



ANTERO
RESOURCES

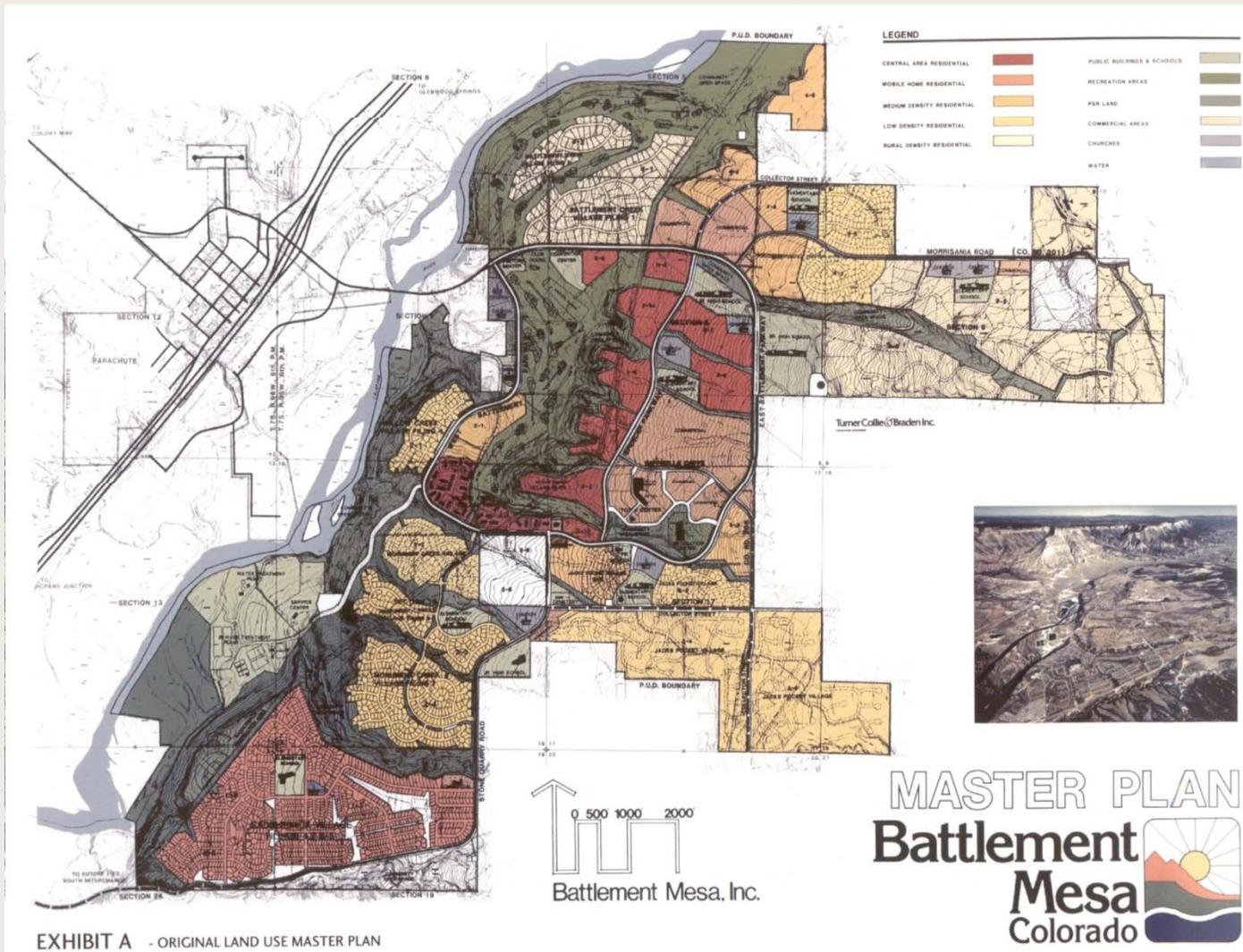
**Battlement Mesa Natural Gas Development Plan
Review of Surface Use Agreement
August 5, 2009**

