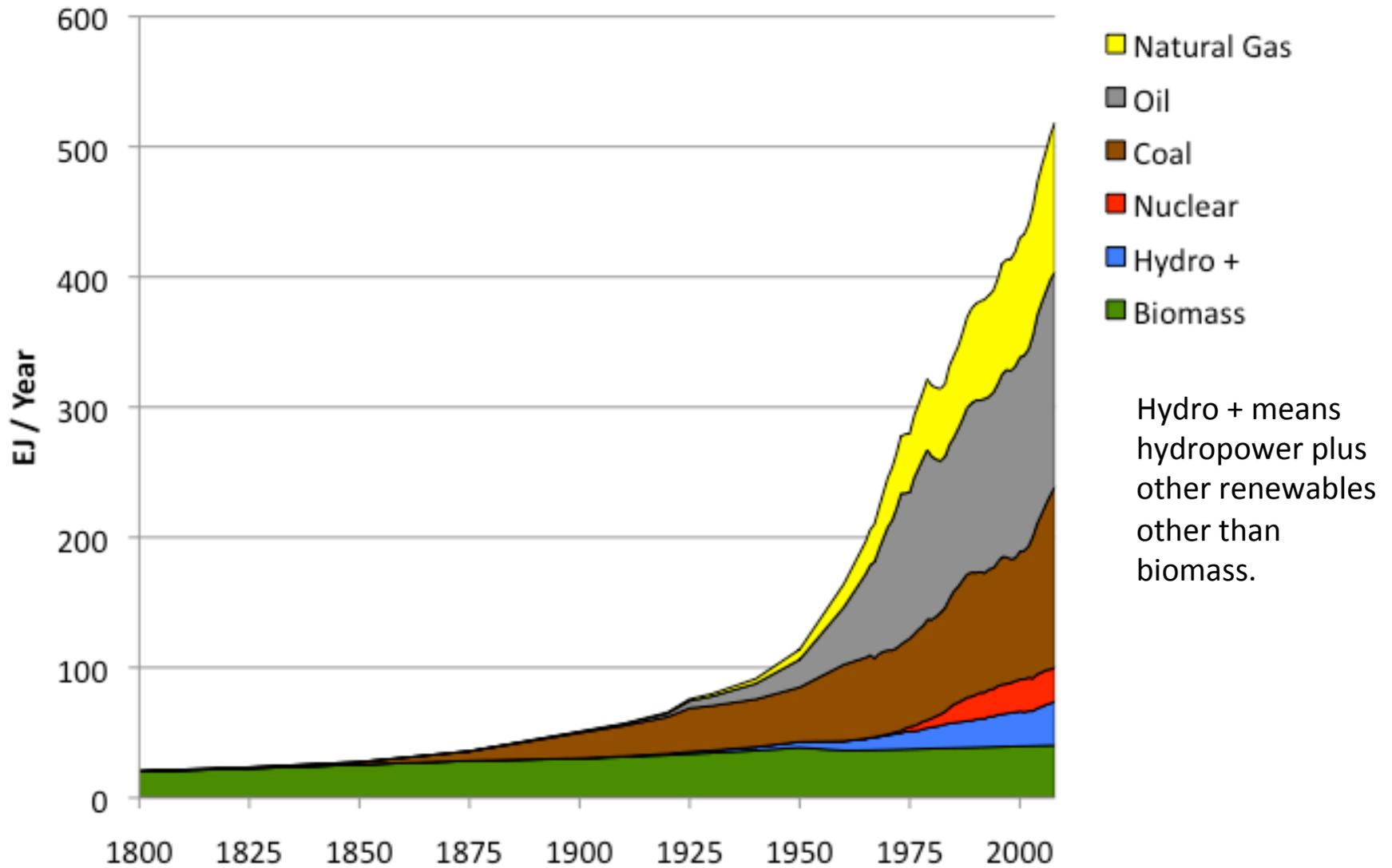


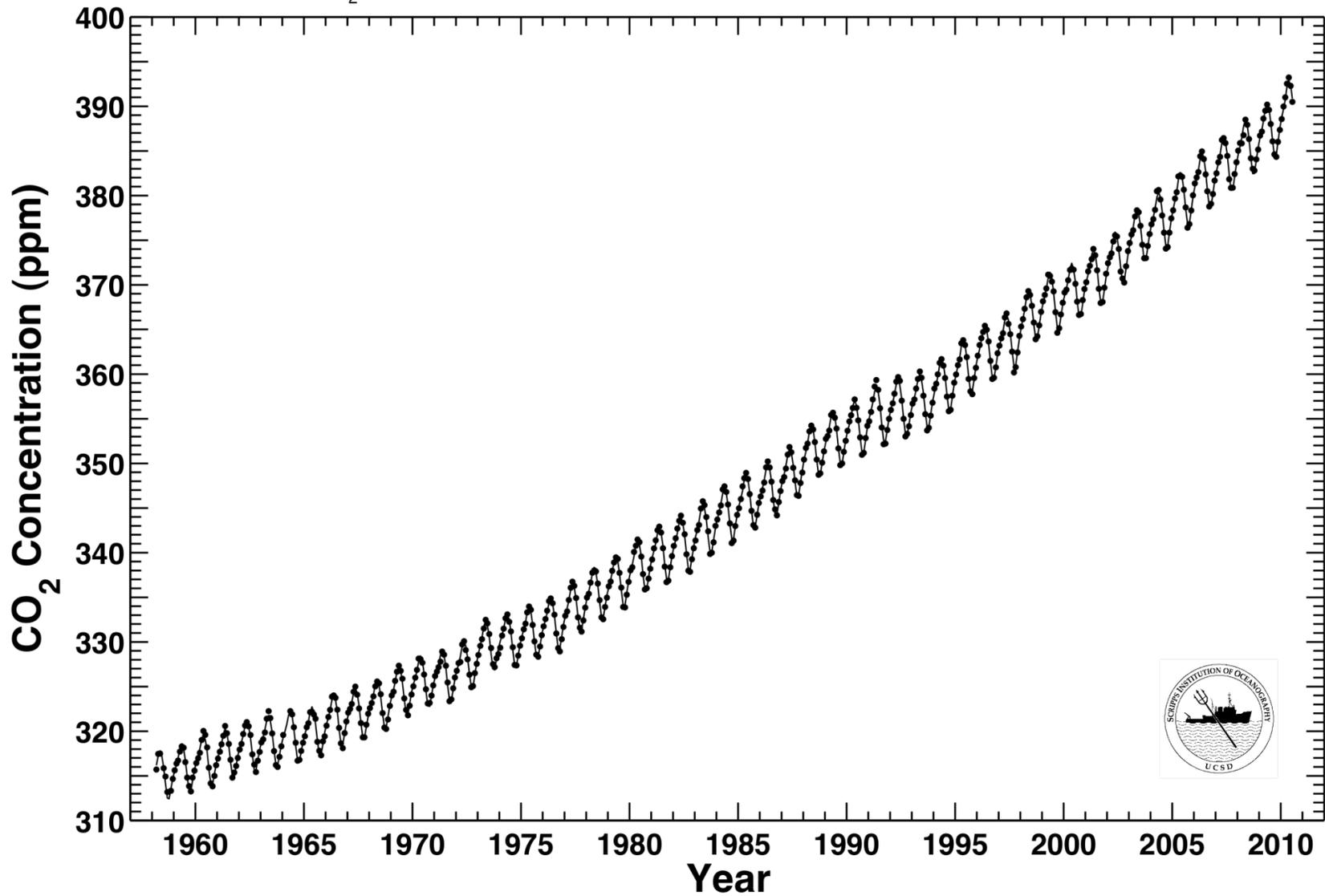
World Primary Energy Supply: 1800 – 2008



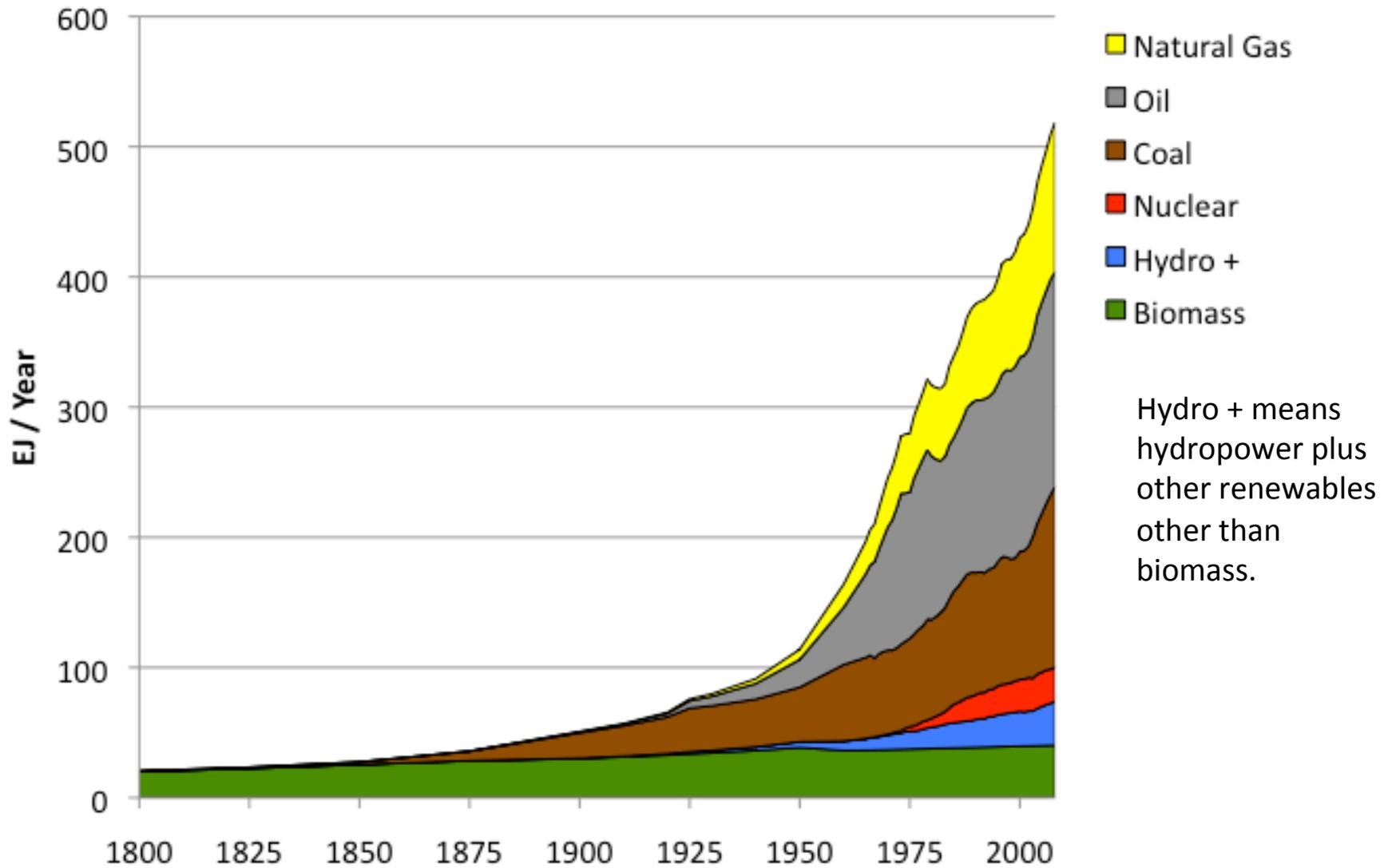
Sources: Grubler (2008) - Energy Transitions, BP (2009) – Statistical Review of World Energy, EIA (2009) – International Energy Annual

