

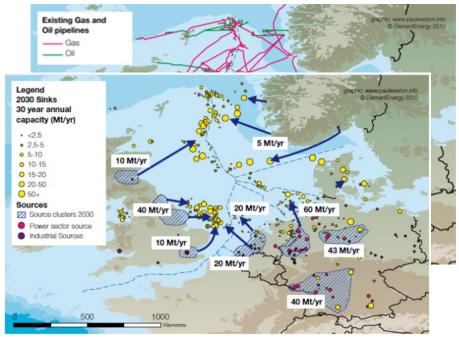
HIGHLIGHTS OF K12-B

- > First site in the world where CO₂ is being injected into the same reservoir from which it originated
- > First and only operational CO₂ storage project in the Netherlands
- > Serves as field laboratory on a fully productive gas platform in the Southern North Sea
- > CO₂ injection performed on the mature, still producing natural gas field K12-B
- > 12 years of capturing and re-injection of CO₂ without any major incidents
- > Long term ongoing scientific research
- Close collaboration between operator and research institutes



CCS IN NORTH SEA

- Major part CO₂ storage capacity of Europe lies in the North Sea
- Countries around the North Sea: Limited onshore storage*
- Shorter term: share infrastructure to support CCS development in North Sea countries
- Medium / longer term: joint transport and storage infrastructure



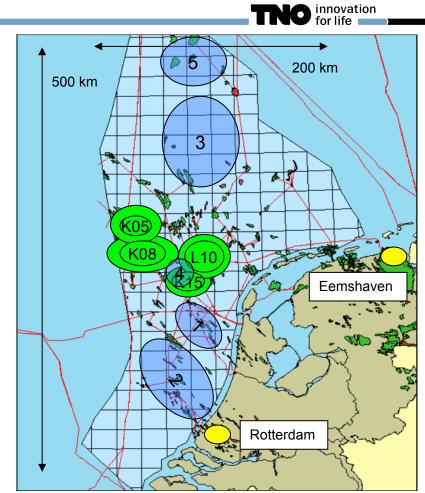
3 | History of K12-B

SHORT TERM STORAGE CAPACITIES DUTCH SECTOR

Gas fields (clusters)

Name	Size	Available			
K15	54 Mt (165)	>2016			
K08	130 Mt (195)	>2019			
L10	125 Mt (175)	>2022			
K05	40 Mt (140)	>2028			
Saline formations					
Location	Size	Available			
1. Cretac.	225 Mt	2015+			
2. Cretac.	360 Mt	2025+			
3. Trias	650 Mt	2025+			

Location	Size	Availab
1. Cretac.	225 Mt	2015+
2. Cretac.	360 Mt	2025+
3. Trias	650 Mt	2025+
4. Rotlieg.	60 Mt	2025+
5. Trias	190 Mt	2025+



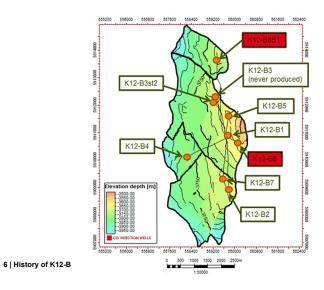
HOW DID THE CO₂ INJECTION START

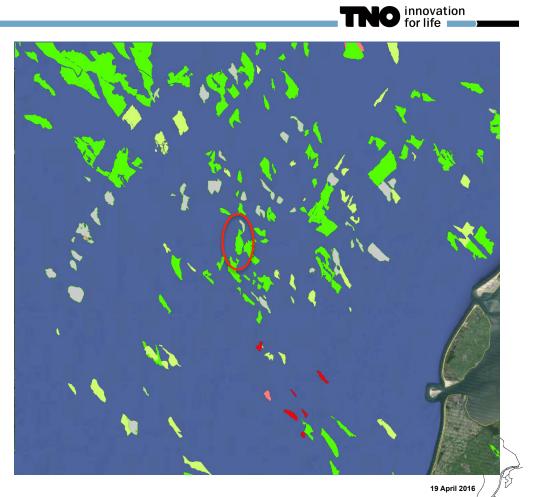
- On 7 February 2002, the Dutch Minister of Economic Affairs introduced a new policy to promote studies into the feasibility of CO₂ storage in the subsurface
- Through CRUST: CO₂ Re-use through Underground Storage under the Dutch Climate Policy Implementation Plan, funding became available for studies that would evaluate the feasibility and use of underground CO₂ injection, including the associated infrastructure and organizational aspects
- In that same year a feasibility study was kicked off. The project's aim was to investigate the feasibility of CO₂ injection and storage in depleted natural gas fields on the Dutch continental shelf
- > K12-B, a mature gas field, was selected as a demonstration site for offshore injection of CO₂
- The project was subsidized by the Dutch Ministry of Economic Affairs and carried out by Gaz de France Production Nederland B.V., the operator of the K12-B platform and TNO.



