

“Natural gas conversion to higher-value products: Challenges and opportunities”

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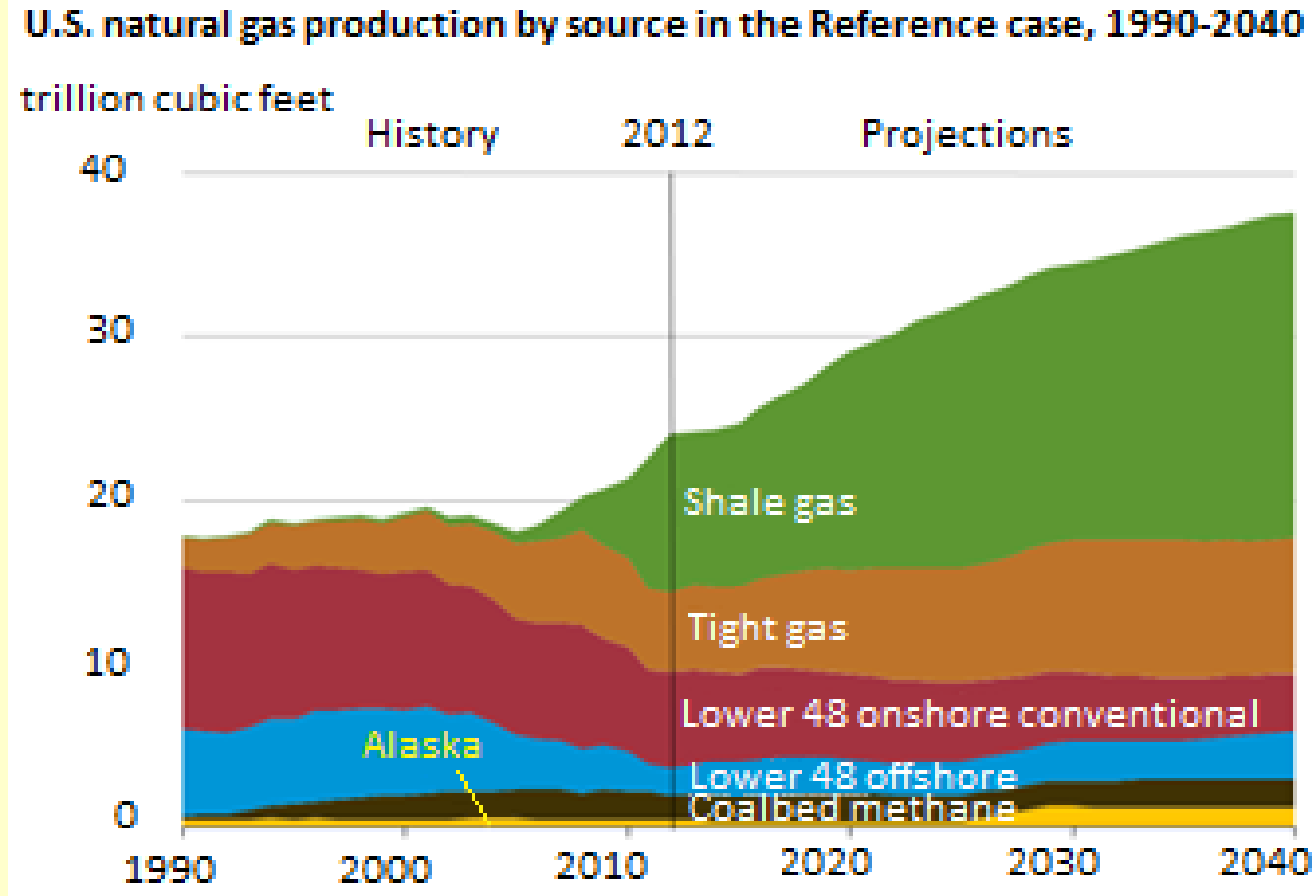
253rd ACS National Meeting in San Francisco, California, April 2-6, 2017

This presentation:

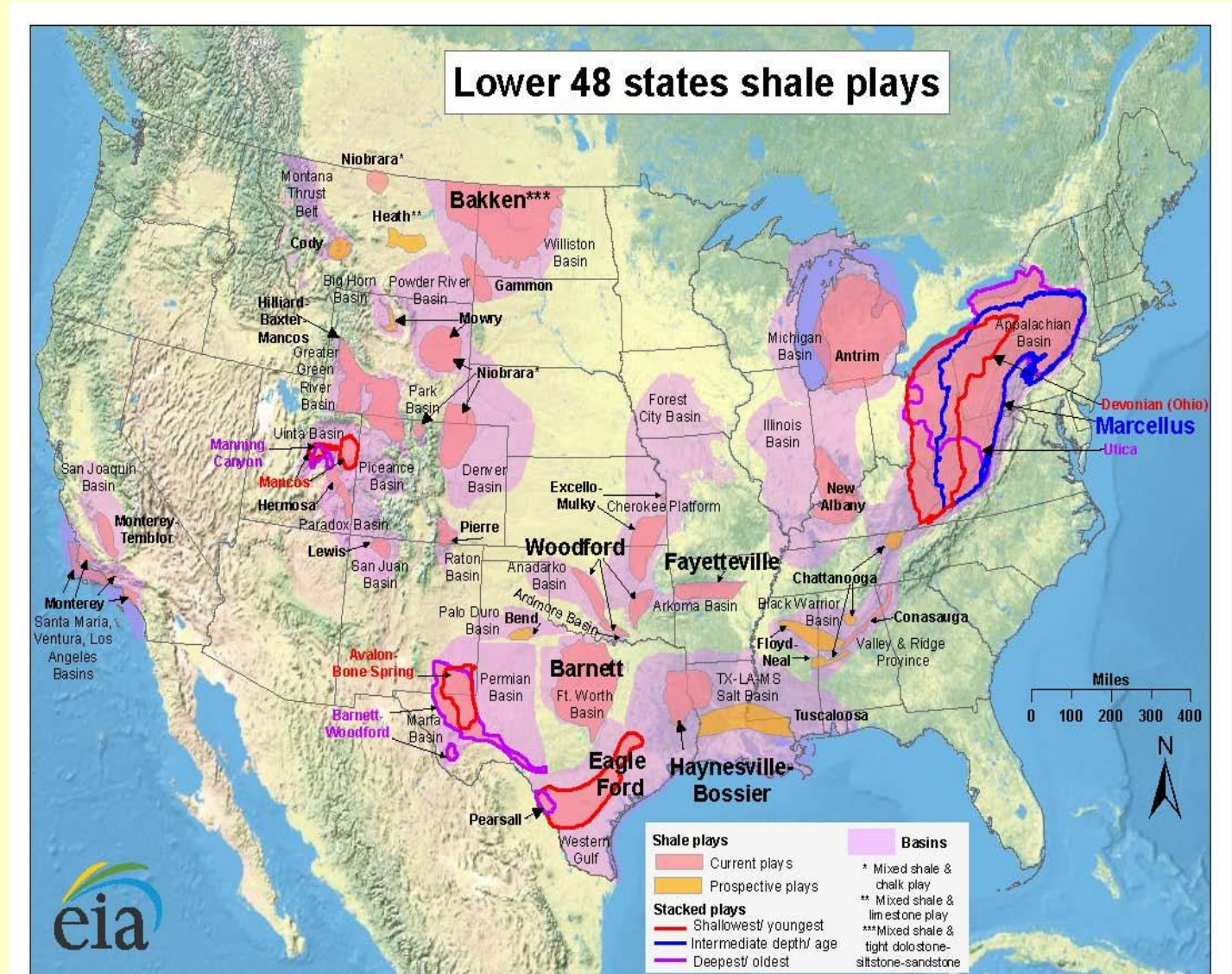
- Quantifies the impact of the shale revolution on methane as a feedstock
- Outlines the options for methane conversion*
- Describes (briefly) the indirect, syngas-based process
- Describes two examples for direct conversion: aromatization and oligomerization using “superacids”

* The focus here is on methane. Natural gas liquids (C_2 - C_4) and natural gas condensates (C_5^+) are not discussed here, but are very scientifically and commercial significant.

Significant incentive for methane conversion



Significant natural gas resources
on-shore





Just 10 yrs ago.....” the U.S. chemical industry was in decline. Of the more than 40 chemical manufacturing plants being built worldwide in the mid-2000s with more than \$1 billion in capitalization, **none were under construction in the United States**”.



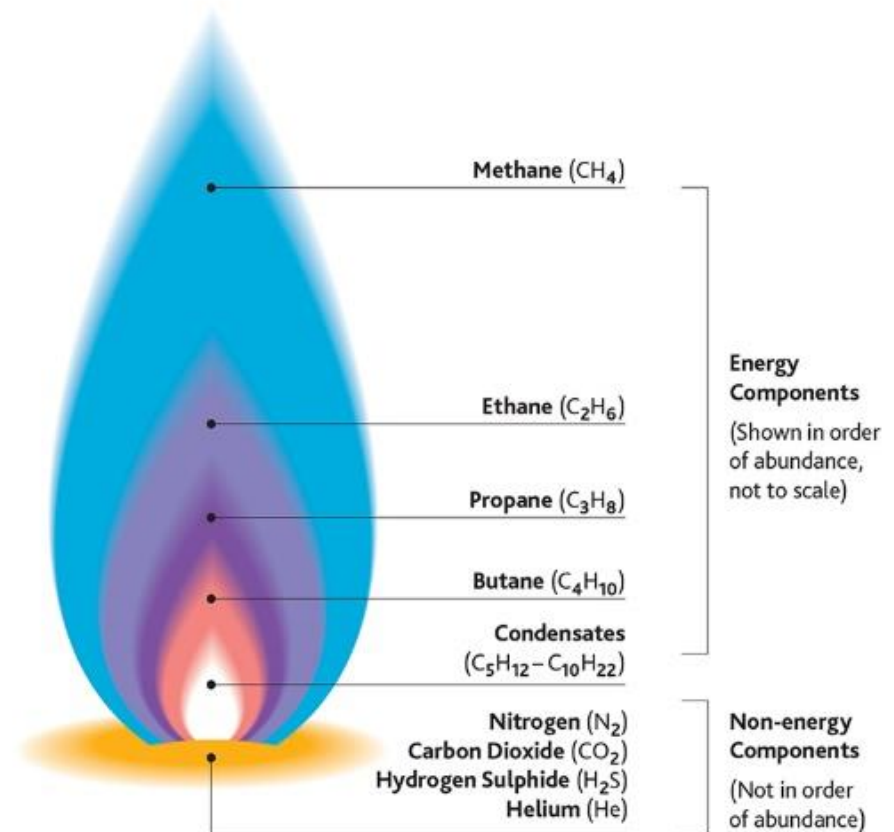
But now.....” as a result of abundant natural gas...as of September 2015 companies from around the world have announced 246 projects and \$153 billion in potential capital investments in U.S.”

