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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 10-Q**

(Mark One)

- QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended **September 30, 2015**

OR

- TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number: **001-36719**

**ANTERO MIDSTREAM PARTNERS LP**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**46-4109058**  
(IRS Employer Identification No.)

**1615 Wynkoop Street**  
**Denver, Colorado**  
(Address of principal executive offices)

**80202**  
(Zip Code)

**(303) 357-7310**

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.  Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).  Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act)  Yes  No

As of October 22, 2015, there were 99,851,432 common units and 75,940,957 subordinated units outstanding.

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## CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Some of the information in this report may contain forward-looking statements. Forward-looking statements give our current expectations, contain projections of results of operations or of financial condition, or forecasts of future events. Words such as “may,” “assume,” “forecast,” “position,” “predict,” “strategy,” “expect,” “intend,” “plan,” “estimate,” “anticipate,” “believe,” “project,” “budget,” “potential,” or “continue,” and similar expressions are used to identify forward-looking statements. They can be affected by assumptions used or by known or unknown risks or uncertainties. Consequently, no forward-looking statements can be guaranteed. When considering these forward-looking statements, you should keep in mind the risk factors and other cautionary statements in this report. Actual results may vary materially. You are cautioned not to place undue reliance on any forward-looking statements. You should also understand that it is not possible to predict or identify all such factors and should not consider the following list to be a complete statement of all potential risks and uncertainties. Factors that could cause our actual results to differ materially from the results contemplated by such forward-looking statements include:

- Antero Resources Corporation’s drilling and development plan;
- our ability to execute our business strategy;
- natural gas, natural gas liquids (“NGLs”) and oil prices;
- competition and government regulations;
- actions taken by third-party producers, operators, processors and transporters;
- pending legal or environmental matters;
- costs of conducting our gathering and compression operations;
- general economic conditions;
- credit markets;
- operating hazards, natural disasters, weather-related delays, casualty losses and other matters beyond our control;
- uncertainty regarding our future operating results; and
- plans, objectives, expectations and intentions in this Form 10-Q that are not historical.

We caution you that these forward-looking statements are subject to all of the risks and uncertainties, most of which are difficult to predict and many of which are beyond our control, incident to the gathering and compression and water handling business. These risks include, but are not limited to, commodity price volatility, inflation, environmental risks, drilling and completion and other operating risks, regulatory changes, the uncertainty inherent in projecting future rates of production, cash flow and access to capital, the timing of development expenditures, and the other risks described under “Risk Factors” in this report, in our Annual Report on Form 10-K for the year ended December 31, 2014, filed with the Securities and Exchange Commission on February 25, 2015 (the “2014 Form 10-K”) and in our quarterly reports on Form 10-Q for the quarterly period ended June 30, 2015, filed with the Securities and Exchange Commission on July 29, 2015 (the “Second 2015 Quarterly Report”).

Should one or more of the risks or uncertainties described in this report occur, or should underlying assumptions prove incorrect, our actual results and plans could differ materially from those expressed in any forward-looking statements.

All forward-looking statements, expressed or implied, included in this report are expressly qualified in their entirety by this cautionary statement. This cautionary statement should also be considered in connection with any subsequent written or oral forward-looking statements that we or persons acting on our behalf may issue.

Except as otherwise required by applicable law, we disclaim any duty to update any forward-looking statements, all of which are expressly qualified by the statements in this section, to reflect events or circumstances after the date of this report.

### EXPLANATORY NOTE

On September 17, 2015, the Partnership and Antero Treatment LLC (“Antero Treatment”) entered into a Contribution, Conveyance and Assumption Agreement with Antero (the “Contribution Agreement”). Pursuant to the terms of the Contribution Agreement, Antero agreed to contribute (the “Water Acquisition”) (i) all of the outstanding limited liability company interests of Antero Water LLC to the Partnership and (ii) all of the assets, contracts, rights, permits and properties owned or leased by Antero and used primarily in connection with the construction, ownership, operation, use or maintenance of Antero’s advanced wastewater treatment complex to be constructed in Doddridge County, West Virginia, to Antero Treatment (collectively, (i) and (ii) are referred to herein as the “Contributed Assets”). See Note 1—Business and Organization.

The information in this report includes periods prior to the Water Acquisition. Consequently, the Partnership’s condensed combined consolidated financial statements have been retrospectively recast for all periods presented to include the historical results of Antero Water because the transaction was between entities under common control. Antero Water’s operations through September 23, 2015 consist entirely of water distribution.

**PART I—FINANCIAL INFORMATION**

**Item 1. Financial Statements**

**ANTERO MIDSTREAM PARTNERS LP**  
 Condensed Combined Consolidated Balance Sheets  
 December 31, 2014, and September 30, 2015  
 (Unaudited)  
 (In thousands, except unit counts)

	<b>December 31, 2014</b>	<b>September 30, 2015</b>
<b>Assets</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 230,192	\$ 17,510
Accounts receivable—affiliate	31,563	42,188
Accounts receivable—third party	5,574	664
Prepaid expenses	518	62
Total current assets	267,847	60,424
<b>Property and equipment:</b>		
Gathering and compressions systems	1,180,707	1,431,850
Water handling systems	421,012	517,518
Less accumulated depreciation	(70,124)	(134,469)
Property and equipment, net	1,531,595	1,814,899
Other assets, net	17,168	7,468
Total assets	\$ 1,816,610	\$ 1,882,791
<b>Liabilities and Partners' Capital</b>		
<b>Current liabilities:</b>		
Accounts payable	\$ 13,021	\$ 22,668
Accounts payable—affiliate	1,380	3,560
Accrued capital expenditures	49,974	62,679
Accrued ad valorem tax	5,862	5,924
Accrued liabilities	9,254	7,919
Other current liabilities	357	131
Total current liabilities	79,848	102,881
<b>Long-term liabilities</b>		
Long-term debt	115,000	525,000
Contingent acquisition consideration	—	174,716
Other	859	514
Total liabilities	195,707	803,111
<b>Contingencies (Note 10)</b>		
<b>Partners' capital:</b>		
Common units - public (58,922,054 units issued and outstanding)	1,090,037	1,334,265
Common units - Antero (40,929,378 units issued and outstanding)	71,665	45,721
Subordinated units (75,940,957 units issued and outstanding)	180,757	(300,601)
General partner	—	295
Total partners' capital	1,342,459	1,079,680
Parent net investment	278,444	—
Total capital	1,620,903	1,079,680
Total liabilities and partners' capital	\$ 1,816,610	\$ 1,882,791

See accompanying notes to condensed combined consolidated financial statements.



**ANTERO MIDSTREAM PARTNERS LP**

Condensed Combined Consolidated Statements of Operations and Comprehensive Income

Three Months Ended September 30, 2014, and 2015

(Unaudited)

(In thousands, except unit counts and per unit amounts)

	<u>2014</u>	<u>2015</u>
<b>Revenue:</b>		
Gathering and compression—affiliate	\$ 26,282	\$ 59,220
Water handling—affiliate	42,631	21,819
Gathering and compression—third party	—	38
Water handling—third party	2,671	627
Total revenue	<u>71,584</u>	<u>81,704</u>
<b>Operating expenses:</b>		
Direct operating	12,579	1,609
General and administrative (including \$2,111 and \$5,284 of equity-based compensation in 2014 and 2015, respectively)	7,643	13,842
Depreciation	14,617	21,561
Total operating expenses	<u>34,839</u>	<u>37,012</u>
Operating income	<u>36,745</u>	<u>44,692</u>
Interest expense	2,455	2,044
Net income and comprehensive income	<u>\$ 34,290</u>	<u>\$ 42,648</u>
Less Pre-Water Acquisition net income attributed to parent		(7,841)
Less general partner's interest in net income		(295)
Limited partners' interest in net income		<u>\$ 34,512</u>
<b>Net income per limited partner unit:</b>		
<b>Basic:</b>		
Common units		\$ 0.23
Subordinated units		\$ 0.22
<b>Diluted:</b>		
Common units		\$ 0.23
Subordinated units		\$ 0.22
<b>Weighted average number of limited partner units outstanding:</b>		
<b>Basic:</b>		
Common units		78,018,037
Subordinated units		75,940,957
<b>Diluted:</b>		
Common units		78,034,156
Subordinated units		75,940,957

See accompanying notes to condensed combined consolidated financial statements.

**ANTERO MIDSTREAM PARTNERS LP**

Condensed Combined Consolidated Statements of Operations and Comprehensive Income

Nine Months Ended September 30, 2014, and 2015

(Unaudited)

(In thousands, except unit counts and per unit amounts)

	<u>2014</u>	<u>2015</u>
<b>Revenue:</b>		
Gathering and compression—affiliate	\$ 54,978	\$ 168,056
Water handling—affiliate	107,907	86,759
Gathering and compression—third party	—	38
Water handling—third party	2,671	778
Total revenue	<u>165,556</u>	<u>255,631</u>
<b>Operating expenses:</b>		
Direct operating	32,532	38,830
General and administrative (including \$7,392 and \$17,663 of equity-based compensation in 2014 and 2015, respectively)	21,187	37,923
Depreciation	<u>35,739</u>	<u>63,515</u>
Total operating expenses	<u>89,458</u>	<u>140,268</u>
Operating income	<u>76,098</u>	<u>115,363</u>
Interest expense	<u>4,121</u>	<u>5,266</u>
Net income and comprehensive income	<u>\$ 71,977</u>	<u>\$ 110,097</u>
Less Pre-Water Acquisition net income attributed to parent		(40,193)
Less general partner's interest in net income		(295)
Limited partners' interest in net income		<u>\$ 69,609</u>
<b>Net income per limited partner unit:</b>		
<b>Basic:</b>		
Common units		\$ 0.46
Subordinated units		\$ 0.45
<b>Diluted:</b>		
Common units		\$ 0.46
Subordinated units		\$ 0.45
<b>Weighted average number of limited partner units outstanding:</b>		
<b>Basic:</b>		
Common units		76,640,925
Subordinated units		75,940,957
<b>Diluted:</b>		
Common units		76,657,439
Subordinated units		75,940,957

See accompanying notes to condensed combined consolidated financial statements.

**ANTERO MIDSTREAM PARTNERS LP**  
Condensed Combined Consolidated Statements of Partners' Capital  
Nine Months Ended September 30, 2015  
(Unaudited)  
(In thousands)

	<b>Partnership</b>					<b>Total</b>
	<b>Common Unitholders Public</b>	<b>Common Unitholder Antero</b>	<b>Subordinated Unitholder</b>	<b>General Partner</b>	<b>Parent Net Investment</b>	
Balance at December 31, 2014	\$ 1,090,037	\$ 71,665	\$ 180,757	\$ —	\$ 278,444	\$1,620,903
Net income and comprehensive income	21,227	13,883	34,499	295	40,193	110,097
Distributions to unitholders	(21,358)	(13,902)	(35,259)	—	—	(70,519)
Deemed distribution from parent, net	—	—	—	—	(43,723)	(43,723)
Net proceeds from private placement of common units	240,972	—	—	—	—	240,972
Purchase price in excess of net assets from Antero	—	(261,186)	(486,156)	—	—	(747,342)
Issuance of common units to Antero	—	229,988	—	—	—	229,988
Carrying value of net assets acquired from Antero in Water Acquisition	—	—	—	—	(278,359)	(278,359)
Equity-based compensation	3,387	5,273	5,558	—	3,445	17,663
Balance at September 30, 2015	<u>\$ 1,334,265</u>	<u>\$ 45,721</u>	<u>\$ (300,601)</u>	<u>\$ 295</u>	<u>\$ —</u>	<u>\$1,079,680</u>

See accompanying notes to condensed combined consolidated financial statements.

**ANTERO MIDSTREAM PARTNERS LP**  
Condensed Combined Consolidated Statements of Cash Flows  
Nine Months Ended September 30, 2014, and 2015  
(Unaudited)  
(In thousands)

	2014	2015
<b>Cash flows provided by operating activities:</b>		
Net income	\$ 71,977	\$ 110,097
<b>Adjustment to reconcile net income to net cash provided by operating activities:</b>		
Depreciation	35,739	63,515
Equity-based compensation	7,392	17,663
Amortization of deferred financing costs	—	774
<b>Changes in assets and liabilities:</b>		
Accounts receivable—affiliate	(20,715)	1,963
Accounts receivable—third party	(860)	4,910
Prepaid expenses	(16)	457
Accounts payable	1,750	673
Accounts payable—affiliate	—	781
Accrued ad valorem tax	3,376	62
Accrued liabilities	3,853	(1,336)
Net cash provided by operating activities	<u>102,496</u>	<u>199,559</u>
<b>Cash flows used in investing activities:</b>		
Additions to gathering and compression systems	(428,036)	(282,826)
Additions to water handling systems	(159,097)	(53,086)
Acquired water handling assets	—	(28,560)
Change in working capital of affiliate related to property and equipment	—	40,277
Change in other assets	(6,761)	10,883
Net cash used in investing activities	<u>(593,894)</u>	<u>(313,312)</u>
<b>Cash flows provided by (used in) financing activities:</b>		
Deemed distribution from parent, net	(5,491)	(43,723)
Water Acquisition	—	(633,457)
Distributions to unitholders	—	(70,519)
Proceeds from issuance of common units to public, net	—	240,972
Borrowings on credit facilities, net	500,000	410,000
Payments of deferred financing costs	—	(1,956)
Other	(330)	(246)
Payments of IPO related costs	(2,781)	—
Net cash provided by (used in) financing activities	<u>491,398</u>	<u>(98,929)</u>
Net decrease in cash and cash equivalents	—	(212,682)
Cash and cash equivalents, beginning of period	—	230,192
Cash and cash equivalents, end of period	<u>\$ —</u>	<u>\$ 17,510</u>
<b>Supplemental disclosure of cash flow information:</b>		
Cash paid during the period for interest and commitment fees	\$ 3,586	\$ 4,725
<b>Supplemental disclosure of noncash investing activities:</b>		
Increase in accrued capital expenditures and accounts payable for property and equipment	\$ 76,384	\$ 21,962

See accompanying notes to condensed combined consolidated financial statements.

## ANTERO MIDSTREAM PARTNERS LP

### Notes to Condensed Combined Consolidated Financial Statements

December 31, 2014 and September 30, 2015

#### (1) Business and Organization

Antero Midstream Partners LP (the “Partnership”) is a growth-oriented limited partnership formed by Antero Resources Corporation (“Antero”) to own, operate and develop midstream assets to service Antero’s natural gas, natural gas liquids (“NGLs”) and oil production. On November 10, 2014, the Partnership completed its initial public offering (the “IPO”) of 46,000,000 common units representing limited partnership interests at a price of \$25.00 per common unit. The Partnership was originally formed as Antero Resources Midstream LLC and converted to a limited partnership in connection with the completion of the IPO. At the closing of the IPO, Antero contributed substantially all of its high and low pressure gathering and compression assets to Antero Midstream LLC (“Midstream Operating”), and the equity interests of Midstream Operating were contributed to the Partnership. Our condensed combined consolidated financial statements as of September 30, 2015, include the accounts of the Partnership, Midstream Operating, Antero Water LLC Predecessor (“Antero Water”), and Antero Treatment LLC Predecessor (“Antero Treatment”), all of which are entities under common control.

On September 17, 2015, the Partnership and Antero Treatment entered into the Contribution Agreement. Pursuant to the terms of the Contribution Agreement, Antero agreed to contribute (i) all of the outstanding limited liability company interests of Antero Water to the Partnership and (ii) all of the assets, contracts, rights, permits and properties owned or leased by Antero and used primarily in connection with the construction, ownership, operation, use or maintenance of Antero’s advanced wastewater treatment complex to be constructed in Doddridge County, West Virginia, to Antero Treatment. In consideration for the contribution of the Contributed Assets, the Partnership (i) paid Antero a cash distribution equal to \$552.5 million, less \$171 million of assumed debt, (ii) issued 10,988,421 common units representing limited partner interests in the Partnership to Antero and distributed proceeds of approximately \$241 million from the Partnership’s private placement of common units to a group of institutional investors and (iii) has agreed to pay Antero (a) \$125 million in cash if the Partnership delivers 176,295,000 barrels or more of fresh water during the period between January 1, 2017 and December 31, 2019 and (b) an additional \$125 million in cash if the Partnership delivers 219,200,000 barrels or more of fresh water during the period between January 1, 2018 and December 31, 2020.

Also on September 23, 2015, the Partnership completed the previously announced sale of 12,898,000 common units at \$18.84 per common unit for net proceeds of approximately \$240.2 million (the “Private Placement”). The Partnership used a portion of the net proceeds of the Private Placement to repay indebtedness assumed from Antero and to partially fund the Water Acquisition.

Our gathering and compression assets consist of 8-, 12-, 16-, and 20-inch high and low pressure gathering pipelines and compressor stations that collect natural gas, NGLs and oil from Antero’s wells in the Marcellus Shale in West Virginia and the Utica Shale in Ohio. Our assets also include two independent fresh water distribution systems that deliver water used by Antero for hydraulic fracturing activities in Antero’s operating areas. The fresh water distribution systems consist of permanent buried pipelines, surface pipelines and fresh water storage facilities, as well as pumping stations and impoundments to transport the fresh water throughout the pipeline system.

We have a right to participate for up to a 15% non-operating equity interest in an unnamed 50-mile regional gathering pipeline extension (the “Regional Gathering System”) that will expire six months following the date on which the Regional Gathering System is placed into service. In addition, we have entered into a right-of-first-offer agreement with Antero to allow for us to provide Antero with gas processing or NGLs fractionation, transportation or marketing services in the future.

**ANTERO MIDSTREAM PARTNERS LP**

Notes to Condensed Combined Consolidated Financial Statements

December 31, 2014 and September 30, 2015

**(2) Summary of Significant Accounting Policies**

**(a) Basis of Presentation**

These condensed combined consolidated financial statements have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission (the “SEC”) applicable to interim financial information, and should be read in the context of the December 31, 2014 consolidated financial statements and notes thereto for a more complete understanding of the Partnership’s operations, financial position, and accounting policies. The December 31, 2014 consolidated financial statements were originally filed with the SEC in the Partnership’s Annual Report on Form 10-K for the year ended December 31, 2014 and were subsequently recast to include the historical results of Antero Water. The recast December 31, 2014 combined consolidated financial statements were filed with the SEC as Exhibit 99.1 to the Partnership’s Current Report on Form 8-K filed October 9, 2015.

The accompanying unaudited condensed combined consolidated financial statements of the Partnership have been prepared in accordance with accounting principles generally accepted in the United States (“GAAP”) for interim financial information, and, accordingly, do not include all of the information and footnotes required by GAAP for complete consolidated financial statements. In the opinion of management, these statements include all adjustments (consisting of normal and recurring accruals) considered necessary for a fair presentation of the Partnership’s financial position as of December 31, 2014 and September 30, 2015, the results of its operations for the three and nine months ended September 30, 2014 and 2015 and its cash flows for the nine months ended September 30, 2014 and 2015. The Partnership has no items of other comprehensive income or loss; therefore, its net income is identical to its comprehensive income. Operating results for the period ended September 30, 2015 are not necessarily indicative of the results that may be expected for the full year.

The accompanying condensed combined consolidated financial statements represent the assets, liabilities, and results of operations of Antero’s gathering and compression assets and water handling assets as the accounting predecessor (the “Predecessor”) to the Partnership, presented on a carve-out basis of Antero’s historical ownership of the Predecessor. The Predecessor financial statements have been prepared from the separate records maintained by Antero and may not necessarily be indicative of the actual results of operations that might have occurred if the Predecessor had been operated separately during the periods reported. References in these financial statements to “Predecessor,” “we,” “our,” “us” or like terms, when referring to periods prior to November 10, 2014, refer to Antero’s gathering, compression and water assets, our predecessor for accounting purposes. References to “the Partnership,” “we,” “our,” “us” or like terms, when referring to periods between November 10, 2014 and September 23, 2015 refer to the Partnership’s gathering and compression assets and Antero’s water assets. References to “the Partnership,” “we,” “our,” “us” or like terms, when referring to periods since September 23, 2015 or when used in the present tense or prospectively, refer to the Partnership.

Certain costs of doing business which are incurred by Antero on our behalf have been reflected in the accompanying condensed combined consolidated financial statements. These costs include general and administrative expenses attributed to us by Antero in exchange for:

- business services, such as payroll, accounts payable and facilities management;
- corporate services, such as finance and accounting, legal, human resources, investor relations and public and regulatory policy; and
- employee compensation, including equity-based compensation.

Transactions between us and Antero have been identified in the condensed combined consolidated financial statements as transactions between affiliates (see Note 3).

**ANTERO MIDSTREAM PARTNERS LP**

Notes to Condensed Combined Consolidated Financial Statements

December 31, 2014 and September 30, 2015

As of the date these condensed combined consolidated financial statements were filed with the SEC, the Partnership completed its evaluation of potential subsequent events for disclosure and no items requiring disclosure were identified, except the declaration of a cash distribution to unitholders, as described in Note 6—Partnership Equity and Distributions.

***(b) Revenue Recognition***

We provide gathering and compression and water handling services under fee-based contracts primarily based on throughput. Under these arrangements, we receive fees for gathering oil and gas products and compression services. The revenue we earn from these arrangements is directly related to (1) in the case of natural gas gathering and compression, the volumes of metered natural gas that we gather, compress and deliver to natural gas compression sites or other transmission delivery points (2) in the case of oil and condensate gathering, the volumes of metered oil and condensate that we gather and deliver to other transmission delivery points or (3) in the case of water handling services, the quantities of fresh water delivered to our customers for use in their well completion operations. We recognize revenue when all of the following criteria are met: (1) persuasive evidence of an agreement exists, (2) services have been rendered, (3) prices are fixed or determinable and (4) collectability is reasonable assured.

***(c) Use of Estimates***

The preparation of the condensed combined consolidated financial statements and notes in conformity with GAAP requires that management formulate estimates and assumptions that affect revenues, expenses, assets, liabilities and the disclosure of contingent assets and liabilities. Items subject to estimates and assumptions include the useful lives of property and equipment and valuation of accrued liabilities, among others. Although management believes these estimates are reasonable, actual results could differ from these estimates.

In the third quarter, as a result of our review of recent rulings, our estimated ad valorem tax expense was decreased by \$8.4 million related to prior periods due to a change in our estimated future tax liability. This was accounted for as a change in an accounting estimate.

***(d) Cash and Cash Equivalents***

Prior to the IPO, the Predecessor's gathering and compression operations were funded by Antero, and prior to September 23, 2015 Antero Water's operations were funded by Antero. Net amounts funded by Antero are reflected as net contributions from parent on the accompanying Statements of Condensed Combined Consolidated Cash Flows.

We consider all liquid investments purchased with an initial maturity of three months or less to be cash equivalents. The carrying value of cash and cash equivalents approximates fair value due to the short-term nature of these instruments.

***(e) Property and Equipment***

Property and equipment primarily consists of gathering pipelines, compressor stations and fresh water distribution pipelines and facilities stated at historical cost less accumulated depreciation. We capitalize construction-related direct labor and material costs. Maintenance and repair costs are expensed as incurred.

Depreciation is computed using the straight-line method over the estimated useful lives and salvage values of assets. The depreciation of fixed assets recorded under capital lease agreements is included in depreciation expense. Uncertainties that may impact these estimates of useful lives include, among others, changes in laws and regulations relating to environmental matters, including air and water quality, restoration and abandonment requirements, economic conditions, and supply and demand for our services in the areas in which we operate. When assets are placed into service, management makes estimates with respect to

**ANTERO MIDSTREAM PARTNERS LP**

## Notes to Condensed Combined Consolidated Financial Statements

December 31, 2014 and September 30, 2015

useful lives and salvage values that management believes are reasonable. However, subsequent events could cause a change in estimates, thereby impacting future depreciation amounts.

Our investment in property and equipment for the periods presented is as follows:

(in thousands)	Estimated useful lives	As of December 31, 2014	As of September 30, 2015
Land	n/a	\$ 3,383	\$ 3,430
Freshwater surface pipelines and equipment	5 years	20,931	32,165
Freshwater permanent buried pipelines and equipment	20 years	359,244	395,124
Gathering and compression systems	20 years	861,609	1,196,274
Construction-in-progress	n/a	356,552	322,375
Total property and equipment		1,601,719	1,949,368
Less accumulated depreciation		(70,124)	(134,469)
Property and equipment, net		\$ 1,531,595	\$ 1,814,899

***(f) Impairment of Long-Lived Assets***

We evaluate our long-lived assets for impairment when events or changes in circumstances indicate that the related carrying values of the assets may not be recoverable. Generally, the basis for making such assessments is undiscounted future cash flow projections for the unit being assessed. If the carrying values of the assets are deemed not recoverable, the carrying values are reduced to the estimated fair value, which is based on discounted future cash flows or other techniques, as appropriate. No impairments for such assets have been recorded through September 30, 2015.

***(g) Asset Retirement Obligations***

Our gathering pipelines, compressor stations and freshwater distribution pipelines and facilities have an indeterminate life, if properly maintained. A liability for these asset retirement obligations will be recorded only if and when a future retirement obligation with a determinable life can be estimated. It has been determined by our operational management team that abandoning all other ancillary equipment, outside of the assets stated above, would require minimal costs. Because we are not able to make a reasonable estimate of when future dismantlement and removal dates of our pipelines, compressor stations and facilities, will occur, and because it has been determined that abandonment of all other ancillary assets would only require minimal costs, we have not recorded asset retirement obligations at December 31, 2014 or September 30, 2015.

***(h) Litigation and Other Contingencies***

An accrual is recorded for a loss contingency when its occurrence is probable and damages can be reasonably estimated based on the anticipated most likely outcome or the minimum amount within a range of possible outcomes. We regularly review contingencies to determine the adequacy of our accruals and related disclosures. The ultimate amount of losses, if any, may differ from these estimates.

We accrue losses associated with environmental obligations when such losses are probable and can be reasonably estimated. Accruals for estimated environmental losses are recognized no later than at the time a remediation feasibility study, or an evaluation of response options, is complete. These accruals are adjusted as additional information becomes available or as circumstances change. Future environmental expenditures are not discounted to their present value. Recoveries of environmental costs from other parties are recorded separately as assets at their undiscounted value when receipt of such recoveries is probable.

## ANTERO MIDSTREAM PARTNERS LP

### Notes to Condensed Combined Consolidated Financial Statements

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#### ***(i) Equity-Based Compensation***

Our condensed combined consolidated financial statements reflect various equity-based compensation awards granted by Antero, as well as compensation expense associated with our own plan. These awards include profits interests awards, restricted stock, stock options, restricted units, and phantom units. For purposes of these condensed combined consolidated financial statements, we recognized as expense in each period an amount allocated from Antero, with the offset included in partners' capital. See Note 3—Transactions with Affiliates for additional information regarding Antero's allocation of expenses to us.

In connection with the IPO, our general partner adopted the Antero Midstream Partners LP Long-Term Incentive Plan ("Midstream LTIP"), pursuant to which certain non-employee directors of our general partner and certain officers, employees and consultants of our general partner and its affiliates are eligible to receive awards representing equity interests in the Partnership. An aggregate of 10,000,000 common units may be delivered pursuant to awards under the Midstream LTIP, subject to customary adjustments. For accounting purposes, these units are treated as if they are distributed from us to Antero. Antero recognizes compensation expense for the units awarded to its employees and a portion of that expense is allocated to us. There is no cash paid to Antero for the amount allocated to us. See Note 5—Equity-Based Compensation.

#### ***(j) Income Taxes***

Our condensed combined consolidated financial statements do not include a provision for income taxes as we are treated as a partnership for federal and state income tax purposes, with each partner being separately taxed on its share of taxable income.

#### ***(k) Fair Value Measures***

The Financial Accounting Standards Board (the "FASB") Accounting Standards Codification Topic 820, Fair Value Measurements and Disclosures, clarifies the definition of fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. This guidance also relates to all nonfinancial assets and liabilities that are not recognized or disclosed on a recurring basis (e.g., the initial recognition of asset retirement obligations and impairments of long-lived assets). The fair value is the price that we estimate would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value hierarchy is used to prioritize inputs to valuation techniques used to estimate fair value. An asset or liability subject to the fair value requirements is categorized within the hierarchy based on the lowest level of input that is significant to the fair value measurement. Our assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability. The highest priority (Level 1) is given to unadjusted quoted market prices in active markets for identical assets or liabilities, and the lowest priority (Level 3) is given to unobservable inputs. Level 2 inputs are data, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly.

The carrying values on our balance sheet of our cash and cash equivalents, accounts receivable—affiliate, accounts receivable—third party, prepaid expenses, other assets, accounts payable, accounts payable—affiliate, accrued liabilities, accrued capital expenditures, accrued ad valorem tax, other current liabilities, other liabilities and the revolving credit facility approximate fair values due to their short-term maturities.

As discussed in Note 8—Fair Value Measurement, the Partnership has agreed to pay Antero contingent consideration in connection with the Water Acquisition. See Note 8—Fair Value Measurement.

#### ***(l) Reclassifications***

Certain reclassifications have been made to prior periods' financial information related to direct operating expenses to conform that information to our current period presentation. These reclassifications did not have an impact on net income for the periods previously reported.

**ANTERO MIDSTREAM PARTNERS LP**

Notes to Condensed Combined Consolidated Financial Statements

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**(3) Transactions with Affiliates**

**(a) Revenues**

Gathering and compression revenues earned from Antero were \$26.3 million and \$59.2 million during the three months ended September 30, 2014 and 2015, respectively, and \$55.0 million and \$168.1 million during the nine months ended September 30, 2014 and 2015, respectively. Water handling revenues earned from Antero were \$42.6 million and \$21.8 million during the three months ended September 30, 2014 and 2015, respectively, and \$107.9 million and \$86.8 million during the nine months ended September 30, 2014 and 2015, respectively.

**(b) Accounts receivable—affiliate and Accounts payable—affiliate**

Accounts receivable—affiliate represents amounts due from Antero, primarily related to gathering and compression services, water handling services, net working capital receivable attributable to the Water Acquisition and other costs. Accounts payable—affiliate represents amounts due to Antero for general and administrative and other costs.

**(c) Accounts Payable, Accrued Expenses, and Accrued Capital Expenditures**

All accounts payable, accrued liabilities and accrued capital expenditures balances are due to transactions with unaffiliated parties. Prior to the IPO, all operating and capital expenditures, related to gathering and compression activities were funded through capital contributions from Antero and borrowings under its midstream credit facility. Prior to September 23, 2015, all operating and capital expenditures related to Antero Water were funded through capital contributions from Antero and borrowings under the water credit facility. See Note 4 — Long-term Debt. These balances were managed and paid under Antero's cash management program. Following the IPO, we maintained our own bank accounts and sources of liquidity related to gathering and compression operations, and on September 23, 2015, we began to maintain our own bank accounts and sources of liquidity for water handling operations.

**(d) Allocation of Costs**

The employees supporting our operations are employees of Antero. Direct operating expense includes allocated costs of \$0.5 million and \$0.8 million during the three months ended September 30, 2014 and 2015, respectively, and \$1.1 million and \$2.2 million during the nine months ended September 30, 2014 and 2015, respectively, related to direct labor charges for Antero employees associated with the operation of our gathering lines and compressor stations. General and administrative expense includes allocated costs of \$7.4 million and \$11.6 million during the three months ended September 30, 2014 and 2015, respectively, and \$20.9 million and \$33.9 million during the nine months ended September 30, 2014 and 2015, respectively. These costs relate to: (i) various business services, including payroll processing, accounts payable processing and facilities management, (ii) various corporate services, including legal, accounting, treasury, information technology and human resources and (iii) compensation, including equity-based compensation (see Note 5—Equity-Based Compensation for more information). These expenses are charged or allocated to us based on the nature of the expenses and are allocated based on a combination of our proportionate share of Antero's gross property and equipment, capital expenditures and direct labor costs, as applicable.

**(e) Water Acquisition**

In the third quarter of 2015 we acquired Antero's water handling business in exchange for a combination of cash and equity consideration. See Note 1—Business and Organization.

**ANTERO MIDSTREAM PARTNERS LP**

Notes to Condensed Combined Consolidated Financial Statements

December 31, 2014 and September 30, 2015

**(4) Long-Term Debt**

***(a) Revolving Credit Facility***

On November 10, 2014, in connection with the closing of the IPO, the Partnership entered into a revolving credit facility with a syndicate of bank lenders (the “revolving credit facility”). The revolving credit facility initially provided for lender commitments of \$1.0 billion and a letter of credit sublimit of \$150 million. The revolving credit facility will mature on November 10, 2019.

The revolving credit facility is ratably secured by mortgages on substantially all of our properties, including the properties of our restricted subsidiaries, and guarantees from our restricted subsidiaries. The revolving credit facility contains certain covenants including restrictions on indebtedness and distributions, and requirements with respect to leverage and interest coverage ratios. The Partnership was in compliance with all of the financial covenants under the revolving credit facility as of December 31, 2014 and September 30, 2015.

Principal amounts borrowed are payable on the maturity date with such borrowings bearing interest that is payable quarterly or, in the case of Eurodollar Rate Loans, at the end of the applicable interest period if shorter than three months. Interest is payable at a variable rate based on LIBOR or the base rate, determined by election at the time of borrowing. Commitment fees on the unused portion of the revolving credit facility are due quarterly at rates ranging from 0.25% to 0.375% of the unused facility based on utilization.

At December 31, 2014 and September 30, 2015, we had borrowings under the revolving credit facility of zero and \$525 million, respectively, with a weighted average interest rate of 1.70% and no letters of credit outstanding at December 31, 2014 or September 30, 2015.

On September 23, 2015, aggregate lender commitments under the revolving credit facility increased to \$1.5 billion in connection with the Water Acquisition.

***(b) Midstream Credit Facility***

Prior to the closing of the IPO on November 10, 2014, long-term debt represented amounts outstanding under a credit facility agreement between Midstream Operating, then a wholly owned subsidiary of Antero and now a wholly owned subsidiary of the Partnership, and the lenders under Antero’s credit facility (the “Antero credit facility”), that were incurred for the Water Acquisition and construction of the Predecessor’s gathering and compression assets (the “Midstream credit facility”). The facilities were ratably secured by mortgages on substantially all of Antero’s properties, by a security interest on substantially all of Midstream Operating’s personal property and by guarantees from Antero and its restricted subsidiaries. On November 10, 2014, in connection with the completion of the IPO, the outstanding balance of the Midstream credit facility was repaid out of the proceeds of the IPO, and this facility was assumed by Antero Water.

***(c) Antero Water Credit Facility***

On November 10, 2014, in connection with the closing of the IPO, Antero Water assumed the Midstream credit facility under amended terms (the “Water facility”), in order to provide for separate borrowings attributable to Antero’s water handling business. The Water facility was repaid in full and terminated on September 23, 2015, in connection with the Water Acquisition.

As of December 31, 2014, Antero Water had a total outstanding balance under the Water facility of \$115 million, with a weighted average interest rate of 2.19%. Antero was in compliance with all of the financial covenants under the Water facility as of December 31, 2014.

**ANTERO MIDSTREAM PARTNERS LP**

Notes to Condensed Combined Consolidated Financial Statements

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**(5) Equity-Based Compensation**

Our general and administrative expenses include equity-based compensation costs allocated to us by Antero for grants made pursuant to: (i) the Antero Resources Corporation Long-Term Incentive Plan (the “Antero LTIP”); (ii) profits interests awards valued in connection with the Antero reorganization pursuant to its initial public offering of common stock, which closed on October 16, 2013; and (iii) the Midstream LTIP. Equity-based compensation expense allocated to us was \$2.1 million and \$5.3 million for the three months ended September 30, 2014 and 2015, respectively, and \$7.4 million and \$17.7 million for the nine months ended September 30, 2014 and 2015, respectively. These expenses were allocated to us based on our proportionate share of Antero’s labor costs. Antero has unamortized expense totaling approximately \$175 million as of September 30, 2015 related to its various equity-based compensation plans and the Midstream LTIP. A portion of this will be allocated to us as it is amortized over the remaining service period of the related awards.

*Midstream LTIP*

Our general partner manages our operations and activities and Antero employs the personnel who provide support to our operations. In connection with the IPO, our general partner adopted the Midstream LTIP, pursuant to which non-employee directors of our general partner and certain officers, employees and consultants of our general partner and its affiliates are eligible to receive awards representing ownership interests in the Partnership. An aggregate of 10,000,000 common units may be delivered pursuant to awards under the Midstream LTIP, subject to customary adjustments. A total of 7,658,363 common units are available for future grant under the Midstream LTIP as of September 30, 2015. Restricted units and phantom units granted under the Midstream LTIP vest subject to the satisfaction of service requirements, upon the completion of which common units in the Partnership are delivered to the holder of the restricted units or phantom units. Compensation related to each restricted unit and phantom unit award is recognized on a straight-line basis over the requisite service period of the entire award. The grant date fair values of these awards are determined based on the closing price of the Partnership’s common units on the date of grant. These units are accounted for as if they are distributed by the Partnership to Antero. Antero recognizes compensation expense for the units awarded and a portion of that expense is allocated to the Partnership. Antero allocates equity-based compensation expense to the Partnership based on our proportionate share of Antero’s direct labor costs. The Partnership’s portion of the equity-based compensation expense is included in general and administrative expenses, and recorded as a credit to the applicable classes of partners’ capital.

A summary of restricted unit and phantom unit awards activity during the nine months ended September 30, 2015 is as follows:

	Number of units	Weighted average grant date fair value	Aggregate intrinsic value (in thousands)
Total awarded and unvested, December 31, 2014	2,381,440	\$ 29.00	\$ 65,490
Granted	12,057	\$ 24.88	\$ —
Vested	—	\$ —	\$ —
Forfeited	(51,860)	\$ 29.00	\$ —
Total awarded and unvested, September 30, 2015	<u>2,341,637</u>	\$ 28.98	\$ 41,822

Intrinsic values are based on the closing price of the Partnership’s common units on the referenced dates. Unamortized expense of \$52.5 million at September 30, 2015 is expected to be recognized by Antero over a weighted average period of approximately 3.1 years. A proportionate share of the expense will be allocated to us as it is recognized by Antero.

**ANTERO MIDSTREAM PARTNERS LP**

Notes to Condensed Combined Consolidated Financial Statements

December 31, 2014 and September 30, 2015

**(6) Partnership Equity and Distributions**

*Our Minimum Quarterly Distribution*

Our partnership agreement provides for a minimum quarterly distribution of \$0.17 per unit for each quarter, or \$0.68 per unit on an annualized basis.

Our partnership agreement generally provides that we distribute cash each quarter during the subordination period in the following manner:

- first, to the holders of common units, until each common unit has received the minimum quarterly distribution of \$0.17 plus any arrearages from prior quarters;
- second, to the holders of subordinated units, until each subordinated unit has received the minimum quarterly distribution of \$0.17; and
- third, to the holders of common units and subordinated units pro rata until each has received a distribution of \$0.1955.

If cash distributions to our unitholders exceed \$0.1955 per common unit and subordinated unit in any quarter, our unitholders and our general partner, as the holder of our incentive distribution rights (“IDRs”), will receive distributions according to the following percentage allocations:

<b>Total Quarterly Distribution Target Amount</b>	<b>Marginal Percentage Interest in Distributions</b>	
	<b>General Partner (as holder of</b>	
	<b>Unitholders</b>	<b>IDRs)</b>
above \$0.1955 up to \$0.2125	85 %	15 %
above \$0.2125 up to \$0.2550	75 %	25 %
above \$0.2550	50 %	50 %

*General Partner Interest*

Our general partner owns a non-economic general partner interest in us, which does not entitle it to receive cash distributions. However, our general partner owns the IDRs and may in the future own common units or other equity interests in us and will be entitled to receive distributions on any such interests.

*Subordinated Units*

Antero owns all of our subordinated units. The principal difference between our common units and subordinated units is that, for any quarter during the subordination period, holders of the subordinated units are not entitled to receive any distribution from operating surplus until the common units have received the minimum quarterly distribution from operating surplus for such quarter plus any arrearages in the payment of the minimum quarterly distribution from prior quarters. Subordinated units will not accrue arrearages. When the subordination period ends, all of the subordinated units will convert into an equal number of common units. The subordination period will end on the first business day after we have earned and paid at least \$0.68 (the minimum quarterly distribution on an annualized basis) on each outstanding common unit and subordinated unit for each of three consecutive, non-overlapping four-quarter periods ending on or after September 30, 2017 and there are no outstanding arrearages on our common units.

**ANTERO MIDSTREAM PARTNERS LP**

Notes to Condensed Combined Consolidated Financial Statements

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To the extent we do not pay the minimum quarterly distribution on our common units, our common unitholders will not be entitled to receive such arrearage payments in the future except during the subordination period. To the extent we have cash available for distribution from operating surplus in any future quarter during the subordination period in excess of the amount necessary to pay the minimum quarterly distribution to holders of our common units, we will use this excess cash to pay any distribution arrearages on common units related to prior quarters before any cash distribution is made to holders of subordinated units.

*Cash Distributions*

On October 13, 2015, we announced that the board of directors of our general partner declared a cash distribution of \$0.205 per unit for the quarter ended September 30, 2015. The distribution will be payable on November 30, 2015 to unitholders of record as of November 11, 2015.

The following table details the distributions paid during or pertaining to the first nine months of 2015:

Record Date	Distribution Date	Distributions				Distributions per limited partner unit
		Limited Partners		General partner (IDRs)	Total	
		Common unitholders	Subordinated unitholders			
(\$ in thousands, except per unit data)						
February 13, 2015	February 27, 2015	\$ 7,161	\$ 7,161	\$ -	\$ 14,322	\$ 0.0943
May 13, 2015	May 27, 2015	\$ 13,669	\$ 13,669	\$ -	\$ 27,338	\$ 0.1800
July 13, 2015	July 17, 2015	\$ 14,429	\$ 14,429	\$ -	\$ 28,858	\$ 0.1900
November 11, 2015	November 30, 2015	\$ 20,470	\$ 15,568	\$ 295	\$ 36,333	\$ 0.2050

**(7) Net Income Per Limited Partner Unit**

The Partnership's net income is attributed to the general partner and limited partners, including subordinated unitholders, in accordance with their respective ownership percentages, and when applicable, giving effect to incentive distributions paid to the general partner. Basic and diluted net income per limited partner unit is calculated by dividing limited partners' interest in net income, less general partner incentive distributions, by the weighted average number of outstanding limited partner units during the period.

We compute earnings per unit using the two-class method for master limited partnerships. Under the two-class method, earnings per unit is calculated as if all of the earnings for the period were distributed under the terms of the partnership agreement, regardless of whether the general partner has discretion over the amount of distributions to be made in any particular period, whether those earnings would actually be distributed during a particular period from an economic or practical perspective, or whether the general partner has other legal or contractual limitations on its ability to pay distributions that would prevent it from distributing all of the earnings for a particular period.

We calculate net income available to limited partners based on the distributions pertaining to the current period's net income. After adjusting for the appropriate period's distributions, the remaining undistributed earnings or excess distributions over earnings, if any, are attributed to the general partner and limited partners in accordance with the contractual terms of the partnership agreement under the two-class method.

**ANTERO MIDSTREAM PARTNERS LP**

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Basic earnings per unit is computed by dividing net earnings attributable to unitholders by the weighted average number of units outstanding during each period. Diluted net income per limited partner unit reflects the potential dilution that could occur if agreements to issue common units, such as awards under long-term incentive plans, were exercised, settled or converted into common units. When it is determined that potential common units resulting from an award should be included in the diluted net income per limited partner unit calculation, the impact is reflected by applying the treasury stock method. Earnings per common unit assuming dilution for the three months ended September 30, 2015 was calculated based on the diluted weighted average number of units outstanding of 78,034,156, including 16,119 dilutive units attributable to non-vested restricted unit and phantom unit awards. Earnings per common unit assuming dilution for the nine months ended September 30, 2015 was calculated based on the diluted weighted average number of units outstanding of 76,657,439, including 16,514 dilutive units attributable to non-vested restricted unit and phantom unit awards. For the three and nine months ended September 30, 2015, 2,309,580 and 2,314,388 non-vested phantom unit and restricted unit awards, respectively, were anti-dilutive and therefore excluded from the calculation of diluted earnings per unit.

The Partnership's calculation of net income per common and subordinated unit for the periods indicated is as follows (\$ in thousands, except per unit data):

	<u>Three months ended</u> <u>September 30,</u>		<u>Nine months ended</u> <u>September 30,</u>	
	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>
Net income	\$ 34,290	\$ 42,648	\$ 71,977	\$ 110,097
Less:				
Pre-IPO net income attributed to parent	(34,290)	—	(71,977)	—
Pre-Water Acquisition net income attributed to parent	—	(7,841)	—	(40,193)
General partner interest in net income attributable to incentive distribution rights	—	(295)	—	(295)
Limited partner interest in net income	<u>\$ —</u>	<u>\$ 34,512</u>	<u>\$ —</u>	<u>\$ 69,609</u>
Net income allocable to common units - basic and diluted	\$ —	\$ 17,561	\$ —	\$ 35,110
Net income allocable to subordinated units - basic and diluted	—	16,951	—	34,499
Limited partner interest in net income - basic and diluted	<u>\$ —</u>	<u>\$ 34,512</u>	<u>\$ —</u>	<u>\$ 69,609</u>
Weighted average limited partner units outstanding - basic				
Common units	—	78,018	—	76,641
Subordinated units	—	75,941	—	75,941
Weighted average limited partner units outstanding - diluted				
Common units	—	78,034	—	76,657
Subordinated units	—	75,941	—	75,941
Net income per limited partner unit - basic				
Common units	\$ —	\$ 0.23	\$ —	\$ 0.46
Subordinated units	\$ —	\$ 0.22	\$ —	\$ 0.45
Net income per limited partner unit - diluted				
Common units	\$ —	\$ 0.23	\$ —	\$ 0.46
Subordinated units	\$ —	\$ 0.22	\$ —	\$ 0.45



**ANTERO MIDSTREAM PARTNERS LP**

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**(8) Fair Value Measurement**

In connection with the Water Acquisition, we have agreed to pay Antero (a) \$125 million in cash if the Partnership delivers 176,295,000 barrels or more of fresh water during the period between January 1, 2017 and December 31, 2019 and (b) an additional \$125 million in cash if the Partnership delivers 219,200,000 barrels or more of fresh water during the period between January 1, 2018 and December 31, 2020. This contingent consideration liability is valued based on Level 3 inputs.

The following table provides a reconciliation of changes in Level 3 financial liabilities measured at fair value on a recurring basis for the periods shown below (in thousands):

	Contingent Consideration	
	Three months ended September 30, 2015	Nine months ended September 30, 2015
Beginning balance	\$ —	\$ —
Initial estimate upon acquisition	174,716	174,716
Ending balance	\$ 174,716	\$ 174,716

We account for contingent consideration in accordance with applicable accounting guidance pertaining to business combinations. We are contractually obligated to pay Antero contingent consideration in connection with the Water Acquisition, and therefore recorded this contingent consideration liability at the time of the Water Acquisition. We update our assumptions each reporting period based on new developments and adjust such amounts to fair value based on revised assumptions, if applicable, until such consideration is satisfied through payment upon achievement of the specified objectives or it is eliminated upon failure to achieve the specified objectives.

