

## **Methane to LNG Żory Coal Mine Project**

### **QUARTERLY PROGRESS REPORT**

**Reported period 1 April - 30 June 2009**

**Project Months no: 6-8**

#### **Executive summary**

Within the reported period i.e. project months 6-8 (1 April – 30 June 2009) the drilling works of the Zory M1 bore hole were completed. The depth of the borehole is 209 m below the ground level, the abandoned workings/goafs have been reached. The borehole was secured with a gate valve. CETUS provided a containerized work station including a complete installation for intake, analysis and CMM flaring. Some operational failures occurred during the testing of the installation which caused delay in the works. Nevertheless, initial trials of gas capture were carried out, preliminary data of the CMM parameters were collected. They showed promising results of methane content on the level of 84%. At the same time studies were made concerning the analysis of the LNG market in Poland including fuel prices analysis, gas market analysis, LNG market analysis, characteristics of potential customers and a case study on a specific type of customer – PCC RAIL. A separate group of tasks was related to the assessment of the environmental impact of LNG including all stages of its production: extraction, upgrading and liquefaction. Assessment of the environmental implications of CMM extraction at the Zory site was carried out. To assess the environmental implications of LNG production, a survey of methods and technologies for CMM upgrade conversion to LNG was made with special focus on environmental issues. Administrative management of the project was carried out. The project web page was updated, a photogallery was created to illustrate the progress of work.