

**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 ILES
FORMATION OF THE MESAVERDE GROUP FOR
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, Beatty & Wozniak, P.C., and makes application to the Oil and Gas Conservation Commission of the State of Colorado for an order vacating and existing drilling and spacing unit and establishing spacing two new drilling and spacing units and establishing well location rules applicable to the drilling and producing of wells from the Williams Fork Formation and 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 93 West, 6th Principal Meridian

All that part of Section 12, Township 6 South, Range 93 West, 6th P. M., lying in the N½ of said Section 12 more particularly described as follows:

Beginning at the Northwestern corner of Section 12; thence South 00°41'24" West a distance of 2266.6 feet; thence North 66°30' East a distance of 300.70 feet; thence North 69°53' East a distance of 453.30 feet; thence North 75°31' East a distance of 551.10 feet; thence North 78°41' East a distance of 764.30 feet; thence North 78°10' East a distance of 379.80 feet; thence North 82°34' East a distance of 278.10 feet; thence North 78°01' East a distance of 1011.30 feet; thence North 77°24' East a distance of 1677.20 feet to a point on the East line of Section 12; thence North 00°52'12" East a distance of 938.20 feet; thence North 89°11' West a distance of 5245.20 feet to the point of beginning.

Containing 186.3 acres more or less.

3. That a portion of the Application Lands (as described below) were made part of an approximate 186.3 acre drilling and spacing unit under the Commission's Order No. 191-37 entered November 8, 2006, such order applying to the production of gas and associated hydrocarbons produced from the Williams Fork Formation and the Iles Formation. Such order also permitted ten acre density drilling upon the lands within such unit.

4. That Applicant believes it is appropriate to vacate such unit and to establish two new drilling and spacing units, one of which would include lands which were not in the original unit. Such two new drilling and spacing units are described as follows:

Township 6 South, Range 93 West, 6th Principal Meridian

All that part of Section 12, Township 6 South, Range 93 West, 6th Principal Meridian, lying in the N/2 of said Section more particularly described as follows:

Commencing at a point which bears South 89° 14' 30" East a distance of 1525.88 feet from the NE/C of Section 12, the point of beginning; thence North 88° 79' 60" West a distance of 3710.54 feet; thence South 01° 40' 77" West a distance of 2311.22 feet; thence North 70° 46' 76" East a distance of 763.97 feet; thence North 75° 96' 12" East a distance of 813.12 feet; thence North 78° 51' 54" East a distance of 2160.49 feet; thence North 77° 69' 20" East a distance of 381.56 feet; thence North 00° 50' 11" West a distance of 599.27 feet; thence North 88° 52' 14" West a distance of 229.48 feet; thence North 00° 19' 70" East a distance of 663.22 feet to the point of beginning.

Containing 154.36 acres more or less.

Township 6 South, Range 93 West, 6th Principal Meridian

All that part of Section 12, Township 6 South, Range 93 West, 6th Principal Meridian, lying in the NE/4 of said Section more particularly described as follows:

Commencing at a point on the NE/C of Section 12, the point of beginning; thence South 00° 53' 83" West a distance of 938.55 feet; thence South 78° 46' 54" West a distance of 1310.58 feet; thence North 00° 50' 11" West a distance of 599.27 feet; thence North 88° 52' 14" West a distance of 229.48 feet; thence North 00° 19' 70" East a distance of 663.22 feet; thence South 89° 14' 30" East a distance of 1525.88 feet to the point of beginning.

Containing 36.845 acres more or less.

(hereinafter Application Lands)

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

6. That to promote the efficient drainage within the Williams Fork Formation and Iles Formation of the Mesaverde Group of the Application Lands, the Commission vacate the unit established under Order 191-37, establish the two drilling and spacing units described in paragraph 4 above and allow (or continue to allow as the case may be) the number of wells which can be optionally drilled into and produced from these formations to the equivalent of one well per ten (10) acres.

7. That as to all future Williams Fork wells to be drilled upon the Application Lands within such drilling and spacing units, 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 as to all future Iles Formation wells to be drilled upon the Application Lands within such drilling and spacing unit, the wells should be located downhole anywhere in the drilling and spacing unit but not 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 December, 2008, 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: October____, 2008.

BEATTY & WOZNIAK, P.C.

