

# 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 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person <b>MIDDLEMAS GEROG M</b>		2. Issuer Name and Ticker or Trading Symbol <b>PURE CYCLE CORP [PYCO]</b>		5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below)	
(Last)	(First)	(Middle)	3. Date of Earliest Transaction (Month/Day/Year) <b>08/31/2004</b>		
225 W. WASHINGTON SUITE 1500			4. If Amendment, Date Original Filed (Month/Day/Year)		6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person
(Street) <b>CHICAGO, IL 60606</b>					
(City)	(State)	(Zip)	<b>Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned</b>		

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 Indirect Beneficial Ownership (Instr. 4)	
			Code	V	Amount	(A) or (D)				Price
Common Stock (2)	08/31/2004		X		850,620	A	\$ 1.8	997,902	I	See Footnote (1)
Common Stock (2)	08/31/2004		S		188,795	D	\$ 8.11	809,107	I	See Footnote (1)
Common Stock (2)	08/31/2004		C		226,666	A	(3)	1,035,773	I	See Footnote (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)**

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 Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Title
Common Stock Purchase Warrants (2)	\$ 1.8	08/31/2004		X		850,620		07/28/1997(4)	09/30/2007	Common Stock	850,620	\$ 0	0	I	See Footnote (1)
Series A-1 Preferred Stock (2)	(3)	08/31/2004		C		40,800		(5)	(5)	Common Stock	226,666	\$ 0	0	I	See Footnote (1)

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MIDDLEMAS GEROG M 225 W. WASHINGTON SUITE 1500 CHICAGO, IL 60606	X			

## Signatures

/s/George M. Middlemas	09/13/2004
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## 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) These securities are directly owned by Apex Investment Fund II, L.P. ("Apex II"). The Reporting Person is a general partner of the sole general partner of Apex II. The Reporting Person disclaims beneficial ownership of all securities owned by Apex II except to the extent of his proportionate pecuniary interests therein.

(2) The warrants were exercised pursuant to a net exercise provision in the warrant agreement under which Pure Cycle withheld 188,795 shares in payment of the exercise price.

(3) The 40,800 shares of Series A-1 Preferred Shares were converted into 226,666 Common Shares. No additional consideration was paid on conversion.

(4) These securities were acquired at various times in 1991, 1996 and 1997.

(5) Immediately exercisable with no expiration date.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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