

ANTERO RESOURCES APPALACHIAN CORP  
Form S-4  
March 21, 2013

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[TABLE OF CONTENTS](#)

[Table of Contents](#)

As filed with the Securities and Exchange Commission on March 21, 2013

Registration No. 333-

## UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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### FORM S-4

REGISTRATION STATEMENT  
UNDER  
THE SECURITIES ACT OF 1933

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### ANTERO RESOURCES FINANCE CORPORATION\*

(Exact Name of Registrant as Specified in Its Charter)

**Delaware**  
(State or Other Jurisdiction of  
Incorporation or Organization)

**1311**  
(Primary Standard Industrial  
Classification Code Number)  
**1625 17th Street**  
**Denver, Colorado 80202**  
**(303) 357-7310**

**90-0522247**  
(IRS Employer  
Identification Number)

(Address, Including Zip Code, and Telephone Number,  
Including Area Code, of Registrant's Principal Executive Offices)

**Glen C. Warren, Jr.**  
**President, Chief Financial Officer and Secretary**  
**1625 17th Street**  
**Denver, Colorado 80202**  
**(303) 357-7310**

(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent For Service)

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#### Copies to:

**W. Matthew Strock**  
**Vinson & Elkins L.L.P.**  
**1001 Fannin, Suite 2300**  
**Houston, Texas 77002-6760**  
**(713) 758-2222**

**Approximate date of commencement of proposed sale of the securities to the public:**  
**As soon as practicable after the effective date of this Registration Statement.**

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If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

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. (Check one):

Large accelerated filer  Accelerated filer  Non-accelerated filer  Smaller reporting company   
 (Do not check if a smaller reporting company)

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issue Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

### CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Amount of Registration Fee(1)
6.0% Senior Notes due 2020	\$525,000,000	\$71,610
Guarantees of 6.0% Senior Notes due 2020(2)		(3)

- (1) Calculated pursuant to Rule 457(f)(2) under the Securities Act of 1933.
- (2) Antero Resources LLC, Antero Resources Appalachian Corporation and Antero Resources Bluestone LLC will guarantee the notes being registered.
- (3) Pursuant to Rule 457(n) of the Securities Act of 1933, no registration fee is required for the registration of the guarantees.

Each registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

### \*TABLE OF ADDITIONAL REGISTRANT GUARANTORS

Exact Name of Registrant Guarantor(1)	State or Other Jurisdiction of Incorporation or Formation	Primary Standard Industrial Classification Code Number	IRS Employer Identification Number
Antero Resources LLC	Delaware	1311	90-0522242
Antero Resources Appalachian Corporation	Delaware	1311	80-0162034
Antero Resources Bluestone LLC	Delaware	1311	27-4033442

- (1) The address for each Registrant Guarantor is 1625 17th Street, Denver, Colorado 80202, and the telephone number for each Registrant Guarantor is (303) 357-7310



Table of Contents

The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any jurisdiction where the offering is not permitted.

**SUBJECT TO COMPLETION, DATED MARCH 21, 2013**

**PROSPECTUS**

**Offer to Exchange  
Up To \$525,000,000 of  
6.0% Senior Notes due 2020  
That Have Not Been Registered Under  
The Securities Act of 1933  
For  
Up To \$525,000,000 of  
6.0% Senior Notes due 2020  
That Have Been Registered Under  
The Securities Act of 1933**

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**Terms of the New 6.0% Senior Notes due 2020 Offered in the Exchange Offer:**

The terms of the new notes are identical to the terms of the old notes that were issued on November 19, 2012 and February 4, 2013, except that the new notes will be registered under the Securities Act of 1933 and will not contain restrictions on transfer, registration rights or provisions for additional interest.

**Terms of the Exchange Offer:**

We are offering to exchange up to \$525,000,000 of our old notes for new notes with materially identical terms that have been registered under the Securities Act of 1933 and are freely tradable.

We will exchange all old notes that you validly tender and do not validly withdraw before the exchange offer expires for an equal principal amount of new notes.

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The exchange offer expires at 11:59 p.m., New York City time, on \_\_\_\_\_, 2013, unless extended.

Tenders of old notes may be withdrawn at any time prior to the expiration of the exchange offer.

The exchange of new notes for old notes will not be a taxable event for U.S. federal income tax purposes.

Broker-dealers who receive new notes pursuant to the exchange offer acknowledge that they will deliver a prospectus in connection with any resale of such new notes.

Broker-dealers who acquired the old notes as a result of market-making or other trading activities may use the prospectus for the exchange offer, as supplemented or amended, in connection with resales of the new notes.

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You should carefully consider the risk factors beginning on page 8 of this prospectus before participating in the exchange offer.

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Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

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The date of this prospectus is \_\_\_\_\_, 2013

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Table of Contents

This prospectus is part of a registration statement we filed with the Securities and Exchange Commission. In making your investment decision, you should rely only on the information contained in this prospectus and in the accompanying letter of transmittal. We have not authorized anyone to provide you with any other information. We are not making an offer to sell these securities or soliciting an offer to buy these securities in any jurisdiction where an offer or solicitation is not authorized or in which the person making that offer or solicitation is not qualified to do so or to anyone whom it is unlawful to make an offer or solicitation. You should not assume that the information contained in this prospectus is accurate as of any date other than its date.

