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# **Antero Resources Announce \$1 Billion Line-of-Equity Financing**

**Veteran management team led by Paul Rady and Glen Warren to continue to focus on development of non-conventional resource plays in the Mid-Continent and Rockies**

DENVER, Aug. 15 /PRNewswire/ -- Antero Resources Corporation and its affiliates ("Antero"), a Denver-based privately owned oil and gas exploration and production group, announced today that it has secured a \$1 billion line- of-equity funding program led by Warburg Pincus, the global private equity firm. Joining Warburg Pincus are Yorktown Energy Partners VII, LP, Lehman Brothers Merchant Banking Group and the Antero management team.

Antero has a long history of partnership with the current investor group. Paul M. Rady, Chairman and CEO, and Glen C. Warren, Jr., President and CFO, formed Antero Resources Corporation in 2002 and funded the company in early 2003 with the current investor group. The original Antero Resources Corporation was focused on the Barnett Shale, where in less than three years it grew to become the second largest producer and second most active operator at the time of its sale in April 2005 to XTO Energy Inc. for over \$1 billion in cash and stock (including assumption of debt). Since this sale, the current Antero group has been focused on developing its properties in the Arkoma Basin of Oklahoma and the Piceance Basin of Colorado.

Antero currently operates 11 drilling rigs and has gross operated production of 34 MMcfd in the Arkoma Basin Woodford Shale play and 20 MMcfd in the Piceance Basin. With over 120,000 net acres of leasehold, Antero has identified over 2,800 proved, probable and possible gross drilling locations and has acquired or is in the process of acquiring over 250 square miles of 3-D seismic data. In addition, Antero also owns over 40 miles of gathering pipeline and 100 MMcfd of gas processing capacity in the Arkoma Basin and approximately 20 miles of gathering pipeline in the Piceance Basin.

"We are very pleased to continue our partnership with Warburg Pincus, Yorktown Energy Partners and Lehman Brothers Merchant Banking in one of the largest private equity commitments ever made in the exploration and production sector," said Paul Rady, Chairman and CEO of Antero. "The Antero management team has worked together for many years and has had outstanding success at finding and developing natural gas reserves in the Mid-Continent and Rocky Mountain regions. In the Barnett Shale, Antero had some of the highest initial production rates in the play, was a pioneer in the use of micro- seismic imaging technology and performed the first simultaneous fracture stimulation. We look forward to extending our track record of success and innovation in our current plays as well as into new areas of operation."

Peter R. Kagan, a Warburg Pincus Managing Director, said: "This investment is consistent with Warburg Pincus' practice of providing growth capital to strong management teams in an effort to build companies of meaningful scale. We are tremendously pleased with the strong results our partnership has produced to date, and we are excited to continue to work with management as they become a leading industry player in non-conventional resources."

#### About Antero Resources

Antero Resources Corporation and its affiliate companies are headquartered in Denver, Colorado. The original Antero Resources Corporation was founded in 2002 by Paul M. Rady, Chairman and Chief Executive Officer, and Glen C. Warren, Jr., President and Chief Financial Officer. The company's strategy is to acquire, exploit, explore for, develop and produce non-conventional natural gas reserves, predominantly within the Mid-Continent and Rocky Mountain regions of the United States. Antero is also involved in the midstream industry, with natural gas gathering, compression and processing assets in areas where it has upstream operations. For more information, please visit [www.anteroresources.com](http://www.anteroresources.com).

Prior to founding Antero, Rady and Warren were Chairman, President and CEO and Executive Vice President and CFO, respectively, of Pennaco Energy, Inc. Rady and Warren led Pennaco as it rapidly grew from a small acreage holder in the Powder River Basin coal bed methane play in Wyoming into a sizable public company with net production of over 50 MMcf per day. In February 2001, less than three years after its inception, Pennaco was sold for \$500 million in cash to Marathon Oil. Prior to his tenure at Pennaco, Rady was President and CEO of Barrett Resources Corporation, another Rockies-focused producer of natural gas.

#### About Warburg Pincus

Warburg Pincus has been a leading private equity investor since 1971. The firm has more than \$20 billion under management and invests globally and at all stages of a company's life cycle across a range of sectors including energy, technology, media and telecommunications, financial services, healthcare and life sciences, retail, consumer and industrial and real estate. Since the late 1980s, the firm has invested more than \$2.4 billion in companies involved in oil and gas exploration and production, energy and power projects and oilfield and other services. For more than two decades, Warburg Pincus has been the lead investor in a multitude of successful public and private energy companies, including Newfield Exploration Co., Spinnaker Exploration, Inc. (since acquired by Norsk Hydro ASA), Encore Acquisition Co., Bill Barrett Corp., MEG Energy Corp., Lariat Petroleum, Inc., Latigo Petroleum, Inc. and Kosmos Energy LLC. For more information, please visit [www.warburgpincus.com](http://www.warburgpincus.com).

#### About Yorktown Partners

Yorktown Energy Partners VII, L.P. is the seventh energy dedicated private equity partnership managed by Yorktown Partners LLC. Beginning in 1983, Yorktown has made over 60 investments in a variety of energy companies that range from oil and gas production to pipeline construction to oil field services to energy-specific manufacturing. Yorktown currently has in excess of \$2.0 billion under management.

#### About Lehman Brothers Merchant Banking Group

Lehman Brothers Merchant Banking seeks to invest in companies in the Americas, Europe and Asia with strong fundamentals, favorable growth prospects and positive cash flow. Lehman Brothers' Private Equity business, started in 1984, manages more than \$20 billion in 18 different fund strategies across six asset classes: merchant banking, venture capital, real estate, fund-of-funds, credit and infrastructure.

SOURCE Antero Resources Corporation