STATE OF COLORADO

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Dedicated to protecting and improving the health and environment of the people of Colorado

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Colorado Department
of Public Health
and Environment

November 16, 2010

ORIGINAL

Mr. David Neslin, Director COGCC
1120 Lincoln Street, Suite 801
Denver, Colorado 80203

Re: Colorado Department of Public Health and Environment (CDPHE) Consultation on Docket No. 1010-SP-37 for the Antero Resources Piceance Corporation (Antero) proposed order establishing a drilling and spacing unit within the Williams Fork and Iles formations in Garfield County

Dear Mr. Neslin:

The CDPHE has reviewed the application from Antero for an order establishing spacing rules for Section 31 in Township 5 South, Range 91 West for the Williams Fork and Iles Formations in Garfield County, Colorado. CDPHE considered the following obtained information that we as part of our consultation:

- Judy Jordan, Garfield County Oil and Gas Liaison wrote to say that citizens in the Town of Silt have raised general concerns about the increased well density and associated surface activities in an around their community. Their concerns include:
  - Increased exploration activities will result in a proportionate increase in the risk of accidents;
  - Negative impacts to air and water quality;
  - The safety of their children with the associated increase in truck traffic through their community; and
  - The presence of an irrigation ditch that Antero did not include in a Form 2A, which they submitted to the COGCC (CDPHE did not consult on this Form 2A because no variances were requested).
- The location where the proposed well density increase will occur does not contain any COGCC Rule 317B classified water supply segments.
- The location is north of the Town of Silt in an area that does not currently have 10-acre downhole drilling and spacing units.
- Based upon maps reviewed on the COGCC website, the application lands of the proposed well density increase appears to be lightly populated, with minimal building units visible.

Based on the above and provided that Antero does not request any variances from COGCC rules affecting public health, welfare, safety and the environment when permitting locations within the area covered by this well density increase application, CDPHE recommends that COGCC grant the well density increase. CDPHE also recommends that Antero place additional berming and containment measures around a well

location that it locates within 300' of the aforementioned irrigation ditch in Section 31, to provide added protection to the irrigation water flowing through the ditch.

In regards to the concerns raised by citizens in the area toward significantly higher well densities and associated surface disturbance and traffic, CDPHE suggests that the COGCC consider the merits of developing a basin wide order or geographic area plan. Such an effort could help to identify a few added best management practices, such as higher berms near water supplies, air and water monitoring within a certain distance of communities, etc to ensure the cumulative impact of this activity does not present unintended public health and environmental impacts. We would be happy to meet with you to discuss this recommendation.

CDPHE reserves the right to consult on any future variance requests from rules this agency may consult on (pursuant to COGCC Rule 306) within these locations. If you have questions regarding this recommendation or discussion would be helpful, please contact me at (303) 692-3662.

Sincerely,

Kent Kuster

Kent Kuster
Oil and Gas Consultation Coordinator
CDPHE

ec: Jeff Lawrence, Director DEHS, CDPHE
Kate Fay, Energy Manager, CDPHE
Judy Jordan, Oil and Gas liaison, Garfield County
Jerry Alberts, E&R Manager, Antero Resources Piceance Corporation