

For Immediate Release:

Verge Invests in Altela, Inc.
Company Makes Clean Water from Oil and Gas Produced Water

Albuquerque, New Mexico, August 17, 2005—New Mexico-focused Verge Fund, providing pre-seed and seed funding for technology companies, announced its investment in Altela, Inc. Verge General Managing Partner Thomas Stephenson will join the Board of Directors of Altela as a result of the financing.

Altela, Inc. is a global provider of water desalination and remediation services to the oil, natural gas, and mineral extraction industries, with offices in Albuquerque, New Mexico and Denver, Colorado. Its patented AltelaRain™ technology uniquely cleans its customer's brackish produced water – by removing its salts, residual oils and other contaminants – allowing it to be used on-site, rather than disposed of in costly reinjection wells or evaporation ponds. Its AltelaRainSM products and services provide a novel and complete produced water management solution to the extraction industry's biggest waste stream liability and headache: the brackish water co-produced with drilling and mining. Altela's customers are thereby able to focus on their business: increased oil and gas production. Well lifetimes and domestic reserves are increased by reducing the cost of produced water disposal.

“Altela's technology represents a strong transfer from academic origins to real-world, highly-beneficial application,” said Tom Stephenson, Verge General Managing Partner. “Verge looks for the qualities Altela possesses: a serial entrepreneur, Ned Godshall, at the helm; viable and tested technology – AltelaRainSM products and services; and a knowledgeable, diverse team of professionals contributing to Altela's growth.”

Altela's Ned Godshall elaborates: “Water produced concurrently with the production of oil and natural gas is a significant liability to oil and gas producers, and is by far the largest waste stream associated with oil and gas production. Applying our proprietary technology and services to produced water remediation will solve a very real problem for oil and gas producers, extend the life of present wells and yield significant investment returns.”

About Verge

Verge is a seed and pre-seed venture capital fund, investing in promising technology opportunities in New Mexico. With over 80 years experience in New Mexico as investors and operators, the six Verge partners work closely with entrepreneurs and technologists to develop promising opportunities in successful commercial ventures. Focusing on technology investments in New Mexico, Verge invests at the earliest stages of a company's development, typically placing \$100,000-\$500,000 in first round investments. www.vergefund.com

About Altela, Inc.

Altela delivers complete produced water management solutions to the oil, natural gas, and mineral extraction industries. Altela provides each customer with not only its patented technology required to successfully treat and purify produced water, but also delivers a complete environmental permitting package, including state and federal permits, treatment system permits and discharge permits. This holistic, integrated approach provides Altela's customers with a turn-key solution to produced water cost mitigation. www.altelainc.com

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