

FORM

38

Rev
1/10**State of Colorado
Oil and Gas Conservation Commission**

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

FOR OFFICIAL USE ONLY

SECOND PAYMENT OF PROCEEDS HEARING REQUEST

This form may be submitted only by a payee legally entitled to payment from proceeds derived from the sale of oil, gas, or associated products from a well in Colorado. The payee is to complete this form (one form per well), attach required documentation and mail to: COGCC, 1120 Lincoln Street, Suite 801, Denver, Colorado 80203 or fax to: (303) 894-2109. COGCC will investigate the report and determine what action, if any, should be taken.

PAYEE INFORMATION

NAME OF PAYEE: Grant Brothers Ranch, LLC PHONE NO: (970) 927-8386
ADDRESS: P.O. Box 1027 FAX:
CITY: Basalt STATE: CO ZIP: 81621 E-MAIL:
PAYEE NUMBER: 21318

MINERAL INFORMATION

WELL NAME: Dever C-9 Well COUNTY: Garfield
QTR/QTR SEC: TOWNSHIP: RANGE:
N/2 18 6 South 92 West API NUMBER: 70326

NON-COMPLIANCE ISSUES NOT RESOLVED**(PLEASE CHECK ALL THAT APPLY)**

Required checkstub detail not provided:	<input checked="" type="checkbox"/>
Late payment	<input checked="" type="checkbox"/>
Non payment	<input checked="" type="checkbox"/>
No interest paid on late payment	<input checked="" type="checkbox"/>
No response to Form 37 inquiry	<input type="checkbox"/>

All pertinent documentation must be attached. This includes: completed copy of operator contact Form 37, proof of mailing, response (if received from operator), redacted checkstub detail and any other documentation necessary.

FORM
37
Rev
01/10

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

FOR OFFICIAL USE ONLY

PAYMENT OF PROCEEDS - SALES VOLUME RECONCILIATION PAYOR CONTACT FORM

This form may be submitted only by a payee legally entitled to payment from proceeds derived from the sale of oil, gas, or associated products from a well in Colorado. The payee is to complete this form (one form per well) and submit it to the payor issuing the payment. Operator addresses may be found at the COGCC website cogcc.state.co.us at DATABASE under the category NAME, ADDRESS AND FINANCIAL ASSURANCE. This form must be submitted to the payor via certified mail. Using this form to request information will not replace the need for a financial audit.

PAYEE INFORMATION

NAME OF PAYEE: Grant Brothers Ranch, LLC		PHONE NO: (970) 927-8386
ADDRESS: P.O. Box 1027		FAX:
CITY: Basalt	STATE: CO	ZIP: 81621
SIGNATURE: <i>Doyle L. Grant</i>		E-MAIL:
PAYEE NUMBER: 21318		

MINERAL INFORMATION

WELL NAME: Dever C-9 Well		COUNTY: Garfield
QTR/QTR	SEC:	TOWNSHIP:
N/2	18	6 South
RANGE: 92 West		API NUMBER: 70326

REQUEST FOR PAYMENT OF PROCEEDS INFORMATION

Payee should mark appropriate entries to show missing information required by CRS 34-60-118.5. (Payee should also attach a copy of the checkstub with all applicable non-compliance details noted.)

The name, number, or a combination of name and number that identifies the lease, property, unit or well for which payment is being made.

The month and year during which the sale occurred.

The total quantity of product sold attributable to such payment, including the units of measurement.

The price received per unit of measurement. (Price per barrel in the case of oil and price per thousand cubic feet (MCF) or price per million British Thermal Units ("MMBTU") in the case of gas.)

The total amount of severance taxes and any other production taxes or levies applied to the sale.

The payee's interest in the sale, expressed as a decimal and calculated to at least the sixth decimal place.

The payee's share of the sale before any deductions or adjustments made by the payor or identified with the payment.

The payee's share of the sale after any deductions or adjustments made by the payor or identified with the payment.

An address and telephone number from which additional information may be obtained and questions answered.

Additional Information Requested

[Note: This section asks for the additional information payee may request under 118.(2.5) as amended by HB 1180.]

Written explanation of deductions or adjustments over which payor has control or information, (whether or not identified with the payment), regarding:

Please see the attached written explanation and request for additional information.

Meter calibration testing records _____

Production reporting records _____

PAYMENT OF PROCEEDS - PAYOR RESPONSE

The payor, _____, responded to this request on _____ (date) as required by CRS 34-60-118.5(2.5). (The payor must respond within 60 days.) If we could not provide information concerning _____ for the following reasons:

Name _____

Contact Phone Number _____

Mailed 10/29/18

REQUEST FOR SALES VOLUME RECONCILIATION INFORMATION

Payee should provide information at appropriate entries to request information regarding sales volume reconciliation.

MINERAL INFORMATION

WELL NAME: _____				COUNTY: _____	
QTR/QTR	SEC:	TOWNSHIP:	RANGE:	API NUMBER: _____	

The payee requests the payor to provide a reconciliation between the following volumes:

_____ **GAS** _____ **OIL**

The month and year during which the sale occurred _____

Volume reported as produced _____

Volume reported as sold _____

Volumes shown as produced/sold do not agree with:

Volume reported to the COGCC _____

Volume reported to another government agency _____

Other Information for sales reconciliation (specify request) _____

SALES VOLUME RECONCILIATION - PAYOR RESPONSE

The payor, _____, responded to this request on _____ (date). Produced volumes from this well/lease are higher/less than the sales volumes from this well/lease for the following reasons:

Percentage of difference
attributed to this cause.

_____ **GAS** _____ **OIL**

Shrinkage during transport.

Used for compression during transport.

Line loss or fuel use from the gathering line during transport.

A portion of the natural gas was vented or flared or used as fuel during transport.

Contractual overages or underages from previous months were rectified during this sales period.

Sold by others.

Other (Please Specify): _____

The gas meter(s) at this well site or lease was last calibrated on? _____

The gas meter(s) at the sales point was last calibrated on? _____

CERTIFICATION


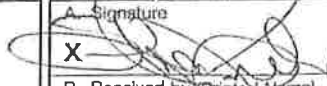
I hereby certify that the information provided on this form is, to the best of my knowledge, true, correct and complete.

Payor's Representative

Date

Form 37 Payment of Proceeds
Additional Information Requested

Ursa Operating Company, LLC ("Payor") has the exclusive control of any and all information necessary to calculate royalties, incomes, profits, costs, and the exact date of payout of the Dever C-9 Well. Grant Brothers, LLC ("Grant Brothers") requests a full and complete audit to determine the exact date of payout, a complete accounting of all costs incurred and the amount of proceeds realized from the sale of production from the Dever C-9 Well drilled in the Williams Fork / Iles Formation under Order No. 191-51, both before and after the Dever C-9 Well reached payout. In addition, Payee requests a complete, written explanation as to why the Payor did not properly account for all costs incurred and pay Grant Brothers for its share of production income from the Dever C-9 Well, thereby failing to meet the express statutory requirements of C.R.S. § 34-60-116.

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY																
<p>■ Complete items 1, 2, and 3.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p> <p>1. Article Addressed to:</p> <p style="font-size: 1.2em; margin-left: 20px;">Beatty & Wozniak, PC 216 16th Street, Ste. 1100 Denver, CO 80202</p> <div style="text-align: center; margin: 10px 0;">  <p>9590 9402 4372 8190 6849 01</p> </div> <p>2. Article Number (Transfer from service label)</p> <p style="font-size: 1.2em; margin-left: 20px;">7016 1970 0000 7421 2733</p>	<p>A. Signature X </p> <p style="text-align: right;"><input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <u>Shana Kessler</u></p> <p>C. Date of Delivery <u>10-31-18</u></p> <p>D. Is delivery address different from Item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p> <p>3. Service Type</p> <table style="width: 100%; font-size: 0.8em;"> <tr> <td><input type="checkbox"/> Adult Signature</td> <td><input type="checkbox"/> Priority Mail Express®</td> </tr> <tr> <td><input type="checkbox"/> Adult Signature Restricted Delivery</td> <td><input type="checkbox"/> Registered Mail™</td> </tr> <tr> <td><input checked="" type="checkbox"/> Certified Mail®</td> <td><input type="checkbox"/> Registered Mail Restricted Delivery</td> </tr> <tr> <td><input type="checkbox"/> Certified Mail Restricted Delivery</td> <td><input type="checkbox"/> Return Receipt for Merchandise</td> </tr> <tr> <td><input type="checkbox"/> Collect on Delivery</td> <td><input type="checkbox"/> Signature Confirmation™</td> </tr> <tr> <td><input type="checkbox"/> Collect on Delivery Restricted Delivery</td> <td><input type="checkbox"/> Signature Confirmation Restricted Delivery</td> </tr> <tr> <td><input type="checkbox"/> Insured Mail</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</td> <td></td> </tr> </table>	<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®	<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™	<input checked="" type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery	<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Return Receipt for Merchandise	<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation™	<input type="checkbox"/> Collect on Delivery Restricted Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery	<input type="checkbox"/> Insured Mail		<input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)	
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PS Form 3811, July 2015 PSN 7530-02-000-9053 Domestic Return Receipt

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY																
<p>■ Complete items 1, 2, and 3.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p> <p>1. Article Addressed to:</p> <p style="font-size: 1.2em; margin-left: 20px;">Colorado Oil and Gas Conservation Commission 1120 Lincoln Street, Ste. 801 Denver, CO 80203</p> <div style="text-align: center; margin: 10px 0;">  <p>9590 9402 4372 8190 6849 25</p> </div> <p>2. Article Number (Transfer from service label)</p> <p style="font-size: 1.2em; margin-left: 20px;">7016 1970 0000 7421 2726</p>	<p>A. Signature X </p> <p style="text-align: right;"><input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <u>Liam Harrison</u></p> <p>C. Date of Delivery <u>10/30/18</u></p> <p>D. Is delivery address different from Item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p> <p>3. Service Type</p> <table style="width: 100%; font-size: 0.8em;"> <tr> <td><input type="checkbox"/> Adult Signature</td> <td><input type="checkbox"/> Priority Mail Express®</td> </tr> <tr> <td><input type="checkbox"/> Adult Signature Restricted Delivery</td> <td><input type="checkbox"/> Registered Mail™</td> </tr> <tr> <td><input checked="" type="checkbox"/> Certified Mail®</td> <td><input type="checkbox"/> Registered Mail Restricted Delivery</td> </tr> <tr> <td><input type="checkbox"/> Certified Mail Restricted Delivery</td> <td><input type="checkbox"/> Return Receipt for Merchandise</td> </tr> <tr> <td><input type="checkbox"/> Collect on Delivery</td> <td><input type="checkbox"/> Signature Confirmation™</td> </tr> <tr> <td><input type="checkbox"/> Collect on Delivery Restricted Delivery</td> <td><input type="checkbox"/> Signature Confirmation Restricted Delivery</td> </tr> <tr> <td><input type="checkbox"/> Insured Mail</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</td> <td></td> </tr> </table>	<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®	<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™	<input checked="" type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery	<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Return Receipt for Merchandise	<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation™	<input type="checkbox"/> Collect on Delivery Restricted Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery	<input type="checkbox"/> Insured Mail		<input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)	
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PS Form 3811, July 2015 PSN 7530-02-000-9053 Domestic Return Receipt

BEATTY & WOZNIAK, P.C.

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MALINDA MORAIN

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MMORAIN@BWENERGYLAW.COM

December 28, 2018

Nathan A. Keever
Dufford Waldeck Milburn & Krohn LLP
744 Horizon Ct. #300
Grand Junction, CO 81506

RE: Ursa's Response to Form 37 Notice Pursuant to C.R.S. § 34-60-118.5(2.5) by Grant Brothers Ranch, LLC

Dear Mr. Keever:

Ursa Operating Company, LLC ("Ursa") provides the following response, pursuant to C.R.S. § 34-60-118.5(2.5), to Grant Brothers Ranch, LLC's ("Grant Ranch") Form 37 written notice, received by certified mail on October 31, 2018.

Ursa objects to the notice, at the outset, insofar as it fails to conform to C.R.S. § 34-60-118.5(2.5) and Form 37. Section 118.5(2.5) allows a payee to request, "a written explanation of those deductions or adjustments over which the payer has control and for which the payer has information. . . ." Per the instructions on Form 37, Grant Ranch was to attach a copy of the check stub with all applicable non-compliance details noted. No such check stub with non-compliance details was attached to Grant Ranch's Form 37 Request.

Instead, Grant Ranch attaches to the Form 37 a list of additional information requested relevant to the issue of whether the Dever C-9 well has reached payout. Essentially, Grant Ranch seeks information to determine whether Grant Ranch has paid its proportionate share of the statutory costs pursuant to C.R.S. § 34-60-116(7)(a) and (b).

The COGCC retains jurisdiction during the period of cost recovery to determine the costs of drilling and completing the well that are properly attributable to the interest of the non-consenting owner, Grant Ranch. C.R.S. § 34-60-116(7)(d). Grant Ranch seeks an accounting to determine the reasonableness of costs related to the Dever C-9 well, and a determination as to whether or not the Dever C-9 Well has reached payout.

Reserving its rights and without waiving any objections, in the interests of open dialogue and an expedient resolution, Ursa is providing information consistent with its obligations under C.R.S. § 34-60-118.5 and Form 37, along with additional information Ursa believes will be helpful to Grant Ranch in understanding payment of proceeds and payout calculations. Ursa's production of some additional information beyond the scope of C.R.S. § 34-60-118.5 and Form 37, does not waive any objections, including those to the overbroad nature of Grant Ranch's requests.

Nathan A. Keever
December 28, 2018
Page 2

1. Form 37 Request for Payment of Proceeds Information

The requested Payment of Proceeds information has already been provided to Grant Ranch for the Dever C-9 well via Ursa's monthly Owner Detail Sales report. While Grant Ranch did not attach a copy of the check stub with the non-compliance details noted as required by Form 37, Ursa has attached hereto as Exhibit 1 a copy of the sales and revenue detail for March 2018 to May 2018, which includes the information for the Dever C-9 Well (see p. 4) among others.

In the interest of full disclosure, Ursa provides the following explanation of the first page of this revenue summary statement. By way of example, for the provided payment date of May 25, 2018, for condensate paid on March to April 2018 sales, the Owner Detail sales provides the:

Well Name (Dever C-9); payee's interest in the sale calculated to the 6th decimal place (0.02094180 for the royalty interest "RI"); total quantity of condensate sold from that well (for March to April 2018, 0.77 barrels of condensate); and Grant Ranch's gross proportionate share of that total quantity (\$44.06). The gross Severance, Ad Valorem (ADV), and Conservation taxes are deducted from the March to April condensate, are deducted for the net payment on condensate of \$41.39 paid on May 25, 2018.¹ The net value before the deductions (\$10.63 for May, 2016 Royalty Interest) and after tax deductions (\$9.87 for May, 2016 Royalty Interest) are also listed. The next entry under the Condensate entry is for gas ("G") and the third entry is for natural gas liquids ("NGL's").

The only information not contained on the monthly Owner Detail Sales report which Grant Ranch requested on its Form 37 request is the "address and telephone number from which additional information may be obtained and questions answered." That person is Kelly Muldoon, Vice President – Land, whose phone number is (720) 212-0554.

2. Additional Information Requested

Grant Ranch seeks the date of payout of the Dever C-9 well, at which time it would receive its proportionate eight-eighths royalty from production, less its proportionate share of costs. Factoring in the reasonable costs to drill, complete, and operate the Dever C-9 well, the statutory penalties associated with those cost, because Grant Ranch did not participate in the costs of the well, and the production history of the well from both the Mancos and Williams Fork formations, it is evident that the Dever C-9 well has not reached payout to date. In the Grant Ranch Litigation, Ursa produced all drilling, completion, and operations cost and payout documentation, and the well production history. Current Dever C-9 well production history is available from the COGCC website and other sources such as IHS.

Attached as Exhibit 2 is Ursa's expert report from the Grant Ranch Litigation (*Grant Brothers Ranch, LLC v. Antero Resources Piceance Basin Corporation and Ursa Operating Company, LLC*, Garfield District Court, 2014CV30180), which was prepared by Tim Hower of

¹ Note the negative and positive entries for April and May condensate on override and royalties, which provided corrected taxation deductions made in previous months.

Nathan A. Keever
December 28, 2018
Page 3

MHA Petroleum. In that report, Mr. Hower opined that the Dever C-9 well's costs were all proper and reasonable and that this well had not reached payout as of July 21, 2015. Mr. Hower's opinions remain the same to date. An updated MHA expert report will be provided to Grant Ranch in the near future.

If Grant Ranch does not agree that all of the costs associated with drilling and completing the Dever C-9 well were proper, Grant Ranch must request that the COGCC determine the proper costs which Ursa may deduct from Grant Ranch's proportionate seven-eighths share of production pursuant to Section 116(7)(a) & (b).

3. Form 37 Certification

A certification of the response for information provided by Ursa Operating Company LLC is attached to this letter.

Conclusion

Again, do not hesitate to contact me with any questions regarding the above explanation or the accompanying documents. Ursa and Antero look forward to working with Grant Ranch to reconcile any remaining issues.

Very truly yours,

BEATTY & WOZNIAK, P.C.



Malinda Morain

Enc: Exhibits 1 & 2
cc: Steven Skinner
Kelly Muldoon

CERTIFICATION

I, Kelly Muldoon, hereby certify that the information provided by Ursa Operating Company, LLC above and in the accompanying production is, to the best of my knowledge, true, correct and complete.