“Natural gas” \rightarrow CH_4 + higher hydrocarbons

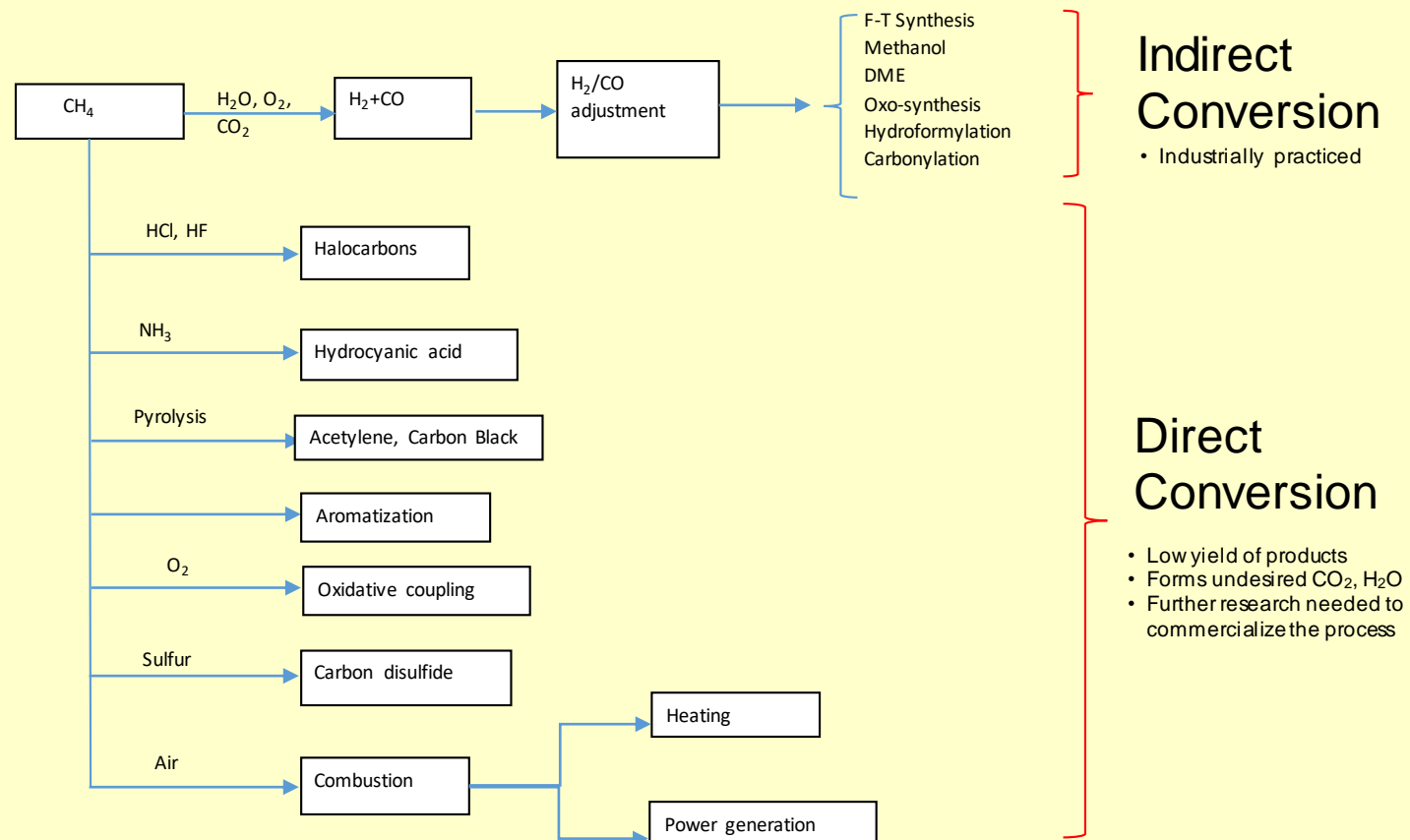
“Natural gas liquids” \rightarrow C_2 - C_4

“Natural gas condensates” \rightarrow C_5 - C_{10}

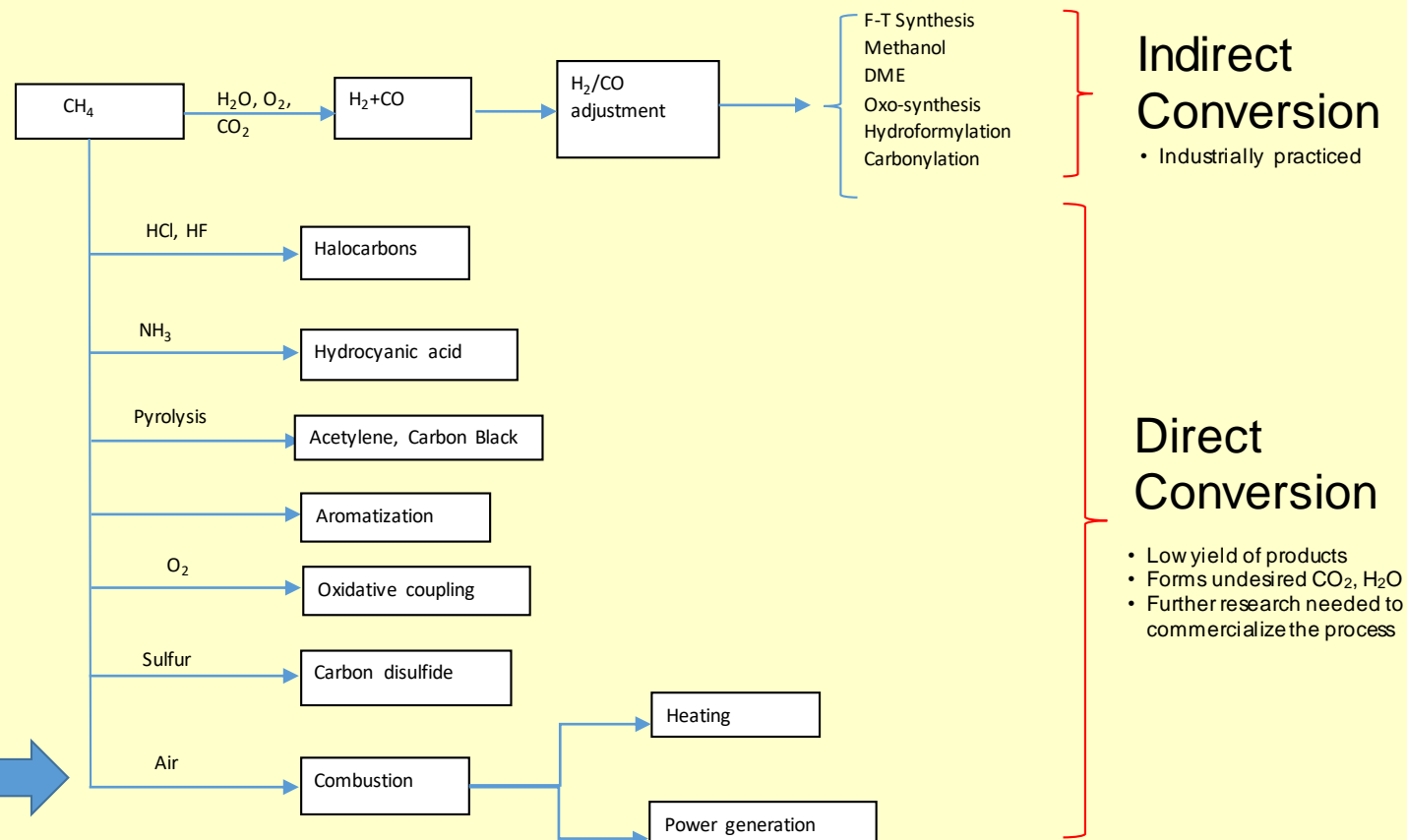
COMPONENTS OF RAW NATURAL GAS



Options for CH₄ conversion



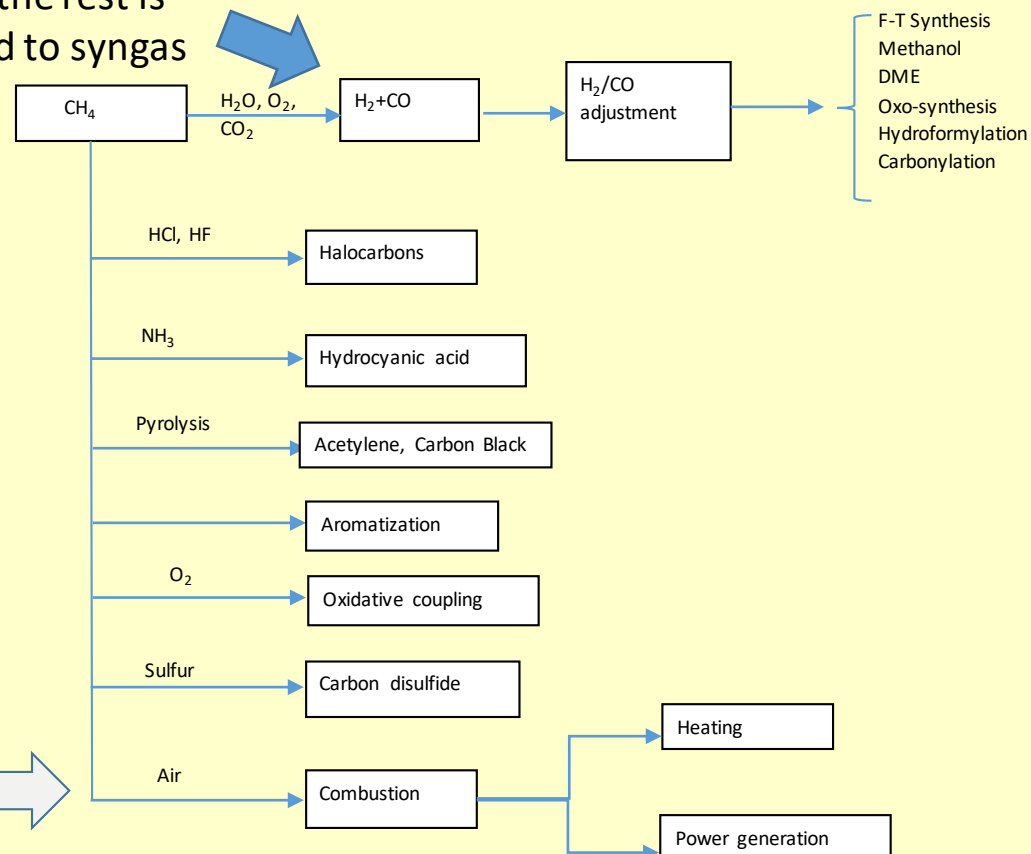
Options for CH₄ conversion



93% of natural gas is
combusted to power

Options for CH₄ conversion

Most of the rest is reformed to syngas



Indirect Conversion

- Industrially practiced

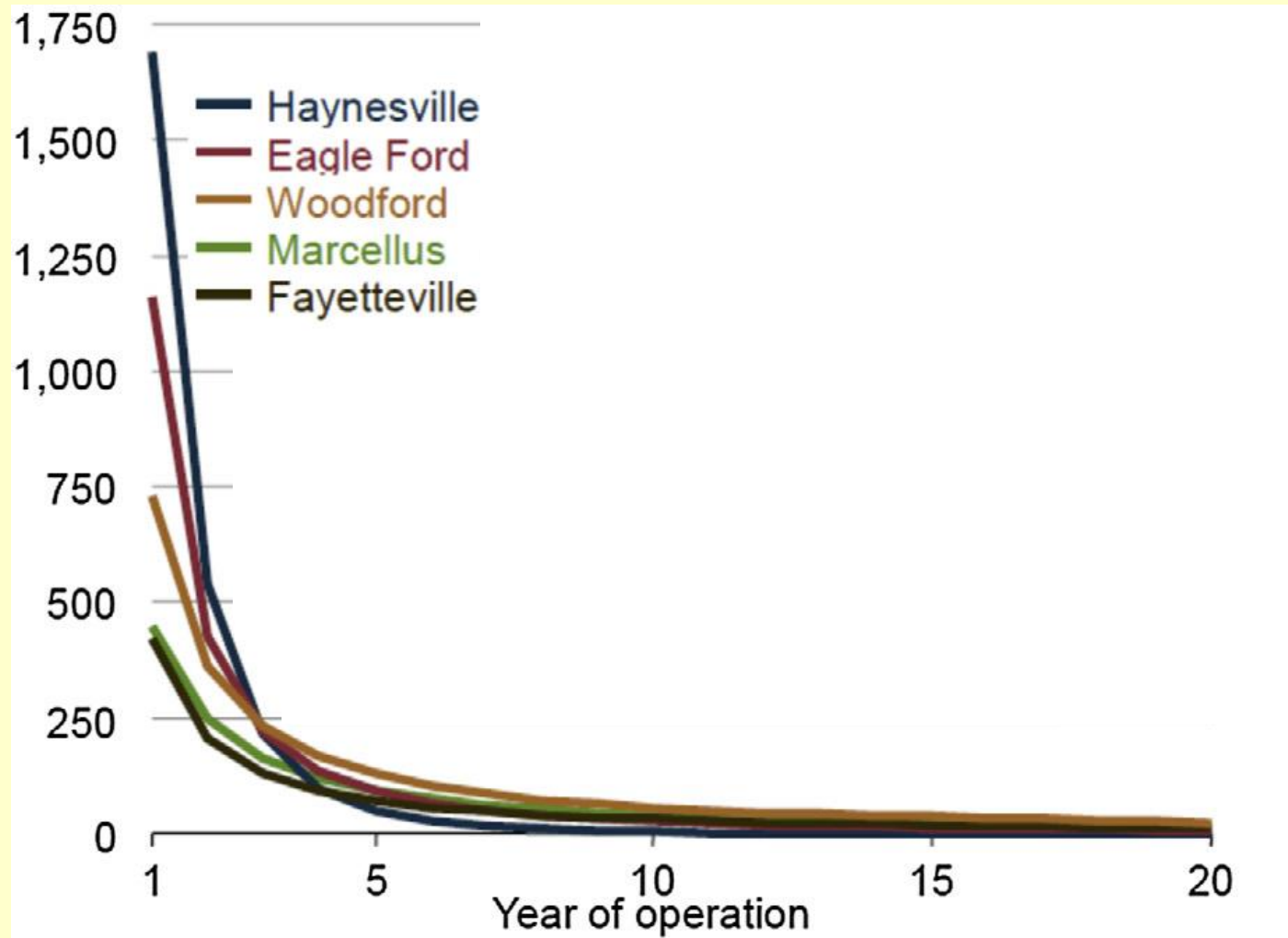
Direct Conversion

- Low yield of products
- Forms undesired CO₂, H₂O
- Further research needed to commercialize the process