**TABLE OF CONTENTS**

	<b>Page</b>
<u>CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS</u>	<u>ii</u>
<u>PROSPECTUS SUMMARY</u>	<u>1</u>
<u>RISK FACTORS</u>	<u>8</u>
<u>EXCHANGE OFFER</u>	<u>34</u>
<u>USE OF PROCEEDS</u>	<u>41</u>
<u>SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA</u>	<u>42</u>
<u>RATIOS OF EARNINGS TO FIXED CHARGES</u>	<u>46</u>
<u>MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS</u>	<u>47</u>
<u>BUSINESS AND PROPERTIES</u>	<u>69</u>
<u>MANAGEMENT</u>	<u>91</u>
<u>OUR PRINCIPAL OWNERS</u>	<u>107</u>
<u>DESCRIPTION OF NOTES</u>	<u>109</u>
<u>PLAN OF DISTRIBUTION</u>	<u>174</u>
<u>MATERIAL UNITED STATES FEDERAL INCOME TAX CONSEQUENCES</u>	<u>175</u>
<u>LEGAL MATTERS</u>	<u>175</u>
<u>EXPERTS</u>	<u>175</u>
<u>ANNEX A: LETTER OF TRANSMITTAL</u>	<u>A-1</u>
<u>ANNEX B: GLOSSARY OF NATURAL GAS AND OIL TERMS</u>	<u>B-1</u>
<u>INDEX TO FINANCIAL STATEMENTS</u>	<u>F-1</u>

In this prospectus we refer to the notes to be issued in the exchange offer as the "new notes" or "new Notes," and we refer to the \$525 million principal amount of our 6.0% senior notes due 2020 issued on November 19, 2012 (\$300 million) and February 4, 2013 (\$225 million) collectively as the "old notes" or "old Notes." We refer to the new notes and the old notes collectively as the "notes." In this prospectus, references to the "issuer" refer to Antero Resources Finance Corporation, a Delaware corporation and an indirect wholly owned subsidiary of Antero Resources LLC, a Delaware limited liability company. Antero Resources Finance Corporation was formed to be the issuer of the notes. References to "Antero," "Antero Resources" or "the Company" refer to Antero Resources LLC unless otherwise indicated or the context otherwise requires. References to "operating subsidiaries" refer to Antero's principal operating subsidiaries, Antero Resources Appalachian Corporation, a Delaware corporation, and Antero Resources Bluestone LLC, a Delaware limited liability company. On March 6, 2013, Antero Resources Arkoma LLC, Antero Resources Piceance LLC and Antero Resources Pipeline LLC were merged into Antero Resources Appalachian Corporation. References to "we," "us" or "our" refer to Antero and its subsidiaries, unless otherwise indicated or the context otherwise requires. References to "guarantors" refer to Antero and each of its subsidiaries that guarantee amounts outstanding on the notes on a joint and several basis.

This prospectus incorporates important business and financial information about us that is not included or delivered with this prospectus. Such information is available without charge to holders of old notes upon written or oral request made to Antero Resources Finance Corporation, 1625 17th Street, Denver, Colorado, 80202, Attention: Chief Financial Officer (Telephone (303) 357-7310). To obtain timely delivery of any requested information, holders of old notes must make any request no later than five business days prior to the expiration of the exchange offer.

Table of Contents

**CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS**

The information in this prospectus includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). All statements, other than statements of historical fact included in this prospectus, regarding our strategy, future operations, financial position, estimated revenues and losses, projected costs, prospects, plans and objectives of management are forward-looking statements. When used in this prospectus, the words "could," "believe," "anticipate," "intend," "estimate," "expect," "project" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words. These forward-looking statements are based on our current expectations and assumptions about future events and are based on currently available information as to the outcome and timing of future events. When considering forward-looking statements, you should keep in mind the risk factors and other cautionary statements described under the heading "Risk Factors" included in this prospectus. These forward-looking statements are based on management's current belief, based on currently available information, as to the outcome and timing of future events.

Forward-looking statements may include statements about our:

business strategy;

reserves;

financial strategy, liquidity and capital required for our development program;

realized natural gas, natural gas liquids ("NGLs") and oil prices;

timing and amount of future production of natural gas, NGLs and oil;

hedging strategy and results;

future drilling plans;

competition and government regulations;

pending legal or environmental matters;

marketing of natural gas, NGLs and oil;

leasehold or business acquisitions;

costs of developing our properties and conducting our gathering and other midstream operations;

general economic conditions;

credit markets;

uncertainty regarding our future operating results; and

plans, objectives, expectations and intentions contained in this prospectus 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 exploration for and development, production, gathering and sale of natural gas, NGLs and oil. These risks include, but are not limited to, commodity price volatility, inflation, lack of availability of drilling and production equipment and services, environmental risks, drilling and other operating risks, regulatory changes, the uncertainty inherent in estimating natural gas, NGLs and oil reserves and 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 prospectus.



