

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

IN THE MATTER OF THE PROMULGATION AND) CAUSE NO. 191
ESTABLISHMENT OF FIELD RULES TO GOVERN)
OPERATIONS IN THE MAMM CREEK FIELD,) DOCKET NO. 0606-SP-32
GARFIELD COUNTY, COLORADO)

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

On January 9, 2006, corrected February 28, 2006, the Commission issued Order No. 191-13, establishing a 320-drilling and spacing unit consisting of the S $\frac{1}{2}$ of Section 13, Township 6 South, Range 93 West, 6th P.M., and approximate 260-acre drilling and spacing unit for the S $\frac{1}{2}$ of Section 18, Township 6 South, Range 92 West, 6th P.M., for the production of gas from Williams Fork Formation of the Mesaverde Group

On January 9, 2006, corrected February 28, 2006, the Commission issued Order No. 191-14, establishing 320-drilling and spacing units consisting of the N $\frac{1}{2}$ of Sections 13 and 14, Township 6 South, Range 93 West, 6th P.M., for the production of gas from the Williams Fork Formation of the Mesaverde Group.

On January 9, 2006, corrected February 28, 2006, the Commission issued Order No. 191-15, establishing 320-drilling and spacing units consisting of the N $\frac{1}{2}$ and S $\frac{1}{2}$ of Section 11, Township 6 South, Range 93 West, 6th P.M. for the production of gas from the Williams Fork Formation of the Mesaverde Group.

On January 9, 2006, corrected on February 28, 2006 the Commission issued Order No. 191-16, establishing a 320-drilling and spacing unit consisting of the N $\frac{1}{2}$ of Section 32, Township 5 South, Range 92 West, 6th P.M., for the production of gas from the Williams Fork Formation of the Mesaverde Group.

On February 13, 2006, the Commission issued Order No. 191-18, establishing a 320-acre drilling and spacing unit consisting of the S $\frac{1}{2}$ of Section 32, Township 5 South, Range 92 West, 6th P.M., for the production of gas from the Williams Fork Formation of the Mesaverde Group

On February 13, 2006, the Commission issued Order No. 191-19, establishing a 320-acre drilling and spacing unit consisting of the S $\frac{1}{2}$ of Section 14, Township 6 South, Range 93 West, 6th P.M., for the production of gas from the Williams Fork Formation of the Mesaverde Group.

On February 13, 2006, the Commission issued Order No. 191-20, establishing 320-acre drilling and spacing units consisting of the N $\frac{1}{2}$ and S $\frac{1}{2}$ of Section 2, Township 6 South, Range 93 West, 6th P.M. for the production of gas from the Williams Fork Formation of the Mesaverde Group.

On February 13, 2006, the Commission issued Order No. 191-21, establishing a 320-acre drilling and spacing unit consisting of E $\frac{1}{2}$ of Section 15, Township 6 South, Range 93 West, 6th P.M., for the production of gas from the Williams Fork Formation of the Mesaverde Group.

On April 24, 2006, the Commission issued Order No. 191-24, establishing 320-drilling and spacing units consisting of the S $\frac{1}{2}$ of Sections 15 and 17, and the N $\frac{1}{2}$ of Section 17, all in Township 6 South, Range 92 West, 6th P.M. for the production of gas from the Williams Fork Formation of the Mesaverde Group. In addition, the order established a 160-acre drilling and spacing unit consisting of the SW $\frac{1}{4}$ of Section 14, an 80-acre drilling and spacing unit consisting of the N $\frac{1}{2}$ SE $\frac{1}{4}$, and a 40-acre drilling and spacing unit consisting of the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 14, all in Township 6 South, Range 92 West, 6th P.M. for the production of gas from the Williams Fork Formation of the Mesaverde Group.

On October 31, 2005, the Commission issued Order No. 523-2, establishing 320-acre drilling and spacing units consisting of the N $\frac{1}{2}$ of Sections 14 and 15 and the S $\frac{1}{2}$ of Sections 9 and 10, Township 6 South, Range 92 West, 6th P.M., for production of gas and associated hydrocarbons from the Williams Fork Formation of the Mesaverde Group.

All of the above-listed Orders allowed the equivalent of one (1) well per 10 acres, with all future Williams Fork Formation wells to be located downhole no closer than 100 feet from the

boundaries of the unit unless such 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 Williams Fork Formation 10-acre density wells, in which event the wells should be drilled downhole no closer than 200 feet from the unit 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. In addition, wells drilled on the above-described lands 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.

