

**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,
AND 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.

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 vacating and spacing unit and establishing spacing rules and 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 leasehold interests in a substantial portion of the following described lands:

Township 6 South, Range 93 West

Section 11: N/2

(hereinafter "Application Lands")

3. That the Application Lands were established as a 320 acre drilling and spacing unit for the Williams Fork Formation under the Commission's Order 191-15 (Corrected), such order also approving ten acre density drilling for this formation underlying the Application Lands. Further, pursuant to the Commission's Order 191-25, the Application Lands were established as a 320-acre drilling and spacing unit for the Iles Formation, such order also approving density drilling for such formation.

4. One of Applicant's lessors has objected to being included in a 320-acre drilling and spacing unit and Applicant is desirous therefore of vacating the unit.

5. Therefore, Applicant requests to vacate these two orders as they apply to the Application Lands. In place of the 320-acre drilling and spacing unit so vacated, Applicant requests that two drilling and spacing units be established for the Williams Fork Formation and Iles Formation as follows:

Township 6 South, Range 93 West

Section 11: NW/4 and W/2NE/4 (240 acre drilling and spacing unit)

Section 11: E/2NE/4 (80 acre drilling and spacing unit).

6. Applicant also requests that each of these two drilling and spacing units constituting the Application Lands be reauthorized, as necessary, for ten acre drilling density for both the Williams Fork Formation and the Iles Formation.

7. That as to all future Williams Fork wells to be drilled upon each of said drilling and spacing units constituting the Application Lands, the wells 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 each of said drilling and spacing units constituting the Application Lands, 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 March, 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: February ____, 2008.

POULSON, ODELL AND PETERSON, LLC

By: _____
William A. Keefe
1775 Sherman Street, Suite 1400
Denver, Colorado 80203
(ph) 303-861-4400
(fax) 303-861-1225

VERIFICATION

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

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.

William J. Pierini

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

Witness my hand and official seal.

My commission expires:_____

Notary Public

EXHIBIT A

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

Heirs of Edna Donna, Deceased
2755 D Road
Grand Junction, CO 81501

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

Kenneth L. Latham & Marilyn K. Latham
1985 County Road 293
Rifle, CO 81650

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

Glenn Anderson, Deceased
c/o John R. Anderson
3250 Bishop Road
Emmett, ID 83617

Garfield County Board of County
Commissioners
108 8th Street, Suite 213
Glenwood Springs, CO 81601-3363

Heirs of Jean L. Butler, Deceased
c/o Dean Moore Memorial Home
701 East 5th Street
Rifle, CO 81650

Exxel Energy (USA) Inc.
609 West Hastings Street, 11th Floor
Vancouver, BC V6B 4W4,
CANADA

Parker Geoscience Consulting, LLC
6346 Secrest Street
Arvada, CO 80403

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

L. P. Leonardo
c/o Angelo, Gordon & Co.
Attn: Gary I. Wolf
245 Park Avenue
New York, NY 10167

Gaia Offshore Master Fund, Ltd.
c/o Promethean Asset Management LLC
Attn: Robert J. Brantman
750 Lexington Avenue, 22nd Floor
New York, NY 10022

Caerus Partners LLC
c/o Promethean Asset Management
LLC
Attn: Robert J. Brantman
55 Fifth Avenue, 17th Floor
New York, NY 10003

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

WYOTEX Oil Company
Post Office Box 36157
Denver, CO 80236

JTE Finanz AG
c/o Patton Boggs LLP
1660 Lincoln Street, Suite 1900
Denver, CO 80264

Global Project Finance AG
c/o Patton Boggs LLP
1660 Lincoln Street, Suite 1900
Denver, CO 80264

Marc A. Bruner
c/o Patton Boggs LLP
1660 Lincoln Street, Suite 1900
Denver, CO 80264

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

Huckleberry Minerals, LLC
15250 Emporia Street
Brighton, CO 80602

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

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

Troy H. Kelley & Daawn M. Kelley
11466 Highway 325, #5
Rifle, CO 81650

Michael A. Murrell
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Glenwood Springs, CO 81602

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

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

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

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

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

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

EnCana Oil & Gas (USA) Inc.
370 17th Street, Suite 1700
Denver, CO 80202

William J. Pierini
Antero Resources Piceance Corp.
1624 17th Street, Suite 300
Denver, CO 80202

Judith H. Jordan
Garfield County
144 E. 3rd Street, Suite 203
Rifle, CO 81650

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CAUSE NO.

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 February _____, 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 February ____, 2008.

Witness my hand and official seal.

My commission expires: July 22, 2011.

Notary Public