The Law Offices of

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OVERNIGHT DELIVERY

May 1, 2006

Beth O'Donnell
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

Case 2006-00180

RE: Application of Atmos Energy Corporation for Authorization to Issue 1,000,000 Shares of Common Stock

Dear Ms. O'Donnell:

I am enclosing herewith an original, plus eleven (11) copies of an Application of Atmos Energy Corporation for Authorization to Issue 1,000,000 Shares of Common Stock. Please return one stamped file copy to me. Thanks.

Very truly yours,

Mark R. Hutchinson

MRH:bkk

Enclosures

BEFORE THE

PUBLIC SERVICE COMMISSION OF KENTUCKY

IN THE MATTER OF THE APPLICATION OF ATMOS ENERGY CORPORATION FOR AN ORDER AUTHORIZING THE ISSUANCE OF UP TO 1,000,000 SHARES OF COMMON STOCK THROUGH THE ATMOS ENERGY CORPORATION RETIREMENT SAVINGS PLAN	)	CASE NO. 2006-00180

APPLICATION

1. Pursuant to KRS 278.300, and all other applicable law, Atmos Energy Corporation ("Applicant" or "Atmos"), files its Application herein for an Order authorizing the issuance of up to 1,000,000 additional shares of Common Stock, no par value, of Applicant (the "Shares") through and pursuant to the Atmos Energy Corporation Retirement Savings Plan and Trust ("RSP").

2. Atmos seeks an Order of the Commission granting it the authority to issue up to 1, 000,000 shares of no par value Common Stock of the Company pursuant to the RSP. The RSP is intended to meet the requirements of Sections 401(a) and 501(a) of the Internal Revenue Code of 1986, as amended, and was adopted by Applicant on October 18, 1983. Under the terms of the RSP, Applicant will match every dollar invested by an employee in the RSP up to a maximum of 4% of the employee's annual salary. The RSP therefore provides Applicant's employees with a systematic means of providing additional security for retirement or future financial needs and an opportunity to become stockholders in Applicant, thereby strengthening their direct interest in the progress and success of Applicant. The Commission previously authorized the issuance of shares pursuant to the RSP in Case No. 2003-00475.

3. The issuance of the shares is necessary for the routine operation of the RSP and will provide Applicant with additional sources of capital. Applicant will use the same to fund its capital expenditures, reduce debt, improve its capitalization ratios and preserve its credit ratings.

4. The issuance of the Shares will increase Applicant's equity to debt ratio and further strengthen Applicant's strong position as a financially sound public utility and lower its cost of capital. Therefore, approval of this Application is in the public interest because it will allow Applicant to obtain more favorable financing of its operations and allow it to continue to provide safe and adequate service to its customers.

5. The issuance of the Shares will be registered with the Securities and Exchange Commission ("SEC").

6. Applicant, a Virginia and Texas Corporation, is duly qualified under the laws of Kentucky to carry on its business in the Commonwealth of Kentucky. Applicant operates a public utility in the business of purchasing, transmitting and distributing natural gas to residential, commercial and industrial users in western and south central Kentucky.

7. Company's principal operating office and place of business is in the state of Kentucky is located at 2401 New Hartford Road, Owensboro, Kentucky 42303. The post office address of Applicant is P.O. Box 650205, Dallas, Texas 75265-0205.

8. A certified copy of Applicant's Restated Articles of Incorporation as Amended, together with all amendments thereto, is attached hereto as Exhibit A

9. Correspondence and communications with respect to this Application should be directed to:

Gary Smith
Vice President, Marketing and Regulatory Affairs
Atmos Energy Corporation
2401 New Hartford Road
Owensboro, Kentucky 42303

Douglas C. Walther
Associate General Counsel
Atmos Energy Corporation
P.O. Box 650205
Dallas, Texas 75265-0205

Mark R. Hutchinson
Attorney at Law
611 Frederica Street
Owensboro, Kentucky 42301

10. Pursuant to KRS 278.300, the Applicant respectfully requests expedited consideration of this Application so that the Shares may be issued at an early date.

11. To comply with the requirements of 807 KAR 5:001, Section 6, 8 and 11 of the Commission's Administrative Regulations, there is attached hereto and incorporated herein by reference, Exhibit B, which contains all of the financial information therein required. A copy of the Board of Directors Resolutions authorizing the issuance is attached as Exhibit C.

12. Pursuant to 807 KAR 5:001, Section 11(2)(b), true and correct copies of Applicant's outstanding deeds of trust and mortgages are on file in the records of the Commission and the same are incorporated herein by reference. *See, In Re The Matter of the Application of Atmos Energy Corporation for Authorization to Issue Additional Shares*, Case No. 97-351.

WHEREFORE, Atmos respectfully requests that the Commission authorize by appropriate order or certificate the issuance by Applicant of up to 1,000,000 shares of Common Stock through and pursuant to the RSP as herein requested.

Respectfully submitted on this 27 day of April, 2006.

Douglas C. Walther
Associate General Counsel
Atmos Energy Corporation
P.O. Box 650205
Dallas, Texas 75265-0205

Mark R. Hutchinson
WILSON, HUTCHINSON & POTEAT
611 Frederica Street
Owensboro, Kentucky 42301

COUNSEL FOR ATMOS ENERGY CORPORATION

By: 

Mark R. Hutchinson

VERIFICATION

STATE OF TEXAS §
§
COUNTY OF DALLAS §

The undersigned, being under oath, says that she is the Vice President and Treasurer of Atmos Energy Corporation, that she has read the above and foregoing Application, has personal knowledge and that the facts in it are true.

Laurie M. Sherwood
Vice President and Treasurer
Atmos Energy Corporation

Subscribed and sworn to before me this 27th day of April, 2006, by Laurie M. Sherwood, as Vice President and Treasurer of Atmos Energy Corporation, on behalf of the said corporation.

JAYNE A. ZABALA
Notary Public
State of Texas
MY COMM. EXP. 12-13-09

Notary Public, State of Texas

CERTIFICATE OF CORPORATE SECRETARY
OF ATMOS ENERGY CORPORATION

I, Dwala Kuhn, the duly elected, qualified and acting Corporate Secretary of Atmos Energy Corporation, a Texas and Virginia corporation (the "Company"), do hereby certify that attached hereto as Exhibit A are true, correct and complete copies, certified by the Secretary of State of Texas and the Commonwealth of Virginia of the restated Articles of Incorporation of the Company, and all subsequent amendments thereto. The respective Articles of Incorporation have not, except as otherwise reflected in the attached Exhibit A, been amended, modified or rescinded and are in full force and effect on the date hereof.

IN WITNESS WHEREOF, I have set my hand and seal of the Company hereto as of the 28 day of April, 2006.

Dwala Kuhn

Dwala Kuhn
Corporate Secretary

EXHIBIT A

Articles of Incorporation

Corporations Section
P.O.Box 13697
Austin, Texas 78711-3697

Roger Williams
Secretary of State

Office of the Secretary of State

The undersigned, as Secretary of State of Texas, does hereby certify that the attached is a true and correct copy of each document on file in this office as described below:

ATMOS ENERGY CORPORATION
Filing Number: 54895300

Articles of Incorporation	February 06, 1981
Restated Articles Of Incorporation	October 17, 1983
Change Of Registered Agent/Office	November 20, 1985
Articles Of Amendment	March 03, 1986
Articles Of Merger	May 15, 1986
Change Of Registered Agent/Office	June 30, 1986
Maintenance	November 18, 1987
Change Of Registered Agent/Office	November 30, 1987
Articles Of Merger	December 23, 1987
Articles Of Amendment	September 30, 1988
Assumed Name Certificate	October 03, 1988
Articles Of Amendment	February 13, 1989
Restated Articles Of Incorporation	November 10, 1989
Assumed Name Certificate	November 04, 1992
Articles Of Merger	December 22, 1993
Articles Of Amendment	February 09, 1995
Change Of Registered Agent/Office	May 22, 1995
Articles Of Merger	November 29, 1995
Assumed Name Certificate	July 29, 1997
Articles of Merger	July 29, 1997
Articles Of Amendment	February 17, 1999
Assumed Name Certificate	May 20, 1999
Change Of Registered Agent/Office	August 25, 1999
Public Information Report (PIR)	December 31, 1999
Articles of Merger	December 03, 2002
Change of Registered Agent/Office	July 31, 2003
Public Information Report (PIR)	December 31, 2003
Certificate of Assumed Business Name	September 27, 2004
Certificate of Assumed Business Name	September 29, 2004
Articles of Merger	October 1, 2004
Certificate of Assumed Business Name	November 18, 2004
Public Information Report (PIR)	December 31, 2004
Restated Articles of Incorporation	May 18, 2005
Certificate of Assumed Business Name	August 31, 2005

Corporations Section
P.O.Box 13697
Austin, Texas 78711-3697

Roger Williams
Secretary of State

Office of the Secretary of State

In testimony whereof, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in Austin, Texas on September 22, 2005.

Roger Williams
Secretary of State

AMENDED AND RESTATED ARTICLES OF INCORPORATION OF ATMOS ENERGY CORPORATION (as of February 9, 2005)

A. After being proposed by the Board of Directors of Atmos Energy Corporation (the "Corporation") and submitted to the Corporation's shareholders in accordance with the provisions of Chapter 9 of the Virginia Stock Corporation Act, the following amendment to the Restated Articles of Incorporation, as Amended, was adopted by the shareholders of the Corporation at the Annual Meeting of Shareholders held on February 9, 2005, in conformity with the provisions of the Texas Business Corporation Act:

> Section 1 of Article VII of the Restated Articles of Incorporation of Atmos Energy Corporation, as Amended, be amended to read as follows:
>
> "The aggregate number of shares which the Corporation shall have the authority to issue is Two Hundred Million (200,000,000) shares of Common Stock having no par value."

B. The number of shares of the Corporation outstanding as of the record date was 79,217,276 and the number of shares entitled to vote on the amendment was 79,217,276. The number of shares voting for the amendment to increase the number of authorized shares of common stock of the Corporation was 64,288,928, the number of shares voting against such amendment was 5,016,823, and the number of shares abstaining was 377,161.

C. The Amended and Restated Articles of Incorporation reflect an accurate copy of the Restated Articles of Incorporation, as Amended, of the Corporation and all amendments thereto, as filed with the Secretary of State and in effect as of this date, with no other changes in any provision thereof, except for the names and addresses of the current registered agents for service, as well as the amendment discussed above, as reflected in the Amended and Restated Articles of Incorporation. The text of the entire Articles of Incorporation, as the Articles are now amended, reads as follows:

ARTICLE I.

The name of the corporation shall be Atmos Energy Corporation (the "Corporation").

ARTICLE II.

The purposes for which the Corporation is organized are the transaction of any or all lawful business for which corporations may be incorporated under the Texas Business Corporation Act, including, but not limited to, the transportation and distribution of natural gas by pipeline as a public utility, except that with respect to the Commonwealth of Virginia, the Corporation may only conduct such business as is permitted to be conducted by a public service company engaged in the transportation and distribution of natural gas by pipeline.

ARTICLE III.

The Corporation is incorporated in the State of Texas and the Commonwealth of Virginia The post office address of the registered office of the Corporation in the State of Texas is 701 Brazos, Austin, Texas 78701, and the registered agent for service of the Corporation at the same address is Corporation Service Company, d/b/a CSC-Lawyers Incorporating Service Company. The post office address of the registered office of the Corporation in the Commonwealth of Virginia is Riverfront Plaza, East Tower, 951 East Byrd Street, Richmond, Virginia 23219-4074, and the registered agent for service of the Corporation at the same address is Allen C. Goolsby, III, such registered agent being a resident of the Commonwealth of Virginia and a member of the Virginia State Bar.

ARTICLE IV.

The period of the Corporation's duration shall be perpetual.

ARTICLE V.

The Corporation shall not commence business until it has received for the shares consideration of the value of One Thousand Dollars ($1,000) consisting of money, labor done or property actually received.

ARTICLE VI.

1. Number of Directors. The number of directors constituting the present board of directors is twelve (12); however, thereafter the number of directors constituting the Board of Directors shall be fixed by the Bylaws of the Corporation. No director shall be removed during his term of office except for cause and by the affirmative vote of the holders of seventy-five percent (75%) of the shares then entitled to vote at an election of directors. The names and addresses of the persons who are to serve as directors until the next annual meeting of the shareholders or until their successors are duly elected and qualified are as follows:

Name	Address
Travis W. Bain II	Plano, Texas
Robert W. Best	Dallas, Texas
Dan Busbee	Dallas, Texas
Richard W. Cardin	Nashville, Tennessee
Thomas J. Garland	Greeneville, Tennessee
Richard K. Gordon	Houston, Texas
Gene C. Koonce	Nashville, Tennessee
Dr. Thomas C. Meredith	Atlanta, Georgia
Phillip E. Nichol	Dallas, Texas

Nancy K. Quinn	East Hampton, New York
Charles K. Vaughan	Dallas, Texas
Richard Ware II	Amarillo, Texas

2. Election and Term. The directors shall be divided into three classes, designated Class I, Class II and Class III Each class shall consist, as nearly as may be possible, of one-third of the total number of directors constituting the entire Board of Directors. At each annual meeting of shareholders, successors to the class of directors whose term expires at that annual meeting shall be elected for a three-year term Directors shall be elected by a majority vote of the shares of the Common Stock entitled to vote in the election of directors and represented in person or by proxy at a meeting of shareholders at which a quorum is present. If the number of directors is changed, any increase or decrease shall be apportioned among the classes so as to maintain the number of directors in each class as nearly equal as possible, and any additional director of any class elected by the shareholders to fill a vacancy resulting from an increase in such class shall hold office for a term that shall coincide with the remaining term of that class, but in no case will a decrease in the number of directors shorten the term of any incumbent director. A director shall hold office until the annual meeting for the year in which his term expires and until his successor shall be duly elected and qualified, subject, however, to prior death, resignation, retirement, disqualification or removal from office.

ARTICLE VII.

1. Capitalization.

The aggregate number of shares which the Corporation shall have the authority to issue is Two Hundred Million (200,000,000) shares of Common Stock having no par value

2. Designation and Statement of Preferences, Limitations and Relative Rights of Common Stock.

2.01 Subject to the provisions of law, including the Texas Business Corporation Act and the Virginia Stock Corporation Act and to the conditions set forth in any law, including by resolution of the Board of Directors of the Corporation, such dividends (payable in cash, stock or otherwise) as may be determined by the Board of Directors may be declared and paid on the Common Stock from time to time out of any funds legally available therefor.

2.02 The holders of the Common Stock shall exclusively possess full voting power for the election of directors and for all other purposes. In the exercise of its voting power, the Common Stock shall be entitled to one vote for each share held.

3. Provisions Applicable to All Classes of Stock.

3.01 Subject to applicable law, the Board of Directors may in its discretion issue from time to time authorized but unissued shares for such consideration as it may determine. The shareholders shall have no pre-emptive rights, as such holders, to purchase any shares or securities of any class which may at any time be sold or offered for sale by the Corporation.

3.02 At each election for directors every shareholder entitled to vote at any meeting shall have the right to vote, in person or by proxy, the number of shares owned by him for as many persons as there are directors to be elected. Cumulative voting of shares of stock in the election of directors or otherwise is hereby expressly prohibited.

3.03 The Corporation shall be entitled to treat the person in whose name any share or other security is registered as the owner thereof, for all purposes, and shall not be bound to recognize any equitable or other claim to or interest in such shares or other security on the part of any other person, whether or not the Corporation shall have notice thereof.

4. Provisions Applicable to Certain Business Combinations.

4.01 The affirmative vote of the holders of not less than seventy-five percent (75%) of the outstanding shares of "Voting Stock" (as hereinafter defined) held by stockholders other than a "Substantial Shareholder" (as hereinafter defined) shall be required for the approval or authorization of any "Business Combination" (as hereinafter defined) of the Corporation with any Substantial Shareholder; provided, however, that the seventy-five percent (75%) voting requirement shall not be applicable if either:

(i) The "Continuing Directors" (as hereinafter defined) of the Corporation by the affirmative vote of at least a majority (a) have expressly approved in advance the acquisition of the outstanding shares of Voting Stock that caused such Substantial Shareholder to become a Substantial Shareholder, or (b) have expressly approved such Business Combination either in advance of or subsequent to such Substantial Shareholder's having become a Substantial Shareholder; or

(ii) The cash or fair market value (as determined by at least a majority of the Continuing Directors) of the property, securities or other consideration to be received per share by holders of Voting Stock of the Corporation in the Business Combination is not less than the "Highest Per Share Price" or the "Highest Equivalent Price" (as these terms are hereinafter defined) paid by the Substantial Shareholder in acquiring any of its holdings of the Corporation's Voting Stock.

4.02 For purposes of this paragraph 4 of Article VII:

(i) The term "Business Combination" shall include, without limitation. (a) any merger or consolidation of the Corporation, or any entity controlled by or under common control with the Corporation, with or into any Substantial Shareholder, or any entity controlled by or under common control with the Substantial Shareholder, (b) any merger or consolidation of a Substantial Shareholder, or any entity controlled by or under common control with the Corporation, (c) any sale, lease, exchange, transfer or other disposition of all or substantially all of the property and assets of the Corporation, or any entity controlled by or under common control with the Corporation, to a Substantial Shareholder, or any entity controlled by or under common control with the Substantial Shareholder, (d) any purchase, lease, exchange, transfer or other acquisition of all or substantially all of the property and assets of a Substantial Shareholder or any entity controlled by or under common control with the

Corporation, (e) any recapitalization of the Corporation that would have the effect of increasing the voting power of a Substantial Shareholder, and (f) any agreement, contract or other arrangement providing for any of the transactions described in this definition of Business Combination.

(ii) The term "Substantial Shareholder" shall mean and include any individual, corporation, partnership or other person or entity which, together with its "Affiliates" and "Associates" (as those terms are defined in Rule 12b-2 of the General Rules and Regulations promulgated under the Securities Exchange Act of 1934 (the "Exchange Act") as in effect at the date of the adoption hereof), "Beneficially Owns" (as defined in Rule 13d-3 of the Exchange Act) an aggregate of 10 percent or more of the outstanding Voting Stock of the Corporation, and any Affiliate or Associate of any such individual, corporation, partnership or other person or entity.

