

**FINANCIAL ASSURANCE DEMONSTRATION**  
**40 CFR 146.85 [LAC 43:XVII.3609]**

**Venture Global CCS Cameron, LLC CO<sub>2</sub> Sequestration Project**

**Facility Information**

Facility name: Venture Global CCS Cameron, LLC CO<sub>2</sub> Sequestration Project

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Well location: West Cameron Block 5 CS004 Well 001, Cameron Parish, Louisiana  
[REDACTED]

Venture Global CCS Cameron, LLC will provide financial responsibility pursuant to 40 CFR 146.85 [LAC 43:XVII.3609] using appropriate financial instrument(s) to cover the costs of: corrective action, emergency and remedial response, injection well plugging, post injection site care and site closure. In compliance with 40 CFR 146.85(a)(4) [LAC 43:XVII.3609.C.4.c], this instrument may not be terminated except due to failure to make payment and may not be final until 120 days after receipt. The total amount of financial assurance will be \$83,640,798 and will reflect the minimum amount of funding to cover the costs of the corrective action, emergency and remedial response, injection well plugging, closure plan, and post-injection site care.

The estimated costs of each of these activities, as provided by Venture Global CCS Cameron, LLC, are summarized in Table 1.

**Table 1. Summary Cost Estimates for Activities to be Covered by Financial Responsibility**

Activity	Total Cost (\$)
Corrective Action	\$17,697,810
Plugging Injection Well	\$2,414,770
Post-Injection Site Care	\$8,250,000
Site Closure	\$7,278,218
Emergency and Remedial Response	\$48,000,000
<b>Total</b>	<b>\$83,640,798</b>

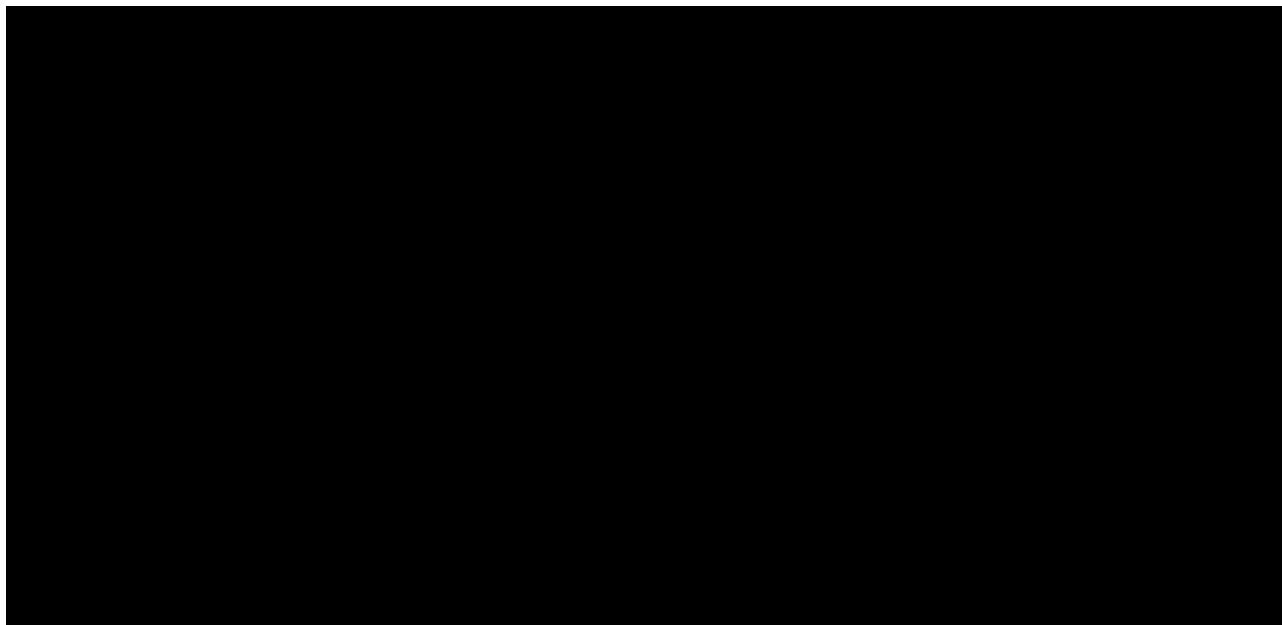
Note: Corrective Action, Plugging Injection Wells, and Site Closure well work assume costs associated with use of a mat supported jack-up rig.

## **1. Corrective Action**

The Corrective Action Plan is discussed in detail in Module 2 Area of Review and Corrective Action Plan. The plan specifically outlines a preliminary intervention schedule for plugging and “re-abandoning” five well penetrations in the Area of Review (AoR) that are consistent with current regulations to mitigate risks associated with CO<sub>2</sub> migration into the wellbores from the plume. Due to the water depth, proximity to the shoreline and open water, subsurface targeted injection interval, and current rig availability in the Gulf of Mexico, mat supported jack-up rigs and posted barge rigs have been selected for well work associated with corrective action and plugging activities.

A financial breakdown of costs associated with corrective action on these five wells is shown in Table 2. Note that for the purpose of determining these costs, both a mat supported jack-up and posted barge drilling units have been considered.