Table of Contents

Reserve engineering is a process of estimating underground accumulations of natural gas and oil that cannot be measured in an exact way. The accuracy of any reserve estimate depends on the quality of available data, the interpretation of such data and price and cost assumptions made by reservoir engineers. In addition, the results of drilling, testing and production activities may justify revisions of estimates that were made previously. If significant, such revisions would change the schedule of any further production and development drilling. Accordingly, reserve estimates may differ significantly from the quantities of natural gas and oil that are ultimately recovered.

Should one or more of the risks or uncertainties described in this prospectus 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 prospectus 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 prospectus.

Table of Contents

**PROSPECTUS SUMMARY**

This summary highlights some of the information contained in this prospectus and does not contain all of the information that may be important to you. You should read this entire prospectus and the documents to which we refer you before making an investment decision. You should carefully consider the information set forth under "Risk Factors" beginning on page 8 of this prospectus and the other cautionary statements described in this prospectus. In addition, certain statements include forward looking information that involves risks and uncertainties. See "Cautionary Statement Regarding Forward-Looking Statements." The information in this prospectus with respect to our estimated proved reserves as of December 31, 2012 has been prepared by our internal reserve engineers and audited by our independent reserve engineering firms. Certain operational terms used in this prospectus are defined in "Annex B: Glossary of Natural Gas and Oil Terms."

**Our Company**

Antero Resources is an independent oil and natural gas company engaged in the exploration, development and acquisition of natural gas, NGLs, and oil properties located in the Appalachian Basin. We focus on unconventional reservoirs, which can generally be characterized as fractured shale formations. As of December 31, 2012, we held approximately 371,000 net acres of rich gas and dry gas properties, which are located in the Appalachian Basin in West Virginia, Ohio and Pennsylvania. Our corporate headquarters are in Denver, Colorado

Our management team has worked together for many years and has a successful track record of reserve and production growth as well as significant expertise in unconventional resource plays. Our strategy is to leverage our team's experience delineating and developing natural gas resource plays to profitably grow our reserves and production, primarily through internally generated projects on our acquired acreage. As of December 31, 2012, our estimated proved reserves were approximately 4.9 Tcfe, consisting of 3.7 Tcf of natural gas, 203 MMBbl of NGLs, and 3 MMBbl of oil.

As of December 31, 2012, 75% of our proved reserves were natural gas, 21% were proved developed and 98% were operated by us. For the year ended December 31, 2012, we generated cash flow from operations of \$332 million, a net loss of \$285 million and EBITDAX of \$434 million. The net loss in 2012 includes, (i) a pre-tax loss of \$796 million on the sale of the Arkoma and Piceance Basin properties, (ii) deferred tax benefit related to the loss on the sale of the Arkoma and Piceance properties and discontinued operations of \$273 million, (iii) a pre-tax gain on the sale of certain Appalachian gathering systems of \$291 million, and (iv) a noncash tax provision related to continuing operations of \$121 million. See "Selected Historical Consolidated Financial Data" for a definition of EBITDAX (a non-GAAP measure) and a reconciliation of EBITDAX to net income (loss).

We have assembled a diversified portfolio of long-lived properties that are characterized by what we believe to be low geologic risk and repeatable drilling opportunities. Our drilling opportunities are focused in the Marcellus, Utica and Upper Devonian Shales of the Appalachian Basin. From inception, we have drilled and operated 520 wells through December 31, 2012 with a success rate of approximately 98%. Our drilling inventory consists of approximately 4,900 potential well locations, all of which are unconventional resource opportunities.

We believe we have secured sufficient long-term firm takeaway capacity on major pipelines that are in existence or currently under construction in each of our core operating areas to accommodate our existing production.

We operate in one industry segment, which is the exploration, development and production of natural gas, NGLs, and oil, and all of our operations are conducted in the United States. Our gathering assets are primarily dedicated to supporting the natural gas volumes we produce.

Table of Contents

**Corporate Sponsorship and Structure**

We began operations in 2004 and the Company, as it exists today, was formed in October 2009. We have funded our development and operating activities primarily through equity capital raised from private equity sponsors and institutional investors, issuance of debt securities, sales of non-core assets, borrowings under our bank credit facilities, and operating cash flows. Our primary private equity sponsors are affiliates of Warburg Pincus, Yorktown Energy Partners and Trilantic Capital Partners.

Antero Resources Finance Corporation was formed in October 2009 as an indirect wholly-owned subsidiary of Antero for the purpose of arranging financing for Antero and the operating subsidiaries, including the 9.375% senior notes due 2017, 7.25% senior notes due 2019 and 6.0% senior notes due 2020. The indentures governing the notes limit Antero Finance's activities to those of a finance subsidiary. Antero Finance does not own any significant assets other than intercompany obligations.

**Corporate Headquarters**

Our corporate headquarters are located at 1625 17th Street, Denver, Colorado 80202, and our telephone number at that address is (303) 357-7310.

