

Stakeholder Gas Services, LLC

30-30 Gas Plant

Acid Gas Injection Well Annual Monitoring Report for Reporting Year 2022

This annual monitoring report for reporting year 2022 discusses monitoring activities conducted at the Stakeholder Gas Services, LLC (Stakeholder) 30-30 Plant during reporting year 2022 to detect and quantify surface leakage of carbon dioxide through various potential pathways. These monitoring activities follow those described in the approved Stakeholder Monitoring, Reporting, and Verification (MRV) Plan for the acid-gas injection (AGI) well at the plant.

Narrative History of Monitoring Efforts in 2022

In accordance with the approved MRV Plan, several monitoring efforts were conducted during calendar and reporting year 2022. To detect potential leakage from surface equipment, Stakeholder utilized multiple gas detectors, pressure transmitters, temperature transmitters, and gas flow meters to continuously monitor the well. Signals from each fixed detector, transmitter, and flow meter came into the main Distributed Control System that is in the 30-30 Gas Plant control room, where operations personnel monitored the measurements 24 hours per day, 7 days per week. Below is the list of all detectors, pressure transmitters, temperature transmitters, and flow meters that were monitored in the 30-30 Gas Plant control room.

- Hydrogen Sulfide Gas Detectors (4) – GT-501, GT-502, GT-503, GT-504
 - o High Alarm Setpoint – 10 parts per million, by volume (ppm)
 - o High-High Alarm Setpoint – 20 ppm
- Casing Pressure Transmitter – PI-160102
 - o No alarm setpoints
- Tubing Pressure Transmitter – PI-160101
 - o High Alarm – 2,200 psig
- Suction Pressure to AGI well – PI-090101
- Temperature Transmitter – TI-090101
- AGI Flow Meter – FI-60505

In addition to the continuous monitoring conducted from fixed instruments, all Stakeholder personnel working in the field at the plant wore personal monitors with alarms to indicate the presence of hydrogen sulfide above set thresholds. To supplement monitoring using instrumentation and detectors, operations personnel also went to the well site daily to visually inspect for leaks as part of daily routine walk-arounds.

To detect potential leakage of carbon dioxide through existing wells, hydrogen sulfide monitoring was continuously conducted at the well using fixed instruments and daily visual inspections were conducted by plant personnel, as discussed above. Data from the instrumentation were continuously monitored by personnel in the plant's control room. Until the time of the well injection permit and MRV Plan approval, which was in November 2022, Stakeholder followed the Texas Railroad Commission cycle of conducting mechanical integrity testing (MIT) of the AGI well every 5 years. Since approval of the MRV Plan was not finalized and effective until November 9, 2022, implementation of the MRV Plan did not begin until this date. As a result, MIT was not completed in reporting year 2022, but it will be performed in calendar

year 2023 and completed annually thereafter. Furthermore, Stakeholder remotely monitors the AGI well casing pressure in its plant control room, which is manned 24 hours per day, as a means to monitor well integrity and for potential leaks.

Although the likelihood of a seismicity event at the well is extremely low, Stakeholder plans to monitor potential leakage from natural or induced seismicity in the general area of the well. Since the MRV plan was not approved and implemented until November 2022, monitoring was not conducted in calendar year 2022, as the specific seismic monitoring location was not yet selected. A seismic monitor will be installed in calendar year 2023 at a location between the 30-30 Plant and Stakeholder's Campo Viejo Gas Processing Plant, approximately 5 miles from each plant. This location between the plants, rather than locations directly at each plant, has been identified and recommended by the seismometer company. This seismometer has been donated to the Bureau of Economic Geology's TexNet Seismic Monitoring system and will be integrated into their total system. Monitoring at this location will begin in calendar year 2023.

Annual groundwater monitoring on the plant property is conducted in an effort to detect potential carbon dioxide leakage through groundwater wells. In calendar year 2022, an initial groundwater sample was taken at the plant and analyzed by a third-party laboratory to establish the baseline properties of the groundwater prior to increasing the injection rate to the AGI well. Results of groundwater sampling and analysis conducted in future years will be compared to this baseline sample to assess whether any significant change to the water composition has occurred that warrants investigation to determine whether it was the result of leakage from the well.

Changes to the Monitoring Program

No changes to the monitoring program that were not material changes warranting submission of a revised MRV Plan were made in reporting year 2022. Monitoring conducted in 2022 followed the approved MRV Plan with exceptions as described in the previous section of this report.

Narrative History of Monitoring Anomalies Detected

No monitoring anomalies were detected in reporting year 2022.

Description of Surface Leakages of Carbon Dioxide

No surface leakages of carbon dioxide were detected in reporting year 2022.