

BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO

IN THE MATTER OF THE APPLICATION OF
ANTERO RESOURCES PICEANCE
CORPORATION FOR AN ORDER VACATING A
320 ACRE DRILLING AND SPACING UNIT
ESTABLISHED FOR THE WILLIAMS FORK
FORMATION AND ILES FORMATION AND
REPLACING IT WITH TWO APPROXIMATE 160
ACRE DRILLING AND SPACING UNITS FOR THE
WILLIAMS FORK FORMATION AND ILES
FORMATION UNDERLYING CERTAIN
DESCRIBED LANDS IN THE MAMM CREEK
FIELD AREA, GARFIELD COUNTY, COLORADO

CAUSE NO. 191

DOCKET NO.

APPLICATION

COMES NOW Antero Resources Piceance Corporation ("Applicant"), a Delaware corporation, by its attorneys, Poulson, Odell & Peterson, LLC, and makes application to the Oil and Gas Conservation Commission of the State of Colorado for an order vacating a designated 320 acre drilling and spacing unit previously ordered by the Commission applicable to the Williams Fork Formation and Iles Formation of the Mesaverde Group covering certain described lands in the Mamm Creek Field area in Garfield County and replacing it with two 160 acre drilling and spacing units for these same two formations. In support of its application, Applicant states and alleges as follows:

1. That Applicant is a corporation duly authorized to conduct business in the State of Colorado.
2. That Applicant owns a leasehold interest in a portion of the following described lands:

Township 6 South, Range 93 West, 6th P.M.
Section 11: S/2

(hereinafter "Application Lands")

3. That the Application Lands, under the Commission's Order 191-15 (Corrected), were established by the Commission as 320 acre drilling and spacing unit for the Williams Fork Formation. Further, that the Application Lands, under the Commission's Order 191-25 were established as a 320 acre drilling and spacing unit for the Iles Formation.

4. That when the applications in Orders No. 191-15 (Corrected) and 191-25 were filed, Applicant anticipated that voluntary pooling arrangements would be completed covering the 320 acre drilling and spacing unit. In anticipation that such pooling would be completed, Applicant drilled a well in the SE/4 of the Application Lands and subsequently learned that voluntary pooling was not acceptable to some of the lessors in the drilling and spacing unit. When Applicant then filed a force pooling application to effect involuntary pooling, these same lessors protested the application whereupon Applicant elected to withdraw its application in order to avoid conflict with the protestants. Applicant's decision to withdraw the application was based upon its intention to file this application to vacate the 320 acre drilling and spacing unit and request that the SE/4 and the SW/4 of the Application Lands be established as approximate 160 acre drilling and spacing units for the Williams Fork Formation and the Iles Formation.

5. That the above-proposed vacation of the 320 acre drilling and spacing unit and the establishment in its place of two approximate 160 acre drilling units will allow development of the Williams Fork Formation and Iles Formation to occur; will not promote waste; will not violate correlative rights and will assure the greatest ultimate recovery of gas and associated hydrocarbon substances from the reservoir.

6. That the Application Lands will continue, per the provisions of Order 191-15 (Corrected) and Order 191-25 to be approved for the drilling of ten (10) acre density wells except that the setback rules established under such orders will apply to the boundaries of the newly established 160 acre drilling and spacing units.

7. That the names and addresses of the interested parties according to the information and belief of the Applicant are set forth in Exhibit A attached hereto and made a part hereof.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing in October, 2006, that notice be given as required by law and that upon such hearing this Commission enter its order consistent with Applicant's proposals as set forth above.

Dated this 31 day of August, 2006.

By: _____
William A. Keefe
Poulson, Odell & Peterson, LLC
1775 Sherman Street, Suite 1400
Denver, Colorado 80203
Phone: (303) 861-4400
Fax: (303) 861-1225

VERIFICATION

STATE OF COLORADO)
) ss.
CITY AND COUNTY OF DENVER)

William J. Pierini, of lawful age, being first duly sworn upon oath, deposes and says that he is the Division Landman for Antero Resources Piceance Corporation and that he has read the foregoing Application and that the matters therein contained are true to the best of his knowledge, information and belief.

By: _____
William J. Pierini

Subscribed and sworn to before me this 31 day of August, 2006.

Witness my hand and official seal.

My commission expires: _____

Notary Public

EXHIBIT A

Antero Resources II Corporation
1625 17th Street, Suite 300
Denver, CO 80202

Apollo Energy, LLC
1557 Ogden Street, Suite 300
Denver, CO 80218

Dolphin energy Corporation
1331 17th Street, Suite 730
Denver, CO 80202

Exxel Energy Corp.
109 West Hastings Street, 11th Floor
Vancouver, BC V6B 4W4
CANADA

Garfield County Board of County
Commissioners
108 8th Street, Suite 300
Glenwood Springs, CO 81601

Murrell, Michael A.
Post Office Box 1272
Glenwood Springs, CO 81602

William J. Pierini
Antero Resources Piceance Corporation
1625 17th Street, Suite 300
Denver, CO 80202

William A. Keefe
Poulson, Odell & Peterson, LLC
1775 Sherman Street, Suite 1400
Denver, Colorado 80203

Timothy Pinson
Garfield County
Henry Building
144 E. 3rd Street
Rifle, CO 81650

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