(iii) Without limitation, any share of Voting Stock of the Corporation that any Substantial Shareholder has the right to acquire at any time (notwithstanding that Rule 13d-3 of the Exchange Act deems such shares to be beneficially owned only if such right may be exercised within 60 days) pursuant to any agreement, or upon exercise of conversion rights, warrants or options, or otherwise, shall be deemed to be Beneficially Owned by the Substantial Shareholder and to be outstanding for purposes of clause (ii) above

(iv) For the purposes of subparagraph 4.01(ii) of this paragraph 4 of Article VII, the term "other consideration to be received" shall include, without limitation, Common Stock or other capital stock of the Corporation retained by its existing stockholders other than Substantial Shareholders or other parties to such Business Combination in the event of a Business Combination in which the Corporation is the surviving corporation.

(v) The term "Voting Stock" shall mean all of the outstanding shares of Common Stock entitled to vote on each matter on which the holders of record of Common Stock shall be entitled to vote, and each reference to a proportion of shares of Voting Stock shall refer to such proposition of the votes entitled to be cast by such shares.

(vi) The term "Continuing Director" shall mean a Director who was a member of the Board of Directors of the Corporation immediately prior to the time that the Substantial Shareholder involved in a Business Combination became a Substantial Shareholder.

(vii) A Substantial Shareholder shall be deemed to have acquired a share of the Voting Stock of the Corporation at the time when such Substantial Shareholder became the Beneficial Owner thereof. With respect to the shares owned by Affiliates, Associates or other persons whose ownership is attributed to a Substantial Shareholder under the foregoing definition of Substantial Shareholder, if the price is paid by such Substantial Shareholder for such shares is not determinable by a majority of the Continuing Directors, the price so paid shall be deemed to be the higher of (a) the price paid upon the acquisition thereof by the Affiliate, Associate or other person or (b) the market

price of the shares in question at the time when the Substantial Shareholder became the Beneficial Owner thereof.

(viii) The terms "Highest Per Share Price" and "Highest Equivalent Price" as used in this paragraph 4 of Article VII shall mean the highest price that can be determined to have been paid at any time by the Substantial Shareholder for any share or shares of that class of capital stock. If there is more than one class of capital stock of the Corporation issued and outstanding, the Highest Equivalent Price shall mean with respect to each class and series of capital stock of the Corporation the amount determined by a majority of the Continuing Directors, on whatever basis they believe is appropriate, to be the highest per share price equivalent to the highest price that can be determined to have been paid at any time by the Substantial Shareholder for any share or shares of any class or series of capital stock of the Corporation. In determining the Highest Per Share Price and Highest Equivalent Price, all purchases by the Substantial Shareholder shall be taken into account regardless of whether the shares were purchased before or after the Substantial Shareholder became a Substantial Shareholder. The Highest Per Share Price and the Highest Equivalent Price shall include any brokerage commissions, transfer taxes and soliciting dealers' fees paid by the Substantial Shareholder with respect to the shares of capital stock of the Corporation acquired by the Substantial Shareholder. In the case of any Business Combination with a Substantial Shareholder, the Continuing Directors shall determine the Highest Per Share Price or the Highest Equivalent Price for each class and series of the capital stock of the Corporation.

4.03 The provisions set forth in this paragraph 4 of Article VII may not be amended, altered, changed or repealed in any respect unless such action is approved by the affirmative vote of the holders of not less than seventy-five percent (75%) of the outstanding shares of Voting Stock (as defined in this Article VII) of the Corporation at a meeting of the shareholders duly called for the consideration of such amendment, alteration, change or repeal; provided, however, that if there is a Substantial Shareholder (as defined in this Article VII), such action must also be approved by the affirmative vote of the holders of not less than seventy-five percent (75%) of the outstanding shares of Voting Stock held by the shareholders other than the Substantial Shareholder.

ARTICLE VIII.

The power to alter, amend or repeal the Corporation's bylaws, and to adopt new bylaws, is hereby vested in the Board of Directors, subject, however, to repeal or change by the affirmative vote of the holders of seventy-five percent (75%) of the outstanding shares entitled to vote thereon.

ARTICLE IX.

The Corporation shall indemnify, to the fullest extent permitted by law, any person who was, is, or is threatened to be made a named defendant or respondent in any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, arbitrative, or investigative, any appeal in such action, suit, or proceeding, and any inquiry or investigation that could lead to such an action, suit, or proceeding, by reason of the fact that such person is or was a director or officer of the Corporation, or, while such person was a director of the Corporation, is or was serving at the request of the Corporation as a director, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another corporation, partnership, joint venture, sole proprie-

torship, trust, employee benefit plan, or other enterprise, against judgments, penalties (including excise and similar taxes), fines, settlements, and reasonable expenses (including attorney's fees) actually incurred by such person in connection with such action, suit, or proceeding. In addition to the foregoing, the Corporation shall, upon request of any such person described above and to the fullest extent permitted by law, pay or reimburse the reasonable expenses incurred by such person in any action, suit, or proceeding described above in advance of the final disposition of such action, suit, or proceeding.

ARTICLE X.

No director of the Corporation shall be personally liable to the Corporation or its shareholders for monetary damages for an act or omission in such director's capacity as a director, except for liability for (i) a breach of the director's duty of loyalty to the Corporation or its shareholders; (ii) an act or omission not in good faith or that involves intentional misconduct or a knowing violation of the law; (iii) a transaction from which the director received an improper benefit, whether or not the benefit resulted from an action taken within the scope of the director's office, (iv) an act or omission for which the liability of a director is expressly provided by statute; or (v) an act related to an unlawful stock repurchase or payment of a dividend. If the laws of the State of Texas or the Commonwealth of Virginia are hereafter amended to authorize corporate action further eliminating or limiting the personal liability of a director of the Corporation, then the liability of a director of the Corporation shall thereupon automatically be eliminated or limited to the fullest extent permitted by the laws of the State of Texas and the Commonwealth of Virginia. Any repeal or modification of this Article X by the shareholders of the Corporation shall not adversely affect any right or protection of a director existing at the time of such repeal or modification with respect to such events or circumstances occurring or existing prior to such time.

ATMOS ENERGY CORPORATION

By: Robert W. Best
Robert W. Best
Chairman of the Board, President and
Chief Executive Officer

Commonwealth of Virginia

State Corporation Commission

I Certify the Following from the Records of the Commission:

The foregoing is a true copy of all documents pertaining to the charter of Atmos Energy Corporation.

Nothing more is hereby certified.

Signed and Sealed at Richmond on this Date:
October 26, 2005

Joel H. Peck

Joel H. Peck, Clerk of the Commission

CIS0353

AMENDED AND RESTATED ARTICLES OF INCORPORATION OF ATMOS ENERGY CORPORATION
(as of February 9, 2005)

A. After being proposed by the Board of Directors of Atmos Energy Corporation (the "Corporation") and submitted to the Corporation's shareholders in accordance with the provisions of Chapter 9 of the Virginia Stock Corporation Act, the following amendment to the Restated Articles of Incorporation, as Amended, was adopted by the shareholders of the Corporation at the Annual Meeting of Shareholders held on February 9, 2005, in conformity with the provisions of the Texas Business Corporation Act:

> Section 1 of Article VII of the Restated Articles of Incorporation of Atmos Energy Corporation, as Amended, be amended to read as follows:
>
> "The aggregate number of shares which the Corporation shall have the authority to issue is Two Hundred Million (200,000,000) shares of Common Stock having no par value."

B. The number of shares of the Corporation outstanding as of the record date was 79,217,276 and the number of shares entitled to vote on the amendment was 79,217,276. The number of shares voting for the amendment to increase the number of authorized shares of common stock of the Corporation was 64,288,928, the number of shares voting against such amendment was 5,016,823, and the number of shares abstaining was 377,161.

C. The Amended and Restated Articles of Incorporation reflect an accurate copy of the Restated Articles of Incorporation, as Amended, of the Corporation and all amendments thereto, as filed with the Secretary of State and in effect as of this date, with no other changes in any provision thereof, except for the names of the current registered agents for service, as well as the amendment discussed above, as reflected in the Amended and Restated Articles of Incorporation.

ARTICLE I.

The name of the corporation shall be Atmos Energy Corporation (the "Corporation").

ARTICLE II.

The purposes for which the Corporation is organized are the transaction of any or all lawful business for which corporations may be incorporated under the Texas Business Corporation Act, including, but not limited to, the transportation and distribution of natural gas by pipeline as a public utility, except that with respect to the Commonwealth of Virginia, the Corporation may only conduct such business as is permitted to be conducted by a public service company engaged in the transportation and distribution of natural gas by pipeline.

ARTICLE III.

The Corporation is incorporated in the State of Texas and the Commonwealth of Virginia. The post office address of the registered office of the Corporation in the State of Texas is 800 Brazos, Austin, Texas 78701, and the registered agent for service of the Corporation at the same address is Corporation Service Company, d/b/a CSC-Lawyers Incorporating Service Company. The post office address of the registered office of the Corporation in the Commonwealth of Virginia is Riverfront Plaza, East Tower, 951 East Byrd Street, Richmond, Virginia 23219-4074, and the registered agent for service of the Corporation at the same address is Allen C. Goolsby, III, such registered agent being a resident of the Commonwealth of Virginia and a member of the Virginia State Bar.

ARTICLE IV.

The period of the Corporation's duration shall be perpetual.

ARTICLE V.

The Corporation shall not commence business until it has received for the shares consideration of the value of One Thousand Dollars ($1,000) consisting of money, labor done or property actually received.

ARTICLE VI.

1. Number of Directors. The number of directors constituting the present board of directors is twelve (12); however, thereafter the number of directors constituting the Board of Directors shall be fixed by the Bylaws of the Corporation. No director shall be removed during his term of office except for cause and by the affirmative vote of the holders of seventy-five percent (75%) of the shares then entitled to vote at an election of directors.

2. Election and Term. The directors shall be divided into three classes, designated Class I, Class II and Class III. Each class shall consist, as nearly as may be possible, of one-third of the total number of directors constituting the entire Board of Directors. At each annual meeting of shareholders, successors to the class of directors whose term expires at that annual meeting shall be elected for a three-year term. Directors shall be elected by a majority vote of the shares of the Common Stock entitled to vote in the election of directors and represented in person or by proxy at a meeting of shareholders at which a quorum is present. If the number of directors is changed, any increase or decrease shall be apportioned among the classes so as to maintain the number of directors in each class as nearly equal as possible, and any additional director of any class elected by the shareholders to fill a vacancy resulting from an increase in such class shall hold office for a term that shall coincide with the remaining term of that class, but in no case will a decrease in the number of directors shorten the term of any incumbent director. A director shall hold office until the annual meeting for the year in which his term expires and until his successor shall be duly elected and qualified, subject, however, to prior death, resignation, retirement, disqualification or removal from office.

ARTICLE VII.

1. Capitalization.

The aggregate number of shares which the Corporation shall have the authority to issue is Two Hundred Million (200,000,000) shares of Common Stock having no par value.

2. Designation and Statement of Preferences, Limitations and Relative Rights of Common Stock.

2.01 Subject to the provisions of law, including the Texas Business Corporation Act and the Virginia Stock Corporation Act and to the conditions set forth in any law, including by resolution of the Board of Directors of the Corporation, such dividends (payable in cash, stock or otherwise) as may be determined by the Board of Directors may be declared and paid on the Common Stock from time to time out of any funds legally available therefor.

2.02 The holders of the Common Stock shall exclusively possess full voting power for the election of directors and for all other purposes. In the exercise of its voting power, the Common Stock shall be entitled to one vote for each share held.

3. Provisions Applicable to All Classes of Stock.

3.01 Subject to applicable law, the Board of Directors may in its discretion issue from time to time authorized but unissued shares for such consideration as it may determine. The shareholders shall have no pre-emptive rights, as such holders, to purchase any shares or securities of any class which may at any time be sold or offered for sale by the Corporation.

3.02 At each election for directors every shareholder entitled to vote at any meeting shall have the right to vote, in person or by proxy, the number of shares owned by him for as many persons as there are directors to be elected. Cumulative voting of shares of stock in the election of directors or otherwise is hereby expressly prohibited.

3.03 The Corporation shall be entitled to treat the person in whose name any share or other security is registered as the owner thereof, for all purposes, and shall not be bound to recognize any equitable or other claim to or interest in such shares or other security on the part of any other person, whether or not the Corporation shall have notice thereof.

4. Provisions Applicable to Certain Business Combinations.

4.01 The affirmative vote of the holders of not less than seventy-five percent (75%) of the outstanding shares of "Voting Stock" (as hereinafter defined) held by stockholders other than a "Substantial Shareholder" (as hereinafter defined) shall be required for the approval or authorization of any "Business Combination" (as hereinafter defined) of the Corporation with any Substantial Shareholder; provided, however, that the seventy-five percent (75%) voting requirement shall not be applicable if either:

(i) The "Continuing Directors" (as hereinafter defined) of the Corporation by the affirmative vote of at least a majority (a) have expressly approved in advance the acquisition of the outstanding shares of Voting Stock that caused such Substantial Shareholder to become a Substantial Shareholder, or (b) have expressly approved such Business Combination either in advance of or subsequent to such Substantial Shareholder's having become a Substantial Shareholder; or

(ii) The cash or fair market value (as determined by at least a majority of the Continuing Directors) of the property, securities or other consideration to be received per share by holders of Voting Stock of the Corporation in the Business Combination is not less than the "Highest Per Share Price" or the "Highest Equivalent Price" (as these terms are hereinafter defined) paid by the Substantial Shareholder in acquiring any of its holdings of the Corporation's Voting Stock.

4.02 For purposes of this paragraph 4 of Article VII:

(i) The term "Business Combination" shall include, without limitation: (a) any merger or consolidation of the Corporation, or any entity controlled by or under common control with the Corporation, with or into any Substantial Shareholder, or any entity controlled by or under common control with the Substantial Shareholder, (b) any merger or consolidation of a Substantial Shareholder, or any entity controlled by or under common control with the Corporation, (c) any sale, lease, exchange, transfer or other disposition of all or substantially all of the property and assets of the Corporation, or any entity controlled by or under common control with the Corporation, to a Substantial Shareholder, or any entity controlled by or under common control with the Substantial Shareholder, (d) any purchase, lease, exchange, transfer or other acquisition of all or substantially all of the property and assets of a Substantial Shareholder or any entity controlled by or under common control with the Corporation, (e) any recapitalization of the Corporation that would have the effect of increasing the voting power of a Substantial Shareholder, and (f) any agreement, contract or other arrangement providing for any of the transactions described in this definition of Business Combination.

(ii) The term "Substantial Shareholder" shall mean and include any individual, corporation, partnership or other person or entity which, together with its "Affiliates" and "Associates" (as those terms are defined in Rule 12b-2 of the General Rules and Regulations promulgated under the Securities Exchange Act of 1934 (the "Exchange Act") as in effect at the date of the adoption hereof), "Beneficially Owns" (as defined in Rule 13d-3 of the Exchange Act) an aggregate of 10 percent or more of the outstanding Voting Stock of the Corporation, and any Affiliate or Associate of any such individual, corporation, partnership or other person or entity.

(iii) Without limitation, any share of Voting Stock of the Corporation that any Substantial Shareholder has the right to acquire at any time (notwithstanding that Rule 13d-3 of the Exchange Act deems such shares to be beneficially owned only if such right may be exercised within 60 days) pursuant to any agreement, or upon exercise of conversion rights, warrants or options, or otherwise, shall be deemed to be Beneficially Owned by the Substantial Shareholder and to be outstanding for purposes of clause (ii) above.

(iv) For the purposes of subparagraph 4.01(ii) of this paragraph 4 of Article VII, the term "other consideration to be received" shall include, without limitation, Common Stock or other capital stock of the Corporation retained by its existing stockholders other than Substantial Shareholders or other parties to such Business Combination in the event of a Business Combination in which the Corporation is the surviving corporation.

(v) The term "Voting Stock" shall mean all of the outstanding shares of Common Stock entitled to vote on each matter on which the holders of record of Common Stock shall be entitled to vote, and each reference to a proportion of shares of Voting Stock shall refer to such proposition of the votes entitled to be cast by such shares.

(vi) The term "Continuing Director" shall mean a Director who was a member of the Board of Directors of the Corporation immediately prior to the time that the Substantial Shareholder involved in a Business Combination became a Substantial Shareholder.

(vii) A Substantial Shareholder shall be deemed to have acquired a share of the Voting Stock of the Corporation at the time when such Substantial Shareholder became the Beneficial Owner thereof. With respect to the shares owned by Affiliates, Associates or other persons whose ownership is attributed to a Substantial Shareholder under the foregoing definition of Substantial Shareholder, if the price is paid by such Substantial Shareholder for such shares is not determinable by a majority of the Continuing Directors, the price so paid shall be deemed to be the higher of (a) the price paid upon the acquisition thereof by the Affiliate, Associate or other person or (b) the market price of the shares in question at the time when the Substantial Shareholder became the Beneficial Owner thereof.

(viii) The terms "Highest Per Share Price" and "Highest Equivalent Price" as used in this paragraph 4 of Article VII shall mean the highest price that can be determined to have been paid at any time by the Substantial Shareholder for any share or shares of that class of capital stock. If there is more than one class of capital stock of the Corporation issued and outstanding, the Highest Equivalent Price shall mean with respect to each class and series of capital stock of the Corporation the amount determined by a majority of the Continuing Directors, on whatever basis they believe is appropriate, to be the highest per share price equivalent to the highest price that can be determined to have been paid at any time by the Substantial Shareholder for any share or shares of any class or series of capital stock of the Corporation. In determining the Highest Per Share Price and Highest Equivalent Price, all purchases by the Substantial Shareholder shall be taken into account regardless of

whether the shares were purchased before or after the Substantial Shareholder became a Substantial Shareholder. The Highest Per Share Price and the Highest Equivalent Price shall include any brokerage commissions, transfer taxes and soliciting dealers' fees paid by the Substantial Shareholder with respect to the shares of capital stock of the Corporation acquired by the Substantial Shareholder. In the case of any Business Combination with a Substantial Shareholder, the Continuing Directors shall determine the Highest Per Share Price or the Highest Equivalent Price for each class and series of the capital stock of the Corporation.

