TUNDRA SGS
SUBPART RR MONITORING, REPORTING, AND VERIFICATION (MRV) PLAN

Class VI Wells

Facility(GHGRP) ID 579201

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*Attachments within this MRV document will follow use the following referencing convention:

- A1 and A2 will refer to the Attachments, A1 being the Broom Creek SFP and A2 being the Deadwood SFP.
- Numbers or letters that appear after the colon will represent the numbered section or appendix of the appropriate Storage Facility Permit. For example:
  - A1:3.1.1 will direct the reader to refer to Section 3.1.1, (Area of Review Section, Written Description Subsection) within the Broom Creek SFP.
  - A2:A will direct the reader to refer to Appendix A (Data, Processing, Outcomes of CO_2 Storage Geomodeling and Simulations) within the Deadwood SFP

TUNDRA SGS
SUBPART RR MONITORING, REPORTING, AND VERIFICATION (MRV) PLAN

1.0 PROJECT DESCRIPTION

Minnkota Power Cooperative, Inc. (Minnkota) is a regional generation and transmission cooperative headquartered in Grand Forks, North Dakota, providing wholesale power to 11 member–owner rural electric distribution cooperatives in eastern North Dakota and northwestern Minnesota. Minnkota also acts as the operating agent of the Northern Municipal Power Agency, which serves the electric needs of 12 municipalities in the same geographic region as the Minnkota member–owners.

Minnkota's primary generating resource is the two-unit Milton R. Young Station (MRYS), a mine-mouth lignite coal-fired power plant. The mine, which provides the lignite coal for MRYS, is owned and operated by BNI Coal, Inc. (BNI) and is located adjacent to the MRYS facility. Minnkota prepared this MRV plan in support of the operation, reporting, and accounting for the storage component of Project Tundra, a carbon capture retrofit to MRYS with saline formation geologic storage. Project Tundra proposes 20 years of operation and the secure geologic storage of an approximate cumulative total of 77.5 MMt of carbon dioxide (CO_2) over the course of the 20 years of injection into two saline aquifer reservoirs: the Broom Creek and Deadwood–Black Island. The Broom Creek is being primarily targeted for the total injection of 77.5 MMt however the Deadwood-Black Island has a projected capacity of 23.4MMt over 20 years, which provides the project with contingent capacity or expansion opportunities. However, Deadwood-Black Island formation is being primarily contemplated as a back-up or redundant storage facility. The geologic storage facility and operation are referred to as Tundra SGS. The Tundra SGS surface facilities, wellsite, and operating location comprise land mostly associated with the coal-mining operation of BNI, the area where MRYS is located, and the land is primarily industrial and agricultural. The nearest densely populated area is Center, North Dakota, which is approximately 3.4 miles northwest of the Tundra SGS site (Figure 1-1).

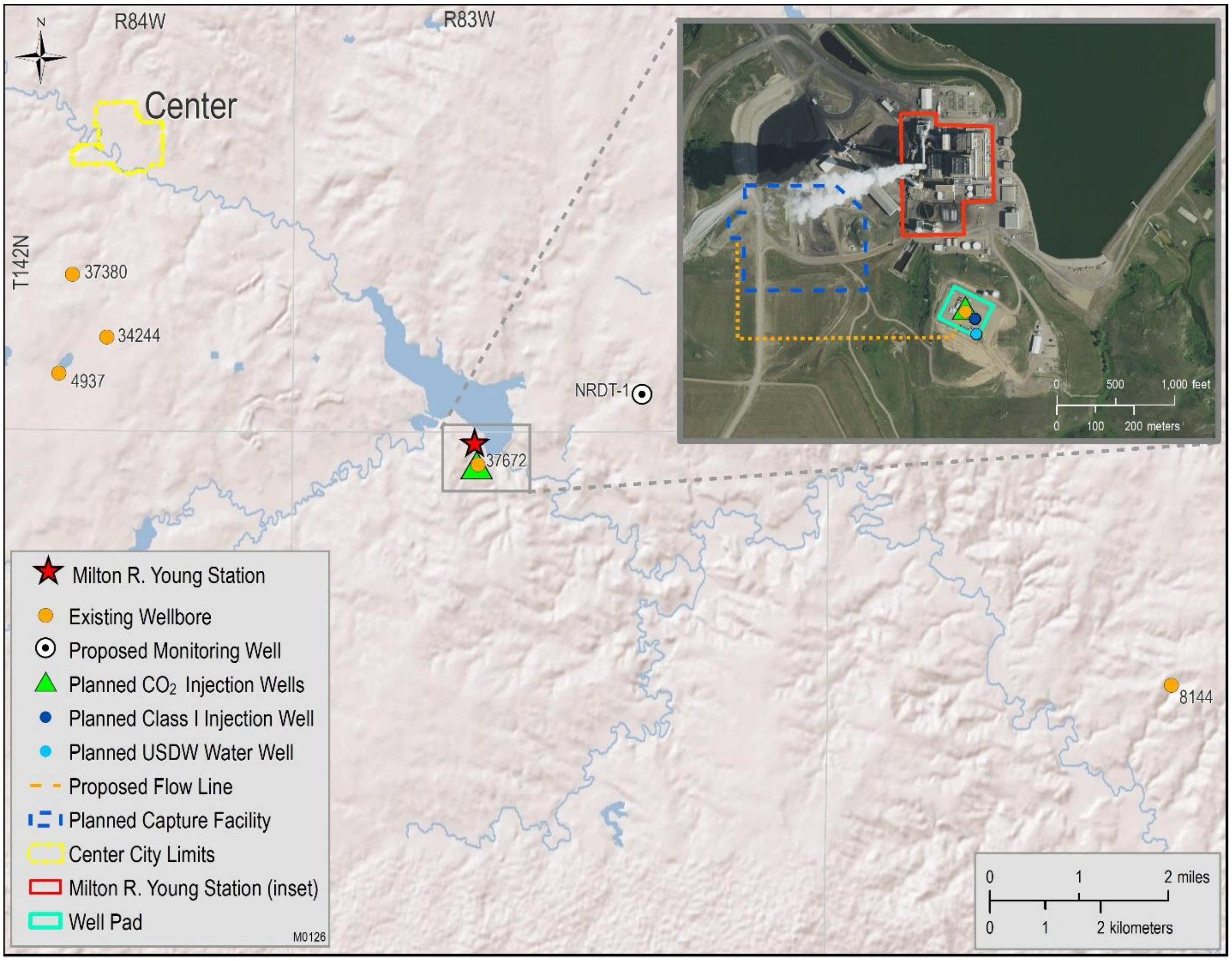

Figure 1-1. Map showing the location of Tundra SGS, NRDT-1, offset wells (orange dots), and the proposed CO_2 flowline and well pad layout. The red star denotes MRYS. The existing J-ROC1 wellbore (37672) is the wellbore planned for reentry and conversion to a Class VI injection well, which will be renamed Liberty 1. Offset wells (8144, 37380, 34244, and 4937) are included as they were evaluated in the area of review (AOR) of the Tundra SGS Carbon Dioxide Geologic Storage Facility Permit (SFP) for both Broom Creek and Deadwood storage reservoirs (A1 and A2).

1.1 Operation and Equipment

Tundra SGS plans to capture and store an average of 4 MMt/yr of CO_2 over the course of 20 years of injection, followed by 10 years of post-injection site care. MRYS Units 1 and 2 will be retrofitted with a capture facility system that utilizes amine absorption technology to generate a high-purity stream of CO_2 from the flue gas. The CO_2 captured will be dehydrated and compressed to a supercritical state, then transported via a 0.25-mile flowline to the storage site, where it will be securely and permanently stored in saline geologic formations. Figure 1-2 provides a simplified process flow diagram of the Tundra SGS project, which includes the CO_2 flowline from the metering station (M1) at the outlet of the capture facility compressor and the Phase 1 and Phase 2 injection and monitoring wells (Figure 1-2).

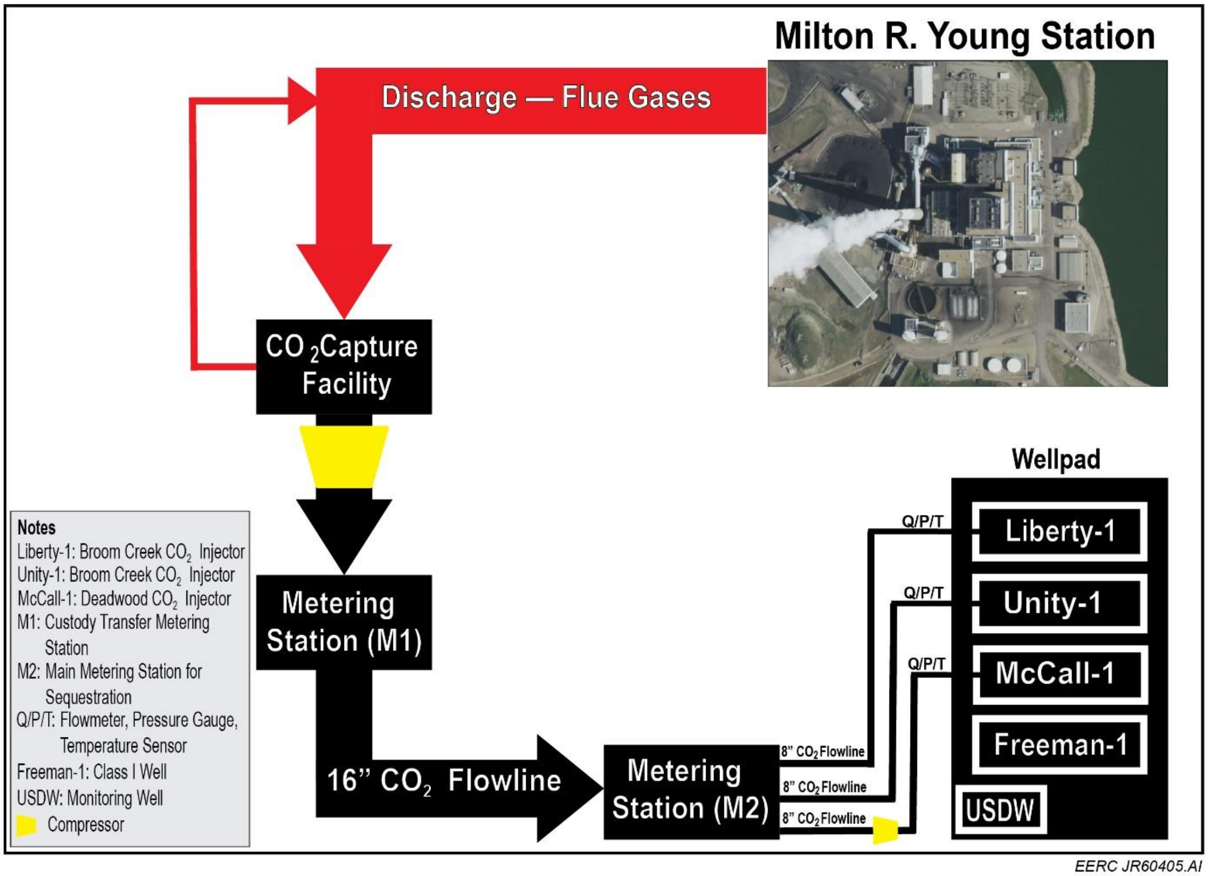

Figure 1-2. Flow diagram for Tundra SGS capture, transport, and storage facilities (USDW is underground source of drinking water).

Tundra SGS will receive captured and dehydrated CO_2 at the compressor outlet (M1), then it will be transported 0.25 miles via CO_2 flowline to the metering station (M2) for distribution to the injection wells for secure and permanent storage in the Broom Creek and Deadwood–Black Island geologic formations. These two storage formations as well as their confining seals have been extensively characterized by Minnkota through local and regional studies led by the Energy & Environmental Research Center (EERC). The focus of these studies includes North Dakota geology, results of three stratigraphic wells drilled on-site, special logs, coring, fluid sampling, seismic surveys, and an advanced numerical model, as described in A1:1 and A2:1.

The project proposes a phased development approach, with Phase 1 construction and operation of two injector wells in the Broom Creek reservoir (approximately 5,000 feet in depth), targeting 100% of the captured CO_2 volume. Following validation through operations in Phase 1, the owner and operator will assess the need to construct a third well, the McCall-1. This additional well would be completed in the Deadwood–Black Island reservoir (approximately 10,000 feet in depth) to store any excess CO_2 identified in Phase 1. The stacked storage concept and phased development approach allows the project to maximize the areal extent of the storage facilities, provides operational flexibility and redundancy, and generates further assurance to investors and stakeholders.

In addition to the three proposed injection wells, the injection pad, located within the MRYS fence line, will include one dedicated monitoring well for the lowest USDW as well as associated surface facility infrastructure that will accept CO_2 transported via a CO_2 flowline. Layout of the wells and surface facility infrastructure can be found at Figure 1-2. Minnkota proposes one deep subsurface monitoring well (NRDT-1) installed on Minnkota property located approximately 2 miles northeast of the injection site.

