

Plan revision number: 1
Plan revision date: 01/24/2024

FINANCIAL ASSURANCE DEMONSTRATION PLAN 40 CFR 146.82(a)(14) and (19), 146.85

Bluebonnet Sequestration Project

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1.0 Facility Information

Facility name: Bluebonnet Sequestration Project
Bluebonnet CCS 1 Well

Facility contact: [REDACTED], Project Manager
5 Greenway Plaza Houston, TX 77046
[REDACTED]

Well location: [REDACTED] Texas
[REDACTED] (North American Datum 1927)

The matter of financial assurance demonstration is relevant to the requirements of Environmental Protection Agency (EPA) document 40 CFR Subpart H - Criteria and Standards applicable to Class VI Wells. The main topics covered in this attachment are activities requiring financial assurance, instruments to meet financial responsibility, and the plan to be implemented by Oxy Low Carbon Ventures, LLC.

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2.0 Activities Requiring Financial Assurance

The Class VI rule requires that Bluebonnet Sequestration Hub, LLC, demonstrate financial ability to successfully complete all the tasks associated with performing well corrective action, well plugging, post-injection site care, site closure, and implementation of an emergency remedial plan as specified in Table FA-1.

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Table FA-1—List of project activities that require financial assurance.

Activity	Period of Performance
Performing corrective action	As needed
Plugging injection and monitoring wells	One time
Post-injection site care	Throughout the post-injection phase
Site closure	One time
Emergency/remedial response	As needed

3.0 Instruments to Meet Financial Responsibility

Bluebonnet Sequestration Hub, LLC, has reviewed the extensive guidance, research, and analysis documents published by the EPA and intends to utilize [REDACTED] to demonstrate financial responsibility for all activities requiring financial assurance.

[REDACTED]. Bluebonnet Sequestration Hub, LLC, may change the instrument used to demonstrate financial assurance in accordance with 40 CFR 146.85.

4.0 Cost Estimate for Activities Covered by Financial Responsibility

Bluebonnet Sequestration Hub, LLC, will provide financial assurance sufficient to cover the costs identified in Table FA-2. Costs are in 2024 \$USD. A detailed cost estimate is included in appendix A.

Table FA-2—Cost estimate for activities covered by financial assurance.

Activity	Cost (Millions of \$USD)
Performing corrective action	[REDACTED]
Plugging injection wells	[REDACTED]
Post-injection site care	[REDACTED]
Site closure	[REDACTED]
Emergency/remedial response	[REDACTED]

[REDACTED]. Details of the corrective action plan are found in the Area of Review and Corrective Action Plan document of this permit.

Details of the well plugging plan are found in the Plugging Plan document of this permit.

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Details of the post-injection site and site closure plan are found in Post Injection Site Care and Site Closure Plan document of this permit. Post-Injection Site care costs were estimated from cessation of injection to site closure and account for plume monitoring techniques, surveillance of the wells until closure, and monitoring the site to ensure protection of the USDW. Site closure costs include plugging remaining monitoring wells, removal and/or abandonment of surface facilities, and reclamation of the site.

Details of the emergency and remedial response plan are found in the Emergency and Remedial Response plan document of this permit.

The financial instrument values included in this document are based upon cost estimates by the Bluebonnet Sequestration Hub, LLC, project team with input cost data from service providers. Cost estimates were provided during the permit application process. If the cost estimates change during the permitting process or the life of the project, Bluebonnet Sequestration Hub, LLC, will adjust the value of the financial instruments.

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Table FA-5—Cost estimate for plugging and abandon.

Description	Qty	Unitary Cost \$	Total Estimated \$
Total \$			\$

3. Post Injection Site Care

Table FA-6—Cost estimate for post injection site care.

Description	Total Estimated \$
Total \$	

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4. Site Closure

Table FA-7—Cost estimate for site closure.

Description	Total Estimated \$
[REDACTED]	[REDACTED]

5. Emergency Remedial and Response Plan

Table FA-8—Cost estimate for emergency remedial and response plan.

Description	Total Estimated \$
G [REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
Total \$	[REDACTED]