Battlement Mesa Surface Use Agreement Discussion



- Historical perspective of Battlement Mesa PUD
- Agreements affecting natural gas development in the PUD
 - Exxon 1989 agreement
 - Barrett 1990 agreement
 - Antero 2009 agreement
- Detailed discussion of Antero – Battlement Mesa Partners SUA

Battlement Mesa Land Use Master Plan



Surface Use Agreements in Battlement Mesa



- Exxon agreement dated December 12, 1989
 - Executed as a condition of Battlement Mesa PUD purchase
 - Will always be effective (superseded by active SUAs)

- Barrett Resources agreement dated August 6, 1990
 - Entered into as a result of well density application to COGCC
 - Only binds Williams Production (successor to Barrett)

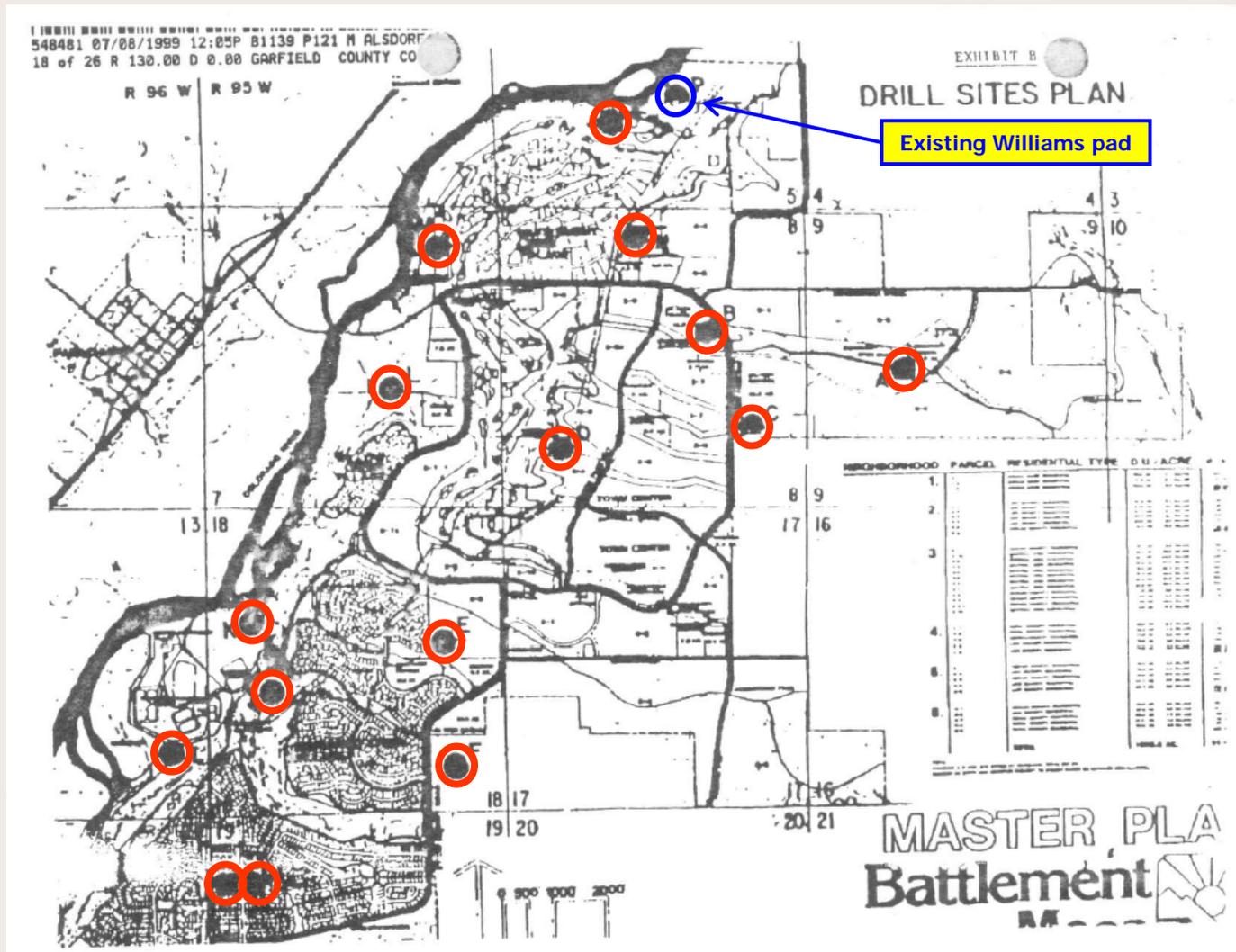
- Antero/Battlement Mesa Partners 2009 agreement
 - Comprehensive amendment to Exxon agreement
 - Exxon (now ExxonMobil) is a party to agreement
 - Binds Antero and Battlement Mesa Partners; ExxonMobil in part

