil (EOR).

Commercial implementation of CO₂ storage

Initial sequestration sites will be CO₂ EOR projects:

- 50% of CO₂ must be recycled.
- At end of EOR (10-20 yrs), project must be switched to a storage site.

A lot remains to be learned about CO₂ storage in saline aquifers:

- Multiple saline aquifers must be evaluated to find a viable storage site.
 - In Germany, 126 saline aquifers identified. Only 26 suitable for CO₂ storage.
- Greatest technical uncertainty:
 - **CO₂ storage capacity.**

Comparison of cost of CO₂ EOR to CO₂ storage in saline aquifers

Activities	Relative Cost	EOR	Saline Aquifer
Site location/Exploration	High	Previously completed	Required
Geological characterization	High	Previously completed	Required
Drilling wells	High	Previously completed	Required
Identification of leaky wells	Medium	Required	Not required
Plug leaky wells	Medium	Required	Not required
Oil chemistry	Low	Required	Not required
Saline aquifer chemistry	Medium	Not required	Required
Model/Optimize CO ₂ injection	Medium	Required	Required
Modify oil production facilities	High	Required	Not required
Recapture & compress CO ₂	High	Required	Not required
Monitoring program	Medium	Required	Required

Relative Cost Legend

High: > \$5MM
 Medium: \$1MM to \$5MM
 Low: < \$1MM

Comparison of options for geological storage of CO₂

Characteristics	EOR	Saline Aquifers	Depleted Oil & Gas Reservoirs	Coal Beds
Technical Maturity	High	Learning	Learning	To date, one failure
Storage Capacity	Moderate	Very high (10-100 x EOR)	Unknown	Low
Leakage Risk	Very low	Low	Very low	High
Accessibility to CO ₂ Source	Limited	Extensive	Limited	Very limited
Likelihood of Success	100%	High	100%	Very low
Economics	Oil production could offset some of cost	Gov't incentive required	Gov't incentive required	Gov't incentive required
Overall Risk	Very low	Low	Very low	High
Other Comments	Most EOR projects do not have sufficient demand for CO ₂ for 1 coal fired plant (30 yrs)	Best bet for success	CO ₂ capacity needs to be quantified	Significant technical uncertainty