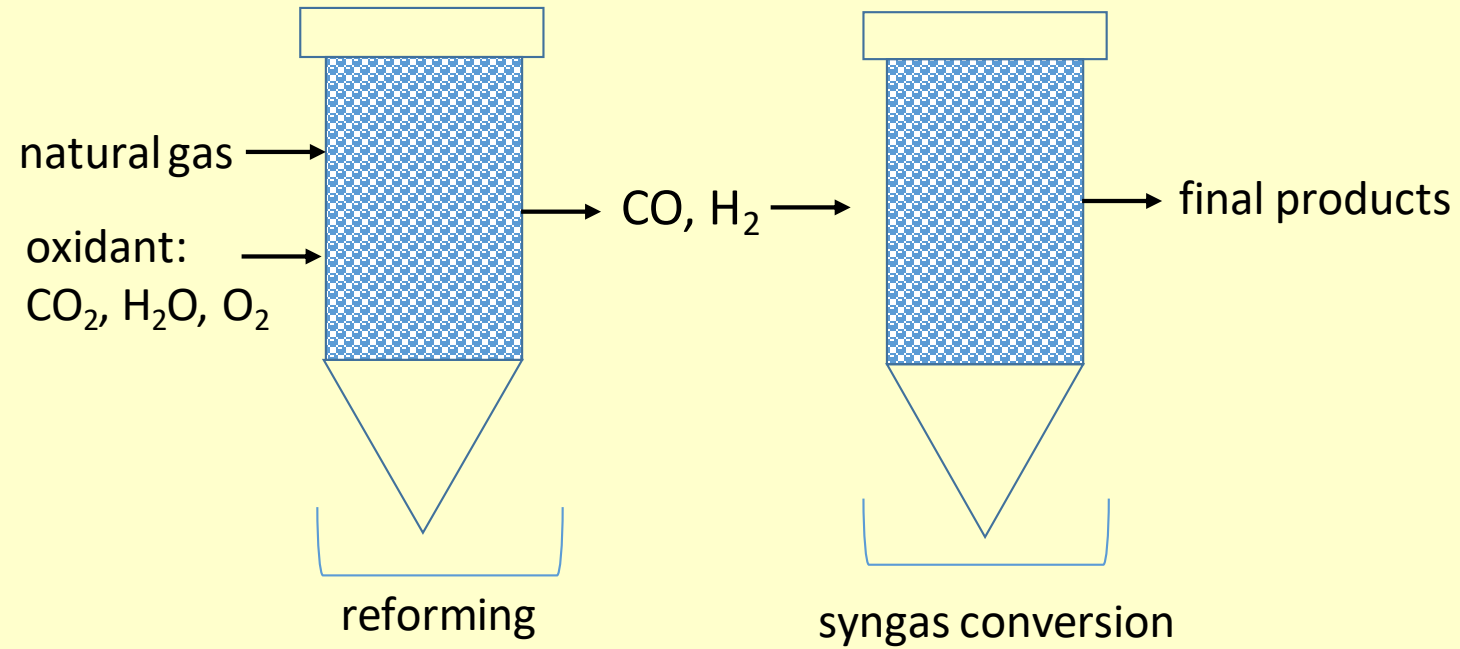
93% of natural gas is combusted to power

- Wells produce only for a short time
- Many wells are remote

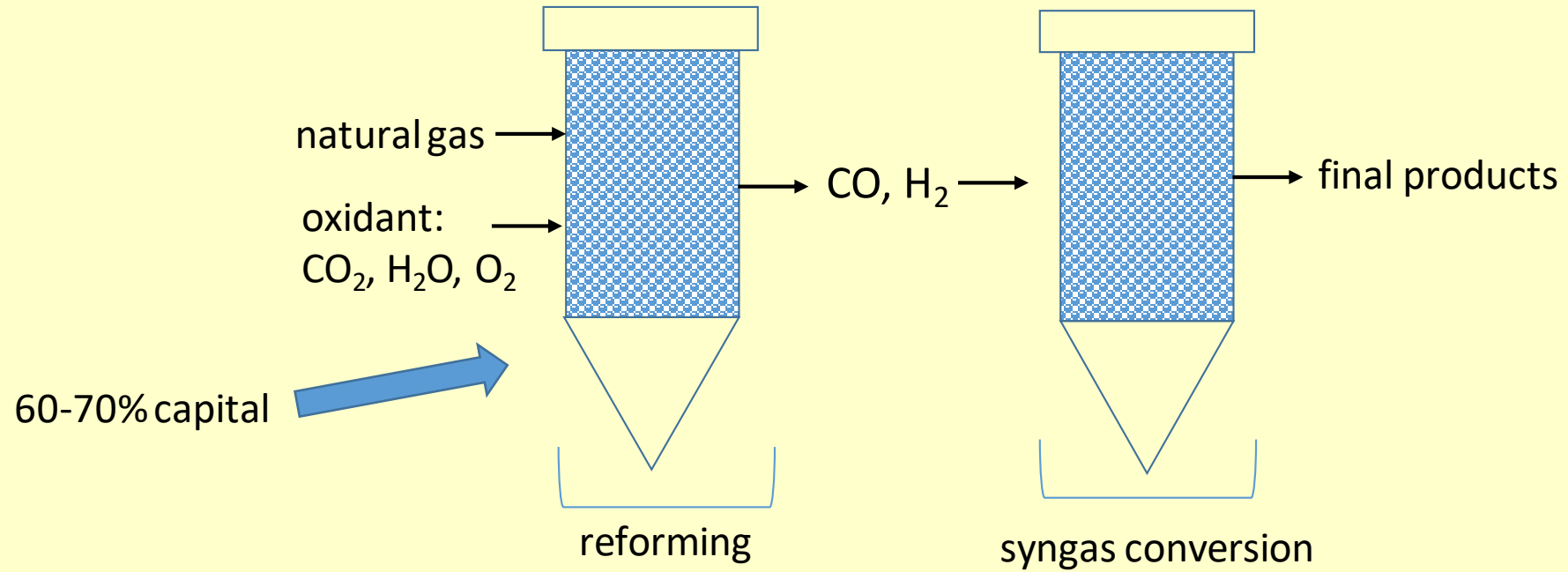
...when there is limited pipeline access,
much is flared



