Linc Energy UCG Leases in AK

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News: In 2016, Linc Energy declared bankruptcy and we are considering all of these project to be shelved

Summary

An Australian company, Linc Energy, is exploring several sites in Central Alaska and near Cook Inlet, looking into the feasibility of developing one, or more, underground coal gasification (UCG) projects in those areas.

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Background on UCG

> Underground Coal Gasification (UCG) (/Issues/AlaskaCoal/UndergroundCoalGasification.html) involves igniting coal in the ground, then collecting and using the gases (“syngas”) that result from its partial combustion. Although the idea dates back over a century, very few UCG plants have ever been built. Underground gasification could potentially allow the use of coal that is currently uneconomical to mine. Underground gasification eliminates the need for strip mining (/Issues/AlaskaCoal/CoalMining.html), and might make carbon capture and sequestration (CCS) (/Issues/AlaskaCoal/Carbon-Capture-And-Sequestration-CCS.html) more practical. However, UCG produces more carbon dioxide per unit energy than standard coal-fired power plants (/Issues/AlaskaCoal/CoalCombustionMethods.html). The wastes coal combustion leaves behind (/Issues/AlaskaCoal/Coal-Ash-Combustion-Wastes.html) can leach pollutants into nearby groundwater, and have caused major contamination in UCG pilot projects.

-modified from our article on UCG (/Issues/AlaskaCoal/UndergroundCoalGasification.html)

Linc Energy Leases

In March 2010, the Australian company Linc Energy (http://www.lincenergy.com/index.php) acquired 123,000 acres of coal and natural gas leases (http://www.petroleumnews.com/pntruncate/116497741.shtml) near Cook Inlet. In January 2011,

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Linc leased an additional 180,000 acres (http://abnnewswire.net/press/en/65082/Linc_Energy_Limited_%28ASX:LNC%29_Acquires_More_Underground_Coal_ of Mental Health Trust Land for further exploration.

Linc Energy has stated (http://www.lincenergy.com/data/media_news_articles/LNC-Media_Coverage-617.pdf) that their primary goal is the generation of electric power, with an additional interest in conversion of the syngas into transportation fuels. Linc hopes (http://www.petroleumnews.com/pntruncate/374790128.shtml) to have production by 2017. Linc has not said whether they would consider using carbon capture and sequestration (CCS) (/Issues/AlaskaCoal/Carbon-Capture-And-Sequestration-CCS.html) for their projects, without which the carbon dioxide emissions greatly exceed that of traditional coal combustion (/Issues/AlaskaCoal/CoalCombustionMethods.html).

Current Status

In Fall 2011, Linc applied for, and received, permits for exploratory drilling at two sites, one near Healy/Anderson (http://dnr.alaska.gov/mlw/mining/coal/linc-interior/index.cfm) and one on the west side of Cook Inlet near Tyonek (http://dnr.alaska.gov/mlw/mining/coal/linc-tyonek/index.cfm). Drilling at these two sites was to consist of a total of five boreholes, at depths of 3000-4000 feet. By November 2012, only one hole had been drilled, near the Beluga power plant on the west side of Cook Inlet. 2-D seismic studies over much of the leases were undertaken in 2011 and 2012. In late 2014, Linc Energy applied

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for and received permits (http://www.alaskapublic.org/2014/09/17/state-oks-linc-energys-tyonek-coal-exploration-plan/) for further exploratory drilling on the West side of Cook Inlet near Tyonek. In 2016 Linc Energy declared bankruptcy (http://www.petroleumnews.com/pntruncate/116766381.shtml).

Further Reading

> "Linc Energy Interior Exploration" page maintained by the Alaska DNR (http://dnr.alaska.gov/mlw/mining/coal/linc-interior/index.cfm)

> "Linc Energy Tyonek Area Exploration" page maintained by the Alaska DNR (http://dnr.alaska.gov/mlw/mining/coal/linc-tyonek/index.cfm)

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