

FORM

2

Rev
12/05

State of Colorado

Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:

400281066

Date Received:

05/07/2012

APPLICATION FOR PERMIT TO:

1. ☒ Drill, ☐ Deepen, ☐ Re-enter, ☐ Recomplete and Operate

2. TYPE OF WELL

OIL ☐ GAS ☒ COALBED ☐ OTHER _____
 SINGLE ZONE ☒ MULTIPLE ☐ COMMINGLE ☐

Refiling ☒Sidetrack ☐

PluggingBond SuretyID

20040071

3. Name of Operator: ANTERO RESOURCES PICEANCE CORPORATION4. COGCC Operator Number: 100795. Address: 1625 17TH ST STE 300City: DENVER State: CO Zip: 802026. Contact Name: Shauna Redican Phone: (303)357-6820 Fax: (303)357-7315Email: sredican@anteroresources.com7. Well Name: Valley Farms Well Number: F-1H

8. Unit Name (if appl): _____ Unit Number: _____

9. Proposed Total Measured Depth: 14075

WELL LOCATION INFORMATION

10. QtrQtr: NWSW Sec: 14 Twp: 6S Rng: 92W Meridian: 6Latitude: 39.525893 Longitude: -107.642786

Footage at Surface: 2198 feet FNL/FSL 275 feet FEL/FWL FWL

11. Field Name: MAMM CREEK Field Number: 5250012. Ground Elevation: 5618 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 03/25/2012 PDOP Reading: 2.5 Instrument Operator's Name: SCOTT E. AIBNER15. If well is ☐ Directional ☒ Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL FEL/FWL Bottom Hole: FNL/FSL FEL/FWL
2198 FNL 275 FWL 1104 FNL 1953 FWL
 Sec: 14 Twp: 6S Rng: 92W Sec: 11 Twp: 6S Rng: 92W

16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No17. Distance to the nearest building, public road, above ground utility or railroad: 430 ft18. Distance to nearest property line: 230 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 5280 ft

20. LEASE, SPACING AND POOLING INFORMATION

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
Williams Fork-Cameo	WFCM	510-61	640	S14:W/2,S11:W/2

21. Mineral Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian Lease #: _____22. Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian23. Is the Surface Owner also the Mineral Owner? ☒ Yes ☐ No Surface Surety ID#:23a. If 23 is Yes: Is the Surface Owner(s) signature on the lease? ☒ Yes ☐ No23b. If 23 is No: ☐ Surface Owners Agreement Attached or ☐ \$25,000 Blanket Surface Bond ☐ \$2,000 Surface Bond ☐ \$5,000 Surface Bond

24. Using standard QtrQtr, Sec, Twp, Rng format enter entire mineral lease description upon which this proposed wellsite is located (attach separate sheet/map if you prefer):

See attached Unit Boundary Location Plat

25. Distance to Nearest Mineral Lease Line: 650 ft

26. Total Acres in Lease: 239

DRILLING PLANS AND PROCEDURES

27. Is H2S anticipated? ☐ Yes ☒ No If Yes, attach contingency plan.

28. Will salt sections be encountered during drilling? ☐ Yes ☒ No

29. Will salt (>15,000 ppm TDS CL) or oil based muds be used during drilling? ☐ Yes ☒ No

30. If questions 28 or 29 are yes, is this location in a sensitive area (Rule 901.e)? ☐ Yes ☒ No

31. Mud disposal: ☒ Offsite ☐ Onsite

If 28, 29, or 30 are "Yes" a pit permit may be required.

Method: ☐ Land Farming ☐ Land Spreading ☒ Disposal Facility Other: Onsite if app (See

Note: The use of an earthen pit for Recompletion fluids requires a pit permit (Rule 905b). If air/gas drilling, notify local fire officials.