This procedure is applicable to Tundra SGS storage facility operations consisting of the following infrastructure:

SFP Case Number: **29029, 29030, 29031**
UIC Class VI, ADP Form No. 28643[Unity-1]
UIC Class VI, ADP Form No. 30200[Liberty-1]
UIC Class VI, ADP Form No. 29077 [NRDT-1]
SFP Case Number: **29032, 29033, 29034**
UIC Class VI, ADP Form No. 28977 [McCall-1]
UIC Class VI, ADP Form No. 29077 [NRDT-1]

The current mailing address for the Tundra SGS facility, as the storage facility operator, is the following:

Minnkota Power Cooperative, Inc.
c/o Tundra SGS
5301 32nd Avenue South
Grand Forks, ND 58201

1.2 Environmental Setting/Geology

The Williston Basin lies in the western half of North Dakota; this area has a long history of hydrocarbon exploration and utilization. This region has been identified as an excellent candidate for long-term CO_2 storage because of the thick sequence of clastic and carbonate sedimentary rocks and the basin’s subtle structural character and tectonic stability. The proposed location of Tundra SGS is approximately 3.4 miles southeast of the town of Center on the eastern flank of the Williston Basin. This proposed facility location serves as a suitable site for an injection operation, as it is located outside of the primary oil-producing fields, with little to no well development that would interfere with storage operations and containment. Further discussion of potential mineral zones is found at A1:2.6 and A2:2.6.

The target CO_2 storage reservoir for Tundra SGS Phase 1 is the Broom Creek Formation, a predominantly sandstone horizon lying 4,740 feet below the MRYS facility (Figure 1-3). The lower Piper and Opeche and Spearfish Formations (hereafter “Opeche/Spearfish Formation”) serve as the primary confining zone overlying the Broom Creek Formation. This confining interval comprises 56 feet of mudstones, siltstones, and interbedded evaporites of the undifferentiated Opeche/Spearfish Formation overlain by 90 feet of mudstones and siltstones of the lower Piper Formation (Picard Member and lower). The Amsden Formation (dolostone, limestone, and anhydrite) underlies the Broom Creek Formation and serves as the lower confining zone. Together, the Opeche–Picard (upper confining), Broom Creek, and Amsden Formations (lower confining) make up the CO_2 storage complex for Tundra SGS Phase 1 operations.

The target CO_2 storage reservoirs for Tundra SGS Phase 2, if pursued, are the predominantly sandstone horizons of the Black Island and Deadwood Formations, lying approximately 9280 feet below MRYS (Figure 1-3). The shales of the Icebox Formation conformably overlie the Black Island and serve as the primary confining zone. The Icebox Formation provides a suitable confining layer, with an average thickness of 118 feet. The continuous shales of the Deadwood Formation B Member serve as the lower confining zone. One hundred and fifty-five feet below the lower injection horizon in the Deadwood Formation B is Precambrian metamorphosed granite. Together, the Icebox (upper confining), Black Island, and Deadwood Formations comprise this CO_2 storage complex for Tundra SGS Phase 2. For additional details regarding the site characteristics, refer to A1:2 and A2:2.

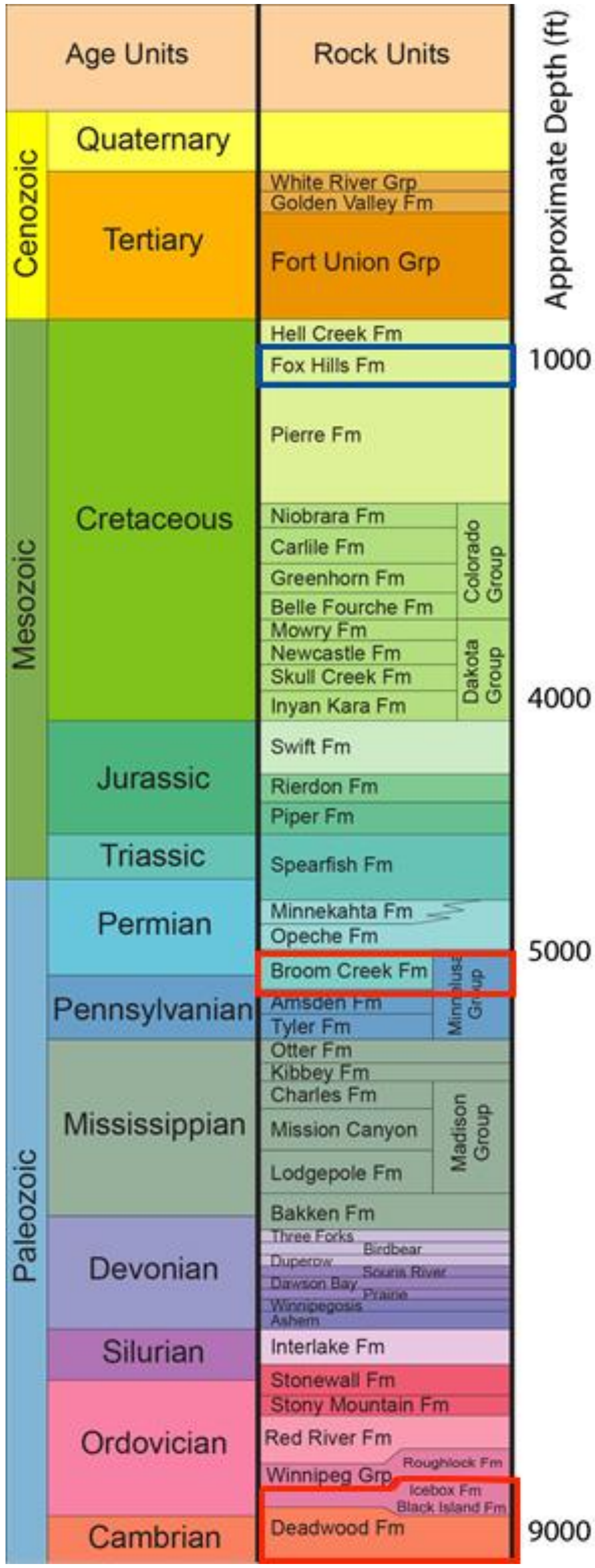

Figure 1-3. Stratigraphic column of North Dakota. Red boxes around the Broom Creek and Deadwood Formations delineate the targeted injection zones.

1.3 Reservoir Model

1.3.1 Broom Creek (Phase 1)

Phase 1 includes two wells: Liberty-1 (originally drilled as J-ROC 1, a stratigraphic well to be converted to a Class VI injector) and Unity-1 (Figure 1-2). Numerical simulation of CO_2 injection in the sandstones of the Broom Creek Formation predicted the wellhead injection pressure (WHP) of both wells would not exceed 1700 psi during injection. Bottomhole pressures (BHPs) reached 3,035.1 and 3,018.3 psi for Liberty-1 and Unity-1 wells, respectively. For the Broom Creek CO_2 plume boundary delineation, the CO_2 plume boundary was modeled using operating assumptions of 20 years at a rate of an annual 4 MMt/year for the first 15 years and 3.5 MMt/year for Years 16 through 20. The reservoir simulation model indicated target injection rates were consistently achievable over 20 years of injection. A total of 77.5 MMt of CO_2 would be injected into the Broom Creek Formation with two wells at the end of 20 years. Injected volumes were 41.1 and 36.4 MMt for the Unity-1 and Liberty-1 wells, respectively. A maximum formation pressure increase of 488 psi is estimated in the near-wellbore area during the injection period (A1:A).

1.3.2 Deadwood (Phase 2)

The Deadwood–Black Island reservoir model simulation for Phase 2 includes the McCall-1 well, drilled on the same pad as the Broom Creek wells (Figure 1-2). This model was constrained by WHP and bottomhole fracture gradient without any injection rate constraint. Within the sandstones of the Black Island and Deadwood Formations, numerical simulation of CO_2 injection predicted that injection BHP will not exceed 6,179 psi during injection operations, assuming a WHP limit of 2,800 psi is maintained. Cumulative CO_2 injection at the above-described pressure conditions was 23.4 MMt over the 20 years of injection. The resulting average injection rate of CO_2 into the Black Island and Deadwood Formations was 1.17 MMt/year. Near the wellbore area, a maximum increase of 1620 psi was estimated within the Black Island and Deadwood Formations.

Through numerical simulation efforts, long-term CO_2 migration potential was investigated in each of the Broom Creek and Deadwood models. The results did not indicate migration outside the storage facility area boundaries in either scenario. Storage facility area boundaries were established using a 20-year injection period, with the output boundary at Year 20 identified at a 5% CO_2 saturation rate and then rounded outward to the nearest 40-acre tract (A1:A).

2.0 DELINEATION OF MONITORING AREA AND TIME FRAMES

2.1 Active Monitoring Area

The active monitoring area (AMA) is defined as "the area that will be monitored over a specific time interval from the first year of the period (n) to the last year in the period (t). The boundary of the active monitoring area is established by superimposing two areas: (1) The area projected to contain the free-phase CO_2 plume at the end of year t, plus an all-around buffer zone of one-half mile or greater if known leakage pathways extend laterally more than one-half mile; (2) The area projected to contain the free-phase CO_2 plume at the end of year t+5" (40 Code of

Federal Regulations [CFR] § 98.449). For purposes of this MRV plan, Minnkota proposes that the Broom Creek AOR, as delineated in Attachment 1, Section 3, serve as the AMA for both the Broom Creek and the Deadwood–Black Island storage facilities (Figure 2-1). Based on review of the data and information of record, and data and information collected in support of A1 and A2, there are no known or suspected lateral leakage pathways within the area projected to contain free-phase CO_2 and the default one-half mile buffer zone.

2.1.1 Tundra SGS AOR Delineation in Accordance with U.S. Environmental Protection Agency (EPA) and North Dakota Rules

Under North Dakota Century Code (NDCC) and North Dakota Administrative Code (NDAC) storage facility and Class VI requirements for an AOR, delineation was completed based on the Project Tundra SFP. The AOR is defined as the "region surrounding the geologic sequestration project where underground sources of drinking water may be endangered by the injection activity" (NDAC § 43-05-01-01). The NDAC requires the operator develop an AOR and corrective action plan utilizing the geologic model, simulated operating assumptions, and site characterization data on which the model is based (NDAC § 43-05-01-5.1). Further, the NDAC requires a technical evaluation of the storage facility area plus a minimum buffer of 1 mile (NDAC § 43-05-01-05). The storage facility boundaries must be defined to include the areal extent of the CO_2 plume plus a buffer area to allow operations to occur safely and as proposed by the applicant (NDCC § 38-22-08). Minnkota elected to permit the storage facility area boundaries based on the 20-year reservoir model output discussed in Section 1.3 and then added an additional buffer rounding out to the nearest 40-acre tract.

The Broom Creek proposed AOR was delineated using a risk-based AOR approach (A1:3.1). The risk-based delineation examines the area encompassing the region overlying the injected free-phase CO_2 and the region overlying the extent of increased formation fluid pressure sufficient to drive formation fluids (e.g., brine) into USDWs, assuming pathways for this migration (e.g., abandoned wells or conductive fractures) are present. The risk-based approach established that the CO_2 plume boundary is also the extent of the AOR boundary (A1:3.1). However, in compliance with the NDAC evaluation and monitoring requirements, Minnkota extended the permitted AOR boundary beyond the risk-based delineation to encompass the storage facility boundary plus an additional 1-mile buffer (A1:3.1). Utilizing the 20-year operating output, plus a 1-mile buffer for monitoring from the outset of operations, provides significant assurance that operations can be conducted safely and as contemplated within the permitted storage facility.

The proposed AOR for the Deadwood–Black Island storage facility used EPA Method 1 to establish the AOR (A2:3.1). The Deadwood–Black Island reservoir model simulation discussed in Section 1.1 yielded an annual average injection rate of approximately 1.17 MMt/year for 20 years. Applying EPA Method 1, the Deadwood–Black Island AOR has a larger areal extent, due to the estimated pressure front under EPA Method 1, than the Broom Creek AOR, which applied the risk-based AOR approach; however, the free-phase CO_2 plume for Deadwood is contained in the delineated AOR for Broom Creek. Because of the significant overlap between the two AORs and the phased development approach, the Tundra SGS technical evaluation and proposed monitoring plan were developed to account for monitoring both injection horizons in accordance with the requirements and to the maximum areal extent simulated.

2.1.2 Tundra SGS AOR Encompasses Subpart RR AMA of both Broom Creek and Deadwood

AMA minimum delineation requirements are found in 40 CFR § 98.449 and used in Figure 2-1. Using a period of t=20 years, the Broom Creek delineated AMA boundary and the Deadwood–Black Island AMA boundary fall within the Broom Creek AOR. Minnkota proposes that the Broom Creek AOR serve as the AMA for both the Broom Creek and the Deadwood–Black Island storage facilities (AOR outlined in black in Figure 2-1), delineation of the AOR is discussed further in A1:3 and A2:3. Aligning the calculated AMA under the more expansive Broom Creek AOR allows for consistent monitoring and recording throughout the proposed injection and post-injection periods and avoids unnecessary duplication and complication in reporting.

