

Attachment K: Financial Assurance Demonstration

Claimed as PBI

Carbon America

(40 CFR 146.85)

Revision	Date	Notes	Written By	Approved By
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1. Facility Information

- Facility Name: Claimed as PBI

- Well Name: Claimed as PBI

- Facility Contact: Claimed as PBI

- Well Location: Claimed as PBI

2. Financial Responsibility

Claimed as PBI is providing financial responsibility pursuant to 40 CFR 146.85. Claimed as PBI is currently evaluating qualifying financial instruments to fulfill the requirements of injection well plugging, post-injection site care (PISC), site closure, and emergency and remedial response. There are Claimed as PBI within the Area of Review (AoR) that Claimed as PBI; thus, financial assurance to perform corrective action is not required (see discussion in Section 3.1). Claimed as PBI anticipates that one or more qualifying financial instruments will be employed to demonstrate financial accountability, likely a combination of Claimed as PBI. Claimed as PBI is also Claimed as PBI

Claimed as PBI will keep the Underground Injection Control (UIC) Program Director informed of financial instrument selections as they are finalized, and will submit the necessary documentation once the instruments are obtained and before the permit is granted.

The estimated costs of each of these activities, as provided by Claimed as PBI are presented in Table K-1.

3. Cost Estimates

Cost estimates provided in Table K-1 were generated by Claimed as PBI using third-party bids to include all required activities per 40 CFR 146.85 (c). All cost estimates are reported in current 2024 U.S. dollars (USD), and include a Claimed as PBI contingency designed to capture costs associated with utilizing third-party service providers. Figures are rounded to the nearest hundred dollars.

Table K-1. Cost Estimates for Activities to be Covered by Financial Responsibility

Activity	Estimated Cost
Claimed as PBI	Claimed as PBI
Claimed as PBI	Claimed as PBI
Claimed as PBI	Claimed as PBI
Claimed as PBI	Claimed as PBI
Claimed as PBI	Claimed as PBI
Total	Claimed as PBI

3.1 Corrective Action on Wells in the AoR

As detailed in Attachment A: Area of Review and Corrective Action Plan, Claimed as PBI

Claimed As a result, anticipated expenses are set at and there is no requirement for a financial instrument to cover the corrective action.

3.2 Plugging of the Injection Well

Attachment H: Well Plugging Plan describes the proposed plugging procedures for the Claimed as PBI. Table K-2 details the cost estimate for injection well plugging.

Table K-2. Injection Well Plugging Cost Estimate

Activity	Unit	Unit Cost	Estimated Cost
Claimed	Claimed	Claimed as PBI	Claimed as PBI
Claimed			Claimed as PBI
Total			Claimed as PBI

Notes: (1) Internal well plugging cost based on rig mobilization and daily rates experienced during drilling of the

Plugging activities include Claimed as PBI

(2) Contingency cost is Claimed as PBI of combined activities cost.

3.3 Post-Injection Site Care and Site Closure

Attachment I: Post-Injection Site Care and Site Closure Plan outlines the PISC phase monitoring activities for the plume and pressure front, including Claimed as PBI

It also details the procedure for decommissioning monitoring wells and closing the site.

The duration of the PISC period is Claimed as PBI

Estimated costs for PISC are itemized in Table K-3. Site closure expenses are detailed in Table K-4. The aggregate projected expenses for both PISC and site closure activities amount to Claimed as PBI Claimed as PBI

Table K-3. Post-Injection Site Care Cost Estimate

Activity	Unit	Events, 50 years	Unit Cost	Estimated Cost
Claimed	Claimed	Claimed	Claimed as PBI	Claimed as PBI
Claimed	Claimed	Claimed as PBI	Claimed as PBI	Claimed as PBI
Claimed	Claimed	Claimed	Claimed as PBI	Claimed as PBI
Claimed	Claimed as PBI	Claimed	Claimed as PBI	Claimed as PBI
				Claimed as PBI
Total			Claimed as PBI	Claimed as PBI

Notes: (1) Claimed as PBI

(2) Claimed as PBI

(3) Claimed as PBI

(4) Contingency cost is Claimed as PBI of combined activities cost

Table K-4. Site Closure Cost Estimate

Activity	Unit	Unit Cost	Estimated Cost
Claimed as PBI	Claimed as PBI	Claimed as PBI	Claimed as PBI
Claimed as PBI	Claimed as PBI	Claimed as PBI	Claimed as PBI
Claimed as PBI	Claimed as PBI	Claimed as PBI	Claimed as PBI
Claimed as PBI	Claimed as PBI	Claimed as PBI	Claimed as PBI
		Total	Claimed as PBI

Notes: (1) Monitoring well plugging activities include mechanical integrity testing (MIT) prior to well plugging; (2) **Claimed as PBI** will be acquired at the time of site closure; (3) Contingency cost is **Claimed as PBI** of combined activities cost.

