



TREATING WATER NATURALLY.

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ALTELA TECHNOLOGY DEMONSTRATED TO BE SOLUTION TO MAY 19TH FRAC WASTEWATER DISPOSAL DEADLINE

WILLIAMSPORT, PA – As natural gas producers and public water companies race to meet the May 19th deadline to stop releasing diluted hydrofracking water contaminated with bromide and radioactive material from shale gas extraction into the state's rivers, one company has stepped forward with a technology validated by the PA Department of Environmental Protection (PA DEP) and the U.S. Department of Energy (US DOE) that treats the water and meets the new regulations for clean water discharge.

Altela, Inc., a water purification company now co-operating a plant in Williamsport owned by Clean Streams LLC, has set up AltelaRain[®] 600 modules to receive water after the PA DEP asked for a voluntary stoppage of ineffective water treatment around the state. Its first plant processes 100,000 gallons a day of frac flowback water and produced water, and many more plants are being planned around the state to treat wastewater from the thousands of natural gas wells in the state.

"Altela is the solution to the May 19th challenge," said Ned Godshall, CEO of Altela. "Our product removes the salts, bromide, benzene, and radioactive material in the water, so it can then be reused for the next frac job or put back in the river with absolutely no human health risk. We provide the municipal treatment authorities with a tool that removes all the salts and contaminants, which their normal equipment cannot do."

The US DOE concurs. In a press release April 13, 2011, it cites a study by its own *National Energy Technology Laboratory* (NETL), stating that an Altela demonstration project completed last year turned drilling frac water at a western PA gas well into usable water with TDS levels well below 500 mg/L (drinking water level). "All of the clean water produced on-site at the well was suitable for beneficial re-use by well operators for additional stimulations and was also suitable to be discharged to surface waterways, thus reducing the economic and environmental impacts of long-

distance trucking and disposal or, worse yet, simple dilution followed by discharge into our streams and rivers,” said Dave Kohl, President of CWM Environmental, Inc.

“DEP’s order does not have to be a crisis,” he said. “Altela has a product here that can treat this water effectively and provide proper security to the public that their drinking water is safe. And it also allows the treated frac water to be returned to the Marcellus operators, so that new clean river water doesn’t have to be trucked to the wells each time they do another frac,” he added.

At risk are the thousands of jobs in producing natural gas from the gigantic Marcellus Shale, often called the Saudi Arabia of natural gas, and the cleaner burning natural gas needed for national consumption - if the drilling for natural gas has to stop due to wastewater disposal problems.

Additionally, the NETL study found that Altela’s system met all four of the project’s goals for practical frac water treatment: the system passed stringent PA DEP permitting requirements; the quality of the treated water exceeded all PA DEP discharge requirements; the price per barrel was less costly than trucking water to a disposal site; and the system far exceeded its commercialization goal in the sale of 50 times larger treatment capacity to Clean Streams at its plant in Williamsport.

The PA DEP has also weighed in on Altela’s system. “After collecting and conducting their own water quality analyses, the PA DEP itself verified that the water treated by Altela was capable of meeting the new stricter Chapter 95 regulations a year before those regulations were even put into effect,” according to Matthew Bruff, CDO of Altela. “Altela was the first company in Pennsylvania to meet and exceed the new 500 mg/liter TDS level, when the DEP asked to test our water back in November 2009.”

The April 19th order by PA DEP asks for a voluntary stoppage of ineffectual wastewater treatment from hydrofracking operations by May 19th, 2011. Most of the POTW’s around the state have indicated they would comply, thus endangering the natural gas supply for the nation and job loss due to a lack of effective water treatment facilities. The frac flowback contains salts and chemicals that have found their way into the rivers and drinking water supplies for the state.

“The public has a right to be concerned about benzene and bromide in the water, not to mention radioactive particles,” said Altela COO Mike Quinn. “But Altela’s simple and elegant product mimics nature’s process of making rain water from the ocean’s saltwater – turning highly-challenged mixed-contaminant frac water into clean distilled water.”

Drilling companies were issued 3,300 Marcellus gas-well permits in Pennsylvania last year, up from 117 in 2007, and over 1.3 Billion gallons of wastewater was produced in Pennsylvania wells over the past three years, according to a New York Times report, much more than previously disclosed. Experts say that there are likely to be more than 50,000 wells drilled in PA for natural gas over the next

decade. In order to create those jobs, however, the state is asking that a solution be found to the problem of untreated drilling wastewater discharge into PA's streams.

"Altela is that solution," said Godshall. "Both the PA DEP and the DOE have validated that Altela's simple and elegant products can remove all the various contaminants from oilfield water. We're excited about providing a solution to help keep natural gas flowing for America's energy independence."

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