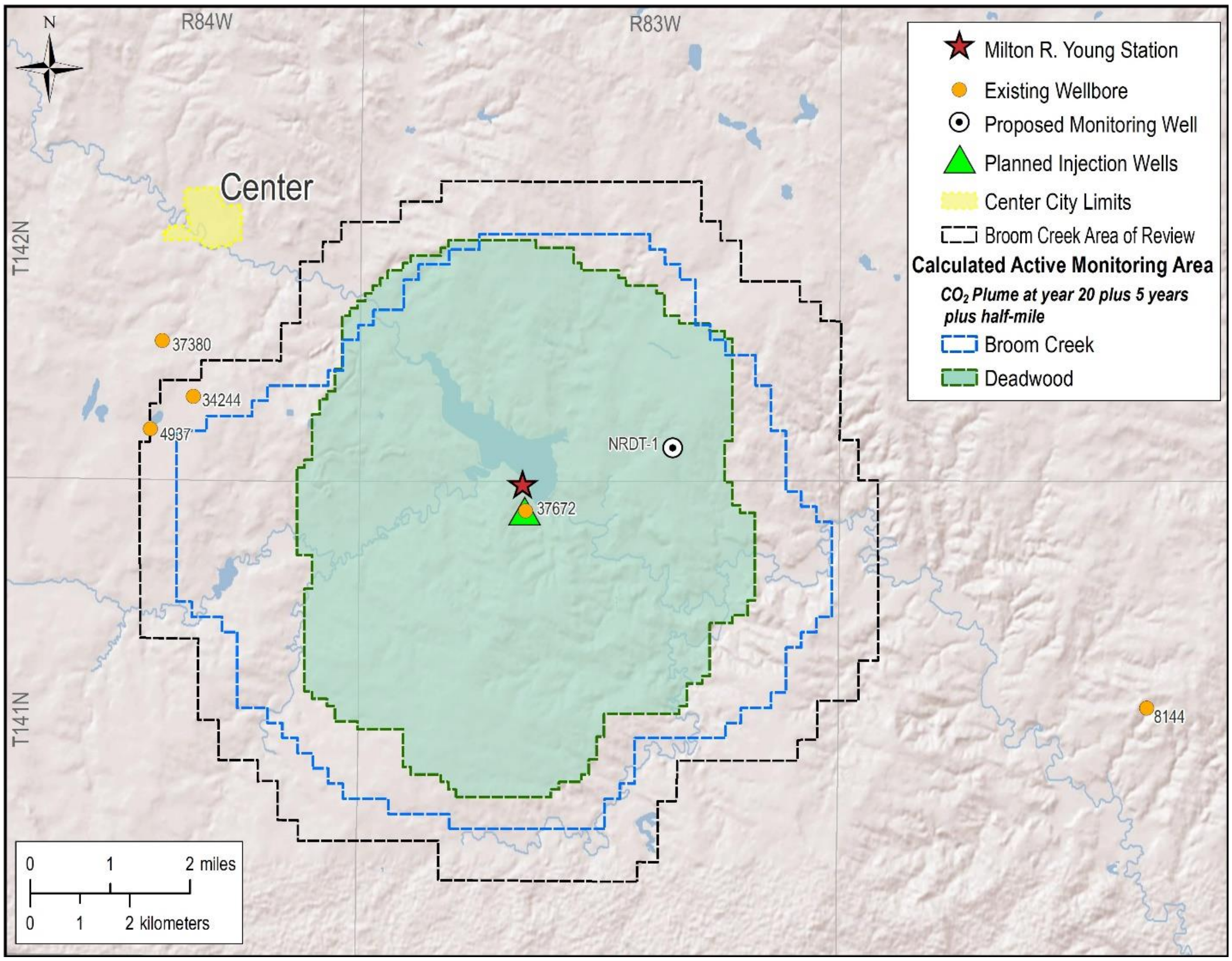

Figure 2-1. Map showing the location of Tundra SGS, NRDT-1, offset wells (orange dots), and the calculated AMA in comparison to the permitted AOR. AOR subsumes the calculated AMA for both formations and exceeds requirements for AMA; therefore, the AOR serves as the AMA for Project Tundra.

2.2 Maximum Monitoring Area

The maximum monitoring area (MMA) as defined in 40 CFR § 98.440–449 (Subpart RR) is the area defined as equal to or greater than the area expected to contain the free-phase CO_2 plume until the CO_2 plume has stabilized plus an all-around buffer zone of at least one-half mile. The calculated MMA delineated in Figure 2-2 for the Broom Creek and Deadwood–Black Island storage facilities uses a period of t=20 years and represents the period t+10 and a half-mile buffer extending beyond that boundary. The permitted AOR for Broom Creek, as delineated in A1 and A2, exceeds the minimum areal extent required by the Subpart RR approach for delineating the MMA (Figure 2-2); therefore, Minnkota proposes that the Broom Creek AOR serve as the calculated MMA for both the Broom Creek and the Deadwood–Black Island storage facilities.

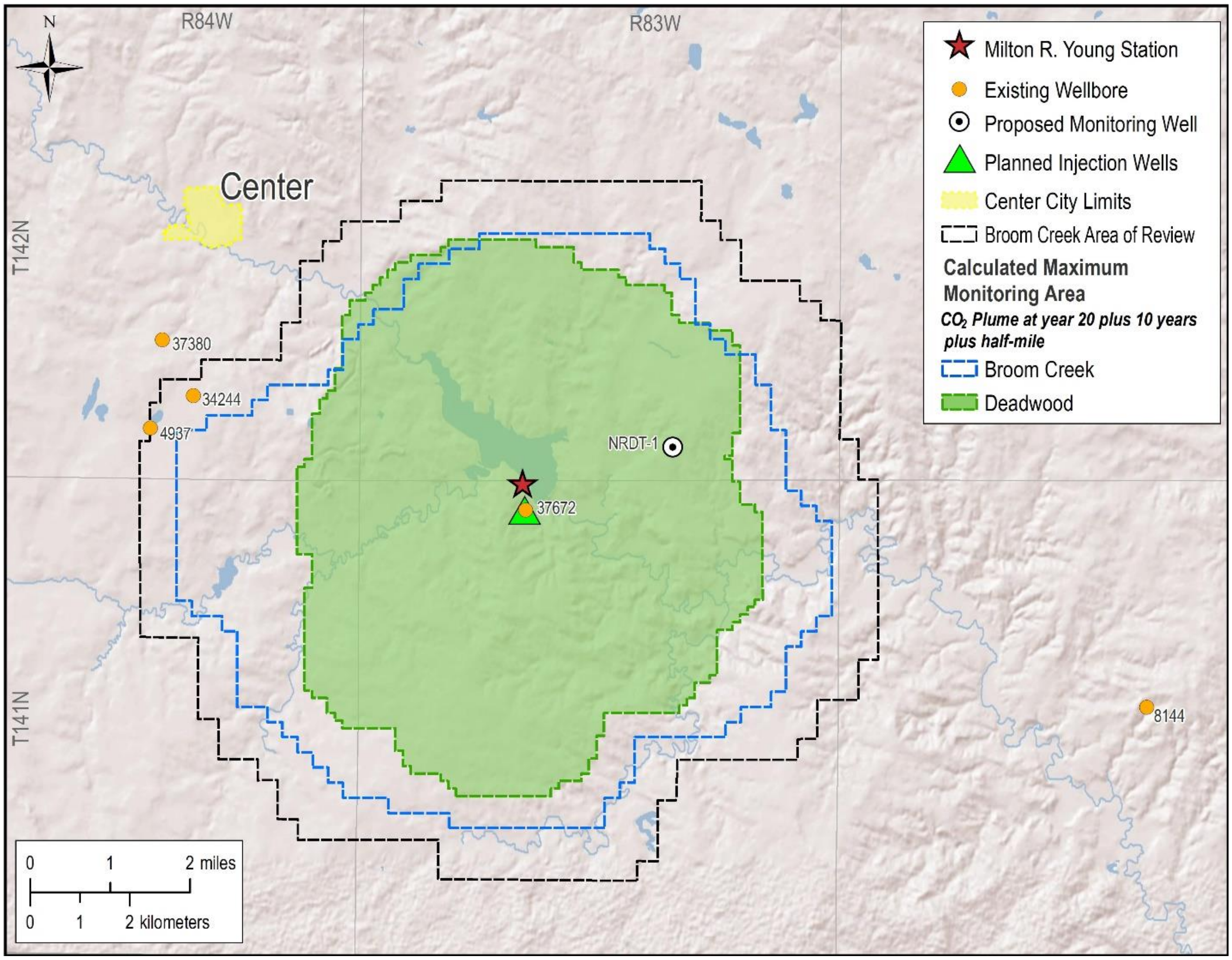

Figure 2-2. Map showing the location of Tundra SGS, NRDT-1, offset wells (orange dots), and the calculated MMA in comparison to the permitted AoR. AOR subsumes the MMA for both formations and exceeds requirements for the MMA; therefore, the AOR serves as both the AMA and MMA for Project Tundra.

Aligning the calculated AMA and MMA under the more expansive Broom Creek AOR allows for consistent monitoring and recording throughout the proposed injection and post-injection periods and avoids unnecessary duplication and complication in reporting.

2.3 Monitoring Time Frames

The monitoring program for the geologic storage of CO_2, as described in A1:4.1 and A2:4.1, comprises three distinct periods: 1) preoperational (pre-injection of CO_2) baseline monitoring, 2) operational (CO_2 injection) monitoring, and 3) post-operational (post-injection of CO_2) monitoring. The time frame of these monitoring periods will encompass the entire life cycle of the injection. For purposes of this MRV plan, it is expected that reporting will be initiated during the operational period and continue through the post-injection period.

The storage system parameters that are monitored during each period are essentially identical; however, the duration of the monitoring period and frequency of the measurements performed vary. A brief description of the purpose of each of these monitoring periods and their duration is provided below.

Preoperational baseline monitoring establishes the pre-CO_2 injection conditions of the storage system and inherent uncertainty associated with the measurement of each of the key storage system parameters. An understanding of the repeatability and variability of each measurement is key to successfully determining the amount of CO_2 that is contained in the formation at any given time. This information will be incorporated into the final Class VI permit. If results from this preoperational monitoring period necessitate changes to this MRV plan, an amendment will be submitted prior to the start of operations.

The operational injection period is focused on validating and updating numerical models of the storage system and ensuring that the geologic storage project is operating safely and is protecting USDWs. Lastly, the purpose of post-operational monitoring is to verify the stability of the CO_2 plume location and assess the integrity of all decommissioned wells. The duration of these three monitoring periods is a minimum of 1 year, 20 years, and a minimum of 10 years, respectively.

3.0 EVALUATION OF POTENTIAL PATHWAYS AND MECHANISMS FOR LEAKAGE TO THE SURFACE

An evaluation of potential pathways for CO_2 leakage to the surface during the implementation of the project was completed by representatives of Minnkota as well as third-party subject matter experts from Oxy Low Carbon Ventures and the EERC. During these meetings, potential leakage pathways were identified and evaluated for the following:

- Existing wellbores
- Faults and fractures
- Natural or induced seismicity
- Flowline and surface equipment
- Lateral migration of CO_2 beyond the AOR

- Vertical migration: injector and monitoring wells
- Vertical migration: diffuse leakage through seal

This leakage assessment determined that none of the pathways required corrective action and the probability of leakage is unlikely. However, a robust monitoring program, described in A1:4.1 and 2:4.1, and summarized in Table 5-2, forms the basis for this MRV plan.

3.1 Existing and Planned Wellbores

Five existing wellbores and one potential wellbore were evaluated as potential leakage pathways. There are no other known wellbores that could impact the project because there is no active or prior production of oil and gas in the vicinity of the Tundra SGS project. A detailed discussion of potential mineral zones is found at A1:2.6 and A2:2.6. Table 3-1 summarizes the existing wellbore names and status and future actions. Additional explanation is provided after the table.

Table 3-1. Wellbore Summary

	Well Name	Current Status	Future Status
a	J-ROC1 [NDIC[1] No. 37672]	Openhole plugged (surface casing installed)	Reenter and construct Class VI injection well
b	J-LOC1 [NDIC No. 37380]	Temporarily abandoned (cased hole)	TBD[2]
c	BNI-1 [NDIC No. 34244]	Openhole plugged	NA[3]
d	Herbert Dresser 1-34 [NDIC No. 4937]	Openhole plugged	NA
e	Little Boot 15-44 [NDIC No. 8144]	Openhole plugged	NA
f	Future Wells (Freeman-1)	NA	Class I injection well

[1] North Dakota Industrial Commission.
[2] To be determined.
[3] Not applicable.

3.1.1 J-ROC1 [NDIC No. 37672]

The J-ROC1 well was drilled by Minnkota and the EERC in 2020 as part of the CarbonSAFE North Dakota project, Phase III. An entire geologic column from surface to the Precambrian was drilled and core collected, and fluid samples as well as special logs were obtained. The well is currently in a plugged and abandoned status openhole in the injection section, which will be reentered and converted to a CO_2 injector well. Further discussion of reentry program provided in Supplement-1. Once the well conversion takes place, J-ROC1 will be renamed Liberty-1, on authorization of pending reentry drilling permit. This well will be monitored in real time during injection to detect any potential mechanical integrity issues associated with potential leakage, and once the injection period ceases, the well will be properly plugged and abandoned.