Kelly Muldoon

Dated: 12/28/2018

REV210P

Sale Dates: 03/31/2018 to 03/31/2018

Selection: All

URSA OPERATING COMPANY LLC
 Owner Detail Sales
 For Owner 1683 GRANT BROTHERS RANCH LLC

13 DEC 2018

Page 1

Sale Date	Per End	DOI Ref	Type Prd	Pay Int. Cd.	Interest	Quantity	Gross	Compt	Compt Amount	Net	Date Paid	Check No.	Trans Tx No.	Cd
Well: CO1064 DEVER C3														
03/18	04/18	1435	C	RI	M	0.02094180	0.63	36.03	SEV	0.36	33.84	05/25/18	407067	691
									ADV	1.80				
									CON	0.03				
03/18	04/18	1440	G	RI	M	0.02094180	65.52	139.70	FUEL	0.86	67.05	05/25/18	407067	701
									TRN	16.65				
									GTH1	24.28				
									GTH2	26.48				
									SEV	0.71				
									ADV	3.57				
									CON	0.10				
03/18	04/18	1445	NGL	RI	M	0.02094180	53.56	46.89	PRC2	29.39	16.41	05/25/18	407067	711
									SEV	0.18				
									ADV	0.88				
									CON	0.03				
03/18	05/18	1440	G	RI	M	0.02094180	65.52-	139.70-	FUEL	0.86-	67.05-	06/25/18	407519	721
									TRN	16.65-				
									GTH1	24.28-				
									GTH2	26.48-				
									SEV	0.71-				
									ADV	3.57-				
									CON	0.10-				
03/18	05/18	1440	G	RI	M	0.02094180	65.52	139.70	FUEL	0.86	64.77	06/25/18	407519	731
									TRN	16.65				
									GTH1	24.28				
									GTH2	28.90				
									SEV	0.69				
									ADV	3.45				
									CON	0.10				
Well Paid Total						119.71	222.62	107.60			115.02			
Well: CO1065 DEVER C4														
03/18	04/18	1450	C	RI	M	0.02094180	0.76	43.57	SEV	0.44	40.92	05/25/18	407067	692
									ADV	2.18				
									CON	0.03				
03/18	04/18	1455	G	RI	M	0.02094180	36.73	78.32	FUEL	0.48	37.05	05/25/18	407067	702
									TRN	9.33				
									GTH1	13.61				
									GTH2	15.44				
									SEV	0.39				
									ADV	1.97				
									CON	0.05				

EXHIBIT 1

REV210P

Sale Dates: 03/31/2018 to 03/31/2018

Selection: All

URSA OPERATING COMPANY LLC

Owner Detail Sales

For Owner 1683 GRANT BROTHERS RANCH LLC

13 DEC 2018

Page 2

Sale Date	Per End	DOI Ref	Type Prd	Pay Int. Cd.	Interest	Quantity	Gross	Compt	Compt Amount	Net	Date Paid	Check No.	Trans Tx No. Cd
Well: CO1065 DEVER C4													
03/18	04/18	1460	NGL RI	M	0.02094180	30.03	26.29	PRC2	16.47	9.21	05/25/18	407067	712
								SEV	0.10				
								ADV	0.49				
								CON	0.02				
03/18	05/18	1455	G RI	M	0.02094180	36.73-	78.32-	FUEL	0.48-	37.05-	06/25/18	407519	722
								TRN	9.33-				
								GTH1	13.61-				
								GTH2	15.44-				
								SEV	0.39-				
								ADV	1.97-				
								CON	0.05-				
03/18	05/18	1455	G RI	M	0.02094180	36.73	78.32	FUEL	0.48	35.72	06/25/18	407519	732
								TRN	9.33				
								GTH1	13.61				
								GTH2	16.85				
								SEV	0.38				
								ADV	1.90				
								CON	0.05				
			Well Paid Total			67.52	148.18		62.33	85.85			
Well: CO1066 DEVER C7													
03/18	04/18	1465	C RI	M	0.02094180	1.10	63.16	SEV	0.63	59.33	05/25/18	407067	693
								ADV	3.16				
								CON	0.04				
03/18	04/18	1470	G RI	M	0.02094180	86.75	184.97	FUEL	1.13	91.04	05/25/18	407067	703
								TRN	22.05				
								GTH1	32.15				
								GTH2	32.65				
								SEV	0.97				
								ADV	4.85				
								CON	0.13				
03/18	04/18	1475	NGL RI	M	0.02094180	70.92	62.08	PRC2	38.91	21.74	05/25/18	407067	713
								SEV	0.23				
								ADV	1.16				
								CON	0.04				
03/18	05/18	1470	G RI	M	0.02094180	86.75-	184.97-	FUEL	1.13-	91.04-	06/25/18	407519	723
								TRN	22.05-				
								GTH1	32.15-				
								GTH2	32.65-				
								SEV	0.97-				
								ADV	4.85-				

REV210P

Sale Dates: 03/31/2018 to 03/31/2018

Selection: All

URSA OPERATING COMPANY LLC

Owner Detail Sales

For Owner 1683 GRANT BROTHERS RANCH LLC

13 DEC 2018

Page 3

Sale Date	Per End	DOI Ref	Type Prd	Pay Int.	Interest Cd.	Quantity	Gross	Compt	Compt Amount	Net	Date Paid	Check No.	Trans Tx No.	Cd
Well: CO1066 DEVER C7														
03/18	05/18	1470	G	RI	M	0.02094180	86.75	184.97	CON FUEL TRN GTH1 GTH2 SEV ADV CON	0.13- 1.13 22.05 32.15 35.64 0.94 4.70 0.13	88.23	06/25/18	407519	733
Well Paid Total						158.77	310.21		140.91	169.30				
Well: CO1067 DEVER C8														
03/18	04/18	1480	C	RI	M	0.02094180	0.97	55.50	SEV ADV CON	0.55 2.77 0.04	52.14	05/25/18	407067	694
03/18	04/18	1485	G	RI	M	0.02094180	47.99	102.31	FUEL TRN GTH1 GTH2 SEV ADV CON	0.63 12.19 17.79 20.55 0.51 2.56 0.07	48.01	05/25/18	407067	704
03/18	04/18	1490	NGL	RI	M	0.02094180	39.23	34.34	PRC2 SEV ADV CON	21.52 0.13 0.64 0.02	12.03	05/25/18	407067	714
03/18	05/18	1485	G	RI	M	0.02094180	47.99-	102.31-	FUEL TRN GTH1 GTH2 SEV ADV CON	0.63- 12.19- 17.79- 20.55- 0.51- 2.56- 0.07-	48.01-	06/25/18	407519	724
03/18	05/18	1485	G	RI	M	0.02094180	47.99	102.31	FUEL TRN GTH1 GTH2 SEV ADV CON	0.63 12.19 17.79 22.42 0.49 2.46 0.07	46.26	06/25/18	407519	734
Well Paid Total						88.19	192.15		81.72	110.43				
Well: CO1068 DEVER C9														

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Selection: All

URSA OPERATING COMPANY LLC

Owner Detail Sales

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Sale Date	Per End	DOI Ref	Type Prd	Pay Int.	Interest Cd.	Quantity	Gross	Compt	Compt Amount	Net	Date Paid	Check No.	Trans Tx No.	Cd
Well: CO1068 DEVER C9														
03/18	04/18	1495	C	RI	M	0.02094180	0.77	44.06	SEV	0.44	41.39	05/25/18	407067	695
									ADV	2.20				
									CON	0.03				
03/18	04/18	1500	G	RI	M	0.02094180	146.81	313.01	FUEL	1.92	150.00	05/25/18	407067	705
									TRN	37.31				
									GTH1	54.41				
									GTH2	59.56				
									SEV	1.60				
									ADV	7.99				
									CON	0.22				
03/18	04/18	1505	NGL	RI	M	0.02094180	120.01	105.06	PRC2	65.84	36.80	05/25/18	407067	715
									SEV	0.39				
									ADV	1.96				
									CON	0.07				
03/18	05/18	1500	G	RI	M	0.02094180	146.81-	313.01-	FUEL	1.92-	150.00-	06/25/18	407519	725
									TRN	37.31-				
									GTH1	54.41-				
									GTH2	59.56-				
									SEV	1.60-				
									ADV	7.99-				
									CON	0.22-				
03/18	05/18	1500	G	RI	M	0.02094180	146.81	313.01	FUEL	1.92	144.89	06/25/18	407519	735
									TRN	37.31				
									GTH1	54.41				
									GTH2	65.00				
									SEV	1.54				
									ADV	7.72				
									CON	0.22				
						Well Paid Total	267.59	462.13		239.05	223.08			
Well: CO1070 DIXON A1														
03/18	04/18	1510	C	RI	M	0.02094180	1.85	105.52	SEV	1.06	99.11	05/25/18	407067	696
									ADV	5.28				
									CON	0.07				
03/18	04/18	1515	G	RI	M	0.02094180	79.87	170.30	FUEL	1.04	82.01	05/25/18	407067	706
									TRN	20.30				
									GTH1	29.60				
									GTH2	31.99				
									SEV	0.87				
									ADV	4.37				
									CON	0.12				

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Sale Date	Per End	DOI Ref	Type Prd	Pay Int.	Interest Cd.	Quantity	Gross	Compt	Compt Amount	Net	Date Paid	Check No.	Trans Tx No.	Cd
Well: CO1070 DIXON A1														
03/18	04/18	1520	NGL RI	M	0.02094180	65.30	57.16	PRC2	35.82	20.02	05/25/18	407067	716	
								SEV	0.21					
								ADV	1.07					
								CON	0.04					
03/18	05/18	1515	G RI	M	0.02094180	79.87-	170.30-	FUEL	1.04-	82.01-	06/25/18	407519	726	
								TRN	20.30-					
								GTH1	29.60-					
								GTH2	31.99-					
								SEV	0.87-					
								ADV	4.37-					
								CON	0.12-					
03/18	05/18	1515	G RI	M	0.02094180	79.87	170.30	FUEL	1.04	79.27	06/25/18	407519	736	
								TRN	20.30					
								GTH1	29.60					
								GTH2	34.91					
								SEV	0.84					
								ADV	4.22					
								CON	0.12					
			Well Paid Total			147.02	332.98		134.58	198.40				
Well: CO1071 DIXON A11														
03/18	04/18	1525	C RI	M	0.02094180	0.89	50.73	SEV	0.51	47.64	05/25/18	407067	697	
								ADV	2.54					
								CON	0.04					
03/18	04/18	1530	G RI	M	0.02094180	69.88	148.99	FUEL	0.91	71.46	05/25/18	407067	707	
								TRN	17.76					
								GTH1	25.90					
								GTH2	28.29					
								SEV	0.76					
								ADV	3.81					
								CON	0.10					
03/18	04/18	1535	NGL RI	M	0.02094180	57.13	50.01	PRC2	31.34	17.52	05/25/18	407067	717	
								SEV	0.19					
								ADV	0.93					
								CON	0.03					
03/18	05/18	1530	G RI	M	0.02094180	69.88-	148.99-	FUEL	0.91-	71.46-	06/25/18	407519	727	
								TRN	17.76-					
								GTH1	25.90-					
								GTH2	28.29-					
								SEV	0.76-					
								ADV	3.81-					

Sale Dates: 03/31/2018 to 03/31/2018
Selection: All

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Owner Detail Sales
For Owner 1683 GRANT BROTHERS RANCH LLC

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Sale Date	Per End	DOI Ref	Prd	Type Int.	Pay Cd.	Interest	Quantity	Gross	Compt	Compt Amount	Net	Date Paid	Check No.	Trans Tx No.	Cd
Well: C01071 DIXON A11															
03/18	05/18	1530	G	RI	M	0.02094180	69.88	148.99	CON FUEL	0.10-0.91	69.02	06/25/18	407519	737	
									TRN	17.76					
									GTH1	25.90					
									GTH2	30.88					
									SEV	0.74					
									ADV	3.68					
									CON	0.10					
							Well Paid Total	127.90	249.73	115.55	134.18				
Well: C01072 DIXON A2															
03/18	04/18	1540	C	RI	M	0.02094180	0.95	54.40	SEV	0.54	51.10	05/25/18	407067	698	
									ADV	2.72					
									CON	0.04					
03/18	04/18	1545	G	RI	M	0.02094180	57.92	123.50	FUEL	0.76	59.32	05/25/18	407067	708	
									TRN	14.72					
									GTH1	21.47					
									GTH2	23.35					
									SEV	0.63					
									ADV	3.16					
									CON	0.09					
03/18	04/18	1550		NGL RI	M	0.02094180	47.35	41.45	PRC2	25.98	14.52	05/25/18	407067	718	
									SEV	0.15					
									ADV	0.77					
									CON	0.03					
03/18	05/18	1545	G	RI	M	0.02094180	57.92	123.50	FUEL	0.76	59.32	06/25/18	407519	728	
									TRN	14.72					
									GTH1	21.47					
									GTH2	23.35					
									SEV	0.63					
									ADV	3.16					
									CON	0.09					
03/18	05/18	1545	G	RI	M	0.02094180	57.92	123.50	FUEL	0.76	57.31	06/25/18	407519	738	
									TRN	14.72					
									GTH1	21.47					
									GTH2	25.49					
									SEV	0.61					
									ADV	3.05					
									CON	0.09					
							Well Paid Total	106.22	219.35	96.42	122.93				
Well: C01073 DIXON A3															

Sale Date	Per End	DOI Ref	Type Prd	Pay Int.	Interest Cd.	Quantity	Gross	Compt	Compt Amount	Net	Date Paid	Check No.	Trans Tx No.	Tx Cd
Well: C01073 DIXON A3														
03/18	04/18	1555	C	RI	M	0.02094180	0.86	48.95	SEV ADV CON	0.49 2.45 0.03	45.98	05/25/18	407067	699
03/18	04/18	1560	G	RI	M	0.02094180	76.13	162.33	FUEL TRN GTH1 GTH2 SEV ADV CON	1.00 19.35 28.22 30.03 0.84 4.19 0.11	78.59	05/25/18	407067	709
03/18	04/18	1565	NGL	RI	M	0.02094180	62.24	54.48	PRC2 SEV ADV CON	34.15 0.20 1.02 0.04	19.07	05/25/18	407067	719
03/18	05/18	1560	G	RI	M	0.02094180	76.13-	162.33-	FUEL TRN GTH1 GTH2 SEV ADV CON	1.00- 19.35- 28.22- 30.03- 0.84- 4.19- 0.11-	78.59-	06/25/18	407519	729
03/18	05/18	1560	G	RI	M	0.02094180	76.13	162.33	FUEL TRN GTH1 GTH2 SEV ADV CON	1.00 19.35 28.22 32.77 0.81 4.05 0.11	76.02	06/25/18	407519	739
Well Paid Total						139.23	265.76		124.69	141.07				
Well: C01077 DIXON A8														
03/18	04/18	1588	C	RI	M	0.02094180	1.01	57.86	SEV ADV CON	0.58 2.89 0.04	54.35	05/25/18	407067	700
03/18	04/18	1593	G	RI	M	0.02094180	77.77	165.83	FUEL TRN GTH1 GTH2 SEV ADV CON	1.02 19.76 28.83 30.93 0.85 4.26 0.12	80.06	05/25/18	407067	710

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Sale Dates: 03/31/2018 to 03/31/2018

Selection: All

URSA OPERATING COMPANY LLC

Owner Detail Sales

For Owner 1683 GRANT BROTHERS RANCH LLC

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Sale Date	Per End	DOI Ref	Type Prd	Pay Int.	Interest Cd.	Quantity	Gross	Compt	Compt Amount	Net	Date Paid	Check No.	Trans Tx No.	Cd
Well: CO1077 DIXON A8														
03/18	04/18	1598	NGL RI	M	0.02094180	63.58	55.66	PRC2	34.88	19.49	05/25/18	407067	720	
								SEV	0.21					
								ADV	1.04					
								CON	0.04					
03/18	05/18	1593	G RI	M	0.02094180	77.77-	165.83-	FUEL	1.02-	80.06-	06/25/18	407519	730	
								TRN	19.76-					
								GTH1	28.83-					
								GTH2	30.93-					
								SEV	0.85-					
								ADV	4.26-					
								CON	0.12-					
03/18	05/18	1593	G RI	M	0.02094180	77.77	165.83	FUEL	1.02	77.40	06/25/18	407519	740	
								TRN	19.76					
								GTH1	28.83					
								GTH2	33.76					
								SEV	0.82					
								ADV	4.12					
								CON	0.12					
			Well Paid Total			142.36	279.35		128.11	151.24				
			Owner Paid Total			1364.51	2,682.46		1,230.96	1,451.50				
			Owner Total			1364.51	2,682.46		1,230.96	1,451.50				



July 21st 2015

Malinda Morain
Beatty & Wozniak, P.C.
216 Sixteenth Street, Suite 1100
Denver, CO 80202

Grant Brothers Ranch, LLC v. Antero Resources Piceance Basin Corporation and Ursa Operating Company, LLC; Case Number: 2014CV30180

Dear Ms. Morain:

As requested, I have reviewed the Expert Report of Mary Ellen Denomy, dated June 16, 2015, in the referenced case. I hereby submit the following Expert Report in rebuttal to the opinions and conclusions presented in Ms. Denomy's report.

Sincerely,

A handwritten signature in black ink, appearing to read 'Timothy L. Hower'.

Timothy L. Hower, PE
Chief Executive Officer

Based on my review of the Expert Report prepared by Ms. Denomy, and my experience in drilling, completion and production in the oil and gas industry, and the Piceance Basin in particular, I submit the following responses to the opinions and conclusions presented in Ms. Denomy's report:

1. Ms. Denomy suggests on Page 4 of her report that Antero's costs for drilling and completing the Dever C-9 well are "over four times the amount that other producers in the immediate area were paying to drill a well". Her conclusion is based upon a comparison of drilling costs in 2008 reported by Bill Barrett Corporation and WPX versus the drilling costs reported by Antero for their C-9 well. Ms. Denomy's conclusions are incorrect.

Presumably, the drilling costs she references for Bill Barrett Corporation (\$1.6 million) and WPX (\$1.4 million) are costs associated with drilling and completing a well in the Williams Fork formation, which requires a well drilled to a total depth of approximately 8,750 feet. The Antero Dever C-9 well was drilled to a total depth of over 12,000 feet targeting the Mancos formation. Comparing the two wells is analogous to comparing apples and oranges. In contrast to a shallow Williams Fork well, a well drilled to the deeper Mancos formation requires the following:

- Up to 10 days additional rig time due to the deeper drill depth.
- An extra string of intermediate casing to isolate the deeper Mancos intervals from the shallower Williams Fork horizons.
- Numerous additional frac stages to complete the deeper Mancos target intervals.

The above items collectively add millions of dollars to the cost of a deep Mancos well in comparison with a shallower Williams Fork well. This is evident in looking at the Authority For Expenditure ("AFE") pre-drill estimated costs for the Dever C-9 well (Exhibit 1), which was a Mancos well, versus that of the Dixon A-4 well (Exhibit 2), which only targeted the Williams Fork. The estimated pre-drill costs of the C-9 Mancos well are over twice that of the AFE estimated costs for the A-4 Williams Fork well.

Thus, for Ms. Denomy to conclude that Antero has overstated its drilling costs for the Dever C-9 deep Mancos well based on a comparison with drilling costs reported by Bill Barrett Corporation and WPX for their shallower wells is incorrect. One should never expect the two well costs to be similar.

2. Based on my experience, it is my opinion that the AFE costs estimated by Antero as presented in Exhibits 1 and 2 are reasonable and are not overstated. Referring to Exhibit 2, this shows the Antero AFE pre-drill cost estimate of approximately \$2.3 million for a Williams Fork well. While this figure is admittedly higher than the \$1.4 million to \$1.6 million drilling cost estimates quoted by Ms. Denomy from WPX and Bill Barrett Corporation, respectively, I do not think that the Antero AFE estimate is out of line. I have reviewed the line item breakdown of costs in the



Antero AFE, and it is my opinion that these costs are reasonable and justified. Further, it is important to note the following regarding the \$1.4 million and \$1.6 million costs quoted by Ms. Denomy in her report:

- Ms. Denomy states that the referenced costs for the two companies were for “drilling wells”. Thus, there is no way to verify if these costs are understated because they might not have included all or a portion of the well completion costs. Well completion costs associated with hydraulic fracturing alone are significant and often represent up to 30% to 40% of the total well costs. Therefore, if Ms. Denomy’s referenced costs are for drilling costs only, then the true total well costs, once completion costs are included, would likely equal or exceed the Antero AFE estimate. Reference #14 cited in Ms. Denomy’s Expert Report states, “Completing a well in the Piceance Basin can cost up to \$1.2 million”. Those are completion costs only and do not include costs to drill the well. In my opinion, if it is costing \$1.2 million to complete the well, there is no way that the entire total costs to drill and complete the well could be \$1.4 million or \$1.6 million. It would have to be higher than that.
 - Ms. Denomy states that her referenced drilling costs are for “wells in the area”. However, she provides no information as to the depth, the completion interval, or even if these referenced wells are conventional gas wells or perhaps coalbed methane wells instead. Essentially, there is no way to determine if Ms. Denomy’s referenced well costs are valid comparisons to the Antero wells.
 - Table 1 in Reference #15 cited in Ms. Denomy’s Expert Report shows a drilling and completion cost of \$1.9 million for a Williams Fork well in the Piceance Basin. It is curious that Ms. Denomy did not include that higher cost in her range of estimated drilling costs.
 - The 2009 Annual Report from Bill Barrett Corporation shows that the company’s capital expenditures in the Piceance Basin were \$254.8 million for participation in 119 gross wells. That equates to a per well cost of \$2.14 million/well. Again, this number is significantly higher than the well costs suggested by Ms. Denomy.
 - Ms. Denomy’s referenced costs come from documents in the public domain on company websites and in their Annual Reports. Such numbers are generally successful case values, which are presented to be attractive to potential investors. It would be more representative to look at a range of drilling costs incurred by these companies to see what actual costs were for problem wells or wells which encountered unforeseen difficulties during drilling and completion operations.
3. Ms. Denomy states on Page 4 of her report that Antero has listed \$7,071,487.91 of “unsubstantiated expenses for drilling the Dever C-9 well”. I do not know the source of Ms. Denomy’s figure. My review of payout spreadsheets, along with drilling and completion reports from Antero, indicates that the correct figure would be closer to \$6.6 million. Regardless, the amount of money spent on the C-9 well was substantial, and the conclusion drawn by Ms.



