

**Hangs A Pad
Alternatives Analysis
(Rule 604.c.(2)E.i)**

This pad was constructed prior to April 1, 2009, and being expanded in close proximity to gravel pit operations to add wells at this location. This will eliminate the need for an additional pad, access road and pipeline infrastructure. Per COGCC rule 604.c.(2)E.i, Ursa evaluated alternatives to determine if the production facilities are as far from building units as possible. The only building unit in close proximity to the pad is the office for gravel pit operations (See Form 2A). In addition to existing production equipment, new production facilities for this location will be placed as shown on the Facility Layout Diagram. As such, Ursa evaluated the well pad production facilities based on several criteria including topography, pad stability, access, access to bottomhole locations, mineral lease and surface use agreements, established transportation and haul routes per local, and community preferences, setbacks identified in the Section 300 and 600 regulations, community concerns, and environmental concerns based on proximity to sensitive areas. Sensitive areas include state waters, wetlands, watersheds, floodplains and key wildlife habitat.

The existing pad falls within the 100-year floodplain, 317B public water supply, and the Rifle Watershed. Ursa holds a current bonded watershed permit with the town of Rifle. A historically occupied raptor nest is located within ¼ miles of the site...See BMPs in this application. It was determined, based on using the existing location, that no other alternatives are feasible, or should be considered at this point, based on the criteria described above.