



## NEWS RELEASE

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For Immediate Release  
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### **Altela, Inc. Turns Energy Industry Waste into New Water Source in the Arid West** *Treating Oilfield Produced Water and Discharging Pure Water into Colorado River*

**Rifle, Colorado – Altela, Inc.**, in cooperation with Laramie Energy II, LLC, produced and released clean distilled water, purer than drinking water, from their treatment system into the Colorado River for the first time on July 3<sup>rd</sup> 2008. This new water source comes from Altela's ability to treat oilfield fluids directly at the wellhead.

Altela's ARS-4000 system removes all contaminants from the water co-produced with natural gas production. Altela and Laramie Energy received precedent-setting environmental regulatory approval to discharge and beneficially re-use clean, treated frac and produced water from the patented AltelaRain<sup>SM</sup> system for irrigation, commercial and industrial uses, including discharging into the Colorado River Basin for valuable in-stream flow rights.

Across the western United States alone, more than five billion gallons per day of brackish water is brought to the surface during oil and gas production. This waste water has historically been re-injected deep back into the ground where it came from, never to be used again. Turning this waste water into usable water benefits farmers, ranchers, and communities across the water-starved western United States and helps address the country's water and energy security.

Laramie Energy's President, Bruce Payne, states, "Our collaboration with the Altela team and its revolutionary technology represents a unique and compelling opportunity to lower our costs of produced water handling and disposal while creating a new source of clean water in the arid west in support of responsible energy production." Bob Hea, V.P. of Laramie Energy, said, "Altela has demonstrated its ability to turn frac water and brackish produced water into clean distilled water. This clean water meets standards for re-use, which increases environmental efficiency of natural gas production by limiting the amount of produced water having to be disposed of as waste. In addition, by treating our water at the well-site, we are able to reduce the amount of trucking typically associated with hauling this waste product away, which is a huge benefit to area residents."

"We are excited about our successful venture with Laramie Energy," said Ned Godshall, CEO of Altela. "Laramie Energy is visionary in its commitment to environmentally sustainable energy production and we are honored to be their partner in reducing production waste handling costs while creating a valuable water asset in the over-appropriated Colorado River Basin. Rarely does such a win-win solution exist."

**About Laramie Energy II, LLC** [www.laramie-energy.com](http://www.laramie-energy.com)

Laramie Energy II, LLC is a Denver-based company primarily focused on finding and developing natural gas reserves from unconventional gas reservoirs within the U.S. Rockies. Laramie Energy is backed by over \$300 million of equity capital commitments funded by the Company's management team, EnCap Investments, Avista Capital, and DLJ Merchant Banking Partners (an affiliate of Credit Suisse Securities). In addition, Laramie Energy is debt financed by JPMorgan Chase Bank, BNP Paribas, and Wells Fargo Bank.

**About Altela, Inc.** [www.altelainc.com](http://www.altelainc.com)

Altela, Inc. manufactures and services water treatment systems for the oil & gas industry based on a fundamentally different water desalination/decontamination solution inspired by nature itself. Through the use of its proprietary, patented AltelaRain<sup>SM</sup> technology, Altela desalinates and decontaminates highly challenged water without the energy intensive equipment, pressure or high temperatures of other water desalination technologies – representing the first new low-cost water desalination technology in the last 50 years. The company has assembled a strong intellectual property position, experienced management team, and strategic partners. By removing all contaminants from highly challenged E&P waste water and brackish water, Altela converts these contaminated water liabilities into clean water assets, thereby removing our customer's environmental liability and high treatment/disposal costs. Altela turns waste into water, naturally.

