

**CASE**

**NUMBER:**

99-070

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
 CONSOLIDATED OPERATION EXPENSES  
 FOR THE MONTH, YEAR TO DATE, AND TWELVE MONTHS ENDED 03/31/08

Line No.	Description (a)	Current Month			Year to Date			Twelve Months Ended	
		Actual (b)	Budget* (c)	Prior Year Actual (d)	Actual (e)	Budget* (f)	Prior Year Actual (g)	Actual (h)	Line No.
<b>Distribution Operation Expenses</b>									
1	870 Supervision & Engineering	\$814,933.96	\$0	\$519,983.76	\$4,007,286.31	\$0	\$3,003,937.79	\$7,198,162.53	1
2	8710 0 Distribution Load Dispatching	23,072.26	0	45,559.89	188,435.92	0	287,656.16	453,129.63	2
3	8710 3 Odorization Expense	21,880.24	0	23,694.20	169,494.74	0	194,668.20	342,440.11	3
4	872 Comp. Station Labor & Expenses	0.00	0	0.00	0.00	0	0.00	0.00	4
5	873 Comp. Station Fuel and Power	0.00	0	0.00	0.00	0	0.00	0.00	5
6	874 Meas. & Services Expenses	591,481.99	0	507,467.37	3,234,992.07	0	3,065,980.33	6,338,825.12	6
7	875 Meas. & Reg. Sta. Exp. Gen.	50,626.87	0	49,232.78	308,850.55	0	342,522.80	640,433.36	7
8	876 Meas. & Reg. Sta. Exp. Ind.	29,247.81	0	31,926.25	159,052.87	0	211,394.10	342,731.76	8
9	877 Meas. & Reg. Sta. Exp. City Gate	22,938.89	0	14,667.15	143,698.83	0	185,997.28	307,053.50	9
10	878 Meter & House Regulator Exp.	534,538.33	0	506,373.95	3,350,530.97	0	3,157,035.92	6,499,879.59	10
11	8790 0 Customer Installation Expenses	288,775.17	0	295,286.00	1,796,849.91	0	1,814,563.99	3,552,143.99	11
12	8790 1 Customer Installation Exp. - Flex Conn.	0.00	0	0.00	1,176.10	0	661.57	1,269.87	12
13	8790 8 Irrigation Operating Fee Lines	30.46	0	(3,052.60)	535.25	0	(3,054.06)	1,230.40	13
14	8790 9 Customer Service - Gas Lights & Grills	7,160.04	0	1,279.37	(845.91)	0	(17,096.41)	8,013.58	14
15	8800 0 Other Expenses	(89,985.18)	0	20,066.05	102,307.12	0	154,557.50	263,803.01	15
16	8800 1 Distribution Maps & Records	13,652.03	0	8,534.34	69,908.48	0	57,411.86	131,133.60	16
17	8810 0 Rents	382,281.21	0	378,849.19	2,329,604.63	0	2,276,423.50	4,629,688.64	17
18	8810 8 Building Service	33,013.13	0	40,889.55	222,099.62	0	247,436.65	493,075.28	18
19	Total Distribution Operation Expenses	2,723,647.21	0	2,457,548.25	16,083,977.46	0	14,980,097.18	31,203,013.97	19
<b>Customer Accounts Expenses</b>									
20	901 Supervision	37,513.75	0	122,279.07	395,852.63	0	717,088.75	1,013,769.02	20
21	902 Meter Reading Expenses	340,098.93	0	336,686.49	2,123,432.31	0	2,114,293.01	4,270,583.35	21
22	903 Cust. Records & Coll. Expenses	685,002.41	0	1,072,185.51	4,681,203.14	0	6,207,288.23	10,737,935.54	22
23	904 Uncollectible Accounts	252,939.40	0	257,916.03	1,275,610.66	0	1,093,689.97	2,184,725.55	23
24	905 Miscellaneous Expenses	10,672.18	0	28,016.45	122,061.58	0	183,354.39	308,096.39	24
25	Total Customer Accounts Expenses	1,326,226.67	0	1,817,083.55	8,598,160.32	0	10,315,714.35	18,515,109.85	25
<b>Customer Service and Information Expenses</b>									
26	909 Supervision	80,423.61	0	56,335.48	340,054.79	0	330,673.09	672,401.25	26
27	910 Customer Assistance Expenses	115,484.05	0	190,702.73	1,083,828.19	0	1,331,293.71	2,098,956.15	27
28	911 Inform. Instruct. & Ad Expenses	54,594.40	0	34,911.33	255,655.66	0	152,921.26	517,310.05	28
29	912 Misc. Customer Serv. & Info. Exp.	0.00	0	668.22	3,174.22	0	4,901.64	6,988.64	29
30	Total Customer Service & Info. Exp.	\$550,502.06	\$0	\$382,617.76	\$1,682,712.86	\$0	\$1,819,789.70	\$3,295,656.09	30

\* Budget information not available by account and includes UCG.

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATED OPERATION EXPENSES  
FOR THE MONTH, YEAR TO DATE, AND TWELVE MONTHS ENDED 03/31/98

Line No.	Description (a)	Current Month			Year to Date			Twelve Months Ended	
		Actual (b)	Budget* (c)	Prior Year Actual (d)	Actual (e)	Budget* (f)	Prior Year Actual (g)	Actual (h)	Line No.
<b>Sales Promotion Expenses</b>									
1	915 Supervision	\$20,652.23	\$0	\$15,623.32	\$103,336.43	\$0	\$83,594.89	\$194,021.59	1
2	916 Demonstrating & Selling Expenses	27,289.94	0	21,881.78	174,787.12	0	191,682.86	367,034.59	2
3	917 Advertising Expenses	385.75	0	0.00	2,919.28	0	1,097.95	3,663.58	3
4	918 Miscellaneous Sales Expenses	0.00	0	752.30	1,730.56	0	5,123.10	4,420.82	4
5	Total Sales Promotion Expenses	48,327.92	0	38,257.40	282,773.39	0	281,498.80	569,140.58	5
<b>Administrative &amp; General Operation Expense</b>									
6	920 Salaries	828,892.78	0	891,026.22	4,689,169.43	0	4,738,045.74	9,176,698.87	6
7	921 Office Supplies and Expenses	522,853.74	0	4,625,562.17	2,284,279.57	0	6,604,331.04	24,740,588.13	7
8	922 Adm. Exp. Transf.-Cr.	(1,582,893.25)	(1)	(990,000.00)	(8,693,541.97)	0	(5,140,000.00)	(14,633,541.97)	8
9	923 Outside Services Employed	245,709.36	0	387,768.40	2,177,031.66	0	1,603,043.45	3,219,544.45	9
10	924 Property Insurance	8,457.90	0	12,480.50	52,666.40	0	71,408.34	115,364.20	10
11	9250 Injuries and Damages	384,800.06	0	229,848.89	2,072,274.46	0	1,370,668.01	2,452,568.81	11
12	92509 Workmen's Comp. Ins.-Cr.	(23,406.57)	0	(35,080.97)	(109,808.47)	0	(145,302.29)	(705,489.03)	12
13	9260 Employee Welfare Expenses - Db	2,061,018.66	0	1,737,094.45	10,810,370.69	0	10,228,457.07	20,590,494.54	13
14	92601 Pensions	(233,622.00)	0	53,168.00	(1,017,939.00)	0	274,007.62	(755,931.00)	14
15	92607 Emp. Welfare Exp. - Cr.	(425,526.49)	0	(361,564.32)	(2,560,455.28)	0	(77,625.99)	(4,947,941.69)	15
16	92609 Pensions - Cr.	279,186.54	0	(16,153.24)	307,995.56	0	(77,625.99)	217,571.51	16
17	927 Franchise Requirements	985.20	0	7,841.50	1,910.40	0	13,514.85	11,421.40	17
18	928 Regulatory Commission Exp.	9,588.03	0	15,786.34	57,673.18	0	105,597.15	126,551.10	18
19	929 Duplicate Charges-Cr.	(8,012.03)	0	(7,557.36)	(54,333.98)	0	(66,514.51)	(78,634.28)	19
20	9301 General Advertising Expenses	0.00	0	0.00	0.00	0	0.00	0.00	20
21	9302 Miscellaneous General Expenses	236,046.57	0	313,954.47	1,321,830.44	0	1,233,607.31	2,625,034.14	21
22	9310 Rents	202,714.12	0	192,166.96	1,178,411.72	0	1,161,784.46	2,350,298.03	22
23	93108 Building Service	0.00	0	0.00	0.00	0	0.00	0.00	23
24	Total Admin. & Gen. Operation Expenses	2,506,792.62	0	7,066,342.01	12,517,534.81	0	19,781,589.78	45,004,597.21	24
25	Total Operation Expense	\$6,968,260.08	\$11,665,000	\$11,773,076.23	\$39,897,626.97	\$74,819,000	\$47,946,790.38	\$100,105,063.57	25
26	UCG Operation Expense	3,717,207.00	0.00	5,962,123.00	29,370,908.87	0.00	33,787,886.00	61,112,094.87	26
27	Consolidated Operation Expense	\$10,685,467.08	\$11,665,000.00	\$17,735,199.23	\$69,268,535.84	\$74,819,000.00	\$81,734,676.38	\$161,217,158.44	27

(1) The total A & G capitalized year to date is \$6,904,690.00, remainder is offset by UCG Operation Expense (line 26)

\* Budget information not available by account and includes UCG.

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
 CONSOLIDATED MAINTENANCE EXPENSES  
 FOR THE MONTH, YEAR TO DATE, AND TWELVE MONTHS ENDED 6/30/98

Line No.	Description (a)	Current Month		Year to Date		Twelve Months Ended	
		Actual (b)	Budget* (c)	Prior Year Actual (d)	Budget* (f)	Prior Year Actual (e)	Actual (g)
<b>Manufactured Gas Prod. Maint. Exp.</b>							
1	740 Maint. Supervision and Engineering	\$0.00	\$0	\$0.00	\$0	\$0.00	\$0.00
2	741 Structures and Improvements	0.00	0	0.00	0	0.00	0.00
3	742 Production Equipment	0.00	0	0.00	0	0.00	0.00
4	Total Manufactured Gas Prod. Maint. Exp.	0.00	0	0.00	0	0.00	0.00
<b>Natural Gas Production Maint. Exp.</b>							
5	761 Maint. Supervision and Engineering	0.00	0	0.00	0	0.00	0.00
6	762 Structures and Improvements	0.00	0	0.00	0	0.00	0.00
7	763 Maint. of Producing Gas Wells	0.00	0	0.00	0	0.00	0.00
8	764 Field Lines	401.39	0	429.09	0	3,745.65	5,551.92
9	765 Field Compressor Station Equipment	1,135.58	0	1,908.40	0	2,300.56	10,548.97
10	766 Field Mess. and Reg. Station Equip.	0.00	0	137.02	0	171.40	2,911.40
11	767 Purification Equip.	300.53	0	1,745.29	0	3,347.80	9,219.71
12	769 Other Equip.	0.00	0	0.00	0	0.00	0.00
13	7990 2 Transf. to Purch. Gas Accts. - Cr.	0.00	0	0.00	0	0.00	0.00
14	Total Natural Gas Prod. Maint. Exp.	1,837.50	0	4,219.80	0	9,565.41	28,232.00
<b>Production Extraction</b>							
15	784 Maint. Supervision-Engineering	0.00	0	148.46	0	372.60	887.92
16	786 Extraction & Refining Equip.	404.91	0	1,007.67	0	3,175.76	7,028.21
17	787 Maint. Of Pipe Lines	0.00	0	0.00	0	0.00	0.00
18	Total Production Extraction	\$404.91	\$0	\$1,156.13	\$0	\$3,548.36	\$7,916.13

\* Budget information not available by account and includes UCG.



**ATMOS ENERGY CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED MAINTENANCE EXPENSES**  
**FOR THE MONTH, YEAR TO DATE, AND TWELVE MONTHS ENDED 03/31/98**

Line No.	Description (a)	Current Month		Year to Date		Twelve Months Ended	
		Actual (b)	Budget * (c)	Prior Year Actual (d)	Budget * (f)	Prior Year Actual (e)	Actual (h)
<b>Underground Storage Maintenance Expenses</b>							
1	830 Supervision-Engineering	\$0.00	\$0	\$0.00	\$0	\$0.00	\$0.00
2	831 Structures & Improvements	0.00	0	0.00	0	173.78	7,000.98
3	832 Reservoirs & Wells	0.00	0	0.00	0	64.33	1,186.97
4	833 Line Maintenance	51.05	0	0.00	0	51.05	51.05
5	834 Compressor Station Equipment	54.41	0	1,382.25	0	4,738.57	2,294.48
6	835 Meas. & Reg. Station Equipment	63.02	0	18.42	0	666.32	3,700.28
7	836 Purification Equipment	146.64	0	43.01	0	995.02	4,471.04
8	837 Other Equipment	0.00	0	0.00	0	0.00	0.00
9	Total Underground Storage Maintenance Expenses	315.12	0	1,443.68	0	6,638.02	18,704.80
<b>Transmission Maintenance Expenses</b>							
10	861 Supervision-Engineering	0.00	0	210.49	0	803.29	2,375.87
11	862 Structures & Improvements	0.00	0	184.98	0	1,399.61	2,548.49
12	863 Maintenance of Males	693.32	0	3,331.61	0	19,701.32	36,817.34
13	864 Compressor Station Equipment	411.08	0	198.34	0	2,031.91	3,181.81
14	865 Meas. & Reg. Station Equipment	2,994.04	0	2,371.45	0	14,689.90	34,817.06
15	866 Communications Equipment	0.00	0	0.00	0	0.00	0.00
16	867 Other Equipment	0.00	0	820.60	0	2,435.34	2,321.19
17	Total Transmission Maintenance Expenses	4,098.44	0	7,117.47	0	39,191.45	82,061.76
<b>Distribution Maintenance Expenses</b>							
18	885 Supervision-Engineering	70,562.65	0	90,079.16	0	419,102.85	960,485.85
19	886 Structures & Improvements	406.20	0	8,559.51	0	29,529.73	86,486.58
20	887 Maintenance of Males	99,888.61	0	86,931.41	0	597,278.57	1,271,638.36
21	888 Compressor Station Equipment	0.00	0	0.00	0	0.00	0.00
22	889 Meas. & Reg. Station Equipment-Gen.	10,320.35	0	15,796.61	0	64,504.85	155,019.99
23	890 Meas. & Reg. Station Equipment-Ind.	5,792.93	0	10,025.51	0	39,026.38	112,311.03
24	891 Meas. & Reg. Station Equipment-C. Gate	2,580.43	0	5,045.97	0	31,200.54	75,302.32
25	892 Maintenance of Services	20,559.10	0	24,848.30	0	125,644.43	301,238.11
26	893 Maintenance of Meter & House Regulator	27,747.31	0	73,353.83	0	424,192.48	711,420.73
27	894 Other Equipment	6,787.77	0	7,917.16	0	28,832.45	54,853.90
28	Total Distribution Maintenance Expenses	\$244,645.35	\$0	\$322,557.46	\$0	\$1,565,389.21	\$3,748,758.87

\* Budget information not available by account and includes UCG.

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
 CONSOLIDATED MAINTENANCE EXPENSES  
 FOR THE MONTH, YEAR TO DATE, AND TWELVE MONTHS ENDED 03/31/08

Line No.	Description (a)	Current Month		Prior Year Actual (d)	Actual (e)	Year to Date Budget* (f)	Prior Year Actual (g)	Twelve Months Ended Actual (h)	Line No.
		Actual (b)	Budget* (c)						
<b>Administrative &amp; General Maintenance Expenses</b>									
1	932 Maintenance of General Plant	\$1,140.66	\$0	\$289.03	\$26,882.25	\$0	\$13,208.26	\$40,545.88	1
2	Total Adm. & Gen. Maintenance Expenses	1,140.66	0	289.03	26,882.25	0	13,208.26	40,545.88	2
3	Total Maintenance Expenses	\$252,441.98	\$897,000	\$316,783.57	\$1,649,222.19	\$5,382,000	\$2,110,832.79	\$3,906,217.44	3
4	UCG Maintenance Expenses	\$11,018.00	0	678,697.00	3,119,676.00	0.00	3,626,839.00	7,098,423.33	4
5	Total Consolidated Maintenance Expenses	\$783,459.98	\$897,000.00	\$1,015,480.57	\$4,768,898.19	\$5,382,000.00	\$5,737,671.79	\$11,004,640.77	5

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\* Budget information not available by account and includes UCG.

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
STATEMENTS OF LONG-TERM DEBT  
AS OF MARCH 31, 1998

Line No.	Description (a)	Original Issue			1998		1997		Line No.
		Date (b)	Amount (c)	Current Maturities (d)	Outstanding Debt (e)	Current Maturities (f)	Outstanding Debt (g)		
1	11.2% John Hancock Note, due 12-30-02	12-23-87	\$ 20,000,000.00	\$ 2,000,000.00	\$ 10,000,000.00	\$ 2,000,000.00	\$ 12,000,000.00	1	
2	9.76% John Hancock Note, due 12-30-04	10-11-89	30,000,000.00	3,000,000.00	21,000,000.00	3,000,000.00	24,000,000.00	2	
3	9.57% Variable Annuity Life, due 09-30-06	09-30-91	20,000,000.00	2,000,000.00	18,000,000.00	2,000,000.00	20,000,000.00	3	
4	7.95% Variable Annuity Life, due 08-31-06	08-31-92	10,000,000.00	1,000,000.00	9,000,000.00	1,000,000.00	10,000,000.00	4	
5	10% Michael D. Fredericks, due 12-31-11	12-31-91	1,151,654.00	0.00	1,151,654.00	0.00	1,151,654.00	5	
6	10% Kingdom Foundation, due 12-31-11	12-31-91	1,151,654.00	0.00	1,151,654.00	0.00	1,151,654.00	6	
7	8.07% Variable Annuity Life, due 10-31-06	11-14-94	20,000,000.00	1,000,000.00	20,000,000.00	0.00	20,000,000.00	7	
8	8.26% New York Life, due 10-31-14	11-14-94	20,000,000.00	0.00	20,000,000.00	0.00	20,000,000.00	8	
9	6.09% NationsBank of Texas, due 11-25-98	11-26-96	40,000,000.00	40,000,000.00	40,000,000.00	0.00	40,000,000.00	9	
10	United Cities Gas Company		154,752,506.00	8,507,834.00	152,256,855.00	7,828,222.00	160,192,161.00	10	
	First Mortgage Bonds		317,055,814.00	57,507,834.00	292,660,163.00	15,828,222.00	308,495,469.00		
11	9.4% Series J, due 05-01-21	04-01-91	17,000,000.00	0.00	17,000,000.00	0.00	17,000,000.00	11	
12	Total Long-Term Debt		\$ 334,055,814.00	\$ 57,507,834.00	\$ 309,660,163.00	\$ 15,828,222.00	\$ 325,495,469.00	12	
13	Annualized Weighted Average Cost of Long-Term Debt (Including Amort. of Debt Expense)				8.19%		8.65%	13	

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ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
LABOR STATISTICS BY COMPANY

FOR THE MONTH, QUARTER AND YEAR TO DATE ENDED 3/31/98

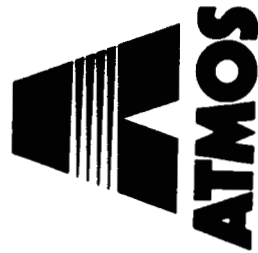
	Month		Quarter		Year to Date	
	Actual	Prior	Actual	Prior	Actual	Prior
		Year		Year		Year
<b>Labor Costs Distribution (000's):</b>						
Shared Services	\$1,152	\$1,182	\$3,493	\$3,371	\$6,782	\$6,522
Energas	1,147	1,616	4,013	4,898	8,352	9,735
Greeley Gas	782	906	2,375	2,750	5,024	5,517
Trans La	432	483	1,295	1,447	2,631	2,867
UCG	1,085	2,463	5,130	8,447	10,837	15,374
UCG - Non Regulated	342	271	996	939	1,884	1,735
WKG	913	1,123	2,758	3,400	5,654	6,678
<b>Total Labor Costs Distribution</b>	<b>\$5,853</b>	<b>\$8,044</b>	<b>\$20,060</b>	<b>\$25,252</b>	<b>\$41,164</b>	<b>\$48,428</b>
<b>Percentage Labor Capitalized</b>						
Shared Services			22%	6%	19%	6%
Energas			27%	23%	26%	23%
Greeley Gas			35%	28%	36%	30%
Trans La			34%	27%	33%	27%
UCG			27%	24%	32%	28%
UCG - Non Regulated			.0%	1.0%	.0%	.0%
WKG			31%	25%	32%	24%
<b>Total Percentage Labor Capitalized</b>			<b>29%</b>	<b>21%</b>	<b>28%</b>	<b>21%</b>
<b>Average Labor Costs Per Employee:</b>						
Shared Services	\$3,349	\$5,253	\$3,830	\$4,987	\$4,212	\$4,761
Energas	2,811	2,748	3,070	2,759	2,912	2,715
Greeley Gas	3,371	3,445	3,388	3,468	3,479	3,479
Trans La	2,880	2,858	2,871	2,854	2,904	2,841
UCG	1,532	2,302	2,557	2,632	2,360	2,387
UCG - Non Regulated	2,280	1,726	2,079	2,087	1,967	1,976
WKG	2,844	3,052	2,978	3,055	2,949	2,988
<b>Average Labor Costs Per Employee</b>	<b>\$2,530</b>	<b>\$2,813</b>	<b>\$2,958</b>	<b>\$2,963</b>	<b>\$2,880</b>	<b>\$2,831</b>

# Atmos Energy Corporation

## FINANCIAL STATEMENTS

APRIL, 1998

*Note: These Financial Statements and the Supplemental information contained herein are confidential. Any unauthorized distribution of all or part of these statements is in violation of company policy.*



**ATMOS ENERGY CORPORATION AND SUBSIDIARIES**  
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**AS OF APRIL 30, 1998**

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ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS  
AS OF 04/30/98

Line No.	Description (a)	1998 (b)	1997 (c)	As of September 30, 1997 (d)	Line No.
<b>ASSETS</b>					
	Property, plant and equipment				
1	Utility plant	\$1,233,915,957.79	\$1,154,415,322.82	\$1,218,370,929.56	1
2	Nonutility plant	81,215,540.44	80,319,665.42	82,632,468.53	2
3	Construction work in progress	78,116,482.01	39,140,403.91	31,668,205.31	3
4		<u>1,393,247,980.24</u>	<u>1,273,875,392.15</u>	<u>1,332,671,603.40</u>	4
5	Less accumulated depreciation and amortization	512,175,184.25	472,518,491.79	483,544,361.22	5
6	Net property, plant and equipment	<u>881,072,795.99</u>	<u>801,356,900.36</u>	<u>849,127,242.18</u>	6
7	Investments in & advances to subsidiaries	0.00	0.00	0.00	7
<b>Current assets</b>					
8	Cash and temporary cash investments	7,184,768.27	5,479,391.19	6,015,412.91	8
9	Accounts receivable, less allowance for doubtful accounts	79,858,866.63	113,540,840.59	71,217,214.52	9
10	Inventories	14,715,827.43	13,701,338.40	12,332,807.62	10
11	Gas stored underground	18,711,849.06	23,065,226.42	48,122,006.36	11
12	Other current assets	4,720,746.11	1,483,399.40	6,017,201.01	12
13	Intercompany accounts - net	0.00	0.00	0.00	13
14	Total current assets	<u>125,192,057.50</u>	<u>157,270,216.00</u>	<u>143,704,642.42</u>	14
15	Deferred charges and other assets	111,832,559.78	69,142,565.44	95,479,101.77	15
16	Total assets	<u>\$1,118,097,413.27</u>	<u>\$1,027,769,681.80</u>	<u>\$1,088,310,986.37</u>	16

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS (Continued)  
AS OF 04/30/98

Line No.	Description (a)	1998 (b)	1997 (c)	As of September 30, 1997 (d)	Line No.
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
Shareholders' equity					
1	Common stock	\$150,437.70	\$147,234.53	\$148,212.18	1
2	Common stock subscribed	0.00	0.00	0.00	2
3	Additional paid-in capital	263,186,277.07	246,407,275.24	251,174,227.94	3
4	Retained earnings	117,170,738.62	116,994,581.23	75,937,292.59	4
5	Total shareholders' equity	380,507,453.39	363,549,091.00	327,259,732.71	5
Long-term debt (including current maturities)					
6		309,350,083.00	322,322,048.00	318,181,824.00	6
7	Total capitalization	689,857,536.39	685,871,139.00	645,441,556.71	7
Current liabilities					
8	Notes payable	135,250,000.00	61,411,000.00	167,300,000.00	8
9	Accounts payable	65,122,434.64	68,048,087.04	62,625,499.15	9
10	Accrued taxes	9,451,535.98	8,351,165.21	12,119,647.37	10
11	Income taxes payable	15,774,616.17	16,623,346.62	(11,703,609.67)	11
12	Dividends declared	0.00	0.00	0.00	12
13	Customers' deposits	13,268,123.83	16,882,135.17	15,097,975.19	13
14	Other current liabilities	44,265,481.04	40,065,729.55	52,582,230.67	14
15	Total current liabilities	283,132,191.66	211,381,463.59	298,021,742.71	15
16	Deferred income taxes	87,686,479.20	73,938,472.02	87,828,170.44	16
17	Deferred credits and other liabilities	57,421,206.02	56,578,607.19	57,019,516.51	17
18	Total liabilities and shareholders' equity	\$1,118,097,413.27	\$1,027,769,681.80	\$1,088,310,986.37	18



ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF INCOME  
FOR THE MONTH, YEAR TO DATE AND TWELVE MONTHS ENDED 04/30/98

Line No.	Description (a)	Current Month		Year to Date		Prior Year Actual (b)	Twelve Months Ended		Line No.
		Actual (b)	Budget (c)	Actual (e)	Budget (f)		Actual (e)	Actual (e)	
1	Operating revenues								1
2	Gas	\$45,058,451.11	\$71,141,000	\$587,008,602.77	\$655,192,000	\$664,209,114.75		\$767,634,670.16	2
3	Transportation	2,707,668.28	1,535,000	15,963,001.01	11,258,000	11,990,257.48		23,857,788.70	3
4	Other	1,848,667.00	3,109,000	30,524,574.00	40,325,000	32,226,797.30		40,412,593.00	4
5	Total operating revenues	49,614,786.39	75,785,000	633,496,177.78	706,775,000	708,426,169.53		831,905,051.86	5
6	Purchased gas cost	30,459,221.70	48,153,000	390,768,261.40	446,631,000	462,009,089.37		\$505,940,585.99	6
7	Gross profit	19,155,564.69	27,632,000	242,727,916.38	260,144,000	246,417,080.16		325,964,465.87	7
8	Operating expenses								8
9	Operation	10,476,328.11	11,657,000	79,744,863.95	86,476,000	95,410,438.16		\$158,017,724.77	9
10	Maintenance	914,849.94	898,000	5,683,748.13	6,280,000	6,749,740.50		10,907,422.00	10
11	Depreciation and amortization	3,927,559.16	4,019,000	27,712,007.41	27,946,000	26,823,631.92		46,145,314.94	11
12	Taxes - other than income taxes	2,565,905.34	2,886,000	20,161,665.67	20,070,000	20,884,853.45		31,407,644.64	12
13	Provision for income taxes	(281,414.65)	2,333,000	34,712,364.74	39,100,000	29,967,079.00		19,043,519.11	13
14	Total operating expenses	17,603,227.90	21,793,000	168,014,649.90	179,872,000	179,835,743.03		265,521,625.46	14
15	Operating income	1,552,336.79	5,839,000	74,713,266.48	80,272,000	66,581,337.13		60,442,840.41	15
16	Other income								16
17	Merchandise	(8,595.70)	12,000	91,453.67	84,000	58,202.83		72,883.93	17
18	Interest income	66,516.73	76,000	1,052,493.00	551,000	1,187,663.09		2,020,795.00	18
19	Other nonoperating income	(76,730.76)	126,133	(521,072.09)	700,154	(303,882.62)		(544,683.84)	19
20	Equity in earnings - Woodward	620,866.00	527,867	2,982,934.00	2,870,846	2,564,150.00		3,672,595.00	20
21	Total other income (loss)	602,056.27	742,000	3,605,808.58	4,206,000	3,506,133.30		5,221,590.09	21
22	Income before interest charges	2,154,393.06	6,581,000	78,319,075.06	84,478,000	70,087,470.43		65,664,430.50	22
23	Interest charges	2,613,543.29	2,674,000	21,258,066.27	20,120,000	20,182,623.40		34,670,467.09	23
24	Net income	(\$459,150.23)	\$3,907,000	\$57,061,008.79	\$64,358,000	\$49,904,847.03		\$30,993,963.41	24
25	Basic earnings per share	(\$0.02)	\$0.13	\$1.92	\$2.15	\$1.70		\$1.05	25
26	Basic avg. common shares outstanding	29,861,305	30,146,000	29,683,110	29,937,000	29,329,083		29,584,862	26

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATING BALANCE SHEETS  
AS OF 04/30/98

Line No.	Description (a)	Atmos Operating Divisions (b)	Atmos Non Regulated (c)	Eliminations and Adjustments (d)	Consolidated (e)	Line No.
<b>ASSETS</b>						
	Property, plant and equipment					
1	Utility plant	\$1,251,206,086.95	\$859,549.26	(\$18,149,678.42)	\$1,233,915,957.79	1
2	Nonutility plant	2,481,914.86	78,733,625.58	0.00	81,215,540.44	2
3	Construction work in progress	78,121,866.93	(5,384.92)	0.00	78,116,482.01	3
4		1,331,809,868.74	79,587,789.92	(18,149,678.42)	1,393,247,980.24	4
5	Less accumulated depreciation and amortization	507,821,782.27	24,722,870.73	(20,369,468.75)	512,175,184.25	5
6	Net property, plant and equipment	823,988,086.47	54,864,919.19	2,219,790.33	881,072,795.99	6
7	Investments in & advances to subsidiaries	8,353,208.01	0.00	(8,353,208.01)	0.00	7
<b>Current assets</b>						
8	Cash and temporary cash investments	1,356,862.90	5,827,905.37	0.00	7,184,768.27	8
9	Accounts receivable, less allowance for doubtful accounts	74,634,641.04	3,657,749.76	1,566,475.83	79,858,866.63	9
10	Inventories	12,796,180.43	1,919,647.00	0.00	14,715,827.43	10
11	Gas stored underground	13,942,655.06	4,769,194.00	0.00	18,711,849.06	11
12	Other current assets	4,286,501.52	835,200.59	(400,956.00)	4,720,746.11	12
13	Intercompany accounts - net	2,492,856.53	8,183,754.78	(10,676,611.31)	0.00	13
14	Total current assets	109,509,697.48	25,193,451.50	(9,511,091.48)	125,192,057.50	14
15	Deferred charges and other assets	96,523,198.73	14,978,638.81	330,722.24	111,832,559.78	15
16	Total assets	\$1,038,374,190.69	\$95,037,009.50	(\$15,313,786.92)	\$1,118,097,413.27	16

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATING BALANCE SHEETS (Continued)  
AS OF 04/30/98

Line No.	Description (a)	Atmos Operating Divisions (b)	Atmos Non Regulated (c)	Eliminations and Adjustments (d)	Consolidated (e)	Line No.
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>						
Shareholders' equity						
1	Common stock	\$150,437.70	\$1,005,100.00	(\$1,005,100.00)	\$150,437.70	1
2	Common stock subscribed	0.00	0.00	0.00	0.00	2
3	Additional paid-in capital	263,186,277.07	7,348,108.01	(7,348,108.01)	263,186,277.07	3
4	Retained earnings	89,013,338.84	28,157,399.78	0.00	117,170,738.62	4
5	Total shareholders' equity	352,350,053.61	36,510,607.79	(8,353,208.01)	380,507,453.39	5
Long-term debt (including current maturities)						
6		290,303,308.00	19,046,775.00	0.00	309,350,083.00	6
7	Total capitalization	642,653,361.61	55,557,382.79	(8,353,208.01)	689,857,536.39	7
Current liabilities						
8	Notes payable	130,000,000.00	5,250,000.00	0.00	135,250,000.00	8
9	Accounts payable	57,163,671.80	7,958,762.84	0.00	65,122,434.64	9
10	Accrued taxes	9,135,025.71	316,510.27	0.00	9,451,535.98	10
11	Income taxes payable	7,595,076.74	8,179,539.43	0.00	15,774,616.17	11
12	Dividends declared	0.00	0.00	0.00	0.00	12
13	Customers' deposits	13,209,241.66	459,838.17	(400,956.00)	13,268,123.83	13
14	Other current liabilities	43,325,521.42	939,959.62	0.00	44,265,481.04	14
15	Intercompany accounts - net	0.00	9,110,135.48	(9,110,135.48)	0.00	15
16	Total current liabilities	260,428,537.33	32,214,745.81	(9,511,091.48)	283,132,191.66	16
17	Deferred income taxes	81,192,283.30	6,494,195.90	0.00	87,686,479.20	17
18	Deferred credits and other liabilities	54,100,008.45	770,685.00	2,550,512.57	57,421,206.02	18
19	Total liabilities and shareholders' equity	\$1,038,374,190.69	\$95,037,009.50	(\$15,313,786.92)	\$1,118,097,413.27	19

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
ELIMINATIONS TO CONSOLIDATING BALANCE SHEET  
AS OF 04/30/98

<b>ELIMINATIONS</b>			
1. Common Stock	Investment in and advances to subs To eliminate common stock of subs	\$1,005,100.00	\$1,005,100.00
2. Paid-in Capital	Trans La Industrial		
	WKG Resources	2,292,947.89	
	United Cities Storage	1,603,833.12	
	Investment in and advances to subs	3,451,327.00	
	To eliminate paid-in capital of subs		
3. Atmos Utility Plant	Atmos Utility Plant		
	Atmos Deferred Debit	2,219,790.33	
	Atmos Deferred Credit	330,722.24	
	To adjust for capital leases associated with the sale/lease back transaction with the Gilliland Group		
4. Intercompany Accounts- UCGC	Customer Deposits	400,956.00	
	Prepays		
	To eliminate UCGS deposit from UCGC		
5. Intercompany Accounts UCGC	Cash		
	Accounts Receivable - Service	0.00	
	Misc. Deferred Debits	1,566,475.83	
	Misc. Current Liabilities		
	Intercompany Accounts Payable	0.00	
	To eliminate intercompany accounts		
6. Intercompany Accounts Payable - Egasco	Intercompany Accounts Payable - Egasco		
	- Services	332,702.50	
	- United Cities Gas	5,609.98	
	- United Cities Energy	0.00	
	- United Cities Storage	6,589,744.00	
	- United Cities Propane	2,182,079.00	
	Intercompany Accounts Receivable	0.00	
	To eliminate Intercompany - Net	0.00	
	<b>Total Eliminations</b>	<u>\$21,981,287.89</u>	<u>\$21,981,287.89</u>
<b>ADJUSTMENTS</b>			
7. WKG Accumulated Provision	WKG Division Utility Plant		
	To adjust 11-30-1987 depreciation on		
	WKG Division - amortization Month	\$280,000	
	To date	4,256,000	
8. Trans La Accumulated Provision	Trans La Division Utility Plant		
	To adjust 12-31-85 depreciation on		
	Trans La Division - amortization Month	48,202	
	To date	7,117,736	
9. Trans La Industrial Accumulated Provision	Trans La Industrial Utility Plant		
	To adjust 12-31-85 depreciation on		
	Trans La Industrial - amortization Month	550	
	To date	81,400	
	<b>Total Eliminations</b>	<u>\$15,753,185.32</u>	<u>\$15,753,185.32</u>
	<b>Total Eliminations</b>	<u>\$21,981,287.89</u>	<u>\$21,981,287.89</u>
	<b>Total Eliminations</b>	<u>\$15,753,185.32</u>	<u>\$15,753,185.32</u>
	<b>Total Eliminations</b>	<u>\$4,575,044.51</u>	<u>\$4,575,044.51</u>
	<b>Total Eliminations</b>	<u>\$41,238.92</u>	<u>\$41,238.92</u>

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATING BALANCE SHEET - NON REGULATED  
AS OF 04/30/98

1998

Line No.	Description (a)	1998							Eliminations and Adjustments (i)		Consolidated (j)	Line No.	
		ATMOS SERVICES (b)	EGASCO INC. (c)	ENERMART (d)	TRANS IA INDUSTRIAL (e)	UCG ENERGY CORP. (f)	UCG STORAGE CO. (g)	WKG RESOURCES (h)	Adjustments (i)				
<b>ASSETS</b>													
	Property, plant and equipment												
1	Utility plant	\$0.00	\$0.00	\$0.00	\$859,549.26	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$859,549.26	1
2	Nonutility plant	0.00	0.00	0.00	0.00	0.00	19,989,873.00	0.00	58,189,949.00	0.00	553,803.58	78,733,625.58	2
3	Construction work in progress	0.00	0.00	0.00	(5,384.92)	0.00	0.00	0.00	0.00	0.00	0.00	(5,384.92)	3
4		0.00	0.00	0.00	854,164.34	0.00	19,989,873.00	0.00	58,189,949.00	0.00	553,803.58	79,587,789.92	4
5	Less accumulated depreciation and amortization	0.00	0.00	0.00	472,270.06	0.00	2,749,141.00	0.00	21,394,521.00	0.00	106,938.67	24,722,870.73	5
6	Net property, plant and equipment	0.00	0.00	0.00	381,894.28	0.00	17,240,732.00	0.00	36,795,428.00	0.00	446,864.91	54,864,919.19	6
7	Investments in & advances to subsidiaries	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7
<b>Current assets</b>													
8	Cash and temporary cash investments	1,231.00	6,304.38	13,248.27	6,422.69	2,615,102.00	3,180,154.00	0.00	2,615,102.00	3,180,154.00	5,443.03	5,827,905.37	8
9	Accounts receivable, less allowance for doubtful accounts	0.00	17,461.58	2,074,693.04	748,775.41	796,916.00	20,318.00	0.00	796,916.00	20,318.00	(414.27)	3,657,749.76	9
10	Inventories	0.00	0.00	0.00	0.00	1,916,968.00	2,679.00	0.00	1,916,968.00	2,679.00	0.00	1,919,647.00	10
11	Gas stored underground	0.00	0.00	0.00	0.00	0.00	4,769,194.00	0.00	0.00	4,769,194.00	0.00	4,769,194.00	11
12	Other current assets	0.00	0.00	29,159.91	20,218.69	773,443.00	0.00	0.00	773,443.00	0.00	12,378.99	835,200.59	12
13	Intercompany accounts - net	0.00	0.00	4,040,315.31	2,452,884.98	275,519.00	347,598.00	0.00	275,519.00	347,598.00	1,067,437.49	8,183,754.78	13
14	Total current assets	1,231.00	23,765.96	6,137,416.53	3,228,301.77	6,377,948.00	8,319,943.00	0.00	6,377,948.00	8,319,943.00	1,084,845.24	25,193,451.50	14
15	Deferred charges and other assets	0.00	610,003.37	0.00	2,003.52	13,961,036.00	347,714.00	0.00	13,961,036.00	347,714.00	57,881.92	14,978,638.81	15
16	Total assets	\$1,231.00	\$633,769.33	\$6,157,416.53	\$3,612,199.57	\$57,134,412.00	\$25,908,389.00	\$0.00	\$57,134,412.00	\$25,908,389.00	\$1,589,592.07	\$95,037,009.50	16

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATING BALANCE SHEET - NON REGULATED  
AS OF 04/30/98

1998

Line No.	Description (a)	ATMOS SERVICES (b)	EGASCO, INC. (c)	ENERMART (d)	TRANS LA INDUSTRIAL (e)	UCG ENERGY CORP. (f)	UCG STORAGE CO. (g)	W K G RESOURCES (h)	Eliminations and Adjustments (i)	Consolidated (j)	Line No.
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>											
Shareholders' equity											
1	Common stock	\$1,000.00	\$1,000.00	\$1,000.00	\$100.00	\$1,000,000.00	\$1,000.00	\$1,000.00	\$0.00	\$1,005,100.00	1
2	Common stock subscribed	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2
3	Additional paid-in capital	0.00	0.00	0.00	2,292,947.89	0.00	3,451,327.00	1,603,833.12	0.00	7,348,108.01	3
4	Retained earnings	(3,552.33)	(470,517.72)	186,545.89	468,419.60	23,768,964.00	4,232,273.00	(24,732.66)	0.00	28,157,399.78	4
5	Total shareholders' equity	(2,552.33)	(469,517.72)	187,545.89	2,761,467.49	24,768,964.00	7,684,600.00	1,580,100.46	0.00	36,510,607.79	5
Long-term debt (including current maturities)											
6		0.00	0.00	0.00	0.00	10,532,163.00	8,514,612.00	0.00	0.00	19,046,775.00	6
7	Total capitalization	(2,552.33)	(469,517.72)	187,545.89	2,761,467.49	35,301,127.00	16,199,212.00	1,580,100.46	0.00	55,557,382.79	7
Current liabilities											
8	Notes payable	0.00	0.00	0.00	0.00	5,250,000.00	0.00	0.00	0.00	5,250,000.00	8
9	Accounts payable	0.00	829,956.99	5,963,700.79	413,188.89	735,506.00	14,763.00	1,647.17	0.00	7,988,762.84	9
10	Accrued taxes	0.00	2,608.56	47,381.11	26,947.42	241,767.00	0.00	(2,193.82)	0.00	316,510.27	10
11	Income taxes payable	(1,826.65)	(61,981.00)	(41,211.26)	252,318.29	6,611,698.00	1,429,842.00	(9,299.95)	0.00	8,179,539.43	11
12	Dividends declared	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12
13	Customer's deposits	0.00	0.00	0.00	58,882.17	0.00	400,956.00	0.00	0.00	459,838.17	13
14	Other current liabilities	0.00	0.00	0.00	17,875.62	621,307.00	300,777.00	0.00	0.00	939,959.62	14
15	Intercompany accounts - net	5,609.98	332,702.50	0.00	0.00	6,589,744.00	2,182,079.00	0.00	0.00	9,110,135.48	15
16	Total current liabilities	3,783.33	1,103,287.05	5,969,870.64	769,212.39	20,050,022.00	4,328,417.00	(9,846.60)	0.00	32,214,745.81	16
17	Deferred income taxes	0.00	0.00	0.00	81,519.69	1,270,601.00	5,122,737.00	19,338.21	0.00	6,494,195.90	17
18	Deferred credits and other liabilities	0.00	0.00	0.00	0.00	512,662.00	258,023.00	0.00	0.00	770,685.00	18
19	Total liabilities and shareholders' equity	\$1,231.00	\$633,769.33	\$6,157,416.53	\$3,612,199.57	\$57,134,412.00	\$25,908,389.00	\$1,589,592.07	\$0.00	\$95,037,009.50	19

ATMOS ENERGY CORPORATION  
CONSOLIDATING STATEMENTS OF INCOME  
FOR THE MONTH ENDED APRIL 30, 1998

Line No.	Description (a)	Current Month						Line No.
		Regulated (1) (b)	Non-Regulated (2) (c)	Eliminations (d)	Total (e)	Non-Utility Operations (3) (f)	Shared Services (g)	
1	Operating revenues							
2	Gas	\$39,956,508.60	\$5,101,942.51	\$0.00	\$45,058,451.11	\$0.00	\$0.00	\$45,058,451.11
3	Transportation	2,871,323.35	6,962.90	(170,617.97)	2,707,668.28	0.00	0.00	2,707,668.28
4	Other	42,827,831.95	5,108,905.41	(170,617.97)	47,766,119.39	1,848,667.00	0.00	1,848,667.00
	Total operating revenues							
5	Purchased gas cost	24,887,112.33	4,894,737.71	(170,193.34)	29,611,656.70	847,565.00	0.00	30,459,221.70
6	Gross profit	17,940,719.62	214,167.70	(424.63)	18,154,462.69	1,001,102.00	0.00	19,155,564.69
7	Operating expenses							
8	Operation	7,073,690.95	434,235.73	0.00	7,507,926.68	646,520.00	1,622,219.45	9,776,666.13
9	Maintenance	869,387.10	0.00	0.00	869,387.10	42,362.00	3,100.84	914,849.94
10	Depreciation	3,355,210.85	2,865.00	0.00	3,358,075.85	298,564.00	270,919.31	3,927,559.16
11	Taxes - other than income taxes	2,401,987.49	6,839.21	0.00	2,408,826.70	87,205.00	69,873.64	2,565,905.34
12	Shared Services - direct	699,661.97	0.00	0.00	699,661.97	0.00	0.00	699,661.97
13	Shared Services - billed	1,882,489.52	26,188.43	338.53	1,909,016.48	57,000.00	(1,966,016.48)	0.00
14	Provision for income taxes	(309,414.65)	(62,000.00)	0.00	(371,414.65)	90,000.00	0.00	(281,414.65)
	Total operating expenses	15,973,013.23	408,128.37	338.53	16,381,480.13	1,221,651.00	96.76	17,603,227.89
15	Operating income (loss)	1,967,706.39	(193,960.67)	(763.16)	1,772,982.56	(220,549.00)	(96.76)	1,552,336.80
16	Other income							
17	Merchandise	(8,595.70)	0.00	0.00	(8,595.70)	0.00	0.00	(8,595.70)
18	Interest income	54,193.73	0.00	0.00	54,193.73	12,323.00	0.00	66,516.73
19	Shared Services - billed	0.00	(338.53)	338.53	0.00	0.00	0.00	0.00
20	Other nonoperating income	(67,660.16)	(8,075.23)	424.63	(75,310.76)	(1,420.00)	0.00	(76,730.76)
21	Equity in earnings - Woodward	0.00	0.00	0.00	0.00	620,866.00	0.00	620,866.00
	Total other income (loss)	(22,062.13)	(8,413.76)	763.16	(29,712.73)	631,769.00	0.00	602,056.27
22	Income (loss) before interest charges	1,945,644.26	(202,374.43)	(0.00)	1,743,269.83	411,220.00	(96.76)	2,154,393.07
23	Interest charges	2,435,482.36	245.94	0.00	2,435,728.30	177,815.00	0.00	2,613,543.30
24	Net income (loss)	(\$489,838.10)	(\$202,620.37)	(\$0.00)	(\$692,458.47)	\$233,405.00	(\$96.76)	(\$459,150.23)

Footnotes:  
(1) Regulated Utility Operations includes Energas, GGC, Trans La, UCG, WKG and CNG.  
(2) Non-Regulated Utility Operations includes Egasco, Emermart, TLJG and WKGR.  
(3) Non-Utility Operations includes Atmos Energy Services, UCG Energy and UCG Storage.  
(4) Includes all Shared Services expenses booked directly to the business units.  
(5) Includes Operation, Maintenance, Depreciation and Taxes - Other booked in Division 02 and allocated to the business units.

ATMOS ENERGY CORPORATION  
CONSOLIDATING STATEMENTS OF INCOME  
FOR THE SEVEN MONTHS ENDED APRIL 30, 1998

Year To Date

Line No.	Description (a)	Utility Operations					Total Atmos Consolidated (h)	Line No.
		Regulated (1) (b)	Non-Regulated (2) (c)	Eliminations (d)	Total (e)	Non-Utility Operations (3) (f)		
1	Operating revenues							
2	Gas	\$566,166,376.56	\$20,842,226.21	\$0.00	\$587,008,602.77	\$0.00	\$587,008,602.77	
3	Transportation	17,209,058.84	51,216.90	(1,297,274.73)	15,963,001.01	0.00	15,963,001.01	
4	Other	0.00	0.00	0.00	0.00	0.00	0.00	
4	Total operating revenues	583,375,435.40	20,893,443.11	(1,297,274.73)	602,971,603.78	30,524,574.00	633,496,177.78	
5	Purchased gas cost	356,625,922.29	18,569,773.56	(1,294,720.45)	373,900,975.40	16,867,286.00	390,768,261.40	
6	Gross profit	226,749,513.11	2,323,669.55	(2,554.28)	229,070,628.38	13,657,288.00	242,727,916.38	
7	Operating expenses							
8	Operation	54,847,086.58	3,086,900.90	0.00	57,933,987.48	5,167,781.82	74,111,496.28	
9	Maintenance	5,203,003.04	0.00	0.00	5,203,003.04	450,762.00	5,683,748.13	
10	Depreciation	23,408,271.24	20,055.00	0.00	23,428,326.24	2,386,646.00	27,712,007.41	
11	Taxes - other than income taxes	18,926,620.01	63,149.36	0.00	18,989,769.37	592,182.00	20,161,665.67	
12	Shared Services - direct	5,633,367.66	0.00	0.00	5,633,367.66	0.00	5,633,367.66	
13	Shared Services - billed	13,108,712.30	182,919.50	2,515.70	13,294,147.50	217,000.00	(13,511,147.50)	
14	Provision for income taxes	32,703,734.61	(405,470.31)	0.00	32,298,264.30	2,414,100.44	34,712,364.74	
14	Total operating expenses	153,830,795.44	2,947,554.45	2,515.70	156,780,865.59	11,228,472.26	168,014,649.89	
15	Operating income (loss)	72,918,717.67	(623,884.90)	(5,069.98)	72,289,762.79	2,428,815.74	74,713,266.49	
16	Other income							
17	Merchandise	91,453.67	0.00	0.00	91,453.67	0.00	91,453.67	
18	Interest income	905,446.00	0.00	0.00	905,446.00	147,047.00	1,052,493.00	
19	Shared Services - billed	0.00	(2,515.70)	2,515.70	0.00	0.00	0.00	
20	Other nonoperating income	(225,052.86)	(147,591.51)	2,554.28	(370,090.09)	(150,982.00)	(521,072.09)	
21	Equity in earnings - Woodward	0.00	0.00	0.00	0.00	2,982,934.00	2,982,934.00	
21	Total other income (loss)	771,846.81	(150,107.21)	5,069.98	626,809.58	2,978,999.00	3,605,808.58	
22	Income (loss) before interest charges	73,690,564.48	(773,992.11)	(0.00)	72,916,572.37	5,407,814.74	78,319,075.07	
23	Interest charges	19,814,042.30	2,017.98	0.00	19,816,060.28	1,442,006.00	21,258,066.28	
24	Net income (loss)	\$53,876,522.18	(\$776,010.09)	(\$0.00)	\$53,100,512.09	\$3,965,808.74	\$57,061,008.79	

Footnotes:  
(1) Regulated Utility Operations includes Energas, GGC, Trans La, UCG, WKG and CNG.  
(2) Non-Regulated Utility Operations includes Egasco, Enermart, TLIG and WKGR.  
(3) Non-Utility Operations includes Atmos Energy Services, UCG Energy and UCG Storage.  
(4) Includes all Shared Services expenses booked directly to the business units.  
(5) Includes Operation, Maintenance, Depreciation and Taxes - Other booked in Division 02 and allocated to the business units.



ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
ELIMINATIONS TO CONSOLIDATING INCOME STATEMENT  
04/30/98

	Current Month		YEAR TO DATE	
	Dr	Cr	Dr	Cr
1. Gas Revenue				
Purchased Gas Cost	\$0.00	\$0.00	\$0.00	\$0.00
To eliminate gas sales to Atmos from Trans La Industrial				
2. Transportation Revenue				
Purchased Gas Cost	87,917.50	87,917.50	695,138.37	695,138.37
To eliminate transportation charges to Enermart Trust from Atmos				
3. Transportation Revenue				
Purchased Gas Cost	27,778.02	27,778.02	219,267.16	219,267.16
To eliminate transportation charges to Trans La Industrial from Atmos				
4. Transportation Revenue				
Purchased Gas Cost	54,497.82	54,497.82	380,314.92	380,314.92
To eliminate transportation charges to Amarillo Distribution Division from Amarillo Transmission Division-Atmos				
5. Transportation Revenue				
Other Nonoperating Income	424.63	424.63	2,554.28	2,554.28
To eliminate transportation charges for CNG sales at public fill stations from Atmos				
6. Operation Expense				
Other Nonoperating Income	338.53	338.53	2,515.70	2,515.70
To eliminate allocation of Corporate Division expenses to WKGR from Atmos				

ATMOS ENERGY CORPORATION  
CONSOLIDATING STATEMENTS OF INCOME - REGULATED  
FOR THE MONTH APRIL 30, 1998

Line No.	Description (a)	Month						Total Regulated (g)	Line No.
		Energy (1) (b)	Greeley (c)	Trans La (1) (d)	UCG (e)	WKG (f)			
1	Operating revenues								
2	Gas	\$4,877,114.27	\$5,500,934.27	\$1,016,075.87	\$22,539,890.36	\$6,022,493.83	\$39,956,508.60	1	
3	Transportation	250,804.85	117,312.29	31,579.65	1,673,523.37	798,103.19	2,871,323.35	2	
4	Other	0.00	0.00	0.00	0.00	0.00	0.00	3	
4	Total operating revenues	5,127,919.12	5,618,246.56	1,047,655.52	24,213,413.73	6,820,597.02	42,827,831.95	4	
5	Purchased gas cost	2,884,436.87	3,477,371.75	(137,620.03)	14,087,697.77	4,575,225.97	24,887,112.33	5	
6	Gross profit	2,243,482.25	2,140,874.81	1,185,275.55	10,125,715.96	2,245,371.05	17,940,719.62	6	
7	Operating expenses								
7	Operation	1,217,861.81	1,064,466.74	510,923.10	3,008,594.54	1,271,844.76	7,073,690.95	7	
8	Maintenance	85,373.24	65,397.39	36,413.60	594,304.41	87,898.46	869,387.10	8	
9	Depreciation	548,925.06	416,671.79	303,528.74	1,540,749.84	545,335.42	3,355,210.85	9	
10	Taxes - other than income taxes	889,418.81	206,079.22	189,037.51	911,950.88	205,501.07	2,401,987.49	10	
11	Shared Services - direct	293,283.26	121,516.43	158,946.31	(83,359.87)	209,275.84	699,661.97	11	
12	Shared Services - billed	534,338.17	242,668.68	164,714.16	610,002.35	330,746.16	1,882,489.52	12	
13	Provision for income taxes	(625,347.62)	(97,207.65)	(145,563.01)	832,756.13	(274,052.50)	(309,414.65)	13	
14	Total operating expenses	2,943,872.73	2,019,592.60	1,218,000.41	7,414,998.28	2,376,549.21	15,973,013.23	14	
15	Operating income (loss)	(700,390.48)	121,282.21	(32,724.86)	2,710,717.68	(131,178.16)	1,967,706.39	15	
16	Other income								
16	Merchandise	2,724.54	383.75	0.00	(24,650.82)	12,946.83	(8,595.70)	16	
17	Interest income	14,887.86	147.61	289.15	37,296.72	1,572.39	54,193.73	17	
18	Other nonoperating income	(17,765.25)	(20,029.67)	(6,980.66)	(12,014.76)	(10,869.82)	(67,660.16)	18	
19	Equity in earnings - Woodward								
20	Total other income (loss)	(152.85)	(19,498.31)	(6,691.51)	631.14	3,649.40	(22,062.13)	20	
21	Income (loss) before interest charges	(700,543.33)	101,783.90	(39,416.37)	2,711,348.82	(127,528.76)	1,945,644.26	21	
22	Interest charges	460,816.54	261,115.11	209,717.66	1,143,604.44	360,228.60	2,435,482.35	22	
23	Net income (loss)	(\$1,161,359.87)	(\$159,331.21)	(\$249,134.03)	\$1,567,744.38	(\$487,757.36)	(\$489,838.09)	23	

Footnote: (1) Includes CNG.

(2) Operations expense in the business units does not include any shared services costs.

(3) Includes all Shared Services expenses booked directly to the business units.

(4) Includes Operation, Maintenance, Depreciation and Taxes - Other booked in Division 02 and allocated to the business units.

ATMOS ENERGY CORPORATION  
CONSOLIDATING STATEMENTS OF INCOME - REGULATED  
FOR THE SEVEN MONTHS ENDED April 30, 1998

Line No.	Description (a)	Year-to-Date							Line No.
		Energas (1) (b)	Greyley (c)	Trans La (1) (d)	UCG (e)	WKG (f)	Total Regulated (g)		
1	Operating revenues								
2	Gas	\$127,790,516.55	\$63,882,877.72	\$23,959,188.99	\$260,459,338.36	\$90,074,454.94	\$566,166,376.56	1	
3	Transportation	1,726,105.66	912,912.06	244,125.76	8,844,185.37	5,481,729.99	17,209,058.84	2	
4	Other	0.00	0.00	0.00	0.00	0.00	0.00	3	
5	Total operating revenues	129,516,622.21	64,795,789.78	24,203,314.75	269,303,523.73	95,556,184.93	583,375,435.40	4	
6	Purchased gas cost	80,601,230.87	38,396,670.91	5,096,223.81	169,110,833.77	63,420,962.91	356,625,922.29	5	
7	Gross profit	48,915,391.34	26,399,118.87	19,107,090.94	100,192,689.96	32,135,222.00	226,749,513.11	6	
8	Operating expenses								
9	Operation	10,310,454.37	7,467,945.15	3,909,643.18	24,450,859.62	8,708,184.26	54,847,086.58	7	
10	Maintenance	621,738.21	426,798.82	311,370.05	3,305,580.41	537,515.55	5,203,003.04	8	
11	Depreciation	3,841,601.94	2,903,960.05	2,124,701.18	10,720,688.84	3,817,319.23	23,408,271.24	9	
12	Taxes - other than income taxes	7,723,723.48	1,528,726.83	1,308,552.74	7,163,174.88	1,202,442.08	18,926,620.01	10	
13	Shared Services - direct	2,098,290.05	937,258.65	1,226,190.23	(83,359.87)	1,454,988.60	5,633,367.66	11	
14	Shared Services - billed	4,042,624.61	1,697,935.49	1,139,962.91	3,857,544.32	2,370,644.97	13,108,712.30	12	
15	Provision for income taxes	5,857,921.28	3,578,482.74	2,648,531.78	16,014,990.28	4,603,908.53	32,703,734.61	13	
16	Total operating expenses	34,496,253.94	18,541,107.73	12,668,952.07	65,429,478.48	22,695,003.22	153,830,795.44	14	
17	Operating income (loss)	14,419,137.40	7,858,011.14	6,438,138.87	34,763,211.48	9,440,218.78	72,918,717.67	15	
18	Other income								
19	Merchandise	16,186.83	(1,520.56)	14,401.36	(108,728.82)	171,114.86	91,453.67	16	
20	Interest income	121,604.41	529.48	2,478.26	766,487.72	14,346.13	905,446.00	17	
21	Other nonoperating income	(131,470.98)	44,555.30	(53,315.57)	(38,738.50)	(46,083.11)	(225,052.86)	18	
22	Equity in earnings - Woodward	0.00	0.00	0.00	0.00	0.00	0.00	19	
23	Total other income (loss)	6,320.26	43,564.22	(36,435.95)	619,020.40	139,377.88	771,846.81	20	
24	Income (loss) before interest charges	14,425,457.66	7,901,575.36	6,401,702.92	35,382,231.88	9,579,596.66	73,690,564.48	21	
25	Interest charges	3,661,172.51	2,132,095.25	2,047,110.90	9,028,141.02	2,945,522.61	19,814,042.29	22	
26	Net income (loss)	\$10,764,285.15	\$5,769,480.11	\$4,354,592.02	\$26,354,090.86	\$6,634,074.05	\$53,876,522.19		

Footnote:  
(1) Includes CNG.  
(2) Operations expense in the business units does not include any shared services costs.  
(3) Includes all Shared Services expenses booked directly to the business units.  
(4) Includes Operation, Maintenance, Depreciation and Taxes - Other booked in Division 02 and allocated to the business units.

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATING STATEMENT OF INCOME- NON-REGULATED UTILITY  
FOR THE MONTH ENDED 04/30/98

Line No.	Description (a)	1998						Line No.
		EGASCO, INC. (b)	ENERMART (c)	TRANS LA INDUSTRIAL (d)	W K G RESOURCES (e)	ELIMINATIONS and ADJUSTMENTS (f)	ATMOS NON REGULATED (g)	
1	Operating revenues							1
2	Gas	\$590,781.39	\$4,031,675.87	\$479,485.25	\$0.00	\$0.00	\$5,101,942.51	2
3	Transportation	0.00	0.00	6,962.90	0.00	0.00	6,962.90	3
	Other	0.00	0.00	0.00	0.00	0.00	0.00	
4	Total operating revenues	590,781.39	4,031,675.87	486,448.15	0.00	0.00	5,108,905.41	4
5	Purchased gas cost	398,599.96	4,195,275.78	300,861.97	0.00	0.00	4,894,737.71	5
6	Gross profit	192,181.43	(163,599.91)	185,586.18	0.00	0.00	214,167.70	6
7	Operating expenses							7
8	Operation	58,112.62	365,541.66	10,581.45	0.00	0.00	434,235.73	8
9	Maintenance	0.00	0.00	0.00	0.00	0.00	0.00	9
10	Depreciation and amortization	0.00	0.00	2,865.00	0.00	0.00	2,865.00	10
11	Taxes - other than income taxes	0.00	2,407.23	4,431.98	0.00	0.00	6,839.21	11
12	Shared services - billed	1,603.98	18,137.98	6,446.47	0.00	0.00	26,188.43	12
	Provision for income taxes	48,000.00	(173,000.00)	63,000.00	0.00	0.00	(62,000.00)	
13	Total operating expenses	107,716.60	213,086.87	87,324.90	0.00	0.00	408,128.37	13
14	Operating income (loss)	84,464.83	(376,686.78)	98,261.28	0.00	0.00	(193,960.67)	14
15	Other income							15
16	Merchandise	0.00	0.00	0.00	0.00	0.00	0.00	16
17	Interest income	0.00	0.00	0.00	0.00	0.00	0.00	17
18	Shared services - billed	0.00	0.00	0.00	(338.53)	0.00	(338.53)	18
	Other nonoperating income	(8,423.44)	0.00	0.00	348.21	0.00	(8,075.23)	
19	Total other income (loss)	(8,423.44)	0.00	0.00	9.68	0.00	(8,413.76)	19
20	Income (loss) before interest charges	76,041.39	(376,686.78)	98,261.28	9.68	0.00	(202,374.43)	20
21	Interest charges	0.00	0.00	245.94	0.00	0.00	245.94	21
22	Net income (loss)	\$76,041.39	(\$376,686.78)	\$98,015.34	\$9.68	\$0.00	(\$202,620.37)	22

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATING STATEMENT OF INCOME- NON-REGULATED UTILITY  
FOR THE SEVEN MONTHS ENDED 04/30/98

Line No.	Description (a)	1998						Line No.
		EGASCO, INC. (b)	ENERMAIT (c)	TRANS LA INDUSTRIAL (d)	W K G RESOURCES (e)	ELIMINATIONS and ADJUSTMENTS (f)	ATMOS NON REGULATED (g)	
	Operating revenues							
1	Gas	\$1,729,722.09	\$15,147,005.64	\$3,965,498.48	\$0.00	\$0.00	\$20,842,226.21	1
2	Transportation	0.00	0.00	51,216.90	0.00	0.00	51,216.90	2
3	Other	0.00	0.00	0.00	0.00	0.00	0.00	3
4	Total operating revenues	1,729,722.09	15,147,005.64	4,016,715.38	0.00	0.00	20,893,443.11	4
5	Purchased gas cost	1,283,354.04	13,859,977.16	3,426,442.36	0.00	0.00	18,569,773.56	5
6	Gross profit	446,368.05	1,287,028.48	590,273.02	0.00	0.00	2,323,669.55	6
	Operating expenses							
7	Operation	414,548.53	2,564,611.19	107,741.18	0.00	0.00	3,086,900.90	7
8	Maintenance	0.00	0.00	0.00	0.00	0.00	0.00	8
9	Depreciation and amortization	0.00	0.00	20,055.00	0.00	0.00	20,055.00	9
10	Taxes - other than income taxes	0.00	29,517.90	33,621.46	10.00	0.00	63,149.36	10
11	Shared services - billed	10,722.19	130,636.22	41,561.09	0.00	0.00	182,919.50	11
12	Provision for income taxes	(74,000.00)	(481,470.31)	150,000.00	0.00	0.00	(405,470.31)	12
13	Total operating expenses	351,270.72	2,243,295.00	352,978.73	10.00	0.00	2,947,554.45	13
14	Operating income (loss)	95,097.33	(956,266.52)	237,294.29	(10.00)	0.00	(623,884.90)	14
	Other income							
15	Merchandise	0.00	0.00	0.00	0.00	0.00	0.00	15
16	Interest income	0.00	0.00	0.00	0.00	0.00	0.00	16
17	Shared services - billed	0.00	0.00	0.00	(2,515.70)	0.00	(2,515.70)	17
18	Other nonoperating income	(150,131.92)	0.00	0.00	2,540.41	0.00	(147,591.51)	18
19	Total other income (loss)	(150,131.92)	0.00	0.00	24.71	0.00	(150,107.21)	19
20	Income (loss) before interest charges	(55,034.59)	(956,266.52)	237,294.29	14.71	0.00	(773,992.11)	20
21	Interest charges	0.00	300.00	1,717.98	0.00	0.00	2,017.98	21
22	Net income (loss)	(\$55,034.59)	(\$956,566.52)	\$235,576.31	\$14.71	\$0.00	(\$776,010.09)	22

NON-UTILITY BUSINESS UNITS  
CONSOLIDATING STATEMENT OF INCOME- NON-UTILITY  
FOR THE MONTH ENDED 04/30/98

1998

Line No.	Description (a)	Eliminations										Line No.		
		UCG Leasing (b)	UCG Propane (c)	Rental Division (d)	Utility Serv. Division (e)	Adjustments (f)	UCG Energy Corp. Consolidated (g)	Energy Services (h)	UCG Storage Co. (i)	Non-Utility (j)	Total			
1	Operating revenues													
2	Gas	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	1
3	Transportation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2
4	Other	88,341.00	1,052,458.00	266,808.00	4,768.00	0.00	1,412,375.00	0.00	436,292.00	0.00	1,848,667.00	0.00	1,848,667.00	3
5	Total operating revenues	88,341.00	1,052,458.00	266,808.00	4,768.00	0.00	1,412,375.00	0.00	436,292.00	0.00	1,848,667.00	0.00	1,848,667.00	4
6	Purchased gas cost	0.00	730,811.00	0.00	(20,886.00)	0.00	709,925.00	0.00	137,640.00	0.00	847,565.00	0.00	847,565.00	5
7	Gross profit	88,341.00	321,647.00	266,808.00	25,654.00	0.00	702,450.00	0.00	298,652.00	0.00	1,001,102.00	0.00	1,001,102.00	6
8	Operating expenses													
9	Operation	1,583.00	576,249.00	60,460.00	(507.00)	0.00	637,785.00	0.00	8,735.00	0.00	646,520.00	0.00	646,520.00	7
10	Maintenance	0.00	42,362.00	0.00	0.00	0.00	42,362.00	0.00	0.00	0.00	42,362.00	0.00	42,362.00	8
11	Depreciation and amortization	31,448.00	183,229.00	50,135.00	0.00	0.00	264,812.00	0.00	33,752.00	0.00	298,564.00	0.00	298,564.00	9
12	Taxes - other than income taxes	0.00	33,149.00	20,136.00	0.00	0.00	53,285.00	0.00	33,920.00	0.00	87,205.00	0.00	87,205.00	10
13	Shared services - billed	2,850.00	44,460.00	9,120.00	570.00	0.00	57,000.00	0.00	61,000.00	0.00	118,000.00	0.00	118,000.00	11
14	Provision for income taxes	16,000.00	(254,000.00)	41,000.00	226,000.00	0.00	29,000.00	0.00	61,000.00	0.00	90,000.00	0.00	90,000.00	12
15	Total operating expenses	51,881.00	625,449.00	180,851.00	226,063.00	0.00	1,084,244.00	0.00	137,407.00	0.00	1,221,651.00	0.00	1,221,651.00	13
16	Operating income (loss)	36,460.00	(303,802.00)	85,957.00	(200,409.00)	0.00	(381,794.00)	0.00	161,245.00	0.00	(220,549.00)	0.00	(220,549.00)	14
17	Other income													
18	Merchandise	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15
19	Interest income	3,513.00	12,324.00	31,628.00	1,181.00	(36,323.00)	12,323.00	0.00	0.00	0.00	12,323.00	0.00	12,323.00	16
20	Other nonoperating income	0.00	929.00	489.00	(2,830.00)	0.00	(1,412.00)	0.00	0.00	0.00	(1,412.00)	0.00	(1,412.00)	17
21	Equity in earnings - Woodward	0.00	0.00	0.00	620,866.00	0.00	620,866.00	0.00	0.00	0.00	620,866.00	0.00	620,866.00	18
22	Total other income (loss)	3,513.00	13,253.00	32,117.00	619,217.00	(36,323.00)	631,777.00	0.00	0.00	0.00	631,777.00	0.00	631,777.00	19
23	Income (loss) before int chgs	39,973.00	(290,549.00)	118,074.00	418,808.00	(36,323.00)	249,983.00	0.00	161,245.00	0.00	411,228.00	0.00	411,228.00	20
24	Interest charges	13,362.00	59,288.00	48,709.00	29,633.00	(36,323.00)	114,669.00	0.00	63,146.00	0.00	177,815.00	0.00	177,815.00	21
25	Net income (loss)	\$26,611.00	(\$349,837.00)	\$69,365.00	\$389,175.00	\$0.00	\$135,314.00	\$0.00	\$98,099.00	\$0.00	\$233,413.00	\$0.00	\$233,413.00	22

NON-UTILITY BUSINESS UNITS  
CONSOLIDATING STATEMENT OF INCOME- NON UTILITY  
FOR THE SEVEN MONTHS ENDED 04/30/98

1998

Line No.	Description (a)	Eliminations and Adjustments (f)										Total Non-Utility (j)	Line No.																																																																																																																																																																																																																																																																																																																																																																									
		UCG Leasing (b)	UCG Prepane (c)	Rental Division (d)	Utility Serv. Division (e)	UCG Energy Corp. Consolidated (g)	Atmos Energy Services (h)	UCG Storage Co. (i)																																																																																																																																																																																																																																																																																																																																																																														
	Operating revenues														1	Gas	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	1	2	Transportation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2	3	Other	629,910.00	22,870,941.00	1,963,139.00	488,872.00	0.00	0.00	25,952,862.00	0.00	4,571,712.00	0.00	30,524,574.00	30,524,574.00	3	4	Total operating revenues	629,910.00	22,870,941.00	1,963,139.00	488,872.00	0.00	0.00	25,952,862.00	0.00	4,571,712.00	0.00	30,524,574.00	30,524,574.00	4	5	Purchased gas cost	0.00	13,936,980.00	0.00	424,930.00	0.00	0.00	14,361,910.00	0.00	2,505,376.00	0.00	16,867,286.00	16,867,286.00	5	6	Gross profit	629,910.00	8,933,961.00	1,963,139.00	63,942.00	0.00	0.00	11,590,952.00	0.00	2,066,336.00	0.00	13,657,288.00	13,657,288.00	6		Operating expenses														7	Operation	12,102.39	4,565,418.55	320,450.39	16,381.79	0.00	0.00	4,914,353.12	0.00	253,268.70	160.00	5,167,781.82	5,167,781.82	7	8	Maintenance	0.00	401,583.00	0.00	0.00	0.00	0.00	401,583.00	0.00	49,179.00	0.00	450,762.00	450,762.00	8	9	Depreciation and amortization	224,834.00	1,283,565.00	426,486.00	216,085.00	0.00	0.00	2,150,970.00	0.00	235,676.00	0.00	2,386,646.00	2,386,646.00	9	10	Taxes - other than income taxes	0.00	208,596.00	142,030.00	9.00	0.00	0.00	350,635.00	0.00	241,547.00	0.00	592,182.00	592,182.00	10	11	Shared services - billed	12,010.00	165,191.00	37,619.00	2,180.00	0.00	0.00	217,000.00	0.00	(0.00)	0.00	217,000.00	217,000.00	11	12	Provision for income taxes	120,730.82	734,000.84	242,009.46	987,258.91	0.00	0.00	2,084,000.03	0.00	330,100.41	0.00	2,414,100.44	2,414,100.44	12	13	Total operating expenses	369,677.21	7,358,354.39	1,168,594.85	1,221,914.70	0.00	0.00	10,118,541.15	0.00	1,109,771.11	160.00	11,228,472.26	11,228,472.26	13	14	Operating income (loss)	260,232.79	1,575,606.61	794,544.15	(1,157,972.70)	0.00	0.00	1,472,410.85	0.00	956,564.89	(160.00)	2,428,815.74	2,428,815.74	14		Other income														15	Merchandise	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15	16	Interest income	24,830.00	71,294.00	230,903.00	28,534.00	0.00	(267,091.00)	88,470.00	0.00	58,577.00	0.00	147,047.00	147,047.00	16	17	Other nonoperating income	578.00	23,635.00	(216,791.00)	41,604.00	0.00	0.00	(150,974.00)	0.00	0.00	0.00	(150,974.00)	(150,974.00)	17	18	Equity in earnings - Woodward	0.00	0.00	0.00	2,982,934.00	0.00	0.00	2,982,934.00	0.00	0.00	0.00	2,982,934.00	2,982,934.00	18	19	Total other income (loss)	25,408.00	94,929.00	14,112.00	3,053,072.00	(267,091.00)	(267,091.00)	2,920,430.00	0.00	58,577.00	0.00	2,979,007.00	2,979,007.00	19	20	Income (loss) before int chgs	285,640.79	1,670,535.61	808,656.15	1,895,099.30	(267,091.00)	(267,091.00)	4,392,840.85	0.00	1,015,141.89	(160.00)	5,407,822.74	5,407,822.74	20	21	Interest charges	94,881.00	466,128.00	429,275.00	212,273.00	(267,091.00)	(267,091.00)	935,466.00	0.00	506,540.00	0.00	1,442,006.00	1,442,006.00	21	22	Net income (loss)	\$190,759.79	\$1,204,407.61	\$379,381.15	\$1,682,826.30	\$0.00	\$0.00	\$3,457,374.85	(\$160.00)	\$508,601.89	(\$160.00)	\$3,965,816.74	\$3,965,816.74	22
1	Gas	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	1																																																																																																																																																																																																																																																																																																																																																																								
2	Transportation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2																																																																																																																																																																																																																																																																																																																																																																								
3	Other	629,910.00	22,870,941.00	1,963,139.00	488,872.00	0.00	0.00	25,952,862.00	0.00	4,571,712.00	0.00	30,524,574.00	30,524,574.00	3																																																																																																																																																																																																																																																																																																																																																																								
4	Total operating revenues	629,910.00	22,870,941.00	1,963,139.00	488,872.00	0.00	0.00	25,952,862.00	0.00	4,571,712.00	0.00	30,524,574.00	30,524,574.00	4																																																																																																																																																																																																																																																																																																																																																																								
5	Purchased gas cost	0.00	13,936,980.00	0.00	424,930.00	0.00	0.00	14,361,910.00	0.00	2,505,376.00	0.00	16,867,286.00	16,867,286.00	5																																																																																																																																																																																																																																																																																																																																																																								
6	Gross profit	629,910.00	8,933,961.00	1,963,139.00	63,942.00	0.00	0.00	11,590,952.00	0.00	2,066,336.00	0.00	13,657,288.00	13,657,288.00	6																																																																																																																																																																																																																																																																																																																																																																								
	Operating expenses														7	Operation	12,102.39	4,565,418.55	320,450.39	16,381.79	0.00	0.00	4,914,353.12	0.00	253,268.70	160.00	5,167,781.82	5,167,781.82	7	8	Maintenance	0.00	401,583.00	0.00	0.00	0.00	0.00	401,583.00	0.00	49,179.00	0.00	450,762.00	450,762.00	8	9	Depreciation and amortization	224,834.00	1,283,565.00	426,486.00	216,085.00	0.00	0.00	2,150,970.00	0.00	235,676.00	0.00	2,386,646.00	2,386,646.00	9	10	Taxes - other than income taxes	0.00	208,596.00	142,030.00	9.00	0.00	0.00	350,635.00	0.00	241,547.00	0.00	592,182.00	592,182.00	10	11	Shared services - billed	12,010.00	165,191.00	37,619.00	2,180.00	0.00	0.00	217,000.00	0.00	(0.00)	0.00	217,000.00	217,000.00	11	12	Provision for income taxes	120,730.82	734,000.84	242,009.46	987,258.91	0.00	0.00	2,084,000.03	0.00	330,100.41	0.00	2,414,100.44	2,414,100.44	12	13	Total operating expenses	369,677.21	7,358,354.39	1,168,594.85	1,221,914.70	0.00	0.00	10,118,541.15	0.00	1,109,771.11	160.00	11,228,472.26	11,228,472.26	13	14	Operating income (loss)	260,232.79	1,575,606.61	794,544.15	(1,157,972.70)	0.00	0.00	1,472,410.85	0.00	956,564.89	(160.00)	2,428,815.74	2,428,815.74	14		Other income														15	Merchandise	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15	16	Interest income	24,830.00	71,294.00	230,903.00	28,534.00	0.00	(267,091.00)	88,470.00	0.00	58,577.00	0.00	147,047.00	147,047.00	16	17	Other nonoperating income	578.00	23,635.00	(216,791.00)	41,604.00	0.00	0.00	(150,974.00)	0.00	0.00	0.00	(150,974.00)	(150,974.00)	17	18	Equity in earnings - Woodward	0.00	0.00	0.00	2,982,934.00	0.00	0.00	2,982,934.00	0.00	0.00	0.00	2,982,934.00	2,982,934.00	18	19	Total other income (loss)	25,408.00	94,929.00	14,112.00	3,053,072.00	(267,091.00)	(267,091.00)	2,920,430.00	0.00	58,577.00	0.00	2,979,007.00	2,979,007.00	19	20	Income (loss) before int chgs	285,640.79	1,670,535.61	808,656.15	1,895,099.30	(267,091.00)	(267,091.00)	4,392,840.85	0.00	1,015,141.89	(160.00)	5,407,822.74	5,407,822.74	20	21	Interest charges	94,881.00	466,128.00	429,275.00	212,273.00	(267,091.00)	(267,091.00)	935,466.00	0.00	506,540.00	0.00	1,442,006.00	1,442,006.00	21	22	Net income (loss)	\$190,759.79	\$1,204,407.61	\$379,381.15	\$1,682,826.30	\$0.00	\$0.00	\$3,457,374.85	(\$160.00)	\$508,601.89	(\$160.00)	\$3,965,816.74	\$3,965,816.74	22																																																																																																									
7	Operation	12,102.39	4,565,418.55	320,450.39	16,381.79	0.00	0.00	4,914,353.12	0.00	253,268.70	160.00	5,167,781.82	5,167,781.82	7																																																																																																																																																																																																																																																																																																																																																																								
8	Maintenance	0.00	401,583.00	0.00	0.00	0.00	0.00	401,583.00	0.00	49,179.00	0.00	450,762.00	450,762.00	8																																																																																																																																																																																																																																																																																																																																																																								
9	Depreciation and amortization	224,834.00	1,283,565.00	426,486.00	216,085.00	0.00	0.00	2,150,970.00	0.00	235,676.00	0.00	2,386,646.00	2,386,646.00	9																																																																																																																																																																																																																																																																																																																																																																								
10	Taxes - other than income taxes	0.00	208,596.00	142,030.00	9.00	0.00	0.00	350,635.00	0.00	241,547.00	0.00	592,182.00	592,182.00	10																																																																																																																																																																																																																																																																																																																																																																								
11	Shared services - billed	12,010.00	165,191.00	37,619.00	2,180.00	0.00	0.00	217,000.00	0.00	(0.00)	0.00	217,000.00	217,000.00	11																																																																																																																																																																																																																																																																																																																																																																								
12	Provision for income taxes	120,730.82	734,000.84	242,009.46	987,258.91	0.00	0.00	2,084,000.03	0.00	330,100.41	0.00	2,414,100.44	2,414,100.44	12																																																																																																																																																																																																																																																																																																																																																																								
13	Total operating expenses	369,677.21	7,358,354.39	1,168,594.85	1,221,914.70	0.00	0.00	10,118,541.15	0.00	1,109,771.11	160.00	11,228,472.26	11,228,472.26	13																																																																																																																																																																																																																																																																																																																																																																								
14	Operating income (loss)	260,232.79	1,575,606.61	794,544.15	(1,157,972.70)	0.00	0.00	1,472,410.85	0.00	956,564.89	(160.00)	2,428,815.74	2,428,815.74	14																																																																																																																																																																																																																																																																																																																																																																								
	Other income														15	Merchandise	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15	16	Interest income	24,830.00	71,294.00	230,903.00	28,534.00	0.00	(267,091.00)	88,470.00	0.00	58,577.00	0.00	147,047.00	147,047.00	16	17	Other nonoperating income	578.00	23,635.00	(216,791.00)	41,604.00	0.00	0.00	(150,974.00)	0.00	0.00	0.00	(150,974.00)	(150,974.00)	17	18	Equity in earnings - Woodward	0.00	0.00	0.00	2,982,934.00	0.00	0.00	2,982,934.00	0.00	0.00	0.00	2,982,934.00	2,982,934.00	18	19	Total other income (loss)	25,408.00	94,929.00	14,112.00	3,053,072.00	(267,091.00)	(267,091.00)	2,920,430.00	0.00	58,577.00	0.00	2,979,007.00	2,979,007.00	19	20	Income (loss) before int chgs	285,640.79	1,670,535.61	808,656.15	1,895,099.30	(267,091.00)	(267,091.00)	4,392,840.85	0.00	1,015,141.89	(160.00)	5,407,822.74	5,407,822.74	20	21	Interest charges	94,881.00	466,128.00	429,275.00	212,273.00	(267,091.00)	(267,091.00)	935,466.00	0.00	506,540.00	0.00	1,442,006.00	1,442,006.00	21	22	Net income (loss)	\$190,759.79	\$1,204,407.61	\$379,381.15	\$1,682,826.30	\$0.00	\$0.00	\$3,457,374.85	(\$160.00)	\$508,601.89	(\$160.00)	\$3,965,816.74	\$3,965,816.74	22																																																																																																																																																																																																																																																
15	Merchandise	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15																																																																																																																																																																																																																																																																																																																																																																								
16	Interest income	24,830.00	71,294.00	230,903.00	28,534.00	0.00	(267,091.00)	88,470.00	0.00	58,577.00	0.00	147,047.00	147,047.00	16																																																																																																																																																																																																																																																																																																																																																																								
17	Other nonoperating income	578.00	23,635.00	(216,791.00)	41,604.00	0.00	0.00	(150,974.00)	0.00	0.00	0.00	(150,974.00)	(150,974.00)	17																																																																																																																																																																																																																																																																																																																																																																								
18	Equity in earnings - Woodward	0.00	0.00	0.00	2,982,934.00	0.00	0.00	2,982,934.00	0.00	0.00	0.00	2,982,934.00	2,982,934.00	18																																																																																																																																																																																																																																																																																																																																																																								
19	Total other income (loss)	25,408.00	94,929.00	14,112.00	3,053,072.00	(267,091.00)	(267,091.00)	2,920,430.00	0.00	58,577.00	0.00	2,979,007.00	2,979,007.00	19																																																																																																																																																																																																																																																																																																																																																																								
20	Income (loss) before int chgs	285,640.79	1,670,535.61	808,656.15	1,895,099.30	(267,091.00)	(267,091.00)	4,392,840.85	0.00	1,015,141.89	(160.00)	5,407,822.74	5,407,822.74	20																																																																																																																																																																																																																																																																																																																																																																								
21	Interest charges	94,881.00	466,128.00	429,275.00	212,273.00	(267,091.00)	(267,091.00)	935,466.00	0.00	506,540.00	0.00	1,442,006.00	1,442,006.00	21																																																																																																																																																																																																																																																																																																																																																																								
22	Net income (loss)	\$190,759.79	\$1,204,407.61	\$379,381.15	\$1,682,826.30	\$0.00	\$0.00	\$3,457,374.85	(\$160.00)	\$508,601.89	(\$160.00)	\$3,965,816.74	\$3,965,816.74	22																																																																																																																																																																																																																																																																																																																																																																								

ATMOS ENERGY CORPORATION  
Allocation of Division 02 - Corporate Cost  
For The Month Ended 9/30/98

ALLOCATED DOLLARS

DEPARTMENT	Total O&M	Energys	GGC	Trans La	UCG	WKG	Egasco	Entermat	TIIG	UCG Energy	UCG Storage	WKGR
ACCOUNTING:	(486,677.78)	(101,738.04)	(92,121.96)	(47,978.30)	(198,723.21)	(102,919.60)	(26.50)	(120.63)	(26.56)	57,000.00	-	(9.90)
BUSINESS DEVELOPMENT:	35,857.10	8,906.91	4,331.54	3,029.92	13,629.28	5,959.45	-	-	-	-	-	-
CALL CENTER:	773.31	305.93	150.25	105.48	-	203.93	0.85	3.71	0.85	-	-	0.31
EXECUTIVE:	293,731.05	72,986.65	35,731.71	24,864.07	110,336.54	48,499.97	195.84	876.33	186.06	-	-	51.86
GAS CONTROL:	63,808.58	11,485.53	6,380.86	3,190.43	28,713.86	12,761.72	-	638.09	638.09	-	-	-
GAS SUPPLY:	117,916.53	23,173.22	19,308.89	7,137.70	30,138.90	26,852.40	-	8,301.70	3,006.72	-	-	-
HUMAN RESOURCES:	696,793.03	178,296.66	85,641.81	60,233.05	253,266.01	117,286.33	308.17	1,364.36	308.17	-	-	88.47
INFORMATION TECHNOLOGY:	136,494.38	56,188.42	21,014.61	15,098.51	11,292.72	32,880.12	-	-	-	-	-	-
INTERNAL AUDIT:	46,082.31	11,391.53	5,543.70	3,875.52	17,437.55	7,611.41	32.26	142.86	32.26	-	-	9.22
INVESTOR RELATIONS:	108,462.81	26,958.28	13,121.00	9,173.26	40,669.43	18,028.43	76.31	337.91	76.31	-	-	21.88
LEGAL:	191,200.13	45,714.15	23,618.32	15,453.64	69,889.74	32,098.09	319.71	2,516.73	1,555.45	-	-	34.30
NEW BUSINESS VENTURES:	25,366.87	6,275.63	3,054.04	2,135.04	9,606.39	4,196.45	17.77	78.70	17.77	-	-	5.08
PLANNING & BUDGETING:	66,430.23	16,421.38	7,991.55	5,386.78	25,137.20	10,980.91	46.50	205.93	46.50	-	-	13.28
PRICE POLICY & ADMINISTRATION:	127,537.36	41,991.50	37,238.60	16,008.21	5,564.85	26,204.84	49.65	381.76	61.05	-	-	36.90
REGULATORY AFFAIRS:	34,582.52	5,187.38	8,645.63	3,458.25	13,833.01	3,458.25	-	-	-	-	-	-
REMITTANCE PROCESSING:	37,795.43	11,247.93	4,210.41	3,019.85	12,468.71	6,180.18	30.24	234.33	3.78	-	-	-
TECHNICAL SERVICES:	20,167.13	4,585.99	2,787.10	1,817.06	7,780.48	3,135.99	14.12	32.27	12.10	-	-	2.02
TREASURY:	106,822.14	30,012.28	14,641.64	9,592.36	28,867.09	21,036.52	298.47	2,078.16	287.27	-	-	8.35
TOTAL OPERATIONS:	1,623,166.33	449,371.53	201,209.90	135,800.83	479,909.55	274,863.39	1,363.33	17,073.21	6,205.82	57,000.00	-	269.77
Operations w/o A&G Cap.	2,304,166.33	641,024.81	337,173.54	214,382.72	789,938.14	437,837.61	1,643.09	18,311.14	6,485.58	57,000.00	-	349.70
MAINTENANCE	3,100.84	766.53	373.03	260.78	1,173.36	512.57	2.17	9.61	2.17	-	-	0.62
DEPRECIATION	270,919.31	66,971.27	32,591.59	22,784.31	102,515.87	44,782.96	189.64	839.85	189.64	-	-	54.18
TAXES - OTHER	69,776.88	17,248.84	8,394.16	5,868.24	26,403.57	11,534.12	48.84	216.31	48.84	-	-	13.96
TOTAL	1,966,903.36	534,338.17	242,668.68	164,714.16	610,002.33	331,693.04	1,603.98	18,137.98	6,446.47	57,000.00	-	338.53



ATMOS ENERGY CORPORATION  
Shared Services Billing  
For The Year-To-Date 4/30/98

ALLOCATED DOLLARS

DEPARTMENT	Total	Enemas	OGC	Trans La	UCO	WKG	Frasco	Enertest	TLIO	UCO Energy	UCO Storage	WKCR
ACCOUNTING:	(3,875,269.99)	(756,002.48)	(704,831.79)	(493,023.29)	(1,377,177.96)	(849,633.42)	(134.46)	(697.25)	(97.45)	217,000.00	-	126.01
BUSINESS DEVELOPMENT:	320,426.03	79,933.85	31,707.46	27,075.99	121,793.93	53,254.80	-	-	-	-	-	-
CALL CENTER:	263,906.51	10,637.91	5,224.83	3,667.86	-	7,169.94	29.57	129.08	29.57	-	-	10.75
EXECUTIVE:	1,911,923.90	475,229.92	232,526.02	161,846.35	718,024.50	315,774.95	1,283.39	5,726.08	1,199.25	-	-	333.44
GAS CONTROL:	293,010.81	52,741.94	29,301.00	14,656.54	131,854.86	58,602.17	-	2,930.11	2,930.11	-	-	-
GAS SUPPLY:	978,220.00	172,638.47	139,643.24	52,296.37	224,217.60	195,212.73	-	70,320.46	23,869.13	-	-	-
HUMAN RESOURCES:	3,648,583.74	1,054,791.07	504,290.79	355,435.16	1,034,221.00	690,124.88	1,460.60	6,424.60	1,418.50	-	-	419.14
INFORMATION TECHNOLOGY:	1,686,909.97	676,113.97	253,118.09	181,678.97	180,340.05	395,658.89	-	-	-	-	-	-
INTERNAL AUDIT:	285,555.52	70,618.50	34,345.91	24,017.64	108,042.33	47,215.44	201.55	888.78	197.77	-	-	51.60
INVESTOR RELATIONS:	1,128,501.17	298,562.60	145,512.55	101,806.67	377,083.10	199,873.07	844.17	3,725.63	840.86	-	-	252.59
LEGAL:	2,311,673.12	568,443.79	279,859.96	191,941.43	863,393.63	384,344.44	2,292.57	14,252.98	6,706.40	-	-	437.92
NEW BUSINESS VENTURES:	134,562.96	33,274.99	16,182.84	11,316.71	50,906.86	22,247.38	95.02	418.89	93.11	-	-	27.16
PLANNING & BUDGETING:	388,578.89	102,733.28	50,048.57	35,022.50	130,055.42	64,767.49	292.01	1,285.19	287.18	-	-	87.25
PRICE POLICY & ADMINISTRATION:	530,703.72	169,579.79	149,989.92	64,565.17	31,611.81	105,807.41	202.95	1,530.26	246.37	-	-	149.84
REGULATORY AFFAIRS:	181,522.06	27,228.31	45,380.53	18,152.20	72,608.82	18,152.20	-	-	-	-	-	-
REMITTANCE PROCESSING:	188,842.03	64,442.33	24,122.48	17,306.86	43,724.80	37,702.68	173.61	1,345.36	24.51	-	-	-
TECHNICAL SERVICES:	248,962.94	56,604.37	34,406.31	22,440.19	96,055.41	38,700.50	171.95	399.33	151.60	-	-	25.28
TREASURY:	716,109.61	235,911.93	118,754.78	78,978.84	95,760.00	168,567.32	2,025.08	14,108.15	1,945.89	-	-	57.62
TOTAL OPERATIONS:	11,005,741.59	3,422,364.54	1,396,585.58	929,176.25	2,909,516.16	1,937,301.87	8,940.01	122,807.67	39,843.00	217,000.00	-	2,006.51
Operations w/o A&G Cap.	17,172,741.59	4,930,438.78	2,494,649.00	1,638,204.00	4,336,921.09	3,346,130.36	11,303.17	133,236.20	42,169.29	217,000.00	-	2,681.70
MAINTENANCE	29,983.09	7,412.45	3,606.67	2,521.57	11,344.94	4,956.45	21.03	93.05	20.92	-	-	6.01
DEPRECIATION	1,897,033.17	469,288.58	228,056.33	159,539.09	717,474.25	313,707.46	1,353.51	5,935.01	1,294.34	-	-	386.70
TAXES - OTHER	579,383.07	143,251.26	69,681.01	48,726.00	219,208.97	95,782.39	407.64	1,800.49	402.93	-	-	116.48
TOTAL	13,112,142.92	4,042,316.83	1,697,935.49	1,139,962.91	3,857,544.32	2,371,948.17	10,722.19	130,616.22	41,561.09	217,000.00	-	2,515.70

ATMOS ENERGY CORPORATION  
Allocation of Division 02 - Corporate Cost  
For The Month Ended 4/30/98

ALLOCATED DOLLARS

DEPARTMENT	Total O&M	Energys	GGC	Trans La	UCG	WKO	Egasco	Enermart	TLIG	UCG Energy	UCG Storage	WKGR
0112900 VP & Controller	60,290.44	14,903.80	7,237.94	5,070.43	22,813.90	9,966.01	42.20	186.90	42.20	-	-	12.06
0113000 Assistant Controller General Acctg	10,917.62	2,698.85	1,313.39	918.17	4,131.23	1,804.68	7.64	33.84	7.64	-	-	2.18
0113100 General Accounting	43,765.69	10,818.88	5,265.01	3,680.69	16,560.94	7,234.47	30.64	135.67	30.64	-	-	8.75
0113200 Payroll Accounting	54,516.16	13,476.41	6,558.29	4,584.81	20,628.91	9,011.52	38.16	169.00	38.16	-	-	10.90
0113300 Accounts Payable	20,263.46	5,009.14	2,437.69	1,704.16	7,667.69	3,349.55	14.18	62.82	14.18	-	-	4.05
0113400 Accounting Systems	936.75	236.51	115.10	80.46	362.03	158.15	0.67	2.97	0.67	-	-	0.19
0113500 Assistant Controller, Utility Acctg	8,679.19	2,145.87	1,044.11	729.92	3,284.21	1,434.67	6.08	26.91	6.08	-	-	1.74
0113600 Plant Accounting	38,385.13	9,488.81	4,617.73	3,228.19	14,524.93	6,345.06	26.87	118.99	26.87	-	-	7.68
0113700 Gas Accounting	78,088.17	19,303.40	9,394.01	6,567.22	29,548.56	12,907.97	54.66	242.07	54.66	-	-	15.62
0113800 Customer Billing	7,839.74	1,942.92	945.53	661.00	2,974.13	1,299.22	5.50	24.37	5.50	-	-	1.57
0113900 Financial Reporting	27,427.73	6,780.13	3,299.56	2,306.67	10,378.65	4,533.80	19.20	85.03	19.20	-	-	5.49
0114600 Dallas Taxation	43,002.69	17,011.87	8,355.42	5,865.57	-	11,451.62	47.30	206.41	47.30	-	-	17.20
0118300 Dallas Stores	169.45	169.45	-	-	-	-	-	-	-	-	-	-
0119200 Controller Miscellaneous	(57,000.00)	(14,090.40)	(6,857.10)	(4,793.70)	(21,568.80)	(9,472.10)	(39.90)	(176.70)	(39.90)	57,000.00	-	(11.40)
Management Fee - UCGE	57,000.00	-	-	-	-	-	-	-	-	-	-	-
0119700 I/C Billing & Other	-	-	-	-	-	-	-	-	-	-	-	-
0119800 Overhead Capitalized-Division 02	(399,633.79)	(98,794.42)	(48,078.35)	(33,610.88)	(151,228.99)	(66,062.77)	(279.76)	(1,238.93)	(279.76)	-	-	(79.93)
0119800 Overhead Capitalized-Op Company	(481,346.21)	(92,838.46)	(47,783.29)	(44,971.01)	(158,799.60)	(66,931.45)	-	-	-	-	-	-
ACCOUNTING:	(486,677.78)	(101,758.04)	(92,121.96)	(47,978.30)	(198,722.21)	(102,919.60)	(26.56)	(120.65)	(26.56)	57,000.00	-	(3.90)
0056000 Business Development	35,837.10	8,906.91	4,331.54	3,029.92	13,629.28	5,959.45	-	-	-	-	-	-
BUSINESS DEVELOPMENT:	35,837.10	8,906.91	4,331.54	3,029.92	13,629.28	5,959.45	-	-	-	-	-	-
0120100 Amarillo Call Center	773.31	305.93	150.25	105.48	-	205.93	0.85	3.71	0.85	-	-	0.31
CALL CENTER:	773.31	305.93	150.25	105.48	-	205.93	0.85	3.71	0.85	-	-	0.31
0050500 Chairman, President & CEO	153,058.26	37,836.00	18,412.91	12,872.20	57,917.25	25,300.53	107.14	474.48	107.14	-	-	30.61
0052100 Dallas Operations	48,872.62	12,457.64	6,275.24	4,271.47	17,682.11	8,024.88	24.44	117.29	24.44	-	-	4.89
0052500 Utility Services	5,876.43	1,452.66	706.93	494.21	2,223.64	971.37	4.11	18.22	4.11	-	-	1.18
0054700 Chief Financial Officer	85,923.74	21,240.35	10,336.63	7,226.19	32,513.54	14,203.19	60.15	266.36	60.15	-	-	17.18
EXECUTIVE:	293,731.05	72,986.65	35,731.71	24,864.07	110,336.54	48,499.97	193.84	876.35	186.06	-	-	53.86
0051700 Corporate Gas Control	63,808.58	11,485.53	6,380.86	3,190.43	28,713.86	12,761.72	-	638.09	638.09	-	-	-
GAS CONTROL:	63,808.58	11,485.53	6,380.86	3,190.43	28,713.86	12,761.72	-	638.09	638.09	-	-	-
0051500 Interstate Gas Supply	57,785.20	10,401.34	11,557.04	2,889.26	15,602.00	17,335.56	-	-	-	-	-	-
0051600 Intrastate Gas Supply	35,299.83	7,059.97	3,529.98	1,764.99	8,824.96	5,294.97	-	7,059.97	1,764.99	-	-	-
0051900 Gas Supply	24,834.50	5,711.91	4,221.87	2,483.45	5,211.94	4,221.87	-	1,241.73	4,221.73	-	-	-
GAS SUPPLY:	117,919.53	23,173.22	19,308.89	7,137.70	30,138.90	26,852.40	-	8,301.70	3,006.72	-	-	-

ATMOS ENERGY CORPORATION  
Allocation of Division 02 - Corporate Cost  
For The Month Ended 4/30/98

ALLOCATED DOLLARS

DEPARTMENT	Total O&M	Engages	GGC	Trans La	UCC	WKG	Egasco	Enemart	TLIG	UCG Energy	UCG Storage	WKGR
0056100 Professional Development	3,581.60	958.80	450.02	320.20	1,237.44	614.24	-	-	-	-	-	-
0117100 Corporate Services	3,007.94	1,189.95	584.44	410.28	-	801.01	3.31	14.44	3.31	-	-	1.20
0117200 Compensation & Employment	40,817.06	10,926.72	5,138.87	3,649.05	14,102.29	7,000.13	-	-	-	-	-	-
0117300 Human Resources - VP	20,432.17	5,469.69	2,572.41	1,826.64	7,059.31	3,504.12	-	-	-	-	-	-
0117400 Employee & Labor Relations	9,296.87	2,488.77	1,170.48	831.14	3,212.07	1,594.41	-	-	-	-	-	-
0117500 Employee Benefits	136,152.89	36,448.13	17,141.65	12,172.07	47,040.82	23,350.22	-	-	-	-	-	-
0117800 Employee Communications	9,570.69	2,562.08	1,204.95	855.62	3,306.67	1,641.37	-	-	-	-	-	-
0117900 Facilities	13,511.77	3,617.10	1,701.13	1,207.95	4,668.32	2,317.27	-	-	-	-	-	-
0118100 Employee Development	26,018.98	6,965.27	3,275.79	2,376.10	8,989.56	4,462.26	-	-	-	-	-	-
0119000 Employee Relocation Expense	529.33	130.84	63.68	44.52	200.30	87.50	0.37	1.64	0.37	-	-	0.11
0119210 Performance Plan	116,667.00	28,840.08	14,035.04	9,811.69	44,146.79	19,285.06	81.67	361.67	81.67	-	-	23.33
0119300 Outside Directors Retirement Cost	23,000.00	5,685.60	2,766.90	1,934.30	8,703.20	3,801.90	16.10	71.30	16.10	-	-	4.60
0119400 Treasury - Worker's Corp	(0.15)	(0.06)	(0.03)	(0.02)	-	(0.04)	-	-	-	-	-	-
0119500 Human Resources - Benefits	1,925.59	761.77	374.14	262.65	111.59	512.78	2.12	9.24	2.12	-	-	0.77
0119600 Retirement Costs	292,281.29	72,251.92	35,161.44	24,580.86	110,599.24	48,314.10	204.60	906.07	204.60	-	-	58.46
HUMAN RESOURCES:	696,793.03	178,296.66	85,641.81	60,233.05	253,266.01	117,286.33	308.17	1,364.36	308.17	-	-	88.47
0115000 Information Services	(94,074.68)	(28,184.77)	(10,555.18)	(7,573.01)	(31,261.02)	(16,500.70)	-	-	-	-	-	-
0115100 Production Services	82,112.18	36,851.94	13,794.85	9,902.73	-	21,562.66	-	-	-	-	-	-
0115200 Mass Mail	42,417.78	12,708.37	4,259.27	3,414.63	14,095.43	7,440.08	-	-	-	-	-	-
0115300 Information Systems	20,398.88	9,155.02	3,427.01	2,460.10	-	5,356.75	-	-	-	-	-	-
0115400 Information Support	3,325.91	996.44	373.17	267.74	1,105.20	583.36	-	-	-	-	-	-
0115500 Office Equipment	82,314.51	24,661.42	9,233.69	6,626.32	27,353.11	14,437.97	-	-	-	-	-	-
0115600 Telecommunication Services	136,494.58	56,188.42	21,034.81	15,098.51	11,292.72	32,880.12	-	-	-	-	-	-
INFORMATION TECHNOLOGY:	46,082.31	11,391.53	5,543.70	3,875.52	17,437.55	7,617.41	32.26	142.86	32.26	-	-	9.22
INTERNAL AUDIT:	46,082.31	11,391.53	5,543.70	3,875.52	17,437.55	7,617.41	32.26	142.86	32.26	-	-	9.22
0054900 Investor Relations	76,117.15	18,816.18	9,156.89	6,401.45	28,802.73	12,582.16	53.28	235.96	53.28	-	-	15.22
0117700 Corporate Communications	31,560.19	7,752.24	3,772.63	2,637.39	11,866.70	5,183.84	21.95	97.22	21.95	-	-	6.27
0052400 Public Affairs	985.47	389.86	191.48	134.42	-	262.43	1.08	4.73	1.08	-	-	0.39
INVESTOR RELATIONS:	108,462.81	26,958.28	13,121.00	9,173.26	40,669.43	18,028.43	76.31	337.91	76.31	-	-	21.88
0052000 Legal	102,641.96	25,373.08	12,347.83	8,632.19	38,839.72	16,966.72	71.85	318.19	71.85	-	-	20.53
0052099 Contract Administration	9,194.66	191.24	1,816.86	191.25	1,529.99	1,919.85	191.25	1,919.85	1,434.37	-	-	-
0052200 Governmental Affairs	9,727.28	2,404.59	1,170.19	818.06	3,680.80	1,607.92	6.81	30.15	6.81	-	-	1.95
0057900 Corporate Secretary	59,097.79	14,608.99	7,109.46	4,970.12	22,362.60	9,768.86	41.37	183.20	41.37	-	-	11.82
0118200 Central Records	10,538.44	3,156.25	1,173.98	842.02	3,476.63	1,834.74	8.43	65.34	8.43	-	-	-
LEGAL:	191,200.13	45,714.15	23,618.32	15,453.64	69,889.74	32,098.09	319.71	2,516.73	1,555.45	-	-	34.30
0054600 New Business Ventures	25,386.87	6,275.63	3,054.04	2,135.04	9,606.39	4,196.45	17.77	78.70	17.77	-	-	5.08
NEW BUSINESS VENTURES:	25,386.87	6,275.63	3,054.04	2,135.04	9,606.39	4,196.45	17.77	78.70	17.77	-	-	5.08
0054400 Financial & Strategic Planning	66,561.13	16,453.93	8,007.30	5,597.79	25,186.73	11,002.55	46.59	206.34	46.59	-	-	13.31
0054500 Business Strategies & Competitive Intelligence	(5,096.19)	(1,259.77)	(613.07)	(428.59)	(1,928.40)	(842.40)	(3.57)	(15.80)	(3.57)	-	-	(1.02)
0114300 Budget & Planning	4,965.29	1,227.42	597.32	417.58	1,878.87	820.76	3.48	15.39	3.48	-	-	0.99
PLANNING & BUDGETING:	66,430.23	16,421.58	7,991.55	5,586.78	25,137.20	10,980.91	46.50	205.93	46.50	-	-	13.28