Table of Contents

**The Exchange Offer**

On November 19, 2012 and February 4, 2013, we completed private offerings of \$300 million and \$225 million, respectively, of the old notes. On each of those dates, we entered into registration rights agreements with the initial purchasers in connection with the offerings pursuant to which we agreed to deliver to you this prospectus and to use commercially reasonable efforts to complete the exchange offer by November 19, 2013.

Exchange Offer	We are offering to exchange new notes for old notes.
Expiration Date	The exchange offer will expire at 11:59 p.m., New York City time, on _____, 2013, unless we decide to extend it.
Condition to the Exchange Offer	The registration rights agreements do not require us to accept old notes for exchange if the exchange offer, or the making of any exchange by a holder of the old notes, would violate any applicable law or interpretation of the staff of the Securities and Exchange Commission. The exchange offer is not conditioned on a minimum aggregate principal amount of old notes being tendered.
Procedures for Tendering Old Notes	<p>To participate in the exchange offer, you must follow the procedures established by The Depository Trust Company, which we call "DTC," for tendering notes held in book-entry form. These procedures, which we call "ATOP," require that (i) the exchange agent receive, prior to the expiration date of the exchange offer, a computer generated message known as an "agent's message" that is transmitted through DTC's automated tender offer program, and (ii) DTC confirms that:</p> <p style="padding-left: 40px;">DTC has received your instructions to exchange your notes, and</p> <p style="padding-left: 40px;">you agree to be bound by the terms of the letter of transmittal.</p> <p>For more information on tendering your old notes, please refer to the section in this prospectus entitled "Exchange Offer Terms of the Exchange Offer," "Procedures for Tendering," and "Description of Notes Book Entry; Delivery and Form."</p>
Guaranteed Delivery Procedures	None.
Withdrawal of Tenders	You may withdraw your tender of old notes at any time prior to the expiration date. To withdraw, you must submit a notice of withdrawal to the exchange agent using ATOP procedures before 11:59 p.m., New York City time, on the expiration date of the exchange offer. Please refer to the section in this prospectus entitled "Exchange Offer Withdrawal of Tenders."
Acceptance of Old Notes and Delivery of New Notes	If you fulfill all conditions required for proper acceptance of old notes, we will accept any and all old notes that you properly tender in the exchange offer before 11:59 p.m., New York City time on the expiration date. We will return any old note that we do not accept for exchange to you without expense promptly after the expiration date and acceptance of the old notes for exchange. Please refer to the section in this prospectus entitled "Exchange Offer Terms of the Exchange Offer."

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### Table of Contents

Fees and Expenses	We will bear expenses related to the exchange offer. Please refer to the section in this prospectus entitled "Exchange Offer Fees and Expenses."
Use of Proceeds	The issuance of the new notes will not provide us with any new proceeds. We are making this exchange offer solely to satisfy our obligations under the registration rights agreements.
Consequences of Failure to Exchange Old Notes	If you do not exchange your old notes in this exchange offer, you will no longer be able to require us to register the old notes under the Securities Act except in limited circumstances provided under the registration rights agreements. In addition, you will not be able to resell, offer to resell or otherwise transfer the old notes unless we have registered the old notes under the Securities Act, or unless you resell, offer to resell or otherwise transfer them under an exemption from the registration requirements of, or in a transaction not subject to, the Securities Act.
U.S. Federal Income Tax Consequences	The exchange of new notes for old notes in the exchange offer will not be a taxable event for U.S. federal income tax purposes. Please read "Material United States Federal Income Tax Consequences."
Exchange Agent	<p>We have appointed Wells Fargo Bank, N.A. as exchange agent for the exchange offer. You should direct questions and requests for assistance, requests for additional copies of this prospectus or the letter of transmittal to the exchange agent as follows:</p> <p><i>By Registered &amp; Certified Mail:</i></p> <p>Wells Fargo Bank, N.A. Corporate Trust Operations MAC N9303-121 PO Box 1517 Minneapolis, Minnesota 55480</p> <p><i>By regular mail or overnight courier:</i></p> <p>Wells Fargo Bank, N.A. Corporate Trust Operations MAC N9303-121 Sixth &amp; Marquette Avenue Minneapolis, Minnesota 55479</p> <p><i>In person by hand only:</i></p> <p>Wells Fargo Bank, N.A. 12th Floor Northstar East Building Corporate Trust Operations 608 Second Avenue South Minneapolis, Minnesota 55402</p> <p>Eligible institutions may make requests by facsimile at (612) 667-6282 and may confirm facsimile delivery by calling (800) 344-5128.</p>

Table of Contents

**Terms of the New Notes**

The new notes will be identical to the old notes except that the new notes are registered under the Securities Act and will not have restrictions on transfer, registration rights or provisions for additional interest. The new notes will evidence the same debt as the old notes, and the same indenture will govern the new notes and the old notes.

The following summary contains basic information about the new notes and is not intended to be complete. It does not contain all information that may be important to you. For a more complete understanding of the new notes, please refer to the section entitled "Description of Notes" in this prospectus.

