

Governor

State of Arizona Oil and Gas Conservation Commission

1110 W. Washington Street, Phoenix, AZ 85007 602-771-4501 www.azogcc.az.gov Chris Schmidt, Oil and Gas Administrator Commissioners: Frank Thorwald, Chair J. Dale Nations, Ph.D., Vice Chair Stephen R. Cooper William C. Feyerabend F. Michael Conway, Ph.D. Robyn Sahid, Land Commissioner Ex Officio (non-voting member)

NOTICE OF COMBINED PUBLIC MEETING AND POSSIBLE EXECUTIVE SESSION ARIZONA OIL AND GAS CONSERVATION COMMISSION

Pursuant to A.R.S. § 38-431.02, notice is hereby given to the members of the Arizona Oil and Gas Conservation Commission (AZOGCC) and to the general public that the AZOGCC will hold an open public meeting:

Friday, January 19, 2024 10:00 A.M. via Zoom using the link below:

https://us02web.zoom.us/j/82978670131?pwd=NTVNeFYyU05SSTI1SVIxV1QzMHNQQT09

Dial in: +1 669 444 9171 US Meeting ID: 829 7867 0131 Passcode:

289955

Please join a few minutes early to avoid technical difficulties and keep all microphones muted except when speaking. This virtual meeting will be recorded. If you experience difficulties logging into the meeting please contact Andrew Foss, Oil and Gas Project Manager, at <u>foss.andrew@azdeq.gov</u> or (602) 618-3588 for technical assistance.

Executive Session: Pursuant to A.R.S. § 38-431.03(A)(3), the AZOGCC may vote to go into executive session, which will not be open to the public for the purposes of obtaining legal advice on any item on the Agenda.

CALL TO ORDER

1. Establish a quorum and conflicts of interests.

AGENDA ITEMS FOR DISCUSSION, CONSIDERATION, AND POSSIBLE ACTION:

- 2. Administrator Updates Chris Schmidt:
 - a. Permit Extension
 - i. Vote on Cobalt Group LLC Well ID: Cobalt 20-23-31 #1 Permit Extension

b. Proton Green Letter of Declaration

- i. Vote to Approve Asset Transfer (Kinder Morgan to Proton Green)
 - 1. Attachment A Letter of Declaration from Proton Green
 - 2. Attachment B Kinder Morgan Asset Transfer and Release of Bond Letter

3. AZOGCC Chairman Frank Thorwald Report

4. Call to the Public:

Members of the public may address the AZOGCC during this Call to the Public. In the interest of maintaining an orderly meeting, comments shall not exceed three minutes per speaker. For any specific issues, the total comment period shall not exceed ten minutes per side. If a member of the public wishes to speak, they may unmute their telephone by pressing *6.

Pursuant to A.R.S. § 38-431.01(H), the AZOGCC members shall not discuss or take legal action on matters raised during an open call to the public unless the matters are properly noticed for discussion and legal action. As a result of public comment, the AZOGCC members may respond to criticism, may direct staff to review a matter, or may ask that a matter be placed on a future agenda.

5. AZOGCC Requests for Future Agenda Items

6. Announcements

7. Adjournment of the AZOGCC

For additional information about this meeting, contact Chris Schmidt, Oil and Gas Program Administrator, <u>azogcc@azdeq.gov</u> or (602) 771-4501. At least 24 hours prior to any meeting, a copy of the agenda will be available for public inspection at the Arizona Department of Environmental Quality (ADEQ), 1110 W. Washington Street, Phoenix, AZ 85007, or online at <u>http://www.azdeq.gov/ogcc-notices</u>. A copy of material provided to AZOGCC (with exception to material relating to possible executive sessions) are available for public inspection upon request by contacting the ADEQ Records Center at (602) 771-4380 or (800) 234-5677.

ADEQ will take reasonable measures to provide access to department services to individuals with limited ability to speak, write or understand English and/or to those with disabilities. Requests for language translation, ASL interpretation, CART captioning services or disability accommodations must be made at least 48 hours in advance by contacting the Title VI Nondiscrimination Coordinator at 602-771-2215 or Communications@azdeq.gov. For a TTY or other device, Telecommunications Relay Services are available by calling 711.