3.1.2 J-LOC1 [NDIC No. 37380]

The J-LOC1 well was drilled by Minnkota in 2020 as a stratigraphic well. The construction materials used were compatible with Class VI and CO_2 operating standards. The well was drilled through the entire geologic column from surface to the Precambrian. The drilling program included collecting core, obtaining fluid samples and special logs, and injectivity testing in the Broom Creek and Deadwood Formations. The well is currently in a temporarily abandoned status, plugged for future use. Abandonment procedure and well schematic details can be found in A2:3, Table 3-5 and Figure 3-8. In case the well has no future potential use, it will be permanently abandoned to ensure integrity. This well is located slightly outside the delineated AOR for the Broom Creek, but it is included in the pressure front delineated for Deadwood–Black Island Formation storage.

3.1.3 BNI-1 [NDIC No. 34244]

The BNI-1 well was drilled in 2018 as a stratigraphic well by the EERC under North Dakota CarbonSAFE Phase II. The well was drilled through the Broom Creek Formation and reached total depth in the Amsden Formation. The well was plugged and abandoned in 2018 in accordance with approved guidance and regulations of the state.

3.1.4 Herbert Dresser 1-34 [NDIC No. 4937]

The Herbert Dresser 1-34 well was drilled and plugged in 1970 after being classified as a dry hole. The well was replugged in 2001 by BNI. It was drilled through the Broom Creek Formation and reached total depth at the Charles Formation. Several cement plugs isolate any potential movement of fluids between the different flow units and USDW aquifers.

3.1.5 Little Boot 15-44 [NDIC No. 8144]

The Little Boot 15-44 well was drilled and abandoned as a dry hole in 1981. The well was drilled through the Broom Creek and reached the Black Island Formation. It was properly plugged and abandoned with cement plugs isolating the different flowing units before the Fox Hill Aquifer. This well is outside the delineated AOR for the Broom Creek Formation but is included in the pressure front delineated for the Deadwood–Black Island Formation.

3.1.6 Future Wells

Minnkota is planning to drill Freeman-1, a Class I well, on the same well pad of the injection site to dispose of the residual water from the capture process. The Inyan Kara is the proposed geologic formation for disposal and is stratigraphically located approximately 1,000 feet above the Broom Creek Formation. The water disposal zone is separated from the Phase 1 Broom Creek target by a series of impermeable rocks. Since the Class I well will not penetrate the primary or secondary confining seals of the Broom Creek storage facility, the risk of leakage is very unlikely.

There is no active or prior production of oil and gas in the vicinity of the Tundra SGS area. This fact, combined with the understanding that potential leakage pathways of injected CO_2 through existing wellbores are very unlikely, makes the Tundra SGS site an ideal location for the geologic storage of CO_2.

3.2 Faults and Fractures

No known or suspected regional faults or fractures with sufficient permeability and vertical extent to allow fluid movement between formations have been identified in the Tundra SGS area through site-specific characterization activities, prior studies, or previous oil and gas exploration activities.

A 5-mile-long seismic source test and 6.5-mi^2 3D seismic survey were acquired in 2019, and a 12-mi^2 3D seismic survey and 21 miles of 2D seismic lines were acquired in 2020 (Figure 3-1). The 3D seismic data allowed for visualization of deep geologic formations at lateral spatial intervals as short as tens of feet. The 2D seismic data provided a means to connect the two 3D seismic data sets and ensure consistent interpretation across the Tundra SGS area. The seismic data were used for assessment of the geologic structure, interpretation of interwell heterogeneity, and well placement (A1:2.5 and A2:2.5). No structural features, faults, or discontinuities that would cause concern about seal integrity in the strata above the Broom Creek Formation extending to the deepest USDW, the Fox Hills Formation, were observed in the seismic data.

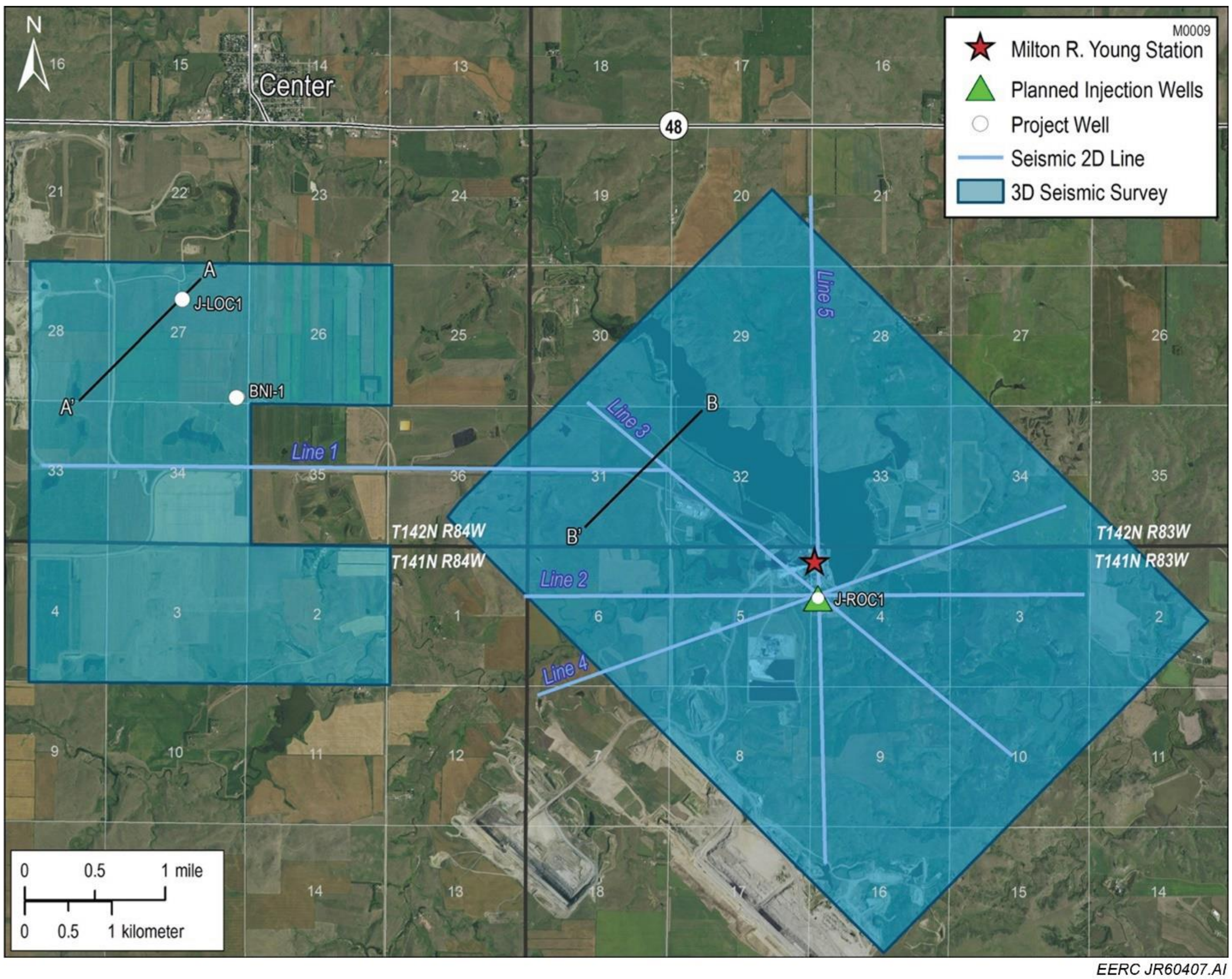

Figure 3-1. Map showing the 2D and 3D seismic surveys in the Tundra SGS area.

Leakage through faults and fractures was shown to be very unlikely to nearly impossible in the risk assessment carried out. In an unlikely scenario of leakage through any pathway, response and remediation would be performed in accordance with the emergency remedial and response plan (A1:E and A2:E). Estimating volumetric losses of CO_2 would require consideration of the leakage event facts and circumstances, e.g., magnitude and timing of the CO_2 leak and pathway characteristics (fault or fracture permeability, geometry extension, and location). Based on the presenting facts and circumstances, modeling to estimate the CO_2 loss would be performed, and volumetric accounting would follow industry standards as applicable.

3.3 Natural or Induced Seismicity

Between 1870 and 2015, 13 seismic events were detected within the North Dakota portion of the Williston Basin (Table 3-2) (Anderson, 2016). Of these 13 seismic events, only three have occurred along one of the eight interpreted Precambrian basement faults in the North Dakota portion of the Williston Basin (Figure 3-2). The seismic event recorded closest to the Tundra SGS storage facility area occurred 39.6 miles from the J-ROC1 well in Huff, North Dakota (Table 3-2). This seismic event is estimated to have been a 4.4 magnitude from the reported modified Mercalli intensity (MMI) value. The results in Table 3-2 indicate stable geologic conditions in the region surrounding the potential injection site.

Table 3-2. Summary of Seismic Events Reported to Have Occurred in North Dakota (from Anderson, 2016)

Date	Magnitude	Depth, mile	Longitude	Latitude	City or Vicinity of Seismic Event	Map Label	Distance to Tundra SGS J-ROC1 Well, mile
Sept 28, 2012	3.3	0.4*	−103.48	48.01	Southeast of Williston	A	124.6
June 14, 2010	1.4	3.1	−103.96	46.03	Boxelder Creek	B	149.1
March 21, 2010	2.5	3.1	−103.98	47.98	Buford	C	144.1
Aug 30, 2009	1.9	3.1	−102.38	47.63	Ft. Berthold southwest	D	67.4
Jan. 3, 2009	1.5	8.3	−103.95	48.36	Grenora	E	156.0
Nov 15, 2008	2.6	11.2	−100.04	47.46	Goodrich	F	61.6
Nov 11, 1998	3.5	3.1	−104.03	48.55	Grenora	G	166.5
March 9, 1982	3.3	11.2	−104.03	48.51	Grenora	H	164.9
July 8, 1968	4.4	20.5	−100.74	46.59	Huff	I	39.6
May 13, 1947	3.7**	U	−100.90	46.00	Selfridge	J	74.9
Oct 26, 1946	3.7**	U	−103.70	48.20	Williston	K	140.2
April 29, 1927	0.2**	U	−102.10	46.90	Hebron	L	43.4
Aug 8, 1915	3.7**	U	−103.60	48.20	Williston	M	136.4

* Estimated depth.

** Magnitude estimated from reported MMI value.

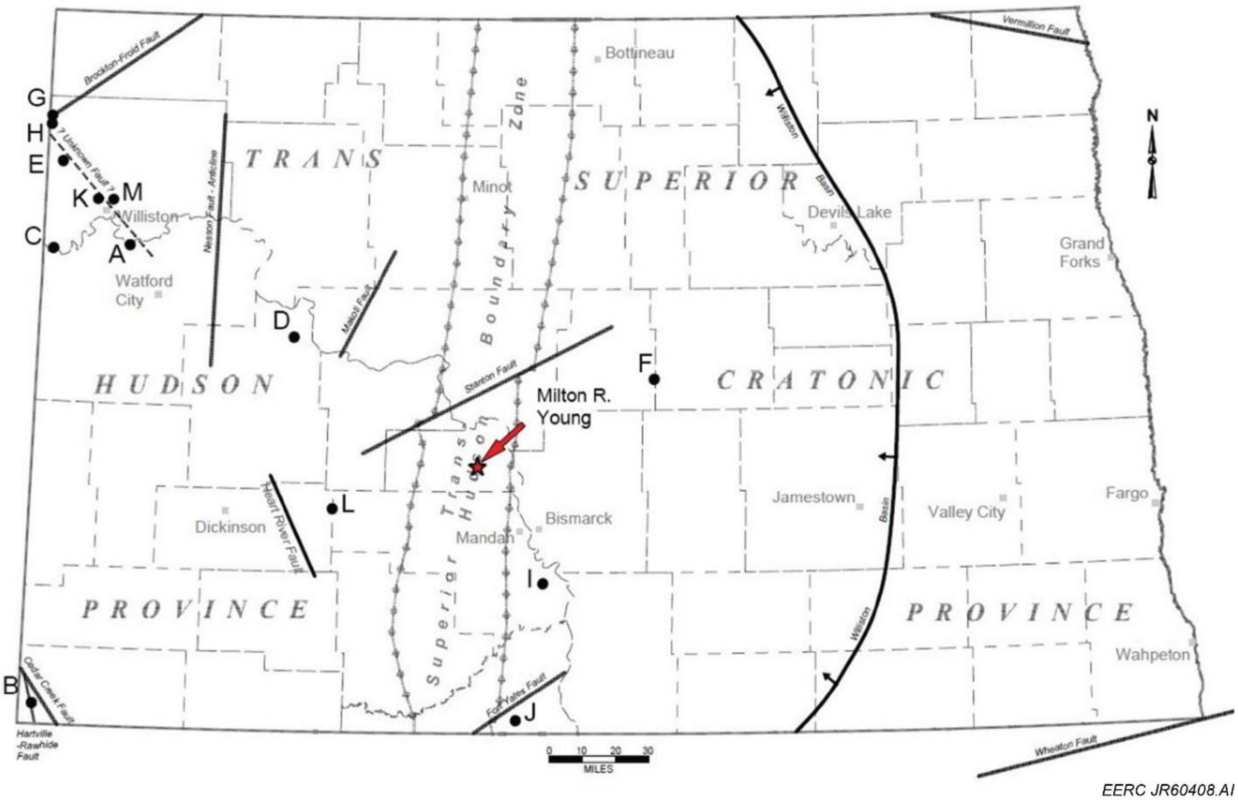

Figure 3-2. Location of major faults, tectonic boundaries, and seismic events in North Dakota (modified from Anderson, 2016).