As of September 30, 2015, we are obligated to pay these amounts in 2019 and 2020. The fair value measurement is based on significant inputs not observable in the market and thus represents a Level 3 measurement within the fair value hierarchy. The fair value of the contingent consideration liability associated with future milestone payments was based on the risk adjusted present value of the contingent consideration payout.

**(9) Reporting Segments**

The Partnership's operations are located in the United States and are organized into two reporting segments: (1) gathering and compression and (2) water handling.

***Gathering and Compression***

The gathering and compression segment includes a network of gathering pipelines and compressor stations that collect natural gas, NGLs and oil from Antero's wells in the Marcellus Shale in West Virginia and the Utica Shale in Ohio.

***Water Handling***

The Partnership's water handling segment includes two independent fresh water distribution systems that source and deliver fresh water from the Ohio River and several regional waterways for well completion operations in Antero's operating areas. These systems consist of permanent buried pipelines, surface pipelines and fresh water storage facilities, as well as pumping stations and impoundments to transport the fresh water throughout the pipelines. The water handling segment also includes a water treatment facility, currently under construction.

**ANTERO MIDSTREAM PARTNERS LP**

Notes to Condensed Combined Consolidated Financial Statements

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These segments are monitored separately by management for performance and are consistent with internal financial reporting. These segments have been identified based on the differing products and services, regulatory environment and the expertise required for these operations. We evaluate the performance of the Partnership's business segments based on operating income. Interest expense is primarily managed and evaluated on a consolidated basis.

Summarized financial information concerning the Partnership's segments for the periods indicated is shown in the following table (in thousands):

	<b>Gathering and Compression</b>	<b>Water Handling</b>	<b>Consolidated Total</b>
<b>Three months ended September 30, 2014</b>			
Revenues:			
Revenue - affiliate	\$ 26,282	\$ 42,631	\$ 68,913
Revenue - third-party	-	2,671	2,671
Total revenues	<u>\$ 26,282</u>	<u>\$ 45,302</u>	<u>\$ 71,584</u>
Operating expenses:			
Direct operating	3,525	9,054	12,579
General and administrative (before equity-based compensation)	3,956	1,576	5,532
Equity-based compensation	1,562	549	2,111
Depreciation	10,227	4,390	14,617
Total	<u>\$ 19,270</u>	<u>\$ 15,569</u>	<u>\$ 34,839</u>
Operating income	<u>\$ 7,012</u>	<u>\$ 29,733</u>	<u>\$ 36,745</u>
Segment assets	<u>\$ 1,071,273</u>	<u>\$ 396,692</u>	<u>\$ 1,467,965</u>
Capital expenditures for segment assets	<u>\$ 162,482</u>	<u>\$ 53,305</u>	<u>\$ 215,787</u>
<b>Three months ended September 30, 2015</b>			
Revenues:			
Revenue - affiliate	\$ 59,220	\$ 21,819	\$ 81,039
Revenue - third-party	38	627	665
Total revenues	<u>\$ 59,258</u>	<u>\$ 22,446</u>	<u>\$ 81,704</u>
Operating expenses:			
Direct operating	(3,164)	4,773	1,609
General and administrative (before equity-based compensation)	7,060	1,498	8,558
Equity-based compensation	4,205	1,079	5,284
Depreciation	15,076	6,485	21,561
Total	<u>\$ 23,177</u>	<u>\$ 13,835</u>	<u>\$ 37,012</u>
Operating income	<u>\$ 36,081</u>	<u>\$ 8,611</u>	<u>\$ 44,692</u>
Segment assets	<u>\$ 1,395,057</u>	<u>\$ 487,734</u>	<u>\$ 1,882,791</u>
Capital expenditures for segment assets	<u>\$ 82,751</u>	<u>\$ 19,821</u>	<u>\$ 102,572</u>
Acquired water handling assets	-	28,560	28,560

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	<b>Gathering and Compression</b>	<b>Water Handling</b>	<b>Consolidated Total</b>
<b>Nine months ended September 30, 2014</b>			
Revenues:			
Revenue - affiliate	\$ 54,978	\$ 107,907	\$ 162,885
Revenue - third-party	-	2,671	2,671
Total revenues	<u>\$ 54,978</u>	<u>\$ 110,578</u>	<u>\$ 165,556</u>
Operating expenses:			
Direct operating	6,661	25,871	32,532
General and administrative (before equity-based compensation)	9,710	4,085	13,795
Equity-based compensation	5,365	2,027	7,392
Depreciation	24,991	10,748	35,739
Total	<u>\$ 46,727</u>	<u>\$ 42,731</u>	<u>\$ 89,458</u>
Operating income	<u>\$ 8,251</u>	<u>\$ 67,847</u>	<u>\$ 76,098</u>
Segment assets	\$ 1,071,273	\$ 396,692	\$ 1,467,965
Capital expenditures for segment assets	\$ 428,036	\$ 159,097	\$ 587,133
<b>Nine months ended September 30, 2015</b>			
Revenues:			
Revenue - affiliate	\$ 168,056	\$ 86,759	\$ 254,815
Revenue - third-party	38	778	816
Total revenues	<u>\$ 168,094</u>	<u>\$ 87,537</u>	<u>\$ 255,631</u>
Operating expenses:			
Direct operating	19,817	19,013	38,830
General and administrative (before equity-based compensation)	16,467	3,793	20,260
Equity-based compensation	14,218	3,445	17,663
Depreciation	44,748	18,767	63,515
Total	<u>\$ 95,250</u>	<u>\$ 45,018</u>	<u>\$ 140,268</u>
Operating income	<u>\$ 72,844</u>	<u>\$ 42,519</u>	<u>\$ 115,363</u>
Segment assets	\$ 1,395,057	\$ 487,734	\$ 1,882,791
Capital expenditures for segment assets	\$ 282,826	\$ 53,086	\$ 335,912
Acquired water handling assets	\$ -	\$ 28,560	\$ 28,560

**(10) Contingencies**

*Environmental Obligations*

We are subject to federal, state and local regulations regarding air and water quality, hazardous and solid waste disposal and other environmental matters. During the third quarter of 2015, the West Virginia Department of Environmental Protection (“WVDEP”) issued Antero Midstream a NOV for improper installation of an engine catalyst at the startup of the North Canton Compressor Station. Antero Midstream continues to negotiate with WVDEP to resolve this matter, but believes that it could result in monetary sanctions exceeding \$100,000; however, we do not expect that any ultimate sanction will have a material impact on the financial position, results of operations, or liquidity of Antero Midstream.



## **Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations.**

*The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our condensed combined consolidated financial statements and related notes included elsewhere in this report. The information provided below supplements, but does not form part of, our condensed combined consolidated financial statements. This discussion contains forward-looking statements that are based on the views and beliefs of our management, as well as assumptions and estimates made by our management. Actual results could differ materially from such forward-looking statements as a result of various risk factors, including those that may not be in the control of management. For further information on items that could impact our future operating performance or financial condition, please read see “Item 1A. Risk Factors.” and the section entitled “Cautionary Statement Regarding Forward-Looking Statements.” We do not undertake any obligation to publicly update any forward-looking statements except as otherwise required by applicable law. For more information please refer to the Annual Report on Form 10-K for the year ended December 31, 2014, filed with the SEC on February 25, 2015, and the Current Report on Form 8-K filed with the SEC on October 9, 2015.*

*References in this report to “Predecessor,” “we,” “our,” “us” or like terms, when referring to periods prior to November 10, 2014, refer to Antero’s gathering, compression and water assets, our predecessor for accounting purposes. References to “the Partnership,” “we,” “our,” “us” or like terms, when referring to periods between November 10, 2014 and September 23, 2015 refer to the Partnership’s gathering and compression assets, and Antero’s water assets. References to “the Partnership,” “we,” “our,” “us” or like terms, when referring to periods since September 23, 2015 or when used in the present tense or prospectively, refer to Antero Midstream Partners LP.*

### **Overview**

We are a growth-oriented limited partnership formed by Antero to own, operate and develop midstream energy assets to service Antero’s increasing production. Our assets consist of gathering pipelines and compressor stations that collect natural gas, NGLs and oil from Antero’s wells in the Marcellus Shale in West Virginia and the Utica Shale in Ohio. Our assets also include two independent fresh water distribution systems that deliver water used by Antero for hydraulic fracturing activities in Antero’s operating areas. The fresh water distribution systems consist of permanent buried pipelines, surface pipelines and fresh water storage facilitates, as well as pumping stations and impoundments to transport the fresh water throughout the pipeline system. We believe that our strategically located assets and our relationship with Antero position us to become a leading midstream energy company serving the Marcellus and Utica shale plays.

### **Address, Internet Website and Availability of Public Filings**

Our principal executive offices are at 1615 Wynkoop Street, Denver, Colorado 80202. Our telephone number is (303) 357-7310. Our website is located at [www.anteromidstream.com](http://www.anteromidstream.com).

We make available our Annual Reports on Form 10-K, our Quarterly Reports on Form 10-Q, and our Current Reports on Form 8-K. These documents are located [www.anteromidstream.com](http://www.anteromidstream.com) under the “Investors Relations” link.

Information on our website is not incorporated into this Quarterly Report on Form 10-Q or our other filings with the SEC and is not a part of them.

### **2015 Developments and Highlights**

#### ***Water Acquisition***

On September 17, 2015, the Partnership and Antero Treatment entered into a Contribution, Conveyance and Assumption Agreement with Antero (the “Contribution Agreement”). Pursuant to the terms of the Contribution Agreement, Antero agreed to contribute (i) all of the outstanding limited liability company interests of Antero Water LLC to the Partnership and (ii) all of the assets, contracts, rights, permits and properties owned or leased by Antero and used primarily in connection with the construction, ownership, operation, use or maintenance of Antero’s advanced wastewater treatment complex to be constructed in Doddridge County, West Virginia, to Antero Treatment (collectively, (i) and (ii) are referred to herein as the “Contributed Assets”). In consideration for the

contribution of the Contributed Assets, the Partnership (i) paid Antero a cash distribution equal to \$552.5 million, less \$171 million of assumed debt, (ii) issued 10,988,421 common units representing limited partner interests in the Partnership to Antero and distributed proceeds of approximately \$241 million from the Partnership's private placement of common units to a group of institutional investors and (iii) has agreed to pay Antero (a) \$125 million in cash if the Partnership delivers 176,295,000 barrels or more of fresh water during the period between January 1, 2017 and December 31, 2019 and (b) an additional \$125 million in cash if the Partnership delivers 219,200,000 barrels or more of fresh water during the period between January 1, 2018 and December 31, 2020.

We have agreements with Antero pursuant to which we will provide gathering and compression services and certain fluid handling services to Antero for a 20-year period. The agreement includes certain minimum fresh water delivery commitments that require Antero to take delivery or pay a fee on a minimum volume of freshwater deliveries in calendar years 2016 through 2019. Minimum volume commitments are 90,000 barrels per day in 2016, 100,000 barrels per day in 2017 and 120,000 barrels per day in 2018 and 2019. We have a secondment agreement whereby Antero provides seconded employees to perform certain operational services with respect to our gathering and compression assets and water handling assets for a 20-year period. Additionally, we have a services agreement whereby Antero provides certain administrative services to us for a 20-year period.

### ***Private Placement***

Also on September 23, 2015, the Partnership completed the previously announced sale of 12,898,000 common units at \$18.84 per common unit for net proceeds of approximately \$240.2 million (the "Private Placement"). The Partnership used a portion of the net proceeds of the Private Placement to repay indebtedness assumed from Antero and to partially fund the Water Acquisition.

### ***Energy Industry Environment***

In late 2014, global energy commodity prices declined precipitously as a result of several factors, including an increase in worldwide commodity supplies, a stronger U.S. dollar, relatively mild weather in large portions of the U.S. during winter months, and strong competition among oil producing countries for market share. Commodity prices have continued to remain low through the third quarter of 2015; prices for West Texas Intermediate remained below \$50 per Bbl for most of the quarter, and Henry Hub natural gas prices remained below \$3.00 per MMBtu during the quarter. Additionally, NGL prices have declined from approximately 50% of WTI in January 2015 to 29% of WTI in September 2015. In response to these market conditions and concerns about access to capital markets, many U.S. exploration and development companies significantly reduced their capital spending plans for 2015. Antero's capital budget for 2015 is \$1.8 billion, a 49% reduction from our 2014 capital expenditures. Antero plans to operate an average of 14 drilling rigs in 2015 as compared to an average of 21 rigs in 2014, and plans to complete 130 horizontal wells in the Marcellus and Utica Shales in 2015 as compared to 177 in 2014. Additionally, Antero has deferred 50 Marcellus completions until the first half of 2016. We believe that our 2015 capital budget will be fully funded through operating cash flows and available borrowing capacity under our revolving credit facility. We will continue to monitor commodity prices and may revise the capital budget if conditions warrant.

### ***Financial Results***

For the three months ended September 30, 2015, we generated cash flow from operations of \$54.5 million, net income of \$42.7 million, and Adjusted EBITDA of \$71.5 million. This compares to cash flow from operations of \$42.8 million, net income of \$34.3 million, and Adjusted EBITDA of \$53.5 million for the three months ended September 30, 2014. See "—Non-GAAP Financial Measure" for a definition of Adjusted EBITDA (a non-GAAP measure) and a reconciliation of Adjusted EBITDA to net income.

For the nine months ended September 30, 2015, we generated cash flow from operations of \$199.6 million, net income of \$110.1 million, and Adjusted EBITDA of \$196.5 million. This compares to cash flow from operations of \$102.5 million, net income of \$72.0 million, and Adjusted EBITDA of \$119.2 million for the nine months ended September 30, 2014. See "—Non-GAAP Financial Measure" for a definition of Adjusted EBITDA (a non-GAAP measure) and a reconciliation of Adjusted EBITDA to net income.

### ***Distribution for the Second Quarter for 2015***

On October 13, 2015, we announced that the board of directors of our general partner declared a cash distribution of \$0.205 per unit for the quarter ended September 30, 2015, totaling approximately \$36.3 million. The distribution will be payable on November 30, 2015 to unitholders of record as of November 11, 2015.

### ***2015 Capital Budget***

During the three and nine months ended September 30, 2015, our total gathering and compression capital expenditures were approximately \$83 million and \$283 million, respectively. During the three and nine months ended September 30, 2015, our water handling capital expenditures were approximately \$20 million and \$53 million, respectively. During 2015, we plan to continue to expand our existing Marcellus and Utica Shale gathering and compression systems to accommodate Antero's development plans. Our capital budget for 2015 is \$425 to \$450 million, which includes \$410 to \$435 million and \$15 million in expansion and maintenance capital, respectively. This capital budget includes \$330 to \$340 million of gathering and compression infrastructure, which will result in 31 miles and 12 miles of additional low pressure and high pressure gathering pipelines, respectively, in both the Marcellus and Utica shale plays, respectively. Additionally, the budget includes the construction or expansion of five compressor stations, which will add 545 MMcf/d of incremental compression capacity in 2015. This capital budget also includes \$80 to \$90 million of water infrastructure, which will result in 78 miles of additional water pipelines and approximately 8 additional fresh water storage impoundments. At December 31, 2015, we expect to have 164 miles of low pressure gathering lines, 112 miles of high pressure gathering lines, and 920 MMcf/d of compression capacity in service.

### ***Credit Facility***

As of September 30, 2015, lender commitments under our revolving credit facility were \$1.5 billion, with a letter of credit sublimit of \$150 million. At September 30, 2015, we had borrowings of \$525 million and no letters of credit outstanding under the revolving credit facility. Our revolving credit facility matures in November 2019. See “—Debt Agreements and Contractual Obligations—Revolving Credit Facility” for a description of our revolving credit facility.

### ***Items Affecting Comparability of Our Financial Results***

The historical financial results discussed below may not be comparable to our future financial results primarily as a result of the significant increase in the scope of our operations over the last several years. Our gathering and compression and water handling systems are relatively new, having been substantially built within the last two years. Accordingly, our revenues and expenses over that time reflect the significant ramp up in our operations. Similarly, Antero has experienced significant growth in its production and drilling and completion schedule over that same period. Accordingly, it may be difficult to project trends from our historical financial data going forward.

**Results of Operations****Three Months Ended September 30, 2014 Compared to Three Months Ended September 30, 2015**

We have two operating segments: (1) gathering and compression, and (2) water handling. The operating results and assets of our reportable segments were as follows for the three months ended September 30, 2014 and 2015 (in thousands):

	<b>Gathering and Compression</b>	<b>Water Handling</b>	<b>Consolidated Total</b>
<b>Three months ended September 30, 2014</b>			
Revenues:			
Revenue - affiliate	\$ 26,282	\$ 42,631	\$ 68,913
Revenue - third-party	-	2,671	2,671
Total revenues	<u>26,282</u>	<u>45,302</u>	<u>71,584</u>
Operating expenses:			
Direct operating	3,525	9,054	12,579
General and administrative (before equity-based compensation)	3,956	1,576	5,532
Equity-based compensation	1,562	549	2,111
Depreciation	10,227	4,390	14,617
Total	<u>19,270</u>	<u>15,569</u>	<u>34,839</u>
Operating income	<u>\$ 7,012</u>	<u>\$ 29,733</u>	<u>\$ 36,745</u>
<b>Three months ended September 30, 2015</b>			
Revenues:			
Revenue - affiliate	\$ 59,220	\$ 21,819	\$ 81,039
Revenue - third-party	38	627	665
Total revenues	<u>59,258</u>	<u>22,446</u>	<u>81,704</u>
Operating expenses:			
Direct operating	(3,164)	4,773	1,609
General and administrative (before equity-based compensation)	7,060	1,498	8,558
Equity-based compensation	4,205	1,079	5,284
Depreciation	15,076	6,485	21,561
Total	<u>23,177</u>	<u>13,835</u>	<u>37,012</u>
Operating income	<u>\$ 36,081</u>	<u>\$ 8,611</u>	<u>\$ 44,692</u>

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The following table sets forth selected operating data for the three months ended September 30, 2014 compared to the three months ended September 30, 2015:

	Three months ended September 30,		Amount of	Percentage Change
	2014	2015	Increase (Decrease)	
(\$ in thousands, except average realized fees)				
<b>Revenue:</b>				
Revenue - affiliate	\$ 68,913	\$ 81,039	\$ 12,126	18 %
Revenue - third-party	2,671	665	(2,006)	(75)%
Total revenues	71,584	81,704	10,120	14 %
<b>Operating expenses:</b>				
Direct operating	12,579	1,609	(10,970)	(87)%
General and administrative (before equity-based compensation)	5,532	8,558	3,026	55 %
Equity-based compensation expense	2,111	5,284	3,173	150 %
Depreciation	14,617	21,561	6,944	48 %
Total operating expenses	34,839	37,012	2,173	6 %
Operating income	36,745	44,692	7,947	22 %
Interest expense	2,455	2,044	(411)	(17)%
Net income	\$ 34,290	\$ 42,648	\$ 8,358	24 %
Adjusted EBITDA <sup>(1)</sup>	\$ 53,473	\$ 71,537	\$ 18,064	34 %
<b>Operating Data:</b>				
Gathering—low pressure (MMcf)	48,893	95,471	46,578	95 %
Gathering—high pressure (MMcf)	48,877	111,896	63,019	129 %
Compression (MMcf)	10,715	40,063	29,348	274 %
Condensate gathering (MBbl)	108	263	155	144 %
Fresh water distribution (MBbl)	12,865	6,168	(6,697)	(52)%
Wells serviced by water distribution	53	28	(25)	(47)%
Gathering—low pressure (MMcf/d)	531	1,038	507	95 %
Gathering—high pressure (MMcf/d)	531	1,216	685	129 %
Compression (MMcf/d)	116	435	319	275 %
Condensate gathering (MBbl/d)	1	3	2	200 %
Fresh water distribution (MBbl/d)	140	67	(73)	(52)%
<b>Average realized fees:</b>				
Average gathering—low pressure fee (\$/Mcf)	\$ 0.31	\$ 0.31	\$ 0.00	2 %
Average gathering—high pressure fee - affiliate (\$/Mcf)	\$ 0.18	\$ 0.19	\$ 0.01	2 %
Average compression fee (\$/Mcf)	\$ 0.18	\$ 0.19	\$ 0.01	2 %
Average gathering—condensate fee (\$/Bbl)	\$ 4.08	\$ 4.16	\$ 0.08	2 %
Average fresh water distribution fee - affiliate (\$/Bbl)	\$ 3.56	\$ 3.62	\$ 0.06	2 %
Average fresh water distribution fee - third party (\$/Bbl)	\$ 3.00	\$ 4.75	\$ 1.75	58 %

(1) For a discussion of the non-GAAP financial measure Adjusted EBITDA, including a reconciliation of Adjusted EBITDA to its most directly comparable financial measure calculated and presented in accordance with GAAP, please see “ —Non-GAAP Financial Measure” below.

*Revenue - affiliate.* Revenues from gathering and compression of natural gas and condensate, and water handling increased from \$68.9 million for the three months ended September 30, 2014 to \$81.0 million for the three months ended September 30, 2015, primarily as a result of:

- water handling revenue decreased \$20.8 million due to a decrease in fresh water distribution volumes of 6,697 MBbl, or 73 MBbl/d, primarily due to fresh water distribution to fewer wells completed by Antero;



- low pressure gathering revenue increased \$14.8 million period over period due to an increase in throughput volumes of 47 Bcf, or 507 MMcf/d, primarily due to the connection of new wells to the system subsequent to September 30, 2014, and an increase in the average realized fees of less than \$0.01/Mcf resulting from a consumer price index-based rate adjustment;
- high pressure gathering revenue increased \$12.0 million due to an increase in throughput volumes of 63 Bcf, or 685 Bcf/d, primarily due to the addition of seven high pressure lines added after September 30, 2014, and an increase in the average realized fees of \$0.01/Mcf resulting from a consumer price index-based rate adjustment; and
- compressor revenue increased \$5.5 million due to an increase in throughput volumes of 29 Bcf, or 319 MMcf/d, primarily due to the addition of three new compressor stations that were placed in service after September 30, 2014, and an increase in the average realized fees of \$0.01/Mcf resulting from a consumer price index-based rate adjustment.

*Revenue — third-party.* Revenues from third parties decreased from \$2.7 million for the three months ended September 30, 2014 to \$0.7 million for the three months ended September 30, 2015. The decrease was primarily due to lower third party fresh water distribution volumes.

*Direct operating expenses.* Total direct operating expenses decreased from \$12.6 million for the three months ended September 30, 2014 to \$1.6 million for the three months ended September 30, 2015. The decrease was primarily the result of a decrease in our ad valorem tax liability in the third quarter of 2015. Based on a review of recent tax rulings, we revised our estimate of ad valorem tax liability downward resulting in a reduction of the previously accrued liability related to prior periods of approximately \$8.4 million.

*General and administrative expenses.* General and administrative expenses (before equity-based compensation) increased from \$5.5 million for the three months ended September 30, 2014 to \$8.6 million for the three months ended September 30, 2015. The increase was primarily a result of increased staffing levels and related salary and benefits expenses and increased legal and other general corporate expenses to support our growth, as well as additional expenses attributable to our operation as a publicly traded master limited partnership.

*Equity-based compensation expense.* Equity-based compensation expense increased from \$2.1 million for the three months ended September 30, 2014 to \$5.3 million for the three months ended September 30, 2015. The increase was primarily a result of equity-based compensation expense allocated to us by Antero related to (i) awards made under Antero Resources Corporation's equity-based compensation plans after September 30, 2014 and (ii) awards made to Antero employees and officers, and to non-employee directors of our general partner under the Antero Midstream Partners LP Long-Term Incentive Plan after September 30, 2014. Equity-based compensation expense allocated to us from Antero has no effect on our cash flows.

*Depreciation expense.* Total depreciation expense increased from \$14.6 million for the three months ended September 30, 2014 to \$21.6 million for the three months ended September 30, 2015. The increase was primarily due to gathering, compression, and water assets placed in service after September 30, 2014.

*Interest expense.* Interest expense decreased from \$2.5 million for the three months ended September 30, 2014 to \$2.1 million for the three months ended September 30, 2015. The decrease is primarily due to lower interest, as a result of the repayment and termination of the Water facility on September 23, 2015, and lower commitment fees and amortization of deferred financing fees incurred during the three months ended September 30, 2015 in relation to our revolving credit and Water facilities, compared to interest and commitment fees incurred during the three months ended September 30, 2014 under the Midstream credit facility and Water facility. The Midstream credit facility was repaid in connection with the completion of the IPO.

*Adjusted EBITDA.* Adjusted EBITDA increased from \$53.5 million for the three months ended September 30, 2014 to \$71.5 million for the three months ended September 30, 2015. The increase was primarily due to an increase in gathering and compression throughput volumes and a decrease in operating expenses. The increase was offset by a decrease in water distribution volumes during the three months ended September 30, 2015, net of the related increase in general and administrative expenses. For a discussion of the

non-GAAP financial measure Adjusted EBITDA, including a reconciliation of Adjusted EBITDA to its most directly comparable financial measures calculated and presented in accordance with GAAP, please see “—Non-GAAP Financial Measure” below.

***Nine Months Ended September 30, 2014 Compared to Nine Months Ended September 30, 2015***

The operating results and assets of our reportable segments were as follows for the nine months ended September 30, 2014 and 2015:

	<b>Gathering and Compression</b>	<b>Water Handling</b>	<b>Consolidated Total</b>
<b>Nine months ended September 30, 2014</b>			
Revenues:			
Revenue - affiliate	\$ 54,978	\$ 107,907	\$ 162,885
Revenue - third-party	-	2,671	2,671
Total revenues	<u>54,978</u>	<u>110,578</u>	<u>165,556</u>
Operating expenses:			
Direct operating	6,661	25,871	32,532
General and administrative (before equity-based compensation)	9,710	4,085	13,795
Equity-based compensation	5,365	2,027	7,392
Depreciation	24,991	10,748	35,739
Total	<u>46,727</u>	<u>42,731</u>	<u>89,458</u>
Operating income	<u>\$ 8,251</u>	<u>\$ 67,847</u>	<u>\$ 76,098</u>
<b>Nine months ended September 30, 2015</b>			
Revenues:			
Revenue - affiliate	\$ 168,056	\$ 86,759	\$ 254,815
Revenue - third-party	38	778	816
Total revenues	<u>168,094</u>	<u>87,537</u>	<u>255,631</u>
Operating expenses:			
Direct operating	19,817	19,013	38,830
General and administrative (before equity-based compensation)	16,467	3,793	20,260
Equity-based compensation	14,218	3,445	17,663
Depreciation	44,748	18,767	63,515
Total	<u>95,250</u>	<u>45,018</u>	<u>140,268</u>
Operating income	<u>\$ 72,844</u>	<u>\$ 42,519</u>	<u>\$ 115,363</u>

The following table sets forth selected operating data for the nine months ended September 30, 2014 compared to the nine months ended September 30, 2015:

	Nine months ended September 30,		Amount of	Percentage Change
	2014	2015	Increase (Decrease)	
(\$ in thousands, except average realized fees)				
<b>Revenue:</b>				
Revenue - affiliate	\$ 162,885	\$ 254,815	\$ 91,930	56 %
Revenue - third-party	2,671	816	(1,855)	(69)%
Total revenue	165,556	255,631	90,075	54 %
<b>Operating expenses:</b>				
Direct operating	32,532	38,830	6,298	19 %
General and administrative (before equity-based compensation)	13,795	20,260	6,465	47 %
Equity-based compensation expense	7,392	17,663	10,271	139 %
Depreciation	35,739	63,515	27,776	78 %
Total operating expenses	89,458	140,268	50,810	57 %
Operating income	76,098	115,363	39,265	52 %
Interest expense	4,121	5,266	1,145	28 %
Net income	\$ 71,977	\$ 110,097	\$ 38,120	53 %
Adjusted EBITDA <sup>(1)</sup>	\$ 119,229	\$ 196,541	\$ 77,312	65 %
<b>Operating Data:</b>				
Gathering—low pressure (MMcf)	113,828	267,442	153,614	135 %
Gathering—high pressure (MMcf)	84,401	322,930	238,529	284 %
Compression (MMcf)	17,710	113,583	95,873	541 %
Condensate gathering (MBbl)	375	751	376	100 %
Fresh water distribution (MBbl)	31,201	24,034	(7,167)	(23)%
Wells serviced by water distribution	137	89	(48)	(35)%
Gathering—low pressure (MMcf/d)	417	980	563	135 %
Gathering—high pressure (MMcf/d)	309	1,183	874	283 %
Compression (MMcf/d)	65	416	351	540 %
Condensate gathering (MBbl/d)	1	3	2	200 %
Fresh water distribution (MBbl/d)	114	88	(26)	(23)%
<b>Average realized fees:</b>				
Average gathering—low pressure fee (\$/Mcf)	\$ 0.31	\$ 0.31	\$ 0.00	2 %
Average gathering—high pressure fee (\$/Mcf)	\$ 0.18	\$ 0.19	\$ 0.01	2 %
Average compression fee (\$/Mcf)	\$ 0.18	\$ 0.19	\$ 0.01	2 %
Average gathering—condensate fee (\$/Bbl)	\$ 4.08	\$ 4.16	\$ 0.08	2 %
Average fresh water distribution fee - affiliate (\$/Bbl)	\$ 3.56	\$ 3.63	\$ 0.07	2 %
Average fresh water distribution fee - third party (\$/Bbl)	\$ 3.00	\$ 4.75	\$ 1.75	58 %

(1) For a discussion of the non-GAAP financial measure Adjusted EBITDA, including a reconciliation of Adjusted EBITDA to its most directly comparable financial measure calculated and presented in accordance with GAAP, please see “—Non-GAAP Financial Measure” below.

*Revenue - affiliate.* Revenues from gathering and compression of natural gas and condensate, and water handling increased from \$162.8 million for the nine months ended September 30, 2014 to \$254.8 million for the nine months ended September 30, 2015, primarily as a result of:

- low pressure gathering revenue increased \$48.6 million period over period due to an increase in throughput volumes of 153 Bcf, or 563 MMcf/d, primarily due to the connection of new wells to the system subsequent to September 30, 2014, and an increase in the average realized fees of less than \$0.01/Mcf resulting from a consumer price index-based rate adjustment;



- high pressure gathering revenue increased \$44.9 million due to an increase in throughput volumes of 239 Bcf, or 874 Bcf/d, primarily due to the addition of seven high pressure lines added after September 30, 2014, and an increase in the average realized fees of \$0.01/Mcf resulting from a consumer price index-based rate adjustment;
- water handling revenue decreased \$21.1 million due to a decrease in fresh water distribution of 7,167 MBbl, or 26 MBbl/d, primarily due to fresh water distribution to fewer wells completed by Antero; and
- compressor revenue increased \$18.0 million due to an increase in throughput volumes of 96 Bcf, or 351 MMcf/d, primarily due to the addition of three new compressor stations that were placed in service after September 30, 2014, and an increase in the average realized fees of \$0.01/Mcf resulting from a consumer price index-based rate adjustment.

*Revenue — third-party.* Revenues from third parties decreased from \$2.7 million for the nine months ended September 30, 2014 to \$0.8 million for the nine months ended September 30, 2015. The decrease was primarily due to lower third party fresh water distribution volumes.

*Direct operating expenses.* Total direct operating expenses increased from \$32.5 million for the nine months ended September 30, 2014 to \$38.8 million for the nine months ended September 30, 2015. The increase was primarily due to an increase in the number of gathering pipelines and compressor stations.

*General and administrative expenses.* General and administrative expenses (before equity-based compensation) increased from \$13.8 million for the nine months ended September 30, 2014 to \$20.2 million for the nine months ended September 30, 2015. The increase was primarily a result of increased staffing levels and related salary and benefits expenses and increased legal and other general corporate expenses to support our growth, as well as additional expenditures attributable to our operation as a publicly traded master limited partnership.

*Equity-based compensation expense.* Equity-based compensation expense increased from \$7.4 million for the nine months ended September 30, 2014 to \$17.7 million for the nine months ended September 30, 2015. The increase was primarily a result of equity-based compensation expense allocated to us by Antero related to (i) awards made under Antero Resources Corporation's equity-based compensation plans after September 30, 2014 and (ii) awards made to Antero employees and officers, and to non-employee directors of our general partner under the Antero Midstream Partners LP Long-Term Incentive Plan after September 30, 2014. Equity-based compensation expense allocated to us from Antero has no effect on our cash flows.

*Depreciation expense.* Total depreciation expense increased from \$35.7 million for the nine months ended September 30, 2014 to \$63.5 million for the nine months ended September 30, 2015. The increase was primarily due to gathering, compression, and water assets placed in service after September 30, 2014.

*Interest expense.* Interest expense increased from \$4.1 million for the nine months ended September 30, 2014 to \$5.3 million for the nine months ended September 30, 2015. The increase is primarily due to interest, commitment fees and amortization of deferred financing fees incurred during the nine months ended September 30, 2015 in relation to our revolving credit and Water facilities, compared to interest and commitment fees incurred during the nine months ended September 30, 2014 under the Midstream credit facility and Water facility. The Midstream credit facility was repaid in connection with the completion of the IPO, and the Water facility was terminated on September 23, 2015, in connection with the Water Acquisition.

*Adjusted EBITDA.* Adjusted EBITDA increased from \$119.2 million for the nine months ended September 30, 2014 to \$196.5 million for the nine months ended September 30, 2015. The increase was primarily due to an increase in gathering and compression throughput volumes, partially offset by a decrease in fresh water distribution volumes during the nine months ended September 30, 2015, net of the related increases in operating and general and administrative expenses. For a discussion of the non-GAAP financial measure Adjusted EBITDA, including a reconciliation of Adjusted EBITDA to its most directly comparable financial measures calculated and presented in accordance with GAAP, please see “—Non-GAAP Financial Measure” below.

**Capital Resources and Liquidity*****Sources and Uses of Cash***

Historically, our sources of liquidity have included cash generated from operations and funding from Antero. Prior to the IPO, we participated in Antero's centralized cash management program, whereby excess cash from most of its subsidiaries was swept into a centralized account. Sales and purchases related to our Predecessor third-party transactions were received or paid in cash by Antero within the centralized cash management system. Subsequent to the closing of the IPO, we began maintaining our own bank accounts and sources of liquidity for gathering and compression operations, and after September 23, 2015, we began maintaining our own bank accounts and sources of liquidity for water handling operations.

Capital and liquidity is provided by operating cash flow, cash on our balance sheet, and borrowings under our revolving credit facility, discussed below. We expect cash flow from operations to continue to contribute to our liquidity in the future. Sources of liquidity include borrowing capacity under our revolving credit facility. We expect the combination of these capital resources will be adequate to meet our working capital requirements, capital expenditures program and expected quarterly cash distributions for at least the next 12 months.

The board of directors of our general partner has adopted a cash distribution policy pursuant to which we intend to distribute at least the minimum quarterly distribution of \$0.17 per unit (\$0.68 per unit on an annualized basis) on all of our units to the extent we have sufficient cash after the establishment of cash reserves and the payment of our expenses, including payments to our general partner and its affiliates. On October 13, 2015, we announced that the board of directors of our general partner declared a cash distribution of \$0.205 per unit for the quarter ended September 30, 2015. The distribution will be payable on November 30, 2015 to unitholders of record as of November 11, 2015.

We expect our future cash requirements relating to working capital, maintenance capital expenditures and quarterly cash distributions to our partners will be funded from cash flows internally generated from our operations. Our expansion capital expenditures will be funded by borrowings under our revolving credit facility or from potential capital markets transactions.

The following table and discussion presents a summary of our combined net cash provided by or used in operating activities, investing activities and financing activities for the periods indicated.

	<b>Nine months ended September 30,</b>		<b>Increase (Decrease)</b>
	<b>2014</b>	<b>2015</b>	
<b>(in thousands)</b>			
Operating activities	\$ 102,496	\$ 199,559	\$ 97,063
Investing activities	(593,894)	(313,312)	280,582
Financing activities	491,398	(98,929)	(590,327)
Net decrease in cash and cash equivalents	\$ —	\$ (212,682)	

***Cash Flow Provided by Operating Activities***

Net cash provided by operating activities was \$199.6 million for the nine months ended September 30, 2015 and net cash provided by operating activities was \$102.5 million for the nine months ended September 30, 2014. The increase in cash flow from operations for the nine months ended September 30, 2015 compared to the nine months ended September 30, 2014 was primarily the result of increased throughput volumes and revenues, as a result of gathering and compression systems placed in service after September 30, 2014.

***Cash Flow Used in Investing Activities***

Prior to the IPO on November 10, 2014, all of our gathering and compression capital expenditures were funded by Antero, and prior to September 23, 2015 all of our water handling capital expenditures were funded by Antero.

During the nine months ended September 30, 2014, we used cash flows in investing activities totaling \$593.9 million for expenditures and deposits for gathering system, compressor stations, and water handling systems. During the nine months ended September 30, 2015, we used cash flows in investing activities totaling \$313.3 million for expenditures and deposits for gathering systems, compressor stations, and water handling systems. The decrease was a result of buried water line capital projects completed in 2014, and lower gathering and compression capital expenditures due to a decrease in Antero's exploration and production activities.

The board of directors of our general partner has approved a gathering and compression capital budget of \$425 million to \$450 million for 2015 to expand our existing gathering and compression systems and water handling systems to accommodate Antero's development plans. Our capital budgets may be adjusted as business conditions warrant. The amount, timing and allocation of capital expenditures is largely discretionary and within our control. If natural gas, NGLs, and oil prices decline to levels below acceptable levels or costs increase to levels above acceptable levels, Antero could choose to defer a significant portion of its budgeted capital expenditures until later periods. As a result, we may also defer a significant portion of our budgeted capital expenditures to achieve the desired balance between sources and uses of liquidity and prioritize capital projects that we believe have the highest expected returns and potential to generate near-term cash flow. We routinely monitor and adjust our capital expenditures in response to changes in Antero's development plans, changes in prices, availability of financing, acquisition costs, industry conditions, the timing of regulatory approvals, success or lack of success in Antero's drilling activities, contractual obligations, internally generated cash flow and other factors both within and outside our control.

#### ***Cash Flow Provided by (Used in) Financing Activities***

Net cash used in financing activities for the nine months ended September 30, 2015 of \$98.9 million is the result of the following: (i) \$633.5 million in net cash distributions to our unitholders in connection with the Water Acquisition, (ii) \$70.5 million in quarterly cash distributions to our unitholders, (iii) \$43.7 million in net distributions to Antero, (iv) \$171.0 million in repayment of the Water credit facility in connection with the Water Acquisition, and (v) \$2.0 million of payments of deferred financing costs. The following cash provided by financing activities partially offset net cash used in financing activities (described above): (i) \$525 million in borrowings under the revolving credit facility in connection with the Water Acquisition, (ii) \$241.0 million in net proceeds from the Private Placement and (iii) \$56 million in borrowings under the Water facility before repayment in connection with the Water Acquisition.

Net cash provided by financing activities for the nine months ended September 30, 2014 of \$491.4 million was the result of \$500.0 million in borrowings under the Midstream credit facility, partially offset by \$5.5 million in net distributions to Antero and \$2.8 million payments of IPO related costs.

#### ***Debt Agreements and Contractual Obligations***

##### *Revolving Credit Facility*

On November 10, 2014, in connection with the closing of the IPO, the Partnership entered into a revolving credit facility with a syndicate of lenders. As of September 30, 2015, the revolving credit facility provided for lender commitments of \$1.5 billion and for a letter of credit sublimit of \$150 million. At September 30, 2015, we had \$525 million of borrowings and no letters of credit outstanding under the revolving credit facility. The revolving credit facility will mature on November 10, 2019.

Principal amounts borrowed are payable on the maturity date with such borrowings bearing interest that is payable quarterly. The Partnership has a choice of borrowing in Eurodollars or at the base rate. Eurodollar loans bear interest at a rate per annum equal to the LIBOR Rate administered by the ICE Benchmark Administration for one, two, three, six or twelve months plus an applicable margin ranging from 150 to 225 basis points, depending on the leverage ratio then in effect. Base rate loans bear interest at a rate per annum equal to the greatest of (i) the agent bank's reference rate, (ii) the federal funds effective rate plus 50 basis points and (iii) the rate for one month Eurodollar loans plus 100 basis points, plus an applicable margin ranging from 50 to 125 basis points, depending on the leverage ratio then in effect.

The revolving credit facility is guaranteed by our restricted subsidiaries and is secured by mortgages on substantially all of our and our restricted subsidiaries' properties. The revolving credit facility contains restrictive covenants that may limit our ability to, among other things:

- incur additional indebtedness;
- sell assets;
- make loans to others;
- make investments;
- enter into mergers;
- make certain restricted payments;
- incur liens; and
- engage in certain other transactions without the prior consent of the lenders.

Borrowings under the revolving credit facility also require the Partnership to maintain the following financial ratios:

- an interest coverage ratio, which is the ratio of the Partnership's consolidated EBITDA to its consolidated current interest charges of at least 2.5 to 1.0 at the end of each fiscal quarter; provided that upon obtaining an investment grade rating, the borrower may elect not to be subject to such ratio;
- a consolidated total leverage ratio, which is the ratio of consolidated debt to consolidated EBITDA (annualized until the fiscal quarter ending September 30, 2016), of not more than 5.75 to 1.00 for the fiscal quarter ending September 30, 2015, of not more than 5.50 to 1.00 for the fiscal quarter ending December 31, 2015, of not more than 5.25 to 1.00 for the fiscal quarter ending March 31, 2016, and of not more than 5.00 to 1.00 for the fiscal quarter ending June 30, 2016 and each fiscal quarter thereafter; provided that after electing to issue unsecured high yield notes, the consolidated total leverage ratio will not be more than 5.25 to 1.0, or, following the election of the borrower for two fiscal quarters after a material acquisition, 5.50 to 1.0; and
- if the Partnership elects to issue unsecured high yield notes, a consolidated senior secured leverage ratio, which is the ratio of consolidated senior secured debt to consolidated EBITDA, of not more than 3.75 to 1.0.

We were in compliance with such covenants and ratios as of December 31, 2014 and September 30, 2015. The actual borrowing capacity available to us may be limited by the interest coverage ratio, consolidated total leverage ratio, and consolidated senior secured leverage ratio covenants.

#### *Contractual Obligations*

At September 30, 2015, we had \$525 million of borrowings and no letters of credit outstanding under the revolving credit facility. Under the terms of our revolving credit facility, we are required to pay a commitment fee of 0.250% on any unused portion of the credit facility.

A summary of our contractual obligations as of September 30, 2015 is provided in the following table.

(in millions)	Year Ended September 30,						Total
	2016	2017	2018	2019	2020	Thereafter	
Revolving credit facility (1)	\$ —	—	—	—	525	—	525
Water treatment (2)	103	77	12	—	—	—	192
Contingent acquisition consideration (3)	—	—	—	—	125	125	250
Total	\$ 103	77	12	—	650	125	967

- (1) Includes outstanding principal amounts on our revolving credit facility at September 30, 2015. This table does not include future commitment fees, interest expense or other fees on our revolving credit facility because they are floating rate instruments and we cannot determine with accuracy the timing of future loan advances, repayments, or future interest rates to be charged.
- (2) Includes obligations related to our water treatment facility.
- (3) In connection with the Water Acquisition, we have agreed to pay Antero (a) \$125 million in cash if the Partnership delivers 176 million barrels or more of fresh water during the period between January 1, 2017 and December 31, 2019 and (b) an additional \$125 million in cash if the Partnership delivers 219 million barrels or more of fresh water during the period between January 1, 2018 and December 31, 2020.

### Non-GAAP Financial Measures

We use Adjusted EBITDA and Distributable Cash Flow as performance measures to assess the ability of our assets to generate cash sufficient to pay interest costs, support indebtedness and make cash distributions. Adjusted EBITDA is a financial measure reported to our lenders and used as a gauge for compliance with some of the financial covenants included in our revolving credit facility. We define Adjusted EBITDA as net income before equity-based compensation expense, interest expense, interest income, income taxes and depreciation and amortization expense, less pre-acquisition income and expenses attributable to the parent. We define Distributable Cash Flow as Adjusted EBITDA less cash interest paid and ongoing maintenance capital expenditures paid, excluding pre-acquisition amounts attributable to the parent. Distributable Cash Flow should not be viewed as indicative of the actual amount of cash that the Partnership has available for distributions from operating surplus or that the Partnership plans to distribute.

We use Adjusted EBITDA and Distributable Cash Flow to assess:

- ⌚ the financial performance of our assets, without regard to financing methods in the case of adjusted EBITDA, capital structure or historical cost basis;
- ⌚ the ability of our assets to generate cash sufficient to support our indebtedness and make cash distributions;
- ⌚ our operating performance and return on capital as compared to other publicly traded partnerships in the midstream energy sector, without regard to financing or capital structure; and
- ⌚ the viability of acquisitions and other capital expenditure projects.

Adjusted EBITDA and Distributable Cash Flow are non-GAAP financial measures. The GAAP measures most directly comparable to Adjusted EBITDA and Distributable Cash Flow are net income and net cash provided by operating activities. The non-GAAP financial measures of Adjusted EBITDA and Distributable Cash Flow should not be considered as an alternative to the GAAP measure of net income. Adjusted EBITDA and Distributable Cash Flow are not presentations made in accordance with GAAP and have important limitations as an analytical tool because they include some, but not all, items that affect net income. You should not consider Adjusted EBITDA and Distributable Cash Flow in isolation or as a substitute for analyses of results as reported under GAAP. Our definition of Adjusted EBITDA and Distributable Cash Flow may not be comparable to similarly titled measures of other partnerships.