3.4 Emergency and Remedial Response

Attachment J: **Emergency and Remedial Response Plan** details the actions that **Claimed as PBI** will take to address potential contamination of an underground source of drinking water (USDW) at the **Claimed as PBI** site. The response to a potential carbon dioxide (CO₂) leak includes the plugging of the leak where possible and the identification and remediation of any affected USDWs.

Table K-5 provides the cost estimate to investigate potential contamination of the **Claimed as PBI** table was developed by **Claimed as PBI** and is based on their previous experience.

Table K-5. Emergency and Remedial Response Costs, Chadron Formation Contamination Investigation

Activity	Unit	Unit Cost	Estimated Cost
Claimed as PBI	Claimed as PBI	Claimed as PBI	Claimed as PBI
Claimed as PBI	Claimed as PBI	Claimed as PBI	Claimed as PBI
Claimed as PBI	Claimed as PBI	Claimed as PBI	Claimed as PBI
Claimed as PBI	Claimed as PBI	Claimed as PBI	Claimed as PBI
Claimed as PBI	Claimed as PBI	Claimed as PBI	Claimed as PBI
Claimed as PBI	Claimed as PBI	Claimed as PBI	Claimed as PBI
	Total	Claimed as PBI	Claimed as PBI

Notes: (1) Contingency cost is **Claimed as PBI** of combined activities cost.

Table K-6 provides the cost estimate **Claimed as PBI** t. This table is based on the groundwater sampling and monitoring costs provided by **Claimed as PBI**

Table K-6. Emergency and Remedial Response Costs, Claimed as PBI

Activity	Unit	Unit Cost	Estimated Cost
Claimed as PBI	Claimed as PBI	Claimed as PBI	Claimed as PBI
Claimed as PBI	Claimed as PBI	Claimed as PBI	Claimed as PBI
Claimed as PBI	Claimed as PBI	Claimed as PBI	Claimed as PBI
Claimed as PBI	Claimed as PBI	Claimed as PBI	Claimed as PBI
Claimed as PBI	Claimed as PBI	Claimed as PBI	Claimed as PBI
Claimed as PBI	Claimed as PBI	Claimed as PBI	Claimed as PBI
Claimed as PBI	Claimed as PBI	Claimed as PBI	Claimed as PBI
Claimed as PBI			Claimed as PBI
			Total
			Claimed as PBI

Notes: (1) Contingency cost is 1% of combined activities cost

The aggregate projected expense for remediation of the **Claimed as PBI** as presented in Tables K-5 and K-6, amounts to **Claimed as PBI**

3.5 Updates to Financial Assurance [40 CFR 146.85(C)(2)(3)(4)]

Claimed as PB1 will provide the U.S. Environmental Protection Agency (EPA) with annual updates regarding the financial responsibility amount including any proposed changes. During the active life of the project, Claimed as PB1 will adjust the cost estimate for inflation within 60 days prior to the anniversary date of the establishment of the financial instrument(s) used to comply with 40 CFR 146.85(a), and will provide this adjustment to the EPA. EPA will also be provided written updates of adjustments to the cost estimate within 60 days of any amendments to **Attachment A: Area of Review and Corrective Action Plan** (§ 146.84), **Attachment H: Injection Well Plugging Plan** (§ 146.92), **Attachment I: PISC and Site Closure Plan** (§ 146.93), and **Attachment J: Emergency and Remedial Response Plan** (§ 146.94). If the projected expenses surpass the nominal value of the financial instrument(s) in use, Claimed as PB1 will either increase the face value of the current instrument(s) or procure additional financial instruments within a 60-day time frame and provide evidence to EPA.

Claimed as PBI