The history of seismicity relative to regional fault interpretation in North Dakota demonstrates low probability that natural seismicity will interfere with containment. Studies completed by the U.S. Geological Survey (USGS) indicate there is a low probability of damaging seismic events occurring in North Dakota, with less than two such events predicted to occur over a 10,000-year time period (Figure 3-3) (U.S. Geological Survey, 2019).

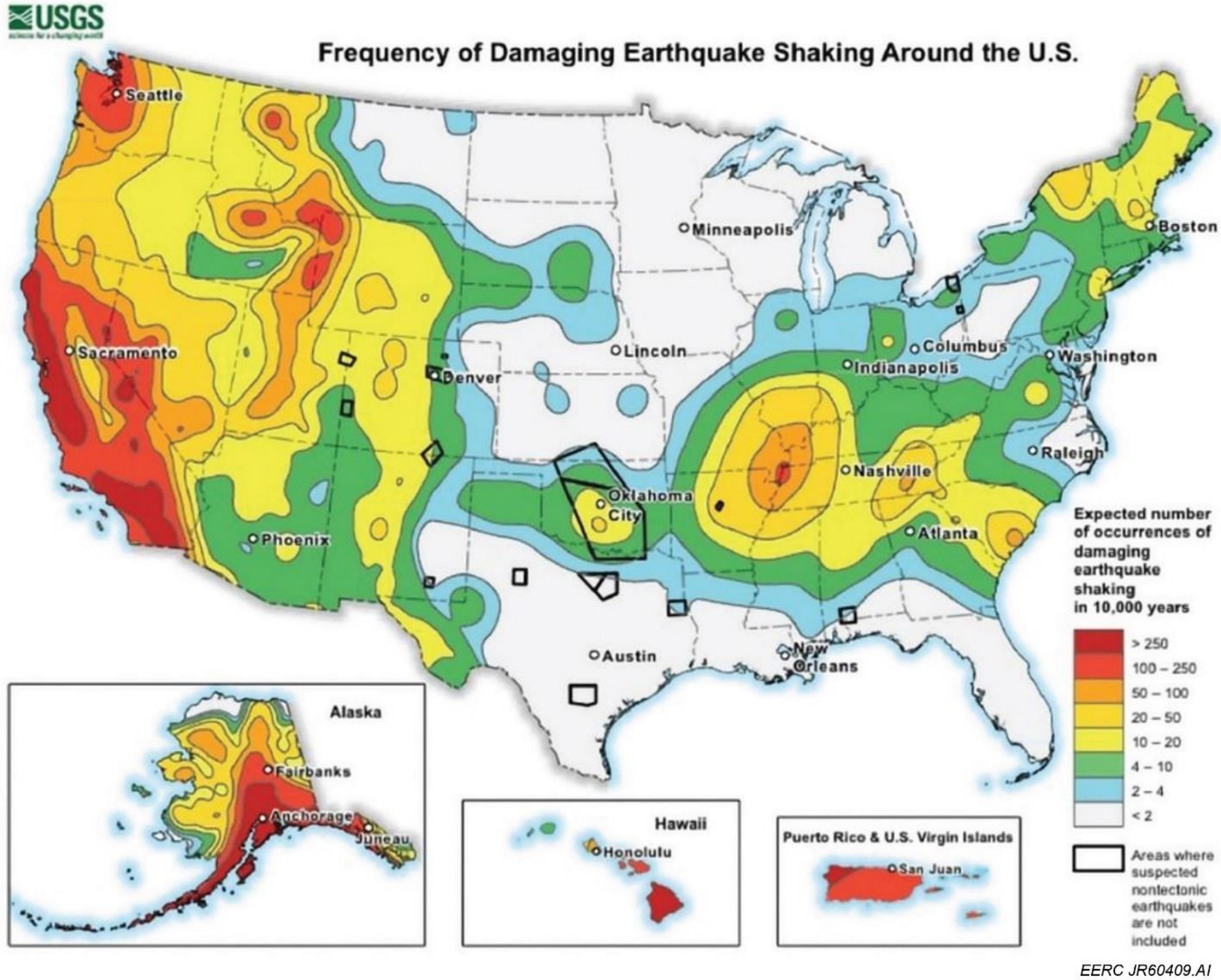

Figure 3-3. Probabilistic map showing how often scientists expect damaging seismic events to occur throughout the United States (U.S. Geological Survey, 2019). The map shows a low probability of damaging seismic events (less than two events per 10,000 years) occurring in North Dakota.

To understand potential induced seismicity, a detailed geomechanical study is described in A1:2.5 and A2:2.5, was carried out to understand the highest possible risk scenario. A scenario where the interpreted Precambrian fault extends into the Deadwood Formation was considered even though the seismic data suggest that it does not. The failure analysis indicated that a pressure increase of 3,600–4,800 psi would be required to induce shear failure.

The maximum expected pressure changes in the Deadwood Formation due to planned injection activities do not exceed 1,800 psi, which is well below the 3,600–4,800-psi pressure threshold for failure (Figure 3-4). Additionally, the injection interval is approximately 120 feet above the Precambrian–Deadwood boundary, and expected pressure change due to planned injection activities at the Precambrian–Deadwood boundary does not exceed 60 psi. Analysis of the geomechanics study results, as applied to the characteristics of the interpreted Precambrian fault and site-specific geomechanical data, suggests planned injection activities will not cause induced seismicity. Furthermore, no faults interpreted in the AOR would affect the Broom Creek Formation; therefore, the probability of induced seismicity is minimal.

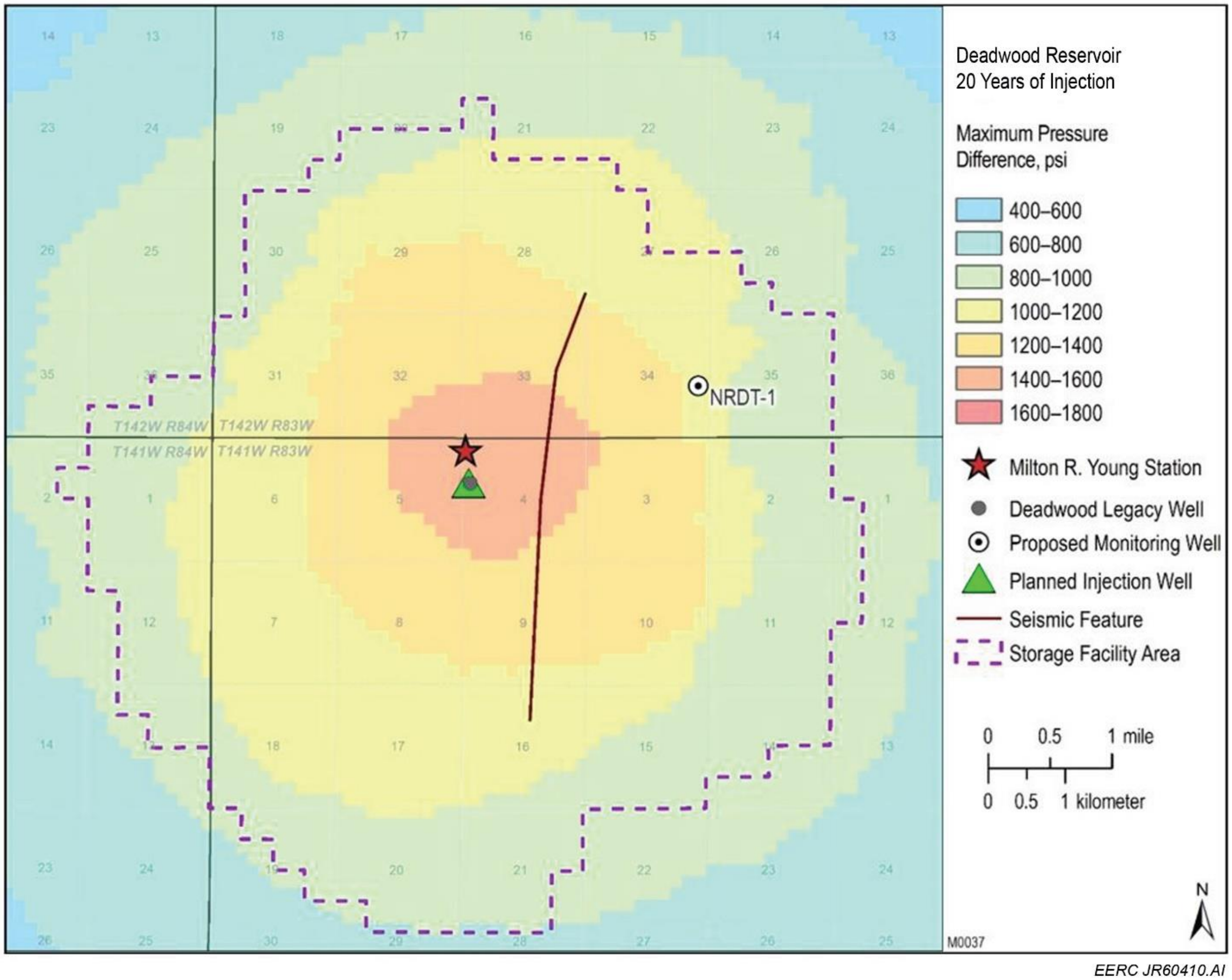

Figure 3-4. Map showing the maximum pressure change expected within the injection zone from the proposed injection activities. The location of the interpreted paleochannel and flexure is indicated by the red line.

Leakage through natural or induced seismicity was shown to be very unlikely to nearly impossible through the risk assessment. In an unlikely scenario of leakage through any pathway, response and remediation would be performed in accordance with the Emergency Remedial and Response Plan (A1:E and A2:E). Estimating volumetric losses of CO_2 would require consideration of the leakage event facts and circumstances, e.g., magnitude and timing of the CO_2 leak and pathway characteristics (fault or fracture permeability, geometry extension, and location). Based upon the presenting facts and circumstances, modeling to estimate the CO_2 loss would be performed and volumetric accounting would follow industry standards as applicable.

3.4 Flowline and Surface Equipment

Surface equipment is the likeliest leakage pathway on the Tundra SGS site during the injection period. Surface equipment is subject to deterioration due to normal aging throughout its functional life. Corrosion, lack of maintenance, and deviation from operational parameters may cause loss of mechanical integrity in these assets.

The Tundra SGS system includes a 16-inch surface flowline buried 4 feet to transport CO_2 from the capture facility to the sequestration site (0.25 miles). The flowline will be connected to the metering station (M2), which is located contiguous with the south side of the well pad. Distributed temperature-sensing/distributed acoustic-sensing (DTS/DAS) fiber optics will be installed along the flowline as part of the leak detection program and mechanical integrity protocol. Flowmeters and temperature and pressure transducers will be installed at each metering station.

Each well will be connected independently to the metering station (M2) by 8-inch flowlines equipped with a dedicated flowmeter and pressure and temperature transducers to monitor well performance. Shutoff devices will be installed in the well flowlines to control any potential release and send alarms to the automated system. Pressure gauges will be installed on the wellhead to monitor annular pressure between tubing and casing.

Surface components of the injection system, including the CO_2 transport flowline and wellhead, will be monitored using CO_2 leak detection equipment. Routine visual inspections will be conducted and real-time operating parameters tracked through an automated system for alarm notification and process management. The Tundra SGS mechanical integrity and monitoring program strives to proactively identify potential surface leak events to ensure the integrity of the facility and minimize the amount of CO_2 released to the ambient air. Maintenance on surface equipment after the delivery point (M2) may require venting cumulated CO_2 volumes before isolating a section of the system; this amount would be quantified and reported.

The risk of leakage in surface equipment is mitigated through:

i. Adhering to regulatory requirements for construction and operation of the site.
ii. Implementing highest standards on material selection and construction processes for the flowline and wells.
iii. The implementation of best practices and a robust mechanical integrity program as well as operating procedures.
iv. Continuous monitoring through an automated system and integrated databases.

As a result, the risk of leakage through surface equipment (under normal operating conditions) is unlikely and the magnitude will vary according to the failure observed. A leakage event from instrumentation or valves could represent a few pounds of CO_2 released during several hours, while a puncture in the flowline could represent several tons of CO_2 until the shutoff device stops the injection automatically or the operator ceases the CO_2 supply.

The second risk identified was potential leakage at surface equipment through catastrophic damage to surface facilities because of an object striking the equipment or a natural event that causes disconnection and loss of containment during the injection period at or before the wellhead. To account for such a hypothetical event, the project team performed a leak model simulating a worst-case blowout scenario and a dispersion model to evaluate risks and potential mass of CO_2 released. The model is referenced in the risk assessment evaluation matrix and emergency response plan, with the results included in the financial assurance demonstration plan, referenced sections of the applications are found at A1:E, A2:E, and A1:4.3, A2:4.3. This leakage scenario could represent thousands of tons of CO_2 released during the pendency of the response period before the well is controlled and integrity is reestablished. Even though this event is considered high-impact, occurrence is very unlikely since most of the flowline will be buried; the wellhead, valves, and instrumentation will be protected by barriers; and will have a fence around the equipment location, located on private MRYS property. Further, containment of any leak is enhanced by the well pad design, including a 4-foot berm and double liner to avoid any brine spill to surface water bodies.