4.03 The provisions set forth in this paragraph 4 of Article VII may not be amended, altered, changed or repealed in any respect unless such action is approved by the affirmative vote of the holders of not less than seventy-five percent (75%) of the outstanding shares of Voting Stock (as defined in this Article VII) of the Corporation at a meeting of the shareholders duly called for the consideration of such amendment, alteration, change or repeal; provided, however, that if there is a Substantial Shareholder (as defined in this Article VII), such action must also be approved by the affirmative vote of the holders of not less than seventy-five percent (75%) of the outstanding shares of Voting Stock held by the shareholders other than the Substantial Shareholder.

ARTICLE VIII.

The power to alter, amend or repeal the Corporation's bylaws, and to adopt new bylaws, is hereby vested in the Board of Directors, subject, however, to repeal or change by the affirmative vote of the holders of seventy-five percent (75%) of the outstanding shares entitled to vote thereon.

ARTICLE IX.

The Corporation shall indemnify, to the fullest extent permitted by law, any person who was, is, or is threatened to be made a named defendant or respondent in any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, arbitrative, or investigative, any appeal in such action, suit, or proceeding, and any inquiry or investigation that could lead to such an action, suit, or proceeding, by reason of the fact that such person is or was a director or officer of the Corporation, or, while such person was a director of the Corporation, is or was serving at the request of the Corporation as a director, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan, or other enterprise, against judgments, penalties (including excise and similar taxes), fines, settlements, and reasonable expenses (including attorney's fees) actually incurred by such person in connection with such action, suit, or proceeding. In addition to the foregoing, the Corporation shall, upon request of any such person described above and to the fullest extent permitted by law, pay or reimburse the reasonable expenses incurred by such person in any action, suit, or proceeding described above in advance of the final disposition of such action, suit, or proceeding.

ARTICLE X.

No director of the Corporation shall be personally liable to the Corporation or its shareholders for monetary damages for an act or omission in such director's capacity as a director, except for liability for (i) a breach of the director's duty of loyalty to the Corporation or its shareholders; (ii) an act or omission not in good faith or that involves intentional misconduct or a knowing violation of the law; (iii) a transaction from which the director received an improper benefit, whether or not the benefit resulted from an action taken within the scope of the director's office; (iv) an act or omission for which the liability of a director is expressly provided by statute; or (v) an act related to an unlawful stock repurchase or payment of a dividend. If the laws of the State of Texas or the Commonwealth of Virginia are hereafter amended to authorize corporate action further eliminating or limiting the personal liability of a director of the Corporation, then the liability of a director of the Corporation shall thereupon automatically be eliminated or limited to the fullest extent permitted by the laws of the State of Texas and the Commonwealth of Virginia. Any repeal or modification of this Article X by the shareholders of the Corporation shall not adversely affect any right or protection of a director existing at the time of such repeal or modification with respect to such events or circumstances occurring or existing prior to such time.

ATMOS ENERGY CORPORATION

By: Robert W. Best

Robert W. Best
Chairman of the Board, President and
Chief Executive Officer

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

AT RICHMOND, MARCH 4, 2005

The State Corporation Commission has found the accompanying articles submitted on behalf of

Atmos Energy Corporation

to comply with the requirements of law, and confirms payment of all required fees. Therefore, it is ORDERED that this

CERTIFICATE OF AMENDMENT

be issued and admitted to record with the articles of amendment in the Office of the Clerk of the Commission, effective March 4, 2005.

The corporation is granted the authority conferred on it by law in accordance with the articles, subject to the conditions and restrictions imposed by law.

STATE CORPORATION COMMISSION

By Mark L. Christie

Commissioner

05-03-03-0649
AMENACPT
CIS0375

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ARTICLES OF MERGER FOR THE MERGER OF
LSG ACQUISITION CORPORATION INTO
ATMOS ENERGY CORPORATION – 04885984

The undersigned corporation, pursuant to Title 13.1, Chapter 9, Article 12 of the Code of Virginia, hereby executes the following articles of merger and sets forth:

ONE

LSG Acquisition Corporation, a Texas corporation ("LSG"), a wholly-owned subsidiary of Atmos Energy Corporation, a Texas and Virginia corporation ("Atmos"), will be merged into Atmos pursuant to the plan of merger attached hereto as Exhibit A.

TWO

The plan of merger has been adopted by the Board of Directors of Atmos. Pursuant to Section 13.1-719 of the Virginia Stock Corporation Act, no action of the shareholders of Atmos, as the surviving corporation, is required because Atmos owns 100 percent of the outstanding shares of the common stock of LSG.

THREE

The merger of LSG into Atmos is permitted by the State of Texas under whose law LSG is incorporated. LSG has complied with the laws of the Commonwealth of Virginia in effecting the merger.

ATMOS ENERGY CORPORATION,
a Texas and Virginia corporation

By: Robert W. Best
Robert W. Best
Chairman, President and
Chief Executive Officer

Exhibit A

PLAN OF MERGER

This PLAN OF MERGER by and between Atmos Energy Corporation, a Texas and Virginia corporation ("Atmos" and a "Constituent Corporation"), and LSG Acquisition Corporation, a Texas corporation, which is a wholly-owned subsidiary of Atmos (the "Company" and a "Constituent Corporation"), provides as follows:

ARTICLE I
MERGER AND CLOSING

1.01 The Merger. At the Effective Time, as hereinafter defined, the Company shall be merged into Atmos (the "Merger") in accordance with the Texas Business Corporation Act (the "TBCA") and the Virginia Stock Corporation Act (the "VSCA"), whereupon the separate existence of the Company shall cease and Atmos shall continue as the surviving corporation (the "Surviving Corporation").

1.02 Effective Time. The Merger shall become effective upon the last to occur of the following (the "Effective Time"): (i) the issuance of a certificate of merger by the Secretary of State of Texas, and (ii) the issuance of a certificate of merger by the State Corporation Commission of Virginia.

1.03 Articles of Incorporation and Bylaws of the Surviving Corporation. At the Effective Time, (i) the Articles of Incorporation of Atmos as in effect immediately prior to the Effective Time shall be the Articles of Incorporation of the Surviving Corporation until thereafter amended as provided by law and such Articles of Incorporation, and (ii) the Bylaws of Atmos as in effect immediately prior to the Effective Time shall be the Bylaws of the Surviving Corporation until thereafter amended as provided by law, the Articles of Incorporation of the Surviving Corporation and such Bylaws.

1.04 Directors and Officers of the Surviving Corporation. The directors of Atmos and the officers of Atmos immediately prior to the Effective Time shall, from and after the Effective Time, be the directors and officers, respectively, of the Surviving Corporation until their successors shall have been duly elected or appointed and qualified or until their earlier death, resignation or removal in accordance with the Surviving Corporation's Articles of Incorporation and Bylaws.

1.05 Effects of the Merger. Subject to the foregoing, the effects of the Merger shall be as provided in the applicable provisions of the TBCA and the VSCA.

ARTICLE II
EFFECT ON CAPITAL STOCK

2.01 Effect on Capital Stock. As of the Effective Time, by virtue of the Merger and without any action on the part of Atmos, the Company or any holder of any of the following securities:

(a) No Conversion of Atmos Common Stock. Each share of the common stock, no par value, of Atmos ("Atmos Common Stock") issued and outstanding immediately prior to the Effective Time shall continue to be issued and outstanding Atmos Common Stock. Any Atmos Common Stock held in the treasury of Atmos immediately prior to the Effective Time shall continue to be held in the treasury of the Surviving Corporation at the Effective Time.

(b) Cancellation of Shares of Company Common Stock. All shares of the common stock, par value $1.00 per share, of the Company (the "Company Common Stock") that are issued and outstanding, including any shares that may be owned by the Company as treasury stock, shall be canceled and retired and shall cease to exist, and no stock of Atmos or other consideration shall be delivered in exchange therefor.

0488598 - 4

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

AT RICHMOND, OCTOBER 1, 2004

The State Corporation Commission finds the accompanying articles submitted on behalf of

ATMOS ENERGY CORPORATION

to comply with the requirements of law and confirms payment of all required fees. Therefore, it is ORDERED that this

CERTIFICATE OF MERGER

be issued and admitted to record with the articles of merger in the Office of the Clerk of the Commission, effective October 1, 2004. Each of the following:

LSG ACQUISITION CORPORATION (A TX CORPORATION NOT QUALIFIED IN VA)

is merged into ATMOS ENERGY CORPORATION, which continues to exist under the laws of VIRGINIA with the name ATMOS ENERGY CORPORATION, the separate existence of each non-surviving entity ceases.

STATE CORPORATION COMMISSION

By Mark L. Christie

Commissioner

MERGACPT
CIS0317
04-10-01-0613

ARTICLES OF MERGER FOR THE MERGER OF
MISSISSIPPI VALLEY GAS COMPANY INTO
ATMOS ENERGY CORPORATION

The undersigned corporations, pursuant to Title 13.1, Chapter 9, Article 12 of the Code of Virginia, hereby execute the following articles of merger and set forth:

ONE

Mississippi Valley Gas Company, a Mississippi corporation ("Mississippi Valley") will be merged into Atmos Energy Corporation, a Texas and Virginia corporation ("Atmos") pursuant to the plan of merger attached hereto as Exhibit A.

TWO

The plan of merger has been adopted by the Board of Directors of Atmos. Pursuant to Section 13.1-718G of the Virginia Stock Corporation Act, no action of the shareholders of Atmos, as the surviving corporation, is required because (i) the articles of incorporation of Atmos will not be changed in the merger, (ii) shareholders of Atmos immediately before the effective date of the merger will hold the same number of identical shares and (iii) the number of voting shares and the number of participating shares outstanding immediately after the merger, plus the number of voting shares and participating shares issuable as a result of the merger, either by the conversion of securities issued pursuant to the merger or the exercise of rights and warrants issued pursuant to the merger, will not, in either case, exceed by more than twenty percent the total number of voting shares or participating shares, as appropriate, of the surviving corporation outstanding immediately before the merger.

THREE

The Plan of Merger has been adopted by the Board of Directors and the shareholders of Mississippi Valley. The number of outstanding shares of the only class of stock of Mississippi Valley entitled to vote on the Plan of Merger is as follows:

Corporation	Number of Shares Outstanding	Class of Shares
Mississippi Valley	1,000	Common Stock

The number of outstanding shares of Mississippi Valley voted for and against the Plan of Merger are as follows:

Corporation	Total Voted For	Total Voted Against	Class of Shares
Mississippi Valley	1000	-0-	Common Stock

FOUR

The merger of Mississippi Valley into Atmos is permitted by the State of Mississippi under whose law Mississippi Valley is incorporated. Mississippi Valley has complied the law of the State of Mississippi in effecting the merger.

The undersigned officers of Mississippi Valley and Atmos declare that the facts herein stated are true as of December 3, 2002.

ATMOS ENERGY CORPORATION,
a Texas and Virginia corporation

By: Robert W. Best

Robert W. Best
Chairman, President and
Chief Executive Officer

MISSISSIPPI VALLEY GAS COMPANY,
a Mississippi corporation

By: _____

Matthew L. Holleman, III
President and
Chief Executive Officer

PLAN OF MERGER

This PLAN OF MERGER by and between Atmos Energy Corporation, a Texas and Virginia corporation ("Atmos" and a "Constituent Corporation"), and Mississippi Valley Gas Company, a Mississippi corporation (the "Company" and a "Constituent Corporation"), provides as follows:

ARTICLE I
MERGER AND CLOSING

1.01 The Merger. At the Effective Time, as hereinafter defined, the Company shall be merged with and into Atmos (the "Merger") in accordance with the Mississippi Business Corporation Act (the "MBCA"), the Texas Business Corporation Act (the "TBCA") and the Virginia Stock Corporation Act (the "VSCA"), whereupon the separate existence of the Company shall cease and Atmos shall continue as the surviving corporation (the "Surviving Corporation"). The Merger is intended to qualify as a reorganization within the meaning of Section 368 of the Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder (the "Code"). Capitalized terms not otherwise defined in this Plan of Merger shall have the meanings ascribed to them in the reorganization agreement among Atmos, the Company and the Shareholders, dated as of September 21, 2001 (the "Reorganization Agreement").

1.02 Effective Time. The Merger shall become effective upon the last to occur of the following (the "Effective Time"): (i) the proper filing of the articles of merger as provided in Section 79-4-11.05 of the MBCA, (ii) the issuance of a certificate of merger by the Secretary of State of Texas, and (iii) the issuance of a certificate of merger by the State Corporation Commission of Virginia.

1.03 Articles of Incorporation and Bylaws of the Surviving Corporation. At the Effective Time, (i) the Articles of Incorporation of Atmos as in effect immediately prior to the Effective Time shall be the Articles of Incorporation of the Surviving Corporation until thereafter amended as provided by law and such Articles of Incorporation, and (ii) the Bylaws of Atmos as in effect immediately prior to the Effective Time shall be the Bylaws of the Surviving Corporation until thereafter amended as provided by law, the Articles of Incorporation of the Surviving Corporation and such Bylaws.

1.04 Directors and Officers of the Surviving Corporation. The directors of Atmos and the officers of Atmos immediately prior to the Effective Time shall, from and after the Effective Time, be the directors and officers, respectively, of the Surviving Corporation until their successors shall have been duly elected or appointed and qualified or until their earlier death, resignation or removal in accordance with the Surviving Corporation's Articles of Incorporation and Bylaws.

1.05 Effects of the Merger. Subject to the foregoing, the effects of the Merger shall be as provided in the applicable provisions of the MBCA, the TBCA and the VSCA.

ARTICLE II
EFFECT ON CAPITAL STOCK; EXCHANGE OF CERTIFICATES

2.01 Effect on Capital Stock. As of the Effective Time, by virtue of the Merger and without any action on the part of Atmos, the Company or any holder of any of the following securities:

(a) No Conversion of Atmos Common Stock. Each share of the common stock, no par value, of Atmos ("Atmos Common Stock") issued and outstanding immediately prior to the Effective Time shall continue to be issued and outstanding Atmos Common Stock. Any Atmos Common Stock held in the treasury of Atmos immediately prior to the Effective Time shall continue to be held in the treasury of the Surviving Corporation at the Effective Time.

(b) Cancellation of Certain Shares of Company Common Stock. All shares of the common stock, par value $5.00 per share, of the Company (the "Company Common Stock") that are owned by the Company as treasury stock shall be canceled and retired and shall cease to exist, and no stock of Atmos or other consideration shall be delivered in exchange therefor.

(c) Conversion of Company Common Stock. All of the issued and outstanding shares of Company Common Stock (other than shares to be canceled in accordance with Section 2.01(b)) shall be converted into the right to receive $150,000,000, less the adjustments, if any, provided in Section 2.02 (as so adjusted, the "Merger Consideration"). The Merger Consideration shall be payable 50% in cash and 50% in a number of shares of Atmos Common Stock, determined by dividing 50% of the Merger Consideration by the Stock Value, rounded up to the nearest whole number. The Merger Consideration shall be allocated among the Shareholders and any Permitted Transferees in the manner provided in Section 2.03. For the purpose of the foregoing, the "Stock Value" means the average of the closing prices per share of the Atmos Common Stock as reported for New York Stock Exchange Composite Transactions for the 20 trading days ending on the date that is five trading days prior to the Closing Date (the "Average Price"); provided that if the Average Price is less than $17.65, the Stock Value shall be $17.65. All shares of Company Common Stock converted in accordance with this Section 2.01(c) shall no longer be outstanding and shall automatically be canceled and retired and shall cease to exist, and each holder of a certificate representing any such shares shall cease to have any rights with respect thereto, except the right to receive the shares of Atmos Common Stock and cash to be issued or paid in consideration therefor, upon the surrender of such certificate, without interest.

2.02 Adjustments to Merger Consideration. The Merger Consideration shall be decreased by the following adjustments:

(a) the amount, if any, by which the aggregate amount of dividends or other distributions made on the Company Shares after September 30, 2000 through the Closing Date (which dividends are payable in arrears following the end of each fiscal quarter) exceeds the rate of $500,000 with respect to each fiscal quarter (or with respect to the Company's first fiscal quarter, $700,000) (with the dividend payable in respect of any portion of the fiscal quarter that includes the Closing Date being appropriately prorated);

(b) the amount, if any, by which the aggregate amount paid in satisfaction of claims with respect to the Clarksdale Lawsuit exceeds the Clarksdale Settlement Amount, if such claims are settled prior to the Closing Date; and

(c) the amount, if any, by which the amount paid by the Company prior to the Closing Date in satisfaction of any Flash Fire / Explosion Claims exceeds $250,000 per occurrence (exclusive of any amount funded with proceeds from the Company's insurance policies listed in the Disclosure Schedule of the Reorganization Agreement or any Replacement Policy).

