

Epker Arthur G III
 Form 4
 September 30, 2010

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 Epker Arthur G III

2. Issuer Name and Ticker or Trading Symbol
 PURE CYCLE CORP [pcyo]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction
 (Month/Day/Year)
 09/28/2010

Director 10% Owner
 Officer (give title below) Other (specify below)

C/O PURE CYCLE CORPORATION, 500 E. 8TH AVE, SUITE 201

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

DENVER, CO 80203

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
				Code V Amount (D) Price			
Common stock	09/30/2010		P	930,633 A \$ 3	4,000,871	I	footnote 1 (1)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Security (Instr. 3 and 4)	8. Amount and Share
Convertible Negotiable Promissory Note (common stock)	\$ 2.7	09/28/2010		P	\$ 5,200,000	(2) 01/15/2012	Common stock	1,925,925

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Epker Arthur G III C/O PURE CYCLE CORPORATION 500 E. 8TH AVE, SUITE 201 DENVER, CO 80203		X		

Signatures

/s/ Arthur G. Epker, III, by Mark W. Harding as Attorney in Fact (see Remarks) 09/30/2010

__Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
 - ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) All the shares noted in this Form 4 are held directly by PAR Investment Partners L.P. ("PIP"). PAR Capital Management, Inc. ("PCM"), as the general partner of PAR Group, L.P., which is the general partner of PIP, has investment discretion and voting control over shares held by PIP. No shareholder, director, officer or employee of PCM has beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of any shares held by PIP. The shares held by PIP are part of a portfolio managed by Mr. Epker. As an employee of PCM, Mr. Epker has the authority to trade the securities held by PIP.
- (2) The Issuer issued PIP a \$5.2 million Convertible Negotiable Promissory Note (the "Note") on September 28, 2010. The terms of the Note are described in a Form 8-K filed with the Commission on September 29, 2010. Upon approval by the Issuer's shareholders, which the Issuer plans to seek at its January 2011 annual meeting of shareholders, the Note, plus interest, will convert to unregistered common stock of the Issuer at a conversion price of \$2.70 per share. The 1,925,925 noted in this Form 4 does not include the conversion of the interest which will be determined at the date of conversion, if so approved by the Issuer's shareholders. If the Issuer's shareholders do not approve the conversion to common stock, the Note will mature on January 15, 2012.

Remarks:

Pursuant to a Power of Attorney filed as Exhibit 24 to a Form 4 filed with the Commission on August 8, 2007.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.