Issuer	Antero Resources Finance Corporation
Securities Offered	\$525 million aggregate principal amount of 6.0% senior notes due 2020.
Maturity	December 1, 2020.
Interest Payment Dates	Interest on the notes will be paid semi-annually in arrears on June 1 and December 1 of each year commencing on June 1, 2013. Interest on each new note will accrue from the last interest payment date on which interest was paid on the old note tendered in exchange thereof, or, if no interest has been paid on the old note, from the date of the original issue of the old note.
Guarantees	The payment of the principal, premium and interest on the notes will be fully and unconditionally guaranteed on a senior unsecured basis by Antero, all of its wholly owned subsidiaries (other than the issuer) and certain of its future restricted subsidiaries. The guarantees will be unsecured senior indebtedness of the guarantors and will have the same ranking with respect to the guarantors' indebtedness as the notes will have with respect to the issuer's indebtedness. See "Description of Notes Guarantees."
Ranking	<p>The new notes will be the issuer's general senior unsecured obligations. The new notes will:</p> <p>rank equally in right of payment with all of the issuer's other senior indebtedness (including the issuer's guarantee under our senior secured revolving credit facility, our 9.375% senior notes due 2017, our 7.25% senior notes due 2019 and our 9% note payable due December 1, 2013); and</p> <p>rank senior in right of payment to any of the issuer's future subordinated indebtedness.</p> <p>The guarantees will be the guarantors' general senior unsecured obligations and will rank equally in right of payment with all of the other senior indebtedness of the guarantors (including the guarantors' borrowings under our senior secured revolving credit facility).</p>

Table of Contents

The notes and guarantees will effectively rank junior in right of payment to all of the issuer's and the guarantors' existing and future secured indebtedness, including borrowings and guarantees under our senior secured revolving credit facility, to the extent of the value of the collateral securing such indebtedness.

The notes and guarantees will be structurally subordinated to any liabilities (including trade payables) of any future non-guarantor subsidiaries.

Optional Redemption

The issuer will have the option to redeem the new notes, in whole or in part, at any time on or after December 1, 2015, in each case at the redemption prices described in this prospectus under the heading "Description of Notes Optional Redemption," together with any accrued and unpaid interest to, but excluding, the date of such redemption.

On or prior to December 1, 2015, the issuer may, from time to time, redeem up to 35% of the aggregate principal amount of the notes with the net proceeds of certain equity offerings at a redemption price equal to 106.0% of the principal amount of the notes, plus any accrued and unpaid interest to, but excluding, the date of such redemption.

In addition, at any time prior to December 1, 2015, the issuer may redeem the new notes, in whole or in part, at a "make-whole" redemption price described under "Description of Notes Optional Redemption," together with any accrued and unpaid interest to, but excluding, the date of such redemption.

If certain transactions that would constitute a change of control occur prior to January 1, 2014, we may redeem all, but not less than all, of the notes at a redemption price equal to 110% of the principal amount of the notes redeemed plus any accrued and unpaid interest to, but excluding, the date of such redemption.

Mandatory Offers to Purchase

Upon the occurrence of a change of control, unless the issuer has exercised its optional redemption right in respect of the notes, holders of the new notes will have the right to require the issuer to repurchase all or a portion of the new notes at a price equal to 101% of the aggregate principal amount of the new notes, together with any accrued and unpaid interest to, but excluding, the date of purchase. In connection with certain asset dispositions, the issuer will be required to use the net cash proceeds of the asset dispositions to make an offer to purchase the new notes at 100% of the principal amount, together with any accrued and unpaid interest to, but excluding, the date of purchase.

Table of Contents

Certain Covenants

The issuer will issue the new notes under an indenture with Wells Fargo Bank, National Association, as trustee, dated as of November 19, 2012. The indenture, among other things, limits the ability of Antero and its restricted subsidiaries (including the issuer) to:

incur, assume or guarantee additional indebtedness or issue preferred stock;

pay dividends on equity securities, repurchase equity securities or redeem subordinated indebtedness;

issue certain preferred stock or similar equity securities;

make investments or other restricted payments;

create liens to secure indebtedness;

restrict dividends, loans or other asset transfers from our restricted subsidiaries;

sell or otherwise dispose of assets, including capital stock of subsidiaries;

enter into transactions with affiliates; and

consolidate with or merge with or into, or sell substantially all of our properties to, another person.

However, many of these covenants will terminate if:

both Standard & Poor's Ratings Services and Moody's Investors Service, Inc. assign the notes an investment grade rating; and

no default under the indenture has occurred and is continuing.

These covenants are subject to important exceptions and qualifications, which are described under "Description of Notes Certain Covenants."

Absence of a Public Market for the New Notes

The new notes generally will be freely transferable, but will also be new securities for which there will not initially be a market. There can be no assurance as to the development or liquidity of any market for the new notes. We do not intend to apply for a listing of the new notes on any securities exchange or any automated dealer quotation system.

Risk Factors

Investing in the new notes involves risks. See "Risk Factors" beginning on page 8 for a discussion of certain factors you should consider in evaluating whether or not to tender your old notes.





