CBM TECHNIQUES IN THE SULCIS AREA (SW SARDINIA, ITALY)





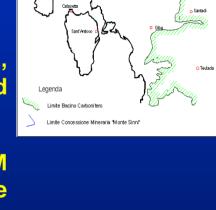
CARBOSULCIS S.p.A.

CARBOSULCIS S.p.A A CBM Project in Italy

- The most significant project in Italy about exploitation of Coal Bed Methane, is developing in the coal basin of the SW of Sardinia.
- The CARBOSULCIS spa Company, owned by Sardinian Government, holds the concession for mining activities in the only active coal mine in Italy.
- CARBOSULCIS is located in a highly industrialized area, concerning with metallurgical and chemical production, and power generation.
- Carbosulcis Company directly attends a project for CBM technology applications not only in its coal basin mine concession, but in the whole eocenic basin, with the main National Institutes of Research.
- Carbosulcis Company holds quality and environmental certifications and belongs to several international committees about CCTs.



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CARBOSULCIS spa The Italian Mining Company in the Coal

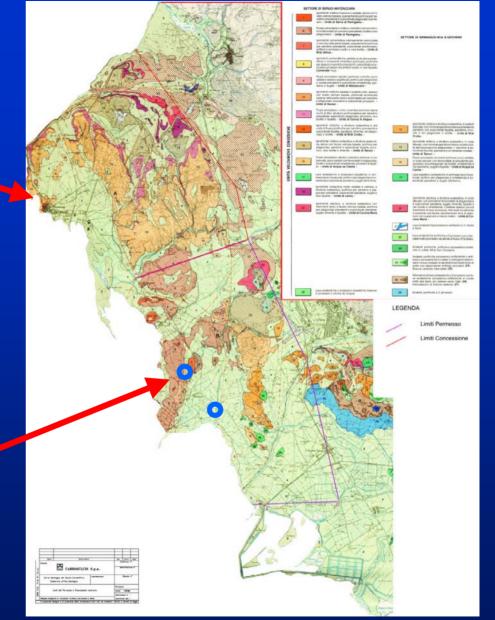
- The whole Eccenic Caol Basin that embraces the "Miniera Monte Sinni" Coal Minig Concession, is exploited since the end of 19th century
- 600 million tons of salable sub-bituminous coal from the coalfield of whole Sulcis Area (about 1400 km² equally parted between in-shore and offshore)
- About 20 km² net mined areas and abhandoned drives in the whole coal basin
- □ 60 million of tons of salable coal in the 550 km² mine concession area
- 1.5 million tons/year of salable coal production potentiality with long wall system technology
- □ 15 km of main mined drives
- □ 30 km of development drifts
- □ 600 employed labour units between surface and underground
- □ Distance from Coal Mine to ENEL Coal Power Station, 3 km

Coal Mines Subcommittee Meeting - Tuscaloosa, AL 22-23 May 2006

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Carbosulcis coal mine concession



preliminary exploration programme

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Mining plan in the "Miniera Monte Sinni" Coal Concession

Mined area

Exploiting area





STAGES		FORMATIONS	MAJOR LITHOLOGIES		DEPOSITIONAL ENVIRONMENT	
010	ENE MIOCENE	Volcano- sedimentary comlpex Appr. 450 m		Pyroclastics rhyolitic ignimbrites andesitc basalts	Volcanics interbedded within continental terrigenous successions	Not studied
N O Z	OLIGOCENE	Cixerri Fm. Up to 300m		Polygenic conglomerates sandstones siltstones claystones	Alluvial fans braided plains	Alluvial fans
CAE	(Eary) EOCENE	Produttivo Fm. 30-70 m		Siltst. Sandst. Cgl coal freshwater limest maris claystones	Fluvial channels palustrine lacustrine paralic lagoonal	Fluvial channels supralittoral paludal- lagoonal littoral
		Miliolitic Limestone Fm. 30-40m		Bio-calcarenites maris	Hypersaline & mesohaline lagoons	Sublittoral
Palaeocene		Basal Conglom.	• - • • •	Conglomerates	Transgressive lag	
Mesozoic		Dolomite			Folded	
PALAEOZOIC BASAMENT		PERMO- TRIASSIC		metasedimentary formations		Not studied

CBM Sardinian Project

The feasibility study carried out by Carbosulcis, and supplied by Sotacarbo, INGV, IES and ETH, produced interesting conclusions, to be dealt as a starting point for the next step:

- □ Geological fair conditions for CBM production, mainly in unminable areas of the Eocenic basin (800-1500 m depth).
- Analogies between Sulcis coal basin characteristics (coal, aquifers, deep groundwater, etc...) and the ones corrisponding to already exploited sites by CBM plants (Recopol-Poland, USA).
- Theorical estimation about production of CBM and further ECBM, for methane recovery.

Coal data details

The Sulcis Coal is classified as sub-bituminous, rich with vitrinite, very important maceral component able to slow down desorption of methane.