2.03 Exchange of Certificates. At the Effective Time, each Shareholder and Permitted Transferee shall be entitled to receive (i) a certificate or certificates representing such Shareholder's or Permitted Transferee's pro rata share of the aggregate number of shares of Atmos Common Stock to be issued by Atmos to the Shareholders and any Permitted Transferees pursuant to the terms of the Reorganization Agreement plus (ii) cash representing such Shareholder's or Permitted Transferee's pro rata share of the aggregate amount of cash to be paid by Atmos to the Shareholders and any Permitted Transferees pursuant to the terms of the Reorganization Agreement (the "Total Payable Cash"), reduced, in the case of each Shareholder or Permitted Transferee, by such Shareholder's or Permitted Transferee's pro rata share of the Escrow Funds (as defined below) to be deposited in escrow as set forth below. As soon as practicable on the Closing Date after the last to occur of (i) the proper filing of the Mississippi Articles of Merger with the Secretary of State of Mississippi, (ii) the proper filing of the Texas Articles of Merger with the Secretary of State of Texas, and (iii) the proper filing of the Virginia Articles of Merger with the State Corporation Commission of Virginia, cash included in the Total Payable Cash in an amount equal to $10,000,000 (the "Escrow Funds") shall be delivered by Atmos to an escrow agent selected by Atmos and approved by the Shareholders (which approval shall not be unreasonably withheld or delayed) (the "Escrow Agent"). The Escrow Funds shall be held and administered by the Escrow Agent in accordance with the terms and conditions of an Escrow Agreement, and the Escrow Funds shall be treated for all purposes of this Plan of Merger as having been paid to the Shareholders and any Permitted Transferees.

2.04 Withholding Rights. Atmos shall be entitled to deduct and withhold from the Total Payable Cash otherwise payable pursuant to this Plan of Merger to the Shareholders and any Permitted Transferees such amounts as Atmos is required to deduct and withhold with respect to the making of such payment under the Code, or any provision of state or local tax law. To the extent that amounts are so withheld by Atmos, such withheld amounts shall be treated for all purposes of this Plan of Merger as having been paid to the Shareholders and any Permitted Transferees.

ARTICLE III
MISCELLANEOUS

3.01 Effect on Reorganization Agreement. This Plan of Merger is in furtherance of, and not in limitation of, the terms and conditions of the Reorganization Agreement.

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COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

December 3, 2002

The State Corporation Commission finds the accompanying articles submitted on behalf of

ATMOS ENERGY CORPORATION

to comply with the requirements of law. Therefore, it is ORDERED that this

CERTIFICATE OF MERGER

be issued and admitted to record with the articles in the office of the Clerk of the Commission. Each of the following:

MISSISSIPPI VALLEY GAS COMPANY (A MS CORPORATION
NOT QUALIFIED IN VA)

is merged into ATMOS ENERGY CORPORATION, which continues to exist under the laws of VIRGINIA with the name ATMOS ENERGY CORPORATION. The existence of each non-surviving entity ceases, according to the plan of merger.

The certificate is effective on December 3, 2002.

STATE CORPORATION COMMISSION

By T. W. Morrison

Commissioner

MERGACPT
CIS0317
02-12-03-0617

ARTICLES OF AMENDMENT
TO THE
RESTATED ARTICLES OF INCORPORATION
OF
ATMOS ENERGY CORPORATION
AS AMENDED

Pursuant to the provisions of Article 11 of Chapter 9 of the Virginia Stock Corporation Act, the undersigned corporation (hereinafter referred to as the "Corporation") adopts the following Articles of Amendment to its Restated Articles of Incorporation as Amended, which increase the number of authorized shares of the common stock of the Corporation.

ARTICLE ONE

The name of the Corporation is Atmos Energy Corporation.

ARTICLE TWO

After being proposed by the Board of Directors of the Corporation and submitted to the shareholders in accordance with Chapter 9 of the Virginia Stock Corporation Act, the following amendment to the Restated Articles of Incorporation as Amended was adopted by the shareholders of the Corporation on February 10, 1999:

Section 1 of Article VII of the Restated Articles of Incorporation as Amended be amended to read as follows:

> "The aggregate number of shares which the Corporation shall have the authority to issue is One Hundred Million (100,000,000) shares of Common Stock having no par value."

ARTICLE THREE

The number of shares of the Corporation outstanding as of the record date was 30,610,922 and the number of shares entitled to vote on the amendment was 30,610,922.

ARTICLE FOUR

The number of shares voting for the amendment to increase the number of authorized shares of common stock of the Corporation was 25,163,516, the number of shares voting against such amendment was 1,671,070, and the number of shares abstaining was 343,513.

DATED: February 10, 1999.

ATMOS ENERGY CORPORATION

By: Robert W. Best

Robert W. Best
Chairman of the Board, President and Chief Executive Officer

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

February 17, 1999

The State Corporation Commission has found the accompanying articles submitted on behalf of

ATMOS ENERGY CORPORATION

to comply with the requirements of law, and confirms payment of all related fees.

Therefore, it is ORDERED that this

CERTIFICATE OF AMENDMENT

be issued and admitted to record with the articles of amendment in the Office of the Clerk of the Commission, effective February 17, 1999 at 08:50 AM.

The corporation is granted the authority conferred on it by law in accordance with the articles, subject to the conditions and restrictions imposed by law.

STATE CORPORATION COMMISSION

By T. V. Morrison, Jr.

Commissioner

AMENACPT
CIS20436
99-02-17-0136

FILED
In the Office of the
Secretary of State of Texas
NOV 29 1995
Corporations Section

ARTICLES OF MERGER
OF
OHGC ACQUISITION CORPORATION
INTO
ATMOS ENERGY CORPORATION

Pursuant to the provisions of Article 5.16 of the Texas Business Corporation Act, Atmos Energy Corporation, a corporation organized under the laws of the State of Texas (the "Surviving Corporation"), and owner of all of the shares of OHGC Acquisition Corporation, a corporation organized under the laws of the State of Texas (the "Subsidiary Corporation"), hereby executes and adopts the following Articles of Merger:

ARTICLE ONE

The name of the parent and subsidiary corporations and the jurisdictions under which each is organized is as follows:

Parent Corporation	State
Atmos Energy Corporation	Texas

Subsidiary Corporation	State
OHGC Acquisition Corporation	Texas

ARTICLE TWO

The number of outstanding shares of each class of the Subsidiary Corporation and the number of shares of each class of the Subsidiary Corporation owned by the Surviving Corporation is as follows:

Class	Number of Shares Outstanding	Number of Shares Owned by the Surviving Corporation
Common Stock, par value $1.00 per share	1,000	1,000

ARTICLE THREE

Attached hereto as Exhibit A is a copy of the resolutions of the Board of Directors of Atmos Energy Corporation approving the merger of the Subsidiary Corporation with and into the Surviving Corporation. Such resolutions were adopted on October 17, 1995.

DATED: November 29, 1995

ATMOS ENERGY CORPORATION

By: _____

Robert F. Stephens
President and Chief Operating Officer

EXHIBIT "A"

RESOLVED, that the President or the Executive Vice President and Chief Financial Officer of the Company be, and hereby is, authorized and directed to execute and deliver, for and on behalf of and in the name of the Company, the Reorganization Agreement, in substantially the form submitted to the directors at this meeting and attached to the minutes of this meeting, with such changes thereto as the officer executing the same may, in his sole discretion, deem necessary, appropriate, or desirable, pursuant to which the Company will acquire Oceana in a tax-free merger (the "Merger") of Oceana with and into Acquisition, followed by a statutory merger of Acquisition with and into the Company, and all of the outstanding shares of Oceana will be converted into the right to receive whole shares (and cash in lieu of fractional shares) of the common stock, no par value, of the Company (the "Atmos Common Stock") with a market value (determined in the manner set forth in the Reorganization Agreement) equal to $6,438,000 (the "Purchase Price"); and

FURTHER RESOLVED, that, after the closing of the Proposed Transaction, the Company shall merge Acquisition, a wholly owned subsidiary of the Company, into the Company, with the Company being the surviving corporation, in accordance with the requirements of Article 5.16 of the Texas Business Corporation Act and that the proper officers of the Company be, and hereby are, authorized and empowered, in the name and on behalf of the Company, to do or cause to be done all things, and to sign, execute, certify to, verify, acknowledge, deliver, accept, file, and record any and all such documents, as, in the sole judgement of any such officer, shall be necessary, desirable, or appropriate in order to effect the merger of Acquisition with and into the Company or otherwise to effectuate the purpose of this resolution.

FILED
In the Office of the
Secretary of State of Tex

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Corporations Sectio

STATEMENT OF CHANGE OF REGISTERED OFFICE OR REGISTERED AGENT, OR BOTH, BY A TEXAS DOMESTIC CORPORATION

1. The name of the corporation is ATMOS ENERGY CORPORATION.

2. The address, including street and number, of its present registered office as shown in the records of the Secretary of State of the State of Texas is Three Lincoln Centre, Suite 1800, 5430 LBJ Freeway, Dallas, Texas 75240.

3. The name of its registered agent, as shown in the records of the Secretary of State of the State of Texas prior to the filing of this statement is Don E. James.

4. The name of its registered agent is to be changed to Glen A. Blanscet.

5. The address of its registered office and the address of the business office of its registered agent will be identical.

6. Such change was authorized by the board of directors of the undersigned corporation.

DATED: May 15, 1995.

ATMOS ENERGY CORPORATION

By: Glen A Blanscet

Glen A. Blanscet,
Vice President, General Counsel
and Corporate Secretary

FILED
In the Office of the
Secretary of State of Texas

FEB 9 1995

Corporations Section

ARTICLES OF AMENDMENT
TO THE
RESTATED ARTICLES OF INCORPORATION
OF
ATMOS ENERGY CORPORATION

Pursuant to the provisions of Article 4.04 of the Texas Business Corporation Act, the undersigned corporation (hereinafter referred to as the "Corporation") adopts the following Articles of Amendment to its Restated Articles of Incorporation, which increase the number of authorized shares of the common stock of the Corporation.

ARTICLE ONE

The name of the Corporation is Atmos Energy Corporation.

ARTICLE TWO

The following amendment to the Restated Articles of Incorporation was adopted by the shareholders of the Corporation on February 8, 1995:

Section 1 of Article VII of the Restated Articles of Incorporation be amended to read as follows:

> "The aggregate number of shares which the Corporation shall have the authority to issue is Seventy-Five Million (75,000,000) shares of Common Stock having no par value."

ARTICLE THREE

The number of shares of the Corporation outstanding as of the record date was 15,347,247.011 and the number of shares entitled to vote on the amendment was 15,347,247.011.

ARTICLE FOUR

The number of shares voting for the amendment to increase the number of authorized shares of common stock of the Corporation was 12,894,385, the number of shares voting against such amendment was 93[illegible],221, and the number of shares abstaining was 155,534.

DATED: February 8, 1995.

ATMOS ENERGY CORPORATION

By: _____
Ronald L. Fancher
President and Chief Executive Officer

ARTICLES OF MERGER

OF

GREELEY GAS ACQUISITION CORPORATION

INTO

ATMOS ENERGY CORPORATION

FILED
In the Office of the
Secretary of State of Texas

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Corporations Section

Pursuant to the provisions of Article 5.16 of the Texas Business Corporation Act, Atmos Energy Corporation, a corporation organized under the laws of the State of Texas (the "Surviving Corporation") and owner of all of the shares of Greeley Gas Acquisition Corporation, a corporation organized under the laws of the State of Colorado (the "Subsidiary Corporation"), hereby executes the following Articles of Merger:

1. The names of the parent and subsidiary corporations and the respective jurisdictions under which each is organized is as follows:

Name of Parent Corporation	State
Atmos Energy Corporation	Texas
Name of Subsidiary Corporation	**State**
Greeley Gas Acquisition Corporation	Colorado

2. The number of outstanding shares of each class of the Subsidiary Corporation and the number of shares of each class owned by the Surviving Corporation is:

Class	Number of Shares Outstanding	Number of Shares Owned by Surviving Corporation
Common Stock, without par value per share	1,000	1,000

3. Attached hereto as Exhibit A is a copy of the resolutions of the Board of Directors of Atmos Energy Corporation to merge the Subsidiary Corporation with and into the Surviving Corporation. Such resolutions were adopted as of December 22, 1993.

DATED as of this 22nd day of December, 1993.

ATMOS ENERGY CORPORATION

By: _____
Ronald L. Fancher
President and Chief
Operating Officer

(6a)

EXHIBIT A

RESOLUTIONS AND PLAN OF MERGER

RESOLVED, that Atmos Energy Corporation, as the sole shareholder of Greeley Gas Acquisition Corporation, a Colorado corporation (the "Subsidiary Corporation"), does hereby authorize and approve the merger of the Subsidiary Corporation into Atmos Energy Corporation, pursuant to Section 7-7-106 of the Colorado Corporation Code, Article 5.16 of the Texas Business Corporation Act, and the Plan of Merger, as set forth herein, with Atmos Energy Corporation (the "Surviving Corporation") being the surviving corporation in such merger upon the following terms and conditions:

I. Effective Date of the Merger

At the effective date of the Merger, the separate existence of the Subsidiary Corporation shall cease and shall be merged into the Surviving Corporation. This merger shall become effective upon the filing of Articles of Merger with the Secretaries of State of the States of Texas and Colorado (herein called the "Effective Date of the Merger").

II. Bylaws

The Bylaws of the Surviving Corporation at the Effective Date of the Merger shall be the Bylaws of the Surviving Corporation until the same shall be altered or amended in accordance with the provisions thereof.

III. Directors and Officers

The Directors of the Surviving Corporation at the Effective Date of the Merger shall be the directors of the Surviving Corporation until their respective successors are duly elected and qualified. Subject to the authority of the Board of Directors as provided by law and the Bylaws of the Surviving Corporation, the officers of the Surviving Corporation at the Effective Date of the Merger shall be the officers of the Surviving Corporation.

IV. Conversion of Shares in the Merger

The presently issued and outstanding shares of capital stock of the Subsidiary Corporation, all of which are owned by the Surviving Corporation, shall be surrendered and cancelled and no shares of the Surviving Corporation shall be issued in exchange therefor.

V. Articles of Incorporation

The Articles of Incorporation of the Surviving Corporation shall remain as in effect at the Effective Date of the Merger and shall continue in full force and effect as the Articles of Incorporation of the Surviving Corporation.

VI. Effect of Merger

The Merger shall have the effects set forth in the applicable provisions of the Texas Business Corporation Act and the Colorado Corporation Code.

FURTHER RESOLVED, that this Plan of Merger shall also constitute a Plan of Liquidation of a wholly-owned subsidiary corporation under Section 332 of the Internal Revenue Code of 1986, as amended; and

FURTHER RESOLVED, that the officers of the Surviving Corporation be, and each (acting alone) hereby is, authorized and empowered, in the name and on behalf of the Surviving Corporation, to do or cause to be done, all things, and to sign, execute, certify to, verify, acknowledge, deliver, accept, file, and record any and all such documents as, in the judgment of any such officer, shall be necessary, desirable, or appropriate in order to effect the Merger of the Subsidiary Corporation with and into the Surviving Corporation or otherwise to effectuate the purposes of these resolutions.

agree.

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Corporations Secti

ASSUMED NAME CERTIFICATE

FOR AN INCORPORATED BUSINESS OR PROFESSION

I.

The assumed name under which the business or professional service is or is to be conducted or rendered is WESTERN KENTUCKY GAS COMPANY.

II.

The name of the incorporated business or profession as stated in its Articles of Incorporation or comparable document is ATMOS ENERGY CORPORATION, and the charter number or certificate of authority number is 548953.

III.

The state, country, or other jurisdiction under the laws of which it was incorporated is Texas, and the address of its registered or similar office in that jurisdiction is Three Lincoln Centre, Suite 1800, 5430 LBJ Freeway, Dallas, Texas 75240.

IV.

The period, not to exceed ten years, during which the assumed name will be used is ten years.

V.

The corporation is a business corporation.

VI.

The address of the registered office is Three Lincoln Centre, Suite 1800, 5430 LBJ Freeway, Dallas, Texas 75240, and the name of its registered agent at such address is DON E. JAMES. The address of the principal office is the same as stated above.

VII.

The county or counties where business or professional services are being or are to be conducted or rendered under such assumed name are all counties.

ATMOS ENERGY CORPORATION,
a Texas Corporation

Don E. James

DON E. JAMES
Senior Vice President & General Counsel

BEFORE ME, on this 2nd day of November, 1992, personally appeared DON E. JAMES, Senior Vice President and General Counsel, and acknowledged to me that he executed the foregoing certificate for the purposes therein expressed.

SUZANNE JOHNSON
Notary Public, State of Texas
My Commission Expires 07-17-1994

Suzanne Johnson

NOTARY PUBLIC
SUZANNE JOHNSON
Name (printed)
My commission expires: 7-17-94

The State of Texas

SECRETARY OF STATE

IT IS HEREBY CERTIFIED that the attached is/are true and correct copies of the following described document(s) on file in this office:

ATMOS ENERGY CORPORATION
CHARTER #548953-00

RESTATED ARTICLES OF INCORPORATION	NOVEMBER 10, 1989
ASSUMED NAME CERTIFICATE	NOVEMBER 4, 1992
ARTICLES OF MERGER	DECEMBER 22, 1993
ARTICLES OF AMENDMENT	FEBRUARY 9, 1995
CHANGE OF REGISTERED OFFICE AND/OR AGENT	MAY 22, 1995
ARTICLES OF MERGER	NOVEMBER 29, 1995

IN TESTIMONY WHEREOF, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in the City of Austin, on July 17, 1997.

Antonio O. Garza, Jr. *PH*
Secretary of State

RESTATED ARTICLES OF INCORPORATION
OF
ATMOS ENERGY CORPORATION

FILED
In the Office of the
Secretary of State of Texas
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Corporations Section

ARTICLE ONE

Atmos Energy Corporation, pursuant to the provisions of Article 4.07 of the Texas Business Corporation Act, hereby adopts these Restated Articles of Incorporation, which accurately copy the Articles of Incorporation and all amendments thereto that are in effect to date and such Restated Articles of Incorporation contain no change in any provision thereof.

ARTICLE TWO

These Restated Articles of Incorporation were adopted by resolution of the board of directors of the corporation on the 8th day of November, 1989.

ARTICLE THREE

The Articles of Incorporation and all amendments and supplements thereto are hereby superseded by the following Restated Articles of Incorporation, which accurately copy the entire text thereof:

ARTICLE I.

The name of the corporation shall be Atmos Energy Corporation (the "Corporation").

ARTICLE II.

The purpose for which the Corporation is organized is the transaction of any or all lawful business for which corporations may be incorporated under the Texas Business Corporation Act, including, but not limited to, the following: the transportation and distribution of natural gas by pipeline as a public utility.

