Pre-Operational Testing Program
40 CFR 146.87

Capio Sherburne Sequestration, LLC
109 N Post Oak Ln | Suite 140
Houston TX 77024
832-551-3300

SCS ENGINEERS

Capio Sherburne CCS Well No. 1 | January, 2023

11120 E 26th St N | Suite 1100
Wichita KS 67226
316-315-4501

Table of Contents

Section Page

Introduction **1**
Pre-Injection Testing Plan – Injection Well **1**
Deviation Surveys 1
Mud Logging/Formation Samples and Testing 2
Fluid Samples and Testing 2
Formation Samples and Analyses 2
Geophysical Logging 3
Permanent Fiber Optic Monitoring System 3
Demonstration of Mechanical Integrity and Reservoir Tests 4
Internal Mechanical Integrity 5
External Mechanical Integrity 5
Fall-Off Testing 5
Injection or Pump Testing 5
Pre-Injection Testing Plan – Deep Monitoring Well **5**

Tables

Table 6-1. Estimated Sand Properties 2
Table 6-2. Logging Program 3
Table 6-3. Pre-Operational Testing Schedule 4

PRE-OPERATIONAL TESTING PROGRAM
40 CFR 146.87

Facility Information

Facility name: Capio Sherburne Sequestration, LLC
Well name: Capio Sherburne CCS Well No. 1

Facility contact: Peter Hollis, Capio Sequestration - President
Michael Neese, Capio Sequestration - Senior Vice President
Capio Sherburne Sequestration, LLC
109 N. Post Oak Ln, Suite 140, Houston, Texas 77024
832-551-3300 / pete@fidelisinfra.com

Well location: Sherburne Wildlife Management Area (WMA)
Pointe Coupee Parish, Louisiana
30.521385, -91.718429

Introduction

The pre-operational testing program is limited to data collected during drilling and completion of the injection well for the purpose of ensuring conformance with the testing standards in 40 CFR 146.87 and the construction standards in 40 CFR 146.86. The testing program includes a combination of logs, surveys, cores, reservoir testing and integrity testing to provide site-specific subsurface data and to establish a baseline against which future measurements may be compared. Testing and monitoring activities, which will be conducted during the injection and post-injection phases are described in the Testing and Monitoring Plan of this application.

Notification of each step of the pre-operational testing plan will be provided to the UIC Program Director for witness opportunity. The schedule of activities will be provided a minimum of 30 days prior to the first test. Following all pre-operational testing, Capio will provide a descriptive report prepared by knowledgeable analysts and include interpretations of each test result.

Pre-Injection Testing Plan – Injection Well

Deviation Surveys

Deviation surveys are the measurement of a borehole's departure from vertical. The injection well borehole will be drilled plumb and straight to optimize the borehole to casing cement bond. A mechanical drift indicator will be centralized in the drill pipe and data will be collected at specified intervals. The deviation shall not be more than 0.5 of one degree between any two consecutive surveys, and not more than one degree over the entire well length. Any deviation from vertical greater than 0.5 of one degree will be corrected as drilling progresses. Drift indicator data and plots will be maintained by Capio Sherburne Sequestration, LLC (Capio) for the duration of drilling and supplied with the daily drilling logs. The tool will be inspected and disassembled, recalibrated, or

tested as necessary. The requirements for a non-deviated hole may be modified if deviations result due to subsurface conditions and all reasonable care to avoid deviation has been exercised. Additionally, the requirements may be modified if the deviation will not materially affect the usefulness of the well, the performance of the well, or further impact drilling operations, including setting of casings and future testing.

Mud Logging/Formation Samples and Testing

Formation samples will be collected at 10-foot intervals during pilot hole drilling of the injection well. Representative cutting samples will be collected for depth correlation and to provide an indication and classification of penetrated geological formations (lithology, mineralogy, thickness). Two representative samples of each 10-foot section will be collected and preserved in sample bags. All sample bags will be labeled with well identifier, date, time, and depth from which the sample was taken. Samples will be stored in a manner to prevent damage or loss. Residual cuttings and drilling fluids will be removed from the site and disposed of at an appropriate disposal site.