**Table 2. Corrective Action Costs**

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## **2. Plugging Injection Well**

Plugging and abandonment (P&A) of CS004 Well No. 001 will meet the requirements of 40 CFR 146.92 [LAC 43:XVII.3631]. The P&A of the injection well must be designed such that no movement of fluids will occur from the injection interval. A more detailed P&A plan is discussed in Module 4 Injection Well Plugging Plan. Funds will be guaranteed via appropriate financial instrument(s) to ensure that P&A operations are properly managed. These funds include costs for logs/wireline to be run in the wellbore before cementing occurs. Corrosion resistance cement (e.g., Perma-set) will be used in plugs for the well to ensure that the cement does not react with the injected fluid. All expenses relating to personnel and equipment have been estimated and accounted for in Table 3. Pressure test costs are included to account for proving the integrity of the well.

**Table 3. Injection Well Plugging Costs**

Injection Well Plugging Costs

### **3. Post-Injection Site Care**

The post-injection site care and site closure plan will be designed to meet the requirements of 40 CFR 146.93 [LAC 43:XVII.3633]. As discussed in Module 5 Post-Injection Site Care and Site Closure Plan, Vertical Seismic Profile (VSP) monitoring will be conducted every five years to ensure the integrity of the well and to track the migration of the plume. The cost estimated in Table 4 includes that of a VSP every five years, and other monitoring requirements as per Module 5 for 50 years until the owner is released from post-injection site duties. Costs associated with the plan have been highlighted in Table 4.

**Table 4. Post-Injection Site Care Costs**

<b>Post-Injection Site Care</b>	<b>\$8,250,000</b>
Post-Injection Monitoring	\$8,250,000

### **4. Site Closure**

Site closure will occur when the Director has released the owner from all post-injection site duties. The costs below reflect the expected amount to close the site and restore the facility to its natural state. P&A of the monitoring wells and dismantling of surface facilities, including removing storage vessels, piping, pumps, and surface equipment, are included in Site Closure cost estimates. Debris removal is also included in surface facilities costs. Funds will be allocated for site restoration to leave minimal environmental impact.

P&A of the monitoring wells CS004 Monitor Well No. 001 and CS004 Monitor Well No.002 will also meet the requirements of 40 CFR 146.92 [LAC 43:XVII.3631]. P&A costs for an optional shallow USDW monitoring well are also included in Site Closure estimate. The P&A of these

wells will be designed such that no movement of fluids will occur from the injection interval, nor will fresh and treatable water found within the USDW be threatened. Detailed P&A plans are discussed in Module 4 Injection Well Plugging Plan and Module 5 Post-Injection Site Care and Site Closure Plan.

Funds will be guaranteed via appropriate financial instrument(s) to ensure that P&A operations are properly managed. These funds include costs for logs/wireline to be run in the wellbore before cementing occurs. All expenses relating to personnel and equipment have been estimated and accounted for in Table 5 below. Pressure test costs are also included to account for proving the integrity of the well.

All Site Closure cost estimates are listed in Table 5. Note that the costs associated with closure of monitoring wells assume the use of a mat supported jack-up rig.

**Table 5. Site Closure Costs.**

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## 5. Emergency and Remedial Response

Any potential accidents that may occur during well construction and operation of the CS004 Well No. 001 and monitoring wells will be financially covered by appropriate financial instrument(s). As identified in the Risk Matrix included in Module 6 Emergency and Remedial Response Plan, although rare, a well blowout would likely result in the costliest emergency response expense. This estimated cost has been captured in the Single Large Volume Release to Surface line-item cost in Table 6 below. In the unlikely event of migration beyond the leased pore space, Venture Global CCS Cameron, LLC shall coordinate with the State of Louisiana and, if applicable, lessee of the pore space into which injected quantities have unintentionally migrated to take appropriate remedial action.

Venture Global CCS Cameron, LLC will carry appropriate financial instrument(s) or insurance policies to protect against any such unplanned events. Responses to unplanned events such as hurricanes and tropical storms are covered in the estimated bond value. While actual costs may exceed insurance limits. To provide additional financial security against these events, additional costs have been included in the total bond value for these expenses.

**Table 6. Emergency and Remedial Response Costs.**

Category	Description	Cost Estimate (\$)
Emergency Response	Initial response to an emergency, including personnel, equipment, and supplies.	1,000,000
Remediation	Long-term remediation of environmental impacts, including monitoring, containment, and cleanup.	5,000,000
Post-Injection Site Care	Continuous monitoring and maintenance of the injection site to ensure safety and environmental protection.	1,000,000
Administrative Costs	Overhead costs associated with managing the financial instrument, including legal, accounting, and administrative expenses.	500,000
Total	Estimated total cost for emergency and remedial response activities.	6,500,000

## 6. Updates to Financial Assurance

During the active life of this project, Venture Global CCS Cameron, LLC will adjust the cost estimates for inflation annually within 60 days prior to the anniversary date of the establishment of the financial instrument(s) and provide this adjustment to the Director. Venture Global CCS Cameron, LLC will also provide written updates of adjustments to the cost estimate within 60 days of any amendments to the area of review and corrective action plan, the injection well plugging plan, the post-injection site care and site closure plan, and the emergency and remedial response plan. If the updated cost estimate increases to an amount greater than the face value of the financial instrument(s) in use, Venture Global CCS Cameron, LLC will obtain an increase in the financial instrument(s) at an amount at least equal to the current cost estimate or obtain other financial responsibility instruments to cover the increase and supply evidence of such to the Director. If the estimated value is reduced due to changes in the operational cycle of the project, the financial instrument(s) will be reduced in value accordingly.