ATMOS ENERGY CORPORATION  
Allocation of Division 02 - Corporate Cost  
For The Month Ended 4/30/98

ALLOCATED DOLLARS

DEPARTMENT	Total O&M	Energas	GGC	Trans La	UCCG	WKG	Egasco	Emermat	TLIG	UCG Energy	UCG Storage	WKGR
0054000 Price Policy & Administration - V.P.	13,605.98	2,821.89	2,375.60	1,049.02	5,564.85	1,755.17	4.08	28.57	4.08	-	-	2.72
0054000 Price Policy & Administration	113,931.38	39,169.61	34,863.00	14,959.19	-	24,449.67	45.57	553.19	56.97	-	-	34.18
PRICE POLICY & ADMINISTRATION:	127,537.36	41,991.50	37,238.60	16,008.21	5,564.85	26,204.84	49.65	381.76	61.05	-	-	36.90
0054100 Regulatory Affairs	34,582.52	5,187.38	8,645.63	3,458.25	13,833.01	3,458.25	-	-	-	-	-	-
REGULATORY AFFAIRS:	34,582.52	5,187.38	8,645.63	3,458.25	13,833.01	3,458.25	-	-	-	-	-	-
0118000 Remittance Processing	37,795.43	11,247.93	4,210.41	3,019.85	12,468.71	6,580.18	30.24	234.33	3.78	-	-	-
REMITTANCE PROCESSING:	37,795.43	11,247.93	4,210.41	3,019.85	12,468.71	6,580.18	30.24	234.33	3.78	-	-	-
0056200 Technical Services	20,167.13	4,585.99	2,787.10	1,817.06	7,780.48	3,135.99	14.12	32.27	12.10	-	-	2.02
TECHNICAL SERVICES:	20,167.13	4,585.99	2,787.10	1,817.06	7,780.48	3,135.99	14.12	32.27	12.10	-	-	2.02
0114500 Dallas Treasury	27,991.22	10,955.77	4,610.15	2,505.21	-	7,445.66	268.72	1,948.19	257.52	-	-	-
0114700 Dallas Risk Management	21,509.35	5,317.10	2,587.57	1,808.94	8,139.14	3,555.50	15.06	66.68	15.06	-	-	4.30
0114800 Dallas Treasurer	15,095.78	3,731.67	1,816.02	1,269.56	5,712.24	2,495.33	10.57	46.80	10.57	-	-	3.02
0117600 Purchasing	13,539.09	2,757.91	1,949.63	1,398.59	4,874.07	2,558.89	-	-	-	-	-	-
0118500 Mail & Supply	18,443.89	4,937.43	2,322.09	1,648.88	6,372.36	3,163.13	-	-	-	-	-	-
0118909 Fleet Administration	33.50	13.25	6.51	4.57	-	8.92	0.04	0.16	0.04	-	-	0.01
0118600 Purchasing & Stores	10,209.31	2,299.15	1,349.67	956.61	3,769.28	1,809.09	4.08	16.33	4.08	-	-	1.02
TREASURY:	106,822.14	30,012.28	14,641.64	9,592.36	28,867.09	21,036.52	298.47	2,078.16	287.27	-	-	8.35
TOTAL OPERATIONS:	1,623,166.33	449,371.53	201,309.90	135,800.83	479,909.55	274,863.39	1,363.33	17,072.21	6,205.82	57,000.00	-	269.77
Operations w/o A&G Cap.	2,504,166.33	641,024.81	337,173.54	214,382.72	789,938.14	437,857.61	1,643.09	18,311.14	6,485.58	57,000.00	-	349.70
MAINTENANCE	3,100.84	766.53	373.03	260.78	1,173.36	512.57	2.17	9.61	2.17	-	-	0.62
DEPRECIATION	270,919.31	66,971.27	32,591.59	22,784.31	102,515.87	44,782.96	189.64	839.85	189.64	-	-	54.18
TAXES - OTHER	69,776.88	17,248.84	8,394.16	5,868.24	26,403.57	11,534.12	48.84	216.31	48.84	-	-	13.96
TOTAL	1,966,963.36	534,358.17	242,668.68	164,714.16	610,002.35	331,693.04	1,603.98	18,137.98	6,446.47	57,000.00	-	338.53

ATMOS ENERGY CORPORATION  
Shared Services Billing  
For The Year-To-Date 4/30/98

ALLOCATED DOLLARS

DEPARTMENT	Total	Energas	GCC	Trans La	UCG	WKG	Enasco	Enemart	TLIG	UCG Energy	UCG Storage	WKGR
0112900 VP & Controller	473,073.83	178,200.92	87,456.75	61,374.08	22,813.90	119,890.23	496.26	2,168.25	496.26	-	-	177.18
0113000 Assistant Controller General Acctg	81,705.00	30,702.34	15,067.38	10,573.57	4,131.23	20,655.36	85.51	373.61	85.51	-	-	30.49
0113100 General Accounting	251,208.48	92,883.22	45,571.15	31,975.89	16,560.94	62,476.50	258.83	1,131.39	258.83	-	-	91.73
0113200 Payroll Accounting	263,967.52	96,335.37	47,535.69	33,153.98	20,628.91	64,788.41	268.55	1,174.37	268.55	-	-	94.69
0113300 Accounts Payable	150,989.33	56,724.27	27,837.73	19,535.18	7,667.69	38,161.86	137.98	690.30	137.98	-	-	56.34
0113400 Accounting Systems	21,369.58	8,311.87	4,081.30	2,864.76	362.03	5,594.08	23.12	100.95	23.12	-	-	8.35
0113500 Assistant Controller, Utility Acctg	28,894.18	10,142.46	4,971.89	3,487.25	3,284.21	6,817.92	28.33	123.95	28.33	-	-	9.84
0113600 Plant Accounting	209,125.65	77,033.72	37,792.63	26,517.21	14,524.93	51,813.27	214.69	938.54	214.69	-	-	75.97
0113700 Gas Accounting	376,911.28	137,517.83	67,453.34	47,326.69	29,548.56	92,484.57	383.36	1,676.42	383.36	-	-	135.15
0113800 Customer Billing	48,105.34	17,864.05	8,765.25	6,150.51	2,974.13	12,016.62	49.78	217.55	49.78	-	-	17.67
0113900 Financial Reporting	151,228.75	55,755.79	27,354.10	19,193.13	10,378.65	37,502.01	155.39	679.28	155.39	-	-	55.01
0114600 Dallas Taxation	236,225.69	93,450.86	45,898.65	32,221.19	-	62,906.92	259.85	1,133.89	259.85	-	-	94.48
0118300 Dallas Stores	129.45	129.45	-	-	-	-	-	-	-	-	-	-
0119200 Controller Miscellaneous	(218,204.07)	(53,780.39)	(26,275.22)	(18,368.89)	(82,648.21)	(36,104.68)	(152.95)	(677.22)	(152.81)	-	-	(43.70)
Management Fee - UCGB	217,000.00	-	-	-	-	-	-	-	-	217,000.00	-	-
0119700 J/C Billing & Other	-	-	-	-	-	-	-	-	-	-	-	-
0119800 Overhead Capitalized-Division 02	(3,353,150.22)	(829,111.46)	(403,286.11)	(281,998.95)	(1,268,605.33)	(534,355.20)	(2,363.16)	(10,428.53)	(2,326.29)	-	-	(675.19)
0119800 Overhead Capitalized-Op Company	(2,813,849.78)	(698,962.78)	(694,777.31)	(427,028.80)	(158,799.60)	(834,281.29)	-	-	-	-	-	-
ACCOUNTING:	(3,873,269.99)	(726,802.48)	(704,831.78)	(433,023.20)	(1,377,177.96)	(849,633.42)	(134.46)	(697.25)	(97.45)	217,000.00	-	128.01
0056000 Business Development	320,426.03	79,593.85	38,707.46	27,075.99	121,793.93	53,254.80	-	-	-	-	-	-
BUSINESS DEVELOPMENT:	320,426.03	79,593.85	38,707.46	27,075.99	121,793.93	53,254.80	-	-	-	-	-	-
0120100 Amarillo Call Center	26,890.51	10,637.91	5,224.83	3,667.86	-	7,160.94	29.57	129.08	29.57	-	-	10.75
CALL CENTER:	26,890.51	10,637.91	5,224.83	3,667.86	-	7,160.94	29.57	129.08	29.57	-	-	10.75
0050500 Chairman, President & CEO	936,988.82	231,696.60	112,686.17	78,800.43	354,478.80	154,911.52	661.37	2,916.25	648.72	-	-	188.96
0052100 Dallas Operations	319,434.79	81,441.43	41,006.73	27,918.41	115,558.77	52,449.57	161.28	769.57	96.76	-	-	32.27
0052500 Utility Services	120,126.74	29,707.90	14,445.46	10,102.60	45,442.57	19,861.65	85.03	374.39	82.85	-	-	24.29
0054700 Chief Financial Officer	533,375.55	132,383.99	64,387.66	45,024.91	202,544.36	88,512.21	377.71	1,665.87	370.92	-	-	107.92
EXECUTIVE:	1,911,925.90	475,229.92	232,526.02	161,846.35	718,024.50	315,734.95	1,283.39	5,726.08	1,199.25	-	-	353.44
0051700 Corporate Gas Control	293,010.81	52,741.94	29,301.08	14,650.54	131,854.86	58,602.17	-	2,930.11	2,930.11	-	-	-
GAS CONTROL:	293,010.81	52,741.94	29,301.08	14,650.54	131,854.86	58,602.17	-	2,930.11	2,930.11	-	-	-
0051500 Interstate Gas Supply	400,837.27	72,150.72	80,167.45	20,041.86	108,226.05	120,251.19	-	-	-	-	-	-
0051600 Intrastate Gas Supply	309,675.38	61,935.09	30,967.54	15,483.76	77,418.85	46,451.29	-	61,935.09	15,483.76	-	-	-
0051900 Gas Supply	167,707.35	38,572.66	28,510.25	16,770.75	38,572.66	28,510.25	-	8,385.37	8,385.37	-	-	-
GAS SUPPLY:	878,220.00	172,658.47	139,645.24	52,296.37	224,217.60	195,212.73	-	70,320.46	23,869.13	-	-	-

ATMOS ENERGY CORPORATION  
Shared Services Billing  
For The Year-To-Date 4/30/98

ALLOCATED DOLLARS

DEPARTMENT	Total	Energas	GGC	Trans La	UCG	WKG	Egasso	Enemart	TLIO	UCG Energy	UCG Storage	WKGR
0056100 Professional Development	28,481.84	9,187.25	4,321.83	3,068.65	6,016.79	5,887.32	-	-	-	-	-	-
0117100 Corporate Services	19,114.03	7,561.50	3,713.85	2,607.14	-	5,090.07	21.04	91.75	21.04	-	-	7.64
0117200 Compensation & Employment	309,202.14	120,669.38	56,776.16	40,310.45	14,102.29	77,343.86	-	-	-	-	-	-
0117300 Human Resources - VP	141,024.79	37,752.35	17,755.01	12,607.61	48,724.06	24,185.76	-	-	-	-	-	-
0117400 Employee & Labor Relations	66,801.57	17,882.33	8,410.43	5,972.05	23,080.31	11,456.45	-	-	-	-	-	-
0117500 Employee Benefits	682,652.30	259,911.74	122,288.13	86,823.90	47,040.82	166,587.71	-	-	-	-	-	-
0117800 Employee Communications	111,749.47	29,914.77	14,069.39	9,990.41	38,609.89	19,165.01	-	-	-	-	-	-
0117900 Facilities	83,595.56	22,378.06	10,524.79	7,473.44	28,882.65	14,336.62	-	-	-	-	-	-
0118100 Employee Development	176,853.42	47,343.63	22,265.85	15,810.70	61,102.87	30,330.37	-	-	-	-	-	-
0119000 Employee Relocation Expense	(20,210.86)	(4,996.14)	(2,431.37)	(1,699.74)	(7,647.99)	(3,340.85)	(14.15)	(62.64)	(14.15)	-	-	(4.03)
0119210 Performance Plan	816,667.00	201,947.39	98,214.07	68,681.37	308,955.04	135,020.22	576.73	2,542.36	565.06	-	-	164.76
0119300 Outside Directors Retirement Cost	161,000.00	39,812.48	19,362.19	13,340.04	60,908.26	26,618.26	113.69	501.21	111.39	-	-	32.48
0119400 Treasury - Worker's Comp	(0.10)	(0.04)	(0.01)	(0.02)	-	(0.03)	-	-	-	-	-	-
0119500 Human Resources - Benefits	2,366.10	936.02	459.73	322.73	-	630.09	2.61	11.36	2.61	-	-	0.95
0119600 Retirement Costs	1,069,288.48	264,490.35	128,560.74	89,926.43	404,445.81	176,814.07	760.68	3,340.56	732.55	-	-	217.34
HUMAN RESOURCES:	3,648,585.74	1,054,791.07	504,290.79	355,435.16	1,034,221.00	690,124.88	1,460.60	6,424.60	1,418.50	-	-	419.14
0115000 Information Services	110,119.29	32,991.73	12,355.39	8,864.60	36,592.64	19,314.93	-	-	-	-	-	-
0115100 Production Services	598,127.14	268,439.45	100,485.37	72,134.13	-	157,068.19	-	-	-	-	-	-
0115200 Mass Mail	54.74	24.57	9.20	6.60	-	14.37	-	-	-	-	-	-
0115300 Information Systems	430,880.82	187,050.60	70,021.06	50,263.27	14,095.43	109,450.46	-	-	-	-	-	-
0115400 Information Support	157,562.51	70,714.04	26,470.50	19,002.04	-	41,375.93	-	-	-	-	-	-
0115500 Office Equipment	25,539.28	7,651.57	2,865.51	2,055.92	8,486.70	4,479.58	-	-	-	-	-	-
0115600 Telecommunications Services	364,626.19	109,242.01	40,911.06	29,352.41	121,165.28	63,955.43	-	-	-	-	-	-
INFORMATION TECHNOLOGY:	1,686,909.97	676,113.97	253,118.09	181,678.97	180,340.05	395,638.89	-	-	-	-	-	-
0116400 Internal Audit	285,585.52	70,618.50	34,345.91	24,017.64	108,042.33	47,215.44	201.55	888.78	197.77	-	-	57.60
INTERNAL AUDIT:	285,585.52	70,618.50	34,345.91	24,017.64	108,042.33	47,215.44	201.55	888.78	197.77	-	-	57.60
0054900 Investor Relations	729,227.42	180,264.99	87,726.06	61,328.02	275,939.67	120,541.30	510.47	2,260.60	510.47	-	-	145.84
0117700 Corporate Communications	267,346.14	66,107.04	32,152.95	22,483.72	101,143.43	44,199.45	188.58	831.81	185.27	-	-	53.89
0052400 Public Affairs	131,927.61	52,190.57	25,633.54	17,994.93	-	35,132.32	145.12	633.24	145.12	-	-	52.77
INVESTOR RELATIONS:	1,128,501.17	298,562.60	145,512.55	101,806.67	377,083.10	199,873.07	844.17	3,725.65	840.86	-	-	252.50
0052000 Legal	1,502,954.51	371,530.39	180,805.42	126,398.47	568,717.99	248,438.37	1,052.06	4,659.15	1,052.06	-	-	300.60
0052099 Contract Administration	33,108.39	688.63	6,542.22	688.66	5,509.23	6,913.04	688.66	6,913.04	5,164.91	-	-	-
0052200 Governmental Affairs	55,830.06	13,801.18	6,716.34	4,695.29	21,126.09	9,228.72	39.09	173.07	39.09	-	-	11.19
0057900 Corporate Secretary	630,615.38	155,888.14	75,863.02	53,034.75	238,624.86	104,240.72	441.43	1,954.90	441.43	-	-	126.13
0118200 Central Records	89,164.78	26,535.45	9,932.96	7,124.26	29,415.46	15,523.59	71.33	552.82	8.91	-	-	-
LEGAL:	2,311,673.12	568,443.79	279,859.96	191,941.43	863,393.63	384,344.44	2,292.57	14,232.98	6,706.40	-	-	437.92
0054600 New Business Ventures	134,562.96	33,274.99	16,182.84	11,316.71	50,906.86	22,247.38	95.02	418.89	93.11	-	-	27.16
NEW BUSINESS VENTURES:	134,562.96	33,274.99	16,182.84	11,316.71	50,906.86	22,247.38	95.02	418.89	93.11	-	-	27.16
0054400 Financial & Strategic Planning	310,862.46	76,873.12	37,383.93	26,143.41	117,600.64	51,395.96	219.68	968.11	214.85	-	-	62.76
0054500 Business Strategies & Competitive Intelligence	10.50	2.60	1.27	0.88	3.97	1.73	0.01	0.03	0.01	-	-	-
0114300 Budget & Planning	77,705.93	25,857.56	12,663.37	8,878.21	12,540.81	17,369.80	72.32	317.05	72.32	-	-	24.49
PLANNING & BUDGETING:	388,578.89	102,733.28	50,048.57	35,022.50	130,055.42	68,767.49	292.01	1,285.19	287.18	-	-	87.25

ATMOS ENERGY CORPORATION  
Shared Services Billing  
For The Year-To-Date 4/30/98

ALLOCATED DOLLARS

DEPARTMENT	Total	Energys	GGC	Trans La	UCO	WKG	Erasco	Enemart	TLIO	UCO Energy	UCO Storage	WKOR
0054000 Price Policy & Administration - V.P.	94,433.90	19,590.23	16,491.34	7,282.95	38,611.81	12,183.91	28.44	197.82	28.44	-	-	18.96
0054000 Price Policy & Administration	436,269.82	149,989.56	133,498.58	57,282.22	93,623.50	174.51	1,352.44	1,550.26	218.13	-	-	130.88
PRICE POLICY & ADMINISTRATION:	530,703.72	169,579.79	149,989.92	64,565.17	38,611.81	105,807.41	202.95	1,550.26	246.57	-	-	149.84
0054100 Regulatory Affairs	181,522.06	27,228.31	45,380.53	18,152.20	72,608.82	18,152.20	-	-	-	-	-	-
REGULATORY AFFAIRS:	181,522.06	27,228.31	45,380.53	18,152.20	72,608.82	18,152.20	-	-	-	-	-	-
0118000 Remittance Processing	188,842.63	64,442.33	24,122.48	17,306.86	43,724.80	37,702.68	173.61	1,345.36	24.51	-	-	-
REMITTANCE PROCESSING:	188,842.63	64,442.33	24,122.48	17,306.86	43,724.80	37,702.68	173.61	1,345.36	24.51	-	-	-
0056200 Technical Services	248,962.94	56,604.37	34,406.31	22,440.19	96,055.41	38,708.50	171.95	399.33	151.60	-	-	25.28
TECHNICAL SERVICES:	248,962.94	56,604.37	34,406.31	22,440.19	96,055.41	38,708.50	171.95	399.33	151.60	-	-	25.28
0114500 Dallas Treasury	190,585.71	74,595.25	31,389.46	17,057.42	-	50,695.80	1,829.63	13,264.77	1,753.38	-	-	-
0114700 Dallas Risk Management	85,102.88	21,042.81	10,235.40	7,157.13	32,197.20	14,069.51	59.99	264.66	59.05	-	-	17.13
0114800 Dallas Treasurer	128,328.15	31,734.24	15,432.56	10,792.55	48,547.09	21,216.95	90.70	399.65	88.70	-	-	25.91
0117600 Purchasing	105,329.01	31,992.99	22,593.18	16,204.31	4,874.07	29,664.46	-	-	-	-	-	-
0118500 Mail & Supply	128,820.82	50,070.56	23,538.61	16,726.37	6,372.36	32,092.92	-	-	-	-	-	-
0118909 Fleet Administration	72.25	28.59	14.04	9.85	-	19.24	0.08	0.34	0.08	-	-	0.03
0118600 Purchasing & Stores	77,870.79	26,447.49	15,531.53	11,031.41	3,769.28	20,808.44	44.68	178.73	44.68	-	-	14.55
TREASURY:	716,109.61	235,911.93	118,754.78	78,978.84	95,760.00	168,567.32	2,025.08	14,108.15	1,945.89	-	-	57.62
TOTAL OPERATIONS:	11,005,741.59	3,422,364.54	1,396,585.58	929,176.25	2,909,516.16	1,957,501.87	8,940.01	122,807.67	39,843.00	217,000.00	-	2,006.51
Operations w/o A&G Cap.	17,172,741.59	4,950,438.78	2,494,649.00	1,638,204.00	4,336,921.09	3,346,138.36	11,303.17	133,236.20	42,169.29	217,000.00	-	2,681.70
MAINTENANCE	29,883.09	7,412.45	3,606.67	2,521.57	11,344.94	4,956.45	21.03	93.05	20.92	-	-	6.01
DEPRECIATION	1,897,035.17	469,288.58	228,056.23	159,539.09	717,474.25	313,707.46	1,353.51	5,935.01	1,294.34	-	-	386.70
TAXES - OTHER	579,383.07	143,251.26	69,687.01	48,726.00	219,208.97	95,782.39	407.64	1,800.49	402.83	-	-	116.48
TOTAL	13,512,142.92	4,042,316.83	1,697,935.49	1,139,962.91	3,857,544.32	2,371,948.17	10,722.19	130,636.22	41,561.09	217,000.00	-	2,515.70

ATMOS ENERGY CORPORATION

Analysis of Shared Services - Actual vs. Budget

For The Month Ended 4/30/98

Department Name	FY '98		Actual		Actual		Actual	
	Actual	Budget	Over (Under)	Budget	Over (Under)	Prior Year	Over (Under)	Prior
EXECUTIVE:	300,254	272,559	27,695			240,533		59,721
FINANCE:								
ACCOUNTING	431,422	448,449	(17,027)			306,909		124,513
INFORMATION TECHNOLOGY	454,391	588,985	(134,594)			518,719		(64,328)
INTERNAL AUDIT	46,083	62,382	(16,299)			42,209		3,874
INVESTOR RELATIONS	108,508	185,300	(76,792)			247,318		(138,810)
NEW BUSINESS VENTURES	25,386	22,943	2,443			-		25,386
PLANNING & BUDGETING	67,503	75,175	(7,672)			49,856		17,647
PRICE POLICY & ADMINISTRATION	145,203	90,601	54,602			96,549		48,654
REGULATORY AFFAIRS	37,529	27,646	9,883			-		37,529
TREASURY:	337,628	436,914	(99,286)			321,685		15,943
TOTAL FINANCE:	1,653,653	1,938,395	(284,742)			1,583,245		70,408
OPERATIONS:								
BUSINESS DEVELOPMENT	36,361	60,161	(23,800)			70,479		(34,118)
CALL CENTER	774	-	774			-		774
GAS SUPPLY & GAS CONTROL	190,600	175,800	14,800			121,611		68,989
TECHNICAL SERVICES	20,295	11,370	8,925			101,846		(81,551)
TOTAL OPERATIONS:	248,030	247,331	699			293,936		(45,906)
HUMAN RESOURCES:	899,542	592,756	306,786			906,391		(6,849)
LEGAL:	359,121	335,069	24,052			337,818		21,303
OVERHEAD CAPITALIZED:	(881,000)	(883,917)	2,917			(990,000)		109,000
TOTAL O&M	<u>2,579,600</u>	<u>2,502,193</u>	<u>77,407</u>			<u>2,371,923</u>		<u>207,677</u>
DEPRECIATION	270,919	198,000	72,919			294,815		(23,896)
TAXES - OTHER	69,777	57,000	12,777			64,275		5,501
TOTAL	<u>2,920,296</u>	<u>2,757,193</u>	<u>163,103</u>			<u>2,731,013</u>		<u>189,283</u>



**ATMOS ENERGY CORPORATION**  
 Analysis of Shared Services - Actual vs. Budget  
 For The Year-To-Date Ended 4/30/98

Department Name	FY '98		Actual		Actual		Actual	
	Actual	Budget	Over (Under)	Budget	Over (Under)	Budget	Prior Year	Over (Under) Prior
<b>EXECUTIVE:</b>	1,921,979	1,909,553	12,426				5,964,174	(4,042,195)
<b>FINANCE:</b>								
ACCOUNTING	2,274,722	2,542,185	(267,463)				1,993,199	281,523
INFORMATION TECHNOLOGY	4,189,549	4,187,994	1,555				3,932,639	256,910
INTERNAL AUDIT	285,837	409,299	(123,462)				292,971	(7,134)
INVESTOR RELATIONS	1,128,636	1,305,532	(176,896)				1,419,982	(291,346)
NEW BUSINESS VENTURES	134,563	160,601	(26,038)				-	134,563
PLANNING & BUDGETING	392,517	535,212	(142,695)				314,336	78,181
PRICE POLICY & ADMINISTRATION	634,253	631,135	3,118				682,033	(47,780)
REGULATORY AFFAIRS	193,566	193,543	23				-	193,566
TREASURY:	2,248,299	3,047,521	(799,222)				2,297,900	(49,601)
TOTAL FINANCE:	11,481,942	13,013,022	(1,531,080)				10,933,060	548,882
<b>OPERATIONS:</b>								
BUSINESS DEVELOPMENT	330,394	439,555	(109,161)				393,401	(63,007)
CALL CENTER	35,418	-	35,418				-	35,418
GAS SUPPLY & GAS CONTROL	1,186,440	1,229,800	(43,360)				781,497	404,943
TECHNICAL SERVICES	249,112	169,866	79,246				670,391	(421,279)
TOTAL OPERATIONS:	1,801,364	1,839,221	(37,857)				1,845,289	(43,925)
<b>HUMAN RESOURCES:</b>	4,290,211	4,095,045	195,166				5,107,395	(817,184)
<b>LEGAL:</b>	3,603,433	2,431,920	1,171,513				1,961,822	1,641,611
<b>OVERHEAD CAPITALIZED:</b>	(6,167,000)	(6,187,419)	20,419				(6,130,000)	(37,000)
<b>TOTAL O&amp;M</b>	<u>16,931,929</u>	<u>17,101,342</u>	<u>(169,413)</u>				<u>19,681,740</u>	<u>(2,749,811)</u>
<b>DEPRECIATION</b>	1,897,035	1,386,000	511,035				2,519,490	(622,455)
<b>TAXES - OTHER</b>	579,383	399,000	180,383				571,028	8,355
<b>TOTAL</b>	<u>19,408,347</u>	<u>18,886,342</u>	<u>522,005</u>				<u>22,772,258</u>	<u>(3,363,910)</u>

**ATMOS ENERGY CORPORATION**  
**Analysis of Shared Services - Actual vs. Budget**  
**For The Month Ended 4/30/98**

Department Name	FY '98		Actual		Actual	
	Actual	Budget	Over (Under)	Budget	Prior Year	Over (Under)
<b>EXECUTIVE:</b>						
0050500 Chairman, President & CEO	152,952	122,564	30,388	171,012	(18,060)	
0052100 Dallas Operations	55,503	55,179	324	32,831	22,672	
0052500 Utility Services	5,876	24,840	(18,964)	23,703	(17,827)	
0054700 Chief Financial Officer	85,923	69,976	15,947	12,987	72,936	
	<u>300,254</u>	<u>272,559</u>	<u>27,695</u>	<u>240,533</u>	<u>59,721</u>	
<b>EXECUTIVE:</b>						
<b>FINANCE:</b>						
0112900 VP & Controller	81,090	64,456	16,634	55,382	25,708	
0113000 Assistant Controller General Acctg	10,918	84,564	(73,646)	14,383	(3,465)	
0113100 General Accounting	43,766	-	43,766	37,942	5,824	
0113200 Payroll Accounting	54,517	-	54,517	33,458	21,059	
0113300 Accounts Payable	20,263	-	20,263	13,792	6,471	
0113400 Accounting Systems	957	64,873	(63,916)	8,383	(7,426)	
0113500 Assistant Controller, Utility Acctg	5,845	-	5,845	9,572	(3,727)	
0113600 Plant Accounting	38,385	-	38,385	23,191	15,194	
0113700 Gas Accounting	78,088	77,397	691	49,645	28,443	
0113800 Customer Billing	7,859	-	7,859	11,424	(3,565)	
0113900 Financial Reporting	27,427	86,304	(58,877)	26,503	924	
0114600 Dallas Taxation	32,960	69,138	(36,178)	23,232	9,728	
0118300 Dallas Stores	169	-	169	2	167	
0119200 Controller Miscellaneous	29,178	1,717	27,461	-	29,178	
<b>ACCOUNTING</b>	<u>431,422</u>	<u>448,449</u>	<u>(17,027)</u>	<u>306,909</u>	<u>124,513</u>	
<b>INFORMATION SERVICES:</b>						
0115000 Information Services	(161,584)	25,230	(186,814)	23,136	(184,720)	
0115100 Production Services	136,295	168,880	(32,585)	90,983	45,312	
0115200 Mass Mail	290,162	240,440	49,722	247,845	42,317	
0115300 Information Systems	71,505	79,618	(8,113)	75,708	(4,203)	
0115400 Information Support	32,372	44,852	(12,480)	45,955	(13,583)	
0115500 Office Equipment	3,326	4,191	(865)	31,795	(28,469)	
0115600 Telecommunication Services	82,315	25,774	56,541	3,297	79,018	
<b>INFORMATION TECHNOLOGY</b>	<u>454,391</u>	<u>588,985</u>	<u>(134,594)</u>	<u>518,719</u>	<u>(64,328)</u>	
<b>INTERNAL AUDIT:</b>						
0116400 Internal Audit	46,083	62,382	(16,299)	42,209	3,874	
<b>INTERNAL AUDIT</b>	<u>46,083</u>	<u>62,382</u>	<u>(16,299)</u>	<u>42,209</u>	<u>3,874</u>	

**ATMOS ENERGY CORPORATION**  
**Analysis of Shared Services - Actual vs. Budget**  
**For The Month Ended 4/30/98**

Department Name	FY '98 Actual	Budget	Actual Over (Under) Budget	Prior Year	Actual Over (Under) Prior
0054900 Investor Relations	76,163	133,242	(57,079)	158,001	(81,838)
0052400 Public Affairs	985	-	985	24,921	(23,936)
0117700 Corporate Communications	31,360	52,058	(20,698)	64,396	(33,036)
<b>INVESTOR RELATIONS</b>	<u>108,508</u>	<u>185,300</u>	<u>(76,792)</u>	<u>247,318</u>	<u>(138,810)</u>
0054200 Retail Services	5,236	-	5,236	-	5,236
0054600 New Business Ventures	20,150	22,943	(2,793)	-	20,150
<b>NEW BUSINESS VENTURES</b>	<u>25,386</u>	<u>22,943</u>	<u>2,443</u>	<u>-</u>	<u>25,386</u>
0054400 Financial & Strategic Planning	67,503	20,629	46,874	30,143	37,360
0054500 Business Strategies & Competitive Intelligence	(5,096)	28,329	(33,425)	-	(5,096)
0114300 Budget & Planning	5,096	26,217	(21,121)	19,713	(14,617)
<b>PLANNING &amp; BUDGETING</b>	<u>67,503</u>	<u>75,175</u>	<u>(7,672)</u>	<u>49,856</u>	<u>17,647</u>
0054000 Price Policy & Administration	145,203	90,601	54,602	96,549	48,654
<b>PRICE POLICY &amp; ADMINISTRATION</b>	<u>145,203</u>	<u>90,601</u>	<u>54,602</u>	<u>96,549</u>	<u>48,654</u>
0054100 Regulatory Affairs	37,529	27,646	9,883	-	37,529
<b>REGULATORY AFFAIRS</b>	<u>37,529</u>	<u>27,646</u>	<u>9,883</u>	<u>-</u>	<u>37,529</u>
0114500 Dallas Treasury	28,073	44,910	(16,837)	39,759	(11,686)
0114700 Dallas Risk Management	170,139	240,344	(70,205)	-	170,139
0114800 Dallas Treasurer	15,096	19,183	(4,087)	157,824	(142,728)
0117600 Purchasing	13,538	17,428	(3,890)	15,610	(2,072)
0118000 Remittance Processing	81,391	75,988	5,403	61,725	19,666
0118500 Mail & Supply	19,148	20,293	(1,145)	23,517	(4,369)
0118600 Purchasing & Stores	10,209	11,776	(1,567)	23,250	(13,041)
0118909 Fleet Administration	34	6,992	(6,958)	-	34
<b>TREASURY:</b>	<u>337,628</u>	<u>436,914</u>	<u>(99,286)</u>	<u>321,685</u>	<u>15,943</u>
<b>TOTAL FINANCE:</b>	<u>1,653,653</u>	<u>1,938,395</u>	<u>(284,742)</u>	<u>1,583,245</u>	<u>70,408</u>

ATMOS ENERGY CORPORATION

Analysis of Shared Services - Actual vs. Budget  
For The Month Ended 4/30/98

Department Name	FY '98 Actual	Budget	Actual Over (Under) Budget	Prior Year	Actual Over (Under) Prior
<b>OPERATIONS:</b>					
0056000 Business Development	36,361	60,161	(23,800)	70,479	(34,118)
BUSINESS DEVELOPMENT	36,361	60,161	(23,800)	70,479	(34,118)
0120100 Amarillo Call Center	774	-	774	-	774
CALL CENTER	774	-	774	-	774
0051500 Interstate Gas Supply	58,920	59,600	(680)	53,244	5,676
0051600 Intrastate Gas Supply	37,590	42,800	(5,210)	44,696	(7,106)
0051700 Corporate Gas Control	68,570	48,100	20,470	-	68,570
0051900 Gas Supply	25,520	25,300	220	23,671	1,849
GAS SUPPLY & GAS CONTROL	190,600	175,800	14,800	121,611	68,989
0056200 Technical Services	20,295	11,370	8,925	101,846	(81,551)
TECHNICAL SERVICES	20,295	11,370	8,925	101,846	(81,551)
<b>TOTAL OPERATIONS:</b>	248,030	247,331	699	293,936	(45,906)
<b>HUMAN RESOURCES:</b>					
0056100 Professional Development	3,582	24,721	(21,139)	7,031	(3,449)
0117000 Dallas EAPC	-	-	-	-	-
0117100 Corporate Services	2,816	-	2,816	28,557	(25,741)
0117200 Compensation & Employment	42,942	65,691	(22,749)	57,310	(14,368)
0117300 Human Resources - VP	20,433	21,996	(1,563)	20,839	(406)
0117400 Employee & Labor Relations	9,297	9,959	(662)	8,643	654
0117500 Employee Benefits	151,808	117,871	33,937	250,545	(98,737)
0117800 Employee Communications	9,570	14,708	(5,138)	-	9,570
0117900 Facilities	16,484	13,155	3,329	-	16,484
0118100 Employee Development	26,402	31,736	(5,334)	32,038	(5,636)
0119000 Employee Relocation Expense	54,627	67,919	(13,292)	133,402	(78,775)
0119210 Performance Plan	116,667	-	116,667	50,000	66,667
0119300 Outside Directors Retirement Cost	23,000	-	23,000	14,000	9,000
0119400 Treasury - Worker's Comp	29	-	29	(1)	30
0119500 Human Resources - Benefits	105,789	-	105,789	-	105,789
0119600 Retirement Costs	316,096	225,000	91,096	304,027	12,069
<b>HUMAN RESOURCES:</b>	899,542	592,756	306,786	906,391	(6,849)

**ATMOS ENERGY CORPORATION**  
**Analysis of Shared Services - Actual vs. Budget**  
**For The Month Ended 4/30/98**

<u>Department Name</u>	<u>FY '98</u> <u>Actual</u>	<u>Budget</u>	<u>Actual</u> <u>Over (Under)</u> <u>Budget</u>	<u>Prior</u> <u>Year</u>	<u>Actual</u> <u>Over (Under)</u> <u>Prior</u>
<b>LEGAL:</b>					
0052000 Legal	270,372	190,785	79,587	217,612	52,760
0051400 Contract Administration	9,195	11,850	(2,655)	-	9,195
0052200 Governmental Affairs	9,727	10,323	(596)	8,873	854
0057900 Corporate Secretary	59,289	101,490	(42,201)	91,774	(32,485)
0118200 Central Records	10,538	20,621	(10,083)	19,559	(9,021)
<b>LEGAL:</b>	<b>359,121</b>	<b>335,069</b>	<b>24,052</b>	<b>337,818</b>	<b>21,303</b>
<b>OVERHEAD CAPITALIZED:</b>					
0119800 Overhead Capitalized	(881,000)	(883,917)	2,917	(990,000)	109,000
<b>OVERHEAD CAPITALIZED:</b>	<b>(881,000)</b>	<b>(883,917)</b>	<b>2,917</b>	<b>(990,000)</b>	<b>109,000</b>
<b>TOTAL O&amp;M</b>	<b>2,579,600</b>	<b>2,502,193</b>	<b>77,407</b>	<b>2,371,923</b>	<b>207,677</b>
<b>DEPRECIATION</b>	<b>270,919</b>	<b>198,000</b>	<b>72,919</b>	<b>294,815</b>	<b>(23,896)</b>
<b>TAXES - OTHER</b>	<b>69,777</b>	<b>57,000</b>	<b>12,777</b>	<b>64,275</b>	<b>5,501</b>
<b>TOTAL</b>	<b>2,920,296</b>	<b>2,757,193</b>	<b>163,103</b>	<b>2,731,013</b>	<b>189,283</b>

ATMOS ENERGY CORPORATION

Analysis of Shared Services - Actual vs. Budget  
For The Year-To-Date Ended 4/30/98

Department Name	FY '98 Actual	Budget	Actual Over (Under) Budget	Prior Year	Actual Over (Under) Prior
<b>EXECUTIVE:</b>					
0050500 Chairman, President & CEO	936,883	866,600	70,283	4,176,568	(3,239,685)
0052100 Dallas Operations	329,592	385,881	(56,289)	220,343	109,249
0052500 Utility Services	120,127	169,930	(49,803)	159,920	(39,793)
0054700 Chief Financial Officer	535,377	487,142	48,235	1,407,343	(871,966)
<b>EXECUTIVE:</b>	<b>1,921,979</b>	<b>1,909,553</b>	<b>12,426</b>	<b>5,964,174</b>	<b>(4,042,195)</b>
<b>FINANCE:</b>					
0112900 VP & Controller	565,923	451,192	114,731	375,770	190,153
0113000 Assistant Controller General Acctg	81,705	625,152	(543,447)	101,027	(19,322)
0113100 General Accounting	251,210	-	251,210	277,125	(25,915)
0113200 Payroll Accounting	263,968	-	263,968	193,443	70,525
0113300 Accounts Payable	150,989	-	150,989	126,676	24,313
0113400 Accounting Systems	21,562	332,511	(310,949)	51,245	(29,683)
0113500 Assistant Controller, Utility Acctg	26,060	-	26,060	32,139	(6,079)
0113600 Plant Accounting	209,126	-	209,126	156,590	52,536
0113700 Gas Accounting	376,881	451,981	(75,100)	335,460	41,421
0113800 Customer Billing	47,563	-	47,563	90,714	(43,151)
0113900 Financial Reporting	151,228	430,476	(279,248)	138,334	12,894
0114600 Dallas Taxation	129,562	238,854	(109,292)	114,674	14,888
0118300 Dallas Stores	192	-	192	2	190
0119200 Controller Miscellaneous	(1,247)	12,019	(13,266)	-	(1,247)
<b>ACCOUNTING</b>	<b>2,274,722</b>	<b>2,542,185</b>	<b>(267,463)</b>	<b>1,993,199</b>	<b>281,523</b>
<b>INFORMATION TECHNOLOGY</b>					
0115000 Information Services	175,579	173,111	2,468	167,546	8,033
0115100 Production Services	1,011,664	1,182,444	(170,780)	1,015,453	(3,789)
0115200 Mass Mail	1,651,374	1,625,719	25,655	1,600,041	51,333
0115300 Information Systems	705,700	707,033	(1,333)	703,578	2,122
0115400 Information Support	259,484	280,341	(20,857)	298,770	(39,286)
0115500 Office Equipment	20,720	29,337	(8,617)	123,434	(102,714)
0115600 Telecommunication Services	365,028	190,009	175,019	23,817	341,211
<b>INFORMATION TECHNOLOGY</b>	<b>4,189,549</b>	<b>4,187,994</b>	<b>1,555</b>	<b>3,932,639</b>	<b>256,910</b>
<b>INTERNAL AUDIT</b>					
0116400 Internal Audit	285,837	409,299	(123,462)	292,971	(7,134)
<b>INTERNAL AUDIT</b>	<b>285,837</b>	<b>409,299</b>	<b>(123,462)</b>	<b>292,971</b>	<b>(7,134)</b>

**ATMOS ENERGY CORPORATION**  
**Analysis of Shared Services - Actual vs. Budget**  
**For The Year-To-Date Ended 4/30/98**

Department Name	FY '98		Actual		Actual		Actual	
	Actual	Budget	Budget	Over (Under)	Year	Over (Under)	Prior	Over (Under)
0054900 Investor Relations	729,359	927,902	(198,543)	867,058	(137,699)			
0052400 Public Affairs	131,930	-	131,930	176,618	(44,688)			
0117700 Corporate Communications	267,347	377,630	(110,283)	376,306	(108,959)			
<b>INVESTOR RELATIONS</b>	<b>1,128,636</b>	<b>1,305,532</b>	<b>(176,896)</b>	<b>1,419,982</b>	<b>(291,346)</b>			
0054200 Retail Services	5,236	-	5,236	-	5,236			
0054600 New Business Ventures	129,327	160,601	(31,274)	-	129,327			
<b>NEW BUSINESS VENTURES</b>	<b>134,563</b>	<b>160,601</b>	<b>(26,038)</b>	<b>-</b>	<b>134,563</b>			
0054400 Financial & Strategic Planning	313,425	144,403	169,022	184,429	128,996			
0054500 Business Strategies & Competitive Intelligence	11	211,821	(211,810)	-	11			
0114300 Budget & Planning	79,081	178,988	(99,907)	129,907	(50,826)			
<b>PLANNING &amp; BUDGETING</b>	<b>392,517</b>	<b>535,212</b>	<b>(142,695)</b>	<b>314,336</b>	<b>78,181</b>			
0054000 Price Policy & Administration	634,253	631,135	3,118	682,033	(47,780)			
<b>PRICE POLICY &amp; ADMINISTRATION</b>	<b>634,253</b>	<b>631,135</b>	<b>3,118</b>	<b>682,033</b>	<b>(47,780)</b>			
0054100 Regulatory Affairs	193,566	193,543	23	-	193,566			
<b>REGULATORY AFFAIRS</b>	<b>193,566</b>	<b>193,543</b>	<b>23</b>	<b>-</b>	<b>193,566</b>			
0114500 Dallas Treasury	198,642	337,071	(138,429)	244,154	(45,512)			
0114700 Dallas Risk Management	1,103,954	1,668,786	(564,832)	-	1,103,954			
0114800 Dallas Treasurer	123,385	136,639	(13,254)	1,261,530	(1,138,145)			
0117600 Purchasing	105,328	119,280	(13,952)	108,992	(3,664)			
0118000 Remittance Processing	504,036	517,793	(13,757)	397,223	106,813			
0118500 Mail & Supply	134,716	142,511	(7,795)	151,213	(16,497)			
0118600 Purchasing & Stores	78,165	79,697	(1,532)	134,788	(56,623)			
0118909 Fleet Administration	73	45,744	(45,671)	-	73			
<b>TREASURY:</b>	<b>2,248,299</b>	<b>3,047,521</b>	<b>(799,222)</b>	<b>2,297,900</b>	<b>(49,601)</b>			
<b>TOTAL FINANCE:</b>	<b>11,481,942</b>	<b>13,013,022</b>	<b>(1,531,080)</b>	<b>10,933,060</b>	<b>548,882</b>			

**ATMOS ENERGY CORPORATION**  
**Analysis of Shared Services - Actual vs. Budget**  
**For The Year-To-Date Ended 4/30/98**

Department Name	FY '98		Actual		Actual	
	Actual	Budget	Over (Under)	Budget	Prior Year	Over (Under)
<b>OPERATIONS:</b>						
0056000 Business Development	330,394	439,555	(109,161)	393,401	(63,007)	
<b>BUSINESS DEVELOPMENT</b>	330,394	439,555	(109,161)	393,401	(63,007)	
0120100 Amarillo Call Center	35,418	-	35,418	-	35,418	
<b>CALL CENTER</b>	35,418	-	35,418	-	35,418	
0051500 Interstate Gas Supply	398,533	417,200	(18,667)	308,617	89,916	
0051600 Intrastate Gas Supply	320,831	299,300	21,531	302,920	17,911	
0051700 Corporate Gas Control	299,415	337,300	(37,885)	-	299,415	
0051900 Gas Supply	167,661	176,000	(8,339)	169,960	(2,299)	
<b>GAS SUPPLY &amp; GAS CONTROL</b>	1,186,440	1,229,800	(43,360)	781,497	404,943	
0056200 Technical Services	249,112	169,866	79,246	670,391	(421,279)	
<b>TECHNICAL SERVICES</b>	249,112	169,866	79,246	670,391	(421,279)	
<b>TOTAL OPERATIONS:</b>	1,801,364	1,839,221	(37,857)	1,845,289	(43,925)	
<b>HUMAN RESOURCES:</b>						
0056100 Professional Development	28,482	173,047	(144,565)	74,952	(46,470)	
0117000 Dallas EAPC	-	-	-	-	-	
0117100 Corporate Services	18,922	-	18,922	253,608	(234,686)	
0117200 Compensation & Employment	322,321	396,343	(74,022)	369,931	(47,610)	
0117300 Human Resources - VP	141,025	153,486	(12,461)	141,917	(892)	
0117400 Employee & Labor Relations	67,187	67,061	126	25,125	42,062	
0117500 Employee Benefits	880,391	771,779	108,612	894,843	(14,452)	
0117800 Employee Communications	111,750	132,440	(20,690)	-	111,750	
0117900 Facilities	94,318	100,342	(6,024)	-	94,318	
0118100 Employee Development	187,815	250,114	(62,299)	296,149	(108,334)	
0119000 Employee Relocation Expense	112,798	475,433	(362,635)	530,101	(417,303)	
0119210 Performance Plan	816,667	-	816,667	950,000	(133,333)	
0119300 Outside Directors Retirement Cost	161,000	-	161,000	98,000	63,000	
0119400 Treasury - Worker's Comp	216	-	216	85	131	
0119500 Human Resources - Benefits	111,329	-	111,329	669	110,660	
0119600 Retirement Costs	1,235,990	1,575,000	(339,010)	1,472,015	(236,025)	
<b>HUMAN RESOURCES:</b>	4,290,211	4,095,045	195,166	5,107,395	(817,184)	



ATMOS ENERGY CORPORATION  
 Analysis of Shared Services - Actual vs. Budget  
 For The Year-To-Date Ended 4/30/98

Department Name	FY '98		Actual Over (Under) Budget		Prior Year		Actual Over (Under) Prior	
	Actual	Budget	Actual	Budget	Year	Prior	Over (Under)	Prior
LEGAL:								
0052000 Legal	2,794,524	1,334,280	1,460,244	1,334,280	1,274,434	1,274,434	1,520,090	33,108
0051400 Contract Administration	33,108	80,982	(47,874)	80,982	-	-	33,108	198
0052200 Governmental Affairs	55,831	72,261	(16,430)	72,261	55,633	55,633	123,162	(34,947)
0057900 Corporate Secretary	630,806	791,530	(160,724)	791,530	507,644	507,644	1,641,611	1,641,611
0118200 Central Records	89,164	152,867	(63,703)	152,867	124,111	124,111		
LEGAL:	3,603,433	2,431,920	1,171,513	2,431,920	1,961,822	1,961,822		
OVERHEAD CAPITALIZED:								
0119800 Overhead Capitalized	(6,167,000)	(6,187,419)	20,419	(6,187,419)	(6,130,000)	(6,130,000)	(37,000)	(37,000)
OVERHEAD CAPITALIZED:	(6,167,000)	(6,187,419)	20,419	(6,187,419)	(6,130,000)	(6,130,000)		
TOTAL O&M	16,931,929	17,101,342	(169,413)	17,101,342	19,681,740	19,681,740	(2,749,811)	(2,749,811)
DEPRECIATION	1,897,035	1,386,000	511,035	1,386,000	2,519,490	2,519,490	(622,455)	(622,455)
TAXES - OTHER	579,383	399,000	180,383	399,000	571,028	571,028	8,355	8,355
TOTAL	19,408,347	18,886,342	522,005	18,886,342	22,772,258	22,772,258	(3,363,910)	(3,363,910)

ATMOS ENERGY CORPORATION UTILITY BUSINESS UNITS  
CONSOLIDATING STATEMENT OF INCOME  
FOR THE MONTH ENDED 04/30/98

1998

Line No.	Description (a)	Utility Business Units				WKG (f)	Total Utility Business Units (g)	Line No.
		Energas (b)	GCC (c)	Trans La (d)	UCG (e)			
1	Operating revenues							
2	Gas	\$9,499,571.53	\$5,500,934.27	\$1,495,561.12	\$22,539,890.36	\$6,022,493.83	\$45,058,451.11	1
3	Transportation	107,964.90	117,312.29	10,764.53	1,673,523.37	798,103.19	2,707,668.28	2
3	Other	0.00	0.00	0.00	0.00	0.00	0.00	3
4	Total operating revenues	9,607,536.43	5,618,246.56	1,506,325.65	24,213,413.73	6,820,597.02	47,766,119.39	4
5	Purchased gas cost	7,335,897.29	3,477,371.75	135,463.92	14,087,697.77	4,575,225.97	29,611,656.70	5
6	Gross profit	2,271,639.14	2,140,874.81	1,370,861.73	10,125,715.96	2,245,371.05	18,154,462.69	6
7	Operating expenses							
8	Operation	1,641,516.09	1,064,466.74	521,504.55	3,008,594.54	1,271,844.76	7,507,926.68	7
8	Maintenance	85,373.24	65,397.39	36,413.60	594,304.41	87,898.46	869,387.10	8
9	Depreciation and amortization	548,925.06	416,671.79	306,393.74	1,540,749.84	545,335.42	3,358,075.85	9
10	Taxes - other than income taxes	891,826.04	206,079.22	193,469.49	911,950.88	205,501.07	2,408,826.70	10
11	Shared services - direct	293,283.26	121,516.43	158,946.31	(83,359.87)	209,275.84	699,661.97	11
12	Shared services - billed	554,100.13	242,668.68	171,160.63	610,002.35	331,084.69	1,909,016.48	12
13	Provision for income taxes	(750,347.62)	(97,207.65)	(82,563.01)	832,756.13	(274,052.50)	(371,414.65)	13
14	Total operating expenses	3,264,676.20	2,019,592.60	1,305,325.31	7,414,998.28	2,376,887.74	16,381,480.13	14
15	Operating income (loss)	(993,037.06)	121,282.21	65,536.42	2,710,717.68	(131,516.69)	1,772,982.56	15
16	Other income							
16	Merchandise	2,724.54	383.75	0.00	(24,650.82)	12,946.83	(8,595.70)	16
17	Interest income	14,887.86	147.61	289.15	37,296.72	1,572.39	54,193.73	17
18	Other nonoperating income	(25,764.06)	(20,029.67)	(6,980.66)	(12,014.76)	(10,521.61)	(75,310.76)	18
19	Total other income (loss)	(8,151.66)	(19,498.31)	(6,691.51)	631.14	3,997.61	(29,712.73)	19
20	Income (loss) before interest charges	(1,001,188.72)	101,783.90	58,844.91	2,711,348.82	(127,519.08)	1,743,269.83	20
21	Interest charges	460,816.54	261,115.11	209,963.60	1,143,604.44	360,228.60	2,435,728.29	21
22	Net income (loss)	(\$1,462,005.26)	(\$159,331.21)	(\$151,118.69)	\$1,567,744.38	(\$487,747.68)	(\$692,458.46)	22

ATMOS ENERGY CORPORATION UTILITY BUSINESS UNITS  
CONSOLIDATING STATEMENT OF INCOME  
FOR THE SEVEN MONTHS ENDED 04/30/98

1998

Line No.	Description (a)	Utility Business Units				WKG (f)	Total Utility Business Units (g)	Line No.
		Energy (b)	GCC (c)	Trans La (d)	UCG (e)			
1	Operating revenues							
2	Gas	\$144,667,244.28	\$63,882,877.72	\$27,924,687.47	\$260,459,338.36	\$90,074,454.94	\$587,008,602.77	1
3	Transportation	648,098.09	912,912.06	76,075.50	8,844,185.37	5,481,729.99	15,963,001.01	2
3	Other	0.00	0.00	0.00	0.00	0.00	0.00	3
4	Total operating revenues	145,315,342.37	64,795,789.78	28,000,762.97	269,303,523.73	95,556,184.93	602,971,603.78	4
5	Purchased gas cost	94,669,108.78	38,396,670.91	8,303,399.01	169,110,833.77	63,420,962.93	373,900,975.40	5
6	Gross profit	50,646,233.59	26,399,118.87	19,697,363.96	100,192,689.96	32,135,222.00	229,070,628.38	6
7	Operating expenses							
8	Operation	13,289,614.09	7,467,945.15	4,017,384.36	24,423,859.62	8,708,184.26	57,906,987.48	7
8	Maintenance	621,738.21	426,798.82	311,370.05	3,305,580.41	537,515.55	5,203,003.04	8
9	Depreciation and amortization	3,841,601.94	2,903,960.05	2,144,756.18	10,720,688.84	3,817,319.23	23,428,326.24	9
10	Taxes - other than income taxes	7,753,241.38	1,528,726.83	1,342,174.20	7,163,174.88	1,202,452.08	18,989,769.37	10
11	Shared services - direct	2,098,290.05	937,258.65	1,226,190.23	(83,359.87)	1,454,988.60	5,633,367.66	11
12	Shared services - billed	4,183,983.02	1,697,935.49	1,181,524.00	3,884,544.32	2,373,160.67	13,321,147.50	12
13	Provision for income taxes	5,302,350.97	3,578,482.74	2,798,531.78	16,014,990.28	4,603,908.53	32,298,264.30	13
14	Total operating expenses	37,090,819.66	18,541,107.73	13,021,930.80	65,429,478.48	22,697,528.92	156,780,865.59	14
15	Operating income (loss)	13,555,413.93	7,858,011.14	6,675,433.16	34,763,211.48	9,437,693.08	72,289,762.79	15
16	Other income							
16	Merchandise	16,186.83	(1,520.56)	14,401.36	(108,728.82)	171,114.86	91,453.67	16
17	Interest income	121,604.41	529.48	2,478.26	766,487.72	14,346.13	905,446.00	17
18	Other nonoperating income	(279,048.62)	44,555.30	(53,315.57)	(38,738.50)	(43,542.70)	(370,090.09)	18
19	Total other income (loss)	(141,257.38)	43,564.22	(36,435.95)	619,020.40	141,918.29	626,809.58	19
20	Income (loss) before interest charges	13,414,156.55	7,901,575.36	6,638,997.21	35,382,231.88	9,579,611.37	72,916,572.37	20
21	Interest charges	3,661,472.51	2,132,095.25	2,048,828.88	9,028,141.02	2,945,522.61	19,816,060.27	21
22	Net income (loss)	\$9,752,684.04	\$5,769,480.11	\$4,590,168.33	\$26,354,090.86	\$6,634,088.76	\$53,100,512.10	22

WESTERN KENTUCKY GAS BUSINESS UNITS  
CONSOLIDATING STATEMENT OF INCOME  
FOR THE MONTH ENDED 04/30/98

Line No.	Description (a)	1998				Line No.
		WKGR (b)	WKGR (c)	Eliminations and Adjustments (d)	Western Kentucky Gas Business Units (c)	
1	Operating revenues				1	
2	Gas	\$6,022,493.83	\$0.00	\$0.00	\$6,022,493.83	
3	Transportation	798,103.19	0.00	0.00	798,103.19	
4	Other	0.00	0.00	0.00	0.00	
4	Total operating revenues	6,820,597.02	0.00	0.00	6,820,597.02	
5	Purchased gas cost	4,575,225.97	0.00	0.00	4,575,225.97	
6	Gross profit	2,245,371.05	0.00	0.00	2,245,371.05	
7	Operating expenses				7	
8	Operation	1,271,844.76	0.00	0.00	1,271,844.76	
9	Maintenance	87,898.46	0.00	0.00	87,898.46	
10	Depreciation and amortization	545,335.42	0.00	0.00	545,335.42	
11	Taxes - other than income taxes	205,501.07	0.00	0.00	205,501.07	
12	Shared services - direct	209,275.84	0.00	0.00	209,275.84	
13	Shared services - billed	310,746.16	0.00	338.53	311,084.69	
14	Provision for income taxes	(274,052.50)	0.00	0.00	(274,052.50)	
14	Total operating expenses	2,376,549.21	0.00	338.53	2,376,887.74	
15	Operating income (loss)	(131,178.16)	0.00	(338.53)	(131,516.69)	
16	Other income				16	
17	Merchandise	12,946.83	0.00	0.00	12,946.83	
18	Interest income	1,572.39	0.00	0.00	1,572.39	
19	Shared services - billed	0.00	(338.53)	338.53	0.00	
20	Other nonoperating income	(10,869.82)	348.21	0.00	(10,521.61)	
20	Total other income (loss)	3,649.40	9.68	338.53	3,997.61	
21	Income (loss) before interest chgs	(127,528.76)	9.68	0.00	(127,519.08)	
22	Interest charges	360,228.60	0.00	0.00	360,228.60	
23	Net income (loss)	(\$487,757.36)	\$9.68	\$0.00	(\$487,747.68)	

WESTERN KENTUCKY GAS BUSINESS UNITS  
CONSOLIDATING STATEMENT OF INCOME  
FOR THE SEVEN MONTHS ENDED 04/30/98

Line No.	Description (a)	1998			Eliminations and Adjustments (d)	Western Kentucky Gas Business Units (e)	Line No.
		WKG (b)	WKGR (c)				
1	Operating revenues						
2	Gas	\$90,074,454.94	\$0.00	\$0.00	\$90,074,454.94	1	
3	Transportation	5,481,729.99	0.00	0.00	5,481,729.99	2	
3	Other	0.00	0.00	0.00	0.00	3	
4	Total operating revenues	95,556,184.93	0.00	0.00	95,556,184.93	4	
5	Purchased gas cost	63,420,962.93	0.00	0.00	63,420,962.93	5	
6	Gross profit	32,135,222.00	0.00	0.00	32,135,222.00	6	
	Operating expenses						
7	Operation	8,708,184.26	0.00	0.00	8,708,184.26	7	
8	Maintenance	537,515.55	0.00	0.00	537,515.55	8	
9	Depreciation and amortization	3,817,319.23	0.00	0.00	3,817,319.23	9	
10	Taxes - other than income taxes	1,202,442.08	10.00	0.00	1,202,452.08	10	
11	Shared services - direct	1,454,988.60	0.00	0.00	1,454,988.60	11	
12	Shared services - billed	2,370,644.97	0.00	2,515.70	2,373,160.67	12	
13	Provision for income taxes	4,603,908.53	0.00	0.00	4,603,908.53	13	
14	Total operating expenses	22,695,003.22	10.00	2,515.70	22,697,528.92	14	
15	Operating income (loss)	9,440,218.78	(10.00)	(2,515.70)	9,437,693.08	15	
	Other income						
16	Merchandise	171,114.86	0.00	0.00	171,114.86	16	
17	Interest income	14,346.13	0.00	0.00	14,346.13	17	
18	Shared services - billed	0.00	(2,515.70)	2,515.70	0.00	18	
19	Other nonoperating income	(46,083.11)	2,540.41	0.00	(43,542.70)	19	
20	Total other income (loss)	139,377.88	24.71	2,515.70	141,918.29	20	
21	Income (loss) before interest chgs	9,579,596.66	14.71	0.00	9,579,611.37	21	
22	Interest charges	2,945,522.61	0.00	0.00	2,945,522.61	22	
23	Net income (loss)	\$6,634,074.05	\$14.71	\$0.00	\$6,634,088.76	23	

WESTERN KENTUCKY GAS COMPANY  
STATEMENTS OF INCOME  
FOR THE MONTH AND YEAR TO DATE 04/30/98

Line No.	Description (a)	Current Month			Year to Date			Prior Year Actual (j)	Actual Over (Under) Prior Year (k)	Line No.
		Actual (b)	Budget (c)	Actual Over (Under) Budget (d)	Actual (g)	Budget (h)	Actual Over (Under) Budget (f)			
1	Operating revenues									
2	Gas	\$6,022,493.83	\$8,325,000	(\$2,302,506.17)	\$9,389,587.14	\$106,687,000.00	\$106,612,545.06	\$108,584,272.98	(\$18,909,818.04)	1
3	Transportation	798,103.19	700,000	98,103.19	703,451.20	4,900,000.00	5,81,729.99	4,336,111.59	1,155,618.40	2
3	Other	0.00	96,000	(96,000.00)	0.00	673,000.00	(673,000.00)	0.00	0.00	3
4	Total operating revenues	6,820,597.02	9,121,000	(2,300,402.98)	10,093,038.34	112,260,000.00	(16,703,815.07)	112,910,384.57	(17,354,199.64)	4
5	Purchased gas cost	4,575,225.97	5,611,000	(1,035,774.03)	6,586,599.90	78,288,000.00	(14,867,037.07)	80,272,626.03	(16,851,663.10)	5
6	Gross profit	2,245,371.05	3,510,000	(1,264,628.95)	3,506,438.44	33,972,000.00	(1,836,778.00)	32,637,758.54	(502,536.54)	6
7	Operating expenses									
8	Operation	1,271,844.76	1,347,000	(75,155.24)	1,283,188.21	9,036,000.00	(327,815.74)	9,423,791.48	(715,607.22)	7
8	Maintenance	87,898.46	132,000	(44,101.54)	82,356.58	924,000.00	(386,484.45)	544,526.02	(7,010.47)	8
9	Depreciation	545,335.42	544,000	1,335.42	510,922.63	3,808,000.00	9,319.23	3,576,458.41	240,860.82	9
10	Taxes - other than income taxes	205,501.07	177,000	28,501.07	146,898.77	1,073,000.00	1,29,442.08	1,059,698.57	142,742.51	10
11	Shared Services - direct	209,275.84	0	209,275.84	231,481.64	0.00	1,454,988.60	1,460,075.78	(5,087.18)	11
12	Shared Services - billed	330,746.16	518,000	(187,253.84)	499,675.44	3,960,000.00	(1,589,355.03)	4,397,505.50	(2,026,860.53)	12
13	Provision for income taxes	(278,052.50)	453,000	(727,052.50)	174,983.67	7,140,000.00	(2,536,091.47)	3,955,269.45	648,639.08	13
14	Total operating expenses	2,376,549.21	3,171,000	(794,450.79)	2,929,506.94	25,941,000.00	(3,245,996.78)	24,417,326.21	(1,722,322.99)	14
15	Operating income (loss)	(131,178.16)	339,000	(470,178.16)	576,931.50	8,031,000.00	1,409,218.78	8,220,432.33	1,219,786.45	15
16	Other income									
16	Merchandise	12,946.83	(2,000)	14,946.83	17,053.39	(14,000.00)	185,114.86	275,149.63	(104,034.77)	16
17	Interest income	1,572.39	4,000	(2,427.61)	2,395.61	28,000.00	(13,653.87)	16,236.04	(1,889.91)	17
18	Other nonoperating income	(10,869.82)	35,000	(45,869.82)	(7,197.13)	245,000.00	(291,083.11)	(49,379.18)	3,296.07	18
19	Total other income (loss)	3,649.40	37,000	(33,350.60)	12,251.87	259,000.00	(119,622.12)	242,006.49	(102,628.61)	19
20	Income (loss) before interest charges	(127,528.76)	376,000	(503,528.76)	589,183.37	8,290,000.00	1,289,596.66	8,462,438.82	1,117,157.84	20
21	Interest charges	360,228.60	367,000	(6,771.40)	348,752.81	2,878,000.00	67,522.61	2,498,829.44	446,693.17	21
22	Net income (loss)	(\$487,757.36)	\$9,000	(\$496,757.36)	\$240,430.56	\$5,412,000.00	\$1,222,074.05	\$5,963,609.38	\$670,464.67	22

WESTERN KENTUCKY GAS RESOURCES, INC.  
STATEMENTS OF INCOME  
FOR THE MONTH AND YEAR TO DATE 04/3/098

Line No.	Description (a)	Current Month			Year to Date			Actual Over (Under) Prior Year (k)	Line No.
		Actual (b)	Budget (c)	Over (Under) Budget (d)	Prior Year Actual (e)	Actual Over (Under) Prior Year (f)	Budget (h)		
1	Operating revenues								
2	Gas	\$0.00	\$0	\$0.00	\$0.00	\$0.00	\$0	\$0.00	\$0.00
3	Transportation	0.00	0	0.00	0.00	0.00	0	0.00	0.00
4	Other	0.00	0	0.00	0.00	0.00	0	0.00	0.00
4	Total operating revenues	0.00	0	0.00	0.00	0.00	0	0.00	0.00
5	Purchased gas cost	0.00	0	0.00	0.00	0.00	0	0.00	0.00
6	Gross profit	0.00	0	0.00	0.00	0.00	0	0.00	0.00
7	Operating expenses								
8	Operation	0.00	0	0.00	0.00	0.00	0	0.00	0.00
8	Maintenance	0.00	0	0.00	0.00	0.00	0	0.00	0.00
9	Depreciation	0.00	0	0.00	0.00	0.00	0	0.00	0.00
10	Taxes - other than income taxes	0.00	0	0.00	0.00	0.00	0	0.00	0.00
11	Provision for income taxes	0.00	0	0.00	(1,000.00)	1,000.00	0	10.00	10.00
11								(5,000.00)	5,000.00
12	Total operating expenses	0.00	0	0.00	(1,000.00)	1,000.00	0	10.00	(4,990.00)
13	Operating income (loss)	0.00	0	0.00	1,000.00	(1,000.00)	0	(10.00)	4,990.00
14	Other income								
15	Merchandise	0.00	0	0.00	0.00	0.00	0	0.00	0.00
15	Interest income	0.00	0	0.00	0.00	0.00	0	0.00	0.00
16	Shared Services - Billed	(338.53)	3,000	(3,338.53)	(1,158.07)	819.54	21,000	(2,515.70)	(10,536.33)
17	Other nonoperating income	348.21	0	348.21	(854.43)	1,202.64	0	2,540.41	(3,904.79)
18	Total other income (loss)	9.68	3,000	(2,990.32)	(2,012.50)	2,022.18	21,000	(20,975.29)	(14,441.12)
19	Income (loss) before interest charge	9.68	3,000	(2,990.32)	(1,012.50)	1,022.18	21,000	(20,985.29)	(9,451.12)
20	Interest charges	0.00	0	0.00	0.00	0.00	0	0.00	0.00
21	Net income (loss)	\$9.68	\$3,000	(\$2,990.32)	(\$1,012.50)	\$1,022.18	\$21,000	(\$20,985.29)	(\$9,451.12)
									\$9,465.83

ATMOS ENERGY SERVICES, INC.  
STATEMENTS OF INCOME  
FOR THE MONTH AND YEAR TO DATE 04/30/98

Line No.	Description (a)	Current Month			Year to Date						
		Actual (b)	Budget* (c)	Actual Over (Under) Budget (d)	Prior Year Actual (e)	Actual Over (Under) Budget (f)	Actual Over (Under) Budget (g)	Budget* (h)	Actual Over (Under) Budget (i)	Prior Year Actual (j)	Actual Over (Under) Prior Year (k)
1	Operating revenues										
2	Gas	\$0.00	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0	\$0.00	\$0.00	\$0.00
3	Transportation	0.00	0	0.00	0.00	0.00	0.00	0	0.00	0.00	0.00
4	Other	0.00	0	0.00	0.00	0.00	0.00	0	0.00	0.00	0.00
5	Total operating revenues	0.00	0	0.00	0.00	0.00	0.00	0	0.00	0.00	0.00
6	Purchased gas cost	0.00	0	0.00	0.00	0.00	0.00	0	0.00	0.00	0.00
7	Gross profit	0.00	0	0.00	0.00	0.00	0.00	0	0.00	0.00	0.00
8	Operating expenses										
9	Operation	0.00	0	0.00	0.00	0.00	0.00	0	160.00	2,987.25	(2,827.25)
10	Maintenance	0.00	0	0.00	0.00	0.00	0.00	0	0.00	0.00	0.00
11	Depreciation	0.00	0	0.00	0.00	0.00	0.00	0	0.00	0.00	0.00
12	Taxes - other than income taxes	0.00	0	0.00	0.00	0.00	0.00	0	0.00	0.00	0.00
13	Shared Services - Billed	0.00	0	0.00	0.00	0.00	0.00	0	0.00	0.00	0.00
14	Provision for income taxes	0.00	0	0.00	0.00	0.00	0.00	0	0.00	(1,000.00)	1,000.00
15	Total operating expenses	0.00	0	0.00	0.00	0.00	160.00	0	160.00	1,987.25	(1,827.25)
16	Operating income (loss)	0.00	0	0.00	0.00	0.00	(160.00)	0	(160.00)	(1,987.25)	1,827.25
17	Other income										
18	Merchandise	0.00	0	0.00	0.00	0.00	0.00	0	0.00	0.00	0.00
19	Interest income	0.00	0	0.00	0.00	0.00	0.00	0	0.00	0.00	0.00
20	Other nonoperating income	0.00	0	0.00	0.00	0.00	0.00	0	0.00	0.00	0.00
21	Total other income (loss)	0.00	0	0.00	0.00	0.00	0.00	0	0.00	0.00	0.00
22	Income (loss) before interest charge	0.00	0	0.00	0.00	0.00	(160.00)	0	(160.00)	(1,987.25)	1,827.25
23	Interest charges	0.00	0	0.00	0.00	0.00	0.00	0	0.00	0.00	0.00
24	Net income (loss)	\$0.00	\$0	\$0.00	\$0.00	\$0.00	(\$160.00)	\$0	(\$160.00)	(\$1,987.25)	\$1,827.25

\* Atmos Energy Services budget not available.



ATMOS ENERGY CORPORATION  
PROPERTY, PLANT AND EQUIPMENT  
AS OF APRIL 30, 1998

	Year to Date				
	Balance 9/30/97	Additions	Retirements	Transfers	Balance 04/30/98
<b>GAS PLANT</b>					
Atmos	\$39,305,772.63	\$60,088.39	\$0.00	\$655.12	\$39,366,516.14
Atmos General Office(2)	39,305,772.63	60,088.39	0.00	655.12	39,366,516.14
Total Atmos					
Energas					
Amarillo Transmission Div.(1)	3,209,615.20	0.00	0.00	0.00	3,209,615.20
Amarillo City Plant Dist. Div.(3)	48,276,563.22	518,247.20	103,218.96	(2,432.30)	48,689,159.16
Fritch & Sanford City Plt. Dist. Div.(4)	953,581.61	0.00	1,573.73	0.00	952,007.88
West Texas City Plant Dist. Div.(5)	158,615,097.05	2,152,810.32	413,958.55	2,432.30	160,356,381.12
Dalhart City Plant Dist. Div.(6)	2,108,641.38	0.00	14,339.19	0.00	2,094,302.19
West Texas Rural Irrigation Div.(8)	23,269,273.27	0.00	(1,903.58)	0.00	23,271,176.85
Energas General Office(10)	2,437,569.38	0.00	90,352.17	0.00	2,347,217.21
Fain-Amarillo Creek Transmission(11)	71,230.00	0.00	0.00	0.00	71,230.00
Amarillo Rural Dist. Div.(13)	371,855.76	0.00	0.00	0.00	371,855.76
Dalhart Rural Dist. Div.(17)	61,651.11	0.00	0.00	0.00	61,651.11
Dalhart Rural Irrigation Div.(18)	333,690.52	0.00	0.00	0.00	333,690.52
West Texas Rural Dist. Div.(21)	11,127,951.62	0.00	0.00	0.00	11,127,951.62
Meter Shop Facilities & Meters(22)	0.00	0.00	0.00	0.00	0.00
Total Energas	250,836,720.12	2,671,057.52	621,539.02	(0.00)	252,886,238.62
Trans La					
Trans La Dist. Div.(7)	111,390,280.93	1,232,990.50	208,237.86	0.00	112,415,033.57
Total Trans La	111,390,280.93	1,232,990.50	208,237.86	0.00	112,415,033.57
Western Kentucky Gas					
Western Kentucky Gas Div.(9)	189,388,594.45	2,988,329.31	923,415.81	0.00	191,453,507.95
Total Western Kentucky Gas	189,388,594.45	2,988,329.31	923,415.81	0.00	191,453,507.95

ATMOS ENERGY CORPORATION  
PROPERTY, PLANT AND EQUIPMENT  
AS OF APRIL 30, 1998

Year to Date

	Balance 9/30/97	Additions	Retirements	Transfers	Balance 04/30/98
<b>GAS PLANT</b>					
<b>Greeley</b>					
Meter Shop Facilities & Meters(24)	\$11,380,596.90	\$0.00	\$0.00	\$0.00	\$11,380,596.90
Missouri Dist. Div.(29)	690,434.01	11,138.36	1,114.96	0.00	700,457.41
Denver Company Office(30)	1,797,536.72	0.00	0.00	0.00	1,797,536.72
Greeley Dist. Div.(33)	23,770,593.23	1,520,368.92	44,249.80	0.00	25,246,712.35
Northwest Colorado Dist. Div.(34)	17,345,814.60	5,955.03	3,032.78	0.00	17,348,736.85
Fremont County Dist. Div.(35)	23,294,862.37	25,977.29	46.86	0.00	23,320,792.80
Durango Dist. Div.(36)	15,387,957.07	53,483.53	0.00	0.00	15,441,440.60
Central Colorado Dist. Div.(37)	0.00	0.00	0.00	0.00	0.00
Cortez Dist. Div.(38)	0.00	0.00	0.00	0.00	0.00
Southeast Colorado Dist. Div.(39)	0.00	0.00	0.00	0.00	0.00
Kaw Valley Dist. Div.(82)	14,012,329.00	471,212.00	61,401.89	0.00	14,422,139.11
Central Kansas Dist. Div.(83)	8,127,974.64	0.00	0.00	0.00	8,127,974.64
Cane Dist. Div.(84)	5,305,815.42	0.00	0.00	0.00	5,305,815.42
Eastern Kansas Dist. Div.(85)	3,667,121.03	5,533.91	14,536.25	0.00	3,658,118.69
Southwest Kansas Dist. Div.(86)	13,003,584.57	0.00	0.00	0.00	13,003,584.57
<b>Total Greeley Gas</b>	<b>137,784,619.56</b>	<b>2,093,669.04</b>	<b>124,382.54</b>	<b>0.00</b>	<b>139,753,906.06</b>
<b>United Cities</b>					
United Cities Dist. Divisions	495,033,830.05	5,974,321.28	357,785.74	(22,162.29)	500,628,203.29
<b>Total United Cities Gas</b>	<b>495,033,830.05</b>	<b>5,974,321.28</b>	<b>357,785.74</b>	<b>(22,162.29)</b>	<b>500,628,203.29</b>
<b>Total Gas Plant</b>	<b>\$1,223,739,817.74</b>	<b>\$15,020,456.04</b>	<b>\$2,235,360.97</b>	<b>(\$21,507.17)</b>	<b>\$1,236,503,405.63</b>

**ATMOS ENERGY CORPORATION**  
**PROPERTY, PLANT AND EQUIPMENT**  
**AS OF APRIL 30, 1998**

	Year to Date				Balance 04/30/98
	Balance 9/30/97	Additions	Retirements	Transfers	
<b>OTHER GAS PLANT &amp; NON-UTILITY PROPERTY</b>					
Atmos					
Atmos General Office					
Construction Work In Progress	\$31,465,556.99	\$29,181,987.24	\$0.00	\$0.00	\$60,647,544.23
Non-utility Plant	1,132,200.02	775,077.80	871,849.89	0.00	1,035,427.93
Total Atmos	32,597,757.01	29,957,065.04	871,849.89	0.00	61,682,972.16
Energas					
Construction Work In Progress	1,379,247.81	3,915,873.22	0.00	0.00	5,295,121.03
Non-utility Plant	517,520.24	0.00	0.00	0.00	517,520.24
Total Energas	1,896,768.05	3,915,873.22	0.00	0.00	5,812,641.27
Trans La					
Construction Work In Progress	340,764.90	1,906,444.44	0.00	0.00	2,247,209.34
Acquisition Adj. - Trans La	2,048,887.47	0.00	0.00	0.00	2,048,887.47
Non-utility Plant	215,890.91	0.00	0.00	0.00	215,890.91
Total Trans La	2,605,543.28	1,906,444.44	0.00	0.00	4,511,987.72
Western Kentucky Gas					
Construction Work In Progress	779,599.09	3,916,557.53	0.00	0.00	4,696,156.62
Acquisition Adj. - W.K.G.	3,336,783.64	0.00	0.00	0.00	3,336,783.64
Total Western Kentucky Gas	4,116,382.73	3,916,557.53	0.00	0.00	8,032,940.26
Greeley					
Construction Work In Progress	(1,956,442.97)	3,326,262.03	0.00	0.00	1,369,519.06
Acquisition Adj. - G.G.C. Prior	1,446,406.41	0.00	0.00	0.00	1,446,406.41
Non-utility Plant	713,075.78	0.00	0.00	0.00	713,075.78
Total Greeley Gas	202,739.22	3,326,262.03	0.00	0.00	3,529,001.25
United Cities					
Construction Work In Progress	631,379.28	2,703,251.96	0.00	(531,685.41)	3,866,316.65
Acquisition Adj. - U.C.G.C. - Prior	7,283,287.48	0.00	0.00	0.00	7,283,287.48
Total United Cities Gas	7,914,666.76	2,703,251.96	0.00	(531,685.41)	11,149,604.13
Total Other Gas Plt & Non-utility Prop	49,333,857.05	45,725,454.22	871,849.89	(531,685.41)	94,719,146.79
Total Property, Plt. and Equipment	\$1,273,073,674.79	\$60,745,910.26	\$3,107,210.86	(\$553,197.58)	\$1,331,222,552.42

ATMOS ENERGY CORPORATION  
ACCUMULATED PROVISION  
FOR DEPRECIATION AND AMORTIZATION  
AS OF APRIL 30, 1998

	Year to Date			Balance 04/30/98
	Balance 9/30/97	Provision	Adjustment	
<b>GAS PLANT</b>				
Atmos				
Retirement work in progress	\$4,900.00	\$0.00	\$2,486.15	\$7,386.15
Atmos General Office(2)	15,625,904.99	1,640,694.33	329.67	17,266,599.32
Total accum. prov. for depr. - Atmos	(329.67)	1,640,694.33	2,815.82	17,273,985.47
Energas				
Retirement work in progress	28,638.26	0.00	(270,765.78)	(242,127.52)
Amarillo Transmission Div.(1)	2,302,858.65	40,348.84	0.00	2,343,207.49
Amarillo City Plant Dist. Div.(3)	18,510,022.40	790,625.15	(79,603.42)	19,221,044.13
Fritch & Sanford City Plt. Dist. Div.(4)	384,725.27	12,662.65	(1,573.73)	395,814.19
West Texas City Plant Dist. Div.(5)	61,038,041.37	3,207,892.19	(318,259.19)	63,977,841.56
Dalhart City Plant Dist. Div.(6)	999,800.33	42,134.05	(10,251.82)	1,031,682.56
West Texas Rural Irrigation Div.(8)	9,943,565.84	287,688.16	1,197.53	10,232,451.53
Energas General Office(10)	1,135,624.24	219,064.93	(79,960.35)	1,274,728.82
Faln-Amarillo Creek Transmission(11)	71,230.00	0.00	0.00	71,230.00
Amarillo Rural Dist. Div.(13)	154,218.32	5,025.42	0.00	159,243.74
Dalhart Rural Dist. Div.(17)	53,743.97	985.74	0.00	54,729.71
Dalhart Rural Irrigation Div.(18)	262,696.11	5,964.07	0.00	268,660.18
West Texas Rural Dist. Div.(21)	3,139,533.57	170,013.97	18.05	3,309,565.59
Total accum. prov. for depr. - Energas	(18.05)	4,782,405.17	(759,198.71)	102,048,071.98
Trans La(7)				
Retirement work in progress	0.00	0.00	(8,668.21)	(8,668.21)
Trans La Dist. Div.	31,580,062.93	2,550,238.46	(363,798.75)	33,820,199.45
Total accum. prov. for depr. - Trans La	53,696.81	2,550,238.46	(372,466.96)	33,811,531.24
Western Kentucky Gas(9)				
Retirement work in progress	(938.81)	0.00	(244,661.11)	(245,599.92)
Western Kentucky Gas Div.	85,835,926.90	3,972,130.88	(784,775.29)	89,023,282.49
Total accum. prov. for depr. - WKG	85,834,988.09	3,972,130.88	(1,029,436.40)	88,777,682.57

ATMOS ENERGY CORPORATION  
ACCUMULATED PROVISION  
FOR DEPRECIATION AND AMORTIZATION  
AS OF APRIL 30, 1998

	Year to Date			
	Balance 9/30/97	Provision	Adjustment	Balance 04/30/98
<b>GAS PLANT</b>				
<b>Greeley</b>				
Retirement work in progress	(10,580.22)	\$0.00	(\$7,200.39)	\$3,379.83
Meter Shop Facilities & Meters(24)	(1,844,979.51)	234,053.90	0.00	2,097,450.65
Missouri Dist. Div.(29)	(198,609.28)	13,113.67	(1,779.77)	182,386.72
Denver Company Office(30)	(431,153.95)	445,376.43	0.00	606,749.11
Greeley Dist. Div.(33)	(7,778,175.86)	558,826.13	(63,951.28)	8,896,387.29
Northwest Colorado Dist. Div.(34)	(5,354,184.12)	404,985.81	(3,923.30)	5,799,725.12
Fremont County Dist. Div.(35)	(13,193,596.69)	595,625.70	(1,287.00)	13,754,122.97
Durango Dist. Div.(36)	(5,878,310.74)	362,187.17	0.00	5,851,594.07
Central Colorado Dist. Div.(37)	(1,249.00)	0.00	0.00	0.00
Cortez Dist. Div.(38)	(82,631.99)	0.00	0.00	0.00
Southeast Colorado Dist. Div.(39)		0.00	0.00	0.00
Kaw Valley Dist. Div.(82)	(4,013,718.21)	311,132.00	(91,091.84)	4,013,612.63
Central Kansas Dist. Div.(83)	(3,180,842.19)	187,537.08	0.00	3,304,183.10
Cane Dist. Div.(84)	(2,592,468.44)	118,653.21	0.00	2,735,083.36
Eastern Kansas Dist. Div.(85)	(831,639.15)	84,732.97	(10,766.25)	953,631.82
Southwest Kansas Dist. Div.(86)	(7,384,649.46)	308,936.14	0.00	7,739,638.77
Total accum. prov. for depr. - GGC	52,776,788.81	3,341,156.46	(179,999.83)	55,937,945.44
<b>United Cities</b>				
Retirement work in progress	(\$6,748.17)	\$0.00	\$124,674.69	\$117,926.52
United Cities Dist. Divisions	184,836,303.91	8,737,988.21	(4,155,038.93)	189,419,253.19
Total United Cities Gas	184,829,555.74	8,737,988.21	(4,030,364.24)	189,537,179.71
<b>Total accumulated prov. for depreciation.- Gas Plant</b>	<b>\$468,730,433.22</b>	<b>\$25,024,613.51</b>	<b>(\$6,368,650.32) *</b>	<b>\$487,386,396.41</b>

**ATMOS ENERGY CORPORATION**  
**ACCUMULATED PROVISION**  
**FOR DEPRECIATION AND AMORTIZATION**  
**AS OF APRIL 30, 1998**

	Year to Date			
	Balance 9/30/97	Provision	Adjustment	Balance 04/30/98
<b>OTHER GAS PLANT IN SERVICE</b>				
Atmos				
Atmos General Office Division(2)	\$829,702.44	\$261,474.08	\$0.00	\$1,091,176.52
Total Atmos	829,702.44	261,474.08	0.00	1,091,176.52
Energas				
Amarillo City Plant Dist. Div.(3)	158,220.56	24,284.61	0.00	182,505.17
Fritch & Sanford City Plant Dist. Div.(4)	5,916.44	(20.65)	0.00	5,895.79
West Texas City Plant Dist. Div.(5)	1,091,713.00	99,999.97	149.14	1,191,712.97
Dalhart Div.(6)	(149.14)	7,189.97	0.00	8,488.96
West Texas Irrigation Div.(8)	7,091.04	1,298.99	0.00	7,622.62
Energas General Office(10)	1,875.32	531.58	0.00	3,102.77
Amarillo Rural Div.(13)	516.26	1,227.45	0.00	3,102.77
Dalhart Irrigation Div.(18)	311.30	63.91	0.00	580.17
West Texas Rural Div.(21)	31,889.52	31.85	0.00	343.15
Total Energas	1,304,574.27	3,684.59	0.00	35,574.11
Trans La		131,102.30	149.14	1,435,825.71
Trans La Distribution Division(7)	220,015.31	36,054.83	53,696.81	309,766.95
Total Trans La	220,015.31	36,054.83	53,696.81	309,766.95
Western Kentucky Gas				
Western Kentucky Gas Division(9)	564,100.18	0.00	0.00	564,100.18
Total WKG	564,100.18	0.00	0.00	564,100.18
Greeley				
Greeley Dist. Div.(33)	60,232.62	0.00	0.00	60,232.62
Northwest Colorado Dist. Div.(34)	66,924.56	0.00	0.00	66,924.56
Fremont County Dist. Div.(35)	94,718.87	0.00	0.00	94,718.87
Durango Dist. Div.(36)	23,493.78	0.00	0.00	23,493.78
Central Colorado Dist. Div.(37)	0.00	0.00	0.00	0.00
Cortez Dist. Div.(38)	0.00	0.00	0.00	0.00
Southeast Colorado Dist. Div.(39)	0.00	0.00	0.00	0.00
Kaw Valley Dist. Div.(82)	84,791.05	486.29	0.00	85,277.34
Central Kansas Dist. Div.(83)	10,901.94	0.00	0.00	10,901.94
Cane Dist. Div.(84)	3,106.06	332.29	0.00	3,438.35
Southwest Kansas(86)	88.02	102.66	0.00	190.68
Total Greeley Gas	344,256.90	921.24	0.00	345,178.14
United Cities				
United Cities Dist. Divisions	1,022,940.53	3,350,466.53	2,380,119.57	6,753,526.63
Total United Cities Gas	1,022,940.53	3,350,466.53	2,380,119.57	6,753,526.63
Total accumulated provision for amort. of other gas plant in service	\$4,285,589.63	\$3,780,018.98	\$2,433,965.52	\$10,499,574.13

ATMOS ENERGY CORPORATION  
 ACCUMULATED PROVISION  
 FOR DEPRECIATION AND AMORTIZATION  
 AS OF APRIL 30, 1998

	Year to Date			
	Balance 9/30/97	Provision	Adjustment	Balance 04/30/98
<b>NON-UTILITY PLANT IN SERVICE (CNG)</b>				
Texas				
Energas	\$284,635.61	\$30,188.62	\$0.00	\$314,824.23
Total Texas	284,635.61	30,188.62	0.00	314,824.23
Louisiana				
Trans La	118,740.55	12,593.70	0.00	131,334.25
Total Louisiana	118,740.55	12,593.70	0.00	131,334.25
Greeley				
Greeley Gas	434,287.68	27,752.90	0.00	462,040.58
Total Greeley Gas	434,287.68	27,752.90	0.00	462,040.58
Total accumulated provision for amort. of non-utility plant in service	837,663.84	70,535.22	0.00	908,199.06

	Year to Date			
	Balance 9/30/97	Provision	Adjustment	Balance 04/30/98
<b>UTILITY PLANT ACQUISITION ADJUSTMENT</b>				
Louisiana				
Trans La	3,762,016.75	(106,342.81)	0.00	3,655,673.94
Total Louisiana	3,762,016.75	(106,342.81)	0.00	3,655,673.94
Kentucky				
W.K.G.	2,277,713.90	119,572.39	0.00	2,397,286.29
Total Kentucky	2,277,713.90	119,572.39	0.00	2,397,286.29
Greeley				
G.G.C.	1,341,129.41	8,015.00	0.00	1,349,144.41
Total Greeley Gas	1,341,129.41	8,015.00	0.00	1,349,144.41
United Cities				
U.C.G.C. Prior	1,916,264.14	(290,756.11)	0.00	1,625,508.03
Total United Cities Gas	1,916,264.14	(290,756.11)	0.00	1,625,508.03
Total accumulated Prov. for Amort. of Utility Plant Acquisition Adjustment	9,297,124.20	(269,511.53)	0.00	9,027,612.67
Total accumulated provision for depreciation & amortization	\$483,150,810.89	\$28,605,656.18	(\$3,934,684.80)	\$507,821,782.27

Total Depreciation Provision as per Balance Sheet \$28,605,656.18  
 Less: Depreciation Provision charged to other accounts-18400 6,964,613.74  
 Less: Depreciation Provision charged to other accounts (CNG) 70,535.22  
 Total Depreciation Expense as per Income Statement \$21,570,507.22

WKG RESOURCES  
PROPERTY, PLANT AND EQUIPMENT  
AND RELATED ACCUMULATED PROVISION  
AS OF APRIL 30, 1998

	Year to Date				
	Balance 9/30/97	Additions	Retirements	Transfers	Balance 04/30/98
Property, Plant and Equipment					
Well Construction 3300000	\$106,938.67	\$0.00	\$0.00	\$0.00	\$106,938.67
Mineral Deeds	446,864.91	0.00	0.00	0.00	446,864.91
Construction Work in Progr	0.00	0.00	0.00	0.00	0.00
<b>Total Property, Plant and Equi</b>	<b>553,803.58</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>553,803.58</b>
	Year to Date				
	Balance 9/30/97	Provision	Adjustments	Balance 04/30/98	
Accumulated Provision for Depreciation					
Accumulated Provision for Depreciation	104,254.43	2,684.24	0.00	106,938.67	
Retirement Work in Progress	0.00	0.00	0.00	0.00	
<b>Total Accumulated Provision for Depr.</b>	<b>\$104,254.43</b>	<b>\$2,684.24</b>	<b>\$0.00</b>	<b>\$106,938.67</b>	



**ATMOS ENERGY CORPORATION  
BALANCE SHEET ACCOUNTS  
AS OF APRIL 30, 1998**

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Reference	Line No.	Acct. No.	Description	1998	1997	As of September 30, 1997
59	6		<b>NET PROPERTY, PLANT, AND EQUIPMENT</b>	<b>823,988,086.47</b>	<b>741,864,800.64</b>	<b>789,333,948.28</b>
			<b>INVESTMENTS IN &amp; ADVANCES TO SUBSIDIARIES</b>			
			1230 Investments in Associated Companies			
			Atmos Energy Services, Inc.	1,000.00	1,000.00	1,000.00
			Egisco, Inc.	1,000.00	1,000.00	1,000.00
			Enertart, Inc.	1,000.00	1,000.00	1,000.00
			Trons La Industrial Gas Company, Inc.	2,293,047.89	2,293,047.89	2,293,047.89
			Western Kentucky Gas Resources	1,604,833.12	1,604,833.12	1,604,833.12
			UCG Energy Corporation, Inc.	1,000,000.00	1,000,000.00	1,000,000.00
			UCG Storage Company, Inc.	3,452,327.00	3,452,327.00	3,452,327.00
			Total Investments in & Advances to Subsidiaries	<b>8,353,708.01</b>	<b>8,353,708.01</b>	<b>8,353,708.01</b>
59	7					
			<b>CASH AND TEMPORARY CASH INVESTMENTS</b>	<b>1,356,862.90</b>	<b>2,455,494.37</b>	<b>2,721,919.39</b>

Reference	Line No.	Acct. No.	Description	1998	1997	As of September 30, 1997
			<b>ACCOUNTS RECEIVABLE, LESS ALLOWANCE FOR DOUBTFUL ACCOUNTS</b>			
			1410 Notes Receivable			
			(Main Extension Notes)			
			Tom King & Dr. Thomas Fields	2,680.00	2,680.00	2,680.00
			Bowers, Michael and Mellisa	1,785.00	1,785.00	1,785.00
			Murphy and Rochester, Inc.	16,510.00	16,510.00	16,510.00
			Ida Road	230.00	230.00	230.00
			The Gardens Subdivision	1,060.00	1,060.00	1,060.00
			Herbert Construction Co., Inc.	8,240.00	8,240.00	8,240.00
			Charles Bourgeois	1,470.00	1,470.00	1,470.00
			Meyers, Tom	462.00	462.00	462.00
			Bailes, Julian	1,318.00	1,318.00	1,318.00
			Dupuis, Jason	3,439.00	3,439.00	3,439.00
			Chitimacha Tribe of LA	4,415.00	4,415.00	4,415.00
			Bell Meade Sub-Division	1,170.00	1,170.00	1,170.00
			River Ridge Estates	1,933.00	1,933.00	1,933.00
			Vermillion Bluff	2,680.00	2,680.00	2,680.00
			Pain Place Subdivision	4,260.00	4,260.00	4,260.00
			Oak Place Subdivision	9,010.00	9,010.00	9,010.00
			Shenandoah Estates Ph VIII	7,970.00	7,970.00	7,970.00
			Chinquapin Acres Ext. #1	2,228.00	2,228.00	2,228.00

Note: For prior year and September 30, 1997 United Cities balances are reported at the summary account level.

**ATMOS ENERGY CORPORATION**  
**BALANCE SHEET ACCOUNTS**  
**AS OF APRIL 30, 1998**

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Reference

Page No.	Line No.	Acct. No.	Description	1998	1997	As of September 30, 1997
			Cambridge Drive Est.	02-16-05	5,250.00	5,250.00
			Beallien Estates	03-09-05	9,557.00	9,557.00
			Sugar Ridge	03-17-05	6,750.00	6,750.00
			Silver Maple	03-30-05	5,909.00	5,909.00
			Athen Acres	05-02-05	990.00	990.00
			Beyon Bend	06-13-05	1,620.00	1,620.00
			Ingrana Subdivision	07-18-05	8,715.00	8,715.00
			Magnolia Landing Ext.	07-26-05	15,041.00	15,041.00
			Hideaway Acres #2 Ext.	07-28-05	475.00	475.00
			Pin Oak Estates	09-08-05	5,681.00	5,681.00
			Bronson Park Est. Phase #5	11-28-05	8,695.00	8,695.00
			Summerfield Subdivision	01-15-06	7,500.00	7,500.00
			Bear Creek Subdivision	03-19-06	8,030.00	8,030.00
			Acadiana Plaza Subdivision	04-10-06	7,900.00	7,900.00
			Summerset Place	04-24-06	2,640.00	2,640.00
			Woodridge Subdivision Phase I	04-26-06	4,125.00	4,125.00
			Austin Village Phase 4	05-06-06	8,930.00	8,930.00
			Beallien Estates Subd. #1	07-10-06	5,970.00	5,970.00
			Beallien Estates Subd. #2	07-10-06	4,465.00	4,465.00
			Enclave Development	07-11-06	1,810.00	1,810.00
			Orzane Road	07-18-06	3,520.00	3,520.00
			Sugarland Estates Phase A	07-31-06	4,130.00	4,130.00
			The Oaks Subdivision	08-05-06	8,900.00	8,900.00
			Acadian Place Estates	10-14-06	1,907.00	1,907.00
			St. Clair V Subdivision	10-14-06	10,044.00	10,044.00
			Jean Clair Subdivision	10-14-06	8,453.00	8,453.00
			Judice Estates	10-23-06	7,415.00	7,415.00
			Twin Pines Mobile Home	11-14-06	12,950.00	12,950.00
			Brunswick Place	01-28-07	3,235.00	3,235.00
			Leitrimphie Tract H	02-24-07	7,070.00	7,070.00
			Leitrimphie Tract J, PHI	02-24-07	3,300.00	3,300.00
			Copperfield South	04-14-07	22,000.00	22,000.00
			Woodlake Subdivision	04-23-07	3,295.00	3,295.00
			Beallien Phase Subdivision - Phase 3	05-01-07	6,260.00	6,260.00
			B.F. Miller Extension	05-06-07	7,730.00	7,730.00
			Hackberry Place	06-09-07	10,420.00	10,420.00
			E. Bayou Oaks	06-11-07	10,620.00	10,620.00
			Kingspointe Phase 2	09-03-07	12,120.00	12,120.00
			Amy Estates	09-22-08	8,490.00	8,490.00
			Summerfield Phase II	11-14-07	5,077.00	5,077.00
			Austin Village Phase 6	09-03-07	11,545.00	11,545.00
			Fernwood Sub. Ph XII	12-19-07	8,790.00	8,790.00
			Sugar Ridge Subdivision	11-13-07	9,291.00	9,291.00
			Hayes Estates	03-31-98	0.00	0.00
			Dwight W. Andrus, Jr.	10-28-02	0.00	154.20
			Regency Development Co.	03-25-03	0.00	4,480.00
			Oak Park Inc.	07-26-03	0.00	3,156.00
			Austin Village Phase II	04-25-04	0.00	1,630.00
			Fernwood Sub. Ph VIII	05-05-04	0.00	11,360.00
			Austin Village III	10-02-05	0.00	3,210.00
			Fernwood Phase IV	10-12-05	0.00	8,970.00
			Kings Pointe Development	05-06-06	0.00	4,675.00
			New Center Commons	06-05-06	0.00	5,325.00
			Giverny Gardens	03-08-05	0.00	4,745.00
			Total Notes Receivable		377,475.00	366,487.20

Note: For prior year and September 30, 1997 United Cities balances are reported at the summary account level.

ATMOS ENERGY CORPORATION  
BALANCE SHEET ACCOUNTS  
AS OF APRIL 30, 1998

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Reference

Page No.	Line No.	Acct. No.	Description	1998	1997	As of September 30, 1997
			1420 Customer Accounts Receivable			
			1420 1.2 - Gas Ledger			
			General Office			
			Unbilled revenue - Energas	3,894,000.00	4,416,000.00	2,261,000.00
			Unbilled revenue - GGC	3,043,000.00	3,034,000.00	1,409,000.00
			Unbilled revenue - Trans La	450,000.00	1,691,000.00	889,000.00
			Unbilled revenue - WKG	1,569,000.00	3,046,000.00	2,373,000.00
			Unbilled revenue - UCO	7,307,999.99	0.00	0.00
			PGA - Correcting Account - Energas	(5,928,325.00)	2,087,000.00	623,000.00
			PGA - Correcting Account - GGC	(723,000.00)	6,449,000.00	8,709,594.00
			PGA - Correcting Account - Trans La	(980,799.00)	(295,000.00)	225,000.00
			PGA - Correcting Account - WKG	(9,812,000.00)	2,031,000.00	5,010,000.00
			Handbilled Industrial Accounts - Energas	243,971.22	175,512.91	137,781.35
			Handbilled Industrial Accounts - GGC	831,285.24	0.00	0.00
			Handbilled Industrial Accounts - Trans La	91,688.33	131,576.35	90,031.55
			Handbilled Industrial Accounts - WKG	1,288,599.51	3,012,796.20	2,286,869.50
			Energas Div - Amarillo System (City and Rural)	2,801,511.20	3,016,612.58	746,816.67
			Dalhart City Plant System (City and Rural)	140,301.56	212,878.47	51,269.30
			Fritch & Sanford System	64,363.03	59,285.92	11,311.17
			West Texas City Plant System (City and Rural)	18,986,910.21	18,655,259.32	12,102,455.58
			Greeley Gas Company Division	8,838,826.84	6,846,161.22	2,257,484.51
			Trans La Division	2,438,915.59	2,472,634.04	1,302,481.08
			Western Kentucky Gas Division	9,590,546.53	5,860,328.85	516,088.24
			United Cities Gas Division	28,070,116.31	0.00	0.00
			Total Gas Ledger Receivables	72,708,911.56	62,852,045.86	41,002,182.95
			1420 3 - Merchandise Ledger	2,300,376.73	2,171,261.44	2,172,379.34
			1420 4 - Service Ledger	1,863,372.63	263,811.83	270,935.33
			1420 6 - Customer Surcharge - GGC	8,961.03	8,009.95	11,088.80
			Total Customer Accounts Receivable	76,881,621.95	65,295,129.08	43,456,586.42
			1430 Other Accounts Receivable			
			1430 1 - Miscellaneous			
			Additional Billing			
			Additional Billing - WKG	0.00	(2,162.28)	(93,443.42)
			Eddins - Watcher Rent	(3,975.00)	0.00	0.00
			Clyde Plant Extraction - Koch	4,371.23	10,755.20	(1,488.09)
			Cortez Outage	20,593.71	0.00	0.00
			Eureka Outage	5,528.09	0.00	0.00
			Virden II Damage	21,200.84	0.00	0.00
			Fonsau Outage	(513.95)	0.00	0.00
			KN - Tahoka Outage	14.60	126.29	0.00
			GGC Auto Salvage A/R	(1,875.50)	53,286.56	0.00
			Greeley Outage	(6,144.35)	0.00	0.00
			Breaux Bridge Outage	4,077.14	0.00	0.00
			KN - Plainview Linecut	48.70	0.00	528.22
			KN - Big Spring OVR/DOR	1,227.04	0.00	0.00
			Monroe Outage	330.74	3,469.92	5,033.34
			Platteville Outage	41,903.25	41,903.25	41,903.25

Note: For prior year and September 30, 1997 United Cities balances are reported at the summary account level.

