

Memorandum of Understanding
GVCA - Grand Valley Citizens Alliance
RSPN - Rifle, Silt, Peach Valley, New Castle Concerned Citizens
Antero - Antero Resources

1) GVCA, RSPN, and Antero agree to conduct a series of meetings over the course of the next 18 months to address impacts and Best Management Practices to be considered for a possible large-scale oil and gas development in the Silt Mesa Area.

The anticipated outcome is the eventual preparation of a Comprehensive Drilling Plan that will steer development in the area, taking into consideration issues raised in the Garfield County Intervention (listed under Sections 1, 2, 3 and 4 of the county's intervention Response dated Dec 22, 2010) such as potential cumulative effects of drilling on health, welfare, water and air quality, and the environment. The parties acknowledge that Antero has in-place the "Rifle, Silt, New Castle Community Development Plan" to serve as a starting point, and that Antero will make good faith efforts to employ appropriate best management practices described in said plan in the interim.

2) The parties agree to work on communication channels to avoid surprises with regard to development proposals in the Silt Mesa area.

3) In light of the proposed changes to Antero's COGCC applications in February, detailed below, namely to drop proposed 10 acre well density at this time, GVCA, RSPN, and Antero agree that there is no need for Garfield County to maintain its interventions in Antero's applications (Cause 191; Docket No's. 1010-SP37 & 1101-SP-02) at this time.

However, GVCA/RSPN members want to emphasize that this agreement does not negate their opposition to increased well density and other drilling practices in the Silt Mesa area.

4) Antero proposes that concurrently with Garfield County withdrawing its interventions, Antero will amend its applications to include the following provisions:

- a) Bottom-hole well density of no more than 16 wells per each 640 Acres (40 acre equivalent well density.)
- b) No more than 4 well sites (multi-well pads) per each 640 Acres.
- c) A minimum 500' offset from wellheads to occupied dwellings.
- d) A requirement whereby subsequent Oil and Gas Location Assessment applications (Form 2A) for any well pad in these two application areas will propose conditions of approval similar to those used for the Fenno Ranch Pad A, such as extra measures to protect water wells, irrigation ditches, and other water resources.

5) Antero is not restricted from applying for 10-acre well density development in the future for the subject application areas, nor any other development in the Silt Mesa area. Also, GVCA and RSPN members are not restricted in the future from advocating to the county to intervene in proposals calling for more density, proposed well pad locations, and other matters before the COGCC.