The following table represents a reconciliation of our Adjusted EBITDA and Distributable Cash Flow to the most directly comparable GAAP financial measures for the periods presented (in thousands):

	<b>Three months ended</b>		<b>Nine months ended</b>	
	<b>September 30,</b>		<b>September 30,</b>	
	<b>2014</b>	<b>2015</b>	<b>2014</b>	<b>2015</b>
<b>Reconciliation of Net Income to Adjusted EBITDA and Distributable Cash Flow:</b>				
Net income	\$ 34,290	\$ 42,648	\$ 71,977	\$ 110,097
Add:				
Interest expense	2,455	2,044	4,121	5,266
Less:				
Pre-Water Acquisition net income attributed to parent	(29,211)	(7,841)	(66,859)	(40,193)
Pre-Water Acquisition interest expense attributed to parent	(522)	(770)	(988)	(2,326)
Operating income - attributable to Partnership	7,012	36,081	8,251	72,844
Add:				
Depreciation expense - attributable to Partnership	10,227	15,076	24,991	44,748
Equity-based compensation expense - attributable to Partnership	1,562	4,205	5,365	14,218
Adjusted EBITDA	<u>\$ 18,801</u>	<u>\$ 55,362</u>	<u>\$ 38,607</u>	<u>\$ 131,810</u>
Less:				
Cash interest paid - attributable to Partnership		(1,038)		(2,215)
Maintenance capital expenditures (1)		(4,214)		(10,001)
Distributable cash flow		<u>\$ 50,110</u>		<u>\$ 119,594</u>
<b>Reconciliation of Adjusted EBITDA to Cash Provided by Operating Activities:</b>				
Adjusted EBITDA	\$ 18,801	\$ 55,362	\$ 38,607	\$ 131,810
Add:				
Pre-Water Acquisition net income attributed to parent	29,211	7,841	66,859	40,193
Pre-Water Acquisition depreciation expense attributed to parent	4,390	6,485	10,748	18,767
Pre-Water Acquisition equity-based compensation expense attributed to parent	549	1,079	2,027	3,445
Pre-Water Acquisition interest expense attributed to parent	522	770	988	2,326
Amortization of deferred financing costs attributed to parent	—	285	—	774
Less:				
Interest expense	(2,455)	(2,044)	(4,121)	(5,266)
Changes in operating assets and liabilities	(8,258)	(15,311)	(12,612)	7,510
Net cash provided by operating activities	<u>\$ 42,760</u>	<u>\$ 54,467</u>	<u>\$ 102,496</u>	<u>\$ 199,559</u>

(1) Maintenance capital expenditures represent that portion of our estimated capital expenditures associated with the connection of new wells to our gathering and compression systems that we believe will be necessary to offset the natural production declines Antero will experience on all of its wells over time.

### Critical Accounting Policies and Estimates

The following discussion relates to the critical accounting policies and estimates for both the Partnership and our Predecessors. The discussion and analysis of our financial condition and results of operations are based upon our financial statements, which have been prepared in accordance with GAAP. The preparation of our condensed combined consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and related disclosure of contingent assets and liabilities. Certain accounting policies involve judgments and uncertainties to such an extent that there is reasonable likelihood that materially different amounts could have been reported under different conditions, or if different assumptions had been used. We evaluate our estimates and assumptions on a regular basis. We base our estimates on historical



experience and various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates and assumptions used in preparation of our financial statements. We provide expanded discussion of our more significant accounting policies, estimates and judgments in 2014 Form 10-K. We believe these accounting policies reflect our more significant estimates and assumptions used in preparation of our financial statements. Also, see note 2 of the notes to our audited consolidated financial statements, included in our 2014 Form 10-K, and on Form 8-K filed with the SEC on October 9, 2015, for a discussion of additional accounting policies and estimates made by management.

### **New Accounting Pronouncements**

On May 28, 2014, the FASB issued Accounting Standards Update (“ASU”) No. 2014-09, *Revenue from Contracts with Customers*, which requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The ASU will replace most existing revenue recognition guidance in GAAP when it becomes effective. The new standard is effective for the Partnership on January 1, 2018. Early application is not permitted. The standard permits the use of either the retrospective or cumulative effect transition method. We are evaluating the effect that ASU 2014-09 will have on our financial statements and related disclosures. We have not yet selected a transition method nor have we determined the effect of the standard on our ongoing financial reporting.

On April 7, 2015, the FASB issued ASU No. 2015-03, *Interest—Imputation of Interest*, which requires debt issuance costs to be presented in the balance sheet as a direct deduction from the associated debt liability. The new standard becomes effective for the Partnership on January 1, 2016. The Partnership does not believe that this standard will have a material impact on its ongoing financial reporting upon adoption.

In April 2015, the FASB issued ASU 2015-06, *Effects on Historical Earnings per Unit of Master Limited Partnership Dropdown Transactions*, which requires a master limited partnership (MLP) to allocate earnings (losses) of a transferred business entirely to the general partner when computing earnings per unit (EPU) for periods before the dropdown transaction occurred. The EPU for limited partners that was previously reported would not change as a result of the dropdown transaction. The ASU also requires an MLP to disclose the effects of the dropdown transaction on EPU for the periods before and after the dropdown transaction occurred. The new standard is effective for the Partnership on January 1, 2016. The ASU requires retrospective application and early adoption is permitted. The Partnership has elected to early adopt ASU 2015-06, and its condensed combined consolidated financial statements and related disclosures reflect the application of this guidance.

### **Off-Balance Sheet Arrangements**

As of September 30, 2015, we did not have any off-balance sheet arrangements.

### **Item 3. Quantitative and Qualitative Disclosures About Market Risk.**

The primary objective of the following information is to provide forward-looking quantitative and qualitative information about our potential exposure to market risk. The term “market risk” refers to the risk of loss arising from adverse changes in commodity prices and interest rates. The disclosures are not meant to be precise indicators of expected future losses, but rather indicators of reasonably possible losses. This forward-looking information provides indicators of how we view and manage our ongoing market risk exposures.

#### ***Commodity Price Risk***

Our gathering and compression agreement with Antero provides for fixed-fee structures, and we intend to continue to pursue additional fixed-fee opportunities with Antero and third parties in order to avoid direct commodity price exposure. However, to the extent that our future contractual arrangements with Antero or third parties do not provide for fixed-fee structures, we may become subject to commodity price risk. We are subject to commodity price risks to the extent that they impact Antero’s development program and production and therefore our gathering volumes.

### ***Interest Rate Risk***

Our primary exposure to interest rate risk results from outstanding borrowings under our revolving credit facility, which has a floating interest rate. We do not currently, but may in the future, hedge the interest on portions of our borrowings under our revolving credit facility from time-to-time in order to manage risks associated with floating interest rates. At September 30, 2015, we had \$525 million of borrowings and no letters of credit outstanding under the revolving credit facility. A 1.0% increase in our revolving credit facility interest rate for the nine months ended September 30, 2015 would have resulted in an estimated \$0.1 million increase in interest expense.

### ***Credit Risk***

We are dependent on Antero as our primary customer, and we expect to derive a substantial majority of our revenues from Antero for the foreseeable future. As a result, any event, whether in our area of operations or otherwise, that adversely affects Antero's production, drilling schedule, financial condition, leverage, market reputation, liquidity, results of operations or cash flows may adversely affect our revenues and cash available for distribution.

Further, we are subject to the risk of non-payment or non-performance by Antero, including with respect to our gathering and compression and water services agreements. We cannot predict the extent to which Antero's business would be impacted if conditions in the energy industry were to deteriorate further, nor can we estimate the impact such conditions would have on Antero's ability to execute its drilling and development program or to perform under our agreement. Any material non-payment or non-performance by Antero could reduce our ability to make distributions to our unitholders.

## **Item 4. Controls and Procedures.**

### ***Evaluation of Disclosure Controls and Procedures***

As required by Rule 13a-15(b) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), we have evaluated, under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this quarterly report on Form 10-Q. Our disclosure controls and procedures are designed to provide reasonable assurance that the information required to be disclosed by us in reports that we file under the Exchange Act is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure and is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. Based upon that evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures were effective as of September 30, 2015 at the reasonable assurance level.

### ***Changes in Internal Control Over Financial Reporting***

There have been no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the nine months ended September 30, 2015 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## PART II—OTHER INFORMATION

### Item 1. Legal Proceedings.

Our operations are subject to a variety of risks and disputes normally incident to our business. As a result, we may, at any given time, be a defendant in various legal proceedings and litigation arising in the ordinary course of business. However, we are not currently subject to any material litigation.

We maintain insurance policies with insurers in amounts and with coverage and deductibles that we, with the advice of our insurance advisors and brokers, believe are reasonable and prudent. We cannot, however, provide any assurance that this insurance will be adequate to protect us from all material expenses related to potential future claims for personal and property damage or that these levels of insurance will be available in the future at economical prices.

We are subject to federal, state and local regulations regarding air and water quality, hazardous and solid waste disposal and other environmental matters. On June 4, 2015 the West Virginia Department of Environmental Protection (“WVDEP”) issued us a Notice of Violation (“NOV”) for improper installation of engine catalyst at the startup of the North Canton Compressor Station. We continue to work with the WVDEP to resolve this matter but believe it could result in monetary sanctions exceeding \$100,000; however, we do not expect that any ultimate sanction will have a material impact on the financial position, results of operations, or liquidity of the Partnership.

### Item 1A. Risk Factors.

We are subject to certain risks and hazards due to the nature of the business activities we conduct. For a discussion of these risks, see “Item 1A. Risk Factors” in our 2014 Form 10-K and Second Quarter 2015 Form 10-Q. The risks described in our 2014 Form 10-K could materially and adversely affect our business, financial condition, cash flows, and results of operations. The following risk factors update the risks described in our 2014 Form 10-K. Except as set forth below, there have been no material changes to the risks described in our 2014 Form 10-K. We may experience additional risks and uncertainties not currently known to us; or, as a result of developments occurring in the future, conditions that we currently deem to be immaterial may also materially and adversely affect our business, financial condition, cash flows and results of operations.

#### Risks Related to Our Business

**Because substantially all of our revenue is derived from Antero, any development that materially and adversely affects Antero’s operations, financial condition or market reputation could have a material and adverse impact on us.**

We are substantially dependent on Antero as our only significant customer, and we expect to derive a substantial majority of our revenues from Antero for the foreseeable future. As a result, any event, whether in our area of operations or otherwise, that adversely affects Antero’s production, drilling and completion schedule, financial condition, leverage, market reputation, liquidity, results of operations or cash flows may adversely affect our revenues and cash available for distribution. Accordingly, we are indirectly subject to the business risks of Antero, including, among others:

- ⌚ a reduction in or slowing of Antero’s development program, which would directly and adversely impact demand for our gathering and compression services and our water services;
- ⌚ a reduction in or slowing of Antero’s completions, which would directly and adversely impact demand for our water services;
- ⌚ the volatility of natural gas, NGLs and oil prices, which could have a negative effect on the value of Antero’s properties, its drilling programs or its ability to finance its operations;
- ⌚ the availability of capital on an economic basis to fund Antero’s exploration and development activities;
- ⌚ Antero’s ability to replace reserves;
- ⌚ Antero’s drilling and operating risks, including potential environmental liabilities;

- ⌚ transportation capacity constraints and interruptions;
- ⌚ adverse effects of governmental and environmental regulation; and
- ⌚ losses from pending or future litigation.

In late 2014, global energy commodity prices declined precipitously as a result of several factors, including an increase in worldwide commodity supplies, a stronger U.S. dollar, relatively mild weather in large portions of the U.S. during winter months, and strong competition among oil producing countries for market share. Commodity prices have continued to remain low through the third quarter of 2015; prices for West Texas Intermediate have remained at or below \$50 per Bbl, and Henry Hub natural gas prices have remained below \$3.00 per MMBtu.

Changes in commodity prices can significantly affect our capital resources, liquidity and expected operating results. Please see “—Because of the natural decline in production from existing wells, our success depends, in part, on Antero’s ability to replace declining production and our ability to secure new sources of natural gas from Antero or third parties. Any decrease in volumes of natural gas and produced water that Antero produces or any decrease in the number of wells that Antero completes could adversely affect our business and operating results.”

Further, we are subject to the risk of non-payment or non-performance by Antero, including with respect to our gathering and compression and water services agreements. We cannot predict the extent to which Antero’s business would be impacted if conditions in the energy industry continue to deteriorate, nor can we estimate the impact such conditions would have on Antero’s ability to execute its drilling and development program or perform under our gathering and compression and water services agreements. Any material non-payment or non-performance by Antero could reduce our ability to make distributions to our unitholders.

Also, due to our relationship with Antero, our ability to access the capital markets, or the pricing or other terms of any capital markets transactions, may be adversely affected by any impairment to Antero’s financial condition or adverse changes in its credit ratings.

Any material limitation on our ability to access capital as a result of such adverse changes at Antero could limit our ability to obtain future financing under favorable terms, or at all, or could result in increased financing costs in the future. Similarly, material adverse changes at Antero could negatively impact our unit price, limiting our ability to raise capital through equity issuances or debt financing, or could negatively affect our ability to engage in, expand or pursue our business activities, and could also prevent us from engaging in certain transactions that might otherwise be considered beneficial to us.

**Because of the natural decline in production from existing wells, our success depends, in part, on Antero’s ability to replace declining production and our ability to secure new sources of natural gas from Antero or third parties. Additionally, our water services are directly associated with Antero’s well completion activities and water needs, which are partially driven by horizontal lateral lengths and the number of completion stages per well. Any decrease in volumes of natural gas that Antero produces or any decrease in the number of wells that Antero completes, could adversely affect our business and operating results.**

The natural gas volumes that support our gathering business depend on the level of production from natural gas wells connected to our systems, which may be less than expected and will naturally decline over time. To the extent Antero reduces its activity or otherwise ceases to drill and complete wells, revenues for our gathering and compression and water services will be directly and adversely affected. Our ability to maintain water services revenues is substantially dependent on continued completion activity by Antero or third parties over time, as well as the volumes of produced water. In addition, natural gas volumes from completed wells will naturally decline and our cash flows associated with these wells will also decline over time. In order to maintain or increase throughput levels on our gathering systems, we must obtain new sources of natural gas from Antero or third parties. The primary factors affecting our ability to obtain additional sources of natural gas include (i) the success of Antero’s drilling activity in our areas of operation, (ii) Antero’s acquisition of additional acreage and (iii) our ability to obtain dedications of acreage from third parties. Our fresh water distribution services, which make up a substantial portion of our water services revenues, will be in greatest demand in connection with completion activities. To the extent that Antero or other fresh water distribution customers complete wells with shorter lateral lengths, the demand for our fresh water distribution services would be reduced.

We have no control over Antero's or other producers' levels of development and completion activity in our areas of operation, the amount of reserves associated with wells connected to our systems or the rate at which production from a well declines. In addition, our fresh water distribution business is dependent upon active development in our areas of operation. In order to maintain or increase throughput levels on our fresh water distribution systems, we must service new wells. We have no control over Antero or other producers or their development plan decisions, which are affected by, among other things:

- ⌚ the availability and cost of capital;
- ⌚ prevailing and projected natural gas, NGLs and oil prices;
- ⌚ demand for natural gas, NGLs and oil;
- ⌚ levels of reserves;
- ⌚ geologic considerations;
- ⌚ environmental or other governmental regulations, including the availability of drilling permits and the regulation of hydraulic fracturing; and
- ⌚ the costs of producing the gas and the availability and costs of drilling rigs and other equipment.

Fluctuations in energy prices can also greatly affect the development of reserves. In late 2014, global energy commodity prices declined precipitously as a result of several factors, including an increase in worldwide commodity supplies, a stronger U.S. dollar, relatively mild weather in large portions of the U.S. during winter months, and strong competition among oil producing countries for market share. Commodity prices have continued to remain low through the third quarter of 2015; prices for West Texas Intermediate have remained at or below \$50 per Bbl, and Henry Hub natural gas prices have remained below \$3.00 per MMBtu. These lower prices have compelled most natural gas and oil producers, including Antero, to reduce the level of exploration, drilling and production activity. This will have a significant effect on our capital resources, liquidity and expected operating results. Any sustained reductions in natural gas and oil prices will directly affect Antero's production, which would reduce our revenues and ability to pay distributions. Sustained reductions in development or production activity in our areas of operation could lead to reduced utilization of our services.

Due to these and other factors, even if reserves are known to exist in areas served by our assets, producers have chosen, and may choose in the future, not to develop those reserves. If reductions in development activity result in our inability to maintain the current levels of throughput on our systems, or our water services, or if reductions in lateral lengths result in a decrease in demand for our water services on a per well basis, those reductions could reduce our revenue and cash flow and adversely affect our ability to make cash distributions to our unitholders.

**We may not be able to attract third-party gathering and compression volumes or opportunities to provide water services, which could limit our ability to grow and increase our dependence on Antero.**

Part of our long-term growth strategy includes diversifying our customer base by identifying opportunities to offer services to third-parties. To date, substantially all of our revenues were earned from Antero. Our ability to increase throughput on our gathering and compression systems and water services systems and any related revenue from third parties is subject to numerous factors beyond our control, including competition from third parties and the extent to which we have available capacity when requested by third parties. To the extent that we lack available capacity on our systems for third-party volumes, we may not be able to compete effectively with third-party systems for additional oil and natural gas production in our areas of operation. In addition, some of our natural gas and NGLs marketing competitors for third-party volumes have greater financial resources and access to larger supplies of natural gas than those available to us, which could allow those competitors to price their services more aggressively than we do.

Our efforts to attract new unaffiliated customers may be adversely affected by (i) our relationship with Antero and the fact that a substantial majority of the capacity of our gathering and compression systems and water systems will be necessary to service Antero's production and development and completion schedule and (ii) our desire to provide services pursuant to fee-based contracts. As a result, we may not have the capacity to provide services to third parties and/or potential third-party customers may prefer to obtain

services pursuant to other forms of contractual arrangements under which we would be required to assume direct commodity exposure. Please read “Tax Risks to Common Unitholders— Our tax treatment depends on our status as a partnership for federal income tax purposes, as well as us not being subject to a material amount of entity level taxation. If the IRS were to treat us as a corporation for federal income tax purposes, or if we become subject to entity level taxation for state tax purposes, our cash available for distribution to you would be substantially reduced” for a further discussion of the foregoing.

**Increased regulation of hydraulic fracturing could result in reductions or delays in natural gas, NGLs and oil production by our customers, which could reduce the throughput on our gathering and compression systems and the number of wells for which we provide water services, which could adversely impact our revenues.**

All of Antero’s natural gas, NGLs and oil production is being developed from unconventional sources, such as shale formations. These reservoirs require hydraulic fracturing completion processes to release the liquids and natural gas from the rock so it can flow through casing to the surface. Hydraulic fracturing is a well stimulation process that utilizes large volumes of water and sand (or other proppant) combined with fracturing chemical additives that are pumped at high pressure to crack open previously impenetrable rock to release hydrocarbons. Hydraulic fracturing is typically regulated by state oil and gas commissions and similar agencies. Some states, including those in which we operate, have adopted, and other states are considering adopting, regulations that could impose more stringent disclosure and/or well construction requirements on hydraulic fracturing operations. In addition, the U.S. Environmental Protection Agency (the “EPA”) recently issued a study on the potential impacts of hydraulic fracturing on drinking water resources, which concluded that hydraulic fracturing activities have not led to widespread, systemic impacts on drinking water resources in the United States, although there may be above and below ground mechanisms by which hydraulic fracturing activities have the potential to impact drinking water resources. The draft report is expected to be finalized after a public comment period and a formal review by the EPA’s Science Advisory Board. More recently, in August 2015, the EPA proposed rules that would establish new air emission controls for methane emissions from certain equipment and processes in the oil and natural gas source category, including production, processing, transmission, and storage activities. The EPA’s proposed rule package includes first-time standards to address emissions of methane from equipment and processes across the source category, including hydraulically fractured oil and natural gas well completions, fugitive emissions from well sites and compressors, equipment leaks at natural gas processing plants, and pneumatic pumps. These proposed rules also extend existing requirements for the emission of volatile organic compounds to the same equipment and processes. At the same time, certain environmental groups have suggested that additional laws may be needed to more closely and uniformly regulate the hydraulic fracturing process, and legislation has been proposed by some members of Congress to provide for such regulation. We cannot predict whether any such legislation will ever be enacted and if so, what its provisions would be. If additional levels of regulation and permits were required through the adoption of new laws and regulations at the federal or state level, that could lead to delays, increased operating costs and process prohibitions that could reduce the volumes of liquids and natural gas that move through our gathering systems or reduce the number of wells drilled and completed that require fresh water for hydraulic fracturing activities, which in turn could materially adversely affect our revenues and results of operations.

**Oil and natural gas producers’ operations, especially those using hydraulic fracturing, are substantially dependent on the availability of water. Restrictions on the ability to obtain water or changes in wastewater disposal requirements may incentivize water recycling efforts by oil and natural gas producers, which would decrease the demand for our fresh water distribution services.**

Our business includes fresh water distribution for use in our customers’ natural gas, NGL and oil exploration and production activities. Water is an essential component of natural gas, NGL and oil production during the drilling, and in particular, the hydraulic fracturing process. We depend on Antero to source the fresh water we distribute. The availability of Antero’s water supply may be limited due to reasons such as prolonged drought. Some state and local governmental authorities have begun restricting the use of water subject to their jurisdiction for hydraulic fracturing to ensure adequate local water supply. Any such decrease in the demand for water services would adversely affect our business and results of operations.

## Tax Risks to Common Unitholders

**Our tax treatment depends on our status as a partnership for federal income tax purposes, as well as us not being subject to a material amount of entity-level taxation. If the IRS were to treat us as a corporation for federal income tax purposes, or if we become subject to entity-level taxation for state tax purposes, our cash available for distribution to you would be substantially reduced.**

The anticipated after-tax economic benefit of an investment in our common units depends largely on our being treated as a partnership for federal income tax purposes. Despite the fact that we are organized as a limited partnership under Delaware law, we would be treated as a corporation for U.S. federal income tax purposes unless we satisfy a “qualifying income” requirement. Based upon our current operations, we believe we satisfy the qualifying income requirement.

On May 26, 2015, we received a favorable private letter ruling from the IRS providing that gross income earned by us from (i) the delivery of water for use in the exploration and production of oil and gas and (ii) the collection, treatment and transport of flowback, produced water, other fluids and residual salt that are byproducts of the exploration and production of oil and gas will constitute “qualifying income” under section 7704 of the Internal Revenue Code. In connection with the acquisition of Antero’s integrated water business on September 23, 2015, our wholly-owned subsidiary Antero Water entered into a water services agreement with Antero, pursuant to which Antero Water will provide Antero with such fresh water delivery, high rate transfer and wastewater treatment services, which we believe will satisfy the qualifying income requirements described in the private letter ruling. In the future, if we agree to provide third parties with fresh water delivery services without the provision of wastewater treatment services, such operations may not generate qualifying income under the requirements described in the private letter ruling. We have not requested, and do not plan to request, a ruling from the IRS on any other matter affecting us. Failing to meet the qualifying income requirement or a change in current law could cause us to be treated as a corporation for U.S. federal income tax purposes or otherwise subject us to taxation as an entity.

If we were treated as a corporation for federal income tax purposes, we would pay U.S. federal income tax on our taxable income at the corporate tax rate, which is currently a maximum of 35%. Distributions to you would generally be taxed again as corporate distributions, and no income, gains, losses or deductions would flow through to you. Because a tax would be imposed upon us as a corporation, our cash available for distribution to you would be substantially reduced. Therefore, treatment of us as a corporation would result in a material reduction in the anticipated cash flow and after-tax return to the unitholders, likely causing a substantial reduction in the value of our common units.

Our partnership agreement provides that if a law is enacted or existing law is modified or interpreted in a manner that subjects us to taxation as a corporation or otherwise subjects us to entity-level taxation for U.S. federal, state or local income tax purposes, the minimum quarterly distribution amount and the target distribution amounts may be adjusted to reflect the impact of that law on us. We own assets and conduct business in Colorado, West Virginia, Ohio and Pennsylvania. Several states have been evaluating ways to subject partnerships to entity-level taxation through the imposition of state income, franchise or other forms of taxation. For example, Ohio imposes a commercial activity tax of 0.26% on taxable gross receipts with a “substantial nexus” with Ohio. Imposition of a similar tax on us in other jurisdictions that we may expand to could substantially reduce our cash available for distribution to you.

**We prorate our items of income, gain, loss and deduction between transferors and transferees of our common units each month based upon the ownership of our common units on the first day of each month, instead of on the basis of the date a particular unit is transferred. The IRS may challenge this treatment, which could change the allocation of items of income, gain, loss and deduction among our unitholders.**

We prorate our items of income, gain, loss and deduction between transferors and transferees of our units each month based upon the ownership of our units on the first day of each month, instead of on the basis of the date a particular unit is transferred. However, the Department of the Treasury and the IRS issued Treasury Regulations pursuant to which a publicly traded partnership may use a similar monthly simplifying convention to allocate tax items among transferor and transferee unitholders although such tax items must be prorated on a daily basis. The Partnership is currently evaluating these regulations, which will apply beginning with our taxable year that begins on January 1, 2016. The Treasury Regulations do not specifically authorize the use of the proration method we have currently adopted. If the IRS were to challenge our proration method or new Treasury Regulations were issued, we may be required to change the allocation of items of income, gain, loss and deduction among our unitholders.

## **Item 2. Unregistered Sales of Equity Securities.**

On September 23, 2015, the Partnership completed the previously announced sale of 12,898,000 common units at \$18.84 per common unit for net proceeds of approximately \$240.2 million (the “Private Placement”). The Partnership used a portion of the net proceeds of the Private Placement to repay indebtedness assumed from Antero and to partially fund the Water Acquisition. Barclays Capital Inc. acted as the sole placement agent in the Private Placement. The common units were offered and sold in the Private Placement pursuant to an exemption from registration under Section 4(a)(2) of the Securities Act. Other exemptions from registration may have applied.

Also on September 23, 2015, in consideration for the Water Acquisition, the Partnership paid Antero approximately \$794 million, less approximately \$171 million of indebtedness assumed by the Partnership, and issued 10,988,421 common units to Antero. The common units were offered and sold pursuant to an exemption from registration under Section 4(a)(2) of the Securities Act. Other exemptions from registration may have applied.

## **Item 5. Other Information.**

### ***Disclosure pursuant to Section 13(r) of the Securities Exchange Act of 1934***

Pursuant to Section 13(r) of the Securities Exchange Act of 1934, we, Antero Midstream Partners LP, may be required to disclose in our annual and quarterly reports to the Securities and Exchange Commission (the “SEC”), whether we or any of our “affiliates” knowingly engaged in certain activities, transactions or dealings relating to Iran or with certain individuals or entities targeted by US economic sanctions. Disclosure is generally required even where the activities, transactions or dealings were conducted in compliance with applicable law. Because the SEC defines the term “affiliate” broadly, it includes any entity under common “control” with us (and the term “control” is also construed broadly by the SEC).

The description of the activities below has been provided to us by Warburg Pincus LLC (“WP”), affiliates of which: (i) beneficially own more than 10% of our outstanding common units and/or are members of our general partner’s board of directors and (ii) beneficially own more than 10% of the equity interests of, and have the right to designate members of the board of directors of Santander Asset Management Investment Holdings Limited (“SAMIH”). SAMIH may therefore be deemed to be under common “control” with us; however, this statement is not meant to be an admission that common control exists.

The disclosure below relates solely to activities conducted by SAMIH and its non-U.S. affiliates. The disclosure does not relate to any activities conducted by us or by WP and does not involve our or WP’s management. Neither we nor WP has had any involvement in or control over the disclosed activities of SAMIH, and neither we nor WP has independently verified or participated in the preparation of the disclosure. Neither we nor WP is representing as to the accuracy or completeness of the disclosure nor do we or WP undertake any obligation to correct or update it.

We understand that SAMIH’s affiliates intend to disclose in their next annual or quarterly SEC report that:

(a) Santander UK plc (“Santander UK”) holds frozen savings accounts and one current account for two customers resident in the United Kingdom (“U.K.”) who are currently designated by the United States (“U.S.”) for terrorism. The accounts held by each customer were blocked after the customer’s designation and have remained blocked and dormant throughout the nine months ended September 30, 2015. Revenue generated by Santander UK on these accounts is negligible.

(b) An Iranian national, resident in the U.K., who is currently designated by the U.S. under the Iranian Financial Sanctions Regulations and the Weapons of Mass Destruction Proliferators Sanctions Regulations (“NPWMD”), holds a mortgage with Santander UK that was issued prior to any such designation. No further drawdown has been made (or would be allowed) under this mortgage although Santander UK continues to receive repayment installments. In the nine months ended September 30, 2015, total revenue in connection with the mortgage was approximately £2,928 while net profits were negligible relative to the overall profits of Santander UK. Santander UK does not intend to enter into any new relationships with this customer, and any disbursements will only be made in accordance with applicable sanctions. The same Iranian national also holds two investment accounts with Santander ISA Managers Limited. The accounts have remained frozen during the nine months ended September 30, 2015. The investment returns are being automatically reinvested, and no disbursements have been made to the customer. Total revenue for the Santander group in connection

with the investment accounts was approximately £161 while net profits in the nine months ended September 30, 2015 were negligible relative to the overall profits of Santander.

(c) In addition, during the third quarter of 2015 two additional Santander UK customers were designated. First, a UK national designated by the U.S. under the Specially Designated Global Terrorist (“SDGT”) sanctions program who is on the U.S. Specially Designated National (“SDN”) list. This customer holds a bank account which generated revenue of approximately £183 during the third quarter of 2015. A stop was placed on the account. Net profits in the third quarter of 2015 were negligible relative to the overall profits of Santander. Second, a UK national also designated by the U.S. under the SDGT sanctions program and on the U.S. SDN list, held a bank account. No transactions were made in the third quarter of 2015 and the account is blocked and in arrears.

**Item 6. Exhibits.**

The exhibits required to be filed pursuant to the requirements of Item 601 of Regulation S-K are set forth in the Exhibit Index accompanying this Form 10-Q and are incorporated herein by reference.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

**ANTERO MIDSTREAM PARTNERS LP**

By: **ANTERO RESOURCES MIDSTREAM  
MANAGEMENT LLC, its general partner**

By: /s/ Glen C. Warren, Jr.  
Glen C. Warren, Jr.  
*President, Chief Financial Officer and Secretary*

Date: October 28, 2015

## EXHIBIT INDEX

- 2.1 Contribution, Conveyance and Assumption Agreement, dated as of September 17, 2015, by and among Antero Resources Corporation, Antero Midstream Partners LP and Antero Treatment LLC (incorporated by reference to Exhibit 2.1 to the Current Report on Form 8-K (Commission File No. 001-36719) filed on September 18, 2015).
- 3.1 Certificate of Conversion of Antero Resources LLC, dated November 5, 2014 (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K (Commission File No. 001-36719) filed on November 7, 2014).
- 3.2 Certificate of Limited Partnership of Antero Midstream Partners LP (incorporated by reference to Exhibit 3.2 to the Current Report on Form 8-K (Commission File No. 001-36719) filed on November 7, 2014).
- 3.3 Agreement of Limited Partnership, dated as of November 10, 2014, by and between Antero Resources Midstream Management LLC, as the General Partner, and Antero Resources Corporation, as the Organizational Limited Partners (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K (Commission File No. 001-36719) filed on November 17, 2014).
- 10.1 Common Unit Purchase Agreement, dated as of September 17, 2015, by and among Antero Midstream Partners LP and the Purchasers named therein (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K (Commission File No. 001-36719) filed on September 18, 2015).
- 10.2 Secondment Agreement, dated as of September 23, 2015, by and between Antero Midstream Partners LP, Antero Resources Midstream Management LLC, Antero Midstream LLC, Antero Water LLC, Antero Treatment LLC and Antero Resources Corporation (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K (Commission File No. 001-36719) filed on September 24, 2015).
- 10.3 Amended and Restated Services Agreement, dated as of September 23, 2015, by and among Antero Midstream Partners LP, Antero Resources Midstream Management LLC and Antero Resources Corporation (incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K (Commission File No. 001-36719) filed on September 24, 2015).
- 10.4 First Amendment and Joinder Agreement, dated as of September 23, 2015 (incorporated by reference to Exhibit 10.3 to the Current Report on Form 8-K (Commission File No. 001-36719) filed on September 24, 2015).
- 10.5 \*†Water Services Agreement, dated as of September 23, 2015, by and between Antero Resources Corporation and Antero Water LLC.
- 31.1 \* Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 7241).
- 31.2 \* Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 7241).
- 32.1 \* Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350).
- 32.2 \* Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350).
- 101 \* The following financial information from this Form 10-Q of ANTERO MIDSTREAM PARTNERS, LP for the quarter ended September 30, 2015, formatted in XBRL (eXtensible Business Reporting Language):
  - (i) Condensed Consolidated Balance Sheets, (ii) Condensed Consolidated Statements of Operations,
  - (iii) Condensed Consolidated Statements of Partners' Capital, (iv) Condensed Consolidated Statements of Cash Flows, and (v) Notes to the Condensed Consolidated Financial Statements, tagged as blocks of text.

The exhibits marked with the asterisk symbol (\*) are filed or furnished with this Quarterly Report on Form 10-Q.

†Portions of this exhibit have been omitted pursuant to a request for confidential treatment.

SPECIFIC TERMS IN THIS EXHIBIT HAVE BEEN REDACTED BECAUSE CONFIDENTIAL TREATMENT OF THOSE TERMS HAS BEEN REQUESTED. THE REDACTED MATERIAL HAS BEEN SEPARATELY SUBMITTED TO THE SECURITIES AND EXCHANGE COMMISSION, AND THE TERMS HAVE BEEN MARKED AT THE APPROPRIATE PLACE WITH THREE ASTERISKS (\*\*\*)

**WATER SERVICES AGREEMENT**

**BY AND BETWEEN**

**ANTERO RESOURCES CORPORATION**

**AND**

**ANTERO WATER LLC**

**DATED AS OF**

**September 23, 2015**

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## WATER SERVICES AGREEMENT

This Water Services Agreement (this “*Agreement*”), dated as of September 23, 2015 (the “*Effective Date*”), is by and between **ANTERO RESOURCES CORPORATION**, a Delaware corporation (“*Producer*”), and **ANTERO WATER LLC**, a Delaware limited liability company (“*Antero Water*”). *Producer* and *Antero Water* may be referred to herein individually as a “*Party*” or collectively as the “*Parties*.”

### RECITALS

A. *Producer* owns Oil and Gas Interests and intends to drill and complete Wells for the production of Hydrocarbons in the Initial Service Area and may from time to time own Oil and Gas Interests and may drill and complete Wells for the production of Hydrocarbons in other areas.

B. *Producer* requires supplies of Fresh Water in its areas of operation for hydraulic fracturing operations and other purposes and has the right to take Fresh Water from various rivers and other Fresh Water sources to use for such purposes in its operations in the Initial Service Area and may from time to time have rights to take Fresh Water from other sources for such operations and operations in other areas.

C. *Antero Water* has acquired from *Producer* certain Fresh Water Facilities, which *Producer* has been using to take Fresh Water from its Fresh Water sources and to make available such Fresh Water to Wells in its areas of operation in the Initial Service Area, including certain related assets. *Antero Water* anticipates the expansion of the Fresh Water Facilities to make available Fresh Water to additional locations in the Initial Service Area and other areas.

D. *Antero Water* has also acquired from *Producer* certain contracts and other assets that *Producer* has been using (or expects that *Antero Water* will use in the future) in connection with the collection of Produced Water produced from Wells in the Initial Service Area and Other Waste Water generated or collected at the Well Pads or from *Producer*’s property adjacent to any Well Pad in the Initial Service Area and the transportation, treatment, disposal, recycling, and/or sale of such Produced Water and Other Waste Water. *Antero Water* may in the future enter into additional contracts and/or acquire additional assets for the purpose of carrying out such activities in the Initial Service Area and other areas.

E. *Producer* desires to contract with *Antero Water* for *Antero Water* to provide the Fluid Handling Services in the Service Area, and *Antero Water* desires to provide the Fluid Handling Services to *Producer*, in each case in accordance with the terms and conditions of this Agreement.

NOW THEREFORE, in consideration of the premises and mutual covenants set forth in this Agreement, the Parties agree as follows:

**ARTICLE 1**  
**DEFINITIONS**

Capitalized terms used, but not otherwise defined, in this Agreement shall have the respective meanings given to such terms set forth below:

***Adequate Assurance of Performance.*** As defined in Section 14.6(a).

***Affiliate.*** Any Person that, directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with another Person. ***Affiliated*** shall have the correlative meaning. The term “control” (including its derivatives and similar terms) shall mean possessing the power to direct or cause the direction of the management and policies of a Person, whether through ownership, by contract, or otherwise. Notwithstanding the foregoing, for purposes of this Agreement, none of Antero Midstream Partners LP, Antero Resources Midstream Management LLC, or any of their respective direct or indirect subsidiaries (including Antero Water) shall be an Affiliate of Producer, and neither Producer nor any of its direct or indirect subsidiaries (other than Antero Midstream Partners LP and its direct and indirect subsidiaries) shall be an Affiliate of Antero Water.

***Agreement.*** As defined in the preamble hereof.

***Antero Treatment.*** Antero Treatment LLC.

***Antero Water.*** As defined in the preamble of this Agreement.

***Antero Water Group.*** As defined in Section 16.2(b).

***Applicable Law.*** Any applicable law, statute, regulation, rule, code, administrative order or enforcement action (whether national, local, municipal, territorial, provincial, or federal and including common law) of any Governmental Authority, including any Environmental Law, to the extent they apply to the Fluid Handling Services or the Parties.

***Assumed Subcontracts.*** As defined in Section 7.1(b).

***AST.*** An above-ground storage tank.

***Attributable Produced Water.*** Produced Water produced from a Well operated by Producer located on the Service Area Properties and attributable to either (i) Producer’s interest in such Well or (ii) the interest of non-operating parties in such Well, to the extent that Producer (as operator) has the right to dispose of, and is responsible for the disposition of, such Produced Water.

***Barrel.*** Forty-two Gallons.

***Baseline Components.*** As defined in Section 7.1(e).

***Business Day.*** Any calendar Day that commercial banks in New York City are open for business.

**Chemicals Baseline.** As defined in Section 7.1(d).

**Completion Deadline.** As defined in Section 4.2(b).

**Connection Notice.** As defined in Section 4.2(b).

**Confidential Information.** As defined in Section 19.6(a).

**Conflicting Commitment.** Any agreement, commitment or arrangement that would require Producer to use Fresh Water delivered by any Person other than Antero Water to a Well in Producer's hydraulic fracturing operations on such Well or to deliver Attributable Produced Water or Other Waste Water to any Person other than Antero Water for gathering, collection, transportation, processing, treatment, recycling, re-sale, or other disposal or disposition.

**Contract Year.** Each of (i) the period from the Effective Date to the last Day of the Month in which the first anniversary of the Effective Date occurs and (ii) each period of twelve (12) Months thereafter.

**Contribution Agreement.** As defined in Section 15.2.

**Cost of Service Fee.** As defined in Section 7.1(j).

**CPI.** As defined in Section 7.1(f).

**CS Facility.** As defined in Section 7.1(j).

**Day.** A period commencing at 10:00 a.m., Eastern Standard Time, on a calendar day and ending at 10:00 a.m., Eastern Standard Time, on the next succeeding calendar day. **Daily** shall have the correlative meaning.

**Delivery Point Fee.** As defined in Section 7.1(a)(i).

**Designated Receiving Facility.** As defined in Section 5.3.

**Development Plan.** As defined in Section 4.1(a).

**Effective Date.** As defined in the preamble of this Agreement.

**Electricity Baseline.** As defined in Section 7.1(d).

**Environmental Laws.** All Applicable Laws pertaining to the presence or release of environmental contaminants (including any Hazardous Materials), or relating to natural resources (including any protected species) or the environment (including the air, water, surface or subsurface of the ground) as same are in effect at any time and including the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), as amended by Superfund Amendments and Reauthorization Act ("SARA"), 42 U.S.C. §§ 9601 et seq.; Resource Conservation and Recovery Act ("RCRA"), as amended by the Solid Waste Disposal Act ("SWDA"), 42 U.S.C. §§6901 et seq.; Federal Water Pollution Control Act ("FWPCA"), as amended by the Clean Water Act ("CWA"), 33 U.S.C. §§ 1251 et seq.; Safe Drinking Water Act,

42 U.S.C. §§ 300f et seq.; Clean Air Act (“CAA”), 42 U.S.C., §§ 7401 et seq.; and Toxic Substances Control Act (“TSCA”), 15 U.S.C., §§ 2601 et seq., as each are amended from time to time, and any similar state or local enactments by Governmental Authorities.

***Fair Market Value.*** With respect to any asset, the price that would be paid by a willing buyer of such asset to a willing seller, as determined by an independent nationally known investment banking firm selected by Antero Water and reasonably acceptable to Producer.

***Firm Service.*** Fluid Handling Services that are accorded the highest priority on the Water Facilities with respect to capacity allocations, interruptions, or curtailments, specifically including the Fresh Water Services provided to Producer hereunder. Firm Services will be the last curtailed on the relevant part of the Water Facilities in the event of an interruption or curtailment, and all Firm Services will be treated equally in the event an allocation is necessary.

***Fluid Handling Services.*** As defined in Section 3.1.

***Force Majeure.*** As defined in Section 15.2.

***Fresh Water.*** Either (i) (A) raw fresh water taken by Antero Water from the Take Points or its other sources of raw fresh water and (B) water remaining after treatment of waste water at the Treatment Facility, or a mixture of (A) and (B), or (ii) a mixture of raw fresh water and/or water remaining after treatment at the Treatment Facility and Treated Waste Water.

***Fresh Water Delivery Point.*** With respect to each Well Pad, the water inlet flange of the working tanks or the hydration unit located at or in the vicinity of such Well Pad being utilized by Producer and its other contractors in hydraulic fracturing operations on a Well on such Well Pad.

***Fresh Water Delivery Rate.*** With respect to each Well Pad, the rate at which Fresh Water is to be delivered by Antero Water from the Fresh Water System to the Fresh Water Delivery Point at such Well Pad, which rate is specified by Producer in the Connection Notice for such Well Pad and is subject to modification pursuant to Section 10.3.

***Fresh Water Facilities.*** Collectively, the Fresh Water System and the High-Rate Transfer Facilities, including the Fresh Water facilities described in Exhibit B being acquired by Antero Water from Producer as of the date hereof (including any Fresh Water assets included in the Water Assets, as such term is defined in the Contribution Agreement), including any additional System Segments constructed after the date hereof, as such Fresh Water facilities are expanded after the date hereof. The Fresh Water Facilities do not include any Fresh Water Delivery Point or facilities at the Well Pads downstream of the Fresh Water Delivery Points, all of which facilities shall be owned and operated by Producer or its subcontractors.

***Fresh Water Facilities Plan.*** As defined in Section 4.1(b).

***Fresh Water Measurement Point.*** The inlet to Antero Water’s Measurement Facilities located at the inlet to the High-Rate Transfer Facilities located at or in the vicinity of each Well Pad.

***Fresh Water Quality Standards.*** As defined in Section 11.2.

***Fresh Water Services.*** Those Fluid Handling Services that are described in Section 3.1(a) through Section 3.1(e).

***Fresh Water System.*** Fresh Water facilities of Antero Water and its subcontractors upstream of the interconnection with the High-Rate Transfer Facilities, including, in each case, to the extent now in existence or constructed or installed in the future, all Fresh Water pipelines, System Retention Facilities, System Pumping Stations, Take Point Facilities, Measurement Facilities, rights of way (whether for underground or surface use), fee parcels, surface rights, and permits, and all appurtenant facilities. The Fresh Water System is used to take Fresh Water from the Take Points or Antero Water's other sources of Fresh Water (other than Treated Waste Water) to the Well Pads, where such Fresh Water is transferred through the High Rate Transfer Facilities to the Fresh Water Delivery Points.

***Fuel Gas.*** As defined in Section 7.1(d).

***Gallon.*** One U.S. gallon, which is equal to 231 cubic inches.

***Gas.*** Any mixture of gaseous hydrocarbons, consisting essentially of methane and heavier hydrocarbons and inert and noncombustible gases, that is extracted from beneath the surface of the earth.

***Gas Baseline.*** As defined in Section 7.1(d).

***Governmental Approval.*** Any permit, license, consent, clearance, certificate, approval, authorization or similar document or authority which any Applicable Law or Governmental Authority requires either Party to hold or obtain in order for the Fluid Handling Services to be performed, including any that are required to take Fresh Water from the Take Points or Antero Water's other sources of Fresh Water.

***Governmental Authority.*** Any federal, state, local, municipal, tribal or other government; any governmental, regulatory or administrative agency, commission, body or other authority exercising or entitled to exercise any administrative, executive, judicial, legislative, regulatory or taxing authority or power; and any court or governmental tribunal, including any tribal authority having or asserting jurisdiction.

***Hazardous Materials.*** Collectively, (i) materials defined as "hazardous substances" in CERCLA, or any successor statute, unless such term has been given broader meaning by laws, regulations, rules, orders, ordinances, requirements or determinations of any Governmental Authority having jurisdiction with respect to the Fluid Handling Services or the Parties (including Governmental Authorities establishing common law liability), in which case such broader meaning shall apply; (ii) materials defined as "hazardous wastes" in RCRA, or any successor statute, unless such term has been given broader meaning by laws, regulations, rules, orders, ordinances, requirements or determinations of any Governmental Authority having jurisdiction with respect to the Fluid Handling Services or the Parties (including Governmental Authorities establishing common law liability), in which case such broader meaning shall apply; (c) any Hydrocarbons, Produced Water, petroleum or petroleum produce; (d) any polychlorinated biphenyl; and (e) any

pollutant or contaminant or hazardous, dangerous or toxic chemical, material, waste or substance, including naturally occurring radioactive material, regulated under or within the meaning of any applicable Environmental Law.

**High-Rate Transfer Facilities.** Facilities of Antero Water and its subcontractors located at or in the vicinity of a Well Pad used to perform High-Rate Transfer Services at such Well Pad, including, as applicable, ASTs, treated water offload tanks, high-rate transfer pumps, associated hoses and lines, and all related equipment and facilities used to transfer Fresh Water from the Fresh Water System to the Fresh Water Delivery Points at the Fresh Water Delivery Rate.

**High-Rate Transfer Services.** As defined in Section 3.1(e).

**Hydrocarbons.** Gas and/or Liquid Hydrocarbons.

**Initial Development Plan.** The Development Plan attached hereto as Exhibit D.

**Initial Service Area.** The area described in Exhibit A hereto.

**Interruptible Service.** Fluid Handling Services that are accorded the lowest priority on the Water Facilities with respect to capacity allocations, interruptions, or curtailments. Interruptible Service will be the first curtailed on the relevant part of the Water Facilities in the event of an interruption or curtailment.

**Landfill Credit.** As defined in Section 7.1(c).

**Liquid Hydrocarbons.** Oil, condensate, natural gasoline and all the liquid hydrocarbon production from wells, or a blend of such.

**Maintenance.** As defined in Section 8.2.

**Measurement Facilities.** Any facility or equipment used to measure the volume of Fresh Water, which may include meter tubes, isolation valves, tank strappings, recording devices, communication equipment, buildings and barriers.

**Minimum Annual Fresh Water Volume Commitment .** An aggregate volume of Fresh Water in the applicable calendar year equal to the number of Days in such calendar year multiplied by the Minimum Daily Fresh Water Volume Commitment with respect to such calendar year.

**Minimum Daily Fresh Water Volume Commitment .** With respect to each of calendar years 2016 through 2019, inclusive, the volume of Fresh Water, in Barrels per Day, set forth beside such calendar year in the following table:

2016	90,000 Barrels per Day
2017	100,000 Barrels per Day
2018	120,000 Barrels per Day
2019	120,000 Barrels per Day

**Minimum Quarterly Fresh Water Volume Commitment** . An aggregate volume of Fresh Water in the applicable calendar quarter equal to the number of Days in such calendar quarter multiplied by the Minimum Daily Fresh Water Volume Commitment with respect to the calendar year in which such calendar quarter falls.

