# For More Information

Derek Brown
Director
Phone: (250) 952-0432
Derek.Brown@gems6.gov.bc.ca

Barry Ryan
Coal and Coalbed Methane Specialist
Phone: (250) 952-0418
Barry.Ryan@gems4.gov.bc.ca

Ministry of Energy and Mines
Oil and Gas Division
Oil & Gas Emerging Opportunities &
Geosciences Branch
6th Floor, 1810 Blanshard Street
PO Box 9323 STN PROV GOVT
Victoria, BC V8W 9N3
www.gov.bc.ca/em

## Sources

Smith, G.G. (1989): Coal resources of Canada; Geological Survey of Canada, Paper 89-4.

Johnson, D.G.S. and Smith, L.A. (1991); Coalbed Methane in southeastern British Columbia; British Columbia Ministry of Energy and Mines, Petroleum Geology Branch, Special paper 1991-1.

Dawson, F.M., Lawrence, G.F. and Anderson, T.C. (1998): Coalbed methane resource assessment of the Dominion coal blocks southeast British Columbia; Geological Survey of Canada, Open File 3549.

Ryan, B. (2003): The CBM resource of prospective areas of the crowsnest coalfield

# Oil & Gas Emerging Opportunities & Geosciences Branch

develops and promotes BC oil and gas investment opportunities

## **British Columbia Offers:**

- Pro-business government
- Competitive fiscal regime
- One stop regulatory approval
- Ready access to Canadian and U.S. Markets
  - · A skilled service sector



BRITISH COLUMBIA

> MINISTRY OF ENERGY AND MINES

# CBG (Coalbed gas) Opportunities in Southeastern British Columbia CROWSNEST



The Crowsnest coalfield is part of the East Kootenay coalfields in southeast BC. Located between the Elk River and the Alberta-BC border, it extends from southeast of Fernie to north of Sparwood. The field is 10-20 km wide, nearly 60 km long and occupies an area of about 60,000 ha (600 km²). World-class coal resources (nearly 27.7 billion tonnes) are contained in this coalfield, and Coalbed gas (CBG) in-place resource in the area is estimated to be 12 Tcf (Johnson and Smith; 1991).

Coal and surface ownership in the Crowsnest coalfield is a combination of provincial, freehold and federal. Most of the freehold coal is located in the northern part of the coalfield. Currently, surface land and coal rights in the Dominion Coal Blocks (DCB) are federally owned. The DCB consists of two parcels (parcel 73 and 82) combining an area of about 20,000 ha (200 km²) in total. Except for approximately 2,600 to 4,100 ha which is owned by Shell Canada, the province owns the petroleum and natural gas (P&NG) rights in the coalfield, including in the DCB. Where there is freehold coal, the Provincial Crown P&NG tenure may be acquired by the freehold coal owners.

The coal seams occur within the Jura-Cretaceous Mist Mountain Formation in a geological basin bounded by the Borgeau thrust fault on the west and in part by the Flathead fault on the east. Total coal thickness in the Mist Mountain Formation varies from an average of about 30 m on the east to 60 m on the west. The coal rank varies from low to high-volatile bituminous, increasing to the southwest and down dip into the center of the coalfield. Gas content is estimated to vary from 10.9 to 20.1 cc/gm (350-650 scf/t) (Dawson et al.; 1998).

Coal has been mined in the East Kootenay for over 100 years. Until the 1960s, most were underground coal mines, located close to the rail line along the western side of the Crowsnest coalfield. The coals at all these mines contained methane. Since 1970, large open pit mining has occurred at both the Elk View and Coal Mountain coal mines. It is estimated that about four billion tonnes of the total coal resource (~27.7 billion tonnes) may be mineable, of which only 100 million tonnes may be surface mineable (in addition to the existing two mines). Much of the surface mineable potential occurs in Dominion Coal Block Parcel 73 (76 million tonnes). Dominion Coal Block Parcel 82 has an underground mineable potential of 230 million tonnes.

