**KYCCS Western Kentucky Project Meeting**

**October 23, 2009**

**KGS Lexington Core Library**

These people were present at the meeting:

**KGS**

Dave Williams

Dave Harris

Rick Bowersox

Jim Cobb

Jerry Weisenfluh

Brandon Nuttall

Jim Dinger

Junfeng Zhu

Glynn Beck

Marty Parris

Steve Greb

Jim Drahovzal

Mike Lynch

**Ky. Dept. for Energy Development**

 Paul Brooks

**Sandia Technologies**

Phil Papadeas

**ConocoPhillips**

Michelle Pittenger

Scott Rennie

Jaedong Lee

Sarah Edman

**E. ON U.S.**

Glenn Sundheimer

Douglas Schetzel

Roger Medina

**Schlumberger**

 Dwight Peters

 Bob Butsch

 Jim Kirksey

Dave Williams of KGS welcomed the participants and asked all to introduce themselves.

KGS Director Jim Cobb said it has been an “amazing 27 months” since the start of the project. He noted that it began in August 2007 with House Bill 1 passage, followed four months later by a call for partners. By January 2008, we had the partners together in serious talks, followed by planning through spring and summer. KYCCS and the private Foundation were formed. By the 22nd month drilling began; by the 24th month we were drilling. It’s rare that legislation requires KGS to do something via state law, and we’ll be able to report good success to the next legislature which starts in January.

 He noted that KGS put $935,000 in employee salaries / time into the project, and the state of Illinois contributed $235,000. It’s rare, he added, for one state to help another this way.

 He thanked the private partners who provided funds and technical expertise, and the U.S. DOE, which provided $292,000 for the Precambrian core through a regional consortium. Now $1.6 million more has come from DOE stimulus money for a new project phase. He noted that this is the largest non-federal sequestration project in the U.S.

 He also pointed out that this issue is being addressed in a number of professional meetings he has recently attended. KGS made the front page of the Lexington newspaper with a story about the Precambrian core.

 This project was also used as the best example of applied research when UK Vice President for Research Jim Tracy talked to new faculty at UK this year.

**Budget Status:**

 Dave Harris went over the invoices for the total expenditures on the project. The remaining UK / KGS funds total $124,016.41 out of the original $1.35 million allocated to the project. All of this will be spent on project costs.

 The overall project is actually well under budget; the Foundation will realize any savings as a result of this.

Scott Rennie said the original total budget estimate was about $8 million. About a month ago, the estimated expenditures were $7.1 million. So we came in about $900,000 under the anticipated budget.

The private partners, he said, each put in $1.5 to $1.8 million.

Dave Harris said $140,000 will be kept in the Foundation account as cost share against the next phase. (The total cost share for that phase is about $400,000.) He credited Paul Heard with a great job keeping track of the expenditures and thanked Sandia Technologies, which worked to keep the invoices moving during the process.

Scott Rennie told the meeting that great project management is what brought about the “under-budget” status. He said he ConocoPhillips officials that working with KGS has made this difference.

**Project Review:**

**Seismic:** Jim Drahovzal summarized the interpretation of the seismic data gathered for the project. (See presentation: “02 Drahovzal Hancock County Seismic Interpreation.pdf.”)

**Geologic Review:** Rick Bowers provided a geologic review of the project. (See “03 Bowersox KYCCS-WKY Project Review 10-23-09.pdf.”)

**Formation Water Geochemistry:** Marty Parris said the project provided an opportunity to test a hypothesis about the salinity of the groundwater in the area. (See his presentation, “04 Parris Marvin Blan #1 Water Chemistry.pdf.”)

**Groundwater monitoring:** Glynn Beck made a presentation on the findings of groundwater sampling associated with the project. (See “05 Beck Marvin Blan #1 Groundwater Monitoring.pdf.”)

**New Albany Shale:** Brandon Nuttall made a presentation on findings about the New Albany Shale in the Hancock County well. (See “06 Nuttall Marvin Blan #1 New Albany Shale.pdf.”)

**Maquoketa Shale:** Michelle Pittenger made three presentations on the Maquoketa Shale core from the well, formation imaging done during the project, and a seismic inversion study to derive porosity estimates from the seismic data. (See: “07 Pittenger Marvin Blan #1 Maquoketa Core Report.pdf.,” “08 Pittinger Marvin Blan #1 Image Log.pdf.,” and “09 Pittinger Marvin Blan #1 Seismic Inversion Study.pdf.”)

**Drilling Operations:** Phil Papadeas made a presentation on the drilling operations during the course of the project. (See “10 Papadeas Marvin Blan #1 Operations Review.pdf.”)

Scott Rennie noted that Paul Heard has drawn up a ‘lessons learned’ document, and he (Scott) will share the document next week.

**Testing:** Jaedong Lee outlined the results of the well-testing. (See “11 Lee Marvin Blan #1 Well Testing.pdf.”)

**Production Logging and Borax Injection Test:** Bob Butsch outlined the logging interpretation. (See “12 Butsch Marvin Blan #1 Injection Log Interpretation.pdf.”)

**Public Outreach:** Dave Williams and Mike Lynch talked about the outreach efforts, noting the success of the coordination between the partners on news releases, the mix of media which ran stories on the project, and the success of the site tour. (See “13 Williams Public Outreach.pdf.”)

 It was recommended that we make sure our success at public outreach is told to others in the CCS community.

**Future Work:** Dave Harris made a presentation about the next phase of work at the site. (See “14 Harris Future Work.pdf.”)

 He said that since we promised the property owner to vacate the site by end of September 2010, and we told DOE we’ll do the majority of the work in the first year, so we must move pretty quickly. Phil Papadeas said that, according to DOE, we should have funding documents by the end of November and funds by the end of December.

 Scott Rennie said the private partners would like to be involved in some of the designing of the testing program for the new phase. It would be a good idea to start working by the end of the year on that. He also advised talking to Sarah Edman and Dianna Tickner about the Foundation involvement in public outreach.

Dave Williams expressed appreciation to all parties involved for their effort, attention to the project and funding people contributed. The result was a great success.