Mauna Loa Observatory, Hawaii Monthly Average Carbon Dioxide Concentration

Data from Scripps CO₂ Program Last updated August 2010



World Primary Energy Supply: 1800 – 2008



Sources: Grubler (2008) - Energy Transitions, BP (2009) – Statistical Review of World Energy, EIA (2009) – International Energy Annual

There are three ways to reduce carbon dioxide emissions:

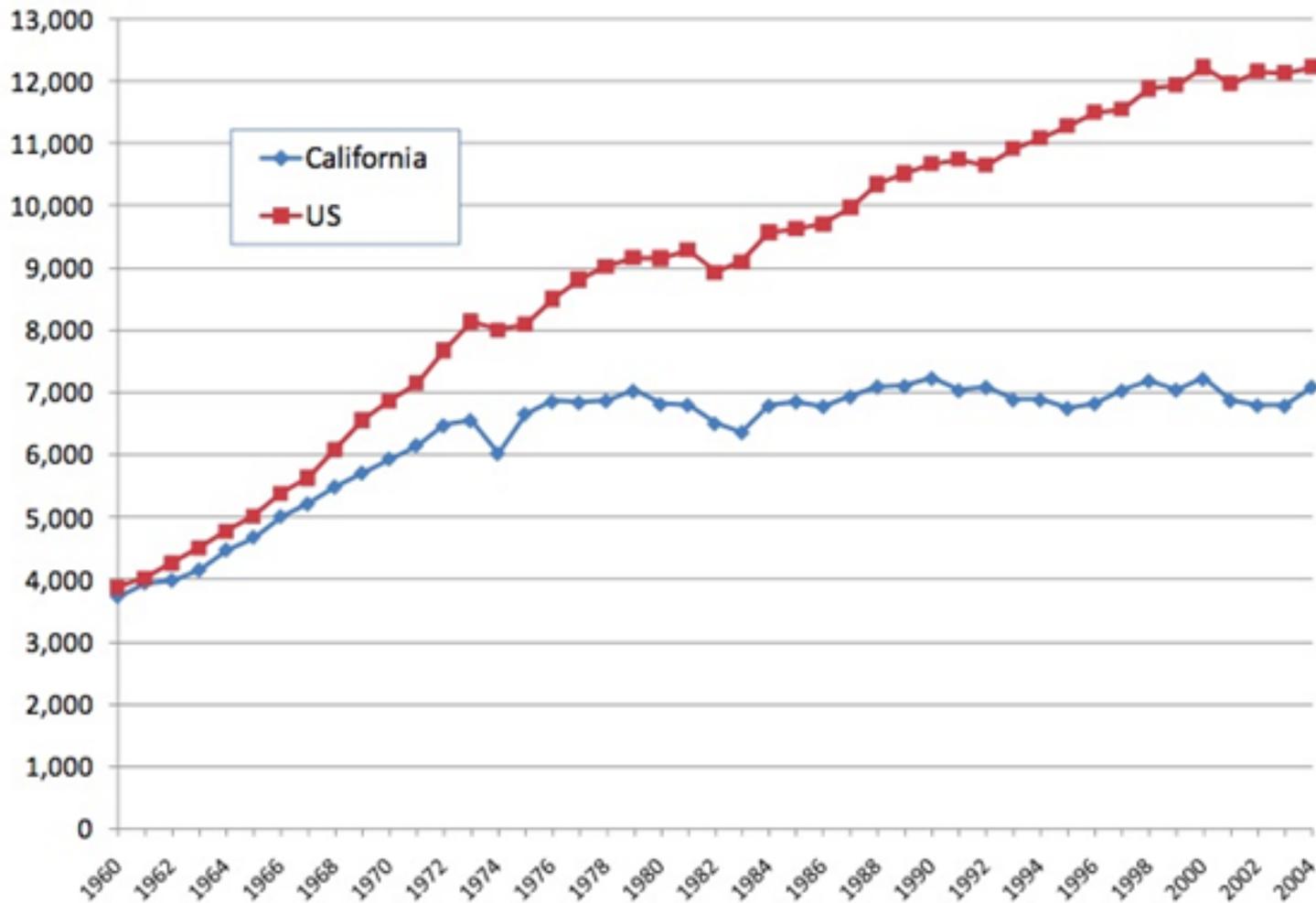
1) Efficiency/conservation

2) Non-fossil fuel energy
(renewables and nuclear)

3) Carbon capture and storage

Annual KWhr per Person Electricity Consumption

KWhr Per Capita



There are three ways to reduce carbon dioxide emissions:

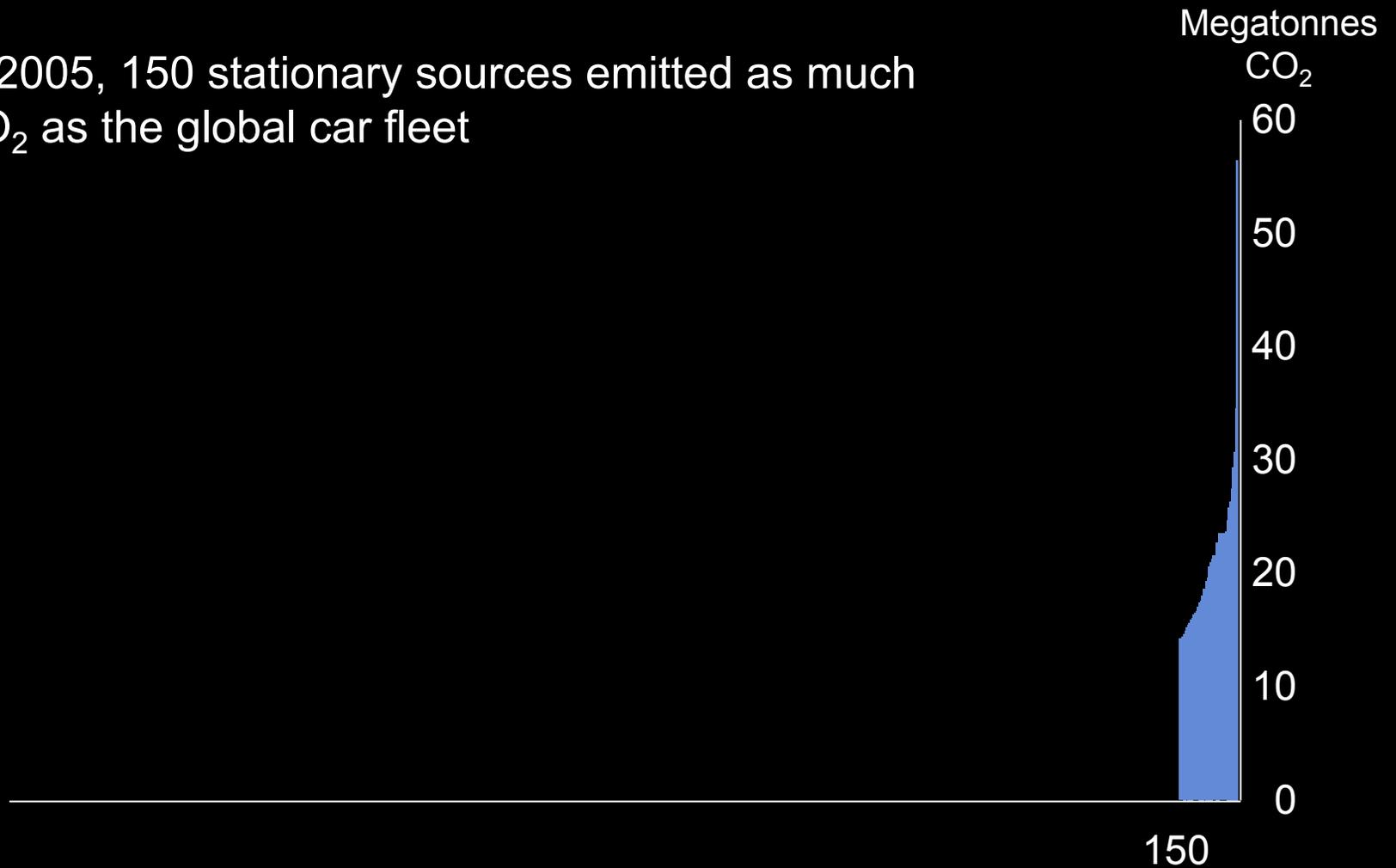
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Most Emissions Come from Relatively Few Sources