ExxonMobil SUA – Dated December 12, 1989



- Executed as a condition of Battlement Mesa PUD purchase
- Required execution of formal SUA prior to mineral development actions
- Identified 16 well pads
 - 15 well pads inside PUD
 - 1 well pad outside PUD
- Locations were “general”; Battlement Mesa Partners had to accommodate changes
- Required alternate drillsites if conflicts with surface development
- Exxon was not obligated to pay for well pads

Drill Site Plan under Exxon 1989 SUA – 16 well pads



Barrett Resources SUA – August 6, 1990



- Result of a protest by Battlement Mesa Partners to well density application to the COGCC
- Made subject to Exxon SUA dated December 12, 1989
- Provides for additional operation restrictions to Exxon SUA
 - Minimum well setback of 200' to existing structures
 - Contemplated open pits
 - BMP to be provided a copy of special use permit with county
 - Contains numerous other restrictive provisions
- Binds ONLY Williams Production

Antero – Battlement Mesa Partners 2008 Agreement



- Dated effective January 15, 2009
- Fully executed on April 14, 2009
- Objective was to minimize disruption to community related to natural gas development
- Addresses key concerns (safety, noise, odor, visual, light, dust)
- Defines access routes and pipeline easements
- Pad-specific considerations

Wellsite Locations

- 11 locations (10 drill locations, 1 water handling facility location)
- All locations are pre-surveyed (slide 11)
- Pad-specific mitigation measures
- New pad access roads
- The covered water handling facility located at far southeast edge of the PUD

