

Denbury Carbon Solutions, LLC

Financial Assurance Demonstration

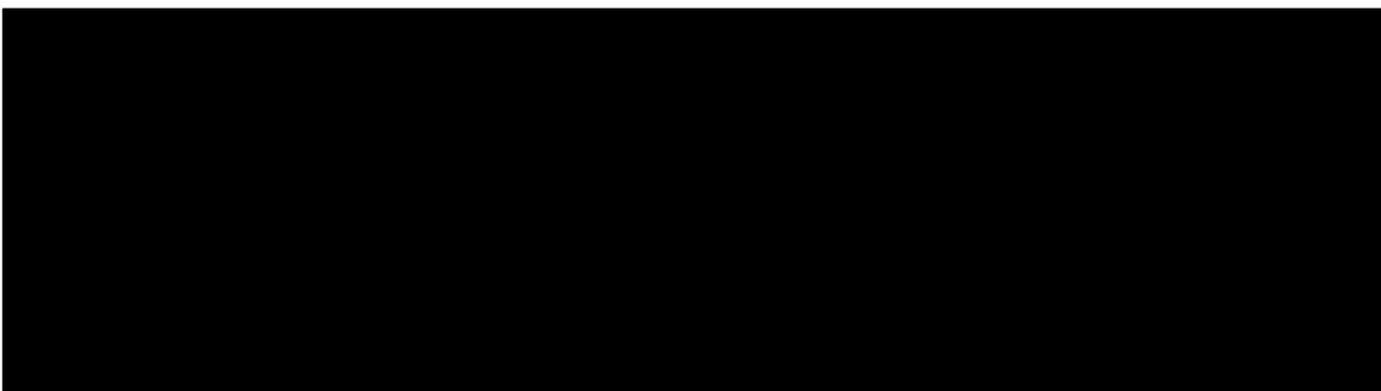
Draco Storage Facility, Allen, Beauregard, and Vernon Parishes, Louisiana



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ACRONYMS/ABBREVIATIONS

Acronyms/Abbreviations	Definition
AoR	Area of Review
Bbl	Barrel
CCS	Carbon Capture and Storage
CCSvt Model	Monte Carlo Model
CFR	Code of Federal Regulations
CO ₂	Carbon dioxide
ERR	Emergency and remedial response
IEc	Industrial Economics, Incorporated
MCL	Maximum Containment Level
NAD27	North American Datum of 1927
NORM	Naturally Occurring Radioactive Material
P&A	Plug and Abandon
pH	Potential of Hydrogen
PAH	Polynuclear Aromatic Hydrocarbon
PHMSA	Pipeline and Hazardous Materials Safety Administration
PNL	Pulsed Neutron Log
RO	Reverse Osmosis
SMCL	Secondary Maximum Containment Level
TDS	Total Dissolved Solids
USDW	Underground source of drinking water
USIT	UltraSonic Imager Tool

1.0 FACILITY INFORMATION

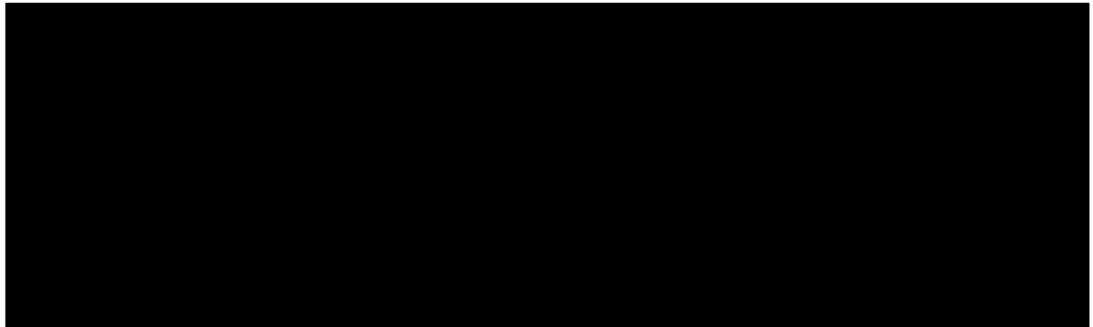
Facility Name: Draco Storage Facility

Facility Location:

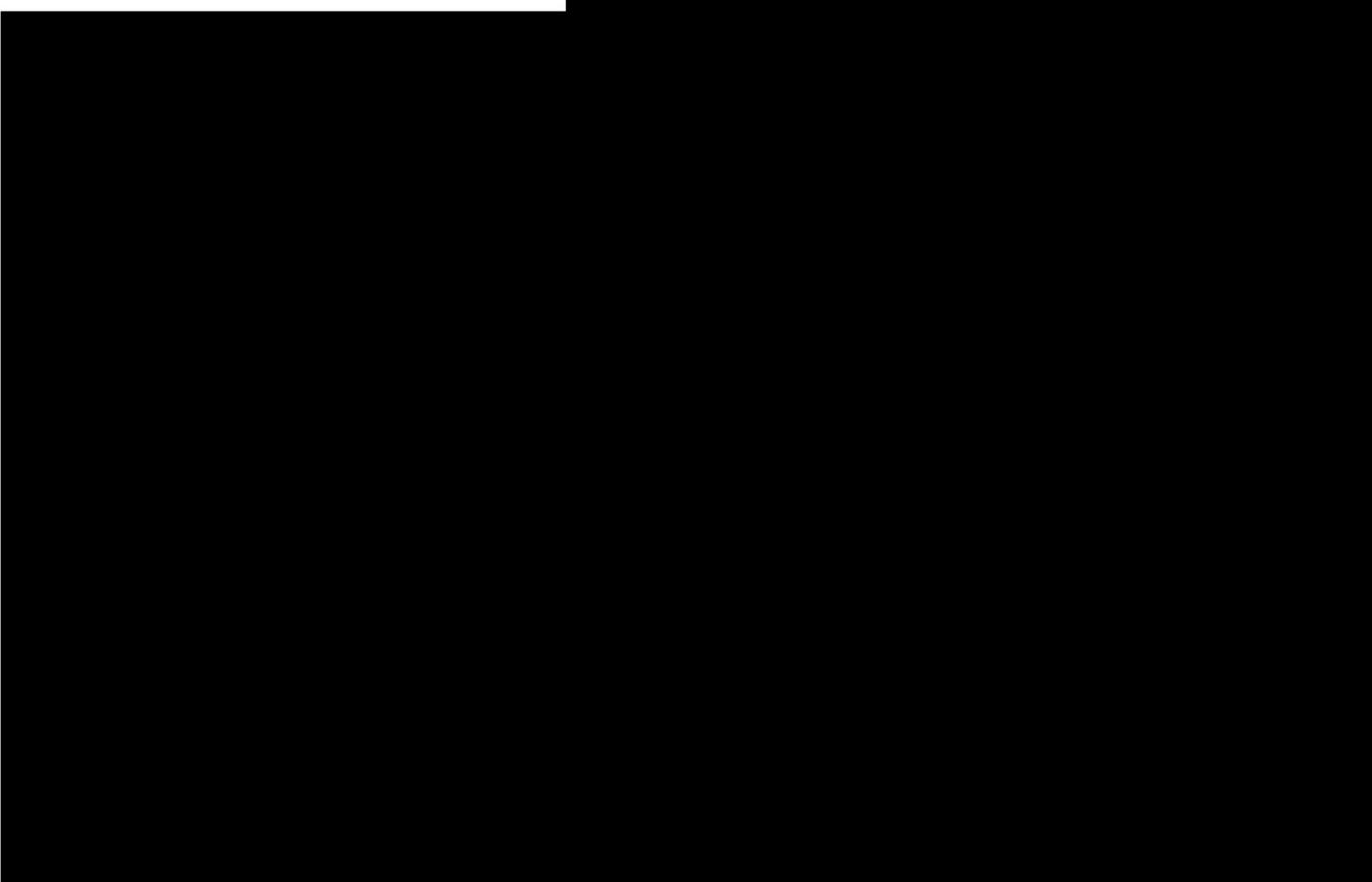


Mailing Address: 5851 Legacy Circle, Suite 1200
Plano, Texas 75024

Well Location(s)



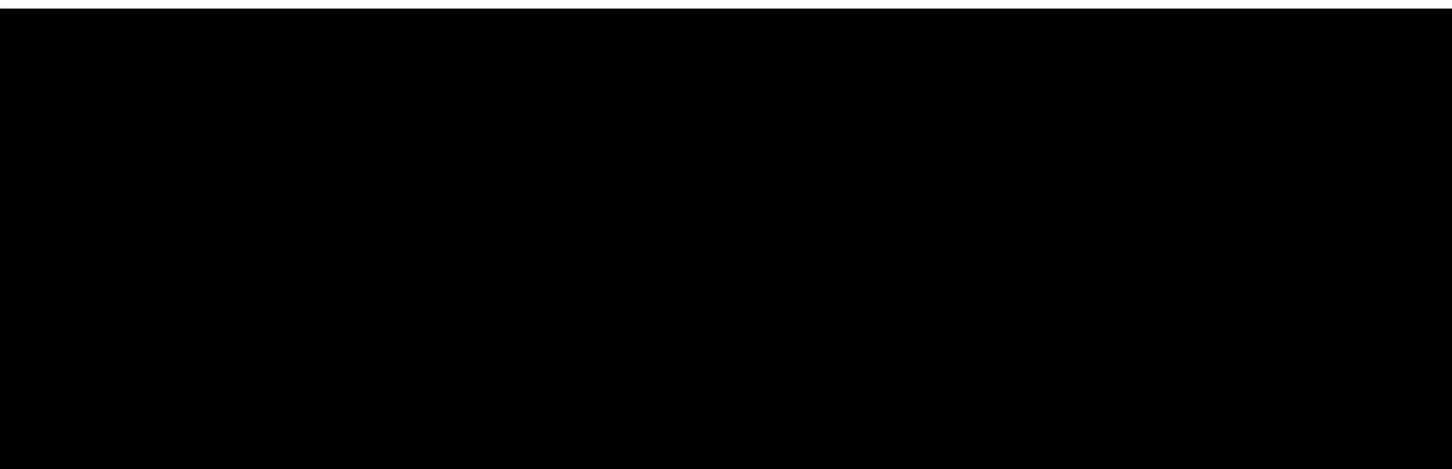
Denbury Carbon Solutions, LLC (Denbury) is providing demonstration of financial responsibility as required by USEPA 40 CFR 146.85 and LAC43: XVII 3609.C.