ATMOS ENERGY CORPORATION  
BALANCE SHEET ACCOUNTS  
AS OF APRIL 30, 1998

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Reference	Page No.	Line No.	Acct. No.	Description	1998	1997	As of September 30, 1997
				Thibodaux Outage	0.00	9,053.95	0.00
				Westar - Post Outage	0.00	1,178.31	0.00
				Winnfield Outage	(169.19)	5,865.36	5,865.36
				CNG - Amasillo	(172.82)	78.88	(173.32)
				CNG - Cayoua	162.55	1,635.68	510.08
				Meter Salvage Receivable	2,775.00	4,050.00	8,056.10
				Midwestern/Equitable Cash	13,186.00	9,672.64	12,926.26
				Miscellaneous	(17,184.19)	(47,380.44)	83,624.16
				Steamboat Springs Incident (Reimbursable Expense)	0.00	2,174.55	12,126.80
				Total Miscellaneous Receivable	83,383.89	93,807.87	75,468.74
				1430 2 0541 - Employee Advances(Incl. Expense, Bridge Loans & Education)	695,090.48	74,995.30	81,131.23
				1430 2 0600 - Merchandise Employees' Payroll Deductions	133,953.50	175,065.83	139,500.82
				1431 2 0601 - Employee Rent	86.58	0.00	0.00
				1431 2 0601 - Other Employee A/R	7,239.57	0.00	0.00
				1430 7 - Trans La Miscellaneous	3,689.08	428,071.99	428,071.99
				State Dept. of Transportation	90.00	60.00	90.00
				Acadia Parish Police Jury	4,181.40	7,748.03	8,440.79
				LIG			
				Total Trans La Miscellaneous Receivables	7,960.48	435,880.02	436,602.78
				1430 9 0500 - WKG PAC	2,085.31	270.22	575.98
				1430 9 0700 - Westar - Chart Reading & Misc.	672.15	5,464.17	3,838.09
				Total Other Accounts Receivable	930,471.96	785,483.41	737,117.64
				1440 Allowance for Doubtful Accounts	(3,554,927.87)	(1,994,726.03)	(966,451.32)
				Atmos - Total Receivable, Less Allowance	74,634,641.04	64,419,185.46	43,593,739.94
				United Cities Gas - Total Receivable, Less Allowance	0.00	31,548,186.00	24,162,577.00
59	9			Total Accounts Receivable, Less Allowance for Doubtful Accounts	74,634,641.04	95,967,371.46	67,756,316.94
INVENTORIES							
				1540 Plant Materials and Supplies	8,110,739.12	5,324,017.67	5,148,721.93
				1550 Merchandise	242,671.32	172,718.11	160,233.09
				1510 Propane Fuel Stock	456,837.45	0.00	0.00
				1630 Stores Expense Undistributed	3,985,932.54	1,773,344.62	1,785,741.60
				Atmos - Total Inventories	12,796,180.43	7,270,080.40	7,094,696.62
				United Cities Gas - Total Inventories	0.00	4,353,561.00	4,115,542.00
59	10			Total Inventories	12,796,180.43	11,623,641.40	11,210,238.62
GAS STORED UNDERGROUND							
				Total Gas Stored Underground, current	13,942,655.06	5,938,672.42	41,589,456.36
				United Cities Gas - Total Gas Stored Underground, current	0.00	11,637,593.00	0.00
59	11			Total Gas Stored Underground, current	13,942,655.06	17,576,265.42	41,589,456.36

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Page No.	Line No.	Acct. No.	Description	1998	1997	As of September 30, 1997
			<b>OTHER CURRENT ASSETS</b>			
	1340		Other Special Deposits			
			Guaranty Deposits	17,744.24	17,012.74	16,887.74
			Total Other Special Deposits	17,744.24	17,012.74	16,887.74
	1740		Miscellaneous Current and Accrued Assets	21,170.13		
			1660 Prepayments	21,170.13		
			Prepaid Gas:			
			Alliance Prepaid Gas	82,643.27	(1,584,295.78)	1,172,398.13
			Texas Alliance Prepaid Gas	192,804.34	(182,370.73)	16,816.84
			Cambridge Energy Research (Amort \$2,500/mo thru 01/98)	0.00	17,500.00	5,000.00
			Software Maintenance:			
			SCT Billing Software (Escalating amount to capital 02/97 thru 12/99)	561,163.59	398,788.59	750,601.09
			Oracle Database Maint (Escalating amount to IS clearing 02/97 thru 01/00)	152,467.70	219,340.16	192,591.16
			Dues - AGA	43,524.83	29,384.83	0.00
			Dues - SGA	10,666.64	10,666.64	3,999.94
			Franchise Tax - City	170.77	2,220.01	1,366.16
			Franchise Tax - Texas	4,000.00	66,000.00	0.00
			Gas - Excess Nominations	181,104.17	182,446.18	181,898.76
			Gross Receipts Tax - Texas	1,050,521.56	0.00	0.00
			Institute of Gas Technology (Amort \$2,108/mo thru 12/97)	4,218.00	16,864.00	6,374.00
			Insurance - Prop., Gen. Liab., Auto, etc.	1,159,813.79	516,276.93	358,470.88
			Insurance - Retirement Cost	448,372.96	456,508.25	559,450.12
			CPSC Assessment (Quarterly)	8,821.99	11,039.26	12,797.16
			KPSC Assessment (Amort \$13,368/mo thru 6/97)	0.00	26,736.00	0.00
			Occupational License	42,183.00	46,508.00	17,508.00
			Postage	518.32	59,848.43	96,346.64
			Prepaid Debt. Exp.-Nations (Amort \$5,000/mo thru 8/98)	19,999.97	11,666.65	54,999.97
			Rent - Gilliland Group (Oper Co)	284,592.01	284,592.01	284,592.01
			Total Prepayments	4,247,587.15	589,719.43	3,715,160.86
			Atmos - Total Other Current Assets	4,286,301.52	606,732.17	3,732,048.60
59	12		United Cities Gas - Total Other Current Assets	0.00	7,846,207.00	1,807,255.00
			Total Other Current Assets	4,286,301.52	8,452,939.17	5,539,303.60
			<b>INTERCOMPANY ACCOUNTS - NET</b>			
	1460		Accounts Receivable from Assoc. Co.			
			Atmos Energy Services, Inc.	5,609.98	3,393.25	5,609.98
			Egasco, Inc.	1,000,377.07	(308,967.57)	808,349.49
			Enermart, Inc.	23,788,106.80	9,286,655.70	21,120,195.01
			Enermart Trust	(27,828,422.11)	(27,484,547.80)	(23,708,148.28)
			Trans La Industrial Gas Company, Inc.	(2,541,676.45)	(1,958,815.07)	(2,738,776.04)
			United Cities Gas Company	133,852.22	0.00	66,906,326.59
			Western Kentucky Gas Resources	(978,984.55)	(937,531.20)	(967,305.90)
			UCG Rental	3,560,932.53	0.00	0.00
			UCG Utility Services	10,061.69	0.00	0.00
			UCG Storage	1,710,846.60	0.00	0.00
			UCG Leasing	180,083.99	0.00	0.00
			UCG Propane	3,452,068.76	0.00	0.00
			Atmos - Total Intercompany Accounts	2,492,856.53	(21,399,812.69)	61,426,250.85
			United Cities Gas - Total Intercompany Accounts	0.00	7,145,384.00	(58,606,626.59)
59	13		Total Intercompany Accounts - Net	2,492,856.53	(14,254,428.69)	2,819,624.26

Note: For prior year and September 30, 1997 United Cities balances are reported at the summary account level.

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	59	14		Total Current Assets	109,509,697.48	121,821,483.13	131,636,859.17
<b>DEFERRED CHARGES AND OTHER ASSETS</b>							
				1280 Gilliland Lease Deposits	733,624.05	737,624.05	733,624.05
				Total Other Special Funds	733,624.05	737,624.05	733,624.05
				1240 Other Investments	8,301.00	8,301.00	8,301.00
				Club Memberships	250.00	250.00	250.00
				Herrington Industrial Development	750.00	750.00	750.00
				Windom Industrial Development	100.00	100.00	100.00
				Worthington Industries Inc			
				Total Other Investments	9,401.00	9,401.00	9,401.00
				1810 Unamortized Debt Expense	38,379.16	46,603.24	43,176.54
				John Hancock Notes (11.2% through 12/30/02)	84,217.82	99,079.82	92,887.32
				John Hancock Notes (9.76% through 12/30/04)	67,625.61	75,740.61	72,359.36
				Var. Annuity Life Ins. (9.57% through 9/30/06)	33,382.58	37,388.54	35,719.39
				Var. Annuity Life Ins. (7.95% through 9/01/06)	85,473.40	95,529.04	91,339.19
				Var. Annuity Life Ins. (8.07% through 10/01/06)	98,993.50	104,993.14	102,493.29
				New York Life Ins. (8.26% through 10/01/14)	522,953.70	545,577.26	536,121.61
				First Mortgage Bonds (9.4% through 2021)	216,077.63	223,868.00	0.00
				Medium Term Debt Series A - 1	196,676.21	212,117.00	0.00
				Series A - 2	24,759.10	33,805.00	0.00
				Series A - 3	60,430.86	76,196.00	0.00
				Long Term Debt Series N	239,389.80	251,614.00	0.00
				Series P	263,863.28	275,701.00	0.00
				Series Q	368,329.12	430,582.00	0.00
				Series R	118,713.24	123,856.00	0.00
				Series T	354,741.56	369,572.00	0.00
				Series U	142,020.43	156,800.00	0.00
				Series V	127,493.05	155,660.00	0.00
				TNVA - AO	3,043,520.05	3,314,582.65	974,096.70
				Total Unamortized Debt Expense			
				1840 Cleaning Accounts	219.35	(2,549.14)	0.00
				Ditchers & Backhoes	9,415.20	0.00	0.00
				Information Services	37,925.48	0.00	0.00
				Meter Shop	683.28	75,139.39	1,738.76
				Meter Loops	22,677.42	0.00	(25,448.08)
				Payroll/Taxes	232,341.15	104,017.18	0.00
				Vehicle System	952.02	(11,746.25)	0.00
				Welders			
				Total Cleaning Accounts	304,213.90	164,861.18	(23,709.32)
				1860 Miscellaneous Deferred Debits	301,493.28	25,383.42	218,605.61
				Advanced Payments to Employees	7,236.25	0.00	0.00
				Kentucky PBR	121,200.00	115,152.00	47,907.00
				Car Allowance (Amort calendar year)			
				Company Facilities:			
				Monroe Office	25,188.96	25,188.96	25,188.96
				Natchitoches Service Center (Reimbursable Upon Completion)	(6,951.48)	4,635.73	(7,435.32)

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			Publicaah Remodeling (Reimbursable Upon Completion)			
			Thibodaux Office	97,503.81	97,503.81	97,503.81
			Colorado Pipeline Refunds	38,357.48	0.00	38,357.48
			Consulting	0.00	31,232.66	0.00
			Danville Incident - KY	66,666.65	82,500.00	80,000.00
			Deferred Take or Pay - GGC	17,333.79	7,261.49	17,333.79
			Department Projects	292,882.36	251,641.57	322,550.59
			Texas Gas Rate Case	5,267.07	0.00	722.36
			Add O&M Standards to ALMS	64,729.49	62,355.32	64,729.49
			Functional Standard Costing	0.00	24,101.43	24,101.43
			Gas Contract Management System	29,293.79	22,438.34	27,209.90
			Internet Requirements Project	0.00	3,850.00	0.00
			KN Meter Trf-Retirement	0.00	840,468.67	0.00
			Odessa Service Center Remodel	14,732.44	0.00	0.00
			Remote Paycenter Project	0.00	1,738.59	0.00
			Quality Review - CIS Project	0.00	233,840.88	25,785.59
			DBS Installs A/P	0.00	115,748.91	245,333.88
			Drilling Permits - Emergas	0.00	0.00	1,000.00
			Executrain - Sid. P.C. Training Cost	0.00	34,049.36	0.00
			GGC ACH Cash Clearing	(27,435.56)	(8,560.41)	(784.36)
			GGC Cash Reconciliation	(691,405.87)	(1,451.14)	154.13
			Lincoln Center Rent	285,266.20	153,848.54	171,776.49
			LPSC Settlement (Amort. Heating Sys., Fiscal 96 & 97)	0.00	0.00	0.00
			Misc. Charges to be Cleared Currently	489,160.18	79,952.83	74,834.22
			Other Work in Progress	101,991.05	97,404.66	102,306.21
			Pension Assets - Almos	(854,218.04)	(1,314,194.03)	(1,409,859.03)
			Pension Assets - WKG	11,508,337.95	11,309,524.94	11,294,519.94
			Pension Assets - GGC	(483,681.00)	(352,800.00)	(450,970.00)
			Post Retirement Benefits	1,380,518.00		
			Rate Cases			
			Rate Case Exp - CO - Phase II (Amort \$1,225/mo. thru 12/98)	9,799.60	24,499.00	18,374.25
			Rate Case Exp - CO (1993)(Amort \$7,166/mo. 5/94 thru 4/97)	0.00	0.00	0.00
			Rate Case 95-010 - WKG (Amort \$6,828.50/mo. 1/95 thru 10/98)	40,970.87	122,912.87	88,770.37
			Restricted Stock Grant Plan	27,622.30	51,189.69	38,364.36
			Retirement Cost (Rabbi Trusts and CVI)	5,240,307.87	858,957.81	3,117,164.34
			Trans La Lawsuit & COG Investigation (Amort \$27,000/mo 3/94 thru 2001)	21,953,886.16	17,776,780.28	21,209,828.66
			Trans La Post Settlement	1,070,572.73	1,394,572.73	1,259,572.73
			Acquisition Costs - Almos	178,995.73	125,159.91	153,746.06
			Acquisition Costs - United Cities	8,696,142.14	2,183,418.51	6,677,252.48
			Conflict Costs	14,468,500.32	0.00	13,869,229.87
			Leadership Conference	258,138.10	258,138.10	258,138.10
			Almos/UCG Integration - Almos (1)	29,586,437.83	0.00	0.00
			Separation/Integration Costs	0.00	0.00	11,270,693.98
			Business Unit Review Meetings	6,025.95	0.00	17,000,000.00
			Senn - Delancy Retreat	2,812.10	0.00	0.00
			Finance Team Meetings	0.00	0.00	0.00
			Regulatory Summit	1,548.61	0.00	0.00
			Five Year Plan Meetings	6,570.40	0.00	0.00
			Marketing Initiative	429,079.49	0.00	0.00
			Shared Services Meetings	196,014.92	0.00	0.00
			H R Study - Towers Perrin	54,474.20	0.00	0.00
			Diversity Council	8,639.74	0.00	0.00
			Debt Offering - 1998	58,810.93	0.00	0.00

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	No.	No.	No.				
		Acct# 1860 7 0383001		General Reserve - Accrual			(70,334,000.00)
		Acct# 1860 7 0014		1998 Depreciation Study	(19,759,403.00)	0.00	0.00
		Acct# 1860 7 0050		Deferred Gas Cost	2,310.00	0.00	0.00
				UCO Rate Cases:	7,468,606.06	0.00	0.00
		Acct# 1860 7 0100		IL Rate Case 1996	42,969.91	0.00	0.00
		Acct# 1860 7 0101		KN Rate Case 1992	24,805.64	0.00	0.00
		Acct# 1860 7 0102		TN Rate Case 1995	36,658.89	0.00	0.00
		Acct# 1860 7 0103		IA Rate Case 1995	37,701.62	0.00	0.00
		Acct# 1860 7 0104		VA Rate Case 1995	20,781.85	0.00	0.00
		Acct# 1860 7 0105		GA Rate Case 1996	45,376.32	0.00	0.00
		Acct# 1860 7 0106		MO Rate Case 1995	17,261.80	0.00	0.00
		Acct# 1860 7 0107		KN Rate Case 1995	41,098.91	0.00	0.00
		Acct# 1860 7 0108		INMFO Services	4,149,099.50	0.00	0.00
		Acct# 1860 7 0110		Leak Survey	27,164.12	0.00	0.00
		Acct# 1860 7 0111		Non Compete Agreement	1,522,763.83	0.00	0.00
		Acct# 1860 7 0114		Income Tax Recover Future	3,250,723.25	0.00	0.00
		Acct# 1860 7 0900		Conservation Program	133,239.45	0.00	0.00
		Acct# 1860 7 0901		Conservation Program 1997	197,924.91	0.00	0.00
				United Cities Gas Deferred Debits	0.00	15,924,546.00	14,970,607.13
				Total Miscellaneous Deferred Debits	92,432,439.73	50,662,991.43	80,608,664.50
	59	15		Total Deferred Charges and Other Assets	96,523,198.73	54,859,460.31	82,302,076.93
	59	16		TOTAL ASSETS	\$1,038,374,190.69	\$926,928,952.09	\$1,011,626,092.39

(1) Total Net UCO Acquisitions: \$ 38,735,084.27

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No.	No.	No.	No.				
60	5			SHAREHOLDERS' EQUITY	352,350,053.61	338,463,471.71	302,292,130.73
60	6			LONG-TERM DEBT	290,303,308.00	298,303,308.00	297,303,308.00
60	7			TOTAL CAPITALIZATION	642,653,361.61	636,766,779.71	599,595,438.73

NOTES PAYABLE

60	8			Amarillo National Bank Master Note/Other	2,000,000.00	12,000,000.00	12,000,000.00
				Societe Generale	20,000,000.00	0.00	0.00
				Fuji Bank	0.00	10,400,000.00	0.00
				NationsBank	69,900,000.00	0.00	140,600,000.00
				PNC Bank of Pittsburgh	10,000,000.00	0.00	7,800,000.00
				Sumitomo Bank - Houston	15,000,000.00	0.00	0.00
				Mitsubishi Bank - Houston	3,100,000.00	0.00	0.00
				Sauwa Bank	10,000,000.00	0.00	0.00
				Atmos - Total Notes Payable	130,000,000.00	22,400,000.00	160,400,000.00
				United Cities Gas - Total Notes Payable	0.00	25,761,000.00	0.00
				Total Notes Payable	130,000,000.00	48,161,000.00	160,400,000.00

ACCOUNTS PAYABLE

2320	Accounts Payable	(31,329.60)	101,988.21	179,431.90
	Accrued Annual Report Costs	165,050.00	97,834.00	9,900.00
	Accrued Audit Fees	46,666.01	30,202.69	111,487.85
	Accrued Employee Awards	3,002,129.19	67,435.10	30,654.03
	Accrued Payroll Labor Distribution	527,955.87	527,955.87	527,955.87
	Accrued Vacation	31,818,729.40	0.00	0.00
	Estimated Gas Cost	(4,626,652.46)	(52,954.48)	0.00
	Customer Service Enhancement	1,052,062.37	30,130.12	334,402.02
	Def Ct Cleared Currenty DSM Program			

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			DSM Program - KY	142,813.97	291,670.00	250,000.00
			DSM Program - KY Payments	(77,370.07)	(100,303.71)	(217,687.77)
			Propane Payroll/Benefits	130,325.57	0.00	0.00
			Employees' AD & D Insurance	2,683.54	5,631.10	(123.00)
			Employees' College Donation Deductions	104.00	42.00	28.00
			Employees' Dependent Life Ins.	1,155.16	2,039.00	(21.00)
			Employees' Egespac	27.50	27.50	55.00
			Employees' WKG Pac	1.84	436.75	377.25
			Employees' Trans La PAC	9.69	0.00	0.00
			Employees' Credit Union	0.00	68,231.01	64,398.70
			Employees' Long-Term Disability Insurance	0.00	1,298.66	(27,513.07)
			Employees' Medical/Dental Insurance:	(24,552.71)		
			Medical/Dental Liability			
			Medical/Dental Premiums/Claims Clearing	2,373,750.49	1,439,293.37	1,428,983.46
			Employees' Supplemental Life Insurance	286,252.29	371,299.84	289,638.31
			Employees' United Way	4,637.55	14,049.22	(2,184.92)
			Employees' Universal Life Ins.	8,402.60	1,836.06	1,725.18
			Employees' U.S. Savings Bonds Deductions	(2,623.59)	10,834.61	(104.25)
			Employer's ESOP Contributions	3,328.54	7,890.44	6,410.06
			Employer's ESOP Other Expense	(34,252.65)	337,078.36	87,652.07
			Employees' ESOP Withholding	10,873.02	(3,547.55)	13,957.66
			Employer's Group Life Ins.	(76,148.23)	134,518.44	138,345.58
			Employees' 401K Withholding	51,903.74	31,373.28	47.87
			Employees' Union Dues Withholding	71,306.80	0.00	0.00
			KN Master Mtr Transfer	1,122.08	0.00	0.00
			Mailed Refunds	200,000.00	300,000.00	300,000.00
			Miscellaneous Employee Insurance Accruals - GGC	15,393.08	1,846.33	3,600.00
			Miscellaneous Contingent Liabilities	(228.87)	1,360.06	(1,200.28)
			Net Payroll Payable	8,232.84	0.00	509,331.40
			Purchase Order Clearing	37,002.38	1,737,475.01	2,129,272.93
			Contract Retainage	314,653.41	276,451.46	234,018.06
			Unclaimed Property	205,803.89	0.00	12,266.53
			Unclaimed Pipeline Refund	395,789.44	94,595.25	108,890.30
			UOG Gas Payables	0.00	1,164.87	0.00
			Vouchers Payable	(13,163.41)	0.00	0.00
			Total Accrued Payables	3,326,731.74	1,910,261.62	6,859,380.12
				39,318,576.41	7,739,744.49	13,383,375.86
			Gas Purchased - Accounts Payable			
			Acadiana Natural Gas, Co.	0.00	97,517.40	58,363.45
			AMOCO	(35,313.61)	475,823.01	135,000.00
			ANR Pipeline Company	364,342.80	3,950.41	0.00
			KN Marketing	443,633.15	7,433,990.00	1,207,958.30
			Panenergy Trading/Market	83,800.00	446,778.50	174,795.17
			Brenco Gas Transmission, Inc.	0.00	5,384.25	893.25
			Natural Gas Clearinghouse	(3.00)	758,052.25	692,739.65
			City of Odessa - Purchase	0.00	0.00	5,000.00
			Coastal Gas Marketing	(510,240.00)	139,256.92	154,000.00

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Reference	1998		1997		As of September 30, 1997	
Page	Line	No.	Description	No.	No.	
			Colorado Interstate Gas Company	1,801.41	142,698.95	132,731.89
			Colorado Natural Gas	0.69	130,654.66	78,344.67
			Engage Energy	450,918.70	0.00	0.00
			Costilla Petroleum Corp.	36,579.60	30,254.40	22,658.40
			Crescent Oil & Gas Company	0.00	15,047.90	17,241.95
			Delhi	0.00	327,226.39	0.00
			Enron	0.00	102.45	0.00
			Exchange Gas	(381,731.80)	(52,260.12)	(404,739.03)
			Gas Payable - LA Imbalance	45,194.55	46,116.35	45,714.17
			LG & E Natural Plains Energy	140,280.53	554,739.10	554,227.95
			Hugoton	13,834.97	43,900.30	8,264.75
			Interenergy Resource Corp.	622.36	386,705.00	122,552.36
			Kansas Pipeline Partners	100.00	39,357.31	3,280.57
			Pennunion Energy Services	200.00	89,364.90	101,585.66
			Kimball Energy Corp.	(0.11)	136,780.75	49,695.82
			United Gas Services	101,972.02	49,942.18	61,386.95
			KN Energy	27.87	100,612.19	28,439.97
			K N Gas Supply Services	233,707.23	14,662.60	85,337.69
			KPL Gas Services	22,275.61	82,872.53	22,275.61
			LIG Imbalance	(103,173.02)	0.00	0.00
			Local Gas Production	14,464.40	8,437.04	159,402.62
			Local Gas Purchases - Fremont County	30,588.74	514,488.55	274,824.95
			Louisiana Land/Exploration Company	0.00	438,672.00	0.00
			Louisiana Intrastate Gas Corp.	0.00	616,441.56	343,409.77
			Pioneer Natural Resources Co.	5,609,178.74	2,795,061.04	848,830.50
			Mid-Louisiana Gathering	0.00	984.67	466.02
			Moffat Pipeline Corp.	191.97	12,467.97	9,811.97
			Natural Gas Clearinghouse	0.00	0.00	(234,603.04)
			Noble Gas Marketing	0.00	(1,299.95)	0.00
			Nonam Energy Services	0.00	196.94	0.00
			Nonam Gas Transm Corp	5,861.08	9,486.74	7,000.23
			Oxy U.S.A., Inc.	0.00	678.60	101.50
			CMS Marketing Services	104,160.00	0.00	0.00
			Peoples Natural Gas	(14,432.85)	(1,193.77)	(5,307.85)
			Pipeline Refunds - GGC	(1,259,810.52)	592,803.28	470,641.21
			Pipeline Refunds - Trans La (LIG)	3,675,726.64	0.00	9,789,532.64
			Other Payables	586,727.67	1,541,250.19	1,322,632.19
			Public Service	(194,085.31)	510,937.75	363,065.98
			Westar Gas Marketing	(4.14)	(61,026.11)	91,647.28
			Soult Marketing	6,661.41	6,941.24	7,375.55
			Tennessee Gas Pipeline	(787.10)	454,001.01	259,695.35
			Texaco, Inc.	0.00	664,652.40	785,502.00
			Texaco Natural Gas Inc.	0.00	996,000.00	1,698,769.24
			Texas Gas Transmission	3,558,268.74	1,697,642.01	1,242,989.87
			Trunkline Gas Company	(81,234.57)	70,494.87	2,321.16
			Tuscaloosa Pipeline Company	0.00	11,779.65	7,836.04
			Williams Energy Services	(167,711.32)	725,097.45	129,674.70

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			Williams Natural Gas Company	1,860,078.88	324,311.19	330,024.51
			WKG Supplier Imbalance	24,762.07	30,769.56	29,718.34
			Transportation Bank Gas	218,433.53	403,598.80	782,886.61
			Woodward Marketing	(10,530,623.70)	0.00	2,125,826.36
			Union Pacific Fuels	(1,369,702.87)	2,172,458.70	2,136,910.37
			UCG Accrued Gas Cost Payables	15,048,534.43	0.00	0.00
			UCG Gas Purchase Payables	(4,814,803.91)	0.00	0.00
			Water Gas	0.00	0.02	0.00
			Total Gas Purchased Payable	13,219,271.96	26,035,663.98	26,338,735.27
			2410 Tax Collections Payable			
			Astor Sales Tax	(4,449.77)	(4,449.77)	(4,449.77)
			Astor Franchise Tax	33,812.79	33,812.79	33,812.79
			City Franchise Fees - Louisiana	56,513.91	0.00	0.00
			City Sales Tax - Canon City	4,305.18	4,242.05	330.84
			City Sales Tax - Durango	7,943.65	1,720.20	2,614.46
			City Sales Tax - Mount Crested Blunt	2,261.08	2,424.28	1,536.18
			City Sales Tax - Steamboat Springs	19,129.33	16,850.23	9,684.81
			City Sales/Use Tax	46,661.85	36,540.46	15,295.05
			City Sales/Use Tax - Cortez	7,092.12	5,378.95	2,708.80
			City Sales/Use Tax - Greeley	28,506.19	34,748.82	13,958.94
			City Sales/Use Tax - Gunnison	(21,500)	(36,311)	107.24
			City & Parish Sales Tax - Louisiana	6,740.21	6,229.38	2,273.62
			County City/Use Tax - Lamar	(8.94)	(10.35)	(9.65)
			County City/Use Tax - Prowers	184.05	165.42	210.99
			County Sales/Use Tax	(39,959.44)	30,651.87	10,277.10
			County Use Tax - Fremont	501.57	358.12	499.93
			Employees' Federal Income Tax Withheld	25,183.97	403,482.53	754,344.31
			Employees' FICA Tax	(401,290.33)	192,522.77	235,029.75
			Employees' Local Tax Withheld - KY	- 17,149.36	14,640.10	29,424.88
			Employees' State Income Tax Withheld - Alabama	139.65	0.00	0.00
			Employees' State Income Tax Withheld - North Carolina	371.61	0.00	0.00
			Employees' State Income Tax Withheld - South Carolina	(1,931.20)	0.00	0.00
			Employees' State Income Tax Withheld - Colorado	(2,694.66)	13,606.42	15,877.08
			Employees' State Income Tax Withheld - Illinois	1,754.58	0.00	0.00
			Employees' State Income Tax Withheld - Indiana	446.70	0.00	0.00
			Employees' State Income Tax Withheld - Georgia	13,747.38	0.00	0.00
			Employees' State Income Tax Withheld - Iowa	2,506.18	0.00	0.00
			Employees' State Income Tax Withheld - Kansas	(1,651.56)	3,321.19	3,007.67
			Employees' State Income Tax Withheld - Kentucky	29,836.67	53,688.31	93,394.37
			Employees' State Income Tax Withheld - Louisiana	0.00	12,476.10	12,678.35
			Employees' State Income Tax Withheld - Missouri	403.67	0.00	509.41
			Employees' State Income Tax Withheld - Mississippi	245.15	0.00	0.00
			Employees' State Income Tax Withheld - Ohio	3,471.77	0.00	0.00
			Employees' State Income Tax Withheld - Virginia	23,412.29	0.00	0.00
			Franchise Tax Collected - South Carolina	200,531.41	183,171.16	161,783.77
			Franchise Tax Collected - Colorado			

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				Franchise Tax Collected - Georgia	128.00	0.00	0.00
				Franchise Tax Collected - Illinois	15,461.19	0.00	0.00
				Franchise Tax Collected - Iowa	0.00	0.00	0.00
				Franchise Tax Collected - Kansas	1,105,702.09	203,684.10	47,495.98
				Franchise Tax Collected - Kentucky	68,899.37	36,932.31	44,798.56
				Franchise Tax Collected - Louisiana	3,602.66	73,457.78	74,426.73
				Franchise Tax Collected - Missouri	5,855.91	5,131.68	6,301.08
				Franchise Tax Collected - Tennessee	988,980.51	0.00	0.00
				Franchise Tax Collected - Virginia	21.53	0.00	0.00
				Local Tax - Colorado	296.75	155.25	149.50
				Occupational Tax Collections	199,199.64	65,766.26	21,763.20
				State Sales Tax - North Carolina	(412.86)	0.00	0.00
				State Sales Tax - South Carolina	93,829.20	0.00	0.00
				State Sales Tax - Colorado	198,151.57	83,007.08	85,057.13
				State Sales Tax - Georgia	605,040.01	0.00	0.00
				State Sales Tax - Illinois	8,124.98	0.00	0.00
				State Sales Tax - Iowa	(27,255.23)	0.00	0.00
				State Sales Tax - Kansas	297,507.69	0.00	0.00
				State Sales Tax - Kentucky	41,843.17	101,288.72	123,327.75
				State Sales Tax - Louisiana	(13,893.11)	(14,135.89)	17,311.93
				State Sales Tax - Missouri	61,749.23	0.00	0.00
				State Sales Tax - Tennessee	397,286.44	0.00	0.00
				State Sales Tax - Texas	(55,944.23)	(47,234.96)	(69,631.80)
				State Use Tax - Kansas	(460.73)	1,397.48	638.66
				State Use Tax - Virginia	(1,104.07)	0.00	0.00
				Utility School Tax (Remit monthly)	435,416.47	461,848.38	47,730.41
				Illinois Asst Chg	(77,009.40)	0.00	0.00
				Gross Receipts	161,635.86	0.00	0.00
				Consumer Tax	78,803.97	0.00	0.00
				ICC Sup Fee	(51,001.52)	0.00	0.00
				Illinois Energy Assistance Tax	4,523.40	0.00	0.00
				Total Tax Collections Payable	4,625,823.43	2,016,832.91	1,794,270.05
				Amos - Total Accounts Payable	57,163,671.80	35,792,241.38	41,516,381.18
				United Cities Gas - Total Accounts Payable	0.00	18,235,012.00	14,933,663.54
60	9			Total Accounts Payable	57,163,671.80	54,027,253.38	56,450,044.72
<b>ACCRUED TAXES</b>							
				2360 Accrued Taxes - Other		2,747,508.54	4,992,989.56
				Ad Valorem	6,821,884.56	24.08	0.00
				CNG Use Tax - Kentucky	(365,211)	108.00	104.00
				Employer's Denver City Tax	(198.25)	192,522.77	235,029.75
				Employer's FICA Tax	116,459.71	(9,314.79)	(8,448.90)
				Federal Motor Fuel Tax-CNG	(9,104.00)	374,494.25	408,345.05
				Franchise - City	948,164.49	5,188.86	(3,183.38)
				Louisiana State Supervision & Inspection	7,655.81		

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			Parish & City Use Tax - Louisiana	943.19	2,540.84	6,363.31
			Severance Tax	(55,652.84)	2,618.14	(7,737.26)
			State Franchise Tax - Texas	637,957.68	707,116.52	462,957.68
			State Gross Receipts - Texas	363,205.32	(32,232.64)	41,357.44
			State Transportation Tax - Texas	5,742.34	5,672.62	2,784.31
			State Use Tax - Louisiana	884.53	2,436.64	2,995.15
			Unemployment Tax - Federal	11,893.46	5,320.24	696.83
			Unemployment Tax - State - North Carolina	69.49	0.00	0.00
			Unemployment Tax - State - South Carolina	823.48	0.00	0.00
			Unemployment Tax - State - Colorado	409.95	471.10	149.25
			Unemployment Tax - State - Georgia	2,617.04	0.00	0.00
			Unemployment Tax - State - Illinois	1,530.51	0.00	0.00
			Unemployment Tax - State - Iowa	(1,038.23)	0.00	0.00
			Unemployment Tax - State - Kansas	18,590.95	0.00	0.00
			Unemployment Tax - State - Missouri	1,989.94	0.00	0.00
			Unemployment Tax - State - Tennessee	97,793.25	0.00	0.00
			Unemployment Tax - State - Kentucky	302.83	707.27	(13.12)
			Unemployment Tax - State - Louisiana	378.80	350.43	(4.67)
			Unemployment Tax - State - Texas	3,925.05	6,879.93	616.47
			Unemployment Tax - State - Virginia	139.35	0.00	0.00
			Use Tax (City & State) - Texas	131,727.85	48,000.23	76,522.75
			Tennessee Use Tax (City & State)	52,692.98	0.00	0.00
			Virginia Use Tax (City & State)	6,431.67	0.00	0.00
			Iowa Use Tax (City & State)	1,563.86	0.00	0.00
			Kansas Use Tax (City & State)	21,348.16	0.00	0.00
			Illinois Use Tax (City & State)	5,824.19	0.00	0.00
			South Carolina Use Tax (City & State)	(1,929.92)	0.00	0.00
			Georgia Use Tax (City & State)	6,710.35	0.00	0.00
			Missouri Use Tax (City & State)	5,573.20	0.00	0.00
			Illinois Energy Assistance Tax	(4,523.40)	0.00	0.00
			Virginia License	(67,396.43)	0.00	0.00
			Atmos - Total Accrued Taxes	9,135,025.71	4,060,413.03	6,211,524.22
			United Cities Gas - Total Accrued Taxes	0.00	3,965,796.00	5,488,677.46
60	10		Total Accrued Taxes	9,135,025.71	8,026,209.03	11,700,201.68
<b>INCOME TAXES PAYABLE</b>						
			2360 Accrued Income Taxes			
			Accrued Income Taxes - Federal	7,768,395.09	5,337,144.05	(6,384,148.36)
			Accrued Income Taxes - State	(173,318.35)	957,584.43	(2,236,201.00)
			Atmos - Total Income Taxes Payable	7,595,076.74	6,294,728.48	(8,620,349.36)
			United Cities Gas - Total Income Taxes Payable	0.00	3,368,391.00	(9,714,291.17)
60	11		Total Income Taxes Payable	7,595,076.74	9,663,119.48	(18,334,640.53)
<b>CUSTOMERS DEPOSITS</b>						

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		2350		Customers' Deposits			
				Customers' Deposits - Colorado	2,675,304.76	3,383,102.99	3,256,848.10
				Customers' Deposits - Kentucky	1,483,794.66	2,120,249.89	1,792,539.06
				Customers' Deposits - Louisiana	1,362,496.92	1,626,724.73	1,472,377.99
				Customers' Deposits - Texas	2,151,128.57	3,049,826.39	2,765,269.87
				Customers' Deposits - Tennessee	2,523,036.16	0.00	0.00
				Customers' Deposits - Georgia	1,654,218.70	0.00	0.00
				Customers' Deposits - Kansas	811,457.42	0.00	0.00
				Customers' Deposits - Virginia	236,432.76	0.00	0.00
				Customers' Deposits - South Carolina	109,617.45	0.00	0.00
				Customers' Deposits - Illinois	93,834.92	0.00	0.00
				Customers' Deposits - Iowa	58,181.76	0.00	0.00
				Customers' Deposits - Missouri	49,737.58	0.00	0.00
				Atmos - Total Customers' Deposits	13,209,241.66	10,179,904.00	9,287,035.02
				United Cities Gas - Total Customers' Deposits	0.00	6,643,249.00	5,751,958.00
60	13			Total Customers' Deposits	13,209,241.66	16,823,153.00	15,038,993.02

OTHER CURRENT LIABILITIES

		2370		Interest Accrued			
				Commitment Fee	6,201.86	7,005.58	1,251.00
				Customers' Deposits - Colorado	474,359.34	466,476.91	481,751.04
				Customers' Deposits - Kentucky	19,748.41	25,581.88	63,697.94
				Customers' Deposits - Louisiana	14,155.41	16,713.78	44,735.02
				Customers' Deposits - Texas	30,976.64	37,745.74	96,217.80
				Customers' Deposits - Kansas	30,487.67	0.00	0.00
				Customers' Deposits - Tennessee	515,958.93	0.00	0.00
				Customers' Deposits - Illinois	2,424.61	0.00	0.00
				Customers' Deposits - South Carolina	6,935.64	0.00	0.00
				Customers' Deposits - Georgia	466,356.93	0.00	0.00
				Customers' Deposits - Virginia	29,276.62	0.00	0.00
				Customers' Deposits - Missouri	1,558.84	0.00	0.00
				Customers' Deposits - Iowa	2,797.75	0.00	0.00
				Long-Term Debt	4,737,716.46	2,537,416.25	3,007,982.43
				Notes Payable	36,963.95	5,638.15	34,568.61
				Atmos - Total Interest Accrued	6,375,919.06	3,096,578.29	3,730,203.84
				United Cities Gas - Total Interest Accrued	0.00	3,923,703.00	0.00
				Total Interest Accrued	6,375,919.06	7,020,281.29	3,730,203.84

2420 Misc. Current & Accrued Liabilities

				Accrued Liability Bud Adv Payment	0.00	0.00	0.00
				Separation/Integration Costs	11,755,765.00	0.00	17,000,000.00
				Accrued Benefit Costs	1,895,016.31	0.00	0.00
				UCG Budget Billings	2,244,119.87	0.00	0.00
				UCG Exchange Gas	47,244.93	0.00	0.00
				UCG P/L Refunds	17,017,067.27	0.00	0.00
				UCG Pensions	(0.28)	0.00	0.00

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				UCG Post Retirement Benefits	124,711.05	0.00	0.00
				Capacity Release Credits	(79,934.86)	(79,934.67)	(79,934.86)
				FAS 106 - OPEB	6,778,616.99	4,049,150.64	5,246,416.08
				Performance Plan	758,358.15	961,380.00	1,450,000.00
				UPFI Exchange	(4,060.00)	0.00	0.00
				UPFI Exchange #2	(8,625.00)	0.00	0.00
				Texas Gas Storage	5,011,233.14	7,233,058.30	2,737,498.56
				Reimbursement Accounts	5,690.06	0.00	0.00
				Dealer Program	23,718.38	0.00	0.00
				Customer Relations	325,800.00	0.00	0.00
				UCG Tax Payments	(1,559,266.69)	0.00	0.00
				Customer Relations 97	243,648.56	0.00	0.00
				LGA	5,897.50	0.00	0.00
				UCG Miscellaneous	(9,546,783.10)	0.00	0.00
				Income Tax Payable at Future Rates	427,904.00	0.00	0.00
				Accrued Liability Com & Ind Markets	157,218.00	0.00	0.00
				Total Misc. Current & Accrued Liabilities	33,379,219.39	12,163,752.27	26,353,979.78
				2620 Self Insurance Reserve			
				General Liability	2,550,000.00	1,643,387.06	1,000,000.00
				Auto Liability Claims	0.00	0.00	0.00
				Gen. Liab. (Each \$50M Claim Amortized over 12 months)	(605,000.03)	(23,208.32)	0.00
				Workers Compensation	1,625,383.00	1,265,000.00	1,200,000.00
				Total Self Insurance Reserve	3,570,382.97	2,885,178.74	2,200,000.00
				Atmos - Total Other Current Liabilities	43,325,521.42	22,069,212.30	32,284,183.62
				United Cities Gas - Total Other Current Liabilities	0.00	14,578,674.00	19,297,929.41
60	14			Total Other Current Liabilities	43,325,521.42	36,647,886.30	51,582,113.03
				60 15 Intercompany Accounts	0.00	0.00	276,957.00
				60 16 Total Current Liabilities	260,428,537.33	173,348,621.19	277,113,668.92
				282 Deferred Federal Income Taxes	74,657,336.34	37,388,382.47	48,721,572.57
				283 Deferred State Income Taxes	6,534,946.96	3,457,617.55	6,372,806.73
				Atmos - Deferred Income Taxes	81,192,283.30	40,846,000.02	55,094,379.30
				United Cities Gas - Deferred Income Taxes	0.00	25,484,175.00	26,234,437.68
60	17			Total Deferred Income Taxes	81,192,283.30	66,330,175.02	81,328,816.98
				DEFERRED CREDITS AND OTHER LIABILITIES			
				2520 Customer Advances for Construction	10,540,301.81	9,756,285.86	8,776,173.29

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		2530			Other Deferred Credits			
					Advances from UP Alliance	0.00	450,000.00	0.00
					Directors' Fees	192,011.12	93,350.00	107,850.00
					Outside Directors' Retirement Plan	1,413,366.14	90,667.46	134,289.92
					FAS 106 - OPBB	6,397,266.61	6,141,867.61	6,171,915.61
					FAS 109 - Regulatory Liability / Protected	2,291,234.63	2,291,234.63	2,291,234.63
					KN Master Mtr Transfer	0.00	200,000.00	200,000.00
					LPSC Settlement (Amort. Heating Sys., Fiscal 96 & 97)	0.00	0.00	0.00
					Protected Excess Deferred Tax - GGC	221,780.62	221,780.62	221,780.62
					Regulatory Liability - ITC	392,454.15	392,454.15	392,454.15
					Rent Amortization - Lafayette Office	106,835.25	171,163.92	160,546.89
					Retirement Cost	22,063,291.09	19,800,642.11	20,590,905.84
					Greenville Office Sublease	2,400.00	0.00	0.00
					Unclaimed Property	0.00	0.00	0.00
					Deferred Credits	6,183,708.22	0.00	0.00
					Total Other Deferred Credits	39,264,347.83	29,853,160.50	30,270,977.66
		2550			Deferred Credits - Accrued I.T.C	4,295,358.81	4,626,889.81	811,500.81
					Atmos - Total Deferred Credits and Other Liab.	54,100,008.45	44,236,336.17	39,858,651.76
60	18				United Cities Gas - Total Deferred Credits and Other Liab.	0.00	6,247,040.00	13,729,516.00
					Total Deferred Credits and Other Liab.	54,100,008.45	50,483,376.17	53,588,167.76
60	19				TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	\$1,038,374,190.69	\$926,928,952.09	\$1,011,626,092.39

Note: For prior year and September 30, 1997 United Cities balances are reported at the summary account level.

ATMOS ENERGY CORPORATION UTILITY BUSINESS UNITS  
 CONSOLIDATED OPERATING REVENUE AND STATISTICS  
 FOR THE MONTH AND YEAR TO DATE ENDED 04/30/98

Line No.	Description (a)	Current Month		Year to Date		
		Actual (b)	Budget (c)	Actual (e)	Budget (f)	Prior Year Actual (g)
1	Degree Days	253	227	3,739	3,858	3,774
Meters in service (1)						
2	Residential	892,442	N/A	886,799	N/A	870,994
3	Commercial	96,386		95,584		93,867
4	Industrial	1,867		1,897		1,928
5	Public Authority & Other	4,867		4,845		4,778
6	Agricultural	14,842		15,078		16,549
7	Total meters in service	1,010,404	N/A	1,004,203	N/A	988,116
Utility Sales Customers - Regulated (1)						
8	Residential	876,108	N/A	868,959	N/A	855,302
9	Commercial	93,855		92,907		91,457
10	Industrial	1,389		1,421		1,376
11	Public Authority & Other	3,618		3,597		3,525
12	Agricultural	298		298		307
13	Total Regulated Sales Customers	975,268	N/A	967,182	N/A	951,967
Utility Sales Customers - Non Regulated (1)						
14	Industrial	195	N/A	194	N/A	187
15	Agricultural	6,393		6,428		6,682
16	Total Non Regulated Sales Customers	6,588	N/A	6,622	N/A	6,869
17	Total Sales Customers (1)	981,856	N/A	973,804	N/A	958,836
18	Transportation Customers (1)(2)	599	N/A	621	N/A	515
19	Total Utility Customers (1)(2)	982,455	N/A	974,425	N/A	959,351
Utility Gas Volumes Sold - Regulated (mcf as metered)						
20	Residential	6,825,710	N/A	6,897,608	N/A	62,985,335
21	Commercial	3,324,076		29,229,746		30,031,924
22	Industrial	1,749,148		15,120,056		18,123,108
23	Public Authority & Other	398,630		4,196,326		4,334,635
24	Agricultural	38,851		128,206		260,973
25	Unbilled	(4,374,945)		(910,223)		2,795,995
26	Total Regulated Gas Volumes	7,961,470	NA	112,823,115	NA	118,531,970
Utility Gas Volumes Sold - Non Regulated (mcf as metered)						
27	Industrial	434,853	N/A	3,630,167	N/A	3,739,201
28	Agricultural	1,270,361		2,920,888		4,969,337
29	Total Non Regulated Gas Volumes	1,705,214	NA	6,551,055	NA	8,708,538
30	Total Gas Volumes Sold	9,666,684	N/A	119,374,170	N/A	127,240,508
31	Transport volumes (mcf as metered) (2)	5,033,097	N/A	34,122,722	N/A	29,188,772
32	Total Operating Volumes (2)	14,699,781	N/A	153,496,892	N/A	156,429,280

N/A - Not Available

ATMUS ENERGY CORPORATION UTILITY BUSINESS UNITS  
 CONSOLIDATED OPERATING REVENUE AND STATISTICS  
 FOR THE MONTH AND YEAR TO DATE ENDED 04/30/98

Line No.	Description (a)	Current Month			Year to Date		
		Actual (b)	Budget (c)	Prior Year Actual (d)	Actual (e)	Budget (f)	Prior Year Actual (g)
1	Utility Gas Sales Revenue - Regulated						
2	Residential	\$ 36,839,230.69	N/A	\$ 33,666,454.66	\$ 348,771,263.07	N/A	\$ 354,963,944.87
3	Commercial	16,207,022.61		14,205,781.08	153,064,399.42		156,325,568.20
4	Industrial	6,700,722.64		7,498,568.40	64,777,512.11		75,411,128.19
5	Public Authority & Other	1,579,369.12		1,840,070.42	17,970,716.31		20,159,471.64
6	Agricultural	119,106.63		369,069.87	501,690.46		902,354.87
7	Unbilled	(21,988,948.91)		(3,280,793.00)	(24,864,399.04)		25,664,479.00
	Total Regulated Gas Sales Revenue	39,456,302.78	N/A	54,299,151.43	560,221,182.33	N/A	633,426,946.77
8	Utility Gas Sales Revenue - Non Regulated						
9	Industrial	1,312,953.91		1,501,843.50	11,381,624.43		11,206,161.66
10	Agricultural	3,777,226.55		5,262,687.04	9,438,431.51		15,528,266.77
	Total Non Regulated Gas Sales Revenue	5,090,180.46		6,764,530.54	20,820,055.94		26,734,428.43
11	Total Utility Gas Sales Revenue	44,546,683.24	70,444,000.00	61,063,681.97	581,041,238.27	650,240,000.00	660,161,375.20
12	Other Gas Revenue	511,767.87	697,000.00	535,241.01	5,967,362.50	4,935,000.00	4,047,737.55
13	Total Utility Gas Revenue	45,058,451.11	71,141,000.00	61,598,922.98	587,008,600.77	655,175,000.00	664,209,112.75
14	Transportation Revenue (2)	2,707,668.28	1,535,000.00	1,630,471.53	15,963,000.01	11,258,000.00	11,990,257.48
15	Other Operating Revenue	0.00	0.00	0.00	0.00	0.00	0.00
16	Total Utility Operating Revenue (2)	47,766,119.39	72,676,000.00	63,229,394.51	602,971,600.78	666,433,000.00	676,199,370.23
17	Utility Purchased Gas Cost						
18	Regulated	\$ 24,887,112.33	N/A	\$ 33,638,134.44	\$ 356,639,858.24	N/A	\$ 422,681,100.60
19	Non Regulated	4,894,737.71		5,872,179.92	18,569,773.56		22,539,237.34
20	Eliminations	(170,255.34)		(180,946.19)	(1,294,713.32)		(1,502,825.87)
	Total Purchased Gas Cost	29,611,594.70	46,557,000.00	39,329,368.17	373,914,918.48	423,488,000.00	443,717,512.07
21	Gas Sales Margin - Regulated (3)	\$ 14,569,390.45	N/A	\$ 20,661,016.99	\$ 203,581,324.09	N/A	\$ 210,745,846.17
22	Gas Sales Margin - Non Regulated (4)	195,442.75		892,350.62	2,250,282.38		4,195,191.09
23	Gas Sales Margin - Total (5)	14,935,088.54	23,887,000.00	21,734,313.80	207,126,319.79	226,752,000.00	216,443,863.13
24	Margin per MCF Sold - Regulated (6)	\$ 1.83	N/A	\$ 1.80	\$ 1.80	N/A	\$ 1.78
25	Margin per MCF Sold - Non Regulated (6)	0.11		0.43	0.34		0.48
26	Margin per MCF Sold - Total (6)	1.55	N/A	1.60	1.74	N/A	1.70

N/A = Not Available

- (1) The current month reflects the actual for the respective period as per the Meter Inventory Mgmt System, year to date reflects the average for the respective period.
- (2) Reflects intercompany eliminations.
- (3) Regulated gas sales revenue minus regulated gas costs.
- (4) Non regulated gas sales revenue minus non regulated gas costs.
- (5) Total gas sales revenue minus total gas costs.
- (6) Gas sales margin divided by gas sales volumes as metered.

WESTERN KENTUCKY GAS UTILITY BUSINESS UNIT  
CONSOLIDATED OPERATING REVENUE AND STATISTICS  
FOR THE MONTH AND YEAR TO DATE ENDED 04/30/98

Line No.	Description (a)	Current Month		Year to Date			
		Actual (b)	Budget (c)	Actual (e)	Budget (f)		
		Prior Year Actual (d)	Prior Year Actual (g)				
1	Degree Days	227	242	356	3736	4,210	4,040
2	Meters in service (1)						
3	Residential	155,683	N/A	153,858	155,818	N/A	153,563
4	Commercial	18,065		17,749	18,044		17,675
5	Industrial	390		465	421		466
6	Public Authority & Other	1,591		1,564	1,588		1,556
7	Agricultural	0		0	0		0
	Total meters in service	175,729	N/A	173,636	175,871	N/A	173,260
8	Utility Sales Customers - Regulated (1)						
9	Residential	153,066	N/A	150,732	152,349	N/A	150,362
10	Commercial	17,666		17,386	17,536		17,219
11	Industrial	268		316	287		319
12	Public Authority & Other	1,587		1,562	1,580		1,549
13	Agricultural	0		0	0		0
	Total Regulated Sales Customers	172,587	N/A	169,996	171,753	N/A	169,449
14	Utility Sales Customers - Non Regulated (1)						
15	Industrial	0		0	0		0
16	Agricultural	0		0	0		0
	Total Non Regulated Sales Customers	0		0	0		0
17	Total Sales Customers (1)	172,587	N/A	169,996	171,753	N/A	169,449
18	Transportation Customers (1) (2)	87	N/A	56	86	N/A	52
19	Total Utility Customers (1) (2)	172,674	N/A	170,052	171,839	N/A	169,501
20	Utility Gas Volumes Sold - Regulated (mcf as metered)						
21	Residential	1,242,724	N/A	1,256,588	10,912,996	N/A	11,330,423
22	Commercial	512,256		504,111	4,581,576		4,860,176
23	Industrial	257,339		408,281	2,560,602		4,416,435
24	Public Authority & Other	136,243		141,572	1,251,164		1,282,834
25	Agricultural	0		0	0		0
26	Unbilled	(1,070,043)		(414,600)	(134,217)		512,030
	Total Regulated Gas Volumes	1,078,519	N/A	1,895,952	19,172,121	N/A	22,401,898
27	Utility Gas Volumes Sold - Non Regulated (mcf as metered)						
28	Industrial	0		0	0		0
29	Agricultural	0		0	0		0
	Total Non Regulated Gas Volumes	0		0	0		0
30	Total Gas Volumes Sold	1,078,519	N/A	1,895,952	19,172,121	N/A	22,401,898
31	Transport volumes (mcf as metered) (2)	2,263,480	N/A	1,964,476	15,746,731	N/A	13,418,468
32	Total Operating Volumes (2)	3,341,999	N/A	3,860,428	34,918,852	N/A	35,820,366

N/A = Not Available

WESTERN KENTUCKY GAS UTILITY BUSINESS UNIT  
 CONSOLIDATED OPERATING REVENUE AND STATISTICS  
 FOR THE MONTH AND YEAR TO DATE ENDED 04/30/98

Line No.	Description (a)	Current Month			Year to Date		
		Actual (b)	Budget (c)	Prior Year Actual (d)	Actual (e)	Budget (f)	Prior Year Actual (g)
1	Utility Gas Sales Revenue - Regulated						
2	Residential	\$ 6,156,962.65	N/A	\$ 5,934,856.37	\$ 62,127,000.79	N/A	\$ 58,614,704.11
3	Commercial	2,384,998.25		2,242,564.81	24,841,701.94		23,748,644.68
4	Industrial	1,043,310.12		1,369,859.27	11,513,296.88		17,199,294.82
5	Public Authority & Other	595,781.21		585,144.23	6,442,923.03		5,944,203.35
6	Agricultural	0.00		0.00	0.00		0.00
7	Unbilled	(4,213,000.00)		(799,000.00)	(15,626,000.00)		2,560,000.00
	Total Regulated Gas Sales Revenue	5,968,052.23	10,713,000.00	9,333,424.68	89,298,922.64	106,611,000.00	108,066,846.96
8	Utility Gas Sales Revenue - Non Regulated						
9	Industrial	0.00	0.00	0.00	0.00	0.00	0.00
10	Agricultural	0.00	0.00	0.00	0.00	0.00	0.00
	Total Non Regulated Gas Sales Revenue	0.00	0.00	0.00	0.00	0.00	0.00
11	Total Utility Gas Sales Revenue	5,968,052.23	10,713,000.00	9,333,424.68	89,298,922.64	106,611,000.00	108,066,846.96
12	Other Gas Revenue	54,441.60	96,000.00	56,162.46	775,532.30	673,000.00	517,426.02
13	Total Utility Gas Revenue	6,022,493.83	10,809,000.00	9,389,587.14	90,074,454.94	107,284,000.00	108,584,272.98
14	Transportation Revenue (2)	798,103.19	700,000.00	703,451.20	5,481,729.99	4,900,000.00	4,326,111.59
15	Other Operating Revenue	0.00	0.00	0.00	0.00	0.00	0.00
16	Total Utility Operating Revenue (2)	6,820,597.02	11,509,000.00	10,093,038.34	95,556,184.93	112,184,000.00	112,910,384.57
17	Utility Purchased Gas Cost						
18	Regulated	\$ 4,575,225.97	\$ 7,313,000.00	\$ 6,586,599.90	\$ 63,428,537.46	\$ 72,688,000.00	\$ 80,272,626.03
19	Non Regulated	0.00	0.00	0.00	0.00	0.00	0.00
20	Eliminations	0.00	0.00	0.00	0.00	0.00	0.00
	Total Purchased Gas Cost	4,575,225.97	7,313,000.00	6,586,599.90	63,428,537.46	72,688,000.00	80,272,626.03
21	Gas Sales Margin - Regulated (3)	\$ 1,392,826.26	\$ 3,400,000.00	\$ 2,746,824.78	\$ 25,870,385.18	\$ 33,923,000.00	\$ 27,794,220.93
22	Gas Sales Margin - Non Regulated (4)						
23	Gas Sales Margin - Total (5)	1,392,826.26	3,400,000.00	2,746,824.78	25,870,385.18	33,923,000.00	27,794,220.93
24	Margin per MCF Sold - Regulated (6)						
25	Margin per MCF Sold - Non Regulated (6)	\$ 1.29	N/A	\$ 1.45	\$ 1.35	N/A	\$ 1.24
26	Margin per MCF Sold - Total (6)	1.29	N/A	1.45	1.35	N/A	1.24

N/A = Not Available

(1) The current month reflects the actual for the respective period as per the Meter Inventory Mgmt System, year to date reflects the average for the respective period.

(2) Reflects intercompany eliminations.

(3) Regulated gas sales revenue minus regulated gas costs.

(4) Non regulated gas sales revenue minus non regulated gas costs.

(5) Total gas sales revenue minus total gas costs.

(6) Gas sales margin divided by gas sales volumes as metered.

ATMOS ENERGY CORPORATION  
 MAINTENANCE EXPENSES  
 FOR THE MONTH ENDED 06/30/98

Line No.	Description (a)	Current Month	
		Actual (b)	Budget * (c)
<b>Manufactured Gas Prod. Maint. Exp.</b>			
1	740 Maint. Supervision and Engineering	\$0.00	\$0
2	741 Structures and Improvements	0.00	0
3	742 Production Equipment	317.00	0
4	Total Manufactured Gas Prod. Maint. Exp.	317.00	0
<b>Natural Gas Production Maint. Exp.</b>			
5	761 Maint. Supervision and Engineering	38.18	0
6	762 Structures and Improvements	0.00	0
7	763 Maint. of Producing Gas Wells	0.00	0
8	764 Field Lines	461.50	0
9	765 Field Compressor Station Equipment	1,137.16	0
10	766 Field Meas. and Reg. Station Equip.	52.27	0
11	767 Purification Equip.	407.61	0
12	769 Other Equip.	0.00	0
13	7990 2 Transf. to Purch. Gas Accts. - Cr.	0.00	0
14	Total Natural Gas Prod. Maint. Exp.	2,096.72	0
<b>Production Extraction</b>			
15	784 Maint. Supervision-Engineering	0.00	0
16	786 Extraction & Refining Equip.	500.44	0
17	787 Maint. Of Pipe Lines	0.00	0
18	Total Production Extraction	\$500.44	\$0

\* Budget information not available by account and includes UCO.

ATMOS ENERGY CORPORATION  
 MAINTENANCE EXPENSES  
 FOR THE MONTH ENDED 04/30/98

Line No.	Description (a)	Current Month	
		Actual (b)	Budget* (c)
<b>Underground Storage Maintenance Expenses</b>			
1	830 Supervision-Engineering	\$0.00	\$0
2	831 Structures & Improvements	0.00	0
3	832 Reservoirs & Walls	60.10	0
4	833 Line Maintenance	0.00	0
5	834 Compressor Station Equipment	2,619.18	0
6	835 Mess. & Reg. Station Equipment	13.04	0
7	836 Purification Equipment	0.00	0
8	837 Other Equipment	0.00	0
9	Total Underground Storage Maintenance Expenses	2,692.32	0
<b>Storage Maintenance Expenses</b>			
10	844 Structures & Improvements	\$0.00	\$0
11	845 Gas Holders	80.88	0
12	847 Liquefaction Equipment	19,380.60	0
13	848 Other Equipment	\$0.00	\$0
14	Total Storage Maintenance Expenses	19,461.48	0.00
<b>Transmission Maintenance Expenses</b>			
15	861 Supervision-Engineering	0.00	0
16	862 Structures & Improvements	301.14	0
17	863 Maintenance of Mains	954.48	0
18	864 Compressor Station Equipment	401.27	0
19	865 Mess. & Reg. Station Equipment	4,854.33	0
20	866 Communications Equipment	0.00	0
21	867 Other Equipment	0.00	0
22	Total Transmission Maintenance Expenses	6,511.22	0

\* Budget information not available by account and includes UCC.

ATMOS ENERGY CORPORATION  
 MAINTENANCE EXPENSES  
 FOR THE MONTH ENDED 04/30/98

Line No.	Description (a)	Current Month	
		Actual (b)	Budget * (c)
<b>Distribution Maintenance Expenses</b>			
1	885 Supervision-Engineering	111,870.45	0
2	886 Structures & Improvements	22,263.85	0
3	887 Maintenance of Mains	436,001.60	0
4	888 Compressor Station Equipment	0.00	0
5	889 Meas. & Reg. Station Equipment-Gen.	16,175.55	0
6	890 Meas. & Reg. Station Equipment-Ind.	8,324.91	0
7	891 Meas. & Reg. Station Equipment-C. Gate	3,493.79	0
8	892 Maintenance of Services	83,172.43	0
9	893 Maintenance of Meter & House Regulator	139,180.01	0
10	894 Other Equipment	16,793.28	0
11	Total Distribution Maintenance Expenses	\$837,275.87	\$0
<b>Administrative &amp; General Maintenance Expenses</b>			
12	932 Maintenance of General Plant	\$3,632.89	\$0
13	Total Adm. & Gen. Maintenance Expenses	3,632.89	0
14	Total Maintenance Expenses	\$872,487.94	\$898,000

Prior year current month actual, year-to-date, year-to-date budget, prior year year-to-date actual, and twelve months ended actuals will be provided in upcoming months.

\* Budget information not available by account and includes UCO.



ATMOS ENERGY CORPORATION  
OPERATION EXPENSES  
FOR THE MONTH ENDED 9/30/98

Line No.	Description (a)	Current Month	
		Actual (b)	Budget * (c)
<b>Manufactured Gas Production Exp.</b>			
1	717 Liquefied Petroleum Gas Expenses	\$0.00	\$0
2	723 Fuel for L-P Gas Process	0.00	0
3	728 L-P Gas - Raw Materials	0.00	0
	733 Gas Mixing Expense	16.07	0
4	735 Misc. Production Expenses	51.13	0
5	736 Rents	0.00	0
6	Total Manufactured Gas Prod. Expense	67.20	0
<b>Natural Gas Production Expenses</b>			
7	750 Operation Supervision and Engineering	0.00	0
8	751 Production Maps & Records	0.00	0
9	752 Gas Wells Expenses	0.00	0
10	753 Field Lines Expenses	580.06	0
11	754 Field Compressor Station Expenses	3,890.96	0
12	755 Field Compressor Station Fuel Exp.	10,841.39	0
13	756 Field Meas. & Reg. Station Expenses	7,648.35	0
14	757 Purification Expenses	1,707.85	0
15	758 Gas Well Royalties	100.00	0
16	759 Operating Expenses - Other	0.00	0
17	760 Rents	0.00	0
18	798 Other Exploration Exp.	100.70	0
19	Total Natural Gas Prod. Expenses	24,869.31	0
<b>Production Extraction</b>			
20	770 Operation Supervision and Engineering	0.00	0
21	771 Operation Labor	1,152.13	0
22	772 Gas Shrinkage	10,964.65	0
23	773 Fuel	709.88	0
24	774 Power	2,927.60	0
25	777 Gas Production By Others	0.00	0
26	781 Variation in Product Inv.	0.00	0
27	Total Prod. Extraction Expenses	\$15,754.26	\$0
<b>Other Gas Supply Expenses</b>			
28	7990 1 Transf. to Purch. Gas Accts - Cr.	\$0.00	\$0
29	807 Purchased Gas Expenses	12,123.46	0
30	808 Gas Withdrawn from Storage - Dr.	0.00	0

\* Budget information not available by account and includes UCC.

ATMOS ENERGY CORPORATION  
OPERATION EXPENSES  
FOR THE MONTH ENDED 04/30/98

Line No.	Description (a)	Current Month	
		Actual (b)	Budget* (c)
1	809 Gas Delivered to Storage - Cr.	0.00	0
2	812 Gas Used for Other Util. Oper. - Cr.	0.00	0
3	Total Other Gas Supply Expenses	12,123.46	0
<b>Underground Storage Operation Expenses</b>			
4	814 Oper. Supervision-Engineering	63.56	0
5	816 Wells Expense	5,979.22	0
6	817 Lines Expense	3,215.41	0
7	818 Comp. Station Expenses	5,134.36	0
8	819 Comp. Station Fuel & Power	1,081.68	0
9	820 Mess. Reg. Station Expenses	2,786.05	0
10	821 Purification Expenses	2,937.65	0
11	824 Other Expenses	341.17	0
12	825 Storage Well Royalties	5,561.01	0
13	826 Rents	0.00	0
14	Total Underground Storage Operation Exp.	27,100.11	0
<b>Storage Operation Expenses</b>			
15	841 Oper. Labor and Expenses	860.66	0
16	842 Rents	0.00	0
17	843 Oper. Supervision-Engineering	0.00	0
18	Total Storage Operation Exp.	860.66	0.00
<b>Transmission Operation Expenses</b>			
19	850 Oper. Supervision-Engineering	1,098.61	0
20	851 System Control/Load Dispatch	0.00	0
21	852 Communications System Expenses	0.00	0
22	853 Comp. Station Labor and Exp.	4,146.51	0
23	854 Gas for Comp. Station Fuel	11,287.49	0
24	855 Other Fuel and Pow. for Comp. Station	0.00	0
25	856 Mains Expense	17,020.98	0
26	857 Measuring and Reg. Sta. Exp.	16,420.10	0
27	858 Trans. and Comp. of Gas by Oth.	0.00	0
28	859 Other Expenses	0.00	0
29	8600 0 Rents	0.00	0
30	8600 8 Building Service	0.00	0
31	Total Transmission Operation Expenses	\$49,973.69	\$0

\* Budget information not available by account and includes UCC.

ATMOS ENERGY CORPORATION  
OPERATION EXPENSES  
FOR THE MONTH ENDED 04/30/98

Line No.	Description (a)	Current Month	
		Actual (b)	Budget * (c)
<b>Distribution Operation Expenses</b>			
1	870 Supervision & Engineering	\$1,520,778.34	\$0
2	8710 0 Distribution Load Dispatching	57,507.04	0
3	8710 3 Odorization Expense	22,247.48	0
4	872 Comp. Station Labor & Expenses	72.17	0
5	873 Comp. Station Fuel and Power	0.00	0
6	874 Maint. & Services Expenses	876,840.10	0
7	875 Meas. & Reg. Sta. Exp. Gen.	102,311.53	0
8	876 Meas. & Reg. Sta. Exp. Ind.	20,520.26	0
9	877 Meas. & Reg. Sta. Exp. City Gate	39,439.58	0
10	878 Meter & House Regulator Exp.	684,305.84	0
11	8790 0 Customer Installation Expenses	258,978.73	0
12	8790 1 Customer Installation Exp. - Flex Conn.	0.00	0
13	8790 8 Irrigation Opening Fee Lines	0.00	0
14	8790 9 Customer Service - Gas Lights & Grills	15,689.60	0
15	8800 0 Other Expenses	121,167.62	0
16	8800 1 Distribution Maps & Records	19,667.03	0
17	8810 0 Rents	606,510.68	0
18	8810 8 Building Service	55,603.04	0
19	Total Distribution Operation Expenses	4,401,639.04	0
<b>Customer Accounts Expenses</b>			
20	901 Supervision	36,390.92	0
21	902 Meter Reading Expenses	531,134.91	0
22	903 Cust. Records & Coll. Expenses	944,992.66	0
23	904 Uncollectible Accounts	63,894.70	0
24	905 Miscellaneous Expenses	17,954.31	0
25	Total Customer Accounts Expenses	1,594,367.50	0
<b>Customer Service and Information Expenses</b>			
26	909 Supervision	130,178.50	0
27	910 Customer Assistance Expenses	184,089.70	0
28	911 Inform. Instruct. & Ad Expenses	75,492.26	0
29	912 Misc. Customer Serv. & Info. Exp.	0.00	0
30	Total Customer Service & Info. Exp.	\$389,760.46	\$0

\* Budget information not available by account and includes UCO.

ATMOS ENERGY CORPORATION  
OPERATION EXPENSES  
FOR THE MONTH ENDED 04/30/98

Line No.	Description (a)	Current Month	
		Actual (b)	Budget* (c)
<b>Sales Promotion Expenses</b>			
1	915 Supervision	\$30,471.56	\$0
2	916 Demonstrating & Selling Expenses	102,426.08	0
3	917 Advertising Expenses	9,914.56	0
4	918 Miscellaneous Sales Expenses	61.29	0
5	Total Sales Promotion Expenses	142,873.49	0
<b>Administrative &amp; General Operation Expenses</b>			
6	920 Salaries	891,335.94	0
7	921 Office Supplies and Expenses	305,215.97	0
8	922 Admin. Exp. Transf.-Cr.	(1,379,309.90)	0
9	923 Outside Services Employed	360,216.84	0
10	924 Property Insurance	8,457.90	0
11	9250 0 Injuries and Damages	319,380.65	0
12	9250 9 Workmen's Comp. Ins.-Cr.	(38,012.31)	0
13	9260 0 Employee Welfare Expenses - Db	2,501,989.49	0
14	9260 1 Pensions	(793,406.00)	0
15	9260 7 Emp. Welfare Exp. - Cr.	(560,384.81)	0
16	9260 9 Pensions - Cr.	92,617.36	0
17	927 Franchise Requirements	2,097.61	0
18	928 Regulatory Commission Exp.	54,096.10	0
19	929 Duplicate Charges-Cr.	(5,713.45)	0
20	9301 General Advertising Expenses	0.00	0
21	9301 Inst Adv Expenses	7,072.30	0
22	9302 Miscellaneous General Expenses	191,101.11	0
23	9310 0 Rents	195,901.44	0
24	9310 8 Building Service	0.00	0
25	Total Admin. & Gen. Operation Expenses	2,652,656.24	0
26	Total Operation Expense	\$9,312,045.42	\$11,657,000

Prior year current month actual, year-to-date, year-to-date budget, prior year year-to-date actual, and twelve months ended actuals will be provided in upcoming months.

\* Budget information not available by account and includes UCOG.

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
STATEMENTS OF LONG-TERM DEBT  
AS OF APRIL 30, 1998

Line No.	Description (a)	Date (b)	Original Issue			1997		Line No.
			Amount (c)	Current Maturities (d)	Outstanding Debt (e)	Current Maturities (f)	Outstanding Debt (g)	
1	11.2% John Hancock Note, due 12-30-02	12-23-87	\$ 20,000,000.00	\$ 2,000,000.00	\$ 10,000,000.00	\$ 2,000,000.00	1	
2	9.76% John Hancock Note, due 12-30-04	10-11-89	30,000,000.00	3,000,000.00	21,000,000.00	3,000,000.00	2	
3	9.57% Variable Annuity Life, due 09-30-06	09-30-91	20,000,000.00	2,000,000.00	18,000,000.00	2,000,000.00	3	
4	7.95% Variable Annuity Life, due 08-31-06	08-31-92	10,000,000.00	1,000,000.00	9,000,000.00	1,000,000.00	4	
5	10% Michael D. Fredericks, due 12-31-11	12-31-91	1,151,654.00	0.00	1,151,654.00	0.00	5	
6	10% Kingdom Foundation, due 12-31-11	12-31-91	1,151,654.00	0.00	1,151,654.00	0.00	6	
7	8.07% Variable Annuity Life, due 10-31-06	11-14-94	20,000,000.00	1,000,000.00	20,000,000.00	0.00	7	
8	8.26% New York Life, due 10-31-14	11-14-94	20,000,000.00	0.00	20,000,000.00	0.00	8	
9	6.09% NationsBank of Texas, due 11-25-98	11-26-96	40,000,000.00	40,000,000.00	40,000,000.00	0.00	9	
10	United Cities Gas Company		154,752,506.00	8,663,306.00	152,046,775.00	5,011,547.00	10	
	First Mortgage Bonds		317,055,814.00	57,663,306.00	292,350,083.00	13,011,547.00		
11	9.4% Series J, due 05-01-21	04-01-91	17,000,000.00	0.00	17,000,000.00	0.00	11	
12	Total Long-Term Debt		\$ 334,055,814.00	\$ 57,663,306.00	\$ 309,350,083.00	\$ 13,011,547.00	12	
13	Annualized Weighted Average Cost of Long-Term Debt (Including Amort. of Debt Expense)				8.20%	8.80%	13	

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
LABOR STATISTICS BY COMPANY  
FOR THE MONTH, AND YEAR TO DATE ENDED 4/30/98

	Month		Year to Date	
	Actual	Prior	Actual	Prior
		Year		Year
<b>Labor Costs Distribution (000's):</b>				
Shared Services	\$1,237	\$1,085	\$8,020	\$8,735
Energas	1,150	1,627	9,502	12,921
Greeley Gas	773	907	5,797	7,345
Trans La	442	495	3,073	3,816
UCG	(12)	3,358	10,825	18,732
UCG - Non Regulated	331	299	2,215	2,034
WKG	1,018	1,104	6,672	8,879
<b>Total Labor Costs Distribution</b>	<b>\$4,939</b>	<b>\$8,875</b>	<b>\$46,104</b>	<b>\$62,462</b>
<b>Percentage Labor Capitalized</b>				
Shared Services			21%	6%
Energas			27%	24%
Greeley Gas			37%	31%
Trans La			35%	28%
UCG			39%	26%
UCG - Non Regulated			.0%	.0%
WKG			31%	24%
<b>Total Percentage Labor Capitalized</b>			<b>28%</b>	<b>21%</b>
<b>Average Labor Costs Per Employee:</b>				
Shared Services	\$3,272	\$4,865	\$4,073	\$4,775
Energas	2,840	2,784	2,903	2,725
Greeley Gas	3,332	3,475	3,457	3,478
Trans La	3,203	2,982	2,943	2,861
UCG	(17)	3,138	2,043	2,494
UCG - Non Regulated	2,207	1,904	1,999	1,114
WKG	3,688	3,016	3,042	2,992
<b>Average Labor Costs Per Employee</b>	<b>\$2,180</b>	<b>\$3,139</b>	<b>\$2,784</b>	<b>\$3,134</b>

**Western Kentucky Gas Company**  
**Case No. 99-070**  
**Table of Contents**  
**Volume 6**

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**Western Kentucky Gas Company**  
**Case No. 99-070**  
**Forecasted Test Period Filing Requirements**  
**FR10(9)(n)**

Description of Filing Requirement:

The latest twelve (12) months of the monthly managerial reports providing financial results of operations in comparison to the forecast.

Response:

The requested documents are enclosed. Please refer to the testimony of Mr. Donald Burman.

This volume contains the following documents:

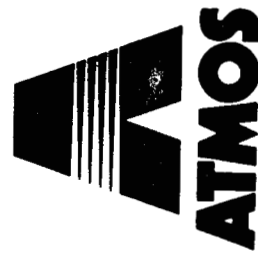
5/98	Financial Statements
6/98	Financial Statements
7/98	Financial Statements
8/98	Financial Statements
9/98	Financial Statements

# Atmos Energy Corporation

## FINANCIAL STATEMENTS

MAY, 1998

*Note: These Financial Statements and the Supplemental information contained herein are confidential. Any unauthorized distribution of all or part of these statements is in violation of company policy.*



**ATMOS ENERGY CORPORATION AND SUBSIDIARIES**  
**FINANCIAL STATEMENTS - TABLE OF CONTENTS**  
**AS OF MAY 31, 1998**

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ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS  
AS OF 05/31/98

Line No.	Description (a)	1998 (b)	1997 (c)	As of September 30, 1997 (d)	Line No.
<b>ASSETS</b>					
1	Property, plant and equipment				1
2	Utility plant	\$1,235,392,211.67	\$1,159,716,567.59	\$1,218,370,929.56	2
3	Nonutility plant	82,956,250.44	80,501,421.42	82,632,468.53	3
4	Construction work in progress	85,929,584.32	43,546,888.79	31,668,205.31	4
5	Less accumulated depreciation and amortization	1,404,278,046.43	1,283,764,877.80	1,332,671,603.40	5
6	Net property, plant and equipment	517,252,338.26	475,742,792.15	483,544,361.22	6
7	Investments in & advances to subsidiaries	887,025,708.17	808,022,085.65	849,127,242.18	7
8	Current assets	0.00	0.00	0.00	8
9	Cash and temporary cash investments	7,509,695.98	4,303,916.55	6,015,412.91	9
10	Accounts receivable, less allowance for doubtful accounts	61,787,097.83	89,304,950.12	71,217,214.52	10
11	Inventories	14,697,803.49	14,183,324.28	12,332,807.62	11
12	Gas stored underground	21,182,597.25	29,683,669.52	48,122,006.36	12
13	Other current assets	5,286,899.37	405,105.70	6,017,201.01	13
14	Intercompany accounts - net	0.00	0.00	0.00	14
15	Total current assets	110,464,093.92	137,880,966.17	143,704,642.42	15
16	Deferred charges and other assets	113,675,633.01	68,595,074.33	95,479,101.77	16
	Total assets	\$1,111,165,435.10	\$1,014,498,126.15	\$1,088,310,986.37	

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS (Continued)  
AS OF 05/31/98

Line No.	Description (a)	1998 (b)	1997 (c)	As of September 30, 1997 (d)	Line No.
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
Shareholders' equity					
1	Common stock	\$150,599.78	\$147,339.25	\$148,212.18	1
2	Common stock subscribed	0.00	0.00	0.00	2
3	Additional paid-in capital	264,139,305.41	246,879,734.65	251,174,227.94	3
4	Retained earnings	106,937,098.29	107,920,489.99	75,937,292.59	4
5	Total shareholders' equity	371,227,003.48	354,947,563.89	327,259,732.71	5
Long-term debt (including current maturities)					
6		310,199,220.00	322,180,239.00	318,181,824.00	6
7	Total capitalization	681,426,223.48	677,127,802.89	645,441,556.71	7
Current liabilities					
8	Notes payable	141,250,000.00	62,036,000.00	167,300,000.00	8
9	Accounts payable	53,092,135.93	55,171,661.71	62,625,499.15	9
10	Accrued taxes	8,429,384.10	9,385,927.66	12,119,647.37	10
11	Income taxes payable	16,605,583.97	15,460,155.62	(11,703,609.67)	11
12	Dividends declared	7,981,675.72	7,433,402.50	0.00	12
13	Customers' deposits	13,112,673.09	16,525,120.11	15,097,975.19	13
14	Other current liabilities	42,833,276.70	40,501,724.72	52,582,230.67	14
15	Total current liabilities	283,304,729.51	206,513,992.32	298,021,742.71	15
16	Deferred income taxes	87,636,481.20	74,202,383.02	87,828,170.44	16
17	Deferred credits and other liabilities	58,798,000.91	56,653,947.92	57,019,516.51	17
18	Total liabilities and shareholders' equity	\$1,111,163,435.10	\$1,014,498,126.15	\$1,088,210,986.37	18

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF INCOME  
FOR THE MONTH, YEAR TO DATE AND TWELVE MONTHS ENDED 05/31/98

Line No.	Description (a)	Current Month			Year to Date			Twelve Months Ended													
		Actual (b)	Budget (c)	Prior Year Actual (d)	Actual (e)	Budget (f)	Prior Year Actual (g)	Actual (e)													
1	Operating revenues																				
2	Gas	\$37,007,683.43	\$49,114,000	\$41,739,110.45	\$624,016,286.20	\$704,306,000	\$705,948,225.20	\$762,903,243.14				\$762,903,243.14									
3	Transportation	2,460,599.70	1,526,000	1,531,515.31	18,423,600.71	12,784,000	13,521,772.79	24,786,873.09				24,786,873.09									
3	Other	1,263,502.00	1,795,000	1,411,613.00	31,788,076.00	42,121,000	33,638,410.30	40,264,482.00				40,264,482.00									
4	Total operating revenues	40,731,785.13	52,436,000	44,682,238.76	674,227,962.91	759,211,000	753,108,408.29	827,954,598.23				827,954,598.23									
5	Purchased gas cost	23,971,129.86	32,822,000	25,176,672.54	414,739,391.26	479,453,000	487,185,761.91	\$504,735,043.31				\$504,735,043.31									
6	Gross profit	16,760,655.27	19,614,000	19,505,566.22	259,488,571.65	279,758,000	265,922,646.38	323,219,554.92				323,219,554.92									
7	Operating expenses																				
8	Operation	10,230,429.39	10,726,000	12,241,489.46	89,975,293.34	97,202,000	107,651,927.62	\$156,006,664.70				\$156,006,664.70									
8	Maintenance	794,076.96	898,000	1,149,169.04	6,477,825.09	7,178,000	7,898,909.54	10,552,329.92				10,552,329.92									
9	Depreciation and amortization	4,413,654.13	3,998,000	3,837,496.07	32,125,661.54	31,944,000	30,661,127.99	46,721,473.00				46,721,473.00									
10	Taxes - other than income taxes	2,287,476.35	2,341,000	2,531,477.58	22,449,142.02	22,411,000	23,416,331.03	31,163,643.41				31,163,643.41									
11	Provision for income taxes	(1,377,553.16)	(214,000)	(976,570.00)	33,334,811.58	38,886,000	28,990,509.00	18,642,535.95				18,642,535.95									
12	Total operating expenses	16,348,083.67	17,749,000	18,783,062.15	184,362,733.57	197,621,000	198,618,805.18	263,086,646.98				263,086,646.98									
13	Operating income	412,571.60	1,865,000	722,504.07	75,125,838.08	82,137,000	67,303,841.20	60,132,907.94				60,132,907.94									
14	Other income																				
14	Merchandise	(96,809.62)	12,000	(24,415.52)	(5,355.95)	96,000	33,787.31	489.83				489.83									
15	Interest income	49,595.81	76,000	306,414.90	1,102,088.81	627,000	1,494,077.99	1,763,975.91				1,763,975.91									
16	Other nonoperating income	65,687.49	124,101	(44,240.98)	(455,384.60)	824,255	(348,123.60)	(434,755.37)				(434,755.37)									
17	Equity in earnings - Woodward	(33,131.00)	23,899	216,499.00	2,949,803.00	2,894,745	2,780,649.00	3,422,965.00				3,422,965.00									
18	Total other income (loss)	(14,657.32)	236,000	454,257.40	3,591,151.26	4,442,000	3,960,390.70	4,732,675.37				4,732,675.37									
19	Income before interest charges	397,914.28	2,101,000	1,176,761.47	78,716,989.34	86,579,000	71,264,231.90	64,885,583.31				64,885,583.31									
20	Interest charges	2,649,870.38	2,383,000	2,817,449.21	23,907,936.65	22,503,000	23,000,072.61	34,502,888.26				34,502,888.26									
21	Net income	(\$2,251,956.10)	(\$282,000)	(\$1,640,687.74)	\$54,809,052.69	\$64,076,000	\$48,264,159.29	\$30,382,695.05				\$30,382,695.05									
22	Basic earnings per share	(\$0.08)	(\$0.01)	(\$0.06)	\$1.84	\$2.14	\$1.64	\$1.03				\$1.03									
23	Basic avg. common shares outstanding	29,896,753	30,208,000	29,459,200	29,710,615	29,974,750	29,345,681	29,620,904				29,620,904									
24	Diluted earnings (loss) per share	(\$0.07)	(\$0.01)	(\$0.06)	\$1.83	\$2.12	\$1.64	\$1.02				\$1.02									
25	Diluted avg. common shares outstanding	30,115,323	30,428,845	29,504,845	29,916,571	30,182,537	29,362,095	29,910,230				29,910,230									

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATING BALANCE SHEETS  
AS OF 05/31/98

Line No.	Description (a)	Atmos Operating Divisions (b)	Atmos Non Regulated (c)	Eliminations and Adjustments (d)	Consolidated (e)	Line No.
ASSETS						
	Property, plant and equipment					
1	Utility plant	\$1,252,368,894.62	\$859,549.26	(\$17,836,232.21)	\$1,235,392,211.67	1
2	Nonutility plant	2,481,914.86	80,474,335.58	0.00	82,956,250.44	2
3	Construction work in progress	85,934,621.10	(5,036.78)	0.00	85,929,584.32	3
4		1,340,785,430.58	81,338,848.06	(17,836,232.21)	1,404,278,046.43	4
5	Less accumulated depreciation and amortization	512,290,619.28	25,002,435.73	(20,040,716.75)	517,252,338.26	5
6	Net property, plant and equipment	828,494,811.30	56,336,412.33	2,204,484.54	887,025,708.17	6
7	Investments in & advances to subsidiaries	8,353,207.51	0.00	(8,353,207.51)	0.00	7
Current assets						
8	Cash and temporary cash investments	(193,412.11)	7,703,108.09	0.00	7,509,695.98	8
9	Accounts receivable, less allowance for doubtful accounts	57,970,033.00	3,178,663.34	638,401.49	61,787,097.83	9
10	Inventories	12,867,803.49	1,830,000.00	0.00	14,697,803.49	10
11	Gas stored underground	16,162,708.25	5,019,889.00	0.00	21,182,597.25	11
12	Other current assets	4,733,257.78	954,597.59	(400,956.00)	5,286,899.37	12
13	Intercompany accounts - net	(2,129,266.23)	13,252,259.93	(11,122,993.70)	0.00	13
14	Total current assets	89,411,124.18	31,938,517.95	(10,885,548.21)	110,464,093.92	14
15	Deferred charges and other assets	98,056,183.52	15,286,483.07	332,966.42	113,675,633.01	15
16	Total assets	\$1,024,315,376.51	\$103,551,413.35	(\$16,701,304.76)	\$1,111,165,435.10	16

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATING BALANCE SHEETS (Continued)  
AS OF 05/31/98

Line No.	Description (a)	Atmos Operating Divisions (b)	Atmos Non Regulated (c)	Eliminations and Adjustments (d)	Consolidated (e)	Line No.
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>						
	Shareholder's equity					
1	Common stock	\$150,599.78	\$1,005,100.00	(\$1,005,100.00)	\$150,599.78	1
2	Common stock subscribed	0.00	0.00	0.00	0.00	2
3	Additional paid-in capital	264,139,304.91	7,348,108.01	(7,348,107.51)	264,139,305.41	3
4	Retained earnings	78,220,819.00	28,716,279.29	0.00	106,937,098.29	4
5	Total shareholders' equity	342,510,723.69	37,069,487.30	(8,353,207.51)	371,227,003.48	5
6	Long-term debt (including current maturities)	290,303,308.00	19,895,912.00	0.00	310,199,220.00	6
7	Total capitalization	632,814,031.69	56,965,399.30	(8,353,207.51)	681,426,223.48	7
	Current liabilities					
8	Notes payable	136,000,000.00	5,250,000.00	0.00	141,250,000.00	8
9	Accounts payable	40,091,831.78	13,000,304.15	0.00	53,092,135.93	9
10	Accrued taxes	8,104,271.47	325,112.63	0.00	8,429,384.10	10
11	Income taxes payable	8,324,230.54	8,281,353.43	0.00	16,605,583.97	11
12	Dividends declared	7,981,675.72	0.00	0.00	7,981,675.72	12
13	Customers' deposits	13,053,790.92	459,838.17	(400,956.00)	13,112,673.09	13
14	Other current liabilities	41,809,222.14	1,024,054.56	0.00	42,833,276.70	14
15	Intercompany accounts - net	0.00	10,484,592.21	(10,484,592.21)	0.00	15
16	Total current liabilities	255,365,022.57	38,825,255.15	(10,885,548.21)	283,304,729.51	16
17	Deferred income taxes	81,142,282.30	6,494,198.90	0.00	87,636,481.20	17
18	Deferred credits and other liabilities	54,993,989.95	1,266,560.00	2,337,450.96	58,798,000.91	18
19	Total liabilities and shareholders' equity	\$1,024,315,326.51	\$103,551,413.35	(\$16,701,304.76)	\$1,111,165,435.10	19



ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
 ELIMINATIONS TO CONSOLIDATING BALANCE SHEET  
 AS OF 05/31/98

ELIMINATIONS	\$1,005,100.00	\$1,005,100.00
1. Common Stock		
Investment in and advances to subs		
To eliminate common stock of subs		
Paid-in Capital	2,292,947.89	
Trans La Industrial	1,603,833.12	
WKG Resources	3,451,327.00	
United Cities Storage		7,348,108.01
Investment in and advances to subs		
To eliminate paid-in capital of subs		
Atmos Utility Plant	2,204,484.54	
Atmos Deferred Debit	332,966.42	
Atmos Deferred Credit		2,537,450.96
To adjust for capital leases associated		
with the sale/lease back transaction		
with the Gilliland Group		
4. Intercompany Accounts- UCGC		
Customer Deposits	400,956.00	
Prepays		400,956.00
To eliminate UCGS deposit from UCGC		
5. Intercompany Accounts UCGC		
Cash	0.00	
Accounts Receivable - Service	638,401.49	
Misc. Deferred Debits		0.00
Misc. Current Liabilities		0.00
Intercompany Accounts Payable		
To eliminate intercompany accounts		
Intercompany Accounts Payable - Egasco	223.23	
- Services	5,609.98	
- United Cities Gas	0.00	
- United Cities Energy	8,421,031.00	
- United Cities Storage	2,057,728.00	
- United Cities Propane	0.00	
Intercompany Accounts Receivable	0.00	11,122,993.70
To eliminate Intercompany - Net		
Total Eliminations	\$22,414,608.67	\$22,414,608.67
ADJUSTMENTS	\$15,473,185.32	\$15,473,185.32
7. WKG Accumulated Provision		
WKG Division Utility Plant		
To adjust 11-30-1987 depreciation on	\$280,000	
WKG Division - amortization Month	4,536,000	
To date		
8. Trans La Accumulated Provision		
Trans La Division Utility Plant		
To adjust 12-31-85 depreciation on	48,202	
Trans La Division - amortization Month	7,165,938	
To date		4,526,842.51
9. Trans La Industrial Accumulated Provision		
Trans La Industrial Utility Plant		
To adjust 12-31-85 depreciation on	550	
Trans La Industrial - amortization Month	81,950	
To date		40,688.92

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATING BALANCE SHEET - NON REGULATED  
AS OF 05/31/98

1998

Line No.	Description (a)	1998										Line No.	
		ATMOS SERVICES (b)	EGASCO INC. (c)	ENERMART (d)	TRANS LA INDUSTRIAL (e)	UCG ENERGY CORP. (f)	UCG STORAGE CO. (g)	WKG RESOURCES (h)	Eliminations and Adjustments (i)	Consolidated (j)			
<b>ASSETS</b>													
	Property, plant and equipment												
1	Utility plant	\$0.00	\$0.00	\$0.00	\$859,549.26	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$859,549.26
2	Nonutility plant	0.00	0.00	0.00	0.00	59,929,511.00	0.00	19,991,021.00	0.00	553,803.58	0.00	0.00	80,474,335.58
3	Construction work in progress	0.00	0.00	0.00	(5,036.78)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(5,036.78)
4	Less accumulated depreciation and amortization	0.00	0.00	0.00	854,512.48	59,929,511.00	0.00	19,991,021.00	0.00	553,803.58	0.00	0.00	81,328,848.06
5		0.00	0.00	0.00	475,135.06	21,637,469.00	0.00	2,782,893.00	0.00	106,938.67	0.00	0.00	25,002,435.73
6	Net property, plant and equipment	0.00	0.00	0.00	379,377.42	38,292,042.00	0.00	17,208,128.00	0.00	446,864.91	0.00	0.00	56,326,412.33
7	Investments in & advances to subsidiaries	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Current assets</b>													
8	Cash and temporary cash investments	(2,594.00)	1,066.99	(727.32)	2,422.39	4,887,487.00	0.00	2,810,010.00	0.00	5,443.03	0.00	0.00	7,703,108.09
9	Accounts receivable, less allowance for doubtful accounts	0.00	17,230.82	2,067,402.43	720,733.20	368,653.00	5,151.00	5,151.00	0.00	(507.11)	0.00	0.00	3,178,663.34
10	Inventories	0.00	0.00	0.00	0.00	1,827,321.00	0.00	2,679.00	0.00	0.00	0.00	0.00	1,830,000.00
11	Gas stored underground	0.00	0.00	0.00	0.00	0.00	0.00	5,019,889.00	0.00	0.00	0.00	0.00	5,019,889.00
12	Other current assets	0.00	0.00	29,159.91	18,244.21	896,670.00	(1,400.00)	11,923.47	0.00	0.00	0.00	0.00	954,597.59
13	Intercompany accounts - net	0.00	0.00	8,974,496.21	2,470,621.20	398,797.00	348,178.00	1,060,167.52	0.00	0.00	0.00	0.00	13,252,259.93
14	Total current assets	(2,594.00)	18,297.81	11,070,331.23	3,212,021.00	8,378,928.00	8,184,507.00	1,077,026.91	0.00	1,077,026.91	0.00	0.00	31,938,517.95
15	Deferred charges and other assets	0.00	605,064.82	0.00	12,880.33	14,266,185.00	344,471.00	57,881.92	0.00	0.00	0.00	0.00	15,286,483.07
16	Total assets	(\$2,594.00)	\$623,362.63	\$11,070,331.23	\$3,604,278.75	\$60,937,155.00	\$25,737,106.00	\$1,581,773.74	\$0.00	\$0.00	\$0.00	\$0.00	\$103,551,413.35

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATING BALANCE SHEET - NON REGULATED  
AS OF 05/31/98

1998

Line No.	Description (a)	ATMOS SERVICES (b)	EGASCO, INC. (c)	ENERMART (d)	TRANS LA INDUSTRIAL (e)	UCG ENERGY CORP. (f)	UCG STORAGE CO. (g)	W K G RESOURCES (h)	Eliminations and Adjustments (i)		Line No.
									Consolidated (j)	(i)	
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>											
Shareholders' equity											
1	Common stock	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000,000.00	\$1,000.00	\$1,000.00	\$0.00	\$0.00	1
2	Common stock subscribed	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2
3	Additional paid-in capital	0.00	0.00	2,292,947.89	0.00	0.00	3,451,327.00	1,603,833.12	0.00	0.00	3
4	Retained earnings	(7,377.33)	(459,462.90)	986,109.28	482,811.23	23,408,903.00	4,331,530.00	(26,233.99)	0.00	0.00	4
5	Total shareholders' equity	(6,377.33)	(458,462.90)	987,109.28	2,775,859.12	24,408,903.00	7,783,857.00	1,578,599.13	0.00	0.00	5
Long-term debt (including current maturities)											
6		0.00	0.00	0.00	0.00	11,437,197.00	8,458,715.00	0.00	0.00	0.00	6
7	Total capitalization	(6,377.33)	(458,462.90)	987,109.28	2,775,859.12	35,846,100.00	16,242,572.00	1,578,599.13	0.00	0.00	7
Current liabilities											
8	Notes payable	0.00	0.00	0.00	0.00	5,250,000.00	0.00	0.00	0.00	0.00	8
9	Accounts payable	0.00	1,122,974.74	9,661,852.74	380,202.50	1,818,864.00	14,763.00	1,647.17	0.00	0.00	9
10	Accrued taxes	0.00	2,608.56	31,580.47	29,375.42	263,742.00	0.00	(2,193.82)	0.00	0.00	10
11	Income taxes payable	(1,826.65)	(43,981.00)	389,788.74	260,318.29	6,359,526.00	1,333,145.00	(15,616.95)	0.00	0.00	11
12	Dividends declared	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12
13	Customers' deposits	0.00	0.00	0.00	58,882.17	0.00	400,956.00	0.00	0.00	0.00	13
14	Other current liabilities	0.00	0.00	0.00	18,121.56	703,751.00	302,182.00	0.00	0.00	0.00	14
15	Intercompany accounts - net	5,609.98	223.23	0.00	0.00	8,421,031.00	2,057,728.00	0.00	0.00	0.00	15
16	Total current liabilities	3,783.33	1,081,825.53	10,083,221.95	746,899.94	22,816,914.00	4,108,774.00	(16,163.60)	0.00	0.00	16
17	Deferred income taxes	0.00	0.00	0.00	81,519.69	1,270,604.00	5,122,737.00	19,338.21	0.00	0.00	17
18	Deferred credits and other liabilities	0.00	0.00	0.00	0.00	1,003,537.00	263,023.00	0.00	0.00	0.00	18
19	Total liabilities and shareholders' equity	(\$2,594.00)	\$623,362.63	\$11,070,331.23	\$3,604,278.75	\$60,937,155.00	\$25,737,106.00	\$1,581,773.74	\$0.00	\$0.00	19

(18)

ATMOS ENERGY CORPORATION  
CONSOLIDATING STATEMENTS OF INCOME  
FOR THE MONTH ENDED MAY 31, 1998

Current Month

Line No.	Description (a)	Utility Operations					Total Atmos Consolidated (h)	Line No.
		Regulated (1) (b)	Non-Regulated (2) (c)	Eliminations (d)	Total (e)	Non-Utility Operations (3) (f)		
1	Operating revenues							
2	Gas	\$29,600,546.63	\$7,407,136.80	\$0.00	\$37,007,683.43	\$0.00	\$37,007,683.43	
3	Transportation	2,666,195.22	6,947.15	(212,542.67)	2,460,599.70	0.00	2,460,599.70	
4	Other	0.00	0.00	0.00	0.00	1,263,502.00	1,263,502.00	
5	Total operating revenues	32,266,741.85	7,414,083.95	(212,542.67)	39,468,283.13	1,263,502.00	40,731,785.13	
6	Purchased gas cost	18,248,052.40	5,543,990.61	(212,093.15)	23,579,949.86	391,180.00	23,971,129.86	
7	Gross profit	14,018,689.45	1,870,093.34	(449.52)	15,888,333.27	872,322.00	16,760,655.27	
8	Operating expenses							
9	Operation	6,890,135.87	513,436.04	0.00	7,403,571.91	640,802.00	9,576,903.07	
10	Maintenance	773,679.44	0.00	0.00	773,679.44	17,622.00	794,076.96	
11	Depreciation	3,772,514.82	2,865.00	0.00	3,775,379.82	367,355.00	4,413,654.13	
12	Taxes - other than income taxes	2,116,676.63	28,868.86	0.00	2,145,545.49	74,776.00	2,287,476.35	
13	Shared Services - direct	653,526.32	0.00	0.00	653,526.32	0.00	653,526.32	
14	Shared Services - billed	1,792,046.36	23,872.83	321.13	1,816,240.32	57,000.00	1,873,240.32	
15	Provision for income taxes	(1,617,553.16)	457,000.00	0.00	(1,160,553.16)	(217,000.00)	(1,377,553.16)	
16	Total operating expenses	14,381,026.28	1,026,042.73	321.13	15,407,390.14	940,555.00	16,348,083.67	
17	Operating income (loss)	(362,336.83)	844,050.61	(770.65)	480,943.13	(68,233.00)	412,571.60	
18	Other income							
19	Merchandise	(96,809.62)	0.00	0.00	(96,809.62)	0.00	(96,809.62)	
20	Interest income	37,500.81	0.00	0.00	37,500.81	12,095.00	49,595.81	
21	Shared Services - billed	0.00	(321.13)	321.13	0.00	0.00	0.00	
22	Other nonoperating income	69,857.00	(19,975.03)	449.52	50,331.49	15,356.00	65,687.49	
23	Equity in earnings - Woodward	0.00	0.00	0.00	0.00	(33,131.00)	(33,131.00)	
24	Total other income (loss)	10,548.19	(20,296.16)	770.65	(8,977.32)	(5,680.00)	(14,657.32)	
25	Income (loss) before interest charges	(351,788.64)	823,754.45	0.00	471,965.81	(73,913.00)	397,914.28	
26	Interest charges	2,458,911.44	245.94	0.00	2,459,157.38	190,713.00	2,649,870.38	
27	Net income (loss)	(\$2,810,700.08)	\$823,508.51	\$0.00	(\$1,987,191.57)	(\$264,626.00)	(\$2,251,956.10)	

Footnotes: (1) Regulated Utility Operations includes Energas, GGC, Trans La, UCG, WKG and CNG.  
(2) Non-Regulated Utility Operations includes Egasco, Enermart, TLIG and WKGR.  
(3) Non-Utility Operations includes Atmos Energy Services, UCG Energy and UCG Storage.  
(4) Includes all Shared Services expenses booked directly to the business units.  
(5) Includes Operation, Maintenance, Depreciation and Taxes - Other booked in Division 02 and allocated to the business units.

ATMOS ENERGY CORPORATION  
CONSOLIDATING STATEMENTS OF INCOME  
FOR THE EIGHT MONTHS ENDED MAY 31, 1998

Year To Date

Line No.	Description (a)	Utility Operations					Total (c)	Non-Utility Operations (3)	Shared Services (b)	Total Atmos Consolidated (h)	Line No.
		Regulated (1) (b)	Non-Regulated (2) (c)	Eliminations (d)	Total (c)	Non-Utility Operations (3) (f)					
1	Operating revenues										
2	Gas	\$595,766,923.19	\$28,249,363.01	\$0.00	\$624,016,286.20	\$0.00	\$0.00	\$0.00	\$624,016,286.20	1	
3	Transportation	19,875,254.06	58,164.05	(1,509,817.40)	18,423,600.71	0.00	0.00	0.00	\$18,423,600.71	2	
4	Other	0.00	0.00	0.00	0.00	31,788,077.00	0.00	0.00	\$31,788,077.00	3	
5	Total operating revenues	615,642,177.25	28,307,527.06	(1,509,817.40)	642,439,886.91	31,788,077.00	0.00	0.00	674,227,963.91	4	
6	Purchased gas cost	374,873,974.69	24,113,764.17	(1,506,813.60)	397,480,925.26	17,258,466.00	0.00	0.00	414,739,391.26	5	
7	Gross profit	240,768,202.56	4,193,762.89	(3,003.80)	244,958,961.65	14,529,611.00	0.00	0.00	259,488,572.65	6	
8	Operating expenses										
9	Operation	61,737,222.45	3,600,336.94	0.00	65,337,559.39	5,808,583.82	12,542,256.41	0.00	83,688,399.62	7	
10	Maintenance	5,976,682.48	0.00	0.00	5,976,682.48	468,384.00	32,758.61	0.00	6,477,825.09	8	
11	Depreciation	27,180,786.06	22,920.00	0.00	27,203,706.06	2,754,001.00	2,167,954.48	0.00	32,125,661.54	9	
12	Taxes - other than income taxes	21,043,296.64	92,018.22	0.00	21,135,314.86	666,958.00	646,869.16	0.00	22,449,142.02	10	
13	Shared Services - direct	(4) 6,286,893.98	0.00	0.00	6,286,893.98	0.00	0.00	0.00	6,286,893.98	11	
14	Shared Services - billed	(5) 14,900,758.66	206,792.33	2,836.83	15,110,387.82	274,000.00	(15,384,387.82)	0.00	0.00	12	
15	Provision for income taxes	31,086,181.45	51,529.69	0.00	31,137,711.14	2,197,100.44	0.00	0.00	33,334,811.58	13	
16	Total operating expenses	168,211,821.72	3,973,597.18	2,836.83	172,188,255.73	12,169,027.26	5,450.84	0.00	184,362,733.83	14	
17	Operating income (loss)	72,556,380.84	220,165.71	(5,840.63)	72,770,705.92	2,360,583.74	(5,450.84)	0.00	75,125,838.82	15	
18	Other income										
19	Merchandise	(5,355.95)	0.00	0.00	(5,355.95)	0.00	0.00	0.00	(5,355.95)	16	
20	Interest income	942,946.81	0.00	0.00	942,946.81	159,142.00	0.00	0.00	1,102,088.81	17	
21	Shared Services - billed	0.00	(2,836.83)	2,836.83	0.00	0.00	0.00	0.00	0.00	18	
22	Other nonoperating income	(155,195.86)	(167,566.54)	3,003.80	(319,758.60)	(135,626.74)	0.00	0.00	(455,385.34)	19	
23	Equity in earnings - Woodward	0.00	0.00	0.00	0.00	2,949,803.00	0.00	0.00	2,949,803.00	20	
24	Total other income (loss)	782,395.00	(170,403.37)	5,840.63	617,832.26	2,973,318.26	0.00	0.00	3,591,150.52	21	
25	Income (loss) before interest charges	73,338,775.84	49,762.34	(0.00)	73,388,538.18	5,333,902.00	(5,450.84)	0.00	78,716,989.34	22	
26	Interest charges	22,272,953.73	2,263.92	0.00	22,275,217.65	1,632,719.00	0.00	0.00	23,907,936.65	23	
27	Net income (loss)	\$51,065,822.11	\$47,498.42	(\$0.00)	\$51,113,320.53	\$3,701,183.00	(\$5,450.84)	0.00	\$54,809,052.69	24	

Footnotes: (1) Regulated Utility Operations includes Energas, GGC, Trans La, UCG, WKG and CNG.  
(2) Non-Regulated Utility Operations includes Egasco, Enertmart, TLLG and WKOR.  
(3) Non-Utility Operations includes Atmos Energy Services, UCG Energy and UCG Storage.  
(4) Includes all Shared Services expenses booked directly to the business units.  
(5) Includes Operation, Maintenance, Depreciation and Taxes - Other booked in Division 02 and allocated to the business units.