Indirect Conversion of Natural Gas

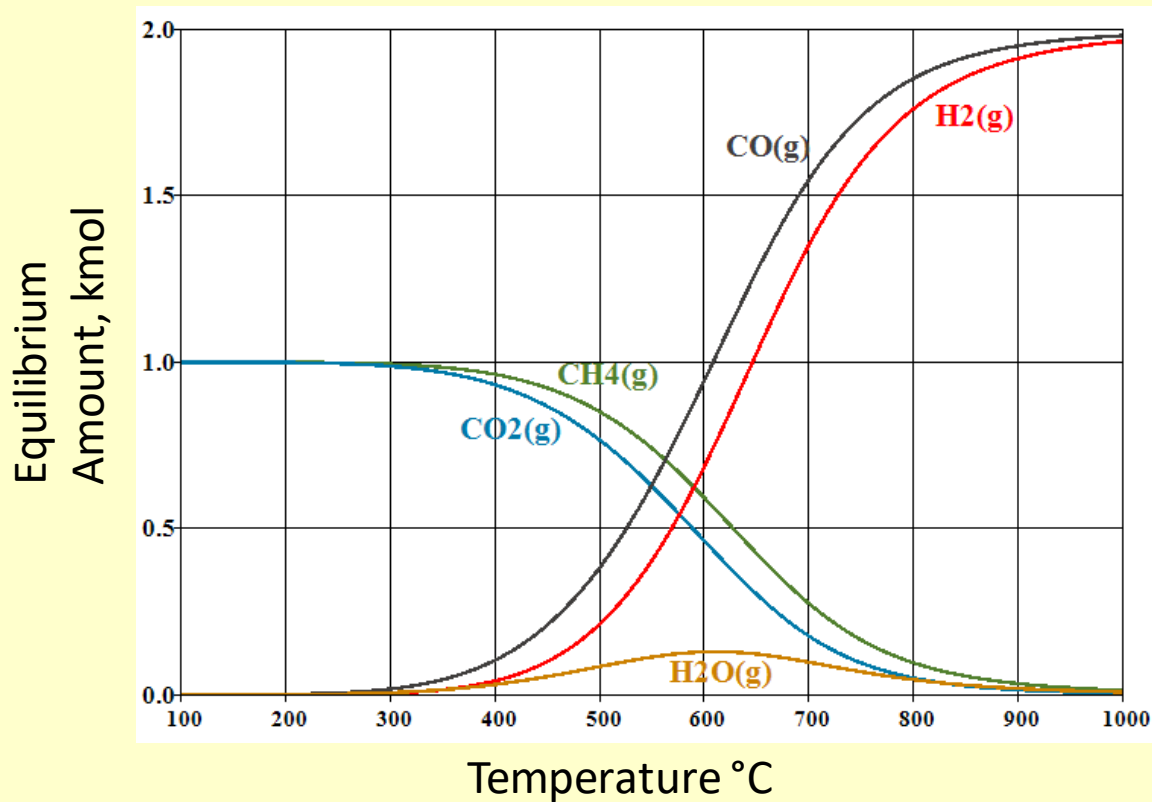


Indirect Conversion of Natural Gas

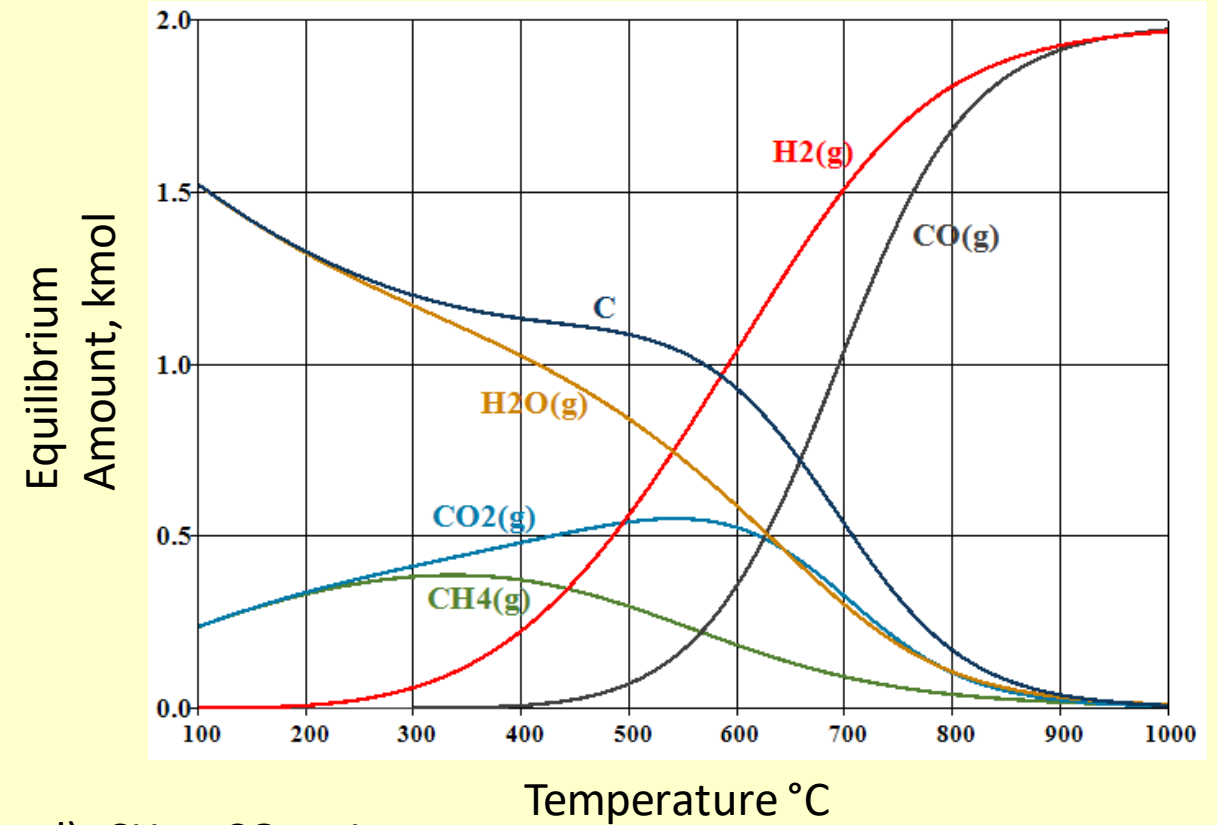


Thermodynamics^{1,2}: $\text{CH}_4 + \text{CO}_2$

Carbon not allowed



Carbon allowed



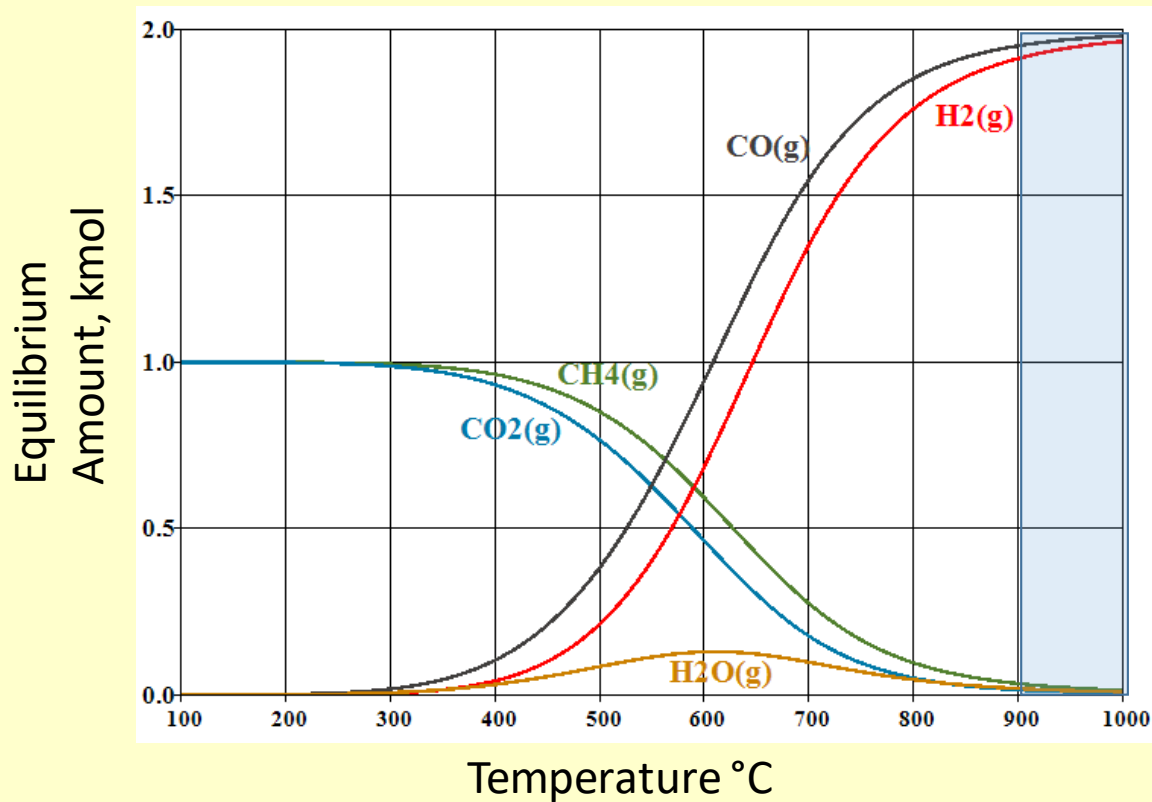
Initial amounts (kmol): $\text{CH}_4 = \text{CO}_2 = 1$

¹ Calculations presented here are carried out using HSC 8, Outotec.

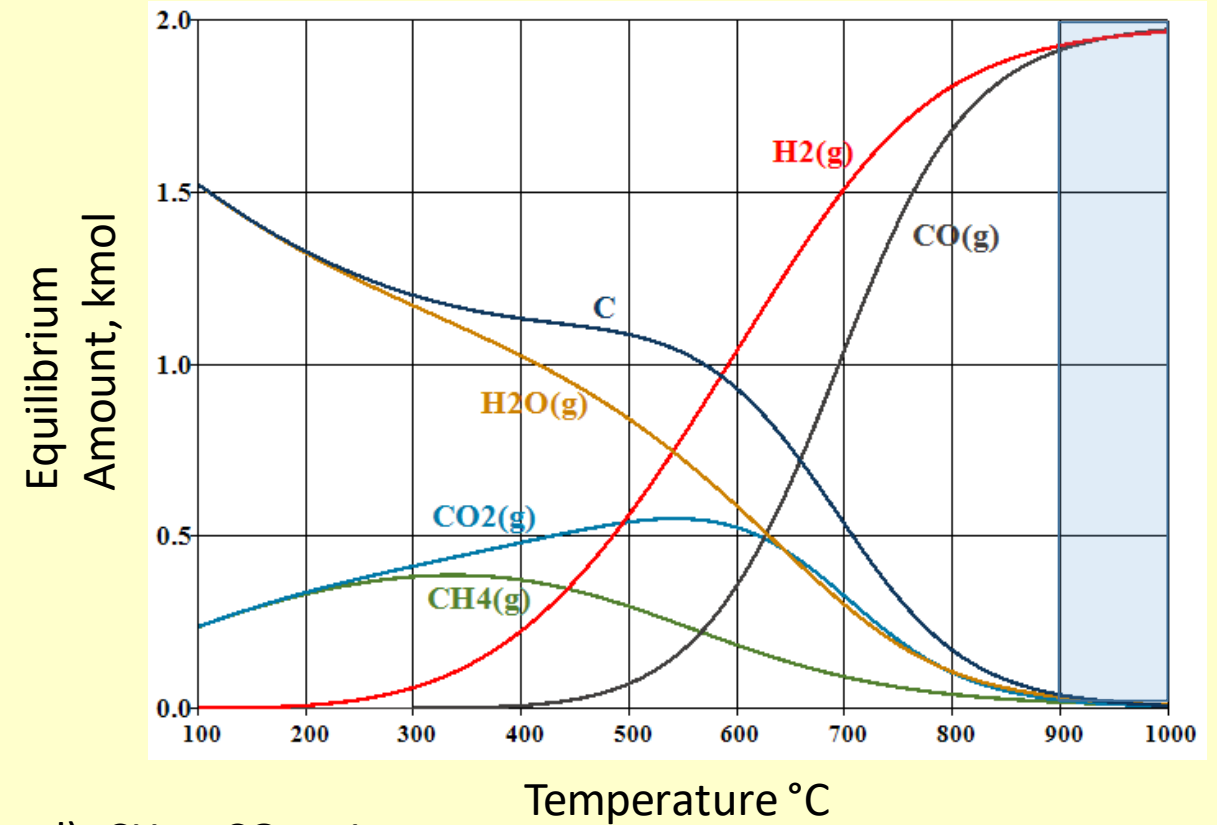
² Zhou et al., Energy, 2011, 36, 5450 present similar thermodynamic analysis results.

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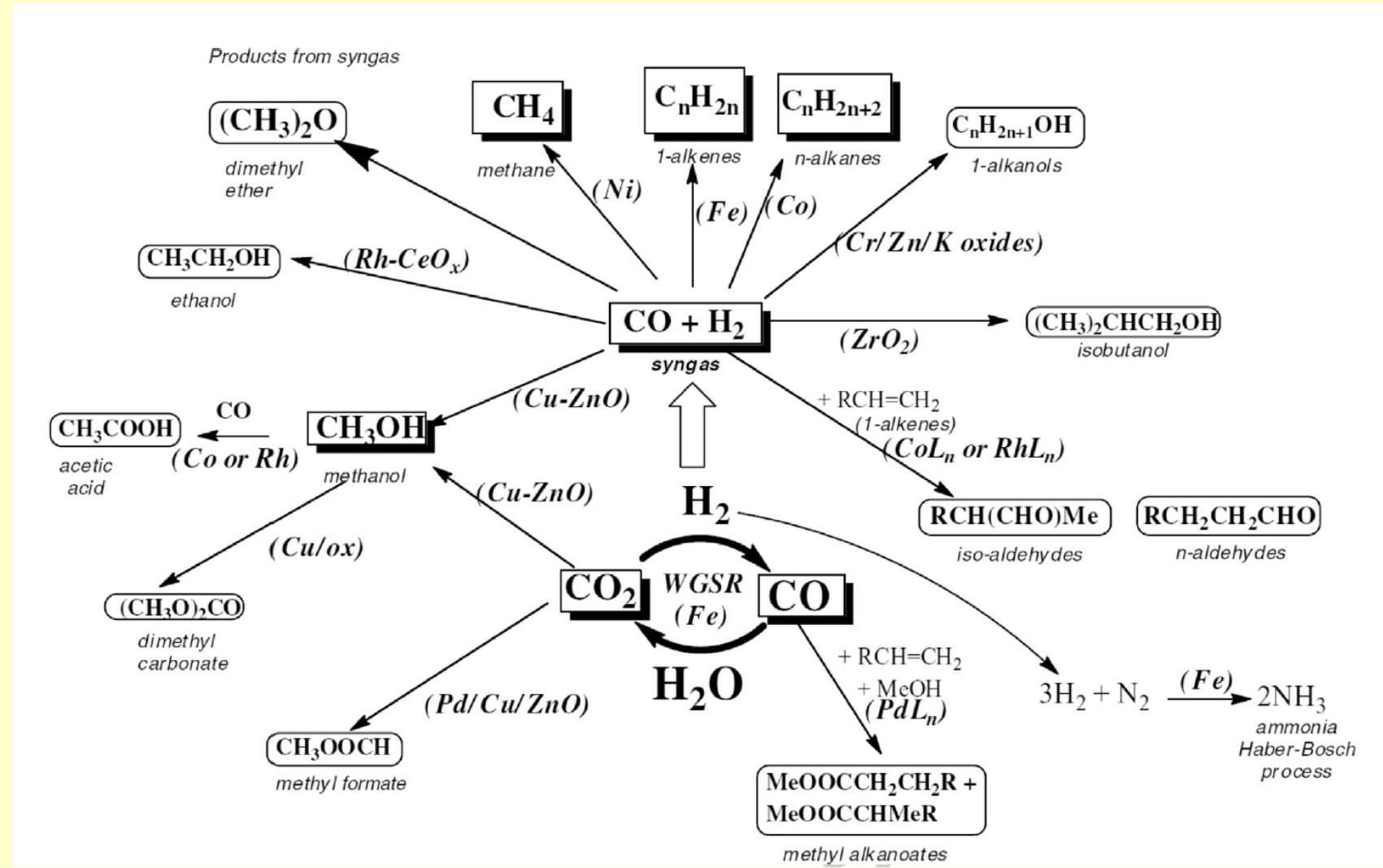
² Zhou et al., Energy, 2011, 36, 5450 present similar thermodynamic analysis results.

