

Texas Water Recycling Association

The voice for water recycling in Texas

Winter/Spring 2014 | Volume 4

We never know the worth of water until the well is dry. – Thomas Fuller

A Happy New Year, Indeed

With 2014 now underway, let us take a moment to reflect on the amazing year that was 2013.

TWRA was able to successfully navigate the 83rd legislative session in Austin, both in terms of industry-supporting legislation and regulations, which resulted in some modernized regulations for the water recycling industry.

Working with Rep. Phil King, TWRA helped update rules regarding ownership of recycled water and when it changes hands. TWRA also aided the Railroad Commission in updating State Wide Rule 13, which may present obstacles for subcontractors. Please feel free to contact TWRA with any questions about SWR 13.

We hosted a successful membership meeting in late summer, partnered with the Atlantic Council in discussions concerning the energy and water nexus, provided guidance to New Mexico and Oklahoma on water recycling rules, and more than tripled the Association's membership base.

The year was busy and thanks to members, quite successful. TWRA looks forward to continued partnership with you in 2014.

~ John J. Tintera, TWRA President

Interim Charges

Friday, January 31, 2014, the Speaker of the Texas House issued interim charges for Committees to study before the next legislative session (January, 2015). TWRA is uniquely positioned with House Committees on Energy Resources and Natural Resources, to provide expertise on water issues.

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Welcome, Becky Tomasek



Becky Tomasek was recently elected to the TWRA Board. Becky is the Upstream Market Leader for the Industrial, Energy, and Mining Business Group at CH2M Hill, a global leader in consulting, design, design-build, operations, and program management. Tomasek brings strong expertise in chemical manufacturing and process optimization, strategy development and implementation, finance, marketing, and operations. The last six years of her career have been focused on the oil and gas industry as Global Finance Leader of Dow Oil and Gas, Global Strategic Marketing Director of Dow and Gas, and Vice President of Strategy, R&D, and Business Development for Swire Oilfield Services. During this time she led the development of innovative chemicals for the oil and gas industry, identified and analyzed technologies for flowback and produced water reclamation, and led water reclamation field trials utilizing those technologies. Based in Houston, Texas, Tomasek has a bachelor's degree in chemical engineering from Texas A&M University and an MBA from the University of Houston.

Please join TWRA in extending a warm welcome to Becky.

TWRA Recognizes Representative Keffer's Visionary Leadership

The Texas Water Recycling Association is proud to recognize State Representative Jim Keffer as a "Water Visionary" for his leadership in address-



ing Texas' pressing water issues.

The "Water Visionary" award is bestowed by the TWRA upon groups and individuals that demonstrate a vision for improving water man-

agement practices in Texas. Representative Keffer embodies that effort.

"Water recycling is an essential part of the future of our great state, one that is vital to the economy. We are honored to recognize Representative Keffer with a "Visionary Award" for his stewardship and we look forward to working with him in the future," commented Brent Halldorson, TWRA Chairman.

In accepting this award, Representative Keffer said, "A lack of water and its necessary infrastructure will deal a significant blow to the state's economy. I am honored to work with a group of individuals committed to ensuring Texas retains the ability to grow and prosper."

Please join TWRA in saluting and thanking state Representative Jim Keffer.

TWDB to Host Work Sessions Statewide on Funding Rules

Before funds from the voter-approved Prop. 6 / State Water Implementation Fund for Texas (SWIFT) can be released, the Texas Water Development Board (TWDB) must develop rules for use of the funds. Recently, TWDB Executive Administrator Kevin Patteson made several recommendations for rulemaking that were accepted by the board. Now, TWDB will host a number of meetings throughout the state and

invite stakeholders to provide feedback on the recommendations. Those recommendations cover issues such as whether projects meet criteria for rural subdivisions, agricultural conservation or water conservation and reuse. TWDB has a web site that will have a comment form, provide development timelines, list upcoming meetings and post both proposed and final rules. Stakeholders can also sign up to receive SWIFT-related email updates. Visit the web site at www.twdb.texas.gov.