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
ELIMINATIONS TO CONSOLIDATING INCOME STATEMENT  
05/31/98

	Current Month		YEAR TO DATE	
	Dr	Cr	Dr	Cr
1. Gas Revenue Purchased Gas Cost To eliminate gas sales to Atmos from Trans La Industrial	\$0.00	\$0.00	\$0.00	\$0.00
2. Transportation Revenue Purchased Gas Cost To eliminate transportation charges to Emermart Trust from Atmos	139,651.18	139,651.18	834,789.55	834,789.55
3. Transportation Revenue Purchased Gas Cost To eliminate transportation charges to Trans La Industrial from Atmos	25,413.98	25,413.98	244,681.14	244,681.14
4. Transportation Revenue Purchased Gas Cost To eliminate transportation charges to Amarillo Distribution Division from Amarillo Transmission Division-Atmos	47,027.99	47,027.99	427,342.91	427,342.91
5. Transportation Revenue Other Nonoperating Income To eliminate transportation charges for CNG sales at public fill stations from Atmos	449.52	449.52	3,003.80	3,003.80
6. Operation Expense Other Nonoperating Income To eliminate allocation of Corporate Division expenses to WKGR from Atmos	321.13	321.13	2,836.83	2,836.83

ATMOS ENERGY CORPORATION  
 CONSOLIDATING STATEMENTS OF INCOME - REGULATED  
 FOR THE MONTH MAY 31, 1998

Line No.	Description (a)	Month						Line No.
		Energy (1)	Greeley	Trans La (1)	UCG	WKG	Total Regulated	
		(b)	(c)	(d)	(e)	(f)	(g)	
1	Operating revenues							
2	Gas	\$6,339,851.30	\$4,042,921.62	\$3,170,567.72	\$9,878,729.53	\$6,168,476.46	\$29,600,546.63	1
3	Transportation	266,081.52	118,584.66	29,917.85	1,563,206.65	688,404.54	2,666,195.22	2
4	Other	0.00	0.00	0.00	0.00	0.00	0.00	3
4	Total operating revenues	6,605,932.82	4,161,506.28	3,200,485.57	11,441,936.18	6,856,881.00	32,266,741.85	4
5	Purchased gas cost	3,802,381.86	2,258,551.40	1,978,147.73	5,820,332.52	4,388,638.89	18,248,052.40	5
6	Gross profit	2,803,550.96	1,902,954.88	1,222,337.84	5,621,603.66	2,468,242.11	14,018,689.45	6
7	Operating expenses							
7	Operation	(2) 1,366,442.70	991,555.77	566,617.89	2,718,460.93	1,247,058.58	6,890,135.87	7
8	Maintenance	75,312.96	66,566.86	41,247.24	499,255.95	91,296.43	773,679.44	8
9	Depreciation	548,925.06	833,975.76	303,528.74	1,540,749.84	545,335.42	3,772,514.82	9
10	Taxes - other than income taxes	705,188.95	208,538.90	182,401.00	862,169.84	158,377.94	2,116,676.63	10
11	Shared Services - direct	183,010.08	115,672.87	131,407.55	72,229.20	151,206.62	653,526.32	11
12	Shared Services - billed	(4) 511,392.37	225,584.28	156,174.15	586,305.96	312,589.60	1,792,046.36	12
13	Provision for income taxes	(318,750.93)	(324,072.92)	(188,006.66)	(586,304.81)	(200,417.84)	(1,617,553.16)	13
14	Total operating expenses	3,071,521.19	2,117,821.52	1,193,369.91	5,692,866.91	2,305,446.75	14,381,026.28	14
15	Operating income (loss)	(267,970.23)	(214,866.64)	28,967.93	(71,263.25)	162,795.36	(362,336.83)	15
16	Other income							
16	Merchandise	(31,800.90)	(122.11)	(6,870.00)	(59,860.19)	1,843.58	(96,809.62)	16
17	Interest income	(2,728.98)	0.00	(32.63)	40,695.83	(433.41)	37,500.81	17
18	Other nonoperating income	(4,865.53)	(22,573.88)	(2,982.37)	107,267.85	(6,989.07)	69,857.00	18
19	Equity in earnings - Woodward	0.00	0.00				0.00	19
20	Total other income (loss)	(39,395.41)	(22,695.99)	(9,885.00)	88,103.49	(5,578.90)	10,548.19	20
21	Income (loss) before interest charges	(307,365.64)	(237,562.63)	19,082.93	16,840.24	157,216.46	(351,788.64)	21
22	Interest charges	462,546.72	271,118.30	199,108.83	1,158,917.21	367,220.38	2,458,911.44	22
23	Net income (loss)	(\$769,912.36)	(\$508,680.93)	(\$180,025.90)	(\$1,142,076.97)	(\$210,003.92)	(\$2,810,700.08)	23
22	Prior Year Net income (loss)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	22

Footnote: (1) Includes CNG.  
 (2) Operations expense in the business units does not include any shared services costs.  
 (3) Includes all Shared Services expenses booked directly to the business units.  
 (4) Includes Operation, Maintenance, Depreciation and Taxes - Other booked in Division 02 and allocated to the business units.

ATMOS ENERGY CORPORATION  
CONSOLIDATING STATEMENTS OF INCOME - REGULATED  
FOR THE EIGHT MONTHS ENDED MAY 31, 1998

Line No.	Description (a)	Year-to-Date						Line No.
		Energas (1) (b)	Greeley (c)	Trans La. (1) (d)	UCG (e)	WKG (f)	Total Regulated (g)	
1	Operating revenues							1
2	Gas	\$134,130,367.85	\$67,925,799.34	\$27,129,756.71	\$270,338,067.89	\$96,242,931.40	\$595,766,923.19	2
3	Transportation	1,992,187.18	1,031,496.72	274,043.61	10,407,392.02	6,170,134.53	19,875,254.06	3
4	Other	0.00	0.00	0.00	0.00	0.00	0.00	4
	Total operating revenues	136,122,555.03	68,957,296.06	27,403,800.32	280,745,459.91	102,413,065.93	615,642,177.25	
5	Purchased gas cost	84,403,612.73	40,655,222.31	7,074,371.54	174,931,166.29	67,809,601.82	374,873,974.69	5
6	Gross profit	51,718,942.30	28,302,073.75	20,329,428.78	105,814,293.62	34,603,464.11	240,768,202.56	6
7	Operating expenses	(2)						7
8	Operation	11,676,897.07	8,459,500.92	4,476,261.07	27,169,320.55	9,955,242.84	61,737,222.45	8
9	Maintenance	697,051.17	493,365.68	352,617.29	3,804,836.36	628,811.98	5,976,682.48	9
10	Depreciation	4,390,527.00	3,737,935.81	2,428,229.92	12,261,438.68	4,362,654.65	27,180,786.06	10
10	Taxes - other than income taxes	8,428,912.43	1,737,265.73	1,490,953.74	8,025,344.72	1,360,820.02	21,043,296.64	10
10	Shared Services - direct	2,281,300.13	1,052,931.52	1,357,597.78	(11,130.67)	1,606,195.22	6,286,893.98	10
11	Shared Services - billed	4,554,016.98	1,923,519.77	1,296,137.06	4,443,850.28	2,683,234.57	14,900,758.66	11
12	Provision for income taxes	5,539,070.35	3,254,409.82	2,460,525.12	15,428,685.47	4,403,490.69	31,086,181.45	12
13	Total operating expenses	37,567,775.13	20,658,929.25	13,862,321.98	71,122,345.39	25,000,449.97	168,211,821.72	13
14	Operating income (loss)	14,151,167.17	7,643,144.50	6,467,106.80	34,691,948.23	9,603,014.14	72,556,380.84	14
15	Other income							15
15	Merchandise	(15,614.07)	(1,642.67)	7,531.36	(168,589.01)	172,958.44	(5,355.95)	15
16	Interest income	118,875.43	529.48	2,445.63	807,183.55	13,912.72	942,946.81	16
17	Other nonoperating income	(136,336.51)	21,981.42	(56,297.94)	68,529.35	(53,072.18)	(155,195.86)	17
18	Equity in earnings - Woodward	0.00	0.00	0.00	0.00	0.00	0.00	18
19	Total other income (loss)	(33,075.15)	20,868.23	(46,320.95)	707,123.89	133,798.98	782,395.00	19
20	Income (loss) before interest charges	14,118,092.02	7,664,012.73	6,420,785.85	35,399,072.12	9,736,813.12	73,338,775.84	20
21	Interest charges	4,123,719.23	2,403,213.55	2,246,219.73	10,187,058.23	3,312,742.99	22,272,953.73	21
22	Net income (loss)	\$9,994,372.79	\$5,260,799.18	\$4,174,566.12	\$25,212,013.89	\$6,424,070.13	\$51,065,822.11	22

Footnote: (1) Includes CNG.  
(2) Operations expense in the business units does not include any shared services costs.  
(3) Includes all Shared Services expenses booked directly to the business units.  
(4) Includes Operation, Maintenance, Depreciation and Taxes - Other booked in Division 02 and allocated to the business units.



ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATING STATEMENT OF INCOME - NON-REGULATED UTILITY  
FOR THE MONTH ENDED 05/31/98

Line No.	Description (a)	1998						Line No.
		EGASCO, INC. (b)	ENERMART (c)	TRANS LA INDUSTRIAL (d)	W K G RESOURCES (e)	ELIMINATIONS and ADJUSTMENTS (f)	ATMOS NON REGULATED (g)	
1	Operating revenues							1
2	Gas	\$829,877.93	\$6,131,549.38	\$445,709.49	\$0.00	\$0.00	\$7,407,136.80	2
3	Transportation	0.00	0.00	6,947.15	0.00	0.00	6,947.15	3
3	Other	0.00	0.00	0.00	0.00	0.00	0.00	3
4	Total operating revenues	829,877.93	6,131,549.38	452,656.64	0.00	0.00	7,414,083.95	4
5	Purchased gas cost	685,834.24	4,441,218.97	416,937.40	0.00	0.00	5,543,990.61	5
6	Gross profit	144,043.69	1,690,330.41	35,719.24	0.00	0.00	1,870,093.34	6
7	Operating expenses							7
8	Operation	69,756.34	443,830.42	(150.72)	0.00	0.00	513,436.04	8
8	Maintenance	0.00	0.00	0.00	0.00	0.00	0.00	8
9	Depreciation and amortization	0.00	0.00	2,865.00	0.00	0.00	2,865.00	9
10	Taxes - other than income taxes	25,000.00	(563.12)	4,431.98	0.00	0.00	28,868.86	10
11	Shared services - billed	1,437.70	16,499.72	5,935.41	0.00	0.00	23,872.83	11
12	Provision for income taxes	18,000.00	431,000.00	8,000.00	0.00	0.00	457,000.00	12
13	Total operating expenses	114,194.04	890,767.02	21,081.67	0.00	0.00	1,026,042.73	13
14	Operating income (loss)	29,849.65	799,563.39	14,637.57	0.00	0.00	844,050.61	14
15	Other income							15
16	Merchandise	0.00	0.00	0.00	0.00	0.00	0.00	16
16	Interest income	0.00	0.00	0.00	0.00	0.00	0.00	16
17	Shared services - billed	0.00	0.00	0.00	(321.13)	0.00	(321.13)	17
18	Other nonoperating income	(18,794.83)	0.00	0.00	(1,180.20)	0.00	(19,975.03)	18
19	Total other income (loss)	(18,794.83)	0.00	0.00	(1,501.33)	0.00	(20,296.16)	19
20	Income (loss) before interest charges	11,054.82	799,563.39	14,637.57	(1,501.33)	0.00	823,754.45	20
21	Interest charges	0.00	0.00	245.94	0.00	0.00	245.94	21
22	Net income (loss)	\$11,054.82	\$799,563.39	\$14,391.63	(\$1,501.33)	\$0.00	\$823,508.51	22

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATING STATEMENT OF INCOME- NON-REGULATED UTILITY  
FOR THE EIGHT MONTHS ENDED 05/31/98

Line No.	Description (a)	1998						Line No.
		EGASCO, INC. (b)	EMERMART (c)	TRANS LA INDUSTRIAL (d)	W K G RESOURCES (e)	ELIMINATIONS and ADJUSTMENTS (f)	ATMOS NON-REGULATED (g)	
1	Operating revenues							
2	Gas	\$2,559,600.02	\$21,278,555.02	\$4,411,207.97	\$0.00	\$0.00	\$28,249,363.01	1
3	Transportation	0.00	0.00	58,164.05	0.00	0.00	58,164.05	2
3	Other	0.00	0.00	0.00	0.00	0.00	0.00	3
4	Total operating revenues	2,559,600.02	21,278,555.02	4,469,372.02	0.00	0.00	28,307,527.06	4
5	Purchased gas cost	1,969,188.28	18,301,196.13	3,843,379.76	0.00	0.00	24,113,764.17	5
6	Gross profit	590,411.74	2,977,358.89	625,992.26	0.00	0.00	4,193,762.89	6
7	Operating expenses							
8	Operation	484,304.87	3,008,441.61	107,590.46	0.00	0.00	3,600,336.94	7
8	Maintenance	0.00	0.00	0.00	0.00	0.00	0.00	8
9	Depreciation and amortization	0.00	0.00	22,920.00	0.00	0.00	22,920.00	9
10	Taxes - other than income taxes	25,000.00	28,954.78	38,053.44	10.00	0.00	92,018.22	10
11	Shared services - billed	12,159.89	147,135.94	47,496.50	0.00	0.00	206,792.33	11
12	Provision for income taxes	(56,000.00)	(30,470.31)	158,000.00	0.00	0.00	51,529.69	12
13	Total operating expenses	465,464.76	3,134,062.02	374,060.40	10.00	0.00	3,973,597.18	13
14	Operating income (loss)	124,946.98	(156,703.13)	251,931.86	(10.00)	0.00	220,165.71	14
	Other income							
15	Merchandise	0.00	0.00	0.00	0.00	0.00	0.00	15
16	Interest income	0.00	0.00	0.00	0.00	0.00	0.00	16
17	Shared services - billed	0.00	0.00	0.00	(2,836.83)	0.00	(2,836.83)	17
18	Other nonoperating income	(168,926.75)	0.00	0.00	1,360.21	0.00	(167,566.54)	18
19	Total other income (loss)	(168,926.75)	0.00	0.00	(1,476.62)	0.00	(170,403.37)	19
20	Income (loss) before interest charges	(43,979.77)	(156,703.13)	251,931.86	(1,486.62)	0.00	49,762.34	20
21	Interest charges	0.00	300.00	1,963.92	0.00	0.00	2,263.92	21
22	Net income (loss)	(\$43,979.77)	(\$157,003.13)	\$249,967.94	(\$1,486.62)	\$0.00	\$47,498.42	22

NON-UTILITY BUSINESS UNITS  
CONSOLIDATING STATEMENT OF INCOME - NON-UTILITY  
FOR THE MONTH ENDED 05/31/98

Line No.	Description (a)	1998										Line No.	
		UCG Leasing (b)	UCG Propane (c)	Rental Division (d)	Utility Serv. Division (e)	Eliminations and Adjustments (f)	UCG Energy Comp. Consolidated (g)	Atmos Energy Services (h)	UCG Storage Co. (i)	Total Non-Utility (j)			
1	Operating revenues												
2	Gas	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3	Transportation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3	Other	88,341.00	605,402.00	266,373.00	4,735.00	0.00	964,851.00	0.00	298,652.00	0.00	1,263,503.00	1,263,503.00	1,263,503.00
4	Total operating revenues	88,341.00	605,402.00	266,373.00	4,735.00	0.00	964,851.00	0.00	298,652.00	0.00	1,263,503.00	1,263,503.00	1,263,503.00
5	Purchased gas cost	0.00	391,180.00	0.00	0.00	0.00	391,180.00	0.00	0.00	0.00	391,180.00	391,180.00	391,180.00
6	Gross profit	88,341.00	214,222.00	266,373.00	4,735.00	0.00	573,671.00	0.00	298,652.00	0.00	872,323.00	872,323.00	872,323.00
7	Operating expenses												
7	Operation	250.00	565,125.00	48,691.00	0.00	0.00	614,066.00	3,825.00	22,911.00	0.00	640,802.00	640,802.00	640,802.00
8	Maintenance	0.00	17,464.00	0.00	0.00	0.00	17,464.00	0.00	158.00	0.00	17,622.00	17,622.00	17,622.00
9	Depreciation and amortization	31,448.00	184,730.00	50,135.00	67,290.00	0.00	333,603.00	0.00	33,752.00	0.00	367,355.00	367,355.00	367,355.00
10	Taxes - other than income taxes	0.00	14,740.00	26,116.00	0.00	0.00	40,856.00	0.00	33,920.00	0.00	74,776.00	74,776.00	74,776.00
11	Shared services - billed	2,850.00	44,460.00	9,120.00	570.00	0.00	57,000.00	0.00	0.00	0.00	57,000.00	57,000.00	57,000.00
12	Provision for income taxes	15,000.00	(273,000.00)	37,000.00	(38,000.00)	0.00	(259,000.00)	0.00	42,000.00	0.00	(217,000.00)	(217,000.00)	(217,000.00)
13	Total operating expenses	49,548.00	553,519.00	171,062.00	29,860.00	0.00	803,989.00	3,825.00	132,741.00	0.00	940,555.00	940,555.00	940,555.00
14	Operating income (loss)	38,793.00	(339,297.00)	95,311.00	(25,125.00)	0.00	(230,318.00)	(3,825.00)	165,911.00	0.00	(68,232.00)	(68,232.00)	(68,232.00)
15	Other income												
15	Merchandise	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
16	Interest income	3,630.00	11,891.00	29,693.00	1,220.00	(34,339.00)	12,095.00	0.00	0.00	0.00	12,095.00	12,095.00	12,095.00
17	Other nonoperating income	92.00	593.00	(1,370.00)	16,041.00	0.00	15,356.00	0.00	0.00	0.00	15,356.00	15,356.00	15,356.00
18	Equity in earnings - Woodward	0.00	0.00	0.00	(33,131.00)	0.00	(33,131.00)	0.00	0.00	0.00	(33,131.00)	(33,131.00)	(33,131.00)
19	Total other income (loss)	3,722.00	12,484.00	28,323.00	(15,870.00)	(34,339.00)	(5,680.00)	0.00	0.00	0.00	(5,680.00)	(5,680.00)	(5,680.00)
20	Income (loss) before int chgs	42,515.00	(326,813.00)	123,634.00	(40,995.00)	(34,339.00)	(235,998.00)	(3,825.00)	165,911.00	0.00	(73,912.00)	(73,912.00)	(73,912.00)
21	Interest charges	13,392.00	63,747.00	53,688.00	27,572.00	(34,339.00)	124,060.00	0.00	66,653.00	0.00	190,713.00	190,713.00	190,713.00
22	Net income (loss)	\$29,123.00	(\$390,560.00)	\$69,946.00	(\$68,567.00)	\$0.00	(\$360,058.00)	(\$3,825.00)	\$99,258.00	0.00	(\$264,625.00)	(\$264,625.00)	(\$264,625.00)

NON-UTILITY BUSINESS UNITS  
CONSOLIDATING STATEMENT OF INCOME- NON UTILITY  
FOR THE EIGHT MONTHS ENDED 05/31/98

Line No.	Description (a)	1998										Line No.	
		UCG Leasing (b)	UCG Propane (c)	Rental Division (d)	Utility Serv. Division (e)	Eliminations and Adjustments (f)	UCG Energy Corp. Consolidated (g)	Atmos Energy Services (h)	UCG Storage Co. (i)	Total Non-Utility (j)			
1	Operating revenues												1
2	Gas	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	2
3	Transportation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3
4	Other	718,251.00	23,476,343.00	2,229,512.00	493,607.00	0.00	26,917,713.00	0.00	4,870,364.00	31,788,077.00	0.00	31,788,077.00	4
5	Total operating revenues	718,251.00	23,476,343.00	2,229,512.00	493,607.00	0.00	26,917,713.00	0.00	4,870,364.00	31,788,077.00	0.00	31,788,077.00	5
6	Purchased gas cost	0.00	14,328,160.00	0.00	424,930.00	0.00	14,753,090.00	0.00	2,505,376.00	17,258,466.00	0.00	17,258,466.00	6
7	Gross profit	718,251.00	9,148,183.00	2,229,512.00	68,677.00	0.00	12,164,623.00	0.00	2,364,988.00	14,529,611.00	0.00	14,529,611.00	7
8	Operating expenses												8
9	Operation	12,352.39	5,130,543.55	369,141.39	16,381.79	0.00	5,528,419.12	0.00	276,179.70	5,808,583.82	0.00	5,808,583.82	9
10	Maintenance	0.00	419,047.00	0.00	0.00	0.00	419,047.00	0.00	49,337.00	468,384.00	0.00	468,384.00	10
11	Depreciation and amortization	256,282.00	1,468,295.00	476,621.00	283,375.00	0.00	2,484,573.00	0.00	269,428.00	2,754,001.00	0.00	2,754,001.00	11
12	Taxes - other than income taxes	0.00	223,336.00	168,146.00	9.00	0.00	391,491.00	0.00	275,467.00	666,958.00	0.00	666,958.00	12
13	Shared services - billed	14,860.00	209,651.00	46,739.00	2,750.00	0.00	274,000.00	0.00	(0.00)	274,000.00	0.00	274,000.00	13
14	Provision for income taxes	135,730.82	461,000.84	279,009.46	949,258.91	0.00	1,825,000.03	0.00	372,100.41	2,197,100.44	0.00	2,197,100.44	14
15	Total operating expenses	419,225.21	7,911,873.39	1,339,656.85	1,251,774.70	0.00	10,922,530.15	0.00	1,242,512.11	12,169,027.26	0.00	12,169,027.26	15
16	Operating income (loss)	299,025.79	1,236,309.61	889,855.15	(1,183,097.70)	0.00	1,242,092.85	0.00	1,122,475.89	2,360,583.74	0.00	2,360,583.74	16
17	Other income												17
18	Merchandise	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	18
19	Interest income	28,460.00	83,185.00	260,596.00	29,754.00	(301,430.00)	100,565.00	0.00	58,577.00	159,142.00	0.00	159,142.00	19
20	Other nonoperating income	670.00	24,228.00	(218,161.00)	57,645.00	0.00	(135,618.00)	0.00	0.00	(135,618.00)	0.00	(135,618.00)	20
21	Equity in earnings - Woodward	0.00	0.00	0.00	2,949,803.00	0.00	2,949,803.00	0.00	0.00	2,949,803.00	0.00	2,949,803.00	21
22	Total other income (loss)	29,130.00	107,413.00	42,435.00	3,037,202.00	(301,430.00)	2,914,750.00	0.00	58,577.00	2,973,327.00	0.00	2,973,327.00	22
23	Income (loss) before int. chgs	328,155.79	1,343,722.61	932,290.15	1,854,104.30	(301,430.00)	4,156,842.85	0.00	1,181,052.89	5,333,910.74	0.00	5,333,910.74	23
24	Interest charges	108,273.00	529,875.00	482,963.00	239,845.00	(301,430.00)	1,059,526.00	0.00	573,193.00	1,632,719.00	0.00	1,632,719.00	24
25	Net income (loss)	\$219,882.79	\$813,847.61	\$449,327.15	\$1,614,259.30	\$0.00	\$3,097,316.85	\$0.00	\$607,859.89	\$3,705,176.74	\$0.00	\$3,705,176.74	25

ATMOS ENERGY CORPORATION  
Allocation of Division 02 - Corporate Cost  
For The Month Ended 5/31/98

ALLOCATED DOLLARS

DEPARTMENT	Total O&M	Total	Enersys	GCC	Trans La	UCG	WKO	Egenco	Enertech	TLIG	UCG Energy	UCG Storage	WKOR
ACCOUNTING:	(583,360.32)	(583,360.32)	(125,010.16)	(103,372.11)	(55,840.51)	(237,138.21)	(118,381.42)	(92.15)	(411.59)	(92.15)	57,000.00	-	(22.22)
BUSINESS DEVELOPMENT:	29,217.62	29,217.62	7,237.65	3,529.49	2,468.89	11,105.62	4,855.97	-	-	-	-	-	-
CALL CENTER:	716.50	716.50	283.44	139.22	97.73	-	190.80	0.79	3.44	0.79	-	-	0.29
EXECUTIVE:	298,382.51	298,382.51	74,095.96	36,248.63	25,237.87	112,184.06	49,274.66	200.14	894.46	191.42	-	-	55.31
GAS CONTROL:	40,682.94	40,682.94	7,322.93	4,068.29	2,034.15	18,307.32	8,136.59	-	406.83	406.83	-	-	-
GAS SUPPLY:	108,713.07	108,713.07	21,400.36	17,649.95	6,587.34	27,730.85	24,517.05	-	7,955.00	2,832.52	-	-	-
HUMAN RESOURCES:	702,106.62	702,106.62	179,557.70	86,246.16	60,637.79	255,447.00	118,114.36	310.32	1,373.95	310.32	-	-	89.02
INFORMATION TECHNOLOGY:	185,781.19	185,781.19	70,159.08	26,267.21	18,832.25	29,442.66	41,059.99	-	-	-	-	-	-
INTERNAL AUDIT:	38,594.98	38,594.98	9,540.67	4,642.98	3,245.84	14,604.34	6,379.75	27.02	119.64	27.02	-	-	7.72
INVESTOR RELATIONS:	131,103.62	131,103.62	32,554.44	15,844.38	11,077.12	49,238.32	21,770.52	92.17	408.09	92.17	-	-	26.41
LEGAL:	191,785.04	191,785.04	45,947.76	23,683.08	15,473.18	69,909.04	32,232.79	325.86	2,583.46	1,596.10	-	-	33.77
NEW BUSINESS VENTURES:	29,594.59	29,594.59	7,315.77	3,560.23	2,488.91	11,198.59	4,891.99	20.72	91.74	20.72	-	-	5.92
PLANNING & BUDGETING:	74,499.79	74,499.79	18,416.34	8,962.33	6,265.43	28,190.72	12,314.82	52.15	230.95	52.15	-	-	14.90
PRICE POLICY & ADMINISTRATION:	111,137.92	111,137.92	36,353.38	32,220.37	13,654.96	5,564.85	22,685.52	43.09	330.92	52.85	-	-	31.98
REGULATORY AFFAIRS:	27,170.37	27,170.37	4,075.55	6,792.59	2,717.04	10,868.15	2,717.04	-	-	-	-	-	-
REMITTANCE PROCESSING:	30,924.12	30,924.12	9,203.01	3,444.95	2,470.84	10,201.87	5,383.89	24.74	191.73	3.09	-	-	-
TECHNICAL SERVICES:	13,974.88	13,974.88	3,166.52	1,924.42	1,254.63	5,372.22	2,160.32	9.75	22.28	8.35	-	-	1.39
TREASURY:	101,331.61	101,331.61	25,473.25	12,717.84	8,558.01	35,049.40	17,923.70	184.45	1,241.93	174.58	-	-	8.45
TOTAL OPERATIONS:	1,532,307.05	1,532,307.05	427,113.65	194,570.01	127,501.67	457,296.80	256,233.34	1,199.05	15,442.83	5,686.76	57,000.00	-	255.94
Operations w/o A&G Cap:	2,413,307.05	2,413,307.05	618,766.93	320,433.65	206,083.56	767,325.39	419,227.56	1,478.81	16,681.76	5,976.52	57,000.00	-	332.87
MAINTENANCE	2,775.52	2,775.52	686.11	333.90	233.42	1,050.26	458.79	1.94	8.60	1.94	-	-	0.56
DEPRECIATION	270,919.31	270,919.31	66,971.27	32,591.59	22,784.31	102,515.87	44,782.96	189.64	839.85	189.64	-	-	54.18
TAXES - OTHER	67,238.44	67,238.44	16,621.34	8,068.78	5,654.75	23,443.03	11,114.51	47.07	208.44	47.07	-	-	13.45
TOTAL	1,873,240.32	1,873,240.32	511,392.37	225,384.28	156,174.15	586,305.96	312,389.60	1,437.70	16,499.72	5,935.41	57,000.00	-	321.13

ATMOS ENERGY CORPORATION  
Shared Services Billing  
For The Year-To-Date 5/31/98

ALLOCATED DOLLARS

DEPARTMENT	Total	Enersys	GCC	Trans La	UCO	WKG	Esasco	Emermart	TLQ	UCG Energy	UCG Storage	WKGR
ACCOUNTING:	(4,458,630.31)	(851,812.64)	(808,203.89)	(488,863.51)	(1,614,316.17)	(968,014.84)	(226.61)	(1,108.84)	(189.60)	274,000.00	-	103.79
BUSINESS DEVELOPMENT:	349,643.65	86,851.50	42,236.95	29,544.88	132,899.55	58,110.77	-	-	-	-	-	-
CALL CENTER:	27,607.01	10,921.35	5,364.05	3,765.59	-	7,351.74	30.36	132.52	30.36	-	-	11.04
EXECUTIVE:	2,210,308.41	549,325.88	268,774.65	187,084.22	830,208.56	365,009.61	1,485.53	6,620.54	1,390.67	-	-	408.75
GAS CONTROL:	333,693.75	60,064.87	33,369.37	16,684.69	150,162.18	66,738.76	-	3,336.94	3,336.94	-	-	-
GAS SUPPLY:	986,933.07	194,038.83	157,295.19	58,883.71	251,968.45	219,729.78	-	78,275.46	26,721.65	-	-	-
HUMAN RESOURCES:	4,350,692.56	1,234,348.77	590,536.95	416,092.95	1,289,668.00	808,239.24	1,770.92	7,798.55	1,728.82	-	-	508.16
INFORMATION TECHNOLOGY:	1,872,691.16	746,273.05	279,385.30	200,531.22	209,782.71	436,718.88	-	-	-	-	-	-
INTERNAL AUDIT:	324,180.50	80,159.17	38,988.89	27,263.48	122,646.67	53,595.19	228.57	1,008.42	224.79	-	-	65.32
INVESTOR RELATIONS:	1,259,604.79	331,117.04	161,356.93	112,883.79	426,321.42	221,643.59	936.34	4,133.74	933.03	-	-	278.91
LEGAL:	2,503,458.16	614,391.55	303,543.04	207,414.61	933,302.67	416,577.23	2,618.43	16,836.44	8,302.50	-	-	471.69
NEW BUSINESS VENTURES:	164,157.55	40,590.76	19,743.07	13,805.62	62,105.45	27,139.37	115.74	510.63	113.83	-	-	33.08
PLANNING & BUDGETING:	463,078.68	121,149.62	59,010.90	41,287.93	158,246.14	81,082.31	344.16	1,516.14	339.33	-	-	102.15
PRICE POLICY & ADMINISTRATION:	641,841.64	205,933.17	182,210.29	78,420.13	44,176.66	128,492.93	246.04	1,881.18	299.42	-	-	181.82
REGULATORY AFFAIRS:	208,692.43	31,303.86	52,173.12	20,869.24	83,476.97	20,869.24	-	-	-	-	-	-
REMITTANCE PROCESSING:	219,766.75	73,645.34	27,567.43	19,777.70	53,926.67	43,086.57	198.35	1,537.09	27.60	-	-	26.67
TECHNICAL SERVICES:	262,887.82	59,770.89	36,330.73	23,694.82	101,477.63	40,873.82	181.70	421.61	159.95	-	-	66.07
TREASURY:	817,441.22	261,385.18	131,472.62	87,536.85	130,809.40	186,491.02	2,209.53	15,350.08	2,120.47	-	-	-
TOTAL OPERATIONS:	12,538,048.64	3,849,478.19	1,581,155.59	1,056,677.92	3,366,812.96	2,213,735.21	10,139.06	138,230.50	45,539.76	274,000.00	-	2,259.45
Operators w/o A&G Cap.	19,586,048.64	5,569,205.71	2,815,082.65	1,844,287.56	5,104,246.48	3,765,365.92	12,781.98	149,917.96	48,145.81	274,000.00	-	3,014.57
MAINTENANCE	32,758.61	8,098.56	3,940.57	2,734.99	12,395.20	5,415.24	22.97	101.65	22.86	0.00	0.00	6.57
DEPRECIATION	2,167,954.48	536,259.85	260,647.82	182,323.40	819,990.12	358,490.42	1,543.15	6,774.86	1,483.98	0.00	0.00	440.88
TAXES - OTHER	646,621.51	159,872.60	77,775.79	54,380.75	244,652.00	106,896.90	454.71	2,008.93	449.90	0.00	0.00	129.93
TOTAL	15,385,383.24	4,553,709.20	1,923,519.77	1,296,137.06	4,443,850.28	2,684,537.77	12,159.89	147,135.94	47,496.50	274,000.00	-	2,836.83

ATMOS ENERGY CORPORATION  
Allocation of Division 02 - Corporate Cost  
For The Month Ended 5/31/98

ALLOCATED DOLLARS

DEPARTMENT	Total O&M	Total	Energies	GGC	Trans La	UCG	WKG	Expaso	Entermat	TLIG	UCG Energy	UCG Storage	WKQR
0112900 VP & Controller	57,355.38	57,355.38	14,178.25	6,899.85	4,823.59	21,703.28	9,480.84	40.15	177.80	40.15	-	-	11.47
0113000 Assistant Controller General Acctg	10,780.30	10,780.30	2,664.88	1,296.87	906.62	4,079.27	1,781.98	7.55	33.42	7.55	-	-	2.16
0113100 General Accounting	29,847.85	29,847.85	7,378.39	3,590.70	2,510.20	11,294.43	4,933.85	20.89	92.53	20.89	-	-	5.97
0113200 Payroll Accounting	32,294.63	32,294.63	7,983.23	3,885.04	2,715.98	12,220.29	5,338.30	22.61	100.11	22.61	-	-	6.46
0113300 Accounts Payable	15,298.16	15,298.16	3,781.70	1,840.37	1,286.58	5,788.82	2,528.79	10.71	47.42	10.71	-	-	3.06
0113400 Accounting Systems	937.25	937.25	231.67	112.75	78.82	354.66	154.93	0.66	2.91	0.66	-	-	0.19
0113500 Assistant Controller, Utility Acctg	5,339.28	5,339.28	1,319.87	642.33	449.03	2,020.38	882.58	3.74	16.55	3.74	-	-	1.07
0113600 Plant Accounting	27,109.81	27,109.81	6,701.54	3,261.31	2,279.94	10,258.35	4,481.25	18.98	84.04	18.98	-	-	5.42
0113700 Gas Accounting	48,568.43	48,568.43	12,006.13	5,842.78	4,084.60	18,378.29	8,028.36	34.00	150.56	34.00	-	-	9.71
0113800 Customer Billing	669.46	669.46	165.49	80.54	56.30	253.32	110.66	0.47	2.08	0.47	-	-	0.13
0113900 Financial Reporting	21,427.30	21,427.30	5,296.83	2,577.70	1,802.04	8,108.09	3,541.93	15.00	66.42	15.00	-	-	4.29
0114600 Dallas Taxation	47,958.81	47,958.81	18,972.52	9,318.40	6,541.58	-	12,771.43	52.75	230.20	52.75	-	-	19.18
0118300 Dallas Stores	53.02	53.02	53.02	-	-	-	-	-	-	-	-	-	-
0119200 Controller Miscellaneous	(57,000.00)	(57,000.00)	(14,090.40)	(6,857.10)	(4,793.70)	(21,568.80)	(9,422.10)	(39.90)	(176.70)	(39.90)	-	-	(11.40)
Management Fee - UCGE	57,000.00	57,000.00	-	-	-	-	-	-	-	-	57,000.00	-	-
0119700 I/C Billing & Other	(399,653.79)	(399,653.79)	(94,794.42)	(48,078.35)	(33,610.88)	(151,228.99)	(66,062.77)	(279.76)	(1,238.93)	(279.76)	-	-	(79.93)
0119800 Overhead Capitalized-Division 02	(481,346.21)	(481,346.21)	(92,858.86)	(87,785.29)	(44,971.01)	(158,799.60)	(96,931.45)	-	-	-	-	-	-
0119800 Overhead Capitalized-Op Company ACCOUNTING:	(583,360.32)	(583,360.32)	(123,010.16)	(103,372.11)	(55,840.31)	(237,138.21)	(118,381.42)	(92.15)	(411.59)	(92.15)	57,000.00	-	(22.22)
0056000 Business Development	29,217.62	29,217.62	7,257.65	3,529.49	2,468.89	11,105.62	4,855.97	-	-	-	-	-	-
BUSINESS DEVELOPMENT:	29,217.62	29,217.62	7,257.65	3,529.49	2,468.89	11,105.62	4,855.97	-	-	-	-	-	-
0120100 Amarillo Call Center	716.50	716.50	283.44	139.22	97.73	97.73	190.80	0.79	3.44	0.79	-	-	0.29
CALL CENTER:	716.50	716.50	283.44	139.22	97.73	97.73	190.80	0.79	3.44	0.79	-	-	0.29
0050500 Chairman, President & CEO	160,249.44	160,249.44	39,613.67	19,278.01	13,476.98	60,638.39	26,489.23	112.17	496.77	112.17	-	-	33.05
0052100 Dallas Operations	43,607.81	43,607.81	11,115.64	5,599.24	3,811.32	15,777.31	7,160.40	21.80	104.66	21.80	-	-	4.36
0052500 Utility Services	5,656.98	5,656.98	1,398.41	680.53	475.75	2,140.60	935.10	3.96	17.54	3.96	-	-	1.13
0054700 Chief Financial Officer EXECUTIVE:	88,868.28	88,868.28	21,968.24	10,690.85	7,473.82	33,627.76	14,689.93	62.21	275.49	62.21	-	-	17.77
	298,382.51	298,382.51	74,095.96	36,248.63	25,237.87	112,184.06	49,274.66	200.14	894.46	191.42	-	-	55.31
0051700 Corporate Gas Control	40,682.94	40,682.94	7,322.93	4,068.29	2,034.15	18,307.32	8,136.59	-	406.83	406.83	-	-	-
GAS CONTROL:	40,682.94	40,682.94	7,322.93	4,068.29	2,034.15	18,307.32	8,136.59	-	406.83	406.83	-	-	-
0051500 Interstate Gas Supply	51,662.77	51,662.77	9,299.30	10,335.55	2,583.14	13,948.95	15,498.83	-	-	-	-	-	-
0051600 Intrastate Gas Supply	34,016.56	34,016.56	6,803.31	3,401.66	1,700.83	8,504.14	5,102.48	-	6,803.31	1,700.83	-	-	-
0051900 Gas Supply	23,033.74	23,033.74	5,297.75	3,915.74	2,303.37	5,297.76	3,915.74	-	1,151.69	1,151.69	-	-	-
GAS SUPPLY:	108,713.07	108,713.07	21,400.36	17,649.95	6,587.34	27,750.85	24,517.05	-	7,955.00	2,852.52	-	-	-

ATMOS ENERGY CORPORATION  
Allocation of Division 02 - Corporate Cost  
For The Month Ended 5/31/98

DEPARTMENT	ALLOCATED DOLLARS												
	Total O&M	Total	Energies	GCC	Trans La	UCG	WKG	Egaso	Enertmart	TLIQ	UCG Energy	UCG Storage	WKGR
0056100 Professional Development	3,433.92	3,433.92	919.26	432.33	306.99	1,186.42	588.92	-	-	-	-	-	-
0117100 Corporate Services	1,586.51	1,586.51	627.61	308.26	216.40	-	422.49	1.75	7.62	1.75	-	-	-
0117200 Compensation & Employment	39,193.45	39,193.45	10,492.08	4,934.46	3,503.89	13,541.34	6,721.68	-	-	-	-	-	-
0117300 Human Resources - VP	24,534.22	24,534.22	6,567.81	3,088.86	2,193.36	8,476.57	4,207.62	-	-	-	-	-	-
0117400 Employee & Labor Relations	8,568.47	8,568.47	2,293.78	1,078.77	766.02	2,960.41	1,469.49	-	-	-	-	-	-
0117500 Employee Benefits	129,379.53	129,379.53	34,634.90	16,288.88	11,566.53	44,700.63	22,184.59	-	-	-	-	-	-
0117800 Employee Communications	14,274.19	14,274.19	3,821.21	1,797.12	1,276.11	4,931.73	2,448.02	-	-	-	-	-	-
0117900 Facilities	14,603.79	14,603.79	3,909.43	1,838.62	1,305.58	5,045.61	2,504.55	-	-	-	-	-	-
0118100 Employee Development	27,277.38	27,277.38	7,302.16	3,434.22	2,438.60	9,424.33	4,678.07	-	-	-	-	-	-
0119000 Employee Relocation Expense	4,573.80	4,573.80	1,130.64	550.23	384.66	1,730.73	736.05	3.20	14.18	3.20	-	-	0.91
0119210 Performance Plan	116,667.00	116,667.00	28,840.08	14,035.04	9,811.69	44,146.79	19,285.06	81.67	361.67	81.67	-	-	23.33
0119300 Outside Directors Retirement Cost	23,000.00	23,000.00	5,685.60	2,766.90	1,934.30	8,703.20	3,801.90	16.10	71.30	16.10	-	-	4.60
0119400 Treasury - Workers Comp	1,057.15	1,057.15	418.22	205.40	144.20	-	281.52	1.16	5.07	1.16	-	-	0.42
0119500 Human Resources - Benefits	1,675.92	1,675.92	663.00	325.63	228.60	-	446.30	1.84	8.04	1.84	-	-	0.67
0119600 Retirement Costs	292,281.29	292,281.29	72,231.92	35,161.44	24,530.86	110,599.24	48,314.10	204.60	906.07	204.60	-	-	58.46
HUMAN RESOURCES:	702,106.62	702,106.62	179,557.70	86,246.16	60,657.79	255,447.00	118,114.36	310.32	1,373.95	310.32	-	-	89.02
0115000 Information Services	15,901.94	15,901.94	4,764.22	1,784.20	1,280.11	5,284.21	2,789.20	-	-	-	-	-	-
0115100 Production Services	76,438.22	76,438.22	34,303.47	12,841.62	9,218.45	-	20,072.68	-	-	-	-	-	-
0115200 Mass Mail	-	-	-	-	-	-	-	-	-	-	-	-	-
0115300 Information Systems	28,112.12	28,112.12	8,422.38	3,154.18	2,263.03	9,341.66	4,930.87	-	-	-	-	-	-
0115400 Information Support	20,740.32	20,740.32	9,308.26	3,484.37	2,501.28	-	5,446.41	-	-	-	-	-	-
0115500 Office Equipment	2,266.39	2,266.39	679.02	254.29	182.44	-	-	-	-	-	-	-	-
0115600 Telecommunication Services	42,322.20	42,322.20	12,679.73	4,748.55	3,406.94	753.12	397.52	-	-	-	-	-	-
INFORMATION TECHNOLOGY:	185,781.19	185,781.19	70,159.08	26,267.21	18,822.25	29,442.66	41,059.99	-	-	-	-	-	-
0116400 Internal Audit	38,594.98	38,594.98	9,540.67	4,642.98	3,245.84	14,604.34	6,379.75	27.02	119.64	27.02	-	-	7.72
INTERNAL AUDIT:	38,594.98	38,594.98	9,540.67	4,642.98	3,245.84	14,604.34	6,379.75	27.02	119.64	27.02	-	-	7.72
0054900 Investor Relations	102,266.26	102,266.26	25,280.22	12,302.63	8,600.59	38,697.55	16,904.61	71.59	317.03	71.59	-	-	20.45
0117700 Corporate Communications	27,856.17	27,856.17	6,886.06	3,351.10	2,342.70	10,340.77	4,604.62	19.50	86.35	19.50	-	-	5.57
0052400 Public Affairs	981.19	981.19	388.16	190.65	133.83	-	261.29	1.08	4.71	1.08	-	-	0.39
INVESTOR RELATIONS:	131,103.62	131,103.62	32,554.44	15,844.38	11,077.12	49,238.32	21,770.52	92.17	408.09	92.17	-	-	26.41
0052000 Legal	116,486.34	116,486.34	28,795.42	14,013.31	9,796.50	44,078.43	19,255.19	81.54	361.11	81.54	-	-	23.30
0052099 Contract Administration	9,465.31	9,465.31	196.86	1,870.35	196.88	1,575.03	1,976.36	196.88	1,976.36	1,976.36	-	-	-
0052200 Governmental Affairs	7,278.71	7,278.71	1,799.29	875.63	612.14	2,754.26	1,203.17	5.10	22.56	5.10	-	-	1.46
0057900 Corporate Secretary	45,033.63	45,033.63	11,132.31	5,417.55	3,787.33	17,040.73	7,444.06	31.52	139.60	31.52	-	-	9.01
0118200 Central Records	13,521.05	13,521.05	4,023.88	1,506.24	1,080.33	4,460.59	2,354.01	10.82	83.83	10.82	-	-	3.77
LEGAL:	191,785.04	191,785.04	45,947.76	23,683.08	15,473.18	69,909.04	32,232.79	335.86	2,583.46	335.86	-	-	33.77
0054600 New Business Ventures	29,594.59	29,594.59	7,315.77	3,560.23	2,488.91	11,198.59	4,891.99	20.72	91.74	20.72	-	-	5.92
NEW BUSINESS VENTURES:	29,594.59	29,594.59	7,315.77	3,560.23	2,488.91	11,198.59	4,891.99	20.72	91.74	20.72	-	-	5.92
0054400 Financial & Strategic Planning	71,393.32	71,393.32	17,648.41	8,588.62	6,004.18	27,015.23	11,801.32	49.98	221.32	49.98	-	-	14.28
0054500 Business Strategies & Competitive Intelligence	-	-	-	-	-	-	-	-	-	-	-	-	-
0114300 Budget & Planning	3,106.47	3,106.47	767.93	373.71	261.25	1,175.49	513.50	2.17	9.63	2.17	-	-	0.62
PLANNING & BUDGETTING:	74,499.79	74,499.79	18,416.34	8,962.33	6,265.43	28,190.72	12,314.82	52.15	230.95	52.15	-	-	14.90



ATMOS ENERGY CORPORATION  
Allocation of Division 02 - Corporate Cost  
For The Month Ended 5/31/98

ALLOCATED DOLLARS

DEPARTMENT	Total O&M	Total	Energies	GGC	Trans Ls	UCG	WKG	Epasco	Emermat	TLID	UCG Energy	UCO Storage	WKGR
0054000 Price Policy & Administration - V.P.	13,605.98	13,605.98	2,821.89	2,375.60	1,049.02	5,564.85	1,755.17	4.08	28.57	4.08	-	-	2.72
0054000 Price Policy & Administration	97,531.94	97,531.94	33,531.40	29,844.77	12,805.94	20,930.35	39.01	302.35	48.77	-	-	-	29.26
PRICE POLICY & ADMINISTRATION:	111,137.92	111,137.92	36,353.38	32,220.37	13,854.96	5,564.85	22,685.52	43.09	330.92	52.85	-	-	31.98
0054100 Regulatory Affairs	27,170.37	27,170.37	4,075.55	6,792.59	2,717.04	10,868.15	2,717.04	-	-	-	-	-	-
REGULATORY AFFAIRS:	27,170.37	27,170.37	4,075.55	6,792.59	2,717.04	10,868.15	2,717.04	-	-	-	-	-	-
0118000 Remittance Processing	30,924.12	30,924.12	9,203.01	3,444.95	2,470.84	10,201.87	5,383.89	24.74	191.73	3.09	-	-	-
REMITTANCE PROCESSING:	30,924.12	30,924.12	9,203.01	3,444.95	2,470.84	10,201.87	5,383.89	24.74	191.73	3.09	-	-	-
0056200 Technical Services	13,924.88	13,924.88	3,166.52	1,924.42	1,234.63	5,372.22	2,165.32	9.75	22.28	8.35	-	-	1.39
TECHNICAL SERVICES:	13,924.88	13,924.88	3,166.52	1,924.42	1,234.63	5,372.22	2,165.32	9.75	22.28	8.35	-	-	1.39
0114500 Dallas Treasury	24,680.87	24,680.87	6,382.46	2,680.34	1,463.58	8,411.24	4,326.56	155.49	1,115.58	145.62	-	-	-
0114700 Dallas Risk Management	14,833.34	14,833.34	3,671.73	1,786.86	1,249.17	5,620.50	2,455.26	10.40	46.05	10.40	-	-	2.87
0114800 Dallas Treasurer	15,415.13	15,415.13	3,810.62	1,854.44	1,296.41	5,833.09	2,548.12	10.79	47.79	10.79	-	-	3.08
0117600 Purchasing	13,699.46	13,699.46	2,796.58	1,972.72	1,415.15	4,931.81	2,589.20	-	-	-	-	-	-
0118500 Mail & Supply	19,663.29	19,663.29	5,263.86	2,475.61	1,757.90	6,793.67	3,372.25	-	-	-	-	-	-
0118900 Fleet Administration	3,650.38	3,650.38	1,444.08	709.27	497.91	972.10	4.02	17.52	4.02	4.02	-	-	1.46
0118600 Purchasing & Stores	9,369.14	9,369.14	2,109.92	1,238.60	877.89	3,459.09	1,660.21	3.75	14.99	3.75	-	-	0.94
TREASURY:	101,331.61	101,331.61	25,473.25	12,717.84	8,558.01	35,049.40	17,923.70	184.45	1,241.93	174.58	-	-	8.45
TOTAL OPERATIONS:	1,532,307.05	1,532,307.05	427,113.65	184,570.01	127,501.67	457,296.80	256,233.34	1,199.05	15,442.83	5,696.76	57,000.00	-	252.94
Operations w/o A&G Cap.	2,413,307.05	2,413,307.05	618,766.93	320,433.65	206,083.56	767,325.59	419,227.56	1,478.81	16,681.76	5,976.52	57,000.00	-	332.87
MAINTENANCE	2,775.52	2,775.52	686.11	333.90	233.42	1,050.26	458.79	1.94	8.60	1.94	-	-	0.56
DEPRECIATION	270,919.31	270,919.31	66,971.27	32,591.59	22,784.31	102,515.87	44,782.96	189.64	839.85	189.64	-	-	54.18
TAXES - OTHER	67,238.44	67,238.44	16,621.34	8,088.78	5,654.75	25,443.03	11,114.51	47.07	208.44	47.07	-	-	13.45
TOTAL	1,873,240.32	1,873,240.32	511,392.37	225,584.28	156,174.15	586,305.96	312,589.60	1,437.70	16,499.72	5,935.41	57,000.00	-	321.13

ATMOS ENERGY CORPORATION  
Shared Services Billing  
For The Year-To-Date 5/31/98

ALLOCATED DOLLARS

DEPARTMENT	Total	Energy	GGC	Trans La	UCG	WKG	Egenco	Emermat	TLIG	UCG Energy	UCG Storage	WKGR
0112900 VP & Controller	530,429.21	192,379.17	94,336.60	66,197.67	44,517.18	129,371.07	536.41	2,346.03	536.41	0.00	0.00	188.65
0113000 Assistant Controller General Acctg	92,483.30	31,367.22	16,364.23	11,480.19	8,210.50	22,437.34	93.06	407.03	93.06	0.00	0.00	32.65
0113100 General Accounting	281,056.33	100,261.61	49,161.85	34,486.09	27,855.37	67,410.35	279.72	2,855.37	279.72	0.00	0.00	97.70
0113200 Payroll Accounting	296,262.15	104,318.60	51,139.73	35,869.96	32,849.20	70,126.71	291.16	1,274.48	291.16	0.00	0.00	101.15
0113300 Accounts Payable	166,287.49	60,505.97	29,678.10	20,821.76	13,456.51	40,690.65	168.69	737.72	168.69	0.00	0.00	59.40
0113400 Accounting Systems	22,306.83	8,543.54	4,194.05	2,943.58	716.69	5,749.01	23.78	103.86	23.78	0.00	0.00	8.54
0113500 Assistant Controller, Utility Acctg	34,233.46	11,462.33	5,614.21	3,936.28	5,204.50	7,700.50	32.07	140.50	32.07	0.00	0.00	10.91
0113600 Plant Accounting	236,235.46	83,735.26	41,033.94	28,797.15	24,783.28	56,294.52	233.67	1,022.38	233.67	0.00	0.00	81.39
0113700 Gas Accounting	425,479.71	149,523.96	71,298.12	51,411.29	47,926.85	100,512.93	417.36	1,826.98	417.36	0.00	0.00	144.86
0113800 Customer Billing	48,774.80	18,029.54	8,845.79	6,206.81	3,227.45	12,127.28	50.25	219.63	50.25	0.00	0.00	17.80
0113900 Financial Reporting	172,656.05	61,052.62	29,931.80	20,995.17	18,486.74	41,043.94	170.39	745.70	170.39	0.00	0.00	59.30
0114600 Dallas Taxation	284,184.50	112,423.38	55,217.05	38,762.77	0.00	75,678.35	312.60	1,364.09	312.60	0.00	0.00	113.66
0118300 Dallas Stores	182.47	182.47	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0119200 Controller Miscellaneous	(275,204.07)	(67,870.79)	(33,132.32)	(23,162.59)	(104,217.01)	(45,526.78)	(192.85)	(853.92)	(192.71)	0.00	0.00	(55.10)
Management Fee - UCGE	274,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	274,000.00	0.00	0.00
0119700 I/C Billing & Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0119800 Overhead Capitalized-Division 02	(3,752,804.01)	(927,905.88)	(451,364.46)	(315,609.83)	(1,419,834.32)	(620,417.97)	(2,645.92)	(11,667.46)	(2,606.05)	0.00	0.00	(755.12)
0119800 Overhead Capitalized-Op Company	(3,295,195.99)	(791,821.64)	(382,562.60)	(471,999.81)	(317,599.20)	(931,212.74)	0.00	0.00	0.00	0.00	0.00	0.00
ACCOUNTING:	(4,458,630.31)	(851,812.64)	(808,203.89)	(488,863.51)	(1,614,316.17)	(968,014.84)	(226.61)	(1,108.84)	(189.60)	274,000.00	0.00	105.79
0056000 Business Development	349,643.65	86,851.50	42,236.95	29,544.88	132,899.55	58,110.77	0.00	0.00	0.00	0.00	0.00	0.00
BUSINESS DEVELOPMENT:	349,643.65	86,851.50	42,236.95	29,544.88	132,899.55	58,110.77	0.00	0.00	0.00	0.00	0.00	0.00
0120100 Amarillo Call Center	27,607.01	10,921.35	5,364.05	3,765.59	0.00	7,351.74	30.36	132.52	30.36	0.00	0.00	11.04
CALL CENTER:	27,607.01	10,921.35	5,364.05	3,765.59	0.00	7,351.74	30.36	132.52	30.36	0.00	0.00	11.04
0050500 Chairman, President & CEO	1,097,238.26	271,310.27	131,964.18	92,277.41	415,117.19	181,400.75	773.54	3,413.02	760.89	0.00	0.00	221.01
0052100 Dallas Operations	363,042.60	92,557.07	46,605.97	31,729.73	131,336.08	59,609.97	183.08	874.23	109.84	0.00	0.00	36.63
0052500 Utility Services	125,783.72	31,106.31	15,125.99	10,578.35	47,583.17	20,796.75	88.99	391.93	86.81	0.00	0.00	25.42
0054700 Chief Financial Officer	624,243.83	154,352.23	75,078.51	52,698.73	236,172.12	103,202.14	439.92	1,941.36	433.13	0.00	0.00	125.69
EXECUTIVE:	2,210,308.41	549,335.88	268,774.65	187,084.22	830,208.56	365,009.61	1,485.53	6,620.54	1,390.67	0.00	0.00	408.75
0051700 Corporate Gas Control	333,693.75	60,064.87	33,369.37	16,684.69	150,162.18	66,738.76	0.00	3,336.94	3,336.94	0.00	0.00	0.00
GAS CONTROL:	333,693.75	60,064.87	33,369.37	16,684.69	150,162.18	66,738.76	0.00	3,336.94	3,336.94	0.00	0.00	0.00
0051500 Interstate Gas Supply	452,500.04	81,450.02	90,500.00	22,625.00	122,175.00	135,750.02	0.00	0.00	0.00	0.00	0.00	0.00
0051600 Intrastate Gas Supply	343,691.94	68,738.40	34,369.20	17,184.59	85,922.99	51,553.77	0.00	68,738.40	17,184.59	0.00	0.00	0.00
0051900 Gas Supply	190,741.09	43,870.41	32,425.99	19,074.12	43,870.46	32,425.99	0.00	9,537.06	9,537.06	0.00	0.00	0.00
GAS SUPPLY:	986,933.07	194,058.83	157,295.19	58,883.71	251,968.45	219,729.78	0.00	78,275.46	26,721.65	0.00	0.00	0.00

ATMOS ENERGY CORPORATION  
Shared Services Billing  
For The Year-To-Date 3/31/98

ALLOCATED DOLLARS

DEPARTMENT	Total	Energy	GCC	Trans La	UCG	WKG	Egaso	Emermt	TLIG	UCG Energy	UCG Storage	WKGR
0056100 Professional Development	31,915.76	10,106.51	4,754.16	3,375.64	7,203.21	6,476.24	0.00	0.00	0.00	0.00	0.00	0.00
0117100 Corporate Services	20,700.54	8,189.11	4,022.11	2,823.54	0.00	5,512.56	22.79	99.37	22.79	0.00	0.00	8.27
0117200 Compensation & Employment	348,395.59	131,161.46	61,710.62	43,814.34	27,643.63	84,065.54	0.00	0.00	0.00	0.00	0.00	0.00
0117300 Human Resources - VP	165,559.01	44,320.16	20,643.87	14,800.97	57,200.63	28,593.38	0.00	0.00	0.00	0.00	0.00	0.00
0117400 Employee & Labor Relations	75,370.04	20,176.11	9,489.20	6,738.07	26,040.72	12,925.94	0.00	0.00	0.00	0.00	0.00	0.00
0117500 Employee Benefits	812,031.83	294,546.64	138,377.01	98,390.43	91,741.45	188,776.50	0.00	0.00	0.00	0.00	0.00	0.00
0117800 Employee Communications	126,023.66	33,735.98	15,666.51	11,266.52	43,541.62	21,613.03	0.00	0.00	0.00	0.00	0.00	0.00
0117900 Facilities	98,199.35	26,287.49	12,363.41	8,779.02	31,928.26	16,841.17	0.00	0.00	0.00	0.00	0.00	0.00
0118100 Employee Development	204,130.80	54,645.79	25,700.07	18,249.30	70,527.20	35,008.44	0.00	0.00	0.00	0.00	0.00	0.00
0119000 Employee Relocation Expense	(15,637.06)	(3,865.50)	(1,881.14)	(1,315.08)	(5,917.06)	(2,584.80)	(10.95)	(48.46)	(10.95)	0.00	0.00	(3.12)
0119210 Performance Plan	933,334.00	230,787.47	112,249.11	78,493.06	353,101.83	154,305.28	658.40	2,904.03	646.73	0.00	0.00	184.09
0119300 Outside Directors Retirement Cost	184,000.00	45,498.08	22,129.09	15,474.34	69,611.46	30,420.16	129.79	572.51	127.49	0.00	0.00	37.08
0119400 Treasury - Worker's Comp	1,057.05	418.18	205.39	144.18	0.00	281.49	1.16	5.07	1.16	0.00	0.00	0.42
0119500 Human Resources - Benefits	4,042.02	1,599.02	785.36	551.33	0.00	1,076.39	4.45	19.40	4.45	0.00	0.00	1.62
0119600 Retirement Costs	1,361,569.77	336,742.27	163,722.18	114,507.29	515,045.05	225,128.12	965.28	4,246.63	937.15	0.00	0.00	275.80
HUMAN RESOURCES:	4,330,692.36	1,234,348.77	590,336.95	416,092.95	1,289,668.00	808,239.24	1,770.92	7,798.55	1,728.82	0.00	0.00	508.16
0115000 Information Services	126,021.23	37,755.95	14,139.59	10,144.71	41,876.85	22,104.13	0.00	0.00	0.00	0.00	0.00	0.00
0115100 Production Services	674,565.36	302,744.92	113,326.99	81,352.58	0.00	177,140.87	0.00	0.00	0.00	0.00	0.00	0.00
0115200 Mass Mail	54.74	24.57	9.20	6.60	0.00	14.37	0.00	0.00	0.00	0.00	0.00	0.00
0115300 Information Systems	458,992.94	195,472.98	73,175.24	52,556.30	23,437.09	114,281.33	0.00	0.00	0.00	0.00	0.00	0.00
0115400 Information Support	178,302.83	80,022.30	29,954.87	21,503.32	0.00	46,822.34	0.00	0.00	0.00	0.00	0.00	0.00
0115500 Office Equipment	27,805.67	8,330.59	3,119.80	2,238.36	9,239.82	4,877.10	0.00	0.00	0.00	0.00	0.00	0.00
0115600 Telecommunication Services	406,948.39	121,921.74	45,659.61	32,759.35	135,228.95	71,378.74	0.00	0.00	0.00	0.00	0.00	0.00
INFORMATION TECHNOLOGY:	1,872,691.16	746,273.05	279,385.30	200,531.22	209,782.71	436,718.88	0.00	0.00	0.00	0.00	0.00	0.00
0116400 Internal Audit	324,180.50	80,159.17	38,988.89	27,263.48	122,646.67	53,595.19	228.57	1,008.42	224.79	0.00	0.00	65.32
INTERNAL AUDIT:	324,180.50	80,159.17	38,988.89	27,263.48	122,646.67	53,595.19	228.57	1,008.42	224.79	0.00	0.00	65.32
0054900 Investor Relations	831,493.68	205,545.21	100,028.69	69,928.61	314,637.22	137,445.91	582.06	2,577.63	582.06	0.00	0.00	166.29
0117700 Corporate Communications	295,202.31	72,993.10	35,504.05	24,826.42	111,684.20	48,804.07	208.08	918.16	204.77	0.00	0.00	59.46
0052400 Public Affairs	132,908.80	52,578.73	25,824.19	18,128.76	0.00	35,393.61	146.20	637.95	146.20	0.00	0.00	53.16
INVESTOR RELATIONS:	1,259,604.79	331,117.04	161,356.93	112,883.79	426,321.42	221,643.59	936.34	4,133.74	933.03	0.00	0.00	278.91
0052000 Legal	1,619,440.85	400,325.81	194,818.73	136,194.97	612,796.42	267,693.56	1,133.60	5,020.26	1,133.60	0.00	0.00	323.90
0052099 Contract Administration	42,573.70	885.49	8,412.57	885.54	7,084.26	8,889.40	885.54	8,889.40	6,641.50	0.00	0.00	0.00
0052200 Governmental Affairs	63,108.77	15,600.47	7,591.97	5,307.43	23,800.35	10,431.89	44.19	195.63	44.19	0.00	0.00	12.65
0057900 Corporate Secretary	675,649.01	167,020.45	81,280.57	56,822.08	255,665.59	111,684.78	472.95	2,094.50	472.95	0.00	0.00	135.14
0118200 Central Records	102,685.83	30,559.33	11,439.20	8,204.59	33,876.05	17,877.60	82.15	636.65	10.26	0.00	0.00	0.00
LEGAL:	2,503,458.16	614,391.55	303,543.04	207,414.61	933,302.67	416,577.23	2,618.43	16,636.44	8,302.50	0.00	0.00	471.69
0054600 New Business Ventures	164,157.55	40,590.76	19,743.07	13,805.62	62,105.45	27,139.37	115.74	510.63	113.83	0.00	0.00	33.08
NEW BUSINESS VENTURES:	164,157.55	40,590.76	19,743.07	13,805.62	62,105.45	27,139.37	115.74	510.63	113.83	0.00	0.00	33.08
0054400 Financial & Strategic Planning	382,255.78	94,521.53	45,972.55	32,147.59	144,615.87	63,197.28	269.66	1,189.43	264.83	0.00	0.00	77.04
0054500 Business Strategies & Competitive Intelligence	10.50	2.60	1.27	0.88	3.97	1.73	0.01	0.03	0.01	0.00	0.00	0.00
0114300 Budget & Planning	80,812.40	26,625.49	13,037.08	9,139.46	13,626.30	17,883.30	74.49	376.68	74.49	0.00	0.00	25.11
PLANNING & BUDGETING:	463,078.68	121,149.62	59,010.90	41,287.93	158,246.14	81,082.31	344.16	1,316.14	339.33	0.00	0.00	102.15

ATMOS ENERGY CORPORATION  
Shared Services Billing  
For The Year-To-Date 5/31/98

DEPARTMENT	Total	Energy	GCC	Trans Ls	UCG	WKG	Egreso	Facemnt	TLIG	UCG Energy	UCG Storage	WKGR
0054000 Price Policy & Administration - V.P.	108,039.86	22,412.12	18,866.94	8,331.97	44,176.66	13,939.08	32.52	226.39	32.52	0.00	0.00	21.68
0054000 Price Policy & Administration	533,801.76	183,521.05	163,313.35	70,088.16	0.00	114,553.85	213.52	1,654.79	266.90	0.00	0.00	160.14
PRICE POLICY & ADMINISTRATION:	641,841.64	205,933.17	182,210.29	78,420.13	44,176.66	128,492.93	246.04	1,881.18	299.42	0.00	0.00	181.82
0054100 Regulatory Affairs	208,692.43	31,303.86	52,173.12	20,869.24	83,476.97	20,869.24	0.00	0.00	0.00	0.00	0.00	0.00
REGULATORY AFFAIRS:	208,692.43	31,303.86	52,173.12	20,869.24	83,476.97	20,869.24	0.00	0.00	0.00	0.00	0.00	0.00
0118000 Remittance Processing	219,766.75	73,645.34	27,567.43	19,777.70	53,926.67	43,086.57	198.35	1,537.09	27.60	0.00	0.00	0.00
REMITTANCE PROCESSING:	219,766.75	73,645.34	27,567.43	19,777.70	53,926.67	43,086.57	198.35	1,537.09	27.60	0.00	0.00	0.00
0056700 Technical Services	262,887.82	59,770.89	36,330.73	23,694.82	101,427.63	40,873.82	181.70	421.61	159.95	0.00	0.00	0.00
TECHNICAL SERVICES:	262,887.82	59,770.89	36,330.73	23,694.82	101,427.63	40,873.82	181.70	421.61	159.95	0.00	0.00	0.00
0114500 Dallas Treasury	215,266.58	80,977.71	34,069.80	18,521.00	6,411.24	55,022.36	1,985.12	14,380.35	1,899.00	0.00	0.00	0.00
0114700 Dallas Risk Management	99,956.22	24,714.54	12,022.26	8,406.30	37,817.70	16,524.77	70.39	310.71	69.45	0.00	0.00	0.00
0114800 Dallas Treasurer	143,743.28	35,544.86	17,287.00	12,088.76	54,380.18	23,765.07	101.49	447.44	99.49	0.00	0.00	20.10
0117600 Purchasing	119,028.47	34,783.57	24,565.90	17,619.46	9,805.88	32,253.66	0.00	0.00	0.00	0.00	0.00	28.99
0118500 Mail & Supply	148,484.11	55,334.42	26,034.22	18,484.27	13,166.03	35,465.17	0.00	0.00	0.00	0.00	0.00	0.00
0118900 Fleet Administration	3,722.63	1,472.67	723.31	307.76	0.00	991.34	4.10	17.86	4.10	0.00	0.00	0.00
0118600 Purchasing & Stores	87,239.93	28,557.41	16,770.13	11,909.30	7,228.37	22,468.65	48.43	193.72	48.43	0.00	0.00	1.49
TREASURY:	817,441.22	261,385.18	131,472.62	87,536.85	130,809.40	186,491.02	2,209.53	15,350.08	2,120.47	0.00	0.00	15.49
TOTAL OPERATIONS:	12,538,048.64	3,840,478.19	1,581,155.59	1,056,677.92	3,366,812.96	2,213,735.21	10,139.06	138,250.50	45,539.76	274,000.00	0.00	2,259.45
Operations w/o A&G Cap.	19,386,048.64	5,569,205.71	2,815,082.65	1,844,287.56	5,104,246.48	3,765,365.92	12,781.98	149,917.96	48,145.81	274,000.00	0.00	3,014.57
MAINTENANCE	32,758.61	8,098.56	3,940.37	2,754.99	12,395.20	5,415.24	22.97	101.65	22.86	0.00	0.00	6.57
DEPRECIATION	2,167,954.48	536,259.85	260,647.82	182,323.40	819,990.12	358,490.42	1,543.15	6,774.86	1,483.98	0.00	0.00	440.88
TAXES - OTHER	646,621.51	159,872.60	77,775.79	54,380.75	244,652.00	106,896.90	454.71	2,008.93	449.90	0.00	0.00	129.93
TOTAL	15,385,383.24	4,553,709.20	1,923,519.77	1,296,137.06	4,443,850.28	2,684,537.77	12,159.89	147,135.94	47,496.50	274,000.00	0.00	2,836.83

ATMOS ENERGY CORPORATION  
 Analysis of Shared Services - Actual vs. Budget  
 For The Month Ended 5/31/98

Department Name	FY '98		Actual Over (Under) Budget		Prior Year	Actual Over (Under) Prior
	Actual	Budget	Budget	Over (Under) Budget		
EXECUTIVE:	301,395	278,360	23,035		330,821	(29,426)
FINANCE:						
ACCOUNTING	391,755	407,549	(15,794)		288,991	102,764
INFORMATION TECHNOLOGY	486,846	556,902	(70,056)		471,451	15,395
INTERNAL AUDIT	38,595	55,627	(17,032)		42,282	(3,687)
INVESTOR RELATIONS	131,102	185,300	(54,198)		219,352	(88,250)
NEW BUSINESS VENTURES	29,594	22,943	6,651		-	29,594
PLANNING & BUDGETING	79,304	89,328	(10,024)		46,567	32,737
PRICE POLICY & ADMINISTRATION	122,039	90,601	31,438		87,657	34,382
REGULATORY AFFAIRS	32,408	27,646	4,762		-	32,408
TREASURY:	329,097	449,037	(119,940)		303,817	25,280
TOTAL FINANCE:	1,640,740	1,884,933	(244,193)		1,460,117	180,623
OPERATIONS:						
BUSINESS DEVELOPMENT	29,456	60,161	(30,705)		60,596	(31,140)
CALL CENTER	939	-	939		-	939
GAS SUPPLY & GAS CONTROL	154,829	175,900	(21,071)		120,381	34,448
TECHNICAL SERVICES	13,925	11,370	2,555		99,680	(85,755)
TOTAL OPERATIONS:	199,149	247,431	(48,282)		280,657	(81,508)
HUMAN RESOURCES:	674,809	594,810	79,999		698,327	(23,518)
LEGAL:	249,418	285,812	(36,394)		280,739	(31,321)
OVERHEAD CAPITALIZED:	(881,000)	(883,917)	2,917		(990,000)	109,000
TOTAL O&M	<u>2,184,511</u>	<u>2,407,429</u>	<u>(222,918)</u>		<u>2,060,661</u>	<u>123,850</u>
DEPRECIATION	270,919	198,000	72,919		332,797	(61,878)
TAXES - OTHER	67,238	57,000	10,238		64,151	3,087
TOTAL	<u>2,522,668</u>	<u>2,662,429</u>	<u>(139,761)</u>		<u>2,457,609</u>	<u>65,059</u>

**ATMOS ENERGY CORPORATION**  
 Analysis of Shared Services - Actual vs. Budget  
 For The Year-To-Date Ended 5/31/98

Department Name	FY 98		Actual		Actual		Actual	
	Actual	Budget	Over (Under)	Budget	Over (Under)	Prior Year	Over (Under)	Prior
EXECUTIVE:	2,202,953	2,187,913	15,040			6,291,756	(4,088,803)	
FINANCE:								
ACCOUNTING	2,670,076	2,946,734	(276,658)			2,282,428	387,648	
INFORMATION TECHNOLOGY	4,676,396	4,744,903	(68,507)			4,404,084	272,312	
INTERNAL AUDIT	324,431	464,926	(140,495)			335,255	(10,824)	
INVESTOR RELATIONS	1,259,739	1,490,832	(231,093)			1,639,340	(379,601)	
NEW BUSINESS VENTURES	164,158	183,544	(19,386)			-	164,158	
PLANNING & BUDGETING	471,819	624,540	(152,721)			360,906	110,913	
PRICE POLICY & ADMINISTRATION	756,293	721,736	34,557			769,690	(13,397)	
REGULATORY AFFAIRS	225,974	221,189	4,785			-	225,974	
TREASURY:	2,577,364	3,489,566	(912,202)			2,601,717	(24,353)	
TOTAL FINANCE:	13,126,250	14,887,970	(1,761,720)			12,393,420	732,830	
OPERATIONS:								
BUSINESS DEVELOPMENT	359,850	499,716	(139,866)			453,994	(94,144)	
CALL CENTER	36,356	-	36,356			-	36,356	
GAS SUPPLY & GAS CONTROL	1,341,268	1,405,700	(64,432)			901,878	439,390	
TECHNICAL SERVICES	263,036	181,236	81,800			770,072	(507,036)	
TOTAL OPERATIONS:	2,000,510	2,086,652	(86,142)			2,125,944	(125,434)	
HUMAN RESOURCES:	4,965,015	4,689,855	275,160			5,805,719	(840,704)	
LEGAL:	3,852,853	2,705,882	1,146,971			2,242,560	1,610,293	
OVERHEAD CAPITALIZED:	(7,048,000)	(7,071,336)	23,336			(7,120,000)	72,000	
TOTAL O&M	19,099,581	19,486,936	(387,355)			21,739,399	(2,639,818)	
DEPRECIATION	2,167,954	1,584,000	583,954			2,852,287	(684,333)	
TAXES - OTHER	649,160	456,000	193,160			635,179	13,981	
TOTAL	21,916,695	21,526,936	389,759			25,226,865	(3,310,169)	

**ATMOS ENERGY CORPORATION**  
**Analysis of Shared Services - Actual vs. Budget**  
**For The Month Ended 5/31/98**

Department Name	FY '98 Actual	Budget	Actual Over (Under) Budget	Prior Year	Actual Over (Under) Prior
<b>EXECUTIVE:</b>					
0050500 Chairman, President & CEO	160,249	123,464	36,785	127,122	33,127
0052100 Dallas Operations	46,621	58,948	(12,327)	30,213	16,408
0052500 Utility Services	5,657	26,560	(20,903)	26,143	(20,486)
0054700 Chief Financial Officer	88,868	69,388	19,480	147,343	(58,475)
	<u>301,395</u>	<u>278,360</u>	<u>23,035</u>	<u>330,821</u>	<u>(29,426)</u>
<b>EXECUTIVE:</b>					
<b>FINANCE:</b>					
0112900 VP & Controller	78,154	64,456	13,698	59,279	18,875
0113000 Assistant Controller General Acctg	10,781	84,564	(73,783)	14,194	(3,413)
0113100 General Accounting	29,847	-	29,847	35,441	(5,594)
0113200 Payroll Accounting	33,226	-	33,226	25,324	7,902
0113300 Accounts Payable	15,297	-	15,297	18,507	(3,210)
0113400 Accounting Systems	937	64,873	(63,936)	7,424	(6,487)
0113500 Assistant Controller, Utility Acctg	5,336	-	5,336	3,205	2,131
0113600 Plant Accounting	27,678	-	27,678	24,070	3,608
0113700 Gas Accounting	48,568	77,397	(28,829)	51,358	(2,790)
0113800 Customer Billing	673	-	673	7,648	(6,975)
0113900 Financial Reporting	21,428	86,304	(64,876)	30,796	(9,368)
0114600 Dallas Taxation	90,599	28,238	62,361	11,618	78,981
0118300 Dallas Stores	53	-	53	127	(74)
0119200 Controller Miscellaneous	29,178	1,717	27,461	-	29,178
	<u>391,755</u>	<u>407,549</u>	<u>(15,794)</u>	<u>288,991</u>	<u>102,764</u>
<b>ACCOUNTING</b>					
0115000 Information Services	22,683	25,191	(2,508)	21,179	1,504
0115100 Production Services	116,451	145,867	(29,416)	114,749	1,702
0115200 Mass Mail	222,764	240,440	(17,676)	230,278	(7,514)
0115300 Information Systems	50,060	79,520	(29,460)	47,124	2,936
0115400 Information Support	30,301	35,919	(5,618)	40,161	(9,860)
0115500 Office Equipment	2,266	4,191	(1,925)	15,289	(13,023)
0115600 Telecommunication Services	42,321	25,774	16,547	2,671	39,650
	<u>486,846</u>	<u>556,902</u>	<u>(70,056)</u>	<u>471,451</u>	<u>15,395</u>
<b>INFORMATION TECHNOLOGY</b>					
0116400 Internal Audit	38,595	55,627	(17,032)	42,282	(3,687)
	<u>38,595</u>	<u>55,627</u>	<u>(17,032)</u>	<u>42,282</u>	<u>(3,687)</u>

**ATMOS ENERGY CORPORATION**  
**Analysis of Shared Services - Actual vs. Budget**  
**For The Month Ended 5/31/98**

Department Name	FY '98 Actual	Budget	Actual Over (Under) Budget	Prior Year	Actual Over (Under) Prior
0054900 Investor Relations	102,265	133,242	(30,977)	141,821	(39,556)
0052400 Public Affairs	981	-	981	25,488	(24,507)
0117700 Corporate Communications	27,856	52,058	(24,202)	52,043	(24,187)
<b>INVESTOR RELATIONS</b>	<b>131,102</b>	<b>185,300</b>	<b>(54,198)</b>	<b>219,352</b>	<b>(88,250)</b>
0054200 Retail Services	10,085	-	10,085	-	10,085
0054600 New Business Ventures	19,509	22,943	(3,434)	-	19,509
<b>NEW BUSINESS VENTURES</b>	<b>29,594</b>	<b>22,943</b>	<b>6,651</b>	<b>-</b>	<b>29,594</b>
0054400 Financial & Strategic Planning	76,198	20,629	55,569	24,415	51,783
0054500 Business Strategies & Competitive Intelligence	-	41,668	(41,668)	-	-
0114300 Budget & Planning	3,106	27,031	(23,925)	22,152	(19,046)
<b>PLANNING &amp; BUDGETING</b>	<b>79,304</b>	<b>89,328</b>	<b>(10,024)</b>	<b>46,567</b>	<b>32,737</b>
0054000 Price Policy & Administration	122,039	90,601	31,438	87,657	34,382
<b>PRICE POLICY &amp; ADMINISTRATION</b>	<b>122,039</b>	<b>90,601</b>	<b>31,438</b>	<b>87,657</b>	<b>34,382</b>
0054100 Regulatory Affairs	32,408	27,646	4,762	-	32,408
<b>REGULATORY AFFAIRS</b>	<b>32,408</b>	<b>27,646</b>	<b>4,762</b>	<b>-</b>	<b>32,408</b>
0114500 Dallas Treasury	26,813	49,368	(22,555)	25,535	1,278
0114700 Dallas Risk Management	187,947	239,894	(51,947)	-	187,947
0114800 Dallas Treasurer	15,672	18,933	(3,261)	153,185	(137,513)
0117600 Purchasing	13,699	17,428	(3,729)	15,813	(2,114)
0118000 Remittance Processing	55,248	83,988	(28,740)	66,217	(10,969)
0118500 Mail & Supply	20,315	20,268	47	19,341	974
0118600 Purchasing & Stores	9,369	12,166	(2,797)	23,726	(14,357)
0118909 Fleet Administration	34	6,992	(6,958)	-	34
<b>TREASURY:</b>	<b>329,097</b>	<b>449,037</b>	<b>(119,940)</b>	<b>303,817</b>	<b>25,280</b>
<b>TOTAL FINANCE:</b>	<b>1,640,740</b>	<b>1,884,933</b>	<b>(244,193)</b>	<b>1,460,117</b>	<b>180,623</b>



**ATMOS ENERGY CORPORATION**  
**Analysis of Shared Services - Actual vs. Budget**  
**For The Month Ended 5/31/98**

Department Name	FY '98	Budget	Actual	Actual	Prior	Actual
	Actual	Budget	Over (Under)	Over (Under)	Year	Over (Under)
<b>OPERATIONS:</b>						
0056000 Business Development	29,456	60,161	(30,705)	60,596		(31,140)
<b>BUSINESS DEVELOPMENT</b>	29,456	60,161	(30,705)	60,596		(31,140)
0120100 Amarillo Call Center	939	-	939	-		939
<b>CALL CENTER</b>	939	-	939	-		939
0051500 Interstate Gas Supply	52,977	59,600	(6,623)	46,654		6,323
0051600 Intrastate Gas Supply	34,210	42,900	(8,690)	45,023		(10,813)
0051700 Corporate Gas Control	44,240	48,100	(3,860)	-		44,240
0051900 Gas Supply	23,402	25,300	(1,898)	28,704		(5,302)
<b>GAS SUPPLY &amp; GAS CONTROL</b>	154,829	175,900	(21,071)	120,381		34,448
0056200 Technical Services	13,925	11,370	2,555	99,680		(85,755)
<b>TECHNICAL SERVICES</b>	13,925	11,370	2,555	99,680		(85,755)
<b>TOTAL OPERATIONS:</b>	199,149	247,431	(48,282)	280,657		(81,508)
<b>HUMAN RESOURCES:</b>						
0056100 Professional Development	3,434	24,721	(21,287)	7,600		(4,166)
0117000 Dallas EAPC	5,163	1,718	3,445	-		5,163
0117100 Corporate Services	1,586	-	1,586	28,344		(26,758)
0117200 Compensation & Employment	41,713	67,459	(25,746)	63,223		(21,510)
0117300 Human Resources - VP	24,827	20,595	4,232	20,311		4,516
0117400 Employee & Labor Relations	8,569	9,459	(890)	9,260		(691)
0117500 Employee Benefits	145,047	109,636	35,411	123,308		21,739
0117800 Employee Communications	14,274	14,708	(434)	-		14,274
0117900 Facilities	16,448	11,467	4,981	-		16,448
0118100 Employee Development	27,383	42,128	(14,745)	60,990		(33,607)
0119000 Employee Relocation Expense	55,203	67,919	(12,716)	7,539		47,664
0119210 Performance Plan	116,667	-	116,667	50,000		66,667
0119300 Outside Directors Retirement Cost	23,000	-	23,000	14,000		9,000
0119400 Treasury - Worker's Comp	(74,235)	-	(74,235)	1		(74,236)
0119500 Human Resources - Benefits	(50,366)	-	(50,366)	(4)		(50,362)
0119600 Retirement Costs	316,096	225,000	91,096	313,755		2,341
<b>HUMAN RESOURCES:</b>	674,809	594,810	79,999	698,327		(23,518)

ATMOS ENERGY CORPORATION  
 Analysis of Shared Services - Actual vs. Budget  
 For The Month Ended 5/31/98

Department Name	FY '98 Actual	Budget	Actual Over (Under) Budget	Prior Year	Actual Over (Under) Prior
LEGAL:					
0052000 Legal	174,120	191,328	(17,208)	199,501	(25,381)
0051400 Contract Administration	9,465	11,850	(2,385)	-	9,465
0052200 Governmental Affairs	7,279	10,323	(3,044)	9,183	(1,904)
0057900 Corporate Secretary	45,034	51,990	(6,956)	50,790	(5,756)
0118200 Central Records	13,520	20,321	(6,801)	21,265	(7,745)
LEGAL:	249,418	285,812	(36,394)	280,739	(31,321)
OVERHEAD CAPITALIZED:					
0119800 Overhead Capitalized	(881,000)	(883,917)	2,917	(990,000)	109,000
OVERHEAD CAPITALIZED:	(881,000)	(883,917)	2,917	(990,000)	109,000
TOTAL O&M	2,184,511	2,407,429	(222,918)	2,060,661	123,850
DEPRECIATION	270,919	198,000	72,919	332,797	(61,878)
TAXES - OTHER	67,238	57,000	10,238	64,151	3,087
TOTAL	2,522,668	2,662,429	(139,761)	2,457,609	65,059

**ATMOS ENERGY CORPORATION**  
**Analysis of Shared Services - Actual vs. Budget**  
**For The Year-To-Date Ended 5/31/98**

Department Name	FY '98	Budget	Actual	Actual	Prior	Actual
	Actual	Budget	Over (Under)	Over (Under)	Year	Over (Under)
<b>EXECUTIVE:</b>						
0050500 Chairman, President & CEO	1,097,131	990,064	107,067	4,303,690	(3,206,559)	
0052100 Dallas Operations	355,794	444,829	(89,035)	250,318	105,476	
0052500 Utility Services	125,784	196,490	(70,706)	183,062	(57,278)	
0054700 Chief Financial Officer	624,244	556,530	67,714	1,554,686	(930,442)	
	<u>2,202,953</u>	<u>2,187,913</u>	<u>15,040</u>	<u>6,291,756</u>	<u>(4,088,803)</u>	
<b>EXECUTIVE:</b>						
<b>FINANCE:</b>						
0112900 VP & Controller	644,079	515,648	128,431	435,049	209,030	
0113000 Assistant Controller General Acctg	92,486	706,716	(614,230)	115,221	(22,735)	
0113100 General Accounting	281,057	-	281,057	312,564	(31,507)	
0113200 Payroll Accounting	297,193	-	297,193	218,768	78,425	
0113300 Accounts Payable	166,288	-	166,288	145,183	21,105	
0113400 Accounting Systems	22,499	397,384	(374,885)	58,670	(36,171)	
0113500 Assistant Controller, Utility Acctg	31,396	-	31,396	35,343	(3,947)	
0113600 Plant Accounting	236,805	-	236,805	180,660	56,145	
0113700 Gas Accounting	425,450	529,378	(103,928)	386,818	38,632	
0113800 Customer Billing	51,829	-	51,829	98,602	(46,773)	
0113900 Financial Reporting	172,656	516,780	(344,124)	169,128	3,528	
0114600 Dallas Taxation	220,162	267,092	(46,930)	126,293	93,869	
0118300 Dallas Stores	245	-	245	129	116	
0119200 Controller Miscellaneous	27,931	13,736	14,195	-	27,931	
<b>ACCOUNTING</b>	<u>2,670,076</u>	<u>2,946,734</u>	<u>(276,658)</u>	<u>2,282,428</u>	<u>387,648</u>	
0115000 Information Services	198,263	198,302	(39)	188,725	9,538	
0115100 Production Services	1,128,114	1,328,311	(200,197)	1,130,203	(2,089)	
0115200 Mass Mail	1,874,138	1,866,159	7,979	1,830,319	43,819	
0115300 Information Systems	755,760	786,553	(30,793)	750,702	5,058	
0115400 Information Support	289,785	316,260	(26,475)	338,931	(49,146)	
0115500 Office Equipment	22,986	33,528	(10,542)	138,722	(115,736)	
0115600 Telecommunication Services	407,350	215,790	191,560	26,482	380,868	
<b>INFORMATION TECHNOLOGY</b>	<u>4,676,396</u>	<u>4,744,903</u>	<u>(68,507)</u>	<u>4,404,084</u>	<u>272,312</u>	
0116400 Internal Audit	324,431	464,926	(140,495)	335,255	(10,824)	
<b>INTERNAL AUDIT</b>	<u>324,431</u>	<u>464,926</u>	<u>(140,495)</u>	<u>335,255</u>	<u>(10,824)</u>	

**ATMOS ENERGY CORPORATION**  
**Analysis of Shared Services - Actual vs. Budget**  
**For The Year-To-Date Ended 5/31/98**

Department Name	FY '98		Actual Over (Under) Budget		Prior Year	Actual Over (Under) Prior
	Actual	Budget	Budget	Over (Under) Budget		
0054900 Investor Relations	831,625	1,061,144		(229,519)	1,008,880	(177,255)
0052400 Public Affairs	132,911	-		132,911	202,109	(69,198)
0117700 Corporate Communications	295,203	429,688		(134,485)	428,351	(133,148)
<b>INVESTOR RELATIONS</b>	<b>1,259,739</b>	<b>1,490,832</b>		<b>(231,093)</b>	<b>1,639,340</b>	<b>(379,601)</b>
0054200 Retail Services	15,321	-		15,321	-	15,321
0054600 New Business Ventures	148,837	183,544		(34,707)	-	148,837
<b>NEW BUSINESS VENTURES</b>	<b>164,158</b>	<b>183,544</b>		<b>(19,386)</b>	<b>-</b>	<b>164,158</b>
0054400 Financial & Strategic Planning	389,620	165,032		224,588	208,846	180,774
0054500 Business Strategies & Competitive Intelligence	11	253,489		(253,478)	-	11
0114300 Budget & Planning	82,188	206,019		(123,831)	152,060	(69,872)
<b>PLANNING &amp; BUDGETING</b>	<b>471,819</b>	<b>624,540</b>		<b>(152,721)</b>	<b>360,906</b>	<b>110,913</b>
0054000 Price Policy & Administration	756,293	721,736		34,557	769,690	(13,397)
<b>PRICE POLICY &amp; ADMINISTRATION</b>	<b>756,293</b>	<b>721,736</b>		<b>34,557</b>	<b>769,690</b>	<b>(13,397)</b>
0054100 Regulatory Affairs	225,974	221,189		4,785	-	225,974
<b>REGULATORY AFFAIRS</b>	<b>225,974</b>	<b>221,189</b>		<b>4,785</b>	<b>-</b>	<b>225,974</b>
0114500 Dallas Treasury	225,455	386,439		(160,984)	269,688	(44,233)
0114700 Dallas Risk Management	1,291,902	1,908,680		(616,778)	-	1,291,902
0114800 Dallas Treasurer	139,057	155,572		(16,515)	1,414,714	(1,275,657)
0117600 Purchasing	119,028	136,708		(17,680)	124,806	(5,778)
0118000 Remittance Processing	559,285	601,781		(42,496)	463,441	95,844
0118500 Mail & Supply	155,030	162,779		(7,749)	170,553	(15,523)
0118600 Purchasing & Stores	87,534	91,863		(4,329)	158,515	(70,981)
0118909 Fleet Administration	73	45,744		(45,671)	-	73
<b>TREASURY:</b>	<b>2,577,364</b>	<b>3,489,566</b>		<b>(912,202)</b>	<b>2,601,717</b>	<b>(24,353)</b>
<b>TOTAL FINANCE:</b>	<b>13,126,250</b>	<b>14,887,970</b>		<b>(1,761,720)</b>	<b>12,393,420</b>	<b>732,830</b>

ATMOS ENERGY CORPORATION  
 Analysis of Shared Services - Actual vs. Budget  
 For The Year-To-Date Ended 5/31/98

Department Name	FY '98		Actual		Actual		Actual	
	Actual	Budget	Over (Under)	Budget	Prior Year	Over (Under)	Prior	Over (Under)
<b>OPERATIONS:</b>								
0056000 Business Development	359,850	499,716	(139,866)		453,994	(94,144)		(94,144)
<b>BUSINESS DEVELOPMENT</b>	359,850	499,716	(139,866)		453,994	(94,144)		(94,144)
0120100 Amarillo Call Center	36,356	-	36,356		-	36,356		36,356
<b>CALL CENTER</b>	36,356	-	36,356		-	36,356		36,356
0051500 Interstate Gas Supply	451,509	476,800	(25,291)		355,271	96,238		96,238
0051600 Intrastate Gas Supply	355,042	342,200	12,842		347,943	7,099		7,099
0051700 Corporate Gas Control	343,654	385,400	(41,746)		-	343,654		343,654
0051900 Gas Supply	191,063	201,300	(10,237)		198,664	(7,601)		(7,601)
<b>GAS SUPPLY &amp; GAS CONTROL</b>	1,341,268	1,405,700	(64,432)		901,878	439,390		439,390
0056200 Technical Services	263,036	181,236	81,800		770,072	(507,036)		(507,036)
<b>TECHNICAL SERVICES</b>	263,036	181,236	81,800		770,072	(507,036)		(507,036)
<b>TOTAL OPERATIONS:</b>	2,000,510	2,086,652	(86,142)		2,125,944	(125,434)		(125,434)
<b>HUMAN RESOURCES:</b>								
0056100 Professional Development	31,916	197,768	(165,852)		82,551	(50,635)		(50,635)
0117000 Dallas EAPC	5,163	13,744	(8,581)		-	5,163		5,163
0117100 Corporate Services	20,509	-	20,509		281,953	(261,444)		(261,444)
0117200 Compensation & Employment	364,034	463,802	(99,768)		433,153	(69,119)		(69,119)
0117300 Human Resources - VP	165,852	162,055	3,797		162,227	3,625		3,625
0117400 Employee & Labor Relations	75,756	76,520	(764)		34,385	41,371		41,371
0117500 Employee Benefits	1,025,437	881,415	144,022		1,018,151	7,286		7,286
0117800 Employee Communications	126,023	147,148	(21,125)		-	126,023		126,023
0117900 Facilities	110,765	111,809	(1,044)		-	110,765		110,765
0118100 Employee Development	215,197	292,242	(77,045)		357,138	(141,941)		(141,941)
0119000 Employee Relocation Expense	168,000	543,352	(375,352)		537,641	(369,641)		(369,641)
0119210 Performance Plan	933,334	-	933,334		1,000,000	(66,666)		(66,666)
0119300 Outside Directors Retirement Cost	184,000	-	184,000		112,000	72,000		72,000
0119400 Treasury - Worker's Comp	(74,020)	-	(74,020)		86	(74,106)		(74,106)
0119500 Human Resources - Benefits	60,963	-	60,963		664	60,299		60,299
0119600 Retirement Costs	1,552,086	1,800,000	(247,914)		1,785,770	(233,684)		(233,684)
<b>HUMAN RESOURCES:</b>	4,965,015	4,689,855	275,160		5,805,719	(840,704)		(840,704)

ATMOS ENERGY CORPORATION  
 Analysis of Shared Services - Actual vs. Budget  
 For The Year-To-Date Ended 5/31/98

Department Name	FY '98 Actual	Budget	Actual Over (Under) Budget	Prior Year	Actual Over (Under) Prior
LEGAL:					
0052000 Legal	2,968,646	1,525,608	1,443,038	1,473,932	1,494,714
0051400 Contract Administration	42,574	80,982	(38,408)	-	42,574
0052200 Governmental Affairs	63,108	82,584	(19,476)	64,817	(1,709)
0057900 Corporate Secretary	675,840	843,520	(167,680)	558,435	117,405
0118200 Central Records	102,685	173,188	(70,503)	145,376	(42,691)
LEGAL:	3,852,853	2,705,882	1,146,971	2,242,560	1,610,293
OVERHEAD CAPITALIZED:					
0119800 Overhead Capitalized	(7,048,000)	(7,071,336)	23,336	(7,120,000)	72,000
OVERHEAD CAPITALIZED:	(7,048,000)	(7,071,336)	23,336	(7,120,000)	72,000
TOTAL O&M	19,099,581	19,486,936	(387,355)	21,739,399	(2,639,818)
DEPRECIATION	2,167,954	1,584,000	583,954	2,852,287	(684,333)
TAXES - OTHER	649,160	456,000	193,160	635,179	13,981
TOTAL	21,916,695	21,526,936	389,759	25,226,865	(3,310,169)

ATMOS ENERGY CORPORATION UTILITY BUSINESS UNITS  
CONSOLIDATING STATEMENT OF INCOME  
FOR THE MONTH ENDED 05/31/98

1998

Line No.	Description (a)	Utility Business Units				WKG (f)	Total Utility Business Units (g)	Line No.
		Energas (b)	GCC (c)	Trans La (d)	UOG (e)			
1	Operating revenues							1
2	Gas	\$13,301,278.61	\$4,042,921.62	\$3,616,277.21	\$9,878,729.53	\$6,168,476.46	\$37,007,683.43	2
3	Transportation	78,952.83	118,584.66	11,451.02	1,563,206.65	688,404.54	2,460,599.70	3
3	Other	0.00	0.00	0.00	0.00	0.00	0.00	3
4	Total operating revenues	13,380,231.44	4,161,506.28	3,627,728.23	11,441,936.18	6,856,881.00	39,468,283.13	4
5	Purchased gas cost	8,742,755.90	2,258,551.40	2,369,671.15	5,820,332.52	4,388,638.89	23,579,949.86	5
6	Gross profit	4,637,475.54	1,902,954.88	1,258,057.08	5,621,603.66	2,468,242.11	15,888,333.27	6
7	Operating expenses							7
8	Operation	1,880,029.46	991,555.77	566,467.17	2,718,460.93	1,247,058.58	7,403,571.91	8
9	Maintenance	75,312.96	66,566.86	41,247.24	499,255.95	91,296.43	773,679.44	9
10	Depreciation and amortization	548,925.06	833,975.76	306,393.74	1,540,749.84	545,335.42	3,775,379.82	10
11	Taxes - other than income taxes	729,625.83	208,538.90	186,832.98	862,169.84	158,377.94	2,145,545.49	11
12	Shared services - direct	183,010.08	115,672.87	131,407.55	72,229.20	151,206.62	653,526.32	12
13	Shared services - billed	529,329.79	225,584.28	162,109.56	586,305.96	312,910.73	1,816,240.32	13
13	Provision for income taxes	130,249.07	(324,072.92)	(180,006.66)	(586,304.81)	(200,417.84)	(1,160,553.16)	13
14	Total operating expenses	4,076,482.25	2,117,821.52	1,214,451.58	5,692,866.91	2,305,767.88	15,407,390.14	14
15	Operating income (loss)	560,993.29	(214,866.64)	43,605.50	(71,263.25)	162,474.23	480,943.13	15
16	Other income							16
17	Merchandise	(31,800.90)	(122.11)	(6,870.00)	(59,860.19)	1,843.58	(96,809.62)	17
17	Interest income	(2,728.98)	0.00	(32.63)	40,695.83	(433.41)	37,500.81	18
18	Other nonoperating income	(23,210.84)	(22,573.88)	(2,982.37)	107,267.85	(8,169.27)	50,331.49	18
19	Total other income (loss)	(57,740.72)	(22,695.99)	(9,885.00)	88,103.49	(6,759.10)	(8,977.32)	19
20	Income (loss) before interest charges	503,252.57	(237,562.63)	33,720.50	16,840.24	155,715.13	471,965.81	20
21	Interest charges	462,546.72	271,118.30	199,354.77	1,159,917.21	367,220.38	2,459,157.38	21
22	Net income (loss)	\$40,705.85	(\$508,680.93)	(\$165,634.27)	(\$1,142,076.97)	(\$211,505.25)	(\$1,987,191.57)	22

ATMOS ENERGY CORPORATION UTILITY BUSINESS UNITS  
CONSOLIDATING STATEMENT OF INCOME  
FOR THE EIGHT MONTHS ENDED 05/31/98

1998

Line No.	Description (a)	Utility Business Units				WKG (f)	Total Utility Business Units (g)	Line No.
		Energias (b)	GCC (c)	Trans La (d)	UCG (e)			
1	Operating revenues							
2	Gas	\$157,968,522.89	\$67,925,799.34	\$31,540,964.68	\$270,338,067.89	\$96,242,931.40	\$624,016,286.20	1
3	Transportation	727,050.92	1,031,496.72	87,526.52	10,407,392.02	6,170,134.53	18,423,600.71	2
3	Other	0.00	0.00	0.00	0.00	0.00	0.00	3
4	Total operating revenues	158,695,573.81	68,957,296.06	31,628,491.20	280,745,459.91	102,413,065.93	642,439,886.91	4
5	Purchased gas cost	103,411,864.68	40,655,222.31	10,673,070.16	174,931,166.29	67,809,601.82	397,480,925.26	5
6	Gross profit	55,283,709.13	28,302,073.75	20,955,421.04	105,814,293.62	34,603,464.11	244,958,961.65	6
	Operating expenses							
7	Operation	15,169,643.55	8,459,500.92	4,583,851.53	27,169,320.55	9,955,242.84	65,337,559.39	7
8	Maintenance	697,051.17	493,365.68	352,617.29	3,804,836.36	628,811.98	5,976,682.48	8
9	Depreciation and amortization	4,390,527.00	3,737,935.81	2,451,149.92	12,261,438.68	4,362,654.65	27,203,706.06	9
10	Taxes - other than income taxes	8,482,867.21	1,737,265.73	1,529,007.18	8,025,344.72	1,360,830.02	21,135,314.86	10
11	Shared services - direct	2,281,300.13	1,052,931.52	1,357,597.78	(11,130.67)	1,606,195.22	6,286,893.98	11
12	Shared services - billed	4,713,312.81	1,923,519.77	1,343,633.56	4,443,850.28	2,686,071.40	15,110,387.82	12
13	Provision for income taxes	5,432,600.04	3,254,409.82	2,618,525.12	15,428,685.47	4,403,490.69	31,137,711.14	13
14	Total operating expenses	41,167,301.91	20,658,929.25	14,236,382.38	71,122,345.39	25,003,296.80	172,188,255.73	14
15	Operating income (loss)	14,116,407.22	7,643,144.50	6,719,038.66	34,691,948.23	9,600,167.31	72,770,705.92	15
	Other income							
16	Merchandise	(15,614.07)	(1,642.67)	7,531.36	(168,589.01)	172,958.44	(5,355.95)	16
17	Interest income	118,875.43	529.48	2,445.63	807,183.55	13,912.72	942,946.81	17
18	Other nonoperating income	(302,259.46)	21,981.42	(56,297.94)	68,529.35	(51,711.97)	(319,758.60)	18
19	Total other income (loss)	(198,998.10)	20,868.23	(46,320.95)	707,123.89	135,159.19	617,832.26	19
20	Income (loss) before interest charges	13,917,409.12	7,664,012.73	6,672,717.71	35,399,072.12	9,735,326.50	73,388,538.18	20
21	Interest charges	4,124,019.23	2,403,213.55	2,248,183.65	10,187,058.23	3,312,742.99	22,275,217.65	21
22	Net income (loss)	\$9,793,389.89	\$5,260,799.18	\$4,424,534.06	\$25,212,013.89	\$6,422,583.51	\$51,113,320.53	22



WESTERN KENTUCKY GAS BUSINESS UNITS  
CONSOLIDATING STATEMENT OF INCOME  
FOR THE MONTH ENDED 05/31/98

Line No.	Description (a)	1998				Line No.
		WKKG (b)	WKGR (c)	Eliminations and Adjustments (d)	Western Kentucky Gas Business Units (e)	
1	Operating revenues					
2	Gas	\$6,168,476.46	\$0.00	\$0.00	\$6,168,476.46	
3	Transportation	688,404.54	0.00	0.00	688,404.54	
3	Other	0.00	0.00	0.00	0.00	
4	Total operating revenues	6,856,881.00	0.00	0.00	6,856,881.00	
5	Purchased gas cost	4,388,638.89	0.00	0.00	4,388,638.89	
6	Gross profit	2,468,242.11	0.00	0.00	2,468,242.11	
7	Operating expenses					
8	Operation	1,247,058.58	0.00	0.00	1,247,058.58	
8	Maintenance	91,296.43	0.00	0.00	91,296.43	
9	Depreciation and amortization	545,335.42	0.00	0.00	545,335.42	
10	Taxes - other than income taxes	158,377.94	0.00	0.00	158,377.94	
11	Shared services - direct	151,206.62	0.00	0.00	151,206.62	
12	Shared services - billed	312,589.60	0.00	321.13	312,910.73	
13	Provision for income taxes	(200,417.84)	0.00	0.00	(200,417.84)	
14	Total operating expenses	2,305,446.75	0.00	321.13	2,305,767.88	
15	Operating income (loss)	162,795.36	0.00	(321.13)	162,474.23	
16	Other income					
17	Merchandise	1,843.58	0.00	0.00	1,843.58	
17	Interest income	(433.41)	0.00	0.00	(433.41)	
18	Shared services - billed	0.00	(321.13)	321.13	0.00	
19	Other nonoperating income	(6,989.07)	(1,180.20)	0.00	(8,169.27)	
20	Total other income (loss)	(5,578.90)	(1,501.33)	321.13	(6,759.10)	
21	Income (loss) before interest chgs	157,216.46	(1,501.33)	0.00	155,715.13	
22	Interest charges	367,220.38	0.00	0.00	367,220.38	
23	Net income (loss)	(\$210,003.92)	(\$1,501.33)	\$0.00	(\$211,505.25)	

WESTERN KENTUCKY GAS BUSINESS UNITS  
CONSOLIDATING STATEMENT OF INCOME  
FOR THE EIGHT MONTHS ENDED 06/31/98

Line No.	Description (a)	1998				Line No.
		WKG (b)	WKGR (c)	Eliminations and Adjustments (d)	Western Kentucky Gas Business Units (e)	
1	Operating revenues					
2	Gas	\$96,242,931.40	\$0.00	\$0.00	\$96,242,931.40	
3	Transportation	6,170,134.53	0.00	0.00	6,170,134.53	
3	Other	0.00	0.00	0.00	0.00	
4	Total operating revenues	102,413,065.93	0.00	0.00	102,413,065.93	
5	Purchased gas cost	67,809,601.82	0.00	0.00	67,809,601.82	
6	Gross profit	34,603,464.11	0.00	0.00	34,603,464.11	
7	Operating expenses					
8	Operation	9,955,242.84	0.00	0.00	9,955,242.84	
9	Maintenance	628,811.98	0.00	0.00	628,811.98	
10	Depreciation and amortization	4,362,654.65	0.00	0.00	4,362,654.65	
11	Taxes - other than income taxes	1,360,820.02	10.00	0.00	1,360,830.02	
12	Shared services - direct	1,606,195.22	0.00	0.00	1,606,195.22	
13	Shared services - billed	2,683,234.57	0.00	2,836.83	2,686,071.40	
13	Provision for income taxes	4,403,490.69	0.00	0.00	4,403,490.69	
14	Total operating expenses	25,000,449.97	10.00	2,836.83	25,003,296.80	
15	Operating income (loss)	9,603,014.14	(10.00)	(2,836.83)	9,600,167.31	
16	Other income					
17	Merchandise	172,958.44	0.00	0.00	172,958.44	
18	Interest income	13,912.72	0.00	0.00	13,912.72	
19	Shared services - billed	0.00	(2,836.83)	2,836.83	0.00	
19	Other nonoperating income	(51,072.18)	1,360.21	0.00	(51,711.97)	
20	Total other income (loss)	133,798.98	(1,476.62)	2,836.83	135,159.19	
21	Income (loss) before interest chgs	9,736,813.12	(1,486.62)	0.00	9,735,326.50	
22	Interest charges	3,312,742.99	0.00	0.00	3,312,742.99	
23	Net income (loss)	\$6,424,070.13	(\$1,486.62)	\$0.00	\$6,422,583.51	

WESTERN KENTUCKY GAS COMPANY  
STATEMENTS OF INCOME  
FOR THE MONTH AND YEAR TO DATE 05/31/98

Line No.	Description (a)	Current Month			Year to Date			Prior Year Actual (i)	Actual Over Prior Year (k)	Line No.	
		Actual (b)	Budget (c)	Actual Over (Under) Budget (d)	Prior Year Actual (e)	Actual Over (Under) Prior Year (f)	Actual (g)				Budget (h)
1	Operating revenues										
2	Gas	\$6,168,476.46	\$5,415,000	\$753,476.46	\$7,202,083.20	(\$1,033,606.74)	\$96,242,931.40	\$112,102,000.00	(\$15,859,068.60)	\$115,786,356.18	(19,543,424.78)
3	Transportation	688,404.54	700,000	(11,595.46)	557,620.70	130,783.84	6,170,134.53	5,600,000.00	570,134.53	4,883,732.29	1,286,402.24
4	Other	0.00	55,000	(55,000.00)	0.00	0.00	0.00	728,000.00	(728,000.00)	0.00	0.00
5	Total operating revenues	6,856,881.00	6,170,000	686,881.00	7,759,703.90	(902,822.90)	102,413,065.93	118,430,000.00	(16,016,934.07)	120,670,088.47	(18,257,022.54)
6	Purchased gas cost	4,388,638.89	3,475,000	913,638.89	4,809,791.06	(421,152.17)	67,809,601.82	81,763,000.00	(13,953,398.18)	85,082,417.09	(17,272,815.27)
7	Gross profit	2,468,242.11	2,695,000	(226,757.89)	2,949,912.84	(481,670.73)	34,603,464.11	36,667,000.00	(2,063,535.89)	35,587,671.38	(984,207.27)
8	Operating expenses										
9	Operation	1,247,058.58	1,055,000	192,058.58	1,286,516.34	(39,457.76)	9,955,242.84	10,091,000.00	(135,757.16)	10,710,307.82	(755,064.98)
10	Maintenance	91,296.43	132,000	(40,703.57)	84,570.07	6,726.36	628,811.98	1,056,000.00	(427,188.02)	629,096.09	(284.11)
11	Depreciation	545,335.42	544,000	1,335.42	510,922.63	34,412.79	4,362,654.65	4,352,000.00	10,654.65	4,087,381.04	275,273.61
12	Taxes - other than income taxes	158,377.94	166,000	(7,622.06)	147,380.46	10,997.48	1,360,820.02	1,239,000.00	121,820.02	1,207,080.03	153,739.99
13	Shared Services - direct	151,206.62	0	151,206.62	185,148.18	(33,941.56)	1,606,195.22	0.00	1,606,195.22	1,645,233.96	(39,028.74)
14	Shared Services - billed	312,589.60	491,000	(178,410.40)	542,155.46	(229,565.86)	2,683,234.57	4,451,000.00	(1,767,765.43)	4,939,660.96	(2,256,426.39)
15	Provision for income taxes	(200,417.84)	(183,000)	(17,417.84)	(64,231.71)	(136,186.13)	4,403,490.69	6,957,000.00	(2,553,509.31)	3,891,037.74	512,452.95
16	Total operating expenses	2,305,446.75	2,205,000	100,446.75	2,692,461.43	(387,014.68)	25,000,449.97	28,146,000.00	(3,145,550.03)	27,109,787.64	(2,109,337.67)
17	Operating income (loss)	162,795.36	490,000	(327,204.64)	257,451.41	(94,656.05)	9,603,014.14	8,521,000.00	1,082,014.14	8,477,883.74	1,125,130.40
18	Other income										
19	Merchandise	1,843.58	(2,000)	3,843.58	3,785.71	(1,942.13)	172,958.44	(16,000.00)	188,958.44	278,935.34	(105,976.90)
20	Interest income	(433.41)	4,000	(4,433.41)	2,020.48	(2,433.89)	13,912.72	32,000.00	(18,087.28)	18,256.52	(4,343.80)
21	Other nonoperating income	(6,989.07)	35,000	(41,989.07)	(7,977.06)	987.99	(53,072.18)	280,000.00	(333,072.18)	(57,356.24)	4,284.06
22	Total other income (loss)	(5,578.90)	37,000	(42,578.90)	(2,170.87)	(3,408.03)	133,798.98	296,000.00	(162,201.02)	239,835.62	(106,036.64)
23	Income (loss) before interest charges	157,216.46	527,000	(369,783.54)	255,280.54	(98,064.08)	9,736,813.12	8,817,000.00	919,813.12	8,717,719.36	1,019,093.76
24	Interest charges	367,220.38	364,000	3,220.38	353,912.29	13,308.09	3,312,742.99	3,242,000.00	70,742.99	2,852,741.73	460,001.26
25	Net income (loss)	(\$210,003.92)	\$163,000	(\$373,003.92)	(\$98,631.75)	(111,372.17)	\$6,424,070.13	\$5,575,000.00	\$849,070.13	\$5,864,971.63	\$559,092.50



ATMOS ENERGY SERVICES, INC.  
STATEMENTS OF INCOME  
FOR THE MONTH AND YEAR TO DATE 05/31/98

Line No.	Description (a)	Current Month			Year to Date			Actual Over (Under) Prior Year (k)
		Actual (b)	Budget* (c)	Actual Over (Under) Budget (d)	Prior Year Actual (e)	Actual Over (Under) Prior Year (f)	Actual Over (Under) Budget (g)	
1	Operating revenues							
2	Gas	\$0.00	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3	Transportation	0.00	0	0.00	0.00	0.00	0.00	0.00
4	Other	0.00	0	0.00	0.00	0.00	0.00	0.00
5	Total operating revenues	0.00	0	0.00	0.00	0.00	0.00	0.00
6	Purchased gas cost	0.00	0	0.00	0.00	0.00	0.00	0.00
7	Gross profit	0.00	0	0.00	0.00	0.00	0.00	0.00
8	Operating expenses							
9	Operation	3,825.00	0	3,825.00	486.60	3,338.40	3,985.00	3,473.85
10	Maintenance	0.00	0	0.00	0.00	0.00	0.00	0.00
11	Depreciation	0.00	0	0.00	0.00	0.00	0.00	0.00
12	Taxes - other than income taxes	0.00	0	0.00	0.00	0.00	0.00	0.00
13	Shared Services - Billed	0.00	0	0.00	0.00	0.00	0.00	0.00
14	Provision for income taxes	0.00	0	0.00	0.00	0.00	0.00	(1,000.00)
15	Total operating expenses	3,825.00	0	3,825.00	486.60	3,338.40	3,985.00	2,473.85
16	Operating income (loss)	(3,825.00)	0	(3,825.00)	(486.60)	(3,338.40)	(3,985.00)	(2,473.85)
17	Other income							
18	Merchandise	0.00	0	0.00	0.00	0.00	0.00	0.00
19	Interest income	0.00	0	0.00	0.00	0.00	0.00	0.00
20	Other nonoperating income	0.00	0	0.00	0.00	0.00	0.00	0.00
21	Total other income (loss)	0.00	0	0.00	0.00	0.00	0.00	0.00
22	Income (loss) before interest charge	(3,825.00)	0	(3,825.00)	(486.60)	(3,338.40)	(3,985.00)	(2,473.85)
23	Interest charges	0.00	0	0.00	0.00	0.00	0.00	0.00
24	Net income (loss)	(\$3,825.00)	\$0	(\$3,825.00)	(\$486.60)	(\$3,338.40)	(\$3,985.00)	(\$2,473.85)

\* Atmos Energy Services budget not available.