CH₄ + CO₂ from raw natural gas: reforming?

- CO₂ in raw natural gas can vary from low ppm levels to as high as 90%¹.
- Some fields are not producing because of high CO₂ content.
- Natural gas with CO₂:CH₄ near to 1:1 could be converted to higher value products via reforming.

¹ Tan et al., Journal of Natural Gas Chemistry 21(2012), 7–10. Tan et al. point out that fields in Natuna field in the Greater Sarawak Basin in Indonesia is the largest gas field in south Asia, with estimated 46 trillion cubic feet recoverable reserves. Unfortunately, it remains unexplored due to high CO₂ content of 71% [OECD/IEA, 2008]. In Malaysia, CO₂ content in natural gas fields varies from 28%–87%.

Syngas produces both oxygenates and hydrocarbons



Challenges for indirect conversion:

- Deactivation of reforming catalysts (mostly from carbon deposition)¹
- The high capital cost of the reforming step

¹ National Academy Press, 2016, "The Changing Landscape of Hydrocarbon Feedstocks for Chemical Production: Implications for Catalysis: Proceedings of a Workshop" ISBN 978-0-309-44479-8 | DOI: 10.17226/23555, p.13.

Challenges for indirect conversion:

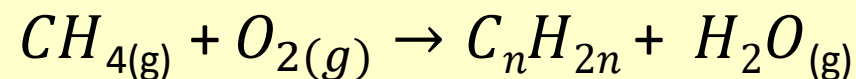
- Deactivation of reforming catalysts (mostly from carbon deposition)¹
- The high capital cost of the reforming step

➡ Are there “step change” opportunities, e.g., in Fischer-Tropsch?

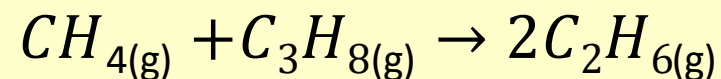
¹ National Academy Press, 2016, “The Changing Landscape of Hydrocarbon Feedstocks for Chemical Production: Implications for Catalysis: Proceedings of a Workshop” ISBN 978-0-309-44479-8 | DOI: 10.17226/23555, p.13.

Direct conversion of methane, examples:

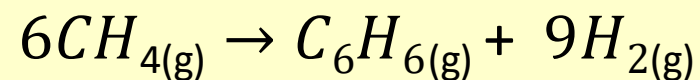
Oxidative coupling



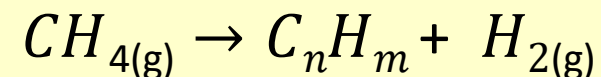
Metathesis



Aromatization



Oligomerization with superacids



Driving forces

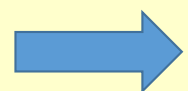
Develop catalysts/processes to convert natural gas and natural gas liquids into:

1. higher-value products, rather than burning them for energy---- which is its lowest value.
2. higher energy-density liquids---to valorize natural gas instead of flaring in remote locations.

Driving forces

Develop catalysts/processes to convert natural gas and natural gas liquids into:

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For methane, this generally means forming C-C bonds

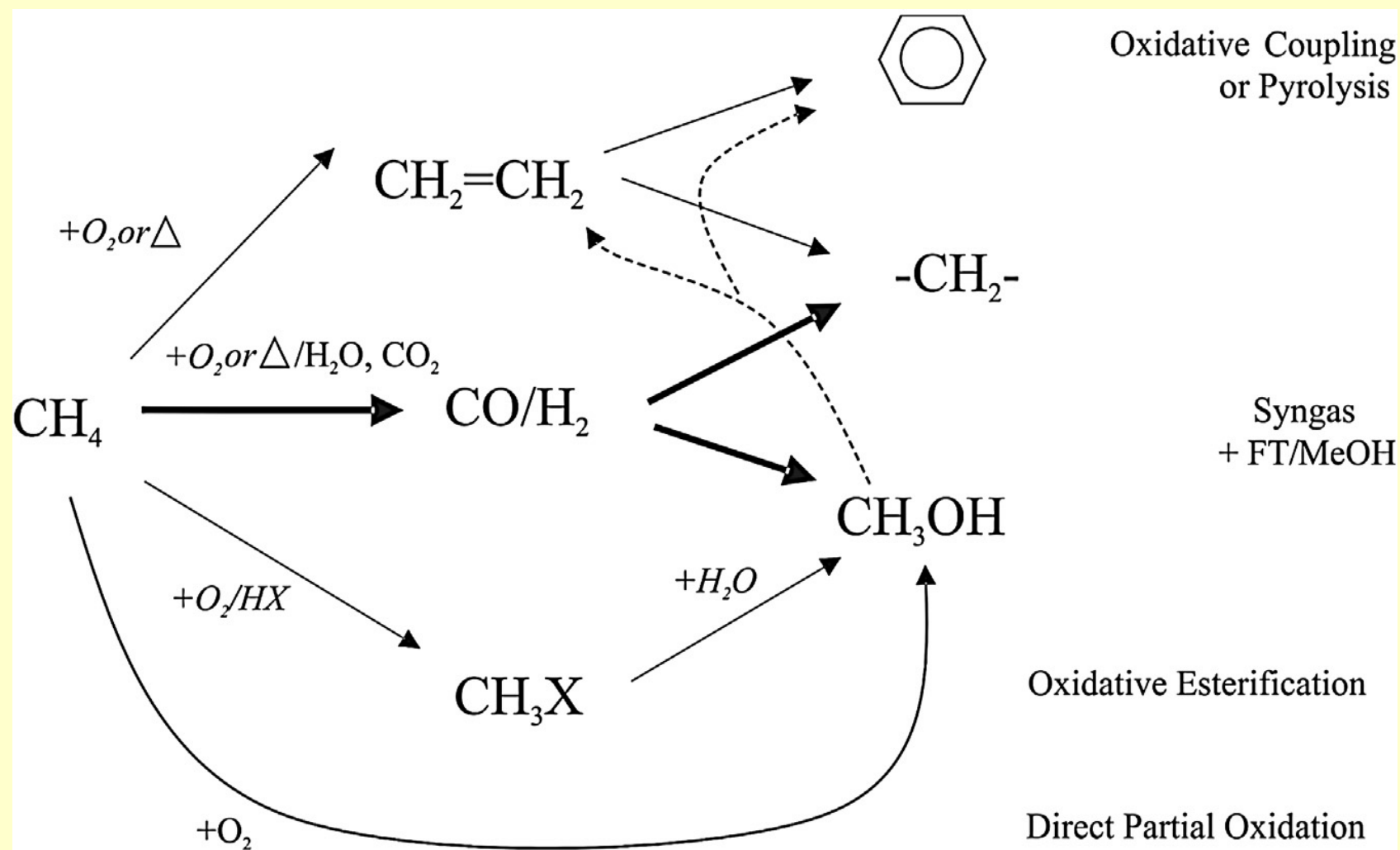
Opportunities for Catalysis

National Academy report (2016)¹:

“The low cost and increased supply of natural gas ...provide an opportunity to discover and develop new catalysts and processes to enable the ***direct*** conversion of natural gas ...into value-added chemicals ...” (emphasis added)

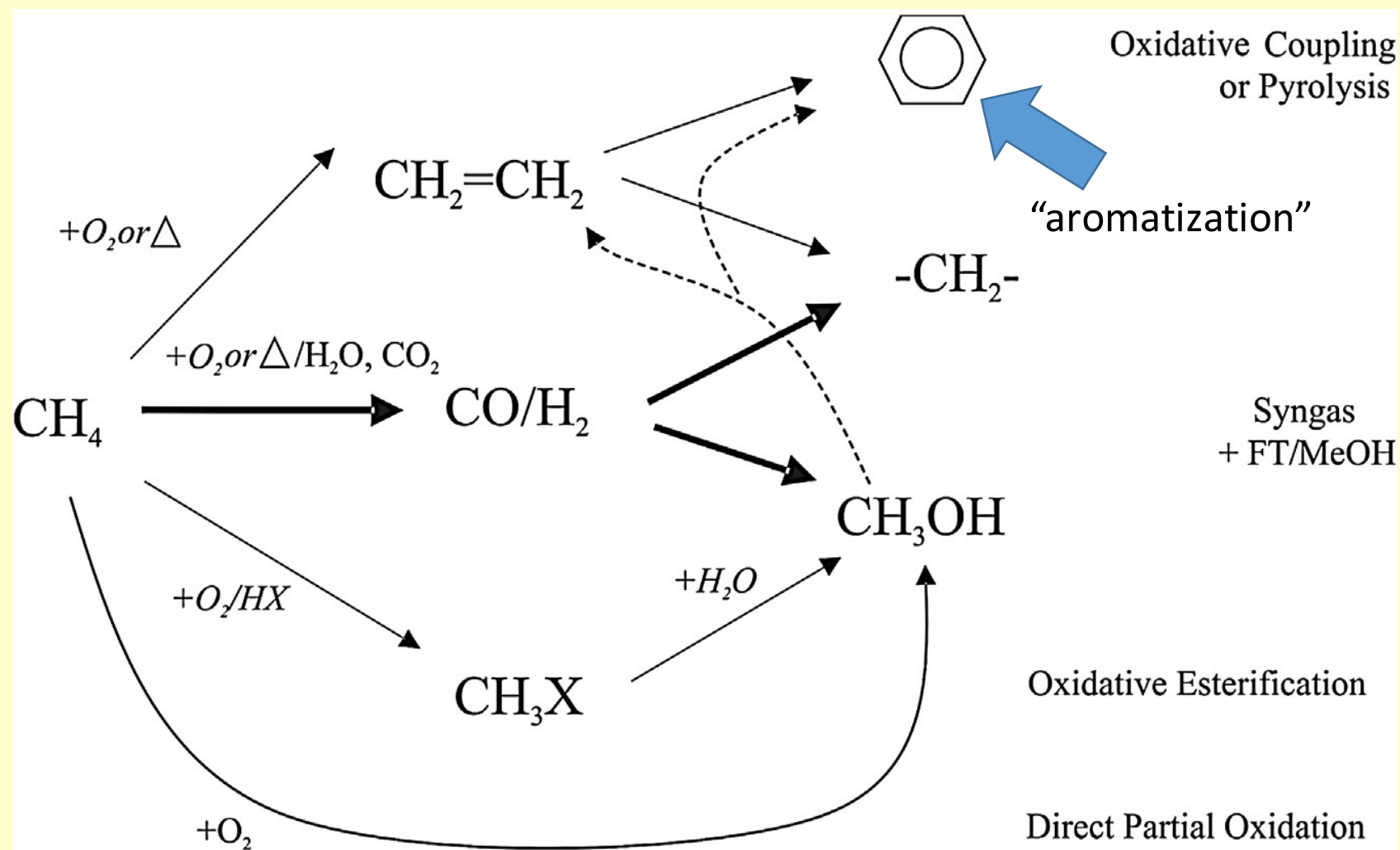
¹ National Academy Press, 2016, “The Changing Landscape of Hydrocarbon Feedstocks for Chemical Production: Implications for Catalysis: Proceedings of a Workshop” ISBN 978-0-309-44479-8 | DOI: 10.17226/23555, p.2.

