

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

IN THE MATTER OF NOTICE OF ALLEGED) CAUSE 1V
VIOLATIONS OF COMMISSION RULES BY ANTERO)
RESOURCES PICEANCE LLC IN GARFIELD COUNTY,) DOCKET NO. 1305-OV-09
COLORADO)

NOTICE OF ORDER FINDING VIOLATION HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

Pursuant to Rule 522.c., the Colorado Oil and Gas Conservation Commission ("Commission" or "COGCC") Staff will apply to the Commission at its May 6, 2013 hearing for an Order Finding Violation ("OFV") against Antero Resources Piceance LLC, f/k/a Antero Resources Piceance Corporation ("Antero") (Operator No. 10079).

Antero operates a produced water line ("Pipeline") between its River Ranch A Pad (Location ID. 336014) and the Robinson A Pad (Location ID. 336015) located along the border of Section 7 and Section 8, Township 6 South, Range 92 West, 6th P.M., Garfield County, Colorado. The Pipeline is buried under the River Ranch A Pad access road. Construction of the Pipeline was completed on September 12, 2009, and the Pipeline was placed into service shortly after that.

On July 27, 2010, a release of oily substance was reported from the Pipeline (Release). The complainant observed a groundwater seep of oily, paraffin-like substance in the eastern wall of an adjacent gravel pit, which gave rise to a small surface stream in the bottom of the gravel pit. The gravel pit is owned by Grant Brothers Construction ("Grant Brothers"). Grant Brothers is the complainant.

On August 29, 2010, COGCC Staff issued a Notice of Alleged Violation (NOAV) (Document No. 200268806) to Antero citing the following rule violations: Rule 209 (Protection of Coal Seams and Water-Bearing Formations); Rule 324.A.a (Pollution); Rule 324.A.b. (Pollution – water); Rule 901.f (E&P Waste Management- Sensitive Area Operations); Rule 906.e.(2) (Spills and Releases – Prevention); Rule 907.a.(1); and Rule 907.a.(2) (Management of E&P Waste – General Requirements). Staff has since voluntarily dismissed the Rule 209 claim.

Staff alleges the Release continued to contaminate groundwater and soil at least until Antero completed an excavation of the contaminated material, on or around September 28, 2012.

Rule 523. specifies a base fine of One Thousand dollars (\$1,000) for each day of violation of Rules 324A.a., 324A.b., 901.f., 906.e.(2), 907a.(1), and 907a.(2). Rule 523.a.(3) specifies that "the maximum penalty for any single violation shall not exceed Ten Thousand dollars (\$10,000) regardless of the number of days of such violation," unless the violation results in significant waste of oil and gas resources, damage to correlative rights, or a significant adverse impact on public health, safety or welfare or the environment. COGCC Staff has concluded that the Release resulted in a significant adverse impact to the environment and public health, safety, and welfare.

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: Monday, May 6, 2013
Tuesday, May 7, 2013

Time: 9:00 a.m.

Place: Weld County Southwest Services Complex
4209 Weld County Road 24 1/2
Longmont, CO 80501

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 April 22, 2013, briefly stating the basis of the protest or intervention. 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 April 22, 2013. 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.

OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO

By _____


Robert J. Frick, Secretary

Dated: April 4, 2013

Colorado Oil and Gas Conservation Commission
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