Denomy is that this cost, in comparison with \$1.6 million which she considers to be more in line with the trend for drilling costs in the Piceance Basin, demonstrates that Antero's drilling expenses are overstated and unsubstantiated. Ms. Denomy's allegations and conclusions in this particular instance are also incorrect for the following reasons:

- First of all, as stated above in Item 1, it is incorrect to compare the costs of a deep Mancos well with that of a shallower Williams Fork well. Thus, Ms. Denomy should not be using \$1.6 million value as the measuring stick for Antero's drilling expenses. A more accurate number would be the AFE cost estimate for the C-9 well, which is shown in Exhibit 1 as \$4.7 million.
 - Next, we must differentiate between actual expenses incurred in initially drilling and completing the well in 2008 versus additional expenses incurred for recompletion operations several years later designed to increase oil and gas production from the well. Ms. Denomy makes no such differentiation. Her \$7,071,487.91 figure, which in my opinion should be \$6.6 million, includes significant well costs incurred over two years after the well was drilled. These significant additional expenses should not be included if one is attempting to make a comparison of initial drilling and completion costs for wells in a given basin or area.
 - My review of the payout spreadsheets, along with the drilling and completion reports from Antero, shows that the actual costs incurred in 2008 to initially drill and complete the Dever C-9 well were approximately \$5.4 million. This is a cost overrun of less than 15% of the original AFE pre-drill cost estimate. That is not overstated, nor is it out of line. A review of the daily drilling records indicated that the C-9 well was a difficult well to drill with many problems encountered during the drilling operations. These problems included an accident resulting in an injured worker, multiple rig repairs, stuck pipe and hole problems requiring repeated reaming of the well. All of these problems would result in delays and additional costs. Further, none of these problems were the result of anything done by Antero. They were instead the result of faulty equipment and poor operations of the rig crew. Because of this, Antero subsequently released the rig due to the poor performance.
 - The additional approximately \$1.2 million that Ms. Denomy incorrectly includes in her comparison of Antero's initial drilling costs was actually incurred in mid-2010. These were not drilling costs but were costs associated with fishing and recovering tubing lost in the well, and then recompleting the well into shallower hydrocarbon intervals.
4. Ms. Denomy claims on Page 5 of her report that Grant Brothers Ranch, LLC was charged \$620,000 for lease equipment and, after her comparison of information submitted by Antero to the Garfield County Assessor, Ms. Denomy concludes that "This indicates that the amount represented for the surface equipment has been grossly overstated." There are numerous flaws in Ms. Denomy's logic and conclusions in this section of her report as follows:



- Firstly, the \$620,000 referenced by Ms. Denomy was not only for lease equipment. Those costs are for lease and well equipment. The specific items covered by these costs can be seen in the column in Exhibit 1 titled, "Tangible". The costs include several hundred thousand dollars for casing strings run in the C-9 well. They also include costs for tubing run in the well which is required to produce the well. And, the costs also do include surface equipment. However, the important point here is that the majority (well over 50%) of these costs do not pertain to surface equipment, as suggested by Ms. Denomy, but are instead costs related with the well itself.
 - Again referencing Exhibit 1, it is interesting to note that the AFE estimate for the lease and well equipment was \$776,900. Thus, Antero actually was substantially below the AFE estimated costs for lease and well equipment on the C-9 well. The costs are not grossly overstated as claimed by Ms. Denomy. They are actually 20% below AFE estimates.
 - While I do not know the items associated with the \$1,129,500 value referenced by Ms. Denomy in this section of her report, what is clear is that she is once again attempting to draw a conclusion by comparing two values which have nothing to do with one another. The \$1,129,500 figure is presumably associated with some surface equipment installed on numerous wells within Garfield County. However, the figure at issue, \$620,000, is specific to one well, the Dever C-9, and the bulk of that value has nothing to do with surface equipment, but instead reflects costs for well casing and tubing.
5. In reference to the C-9 well, Ms. Denomy further states on Page 5 of her report that Antero acted imprudently to "spend over \$7,000,000 to finish completing this well". She further states that "it would appear that these expenses are inflated as Antero chose to continue completing this well for production". Ms. Denomy's allegations in this section of her report are completely unjustified for the following reasons:
- I have spent over 30 years working in the oil and gas industry in Colorado. Ms. Denomy's description of how Antero went through the process of deciding how much money was spent to "finish completing this well" is absolutely incorrect. As I stated above in Item 3, the actual total costs incurred by Antero to initially drill and complete the C-9 well were \$5.4 million. Of those costs, approximately \$2.0 million were incurred in the drilling operations. That means this money was sunk, or spent, before any data were collected that would allow an engineer or a geologist to make a determination on the success or failure of the new well.
 - After the initial \$2.0 million was spent on the initial drilling of the well, then, and only then, could anyone have been in a position to determine the value of spending additional money to complete the well. Antero obviously elected to go forward with the completion operations, and in so doing incurred an additional \$3.4 million in completion costs and lease/well equipment. Recall that at the point of making this decision, the



\$2.0 million of drilling costs was already sunk. To walk away at this point would have meant a total loss of \$2.0 million.

- Instead, Antero elected to spend more money and to see if they could recoup some of the sunk costs in subsequent oil and gas production. According to Ms. Denomy, on Page 5 of her report, the well has produced a gross income of more than \$5.6 million through March 2015. Thus, after \$2.0 million was sunk on the drilling of the C-9 well, Antero elected to place an additional bet of \$3.4 million on the well. According to Ms. Denomy, that \$3.4 million bet returned over \$5.6 million of gross income. That does not sound like an imprudent decision to me. In my opinion, Antero's actions were well thought out and prudent. Their decision to continue completing the well for production did not inflate expenses as alleged by Ms. Denomy. Rather, that decision allowed Antero to recover a significant amount of money that otherwise would have been lost.

6. Ms. Denomy's concluding opinion on Page 5 of her Expert Report is that the Dever C-9 well may have already reached payout and that the Grant Brothers Ranch, LLC should be receiving 16.7534437% of the income earned from the well. That conclusion is incorrect. I have analyzed the payout spreadsheets for the Dever C-3, C-4, C-7, C-8 and C-9 wells. In my opinion, the documentation which I was provided to conduct my analysis is consistent with industry standards for information that is compiled and provided in the normal course of generating payout calculations and making payout statements. I have run economic analyses on the future income that will be generated from the wells. These economic calculations included projections of future gas, oil and natural gas liquids which will be produced by the wells (refer to Exhibits 3 through 7, revenues associated with the hydrocarbon production using forward NYMEX forecasts, and projected operating expenses, taxes, and royalties. The results of my analysis, which are shown in Exhibit 8, indicate that none of the referenced wells have reached payout status. Further, my analysis indicates that none of the referenced wells will ever reach payout status where Grant Brothers Ranch, LLC will be able to receive payment for their 16.7534437% interest.



Documents Reviewed in Preparing this Report

1. Payout statements for wells C-3, C-4, C-7, C-8, and C-9 provided by Ursa effective as of May 31, 2015
2. Oil and gas production data for wells C-3, C-4, C-7, C-8, and C-9 downloaded from IHS
3. Antero AFEs for wells C-7, C-9, and Dixon A-4
4. Offset production data for Williams Fork and Mancos producing wells downloaded from IHS
5. Sales Summary Sheet for C-3 well provided by Ursa
6. NYMEX Price Forecast as of June 2, 2015
7. Information on NGL ratios and pricing provided by Ursa
8. Working Interest and Net Revenue Interest before and after payout provided by Ursa
9. Daily drilling reports for wells C-3, C-4, C-7, C-8, and C-9
10. Daily completion and workover reports for wells C-3, C-4, C-7, C-8, and C-9
11. N.A., October 2, 2001, *Piceance Basin might become very well recognized*, Alexander's Gas and Oil Connections,
http://www.gasnadoil.com/news/n_america/4d927b4f72182a4b57bf05c0d1265e7e
12. Godec, Michael; Van Leeuwen, Tyler; Kuuskraa, Vello; July 24, 2007, *Economics of Unconventional Gas*, OGJ Unconventional Gas Article #5, JAF27107.DOC
13. Bill Barrett Corporation 2009 Annual Report
14. Expert Report of Mary Ellen Denomy, CPA, MBA, June 16, 2015



ANTERO RESOURCES CORPORATION

Authority for Expenditure

Prospect	DIXON	Field	Mammi Creek Field	PICANCE BASIN
Well Name/No	DIXON A-4	Formation	Williams Fork / lee	
Orig. Contractor	Garfield/CO	Permitted Total Depth	8,750' MD	API No
Location	SHL	Estimated Total Depth	1 407 FNL 525 FWL (N/2 18-83-82W)	Drilling Permit No
Elevation	GL			AFE No DIXON A-4

DRILLING COSTS (BCP)					
Account	Category	Description	Intangible	Tangible	Total
830010	Legal		0		0
830020	Surface Damages	Surface Damages	5,000		5,000
830030	Survey & Stake Location	Survey / Staking Location	1,500		1,500
830050	Roads / Gravel / Culvert	Build Road to Location	5,000		5,000
830060	Prop / Planning by Engineer	Drilling & Completion Procedures / AFE	5,000		5,000
830070	Location Preparation	Build Location	15,000		15,000
830080	Rig Transport	Drilling Rig Mobilization	20,000		20,000
830090	Rig Fuel	Fuel, Oil & Power	70,000		70,000
830100	IDC Drilling - Daywork	18 days @ \$17,500	315,000		315,000
830120	IDC Drilling - Other	2 day MIRU @ \$17,500	35,000		35,000
830140	Rat Hole & Mouse Hole	Rathole/Mousehole/Collar	15,000		15,000
830145	Cement Conduits	Cementing of Conductor Casing	10,000		10,000
830150	Cement Surface Casing	Cement / Cementing Services	25,000		25,000
830160	Surface Casing Crew & Tools	Surface Casing Crew	3,000		3,000
830170	Welding Surface Casing & Shoes	Welding Services	5,000		5,000
830180	Geologic Services/Mudlogging/Passes	18 days @ \$750/day	13,500		13,500
830190	Water (Drilling & Cementing)	Drilling Water & Fluids (Cementing)	5,000		5,000
830200	Drilling Fluids, Mud & Chemicals	Mud & Chemicals	50,000		50,000
830210	Permits/Fees	Permits, Fees	300		300
830230	Bonds and Insurance	8,750' @ \$0.77/foot	6,738		6,738
830250	Contract Drilling Supervision	20 days @ \$1,250/day	25,000		25,000
830270	Equipment Rental	Rental Tools / Equipment	105,000		105,000
830280	Materials and Supplies	Liners & Temporary Fencing	5,000		5,000
830310	Bits and Biters	(1) 12-1/4" PDC, (3) 7-7/8" PDC Bits	35,000		35,000
830320	Contract Services/ Replacements Drilling	Contract Services / Labor	35,000		35,000
830330	Mud Disposal & Cuttings	Heat Drilled Cuttings	20,000		20,000
830340	Trucking/Hauling	Trucking & Hauling	25,000		25,000
830350	Open Hole Logs	Open Hole Logging	0		0
830370	Drilling Fluid Overhead		0		0
830430	Miscellaneous Expense/Supplies	Materials & Supplies	10,000		10,000
830480	Directional Drilling Tools	Tools, Supervision, Surveys	134,800		134,800
TOTAL DRILLING COSTS			\$951,838	0	\$951,838

COMPLETION COSTS (ACP)					
Account	Category	Description	Intangible	Tangible	Total
840040	Completion Unit Daywork	8 days @ \$5,000/day	30,000		30,000
840050	Contract Completion Supervision	10 days @ \$1,000/day / 10 @ \$500/day	15,000		15,000
840060	Production Cement	Production Cement & Fleet Equipment	50,000		50,000
840070	Production Casing Crew & Tools/LM	Casing Crew	14,000		14,000
840080	Fuel and Power	Fuel and Power	2,500		2,500
840090	Cased Hole Log/Perforate	Logging & Perforation	60,000		60,000
840100	Rock Loss work	Plugging Plugs	2,500		2,500
840110	Roads & Location & Pit Restoration	Restore location / Pit Restoration	5,000		5,000
840120	Pulling Trucks & Equipment	Pulling Trucks & Equipment	2,500		2,500
840130	Frac Treatment	Includes frac treatment & chemicals	600,000		600,000
840135	Frac Testing/Analysis	Frac Testing/Analysis (Tracer Studies)	0		0
840140	Equipment Rental	Water Transfer, BOP & Shovel Rental	15,000		15,000
840150	Trucking & Hauling	Trucking & Hauling	5,000		5,000
840160	Water (Frac Stimulation & Cementing)	Frac Water & Cementing Water	5,000		5,000
840170	Parts/Supplies/Bits		2,500		2,500
840180	Contract Services / Labor	Contract Services / Labor	25,000		25,000
840190	OEE Insurance	8,750' @ \$0.66'	5,775		5,775
840240	Heat Frac & Flowback Tank	Heat Frac Water & Flowback Tank (Winter)	0		0
840250	Frac Tank Rental	Frac Tank Rental	30,000		30,000
840260	Flowback, Haul & Disposal	Flowback, Haul & Disposal	20,000		20,000
840300	Swabbing	Swabbing	0		0
840350	Fixed Rate CCIPAS Overhead	Completion - Administrative Overhead	5,000		5,000
840360	Flowback well testing	Includes light plant, test, hookup & aqu	25,000		25,000
840390	Miscellaneous Expense/Supplies	Miscellaneous	5,000		5,000
850005	Conductor Casing	75' of 18" Conductor (Included in 830 140)		0	0
850010	Surface Casing (New)	950' of 5-5/8" 240/30# BT&C R-3 Casing		14,250	14,250
850030	Production Casing	8,750' - 5-1/2" 178 P-110 LT&C R-3 Casing		132,125	132,125
850040	Tubing (New)	8,750' - 2-3/8" 4 7/8 N-80 EUE R-3 Tubing		40,250	40,250
850050	Flowline/Installation	Installation of Flow Lines		15,000	15,000
850060	Wellhead Assembly	Bridon head, "B" Section and SK Tree		15,000	15,000
850080	Fittings & Valves, Controls	FPGS, Valves, Controls		25,000	25,000
850100	Production Unit	Three Phase Production Unit		23,000	23,000
850130	Oil Tank	300 BBL Oil Tank		7,500	7,500
850140	Water Tank	300 BBL Water Tank		7,500	7,500
850155	Production Unit Installation	Installation of Production Unit		7,500	7,500
850160	Tank Battery/Header Installation	Steel Tank/Battery/Install		7,500	7,500
850190	Line Heater	Combustion Unit		5,000	5,000
850200	Anchors	Anchors for completion rig		1,200	1,200
850220	Gas Metering	Total Flow Installation		15,000	15,000
850290	Downhole Equipment			0	0
850370	Fence / Cattleguard / Culvert	Fences / Cattleguard / Culverts - Install		2,500	2,500
850390	Misc. Downhole Equip	Profile Nipples, Pump Sub, Composites		25,000	25,000
TOTAL COMPLETION COSTS			\$48,778	\$445,325	\$494,103
Total Estimated Intangible Cost			\$1,840,613		
Total Estimated Tangible Cost				\$445,325	
TOTAL ESTIMATED WELL COST					\$2,285,938

WI Owner Approval

Signature

Name

Title

Date

Prepared by: Steve Fortenot

Signed

[Signature]

Antero Resources Corporation will carry operators extra expense (OEE) well control insurance for all parties electing to participate in the drilling and/or completion of this well, unless advised otherwise at the time this form is executed. Costs shown on this form are estimates only. Non-operators should not consider these estimates as establishing any limits on the monies which will be required to perform the proposed operation.