- In 2005, 150 stationary sources emitted as much CO₂ as the global car fleet

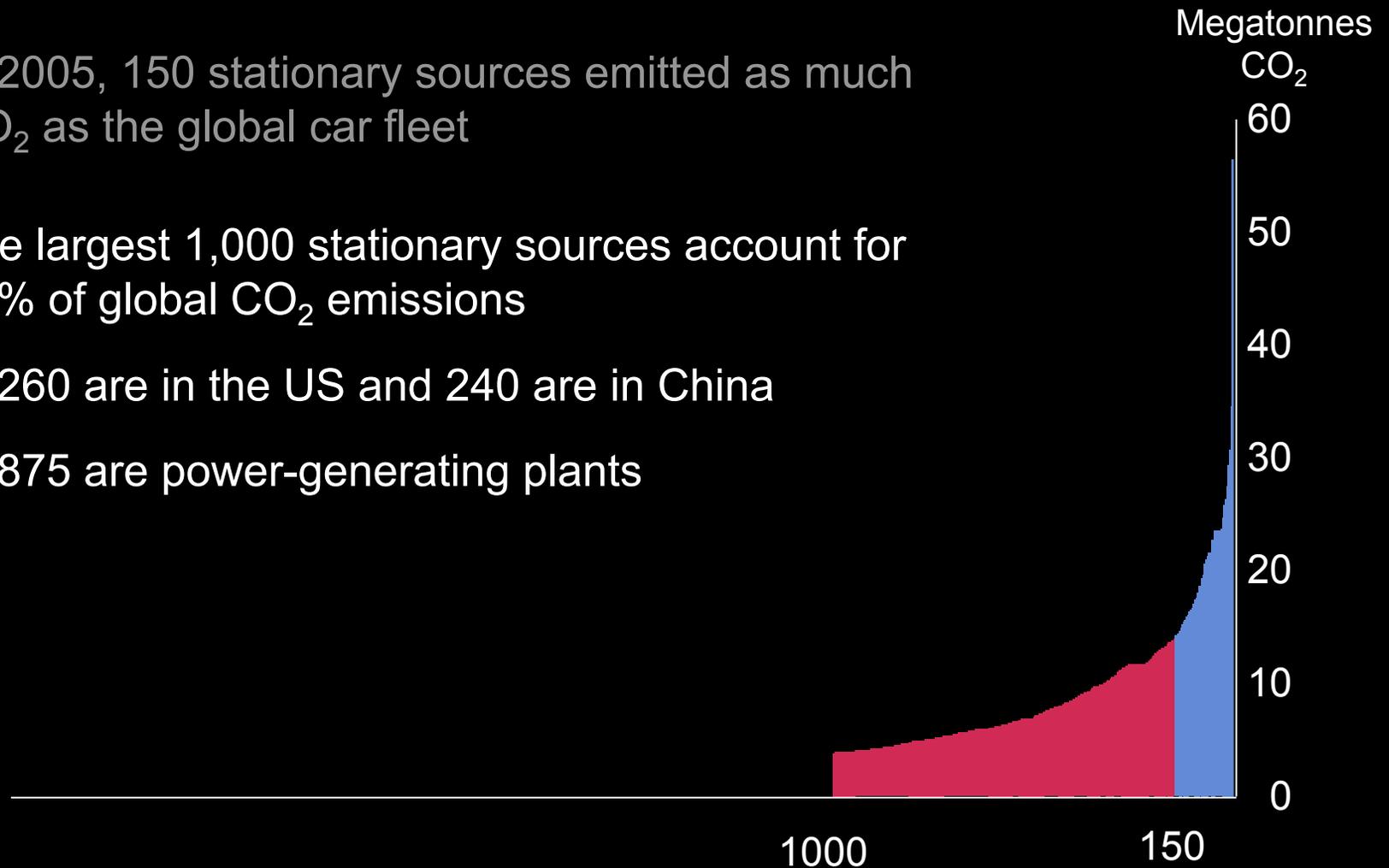


Source: IEA and AllianceBernstein

AllianceBernstein

Most Emissions Come from Relatively Few Sources

- In 2005, 150 stationary sources emitted as much CO₂ as the global car fleet
- The largest 1,000 stationary sources account for 31% of global CO₂ emissions
 - 260 are in the US and 240 are in China
 - 875 are power-generating plants

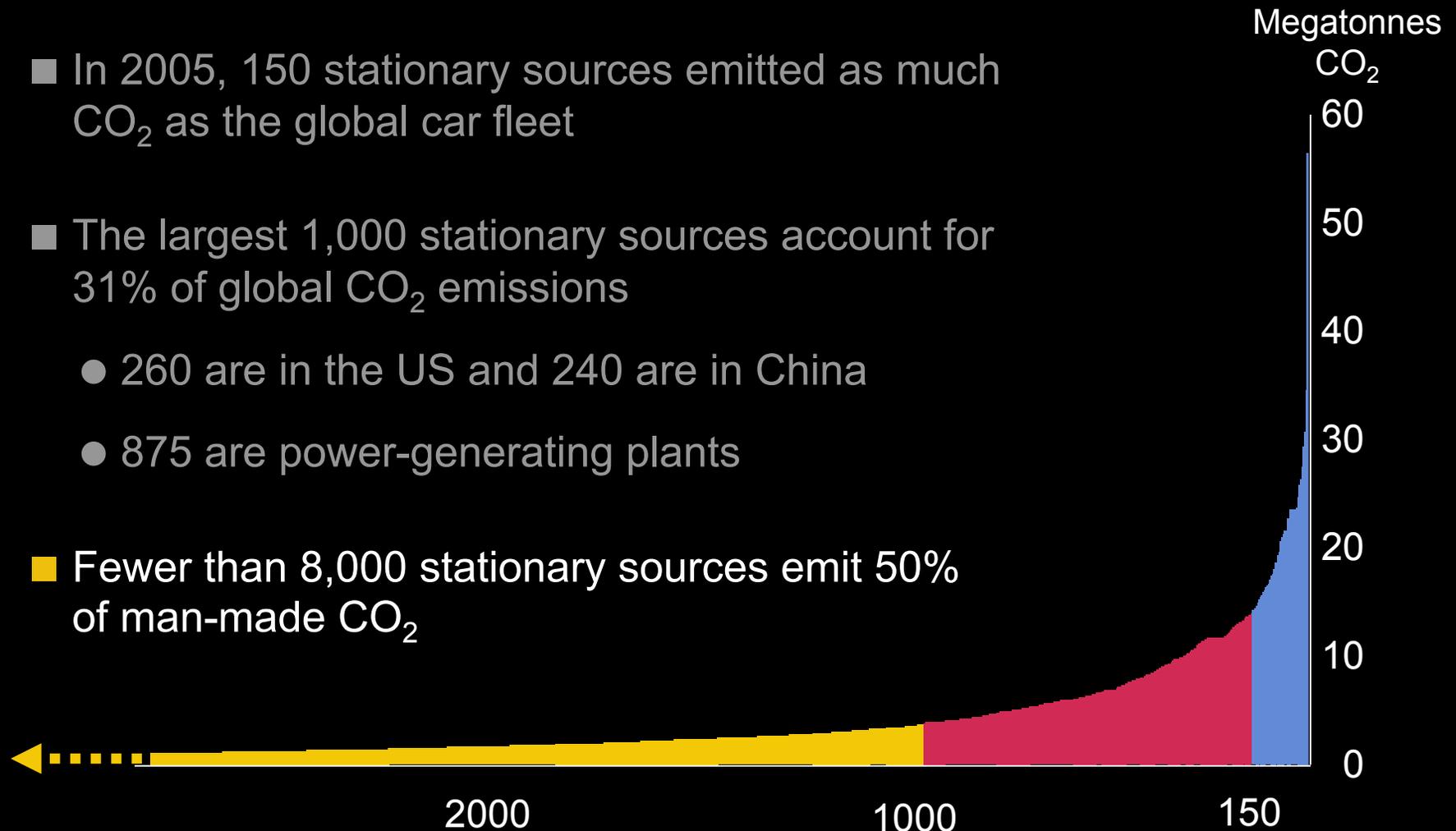


Source: IEA and AllianceBernstein

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- In 2005, 150 stationary sources emitted as much CO₂ as the global car fleet
- The largest 1,000 stationary sources account for 31% of global CO₂ emissions
 - 260 are in the US and 240 are in China
 - 875 are power-generating plants
- Fewer than 8,000 stationary sources emit 50% of man-made CO₂



Source: IEA and AllianceBernstein

AllianceBernstein

What about wind and solar? Why can't we simply replace all the existing power generation facilities with renewable sources?

- Industrial uses of energy that will be very difficult to replace with electricity
- intermittency of wind and solar





