

March 5, 2008

SourceGas Storage Announces Open Season for Proposed Oil Springs Storage Expansion

SourceGas Storage LLC (“SGS”), of Lakewood, Colorado, an affiliate of SourceGas LLC, is announcing plans to acquire, develop, own and operate a new FERC regulated interstate natural gas storage facility located in Carbon County, Wyoming. SGS is conducting a Binding Open Season for the new interstate natural gas storage capacity being created by this expansion beginning at 8:00 a.m. (Mountain Time) on Thursday, March 6, 2008 and ending on Friday, April 4, 2008 at 5:00 p.m. (Mountain Time).

Pending Wyoming Public Service Commission and FERC regulatory approvals and the execution of binding precedent agreements, the project would expand the existing Oil Springs Storage field, located near the town of Medicine Bow, by 10.4 MMDth of annual capacity through the installation of compression, pipelines and the drilling of new injection and withdrawal wells. While remaining connected to SourceGas Distribution LLC’s existing intrastate distribution system, the expanded storage facility would be connected to Rockies Express Pipeline (“REX”), Wyoming Interstate Company (“WIC”), and Colorado Interstate Gas Company (“CIG”) pipelines via a new 21-mile pipeline, also to be constructed by SGS.

Open Season procedures, including a form of the Standard Precedent Agreement and a general map of the proposed expanded facilities may be found at www.SourceGas.com.

For more information, contact Kent Harris at 303-243-3504, Scott Emerson at 303-243-3455, or Debbie Fishel at 303-243-3506.

About SourceGas

SourceGas is a natural gas local distribution utility headquartered in Lakewood, Colorado, with operations in Colorado, Nebraska, Wyoming and Hermosillo, Mexico. It serves nearly 266,000 customers and operates 11,900 miles of distribution and transmission pipeline, as well as storage facilities. SourceGas and its subsidiaries also provide gas transportation, in-home HVAC and appliance service and sales, as well as gas commodity sales services to its natural gas customers. SourceGas also administers the Choice Gas consumer natural gas selection process in Nebraska and Wyoming.