2.0 DETAILED COST ESTIMATES

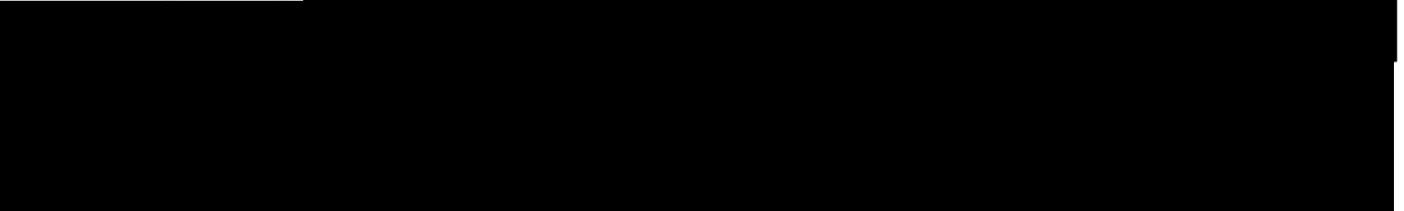
2.1 CORRECTIVE ACTION ON EXISTING WELLS WITHIN THE AREA OF REVIEW (AOR)

Pursuant to USEPA 40 CFR 146.84 and LAC43: XVII 3615, Denbury has evaluated the AoR for any well penetrations into or through any injection or confining zones associated with the Draco carbon dioxide (CO₂) storage facility that may require corrective action and has prepared a corrective action plan as part of this application.



2.2 INJECTION WELL PLUGGING

Pursuant to USEPA 40 CFR 146.92 and LAC43: XVII 3631, Denbury has prepared an Injection Well Plugging Plan as part of this application. This plan was used as the basis of the cost estimate for injection well plugging at the Draco Storage Facility, [REDACTED]



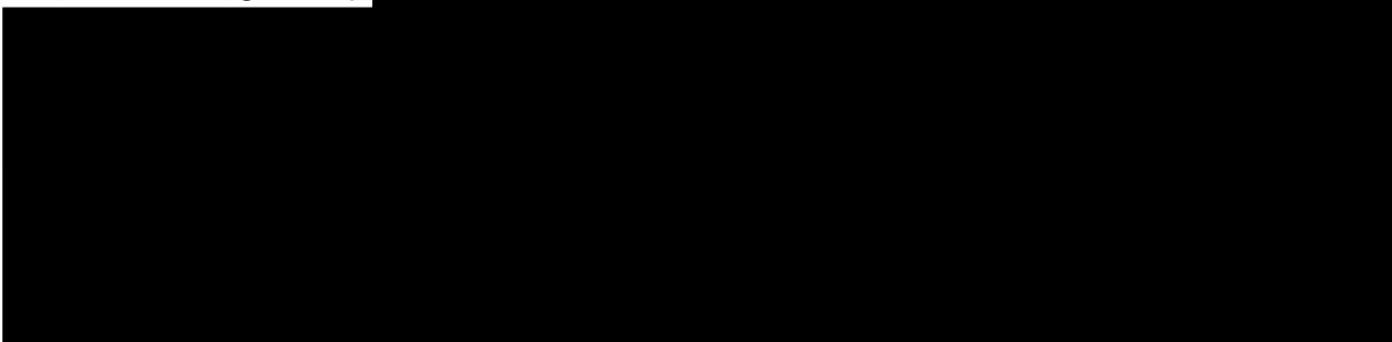
2.3 POST-INJECTION SITE CARE

Pursuant to USEPA 40 CFR 146.93 and LAC43: XVII 3633, Denbury has prepared a Post-Injection Site Care and Site Closure Plan as part of this application. This plan was used as the basis of the cost estimate for post-injection site care at the Draco Storage Facility.