LOCATION AND SIZE

- > Gas field in the Dutch sector of the North Sea
- > 150 km North West of Amsterdam
- > 8 km long & 2.5 km wide

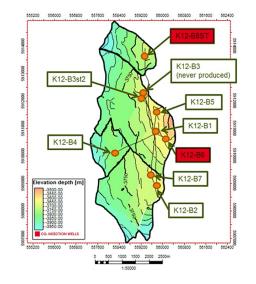


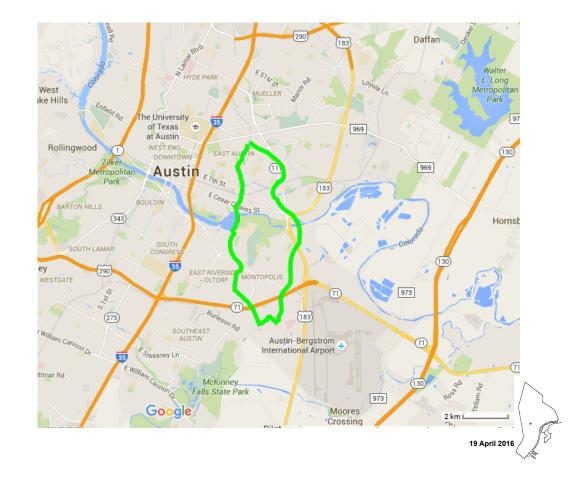




LOCATION AND SIZE

> Overlay of the field as reference*





THE FEASIBILITY STUDY

Aim was to investigate the feasibility of CO₂ re-injection and storage

- With the Dutch government it was agreed that the study would address the following key aspects:
 - > Legal, regulatory and social aspects
 - > Necessary surface and sub-surface equipment
 - > Expected behaviour of the natural gas field
 - > Safety, monitoring and environmental aspects
 - > Economics of underground injection and storage