The risk of leakage through surface equipment or major damage is present during the injection phase of the project and reduces to almost zero during the post-injection site care period. At cessation of the injection period, the injector wells will be properly plugged and abandoned and facility equipment decommissioned according to regulatory requirements. The only remaining surface equipment leakage path will be the monitoring well, NRDT-1, identified as a potential leakage pathway at the wellhead valves or in the instrumentation.

3.5 Lateral Migration of CO_2 Beyond the AOR

Lateral movement of the injected CO_2 will be restricted by residual gas trapping (relative permeability) and solubility trapping (dissolution of the CO_2 into the native formation brine), which confines the CO_2 within the storage facility area. Numerical simulations of CO_2 injection predict slow lateral migration of the plume throughout the injection and post-injection period (A1:A and A2:A). This is the result of the trapping mechanisms combined with the effects of buoyancy and the low dipping structurally characteristic of the storage complexes. The slow lateral migration of the plume is caused by the effects of buoyancy where the free-phase CO_2 injected into the formation rises to the cap rock or lower-permeability layers present in the Broom Creek and Deadwood Formations and then outward. The free-phase CO_2 plume migrates outward, favoring relatively high permeabilities and low pressure bounded vertically by the low-permeability cap rock. This process results in a higher concentration of CO_2 at the center, which gradually spreads to the edge of the plume at Year t, where the CO_2 saturation is lower.

As the free-phase CO_2 plume spreads out within the reservoir, the potential energy of the buoyant CO_2 is gradually lost after year t+10. Eventually, the buoyant force of the CO_2 is no longer able to overcome the capillary entry pressure of the surrounding reservoir rock. At this point, the CO_2 plume ceases to move within the subsurface and becomes stabilized.

Early monitoring and operational data will be used to evaluate conformance of the operating storage system with the requirements of the SFP using both observations and history-matched simulation of CO_2 and pressure distribution. The early monitoring and operational data will be used for additional calibration of the geologic model and associated simulations. These calibrated simulations and model interpretations will be used to demonstrate the current and predicted future lateral and vertical containment of the injected CO_2 within the permitted geologic storage facility.

Tundra SGS will implement direct and indirect methods to monitor the location, thickness, and distribution of the free-phase CO_2 plume and associated pressure front for comparison to the information provided in the storage reservoir permit. If the data predicts additional lateral movement of the plume, Tundra SGS would proactively meet with landowners to negotiate in good faith terms for leasing the pore space interests, good faith attempt to obtain consent is required under North Dakota Century Code, Chapter 38-22, and revise the monitoring area to appropriately establish equivalent monitoring protocols implemented in the original AMA. The time frame of these monitoring efforts will encompass the entire life cycle of the injection site, which includes the preoperational (baseline), operational, and post-operational periods.

The risk assessment identifies lateral migration and impact for surface leakage as events with very low likelihood.

3.6 Vertical Migration: Injection and Monitoring Wells

Design and construction of the Class VI injector wells (Liberty-1, Unity-1, and McCall-1) as well as the in-zone monitoring well, NRDT-1, will follow the standards required for UIC Class VI wells to minimize any potential leak due to loss of integrity in the wellbores. Material selection complies with CO_2 operating standards, and the wells will be instrumented for continuous, real-time monitoring of well integrity. Well instrumentation will be integrated with an automated data management system to provide alerts and activate the shutoff device if the threshold for controlling parameters is exceeded. Additionally, the wells will follow a rigorous corrosion and mechanical integrity program, described in A1:4.1 and A2:4.1, to ensure proper maintenance of the facilities and timely response in case substandard conditions are detected.

Once the injection period ceases, the injector wells will be evaluated for mechanical condition with corrosion and casing inspection logs and will be properly abandoned with CO_2-resistant cement according to the detailed plugging procedure proposed in A1:4.6 and A2:4.6. The NRDT-1 monitoring well will continue to be operational until plume stabilization and the issuance of a certificate of site closure, then the same rigorous plug-and-abandonment protocol will be followed as proposed for the injector wells.

Based on the design and monitoring program proposed, the project defined the risk of leak through these pathways as unlikely. The amount and timing, if it were to occur, will be minimum since the program is designed to shut off injection or alert the operator to manually shut off injection until the alarm is clear or remediation is complete. The timing of the leak will be estimated based on the collected data from the monitoring tools until the event is cleared or remediation is completed.

3.7 Vertical Migration: Diffuse Leakage Through Seal

The primary mechanism for geologic confinement of the stored CO_2 in the Broom Creek and Deadwood–Black Island Formations will be containment of the initially buoyant CO_2 by the cap rock (Opeche–Picard, Icebox), under the effects of relative permeability and capillary pressure. Figure 3-5 shows a stratigraphic column with the well schematic for the injector and monitoring wells and highlights the additional secondary seals and buffer formation.

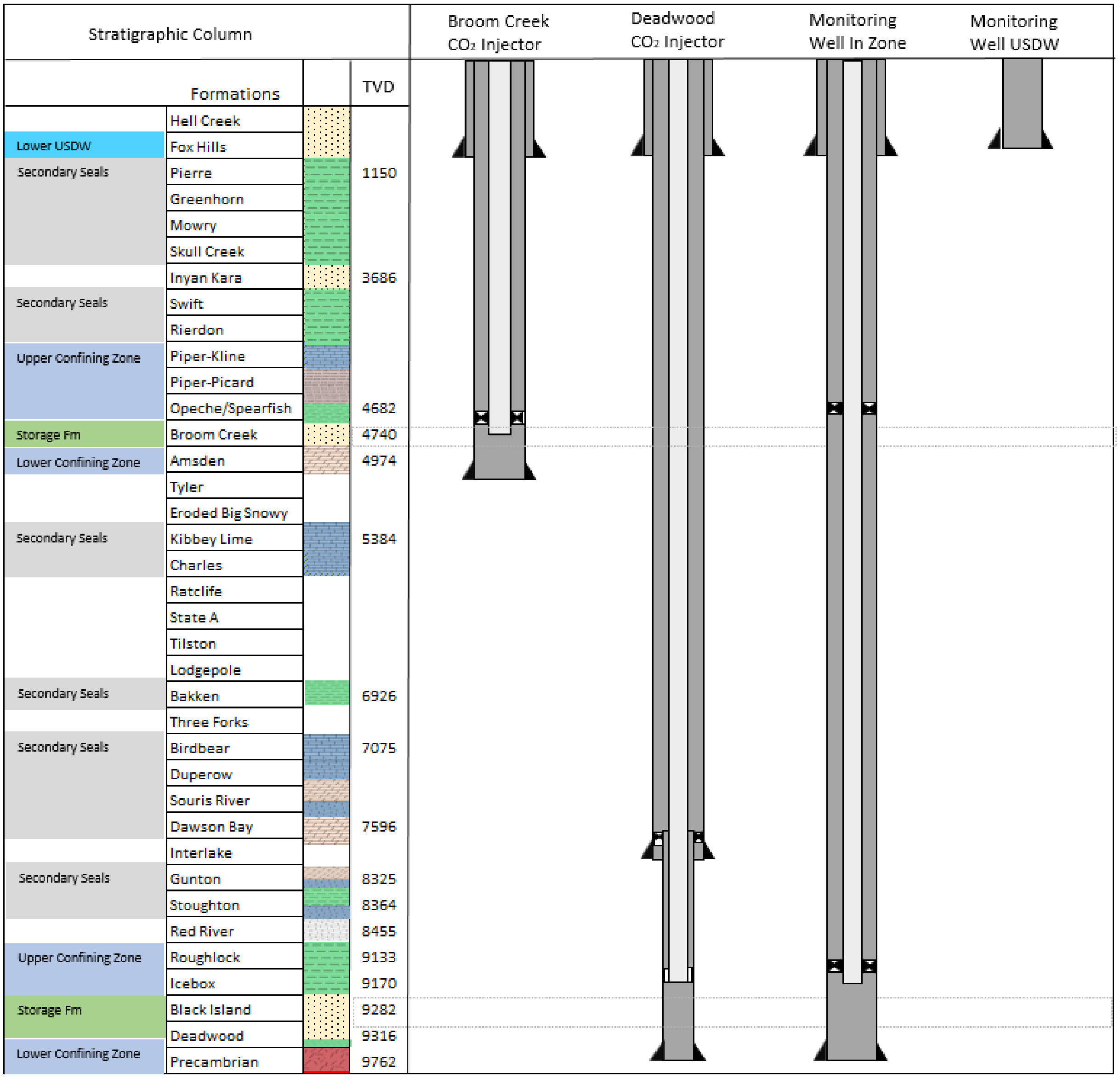

Figure 3-5. Stratigraphic column and well schematic for injector and monitoring wells.

The Picard Member of the Piper Formation within the study area consists of siltstone, while the Opeche/Spearfish Formation consists of tight, silty mudstone. Both intervals are free of transmissive faults and fractures. When considered as a single interval, the Opeche–Picard and other formations create an impermeable, laterally extensive cap rock to the Broom Creek Formation capable of containing injected CO_2. The Opeche–Picard interval is 4636 feet below the land surface at the storage site and 154 feet thick at the Tundra SGS site.

In addition to the Opeche–Picard interval, which serves as the cap rock for the Broom Creek Formation, 820 feet of impermeable rock formations separate the Broom Creek Formation and the next overlying permeable zone, the Inyan Kara Formation. Surrounding the storage facility area, an average of 2,545 feet of impermeable intervals separates the Inyan Kara Formation and the lowest USDW, the Fox Hills Formation.

Within the Tundra SGS area, the Icebox Formation serves as the upper confining zone of the Black Island and Deadwood Formations. The Icebox Formation consists mostly of impermeable shale, is 9,308 feet below the land surface, and reaches a thickness of 118 feet within the storage facility area. The cap rock has sufficient areal extent and integrity and is free of transmissive faults and fractures to contain injected CO_2.

Impermeable rocks above the primary cap rock include the Roughlock Formation and Red River D Member, which make up the first significant group of secondary confining formations. Together with the Icebox Formation, these formations reach a thickness of 612 feet separating the next overlying permeable zone: the Red River A, B, and C Members. Above the Red River Formation, more than 1,000 feet of impermeable rock acts as an additional seal between the Red River and Broom Creek Formations. No known transmissible faults are within these confining systems in the project area.

As previously noted, at the same time, lateral movement of the injected CO_2 will be restricted by residual gas trapping (relative permeability) and solubility trapping (dissolution of the CO_2 into the native formation brine). After the injected CO_2 becomes dissolved in the formation brine, the brine density will increase. This higher-density brine will ultimately sink in the storage formation (convective mixing). As the free-phase CO_2 plume spreads out within the reservoir, the potential energy of the buoyant CO_2 is gradually lost after Year t+10. Eventually, the buoyant force of the CO_2 is no longer able to overcome the capillary entry pressure of the surrounding reservoir rock. At this point, the CO_2 plume ceases to move within the subsurface and becomes stabilized. Over a much longer period (>100 years), mineralization of the injected CO_2 will ensure its long-term, permanent geologic confinement. Injected CO_2 is not expected to adsorb to any of the mineral constituents of the target formation; therefore, adsorption is not considered to be a viable trapping mechanism in this project (A1:A and A2:A).

The upper and lower confining zones for the proposed storage formations were largely characterized through core sampling and lab analysis as well as imaging and sonic tools to define the sealing capacity. The great thickness of impermeable rock above each of the storage formations provides a best-in-class secondary seal if the main confining zone were to fail, thereby further reducing the risk of diffusion through the leak to almost zero.

Leakage through vertical migration was shown to be very unlikely to nearly impossible in the risk assessment carried out. In an unlikely scenario of leakage through any pathway, response and remediation would be performed in accordance with the Emergency Remedial and Response Plan (A1:4.2, A1:E, A2:4.2, and A2:E). Estimating volumetric losses of CO_2 would require consideration of the leakage event facts and circumstances, e.g., magnitude and timing of the CO_2 leak and pathway characteristics (fault or fracture permeability, geometry extension, and location). Based on the presenting facts and circumstances, modeling to estimate the CO_2 loss would be performed and volumetric accounting would follow industry standards as applicable.

The risk assessment defined this risk as an unlikely event. Response and remediation would be performed in accordance with the Emergency Remedial and Response Plan (A1:4.2, A1:E, A2:4.2, and A2:E). Estimating volumetric losses would require consideration of the leakage event facts and circumstances, e.g., magnitude and timing of the CO_2 leak and pathway characteristics (fault or fracture permeability, geometry extension, and location). Based on the presenting facts and circumstances, a modeling of the geophysical measurements to estimate the CO_2 loss would be performed and volumetric accounting would follow industry standards as applicable.

4.0 STRATEGY FOR DETECTING AND QUANTIFYING SURFACE LEAKAGE OF CO_2

Tundra SGS proposes a robust monitoring program based on the detailed risk assessment performed during the application for the storage facility and UIC Class VI permit. The program covers direct and indirect monitoring of the CO_2 plume, a corrosion and mechanical integrity protocol, and monitoring of near-surface conditions as well as induced seismicity and continuous, real-time surveillance of injection performance. Tundra SGS also proposes a detailed emergency remedial and response plan that covers the actions to be implemented from detection, verification, analysis, remediation, and reporting for each risk.

