

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

IN THE MATTER OF THE PROMULGATION AND ) CAUSE NOS. 191  
ESTABLISHMENT OF FIELD RULES TO GOVERN )  
OPERATIONS IN THE MAMM CREEK FIELD, ) DOCKET NO. 0901-SP-03  
GARFIELD COUNTY, COLORADO )

NOTICE OF CONTINUATION OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

On October 31, 2005, the Commission issued Order No. 510-16, which among other things, established well density and setback rules for the production of gas and associated hydrocarbons from the Williams Fork Formation of the Mesaverde Group, with the permitted well to be located no closer than 100 feet for certain lands, including portions of Section 13, Township 6 South, Range 93 West, 6<sup>th</sup> P.M. and Section 18, Township 6 South, Range 92 West, 6<sup>th</sup> P.M.

On January 9, 2006, corrected February 28, 2006, the Commission issued Order No. 191-13, which among other things, established a 320-drilling and spacing unit for the S½ of Section 13, Township 6 South, Range 93 West, 6<sup>th</sup> P.M., and an approximate 260-acre drilling and spacing unit for the S½ of Section 18, Township 6 South, Range 92 West, 6<sup>th</sup> P.M., for the production of gas from Williams Fork Formation of the Mesaverde Group.

On June 5, 2006, the Commission issued Order No. 191-25, which among other things, established various drilling and spacing units for certain lands, including the S½ of Section 13, Township 6 South, Range 93 West, 6<sup>th</sup> P.M. and the S½ of Section 18, Township 6 South, Range 92 West, 6<sup>th</sup> P.M., and allowed the equivalent of one (1) well per 10 acres, with the permitted well to be located no closer than 100 feet from the unit boundary, for the production of gas and associated hydrocarbons from the Iles Formation.

On October 2, 2007, the Commission issued Order No. 191-53, which among other things, established an approximate 48.55-acre drilling and spacing unit consisting of Lot 1, Section 19, Township 6 South, Range 92 West, 6<sup>th</sup> P.M., for the production of gas and associated hydrocarbons from the Williams Fork and Iles Formations.

On November 21, 2008, Antero Resources Corporation ("Antero"), by its attorney, filed with the Commission a verified application for an order to establish various drilling and spacing units for certain lands, including the below-listed lands, consistent with those established for the Williams Fork and Iles Formations, for the production of gas and associated hydrocarbons from the Mancos Group Formation, which is comprised of the stratigraphic equivalent of the Mancos Shale, the Niobrara Formation and the Mowry Shale. Further, said application requests that the order allow the equivalent of one well per 10 acres, with the permitted well to be located identical to the setbacks established for the Iles Formation, no closer than 100 feet to the boundary of the unit or no closer than 400 feet from the boundary of the unit for lands not approved for 10-acre density:

Township 6 South, Range 92 West, 6<sup>th</sup> P.M.  
Section 18: S½  
Section 19: Lot 1

Township 6 South, Range 93 West, 6<sup>th</sup> P.M.  
Section 13: S½

On December 30, 2008, EnCana Oil & Gas (USA) Inc. ("EnCana"), by its attorney, filed a protest alleging that Antero's application failed to provide for the economic and efficient development of resources in the Mancos Group Formations, failed to protect correlative rights, and failed to prevent waste. Consequently, on December 31, 2008, a pre-hearing conference was held wherein Antero requested a continuance of the application as it pertained to the above-listed lands, which are adjacent to leasehold interests owned by EnCana, to allow additional time for parties to negotiate a settlement of the protest.

On January 12, 2009, Antero, by its attorney, filed with the Commission a renewed request for an order to establish various drilling and spacing units for the below-listed lands, consistent with those established for the Williams Fork and Iles Formations, for the production of

gas and associated hydrocarbons from the Mancos Group Formation, which is comprised of the stratigraphic equivalent of the Mancos Shale, the Niobrara Formation and the Mowry Shale:

Township 6 South, Range 92 West, 6<sup>th</sup> P.M.  
Section 18: S $\frac{1}{2}$   
Section 19: Lot 1

Township 6 South, Range 93 West, 6<sup>th</sup> P.M.  
Section 13: S $\frac{1}{2}$

Further, said application requests that the order allow the equivalent of one well per 10 acres, with the permitted well to be located identical to the setbacks established for the Illes Formation, no closer than 100 feet to the boundary of the unit or no closer than 400 feet from the boundary of the unit for lands not approved for 10-acre density. Furthermore, Antero agrees that it will not drill any Mancos Group Formation well any closer than 600 feet from the EnCana leasehold interest consisting of the NE $\frac{1}{4}$  SE $\frac{1}{4}$  of Section 15, Township 6 South, Range 93 West, 6<sup>th</sup> P.M., without exception being granted by the Director of the Oil and Gas Conservation Commission.

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, February 23, 2009  
                          Tuesday, February 24, 2009  
  
Time:                   9:00 a.m.  
  
Place:                   Suite 801, The Chancery Building  
                          1120 Lincoln Street  
                          Denver, Colorado 80203

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 THE NAME OF THE STATE OF COLORADO

OIL AND GAS CONSERVATION COMMISSION  
OF THE STATE OF COLORADO

By \_\_\_\_\_  
Robert A. Willis, Acting Secretary

Dated at Suite 801  
1120 Lincoln Street  
Denver, Colorado 80203  
January 19, 2009

Attorney for Applicant:  
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