**ATMOS ENERGY CORPORATION**  
**PROPERTY, PLANT AND EQUIPMENT**  
**AS OF MAY 31, 1998**

	Year to Date				
	Balance 9/30/97	Additions	Retirements	Transfers	Balance 05/31/98
<b>GAS PLANT</b>					
Atmos					
Atmos General Office(2)	\$39,305,772.63	\$60,088.39	\$0.00	\$655.12	\$39,366,516.14
Total Atmos	39,305,772.63	60,088.39	0.00	655.12	39,366,516.14
Energas					
Amarillo Transmission Div.(1)	3,209,615.20	0.00	0.00	0.00	3,209,615.20
Amarillo City Plant Dist. Div.(3)	48,276,563.22	601,020.00	103,218.96	(2,432.30)	48,771,931.96
Fritch & Sanford City Pl. Dist. Div.(4)	953,581.61	0.00	1,573.73	0.00	952,007.88
West Texas City Plant Dist. Div.(5)	158,615,097.05	2,604,144.44	506,083.03	94,556.78	160,807,715.24
Dalhart City Plant Dist. Div.(6)	2,108,641.38	0.00	14,339.19	0.00	2,094,302.19
West Texas Rural Irrigation Div.(8)	23,269,273.27	0.00	(1,903.58)	0.00	23,271,176.85
Energas General Office(10)	2,437,569.38	0.00	90,352.17	0.00	2,347,217.21
Fain-Amarillo Creek Transmission(11)	71,230.00	0.00	0.00	0.00	71,230.00
Amarillo Rural Dist. Div.(13)	371,855.76	0.00	0.00	0.00	371,855.76
Dalhart Rural Dist. Div.(17)	61,651.11	0.00	0.00	0.00	61,651.11
Dalhart Rural Irrigation Div.(18)	333,690.52	0.00	0.00	0.00	333,690.52
West Texas Rural Dist. Div.(21)	11,127,951.62	0.00	0.00	0.00	11,127,951.62
Meter Shop Facilities & Meters(22)	0.00	0.00	0.00	0.00	0.00
Total Energas	250,836,720.12	3,205,164.44	713,663.50	92,124.48	253,420,345.54
Trans La					
Trans La Dist. Div.(7)	111,390,280.93	1,350,799.85	274,267.09	0.00	112,466,813.69
Total Trans La	111,390,280.93	1,350,799.85	274,267.09	0.00	112,466,813.69
Western Kentucky Gas					
Western Kentucky Gas Div.(9)	189,388,594.45	3,436,732.14	923,415.81	0.00	191,901,910.78
Total Western Kentucky Gas	189,388,594.45	3,436,732.14	923,415.81	0.00	191,901,910.78

ATMOS ENERGY CORPORATION  
PROPERTY, PLANT AND EQUIPMENT  
AS OF MAY 31, 1998

	Year to Date				
	Balance 9/30/97	Additions	Retirements	Transfers	Balance 05/31/98
<b>GAS PLANT</b>					
Greeley					
Meter Shop Facilities & Meters(24)	\$11,380,596.90	\$0.00	\$0.00	\$0.00	\$11,380,596.90
Missouri Dist. Div.(29)	690,434.01	14,431.47	2,314.25	0.00	702,551.23
Denver Company Office(30)	1,797,536.72	0.00	0.00	0.00	1,797,536.72
Greeley Dist. Div.(33)	23,770,593.23	1,641,358.94	77,254.91	0.00	25,334,697.26
Northwest Colorado Dist. Div.(34)	17,345,814.60	5,955.03	3,032.78	0.00	17,348,736.85
Fremont County Dist. Div.(35)	23,294,862.37	29,774.60	109.28	0.00	23,324,527.69
Durango Dist. Div.(36)	15,387,957.07	53,516.50	0.00	0.00	15,441,473.57
Central Colorado Dist. Div.(37)	0.00	0.00	0.00	0.00	0.00
Cortez Dist. Div.(38)	0.00	0.00	0.00	0.00	0.00
Southeast Colorado Dist. Div.(39)	0.00	0.00	0.00	0.00	0.00
Kaw Valley Dist. Div.(82)	14,012,329.00	512,142.02	67,660.70	0.00	14,456,810.32
Central Kansas Dist. Div.(83)	8,127,974.64	0.00	0.00	0.00	8,127,974.64
Cane Dist. Div.(84)	5,305,815.42	0.00	0.00	0.00	5,305,815.42
Eastern Kansas Dist. Div.(85)	3,667,121.03	5,533.91	14,536.25	0.00	3,658,118.69
Southwest Kansas Dist. Div.(86)	13,003,584.57	0.00	0.00	0.00	13,003,584.57
<b>Total Greeley Gas</b>	<b>137,784,619.56</b>	<b>2,262,712.47</b>	<b>164,908.17</b>	<b>0.00</b>	<b>139,882,423.86</b>
United Cities					
United Cities Dist. Divisions	495,033,830.05	5,974,321.28	357,785.76	(22,162.29)	500,628,203.28
<b>Total United Cities Gas</b>	<b>495,033,830.05</b>	<b>5,974,321.28</b>	<b>357,785.76</b>	<b>(22,162.29)</b>	<b>500,628,203.28</b>
<b>Total Gas Plant</b>	<b>\$1,223,739,817.74</b>	<b>\$16,289,818.57</b>	<b>\$2,434,040.33</b>	<b>\$70,617.31</b>	<b>\$1,237,666,213.29</b>

**ATMOS ENERGY CORPORATION**  
**PROPERTY, PLANT AND EQUIPMENT**  
**AS OF MAY 31, 1998**

	Year to Date				
	Balance 9/30/97	Additions	Retirements	Transfers	Balance 05/31/98
<b>OTHER GAS PLANT &amp; NON-UTILITY PROPERTY</b>					
Atmos					
Atmos General Office					
Construction Work In Progress	\$31,465,556.99	\$33,333,936.89	\$0.00	\$0.00	\$64,799,493.88
Non-utility Plant	1,132,200.02	775,077.80	871,849.89	0.00	1,035,427.93
Total Atmos	32,597,757.01	34,109,014.69	871,849.89	0.00	65,834,921.81
Energas					
Construction Work In Progress	1,379,247.81	4,191,412.95	0.00	0.00	5,570,660.76
Non-utility Plant	517,520.24	0.00	0.00	0.00	517,520.24
Total Energas	1,896,768.05	4,191,412.95	0.00	0.00	6,088,181.00
Trans La					
Construction Work In Progress	340,764.90	2,271,790.28	0.00	0.00	2,612,555.18
Acquisition Adj. - Trans La	2,048,887.47	0.00	0.00	0.00	2,048,887.47
Non-utility Plant	215,890.91	0.00	0.00	0.00	215,890.91
Total Trans La	2,605,543.28	2,271,790.28	0.00	0.00	4,877,333.56
Western Kentucky Gas					
Construction Work In Progress	779,599.09	4,330,296.61	0.00	0.00	5,109,895.70
Acquisition Adj. - W.K.G.	3,336,783.64	0.00	0.00	0.00	3,336,783.64
Total Western Kentucky Gas	4,116,382.73	4,330,296.61	0.00	0.00	8,446,679.34
Greeley					
Construction Work In Progress	(1,956,742.97)	3,900,101.94	0.00	0.00	1,943,358.97
Acquisition Adj. - G.G.C. Prior	1,446,406.41	0.00	0.00	0.00	1,446,406.41
Non-utility Plant	713,075.78	0.00	0.00	0.00	713,075.78
Total Greeley Gas	202,739.22	3,900,101.94	0.00	0.00	4,102,841.16
United Cities					
Construction Work In Progress	631,379.28	4,784,308.92	0.00	(531,685.41)	5,947,373.61
Acquisition Adj. - U.C.G.C. - Prior	7,283,287.48	0.00	0.00	0.00	7,283,287.48
Total United Cities Gas	7,914,666.76	4,784,308.92	0.00	(531,685.41)	13,230,661.09
Total Other Gas Plt & Non-utility Prop	49,333,857.05	53,586,925.39	871,849.89	(531,685.41)	102,580,617.96
Total Property, Plt. and Equipment	\$1,273,073,674.79	\$69,876,743.96	\$3,305,890.22	(\$461,068.10)	\$1,340,246,831.25



**ATMOS ENERGY CORPORATION  
ACCUMULATED PROVISION  
FOR DEPRECIATION AND AMORTIZATION  
AS OF MAY 31, 1998**

	Year to Date			Balance 05/31/98
	Balance 9/30/97	Provision	Adjustment	
<b>GAS PLANT</b>				
<b>Atmos</b>				
Retirement work in progress	\$4,900.00	\$0.00	\$3,286.15	\$8,186.15
Atmos General Office(2)	15,625,904.99	1,874,993.52	329.67	17,500,898.51
Total accum. prov. for depr. - Atmos	(329.67)	1,874,993.52	3,615.82	17,509,084.66
<b>Energas</b>				
Retirement work in progress	28,638.26	0.00	(314,166.97)	(285,528.71)
Amarillo Transmission Div.(1)	2,302,858.65	46,112.96	0.00	2,348,971.61
Amarillo City Plant Dist. Div.(3)	18,510,022.40	903,571.60	(79,603.42)	19,333,990.58
Fritch & Sanford City Plt. Dist. Div.(4)	384,725.27	14,471.60	(1,573.73)	397,623.14
West Texas City Plant Dist. Div.(5)	61,038,208.56	3,665,892.36	(318,840.71)	64,385,260.21
Dalhart City Plant Dist. Div.(6)	999,800.33	48,153.20	(10,251.82)	1,037,701.71
West Texas Rural Irrigation Div.(8)	9,943,565.84	328,912.68	1,197.53	10,273,676.05
Energas General Office(10)	1,135,624.24	250,359.92	(79,960.35)	1,306,023.81
Fain-Amarillo Creek Transmission(11)	71,230.00	0.00	0.00	71,230.00
Amarillo Rural Dist. Div.(13)	154,218.32	5,757.72	0.00	159,976.04
Dalhart Rural Dist. Div.(17)	53,743.97	1,126.56	0.00	54,870.53
Dalhart Rural Irrigation Div.(18)	262,696.11	6,816.08	0.00	269,512.19
West Texas Rural Dist. Div.(21)	3,139,533.57	194,301.68	(18.05)	3,333,817.20
Total accum. prov. for depr. - Energas	98,024,865.52	5,465,476.36	(803,217.52)	102,687,124.36
<b>Trans La(7)</b>				
Retirement work in progress	0.00	0.00	(19,273.87)	(19,273.87)
Trans La Dist. Div.	31,633,759.74	2,914,558.24	(388,378.72)	34,159,939.26
Total accum. prov. for depr. - Trans La	31,633,759.74	2,914,558.24	(407,652.59)	34,140,665.39
<b>Western Kentucky Gas(9)</b>				
Retirement work in progress	(938.81)	0.00	(297,390.85)	(298,329.66)
Western Kentucky Gas Div.	85,835,926.90	4,539,582.25	(784,775.29)	89,590,733.86
Total accum. prov. for depr. - WKG	85,834,988.09	4,539,582.25	(1,082,166.14)	89,292,404.20

**ATMOS ENERGY CORPORATION**  
**ACCUMULATED PROVISION**  
**FOR DEPRECIATION AND AMORTIZATION**  
**AS OF MAY 31, 1998**

	Year to Date			
	Balance 9/30/97	Provision	Adjustment	Balance 05/31/98
<b>GAS PLANT</b>				
Greeley				
Retirement work in progress	(10,580.22)	\$0.00	(\$20,117.61)	(\$9,537.39)
Meter Shop Facilities & Meters(24)	(1,844,979.51)	267,490.17	0.00	2,130,886.92
Missouri Dist. Div.(29)	(198,609.28)	15,000.00	(3,284.99)	182,767.83
Denver Company Office(30)	(431,153.95)	183,941.87	0.00	629,318.30
Greeley Dist. Div.(33)	(7,778,175.86)	639,417.82	(107,633.74)	8,933,296.52
Northwest Colorado Dist. Div.(34)	(5,354,184.12)	462,491.91	(3,923.30)	5,857,231.22
Fremont County Dist. Div.(35)	(13,193,596.69)	678,400.14	(1,377.92)	13,836,806.49
Durango Dist. Div.(36)	(5,878,310.74)	413,522.98	0.00	5,902,929.88
Central Colorado Dist. Div.(37)	(1,249.00)	0.00	0.00	0.00
Cortez Dist. Div.(38)	(82,631.99)	0.00	0.00	0.00
Southeast Colorado Dist. Div.(39)	0.00	0.00	0.00	0.00
Kaw Valley Dist. Div.(82)	(4,013,713.21)	355,857.18	0.00	0.00
Central Kansas Dist. Div.(83)	(3,180,842.19)	214,119.48	(99,360.40)	4,050,069.25
Cane Dist. Div.(84)	(2,592,468.44)	135,120.54	0.00	3,330,765.50
Eastern Kansas Dist. Div.(85)	(831,639.15)	96,869.62	(10,766.25)	2,751,550.69
Southwest Kansas Dist. Div.(86)	(7,384,649.46)	353,058.57	0.00	965,768.47
Total accum. prov. for depr. - GGC	52,776,788.81	3,815,290.28	(246,464.21)	7,783,761.20
United Cities				56,345,614.88
Retirement work in progress	(\$6,748.17)	\$0.00	\$283,002.10	\$276,253.93
United Cities Dist. Divisions	187,804,436.81	3,229,632.76	0.00	191,034,069.57
Total United Cities Gas	187,797,688.64	3,229,632.76	283,002.10	191,310,323.50
Total accumulated prov. for depreciation - Gas Plant	\$471,698,566.12	\$21,839,533.41	(\$2,252,882.54) *	\$491,285,216.99

ATMOS ENERGY CORPORATION  
ACCUMULATED PROVISION  
FOR DEPRECIATION AND AMORTIZATION  
AS OF MAY 31, 1998

	Year to Date			
	Balance 9/30/97	Provision	Adjustment	Balance 05/31/98
<b>OTHER GAS PLANT IN SERVICE</b>				
Atmos	\$829,702.44	\$298,827.52	\$0.00	\$1,128,529.96
Atmos General Office Division(2)	829,702.44	298,827.52	0.00	1,128,529.96
Total Atmos				
Energas	158,220.56	27,753.84	0.00	185,974.40
Amarillo City Plant Dist. Div.(3)	5,916.44	(23.60)	0.00	5,892.84
Fritch & Sanford City Plant Dist. Div.(4)	1,091,563.86	114,285.68	(149.14)	1,205,700.40
West Texas City Plant Dist. Div.(5)	7,189.97	1,484.56	0.00	8,674.53
Dalhart Div.(6)	7,091.04	607.52	0.00	7,698.56
West Texas Irrigation Div.(8)	1,875.32	1,402.80	0.00	3,278.12
Energas General Office(10)	516.26	73.04	0.00	589.30
Amarillo Rural Div.(13)	311.30	36.40	0.00	347.70
Dalhart Irrigation Div.(18)	31,889.52	4,210.96	0.00	36,100.48
West Texas Rural Div.(21)	1,304,574.27	149,831.20	(149.14)	1,454,256.33
Total Energas				
Trans La	220,015.31	41,205.52	0.00	261,220.83
Trans La Distribution Division(7)	220,015.31	41,205.52	0.00	261,220.83
Total Trans La				
Western Kentucky Gas	564,100.18	0.00	0.00	564,100.18
Western Kentucky Gas Division(9)	564,100.18	0.00	0.00	564,100.18
Total WKG				
Greeley	60,232.62	0.00	0.00	60,232.62
Greeley Dist. Div.(33)	66,924.56	0.00	0.00	66,924.56
Northwest Colorado Dist. Div.(34)	94,718.87	0.00	0.00	94,718.87
Fremont County Dist. Div.(35)	23,493.78	0.00	0.00	23,493.78
Durango Dist. Div.(36)	0.00	0.00	0.00	0.00
Central Colorado Dist. Div.(37)	0.00	0.00	0.00	0.00
Cortez Dist. Div.(38)	0.00	0.00	0.00	0.00
Southeast Colorado Dist. Div.(39)	84,791.05	555.77	0.00	85,346.82
Kaw Valley Dist. Div.(82)	10,901.94	0.00	0.00	10,901.94
Central Kansas Dist. Div.(83)	3,106.06	379.76	0.00	3,485.82
Cane Dist. Div.(84)	88.02	117.33	0.00	205.35
Southwest Kansas(86)	344,256.90	1,052.86	0.00	345,309.76
Total Greeley Gas				
United Cities	6,691,664.57	123,724.12	0.00	6,815,388.69
United Cities Dist. Divisions	6,691,664.57	123,724.12	0.00	6,815,388.69
Total United Cities Gas				
Total accumulated provision for amort. of other gas plant in service	\$9,954,313.67	\$614,641.22	(\$149.14)	\$10,568,805.75

**ATMOS ENERGY CORPORATION  
ACCUMULATED PROVISION  
FOR DEPRECIATION AND AMORTIZATION  
AS OF MAY 31, 1998**

	Year to Date			
	Balance 9/30/97	Provision	Adjustment	Balance 05/31/98
<b>NON-UTILITY PLANT IN SERVICE (CNG)</b>				
Texas				
Energas	\$284,635.61	\$34,501.28	\$0.00	\$319,136.89
Total Texas	284,635.61	34,501.28	0.00	319,136.89
Louisiana				
Trans La	118,740.55	14,392.80	0.00	133,133.35
Total Louisiana	118,740.55	14,392.80	0.00	133,133.35
Greeley				
Greeley Gas	434,287.68	31,717.60	0.00	466,005.28
Total Greeley Gas	434,287.68	31,717.60	0.00	466,005.28
Total accumulated provision for amort. of non-utility plant in service	837,663.84	80,611.68	0.00	918,275.52
<b>UTILITY PLANT ACQUISITION ADJUSTMENT</b>				
Louisiana				
Trans La	3,762,016.75	(121,534.64)	0.00	3,640,482.11
Total Louisiana	3,762,016.75	(121,534.64)	0.00	3,640,482.11
Kentucky				
W.K.G.	2,277,713.90	136,654.16	0.00	2,414,368.06
Total Kentucky	2,277,713.90	136,654.16	0.00	2,414,368.06
G.G.C.				
Total Greeley Gas	1,341,129.41	9,160.00	0.00	1,350,289.41
United Cities	1,341,129.41	9,160.00	0.00	1,350,289.41
U.C.G.C. Prior				
Total United Cities Gas	1,916,264.14	(277,348.14)	0.00	1,638,916.00
Total Accumulated Prov. for Amort. of Utility Plant Acquisition Adjustment	1,916,264.14	(277,348.14)	0.00	1,638,916.00
Total accumulated provision for depreciation & amortization	9,297,124.20	(253,068.62)	0.00	9,044,055.58
	\$491,787,667.83	\$22,281,717.69	(\$2,253,031.68)	\$511,816,353.84

Total Depreciation Provision as per Balance Sheet  
Less: Depreciation Provision charged to other accounts-18400  
Less: Depreciation Provision charged to other accounts (CNG)  
Total Depreciation Expense as per Income Statement

\$22,281,717.69  
6,964,613.74  
80,611.68  
\$15,236,492.27

WKG RESOURCES  
PROPERTY, PLANT AND EQUIPMENT  
AND RELATED ACCUMULATED PROVISION  
AS OF MAY 31, 1998

	Year to Date			Balance 05/31/98
	Balance 9/30/97	Additions	Retirements	
Property, Plant and Equipment				
Well Construction 3300000	\$106,938.67	\$0.00	\$0.00	\$106,938.67
Mineral Deeds	446,864.91	0.00	0.00	446,864.91
Construction Work in Prog	0.00	0.00	0.00	0.00
<b>Total Property, Plant and Equ</b>	<b>553,803.58</b>	<b>0.00</b>	<b>0.00</b>	<b>553,803.58</b>

	Year to Date		Balance 05/31/98
	Balance 9/30/97	Provision	
Accumulated Provision for Depreciation			
Accumulated Provision for Depreciation	104,254.43	2,684.24	106,938.67
Retirement Work in Progress	0.00	0.00	0.00
<b>Total Accumulated Provision for Depr.</b>	<b>\$104,254.43</b>	<b>\$2,684.24</b>	<b>\$106,938.67</b>

ATMOS ENERGY CORPORATION  
BALANCE SHEET ACCOUNTS  
AS OF MAY 31, 1998

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Reference	Page No.	Line No.	Acct. No.	Description	1998	1997	As of September 30, 1997
	59	6		NET PROPERTY, PLANT, AND EQUIPMENT	828,494,811.30	748,612,048.72	789,333,948.28
				1230 Investments In Associated Companies			
				Amos Energy Services, Inc.	1,000.00	1,000.00	1,000.00
				Egasco, Inc.	1,000.00	1,000.00	1,000.00
				Eberhart, Inc.	2,293,047.89	2,293,047.89	2,293,047.89
				Trans La Industrial Gas Company, Inc.	1,604,833.12	1,604,833.12	1,604,833.12
				Western Kentucky Gas Resources	1,000,000.00	1,000,000.00	1,000,000.00
				UCG Energy Corporation, Inc.	3,452,326.50	3,452,327.00	3,452,327.00
				UCG Storage Company, Inc.	8,353,207.51	8,353,208.01	8,353,208.01
	59	7		Total Investments in & Advances to Subsidiaries	(193,412.11)	1,848,074.26	2,721,919.39

INVESTMENTS IN & ADVANCES TO SUBSIDIARIES

Reference	Page No.	Line No.	Acct. No.	Description	1998	1997	As of September 30, 1997
	59	8		CASH AND TEMPORARY CASH INVESTMENTS			

ACCOUNTS RECEIVABLE, LESS ALLOWANCE FOR DOUBTFUL ACCOUNTS

Reference	Page No.	Line No.	Acct. No.	Description	1998	1997	As of September 30, 1997
				1410 Notes Receivable			
				(Main Extension Notes)			
				Tom King & Dr. Thomas Fields	2,680.00	2,680.00	2,680.00
				Bowers, Michael and Melissa	1,785.00	1,785.00	1,785.00
				Murphy and Rochester, Inc.	16,510.00	16,510.00	16,510.00
				Ida Road	230.00	230.00	230.00
				The Gardens Subdivision	1,060.00	1,060.00	1,060.00
				Herbert Construction Co., Inc.	8,240.00	8,240.00	8,240.00
				Charles Bourgeois	1,470.00	1,470.00	1,470.00
				Meyers, Tom	462.00	462.00	462.00
				Bailes, Julian	1,318.00	1,318.00	1,318.00
				Dupuis, Jason	3,439.00	3,439.00	3,439.00
				Chitimacha Tribe of LA	4,415.00	4,415.00	4,415.00
				Bell Meade Sub-Division	1,170.00	1,170.00	1,170.00
				River Ridge Estates	1,933.00	1,933.00	1,933.00
				Vermillion Bluff	2,680.00	2,680.00	2,680.00
				Patin Place Subdivision	4,260.00	4,260.00	4,260.00
				Oak Place Subdivision	9,010.00	9,010.00	9,010.00
				Shenandoah Estates Ph VIII	7,970.00	7,970.00	7,970.00
				Chinquapin Acres Ext. #1	2,228.00	2,228.00	2,228.00
				Cambridge Drive Ext.	5,250.00	5,250.00	5,250.00
				Beaulieu Estates	9,557.00	9,557.00	9,557.00
				Sugar Ridge	6,750.00	6,750.00	6,750.00
				Silver Maple	5,909.00	5,909.00	5,909.00
				Ahern Acres	990.00	990.00	990.00
				Bayou Bend	1,620.00	1,620.00	1,620.00

For prior year and September 30, 1997 United Cities balances are reported at the summary account level.

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Page No.	Line No.	Acct. No.	Description	1998	1997	As of September 30, 1997
			Ingrans Subdivision	8,715.00	8,715.00	8,715.00
			Magnolia Landing Ext.	15,041.00	15,041.00	15,041.00
			Hideway Acres #2 Ext.	475.00	475.00	475.00
			Pin Oak Estates	5,681.00	5,681.00	5,681.00
			Broussard Park Est. Phase #5	8,695.00	8,695.00	8,695.00
			Summerfield Subdivision	7,500.00	7,500.00	7,500.00
			Bear Creek Subdivision	8,030.00	8,030.00	8,030.00
			Acadiana Plaza Subdivision	7,900.00	7,900.00	7,900.00
			Summers Place	2,640.00	2,640.00	2,640.00
			Woodridge Subdivision Phase I	4,125.00	4,125.00	4,125.00
			Austin Village Phase 4	8,930.00	8,930.00	8,930.00
			Beallieu Estates Subd. #1	5,970.00	5,970.00	5,970.00
			Beallieu Estates Subd. #2	4,465.00	4,465.00	4,465.00
			Enclave Development	1,810.00	1,810.00	1,810.00
			Ozone Road	3,520.00	3,520.00	3,520.00
			Sugarland Estates Phase A	4,130.00	4,130.00	4,130.00
			The Oaks Subdivision	8,900.00	8,900.00	8,900.00
			Acadian Place Estates	1,907.00	1,907.00	1,907.00
			St. Clair V Subdivision	10,044.00	10,044.00	10,044.00
			Jean Clair Subdivision	8,453.00	8,453.00	8,453.00
			Judice Estates	7,415.00	7,415.00	7,415.00
			Twin Pines Mobile Home	12,950.00	12,950.00	12,950.00
			Brunswick Place	3,235.00	3,235.00	3,235.00
			Lefrioupe Tract H	7,070.00	7,070.00	7,070.00
			Lefrioupe Tract J, PHI	3,300.00	3,300.00	3,300.00
			Copperfield South	22,000.00	22,000.00	22,000.00
			Woodlake Subdivision	3,295.00	0.00	3,295.00
			Benullieu Place Subdivision - Phase 3	6,260.00	0.00	6,260.00
			B.F. Miller Extension	7,730.00	0.00	7,730.00
			Hickberry Place	10,420.00	0.00	10,420.00
			E. Bayou Oaks	10,620.00	0.00	10,620.00
			Kingspointe Phase 2	12,120.00	0.00	12,120.00
			Amy Estates	8,490.00	0.00	8,490.00
			Summerfield Phase II	5,077.00	0.00	5,077.00
			Austin Village Phase 6	11,545.00	0.00	11,545.00
			Fernwood Sub. Ph. XII	8,790.00	0.00	8,790.00
			Sugar Ridge Subdivision	9,291.00	0.00	9,291.00
			Hayes Estates	0.00	0.00	0.00
			Dwight W. Andrus, Jr.	301.00	301.00	154.20
			Regency Development Co.	0.00	4,480.00	4,480.00
			Oak Park Inc.	0.00	3,156.00	3,156.00
			Austin Village Phase II	0.00	1,630.00	1,630.00
			Fernwood Sub. Ph. VIII	0.00	11,360.00	11,360.00
			Austin Village III	0.00	3,210.00	3,210.00
			Fernwood Phase IV	0.00	8,970.00	8,970.00
			Kings Pointe Development	0.00	4,675.00	4,675.00
			New Center Commons	0.00	5,325.00	5,325.00
			Giverty Gardens	0.00	4,745.00	4,745.00
			Total Notes Receivable	377,475.00	333,299.00	366,487.20

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Reference	Page No.	Line No.	Acct. No.	Description	1998	1997	As of September 30, 1997
				1420 Customer Accounts Receivable			
				1420 1,2 - Gas Ledger			
				General Office			
				Unbilled revenue - Energas	1,518,000.00	2,212,000.00	2,261,000.00
				Unbilled revenue - GGC	619,999.99	1,682,000.00	1,409,000.00
				Unbilled revenue - Trans La	597,000.00	1,339,000.00	889,000.00
				Unbilled revenue - WKG	1,003,000.00	2,072,000.00	2,373,000.00
				Unbilled revenue - UCG	2,429,000.00	0.00	0.00
				PGA - Correcting Account - Energas	(4,056,819.00)	2,100,000.00	623,000.00
				PGA - Correcting Account - GGC	(967,061.00)	6,812,000.00	8,709,594.00
				PGA - Correcting Account - Trans La	320,000.00	(170,000.00)	225,000.00
				PGA - Correcting Account - WKG	(8,934,000.00)	2,915,000.00	5,010,000.00
				Handbilled Industrial Accounts - Energas	273,918.58	162,807.99	137,781.35
				Handbilled Industrial Accounts - GGC	480,098.46	0.00	0.00
				Handbilled Industrial Accounts - Trans La	91,688.33	141,599.36	90,031.55
				Handbilled Industrial Accounts - WKG	1,170,445.47	3,010,577.42	2,286,869.50
				Energas Div - Amarillo System (City and Rural)	938,507.48	1,831,557.18	746,816.67
				Dalhart City Plant System (City and Rural)	138,574.18	140,753.85	51,269.30
				Fritch & Sanford System	58,047.38	39,900.18	11,311.17
				West Texas City Plant System (City and Rural)	18,934,554.18	12,069,201.21	12,102,455.58
				Greeley Gas Company Division	8,748,697.27	5,231,244.20	2,257,484.51
				Trans La Division	2,527,345.31	2,109,477.62	1,302,481.08
				Western Kentucky Gas Division	7,613,963.50	4,133,579.91	516,088.24
				United Cities Gas Division	23,494,631.92	0.00	0.00
				Total Gas Ledger Receivables	56,999,592.05	47,832,648.92	41,002,182.95
				1420 3 - Merchandise Ledger	2,221,097.78	2,158,412.86	2,172,379.34
				1420 4 - Service Ledger	1,738,363.97	286,343.06	270,935.33
				1420 6 - Customer Surcharge - GGC	8,961.03	11,263.16	11,088.80
				Total Customer Accounts Receivable	60,968,014.83	50,288,668.00	43,456,586.42
				1430 Other Accounts Receivable			
				1430 1 - Miscellaneous			
				Additional Billing	0.00	(2,145.74)	(93,443.42)
				Additional Billing - WKG	0.00	0.00	0.00
				A-Z Bus Sales	(3,975.00)	0.00	0.00
				Eddins - Walcher Rent	15,389.64	10,719.73	(1,488.09)
				Clyde Plant Extraction - Koch	20,640.46	0.00	0.00
				Contex Outage	3,528.09	0.00	0.00
				Eureka Outage	19,698.65	0.00	0.00
				Virden IL Damage	(513.95)	0.00	0.00
				Forsan Outage	14.60	207.76	0.00
				KN - Tuboka Outage	(9,890.50)	53,209.09	0.00
				GGC Auto Salvage A/R	(6,144.35)	0.00	0.00
				Greeley Outage	4,077.14	0.00	0.00
				Breaux Bridge Outage	48.70	0.00	528.22
				KN - Plainview Linecut	1,227.04	0.00	0.00
				KN - Big Spring OVR/ODOR			

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			Monroe Outage	330.74	4,315.10	5,033.34
			Plantville Outage	41,903.25	41,903.25	41,903.25
			Thibodaux Outage	0.00	9,053.95	0.00
			Westar - Post Outage	0.00	1,178.31	0.00
			Winfield Outage	(169.19)	5,865.36	5,865.36
			CNG - Anaxillo	(172.82)	(173.32)	(173.32)
			CNG - Cayton	(790.17)	1,840.60	510.08
			CNG - Lafayette	0.00	140.84	0.00
			Meter Salvage Receivable	2,775.00	10,658.00	8,056.10
			Midwestern/Equitable Cash	13,196.08	12,926.26	12,926.26
			Miscellaneous	499,315.11	(52,488.21)	83,624.16
			Steamboat Springs Incident (Reimbursable Expense)	0.00	9,284.47	12,126.80
			Total Miscellaneous Receivable	600,488.52	106,495.45	75,468.74
			1430 2 0541 - Employee Advances (incl. Expense, Bridge Loans & Education)	673,507.60	30,581.92	81,131.23
			1430 2 06XX - Merchandise Employees' Payroll Deductions	130,497.07	167,691.44	139,500.82
			1431 2 0601 - Employee Rent	105.82	0.00	0.00
			1431 2 0601 - Other Employee A/R	7,239.57	0.00	0.00
			1430 7 - Trans La Miscellaneous	0.00	428,071.99	428,071.99
			State Dept. of Transportation	90.00	90.00	90.00
			Acadia Parish Police Jury	4,819.45	4,203.29	8,440.79
			LIG			
			Total Trans La Miscellaneous Receivables	4,909.45	432,365.28	436,602.78
			1430 9 0500 - WKG PAC	2,085.31	403.05	575.98
			1430 9 07XX - Westar - Chart Reading & Misc.	721.27	5,693.01	3,838.09
			Total Other Accounts Receivable	1,419,554.61	743,230.15	737,117.64
			1440 Allowance for Doubtful Accounts	(4,795,011.44)	(2,313,216.66)	(966,451.32)
			Atmos - Total Receivable, Less Allowance	57,970,033.00	49,051,980.49	43,593,739.94
			United Cities Gas - Total Receivable, Less Allowance	0.00	21,590,368.00	24,162,577.00
59	9		Total Accounts Receivable, Less Allowance for Doubtful Accounts	57,970,033.00	70,642,348.49	67,756,316.94
			INVENTORIES			
			1540 Plant Materials and Supplies	8,077,734.80	5,496,507.12	5,148,721.93
			1550 Merchandise	234,861.64	162,060.64	160,233.09
			1510 Propane Fuel Stock	456,837.45	0.00	0.00
			1630 Stores Expense Undistributed	4,098,369.60	1,840,375.52	1,785,741.60
			Atmos - Total Inventories	12,867,803.49	7,498,943.28	7,094,696.62
			United Cities Gas - Total Inventories	0.00	4,506,690.00	4,115,542.00
59	10		Total Inventories	12,867,803.49	12,005,633.28	11,210,238.62

Note: For prior year and September 30, 1997 United Cities balances are reported at the summary account level.

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	59	11	<b>GAS STORED UNDERGROUND</b>			
			Total Gas Stored Underground, current	16,162,708.25	23,093,460.52	41,589,456.36
			<b>OTHER CURRENT ASSETS</b>			
		1340	Other Special Deposits	1,667,744.24	16,812.74	16,887.74
			Guaranty Deposits	1,667,744.24	16,812.74	16,887.74
			Total Other Special Deposits			
		1740	Miscellaneous Current and Accrued Assets	21,170.13		
				21,170.13		
		1660	Prepayments			
			Prepaid Gas:			
			Alliance Prepaid Gas	82,643.27	(2,414,791.17)	1,172,398.13
			Tenn Alliance Prepaid Gas	192,804.34	(316,407.50)	16,816.84
			Cambridge Energy Research (Amort \$2,500/mo thru 01/98)	0.00	15,000.00	5,000.00
			Softwares Maintenance:			
			SCT Billing Software (Escalating amort to capital 02/97 thru 12/99)	534,101.09	371,726.09	750,601.09
			Oracle Database Maint (Escalating amort to IS clearing 02/97 thru 01/00)	146,226.28	213,990.36	192,591.16
			Dues - AGA	21,762.41	14,692.41	0.00
			Dues - SGA	9,333.62	9,333.30	3,999.94
			Franchise Tax - City	0.00	2,049.24	1,366.16
			Franchise Tax - Texas	(8,000.00)	66,000.00	0.00
			Gas - Excess Nominations	181,024.63	182,258.45	181,898.76
			Gross Receipts Tax - Texas	137,777.93	(32,232.64)	0.00
			Institute of Gas Technology (Amort \$2,108/mo thru 12/97)	2,110.00	14,756.00	6,324.00
			Insurance - Prop, Gen. Liab., Auto, etc.	1,096,765.26	506,552.34	358,470.88
			Insurance - Retirement Cost	386,829.67	562,608.17	559,450.12
			CPSC Assessment (Quarterly)	3,998.22	4,600.93	12,797.16
			KPSC Assessment (Amort \$13,368/mo thru 6/97)	0.00	13,368.00	0.00
			Occupational License	36,883.00	40,708.00	17,508.00
			Postage	(79,508.29)	119,169.07	96,346.64
			Prepaid Debt, Exp.-Nations (Amort \$5,000/mo thru 8/98)	14,999.97	8,749.98	54,999.97
			Rent - Gilliland Group (Oper Co)	284,592.01	284,592.01	284,592.01
			Total Prepayments	3,044,343.41	(333,276.96)	3,715,160.86
			Atmos - Total Other Current Assets	4,733,257.78	(316,464.22)	3,732,048.60
			United Cities Gas - Total Other Current Assets	0.00	7,415,166.00	1,807,255.00
	59	12	Total Other Current Assets	4,733,257.78	7,098,701.78	5,539,303.60
			<b>INTERCOMPANY ACCOUNTS - NEI</b>			
		1460	Accounts Receivable from Assoc. Co.			
			Amos Energy Services, Inc.	9,434.98	3,879.85	5,609.98
			Egasco, Inc.	280,204.42	880,312.72	808,349.49
			Evermart, Inc.	24,246,353.88	9,529,132.52	21,120,195.01
			Evermart Trust	(33,220,850.09)	(20,327,887.87)	(23,708,148.28)

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			Truss La Industrial Gas Company, Inc.	(2,559,412.67)	(1,988,062.18)	(2,738,776.04)
			United Cities Gas Company	(48,864.51)	0.00	66,906,326.59
			Western Kentucky Gas Resources	(972,035.71)	(939,590.70)	(967,305.90)
			UCG Rental	3,554,685.37	0.00	0.00
			UCG Utility Services	(20,936.31)	0.00	0.00
			UCG Storage	2,359,578.74	0.00	0.00
			UCG Leasing	(155,125.93)	0.00	0.00
			UCG Propane	4,397,701.60	0.00	0.00
			Almos - Total Intercompany Accounts	(2,129,266.23)	(12,842,215.66)	61,426,250.85
			United Cities Gas - Total Intercompany Accounts	0.00	7,583,424.00	(58,606,626.59)
59	13		Total Intercompany Accounts - Net	(2,129,266.23)	(5,258,791.66)	2,819,624.26
59	14		Total Current Assets	89,411,124.18	109,429,426.67	131,636,859.17
			<b>DEFERRED CHARGES AND OTHER ASSETS</b>			
			1280 Gilliland Lease Deposits	733,624.05	737,624.05	733,624.05
			Total Other Special Funds	733,624.05	737,624.05	733,624.05
			1240 Other Investments			
			Club Memberships	8,301.00	8,301.00	8,301.00
			Herrington Industrial Development	250.00	250.00	250.00
			Windom Industrial Development	750.00	750.00	750.00
			Worthington Industries Inc	100.00	100.00	100.00
			Total Other Investments	9,401.00	9,401.00	9,401.00
			1810 Unamortized Debt Expense			
			John Hancock Notes (11.2% through 12/30/02)	37,693.82	45,917.90	43,176.54
			John Hancock Notes (9.76% through 12/30/04)	82,979.32	97,841.32	92,887.32
			Var. Annuity Life Ins. (9.57% through 9/30/06)	66,949.36	75,064.36	72,359.36
			Var. Annuity Life Ins. (7.95% through 9/01/06)	33,048.75	37,054.71	35,719.39
			Var. Annuity Life Ins. (8.07% through 10/01/06)	84,635.43	94,691.07	91,339.19
			New York Life Ins. (8.26% through 10/01/14)	98,493.53	104,493.17	102,493.29
			First Mortgage Bonds (9.4% through 2021)	521,072.57	543,646.13	536,121.61
			Medium Term Debt Series A - 1	215,428.45	223,219.00	0.00
			Series A - 2	195,389.46	210,830.00	0.00
			Series A - 3	24,005.25	33,051.00	0.00
			Long Term Debt Series N	59,117.13	74,882.00	0.00
			Series P	238,371.12	250,595.00	0.00
			Series Q	262,876.81	274,714.00	0.00
			Series R	363,141.39	425,394.00	0.00
			Series T	118,284.67	123,428.00	0.00
			Series U	353,509.82	368,291.00	0.00
			Series V	140,788.80	155,568.00	0.00
			TNVA - AQ	125,145.77	153,314.00	0.00
			Total Unamortized Debt Expense	3,020,931.45	3,291,994.66	974,096.70

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				1840 Clearing Accounts			
				Ditchers & Backhoes	219.35	(26,042.54)	0.00
				Information Services	9,415.18	0.00	0.00
				Meter Shop	38,062.59	0.00	0.00
				Meter Loops	683.28	225,522.94	1,738.76
				Payroll/Taxes	22,677.42	0.00	(25,448.08)
				Vehicle System	197,074.42	(12,107.12)	0.00
				Welders	952.02	(17,108.41)	0.00
				Total Clearing Accounts	273,872.98	170,264.87	(23,709.32)
				1860 Miscellaneous Deferred Debits			
				Advanced Payments to Employees	435,956.15	95,632.76	218,605.61
				Kentucky PBR	8,315.52	0.00	0.00
				Car Allowance (Amount calendar year)	106,450.00	111,783.00	47,907.00
				Company Facilities:			
				Monroe Office	25,188.96	25,188.96	25,188.96
				Natchitoches Service Center (Reimbursable Upon Completion)	(6,951.48)	4,635.73	(7,435.32)
				Padueah Remodeling (Reimbursable Upon Completion)	97,503.81	97,503.81	97,503.81
				Thibodaux Office	38,357.48	34,000.00	38,357.48
				Colorado Pipeline Refunds	0.00	31,232.66	0.00
				Consulting	53,333.32	150,000.00	80,000.00
				Danville Incident - KY	17,333.79	16,604.35	17,333.79
				Deferred Take or Pay - GGC	276,548.28	280,219.48	322,550.59
				Department Projects:			
				Texas Gas Rate Case	5,267.07	0.00	722.36
				Add O&M Standards to ALMS	64,729.49	63,496.10	64,729.49
				Functional Standard Costing	0.00	24,101.43	24,101.43
				Gas Contract Management System	29,293.79	23,571.44	27,209.90
				Internet Requirements Project	0.00	3,650.00	0.00
				KN Meter Trf-Retirement	0.00	0.00	0.00
				Odessa Service Center Remodel	14,732.44	0.00	0.00
				Remote Paycenter Project	0.00	13,924.59	25,785.59
				Quality Review - CIS Project	0.00	245,383.88	245,383.88
				DBS Installs A/P	0.00	120,729.16	0.00
				Drilling Permits - Energas	0.00	0.00	1,000.00
				Executrain - Std. P. C. Training Cost	0.00	39,835.24	0.00
				GGC ACH Cash Clearing	(27,426.98)	(1,996.27)	(784.36)
				GGC Cash Reconciliation	(691,783.21)	(1,325.92)	154.13
				Lincolin Center Rent	313,699.60	152,133.33	171,776.49
				LPSC Settlement (Amort. Heating Sen., Fiscal 96 & 97)	0.00	0.00	0.00
				Misc. Charges to be Cleared Currently	474,153.33	87,808.89	74,834.22
				Other Work in Progress	106,759.06	97,404.66	102,306.21
				Pension Assets - Atmos	(638,244.05)	(1,344,727.03)	(1,409,859.03)
				Pension Assets - W/KG	11,594,238.96	11,306,523.94	11,294,519.94
				Pension Assets - GGC	(492,150.00)	(372,434.00)	(450,970.00)
				Post Retirement Benefits	1,380,518.00	0.00	0.00

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				<b>Rate Cases:</b>			
				Rate Case Exp - CO - Phase II (Amort \$1,225/mo. thru 12/98)	8,574.65	23,274.05	18,374.25
				Rate Case Exp - CO (1993)(Amort \$7,166/mo. \$94 thru 4/97)	0.00	0.00	0.00
				Rate Case 95-010 - WKG (Amort \$6,828.50/mo. 11/95 thru 10/98)	34,142.37	116,084.37	88,770.37
				Rate Case - West Texas (Amort \$1,534.58/mo. thru 11/99)	26,087.72	50,623.80	38,364.36
				Restricted Stock Grant Plan	5,128,828.83	828,637.20	3,117,164.34
				Reinforcement Cost (Rabbi Trusts and CVI)	22,003,686.89	17,562,784.49	21,209,828.66
				Trans La Lawsuit & COG Investigation (Amort \$27,000/mo 3/94 thru 2001)	1,043,572.73	1,367,572.73	1,259,572.73
				Trans La Post Settlement	181,221.26	134,765.91	153,746.06
				Stamboat Springs Incident	0.00	0.00	0.00
				Acquisition Costs - Atmos	8,698,047.54	2,259,849.47	6,677,252.48
				Acquisition Costs - United Cities	14,468,500.32	0.00	13,869,229.87
				Conflict Costs	258,138.10	258,138.10	258,138.10
				Leadership Conference	325,912.75	0.00	0.00
				Separation/Integration Costs	30,394,821.81	0.00	11,270,693.98
				Business Unit Review Meetings	6,025.95	0.00	17,000,000.00
				Seam - Delayed Retreat	4,793.57	0.00	0.00
				Finance Team Meetings	0.00	0.00	0.00
				Regulatory Summit	1,548.61	0.00	0.00
				Five Year Plan Meetings	28,287.80	0.00	0.00
				Marketing Initiative	507,100.95	0.00	0.00
				Shared Services Meetings	196,014.92	0.00	0.00
				H R Study - Towers Perrin	60,246.12	0.00	0.00
				Diversity Council	11,127.89	0.00	0.00
				Debt Offering - 1998	58,810.93	0.00	0.00
				South Carolina Rate Case	1,114.46	0.00	0.00
				General Reserve - Accrual	(19,759,403.00)	0.00	(20,334,000.00)
				1998 Depreciation Study	2,310.00	0.00	0.00
				Deferred Gas Cost	7,622,889.20	0.00	0.00
				<b>UCG Rate Cases:</b>			
				IL Rate Case 1996	42,110.51	0.00	0.00
				KN Rate Case 1992	19,844.48	0.00	0.00
				TN Rate Case 1995	31,421.90	0.00	0.00
				IA Rate Case 1995	36,682.66	0.00	0.00
				VA Rate Case 1995	16,625.48	0.00	0.00
				GA Rate Case 1996	43,958.31	0.00	0.00
				MO Rate Case 1995	14,384.86	0.00	0.00
				KN Rate Case 1995	32,879.11	0.00	0.00
				INMFO Services	4,148,669.16	0.00	0.00
				Leak Survey	27,164.12	0.00	0.00
				Non Compete Agreement	1,522,763.83	0.00	0.00
				Energy Efficiency Program - IA	1,736.31	0.00	0.00
				Income Tax Recover Future	3,250,723.25	0.00	0.00
				Conservation Program	133,239.45	0.00	0.00
				Conservation Program 1997	197,924.91	0.00	0.00
				United Cities Gas Deferred Debits	0.00	15,171,653.00	14,970,607.13
				<b>Total Miscellaneous Deferred Debits</b>	<b>94,018,354.04</b>	<b>49,078,463.31</b>	<b>80,608,664.50</b>

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59	15		Total Deferred Charges and Other Assets	98,056,183.52	53,287,747.89	82,302,076.93
59	16		TOTAL ASSETS	\$1,024,315,326.51	\$919,682,431.29	\$1,011,626,092.39

(1) Total Net UCC Acquisition: \$ 40,304,119.14

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60	5			SHAREHOLDERS' EQUITY	342,510,723.69	330,162,444.12	302,292,130.73
60	6			LONG-TERM DEBT	290,303,308.00	298,303,308.00	297,303,308.00
60	7			TOTAL CAPITALIZATION	632,814,031.69	628,465,752.12	599,595,438.73
<b>NOTES PAYABLE</b>							
				Amarillo National Bank Master Note/Other	2,000,000.00	12,000,000.00	12,000,000.00
				Societe Generale	20,000,000.00	0.00	0.00
				Fuji Bank	0.00	7,500,000.00	0.00
				NationsBank	69,900,000.00	0.00	140,600,000.00
				PNC Bank of Pittsburgh	16,400,000.00	0.00	7,800,000.00
				Sumitomo Bank - Houston	17,700,000.00	0.00	0.00
				Mitsubishi Bank - Houston	0.00	0.00	0.00
				Sarwa Bank	10,000,000.00	0.00	0.00
				Atmos - Total Notes Payable	136,000,000.00	29,500,000.00	160,400,000.00
				United Cities Gas - Total Notes Payable	0.00	19,066,000.00	0.00
60	8			Total Notes Payable	136,000,000.00	48,566,000.00	160,400,000.00
<b>ACCOUNTS PAYABLE</b>							
				2320 Accounts Payable	(13,287.60)	120,155.21	179,431.90
				Accrued Annual Report Costs	145,050.00	119,834.00	9,900.00
				Accrued Audit Fees	63,333.01	46,869.69	111,487.85
				Accrued Employee Awards	3,296,296.91	71,792.21	30,654.03
				Accrued Payroll Labor Distribution	527,955.87	527,955.87	527,955.87
				Accrued Vacation	29,561,578.81	0.00	0.00
				Estimated Gas Cost	(5,044,144.88)	(115,071.17)	0.00
				Customer Service Enhancement	1,069,015.46	1,276,567.33	334,402.02
				Def Cr Cleared Currently			

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				DSM Program				
				DSM Program - KY	176,147.30	313,336.00		250,000.00
				DSM Program - KY Payments	(119,508.94)	(151,066.53)		(217,687.77)
				Propane Payroll/Benefits	317,699.30			
				Employees' AD & D Insurance	(1,634.49)	5,851.85		(123.00)
				Employees' College Donation Deductions	116.90	56.00		28.00
				Employees' Dependent Life Ins.	1,006.48	2,022.00		(21.00)
				Employees' Egaspac	27.50	27.50		55.00
				Employees' WKG Pac	1.84	0.00		377.25
				Employees' Trans La PAC	9.69	0.00		0.00
				Employees' Credit Union	0.00	0.00		64,398.70
				Employees' Long-Term Disability Insurance	(12,759.79)	1,418.10		(27,513.07)
				Employees' Medical/Dental Insurance:				
				Medical/Dental Liability				
				Medical/Dental Premiums/Claims Clearing	2,667,370.81	1,402,853.57		1,428,983.46
				Employees' Supplemental Life Insurance	(207,150.21)	260,881.29		289,638.31
				Employees' Universal Life Ins.	2,522.33	13,488.92		(2,184.92)
				Employees' U.S. Savings Bonds Deductions	14,888.31	1,813.99		1,725.18
				Employer's ESOP Contributions	(2,987.27)	5,357.86		(104.25)
				Employer's ESOP Other Expense	2,780.14	6,684.26		6,410.06
				Employees' ESOP Withholding	38,902.32	249,999.26		87,652.07
				Employer's Group Life Ins.	(2,792.08)	6,252.45		13,957.66
				Employees' 401K Withholding	(148,389.44)	31,350.02		138,345.58
				Employees' Union Dues Withholding	43,894.63	0.00		47.87
				KN Master Mtr Transfer	50,615.32	0.00		0.00
				Mailed Refunds	2,244.16	0.00		0.00
				Miscellaneous Employee Insurance Accruals - GGC	200,000.00	300,000.00		300,000.00
				Miscellaneous Contingent Liabilities	(120,436.69)	6,750.04		3,600.00
				Net Payroll Payable	(347.03)	159.78		(1,200.28)
				Purchase Order Clearing	159,891.79	0.00		509,331.40
				Contract Retainage	60,009.21	272,607.96		2,129,272.93
				Unclaimed Property	505,245.67	442,013.07		234,018.06
				UCG Gas Payables	238,732.78	2,610.60		12,266.53
				Vouchers Payable	395,789.44	96,777.33		108,890.30
				Total Accrued Payables	0.00	1,164.87		0.00
					(13,163.41)	0.00		0.00
					(329,221.22)	1,354,400.87		6,859,380.12
					33,525,302.93	6,694,725.26		13,383,375.86
				Gas Purchased - Accounts Payable				
				Acadiana Natural Gas, Co.	0.00	75,689.33		58,363.45
				AMOCO	104,537.94	385,569.96		135,000.00
				ANR Pipeline Company	938,788.81	(14,786.25)		0.00
				KN Marketing	945,332.01	2,201,763.98		1,207,958.30
				Pentacenergy Trading/Market	669,117.80	797,581.59		174,795.17
				Brenco Gas Transmission, Inc.	0.00	2,664.00		893.25
				Natural Gas Clearinghouse	265,551.80	611,039.04		692,739.65
				City of Odessa - Purchase	38,500.00	6,000.00		5,000.00

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				Coastal Gas Marketing	(2,310.00)	150,330.32	154,000.00
				Colorado Interstate Gas Company	1,801.41	136,668.92	132,731.89
				Colorado Natural Gas	0.00	115,601.61	78,344.67
				Engage Energy	(19,562.80)	0.00	0.00
				Costilla Petroleum Corp.	36,579.60	27,279.00	22,658.40
				Crescent Oil & Gas Company	0.00	15,723.72	17,241.95
				Delhi	0.00	943,328.10	0.00
				Enron	0.00	74.62	0.00
				Exchange Gas	(461,016.57)	(452,336.90)	(404,739.03)
				Gas Payable - LA Imbalance	45,193.67	46,016.54	45,714.17
				LG & E Natural Plains Energy	885,751.43	407,690.33	554,227.95
				Hugoton	0.00	49,151.52	8,264.75
				Innovative Gas Services	0.00	43,121.00	0.00
				Interenergy Resource Corp.	0.00	236,275.11	122,552.36
				Kansas Pipeline Partners	(308,478.41)	33,358.68	3,280.57
				Penumion Energy Services	0.00	105,630.33	101,585.66
				PMN Energy Marketing	1,671,187.32	0.00	0.00
				Kimball Energy Corp.	0.00	270,545.83	49,695.82
				United Gas Services	57,592.92	34,132.50	61,386.95
				KN Energy	27.87	49,431.00	28,439.97
				K N Gas Supply Services	316,088.63	35,801.26	85,337.69
				KPL Gas Services	22,275.61	31,081.42	22,275.61
				LIG Chemical	(7,202.62)	0.00	0.00
				LIG Imbalance	(566,807.15)	0.00	0.00
				Local Gas Production	112,998.74	79,353.62	159,402.62
				Local Gas Purchases - Fremont County	37,881.46	371,099.86	274,824.95
				Louisiana Land/Exploration Company	0.00	450,554.00	0.00
				Louisiana Intrastate Gas Corp.	224,565.55	64,846.47	343,409.77
				Pioneer Natural Resources Co.	5,231,616.63	1,137,321.36	848,830.50
				Mid-Louisiana Gathering	1,654.64	822.71	466.02
				Moffat Pipeline Corp.	7,570.20	11,097.97	9,811.97
				Natural Gas Clearinghouse	0.00	0.00	(234,603.04)
				Norann Energy Services	2,429,469.26	0.00	0.00
				Norann Gas Transum Corp	5,861.08	7,250.25	7,000.23
				Oxy U.S.A., Inc.	0.00	165.30	101.50
				CMS Marketing Services	104,160.00	0.00	0.00
				Peoples Natural Gas	(14,432.85)	8,056.23	(5,307.85)
				Pipeline Refunds - GGC	(2,279,922.98)	599,492.89	470,641.21
				Pipeline Refunds - Trans La (LIG)	3,675,726.64	0.00	9,789,532.64
				Other Payables	422,267.92	1,431,422.92	1,322,632.19
				Proenergy	355,384.00	0.00	0.00
				Public Service	0.00	381,132.63	363,065.98
				Westar Gas Marketing	0.00	434,810.59	91,647.28
				Sonat Marketing	7,744.84	7,087.74	7,375.55
				Tennessee Gas Pipeline	273,850.58	243,877.39	259,695.35
				Texaco, Inc.	0.00	1,001,862.96	785,502.00
				Texaco Natural Gas Inc.	0.00	1,002,353.38	1,698,769.24

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Page No.	Line No.	Acct. No.	Description	1998	1997	As of September 30, 1997
			Texas Gas Transmission	1,246,095.00	1,261,390.38	1,242,989.87
			Trunkline Gas Company	(84,372.33)	24,018.29	2,321.16
			Tuscaloosa Pipeline Company	0.00	6,993.09	7,836.04
			Wild Horse Energy Partners	2,140.00	0.00	0.00
			Williams Energy Services	(968,138.15)	425,918.17	129,674.70
			Williams Natural Gas Company	1,668,011.04	198,408.12	330,024.51
			WKG Supplier Imbalance	22,922.20	30,604.60	29,718.34
			Transportation Bank Gas	298,149.78	502,847.44	782,886.61
			Woodward Marketing	(21,277,690.55)	0.00	2,125,826.36
			Union Pacific Fuels	(267,968.03)	4,261,403.29	2,136,910.37
			UCG Accrued Gas Cost Payables	15,043,391.57	0.00	0.00
			UCG Gas Purchase Payables	(8,027,446.98)	0.00	0.00
			Total Gas Purchased Payable	2,884,438.53	20,288,618.21	26,338,735.27
			24(10 Tax Collections Payable			
			Astor Sales Tax	(4,449.77)	(4,449.77)	(4,449.77)
			Astor Franchise Tax	33,812.79	33,812.79	33,812.79
			City Franchise Fees - Louisiana	56,229.27	0.00	0.00
			City Sales Tax - Canon City	(2,071.00)	3,484.95	330.84
			City Sales Tax - Durango	(13.89)	776.88	2,614.46
			City Sales Tax - Mount Crested Butte	1,049.73	1,957.81	1,536.18
			City Sales Tax - Steamboat Springs	-4,074.50	13,480.17	9,684.81
			City Sales/Use Tax	96,871.44	25,682.98	15,295.05
			City Sales/Use Tax - Cortez	551.63	4,592.85	2,708.80
			City Sales/Use Tax - Greeley	(15,250.29)	26,027.17	13,958.94
			City Sales/Use Tax - Gunnison	(21.50)	(32.68)	107.24
			City Sales/Use Tax - Lamar	1,694.37	4,296.21	2,273.62
			City & Parish Sales Tax - Louisiana	(8.94)	3.17	(9.65)
			County City/Use Tax - Prowers	145.03	159.26	210.99
			County Sales/Use Tax	(52,627.56)	22,388.92	10,277.10
			County Use Tax - Fremont	339.15	305.84	499.93
			Employees' Federal Income Tax Withheld	(94,929.00)	391,229.63	754,344.31
			Employees' FICA Tax	(401,290.33)	185,829.15	235,029.75
			Employees' Local Tax Withheld - KY	16,053.24	20,135.56	29,424.88
			Employees' State Income Tax Withheld - Alabama	(262.59)	0.00	0.00
			Employees' State Income Tax Withheld - North Carolina	371.61	0.00	0.00
			Employees' State Income Tax Withheld - South Carolina	(1,931.20)	0.00	0.00
			Employees' State Income Tax Withheld - Colorado	(2,694.66)	13,486.79	15,877.08
			Employees' State Income Tax Withheld - Illinois	29.71	0.00	0.00
			Employees' State Income Tax Withheld - Indiana	446.70	0.00	0.00
			Employees' State Income Tax Withheld - Iowa	17,865.47	0.00	0.00
			Employees' State Income Tax Withheld - Kansas	2,628.90	0.00	0.00
			Employees' State Income Tax Withheld - Kentucky	(10,374.48)	6,954.75	3,007.67
			Employees' State Income Tax Withheld - Louisiana	23,425.58	53,373.07	93,394.37
			Employees' State Income Tax Withheld - Missouri	4,819.28	11,370.53	12,678.35
			Employees' State Income Tax Withheld - Mississippi	2,995.67	0.00	509.41

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			Employees' State Income Tax Withheld - Ohio	245.15	0.00	0.00
			Employees' State Income Tax Withheld - Virginia	3,471.77	0.00	0.00
			State Income Tax Withheld - Propane Division	(292,221.87)	0.00	0.00
			Franchise Tax Collected - South Carolina	26,007.58	0.00	0.00
			Franchise Tax Collected - Colorado	225,924.96	200,112.87	161,783.77
			Franchise Tax Collected - Georgia	128.00	0.00	0.00
			Franchise Tax Collected - Illinois	16,886.86	0.00	0.00
			Franchise Tax Collected - Iowa	0.00	0.00	0.00
			Franchise Tax Collected - Kansas	1,104,493.18	218,063.32	47,495.98
			Franchise Tax Collected - Kentucky	94,039.66	55,961.99	44,798.56
			Franchise Tax Collected - Louisiana	20,254.58	85,791.73	74,426.73
			Franchise Tax Collected - Missouri	6,838.24	5,548.84	6,301.08
			Franchise Tax Collected - Tennessee	1,109,797.38	0.00	0.00
			Franchise Tax Collected - Virginia	21.53	0.00	0.00
			Local Tax - Colorado	339.25	149.50	149.50
			Occupational Tax Collections	185,199.64	76,307.04	21,763.20
			State Sales Tax - North Carolina	(412.86)	0.00	0.00
			State Sales Tax - South Carolina	91,151.08	0.00	0.00
			State Sales Tax - Colorado	178,529.11	99,852.62	85,057.13
			State Sales Tax - Georgia	531,887.27	0.00	0.00
			State Sales Tax - Illinois	19,022.41	0.00	0.00
			State Sales Tax - Iowa	(40,880.47)	0.00	0.00
			State Sales Tax - Kansas	243,929.89	0.00	0.00
			State Sales Tax - Kentucky	29,668.39	92,409.48	123,327.75
			State Sales Tax - Louisiana	(30,328.11)	(18,724.49)	17,311.93
			State Sales Tax - Missouri	50,174.69	0.00	0.00
			State Sales Tax - Tennessee	355,455.75	0.00	0.00
			State Sales Tax - Texas	(301,674.33)	(503,757.03)	(69,631.80)
			State Use Tax - Kansas	(453.26)	477.44	638.66
			State Use Tax - Virginia	(1,124.78)	0.00	0.00
			Utility School Tax (Remit monthly)	240,617.09	278,457.09	47,730.41
			Illinois Asst Chg	(77,009.40)	0.00	0.00
			Gross Receipts	165,374.52	0.00	0.00
			Consumer Tax	114,988.58	0.00	0.00
			ICC Sup Fee	(51,001.52)	0.00	0.00
			Illinois Energy Assistance Tax	(14,728.50)	0.00	0.00
			Total Tax Collections Payable	3,682,090.32	1,405,516.43	1,794,270.05
			Atmos - Total Accounts Payable	40,091,831.78	28,388,859.90	41,516,381.18
			United Cities Gas - Total Accounts Payable	0.00	21,771,456.00	14,933,663.54
60	9		Total Accounts Payable	40,091,831.78	50,160,315.90	56,450,044.72
<b>ACCRUED TAXES</b>						
			2360 Accrued Taxes - Other	6,582,971.77	3,277,317.43	4,992,989.56
			Ad Valorem	(361.37)	21.64	0.00
			CNG Use Tax - Kentucky			

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				Employer's Denver City Tax	(319.00)	104.00	104.00
				Employer's FICA Tax	116,459.71	185,829.15	235,029.75
				Federal Motor Fuel Tax-CNG	(9,088.21)	(8,448.90)	(8,448.90)
				Franchise - City	1,305,974.34	549,970.12	408,345.05
				Louisiana State Supervision & Inspection	10,355.81	8,188.86	(3,183.38)
				Parish & City Use Tax - Louisiana	102.65	4,438.91	6,363.31
				Severance Tax	(64,857.13)	2,441.43	(7,737.26)
				State Franchise Tax - Texas	417,957.68	321,116.52	462,957.68
				State Gross Receipts - Texas	(330,493.54)	93,792.67	41,357.44
				State Transportation Tax - Texas	2,162.84	2,162.84	2,784.31
				State Use Tax - Louisiana	104.46	2,909.93	2,995.15
				Unemployment Tax - Federal	13,637.68	5,755.90	696.83
				Unemployment Tax - State - North Carolina	69.49	0.00	0.00
				Unemployment Tax - State - South Carolina	823.48	0.00	0.00
				Unemployment Tax - State - Colorado	471.63	485.31	149.25
				Unemployment Tax - State - Georgia	2,620.53	0.00	0.00
				Unemployment Tax - State - Illinois	1,630.09	0.00	0.00
				Unemployment Tax - State - Iowa	(782.52)	0.00	0.00
				Unemployment Tax - State - Kansas	18,590.95	0.00	0.00
				Unemployment Tax - State - Missouri	2,006.88	0.00	0.00
				Unemployment Tax - State - Tennessee	97,869.10	0.00	0.00
				Unemployment Tax - State - Kentucky	344.92	755.53	(13.12)
				Unemployment Tax - State - Louisiana	393.13	376.98	(4.67)
				Unemployment Tax - State - Texas	5,594.97	7,840.17	616.47
				Unemployment Tax - State - Virginia	144.98	0.00	0.00
				Use Tax (City & State) - Texas	134,350.48	63,755.28	76,522.75
				Tennessee Use Tax (City & State)	50,671.99	0.00	0.00
				Virginia Use Tax (City & State)	2,108.68	0.00	0.00
				Iowa Use Tax (City & State)	1,593.30	0.00	0.00
				Kansas Use Tax (City & State)	19,306.20	0.00	0.00
				Illinois Use Tax (City & State)	(78.95)	0.00	0.00
				South Carolina Use Tax (City & State)	(2,196.55)	0.00	0.00
				Georgia Use Tax (City & State)	3,677.03	0.00	0.00
				Missouri Use Tax (City & State)	5,744.41	0.00	0.00
				Illinois Energy Assistance Tax	(4,523.40)	0.00	0.00
				Virginia License	(55,501.43)	0.00	0.00
				Almos - Total Accrued Taxes	8,329,537.08	4,518,410.96	6,211,524.22
				United Cities Gas - Total Accrued Taxes	0.00	4,514,208.00	5,488,677.46
				Total Accrued Taxes	8,329,537.08	9,032,618.96	11,700,201.68
60	10						

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No.	No.	No.	No.				
<b>INCOME TAXES PAYABLE</b>							
	2360			Accrued Income Taxes	8,619,672.85	4,893,144.05	(6,384,148.36)
				Accrued Income Taxes - Federal	(520,707.92)	624,584.43	(2,236,201.00)
				Accrued Income Taxes - State	8,098,964.93	5,517,728.48	(8,620,349.36)
				Amos - Total Income Taxes Payable	0.00	3,227,561.00	(9,714,291.17)
				United Cities Gas - Total Income Taxes Payable	8,098,964.93	8,745,289.48	(18,334,640.53)
60	11			Total Income Taxes Payable			
<b>DIVIDEND DECLARED</b>							
				Amos	7,981,675.72	4,044,966.50	0.00
				United Cities Gas	0.00	3,388,436.00	0.00
60	12	2380		Dividend Declared	7,981,675.72	7,433,402.50	0.00
<b>CUSTOMERS' DEPOSITS</b>							
	2350			Customers' Deposits	2,223,806.69	3,366,813.12	3,256,848.10
				Customers' Deposits - Colorado	1,483,594.66	2,069,626.34	1,792,539.06
				Customers' Deposits - Kentucky	1,362,496.92	1,596,292.52	1,472,377.99
				Customers' Deposits - Louisiana	2,151,128.57	3,034,621.96	2,765,269.87
				Customers' Deposits - Texas	2,468,370.18	0.00	0.00
				Customers' Deposits - Tennessee	1,622,881.30	0.00	0.00
				Customers' Deposits - Georgia	1,210,038.17	0.00	0.00
				Customers' Deposits - Kansas	228,724.66	0.00	0.00
				Customers' Deposits - Virginia	106,105.81	0.00	0.00
				Customers' Deposits - South Carolina	92,193.39	0.00	0.00
				Customers' Deposits - Illinois	57,241.41	0.00	0.00
				Customers' Deposits - Iowa	47,209.16	0.00	0.00
				Customers' Deposits - Missouri	13,053,790.92	10,067,353.94	9,287,035.02
				Amos - Total Customers' Deposits	0.00	6,398,784.00	5,751,958.00
				United Cities Gas - Total Customers' Deposits	13,053,790.92	16,466,137.94	15,038,993.02
60	13			Total Customers' Deposits			
<b>OTHER CURRENT LIABILITIES</b>							
	2370			Interest Accrued	12,886.45	13,907.47	1,251.00
				Commitment Fee	462,861.18	485,774.64	481,751.04
				Customers' Deposits - Colorado	19,748.41	34,354.75	63,697.94
				Customers' Deposits - Kentucky	14,153.41	22,837.78	44,735.02
				Customers' Deposits - Louisiana	30,976.64	50,863.52	96,217.80
				Customers' Deposits - Texas	42,744.63	0.00	0.00
				Customers' Deposits - Kansas	518,979.97	0.00	0.00
				Customers' Deposits - Tennessee	2,802.31	0.00	0.00
				Customers' Deposits - Illinois	7,364.90	0.00	0.00
				Customers' Deposits - South Carolina			

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Page No.	Line No.	Acct. No.	Description	1998	1997	As of September 30, 1997
			Customer Deposits - Georgia	466,291.48	0.00	0.00
			Customer Deposits - Virginia	28,999.70	0.00	0.00
			Customer Deposits - Missouri	2,956.60	0.00	0.00
			Customer Deposits - Iowa	3,164.06	0.00	0.00
			Long-Term Debt	4,815,271.21	2,896,238.67	3,007,982.43
			Notes Payable	(2,610,743.62)	14,743.98	34,568.61
			Amos - Total Interest Accrued	3,818,459.33	3,518,720.81	3,730,203.84
			United Cities Gas - Total Interest Accrued	0.00	2,949,793.00	0.00
			Total Interest Accrued	3,818,459.33	6,468,513.81	3,730,203.84
			2420 Misc. Current & Accrued Liabilities			
			Accrued Liability Bud Adv Payment	(2,244,119.89)	0.00	0.00
			Separation/Integration Costs	11,755,765.00	0.00	17,000,000.00
			Accrued Benefit Costs	1,895,016.31	0.00	0.00
			UCG Budget Billings	2,244,119.87	0.00	0.00
			UCG Exchange Gas	47,244.93	0.00	0.00
			UCG P/L Refunds	17,017,067.27	0.00	0.00
			UCG Pensions	703.51	0.00	0.00
			UCG Post Retirement Benefits	124,711.05	0.00	0.00
			Workmans Comp	45.00	0.00	0.00
			Capacity Release Credits	(79,934.86)	(79,934.86)	
			FAS 106 - OPEB	7,205,802.02	4,398,180.72	5,246,416.08
			Performance Plan	875,025.15	1,011,380.00	1,450,000.00
			UPFI Exchange	(4,060.00)	0.00	0.00
			Texas Gas Storage	(8,625.00)	0.00	0.00
			Reimbursement Accounts	5,542,553.43	6,106,722.61	2,737,498.56
			Dealer Program	5,690.06	0.00	0.00
			Customer Relations	23,718.38	0.00	0.00
			UCG Tax Payments	325,800.00	0.00	0.00
			Customer Relations 97	(1,675,694.02)	0.00	0.00
			LGA	243,648.56	0.00	0.00
			UCG Miscellaneous	5,897.50	0.00	0.00
			Income Tax Payable at Future Rates	(9,546,783.10)	0.00	0.00
			Accrued Liability Com & Ind Markets	427,904.00	0.00	0.00
			Total Misc. Current & Accrued Liabilities	157,218.00	0.00	0.00
				34,338,713.17	11,436,446.66	26,353,979.78
			2620 Self Insurance Reserve			
			General Liability	2,550,000.00	1,643,387.06	1,000,000.00
			Auto Liability Claims	0.00	0.00	0.00
			Gen. Liab. (Each \$50M Claim Amortized over 12 months)	(523,333.36)	(17,374.99)	0.00
			Workers Compensation	1,625,383.00	1,300,000.00	1,200,000.00
			Total Self Insurance Reserve	3,652,049.64	2,926,012.07	2,200,000.00
			Amos - Total Other Current Liabilities	41,809,222.14	20,830,972.54	32,284,183.62

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	60	14			United Cities Gas - Total Other Current Liabilities	0.00	12,775,859.00	19,297,929.41	
					Total Other Current Liabilities	41,809,222.14	33,606,531.54	51,582,113.03	
	60	15			Intercompany Accounts	0.00	0.00	276,957.00	
	60	16			Total Current Liabilities	255,365,022.57	174,010,596.32	277,113,668.92	
	282				Deferred Federal Income Taxes	74,584,172.45	37,638,382.47	48,721,572.57	
	283				Deferred State Income Taxes	6,558,109.85	3,477,617.55	6,372,806.73	
					Amos - Deferred Income Taxes	81,142,282.30	41,116,000.02	55,094,379.30	
					United Cities Gas - Deferred Income Taxes	0.00	25,478,086.00	26,234,437.68	
	60	17			Total Deferred Income Taxes	81,142,282.30	66,594,086.02	81,328,816.98	
<b>DEFERRED CREDITS AND OTHER LIABILITIES</b>									
	2520				Customer Advances for Construction	10,774,934.86	9,793,606.49	8,776,173.29	
	2530				Other Deferred Credits				
					Advance from UP Alliance	225,000.00	450,000.00	0.00	
					Directors' Fees	192,011.12	93,350.00	107,850.00	
					Outside Directors' Retirement Plan	1,435,678.14	104,667.46	134,289.92	
					FAS 106 - OPEB	6,514,301.61	6,189,687.61	6,171,915.61	
					FAS 109 - Regulatory Liability / Protected	2,291,234.63	2,291,234.63	2,291,234.63	
					KN Master Mfr Transfer	0.00	200,000.00	200,000.00	
					LPSC Settlement (Amort. Heating Sys., Fiscal 96 & 97)	0.00	0.00	0.00	
					Protected Excess Deferred Tax - GGC	221,780.62	221,780.62	221,780.62	
					Regulatory Liability - ITC	392,454.15	392,454.15	392,454.15	
					Rent Amortization - Lafayette Office	104,018.18	170,080.32	160,546.89	
					Retirement Cost	22,360,495.56	19,904,493.74	20,590,905.84	
					Greenville Office Sublease	2,400.00	0.00	0.00	
					Unclaimed Property	0.00	0.00	0.00	
					Deferred Credits	6,184,322.27	0.00	0.00	
					Total Other Deferred Credits	39,923,696.28	30,017,748.53	30,270,977.66	
	2550				Deferred Credits - Accrued I.T.C.	4,295,358.81	4,596,694.81	811,500.81	
					Amos - Total Deferred Credits and Other Liab.	54,993,989.95	44,408,049.83	39,858,651.76	
					United Cities Gas - Total Deferred Credits and Other Liab.	0.00	6,203,947.00	13,729,516.00	
	60	18			Total Deferred Credits and Other Liab.	54,993,989.95	50,611,996.83	53,588,167.76	
	60	19			TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	\$1,024,315,326.51	\$919,682,431.29	\$1,011,626,092.39	

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ALBERTA ELECTRIC COMPANY CONSOLIDATED FINANCIAL STATEMENTS  
 CONSOLIDATED OPERATING REVENUE AND STATISTICS  
 FOR THE MONTH AND YEAR TO DATE ENDED 05/31/98

Line No.	Description (e)	Current Month		Prior Year Actual (d)	Year to Date	
		Actual (b)	Budget (c)		Actual (e)	Budget (f)
1	Degree Days	32	82	101	3,771	3,940
	Meters in service (1)					
2	Residential	889,134	N/A	872,736	887,090	871,212
3	Commercial	96,001		94,128	95,638	93,901
4	Industrial	1,854		1,866	1,892	1,920
5	Public Authority & Other	4,846		4,779	4,845	4,778
6	Agricultural	14,731		15,450	15,035	16,412
7	Total meters in service	1,006,566	N/A	988,959	1,004,500	988,223
	Utility Sales Customers - Regulated (1)					
8	Residential	867,090	N/A	854,948	869,070	855,259
9	Commercial	92,599		91,564	92,914	91,469
10	Industrial	1,244		1,368	1,419	1,376
11	Public Authority & Other	3,617		3,556	3,597	3,528
12	Agricultural	290		301	298	306
13	Total Regulated Sales Customers	964,840	N/A	951,737	967,298	951,938
	Utility Sales Customers - Non Regulated (1)					
14	Industrial	201	N/A	186	194	188
15	Agricultural	6,431		6,690	6,428	6,683
16	Total Non Regulated Sales Customers	6,632	N/A	6,876	6,622	6,871
17	Total Sales Customers (1)	971,472	N/A	958,613	973,920	958,809
18	Transportation Customers (1) (2)	687	N/A	578	628	523
19	Total Utility Customers (1) (2)	972,159	N/A	959,191	974,548	959,332
	Utility Gas Volumes Sold - Regulated (mcf as metered)					
20	Residential	3,699,347	N/A	4,435,058	66,596,955	67,420,393
21	Commercial	1,757,848		2,197,958	30,987,594	32,229,882
22	Industrial	949,344		1,900,320	16,069,400	20,023,428
23	Public Authority & Other	203,831		256,625	4,400,157	4,591,260
24	Agricultural	77,907		87,537	206,113	348,510
25	Unbilled	(2,147,929)		(1,354,907)	(806,756)	1,441,088
26	Total Regulated Gas Volumes	4,540,348	N/A	7,522,591	117,363,463	126,054,561
	Utility Gas Volumes Sold - Non Regulated (mcf as metered)					
27	Industrial	420,117	N/A	497,444	4,050,284	4,236,645
28	Agricultural	2,017,501		394,346	4,938,389	5,363,683
29	Total Non Regulated Gas Volumes	2,437,618	N/A	891,790	8,988,673	9,600,328
30	Total Gas Volumes Sold	6,977,966	N/A	8,414,381	126,352,136	135,654,889
31	Transport volumes (mcf as metered) (2)	4,248,672	N/A	3,964,047	38,371,394	33,152,819
32	Total Operating Volumes (2)	11,226,638	N/A	12,378,428	164,723,530	168,807,708

N/A = Not Available



ATMOS ENERGY CORPORATION UTILITY BUSINESS UNITS  
 CONSOLIDATED OPERATING REVENUE AND STATISTICS  
 FOR THE MONTH AND YEAR TO DATE ENDED 05/31/98

Line No.	Description (a)	Current Month			Year to Date		
		Actual (b)	Budget (c)	Prior Year Actual (d)	Actual (e)	Budget (f)	Prior Year Actual (g)
1	Utility Gas Sales Revenue - Regulated						
2	Residential	\$ 21,780,570.66	N/A	\$ 23,851,174.19	\$ 370,551,833.73	N/A	\$ 378,815,119.06
3	Commercial	9,354,655.26		10,338,789.29	162,419,054.68		166,664,357.49
4	Industrial	3,901,724.24		6,744,280.96	68,679,236.35		82,155,409.15
5	Public Authority & Other	896,801.80		1,085,526.94	18,867,518.11		21,244,998.58
6	Agricultural	230,479.08		263,200.75	732,169.54		1,165,555.62
7	Unbilled	(6,792,756.00)		(3,778,382.00)	(31,657,155.04)		21,886,097.00
	Total Regulated Gas Sales Revenue	29,371,475.04	N/A	38,504,590.13	589,592,657.37	N/A	671,931,536.90
8	Utility Gas Sales Revenue - Non Regulated						
9	Industrial	1,210,674.19	N/A	1,461,231.24	12,592,298.62	N/A	12,667,392.90
10	Agricultural	6,150,296.40		1,358,186.14	15,588,727.91		16,886,452.91
	Total Non Regulated Gas Sales Revenue	7,360,970.59	N/A	2,819,417.38	28,181,026.53	N/A	29,553,845.81
11	Total Utility Gas Sales Revenue	36,732,445.63	48,641,000.00	41,324,007.51	617,773,683.90	698,881,000.00	701,485,382.71
12	Other Gas Revenue	275,237.80	473,000.00	415,102.94	6,242,600.30	5,408,000.00	4,462,840.49
13	Total Utility Gas Revenue	37,007,683.43	49,114,000.00	41,739,110.45	624,016,284.20	704,289,000.00	705,948,223.20
14	Transportation Revenue (2)	2,460,599.70	1,526,000.00	1,531,515.31	18,423,599.71	12,784,000.00	13,521,772.79
15	Other Operating Revenue	0.00	0.00	0.00	0.00	0.00	0.00
16	Total Utility Operating Revenue (2)	\$ 39,468,283.13	\$ 50,640,000.00	\$ 43,270,625.76	\$ 642,439,883.91	\$ 717,073,000.00	\$ 719,469,995.99
	Utility Purchased Gas Cost						
17	Regulated	\$ 18,248,052.40	N/A	\$ 22,353,781.82	\$ 374,873,975.17	N/A	\$ 443,034,882.42
18	Non Regulated	5,543,990.61	N/A	2,428,029.17	24,113,764.17	N/A	24,967,266.51
19	Eliminations	(212,093.15)	N/A	(141,606.45)	(1,506,806.47)	N/A	(1,644,432.32)
20	Total Purchased Gas Cost	\$ 23,579,949.86	\$ 32,121,000.00	\$ 24,640,204.54	\$ 397,480,932.87	\$ 455,611,000.00	\$ 468,357,716.61
21	Gas Sales Margin - Regulated (3)	\$ 11,123,422.64	N/A	\$ 16,150,808.31	\$ 214,718,682.20	N/A	\$ 226,896,654.48
22	Gas Sales Margin - Non Regulated (4)	1,816,979.98	N/A	391,388.21	4,067,262.36	N/A	4,586,579.30
23	Gas Sales Margin - Total (5)	13,152,495.77	16,518,000.00	16,683,802.97	220,292,751.03	243,270,000.00	233,127,666.10
24	Margin per MCF Sold - Regulated (6)	\$ 2.45	N/A	2.15	\$ 1.83	N/A	\$ 1.80
25	Margin per MCF Sold - Non Regulated (6)	0.75	N/A	0.44	0.45	N/A	0.48
26	Margin per MCF Sold - Total (6)	1.88	N/A	1.98	1.74	N/A	1.72

N/A = Not Available

(1) The current month reflects the actual for the respective period as per the Meter Inventory Mgmt System, year to date reflects the average for the respective period.

(2) Reflects intercompany eliminations.

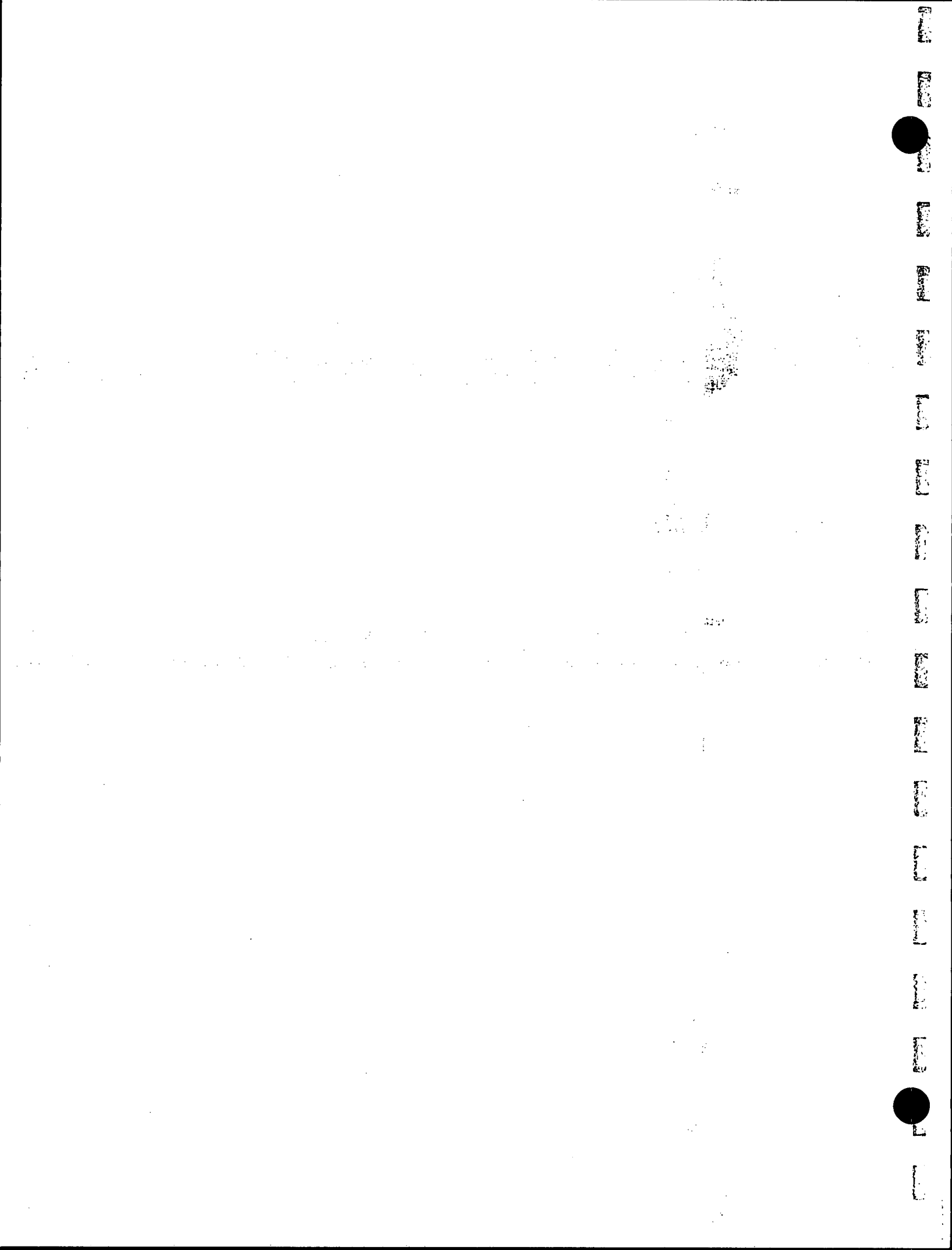
(3) Regulated gas sales revenue minus regulated gas costs.

(4) Non regulated gas sales revenue minus non regulated gas costs.

(5) Total gas sales revenue minus total gas costs.

(6) Gas sales margin divided by gas sales volumes as metered.





ATMOS ENERGY CORPORATION  
OPERATION EXPENSES  
FOR THE MONTH ENDED 05/31/78

Line No.	Description (a)	Current Month	
		Actual (b)	Budget * (c)
<b>Manufactured Gas Production Exp.</b>			
1	717 Liquefied Petroleum Gas Expenses	\$0.00	\$0
2	723 Fuel for L-P Gas Process	0.00	0
3	728 L-P Gas - Raw Materials	0.00	0
4	733 Gas Mixing Expense	9.91	0
5	735 Misc. Production Expenses	205.00	0
6	736 Rents	0.00	0
7	Total Manufactured Gas Prod. Expense	214.91	0
<b>Natural Gas Production Expenses</b>			
8	750 Operation Supervision and Engineering	0.00	0
9	751 Production Maps & Records	0.00	0
10	752 Gas Wells Expenses	0.00	0
11	753 Field Lines Expenses	447.99	0
12	754 Field Compressor Station Expenses	2,837.83	0
13	755 Field Compressor Station Fuel Exp.	3,363.49	0
14	756 Field Meas. & Reg. Station Expenses	7,034.57	0
15	757 Purification Expenses	774.87	0
16	758 Gas Well Royalties	0.00	0
17	759 Operating Expenses - Other	0.00	0
18	760 Rents	0.00	0
19	798 Other Exploration Exp.	100.70	0
20	Total Natural Gas Prod. Expenses	16,539.45	0
<b>Production Extraction</b>			
21	770 Operation Supervision and Engineering	0.00	0
22	771 Operation Labor	714.30	0
23	772 Gas Shrinkage	3,371.09	0
24	773 Fuel	0.00	0
25	774 Power	1,327.76	0
26	777 Gas Production By Others	0.00	0
27	781 Variation in Product Inv.	0.00	0
28	Total Production Extraction Expenses	5,633.15	\$0

\* Budget information not available by account.

ATMOS ENERGY CORPORATION  
OPERATION EXPENSES  
FOR THE MONTH ENDED 6/30/198

Line No.	Description (a)	Current Month	
		Actual (b)	Budget* (c)
<b>Other Gas Supply Expenses</b>			
1	7990 1 Transf. to Purch. Gas Accts. - Cr.	\$0.00	\$0
2	807 Purchased Gas Expenses	9,351.32	0
3	808 Gas Withdrawn from Storage - Dr.	0.00	0
4	809 Gas Delivered to Storage - Cr.	0.00	0
5	812 Gas Used for Other Util. Oper. - Cr.	0.00	0
6	<b>Total Other Gas Supply Expenses</b>	<b>9,351.32</b>	<b>0</b>
<b>Underground Storage Operation Expenses</b>			
7	814 Oper. Supervision-Engineering	0.00	0
8	816 Wells Expense	5,525.47	0
9	817 Lines Expense	4,680.11	0
10	818 Comp. Station Expenses	4,810.55	0
11	819 Comp. Station Fuel & Power	118.47	0
12	820 Misc. Reg. Station Expenses	3,072.80	0
13	821 Purification Expenses	2,330.69	0
14	824 Other Expenses	279.32	0
15	825 Storage Well Royalties	4,448.52	0
16	826 Rents	0.00	0
17	<b>Total Underground Storage Operation Exp.</b>	<b>25,265.93</b>	<b>0</b>
<b>Storage Operation Expenses</b>			
18	841 Labor and Expenses	2,320.01	0
19	842 Rents	0.00	0
20	843 Oper. Supervision-Engineering	0.00	0
21	<b>Total Storage Operation Exp.</b>	<b>2,320.01</b>	<b>0</b>
<b>Transmission Operation Expenses</b>			
22	850 Oper. Supervision-Engineering	1,420.15	0
23	851 System Control-Load Dispatch	0.00	0
24	852 Communications System Expenses	0.00	0
25	853 Comp. Station Labor and Exp.	3,556.07	0

\* Budget information not available by account.

ATMOS ENERGY CORPORATION  
OPERATION EXPENSES  
FOR THE MONTH ENDED 05/31/98

Line No.	Description (a)	Current Month	
		Actual (b)	Budget* (c)
1	854 Gas for Comp. Station Fuel	\$0.00	\$0
2	855 Other Fuel and Pow. for Comp. Station	0.00	0
3	856 Mains Expense	23,196.67	0
4	-857 Measuring and Reg. Sta. Exp.	10,362.57	0
5	858 Trans. and Comp. of Gas by Obj.	0.00	0
6	859 Other Expenses	0.00	0
7	8600 0 Rents	0.00	0
8	8600 8 Building Service	0.00	0
9	Total Transmission Operation Expenses	38,735.46	0
	Distribution Operation Expenses		
10	870 Supervision & Engineering	1,666,899.89	0
11	8710 0 Distribution Load Dispatching	33,178.38	0
12	8710 3 Oxidation Expense	34,212.94	0
13	872 Comp. Station Labor & Expenses	0.00	0
14	873 Comp. Station Fuel and Power	0.00	0
15	874 Mains & Services Expenses	864,497.36	0
16	875 Mesa. & Reg. Sta. Exp. Gen.	90,471.43	0
17	876 Mesa. & Reg. Sta. Exp. Ind.	23,408.68	0
18	877 Mesa. & Reg. Sta. Exp. City Gate	27,419.13	0
19	878 Meter & House Regulator Exp.	715,693.13	0
20	8790 0 Customer Installation Expenses	229,836.12	0
21	8790 1 Customer Installation Exp. - Flat Conn.	0.00	0
22	8790 8 Ingotice Operating Fee Lines	293.01	0
23	8790 9 Customer Service - Gas Lights & Grills	46,856.12	0
24	8800 0 Other Expenses	119,971.42	0
25	8800 1 Distribution Maps & Records	17,840.68	0
26	8810 0 Rents	544,479.17	0
27	8810 8 Building Service	107,444.05	0
28	Total Distribution Operation Expenses	4,522,501.51	0
	Customer Accounts Expenses		
29	901 Supervision	17,837.38	0
30	902 Meter Reading Expenses	500,191.30	0
31	903 Cust. Records & Coll. Expenses	820,933.85	0
32	904 Uncollectible Accounts	435,772.84	0
33	905 Miscellaneous Expenses	8,219.46	0
34	Total Customer Accounts Expenses	\$1,782,954.83	\$0

\* Budget information not available by account.