Table of Contents

**RISK FACTORS**

*Investing in the notes involves risks. You should carefully consider the information in this prospectus, including the matters addressed under "Cautionary Statement Regarding Forward-Looking Statements," and the following risks before participating in the exchange offer.*

*We are subject to certain risks and hazards due to the nature of the business activities we conduct. The risks discussed below, any of which could materially and adversely affect our business, financial condition, cash flows, and results of operations, are not the only risks we face. 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 Relating to the Exchange Offer**

*If you do not properly tender your old notes, you will continue to hold unregistered old notes and your ability to transfer old notes will remain restricted and may be adversely affected.*

The issuer will only issue new notes in exchange for old notes that you timely and properly tender. Therefore, you should allow sufficient time to ensure timely delivery of the old notes and you should carefully follow the instructions on how to tender your old notes. Neither we nor the exchange agent is required to tell you of any defects or irregularities with respect to your tender of old notes.

If you do not exchange your old notes for new notes pursuant to the exchange offer, the old notes you hold will continue to be subject to the existing transfer restrictions. In general, you may not offer or sell the old notes except under an exemption from, or in a transaction not subject to, the Securities Act and applicable state securities laws. We do not plan to register old notes under the Securities Act unless the registration rights agreements with the initial purchasers of the old notes require us to do so. Further, if you continue to hold any old notes after the exchange offer is consummated, you may have trouble selling them because there will be fewer of the old notes outstanding.

**Risks Relating to the Notes**

*Our substantial indebtedness could adversely affect our financial condition and prevent us from fulfilling our obligations under the notes.*

We have, and after this exchange will continue to have, a significant amount of indebtedness. As of December 31, 2012, after giving effect to our February 2013 offering of \$225 million of the existing notes, the resulting borrowing base adjustment and the application of the net proceeds therefrom, we have approximately \$1.5 billion in total indebtedness, no senior secured indebtedness outstanding and \$657 million of available borrowing capacity under our senior secured revolving credit facility (our "Credit Facility") (after deducting \$43 million outstanding letters of credit).

Subject to the limits contained in the credit agreement governing our Credit Facility, the indenture governing the notes, the indentures that govern our other series of senior notes and our other debt instruments, we may be able to incur substantial additional debt from time to time to finance working capital, capital expenditures, investments or acquisitions, or for other purposes. If we do so, the risks related to our high level of debt could intensify. Specifically, our high level of debt could have important consequences to the holders of the notes, including:

making it more difficult for us to satisfy our obligations with respect to the notes and our other debt;

limiting our ability to obtain additional financing to fund future working capital, capital expenditures, acquisitions or other general corporate requirements;

Table of Contents

requiring a substantial portion of our cash flows to be dedicated to debt service payments instead of other purposes, thereby reducing the amount of cash flows available for working capital, capital expenditures, acquisitions and other general corporate purposes;

increasing our vulnerability to general adverse economic and industry conditions;

exposing us to the risk of increased interest rates as certain of our borrowings, including borrowings under our Credit Facility, are at variable rates of interest;

limiting our flexibility in planning for and reacting to changes in the industry in which we compete;

placing us at a disadvantage compared to other, less leveraged competitors; and

increasing our cost of borrowing.

***We may not be able to generate sufficient cash to service all of our indebtedness, including the notes, and may be forced to take other actions to satisfy our obligations under our indebtedness, which may not be successful.***

Our ability to make scheduled payments on or to refinance our indebtedness obligations, including the notes, depends on our financial condition and operating performance, which is subject to prevailing economic and competitive conditions and certain financial, business and other factors beyond our control. We may not be able to maintain a level of cash flows from operating activities sufficient to permit us to pay the principal, premium, if any, and interest on our indebtedness, including the notes.

If our cash flows and capital resources are insufficient to fund our debt service obligations, we may be forced to reduce or delay investments and capital expenditures, or to sell assets, seek additional capital or restructure or refinance our indebtedness, including the notes. Our ability to restructure or refinance our indebtedness will depend on the condition of the capital markets and our financial condition at such time. Any refinancing of our indebtedness could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. The terms of existing or future debt instruments, including the indenture governing the notes, may restrict us from adopting some of these alternatives. In addition, any failure to make payments of interest and principal on our outstanding indebtedness on a timely basis would likely result in a reduction of our credit rating, which could harm our ability to incur additional indebtedness. In the absence of sufficient cash flows and capital resources, we could face substantial liquidity problems and might be required to dispose of material assets or operations to meet our debt service and other obligations. Our Credit Facility and the indentures governing our senior notes (including the notes) restrict our ability to dispose of assets and use the proceeds from such disposition. We may not be able to consummate those dispositions, and the proceeds of any such disposition may not be adequate to meet any debt service obligations then due. These alternative measures may not be successful and may not permit us to meet our scheduled debt service obligations.

As of December 31, 2012, after giving effect to our February 2013 offering of \$225 million of the existing notes, the resulting borrowing base adjustment and the application of the net proceeds therefrom, we expect to have approximately \$1.5 billion in total indebtedness, no senior secured indebtedness outstanding and \$657 million of available borrowing capacity under our Credit Facility (after deducting \$43 million outstanding letters of credit).

