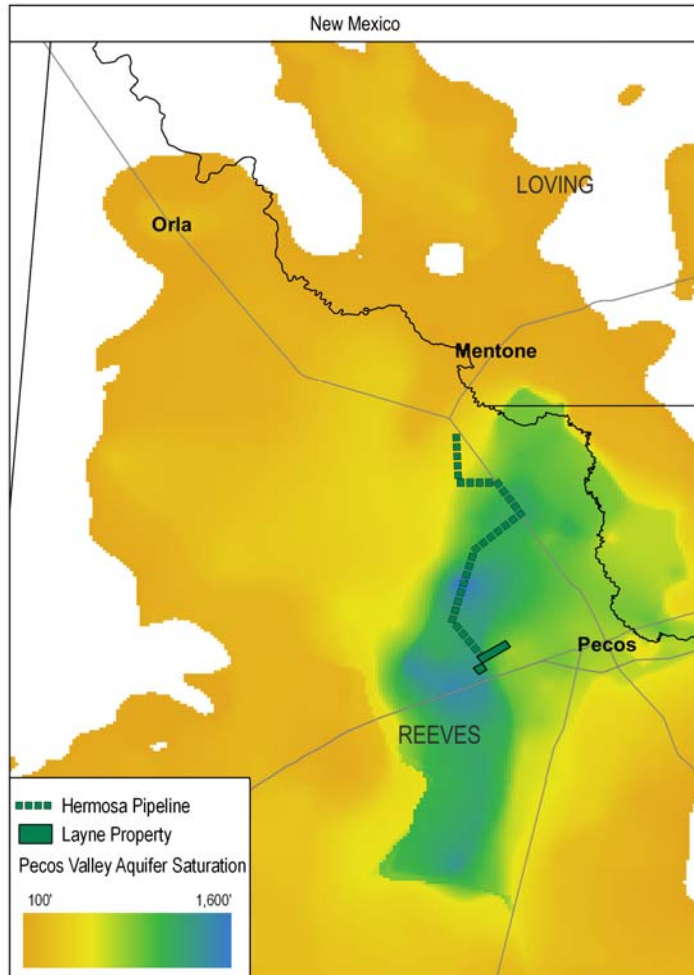




HERMOSA PIPELINE

AUGUST 2017

HERMOSA PIPELINE



- **Strategically Located**
 - + Thickest portions of Pecos Valley aquifer
 - + Most active drilling county in U.S.
- **Long-Term Water Source**
 - + 1,000 acre facility near Pecos, TX
 - + 100k+ bpd of high quality non-potable water
 - + Ample aquifer resources for 15 years
 - + 750k barrels of storage
- **High Capacity Delivery System**
 - + 20 miles of 22-inch HDPE pipeline
 - + 100k+ bpd capacity
 - + 13 delivery locations

**HIGH CAPACITY SOURCE WATER DELIVERY
IN DELAWARE BASIN**

HERMOSA CASE STUDY



Challenge

Operator desires to begin rapid long-term drilling program in less than six months; no high-volume water sourcing solutions available.

Solution

Layne leverages vast water experience to find plentiful, sustainable water source within 15 miles. Operator and Layne agree to multi-year price and volume commitment which benefit both parties.

Execution

Layne obtains ROW and constructs 20 miles of 22" HDPE pipe, builds 750k bbl storage facility, and develops 100k+ bpd water well field in less than 5 months, beginning water deliveries ahead of schedule.

SUSTAINABLE WATER SOLUTION PROVIDING LONG TERM OPERATOR SAVINGS