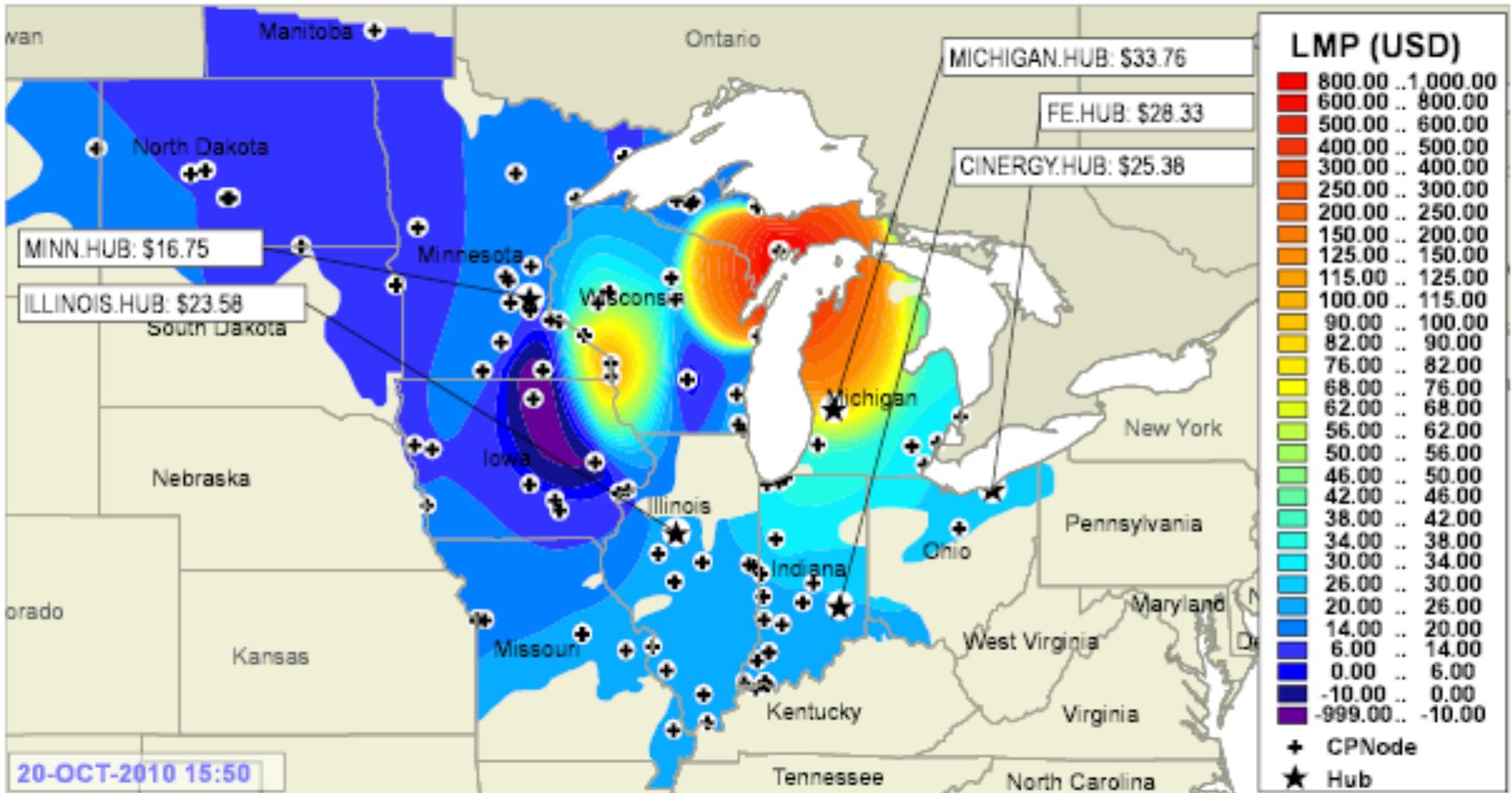


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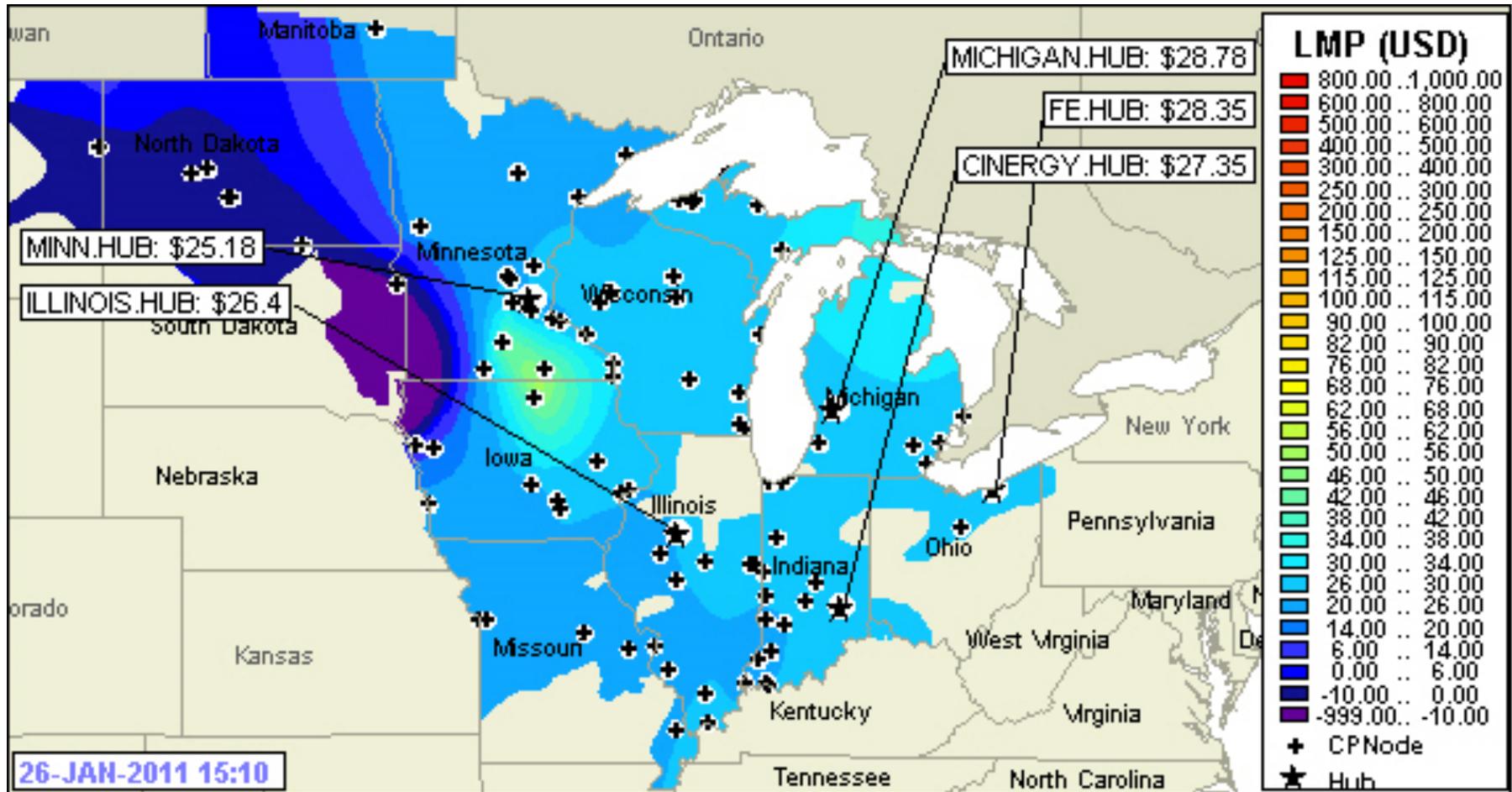


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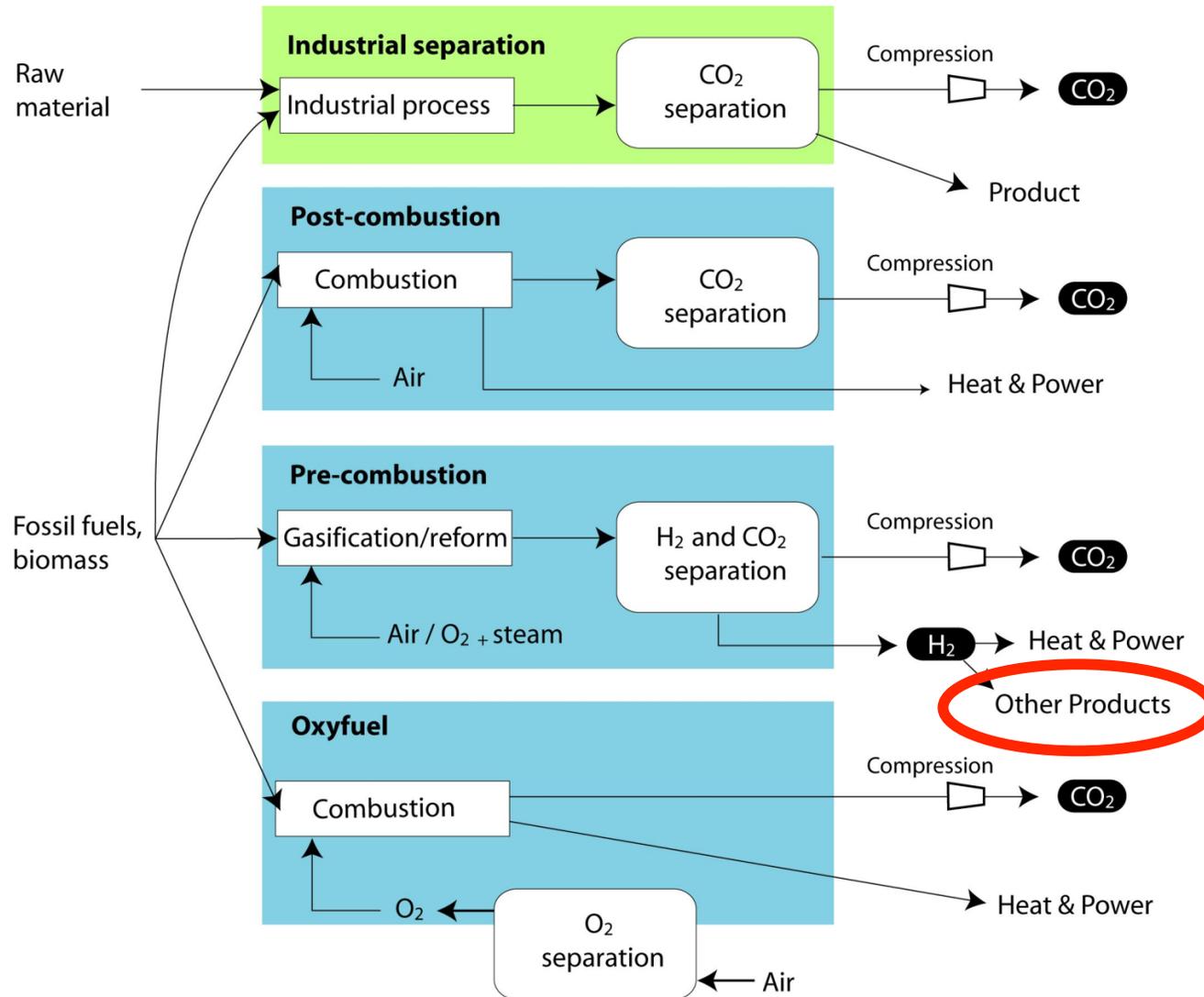
Grid Congestion



Grid Congestion



Capture of CO₂



In 2008, U.S. Electricity came from:

Coal	(1,994 Terawatt hours equivalent to 15 tcf of natural gas)
Natural Gas	(877 Terawatt hours – 6.66 tcf)
Nuclear	(806 Terawatt hours)
Hydroelectric	(248 Terawatt hours)
Other renewables	(123 Terawatt hours)
Petroleum	(31 Terawatt hours)

