

**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
ESTABLISHING SPACING AND WELL
LOCATION RULES FOR THE WILLIAMS
FORK FORMATION AND THE ILES
FORMATION OF THE MESAVERDE GROUP
FOR CERTAIN DESCRIBED LANDS IN THE
MAMM CREEK FIELD AREA, GARFIELD
COUNTY, COLORADO

CAUSE NO: 191

ORDER NO:

DOCKET NO:

APPLICATION

COMES NOW Antero Resources Piceance Corporation ("Applicant"), a Delaware corporation, by its attorneys, Poulson, Odell and Peterson, LLC, and makes application to the Oil and Gas Conservation Commission of the State of Colorado for an order establishing spacing rules and well location rules applicable to the drilling and producing of wells from the Williams Fork Formation and the Iles Formation of the Mesaverde Group covering certain described lands in the Mamm Creek Field area, Garfield County, Colorado, and in support of its application, 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 substantial portion of the following described lands:

Township 6 South, Range 92 West
Section 9: NW/4

(hereinafter "Application Lands")

3. That the Application Lands are unspaced for the Williams Fork Formation and Iles Formation and subject to the Commission's Rule 318.

4. That Applicant believes it is appropriate that the Commission establish a 160 acre drilling and spacing unit covering these unspaced lands for the Williams Fork Formation and the Iles Formation of the Mesaverde Group.

5. That multiple wells have been drilled, tested and completed in the Williams Fork Formation of the Mesaverde Group upon lands in the immediate vicinity of the Application Lands. In addition, some wells in the area have been drilled to and have evaluated the Iles Formation of the Mesaverde Group.

6. That to promote efficient drainage within the Williams Fork Formation and Iles Formation of the Mesaverde Group, the Commission should increase the number of wells which can be optionally drilled into and produced from the Williams Fork Formation of the Application Lands to the equivalent of one Williams Fork well (and Iles Formation well) per ten (10) acres.

7. That as to all future Williams Fork wells to be drilled upon the Application Lands within such 160 acre drilling and spacing unit, the well should be located downhole anywhere in the drilling and spacing unit but no closer than 100 feet from the boundaries of the unit without exception being granted by the Director of the Oil and Gas Conservation Commission. It is provided, however, that in cases where the Application Lands abut or corner lands in respect of which the Commission has not at the time of drilling permit application granted the right to drill 10 acre density Williams Fork Wells, the well should be located downhole no closer than 200 feet from the boundary or boundaries of the drilling unit so abutting or cornering such lands without exception being granted by the Director of the Oil and Gas Conservation Commission.

8. That is to all future Iles Formation wells to be drilled upon the Application Lands, the wells should be located downhole anywhere in the drilling spacing unit but no closer than 100 feet from the boundaries of the unit without exception being granted by the Director of the Oil and Gas Conservation Commission. It is provided however that in cases where the Application Lands abut or corner lands in respect of which the Commission has not at the time of drilling permit application granted the right to drill 10-acre density Iles wells, the wells should be located downhole no closer than 400 feet from the boundary or boundaries of the drilling unit so abutting or cornering such lands without exception being granted by the Director of the Oil and Gas Conservation Commission.

9. That, except as previously authorized by order of the Commission, wells to be drilled under this Application will be drilled from the surface, either vertically or directionally, from no more than one pad located on a given quarter quarter section (or lots or parcels approximately equivalent thereto) unless exception is granted by the Colorado Oil and Gas Conservation Commission pursuant to application made for such exception.

10. The granting of this application 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.

11. 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 January, 2007, 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: November ____, 2006.

POULSON, ODELL AND PETERSON, LLC

By: _____
William A. Keefe
POULSON, ODELL & PETERSON, LLC
1775 Sherman Street, Suite 1400
Denver, Colorado 80203
(ph) (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 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 _____ day of _____, 20____.

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

Koch Exploration Company, LLC
a Delaware Limited Liability Company
4111 East 37th Street North
Wichita, KS 67220

Carol Jo Shideler Bennett
Post Office Box 1202
American Fork, UT 84003

Lawrence Family Investments, LLC
7272 South Lincoln Way
Centennial, CO 80122

State of Colorado, Department of
Natural Resources, Division of Wildlife
and Wildlife Commission
6060 Broadway
Denver, CO 80216-1029

Frank M., Jr. and Karen Hardrick
32235 Highway 6
Silt, CO 81652-9762

RDLJ LLC
Post Office Box 3014
Glenwood Springs, CO 81601

Local Governmental Designee
Garfield County
Henry Building
144 East 3rd Street
Rifle, Co 81650

Shideler Energy, LLC
4128 County Road 315
Silt, CO 81652

Devon Energy Production Company, LP
an Oklahoma Limited Partnership
1500 Mid-America Tower
20 North Broadway
Oklahoma City, OK 73102

Union Pacific Railroad Company
Attn: Terry Young
c/o Farmer's National Company
403 South Cheyenne, Suite 800
Tulsa, OK 74102-3842

Garfield County Board of County
Commissioners
108 8th Street, Suite 213
Glenwood Springs, CO 81601

Colorado Department of Transportation
c/o Mark Kendell
15285 South Golden Road, Bldg. 47
Golden, CO 80401

Wyotex Oil Co.
Post Office Box 36157
Denver, CO 80236

William A. Keefe
POULSON, ODELL & PETERSON, LLC
1775 Sherman Street, Suite 1400
Denver, CO 80203

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

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AFFIDAVIT OF MAIL

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

William A. Keefe, of lawful age, being first duly sworn upon oath, states and declares:

That he is the attorney for Antero Resources Piceance Corporation, Applicant herein; that on November _____, 2006, he caused a copy of the attached Application and the Notice of Hearing to be deposited in the United States Mail, postage prepaid, addressed to each of the parties listed on Exhibit "A" to the Application.

By: William A. Keefe

Subscribed and sworn to before me this _____ day of November, 2006.

Witness my hand and official seal.

My commission expires: July 22, 2007.

Notary Public