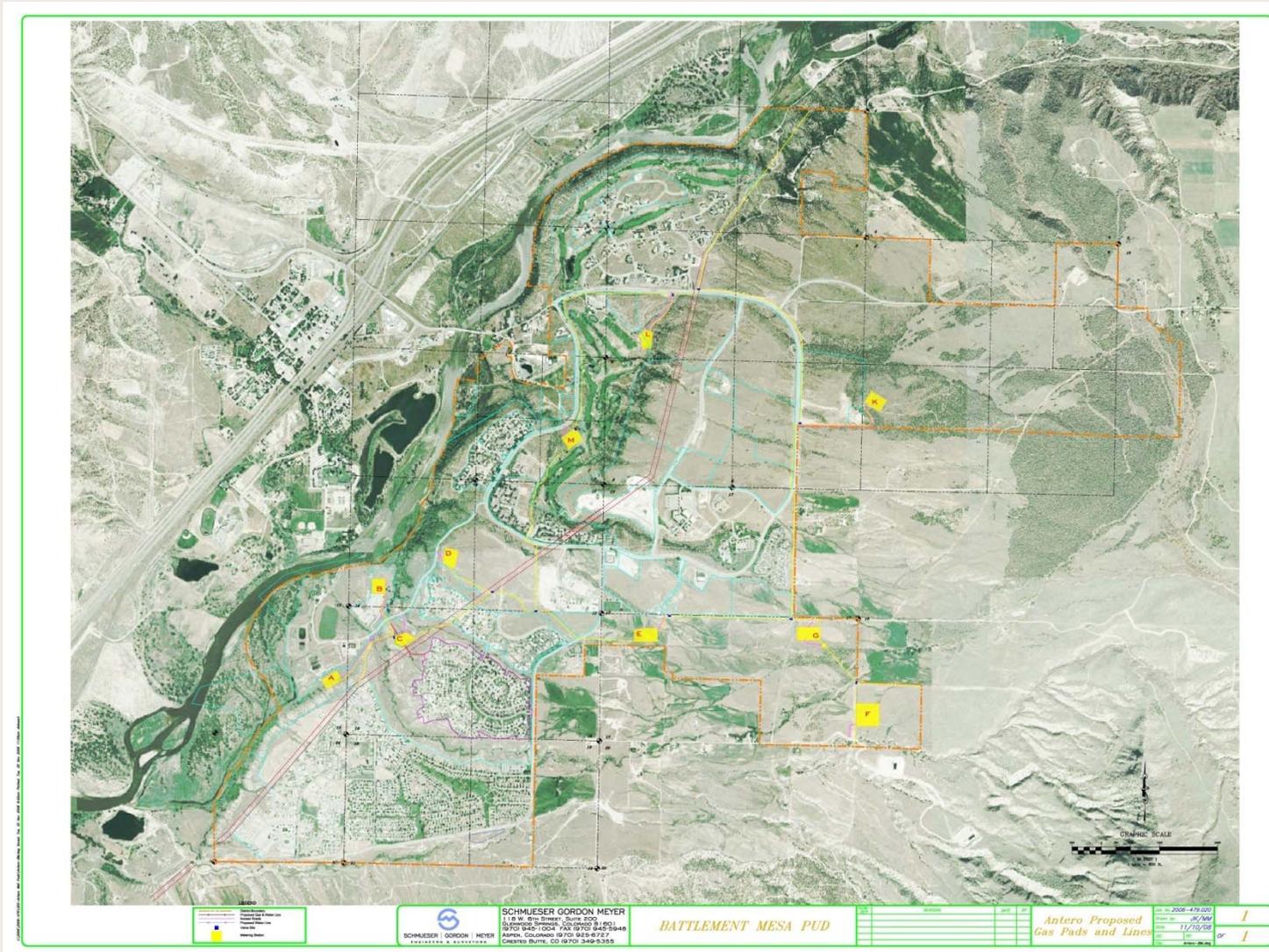
Access Roads

- 20' wide; gated
- Clean up and dust suppression

Pipelines

- Easements: 25' permanent; 50' construction
- At least 48" deep (greater in areas due to infrastructure)
- Complete pipeline segment to each pad upon construction

Antero – Battlement Mesa Partners SUA



SAFETY

- Long-term development provides for buried water lines to minimize truck traffic
- Emergency Response Plan
- Spill prevention and counter measure control plan
- No bulk storage of hazardous materials
- How to communicate
 - Residents should never approach a hazardous situation
 - If feasible and safe - call number posted on wellsite signage
 - Call 911

NOISE MITIGATION

- No centralized compression in PUD
- Any wellhead compression housed, with high level of noise suppression equipment
- Hospital-grade mufflers on high noise output machinery
- Consideration of electric line power for drilling operations

ODOR MITIGATION

- “F” Pad as a centralized water handling facility (SE corner of PUD)
- Lined and covered
- VOC combustors for production tanks

VISUAL MITIGATION

- DESIGNWORKSHOP landscaping design on 4 critical pads
- Berms and trees to shield pads and pad facilities from view
- Pursue implementation prior to drilling where feasible
- Antero responsible for maintaining landscaping
- Noxious weed management plan
- Rig shrouded on 3 sides

LIGHT MITIGATION

- Pad-specific considerations
- Rig oriented to direct light away from nearby residents
- Low density sodium lighting
- Lights directed downward
- Rig shrouded on 3 sides
- Safety will govern in all cases

DUST MITIGATION

- Soiltac and and/or liquid dust suppressants
- Access roads and pads graveled
- Long-term development provides for buried water lines to minimize truck traffic

OTHER

- Annual meetings with HOA to review upcoming year’s activities
- Insurance requirements for Antero
- Hours of operation
 - Limited for routine operations
 - No restrictions for drilling and completion
- Emergency communications
- Long-term plans provide for buried water lines and a water handling facility

Question and Answer Session