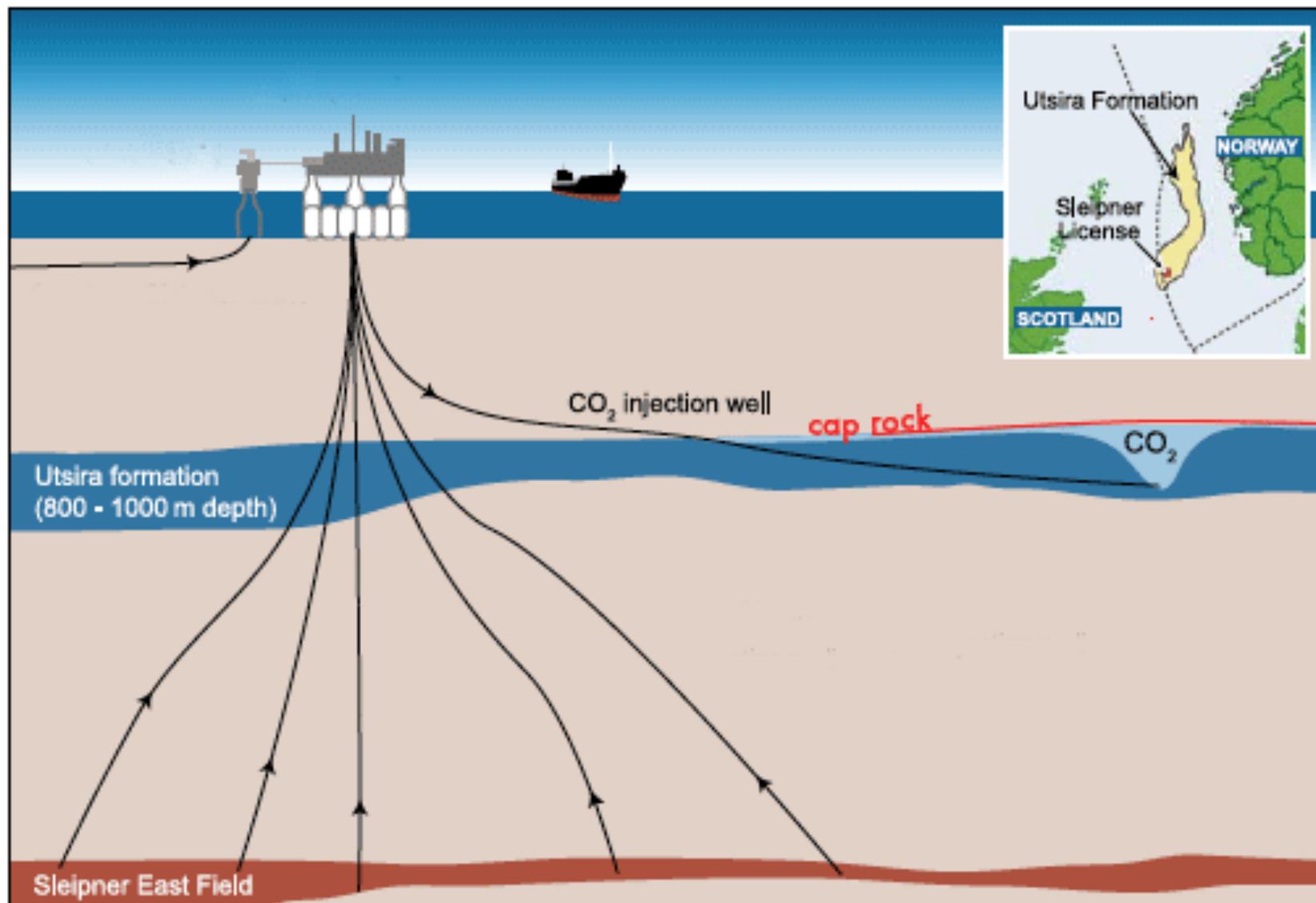
Carbon capture and storage (CCS) is an essential part of a low-carbon energy economy, mostly for dispatchable, intermittent power generation, fuel production, fertilizer production, and other industrial processes.

Retrofitting most existing coal plants in the U.S. is highly unlikely, as many are too old and inefficient. CCS is not an excuse to keep operating our existing coal plants.

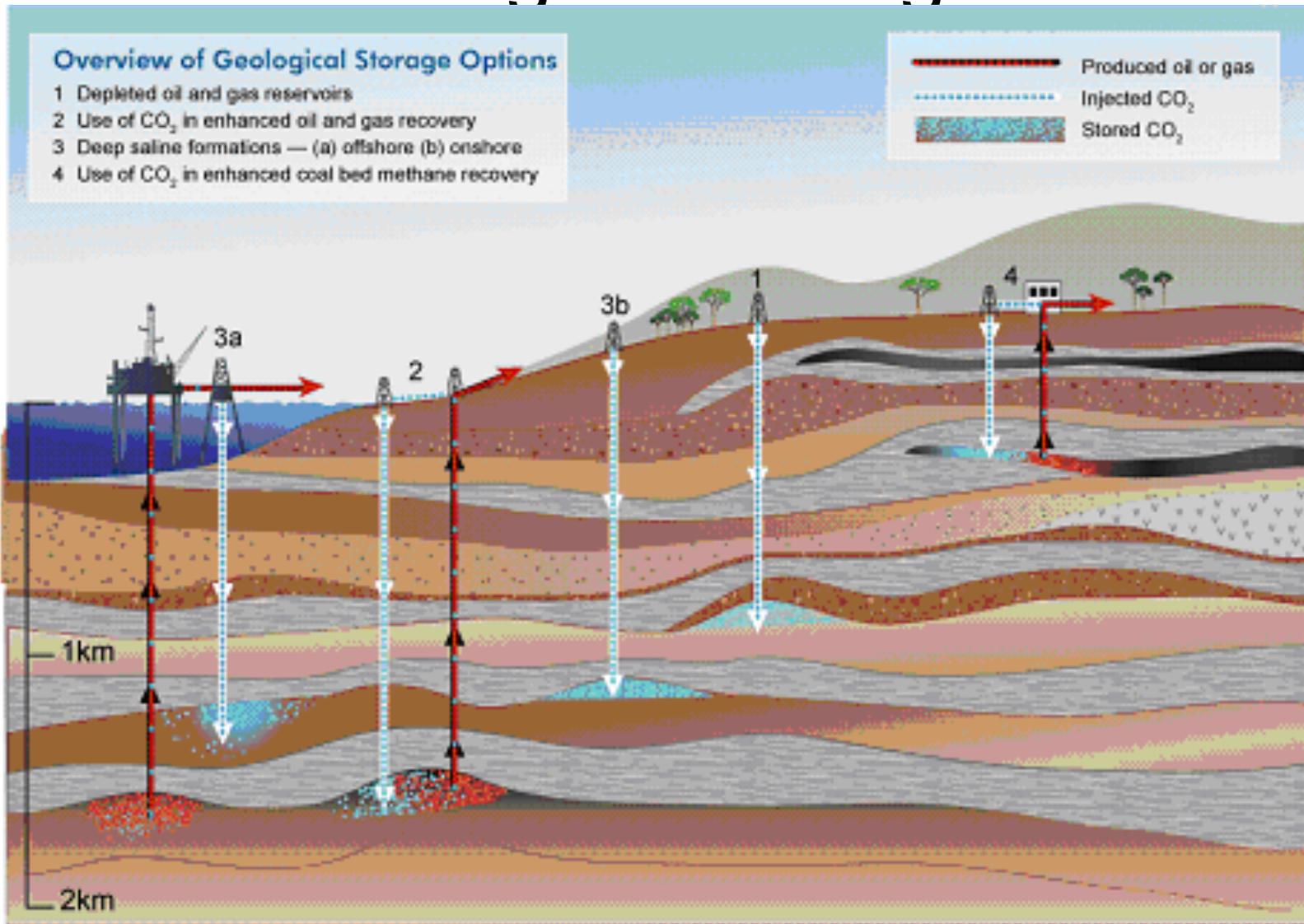
Polygeneration with pre-combustion capture is an excellent way to make CCS affordable by allocating capital in a more efficient manner.



Sleipner Project, Norwegian North Sea (Statoil)