On February 4, 2013, the borrowing base under our Credit Facility was decreased by \$56 million to \$1.22 billion. The lender commitments under the facility can be expanded from \$700 million to the full \$1.22 billion borrowing base upon bank approval.

In the future, we may not be able to access adequate funding under our Credit Facility as a result of a decrease in our borrowing base due to the issuance of new indebtedness that may result in a decrease in our borrowing base, the outcome of a subsequent semi-annual borrowing base

Table of Contents

redetermination or an unwillingness or inability on the part of our lending counterparties to meet their funding obligations and the inability of other lenders to provide additional funding to cover the defaulting lender's portion. In addition, to the extent that the borrowing base under our Credit Facility exceeds the total lender commitments, our borrowing availability will be limited to the aggregate lender commitments. Declines in commodity prices could result in a determination to lower the borrowing base in the future and, in such a case, we could be required to repay any indebtedness in excess of the redetermined borrowing base. As a result, we may be unable to implement our drilling and development plan, make acquisitions or otherwise carry out our business plan, which would have a material adverse effect on our financial condition and results of operations and impair our ability to service all of our indebtedness, including the new notes.

***If we are unable to comply with the restrictions and covenants in the agreements governing our senior notes and other indebtedness, there could be a default under the terms of these agreements, which could result in an acceleration of payment of funds that we have borrowed and would impact our ability to make principal and interest payments on the notes.***

If we are unable to comply with the restrictions and covenants in the indentures governing our senior notes (including the notes) or in our Credit Facility, or in any future debt financing agreements, there could be a default under the terms of these agreements. Our ability to comply with these restrictions and covenants, including meeting financial ratios and tests, may be affected by events beyond our control. As a result, we cannot assure you that we will be able to comply with these restrictions and covenants or meet these tests. Any default under the agreements governing our indebtedness, including a default under our Credit Facility or the indentures governing our senior notes (including the notes), that is not waived by the requisite number of lenders and the remedies sought by the holders of such indebtedness, could prevent us from paying principal, premium, if any, and interest on the notes and substantially decrease the market value of the notes. If we are unable to generate sufficient cash flow and are otherwise unable to obtain funds necessary to meet required payments of principal, premium, if any, and interest on our indebtedness or if we otherwise fail to comply with the various covenants, including financial and operating covenants in the instruments governing our indebtedness (including covenants in our Credit Facility and in the indentures governing our senior notes), we could be in default under the terms of these agreements. In the event of such default:

the holders of such indebtedness could elect to declare all the funds borrowed thereunder to be immediately due and payable, together with any accrued and unpaid interest;

the lenders under our Credit Facility could elect to terminate their commitments thereunder, cease making further loans to us and institute foreclosure proceedings against our assets; and

we could be forced into bankruptcy or liquidation.

If our operating performance declines, in the future we may need to obtain waivers from the requisite number of lenders under our Credit Facility to avoid being in default. If we breach our covenants under our Credit Facility and seek a waiver, we may not be able to obtain a waiver from the required lenders on terms that are acceptable to us, if at all. If this occurs, we would be in default under our Credit Facility, the lenders could exercise their rights, as described above, and we could be forced into bankruptcy or liquidation. See "Restrictions in our existing and future debt agreements could limit our growth and our ability to engage in certain activities."

***The notes and the guarantees are unsecured and effectively subordinated to the rights of our secured indebtedness.***

The notes and the guarantees are general unsecured senior obligations ranking effectively junior to all of our existing and future secured indebtedness, including our obligations under our Credit Facility, to the extent of the value of the collateral securing the indebtedness.

Table of Contents

If we were unable to repay such indebtedness under our Credit Facility, the lenders under that facility could foreclose on the pledged assets to the exclusion of holders of the notes, even if an event of default exists under the indenture governing the notes at such time. Furthermore, if the lenders foreclose and sell the pledged equity interests in any guarantor in a transaction permitted under the terms of the indenture governing the notes, then such guarantor will be released from its guarantee of the notes automatically and immediately upon such sale. In any such event, because the notes are not secured by any of such assets or by the equity interests in any such guarantor, it is possible that there would be no assets from which your claims could be satisfied or, if any assets existed, they might be insufficient to satisfy your claims in full.

If the issuer or any guarantor is declared bankrupt, becomes insolvent or is liquidated or reorganized, any of its secured indebtedness will be entitled to be paid in full from its assets or the assets of any guarantor securing that indebtedness before any payment may be made with respect to the notes or the affected guarantees. Holders of the notes will participate ratably in our remaining assets with all holders of any unsecured indebtedness that does not rank junior to the notes, based upon the respective amounts owed to each holder or creditor. In any of the foregoing events, there may not be sufficient assets to pay amounts due on the notes or the guarantees. As a result, holders of the notes would likely receive less, ratably, than holders of secured indebtedness.

As of December 31, 2012, after giving effect to our February 2013 offering of \$225 million of the existing notes, the resulting borrowing base adjustment and the application of the net proceeds therefrom, we expect to have approximately \$1.5 billion in total indebtedness, no senior secured indebtedness outstanding and \$657 million of available borrowing capacity under our Credit Facility (after deducting \$43 million outstanding letters of credit).

