

# Denbury Executes Definitive Agreement with Lake Charles Methanol for CO<sub>2</sub> Transportation and Storage Services

27.10.2022 | [Business Wire](#)

[Denbury Inc.](#) (NYSE: DEN) ("Denbury" or the "Company") today announced that its subsidiary, Denbury Carbon Solutions, LLC., has executed a 20-year definitive agreement to provide CO<sub>2</sub> transportation and storage services to Lake Charles Methanol ("LCM") in association with LCM's planned "blue" methanol project.

LCM's world class facility will be located along the Calcasieu River near Lake Charles, Louisiana, approximately 10 miles from Denbury's Green Pipeline. The facility is designed to utilize Topsoe's SynCOR™ technology to convert natural gas into hydrogen which will be synthesized into methanol, while incorporating permanent carbon capture and sequestration. The process is anticipated to deliver over 500 million kilograms of hydrogen per year as a feedstock to produce 3.6 million metric tons per year ("mmtpa") of "blue" methanol, while capturing approximately 1 mmtpa of CO<sub>2</sub>. This is a CO<sub>2</sub> equivalent to removing the emissions of 200,000 cars from the road each year.

LCM is finalizing its major permits to begin construction, and securing services for LCM's carbon transportation and sequestration is a major milestone. The project is expected to reach a Final Investment Decision in 2023 with first production anticipated in 2027.

The CO<sub>2</sub> to be captured by LCM will be transported by Denbury to the Green Pipeline and then to one of multiple planned sequestration sites along Denbury's expansive Gulf Coast CO<sub>2</sub> pipeline network. In association with the project, Denbury intends to construct a pipeline connection from the Lake Charles industrial area to its Green Pipeline. The Company anticipates that the new pipeline will facilitate the transportation and storage of significant additional CO<sub>2</sub> emissions from the Lake Charles industrial area, which are currently estimated at 20 mmtpa.

Nik Wood, Senior VP and head of Denbury Carbon Solutions, commented, "We're excited to reach this significant agreement with LCM on its innovative Blue Methanol project. In addition to serving LCM's CO<sub>2</sub> transportation and storage plans, our pipeline network expansion into the Lake Charles area will position Denbury to help other industrial customers in the area decarbonize their businesses. We look forward to working with LCM on this exciting low-carbon project, reducing CO<sub>2</sub> emissions and creating value for Denbury shareholders."

Don Maley, Chief Executive Officer of Lake Charles Methanol, said, "Our partnership in carbon sequestration with Denbury will help LCM achieve industry leading low-carbon intensity clean hydrogen and blue methanol, completing a transformation of the LCM project into one of the leading U.S. industrial projects decarbonizing production of methanol at scale. Denbury's world class carbon sequestration infrastructure pairs well with LCM's best in class use of innovative technology to achieve clean hydrogen production as defined by the Inflation Reduction Act and the Bipartisan Infrastructure Framework. We are excited to be part of this new clean hydrogen fuels future along with our long-term methanol offtake customers and all of the other stakeholders in Lake Charles and Louisiana."

## ABOUT DENBURY

Denbury is an independent energy company with operations and assets focused on Carbon Capture, Use and Storage (CCUS) and Enhanced Oil Recovery (EOR) in the Gulf Coast and Rocky Mountain regions. For over two decades, the Company has maintained a unique strategic focus on utilizing CO<sub>2</sub> in its EOR operations and since 2012 has also been active in CCUS through the injection of captured industrial-sourced CO<sub>2</sub>. The Company currently injects over four million tons of captured industrial-sourced CO<sub>2</sub> annually, with

an objective to fully offset its Scope 1, 2, and 3 CO<sub>2</sub> emissions by 2030, primarily through increasing the amount of captured industrial-sourced CO<sub>2</sub> used in its operations. For more information about Denbury, visit [www.denbury.com](http://www.denbury.com).

The Denbury Carbon Solutions team was formed in January 2020 to advance Denbury's leadership in the anticipated high-growth CCUS industry, leveraging Denbury's unique capabilities and assets that were developed over the last 20-plus years through its focus on CO<sub>2</sub> EOR.

Follow Denbury on Twitter and LinkedIn.

## ABOUT LAKE CHARLES METHANOL

Lake Charles Methanol, LLC (LCM) is a Clean Hydrogen project located in Lake Charles, LA that will use advanced natural gas reforming technology and permanent carbon capture and sequestration to produce low-carbon intensity hydrogen for conversion to Blue Methanol. Construction of the project is expected to start in the second half of 2023. The project is estimated at a \$4 billion capital investment with construction contracts to be sourced out of the Greater Lake Charles area, along with 200 permanent jobs when operational. Approximately 30% of all materials will be purchased in the local economy with substantial employment during the construction period with up to 750 workers onsite per day during peak construction periods. For more information about Lake Charles Methanol, please visit [www.lakecharlesmethanol.com](http://www.lakecharlesmethanol.com).

This press release contains forward-looking statements that involve risks and uncertainties, including the contingencies related to the plant being financed and built, and the timing thereof, the accuracy of estimated quantities of CO<sub>2</sub> offtake, and obtaining Class VI permits required for permanent CO<sub>2</sub> sequestration. These statements are based on engineering, geological, financial and operating assumptions that Denbury believes are reasonable based on currently available information; however, their achievement are subject to a wide range of business risks, and there is no assurance that these goals and projections can or will be met. Actual results may vary materially. In addition, any forward-looking statements represent Denbury's estimates only as of today and should not be relied upon as representing its estimates as of any future date. Denbury assumes no obligation to update these forward-looking statements.

View source version on businesswire.com: <https://www.businesswire.com/news/home/20221027005932/en/>

## Contact

Brad Whitmarsh, 972.673.2020, [brad.whitmarsh@denbury.com](mailto:brad.whitmarsh@denbury.com)  
Beth Bierhaus, 972.673.2554, [beth.bierhaus@denbury.com](mailto:beth.bierhaus@denbury.com)

---

Dieser Artikel stammt von [Rohstoff-Welt.de](http://Rohstoff-Welt.de)

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/426660--Denbury-Executes-Definitive-Agreement-with-Lake-Charles-Methanol-for-CO2-Transportation-and-Storage-Service>

Für den Inhalt des Beitrages ist allein der Autor verantwortlich bzw. die aufgeführte Quelle. Bild- oder Filmrechte liegen beim Autor/Quelle bzw. bei der vom ihm benannten Quelle. Bei Übersetzungen können Fehler nicht ausgeschlossen werden. Der vertretene Standpunkt eines Autors spiegelt generell nicht die Meinung des Webseiten-Betreibers wieder. Mittels der Veröffentlichung will dieser lediglich ein pluralistisches Meinungsbild darstellen. Direkte oder indirekte Aussagen in einem Beitrag stellen keinerlei Aufforderung zum Kauf-/Verkauf von Wertpapieren dar. Wir wehren uns gegen jede Form von Hass, Diskriminierung und Verletzung der Menschenwürde. Beachten Sie bitte auch unsere [AGB/Disclaimer!](#)

---

Die Reproduktion, Modifikation oder Verwendung der Inhalte ganz oder teilweise ohne schriftliche Genehmigung ist untersagt!  
Alle Angaben ohne Gewähr! Copyright © by Rohstoff-Welt.de -1999-2026. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).