



COLORADO

Energy & Carbon Management Commission

Department of Natural Resources

1120 Lincoln Street, Suite 801
Denver, CO 80203

www.colorado.gov/ecmc

WARNING LETTER # 404426333

11/07/2025

ST CROIX OPERATING INC (#81490)
PAUL MELNYCHENKO
stcroixexp@aol.com

P O BOX 13799
DENVER, CO 80201

Prairie Ridge 1 (API# 121-11103)
NESE, 13, 3S, 50W, WASHINGTON

This Warning Letter is to inform you that ST CROIX OPERATING INC (“Operator”) may be in violation of the rules and regulations of the Colorado Energy and Carbon Management Commission (“ECMC”) and corrective action is required.

ECMC has reasonable cause to believe that Operator has committed one or more violations of the Oil and Gas Conservation Act, or of a rule, regulation, or order of the Commission, or of a permit issued by the Commission. Operator is required to comply with this Warning Letter by the **Corrective Action Deadline Date(s)** to resolve the alleged violation(s). Failure to do so will result in the issuance of a Notice of Alleged Violation and initiation of enforcement proceedings in which ECMC will seek monetary penalties for the alleged violations pursuant to § 34-60-121, C.R.S. and Rule 525, ECMC Rules of Practice and Procedure, 2 CCR 404-1.

Alleged Violation(s) and Required Corrective Action(s):

434.a.(5) Plugging Requirements

Violation Date: 11/06/2025

Violation Discovery Date: 11/06/2025

Description of Alleged Violation: Pursuant to Rule 434.a.(5) the Operator will not cap or seal the Well until 5 days after placing the last plug to allow monitoring for successful plugging and will cap or seal the Well within 90 days after placing the last plug.

On Operator's Form 6, Subsequent Report of Abandonment ("Form 6SRA"), Operator indicated they did not wait 5 days to cap or seal the Well after placing the last plug to allow monitoring for successful plugging and/or capped or sealed the Well after the 90 day period following the placement of the last plug.

Required Corrective Action: Operator will submit a response to this Warning Letter providing an explanation for not complying with the required timeline between placing the surface plug and capping the well. The explanation must detail how complete and effective isolation was achieved and confirmed.

Operator will submit a Standard Operating Procedure ("SOP") and plan for how they will comply with Rule 434.a.(5) in the future, and submit their verification for how they complied with the COAs in their Form 6SRA: “After surface plug and prior to cap, verify isolation by either a 15 minute bubble test or 15 minute optical gas imaging. If there is indication of flow contact ECMC Engineering. Provide a statement



COLORADO

Energy & Carbon Management Commission

Department of Natural Resources

1120 Lincoln Street, Suite 801
Denver, CO 80203

www.colorado.gov/ecmc

on the Form 6SRA which method was used and what was observed. Retain records of the final isolation test for 5 years,"
Corrective Action Deadline Date: 11/21/2025

How to Comply with Warning Letter:

Operator shall complete the Required Corrective Action(s) above within the deadline(s) provided. Upon completion of the Corrective Action(s), Operator shall provide notice and evidence of completion to the ECMC staff identified below by the Corrective Action Deadline Date(s):

ECMC Representative: Greager, Meredith
Email: meredith.greager@state.co.us

Title: Engineering QA Specialist
Phone Num: (720) 830-4175x

If you have any questions about this Warning Letter, please contact the ECMC Representative identified above.

Failure to Comply with Warning Letter:

If Operator fails to perform Required Corrective Action(s) on or before the Corrective Action Deadline Date(s) stated above ECMC will issue a Notice of Alleged Violation and seek penalties pursuant to § 34-60-121, C.R.S. and Rule 525, ECMC Rules of Practice and Procedure, 2 CCR 404-1.

Disclaimers:

If the alleged violation(s) in this Warning Letter are the subject of previously issued Notice(s) of Alleged Violation ("NOAV") or Enforcement Order(s) ("Order"), Operator's obligations and the corrective actions and deadlines in such NOAV or Order stand and are not affected by this Warning Letter.

If issued in error, the Enforcement Unit reserves the right to rescind this Warning Letter prior to the ECMC Representative's receipt of Operator's notice and evidence of completion of the Corrective Action.

All well data, rules and forms are available on our website at www.colorado.gov/ecmc.

Sincerely,

Greager, Meredith
Engineering QA Specialist

Attachments

View Attachments in Imaged Documents on ECMC website <http://ecmcweblink.state.co.us/> Search by Document Number.

Document Number Description

<u>Document Number</u>	<u>Description</u>

Total Attach: 0 Files