Denver County District Court 1437 Bannock Street Denver, Colorado 80202

**Plaintiffs:** WILLIAM G. STRUDLEY and BETH E. STRUDLEY, Individually, and as the Parents and Natural Guardians of WILLIAM STRUDLEY, a minor, and CHARLES STRUDLEY, a minor.

v.

**Defendants:** ANTERO RESOURCES CORPORATION, CALFRAC WELL SERVICES, LTD., and FRONTIER DRILLING LLC

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Case Number: 2011 CV - -

Division: Courtroom:

This case is **NOT** subject to the simplified procedures for court actions under Rule 16.1 because:

\_\_This is a class action, domestic relations, juvenile, mental health, probate, water law, forcible entry and detainer, Rule 106 and 120, or other similar expedited proceeding [see C.R.C.P. 16.1(b)(1)] and/or

 $\underline{X}$  Claims against any party exceed \$100,000 [see C.R.C.P. 16.1(b)(2), (c)]

### COMPLAINT AND JURY DEMAND

COME NOW the Plaintiffs William G. Strudley and Beth E. Strudley, individually and as the parents and natural guardians of William Strudley, a minor, and Charles Strudley, a minor, by and through undersigned counsel, for their Complaint, aver and allege as follows:

## I. THE PARTIES

- 1. Plaintiffs William Strudley and Beth E. Strudley are adult citizens of the State of Colorado, residing at 7741 County Road 233, Silt, Colorado 81652 (hereinafter the "Property"). These Plaintiffs reside with their two minor children, William Strudley and Charles Strudley, and bring this action individually and on behalf of their children as parents and natural guardians.
- 2. Defendant Antero Resources Corporation ("Antero") is an exploration and production company engaged in the acquisition, development and production of unconventional hydrocarbon resources in the United States.
- 3. Antero's corporate headquarters is located at 1625 17th Street Denver, Colorado 80202. Antero also maintains an operations facility at 792 Buckhorn Drive, Rifle, Colorado 81650. At all times relevant to this action, Antero has been located and conducting business in the State of Colorado.
- 4. Defendant Calfrac Well Services, Ltd. ("Calfrac") is a provider of specially designed fracturing, coiled tubing, cementing and well servicing solutions for hydrocarbon production.
- 5. Calfrac's corporate headquarters are located at 411-8 Avenue S.W., Calgary, Alberta T2P 1E3. Calfrac's maintains a regional headquarters at 717 17th Street, Suite 1445, Denver, Colorado 80202. At all times relevant to this action, Calfrac has been located and conducting business in the State of Colorado.
- 6. Defendant Frontier Drilling LLC ("Frontier") is a provider of drilling equipment and services and engages in drilling operations for hydrocarbon production in the Rocky Mountain region, including Colorado.
- 7. Frontier's corporate headquarters are located at 950 17<sup>th</sup> Street, Suite 2400, Denver Colorado 80202. At all times relevant to this action, Frontier has been located and conducting business in the State of Colorado.

## II. JURISDICTION AND VENUE

- 8. Venue in this Court is proper pursuant to Colo. R. Civ. P. 98 because defendants, or at least one of the defendants, reside in this County.
- 9. This Court properly may exercise personal jurisdiction over non-resident defendants predicated upon Colorado's long-arm statute, C.R.S. § 13-1-124 *et seq.*, by virtue of defendants having purposefully availed themselves of the privilege of conducting business within this State and causing injuries and damages to residents of this State.

## III. NATURE OF THE CASE

- 10. Plaintiffs complain, *inter alia*, of environmental contamination and polluting events caused by the conduct and activities of the defendants herein, who caused the releases, spills and discharges of combustible gases, hazardous chemicals and industrial wastes from their oil and gas drilling facilities and as a result of their gas drilling and exploration activities, as fully described herein.
- 11. Defendants' releases, spills, discharges and drilling and exploration activities of the defendants caused the plaintiffs, their Property and their residence to be exposed to hazardous gases, chemicals and industrial wastes and caused damage to the natural resources of the environment in and around the plaintiffs' residence, including contaminating the air and the drinking water supply used by the plaintiffs, causing plaintiffs health injuries, loss of use, diminution in value and enjoyment of their Property, loss of quality of life, emotional distress and other damages.