ARTICLE III.

The post office address of the registered office of this Corporation is Three Lincoln Centre, Suite 1800, 5430 LBJ Freeway, Dallas, Texas 75246, and the registered agent for service of this Corporation at the same address is Don E. James.

ARTICLE IV.

The period of the Corporation's duration shall be perpetual.

ARTICLE V.

The Corporation shall not commence business until it has received for the shares consideration of the value of One Thousand Dollars ($1,000) consisting of money, labor done or property actually received.

ARTICLE VI.

The number of directors constituting the present board of directors is nine (9); however, thereafter the number of directors constituting the Board of Directors shall be fixed by the Bylaws of the Corporation. No director shall be removed during his term of office except for cause and by the affirmative vote of the holders of seventy-five percent (75%) of the shares then entitled to vote at an election of directors. The names and addresses of the persons who are to serve as directors until the next annual meeting of the shareholders or until their successors are duly elected and qualified are as follows:

Name	Address
Charles K. Vaughan	Three Lincoln Centre Suite 1800 5430 LBJ Freeway Dallas, TX 75246
Travis W. Bain II	502 Genesco Park Nashville, TN 37202
Paul D. Bell	1401 Elm Street Suite 1818 Dallas, Texas 75202
Dan Busbee	2200 Ross Avenue Suite 2200 Dallas, TX 75201
Ronald L. Fancher	1409 French Odessa, TX 79761

Phillip E. Nichol	P.O. Box 32500 Amarillo, TX 79120
John W. Norris, Jr.	P.O. Box 809000 Dallas, TX 75380
William M. Quackenbush	2315 Harmony Amarillo, TX 79106
Dewey G. Williams	P.O. Box 2759 Dallas, TX 75221

ARTICLE VII.

1. Capitalization.

The aggregate number of shares which the Corporation shall have the authority to issue is Fifty Million (50,000,000) shares of Common Stock having no par value.

2. Designation and Statement of Preferences, Limitations and Relative Rights of Common Stock.

2.01 Subject to the provisions of the Texas Business Corporation Act and to the conditions set forth in any Resolution of the Board of Directors of the Corporation, such dividends (payable in cash, stock or otherwise) as may be determined by the Board of Directors may be declared and paid on the Common Stock from time to time out of any funds legally available therefor.

2.02 The holders of the Common Stock shall exclusively possess full voting power for the election of directors and for all other purposes. In the exercise of its voting power, the Common Stock shall be entitled to one vote for each share held.

3. Provisions Applicable to All Classes of Stock.

3.01 Subject to applicable law, the Board of Directors may in its discretion issue from time to time authorized but unissued shares for such consideration as it may determine. The shareholders shall have no pre-emptive rights, as such holders, to purchase any shares or securities of any class which may at any time be sold or offered for sale by the Corporation.

3.02 At each election for directors every shareholder entitled to vote at any meeting shall have the right to vote, in person or by proxy, the number of shares owned by him for as many persons as there are directors to be elected.

Cumulative voting of shares of stock in the election of directors or otherwise is hereby expressly prohibited.

3.03 The Corporation shall be entitled to treat the person in whose name any share or other security is registered as the owner thereof, for all purposes, and shall not be bound to recognize any equitable or other claim to or interest in such shares or other security on the part of any other person, whether or not the Corporation shall have notice thereof.

4. Provisions Applicable to Certain Business Combinations.

4.01 The affirmative vote of the holders of not less than seventy-five percent (75%) of the outstanding shares of "Voting Stock" (as hereinafter defined) held by stockholders other than a "Substantial Shareholder" (as hereinafter defined) shall be required for the approval or authorization of any "Business Combination" (as hereinafter defined) of the Corporation with any Substantial Shareholder; provided, however, that the seventy-five percent (75%) voting requirement shall not be applicable if either:

(i) The "Continuing Directors" (as hereinafter defined) of the Corporation by the affirmative vote of at least a majority (a) have expressly approved in advance the acquisition of the outstanding shares of Voting Stock that caused such Substantial Shareholder to become a Substantial Shareholder, or (b) have expressly approved such Business Combination either in advance of or subsequent to such Substantial Shareholder's having become a Substantial Shareholder; or

(ii) The cash or fair market value (as determined by at least a majority of the Continuing Directors) of the property, securities or other consideration to be received per share by holders of Voting Stock of the Corporation in the Business Combination is not less than the "Highest Per Share Price" or the "Highest Equivalent Price" (as these terms are hereinafter defined) paid by the Substantial Shareholder in acquiring any of its holdings of the Corporation's Voting Stock.

4.02 For purposes of this paragraph 4 of Article VII:

(i) The term "Business Combination" shall include, without limitation, (a) any merger or consolidation of the Corporation, or any entity controlled by or under common control with the Corporation, with or into any Substantial Shareholder, or any entity controlled by or under common control with the Substantial Shareholder, (b) any merger or consolidation of a Substantial Shareholder, or any entity controlled by

or under common control with the Corporation, (c) any sale, lease, exchange, transfer or other disposition of all or substantially all of the property and assets of the Corporation, or any entity controlled by or under common control with the Corporation, to a Substantial Shareholder, or any entity controlled by or under common control with the Substantial Shareholder, (d) any purchase, lease, exchange, transfer or other acquisition of all or substantially all of the property and assets of a Substantial Shareholder or any entity controlled by or under common control with the Corporation, (e) any recapitalization of the Corporation that would have the effect of increasing the voting power of a Substantial Shareholder, and (f) any agreement, contract or other arrangement providing for any of the transactions described in this definition of Business Combination.

(ii) The term "Substantial Shareholder" shall mean and include any individual, corporation, partnership or other person or entity which, together with its "Affiliates" and "Associates" (as those terms are defined in Rule 12b-2 of the General Rules and Regulations promulgated under the Securities Exchange Act of 1934 (the "Exchange Act") as in effect at the date of the adoption hereof), "Beneficially Owns" (as defined in Rule 13d-3 of the Exchange Act) an aggregate of 10 percent or more of the outstanding Voting Stock of the Corporation, and any Affiliate or Associate of any such individual, corporation, partnership or other person or entity.

(iii) Without limitation, any share of Voting Stock of the Corporation that any Substantial Shareholder has the right to acquire at any time (notwithstanding that Rule 13d-3 of the Exchange Act deems such shares to be beneficially owned only if such right may be exercised within 60 days) pursuant to any agreement, or upon exercise of conversion rights, warrants or options, or otherwise, shall be deemed to be Beneficially Owned by the Substantial Shareholder and to be outstanding for purposes of clause (ii) above.

(iv) For the purposes of subparagraph 4.01(ii) of this paragraph 4 of Article VII, the term "other consideration to be received" shall include, without limitation, Common Stock or other capital stock of the Corporation retained by its existing stockholders other than Substantial Shareholders or other parties to such Business Combination in the event of a Business Combination in which the Corporation is the surviving corporation.

(v) The term "Voting Stock" shall mean all of the outstanding shares of Common Stock entitled to vote on each matter on which the holders of record of Common

Stock shall be entitled to vote, and each reference to a proportion of shares of Voting Stock shall refer to such proposition of the votes entitled to be cast by such shares.

(vi) The term "Continuing Director" shall mean a Director who was a member of the Board of Directors of the Corporation immediately prior to the time that the Substantial Shareholder involved in a Business Combination became a Substantial Shareholder.

(vii) A Substantial Shareholder shall be deemed to have acquired a share of the Voting Stock of the Corporation at the time when such Substantial Shareholder became the Beneficial Owner thereof. With respect to the shares owned by Affiliates, Associates or other persons whose ownership is attributed to a Substantial Shareholder under the foregoing definition of Substantial Shareholder, if the price is paid by such Substantial Shareholder for such shares is not determinable by a majority of the Continuing Directors, the price so paid shall be deemed to be the higher of (a) the price paid upon the acquisition thereof by the Affiliate, Associate or other person or (b) the market price of the shares in question at the time when the Substantial Shareholder became the Beneficial Owner thereof.

(viii) The terms "Highest Per Share Price" and "Highest Equivalent Price" as used in this paragraph 4 of Article VII shall mean the highest price that can be determined to have been paid at any time by the Substantial Shareholder for any share or shares of that class of capital stock. If there is more than one class of capital stock of the Corporation issued and outstanding, the Highest Equivalent Price shall mean with respect to each class and series of capital stock of the Corporation the amount determined by a majority of the Continuing Directors, on whatever basis they believe is appropriate, to be the highest per share price equivalent to the highest price that can be determined to have been paid at any time by the Substantial Shareholder for any share or shares of any class or series of capital stock of the Corporation. In determining the Highest Per Share Price and Highest Equivalent Price, all purchases by the Substantial Shareholder shall be taken into account regardless of whether the shares were purchased before or after the Substantial Shareholder became a Substantial Shareholder. The Highest Per Share Price and the Highest Equivalent Price shall include any brokerage commissions, transfer taxes and soliciting dealers' fees paid by the Substantial Shareholder with respect to the shares of capital stock of the Corporation acquired by the Substantial Shareholder. In the case of any Business

Combination with a Substantial Shareholder, the Continuing Directors shall determine the Highest Per Share Price or the Highest Equivalent Price for each class and series of the capital stock of the Corporation.

4.03 The provisions set forth in this paragraph 4 of Article VII may not be amended, altered, changed or repealed in any respect unless such action is approved by the affirmative vote of the holders of not less than seventy-five percent (75%) of the outstanding shares of Voting Stock (as defined in this Article VII) of the Corporation at a meeting of the shareholders duly called for the consideration of such amendment, alteration, change or repeal; provided, however, that if there is a Substantial Shareholder (as defined in this Article VII), such action must also be approved by the affirmative vote of the holders of not less than seventy-five percent (75%) of the outstanding shares of Voting Stock held by the shareholders other than the Substantial Shareholder.

ARTICLE VIII.

The power to alter, amend or repeal the Corporation's bylaws, and to adopt new bylaws, is hereby vested in the Board of Directors, subject, however, to repeal or change by the affirmative vote of the holders of seventy-five percent (75%) of the outstanding shares entitled to vote thereon.

ARTICLE IX.

The Corporation shall indemnify, to the fullest extent permitted by law, any person who was, is, or is threatened to be made a named defendant or respondent in any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, arbitrative, or investigative, any appeal in such action, suit, or proceeding, and any inquiry or investigation that could lead to such an action, suit, or proceeding, by reason of the fact that such person is or was a director or officer of the Corporation, or, while such person was a director of the Corporation, is or was serving at the request of the Corporation as a director, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan, or other enterprise, against judgments, penalties (including excise and similar taxes), fines, settlements, and reasonable expenses (including attorney's fees) actually incurred by such person in connection with such action, suit, or proceeding. In addition to the foregoing, the Corporation shall, upon request of any such person described above and to the fullest extent permitted by law, pay or reimburse the reasonable expenses incurred by such person in any action, suit, or proceeding described above in advance of the final disposition of such action, suit, or proceeding.

ARTICLE X.

No director of the Corporation shall be personally liable to the Corporation or its shareholders for monetary damages for an act or omission in such director's capacity as a director, except for liability for (i) a breach of the director's duty of loyalty to the Corporation or its shareholders; (ii) an act or omission not in good faith or that involves intentional misconduct or a knowing violation of the law; (iii) a transaction from which the director received an improper benefit, whether or not the benefit resulted from an action taken within the scope of the director's office; (iv) an act or omission for which the liability of a director is expressly provided by statute; or (v) an act related to an unlawful stock repurchase or payment of a dividend. If the laws of the State of Texas are hereafter amended to authorize corporate action further eliminating or limiting the personal liability of a director of the Corporation, then the liability of a director of the Corporation shall thereupon automatically be eliminated or limited to the fullest extent permitted by such laws. Any repeal or modification of this Article X by the shareholders of the Corporation shall not adversely affect any right or protection of a director existing at the time of such repeal or modification with respect to such events or circumstances occurring or existing prior to such time.

DATED: November 8, 1989.

ATMOS ENERGY CORPORATION

By: Charles K. Vaughan
Charles K. Vaughan
President

(13)

ARTICLES OF MERGER

OF

UNITED CITIES GAS COMPANY

WITH AND INTO

ATMOS ENERGY CORPORATION

Pursuant to the provisions of §13.1-720 of the Virginia Stock Corporation Act, United Cities Gas Company, an Illinois and Virginia corporation ("United Cities"), and Atmos Energy Corporation, a Texas corporation ("Atmos"), hereby execute the following Articles of Merger for the purpose of merging United Cities with and into Atmos:

ARTICLE I

Attached hereto and made a part hereof for all purposes as Exhibit A is a Plan of Merger (the "Plan") providing for the merger of United Cities with and into Atmos, with Atmos being the surviving corporation incorporated under the laws of Texas and Virginia. The Plan was submitted to the shareholders of United Cities by the board of directors of United Cities in accordance with the provisions of the Virginia Stock Corporation Act. The Plan was submitted to the shareholders of Atmos by the board of directors of Atmos in accordance with the provisions of the Texas Business Corporation Act.

ARTICLE II

The designation, number of outstanding shares and number of votes entitled to be cast by each voting group entitled to vote separately on the Plan are as follows:

Corporation	Designation	Number of Outstanding Shares	Number of Votes Entitled to be Cast by Each Voting Group
United Cities	Common Stock	13,174,794	13,174,794
Atmos	Common Stock	16,029,581	16,029,581

ARTICLE III

The total number of votes cast for and against the Plan by each voting group entitled to vote separately on the Plan are as follows:

Corporation	Total Voted For	Total Voted Against	Class of Shares
United Cities	9,445,280	64,096	Common Stock
Atmos	13,618,535	129,859	Common Stock

The total number of votes cast for the Plan by each voting group was sufficient for approval by that voting group.

ARTICLE IV

The merger will become effective at 11:59 p.m., Eastern time, on July 31, 1997, in accordance with the provisions of §13.1-606 of the Virginia Stock Corporation Act.

IN WITNESS WHEREOF, each of the undersigned corporations has caused these Articles of Merger to be executed in its name and on its behalf by a duly authorized officer as of the 29 day of July, 1997.

ATMOS ENERGY CORPORATION

By: Robert W. Best

Robert W. Best
Chairman, President and
Chief Executive Officer

UNITED CITIES GAS COMPANY

By: Gene C. Koonce

Gene C. Koonce
Chairman of the Board, President
and Chief Executive Officer

PLAN OF MERGER

This PLAN OF MERGER (this "Plan") by and between ATMOS ENERGY CORPORATION, a Texas corporation ("Atmos"), and UNITED CITIES GAS COMPANY, an Illinois and Virginia corporation ("United Cities"). Pursuant to this Plan, United Cities shall be merged with and into Atmos, with Atmos as the surviving corporation (the "Merger"), and the outstanding capital stock of United Cities shall be converted into the right to receive shares of capital stock of Atmos.

W I T N E S S E T H:

WHEREAS, Atmos is a corporation duly organized and existing under the laws of the State of Texas, and United Cities is a corporation duly organized and existing under the laws of the States of Illinois and Virginia;

WHEREAS, Atmos and United Cities have entered into an Agreement and Plan of Reorganization dated July 19, 1996, as amended by Amendment No. 1 to Agreement and Plan of Reorganization dated October 3, 1996 (the "Reorganization Agreement"), which contemplates the merger of United Cities with and into Atmos, with Atmos as the surviving corporation as provided in this Plan; and

WHEREAS, the respective Boards of Directors of Atmos and United Cities have duly authorized the execution of this Plan and have directed that the Merger be submitted to their respective shareholders for a vote in accordance with the requirements of the Texas Business Corporation Act, the Illinois Business Corporation Act, and the Virginia Stock Corporation Act, the Boards of Directors and shareholders of Atmos and United Cities have approved the Merger, and the Board of Directors and shareholders of Atmos have authorized the issuance of shares of the common stock, no par value, of Atmos (the "Atmos Stock") in connection with the Merger;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein contained, the parties hereto agree as follows:

ARTICLE I

MERGER OF UNITED CITIES INTO ATMOS

SECTION 1.01 *The Merger*. In accordance with the Texas Business Corporation Act, the Illinois Business Corporation Act, and the Virginia Stock Corporation Act, United Cities shall be merged with and into Atmos at the effective time of the Merger (as defined below). Following the Merger, the separate corporate existence of United Cities shall cease and Atmos shall be the surviving corporation, organized under the laws of the State of Texas and the Commonwealth of Virginia (the "Surviving Corporation").

SECTION 1.02 *Effects of the Merger.*

(a) The Merger shall have the effects set forth in the applicable provisions of the Texas Business Corporation Act, the Illinois Business Corporation Act, and the Virginia Stock Corporation Act. Without limiting the generality of the foregoing sentence, and subject thereto, at the Effective Time, by operation of law, all of the property, rights, privileges, powers and franchises of United Cities and Atmos shall vest in the Surviving Corporation, and all debts, liabilities and obligations of United Cities and Atmos shall be assumed by the Surviving Corporation and shall become the debts, liabilities and obligations of the Surviving Corporation.

(b) If, at any time after the Merger, the Surviving Corporation shall deem it necessary to obtain further assignments or documents to vest, perfect, confirm or record in the Surviving Corporation title to any property or rights of United Cities acquired as a result of the Merger, United Cities hereby authorizes the officers and directors of the Surviving Corporation or its successors to execute and deliver on behalf of and in the name of United Cities all such proper deeds, assignments and other instruments and to do all things necessary and proper to vest, perfect, confirm or record title to such property or rights in the Surviving Corporation or its successor.

SECTION 1.03 *Articles of Incorporation; Bylaws.*

(a) The Restated Articles of Incorporation of Atmos, as in effect immediately prior to the Effective Time, shall be amended as provided herein, and such Restated Articles of Incorporation, as so amended, shall be the Articles of Incorporation of the Surviving Corporation, without any other modification or amendment until thereafter amended as provided by law. A copy of the Restated Articles of Incorporation of Atmos as amended hereby is attached hereto as Exhibit A.