Casing Type	Size of Hole	Size of Casing	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
CONDUCTOR	20	16	55#	0	60	177	60	0
SURF	15	13+3/8	54.5#	0	1,000	262	1,000	0
1ST	12+1/4	9+5/8	36#	0	3,300	734	3,300	1,400
2ND	8+3/4	5+1/2	20#	0	11,356	2,073	11,356	

32. BOP Equipment Type: ☐ Annular Preventer ☒ Double Ram ☐ Rotating Head ☐ None

33. Comments Please note: this well was formerly named Valley Farms F23 and has been re-named Valley Farms F-1H. A Form 2A for pad expansion was submitted on 4/27/12, see DOC# 400276356. I certify that all conditions in the original permit are the same except the updated well name, SHL, BHL, mineral lease information, horizontal deviated drilling plan and casing and cement program. #19 - The distance to the nearest well permitted in the same formation is greater than 5280'. #24-Distance to nearest mineral lease line is the distance to proposed unit boundary line (see unit boundary location plat). Docket No. 1205-UP-137 is for the proposed spacing unit boundary hearing schedule May 29, 2012. The location is not in a wildlife restricted surface occupancy area (RSO); consultation with CDOW is not required and the location does not require a variance from any of the rules listed in Rule 306.d. (1).(A).(ii).; consultation with CDPHE is not required. EXCEPTION REQUEST FOR SURFACE CASING: Antero requests approval of an exception to the surface casing requirements of the COGCC's Garfield County Notice to Operators policy. The policy requires that surface casing be set to a depth at least 10% of the well's TD. We are requesting to set the surface casing shallower @ 1,000' since we have an intermediate casing string set @ 3,300'. 31 Mud Disposal: Antero will bury onsite if disposal meets Table 910 and if there is a provision in SUA which allows for such operation. TOP OF CEMENT OF 2nd STRING/PRODUCTION CASING WILL BE >500 FEET ABOVE TOP OF GAS.

34. Location ID: 335538

35. Is this application in a Comprehensive Drilling Plan ? ☐ Yes ☐ No

36. Is this application part of submitted Oil and Gas Location Assessment ? ☐ Yes ☒ No

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: _____

Print Name: Shauna Redican

Title: Permit Representative

Date: 5/7/2012

Email: sredican@anteroresources.com

Operator must have a valid water right or permit allowing for industrial use or purchased water from a seller that has a valid water right or permit allowing for industrial use, otherwise an application for a change in type of use is required under Colorado law. Operator must also use the water in the location set forth in the water right decree or well permit, otherwise an application for a change in place of use is required under Colorado law. Section 37-92-103(5), C.R.S. (2011).

Based on the information provided herein, this Application for Permit-to-Drill complies with COGCC Rules and applicable orders and is hereby approved.

COGCC Approved: _____ Director of COGCC Date: 5/31/2012

API NUMBER

Permit Number: _____ Expiration Date: 5/30/2014

All representations, stipulations and conditions of approval stated in the Form 2A for this location shall constitute representations, stipulations and conditions of approval for this Form 2 Permit-to-Drill and are enforceable to the same extent as all other representations, stipulations and conditions of approval stated in this Permit-to-Drill.

1.) THE PROPOSED SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1 MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1 MILE IS 440 FEET DEEP.

Surf csg to be 10% of TVD; Maximum TVD=6903' x 0.10=690'; Surf csg to be set at 1000'; Surf csg setting depth is more than adequate.

2.) PRODUCTION CASING CEMENT TOP VERIFICATION BY CBL REQUIRED.

3) Cement top on production casing must be brought up to top of Williams Fork

Attachment Check List

Att Doc Num	Name
400281066	FORM 2 SUBMITTED
400281299	WELL LOCATION PLAT
400281300	LEASE MAP
400281318	DEVIATED DRILLING PLAN
400281324	DIRECTIONAL DATA
400281735	30 DAY NOTICE LETTER

Total Attach: 6 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Application for spacing drilling unit approved, Order 510-61. Application for pooling unit approved, Order 191-94. LGD;pub. comments waived. Final Review--passed.	5/31/2012 2:49:46 PM
Permit	APD pending May hearing spacing & pooling application	5/14/2012 3:18:39 PM

Total: 2 comment(s)

BMP

<u>Type</u>	<u>Comment</u>

Total: 0 comment(s)