**Month**. A period commencing at 10:00 a.m., Eastern Standard Time, on the first Day of a calendar month and extending until 10:00 a.m., Eastern Standard Time, on the first Day of the next succeeding calendar month. **Monthly** shall have the correlative meaning.

**MVC Credit Volumes** . With respect to each calendar year from 2016 through 2019, inclusive, or any calendar quarter in any such calendar year, as applicable, the sum of (i) the aggregate number of Barrels of Fresh Water delivered to the Fresh Water Delivery Points under this Agreement during such calendar year or calendar quarter, as applicable, plus (ii) if Antero Water fails to deliver Fresh Water to the Fresh Water Delivery Points when required to do so under this Agreement, including if such failure is excused by an event of Force Majeure (but, for the avoidance of doubt, not including Producer's inability to receive or utilize Fresh Water as a result of an event of Force Majeure), the aggregate number of additional Barrels of Fresh Water that would have been delivered to the Fresh Water Delivery Points during such calendar year or calendar quarter, as applicable, if Antero Water had delivered such Fresh Water when required to do so.

**Off-Site Tanks**. Tanks located downstream from a Well Pad where Produced Water that is entrained in Hydrocarbons and becomes separated from such Hydrocarbons downstream of a Well Pad is held pending collection, gathering, and/or disposal.

**Oil and Gas Interests** . Oil and gas leasehold interests and oil and gas mineral fee interests, including working interests, overriding royalty interests, net profits interests, carried interests, and similar rights and interests.

**Other Waste Water** . Waste water other than Produced Water that is generated from Producer's operations at Well Pads or that collects at the Well Pads or on Producer's property adjacent to the Well Pads, and including in each case all materials (including Hydrocarbons) contained in such water.

**Parties**. As defined in the preamble of this Agreement.

**Party**. As defined in the preamble of this Agreement.

**Person.** An individual, a corporation, a partnership, a limited partnership, a limited liability company, an association, a joint venture, a trust, an unincorporated organization, or any other entity or organization, including a Governmental Authority.

**Planned Well.** As defined in Section 4.1(a).

**Planned Well Pad.** As defined in Section 4.1(a).

**Previous Year Credit.** An amount with respect to each of calendar years 2017 through 2019, inclusive, equal to the excess, if any, of (1) the aggregate of the MVC Credit Volumes for the previous calendar year multiplied by the applicable Delivery Point Fee in effect on the last Day of such previous calendar year over (2) the product of the Projected Fresh Water Volumes for such previous calendar year multiplied by Weighted Delivery Point Fee in effect on the last Day of such previous calendar year. If there is no such excess, the Previous Year Credit shall be zero.

**Produced Water.** Water produced from Wells alongside Hydrocarbons, including (i) water separated from Hydrocarbons at the wellhead upstream of a Produced Water Receipt Point located at a Well Pad through conventional mechanical separation equipment and held in tanks owned by Producer at the Well Pad, including flowback water, drilling fluids, and other fluid wastes produced from such Wells, and (ii) water entrained in Hydrocarbons that separates from such Hydrocarbons downstream of a Well Pad that a third party is not responsible for collecting, gathering, and/or disposing of and that is held in Off-Site Tanks, and including in each case all materials (including Hydrocarbons) contained in such water.

**Produced Water Receipt Point.** The outlet flange of the Producer's Produced Water tankage located at or nearby or assigned to a Well, downstream of the Producer's separation equipment, or the outlet flange of an Off-Site Tank.

**Producer.** As defined in the preamble of this Agreement.

**Producer Group.** As defined in Section 16.1(b).

**Projected Fresh Water Volumes.** An aggregate volume of Fresh Water in the applicable calendar year equal to the number of Days in such calendar year multiplied by the number of Barrels per Day set forth beside such calendar year in the following table:

2016	126,000 Barrels per Day
2017	142,000 Barrels per Day
2018	203,000 Barrels per Day

**Quarterly MVC Shortfall Fee.** As defined in Section 7.2(a).

**Reimbursable Landfill Costs.** As defined in Section 7.1(c).

**Reimbursable Waste Water Services Costs.** As defined in Section 7.1(a)(vii).

**Required Pumping Station.** As defined in Section 4.6.

**Required Retention Facility.** As defined in Section 4.5.

**Retention Facility.** Each retention area, impoundment, or other similar facility used to temporarily store Fresh Water upstream of the High Rate Transfer Facilities.

**Service Area.** The Initial Service Area and any other area that becomes part of the Service Area pursuant to Section 2.4.

**Service Area Properties.** All Oil and Gas Interests now owned or hereafter acquired by Producer and located wholly or partly within the Service Area or pooled, unitized or communitized with Oil and Gas Interests located wholly or partly within the Service Area; provided that Service Area Properties shall not include any Oil and Gas Interests that are unitized or pooled with the properties of third parties that are not Service Area Properties if Producer is not the operator of such unit.

**Specified Fee.** As defined in Section 7.1(h).

**System Pumping Station.** As defined in Section 4.6.

**System Retention Facility.** As defined in Section 4.5.

**System Segment.** A physically separate segment of the Fresh Water System that connects one or more Take Points or other sources of Fresh Water (other than Treated Waste Water) to one or more System Retention Facilities, together with any underground Fresh Water lines downstream of such System Retention Facilities and any rights of way downstream of such System Retention Facilities for surface Fresh Water lines, including all Fresh Water pipelines, System Retention Facilities, System Pumping Stations, Take Point Facilities, Measurement Facilities, rights of way, fee parcels, surface rights, and permits, and all appurtenant facilities.

**System Take Point.** Each take point on any System Segment, including the Take Points.

**Take Point.** Those points specified in Exhibit C hereto, together with such additional points as are specified by Producer in accordance with Section 4.4 from which, in accordance with agreements with the holders of water rights and/or Applicable Laws and required Governmental Approvals, Producer has procured the right for Antero Water to take Fresh Water which Antero Water will then make available to Producer for use in accordance with this Agreement.

**Take Point Facilities.** All facilities located at any Take Point or other source of Fresh Water (other than Treated Waste Water) that are necessary for Antero Water to take Fresh Water from the Fresh Water source at such Take Point or other source, together with any ozonation facilities installed at such Take Point or other source.

**Target Commencement Date.** As defined in Section 4.2(b).

**Transportation Services.** As defined in Section 3.1(f).

**Treated Waste Water** . Treated waste water, but excluding water remaining after treatment at the Treatment Facility.

**Treatment Facility**. The advanced 60,000 Barrel per Day wastewater treatment facility to be constructed in Doddridge County, West Virginia, and owned by Antero Treatment.

**Treatment Facility Fee**. As defined in Section 7.1(a)(v).

**Treatment Facility Fee Supplement**. As defined in Section 7.1(d).

**Trucked Fresh Water Fee**. As defined in Section 7.1(a)(ii).

**Truck Fuel Baseline**. As defined in Section 7.1(e).

**USDOT**. The United States Department of Transportation.

**Waste Water**. Produced Water and Other Waste Water.

**Waste Water Quality Standards**. As defined in Section 11.6.

**Waste Water Services** . Those Fluid Handling Services described in Section 3.1(f) and Section 3.1(g).

**Waste Water Trucking Fee**. As defined in Section 7.1(a)(vi).

**Waste Water Trucking Fee Supplement**. As defined in Section 7.1(e).

**Water Facilities**. The Fresh Water Facilities and any facilities owned by Antero Water through which Waste Water is gathered, collected, transported, processed, treated, recycled, or disposed of from any Oil and Gas Interests.

**Weighted Delivery Point Fee**. With respect to any Day, the sum of (i) the product of the Delivery Point Fee applicable to Fresh Water Delivery Points in West Virginia on such Day multiplied by 0.64 plus (ii) the product of the Delivery Point Fee applicable to Fresh Water Delivery Points outside West Virginia on such Day multiplied by 0.36.

**Well**. A well for the production of Hydrocarbons in which Producer owns an interest that is located on the Service Area Properties or for which Fluid Handling Services are otherwise required to be performed in accordance with this Agreement.

**Well Pad**. The surface installation on which one or more Wells are located.

## **ARTICLE 2 PRODUCER COMMITMENTS**

**Section 2.1 Producer Commitments**. Subject to the terms and conditions of this Agreement, including Section 2.2 and Section 2.3, during the term of this Agreement Producer covenants and commits (a) to exclusively use Fresh Water made available by Antero Water to Producer under this Agreement for use in its hydraulic fracturing operations for all Wells operated

by Producer and (b) to exclusively utilize Antero Water for the performance of the Waste Water Services for all Attributable Produced Water, as and when produced, and all Other Waste Water.

**Section 2.2 Conflicting Commitments.** Producer shall have the right to comply with any Conflicting Commitment entered into by a predecessor-in-interest to Producer that is not an Affiliate of Producer that is applicable as of the date of acquisition thereof to any Service Area Property acquired after the Effective Date (but not any entered into in connection with such acquisition); provided, however, that Producer shall have the right to comply with each Conflicting Commitment only until the first Day of the Month following the termination of such Conflicting Commitment and shall not take any voluntary action (including the exercise of any right to extend) to extend the term of such Conflicting Commitment beyond the minimum term provided for in the document evidencing such Conflicting Commitment. Producer represents that as of the Effective Date there are no Conflicting Commitments. To the extent that a Conflicting Commitment applies to one or more Wells, but not all Wells, on a Well Pad, Producer shall have the right to comply with such Conflicting Commitment (to the extent set forth in this Section 2.2) with respect to all Wells on such Well Pad.

**Section 2.3 Covenant Running with the Land.** The covenants and commitments made by Producer under this Article 2 are covenants running with the land. For the avoidance of doubt and in addition to that which is provided in Section 19.4, in the event Producer sells, transfers, conveys, assigns, grants, or otherwise disposes of any or all of its interest in any of its Service Area Properties, then any such sale, transfer, conveyance, assignment, grant, or other disposition shall be expressly subject to this Agreement and any instrument of conveyance shall so state. Notwithstanding the foregoing, Producer shall be permitted to sell, transfer, convey, assign, grant, or otherwise dispose of Service Area Properties free of the covenant and commitment made under this Article 2 in a sale or other disposition in which a number of net acres of Service Area Properties that, when added to the total of net acres of Service Area Properties theretofore and, where applicable, simultaneously disposed of free of the commitment made by Producer under this Article 2, does not exceed the aggregate number of net acres of Service Area Properties acquired by Producer after the Effective Date, including in a transaction in which Service Area Properties are exchanged for other properties located in the Service Area that would be subject to commitment made by Producer under this Article 2. At the request of Antero Water, the Parties shall execute and record an amendment to the memorandum of this Agreement previously entered into, as provided in Section 19.16, to reflect additions to the Service Area Properties.

**Section 2.4 Additional Oil and Gas Interests or Water Facilities.**

(a) If at any time Producer acquires any existing water facilities through which Fresh Water is made available to, or through which Waste Water is gathered, collected, transported, processed, treated, recycled, or disposed of from, any Oil and Gas Interests, it shall, by notice delivered to Antero Water on or before the 10th day after such acquisition, which notice shall include a reasonable description of such water facilities and such Oil and Gas Interests (including an update to the Development Plan reflecting such Oil and Gas Interests that Producer is acquiring or has acquired that Producer will operate) and the price paid by Producer for such water facilities, including any liabilities assumed by Producer, offer to sell to Antero Water such water facilities, including all Fresh Water or Produced Water pipelines, Retention Facilities, pumping stations, take point facilities, delivery points, receipt points, measurement facilities,

trucking facilities, disposal wells, processing, recycling, or treatment facilities, rights of way or surface rights (whether for underground or surface use, but excluding, in each case, any rights of way or surface rights to the extent such rights are granted under any Oil and Gas Interest), fee parcels, and permits, and all appurtenant facilities, in each case, to the extent the foregoing items are used in connection with such water facilities, as well as any third party contracts for services utilizing such water facilities, at the same price at which such water facilities and related assets were acquired by Producer, including the assumption of any liabilities with respect thereto assumed by Producer. Antero Water shall have the right, to be exercised by notice delivered to Producer on or before the 60th Day after delivery of Producer's notice of its acquisition of such water facilities, to acquire such water facilities and related assets at such price (including the assumption of such liabilities). If Antero Water does not deliver such notice to Producer on or before such 60th Day, Antero Water shall be deemed to have waived its right to acquire such water facilities and related assets (except in the case of a third party services offer as provided below), and (i) Producer shall have the right to own and operate such facilities to make available Fresh Water to, and/or to gather, collect, transport, process, treat, recycle, and/or dispose of Produced Water produced from and Other Waste Water associated with, the Oil and Gas Interests described in such notice and all other Oil and Gas Interests within the area within two miles of any such Oil and Gas Interest for which Antero Water is not, as of the date of Producer's initial notice of the acquisition, providing Fluid Handling Services and/or (ii) Producer shall have the right to solicit proposals from a third party service provider to acquire and operate such facilities to make available Fresh Water to, and/or to gather, collect, transport, and/or dispose of Produced Water produced from and Other Waste Water associated with, the Oil and Gas Interests described in such notice owned or acquired by Producer and all Oil and Gas Interests within the area within two miles of any such Oil and Gas Interest owned or acquired by Producer for which Antero Water is not, as of the date of Producer's initial notice of the acquisition, providing Fluid Handling Services. If Producer obtains any such third party proposal, it shall, by notice to Antero Water, provide Antero Water with all the terms and conditions thereof (and, to the extent any such terms and conditions are confidential, shall use commercially reasonable efforts to obtain a waiver of any such applicable confidentiality restriction), and Antero Water shall have the right to elect, by notice delivered to Producer on or before the 60th Day after delivery of Producer's notice containing the terms and conditions of such proposal, to acquire such water facilities and related assets and provide the services offered by the applicable third party on the same terms and conditions as those offered by the third party service provider. If Antero Water does not so elect on or before such 60th Day, Producer shall have the right to contract with such third party service provider to acquire such water facilities and to provide such services, on terms no more favorable to such third party service provider than the terms and conditions of its proposal as provided to Antero Water, to the Oil and Gas Interests described in such notice in which Producer owns or acquires an interest and all other Oil and Gas Interests within the area within two miles of any such Oil and Gas Interest in which Producer owns or acquires an interest for which Antero Water is not, as of the date of Producer's initial notice of the acquisition, providing Fluid Handling Services. If Antero Water elects to acquire such water facilities, the closing of Antero Water's purchase of such water facilities and related assets from Producer shall take place as soon as reasonably practicable following Antero Water's exercise of its right to acquire such water facilities. From and after the closing of such purchase by Antero Water, all Oil and Gas Interests in which Producer owns an interest that are operated by Producer the Fresh Water for which is being made available, and the Produced Water from which is being gathered, collected, transported, processed, treated, recycled

and disposed of utilizing such water facilities, as well as Oil and Gas Interests in which Producer owns an interest that are operated by Producer within the area within two miles of any such Oil and Gas Interest, unless such Oil and Gas Interests are already Service Area Properties, shall become Service Area Properties, and such area, to the extent not in or part of the then-existing Service Area, shall become part of the Service Area, and the proposed Development Plan update included in Producer's notice shall become part of the Development Plan. In any transaction in which Producer so acquires water facilities, Producer shall use reasonable efforts to cause the transaction documents for such acquisition to state a separate purchase price (and separately state any assumed liabilities) for such water facilities and related assets. If notwithstanding such reasonable efforts the transaction documents for such acquisition do not state a separate purchase price, the purchase price to be paid by Antero Water to Producer for such water facilities and related assets shall be equal to the Fair Market Value of such water facilities and related assets, and Antero Water shall assume all liabilities in respect of such water facilities and related assets to the extent arising from the ownership and operation of such water facilities and related assets and/or any occurrence with respect thereto from and after the closing of the purchase of such water facilities and related assets by Antero Water.

(b) If at any time Producer desires to have Fresh Water made available to, and/or Produced Water and Other Waste Water gathered, collected, transported, processed, treated, recycled, and/or disposed of from, any Oil and Gas Interests in which Producer owns an interest that are operated by Producer outside the then-existing Service Area, Producer shall, by notice to Antero Water specifying (i) the services it desires, including in the case of Fresh Water the take points and delivery points it desires to have connected, and (ii) the Oil and Gas Interests owned by Producer to which Fresh Water is to be made available and from which Produced Water and Other Waste Water are to be gathered, collected, transported, processed, treated, recycled, and/or disposed of (including an update to the Development Plan reflecting such Oil and Gas Interests and the Wells planned to be drilled on such Oil and Gas Interests during the period of at least 18 Months after such notice), offer to Antero Water the opportunity to provide such Fresh Water and to gather, collect, transport, process, treat, recycle, and/or dispose of such Produced Water and Other Waste Water. Antero Water shall have the right, to be exercised by notice to Producer on or before the 60th Day after delivery of Producer's notice, to elect to perform such services as Fluid Handling Services under this Agreement. If Antero Water exercises such right as provided above, from and after the date of Antero Water's notice of exercise, the area within two miles of the Oil and Gas Interests described in such notice, to the extent not already Service Area Properties, shall become part of the Service Area Properties, and the proposed Development Plan update included in Producer's notice shall become part of the Development Plan. If Antero Water does not give such notice to Producer on or before such 60th Day, Antero Water shall be deemed to have waived its right to perform such services as Fluid Handling Services under this Agreement, except in the case of a third party services offer as provided below, and (1) Producer shall have the right to construct, own, and operate facilities to make available Fresh Water to, and/or to gather, collect, transport, process, treat, recycle, and/or dispose of Produced Water and Other Waste Water from, the Oil and Gas Interests described in such notice or (2) Producer shall have the right to solicit proposals from a third party service provider to provide such services with respect to the Oil and Gas Interests described in such notice and all Oil and Gas Interests owned by Producer within the area within two miles of any such Oil and Gas Interest for which Antero Water is not, as of the date of Producer's initial notice to Antero Water under this provision, providing Fluid Handling Services. If Producer obtains any such third party proposal, it shall, by notice to Antero

Water, provide Antero Water with all the terms and conditions thereof (and, to the extent any such terms and conditions are confidential, shall use commercially reasonable efforts to obtain a waiver of any such applicable confidentiality restriction), and Antero Water shall have the right to elect, by notice to Producer on or before the 60th Day after delivery of Producer's notice containing the terms and conditions of such proposal, to provide the services described in such notice on the same terms and conditions as those offered by the third party service provider. If Antero Water does not so elect on or before such 60th Day, Producer shall have the right to contract with such third party service provider to perform such services, on terms no more favorable to such third party service provider than the terms and conditions of its proposal as provided to Antero Water, with respect to the Oil and Gas Interests described in such notice and to all Oil and Gas Interests owned by Producer within the area within two miles of any such Oil and Gas Interest for which Antero Water is not, as of the date of Producer's initial notice to Antero Water under this provision, providing Fluid Handling Services.

### **ARTICLE 3 SERVICES**

**Section 3.1 Antero Water Service Commitment.** Subject to and in accordance with the terms and conditions of this Agreement, during the term of this Agreement Antero Water commits to providing the following services (collectively, the "***Fluid Handling Services***") to Producer:

(a) take, or cause to be taken, at each Take Point on each Day, Fresh Water in a quantity at least equal to the lesser of (i) the maximum capacity of the Take Point Facilities as they then exist at such Take Point on such Day, (ii) the maximum volume of Fresh Water that may be taken at such Take Point in accordance with Producer's rights to take Fresh Water at such Take Point, including Applicable Laws and/or any relevant Governmental Approval, and (iii) such volume of Fresh Water as shall be nominated by Producer in accordance with this Agreement;

(b) connect the Fresh Water System to Well Pads in accordance with the procedures set forth in Section 4.2;

(c) make available or cause to be made available, by underground or surface water lines and through the use of System Retention Facilities if applicable, and by trucking Treated Waste Water to the Well Pad if applicable, at the interconnection with the High-Rate Transfer Facilities at each Well Pad during the periods nominated by Producer in accordance with Section 10.2 during which hydraulic fracturing operations are to be carried out at such Well Pad, Fresh Water at sufficient rates of flow so that Fresh Water may be made available at the Fresh Water Delivery Points on such Well Pad at the applicable Fresh Water Delivery Rate;

(d) at the request of Producer, as an alternative to delivery by water lines as provided in Section 3.1(c), deliver Fresh Water by truck from System Retention Facilities to the inlet of the High-Rate Transfer Facilities at each Well Pad during the periods nominated by Producer in accordance with Section 10.2 during which hydraulic fracturing operations are to be carried out at such Well Pad, Fresh Water in sufficient quantities so that Fresh Water may be made available at the Fresh Water Delivery Points on such Well Pad at the applicable Fresh Water Delivery Rate;

(e) during the periods nominated by Producer in accordance with Section 10.2 during which hydraulic fracturing operations are to be carried out at such Well Pad, transfer Fresh Water from the Fresh Water System (to be commingled and mixed with Treated Waste Water trucked to such Well Pad by Antero Water when applicable) through the High-Rate Transfer Facilities to the Fresh Water Delivery Point at such Well Pad at the applicable Fresh Water Delivery Rate (the “**High-Rate Transfer Services**”);

(f) receive, or cause to be received, into its (or its subcontractors’) trucks, or otherwise collect (i) all Attributable Produced Water from the Produced Water Receipt Points and (ii) any Other Waste Water, and deliver, or cause to be delivered, such Produced Water or Other Waste Water to the applicable disposal or treatment facility, including the Treatment Facility (the “**Transportation Services**”); and

(g) (i) from and after the in-service date of the Treatment Facility (if completed and placed into service) cause Produced Water collected from the Produced Water Receipt Points and/or Other Waste Water that in each case meets the quality standards of the Treatment Facility to be treated at the Treatment Facility and released, sold for re-use, or otherwise disposed of, up to the available capacity of the Treatment Facility from time to time and/or (ii) cause Produced Water collected from the Produced Water Receipt Points and Other Waste Water collected by Antero Water to be treated, recycled, released, sold for re-use, or otherwise disposed of, through Designated Receiving Facilities.

**Section 3.2 Priority of Fluid Handling Services.** All Fresh Water Services provided under this Agreement shall be Firm Services, and all other Fluid Handling Services, to the extent in the reasonable control of Antero Water, shall be performed on a first-priority basis.

#### **ARTICLE 4 FRESH WATER SYSTEM EXPANSION AND CONNECTION OF FRESH WATER DELIVERY POINTS**

**Section 4.1 Development Plan; Fresh Water Facilities Plan; Exchange and Review of Information.**

(a) The Initial Development Plan describes Producer’s planned development and drilling activities relating to the Service Area Properties through the date that is 18 months after the Effective Date (such plan, as updated as hereinafter provided, and including any proposed development plan that becomes part of the Development Plan pursuant to Section 2.4, the “**Development Plan**”). Following the Effective Date, Producer shall provide Antero Water an updated Development Plan describing the planned development and drilling activities relating to the Service Area Properties for the 18-Month period commencing on the date of such updated Development Plan on or before the last Day of each Month. Each Development Plan will include (i) information as to the Wells that Producer expects will be drilled during such period (each such Well reflected in a Development Plan, a “**Planned Well**”), information as to each Well Pad expected to be constructed during such period (each such Well Pad reflected in a Development Plan, a “**Planned Well Pad**”) and the approximate locations thereof, and the earliest date on which hydraulic fracturing operations are expected to be commenced at one or more Planned Wells at each such Planned Well Pad, (ii) good faith and reasonable forecasts of the periods of time during

which Fresh Water will be required at each Well Pad for the purpose of hydraulic fracturing operations for all Planned Wells on such Well Pad and the volumes of Fresh Water that will be required for such hydraulic fracturing operations at such Planned Wells during the 18-Month period following the date of such Development Plan, including for each such Planned Well the expected Fresh Water Delivery Rate, and (iii) good faith and reasonable forecasts of the volumes of Attributable Produced Water to be produced at each Well (including the Planned Wells included in such Development Plan), in each case to the extent not previously provided or, if earlier provided, as revised in Producer's good faith estimation. Producer shall make its representatives available to discuss the Development Plan from time to time with Antero Water and its representatives, in order to facilitate advance planning for expansion or improvement of the Fresh Water Facilities and to address other matters relating to the construction and installation of additions to the Fresh Water Facilities and/or the planning of the Waste Water Services. Subject to the terms of Section 4.2, Producer may provide updated or amended Development Plans to Antero Water at any time and shall provide its then-current Development Plan to Antero Water from time to time on or prior to the fifth (5<sup>th</sup>) Business Day after Antero Water's request therefor.

(b) Attached hereto as Exhibit E is a Fresh Water Facilities plan describing and/or depicting the Fresh Water System, including all Take Points, pipelines, Required Retention Facilities, Fresh Water Delivery Points, rights of way for surface Fresh Water lines, and all Required Pumping Stations and other major physical facilities, together with their locations, sizes and other physical specifications, operating parameters, capacities, and other relevant specifications, and together with a schedule for completing the construction and installation of the planned portions thereof, in each case as currently in existence, under construction, or planned (such plan, as updated as hereinafter provided, the "***Fresh Water Facilities Plan***"). Based on the Development Plans and such other information about the expected development of the Service Area Properties as shall be provided to Antero Water by or on behalf of Producer in accordance herewith, Antero Water shall periodically update the Fresh Water Facilities Plan. Without limiting the generality of the foregoing, Antero Water shall ensure that the Fresh Water Facilities Plan reflects each Monthly Development Plan not later than 30 Days after such Development Plan is delivered. Antero Water shall make the Fresh Water Facilities Plan available for inspection by Producer and its representatives from time to time and shall make representatives of Antero Water available to discuss the Fresh Water Facilities Plan from time to time with Producer and its representatives. Antero Water shall provide Producer written updates not less frequently than Monthly on the progress of work on all facilities necessary to connect the Fresh Water System to the Planned Well Pads as set forth in the then-current Fresh Water Facilities Plan.

(c) Subject to Section 4.2, (i) the Parties recognize that the plans for the development of the Service Area Properties set forth in the Development Plans, as well as all information provided by Producer to Antero Water regarding its intentions with respect to the

development of the Service Area Properties, are subject to change and revision at any time at the discretion of Producer, and that such changes may impact the timing, configuration, and scope of the planned activities of Antero Water, and (ii) the exchange of such information and any changes thereto shall not give rise to any rights or liabilities as between the Parties except as expressly set forth in this Agreement, and Antero Water shall determine at its own risk the time at which it begins to work on and incur costs in connection with particular projects to expand its facilities or capacities, including the construction or installation of Water Facilities and the acquisition of rights of way, equipment, and materials necessary or desirable in connection therewith. Without limiting the generality of the foregoing, and notwithstanding anything to the contrary in this Agreement, Producer has no obligation to Antero Water under this Agreement to develop or produce any Hydrocarbons from the Service Area Properties or to pursue or complete any drilling or development on the Service Area Properties, whether or not envisioned in the Development Plan.

**Section 4.2 Expansion of Fresh Water System; Connection of Well Pads.**

(a) The Fresh Water System shall be designed, developed, and constructed for the purpose of providing sufficient quantities of Fresh Water to the High-Rate Transfer Facilities at each Well Pad at a sufficient rate of flow to enable Antero Water to transfer such Fresh Water through the High-Rate Transfer Facilities to the Fresh Water Delivery Points at the applicable Fresh Water Delivery Rate as and when needed for hydraulic fracturing operations on such Well Pad, and Antero Water shall be obligated, at its sole cost and expense, subject to the provisions of this Agreement, to plan, procure, construct, install, own, and operate the Fresh Water System so as to timely extend the Fresh Water System to each Well Pad and timely deliver such quantities of Fresh Water to each Well Pad so as to permit the full scope of Fresh Water Services to be provided with respect to all the Planned Wells in accordance with this Section 4.2; *provided*, that the foregoing shall not preclude Antero Water from also designing, developing and constituting the Fresh Water System for the provision of services to third parties.

(b) Antero Water shall be obligated to extend the Fresh Water System to a particular Well Pad only if Antero Water has received from Producer a notice in the form of Exhibit F hereto (or in such form as Producer and Antero Water shall otherwise agree from time to time) stating that Producer intends to drill, complete, and carry out hydraulic fracturing operations on such Wells at such Well Pad (a “**Connection Notice**”) and setting forth the target date for the commencement of hydraulic fracturing operations (the “**Target Commencement Date**”) at such Well Pad and the Fresh Water Delivery Rate for the Fresh Water Delivery Point at such Well Pad. Following receipt of a Connection Notice, Antero Water shall cause the necessary facilities to be constructed to connect the Fresh Water System to such Well Pads and to deliver and install at such Well Pads the necessary High-Rate Transfer Facilities, such that the Fresh Water Services can be commenced when hydraulic fracturing operations are ready to be commenced at such Well Pad. Such facilities shall be able to make Fresh Water available to such Planned Well Pad as soon as reasonably practicable following the Connection Notice and in any event on or before the later to occur of (1) the Target Commencement Date with respect to such Planned Well Pad, (2) the date that is 180 Days after the Connection Notice, (3) for any Well Pad located in the Initial Service Area but in any area outside the area described in Exhibit A as the “core area”, the date specified for such area in Exhibit A, (4) for any Well Pad located outside the Initial Service Area, the date that is 18 months after the area in which such Well Pad is located became part of the Service Area, and (5) the date on which the initial Planned Well(s) at such Planned Well Pad has reached its

projected depth and is ready for completion and hydraulic fracturing operations (the later of such dates, with respect to such Planned Well Pad, as it may be adjusted in accordance with this Agreement, the “**Completion Deadline**”). Antero Water shall provide Producer notice promptly upon Antero Water’s becoming aware of any reason to believe that it may not be able to connect a Planned Well Pad to the Fresh Water System by the Target Commencement Date therefor or to otherwise complete all facilities necessary to provide the full scope of Fresh Water Services with respect to the Fresh Water Delivery Points at such Planned Well Pad by the Target Commencement Date therefor. If and to the extent Antero Water is delayed in completing and making available such facilities by a Force Majeure event or any action of Producer that is inconsistent with the cooperation requirements of Section 4.7, then the Completion Deadline for such connection shall be extended for a period of time equal to the period during which Antero Water’s completion and making available of such facilities was delayed by such events or actions. If Antero Water fails to extend the Fresh Water System to a Well Pad by the Completion Date for such Well Pad, and if Antero Water fails to deliver sufficient volumes of Fresh Water to such Well Pad, by truck or otherwise, to enable Fresh Water to be delivered to the Fresh Water Delivery Points through the High-Rate Transfer Facilities at the Fresh Water Delivery Rate, by the Completion Date, then, as Producer’s sole and exclusive remedies for such delay,

(i) if Antero Water notifies Producer that the required volumes of Fresh Water are available at a System Retention Facility, Producer shall have the right to pick up such volumes of Fresh Water at such System Retention Facility and truck it to the inlet to the High Rate Transfer Facilities at or in the vicinity of the Well Pad, in which case the Producer’s actual cost of trucking such Fresh Water to such location shall be deducted from the Delivery Point Fee or the Cost of Service Fee, as applicable, or, if applicable, Producer shall be entitled to recover from Antero Water the excess, if any, of its third party and internal costs of trucking such Fresh Water to such location over the Delivery Point Fee or the Cost of Service Fee, as applicable, that it would have been obligated to pay Antero Water for the same volumes of Fresh Water; or

(ii) if the required volumes of Fresh Water are not available at a System Retention Facility as provided in clause (i) above, Producer shall have the right to obtain Fresh Water from sources other than Antero Water for hydraulic fracturing operations at such Well Pad and truck such Fresh Water to such Well Pad until such time as such Well Pad is connected to the Fresh Water System and the Fresh Water System is ready to make available Fresh Water at such Well Pad in sufficient quantity for the commencement of the Fresh Water Services with respect thereto, in which case Producer shall be entitled to recover from Antero Water the excess, if any, of its third party and internal costs of obtaining such Fresh Water and trucking such Fresh Water to such Well Pad over the Delivery Point Fee or the Cost of Service Fee, as applicable, that it would have been obligated to pay Antero Water for the same volumes of Fresh Water; or

(iii) Producer shall have the right to complete the procurement, construction and/or installation (including through one or more subcontractors) of any rights or facilities necessary to connect the relevant Planned Well Pad to the Fresh Water System and to permit Fresh Water to be made available at such Well Pad at the applicable Fresh Water Delivery Rate, in which case Antero Water shall pay, within 30 days after presentment of an invoice therefor, to Producer an amount equal to 115% of all reasonable

out of pocket costs and expenses incurred by Producer in so procuring, constructing, and/or installing such rights and facilities, and upon receipt of payment by Producer therefor, Producer shall convey all such rights and facilities owned or under the control of Producer to Antero Water (and shall use commercially reasonable efforts to obtain any applicable consents triggered by such assignment) and such rights and facilities shall thereafter be part of the Fresh Water System.

The remedies set forth in clauses (i), (ii) and (iii) above shall be applicable to Wells with Completion Deadlines that are 180 Days or more after the Effective Date. Once a Well Pad is connected to the Fresh Water System, Antero Water shall maintain such connection until such time as Producer has advised Antero Water that all hydraulic fracturing operations have been completed on all Planned Wells at such Well Pad; provided that Antero Water shall have the right to remove and re-lay temporary surface water lines from time to time as long as no delay or disruption in Producer's hydraulic fracturing operations results therefrom.

(c) If the actual commencement of hydraulic fracturing operations at a particular Well Pad is delayed through no fault of Antero Water more than 30 Days after the Target Commencement Date for such Well Pad and the Fresh Water System is connected to the Fresh Water Delivery Point at such Well Pad and available to commence providing Fresh Water to such Well Pad prior to the date such initial Planned Well is ready for hydraulic fracturing, Antero Water shall be entitled to a fee equal to interest per annum at the Wall Street Journal prime rate on the incremental cost and expense incurred by Antero Water to procure, construct and install the relevant rights and facilities to connect to such Well Pad and to cause such facilities to be available to commence providing Fresh Water thereto for the number of Days after the Target Commencement Date until the Day that hydraulic fracturing of the first Well at such Well Pad has commenced; provided, however, that if hydraulic fracturing of such Well has not commenced by the date that is six months after the Target Commencement Date for such Well through no fault of Antero Water or, as of an earlier date, Producer notifies Antero Water that it has elected not to fracture any Planned Wells at such Planned Well Pad, Producer shall pay, within 30 days after presentment of an invoice therefor, to Antero Water an amount equal to 115% of all reasonable incremental costs and expenses incurred by Antero Water in procuring, constructing and installing such rights and facilities to connect the Fresh Water System to such Planned Well Pad and to cause such facilities to be available to commence providing Fresh Water thereto, and Antero Water shall (i) assign, transfer, and deliver to Producer all rights and facilities (including equipment, materials, work in progress, and completed construction) the costs and expenses of which have so been paid by Producer, to Producer, and (ii) use commercially reasonable efforts to obtain any applicable consents triggered by such assignment. If Producer so pays Antero Water and later completes a Well at such Well Pad which it desires to hydraulically fracture, or if such facilities are later used to connect and hydraulically fracture a Well at a different Planned Well Pad or for a third party, Antero Water shall promptly refund to Producer such amount paid by Producer, and Producer shall upon receipt of payment therefor retransfer such rights and facilities to Antero Water (and shall use commercially reasonable efforts to obtain any applicable consents triggered by such assignment).

(d) A Connection Notice shall be deemed to have been given for the Planned Wells set forth on Exhibit G hereto, the Target Commencement Date for which shall be as set forth on Exhibit G. Such Connection Notice shall be deemed to have been given for each such Planned Well 180 Days prior to such Target Commencement Date.

**Section 4.3 Installation and Operation of High-Rate Transfer Facilities.**

(a) Antero Water shall be obligated, directly or through subcontractors, to engineer, procure, transport to the Well Pad or other applicable site, and erect or install on the Well Pad or on such site on or prior to the Completion Date all necessary High-Rate Transfer Facilities to enable Fresh Water to be transferred through the High-Rate Transfer Facilities to the Fresh Water Delivery Points at the Fresh Water Delivery Rate. Antero Water shall ensure that all such High-Rate Transfer Facilities remain on the Well Pad or on such site and be available to perform the High-Rate Transfer Services at all times during which Producer has notified Antero Water in accordance with Section 10.2 that hydraulic fracturing operations will be carried out on such Well Pad until such time as Producer has advised Antero Water that all hydraulic fracturing operations have been completed on all Planned Wells at such Well Pad. Antero Water shall have the right to remove and re-install or re-erect such High Rate Transfer Facilities from time to time as long as no delay or disruption in Producer's hydraulic fracturing operations results therefrom.

(b) Producer shall provide sufficient space on the Well Pad for all necessary High-Rate Transfer Facilities other than ASTs to be located on such Well Pad. Producer shall use commercially reasonable efforts to provide sufficient space on the Well Pad, or if sufficient space on such Well Pad is not available, on a site within one mile of the Well Pad, for the erection and installation of all ASTs required by Antero Water for the performance of the High-Rate Transfer Services on such Well Pad, together with rights of access to such site from a public road and easements or rights of way over which Antero Water may run hoses and temporary Fresh Water lines to the Well Pad. If Producer, through the use of commercially reasonable efforts, has been unable, by the date that is at least 120 days prior to the Target Commencement Date for such Well Pad, to obtain such a site and such rights of access and easements, Producer shall promptly notify Antero Water, and Antero Water shall be responsible for obtaining such site and the related access rights and easements.

(c) Antero Water shall be responsible for the operation, maintenance, repair, and removal of all High-Rate Transfer Facilities, including the operation of the applicable ASTs, ensuring that such ASTs and other High-Rate Transfer Facilities are operating properly and that the Fresh Water is transferred from such ASTs at proper flow rates (such that such ASTs do not overflow), and necessary coordination with Producer's and its hydraulic fracturing contractors' personnel.

(d) If Antero Water fails to perform its obligations to timely engineer, procure, transport, erect, and install the High-Rate Transfer Facilities by the Completion Date or fails to ensure that such High-Rate Transfer Facilities remain on the Well Pad or other applicable site in each case in accordance with Section 4.3(a) or fails to perform the High-Rate Transfer Services in connection with the hydraulic fracturing of Wells on a Well Pad in accordance with Section 3.1(e), then, as Producer's sole and exclusive remedy for such failure, Producer shall have the right to complete the procurement, transportation, erection and/or installation (including through one or

more subcontractors) of replacement facilities and/or to carry out such activities itself (including through one or more subcontractors), in which case Antero Water shall pay, within 30 days after presentment of an invoice therefor, to Producer an amount equal to 115% of all reasonable out of pocket costs and expenses incurred by Producer in so engineering, procuring, transporting, erecting, and installing such facilities and carrying out such activities, and upon receipt of payment by Producer therefor, Producer shall convey all such rights (including rights under third party contracts) and facilities owned or under the control of Producer to Antero Water (and shall use commercially reasonable efforts to obtain any applicable consents triggered by such assignment).

(e) Antero Water shall have the right to deliver Treated Waste Water to the High-Rate Transfer Facilities and to commingle and mix such Treated Waste Water with Fresh Water for transfer to the Fresh Water Delivery Points as part of the High-Rate Transfer Services.

**Section 4.4 Take Points.** Antero Water shall be obligated, at Antero Water's cost, to provide Take Point Facilities with respect to the Take Points set forth on Exhibit C, and a connection between such Take Point Facilities and each applicable System Segment. All such Take Points shall be provided with all Take Point Facilities (including any Measurement Facilities) necessary to take volumes of Fresh Water set forth for each such Take Point on Exhibit C (with all expansions of capacity at such Take Point Facilities being at Producer's sole, cost, risk, and expense). Antero Water shall be responsible for providing all Take Point Facilities at all sources of Fresh Water (other than Treated Waste Water) utilized in making Fresh Water available under this Agreement, other than any Take Points not set forth on Exhibit C as of the date hereof that are later specified by Producer pursuant to this Section 4.4. Antero Water shall be responsible for obtaining all leases, easements, and other real property rights necessary for the location of Take Point Facilities; provided, however, that if Producer's rights to take Fresh Water from such Take Point (or any other surface use or other agreements of Producer) also provide Producer the right to use any lands for the purpose of installing facilities to take Fresh Water, Producer shall use commercially reasonable efforts to make such rights available to Antero Water. Producer shall have right from time to time to specify in the Development Plan or in a Connection Notice that an additional Take Point shall be added and that Fresh Water from such Take Point shall be made available to Fresh Water Delivery Points connected to a particular System Segment. If Producer so specifies, Antero Water shall, at Producer's sole cost, risk, and expense, provide Take Point Facilities for such Take Point and a connection between such Take Point Facilities and such System Segment.

**Section 4.5 Retention Facilities.** The Fresh Water Facilities Plan will describe the Retention Facilities that will be required to permit Antero Water to provide the Fresh Water Services in accordance with this Agreement (each, a "**Required Retention Facility**"). Antero Water shall install, at Antero Water's cost, such Required Retention Facilities and shall own, operate and maintain such Required Retention Facilities (each such Required Retention Facility so installed by Antero Water, a "**System Retention Facility**"). For the avoidance of doubt, Antero Water shall have the right at any time to add additional Retention Facilities to the Fresh Water System as it deems necessary or appropriate to provide the Fresh Water Services and such services as it is providing to third parties.

**Section 4.6 Pumping Facilities.** The Fresh Water Facilities Plan will describe the pumping facilities that will be required in order for Fresh Water to be made available at the Fresh Water Delivery Points at the rates of flow specified in Section 3.1(c) (each a “**Required Pumping Station**”). Antero Water shall, at Antero Water’s cost, install each such Required Pumping Station and shall operate and maintain each Required Pumping Station (each such Required Pumping Station so installed by Antero Water, a “**System Pumping Station**”). For the avoidance of doubt, Antero Water shall have the right at any time to add additional pumping facilities to the Fresh Water System as it deems necessary or appropriate to provide the Fresh Water Services and such services as it is providing to third parties.

**Section 4.7 Cooperation.** Because of the interrelated nature of the actions of the Parties required to obtain the necessary Governmental Approvals from the appropriate Governmental Authorities and the necessary consents, rights of way and other authorizations from other Persons necessary to drill and complete each Planned Well and construct the required extensions of the Fresh Water System to each Planned Well Pad, the Parties agree to work together in good faith to obtain such Governmental Approvals, authorizations, consents and rights of way as expeditiously as reasonably practicable, all as provided herein. The Parties further agree to cooperate with each other and to communicate regularly regarding their efforts to obtain such Governmental Approvals, authorizations, consents and rights of way.

## ARTICLE 5 CERTAIN PROVISIONS REGARDING WASTE WATER SERVICES

**Section 5.1 Access to Produced Water Receipt Points and Other Waste Water Sites.** Producer shall be responsible for ensuring that Antero Water and its subcontractors have safe road access to all Produced Water Receipt Points and all points from which Other Waste Water is to be collected from public roadways suitable for travel by highway trucking equipment. As between Producer and Antero Water, Producer shall be responsible for all maintenance of and damage to (and all payments in respect thereof) to all access roads from public roadways to the Produced Water Receipt Points and such other points.

**Section 5.2 Dispatch Procedures.**

(a) Producer shall install, maintain, and operate, at Producer’s cost, in its Produced Water tanks located at or in the vicinity of each Well Pad (but excluding the Wells identified in the Initial Development Plan as the “Bluestone Wells”, and excluding any Off-Site Tanks) water-level sensors connected to a remote monitoring system provided by eLynx Technologies or another provider of remote monitoring services acceptable to Antero Water (the “**Monitoring Services Provider**”) and cause the Monitoring Services Provider to make available to Antero Water on an hourly or more frequent basis data regarding the level of Produced Water in each such tank and to allow Producer to view and access all such data on the Monitoring Service Provider’s system, including the ability to poll for such data through the Monitoring Services Provider’s system. Producer shall periodically, and no less frequently than quarterly, and at any time upon request of Antero Water if Antero Water has reason to believe there is a malfunction, inspect the tank sensors to insure that they are reading properly. Antero Water shall be responsible for the timely dispatch of trucks to all Wells at which such sensors and monitoring systems are installed and operating properly to collect Produced Water from the tanks at such Wells. In the

event that Antero Water is notified or otherwise has knowledge of any outage of or malfunction in any such sensors at any such tanks or any outage of or malfunction in such monitoring system, Antero Water shall use reasonable efforts to timely dispatch trucks to collect Produced Water based on historical flow rates or on information provided by Producer but shall not otherwise be liable for any failure to timely dispatch trucks to any affected tank during any period of any such outage or malfunction.

(b) With respect to (i) the Wells identified in the Initial Development Plan as the “Bluestone Wells”, (ii) all Off-Site Tanks, and (iii) all locations at or near a Well Pad where Other Waste Water is held pending collection, gathering, and/or disposal, Producer is responsible for notifying Antero Water not less than 24 hours in advance of when the Produced Water or Other Waste Water at such locations must be collected.

### **Section 5.3 Treatment Facility; Designated Receiving Facilities.**

(a) Antero Water shall treat, recycle, release, sell for re-use, or otherwise dispose of, or shall cause Antero Treatment or another Affiliate or subcontractor of Antero Water to treat, recycle, release, sell for re-use, or otherwise dispose of, all Produced Water collected at the Produced Water Receipt Points and all Other Waste Water collected by Antero Water through the Treatment Facility or through other facilities, including Antero Water’s or its Affiliates’ own facilities, that have been designated by Antero Water and approved by Producer (each such facility other than the Treatment Facility, a “***Designated Receiving Facility***”). If Producer approves a facility as a Designated Receiving Facility, it shall have the right, at any time upon notice to Antero Water, to withdraw such approval, and such facility shall cease to be a Designated Receiving Facility effective upon the 60<sup>th</sup> Day after such notice; provided, however, that Producer shall reimburse Antero Water for all costs reasonably incurred by Antero Water in order to utilize such facility as a Designated Receiving Facility and shall indemnify Antero Water and its Affiliates for any contractual liability incurred by Antero Water to a third party as a result of its not being able to utilize such facility as a Designated Receiving Facility.

(b) Producer shall have the right, at its sole cost and expense, to visit and observe operations at each Designated Receiving Facility operated by Antero Water, in each case during normal business hours, on reasonable notice, and subject to such reasonable safety procedures as shall be reasonably required by Antero Water. Such visits and observations shall be carried out in a manner that does not unreasonably interfere with operations at such Designated Receiving Facility. Antero Water shall use reasonable efforts to afford Producer the opportunity to visit and observe operations at (i) the Treatment Facility and (ii) each Designated Receiving Facility operated by an Antero Water subcontractor and shall at the request of Producer perform such visits and observations and use reasonable efforts to include a representative of Producer among its representatives on any such visit.

**Section 5.4 Transportation Services Equipment.** Antero Water shall provide directly or through subcontractors all equipment necessary to perform the Transportation Services. The equipment shall (a) be suitable for the performance of the Transportation Services, (b) comply with the specifications for equipment used for services equivalent to the Transportation Services as required by Applicable Law, including the regulations of the USDOT, and (c) be maintained in

a good, safe, and serviceable condition. Antero Water shall only use subcontractors to perform the Transportation Services that maintain a USDOT safety rating of “Satisfactory”.

