Japan-Asia CCUS Forum 2021

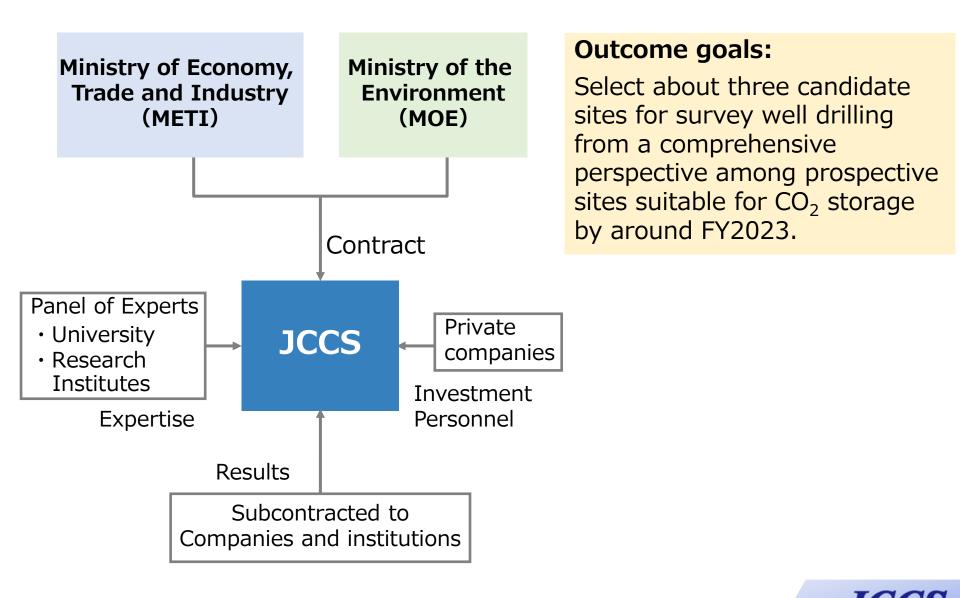
Outline of the project "Investigation of Potential Sites for CO₂ Storage in Japan"

October 20, 2021 Japan CCS Co., Ltd.

Copyright 2021 Japan CCS Co., Ltd. JCCS

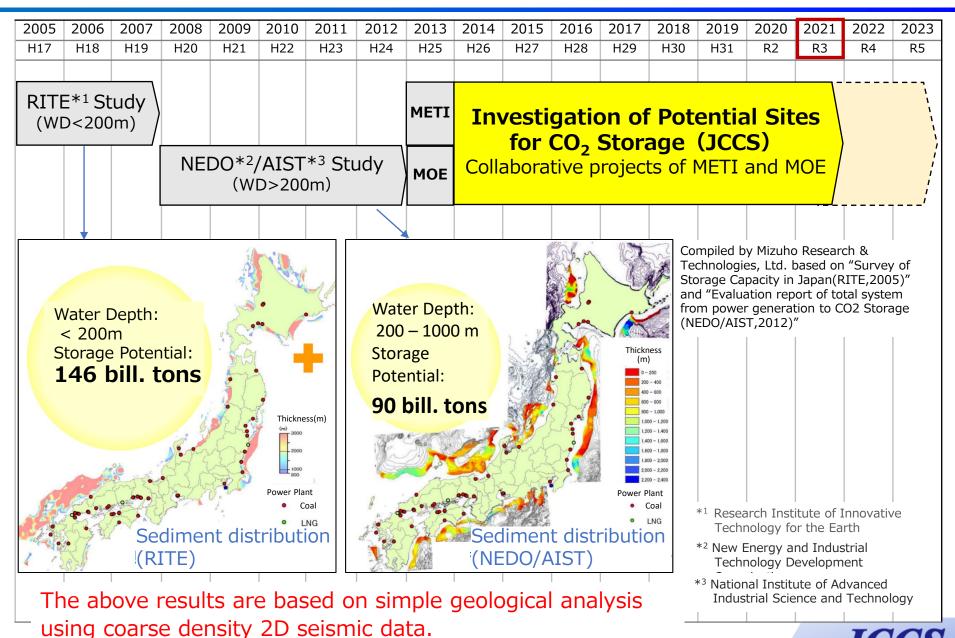
- **1.** Overview of the project
- 2. Survey methodology, Applicable technologies
- **3.** Outcomes so far, Summary





Copyright 2021 Japan CCS Co., Ltd. JUCD

Evaluation of storage potential in Japan



Copyright 2021 Japan CCS Co., Ltd.

