



CO₂ production and the Canyons of the Ancients National Monument:

Preserving our nation's history and energy independence.

Overview

Kinder Morgan CO₂ Company, L.P. (Kinder Morgan) responsibly produces CO₂ on BLM lands, helping domestic oil and gas producers use CO₂ flooding to maximize production from existing reservoirs.

Kinder Morgan is committed to maintaining a tradition of responsible stewardship as demand for CO₂ continues to grow. You can feel comfortable about our activities. Kinder Morgan presents no threat to our culturally significant lands while contributing millions of dollars to local economies.

What is CO₂ Flooding?

CO₂ flooding is an environmentally friendly, proven recovery technology that enables oil and gas producers to maximize production from existing reservoirs. CO₂ can be flooded into a mature field where it acts as a solvent, enabling oil to flow more easily and increasing recovery.

Where Does CO₂ Come From?

CO₂ is found in naturally occurring reservoirs across North America. Discovered in 1948, the McElmo Dome, located approximately 20 miles from Cortez, Colorado, contains the largest concentration of nearly pure, natural CO₂ in the U.S.

Most of the CO₂ produced from this field is moved via existing pipelines to the Permian Basin for use in oil production operations.

Preservation Comes First

Kinder Morgan respects the environmental and archeological importance of this sensitive region. We take enormous pride in our history of responsible stewardship and protection of resources both above and below ground.

An Important Resource in a Sensitive Area

The 204,000-acre McElmo Dome Unit lies mostly within the Canyons of the Ancients National Monument – lands inhabited by the Anasazi Indians between 450 A.D. and 1300 A.D.

Fast Facts

- CO₂ flooding helps the U.S. meet the need for oil and gas – by maximizing production from existing wells.
- The CO₂ used to flood the Permian Basin alone adds about 35 million barrels of non-imported oil per year to U.S. supplies.
- In producing CO₂, the McElmo Dome Unit pays more than \$12 million annually in royalties, including over \$8 million to the federal government, \$3 million in ad valorem taxes and more than \$8 million directly to local businesses.
- The McElmo Dome CO₂ used to flood the Permian Basin supports 12,000 jobs with a payroll and tax base that approximates \$700 million per year.
- Kinder Morgan has a long and excellent record of environmental and archeological stewardship in the BLM lands of the McElmo Dome region.
- Kinder Morgan follows stringent processes to protect the environmental and archeological resources in the area.



We are proud of our activities in this cherished natural monument our economic contributions and our role in helping our nation generate its own energy. We thank you for taking the time to learn about our efforts and appreciate your ongoing support.

If we can answer any questions about CO₂ production and flooding, please call us at 1-800-247-4122, or visit www.kindermorgan.com.

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Our Track Record

Since 1976, when McElmo Dome field development began, Kinder Morgan and its predecessor, Shell Oil Company, have put protection and preservation first. We follow stringent internal and BLM-mandated processes before initiating any drilling program. In nearly 30 years of field development and operation in the region, no BLM sanctions have been filed against the operators at McElmo Dome.

Stringent Processes

Our site-selection process demonstrates our commitment to protecting this sensitive region.

- When a need for additional CO₂ is identified, areas of excess processing capacity are first reviewed to determine if a new well can fit into an existing system. This eliminates the need for new infrastructure and minimizes our footprint on the monument.
- If new drilling is deemed necessary, a four- to six-month site-selection process begins. Archaeologists, surveyors, builders and engineers collaborate to propose a site.
- The BLM reviews short- and long-term effects on 13 environmental factors that include threatened wildlife, air quality, water quality and old-growth trees.
- An environmental assessment is written as part of the BLM process. It addresses the 13 environmental specialty areas plus long-term impact.
- The BLM solicits public comments before a permit is issued.
- If a well proves unproductive, all surface disturbances are reclaimed upon abandonment and according to BLM specifications.

Minimizing Surface Damage

Whenever possible, Kinder Morgan uses existing roads to access its drill sites. We also use advanced completion technologies to reduce the number of new wells drilled and related surface infrastructure.

