

**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 OF THE  
MESAVERDE GROUP FOR CERTAIN DESCRIBED LANDS  
IN THE PARACHUTE AND RULISON FIELD AREAS,  
GARFIELD COUNTY, COLORADO

CAUSE NO. 139 AND 140

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 an existing drilling and spacing unit and establishing in its place two new drilling and spacing units and establishing well location rules applicable to the drilling and producing of wells from the Williams Fork Formation of the Mesaverde Group covering certain described lands in the Parachute and Rulison Field areas, 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 7 South, Range 95 West, 6<sup>th</sup> Principal Meridian

Section 19: NE/4NE/4, and that part of the SE/4NE/4 lying North of the County Road

Containing 42 acres more or less.

("Antero Lands")

3. That the Antero Lands currently are part of an approximate 320 acre drilling and spacing unit covering the N/2 of Section 19 in Township 7 South, Range 95 West established under the Commission's Order 440-45 dated May 12, 2007. Such 320 acre drilling and spacing unit was approved for the equivalent of one Williams Fork Formation well per ten acre under the Commission's Order 440-52 dated July 15, 2008.

4. That Applicant believes it is appropriate to vacate such 320 acre drilling and spacing unit and to establish two new drilling and spacing units, one of which would include the Antero Lands and the other of which would cover the remainder of such unit described as follows:

Township 7 South, Range 95 West, 6<sup>th</sup> Principal Meridian

Section 19: NW/4, W/2NE/4, and that part of the SE/4NE/4 lying South of the County Road

Containing 278 acres more or less.

("Other Lands")

5. That the current operator of the Other Lands is proposing to drill multiple Williams Fork Formation wells on the Other Lands. If the approximate 320 acre drilling and spacing unit were to be drilled without splitting the unit as proposed herein, it would be necessary for the parties to enter into one or more operating agreements to develop the unit. On the other hand, if the unit were to be divided as proposed, Antero would be in the position to operate its own lands (being the Antero Lands) and would not have to enter into one or more operating agreements for the development of the entire 320 acre drilling and spacing unit. Further, the current operator would be in a position to drill the Other Lands without participation by Antero in such drilling operations.

6. In addition, Antero has an established pad which is closely located to the Antero Lands and would be in a position to drill the Antero Lands from such pad. Based upon Antero's knowledge of the pad locations of the operator of the Other Lands, there is some uncertainty whether wells drilled from these pads can reach the Antero Lands.

7. It is therefore in the interests of Antero and the operator of the Other Lands to vacate the existing 320 acre drilling and spacing unit covering the Antero Lands and Other Lands and establish two units, one covering the Antero Lands and one covering the Other Lands.

8. That to promote the efficient drainage within the Williams Fork Formation of the Mesaverde Group of the Application Lands and in respect of the two new drilling and spacing units to be established as proposed above, the Commission would continue to allow the number of wells which can be optionally drilled into and produced from the Williams Fork Formation the equivalent of one well per ten (10) acres.

9. That as to all future Williams Fork wells to be drilled upon the Application Lands within each of 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.

10. That 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.

11. 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.

12. 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 May 2011, 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: March\_\_\_\_, 2011.

**BEATTY & WOZNIAK, P.C.**

By: \_\_\_\_\_  
William A. Keefe  
Ken Wonstolen  
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.

Max W. Green, 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.

\_\_\_\_\_  
Max W. Green

Subscribed and sworn to before me this \_\_\_\_\_ day of March, 2011.

Witness my hand and official seal.

My commission expires: \_\_\_\_\_

\_\_\_\_\_  
Notary Public

## EXHIBIT A

Antero Resources Piceance Corporation  
1625 17<sup>th</sup> Street, Suite 300  
Denver, CO 80202

RVK Family Trust, c/o Earl D. Keithley, III,  
Trustee  
0776 County Road 227  
Rifle, CO 81650  
Exxon Mobil Corporation  
P.O. Box 53  
Houston, TX 77001

US AgBank, FCB, fka Farm Credit Bank of  
Wichita  
245 North Waco  
Wichita, KS 67202

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

Yates Drilling Company  
105 South 4<sup>th</sup> Street  
Artesia, NM 88210

Myco Industries, Inc.  
105 South Street  
Artesia, NM 88210

Oil Participations Incorporated  
Post Office Box 5444  
Denver, CO 80217

Alarado Resources, Ltd.  
Post Office Box 646  
Monument, CO 80132

Pioneer Natural Resources  
1401 17<sup>th</sup> Street, Suite 1200  
Denver, CO 80202

Merrion LLC  
610 Reilly Avenue  
Farmington, NM 87401

E. James Judd  
2222 South Albion Street, Suite 100  
Denver, CO 80222-4298

Jack Bucholtz  
1045 First National Bank Building  
Denver, CO 80202

Battlement Mesa Partners, a Colorado General  
Partnership, dba Battlement Mesa Company  
Post Office Box 6000  
Parachute, CO 81636-6000

Horizontal Resources Corporation  
5401 East Dakota Avenue, Unit 12  
Denver, CO 80246

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

Watson Ranches, Ltd.  
Post Office Box 586  
Meeker, CO 81641

Yates Petroleum Corporation  
105 South 4<sup>th</sup> Street  
Artesia, NM 88210

ABO Petroleum Corporation  
105 South 4<sup>th</sup> Street  
Artesia, NM 88210

Nucor Energy Holdings, Inc.  
370 17<sup>th</sup> Street, Suite 1700  
Denver, CO 80202

Williams Production RMT Company  
1515 Arapahoe Street, Tower 3  
Suite 1000  
Denver, CO 80202

