



COLORADO
Energy & Carbon Management
Commission
Department of Natural Resources
1120 Lincoln Street, Suite 801
Denver, CO 80203

February 6, 2024

Apex Oil Ventures Inc.
Attn: Jan E Callister
8823 S. Redwood Road #D-1
West Jordan, UT 84088

DIRECTOR'S ORDER PURSUANT TO RULE 901.a.

The Director of the Colorado Energy and Carbon Management Commission (“ECMC” or “Commission”) issues this Order pursuant to Rule 901.a. of the Commission’s Rules and Regulations, 2 CCR 404-1 (“Rule” or “Rules”) and § 34-60-104.5, C.R.S, of the Oil and Gas Conservation Act.

INTRODUCTION AND BACKGROUND

1. Apex Oil Ventures Inc. (Operator No. 10605) (“Apex”) is the operator of wells, and related facilities, which are located in Rio Blanco County.
2. Apex operates the following well: P.R. – TRIGOOD-GOV’T (0365) #10, Facility ID. 228525, Location #314354, API No. 05-103-05400, (“Well”).
3. The Well is located within a Colorado Parks and Wildlife (“CPW”) High Priority Habitat (“HPH”). Specifically, this location is within a Mule Deer Severe Winter Range HPH, Mule Deer Winter Concentration Area HPH, and a Elk Severe Winter Range HPH. (Doc. No. 702502298).
4. On January 18, 2024, ECMC Staff conducted an inspection of the Well. (Doc. No. 702502298).
5. During that Inspection Staff noted, among other compliance issues, that the casing was open to an offsite tank battery. Further, Apex used gas to run a tank burner with excess gas flared through a combustor. Pursuant to Rule 903, venting and/or flaring are prohibited.
6. On the same date, Staff contacted the principal agent for Apex, Jan Callister, and ordered the Well to be shut-in and to cease venting and flaring gas to the offsite tank battery with a corrective action date of January 19, 2024. The operator indicated they would comply.(Doc. No. 702502298).

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Brett Ackerman | Mike Cross | Karin McGowan | John Messner | Jeff Robbins, Chair

Dan Gibbs, DNR | Trisha Oeth, CDPHE

Jared Polis, Governor | Dan Gibbs, Executive Director, DNR | Julie M. Murphy, Director



7. On January 22, 2024, Staff inspected the Well and observed that Apex was still flaring gas, despite being ordered to shut-in the Well and representing to Staff that they would do so. (Doc. No. 702502305)
8. On January 23, 2024, Apex contacted Staff and again stated they would shut-in the Well.
9. On January 25, 2024, Staff inspected the Well. Staff observed that Apex failed to shut-in the Well and was still flaring casinghead gas in violation of Rule 903. (Doc. No. 702502305).
10. The Director has reasonably ascertained the underlying facts on which the Director bases this action. Therefore, the Director has objective grounds and reasonable cause to determine that Apex, in the conduct of oil and gas operations, is impacting or threatening to impact public health, safety, welfare, the environment, and wildlife resources.
11. Specifically, the Director finds that Apex has flared casinghead gas, violating Rule 903. The Director finds that this situation requires immediate attention, and the Director enters this Order requiring Apex to cease immediately all production operations at the Well.
12. Moreover, based on Apex's actions and inactions described above, the Director has objective grounds and reasonable cause to determine that a suspension of operations is necessary at the Well to ensure that the Commission is following its statutory mandate to protect public health, safety, welfare, the environment, and wildlife resources.
13. The Director will inspect and may take action to protect public health, safety, welfare, the environment, and wildlife resources, including shutting-in Apex's Well, until Apex has come back into compliance with all ECMC Rules.
14. Until the ECMC has re-inspected the Wells and determined that the ongoing threat to public health, safety, welfare, the environment, and wildlife resources has been fully addressed, Apex will not return the Well to production.

ORDER

In accordance with Rule 901.a., the Director **ORDERS** that Apex **immediately cease all venting and flaring at the P.R. – TRIGOOD-GOV'T (0365) #10 Well, except under the circumstances detailed in Rule 903.d.(1)(A), (B), (D), or (E). Moreover, Apex will immediately cease all production activities at the P.R. – TRIGOOD-GOV'T (0365) #10 Well.**

This Order will remain in effect until such time as Apex has come back into compliance with all ECMC Rules; including, but not limited to, those instances of non-compliance described above.

Apex's well or facility will not be returned to production until the ECMC has re-inspected and determined that the ongoing threat to public safety has been fully addressed.

Apex should direct all questions regarding this Order, and the steps Apex must take to return to compliance with ECMC Rules, as required by this Order, to Mike Leonard, Compliance Manager and Diana Burn, Engineering Manager.

The provisions contained in the above Order are effective immediately. If Apex does not comply with the Order, the Director may take action to assess, shut-in, plug and abandon and/or remediate Apex's wells and seek costs pursuant to § 34-60-124, C.R.S.

The Director expressly reserves the right to alter, amend, or repeal any and/or all of the above orders.

EXECUTED February 6, 2024.

IN THE NAME OF THE STATE OF COLORADO
ENERGY & CARBON MANAGEMENT COMMISSION

A handwritten signature in black ink, appearing to read "Julie Murphy". The signature is written in a cursive style with a large initial "J" and "M".

Julie Murphy
ECMC Director

CERTIFICATE OF SERVICE

On February 6, 2024, a true and accurate copy of this Director's Order Pursuant to Rule 901.a. was emailed, as follows:

jec-apex@outlook.com

A true and accurate copy of this Director's Order Pursuant to Rule 901.a. will also be served by certified U.S. Mail, return receipt, as follows:

JAN E CALLISTER PRESIDENT
APEX OIL VENTURES INC
ATTN: JAN CALLISTER
8823 S. REDWOOD ROAD #D-1
WEST JORDAN UT 84088