

For Immediate Release

Veolia Water Selected to Provide Produced Water Treatment

PITTSBURGH, Apr 13, 2011 – [Veolia Water](#) has signed a design-build-operate contract with Plains Exploration & Production Company (PXP) for a Produced Water Reclamation Facility at its Arroyo Grande Oilfield in San Luis Obispo County, Calif. The treatment system will incorporate Veolia Water’s [OPUS® II technology](#) to generate high-quality water.

Veolia Water will design, build, and operate the 45,000-bpd (barrels per day) facility under a 12-year performance agreement. Under the agreement, Veolia Water will provide operations and maintenance services and performance guarantees on a fixed-fee basis to ensure design performance and high-quality recycled water.

The treated water will provide 25,000 bpd for use as Once Through Steam Generation (OTSG) make-up and 20,000 bpd for surface water discharge, dewatering the Arroyo Grande reservoir. The treatment process produces treated water that meets or exceeds state and federal permit requirements, and the dewatering of the reservoir will result in reduction of formation pressure enabling increased crude oil production at the site.

The OPUS II technology utilizes Veolia Water’s [CeraMem® ceramic membranes](#) as pretreatment prior to ion exchange and reverse osmosis. Prior to the agreement, the OPUS II process was demonstrated on site in a pilot-scale study for a period of four months.

“This project uses world-class technology that treats produced water to generate high-quality water. As a result, our partnership is creating societal and environmental benefits that we can all be proud of,” said Kirk Schwab, general manager of the [Veolia Water Solutions & Technologies business unit in Pittsburgh](#), where the technology was developed. “This approach demonstrates a shared commitment to responsible development of resources.”

According to Steve Hopper, executive vice president of Veolia Water North America’s Industrial Business Group, “Veolia Water is uniquely able to provide cutting-edge technologies for oil and gas customers and back them with a full operational performance guarantee.”

Company Information

[Veolia Water Solutions & Technologies](#), subsidiary of **Veolia Water**, is a global provider of technology solutions and design-build services in water treatment. With over 9,500 employees in 57 countries, Veolia Water Solutions & Technologies recorded revenue of \$2.9 billion in 2010.

Based in Chicago, **Veolia Water North America** is the leading provider of comprehensive water and wastewater partnership services to municipal and industrial customers, providing services to more than 14 million people in approximately 650 North American communities.

The company is part of the Veolia Environnement companies in North America, with 30,000 North American employees providing sustainable environmental solutions in water management, waste services, energy management and passenger transportation.

Veolia Water, the water division of **Veolia Environnement**, is the world leader in water and wastewater services and technological solutions. Its parent company, Veolia Environnement (NYSE: VE and Paris Euronext: VIE), is the worldwide reference in environmental services. With more than 315,000 employees, Veolia Environnement recorded annual revenues of \$46 billion in 2010. Visit the company's Web sites at www.veolianorthamerica.com , www.veoliawaterna.com. and www.veoliawaterstna.com.

Contact: Carla Robinson
N.A. Water Systems, a Veolia Water Solutions & Technologies company
Tel : 412-809-6712
Fax.412-809-6711
carla.robinson@veoliawater.com
www.nawatersystems.com