Conceptual routes for methane to higher-value products

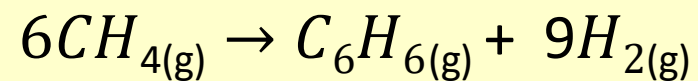


Opportunity: methane aromatization

Challenge: carbon deposition



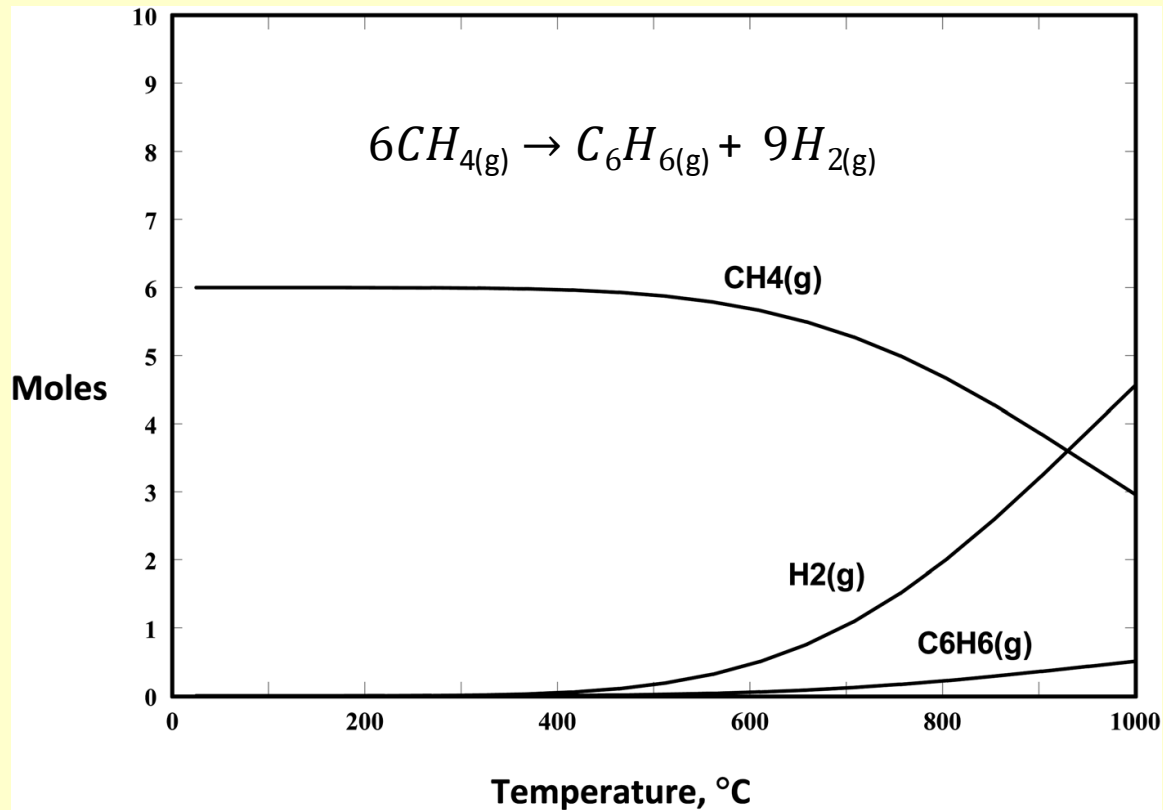
Direct conversion of methane: Aromatization



$$\Delta G_r^o = + 433 \text{ kJ mol}^{-1} \quad \Delta H_r^o = + 531 \text{ kJ mol}^{-1}$$

Thermodynamics

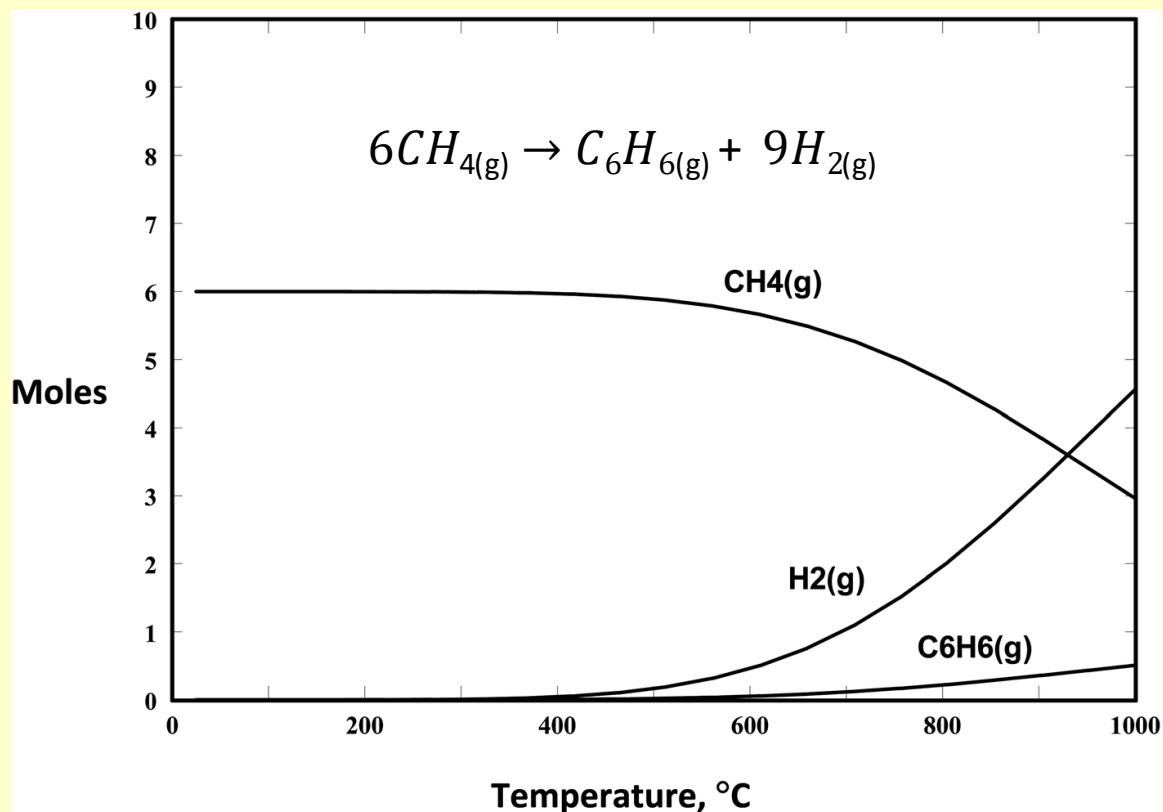
no carbon



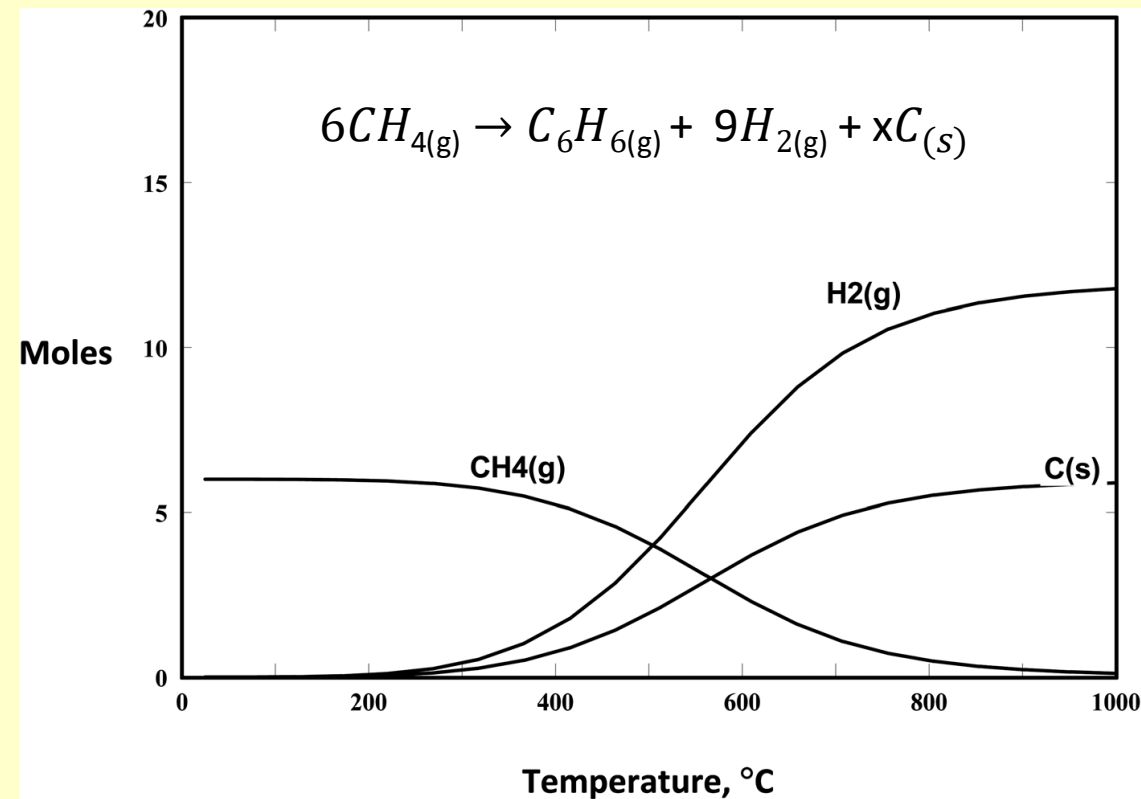
Equilibrium amounts (moles), 1 bar, starting with 6 mol CH₄ and allowing only H₂ and benzene as components.
Calculated using HSC 7.1 software

Thermodynamics

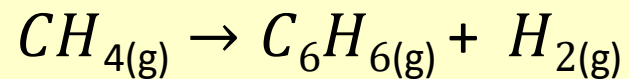
no carbon



carbon allowed

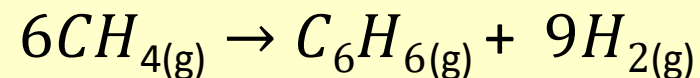


Experimental results



Experimentally, benzene selectivities are 60-80% at methane conversions of ~10%, corresponding to net benzene yields of less than 10%¹.

¹ J. Spivey and G. Hutchings, Chem. Soc. Rev. 2014, 43, 792-803.



Mechanism involves Mo-C sites and H-ZSM5 sites, forming byproducts and hydrogen

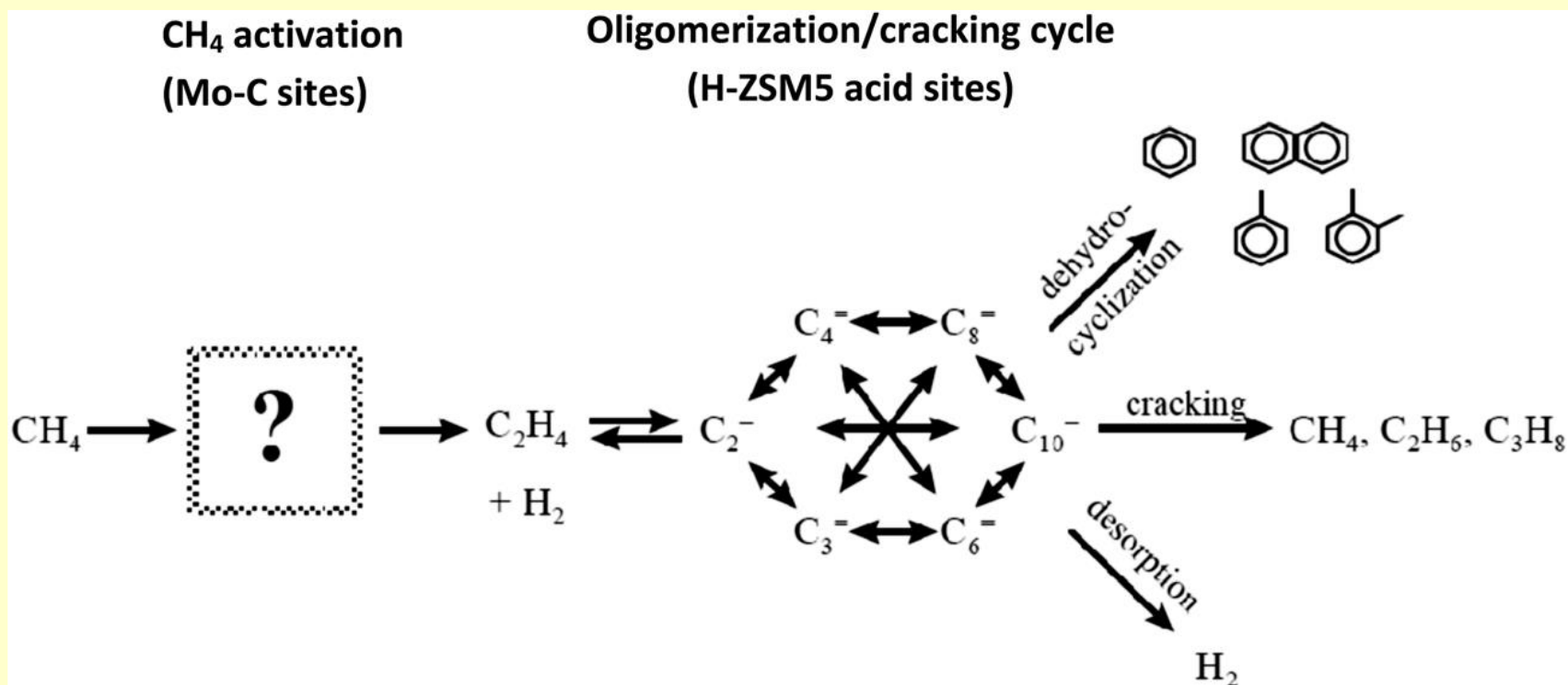
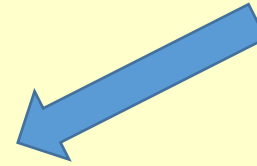
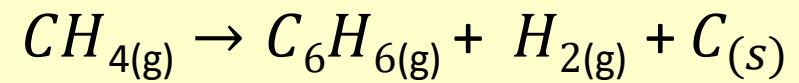