**Section 5.5 Contract Carrier Status.** Producer and Antero Water intend to rely on their respective rights and remedies under this Agreement and, if it would otherwise be applicable, expressly waive any and all rights and remedies under Part B, Subtitle IV of Title 49 of the United States Code that may be waived as provided in 49 USC § 14101(b)(1). Producer and Antero Water intend that the contractual arrangement documented by this Agreement be that of a contract motor carrier and for the terms and conditions of this Agreement to take precedence over any terms and conditions which might apply to a shipper and common carrier. Any use of form bills of lading, or other freight documents referring to “common carriers” and/or “tariffs”, shall not alter the contract relationship created hereunder between the Parties.

## **ARTICLE 6 TERM**

**Section 6.1 Term.** This Agreement shall become effective on the Effective Date and, unless terminated earlier by mutual agreement of the Parties, shall continue in effect until the twentieth (20th) anniversary of the Effective Date and from year to year thereafter (with the initial term of this Agreement deemed extended for each of any such additional year) until such time as this Agreement is terminated, effective upon an anniversary of the Effective Date, by notice from either Party to the other Party on or before the one hundred eightieth (180th) Day prior to such anniversary.

## **ARTICLE 7 FEES AND CONSIDERATION**

### **Section 7.1 Fees.**

(a) Subject to the other provisions of this Agreement, including Section 7.1(j), Producer shall pay Antero Water each Month in accordance with the terms of this Agreement, for all Fluid Handling Services provided by Antero Water during such Month, an amount equal to the sum of the following:

(i) The product of (A) the aggregate volume of Fresh Water, stated in Barrels, made available by Antero Water to the Fresh Water Delivery Points, as measured at the Fresh Water Measurement Points, during such Month, excluding (1) Treated Waste Water delivered to the Fresh Water Delivery Points as contemplated in Section 4.3(e) during such Month and (2) Fresh Water delivered to the High-Rate Transfer Facilities by truck as contemplated by Section 3.1(d) during such Month, multiplied by (B) (i) in the case of Fresh Water Delivery Points in West Virginia, \$3.685 and (ii) in the case of all other Fresh Water Delivery Points, \$3.635 (in each case as may be increased or decreased in accordance with Section 7.1(f), the “***Delivery Point Fee***”);

(ii) The sum of (A) the product of (1) the aggregate volume of Fresh Water, stated in Barrels, delivered to the High-Rate Transfer Facilities by truck as contemplated by Section 3.1(d) during such Month, but excluding Treated Waste Water delivered to the Fresh Water Delivery Points as contemplated in Section 4.3(e) during such

Month, multiplied by (2) \$3.116 (as may be increased or decreased in accordance with Section 7.1(f), the “**Trucked Fresh Water Fee**”), plus (B) an amount equal to all third party out-of-pocket costs actually incurred by Antero Water in trucking such Fresh Water to the applicable inlet of the applicable High-Rate Transfer Facilities, plus 3% of the amount of such out-of-pocket costs;

(iii) For Treated Waste Water delivered to the Fresh Water Delivery Points as contemplated in Section 4.3(e), except to the extent that a Specified Fee is applicable to such Services in accordance with Section 7.1(h), an amount equal to all third party out-of-pocket costs actually incurred by Antero Water in trucking such Treated Waste Water from the treatment plant to the applicable Well Pad, plus 3% of the amount of such out-of-pocket costs;

(iv) For the performance of the High-Rate Transfer Services, the sum of (A) an amount equal to all third-party out-of-pocket costs incurred by Antero Water during such Month in performing the High-Rate Transfer Services using ASTs owned by Antero Water as of the Effective Date, including all costs of engineering, procuring, transporting, installing, erecting, operating, maintaining, repairing, and removing all High-Rate Transfer Facilities used to perform High-Rate Transfer Services during such Month (but excluding the cost of procuring any ASTs in addition to those owned by Antero Water on the Effective Date), plus 3% of the amount of such out-of-pocket costs, plus (B) an amount equal to the Cost of Service Fee for all ASTs procured by Antero Water after the Effective Date;

(v) Subject to Section 7.1(c) and Section 7.1(d), the product of (A) the aggregate volume of Waste Water, stated in Barrels, collected or received by Antero Water hereunder and processed at the Treatment Facility during such Month multiplied by (B) \$4.00 (as may be increased or decreased in accordance with Section 7.1(f), the “**Treatment Facility Fee**”);

(vi) For all Waste Water collected or received by Antero Water hereunder in trucks owned by Antero Water or its Affiliates during any Month, the product of (A) the aggregate volume of Waste Water so collected or received, stated in Barrels, during such Month multiplied by (B) \$5.50 (as may be increased or decreased in accordance with Section 7.1(f), the “**Waste Water Trucking Fee**”);

(vii) With respect to Waste Water Services performed by subcontractors of Antero Water during such Month (to the extent that the fee referred to in Section 7.1(a)(v) is not applicable thereto), including the collection or receipt of Waste Water in Antero Water’s subcontractor’s trucks and the treatment, processing, recycling, or other disposal of Waste Water at a Designated Receiving Facility not owned by Antero Water or its Affiliates and operated by a subcontractor of Antero Water, an amount equal to the sum of (A) all third party out-of-pocket costs actually incurred by Antero Water in performing such Waste Water Services (“**Reimbursable Waste Water Services Costs**”), plus (B) 3% of the amount of such costs; and

(viii) With respect to all Waste Water Services performed directly by Antero Water using facilities owned by Antero Water or its Affiliates or personnel of Antero Water or its Affiliates, other than Waste Water Services covered by the fees set forth in Section 7.1(a)(v) or Section 7.1(a)(vi), the applicable Specified Fee therefor determined as set forth in Section 7.1(h).

(b) Except as further provided in this Section 7.1(b) with respect to the disposal agreements and treatment agreements described in Exhibit I (the “**Assumed Subcontracts**”), Reimbursable Waste Water Services Costs will not include any costs incurred by Antero Water in respect of capacity reservations (however described, including minimum volume commitments, deliver-or-pay provisions, or similar provisions, and whether such reservations shall appear in disposal agreements, treatment agreements, trucking agreements, or other third party agreements) except that portion of those costs proportionately allocable to capacity actually utilized by Antero Water in the performance of Waste Water Services, it being understood that, except for its commitment under Section 2.1, Producer makes no commitment to provide any specific volumes of Waste Water during any period and any arrangements made by Antero Water for reserving capacity are made at Antero Water’s sole risk. Notwithstanding the foregoing, Reimbursable Waste Water Services Costs will include the reservation charges under the Assumed Subcontracts for the periods set forth in Exhibit I, to the extent actually incurred by Antero Water, provided that Antero Water shall, to the extent within its or its Affiliates’ control, deliver Waste Water collected by Antero Water hereunder to facilities under the Assumed Subcontracts in a manner so as to minimize the amount of such reservation charges actually incurred for volumes in excess of volumes actually delivered.

(c) The Treatment Facility Fee described in Section 7.1(a)(v) assumes that the Treatment Facility will have an on-site landfill owned by Antero Treatment or one of its Affiliates at which all by-products of the treatment of Waste Water at the Treatment Facility will be disposed of. If for any reason Antero Treatment is unable to dispose of such by-products at such landfill during any period (including as a result of any delay in Antero Treatment’s construction of such landfill or any inability of Antero Treatment to maintain required Governmental Approvals for such landfill) and such by-products must be disposed of at a third-party landfill, then the Treatment Facility Fee applicable during such period shall be reduced by (i) during any period in which none of such by-products are disposed of at such landfill, \$0.10 (as increased or decreased pursuant to Section 7.1(f), the “**Landfill Credit**”), or (ii) during any period in which some, but not all, such by-products are disposed of in such landfill, a pro-rata portion of the Landfill Credit, based on the quantity (in tons) of such by-products that are not disposed of at such landfill as a proportion of the total quantity (in tons) of such by-products disposed of during such period at such landfill and all third party landfills. During any such period, the Producer shall pay to Antero Water, in addition to the remainder of the Treatment Facility Fee after deduction of the Landfill Credit or applicable portion thereof, an amount equal to the sum of (A) all third party out-of-pocket costs actually incurred by Antero Water in disposing of such by-products at third-party landfills, including transportation and landfill fees (“**Reimbursable Landfill Costs**”), plus (B) 3% of the amount of such costs.

(d) The Treatment Facility Fee assumes that Antero Treatment’s cost of treating Waste Water at the Treatment Facility includes (i) \$0.35 per Barrel for electricity (as increased or decreased pursuant to Section 7.1(f), the “**Electricity Baseline**”), (ii) \$0.32 per Barrel for chemicals

(as increased or decreased pursuant to Section 7.1(f), the “**Chemicals Baseline**”), and (iii) \$0.55 per Barrel for Gas used as fuel (“**Fuel Gas**”) (as increased or decreased pursuant to Section 7.1(f), the “**Gas Baseline**”). If during any Month the costs actually incurred by Antero Treatment for electricity and/or chemicals per Barrel of waste water processed at the Treatment Facility during such Month exceed 120% of the Electricity Baseline or the Chemicals Baseline, as applicable, then Antero Water shall be entitled to a supplement to the Treatment Facility Fee for such Month equal to the product of (1) the aggregate volume of Waste Water, stated in Barrels, collected or received by Antero Water hereunder and processed at the Treatment Facility multiplied by (2) the excess of the actual per-Barrel cost for electricity and/or chemicals, as applicable, over the Electricity Baseline and/or the Chemicals Baseline, as applicable. If during any Month the costs actually incurred by Antero Treatment for Fuel Gas per Barrel of waste water processed at the Treatment Facility during such Month exceed 107.5% of the Gas Baseline, then Antero Water shall be entitled to a supplement to the Treatment Facility Fee for such Month equal to the product of (I) the aggregate volume of Waste Water, stated in Barrels, collected or received by Antero Water hereunder and processed at the Treatment Facility multiplied by (II) the excess of the actual per-Barrel cost for Fuel Gas over the Gas Baseline. The supplements to the Treatment Facility Fee provided for in this Section 7.1(d) are herein referred to as the “**Treatment Facility Fee Supplement**”.

(e) The Waste Water Trucking Fee assumes a cost of truck or vehicle fuel of \$3.50 per gallon (the “**Truck Fuel Baseline**” and together with the Electricity Baseline, the Chemicals Baseline, and the Gas Baseline, each a “**Baseline Component**”). If during any Month Antero Water’s actual cost per gallon for such fuel exceeds 107.5% of the Truck Fuel Baseline, then Antero Water shall be entitled to a supplement to the Waste Water Trucking Fee for such Month equal to the product of (i) the number of gallons of such fuel consumed in the performance of the Waste Water Services covered by the Waste Water Trucking Fee multiplied by (ii) the excess of Antero Water’s actual cost per gallon over the Truck Fuel Baseline (the “**Waste Water Trucking Fee Supplement**”).

(f) After each of the first five (5) Contract Years, one hundred percent (100%), and after the sixth (6<sup>th</sup>) Contract Year and each Contract Year thereafter, fifty-five percent (55%) of the Delivery Point Fee, the Trucked Fresh Water Fee, the Treatment Facility Fee, the Waste Water Trucking Fee, any Specified Fee, the Landfill Credit, and each Baseline Component shall be adjusted up or down on an annual basis in proportion to the percentage change, from the preceding year, in the All Items Consumer Price Index for All Urban Consumers (CPI-U) for the U.S. City Average, 1982-84 = 100, as published by the United States Department of Labor, Bureau of Labor Statistics (“**CPI**”). Such adjustment shall be made effective upon the first Day of each Contract Year commencing in the Contract Year beginning in 2016, and shall reflect the percentage change in the CPI as it existed for June of the preceding Contract Year from the CPI for the second immediately preceding June; *provided, however*, that the Delivery Point Fee, the Trucked Fresh Water Fee, the Treatment Facility Fee, the Waste Water Trucking Fee, any Specified Fee, the Landfill Credit, and each Baseline Component shall never be less than the initial amounts stated in Section 7.1(a), Section 7.1(c), Section 7.1(d), or Section 7.1(e), or as applicable; nor shall such amounts be increased or decreased by more than 3% in any given Contract Year.

(g) To the extent that Antero Water is entitled under this Section 7.1 to reimbursement for the cost of third-party services or other third-party items incurred in carrying out the Fluid Handling Services, Antero Water shall ensure that the reimbursed costs are commensurate with market costs for such services or items and shall, except in the case of emergency situations where to do so is not reasonably practicable, ensure that all such services and items are obtained through competitive bid processes.

(h) If Antero Water desires to perform any Waste Water Services (other than the Waste Water Services covered by the fees set forth in Section 7.1(a)(v) or Section 7.1(a)(vi)) or the Fresh Water Services covered by the fee set forth in Section 7.1(a)(iii) in each case directly using its own facilities and personnel, it may do so, subject to the provisions of this Section 7.1(h). Antero Water may elect to perform such Fluid Handling Services in accordance with the terms of this Agreement for the Cost of Service Fee in accordance with Section 7.1(j) (to the extent permitted under Section 7.1(i)); provided, however, that if Antero Water so elects with respect to any Waste Water disposal services, the Parties shall enter into a separate agreement covering only such disposal services and containing market standard provisions for the performance of such disposal services and providing for the Cost of Service Fee to be paid for such disposal services. Alternatively, Antero Water may, by notice to Producer, propose specific fees under this Section 7.1(h) (each, a “*Specified Fee*”) for any such Fluid Handling Services to be performed directly by Antero Water, with such scope (including geographical scope) as shall be defined in such notice. Producer shall have the right, to be exercised by notice to Antero Water on or before the 30<sup>th</sup> day after delivery of Antero Water’s proposal notice, to either (i) accept such proposal or (ii) notify Antero Water that it intends to seek fee quotes from third parties for the performance of such Fluid Handling Services. If Producer fails to timely deliver such notice, it shall be deemed to have accepted such proposal. If Producer accepts or is deemed to have accepted such proposal, then the Specified Fee proposed by Antero Water shall become effective with respect to the applicable Fluid Handling Services and Antero Water shall perform such Fluid Handling Services in accordance with this Agreement; provided, however, that if such Fluid Handling Services include disposal services, the Parties shall also enter into a separate agreement covering only such disposal services containing market standard provisions for the performance of such disposal services and providing for the Specified Fees in Antero Water’s proposal to be applicable to such disposal services. If Producer timely delivers notice that it intends to seek fee quotes from third parties, it shall have a period of 30 days after the delivery of such notice to Antero Water to obtain such third party quotes. If Producer desires to accept any such third party quote and enter into a contract with such third party to perform such Fluid Handling Services for the quoted fees, it shall first deliver notice to Antero Water, including a copy of such fee quote and a description of such Fluid Handling Services covered by such quote. Antero Water shall have the right, to be exercised by notice to Producer on or before the 10<sup>th</sup> day after delivery of such notice to Antero Water, to perform any such Fluid Handling Services for the quoted fees. If Antero Water timely delivers such notice, then Antero Water shall perform such Fluid Handling Services in accordance with this Agreement, and the quoted fees shall be deemed to be the Specified Fee for the applicable Fluid Handling Services; provided, however, that if such Fluid Handling Services include Waste Water disposal, the Parties shall enter into a separate agreement covering only such disposal services containing market standard provisions for the performance of such disposal services and providing for the quoted fees, which shall thereafter be deemed to be Specified Fees for purposes of this Agreement. If Antero Water fails to timely deliver such notice, Producer shall be entitled to enter into a contract with such third party covering such Fluid Handling Services, but the scope of such Fluid Handling

Services shall not exceed the scope set forth in the third party quote provided to Antero Water by Producer, and the fees shall not be greater than the fee quote provided to Antero Water. If Producer does not deliver notice of any third party quotes to Antero Water on or before the end of the 30-day period referenced above, Producer shall be deemed to have accepted Antero Water's initial proposal.

(i) At the request of Antero Water, the Parties will reasonably cooperate and work together in good faith to agree on revised distance-based waste water trucking fees that would provide the same overall economics to Antero Water as the Waste Water Trucking Fee provided for in this Agreement as of the date hereof.

(j) Notwithstanding the foregoing provisions of this Section 7.1 or any other provision to the contrary in this Agreement, Antero Water shall have the right to elect to be paid for some or all Fluid Handling Services on a cost of service basis to the extent set forth in this Section 7.1(j). Antero Water shall have the right to elect to be paid on a cost of service basis for (i) any Fluid Handling Services performed with respect to Wells on Service Area Properties outside the Initial Service Area (other than the Fluid Handling Services covered by the fees set forth in Section 7.1(a)(v)) and (ii) for any Waste Water Services, other than the Waste Water Services covered by the fees set forth in Section 7.1(a)(v) or Section 7.1(a)(vi), to be performed by Antero Water directly using its own facilities and personnel, whether or not within the Initial Service Area (with all other Fluid Handling Services to be performed for the fees set forth in Section 7.1(a)). With respect to such Fluid Handling Services, Antero Water may elect, by notice to Producer at least three (3) Months prior to the commencement of any Contract Year or, in the case of any water facilities acquired by Antero Water pursuant to Section 2.4(a), in the notice given by Antero Water in accordance with such Section that Antero Water will acquire such water facilities, to be paid on a cost of service basis for the Fluid Handling Services specified in such notice commencing at the beginning of such Contract Year or with the acquisition of such facilities, as applicable, and continuing for the remaining term of this Agreement, but only with respect to the facilities so acquired or discrete parts of the Water Facilities (each, a "**CS Facility**") that are placed into service or acquired during such Contract Year or a later Contract Year, as applicable. The Fluid Handling Services specified in such notice may be of any scope determined by Antero Water in its sole discretion and may include all eligible Fluid Handling Services or any part thereof and may include, by way of example only, making Fresh Water available at a particular Well Pad or group of Well Pads, collecting Attributable Produced Water from any Produced Water Receipt Points, providing additional System Retention Facilities or System Pumping Facilities, connecting additional Take Points or other sources of Fresh Water, providing trucking services with respect to any Produced Water Receipt Points, providing any Waste Water treatment or disposal services, and any other subset of the Fluid Handling Services determined by Antero Water, in each case subject to the foregoing sentence. All Fluid Handling Services provided from time to time on a cost of service basis shall be bundled together for purposes of calculating a single Monthly cost of service fee (the "**Cost of Service Fee**"), which shall be calculated with respect to each Contract Year as set forth in Exhibit H attached hereto.

## **Section 7.2 Minimum Daily Fresh Water Volume Commitment.**

(a) In addition to the fees payable by Producer to Antero Water pursuant to Section 7.1(a), Producer shall pay Antero Water and, if applicable, Antero Water shall pay Producer the amounts provided for in this Section 7.2 in respect of the Minimum Daily Fresh Water Volume Commitment.

(b) Subject to the last sentence of this Section 7.2(b), with respect to each of the first three calendar quarters in each calendar year from 2016 through 2019, inclusive, Producer shall pay to Antero Water, on or before the 30th Day after receipt of Antero Water's invoice therefor (which shall be delivered not more than sixty (60) Days after the end of such calendar quarter), an amount equal to the excess, if any (such excess, the "**Quarterly MVC Shortfall Fee**"), of:

(i) the product of the Minimum Quarterly Fresh Water Volume Commitment for such calendar quarter multiplied by the Weighted Delivery Point Fee in effect on the last Day of such calendar quarter over

(ii) the product of the aggregate of the MVC Credit Volumes for such calendar quarter multiplied by the applicable Delivery Point Fee in effect on the last Day of such calendar quarter.

If there is no excess resulting in a Quarterly MVC Shortfall Fee, then no amounts shall be payable by Producer under this Section 7.2(b). If there is such an excess, commencing in calendar year 2017 Producer shall be entitled to a credit against any Quarterly MVC Shortfall Fee in any calendar year in an amount not to exceed, in the aggregate, the Previous Year Credit, if any, with respect to such calendar year (but for the second and third such calendar quarters in such calendar year, only to the extent not credited in a previous calendar quarter in such calendar year), and the Quarterly MVC Shortfall Fee shall be reduced by the amount of such credit.

(c) On or before the 60<sup>th</sup> Day after the end of each calendar year from 2016 through 2019, inclusive, Antero Water shall deliver an invoice to Producer setting forth the amount resulting from the following calculation:

(i) the product of the Minimum Annual Fresh Water Volume Commitment for such calendar year multiplied by the Weighted Delivery Point Fee in effect on the last Day of such calendar year minus

(ii) the sum of (A) the product of the aggregate of the MVC Credit Volumes for such calendar year multiplied by the applicable Delivery Point Fee in effect on the last Day of such calendar year plus (B) commencing in calendar year 2017, the amount of any Previous Year Credit plus (C) the amount, if any, actually paid by Producer in respect of Quarterly MVC Shortfall Fees in such calendar year.

If the result is a positive amount, Producer shall pay such amount to Antero Water on or before the 30th Day after receipt of such invoice. If the result is a negative amount, Antero Water shall pay to Producer, concurrently with the delivery of such invoice, the lesser of (1) the absolute value of such amount and (2) the sum of the amounts actually paid by Producer in respect of Quarterly MVC Shortfall Fees in such calendar year.

**ARTICLE 8**  
**CERTAIN RIGHTS AND OBLIGATIONS OF PARTIES**

**Section 8.1** Operational Control of Antero Water's Facilities. Subject to the terms and conditions of this Agreement, Antero Water shall design, construct, own, operate, and maintain the Water Facilities at its sole cost and risk. Antero Water shall be entitled to full and complete operational control of its facilities and shall be entitled to operate and reconfigure its facilities in a manner consistent with its obligations under this Agreement.

**Section 8.2** Maintenance. Antero Water shall be entitled, without liability, to interrupt its performance hereunder to perform necessary or desirable inspections, maintenance, testing, alterations, modifications, expansions, connections, repairs or replacements to its facilities as Antero Water deems necessary ("**Maintenance**"), with reasonable notice provided to Producer, except in cases of emergency where such notice is impracticable or in cases where the operations of Producer will not be affected. Before the beginning of each calendar year, Antero Water shall provide Producer in writing with a projected schedule of the Maintenance to be performed during the year and the anticipated date of such Maintenance. On or before the 10<sup>th</sup> Day before the end of each Month, Antero Water shall provide Producer with its projected maintenance schedule for the following Month.

**Section 8.3** Right of Way and Access.

(a) Except as otherwise provided in Section 4.3(b), Section 4.4, Section 5.1 and this Section 8.3, Antero Water is responsible for the acquisition of rights of way, crossing permits, licenses, use agreements, access agreements, leases, fee parcels, and other land rights necessary to construct, own, and operate the Water Facilities, and all such rights in land shall be solely for use by Antero Water and shall not be shared with Producer, except as otherwise agreed by Antero Water; provided that Producer hereby grants, without warranty of title, either express or implied, to the extent that it has the right to do so without the incurrance of material expense or liability, an easement and right of way upon all lands covered by the Service Area Properties for the purpose of installing, using, maintaining, servicing, inspecting, repairing, operating, and replacing, all or any portion of the Water Facilities to the extent necessary for the performance of this Agreement, including pipelines, meters, Retention Facilities and storage, and other equipment, and for disconnecting, and removing such Water Facilities; provided, further, that the exercise of these rights by Antero Water shall not unreasonably interfere with Producer's lease operations or with the rights of owners in fee, and will be subject to Producer's safety and other reasonable access requirements applicable to Producer's personnel. Producer shall not have a duty to maintain, and will be able to freely assign, the underlying agreements (such as leases, easements, and surface use agreements) that such grant of easement or right of way to Antero Water is based upon, and such grants of easement or right of way will terminate if Producer loses its rights to the underlying applicable property, or is unable to grant such rights to Antero Water under any contract or instrument to which Producer is a party or is otherwise bound, regardless of the reason for such loss of rights. Notwithstanding the foregoing, (i) Producer will use commercially reasonable efforts to assist Antero Water to secure replacements for such terminated grants of easement or right of way, in a manner consistent with the cooperation requirements of Section 4.7, (ii) to the extent that Producer agrees that Antero Water's Measurement Facilities may be located on Producer's Well Pad sites, Producer shall be responsible for obtaining any necessary rights to

locate such Measurement Facilities on such Well Pad sites, and (iii) Producer shall use reasonable efforts to involve Antero Water in Producer's negotiations with the owners of lands covered by the Service Area Properties so that Producer's surface use agreements and Antero Water's rights of way with respect to such lands can be concurrently negotiated and obtained. Without limiting the generality of the foregoing, Producer agrees to make space available at each Well Pad to which Fresh Water is made available pursuant to this Agreement sufficient for Antero Water to install and construct pig receiving and other facilities necessary for Antero Water to pig the Fresh Water System to each such Well Pad.

(b) Without limiting the generality of Section 8.3(a), Producer hereby agrees that, to the extent that Producer can afford such rights to Antero Water without the incurrance of material expense or liability, Antero Water shall have the right to use, for the purpose of installing, using, maintaining, servicing, inspecting, repairing, operating, and replacing all or any portion of the Water Facilities to the extent necessary for the performance of this Agreement, including pipelines, meters, Retention Facilities and storage, and other equipment, and for disconnecting, and removing such Water Facilities, all Excluded Assets (as such term is defined in that certain Assignment and Bill of Sale dated as of September 22, 2015, between Producer and Antero Water, that certain Assignment and Bill of Sale dated as of the Effective Date between Producer and Antero Treatment, and /or that certain Amended and Restated Assignment and Bill of Sale dated as of September 22, 2015 between Producer, Antero Water, and certain other parties), in each case that, as of the effective date of such assignments, were used or held for use for both the water business and upstream business of Producer. If Producer's rights with respect to any such Excluded Assets expire or are terminated or released, Producer will use commercially reasonable efforts to assist Antero Water to secure replacements for such Excluded Assets, in a manner consistent with the cooperation requirements of Section 4.7

#### **Section 8.4 Third Party Services; Capacity Allocations on the Fresh Water System.**

(a) Subject to this Section 8.4 and the other provisions of this Agreement, Antero Water has the right to contract with other Persons to perform services utilizing the Water Facilities on an Interruptible Service basis.

(b) If on any Day the total volumes of Fresh Water that Antero Water has agreed to take from all System Take Points on a particular System Segment, including the volumes Antero Water is obligated to take pursuant to Section 3.1(a), for any reason (including Maintenance, Force Majeure, or any foreseen or unforeseen reduction in capacity) exceed the capacity of such System Segment, including any System Retention Facilities located on such System Segment, Antero Water shall reduce the volumes taken from all the System Take Points pursuant to its agreements with third parties prior to any reduction in the amounts taken at the Take Points pursuant to this Agreement.

(c) To the extent that the volumes of Fresh Water that Antero Water is obligated to make available under this Agreement at the points of interconnection to the High-Rate Transfer Facilities located at a Well Pad on a particular System Segment, including the volumes that Antero Water is obligated to make available at the Fresh Water Delivery Points pursuant to Section 3.1(e), for any reason (including Maintenance, Force Majeure, or any foreseen or unforeseen reduction in capacity) exceed the volume of Fresh Water available and/or the capacity of such System Segment

to make available Fresh Water at such points of interconnection, then Antero Water shall interrupt or curtail volumes of Fresh Water made available to customers other than Producer (including an customers who are assignees of Producer or successors in interest to Producer with respect to any Service Area Property) prior to any reduction in the amounts made available at the Fresh Water Delivery Points.

(d) Except as otherwise provided in this Section 8.4, Antero Water shall be free to use any Fresh Water present in the Fresh Water System to satisfy its obligations to Producer and any third party and shall not be obligated to ensure that Fresh Water taken from any Take Point is utilized only to perform Fluid Handling Services for Producer; provided, however, that Antero Water shall comply with any restrictions on the use of any Fresh Water taken from any Take Point and made available to any third party, and ensure that such third party also so complies, to the extent that Producer has informed Antero Water of such restrictions.

#### **Section 8.5 Governmental Approvals; Compliance with Applicable Law.**

(a) Except as otherwise provided in this Section 8.5, Antero Water is responsible for obtaining all Governmental Approvals required for its performance of the Fluid Handling Services in accordance with this Agreement. Notwithstanding the foregoing, the Producer is responsible for obtaining (i) at Producer's cost, all Governmental Approvals to take Fresh Water from the Take Points (other than leases, easements, and other real property rights necessary for the location of Take Point Facilities, which are the responsibility of Antero Water) and (ii) at Antero Water's cost, any Governmental Approvals that, in accordance with Applicable Law, must be obtained by or in the name of Producer.

(b) Antero Water shall comply with all Applicable Laws and all Governmental Approvals in all material respects in its performance of the Fluid Handling Services and shall bear all costs and liabilities associated with complying with or the failure to comply with such Applicable Laws and Governmental Approvals (including Governmental Approvals obtained by or in the name of Producer as contemplated in Section 8.5(a)(ii)); provided, however, that if pursuant to any Applicable Law or Governmental Approval (including a Governmental Approval obtained by or in the name of Producer in accordance with Section 8.5(a)(ii)), a Retention Facility is required to be shut down and reclaimed or remediated during a period of 18 months after the Effective Date, Producer shall bear all cost and liability associated with shutting down and reclaiming or remediating such Retention Facility.

(c) Antero Water shall require all subcontractors to which it delegates any of the Fluid Handling Services to comply with all Applicable Laws and relevant Governmental Approvals in such subcontractor's performance of such portion of the Fluid Handling Services.

### **ARTICLE 9 FRESH WATER DELIVERY RATES**

**Section 9.1 Fresh Water Delivery Rates.** Subject to the other provisions of this Agreement, Antero Water shall construct and operate the Fresh Water System in a manner so as to permit Fresh Water to be made available at the points of interconnection to the High-Rate Transfer Facilities at the rates of flow required by Section 3.1(c) and shall install and operate the High-Rate Transfer

Facilities in a manner so as to make Fresh Water available at the Fresh Water Delivery Points at the applicable Fresh Water Delivery Rates.

**Section 9.2 Producer Facilities.** Producer, at its own expense, shall construct, equip, maintain, and operate all facilities necessary to receive Fresh Water at the Fresh Water Delivery Points at the applicable Fresh Water Delivery Rates.

## **ARTICLE 10 FRESH WATER NOMINATION**

**Section 10.1 Maximum Take Point Volumes.** Producer has informed Antero Water of the maximum volume of Fresh Water that can be taken, if any, in accordance with Producer's rights to take such Fresh Water, including any Applicable Law or Governmental Approval, at each of the currently existing Take Points. Producer shall promptly inform Antero Water of the maximum volume of Fresh Water that can be taken, if any, in accordance with Producer's rights to take such Fresh Water, including any Applicable Law or Governmental Approval, at each new Take Point established in accordance with Section 4.4. Producer shall notify Antero Water of any change to such maximum volumes immediately after Producer becomes aware of any such change.

**Section 10.2 Fresh Water Delivery Nominations.** Producer shall regularly communicate to Antero Water the dates on which Producer plans to carry out hydraulic fracturing operations on each Well Pad and shall by notice to Producer not less than five Business Days in advance specify the dates on which Antero Water is to commence deliveries of Fresh Water at the Fresh Water Delivery Points at such Well Pad.

**Section 10.3 Changes in Fresh Water Delivery Rates.** If Producer desires that Antero Water make Fresh Water available on any Day at the Fresh Water Delivery Point on any Well Pad at flow rates greater than or less than the Fresh Water Delivery Rate specified for such Well Pad in the Connection Notice for such Well Pad, Producer may, on not less than 5 Business Days' notice to Antero Water, increase or decrease the Fresh Water Delivery Rate for such Well Pad.

## **ARTICLE 11 FRESH WATER AVAILABILITY AND QUALITY; WASTE WATER QUALITY**

**Section 11.1 Fresh Water Availability.** The obligation of Antero Water to perform the Fresh Water Services is subject to the conditions that (a) Producer has obtained all necessary rights, including all Governmental Approvals (but excluding any leases, easements, or other real property rights necessary for the location of Take Point Facilities, which, subject to the other provisions of this Agreement, shall be the obligation of Antero Water), to take Fresh Water from the Take Points in sufficient volumes to make available Fresh Water at the Fresh Water Delivery Points in the volumes specified in Section 3.1(e), and (b) the quality of the Fresh Water available to be taken at such Take Points is at all times in compliance with the Fresh Water Quality Standards. Antero Water shall be relieved of its obligations to provide the Fresh Water Services to the extent that it is prevented from doing so because either of such conditions is not satisfied at any time and the reason either such condition is not satisfied was not caused in whole or in part by Antero Water.

**Section 11.2 Take Point Fresh Water Standards**. Fresh Water at each Take Point shall be free from any contamination or any substances, in each case, that would result in such Fresh Water being unsuitable for use in hydraulic fracturing operations in accordance with all then-applicable general industry practices, Applicable Laws, and Governmental Approvals, or that would result in any damage to the Fresh Water Facilities; provided, however, that the presence in such Fresh Water of invasive species (including zebra mussels and quagga mussels) and other invasive or non-native pathogens or infectious agents that would be removed by treatment in ozonation facilities shall not render such Fresh Water nonconforming (the standards set forth in this Section 11.2 being called the “*Fresh Water Quality Standards*”). Antero Water shall be responsible for the installation, operation, and maintenance of ozonation facilities at any Take Points where they are required to remove any such invasive species or other invasive or non-native pathogens or infectious agents, and Producer shall have no liability to Antero Water arising from the presence thereof in any Fresh Water at the Take Points, including any liability under the indemnities in Section 11.3 and Section 11.6.

**Section 11.3 Non-Conforming Take Point Fresh Water**. If the Fresh Water quality at any Take Point does not conform to the Fresh Water Quality Standards, then Antero Water will have the right to immediately discontinue taking Fresh Water at such Take Point so long as the Fresh Water at such Take Point continues to be non-conforming. In the event that Antero Water takes receipt of non-conforming Fresh Water at any Take Point, Producer agrees to be responsible for, and to defend, indemnify, release, and hold Antero Water and its Affiliates, directors, officers, employees, agents, consultants, representatives, and invitees harmless from and against, all claims and losses of whatever kind and nature resulting from such non-conforming Fresh Water, including claims and losses resulting from any negligent acts or omissions of any indemnified party, but excluding claims and losses to the extent caused by or arising out of the gross negligence or willful misconduct of the indemnified party.

**Section 11.4 Delivery Point Fresh Water Quality Standards**. Antero Water shall make available Fresh Water (including, for the avoidance of doubt, Fresh Water consisting of a mixture of raw fresh water, water remaining after treatment at the Treatment Facility, and/or Treated Waste Water) at each Fresh Water Delivery Point that meets the Fresh Water Quality Standards, provided that Fresh Water at the Take Points meets the Fresh Water Quality Standards, and subject to the provisions of Section 11.5.

**Section 11.5 Retention Facility Contamination**. Antero Water shall use reasonable efforts to ensure that Fresh Water that is held in the System Retention Facilities does not become subject to any contamination or pollution that would result in the Fresh Water held in the System Retention Facilities not meeting the Fresh Water Quality Standards. Except to the extent that Antero Water has failed to perform its obligations set forth in the immediately preceding sentence, Producer agrees to be responsible for, and to defend, indemnify, release, and hold Antero Water and its Affiliates, directors, officers, employees, agents, consultants, representatives, and invitees harmless from and against, all claims and losses of whatever kind and nature resulting from the quality of the Fresh Water in the System Retention Facilities, including any remediation obligation under any Applicable Laws relating to the environment, and including claims and losses resulting from any negligent acts or omissions of any indemnified party, but excluding claims and losses to the extent caused by or arising out of the gross negligence or willful misconduct of the indemnified party.

**Section 11.6 Non-Conforming Waste Water.** If the Produced Water quality at any Produced Water Receipt Point or any Other Waste Water where collected by Antero Water does not conform to the Waste Water Quality Standards, then Antero Water will have the right to immediately discontinue taking Produced Water at such Produced Water Receipt Point or such Other Waste Water so long as the Produced Water at such Produced Water Receipt Point or such Other Waste Water continues to be non-conforming. In the event that Antero Water takes receipt of non-conforming Produced Water at any Produced Water Receipt Point or collects non-conforming Other Waste Water, Producer agrees to be responsible for, and to defend, indemnify, release, and hold Antero Water and its Affiliates, directors, officers, employees, agents, consultants, representatives, and invitees harmless from and against, all claims and losses of whatever kind and nature resulting from such non-conforming Produced Water or Other Waste Water, including claims and losses resulting from any negligent acts or omissions of any indemnified party, but excluding claims and losses to the extent caused by or arising out of the gross negligence or willful misconduct of the indemnified party. “*Waste Water Quality Standards*” means, with respect to any Waste Water, that such Waste Water is free from any contamination or any substances that would result in such Waste Water not meeting any requirements imposed by Applicable Law for transportation by truck or any quality standards of the Treatment Facility or a Designated Receiving Facility; provided, however, that such Waste Water shall not be rendered nonconforming by the presence in such Waste Water of invasive species (including zebra mussels and quagga mussels) and other invasive or non-native pathogens or infectious agents to the extent that such species, pathogens, or agents originated from Fresh Water delivered by Antero Water hereunder.

## **ARTICLE 12 MEASUREMENT EQUIPMENT AND PROCEDURES**

**Section 12.1 Measurement Equipment.** Antero Water shall (or shall cause Antero Treatment or another Affiliate of Antero Water to) install, own, operate, and maintain Measurement Facilities (a) to measure the volumes of Fresh Water taken at each Take Point on each Day and (b) to measure the volumes of Fresh Water (other than Treated Waste Water) made available at each Fresh Water Measurement Point on each Day. Antero Water shall also track and account for volumes of Fresh Water consisting of Treated Waste Water that are commingled with other Fresh Water in the High-Rate Transfer Facilities. Producer shall have the right to install check Measurement Facilities at each Take Point and each Fresh Water Measurement Point, including the right to install check measurement equipment on Antero Water’s meter tubes and orifice unions. Producer may also check Antero Water’s measurements of Fresh Water using data collected by Producer or its hydraulic fracturing contractors regarding the actual volumes of Fresh Water delivered from the High-Rate Transfer Facilities into the Fresh Water Delivery Points. Unless such check measurements show a discrepancy of greater than 2%, for all purposes of this Agreement, the volumes of Fresh Water delivered on such Day to the Fresh Water Delivery Points shall be deemed to equal the volumes of Fresh Water measured at the Fresh Water Measurement Point on each Day. The changing and integration of the charts (if utilized for measurement purposes hereunder) and calibrating and adjusting of meters shall be performed by Antero Water.

**Section 12.2 Notice of Measurement Facilities Inspection and Calibration.** Each Party shall give reasonable notice to the other Party in order that the other Party may, at its option, have representatives present to observe any reading, inspecting, testing, calibrating or adjusting of Measurement Facilities or other facilities or equipment (including Producer's or its hydraulic fracturing contractor's equipment collecting data regarding Fresh Water volumes at the Fresh Water Delivery Points) used in measuring or checking the measurement of volumes of Fresh Water under this Agreement. The official electronic data from such Measurement Facilities or other facilities or equipment shall remain the property of the owner thereof, but copies of such records shall, upon request, be submitted, together with calculations and flow computer configurations therefrom, to the requesting Party for inspection and verification.

**Section 12.3 Measurement Accuracy Verification.**

(a) Each Party shall verify the accuracy of all Measurement Facilities owned by such Party used in measuring or checking the measurement of volumes of Fresh Water under this Agreement no less frequently than quarterly. Neither Party shall be required to cause adjustment or calibration of such equipment more frequently than once per Month, unless a special test is requested pursuant to Section 12.4.

(b) If, during any test of such Measurement Facilities, an adjustment or calibration error is found which results in an incremental adjustment to the calculated flow rate through each meter run in excess of two percent (2%) of the adjusted flow rate (whether positive or negative and using the adjusted flow rate as the percent error equation denominator), then any previous recordings of such equipment shall be corrected to zero error for any period during which the error existed (and which is either known definitely or agreed to by the Parties) and the total flow for the period redetermined in accordance with the provisions of Section 12.5. If the period of error condition cannot be determined or agreed upon between the Parties, such correction shall be made over a period extending over the last one half of the time elapsed since the date of the prior test revealing the two percent (2%) error.

(c) If, during any test of such Measurement Facilities, an adjustment or calibration error is found which results in an incremental adjustment to the calculated hourly flow rate which does not exceed two percent (2%) of the adjusted flow rate, all prior recordings and electronic flow computer data shall be considered to be accurate for volume determination purpose.

**Section 12.4 Special Tests.** In the event a Party desires a special test (a test not scheduled by a Party under the provisions of Section 12.3) of any Measurement Facilities used in measuring or checking the measurement of volumes of Fresh Water under this Agreement, seventy-two (72) hours advance notice shall be given to the other Party and both Parties shall cooperate to secure a prompt test of the accuracy of such equipment. If such Measurement Facilities tested are found to be within the two percent (2%) range of accuracy set forth in Section 12.3(b), then the Party that requested the test shall pay the costs of such special test including any labor and transportation costs pertaining thereto. If such Measurement Facilities tested are found to be outside the two percent (2%) range of accuracy set forth in Section 12.3(b), then the Party that owns such Measurement Facilities shall pay such costs and perform the corrections according to Section 12.5.

**Section 12.5 Metered Flow Rates in Error.** If, for any reason, any Measurement Facilities used in measuring or checking the measurement of volumes of Fresh Water under this Agreement are (i) out of adjustment, (ii) out of service, or (iii) out of repair and the total calculated flow rate through each meter run is found to be in error in excess of two percent (2%) of the adjusted flow rate as described in Section 12.3(b), the total volumes of Fresh Water made available shall be determined in accordance with the first of the following methods which is feasible:

(a) By using the registration of any mutually agreeable check metering facility, if installed and accurately registering (subject to testing as provided for in Section 12.3), or Producer's or its hydraulic fracturing contractor's data regarding Fresh Water received at the Fresh Water Delivery Points, taken together with Antero Water's data regarding the amount of such Fresh Water delivered that consisted of Treated Waste Water;

(b) Where multiple meter runs exist in series, by calculation using the registration of such meter run equipment; provided that they are measuring Fresh Water in common with the faulty metering equipment, are not controlled by separate regulators, and are accurately registering;

(c) By correcting the error by re-reading of the official data, or by straightforward application of a correcting factor to the volumes recorded for the period (if the net percentage of error is ascertainable by calibration, tests or mathematical calculation); or

(d) By estimating the volumes, based upon volumes made available during periods of similar conditions when the meter was registering accurately.

**Section 12.6 Waste Water Measurement.** Volumes of Waste Water shall be determined for all relevant purposes under this Agreement based on the number of truck loads of Waste Water received or collected by Antero Water or its subcontractors and/or the number of truck loads of Waste Water delivered to the Treatment Facility or a Designated Receiving Facility and on the capacity of the trucks, assuming that each truck load consisted of the full capacity of the relevant truck.

**Section 12.7 Units of Measurement.** The unit of volume for measurement of Fresh Water and Waste Water hereunder shall be one Barrel. Delivery rates for Fresh Water shall be stated in Barrels per minute.

**Section 12.8 Record Retention.** The Party owning the Measurement Facilities shall retain and preserve all test data, flow metering data, and similar records for any calendar year for a period of at least twenty-four (24) Months following the end of such calendar year unless Applicable Law requires a longer time period or such Party has received notification of a dispute involving such records, in which case records shall be retained until the related issue is resolved.

**ARTICLE 13**  
**NOTICES**

**Section 13.1 Notices.** Unless otherwise provided herein, any notice, request, invoice, statement, or demand which either Party desires to serve upon the other regarding this Agreement shall be made in writing and shall be considered as delivered (i) when hand delivered, or (ii) when delivery is confirmed by pre-paid delivery service (such as FedEx, UPS, DHL or a similar delivery service), or (iii) if mailed by United States certified mail, postage prepaid, three (3) Business Days after mailing, or (iv) if sent by facsimile transmission, when receipt is confirmed by the equipment of the transmitting Party, or (v) when sent via email (provided that any notice sent by email shall be followed by notice sent by another form of delivery permitted by this Section 13.1 within two (2) Business Days after the date such email was sent); provided, if sent by email after normal business hours or if receipt of a facsimile transmission is confirmed after normal business hours, delivery shall be deemed to have occurred on the next Business Day. Notwithstanding the foregoing, if a Party desires to serve upon the other a notice of default under this Agreement, or if Producer desires to serve upon Antero Water a Connection Notice, the delivery of such notice shall be considered effective under this Section 13.1 only if delivered by any method set forth in items (i) through (iv) above. Any notice shall be given to the other Party at the following address, or to such other address as either Party shall designate by notice to the other:

Producer: ANTERO RESOURCES CORPORATION  
1615 Wynkoop Street  
Denver, Colorado 80202

Attn: Chief Financial Officer  
Phone: (303) 357-7310  
Fax Number: (303) 357-7315  
Email:

With copy to: For water control, nominations & balancing:  
Completion Supervisor  
Phone: (303) 357-7310  
Fax Number: (303) 357-7315  
Email:

For accounting, financial, and legal:  
Controller  
Phone: (303) 357-7310  
Fax Number: (303) 357-7315  
Email:

Antero Water: ANTERO WATER LLC

1615 Wynkoop Street  
Denver, Colorado 80202

Attn: Chief Financial Officer  
Phone: (303) 357-7310  
Fax Number: (303) 357-7315  
Email:

For water control, nominations & balancing:  
Scheduling Coordinator  
Phone: (303) 357-7310  
Fax Number: (303) 357-7315  
Email:

For accounting, financial, and legal:  
Controller  
Phone: (303) 357-7310  
Fax Number: (303) 357-7315  
Email:

#### **ARTICLE 14 PAYMENTS**

**Section 14.1 Invoices.** Not later than the tenth (10<sup>th</sup>) Day following the end of each Month, Antero Water shall provide Producer with a detailed statement setting forth the volumes of Fresh Water made available during such Month at the Fresh Water Delivery Points (including the volumes delivered to the inlet of the High-Rate Transfer Facilities by pipeline and the volumes delivered by truck), the volumes of Waste Water collected at the Produced Water Receipt Points or other collection points by Antero Water and processed in the Treatment Facility or any Designated Receiving Facility during such Month, and the Fresh Water Delivery Point Fee, the Trucked Fresh Water Fee, and, if applicable, the Treatment Facility Fee, any Treatment Facility Fee Supplement, the Waste Water Trucking Fee, any Waste Water Trucking Fee Supplement, Reimbursable Waste Water Services Costs, Reimbursable Landfill Costs, any Specified Fee, and the Cost of Service Fee with respect to such Month, together with all relevant data on which such fees are based, measurement summaries, run tickets, bills of lading, and third party invoices (including evidence of the actual cost of electricity, chemicals, and Fuel Gas for the Treatment Facility to the extent of any Treatment Facility Fee Supplement and the actual cost of truck and/or vehicle fuel to the extent of any Waste Water Trucking Fee Supplement), and all relevant supporting documentation. If actual data is not available on such tenth (10<sup>th</sup>) Day, Antero Water shall base such invoiced amounts on reasonable estimates, which shall be trued up in future invoices against actual data when available. To the extent that any other data is unavailable on such tenth (10<sup>th</sup>) Day, Antero Water shall be obligated to deliver such supporting documentation as soon as it becomes available. Producer shall make payment to Antero Water by the last Business Day of the Month in which such invoice is received. Such payment shall be made by wire transfer pursuant to wire transfer instructions delivered by Antero Water to Producer in writing from time to time. If any overcharge or undercharge in any form whatsoever shall at any time be found and the invoice therefor has been paid, Antero Water shall refund any amount of overcharge, and

Producer shall pay any amount of undercharge, on the last Business Day of the following Month, provided, however, that no retroactive adjustment will be made beyond a period of twenty-four (24) Months from the date of a statement hereunder.