4

1. Overview of the project

2. Survey methodology, Applicable technologies

3. Outcomes so far, Summary



The reservoir has sufficient storage capacity

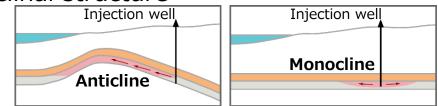
Sufficient area and continuity to absorb pressure increase

The caprock covers the reservoir

- Sufficient seal capacity so that CO₂ does not leak
- Sufficient strength to withstand destruction by pressure increase

Geological structure in which CO₂ stays underground

- Anticlinal structure or gentle monoclinal structure
- Appropriate depth

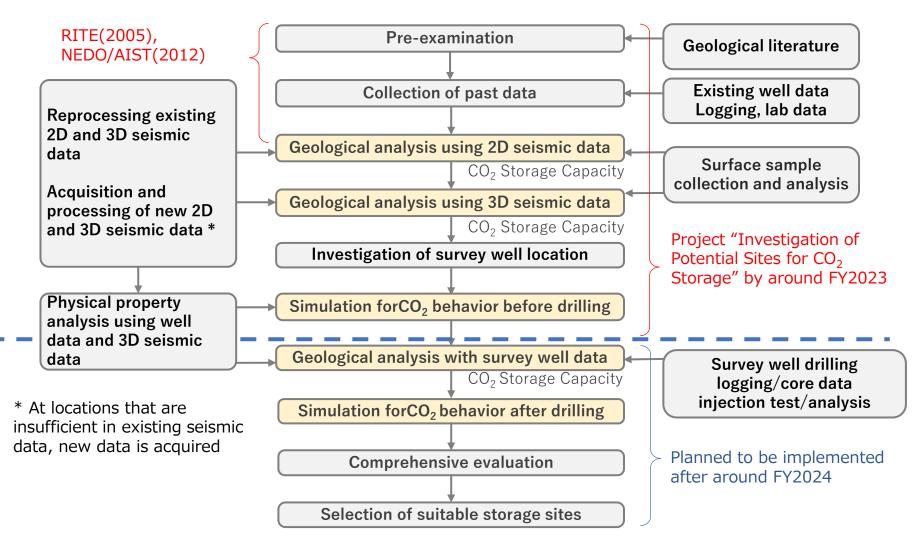


No faults that can be leakage paths for CO₂

Intensive earthquakes have not occurred in the past in the vicinity



Selection flow of suitable storage sites



- In project "Investigation of Potential Sites for CO2 Storage", evaluation accuracy is improved by using 3D seismic data.
- Drilling of survey wells is necessary to proceed to "comprehensive evaluation"

Geological Characteristics of Japan and Points to Note

Development of active faults, complex geological structure

Large changes in reservoir properties (sedimentary basins are small)

Seismic 3D data is required from a relatively early evaluation stage to grasp the details of fault distribution, extraction of geologically stable areas, reservoir/caprock distribution and properties

Permeability is often low (reservoir facies tends to be tuffaceous, where volcanic glass easily changes into clay minerals.)

Data acquisition, core sampling, and injection test by survey wells are important for evaluating injection properties and storage capacity

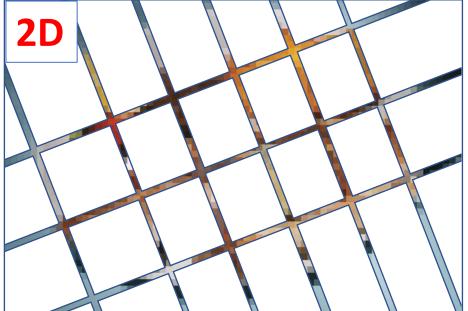


8

2D Seismic Data vs. 3D Seismic Data

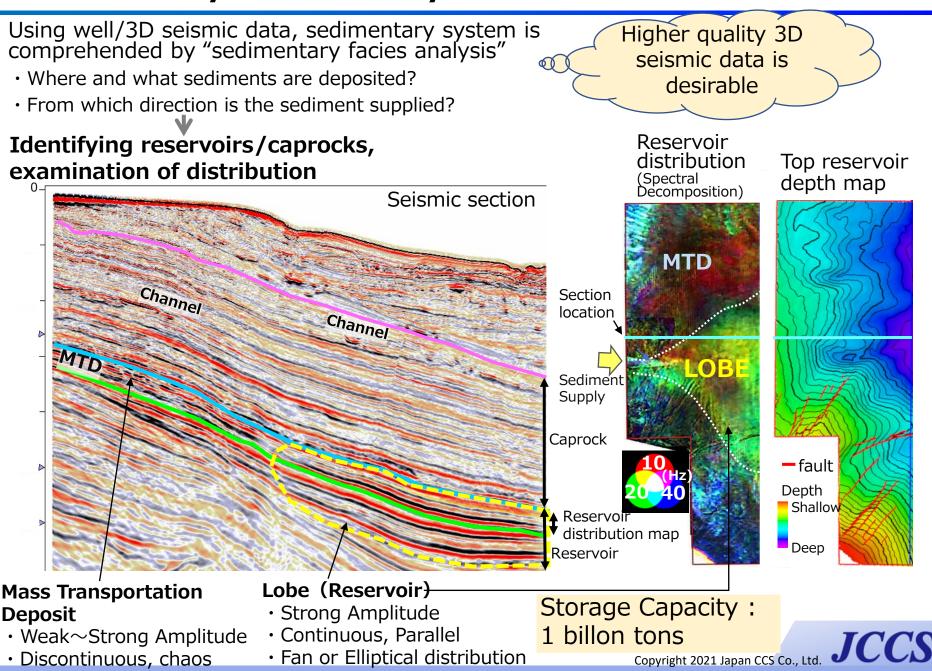


- 3D data has overwhelmingly more surface information than 2D data.
- 3D data shows more detail at fault connections than 2D data