CBG in-place resource in the Crowsnest coalfield is estimated at 12 Tcf (Johnson and Smith; 1991), of this 6.58 Tcf (0.65 Tcf for block 73 and 5.92 Tcf for block 82) is in the Dominion Coal Blocks (Dawson et al., 1998). However, the geological complexity of the Crowsnest coalfield must be considered when projecting how much of the CBG may be recoverable. The coalfield forms part of the Lewis thrust sheet and therefore had a protracted deformational history. Initial thrusting was followed by folding in the late Cretaceous and extension on north-trending major faults in the Tertiary. The thrusting caused shearing within some seams that is unrelated to the amount of subsequent folding. This has possibly impacted permeability and generates fine coal that may make CBG production more difficult. Successful production will rely on understanding the interplay between deformation, the coal quality and the location of specific geologic structures. With these caveats in mind, the more prospective area may be where the Mist Mountain Formation is in the depth window of approximately 200 to 1000 metres. The total resource in the area where the Provincial Crown has both coal and P&NG titles is estimated in very general terms to be 2.78 Tcf (B.Ryan; 2003).

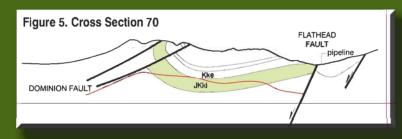
Three companies drilled CBG exploration holes in the coalfield in the 1990s (Mobil/Chevron 2, Gulf Canada 2, Saskoil 4). CBG exploration projects were also conducted in Elk Valley (by Fording, Norcen, and Suncor in the 1990s), Greenhills (by Encana; present), and several Alberta Foothills locations.

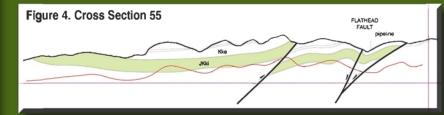
Potential CBG markets include BC, Alberta, and the US along with local markets for residential and industrial users. The TransCanada 36" pipeline, which connects Alberta gas fields with BC and the US market, trends from north to south through the coalfield. Terasen's 8" gas pipeline comes off this main line and serves the towns of Sparwood, Elkford and some of the mines. There are extensive electricity transmission systems, a major highway (Crowsnest Pass Highway #3), and a number of logging roads available in the area. Crowsnest coalfield is in the Ktunaxa-Kinbasket Tribal Council traditional territory. Treaty negotiations are progressing steadily and a specific oil and gas consultation agreement is being negotiated.

The Ministry of Energy and Mines is leading the CBG strategy, in collaboration with the Oil and Gas Commission, to facilitate and stimulate CBG projects across the province. The BC government has made various regulation and legislation changes to make CBG resource more attractive to potential developers and investors.

# ROCKY Mountains and Foothills South PORCUPINE HILLS FM. WILLOW CREEK FM. BATTLE FM. ST. MARY RIVER FM. BLOOD RESERVE FM. BEALLY RIVER FM. WAPIABI FM. CARDIUM FM. BLACKSTONE FM. MA BUTTLE FM. CARDIUM FM. BEAVER MINES FM. MA BUTTLE FM. BEAVER MINES FM. CALCAREOUS MBR. GLADSTONE FM. CADOMIN FM. CADOMIN FM. CADOMIN FM. POCATERRA CREEK MBR. MOOSE MIN. FM. WEARY RIDGE MBR. FERNIE GROUP From: Smith 1989

# Figures 3 - 5. Cross Sections





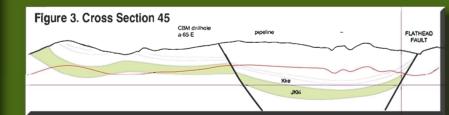
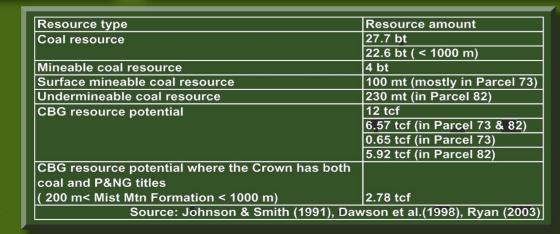


Figure 1.
Stratigraphic Table from Smith (1989)

Figure 2. Resource Summary



# GEOLOGY MAP OF THE CROWSNEST COALFIELD