#### IV. FACTS

- 12. Plaintiffs Beth and Bill Strudley are the title owners of a residential Property located at 7741 County Road 233 in Silt, Colorado, where they lived with their two minor children.
- 13. In or about August 2010 and continuing thereafter and at all times mentioned herein, defendants engaged in drilling operations and owned and operated several natural gas wells including but not limited to: API # 05-045-19728; Fenno Ranch Well #A1, Garfield County, State of Colorado.
- 14. In or about August 2010 and continuing thereafter and at all times mentioned herein, defendants engaged in drilling operations and owned and operated several natural gas wells including but not limited to: API # 05-045-19905; Three Siblings Well #A1, Garfield County, State of Colorado.
- 15. In or about August 2010 and continuing thereafter and at all times mentioned herein, defendants engaged in drilling operations and owned and operated several natural gas wells including but not limited to: API # 05-045-19928; Diemoz Well #A1, Garfield County, State of Colorado.
  - 16. The wells enumerated above shall hereinafter be designated "the Wells."
- 17. The defendants located, drilled and otherwise conducted oil and gas explorations of the Wells within approximately one (1) mile of the plaintiffs' residence and water supply well.
- 18. Plaintiffs relied on a ground water well for drinking, bathing, cooking, washing and other daily residential uses.

- 19. Defendants were otherwise negligent and/or grossly negligent in the drilling, construction and operation of the Wells such that:
  - a. Hydrogen sulfide, hexane, n-heptane, toluene, propane, isobutene, n-butane, isopentane, n-pentane and other toxic hydrocarbons and combustible gases and hazardous pollutants and industrial and/or residual waste, was caused to be discharged into or otherwise enter and contaminate the air, ground and aquifer near, onto and under the plaintiffs' home and into the air and ground water well used and relied upon as their water supply.
- 20. The contamination of plaintiffs' air and water supply was the due to the negligence and activities of the defendants' drilling operations, including use of improper drilling techniques and materials, including defective and ineffective well casings, negligent release and burning or "flaring" of toxic and hazardous gases, as well as negligent planning, training and supervision of staff, employees and/or agents.
- 21. Defendants' acts and omissions caused hydrogen sulfide, hexane, n-heptane, toluene, propane, isobutene, n-butane, isopentane, n-pentane and other toxic hydrocarbons and combustible gases to enter into and contaminate the plaintiffs' air and water.
- 22. Plaintiffs were forced to flee and abandon their home because of the toxic and hazardous contamination caused by defendants.
- 23. The defendants conducted activities in such a negligent and improper manner as to violate various Colorado state laws and the Rules and Regulations promulgated thereunder, including, but not limited to the Colorado Hazardous Waste Act, C.R.S. §§ 25-15-101, and the Oil and Gas Conservation Act, C.R.S. §§ 34-60-101.
- 24. As a result of the aforementioned contamination, releases, spills, discharges and nonperformance attributed to and caused solely by defendants' negligent drilling and production activities, plaintiffs have suffered serious harm and injuries including, without limitation:
  - a. Plaintiffs' water supplies are contaminated;
  - b. Plaintiffs have been and continue to be exposed to hazardous and toxic chemicals and substances;
  - c. Plaintiffs have suffered and will continue to suffer personal and physical injuries, known and unknown;
  - d. Plaintiffs have lost the value, use and enjoyment of their residence and Property and the quality of life they otherwise enjoyed;
  - e. Plaintiffs live in constant fear of future physical illnesses;

- f. Plaintiffs have and/or will continue to pay costs for medical care, alternative living quarters, water samples and alternative sources of water.
- 25. As a result of the foregoing and following allegations and causes of action, plaintiffs seek, *inter alia*, an order and/or judgment requiring defendants to pay compensatory damages, punitive damages, diminution of value of the Property, the cost of future health monitoring, litigation fees and costs, including attorneys' fees and to provide any further relief that the Court may find appropriate.