Sedimentary Facies Analysis



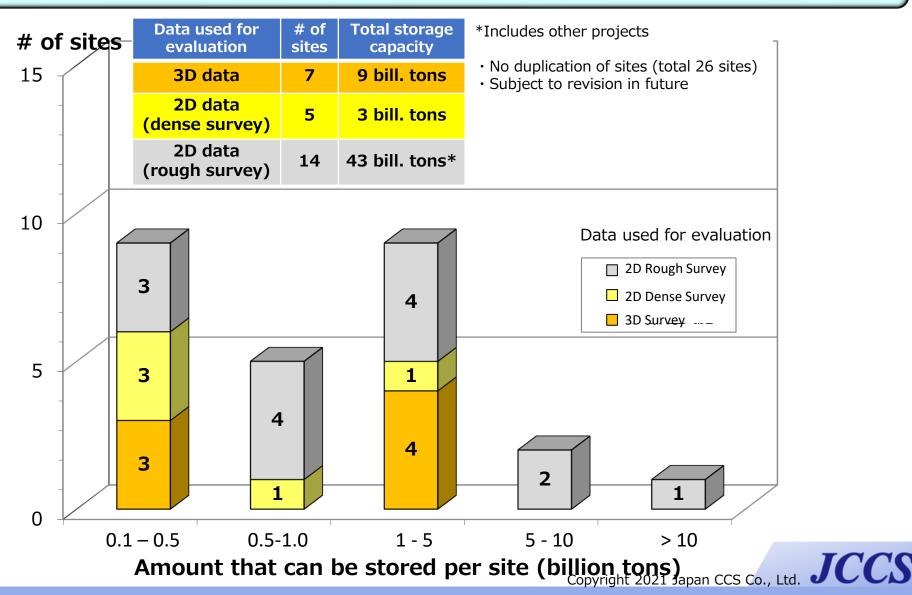
1. Overview of the project

- 2. Survey methodology, Applicable technologies
- **3.** Outcomes so far, Summary

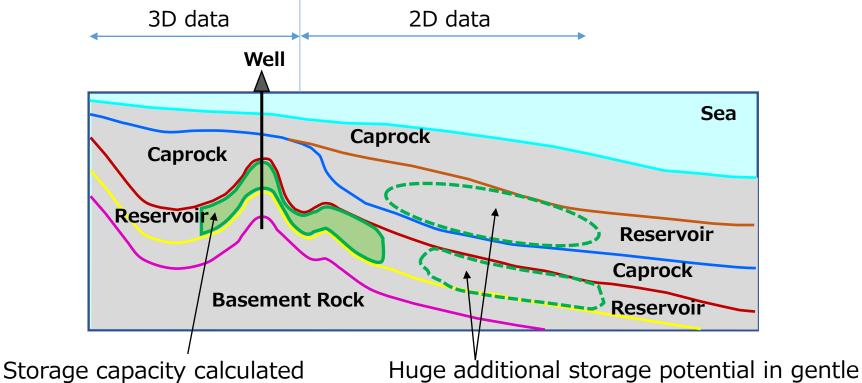


Evaluation results of the storage capacity (As of March 2020) ¹²

Considerable domestic storage potential in both the number of storage sites and the amount that can be stored.



Additional potential



near drilled anticlinal structure monoclinal structure away from the well

- The storage capacity calculated area so far is limited to around anticlinal structures.
- Gentle monoclinal structure areas have possibility of huge additional potential
- In the additional potential area, there is only 2D seismic data.
 - ⇒ Additional storage capacity can be expected by acquiring new 3D seismic data and drilling exploration wells.

Summary

- 1. Estimated amount of storage within the surveyed range as of March 2020 (by volumetric method):
 - 3D data area : 9 billion tons in total of 7 sites
 - 2D (dense) data area : 3 billion tons in total of 5 sites
 - 2D (rough) data area : 43 billion tons in total of 14 sites

The entire sedimentary basin has not been evaluated, and there is a possibility of huge additional potential in monoclinal structure areas.

- 2. In order to reduce uncertainty in assessing the amount of storage and to improve the accuracy of risk assessments, it is necessary to drill survey wells to identify the reservoir/caprock layer, to evaluate the injection property of the reservoir, and to obtain data for evaluating the sealing ability.
- **3.** Aim to select about three candidate sites for survey well drilling from a comprehensive perspective among prospective sites suitable for CO2 storage by around FY2023.