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Title:

Advances In Technology Making Coalbed Methane Exploration More Effective

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Summary:

New technologies being used to drill for, and produce, coalbed methane (CBM) gas are making it easier to get out the gas. That's according to Dr. David Marchioni, one of Canada's leading CBM geologists, who appeared on Canada's ROB TV in late April. "Because of advances in the technology, one can be more effective in getting the gas out," Dr. Marchioni told the reporters on Canada's leading business television network.

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Article Body:

New technologies being used to drill for, and produce, coalbed methane (CBM) gas are making it easier to get out the gas. That's according to Dr. David Marchioni, one of Canada's leading CBM geologists, who appeared on Canada's ROB TV in late April. "Because of advances in the technology, one can be more effective in getting the gas out," Dr. Marchioni told the reporters on Canada's leading business television network.

Questioned about how CBM gas was different from conventional natural gas, Dr. Marchioni, who was recently named the Vice President of Exploration for Pacific Asia China Energy (TSX: PCE), responded, "CBM gas is really no different from natural gas." He added, "It's really better because it has a very high methane content, generally 90 percent, often much higher than that."

Marchioni pointed out that coal has a lot of porosity and can hold a lot of gas. "Permeability is the problem with CBM," he explained. He compared CBM with natural gas, saying, "If you can find the (natural) gas, you can probably get it out." That's not always the case with CBM.

China came during Marchioni's television interview. China nearly always does end up a topic of discussion, when talking about CBM. Because China's coal mines

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account for approximately 80 percent of coal mining fatalities, China has campaigned to reduce the number of deaths. China's state-owned CBM company, China United Coalbed Methane Company, has continued granting CBM concessions to foreign-owned companies to help vent the methane from their coal mines. "The Chinese government is pushing very hard to have their coal mines degassed," Marchioni said. He explained that the Chinese were beginning to drill for methane before starting their coal mining operations.

"That's something we're interested in," Marchioni told ROB TV. The "we" must be Pacific Asia China Energy, upon whose board he sits as a director in addition to exploration duties. His company has two CBM concessions in China, and Marchioni recently returned from China. Pacific Asia China Energy has also formed a joint venture company with Australia's largest privately owned drilling company to utilize their highly acclaimed Dymaxion® drilling technology for exclusive use in China. That is an advanced technology in which Chinese coal mining companies have expressed interest in using for their coal mines. Marchioni's company recently announced initial drilling results on one of their Chinese CBM properties.

As with others, who have recently visited China, Marchioni was overwhelming in his praise for China's continued modernization process. He joked with us, saying, "I get a better cell phone connection in some rural part of China than I do in some parts of Alberta." It has been difficult for us to grasp how "modernized" China has become. We've heard the same glowing phrases about China expressed by numerous mining insiders who have recently visited this country. All of that commentary didn't really dawn on us, until this past weekend, while watching the new movie, Mission Impossible 3. Magnificent shots of Shanghai's skyline filled with ultra-modern office towers and high rise condominiums, where some of the movie was filmed, persuaded us China has indeed moved forward into the 21st century. China has more than 200 cities with populations greater than 1 million, dwarfing any other country on earth. China reportedly has more then 300 million in its middle class. We had better all start learning Mandarin or Cantonese or both.