

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

IN THE MATTER OF THE APPLICATION OF ANTERO
RESOURCES PICEANCE CORPORATION FOR AN
ORDER ESTABLISHING AND APPROXIMATE 195-ACRE
DRILLING AND SPACING UNIT FOR THE DRILLING OF
WILLIAMS FORK FORMATION AND ILES FORMATION
WELLS ON 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 establishing well location and setback rules applicable to the drilling and producing of wells from the Williams Fork Formation and Iles Formation of the Mesaverde Group underlying 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 oil and gas leases covering a substantial portion of the following described lands (hereinafter “Application Lands”):

Township 6 South, Range 92 West, 6th P.M.
Section 8: Lot 8, Lot 9, NE/4SE/4 and S/2SE/4

3. That the Application Lands are unspaced and subject to the Commission’s Rule 318 (formerly Rule 316).
4. That pursuant to the Commission’s Order No. 191-36 dated November 15, 2006, the Application Lands were authorized for ten acre density drilling of Williams Fork Formation wells and Iles Formation wells subject to certain specified setback requirements.
5. Due to problems in leasing unleased interests covering portions of the Application Lands, Applicant has found it necessary to request that the Application Lands be designated by the Commission as an approximate 195-acre drilling and spacing unit for the production of gas and associated hydrocarbons from the Williams Fork Formation and Iles Formation of the Mesaverde Group.

6. That as to the drilling and spacing unit consisting of the Application Lands, the Commission should allow all future Williams Fork Formation wells drilled thereon to be located downhole anywhere upon such lands but no closer than 100 feet from the outside boundary of the Application Lands unless such boundary abuts or corners lands in respect of which the Commission has not at the time of the drilling permit application granted the right to drill 10-acre density wells in which event the Williams Fork Formation wells to be drilled upon the Application Lands should be drilled downhole no closer than 200 feet from that portion of the boundary which so abuts or corners the lands in respect of which 10-acre density downhole drilling for Williams Fork Formation wells has not been ordered by the Commission.

7. Further, the Commission should allow Iles Formation wells to be optionally drilled on a ten (10) acre density basis with each such well to be located downhole anywhere upon the Application Lands provided that no such well shall be located downhole any closer than 400 feet to the outside boundary of the Application Lands, it being understood that the Iles Formation wells may be drilled only in conjunction with the drilling of the Williams Fork Formation wells.

8. 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 unless exception is granted by the Colorado Oil and Gas Conservation Commission pursuant to application made for such exception.

9. 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.

10. 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 July, 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 this _____ day of May, 2007.

Respectfully submitted:

Antero Resources Piceance Corporation

By:

William A. Keefe
POULSON, ODELL & PETERSON, LLC
1775 Sherman Street, Suite 1400
Denver, Colorado 80203
Telephone No.: (303) 861-4400
Facsimile No.: (303) 861-1225

Applicant's Address

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

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 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 May, 2007.
Witness my hand and official seal.
My commission expires: _____

Notary Public

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IN THE MATTER OF THE APPLICATION OF ANTERO
RESOURCES PICEANCE CORPORATION FOR AN
ORDER ESTABLISHING AN APPROXIMATE 195-ACRE
DRILLING AND SPACING UNIT FOR THE WILLIAMS
FORK AND ILES FORMATIONS OF THE MESAVERDE
GROUP FOR CERTAIN DESCRIBED LANDS IN THE
MAMM CREEK FIELD AREA, GARFIELD COUNTY,
COLORADO

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AFFIDAVIT OF MAILING

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

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

That he is the attorney for Antero Resources Piceance Corporation, that on May____, 2007, he caused a copy of the attached Application in the subject docket to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A to the Application.

By: _____
William A. Keefe

Subscribed and sworn to before me this _____ day of May, 2007.

Witness my hand and official seal.

My commission expires: July 22, 2007.

Notary Public

EXHIBIT A

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

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

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

Jesse Smith
Garfield County
Henry Building
144 E. 3rd Street
Rifle, CO 81650

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

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

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

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