



- 1.) WST does not disclose the exact chemical formulation for this product on any of its marketing materials, certificates of analysis, or safety data sheets. WST does not make the formulation for this product available to any other companies except for formulators who are subject to confidentiality restrictions. To WST's knowledge, the identity of the ingredients in this formulation has not been disclosed in any public source. In addition, this formulation is not generally available to all WST employees, but only to those who have a need to know in connection with their work activities. The employees that do have access are subject to confidentiality obligations to WST which restrict them from making any disclosure of formulations to a third party. Further controls are provided by password-protection of soft copies of formulations and locking all physical access points to hard copies.
- 2.) While working with other regulatory agencies, this formulation has never been determined to not be entitled to protection from public disclosure. In every case where this formulation is known to a party outside of WST, that party is subject to a confidentiality agreement. The only exceptions are instances where disclosure is required by law. Such disclosures include those required under OSHA, by the EPA, or in connection with licensing and regulatory requirements, similar to this disclosure to the Colorado OGCC, all of which protect the confidentiality of WST's Formulations.
- 3.) WST attributes significant value and commercial advantage to the secrecy of this formulation, which is the result of years of extensive research and development by WST. WST has invested significant funds on the research and development of this product which contributes to a significant portion of its revenues. Within the last 2 years, WST has invested over \$250,000 in research and development related to hydraulic fracturing fluids, and such products are responsible for over half of WST's revenues. The hydraulic fracturing fluid market is highly competitive, and WST has sustained a leadership position in the market based upon its highly specialized products, including the specialization provided by this product. Disclosure of WST's confidential formulations would result in substantial competitive harm to WST and would have a significant detrimental impact on its business. WST would lose its competitive advantages gained through the significant investments outlined above. This loss of competitive advantage would occur across the entire market, not just in Colorado, resulting in the loss of millions of dollars in revenue.
- 4.) WST's current practices and controls are intended to ensure that its competitors cannot acquire or duplicate confidential product formulations. It would be extremely difficult for WST's competitors to obtain its formulations through any possible legal means. However, if this formulation was made available through public disclosure, WST's competitors would have sufficient information to assist in reverse engineering the product and determining the formula used to develop it.