Exhibit 2: Dixon A-4 AFE



MHA Petroleum Consultants LLC

Malinda Morain
July 21, 2015
Page 9

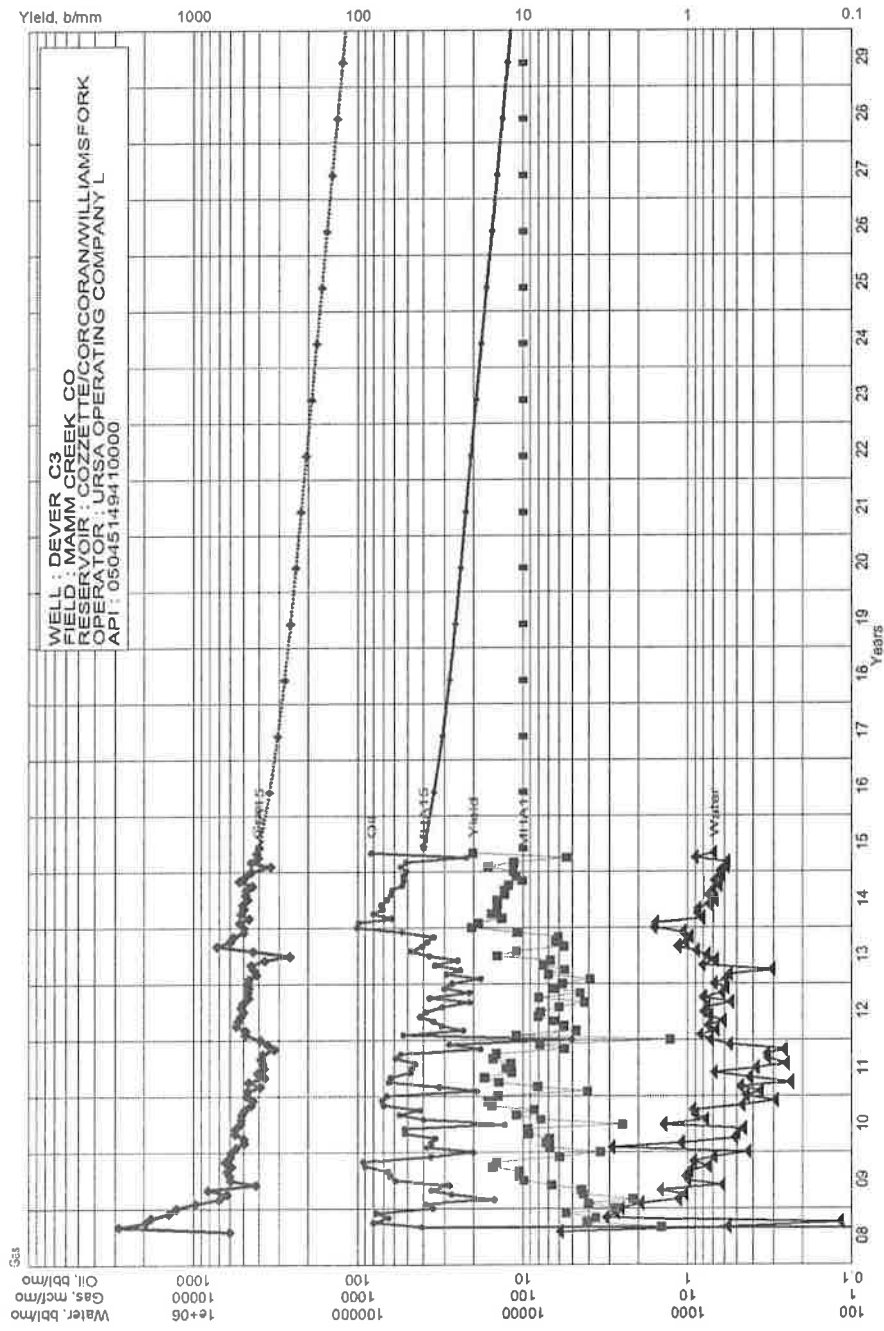


Exhibit 3: Dever C-3 Rate-Time Production Forecast

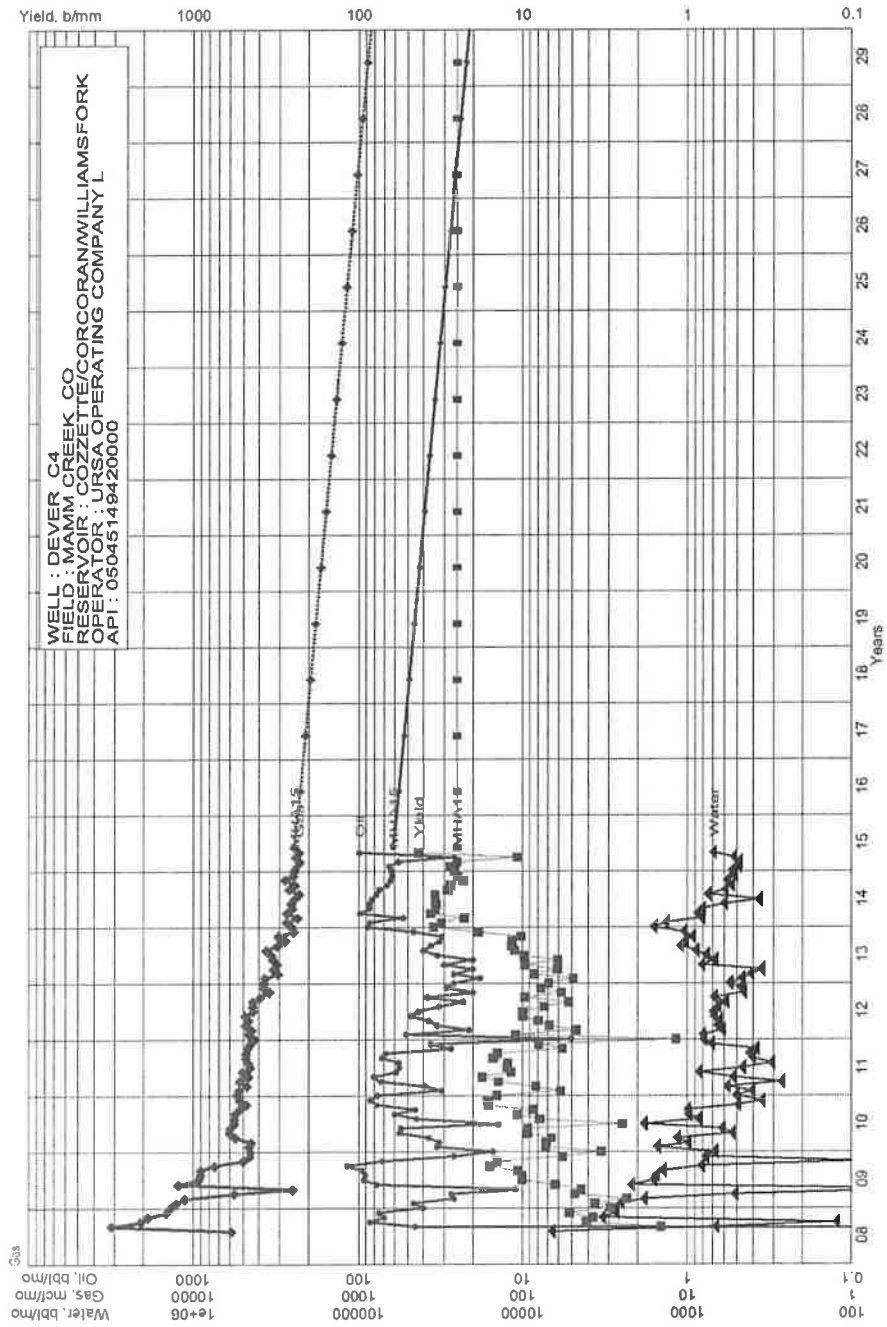


Exhibit 4: Dever C-4 Rate-Time Production Forecast

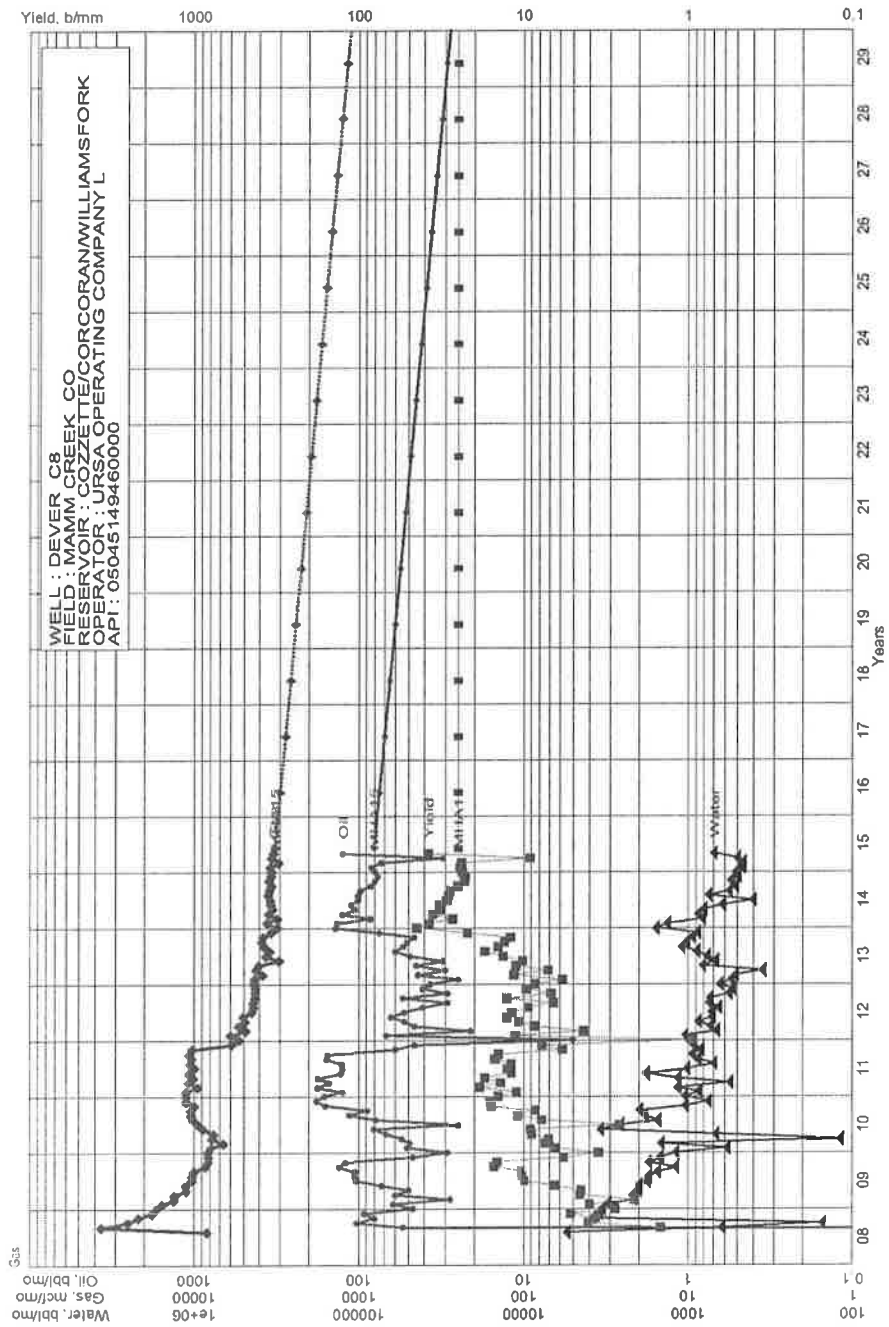


Exhibit 5: Dever C-8 Rate-Time Production Forecast

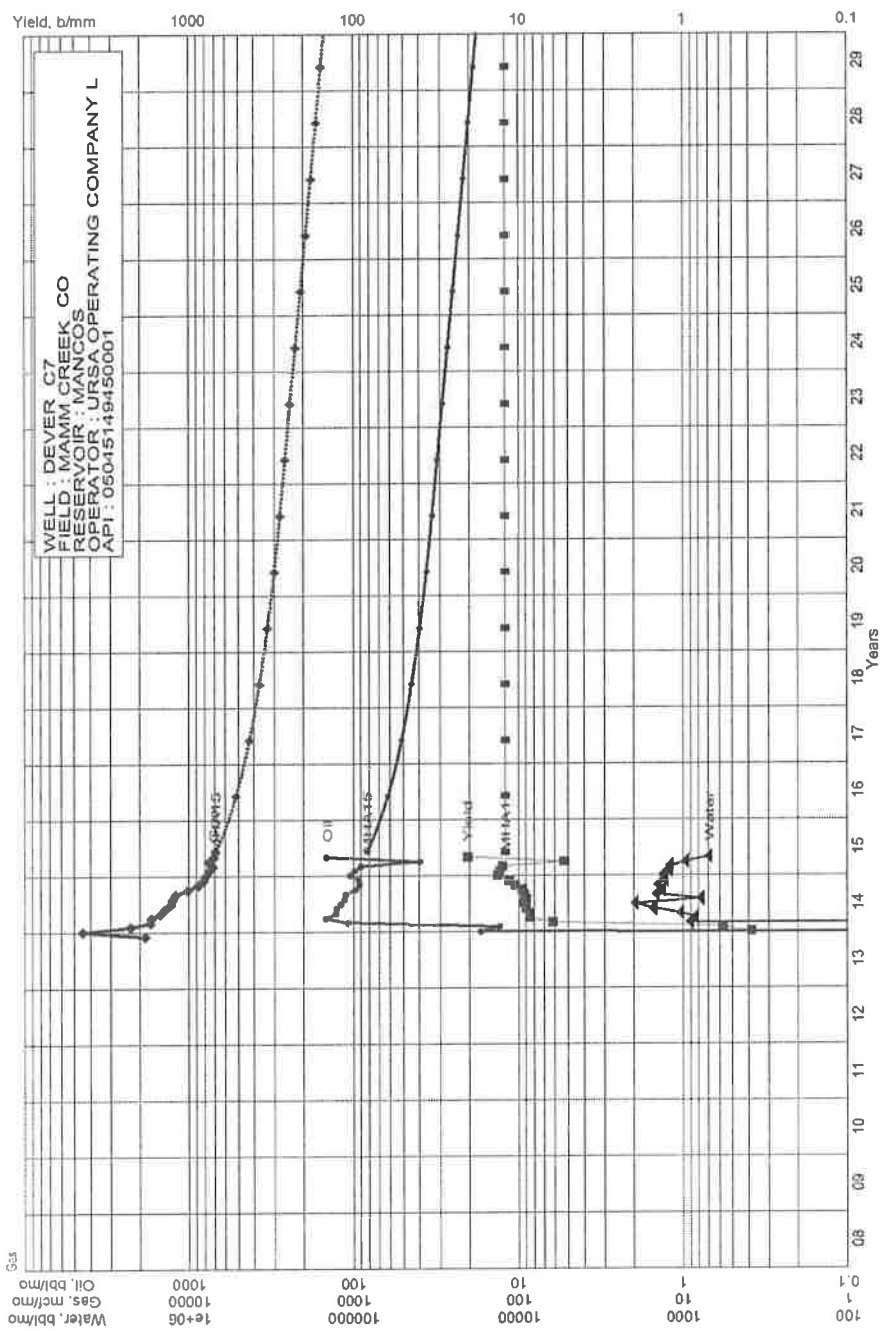


Exhibit 6: Dever C-7 Rate-Time Production Forecast

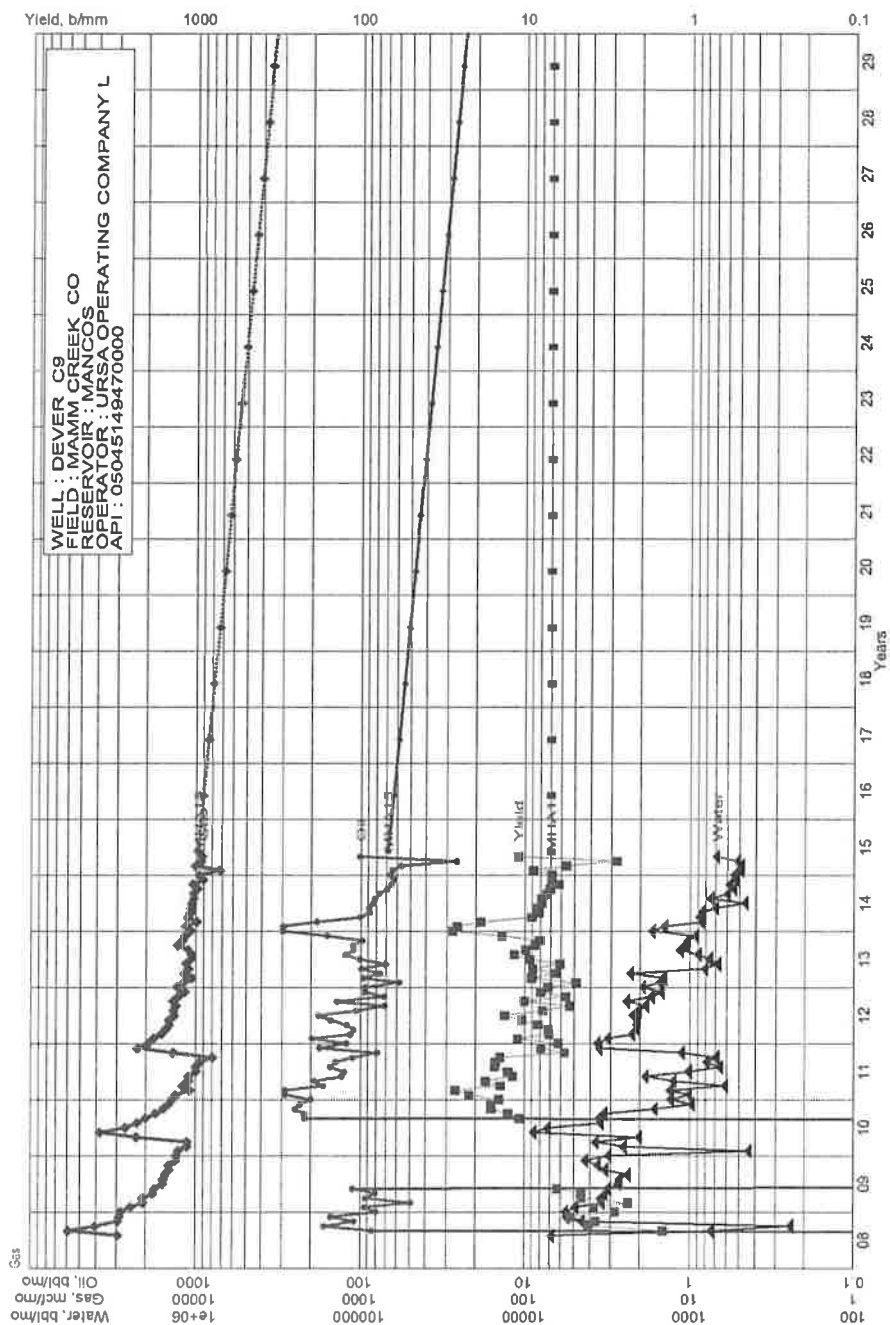


Exhibit 7: Dever C-9 Rate-Time Production Forecast

	Gross Payout Balance as of 05/31/2015	Projected Gross Undiscounted Future Cashflow from 06/01/2015
C3	5,720,839	75,235
C4	3,856,329	98,281
C8	8,228,114	351,828
C7	13,443,741	509,103
C9	10,311,593	1,474,836

Exhibit 7: Gross Undiscounted Cashflow comparison to Gross Payout Balance

TIMOTHY L. HOWER, P. E.
Chief Executive Officer

MHA Petroleum Consultants LLC

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Phone: +1 303 277 0270
Mobile: +1 303 204 0220
e-mail: thower@mhausa.com



EDUCATION

- B. S., Petroleum Engineering, Penn State University, 1981
- M. S., Petroleum Engineering, Penn State University, 1983

PROFESSIONAL PROFILE

In excess of thirty years of petroleum engineering evaluation experience including:

- Supervision/Project Management of technical studies including
 - Independent Expert on major international equity redetermination projects, mergers and acquisitions, arbitrations, and joint venture field development programs.
 - Integrated geological modeling, reservoir characterization and numerical simulation studies conducted worldwide.
 - Evaluation, assessment and field development planning for shale gas and shale oil reservoirs in the US, Europe, China, South Africa and Australia.
 - Reserve valuations, equity studies and acquisition due diligence of major oil and gas assets located in the domestic US and worldwide.
- Evaluation and optimization of underground gas storage projects located in the U.S., Europe and Australia. Conducted industry training courses on reservoir engineering of underground gas storage reservoirs, and co-authored an industry textbook on gas storage reservoir management.
- Unconventional gas reservoir development (coalbed methane, shales, tight gas). Authored and presented industry training courses on coalbed methane and tight gas reservoirs.
- Black oil, compositional, and unconventional reservoir simulation studies (North/South America, Europe, Africa, Australia, New Zealand and China).
- Exploration, exploitation and infill development of oil and gas reservoirs.
- Design and management of waterflood and tertiary recovery programs.
- Design and implementation of pressure transient testing programs for reservoir characterization and evaluation.

- Development and instruction of reservoir engineering, production optimization and reservoir simulation industry training courses offered through OGCI-Petroskills.
- Manager of software client support and instruction of training courses for the ECLIPSE suite of software products.
- Expert witness testimony and testimony before various regulatory commissions.

Registered Professional Engineer: Colorado, Wyoming U.S.A.

WORK EXPERIENCE

MHA PETROLEUM CONSULTANTS, LLC., Denver, Colorado:

(July, 1997 - Present) **CEO and Petroleum Engineering Consultant**

Responsible for the day to day operations of an organization of approximately 25 people with active engineering projects throughout the world. In charge of staff development, staff recruitment, development of new business and new business contacts, as well as maintaining relationships with the company's existing client base. Project Manager of numerous engineering consulting projects worldwide. Instruction and development of industry training courses.

ENRON OIL & GAS COMPANY, Denver, Colorado and Houston, Texas:

(October, 1995 to June, 1997) **Engineering Manager**

In charge of a staff of reservoir, production engineers, and support personnel. Responsible for property evaluations, exploration and exploitation drilling programs, secondary recovery design and implementation, reservoir simulation studies, reserve and acquisition evaluations, and annual budgeting and forecasting for EOG's largest division.

INTERA Petroleum Division, Denver, Colorado:

(October, 1990 to September, 1995) **Sr. Manager, E&P Studies; Consulting Engineer**

Manager of the North American consulting group which included a staff of more than 30 geologists, geophysicists, petrophysicists and engineers. Responsible for staff development, staff recruitment, and profit/loss for Intera's largest global consulting group. Provided engineering, simulation and software support services for clients in North and South America, Europe, Africa, Australia and China.

CNG Development Company, Pittsburgh, Pennsylvania:

(October, 1988 to September, 1990) **Staff Engineer**

Management of oil and gas properties in conventional and unconventional (tight sands, shales, and coalbed) reservoirs. Production forecasting, field optimization, reserve estimates, formation evaluation, and depletion and drainage studies.

TENNECO OIL Exploration and Production, Denver, Colorado:

(June, 1983 to September, 1988) **Senior Reservoir Engineer**

Responsible for management of oil and gas properties in the Rocky Mountain Region. Unitization studies for several enhanced recovery projects in North Dakota. Lead engineer for Tenneco's significant interests in the San Juan Basin of New Mexico.