2.4 SITE CLOSURE

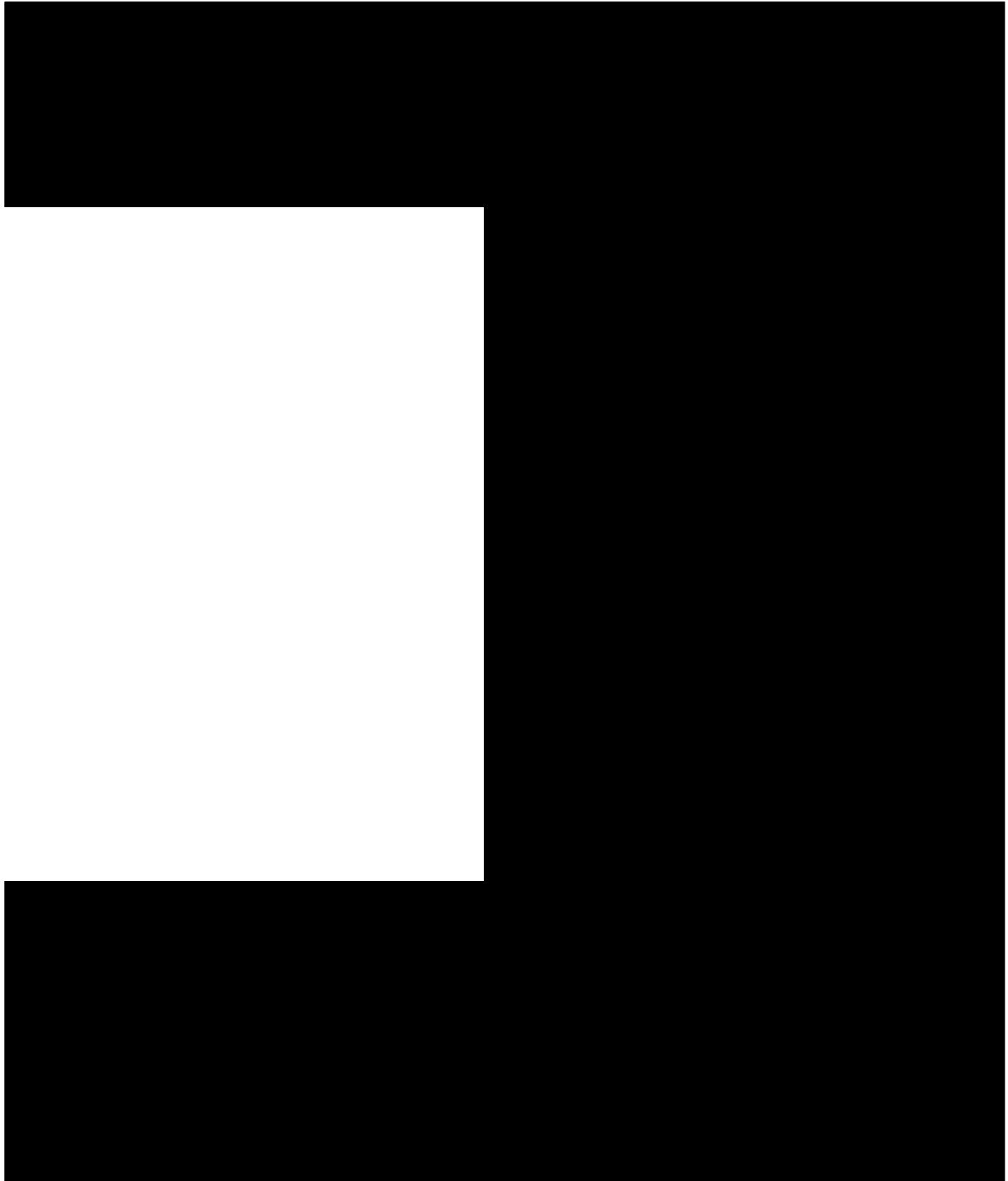
Pursuant to USEPA 40 CFR 146.93 and LAC43: XVII 3633, Denbury has prepared a Post-Injection Site Care and Site Closure Plan as part of this application. This plan was used as the basis of the cost estimate for site closure at the Draco Storage Facility,