Figure from: R. W. Borry III, E. C. Lu, Y. H. Kim and E. Iglesia, Non-Oxidative Conversion of Methane with Continuous Hydrogen Removal, US Dept. of Energy/NETL, Morgantown, WV, contract DE-AC03-76SF00098.

Carbon deposition



Carbon deposition is the primary limitations to methane deposition

Approaches to minimize carbon deposition:

- Addition of oxidants¹: NO, O₂, CO, or CO₂
- H₂—added in the feed, and also formed during the reaction²
- Reactor design—circulating fluid bed³, two-zone⁴

¹ L. Wang, R. Ohnishi and M. Ichikawa, J. Catal., 2000, 190, 276–283; P. L. Tan, Y. L. Leung, S. Y. Lai and C. T. Au, Catal. Lett., 2002, 78, 251–258.

² Z. Liu, M. A. Nutt and E. Iglesia, Catal. Lett., 2002, 81, 271–279.

³ L.L. Iaccino, N. Sangar, E.L. Stavens, 2010, Patent, Production of aromatic hydrocarbons from methane, ExxonMobil Chemical Patents Inc. (Houston, TX) US7683227

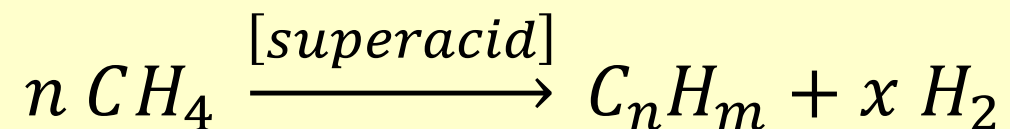
⁴ M. P. Gimeno, J. Soler, J. Herguido and M. Menendez, Ind. Eng. Chem. Res., 2010, 49, 996–1000.

Challenges to aromatization¹

- deactivation of the catalyst by coking
- low methane conversion rates that result from the buildup of hydrogen
- cost-effective methods to remove hydrogen from the reactor and to separate benzene from naphthalene.

¹ National Academy Press, 2016, "The Changing Landscape of Hydrocarbon Feedstocks for Chemical Production: Implications for Catalysis: Proceedings of a Workshop" ISBN 978-0-309-44479-8 | DOI: 10.17226/23555, p.26.

Oligomerization of methane using superacids¹



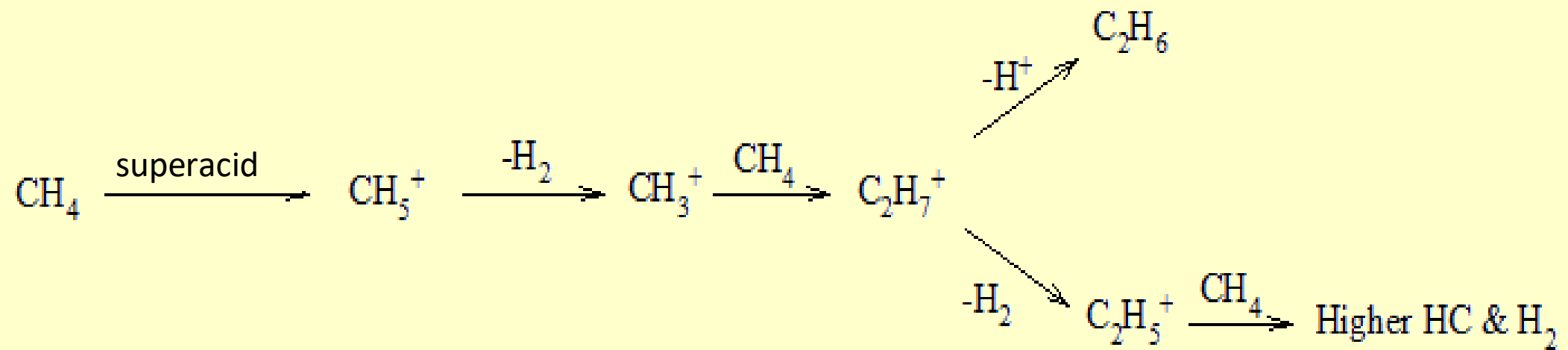
$$\Delta G_r^o = +69 \text{ kJ mol}^{-1} \quad \Delta H_r^o = +66 \text{ kJ mol}^{-1}$$

¹ Thermodynamic properties are based on ethane as the sole product, calculated using HSC Chemistry 8, Outotec Technologies

What is a superacid?

- Can be a liquid, gas, or solid
- As a liquid, the Hammett acidity function (H_0) is lower than 100% H_2SO_4 ($H_0 = -12$)
- Can isomerize alkanes at room temperature, which is not possible with pure H_2SO_4

Mechanism¹



¹ G. A. Olah et al., (a) Superacids, Wiley Interscience Publication, 1985, p. 52; J. Am. Chem. Soc., 1968, 90, 2726; J. Am. Chem. Soc., 1969, 91, 3261.

Status—methane oligomerization using superacid

- The reaction has been demonstrated
- Example superacids:
 - Liquids¹: $\text{FSO}_3\text{H-SbF}_5$
 - Solids²: $\text{SO}_4^{2-}/\text{ZrO}_2$
 - Gases³: $\text{H}^+/\text{AlBr}_4^-$

¹ G. A. Olah et al., (a) Superacids, Wiley Interscience Publication, 1985, p. 52; J. Am. Chem. Soc., 1968, 90, 2726; J. Am. Chem. Soc., 1969, 91, 3261.

² W. Hua et al., Applied Catalysis A: General, 2001. **219**(1–2): p. 201-207; R.L. Martins, Applied Catalysis A: General, 2006. **308**(0): p. 143-152.

³ S. Vassireddy et al., Chem. Comm., 2010, DOI: 10.1039/c0cc01886d.

Challenges—methane oligomerization using superacids

For liquids and gases: separation of the catalyst and products

For liquids: H_2 deactivates the catalyst ($\text{FSO}_3\text{H-SbF}_5$)¹

For all^{2,3}: poor product selectivity (a mixture of tertiary carbocations and polymeric material)

¹ G. A. Olah et al., (a) Superacids, Wiley Interscience Publication, 1985, p. 52; J. Am. Chem. Soc., 1968, 90, 2726; J. Am. Chem. Soc., 1969, 91, 3261.

² W. Hua et al., Applied Catalysis A: General, 2001. **219**(1–2): p. 201-207; R.L. Martins, Applied Catalysis A: General, 2006. **308**(0): p. 143-152.

³ S. Vassireddy et al., Chem. Comm., 2010, DOI: 10.1039/c0cc01886d.

Conclusions

- Low cost natural gas here to stay. The goal—"turn methane into money"
- Industry is making a transition from petroleum-based feedstock to natural gas
- Current processes rely primarily on indirect conversion---via syngas
- Improvements to indirect conversion processes will likely be incremental
- Despite the appeal of direct conversion processes, significant challenges have limited deployment---the primarily due to carbon deposition

Acknowledgements

- US Dept. of Energy/NETL
- LSU Energy Studies (Dave Dismukes)
- Albemarle Company



Thanks

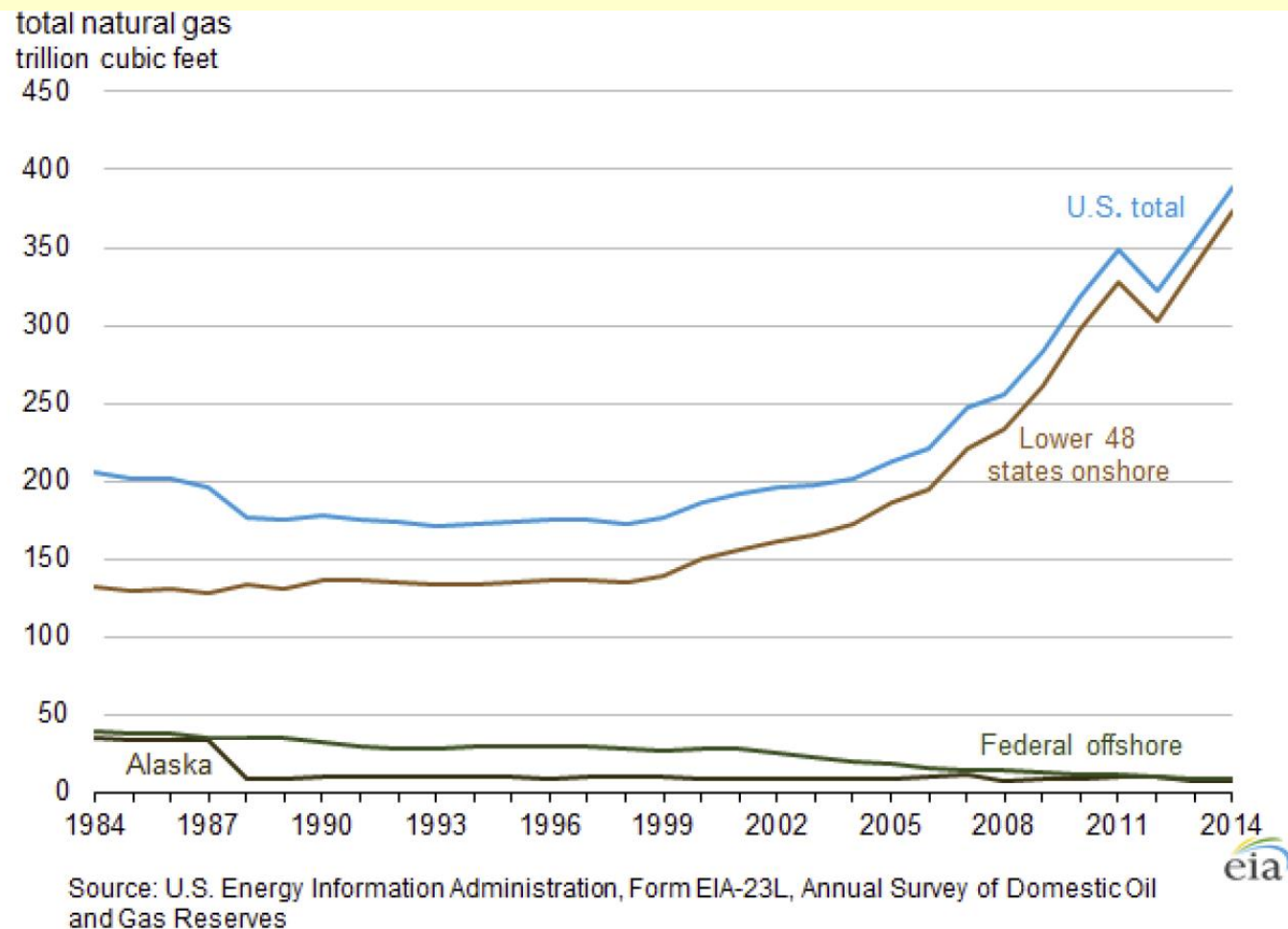


FIGURE 1-2 U.S. proven reserves of natural gas and natural gas liquids, 1984-2014.

