

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

IN THE MATTER OF THE PROMULGATION AND) CAUSE NO. 191 & 510
ESTABLISHMENT OF FIELD RULES TO GOVERN)
OPERATIONS IN THE MAMM CREEK FIELD,) DOCKET NO. 1205-UP-137
GARFIELD COUNTY, COLORADO)

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

Rule 318.a. provides that wells to be drilled 2,500-feet in depth or greater shall be located not less than 600-feet from any lease line, and shall not be located less than 1,200-feet from any other producible or drilling well when drilling to the same common source of supply, unless authorized by order of the Commission upon hearing. This rule is applicable to the NW $\frac{1}{4}$ of Section 11, Township 6 South, Range 92 West, 6th P.M.

On July 15, 2002 (amended September 8, 2005), the Commission entered Order No. 523-1, which established a Surface Use Plan for certain lands, covering and including 1450-acres in portions of Sections 9 through 16, Township 6 South, Range 92 West, 6th P.M.

On October 31, 2005, the Commission entered Order No. 523-2, establishing certain 320-acre drilling and spacing units, including the N $\frac{1}{2}$ of Section 14, Township 6 South, Range 92 West, 6th P.M., allowing the drilling of vertical wells to the Williams Fork Formation on 10-acre bottom-hole density, with 100-foot or 200-foot setbacks from the unit boundaries, depending on whether such unit boundaries abut other lands approved for 10-acre well density.

On April 24, 2006, the Commission entered Order No. 191-24, establishing a 160-acre drilling and spacing unit for the SW $\frac{1}{4}$ of Section 14, Township 6 South, Range 92 West, 6th P.M., allowing the drilling of vertical wells to the Williams Fork Formation on 10-acre bottom-hole density, with 100-foot or 200-foot setbacks from the unit boundaries, depending on whether such unit boundaries abut other lands approved for 10-acre well density.

On October 31, 2011, the Commission entered Order No. 191-90, vacating Order 191-72 which had established a drilling unit consisting of the W $\frac{1}{2}$ of Section 11, and established certain 320-acre drilling and spacing units, including the S $\frac{1}{2}$ of Section 11, Township 6 South, Range 92 West, 6th P.M., allowing the drilling of vertical wells to the Williams Fork Formation on 10-acre bottom-hole density, with 100-foot or 200-foot setbacks from the unit boundaries, depending on whether such unit boundaries abut other lands approved for 10-acre well density.

On March 30, 2012, Antero Resources Piceance Corporation ("Antero" or "Applicant"), by its attorneys, filed with the Commission a verified application ("Application") for an order to: 1) establish an approximate 640-acre exploratory drilling and spacing unit for the below-listed lands ("Application Lands"), for the production of oil, gas and associated hydrocarbons from the Williams Fork Formation of the Mesa Verde Group; and 2) pool all interests in the exploratory drilling and spacing unit, for the development and operation of the Williams Fork Formation, retroactive to the earliest date costs are incurred for the Valley Farms F-1H Well ("Well") (API No. 05-045-18286) as allowed by §34-60-116(7), C.R.S., or the date of the Application, whichever is earlier:

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

Section 11: W $\frac{1}{2}$

Section 14: W $\frac{1}{2}$

Applicant requested the Commission establish an exploratory wellbore drilling and spacing unit ("Unit") comprised of the Application Lands, distinct from and overlaying the existing drilling and spacing units (or portions thereof) established for vertical wells. Production allocation from the Valley Farms F-1H Well will be based on the proportion that each mineral interest in the Unit bears to the total acreage in the Unit. The proposed Unit includes those quarter-sections traversed by the planned horizontal leg of the Well, including a 650-foot buffer zone encompassing the treated interval of the horizontal wellbore. Applicant is applying a 650-foot buffer zone so as to provide an additional 50-foot buffer to the Rule 318.a setback requirement of 600-feet.

NOTICE IS HEREBY GIVEN, pursuant to: 1) the general jurisdiction granted to the

Oil and Gas Conservation Commission of the State of Colorado (Commission) under § 34-60-105 C.R.S.; 2) specific powers granted pursuant to § 34-60-106 C.R.S.; 3) the Colorado Administrative Procedures Act at § 24-4-105 C.R.S.; and 4) the Commission's Series 500 Rules at 2CCR 404-1, that the Commission has scheduled the above-entitled matter for hearing on:

Date: Tuesday, May 29, 2012
 Wednesday, May 30, 2012

Time: 9:00 a.m.

Place: COGCC Offices
 1120 Lincoln Street, Suite 801
 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. 5139, prior to the hearing and arrangements will be made.

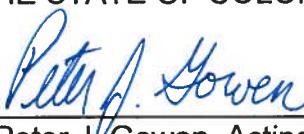
Pursuant to said hearing in the above-entitled matter at the time and place aforesaid, or at any adjourned meeting, the Commission will enter such orders as it deems appropriate to protect the health, safety and welfare of the public and to prevent the waste of oil and gas, either or both, in the operations 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 14, 2012, 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 13 copies shall be filed with the Commission. **Anyone who files a protest or intervention must be able to participate in a prehearing conference during the week of May 14, 2012.** Pursuant to Rule 503.g., 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 14, 2012, the Applicant may request that an administrative hearing be scheduled beginning May 14, 2012.** In the alternative, pursuant to Rule 511., if the matter is uncontested, the applicant may request, and the Director may recommend approval on the basis of the merits of the verified application and the supporting exhibits.

IN THE NAME OF THE STATE OF COLORADO

OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO

By



Peter J. Gowen, Acting Secretary

Dated at Suite 801
1120 Lincoln Street
Denver, Colorado 80203
April 20, 2012

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