**Section 14.2 Right to Suspend on Failure to Pay.** If any undisputed amount due hereunder remains unpaid for sixty (60) Days after the due date, Antero Water shall have the right to suspend or discontinue Fluid Handling Services hereunder until any such past due amount is paid.

**Section 14.3 Audit Rights.** Either Party, on not less than thirty (30) Days prior notice to the other Party, shall have the right at its expense, at reasonable times during normal business hours, but in no event more than twice in any period of twelve (12) consecutive Months, to audit the books and records of the other Party to the extent necessary to verify the accuracy of any statement, allocation, measurement, computation, charge, payment made under, or obligation or right pursuant to this Agreement. The scope of any audit shall be limited to the twenty-four (24) Month period immediately prior to the Month in which the notice requesting an audit was given. All statements, allocations, measurements, computations, charges, or payments made in any period prior to the twenty-four (24) Month period immediately prior to the Month in which the audit is requested shall be conclusively deemed true and correct and shall be final for all purposes.

**Section 14.4 Payment Disputes.** In the event of any dispute with respect to any payment hereunder, Producer shall make timely payment of all undisputed amounts, and Antero Water and Producer will use good faith efforts to resolve the disputed amounts within sixty (60) Days following the original due date. Any amounts subsequently resolved shall be due and payable within ten (10) Days of such resolution.

**Section 14.5 Interest on Late Payments.** In the event that Producer shall fail to make timely payment of any sums, except those contested in good faith or those in a good faith dispute, when due under this Agreement, interest will accrue at an annual rate equal to ten percent (10%) from the date payment is due until the date payment is made.

**Section 14.6 Credit Assurance.** Antero Water shall apply consistent evaluation practices to all similarly situated customers to determine Producer's financial ability to perform its payment obligations under this Agreement.

(a) If Antero Water has reasonable grounds for insecurity regarding the performance of any obligation by Producer under this Agreement (whether or not then due), Antero Water may demand Adequate Assurance of Performance from Producer (which demand shall include reasonable particulars for the demand and documentation supporting the calculation of the amount demanded), which Adequate Assurance of Performance shall be provided to Antero Water within five (5) Business Days after such demand. If Producer fails to provide such Adequate Assurance of Performance within such time, then Antero Water may suspend its performance under this Agreement until such Adequate Assurance of Performance is provided. However, any such suspension by Antero Water shall not relieve Producer of its payment obligations. The exercise by Antero Water of any right under this Section 14.6 shall be without prejudice to any claims for damages or any other right of Antero Water under this Agreement. As used herein, "*Adequate Assurance of Performance*" means any of the following, as selected in Producer's discretion subject to the below:

(i) an irrevocable standby letter of credit in an amount not to exceed an amount that is equal to sixty (60) Days of Producer's payment obligations hereunder from a financial institution rated at least A- by S&P or at least A3 by Moody's in a form and substance reasonably satisfactory to Antero Water;

(ii) cash collateral in an amount not to exceed an amount that is equal to sixty (60) Days of Producer's payment obligations hereunder to be deposited in an escrow account as designated by Antero Water; Antero Water is hereby granted a security interest in and right of set-off against all such cash collateral, which is or may hereafter be delivered or otherwise transferred to such escrow account in connection with this Agreement; or

(iii) a guaranty in an amount not to exceed an amount that is equal to sixty (60) Days of Producer's payment obligations hereunder, which guaranty is reasonably acceptable to Antero Water in form and substance.

(b) The term of any security provided under this Section 14.6 shall never exceed sixty (60) Days, after which the security shall terminate (or in the case of cash collateral, be immediately returned by Antero Water to Producer without further action by either Party). Nothing shall prohibit Antero Water, however, from requesting additional Adequate Assurance of Performance following the end of any such term, so long as the conditions triggering such a request under this Section 14.6 exist.

## ARTICLE 15 FORCE MAJEURE

**Section 15.1** Suspension of Obligations. In the event a Party is rendered unable, wholly or in part, by Force Majeure to carry out its obligations under this Agreement, other than the obligation to make payments then or thereafter due hereunder, and such Party promptly gives notice and reasonably full particulars of such Force Majeure to the other Party promptly after the occurrence of the cause relied on, then the obligations of the Party giving such notice, so far as and to the extent that they are affected by such Force Majeure, shall be suspended during the continuance of any inability so caused, but for no longer period, and such cause shall so far as reasonably possible be remedied with all reasonable dispatch by the Party claiming Force Majeure.

**Section 15.2** Definition of Force Majeure. The term "*Force Majeure*" as used in this Agreement shall mean any cause or causes not reasonably within the control of the Party claiming suspension and which, by the exercise of reasonable diligence, such Party is unable to prevent or overcome, including acts of God, strikes, lockouts or other industrial disturbances, acts of the public enemy, acts of terror, sabotage, wars, blockades, military action, insurrections, riots, epidemics, landslides, subsidence, lightning, earthquakes, fires, storms or storm warnings, crevasses, floods, washouts, civil disturbances, explosions, breakage or accident to wells, machinery, equipment or lines of pipe, the necessity for testing or making repairs or alterations to wells, machinery, equipment or lines of pipe, freezing of wells, equipment or lines of pipe, inability of any Party hereto to obtain, after the exercise of reasonable diligence, necessary materials, supplies, or Governmental Approvals, any action or restraint by any Governmental Authority (so long as the Party claiming suspension has not applied for or assisted in the application for, and has opposed where and to the extent reasonable, such action or restraint, and as long as such action or

restraint is not the result of a failure by the claiming Party to comply with any Applicable Law), and, in the case of a Force Majeure claimed by Antero Water only, any breach of any representation or warranty of Producer or any failure by Producer to perform any obligation of Producer under either (a) that certain Amended and Restated Contribution Agreement dated November 10, 2014, by and between Producer and Antero Midstream LLC or (b) that certain Contribution, Conveyance and Assumption Agreement dated September 17, 2015, by and among Producer, Antero Midstream Partners LP, and Antero Treatment (the “*Contribution Agreement*”).

**Section 15.3 Settlement of Strikes and Lockouts.** It is understood and agreed that the settlement of strikes or lockouts shall be entirely within the discretion of the Party having the difficulty, and that the above requirement that any Force Majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes or lockouts by acceding to the demands of the opposing party when such course is inadvisable in the sole discretion of the Party having the difficulty.

**Section 15.4 Payments for Services Performed.** Notwithstanding the foregoing, it is specifically understood and agreed by the Parties that an event of Force Majeure will in no way affect or terminate Producer’s obligation to make payment for Fluid Handling Services performed prior to such event of Force Majeure.

## ARTICLE 16 INDEMNIFICATION

**Section 16.1 Antero Water.** Subject to the terms of this Agreement, including Section 19.8,

(a) Antero Water shall release, indemnify, defend, and hold harmless Producer and its Affiliates, directors, officers, employees, agents, consultants, representatives, and invitees from and against all claims and losses to the extent arising out of or relating to (i) the operations of Antero Water, but only to the extent that liability for such claims and losses is not otherwise allocated pursuant to the indemnification provisions of Article 11, Article 17, Section 16.2(a)(iii), or Section 16.2(b), and (ii) any breach of this agreement by Antero Water, including in each case claims and losses resulting from any negligent acts or omissions of any indemnified party, but excluding in each case claims and losses to the extent caused by or arising out of the gross negligence or willful misconduct of the indemnified party.

(b) Except as otherwise provided in Section 16.2(a)(iii), Antero Water shall release, indemnify, defend, and hold harmless Producer and its joint interest owners and Producer’s contractors and subcontractors of any tier and its and their Affiliates, directors, officers, employees, agents, consultants, representatives, and invitees (collectively, the “*Producer Group*”) from and against all claims and losses for bodily injury to or death of any individual in the Antero Water Group or damage to or loss of the property of any Person in the Antero Water Group in each case arising while such individual or property is on a Well Pad or any property of the Producer adjacent to a Well Pad in connection with the performance by Antero Water of the High-Rate

Transfer Services or other services at such Well Pad, including in each case claims and losses resulting from any negligent acts or omissions of any indemnified party, but excluding in each case claims and losses to the extent caused by or arising out of the gross negligence or willful misconduct of the indemnified party.

**Section 16.2 Producer.** Subject to the terms of this Agreement, including Section 19.8,

(a) Producer shall release, indemnify, defend, and hold harmless Antero Water and its Affiliates, directors, officers, employees, agents, consultants, representatives, and invitees from and against all claims and losses to the extent arising out of or relating to (i) the operations of Producer but only to the extent that liability for such claims and losses is not otherwise allocated pursuant to the indemnification provisions of Article 11, Article 17, Section 16.1(b), or (ii) any breach of this agreement by Producer or (iii) except as otherwise provided in Section 11.5, pollution or contamination from the emission, discharge or release of Hazardous Materials occurring (A) in the course of the performance of any Fluid Handling Services up until the point of custody and title transfer to Antero Water at the applicable Produced Water Receipt Points or (B) with respect to any Waste Water that has been treated and is in transit from the relevant treatment facility to, or is in, the High-Rate Transfer Facilities, or is otherwise being handled by Antero Water as part of the High-Rate Transfer Services, including in each case claims and losses resulting from any negligent acts or omissions of any indemnified party, but excluding in each case claims and losses to the extent caused by or arising out of the gross negligence or willful misconduct of the indemnified party.

(b) Producer shall release, indemnify, defend, and hold harmless Antero Water and its contractors and subcontractors of any tier and its and their Affiliates, directors, officers, employees, agents, consultants, representatives, and invitees (collectively, the “*Antero Water Group*”) from and against all claims and losses for bodily injury to or death of any individual in the Producer Group or damage to or loss of the property of any Person in the Producer Group in each case arising while such individual or property is on a Well Pad or any property of the Producer adjacent to a Well Pad in connection with the operations of Producer at such Well Pad, including in each case claims and losses resulting from any negligent acts or omissions of any indemnified party, but excluding in each case claims and losses to the extent caused by or arising out of the gross negligence or willful misconduct of the indemnified party.

## ARTICLE 17 CUSTODY AND TITLE

**Section 17.1 Custody of Fresh Water.** As among the Parties, Producer shall be in custody, control and possession of (i) raw Fresh Water taken from the Take Points until such Fresh Water is taken into the Fresh Water Facilities at the Take Points and (ii) Fresh Water after such Fresh Water is delivered to the Fresh Water Delivery Points. As among the Parties, Antero Water shall be in custody, control and possession of all Fresh Water in the Fresh Water Facilities at all other times. Except as otherwise provided in Section 16.2(a)(iii), the Party having custody and control of Fresh Water under the terms of this Agreement shall be responsible for, and shall defend, indemnify, release and hold the other Party and its Affiliates, directors, officers, employees, agents, consultants, representatives, and invitees harmless from and against, all claims and losses of whatever kind and nature for anything that may happen or arise with respect to such Fresh Water

when such Fresh Water is in its custody and control, including claims and losses resulting from any negligent acts or omissions of any indemnified party, but excluding all claims and losses to the extent caused by or arising out of the gross negligence or willful misconduct of the indemnified party.

**Section 17.2 Custody of Waste Water.** As among the Parties, Producer shall be in custody, control and possession of Waste Water until such Waste Water is received by Antero Water or its subcontractors at the Produced Water Receipt Points or at the point at which Other Waste Water is collected by Antero Water. As among the Parties, Antero Water shall be in custody, control and possession of all Waste Water from and after its receipt by Antero Water or its subcontractors at the Produced Water Receipt Points or at the point at which Other Waste Water is collected by Antero Water. Except as otherwise provided in Section 16.2(a)(iii), the Party having custody and control of Waste Water under the terms of this Agreement shall be responsible for, and shall defend, indemnify, release and hold the other Party and its Affiliates, directors, officers, employees, agents, consultants, representatives, and invitees harmless from and against, all claims and losses of whatever kind and nature for anything that may happen or arise with respect to such Waste Water when such Waste Water is in its custody and control, including claims and losses resulting from any negligent acts or omissions of any indemnified party, but excluding claims and losses to the extent caused by or arising out of the gross negligence or willful misconduct of the indemnified party.

**Section 17.3 Title to Waste Water.** Antero Water shall take title to all Waste Water received by Antero Water or its subcontractors at the Produced Water Receipt Points or at the point where Other Waste Water is collected, as applicable. Producer shall ensure that such Waste Water is free of all liens arising by, through, or under Producer, other than liens arising by operation of law.

## **ARTICLE 18 PAYMENTS FOR FRESH WATER; TAXES**

**Section 18.1 Payments for Fresh Water; Taxes.** To the extent that any Person is entitled to any payment in respect of Fresh Water taken from any Take Point, including any taxes, Producer shall pay or cause to be paid and agrees to hold Antero Water harmless as to the payment of all such payments or taxes. Antero Water shall not become liable for such payments or taxes, unless designated to remit those taxes on behalf of Producer by any duly constituted Governmental Authority having authority to impose such obligations on Antero Water, in which event the amount of such taxes remitted on Producer's behalf shall be reimbursed by Producer upon receipt of invoice, with corresponding documentation from Antero Water setting forth such payments. Antero Water shall pay or cause to be paid all taxes, charges and assessments of every kind and character required by statute or by order of Governmental Authorities with respect to its facilities, including the Fresh Water Facilities. Except as provided in Exhibit H attached hereto, neither Party shall be responsible nor liable for any taxes or other statutory charges levied or assessed against the facilities of the other Party, including ad valorem tax (however assessed), used for the purpose of carrying out the provisions of this Agreement or against the net worth or capital stock of such Party. Notwithstanding the foregoing, to the extent that such payments or taxes relate to Fresh Water that is made available to a third party pursuant to Section 8.4(d), Antero Water shall look only to such third party, and not to Producer, for payment or reimbursement of such payments

and taxes to the extent relating to the Fresh Water made available to such third party, and shall use reasonable efforts to ensure that Fresh Water not subject to such payments and taxes is made available to Producer in preference to third parties.

## **ARTICLE 19 MISCELLANEOUS**

**Section 19.1 Rights.** The failure of either Party to exercise any right granted hereunder shall not impair nor be deemed a waiver of that Party's privilege of exercising that right at any subsequent time or times.

**Section 19.2 Applicable Laws.** This Agreement is subject to all valid present and future laws, regulations, rules and orders of Governmental Authorities now or hereafter having jurisdiction over the Parties, this Agreement, or the services performed or the facilities utilized under this Agreement. To the extent that the performance of the Fluid Handling Services by Antero Water shall at any point in time become prohibited or restricted by Applicable Laws or the provisions of any Governmental Approval, Antero Water shall be relieved from its obligations to perform such Fluid Handling Services.

**Section 19.3 Governing Law; Jurisdiction.**

(a) This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Colorado without regard to choice of law principles.

(b) The Parties agree that the appropriate, exclusive and convenient forum for any disputes between the Parties arising out of this Agreement or the transactions contemplated hereby shall be in any state or federal court in City and County of Denver, Colorado, and each of the Parties irrevocably submits to the jurisdiction of such courts solely in respect of any proceeding arising out of or related to this Agreement. The Parties further agree that the Parties shall not bring suit with respect to any disputes arising out of this Agreement or the transactions contemplated hereby in any court or jurisdiction other than the above specified courts.

**Section 19.4 Successors and Assigns.**

(a) This Agreement shall extend to and inure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.

(b) To the extent any Affiliate of Producer acquires any Oil and Gas Interests or any water facilities, Producer shall cause such Affiliate to comply with the obligations of Producer under Article 2 of this Agreement with respect to its Oil and Gas Interests and to enter into an agreement with Antero Water substantially the same as this Agreement.

(c) Except as set forth in Section 19.4(d) and Section 19.4(e), neither Party shall have the right to assign its respective rights and obligations in whole or in part under this Agreement without the prior written consent of the other Party, and any assignment or attempted assignment made otherwise than in accordance with this Section 19.4 shall be null and void *ab initio*.

(d) Notwithstanding the foregoing clause (c), Antero Water may perform all services under this Agreement itself using its own facilities and/or perform any or all such services through Affiliates (including Antero Treatment) or third parties, in which case references herein to the Fresh Water Facilities shall be deemed to be references to such facilities of the relevant Affiliate or third party.

(e) Notwithstanding the foregoing clause (c):

(i) Antero Water shall have the right to assign its rights and obligations under this Agreement, in whole or in part, as applicable, without the consent of Producer (A) to an Affiliate of Antero Water or (B) to any Person to which the Fresh Water Facilities or any part thereof or any facilities through which the Waste Water Services are performed has been or will be transferred who (1) hires (or retains, as applicable) operating personnel who are then operating such facilities (or has similarly experienced operating personnel itself), (2) has operated for at least two (2) years prior to such assignment systems similar to such facilities, or (3) contracts for the operation of such facilities with another Person that satisfies either of the foregoing conditions (1) or (2) in this clause (B), provided, in the case of an assignment under either of clause (A) or clause (B), that the assignee assumes in writing all of Antero Water's obligations hereunder (if applicable, to the extent of the Fresh Water Facilities or other Facilities being transferred to such Person). Notwithstanding the foregoing, Antero Water shall not be released from its obligations hereunder upon any assignment of this Agreement (in whole or in part) unless the assignee has creditworthiness as reasonably determined by Producer that is equal to or greater than the higher of Antero Water's creditworthiness as of the Effective Date and Antero Water's creditworthiness as of the date of the assignment.

(ii) Producer shall have the right to assign its rights and obligations under this Agreement, in whole or in part, as applicable, without the consent of Antero Water, to any Person to which it sells, assigns, or otherwise transfers all or any portion of the Service Area Properties and who assumes in writing all of Producer's obligations hereunder (if applicable, to the extent of the Service Area Properties being transferred to such Person). Notwithstanding the foregoing, Producer shall not be released from its obligations hereunder upon any assignment of this Agreement (in whole or in part) unless the assignee has a credit rating that is equal to or higher than the higher of Producer's credit rating as of the Effective Date and Producer's credit rating as of the date of the assignment.

(iii) Each Party shall have the right to grant a security interest in this Agreement to a lender or other debt provider (or trustee or agent on behalf of such lender) of such Party.

**Section 19.5 Severability.** If any provision of this Agreement is determined to be void or unenforceable, in whole or in part, then (i) such provision shall be deemed inoperative to the extent it is deemed void or unenforceable, (ii) the Parties agree to enter into such amendments to this Agreement in order to give effect, to the greatest extent legally possible, to the provision that is determined to be void or unenforceable and (iii) the other provisions of this Agreement in all other respects shall remain in full force and effect and binding and enforceable to the maximum extent permitted by Applicable Law; provided, however, that in the event that a material term under this

Agreement is so modified, the Parties will, timely and in good faith, negotiate to revise and amend this Agreement in a manner which preserves, as closely as possible, each Party's business and economic objectives as expressed by the Agreement prior to such modification.

**Section 19.6 Confidentiality.**

(a) Confidentiality. Except as otherwise provided in this Section 19.6, each Party agrees that it shall maintain all terms and conditions of this Agreement, and all information disclosed to it by the other Party or obtained by it in the performance of this Agreement and relating to the other Party's business (including Development Plans, Fresh Water Facilities Plans, and all data relating to the production of Producer) (collectively, "***Confidential Information***") in strictest confidence, and that it shall not cause or permit disclosure of this Agreement or its existence or any provisions contained herein without the prior written consent of the other Party.

(b) Permitted Disclosures. Notwithstanding Section 19.6(a) disclosures of any Confidential Information may be made by either Party (i) to the extent necessary for such Party to enforce its rights hereunder against the other Party; (ii) to the extent to which a Party or an Affiliate of a Party is required to disclose all or part of this Agreement by a statute or by the order or rule of a Governmental Authority exercising jurisdiction over the subject matter hereof, by order, by regulations, or by other compulsory process (including deposition, subpoena, interrogatory, or request for production of documents); (iii) to the extent required by the applicable regulations of a securities or commodities exchange; (iv) to a third person in connection with a proposed sale or other transfer of a Party's interest in this Agreement, provided such third person agrees in writing to be bound by the terms of this Section 19.6; (v) to its own directors, officers, employees, agents and representatives; (vi) to an Affiliate of such Party; (vii) to financial advisors, attorneys, and banks, provided that such Persons are subject to a confidentiality undertaking consistent with this Section 19.6(b), or (viii) in the case of Producer only, excluding any information disclosed to Producer by Antero Water pursuant to Article 3 of this Agreement, to a royalty, overriding royalty, net profits or similar owner burdening production from the Service Area Properties, provided such royalty, overriding royalty, net profits or similar owner agrees in writing to be bound by the terms of this Section 19.6.

(c) Notification. If either Party is or becomes aware of a fact, obligation, or circumstance that has resulted or may result in a disclosure of any of the terms and conditions of this Agreement authorized by Section 19.6(b)(ii) or (iii), it shall so notify in writing the other Party promptly and shall provide documentation or an explanation of such disclosure as soon as it is available.

(d) Party Responsibility. Each Party shall be deemed solely responsible and liable for the actions of its directors, officers, employees, agents, representatives and Affiliates for maintaining the confidentiality commitments of this Section 19.6.

(e) Public Announcements. The Parties agree that prior to making any public announcement or statement with respect to this Agreement or the transaction represented herein permitted under this Section 19.6, the Party desiring to make such public announcement or statement shall provide the other Party with a copy of the proposed announcement or statement prior to the intended release date of such announcement. The other Party shall thereafter consult with the Party desiring to make the release, and the Parties shall exercise their reasonable best efforts to (i) agree upon the text of a joint public announcement or statement to be made by both such Parties or (ii) in the case of a statement to be made solely by one Party, obtain approval of the other Party to the text of a public announcement or statement. Nothing contained in this Section 19.6 shall be construed to require either Party to obtain approval of the other Party to disclose information with respect to this Agreement or the transaction represented herein to any Governmental Authority to the extent such disclosure is required by Applicable Law or necessary to comply with disclosure requirements of the Securities and Exchange Commission, New York Stock Exchange, or any other regulated stock exchange.

(f) Survival. The provisions of this Section 19.6 shall survive any expiration or termination of this Agreement; provided that other than with respect to information disclosed pursuant to Article 3, as to which such provisions shall survive indefinitely, such provisions shall survive only a period of one (1) year.

**Section 19.7 Entire Agreement, Amendments and Waiver.** The Contribution Agreement, this Agreement and the documents and instruments and other agreements specifically referred to herein or therein or delivered pursuant hereto or thereto, including the exhibits and schedules hereto and thereto, (a) constitute the entire agreement among the Parties with respect to the subject matter hereof and supersede all prior agreements and understandings, both written and oral, among the Parties with respect to the subject matter hereof and (b) are not intended to confer upon any other Person any rights or remedies hereunder except as otherwise expressly provided herein or therein. Each Party agrees that (i) no other Party (including its agents and representatives) has made any representation, warranty, covenant or agreement to or with such Party relating to this Agreement or the transactions contemplated hereby, other than those expressly set forth in the Contribution Agreement and the documents and instruments and other agreements specifically referred to herein or therein or delivered pursuant hereto or thereto, including the exhibits and schedules hereto and thereto, and (ii) such Party has not relied upon any representation, warranty, covenant or agreement relating to this Agreement or the transactions contemplated hereby other than those referred to in clause (i) above. No amendment, supplement, modification or waiver of this Agreement shall be binding unless executed in writing by the Parties. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision hereof (regardless of whether similar), nor shall any such waiver constitute a continuing waiver unless otherwise expressly provided.

**Section 19.8 Limitation of Liability. NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR SPECIAL, INDIRECT, CONSEQUENTIAL, PUNITIVE OR EXEMPLARY DAMAGES SUFFERED BY SUCH PARTY RESULTING FROM OR ARISING OUT OF THIS AGREEMENT OR THE BREACH THEREOF OR UNDER ANY OTHER THEORY OF LIABILITY, WHETHER TORT, NEGLIGENCE, STRICT LIABILITY, BREACH OF CONTRACT, WARRANTY, INDEMNITY OR OTHERWISE,**

**INCLUDING LOSS OF USE, INCREASED COST OF OPERATIONS, LOSS OF PROFIT OR REVENUE, OR BUSINESS INTERRUPTIONS; PROVIDED, HOWEVER, THAT THE FOREGOING LIMITATION SHALL NOT APPLY TO ANY DAMAGE CLAIM ASSERTED BY OR AWARDED TO A THIRD PARTY FOR WHICH A PARTY WOULD OTHERWISE BE LIABLE UNDER ANY INDEMNIFICATION PROVISION SET FORTH HEREIN.**

**Section 19.9** Headings. The headings of the several Articles and Sections herein are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement.

**Section 19.10** Rights and Remedies. Except as otherwise provided in this Agreement, each Party reserves to itself all rights, counterclaims, other remedies and defenses that such Party is or may be entitled to arising from or out of this Agreement or as otherwise provided by Applicable Law.

**Section 19.11** No Partnership. Nothing contained in this Agreement shall be construed to create an association, trust, partnership, or joint venture or impose a trust, fiduciary or partnership duty, obligation or liability on or with regard to either Party.

**Section 19.12** Rules of Construction.

(a) The Parties agree that they have been represented by counsel during the negotiation and execution of this Agreement and therefore waive the application of any law, regulation, holding or rule of construction providing that ambiguities in an agreement or other document will be construed against the Party drafting such agreement or document.

(b) The words “this Agreement,” “herein,” “hereby,” “hereunder” and “hereof,” and words of similar import, refer to this Agreement as a whole and not to any particular subdivision unless expressly so limited. The words “this Article,” “this Section” and “this clause,” and words of similar import, refer only to the Article, Section or clause hereof in which such words occur. The word “or” is exclusive, and the word “including” (in its various forms) means including without limitation.

(c) Pronouns in masculine, feminine or neuter genders shall be construed to state and include any other gender, and words, terms and titles (including terms defined herein) in the singular form shall be construed to include the plural and vice versa, unless the context otherwise requires.

(d) References herein to any Person shall include such Person’s successors and assigns; provided, however, that nothing contained in this clause (d) is intended to authorize any assignment or transfer not otherwise permitted by this Agreement.

(e) References herein to any law shall be deemed to refer to such law as amended, reenacted, supplemented or superseded in whole or in part and in effect from time to time and also to all rules and regulations promulgated thereunder

(f) References herein to any contract mean such contract as amended, supplemented or modified (including any waiver thereto) in accordance with the terms thereof, except that with respect to any contract listed on any schedule hereto, all such amendments, supplements or modifications must also be listed on such schedule.

(g) Each representation, warranty, covenant and agreement contained in this Agreement will have independent significance, and the fact that any conduct or state of facts may be within the scope of two or more provisions in this Agreement, whether relating to the same or different subject matters and regardless of the relative levels of specificity, shall not be considered in construing or interpreting this Agreement.

(h) Unless otherwise expressly provided herein to the contrary, accounting terms shall have the meaning given by U.S. generally accepted accounting principles.

**Section 19.13 No Third Party Beneficiaries.** This Agreement is for the sole benefit of the Parties and their respective successors and permitted assigns and each Person entitled to indemnity under Article 11, Article 16, or Article 17 (but only to the extent of their entitlement to be defended, indemnified, released and held harmless thereunder, and provided that only a Party shall be entitled to enforce such entitlement on their behalf) and shall not inure to the benefit of any other Person whomsoever or whatsoever, it being the intention of the Parties that no third Person shall be deemed a third party beneficiary of this Agreement.

**Section 19.14 Further Assurances.** Each Party shall take such acts and execute and deliver such documents as may be reasonably required to effectuate the purposes of this Agreement.

**Section 19.15 Counterpart Execution.** This Agreement may be executed in one or more counterparts, including electronic, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. In the event that any signature is delivered by facsimile transmission or by e-mail delivery of a “.pdf” format data file, such signature shall create a valid and binding obligation of the Party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or “.pdf” signature page were an original thereof.

**Section 19.16 Memorandum of Agreement.** Contemporaneously with the execution of this Agreement, the Parties shall execute, acknowledge, deliver and record a “short form” memorandum of this Agreement in the form of Exhibit J attached hereto (as modified, including by the addition of any required property descriptions, required by local law and practice to put such Memorandum of record and put third parties on notice of this Agreement), which shall be placed of record in each state and county in which the currently-existing Service Area Properties are located. Further such memoranda shall be executed and delivered by Producer as Antero Water from time to time requests to evidence the commitment of additional areas or Oil and Gas Interests under this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date first set forth above.

**ANTERO RESOURCES CORPORATION**

By: /s/ Alwyn A. Schopp  
Name: Alwyn A. Schopp  
Title: Chief Administrative Officer, Regional  
Vice President and Treasurer

**ANTERO WATER LLC**

By: /s/ Alwyn A. Schopp  
Name: Alwyn A. Schopp  
Title: Chief Administrative Officer, Regional  
Vice President and Treasurer

*Water Services Agreement*  
*Signature Page*

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SPECIFIC TERMS IN THIS EXHIBIT HAVE BEEN REDACTED BECAUSE CONFIDENTIAL TREATMENT OF THOSE TERMS HAS BEEN REQUESTED. THE REDACTED MATERIAL HAS BEEN SEPARATELY SUBMITTED TO THE SECURITIES AND EXCHANGE COMMISSION, AND THE TERMS HAVE BEEN MARKED AT THE APPROPRIATE PLACE WITH THREE ASTERISKS (\*\*\*)

**Exhibit A**

**Initial service area**

(Attached.)

\*\*\*

## **Exhibit B**

### **Initial fresh water facilities**

The following assets and facilities, in each case, excluding any Excluded Assets (as such term is defined in the Contribution Agreement):

1. All existing or imminent buried Fresh Water pipelines and associated appurtenances.
2. All existing or imminent temporary surface Fresh Water pipeline and associated appurtenances.
3. All Fresh Water pipeline and associated appurtenances contained in inventory and designated for future Fresh Water pipeline projects.
4. All existing or imminent pump stations, transfer pumps, or booster pumps that are designated for the transfer of Fresh Water up to the Producer's receiving hydration units and working tanks.
5. All pump stations, transfer pumps, or booster pumps that are contained in inventory and designated for the future transfer of Fresh Water up to the Producer's receiving hydration units and working tanks.
6. All existing or imminent operational equipment, tools and telemetry devices necessary for operation of the Fresh Water pipelines and associated appurtenances.
7. All existing or imminent surface use agreements for withdrawal points, access roads, impoundments, pump stations, maintenance shops, laydown or staging yards and surface feature access pads, in each case, used solely in connection with the water business of Antero Water (and, for the avoidance of doubt, not otherwise used by Producer for its exploration and production business).
8. Fresh Water Impoundments ("FWIs")

FWIs built and in-service:

<b>Name</b>	<b>State</b>	<b>County</b>
ANNIE HORIZONTAL FWI	WV	Ritchie
BEE LEWIS FWI	WV	Doddridge
BONNELL FWI	WV	Doddridge
FOREMAN FWI	WV	Doddridge
HARSHBARGER NORTH FWI	WV	Ritchie
HARSHBARGER SOUTH FWI	WV	Ritchie
HEFLIN NORTH FWI	WV	Doddridge
HINTER NORTH FWI	WV	Doddridge
HINTER SOUTH FWI	WV	Doddridge
JAMES WEBB FWI	WV	Doddridge
LAKE FWI	WV	Doddridge
LEMLEY FWI	WV	Doddridge
MARSDEN FWI	WV	Doddridge
MELODY FWI	WV	Doddridge
NIMORWICZ EAST FWI	WV	Harrison

NIMORWICZ WEST FWI	WV	Doddridge
PEARL JEAN NORTH FWI	WV	Doddridge
PEARL JEAN SOUTH FWI	WV	Doddridge
PIERPOINT FWI	WV	Tyler
QUINN FWI	WV	Harrison
SPIKER FWI	WV	Doddridge
WHITEHAIR FWI	WV	Doddridge
CARPENTER PAD FWI	OH	Monroe
CHARLES IMPOUNDMENT	OH	Monroe
EAST LAW COMPLEX	OH	Noble
HILL XLFWI	OH	Noble
JUSTICE PAD FWI	OH	Noble
RICH PAD FWI	OH	Noble
SCHROEDER PAD FWI	OH	Noble
TRASKA XLFWI	OH	Noble
WAYNE PAD FWI	OH	Noble
WEBB IMPOUNDMENT	OH	Monroe
WILSON EAST IMPOUNDMENT	OH	Noble
WILSON WEST IMPOUNDMENT	OH	Noble

FWIs built and not yet in-service

<b>Name</b>	<b>State</b>	<b>County</b>
ESTHER FWI	OH	Belmont
HOTHEM 3 FWI	OH	Belmont

FWIs – constructing:

<b>Name</b>	<b>State</b>	<b>County</b>
HOTHEM 1 FWI	OH	Monroe

SPECIFIC TERMS IN THIS EXHIBIT HAVE BEEN REDACTED BECAUSE CONFIDENTIAL TREATMENT OF THOSE TERMS HAS BEEN REQUESTED. THE REDACTED MATERIAL HAS BEEN SEPARATELY SUBMITTED TO THE SECURITIES AND EXCHANGE COMMISSION, AND THE TERMS HAVE BEEN MARKED AT THE APPROPRIATE PLACE WITH THREE ASTERISKS (\*\*\*)

FWIs - Planning/Permitting/waiting on release/waiting on surface use agreement:

<b>OHIO</b>			
Site Name	Latitude	Longitude	Status
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
<b>WEST VIRGINIA</b>			
Site Name	Latitude	Longitude	Status
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***

**Exhibit C**

**TAKE POINTS**

<b>Location</b>	<b>Latitude</b>	<b>Longitude</b>
<b>OHIO</b>		
Beaver Creek-4	39.908867	-81.316445
Buffalo Creek 4	39.811790	-81.467680
Buffalo Creek-Arnold	39.863557	-81.526403
East Fork Duck Creek-6	39.645811	-81.309128
Jordan Jones 1	39.763746	-81.200327
Opossum Run	39.869684	-81.420662
Rubel 4	39.780167	-81.196681
Rubel Pad Ground Water Withdrawal	39.833172	-81.302765
Seneca Fork Wills Creek - 2	39.931389	-81.457222
Skin Creek-1 (Rubel)	39.83223	-81.30409
Slope Creek Reservoir (Barnesville #3)	39.907492	-81.165197
South Fork (Carpenter)	39.813710	-81.307880
West Fork Duck Creek - Buckey	39.794094	-81.562736
<b>WEST VIRGINIA</b>		
Ohio River at Ben's Run	39.46593	-81.110781
Claywood Public Service District	39.206274	-81.497777
Middle Island Creek at Dawson	39.379292	-80.867803
Middle Island Creek at Solo	39.399094	-81.185548
Sun Valley Public Service District	39.29053	-80.518765
North Fork Hughes at Davis	39.322363	-80.936771

South Fork Hughes at Knight	39.198369	-80.870969
Arnold Creek at Davis	39.302006	-80.824561
Pennsboro Lake	39.281689	-80.925526
Buckeye Creek at Powell	39.277142	-80.690386
Meathouse Fork at Whitehair	39.211317	-80.679592
Meathouse Fork at Gagnon	39.26054	-80.720998
McElroy Creek at Forest	39.39675	-80.738197
West Fork River at GAL	39.16422	-80.45173
West Fork River at McDonald	39.16761	-80.45069
City of Salem Reservoir	39.28834	-80.54966
Middle Island Creek at Weese	39.457972	-80.839742
Pike Fork at Dotson Withdrawal	39.385933	-80.577836
Morgan's Run at Leatherman	39.285956	-80.691808
Middle Island Creek at Mees	39.43113	-81.079567
Middle Island Creek at Weekley	39.50677	-80.963058
Ohio River at Select Energy	39.346473	-81.338727

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**Exhibit D**

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Exhibit D – Page 1

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**Exhibit E**

**INITIAL FRESH WATER FACILITIES PLAN**

**Water Map**

(Attached.)

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### **Water Pipeline Diameters**

(Attached.)

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**Waterline Appurtenances**

<b>WATERLINE</b>	<b>LAT</b>	<b>LONG</b>	<b>ELEVATION</b>	<b>FACILITIES</b>	<b>STATE</b>	<b>COUNTY</b>	<b>TWP DIST</b>
ANNIE HORIZONTAL FWI TO EDDY PIT	***	***	266.845	GATE VALVE	WV	RITCHIE	CLAY
B. LEWIS TO ADRIAN	***	***	1261.48	GATE VALVE	WV	DODDRIDGE	NEW MILTON
B. LEWIS TO ADRIAN	***	***	1118.46	GATE VALVE	WV	DODDRIDGE	NEW MILTON
B. LEWIS TO ADRIAN	***	***	1119.07	GATE VALVE	WV	DODDRIDGE	NEW MILTON
B. LEWIS TO ADRIAN	***	***	1219.19	GATE VALVE	WV	DODDRIDGE	NEW MILTON
B. LEWIS TO ADRIAN	***	***	1219.38	GATE VALVE	WV	DODDRIDGE	NEW MILTON
B. LEWIS TO ADRIAN	***	***	1262.01	GATE VALVE	WV	DODDRIDGE	NEW MILTON
B. LEWIS TO ADRIAN	***	***	1261.74	GATE VALVE	WV	DODDRIDGE	NEW MILTON
B. LEWIS TO ADRIAN	***	***	1249.67	GATE VALVE	WV	DODDRIDGE	NEW MILTON
B. LEWIS TO ADRIAN	***	***	1263.45	GATE VALVE	WV	DODDRIDGE	NEW MILTON
B. LEWIS TO ADRIAN	***	***	1268.09	AIR RELIEF	WV	DODDRIDGE	WEST UNION
B. LEWIS TO ADRIAN	***	***	977.48	AIR RELIEF	WV	DODDRIDGE	WEST UNION
B. LEWIS TO ADRIAN	***	***	1273.7	AIR RELIEF	WV	DODDRIDGE	WEST UNION
B. LEWIS TO ADRIAN	***	***	1244.8	AIR RELIEF	WV	DODDRIDGE	WEST UNION
B. LEWIS TO ADRIAN	***	***	1238.2	AIR RELIEF	WV	DODDRIDGE	WEST UNION
B. LEWIS TO ADRIAN	***	***	1246.64	AIR RELIEF	WV	DODDRIDGE	WEST UNION
B. LEWIS TO ADRIAN	***	***	1212.04	AIR RELIEF	WV	DODDRIDGE	WEST UNION

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B. LEWIS TO ADRIAN	***	***	1201.65	AIR RELIEF	WV	DODDRIDGE	WEST UNION
B. LEWIS TO ADRIAN	***	***	1251.79	AIR RELIEF	WV	DODDRIDGE	WEST UNION
B. LEWIS TO ADRIAN	***	***	1226.3	AIR RELIEF	WV	DODDRIDGE	WEST UNION
B. LEWIS TO ADRIAN	***	***	1263.37	AIR RELIEF	WV	DODDRIDGE	NEW MILTON
B. LEWIS TO ADRIAN	***	***	1317.52	AIR RELIEF	WV	DODDRIDGE	WEST UNION
B. LEWIS TO ADRIAN	***	***	1291.93	AIR RELIEF	WV	DODDRIDGE	NEW MILTON
B. LEWIS TO ADRIAN	***	***	1117.22	GATE VALVE	WV	DODDRIDGE	NEW MILTON
B. LEWIS TO ADRIAN	***	***	1261.06	GATE VALVE	WV	DODDRIDGE	NEW MILTON
B. LEWIS TO ADRIAN	***	***	1218.78	GATE VALVE	WV	DODDRIDGE	NEW MILTON
BARNESVILLE WATERLINE	***	***	1234.29	GATE VALVE	OH	BELMONT	SOMERSET
BARNESVILLE WATERLINE	***	***	1295.54	AIR RELIEF	OH	BELMONT	SOMERSET
BARNESVILLE WATERLINE	***	***	1326.53	AIR RELIEF	OH	BELMONT	SOMERSET
BARNESVILLE WATERLINE	***	***	1209.98	AIR RELIEF	OH	BELMONT	SOMERSET
BARNESVILLE WATERLINE	***	***	1208.79	AIR RELIEF	OH	BELMONT	SOMERSET
BARNESVILLE WATERLINE	***	***	1231.04	AIR RELIEF	OH	BELMONT	SOMERSET
BARNESVILLE WATERLINE	***	***	1245.82	AIR RELIEF	OH	BELMONT	SOMERSET
BARNESVILLE WATERLINE	***	***	1225.93	AIR RELIEF	OH	BELMONT	SOMERSET
BARNESVILLE WATERLINE	***	***	1230.82	AIR RELIEF	OH	BELMONT	SOMERSET
BARNESVILLE WATERLINE	***	***	1238.12	AIR RELIEF	OH	BELMONT	SOMERSET
BARNESVILLE WATERLINE	***	***	1215.48	AIR RELIEF	OH	BELMONT	SOMERSET
BARNESVILLE WATERLINE	***	***	1196.29	AIR RELIEF	OH	BELMONT	SOMERSET
BARNESVILLE WATERLINE	***	***	1229.26	GATE VALVE	OH	BELMONT	SOMERSET
BARNESVILLE WATERLINE	***	***	1227.65	GATE VALVE	OH	BELMONT	SOMERSET

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BARNESVILLE WATERLINE	***	***	1267.08	AIR RELIEF	OH	BELMONT	SOMERSET
BARNESVILLE WATERLINE	***	***	1211.01	AIR RELIEF	OH	BELMONT	SOMERSET
BARNESVILLE WATERLINE	***	***	1211.74	AIR RELIEF	OH	BELMONT	SOMERSET
BARNESVILLE WATERLINE	***	***	1246.06	AIR RELIEF	OH	MONROE	SENECA
BARNESVILLE WATERLINE	***	***	1049.19	AIR RELIEF	OH	MONROE	SENECA
BARNESVILLE WATERLINE	***	***	1153.8	GATE VALVE	OH	MONROE	SENECA
BARNESVILLE WATERLINE	***	***	1151.73	GATE VALVE	OH	MONROE	SENECA
BARNESVILLE WATERLINE	***	***	1153.36	GATE VALVE	OH	MONROE	SENECA
BARNESVILLE WATERLINE	***	***	1044.34	AIR RELIEF	OH	MONROE	SENECA
BARNESVILLE WATERLINE	***	***	1181.44	GATE VALVE	OH	MONROE	SENECA
BARNESVILLE WATERLINE	***	***	1179.3	GATE VALVE	OH	MONROE	SENECA
BARNESVILLE WATERLINE	***	***	1180.46	GATE VALVE	OH	MONROE	SENECA
BARNESVILLE WATERLINE	***	***	1184.89	AIR RELIEF	OH	MONROE	SENECA
BARNESVILLE WATERLINE	***	***	1060.15	AIR RELIEF	OH	MONROE	MALAGA
BARNESVILLE WATERLINE	***	***	1042.22	AIR RELIEF	OH	MONROE	MALAGA
BARNESVILLE WATERLINE	***	***	975.358	AIR RELIEF	OH	MONROE	MALAGA
BARNESVILLE WATERLINE	***	***	1173.73	AIR RELIEF	OH	MONROE	MALAGA
BARNESVILLE WATERLINE	***	***	1219.95	AIR RELIEF	OH	MONROE	MALAGA
BARNESVILLE WATERLINE	***	***	1257.56	AIR RELIEF	OH	MONROE	MALAGA
BARNESVILLE WATERLINE	***	***	1259.93	AIR RELIEF	OH	MONROE	MALAGA
BARNESVILLE WATERLINE	***	***	1256.98	GATE VALVE	OH	MONROE	MALAGA
BARNESVILLE WATERLINE	***	***	1258.25	GATE VALVE	OH	MONROE	MALAGA
BARNESVILLE WATERLINE	***	***	1258.39	GATE VALVE	OH	MONROE	MALAGA
BARNESVILLE WATERLINE	***	***	1119.78	AIR RELIEF	OH	MONROE	MALAGA
BARNESVILLE WATERLINE	***	***	1242.59	AIR RELIEF	OH	MONROE	MALAGA
BARNESVILLE WATERLINE	***	***	1019.83	GATE VALVE	OH	MONROE	SENECA
BARNESVILLE WATERLINE	***	***	1020.47	GATE VALVE	OH	MONROE	SENECA

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BARNESVILLE WATERLINE	***	***	1019.53	GATE VALVE	OH	MONROE	SENECA
BARNESVILLE WATERLINE	***	***	1099.89	AIR RELIEF	OH	MONROE	SENECA
BARNESVILLE WATERLINE	***	***	1101.29	AIR RELIEF	OH	MONROE	SENECA
BARNESVILLE WATERLINE	***	***	1137.36	AIR RELIEF	OH	MONROE	SENECA
BARNESVILLE WATERLINE	***	***	1130.1	AIR RELIEF	OH	MONROE	MALAGA
BARNESVILLE WATERLINE	***	***	1068.93	AIR RELIEF	OH	MONROE	MALAGA
BARNESVILLE WATERLINE	***	***	1164.62	AIR RELIEF	OH	MONROE	MALAGA
BATESVILLE LATERAL WATERLINE	***	***	1161.18	AIR RELIEF	OH	NOBLE	BEAVER
BATESVILLE LATERAL WATERLINE	***	***	1122.31	AIR RELIEF	OH	NOBLE	WAYNE
BEE LEWIS RISER TO BEE LEWIS FWI	***	***	905.24	GATE VALVE	WV	DODDRIDGE	WEST UNION
BEE LEWIS RISER TO BEE LEWIS FWI	***	***	904.94	GATE VALVE	WV	DODDRIDGE	WEST UNION
BEE LEWIS RISER TO BEE LEWIS FWI	***	***	905.22	GATE VALVE	WV	DODDRIDGE	WEST UNION
BONNELL TO COASTAL	***	***	1065.91	GATE VALVE	WV	DODDRIDGE	NEW MILTON
BONNELL TO COASTAL	***	***	1065.63	GATE VALVE	WV	DODDRIDGE	NEW MILTON
BONNELL TO COASTAL	***	***	1066.01	GATE VALVE	WV	DODDRIDGE	NEW MILTON
BONNELL TO COASTAL	***	***	1066.68	GATE VALVE	WV	DODDRIDGE	NEW MILTON
BONNELL TO COASTAL	***	***	1069.18	GATE VALVE	WV	DODDRIDGE	NEW MILTON
BONNELL TO SWISHER	***	***	991.48	AIR RELIEF	WV	DODDRIDGE	NEW MILTON