SOURCE: U.S. Energy Information Agency, 2015.

“...even with the recent fall in oil prices, natural gas liquids still maintain a significant cost advantage over oil-derived naphtha.”

(and there is plenty of it)

Natural gas liquids contain a significant amount of propane, with the result that propane prices have fallen far enough that it has become economical to produce high-demand propylene directly from propane via catalytic propane dehydrogenation.

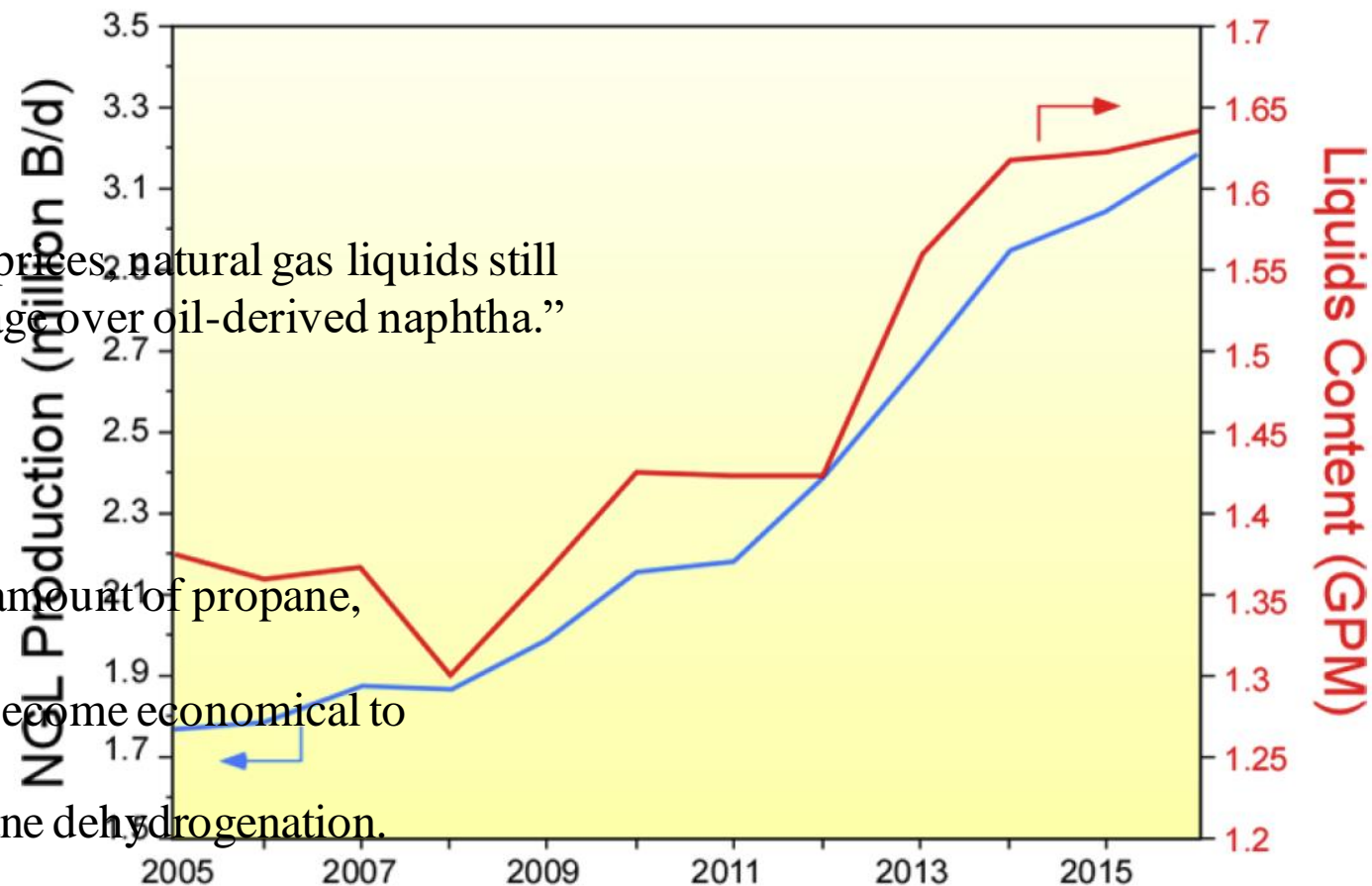


FIGURE 2-2 Growth in production of natural gas liquids.

NOTE: B/d = barrels per day; GPM = gallons per thousand cubic feet; NGL = natural gas liquids.

SOURCE: Jones, 2016.

“...the availability of low-cost methane and natural gas liquids offers a transitional opportunity to lower the carbon footprint of the chemical industry if new catalytic approaches can be developed, said Johannes Lercher, professor of chemistry at the Technical University of Munich and Director of the Institute for Integrated Catalysis at the Pacific Northwest National Laboratory.

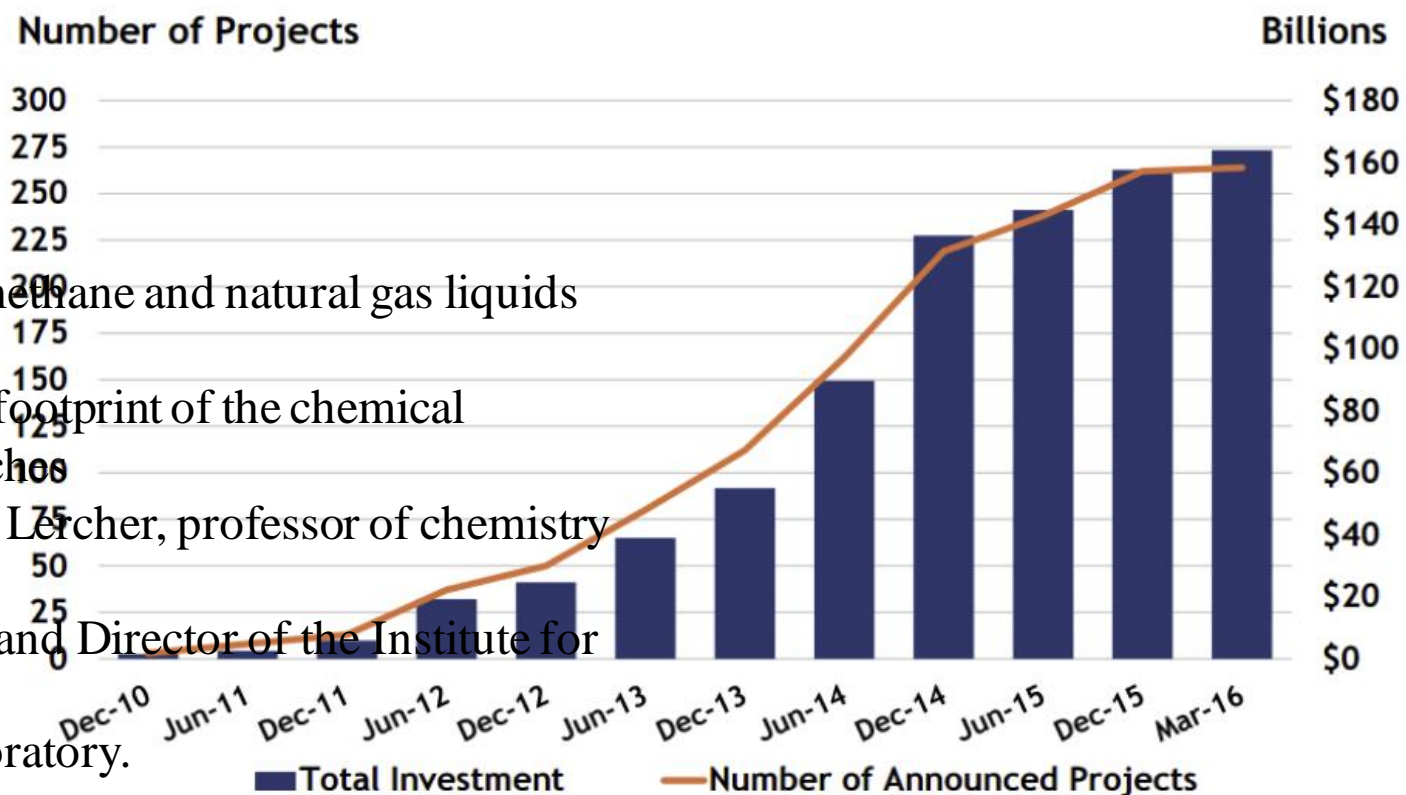
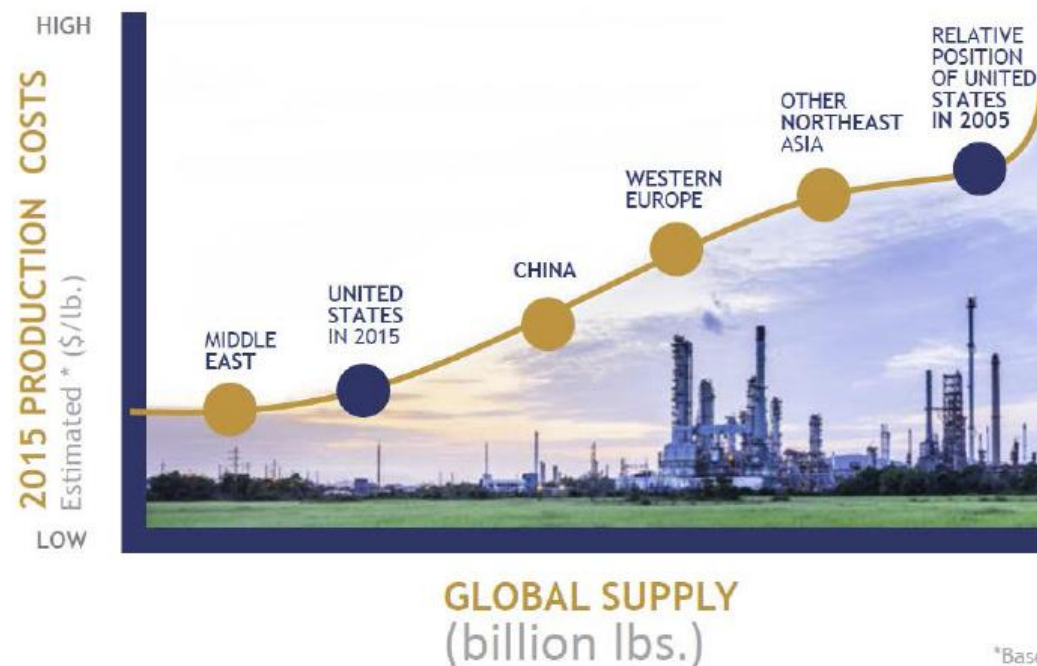


FIGURE 2-5 Cumulative announced chemical industry investments from shale gas from December 2010 to March 2016.
 SOURCE: American Chemistry Council, 2016.

2

THE CHANGING LANDSCAPE OF HYDROCARBON FEEDSTOCKS FOR CHEMICAL PRODUCTION



*Based on estimates from best available data

FIGURE 1-1 Relative position of the U.S. petrochemical production costs.
SOURCE: American Chemistry Council, 2016.

The change from naphtha to natural gas liquids has caused ethylene prices to drop because NGLs can be used to produce ethylene, but butadiene and aromatic chemicals such as benzene (produced from naphtha) have become “constrained”

the trend is toward lower production of these chemicals as more ethane and natural gas liquids are used to produce olefins.

Catalytic opportunity: commercially developed catalysts for conversion of NGLs to olefins to