PROFESSIONAL MEMBERSHIPS

- Elected in 2015 as a Society of Petroleum Engineers (SPE) Distinguished Member.
- C. Drew Stahl Distinguished Alumni Achievement Award presented by the Pennsylvania State University, April 2011.
- Chairman – Denver Section of the SPE; 2001/2002.
- SPE *Henry Matson Technical Service Award*, May 2000, for innovative contributions in the field of engineering in gas reservoirs.
- Chairman; SPE Reprint Series on Layered Reservoirs
- Editor; SPE Reprint Series on Reservoir Management
- Professional Engineering Registration Committee
- General Chairman, 1993 SPE Low Permeability Reservoirs Symposium
- Program Chairman, SPE Low Permeability Reservoirs Symposium (1995, 1998, 2000)
- SPE Gas Technology Committee; SPE Reprint Series Committee
- SPE Distinguished Lecturer Selection Committee
- General Chairman; 2005 SPE Rocky Mountain Technical Conference

PUBLICATIONS

1. Sipeki, J. and Hower, T.L., "Impact of Operator's Best Practices, Completion Design and Well Density on Projected Ultimate Recoveries of Horizontal Bakken Wells in Williams County, North Dakota", to be presented at the 2013 Unconventional Resources Technology Conference (URTeC), Denver, Colorado, 12-14 August.
2. Aldrich, J., Hower T.L., and Sipeki, J., "Assessing and Advancing a CBM Resource Play Towards Commerciality – A Case Study From the UK; PEDL 159 Solway Basin", presented at the AAPG 2012 International Convention, Singapore, September 2012.
3. "Certification of Reserves and Resources for CSG Assets", workshop presented at the Asia Pacific CBM Forum, 8 May 2011, Brisbane.
4. "Modeling Unconventional Gas Reservoirs", workshop presented 20-21 February 2010, Adelaide, Australia.
5. "Performance Evaluation of CSG Reservoirs", workshop presented 17-19 February 2010, Brisbane, Australia.
6. "Reservoir Aspects of Unconventional Gas Resources: Coalbed Methane, Shales and Tight Gas", workshop presented at the SMi Unconventional Gas Conference, London, April, 2009
7. "Coalbed Methane Geology, Engineering and Reserves", workshop presented January, 2009, Kuala Lumpur, Malaysia.
8. "Coalbed Methane – Progressing from Resource to Reserves", workshop presented at the SMi Unconventional Gas Conference, London, March, 2008

9. "Coalbed Methane Reserves Workshop", Brisbane, Australia, 2008
10. "Recent Developments in Forecasting Coal Seam Methane Production", presentation for the Brisbane, Australia SPE Section, 15 February 2005.
11. "A U.S. Perspective. Forecast for the Future – Reliability of Supply and Deliverability of Coal Seam Methane Resources", presentation at the December 2003 Australian CBM Conference in Brisbane.
12. Hower, T.L., "Coalbed Methane Reservoir Simulation: An Evolving Science," paper SPE 84424 presented at the 2003 SPE Annual Technical Conference and Exhibition, Denver, Colorado, 5-8 October.
13. Hower, T.L., Jones, J.E., Goldstein, D., Harbridge, W.: "Development of the Wyodak Coalbed Methane Resource in the Powder River Basin," paper 84428 presented at the 2003 SPE Annual Technical Conference and Exhibition, Denver, Colorado, 5-8.
14. Gas Reservoir Management, Applied Reservoir Engineering, Reservoir Engineering for Others; technical training manuals for OGCI/Petroskills industry training courses; 2001/2002.
15. *Principles of Reservoir Engineering and Reservoir Engineering Mechanisms*, technical training manuals for British Petroleum Corp., Sunbury, UK; 1999.
16. *Managing Water-Drive Gas Reservoirs*, co-author of the textbook published by the Gas Research Institute, Chicago, Ill, 1993.
17. *Gas Reservoir Management and Gas Reservoir Modeling*, technical training manuals for Amoco Production Company, Houston, Texas, 1993.
18. Hower, T.L., Fugate, M.W., and Owens, R.W.: "Improved Performance in Aquifer Gas Storage Fields Through Reservoir Management", paper SPE 26172 presented at the 1993 Gas Technology Symposium, 28-30 June, 1993, Calgary, Alberta.
19. Hower, T.L., and Owens, R.W.: "Reservoir Management of a Gulf Coast Water-Drive Gas Field", presented at the 1992 International Gas Research Conference, 16-19 November, Orlando, Florida.
20. Hower, T.L., Lewis, D.R., and Owens, R.W.: "Recovery Optimization in a Multi-reservoir Offshore Gas Field with Water Influx", paper SPE 24865 presented at the 1992 SPE Annual Technical Conference and Exhibition, 4-7 October, Washington, D.C.
21. Hower, T.L., and Decker, M.K.: "Identifying Recompletion Candidates in Stratified Gas Reservoirs", presented at the 1992 Mid-Continent Gas Symposium, 13-14 April, Amarillo, Texas.
22. Hower, T.L. and Jones, R.E.: "Predicting Recovery of Gas Reservoirs Under Water-Drive Conditions", paper SPE 22937 presented at the 1991 SPE Annual Technical Conference and Exhibition, 6-9 October, Dallas.
23. Hower, T.L.: "Using Depletion Ratios to Select and Evaluate Drilling Locations in Naturally Fractured Gas Reservoirs", paper SPE 20758 presented at the 1990 SPE Annual Technical Conference and Exhibition, 23-26 September, New Orleans.

24. Hower, T.L. and Collins, R.E.: "Detecting Compartmentalization in Gas Reservoirs Through Production Performance", paper SPE 19790 presented at the 1989 SPE Technical Conference and Exhibition, 8-11 October, San Antonio

TIMOTHY HOWER EXPERT WITNESS TESTIMONY

- *McMurry Oil Company, et al v. TBI Exploration, Inc., et al.* Civil No. 5882, 9th Judicial District, Sublette County, Wyoming (Expert report of Timothy L. Hower dated September 30, 1999.)
- *Brian Hughes v. S2-Waterside Partners, LLC, et al.* Denver District Court (Expert report of Timothy L. Hower dated May 22, 2000.)
- *Windswept Limited Partnership v. Lance Oil & Gas Company, et al.* Civil No. 22869, District Court, Campbell County, Wyoming (Expert report of Timothy L. Hower dated February 16, 2001.)
- *Barrett Resources Corporation and Lance Oil & Gas Company, Inc. v. Westport Oil and Gas Company, Inc.,* Denver District Court, Case No. 00CV6937, Courtroom 6 (Expert Report of Timothy L. Hower dated February 16, 2001.)
- *Emerald-Frontier Company v. Williams Production RMT Company.* Rock Ridge CBM Arbitration. CPR Non-Administered Arbitration (Timothy L. Hower provided technical support for the expert report of Gregory B. Hueni dated April, 2003.)
- *David A. Crossland v. Shirley Koehler* Case 98 DR 30, Yuma County District Court, Brush, Colorado (Expert report of Timothy L. Hower dated February 20, 2004.)
- *In the matter of an Arbitration under the Commercial Arbitration Act 1986 (SA) and A Price Review Arbitration under the 2002 SACB Gas Supply Agreement and In the matter of an Arbitration under the Commercial Arbitration Act 1986 (SA) and A Price Review Arbitration under the 2002 SWQ Gas Supply Agreement between Santos Limited & the other Producers and AGL Wholesale Gas Limited and The Australian Gas Light Company.* (Expert report of Timothy L. Hower dated June 2006 with additional testimony in 2009)
- *Levisa Coal Company v Consolidation Coal Company.* In the Circuit Court for the County of Buchanan, Virginia. (Expert report of Timothy L. Hower dated March 2009)
- *Howell Petroleum Corporation v. Williston Interstate Pipeline Company.* Wyoming Fifth Judicial District, Case No. 24024 (Expert report of Gregory B. Hueni, P.E. and Timothy L. Hower, P.E. dated September 15, 2008. Expert report of Timothy L. Hower, P.E. dated April 27, 2009)
- *Yukon Pocahontas Coal Company, Buchanan Coal Company, and Sayers-Pocahontas Coal Company v Consolidation Coal Company, Island Creek Coal Company, CNX Gas Company, and Consol Energy, Inc.* In the Circuit Court for the County of Buchanan, Virginia. (Expert report of Timothy L. Hower dated June 2010)
- *Warren Stephen Wuther, as successor trustee under the Harry H. Stevick Revocable Trust v. Maxim Drilling and Exploration, Inc, Chevron U.S.A. Inc., Burlington Resources Oil & Gas Company LP, et al.* In the District Court of Converse County, Wyoming, Eighth Judicial District. (Affidavit of Timothy L. Hower dated July 2011)

- *Omni Laboratories Inc. v. Eden Energy Limited.* In the High Court of Justice, Queens Bench Division, Technology and Construction Court, London, England. (Expert report and testimony of Timothy L. Hower dated October 2011)
- *Vector Gas Contracts Limited and Vector Gas Limited v. Shell (Petroleum Mining) Company Limited and Todd Petroleum Mining Company Limited.* An Arbitration Before Hon M McHugh AC QC, J Sheahan QC and Professor Lew Evans, Wellington, New Zealand. (Expert Brief of Evidence submitted 30 March 2015. Expert testimony given May 2015)..
- *Jeff Locker and Rhonda Locker v. EnCana Oil & Gas (USA) Inc.* In the District Court, Fremont County, Wyoming; Ninth Judicial District. June 2015.
- *Dianna Graham, et al. v. Consolidation Coal Company et al.* In the United States District Court for the Western District of Virginia, Abingdon Division. (Expert report submitted in May 2015; deposition taken in July 2015, trial date is scheduled for December 2015).
- Over 100 appearances as an Expert witness in hearings before:
 - Wyoming Oil and Gas Commission
 - Illinois Commerce Commission
 - North Dakota Industrial Commission
 - New Mexico Oil and Gas Commission
 - Colorado Oil and Gas Conservation Commission
 - Texas Railroad Commission
 - Texas Air Quality Control Board
 - West Virginia Oil and Gas Commission
 - Northern Territory Department of Minerals and Energy (Australia)
 - Western Australia Department of Minerals and Energy (Australia)

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

IN THE MATTER OF GRANT BROTHERS
RANCH, LLC'S APPLICATION FOR AN ORDER
FOR ACCOUNTING ON DEVER C9 WELL (API 05-
045-14947) IN THE WILLIAMS FORK/ILES
FORMATIONS LOCATED IN THE MAMM CREEK
FIELD AREA, GARFIELD COUNTY, COLORADO

CAUSE NO. 191

ORDER NOS. 191-40 and 191-51

APPLICATION for HEARING

Grant Brothers Ranch, LLC ("Grant Brothers"), by and through undersigned counsel of Dufford, Waldeck, Milburn & Krohn, LLP, submits this Application to the Colorado Oil and Gas Conservation Commission (the "Commission"), and requests an Order directing Ursa Operating Company, LLC ("Ursa") to provide an appropriate accounting and to pay amounts past due with respect to the Grant Brothers' mineral interests in the Williams Fork / Iles Formation Unit. In support of this Application, Grant Brothers state as follows:

INTRODUCTION

Grant Brothers is filing this Application due to Ursa's continued failure and refusal to provide accurate monthly reporting, and continued failure to properly make payments of proceeds from the sale of gas and associated hydrocarbons to Grant Brothers. Grant Brothers were involuntarily pooled, and as such have a nonconsenting working interest in the Dever C-9 Well in Garfield County (API No: 05-045-14947), which is operated by Ursa. As detailed below, Grant Brothers have made written requests to Antero and then to Ursa to properly account, and filed a district court action against Antero and Ursa, prior to requesting a hearing before the

Commission. To date, Ursa has consistently refused to provide an appropriate payout and income accounting, and instead has continued to include expenses incurred for the pilot well drilled into the deeper Mancos Group Formation in its payout accounting. By adding these inappropriate expenses, and assessing the statutory penalty to the costs incurred from the drilling of the unsuccessful pilot well into the Mancos Group Formation, Ursa has fraudulently maintained that the portion of the Dever C-9 Well drilled in the Williams Fork / Iles Formation has never reached payout. As a result of Ursa's contention that the Dever C-9 Well has not reached payout, and due to other accounting misrepresentations and inaccuracies, Ursa has not properly paid the income due to the Grant Brothers for the extraction of Grant Brothers' minerals.

JURISDICTION AND PARTIES

1. Jurisdiction is proper in the Commission pursuant to C.R.S. §34-60-116 and the Colorado Court of Appeals' ruling in *Grant Brothers Ranch, LLC v. Antero Resources Piceance Corporation and Ursa Operating Company, LLC*, 2016 WL 7009138 (Colo. App. 2016).

2. Grant Brothers Ranch, LLC is a Colorado company with its principal place of business in Garfield County, Colorado. Grant Brothers own unleased minerals in the N ½ of Section 18, Township 6 South, Range 92 West, 6th PM that are subject to Order No. 191-40 (spacing) and Order No. 191-51 (involuntary pooling).

3. Ursa Operating Company, LLC is a Delaware corporation with its principal place of business in Lakewood, Colorado. Ursa is the operator of the Dever C-9 Well. Ursa is the successor to Antero Resource Piceance Corporation ("Antero").

BACKGROUND FACTS AND STATUTES

Williams Fork / Iles Formation Unit

4. On or about November 27, 2006, the Commission, pursuant to an application filed by Antero, issued Order No. 191-40 establishing a drilling and spacing unit within the N 1/2 of Section 18, Township 6 South, Range 92 West, 6th PM, for the Williams Fork / Iles Formation ("Williams Fork / Iles Formation Unit").

5. On or about May 18, 2007, Antero filed an application for an Order to involuntarily pool Grant Brothers as a non-consenting interest in the Williams Fork / Iles Formation Unit.

6. On or about July 23, 2007, this Commission, pursuant to Antero's application, issued Order No. 191-51, which involuntarily pooled Grant Brothers as non-consenting interests in the Williams Fork / Iles Formation Unit.

7. Ursa produces natural gas and related hydrocarbons from wells drilled into the Williams Fork / Iles Formation Unit, including the Dever C-9 Well.

8. Grant Brothers is an involuntary "non-consenting owner," pursuant to C.R.S. § 34-60-116, in the Dever C-9 Well in the Williams Fork / Iles Formation Unit.

Mancos Group Formation Unit

9. On January 13, 2009, the Commission issued Order No. 191-60, which among other things, established a drilling and spacing unit, consisting of the described lands within the N1/2 of Section 18, Township 6 South, Range 92 West, 6th P.M., for the production of gas and associated hydrocarbons from the Mancos Group Formation, which is comprised of the stratigraphic equivalent of the Mancos Shale, the Niobrara Formation, and the Mowry Shale ("Mancos Group Formation Unit").

10. On May 11, 2009, Antero sent a Well Proposal / Offer to Lease to Grant Brothers to "test the Mancos Group Formation as defined by COGCC Order Nos. 191-60 . . ." Option 1 provided in part that:

Because your unleased interests are subject to COGCC compulsory pooling Order No. 191-51 for the Williams Fork and Iles Formations, your ability to participate would only apply to production obtained from the Mancos Group Formation.

(Exhibit 1).

11. On or about May 26, 2009, Antero filed an application to involuntarily pool Grant Brothers as a non-consenting interest into the Mancos Group Formation Unit.

12. On or about July 22, 2009, the Commission, pursuant to an application by Antero, entered an Order involuntarily pooling Grant Brothers as a non-consenting interest in the Mancos Group Formation Unit (Order No. 191-67). (Exhibit 2)

Payment and Accounting under Statutes and Orders

13. C.R.S. § 34-60-116(7)(c) provides that Grant Brothers “shall be deemed to have a landowner’s proportionate royalty of twelve and one-half percent until such time as the consenting owners recover, only out of the nonconsenting owner’s proportionate seven-eighths share of production, the costs specified in paragraph (b) of this subsection (7).”

14. C.R.S. § 34-60-116(7)(c) also provides that: “After recovery of such costs, the nonconsenting owner shall then own his proportionate eight-eighths share of the well, surface facilities, and production and then be liable for further costs as if he had originally agreed to drilling of the well.” The term “payout” is used to describe the point at which the initial well costs have been recovered.

15. Pursuant to C.R.S. §34-60-116(8):

The operator of a well under a pooling order in which there is a nonconsenting owner shall furnish the nonconsenting owner with a monthly statement of all costs incurred, together with the quantity of oil or gas produced, and the amount of proceeds realized from the sale of production during the preceding month.

16. Order No. 191-51 for the Williams Fork / Iles Formation Unit and Order No. 191-67 for the Mancos Formation Group Unit both specifically require payment to be made by the operator to Grant Brothers under C.R.S. § 34-60-116(7) and a monthly accounting of all costs incurred and amount of proceeds realized from the sale of production during the preceding month.

Operator Actions

17. The Authority for Expenditure for the proposed first well in the Williams Fork / Iles Formation Unit, provided a total estimated well drilling and completion cost of \$2,283,938 (Exhibit 3 – AFE submitted to support involuntary pooling request in Williams Fork / Iles Formation Unit).

18. In comparison, the Authority for Expenditure for the Dever C-9 Well into the Mancos Group Formation Unit provided a total estimated well drilling and completion cost of \$4,703,200 (Exhibit 4 – AFE for the Dever C-9 Well into the Mancos Group Formation Unit).

19. By including the additional drilling and completion costs in the Mancos Group Formation Unit, into the payout calculations for the Williams Fork / Iles Formation Unit, along with applying the statutory penalty to those costs, Ursa has more than quadrupled the expenses that should be associated with the Williams Fork / Iles Formation Unit under Order No. 191-51 for the Dever C-9 Well when determining payout.

20. The Dever C-9 Well was completed into the Mancos Group Formation Unit, and began producing on July 20, 2008. (Exhibit 5 - Completed Interval Report dated February 4, 2009).

21. The Mancos Group Formation was plugged by a Cast Iron Bridge Plug on April 8, 2010. (Exhibit 6 - Completed Interval Report dated October 13, 2011).

22. The Williams Fork / Iles Formation was first completed on April 16, 2010 and first production from the Williams Fork / Iles Formation began on April 20, 2010. (Exhibit 6).

23. Although the Mancos Group Formation had been plugged and the Williams Fork / Iles Formation had begun producing, the operator misreported to this Commission that the production was coming from the Mancos Group Formation in April, May, June, and July of 2010. (Exhibit 7, COGIS - Monthly Well Production for Dever C-9 Well). This represents a misallocation of the income obtained from approximately 100,000 mcf of gas. No production has occurred from the Mancos Group Formation from the Dever C-9 Well since April of 2010. (Exhibit 7). In contrast, there has been continuous production from the Williams Fork / Iles Formation from the Dever C-9 Well since April of 2010. (Exhibit 7).

24. Ursa has failed, and continues to fail, to account and properly pay Grant Brothers for its share of production income on the Dever C-9 Well in the Williams Fork / Iles Formation Unit under Order No. 191-51, both before and after the Dever C-9 Well reached payout.

25. By fraudulently and continuously including the costs of drilling and completion into the Mancos Group Formation Unit in the calculation of payout for the Williams Fork / Iles Formation Unit neither Antero nor Ursa ever properly accounted to Grant Brothers pursuant to C.R.S. § 34-60-116(8) under Order No. 191-51.

26. Instead of properly accounting to Grant Brothers under Order No. 191-51 for the Williams Fork / Iles Formation, Ursa continues to provide monthly payout statements that include expenses incurred for drilling and completion into the Mancos Group Formation under Order No. 191-67. (Exhibit 8 – Ursa Payout Statement for period Through Fiscal Period 12/31/2016). The Payout Statement shows a Payout Balance still owing of \$10,503,683.59, after seven years of

continuous production from the Williams Fork / Iles Formation, for a well that had estimated drilling and completion cost of \$2,283,938.

27. Grant Brothers are entitled to a declaration from the Commission of when payout occurred on the portion of the Dever C-9 Well drilled into the Williams Fork / Iles Unit under Order No. 191-51, and to be paid accordingly.

28. Ursa would be unjustly enriched if, after involuntarily pooling Grant Brothers as a nonconsenting working interest owner under Order No. 191-51, it is permitted to retain the benefits of the production attributable to Grant Brothers' working and net revenue interests without compensating the Grant Brothers for the value of its minerals.

29. Ursa has exclusive control of the information required to fully calculate royalties, income, costs, profits, and exact date of payout for the Dever C-9 Well. Prior to filing this Application with the Commission, Grant Brothers made several written demands to Antero and Ursa for an audit and an accounting. In addition, Grant Brothers sought relief in the Garfield County District Court, Case No. 14CV30180, where Ursa successfully argued that this matter should be resolved before this Commission. Throughout this process, Ursa has continually denied the Grant Brothers' requests for the entirety of the revenue and expense information needed to determine the exact date of payout under Order No. 191-51.

REQUEST FOR RELIEF

WHEREFORE, Grant Brothers requests that:

1. The Commission order Ursa to provide a full and complete accounting for the Dever C-9 Well in the Williams Fork / Iles Formation Unit, under the supervision of the Commission; and
2. The Commission declare the date payout on the Dever C-9 Well occurred for the Williams Fork / Iles Formation Unit under Order No. 191-51; and
3. The Commission declare Ursa liable to the Grant Brothers for all underpaid income on production; and
4. The Commission order Ursa to pay Grant Brothers the amounts due revealed by proof or by accounting, together with interest under C.R.S. § 34-60-118.5(4), costs and attorney fees as provided for in C.R.S. § 34-60-118.5(6), and penalties deemed appropriate by the Commission.

RESPECTFULLY submitted this 25th day of May, 2017.