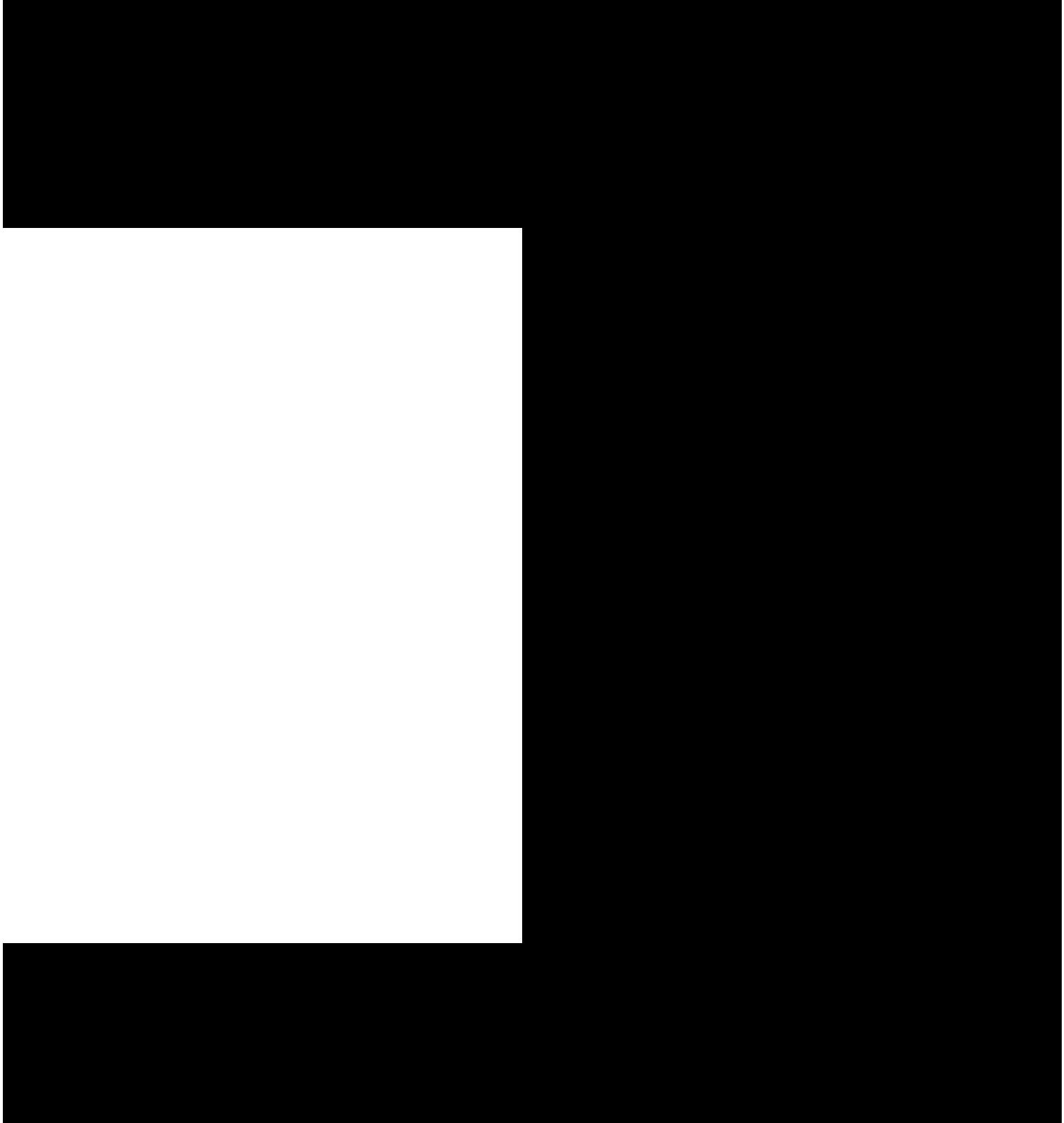


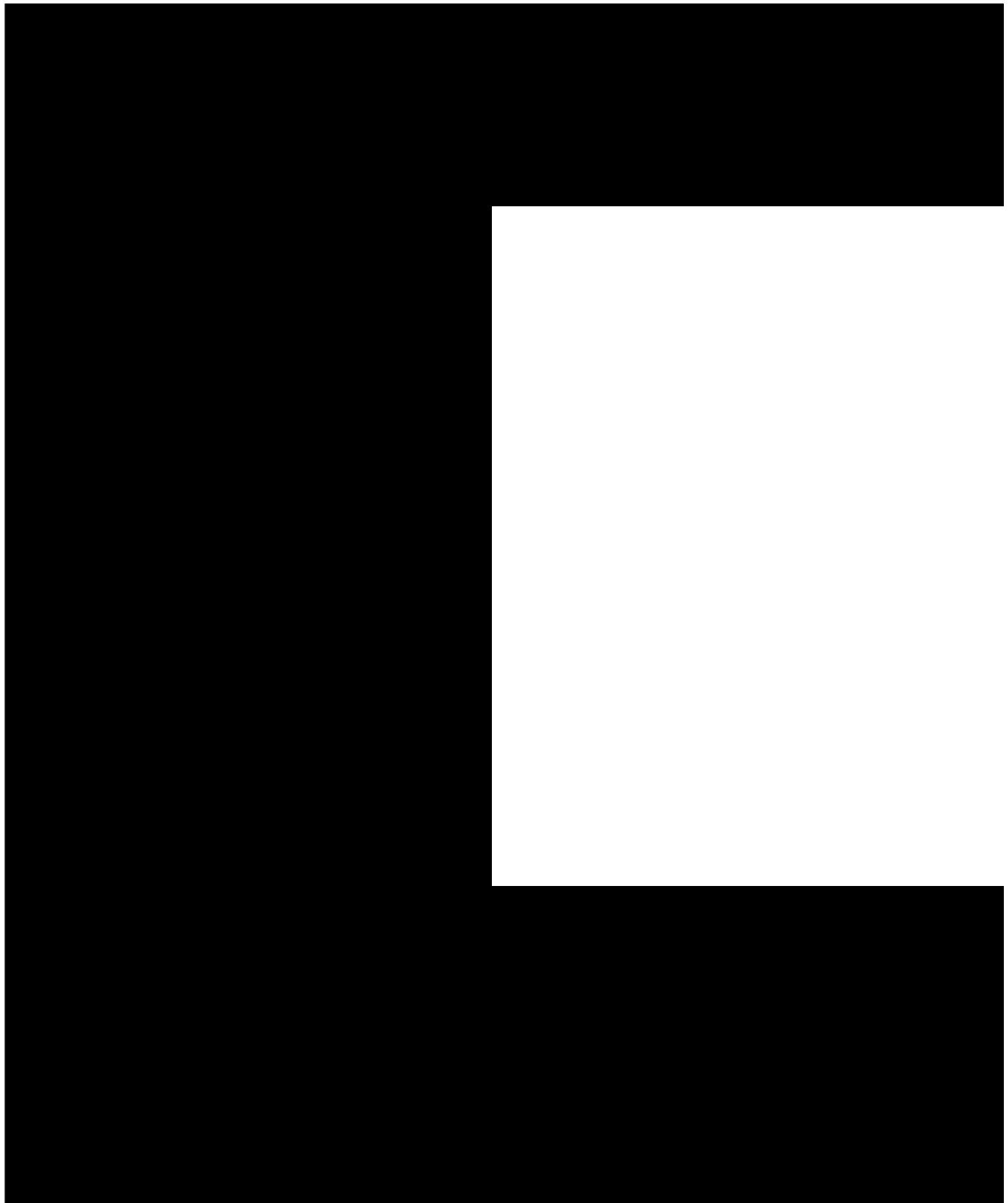
2.5 EMERGENCY AND REMEDIAL RESPONSE

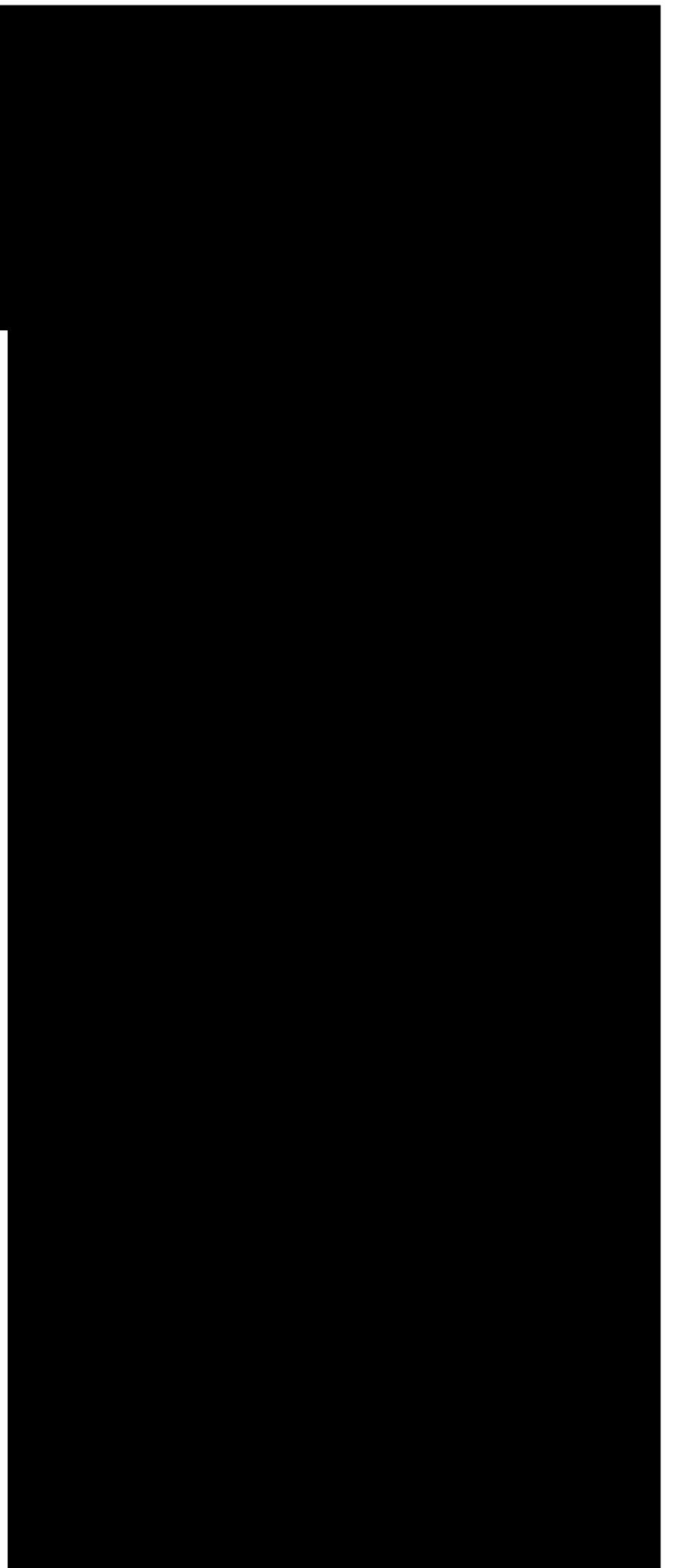
Pursuant to USEPA 40 CFR 146.94 and LAC43: XVII 3623, Denbury has prepared an Emergency and Remedial Response Plan as part of this application. This section summarizes estimates of emergency and remedial responses costs for Denbury's Draco Storage Facility. These estimates are consistent with the U.S. EPA's Underground Injection Control (UIC) Program's Class VI regulatory requirements and are intended to inform the face amount of financial assurance(s) necessary to satisfy emergency and remedial response actions.¹