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BONNELL TO SWISHER	***	***	1114.1	AIR RELIEF	WV	DODDRIDGE	NEW MILTON
BONNELL TO SWISHER	***	***	1065.79	BALL VALVE	WV	DODDRIDGE	NEW MILTON
BONNELL TO SWISHER	***	***	1166.22	AIR RELIEF	WV	DODDRIDGE	NEW MILTON
BONNELL TO SWISHER	***	***	1187.34	AIR RELIEF	WV	DODDRIDGE	NEW MILTON
BONNELL TO SWISHER	***	***	876.82	GATE VALVE	WV	DODDRIDGE	NEW MILTON
BONNELL TO SWISHER	***	***	876.91	GATE VALVE	WV	DODDRIDGE	NEW MILTON
BOWYER TO CAYNOR	***	***	1353.45	AIR RELIEF	WV	HARRISON	UNION
BOWYER TO CAYNOR	***	***	1282.04	AIR RELIEF	WV	HARRISON	UNION
BOWYER TO CAYNOR	***	***	1286.86	GATE VALVE	WV	HARRISON	UNION
BOWYER/CAYNOR TEE TO BENNETT TA*	***	***	1329.24	AIR RELIEF	WV	HARRISON	UNION
BOWYER/CAYNOR TEE TO BENNETT TA*	***	***	1237.27	GATE VALVE	WV	HARRISON	UNION
CANTON LOOP AROUND	***	***	1333.1	GATE VALVE	WV	DODDRIDGE	WEST UNION
CANTON LOOP AROUND	***	***	1332.87	GATE VALVE	WV	DODDRIDGE	WEST UNION
CANTON LOOP AROUND	***	***	1279.72	GATE VALVE	WV	DODDRIDGE	GRANT
CANTON LOOP AROUND	***	***	1279.7	GATE VALVE	WV	DODDRIDGE	GRANT
CANTON LOOP AROUND	***	***	1279.88	GATE VALVE	WV	DODDRIDGE	GRANT
CANTON LOOP AROUND	***	***	1165.79	GATE VALVE	WV	DODDRIDGE	GRANT
CANTON LOOP AROUND	***	***	1338.86	AIR RELIEF	WV	DODDRIDGE	WEST UNION
CANTON LOOP AROUND	***	***	1333.19	GATE VALVE	WV	DODDRIDGE	WEST UNION
CANTON LOOP AROUND	***	***	810.841	AIR RELIEF	WV	DODDRIDGE	WEST UNION
CANTON LOOP AROUND	***	***	1218.68	GATE VALVE	WV	DODDRIDGE	GRANT

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CANTON LOOP AROUND	***	***	1221.27	GATE VALVE	WV	DODDRIDGE	GRANT
CANTON LOOP AROUND	***	***	1219.64	GATE VALVE	WV	DODDRIDGE	GRANT
CANTON LOOP AROUND	***	***	1216.27	GATE VALVE	WV	DODDRIDGE	GRANT
CANTON LOOP AROUND	***	***	1219.29	GATE VALVE	WV	DODDRIDGE	GRANT
CANTON LOOP AROUND	***	***	1206.7	AIR RELIEF	WV	DODDRIDGE	GRANT
CANTON LOOP AROUND	***	***	1165.45	AIR RELIEF	WV	DODDRIDGE	GRANT
CANTON LOOP AROUND	***	***	1370.37	AIR RELIEF	WV	DODDRIDGE	NEW MILTON
CANTON LOOP AROUND	***	***	1320.6	AIR RELIEF	WV	DODDRIDGE	NEW MILTON
CANTON LOOP AROUND	***	***	1221.84	GATE VALVE	WV	DODDRIDGE	GRANT
CANTON NORTH-SOUTH	***	***	908.417	AIR RELIEF	WV	DODDRIDGE	GRANT
CANTON NORTH-SOUTH	***	***	1258.43	GATE VALVE	WV	DODDRIDGE	GRANT
CANTON NORTH-SOUTH	***	***	1258.6	GATE VALVE	WV	DODDRIDGE	GRANT
CANTON NORTH-SOUTH	***	***	1088.26	GATE VALVE	WV	DODDRIDGE	GRANT
CANTON NORTH-SOUTH	***	***	1086.35	GATE VALVE	WV	DODDRIDGE	GRANT
CANTON NORTH-SOUTH	***	***	1256.25	GATE VALVE	WV	DODDRIDGE	GRANT
CANTON NORTH-SOUTH	***	***	919.755	AIR RELIEF	WV	DODDRIDGE	GRANT
CANTON NORTH-SOUTH	***	***	1163.25	GATE VALVE	WV	DODDRIDGE	GRANT
CANTON NORTH-SOUTH	***	***	1317.17	GATE VALVE	WV	DODDRIDGE	GRANT
CANTON NORTH-SOUTH	***	***	1317.86	GATE VALVE	WV	DODDRIDGE	GRANT
CANTON NORTH-SOUTH	***	***	1165.15	GATE VALVE	WV	DODDRIDGE	GRANT
CANTON NORTH-SOUTH	***	***	1164.76	GATE VALVE	WV	DODDRIDGE	GRANT
CANTON NORTH-SOUTH	***	***	1064.99	GATE VALVE	WV	DODDRIDGE	GRANT
CANTON NORTH-SOUTH	***	***	1067.08	GATE VALVE	WV	DODDRIDGE	GRANT
CANTON NORTH-SOUTH	***	***	1066.97	GATE VALVE	WV	DODDRIDGE	GRANT
CANTON NORTH-SOUTH	***	***	1084.74	GATE VALVE	WV	DODDRIDGE	GRANT
CANTON NORTH-SOUTH	***	***	1314.82	GATE VALVE	WV	DODDRIDGE	GRANT

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CANTON NORTH-SOUTH	***	***	1324.1	AIR RELIEF	WV	DODDRIDGE	GRANT
CANTON NORTH-SOUTH	***	***	1142.75	GATE VALVE	WV	DODDRIDGE	GRANT
CANTON NORTH-SOUTH	***	***	1138.38	GATE VALVE	WV	DODDRIDGE	GRANT
CANTON NORTH-SOUTH	***	***	1316.11	AIR RELIEF	WV	DODDRIDGE	GRANT
CANTON NORTH-SOUTH	***	***	1227.41	AIR RELIEF	WV	DODDRIDGE	GRANT
CANTON NORTH-SOUTH	***	***	1210.24	AIR RELIEF	WV	DODDRIDGE	GRANT
CANTON NORTH-SOUTH	***	***	1371.01	AIR RELIEF	WV	DODDRIDGE	GRANT
CANTON NORTH-SOUTH	***	***	1134.38	GATE VALVE	WV	DODDRIDGE	GRANT
CANTON NORTH-SOUTH	***	***	1132.28	AIR RELIEF	WV	DODDRIDGE	GRANT
CANTON NORTH-SOUTH	***	***	1279.65	AIR RELIEF	WV	DODDRIDGE	GRANT
CANTON NORTH-SOUTH	***	***	1265.03	AIR RELIEF	WV	DODDRIDGE	GRANT
CANTON NORTH-SOUTH	***	***	1312.7	AIR RELIEF	WV	DODDRIDGE	GRANT
CANTON NORTH-SOUTH	***	***	780.537	GATE VALVE	WV	DODDRIDGE	GRANT
CANTON NORTH-SOUTH	***	***	782.778	AIR RELIEF	WV	DODDRIDGE	GRANT
CANTON NORTH-SOUTH	***	***	733.415	GATE VALVE	WV	TYLER	MCELROY
CANTON NORTH-SOUTH	***	***	736.109	GATE VALVE	WV	TYLER	MCELROY
CANTON NORTH-SOUTH	***	***	735.848	GATE VALVE	WV	TYLER	MCELROY
Carpenter Lateral	***	***	1178.97	AIR RELIEF	OH	MONROE	SENECA
Carpenter Lateral	***	***	1178.97	AIR RELIEF	OH	MONROE	SENECA
Carpenter Lateral	***	***	1206.61	AIR RELIEF	OH	MONROE	SENECA
CYNTHIA TO SMIERCIAK	***	***	299.572	GATE VALVE	OH	NOBLE	SENECA
CYNTHIA TO SMIERCIAK	***	***	308.708	GATE VALVE	OH	NOBLE	SENECA
CYNTHIA TO SMIERCIAK	***	***	308.684	GATE VALVE	OH	NOBLE	SENECA
DAVIS WD TO ANNIE PAD	***	***	277.057	GATE VALVE	WV	RITCHIE	CLAY
DAVIS WD TO ANNIE PAD	***	***	277.176	GATE VALVE	WV	RITCHIE	CLAY
DAVIS WD TO ANNIE PAD	***	***	281.065	AIR RELIEF	WV	RITCHIE	CLAY

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DAVIS/ANNIE TO ANNIE HZ FWI	***	***	280.145	AIR RELIEF	WV	RITCHIE	CLAY
DAVIS/ANNIE TO ANNIE HZ FWI	***	***	277.25	GATE VALVE	WV	RITCHIE	CLAY
EAST LAW TO CYNTHIA	***	***	298.221	GATE VALVE	OH	NOBLE	SENECA
EAST LAW TO CYNTHIA	***	***	322.598	AIR RELIEF	OH	NOBLE	SENECA
EAST LAW TO MYRON	***	***	298.299	GATE VALVE	OH	NOBLE	SENECA
EAST LAW TO MYRON	***	***	298.01	GATE VALVE	OH	NOBLE	SENECA
EAST LAW TO MYRON	***	***	297.786	AIR RELIEF	OH	NOBLE	SENECA
EDWIN RISER TO EDWIN TANK PAD	***	***	328.574	GATE VALVE	WV	RITCHIE	CLAY
EDWIN RISER TO EDWIN TANK PAD	***	***	325.045	GATE VALVE	WV	RITCHIE	CLAY
ERVIN WATERLINE	***	***	1043.55	GATE VALVE	OH	MONROE	SENECA
ERVIN WATERLINE	***	***	1045.65	GATE VALVE	OH	MONROE	SENECA
ERVIN WATERLINE	***	***	1046.61	GATE VALVE	OH	MONROE	SENECA
ERVIN WATERLINE	***	***	1027.67	BALL VALVE	OH	MONROE	SENECA
ERVIN WATERLINE	***	***	1026.43	BALL VALVE	OH	MONROE	SENECA
ERVIN WATERLINE	***	***	1089.19	BUTTERFLY VALVE	OH	MONROE	SENECA
ERVIN WATERLINE	***	***	1030.13	BALL VALVE	OH	MONROE	SENECA
ERVIN WATERLINE	***	***	1175.79	AIR RELIEF	OH	NOBLE	BEAVER
ERVIN WATERLINE	***	***	888.9	GATE VALVE	OH	NOBLE	BEAVER
ERVIN WATERLINE	***	***	893.04	GATE VALVE	OH	NOBLE	BEAVER
ERVIN WATERLINE	***	***	890.25	GATE VALVE	OH	NOBLE	BEAVER
ERVIN WATERLINE	***	***	951.92	GATE VALVE	OH	NOBLE	BEAVER
ERVIN WATERLINE	***	***	952.64	GATE VALVE	OH	NOBLE	BEAVER
ERVIN WATERLINE	***	***	953.59	GATE VALVE	OH	NOBLE	BEAVER
ERVIN WATERLINE	***	***	954.46	GATE VALVE	OH	NOBLE	BEAVER

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ERVIN WATERLINE	***	***	1133.92	AIR RELIEF	OH	NOBLE	BEAVER
ERVIN WATERLINE	***	***	1123.14	AIR RELIEF	OH	NOBLE	BEAVER
ERVIN WATERLINE	***	***	1116.28	AIR RELIEF	OH	NOBLE	BEAVER
ERVIN WATERLINE	***	***	1169.1	BUTTERFLY VALVE	OH	NOBLE	BEAVER
ERVIN WATERLINE	***	***	1154.61	AIR RELIEF	OH	NOBLE	BEAVER
ERVIN WATERLINE	***	***	1155.22	AIR RELIEF	OH	NOBLE	BEAVER
ERVIN WATERLINE	***	***	1147.08	AIR RELIEF	OH	NOBLE	BEAVER
FOREMAN FWI TO HUGHES PAD	***	***	372.389	GATE VALVE	WV	DODDRIDGE	GREENBRIER
FOREMAN RISER TO FOREMAN FWI	***	***	377.417	GATE VALVE	WV	DODDRIDGE	GREENBRIER
GRIMM TO JOHN CAMPBELL	***	***	1057.49	AIR RELIEF	WV	RITCHIE	UNION
GRIMM TO JOHN CAMPBELL	***	***	948.15	GATE VALVE	WV	RITCHIE	UNION
GRIMM TO JOHN CAMPBELL	***	***	948.6	GATE VALVE	WV	RITCHIE	UNION
GRIMM TO JOHN CAMPBELL	***	***	948.53	GATE VALVE	WV	RITCHIE	UNION
GRIMM TO JOHN CAMPBELL	***	***	992.37	AIR RELIEF	WV	RITCHIE	UNION
GRIMM TO JOHN CAMPBELL	***	***	1034.09	GATE VALVE	WV	RITCHIE	UNION
HARSHBARGER N&S FWI TO NESS	***	***	1014.73	GATE VALVE	WV	RITCHIE	UNION
HARSHBARGER N&S FWI TO NESS	***	***	1035.68	GATE VALVE	WV	RITCHIE	UNION
HARSHBARGER N&S FWI TO NESS	***	***	1035.83	BALL VALVE	WV	RITCHIE	UNION

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HARSHBARGER N&S FWI TO NESS	***	***	1035.45	GATE VALVE	WV	RITCHIE	UNION
HARSHBARGER N&S FWI TO NESS	***	***	1029.57	GATE VALVE	WV	RITCHIE	UNION
HARSHBARGER N&S FWI TO NESS	***	***	1029	GATE VALVE	WV	RITCHIE	UNION
HARSHBARGER N&S FWI TO NESS	***	***	1029.9	GATE VALVE	WV	RITCHIE	UNION
HARTLEY RISER TO TIE IN	***	***	255.318	GATE VALVE	WV	TYLER	MEADE
HARTLEY RISER TO TIE IN	***	***	198.918	GATE VALVE	WV	TYLER	MEADE
HARTLEY RISER TO TIE IN	***	***	198.86	GATE VALVE	WV	TYLER	MEADE
HARTLEY RISER TO TIE IN	***	***	198.941	GATE VALVE	WV	TYLER	MEADE
HARTLEY RISER TO TIE IN	***	***	198.995	GATE VALVE	WV	TYLER	MEADE
HARTLEY RISER TO TIE IN	***	***	198.894	GATE VALVE	WV	TYLER	MEADE
HARTLEY RISER TO TIE IN	***	***	198.991	GATE VALVE	WV	TYLER	MEADE
HILL LATERAL WATERLINE	***	***	925.26	AIR RELIEF	OH	NOBLE	SENECA
HILL LATERAL WATERLINE	***	***	1010.43	AIR RELIEF	OH	NOBLE	SENECA
HINTER HEIRS RISER TO HINTER HE*	***	***	1099.99	GATE VALVE	WV	DODDRIDGE	NEW MILTON
HINTER HEIRS RISER TO HINTER HE*	***	***	1094.88	GATE VALVE	WV	DODDRIDGE	NEW MILTON
HINTER HEIRS RISER TO HINTER HE*	***	***	1100.25	GATE VALVE	WV	DODDRIDGE	NEW MILTON
HINTER HEIRS RISER TO HINTER HE*	***	***	1100.2	GATE VALVE	WV	DODDRIDGE	NEW MILTON
HINTER HEIRS RISER TO HINTER HE*	***	***	1100.28	GATE VALVE	WV	DODDRIDGE	NEW MILTON

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HINTER HEIRS RISER TO HINTER HE*	***	***	1100.27	GATE VALVE	WV	DODDRIDGE	NEW MILTON
HINTER HEIRS RISER TO HINTER HE*	***	***	1099.95	GATE VALVE	WV	DODDRIDGE	NEW MILTON
HINTER HEIRS RISER TO HINTER HE*	***	***	1074.52	GATE VALVE	WV	DODDRIDGE	NEW MILTON
HINTER HEIRS RISER TO HINTER HE*	***	***	1074.85	GATE VALVE	WV	DODDRIDGE	NEW MILTON
HINTER HEIRS RISER TO HINTER HE*	***	***	1102.06	GATE VALVE	WV	DODDRIDGE	NEW MILTON
HINTER HEIRS RISER TO HINTER HE*	***	***	1101.8	GATE VALVE	WV	DODDRIDGE	NEW MILTON
HURST TO BOWYER	***	***	1253.77	GATE VALVE	WV	HARRISON	UNION
HURST TO BOWYER	***	***	1253.24	GATE VALVE	WV	HARRISON	UNION
HURST TO BOWYER	***	***	1253.82	GATE VALVE	WV	HARRISON	UNION
HURST TO BOWYER	***	***	1252.96	GATE VALVE	WV	HARRISON	UNION
HURST TO BOWYER	***	***	1253.55	GATE VALVE	WV	HARRISON	UNION
HURST TO BOWYER	***	***	1253.89	GATE VALVE	WV	HARRISON	UNION
HURST TO BOWYER	***	***	1045.44	AIR RELIEF	WV	HARRISON	UNION
HURST TO BOWYER	***	***	1408.61	GATE VALVE	WV	HARRISON	UNION
HURST TO BOWYER	***	***	1045.28	GATE VALVE	WV	HARRISON	UNION
HURST TO BOWYER	***	***	1051.55	AIR RELIEF	WV	HARRISON	UNION
HURST TO BOWYER	***	***	1286.88	GATE VALVE	WV	HARRISON	UNION
HURST TO BOWYER	***	***	1286.41	GATE VALVE	WV	HARRISON	UNION
HURST/BOWYER TO QUINN FWI	***	***	1332.66	GATE VALVE	WV	HARRISON	UNION
HURST/BOWYER TO QUINN FWI	***	***	1331.74	GATE VALVE	WV	HARRISON	UNION

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HURST/BOWYER TO QUINN FWI	***	***	1391.83	GATE VALVE	WV	HARRISON	UNION
J DAVIS RISER TO VOUGT	***	***	987.54	GATE VALVE	WV	DODDRIDGE	CENTRAL
J DAVIS RISER TO VOUGT	***	***	1014.36	AIR RELIEF	WV	DODDRIDGE	CENTRAL
J DAVIS RISER TO VOUGT	***	***	872.39	AIR RELIEF	WV	DODDRIDGE	CENTRAL
J DAVIS RISER TO VOUGT	***	***	914.33	AIR RELIEF	WV	DODDRIDGE	CENTRAL
J DAVIS RISER TO VOUGT	***	***	1103.1	AIR RELIEF	WV	DODDRIDGE	CENTRAL
J DAVIS RISER TO VOUGT	***	***	1159.1	AIR RELIEF	WV	DODDRIDGE	CENTRAL
J DAVIS RISER TO VOUGT	***	***	1099.59	BALL VALVE	WV	DODDRIDGE	CENTRAL
J DAVIS RISER TO VOUGT	***	***	1184.68	AIR RELIEF	WV	DODDRIDGE	CENTRAL
J DAVIS RISER TO VOUGT	***	***	1008.71	GATE VALVE	WV	DODDRIDGE	CENTRAL
J DAVIS RISER TO VOUGT	***	***	1105.64	GATE VALVE	WV	DODDRIDGE	CENTRAL
J DAVIS RISER TO VOUGT	***	***	1105.9	GATE VALVE	WV	DODDRIDGE	CENTRAL
LANGFORD	***	***	961.999	GATE VALVE	WV	RITCHIE	UNION
LANGFORD	***	***	1052.94	GATE VALVE	WV	RITCHIE	UNION
LANGFORD	***	***	1155.85	AIR RELIEF	WV	RITCHIE	UNION
LANGFORD	***	***	1052.94	GATE VALVE	WV	RITCHIE	UNION
LANGFORD	***	***	1052.94	GATE VALVE	WV	RITCHIE	UNION
LANGFORD	***	***	1112.55	GATE VALVE	WV	RITCHIE	UNION
LANGFORD	***	***	1119.27	GATE VALVE	WV	RITCHIE	UNION
LANGFORD	***	***	1082.88	AIR RELIEF	WV	RITCHIE	UNION
LANGFORD	***	***	1178.9	GATE VALVE	WV	RITCHIE	UNION
LANGFORD	***	***	1176.8	GATE VALVE	WV	RITCHIE	UNION
LANGFORD	***	***	1177.87	GATE VALVE	WV	RITCHIE	UNION
LANGFORD	***	***	962.177	GATE VALVE	WV	RITCHIE	UNION
LANGFORD	***	***	959.304	GATE VALVE	WV	RITCHIE	UNION
LANGFORD	***	***	1123.95	GATE VALVE	WV	RITCHIE	UNION

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LANGFORD	***	***	1128.05	GATE VALVE	WV	RITCHIE	UNION
LANGFORD	***	***	1127.75	GATE VALVE	WV	RITCHIE	UNION
LANGFORD	***	***	1130.06	GATE VALVE	WV	RITCHIE	UNION
LANGFORD	***	***	1130.1	GATE VALVE	WV	RITCHIE	UNION
LANGFORD	***	***	1130.79	GATE VALVE	WV	RITCHIE	UNION
LANGFORD	***	***	1114.52	GATE VALVE	WV	RITCHIE	UNION
LANGFORD	***	***	1114.53	GATE VALVE	WV	RITCHIE	UNION
LANGFORD	***	***	1112.02	BALL VALVE	WV	RITCHIE	UNION
LANGFORD	***	***	1121.47	GATE VALVE	WV	RITCHIE	UNION
MARKWEST TO NIMORWICZ	***	***	1197.94	GATE VALVE	WV	DODDRIDGE	GREENBRIER
MARKWEST TO NIMORWICZ	***	***	1315.3	AIR RELIEF	WV	DODDRIDGE	GREENBRIER
MARKWEST TO NIMORWICZ	***	***	1197.71	GATE VALVE	WV	DODDRIDGE	GREENBRIER
MARKWEST TO NIMORWICZ	***	***	1299.9	GATE VALVE	WV	HARRISON	TENMILE
MARKWEST TO NIMORWICZ	***	***	1299.58	GATE VALVE	WV	HARRISON	TENMILE
MARKWEST TO NIMORWICZ	***	***	1392.42	AIR RELIEF	WV	HARRISON	TENMILE
MARKWEST TO NIMORWICZ	***	***	1296.97	GATE VALVE	WV	HARRISON	TENMILE
MARSDEN FWI TO MARSDEN WELL PAD	***	***	980.57	GATE VALVE	WV	DODDRIDGE	GREENBRIER
MARSDEN FWI TO MARSDEN WELL PAD	***	***	952.45	GATE VALVE	WV	DODDRIDGE	GREENBRIER
MARSDEN FWI TO MARSDEN WELL PAD	***	***	954.51	GATE VALVE	WV	DODDRIDGE	GREENBRIER

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MARSDEN RISER TO MARSDEN FWI	***	***	918.96	GATE VALVE	WV	DODDRIDGE	GREENBRIER
MARSDEN RISER TO MARSDEN FWI	***	***	1273.78	GATE VALVE	WV	DODDRIDGE	GREENBRIER
MARSDEN RISER TO MARSDEN FWI	***	***	1273.36	GATE VALVE	WV	DODDRIDGE	GREENBRIER
MARSDEN RISER TO MARSDEN FWI	***	***	1273.75	GATE VALVE	WV	DODDRIDGE	GREENBRIER
MARSDEN RISER TO MARSDEN FWI	***	***	951.01	GATE VALVE	WV	DODDRIDGE	GREENBRIER
MARSDEN RISER TO MARSDEN FWI	***	***	951.16	GATE VALVE	WV	DODDRIDGE	GREENBRIER
MARSEDN FWI TO PLAUGHER NORTH	***	***	1228.29	AIR RELIEF	WV	DODDRIDGE	GREENBRIER
MARSEDN FWI TO PLAUGHER NORTH	***	***	1310.42	AIR RELIEF	WV	DODDRIDGE	GREENBRIER
MARSEDN FWI TO PLAUGHER NORTH	***	***	1284.65	AIR RELIEF	WV	DODDRIDGE	GREENBRIER
MARSEDN FWI TO PLAUGHER NORTH	***	***	952.74	GATE VALVE	WV	DODDRIDGE	GREENBRIER
MARSEDN FWI TO PLAUGHER NORTH	***	***	953.17	GATE VALVE	WV	DODDRIDGE	GREENBRIER
MARSEDN FWI TO PLAUGHER NORTH	***	***	952.78	BUTTERFLY VALVE	WV	DODDRIDGE	GREENBRIER
MARSEDN FWI TO PLAUGHER NORTH	***	***	952.94	BALL VALVE	WV	DODDRIDGE	GREENBRIER
MARSEDN FWI TO PLAUGHER NORTH	***	***	952.68	GATE VALVE	WV	DODDRIDGE	GREENBRIER
MARSEDN FWI TO PLAUGHER NORTH	***	***	1343.81	GATE VALVE	WV	DODDRIDGE	GREENBRIER

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McGILL RISER TO McGILL PIT	***	***	1058.62	BUTTERFLY VALVE	WV	DODDRIDGE	CENTRAL
MIC @ WEESE TO PIERPOINT FWI	***	***	919.23	AIR RELIEF	WV	TYLER	CENTERVILLE
MIC @ WEESE TO PIERPOINT FWI	***	***	593.62	GATE VALVE	WV	TYLER	ELLSWORTH
MIC @ WEESE TO PIERPOINT FWI	***	***	1091.32	GATE VALVE	WV	TYLER	ELLSWORTH
MIC @ WEESE TO PIERPOINT FWI	***	***	1143.71	AIR RELIEF	WV	TYLER	ELLSWORTH
MIC @ WEESE TO PIERPOINT FWI	***	***	1101.81	AIR RELIEF	WV	TYLER	CENTERVILLE
MIDPOINT TO RICHARD GARRY	***	***	1202.95	GATE VALVE	WV	DODDRIDGE	NEW MILTON
MIDPOINT TO RICHARD GARRY	***	***	1199.68	GATE VALVE	WV	DODDRIDGE	NEW MILTON
MIDPOINT TO RICHARD GARRY	***	***	1204.08	GATE VALVE	WV	DODDRIDGE	NEW MILTON
MIDPOINT TO RICHARD GARRY	***	***	1203.97	GATE VALVE	WV	DODDRIDGE	NEW MILTON
MIDPOINT TO RICHARD GARRY	***	***	1398.01	GATE VALVE	WV	DODDRIDGE	NEW MILTON
MIDPOINT TO RICHARD GARRY	***	***	1395.72	GATE VALVE	WV	DODDRIDGE	NEW MILTON
MIDPOINT TO RICHARD GARRY	***	***	1169.17	GATE VALVE	WV	DODDRIDGE	NEW MILTON
MIDPOINT TO RICHARD GARRY	***	***	1169.78	GATE VALVE	WV	DODDRIDGE	NEW MILTON
MIDPOINT TO RICHARD GARRY	***	***	1223.51	AIR RELIEF	WV	DODDRIDGE	NEW MILTON

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MIDPOINT TO RICHARD GARRY	***	***	1473.8	AIR RELIEF	WV	DODDRIDGE	NEW MILTON
MIDPOINT TO RICHARD GARRY	***	***	1204.5	GATE VALVE	WV	DODDRIDGE	NEW MILTON
MIDPOINT TO RICHARD GARRY	***	***	1221.41	AIR RELIEF	WV	DODDRIDGE	NEW MILTON
MIDPOINT TO RICHARD GARRY	***	***	1225.75	AIR RELIEF	WV	DODDRIDGE	NEW MILTON
MIDPOINT TO RICHARD GARRY	***	***	1169.37	GATE VALVE	WV	DODDRIDGE	NEW MILTON
MIDPOINT TO RICHARD GARRY	***	***	1397.37	GATE VALVE	WV	DODDRIDGE	NEW MILTON
MIDPOINT TO RICHARD GARRY	***	***	1206.66	GATE VALVE	WV	DODDRIDGE	NEW MILTON
MIDPOINT TO RICHARD GARRY	***	***	1180.82	GATE VALVE	WV	DODDRIDGE	NEW MILTON
MILEY INTERCHANGE TO WAYNE INTERCHANGE WATERLINE	***	***	1065.1	BUTTERFLY VALVE	OH	NOBLE	SENECA
MILEY INTERCHANGE TO WAYNE INTERCHANGE WATERLINE	***	***	1150.53	AIR RELIEF	OH	NOBLE	SENECA
MILEY INTERCHANGE TO WAYNE INTERCHANGE WATERLINE	***	***	1103.63	VALVE	OH	NOBLE	SENECA
MONROE	***	***	345.541	GATE VALVE	OH	MONROE	SENECA
MONROE	***	***	345.456	GATE VALVE	OH	MONROE	SENECA
MONROE	***	***	345.26	BALL VALVE	OH	MONROE	SENECA
MONROE	***	***	348.587	GATE VALVE	OH	MONROE	SENECA
MOORE TO NASH	***	***	1274.95	GATE VALVE	WV	DODDRIDGE	WEST UNION

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MOUNTAIN	***	***	1161.43	AIR RELIEF	WV	DODDRIDGE	
MOUNTAIN	***	***	1172.28	AIR RELIEF	WV	DODDRIDGE	
MOUNTAIN	***	***	1155.83	GATE VALVE	WV	RITCHIE	
MOUNTAIN	***	***	1132.45	AIR RELIEF	WV	RITCHIE	
MOUNTAIN	***	***	1225.82	AIR RELIEF	WV	RITCHIE	
MOUNTAIN	***	***	1155.28	GATE VALVE	WV	RITCHIE	
MOUNTAIN	***	***	1153.25	GATE VALVE	WV	RITCHIE	
MOUNTAIN	***	***	1235	AIR RELIEF	WV	RITCHIE	
MOUNTAIN	***	***	1223.29	AIR RELIEF	WV	RITCHIE	
MOUNTAIN	***	***	1293.85	AIR RELIEF	WV	RITCHIE	
MOUNTAIN	***	***	1230.58	AIR RELIEF	WV	RITCHIE	
MOUNTAIN	***	***	1200.6	AIR RELIEF	WV	RITCHIE	
MOUNTAIN	***	***	1417.27	AIR RELIEF	WV	RITCHIE	
MOUNTAIN	***	***	1253.62	AIR RELIEF	WV	RITCHIE	
MOUNTAIN WEST	***	***	1134.45	AIR RELIEF	WV	DODDRIDGE	WEST UNION
MOUNTAIN LAKE TO SPERRY 2	***	***	1062.85	GATE VALVE	WV	HARRISON	UNION
MOUNTAIN LAKE TO SPERRY 2	***	***	1002.49	BUTTERFLY VALVE	WV	HARRISON	UNION
MOUNTAIN LAKE TO SPERRY 2	***	***	1008.39	GATE VALVE	WV	HARRISON	UNION
MYRON LATERAL WATERLINE	***	***	1124.46	VALVE	OH	NOBLE	SENECA
MYRON LATERAL WATERLINE	***	***	1192.83	AIR RELIEF	OH	NOBLE	SENECA
MYRON LATERAL WATERLINE	***	***	1235.77	AIR RELIEF	OH	NOBLE	SENECA
MYRON LATERAL WATERLINE	***	***	1166.07	AIR RELIEF	OH	NOBLE	SENECA

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MYRON LATERAL WATERLINE	***	***	1122.48	VALVE BODY	OH	NOBLE	SENECA
NIMORWICZ FWI TO HUBERT PIT	***	***	1346.61	GATE VALVE	WV	HARRISON	TENMILE
NIMORWICZ FWI TO HUBERT PIT	***	***	1460.18	GATE VALVE	WV	HARRISON	TENMILE
NIMORWICZ FWI TO HUBERT PIT	***	***	1461.93	GATE VALVE	WV	HARRISON	TENMILE
NIMORWICZ FWI TO HUBERT PIT	***	***	1345.39	GATE VALVE	WV	HARRISON	TENMILE
OHIO RIVER TO ANNIE	***	***	1070	AIR RELIEF	WV	PLEASANTS	LAFAYETTE
OHIO RIVER TO ANNIE	***	***	929	AIR RELIEF	WV	PLEASANTS	UNION
OHIO RIVER TO ANNIE	***	***	1063	AIR RELIEF	WV	PLEASANTS	UNION
OHIO RIVER TO ANNIE	***	***	1091	AIR RELIEF	WV	PLEASANTS	UNION
OHIO RIVER TO ANNIE	***	***	1103	AIR RELIEF	WV	PLEASANTS	UNION
OHIO RIVER TO ANNIE	***	***	1096	AIR RELIEF	WV	PLEASANTS	UNION
OHIO RIVER TO ANNIE	***	***	1095	AIR RELIEF	WV	PLEASANTS	UNION
OHIO RIVER TO ANNIE	***	***	1022	AIR RELIEF	WV	PLEASANTS	UNION
OHIO RIVER TO ANNIE	***	***	1008	AIR RELIEF	WV	PLEASANTS	UNION
OHIO RIVER TO ANNIE	***	***	1005	AIR RELIEF	WV	PLEASANTS	UNION
OHIO RIVER TO ANNIE	***	***	1086	AIR RELIEF	WV	PLEASANTS	UNION
OHIO RIVER TO ANNIE	***	***	694	AIR RELIEF	WV	PLEASANTS	UNION
OHIO RIVER TO ANNIE	***	***	857	AIR RELIEF	WV	PLEASANTS	UNION
OHIO RIVER TO ANNIE	***	***	629	BALL VALVE	WV	PLEASANTS	UNION
OHIO RIVER TO ANNIE	***	***	630	BALL VALVE	WV	PLEASANTS	UNION
OHIO RIVER TO ANNIE	***	***	1019	AIR RELIEF	WV	PLEASANTS	UNION
OHIO RIVER TO ANNIE	***	***	924	AIR RELIEF	WV	PLEASANTS	UNION
OHIO RIVER TO ANNIE	***	***	1055	AIR RELIEF	WV	PLEASANTS	UNION

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OHIO RIVER TO ANNIE	***	***	1002	AIR RELIEF	WV	PLEASANTS	UNION
OHIO RIVER TO ANNIE	***	***	1039	AIR RELIEF	WV	PLEASANTS	UNION
OHIO RIVER TO ANNIE	***	***	1046	AIR RELIEF	WV	PLEASANTS	UNION
OHIO RIVER TO ANNIE	***	***	1050	AIR RELIEF	WV	PLEASANTS	UNION
OHIO RIVER TO ANNIE	***	***	1045	AIR RELIEF	WV	PLEASANTS	UNION
OHIO RIVER TO ANNIE	***	***	774	AIR RELIEF	WV	PLEASANTS	UNION
OHIO RIVER TO ANNIE	***	***	854	AIR RELIEF	WV	PLEASANTS	UNION
OHIO RIVER TO ANNIE	***	***	796	AIR RELIEF	WV	PLEASANTS	UNION
OHIO RIVER TO ANNIE	***	***	1138	AIR RELIEF	WV	PLEASANTS	LAFAYETTE
OHIO RIVER TO ANNIE	***	***	1113	AIR RELIEF	WV	PLEASANTS	LAFAYETTE
OHIO RIVER TO ANNIE	***	***	1089	AIR RELIEF	WV	PLEASANTS	LAFAYETTE
OHIO RIVER TO ANNIE	***	***	1074	AIR RELIEF	WV	PLEASANTS	LAFAYETTE
OHIO RIVER TO ANNIE	***	***	1041	AIR RELIEF	WV	PLEASANTS	LAFAYETTE
OHIO RIVER TO ANNIE	***	***	1026	AIR RELIEF	WV	PLEASANTS	LAFAYETTE
OHIO RIVER TO ANNIE	***	***	981	AIR RELIEF	WV	PLEASANTS	LAFAYETTE
OHIO RIVER TO ANNIE	***	***	1000	AIR RELIEF	WV	PLEASANTS	LAFAYETTE
OHIO RIVER TO ANNIE	***	***	960	AIR RELIEF	WV	PLEASANTS	LAFAYETTE
OHIO RIVER TO ANNIE	***	***	966	AIR RELIEF	WV	PLEASANTS	LAFAYETTE
OHIO RIVER TO ANNIE	***	***	953	AIR RELIEF	WV	RITCHIE	CLAY
OHIO RIVER TO ANNIE	***	***	1235	AIR RELIEF	WV	RITCHIE	CLAY
OHIO RIVER TO ANNIE	***	***	1196	AIR RELIEF	WV	RITCHIE	CLAY
OHIO RIVER TO ANNIE	***	***	1078	AIR RELIEF	WV	RITCHIE	CLAY
OHIO RIVER TO ANNIE	***	***	961	AIR RELIEF	WV	RITCHIE	CLAY
OHIO RIVER TO ANNIE	***	***	1253	AIR RELIEF	WV	RITCHIE	CLAY
OHIO RIVER TO ANNIE	***	***	1116	AIR RELIEF	WV	RITCHIE	CLAY
OHIO RIVER TO ANNIE	***	***	1126	AIR RELIEF	WV	RITCHIE	CLAY
OHIO RIVER TO ANNIE	***	***	879	AIR RELIEF	WV	RITCHIE	CLAY

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OHIO RIVER TO ANNIE	***	***	1148	AIR RELIEF	WV	RITCHIE	CLAY
OHIO RIVER TO ANNIE	***	***	612	AIR RELIEF	WV	TYLER	UNION
OHIO RIVER TO ANNIE	***	***	1013	AIR RELIEF	WV	TYLER	MEADE
OHIO RIVER TO ANNIE	***	***	1019	AIR RELIEF	WV	TYLER	MEADE
OHIO RIVER TO ANNIE	***	***	1011	AIR RELIEF	WV	TYLER	MEADE
OHIO RIVER TO ANNIE	***	***	1112	AIR RELIEF	WV	TYLER	MEADE
OHIO RIVER TO ANNIE	***	***	1188	AIR RELIEF	WV	TYLER	MEADE
OHIO RIVER TO ANNIE	***	***	997	AIR RELIEF	WV	TYLER	MEADE
OHIO RIVER TO ANNIE	***	***	1107	AIR RELIEF	WV	TYLER	MEADE
OHIO RIVER TO ANNIE	***	***	882	AIR RELIEF	WV	TYLER	MEADE
OHIO RIVER TO ANNIE	***	***	889	AIR RELIEF	WV	TYLER	MEADE
OHIO RIVER TO ANNIE	***	***	1077	AIR RELIEF	WV	TYLER	MEADE
OHIO RIVER TO ANNIE	***	***	1192	AIR RELIEF	WV	TYLER	MEADE
OHIO RIVER TO ANNIE	***	***	1201	AIR RELIEF	WV	TYLER	MEADE
OHIO RIVER TO ANNIE	***	***	865	AIR RELIEF	WV	TYLER	MEADE
OHIO RIVER TO ANNIE	***	***	876	AIR RELIEF	WV	TYLER	MEADE
PIERPOINT FWI TO PIERPOINT PAD	***	***	1088.29	GATE VALVE	WV	TYLER	ELLSWORTH
PIERPOINT FWI TO PIERPOINT PAD	***	***	1089.75	GATE VALVE	WV	TYLER	ELLSWORTH
PRIMM	***	***	1030.05	GATE VALVE	WV	DODDRIDGE	CENTRAL
PRIMM	***	***	1008.96	GATE VALVE	WV	DODDRIDGE	CENTRAL
PRIMM	***	***	1078.71	AIR RELIEF	WV	DODDRIDGE	CENTRAL
PRIMM	***	***	1129.22	AIR RELIEF	WV	DODDRIDGE	CENTRAL
PRIMM	***	***	1160.91	AIR RELIEF	WV	DODDRIDGE	CENTRAL
PRIMM	***	***	1301.03	GATE VALVE	WV	DODDRIDGE	CENTRAL
PRIMM	***	***	1191.37	AIR RELIEF	WV	DODDRIDGE	CENTRAL
PRIMM	***	***	1147.65	AIR RELIEF	WV	DODDRIDGE	CENTRAL

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PRIMM	***	***	1327.69	AIR RELIEF	WV	DODDRIDGE	CENTRAL
PRIMM	***	***	1133.25	AIR RELIEF	WV	DODDRIDGE	CENTRAL
PRIMM	***	***	1225.95	AIR RELIEF	WV	DODDRIDGE	CENTRAL
PRIMM	***	***	1211.31	AIR RELIEF	WV	DODDRIDGE	CENTRAL
PRIMM	***	***	1117.82	AIR RELIEF	WV	DODDRIDGE	CENTRAL
PRIMM	***	***	1104.32	AIR RELIEF	WV	DODDRIDGE	CENTRAL
PRIMM	***	***	1084.78	AIR RELIEF	WV	DODDRIDGE	CENTRAL
PRIMM	***	***	1299.94	GATE VALVE	WV	DODDRIDGE	CENTRAL
PRIMM	***	***	1302.32	AIR RELIEF	WV	DODDRIDGE	CENTRAL
PRIMM	***	***	1029.4	GATE VALVE	WV	DODDRIDGE	CENTRAL
PRIMM	***	***	1030.11	GATE VALVE	WV	DODDRIDGE	CENTRAL
PRIMM	***	***	1297.51	GATE VALVE	WV	DODDRIDGE	CENTRAL
PRIMM	***	***	1175.35	GATE VALVE	WV	RITCHIE	CLAY
PRIMM	***	***	1121.77	GATE VALVE	WV	RITCHIE	CLAY
PRIMM	***	***	1054.67	AIR RELIEF	WV	RITCHIE	CLAY
PRIMM	***	***	1157.28	AIR RELIEF	WV	RITCHIE	CLAY
PRIMM	***	***	822.65	GATE VALVE	WV	RITCHIE	CLAY
PRIMM	***	***	827.68	AIR RELIEF	WV	RITCHIE	CLAY
PRIMM	***	***	1174.76	GATE VALVE	WV	RITCHIE	CLAY
PRIMM	***	***	1174.19	GATE VALVE	WV	RITCHIE	CLAY
PRIMM	***	***	1205.56	AIR RELIEF	WV	RITCHIE	CLAY
PRIMM RISER TO PRIMM TANK	***	***	262.334	GATE VALVE	WV	DODDRIDGE	CENTRAL
QUINN TO WASHBORNE	***	***	1329.26	GATE VALVE	WV	HARRISON	UNION
QUINN TO WASHBORNE	***	***	1388.87	AIR RELIEF	WV	HARRISON	UNION
QUINN TO WASHBORNE	***	***	1379.54	AIR RELIEF	WV	HARRISON	UNION
QUINN TO WASHBORNE	***	***	1398.21	GATE VALVE	WV	HARRISON	UNION

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QUINN TO WASHBORNE	***	***	1365.13	GATE VALVE	WV	HARRISON	UNION
QUINN TO WASHBORNE	***	***	1384.2	GATE VALVE	WV	HARRISON	UNION
QUINN TO WASHBORNE	***	***	1383.57	GATE VALVE	WV	HARRISON	UNION
QUINN TO WASHBORNE	***	***	1383.75	GATE VALVE	WV	HARRISON	UNION
QUINN TO WASHBORNE	***	***	1383.64	GATE VALVE	WV	HARRISON	UNION
QUINN TO WASHBORNE	***	***	1383.66	GATE VALVE	WV	HARRISON	UNION
QUINN TO WASHBORNE	***	***	1382.89	GATE VALVE	WV	HARRISON	UNION
QUINN/WASHBORNE TO MYERS	***	***	1365.36	GATE VALVE	WV	HARRISON	UNION
QUINN/WASHBORNE TO MYERS	***	***	1363.04	GATE VALVE	WV	HARRISON	UNION
QUINN/WASHBORNE TO RISER	***	***	1399.18	GATE VALVE	WV	HARRISON	UNION
QUINN/WASHBORNE TO RISER	***	***	1431.91	GATE VALVE	WV	HARRISON	UNION
QUINN/WASHBORNE TO RISER	***	***	1431.96	GATE VALVE	WV	HARRISON	UNION
QUINN/WASHBORNE TO RISER	***	***	1432.43	AIR RELIEF	WV	HARRISON	UNION
QUINN/WASHBORNE TO RISER	***	***	1429.76	GATE VALVE	WV	HARRISON	UNION
QUINN/WASHBORNE TO RISER	***	***	1430.06	AIR RELIEF	WV	HARRISON	UNION
REED RISER TO REED TANK	***	***	1179.22	GATE VALVE	WV	DODDRIDGE	GREENBRIER
REED RISER TO REED TANK	***	***	1229.06	AIR RELIEF	WV	DODDRIDGE	GREENBRIER
REED TANK TO REED PAD	***	***	1255.19	GATE VALVE	WV	DODDRIDGE	GREENBRIER

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REUSSER LATERAL WATERLINE	***	***	1283.92	VALVE BODY	OH	MONROE	SENECA
REUSSER LATERAL WATERLINE	***	***	1284.19	VALVE BODY	OH	MONROE	SENECA
REUSSER LATERAL WATERLINE	***	***	1246.07	BALL VALVE	OH	MONROE	SENECA
REUSSER LATERAL WATERLINE	***	***	1035.9	VALVE BODY	OH	MONROE	SENECA
REUSSER LATERAL WATERLINE	***	***	1037.52	VALVE BODY	OH	MONROE	SENECA
RICH TO ROBERT	***	***	305.24	AIR RELIEF	OH	NOBLE	SENECA
RICH TO ROBERT	***	***	235.123	GATE VALVE	OH	NOBLE	SENECA
RICH TO ROBERT	***	***	235.276	GATE VALVE	OH	NOBLE	SENECA
RICH TO ROBERT	***	***	232.09	BUTTERFLY VALVE	OH	NOBLE	SENECA
RICH TO ROBERT	***	***	338.579	BUTTERFLY VALVE	OH	NOBLE	SENECA
RICHARD GARRY RISER TO RICHARD *	***	***	1090.1	GATE VALVE	WV	DODDRIDGE	NEW MILTON
RIDDY ALT OFFLOAD TO ERWIN VALL*	***	***	1140.9	BUTTERFLY VALVE	WV	DODDRIDGE	NEW MILTON
RIDDY ALT OFFLOAD TO ERWIN VALL*	***	***	1140.97	GATE VALVE	WV	DODDRIDGE	NEW MILTON
SALEM CITY WD TO VARNER WEST TAN	***	***	1265.29	AIR RELIEF	WV	HARRISON	TENMILE
SALEM CITY WD TO VARNER WEST TAN	***	***	1286.7	AIR RELIEF	WV	HARRISON	TENMILE
SALEM CITY WD TO VARNER WEST TAN	***	***	1259.09	AIR RELIEF	WV	HARRISON	TENMILE
SALEM CITY WD TO VARNER WEST TAN	***	***	1391.39	GATE VALVE	WV	HARRISON	TENMILE

