



East Cheyenne Gas Storage, LLC

East Cheyenne Successfully Commissions Withdrawal

During the first week of April, East Cheyenne Gas Storage (ECGS) successfully commissioned its withdrawal facilities and completed the first withdrawals of gas from storage. The withdrawal test was performed on all existing injection/withdrawal wells and the deliverability performance of the field was greater than expected. ECGS is now fully capable of offering the full range of storage services, including, firm storage, park & loan, and balancing capabilities.



View of ECGS Compressor Station & Piping

Andy Lang, President of ECGS, commented, “We are proud of the fact that our team has accomplished the construction, start-up, and full demonstration of injection and withdrawal capabilities, all within a year of receiving amended FERC approval.”

Firm Storage Capacity Sold

ECGS has completed firm capacity sales for a significant portion of the facilities’ working gas capacity for the Summer 2012—Winter 2013 storage season. ECGS is pleased to welcome our new customers and to offer the only market-based firm storage service currently available to the Front Range. We are currently soliciting bids for the remaining 1 BCF of firm storage service in the facility for 2012, see details on Page 2.

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Special points of interest:

East Cheyenne will be sponsoring the Logan County Fair this year. For a great time and to support the local community, we welcome you to attend.—Page 2

Available Storage Services

ECGS is currently soliciting bids for the remaining 1 BCF of firm storage service in the facility for 2012. Service can be provided at the interconnect point to Trailblazer (Point 45401) or at the Cheyenne Hub (with applicable Trailblazer Pipeline transport charges), which would provide access to supply and markets on WIC, CIG, REX, and PSCO. East Cheyenne would provide up to 2 turn service through March 2013, for minimum volumes of 250,000 Dth up to the entire 1,000,000 Dth. ECGS is also soliciting bids for longer-term storage service to begin April 2013 for terms of 1-10 years. Bids will be evaluated and awarded in accordance with the currently effective East Cheyenne FERC Gas Tariff provisions. Hub Services, both Park and Loan Service, are available from ECGS for cash and forward month transactions. If your company is interested in storage related services please contact East Cheyenne's commercial team: Scott Smith or Kevin Legg (contact info is listed below).

ECGS is a Proud Sponsor of the Logan County Fair!

East Cheyenne Gas Storage is excited to be the main sponsor of the Logan County Fair this year, to be held at the Logan County fairgrounds in Sterling, CO from August 2nd through the 12th. The theme for the fair this year is "125 Years of County Roots and Cowboy Boots". County music star *Dierks Bentley* will be performing at 8 PM on Saturday, August 11th. Please come join us in celebrating with the local community and supporting the great people of Logan County, CO.



View from the Compressor Station



Fin Fan and Tower Area

Marketing Contacts



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A View From the Top



View of ECGS Construction from an On-Site Wind Turbine

Operations Profile - Jennifer Olson, Assistant Controller

Merchant Energy Holdings is pleased to announce the newest addition to the MEH team, Jennifer Olson. Jennifer is a registered CPA who earned her BBA in Accounting in 1993 from Texas A&M University. Her career spans 19 years of varied experience in the accounting industry. Jennifer began her career in public accounting, where she spent her first seven years, with a primary focus on auditing. She has also held various positions in industry, accounting for multiple privately-owned entities including SYMON Communications, a telecommunication software company, Cardtronics, Inc., an ATM management company, and Gurwitch Products, LLC, a luxury cosmetics and skin-care company manufacturing the brand of Laura Mercier Cosmetics.

In the past, Jennifer has always held a primary focus on general ledger accounting, month-end closing and financial reporting. Jennifer will continue in this focus at MEH by serving as the Assistant Controller, reporting to Paul Oliphant, Controller and VP of Finance. Jennifer and Paul also worked together previously for four years at Cardtronics, Inc.

Jennifer has been married to her husband Duane for 17 years, and is also the mother of two wonderful boys, Andrew, age 14 and Jake, age 10. Both boys are active in school and baseball, and the whole family enjoys attending any type of Aggie event!