(b) The text of Article One, Article Two and Article Three of the Restated Articles of Incorporation of Atmos shall be amended and restated in their entirety to read as follows:

"ARTICLE ONE

Atmos Energy Corporation, pursuant to the provisions of Article 4.07 of the Texas Business Corporation Act, adopted Restated Articles of Incorporation, which accurately copied the Articles of Incorporation and all amendments thereto that were in effect to date and such Restated Articles of Incorporation contained no change in any provision thereof.

ARTICLE TWO

Such Restated Articles of Incorporation were adopted by resolution of the board of directors of the corporation on the 8th day of November, 1989.

ARTICLE THREE

The Restated Articles of Incorporation have been further amended pursuant to that certain Plan of Merger by and between Atmos Energy Corporation and United Cities Gas Company, an Illinois and Virginia corporation. The Articles of Incorporation and all amendments and supplements thereto as superseded by the Restated Articles of Incorporation and as amended pursuant to the Plan of Merger are as follows:"

(c) The text of Article II of the Restated Articles of Incorporation of Atmos shall be amended and restated in its entirety to read as follows:

"The purposes for which the Corporation is organized are the transaction of any or all lawful business for which corporations may be incorporated under the Texas Business Corporation Act, including, but not limited to, the transportation and distribution of natural gas by pipeline as a public utility, except that with respect to the Commonwealth of Virginia, the Corporation may only conduct such business as is permitted to be conducted by a public service company engaged in the transportation and distribution of natural gas by pipeline."

(d) The text of Article III of the Restated Articles of Incorporation of Atmos shall be amended and restated in its entirety to read as follows:

"ARTICLE III.

The Corporation is incorporated in the State of Texas and the Commonwealth of Virginia. The post office address of the registered office of this Corporation in the State of Texas is Three Lincoln Centre, Suite 1800, 5430 LBJ Freeway, Dallas, Texas 75240, and the registered agent for service of this Corporation at the same address is Glen A. Blanscet. The post office address of the registered office of this Corporation in the Commonwealth of Virginia is Riverfront Plaza, East Tower, 951 East Byrd Street, Richmond, Virginia 23219-4074, and the registered agent for

service of this Corporation at the same address is Allen C. Goolsby, III, such registered agent being a resident of the Commonwealth of Virginia and a member of the Virginia State Bar."

(e) The text of Article VI of the Restated Articles of Incorporation of Atmos shall be amended and restated in its entirety to read as follows:

"ARTICLE VI.

1. Number of Directors. The number of directors constituting the present board of directors is thirteen (13); however, thereafter the number of directors constituting the Board of Directors shall be fixed by the Bylaws of the Corporation. No director shall be removed during his term of office except for cause and by the affirmative vote of the holders of seventy-five percent (75%) of the shares then entitled to vote at an election of directors. The names and addresses of the persons who are to serve as directors until the next annual meeting of the shareholders or until their successors are duly elected and qualified are as follows:

Name	Address
Travis W. Bain II	2001 Coit Road Suite 130 Plano, TX 75075
Robert W. Best	Three Lincoln Centre Suite 1800 5430 LBJ Freeway Dallas, Texas 75240
T. Bushee	2200 Ross Avenue Suite 2200 Dallas, TX 75201
Richard W. Cardin	107 Sheffield Court Nashville, TN 37215
Thomas J. Garland	Tusculum College McCormick Hall, 1st Floor Greeneville, TN 37743
Phillip C. Koonce	5300 Maryland Way Brentwood, TN 37027

Name	Address
Vincent Lewis	Meadows Office Complex 301 Route #17, North Rutherford, NJ 07070
Thomas C. Meredith	Western Kentucky University Bowling Green, KY 42101
Phillip E. Nichol	301 Commerce Suite 2800 Ft. Worth, TX 76102
Carl S. Quinn	14 East 75th Street, #8B New York, NY 10021
Lee E. Schlessman	1301 Pennsylvania Street Penn Center Suite 800 Denver, CO 80203
Charles K. Vaughan	Three Lincoln Centre Suite 1800 5430 LBJ Freeway Dallas, TX 75240
Richard Ware II	Plaza One/Box One Amarillo, TX 79105

2. Election and Term. The directors shall be divided into three classes, designated Class I, Class II and Class III. Each class shall consist, as nearly as may be possible, of one-third of the total number of directors constituting the entire Board of Directors. At each annual meeting of shareholders, successors to the class of directors whose term expires at that annual meeting shall be elected for a three-year term. Directors shall be elected by a majority vote of the shares of the Common Stock entitled to vote in the election of directors and represented in person or by proxy at a meeting of shareholders at which a quorum is present. If the number of directors is changed, any increase or decrease shall be apportioned among the classes so as to maintain the number of directors in each class as nearly equal as possible, and any additional director of any class elected by the shareholders to fill a vacancy resulting from an increase in such class shall hold office for a term that shall coincide with the remaining term of that class, but in no case will a decrease in the number of directors shorten the term of any incumbent

director. A director shall hold office until the annual meeting for the year in which his term expires and until his successor shall be duly elected and qualified, subject, however, to prior death, resignation, retirement, disqualification or removal from office."

(f) The text of Subsection 2.01 of Article VII of the Restated Articles of Incorporation of Atmos shall be amended and restated in its entirety as follows:

> "2.01 Subject to the provisions of law, including the Texas Business Corporation Act and the Virginia Stock Corporation Act and to the conditions set forth in any resolution of the Board of Directors of the Corporation, such dividends (payable in cash, stock or otherwise) as may be determined by the Board of Directors may be declared and paid on the Common Stock from time to time out of any funds legally available therefor."

(g) The text of Article X of the Restated Articles of Incorporation of Atmos shall be amended and restated in its entirety as follows:

"ARTICLE X.

> No director of the Corporation shall be personally liable to the Corporation or its shareholders for monetary damages for an act or omission in such director's capacity as a director, except for liability for (i) a breach of the director's duty of loyalty to the Corporation or its shareholders; (ii) an act or omission not in good faith or that involves intentional misconduct or a knowing violation of the law; (iii) a transaction from which the director received an improper benefit, whether or not the benefit resulted from an action taken within the scope of the director's office; (iv) an act or omission for which the liability of a director is expressly provided by statute; or (v) an act related to an unlawful stock repurchase or payment of a dividend. If the laws of the State of Texas or the Commonwealth of Virginia are hereafter amended to authorize corporate action further eliminating or limiting the personal liability of a director of the Corporation, then the liability of a director of the Corporation shall thereupon automatically be eliminated or limited to the fullest extent permitted by the laws of the State of Texas and the Commonwealth of Virginia. Any repeal or modification of this Article X by the shareholders of the

Corporation shall not adversely affect any right or protection of a director existing at the time of such repeal or modification with respect to such events or circumstances occurring or existing prior to such time."

(h) The Bylaws of Atmos, as in effect immediately prior to the Effective Time, shall be the Bylaws of the Surviving Corporation, without any modification or amendment until thereafter amended as provided by law.

SECTION 1.04 *Directors and Officers.*

(a) At the Effective Time, the number of directors of the Surviving Corporation shall be thirteen (13), and thereafter shall be set in the manner provided in the Bylaws of the Surviving Corporation. The directors of the Surviving Corporation shall be the nine (9) directors of Atmos in office at and as of the Effective Time and the following four (4) former directors of United Cities: Messrs. Gene C. Koonce, Vincent Lewis, Thomas J. Garland and Richard W. Cardin. Each of the Atmos directors in office prior to the Effective Time shall continue to serve in the class and for the term that he was serving at and as of the Effective Time, and the following directors shall serve in the classes and for the terms indicated: Mr. Koonce (Class I, with a term expiring in 1999); Mr. Lewis (Class I, with a term expiring in 1999); Mr. Cardin (Class II, with a term expiring in 2000); and Mr. Garland (Class III, with a term expiring in 1998). All of such directors shall remain in office until their respective successors are duly elected or appointed and qualified.

(b) The officers of Atmos in office at and as of the Effective Time shall remain the officers of the Surviving Corporation, in each case until their respective successors are duly elected or appointed and qualified.

ARTICLE II

CONVERSION AND EXCHANGE OF SHARES

SECTION 2.01 *Conversion of Shares.* (a) At and as of the Effective Time, each outstanding share of the common stock of United Cities (the "United Cities Stock") automatically shall become and be converted into the right to receive one (1) share of Atmos Stock (as the same may be adjusted in accordance with the terms hereof). The exchange ratio set forth in the immediately preceding sentence shall be appropriately and proportionately adjusted in the event of any stock dividend on, or stock split or stock combination of, or any other like change in the Atmos Stock or the United Cities Stock based on a record date occurring during the period from July 19, 1996 until immediately prior to the Effective Time.

(b) At and as of the Effective Time, each share of the United Cities Stock then held in the treasury of United Cities, if any, shall, by virtue of the Merger and without any action on the part of the holder thereof, be canceled without payment of any consideration therefor and without any conversion thereof.

(c) No fraction of a share of Atmos Stock will be issuable upon the conversion of shares of United Cities Stock in the Merger. Instead, each shareholder of United Cities who but for this provision would be entitled to a fractional share of Atmos Stock shall, upon surrender to Atmos' Paying Agent (as hereinafter defined) of his Old Certificate or certificates formerly representing shares of United Cities Stock (each, an "Old Certificate"), receive in lieu of such fractional share, and without interest, a cash amount determined by multiplying such fraction by the average of the closing sale prices for a share of Atmos Stock, as reported on the NYSE, for the five (5) business days prior to the date on which the Effective Time shall occur.

SECTION 2.02 *Exchange of Certificates.* (a) Following the Effective Time, the shareholders of United Cities shall deliver to the Paying Agent their Old Certificates. Upon surrender to the Paying Agent of outstanding Old Certificates, the holder of such Old Certificate or Old Certificates shall receive in exchange therefor a certificate (a "New Certificate") representing whole shares of the Atmos Stock (the "Atmos Shares") and cash in lieu of fractional shares in accordance with the provisions of Sections 2.01(a) and 2.01(c) of this Plan. Until so surrendered and exchanged, each Old Certificate shall be deemed at and after the Effective Time to represent only the right to receive upon such surrender a New Certificate representing Atmos Shares and cash in lieu of fractional shares without any interest thereon. All rights to receive the Atmos Shares into which the shares of United Cities Stock are converted, and cash in lieu of fractional shares, pursuant to this Plan shall be deemed to have been issued and paid in full satisfaction of all rights pertaining to such United Cities Stock.

(b) The New Certificates representing the Atmos Shares to be issued in connection with the Merger shall in each case be issued to the person in whose name the surrendered Old Certificate or Old Certificates is or are registered. A restrictive legend shall be affixed on the New Certificates representing those Atmos Shares issued to persons who (i) were affiliates of United Cities prior to the Merger, and/or (ii) become affiliates of Atmos after the Merger, and a notation shall be made in the appropriate records of Atmos indicating that the shares represented thereby are subject to certain restrictions on transfer.

(c) At the Effective Time, the stock transfer books of United Cities shall be closed and there shall be no further registration or transfers of shares of United Cities Stock thereafter in the records of United Cities.

(d) Unless and until an Old Certificate shall be surrendered to the Paying Agent as set forth herein, the holder of such Old Certificate shall not receive any dividends

or other distributions payable to record holders of the Atmos Stock. Upon and after such surrender, there shall be paid (without interest) to the record holder of the New Certificate issued and exchanged for such Old Certificate, the amount of any such dividend or other distribution (the record date for the payment of which was after the Effective Time) not previously paid to such holder. Holders of New Certificates who shall have surrendered their Old Certificates prior to any dividend record date will receive their dividends on the corresponding payment date.

(e) The Atmos Shares issuable in the Merger are hereinafter called the "Merger Consideration." Immediately following the Effective Time, Atmos shall deposit or cause to be deposited in trust with a bank or trust company to be designated by Atmos (the "Paying Agent"), as agent for the holders of the Old Certificates, the certificates representing the Atmos Shares that constitute the Merger Consideration. As soon as practicable after the Effective Time, the Paying Agent shall cause to be mailed, and shall make available at the offices of the Paying Agent, to each person entitled to receive the Merger Consideration, a form of a letter of transmittal and instructions for use in effecting the surrender for payment of the Old Certificates which, immediately prior to the Effective Time, represented shares of United Cities Stock. Upon surrender to the Paying Agent of such Old Certificates, together with such letter of transmittal, duly executed and completed in accordance with the instructions thereto, the Paying Agent shall promptly deliver the Merger Consideration to the persons entitled thereto, less any amount required to be withheld under applicable federal income tax regulations. If payment is to be made to a person other than the registered holder of the Old Certificate surrendered, it shall be a condition of such payment that the Old Certificate so surrendered shall be properly endorsed or otherwise be in proper form for transfer and that the person requesting such payment shall pay any transfer taxes required by reason of the payment to a person other than the registered holder of the Old Certificate surrendered or establish to the satisfaction of Atmos and the Paying Agent that such tax has been paid or is not applicable. The Paying Agent shall be authorized to deliver the Merger Consideration with respect to any Old Certificate for United Cities Stock theretofore issued which has been lost or destroyed, upon receipt of evidence satisfactory to Atmos and the Paying Agent of ownership of the United Cities Stock represented thereby and of appropriate indemnification. One year following the Effective Time, Atmos, as the surviving corporation in the Merger, shall be entitled to require the Paying Agent to deliver to Atmos any certificates representing United Cities Stock which have not been disbursed to holders of Old Certificates representing United Cities Stock outstanding immediately prior to the Effective Time, and thereafter such holders shall be entitled to look only to Atmos (subject to abandoned property, escheat, or other similar laws) for the New Certificates representing Atmos Shares payable upon due surrender of their Old Certificates representing United Cities Stock. Atmos shall pay all charges and expenses, including those of the Paying Agent, in connection with the exchange of the Merger Consideration for certificates representing United Cities Stock.

SECTION 2.03. *Dissenting Shares.* Notwithstanding anything in this Plan to the contrary, shares of United Cities Stock that are issued and outstanding immediately prior to the Effective Time and that are held by a holder of United Cities Stock who has not voted such shares in favor of adoption of this Plan and shall have properly demanded dissenters' rights for such shares in the manner provided in Section 11.70(a) of the Illinois Business Corporation Act ("United Cities Dissenting Shares") shall not be converted into the right to receive the Merger Consideration unless and until such holder becomes ineligible for such dissenters' rights. If such holder becomes ineligible for such dissenters' rights, then, as of the Effective Time or the occurrence of such event, whichever occurs last, such shares shall thereupon cease to be United Cities Dissenting Shares and shall be converted into the right to receive the Merger Consideration as provided in Section 2.01 hereof.

SECTION 2.04 *Treatment of United Cities Options.* Following the consummation of the Merger, Atmos agrees to continue in effect the United Cities Gas Company Long-Term Stock Plan of 1989, as amended. Persons holding options under such plan shall be allowed to exercise their options for Atmos Stock at the exchange rate set forth in Section 2.01. Persons holding stock appreciation rights under such plan shall be allowed to exercise such rights based on the price of Atmos Stock taking into account the exchange rate set forth in Section 2.01.

ARTICLE III

EFFECTIVE TIME

SECTION 3.01. *Effective Time.* The Merger shall become effective at 11:59 p.m., Eastern time, on July 31, 1997(the "Effective Time").

SECTION 3.02 *Amendment.* At any time before or after the approval of the Reorganization Agreement and this Plan by the respective shareholders of Atmos and United Cities and prior to the filing date, the Reorganization Agreement and this Plan may be amended in writing by Atmos and United Cities; provided, however, that after submission of the Plan to the shareholders of either party to the Merger, no amendment may be made which would (i) increase or decrease the amount or change the type of consideration into which each share of United Cities Stock shall be converted upon consummation of the Merger or (ii) otherwise be in conflict with §13.1-718(I) of the Virginia Stock Corporation Act. This Plan may not be amended except by an instrument in writing signed by the parties hereto.

SECTION 3.03 *Abandonment.* The Merger may be abandoned at any time prior to the filing date in accordance with the provisions set forth in the Reorganization Agreement.

EXHIBIT A

RESTATED ARTICLES OF INCORPORATION
OF
ATMOS ENERGY CORPORATION
AS AMENDED

ARTICLE ONE

Atmos Energy Corporation, pursuant to the provisions of Article 4.07 of the Texas Business Corporation Act, adopted Restated Articles of Incorporation, which accurately copied the Articles of Incorporation and all amendments thereto that were in effect to date and such Restated Articles of Incorporation contained no change in any provision thereof.

ARTICLE TWO

Such Restated Articles of Incorporation were adopted by resolution of the board of directors of the corporation on the 8th day of November, 1989.

ARTICLE THREE

The Restated Articles of Incorporation have been further amended pursuant to that certain Plan of Merger by and between Atmos Energy Corporation and United Cities Gas Company, an Illinois and Virginia corporation. The Articles of Incorporation and all amendments and supplements thereto as superseded by the Restated Articles of Incorporation and as amended pursuant to the Plan of Merger are as follows:

ARTICLE I.

The name of the corporation shall be Atmos Energy Corporation (the "Corporation").

ARTICLE II.

The purposes for which the Corporation is organized are the transaction of any or all lawful business for which corporations may be incorporated under the Texas Business Corporation Act, including, but not limited to, the transportation and distribution of natural gas by pipeline as a public utility, except that with respect to the Commonwealth of Virginia, the Corporation may only conduct such business as is permitted to be conducted by a public service company engaged in the transportation and distribution of natural gas by pipeline.

ARTICLE III.

The Corporation is incorporated in the State of Texas and the Commonwealth of Virginia. The post office address of the registered office of this Corporation in the State of Texas is Three Lincoln Centre, Suite 1800, 5430 LBJ Freeway, Dallas, Texas 75240, and the registered agent for service of this Corporation at the same address is Glen A. Blanscet. The post office address of the registered office of this Corporation in the Commonwealth of Virginia is Riverfront Plaza, East Tower, 951 East Byrd Street, Richmond, Virginia 23219-4074, and the registered agent for service of this Corporation at the same address is Allen C. Goolsby, III, such registered agent being a resident of the Commonwealth of Virginia and a member of the Virginia State Bar.