Fluid Samples and Testing

Capio will collect representative formation water samples within the injection zone. Samples will be analyzed by a certified laboratory and parameters will include temperature, pH, and conductivity. Capio will also measure reservoir pressure and static fluid level in the injection zone.

Formation Samples and Analyses

Capio collected whole cores in the Class V characterization well (State Serial Number 975895) that represent the upper confining unit and some of the 11 Miocene age sand zones between the base of the upper confining interval and the top of the lower confining unit. Whole cores will also be collected during drilling of the injection well to characterize the injection zones and additional cores of the confining zone may be collected to complement the previously collected cores in SSN 975895. The estimated properties of these sands are provided below and are based on geophysical logs of nearby registered exploration boreholes.

Table 6-1. Estimated Sand Properties

Sand Zone Number	Approximate Depth (SSTVD/KB)	Sand Thickness (feet)	Median Capacity (Million metric tons in a one-half mile radius area)	Porosity (%)
10	5930-6070/ 6010-6110	100	2.0	30%
11	6110-6300/ 6150-6340	190	5.5	30%

Notes: The depths are listed to the nearest 5-foot increments and include the subsea true vertical depth (SSTVD) and depth relative to the Kelly bushing (KB) datum

Whole cores will be collected in core barrels of approximately four inches in diameter and ten or more feet in length, outfitted with a core bit appropriate for the formations. The depths of the intervals to be cored will be selected based on evaluation of rock cuttings and will be analyzed by

a laboratory specializing in core analyses. Analyses may include fluid saturation, porosity, grain density, sieve analysis, horizontal and vertical permeability, x-ray diffraction, CT scan, acoustic velocity, compressive strength testing, steady state permeability, mercury injection capillary pressure, resistivity, and fracture pressure. Core handling procedures will be conducted in accordance with the "Sample Examination Manual," Methods in Exploration Series published by the American Association of Petroleum Geologists, or equivalent. The core analyses will be provided to the UIC Program Director.

Geophysical Logging

Capio will conduct open borehole logging throughout drilling and completion of the injection well to provide in situ subsurface geologic and hydrologic information to total depth. Cased borehole logging will also provide information on well integrity and cement bonding. Logging will be conducted in the surface and long string boreholes, but will not be conducted in the large-diameter conductor borehole. The logging program is provided below in Table 6-2.

Table 6-2. Logging Program

Interval	Section	Log
Conductor(1)	Open borehole	None
	Cased Hole	None
Surface(1)	Open Borehole	Gamma ray(2), formation density(2), neutron porosity(2), resistivity(3), spontaneous potential(3), caliper(3), casing inspection(2)
	Cased Hole	Cement bond(3), variable density(3), temperature(3)
Long String(1)	Open Borehole	Gamma ray(3), formation density(2), neutron porosity(2), resistivity(3), spontaneous potential(3), caliper(3), fracture finder(3), spectral gamma(2), dipole sonic shear(2), acoustic-based image(2), nuclear magnetic resonance(2), elemental capture spectroscopy(2)
	Cased Hole	Cement bond(3), variable density(3), temperature(3), casing inspection(3)

(1) Approximate depths and casing sizes provided in well construction details section of the application
(2) Optional logs of which one or more may be run across the selected interval
(3) Required logs under 40 CFR 146.87

Geophysical logs will be performed by a company licensed and experienced in the performance of such logs and interpretation will be performed by a qualified geophysical log analyst. Logs and interpretations will be provided to the UIC Program Director.

Permanent Fiber Optic Monitoring System

Downhole deployment of fiber optics provides temperature, strain, and acoustic data measurements at high spatial and temporal resolutions with full wellbore coverage. The data is used for reservoir characterization based on reflection and refraction seismic, CO_2 plume detection with time-lapse VSP, detection and location of micro seismic events, well integrity, and leak detection. The cable is to be permanently attached to the casing using cross-coupling clamps that both protect and secure the cable in place. Mid-joint clamps with extra mass are installed at

intervals within the planned perforation zone. These clamps are used to locate the cable position around the long string casing prior to the perforation process. On the surface, the cable will be positioned through the casing hanger and out of the wellhead to a surface enclosure. The enclosure is used to host and protect the optical splices connecting the downhole cable to the surface cable, which is routed to a data acquisition room.

