

**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, WELL DENSITY
AND WELL LOCATION RULES FOR THE MANCOS
GROUP COMPRISED OF THE STRATIGRAPHIC
EQUIVALENT OF THE MANCOS SHALE, NIOBRARA
FORMATION AND MOWRY SHALE 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 establishing drilling and spacing units, well density and well location rules for the Mancos Group, comprised of the stratigraphic equivalent of the Mancos Shale, the Niobrara Formation and the Mowry Shale (hereinafter "Mancos 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 leasehold interests in a substantial portion of the following described lands:

Township 6 South, Range 92 West, 6th P.M.
Section 5: S/2

(hereinafter "Application Lands")

3. That the Colorado Oil and Gas Conservation Commission has established the Application Lands as an approximate 320 acre drilling and spacing unit for the production of gas and associated hydrocarbons from the Williams Fork and Iles Formations under the Commission's Order 191-47 issued March 26, 2007. Such order also authorized optional ten (10) acre density drilling within this drilling and spacing unit for the production of gas and associated hydrocarbons from the Williams Fork Formation and Iles Formation. Finally, this order established minimum setback requirements for the drilling of Williams Fork Formation and Iles Formation wells.

4. Applicant has determined through drilling operations and other geological and engineering analyses that the Mancos Group, which underlies the Williams Fork Formation and Iles Formation, is productive of gas and associated hydrocarbons. Applicant has also determined that these deeper formations are commercially productive when drilled and completed in association with the drilling and completion of Williams Fork Formation and Iles Formation wells.

5. The establishment of same sized drilling and spacing units, drilling density and setback requirements for the Mancos Group will protect correlative rights, avoid waste and

maximize the development of gas resources. It will also result in the minimization of surface land use and the optimization of common production facilities.

6. Therefore, Applicant requests first that the Commission establish the Application Lands as an approximate 320 acre drilling and spacing unit for the Mancos Group.

7. Second, Applicant requests that the Mancos Group be authorized for optional ten (10) acre density drilling within such approximate 320 acre drilling and spacing unit.

8. Finally, Applicant requests that setback requirements for the Mancos Group wells be standardized so that they are identical to the setback requirements currently applicable to the Iles Formation. This would mean that each well to be drilled to the Mancos Group within the Application Lands 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 a given drilling unit abuts or corners lands in respect of which the Commission has not at the time of drilling permit application granted the right to drill 10 acre density Mancos Group Wells, the well 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, 2009, 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 ___, 2009

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

VERIFICATION

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

Brian F. Wade, of lawful age, being first duly sworn upon oath, deposes and says that he is the 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 February, 2009.

Witness my hand and official seal.

My commission expires:_____

Notary Public

Exhibit "A"

Antero Resources Piceance Corporation 1625 17 th Street, Suite 300 Denver, CO 80202	Freeman Investments 3415 South Clayton Boulevard Englewood, CO 80113-7611	Roger A. Fazzi and Ellie M. Fazzi 446 Lariat Road Silt, CO 81652
Apollo Energy, LLC 1557 Ogden Street, Suite 300 Denver, CO 80218	WYOTEX Oil Company Post Office Box 36157 Denver, CO 80236	Barbara Kaye Williams 695 Aspen Avenue Rifle, CO 81650-2943
Dolphin Energy Corporation 1331 17 th Street, Suite 730 Denver, CO 80202	Huckleberry Minerals, LLC 15250 Emporia Street Brighton, CO 80602	Kim C. Antonelli and Waynetta Antonelli 964 County Road 229 Silt, CO 81652-9722
Exxel Energy (USA) Inc. Independence Plaza, B-180 1001 Sixteenth Street Denver, CO 80265	Excel Land Services, LLC Post Office Box 132526 Tyler, TX 75713	David L. Smith and Dawn Janelle Smith 31733 Highway 6 and 24 Silt, CO 81652-9760
Steven W. Weller and Toni L. Weller, TIC 415 Bayou Cove Court Houston, TX 77042	JLW Investment, LLC 2432 West 82 nd Place, Suite I Westminster, CO 80031	Victor F. Ganzi 106 Central Park South, Apt. #28-E New York, New York 10019
Charles F. & Eva Charlene Weller, TIC 5331 Fenwick Way Court Sugar Land, TX 77479	Parker Geoscience Consulting, LLC 6346 Secrest Street Arvada, CO 80403	Devon Energy Production Company, LP, An Oklahoma Limited Partnership 1500 Mid America Tower 20 North Broadway Oklahoma City, OK 73102
Promethean II Holdings LLC c/o Promethean Asset Management LLC 55 Fifth Avenue, 17 th Floor New York, NY 10003	Marcelino Holguin and Lorena Holguin Post Office Box 12 DeBeque, CO 81630-0012	Judith Henderson 573 County Road 229 Silt, CO 81652
Thomas H. Schauster and Vickie S. Schauster 880 County Road 229 Silt, CO 81652-9722	Garfield County Board of County Commissioners 108 8 th Street, Suite 213 Glenwood Springs, CO 81601	Cory Wesson 0084 Lariat Road Silt, CO 81652
Michael Langhorne and Tracey Langhorne Post Office Box 1473 Rifle, CO 81650	Kevin W. Rosette and Carmen Rosette Post Office Box 1697 Rifle, CO 81650	Heirs of Rollin P. Williams Addresses unknown
Blaine Peters and Colleen Peters 400 County Road 227 Rifle, CO 81650	Douglas L. Spike Post Office Box 2081 Glenwood Springs, CO 81602	Judith H. Jordan Garfield County 375 County Road 352, Bldg 2060 Rifle, Co 81650-8412
Jeffrey P. Valenteen & Karren Valenteen Post Office Box 324 Silt, CO 81652-0324	Bank of New York as Trustee for Certificateholders CWABS, Inc. Asset- backed Certificates, Series 2006-25 400 Countrywide Way Simi Valley, CA 93065	
Colorado Department of Transportation 15285 South Golden Road, Building 47 Golden, CO 80401	Jerome F. Gamba and Kathryn L. Gamba Post Office Box 3232 Glenwood Springs, CO 81602-3232	

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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 February __, 2009, 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__, 2009.

Witness my hand and official seal.

My commission expires: _____.

Notary Public