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EAST CHEYENNE GAS STORAGE, LLC COMMENCES PAD GAS INJECTIONS

Denver, CO, November 9th, 2011 – East Cheyenne Gas Storage, LLC (ECGS), a natural gas storage development company owned by Merchant Energy Holdings, LLC, began pad gas injections at their facility in northeastern Colorado today. ECGS is interconnected with Kinder Morgan’s (KM) Trailblazer Pipeline in Logan County, Colorado with plans to interconnect to KM’s Rockies Express Pipeline in the future. ECGS is the FIRST operational independent natural gas storage facility in the Rocky Mountain region, and through its’ interconnect with Trailblazer will be able to serve customers in Colorado’s Front Range along with shippers on NGPL and NNG. Initial withdrawal capabilities are scheduled for Q1 of 2012. The project is FERC certificated for up to 18.9 BCF of working gas capacity.