

**Environmentally Sustainable Water Solution for Oil and Gas Industry in Texas, New Mexico and Dakota's - Oct. 29, 2013** [Advanced Hydro Inc.](#), a central Texas company, announced today that it has completed financing and partnership agreements to spin off "Green Hydro, LLC (GH)", to address increasing demand for water use in hydraulic fracturing (fracking) by developing and desalinating environmentally sustainable brackish water resources in Texas, New Mexico and Dakota's.

Fracking is causing a rapid growth of oil and gas production in USA. A large number of production sites are expected to be drilled and developed in Eagle ford and Permian basins in Texas. However, a historical drought along with accelerated water demands for fracking is severely straining water supplies. Additionally, the operators have to truck fresh water for 20-40 miles with costs of \$2-3 a barrel. The increased demand for water is also providing incentives to farmers to sell their water instead of using it for crops, resulting in direct competition with crop production.

To address the demand and the negative environmental impact, Green Hydro (GH) will tap brackish water aquifers in the regions where fresh water supplies are limited or non-existing and produce desalinated water for use in fracking operations. GH is licensing and utilize an advanced desalination technology developed by Advanced Hydro Inc., with significantly reduced O&M costs, and an integrated turn-key system with open-architecture (patent pending), high efficiency, remote operations, mobile platform and antifouling membrane coatings technology.

[Advanced Hydro](#) and an Israeli investment firm have entered into a partnership for this project as stake holders in GH and plans to develop and deploy a fleet of advanced brackish water desalination systems in Texas and New Mexico over next couple year. In addition, Advanced Hydro has also signed an agreement for water rights for its first site in West Texas and expects to begin water production in early 2014 for fracking activities.

"A single frac job in these areas requires nearly 3000 trucks to move water from various purchase points to the frac sites. This is causing serious strain on the local communities, roads, and environment" says Dr. Agnihotri, CEO of Advanced Hydro Inc. "It also causes diversion of water allocated for crops which is then permanently lost from the supply chain and Green Hydro venture allows us to address a demand and supply problem while reducing trucking, emissions, and competition for agricultural water by tapping brackish water resources that are plentiful in these regions. It also enables oil companies to cost effectively develop fields that have lacked fresh water while also allowing them to reduce their environmental impact and it's a win-win scenario".

For further enquiries, please visit our website at <http://www.advancedhydro.net> or call us at 512-926-1000/1060.