By: _____
William A. Keefe
216 Sixteenth Street-Suite 1100
Denver, Colorado 80202-5115
(ph) 303-407-4475

Address of Applicant:

1625 17th Street, Suite 300
Denver, CO 80202

VERIFICATION

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

Brian F. Wade, of lawful age, being first duly sworn upon oath, deposes and says that he is 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.

Brian F. Wade

Subscribed and sworn to before me this _____ day of October, 2008.

Witness my hand and official seal.

My commission expires: _____

Notary Public

EXHIBIT A

Brian F. Wade
Antero Resources Piceance Corporation
1625 17th Street, Suite 300
Denver, CO 80202

Piper, Harold L.
33 Ridgeview Place
Parachute, CO 81635

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

Carnahan, James R. and Colleen Joan
29641 Highway 6
Rifle, CO 81650-9453

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

Christopher, Marlene
258 County Road 223
Rifle, CO 81650

Estes, Jesse Lee Family Trust
29979 Highway 6
Rifle, CO 81650-9453

Dickeson, Kenneth C. and Janis S.
Post Office Box 10152
Midland, TX 79702

Exxel Energy (USA) Inc.
Independence Plaza, B-180
1001 16th Street
Denver, CO 80265

Fikes, J. Staley, Jr.
Post Office Box 8560
Midland, TX 79708

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

Tull, Doug and Marcy L.
Post Office Box 11107
Midland, TX 79702

George, Russell and Neal E.
1300 East 7th Street
Rifle, CO 81650-2123

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

McKee, Donald F.
SRC Box 8639
Palmer, AK 99645

Francis L. McKee
Post Office Box 295
Meeker, CO 81641

Kelley, Dawn M.
1840 County Road 210
Rifle, CO 81650

Promethean II Holdings LLC
c/o Promethean Asset Management LLC
Attn: Robert J. Brantman
750 Lexington Avenue, 22nd Floor
New York, NY 10022

Weller, Steven W. & Toni L. Weller
415 Bayou Cove Court
Houston, TX 77042

JLW Investment LLC
2432 West 82nd Place, Suite I
Westminster, CO 80031

WYOTEX Oil Company
Post Office Box 36157
Denver, CO 80236

Huckleberry Minerals LLC
15250 Emporia Street
Brighton, CO 80602

Freeman Investments
3415 South Clayton Boulevard
Englewood, CO 80113-7611

Weller, Charles F. & Eva Charlene
5331 Fenwick Way Court
Sugar Land, TX 77479

Excel Land Services LLC
Post Office Box 132526
Tyler, TX 75713

Parker Geoscience Consulting LLC
6346 Secrest Street
Arvada, CO 80403

Heyde, Charles E. and Kellie J.
1842 County Road 210
Rifle, CO 81650

ExxonMobil
515 West Greens Road, CORP-OCG-644
Houston, TX 77067

Altshuler, Frances
c/o Susan B. Patton
281 33 Road
Palisade, CO 81526

Colorado Department of Transportation
Attn: David Fox
15285 South Golden Road, Bldg. 47
Golden, CO 80401

Brennan, Patrick
c/o Susan B. Patton
281 33 Road
Palisade, CO 81526

Brennan, Paul
c/o Susan B. Patton
281 33 Road
Palisade, CO 81526

Chambers, Robert E.
1546 Crestview Court
Grand Junction, CO 81506

Burns, Mary
c/o Susan B. Patton
281 33 Road
Palisade, CO 81526

Laman, Donald Cary
Post Office Box 937
Granby, CO 80446

Grandbouche, Margery
c/o Susan B. Patton
281 33 Road
Palisade, CO 81526

Laman, Troy Dean
806 Maroon Peak Circle
Superior, CO 80027

Laman, Randa L.
Post Office Box 1104
Granby, CO 80446

Patton, Susan
281 33 Road
Palisade, CO 81526

Moore, Patrick Arthur
310 West Lincoln Way
Morrison, IL 61270

Scott, Duane Guy
Post Office Box 528
Rifle, CO 81650

School District #13
Town of Antlers
Garfield County, CO

Judith H. Jordan
Garfield County
0375 County Road 352, Bldg 2060
Rifle, CO 81650

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

CAUSE NO. 191

DOCKET NO.

AFFIDAVIT OF MAILING

STATE OF COLORADO)
) ss.
CITY AND 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 or before October _____, 2008, he caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A to the Application.

William A. Keefe

Subscribed and sworn to before me October____, 2008.

Witness my hand and official seal.

My commission expires: _____

Notary Public