



December 11, 2025

Energy and Carbon Management Commission
1120 Lincoln Street, Suite 801
Denver, Colorado, 80203

Via Email: dnr_ecmc_enforcement@state.co.us

Re: Bison IV Operating LLC's Answer to Warning Letter No. 404423524

Director Murphy:

Bison IV Operating LLC ("Bison") submits this response to Warning Letter No. 404423524, regarding the alleged violation of Rule 434.a.(5) associated with the Form 6 Subsequent Report of Abandonment ("Form 6SRA").

Explanation for Non-Compliance with Rule 434.a.(5)

Upon internal review, Bison acknowledges that the Form 6SRA reflects that the well was capped earlier than five (5) days following placement of the surface plug, as required by Rule 434.a.(5). This deviation resulted from an oversight in the abandonment sequence rather than from an intentional disregard of ECMC requirements.

Third party Daily Operation Reports confirm after setting the surface plug and before cutting and capping the well, Bison verified wellbore isolation through a 30-minute bubble test at the wellhead. No gas bubbles or indications of flow were observed during the test, confirming that the surface plug was properly set and the wellbore was static. This verification was performed in accordance with the Condition of Approval ("COA") requirements on the approved Form 6.

Bison confirms that effective isolation was achieved and documented before capping the well.

Corrective Process to Ensure Compliance with the 5-Day Minimum Waiting Period Before Capping

To prevent any recurrence of cutting or capping a well before the required five (5)-day waiting period following placement of the surface plug, Bison has implemented the following procedural controls and workflow improvements:

1. Required Timeline Tracking and Scheduling Controls

a. Mandatory 5-Day Hold Added to Operations Schedule

- Immediately after the surface plug is placed, the field supervisor will record the plug placement date in Bison's tracking system.
- The system will automatically calculate and display:
 - the earliest allowable capping date (plug date + 5 days), and
 - the latest allowable capping date (plug date + 90 days).

b. Review by Field Superintendent

- Field leadership will review the abandonment schedule to ensure the 5-day waiting period is observed.
- Any attempt to mobilize cutting or capping crews early will be stopped and corrected prior to the start of work.

2. Dual Approval Before Capping

To eliminate the possibility of early capping:

- Both the Field Supervisor and the Regulatory Compliance Manager must review the plug date and formally approve the start of capping operations.



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- Capping cannot proceed without both approvals.

3. Updated Internal SOP and Staff Training

- The abandonment SOP has been updated to include the mandatory 5-day waiting period, documentation requirements, and the dual-approval step.
- All field personnel, well service crews, and administrative staff have been informed of the requirements to ensure consistent implementation.

Conclusion

By implementing enhanced scheduling controls, dual approval requirements, and additional compliance oversight, Bison will ensure that wells are not cut or capped before the required 5-day waiting period following placement of the surface plug. These corrective measures will prevent recurrence of the early capping issue and ensure ongoing compliance with Rule 434.a.(5).

Sincerely,

Rachel Milne
Bison IV Operating LLC
Regulatory Compliance Manager

