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Green River could see pilot lithium plant as early as this month

Lithium company addresses residents after March 8 water surge.

By Sophia Fisher

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Representatives of A1 Lithium addressed residents of Green River and Moab days after an unexpected surge of water from a new lithium exploration well overwhelmed facilities, requiring offsite disposal the next day.



Photo caption: Holding a bottle of water that he said came from a test well's March 8 water surge, A1 Lithium representative Michael Swenson addresses a roomful of residents at the Green River City Hall on Wednesday, March 13. Photos by Sophia Fisher

"The volume of water is what they were not expecting," said Michael Swenson, a representative of A1 Lithium, which is a subsidiary of the Australian company Anson Resources.

On March 8, several Green River residents reported seemingly uncontrolled jets of water spurting from A1's temporary test well, which lies on the outskirts of the town just north of Interstate 70 and less than a half-mile east of the Green River itself.

The slightly brackish water never breached the river or an adjacent wash, according to Hollie Brown, a spokesperson for the Utah Division of Oil, Gas and Mining. Per initial tests the water was slightly too salty to be considered potable, Brown said, but could still be used for irrigation.

Anson spokesperson Cindy Gubler said the well crew "strategically breached" a nearby berm to send the water into the site of former evaporation ponds. The next day, crews sucked up about 10,000 barrels of water and deposited it at Danish Flats, a state-run disposal site.

The incident called attention to A1's project — which runs parallel to a sister lithium project near Moab — and packed Green River City Hall for the March 13 information session.

"We really want to have a dialogue with you," said Swenson at the start of the event.

He contended with several attendees' labeling of the event as a blowout, saying it did not fit the definition of a "catastrophic" event.

Responding to audience questions, Swenson said the chance of a similar incident in the future was "near zero" and that it was "extremely unlikely" the drilling would contaminate the Navajo Aquifer, the 1,500-foot-deep aquifer where the water originated.

After the incident, crews "shut in" the well with cement casing, installed a blowout preventer and continued drilling.

With the water surge likely caused by pressure from a carbon dioxide bubble or layer, Swenson said in the future the company could consider drilling with water instead of air to provide more pushback against pressurized fluids.

Gubler said it is "highly likely" that Anson will start drilling with water or mud. The company needs to drill through four aquifers to reach a layer of lithium-carrying brine 10,000 feet below Earth's surface.

Jim Evans, a retired geology professor at Utah State University, later told The Times-Independent it's commonly known that the region is "over-pressured" with carbon dioxide.

"Almost all drill holes have experienced this, from holes a few feet deep to over 3,000 [feet]," wrote Evans, who said he was not speaking on behalf of the university.

At Wednesday's meeting, residents of Emery and Grand counties queried Swenson about the March 8 incident as well as A1's longer-term plans for Green River.

Several said it wasn't the project itself but the proximity of the well to the town, river, interstate highway and railroad that worried them.

"Our concerns are more about the location," said Kelly Dunham.

Some attendees also brought up the rupture of a gas well last April along Ruby Ranch Road between Moab and Green River. That required a multi-day closure of the road, which accesses popular off-highway vehicle and river recreation areas.

"If you had a catastrophic like that here with the railroad, with the city and that flammable gas, you'd have a problem — a big one," said Chris Dunham. "My question is, are you prepared for ... a super lot of pressure? Because that's where you're going."

Swenson said the project's drilling engineer and geologist are aware of the incident and are using the test well to develop a better understanding of the area's geology.

A1's environmental consultant Sherri Mantanona, who also presented at the meeting, said the company plans to drill four or five production wells on the other side of their property, which is slightly farther from the river and town. They are also working to build a pilot processing facility that could be completed as early as this month.

Several residents also extolled the project, saying it could bring high-paying jobs and economic stimulus to the struggling town. Tyler Hunt said he hopes the lithium project could stem the recent outflow of residents and help the town cash in on a growing industry.

"Let's let Green River get a piece of that pie," Hunt said to a round of applause from the audience.

Mantanona said the company will employ up to 200 short-term workers to build a processing facility and up to 80 long-term workers. She said A1 Lithium aims to bring jobs and on-the-ground skills training to Green River residents.



Photo Caption: It was standing-room-only at Green River City Hall. Attendees included residents and elected officials from both Green River and Moab.

Hunt, who is also the city manager, agreed with Mayor Ren Hatt that the company has so far been “very good to work with.”

Matt Hancock, a Moab resident who attended meeting, said he sees the lithium project as “a phenomenal opportunity” for Green River.

“This town needs economic help,” Hancock said.

As the project develops, Swenson said he will hold community meetings, including some in Moab.

### **Anson says their process isn’t ‘smoke and mirrors’**

Anson Resources plans to use a novel, little-tested process called direct lithium extraction. In that process, devoid of lithium’s typical evaporation ponds or open-pit mining, crews pump brine from deep underground to the surface, extract lithium and re-inject the brine about 6,000 feet underground. The brine is only aboveground for six hours, Swenson said.

“It’s not alchemy, it’s not smoke and mirrors,” he said. “...This is the future for lithium.”

As a component of electric vehicle batteries, lithium and a host of rare-earth elements have been targeted for subsidies by the Biden administration.

Regulators are also working to keep up with the fairly new domestic industry, particularly regarding novel processes like direct lithium extraction.

Porter Henze, a project manager for the Utah Department of Environmental Quality, said at a Feb. 21 hearing for the project’s injection permit that the state had had to compile a new permit for a well in which “spent brine” is re-injected.

That permit is in process for the A1 project though it’s listed under another of Anson’s subsidiaries, Blackstone Minerals.

Several environmental organizations have also skewered or slowed Anson’s attempts to extract lithium in both Emery and Grand counties. Last year the Southern Utah Wilderness Alliance successfully challenged the Bureau of Land Management’s approval for the company to re-enter two abandoned wells on Big Flat west of Moab.

Following the March 8 water surge, the Great Basin Water Network and Living Rivers, two environmental nonprofits, panned the incident and said it demonstrates “grave risks to communities.” Swenson, however, said he’s “stunned at folks that claim to care about the environment” who disapprove of what he called a green method of producing green energy.

Swenson acknowledged that the company holds “a lot” of water rights — in total, Anson has said it has rights for 2,500 acre-feet annually from the Green River — but said its process requires only one-tenth of that, about 250 acre-feet per year.

“Our competitors use ... many orders of magnitude higher than that,” Swenson said.