ADEQ tomará las medidas razonables para proveer acceso a los servicios del departamento a personas con capacidad limitada para hablar, escribir o entender inglés y/o para personas con discapacidades. Las solicitudes de servicios de traducción de idiomas, interpretación ASL (lengua de signos americano), subtitulado de CART, o adaptaciones por discapacidad deben realizarse con al menos 48 horas de anticipación comunicándose con el Coordinador de Anti-Discriminación del Título VI al 602-771-2215 o Communications@azdeq.gov. Para un TTY u otro dispositivo, los servicios de retransmisión de telecomunicaciones están disponible llamando al 711.

ATTACHMENT A

PR TON green

January 15, 2024

State of Arizona Oil & Gas Conservation Commission 84 South River Road Edgar, Arizona 85925

RE: Declaration Accepting Transfer of Responsibility

Ladies and Gentlemen:

By Purchase and Sale Agreement dated December 30, 2020, Proton Green LLC (formerly Plateau Carbon LLC), acquired all Kinder Morgan's interest in the St. John's Unit, including all Kinder Morgan's rights, title, interest and obligations in all the wells located in Apache County, Arizona, hereby listed on Exhibit "A".

Therefore,

1) Proton Green LLC (formerly Plateau Carbon LLC) accepts responsibility for the transfer of the wells listed on Exhibit "A" as part of the Asset Sale involved in the Purchase and Sale Agreement dated December 30, 2020, between Kinder Morgan and Proton Green LLC (formerly Plateau Carbon LLC).

2) Proton Green LLC (formerly Plateau Carbon LLC) currently has a blanket performance bond on file with the Commission covering the Wells listed on Exhibit "A".

Please feel free to contact Rhonda Frazar at: <u>rhonda.frazar@protongreen.com</u> or 713-244-6686 for any questions or concerns.

Sincerely,

Proton Green LLC, formerly known as Plateau Carbon LLC

By: Name:

toopen

Steven Looper, CEO

State of Arizona Oil & Gas Conservation Commission

By: ___

Name:

EXHIBIT 'A'

Well Name	State	Permit #	API
12-34-29x	AZ	954	02-001-20347
12-32-31	AZ	947	02-001-20340
12-31-30x	AZ	957	02-001-20350
12-31-30	AZ	956	02-001-20349
12-22-29	AZ	991	02-001-20375
11-30-30x	AZ	1191	02-001-20491
11-29-31x	AZ	955	02-001-20348
11-29-31	AZ	943	02-001-20336
11-25-30	AZ	1083	02-001-20428
11-12-29	AZ	1186	02-001-20488
11-8-30	AZ	1193	02-001-20493
11-6-31	AZ	939	02-001-20332
10-29-31	AZ	959	02-001-20352
10-27-31	AZ	1192	02-001-20492
10-23-30	AZ	1146	02-001-20456
10-11-30	AZ	1190	02-001-20490
10-5-30	AZ	964	02-001-20357
10-3-30	AZ	1148	02-001-20458
10-2-30x	AZ	953	02-001-20346
10-2-30	AZ	950	02-001-20343
9-25-30	AZ	1147	02-001-20457
9-5-31x	AZ	963	02-001-20356
9-5-31	AZ	962	02-001-20355
11-3-30	AZ	989	02-001-20373
11-2-30	AZ	1117	02-001-20442
11-8-29	AZ	1118	02-001-20443
10-10-30	AZ	1189	02-001-20489
10-31-31	AZ	1198	02-001-20497



September 27, 2021

State of Arizona Oil & Gas Conservation Commission 84 South River Road Eagar, Arizona 85925

RE: State of Arizona Oil and Gas Conservation Commission Performance Bonds (the "<u>Performance Bonds</u>")

Dear Madame or Sir:

Kinder Morgan CO2 Company LLC, formerly known as Kinder Morgan CO2 Company, L.P. ("Kinder Morgan") and Plateau Carbon, LLC ("Plateau") have finalized a Purchase and Sale Agreement dated effective as of 12:01 a.m. Central Standard Time on December 30, 2020, wherein Plateau acquired Kinder Morgan's interest (the "Asset Sale) in the St Johns Gas Unit, including all of Kiner Morgan's rights, obligations, title and interest in the wells located in Apache County Arizona, including those wells listed on Exhibit "A" (the "Wells").