### V. CAUSES OF ACTION

# FIRST CLAIM FOR RELIEF (Negligence)

- 26. Plaintiffs incorporate by reference the allegations of all the preceding paragraphs as if fully restated herein.
- 27. Defendants owed a duty of care to plaintiffs to responsibly drill, own and operate defendants' wells, prevent releases of hazardous chemicals and prevent such releases from contaminating plaintiffs' air, water and Property and take all measures reasonably necessary to inform and protect the public, including plaintiffs, from the contamination of their air and water supply and exposure to hazardous chemicals and combustible gases.
- 28. Defendants, including their officers, agents and/or employees, knew or in the exercise of reasonable care should have known their operations would result in the release or the threat of release of combustible gases and hazardous chemicals should they be carried out in a negligent manner.
- 29. Defendants, including their officers, agents and/or employees, knew or in the exercise of reasonable care should have known of the dangerous, offensive, hazardous or toxic nature of their operations should they be carried out in a negligent manner.
- 30. Defendants, including their officers, agents and/or employees, knew or in the exercise of reasonable care should have known, of the dangerous, offensive, hazardous or toxic nature of the combustible gases and hazardous chemicals released by defendants, and that they were capable of causing serious personal injury to persons coming into contact with them, polluting the air and water supplies of plaintiffs, damaging Property and causing natural resource damage.
- 31. Defendants, including their officers, agents and/or employees, should have taken reasonable precautions and measures to prevent or mitigate the releases and spills, including the design and operation of process systems, so that such releases and spills did not occur, as well as adequate planning for such spills or releases or other emergencies.

- 32. Defendants, including their officers, agents and/or employees, knew, or in the exercise of reasonable care should have known, that once a spill or release occurred, they should take reasonable measures to protect the public, including by issuing immediate and adequate warnings to nearby residents, including plaintiffs, to emergency personnel and to public officials.
- 33. Defendants, including their officers, agents and/or employees, knew or in the exercise of reasonable care should have known, that the releases caused by defendants negligent conduct and the resultant harm to plaintiffs and their Property, were foreseeable and inevitable consequences of defendants acts and/or omissions in the manner in which it engaged in their gas drilling and production activities.
- 34. Defendants, including their officers, agents and/or employees, acted unreasonably and negligently in causing the releases and the contamination of plaintiffs' air and water supplies and failed to take reasonable measures and precautions necessary to avoid and/or respond to the releases of hazardous chemicals and gases and to protect the public, including the plaintiffs from hazardous chemicals and gases.
- 35. Defendants' acts and/or omissions mentioned herein were the direct and proximate cause of the damages and injuries to plaintiffs alleged herein.
- 36. Contamination resulting from the defendants' negligence continues to this day and is likely to continue into the future, unless injunctive relief is awarded by this Court abating the nuisances and enjoining defendants from engaging in their drilling and production activities at the Well areas.
- 37. Plaintiffs in no way contributed to the damages and injuries they have sustained.
- 38. Defendants, by reason of their negligence, are liable for all the damages and injuries to plaintiffs proximately caused by the releases of hazardous substances and chemicals indicated herein and to remediate the contamination caused by such releases.

## SECOND CLAIM FOR RELIEF

(Negligence Per Se)

- 39. Plaintiffs incorporate by reference the allegations of all the preceding paragraphs as if fully restated herein.
- 40. Defendants had a duty to comply with laws, regulations and guidelines applicable to persons drilling, owning and operating Gas Wells, including but not limited to the Oil and Gas Conservation Act of the State of Colorado, including but not limited to §§ 324A, 607, 906, 912 and the Colorado Hazardous Waste Act § 308.
- 41. Upon information and belief, defendants failed to operate their facilities in compliance with the applicable laws and regulations relevant to air, soil and water quality protection.

- 42. These laws and regulations were intended to protect public and private health, safety, Property and economic interests.
- 43. Plaintiffs belong to the group(s) the drafters of such laws and regulations intended to protect.
- 44. These violations directly and proximately caused substantial damages and imminent, substantial and impending harm to plaintiffs' homes and health.
- 45. The risk of damages and the imminent, substantial and impending harm to the plaintiffs are precisely the types of injuries the applicable laws were designed to prevent.
- 46. Violations of these laws and regulations thereby constitute per se negligence. The amount of damages for the injuries will be established at the time of trial.