**ATMOS ENERGY CORPORATION**  
**OPERATION EXPENSES**  
**FOR THE MONTH ENDED 05/31/93**

Line No.	Description (a)	Current Month	
		Actual (b)	Budget* (c)
<b>Customer Service and Information Expenses</b>			
1	909 Supervision	\$117,620.80	\$0
2	910 Customer Assistance Expenses	117,943.37	0
3	911 Inform. Instruct. & Ad Expenses	49,888.77	0
4	912 Misc. Customer Serv. & Info. Exp.	524.99	0
5	Total Customer Service & Info. Exp. Sales Promotion Expenses	285,977.93	0
6	915 Supervision	29,639.11	0
7	916 Demonstrating & Selling Expenses	92,530.42	0
8	917 Advertising Expenses	1,537.76	0
9	918 Miscellaneous Sales Expenses	855.00	0
10	Total Sales Promotion Expenses	124,572.29	0
<b>Administrative &amp; General Operation Expenses</b>			
11	920 Salaries	824,993.09	0
12	921 Office Supplies and Expenses	354,469.47	0
13	922 Admin. Exp. Transf.-Cr.	(1,468,093.32)	0
14	923 Outside Services Employed	271,318.91	0
15	924 Property Insurance	17,044.71	0
16	9250 0 Injuries and Damages	95,165.74	0
17	9250 9 Workmen's Comp. Ins.-Cr.	37,881.33	0
18	9260 0 Employee Welfare Expenses - Debits	2,354,855.46	0
19	9260 1 Pensions	(293,406.00)	0
20	9260 7 Emp. Welfare Exp. - Cr.	(545,015.57)	0
21	9260 9 Pensions - Cr.	90,156.89	0
22	927 Franchise Requirements	11,447.45	0
23	928 Regulatory Commission Exp.	39,245.36	0
24	929 Duplicate Charges-Cr.	(1,953.15)	0
25	9301 General Advertising Expenses	0.00	0
26	9301 Int Goodwill Advertising Expenses	291.57	0
27	9302 Miscellaneous General Expenses	199,295.76	0
28	9310 0 Rents	193,202.90	0
29	9310 8 Building Service	0.00	0
30	Total Admin. & Gen. Operation Expenses	2,180,910.60	0
31	Total Operation Expense	\$8,994,997.39	\$10,726,000

Current month prior year actual, year-to-date actual, year-to-date budget, year-to-date prior year actual, and twelve months ended actual numbers will be provided in upcoming months.

\* Budget information not available by account.

ATMOS ENERGY CORPORATION  
 MAINTENANCE EXPENSES  
 FOR THE MONTH ENDED 05/31/98

Line No.	Description	Current Month	
		Actual	Budget*
<b>Manufactured Gas Prod. Maint. Exp.</b>			
1	740 Maint. Supervision and Engineering	\$0.00	\$0
2	741 Structures and Improvements	0.00	0
3	742 Production Equipment	180.20	0
4	Total Manufactured Gas Prod. Maint. Exp.	180.20	0
<b>Natural Gas Production Maint. Exp.</b>			
5	761 Maint. Supervision and Engineering	0.00	0
6	762 Structures and Improvements	0.00	0
7	763 Maint. of Producing Gas Wells	0.00	0
8	764 Field Lines	763.82	0
9	765 Field Compressor Station Equipment	79.74	0
10	766 Field Meas. and Reg. Station Equip.	275.17	0
11	767 Purification Equip.	114.67	0
12	769 Other Equip.	0.00	0
13	7990 2 Transf. to Purch. Gas Accts. - Cr.	0.00	0
14	Total Natural Gas Prod. Maint. Exp.	1,233.40	0
<b>Production Extraction</b>			
15	784 Maint. Supervision-Engineering	0.00	0
16	786 Extraction & Refining Equip.	409.75	0
17	787 Maint. Of Pipe Lines	0.00	0
18	Total Production Extraction	\$409.75	\$0

\* Budget information not available by account.



**ATMOS ENERGY CORPORATION**  
**MAINTENANCE EXPENSES**  
**FOR THE MONTH ENDED 05/31/98**

Line No.	Description	Current Month	
		Actual	Budget*
<b>Underground Storage Maintenance Expenses</b>			
1	830 Supervision-Engineering	\$0.00	\$0
2	831 Structures & Improvements	196.32	0
3	832 Reservoirs & Wells	0.00	0
4	833 Line Maintenance	0.00	0
5	834 Compressor Station Equipment	1,057.47	0
6	835 Mess. & Reg. Station Equipment	401.50	0
7	836 Purification Equipment	145.83	0
8	837 Other Equipment	0.00	0
9	Total Underground Storage Maintenance Expenses	1,801.12	0
<b>Storage Maintenance Expenses</b>			
10	844 Structures & Improvements	0.00	0
11	845 Gas Holders	0.00	0
12	847 Liquefaction Equipment	404.07	0
13	848 Other Equipment	92.61	0
14	Total Storage Maintenance Expenses	496.68	0
<b>Transmission Maintenance Expenses</b>			
15	861 Supervision-Engineering	0.00	0
16	862 Structures & Improvements	81.37	0
17	863 Maintenance of Mains	1,217.05	0
18	864 Compressor Station Equipment	811.77	0
19	865 Mess. & Reg. Station Equipment	3,940.00	0
20	866 Communications Equipment	0.00	0
21	867 Other Equipment	0.00	0
22	Total Transmission Maintenance Expenses	\$6,050.19	\$0

\* Budget information not available by account.

**ATMOS ENERGY CORPORATION**  
**MAINTENANCE EXPENSES**  
**FOR THE MONTH ENDED 05/31/98**

Line No.	Description	Current Month	
		Actual	Budget*
<b>Distribution Maintenance Expenses</b>			
1	885 Supervision-Engineering	\$105,482.90	\$0
2	886 Structures & Improvements	25,717.88	0
3	887 Maintenance of Mains	345,397.17	0
4	888 Compressor Station Equipment	0.00	0
5	889 Meas. & Reg. Station Equipment-Gen.	22,546.51	0
6	890 Meas. & Reg. Station Equipment-Ind.	11,540.21	0
7	891 Meas. & Reg. Station Equipment C. Gate	8,833.80	0
8	892 Maintenance of Services	92,581.73	0
9	893 Maintenance of Meter & House Regulator	119,227.97	0
10	894 Other Equipment	30,331.56	0
11	Total Distribution Maintenance Expenses	\$761,759.73	\$0
<b>Administrative &amp; General Maintenance Expenses</b>			
12	932 Maintenance of General Plant	4,523.89	0
13	Total Adm. & Gen. Maintenance Expenses	\$4,523.89	\$0
14	Total Maintenance Expenses	\$776,434.96	\$894,000

Current month prior year actual, year-to-date actual, year-to-date budget, year-to-date prior year actual, and twelve months ended actual numbers will be provided in upcoming months.

\* Budget information not available by account.

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
STATEMENTS OF LONG-TERM DEBT  
AS OF MAY 31, 1998

Line No.	Description (a)	Date (b)	Original Issue		1998		1997		Line No.
			Amount (c)	Current Maturities (d)	Outstanding Debt (e)	Current Maturities (f)	Outstanding Debt (g)		
1	11.2% John Hancock Note, due 12-30-02	12-23-87	\$ 20,000,000.00	\$ 2,000,000.00	\$ 10,000,000.00	\$ 2,000,000.00	\$ 12,000,000.00	1	
2	9.76% John Hancock Note, due 12-30-04	10-11-89	30,000,000.00	3,000,000.00	21,000,000.00	3,000,000.00	24,000,000.00	2	
3	9.57% Variable Annuity Life, due 09-30-06	09-30-91	20,000,000.00	2,000,000.00	18,000,000.00	2,000,000.00	20,000,000.00	3	
4	7.95% Variable Annuity Life, due 08-31-06	08-31-92	10,000,000.00	1,000,000.00	9,000,000.00	1,000,000.00	10,000,000.00	4	
5	10% Michael D. Fredericks due 12-31-11	12-31-91	1,151,654.00	0.00	1,151,654.00	0.00	1,151,654.00	5	
6	10% Kingdom Foundation due 12-31-11	12-31-91	1,151,654.00	0.00	1,151,654.00	0.00	1,151,654.00	6	
7	8.07% Variable Annuity Life due 10-31-06	11-14-94	20,000,000.00	1,000,000.00	20,000,000.00	0.00	20,000,000.00	7	
8	8.26% New York Life due 10-31-14	11-14-94	20,000,000.00	0.00	20,000,000.00	0.00	20,000,000.00	8	
9	6.09% NationsBank of Texas due 11-25-98	11-26-96	40,000,000.00	40,000,000.00	40,000,000.00	0.00	40,000,000.00	9	
10	United Cities Gas Company		154,752,506.00	8,627,014.00	152,895,912.00	5,019,770.00	156,876,931.00	10	
	First Mortgage Bonds		317,055,814.00	57,627,014.00	293,199,220.00	13,019,770.00	305,180,239.00		
11	9.4% Series J due 05-01-21	04-01-91	17,000,000.00	0.00	17,000,000.00	0.00	17,000,000.00	11	
12	Total Long-Term Debt		\$ 334,055,814.00	\$ 57,627,014.00	\$ 310,199,220.00	\$ 13,019,770.00	\$ 322,180,239.00	12	
13	Annualized Weighted Average Cost of Long-Term Debt (Including Amort. of Debt Expense)				8.18%		8.69%	13	

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
LABOR STATISTICS BY COMPANY  
FOR THE MONTH, AND YEAR TO DATE ENDED 5/31/98

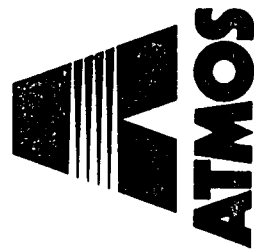
	Month		Year to Date		
	Actual	Prior	Actual	Prior	
		Year		Year	
<b>Labor Costs Distribution (000's):</b>					
Shared Services	\$1,253	\$1,166	\$9,273	\$8,773	
Energas	1,139	1,595	10,641	12,956	
Greeley Gas	853	897	6,650	7,321	
Trans La	404	478	3,477	3,840	
UCG	(12)	2,002	10,813	20,734	
UCG - Non Regulated	298	315	2,513	2,349	
WKG	805	1,097	7,477	8,879	
Total Labor Costs Distributed	\$4,740	\$7,550	\$50,844	\$64,852	
<b>Percentage Labor Capitalized</b>					
Shared Services					6%
Energas					23%
Greeley Gas					31%
Trans La					27%
UCG					44%
UCG - Non Regulated					.0%
WKG					24%
Total Percentage Labor Capitalized					23%
<b>Average Labor Costs Per Employee:</b>					
Shared Services	\$3,315	\$5,229	\$3,960	\$4,831	
Energas	2,805	2,750	2,900	2,728	
Greeley Gas	4,285	3,463	3,550	3,476	
Trans La	2,930	2,880	2,950	2,864	
UCG	2,868	1,885	2,139	2,419	
UCG - Non Regulated	2,180	2,040	2,020	1,970	
WKG	2,972	3,014	3,040	2,995	
Average Labor Costs Per Employee	\$3,018	\$2,685	\$2,705	\$2,852	

# Atmos Energy Corporation

## FINANCIAL STATEMENTS

JUNE, 1998

*Note: These Financial Statements and the Supplemental information contained herein are confidential. Any unauthorized distribution of all or part of these statements is in violation of company policy.*



**ATMOS ENERGY CORPORATION AND SUBSIDIARIES**  
**FINANCIAL STATEMENTS - TABLE OF CONTENTS**  
**AS OF JUNE 30, 1998**

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**Report On  
Atmos Energy Corporation's  
Consolidated Financial Results  
For The Quarter And  
Nine Months Ended  
June 30, 1998**

# **Key Observations**

## **Financial Results For The Quarter**

### **Ended June 30, 1998**

- **EPS (fully diluted) \$0.06 compared with budget of \$0.03 and prior year loss of (\$0.10) .**
- **Results reflect benefits of lower O&M expenses related to integration and reorganization initiatives, increased irrigation sales, and increased net income from non-utility operations. These benefits were partially offset by lower throughput resulting from warmer weather, and depreciation on capital investments.**



# Income Statement - As Reported

(000's except EPS)	3rd Quarter		
	Fiscal 1998	Fiscal 1997	Budget
Operating Revenues	\$ 137,311	\$ 143,713	\$ 169,308
Purchased Gas Cost/Cost of Sale:	<u>79,945</u>	<u>84,167</u>	<u>106,269</u>
Gross Profit	57,366	59,546	63,039
O&M Expense	29,940	37,967	35,598
Depreciation & Amortization	12,332	11,809	12,028
Taxes, Other Than Income	7,212	7,295	7,751
Income Taxes	<u>951</u>	<u>(2,124)</u>	<u>338</u>
Total Operating Expenses	<u>50,435</u>	<u>54,947</u>	<u>55,715</u>
Operating Income	6,931	4,599	7,324
Other Income	2,536	824	1,137
Interest Charges	<u>7,791</u>	<u>8,442</u>	<u>7,699</u>
Net Income	\$ 1,676	\$ (3,019)	\$ 762
Net Income Per Share			
Basic	\$ 0.06	\$ (0.10)	\$ 0.03
Diluted	\$ 0.06	\$ (0.10)	\$ 0.03
Average Shares Outstanding			
Basic	29,910	29,464	30,217
Diluted	29,941	29,507	30,249

# Income Statement - As Reported

	Year to Date		
	Fiscal 1998	Fiscal 1997	Budget
(000's except EPS)			
Operating Revenues	\$ 721,192	\$ 786,974	\$ 800,298
Purchased Gas Cost/Cost of Sales	<u>440,254</u>	<u>505,911</u>	<u>504,747</u>
Gross Profit	280,938	281,063	295,551
O&M Expense	103,977	125,440	115,799
Depreciation & Amortization	36,116	34,874	35,955
Taxes, Other Than Income	24,808	25,607	24,935
Income Taxes	<u>35,945</u>	<u>27,500</u>	<u>37,105</u>
Total Operating Expenses	<u>200,846</u>	<u>213,421</u>	<u>213,794</u>
Operating Income	80,092	67,642	81,757
Other Income	5,540	3,926	4,601
Interest Charges	<u>26,436</u>	<u>25,806</u>	<u>25,145</u>
Net Income	\$ 59,196	\$ 45,762	\$ 61,213
Net Income Per Share			
Basic	\$ 1.99	\$ 1.56	\$ 2.04
Diluted	\$ 1.98	\$ 1.55	\$ 2.02
Average Shares Outstanding			
Basic	29,739	29,361	30,017
Diluted	29,948	29,506	30,277

# Net Income - Normalized

	3rd Quarter		Per Share (1)	Per Share (1)
	1998	1997		
(\$000's except EPS)	Amount	Amount	Amount	Amount
<u>As Reported Net Income</u>	\$ 1,676	\$ (3,019)	\$ 0.06	\$ (0.10)
Sale of Airplane	(450)		(0.02)	
<u>Est. Effects of Weather (after tax)</u>				
Degree Days (gas and propane)	675	(1,103)	0.02	(0.04)
Rainfall	49	1,260	0.00	0.04
<u>Normalized Net Income</u>	\$ 1,950	\$ (2,862)	\$ 0.07	\$ (0.10)

(1) Fully diluted

Note: Totals may not add due to rounding.

# Net Income - Normalized

	Year to Date			
	1998	1997		
(\$000's except EPS)	Amount	Per Share (1)	Amount	Per Share (1)
<u>As Reported Net Income</u>	\$ 59,196	\$ 1.98	\$ 45,762	\$ 1.55
Officer Separation Agreements Sale of Airplane	(450)	(0.02)	2,800	0.10
<u>Est. Effects of Weather (after tax)</u>				
Degree Days (gas and propane)	2,489	0.08	2,365	0.07
Rainfall	644	0.02	1,137	0.04
<u>Normalized Net Income</u>	\$ 61,879	\$ 2.07	\$ 52,065	\$ 1.76

(1) Fully diluted

Note: Totals may not add due to rounding.

# Net Income - Normalized Utility / Non-Utility

3rd Quarter

Utility Non Utility

	1998		1997		1997	
(\$000's except EPS)	Amount	Per Share (1)	Amount	Per Share (1)	Amount	Per Share (1)

<u>As Reported Net Income</u>	\$ (514)	\$ (0.02)	\$ (2,306)	\$ (0.08)	\$ 2,190	\$ 0.08	\$ (712)	\$ (0.02)
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Est. Effects of Weather (after tax)

Degree Days (gas and propane)	1,695	0.06	(1,103)	(0.03)				
Rainfall	49	-	1,260	0.04				

<u>Normalized Net Income</u>	\$ 1,230	\$ 0.04	\$ (2,149)	\$ (0.07)	\$ 2,190	\$ 0.08	\$ (712)	\$ (0.02)
------------------------------	----------	---------	------------	-----------	----------	---------	----------	-----------

(1) Fully diluted

# Net Income - Normalized Utility / Non-Utility

Year to Date

	Utility		Non Utility	
	1998	1997	1998	1997
( \$000's except EPS)	Amount	Per Share (1)	Amount	Per Share (1)
As Reported Net Income	\$ 53,847	\$ 1.80	\$ 42,608	\$ 1.44
Officer Separation Agreements			2,800	0.10
Est. Effects of Weather (after tax)				
Degree Days (gas and propane)	2,022	0.06	(1,316)	(0.05)
Rainfall	644	0.02	1,137	0.04
Normalized Net Income	\$ 56,513	\$ 1.88	\$ 45,229	\$ 1.53
			\$ 6,836	\$ 0.23
			\$ 3,154	\$ 0.11

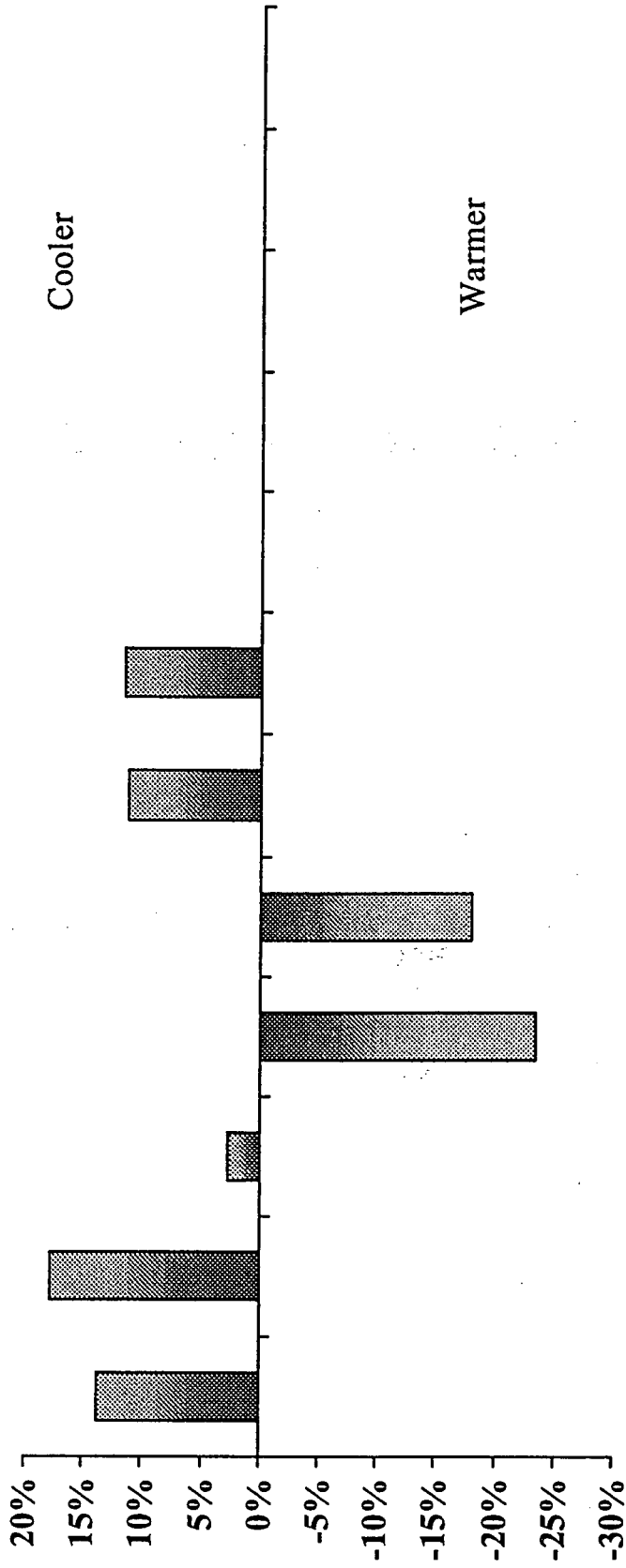
(1) Fully diluted

# Non-Utility Net Income - As Reported

	3rd Quarter		Year to Date	
	1998	1997	1998	1997
(000's)				
Woodward Marketing	\$ 879	\$ 179	\$ 2,341	\$ 1,593
Propane	(1,089)	(1,200)	465	536
Leasing and Rental	733	223	1,207	819
Storage and Other	527	88	770	206
Net Income	\$ 1,050	\$ (710)	\$ 4,783	\$ 3,154

# Degree Days As % Of Normal

Actual Degree Days	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May(1)	June(1)
	240	585	830	698	575	558	253	32	19

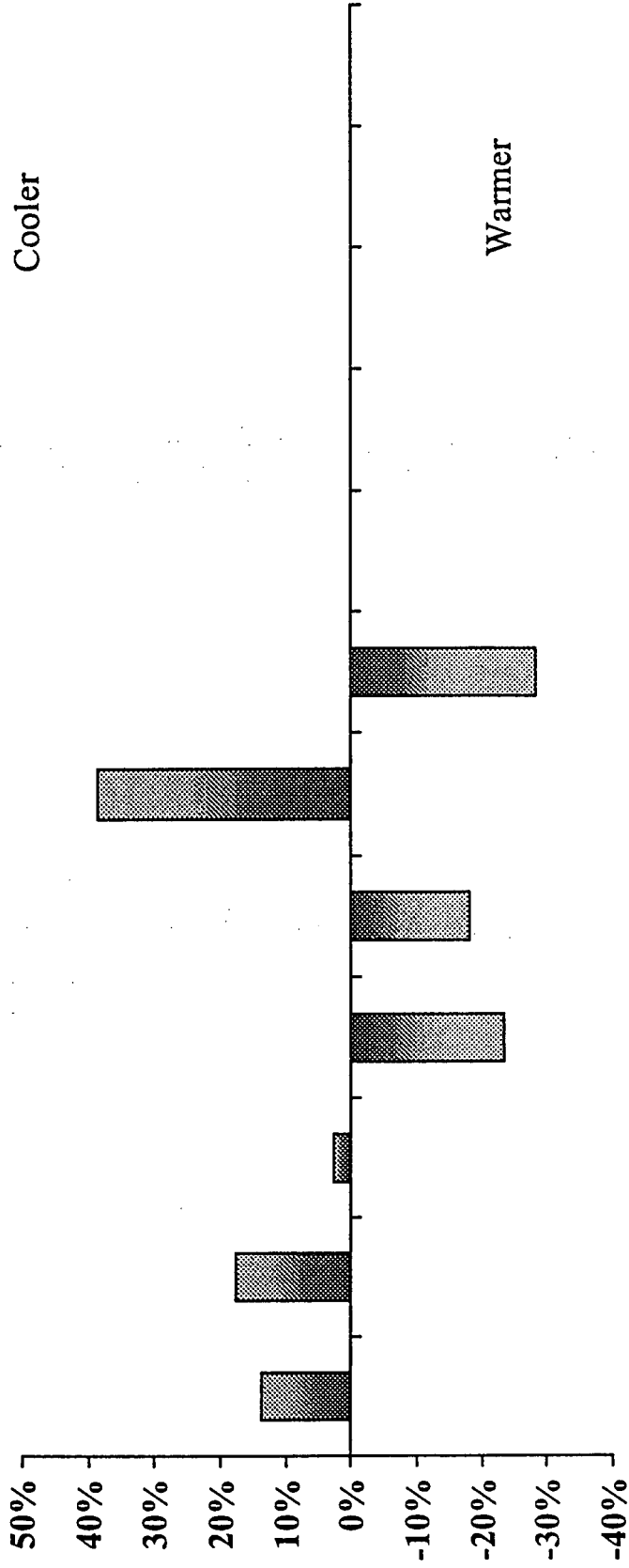


Overall weather for the year is 4% below normal on a degree day basis.  
 January and February, our highest degree day months, suffered the most.  
 (1) Heating degree days are insignificant during the summer.



# Degree Days As % Of Last Year

Actual Degree Days	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May(1)	June(1)
	240	585	830	698	575	558	253	32	19

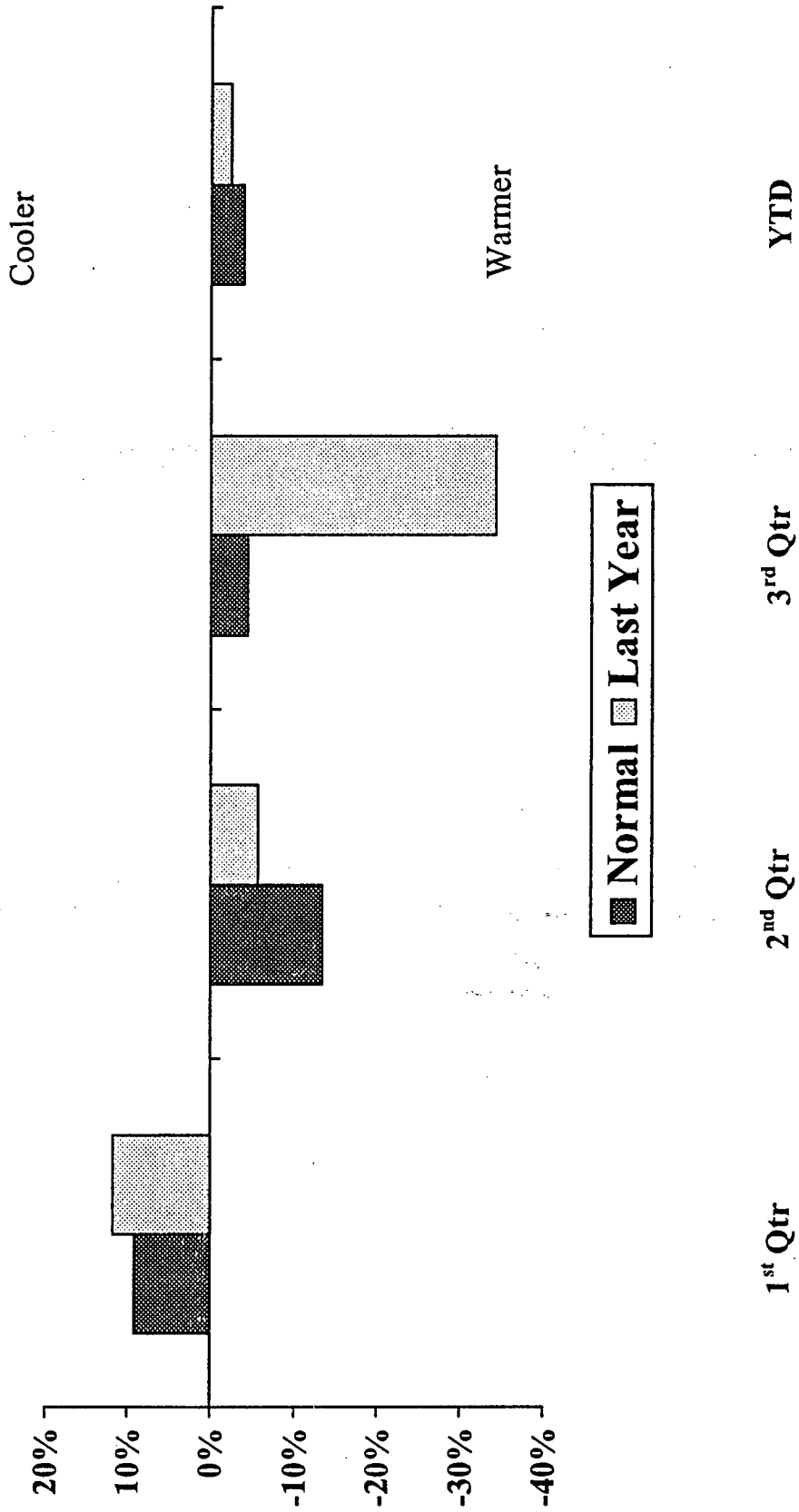


Overall weather for the year was 2.4% warmer than last year on a degree day basis.

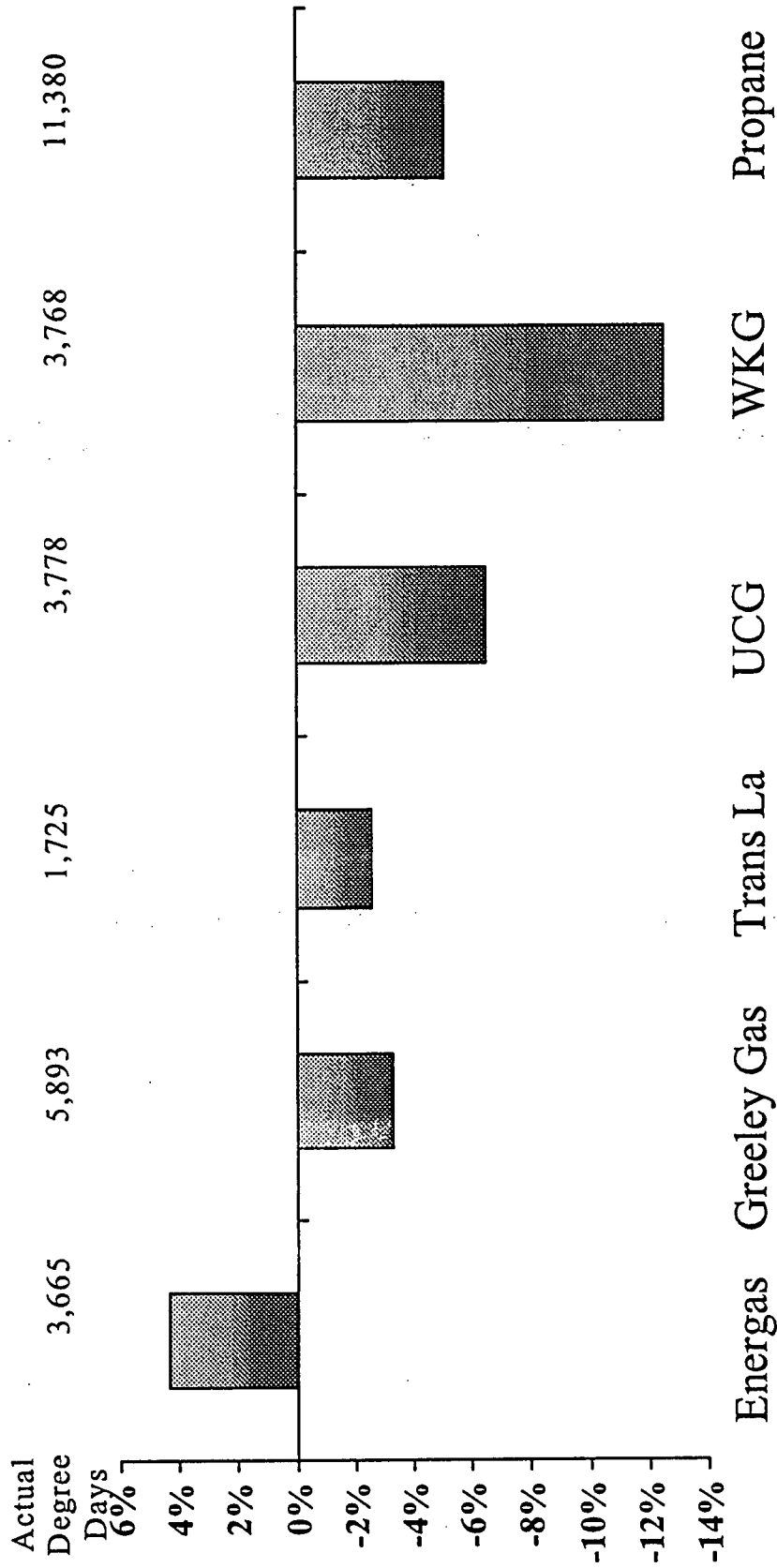
January and February, our highest degree day months, suffered the most.

(1) Heating degree days are insignificant during the summer.

# Degree Days As % Of Normal And Last Year



# Degree Days By Business Unit As % Of Normal (YTD)



# YTD Actual vs. Prior Year As Of June 30, 1998

## Gross Profit Variances - Increase (Decrease)

As The Result Of Weather	Volume Variance (Mmcf)	Prior Margin	\$ Variance (000's)
Regulated sales	(8,499)	\$1.8223	(\$15,488)
Non-regulated sales	1,101	0.6064	668
Transportation sales	5,975	0.4060	2,426
Propane sales	859	0.1874	161
Total weather variances			(12,233)

Transportation  
has stronger  
volume & margin  
than prior year.

## As The Result Of Margins

	Margin Variance	Actual Volume	
Regulated sales	\$0.0669	122,321	8,183
Non-regulated sales	(0.0436)	12,083	(527)
Transportation sales	0.0799	42,733	3,414
Propane sales	(0.0133)	27,741	(370)
Total margin variances			10,700
Other Gas Revenue			1,373
Non-Utility:			
Propane - Other			(385)
Leasing - UCG Energy			20
Rental Div - UCG Energy			270
Utility Services Div - UCG Energy			(42)
United Cities Storage Corp.			172
Total non-utility			35
Total Gross Profit Variances			(\$125)

Volumes are below  
prior year actuals,  
but higher margins  
make up some of the  
loss.

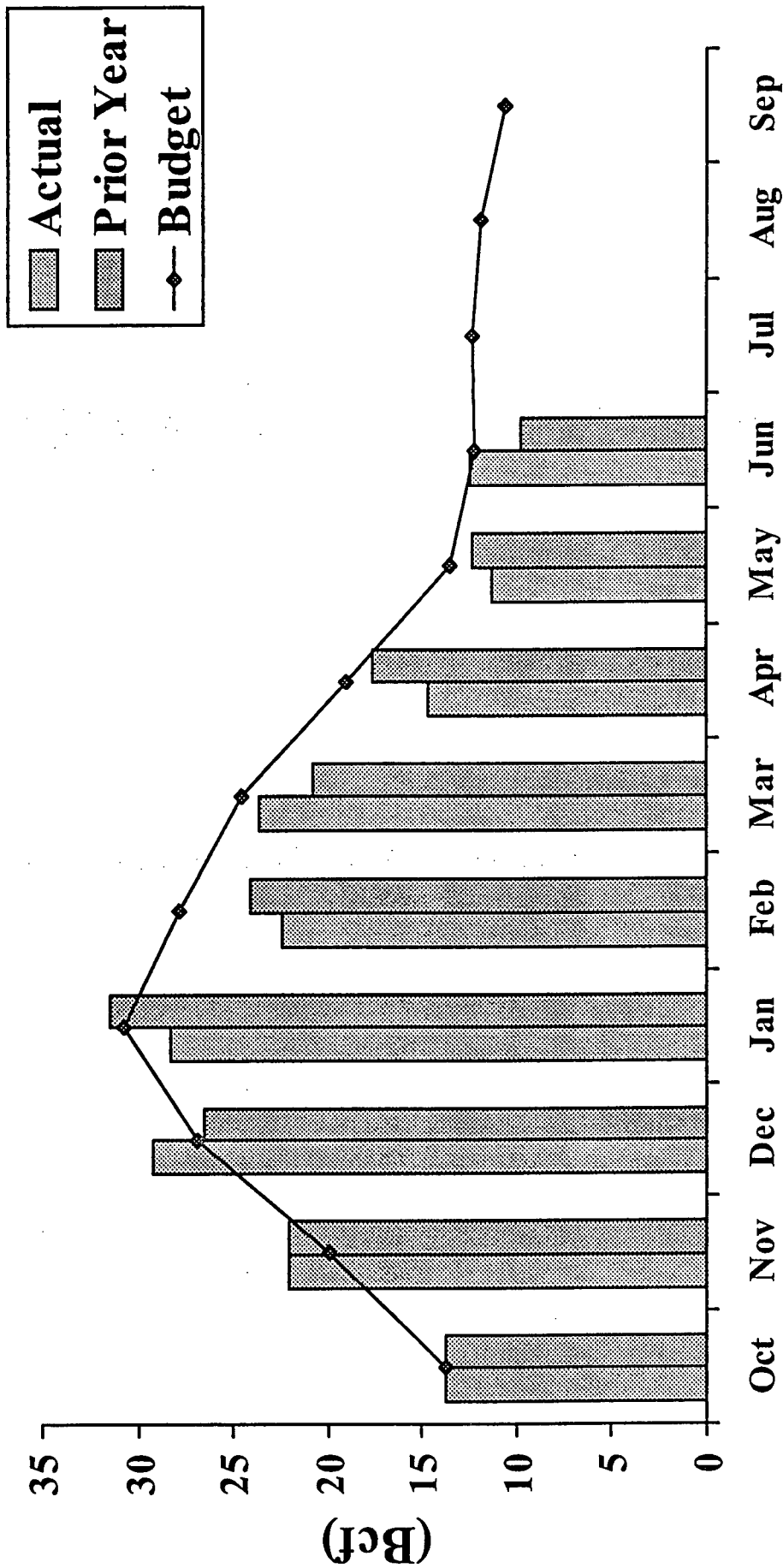
# YTD Actual vs. Prior Year As Of June 30, 1998

	Variance (000's)
Cost Variances - Increase (Decrease)	
Total gross profit variances	\$ (125.00)
Operation	
Atmos utility regulated	(18,702)
Propane	(972)
Irrigation	(547)
Other utility & non-regulated	180
Total operations variances	(20,041)
Maintenance	(1,422)
Depreciation & amortization	1,243
Taxes - other	(799)
Provision for FIT	8,445
Total operating expense variances	(12,574)
Interest charges	666
Total cost variances below prior year actual	(11,908)
Other income variance	1,650
Net income variances	13,433
Prior year reported net income	45,762
Current year reported net income	\$ 59,195

# Operating Data

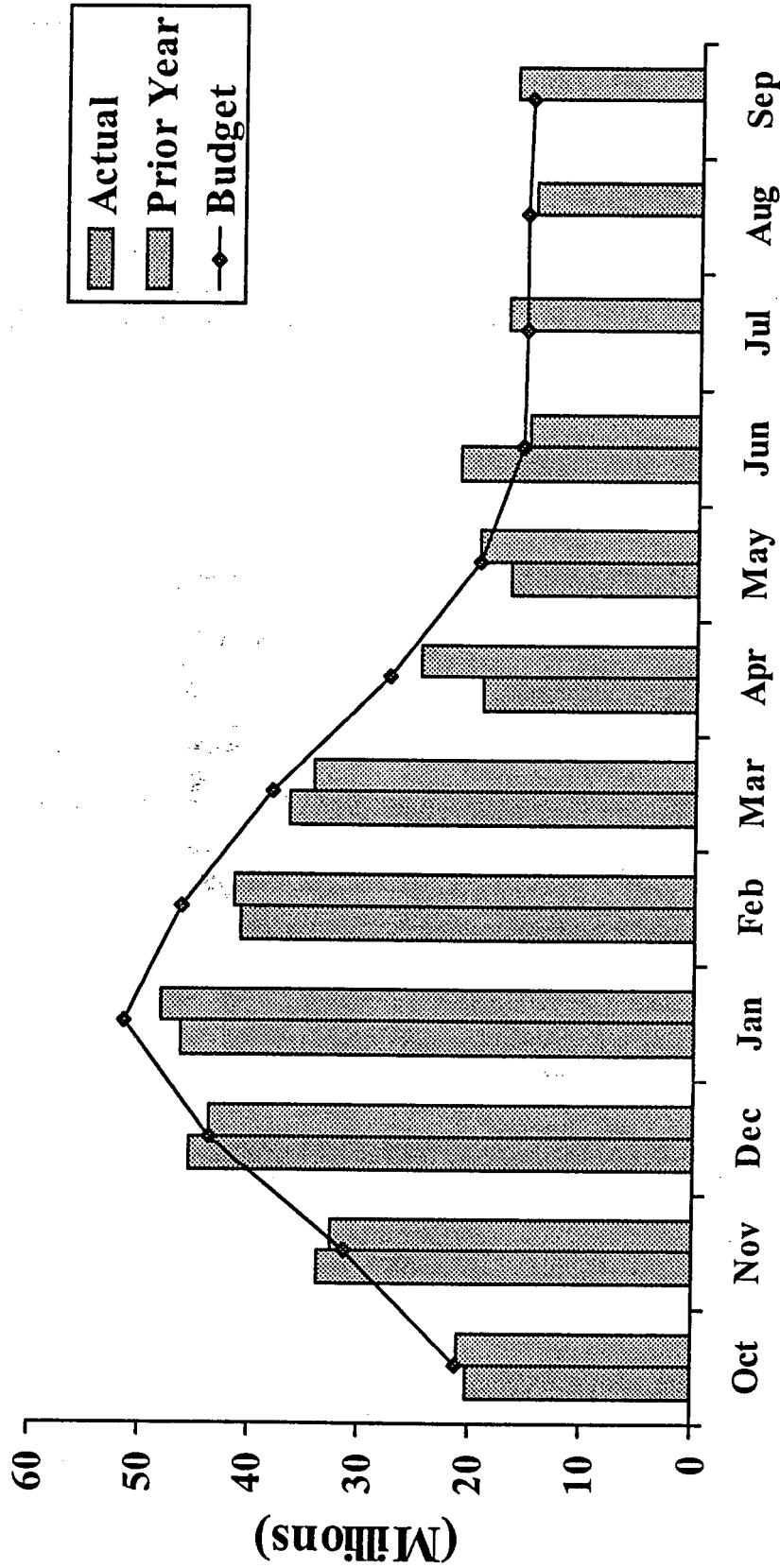
	3rd Quarter		Year to Date	
	1998	1997	1998	1997
Sales Volumes - MMcf				
Residential	8,206	11,136	68,077	70,011
Commercial	4,608	5,789	32,060	33,754
Public authority and other	438	718	4,504	4,767
Total weather sensitive sales	13,252	17,643	104,641	108,532
Industrial	5,180	7,269	21,759	26,538
Irrigation	6,263	3,202	8,003	6,732
Total Sales Volumes	24,695	28,114	134,403	141,802
Transportation volumes - MMcf	13,644	11,674	42,733	36,758
Total volumes delivered - MMcf	38,339	39,788	177,136	178,560
Propane - Gallons (000s)	3,462	3,176	27,742	26,881
Degree Days (natural gas service areas)	304	463	3,790	3,884
Percent of Normal	96%	146%	96%	98%
Customers at end of Period (000s):				
Natural gas (meters)	1,004,610	986,945	1,004,610	986,945
Propane	30,619	29,097	30,619	29,097
Total	1,035,229	1,016,042	1,035,229	1,016,042

# Volumes



■ Impacted by warmer weather.

# Margins

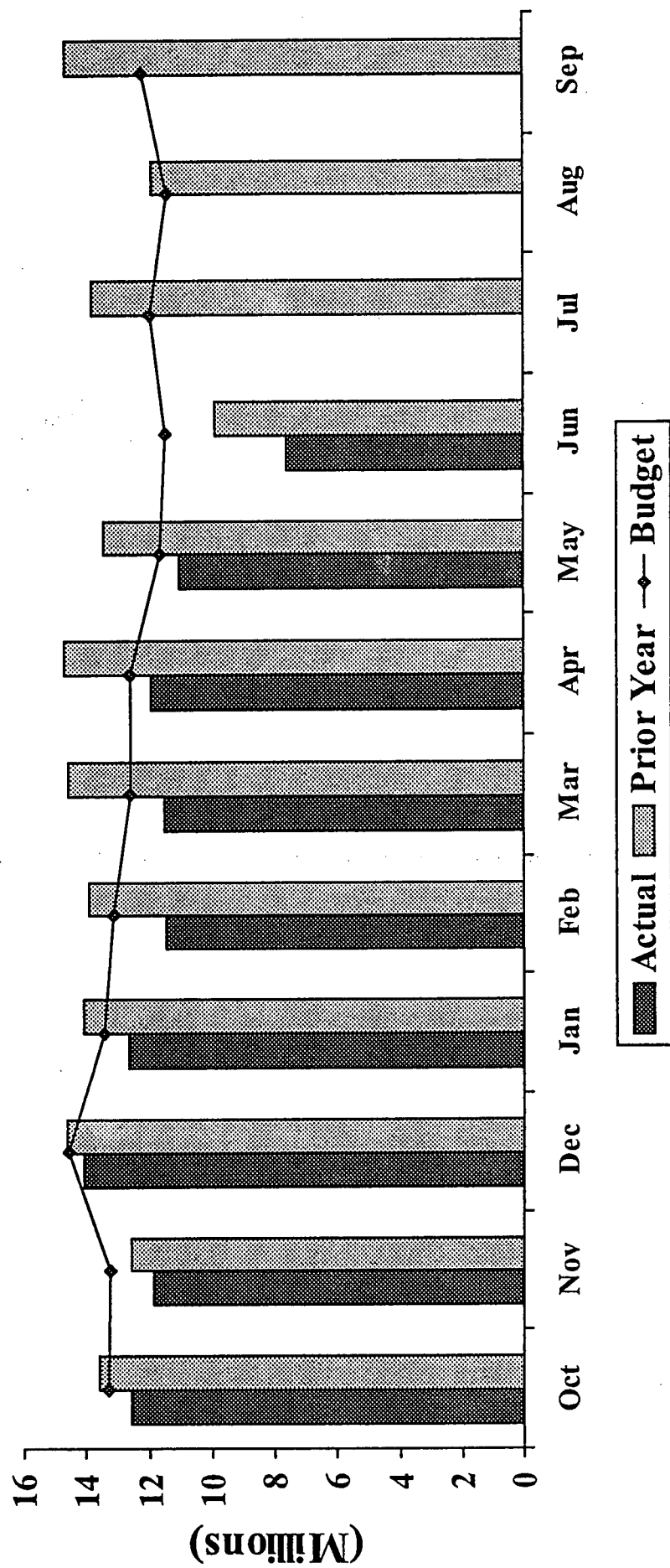


■ Gains in the 1Q were more than off-set by below budget margin in January and February.

■ Remaining budgeted margin is in line with prior year and considering customer growth, should be attainable.

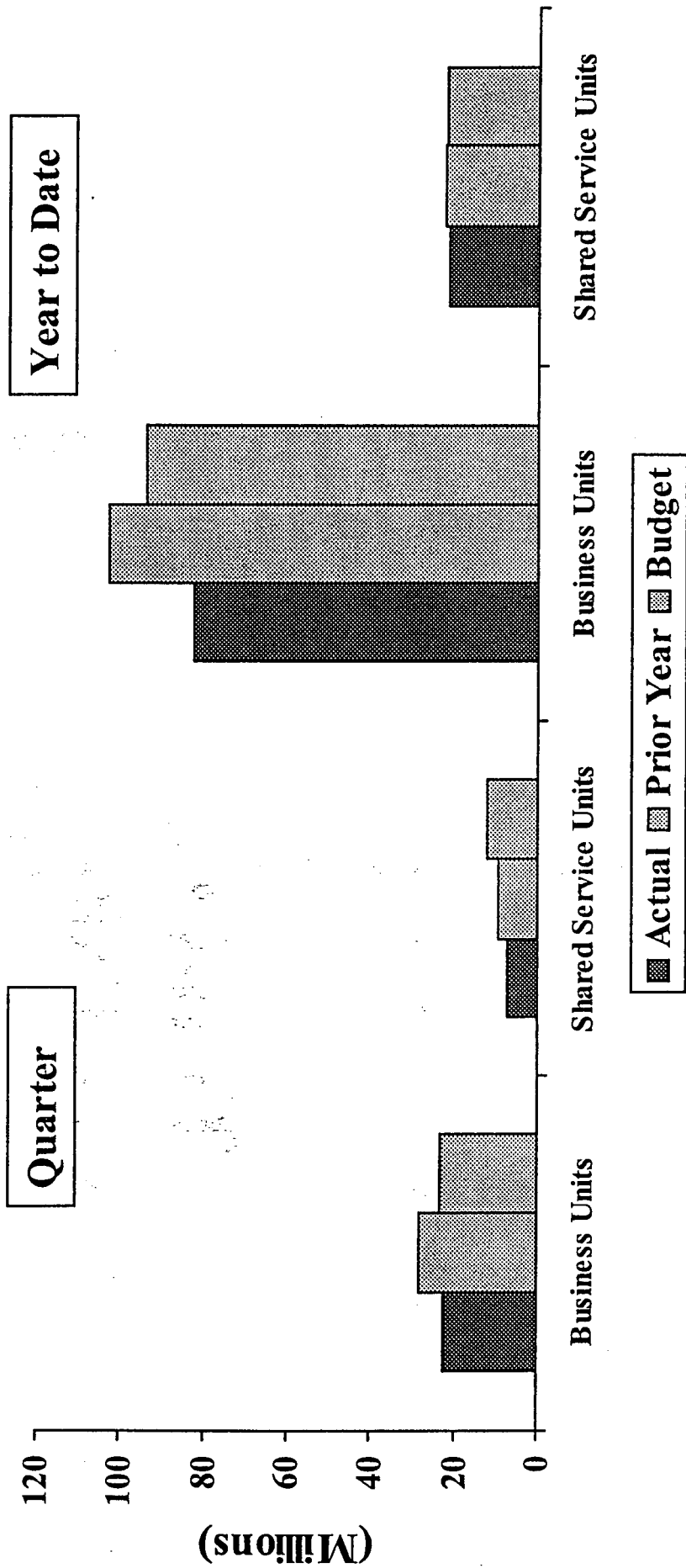


# O&M Expense

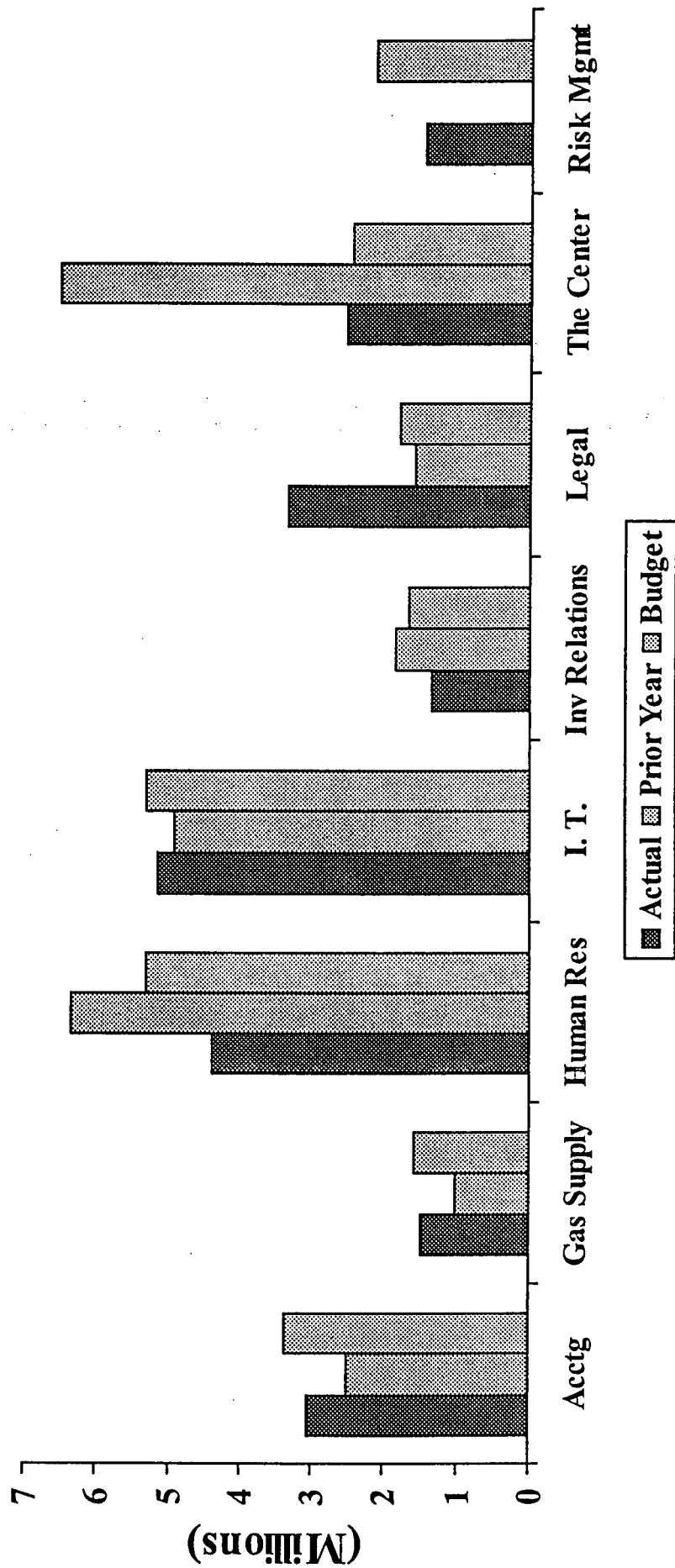


# Total O&M Expense

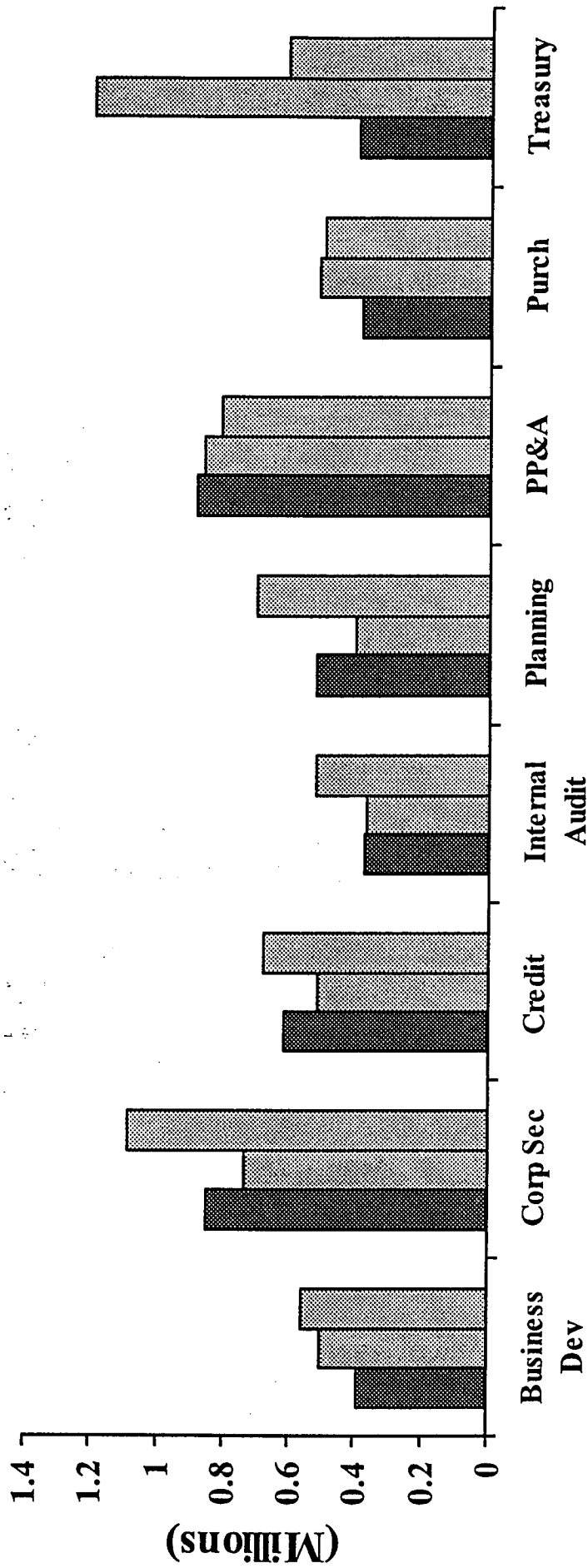
## Business Units & Shared Service Units



# O&M Expense Shared Service Units

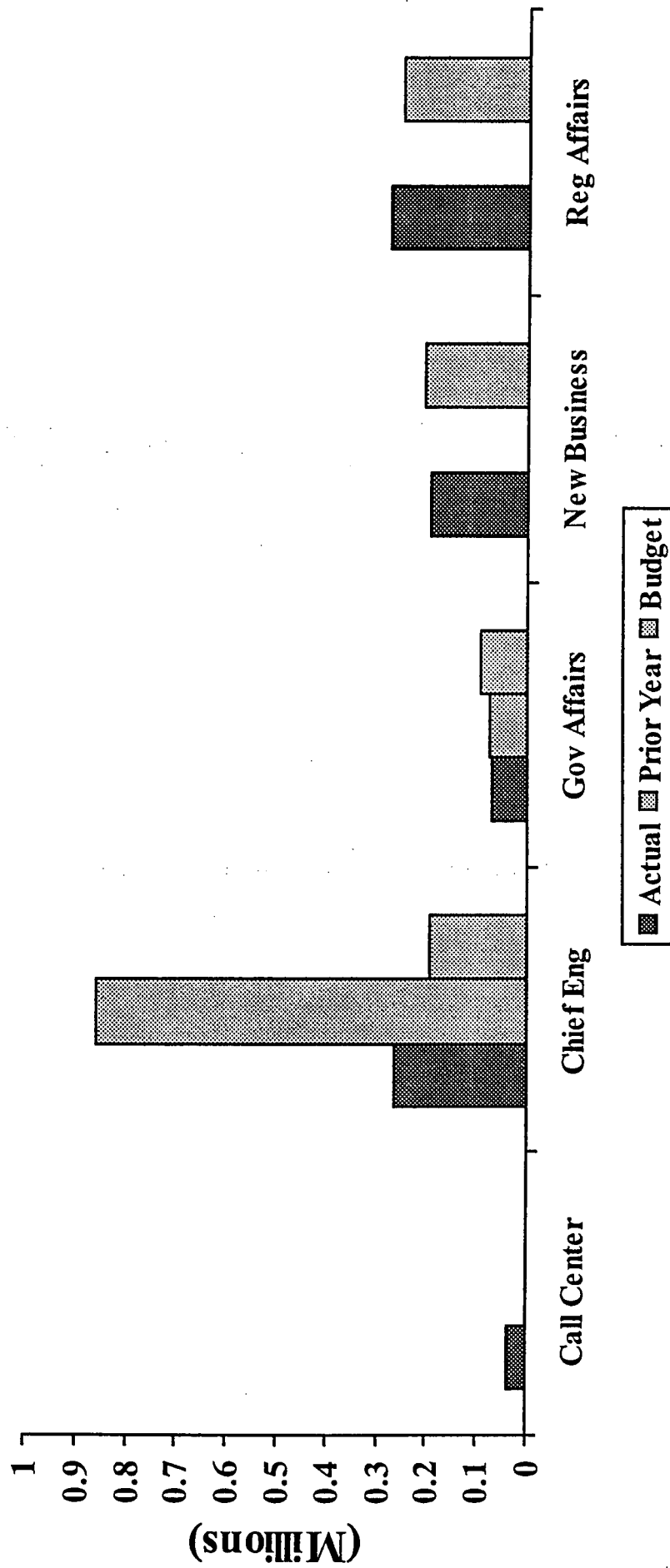


# O&M Expense Shared Service Units

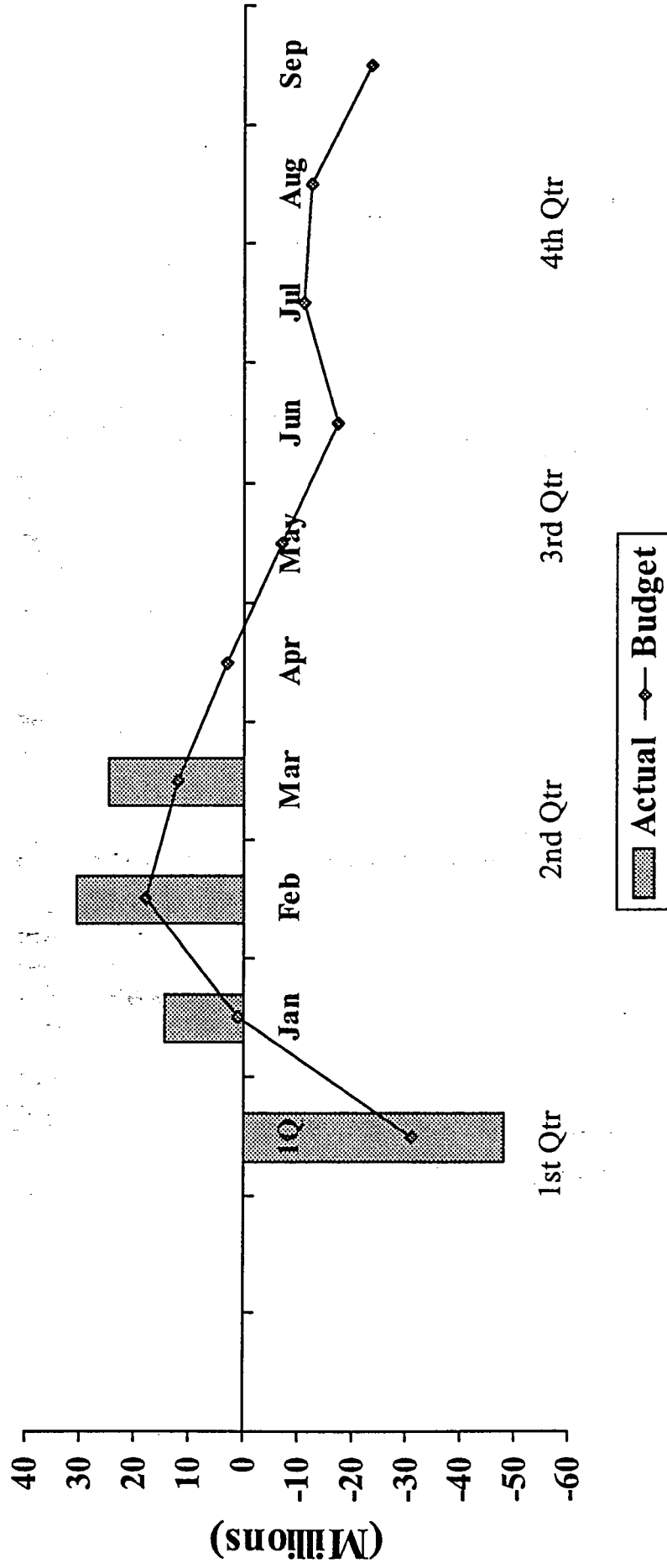


Actual Prior Year Budget

# O&M Expense Shared Service Units



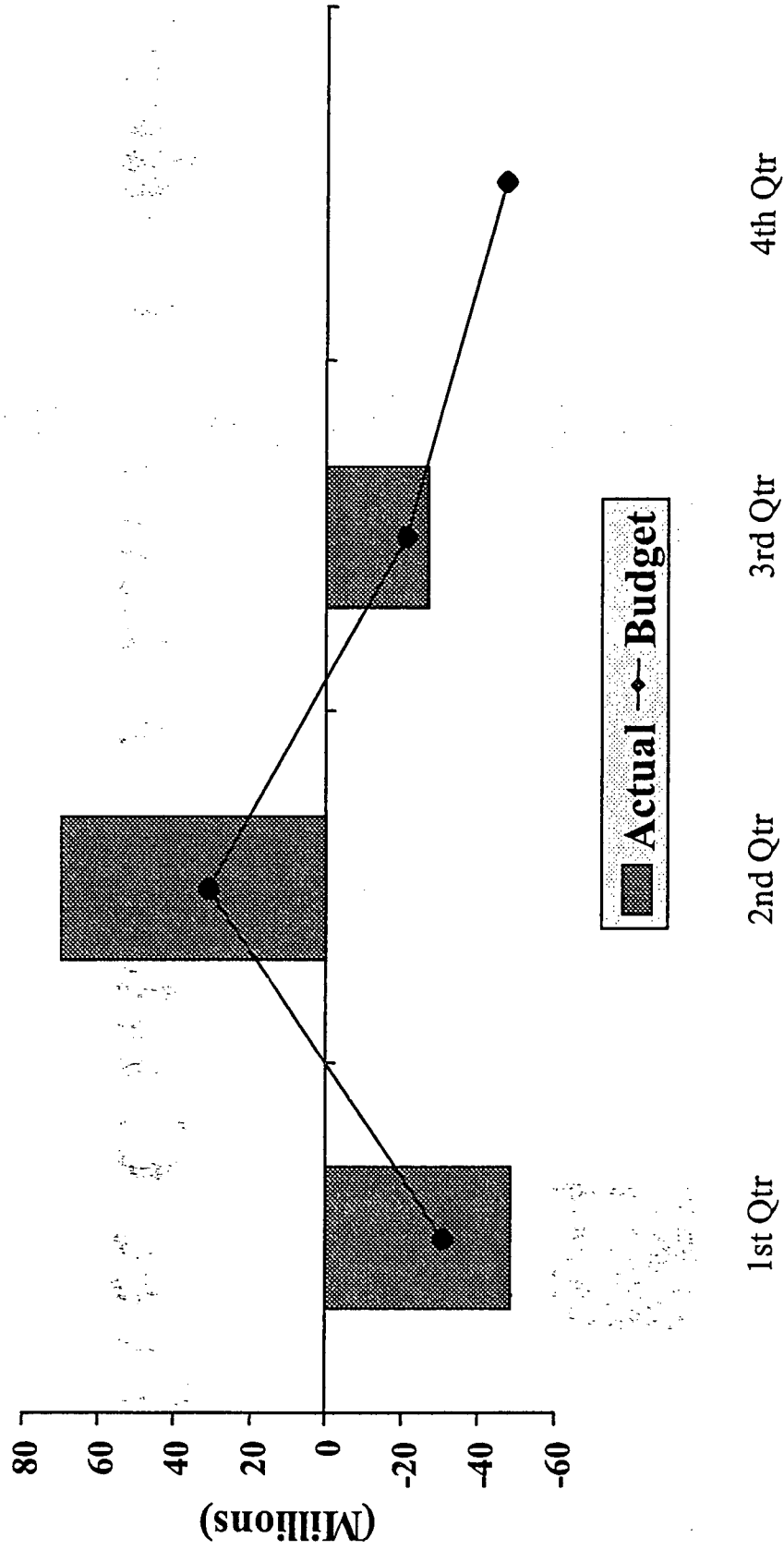
# Consolidated Unrecovered Gas Costs



# Cash Flow Statement - As Reported

	Year to Date	
	1998	1997
(\$000's)		
Net Income	\$ 59,196	\$ 45,762
Depreciation & amortization	39,127	37,744
Changes in working capital and other	26,283	14,264
Merger & integration costs	(27,146)	-
Cash provided by operations	97,460	97,770
Capital expenditures (net)	(78,280)	(85,295)
Debt repayments	(10,796)	(13,510)
Dividends paid	(23,810)	(22,221)
Net cash inflows (outflows)	(15,426)	(23,256)
Cash provided from financing activities	17,698	21,706
Net Increase (Decrease) In Cash	\$ 2,272	\$ (1,550)

# Free Cash Flow after Dividends

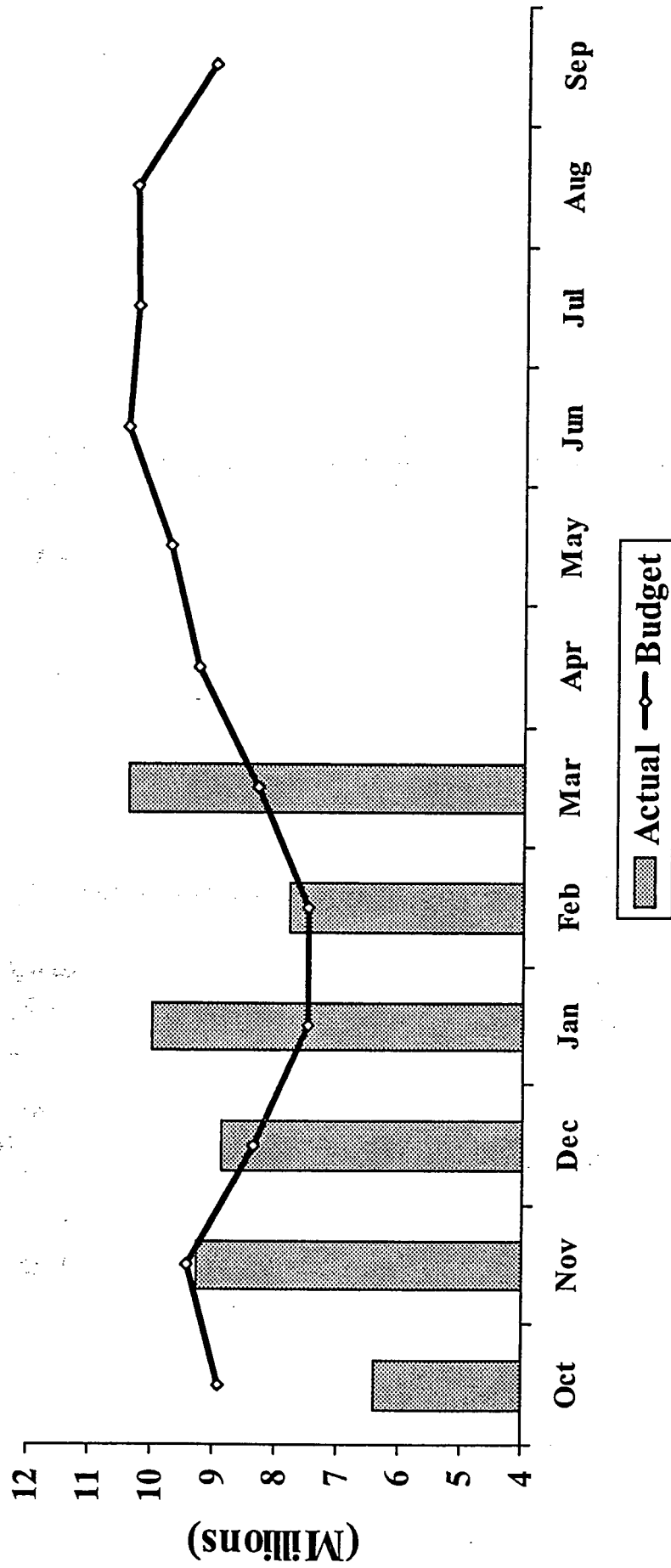




# Capital Expenditures And Customer Growth

	Year to Date		% Meter Growth
	FY 1998	FY1997	
(\$000's)			
Utility Units:			
Energas	\$ 8,554	\$ 16,976	3,354 1.08%
Greeley Gas	7,093	9,082	2,405 2.12%
Trans La	4,200	5,833	973 1.22%
United Cities	17,045	25,405	10,561 3.44%
Western Kentucky	9,087	11,500	1,869 1.07%
Total Utility	\$ 45,979	\$ 68,796	19,162 1.94%
Non-Utility Units:			
Propane	481	1,018	
Storage and Other	40	79	
Leasing and Rental	359	1,427	
Total Non-Utility	880	2,524	
Customer Service Initiative	32,522	4,001	
Shared Services	3,153	9,913	
Total Capital Invested	\$ 82,534	\$ 85,234	

# Capital Expenditures



■ Remainder of year -- I.T. strategic plan and Business Unit spending level

# Pro Forma Capitalization

June 30, 1998

	As Reported	Pro Forma (1)
	\$ 16,700	\$ 10,500
Short-term debt (working capital)		
Short-term debt (to be refinanced or repaid) (1)	\$ 152,550	\$ -
Long-term debt	307,386	456,519
Shareholders' equity	378,394	379,894
Total capitalization	\$ 838,330	\$ 836,413
		100.0%
		45.1%
		36.7%
		18.2%
		54.6%
		45.4%

(1) The Pro Forma column reflects the following subsequent events:

- On July 27, 1998, the Company funded a \$150 million debt offering.
- A sale of office buildings is scheduled for August 8, 1998 with a contract price of \$13.3 million.

# Capitalization

- Debt as a percentage of total capitalization has increased as a result of:
  - CSI investment;
  - Merger and integration costs; and
  - Equity reductions resulting from charges and reserves.
- Target debt ratio -- 50 to 52%.

# Capitalization

- Steps to improve debt/equity ratios to include:
  - Recovery of CSI and merger/integration costs;
  - Direct stock issue:
    - ◆ Dividend Reinvestment (original issuance); and
  - Sale of United Cities real estate investments.

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS  
AS OF 06/30/98

Line No.	Description (a)	1998 (b)	1997 (c)	As of September 30, 1997 (d)	Line No.
<b>ASSETS</b>					
	Property, plant and equipment				
1	Utility plant	\$1,236,585,514.11	\$1,165,914,464.98	\$1,218,370,929.56	1
2	Nonutility plant	81,967,224.44	80,682,060.37	82,632,468.53	2
3	Construction work in progress	92,358,159.37	47,095,578.31	31,668,205.31	3
4		1,410,910,897.92	1,293,692,103.66	1,332,671,603.40	4
5	Less accumulated depreciation and amortization	522,631,207.64	479,806,307.13	483,544,361.22	5
6	Net property, plant and equipment	888,279,690.28	813,885,796.53	849,127,242.18	6
7	Investments in & advances to subsidiaries	0.00	0.00	0.00	7
<b>Current assets</b>					
8	Cash and temporary cash investments	8,288,352.25	7,207,098.81	6,015,412.91	8
9	Accounts receivable, less allowance for doubtful accounts	40,229,136.87	75,419,973.44	71,217,214.52	9
10	Inventories	14,701,093.65	14,313,895.03	12,332,807.62	10
11	Gas stored underground	30,065,246.95	34,548,124.98	48,122,006.36	11
12	Other current assets	5,194,687.34	3,353,599.13	6,017,201.01	12
13	Intercompany accounts - net	0.00	0.00	0.00	13
14	Total current assets	98,478,517.06	134,842,691.39	143,704,642.42	14
15	Deferred charges and other assets	130,079,614.02	68,140,368.21	95,479,101.77	15
16	Total assets	\$1,116,837,821.36	\$1,016,868,856.13	\$1,088,310,986.37	16

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS (Continued)  
AS OF 06/30/98

Line No.	Description (a)	1998 (b)	1997 (c)	As of September 30, 1997 (d)	Line No.
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
Shareholders' equity					
1	Common stock	\$151,082.79	\$147,515.67	\$148,212.18	1
2	Common stock subscribed	0.00	0.00	0.00	2
3	Additional paid-in capital	266,918,504.09	247,772,694.86	251,174,227.94	3
4	Retained earnings	111,324,110.20	105,418,480.65	75,937,292.59	4
5	Total shareholders' equity	378,393,697.08	353,338,691.18	327,259,732.71	5
Long-term debt (including current maturities)					
6		307,386,138.00	321,709,280.00	318,181,824.00	6
7	Total capitalization	685,779,835.08	675,047,971.18	645,441,556.71	7
Current liabilities					
8	Notes payable	169,250,000.00	78,326,000.00	167,300,000.00	8
9	Accounts payable	40,935,127.11	60,401,267.95	62,625,499.15	9
10	Accrued taxes	9,680,599.87	9,345,071.41	12,119,647.37	10
11	Income taxes payable	9,553,442.48	8,997,177.00	(11,703,609.67)	11
12	Dividends declared	0.00	0.00	0.00	12
13	Customers' deposits	12,961,391.31	16,265,318.87	15,097,975.19	13
14	Other current liabilities	43,543,815.50	36,533,462.44	52,582,230.67	14
15	Total current liabilities	285,924,376.27	209,868,297.67	298,021,742.71	15
16	Deferred income taxes	87,636,481.20	75,502,563.64	87,828,170.44	16
17	Deferred credits and other liabilities	57,497,128.81	56,450,023.64	57,019,516.51	17
18	Total liabilities and shareholders' equity	\$1,116,837,821.36	\$1,016,868,856.13	\$1,088,310,986.37	18

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF INCOME  
FOR THE MONTH, YEAR TO DATE AND TWELVE MONTHS ENDED 06/30/98

Line No.	Description (a)	Current Month			Year to Date		Prior Year Actual		Twelve Months Ended	
		Actual (b)	Budget (c)	Prior Year Actual (d)	Actual (e)	Budget (f)	Year Actual (g)	Actual (h)	Line No.	
1	Operating revenues									
2	Gas	\$42,907,417.87	\$37,790,000	\$30,937,068.67	\$666,923,704.07	\$742,096,000	\$736,885,293.87	\$774,873,592.34	1	
3	Transportation	2,339,128.87	1,488,000	1,401,144.29	20,762,729.58	14,272,000	14,922,917.08	25,724,857.67	2	
3	Other	1,718,153.00	1,809,000	1,527,071.00	33,506,229.00	43,930,000	35,165,481.30	40,455,564.00	3	
4	Total operating revenues	46,964,699.74	41,087,000	33,865,283.96	721,192,662.65	800,298,000	786,973,692.25	841,054,014.01	4	
5	Purchased gas cost	25,514,805.20	25,294,000	18,724,675.91	440,254,196.46	504,747,000	505,910,437.82	\$511,525,172.60	5	
6	Gross profit	21,449,894.54	15,793,000	15,140,608.05	280,938,466.19	295,551,000	281,063,254.43	329,528,841.41	6	
7	Operating expenses									
7	Operation	6,572,473.18	10,521,000	8,936,354.59	96,547,766.52	107,723,000	116,588,282.21	\$153,642,783.29	7	
8	Maintenance	951,840.41	898,000	952,849.33	7,429,665.50	8,076,000	8,851,758.87	10,551,321.00	8	
9	Depreciation and amortization	3,990,362.37	4,011,000	4,212,336.47	36,116,023.91	35,955,000	34,873,464.46	46,499,498.90	9	
10	Taxes - other than income taxes	2,359,000.85	2,524,000	2,190,779.59	24,808,142.87	24,935,000	25,607,110.62	31,331,864.67	10	
11	Provision for income taxes	2,610,179.02	(1,781,000)	(1,490,270.00)	35,944,990.60	37,105,000	27,500,239.00	22,742,984.97	11	
12	Total operating expenses	16,483,855.83	16,173,000	14,802,049.98	200,846,589.40	213,794,000	213,420,855.16	264,768,452.83	12	
13	Operating income	4,966,038.71	(380,000)	338,558.07	80,091,876.79	81,757,000	67,642,399.27	64,760,388.58	13	
14	Other income									
14	Merchandise	(43,212.04)	12,000	(586.74)	(48,567.99)	108,000	33,200.57	(42,135.47)	14	
15	Interest income	77,284.32	75,000	162,119.02	1,179,373.13	702,000	1,656,197.01	1,679,141.21	15	
16	Other nonoperating income	1,125,251.62	107,948	14,486.93	669,867.02	932,203	(333,636.67)	676,009.32	16	
17	Equity in earnings - Woodward	825,779.00	(35,948)	(210,374.00)	3,775,582.00	2,858,797	2,570,275.00	4,459,118.00	17	
18	Total other income (loss)	1,985,102.90	159,000	(34,354.79)	5,576,254.16	4,601,000	3,926,035.91	6,772,133.06	18	
19	Income before interest charges	6,951,141.61	(221,000)	304,203.28	85,668,130.95	86,358,000	71,568,435.18	71,532,521.64	19	
20	Interest charges	2,564,118.53	2,642,000	2,806,200.05	26,472,055.18	25,145,000	25,806,272.66	34,260,806.74	20	
21	Net income	\$4,387,023.08	(\$2,863,000)	(\$2,501,996.77)	\$59,196,075.77	\$61,213,000	\$45,762,162.52	\$37,271,714.90	21	
22	Basic earnings per share	\$0.15	(\$0.09)	(\$0.08)	\$1.99	\$2.04	\$1.56	\$1.26	22	
23	Basic avg. common shares outstanding	29,972,806	30,297,000	29,489,571	29,739,426	30,017,000	29,361,493	29,680,356	23	
24	Diluted earnings (loss) per share	\$0.15	(\$0.09)	(\$0.08)	\$1.98	\$2.02	\$1.55	\$1.25	24	
25	Diluted avg. common shares outstanding	30,191,568	30,518,128	29,505,985	29,948,134	30,277,656	29,506,156	29,851,502	25	



ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF INCOME  
FOR THE QUARTER ENDED 06/30/98

Line No.	Description (a)	1998 (b)	Budget (c)	1997 (d)	Line No.
	Operating revenues				
1	Gas	\$124,973,552.41	\$138,045,000	\$134,275,102.10	1
2	Transportation	7,507,396.85	4,549,000	4,563,131.13	2
3	Other	4,830,322.00	6,714,000	4,874,736.00	3
4	Total operating revenues	137,311,271.26	169,308,000	143,712,969.23	4
5	Purchased gas cost	79,945,156.76	106,269,000	84,166,817.62	5
6	Gross profit	57,366,114.50	63,039,000	59,546,151.61	6
	Operating expenses				
7	Operation	27,279,230.68	32,904,000	34,853,605.83	7
8	Maintenance	2,660,767.31	2,694,000	3,114,087.08	8
9	Depreciation	12,331,575.66	12,028,000	11,807,857.20	9
10	Taxes - other than income taxes	7,212,382.54	7,751,000	7,295,139.92	10
11	Provision for income taxes	951,211.21	338,000	(2,123,610.00)	11
12	Total operating expenses	50,435,167.40	55,715,000	54,947,080.03	12
13	Operating income (loss)	6,930,947.10	7,324,000	4,599,071.58	13
	Other income				
14	Merchandise	(148,617.36)	36,000	(15,393.09)	14
15	Interest income	193,396.86	227,000	631,703.07	15
16	Other nonoperating income	1,114,208.35	358,182	(61,010.02)	16
17	Equity in Earnings - Woodward	1,413,514.00	515,818	269,182.00	17
18	Total other income (loss)	2,572,501.85	1,137,000	824,481.96	18
19	Income (loss) before interest charges	9,503,448.95	8,461,000	5,423,553.54	19
20	Interest charges	7,827,532.20	7,699,000	8,442,292.47	20
21	Net income (loss)	\$1,675,916.75	\$762,000	(\$3,018,738.93)	21
22	Basic earnings (loss) per share	\$0.06	\$0.03	(\$0.10)	22
23	Basic average common shares outstanding	29,910,139	30,217,000	29,463,779	23
24	Diluted earnings (loss) per share	\$0.06	\$0.03	(\$0.10)	24
25	Diluted avg. common shares outstanding	\$29,941,423.00	\$30,248,605.00	\$29,506,902.00	25

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATING BALANCE SHEETS  
AS OF 06/30/98

Line No.	Description (a)	Atmos Operating Divisions (b)	Atmos Non Regulated (c)	Eliminations and Adjustments (d)	Consolidated (e)	Line No.
<b>ASSETS</b>						
1	Property, plant and equipment					1
2	Utility plant	\$1,253,248,750.85	\$859,549.26	(\$17,522,786.00)	\$1,236,585,514.11	2
3	Nonutility plant	2,481,914.86	79,485,309.58	0.00	81,967,224.44	3
	Construction work in progress	92,364,333.15	(6,173.78)	0.00	92,358,159.37	
4		1,348,094,998.86	80,338,685.06	(17,522,786.00)	1,410,910,897.92	4
5	Less accumulated depreciation and amortization	517,641,174.66	24,701,997.73	(19,711,964.75)	522,631,207.64	5
6	Net property, plant and equipment	830,453,824.20	55,636,687.33	2,189,178.75	888,279,690.28	6
7	Investments in & advances to subsidiaries	8,353,207.51	0.00	(8,353,207.51)	0.00	7
<b>Current assets</b>						
8	Cash and temporary cash investments	2,086,648.30	6,201,703.95	0.00	8,288,352.25	8
9	Accounts receivable, less allowance for doubtful accounts	36,707,271.08	3,191,735.18	330,130.61	40,229,136.87	9
10	Inventories	13,061,631.65	1,639,462.00	0.00	14,701,093.65	10
11	Gas stored underground	24,797,168.95	5,268,078.00	0.00	30,065,246.95	11
12	Other current assets	4,681,275.52	914,367.82	(400,956.00)	5,194,687.34	12
13	Intercompany accounts - net	(2,215,536.31)	11,006,023.41	(8,790,487.10)	0.00	13
14	Total current assets	79,118,459.19	28,221,370.36	(8,861,312.49)	98,478,517.06	14
15	Deferred charges and other assets	113,706,536.48	16,038,037.52	335,040.02	130,079,614.02	15
16	Total assets	\$1,031,632,027.38	\$99,896,095.21	(\$14,690,301.23)	\$1,116,837,821.36	16

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATING BALANCE SHEETS (Continued)  
AS OF 06/30/98

Line No.	Description (a)	Atmos Operating Divisions (b)	Atmos Non Regulated (c)	Eliminations and Adjustments (d)	Consolidated (e)	Line No.
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>						
Shareholders' equity						
1	Common stock	\$151,082.79	\$1,005,100.00	(\$1,005,100.00)	\$151,082.79	1
2	Common stock subscribed	0.00	0.00	0.00	0.00	2
3	Additional paid-in capital	266,918,503.59	7,348,108.01	(7,348,107.51)	266,918,504.09	3
4	Retained earnings	81,007,839.80	30,316,270.40	0.00	111,324,110.20	4
5	Total shareholders' equity	348,077,426.18	38,669,478.41	(8,353,207.51)	378,393,697.08	5
6	Long-term debt (including current maturities)	288,163,308.00	19,222,830.00	0.00	307,386,138.00	6
7	Total capitalization	636,240,734.18	57,892,308.41	(8,353,207.51)	685,779,835.08	7
Current liabilities						
8	Notes payable	164,000,000.00	5,250,000.00	0.00	169,250,000.00	8
9	Accounts payable	31,238,925.33	9,696,201.78	0.00	40,935,127.11	9
10	Accrued taxes	9,331,929.50	348,670.37	0.00	9,680,599.87	10
11	Income taxes payable	483,256.89	9,070,185.59	0.00	9,553,442.48	11
12	Dividends declared	0.00	0.00	0.00	0.00	12
13	Customers' deposits	12,902,509.14	459,838.17	(400,956.00)	12,961,391.31	13
14	Other current liabilities	42,596,027.00	947,788.50	0.00	43,543,815.50	14
15	Intercompany accounts - net	0.00	8,460,356.49	(8,460,356.49)	0.00	15
16	Total current liabilities	260,552,647.86	34,233,040.90	(8,861,312.49)	285,924,376.27	16
17	Deferred income taxes	81,142,282.30	6,494,198.90	0.00	87,636,481.20	17
18	Deferred credits and other liabilities	53,696,363.04	1,276,547.00	2,524,218.77	57,497,128.81	18
19	Total liabilities and shareholders' equity	\$1,031,632,027.38	\$99,896,095.21	(\$14,690,301.23)	\$1,116,837,821.36	19

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
ELIMINATIONS TO CONSOLIDATING BALANCE SHEET  
AS OF 06/30/98

ELIMINATIONS					
1. Common Stock		\$1,005,100.00			\$1,005,100.00
Investment in and advances to subs					
To eliminate common stock of subs					
2. Paid-in Capital					
Trans La Industrial		2,292,947.89			
WKG Resources		1,603,833.12			
United Cities Storage		3,451,327.00			7,348,108.01
Investment in and advances to subs					
To eliminate paid-in capital of subs					
3. Atmos Utility Plant		2,189,178.75			2,524,218.77
Atmos Deferred Debit		335,040.02			
Atmos Deferred Credit					
To adjust for capital leases associated					
with the sale/lease back transaction					
with the Gilliland Group					
4. Intercompany Accounts- UCGC					
Customer Deposits		400,956.00			400,956.00
Prepays					
To eliminate UCGS deposit from UCGC					
5. Intercompany Accounts UCGC					
Cash		0.00			
Accounts Receivable		330,130.61			0.00
Misc. Deferred Debits					0.00
Misc. Current Liabilities					
Intercompany Accounts Payable		0.00			
To eliminate intercompany accounts					
6. Intercompany Accounts Payable - Egasco		(1,586,987.49)			
- Services		9,434.98			
- United Cities Gas		0.00			
- United Cities Energy		7,714,243.00			
- United Cities Storage		2,323,666.00			
- United Cities Propane		0.00			
Intercompany Accounts Receivable		0.00			8,790,487.10
To eliminate Intercompany - Net					
<b>Total Eliminations</b>		<b>\$20,068,869.88</b>			<b>\$20,068,869.88</b>
<b>ADJUSTMENTS</b>					
7. WKG Accumulated Provision					
WKG Division Utility Plant					
To adjust 11-30-1987 depreciation on		\$280,000			
WKG Division - amortization Month		4,816,000			
To date					
8. Trans La Accumulated Provision					
Trans La Division Utility Plant					
To adjust 12-31-85 depreciation on		48,202			
Trans La Division - amortization Month		7,214,140			
To date					
9. Trans La Industrial Accumulated Provision					
Trans La Industrial Utility Plant					
To adjust 12-31-85 depreciation on		550			
Trans La Industrial - amortization Month		82,500			
To date					
					40,138.92
					4,478,640.51
					\$15,193,185.32

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATING BALANCE SHEET - NON REGULATED  
AS OF 06/30/98

1998

Line No.	Description (a)	ATMOS SERVICES (b)	EGASCO INC. (c)	ENERMART (d)	TRANS LA INDUSTRIAL (e)	UCG ENERGY CORP. (f)	UCG STORAGE CO. (g)	WKG RESOURCES (h)	Eliminations and Adjustments (i)	Consolidated (j)	Line No.
<b>ASSETS</b>											
1	Property, plant and equipment										
2	Utility plant	\$0.00	\$0.00	\$0.00	\$859,549.26	\$0.00	\$0.00	\$0.00	\$0.00	\$859,549.26	1
3	Nonutility plant	0.00	0.00	0.00	0.00	58,940,485.00	19,991,021.00	553,803.58	0.00	79,485,309.58	2
3	Construction work in progress	0.00	0.00	0.00	(6,173.78)	0.00	0.00	0.00	0.00	(6,173.78)	3
4	Less accumulated depreciation and amortization	0.00	0.00	0.00	853,375.48	58,940,485.00	19,991,021.00	553,803.58	0.00	80,338,685.06	4
5		0.00	0.00	0.00	478,000.06	21,300,414.00	2,816,645.00	106,938.67	0.00	24,701,997.73	5
6	Net property, plant and equipment	0.00	0.00	0.00	375,375.42	37,640,071.00	17,174,376.00	446,864.91	0.00	55,636,687.33	6
7	Investments in & advances to subsidiaries	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7
<b>Current assets</b>											
8	Cash and temporary cash investments	1,216.00	4,771.02	7,995.55	1,368.35	3,207,903.00	2,973,022.00	5,428.03	0.00	6,201,703.95	8
9	Accounts receivable, less allowance for doubtful accounts	512,000.00	17,000.06	1,629,791.68	676,612.94	352,511.00	5,151.00	(1,331.50)	0.00	3,191,735.18	9
10	Inventories	0.00	0.00	0.00	0.00	1,636,783.00	2,679.00	0.00	0.00	1,639,462.00	10
11	Gas stored underground	0.00	0.00	0.00	0.00	0.00	5,268,078.00	0.00	0.00	5,268,078.00	11
12	Other current assets	0.00	0.00	29,159.91	16,240.23	858,856.00	(1,400.00)	11,511.68	0.00	914,367.82	12
13	Intercompany accounts - net	0.00	0.00	6,539,578.05	2,526,308.23	526,823.00	352,370.00	1,060,944.13	0.00	11,006,023.41	13
14	Total current assets	513,216.00	21,771.08	8,206,525.19	3,220,529.75	6,582,876.00	8,599,900.00	1,076,552.34	0.00	28,221,370.36	14
15	Deferred charges and other assets	0.00	600,126.27	0.00	12,880.33	15,025,972.00	341,227.00	57,881.92	0.00	16,038,037.52	15
16	Total assets	\$513,216.00	\$621,897.35	\$8,206,525.19	\$3,608,785.50	\$59,248,869.00	\$26,115,503.00	\$1,581,299.17	\$0.00	\$99,896,095.21	16

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATING BALANCE SHEET - NON REGULATED  
AS OF 06/30/98

Line No.	Description (a)	1998										Eliminations and Adjustments (i)	Consolidated (j)	Line No.
		ATMOS SERVICES (b)	EOASCO, INC. (c)	ENERMART (d)	TRANS LA INDUSTRIAL (e)	UCG ENERGY CORP. (f)	UCG STORAGE CO. (g)	W K G RESOURCES (h)						
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>														
<b>Shareholders' equity</b>														
1	Common stock	\$1,000.00	\$1,000.00	\$1,000.00	\$100.00	\$1,000,000.00	\$1,000.00	\$1,000.00	\$0.00	\$0.00	\$1,005,100.00	\$0.00	\$1,005,100.00	1
2	Common stock subscribed	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2
3	Additional paid-in capital	0.00	0.00	0.00	2,292,947.89	0.00	3,451,377.00	1,603,833.12	0.00	0.00	7,348,108.01	0.00	7,348,108.01	3
4	Retained earnings	326,807.67	(250,769.20)	1,263,837.23	515,150.26	24,065,913.00	4,422,040.00	(26,708.56)	0.00	0.00	30,316,270.40	0.00	30,316,270.40	4
5	Total shareholders' equity	327,807.67	(249,769.20)	1,264,837.23	2,808,198.15	25,065,913.00	7,874,367.00	1,578,124.56	0.00	0.00	38,669,478.41	0.00	38,669,478.41	5
<b>Long-term debt (including current maturities)</b>														
6		0.00	0.00	0.00	0.00	10,818,608.00	8,404,222.00	0.00	0.00	0.00	19,222,830.00	0.00	19,222,830.00	6
7	Total capitalization	327,807.67	(249,769.20)	1,264,837.23	2,808,198.15	35,884,521.00	16,278,589.00	1,578,124.56	0.00	0.00	57,892,308.41	0.00	57,892,308.41	7
<b>Current liabilities</b>														
8	Notes payable	0.00	0.00	0.00	0.00	5,250,000.00	0.00	0.00	0.00	0.00	5,250,000.00	0.00	5,250,000.00	8
9	Accounts payable	0.00	2,355,334.38	6,404,886.25	335,667.98	598,666.00	0.00	1,647.17	0.00	0.00	9,696,201.78	0.00	9,696,201.78	9
10	Accrued taxes	0.00	2,608.56	31,510.21	31,803.42	284,942.00	0.00	(2,193.82)	0.00	0.00	348,670.37	0.00	348,670.37	10
11	Income taxes payable	175,973.35	100,711.10	505,291.50	274,346.59	6,610,126.00	1,419,354.00	(15,616.95)	0.00	0.00	9,070,185.59	0.00	9,070,185.59	11
12	Dividends declared	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12
13	Customers' deposits	0.00	0.00	0.00	58,882.17	0.00	400,956.00	0.00	0.00	0.00	459,838.17	0.00	459,838.17	13
14	Other current liabilities	0.00	0.00	0.00	18,367.50	627,243.00	302,178.00	0.00	0.00	0.00	947,788.50	0.00	947,788.50	14
15	Intercompany accounts - net	9,434.98	(1,586,987.49)	0.00	0.00	7,714,243.00	2,323,666.00	0.00	0.00	0.00	8,460,356.49	0.00	8,460,356.49	15
16	Total current liabilities	185,408.33	871,666.55	6,941,687.96	719,067.66	21,085,220.00	4,446,154.00	(16,163.60)	0.00	0.00	34,233,040.90	0.00	34,233,040.90	16
17	Deferred income taxes	0.00	0.00	0.00	81,519.69	1,270,604.00	5,122,737.00	19,338.21	0.00	0.00	6,494,198.90	0.00	6,494,198.90	17
18	Deferred credits and other liabilities	0.00	0.00	0.00	0.00	1,008,574.00	268,023.00	0.00	0.00	0.00	1,276,547.00	0.00	1,276,547.00	18
19	Total liabilities and shareholders' equity	\$513,216.00	\$621,897.35	\$8,206,525.19	\$3,608,785.50	\$59,248,869.00	\$26,115,503.00	\$1,581,299.17	\$0.00	\$0.00	\$99,896,095.21	\$0.00	\$99,896,095.21	19

ATMOS ENERGY CORPORATION  
CONSOLIDATING STATEMENTS OF INCOME  
FOR THE MONTH ENDED JUNE 30, 1998

Line No.	Description (a)	Current Month						Total Atmos Consolidated (h)	Line No.
		Regulated (1) (b)	Non-Regulated (2) (c)	Eliminations (d)	Total (e)	Non-Utility Operations (3) (f)	Shared Services (g)		
1	Operating revenues								
1	Gas	\$33,189,477.69	\$9,717,940.18		\$42,907,417.87	\$0.00		\$42,907,417.87	1
2	Transportation	2,437,054.38	6,166.30	(104,091.81)	2,339,128.87	0.00		2,339,128.87	2
3	Other	0.00	0.00		0.00	1,718,153.00		1,718,153.00	3
4	Total operating revenues	35,626,532.07	9,724,106.48	(104,091.81)	45,246,546.74	1,718,153.00	0.00	46,964,699.74	4
5	Purchased gas cost	16,531,913.06	8,421,127.99	(103,677.85)	24,849,363.20	665,442.00		25,514,805.20	5
6	Gross profit	19,094,619.01	1,302,978.49	(413.96)	20,397,183.54	1,052,711.00	0.00	21,449,894.54	6
7	Operating expenses								
7	Operation	2,880,095.74	419,988.29		3,300,084.03	643,488.00	1,625,849.85	5,569,421.88	7
8	Maintenance	910,246.75	0.00		910,246.75	40,256.00	1,337.66	951,840.41	8
9	Depreciation	3,356,442.06	2,865.00		3,359,307.06	360,136.00	270,919.31	3,990,362.37	9
10	Taxes - other than income taxes	2,210,624.87	6,982.97		2,217,607.84	79,133.00	62,260.01	2,359,000.85	10
11	Shared Services - direct	1,003,051.30	0.00		1,003,051.30	0.00	0.00	1,003,051.30	11
12	Shared Services - billed	2,443,675.98	25,179.14	511.71	2,469,366.83	56,000.00	(2,525,366.83)	0.00	12
13	Provision for income taxes	1,665,272.86	278,206.16		1,943,479.02	666,700.00	0.00	2,610,179.02	13
14	Total operating expenses	14,469,409.56	733,221.56	511.71	15,203,142.83	1,845,713.00	(565,000.00)	16,483,855.83	14
15	Operating income (loss)	4,625,209.45	569,756.93	(925.67)	5,194,040.71	(793,002.00)	565,000.00	4,966,038.71	15
16	Other income								
16	Merchandise	(43,212.04)	0.00		(43,212.04)	0.00		(43,212.04)	16
17	Interest income	62,656.32	0.00		62,656.32	14,627.00		77,283.32	17
18	Shared Services - billed	0.00	(511.71)	511.71	0.00	0.00		0.00	18
19	Other nonoperating income	(27,692.17)	(50,713.17)	413.96	(77,991.38)	1,238,760.00		1,160,768.62	19
20	Equity in earnings - Woodward	0.00	0.00		0.00	825,779.00		825,779.00	20
21	Total other income (loss)	(8,247.89)	(51,224.88)	925.67	(58,547.10)	2,079,166.00	0.00	2,020,618.90	21
22	Income (loss) before interest charges	4,616,961.56	518,532.05	(0.00)	5,135,493.61	1,286,164.00	565,000.00	6,986,657.61	22
23	Interest charges	2,394,929.59	245.94		2,395,175.53	204,459.00		2,599,634.53	23
24	Net income (loss)	\$2,222,031.97	\$518,286.11	(\$0.00)	\$2,740,318.08	\$1,081,705.00	\$565,000.00	\$4,387,023.08	24

Footnotes: (1) Regulated Utility Operations includes Energas, GGC, Trans La, UCG, WKG and CNG.  
(2) Non-Regulated Utility Operations includes Egasco, Enermart, TLIG and WKGR.  
(3) Non-Utility Operations includes Atmos Energy Services, UCG Energy and UCG Storage.  
(4) Includes all Shared Services expenses booked directly to the business units.  
(5) Includes Operation, Maintenance, Depreciation and Taxes - Other booked in Division 02 and allocated to the business units.

ATMOS ENERGY CORPORATION  
CONSOLIDATING STATEMENTS OF INCOME  
FOR THE QUARTER ENDED JUNE 30, 1998

Current Quarter

Line No.	Description (a)	Utility Operations				Total (e)	Non-Utility Operations (3) (f)	Shared Services (g)	Total Atmos Consolidated (h)	Line No.
		Regulated (1) (b)	Non-Regulated (2) (c)	Eliminations (d)	Total (e)					
1	Operating revenues									
2	Gas	\$102,746,532.92	\$32,227,019.49	\$124,973,552.41	\$0.00	\$124,973,552.41			1	
3	Transportation	7,974,572.95	20,076.35	(487,252.45)	0.00	7,507,396.85			2	
4	Other	0.00	0.00	0.00	4,830,323.00	4,830,323.00			3	
5	Total operating revenues	110,721,105.87	22,247,095.84	(487,252.45)	4,830,323.00	132,480,949.26	4,830,323.00	0.00	4	
6	Purchased gas cost	59,667,077.79	18,859,856.31	(485,965.34)	1,904,187.00	78,040,968.76			5	
7	Gross profit	51,054,028.08	3,387,239.53	(1,287.11)	2,926,136.00	54,439,980.50		0.00	6	
8	Operating expenses									
9	Operation	16,843,922.56	1,367,660.06	18,211,582.62	1,930,810.00	19,300,598.46			7	
10	Maintenance	2,553,313.29	0.00	2,553,313.29	100,240.00	2,653,553.29			8	
11	Depreciation	10,484,167.73	8,595.00	10,492,762.73	1,026,055.00	11,518,817.73			9	
12	Taxes - other than income taxes	6,729,288.99	42,691.04	6,771,980.03	241,114.00	6,993,194.03			10	
13	Shared Services - direct	2,356,239.59	0.00	2,356,239.59	0.00	2,356,239.59			11	
14	Shared Services - billed	6,118,211.86	75,240.40	6,193,452.26	170,000.00	6,363,452.26			12	
15	Provision for income taxes	(261,694.95)	673,206.16	411,511.21	539,700.00	951,211.21			13	
16	Total operating expenses	44,823,449.07	2,167,392.66	46,990,841.73	4,007,919.00	50,998,760.73			14	
17	Operating income (loss)	6,230,579.01	1,219,846.87	7,447,967.40	(1,081,783.00)	6,930,949.11			15	
18	Other income									
19	Merchandise	(148,617.36)	0.00	(148,617.36)	0.00	(148,617.36)			16	
20	Interest income	154,350.86	0.00	154,350.86	39,045.00	193,395.86			17	
21	Shared Services - billed	0.00	(1,171.37)	1,171.37	0.00	0.00			18	
22	Other nonoperating income	(25,495.33)	(78,763.43)	(1,287.11)	1,252,704.00	1,149,158.13			19	
23	Equity in earnings - Woodward	0.00	0.00	0.00	1,413,514.00	1,413,514.00			20	
24	Total other income (loss)	(19,761.83)	(79,934.80)	(2,458.48)	2,705,263.00	2,605,008.89			21	
25	Income (loss) before interest charges	6,210,817.18	1,139,912.07	7,350,729.25	1,623,480.00	9,538,973.96			22	
26	Interest charges	7,289,323.38	737.82	7,290,061.20	572,987.00	7,863,048.20			23	
27	Net income (loss)	(\$1,078,506.20)	\$1,139,174.25	\$60,668.05	\$1,050,493.00	\$1,675,925.76			24	

Footnotes: (1) Regulated Utility Operations includes Energas, GGC, Trans La, UCG, WKG and CNG.  
(2) Non-Regulated Utility Operations includes Egasco, Emermart, TLIG and WKGR.  
(3) Non-Utility Operations includes Atmos Energy Services, UCG Energy and UCG Storage.