Enclosed, please find the following:

- Plateau's written declaration to the Commission accepting the transfer of and responsibility for each Well, and
- Plateau's blanket performance bond covering all of the Wells.

Pursuant to A.AC. R12-7-103, as amended, Plateau hereby requests the Commission's: (1) approval of Kinder Morgan's transfer of the Wells to Plateau, (2) release of Kinder Morgan from its duties and obligations as Operator of each of the respective Wells, and, (3) release of Kinder Morgan's blanket performance bond covering all of the Well (Bond Serial No 022036714).

By countersigning this letter agreement, (1) you hereby consent to Kinder Morgan's transfer of the Wells to Plateau, and (2) you hereby release (a) Kinder Morgan from its duties and obligations as Operator of each of the respective Wells, and (b) Kinder Morgan's blanket performance bond covering all of the Wells (Bond Serial No. 022036714), in each case effective as of the date first written above.

The laws of the State of Arizona, without giving effect to principles of conflict of laws, govern all matters arising out of or relating to this letter agreement and all of the transactions it contemplates, including, but not limited to, its validity, interpretation, construction, performance and enforcement.

Should you have any questions, please do not hesitate to contact me at (214)226-2606.

State of Arizona Oil & Gas Conservation Commission September 27, 2021 Page 2

If the above correctly sets forth our understanding, please so indicate by executing this letter agreement in the space provided below.

Regards,

Plateau Carbon LLC

E pel By:

Name: Steven Looper Title: CEO

Accepted and agreed effective as of the date first written above:

STATE OF ARIZONA OIL & GAS CONSERVATION COMMISSION

By: _____

Name: _____

Title: _____

Transferee

Plateau Carbon LLC 2000 Bering Drive, Suite 210 Houston, TX 77057 Attn: Mr. Steven Looper Tel: (214)226-2606

WellName	State .	(Centine #	(Å)?	
12-34-29x	AZ	954	02-001-20347	
12-32-31	AZ	947	02-001-20340	
12-31-30x	AZ	957	02-001-20350	
12-31-30	AZ	956	02-001-20349	
12-22-29	AZ	991	02-001-20375	
11-30-30x	AZ	1191	02-001-20491	
11-29-31x	AZ	955	02-001-20348	
11-29-31	AZ	943	02-001-20336	
11-25-30	AZ	1083	02-001-20428	
11-12-29	AZ	1186	02-001-20488	
11-8-30	AZ	1193	02-001-20493	
11-6-31	AZ	939	02-001-20332	
10-29-31	AZ	959	02-001-20352	
10-27-31	AZ	1192	02-001-20492	
10-26-30	AZ	1146	02-001-20456	
10-11-30	AZ	1190	02-001-20490	
10-5-30	AZ	964	02-001-20357	
10-3-30	AZ	1148	02-001-20458	
10-2-30x	AZ	953	02-001-20346	
10-2-30	AZ	950	02-001-20343	
9-25-30	AZ	1147	02-001-20457	
9-5-31x	AZ	963	02-001-20356	
9-5-31	AZ	962	02-001-20355	
11-3-30	AZ	989	02-001-20373	
11-2-30	AZ	1117	02-001-20442	
11-8-29	AZ	1118	02-001-20443	
10-10-30	AZ	1189	02-001-20489	
10-31-31	AZ	1198	02-001-20497	



January 9, 2024

State of Arizona Oil & Gas Conservation Commission 84 South River Road Edgar, Arizona 85925

RE: State of Arizona Oil and Gas Conservation Commission Performance Bonds (the "Performance Bonds")

Dear Madame of Sir:

Kinder Morgan CO2 Company LLC, formerly known as Kinder Morgan CO2 Company, L.P. ("Kinder Morgan") and Proton Green LLC, formerly known as Plateau Carbon LLC, have finalized a Purchase and Sale Agreement effective as of 12:01 a.m. Central Standard Time on December 30, 2020, wherein Proton Green LLC (formerly Plateau Carbon LLC) acquired Kinder Morgan's interest (the "Asset Sale") in the St. Johns Gas Unit, including all of Kinder Morgan's rights, obligations, title and interest in wells located in Apache County, Arizona, including those wells listed on Exhibit "A" (the "Wells").