Initial project was performed by Gaz de France and TNO

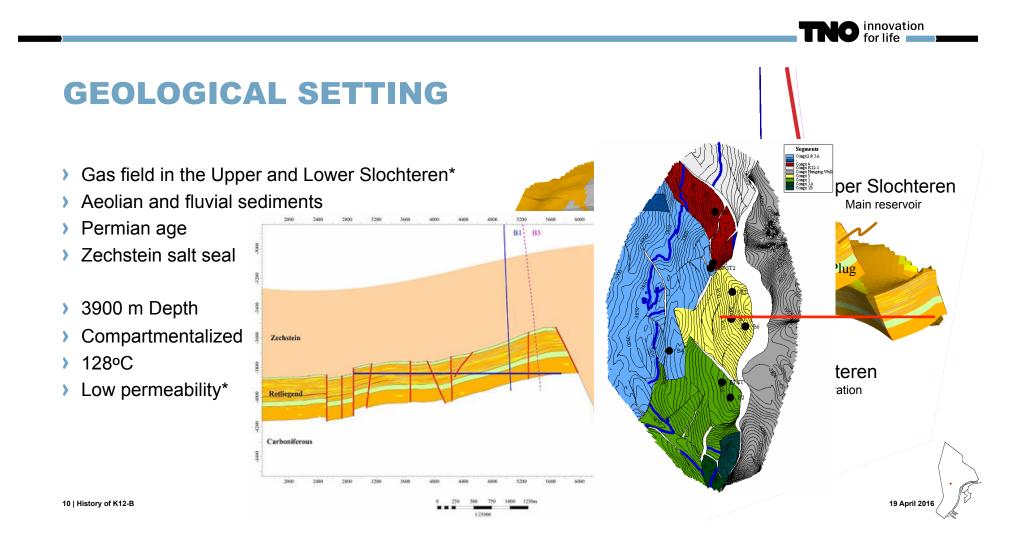


LEGAL, REGULATORY AND SOCIAL ASPECTS

- > Legal and regulatory aspects of underground CO_2 injection and storage have been studied.
- > For CO₂ storage at K12-B the following legislations were considered the most relevant:
 - > The new (Dutch) Mining Act
 - > The Environmental Management Act
 - > The OSPAR Convention
- > Result: No significant legal or social impediments against the foreseen underground CO₂ injection
- > Although some points needed further clarification, like the the ownership of the injected CO₂
- > Minister of environment visited the K12-B platform during CO₂ injection operations

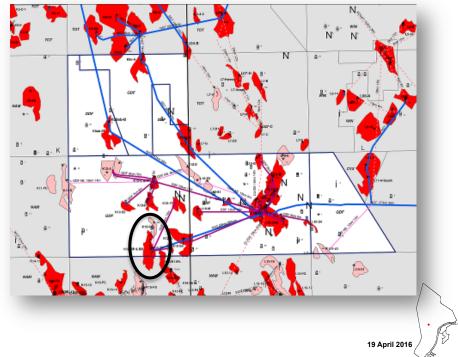


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GAS PRODUCING OPERATIONS

- Discovered early 80's, online since 1987
- > Initial gas in place: 14.4 BCM
- Currently at tail end production, < 0.2 BCM to go</p>
- Initial CO₂ content of natural gas is 13 %
- Since beginning CO₂ is separated from produced gas
- > CO₂ (re-)injection online since 2004
- > K12-B platform functions as a hub for natural gas

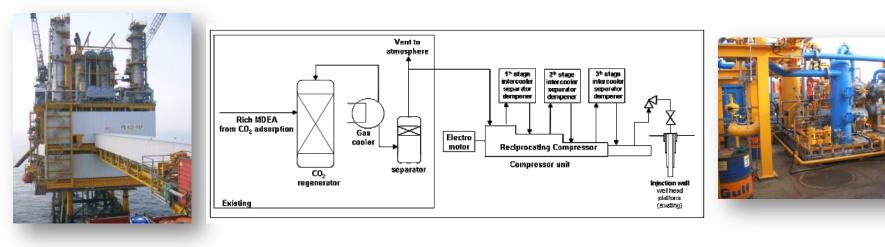


OVERVIEW OF THE CO₂ INJECTION FACILITIES

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19 April 2016

The CO₂ is separated from the natural gas by means of a adsorption process with a solvent*
 A compression unit compressed the CO₂ to approximately reservoir pressure to enable injection
 Full-scale unit would be about 10 to 20 times larger than that of the current demonstration unit



CO₂ INJECTION AT K12-B

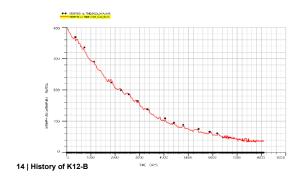
> All wells were originally developed as natural gas producers

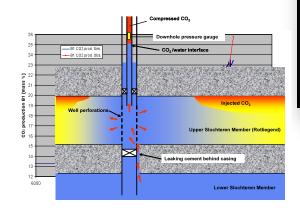
- In 2004 actual CO₂ injection started in single well compartment 4*
 - Investigate injectivity and test the injection facility
 - > Investigate the behavior of CO₂ in the well and the reservoir
- > Over 10 kt were injected using the K12-B8 well
- Injection continued in 2005 in multi well compartment 3*, additional goals:
 - Investigative well integrity under CO₂ injection conditions*
 - Investigate possibilities for CO₂ EGR
- > Over 100 kt and counting....