DUFFORD, WALDECK, MILBURN &
KROHN, L.L.P

By 

Nathan A. Keever, #24630
Attorney for Grant Brothers

Grant Brothers' Address:
PO Box 1027
Basalt, CO 81621



Via US Mail
CERTIFIED MAIL RETURN RECEIPT REQUESTED

May 11, 2009

Antero Resources
1625 17th Street
Denver, Colorado 80202
Office 303.357 7310
Fax: 303.357 7315

Grant Brothers Ranch Limited Liability Co.
Post Office Box 1027
Basalt, CO 81621

Re: Well Proposal/Offer to Lease
Dever C-7 and Dever C-9
Township 6 South, Range 92 West, 6th P.M.
Section 18: Portion of N/2 (Drilling and Spacing Unit)
Garfield County, Colorado

Gentlemen:

Antero Resources Piceance Corporation ("Antero") proposes the drilling of the subject wells with bottom hole locations in the approved 223.578 acre drilling and spacing unit located generally in the N/2 of Section 18, Township 6 South, Range 92 West, 6th P.M. to test the Mancos Group Formation as defined by COGCC Order Nos. 191-60, 510-46 and 523-5. Attached please find Antero's Authority for Expenditure (AFE) which reflects estimated dry hole costs of \$1,645,500 and completed well costs of \$4,703,200 for each well. Please note that this drilling and spacing unit does NOT include any of the lands in Section 18 where the Grant Brothers Ranch Limited Liability Co. owns 100% of the minerals (see enclosed plat).

Antero respectfully requests that you select one of the following options regarding your interest:

- Option 1:** Participate with your interest by paying your proportionate share of actual well costs. Because your unleased interests are subject to COGCC compulsory pooling Order No. 191-51 for the Williams Fork and Hies Formations, your ability to participate would only apply to production obtained from the Mancos Group Formation. Antero estimates that the Grant Brothers Ranch Limited Liability Co. has approximately 28.1105 net mineral acres unleased in this drilling and spacing unit. This equates to a 12.573% working interest in the costs attributable to the Mancos Group Formation. Costs under the AFEs will be allocated to each formation based on the standards outlined in the COPAS publication titled, "Well Costs - Allocations and Adjustments (Formerly known as Bulletin 2)." Upon receiving your decision to participate in these wells, we will provide you with a Joint Operating Agreement for your signature; or,
- Option 2:** Lease your interest in the captioned drilling and spacing unit to Antero for a bonus consideration of \$300 per net acre reserving an 18% royalty, delivering an 82% net revenue interest, for a primary term of 3 years. If you should choose this option, we

EXHIBIT

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exhibitcenter.com

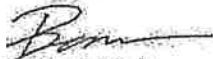
CF, p. 000111

Oil Proposal/Offer to Lease
Section 18. T6S - R92W
May 11, 2009
Page 2 of 2

will contact you with a lease form and a 30 day draft for payment. Antero estimates that the Grant Brothers Ranch Limited Liability Co. has approximately 28.1105 net mineral acres unleased in this drilling and spacing unit. Your total bonus consideration under Option 2 would be \$8,433.15.

Please indicate your choice of option as indicated below within thirty (30) days of receipt, and return an executed copy of this letter to the attention of the undersigned. Please also be advised that Antero plans to commence a compulsory pooling application through the Colorado Oil and Gas Conservation Commission. If you have any questions or wish to discuss this matter further, please contact the undersigned at 303-357-7320.

Sincerely,



Brian F. Wade
Landman

I/We hereby select Option No. _____ this _____ day of _____, 2009.

Signature: _____

Name:

Title:

Phone:

Enclosures



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

IN THE MATTER OF THE PROMULGATION
AND ESTABLISHMENT OF FIELD RULES TO
GOVERN OPERATIONS IN THE MAMM CREEK
FIELD, GARFIELD COUNTY, COLORADO

CAUSE NO. 191

ORDER NO. 191-67

REPORT OF THE COMMISSION

This cause came on for hearing before the Commission 9:00 a.m. on July 14, 2009 at the Hotel Colorado, in the Devereux Room, 526 Pine Street, Glenwood Springs, Colorado, for an order to pool all nonconsenting interests in the established approximate 223.578-acre drilling and spacing unit for certain lands located within the N½ of Section 18, Township 6 South, Range 92 West, 6th P.M., for the development and operation of the Mancos Group Formation.

FINDINGS

The Commission finds as follows:

1. Antero Resources Piceance Corporation ("Antero"), as applicant herein, is an interested party in the subject matter of the above-referenced hearing.

2. Due notice of the time, place and purpose of the hearing has been given in all respects as required by law.

3. The Commission has jurisdiction over the subject matter embraced in said Notice, and of the parties interested therein, and jurisdiction to promulgate the hereinafter prescribed order pursuant to the Oil and Gas Conservation Act.

4. On November 27, 2006, the Commission issued Order No. 191-40, which among other things, established an approximate 223.578-acre drilling and spacing unit, consisting of the lands as described below, located within the N½ of Section 18, Township 6 South, Range 92 West, 6th P.M., for the production of gas and associated hydrocarbons from the Williams Fork and Iles Formations of the Mesaverde Group, and approved the equivalent of one well per 10 acres for said unit:

A parcel of land in the N½ of Section 18, Township 6 South, Range 92 West, 6th P.M. beginning 445.03 feet South of the NE¼ NE¼ of said Section 18; thence South 00° 34' 00" East a distance of 362.60 feet; thence South 519.00 feet; thence South 1320.00 feet; thence West 4260.91 feet; thence North 00° 04' 16" West a distance of 2327.20 feet; thence North 70° 50' 00" East a distance of 471.60 feet; thence South 89° 30' 00" East a distance of 300.00; thence South 76° 42' 00" East a distance of 1128.10 feet; thence South 89° 30' 00" East a distance of 2085.20 feet; thence South 89° 59' 30" East a distance of 181.30 feet; thence South 89° 58' 00" East a distance of 150.5 feet to the point of beginning.

5. On July 23, 2007, the Commission issued Order No. 191-51, which among other things, pooled all nonconsenting interests in the established approximate 223.578-acre drilling and spacing unit within the N½ of Section 18, Township 6 South, Range 92 West, 6th P.M., consisting of the lands as described above, for development and operation of the Williams Fork and Iles Formations.

6. On January 13, 2009, the Commission issued Order No. 191-60, which among other things, established an approximate 223.578-acre drilling and spacing unit, consisting of the lands as described above within the N½ of Section 18, Township 6 South, Range 92 West, 6th P.M., for the production of gas and associated hydrocarbons from the Mancos Group Formation, which is comprised of the stratigraphic equivalent of the Mancos Shale, the Niobrara Formation, and the Mowry Shale, and approved the equivalent of one well per 10 acres, with the permitted well to be located no closer than 100 feet to the boundary of the unit or no closer than 400 feet from the boundary of the unit for lands not approved for 10-acre density.

7. On May 26, 2009, Antero, by its attorney, filed with the Commission a verified

EXHIBIT

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exhibitorder.com

application to pool all nonconsenting interests in the established approximate 223.578-acre drilling and spacing unit, as described below within the N½ of Section 18, Township 6 South, Range 92 West, 6th P.M., for the development and operation of the Mancos Group Formation:

A parcel of land in the N½ of Section 18, Township 6 South, Range 92 West, 6th P.M. beginning 445.03 feet South of the NE¼ NE¼ of said Section 18; thence South 00° 34' 00" East a distance of 362.60 feet; thence South 519.00 feet; thence South 1320.00 feet; thence West 4260.91 feet; thence North 00° 04' 16" West a distance of 2327.20 feet; thence North 70° 50' 00" East a distance of 471.60 feet; thence South 89° 30' 00" East a distance of 300.00; thence South 76° 42' 00" East a distance of 1128.10 feet; thence South 89° 30' 00" East a distance of 2085.20 feet; thence South 89° 59' 30" East a distance of 181.30 feet; thence South 89° 58' 00" East a distance of 150.5 feet to the point of beginning.

8. On June 29, 2009, Grant Brothers Ranch, LLC ("Grant Brothers"), by its attorney, filed a protest to the application alleging that Antero had not correctly calculated Grant Brothers' mineral interest in the drilling and spacing unit and that Antero had not tendered a reasonable offer to lease Grant Brothers' mineral interest.

9. On July 2, 2009, a pre-hearing conference was convened to address those issues contained in the Grant Brothers' protest which resulted in Antero correcting an error as to the Grant Brothers' mineral interest. Consequently, on July 6, 2009, Grant Brothers, by its attorney, withdrew its protest.

10. On July 6, 2009, Antero, by its attorney, filed with the Commission a written request to approve the application based on the merits of the verified application and the supporting exhibits as is provided for by Rule 511.c. Sworn written testimony and exhibits were submitted in support of the application.

11. Testimony and exhibits submitted in support of the application showed that Antero is the majority mineral leaseholder of lands underlying the application lands. Additional testimony showed a list of all consenting and nonconsenting owners within the application lands, and demonstrated that Antero has an 83.24657% working interest in the unit and that Grant Brothers', the sole unleased and non-participating interest owner, mineral interest comprises 16.75343% of the unit. Further testimony indicated that an offer to lease or to participate was sent to the nonconsenting owner, and that said offer was sent via US Mail, at least 30 days prior to the July 14, 2009 hearing, to the nonconsenting owner. Testimony showed that the offer to lease/participate and the Authorizations for Expenditures were fair and reasonable, and similar to those prevailing in the area, and that Antero has complied with the requirements of Rule 530.a. and §34-60-117(7)(d), C.R.S.

12. Antero Resources Piceance Corporation agreed to be bound by oral order of the Commission.

13. Based on the facts stated in the verified application, having received one protest which was withdrawn, and based on the Hearing Officer review of the application under Rule 511.c., the Commission should enter an order to pool the nonconsenting interest in the established approximate 223.578-acre drilling and spacing unit for certain lands located within the N½ of Section 18, Township 6 South, Range 92 West, 6th P.M., for the development and operation of the Mancos Group Formation.

ORDER

NOW, THEREFORE IT IS ORDERED, that, 1. Pursuant to the provisions of §34-60-116, C.R.S., as amended, of the Oil and Gas Conservation Act of the State of Colorado, the nonconsenting interest in the established approximate 223.578-acre drilling and spacing unit, as described below within the N½ of Section 18, Township 6 South, Range 92 West, 6th P.M., is hereby pooled, for the development and operation of the Mancos Group Formation:

A parcel of land in the N½ of Section 18, Township 6 South, Range 92 West, 6th P.M. beginning 445.03 feet South of the NE¼ NE¼ of said Section 18; thence South 00° 34' 00" East a distance of 362.60 feet; thence South 519.00 feet; thence South 1320.00 feet; thence

West 4260.91 feet; thence North 00° 04' 16" West a distance of 2327.20 feet; thence North 70° 50' 00" East a distance of 471.60 feet; thence South 89° 30' 00" East a distance of 300.00; thence South 76° 42' 00" East a distance of 1128.10 feet; thence South 89° 30' 00" East a distance of 2085.20 feet; thence South 89° 59' 30" East a distance of 181.30 feet; thence South 89° 58' 00" East a distance of 150.5 feet to the point of beginning.

2. The production obtained from the drilling and spacing unit shall be allocated to each owner in the unit on the basis of the proportion that the number of acres in such tract bears to the total number of mineral acres within the drilling and spacing unit; each owner of an interest in the drilling and spacing unit shall be entitled to receive his/her share of the production of the well located on the drilling and spacing unit applicable to his/her interest in the drilling and spacing unit.

3. The unleased mineral owner is hereby deemed to have elected not to participate and shall therefore be deemed to be nonconsenting as to the well and be subject to the penalties as provided for by §34-60-116 (7), C.R.S.

4. The nonconsenting unleased mineral owner within the drilling and spacing unit shall be treated as the owner of the landowner's royalty to the extent of 12.5% of his/her record title interest, whatever that interest may be, until such time as the consenting owner recovers, only out of the nonconsenting owner's proportionate 87.5% share of production, the costs specified in §34-60-116 (7)(b), C.R.S. as amended. After recovery of such costs, the nonconsenting mineral owner shall then own his/her proportionate 8/8ths share of the well, surface facilities and production, and then be liable for his/her proportionate share of further costs incurred in connection with the well as if he/she had originally agreed to the drilling.

5. The operator of the well drilled on the above-described unit shall furnish the nonconsenting owner with a monthly statement of all costs incurred, together with the quantity of oil and gas produced, and the amount of proceeds realized from the sale of production during the preceding month.

IT IS FURTHER ORDERED, that the provisions contained in the above order, shall become effective forthwith.


IT IS FURTHER ORDERED, that the Commission expressly reserves its right, after notice and hearing, to alter, amend or repeal any and/or all of the above orders.

IT IS FURTHER ORDERED, that under the State Administrative Procedure Act the Commission considers this order to be final agency action for purposes of judicial review within thirty (30) days after the date this order is mailed by the Commission.

IT IS FURTHER ORDERED, that an application for reconsideration by the Commission of this order is not required prior to the filing for judicial review.

ENTERED this 22nd day of July, 2009, as of July 14, 2009.

OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO

By 
Robert A. Willis, Acting Secretary

Dated at Suite 801
1120 Lincoln Street
Denver, Colorado 80203
July 22, 2009

ANTERO RESOURCES CORPORATION

Authority for Expenditure

Prospect:	DIXON	Field:	Martin Creek Field	PRICEANCE BASIN
Well Name/No:	DIXON A-4	Formation:	Williams Fork / lica	
Dry Contractor:		Permitted Total Depth:		API No
County/State:	Garfield/CO	Estimated Total Depth:	8 750' MD	Drilling Permit No
Location:	1,250 FNL 2 400 FWL (N2 18 65 - 92W)			
Elevation:	GL		1,400' FNL 525' FWL (N2 18-65-92W)	AEE No: DIXON A-4

DRILLING COSTS (INCP)					
Account	Category	Description	Intangible	Tangible	Total
830010	Legal		0		0
830020	Surface Damages	Surface Damages	5,000		5,000
830030	Survey & Stake Location	Survey / Staking Location	1,500		1,500
830040	Reside / Gravel / Culvert	Build Road to Location	5,000		5,000
830050	Prep / Planning by Engineer	Drilling & Completion Procedures / AFE	5,000		5,000
830060	Location Preparation	Build Location	10,000		10,000
830070	Rig Transport	Drilling Rig Mobilization	20,000		20,000
830080	Rig Fuel	Fuel, Oil & Power	70,000		70,000
830100	IDC Drilling - Daywork	18 days @ \$17,500	315,000		315,000
830120	IDC Drilling - Other	2 day MTR @ \$17,500	35,000		35,000
830140	Rat Hole & Mouse Hole	Rathole/Mousehole/Collar	10,000		10,000
830145	Cement Conductor	Cementing of Conductor Casing	10,000		10,000
830150	Cement Surface Casing	Cement / Cementing Services	25,000		25,000
830160	Surface Casing Crew & Tools	Surface Casing Crew	3,000		3,000
830170	Welding Surface Casing & Shoes	Welding Services	5,000		5,000
830180	Geologic Services/Logging/Person	18 days @ \$750/day	13,500		13,500
830190	Water (Drilling & Cementing)	Drilling Water & Fluids (Cementing)	5,000		5,000
830200	Drilling Fluids, Mud & Chemicals	Mud & Chemicals	50,000		50,000
830210	Permit/Fees	Permit, Fees	300		300
830230	Bonds and Insurance	8,750' @ \$0.77/ft	6,738		6,738
830250	Contract Drilling Supervision	20 days @ \$1,250/day	25,000		25,000
830270	Equipment Rental	Rental Tools / Equipment	105,000		105,000
830280	Materials and Supplies	Liners & Temporary Fencing	5,000		5,000
830310	Bits and Reamers	(1) 12-1/4" PDC, (3) 7-7/8" PDC Bits	35,000		35,000
830370	Contract Services/Retainments Drilling	Contract Services / Labor	35,000		35,000
830390	Mud Disposal & Cuttings	Hard Drilled Cuttings	20,000		20,000
830340	Trucking/Hauling	Trucking & Hauling	25,000		25,000
830350	Open Hole Loss	Open Hole Losses	0		0
830370	Drilling Fluid Overhead		0		0
830400	Miscellaneous Expense/Supplies	Materials & Supplies	10,000		10,000
830480	Drilling Drilling Tools	Tools, Supervision, Survey	138,800		138,800
TOTAL DRILLING COSTS (INCP)			\$1,040,513	\$343,228	\$1,383,741

COMPLETION COSTS (ACPI)					
840040	Completion Unit Daywork	8 days @ \$5,000/day	40,000		40,000
840050	Contract Completion Supervision	10 days @ \$1,000/day / 10 @ \$500/day	15,000		15,000
840060	Production Cement	Production Cement & Fluid Equipment	60,000		60,000
840070	Production Casing Crew & Tools/LMA	Casing Crew	14,000		14,000
840080	Fuel and Power	Fuel and Power	2,500		2,500
840090	Cased-Hole Log/Perforate	Logging & Perforation	80,000		80,000
840100	Stick Line work	Pulling Plugs	2,500		2,500
840110	Roads & Localities / PI Restoration	Restore Location / PI Restoration	5,000		5,000
840120	Pulling Trucks & Equipment	Pulling Trucks & Equipment	7,500		7,500
840130	Free Treatment	Includes free treatment & chemicals	400,000		400,000
840135	Free Testing/Analysis	Free Testing/Analysis (Tricat Survey)	0		0
840140	Equipment Rental	Water Transfer, DOP & Swivel Rental	15,000		15,000
840150	Trucking & Hauling	Trucking & Hauling	5,000		5,000
840160	Water (Free Circulation & Cementing)	Free Water & Cementing Water	5,000		5,000
840170	Parts/Supplies/Bits		25,000		25,000
840180	Contract Services / Labor	Contract Services / Labor	6,778		6,778
840190	OEE Insurance	8,750' @ \$0.50/ft	4,375		4,375
840210	Head Frac & Flowback Tank	Head Frac Water & Flowback Tank (Winter)	0		0
840220	Frac Tank Rental	Frac Tank Rental	30,000		30,000
840230	Flowback, Head and disposal	Flowback, Head & Disposal	20,000		20,000
840240	Swabbing	Swabbing	0		0
840250	Fixed Rate GPAS Overhead	Competition - Administrative Overhead	5,000		5,000
840260	Flowback well testing	Includes log, plant, test, hook-up & eq	25,000		25,000
840270	Miscellaneous Expense/Supplies	Miscellaneous	5,000		5,000
850000	Conductor Casing	75' of 16" Conductor (Included in 830140)	0		0
850010	Surface Casing (New)	550' of 8-3/4" 24#/32 STAC R-3 Casing	14,268		14,268
850030	Production Casing	8,750' - 6-1/2" 17# P-110 LT&C R-3 Casing	132,125		132,125
850040	Tubing (New)	8,750' - 2-3/8" 4 7/8 N-80 EUE R-2 Tubing	40,280		40,280
850050	Flowline/Installation	Installation of Flow Lines	16,000		16,000
850060	Wellhead Assembly	Drillen head, "O" Section and GK Tree	10,000		10,000
850080	Fittings & Valves, Controls	Fittings, Valves, Controls	25,000		25,000
850100	Production Unit	Three Phase Production Unit	23,000		23,000
850130	Oil Tank	300 BBL Oil Tank	7,500		7,500
850140	Water Tank	300 BBL Water Tank	7,500		7,500
850155	Production Unit Installation	Installation of Production Unit	7,500		7,500
850160	Tank Battery/Header Installation	Steel Tank/Battery/Install	5,000		5,000
850190	Line Heater	Combustion Unit	1,200		1,200
850200	Anchors	Anchors for completion rig	15,000		15,000
850220	Gas Metering	Total Flow Installation	0		0
850300	Downhole Equipment		2,800		2,800
850370	Fence / Cattleguard / Culvert	Fences / Cattleguard / Culverts - Install	25,000		25,000
850900	Misc Downhole Equip	Profile Nipples, Pump Sub, Composites	25,000		25,000
TOTAL COMPLETION COSTS (ACPI)			\$1,040,513	\$343,228	\$1,383,741
Total Estimated Intangible Cost				\$343,228	
Total Estimated Tangible Cost					\$7,283,938
TOTAL ESTIMATED WELL COST					

WT Owner Approval

Signature

Name

Title

Date

Prepared by Steve Fontenot

Signed

Antero Resources Corporation will carry operators extra expense (OEE) well control insurance for all parties electing to participate in the drilling and/or completion of this well, unless noted otherwise at the time this form is executed. Costs shown on this form are estimates only. Non-operators should not consider these estimates as establishing any limits on the monies which will be required to perform the proposed operation.