Proton Green LLC (formerly Plateau Carbon LLC) has submitted to you the following:

- Proton Green LLC's (formerly Plateau Carbon LLC) written declaration to the Commission accepting the transfer of and responsibility for the Wells, and
- Proton Green LLC's (formerly Plateau Carbon LLC) blanket performance bond covering the Wells.

Pursuant to A.AC. R12-7-103, as amended, Kinder Morgan hereby requests the Commission's: (1) approval of Kinder Morgan's transfer of the Wells to Proton Green LLC (formerly Plateau Carbon LLC), (2) release of Kinder Morgan from its duties and obligations as Operator of each of the respective Wells, and (3) release of Kinder Morgan's blanket performance bond covering all of the Wells (Bond Serial No. 022036714).

By countersigning this letter agreement, (1) you hereby consent to Kinder Morgan's transfer of the Wells to Proton Green LLC's (formerly Plateau Carbon LLC), and (2) you hereby release (a) Kinder Morgan from its duties and obligations as Operator of each of the respective Wells, and (b) Kinder Morgan's blanket performance bond covering all of the Wells (Bond Serial No. 022036714), in each case effective as of the effective date of the Asset Sale.

The laws of the State of Arizona, without giving effect to principles of conflict of laws, govern all matters arising out of or relating to this letter agreement and all of the transactions it contemplates, including, but not limited to, its validity, interpretation, construction, performance and enforcement.

Should you have any questions, please do not hesitate to contact Tony Lagera, Land Manager for Kinder Morgan, at (832)622-6793.

If the above correctly sets forth our understanding, please so indicate by executing this letter agreement in the space provided below.

Sincerely,

Kinder Morgan CO2 Company LLC, formerly known as Kinder Morgan CO2 Company, L.P.

By: Name: Title: Darrell Ricketson Vice President

Accepted and agreed effective as of the date first written above:

STATE OF ARIZONA OIL & GAS CONSERVATION COMMISSION

By:			
Name:			
Title:			

Transferee

Proton Green LLC (formerly Plateau Carbon LLC) 2000 Bering, Suite 210 Houston, Texas 77057 Attn: Mr. Steve Looper Tel: (214)226-2606

Well Name	State	Permit #	API	
12-34-29x	AZ	954	02-001-20347	
12-32-31	AZ	947	02-001-20340	
12-31-30x	AZ	957	02-001-20350	
12-31-30	AZ	956	02-001-20349	
12-22-29	AZ	991	02-001-20375	
11-30-30x	AZ	1191	02-001-20491	
11-29-31x	AZ	955	02-001-20348	
11-29-31	AZ	943	02-001-20336	
11-25-30	AZ	1083	02-001-20428	
11-12-29	AZ	1186	02-001-20488	
11-8-30	AZ	1193	02-001-20493	
11-6-31	AZ	939	02-001-20332	
10-29-31	AZ	959	02-001-20352	
10-27-31	AZ	1192	02-001-20492	
10-23-30	AZ	1146	02-001-20456	
10-11-30	AZ	1190	02-001-20490	
10-5-30	AZ	964	02-001-20357	
10-3-30	AZ	1148	02-001-20458	
10-2-30x	AZ	953	02-001-20346	
10-2-30	AZ	950	02-001-20343	
9-25-30	AZ	1147	02-001-20457	
9-5-31x	AZ	963	02-001-20356	
9-5-31	AZ	962	02-001-20355	
11-3-30	AZ	989	02-001-20373	
11-2-30	AZ	1117	02-001-20442	
11-8-29	AZ	1118	02-001-20443	
10-10-30	AZ	1189	02-001-20489	
10-31-31	AZ	1198	02-001-20497	

Irrespective of whether accurately described herein, this well list is intended to include all wells that were previously operated by Kinder Morgan CO2 Company LLC, formerly known as Kinder Morgan CO2 Company, L.P., located in Apache County, Arizona.