Figure 4-1 summarizes the monitoring techniques proposed based on the leakage pathway analyzed for this MRV plan to provide a vision for the surveillance and management of the site.

These methodologies target early detection of the abnormalities in operating parameters or deviations from the baseline and threshold established for the project. These methodologies will lead to a verification process to validate if a leak has occurred or if the system has lost mechanical integrity. The data collected during monitoring are also used to calibrate the numerical model and improve the prediction for the injectivity, CO_2 plume, and pressure front. Table 4-1 provides a full picture of the monitoring frequency in different periods of the project life, and Table 4-2 summarizes for each technique the leakage path that it is targeting to detect. For additional details regarding strategy for detecting and quantifying surface leakage of CO_2, refer to A1:4.1, E, F and A2:4.1, E, F.

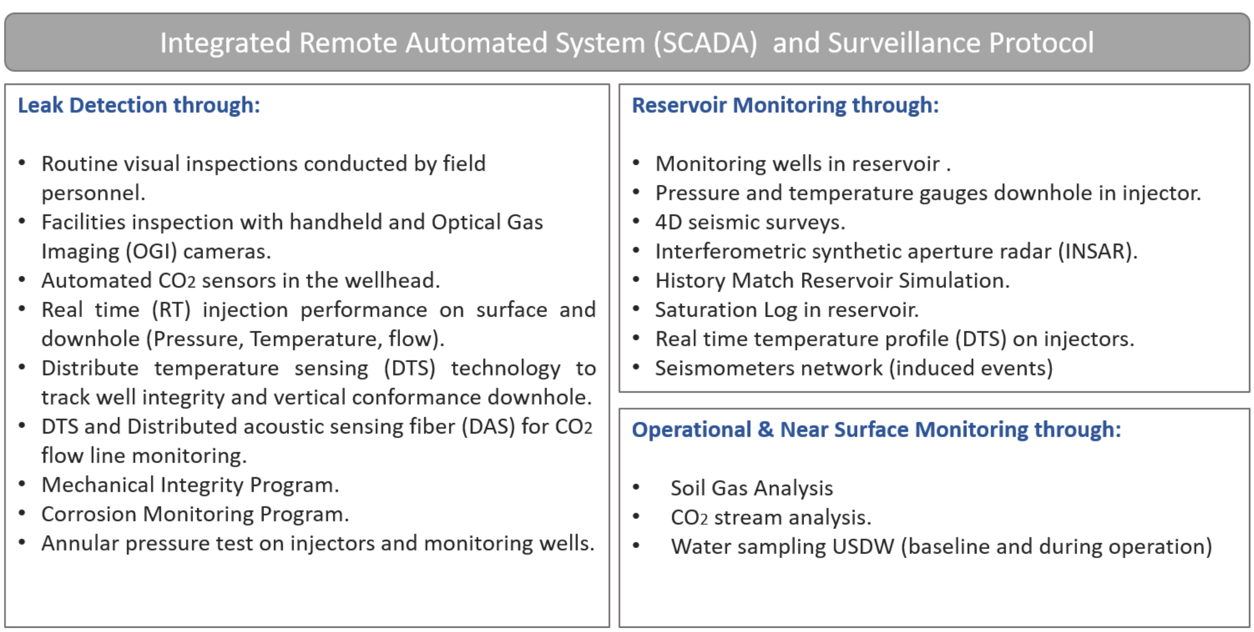

Figure 4-1. Tundra SGS monitoring strategy.

Table 4-1. Summary of Tundra SGS Monitoring Strategy

Method	Pre-injection (baseline 1 year)	Injection Period (20 years)	Post-injection (10 years)
CO_2 Stream Analysis – Gas Composition	Pre-injection	Quarterly	NA
Pressure Gauges and Temperature Sensors at Surface – Injection Wells and Flowline	NA[1]	Real time	NA
Pressure Gauges and Temperature Sensors at Surface – Monitoring Wells	NA	Real time	Quarterly
Flowmeters (mass/volume) – Injection Wells and Flowline	NA	Real time	NA
Visual Inspections	Start-up	Weekly	Quarterly
Automated Remote System (SCADA)[2]	Start-up	Real time	NA
OGI[3] Cameras	Start-up	Quarterly	If required
NDIA4 CO_2 Leak Sensors in Wellhead – Injectors	NA	Real time	NA
NDIR CO_2 Leak Sensors in Wellhead – Monitors	NA	Real time	Real time
Handheld CO_2 Monitor	NA	Weekly	Quarterly
Soil Gas Analysis	3–4 seasonal samples per year	Three to four seasonal samples per year	Three to four seasonal samples every 3 years
Water Sampling USDW	Three to four sample events per selected wells (baseline)	One sample in each selected well at the following frequency: • Year 1 to 3: once a year • At Year 5 • Every 5 years after that	• Three to four sample events at cessation of injection • Three to four sample events before site closure
Water Sampling Surface Water	Three to four sample events per selected wells (baseline)	One sample in each selected well at the following frequency: • Year 1 to 3: once a year • At Year 5 • Every 5 years after that	• Three to four sample events at cessation of injection • Three to four sample events before site closure
Cement Bond Logs	After cementing	If needed	Prior to P&A[5]

[1] Not applicable.
[2] Supervisory control and data acquisition.
[3] Optical gas imaging.
[4] Nondispersive infrared.
[5] Plugged and abandoned.
[6] Electromagnetic.
[7] Downhole.
[8] Reservoir saturation tool.

Continued . . .

Table 4-1 Summary of Tundra SGS Monitoring Strategy (continued)

Casing Inspection Tool (EM[6]/sonic) – Injection Wells	Baseline	• Every 5 years for Broom Creek • Annually for Deadwood─Black Island • During workover	Prior P&A
Casing Inspection Tool (EM/sonic) – Monitoring Wells	Baseline	Every 5 years	Prior to P&A
Temperature Log – Monitoring Wells	Baseline	Annually	Annually
Annular Pressure Test – Injection Wells	Prior injection	• Every 5 years for Broom Creek • Annually for Deadwood─Black Island • During workovers	Prior to P&A
Annular Pressure Test – Monitoring Wells	During completion	• Every 5 years	• Every 5 years • During workovers • Prior to P&A
Corrosion Coupons	NA	Quarterly	NA
DTS/DAS Fiber – Installed on the Casing – Injection Wells	NA	Real time	NA
DTS/DAS Fiber – Main Flowline	NA	Real time	NA
DH[7] Pressure Gauges and Temperature Sensors – Injection Wells	NA	Real time	NA
DH Pressure Gauges and Temperature Sensors – Monitoring Wells	NA	Real time	Bimonthly
RST[8] Log (pulse neutron) – Monitoring Wells	Baseline	Every 5 years	Every 5 years
RST Log (pulse neutron) – Injection Wells	Baseline	As needed	NA
Pressure Falloff Test – Injection Wells	Prior injection	Every 5 years	Prior to P&A
2D/3D Time-Lapsed Surface Seismic	Baseline	Every 5 years	Every 5 years
Interferometric Synthetic Aperture Radar	Baseline	Continuous monitoring	Continuous monitoring
Surface Seismometers	Baseline	Real time	NA

[1] Not applicable.
[2] Supervisory control and data acquisition.
[3] Optical gas imaging.
[4] Nondispersive infrared.
[5] Plugged and abandoned.
[6] Electromagnetic.
[7] Downhole.
[8] Reservoir saturation tool.

Table 4-2. Monitoring Strategies and Leakage Pathway Associated to Detect CO_2

Method	Existing Wellbores	Faults and Fractures	Natural and Induced Seismicity	Flowline and Surface Equipment	Vertical Migration Injectors and Monitoring Wells	Lateral	Diffuse Leakage Through Seal
CO_2 Stream Analysis – Gas Composition		X		X	X		
Pressure Gauges and Temperature Sensors at Surface – Injection Wells and Flow Line				X	X		
Pressure Gauges and Temperature Sensors at Surface – Monitoring Wells				X	X	X	
Flowmeters (mass/volume) – Injection Wells and Flowline				X	X		
Visual Inspection	X			X	X		
Automated Remote System (SCADA)			X	X	X		
OGI Cameras				X	X		
NDIR CO_2 Leak Sensors in Wellhead – Injectors				X	X		
NDIR CO_2 Leak Sensors in Wellhead – Monitors				X	X		
Handheld CO_2 Monitor	X			X	X		X
Soil Gas Analysis		X			X		
Water Sampling USDW		X			X		X
Water Sampling Surface Water		X			X		X
Cement Bond Logs					X		
Casing Inspection Tool (EM/sonic) – Injection Wells					X		

Continued . . .

Table 4-2. Monitoring Strategies and Leakage Pathway Associated to Detect (continued)

Method	Existing Wellbores	Faults and Fractures	Natural and Induced Seismicity	Flowline and Surface Equipment	Vertical Migration Injectors and Monitoring Wells	Lateral Migration	Diffuse Leakage Through Seal
Casing Inspection Tool (EM/sonic) – Monitoring Wells					X		
Temperature Log – Monitoring Wells					X		
Annular Pressure Test – Injection Wells				X	X		
Annular Pressure Test – Monitoring Wells				X	X		
Corrosion Coupons				X	X		
DTS/DAS Fiber Installed on the Casing – Injection Wells		X			X		
DTS/DAS Fiber – Main Flowline				X			
DH Pressure Gauges and Temperature Sensors – Injection Wells		X			X	X	
DH Pressure Gauges and Temperature Sensors – Monitoring Wells		X			X	X	
RST Log (pulse neutron) – Monitoring Wells		X			X	X	X
RST Log (pulse neutron) – Injection Wells		X			X	X	X
Pressure Falloff Test – Injection Wells		X			X	X	
2D/3D Time-Lapsed Surface Seismic	X	X			X	X	X
Interferometric Synthetic Aperture Radar	X	X			X	X	
Surface Seismometers		X	X				

4.1 Leak Verification

Tundra SGS will monitor injection wells through continuous, automated pressure and temperature monitoring in the injection zone, monitoring of the annular pressure in wellheads, DTS alongside the casing, and routine maintenance and inspection.

As part of the surveillance protocol, Tundra SGS will use reservoir simulation modeling, based on history-matched data obtained from the monitoring system, to compare the initial numerical model with the real development of the plume and pressure front. The model will be continuously calibrated with the acquisition of real-time data. Every 5 years, a formal AOR review will be submitted and the monitoring plan revised and modified if needed.

The model history match allows the project operator and owner to identify conditions that differ from those proposed by the numerical model and deviations in the operating conditions from the originals. For example, injector wells will be monitored, and if the injection pressure, temperature, or rate measurements deviate significantly from the specified set points, then a data flag will be automatically triggered by the automated system and field personnel will investigate the excursion. These excursions will be reviewed to determine if CO_2 leakage is occurring. Excursions are not necessarily indicators of leaks; rather, they indicate that injection rates, temperatures, and pressures are not conforming to the expected pattern of the injection plan. In many cases, problems are straightforward and easy to fix (e.g., a meter needs to be recalibrated) and there is no indication that CO_2 leakage has occurred. In the case of issues that are not readily resolved, a more detailed investigation will be initiated. If further investigation indicates a leak has occurred, efforts will be made to quantify its magnitude.

The model history-matching in combination with the mechanical integrity data, geophysical surveys, and near-surface monitoring form a powerful tool to appropriately follow changes in CO_2 concentration at the surface. Many variations of CO_2 concentration detected on the surface are the result of natural processes or external events not related to the CO_2 storage complex.

Because a CO_2 surface leak is of lower temperature than ambient, it will often lead to the formation of bright white clouds and ice that are easily visually observed unaided. With this understanding, Tundra SGS will also rely on a routine visual inspection process to detect unexpected releases from wellbores of the Tundra SGS project.

Discovery of an event triggers a response, as presented in the A1 and A2, Section 4.2, emergency remedial and response plan. Response plan actions and activities will depend upon the circumstances and severity of the event. The Tundra SGS operator will address an event immediately and, if warranted, communicate the event to the UIC program director within 24 hours of discovery.

If an event triggers cessation of injection and remedial actions, Tundra SGS will demonstrate the efficacy of the response/remedial actions to the satisfaction of the UIC program director before resuming injection operations. Injection operations will only resume upon receipt of written authorization of the UIC program director.

4.2 Quantification of Leakage

As discussed above, the potential pathways for leakage include failure or issue in surface equipment or subsurface equipment (wellbores), faults or induced fractures, and competency of the seal to contain the CO_2 in the storage reservoir.

Given the uncertainty concerning the nature and characteristics of any leaks that may be encountered, the most appropriate methods to quantify the volume of CO_2 will be determined on a case-by-case basis. Any volume of CO_2 detected as leaking to the surface will be quantified using acceptable emission factors, engineering estimates of leak amount based on subsurface measurements, numerical models, history-matching of the reservoir performance, detailed analysis of the collected monitoring parameters, and delineation of the affected area, among others.

Leaks will be documented, evaluated, and addressed in a timely manner. Records of leakage events will be retained in an electronic central database. For additional details regarding quantification of leakage, refer to A1: 4.3.1 and A2:4.3.1.

