

FORM NOAV Rev 6/97

State of Colorado Oil and Gas Conservation Commission 1120 Lincoln Street Suite 801, Denver, Colorado 80203 (303) 894-2100 Fax (303) 894-2109



FOR OGCC USE ONLY 07/16/2010 200262245

*** NOTICE OF ALLEGED VIOLATION ***

OGCC Operator Number: 10079 Name of Operator: ANTERO RESOURCES PICEANCE CORPORATION Address: 1625 17TH ST STE 300 ATTN: City: DENVER State: CO Zip: 80202 Company Representative: JON BLACK

Date Notice Issued: 07/16/2010

Well Name: BAT Well Number: 13B-17-07-9E Facility Number: 415587 Location (QtrQtr, Sec, Twp, Rng, Meridian): SESW 17 7S 95W 6 County: GARFIELD API Number: 05 045 19108 00 Lease Number:

COGCC Representative: KELLERBY SHAUN Phone Number: 970 285-7235

THE FOLLOWING ALLEGED VIOLATION WAS FOUND BY THE COGCC REPRESENTATIVE FOR THE SITE LISTED Date of Alleged Violation: 07/14/2010 Approximate Time of Violation: Description of Alleged Violation: On 7/14/10 Cogcc staff conducted an inspection of API 05-045-19108 in response to a complaint of a hydrocarbon odor. Before entering the pad site a strong odor was noticed on Gardner Lane. On Pad site odor was noticed with flow back activity, contractor stated that 7 wells were actively in flow back at the time of inspection. Flow back tanks were open top tanks, and tanks with hatch's that were open during the flow back process. A gas monitor indicated that a small amount of methane was present in the flow back tanks being used at the time of inspection.

Act, Order, Regulation, Permit Conditions Cited: 805.a.

Abatement or Corrective Action Required to be Performed by Operator: Operator will monitor completion operations for odor, and adjust operations, as needed, to eliminate all nuisance odors.

Abatement or Corrective Action to be Completed by (date): 07/16/2010 * Proper and timely abatement does not necessarily preclude the assessment of penalties and an Order Finding Violation.

TO BE COMPLETED BY OPERATOR - When alleged violation is corrected, sign this notice and return to above address: Company Representative Name: GERARD G. Alberts Title: MANAGER ENVY REG. Signature: [Signature] Date: 11-2-2010 Company Comments:

*** THIS NOTICE CONSTITUTES A SEPARATE NOTICE OF ALLEGED VIOLATION FOR EACH VIOLATION LISTED ***

WARNING Abatement and reporting time frames for Notices of Alleged Violation begin upon receipt of this Notice, reported to the Colorado Oil and Gas Conservation Commission at the address shown above, and postmarked no later than the next business day after the prescribed time for abatement. Should abatement or corrective action fail to occur, the Director may make application to the Commission for an Order Finding Violation. Proper and timely abatement does not necessarily preclude the assessment of penalties and an Order Finding Violation.

PENALTY PROPOSED BY THE DIRECTOR PER RULE 523 The Director may propose a penalty as listed in the table below, not to exceed a maximum of \$1,000.00 per day per violation. Such proposed penalty amount will be limited to \$10,000.00 per violation if the violation does not result in significant waste of oil and gas resources, damage to correlative rights, or a significant adverse impact on public health, safety, or welfare. Such proposed penalty amount may be increased if aggravating factors indicate the violation was intentional or reckless; had, or threatened to have, a significant negative impact on public health, safety, or welfare; resulted in significant waste of oil and gas resources; had a significant negative impact on correlative rights of other parties; resulted in, or threatened to result in, significant loss or damage to public or private property; involved negligence or recklessness on the part of the violator; involved intentional false reporting or record keeping; resulted in economic benefit to the violator. Such proposed penalty amount may be decreased if mitigating factors indicate the violator self-reported; promptly, effectively and prudently responded to the violation; cooperated with the Commission or other agencies with respect to the violation; could not reasonably control, or be responsible for, the cause of the violation; made a good faith effort to comply with applicable requirements prior to the Commission learning of the violation; had any economic benefit reduced or eliminated due the cost of correcting the violation; has demonstrated a history of compliance with Commission rules, regulations and orders. The Commission has final authority over the penalty amount assessed. The Commission or other agencies with respect to the violation; could not reasonably control, or be responsible for, the cause of the violation; made a good faith effort to comply with applicable requirements prior to the Commission learning of the violation; had any economic benefit reduced or eliminated due to the cost of correcting the violation; has demonstrated a history of compliance with Commission rules, regulations, and orders. The Commission has final authority over the penalty amount assessed. BASE FINE \$500.00 PER DAY PER VIOLATION RULES 210, 307, 311, 312, 313, 314A, 315, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 1002, 1003, 1004, 1101, 1102, 1103, 1201, 1202, 1203, 1204, 1101, 1201, 1201, 1201

In accordance with Rule 523.a.(4), fines for violations for which no base fine is listed shall be determined by the Commission at its discretion. Signature of COGCC Representative: [Signature] Date: 07/16/2010 Time: Resolution Approved by: [Signature] Date: Nov. 8, 2010