EXHIBIT

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ANTERO RESOURCES CORPORATION
Authority for Expenditure
Drilldown

Project: Devel	Field: Mann Creek Field	Formation: Williams Fork / Iles / Mancos Group	PRICE/ACE BASIN
Well Name/No: G-9	Formation: Williams Fork / Iles / Mancos Group	Painted Total Depth: 12,515' TMD	API No: 0504514947-00
Drig. Contractor: Benco Rig #4	Estimated Total Depth: 12,515' TMD	2,461' FNL 321' FEL	Drilling Permit No.: 2007480
County/State: Garfield County	CO	KB: 15.3	Spud Date: 3-14-2008
Location: 94-11: 2.038 FNL 46' FWL	BH:		AFE No: Devel G9
Elevation: DL: 5,520'	KB:		

DRILLING COSTS (DCPI)					
Account	Category	Description	Intangible	Tangible	Total
830010	Legal	Surface Damages	8,000		8,000
830020	Surface Damages	Survey / Staking Location	1,500		1,500
830030	Survey / Staking Location	Run Road to Location	5,000		5,000
830040	Run Road to Location	Drilling & Completion Procedures / AFE	5,000		5,000
830050	Drilling & Completion Procedures / AFE	Drill Location	35,000		35,000
830060	Drill Location	Drilling Rig Mobilization	150,000		150,000
830070	Drilling Rig Mobilization	Fuel, Oil & Power	80,000		80,000
830080	Fuel, Oil & Power	27 days @	540,000		540,000
830090	27 days @	4 days move and rig up @ \$14,000	58,000		58,000
830100	4 days move and rig up @ \$14,000	Drill surface hole not pipe	0		0
830110	Drill surface hole not pipe	Rat Hole / Mousehole / Casing	8,500		8,500
830120	Rat Hole / Mousehole / Casing	Completion of Conductor Casing	5,000		5,000
830130	Completion of Conductor Casing	Cement / Cementing Services	12,000		12,000
830140	Cement / Cementing Services	Intermediate Casing & Float Equipment	0		0
830150	Intermediate Casing & Float Equipment	Surface Casing Crew & Tongs	3,800		3,800
830160	Surface Casing Crew & Tongs	Casing Crew / Lay Down Machine	10,000		10,000
830170	Casing Crew / Lay Down Machine	Welding Services	0		0
830180	Welding Services	20 days @ \$750/day	15,000		15,000
830190	20 days @ \$750/day	Geology Services / Logging / Packer	5,000		5,000
830200	Geology Services / Logging / Packer	Drilling Water & Fluids (Cementing)	0		0
830210	Drilling Water & Fluids (Cementing)	Mud & Chemicals	200,000		200,000
830220	Mud & Chemicals	Pennix Fees	0		0
830230	Pennix Fees	\$2.77 / per foot	10,200		10,200
830240	\$2.77 / per foot	Bonds and Insurance	33,800		33,800
830250	Bonds and Insurance	Contract Drilling Supervision	75,000		75,000
830260	Contract Drilling Supervision	Rental Tools / Equipment	3,500		3,500
830270	Rental Tools / Equipment	Linear & Temporary Fencing	55,000		55,000
830280	Linear & Temporary Fencing	Contract Services / Labor	35,000		35,000
830290	Contract Services / Labor	Contract Services / Labor	0		0
830300	Contract Services / Labor	Hold Drilled Casing	7,500		7,500
830310	Hold Drilled Casing	Trucking / Hauling	7,500		7,500
830320	Trucking / Hauling	Open Hole Logging	30,000		30,000
830330	Open Hole Logging	Drilling Fluid Overhead	0		0
830340	Drilling Fluid Overhead	Miscellaneous Expense/Supplies	10,000		10,000
830350	Miscellaneous Expense/Supplies	Environmental & Safety	0		0
830360	Environmental & Safety	Drilling Completion Tools	183,000		183,000
830370	Drilling Completion Tools	Tools, Supervision, Surveys	1,643,000	0	1,643,000
TOTAL DRILLING COSTS:					

COMPLETION COSTS (ACPI)					
840040	Completion Unit- Daywork	8 days @ \$36,000/day	30,000		30,000
840050	Contract Completion Supervision	10 days @ \$1,000/day / 10 @ \$500/day	15,000		15,000
840060	Production Cement	Production Cement & Float Equipment	55,000		55,000
840070	Production Casing Crew & Tongs/LM	Casing Crew	20,000		20,000
840080	Fuel and Power	Fuel and Power	8,000		8,000
840090	Contract Well Log/Wellbore	Logging & Perforation	125,000		125,000
840100	Stick Line work	Pulling Pump	3,000		3,000
840110	Recess & Location - PT Restoration	Recess location / PT Restoration	5,000		5,000
840120	Pulling Truck & Equipment	Pulling Truck & Equipment	7,500		7,500
840130	Frac Treatment	Includes frac proppant & chemicals	1,783,000		1,783,000
840125	Frac Testing/Analysis	Frac Testing/Analysis (Tracer Survey)	0		0
840140	Equipment Rental	Water Transfer, DPH-A Solvent Rental	15,000		15,000
840150	Trucking & Hauling	Trucking & Hauling	8,000		8,000
840160	Water (Frac Simulation & Cementing)	Frac Water & Cementing Water	15,000		15,000
840170	Parts/Supplies/Des		0		0
840180	Contract Services/ Labor	Contract Services / Labor	25,000		25,000
840190	OEE Insurance	12,300 @ 30 65th	8,800		8,800
840220	Squeeze-Re-Complete Cement		0		0
840230	Chemicals		58,300		58,300
840240	Heat Frac Water & Fireback Tank (Waters)	Heat Frac Water & Fireback Tank (Waters)	0		0
840250	Frac Tank Rental	Frac Tank Rental	30,000		30,000
840260	Fireback, Haul and disposal	Fireback, Haul & Disposal	20,000		20,000
840290	Acid/NaOH		0		0
840300	Swabbing	Swabbing	5,000		5,000
840320	Fixed Rate COPAS Overhead	Completion - Administrative Overhead	8,800		8,800
840330	Fireback well testing	Includes light plant, lost, hook & equi-	25,000		25,000
840300	Miscellaneous Expense/Supplies	Miscellaneous	5,000		5,000
850005	Conductor Casing	100' of 13-9/16" Conductor		2,900	2,900
850010	Surface Casing (New)	1500' of 8-5/8" @ 2.35 S15E R3 Casing		49,800	49,800
850020	Intermediate Casing (New)	ACQ of 7-7/8" P110 LTC R3 Casing		227,600	227,600
850030	Production Casing	1500' of 4-1/2" 15 P110 LTC R3 Casing		140,200	140,200
850040	Tubing (New)	12,300 - 2-3/4" 474 H-80 FUEL R2 Tubing		58,500	58,500
850050	Flowline Installation	Installation of Flow Lines		15,000	15,000
850060	Wellhead Assembly	Braden head, "B" Section and SK Tire		15,000	15,000
850080	Flanges & Valves, Controls	Flanges, Valves, Controls		25,000	25,000
850100	Production Unit	Three Phase Production Unit		20,000	20,000
850110	H-Pressure Separator	10" X 10" Separator Vessel - Installation		49,000	49,000
850130	Oil Tank	200 BBL Oil Tank		7,500	7,500
850140	Water Tank	200 BBL Water Tank		7,500	7,500
850155	Production Unit Installation	Installation of Production Unit		7,500	7,500
850160	Tank Battery/Header Installation	Steel Tank/Battery/Instal		7,500	7,500
850190	Line Heaters	Conservation Unit		3,000	3,000
850200	Anchor	Anchor for completion rig		1,200	1,200
850220	Gas Metering	Total Flow Installation		15,000	15,000
850240	Water Run	Water Run - Installation		0	0
850260	Amkill Lite			0	0
850300	Downhole Thermistor			0	0
850370	Flange / Collar joint / Cuhert	Flanges / Collar joint / Cuherts - Install		2,500	2,500
850500	Misc. Downhole Equip.	Profile Meters, Pump Sub, Components		23,000	23,000
TOTAL COMPLETION COSTS:			2,290,300	778,900	3,057,700

FORM
5A
Rev 12/05

Page 1

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 201, Denver, Colorado 80203 Phone (303)894-2100 Fax (303)894-2109



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FEB 05 2009

COGCC

COMPLETED INTERVAL REPORT

The Completed Interval Report, Form 5A, shall be submitted within thirty (30) days of completing a formation (successful or not), when a formation is temporarily abandoned or permanently abandoned, for a recompletion, reformation or restimulation, or when a formation is commingled. Fill out a section for each formation. Attach as many pages as required to fully describe the work. List in order of completion.

Complete the
Attachment
Checklist

1. OGCC Operator Number	10079	4. Contact Name	Mary O'Mara
2. Name of Operator	Antero Resources Production Corporation	Phone	(303) 357-7323
3. Address	1625 17th Street, Suite 300	Fax	303-357-7315
City	Denver	State	CO
Zip	80202		
5. API Number	05-045-14947-00	6. County	Gorfield
7. Well Name	Dover	Well Number	C9
8. Location (Qtr, Sec, Twp, Rng, Meridian)	SWNW S17-T8S-R52W 6th PM		

OP OGCC

FORMATION:	Mancos/MNCS	Status	Producing
Treatment Date	7/17/2008	Date of First Production this formation	7/20/2008
Perforations	Top 8873' Bottom 12,315'	No Holes	827
		Hole size	3 1/8"
Provide a brief summary of the formation treatment		Open Hole	<input type="checkbox"/>
10 stages, using 61,985 bbls slurry and 2,489,956 lb proppant			

This formation is commingled with another formation <input type="checkbox"/>			
Test Information			
Date	7/29/2008	Hours	24
Bbls oil	0	Mcf Gas	2389
Bbls H ₂ O	550	GOR	
Calculated 24 hour rate	Bbls oil 0	Mcf Gas	2389
Bbls H ₂ O	550	GOR	
Test Method	flows from well	Casing PSI	4300
Tubing PSI	0	Choke size	14/64
Gas Disposition	Solid	Gas Type	Dry
BTU Gas	1473	API Gravity Oil	
Tubing Size	2 3/8"	Tubing Setting Depth	10605
Tbg setting date	7/20/2008	Packer Depth	
Reason for Non-Production			
Date formation Abandoned		Squeezed	<input type="checkbox"/> Yes <input type="checkbox"/> No
If yes number of sacks cmt			
Bridge Plug Depth		Sacks cement on top	

FORMATION:		Status	
Treatment Date		Date of First Production this formation	
Perforations	Top Bottom	No Holes	
		Hole size	
Provide a brief summary of the formation treatment		Open Hole	<input type="checkbox"/>

This formation is commingled with another formation <input type="checkbox"/>			
Test Information			
Date	Hours	Bbls oil	Mcf Gas
Bbls H ₂ O		GOR	
Calculated 24 hour rate	Bbls oil	Mcf Gas	Bbls H ₂ O
GOR		Test Method	Casing PSI
Tubing PSI		Choke size	
Gas Disposition		Gas Type	
BTU Gas		API Gravity Oil	
Tubing Size		Tubing Setting Depth	
Tbg setting date		Packer Depth	
Reason for Non-Production			
Date formation Abandoned		Squeezed	<input type="checkbox"/> Yes <input type="checkbox"/> No
If yes number of sacks cmt			
Bridge Plug Depth		Sacks cement on top	

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

Print Name Mary O'Mara

Email maryomara@anteroresources.com

Signature Mary O'Mara

Title Permitting Specialist

Date 2/4/2009

EXHIBIT

5

exhibitsticker.com



Schematic - Current

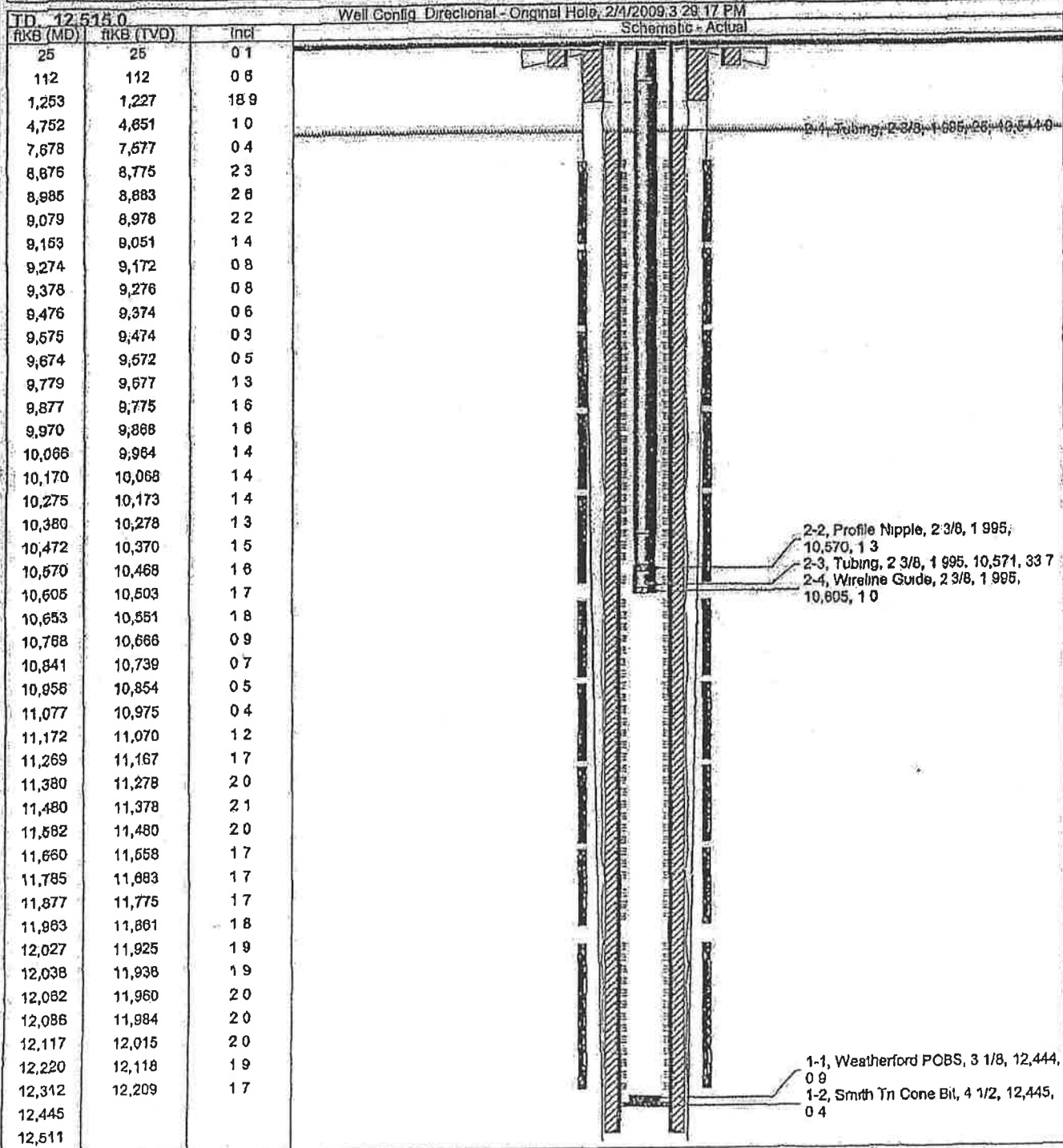
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FEB 05 2009

GOGCC

Well Name Dever C9

API 05045149470000	Surface Legal Location 06S-92VV-18	License No.	Field Name Mamm Creek	Site Colorado
Well Configuration Type Directional	Original KB Elevation (ft) 5,601.00	KB-Ground Distance (ft) 16.00	KB-Casing Flange Distance (ft)	KB-Tubing Head Distance (ft)
Most Recent Job				
Job Category Completion/Workover	Primary Job Type Initial Completion	Secondary Job Type Initial Completion	Start Date 6/21/2008	End Date 6/22/2008



FORM
5A

Rev
02/08

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109



DE ET OE ES

Document Number:

400201987

COMPLETED INTERVAL REPORT

The completed Interval Report, Form 5A, shall be submitted within thirty (30) days of completing a formation (successful or not), when a formation is temporarily abandoned or permanently abandoned, for a recompletion, reperforation or restimulation, or when a formation is commingled. Fill out a section for each formation. Attach as many pages as required to fully describe the work. List in order of completion.

1. OGCC Operator Number: 10079

2. Name of Operator: ANTERO RESOURCES PICEANCE CORPORATION

3. Address: 1625 17TH ST STE 300

City: DENVER

State: CO

Zip: 80202

4. Contact Name: Hannah Knopping

Phone: (303) 357-6412

Fax: (303) 357-7315

5. API Number 05-045-14947-00

7. Well Name: DEVER

8. Location: QtrQtr: SWNW Section: 17

Township: 6S

Range: 92W

Meridian: 6

9. Field Name: MAMM CREEK

Field Code: 52500

6. County: GARFIELD

Well Number: C9

EXHIBIT

6

exhibitsicker.com

Completed IntervalFORMATION: MANCOSStatus: TEMPORARILY ABANDONEDTreatment Date: 04/08/2010Date of First Production this formation: 07/20/2008Perforations Top: 8873 Bottom: 12315 No. Holes: 567 Hole size: 0.42

Provide a brief summary of the formation treatment:

Open Hole: ☐This formation is commingled with another formation: ☐ Yes ☒ No**Test Information:**

Date: _____ Hours: _____ Bbls oil: _____ Mcf Gas: _____ Bbls H2O: _____

Calculated 24 hour rate: _____ Bbls oil: _____ Mcf Gas: _____ Bbls H2O: _____ GOR: _____

Test Method: _____ Casing PSI: _____ Tubing PSI: _____ Choke Size: _____

Gas Disposition: _____ Gas Type: _____ BTU Gas: _____ API Gravity Oil: _____

Tubing Size: _____ Tubing Setting Depth: _____ Tbg setting date: _____ Packer Depth: _____

Reason for Non-Production:

MNCS is T&A'd by CIBPDate formation Abandoned: 04/08/2010 Squeeze: ☐ Yes ☒ No If yes, number of sacks cmt _____Bridge Plug Depth: 7900 Sacks cement on top: _____FORMATION: WILLIAMS FORK - CAMEOStatus: PRODUCINGTreatment Date: 04/16/2010Date of First Production this formation: 04/20/2010Perforations Top: 6126 Bottom: 7748 No. Holes: 240 Hole size: 0.42

Provide a brief summary of the formation treatment:

Open Hole: ☒Frac'd with 30,538 bbls of 2% KCL and 1,808,132 lbs sandThis formation is commingled with another formation: ☐ Yes ☒ No**Test Information:**Date: 05/04/2011 Hours: 24 Bbls oil: 0 Mcf Gas: 398 Bbls H2O: 100Calculated 24 hour rate: _____ Bbls oil: 0 Mcf Gas: 398 Bbls H2O: 100 GOR: 0Test Method: Flowing Casing PSI: 503 Tubing PSI: 196 Choke Size: 28/64Gas Disposition: SOLD Gas Type: WET BTU Gas: 1119 API Gravity Oil: 0Tubing Size: 2 + 3/8 Tubing Setting Depth: 7091 Tbg setting date: 04/19/2010 Packer Depth: _____

Reason for Non-Production:

Date formation Abandoned: _____ Squeeze: ☐ Yes ☒ No If yes, number of sacks cmt _____

Bridge Plug Depth: _____ Sacks cement on top: _____

Comment:

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

Signed: _____

Print Name: Hannah KnoppingTitle: Permit RepresentativeDate: 10/13/2011Email: hknopping@anteroresources.com

Attachment Check List

Att Doc Num	Name
400201987	FORM 5A SUBMITTED
J202061	WIRELINE JOB SUMMARY

Total Attach: 2 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>

Total: 0 comment(s)

