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ExxonMobil to Build Commercial Demonstration Plant to Remove Carbon Dioxide from Natural Gas

Technology Could Enable Commercialization of Higher Carbon Dioxide Content Natural Gas

IRVING, Texas--(BUSINESS WIRE)--

ExxonMobil announced today it is committing more than $100 million to complete development and testing of an improved natural gas treating technology which could make carbon capture and storage more affordable and significantly reduce greenhouse gas emissions.

The company plans to build a commercial demonstration plant near LaBarge, Wyoming, where it will use ExxonMobil's Controlled Freeze Zone(TM) technology, known as CFZ(TM). CFZ(TM) is a single-step cryogenic separation process that freezes out and then melts the carbon dioxide and removes other components including hydrogen sulfide, which is found in so-called sour gas. If successful, the process will reduce the cost of carbon dioxide removal from produced natural gas.

"This technology will assist in the development of additional gas resources to meet the world's growing demand for energy and facilitate the application of carbon capture and storage, to reduce greenhouse gas emissions," said Mark Albers, senior vice president of Exxon Mobil Corporation (NYSE:XOM).

Using the CFZ(TM) process, the carbon dioxide and other components are discharged as a high-pressure liquid stream for injection into underground storage or for use in reservoir management to enhance oil recovery. Besides reducing the cost of separation, transportation and reinjection, the CFZ(TM) process can eliminate the use of solvents, sulfur plants and carbon dioxide venting in processing of the natural gas.

The new demonstration plant will advance the CFZ(TM) technology to commercial application, and be located at ExxonMobil's Shute Creek Treating Facility. It will process about 14 million cubic feet of gas per day for injection and test a wide range of gas compositions to evaluate the extent of its applicability to the world's undeveloped gas resources.

Construction will commence this summer for operational startup in late 2009. Testing is expected to occur over one to two years. The detailed engineering, procurement, and construction management will be provided by URS Washington Division.

CFZ(TM) was developed by ExxonMobil Upstream Research Company and has undergone

significant improvements since the 1980s, when, in an industry first, it proved the concept of freezing carbon dioxide in natural gas separation with a CFZ(TM) pilot plant.

ExxonMobil has more than 50 years of large-scale sour gas production experience, which includes design and operation of the two largest carbon dioxide and hydrogen sulfide injection projects in the world. The company has developed industry-leading expertise in managing safety, reliability and technical challenges associated with highly sour oil and gas developments.

ExxonMobil is a world leader in carbon management technologies and has researched and developed carbon-handling technologies for more than 30 years. In addition to our in-house research programs, ExxonMobil supports carbon capture and storage research at the International Energy Agency's Greenhouse Gas Research & Development Program, the Massachusetts Institute of Technology, Georgia Tech, the University of Texas and Stanford University. The company participates in the U.S. Department of Energy's Southeast Regional Carbon Sequestration Partnership and is working with the European Commission and other companies on the CO2ReMoVe project to evaluate a range of carbon injection and storage technologies in Norway, Algeria and Germany.

The resulting technologies, including CFZ(TM), could play an important role in future widespread use of carbon capture and storage to significantly reduce the release of greenhouse gases into the atmosphere.

CAUTIONARY STATEMENT: Plans and projections in this release are forward-looking statements. Actual future results, including the impact of new technologies, could differ materially due to factors including changes in long-term oil or gas prices or other market conditions affecting the oil and gas industries; changes in law or government regulation; technical difficulties; future technological developments by ExxonMobil or others; and other factors discussed under the heading "Factors Affecting Future Results" in the "Investors" section of our website at www.exxonmobil.com.

Source: Exxon Mobil Corporation