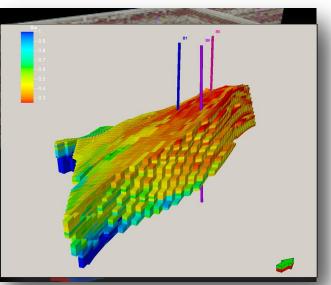
K12-B8 – Injector/Producer K12-B3st1 - Producer K12-B5 - Producer K12-B1 - Producer K12-B6 - Injector 19 April 201

DYNAMIC FLOW MODELS

- History matched models for pressure and flow were created*
- > Later also CO₂ concentrations in production wells were modelled*
- > Various simulators where used and numerous updates were created
 - Including the seemingly decreased kh in well K12-B6* (caused by intruding water)









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WELL INTEGRITY

- Objective assessing the impact of the CO₂ on the well completion materials >
- The K12-B6 well injector has been used since 2005 for the injection of CO₂ >
- The impact of this CO₂ on the well has been studied by lowering a variety of monitoring tools >
- Throughout the measurements no serious issues were detected >

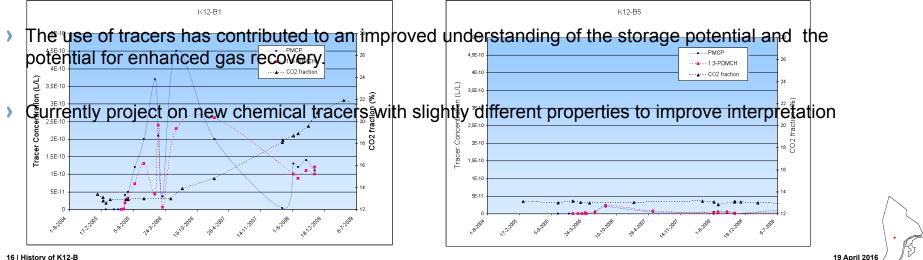


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CHEMICAL TRACERS

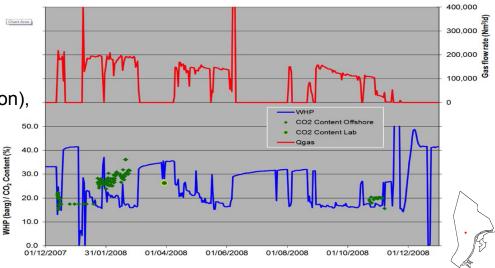
Objective: study the migration of CO₂ in the reservoir

- Two tracers were injected in the K12-B6 well at start of CO₂ injection in 2005
- Tracer concentration was measured in the two (three) producers to identify exact breakthrough

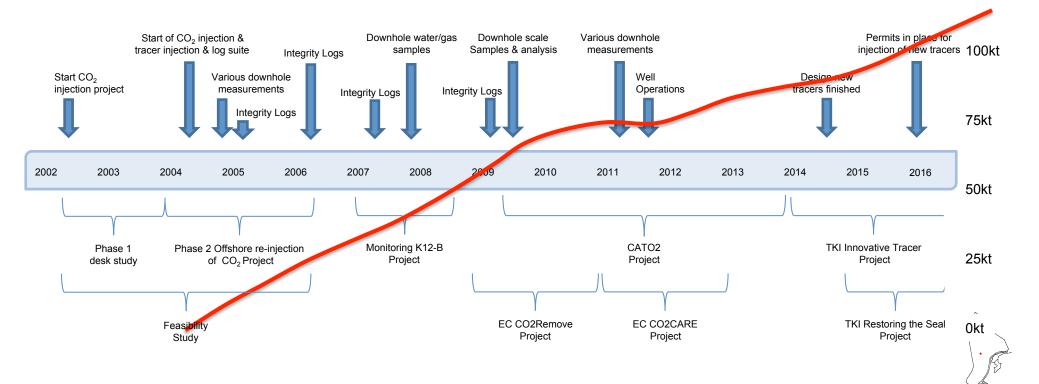


BACK PRODUCTION INJECTED CO₂

- > Well K12-B8 is a gas producer that stopped producing mid-2004.
- This well was used end 2004 and early 2005 for the first phase of CO₂ injection in the K12-B field (10 months of CO₂ injection).
- After three years without any activities performed on the well, the well was back produced in 2007
- Measurements were taken (incl. CO₂ concentration), providing insights in the behavior of CO₂ in the depleted gas reservoir.
- Experiment was later repeated with comparable results



