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For further information, contact:

Dustin Brown

Marketing Director

Rockwater Energy Solutions, Inc.

713-986-2587 dmbrown@rockwaterenergy.com

## Rockwater Energy Solutions and Crescent Companies Merge to Create a Leading Water Management Services Company

HOUSTON and OKLAHOMA CITY – March 28, 2017. Rockwater Energy Solutions, Inc. (“Rockwater”) and Crescent Companies, LLC (“Crescent”) today announced their agreement to combine the two companies, creating a leading water management services company. The all-stock transaction is valued at \$207 million to Crescent shareholders. The boards of directors of both companies unanimously approved the combination.

The combination brings together two highly complementary and growing companies with a shared belief in simplifying oilfield water management and logistics through innovation. The combined company provides an unmatched suite of services including: water sourcing, transportation, treatment and storage capabilities paired with EnviroEdge® remote monitoring and control, water treatment including Neohydro® Electro-oxidation, flowback and well testing services, fluid logistics, and production and fracturing chemical technologies. Together, Rockwater and Crescent is one of the largest oilfield water management services companies serving key shale plays across the U.S. and Western Canada.

Holli Ladhani, President and CEO of Rockwater views the opportunity to merge as a proactive initiative to capture market share as activity increases. “This is a unique opportunity to combine our resources with an organization that has an incredibly talented team with similar values and vision,” Ladhani said. “The result is an even stronger company with more capabilities to meet the fast paced change in our industry and to deliver value to our customers through cost effective solutions.”

“The dedication, skill, and professionalism of our employees have built a market leader in water management services, and joining the outstanding team at Rockwater allows us to further increase our capabilities and breadth of service,” said Ken Davidson, a director and co-owner of Crescent. “The combined company is able to provide a broad spectrum of complementary services that will enhance our ability to deliver results for our customers. The caliber of the combined workforce and expertise, together with Ms. Ladhani’s proven leadership and vision, create exciting opportunities for growth.”

### Strategic Rationale

*Broad Technology Portfolio* – The merger combines IP and expertise of both companies to create better outcomes for customers facing increasingly technical challenges.

*Strength and Scale* – The merger creates an opportunity for two successful and growing companies to leverage their respective strengths and competitive advantages to better compete in a recovering industry.

*Team Expertise Positioned To Capture Growth Opportunities* – The comprehensive integration of the expertise of employees from both companies will promote a continued track record of driving growth, innovation, and shareholder value.

*Financial Strength and Flexibility* – The combined company, post-closing and after giving effect the recent 144A common equity offering in which Rockwater raised approximately \$150 million, will have a balance sheet with low leverage and sufficient liquidity enabling it to execute its growth strategy both through organic initiatives as well as selective accretive acquisitions.

### **Headquarters, Management and Board of Directors**

Rockwater’s Holli Ladhani will continue in her role as Chairman, President and CEO, and the combined company will be headquartered in Houston, Texas.

Upon closing, the combined company will retain all current members of Rockwater’s Board of Directors with the addition of one member, Alexander P. Lynch, Partner of White Deer Energy.

### **About Rockwater Energy Solutions, Inc.**

We are a leading provider of comprehensive water management solutions to the North American unconventional oil and gas industry, and we believe we are the only company that provides complementary chemistry products and expertise in connection with our water solutions. The water management solutions we provide include water sourcing, transfer, treatment and storage; flowback and well testing; fluids conditioning and recycling; and field fluids logistics. We also develop and manufacture a full suite of specialty chemicals used in the well completion process and production chemicals used to enhance performance over the producing life of a well, which we believe gives us a unique competitive advantage in our industry. We currently provide our services to exploration and production companies and oilfield service companies operating in all the major shale and producing basins in North America, including the Permian Basin, the Mid-Continent (including the SCOOP/STACK plays), the Bakken, Western Canada, the Marcellus and Utica basins, the Rockies and the Eagle Ford.

### **About Crescent Companies**

Crescent was founded in 2006 to address the demand for end-to-end water management services to the oilfield including the growing need for experienced well site supervision. Crescent is made up of Crescent Services, LLC and Crescent Consulting, LLC. Crescent Services is an end-to-end water management company, which covers everything from sourcing and transfer to recycling. Along the way, Crescent Services is able to measure, track and account for every drop through our leading edge EnviroEdge reporting and automation tool ensuring maximum efficiency, transparency and superior service. Crescent Services has over 400 employees with locations in Oklahoma, Texas, Arkansas, Pennsylvania, Ohio, New Mexico, and Wyoming. Crescent Consulting is a leader in oil and gas consulting services: project management; drilling and completion well site management, environmental and safety management and cement and frac specialists. Crescent Consulting’s highly qualified and experienced management and consultant team provides our customers with unparalleled support and expertise.

**Cautionary Statement Concerning Forward-Looking Statements.** This press release includes “forward-looking statements” within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Such statements may include, but are not limited to, statements about our plans, objectives, expectations and intentions. Our forward-looking statements are generally, but not always, accompanied by words such as “estimate,” “project,” “predict,” “believe,” “expect,” “anticipate,” “potential,” “should,” “may,” “will,” “plan,” “goal,” “can,” “could,” “continuing,” “ongoing,” “intend,” or other words that convey the uncertainty of future events or outcomes. While our management considers these expectations and assumptions to be reasonable, they are inherently subject to significant business, economic, competitive, regulatory and other risks, contingencies and uncertainties, most of which are difficult to predict and many of which are beyond our control.