

**WESTERN KENTUCKY SEQUESTRATION SUB-PROJECT  
MEETING**

**January 8, 2009**

**KGS Well Sample and Core Library, Lexington, KY**

These people were present for the meeting:

**KGS Staff**

Jim Cobb

Dave Williams

Dave Harris

Rick Bowersox

Jim Drahovzal

Jerry Weisenfluh

Brandon Nuttall

Glynn Beck

Jackie Silvers

Mike Lynch

**Smith Management**

Karen Thompson

**CAER**

Jim Hower

**GEO Consultants**

Ross Miller

**Sandia Technologies**

Phil Papadeas

**ConocoPhillips**

Scott Rennie

Paul Heard

Sarah Edman (via telephone)

**E.ON US**

Roger Medina

Doug Schetzel

Glenn Sundheimer

**Sandia Technologies**

Phil Papadeas

**TVA** (via telephone)

Ed Stephens

**Schlumberger Carbon Services** (via telephone)

Dwight Peters

**Project administration:**

Drilling rig schedule: Paul Heard gave an update on the availability of drill rigs capable of doing this project, noting that this project could be competing with the ADM / Illinois project for a rig. There was a general discussion of the EPA comment and appeals periods, EPA's expectations, and how these will affect the drilling schedule.

There was some interest in proceeding cautiously in case permit comments or an appeal require changes the design. Phil Papadeas responded, though, that the design is robust enough that it should survive any comments. Participants discussed when to sign a rig contract and its dependence on the issuance of the permit.

There was discussion of the contingencies related to the permit comments and any added items and cost they could create for the project design.

Members also discussed the EPA requirement for separate water-monitoring well with the project. Phil Papadeas said it looks very likely that such a well will have to be drilled, because it's in the conditions of the permit, which are never removed.

There was a general discussion about the need to proceed with the project in a timely and successful manner because of the disappointments which followed some other such projects elsewhere. This project has included the selection of the geologically best available site, promising a probability of success.

There was agreement that no major project actions should take place until the end of the comment period and issuance of the EPA permit.

**Update on possible new participants:**

Dave Harris said he had contacted USGS in Reston, VA, and suggested their participation in this project as an avenue of increased involvement, since USGS is now assessing what it needs to do in this area. They are considering it. They may possibly provide in-kind services.

Rick Bowersox said he had received no response after sending an e-mail to the Texas Bureau of Economic Geology. Phil Papadeas will follow up on this.

Jim Cobb volunteered to contact Scott Tinker on coring and logging services. He will also contact Alliance Coal next week about helping, possibly with the monitoring well and NETL within a week as well.

**Vendor Presentation:**

Ross Miller of Geo Consultants talked about working up a quote for the monitoring well services. He said the specifications would be to Kentucky monitoring well standards. He discussed his company's experience elsewhere with such wells.

There was a discussion about where to do the water testing, using the KGS Laboratory or an outside lab. It was suggested that the initial tests could be done by an outside lab and the later ones at KGS.

## **Project Operations:**

Dave Williams reported letters were sent on Jan. 6 to land owners around the project site asking about water wells and whether they could be sampled, as required by the EPA draft permit. Five wells have been identified so far. Because there is public water available throughout the area, he doubted anyone is using wells for drinking water, though perhaps for agriculture purposes. There was a discussion about using the responses in the KGS / Foundation comments on the EPA permit.

There was a discussion on handling the 3-year water monitoring requirements after the project timelines have been completed.

Karen Thompson reported on the December meeting of the group examining the legal and regulatory issues related to carbon storage. They plan to meet later in January.

Brandon Nuttall made a PowerPoint presentation on the state energy strategy, and there was a discussion of the strategy, its effects on the coal industry and projects like this one.

The next meeting was set for February 5 or 12, depending on the status of the EPA permit after public comments have been evaluated.