Delta Petroleum Corporation  
370 17<sup>th</sup> Street, Suite 4300  
Denver, CO 80202

At-Holding Merrion LLC  
610 Reilly Avenue  
Farmington, NM 87401

Gerald M. Quiat  
1873 South Bellaire Street, Suite 900  
Denver, CO 80222

Alan H. Bucholtz  
9200 Cherry Creek South Drive, #55  
Denver, CO 80231

James F. Reynolds  
150 Quebec Street, Apt. 127  
Denver, CO 80230

Sheldon Steinhouser  
7000 East Quincy Avenue, #B 306  
Denver, CO 80237

Juhan Limited Partnership  
2440 North Coyote Drive, Suite 121  
Tucson, AZ 85745

Hunter Family Limited Partnership  
Post Office Box 6728  
Helena, MT 59604

DWG & Co.  
1720 South Bellaire Street  
Penthouse Suite  
Denver, CO 80222

PAL, Inc.  
303 East 17<sup>th</sup> Avenue, Suite 940  
Denver, CO 80203

Leonard E. Quiat  
1873 South Bellaire Street, Suite 900  
Denver, CO 80222

Llana L. Quiat Trust No. 1  
1873 South Bellaire Street, Suite 900  
Denver, CO 80222

Melinda Quiat  
1873 South Bellaire Street, Suite 900  
Denver, CO 80222

Michael G. Goodman  
Post Office Box 8480  
Kalispell, MT 59904

Nancy E. Goodman-Waldman  
6133 Willowbrook Drive  
Morrison, CO 80465-2276

RNQ Limited Liability Company  
1873 South Bellaire Street, Suite 900  
Denver, CO 80222

Gerald M. Friedman Family Trust  
660 Grape Street  
Denver, CO 80220

Stephen Hittson  
31229 Downing Place Court  
Beverly Hills, MI 48025

Edward N. Juhan  
7675 West 14<sup>th</sup> Avenue, #202  
Lakewood, CO 80214

Carole Q. Leight  
225 South Dexter  
Denver, CO 80246

Ralph Williams Family Trust  
c/o Gregg K. Williams, Trustee  
15207 Bandera Falls Bend  
Cypress, TX 77429

DWG LLC  
1873 South Bellaire Street, Suite 900  
Denver, CO 80222

GMQ LLC  
1873 South Bellaire Street, Suite 900  
Denver, CO 80222

Daniel P. and Meg Q. Quiat  
825 Meadow Glen Drive  
Boulder, CO 80303

Lee A. Bricker  
7721 South 5<sup>th</sup> Street  
Mattawan, MI 79071-9418

Dr. Neal Bricker  
4240 Piedmont Mesa Road  
Claremont, CA 91711-2332

Linda Jean Goodman  
7416 Old Santa Fe Trail  
Post Office Box 23657  
Santa Fe, NM 87502-3657

Stockton Properties, LLC  
5028 Arroyo Chamisa Road NE  
Albuquerque, NM 87111

Marshall Quiat Trust  
c/o Nicolette Rounds, Trustee  
3773 Cherry Creek Drive North, #575  
Denver, CO 80209-3825

June A Wainwright  
20252 Spring Gulch Road  
Morrison, CO 80465

Cathleen Snow  
1610 West Canal Court  
Littleton, CO 80120

The Snow Living Trust dated 08/27/2009  
1610 West Canal Court  
Littleton, CO 80120

Sharon Salgado  
5705 South Lee Street  
Littleton, CO 80127

Shirley K. Allen  
2501 South Victor Street, #B  
Aurora, CO 80014

Aries Investments, LLC  
c/o BNY Mellon  
201 Columbine Street, Suite 200  
Denver, CO 80206

Weekend Cyclist, LLC  
c/o BNY Mellon  
201 Columbine Street, Suite 200  
Denver, CO 80206

TELRAE, LLC  
37 Thomas Road  
Poughquag, NY 12570

Wendy Kaeuper LLC 2  
2263 Krameria Street  
Denver, CO 80207

Alan Waxman LLC 1  
6420 Pepperdine NE  
Albuquerque, NM 87111

Judith H. Jordan  
Garfield County  
375 County Road 352, Bldg 2060  
Rifle, CO 81650-8412

Kent Kuster  
Colorado Department of  
Public Health & Environment  
4300 Cherry Creek Drive South  
Denver, CO 80246-1530

JDN, LLC  
7450 West Coal Mine Avenue, Unit C  
Littleton, CO 80123-4498

Pamela S. Knudsen  
4386 Rockledge Court  
DePere, WI 54115

Nevae Williams  
11476 West 69<sup>th</sup> Place  
Arvada, CO 80004

Allie Kat, LLC  
c/o BNY Mellon  
201 Columbine Street, Suite 200  
Denver, CO 80206

Roselee Energy, LLC  
2022 Columbia Road NW, Apt 706  
Washington, DC 20009

Wendy Kaeuper LLC 1  
2263 Krameria Street  
Denver, CO 80207

Alan Waxman LLC 1  
6420 Pepperdine NE  
Albuquerque, NM 87111

Hester Bertoch, Conservatrix of the Estate of  
Nellie G. Hayward  
1125 17<sup>th</sup> Street, Suite 2400  
Denver, CO 80202

Kim Kaal  
Colorado Division of Wildlife  
6060 Broadway  
Denver, CO 80216

Colorado River Energy Resources, LLC  
Post Office Drawer 790  
Glenwood Springs, CO 81602

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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 March \_\_, 2011, 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 March \_\_\_\_, 2011.

Witness my hand and official seal.

My commission expires: \_\_\_\_\_

\_\_\_\_\_  
Notary Public