TIMELINE CO₂ INJECTION K12-B



CONCLUSIONS AND OUTLOOK

- It is technically feasible to re-inject CO₂ in a safe way into depleted gas fields, and it can also be done simultaneous with E&P operations
- There is now a proven track record of over a decade, supported by many risk assessment studies
- The findings of this extensive scientific CO₂ re-injection research can be showcased and applied to other Carbon Capture and Storage Projects in the world



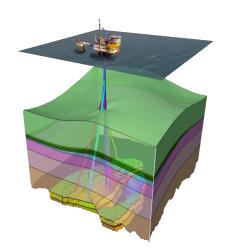
CONCLUSIONS AND OUTLOOK

- > Modelling, monitoring and injection of innovative tracers
 - > Permits arranged
 - > Injection of tracers is planned for May
- Experiment to restore the original natural salt seal by removal of part of the casing

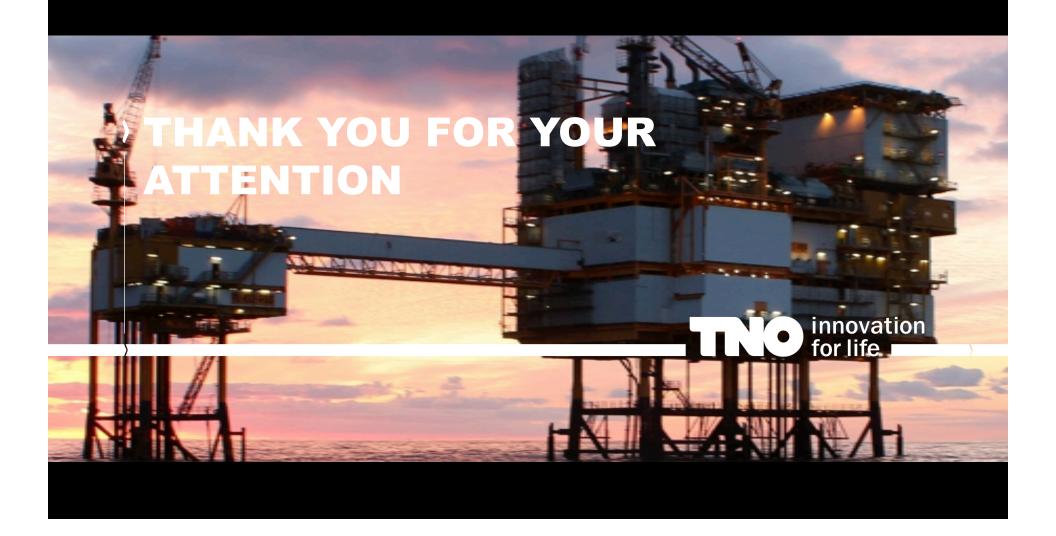


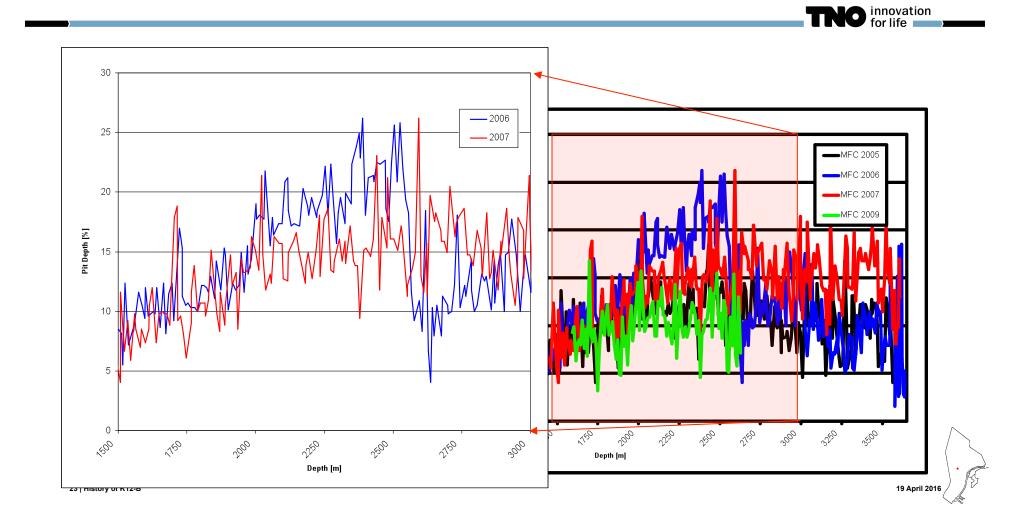
ACKNOWLEDGEMENTS

- > The Dutch government for supporting the ORC, Castor, MONK, CATO, CATO2 and TKI projects
- > The European Union for supporting the EC CO2ReMoVe and EC CO2Care projects
- > Daan D'Hoore en Hilbrand Graven from ENGIE (formerly GdF) for all their support over the years



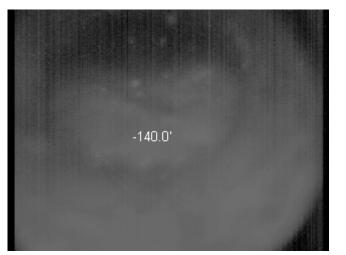
21 | History of K12-B

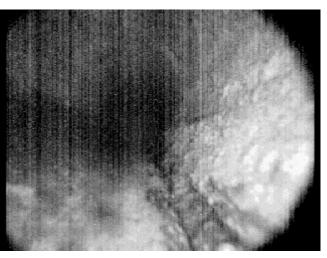




WELL INTEGRITY

- > CBL could not be performed due to obstruction at perforation level**
- > Obstruction was investigated with a video log