Be sure to visit the Texas Water Recycling Association web site for information on recent news, conference presentations and other speaking engagements by TWRA leadership.

TWRA Extends Gracious Thanks to our Members

Without members, TWRA would be just another good idea in solving the water woes challenge. We thank our members for joining the effort to help us develop positive, sustainable solutions to Texas' water challenges. We welcome all industries and technologies to discuss and implement strategies to minimize freshwater consumption necessary for industries to safely prosper yet remain environmentally friendly.

Welcome to our recent members: Abengoa Water, AES Water Solutions, Alan Plummer & Associates, BakerHughes, D2S Services, Southwestern Energy and Terracon Consultants.

Just a few of the other benefits of membership in TWRA include:

 Timely news and updates through our communications program, including the e-newsletter and other resources to enhance collective outreach efforts.

 Listing in and access to TWRA's online directory of other leading industry professionals.

 Professional recognition through commitment to TWRA's Code of Ethics and best practices.

Membership in TWRA consists of two primary levels: Full and Affiliate.

 Full membership – for water recyclers – encourages your voting participation on committees along with Board eligibility, including the Executive committee. Full dues are \$5,000 per year.

 Affiliate membership – for users of water recycling and other interested parties – allows committee participation. Voting Affiliate dues are \$4,000 and Non-voting Affiliate dues are \$2,500.

We are exploring membership options for Municipal, Educational and Research institutions. If you are interested in working with TWRA in one of those capacities, please let us know.

Your membership enables access, collaboration, and representation: access to policy makers and water recycling industry leaders; opportunities to discuss best practices in the recycling and conservation of water; and legislative and regulatory representation supporting industry efforts to recycle and conserve water. Join TWRA today.

Keep up with TWRA happenings.

Connect with us on Facebook, LinkedIn and Twitter!

Facebook.com/
TexasWaterRecyclingAssociation



LinkedIn.com/company/
texas-water-recycling-association



Twitter.com/TXWRA



Membership Tele-Meeting Notice

Watch your email for information on our next membership meeting, to be held telephonically later in March, 2014.

Members will be invited to call in and get updates on interim activities, current initiatives, presentation opportunities and recent developments.

Arrangements will be finalized in the coming days so watch your email for call-in details.

TWRA Globetrotters

Texas Water Recycling Association leadership and members are working diligently and valiantly to spread the message of water reuse, recycling and conservation, sharing their companies' expertise about how to accomplish what Texas is doing with water recycling.

The message of protecting the environment and extending very limited water supplies while allowing businesses to continue to operate continues to be well received.

Most recently, member JP Welch of Halliburton addressed the UT Energy Forum on water management solutions in hydraulic fracturing. And member Terracon Consulting addressed API San Antonio, speaking on the impacts of recent EPA regulations.

Earlier this month, TWRA was a sponsor and promoter of the Clean Frac'ing Conference,

Interim Charges, cont'd from page 1

Of interest to TWRA is the first charge of House Committee on Energy Resources, sub bullet 8:

1. Study the impact of the expanding oil & gas exploration and production occurring across the state. Included in the study should be both the positive impacts of the exploration and production as well as the new challenges they are presenting. The study should encompass a review of the following issues:

- Projected water needs and how those fit with our state water plan.

Also of interest to TWRA are House Committee on Natural Resources Charges 2 and 3:

2. Evaluate the availability, management, and development of groundwater in the state. Consider the economic, environmental, and social impacts of groundwater usage and production in the agricultural, municipal, and energy sectors. In particular, examine methods to facili-

which featured presentations by members BakerHughes, Marathon Oil and Select Energy Services.

Last month, TWRA Chairman Brent Halldorson addressed the Water Management for Shale Plays conference, which also included remarks by Halliburton and Select Energy Services.

Next month, TWRA President John Tintera will deliver the keynote at the 2014 Houston Oil & Gas Development and Water Issues Conference.

The TWRA web site now includes a calendar of upcoming events and speaking engagements. Visit the Meetings & Conferences page to stay up to date on TWRA's external efforts.