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SALEM CITY WD TO VARNER WEST TAN	***	***	1399.61	GATE VALVE	WV	HARRISON	TENMILE
SALEM CITY WD TO VARNER WEST TAN	***	***	1451.31	AIR RELIEF	WV	HARRISON	TENMILE
SALEM CITY WD TO VARNER WEST TAN	***	***	1481.72	AIR RELIEF	WV	HARRISON	TENMILE
SALEM CITY WD TO VARNER WEST TAN	***	***	1479.02	AIR RELIEF	WV	HARRISON	TENMILE
SALEM CITY WD TO VARNER WEST TAN	***	***	1400.33	AIR RELIEF	WV	HARRISON	TENMILE
SALEM CITY WD TO VARNER WEST TAN	***	***	1403.72	AIR RELIEF	WV	HARRISON	TENMILE
SALEM CITY WD TO VARNER WEST TAN	***	***	1400.29	AIR RELIEF	WV	HARRISON	TENMILE
SALEM CITY WD TO VARNER WEST TAN	***	***	1409.73	AIR RELIEF	WV	HARRISON	TENMILE
SALEM CITY WD TO VARNER WEST TAN	***	***	1412.43	AIR RELIEF	WV	HARRISON	TENMILE
SALEM CITY WD TO VARNER WEST TAN	***	***	1408.96	AIR RELIEF	WV	HARRISON	TENMILE
SCHULTZ WATERLINE	***	***	1123.31	GATE VALVE	OH	NOBLE	WAYNE
SCHULTZ WATERLINE	***	***	1143.56	GATE VALVE	OH	NOBLE	BEAVER
SCHULTZ WATERLINE	***	***	1157.37	GATE VALVE	OH	NOBLE	BEAVER
SCHULTZ WATERLINE	***	***	1158.34	GATE VALVE	OH	NOBLE	BEAVER
SENECA LAKE	***	***	310.073	GATE VALVE	OH	NOBLE	SENECA
SENECA LAKE	***	***	310.429	BUTTERFLY VALVE	OH	NOBLE	SENECA
SENECA LAKE	***	***	315.819	AIR RELIEF	OH	NOBLE	SENECA
SENECA LAKE	***	***	306.982	GATE VALVE	OH	NOBLE	SENECA
SENECA LAKE	***	***	310.788	GATE VALVE	OH	NOBLE	SENECA

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SENECA LAKE	***	***	309.563	GATE VALVE	OH	NOBLE	SENECA
SENECA LAKE	***	***	305.435	GATE VALVE	OH	NOBLE	SENECA
SENECA LAKE	***	***	315.512	AIR RELIEF	OH	NOBLE	SENECA
SENECA LAKE	***	***	314.719	AIR RELIEF	OH	NOBLE	SENECA
SENECA LAKE	***	***	308.349	AIR RELIEF	OH	NOBLE	SENECA
SENECA LAKE	***	***	220.755	GATE VALVE	OH	NOBLE	SENECA
SENECA LAKE	***	***	220.916	BALL VALVE	OH	NOBLE	SENECA
SENECA LAKE	***	***	222.807	BUTTERFLY VALVE	OH	NOBLE	SENECA
SENECA LAKE	***	***	222.555	GATE VALVE	OH	NOBLE	SENECA
SENECA LAKE	***	***	222.581	GATE VALVE	OH	NOBLE	SENECA
SENECA TEE TO RUBLE INTERCHANGE WATERLINE	***	***	1089.28	VALVE BODY	OH	MONROE	SENECA
SENECA TEE TO RUBLE INTERCHANGE WATERLINE	***	***	1091.19	VALVE BODY	OH	MONROE	SENECA
SENECA TEE TO RUBLE INTERCHANGE WATERLINE	***	***	867.583	VALVE BODY	OH	MONROE	SENECA
SENECA TEE TO RUBLE INTERCHANGE WATERLINE	***	***	869.894	VALVE BODY	OH	MONROE	SENECA
SENECA TEE TO RUBLE INTERCHANGE WATERLINE	***	***	868.278	VALVE BODY	OH	MONROE	SENECA
SENECA TEE TO RUBLE INTERCHANGE WATERLINE	***	***	1088.82	VALVE SHUT OFF	OH	MONROE	SENECA

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SENECA TEE TO RUBLE INTERCHANGE WATERLINE	***	***	1089.25	VALVE BODY	OH	MONROE	SENECA
SENECA TEE TO RUBLE INTERCHANGE WATERLINE	***	***	1091.21	VALVE BODY	OH	MONROE	SENECA
SENECA TEE TO RUBLE INTERCHANGE WATERLINE	***	***	1089.4	VALVE BODY	OH	MONROE	SENECA
SENECA TEE TO RUBLE INTERCHANGE WATERLINE	***	***	1089.26	VALVE BODY	OH	MONROE	SENECA
SENECA TEE TO RUBLE INTERCHANGE WATERLINE	***	***	1089.27	VALVE BODY	OH	MONROE	SENECA
SENECA TEE TO RUBLE INTERCHANGE WATERLINE	***	***	1088.54	VALVE SHUT OFF	OH	MONROE	SENECA
SENECA TEE TO RUBLE INTERCHANGE WATERLINE	***	***	1088.67	VALVE SHUT OFF	OH	MONROE	SENECA
SENECA TEE TO RUBLE INTERCHANGE WATERLINE	***	***	1088.77	VALVE SHUT OFF	OH	MONROE	SENECA
SENECA TEE TO RUBLE INTERCHANGE WATERLINE	***	***	1089.19	VALVE BODY	OH	MONROE	SENECA
SOUTH FORK OF HUGHES @ KNIGHT T*	***	***	1015.77	GATE VALVE	WV	RITCHIE	UNION
SOUTH FORK OF HUGHES @ KNIGHT T*	***	***	1016.26	GATE VALVE	WV	RITCHIE	UNION

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SOUTH FORK OF HUGHES @ KNIGHT T*	***	***	1016.45	GATE VALVE	WV	RITCHIE	UNION
SOUTH FORK OF HUGHES @ KNIGHT T*	***	***	1016.33	GATE VALVE	WV	RITCHIE	UNION
SOUTH FORK OF HUGHES @ KNIGHT T*	***	***	1010.5	GATE VALVE	WV	RITCHIE	UNION
SOUTH FORK OF HUGHES @ KNIGHT T*	***	***	1010.6	GATE VALVE	WV	RITCHIE	UNION
SOUTH FORK OF HUGHES @ KNIGHT T*	***	***	1010.67	GATE VALVE	WV	RITCHIE	UNION
SOUTH FORK OF HUGHES @ KNIGHT T*	***	***	1018.21	GATE VALVE	WV	RITCHIE	UNION
SOUTH FORK OF HUGHES @ KNIGHT T*	***	***	1017.99	GATE VALVE	WV	RITCHIE	UNION
SOUTH FORK OF HUGHES @ KNIGHT T*	***	***	1025.86	AIR RELIEF	WV	RITCHIE	UNION
SOUTH FORK OF HUGHES @ KNIGHT T*	***	***	1034.43	GATE VALVE	WV	RITCHIE	UNION
SOUTH FORK OF HUGHES @ KNIGHT T*	***	***	1029.06	GATE VALVE	WV	RITCHIE	UNION
SOUTH FORK OF HUGHES @ KNIGHT T*	***	***	1031.38	GATE VALVE	WV	RITCHIE	UNION
SOUTH FORK OF HUGHES @ KNIGHT T*	***	***	1028.55	GATE VALVE	WV	RITCHIE	UNION
SOUTH FORK OF HUGHES @ KNIGHT T*	***	***	997.44	AIR RELIEF	WV	RITCHIE	UNION
SOUTH FORK OF HUGHES @ KNIGHT T*	***	***	691.97	GATE VALVE	WV	RITCHIE	UNION
SOUTH FORK OF HUGHES @ KNIGHT T*	***	***	691.46	GATE VALVE	WV	RITCHIE	UNION

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SOUTH FORK OF HUGHES @ KNIGHT T*	***	***	691.54	BALL VALVE	WV	RITCHIE	UNION
SOUTH FORK OF HUGHES @ KNIGHT T*	***	***	691.62	BALL VALVE	WV	RITCHIE	UNION
STEWART TANK PAD TO STEWART RIS*	***	***	1241.45	GATE VALVE	WV	DODDRIDGE	NEW MILTON
STEWART TANK PAD TO STEWART RIS*	***	***	1198.15	GATE VALVE	WV	DODDRIDGE	NEW MILTON
STEWART TANK PAD TO STEWART RIS*	***	***	1198.37	GATE VALVE	WV	DODDRIDGE	NEW MILTON
STEWART TANK PAD TO STEWART RIS*	***	***	1198.75	GATE VALVE	WV	DODDRIDGE	NEW MILTON
TICHENAL TO CORDER EAST	***	***	1297.07	GATE VALVE	WV	DODDRIDGE	GREENBRIER
TICHENAL TO CORDER EAST	***	***	991.42	GATE VALVE	WV	DODDRIDGE	GREENBRIER
TICHENAL TO CORDER EAST	***	***	991.42	GATE VALVE	WV	DODDRIDGE	GREENBRIER
TICHENAL TO CORDER EAST	***	***	1147.03	GATE VALVE	WV	DODDRIDGE	GREENBRIER
TICHENAL TO CORDER EAST	***	***	1152.26	GATE VALVE	WV	DODDRIDGE	GREENBRIER
TICHENAL TO CORDER EAST	***	***	1420.9	GATE VALVE	WV	DODDRIDGE	UNION
TICHENAL TO CORDER EAST	***	***	1418.85	GATE VALVE	WV	DODDRIDGE	UNION
TICHENAL TO CORDER EAST	***	***	1247.43	GATE VALVE	WV	DODDRIDGE	GREENBRIER
TICHENAL TO CORDER EAST	***	***	1243.17	GATE VALVE	WV	DODDRIDGE	GREENBRIER

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TICHENAL TO CORDER EAST	***	***	1299.04	GATE VALVE	WV	DODDRIDGE	GREENBRIER
TICHENAL TO CORDER EAST	***	***	1298.53	GATE VALVE	WV	DODDRIDGE	GREENBRIER
TICHENAL TO CORDER EAST	***	***	1311.02	AIR RELIEF	WV	DODDRIDGE	GREENBRIER
TICHENAL TO CORDER EAST	***	***	1294.57	AIR RELIEF	WV	DODDRIDGE	GREENBRIER
TICHENAL TO CORDER EAST	***	***	1324.08	AIR RELIEF	WV	DODDRIDGE	GREENBRIER
TICHENAL TO CORDER EAST	***	***	1292.56	GATE VALVE	WV	DODDRIDGE	GREENBRIER
TICHENAL TO CORDER EAST	***	***	1292.59	GATE VALVE	WV	DODDRIDGE	GREENBRIER
TICHENAL TO CORDER EAST	***	***	1282.31	GATE VALVE	WV	DODDRIDGE	UNION
TICHENAL TO CORDER EAST	***	***	1537.36	AIR RELIEF	WV	DODDRIDGE	GREENBRIER
TICHENAL TO CORDER EAST	***	***	1534.37	GATE VALVE	WV	DODDRIDGE	GREENBRIER
TICHENAL TO CORDER EAST	***	***	1534.47	GATE VALVE	WV	DODDRIDGE	GREENBRIER
TICHENAL TO CORDER EAST	***	***	1266.6	GATE VALVE	WV	DODDRIDGE	GREENBRIER
TICHENAL TO CORDER EAST	***	***	1268.84	GATE VALVE	WV	DODDRIDGE	GREENBRIER
TICHENAL TO CORDER EAST	***	***	1198.57	GATE VALVE	WV	DODDRIDGE	GREENBRIER
TICHENAL TO CORDER EAST	***	***	1450.07	GATE VALVE	WV	DODDRIDGE	UNION

SPECIFIC TERMS IN THIS EXHIBIT HAVE BEEN REDACTED BECAUSE CONFIDENTIAL TREATMENT OF THOSE TERMS HAS BEEN REQUESTED. THE REDACTED MATERIAL HAS BEEN SEPARATELY SUBMITTED TO THE SECURITIES AND EXCHANGE COMMISSION, AND THE TERMS HAVE BEEN MARKED AT THE APPROPRIATE PLACE WITH THREE ASTERISKS (\*\*\*)

TICHENAL TO CORDER EAST	***	***	1450.96	GATE VALVE	WV	DODDRIDGE	UNION
TICHENAL TO CORDER EAST	***	***	1409.57	GATE VALVE	WV	DODDRIDGE	UNION
TICHENAL TO CORDER EAST	***	***	1409.57	GATE VALVE	WV	DODDRIDGE	UNION
TICHENAL TO CORDER EAST	***	***	1383.63	GATE VALVE	WV	DODDRIDGE	UNION
TICHENAL TO CORDER EAST	***	***	1381.48	GATE VALVE	WV	DODDRIDGE	UNION
TICHENAL TO CORDER EAST	***	***	1358.18	AIR RELIEF	WV	DODDRIDGE	GREENBRIER
TICHENAL TO CORDER EAST	***	***	1244.37	AIR RELIEF	WV	DODDRIDGE	GREENBRIER
TICHENAL TO CORDER EAST	***	***	1336.97	AIR RELIEF	WV	DODDRIDGE	NEW MILTON
TICHENAL TO CORDER EAST	***	***	1319.36	AIR RELIEF	WV	DODDRIDGE	GREENBRIER
TICHENAL TO CORDER EAST	***	***	1316.12	AIR RELIEF	WV	DODDRIDGE	GREENBRIER
TICHENAL TO CORDER EAST	***	***	1287.33	AIR RELIEF	WV	DODDRIDGE	GREENBRIER
TICHENAL TO CORDER EAST	***	***	1358.93	GATE VALVE	WV	DODDRIDGE	GREENBRIER
TICHENAL TO CORDER EAST	***	***	1353.92	GATE VALVE	WV	DODDRIDGE	GREENBRIER
TICHENAL TO CORDER EAST	***	***	1361.94	GATE VALVE	WV	DODDRIDGE	NEW MILTON
TICHENAL TO CORDER EAST	***	***	1355.84	GATE VALVE	WV	DODDRIDGE	NEW MILTON

SPECIFIC TERMS IN THIS EXHIBIT HAVE BEEN REDACTED BECAUSE CONFIDENTIAL TREATMENT OF THOSE TERMS HAS BEEN REQUESTED. THE REDACTED MATERIAL HAS BEEN SEPARATELY SUBMITTED TO THE SECURITIES AND EXCHANGE COMMISSION, AND THE TERMS HAVE BEEN MARKED AT THE APPROPRIATE PLACE WITH THREE ASTERISKS (\*\*\*)

TICHENAL TO CORDER EAST	***	***	1223.52	AIR RELIEF	WV	DODDRIDGE	NEW MILTON
TICHENAL TO CORDER EAST	***	***	1379.49	AIR RELIEF	WV	DODDRIDGE	NEW MILTON
TICHENAL TO CORDER EAST	***	***	1316.15	AIR RELIEF	WV	DODDRIDGE	NEW MILTON
TICHENAL TO CORDER EAST	***	***	1353.99	GATE VALVE	WV	DODDRIDGE	GREENBRIER
TICHENAL TO CORDER EAST	***	***	1168.28	GATE VALVE	WV	DODDRIDGE	GREENBRIER
TICHENAL TO CORDER EAST	***	***	991.42	GATE VALVE	WV	DODDRIDGE	GREENBRIER
TICHENAL TO CORDER EAST	***	***	1342	GATE VALVE	WV	DODDRIDGE	NEW MILTON
TICHENAL TO CORDER EAST	***	***	1532.47	GATE VALVE	WV	DODDRIDGE	GREENBRIER
TICHENAL TO CORDER EAST	***	***	1267.63	GATE VALVE	WV	DODDRIDGE	GREENBRIER
TICHENAL TO CORDER EAST	***	***	1258.79	GATE VALVE	WV	DODDRIDGE	GREENBRIER
TICHENAL TO CORDER EAST	***	***	1403.72	AIR RELIEF	WV	DODDRIDGE	GREENBRIER
TICHENAL TO CORDER EAST	***	***	1290.78	GATE VALVE	WV	DODDRIDGE	GREENBRIER
TICHENAL TO CORDER EAST	***	***	1281.6	GATE VALVE	WV	HARRISON	UNION
TICHENAL TO CORDER EAST	***	***	1384.43	AIR RELIEF	WV	HARRISON	GREENBRIER
TICHENAL TO CORDER EAST	***	***	1425.89	AIR RELIEF	WV	HARRISON	UNION

SPECIFIC TERMS IN THIS EXHIBIT HAVE BEEN REDACTED BECAUSE CONFIDENTIAL TREATMENT OF THOSE TERMS HAS BEEN REQUESTED. THE REDACTED MATERIAL HAS BEEN SEPARATELY SUBMITTED TO THE SECURITIES AND EXCHANGE COMMISSION, AND THE TERMS HAVE BEEN MARKED AT THE APPROPRIATE PLACE WITH THREE ASTERISKS (\*\*\*)

TICHENAL TO CORDER EAST	***	***	1373.15	AIR RELIEF	WV	HARRISON	UNION
TICHENAL TO CORDER EAST	***	***	1449.79	AIR RELIEF	WV	HARRISON	UNION
TICHENAL TO CORDER EAST	***	***	1375.01	AIR RELIEF	WV	HARRISON	UNION
TICHENAL TO CORDER EAST	***	***	1477	AIR RELIEF	WV	HARRISON	UNION
TICHENAL TO CORDER EAST	***	***	1445.48	AIR RELIEF	WV	HARRISON	UNION
TICHENAL TO CORDER EAST	***	***	1503.11	AIR RELIEF	WV	HARRISON	UNION
TICHENAL TO CORDER EAST	***	***	1280	GATE VALVE	WV	HARRISON	UNION
TICHENAL TO CORDER EAST	***	***	1377.31	AIR RELIEF	WV	HARRISON	UNION
TICHENAL TO CORDER EAST	***	***	1418.08	GATE VALVE	WV	HARRISON	UNION
TICHENAL TO CORDER EAST	***	***	1409.57	GATE VALVE	WV	HARRISON	UNION
TICHENAL TO CORDER EAST	***	***	1381.48	GATE VALVE	WV	HARRISON	UNION
TICHENAL TO CORDER EAST	***	***	1450.96	GATE VALVE	WV	HARRISON	UNION
TOMS FORK WATERLINE	***	***	1224.27	GATE VALVE	WV	DODDRIDGE	NEW MILTON
TOMS FORK WATERLINE	***	***	1214.83	GATE VALVE	WV	DODDRIDGE	NEW MILTON
TOMS FORK WATERLINE	***	***	1198.31	GATE VALVE	WV	DODDRIDGE	NEW MILTON

SPECIFIC TERMS IN THIS EXHIBIT HAVE BEEN REDACTED BECAUSE CONFIDENTIAL TREATMENT OF THOSE TERMS HAS BEEN REQUESTED. THE REDACTED MATERIAL HAS BEEN SEPARATELY SUBMITTED TO THE SECURITIES AND EXCHANGE COMMISSION, AND THE TERMS HAVE BEEN MARKED AT THE APPROPRIATE PLACE WITH THREE ASTERISKS (\*\*\*)

TOMS FORK WATERLINE	***	***	1210.83	GATE VALVE	WV	DODDRIDGE	NEW MILTON
TOMS FORK WATERLINE	***	***	1255.44	GATE VALVE	WV	DODDRIDGE	NEW MILTON
TOMS FORK WATERLINE	***	***	1233.7	AIR RELIEF	WV	DODDRIDGE	NEW MILTON
TOMS FORK WATERLINE	***	***	1232.98	AIR RELIEF	WV	DODDRIDGE	NEW MILTON
TOMS FORK WATERLINE	***	***	1232.99	AIR RELIEF	WV	DODDRIDGE	NEW MILTON
TOMS FORK WATERLINE	***	***	1163.63	AIR RELIEF	WV	DODDRIDGE	NEW MILTON
TOMS FORK WATERLINE	***	***	1240.71	AIR RELIEF	WV	DODDRIDGE	NEW MILTON
TOMS FORK WATERLINE	***	***	1158.52	GATE VALVE	WV	DODDRIDGE	NEW MILTON
TOMS FORK WATERLINE	***	***	1312.02	AIR RELIEF	WV	DODDRIDGE	NEW MILTON
TOMS FORK WATERLINE	***	***	1216.91	GATE VALVE	WV	DODDRIDGE	NEW MILTON
TOMS FORK WATERLINE	***	***	1214.49	GATE VALVE	WV	DODDRIDGE	NEW MILTON
TOMS FORK WATERLINE	***	***	1258.89	AIR RELIEF	WV	DODDRIDGE	NEW MILTON
TOMS FORK WATERLINE	***	***	1198.24	GATE VALVE	WV	DODDRIDGE	NEW MILTON
TOMS FORK WATERLINE	***	***	1197.54	GATE VALVE	WV	DODDRIDGE	NEW MILTON
TOMS FORK WATERLINE	***	***	1248.77	AIR RELIEF	WV	DODDRIDGE	NEW MILTON

SPECIFIC TERMS IN THIS EXHIBIT HAVE BEEN REDACTED BECAUSE CONFIDENTIAL TREATMENT OF THOSE TERMS HAS BEEN REQUESTED. THE REDACTED MATERIAL HAS BEEN SEPARATELY SUBMITTED TO THE SECURITIES AND EXCHANGE COMMISSION, AND THE TERMS HAVE BEEN MARKED AT THE APPROPRIATE PLACE WITH THREE ASTERISKS (\*\*\*)

TOMS FORK WATERLINE	***	***	1271.4	AIR RELIEF	WV	DODDRIDGE	NEW MILTON
TOMS FORK WATERLINE	***	***	1224.43	AIR RELIEF	WV	DODDRIDGE	NEW MILTON
TOMS FORK WATERLINE	***	***	1224.43	GATE VALVE	WV	DODDRIDGE	NEW MILTON
TOMS FORK WATERLINE	***	***	1224.27	GATE VALVE	WV	DODDRIDGE	NEW MILTON
TOMS FORK WATERLINE	***	***	1248.35	AIR RELIEF	WV	DODDRIDGE	NEW MILTON
TOMS FORK WATERLINE	***	***	1272.37	AIR RELIEF	WV	DODDRIDGE	NEW MILTON
TOMS FORK WATERLINE	***	***	1346.79	AIR RELIEF	WV	DODDRIDGE	NEW MILTON
TOMS FORK WATERLINE	***	***	1256.01	GATE VALVE	WV	DODDRIDGE	NEW MILTON
TOMS FORK WATERLINE	***	***	1255.41	GATE VALVE	WV	DODDRIDGE	NEW MILTON
TOMS FORK WATERLINE	***	***	1293.66	AIR RELIEF	WV	DODDRIDGE	NEW MILTON
TOMS FORK WATERLINE	***	***	1300.73	AIR RELIEF	WV	DODDRIDGE	NEW MILTON
TOMS FORK WATERLINE	***	***	1210.7	GATE VALVE	WV	DODDRIDGE	NEW MILTON
TOMS FORK WATERLINE	***	***	1211.23	GATE VALVE	WV	DODDRIDGE	NEW MILTON
TOMS FORK WATERLINE	***	***	1144.2	GATE VALVE	WV	DODDRIDGE	NEW MILTON
TOMS FORK WATERLINE	***	***	1236.13	AIR RELIEF	WV	DODDRIDGE	NEW MILTON

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TRUCK TO JUSTICE	***	***	258.11	GATE VALVE	OH	NOBLE	SENECA
TRUCK TO JUSTICE	***	***	258.14	GATE VALVE	OH	NOBLE	SENECA
TRUCK TO JUSTICE	***	***	258.168	GATE VALVE	OH	NOBLE	SENECA
URBAN RISER TO URBAN TANK PAD	***	***	346.662	BUTTERFLY VALVE	OH	MONROE	SENECA
URBAN RISER TO URBAN TANK PAD	***	***	346.527	GATE VALVE	OH	MONROE	SENECA
URBAN TANK PAD TO URBAN WELL PAD	***	***	347.27	GATE VALVE	OH	MONROE	SENECA
VARNER WEST TANK PAD	***	***	1393.51	GATE VALVE	WV	HARRISON	TENMILE
VARNER WEST TANK PAD TO HUBERT P	***	***	1462.23	GATE VALVE	WV	HARRISON	TENMILE
WAYNE INTERCHANGE TO SENECA TEE WATERLINE	***	***	1127.31	VALVE	OH	NOBLE	SENECA
WAYNE INTERCHANGE TO SENECA TEE WATERLINE	***	***	1127.22	VALVE	OH	NOBLE	SENECA
WAYNE INTERCHANGE TO SENECA TEE WATERLINE	***	***	914.96	VALVE	OH	NOBLE	SENECA
WAYNE INTERCHANGE TO SENECA TEE WATERLINE	***	***	914.13	VALVE	OH	NOBLE	SENECA
WAYNE INTERCHANGE TO SENECA TEE WATERLINE	***	***	1062.29	VALVE	OH	NOBLE	SENECA
WAYNE INTERCHANGE TO SENECA TEE WATERLINE	***	***	948.71	VALVE	OH	NOBLE	SENECA
WAYNE INTERCHANGE TO SENECA TEE WATERLINE	***	***	948	VALVE	OH	NOBLE	SENECA
WAYNE INTERCHANGE TO SENECA TEE WATERLINE	***	***	948.73	VALVE	OH	NOBLE	SENECA
WAYNE INTERCHANGE TO SENECA TEE WATERLINE	***	***	948	VALVE	OH	NOBLE	SENECA

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WAYNE INTERCHANGE TO SENECA TEE WATERLINE	***	***	1186.58	AIR RELIEF	OH	NOBLE	SENECA
WAYNE INTERCHANGE TO SENECA TEE WATERLINE	***	***	1061.74	BUTTERFLY VALVE	OH	NOBLE	SENECA
WAYNE LATERAL WATERLINE	***	***	1138.4	AIR RELIEF	OH	NOBLE	SENECA
WEST FORK	***	***	1415.18	AIR RELIEF	WV	HARRISON	UNION
WEST FORK	***	***	1365.96	AIR RELIEF	WV	HARRISON	UNION
WEST FORK	***	***	1339.2	AIR RELIEF	WV	HARRISON	UNION
WEST FORK	***	***	1518.6	AIR RELIEF	WV	HARRISON	UNION
WEST FORK	***	***	1436.77	AIR RELIEF	WV	HARRISON	UNION
WEST FORK	***	***	1491.78	AIR RELIEF	WV	HARRISON	UNION
WEST UNION LATERAL	***	***	1232.28	AIR RELIEF	WV	DODDRIDGE	
WEST UNION LATERAL	***	***	953.252	AIR RELIEF	WV	DODDRIDGE	
WEST UNION LATERAL	***	***	1237.42	AIR RELIEF	WV	DODDRIDGE	
WEST UNION LATERAL	***	***	1233.63	AIR RELIEF	WV	DODDRIDGE	
WEST UNION LATERAL	***	***	1425.71	AIR RELIEF	WV	DODDRIDGE	
WHITEHAIR RISER TO WHITEHAIR	***	***	1062.13	GATE VALVE	WV	DODDRIDGE	NEW MILTON
WHITEHAIR RISER TO WHITEHAIR	***	***	1061.33	GATE VALVE	WV	DODDRIDGE	NEW MILTON
WHITEHAIR RISER TO WHITEHAIR	***	***	1061.36	GATE VALVE	WV	DODDRIDGE	NEW MILTON
WHITEHAIR RISER TO WHITEHAIR	***	***	1141.94	GATE VALVE	WV	DODDRIDGE	WEST UNION
WHITEHAIR RISER TO WHITEHAIR	***	***	1142.07	GATE VALVE	WV	DODDRIDGE	WEST UNION
WHITEHAIR TO BONNELL	***	***	1066.61	GATE VALVE	WV	DODDRIDGE	NEW MILTON

SPECIFIC TERMS IN THIS EXHIBIT HAVE BEEN REDACTED BECAUSE CONFIDENTIAL TREATMENT OF THOSE TERMS HAS BEEN REQUESTED. THE REDACTED MATERIAL HAS BEEN SEPARATELY SUBMITTED TO THE SECURITIES AND EXCHANGE COMMISSION, AND THE TERMS HAVE BEEN MARKED AT THE APPROPRIATE PLACE WITH THREE ASTERISKS (\*\*\*)

WHITEHAIR TO BONNELL	***	***	1067.02	GATE VALVE	WV	DODDRIDGE	NEW MILTON
WHITEHAIR TO BONNELL	***	***	1065.68	BALL VALVE	WV	DODDRIDGE	NEW MILTON
WHITEHAIR TO BONNELL	***	***	1065.24	BALL VALVE	WV	DODDRIDGE	NEW MILTON
WHITEHAIR TO BONNELL	***	***	1064.97	GATE VALVE	WV	DODDRIDGE	NEW MILTON
WILLS CREEK WATERLINE	***	***	972.43	AIR RELIEF	OH	GUERNSEY	RICHLAND
WILLS CREEK WATERLINE	***	***	973.22	AIR RELIEF	OH	GUERNSEY	RICHLAND
WILLS CREEK WATERLINE	***	***	972.4	AIR RELIEF	OH	GUERNSEY	RICHLAND
WILLS CREEK WATERLINE	***	***	969.16	AIR RELIEF	OH	GUERNSEY	RICHLAND
WILLS CREEK WATERLINE	***	***	969.36	AIR RELIEF	OH	GUERNSEY	RICHLAND
WILLS CREEK WATERLINE	***	***	895.3	AIR RELIEF	OH	GUERNSEY	RICHLAND
WILLS CREEK WATERLINE	***	***	895.87	AIR RELIEF	OH	GUERNSEY	RICHLAND
WILLS CREEK WATERLINE	***	***	895.16	AIR RELIEF	OH	GUERNSEY	RICHLAND
WILLS CREEK WATERLINE	***	***	892.16	AIR RELIEF	OH	GUERNSEY	RICHLAND
WILLS CREEK WATERLINE	***	***	891.93	AIR RELIEF	OH	GUERNSEY	RICHLAND
WILLS CREEK WATERLINE	***	***	927.45	VALVE	OH	NOBLE	WAYNE
WILLS CREEK WATERLINE	***	***	927.37	VALVE	OH	NOBLE	WAYNE
WILLS CREEK WATERLINE	***	***	922.55	AIR RELIEF	OH	NOBLE	WAYNE
WILLS CREEK WATERLINE	***	***	901.59	AIR RELIEF	OH	NOBLE	WAYNE
WILLS CREEK WATERLINE	***	***	905.42	VALVE	OH	NOBLE	WAYNE
WILLS CREEK WATERLINE	***	***	904.95	VALVE	OH	NOBLE	WAYNE
WILLS CREEK WATERLINE	***	***	893.87	AIR RELIEF	OH	NOBLE	WAYNE
WILLS CREEK WATERLINE	***	***	897.75	AIR RELIEF	OH	NOBLE	WAYNE
WILLS CREEK WATERLINE	***	***	897.9	AIR RELIEF	OH	NOBLE	WAYNE
WILLS CREEK WATERLINE	***	***	872.23	AIR RELIEF	OH	NOBLE	WAYNE

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WILSON WATERLINE	***	***	867.995	VALVE	OH	MONROE	SENECA
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**Surface Line Launcher Receivers**

	Location	Launcher/Receiver
1	Godwin Yard	5
2	Charlene	1
3	Annie	1
4	Bee Lewis	1
5	Walnut West	2
6	McGill	1
7	John Richards	1
8	Bonnel	1
9	Harshberger	1
10	Nimorwicz	1
11	Salem	1
12	Hubert	1
13	Lemley	1
14	Foreman	1
15	Heflin	1
16	Plaugher	1

**Pumps**

Location	Manufacturer	Model	Type	Pump	Motor	Max Horsepower	Owned	State	County
Bens Run	Flowserve1	10EHL-8	Electric	Vertical Turbine	GE L449VP	400	Yes	WV	Tyler
	Flowserve2	10EHL-8	Electric	Vertical Turbine	GE L449VP	400	Yes	WV	Tyler
	Flowserve3	10EHL-8	Electric	Vertical Turbine	GE L449VP	400	Yes	WV	Tyler
	Flowserve4	10EHL-8	Electric	Vertical Turbine	GE L449VP	400	Yes	WV	Tyler
Annie	Gorman Rupp	VGH6E-B	Electric	Centrifugal	Gorman Rupp	250	Yes	WV	Ritchie
	Gorman Rupp	VGH6E-B	Electric	Centrifugal	Gorman Rupp	250	Yes	WV	Ritchie
Barnesville Pumphouse	Flowserve	12emm-4stage	Electric	Vertical turbine	Vertical Hollow Shaft Motor: 75 HP, 1800 RPM, 460/3/60	75	Yes	OH	Belmont
	Flowserve	12emm-4stage	Electric	Vertical turbine	Vertical Hollow Shaft Motor: 75 HP, 1800 RPM, 460/3/60	75	Yes	OH	Belmont
	Flowserve	12emm-4stage	Electric	Vertical turbine	Vertical Hollow Shaft Motor: 75 HP, 1800 RPM, 460/3/60	75	Yes	OH	Belmont
West Fork	Goulds	DI=73414	Electric	Vertical Turbine	US Motors Type: RUE	700	Yes	WV	Harrison
	Goulds	DI=73414	Electric	Vertical Turbine	US Motors Type: RUE	700	Yes	WV	Harrison

**Tanks**

<b>RENT OR OWN</b>	<b>TANK SERIAL NO.</b>	<b>TANK SIZE</b>	<b>STATE / COUNTY</b>	<b>CURRENT LOCATION</b>
OWN	593920	22,000 BBL	OH	JR Byler
OWN	595012	22,000 BBL	WV	BOWYER PAD
OWN	611562	22,000 BBL	WV	Susie Jane
OWN	645951	22,000 BBL	WV	Fritz
OWN	646590	22,000 BBL	OH	Walnut West
OWN	652924	22,000 BBL	WV	Wagner
OWN		22,000 BBL	OH	Bond
OWN		22,000 BBL	OH	Urban
OWN		22,000 BBL	OH	Roe
OWN		12,000 BBL	WV	Salem Withdrawal
OWN	607694	10,000 BBL	OH	Melvin
OWN	622888	10,000 BBL	WV	Charlene
OWN	633070	10,000 BBL	WV	Trent
OWN	622906	10,000 BBL	WV	Primm
OWN	640203	10,000 BBL	WV	Pennington South
OWN	635733	10,000 BBL	OH	Loraditch
OWN	585771	40,000 BBL	WV	Dotson Holland
OWN	581557	40,000 BBL	OH	Farnsworth

**Exhibit F**

**FORM OF CONNECTION NOTICE**

Antero Water LLC  
1615 Wynkoop Street  
Denver, Colorado 80202

Re: Water Services Agreement dated [ \_\_\_\_\_ ], 2015, between Antero Resources Corporation and Antero Water LLC (the "*Water Services Agreement*")

Ladies and Gentlemen:

This is a Connection Notice for purposes of the Water Services Agreement. Capitalized terms used but not defined in this Connection Notice have the meanings given such terms in the Water Services Agreement.

Antero Water is hereby notified that Producer is planning to drill, complete, and hydraulically fracture the Planned Wells at the Planned Well Pads by the Target Commencement Dates, in each case as set forth below and will require the volumes of Fresh Water stated below to be made available at the Fresh Water Delivery Points located at such Planned Well Pads for the number of days after the Target Commencement Date as set forth below:

<b>Planned Well</b>	<b>Planned Well Pad</b>	<b>Target Commencement Date</b>	<b>Fresh Water Delivery Rate (BPM)</b>

Very truly yours,  
ANTERO RESOURCES CORPORATION

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

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**Exhibit G**

**DEEMED CONNECTION NOTICES**

**Utica**

<b>Well Pad</b>	<b>Target Commencement Date</b>
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**Marcellus**

<b>Well Pad</b>	<b>Target Commencement Date</b>
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SPECIFIC TERMS IN THIS EXHIBIT HAVE BEEN REDACTED BECAUSE CONFIDENTIAL TREATMENT OF THOSE TERMS HAS BEEN REQUESTED. THE REDACTED MATERIAL HAS BEEN SEPARATELY SUBMITTED TO THE SECURITIES AND EXCHANGE COMMISSION, AND THE TERMS HAVE BEEN MARKED AT THE APPROPRIATE PLACE WITH THREE ASTERISKS (\*\*\*)

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## Exhibit H

### COST OF SERVICE FEE

The Monthly Cost of Service Fee for each Contract Year shall be calculated separately for each CS Facility. The Cost of Service Fees for each CS Facility are then summed to result in the total Cost of Service Fee payable for each Month in the Contract Year. The Monthly Cost of Service Fee for each Contract Year for each CS Facility is determined as follows:

Monthly Capex Fee + Monthly O&M Fee = Monthly Cost of Service Fee.

The “*Monthly Capex Fee*” for each CS Facility is an amount equal to the product of (i) the amount that, if paid to Antero Water with respect to each Month remaining in the Recovery Term for such CS Facility, when taken together with all Prior Capex Fees paid to Antero Water for such CS Facility, would result in Antero Water recovering Producer’s share of all capital expenditures for such CS Facility over a period of 84 Months commencing with the placement in service of such CS Facility (the “*Recovery Term*”), with a return on capital invested of 13% per annum. “*Prior Capex Fees*” means, with respect to any Contract Year and any CS Facility, the aggregate of the Monthly Capex Fees with respect to such CS Facility paid in all prior Contract Years. For purposes of determining the Monthly Capex Fee for any Contract Year, “Producer’s share” of the relevant capital expenditures is Producer’s Throughput Percentage for the Recovery Term, determined using actual throughput where historical throughput volumes are available and estimated throughput volumes for future periods.

The “*Monthly O&M Fee*” for any Contract Year is an amount equal to:

- (i) the sum of:
  - (a) (1) the operations and maintenance costs and expenses, including the costs and expenses of repairs and replacements in kind, that Antero Water estimates it will incur with respect to the CS Facility during the Contract Year multiplied by (2) Antero Water’s estimate of Producer’s Throughput Percentage for such Contract Year; plus
  - (b) the O&M True Up Amount, if any,
- (ii) divided by 12.

The “*O&M True Up Amount*” means, with respect to any Contract Year and any CS Facility,

- (i) the positive or negative difference resulting from the following calculation:
  - (a) the product of (x) the actual operations and maintenance costs and expenses, including the costs and expenses of repairs and replacements in kind, incurred by Antero Water in the immediately prior Contract Year with respect to such CS Facility multiplied by (y) Producer’s actual Throughput Percentage for such Contract year;

Minus

- (b) the sum of the aggregate Monthly O&M Fees paid to Antero Water with respect to such CS Facility with respect to the immediately prior Contract Year,

- (ii) plus 13% per annum.

The Monthly O&M Fee includes Antero Water's reasonable allocation to the CS Facility of Antero Water's overhead and general and administrative expenses together with taxes payable by Antero Water with respect to the CS Facility or the Fluid Handling Services performed in connection with the CS Facility (but excluding in any event Antero Water's income taxes), to the extent not otherwise paid or reimbursed by Producer pursuant to this Agreement.

The "***Throughput Percentage***" for any CS Facility for any period is a fraction the numerator of which is the total volumes of Fresh Water and/or Waste Water, as applicable, put through such CS Facility under this Agreement during such period and the denominator is the total volumes of Fresh Water and or Waste Water, as applicable, put through such CS Facility (including third party volumes) during such period.

**Exhibit I**

**assumed subcontracts**

1. Produced Water Disposal Agreement, between Antero Resources Corporation (“ARC”) and GreenHunter Water, LLC, dated as of April 8, 2015.
2. Produced Water Treatment Services Agreement, between ARC and Fairmont Brine Processing, LLC (“FBP”), dated as of October 1, 2014, as amended by that certain First Amendment to Produced Water Treatment Services Agreement, between ARC and FBP, dated as of November 14, 2014, and as further amended by that certain Second Amendment to Produced Water Treatment Services Agreement, between ARC and FBP, dated as of February 27, 2015.
3. Produced Water Disposal Agreement, between Antero Water LLC and Redbird Development, LLC, dated as of August 15, 2015.
4. Produced Water Disposal Agreement, between Antero Water LLC and Central Environmental Services, LLC, dated as of August 15, 2015.

**Exhibit J**

**MEMORANDUM OF AGREEMENT**

THIS MEMORANDUM OF WATER SERVICES AGREEMENT (this “Memorandum”) is entered into effective [\_\_\_\_], 201[ ] (the “Effective Date”), by and between **ANTERO RESOURCES CORPORATION** (“Producer”), with an address of 1615 Wynkoop Street, Denver, Colorado 80202, and **ANTERO WATER LLC**, with an address of 1615 Wynkoop Street, Denver, Colorado 80202 (“Antero Water”).

**WHEREAS**, Producer and Antero Water entered into that certain Water Services Agreement effective [\_\_\_\_], 2015 (the “Agreement”), pursuant to which Antero Water will provide certain services as therein set forth;

**WHEREAS**, any capitalized term used, but not defined, in this Memorandum shall have the meaning ascribed to such term in the Agreement; and

**WHEREAS**, the Parties desire to file this Memorandum of record in the real property records of [counties/states], to give notice of the existence of the Agreement and certain provisions contained therein;

NOW THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **Notice**. Notice is hereby given of the existence of the Agreement and all of its terms, covenants and conditions to the same extent as if the Agreement was fully set forth herein. Certain provisions of the Agreement are summarized in Sections 2 through 3 below.
2. **Producer Commitments**. Subject to the terms and conditions of the Agreement, Producer has covenanted and committed (a) to exclusively use Fresh Water made available by Antero Water to Producer under the Agreement for use in Producer’s hydraulic fracturing operations for all Wells operated by Producer on the Oil and Gas Interests now owned or hereafter acquired by Producer and located wholly or partly within the area described in Exhibit A hereto (the “Service Area”) or pooled, unitized or communitized with Oil and Gas Interests located wholly or partly within the Service Area (the “Service Area Properties”) and (b) to utilize Antero Water for the performance of the Waste Water Services for all Produced Water produced from each Well operated by Producer on the Service Area Properties and attributable to either (i) Producer’s interest in such Well or (ii) the interest of non-operating parties in such Well, to the extent that Producer (as operator) has the right to dispose of, and is responsible for the disposition of, such Waste Water, and for all Other Waste Water that is generated from Producer’s operations at Well Pads or that collects at the Well Pads or on Producer’s property adjacent to the Well Pads (the foregoing covenant and commitment being herein referred to as the “Commitment”). “Waste Water Services” includes gathering, collecting, trucking, treatment, recycling, sales for re-use, disposal, or other disposition.
3. **Covenant Running with the Land**. So long as the Agreement is in effect, the Commitment shall be a covenant running with the land and, subject to the exceptions and reservations set forth in the Agreement, (a) in the event Producer sells, transfers, conveys, assigns, grants, or otherwise disposes of any or all of its interest in the Service Area Properties, then any such sale, transfer, conveyance, assignment, grant, or other disposition shall be expressly subject to the Agreement and any instrument of conveyance shall so state, and (b) in the event Antero Water sells, transfers, conveys, assigns, grants, or otherwise disposes of any or

all of its interest in the Water Facilities, then any such sale, transfer, conveyance, assignment, grant, or other disposition shall be expressly subject to the Agreement and any instrument of conveyance shall so state.

4. No Amendment to Agreement. This Memorandum is executed and recorded solely for the purpose of giving notice and shall not amend nor modify the Agreement in any way.

*[Signature Page Follows]*

**IN WITNESS WHEREOF**, this Memorandum has been signed by or on behalf of each of the Parties as of the Day first above written.

**ANTERO WATER LLC**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**ANTERO RESOURCES CORPORATION**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

STATE OF WEST VIRGINIA    §  
  §  
COUNTY OF HARRISON       §

This record was acknowledged before me on this \_\_\_\_ day of September, 2015, by Alvyn A. Schopp, as Chief Administrative Officer and Regional Vice President of ANTERO WATER LLC, a Delaware limited liability company.

My commission expires: \_\_\_\_\_

[NOTARIAL STAMP]

\_\_\_\_\_  
Notary Public

STATE OF WEST VIRGINIA    §  
  §  
COUNTY OF HARRISON       §

This record was acknowledged before me on this \_\_\_\_ day of September, 2015, by Alvyn A. Schopp, as Chief Administrative Officer and Regional Vice President of ANTERO RESOURCES CORPORATION, a Delaware corporation.

My commission expires:

[NOTARIAL STAMP]

\_\_\_\_\_  
Notary Public

**EXHIBIT A**

**Service Area**

(Attached.)



**CERTIFICATION PURSUANT TO  
RULE 13A-14(A) AND RULE 15D-14(A)  
OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED**

I, Paul M. Rady, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2015 of Antero Midstream Partners LP (the “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared; and
  - b. Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - c. Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting.
5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: October 28, 2015

/s/ Paul M. Rady

Paul M. Rady  
Chief Executive Officer  
Antero Resources Midstream Management LLC  
(as general partner of Antero Midstream Partners LP)

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**CERTIFICATION PURSUANT TO  
RULE 13A-14(A) AND RULE 15D-14(A)  
OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED**

I, Glen C. Warren, Jr., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2015 of Antero Midstream Partners LP (the “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared; and
  - b. Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - c. Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting.
5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: October 28, 2015

/s/ Glen C. Warren, Jr.

Glen C. Warren, Jr.  
President, Chief Financial Officer and Secretary  
Antero Resources Midstream Management LLC  
(as general partner of Antero Midstream Partners LP)

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**CERTIFICATION  
PURSUANT TO 18 U.S.C. SECTION 1350**

In connection with this Quarterly Report on Form 10-Q of Antero Midstream Partners LP for the quarter ended September 30, 2015, I, Paul M. Rady, Chief Executive Officer of Antero Resources Midstream Management LLC, the general partner of Antero Midstream Partners LP, hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. This Quarterly Report on Form 10-Q for the quarter ended September 30, 2015 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in this Quarterly Report on Form 10-Q for the quarter ended September 30, 2015 fairly presents, in all material respects, the financial condition and results of operations of Antero Midstream Partners LP for the periods presented therein.

Date: October 28, 2015

/s/ Paul M. Rady

Paul M. Rady  
Chief Executive Officer  
Antero Resources Midstream Management LLC  
(as general partner of Antero Midstream Partners LP)

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**CERTIFICATION  
PURSUANT TO 18 U.S.C. SECTION 1350**

In connection with this Quarterly Report on Form 10-Q of Antero Midstream Partners LP for the quarter ended September 30, 2015, I, Glen C. Warren, Jr., President, Chief Financial Officer and Secretary of Antero Resources Midstream Management LLC, the general partner of Antero Midstream Partners LP, hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. This Quarterly Report on Form 10-Q for the quarter ended September 30, 2015 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in this Quarterly Report on Form 10-Q for the quarter ended September 30, 2015 fairly presents, in all material respects, the financial condition and results of operations of Antero Midstream Partners LP for the periods presented therein.

Date: October 28, 2015

/s/ Glen C. Warren, Jr.

Glen C. Warren, Jr.  
President, Chief Financial Officer and Secretary  
Antero Resources Midstream Management LLC  
(as general partner of Antero Midstream Partners LP)

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