



WATTENBERG

Joint Agriculture Committee

Presentation

April 17, 2012



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Current Water Management

- **Currently using adjudicated, fully consumable, industrial water sources**
- **Local third party suppliers manage the sourcing**
- **Water sources are audited**
- **All water delivered with trucks**

Pipeline Option

- Developing a pipeline option through the center of the field to deliver water without trucks
- Implement 1st phase by Q3 2012
- Planned reduction in water truck traffic by ~75%

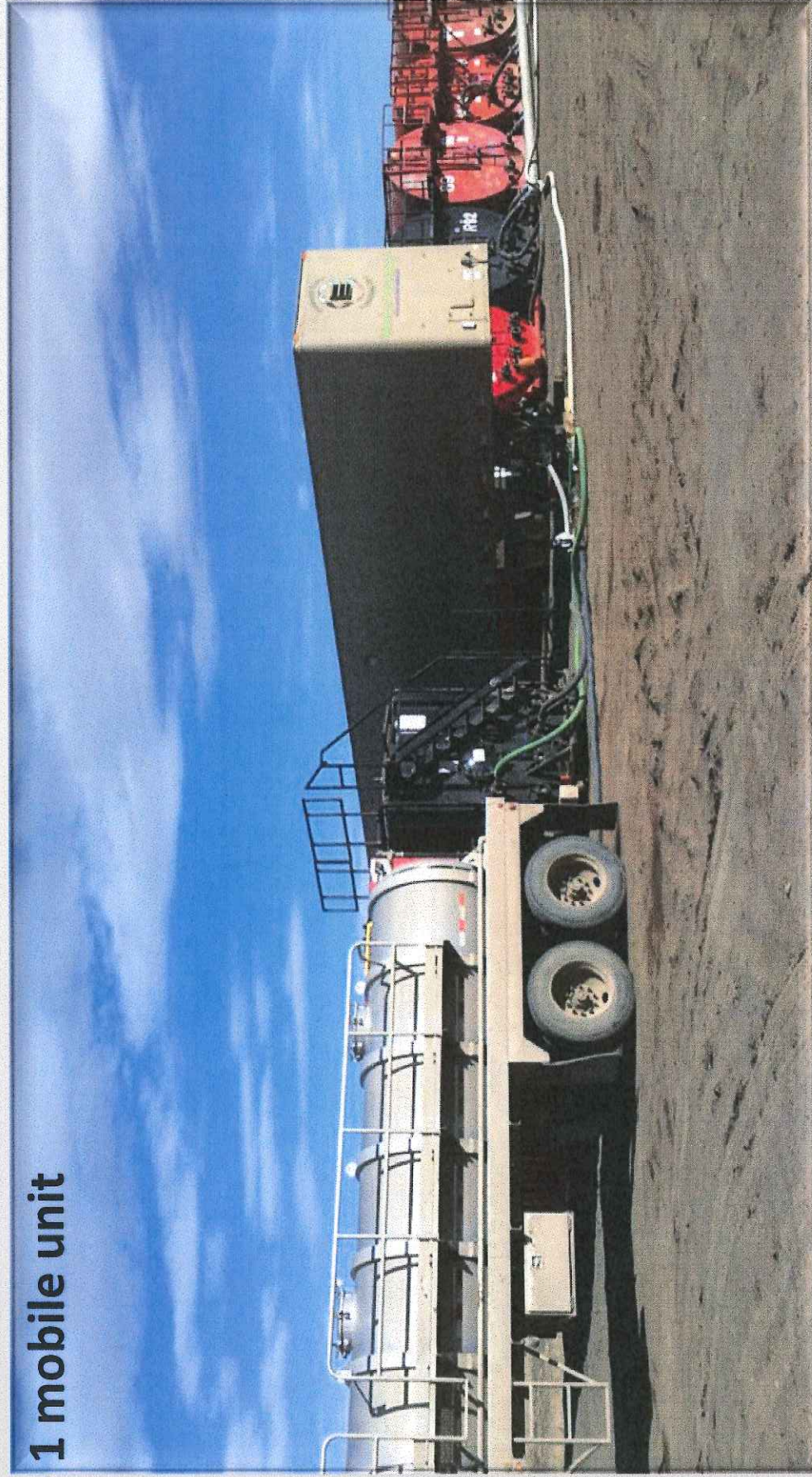
Current Recycling Efforts

- 99% of vertical well flowback is recycled
- Pilot stages of produced water being recycled
 - 1 Fixed unit



Current Recycling Efforts

➤ 1 mobile unit



Horizontal Well Fluid Recycling

- Evaluating numerous proposals
- 4 main technologies
 - DAF
 - EC
 - Clarification
 - Membrane
- Pilot studies Scheduled for Q2 and Q3
- Implementation Q4 and beyond