Demonstration of Mechanical Integrity and Reservoir Tests

Below is a summary of mechanical integrity tests (MITs) and pressure fall-off tests (FOTs) to be performed in the injection well prior to operation. The purpose of the MIT is to confirm casing integrity (internal MIT) and of the cement seal (external MIT). FOTs and injectivity tests provide information on hydrologic reservoir properties used to determine the pressure build up at the wellbore and real-time storage capacity. A list of the tests and testing frequency is provided in Table 6-3.

Table 6-3. Pre-Operational Testing Schedule

Class VI Rule Citation	Rule Description	Test Description	Program Period
40 CFR 146.89(a)(1)	MIT - Internal	Standard Annulus Pressure Test(2)	Prior to operation, annually, following corrective action
40 CFR 146.87(a)(4)	MIT - External	Temperature Log(2)	Prior to operation, annually, following corrective action
40 CFR 146.87(a)(4)	MIT - External	Fiber Optic Monitoring System(1)	Prior to operation, annually, following corrective action
40 CFR 146.87(a)(4)	MIT - External	Casing Inspection Log(1)	Prior to operation, following corrective action
40 CFR 146.87(e)(1)	Reservoir Test	FOT(2)	Prior to operation, every five years
40 CFR 146.87(e)(1)	Reservoir Test	Injectivity or Pump Test(1)	Prior to operation

(1) Optional tests of which one or more may be conducted
(2) Required tests under 40 CFR 146.87

MITs and FOTs will be conducted through wireline deployment and will be performed using experienced and licensed personnel and with furnished equipment that is appropriate and adequate to complete all testing phases. Wellhead equipment will be furnished with a stripper head (wireline packoff) assembly and used to conduct the geophysical log(s). The stripper head assembly will be securely attached to the wellhead to prevent flow from the well at the pressures observed. The stripper head assembly will be sized to accommodate the width and length of the longest geophysical tool used for conducting the tests and surveys. The wellhead will be furnished with bleed and isolation valves so the stripper head assembly can be shut-in and isolated from the

wellhead equipment. The assembly will include a pressure gauge and appurtenances for monitoring the pressure in the well during the tests.

Internal Mechanical Integrity

Internal mechanical integrity will be performed to confirm the well's ability to maintain pressure in the fluid-filled annular space between the tubing and casing. As described in EPA's guidance for standard annulus pressure tests, the annular space will be pressurized and pressure readings will be recorded for a minimum of one hour. Internal mechanical integrity will be confirmed if the pressure gain or loss does not exceed 3% of the initial test pressure.

External Mechanical Integrity

External mechanical integrity will be performed to confirm that there are no external influences on the cemented long string casing. While fiber optic will sense downhole acoustic changes, temperature logs may also be used to identify fluid movement through the confining zone adjacent to the well borehole and can identify casing leaks. Noise logs or radioactive tracer surveys (RTSs) may be used if anomalies are identified in the temperature logs.

Fall-Off Testing

Hydrologic characteristics of the storage reservoir can be determined by conducting fall-off testing. This test measures the relative time lapse between pressure fall-off in a stressed reservoir against the ambient formation pressure.

Injection or Pump Testing

Injection testing provides hydrogeologic characteristics of the injection zone and validates the numerical modeling used to estimate the lateral extents of the Area of Review. Approved injectate or freshwater will be injected into the well at a constant and measured rate. The injectivity test may be conducted as a constant rate test or at incrementally increasing rates (step-rate testing) to determine the pressure response within the injection interval. Data obtained from step-rate testing will be used to validate the calculations of formation fracture pressure at the top of the injection zone (conservatively correlative to the base of the confining zone).

Pre-Injection Testing Plan – Deep Monitoring Well

Pre-operational testing for the deep monitoring well will include the following tests, described in more detail above:

- Deviation surveys
- Mud logging/formation samples and testing
- Geophysical logging (cement bond logs and casing inspection logs only)
- Internal and external mechanical