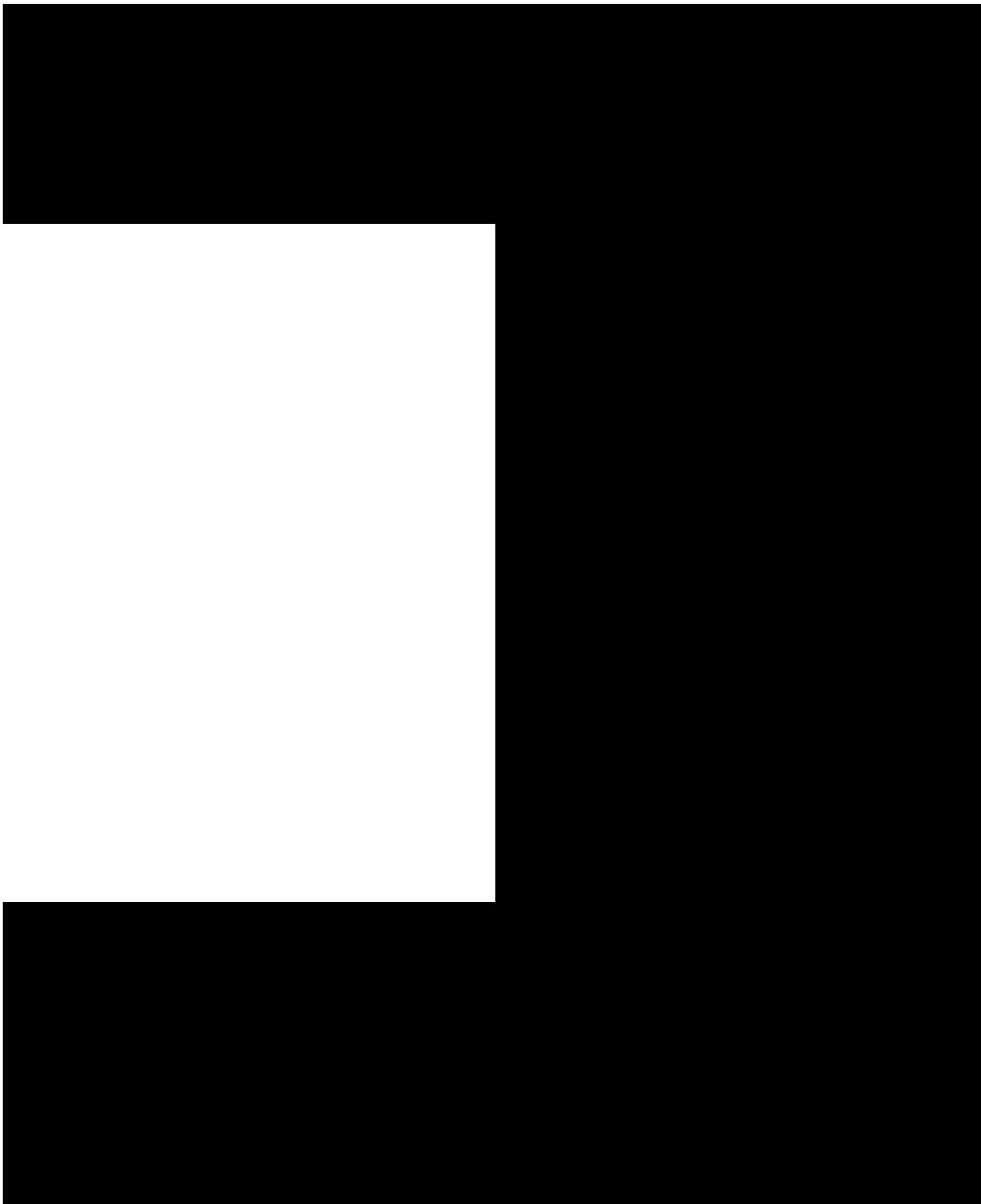


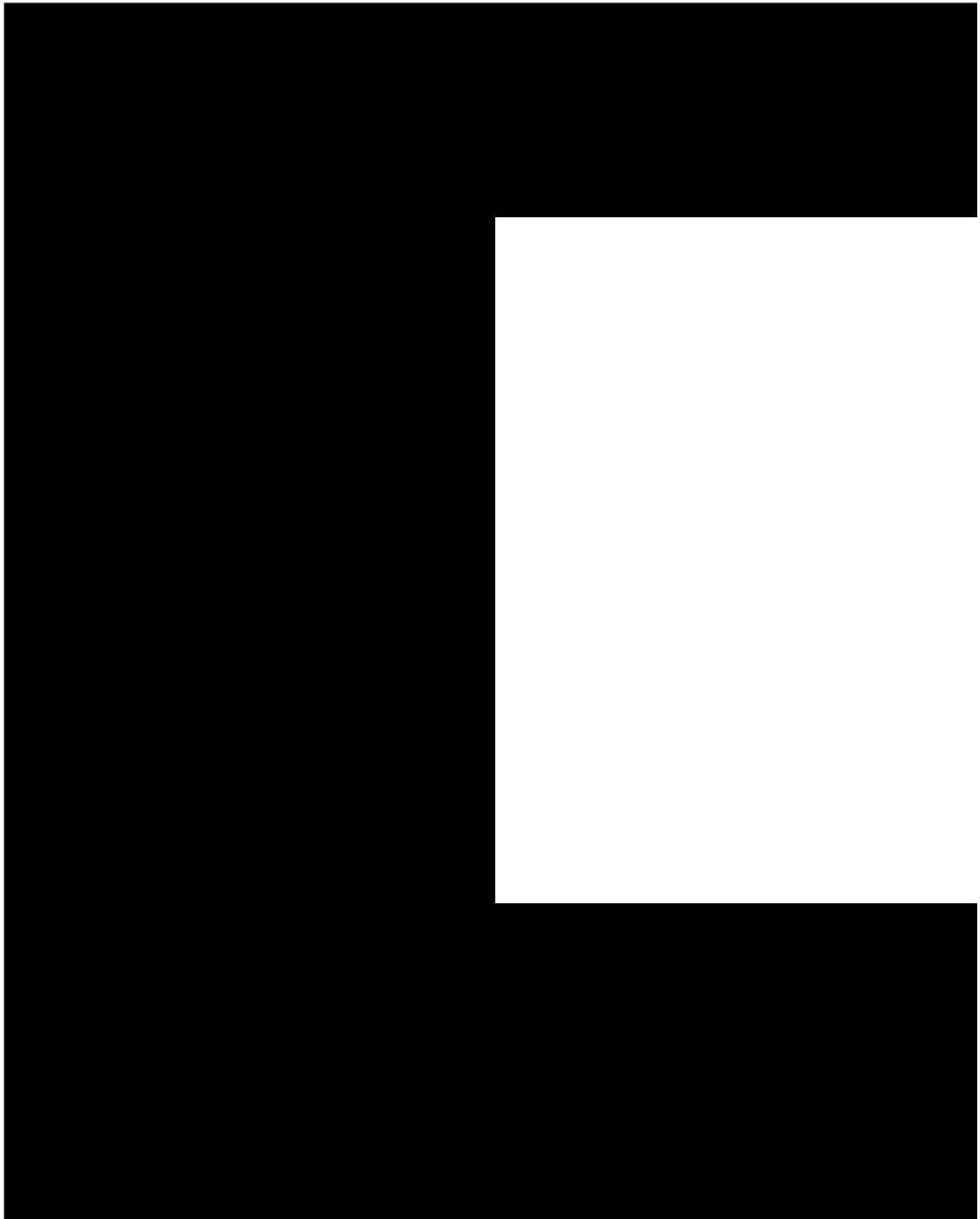












2. USDW Endangerment Incident Cost Distribution