Rule 318.a. of the Rules and Regulations of the Commission requires that wells drilled in excess of two thousand five hundred (2,500) feet in depth be located not less than six hundred (600) feet from any lease line, and located not less than one thousand two hundred (1,200) feet from any other producible or drilling oil or gas well when drilling to the same common source of supply. Portions of Sections 7, 8 and 18, and the E $\frac{1}{2}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 16, Township 6 South, Range 92 West, 6th P.M., and Section 12 of Township 6 South, Range 93 West, 6th P.M. are subject to this Rule.

On April 18, 2006, Antero Resources Corporation, by its attorney, filed with the Commission a verified application for an order to establish 320-acre drilling and spacing units for the production of gas and associated hydrocarbons from the Iles Formation of the Mesaverde Group, for the following lands:

Township 5 South, Range 92 West, 6th P.M.

Section 32: N $\frac{1}{2}$
Section 32: S $\frac{1}{2}$

Township 6 South, Range 92 West, 6th P.M.

Section 9: S $\frac{1}{2}$
Section 10: S $\frac{1}{2}$
Section 14: N $\frac{1}{2}$
Section 15: N $\frac{1}{2}$
Section 15: S $\frac{1}{2}$
Section 17: N $\frac{1}{2}$
Section 17: S $\frac{1}{2}$
Section 18: S $\frac{1}{2}$

Township 6 South, Range 93 West, 6th P.M.

Section 2: N $\frac{1}{2}$
Section 2: S $\frac{1}{2}$
Section 11: N $\frac{1}{2}$
Section 11: S $\frac{1}{2}$
Section 13: N $\frac{1}{2}$
Section 13: S $\frac{1}{2}$
Section 14: N $\frac{1}{2}$
Section 14: S $\frac{1}{2}$
Section 15: E $\frac{1}{2}$

The order should establish a 160-acre drilling and spacing units consisting of the SW $\frac{1}{4}$ and 40-acre drilling and spacing units consisting of the NW $\frac{1}{4}$ SE $\frac{1}{4}$ and SE $\frac{1}{4}$ SE $\frac{1}{4}$, all in of Section 16, Township 6 South, Range 92 West, 6th P.M., for the production of gas and associated hydrocarbons from the Iles Formation of the Mesaverde Group.

In addition, the order should establish a 40-acre drilling and spacing unit consisting of the SW $\frac{1}{4}$ SE $\frac{1}{4}$ and a 80-acre drilling and spacing unit consisting of the N $\frac{1}{2}$ SE $\frac{1}{4}$, all in Section 14, Township 6 South, Range 92 West, 6th P.M., for the production of gas and associated hydrocarbons from the Iles Formation of the Mesaverde Group.

The order should also allow the equivalent of one well per 10 acres to be drilled on the above-requested drilling and spacing units. For all future Iles Formation wells to be drilled on these lands, the well should be located downhole no closer than 100 feet from the boundaries of the unit unless such 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 Iles Formation 10-acre density wells, in which event the wells should be drilled downhole no closer than 400 feet from the unit which so abuts or corners the lands in respect of which 10-acre density downhole drilling for Iles Formation wells has not been ordered by the Commission. In addition, wells drilled on the application lands 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.

Further, the order should allow the equivalent of one (1) well per 10 acres to be drilled on the below-listed lands with the permitted wells to be located downhole anywhere upon the lands but no closer than 100 feet from the boundaries of any lease line unless such lease line abuts or corners lands in respect of which the Commission has not at the time of drilling permit application granted the right to drill Iles Formation 10-acre density wells, in which event the wells should be drilled downhole no closer than 400 feet from the lease line which so abuts or corners the lands in respect of which 10-acre density downhole drilling for Iles Formation wells has not been ordered by the Commission.

Township 6 South, Range 92 West, 6th P.M.
Section 16: E $\frac{1}{2}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$

Portions of Section 12 of Township 6 South, Range 93 West, as well as portions of Sections 7, 8 and 18 of Township 6 South, Range 92 West, described as follows:

Beginning at the Southwestern corner of Section 12; thence North 64°50'20" East a distance of 2975 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 78°47' East a distance of 2001.30 feet; thence North 6°20' East a distance of 55.90 feet; thence North 89°39' East a distance of 1024.80 feet; thence North a distance of 154.30 feet; thence South 88°52' East a distance of 1253.40 feet; thence South 0°49' West a distance of 432.20 feet; thence North 67°05' East a distance of 673 feet; thence North 76°22' East a distance of 141.30 feet; thence South 78°14' East a distance of 102 feet; thence North 71°34' East a distance of 52.60 feet; thence South 86°40' East a distance of 429.20 feet; thence South 55°59' East a distance of 200.80 feet; thence South 85°26' East a distance of 104.30 feet; thence North 87°43' East a distance of 104.10 feet; thence South 43°29' East a distance of 894.60 feet; thence North 77°28' West a distance of 76.70 feet; thence South 65°55' East a distance of 425.90 feet; thence South 01°04' West a distance of 1354 feet; thence South 89°16' East a distance 1314.80 feet; thence South 0°43' West a distance of 1319 feet; thence North 88°59' West a distance of 3978 feet to a point along the Westerly line of Section 8; thence South 0°48' West a distance of 1771.90 feet; thence North 83°25' West a distance of 160 feet; thence North 1°04' East a distance of 1722.50 feet to a point South of the Colorado River Meander Land; thence continuing along said Meander Land following twenty-three (23) courses:

- 1) North 34°34' West a distance of 341.30 feet
- 2) West a distance of 49.40 feet
- 3) North 5°43e 62 feet
- 4) North 37°52' West a distance of 211.20 feet
- 5) North 83°03' West a distance of 255 feet
- 6) North 62°06' West a distance of 237.50 feet
- 7) North 75°01' West a distance of 453.70 feet
- 8) South 84°14' West a distance of 552.20 feet
- 9) North a distance of 30.90 feet
- 10) North 81°52' West a distance of 567.50 feet
- 11) South 48°49' West a distance of 129.70 feet
- 12) South 54°07' West a distance of 141.50 feet
- 13) South 59°37' West a distance of 164 feet
- 14) South 71°14' West a distance of 136.60 feet
- 15) South 72°59' West a distance of 125 feet
- 16) South 83°29' West a distance of 86 feet
- 17) South 87°08' West a distance of 146.60 feet
- 18) South 72°02' West a distance of 94.90 feet
- 19) South 80°06' West a distance of 156.10 feet
- 20) South 54°10' West a distance of 270.90 feet
- 21) South 81°02' West a distance of 93.90 feet
- 22) South 70°49' West a distance of 118.80 feet
- 23) South 31°13' West a distance of 390.90 feet;

Thence leaving said Meander Land South 01°04' West along Westerly line of Section 7 a distance of 1050.20 feet; thence North 88°50'17" West a distance of 5525 feet to the point of beginning.

All Williams Fork Formation and Iles Formation wells drilled upon the application lands 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 Director of the Colorado Oil and Gas Conservation Commission, and both the Williams Fork and Iles Formations will be reached from a single wellbore.

NOTICE IS HEREBY GIVEN, that the Oil and Gas Conservation Commission of the State of Colorado, pursuant to the above, has scheduled the above-entitled matter for hearing on:

Date: Monday, June 5, 2006
 Tuesday, June 6, 2006

Time: 10:00 a.m.

Place: Council Chamber
 The Ambulance Building
 304 W. 3rd Street
 Wray, CO 80758

In accordance with the Americans with Disabilities Act, if any party requires special accommodations as a result of a disability for this hearing, please contact Margaret Humecki at (303) 894-2100 ext. 139, prior to the hearing and arrangements will be made.

Pursuant to said hearing in the above-entitled matter at the time and place aforesaid, or at any adjourned meeting, the Commission will enter such orders as it deems appropriate to protect the health, safety and welfare of the public and to prevent the waste of oil and gas, either or both, in the operations of said field, and to carry out the purposes of the statute.

In accordance with Rule 509., any interested party desiring to protest the granting of the application or to intervene on the application should file with the Commission a written protest or intervention no later than May 22, 2006 briefly stating the basis of the protest or intervention. Such interested party shall, at the same time, serve a copy of the protest or intervention to the person filing the application. An original and nine (9) copies shall be filed with the Commission (Rule 503.). **Anyone who files a protest or intervention must be able to participate in a prehearing conference during the week of May 22, 2006.** Pursuant to Rule 503.e., if a party who has received notice under Rule 503.b. wishes to receive further pleadings in the above-referenced matter, that party must file a protest or intervention in accordance with these rules. In accordance with the practices of the Commission, should no protests or interventions be filed in this matter by **May 22, 2006, the Applicant may request that an administrative hearing be scheduled for the week of May 22, 2006.**

IN THE NAME OF THE STATE OF COLORADO

OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO

By _____
Patricia C. Beaver, Secretary

Dated at Suite 801
1120 Lincoln Street
Denver, Colorado 80203
April 28, 2006

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