5.0 DETERMINATION OF BASELINES

Pre-injection baselines will be established through the Tundra SGS project by implementing a monitoring program prior to any CO_2 injection and during each of the four primary seasonal ranges. This baseline will be created by monitoring the targeted surface, near-surface, and deep subsurface. The baseline will contain information on the characteristics of a range of environmental media such as surface water, soil gas in the vadose zone, shallow groundwater, storage reservoir formation water, and gas saturation/oil saturation.

These baselines provide a basis for determining if CO_2 leaks are occurring by providing a foundation against which characteristics of these same media during CO_2 injection can be compared and evaluated. For example, changes in concentrations or levels of certain parameters in these media during injection might suggest that they have been impacted by leaking CO_2.

Determinations of these baselines are a critical component of a Class VI SFP. A detailed description of these baselines for both the surface and subsurface for the Tundra SGS project area are provided in A1: 4.1.6, A, B and A2: 4.1.6, A, B.

5.1 Surface Baselines

Baseline sampling includes selected domestic wells in the Square Butte Creek, Tongue River, Upper Hell Creek–Lower Cannonball and Ludlow, and Upper Fox Hills–Lower Hell Creek Aquifers and one USGS Fox Hills observation well. Verification of the domestic well status, based on viability of the well (existence, depth, access, etc.) and landowner cooperation, has been completed and selected wells sampled August 11–13, 2021.

The locations of these candidate wells are shown in A1:C and A2:C, Figure 4-2. Characterization of selected domestic wells and one USGS Fox Hills observation well will include the water quality parameters; anions; dissolved and total carbon, major cations, and trace metals; and isotope analysis to establish the natural partitioning of the groundwater constituents listed in A1:C and A2:C.

5.2 Subsurface Baseline

Preoperational baseline data will be collected in the injection and monitoring wells. These time-lapse saturation data will be used as an assurance-monitoring technique for CO_2 in the formation directly above the storage reservoir, otherwise known as the above-zone monitoring interval.

Indirect monitoring methods will also track the extent of the CO_2 plume within the storage reservoir and can be accomplished by performing time-lapse geophysical surveys of the AOR. A 3D seismic survey was conducted to establish baseline conditions in the storage reservoir.

A feasibility study of surface deformation monitoring with InSAR (interferometric synthetic aperture radar) technology will be performed to determine application before injection and to establish a baseline for the future application of this technology.

For passive seismicity monitoring, the project will install seismometer stations sufficient to confidently measure baseline seismicity 5 km from the injection area a year prior to injection. For additional information regarding surface baseline, refer to A1: 4.1.8 and A2: 4.1.8.

6.0 DETERMINATION OF SEQUESTRATION VOLUMES USING MASS BALANCE EQUATIONS

Tundra SGS is a CO_2 storage site in a saline aquifer with no production associated from the storage complex. The proposed main metering station for mass balance calculation is identified as M2 in the facility diagram (Figure 1-2).

CO2I is equal to annual CO2 mass injected (metric tons) through all injection wells) for Tundra SGS, because we are not producing rather Tundra SGS is a permanent geologic sequestration operation. To calculate the annual mass of CO_2 that is stored in the storage complex, the project will use Equation RR-12 from 40 CFR Part 98, Subpart RR:

$$CO_2 = CO_{2I} - CO_{2E} - CO_{2FI} \qquad \text{[Eq. 1]}$$

Where:

CO_2 = Total annual CO_2 mass stored in subsurface geologic formations (metric tons) at the facility.
CO_{2I} = Total annual CO_2 mass injected (metric tons) in the well or group of wells.
CO_{2E} = Total annual CO_2 mass emitted (metric tons) by surface leakage.
CO_{2FI} = Total annual CO_2 mass emitted (metric tons) from equipment leaks and vented emissions of CO_2 from equipment located on the surface between the flowmeter used

to measure injection quantity and the injection wellhead, for which a calculation procedure is provided in Part 98, Subpart W.

6.1 Mass of CO_2 Injected (CO_{2I})

The Tundra SGS project will use a volumetric flowmeter (M2) (Figure 1-2) to measure the flow of the injected CO_2 stream and will calculate annually the total mass of CO_2 (in metric tons) in the CO_2 stream injected each year by multiplying the volumetric flow at standard conditions by the CO_2 concentration in the flow and the density of CO_2 at standard conditions, according to Equation RR-5 from 40 CFR Part 98, Subpart RR:

$$CO_{2,u} = \sum_{p=1}^{4} Q_{p,u} * D * C_{CO_2,p,u} \quad \text{[Eq. 2]}$$

Where:

$CO_{2,u}$ = Annual CO_2 mass injected (metric tons) as measured by Flowmeter u.
$Q_{p,u}$ = Quarterly volumetric flow rate measurement for Flowmeter u in Quarter p at standard conditions (standard cubic meters per quarter).
D = Density of CO_2 at standard conditions (metric tons per standard cubic meter): 0.0018682.
$C_{CO2,p,u}$ = Quarterly CO_2 concentration measurement in flow for Flowmeter u in Quarter p (volume percent CO_2, expressed as a decimal fraction).
p = Quarter of the year.
u = Flowmeter.

6.2 Annual Mass of CO_2 Emitted by Surface Leakage (CO_{2E})

The Tundra SGS project characterized, in detail, potential leakage paths on the surface and subsurface, concluding that the probability is very low in each scenario. However, a detailed monitoring and surveillance plan is proposed in A1:4 and A2:4, to detect any potential leak and defined a baseline for monitoring.

If the monitoring and surveillance plan detects a deviation from the threshold established for each method, the project will conduct a detailed analysis based on technology available and type of leak to quantify the CO_2 volume to the best of its the capabilities. The process for quantifying leakage could entail using best engineering principles, emission factors, advanced geophysical methods, delineation of the leak, and numerical and predictive models among others.

Tundra SGS project will calculate the total annual mass of CO_2 emitted from all leakage pathways in accordance with the procedure specified in Equation RR-10 from 40 CFR Part 98, Subpart RR:

$$CO_{2E} = \sum_{x=1}^{X} CO_{2,x} \quad \text{[Eq. 3]}$$

Where:

CO_{2E} = Total annual CO_2 mass emitted by surface leakage (metric tons) in the reporting year.

$CO_{2,x}$ = Annual CO_2 mass emitted (metric tons) at Leakage Pathway x in the reporting year.
x = Leakage pathway.

The calculation of CO_{2FI}, the annual mass of CO_2 emitted (in metric tons) from equipment leaks and vented emissions of CO_2 from equipment located on the surface between the flowmeter used to measure injection quantity and injection wellhead, will comply with the calculation and quality assurance/quality control requirements in Part 98, Subpart W, and will be reconciled with the annual data collected through the monitoring and surveillance plan proposed in A1:4, D and A2:4, D.

7.0 MRV PLAN IMPLEMENTATION SCHEDULE

It is proposed that this MRV plan will be implemented within 90 days of the placed-in-service date of the capture and storage equipment, including the Class VI injection wells. The project will not be placed in service until successfully completing performance testing, an essential milestone in achieving substantial completion. At the placed-in-service date, the project will commence collecting data for calculating total amount sequestered according to equations outlined in Section 7.0. As discussed under Sections 2.1 and 3.1, this proposed MRV plan was developed to account for both Phase 1 and Phase 2, and thus no modification to the MRV is anticipated if Phase 2 is pursued. Other greenhouse gas (GHG) reports are filed by the end of the third month of the year after the reporting year, and it is anticipated that the Annual Subpart RR Report will be filed at the same time.

As described in Section 3.3, Tundra SGS anticipates that the MRV program will be in effect during the operational and post-operational monitoring periods, during which time Tundra SGS will operate the storage facilities for the purpose of secure, long-term containment of a measurable quantity of CO_2 in subsurface geologic formations. Tundra SGS anticipates a measurable amount of CO_2 injected during the operational period will be stored in a manner not expected to migrate resulting in future surface leakage. At such time, Tundra SGS will prepare a demonstration supporting the long-term containment determination in accordance with North Dakota statutes and regulations and submit a request to discontinue reporting under this MRV plan consistent with the North Dakota and Subpart RR requirements (see 40 CFR § 98.441[b][2][ii]).

8.0 QUALITY ASSURANCE PROGRAM

A detailed quality assurance procedure for Tundra SGS monitoring techniques and data management is provided in the Quality Assurance and Surveillance Plan found in A1:D and A2:D.

Tundra SGS will ensure compliance with the quality assurance requirement in § 98.444.

<u>CO_2 received</u>:

- The quarterly flow rate of CO_2 received by pipeline is measured at a receiving meter on the injection well path.

- The CO_2 concentration is measured quarterly upstream or downstream of the receiving meter on the injection well path.

Flowmeter provision:

- Operated continuously, except as necessary for maintenance and calibration.
- Operated using calibration and accuracy requirements in § 98.3(i).
- Operated in conformance with consensus-based standards organizations including, but not limited to, ASTM International, the American National Standards Institute, the American Gas Association, the American Society of Mechanical Engineers, the American Petroleum Institute, and the North American Energy Standards Board.

Concentration of CO_2:

- CO_2 concentration will be measured using the appropriate standard method. All measured volumes will be converted from CO_2 to standard cubic meters at a temperature of 60°F and an absolute pressure of 1 atmosphere.

8.1 Missing Data Procedures

In the event Tundra SGS is unable to collect data needed for the mass balance calculations, procedures for estimating missing data in § 98.445 will be used as follows.

8.1.1 Quarterly Flow Rate of CO_2 Received

- Tundra SGS may use the quarterly flow rate data from the sales contract from the capture facility or invoices associated with the commercial transaction.

- A quarterly flow rate value that is missing must be estimated using a representative flow rate value from the nearest previous time period.

8.1.2 Quarterly CO_2 Concentration of a CO_2 Stream Received

- Tundra SGS may use the CO_2 concentration data from the sales contract for that quarter if the sales contract was contingent on CO_2 concentration and the supplier of the CO_2 sampled the CO_2 stream in a quarter and measured its concentration in accordance with the sales contract terms.

- A quarterly concentration value that is missing must be estimated using a representative concentration value from the nearest previous time period.

8.1.3 Quarterly Quantity of CO_2 Injected

- The quarterly amount of CO_2 injected will be estimated using a representative quantity of CO_2 injected from the nearest previous period of time at a similar injection pressure.

8.1.4 Values Associated with CO_2 Emissions from Equipment Leaks and Vented Emissions of CO_2 from Surface Equipment at the Facility

- Implementation will follow missing data estimation procedures specified in 40 CFR, Part 98, Subpart W.

Any missing data should be followed up with an investigation into issues, whether they are concerned with equipment failure or incorrect estimations.

9.0 MRV PLAN REVISIONS

In the event there is a material change to the monitoring and/or operational parameters of the Tundra SGS project that is not anticipated in this MRV plan, the MRV plan will be revised and submitted to the EPA Administrator within 180 days as required in § 98.448(d). Minnkota is the project sponsor of Tundra SGS and will contribute a portion of the total equity for the proposed storage project; other equity participants for the project have not yet been identified. As such, the MRV plan names Minnkota as the sole storage facility owner, operator, and applicant. However, at a time prior to construction of the Tundra SGS site infrastructure, Minnkota plans to contribute all necessary permits to the Tundra SGS project entity, resulting in the transfer of owner and operatorship to the Tundra SGS project. This transfer of ownership will be treated as a minor modification, which will be accomplished through submission of a certificate of representation identifying the change in ownership in accordance with 40 CFR 98.4(h) and will accurately identify and align MRV plan owner/operator/representative designation. Minnkota does not anticipate any material modification to the MRV plan, and as discussed under Section 2.1, if Phase 2 development is pursued, this proposed MRV plan accounts for all monitoring and reporting obligations under Subpart RR.

Tundra SGS reserves the opportunity to submit supplemental revisions to this proposed plan, which take into considerations responses, inquiries, and final determinations from the regulatory agencies having jurisdiction in A1 and A2 and associated Class VI drilling permits.

10.0 RECORDS RECORDING AND RETENTION

Tundra SGS will follow the records retention requirements specified by § 98.3(g). In addition, it will follow the requirements in Subpart RR § 98.447 by maintaining the following records for at least 3 years:

- Quarterly records of CO_2 received at standard conditions and operating conditions, operating temperature and pressure, and concentration of the streams.
- Quarterly records of injected CO_2, including volumetric flow at standard conditions and operating conditions, operating temperature and pressure, and concentration of the streams.
- Annual records of information used to calculate the CO_2 emitted by surface leakage from leakage pathways.

- Annual records of information used to calculate the CO_2 emitted from equipment leaks and vented emissions of CO_2 from equipment located on the surface between the flowmeter used to measure injection quantity and the injection wellhead.

These data will be collected, generated, and aggregated as required for reporting purposes.

11.0 REFERENCES

Anderson, F.J., 2016, North Dakota earthquake catalog (1870–2015): North Dakota Geological Survey Miscellaneous Series No. 93.

U.S. Geological Survey, 2016, Induced earthquakes raise chances of damaging shaking in 2016: https://www.usgs.gov/news/induced-earthquakes-raise-chances-damaging-shaking-2016 (accessed December 2019).