Geological storage



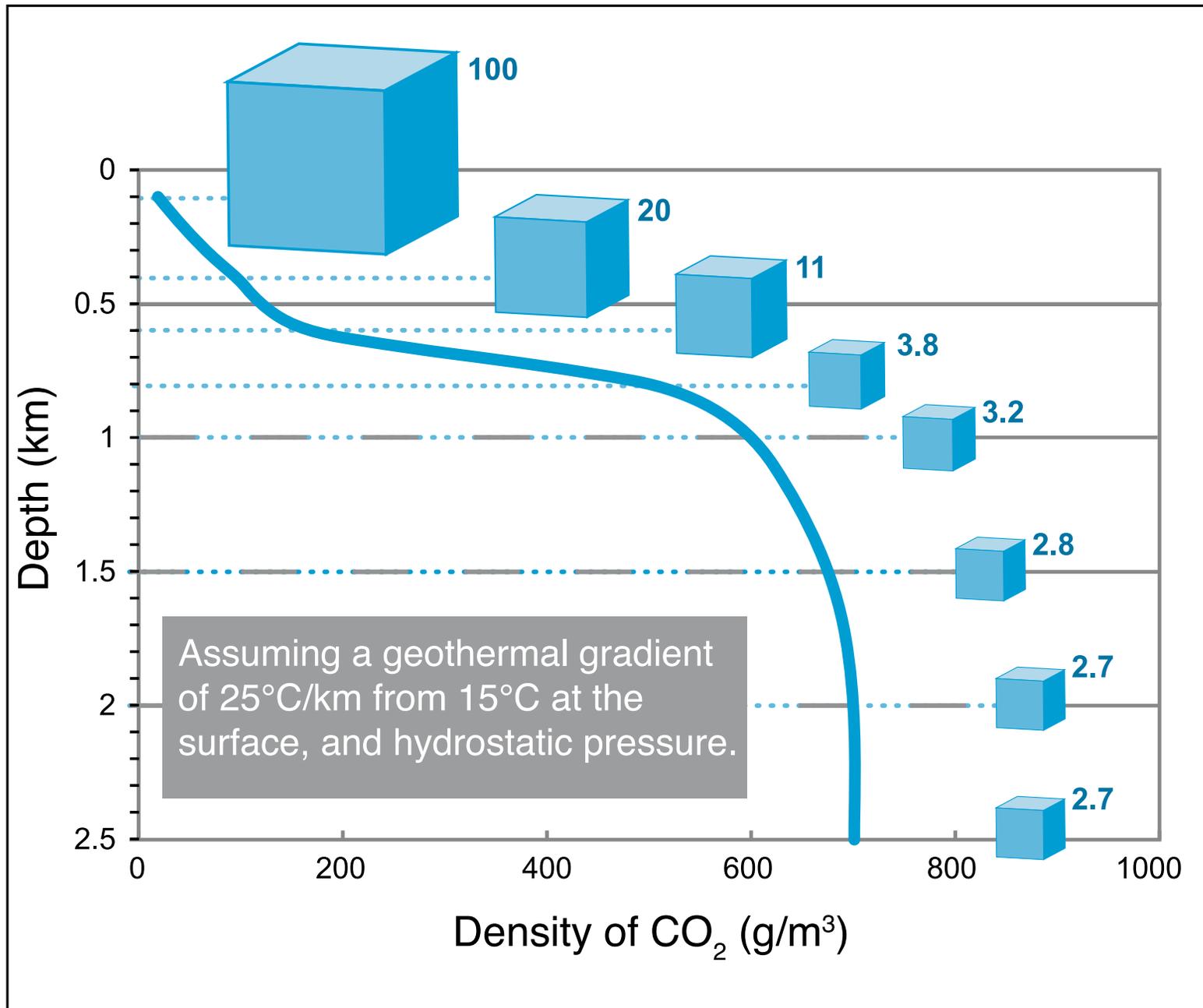


Figure 5.2 Variation of CO₂ density with depth, assuming hydrostatic pressure and a geothermal gradient of 25°C km⁻¹ from 15°C at the

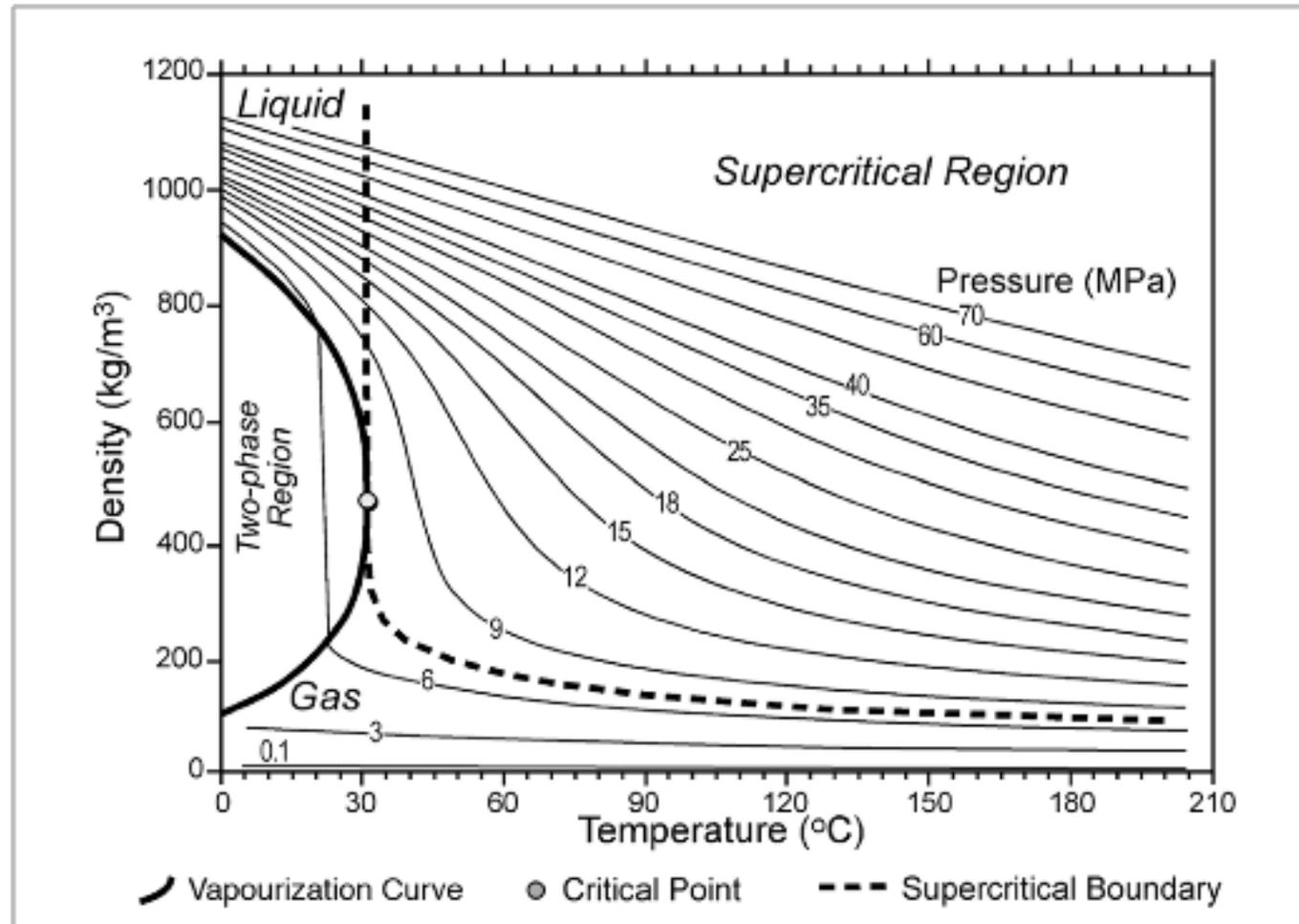
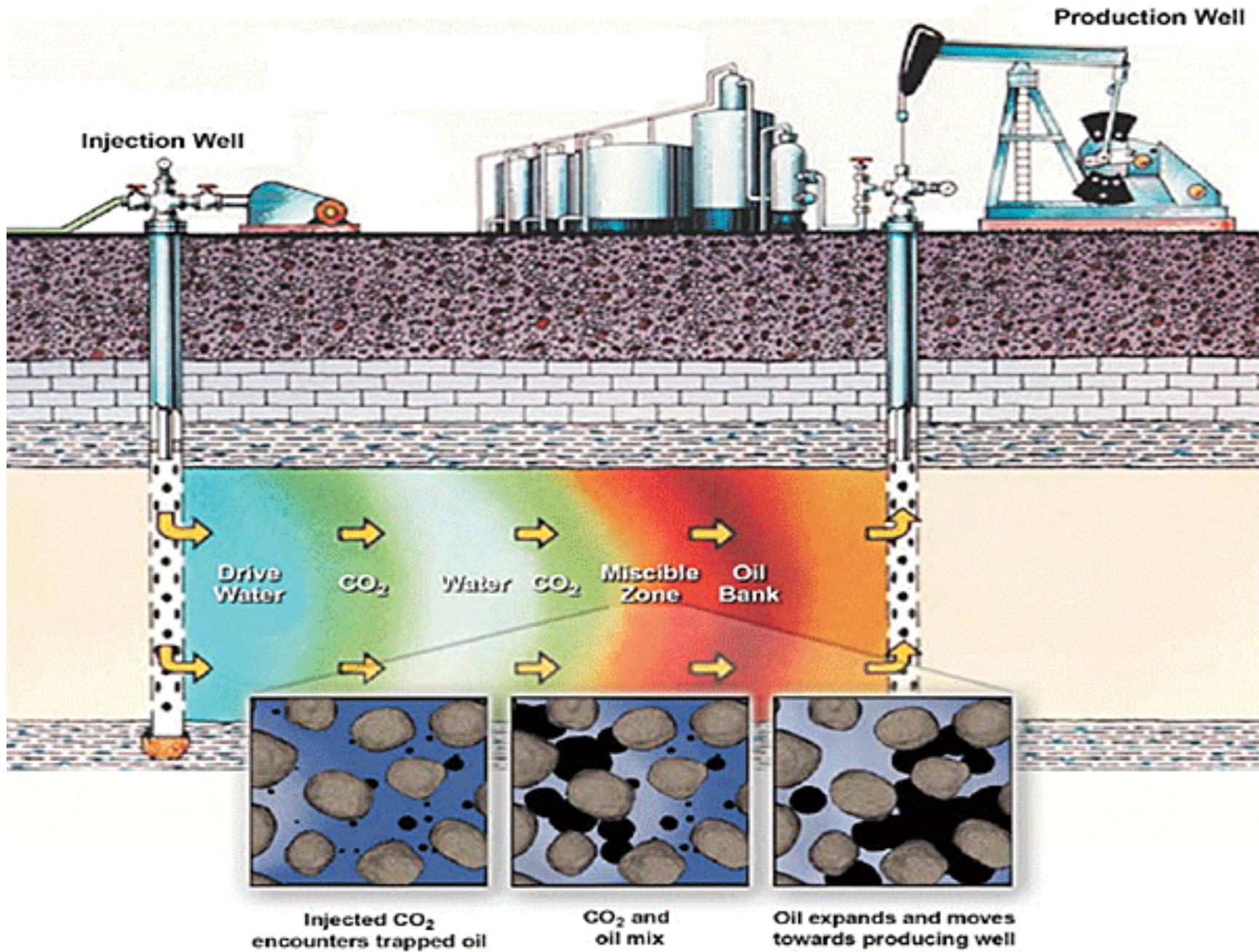
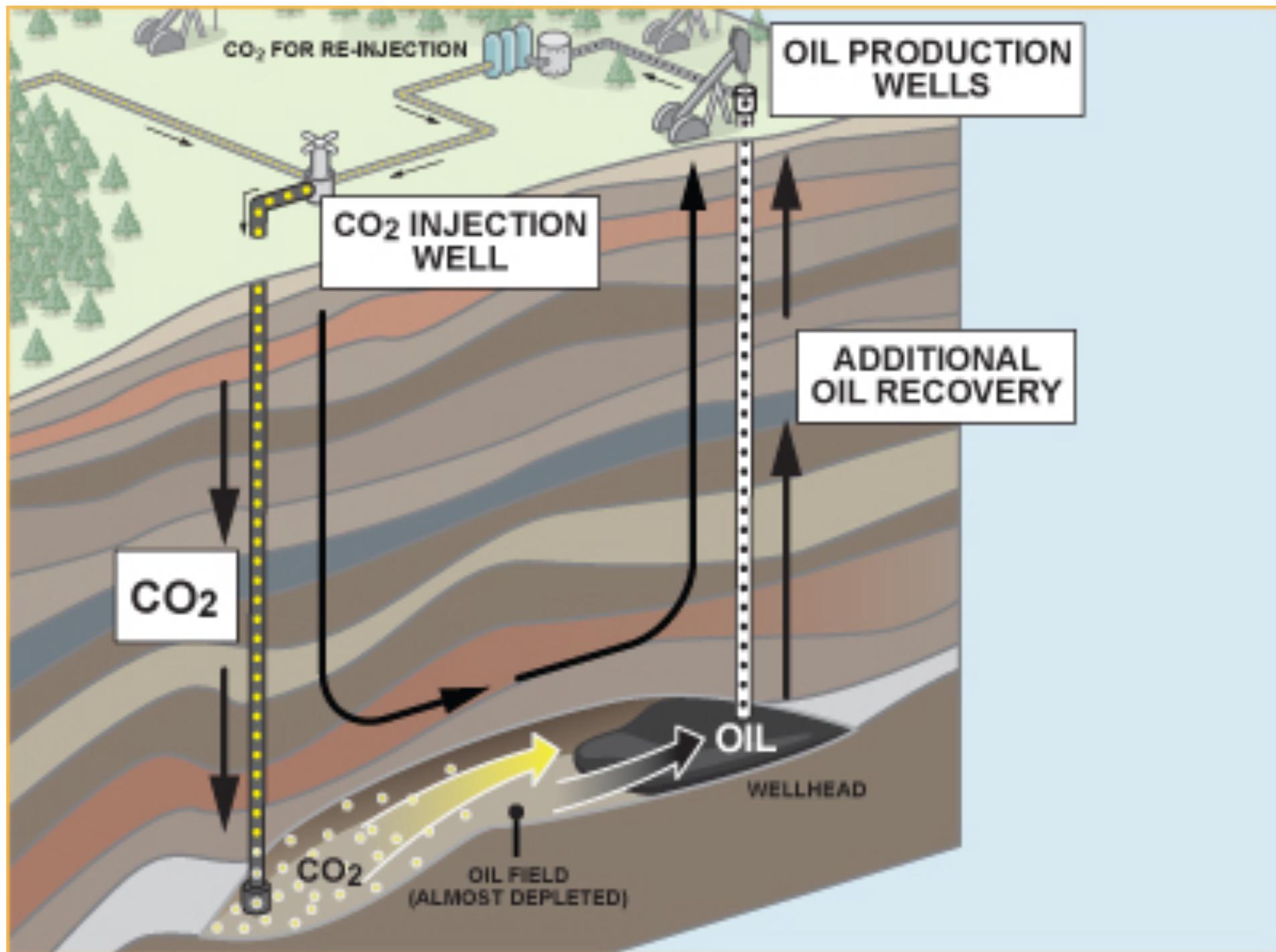