## THIRD CLAIM FOR RELIEF

(Nuisance)

- 47. Plaintiffs incorporate by reference the allegations of all the preceding paragraphs as if fully restated herein.
- 48. Defendants, by their acts and/or omissions, including those of their officers, agents and/or employees, have caused an unreasonable and substantial interference with plaintiffs' right to use and enjoy plaintiffs' Property.
- 49. Defendants, including their officers, agents and/or employees, have created and maintained a continuing nuisance in the Well area, by allowing the Wells to exist and operate in a dangerous and hazardous condition, allowing the releases and/or the threats of releases of hazardous chemicals and combustible gases and allowing the releases to continue to spread to surrounding areas, including the plaintiffs' Property, air and drinking water supplies, resulting in injuries to plaintiffs' health, well being and residence.
- 50. This nuisance continues to this day and is likely to continue into the future.
- 51. Defendants, by reason of this nuisance, are liable for all the damages and injuries to plaintiffs proximately caused by the releases and contamination and to remediate the contamination.

# FOURTH CLAIM FOR RELIEF (Strict Liability)

52. Plaintiffs incorporate by reference the allegations of all the preceding paragraphs as if fully restated herein.

- 53. The toxic and hazardous chemicals and combustible gases the dendants used, supplied, processed, stored and released can cause severe personal injuries and damages to persons and Property coming in contact with them, and therefore are ultra hazardous and abnormally dangerous.
- 54. There is an inherent risk in exploration and production operations due to generation, handling and disposal of materials, including ultra hazardous wastes, chemicals, petroleum hydrocarbons and volatile organic compounds.
- 55. Defendants may incur joint and several and strict liability under common, state and federal laws in connection with releases of petroleum hydrocarbons and other hazardous substances at, on, under and from leased or owned properties.
- 56. Natural gas operations are subject to many risks including well blowouts, cratering, explosions, pipe failures, fires, formations with heavy pressures, uncontrollable releases of natural gas, oil, brine, well fluids, drilling muds, fracking fluids and other environmental hazards and risks both to the surface and subsurface of the earth.
- 57. The defendants' drilling operations involve risks from high pressure, mechanical difficulties such as stuck pipes, collapsed casings and separated cables.
- 58. The defendants' drilling operations also involve inherent risks from complex geologic features such as faults, fissures and the "hogbacks" located in the area of defendants' operations.
- 59. Horizontal and deep drilling activities involve even greater risk of mechanical failure than vertical and shallow drilling operations.
- 60. Hydro-fracturing activities carried out by the defendants are also ultra hazardous and abnormally dangerous as the consequences of the explosions are uncontrollable and uncontainable.
- 61. The drilling use, processing, storage and activity of gas exploration by the defendants at the Wells was and continues to be an abnormally dangerous and ultra hazardous activity, subjecting persons coming into contact with the ultra hazardous chemicals and combustible gases to severe personal injuries, regardless of degree of caution defendants might have exercised.
- 62. Defendants, by engaging in abnormally dangerous and ultra hazardous activities, are strictly liable with regard to fault for all the damages and injuries to plaintiffs proximately caused by the releases and contamination caused by defendants.