The Productive Formation thickness is about 50-80 m, and consists of 10 seams.

Petrographic analysis has been carried out on several samples from different seams in -400 m depth.

The Vitrinite Reflectance is very close to the optimum for maximum CBM potentiality (Ro = 0,7 %).

	VITRINITE [%]	REFLECTANCE [Ro %]
Seam 1	93	0,67
Seam 2	89	0,67
Seam 3	85	0,68
Seam 4	82	0,67
Seam 5	100	0,67
Seam 10	89	0,70

Coal data details

The Sulcis Coal moisture varies between 5 and 7 % at the current mining depth, but it highly depends on the depth itself.

Increasing moisture causes a reduction of the methane production potenciality, because of its attitude of "competing" with methane in filling up the useful coal matrix voids.

The reduction of moisture from 6% to 1%, assumed at higher depth, provides a rise of methane production.

Coal data details

MAIN CHEMIC PARAMETERS OF THE SULCIS COAL [Mean %]				
Moisture	6,91			
Volatile Matter	44,09			
Ash	31,26			
Fixed Carbon	19,4			
Total Carbon	45,96			
Н	4,04			
N	1,21			
0	11,93			
S	5,6			
PCS	4415 kcal/kg			
PCI	4177 kcal/kg			
Ui	5,25			

CBM in SULCIS as a whole

ACCORDING TO THE International Energy Agency RESERVOIR SCREENING CRITERIA THE OUTCOMES CAN BE SUMMARIZED AS FOLLOWS:

•	Reservoir homogeneity	0?
•	Minimal presence of faults and folds	<i>2</i> ?
•	Range of depths (800 – 1500 m)	<i>©</i> ?
•	Coal bed condensed geometry	<i>©</i> ?
•	Sound permeability	<i>©</i> ?
•	Coal composition (macerals, rank, ash)	<i>©</i> ?
•	"Miliolitic Limestone" groundwater composition	<i>©</i> ?
•	GIP (Gas in Place) and its saturation	<i>2</i> ?
•	Moisture content	8?

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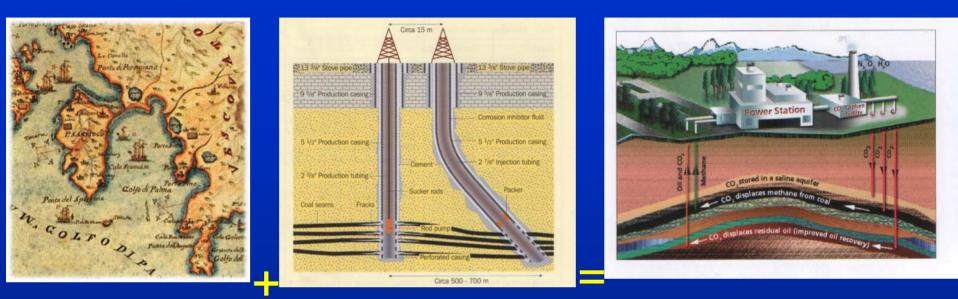
THEORETICAL ESTIMATION

	ONSHORE	OFFSHORE	TOTAL
Estimated PG by CBM (MMCM)	6687	4566	11253
Estimated PG by ECBM (MMCM)	12037	8219	20256

CBM and ECBM reserves (Producible Gas = PG) in Sulcis. MMCM = Millions of Cubic Meters, MMT = Millions tonns.

CBM NEXT STEPS & GOALS

- Start a survey campaign "in situ" supported by the outcomes of the previous study.
- Application of seismic technology to produce a detailed geologic map of the coal basin, downto depth concerning with CBM exploitation.
- Undertake a drilling campaign in-shore and off-shore to verify seismic data.
- Implementation of technical and scientific know-how aiming to reach the best technical solutions for Power Generation with CBM.
- □ Find new technological and financial Partnerships.
- Make the Sulcis coal basin site a Pole for Scientific Studies about CBM-ECBM developing technologies, and a productive site for CBM exploitation and CBM Power Generation.



THE FORECAST FOR CBM EXPLOITATION IS RATHER ENCOURAGING

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CBM main expectation from M2M

Methane recovery in a coal basin under mining exploitation concerns with Abhandoned Mines and Air Ventilation as well as Coal Beds reservoirs.

Carbosulcis is deploying several resoures to carry out a concrete project for CBM and further ECBM utilization, but aims to undertake parallel initiatives to reach a wider project for methane recovery as a whole.

More than 2 km² of mined drives in the present concession and about 20 km² of abhandoned mines, may represent an important methane reserve to be discovered.

The main issue to face is the lack in know-how about VAM and AMM approach, data analysis, techniques, monitoring systems, safety operations, methane recovery methods.

In such context Carbosulcis is searching wider instruments to be successful. The coal mine methane subcommettee represents an interesting source of perspectives for its international involvement, with experienced partnership.