ARTICLE IV.

The period of the Corporation's duration shall be perpetual.

ARTICLE V.

The Corporation shall not commence business until it has received for the shares consideration of the value of One Thousand Dollars ($1,000) consisting of money, labor done or property actually received.

ARTICLE VI.

A. Number of Directors. The number of directors constituting the present board of directors is thirteen (13); however, thereafter the number of directors constituting the Board of Directors shall be fixed by the Bylaws of the Corporation. No director shall be removed during his term of office except for cause and by the affirmative vote of the holders of seventy-five percent (75%) of the shares then entitled to vote at an election of directors. The names and addresses of the persons who are to serve as directors until the next annual meeting of the shareholders or until their successors are duly elected and qualified are as follows:

Name	Address
[illegible] W. Bain II	2001 Coit Road Suite 130 Plano, TX 75075
[illegible] West	Three Lincoln Centre Suite 1800 5430 LBJ Freeway Dallas, Texas 75240
[illegible]	2200 Ross Avenue Suite 2200 Dallas, TX 75201
[illegible] Cardin	107 Sheffield Court Nashville, TN 37215
[illegible] Garland	Tusculum College McCormick Hall, 1st Floor Greeneville, TN 37743

Gene C. Koonce	5300 Maryland Way Brentwood, TN 37027
Vincent Lewis	Meadows Office Complex 301 Route #17, North Rutherford, NJ 07070
Thomas C. Meredith	Western Kentucky University Bowling Green, KY 42101
Phillip E. Nichol	301 Commerce Suite 2800 Ft. Worth, TX 76102
Carl S. Quinn	14 East 75th Street, #8B New York, NY 10021
Lee E. Schlessman	1301 Pennsylvania Street Penn Center Suite 800 Denver, CO 80203
Charles K. Vaughan	Three Lincoln Centre Suite 1800 5430 LBJ Freeway Dallas, TX 75240
Richard Ware II	Plaza One/Box One Amarillo, TX 79105

2 Election and Term The directors shall be divided into three classes, designated Class I, Class II and Class III. Each class shall consist, as nearly as may be possible, of one-third of the total number of directors constituting the entire Board of Directors. At each annual meeting of shareholders, successors to the class of directors whose term expires at that annual meeting shall be elected for a three-year term. Directors shall be elected by a majority vote of the shares of the Common Stock entitled to vote in the election of directors and represented in person or by proxy at a meeting of shareholders at which a quorum is present. If the number of directors is changed, any increase or decrease shall be apportioned among the classes so as to maintain the number of directors in each class as nearly equal as possible, and any additional director of any class elected by the shareholders to fill a vacancy resulting from an increase in such class shall hold office for a term that shall coincide with the remaining term of that class, but in no case will a decrease in the number of directors shorten the term of any incumbent director. A director shall hold office until the annual meeting for the year in which his term expires and until his successor shall be duly elected and qualified, subject, however, to prior death, resignation, retirement, disqualification or removal from office.

ARTICLE VII.

1 Capitalization.

The aggregate number of shares which the Corporation shall have the authority to issue is Seventy-Five Million (75,000,000) shares of Common Stock having no par value.

2 Designation and Statement of Preferences, Limitations and Relative Rights of Common Stock.

2 Subject to the provisions of law, including the Texas Business Corporation Act and the Virg Stock Corporation Act and to the conditions set forth in any law, including resolution of the B of Directors of the Corporation, such dividends (payable in cash, stock or otherwise) as may b determined by the Board of Directors may be declared and paid on the Common Stock from tim out of any funds legally available therefor.

2 The holders of the Common Stock shall exclusively possess full voting power for the election directors and for all other purposes. In the exercise of its voting power, the Common Stock sh entitled to one vote for each share held

Provisions Applicable to All Classes of Stock

Subject to applicable law, the Board of Directors may in its discretion issue from time to time shares of unissued shares for such consideration as it may determine. The shareholders shall ha preemptive rights, as such holders, to purchase any shares or securities of any class which m time be sold or offered for sale by the Corporation

In such election for directors every shareholder entitled to vote at any meeting shall have the right in person or by proxy, the number of shares owned by him for as many persons directors to be elected. Cumulative voting of shares of stock in the election of director otherwise is hereby expressly prohibited

The Corporation shall be entitled to treat the person in whose name any share or other security stock as the owner thereof, for all purposes, and shall not be bound to recognize any equitable claim to or interest in such shares or other security on the part of any other person, whether Corporation shall have notice thereof

Provisions Applicable to Certain Business Combinations

affirmative vote of the holders of not less than seventy-five percent (75%) of the outstanding Voting Stock" (as hereinafter defined) held by stockholders other than a "Substantial (as hereinafter defined) shall be required for the approval or authorization of any combination" (as hereinafter defined) of the Corporation with any Substantial Shareholder; however, that the seventy-five percent (75%) voting requirement shall not be applicable if:

The "Continuing Directors" (as hereinafter defined) of the Corporation affirmative vote of at least a majority (a) have expressly approved in advance of the outstanding shares of Voting Stock that caused such Substantial become a Substantial Shareholder, or (b) have expressly approved Business Combination either in advance of or subsequent to such Substantial having become a Substantial Shareholder, or

The cash or fair market value (as determined by at least a majority of the Directors) of the property, securities or other consideration to be received holders of Voting Stock of the Corporation in the Business Combination than the "Highest Per Share Price" or the "Highest Equivalent Price" (as are hereinafter defined) paid by the Substantial Shareholder in acquiring

any of its holdings of the Corporation's Voting Stock.

4.02 For purposes of this paragraph 4 of Article VII:

(i) The term "Business Combination" shall include, without limitation, (a) any merger or consolidation of the Corporation, or any entity controlled by or under common control with the Corporation, with or into any Substantial Shareholder, or any entity controlled by or under common control with the Substantial Shareholder, (b) any merger or consolidation of a Substantial Shareholder, or any entity controlled by or under common control with the Corporation, (c) any sale, lease, exchange, transfer or other disposition of all or substantially all of the property and assets of the Corporation, or any entity controlled by or under common control with the Corporation, to a Substantial Shareholder, or any entity controlled by or under common control with the Substantial Shareholder, (d) any purchase, lease, exchange, transfer or other acquisition of all or substantially all of the property and assets of a Substantial Shareholder or any entity controlled by or under common control with the Corporation, (e) any recapitalization of the Corporation that would have the effect of increasing the voting power of a Substantial Shareholder, and (f) any agreement, contract or other arrangement providing for any of the transactions described in this definition of Business Combination.

(ii) The term "Substantial Shareholder" shall mean and include any individual, corporation, partnership or other person or entity which, together with its "Affiliates" and "Associates" (as those terms are defined in Rule 12b-2 of the General Rules and Regulations promulgated under the Securities Exchange Act of 1934 (the "Exchange Act") as in effect at the date of the adoption hereof), "Beneficially Owns" (as defined in Rule 13d-3 of the Exchange Act) an aggregate of 10 percent or more of the outstanding Voting Stock of the Corporation, and any Affiliate or Associate of any such individual, corporation, partnership or other person or entity.

(iii) Without limitation, any share of Voting Stock of the Corporation that any Substantial Shareholder has the right to acquire at any time (notwithstanding that Rule 13d-3 of the Exchange Act deems such shares to be beneficially owned only if such right may be exercised within 60 days) pursuant to any agreement, or upon exercise of conversion rights, warrants or options, or otherwise, shall be deemed to be Beneficially Owned by the Substantial Shareholder and to be outstanding for purposes of clause (ii) above.

(iv) For the purposes of subparagraph 4.01(ii) of this paragraph 4 of Article VII, the term "other consideration to be received" shall include, without limitation, Common Stock or other capital stock of the Corporation retained by its existing stockholders other than Substantial Shareholders or other parties to such Business Combination in the event of a Business Combination in which the Corporation is the surviving corporation.

(v) The term "Voting Stock" shall mean all of the outstanding shares of Common Stock entitled to vote on each matter on which the holders of record of Common Stock shall be entitled to vote, and each reference to a proportion of shares of Voting Stock shall refer to such proposition of the votes entitled to be cast by such shares.

(vi) The term "Continuing Director" shall mean a Director who was a

member of the Board of Directors of the Corporation immediately prior to the time that the Substantial Shareholder involved in a Business Combination became a Substantial Shareholder.

(vii) A Substantial Shareholder shall be deemed to have acquired a share of the Voting Stock of the Corporation at the time when such Substantial Shareholder became the Beneficial Owner thereof. With respect to the shares owned by Affiliates, Associates or other persons whose ownership is attributed to a Substantial Shareholder under the foregoing definition of Substantial Shareholder, if the price is paid by such Substantial Shareholder for such shares is not determinable by a majority of the Continuing Directors, the price so paid shall be deemed to be the higher of (a) the price paid upon the acquisition thereof by the Affiliate, Associate or other person or (b) the market price of the shares in question at the time when the Substantial Shareholder became the Beneficial Owner thereof.

(viii) The terms "Highest Per Share Price" and "Highest Equivalent Price" as used in this paragraph 4 of Article VII shall mean the highest price that can be determined to have been paid at any time by the Substantial Shareholder for any share or shares of that class of capital stock. If there is more than one class of capital stock of the Corporation issued and outstanding, the Highest Equivalent Price shall mean with respect to each class and series of capital stock of the Corporation the amount determined by a majority of the Continuing Directors, on whatever basis they believe is appropriate, to be the highest per share price equivalent to the highest price that can be determined to have been paid at any time by the Substantial Shareholder for any share or shares of any class or series of capital stock of the Corporation. In determining the Highest Per Share Price and Highest Equivalent Price, all purchases by the Substantial Shareholder shall be taken into account regardless of whether the shares were purchased before or after the Substantial Shareholder became a Substantial Shareholder. The Highest Per Share Price and the Highest Equivalent Price shall include any brokerage commissions, transfer taxes and soliciting dealers' fees paid by the Substantial Shareholder with respect to the shares of capital stock of the Corporation acquired by the Substantial Shareholder. In the case of any Business Combination with a Substantial Shareholder, the Continuing Directors shall determine the Highest Per Share Price or the Highest Equivalent Price for each class and series of the capital stock of the Corporation.

4.03 The provisions set forth in this paragraph 4 of Article VII may not be amended, altered, changed or repealed in any respect unless such action is approved by the affirmative vote of the holders of not less than seventy-five percent (75%) of the outstanding shares of Voting Stock (as defined in this Article VII) of the Corporation at a meeting of the shareholders duly called for the consideration of such amendment, alteration, change or repeal; provided, however, that if there is a Substantial Shareholder (as defined in this Article VII), such action must also be approved by the affirmative vote of the holders of not less than seventy-five percent (75%) of the outstanding shares of Voting Stock held by the shareholders other than the Substantial Shareholder.

ARTICLE VIII.

The power to alter, amend or repeal the Corporation's bylaws, and to adopt new bylaws, is hereby vested in the Board of Directors, subject, however, to repeal or change by the affirmative vote of the holders of seventy-five percent (75%) of the outstanding shares entitled to vote thereon.

ARTICLE IX.

The Corporation shall indemnify, to the fullest extent permitted by law, any person who was, is, or is threatened to be made a named defendant or respondent in any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, arbitrative, or investigative, any appeal in such action, suit, or proceeding, and any inquiry or investigation that could lead to such an action, suit, or proceeding, by reason of the fact that such person is or was a director or officer of the Corporation, or, while such person was a director of the Corporation, is or was serving at the request of the Corporation as a director, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan, or other enterprise, against judgments, penalties (including excise and similar taxes), fines, settlements, and reasonable expenses (including attorney's fees) actually incurred by such person in connection with such action, suit, or proceeding. In addition to the foregoing, the Corporation shall, upon request of any such person described above and to the fullest extent permitted by law, pay or reimburse the reasonable expenses incurred by such person in any action, suit, or proceeding described above in advance of the final disposition of such action, suit, or proceeding.

ARTICLE X.

No director of the Corporation shall be personally liable to the Corporation or its shareholders for monetary damages for an act or omission in such director's capacity as a director, except for liability for (i) a breach of the director's duty of loyalty to the Corporation or its shareholders; (ii) an act or omission not in good faith or that involves intentional misconduct or a knowing violation of the law; (iii) a transaction from which the director received an improper benefit, whether or not the benefit resulted from an action taken within the scope of the director's office; (iv) an act or omission for which the liability of a director is expressly provided by statute; or (v) an act related to an unlawful stock repurchase or payment of a dividend. If the laws of the State of Texas or the Commonwealth of Virginia are hereafter amended to authorize corporate action further eliminating or limiting the personal liability of a director of the Corporation, then the liability of a director of the Corporation shall thereupon automatically be eliminated or limited to the fullest extent permitted by the laws of the State of Texas and the Commonwealth of Virginia. Any repeal or modification of this Article X by the shareholders of the Corporation shall not adversely affect any right or protection of a director existing at the time of such repeal or modification with respect to such events or circumstances occurring or existing prior to such time.

COMPTROLLER OF PUBLIC ACCOUNTS
STATE OF TEXAS
AUSTIN, 78774

CERTIFICATION OF ACCOUNT STATUS

THE STATE OF TEXAS §

COUNTY OF TRAVIS §

I, John Sharp, Comptroller of Public Accounts of the State of Texas, DO HEREBY CERTIFY that according to the current records of this office

OHGC ACQUISITION CORPORATION

is out of business, that all required reports for taxes administered by the Comptroller have been filed and that taxes due on those reports have been paid. This certificate may be used for the purpose of dissolution, merger or withdrawal with the Texas Secretary of State.

This certificate is valid through 12-31-96.

GIVEN UNDER MY HAND AND
SEAL OF OFFICE in the
City of Austin, this
22nd day of NOVEMBER, 1995 A.D.

JOHN SHARP
Comptroller of Public Accounts

Form 05-305 (Rev.10-93/7)

Charter/COA number: 013626247-0

F130245-6

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

July 29, 1997

The State Corporation Commission finds the accompanying articles submitted on behalf of

ATMOS ENERGY CORPORATION

to comply with the requirements of law. Therefore, it is ORDERED that this

CERTIFICATE OF MERGER

be issued and admitted to record with the articles in the office of the Clerk of the Commission. Each of the following:

United Cities Gas Company

is merged into ATMOS ENERGY CORPORATION, which continues to exist under the laws of VIRGINIA with the name ATMOS ENERGY CORPORATION. The existence of each non-surviving entity ceases, according to the plan of merger.

The certificate is effective on July 31, 1997 at 11:59 PM.

STATE CORPORATION COMMISSION

By

Commissioner

MERGACPT
CIS20317
97-07-29-0055

SCC759/921
(09/96)

APPLICATION FOR A CERTIFICATE OF AUTHORITY TO TRANSACT BUSINESS IN VIRGINIA

Name of the corporation (include any "for use in Virginia" name):

Atmos Energy Corporation

State or country of incorporation Texas

Date of incorporation 2/6/81 Period of duration Perpetual

Street address of the corporation's principal office:

5430 LBJ Freeway, Suite 1800 (Number and street) Dallas (City or town) Texas (State) 75240 (ZIP code)

Address of the VIRGINIA registered office of the corporation:

951 East Byrd Street (Number and street) Richmond (City or town) VA 23219-4074 (ZIP code)

The corporation's registered office in Virginia is located in the [x] City or [ ] County of Richmond.

Name of the VIRGINIA registered agent: Allen C. Goolsby

The registered agent is (mark appropriate box[es]):

(1) An individual who is a resident of Virginia and
- [ ] an officer of the corporation
- [ ] a director of the corporation
- [x] a member of the Virginia State Bar

OR

(2) [ ] A professional corporation or professional limited liability company of attorneys registered under § 54.1-3902, Code of Va.

OFFICERS

NAME AND TITLE	BUSINESS ADDRESS
See attached Addendum	

DIRECTORS

NAME	BUSINESS ADDRESS
See attached Addendum	

STOCK

NO. OF SHARES AUTHORIZED	CLASS AND SERIES
75,000,000	Common

The undersigned executes this application in the name of the corporation and declares the facts stated herein to be true.

By: [signature] Don E. James, Sr. Vice President 7-17-97
(Printed name and corporate title) (Date)

ADDENDUM TO
APPLICATION FOR CERTIFICATE OF AUTHORITY (VIRGINIA)
OF ATMOS ENERGY CORPORATION
DIRECTORS

NAME	BUSINESS ADDRESS
Robert J. Best	Atmos Energy Corporation P. O. Box 650205 Dallas, TX 75265
Travis W. Bain II	Bain Enterprises 2001 Coit Road, Suite 130 Plano, TX 75075
Dan Busbee	Locke Purnell Rain Harrell 2200 Ross Avenue, Suite 2200 Dallas, TX 75201-6776
Thomas Meredith	The University of Alabama System 401 Queen City Avenue Tuscaloosa, AL 35401-1551
Phillip D. Nichol	PaineWebber 301 Commerce, Suite 2800 Ft. Worth, TX 76102
Carl S. Quinn	Quinn Oil Company, Ltd. 14 East 75th Street, No. 8B New York, NY 10021
Lee Schlessman	Dolo Investment Company 1301 Pennsylvania Street Penn Center, Suite 800 Denver, CO 80203-5015
Charles Vaughan	5515 Cedar Creek Lane Dallas, TX 75252
Richard T. Burke II	Amarillo National Bank Plaza One/Box One Amarillo, TX 79105

ADDENDUM TO
APPLICATION FOR CERTIFICATE OF AUTHORITY (VIRGINIA)
OF ATMOS ENERGY CORPORATION
OFFICERS

NAME	TITLE	BUSINESS ADDRESS
Robert W. Best	Chairman of the Board, President, and Chief Executive Officer	1800 III Lincoln Centre 5430 LBJ Freeway Dallas, TX 75240
Larry J. Dagley	Executive Vice President & Chief Financial Officer	1800 III Lincoln Centre 5430 LBJ Freeway Dallas, TX 75240
J. Charles Goodman	Executive Vice President - Corporate Operations	1800 III Lincoln Centre 5430 LBJ Freeway Dallas, TX 75240
H. F. Harber	Sr. Vice President - Corporate Services	1800 III Lincoln Centre 5430 LBJ Freeway Dallas, TX 75240
Don E. James	Sr. Vice President - Public Affairs	1800 III Lincoln Centre 5430 LBJ Freeway Dallas, TX 75240
Mary A. Neal	Sr. Vice President - Utility Services	1800 III Lincoln Centre 5430 LBJ Freeway Dallas, TX 75240
Glen A. Blansett	Vice President, General Counsel and Corporate Secretary	1800 III Lincoln Centre 5430 LBJ Freeway Dallas, TX 75240

KENTUCKY
EXHIBIT B

References preceding each subpart of this Exhibit pertain to subsections of Sections 6 and 11 of 807 KAR 5:001.