ATMOS ENERGY CORPORATION  
CONSOLIDATING STATEMENTS OF INCOME  
FOR THE NINE MONTHS ENDED JUNE 30, 1998

Line No.	Description (a)	Year To Date						Total Atmos Consolidated (h)	Line No.
		Utility Operations		Non-Utility Operations (3)		Shared Services			
		Regulated (1) (b)	Non-Regulated (2) (c)	Eliminations (d)	Total (e)	Non-Utility Operations (3) (f)	Shared Services (g)		
1	Operating revenues								
2	Gas	628,956,400.88	\$37,967,303.19		\$666,923,704.07	\$0.00		\$666,923,704.07	
3	Transportation	22,312,308.44	64,330.35	(1,613,909.21)	20,762,729.58	0.00		20,762,729.58	
4	Other	0.00	0.00		0.00	33,506,230.00		33,506,230.00	
4	Total operating revenues	651,268,709.32	38,031,633.54	(1,613,909.21)	687,686,433.65	33,506,230.00	0.00	721,192,663.65	
5	Purchased gas cost	391,405,887.75	32,534,892.16	(1,610,492.45)	422,330,287.46	17,923,908.00		440,254,195.46	
6	Gross profit	259,862,821.57	5,496,741.38	(3,416.76)	265,356,146.19	15,582,322.00	0.00	280,938,468.19	
7	Operating expenses								
8	Operation	64,617,318.19	4,020,325.23		68,637,643.42	6,452,071.82	14,168,105.99	89,257,821.23	
8	Maintenance	6,886,929.23	0.00		6,886,929.23	508,640.00	34,096.27	7,429,665.50	
9	Depreciation	30,537,228.12	25,785.00		30,563,013.12	3,114,137.00	2,438,873.79	36,116,023.91	
10	Taxes - other than income taxes	23,253,921.51	99,001.19		23,352,922.70	746,091.00	709,129.17	24,808,142.87	
11	Shared Services - direct	(4) 7,289,945.28	0.00		7,289,945.28	0.00	0.00	7,289,945.28	
12	Shared Services - billed	(5) 17,344,434.64	231,971.47	3,348.54	17,579,754.65	330,000.00	(17,909,754.65)	0.00	
13	Provision for income taxes	32,751,454.31	329,735.85		33,081,190.16	2,863,800.44	0.00	35,944,990.60	
14	Total operating expenses	182,681,231.28	4,706,818.74	3,348.54	187,391,398.56	14,014,740.26	(559,549.43)	200,846,589.39	
15	Operating income (loss)	77,181,590.29	789,922.64	(6,765.30)	77,964,747.63	1,567,581.74	559,549.43	80,091,878.80	
16	Other income								
16	Merchandise	(48,567.99)	0.00		(48,567.99)	0.00		(48,567.99)	
17	Interest income	1,005,603.13	0.00		1,005,603.13	173,769.00		1,179,372.13	
18	Shared Services - billed	0.00	(3,348.54)		(3,348.54)	0.00		(3,348.54)	
19	Other nonoperating income	(182,888.03)	(218,279.71)	6,765.30	(394,402.44)	1,103,142.00		708,739.56	
20	Equity in earnings - Woodward	0.00	0.00		0.00	3,775,582.00		3,775,582.00	
21	Total other income (loss)	774,147.11	(221,628.25)	6,765.30	559,284.16	5,052,493.00	0.00	5,611,777.16	
22	Income (loss) before interest charges	77,955,737.40	568,294.39	(0.00)	78,524,031.79	6,620,074.74	559,549.43	85,703,655.96	
23	Interest charges	24,667,883.32	2,509.86		24,670,393.18	1,837,178.00		26,507,571.18	
24	Net income (loss)	\$53,287,854.08	\$565,784.53	(\$0.00)	\$53,853,638.61	\$4,782,896.74	\$559,549.43	\$59,196,084.78	

Footnotes:  
(1) Regulated Utility Operations includes Energas, GGC, Trans La, UCG, WKG and CNG.  
(2) Non-Regulated Utility Operations includes Egasco, Enermart, TLJG and WKGR.  
(3) Non-Utility Operations includes Atmos Energy Services, UCG Energy and UCG Storage.  
(4) Includes all Shared Services expenses booked directly to the business units.  
(5) Includes Operation, Maintenance, Depreciation and Taxes - Other booked in Division 02 and allocated to the business units.

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
ELIMINATIONS TO CONSOLIDATING INCOME STATEMENT  
06/30/98

	Current Month		YEAR TO DATE	
	Dr	Cr	Dr	Cr
1. Gas Revenue				
Purchased Gas Cost	\$0.00	\$0.00	\$0.00	\$0.00
To eliminate gas sales to Atmos from Trans La Industrial				
2. Transportation Revenue				
Purchased Gas Cost	78,299.76	78,299.76	913,089.31	913,089.31
To eliminate transportation charges to Enermart Trust from Atmos				
3. Transportation Revenue				
Purchased Gas Cost	25,378.09	25,378.09	270,059.23	270,059.23
To eliminate transportation charges to Trans La Industrial from Atmos				
4. Transportation Revenue				
Purchased Gas Cost	0.00	0.00	427,342.91	427,342.91
To eliminate transportation charges to Amarillo Distribution Division from Amarillo Transmission Division-Atmos				
5. Transportation Revenue				
Other Nonoperating Income	413.96	413.96	3,417.76	3,417.76
To eliminate transportation charges for CNG sales at public fill stations from Atmos				
6. Operation Expense				
Other Nonoperating Income	511.71	511.71	3,348.54	3,348.54
To eliminate allocation of Corporate Division expenses to WKGR from Atmos				

ATMOS ENERGY CORPORATION  
CONSOLIDATING STATEMENTS OF INCOME - REGULATED  
FOR THE MONTH JUNE 30, 1998

Line No.	Description (a)	Month							Total Regulated (g)	Line No.
		Energas (1) (b)	Greeley (c)	Trans La (1) (d)	UCG (e)	WKG (f)				
<b>Operating revenues</b>										
1	Gas	\$6,105,089.09	\$5,416,329.21	\$1,959,999.26	\$14,981,286.91	\$4,726,773.22			\$33,189,477.69	1
2	Transportation	195,029.17	192,963.03	47,153.62	1,302,959.56	698,949.00			2,437,054.38	2
3	Other	0.00	0.00	0.00	0.00	0.00			0.00	3
4	Total operating revenues	6,300,118.26	5,609,292.24	2,007,152.88	16,284,246.47	5,425,722.22			35,626,532.07	4
5	Purchased gas cost	2,261,247.19	3,356,741.73	511,715.04	7,961,773.57	2,440,435.53			16,531,913.06	5
6	Gross profit	4,038,871.07	2,252,550.51	1,495,437.84	8,322,472.90	2,985,286.69			19,094,619.01	6
<b>Operating expenses</b>										
7	Operation	(2)	1,411,168.50	914,947.76	(1,000,391.37)	1,053,729.63			2,880,095.74	7
8	Maintenance		75,985.36	77,663.74	43,523.16	626,884.32	86,190.17		910,246.75	8
9	Depreciation		548,925.06	417,903.00	303,528.74	1,540,749.84	545,335.42		3,356,442.06	9
10	Taxes - other than income taxes		531,820.26	183,687.33	183,297.71	1,153,989.61	157,829.96		2,210,624.87	10
11	Shared Services - direct	(3)	234,426.02	101,736.25	149,435.42	351,778.75	165,674.86		1,003,051.30	11
12	Shared Services - billed	(4)	734,878.41	335,933.51	233,013.59	679,987.17	459,863.30		2,443,675.98	12
13	Provision for income taxes		10,488.00	(10,013.13)	(44,623.01)	1,638,836.00	70,585.00		1,665,272.86	13
14	Total operating expenses		3,547,691.61	2,021,858.46	1,368,816.83	4,991,834.32	2,539,208.34		14,469,409.56	14
15	Operating income (loss)		491,179.46	230,692.05	126,621.01	3,330,638.58	446,078.35		4,625,209.45	15
<b>Other income</b>										
16	Merchandise		(12,419.25)	(25.13)	0.00	(38,165.79)	7,398.13		(43,212.04)	16
17	Interest income		14,512.32	0.00	242.04	46,504.76	1,397.20		62,656.32	17
18	Other nonoperating income		(18,868.52)	12,622.56	(4,856.06)	(11,980.72)	(4,609.43)		(27,692.17)	18
19	Equity in earnings - Woodward		0.00	0.00	0.00	0.00	0.00		0.00	19
20	Total other income (loss)		(16,775.45)	12,597.43	(4,614.02)	(3,641.75)	4,185.90		(8,247.89)	20
21	Income (loss) before interest charges		474,404.01	243,289.48	122,006.99	3,326,996.83	450,264.25		4,616,961.56	21
22	Interest charges		454,536.25	259,140.20	194,561.04	1,133,134.44	353,557.66		2,394,929.59	22
23	Net income (loss)		\$19,867.76	(\$15,850.72)	(\$72,554.05)	\$2,193,862.39	\$96,706.59		\$2,222,031.97	23

Footnote:  
(1) Includes CNG.  
(2) Operations expense in the business units does not include any shared services costs.  
(3) Includes all Shared Services expenses booked directly to the business units.  
(4) Includes Operation, Maintenance, Depreciation and Taxes - Other booked in Division 02 and allocated to the business units.

ATMOS ENERGY CORPORATION  
CONSOLIDATING STATEMENTS OF INCOME - REGULATED  
FOR THE QUARTER ENDED JUNE 30, 1998

QUARTER

Line No.	Description (a)	Energy (1) (b)	Greeley (c)	Trans La (1) (d)	UCG (e)	WKG (f)	Total Regulated (g)	Line No.
1	Operating revenues							1
2	Gas	\$17,322,054.66	\$14,960,185.10	\$6,146,642.85	\$47,399,906.80	\$16,917,743.51	\$102,746,532.92	2
3	Transportation	711,915.54	428,859.98	108,651.12	4,539,689.58	2,185,456.73	7,974,572.95	3
4	Other	0.00	0.00	0.00	0.00	0.00	0.00	4
5	Total operating revenues	18,033,970.20	15,389,045.08	6,255,293.97	51,939,596.38	19,103,200.24	110,721,105.87	5
6	Purchased gas cost	8,948,065.92	9,092,664.88	2,352,242.74	27,869,803.86	11,404,300.39	59,667,077.79	6
7	Gross profit	9,085,904.28	6,296,380.20	3,903,051.23	24,069,792.52	7,698,899.85	51,054,028.08	7
8	Operating expenses							8
9	Operation	(2)	2,970,970.27	1,578,182.21	4,726,664.10	3,572,632.97	16,843,922.56	9
10	Maintenance		209,627.99	121,184.00	1,720,444.68	265,385.06	2,533,313.29	10
11	Depreciation		1,668,550.55	910,586.22	4,622,249.52	1,636,006.26	10,484,167.73	11
12	Taxes - other than income taxes		598,305.45	554,736.22	2,928,110.33	521,708.97	6,729,288.99	12
13	Shared Services - direct	(3)	710,719.36	439,789.28	340,648.08	526,157.32	2,356,239.59	13
14	Shared Services - billed	(4)	1,780,628.95	804,186.47	1,876,295.48	1,103,199.06	6,118,211.86	14
15	Provision for income taxes		(933,610.55)	(378,192.68)	1,885,287.32	(403,885.34)	(261,694.95)	15
16	Total operating expenses		6,159,272.58	3,780,187.15	18,099,699.51	7,221,204.30	44,823,449.07	16
17	Operating income (loss)	(477,181.25)	137,107.62	122,864.08	5,970,093.01	477,695.55	6,230,579.01	17
18	Other income							18
19	Merchandise		236.51	(6,870.00)	(122,676.80)	22,188.54	(148,617.36)	19
20	Interest income		147.61	498.56	124,497.31	2,536.18	154,350.86	20
21	Other nonoperating income		(29,980.99)	(14,819.09)	83,272.37	(22,468.32)	(25,495.33)	21
22	Equity in earnings - Woodward		0.00	0.00	0.00	0.00	0.00	22
23	Total other income (loss)	(56,323.71)	(29,596.87)	(21,190.53)	85,092.88	2,256.40	(19,761.83)	23
24	Income (loss) before interest charges	(533,504.96)	107,510.75	101,673.55	6,055,185.89	479,951.95	6,210,817.18	24
25	Interest charges		791,373.61	603,387.53	3,435,656.09	1,081,006.64	7,289,323.38	25
26	Net income (loss)	(\$1,911,404.47)	(\$683,862.86)	(\$501,713.98)	\$2,619,529.80	(\$601,054.69)	(\$1,078,506.20)	26

Footnote: (1) Includes CNG.  
(2) Operations expense in the business units does not include any shared services costs.  
(3) Includes all Shared Services expenses booked directly to the business units.  
(4) Includes Operation, Maintenance, Depreciation and Taxes - Other booked in Division 02 and allocated to the business units.

ATMOS ENERGY CORPORATION  
 CONSOLIDATING STATEMENTS OF INCOME - REGULATED  
 FOR THE NINE MONTHS ENDED JUNE 30, 1998

Line No.	Description (a)	Year-to-Date						Line No.
		Energas (1) (b)	Greeley (c)	Trans La (1) (d)	UCG (e)	WKG (f)	Total Regulated (g)	
	Operating revenues							
1	Gas	\$140,235,456.94	\$73,342,128.55	\$29,089,755.97	\$285,319,354.80	\$100,969,704.62	\$628,956,400.88	1
2	Transportation	2,187,216.35	1,224,459.75	321,197.23	11,710,351.58	6,869,083.53	22,312,308.44	2
3	Other	0.00	0.00	0.00	0.00	0.00	0.00	3
4	Total operating revenues	142,422,673.29	74,566,588.30	29,410,953.20	297,029,706.38	107,838,788.15	651,268,709.32	4
5	Purchased gas cost	86,664,859.92	44,011,964.04	7,586,086.58	182,892,939.86	70,250,037.35	391,405,887.75	5
6	Gross profit	55,757,813.37	30,554,624.26	21,824,866.62	114,136,766.52	37,588,750.80	259,862,821.57	6
	Operating expenses							
7	Operation	(2) 13,088,065.57	9,374,448.68	4,976,902.29	26,168,929.18	11,008,972.47	64,617,318.19	7
8	Maintenance	773,036.53	571,029.42	396,140.45	4,431,720.68	715,002.15	6,886,929.23	8
9	Depreciation	4,939,452.06	4,155,838.81	2,731,758.66	13,802,188.52	4,907,990.07	30,537,228.12	9
10	Taxes - other than income taxes	8,960,732.69	1,920,953.06	1,674,251.45	9,179,334.33	1,518,649.98	23,253,921.51	10
11	Shared Services - direct	2,515,726.15	1,154,667.77	1,507,033.20	340,648.08	1,771,870.08	7,289,945.28	11
12	Shared Services - billed	5,288,895.39	2,259,453.28	1,529,150.65	5,123,837.45	3,143,097.87	17,344,434.64	12
13	Provision for income taxes	5,549,558.35	3,244,396.69	2,415,902.11	17,067,521.47	4,474,075.69	32,751,454.31	13
	Total operating expenses	41,115,466.74	22,680,787.71	15,231,138.81	76,114,179.71	27,539,658.31	182,681,231.28	
14	Operating income (loss)	14,642,346.63	7,873,836.55	6,593,727.81	38,022,586.81	10,049,092.49	77,181,590.29	14
	Other income							
15	Merchandise	(28,033.32)	(1,667.80)	7,531.36	(206,754.80)	180,356.57	(48,567.99)	15
16	Interest income	133,387.75	529.48	2,687.67	853,688.31	15,309.92	1,005,603.13	16
17	Other nonoperating income	(153,205.03)	34,603.98	(61,154.00)	56,548.63	(57,681.61)	(182,888.03)	17
18	Equity in earnings - Woodward	0.00	0.00	0.00	0.00	0.00	0.00	18
19	Total other income (loss)	(49,850.60)	33,465.66	(50,934.97)	703,482.14	137,984.88	774,147.11	19
20	Income (loss) before interest charges	14,592,496.03	7,907,302.21	6,542,792.84	38,726,068.95	10,187,077.37	77,955,737.40	20
21	Interest charges	4,578,255.48	2,662,353.75	2,440,780.77	11,320,192.67	3,666,300.65	24,667,883.32	21
22	Net income (loss)	\$10,014,240.55	\$5,244,948.46	\$4,102,012.07	\$27,405,876.28	\$6,520,776.72	\$53,287,854.08	22

Footnote: (1) Includes CNG.  
 (2) Operations expense in the business units does not include any shared services costs.  
 (3) Includes all Shared Services expenses booked directly to the business units.  
 (4) Includes Operation, Maintenance, Depreciation and Taxes - Other booked in Division 02 and allocated to the business units.

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATING STATEMENT OF INCOME- NON-REGULATED UTILITY  
FOR THE MONTH ENDED 06/30/98

Line No.	Description	1998					ELIMINATIONS		Line No.
		EGASCO, INC. (b)	ENERMART (c)	TRANS LA INDUSTRIAL (d)	W K G RESOURCES (e)	ADJUSTMENTS (f)	ATMOS NON REGULATED (g)		
	Operating revenues								
1	Gas	\$2,460,722.53	\$6,804,481.53	\$452,736.12	\$0.00	\$0.00	\$0.00	\$9,717,940.18	
2	Transportation	0.00	0.00	6,166.30	0.00	0.00	0.00	6,166.30	
3	Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
4	Total operating revenues	2,460,722.53	6,804,481.53	458,902.42	0.00	0.00	0.00	9,724,106.48	
5	Purchased gas cost	1,999,881.10	6,047,996.40	373,250.49	0.00	0.00	0.00	8,421,127.99	
6	Gross profit	460,841.43	756,485.13	85,651.93	0.00	0.00	0.00	1,302,978.49	
	Operating expenses								
7	Operation	54,743.23	343,491.46	21,753.60	0.00	0.00	0.00	419,988.29	
8	Maintenance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
9	Depreciation and amortization	0.00	0.00	2,865.00	0.00	0.00	0.00	2,865.00	
10	Taxes - other than income taxes	0.00	2,500.99	4,431.98	0.00	0.00	0.00	6,982.97	
11	Shared services - billed	1,962.09	17,211.97	6,005.08	0.00	0.00	0.00	25,179.14	
12	Provision for income taxes	144,692.10	115,502.76	18,011.30	0.00	0.00	0.00	278,206.16	
13	Total operating expenses	201,397.42	478,757.18	53,066.96	0.00	0.00	0.00	733,221.56	
14	Operating income (loss)	259,444.01	277,727.95	32,584.97	0.00	0.00	0.00	569,756.93	
	Other income								
15	Merchandise	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
16	Interest income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
17	Shared services - billed	0.00	0.00	0.00	(511.71)	0.00	0.00	(511.71)	
18	Other nonoperating income	(50,750.31)	0.00	0.00	37.14	0.00	0.00	(50,713.17)	
19	Total other income (loss)	(50,750.31)	0.00	0.00	(474.57)	0.00	0.00	(51,224.88)	
20	Income (loss) before interest charges	208,693.70	277,727.95	32,584.97	(474.57)	0.00	0.00	518,532.05	
21	Interest charges	0.00	0.00	245.94	0.00	0.00	0.00	245.94	
22	Net income (loss)	\$208,693.70	\$277,727.95	\$32,339.03	(\$474.57)	\$0.00	\$0.00	\$518,286.11	

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATING STATEMENT OF INCOME - NON-REGULATED UTILITY  
FOR THE QUARTER ENDED 06/30/98

Line No.	Description (a)	1998						Line No.
		EGASCO, INC. (b)	ENERMART (c)	TRANS LA INDUSTRIAL (d)	W K G RESOURCES (e)	ELIMINATIONS and ADJUSTMENTS (f)	ATMOS NON REGULATED (g)	
	Operating revenues							
1	Gas	\$3,881,381.85	\$16,967,706.78	\$1,377,930.86	\$0.00	\$0.00	\$22,227,019.49	
2	Transportation	0.00	0.00	20,076.35	0.00	0.00	20,076.35	
3	Other	0.00	0.00	0.00	0.00	0.00	0.00	
4	Total operating revenues	3,881,381.85	16,967,706.78	1,398,007.21	0.00	0.00	22,247,095.84	
5	Purchased gas cost	3,084,315.30	14,684,491.15	1,091,049.86	0.00	0.00	18,859,856.31	
6	Gross profit	797,066.55	2,283,215.63	306,957.35	0.00	0.00	3,387,239.53	
	Operating expenses							
7	Operation	182,612.19	1,152,863.54	32,184.33	0.00	0.00	1,367,660.06	
8	Maintenance	0.00	0.00	0.00	0.00	0.00	0.00	
9	Depreciation	0.00	0.00	8,595.00	0.00	0.00	8,595.00	
10	Taxes - other than income taxes	25,000.00	4,395.10	13,295.94	0.00	0.00	42,691.04	
11	Shared services - billed	5,003.77	51,849.67	18,386.96	0.00	0.00	75,240.40	
12	Provision for income taxes	210,692.10	373,502.76	89,011.30	0.00	0.00	673,206.16	
13	Total operating expenses	423,308.06	1,582,611.07	161,473.53	0.00	0.00	2,167,392.66	
14	Operating income (loss)	373,758.49	700,604.56	145,483.82	0.00	0.00	1,219,846.87	
	Other income							
15	Merchandise	0.00	0.00	0.00	0.00	0.00	0.00	
16	Interest income	0.00	0.00	0.00	0.00	0.00	0.00	
17	Shared services - billed	0.00	0.00	0.00	(1,171.37)	0.00	(1,171.37)	
18	Other nonoperating income	(77,968.58)	0.00	0.00	(794.85)	0.00	(78,763.43)	
19	Total other income (loss)	(77,968.58)	0.00	0.00	(1,966.22)	0.00	(79,934.80)	
20	Income (loss) before interest charges	295,789.91	700,604.56	145,483.82	(1,966.22)	0.00	1,139,912.07	
21	Interest charges	0.00	0.00	737.82	0.00	0.00	737.82	
22	Net income (loss)	\$295,789.91	\$700,604.56	\$144,746.00	(\$1,966.22)	\$0.00	\$1,139,174.25	

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATING STATEMENT OF INCOME - NON-REGULATED UTILITY  
FOR THE NINE MONTHS ENDED 06/30/98

Line No.	Description (a)	1998						Line No.
		EGASCO, INC. (b)	ENERMART (c)	TRANS LA INDUSTRIAL (d)	W K G RESOURCES (e)	ELIMINATIONS and ADJUSTMENTS (f)	ATMOS NON-REGULATED (g)	
	Operating revenues							
1	Gas	\$5,020,322.55	\$28,083,036.55	\$4,863,944.09	\$0.00	\$0.00	\$37,967,303.19	
2	Transportation	0.00	0.00	64,330.35	0.00	0.00	64,330.35	
3	Other	0.00	0.00	0.00	0.00	0.00	0.00	
4	Total operating revenues	5,020,322.55	28,083,036.55	4,928,274.44	0.00	0.00	38,031,633.54	
5	Purchased gas cost	3,969,069.38	24,349,192.53	4,216,630.25	0.00	0.00	32,534,892.16	
6	Gross profit	1,051,253.17	3,733,844.02	711,644.19	0.00	0.00	5,496,741.38	
	Operating expenses							
7	Operation	539,048.10	3,351,933.07	129,344.06	0.00	0.00	4,020,325.23	
8	Maintenance	0.00	0.00	0.00	0.00	0.00	0.00	
9	Depreciation and amortization	0.00	0.00	25,785.00	0.00	0.00	25,785.00	
10	Taxes - other than income taxes	25,000.00	31,505.77	42,485.42	10.00	0.00	99,001.19	
11	Shared services - billed	14,121.98	164,347.91	53,501.58	0.00	0.00	231,971.47	
12	Provision for income taxes	88,692.10	65,032.45	176,011.30	0.00	0.00	329,735.85	
13	Total operating expenses	666,862.18	3,612,819.20	427,127.36	10.00	0.00	4,706,818.74	
14	Operating income (loss)	384,390.99	121,024.82	284,516.83	(10.00)	0.00	789,922.64	
	Other income							
15	Merchandise	0.00	0.00	0.00	0.00	0.00	0.00	
16	Interest income	0.00	0.00	0.00	0.00	0.00	0.00	
17	Shared services - billed	0.00	0.00	0.00	(3,348.54)	0.00	(3,348.54)	
18	Other nonoperating income	(219,677.06)	0.00	0.00	1,397.35	0.00	(218,279.71)	
19	Total other income (loss)	(219,677.06)	0.00	0.00	(1,951.19)	0.00	(221,628.25)	
20	Income (loss) before interest charges	164,713.93	121,024.82	284,516.83	(1,961.19)	0.00	568,294.39	
21	Interest charges	0.00	300.00	2,209.86	0.00	0.00	2,509.86	
22	Net income (loss)	\$164,713.93	\$120,724.82	\$282,306.97	(\$1,961.19)	\$0.00	\$565,784.53	



NON-UTILITY BUSINESS UNITS  
CONSOLIDATING STATEMENT OF INCOME- NON-UTILITY  
FOR THE MONTH ENDED 06/30/98

Line No.	Description (a)	1998										Total Non-Utility	Line No.	
		UCG Leasing (b)	UCG Propane (c)	Rental Division (d)	Utility Serv. Division (e)	Eliminations and Adjustments (f)	UCG Energy Corp. Consolidated (g)	Atmos Energy Services (h)	UCG Storage Co. (i)	(j)				
1	Operating revenues													
2	Gas	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	1
3	Transportation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2
4	Other	88,341.00	1,062,113.00	264,312.00	4,735.00	0.00	1,419,501.00	0.00	298,652.00	0.00	1,718,153.00	0.00	1,718,153.00	3
5	Total operating revenues	88,341.00	1,062,113.00	264,312.00	4,735.00	0.00	1,419,501.00	0.00	298,652.00	0.00	1,718,153.00	0.00	1,718,153.00	4
6	Purchased gas cost	0.00	665,442.00	0.00	0.00	0.00	665,442.00	0.00	0.00	0.00	665,442.00	0.00	665,442.00	5
7	Gross profit	88,341.00	396,671.00	264,312.00	4,735.00	0.00	754,059.00	0.00	298,652.00	0.00	1,052,711.00	0.00	1,052,711.00	6
8	Operating expenses													
9	Operation	250.00	555,041.00	66,779.00	0.00	0.00	622,070.00	0.00	21,403.00	15.00	643,488.00	0.00	643,488.00	7
10	Maintenance	0.00	40,256.00	0.00	0.00	0.00	40,256.00	0.00	0.00	0.00	40,256.00	0.00	40,256.00	8
11	Depreciation and amortization	31,448.00	195,420.00	49,372.00	50,144.00	0.00	326,384.00	0.00	33,752.00	0.00	360,136.00	0.00	360,136.00	9
12	Taxes - other than income taxes	0.00	25,052.00	20,161.00	0.00	0.00	45,213.00	0.00	33,920.00	0.00	79,133.00	0.00	79,133.00	10
13	Shared services - billed	2,800.00	43,680.00	8,960.00	560.00	0.00	56,000.00	0.00	55,900.00	0.00	111,900.00	0.00	111,900.00	11
14	Provision for income taxes	17,000.00	(181,000.00)	311,000.00	286,000.00	0.00	433,000.00	0.00	433,000.00	177,800.00	610,800.00	0.00	610,800.00	12
15	Total operating expenses	51,498.00	678,449.00	456,272.00	336,704.00	0.00	1,522,923.00	0.00	144,975.00	177,815.00	1,845,713.00	0.00	1,845,713.00	13
16	Operating income (loss)	36,843.00	(281,778.00)	(191,960.00)	(331,969.00)	0.00	(768,864.00)	0.00	153,677.00	(177,815.00)	(793,002.00)	0.00	(793,002.00)	14
17	Other income													
18	Merchandise	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15
19	Interest income	4,262.00	7,490.00	31,821.00	2,378.00	(35,516.00)	10,435.00	0.00	4,192.00	0.00	14,627.00	0.00	14,627.00	16
20	Other nonoperating income	85.00	693.00	725,982.00	0.00	0.00	726,760.00	0.00	825,779.00	512,000.00	1,238,760.00	0.00	1,238,760.00	17
21	Equity in earnings - Woodward	0.00	0.00	0.00	825,779.00	0.00	825,779.00	0.00	0.00	0.00	825,779.00	0.00	825,779.00	18
22	Total other income (loss)	4,347.00	8,183.00	757,803.00	828,157.00	(35,516.00)	1,562,974.00	0.00	4,192.00	512,000.00	2,079,166.00	0.00	2,079,166.00	19
23	Income (loss) before int chgs	41,190.00	(273,595.00)	565,843.00	496,188.00	(35,516.00)	794,110.00	0.00	157,869.00	334,185.00	1,286,164.00	0.00	1,286,164.00	20
24	Interest charges	13,377.00	74,792.00	55,482.00	28,965.00	(35,516.00)	137,100.00	0.00	67,359.00	0.00	204,459.00	0.00	204,459.00	21
25	Net income (loss)	\$27,813.00	(\$248,387.00)	\$510,361.00	\$467,223.00	\$0.00	\$657,010.00	\$0.00	\$90,510.00	\$334,185.00	\$1,081,705.00	\$0.00	\$1,081,705.00	22

NON-UTILITY BUSINESS UNITS  
CONSOLIDATING STATEMENT OF INCOME - NON UTILITY  
FOR THE QUARTER ENDED 06/30/98

Line No.	Description (a)	1998										Line No.	
		UCG Leasing (b)	UCG Propane (c)	Rental Division (d)	Utility Serv. Division (e)	Eliminations and Adjustments (f)	UCG Energy Corp. Consolidated (g)	Atmos Energy Services (h)	UCG Storage Co. (i)	Non Utility (j)			
1	Operating revenues												
2	Gas	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	1
3	Transportation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2
3	Other	265,023.00	2,719,973.00	797,493.00	14,238.00	0.00	3,796,727.00	0.00	1,033,596.00	0.00	4,830,323.00	4,830,323.00	3
4	Total operating revenues	265,023.00	2,719,973.00	797,493.00	14,238.00	0.00	3,796,727.00	0.00	1,033,596.00	0.00	4,830,323.00	4,830,323.00	4
5	Purchased gas cost	0.00	1,787,433.00	0.00	(20,886.00)	0.00	1,766,547.00	0.00	137,640.00	0.00	1,904,187.00	1,904,187.00	5
6	Gross profit	265,023.00	932,540.00	797,493.00	35,124.00	0.00	2,030,180.00	0.00	895,956.00	0.00	2,926,136.00	2,926,136.00	6
7	Operating expenses												
8	Operation	2,083.00	1,696,415.00	175,930.00	(507.00)	0.00	1,873,921.00	3,840.00	53,049.00	0.00	1,930,810.00	1,930,810.00	7
8	Maintenance	0.00	100,082.00	0.00	0.00	0.00	100,082.00	0.00	158.00	0.00	100,240.00	100,240.00	8
9	Depreciation	94,344.00	563,379.00	149,642.00	117,434.00	0.00	924,799.00	0.00	101,256.00	0.00	1,026,055.00	1,026,055.00	9
10	Taxes - other than income taxes	0.00	72,941.00	66,413.00	0.00	0.00	139,354.00	0.00	101,760.00	0.00	241,114.00	241,114.00	10
11	Shared services - billed	8,500.00	132,600.00	27,200.00	1,700.00	0.00	170,000.00	0.00	0.00	0.00	170,000.00	170,000.00	11
12	Provision for income taxes	48,000.00	(708,000.00)	389,000.00	474,000.00	0.00	203,000.00	177,800.00	158,900.00	0.00	539,700.00	539,700.00	12
13	Total operating expenses	152,927.00	1,857,417.00	808,185.00	592,627.00	0.00	3,411,156.00	181,640.00	415,123.00	0.00	4,007,919.00	4,007,919.00	13
14	Operating income (loss)	112,096.00	(924,877.00)	(10,692.00)	(557,503.00)	0.00	(1,380,976.00)	(181,640.00)	480,833.00	0.00	(1,081,783.00)	(1,081,783.00)	14
15	Other income												
15	Merchandise	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15
16	Interest income	11,405.00	31,705.00	93,142.00	4,779.00	(106,178.00)	34,853.00	0.00	4,192.00	0.00	39,045.00	39,045.00	16
17	Other nonoperating income	177.00	2,215.00	725,101.00	13,211.00	0.00	740,704.00	512,000.00	0.00	0.00	1,252,704.00	1,252,704.00	17
18	Equity in earnings - Woodward	0.00	0.00	0.00	1,413,514.00	0.00	1,413,514.00	0.00	0.00	0.00	1,413,514.00	1,413,514.00	18
19	Total other income (loss)	11,582.00	33,920.00	818,243.00	1,431,504.00	(106,178.00)	2,189,071.00	512,000.00	4,192.00	0.00	2,705,263.00	2,705,263.00	19
20	Income (loss) before int chgs	123,678.00	(890,957.00)	807,551.00	874,001.00	(106,178.00)	808,095.00	330,360.00	485,025.00	0.00	1,623,480.00	1,623,480.00	20
21	Interest charges	40,131.00	197,827.00	157,879.00	86,170.00	(106,178.00)	375,829.00	0.00	197,158.00	0.00	572,987.00	572,987.00	21
22	Net income (loss)	\$83,547.00	(\$1,088,784.00)	\$649,672.00	\$787,831.00	\$0.00	\$432,266.00	\$330,360.00	\$287,867.00	\$0.00	\$1,050,493.00	\$1,050,493.00	22

NON-UTILITY BUSINESS UNITS  
CONSOLIDATING STATEMENT OF INCOME - NON UTILITY  
FOR THE NINE MONTHS ENDED 06/30/98

Line No.	Description (a)	1998										Line No.	
		UCG Leasing (b)	UCG Propane (c)	Rental Division (d)	Utility Serv. Division (e)	Eliminations and Adjustments (f)	UCG Energy Corp. Consolidated (g)	Atmos Energy Services (h)	UCG Storage Co. (i)	Total Non-Utility (j)			
1	Operating revenues												
2	Gas	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3	Transportation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3	Other	806,592.00	24,538,456.00	2,493,824.00	498,342.00	0.00	28,337,214.00	0.00	5,169,016.00	0.00	33,506,230.00	33,506,230.00	33,506,230.00
4	Total operating revenues	806,592.00	24,538,456.00	2,493,824.00	498,342.00	0.00	28,337,214.00	0.00	5,169,016.00	0.00	33,506,230.00	33,506,230.00	33,506,230.00
5	Purchased gas cost	0.00	14,993,602.00	0.00	424,930.00	0.00	15,418,532.00	0.00	2,505,376.00	0.00	17,923,908.00	17,923,908.00	17,923,908.00
6	Gross profit	806,592.00	9,544,854.00	2,493,824.00	73,412.00	0.00	12,918,682.00	0.00	2,663,640.00	0.00	15,582,322.00	15,582,322.00	15,582,322.00
7	Operating expenses												
7	Operation	12,602.39	5,685,584.55	435,920.39	16,381.79	0.00	6,150,489.12	4,000.00	297,582.70	0.00	6,452,071.82	6,452,071.82	6,452,071.82
8	Maintenance	0.00	459,303.00	0.00	0.00	0.00	459,303.00	0.00	49,337.00	0.00	508,640.00	508,640.00	508,640.00
9	Depreciation and amortization	287,730.00	1,663,715.00	525,993.00	333,519.00	0.00	2,810,957.00	0.00	303,180.00	0.00	3,114,137.00	3,114,137.00	3,114,137.00
10	Taxes - other than income taxes	0.00	248,388.00	188,307.00	9.00	0.00	436,704.00	0.00	309,387.00	0.00	746,091.00	746,091.00	746,091.00
11	Shared services - billed	17,660.00	253,331.00	55,699.00	3,310.00	0.00	330,000.00	0.00	(0.00)	0.00	330,000.00	330,000.00	330,000.00
12	Provision for income taxes	152,730.82	280,000.84	590,009.46	1,235,258.91	0.00	2,258,000.03	177,800.00	428,000.41	0.00	2,863,800.44	2,863,800.44	2,863,800.44
13	Total operating expenses	470,723.21	8,590,322.39	1,795,928.85	1,588,478.70	0.00	12,445,453.15	181,800.00	1,387,487.11	0.00	14,014,740.26	14,014,740.26	14,014,740.26
14	Operating income (loss)	335,868.79	954,531.61	697,895.15	(1,515,066.70)	0.00	473,228.85	(181,800.00)	1,276,152.89	0.00	1,567,581.74	1,567,581.74	1,567,581.74
15	Other income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
16	Merchandise	32,722.00	90,675.00	292,417.00	32,132.00	(336,946.00)	111,000.00	0.00	62,769.00	0.00	173,769.00	173,769.00	173,769.00
17	Interest income	755.00	24,921.00	507,821.00	57,643.00	0.00	591,142.00	512,000.00	0.00	0.00	1,103,142.00	1,103,142.00	1,103,142.00
18	Other nonoperating income	0.00	0.00	0.00	3,775,582.00	0.00	3,775,582.00	0.00	0.00	0.00	3,775,582.00	3,775,582.00	3,775,582.00
18	Equity in earnings - Woodward												
19	Total other income (loss)	33,477.00	115,596.00	800,238.00	3,863,359.00	(336,946.00)	4,477,724.00	512,000.00	62,769.00	0.00	5,052,493.00	5,052,493.00	5,052,493.00
20	Income (loss) before int chgs	369,345.79	1,070,127.61	1,498,133.15	2,350,292.30	(336,946.00)	4,950,952.85	330,200.00	1,338,921.89	0.00	6,620,074.74	6,620,074.74	6,620,074.74
21	Interest charges	121,650.00	604,667.00	538,445.00	268,810.00	(336,946.00)	1,196,626.00	0.00	640,552.00	0.00	1,837,178.00	1,837,178.00	1,837,178.00
22	Net income (loss)	\$247,695.79	\$465,460.61	\$959,688.15	\$2,081,482.30	\$0.00	\$3,754,326.85	\$330,200.00	\$698,369.89	\$0.00	\$4,782,896.74	\$4,782,896.74	\$4,782,896.74

ATMOS ENERGY CORPORATION  
Allocation of Division 02 - Corporate Cost  
For The Month Ended 6/30/98

ALLOCATED DOLLARS

DEPARTMENT	Total	Energys	GGC	Trans La	UCG	WKG	Egasco	Encomart	TLUG	UCG Energy	UCG Storage	WKCR
ACCOUNTING:	(562,919.02)	(118,192.15)	(100,073.33)	(53,228.59)	(232,786.43)	(113,855.59)	(73.26)	(328.62)	(73.26)	56,000.00	-	(15.99)
BUSINESS DEVELOPMENT:	28,936.72	7,187.88	3,495.56	2,445.15	10,998.85	4,809.28	-	-	-	-	-	-
CALL CENTER:	77.00	30.47	14.96	10.50	-	20.51	0.08	0.37	0.08	-	-	0.03
EXECUTIVE:	334,896.98	81,186.61	40,002.48	27,697.59	121,060.96	53,580.89	204.77	927.90	182.12	-	-	-
GAS CONTROL:	48,165.74	8,669.83	4,816.57	2,408.29	21,674.58	9,633.15	-	481.66	481.66	-	-	53.66
GAS SUPPLY:	92,558.11	18,291.47	15,210.33	5,731.01	23,580.32	20,940.20	-	6,381.96	2,422.82	-	-	-
HUMAN RESOURCES:	1,394,767.80	409,119.90	198,427.30	139,371.76	369,787.28	271,919.54	913.94	4,019.55	913.94	-	-	294.59
INFORMATION TECHNOLOGY:	204,633.27	77,289.96	28,936.96	20,768.37	32,404.71	45,233.27	-	-	-	-	-	-
INTERNAL AUDIT:	48,561.82	12,004.49	5,841.99	4,084.05	18,375.79	8,027.27	33.99	150.54	33.99	-	-	9.71
INVESTOR RELATIONS:	94,515.67	23,522.80	11,449.27	8,004.64	35,360.54	15,731.32	66.58	294.82	66.58	-	-	19.12
LEGAL:	172,071.60	41,487.06	21,215.89	13,831.14	62,315.35	28,995.43	300.32	2,413.45	1,484.11	-	-	28.85
NEW BUSINESS VENTURES:	28,486.63	7,041.89	3,426.94	2,395.73	10,779.34	4,708.84	19.94	88.31	19.94	-	-	5.70
PLANNING & BUDGETING:	48,812.27	12,066.38	5,872.12	4,105.11	18,470.56	8,068.67	34.17	151.32	34.17	-	-	9.77
PRICE POLICY & ADMINISTRATION:	111,677.29	36,538.81	32,385.42	13,925.78	5,564.85	22,801.27	43.31	332.59	53.12	-	-	32.14
REGULATORY AFFAIRS:	45,101.06	6,765.15	11,275.27	4,510.11	18,040.42	4,510.11	-	-	-	-	-	-
REMITTANCE PROCESSING:	34,116.11	10,152.97	3,800.53	2,725.88	11,254.90	5,939.61	27.29	211.52	3.41	-	-	-
TECHNICAL SERVICES:	2,300.52	523.14	317.93	207.28	887.54	357.73	1.61	3.68	1.38	-	-	0.23
TREASURY:	74,100.28	18,499.16	9,274.93	6,166.91	25,638.38	13,145.94	155.19	1,045.91	146.86	-	-	7.00
TOTAL OPERATIONS:	2,190,849.85	652,185.82	295,691.12	204,880.71	553,405.94	404,567.64	1,727.93	16,174.96	5,770.92	56,000.00	-	444.81
Operations w/o A&G Cap.	3,071,849.85	843,839.10	431,554.76	283,462.60	863,434.53	567,561.86	2,107.69	17,413.89	6,050.68	56,000.00	-	524.74
MAINTENANCE	1,337.66	330.65	160.92	112.50	306.17	221.12	0.94	4.15	0.94	-	-	0.27
DEPRECIATION	270,919.31	66,971.27	32,591.59	22,784.31	102,515.87	44,782.96	189.64	839.85	189.64	-	-	54.18
TAXES - OTHER	62,260.01	15,390.67	7,489.88	5,236.07	23,559.19	10,291.58	43.58	193.01	43.58	-	-	12.45
TOTAL	2,525,366.83	734,878.41	335,933.51	233,013.59	679,987.17	459,863.30	1,962.09	17,211.97	6,003.08	56,000.00	-	511.71

ATMOS ENERGY CORPORATION  
Shared Services Billing  
For The Year-To-Date 6/30/98

ALLOCATED DOLLARS

DEPARTMENT	Total	Energy	GGC	Trans La	UCG	WKG	Egasco	Enertmart	TLIG	UCG Energy	UCG Storage	WKOR
ACCOUNTING:	(5,021,559.33)	(970,004.79)	(908,277.22)	(542,392.10)	(1,847,104.60)	(1,081,870.23)	(299.87)	(1,437.46)	(262.86)	330,000.00	0.00	89.80
BUSINESS DEVELOPMENT:	378,580.37	94,039.38	45,732.51	31,990.03	143,898.40	62,920.05	0.00	0.00	0.00	0.00	0.00	0.00
CALL CENTER:	27,684.01	10,951.82	5,379.01	3,776.09	0.00	7,372.25	30.44	132.89	30.44	0.00	0.00	11.07
EXECUTIVE:	2,535,205.39	630,512.49	308,777.13	214,781.81	951,269.52	418,590.50	1,690.30	7,548.44	1,572.79	0.00	0.00	462.41
GAS CONTROL:	381,859.49	68,734.70	38,185.94	19,092.98	171,836.76	76,371.91	0.00	3,818.60	3,818.60	0.00	0.00	0.00
GAS SUPPLY:	1,079,491.18	212,350.30	172,505.52	64,614.72	275,548.77	240,669.98	0.00	84,657.42	29,144.47	0.00	0.00	0.00
HUMAN RESOURCES:	5,745,460.16	1,643,468.67	788,964.25	555,464.71	1,659,455.28	1,080,158.78	2,684.86	11,818.10	2,642.76	0.00	0.00	802.75
INFORMATION TECHNOLOGY:	2,077,324.43	823,563.01	308,322.26	221,299.59	242,187.42	481,952.15	0.00	0.00	0.00	0.00	0.00	0.00
INTERNAL AUDIT:	372,742.32	92,163.66	44,830.88	31,347.53	141,023.46	61,622.46	262.56	1,158.96	258.78	0.00	0.00	75.03
INVESTOR RELATIONS:	1,354,120.46	354,639.84	172,806.20	120,888.43	461,681.96	237,374.91	1,002.92	4,428.56	999.61	0.00	0.00	298.03
LEGAL:	2,675,529.76	653,878.61	324,736.93	221,245.75	995,618.02	445,572.66	2,918.75	19,249.89	9,786.61	0.00	0.00	500.54
NEW BUSINESS VENTURES:	192,644.18	47,632.65	23,170.01	16,201.35	72,884.79	31,848.21	135.68	598.94	133.77	0.00	0.00	38.78
PLANNING & BUDGETING:	511,890.95	132,216.00	64,883.02	45,393.04	176,716.70	89,150.98	378.33	1,667.46	373.50	0.00	0.00	111.92
PRICE POLICY & ADMINISTRATION:	753,518.93	242,471.98	214,595.71	92,345.91	49,741.51	151,294.20	289.35	2,213.77	352.54	0.00	0.00	213.96
REGULATORY AFFAIRS:	253,793.49	38,069.01	63,448.39	25,379.35	101,517.39	25,379.35	0.00	0.00	0.00	0.00	0.00	0.00
REMITTANCE PROCESSING:	233,882.86	83,798.31	31,367.96	22,503.58	65,181.57	49,026.18	225.64	1,748.61	31.01	0.00	0.00	0.00
TECHNICAL SERVICES:	265,188.54	60,294.03	36,648.66	23,802.10	102,315.17	41,231.55	183.31	425.29	161.33	0.00	0.00	26.90
TREASURY:	891,541.50	279,884.34	140,747.55	93,723.76	156,447.78	199,636.96	2,364.72	16,395.99	2,267.33	0.00	0.00	73.07
TOTAL OPERATIONS:	14,728,898.49	4,501,664.01	1,876,846.71	1,261,538.63	3,920,218.90	2,618,302.85	11,866.99	154,423.46	51,310.68	330,000.00	0.00	2,704.26
Operations w/o A&G Cap:	22,657,898.49	6,413,044.81	3,246,637.41	2,127,750.16	5,967,681.01	4,332,927.78	14,789.67	167,331.85	54,196.49	330,000.00	-	3,539.31
MAINTENANCE	34,096.27	8,429.21	4,101.49	2,867.49	12,901.37	5,636.36	23.91	103.80	23.80	0.00	0.00	6.84
DEPRECIATION	2,438,873.79	603,231.12	291,239.41	205,107.71	922,505.99	403,273.38	1,732.79	7,614.71	1,673.62	0.00	0.00	495.06
TAXES - OTHER	708,861.52	175,263.27	85,265.67	59,616.82	268,211.19	117,188.48	498.29	2,201.94	491.48	0.00	0.00	142.38
TOTAL	17,910,750.07	5,288,587.61	2,259,453.28	1,529,150.65	5,123,837.45	3,144,401.07	14,121.98	164,347.91	53,501.58	330,000.00	-	3,348.54

ATMOS ENERGY CORPORATION  
Allocation of Division 02 - Corporate Cost  
For The Month Ended 6/30/98

ALLOCATED DOLLARS

DEPARTMENT	Total O&M	Total	Energies	CGC	Trans La	UCG	WKG	Eresso	Enertmart	TLIG	UCG Energy	UCG Storage	WKGR
0112900 VP & Controller	20,057.72	20,057.72	4,938.28	2,412.94	1,686.85	7,589.84	3,315.54	14.04	62.18	14.04	-	-	4.01
0113000 Assistant Controller General Acctg	11,583.52	11,583.52	2,853.44	1,393.50	974.17	4,383.20	1,914.76	8.11	35.91	8.11	-	-	2.32
0113100 General Accounting	26,765.42	26,765.42	6,616.42	3,219.88	2,250.97	10,128.03	4,424.32	18.74	82.97	18.74	-	-	5.35
0113200 Payroll Accounting	40,450.44	40,450.44	9,999.33	4,866.19	3,401.88	15,306.45	6,686.46	28.32	125.40	28.32	-	-	8.09
0113300 Accountis Payable	9,453.29	9,453.29	2,336.85	1,137.23	795.02	3,577.12	1,562.63	6.62	29.31	6.62	-	-	1.89
0113400 Accounting Systems	7.95	7.95	1.96	0.96	0.67	3.01	1.31	0.01	0.02	0.01	-	-	-
0113500 Assistant Controller, Utility Acctg	9,514.04	9,514.04	2,351.88	1,144.54	800.13	3,600.11	1,572.67	6.66	29.49	6.66	-	-	1.90
0113600 Plant Accounting	32,204.32	32,204.32	7,960.93	3,874.18	2,708.38	12,186.11	5,323.37	22.54	99.83	22.54	-	-	6.44
0113700 Gas Accounting	70,905.56	70,905.56	17,527.86	8,529.94	5,963.16	26,830.66	11,720.69	49.63	219.81	49.63	-	-	14.18
0113800 Customer Billing	1,766.69	1,766.69	436.72	212.53	148.58	668.52	292.03	1.24	5.48	1.24	-	-	0.35
0113900 Financial Reporting	37,414.13	37,414.13	9,248.77	4,500.92	3,146.53	14,157.51	6,184.56	26.19	115.98	26.19	-	-	7.48
0114600 Dallas Taxation	57,819.33	57,819.33	22,873.32	11,234.30	7,866.56	-	15,397.29	63.60	277.53	63.60	-	-	23.13
0118300 Dallas Stores	124.57	124.57	124.57	-	-	-	-	-	-	-	-	-	-
0119200 Controller Miscellaneous	(56,000.00)	(56,000.00)	(13,843.20)	(6,736.80)	(4,709.60)	(21,190.40)	(9,256.80)	(39.20)	(173.60)	(39.20)	-	-	(11.20)
Management Fee - UCCE	56,000.00	56,000.00	-	-	-	-	-	-	-	-	56,000.00	-	-
0119700 I/C Billing & Other	(399,653.79)	(399,653.79)	(94,794.42)	(48,078.35)	(33,610.88)	(151,228.99)	(66,062.77)	(279.76)	(1,238.93)	(279.76)	-	-	(79.93)
0119800 Overhead Capitalized-Division 02	(481,346.21)	(481,346.21)	(92,858.86)	(87,785.29)	(44,971.01)	(158,799.60)	(96,931.45)	-	-	-	-	-	-
0119800 Overhead Capitalized-Op Company	(562,939.02)	(562,939.02)	(118,192.15)	(106,073.33)	(53,528.59)	(232,788.43)	(113,855.39)	(73.26)	(328.62)	(73.26)	-	-	(15.99)
ACCOUNTING:													
0056000 Business Development	28,936.72	28,936.72	7,187.88	3,495.56	2,445.15	10,998.85	4,809.28	-	-	-	-	-	-
BUSINESS DEVELOPMENT:	28,936.72	28,936.72	7,187.88	3,495.56	2,445.15	10,998.85	4,809.28	-	-	-	-	-	-
0120100 Amarillo Call Center	77.00	77.00	30.47	14.96	10.50	-	20.51	0.08	0.37	0.08	-	-	0.03
CALL CENTER:	77.00	77.00	30.47	14.96	10.50	-	20.51	0.08	0.37	0.08	-	-	0.03
0050500 Chairman, President & CEO	119,406.85	119,406.85	29,517.39	14,364.64	10,042.12	45,183.55	19,737.95	83.58	370.16	83.58	-	-	23.88
0052100 Dallas Operations	113,256.62	113,256.62	28,869.09	14,542.15	9,898.63	40,976.25	18,596.74	56.63	271.82	56.63	-	-	11.33
0052500 Utility Services	1,890.51	1,890.51	467.34	227.43	158.99	715.37	312.50	1.32	5.86	1.32	-	-	0.38
0054700 Chief Financial Officer	90,343.00	90,343.00	22,332.79	10,868.26	7,597.85	34,185.79	14,933.70	63.24	280.06	63.24	-	-	18.07
EXECUTIVE:	324,896.98	324,896.98	81,186.61	40,002.48	27,697.59	121,060.96	53,580.89	204.77	927.90	182.12	-	-	51.66
0051700 Corporate Gas Control	48,165.74	48,165.74	8,669.83	4,816.57	2,408.29	21,674.58	9,633.15	-	481.66	481.66	-	-	-
GAS CONTROL:	48,165.74	48,165.74	8,669.83	4,816.57	2,408.29	21,674.58	9,633.15	-	481.66	481.66	-	-	-
0051500 Interstate Gas Supply	44,101.61	44,101.61	7,938.30	8,820.32	2,205.08	11,907.43	13,230.48	-	-	-	-	-	-
0051600 Intrastate Gas Supply	26,394.26	26,394.26	5,278.85	2,639.43	1,319.71	6,598.57	3,959.14	-	5,278.85	1,319.71	-	-	-
0051900 Gas Supply	22,062.24	22,062.24	5,074.32	3,750.58	2,206.22	5,074.32	3,750.58	-	1,103.11	1,103.11	-	-	-
GAS SUPPLY:	92,558.11	92,558.11	18,291.47	15,210.33	5,731.01	33,586.32	20,940.20	-	6,381.96	2,422.82	-	-	-

ATMOS ENERGY CORPORATION  
Allocation of Division 02 - Corporate Cost  
For The Month Ended 6/30/98

ALLOCATED DOLLARS

DEPARTMENT	Total O&M	Total	Energies	GGC	Trans Is	UCG	WKG	Egasco	Enactment	TLIO	UCG Energy	UCG Storage	WKGR
0056100 Professional Development	3,797.02	3,797.02	1,016.47	478.04	339.45	1,311.87	651.19	-	-	-	-	-	-
0117100 Corporate Services	1,593.90	1,593.90	630.55	309.69	217.41	-	424.46	1.75	7.65	1.75	-	-	-
0117200 Compensation & Employment	45,955.79	45,955.79	12,300.36	5,785.83	4,108.45	15,877.73	7,881.42	-	-	-	-	-	0.64
0117300 Human Resources - VP	17,876.21	17,876.21	4,785.47	2,510.61	1,598.13	6,176.23	3,063.77	-	-	-	-	-	-
0117400 Employee & Labor Relations	9,236.83	9,236.83	2,472.70	1,162.92	835.77	3,191.32	1,584.12	-	-	-	-	-	-
0117500 Employee Benefits	188,477.86	188,477.86	50,455.53	21,729.36	16,849.92	65,119.10	32,323.95	-	-	-	-	-	-
0117800 Employee Communications	12,836.25	12,836.25	3,436.27	1,616.08	1,147.56	4,434.92	2,201.42	-	-	-	-	-	-
0117900 Facilities	12,649.24	12,649.24	3,386.21	1,592.54	1,130.84	4,370.31	2,169.34	-	-	-	-	-	-
0118000 Employee Relocation Expense	21,391.65	21,391.65	5,726.54	2,693.21	1,912.41	7,390.82	3,668.67	-	-	-	-	-	-
0119210 Performance Plan	945.02	945.02	233.60	113.69	79.48	357.60	156.21	0.66	2.93	0.66	-	-	-
0119300 Outside Directors Retirement Cost	352,938.00	352,938.00	87,246.26	42,458.44	29,682.09	133,551.74	58,340.65	247.06	1,094.11	247.06	-	-	0.19
0119400 Treasury - Worker's Comp	46,000.00	46,000.00	11,371.20	5,533.80	3,868.60	17,406.40	7,603.80	32.20	142.60	32.20	-	-	70.59
0119500 Human Resources - Benefits	10.24	10.24	4.05	1.99	1.40	-	2.73	0.01	0.05	0.01	-	-	9.20
0119600 Retirement Costs	388,778.50	388,778.50	153,800.77	75,539.66	53,029.39	103,531.71	427.66	1,866.14	427.66	427.66	-	-	155.51
HUMAN RESOURCES:	292,281.29	292,281.29	72,251.92	35,161.44	24,380.86	110,599.24	48,314.10	204.60	906.07	204.60	-	-	58.46
	1,394,767.80	1,394,767.80	409,119.90	198,427.30	139,371.76	369,787.28	271,919.54	913.94	4,019.55	913.94	-	-	294.59
0115000 Information Services	14,143.67	14,143.67	4,237.44	1,586.92	1,138.57	4,699.94	2,480.80	-	-	-	-	-	-
0115100 Production Services	89,199.91	89,199.91	40,032.92	14,985.58	10,757.51	-	23,423.90	-	-	-	-	-	-
0115200 Mass Mail	-	-	-	-	-	-	-	-	-	-	-	-	-
0115300 Information Systems	38,963.29	38,963.29	11,673.41	4,371.68	3,136.54	12,947.50	6,834.16	-	-	-	-	-	-
0115400 Information Support	17,916.91	17,916.91	8,041.11	3,010.04	2,160.78	-	4,704.98	-	-	-	-	-	-
0115500 Office Equipment	2,455.11	2,455.11	735.55	275.46	197.64	815.83	430.63	-	-	-	-	-	-
0115600 Telecommunication Services	41,954.38	41,954.38	12,569.53	4,707.28	3,377.33	13,941.44	7,358.80	-	-	-	-	-	-
INFORMATION TECHNOLOGY:	204,633.27	204,633.27	77,289.96	28,936.96	20,768.37	32,404.71	45,233.27	-	-	-	-	-	-
0116400 Internal Audit	48,561.82	48,561.82	12,004.49	5,841.99	4,084.05	18,375.79	8,027.27	33.99	150.54	33.99	-	-	9.71
INTERNAL AUDIT:	48,561.82	48,561.82	12,004.49	5,841.99	4,084.05	18,375.79	8,027.27	33.99	150.54	33.99	-	-	9.71
0054900 Investor Relations	44,204.86	44,204.86	10,927.45	5,317.84	3,717.63	16,727.12	7,307.06	30.94	137.04	30.94	-	-	8.84
0117700 Corporate Communications	49,242.65	49,242.65	12,172.78	5,923.89	4,141.31	18,633.42	8,139.81	34.47	152.65	34.47	-	-	9.85
0052400 Public Affairs	1,068.16	1,068.16	422.57	207.54	145.70	-	284.45	1.17	5.13	1.17	-	-	0.43
INVESTOR RELATIONS:	94,515.67	94,515.67	23,522.80	11,449.27	8,004.64	35,360.54	15,731.32	66.58	294.82	66.58	-	-	19.12
0052000 Legal	84,780.38	84,780.38	20,957.69	10,199.08	7,130.03	32,080.90	14,014.20	59.55	262.82	59.55	-	-	16.96
0052099 Contract Administration	8,853.98	8,853.98	1,841.17	1,749.55	1,841.16	1,473.30	1,848.71	184.16	1,848.71	1,381.22	-	-	-
0052200 Governmental Affairs	7,112.80	7,112.80	1,758.28	855.67	598.19	2,691.48	1,175.75	4.98	22.05	4.98	-	-	-
0057900 Corporate Secretary	52,365.61	52,365.61	12,944.77	6,299.58	4,403.95	19,815.15	8,656.04	36.66	162.33	36.66	-	-	1.42
0118200 Central Records	18,958.83	18,958.83	5,642.15	2,112.01	1,514.81	6,254.52	3,300.73	15.17	177.54	15.17	-	-	10.47
LEGAL:	172,071.60	172,071.60	41,487.06	21,215.89	13,831.14	62,315.35	28,995.43	300.32	2,413.45	1,484.11	-	-	28.85
0054600 New Business Ventures	28,486.63	28,486.63	7,041.89	3,426.94	2,395.73	10,779.34	4,708.84	19.94	88.31	19.94	-	-	5.70
NEW BUSINESS VENTURES:	28,486.63	28,486.63	7,041.89	3,426.94	2,395.73	10,779.34	4,708.84	19.94	88.31	19.94	-	-	5.70
0054400 Financial & Strategic Planning	48,679.36	48,679.36	12,033.52	5,856.13	4,093.93	18,420.27	8,046.70	34.08	150.91	34.08	-	-	9.74
0054500 Business Strategies & Competitive Intelligence	-	-	-	-	-	-	-	-	-	-	-	-	-
0114300 Budget & Planning	132.91	132.91	32.86	15.99	11.18	50.29	21.97	0.09	0.41	0.09	-	-	0.03
PLANNING & BUDGETTING:	48,812.27	48,812.27	12,066.38	5,872.12	4,105.11	18,470.56	8,068.67	34.17	151.32	34.17	-	-	9.77

ATMOS ENERGY CORPORATION  
Allocation of Division 02 - Corporate Cost  
For The Month Ended 6/30/98

DEPARTMENT	ALLOCATED DOLLARS											WKGR	
	Total O&M	Total	Energys	GCC	Trans Ls	UCC	WKO	Egasco	Enertart	TLIG	UCG Energy		UCG Storage
0054000 Price Policy & Administration - V.P.	13,605.98	13,605.98	2,821.89	2,375.60	1,049.02	5,564.85	1,755.17	4.08	28.57	4.08	-	-	2.72
0054000 Price Policy & Administration	98,071.31	98,071.31	33,716.92	30,009.82	12,876.76	-	21,046.10	39.23	304.02	49.04	-	-	29.42
PRICE POLICY & ADMINISTRATION:	111,677.29	111,677.29	36,538.81	32,385.42	13,925.78	5,564.85	22,801.27	43.31	332.59	53.12	-	-	32.14
0054100 Regulatory Affairs	45,101.06	45,101.06	6,765.15	11,275.27	4,510.11	18,040.42	4,510.11	-	-	-	-	-	-
REGULATORY AFFAIRS:	45,101.06	45,101.06	6,765.15	11,275.27	4,510.11	18,040.42	4,510.11	-	-	-	-	-	-
0118000 Remittance Processing	34,116.11	34,116.11	10,152.97	3,800.53	2,735.88	11,234.90	5,939.61	27.29	211.52	3.41	-	-	-
REMITTANCE PROCESSING:	34,116.11	34,116.11	10,152.97	3,800.53	2,735.88	11,234.90	5,939.61	27.29	211.52	3.41	-	-	-
0056200 Technical Services	2,300.52	2,300.52	523.14	317.93	207.28	887.54	357.73	1.61	3.68	1.38	-	-	0.23
TECHNICAL SERVICES:	2,300.52	2,300.52	523.14	317.93	207.28	887.54	357.73	1.61	3.68	1.38	-	-	0.23
0114500 Dallas Treasury	20,822.64	20,822.64	5,384.74	2,261.34	1,234.78	7,096.36	3,650.21	131.18	941.18	122.85	-	-	-
0114700 Dallas Risk Management	11,991.67	11,991.67	2,964.35	1,442.60	1,008.50	4,537.65	1,982.22	8.39	37.17	8.39	-	-	2.40
0114800 Dallas Treasurer	13,025.47	13,025.47	3,219.89	1,566.96	1,095.44	4,928.84	2,153.11	9.12	40.38	9.12	-	-	2.61
0117600 Purchasing	10,563.35	10,563.35	2,151.76	1,321.12	1,091.19	3,802.81	1,996.47	-	-	-	-	-	-
0118500 Mail & Supply	6,685.13	6,685.13	1,789.61	841.66	597.65	2,309.71	1,146.50	-	-	-	-	-	-
0118909 Fleet Administration	2,986.52	2,986.52	1,181.46	580.28	407.36	-	795.31	3.29	14.34	3.29	-	-	1.19
0118600 Purchasing & Stores	8,025.50	8,025.50	1,807.35	1,060.97	751.99	2,963.01	1,422.12	3.21	12.84	3.21	-	-	0.80
TREASURY:	74,100.28	74,100.28	18,499.16	9,274.93	6,186.91	25,638.38	13,143.94	155.19	1,045.91	146.86	-	-	7.00
TOTAL OPERATIONS:	2,190,849.85	2,190,849.85	632,185.82	295,891.12	204,880.71	553,605.94	404,567.64	1,727.93	16,174.96	5,770.92	56,000.00	-	444.81
Operations w/o A&G Cap.	3,071,849.85	3,071,849.85	843,839.10	431,554.76	283,462.60	863,434.53	567,561.86	2,007.69	17,413.89	6,050.68	56,000.00	-	524.74
MAINTENANCE	1,337.66	1,337.66	330.65	160.92	112.50	506.17	221.12	0.94	4.15	0.94	-	-	0.27
DEPRECIATION	270,919.31	270,919.31	66,971.27	32,591.59	22,784.31	102,515.87	44,782.96	189.64	839.85	189.64	-	-	54.18
TAXES - OTHER	62,260.01	62,260.01	15,300.67	7,489.88	5,236.07	23,559.19	10,291.58	43.58	193.01	43.58	-	-	12.45
TOTAL	2,525,366.83	2,525,366.83	734,878.41	355,933.51	233,013.59	679,987.17	459,863.30	1,962.09	17,211.97	6,005.08	56,000.00	-	511.71



ATMOS ENERGY CORPORATION  
Shared Services Billing  
For The Year-To-Date 6/30/98

ALLOCATED DOLLARS

DEPARTMENT	Total	Energy	GOC	Trans La	UCO	WKG	Egaso	Enertart	TLIG	UCG Energy	UCG Storage	WKGR
0112900 VP & Controller	550,486.93	197,337.45	96,769.54	67,884.52	52,107.02	132,686.61	550.45	2,408.23	550.45	0.00	0.00	192.66
0113000 Assistant Controller General Acctg	104,068.82	36,230.66	17,357.75	12,454.36	12,593.70	24,332.10	101.17	442.94	101.17	0.00	0.00	34.97
0113100 General Accounting	307,821.75	106,878.03	52,381.73	36,737.06	37,983.40	71,834.67	298.46	1,306.89	298.46	0.00	0.00	103.05
0113200 Payroll Accounting	336,712.59	114,317.93	56,095.92	39,271.84	48,155.65	76,813.17	319.48	1,399.88	319.48	0.00	0.00	109.24
0113300 Accounts Payable	175,740.78	62,842.82	30,815.33	21,616.78	17,033.63	42,233.28	175.31	767.03	175.31	0.00	0.00	61.29
0113400 Accounting Systems	22,314.78	8,565.50	4,195.01	2,944.25	719.70	5,750.32	23.79	103.88	23.79	0.00	0.00	8.54
0113500 Assistant Controller, Utility Acctg	43,747.50	13,814.21	6,758.75	4,736.41	8,904.70	9,273.17	38.73	169.99	38.73	0.00	0.00	12.81
0113600 Plant Accounting	268,439.78	91,696.19	44,928.12	31,505.53	36,969.39	61,617.89	256.21	1,122.41	256.21	0.00	0.00	87.83
0113700 Gas Accounting	496,385.27	167,051.82	81,828.06	57,374.45	74,757.51	112,233.62	466.99	2,046.79	466.99	0.00	0.00	159.04
0113800 Customer Billing	50,541.49	18,466.26	9,058.32	6,355.39	3,895.97	12,419.31	51.49	225.11	51.49	0.00	0.00	18.15
0113900 Financial Reporting	210,970.18	70,301.39	34,432.72	24,141.70	32,644.25	47,228.50	196.58	861.68	196.58	0.00	0.00	66.78
0114600 Dallas Taxation	342,003.83	135,296.70	66,451.35	46,649.33	0.00	91,075.64	376.20	1,641.62	376.20	0.00	0.00	136.79
0118300 Dallas Stores	311.04	311.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0119200 Controller Miscellaneous	(331,204.07)	(81,713.99)	(39,869.12)	(27,872.19)	(125,407.41)	(56,783.58)	(232.05)	(1,027.52)	(231.91)	0.00	0.00	(66.39)
0119700 Management Fee - UCGE	330,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	330,000.00	0.00	0.00
0119700 I/C Billing & Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0119800 Overhead Capitalized-Division 02	(4,152,457.80)	(1,026,700.30)	(699,442.81)	(349,220.71)	(1,571,063.31)	(686,480.74)	(2,922.68)	(12,906.39)	(2,885.81)	0.00	0.00	(835.05)
0119800 Overhead Capitalized-Op Company	(3,776,542.20)	(884,680.50)	(870,347.89)	(516,970.82)	(476,298.80)	(1,028,144.19)	0.00	0.00	0.00	0.00	0.00	0.00
ACCOUNTING:	(5,021,559.33)	(970,004.79)	(908,277.22)	(542,392.10)	(1,847,104.60)	(1,081,870.23)	(299.87)	(1,437.46)	(262.86)	330,000.00	0.00	89.80
0056000 Business Development	378,560.37	94,039.38	45,732.51	31,990.03	143,898.40	62,920.05	0.00	0.00	0.00	0.00	0.00	0.00
BUSINESS DEVELOPMENT:	378,560.37	94,039.38	45,732.51	31,990.03	143,898.40	62,920.05	0.00	0.00	0.00	0.00	0.00	0.00
0120100 Amarillo Call Center	27,684.01	10,951.82	5,379.01	3,776.09	0.00	7,372.35	30.44	132.89	30.44	0.00	0.00	11.07
CALL CENTER:	27,684.01	10,951.82	5,379.01	3,776.09	0.00	7,372.35	30.44	132.89	30.44	0.00	0.00	11.07
0050500 Chairman, President & CEO	1,216,645.11	300,827.66	146,328.82	102,319.53	460,300.74	201,138.70	857.12	3,783.18	844.47	0.00	0.00	244.89
0052100 Dallas Operations	476,299.22	131,426.16	61,148.12	41,628.36	172,312.33	78,206.71	239.71	1,146.05	143.82	0.00	0.00	47.96
0052500 Utility Services	127,674.23	31,573.65	15,353.42	10,237.34	48,298.54	21,109.25	90.31	397.79	88.13	0.00	0.00	25.80
0054700 Chief Financial Officer	714,586.83	176,685.02	85,946.77	60,096.58	270,357.91	118,135.84	503.16	2,221.42	496.37	0.00	0.00	143.76
EXECUTIVE:	2,535,205.39	630,512.49	308,777.13	214,781.81	931,269.52	418,590.50	1,690.30	7,548.44	1,572.79	0.00	0.00	462.41
0051700 Corporate Gas Control	381,859.49	68,734.70	38,185.94	19,092.98	171,836.76	76,371.91	0.00	3,818.60	3,818.60	0.00	0.00	0.00
GAS CONTROL:	381,859.49	68,734.70	38,185.94	19,092.98	171,836.76	76,371.91	0.00	3,818.60	3,818.60	0.00	0.00	0.00
0051500 Interstate Gas Supply	496,601.65	89,386.32	99,320.32	24,830.08	134,082.43	148,980.50	0.00	0.00	0.00	0.00	0.00	0.00
0051600 Intrastate Gas Supply	370,086.20	74,017.25	37,008.63	18,504.30	92,521.56	55,512.91	0.00	74,017.25	18,504.30	0.00	0.00	0.00
0051900 Gas Supply	212,803.53	48,944.73	36,176.57	21,280.34	48,944.73	36,176.57	0.00	10,640.17	10,640.17	0.00	0.00	0.00
GAS SUPPLY:	1,079,491.18	212,350.30	172,505.52	64,614.72	275,548.77	240,669.98	0.00	84,657.42	29,144.47	0.00	0.00	0.00

ATMOS ENERGY CORPORATION  
Shared Services Billing  
For The Year-To-Date 6/30/98

ALLOCATED DOLLARS

DEPARTMENT	Total	Energy	GGC	Trans La	UCG	WKG	Enertmart	TLIO	UCG Energy	UCG Storage	WKGR
0056100 Professional Development	35,712.78	11,122.98	5,232.20	3,715.09	8,515.08	7,127.43	0.00	0.00	0.00	0.00	0.00
0117100 Corporate Services	22,294.44	8,819.66	4,331.80	3,040.95	0.00	5,937.02	24.54	24.54	0.00	0.00	8.91
0117200 Compensation & Employment	394,351.38	143,466.82	67,496.45	47,922.79	43,521.36	91,946.96	0.00	0.00	0.00	0.00	0.00
0117300 Human Resources - VP	183,433.22	49,105.63	23,094.48	16,398.10	63,376.86	31,459.15	0.00	0.00	0.00	0.00	0.00
0117400 Employee & Labor Relations	84,606.87	22,648.81	10,652.12	7,563.84	29,232.04	14,510.06	0.00	0.00	0.00	0.00	0.00
0117500 Employee Benefits	1,000,509.69	345,002.17	162,306.37	115,240.35	156,860.55	221,100.25	0.00	0.00	0.00	0.00	0.00
0117800 Employee Communications	138,859.91	37,172.25	17,482.59	12,414.08	47,976.54	23,814.45	0.00	0.00	0.00	0.00	0.00
0117900 Facilities	110,448.59	29,673.70	13,955.95	9,909.86	38,298.57	19,010.51	0.00	0.00	0.00	0.00	0.00
0118100 Employee Development	225,522.45	60,372.33	28,393.28	20,161.71	77,918.02	38,677.11	0.00	0.00	0.00	0.00	0.00
0119000 Employee Relocation Expense	(14,692.04)	(3,631.90)	(1,767.45)	(1,235.60)	(5,559.46)	(3,428.59)	(45.53)	(10.29)	0.00	0.00	(2.93)
0119210 Performance Plan	1,266,272.00	318,033.73	154,707.55	108,175.15	486,653.57	212,645.93	3,995.46	893.79	0.00	0.00	258.68
0119300 Outside Directors Retirement Cost	230,000.00	56,869.28	27,682.89	19,342.94	87,017.86	38,023.96	161.99	159.69	0.00	0.00	46.28
0119400 Treasury - Worker's Comp	1,067.29	422.23	207.38	145.58	0.00	284.22	1.17	1.17	0.00	0.00	0.42
0119500 Human Resources - Benefits	392,820.52	155,399.79	76,325.02	53,580.72	0.00	104,608.10	432.11	1,885.54	0.00	0.00	157.13
0119600 Retirement Costs	1,653,851.06	408,994.19	198,883.62	139,088.15	635,644.29	273,442.22	1,169.88	1,417.75	0.00	0.00	334.26
HUMAN RESOURCES:	5,745,460.16	1,643,468.67	788,964.25	555,864.71	1,659,453.28	1,080,158.78	2,684.86	11,818.10	2,642.76	0.00	802.75
0115000 Information Services	140,164.90	41,993.39	15,726.51	11,283.28	46,576.79	24,584.93	0.00	0.00	0.00	0.00	0.00
0115100 Production Services	763,765.27	342,777.84	128,312.57	92,110.09	0.00	200,564.77	0.00	0.00	0.00	0.00	0.00
0115200 Mass Mail	54.74	24.57	9.20	6.60	0.00	14.37	0.00	0.00	0.00	0.00	0.00
0115300 Information Systems	497,956.23	207,146.39	77,546.92	55,662.84	36,384.59	121,215.49	0.00	0.00	0.00	0.00	0.00
0115400 Information Support	196,219.74	88,063.41	32,964.91	23,664.10	0.00	51,527.32	0.00	0.00	0.00	0.00	0.00
0115500 Office Equipment	30,560.78	9,066.14	3,395.26	2,436.00	10,055.65	5,307.73	0.00	0.00	0.00	0.00	0.00
0115600 Telecommunication Services	448,902.77	134,491.27	50,366.89	36,156.68	149,170.39	78,737.54	0.00	0.00	0.00	0.00	0.00
INFORMATION TECHNOLOGY:	2,077,324.43	823,563.01	306,322.26	221,299.59	242,187.42	481,932.15	0.00	0.00	0.00	0.00	0.00
0116400 Internal Audit	372,742.32	92,163.66	44,830.88	31,347.53	141,022.46	61,622.46	262.56	1,158.96	258.78	0.00	75.03
INTERNAL AUDIT:	372,742.32	92,163.66	44,830.88	31,347.53	141,022.46	61,622.46	262.56	1,158.96	258.78	0.00	75.03
0054900 Investor Relations	875,698.54	216,472.66	105,346.53	73,646.24	331,364.34	144,752.97	613.00	2,714.67	613.00	0.00	175.13
0117700 Corporate Communications	344,444.96	85,165.88	41,827.94	28,967.73	130,317.62	56,943.88	242.55	1,070.81	239.24	0.00	69.31
0052400 Public Affairs	133,976.96	53,001.30	26,031.73	18,274.46	0.00	35,678.06	147.37	643.08	147.37	0.00	53.59
INVESTOR RELATIONS:	1,354,120.46	354,639.84	172,806.20	120,888.43	461,681.96	237,374.91	1,002.92	4,428.56	999.61	0.00	298.03
0052000 Legal	1,704,221.23	421,283.50	205,017.81	143,325.00	644,877.32	281,707.76	1,192.95	5,283.08	1,192.95	0.00	340.86
0052099 Contract Administration	51,427.68	1,069.66	10,162.12	1,069.70	8,557.56	10,738.11	1,069.70	10,738.11	8,022.72	0.00	0.00
0052200 Governmental Affairs	70,221.57	17,338.75	8,447.64	5,905.62	26,571.83	11,607.64	49.17	217.68	49.17	0.00	14.07
0057900 Corporate Secretary	728,014.62	179,965.22	87,580.15	61,226.03	275,480.74	120,340.82	509.61	2,256.83	509.61	0.00	145.61
0118200 Central Records	121,644.66	36,201.48	13,551.21	9,719.40	40,130.57	21,178.33	97.32	754.19	12.16	0.00	0.00
LEGAL:	2,675,529.76	655,878.61	324,758.93	221,245.75	995,618.02	445,572.66	2,918.75	19,249.89	9,786.61	0.00	500.54
0054600 New Business Ventures	192,644.18	47,632.65	23,170.01	16,201.35	72,884.79	31,848.21	135.68	598.94	133.77	0.00	38.78
NEW BUSINESS VENTURES:	192,644.18	47,632.65	23,170.01	16,201.35	72,884.79	31,848.21	135.68	598.94	133.77	0.00	38.78
0054400 Financial & Strategic Planning	430,935.14	106,555.05	51,828.68	36,241.52	163,036.14	71,243.98	303.74	1,340.34	298.91	0.00	86.78
0054500 Business Strategies & Competitive Intelligence	10.50	2.60	1.27	0.88	3.97	1.75	0.01	0.03	0.01	0.00	0.00
0114300 Budget & Planning	80,945.31	26,658.35	13,053.07	9,150.64	13,658.27	17,905.27	74.58	327.09	74.58	0.00	25.14
PLANNING & BUDGETING:	511,890.95	133,216.00	64,883.02	45,393.04	176,716.70	89,150.98	378.33	1,667.46	373.50	0.00	111.92

ATMOS ENERGY CORPORATION  
Shared Services Billing  
For The Year-To-Date 03/09/98

ALLOCATED DOLLARS

DEPARTMENT	Total	Enersys	GGC	Trans La	UCG	WKG	Egasco	Enertmart	TLIO	UCG Energy	UCG Storage	WKGR
0054000 Price Policy & Administration - V.P.	121,645.86	25,234.01	21,242.54	9,380.99	49,741.51	15,694.23	36.60	234.96	36.60	0.00	0.00	24.40
0054000 Price Policy & Administration	631,873.07	217,237.97	193,353.17	82,964.92	0.00	135,599.95	232.75	1,958.81	315.94	0.00	0.00	189.56
PRICE POLICY & ADMINISTRATION:	753,518.93	242,471.98	214,595.71	92,345.91	49,741.51	151,294.20	289.35	2,217.77	352.54	0.00	0.00	213.96
0054100 Regulatory Affairs	233,793.49	38,069.01	63,448.39	25,379.35	101,517.39	25,379.35	0.00	0.00	0.00	0.00	0.00	0.00
REGULATORY AFFAIRS:	233,793.49	38,069.01	63,448.39	25,379.35	101,517.39	25,379.35	0.00	0.00	0.00	0.00	0.00	0.00
0118000 Remittance Processing	233,882.86	83,798.31	31,367.96	22,503.58	65,181.57	49,026.18	225.64	1,748.61	31.01	0.00	0.00	0.00
REMITTANCE PROCESSING:	233,882.86	83,798.31	31,367.96	22,503.58	65,181.57	49,026.18	225.64	1,748.61	31.01	0.00	0.00	0.00
0056200 Technical Services	265,188.34	60,294.03	36,648.66	23,902.10	102,215.17	41,231.55	183.31	423.29	161.33	0.00	0.00	26.90
TECHNICAL SERVICES:	265,188.34	60,294.03	36,648.66	23,902.10	102,215.17	41,231.55	183.31	423.29	161.33	0.00	0.00	26.90
0114500 Dallas Treasury	236,089.22	86,362.45	36,331.14	19,755.78	15,507.60	58,672.37	2,116.30	15,221.53	2,021.85	0.00	0.00	0.00
0114700 Dallas Risk Management	111,947.89	27,678.89	13,464.86	9,414.80	42,355.35	18,506.99	78.78	347.88	77.84	0.00	0.00	22.50
0114800 Dallas Treasurer	156,768.75	38,764.75	18,853.96	13,184.20	59,309.02	25,918.18	110.61	487.82	108.61	0.00	0.00	31.60
0117600 Purchasing	129,591.82	36,935.33	26,087.02	18,710.65	13,608.69	34,250.13	0.00	0.00	0.00	0.00	0.00	0.00
0118500 Mail & Supply	155,169.24	57,124.03	26,875.88	19,081.92	13,475.74	36,611.67	0.00	0.00	0.00	0.00	0.00	0.00
0118900 Fleet Administration	6,709.15	2,654.13	1,303.59	915.12	0.00	1,786.65	7.39	32.20	7.39	0.00	0.00	2.68
0118600 Purchasing & Stores	95,265.43	30,364.76	17,831.10	12,661.29	10,191.38	23,890.77	51.64	206.56	51.64	0.00	0.00	16.29
TREASURY:	891,541.50	279,884.34	140,747.55	93,723.76	156,447.78	199,636.96	2,364.72	16,395.99	2,267.33	0.00	0.00	73.07
TOTAL OPERATIONS:	14,728,898.49	4,501,664.01	1,876,846.71	1,261,538.63	3,920,218.90	2,618,302.85	11,866.99	154,825.46	51,310.88	330,000.00	0.00	2,704.26
Operations w/o A&G Cap.	22,657,898.49	6,413,044.81	3,246,637.41	2,127,750.16	5,967,681.01	4,332,927.78	14,789.67	167,331.85	54,196.49	330,000.00	-	3,539.31
MAINTENANCE	34,096.27	8,429.21	4,101.49	2,867.49	12,901.37	5,636.36	23.91	105.80	23.80	0.00	0.00	6.84
DEPRECIATION	2,438,873.79	603,231.12	293,239.41	203,107.71	922,505.99	403,273.38	1,732.79	7,614.71	1,673.62	0.00	0.00	495.06
TAXES - OTHER	708,881.52	175,263.27	85,265.67	59,616.82	268,211.19	117,188.48	498.29	2,201.94	493.48	0.00	0.00	142.38
TOTAL	17,910,750.07	5,288,887.61	2,259,453.28	1,529,150.65	5,123,837.45	3,184,401.07	14,121.98	164,347.91	53,501.58	330,000.00	-	3,348.54

ATMOS ENERGY CORPORATION

Analysis of Shared Services - Actual vs. Budget  
For The Month Ended 6/30/98

Department Name	FY '98 Actual	Budget	Actual Over (Under) Budget	Prior Year	Actual Over (Under) Prior
EXECUTIVE:	326,543	277,835	48,708	217,758	108,785
FINANCE:					
ACCOUNTING	395,266	419,874	(24,608)	225,146	170,120
INFORMATION TECHNOLOGY	465,717	567,003	(101,286)	517,669	(51,952)
INTERNAL AUDIT	48,562	56,586	(8,024)	32,229	16,333
INVESTOR RELATIONS	94,515	185,300	(90,785)	215,476	(120,961)
NEW BUSINESS VENTURES	28,486	22,943	5,543	-	28,486
PLANNING & BUDGETING	49,684	75,990	(26,306)	40,668	9,016
PRICE POLICY & ADMINISTRATION	127,977	90,601	37,376	89,307	38,670
REGULATORY AFFAIRS	48,547	27,646	20,901	-	48,547
TREASURY:	295,319	438,678	(143,359)	(375,124)	670,443
TOTAL FINANCE:	1,554,073	1,884,621	(330,548)	745,371	808,702
OPERATIONS:					
BUSINESS DEVELOPMENT	28,937	60,161	(31,224)	49,383	(20,446)
CALL CENTER	77	-	77	-	77
GAS SUPPLY & GAS CONTROL	145,589	176,000	(30,411)	106,778	38,811
TECHNICAL SERVICES	2,301	11,370	(9,069)	89,870	(87,569)
TOTAL OPERATIONS:	176,904	247,531	(70,627)	246,031	(69,127)
HUMAN RESOURCES:	(574,485)	613,145	(1,187,630)	540,339	(1,114,824)
LEGAL:	421,650	274,064	147,586	153,994	267,656
OVERHEAD CAPITALIZED:	(881,000)	(883,917)	2,917	(990,000)	109,000
TOTAL O&M	1,023,685	2,413,279	(1,389,594)	913,493	110,192
DEPRECIATION	270,919	198,000	72,919	59,326	211,594
TAXES - OTHER	62,260	57,000	5,260	55,416	6,844
TOTAL	1,356,864	2,668,279	(1,311,415)	1,028,235	328,630

**ATMOS ENERGY CORPORATION**  
**Analysis of Shared Services - Actual vs. Budget**  
**For The Year-To-Date 6/30/98**

Department Name	FY '98 Actual	Budget	Actual Over (Under) Budget	Prior Year	Actual Over (Under) Prior
<b>EXECUTIVE:</b>	2,529,497	2,465,748	63,749	6,509,515	(3,980,018)
<b>FINANCE:</b>					
ACCOUNTING	3,061,743	3,369,608	(307,865)	2,507,338	554,405
INFORMATION TECHNOLOGY	5,142,116	5,311,899	(169,783)	4,921,753	220,363
INTERNAL AUDIT	372,994	521,512	(148,518)	367,483	5,511
INVESTOR RELATIONS	1,354,254	1,676,132	(321,878)	1,854,815	(500,561)
NEW BUSINESS VENTURES	192,646	206,487	(13,841)	-	192,646
PLANNING & BUDGETING	521,506	700,530	(179,024)	401,570	119,936
PRICE POLICY & ADMINISTRATION	884,268	812,337	71,931	858,998	25,270
REGULATORY AFFAIRS	274,521	248,835	25,686	-	274,521
TREASURY:	2,872,686	3,934,536	(1,061,850)	2,226,591	646,095
TOTAL FINANCE:	<u>14,676,734</u>	<u>16,781,876</u>	<u>(2,105,142)</u>	<u>13,138,548</u>	<u>1,538,186</u>
<b>OPERATIONS:</b>					
BUSINESS DEVELOPMENT	388,787	559,877	(171,090)	503,379	(114,592)
CALL CENTER	36,433	-	36,433	-	36,433
GAS SUPPLY & GAS CONTROL	1,486,858	1,581,700	(94,842)	1,008,654	478,204
TECHNICAL SERVICES	265,337	192,606	72,731	859,944	(594,607)
TOTAL OPERATIONS:	<u>2,177,415</u>	<u>2,334,183</u>	<u>(156,768)</u>	<u>2,371,977</u>	<u>(194,562)</u>
<b>HUMAN RESOURCES:</b>	4,390,529	5,304,718	(914,189)	6,346,056	(1,955,527)
<b>LEGAL:</b>	4,274,501	2,979,946	1,294,555	2,396,549	1,877,952
<b>OVERHEAD CAPITALIZED:</b>	(7,929,000)	(7,955,253)	26,253	(8,110,000)	181,000
TOTAL O&M	<u>20,119,676</u>	<u>21,911,218</u>	<u>(1,791,542)</u>	<u>22,652,645</u>	<u>(2,532,969)</u>
<b>DEPRECIATION</b>	2,438,874	1,782,000	656,874	2,911,613	(472,739)
<b>TAXES - OTHER</b>	716,398	513,000	203,398	690,594	25,804
<b>TOTAL</b>	<u><u>23,274,948</u></u>	<u><u>24,206,218</u></u>	<u><u>(931,270)</u></u>	<u><u>26,254,852</u></u>	<u><u>(2,979,904)</u></u>

ATMOS ENERGY CORPORATION  
 Analysis of Shared Services - Actual vs. Budget  
 For The Month Ended 6/30/98

Department Name	FY '98 Actual	Budget	Actual Over (Under) Budget	Prior Year	Actual Over (Under) Prior
<b>EXECUTIVE:</b>					
0050500 Chairman, President & CEO	119,406	127,464	(8,058)	118,036	1,370
0052100 Dallas Operations	114,905	55,348	59,557	31,862	83,043
0052500 Utility Services	1,890	25,840	(23,950)	23,356	(21,466)
0054700 Chief Financial Officer	90,342	69,183	21,159	44,504	45,838
	<u>326,543</u>	<u>277,835</u>	<u>48,708</u>	<u>217,758</u>	<u>108,785</u>
<b>FINANCE:</b>					
0112900 VP & Controller	75,857	64,456	11,401	(34,503)	110,360
0113000 Assistant Controller General Acctg	11,584	84,564	(72,980)	14,000	(2,416)
0113100 General Accounting	26,765	-	26,765	38,235	(11,470)
0113200 Payroll Accounting	43,443	-	43,443	25,811	17,632
0113300 Accounts Payable	9,453	-	9,453	18,197	(8,744)
0113400 Accounting Systems	8	64,873	(64,865)	7,395	(7,387)
0113500 Assistant Controller, Utility Acctg	8,169	-	8,169	3,749	4,420
0113600 Plant Accounting	29,212	-	29,212	26,756	2,456
0113700 Gas Accounting	70,906	77,397	(6,491)	52,254	18,652
0113800 Customer Billing	1,767	-	1,767	8,229	(6,462)
0113900 Financial Reporting	37,414	86,304	(48,890)	19,703	17,711
0114600 Dallas Taxation	51,381	40,563	10,818	45,449	5,932
0118300 Dallas Stores	129	-	129	(129)	258
0119200 Controller Miscellaneous	29,178	1,717	27,461	-	29,178
	<u>395,266</u>	<u>419,874</u>	<u>(24,608)</u>	<u>225,146</u>	<u>170,120</u>
<b>ACCOUNTING</b>					
0115000 Information Services	19,700	25,191	(5,491)	22,181	(2,481)
0115100 Production Services	132,211	146,711	(14,500)	124,637	7,574
0115200 Mass Mail	185,750	217,487	(31,737)	214,483	(28,733)
0115300 Information Systems	58,872	111,730	(52,858)	60,550	(1,678)
0115400 Information Support	24,775	35,919	(11,144)	64,224	(39,449)
0115500 Office Equipment	2,455	4,191	(1,736)	29,466	(27,011)
0115600 Telecommunication Services	41,954	25,774	16,180	2,128	39,826
	<u>465,717</u>	<u>567,003</u>	<u>(101,286)</u>	<u>517,669</u>	<u>(51,952)</u>
<b>INFORMATION TECHNOLOGY</b>					
0116400 Internal Audit	48,562	56,586	(8,024)	32,229	16,333
	<u>48,562</u>	<u>56,586</u>	<u>(8,024)</u>	<u>32,229</u>	<u>16,333</u>

**ATMOS ENERGY CORPORATION**  
**Analysis of Shared Services - Actual vs. Budget**  
**For The Month Ended 6/30/98**

Department Name	FY '98 Actual	Budget	Actual Over (Under) Budget	Prior Year	Actual Over (Under) Prior
0054900 Investor Relations	44,204	133,242	(89,038)	129,484	(85,280)
0052400 Public Affairs	1,068	-	1,068	24,646	(23,578)
0117700 Corporate Communications	49,243	52,058	(2,815)	61,346	(12,103)
<b>INVESTOR RELATIONS</b>	<b>94,515</b>	<b>185,300</b>	<b>(90,785)</b>	<b>215,476</b>	<b>(120,961)</b>
0054200 Retail Services	10,230	-	10,230	-	10,230
0054600 New Business Ventures	18,256	22,943	(4,687)	-	18,256
<b>NEW BUSINESS VENTURES</b>	<b>28,486</b>	<b>22,943</b>	<b>5,543</b>	<b>-</b>	<b>28,486</b>
0054400 Financial & Strategic Planning	49,551	20,629	28,922	23,667	25,884
0054500 Business Strategies & Competitive Intelligence	-	28,328	(28,328)	-	-
0114300 Budget & Planning	133	27,033	(26,900)	17,001	(16,868)
<b>PLANNING &amp; BUDGETING</b>	<b>49,684</b>	<b>75,990</b>	<b>(26,306)</b>	<b>40,668</b>	<b>9,016</b>
0054000 Price Policy & Administration	127,977	90,601	37,376	89,307	38,670
<b>PRICE POLICY &amp; ADMINISTRATION</b>	<b>127,977</b>	<b>90,601</b>	<b>37,376</b>	<b>89,307</b>	<b>38,670</b>
0054100 Regulatory Affairs	48,547	27,646	20,901	-	48,547
<b>REGULATORY AFFAIRS</b>	<b>48,547</b>	<b>27,646</b>	<b>20,901</b>	<b>-</b>	<b>48,547</b>
0114500 Dallas Treasury	20,829	49,368	(28,539)	24,680	(3,851)
0114700 Dallas Risk Management	177,545	238,345	(60,800)	-	177,545
0114800 Dallas Treasurer	13,025	19,082	(6,057)	(511,684)	524,709
0117600 Purchasing	10,563	16,928	(6,365)	15,024	(4,461)
0118000 Remittance Processing	58,647	77,188	(18,541)	51,997	6,650
0118500 Mail & Supply	6,685	20,293	(13,608)	20,328	(13,643)
0118600 Purchasing & Stores	8,025	11,182	(3,157)	24,531	(16,506)
0118909 Fleet Administration	-	6,292	(6,292)	-	-
<b>TREASURY:</b>	<b>295,319</b>	<b>438,678</b>	<b>(143,359)</b>	<b>(375,124)</b>	<b>670,443</b>
<b>TOTAL FINANCE:</b>	<b>1,554,073</b>	<b>1,884,621</b>	<b>(330,548)</b>	<b>745,371</b>	<b>808,702</b>

**ATMOS ENERGY CORPORATION**  
**Analysis of Shared Services - Actual vs. Budget**  
**For The Month Ended 6/30/98**

Department Name	FY '98 Actual	Budget	Actual Over (Under) Budget	Prior Year	Actual Over (Under) Prior
<b>OPERATIONS:</b>					
0056000 Business Development BUSINESS DEVELOPMENT	28,937 28,937	60,161 60,161	(31,224) (31,224)	49,383 49,383	(20,446) (20,446)
0120100 Amarillo Call Center CALL CENTER	77 77	- -	77 77	- -	77 77
0051500 Interstate Gas Supply	44,102	59,500	(15,398)	43,091	1,011
0051600 Intrastate Gas Supply	26,394	42,900	(16,506)	41,789	(15,395)
0051700 Corporate Gas Control	52,126	48,200	3,926	-	52,126
0051900 Gas Supply	22,967	25,400	(2,433)	21,898	1,069
<b>GAS SUPPLY &amp; GAS CONTROL</b>	<b>145,589</b>	<b>176,000</b>	<b>(30,411)</b>	<b>106,778</b>	<b>38,811</b>
0056200 Technical Services TECHNICAL SERVICES	2,301 2,301	11,370 11,370	(9,069) (9,069)	89,870 89,870	(87,569) (87,569)
<b>TOTAL OPERATIONS:</b>	<b>176,904</b>	<b>247,531</b>	<b>(70,627)</b>	<b>246,031</b>	<b>(69,127)</b>
<b>HUMAN RESOURCES:</b>					
0056100 Professional Development	3,797	24,721	(20,924)	4,936	(1,139)
0117000 Dallas EAPC	(677)	1,718	(2,395)	-	(677)
0117100 Corporate Services	1,594	-	1,594	27,716	(26,122)
0117200 Compensation & Employment	46,106	65,364	(19,258)	77,202	(31,096)
0117300 Human Resources - VP	18,553	20,495	(1,942)	21,598	(3,045)
0117400 Employee & Labor Relations	9,237	9,434	(197)	8,377	860
0117500 Employee Benefits	204,145	109,807	94,338	99,341	104,804
0117800 Employee Communications	12,836	29,708	(16,872)	-	12,836
0117900 Facilities	13,987	11,851	2,136	-	13,987
0118100 Employee Development	25,245	47,128	(21,883)	62,478	(37,233)
0119000 Employee Relocation Expense	4,711	67,919	(63,208)	139,411	(134,700)
0119210 Performance Plan	502,938	-	502,938	(211,380)	714,318
0119300 Outside Directors Retirement Cost	46,000	-	46,000	14,000	32,000
0119400 Treasury - Worker's Comp	-	-	-	-	-
0119500 Human Resources - Benefits	(279,053)	-	(279,053)	-	(279,053)
0119600 Retirement Costs	(1,183,904)	225,000	(1,408,904)	296,660	(1,480,564)
<b>HUMAN RESOURCES:</b>	<b>(574,485)</b>	<b>613,145</b>	<b>(1,187,630)</b>	<b>540,339</b>	<b>(1,114,824)</b>



**ATMOS ENERGY CORPORATION**  
**Analysis of Shared Services - Actual vs. Budget**  
**For The Month Ended 6/30/98**

<u>Department Name</u>	<u>FY '98</u> <u>Actual</u>	<u>Budget</u>	<u>Actual</u> <u>Over (Under)</u> <u>Budget</u>	<u>Prior</u> <u>Year</u>	<u>Actual</u> <u>Over (Under)</u> <u>Prior</u>
<b>LEGAL:</b>					
0052000 Legal	334,359	191,329	143,030	111,502	222,857
0051400 Contract Administration	8,854	-	8,854	-	8,854
0052200 Governmental Affairs	7,113	10,524	(3,411)	8,188	(1,075)
0057900 Corporate Secretary	52,366	51,890	476	21,452	30,914
0118200 Central Records	18,958	20,321	(1,363)	12,852	6,106
<b>LEGAL:</b>	<u>421,650</u>	<u>274,064</u>	<u>147,586</u>	<u>153,994</u>	<u>267,656</u>
<b>OVERHEAD CAPITALIZED:</b>					
0119800 Overhead Capitalized	(881,000)	(883,917)	2,917	(990,000)	109,000
<b>OVERHEAD CAPITALIZED:</b>	<u>(881,000)</u>	<u>(883,917)</u>	<u>2,917</u>	<u>(990,000)</u>	<u>109,000</u>
<b>TOTAL O&amp;M</b>	<u>1,023,685</u>	<u>2,413,279</u>	<u>(1,389,594)</u>	<u>913,493</u>	<u>110,192</u>
<b>DEPRECIATION</b>	270,919	198,000	72,919	59,326	211,594
<b>TAXES - OTHER</b>	62,260	57,000	5,260	55,416	6,844
<b>TOTAL</b>	<u>1,356,864</u>	<u>2,668,279</u>	<u>(1,311,415)</u>	<u>1,028,235</u>	<u>328,630</u>

ATMOS ENERGY CORPORATION

Analysis of Shared Services - Actual vs. Budget

For The Year-To-Date 6/30/98

Department Name	FY '98 Actual	Budget	Actual Over (Under) Budget	Prior Year	Actual Over (Under) Prior
<b>EXECUTIVE:</b>					
0050500 Chairman, President & CEO	1,216,538	1,117,528	99,010	4,421,727	(3,205,189)
0052100 Dallas Operations	470,699	500,177	(29,478)	282,181	188,518
0052500 Utility Services	127,674	222,330	(94,656)	206,417	(78,743)
0054700 Chief Financial Officer	714,586	625,713	88,873	1,599,190	(884,604)
	<u>2,529,497</u>	<u>2,465,748</u>	<u>63,749</u>	<u>6,509,515</u>	<u>(3,980,018)</u>
<b>EXECUTIVE:</b>					
<b>FINANCE:</b>					
0112900 VP & Controller	719,935	580,104	139,831	400,547	319,388
0113000 Assistant Controller General Acctg	104,069	794,280	(690,211)	129,220	(25,151)
0113100 General Accounting	307,822	-	307,822	350,799	(42,977)
0113200 Payroll Accounting	340,637	-	340,637	244,578	96,059
0113300 Accounts Payable	175,741	-	175,741	163,380	12,361
0113400 Accounting Systems	22,507	462,257	(439,750)	66,065	(43,558)
0113500 Assistant Controller, Utility Acctg	39,565	-	39,565	39,093	472
0113600 Plant Accounting	266,016	-	266,016	207,415	58,601
0113700 Gas Accounting	496,356	606,775	(110,419)	439,074	57,282
0113800 Customer Billing	50,000	-	50,000	106,592	(56,592)
0113900 Financial Reporting	210,070	603,084	(393,014)	188,834	21,236
0114600 Dallas Taxation	271,544	307,655	(36,111)	171,741	99,803
0118300 Dallas Stores	373	-	373	-	373
0119200 Controller Miscellaneous	57,108	15,453	41,655	-	57,108
	<u>3,061,743</u>	<u>3,369,608</u>	<u>(307,865)</u>	<u>2,507,338</u>	<u>554,405</u>
<b>ACCOUNTING</b>					
0115000 Information Services	217,963	223,493	(5,530)	210,906	7,057
0115100 Production Services	1,260,325	1,475,022	(214,697)	1,254,839	5,486
0115200 Mass Mail	2,059,887	2,083,646	(23,759)	2,044,803	15,084
0115300 Information Systems	814,633	898,283	(83,650)	811,252	3,381
0115400 Information Support	314,562	352,179	(37,617)	403,155	(88,593)
0115500 Office Equipment	25,441	37,719	(12,278)	168,188	(142,747)
0115600 Telecommunication Services	449,305	241,557	207,748	28,610	420,695
	<u>5,142,116</u>	<u>5,311,899</u>	<u>(169,783)</u>	<u>4,921,753</u>	<u>220,363</u>
<b>INFORMATION TECHNOLOGY</b>					
0116400 Internal Audit	372,994	521,512	(148,518)	367,483	5,511
	<u>372,994</u>	<u>521,512</u>	<u>(148,518)</u>	<u>367,483</u>	<u>5,511</u>