If you recommend a conference that will help expand the reach and message of TWRA, please let us know at info@txwra.org.

tate further development of brackish groundwater resources and to improve the consistency and certainty of permitting by groundwater districts without undercutting reasonable regional and local regulation of groundwater.

3. Explore opportunities to encourage voluntary protection and stewardship of privately owned lands in support of the state's water supply and to protect environmental flow needs in Texas rivers. Examine methods in which state agencies, water rights holders, and non-governmental organizations can work together through programs like the Texas Farm and Ranch Lands Conservation Program and the Texas Water Trust.

As charges are studied, we will call on membership to testify. Please let us know if you are interested in testifying in front of these committees. We will discuss strategy when it comes time to testify, likely after the March Primaries. A full list of the charges can be found on the TWRA web site.

HII Technologies, Inc. Announces a Licensing Agreement for Frac Water Recycling System

Frac Water Management Subsidiary AES Water Solutions Expands its Services with a Mobile High Volume Flow Back and Produced Water Recycling System

HOUSTON, TEXAS — HII Technologies, Inc., an oilfield services company focused on total frac water management, portable power and oilfield safety, headquartered in Houston, Texas, announced today that its wholly-owned subsidiary AES Water Solutions (AES), has licensed a high volume frac water recycling system to recycle flow back and produced water at the well sites during the completion process.

Currently, many horizontally drilled oil wells use up to 120,000 barrels (5 million gallon) of water to perform a hydraulic fracture in completing the oil or gas well, a frac operation. Of the water used, 20 to 30 percent is estimated to come back as flow back water within the first thirty days after the fracturing operation. Today, in many cases these large quantities of flow back and produced water typically are transported by truck to an off-site facility for disposal. The transportation and disposal of flow back and produced water is a large expense item for exploration and production (E&P) companies and many local communities find the truck traffic unpopular.

AES is introducing its Frac Water Recycling System™ to address the need of onsite water reclamation for its E&P clients. This recycling system consists of a mobile unit that cleans up to 20,000 barrels-a-day of frac flow back water to acceptable reuse standards. The technology produces high volumes of polished brine or clear saltwater that is virtually free of total suspended solids (TSS) and is reusable in today's typical fracs in many cases cheaper than the cost to transport and disposal of the flow back water.

“The license granting the right to use this system

is from Power Reserve Corp. (PRC), an existing corporate partner,” said Mr. Brent Mulliniks, President of AES Water Solutions. “PRC procured the first system and licensed the related intellectual property and know-how required to operate the system, which in turn, has been sublicensed to AES Water Solutions,” stated Mr. Mulliniks. He continued, “We expect this arrangement to enhance AES’ overall services by offering a high volume recycling system for frac flow back and produced water for its customers. After testing, this water recycling unit is now field-ready and we anticipate entering into commercial agreements this month.”

Mr. Mulliniks continued, “We believe this will set us apart from our competitors as we are not aware of another mobile onsite system on the market today that can treat over 20,000 barrels per day of water to these reuse standards which allows us to keep pace with the frac operations on a daily rate basis. Our total frac water management system includes water transfer, flow back services, above ground storage tanks, onsite recycling and wind-down pit evaporation.”

About HII Technologies, Inc.

HII Technologies, Inc. is a Houston, Texas based oilfield services company with operations in Texas, Oklahoma, Ohio and West Virginia. By focusing on the Water, Power and Safety oilfield segments, the Company is positioned to take advantage of the anticipated, significant growth in horizontal drilling and hydraulic fracturing within the United States' active shale and unconventional "tight oil" plays. The Company's frac water supply and flow back services segment has two subsidiaries, AES Water Solutions and AquaTex, its onsite oilfield contract safety consultancy does business as AES Safety Services, and its mobile oilfield power subsidiary operates as South Texas Power (STP). HII Technologies' objective is to bring proven technologies to these operating divisions to build a long-term competitive advantage. Read more at www.HIITinc.com , www.AESwatersolutions.com, www.AquaTexUSA.com, www.AESSafetyServices.com and www.Oilfield-Generators.com.

Content provided by HII Technologies, Inc.