COGIS - Monthly Well Production

EXHIBIT

7

PRODUCTION DATA REPORT -- GIS

API #:	05-045-14947	Location:	SWNW 17 6S 92W 6
Field:	MAMM CREEK	Field Code:	52500
Facility Name:	DEVER	Facility #:	C9
Operator Name:	URSA OPERATING COMPANY LLC	Operator #:	10447

PRODUCTION YEAR: All

Year	Month	Formation	Sidetrack	Well Status	Days Prod	Product	OIL						Water Prod	Water (psig)	
							BOM	Produced	Sold	Adj.	EOM	Gravity		Tbg.	Csg.
							GAS						Water Disp. Code	Gas (psig)	
							Prod	Flared	Used	Shrinkage	Sold	BTU		Tbg.	Csg.
2008	Feb	MANCOS	00	DG		Oil -> Gas ->								0	0
2008	Mar	MANCOS	00	DG		Oil -> Gas ->								0	0
2008	Apr	MANCOS	00	DG		Oil -> Gas ->								0	0
2008	May	MANCOS	00	DG		Oil -> Gas ->								0	0
2008	Jun	MANCOS	00	DG		Oil -> Gas ->								0	0
2008	Jul	MANCOS	00	PR	11	Oil -> Gas ->	29,502				29,502	974	6,823 C		
2008	Aug	MANCOS	00	PR	31	Oil -> Gas ->	58,781	85			85 58,781	974	735 C		
2008	Sep	MANCOS	00	PR	30	Oil -> Gas ->	85 40,583	166	144		107 40,583	48.2 974	242 P		
2008	Oct	MANCOS	00	PR	27	Oil -> Gas ->	107 29,586	109			216 29,586	974	4,457 P		
2008	Nov	MANCOS	00	PR	30	Oil -> Gas ->	216 28,864	151	203		164 28,864	49.7 974	5,551 P		
2008	Dec	MANCOS	00	PR	31	Oil -> Gas ->	164 28,395	80			244 28,395	974	5,612 P		
2009	Jan	MANCOS	00	PR	31	Oil -> Gas ->	244 24,748	94	203		135 24,748	50.4 974	4,880 P		
2009	Feb	MANCOS	00	PR	28	Oil -> Gas ->	135 20,759	49	70		114 20,759	52.7 974	3,367 P		
2009	Mar	MANCOS	00	PR	31	Oil -> Gas ->	114 20,769	93	79		128 20,769	51.7 974	3,432 P		
2009	Apr	MANCOS	00	PR	30	Oil -> Gas ->	128 17,990	81			209 17,990	974	3,230 P		
2009	May	MANCOS	00	PR	30	Oil -> Gas ->	209 17,512	111	132		188 17,512	51.3 974	3,087 P		
2009	Jun	MANCOS	00	PR	30	Oil -> Gas ->	15,645				15,645	974	2,675 P		
2009	Jul	MANCOS	00	PR	31	Oil -> Gas ->	15,541				15,541	974	2,636 P		
2009	Aug	MANCOS	00	PR	31	Oil -> Gas ->	15,134				15,134	974	2,331 P		
2009	Sep	MANCOS	00	PR	30	Oil -> Gas ->	14,392				14,392	980	3,222 C		
2009	Oct	MANCOS	00	PR	31	Oil -> Gas ->	14,384				14,384	980	3,560 P		

2009	Nov	MANCOS	00	PR	30	Oil -> Gas ->	13,093				13,093	980	4,258 C		
2009	Dec	MANCOS	00	PR	31	Oil -> Gas ->	13,068				13,068	980	3,079 C		
2010	Jan	MANCOS	00	PR	31	Oil -> Gas ->	12,725				12,725	980	436 C		
2010	Feb	MANCOS	00	PR	28	Oil -> Gas ->	11,301				11,301	980	2,483 C		
2010	Mar	MANCOS	00	PR	31	Oil -> Gas ->	11,230				11,230	998	3,686 C		
2010	Apr	MANCOS	00	PR	19	Oil -> Gas ->	22,899				22,899	1,121	2,022 C		
2010	Apr	WILLIAMS FORK - CAMEO	00	DG		Oil -> Gas ->									
2010	May	WILLIAMS FORK - CAMEO	00	DG		Oil -> Gas ->									
2010	May	MANCOS	00	PR	31	Oil -> Gas ->	38,177				38,177	1,115	8,784 C		
2010	Jun	MANCOS	00	PR	30	Oil -> Gas ->	26,730				26,730	1,116	7,204 C		
2010	Jun	WILLIAMS FORK - CAMEO	00	DG		Oil -> Gas ->									
2010	Jul	WILLIAMS FORK - CAMEO	00	DG		Oil -> Gas ->									
2010	Jul	MANCOS	00	PR	31	Oil -> Gas ->	22,665				22,665	1,116	3,428 C		
2010	Aug	MANCOS	00	TA		Oil -> Gas ->								0 0	0 0
2010	Aug	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->	20,093	216	167		20,093	49 1,116	3,520 C		
2010	Sep	WILLIAMS FORK - CAMEO	00	PR	30	Oil -> Gas ->	17,407	49 219	268		17,407	49.9 1,116	3,269 C		
2010	Sep	MANCOS	00	SI		Oil -> Gas ->									
2010	Oct	MANCOS	00	TA		Oil -> Gas ->								0 0	0 0
2010	Oct	WILLIAMS FORK - CAMEO	00	PR	29	Oil -> Gas ->	15,689	250	175		15,689	75 1,121	1,620 C		
2010	Nov	WILLIAMS FORK - CAMEO	00	PR	30	Oil -> Gas ->	14,530	75 233	272		14,530	36 1,121	973 C		
2010	Nov	MANCOS	00	TA		Oil -> Gas ->								0 0	0 0
2010	Dec	MANCOS	00	TA		Oil -> Gas ->								0 0	0 0
2010	Dec	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->	13,966	36 200	198		13,966	38 1,119	1,298 C		
2011	Jan	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->	13,171	38 287	315		13,171	10 1,119	1,006 C		
2011	Jan	MANCOS	00	TA		Oil -> Gas ->								0 0	0 0
2011	Feb	MANCOS	00	TA		Oil -> Gas ->								0 0	0 0

2011	Feb	WILLIAMS FORK - CAMEO	00	PR	28	Oil -> Gas ->	10 10,852	288	298		10,852	50.8 1,119	1,308 C		
2011	Mar	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->	11,975	168	119		49 11,975	51.1 1,119	612 C		
2011	Mar	MANCOS	00	TA		Oil -> Gas ->								0 0	0 0
2011	Apr	MANCOS	00	TA		Oil -> Gas ->								0 0	0 0
2011	Apr	WILLIAMS FORK - CAMEO	00	PR	28	Oil -> Gas ->	49 11,032	191	183		57 11,032	48.9 1,119	1,251 P		
2011	May	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->	57 11,015	130	156		31 11,015	50.5 1,119	1,842 P		
2011	May	MANCOS	00	TA		Oil -> Gas ->								0 0	0 0
2011	Jun	MANCOS	00	TA		Oil -> Gas ->								0 0	0 0
2011	Jun	WILLIAMS FORK - CAMEO	00	PR	30	Oil -> Gas ->	31 9,955	125	87		69 9,955	50.4 1,119	1,014 P		
2011	Jul	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->	69 9,953	152	211		10 9,953	50.1 1,119	655 C		
2011	Jul	MANCOS	00	TA		Oil -> Gas ->								0 0	0 0
2011	Aug	MANCOS	00	TA		Oil -> Gas ->								0 0	0 0
2011	Aug	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->	10 9,453	142	96		56 9,453	44.9 1,119	790 P		
2011	Sep	WILLIAMS FORK - CAMEO	00	PR	30	Oil -> Gas ->	56 7,947	112	131		37 7,947	47.4 1,119	690 P		
2011	Sep	MANCOS	00	TA		Oil -> Gas ->								0 0	0 0
2011	Oct	MANCOS	00	TA		Oil -> Gas ->								0 0	0 0
2011	Oct	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->	37 13,742	79	95		21 13,742	48.7 1,119	1,112 P		
2011	Nov	WILLIAMS FORK - CAMEO	00	PR	30	Oil -> Gas ->	21 22,380	178	158		41 22,380	43.7 1,119	3,491 P		
2011	Nov	MANCOS	00	TA		Oil -> Gas ->								0 0	0 0
2011	Dec	MANCOS	00	TA		Oil -> Gas ->								0 0	0 0
2011	Dec	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->	41 19,434	122	153		10 19,434	44.9 1,037	3,602 P		
2012	Jan	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->	10 17,961	198	162		46 17,961	50.4 1,040	3,105 P		
2012	Jan	MANCOS	00	TA		Oil -> Gas ->								0 0	0 0
2012	Feb	MANCOS	00	TA		Oil -> Gas ->								0 0	0 0
2012	Feb	WILLIAMS FORK - CAMEO	00	PR	29	Oil -> Gas ->	46 16,108	115	151		10 16,108	51.1 1,040	2,219 P		

2012	Mar	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->	10 15,241	110	110		10 15,241	49.1 1,040	2,073 P		
2012	Mar	MANCOS	00	TA		Oil -> Gas ->								0 0	0 0
2012	Apr	MANCOS	00	SI		Oil -> Gas ->								0 0	0 0
2012	Apr	WILLIAMS FORK - CAMEO	00	PR	30	Oil -> Gas ->	10 14,554	121	115		16 14,554	41.1 998	2,083 P		
2012	May	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->	16 14,524	151	119		48 14,524	42.0 1,026	2,057 P		
2012	May	MANCOS	00	SI		Oil -> Gas ->								0 0	0 0
2012	Jun	MANCOS	00	SI		Oil -> Gas ->								0 0	0 0
2012	Jun	WILLIAMS FORK - CAMEO	00	PR	30	Oil -> Gas ->	48 13,571	179	227				2,181 C		
2012	Jul	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->		107	107				2,038 P		
2012	Jul	MANCOS	00	TA		Oil -> Gas ->								0 0	0 0
2012	Aug	MANCOS	00	SI		Oil -> Gas ->								0 0	0 0
2012	Aug	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->		71			71		1,826 P		
2012	Sep	WILLIAMS FORK - CAMEO	00	PR	30	Oil -> Gas ->	71 13,785	139	119		91 13,785	47.8 1,040	2,386 P		
2012	Sep	MANCOS	00	SI		Oil -> Gas ->								0 0	0 0
2012	Oct	MANCOS	00	SI		Oil -> Gas ->								0 0	0 0
2012	Oct	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->	91 12,783	72	118		45 12,783	43.1 1,040	1,686 C		
2012	Nov	WILLIAMS FORK - CAMEO	00	PR	30	Oil -> Gas ->	45 11,754	94	106		33 11,754	42.3 1,040	1,483 C		
2012	Nov	MANCOS	00	SI		Oil -> Gas ->								0 0	0 0
2012	Dec	MANCOS	00	SI		Oil -> Gas ->								0 0	0 0
2012	Dec	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->	33 13,021	94	111		16 13,021	44.9 1,040	1,911 C		
2013	Jan	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->	16 11,881	58			74 11,881	1,040	1,506 C		
2013	Jan	MANCOS	00	SI		Oil -> Gas ->								0 0	0 0
2013	Feb	MANCOS	00	SI		Oil -> Gas ->								0 0	0 0
2013	Feb	WILLIAMS FORK - CAMEO	00	PR	28	Oil -> Gas ->	74 10,687	97	111		60 10,687	43.1 1,040	1,430 C		
2013	Mar	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->	114 11,714	76	112		78 11,714	46.7 1,040	2,260 P		

2013	Mar	MANCOS	00	SI		Oil -> Gas ->								0 0	0 0
2013	Apr	MANCOS	00	SI	0	Oil -> Gas ->								M	
2013	Apr	WILLIAMS FORK - CAMEO	00	PR	30	Oil -> Gas ->	78 11,075	99	110		67 11,075	46.9 1,040	811 P		
2013	May	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->	67 11,471	70	10		127 11,471	49.9 1,040	676 P		
2013	May	MANCOS	00	SI	0	Oil -> Gas ->							M		
2013	Jun	MANCOS	00	SI	0	Oil -> Gas ->							M		
2013	Jun	WILLIAMS FORK - CAMEO	00	PR	30	Oil -> Gas ->	127 10,836	101	114		114 10,836	47.6 1,040	762 P		
2013	Jul	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->	114 10,637	123	105		132 10,637	48.4 1,040	886 P		
2013	Jul	MANCOS	00	SI	0	Oil -> Gas ->							M		
2013	Aug	MANCOS	00	SI	0	Oil -> Gas ->							M		
2013	Aug	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->	132 11,161	110	103		139 11,161	48.5 1,040	1,141 P		
2013	Sep	WILLIAMS FORK - CAMEO	00	PR	30	Oil -> Gas ->	139 12,795	111	197		53 12,795	49.9 1,040	1,052 P		
2013	Sep	MANCOS	00	SI	0	Oil -> Gas ->							M		
2013	Oct	MANCOS	00	SI	0	Oil -> Gas ->							M		
2013	Oct	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->	53 12,029	98	4		147 12,029	46.6 1,040	1,028 P		
2013	Nov	WILLIAMS FORK - CAMEO	00	PR	30	Oil -> Gas ->	147 11,583	160	193		114 11,583	48.7 1,040	926 P		
2013	Nov	MANCOS	00	SI	0	Oil -> Gas ->							M		
2013	Dec	MANCOS	00	SI	0	Oil -> Gas ->							M		
2013	Dec	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->	114 10,795	298	296		116 10,795	50.3 1,040	1,683 P		
2014	Jan	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->	116 11,485	297	297		116 11,485	49.0 1,040	1,425 P		
2014	Jan	MANCOS	00	SI	0	Oil -> Gas ->							M		
2014	Feb	MANCOS	00	SI	0	Oil -> Gas ->							M		
2014	Feb	WILLIAMS FORK - CAMEO	00	PR	28	Oil -> Gas ->	116 9,950	185	180		121 9,950	50.0 1,040	851 P		
2014	Mar	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->	121 11,120	101	172		50 11,120	50.3 1,040	877 P		
2014	Mar	MANCOS	00	SI	0	Oil -> Gas ->							M		
						Oil ->									

2014	Apr	MANCOS	00	SI	0	Gas ->							M		
2014	Apr	WILLIAMS FORK - CAMEO	00	PR	30	Oil -> Gas ->	50 10,764	88	111		27 10,764	50.4 1,040	846 P		
2014	May	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->	27 10,624	89	78		38 10,624	50.4 1,040	698 P		
2014	May	MANCOS	00	SI	0	Oil -> Gas ->							M		
2014	Jun	MANCOS	00	SI	0	Oil -> Gas ->							M		
2014	Jun	WILLIAMS FORK - CAMEO	00	PR	30	Oil -> Gas ->	38 10,609	84	75		47 10,609	49.0 1,040	461 P		
2014	Jul	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->	47 10,350	82	74		55 10,350	49.8 1,040	745 P		
2014	Jul	MANCOS	00	SI	0	Oil -> Gas ->							M		
2014	Aug	MANCOS	00	SI	0	Oil -> Gas ->							M		
2014	Aug	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->	55 10,423	77	75		57 10,423	49.7 1,040	590 P		
2014	Sep	WILLIAMS FORK - CAMEO	00	PR	30	Oil -> Gas ->	57 9,840	69	80		46 9,840	48.9 1,040	541 P		
2014	Sep	MANCOS	00	SI	0	Oil -> Gas ->							M		
2014	Oct	MANCOS	00	SI	0	Oil -> Gas ->							M		
2014	Oct	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->	46 10,459	65	77		34 10,459	49.0 1,040	576 P		
2014	Nov	WILLIAMS FORK - CAMEO	00	PR	30	Oil -> Gas ->	34 9,093	63	37		60 9,093	49.2 1,040	519 P		
2014	Nov	MANCOS	00	SI	0	Oil -> Gas ->							M		
2014	Dec	MANCOS	00	SI	0	Oil -> Gas ->							M		
2014	Dec	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->	60 9,587	66	74		52 9,587	47.6 1,040	539 P		
2015	Jan	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->	52 7,203	64	73		43 7,203	49.2 1,040	492 P		
2015	Jan	MANCOS	00	SI	0	Oil -> Gas ->							M		
2015	Feb	MANCOS	00	SI	0	Oil -> Gas ->							M		
2015	Feb	WILLIAMS FORK - CAMEO	00	PR	28	Oil -> Gas ->	43 10,183	57	75		25 10,183	47.2 1,040	487 P		
2015	Mar	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->	25 9,380	26	37		14 9,380	49.2 1,040	514 P		
2015	Mar	MANCOS	00	SI		Oil -> Gas ->								0 0	0 0
2015	Apr	MANCOS	00	SI	0	Oil -> Gas ->							M		
		WILLIAMS				Oil ->	14	101	75		40	48.1	691		

2015	Apr	FORK - CAMEO	00	PR	30	Gas ->	9,214				9,214	1,040	P		
2015	May	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->	40 9,268	55	70		25 9,268	47.4 1,040	665 P		
2015	May	MANCOS	00	SI	0	Oil -> Gas ->							M		
2015	Jun	MANCOS	00	SI	0	Oil -> Gas ->							M		
2015	Jun	WILLIAMS FORK - CAMEO	00	PR	30	Oil -> Gas ->	25 8,358	57	39		43 8,358	47.5 1,060	572 P		
2015	Jul	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->	43 9,409	59	76		26 9,409	48.9 1,042	682 P		
2015	Aug	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->	26 9,224	57	37		46 9,224	48.4 1,042	657 P		
2015	Sep	WILLIAMS FORK - CAMEO	00	PR	30	Oil -> Gas ->	46 8,404	52	74		24 8,404	47.6 1,076	578 P		
2015	Sep	MANCOS	00	PR	0	Oil -> Gas ->								0 0	0 0
2015	Oct	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->	24 8,001	47	37		34 8,001	47.5 1,076	519 P		
2015	Nov	WILLIAMS FORK - CAMEO	00	PR	30	Oil -> Gas ->	34 7,907	44	37		41 7,907	49.4 1,076	433 P	0 0	0 0
2015	Dec	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->	41 7,807	53	31		63 7,807	49.2 1,076	590 P		
2016	Jan	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->	63 8,669	55	74		44 8,669	47.4 1,076	604 P		
2016	Feb	WILLIAMS FORK - CAMEO	00	PR	29	Oil -> Gas ->	44 8,120	50	39		55 8,120	47.6 1,076	601 P		
2016	Mar	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->	55 8,375	49	76		28 8,375	47.8 1,076	632 P		
2016	Apr	WILLIAMS FORK - CAMEO	00	PR	30	Oil -> Gas ->	28 8,248	45	38		35 8,248	50.1 1,076	571 P		
2016	Apr	MANCOS	00	PR	0	Oil -> Gas ->								0 0	0 0
2016	May	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->	35 8,386	48	38		45 8,386	48.7 1,076	582 P		
2016	Jun	WILLIAMS FORK - CAMEO	00	PR	30	Oil -> Gas ->	45 8,034	43	38		50 8,034	48.1 1,076	481 P		
2016	Jul	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->	50 8,310	45	38		57 8,310	48.7 1,076	518 P		
2016	Aug	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->	57 8,293	42	78		21 8,293	48.5 1,076	536 P		
2016	Sep	WILLIAMS FORK - CAMEO	00	PR	30	Oil -> Gas ->	21 7,793	38	36		23 7,793	47.7 1,076	517 P		
2016	Oct	WILLIAMS FORK -	00	PR	31	Oil -> Gas ->	23 8,179	42	38		27 8,179	47.5 1,067	587 P		

		CAMEO														
2016	Nov	WILLIAMS FORK - CAMEO	00	PR	30	Oil -> Gas ->	27 7,767	41	36		32 7,767	47.8 1,067	531 P			
2016	Dec	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->	32 8,129	42	35		39 8,129	47.8 1,067	557 P			
2017	Jan	WILLIAMS FORK - CAMEO	00	PR	31	Oil -> Gas ->	39 8,039	38	37		40 8,039	48.8 1,026	536 P			
2017	Feb	WILLIAMS FORK - CAMEO	00	PR	28	Oil -> Gas ->	40 7,165	37	37		40 7,165	49.3 1,026	497 P			