Atmos Energy Corporation operates in Kentucky through its Kentucky division. The following includes information for Atmos Energy Corporation (unless otherwise stated) since the Kentucky division does not have a separate capital structure or authorized stock.

6(1) **Amount and kinds of stock authorized**

As of December 31, 2005 Atmos Energy Corporation had 200,000,000 shares of common stock (no par value) authorized.

6(2) **Amount and kinds of stock issued and outstanding**
As of December 31, 2005, Atmos Energy Corporation had 80,852,898 shares of common stock issued and outstanding.

6(3) **Terms of preference of preferred stock whether cumulative or participating, or on dividends or assets or otherwise.**

Atmos Energy Corporation has no preferred stock.

6(4) **Brief description of each mortgage on property of applicant, giving date of execution, name of mortgagor, name of mortgagee, or trustee, amount of indebtedness authorized to be secured thereby, and the amount of indebtedness actually secured, together with any sinking fund provisions.**

Atmos has mortgages related to bonds assumed in the merger with Greeley Gas Company on December 22, 1993. The 9.4% series J bonds are secured by an Indenture of Mortgage and Deed of Trust dated April 1, 1991 in favor of First Colony Life Insurance Company. The outstanding First Mortgage Bonds assumed in the merger with Greeley are as follows:

First Mortgage Bonds	Original Issue	Bonds Outstanding 12/31/2005	Interest accrued for 12 months ended 12/31/2005
9.4% Series J, due May 1, 2021	$17,000,000	$ --	$ 991,443

Atmos has mortgages related to bonds assumed in the merger with United Cities on July 31, 1997, which are listed below:

First Mortgage Bonds	Original Issue	Bonds Outstanding 12/31/2005	Interest accrued for 12 months ended 12/31/2005
10.43% Series P, due 11/01/17	$25,000,000 10/01/87	$8,750,000	$1,087,484
9.75% Series Q, due 4/30/20	$20,000,000 4/01/90	$ --	$ 944,023
9.32% Series T, due 6/01/21	$18,000,000 6/01/91	$ --	$1,045,665
8.77% Series U, due 5/01/22	$20,000,000 5/01/92	$ --	$1,083,139
7.50% Series V, due 12/01/07	$10,000,000 12/01/92	$ --	$ 120,109
		$ 8,750,000	$4,280,420

Note that all of these first mortgage bonds, except for Series P, were repaid in June 2005.

6(5) **Amount of bonds authorized, and amount issued, giving the name of the public utility which issued the same, describing each class separately, and giving date of issue, face value, rate of interest, date of maturity and how secured, together with amount of interest paid thereon during the last fiscal year.**

Please refer to 6(4) above.

6(6) **Each note outstanding, giving date of issue, amount, date of maturity, rate of interest, in whose favor, together with amount of interest paid thereon during the last fiscal year.**

Outstanding Notes of Applicant are as follows:

Description	Date of Issue	Amount Outstanding at 12/31/2005	Date of Maturity	Rate of Interest	In favor of	Interest Accrued for 12 months ended 12/31/2005
Sr. Notes	10/18/04	300,000,000	10/15/07	4.525%		12,522,457
Sr. Notes	10/18/04	400,000,000	10/15/09	4.000%		17,846,022
Sr. Notes	05/15/01	350,000,000	05/15/11	7.375%		26,239,814
Note	12/31/91	1,151,654	12/31/11	10.0%	Kingdom Foundation	115,166
Note	12/31/91	1,151,654	12/31/11	10.0%	Michael D. Fredricks	115,166
Sr. Notes	01/16/03	250,000,000	01/15/13	5.125%		13,848,178
Sr. Notes	10/18/04	500,000,000	10/15/14	4.950%		27,605,567
Note	12/15/95	10,000,000	12/15/25	6.67%	Cede & Co.	666,919
Note	12/19/95	10,000,000	12/19/10	6.27%	Cede & Co.	625,983
Debentures	07/15/98	150,000,000	07/15/28	6.75%	U.S. Bank as Trustee	10,224,938
Sr. Notes	10/18/04	200,000,000	10/15/34	5.950%		13,272,981
		$2,172,303,308				$123,083,191

6(7) **Other indebtedness, giving same by classes and describing security, if any, with a brief statement of the devolution or assumption of any portion of such indebtedness upon or by person or corporation if the original liability has been transferred, together with amount of interest paid thereon during the last fiscal year.**

Other indebtedness of Atmos Energy Corporation is as follows:

Description	Lender	Amount Outstanding at 12/31/2005	Rate of Interest	Interest Accrued for 12 Months Ended 12/31/2005
Committed Lines of Credit:				
One-year credit facility for up to $18,000,000 renegotiated effective April 1, 2005	Amarillo National Bank	$17,350,000	Short-term rate based upon option chosen at time of borrowing	$ 184,918
364-Day Revolving Credit Agreement for up to $300,000,000 and Three Year Revolver for up to $600,000,000	Suntrust Bank	-	Short-term rate based upon option chosen at time of borrowing	1,716,490
TOTAL COMMITTED LINES		$17,350,000		$1,901,408

Description	Lender	Amount Outstanding at 12/31/2005	Rate of Interest	Interest Accrued for 12 Months Ended 12/31/2005
Uncommitted Money Market Lines of Credit:				
Credit facility for up to $25,000,000	KBC Bank	$ -	Short-term rate based upon option chosen at time of borrowing	$ 111,067
$600,000,000 Commercial Paper Program	Merrill Lynch JP Morgan as dealers	381,709,000	Money market rate as quoted	2,382,354
TOTAL UNCOMMITTED LINES		381,709,000		2,493,421
TOTAL LINES OF CREDIT		$399,059,000		$4,394,829

6(8) **Rate and amount of dividends paid during the five (5) previous fiscal years and the amount of capital stock on which dividends were paid each year.**

The following is Atmos Energy Corporation's dividend history for the past five fiscal years. The Atmos dividend rate, the amount of dividends paid and average shares have been restated to include United Cities distributions.

Fiscal Year Ended Sept 30	Atmos Dividend Rate	Amount of Dividends Paid	Average Shares For Each Fiscal Year
Fiscal 2001	$1.16	$44,111,974	38,247,000
Fiscal 2002	$1.18	$48,646,766	41,250,000
Fiscal 2003	$1.20	$55,290,637	46,496,000
Fiscal 2004	$1.22	$66,736,243	54,416,000
Fiscal 2005	$1.24	$98,977,652	79,012,000

6(9) **Detailed income statement and balance sheet.**

The following is the separate company income statement and balance sheet for the utility operations of Atmos Energy Corporation.

ATMOS ENERGY CORPORATION
STATEMENT OF INCOME
FOR THE TWELVE MONTHS ENDED
December 31, 2005
(Thousands of Dollars)
(Unaudited)

Operating revenues	$3,672,998
Purchased gas cost	2,592,520
Gross profit	1,104,478
Operating expenses:	
Operation and maintenance	400,821
Depreciation and amortization	174,127
Taxes, other than income	179,288
Total operating expenses	754,236
Operating income	326,242
Other income	13,298
Interest charges	144,420
Equity in earnings of unconsolidated non-regulated subsidiaries	25,183
Income before income taxes	220,303
Income taxes	73,090
Net income	$ 147,213

ATMOS ENERGY CORPORATION
BALANCE SHEET
December 31, 2005
(Thousands of Dollars)
(Unaudited)

ASSETS

Property, plant and equipment	$4,783,848
Less accumulated depreciation and amortization	1,395,871
Net property, plant and equipment	3,387,977
Investments in and advances to subsidiaries	193,304
Current assets	
Cash and cash equivalents	15,100
Accounts receivable, net	893,572
Inventories	6,819
Gas stored underground	415,599
Deferred gas costs	124,269
Other current assets	82,362
Intercompany, net	11,784
Total current assets	1,549,505
Goodwill	683,779
Deferred charges and other assets	243,978
	$6,058,543

LIABILITIES AND SHAREHOLDERS' EQUITY

Shareholders' equity	
Common stock	$ 404
Additional paid-in capital	1,438,917
Retained earnings	224,435
Accumulated other comprehensive loss	(26,139)
Shareholders' equity	1,637,617
Long-term debt	2,176,140
Total capitalization	3,813,757
Current liabilities:	
Current maturities of long-term debt	1,250
Accounts payable and accrued liabilities	865,724
Short-term debt	399,059
Customers' deposits	98,369
Taxes payable	(458)
Other current liabilities	148,518
Total current liabilities	1,512,462
Deferred income taxes	283,854
Deferred credits and other liabilities	448,470
	$6,058,543

11(a) The Applicant's property is comprised primarily of gas utility plant and related facilities of a local distribution company operating in Illinois, Iowa, Georgia, Tennessee, Virginia, Colorado, Kansas, Missouri, Kentucky, Texas, Mississippi and Louisiana. At December 31, 2005, the cost to the Applicant was $4,783,848,229.

11(b) Atmos Energy proposes to issue up to 1,000,000 in additional shares of Common Stock, no par value.

11(c) The shares are to be issued for Atmos Energy Corp's Retirement Savings Plan. The issuance of shares under this plan will provide Atmos with additional sources of capital. Atmos will use the equity raised through the issuance of these shares to fund its capital expenditures, to fund its operating expenses, to reduce debt and to improve its capitalization ratios and preserve its credit rating.

11(d) Please refer to 11(c) above.

11(e) Please refer to 11(c) above.

11(2) (a) Please refer to 6(1) through 6(9) above.

11(2) (b) The mortgage earlier described in 6(4) has previously been filed with the Commission.

11(2) (c) Not applicable.

VERIFICATION

I, Laurie M. Sherwood, being first duly sworn, depose and state that I am the duly elected Vice President and Treasurer of Atmos Energy Corporation and that I have knowledge of the matters set forth in this Exhibit B, and the contents of this Exhibit B are true to the best of my knowledge and belief.

I further certify, pursuant to 807 KAR 5:001 §10(f), that the applicant's annual reports, including the report for the most recent calendar year for which such a report is due, are on file with the commission in accordance with 807 KAR 5:006 §3(1).

Laurie M. Sherwood

SUBSCRIBED AND SWORN to before me by Laurie M. Sherwood on this the 27th day of April, 2006.

JAYNE A. ... Notary Public State of Texas MY COMM. EXP. 12-13-09

Notary Public: State of Texas
My commission expires: 12.13.09

EXHIBIT "C"

ATMOS ENERGY CORPORATION

SECRETARY'S CERTIFICATE

The undersigned, being the Corporate Secretary of Atmos Energy Corporation, a Texas and Virginia corporation (the "Company"), does hereby certify that the following resolutions were duly adopted by Board of Directors of the Company at a meeting of the Board held on February 8, 2006, and such resolutions have not been altered, amended, rescinded, or repealed and are now in full force and effect:

RESOLVED, that the Board of Directors of the Company considers it desirable and in the best interests of the Company and its shareholders that the Company be, and it hereby is, authorized and empowered to issue, from time to time, up to 1,000,000 shares of Common Stock, no par value, of the Company (the "Shares") for use in the Atmos Energy Corporation Retirement Savings Ownership Plan and Trust (the "Plan") in addition to the shares of Common Stock currently authorized and registered for use in such Plan; and

FURTHER RESOLVED, that the proper officers and directors of the Company, or any of them, be, and they hereby are, authorized and directed, for and on behalf of the Company, to prepare, or cause to be prepared, and to execute, verify, and file, or cause to be filed, with the Securities and Exchange Commission (the "Commission"), a registration statement (the "1933 Act Registration Statement") on Form S-8, pursuant to the Securities Act of 1933, as amended, together with any and all exhibits and documents or supplemental information relating thereto, in connection with the proposed issuance and sale by the Company of the Shares pursuant to the Plan, and that the form of such 1933 Act Registration Statement shall be as approved by the officers and directors of the Company executing the same, the approval of such officers and directors to be conclusively evidenced by their execution thereof, and that any actions heretofore taken in connection therewith be, and they hereby are, ratified, approved, and confirmed in all respects; and

FURTHER RESOLVED, that the proper officers and directors of the Company, or any of them, be, and they hereby are, authorized and directed, for and on behalf of the Company, to notify the New York Stock Exchange (the "NYSE") of the foregoing registration and to take or cause

to be taken any and all such actions as may be necessary, appropriate, or desirable to comply with the requirements of such organization; and

FURTHER RESOLVED, that the proper officers of the Company be, and each hereby is, authorized and directed to take, or cause to be taken, all actions necessary or advisable to effect the listing and trading of the Shares on the NYSE, including the preparation, execution, and filing of all necessary applications, documents, forms, and agreements with the NYSE and the Commission, the payment by the Company of filing, listing, or application fees, the preparation of certificates for the Shares, and the appearance of any such officer before NYSE officials; and

FURTHER RESOLVED, that the transfer agent and registrar for the Shares continue to be American Stock Transfer & Trust Company; and

FURTHER RESOLVED, that the proper officers and directors of the Company, or any of them, be, and they hereby are, authorized and directed, for and on behalf of the Company, to prepare and file, or cause to be prepared and filed, with the Commission such amendments (including, without limitation, post-effective amendments) and supplements to the 1933 Act Registration Statement and such other papers or documents in connection therewith as they may deem necessary, appropriate, or desirable, all in such form as may be approved by the proper officers and directors executing the same, the approval of such officers and directors to be conclusively evidenced by their execution thereof; and

FURTHER RESOLVED, that each officer and director of the Company who may execute the 1933 Act Registration Statement or any amendment or supplement thereto, be and hereby is, authorized to execute a power of attorney appointing Robert W. Best, as his true and lawful attorney for him and in his name and stead and in his capacity as an officer or director to sign such 1933 Act Registration Statement, any and all amendments and supplements thereto, and all instruments, papers, or documents in connection therewith, and to file the same with the Commission, with full power and authority granted to said attorney to do and perform in the name and on behalf of each of said officers or directors each and every act whatsoever necessary or appropriate in connection with the registration of the Shares to the same extent that such officer or director might or could do in person; and

FURTHER RESOLVED, that the proper officers and directors of the Company, or any of them, be, and they hereby are, authorized and directed, for and on behalf of the Company, to prepare and file, or cause to be prepared and filed, with all applicable state regulatory commissions, applications for approval of the issuance of the Shares, and other such

documents in connection therewith, as they may deem necessary, appropriate, or desirable, all in such form as may be approved by the proper officers and directors executing the same, the approval of such officers and directors to be conclusively evidenced by their execution thereof; and

FURTHER RESOLVED, that the Board of Directors of the Company further considers it desirable and in the best interests of the Company that the Shares be qualified or registered for sale in various states; that the President or any Vice President and the Corporate Secretary or any Assistant Corporate Secretary, be and hereby are, authorized to determine the states in which appropriate action shall be taken to qualify or register for sale all or such part of the Shares as said officers may deem advisable; that said officers be, and hereby are, authorized to perform on behalf of the Company or cause to be performed any and all such acts as they may deem necessary or advisable in order to comply with the applicable laws of any such states and in connection therewith to execute and file, or cause to be filed, all requisite papers and documents, including, but not limited to, applications, reports, surety bonds, irrevocable consents, and appointments of attorney for service of process, and to take any and all further action that they may deem necessary or advisable in order to maintain any such registration or qualification for so long as they deem necessary or as required by law; and that the execution by such officers of any such paper or document or the doing by them of any act in connection with the foregoing matters shall conclusively establish their authority therefor from the Company and the approval and ratification by the Company of the papers and documents as executed in the action so taken; and

FURTHER RESOLVED, that the form and substance of any resolutions required in connection with the registration or qualification of the Shares in any state, territory, or other jurisdiction be, and they hereby are, adopted, provided that the officers of the Company, or any of them, consider the adoption of such resolutions necessary or appropriate or desirable, in which case the Corporate Secretary or any Assistant Corporate Secretary of the Company is hereby directed to insert as an appendix to these Minutes a copy of such resolutions, which shall thereupon be deemed to have been adopted by the Board of Directors with the same force and effect as the other resolutions herein set forth; and

FURTHER RESOLVED, that Louis P. Gregory, Senior Vice President and General Counsel of the Company, be, and hereby is, designated as the Company's agent to receive any letters of comment to the 1933 Act Registration Statement; and

FURTHER RESOLVED, that the proper officers and directors, or any of them, be, and they hereby are, authorized to do or cause to be done any and all acts and things and to execute and deliver any and all agreements, undertakings, consents, documents, instruments, and certificates as, in their opinion, may be necessary or appropriate or desirable in order to carry out the purposes and intent of the foregoing resolutions and to perform, or cause to be performed, the Plan, the 1933 Act Registration Statement, or any other agreement referred to herein and to cause the Shares to become listed and admitted to trading on the NYSE; and

FURTHER RESOLVED, that all actions taken and expenses incurred by any officer or director heretofore in furtherance of any of the actions authorized by the foregoing resolutions hereby are expressly ratified, confirmed, and approved.

IN WITNESS WHEREOF, I have hereunto signed my name and affixed the seal of the Company this 10th day of April, 2006.

Dwala Kuhn
Corporate Secretary