UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 6
1201 ELM STREET, SUITE 500
DALLAS, TEXAS 75270

March 14, 2023 Sent by email only

Hackberry Carbon Sequestration, LLC
501 Louisiana Ave.,
Baton Rouge, LA 70802

RE: Underground Injection Control (UIC) Permit Application R06-LA-0007
Class VI Pre-Construction Permit Application
Technical Review of Application: Plugging Plan, Emergency Response and Financial Assurance

Dear Mr. Gilbert:

Upon completing the initial phase of the technical review of the Plugging Plan, Emergency Response and Financial Assurance sections of the UIC Class VI permit application submitted by Hackberry Carbon Sequestration, LLC for HCS Well No. 001, EPA Region 6 has determined that the application does not meet the requirements in 40 CFR §146 Subpart H.

The review team has identified inconsistencies among the materials in the plugging plan section of the application. Details pertaining to the injection well plugging plan vary between provided figures, tables,appendices, and narrative text. In addition, EPA guidance recommends that all monitoring wells be plugged in a similar manner to a Class VI injection well. Monitoring well plugging plans are not provided in sufficient detail to meet the requirements of 40 CFR §146 Subpart H.

In addition, the review team has found that the emergency and remedial response plan does not include the required level of project specific detail to satisfy the requirements of 40 CFR 146.94. As part of the emergency response plan, the applicant must take into consideration the specific intricacies and difficulties caused by the project location.

Upon review of the provided Financial Assurance section of the Class VI application, both EPA Region 6 and Cadmus contractor support found that the applicant's cost estimates do not properly reflect estimates generated by the EPA Cost Estimate Tool. Financial assurance demonstration must be provided for all items identified in 40 CFR 146.85 and EPA guidance. Prior to the issuance of any permit, the applicant must provide required specifications regarding the qualified financial responsibility instrument.

Please review the attached documents for detailed comments on the Class VI application and provide responses to this request using the attached tables to ensure the most timely and effective application review. If you have any questions, please contact Brody Friesenhahn at (214) 665-7259.

Sincerely,

Johnson, Ken-E Digitally signed by Johnson, Ken-E
Date: 2023.03.14 21:53:51 -05'00'

Ken Johnson, PE
Ground Water / UIC Section Chief