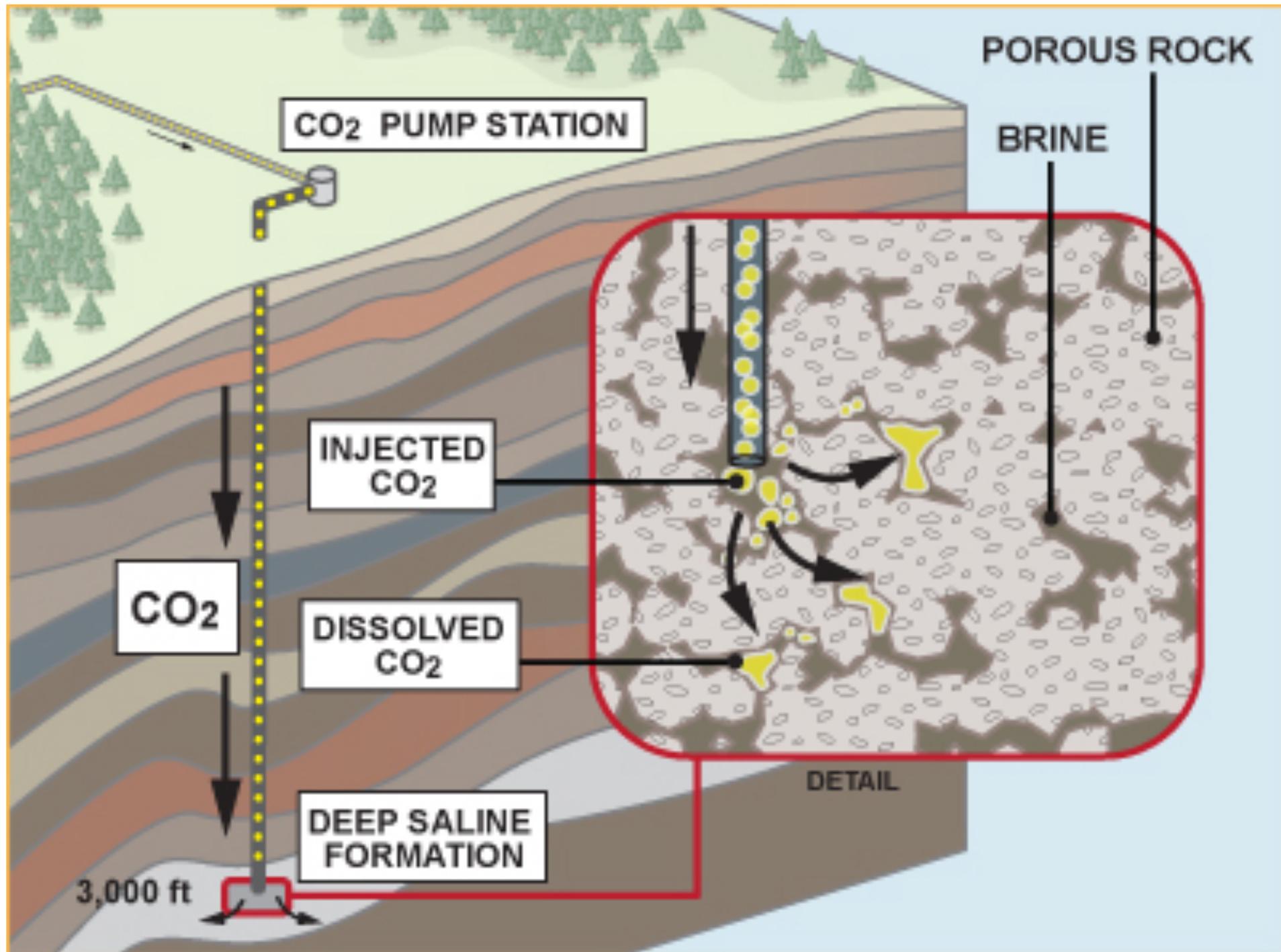
Figure AI.2 Variation of CO₂ density as a function of temperature and pressure (Bachu, 2003).



$$0.1302838 \cdot 10^{-2} \cdot S^2 - 0.1871199 \cdot 10^{-4} \cdot S^3 \quad (1)$$







After injection, carbon dioxide is remarkably immobile, trapped in the geological formation by three mechanisms:

- 1) Structural trapping – confinement by impermeable layers (usually shale)
- 2) Residual trapping (capillary trapping) – immobility caused by interactions with the walls of the pore spaces
- 3) Solubility trapping – dissolution of CO_2 in the brine, creating a CO_2 -saturated solution that is denser than either supercritical CO_2 or the original brine.