***We may incur substantially more indebtedness, including indebtedness ranking equal to the notes and the guarantees. This could increase the risks associated with the notes.***

Subject to the restrictions in the indenture governing the notes, the indentures governing our other senior notes and our Credit Facility, we may incur substantial additional indebtedness (including secured indebtedness) in the future. Although the instruments governing our Credit Facility and the indentures governing our senior notes (including the notes) each contain restrictions on the incurrence of additional indebtedness, these restrictions are subject to certain qualifications and exceptions, and indebtedness incurred in compliance with these restrictions could be substantial. These restrictions also will not prevent us from incurring obligations that do not constitute indebtedness.

If the issuer or any guarantor incurs any additional indebtedness that ranks equally with the notes (or with the guarantees thereof), including trade payables, the holders of that indebtedness will be entitled to share ratably with noteholders in any proceeds distributed in connection with any insolvency, liquidation, reorganization, dissolution or other winding-up of the issuer or such guarantor. This may have the effect of reducing the amount of proceeds paid to noteholders in connection with such a distribution. As of December 31, 2012, after giving effect to our February 2013 offering of \$225 million of the existing notes and the application of the net proceeds therefrom, we would have had total long-term indebtedness of approximately \$1.5 billion.

Any increase in our level of indebtedness will have several important effects on our future operations, including, without limitation:

we will have additional cash requirements in order to support the payment of interest on our outstanding indebtedness;

increases in our outstanding indebtedness and leverage will increase our vulnerability to adverse changes in general economic and industry conditions, as well as to competitive pressure;

Table of Contents

depending on the levels of our outstanding indebtedness, our ability to obtain additional financing for working capital, capital expenditures, general corporate and other purposes may be limited; and

our level of indebtedness may prevent us from engaging in certain transactions that might otherwise be beneficial to us.

Any of these factors could result in a material adverse effect on our business, financial condition, results of operations, business prospects and ability to satisfy our obligations under the notes.

***The notes are structurally subordinated to all obligations of our future subsidiaries that do not become guarantors of the notes.***

The notes are guaranteed by all of Antero's existing subsidiaries (except the issuer), and by (a) any wholly-owned domestic subsidiary of Antero formed after the issue date of the existing notes and (b) any domestic subsidiary of Antero that guarantees any indebtedness of the issuer, Antero or any other subsidiary guarantor (in each case, other than an immaterial subsidiary). Our subsidiaries that do not guarantee the notes will have no obligation, contingent or otherwise, to pay amounts due under the notes or to make any funds available to pay those amounts, whether by dividend, distribution, loan or other payment. The notes are structurally subordinated to all indebtedness and other obligations of any non-guarantor subsidiary such that in the event of insolvency, liquidation, reorganization, dissolution or other winding up of any subsidiary that is not a guarantor, all of that subsidiary's creditors (including trade creditors) would be entitled to payment in full out of that subsidiary's assets before we would be entitled to any payment.

In addition, the indenture governing the notes, subject to some limitations, permits these subsidiaries to incur additional indebtedness and does not contain any limitation on the amount of other liabilities, such as trade payables, that may be incurred by these subsidiaries.

Further, our subsidiaries that provide, or will provide, guarantees of the notes will be automatically released from those guarantees upon the occurrence of certain events, including the following:

the designation of that subsidiary guarantor as an unrestricted subsidiary;

the release or discharge of any guarantee or indebtedness that resulted in the creation of the guarantee of the notes by such subsidiary guarantor; or

the sale or other disposition, including the sale of substantially all the assets, of that subsidiary guarantor.

If any subsidiary guarantee is released, no holder of the notes will have a claim as a creditor against that subsidiary, and the indebtedness and other liabilities, including trade payables and preferred stock, if any, whether secured or unsecured, of that subsidiary will be effectively senior to the claim of any holders of the notes. See "Description of Notes Guarantees."

***Restrictions in our existing and future debt agreements could limit our growth and our ability to engage in certain activities.***

Our Credit Facility contains a number of significant restrictive covenants (in addition to covenants restricting the incurrence of additional indebtedness) that may limit our ability to, among other things:

sell assets;

make loans to others;

make investments;

enter into mergers;

Table of Contents

make certain payments;

hedge future production;

incur liens; and

engage in certain other transactions without the prior consent of the lenders.

The indentures governing our senior notes (including the notes) contain similar restrictive covenants. In addition, our Credit Facility requires us to maintain certain financial ratios or to reduce our indebtedness if we are unable to comply with such ratios. These restrictions, together with those in the indentures governing our senior notes (including the notes), may also limit our ability to obtain future financings to withstand a future downturn in our business or the economy in general, or to otherwise conduct necessary corporate activities. We may also be prevented from taking advantage of business opportunities that arise because of the limitations that the restrictive covenants under the indentures governing our senior notes (including the notes) and our Credit Facility impose on us.

Our Credit Facility limits the amounts we can borrow up to the lesser of (a) the total commitments or (b) a borrowing base amount, which the lenders, in their sole discretion,