- > EMIT (ElectroMagnetic Imaging Tool) insensitive to scale







WELL INTEGRITY

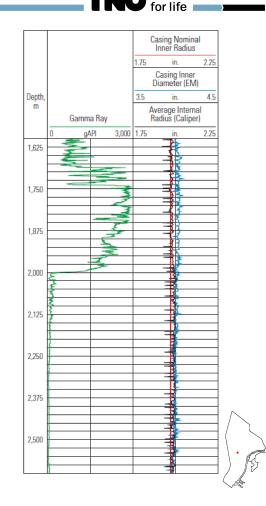
- > CBL could not be performed due to obstruction at perforation level**
- > Obstruction was investigated with a video log
- > EMIT (ElectroMagnetic Imaging Tool) insensitive to scale
- Ran in combination with Multi-finger caliper (PMIT) and Gamma Ray*
- > Conclusion was no relevant issues with the wells

In addition to wireline logs and memory gauges also downhole water samples were taken and analyzed*

 CATIONS
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 PROPERTIES

 Solution
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 PROPERTIES

CATIONS		<u>ma/l</u>	meg/l	PROPERTIES	
Sodium	Na	93150	4052	pH @ 20°C	6.10
Potassium	К	918	23	Specific Gravity @ 15.6°C	1.186
Calcium	Ca	13300	664	Resistivity@15.6°C (Ohm.m)	0.044
Magnesium	Mg	2156	177	Dissolved solids (g/l)	281.4
Barium	Ba	6.1	0.09	H ₂ S Content	not detected
Strontium	Sr	184	4.2		
Iron (tot.)	Fe	274	9.8	ADDITIONAL ELEMENTS	<u>mq/l</u>
Iron (diss.)	Fe	245	8.8	Lithium Li	40
				Silicon Si	20
ANIONS		<u>mg/l</u>	meq/l	Phosphorus P	< 7
Chloride	Cl	172884	4876	Boron B	76
Sulphate	50 ₄	358	7.5	Aluminium Al	< 6
Bicarbonate	HCO3	233	3.8		
Carbonate	CO3	nil	nil		
Hydroxide	OH	nil	nil		



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