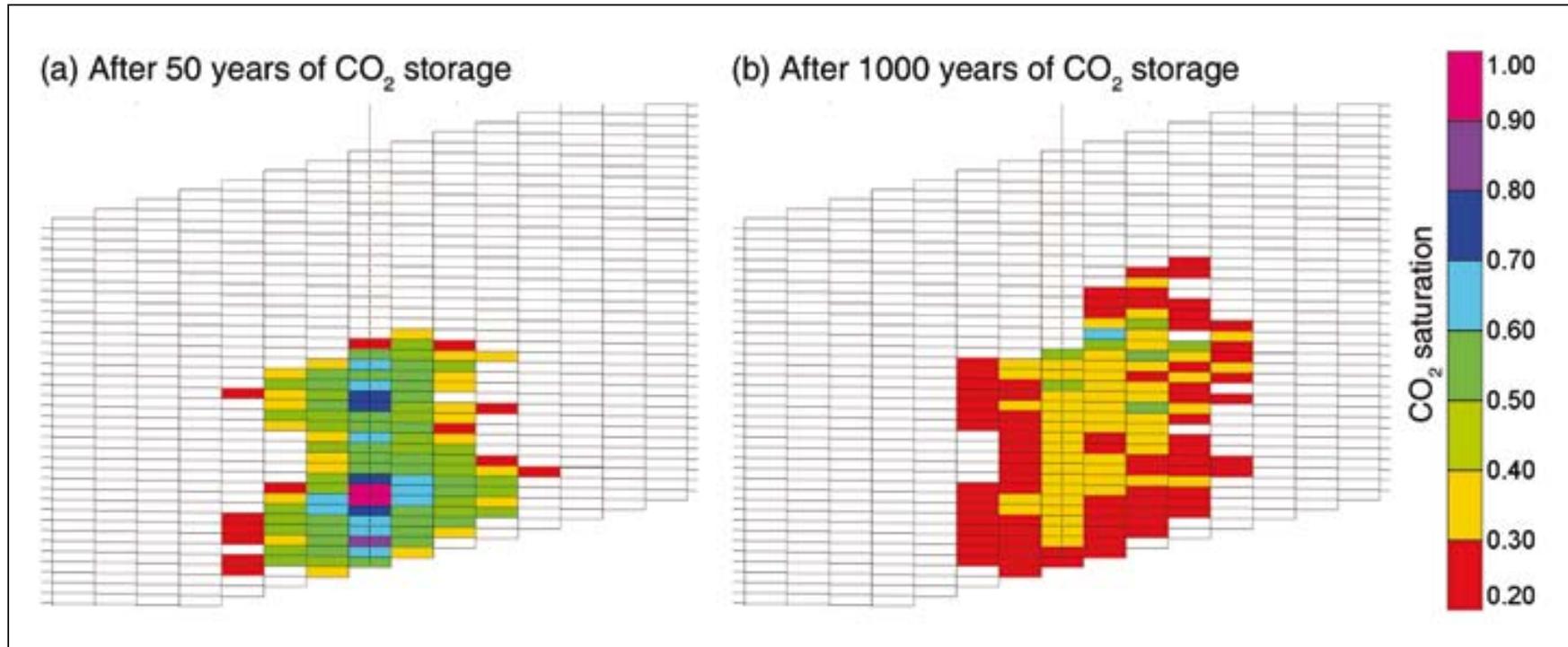
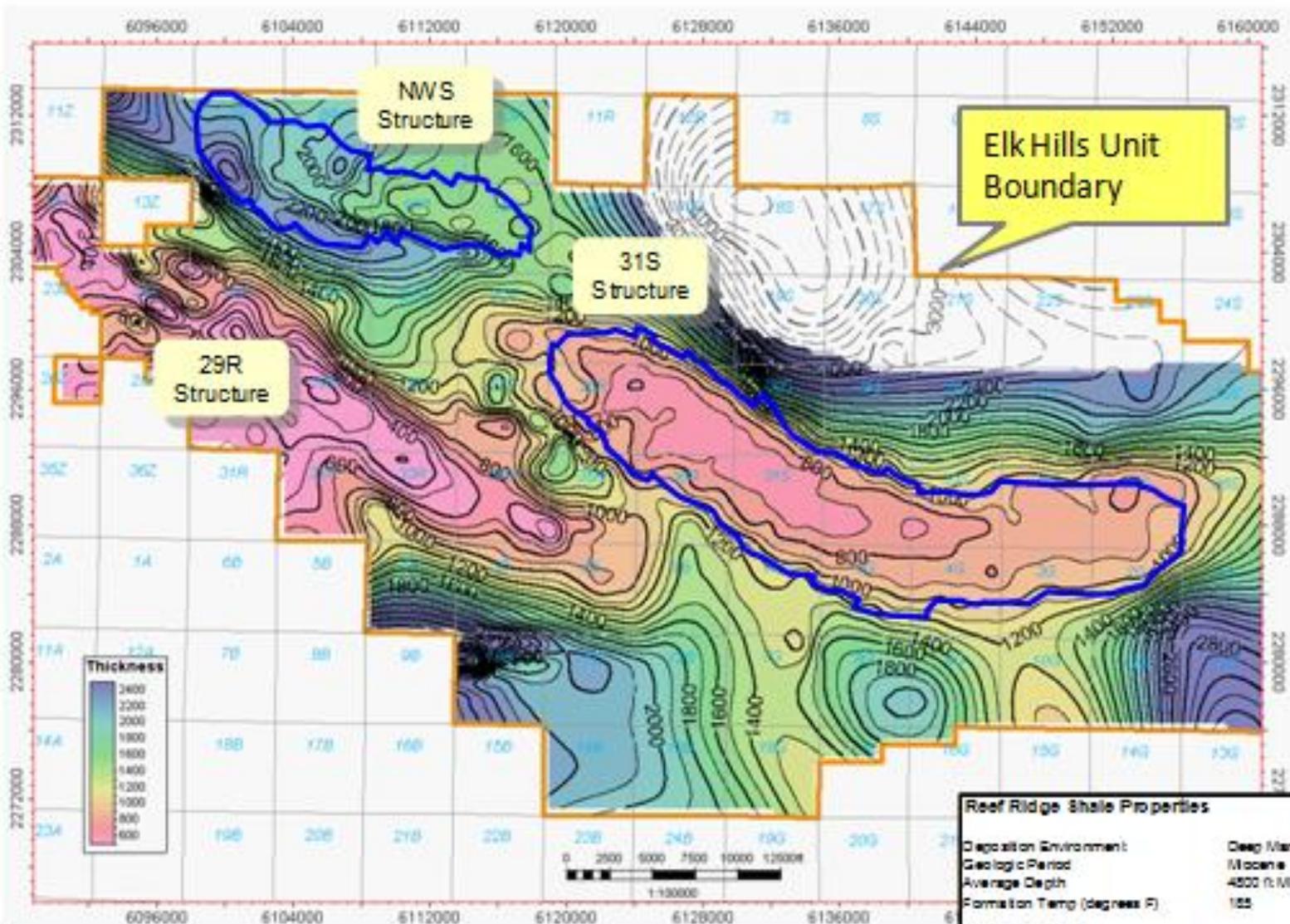


Figure 5.8 Simulation of 50 years of injection of CO₂ into the base of a saline formation. Capillary forces trap CO₂ in the pore spaces of sedimentary rocks. (a) After the 50-year injection period, most CO₂ is still mobile, driven upwards by buoyancy forces. (b) After 1000 years, buoyancy-driven flow has expanded the volume affected by CO₂ and much is trapped as residual CO₂ saturation or dissolved in brine (not shown). Little CO₂ is mobile and all CO₂ is contained within the aquifer (after Kumar et al., 2005).



Note:
 Contour interval = 100'
 Dashed contours denote areas of limited control points.

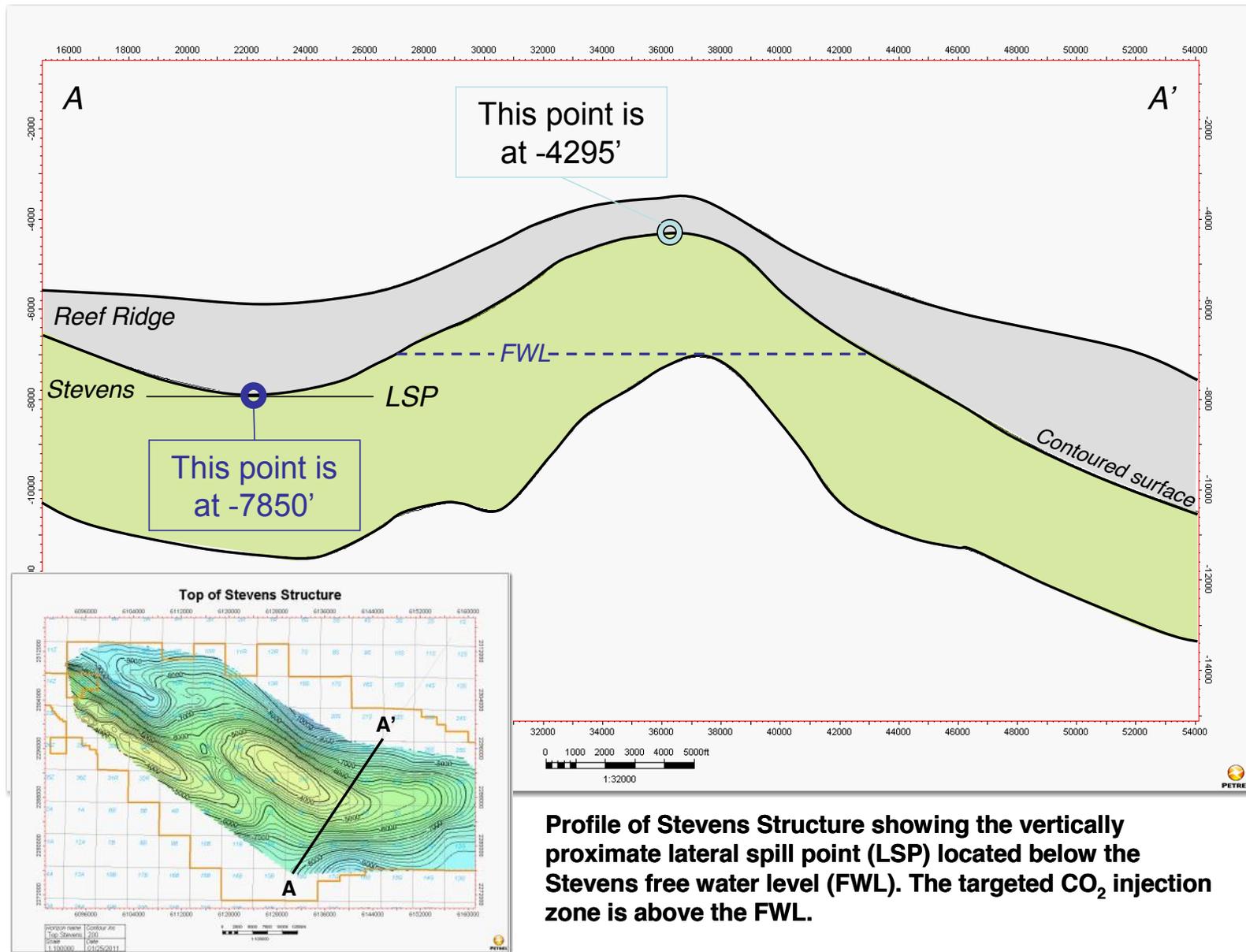


Figure 19 - View of Stevens Cross Section Showing Spill Point and Free Water Level

What about old wells that puncture the Ridge Reef shale?

- 1) Old wells have all been sealed.
- 2) Data collected during oil extraction above and below the Reef Ridge shale demonstrates that these old wells do not provide pathways for significant leakage of CO₂.
- 3) The presence of large quantities of methane (natural gas) below the Reef Ridge Shale is also very strong evidence that leakage cannot occur.

CONCLUSIONS

Enhanced oil recovery (EOR) is an excellent way to provide long-term geologic storage of CO₂ at low cost, in advance of an economic or regulatory incentive that makes non-EOR CO₂ injection feasible.

The CO₂ injected into a geologic formation is usually in a supercritical state, behaving more like oil than like gas.

The specific geology in the Elk Hills oil field is ideally suited for long-term (permanent) storage of CO₂ as the injection target is relatively deep, with an excellent seal (Reef Ridge shale), and with extensive knowledge of the subsurface geology.