# FIFTH CLAIM FOR RELIEF (Trespass)

63. Plaintiffs incorporate by reference the allegations of all the preceding paragraphs as if fully restated herein.

- 64. Defendants' intentional, willful and/or wanton actions and/or failures to act caused combustible gases, toxic pollutants and hazardous chemicals to be spilled or otherwise released into the air, ground, soil and aquifer at or about the location where defendants' Gas Wells were located.
- 65. Defendants' willful, wanton and intentional failure to act and/or their affirmative choice of action and following course of action caused combustible gases, toxic pollutants and hazardous chemicals to enter and trespass upon the land and realty of the plaintiffs and cause an injury to their possession and/or right of enjoyment of their possession.
- 66. Defendants took affirmative, voluntary and intentional actions to conduct their gas drilling activities in a manner so as to cause the release of combustible gases, toxic pollutants and hazardous chemicals into the air, surface and subsurface and the subsequent contamination of the plaintiffs' air and potable water supplies. Further, after such acts, defendants undertook affirmative, voluntary and intentional acts that were insufficient to warn of or remedy the contamination caused by the release of the combustible gases, toxic pollutants and hazardous chemicals.
- 67. At the time that the above described affirmative, voluntary and intentional acts were performed, defendants had good reason to know or expect that the combustible gases, toxic pollutants and hazardous chemicals would enter plaintiffs' Property both through the air on the surface and pass through the gas well, rock, soil, groundwater and/or aquifer in the sub-surface from defendants' Wells to the land of plaintiffs.
- 68. The above-described affirmative, voluntary and intentional acts were performed with the willful intent to cause or permit the combustible gases, toxic pollutants and hazardous chemicals to be disbursed through the air, soil, groundwater and aquifer and into the private drinking water wells and Property of plaintiffs.
- 69. These voluntary actions resulted in the immediate and continued trespass, injury and damage to plaintiffs, their Property and their right of possession of their Property.
- 70. Further, defendants' actions in releasing combustible gases, toxic pollutants and hazardous chemicals into the air and aquifer which contaminated plaintiffs' Property and potable water supply were done with actual malice and in wanton and willful and/or reckless disregard for plaintiffs' rights, health and Property.
- 71. Additionally and/or alternatively, defendants' decision to delay and resulting delay in taking any affirmative action to eliminate, correct and/or remedy the contamination of the air and aquifer on plaintiffs' Property after having knowledge and notice of said contamination were done with actual malice and in wanton and willful and/or reckless disregard for plaintiffs' rights, health and Property.

- 72. Further, defendants' actions that were patently insufficient to eliminate, correct and/or remedy the contamination after having knowledge and notice of said contamination were with actual malice and in wanton and willful and/or reckless disregard for plaintiffs' rights, health and Property.
- 73. Based upon the above, plaintiffs seek general damages from defendants, in an amount to be determined at trial, directly resulting from the their injuries in a sufficient amount to compensate them for the injuries and losses sustained by plaintiffs and to restore plaintiffs to their original position, including, but not limited to the difference between the current value of the land and such value if the harm had not been done, the cost of repair or restoration, the value of the use of the continuous trespass, injuries to plaintiffs and consequential damages flowing from the trespass, all of which are the natural and proximate result of defendants conduct and exemplary or punitive damages.

# **SIXTH CLAIM FOR RELIEF** (Medical Monitoring Trust Funds)

- 74. Plaintiffs incorporate by reference the allegations of all the preceding paragraphs as if fully restated herein.
- 75. As set forth above, as a result of defendants' negligent acts and/or omissions, plaintiffs have been exposed to toxic and hazardous substances.
- 76. The levels of hazardous substance to which plaintiffs have been exposed are greater than normal background levels.
- 77. As a proximate result of their exposure to such hazardous substances, plaintiffs have a significantly increased risk of contracting a serious latent disease.
- 78. A monitoring procedure exists that makes the early detection of the disease possible.
- 79. Such early detection will help to ameliorate the severity of the disease. The prescribed monitoring regime is different from that normally recommended in the absence of the exposure.
- 80. The prescribed monitoring regime is reasonably necessary according to contemporary medical opinion.

WHEREFORE, Plaintiffs respectfully request Judgment in their favor and against defendants as follows

- i. Awarding plaintiffs the reasonable and necessary costs of remediation of the hazardous substances and contaminants;
- ii. Awarding plaintiffs the cost of future health monitoring;

- iii. Awarding plaintiffs compensatory damages for past and future medical costs and expenses;
- iv. Awarding plaintiffs for their loss of use and enjoyment of their Property, loss of quality of life, emotional distress, personal injury, diminution of Property value and such other reasonable damages incidental to the claims;
- Plaintiffs' litigation costs and fees, including attorneys' fees; v.
- vi. Pre-judgment and post-judgment interest; and
- vii. Any further relief that the Court may find appropriate.

## PLAINTIFFS DEMAND TRIAL BY JURY ON ALL ISSUES

Dated: March 24, 2011

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In accordance with C.R.C.P. 121, §1-26(9), a printed copy of this document with original signatures is being maintained by the filing party and will be made available for inspection by other parties or the court upon request.