

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF APEX ENERGY LLC FAILURE TO
PROPERLY MAINTAIN WELLSITES IN RICHLAND
COUNTY, MONTANA.

ADMINISTRATIVE ORDER 1-A-2020

Apex Energy LLC (Apex) is the operator of 10 producing wells in Richland County, Montana and one producing well in Dawson County, Montana. The following two wells have compliance issues:

- **Engen 1-A**, API # 25-083-21696, located in the NW¼NW¼ of Section 29, T25N-59E, Richland County, Montana has contaminated soil inside the tank battery, junk iron, a tank, and an ajax shed on location.
- **FLB Spokane 4**, API # 25-083-21700, located in the SE¼NE¼ of Section 12, T22N-59E, Richland County, Montana contains a junk pumpjack, tubing, buckets, a treater shed, and wind-blown tin on and off the well location.

On December 17, 2019, a certified letter was sent to Apex detailing the above listed compliance issues. A February 12, 2020, deadline was given to resolve the compliance issues or they would be brought up at the Board Business meeting.

On February 6, 2020 and February 7, 2020, the field inspector noted that work had been done but compliance was not achieved. The Engen 1-A well still contains contaminated soil, junk iron, and an ajax shed and the FLB Spokane 4 still has the junk pumpjack.

On February 12, 2020, Verlon Edwards with Apex contacted staff to see if Apex was in compliance. Compliance had not been achieved.

IT IS THEREFORE ORDERED by the Board that Apex must have the well locations in compliance by March 26, 2020, hearing application deadline. Failure to come into compliance by that date will result in Apex being ordered to show cause at the April 30, 2020, public hearing, as to why penalties should not be imposed for failure to remedy the field violations.

Dated this 12th day of February, 2020

Montana Board of Oil and Gas Conservation

James W. Halvorson, Administrator