**ATMOS ENERGY CORPORATION**  
**Analysis of Shared Services - Actual vs. Budget**  
**For The Year-To-Date 6/30/98**

Department Name	FY '98		Actual Over (Under) Budget		Prior Year		Actual Over (Under) Prior	
	Actual	Budget	Actual Over (Under) Budget	Budget	Prior Year	Actual Over (Under) Prior	Prior Year	
0054900 Investor Relations	875,829	1,194,386	(318,557)		1,138,364	(262,535)		
0052400 Public Affairs	133,979	-	133,979		226,754	(92,775)		
0117700 Corporate Communications	344,446	481,746	(137,300)		489,697	(145,251)		
INVESTOR RELATIONS	1,354,254	1,676,132	(321,878)		1,854,815	(500,561)		
0054200 Retail Services	25,551	-	25,551		-	25,551		
0054600 New Business Ventures	167,095	206,487	(39,392)		-	167,095		
NEW BUSINESS VENTURES	192,646	206,487	(13,841)		-	192,646		
0054400 Financial & Strategic Planning	439,174	185,661	253,513		232,510	206,664		
0054500 Business Strategies & Competitive Intelligence	11	281,817	(281,806)		-	11		
0114300 Budget & Planning	82,321	233,052	(150,731)		169,060	(86,739)		
PLANNING & BUDGETING	521,506	700,530	(179,024)		401,570	119,936		
0054000 Price Policy & Administration	884,268	812,337	71,931		858,998	25,270		
PRICE POLICY & ADMINISTRATION	884,268	812,337	71,931		858,998	25,270		
0054100 Regulatory Affairs	274,521	248,835	25,686		-	274,521		
REGULATORY AFFAIRS	274,521	248,835	25,686		-	274,521		
0114500 Dallas Treasury	246,285	435,807	(189,522)		294,367	(48,082)		
0114700 Dallas Risk Management	1,469,448	2,147,025	(677,577)		-	1,469,448		
0114800 Dallas Treasurer	152,083	174,654	(22,571)		903,030	(750,947)		
0117600 Purchasing	129,590	153,636	(24,046)		139,831	(10,241)		
0118000 Remittance Processing	617,932	678,969	(61,037)		515,439	102,493		
0118500 Mail & Supply	161,715	183,072	(21,357)		190,880	(29,165)		
0118600 Purchasing & Stores	95,560	103,045	(7,485)		183,044	(87,484)		
0118909 Fleet Administration	73	58,328	(58,255)		-	73		
TREASURY:	2,872,686	3,934,536	(1,061,850)		2,226,591	646,095		
TOTAL FINANCE:	14,676,734	16,781,876	(2,105,142)		13,138,548	1,538,186		

**ATMOS ENERGY CORPORATION**  
 Analysis of Shared Services - Actual vs. Budget  
 For The Year-To-Date 6/30/98

Department Name	FY '98 Actual	Budget	Actual Over (Under) Budget	Prior Year	Actual Over (Under) Prior
<b>OPERATIONS:</b>					
0056000 Business Development BUSINESS DEVELOPMENT	388,787 388,787	559,877 559,877	(171,090) (171,090)	503,379 503,379	(114,592) (114,592)
0120100 Amarillo Call Center CALL CENTER	36,433 36,433	- -	36,433 36,433	- -	36,433 36,433
0051500 Interstate Gas Supply	495,612	536,300	(40,688)	398,361	97,251
0051600 Intrastate Gas Supply	381,436	385,100	(3,664)	389,732	(8,296)
0051700 Corporate Gas Control	395,781	433,600	(37,819)	-	395,781
0051900 Gas Supply	214,029	226,700	(12,671)	220,561	(6,532)
GAS SUPPLY & GAS CONTROL	1,486,858	1,581,700	(94,842)	1,008,654	478,204
0056200 Technical Services TECHNICAL SERVICES	265,337 265,337	192,606 192,606	72,731 72,731	859,944 859,944	(594,607) (594,607)
TOTAL OPERATIONS:	2,177,415	2,334,183	(156,768)	2,371,977	(194,562)
<b>HUMAN RESOURCES:</b>					
0056100 Professional Development	35,713	222,489	(186,776)	87,487	(51,774)
0117000 Dallas EAPC	4,486	15,462	(10,976)	-	4,486
0117100 Corporate Services	22,103	-	22,103	309,669	(287,566)
0117200 Compensation & Employment	410,138	529,166	(119,028)	510,355	(100,217)
0117300 Human Resources - VP	184,404	182,550	1,854	183,826	578
0117400 Employee & Labor Relations	84,992	85,954	(962)	42,762	42,230
0117500 Employee Benefits	1,229,583	991,222	238,361	1,117,491	112,092
0117800 Employee Communications	138,860	176,856	(37,996)	-	138,860
0117900 Facilities	124,754	123,660	1,094	-	124,754
0118100 Employee Development	240,442	339,370	(98,928)	419,616	(179,174)
0119000 Employee Relocation Expense	172,709	611,271	(438,562)	677,054	(504,345)
0119210 Performance Plan	1,436,272	-	1,436,272	788,620	647,652
0119300 Outside Directors Retirement Cost	230,000	1,718	228,282	126,000	104,000
0119400 Treasury - Worker's Comp	(74,020)	-	(74,020)	87	(74,107)
0119500 Human Resources - Benefits	(218,089)	-	(218,089)	659	(218,748)
0119600 Retirement Costs	368,182	2,025,000	(1,656,818)	2,082,430	(1,714,248)
HUMAN RESOURCES:	4,390,529	5,304,718	(914,189)	6,346,056	(1,955,527)

ATMOS ENERGY CORPORATION  
 Analysis of Shared Services - Actual vs. Budget  
 For The Year-To-Date 6/30/98

Department Name	FY '98		Budget	Actual Over (Under) Budget	Prior Year	Actual Over (Under) Prior
	Actual	Budget				
LEGAL:						
0052000 Legal	3,303,002	1,716,937		1,586,065	1,585,432	1,717,570
0051400 Contract Administration	51,427	80,982		(29,555)	-	51,427
0052200 Governmental Affairs	70,222	93,108		(22,886)	73,005	(2,783)
0057900 Corporate Secretary	728,206	895,410		(167,204)	579,886	148,320
0118200 Central Records	121,644	193,509		(71,865)	158,226	(36,582)
LEGAL:	4,274,501	2,979,946		1,294,555	2,396,549	1,877,952
OVERHEAD CAPITALIZED:						
0119800 Overhead Capitalized	(7,929,000)	(7,955,253)		26,253	(8,110,000)	181,000
OVERHEAD CAPITALIZED:	(7,929,000)	(7,955,253)		26,253	(8,110,000)	181,000
TOTAL O&M	20,119,676	21,911,218		(1,791,542)	22,652,645	(2,532,969)
DEPRECIATION	2,438,874	1,782,000		656,874	2,911,613	(472,739)
TAXES - OTHER	716,398	513,000		203,398	690,594	25,804
TOTAL	23,274,948	24,206,218		(931,270)	26,254,852	(2,979,904)

ATMOS ENERGY CORPORATION UTILITY BUSINESS UNITS  
CONSOLIDATING STATEMENT OF INCOME  
FOR THE MONTH ENDED 06/30/98

1998

Line No.	Description (a)	Utility Business Units				Total Utility Business Units		Line No.
		Energas (b)	GCC (c)	Trans La (d)	UCG (e)	WKG (f)	(g)	
1	Operating revenues							
2	Gas	\$15,370,293.15	\$5,416,329.21	\$2,412,735.38	\$14,981,286.91	\$4,726,773.22	\$42,907,417.87	1
3	Transportation	116,315.45	192,963.03	27,941.83	1,302,959.56	698,949.00	2,339,128.87	2
3	Other	0.00	0.00	0.00	0.00	0.00	0.00	3
4	Total operating revenues	15,486,608.60	5,609,292.24	2,440,677.21	16,284,246.47	5,425,722.22	45,246,546.74	4
5	Purchased gas cost	10,230,824.93	3,356,741.73	859,587.44	7,961,773.57	2,440,435.53	24,849,363.20	5
6	Gross profit	5,255,783.67	2,252,550.51	1,581,089.77	8,322,472.90	2,985,286.69	20,397,183.54	6
7	Operating expenses							
8	Operation	1,809,403.19	914,947.76	522,394.82	(1,000,391.37)	1,053,729.63	3,300,084.03	7
8	Maintenance	75,985.36	77,663.74	43,523.16	626,884.32	86,190.17	910,246.75	8
9	Depreciation and amortization	548,925.06	417,903.00	306,393.74	1,540,749.84	545,335.42	3,359,307.06	9
10	Taxes - other than income taxes	534,371.25	183,687.33	187,729.69	1,153,989.61	157,829.96	2,217,607.84	10
11	Shared services - direct	234,426.02	101,736.25	149,435.42	351,778.75	165,674.86	1,003,051.30	11
12	Shared services - billed	754,052.47	335,933.51	239,018.67	679,987.17	460,375.01	2,469,366.83	12
13	Provision for income taxes	270,682.86	(10,013.13)	(26,611.71)	1,638,836.00	70,585.00	1,943,479.02	13
14	Total operating expenses	4,227,846.21	2,021,858.46	1,421,883.79	4,991,834.32	2,539,720.05	15,203,142.83	14
15	Operating income (loss)	1,027,937.46	230,692.05	159,205.98	3,330,638.58	445,566.64	5,194,040.71	15
16	Other income							
16	Merchandise	(12,419.25)	(25.13)	0.00	(38,165.79)	7,398.13	(43,212.04)	16
17	Interest income	14,512.32	0.00	242.04	46,504.76	1,397.20	62,656.32	17
18	Other nonoperating income	(69,204.87)	12,622.56	(4,856.06)	(11,980.72)	(4,572.29)	(77,991.38)	18
19	Total other income (loss)	(67,111.80)	12,597.43	(4,614.02)	(3,641.75)	4,223.04	(58,547.10)	19
20	Income (loss) before interest charges	960,825.66	243,289.48	154,591.96	3,326,996.83	449,789.68	5,135,493.61	20
21	Interest charges	454,536.25	259,140.20	194,806.98	1,133,134.44	353,557.66	2,395,175.53	21
22	Net income (loss)	\$506,289.41	(\$15,850.72)	(\$40,215.02)	\$2,193,862.39	\$96,232.02	\$2,740,318.08	22

ATMOS ENERGY CORPORATION UTILITY BUSINESS UNITS  
CONSOLIDATING STATEMENT OF INCOME  
FOR THE QUARTER ENDED 06/30/98

1998

Line No.	Description (a)	Utility Business Units				WKG (f)	Total Utility Business Units (g)	Line No.
		Energy (b)	GGC (c)	Trans La (d)	UCG (e)			
	Operating revenues							
1	Gas	\$38,171,143.29	\$14,960,185.10	\$7,524,573.71	\$47,399,906.80	\$16,917,743.51	\$124,973,552.41	1
2	Transportation	303,233.18	428,859.98	50,157.38	4,539,689.58	2,185,456.73	7,507,396.85	2
3	Other	0.00	0.00	0.00	0.00	0.00	0.00	3
4	Total operating revenues	38,474,376.47	15,389,045.08	7,574,731.09	51,939,596.38	19,103,200.24	132,480,949.26	4
5	Purchased gas cost	26,309,478.12	9,092,664.88	3,364,722.51	27,869,803.86	11,404,300.39	78,040,969.76	5
6	Gross profit	12,164,898.35	6,296,380.20	4,210,008.58	24,069,792.52	7,698,899.85	54,439,979.50	6
	Operating expenses							
7	Operation	5,330,948.74	2,970,970.27	1,610,366.54	4,726,664.10	3,572,632.97	18,211,582.62	7
8	Maintenance	236,671.56	209,627.99	121,184.00	1,720,444.68	265,385.06	2,553,313.29	8
9	Depreciation	1,646,775.18	1,668,550.55	919,181.22	4,622,249.52	1,636,006.26	10,492,762.73	9
10	Taxes - other than income taxes	2,155,823.12	598,305.45	568,032.16	2,928,110.33	521,708.97	6,771,980.03	10
11	Shared services - direct	710,719.36	338,925.55	439,789.28	340,648.08	526,157.32	2,356,239.59	11
12	Shared services - billed	1,837,482.39	804,186.47	572,288.86	1,876,295.48	1,104,370.43	6,194,623.63	12
13	Provision for income taxes	(349,415.69)	(431,293.70)	(289,181.38)	1,885,287.32	(403,885.34)	411,511.21	13
14	Total operating expenses	11,569,004.66	6,159,272.58	3,941,660.68	18,099,699.51	7,222,375.67	46,992,013.10	14
15	Operating income (loss)	595,893.69	137,107.62	268,347.90	5,970,093.01	476,524.18	7,447,966.40	15
	Other income							
16	Merchandise	(41,495.61)	236.51	(6,870.00)	(122,676.80)	22,188.54	(148,617.36)	16
17	Interest income	26,671.20	147.61	498.56	124,497.31	2,536.18	154,350.86	17
18	Other nonoperating income	(118,179.77)	(29,980.99)	(14,819.09)	83,272.37	(23,263.17)	(102,970.65)	18
19	Total other income (loss)	(133,004.18)	(29,596.87)	(21,190.53)	85,092.88	1,461.55	(97,237.15)	19
20	Income (loss) before interest charges	462,889.51	107,510.75	247,157.37	6,055,185.89	477,985.73	7,350,729.25	20
21	Interest charges	1,377,899.51	791,373.61	604,125.35	3,435,656.09	1,081,006.64	7,290,061.20	21
22	Net income (loss)	(\$915,010.00)	(\$683,862.86)	(\$356,967.98)	\$2,619,529.80	(\$603,020.91)	\$60,668.05	22

ATMOS ENERGY CORPORATION UTILITY BUSINESS UNITS  
CONSOLIDATING STATEMENT OF INCOME  
FOR THE NINE MONTHS ENDED 06/30/98

1998

Line No.	Description (a)	Utility Business Units				WKG (f)	Total Utility Business Units (g)	Line No.
		Energy (b)	GGC (c)	Trans La (d)	UCG (e)			
	Operating revenues							
1	Gas	\$173,338,816.04	\$73,342,128.55	\$33,953,700.06	\$285,319,354.80	\$100,969,704.62	\$666,923,704.07	1
2	Transportation	843,366.37	1,224,459.75	115,468.35	11,710,351.58	6,869,083.53	20,762,729.58	2
3	Other	0.00	0.00	0.00	0.00	0.00	0.00	3
4	Total operating revenues	174,182,182.41	74,566,588.30	34,069,168.41	297,029,706.38	107,838,788.15	687,686,433.65	4
5	Purchased gas cost	113,642,689.61	44,011,964.04	11,532,657.60	182,892,939.86	70,250,037.35	422,330,288.46	5
6	Gross profit	60,539,492.80	30,554,624.26	22,536,510.81	114,136,766.52	37,588,750.80	265,356,145.19	6
	Operating expenses							
7	Operation	16,979,046.74	9,374,448.68	5,106,246.35	26,168,929.18	11,008,972.47	68,637,643.42	7
8	Maintenance	773,036.53	571,029.42	396,140.45	4,431,720.68	715,002.15	6,886,929.23	8
9	Depreciation and amortization	4,939,452.06	4,155,838.81	2,757,543.66	13,802,188.52	4,907,990.07	30,563,013.12	9
10	Taxes - other than income taxes	9,017,238.46	1,920,953.06	1,716,736.87	9,179,334.33	1,518,659.98	23,352,922.70	10
11	Shared services - direct	2,515,726.15	1,154,667.77	1,507,033.20	340,648.08	1,771,870.08	7,289,945.28	11
12	Shared services - billed	5,467,365.28	2,259,453.28	1,582,652.23	5,123,837.45	3,146,446.41	17,579,754.65	12
13	Provision for income taxes	5,703,282.90	3,244,396.69	2,591,913.41	17,067,521.47	4,474,075.69	33,081,190.16	13
14	Total operating expenses	45,395,148.12	22,680,787.71	15,658,266.17	76,114,179.71	27,543,016.85	187,391,398.56	14
15	Operating income (loss)	15,144,344.68	7,873,836.55	6,878,244.64	38,022,586.81	10,045,733.95	77,964,746.63	15
	Other income							
16	Merchandise	(28,033.32)	(1,667.80)	7,531.36	(206,754.80)	180,356.57	(48,567.99)	16
17	Interest income	133,387.75	529.48	2,687.67	853,688.31	15,309.92	1,005,603.13	17
18	Other nonoperating income	(371,464.33)	34,603.98	(61,154.00)	56,548.63	(56,284.26)	(397,749.98)	18
19	Total other income (loss)	(266,109.90)	33,465.66	(50,934.97)	703,482.14	139,382.23	559,285.16	19
20	Income (loss) before interest charges	14,878,234.78	7,907,302.21	6,827,309.67	0.00	10,185,116.18	78,524,031.79	20
21	Interest charges	4,578,555.48	2,662,353.75	2,442,990.63	11,320,192.67	3,666,300.65	24,670,393.18	21
22	Net income (loss)	\$10,299,679.30	\$5,244,948.46	\$4,384,319.04	\$27,405,876.28	\$6,518,815.53	\$53,853,638.61	22



WESTERN KENTUCKY GAS BUSINESS UNITS  
CONSOLIDATING STATEMENT OF INCOME  
FOR THE MONTH ENDED 06/30/98

1998

Line No.	Description (a)	Eliminations and Adjustments (d)			Line No.
		WKGR (b)	WKGR (c)	Western Kentucky Gas Business Units (e)	
	Operating revenues				
1	Gas	\$4,726,773.22	\$0.00	\$0.00	1
2	Transportation	698,949.00	0.00	0.00	2
3	Other	0.00	0.00	0.00	3
4	Total operating revenues	5,425,722.22	0.00	0.00	4
5	Purchased gas cost	2,440,435.53	0.00	0.00	5
6	Gross profit	2,985,286.69	0.00	0.00	6
	Operating expenses				
7	Operation	1,053,729.63	0.00	0.00	7
8	Maintenance	86,190.17	0.00	0.00	8
9	Depreciation and amortization	545,335.42	0.00	0.00	9
10	Taxes - other than income taxes	157,829.96	0.00	0.00	10
11	Shared services - direct	165,674.86	0.00	0.00	11
12	Shared services - billed	459,863.30	0.00	511.71	12
13	Provision for income taxes	70,585.00	0.00	0.00	13
14	Total operating expenses	2,539,208.34	0.00	511.71	14
15	Operating income (loss)	446,078.35	0.00	(511.71)	15
	Other income				
16	Merchandise	7,398.13	0.00	0.00	16
17	Interest income	1,397.20	0.00	0.00	17
18	Shared services - billed	0.00	(511.71)	511.71	18
19	Other nonoperating income	(4,609.43)	37.14	0.00	19
20	Total other income (loss)	4,185.90	(474.57)	511.71	20
21	Income (loss) before interest chgs	450,264.25	(474.57)	0.00	21
22	Interest charges	353,557.66	0.00	0.00	22
23	Net income (loss)	\$96,706.59	(\$474.57)	\$0.00	23

WESTERN KENTUCKY GAS BUSINESS UNITS  
CONSOLIDATING STATEMENT OF INCOME  
FOR THE QUARTER ENDED 06/30/98

Line No.	Description (a)	1998			Line No.
		WKGR (b)	WKGR (c)	Eliminations and Adjustments (d)	
	Operating revenues				
1	Gas	\$16,917,743.51	\$0.00	\$0.00	1
2	Transportation	2,185,456.73	0.00	0.00	2
3	Other	0.00	0.00	0.00	3
4	Total operating revenues	19,103,200.24	0.00	0.00	4
5	Purchased gas cost	11,404,300.39	0.00	0.00	5
6	Gross profit	7,698,899.85	0.00	0.00	6
	Operating expenses				
7	Operation	3,572,632.97	0.00	0.00	7
8	Maintenance	265,385.06	0.00	0.00	8
9	Depreciation and amortization	1,636,006.26	0.00	0.00	9
10	Taxes - other than income taxes	521,708.97	0.00	0.00	10
11	Shared services - direct	526,157.32	0.00	0.00	11
12	Shared services - billed	1,103,199.06	0.00	1,171.37	12
13	Provision for income taxes	(403,885.34)	0.00	0.00	13
14	Total operating expenses	7,221,204.30	0.00	1,171.37	14
15	Operating income (loss)	477,695.55	0.00	(1,171.37)	15
	Other income				
16	Merchandise	22,188.54	0.00	0.00	16
17	Interest income	2,536.18	0.00	0.00	17
18	Shared services - billed	0.00	(1,171.37)	1,171.37	18
19	Other nonoperating income	(22,468.32)	(794.85)	0.00	19
20	Total other income (loss)	2,256.40	(1,966.22)	1,171.37	20
21	Income (loss) before interest chgs	479,951.95	(1,966.22)	0.00	21
22	Interest charges	1,081,006.64	0.00	0.00	22
23	Net income (loss)	(\$601,054.69)	(\$1,966.22)	\$0.00	23



WESTERN KENTUCKY GAS COMPANY  
STATEMENTS OF INCOME  
FOR THE MONTH AND YEAR TO DATE 06/30/98

Line No.	Description (a)	Current Month			Year to Date			Prior Year Actual (j)	Actual Over (Under) Prior Year (k)	Line No.	
		Actual (b)	Budget (c)	Actual Over (Under) Budget (d)	Prior Year Actual (e)	Actual Over (Under) Prior Year (f)	Actual (g)				Budget (h)
1	Operating revenues										
2	Gas	\$4,726,773.22	\$3,966,000	\$760,773.22	\$6,139,932.41	(\$1,413,159.19)	\$100,969,704.62	\$116,068,000.00	(\$15,098,295.38)	\$121,926,288.59	1
3	Transportation	698,949.00	700,000	(1,051.00)	544,808.82	154,140.18	6,869,083.53	6,300,000.00	569,083.53	5,428,541.11	2
4	Other	0.00	35,000	(35,000.00)	0.00	0.00	0.00	763,000.00	(763,000.00)	0.00	3
5	Total operating revenues	5,425,722.22	4,701,000	724,722.22	6,684,741.23	(1,259,019.01)	107,838,788.15	123,131,000.00	(15,292,211.85)	127,354,829.70	4
6	Purchased gas cost	2,440,435.53	2,425,000	15,435.53	3,768,533.06	(1,328,097.53)	70,250,037.35	84,188,000.00	(13,937,962.65)	88,850,950.15	5
7	Gross profit	2,985,286.69	2,276,000	709,286.69	2,916,208.17	69,078.52	37,588,750.80	38,943,000.00	(1,354,249.20)	38,503,879.55	6
8	Operating expenses										
9	Operation	1,053,729.63	1,085,000	(31,270.37)	1,116,287.82	(62,558.19)	11,008,972.47	11,176,000.00	(167,027.53)	11,826,595.64	7
10	Maintenance	86,190.17	132,000	(45,809.83)	90,018.69	(3,828.52)	715,002.15	1,188,000.00	(472,997.85)	719,114.78	8
11	Depreciation	545,335.42	544,000	1,335.42	510,922.63	34,412.79	4,907,990.07	4,896,000.00	11,990.07	4,598,303.67	9
12	Taxes - other than income taxes	157,829.96	156,000	1,829.96	167,105.80	(9,275.84)	1,518,649.98	1,395,000.00	123,649.98	1,374,185.83	10
13	Shared Services - direct	165,674.86	0	165,674.86	175,893.80	(10,218.94)	1,771,870.08	0.00	1,771,870.08	1,821,117.76	11
14	Shared Services - billed	459,863.30	492,000	(32,136.70)	(310,889.10)	770,752.40	3,143,097.87	4,943,000.00	(1,799,902.13)	4,628,771.86	12
15	Provision for income taxes	70,585.00	(583,000)	653,585.00	332,520.01	(261,935.01)	4,474,075.69	6,374,000.00	(1,899,924.31)	4,223,557.75	13
16	Total operating expenses	2,539,208.34	1,826,000	713,208.34	2,081,859.65	457,348.69	27,539,658.31	29,972,000.00	(2,432,341.69)	29,191,647.29	14
17	Operating income (loss)	446,078.35	450,000	(3,921.65)	834,348.52	(388,270.17)	10,049,092.49	8,971,000.00	1,078,092.49	9,312,232.26	15
18	Other income										
19	Merchandise	7,398.13	(2,000)	9,398.13	876.34	6,521.79	180,356.57	(18,000.00)	198,356.57	279,811.68	16
20	Interest income	1,397.20	4,000	(2,602.80)	2,074.06	(676.86)	15,309.92	36,000.00	(20,690.08)	20,330.58	17
21	Other nonoperating income	(4,609.43)	35,000	(39,609.43)	(3,333.41)	(1,276.02)	(57,681.61)	315,000.00	(372,681.61)	(60,689.65)	18
22	Total other income (loss)	4,185.90	37,000	(32,814.10)	(383.01)	4,568.91	137,984.88	333,000.00	(195,015.12)	239,452.61	19
23	Income (loss) before interest charges	450,264.25	487,000	(36,735.75)	833,965.51	(383,701.26)	10,187,077.37	9,304,000.00	883,077.37	9,551,684.87	20
24	Interest charges	353,557.66	370,000	(16,442.34)	362,343.97	(8,786.31)	3,666,300.65	3,612,000.00	54,300.65	3,215,085.70	21
25	Net income (loss)	\$96,706.59	\$117,000	(\$20,293.41)	\$471,621.54	(374,914.95)	\$6,520,776.72	\$5,692,000.00	\$828,776.72	\$6,336,599.17	22

WESTERN KENTUCKY GAS COMPANY  
STATEMENTS OF INCOME  
FOR THE QUARTER ENDED 06/30/98

Line No.	Description (a)	Actual (b)	Budget (c)	Actual Over (Under) Budget (d)	Prior Year Actual (e)	Actual Over (Under) Prior Year (f)	Line No.
1	Operating revenues						
2	Gas	\$16,917,743.51	\$17,706,000	(\$788,256)	\$22,731,602.75	(\$5,813,859)	1
3	Transportation	2,185,456.73	2,100,000	85,457	1,805,880.72	379,576	2
	Other	0.00	186,000	(186,000)	0.00	0	3
4	Total operating revenues	19,103,200.24	19,992,000	(888,800)	24,537,483.47	(5,434,283)	4
5	Purchased gas cost	11,404,300.39	11,511,000	(106,700)	15,164,924.02	(3,760,624)	5
6	Gross profit	7,698,899.85	8,481,000	(782,100)	9,372,559.45	(1,673,660)	6
	Operating expenses						
7	Operation	3,572,632.97	3,487,000	85,633	3,685,992.37	(113,359)	7
8	Maintenance	265,385.06	396,000	(130,615)	256,945.34	8,440	8
9	Depreciation	1,636,006.26	1,632,000	4,006	1,532,767.89	103,238	9
10	Taxes - other than income taxes	521,708.97	499,000	22,709	461,385.03	60,324	10
11	Shared Services - direct	526,157.32	0	526,157	592,523.62	(66,366)	11
12	Shared Services - billed	1,103,199.06	1,501,000	(397,801)	730,941.80	372,257	12
13	Provision for income taxes	(403,885.34)	(313,000)	(90,885)	443,271.97	(847,157)	13
14	Total operating expenses	7,221,204.30	7,202,000	19,204	7,703,828.02	(482,624)	14
15	Operating income (loss)	477,695.55	1,279,000	(801,304)	1,668,731.43	(1,191,036)	15
	Other income						
16	Merchandise	22,188.54	(6,000)	28,189	21,715.44	473	16
17	Interest income	2,536.18	12,000	(9,464)	6,490.15	(3,954)	17
18	Other nonoperating income	(22,468.32)	105,000	(127,468)	(18,507.60)	(3,961)	18
19	Total other income (loss)	2,256.40	111,000	(108,744)	9,697.99	(7,442)	19
20	Income (loss) before interest charges	479,951.95	1,390,000	(910,048)	1,678,429.42	(1,198,477)	20
21	Interest charges	1,081,006.64	1,101,000	(19,993)	1,065,009.07	15,998	21
22	Net income (loss)	(\$601,054.69)	\$289,000	(\$890,055)	\$613,420.35	(\$1,214,475)	22

WESTERN KENTUCKY GAS RESOURCES, INC.  
STATEMENTS OF INCOME  
FOR THE MONTH AND YEAR TO DATE 06/30/98

Line No.	Description (a)	Current Month				Year to Date				Actual Over (Under) Prior Year (k)		
		Actual (b)	Budget (c)	Actual Over (Under) Budget (d)	Prior Year Actual (e)	Actual Over (Under) Prior Year (f)	Budget (h)	Actual Over (Under) Budget (i)	Prior Year Actual (j)			
1	Operating revenues											
2	Gas	\$0.00	\$0	\$0.00	\$0.00	\$0.00	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3	Transportation	0.00	0	0.00	0.00	0.00	0	0.00	0.00	0.00	0.00	0.00
4	Other	0.00	0	0.00	0.00	0.00	0	0.00	0.00	0.00	0.00	0.00
5	Total operating revenues	0.00	0	0.00	0.00	0.00	0	0.00	0.00	0.00	0.00	0.00
6	Purchased gas cost	0.00	0	0.00	0.00	0.00	0	0.00	0.00	0.00	0.00	0.00
7	Gross profit	0.00	0	0.00	0.00	0.00	0	0.00	0.00	0.00	0.00	0.00
8	Operating expenses											
9	Operation	0.00	0	0.00	0.00	0.00	0	0.00	0.00	0.00	0.00	0.00
10	Maintenance	0.00	0	0.00	0.00	0.00	0	0.00	0.00	0.00	0.00	0.00
11	Depreciation	0.00	0	0.00	0.00	0.00	0	0.00	0.00	0.00	0.00	0.00
12	Taxes - other than income taxes	0.00	0	0.00	3,013.00	(3,013.00)	0	10.00	10.00	10.00	0.00	(3,013.00)
13	Provision for income taxes	0.00	0	0.00	(1,000.00)	1,000.00	0	0.00	0.00	0.00	0.00	6,000.00
14	Total operating expenses	0.00	0	0.00	2,013.00	(2,013.00)	0	10.00	10.00	10.00	0.00	2,987.00
15	Operating income (loss)	0.00	0	0.00	(2,013.00)	2,013.00	0	(10.00)	(10.00)	2,977.00	0.00	(2,987.00)
16	Other income											
17	Merchandise	0.00	0	0.00	0.00	0.00	0	0.00	0.00	0.00	0.00	0.00
18	Interest income	0.00	0	0.00	0.00	0.00	0	0.00	0.00	0.00	0.00	0.00
19	Shared Services - Billed	(511.71)	3,000	(3,511.71)	(511.71)	(511.71)	27,000	(3,348.54)	(11,835.98)	(11,835.98)	8,487.44	8,487.44
20	Other nonoperating income	37.14	0	37.14	738.09	(700.95)	0	1,397.35	(3,012.65)	(3,012.65)	4,410.00	4,410.00
21	Total other income (loss)	(474.57)	3,000	(3,474.57)	738.09	(1,212.66)	27,000	(1,951.19)	(14,848.63)	(14,848.63)	12,897.44	12,897.44
22	Income (loss) before interest charges	(474.57)	3,000	(3,474.57)	(1,274.91)	800.34	27,000	(1,961.19)	(11,371.63)	(11,371.63)	9,910.44	9,910.44
23	Interest charges	0.00	0	0.00	0.00	0.00	0	0.00	0.00	0.00	0.00	0.00
24	Net income (loss)	(474.57)	\$3,000	(3,474.57)	(1,274.91)	\$800.34	\$27,000	(\$1,961.19)	(\$11,371.63)	(\$11,371.63)	\$9,910.44	\$9,910.44

WESTERN KENTUCKY GAS RESOURCES, INC.  
STATEMENTS OF INCOME  
FOR THE QUARTER ENDED 06/30/98

Line No.	Description (a)	Actual (b)	Budget (c)	Actual Over (Under) Budget (d)	Prior Year Actual (e)	Actual Over (Under) Prior Year (f)	Line No.
1	Operating revenues						
2	Gas	\$0.00	\$0	\$0.00	\$0.00	\$0.00	1
3	Transportation	0.00	0	0.00	0.00	0.00	2
3	Other	0.00	0	0.00	0.00	0.00	3
4	Total operating revenues	0.00	0	0.00	0.00	0.00	4
5	Purchased gas cost	0.00	0	0.00	0.00	0.00	5
6	Gross profit	0.00	0	0.00	0.00	0.00	6
7	Operating expenses						
8	Operation	0.00	0	0.00	0.00	0.00	7
8	Maintenance	0.00	0	0.00	0.00	0.00	8
9	Depreciation	0.00	0	0.00	0.00	0.00	9
10	Taxes - other than income taxes	0.00	0	0.00	3,013.00	(3,013.00)	10
11	Provision for income taxes	0.00	0	0.00	(2,000.00)	2,000.00	11
12	Total operating expenses	0.00	0	0.00	1,013.00	(1,013.00)	12
13	Operating income (loss)	0.00	0	0.00	(1,013.00)	1,013.00	13
14	Other income						
14	Merchandise	0.00	0	0.00	0.00	0.00	14
15	Interest income	0.00	0	0.00	0.00	0.00	15
16	Shared Services - billed	(1,171.37)	9,000	(10,171.37)	(2,457.72)	1,286.35	16
17	Other nonoperating income	(794.85)	0	(794.85)	37.71	(832.56)	17
18	Total other income (loss)	(1,966.22)	9,000	(10,966.22)	(2,420.01)	453.79	18
19	Income (loss) before interest charges	(1,966.22)	9,000	(10,966.22)	(3,433.01)	1,466.79	19
20	Interest charges	0.00	0	0.00	0.00	0.00	20
21	Net income (loss)	(\$1,966.22)	\$9,000	(\$10,966.22)	(\$3,433.01)	\$1,466.79	21

ATMOS ENERGY SERVICES, INC.  
STATEMENTS OF INCOME  
FOR THE MONTH AND YEAR TO DATE 06/30/98

Line No.	Description (a)	Current Month				Year to Date				Actual Over (Under) Prior Year (k)	Line No.	
		Actual (b)	Budget * (c)	Actual Over (Under) Budget (d)	Prior Year Actual (e)	Actual (g)	Budget * (h)	Actual Over (Under) Budget (i)	Prior Year Actual (j)			
1	Operating revenues											
2	Gas	\$0.00	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	1
3	Transportation	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2
4	Other	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3
5	Total operating revenues	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4
6	Purchased gas cost	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5
7	Gross profit	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6
8	Operating expenses											
9	Operation	15.00	0	15.00	1,574.18	(1,559.18)	4,000.00	4,000.00	5,048.03	(1,048.03)	7	
10	Maintenance	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8	
11	Depreciation	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9	
12	Taxes - other than income taxes	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10
13	Shared Services - Billed	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11
14	Provision for income taxes	177,800.00	0	177,800.00	0.00	177,800.00	177,800.00	177,800.00	(1,000.00)	178,800.00	178,800.00	12
15	Total operating expenses	177,815.00	0	177,815.00	1,574.18	176,240.82	181,800.00	181,800.00	4,048.03	(177,751.97)	177,751.97	13
16	Operating income (loss)	(177,815.00)	0	(177,815.00)	(1,574.18)	(176,240.82)	(181,800.00)	(181,800.00)	(4,048.03)	(177,751.97)	(177,751.97)	14
17	Other income											
18	Merchandise	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15
19	Interest income	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	16
20	Other nonoperating income	512,000.00	0	512,000.00	0.00	512,000.00	512,000.00	512,000.00	0.00	512,000.00	512,000.00	17
21	Total other income (loss)	512,000.00	0	512,000.00	0.00	512,000.00	512,000.00	512,000.00	0.00	512,000.00	512,000.00	18
22	Income (loss) before interest charge	334,185.00	0	334,185.00	(1,574.18)	332,610.82	330,200.00	330,200.00	(4,048.03)	326,151.97	334,248.03	19
23	Interest charges	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20
24	Net income (loss)	\$334,185.00	\$0	\$334,185.00	(\$1,574.18)	\$332,610.82	\$330,200.00	\$330,200.00	(\$4,048.03)	\$326,151.97	\$334,248.03	21

\* Atmos Energy Services budget not available.



ATMOS ENERGY SERVICES, INC.  
STATEMENTS OF INCOME  
FOR THE QUARTER ENDED 06/30/98

Line No.	Description (a)	Actual (b)	Budget (c)	Actual Over (Under) Budget (d)	Prior Year Actual (e)	Actual Over (Under) Prior Year (f)	Line No.
1	Operating revenues						
2	Gas	\$0.00	\$0	\$0.00	\$0.00	\$0.00	1
3	Transportation	0.00	0	0.00	0.00	0.00	2
3	Other	0.00	0	0.00	0.00	0.00	3
4	Total operating revenues	0.00	0	0.00	0.00	0.00	4
5	Purchased gas cost	0.00	0	0.00	0.00	0.00	5
6	Gross profit	0.00	0	0.00	0.00	0.00	6
7	Operating expenses						
8	Operation	3,840.00	0	3,840.00	2,060.78	1,779.22	7
9	Maintenance	0.00	0	0.00	0.00	0.00	8
9	Depreciation	0.00	0	0.00	0.00	0.00	9
10	Taxes - other than income taxes	0.00	0	0.00	0.00	0.00	10
11	Shared Services - billed	0.00	0	0.00	0.00	0.00	11
12	Provision for income taxes	177,800.00	0	177,800.00	0.00	177,800.00	12
13	Total operating expenses	181,640.00	0	181,640.00	2,060.78	179,579.22	13
14	Operating income (loss)	(181,640.00)	0	(181,640.00)	(2,060.78)	(179,579.22)	14
15	Other income						
16	Merchandise	0.00	0	0.00	0.00	0.00	15
16	Interest income	0.00	0	0.00	0.00	0.00	16
17	Other nonoperating income	512,000.00	0	512,000.00	0.00	512,000.00	17
18	Total other income (loss)	512,000.00	0	512,000.00	0.00	512,000.00	18
19	Income (loss) before interest charges	330,360.00	0	330,360.00	(2,060.78)	332,420.78	19
20	Interest charges	0.00	0	0.00	0.00	0.00	20
21	Net income (loss)	\$330,360.00	\$0	\$330,360.00	(\$2,060.78)	\$332,420.78	21

**ATMOS ENERGY CORPORATION**  
**PROPERTY, PLANT AND EQUIPMENT**  
**AS OF JUNE 30, 1998**

	Year to Date				
	Balance 9/30/97	Additions	Retirements	Transfers	Balance 06/30/98
<b>GAS PLANT</b>					
Atmos					
Atmos General Office(2)	\$39,305,772.63	\$60,088.39	\$0.00	\$655.12	\$39,366,516.14
Total Atmos	<u>39,305,772.63</u>	<u>60,088.39</u>	<u>0.00</u>	<u>655.12</u>	<u>39,366,516.14</u>
Energas					
Amarillo Transmission Div.(1)	3,209,615.20	0.00	0.00	0.00	3,209,615.20
Amarillo City Plant Dist. Div.(3)	48,276,563.22	679,258.21	108,991.33	(2,432.30)	48,844,397.80
Fritch & Sanford City Plt. Dist. Div.(4)	953,581.61	0.00	1,573.73	0.00	952,007.88
West Texas City Plant Dist. Div.(5)	158,615,097.05	2,916,890.66	607,392.89	2,432.30	160,927,027.12
Dalhart City Plant Dist. Div.(6)	2,108,641.38	0.00	14,339.19	0.00	2,094,302.19
West Texas Rural Irrigation Div.(8)	23,269,273.27	0.00	(1,903.58)	0.00	23,271,176.85
Energas General Office(10)	2,437,569.38	0.00	107,517.62	0.00	2,330,051.76
Fain-Amarillo Creek Transmission(11)	71,230.00	0.00	0.00	0.00	71,230.00
Amarillo Rural Dist. Div.(13)	371,855.76	0.00	0.00	0.00	371,855.76
Dalhart Rural Dist. Div.(17)	61,651.11	0.00	0.00	0.00	61,651.11
Dalhart Rural Irrigation Div.(18)	333,690.52	0.00	0.00	0.00	333,690.52
West Texas Rural Dist. Div.(21)	11,127,951.62	0.00	0.00	0.00	11,127,951.62
Meter Shop Facilities & Meters(22)	0.00	0.00	0.00	0.00	0.00
Total Energas	<u>250,836,720.12</u>	<u>3,596,148.87</u>	<u>837,911.18</u>	<u>0.00</u>	<u>253,594,957.81</u>
Trans La					
Trans La Dist. Div.(7)	111,390,280.93	1,522,146.86	351,668.31	0.00	112,560,759.48
Total Trans La	<u>111,390,280.93</u>	<u>1,522,146.86</u>	<u>351,668.31</u>	<u>0.00</u>	<u>112,560,759.48</u>
Western Kentucky Gas					
Western Kentucky Gas Div.(9)	189,388,594.45	3,755,008.65	923,415.81	0.00	192,220,187.29
Total Western Kentucky Gas	<u>189,388,594.45</u>	<u>3,755,008.65</u>	<u>923,415.81</u>	<u>0.00</u>	<u>192,220,187.29</u>

**ATMOS ENERGY CORPORATION**  
**PROPERTY, PLANT AND EQUIPMENT**  
**AS OF JUNE 30, 1998**

	Year to Date			
	Balance 9/30/97	Additions	Retirements	Transfers
<b>GAS PLANT</b>				
<b>Greeley</b>				
Meter Shop Facilities & Meters(24)	\$11,380,596.90	\$0.00	\$0.00	\$0.00
Missouri Dist. Div.(29)	690,434.01	14,431.47	2,314.25	0.00
Denver Company Office(30)	1,797,536.72	0.00	0.00	0.00
Greeley Dist. Div.(33)	23,770,593.23	1,891,143.13	83,831.15	0.00
Northwest Colorado Dist. Div.(34)	17,345,814.60	5,955.03	3,032.78	0.00
Fremont County Dist. Div.(35)	23,294,862.37	29,774.60	109.28	0.00
Durango Dist. Div.(36)	15,387,957.07	53,516.50	0.00	0.00
Central Colorado Dist. Div.(37)	0.00	0.00	0.00	0.00
Cortez Dist. Div.(38)	0.00	0.00	0.00	0.00
Southeast Colorado Dist. Div.(39)	0.00	0.00	0.00	0.00
Kaw Valley Dist. Div.(82)	14,012,329.00	570,154.35	69,824.34	0.00
Central Kansas Dist. Div.(83)	8,127,974.64	0.00	0.00	0.00
Cane Dist. Div.(84)	5,305,815.42	0.00	0.00	0.00
Eastern Kansas Dist. Div.(85)	3,667,121.03	5,533.91	20,571.23	0.00
Southwest Kansas Dist. Div.(86)	13,003,584.57	0.00	0.00	0.00
<b>Total Greeley Gas</b>	<b>137,784,619.56</b>	<b>2,570,508.99</b>	<b>179,683.03</b>	<b>0.00</b>
<b>United Cities</b>				
United Cities Dist. Divisions	495,033,830.05	5,974,321.27	357,785.75	(22,162.29)
United Cities Storage Gas	587,316.32	0.00	0.00	0.00
<b>Total United Cities Gas</b>	<b>495,621,146.37</b>	<b>5,974,321.27</b>	<b>357,785.75</b>	<b>(22,162.29)</b>
<b>Total Gas Plant</b>	<b>\$1,224,327,134.06</b>	<b>\$17,478,223.03</b>	<b>\$2,650,464.08</b>	<b>(\$21,507.17)</b>
				<b>Balance 06/30/98</b>
				\$11,380,596.90
				702,551.23
				1,797,536.72
				25,577,905.21
				17,348,736.85
				23,324,527.69
				15,441,473.57
				0.00
				0.00
				0.00
				0.00
				14,512,659.01
				8,127,974.64
				5,305,815.42
				3,652,083.71
				13,003,584.57
				140,175,445.52
				500,628,203.28
				587,316.32
				501,215,519.60
				\$1,239,133,385.84

ATMOS ENERGY CORPORATION  
PROPERTY, PLANT AND EQUIPMENT  
AS OF JUNE 30, 1998

	Year to Date				
	Balance 9/30/97	Additions	Retirements	Transfers	Balance 06/30/98
<b>OTHER GAS PLANT &amp; NON-UTILITY PROPERTY</b>					
Atmos					
Atmos General Office					
Construction Work In Progress	\$31,465,556.99	\$35,617,068.48	\$0.00	\$0.00	\$67,082,625.47
Non-utility Plant	1,132,200.02	775,077.80	871,849.89	0.00	1,035,427.93
Total Atmos	32,597,757.01	36,392,146.28	871,849.89	0.00	68,118,053.40
Energas					
Construction Work In Progress	1,379,247.81	4,756,840.39	0.00	0.00	6,136,088.20
Non-utility Plant	517,520.24	0.00	0.00	0.00	517,520.24
Total Energas	1,896,768.05	4,756,840.39	0.00	0.00	6,653,608.44
Trans La					
Construction Work In Progress	340,764.90	2,529,095.62	0.00	0.00	2,869,860.52
Acquisition Adj. - Trans La	2,048,887.47	0.00	0.00	0.00	2,048,887.47
Non-utility Plant	215,890.91	0.00	0.00	0.00	215,890.91
Total Trans La	2,605,543.28	2,529,095.62	0.00	0.00	5,134,638.90
Western Kentucky Gas					
Construction Work In Progress	779,599.09	5,137,407.02	0.00	0.00	5,917,006.11
Acquisition Adj. - W.K.G.	3,336,783.64	0.00	0.00	0.00	3,336,783.64
Total Western Kentucky Gas	4,116,382.73	5,137,407.02	0.00	0.00	9,253,789.75
Greeley					
Construction Work In Progress	(1,956,742.97)	4,427,506.35	0.00	0.00	2,470,763.38
Acquisition Adj. - G.G.C. Prior	1,446,406.41	0.00	0.00	0.00	1,446,406.41
Non-utility Plant	713,075.78	0.00	0.00	0.00	713,075.78
Total Greeley Gas	202,739.22	4,427,506.35	0.00	0.00	4,630,245.57
United Cities					
Construction Work In Progress	631,379.28	7,788,295.60	0.00	(531,685.41)	7,887,989.47
Acquisition Adj. - U.C.G.C. - Prior	7,283,287.48	0.00	0.00	0.00	7,283,287.48
Total United Cities Gas	7,914,666.76	7,788,295.60	0.00	(531,685.41)	15,171,276.95
Total Other Gas Plt & Non-utility Prop	49,333,857.05	61,031,291.26	871,849.89	(531,685.41)	108,961,613.01
Total Property, Plt. and Equipment	\$1,273,660,991.11	\$78,509,514.29	\$3,522,313.97	(\$553,192.58)	\$1,348,094,998.85

**ATMOS ENERGY CORPORATION  
ACCUMULATED PROVISION  
FOR DEPRECIATION AND AMORTIZATION  
AS OF JUNE 30, 1998**

	Year to Date			Balance 06/30/98
	Balance 9/30/97	Provision	Adjustment	
<b>GAS PLANT</b>				
<b>Atmos</b>				
Retirement work in progress	\$4,900.00	\$0.00	\$3,286.15	\$8,186.15
Atmos General Office(2)	15,625,575.32	2,109,292.71	329.67	17,735,197.70
Total accum. prov. for depr. - Atmos	15,630,475.32	2,109,292.71	3,615.82	17,743,383.85
<b>Energas</b>				
Retirement work in progress	28,638.26	0.00	(552,058.29)	(523,420.03)
Amarillo Transmission Div.(1)	2,302,858.65	51,877.08	0.00	2,354,735.73
Amarillo City Plant Dist. Div.(3)	18,510,022.40	1,016,518.05	(79,603.42)	19,446,937.03
Fritch & Sanford City Plt. Dist. Div.(4)	384,725.27	16,280.55	(1,573.73)	399,432.09
West Texas City Plant Dist. Div.(5)	61,038,208.56	4,123,892.53	(317,942.86)	64,844,158.23
Dalhart City Plant Dist. Div.(6)	999,800.33	54,172.35	(10,251.82)	1,043,720.86
West Texas Rural Irrigation Div.(8)	9,943,565.84	370,137.20	1,197.54	10,314,900.57
Energas General Office(10)	1,135,624.24	281,654.91	(79,960.35)	1,337,318.80
Fair-Amarillo Creek Transmission(11)	71,230.00	0.00	0.00	71,230.00
Amarillo Rural Dist. Div.(13)	154,218.32	6,490.02	0.00	160,708.34
Dalhart Rural Dist. Div.(17)	53,743.97	1,267.38	0.00	55,011.35
Dalhart Rural Irrigation Div.(18)	262,696.11	7,668.09	0.00	270,364.20
West Texas Rural Dist. Div.(21)	3,139,533.57	218,589.39	0.00	3,358,122.96
Total accum. prov. for depr. - Energas	98,024,865.52	6,148,547.54	(1,040,192.93)	103,133,220.13
<b>Trans La(7)</b>				
Retirement work in progress	0.00	0.00	(15,852.15)	(15,852.15)
Trans La Dist. Div.	31,633,759.74	3,278,878.02	(485,600.27)	34,427,037.49
Total accum. prov. for depr. - Trans La	31,633,759.74	3,278,878.02	(501,452.42)	34,411,185.34
<b>Western Kentucky Gas(9)</b>				
Retirement work in progress	(938.81)	0.00	(333,017.19)	(333,956.00)
Western Kentucky Gas Div.	85,835,926.90	5,107,033.62	(784,775.29) **	90,158,185.23
Total accum. prov. for depr. - WKG	85,834,988.09	5,107,033.62	(1,117,792.48)	89,824,229.23

**ATMOS ENERGY CORPORATION**  
**ACCUMULATED PROVISION**  
**FOR DEPRECIATION AND AMORTIZATION**  
**AS OF JUNE 30, 1998**

	Year to Date			
	Balance 9/30/97	Provision	Adjustment	Balance 06/30/98
<b>GAS PLANT</b>				
<b>Greeley</b>				
Retirement work in progress	\$10,580.22	\$0.00	(\$19,705.70)	(\$9,125.48)
Meter Shop Facilities & Meters(24)	1,863,396.75	267,490.17	66,872.54	2,197,759.46
Missouri Dist. Div.(29)	171,052.82	15,000.00	493.34	186,546.16
Denver Company Office(30)	445,376.43	183,941.87	45,138.38	674,456.68
Greeley Dist. Div.(33)	8,401,512.44	639,417.82	39,331.60	9,080,261.86
Northwest Colorado Dist. Div.(34)	5,398,662.61	462,491.91	111,101.43	5,972,255.95
Fremont County Dist. Div.(35)	13,159,784.27	678,400.14	164,267.55	14,002,451.96
Durango Dist. Div.(36)	5,489,406.90	413,522.98	102,624.45	6,005,554.33
Central Colorado Dist. Div.(37)	0.00	0.00	0.00	0.00
Cortez Dist. Div.(38)	0.00	0.00	0.00	0.00
Southeast Colorado Dist. Div.(39)	0.00	0.00	0.00	0.00
Kaw Valley Dist. Div.(82)	3,793,572.47	355,857.18	(18,092.99)	4,131,336.66
Central Kansas Dist. Div.(83)	3,116,646.02	214,119.48	53,177.73	3,383,943.23
Cane Dist. Div.(84)	2,616,430.15	135,120.54	32,941.15	2,784,491.84
Eastern Kansas Dist. Div.(85)	879,665.10	96,869.62	7,481.54	984,016.26
Southwest Kansas Dist. Div.(86)	7,430,702.63	353,058.57	88,244.86	7,872,006.06
Total accum. prov. for depr. - GGC	52,776,788.81	3,815,290.28	673,875.88	57,265,954.97
<b>United Cities</b>				
Retirement work in progress	(\$6,748.17)	\$0.00	\$1,940,048.81	\$1,933,300.64
United Cities Dist. Divisions	184,836,304.00	7,812,581.95	0.00	192,648,885.95
Total United Cities Gas	184,829,555.83	7,812,581.95	1,940,048.81	194,582,186.59
<b>Total accumulated prov. for depreciation.- Gas Plant</b>	<b>\$468,730,433.31</b>	<b>\$28,271,624.12</b>	<b>(\$41,897.32) *</b>	<b>\$496,960,160.11</b>

**ATMOS ENERGY CORPORATION  
ACCUMULATED PROVISION  
FOR DEPRECIATION AND AMORTIZATION  
AS OF JUNE 30, 1998**

	Year to Date			
	Balance 9/30/97	Provision	Adjustment	Balance 06/30/98
<b>OTHER GAS PLANT IN SERVICE</b>				
Atmos				
Atmos General Office Division(2)	\$829,702.44	\$336,180.96	\$0.00	\$1,165,883.40
Total Atmos	829,702.44	336,180.96	0.00	1,165,883.40
Energas				
Amarillo City Plant Dist. Div.(3)	158,220.56	31,223.07	0.00	189,443.63
Fritch & Sanford City Plant Dist. Div.(4)	5,916.44	(26.55)	0.00	5,889.89
West Texas City Plant Dist. Div.(5)	1,091,563.86	128,571.39	(149.14)	1,219,986.11
Dalhart Div.(6)	7,189.97	1,670.13	0.00	8,860.10
West Texas Irrigation Div.(8)	7,091.04	683.46	0.00	7,774.50
Energas General Office(10)	1,875.32	1,578.15	0.00	3,453.47
Amarillo Rural Div.(13)	516.26	82.17	0.00	598.43
Dalhart Irrigation Div.(18)	311.30	40.95	0.00	352.25
West Texas Rural Div.(21)	31,889.52	4,737.33	0.00	36,626.85
Total Energas	1,304,574.27	168,560.10	(149.14)	1,472,985.23
Trans La				
Trans La Distribution Division(7)	220,015.31	46,356.21	0.00	266,371.52
Total Trans La	220,015.31	46,356.21	0.00	266,371.52
Western Kentucky Gas				
Western Kentucky Gas Division(9)	564,100.18	0.00	0.00	564,100.18
Total WKG	564,100.18	0.00	0.00	564,100.18
Greeley				
Greeley Dist. Div.(33)	60,232.62	0.00	0.00	60,232.62
Northwest Colorado Dist. Div.(34)	66,924.56	0.00	0.00	66,924.56
Fremont County Dist. Div.(35)	94,718.87	0.00	0.00	94,718.87
Durango Dist. Div.(36)	23,493.78	0.00	0.00	23,493.78
Central Colorado Dist. Div.(37)	0.00	0.00	0.00	0.00
Cortez Dist. Div.(38)	0.00	0.00	0.00	0.00
Southeast Colorado Dist. Div.(39)	0.00	0.00	0.00	0.00
Kaw Valley Dist. Div.(82)	84,791.05	555.77	138.96	85,485.78
Central Kansas Dist. Div.(83)	10,901.94	0.00	0.00	10,901.94
Cane Dist. Div.(84)	3,106.06	379.76	94.94	3,580.76
Southwest Kansas(86)	88.02	117.33	29.34	234.69
Total Greeley Gas	344,256.90	1,052.86	263.24	345,573.00
United Cities				
United Cities Dist. Divisions	1,022,940.56	4,863,303.73	991,006.46	6,877,250.75
Total United Cities Gas	1,022,940.56	4,863,303.73	991,006.46	6,877,250.75
Total accumulated provision for amort. of other gas plant in service	\$4,285,589.66	\$5,415,453.86	\$991,120.56	\$10,692,164.08

**ATMOS ENERGY CORPORATION  
ACCUMULATED PROVISION  
FOR DEPRECIATION AND AMORTIZATION  
AS OF JUNE 30, 1998**

**NON-UTILITY PLANT IN SERVICE (CNG)**

	Year to Date		
	Balance 9/30/97	Provision	Adjustment
Texas			
Energas	\$284,635.61	\$38,813.94	\$0.00
Total Texas	<u>284,635.61</u>	<u>38,813.94</u>	<u>0.00</u>
Louisiana			
Trans La	118,740.55	16,191.90	0.00
Total Louisiana	<u>118,740.55</u>	<u>16,191.90</u>	<u>0.00</u>
Greeley			
Greeley Gas	434,287.68	35,682.30	0.00
Total Greeley Gas	<u>434,287.68</u>	<u>35,682.30</u>	<u>0.00</u>
Total accumulated provision for amort. of non-utility plant in service	<u>837,663.84</u>	<u>90,688.14</u>	<u>0.00</u>

**UTILITY PLANT ACQUISITION ADJUSTMENT**

Louisiana				
Trans La	3,762,016.75	(136,726.47)	0.00	3,625,290.28
Total Louisiana	<u>3,762,016.75</u>	<u>(136,726.47)</u>	<u>0.00</u>	<u>3,625,290.28</u>
Kentucky				
W.K.G.	2,277,713.90	153,735.93	0.00	2,431,449.83
Total Kentucky	<u>2,277,713.90</u>	<u>153,735.93</u>	<u>0.00</u>	<u>2,431,449.83</u>
Greeley				
G.G.C.	1,341,129.41	10,305.00	0.00	1,351,434.41
Total Greeley Gas	<u>1,341,129.41</u>	<u>10,305.00</u>	<u>0.00</u>	<u>1,351,434.41</u>
United Cities				
U.C.G.C. Prior	1,916,264.12	(263,940.15)	0.00	1,652,323.97
Total United Cities Gas	<u>1,916,264.12</u>	<u>(263,940.15)</u>	<u>0.00</u>	<u>1,652,323.97</u>
Total Accumulated Prov. for Amort. of Utility Plant Acquisition Adjustment	<u>9,297,124.18</u>	<u>(236,625.69)</u>	<u>0.00</u>	<u>9,060,498.49</u>
Total accumulated provision for depreciation & amortization	<u>\$483,150,810.99</u>	<u>\$33,541,140.43</u>	<u>\$949,223.24</u>	<u>\$517,641,174.66</u>

Total Depreciation Provision as per Balance Sheet  
Less: Depreciation Provision charged to other accounts-18400  
Less: Depreciation Provision charged to other accounts (CNG)  
Total Depreciation Expense as per Income Statement

\$33,541,140.43  
7,923,949.00  
90,688.14  
\$25,526,503.29



WKG RESOURCES  
PROPERTY, PLANT AND EQUIPMENT  
AND RELATED ACCUMULATED PROVISION  
AS OF JUNE 30, 1998

	Year to Date			Balance 06/30/98
	Balance 9/30/97	Additions	Retirements	
Property, Plant and Equipment				
Well Construction 33000000	\$106,938.67	\$0.00	\$0.00	\$106,938.67
Mineral Deeds	446,864.91	0.00	0.00	446,864.91
Construction Work in Progr	0.00	0.00	0.00	0.00
<b>Total Property, Plant and Equ</b>	<b>553,803.58</b>	<b>0.00</b>	<b>0.00</b>	<b>553,803.58</b>
Year to Date				
	Balance 9/30/97	Provision	Adjustments	Balance 06/30/98
Accumulated Provision for Depreciation				
Accumulated Provision for Depreciation	104,254.43	2,684.24	0.00	106,938.67
Retirement Work in Progress	0.00	0.00	0.00	0.00
<b>Total Accumulated Provision for Depr.</b>	<b>\$104,254.43</b>	<b>\$2,684.24</b>	<b>\$0.00</b>	<b>\$106,938.67</b>

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	59	6		NET PROPERTY, PLANT, AND EQUIPMENT	830,453,874.70	754,408,274.72	789,333,948.28
				INVESTMENTS IN & ADVANCES TO SUBSIDIARIES			
				1230 Investments In Associated Companies			
				Amose Energy Services, Inc.	1,000.00	1,000.00	1,000.00
				Egaseco, Inc.	1,000.00	1,000.00	1,000.00
				Enernart, Inc.	2,293,047.89	2,293,047.89	2,293,047.89
				Trans La Industrial Gas Company, Inc.	1,604,833.12	1,604,833.12	1,604,833.12
				Western Kentucky Gas Resources	1,000,000.00	1,000,000.00	1,000,000.00
				UCG Energy Corporation, Inc.	3,452,326.50	3,452,327.00	3,452,327.00
				UCG Storage Company, Inc.	8,353,207.51	8,353,208.01	8,353,208.01
	59	7		Total Investments in & Advances to Subsidiaries	2,086,648.30	4,378,576.41	2,721,919.39
				8 CASH AND TEMPORARY CASH INVESTMENTS			

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			<b>ACCOUNTS RECEIVABLE, LESS ALLOWANCE</b>			
			<b>FOR DOUTIFUL ACCOUNTS</b>			
			1410 Notes Receivable			
			(Main Extension Notes)			
			Tom King & Dr. Thomas Fields	2,680.00	2,680.00	2,680.00
			Bowers, Michael and Mellisa	1,785.00	1,785.00	1,785.00
			Murphy and Rochester, Inc.	16,510.00	16,510.00	16,510.00
			Ida Road	230.00	230.00	230.00
			The Gardens Subdivision	1,060.00	1,060.00	1,060.00
			Herbert Construction Co., Inc.	8,240.00	8,240.00	8,240.00
			Charles Bourgeois	1,470.00	1,470.00	1,470.00
			Meyers, Tom	462.00	462.00	462.00
			Bailes, Julian	1,318.00	1,318.00	1,318.00
			Dupuis, Jason	3,439.00	3,439.00	3,439.00
			Chitimacha Tribe of LA	4,415.00	4,415.00	4,415.00
			Bell Meade Sub-Division	1,170.00	1,170.00	1,170.00
			River Ridge Estates	1,933.00	1,933.00	1,933.00
			Vermillion Bluff	2,680.00	2,680.00	2,680.00
			Patin Place Subdivision	4,260.00	4,260.00	4,260.00
			Oak Place Subdivision	9,010.00	9,010.00	9,010.00
			Shenandoah Estates Ph VIII	7,970.00	7,970.00	7,970.00
			Chinquapin Acres Est. #1	2,228.00	2,228.00	2,228.00
			Cambridge Drive Est.	5,250.00	5,250.00	5,250.00
			Beaulieu Estates	9,557.00	9,557.00	9,557.00
			Sugar Ridge	6,750.00	6,750.00	6,750.00
			Silver Maple	5,909.00	5,909.00	5,909.00
			Abern Acres	990.00	990.00	990.00
			Ingrans Subdivision	8,715.00	8,715.00	8,715.00
			Magnolia Landing Est.	15,041.00	15,041.00	15,041.00
			Hideaway Acres #2 Est.	475.00	475.00	475.00
			Pine Oak Estates	5,681.00	5,681.00	5,681.00
			Broussard Park Est. Phase #5	8,695.00	8,695.00	8,695.00
			Summerfield Subdivision	7,500.00	7,500.00	7,500.00
			Bear Creek Subdivision	8,030.00	8,030.00	8,030.00
			Acadiana Plaza Subdivision	7,900.00	7,900.00	7,900.00
			Summercreek Place	2,640.00	2,640.00	2,640.00
			Woodridge Subdivision Phase I	4,125.00	4,125.00	4,125.00
			Beallion Estates Subd. #1	5,970.00	5,970.00	5,970.00
			Beallion Estates Subd. #2	4,465.00	4,465.00	4,465.00
			Enclave Development	1,810.00	1,810.00	1,810.00
			Ozene Road	3,520.00	3,520.00	3,520.00
			Sugarland Estates Phase A	4,130.00	4,130.00	4,130.00
			The Oaks Subdivision	8,900.00	8,900.00	8,900.00
			Acadian Place Estates	1,907.00	1,907.00	1,907.00
			St. Clair V Subdivision	10,044.00	10,044.00	10,044.00

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			Jean Clair Subdivision	8,453.00	8,453.00	8,453.00
			Judice Estates	7,415.00	7,415.00	7,415.00
			Twin Pines Mobile Home	12,950.00	12,950.00	12,950.00
			Brunswick Place	3,235.00	3,235.00	3,235.00
			Lentoumpic Tract H	7,070.00	7,070.00	7,070.00
			Lentoumpic Tract J, PHI	3,300.00	3,300.00	3,300.00
			Copperfield South	22,000.00	22,000.00	22,000.00
			Woodlake Subdivision	0.00	0.00	0.00
			Beaulliet Place Subdivision - Phase 3	3,295.00	3,295.00	3,295.00
			B.P. Miller Extension	7,730.00	7,730.00	7,730.00
			Hackberry Place	0.00	0.00	6,260.00
			E. Bayou Oaks	10,420.00	10,420.00	10,420.00
			Kingpointe Phase 2	10,620.00	10,620.00	10,620.00
			Amy Estates	12,120.00	0.00	0.00
			Sumnerfield Phase II	8,490.00	0.00	0.00
			Austin Village Phase 6	5,077.00	0.00	0.00
			Fernwood Sub. Ph. XII	11,545.00	0.00	0.00
			Sugar Ridge Subdivision	8,790.00	0.00	0.00
			Hayes Estates	9,291.00	0.00	0.00
			Dwight W. Andrus, Jr.	228.50	228.50	154.20
			Regency Development Co.	0.00	4,480.00	4,480.00
			Oak Park Inc.	0.00	3,156.00	3,156.00
			Austin Village Phase II	0.00	1,630.00	1,630.00
			Fernwood Sub. Ph VIII	0.00	11,360.00	11,360.00
			Bayou Bend	0.00	3,210.00	3,210.00
			Austin Village III	0.00	1,620.00	1,620.00
			Fernwood Phase IV	0.00	8,970.00	8,970.00
			Kings Pointe Development	0.00	4,675.00	4,675.00
			Austin Village Phase 4	0.00	5,325.00	5,325.00
			New Center Commons	0.00	8,930.00	8,930.00
			Total Notes Receivable	366,925.00	4,745.00	4,745.00
					331,616.50	366,487.20
			1420 Customer Accounts Receivable			
			1420 1,2 - Gas Ledger			
			General Office			
			Unbilled revenue - Energas	33,660,032.97	1,661,000.00	2,261,000.00
			Unbilled revenue - GGC	0.00	1,024,000.00	1,409,000.00
			Unbilled revenue - Trans La	0.00	1,258,000.00	889,000.00
			Unbilled revenue - W/KG	0.00	2,129,000.00	2,373,000.00
			Unbilled revenue - UCG	0.00	0.00	0.00
			PGA - Correcting Account - Energas	0.00	1,487,000.00	623,000.00
			PGA - Correcting Account - GGC	0.00	7,296,004.00	8,709,594.00
			PGA - Correcting Account - Trans La	0.00	0.00	225,000.00
			PGA - Correcting Account - W/KG	0.00	(137,000.00)	5,010,000.00
			Handbilled Industrial Accounts - Energas	0.00	3,210,000.00	137,781.35
			Handbilled Industrial Accounts - GGC	0.00	159,801.62	0.00
			Handbilled Industrial Accounts - Trans La	0.00	97,907.71	90,031.55

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				Handbilled Industrial Accounts - WKG	0.00	2,722,350.71	2,286,869.50
				Energies Div - Amarillo System (City and Rural)	0.00	1,189,032.88	746,816.67
				Delbart City Plant System (City and Rural)	0.00	142,773.05	51,269.30
				Fritch & Sanford System	0.00	24,375.03	11,311.17
				West Texas City Plant System (City and Rural)	0.00	10,365,654.27	12,102,455.58
				Greedy Gas Company Division	0.00	3,861,864.23	2,257,484.51
				Texas La Division	0.00	1,578,493.91	1,302,481.08
				Western Kentucky Gas Division	0.00	2,743,921.74	516,088.24
				United Cities Gas Division	0.00	0.00	0.00
				Total Gas Ledger Receivables	33,660,032.97	40,814,179.15	41,002,182.95
				1420 3 - Merchandise Ledger	2,119,724.95	2,143,235.41	2,172,379.34
				1420 4 - Service Ledger	1,599,906.00	275,875.18	270,935.33
				1420 6 - Customer Surcharge - GGC	9,961.03	11,205.75	11,088.80
				Total Customer Accounts Receivable	37,268,624.95	43,244,495.49	43,456,586.42
				1430 Other Accounts Receivable			
				1430 1 - Miscellaneous			
				Addition - Billing - WKG	0.00	(5,779.27)	(91,443.42)
				Edulis - Walcher Rent	(3,975.00)	0.00	0.00
				Clyde Plant Extraction - Koch	24,446.20	10,858.04	(1,488.09)
				Cortez Outage	20,640.46	0.00	0.00
				Eureka Outage	3,528.09	0.00	0.00
				Virdee Damaged	20,224.09	0.00	0.00
				AT&T Charges Woodward Marketing	817.72	0.00	0.00
				UCG - Houston, TX	3,334.46	0.00	0.00
				Popsan Outage	(513.95)	0.00	0.00
				KN - T. J. J. Outage	14.60	222.78	0.00
				GGCA - Salvage A/R	(11,440.50)	44,043.63	0.00
				Greedy Outage	(6,144.35)	0.00	0.00
				Breaux Ridge Outage	4,077.14	0.00	0.00
				KN - Plainview Linecut	48.70	0.00	528.22
				KN - Big Spring OVR/DOR	1,227.04	0.00	0.00
				Monroe Outage	330.74	6,657.58	5,033.34
				Platteville Outage	41,903.25	41,903.25	41,903.25
				Thibodaux Outage	0.00	9,053.95	0.00
				Westar - Post Outage	0.00	1,178.31	0.00
				Winfield Outage	(169.19)	5,865.36	5,865.36
				CNG - Amarillo	(206.57)	285.43	(173.32)
				CNG - Canyon	(1,371.78)	1,697.83	510.08
				CNG - Lafayette	0.00	109.04	0.00
				LA Insurance Company Assn.	0.00	114,038.19	0.00
				Meter Salvage Receivable	2,775.00	4,275.00	8,056.10
				Midwestern/Equitable Cash	13,334.20	12,926.26	12,926.26
				Miscellaneous	505,845.21	(13,067.85)	83,624.16
				Steamboat Springs Incident (Reimbursable Expense)	0.00	91,059.83	12,126.80

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				Total Miscellaneous Receivable			
				1430 2 0541 - Employee Advances (incl. Expense, Bridge Loans & Education)	618,725.56	325,327.56	75,468.74
					671,202.53	39,024.71	81,131.23
				1430 2 06XX - Merchandise Employees' Payroll Deductions	137,631.71	164,081.72	139,500.82
				1431 2 0601 - Employee Rent	125.06	0.00	0.00
				1430 7 - Trans La Miscellaneous	7,239.57	0.00	0.00
				State Dept. of Transportation	0.00	428,071.99	428,071.99
				Acadia Parish Police Jury	120.00	90.00	90.00
				LIG	22,084.55	8,473.52	8,440.79
				Total Trans La Miscellaneous Receivables	22,204.55	436,635.51	436,602.78
				1430 9 0500 - WKG PAC	2,085.31	159.62	575.98
				1430 9 07XX - Wesbar - Chart Reading & Misc.	770.50	3,011.59	3,838.09
				Total Other Accounts Receivable	1,459,984.61	968,240.51	737,117.64
				1440 Allowance for Doubtful Accounts	(2,508,263.48)	(1,500,000.00)	(966,451.32)
				Atmos - Total Receivable, Less Allowance	36,707,271.08	43,244,352.50	43,593,739.94
				United Cities Gas - Total Receivable, Less Allowance	0.00	21,362,869.00	24,162,571.00
59	9			Total Accounts Receivable, Less Allowance for Doubtful Accounts	36,707,271.08	64,607,221.50	67,756,316.94
				<b>INVENTORIES</b>			
				1540 Plant Materials and Supplies	8,208,995.75	5,516,476.28	5,148,721.93
				1550 Merchandise	227,942.56	173,048.80	160,233.09
				1510 Propane Fuel Stock	456,837.45	0.00	0.00
				1630 Stores Expense Undistributed	4,167,855.89	1,915,882.95	1,785,741.60
				Atmos - Total Inventories	13,061,631.65	7,605,408.03	7,094,696.62
				United Cities Gas - Total Inventories	0.00	4,557,181.00	4,115,542.00
59	10			Total Inventories	13,061,631.65	12,162,589.03	11,210,238.62
				<b>GAS STORED UNDERGROUND</b>			
				59 11 Total Gas Stored Underground, current	24,797,168.95	28,115,576.98	41,589,456.36
				<b>OTHER CURRENT ASSETS</b>			
				1340 Other Special Deposits	1,667,744.24	16,812.74	16,887.74
				Guaranty Deposits	1,667,744.24	16,812.74	16,887.74
				Total Other Special Deposits	1,667,744.24	16,812.74	16,887.74

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	1740	Miscellaneous Current and Accrued Assets	21,170.13		
	1660	Prepayments	21,170.13		
		Prepaid Gas:			
		Alliance Prepaid Gas	82,643.27	101,847.24	1,172,398.13
		Tenn Alliance Prepaid Gas	192,804.34	169,167.58	16,816.84
		Cambridge Energy Research (Amort \$2,500/mo thru 01/98)	0.00	12,500.00	5,000.00
		Software Maintenance:			
		SCT Billing Software (Escalating amort to capital 02/97 thru 12/99)	507,038.59	507,038.59	750,601.09
		Onsite Database Maint (Escalating amort to IS clearing 02/97 thru 01/00)	139,984.86	208,640.56	192,591.16
		Dues - AGA	0.00	44,077.25	0.00
		Dues - SGA	8,000.36	7,999.96	3,999.94
		Franchise Tax - City	0.00	1,878.47	1,366.16
		Franchise Tax - Texas	(20,000.00)	77,007.00	0.00
		Gas - Excess Nominations	181,024.63	182,213.09	181,898.76
		Gross Receipts Tax - Texas	(57,321.82)	0.00	0.00
		Lastinlite of Gas Technology (Amort \$2,108/mo thru 12/97)	2.00	12,648.00	6,324.00
		Insurance - Prop, Gen. Liab., Auto, etc.	1,210,037.26	481,003.03	358,470.88
		Insurance - Retirement Cost	492,929.56	493,916.09	539,450.12
		CPSC Assessment (Quarterly)	3.01	0.00	12,797.16
		Occupational License	31,583.00	34,908.00	17,508.00
		Postage	(70,359.89)	45,763.64	96,346.64
		Prepaid Debt Exp.-Nations (Amort \$5,000/mo thru 8/98)	9,999.97	5,833.31	54,999.97
		Rent - Gilliland Group (Opert Co)	284,592.01	284,592.01	284,592.01
		Total Prepayments	2,992,361.15	2,671,033.82	3,715,160.86
		Atmos - Total Other Current Assets	4,681,275.52	2,687,846.56	3,732,048.60
		United Cities Gas - Total Other Current Assets	0.00	4,149,606.00	1,807,255.00
59	12	Total Other Current Assets	4,681,275.52	6,837,452.56	5,539,303.60
		INTERCOMPANY ACCOUNTS - NET			
	1460	Accounts Receivable from Assoc. Co.	9,434.98	5,439.03	5,609.98
		Atmos Energy Services, Inc.	(1,255,940.21)	509,536.43	808,349.49
		Enertmart, Inc.	24,605,312.12	19,769,694.11	21,120,195.01
		Enertmart Trust	(31,144,890.17)	(23,147,029.63)	(23,708,148.28)
		Tenn La Industrial Gas Company, Inc.	(2,615,099.70)	(2,242,280.54)	(2,738,776.04)
		United Cities Gas Company	(44,743.33)	0.00	66,906,376.59
		Western Kentucky Gas Resources	(973,324.03)	(964,171.96)	(967,305.90)
		UCG Rental	2,603,765.02	0.00	0.00
		UCG Utility Services	(272,844.10)	0.00	0.00
		UCG Storage	2,197,592.02	0.00	0.00
		UCG Leasing	(212,010.56)	0.00	0.00
		UCG Propane	4,887,211.65	0.00	0.00
		Atmos - Total Intercompany Accounts	(2,215,536.31)	(6,069,012.56)	61,426,250.85
59	13	United Cities Gas - Total Intercompany Accounts	0.00	5,578,289.00	(58,606,626.59)
		Total Intercompany Accounts - Net	(2,215,536.31)	(490,723.56)	2,819,624.26
59	14	Total Current Assets	79,118,459.19	115,610,692.92	131,636,859.17

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			<b>DEFERRED CHARGES AND OTHER ASSETS</b>			
			1280 Gilliland Lease Deposits	733,624.05	737,624.05	733,624.05
			Total Other Special Funds	733,624.05	737,624.05	733,624.05
			1240 Other Investments			
			Club Memberships	8,301.00	8,301.00	8,301.00
			Herrington Industrial Development	250.00	250.00	250.00
			Windom Industrial Development	750.00	750.00	750.00
			Worthington Industries Inc	100.00	100.00	100.00
			Total Other Investments	9,401.00	9,401.00	9,401.00
			1810 Unamortized Debt Expense			
			John Hancock Notes (11.2% through 12/30/02)	37,008.48	45,232.56	43,176.54
			John Hancock Notes (9.76% through 12/30/04)	81,740.82	96,602.82	92,887.32
			Var. Annuity Life Ins. (9.57% through 9/30/06)	66,273.11	74,388.11	72,559.36
			Var. Annuity Life Ins. (7.95% through 9/01/06)	32,714.92	36,720.88	35,719.39
			Var. Annuity Life Ins. (8.07% through 10/01/06)	83,797.46	93,853.10	91,339.19
			New York Life Ins. (8.26% through 10/01/14)	97,993.56	103,993.20	102,493.29
			First Mortgage Bonds (9.4% through 2021)	519,191.44	541,763.00	536,121.61
			Medium Term Debt Series A - 1	214,779.27	222,569.00	0.00
			Series A - 2	194,102.71	209,544.00	0.00
			Series A - 3	23,251.40	32,298.00	0.00
			Long Term Debt Series N	57,803.40	71,568.00	0.00
			Series P	237,352.44	249,577.00	0.00
			Series Q	261,890.34	273,728.00	0.00
			Series R	357,953.66	420,206.00	0.00
			Series T	117,856.10	122,999.00	0.00
			Series U	352,278.08	367,059.00	0.00
			Series V	139,557.17	154,337.00	0.00
			TNVA - AQ	122,798.49	150,965.00	0.00
			Total Unamortized Debt Expense	2,998,342.85	3,269,405.67	974,096.70
			1840 Clearing Accounts			
			Ditchers & Backhoes	219.35	(23,423.46)	0.00
			Information Services	10,641.08	(161.84)	0.00
			Meter Shop	30,703.27	0.00	0.00
			Meter Loops	751.19	32,783.65	1,738.76
			Payroll/Taxes	22,677.42	0.00	(25,448.08)
			Vehicle System	39,065.90	(71,445.51)	0.00
			Welders	1,596.08	(21,586.44)	0.00
			Fleet Administration	10,504.42	0.00	0.00
			Total Clearing Accounts	116,158.71	(83,833.60)	(23,709.32)

Note: For prior year and September 30, 1997 United Cities balances are reported at the summary account level.



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Page No.	Line No.	Acct. No.	Description	1998	1997	As of September 30, 1997
	1860		Miscellaneous Deferred Debits			
			Advanced Payments to Employers	468,664.94	100,502.07	218,605.61
			Kentucky PBR	10,169.57	0.00	0.00
			Car Allowance (Amort calendar year)	91,700.00	95,814.00	47,907.00
			Company Facilities:			
			Monroe Office	25,188.96	25,188.96	25,188.96
			Natchitoches Service Center (Reimbursable Upon Completion)	(6,951.48)	4,635.73	(7,435.32)
			Pineahach Remodeling (Reimbursable Upon Completion)	97,503.81	97,503.81	97,503.81
			Thibodaux Office	38,357.48	34,436.23	38,357.48
			Consulting	39,999.99	112,500.00	80,000.00
			Duvalville Incident - KY	17,333.79	16,604.35	17,333.79
			Deferred Take or Pay - GGC	285,006.91	303,212.64	322,550.59
			Department Projects:			
			Texas Gas Rate Case	5,267.07	0.00	722.36
			Add O&M Standards to ALLMS	64,729.49	63,776.08	64,729.49
			Gas Contract Management System	29,293.79	24,076.40	27,209.90
			Odeasa Service Center Remodel	14,732.44	0.00	0.00
			Quality Review - CIS Project	13,333.00	245,383.88	245,383.88
			Functional Standard Costing	0.00	24,101.43	24,101.43
			Internet Requirements Project	0.00	3,850.00	0.00
			Remote Paycenter Project	0.00	24,145.59	25,785.59
			GGC ACH Cash Clearing	(27,426.98)	(9,264.69)	(784.36)
			GGC Cash Reconciliation	(691,783.21)	(992.19)	154.13
			Lincoln Center Rent	807,561.46	150,418.12	171,776.49
			Misc. Charges to be Cleared Currently	511,323.99	473,045.04	74,834.22
			Other Work in Progress	103,971.74	103,073.88	102,306.21
			Pension Assets - Atmos	(405,239.80)	(1,375,260.03)	(1,409,859.03)
			Pension Assets - WKG	11,838,908.71	11,303,572.94	11,294,519.94
			Pension Assets - GGC	(482,532.25)	(392,068.00)	(450,970.00)
			UCG Post Retirement Benefits	1,380,318.00	0.00	0.00
			Rate Cases:			
			Rate Case Exp - CO - Phase II (Amort \$1,225/mo. thru 12/98)	7,349.70	22,049.10	18,374.25
			Rate Case 95-010 - WKG (Amort \$6,828.50/mo. 11/95 thru 10/98)	27,313.87	109,255.87	88,770.37
			Rate Case - West Texas (Amort \$1,534.58/mo. thru 11/99)	24,553.14	50,057.91	38,364.36
			Restricted Stock Grant Plan	5,017,349.79	798,316.59	3,117,164.34
			Retirement Cost (Rabbi Trusts and CVI)	21,748,684.25	17,651,134.88	21,209,828.66
			Truss La Lawruit & COG Investigation (Amort \$27,000/mo 3/94 thru 2001)	1,016,572.73	1,340,572.73	1,259,572.73
			Truss La Post Settlement	181,898.89	138,907.46	153,746.06
			Colorado Pipeline Refunds	0.00	7,947.00	0.00
			Drilling Permits - Energys	0.00	0.00	1,000.00
			Executrain - Sid. P.C. Training Cost	0.00	40,435.24	0.00
			Acquisition Costs - Atmos	8,778,102.04	2,371,048.49	6,677,252.48
			Acquisition Costs - United Cities	14,468,500.32	0.00	13,869,229.87
			Conflict Costs	258,138.10	258,138.10	258,138.10
			Leadership Conference	396,135.11	0.00	0.00
			Atmos/UCG Integration (I)	36,212,653.44	581,976.47	11,270,693.98
			Separation/Integration Costs	0.00	0.00	17,000,000.00
			Business Unit Review Meetings	6,025.95	0.00	0.00
			Sean - Delaney Retreat	4,793.57	0.00	0.00
			Regulatory Summit	1,548.61	0.00	0.00
			Five Year Plan Meetings	159,751.30	0.00	0.00

Note: For prior year and September 30, 1997 United Cities balances are reported at the summary account level.

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Page No.	Line No.	Acct. No.	Description	1998	1997	As of September 30, 1997
	Acct# 1860 7 0007		Marketing Initiative			
	Acct# 1860 7 0008		Shared Services Meetings	744,150.39	0.00	0.00
	Acct# 1860 7 0009		H R Study - Towers Perrin	219,014.92	0.00	0.00
	Acct# 1860 7 0010		Diversity Council	241,385.11	0.00	0.00
	Acct# 1860 7 0011		Debt Officing - 1998	17,123.18	0.00	0.00
	Acct# 1860 7 0013		South Carolina Rate Case	70,322.54	0.00	0.00
	Acct# 1860 7 0383001		General Reserve - Accrued	1,114.46	0.00	0.00
	Acct# 1860 7 0014		1998 Depreciation Study	(19,759,403.00)	0.00	(20,334,000.00)
	Acct# 1860 7 0015		Payroll Redesign	2,310.00	0.00	0.00
	Acct# 1860 7 0050		Deferred Gas Cost	17,709.81	0.00	0.00
			UCG Rate Cases:	16,509,494.46	0.00	0.00
	Acct# 1860 7 0100		IL Rate Case 1996	41,251.11	0.00	0.00
	Acct# 1860 7 0101		KN Rate Case 1992	14,883.32	0.00	0.00
	Acct# 1860 7 0102		TN Rate Case 1995	26,184.91	0.00	0.00
	Acct# 1860 7 0103		IA Rate Case 1995	35,663.70	0.00	0.00
	Acct# 1860 7 0104		VA Rate Case 1995	12,469.11	0.00	0.00
	Acct# 1860 7 0105		GA Rate Case 1996	42,540.30	0.00	0.00
	Acct# 1860 7 0106		MO Rate Case 1995	11,507.92	0.00	0.00
	Acct# 1860 7 0107		KN Rate Case 1995	24,659.31	0.00	0.00
	Acct# 1860 7 0108		INMFO Services	4,149,226.44	0.00	0.00
	Acct# 1860 7 0110		Leak Survey	27,164.12	0.00	0.00
	Acct# 1860 7 0111		Non Compete Agreement	1,522,763.83	0.00	0.00
	Acct# 1860 7 0111		Energy Efficiency Program - IA	13,860.04	0.00	0.00
	Acct# 1860 7 0114		Income Tax Recover Future	3,250,723.25	0.00	0.00
			UCG KS:			
			Transition Cost	(270,220.37)	0.00	0.00
	Acct# 1860 7 0871		Capacity Rel Rev	12,744.42	0.00	0.00
	Acct# 1860 7 0875		Conservation Program	133,239.45	0.00	0.00
	Acct# 1860 7 0900		Conservation Program 1997	197,924.91	0.00	0.00
	Acct# 1860 7 0901		United Cities Gas Deferred Debits	0.00	15,100,651.00	14,970,607.13
			Total Miscellaneous Deferred Debits	109,849,009.87	49,898,697.08	80,608,664.50
59	15		Total Deferred Charges and Other Assets	113,706,536.48	53,631,294.20	82,307,076.93
59	16		TOTAL ASSETS	\$1,031,632,027.38	\$932,203,469.85	\$1,011,626,092.39

(1) Total Net UCG Acquisition: \$41,818,241.58

Note: For prior year and September 30, 1997 United Cities balances are reported at the summary account level.

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Reference	Page	Line	Acct.	Description	1998	1997	As of September 30, 1997
No.	No.	No.	No.				
60	5			SHAREHOLDERS' EQUITY	348,077,426.18	328,878,994.78	302,292,130.73
60	6			LONG-TERM DEBT	288,163,308.00	296,163,308.00	297,303,308.00
60	7			TOTAL CAPITALIZATION	636,240,734.18	625,042,302.78	599,595,438.73
<b>NOTES PAYABLE</b>							
				Amerillo National Bank Master Note/Other	2,000,000.00	12,000,000.00	12,000,000.00
				Puji Bank	0.00	15,000,000.00	0.00
				NationsBank	119,900,000.00	0.00	140,600,000.00
				PNC Bank of Pittsburgh	20,000,000.00	0.00	7,800,000.00
				1st National Bank of Commerce	0.00	10,000,000.00	0.00
				Mitsubishi Bank - Houston	22,100,000.00	1,700,000.00	0.00
				Atmos - Total Notes Payable	164,000,000.00	38,700,000.00	160,400,000.00
				United Cities Gas - Total Notes Payable	0.00	36,638,000.00	0.00
60	8			Total Notes Payable	164,000,000.00	75,338,000.00	160,400,000.00

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Reference	Page	Line	Acct.	Description	1998	1997	As of September 30, 1997
No.	No.	No.	No.				
				<b>Total Accrued Payables</b>	<b>26,547,511.40</b>	<b>6,731,310.55</b>	<b>13,383,375.86</b>
				Gas Purchased - Accounts Payable			
				Acadiana Natural Gas, Co.	0.00	57,844.64	58,363.45
				AMOCO	(121,924.78)	145,777.81	135,000.00
				ANR Pipeline Company	996,981.66	(46,966.99)	0.00
				KN Marketing	100,602.91	1,085,800.53	1,207,958.30
				Puenergy Trading/Market	44,537.42	122,339.67	174,795.17
				Brenco Gas Transmission, Inc.	0.00	1,145.25	893.25
				Natural Gas Clearinghouse	(3.00)	601,065.62	692,739.65
				City of Odessa - Purchase	0.00	5,000.00	5,000.00
				Coastal Gas Marketing	(2,110.00)	156,623.32	154,000.00
				Colorado Interstate Gas Company	85,847.02	140,114.54	132,731.89
				Colorado Natural Gas	0.00	151,330.06	78,344.67
				Engage Energy	50,049.09	129,161.10	0.00
				Coetilla Petroleum Corp.	36,579.60	21,992.40	22,658.40
				Crescent Oil & Gas Company	0.00	0.00	17,241.95
				Delhi	0.00	1,011,817.80	0.00
				Eaton	0.00	75.20	0.00
				Exchange Gas	(472,294.11)	(509,253.08)	(404,739.03)
				Gas Payable - LA Imbalance	45,193.67	45,940.21	45,714.17
				LG & E Natural Plains Energy	132,903.67	432,449.23	554,227.95
				Hugoton	11,982.24	42,057.37	8,264.75
				Interenergy Resource Corp.	(451,089.53)	72,916.61	122,532.36
				Kansas Pipeline Partners	(5,239.91)	2,685.00	3,280.57
				Pennunion Energy Services	0.00	0.00	101,585.66
				PMN Energy Marketing	17.32	0.00	0.00
				Kimball Energy Corp.	85,800.00	53,416.17	49,695.82
				United Gas Services	5,751.86	35,950.60	61,386.95
				KN Energy	(148,248.18)	49,431.32	28,439.97
				K N Gas Supply Services	381,983.48	75,528.67	85,337.69
				KPL Gas Services	21,778.21	22,164.56	22,275.61
				LIG Chemical	1,826.08	0.00	0.00
				LIG Imbalance	(566,807.15)	0.00	0.00
				Local Gas Production	14,206.23	79,734.12	159,402.62
				Local Gas Purchases - Fremont County	(2,412.53)	298,647.05	274,824.95
				Louisiana Land/Exploration Company	0.00	468,468.00	0.00
				Louisiana Intrastate Gas Corp.	112.86	(51,948.40)	343,409.77
				Pioneer Natural Resources Co.	713,091.36	1,973,022.65	848,830.50
				Midcon Gas Services Corp.	0.00	404,460.00	0.00
				Mid-Louisiana Gathering	0.00	944.69	466.02
				Moffat Pipeline Corp.	0.00	20,658.65	9,811.97
				Natural Gas Clearinghouse	0.00	0.00	(234,603.04)
				Noble Gas Marketing	(97,712.00)	0.00	0.00
				Noram Energy Services	2,429,469.26	0.00	7,000.23
				Norram Gas Trausm Corp	5,861.08	6,875.95	0.00
				Northwest Pipeline Corp.	(31,345.95)	0.00	0.00
				Oxy U.S.A., Inc.	0.00	124.70	101.50
				CMS Marketing Services	104,160.00	0.00	0.00

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Reference	No.	Line No.	Acct. Description	1998	1997	As of September 30, 1997
			Peoples Natural Gas	(14,432.85)	1,024.33	(5,307.85)
			Pipeline Refunds - GGC	(2,286,485.31)	10,375,484.40	470,641.21
			Pipeline Refunds - Trans La (LIG)	3,675,726.64	0.00	9,789,532.64
			Other Payables	419,388.92	1,385,794.82	1,322,632.19
			Public Service	(0.08)	356,145.05	363,065.98
			Westar Gas Marketing	0.00	367,406.97	91,647.28
			Southern Marketing	7,193.33	7,110.52	7,375.55
			Tennessee Gas Pipeline	(787.10)	209,236.13	259,695.35
			Texaco, Inc.	0.00	1,324,411.40	785,502.00
			Texas Natural Gas Inc.	0.00	408,761.40	1,698,769.24
			Texas Gas Transmission	(63,000.28)	1,246,266.34	1,242,989.87
			Trunkline Gas Company	(88,618.43)	42,797.51	2,321.16
			Tuscaloosa Pipeline Company	0.00	5,634.17	7,836.04
			Wild Horse Energy Partners	2,140.00	0.00	0.00
			Williams Energy Services	(1,051,778.55)	408,775.86	129,674.70
			Williams Natural Gas Company	3,219,862.37	227,759.13	330,024.51
			WKG Supplier Imbalance	22,922.20	30,334.28	29,718.34
			Transportation Bank Gas	298,149.78	615,413.80	782,886.61
			Woodward Marketing	(12,806,614.62)	0.00	2,125,826.36
			Union Pacific Fuels	(1,277,511.53)	3,757,389.67	2,136,910.37
			UCG Accrued Gas Cost Payables	15,326,876.57	0.00	0.00
			UCG Gas Purchase Payables	(7,740,788.12)	348,750.00	0.00
			Westar Gas	0.00	348,750.00	0.00
			<b>Total Gas Purchased Payable</b>	<b>1,011,591.02</b>	<b>28,225,890.80</b>	<b>26,338,735.27</b>
			<b>2410 Tax Collections Payable</b>			
			Astor Sales Tax	(4,449.77)	(4,449.77)	(4,449.77)
			City Franchise Fees - Louisiana	33,812.79	33,812.79	33,812.79
			City Sales Tax - Canton City	47,156.84	0.00	0.00
			City Sales Tax - Durango	(7,244.65)	1,124.97	330.84
			City Sales Tax - Mount Crested Butte	(4,620.95)	3,303.58	2,614.46
			City Sales Tax - Steamboat Springs	628.10	1,911.74	1,536.18
			City Sales/Use Tax - Cortez	(3,231.11)	11,315.39	9,684.81
			City Sales/Use Tax - Greeley	183,768.32	16,975.85	15,295.05
			City Sales/Use Tax - Gunnison	(3,464.37)	3,269.11	2,708.80
			City Sales/Use Tax - Lamar	(44,166.50)	11,872.61	13,958.94
			City & Parish Sales Tax - Louisiana	(2,185.69)	(32.68)	107.24
			County City/Use Tax - Prowers	(8.94)	2,675.41	2,273.62
			County Sales/Use Tax	(135.12)	10.23	(9.65)
			County Use Tax - Fremont	(48,299.86)	136.39	210.99
			Employees' Federal Income Tax Withheld	447.56	453.04	499.93
			Employees' FICA Tax	(94,929.00)	441,463.06	754,344.31
			Employees' Local Tax Withheld - KY	(401,290.33)	199,314.69	235,029.75
			Employees' State Income Tax Withheld - Alabama	19,691.53	22,981.53	29,424.88
			Employees' State Income Tax Withheld - North Carolina	(162.86)	0.00	0.00
			Employees' State Income Tax Withheld - South Carolina	371.61	0.00	0.00
			Employees' State Income Tax Withheld - South Carolina	(1,931.20)	0.00	0.00

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Page	Line	Acct.	No.	No.	Description	1998	1997	As of September 30, 1997
					Employees' State Income Tax Withheld - Colorado	(2,694.86)	13,644.31	15,877.08
					Employees' State Income Tax Withheld - Illinois	29.71	0.00	0.00
					Employees' State Income Tax Withheld - Indiana	446.70	0.00	0.00
					Employees' State Income Tax Withheld - Georgia	14,686.24	0.00	0.00
					Employees' State Income Tax Withheld - Iowa	2,489.28	0.00	0.00
					Employees' State Income Tax Withheld - Kansas	(10,374.48)	6,912.51	3,007.67
					Employees' State Income Tax Withheld - Kentucky	21,390.24	55,570.35	93,394.37
					Employees' State Income Tax Withheld - Louisiana	4,689.18	12,649.11	12,678.35
					Employees' State Income Tax Withheld - Missouri	5,782.67	0.00	509.41
					Employees' State Income Tax Withheld - Mississippi	245.15	0.00	0.00
					Employees' State Income Tax Withheld - Ohio	3,471.77	0.00	0.00
					Employees' State Income Tax Withheld - Virginia	(272,251.23)	0.00	0.00
					State Income Tax Withheld - Propane Division	28,307.58	0.00	0.00
					Franchise Tax Collected - South Carolina	274,001.62	197,705.99	161,783.77
					Franchise Tax Collected - Colorado	128.00	0.00	0.00
					Franchise Tax Collected - Georgia	16,886.86	0.00	0.00
					Franchise Tax Collected - Illinois	1,093,753.82	218,055.78	47,495.98
					Franchise Tax Collected - Kansas	105,483.16	69,974.48	44,798.56
					Franchise Tax Collected - Kentucky	36,583.93	91,233.48	74,426.73
					Franchise Tax Collected - Louisiana	7,377.37	5,780.37	6,301.08
					Franchise Tax Collected - Missouri	1,082,983.51	0.00	0.00
					Franchise Tax Collected - Tennessee	21.53	0.00	0.00
					Franchise Tax Collected - Virginia	288.00	149.50	149.50
					Local Tax - Colorado	180,699.64	2,349.08	21,763.20
					Occupational Tax Collections	(412.86)	0.00	0.00
					State Sales Tax - North Carolina	91,331.50	0.00	0.00
					State Sales Tax - South Carolina	206,105.06	89,311.06	85,057.13
					State Sales Tax - Colorado	488,598.91	0.00	0.00
					State Sales Tax - Georgia	(6,830.04)	0.00	0.00
					State Sales Tax - Illinois	(52,280.47)	0.00	0.00
					State Sales Tax - Iowa	210,453.99	0.00	0.00
					State Sales Tax - Kansas	114,365.02	104,976.64	123,377.75
					State Sales Tax - Kentucky	(9,478.21)	(11,683.18)	17,311.93
					State Sales Tax - Louisiana	44,296.57	0.00	0.00
					State Sales Tax - Mississippi	305,417.75	0.00	0.00
					State Sales Tax - Missouri	(186,625.82)	(36,001.00)	(69,631.80)
					State Sales Tax - Tennessee	(149.91)	1,450.04	638.66
					State Sales Tax - Texas	(1,176.84)	0.00	0.00
					State Use Tax - Kansas	68,998.09	157,452.72	47,730.41
					State Use Tax - Virginia	(77,009.40)	0.00	0.00
					Utility School Tax (Remit monthly)	171,360.78	0.00	0.00
					Illinois Asst Chg	114,158.08	0.00	0.00
					Gross Receipts	(51,001.52)	0.00	0.00
					Consumer Tax	(14,728.50)	0.00	0.00
					ICC Sup Fee	3,679,822.91	1,742,633.15	1,794,270.03
					Illinois Energy Assistance Tax			
					Total Tax Collections Payable	3,679,822.91	1,742,633.15	1,794,270.03
					Almos - Total Accounts Payable	31,238,925.33	36,699,834.50	41,516,381.18
					United Cities Gas - Total Accounts Payable	0.00	14,427,923.00	14,933,663.54
60	9				Total Accounts Payable	31,238,925.33	51,127,757.50	56,450,044.72

Note: For prior year and September 30, 1997 United Cities balances are reported at the summary account level.

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Reference	Page	Line	Acct.	Description	1998	1997	As of September 30, 1997
No.	No.	No.	No.				
				<b>ACCRUED TAXES</b>			
	2360			Accrued Taxes - Other			4,992,989.56
				Ad Valorem	7,659,776.46	3,442,211.52	0.00
				CNG Use Tax - Kentucky	(359.22)	9.23	104.00
				Employer's Denver City Tax	(591.98)	104.00	235,029.75
				Employer's FICA Tax	116,459.71	199,314.69	(8,448.90)
				Federal Motor Fuel Tax-CNG	(9,212.18)	(6,041.56)	408,345.05
				Franchise - City	1,350,509.53	(6,943.39)	(3,183.38)
				Louisiana State Supervision & Inspection	216.94	2,281.98	6,263.31
				Purch & City Use Tax - Louisiana	837.20	(1,907.11)	(7,737.26)
				Severance Tax	(71,972.49)	321,116.32	462,957.68
				State Franchise Tax - Texas	442,937.68	223,022.32	41,357.44
				State Gross Receipts - Texas	(491,102.42)	3,044.92	2,784.31
				State Transportation Tax - Texas	3,044.92	5,975.52	2,995.15
				State Use Tax - Louisiana	715.46	0.00	696.83
				Unemployment Tax - Federal	15,177.67	0.00	0.00
				Unemployment Tax - State - North Carolina	69.49	0.00	0.00
				Unemployment Tax - State - South Carolina	823.48	0.00	0.00
				Unemployment Tax - State - Colorado	474.10	491.47	149.25
				Unemployment Tax - State - Georgia	2,622.13	0.00	0.00
				Unemployment Tax - State - Illinois	1,654.70	0.00	0.00
				Unemployment Tax - State - Iowa	(673.98)	0.00	0.00
				Unemployment Tax - State - Kansas	18,590.95	0.00	0.00
				Unemployment Tax - State - Missouri	2,006.88	0.00	0.00
				Unemployment Tax - State - Tennessee	97,925.84	0.00	0.00
				Unemployment Tax - State - Kentucky	373.77	755.65	(13.12)
				Unemployment Tax - State - Louisiana	402.92	382.72	(4.67)
				Unemployment Tax - State - Texas	7,043.54	8,159.74	616.47
				Unemployment Tax - State - Virginia	148.27	0.00	0.00
				Use Tax (City & State) - Texas	139,719.16	0.00	76,522.75
				Tennessee Use Tax (City & State)	61,778.51	0.00	0.00
				Virginia Use Tax (City & State)	2,472.25	0.00	0.00
				Iowa Use Tax (City & State)	1,606.56	0.00	0.00
				Kansas Use Tax (City & State)	18,274.54	0.00	0.00
				Illinois Use Tax (City & State)	202.96	0.00	0.00
				South Carolina Use Tax (City & State)	(2,180.50)	0.00	0.00
				Georgia Use Tax (City & State)	4,273.44	0.00	0.00
				Missouri Use Tax (City & State)	5,993.02	0.00	0.00
				Illinois Energy Assistance Tax	(4,523.40)	0.00	0.00
				Virginia License	(43,606.43)	0.00	0.00
				Atmos - Total Accrued Taxes	9,331,929.50	4,832,589.19	6,211,524.22
				United Cities Gas - Total Accrued Taxes	0.00	4,136,177.00	5,488,677.46
	60	10		Total Accrued Taxes	9,331,929.50	8,968,766.19	11,700,201.68

Note: For prior year and September 30, 1997 United Cities balances are reported at the summary account level.



ATMOS ENERGY CORPORATION  
BALANCE SHEET ACCOUNTS  
AS OF JUNE 30, 1998

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Reference	Page	Line	Acct.	Description	1998	1997	As of September 30, 1997
No.	No.	No.	No.				
				<b>INCOME TAXES PAYABLE</b>			
	2360			Accrued Income Taxes	2,034,945.71	5,685,152.00	(6,384,148.36)
				Accrued Income Taxes - Federal	(1,551,688.82)	527,654.00	(2,236,201.00)
				Amos - Total Income Taxes Payable	483,256.89	6,212,806.00	(8,620,349.36)
				United Cities Gas - Total Income Taxes Payable	0.00	(1,791,162.00)	(9,714,291.17)
60	11			Total Income Taxes Payable	483,256.89	4,421,644.00	(18,334,640.53)
				<b>CUSTOMERS' DEPOSITS</b>			
	2350			Customers' Deposits	2,213,176.37	3,352,333.35	3,256,848.10
				Customers' Deposits - Colorado	1,442,608.00	2,012,052.99	1,792,539.06
				Customers' Deposits - Kentucky	1,339,312.83	1,553,138.17	1,472,377.99
				Customers' Deposits - Louisiana	2,041,600.22	3,033,701.19	2,765,269.87
				Customers' Deposits - Texas	2,478,473.49	0.00	0.00
				Customers' Deposits - Tennessee	1,636,419.65	0.00	0.00
				Customers' Deposits - Georgia	1,211,453.05	0.00	0.00
				Customers' Deposits - Virginia	232,563.76	0.00	0.00
				Customers' Deposits - South Carolina	107,253.81	0.00	0.00
				Customers' Deposits - Illinois	93,390.39	0.00	0.00
				Customers' Deposits - Iowa	58,653.41	0.00	0.00
				Customers' Deposits - Missouri	47,604.16	0.00	0.00
				Amos - Total Customers' Deposits	12,902,509.14	9,951,225.70	9,287,035.02
				United Cities Gas - Total Customers' Deposits	0.00	6,255,111.00	5,751,958.00
60	13			Total Customers' Deposits	12,902,509.14	16,206,336.70	15,038,993.02
				<b>OTHER CURRENT LIABILITIES</b>			
	2370			Interest Accrued	1,235.85	2,593.77	1,251.00
				Commitment Fee	473,384.53	504,557.48	481,751.04
				Customers' Deposits - Colorado	26,457.95	42,592.79	63,697.94
				Customers' Deposits - Kentucky	19,327.88	28,596.80	44,733.02
				Customers' Deposits - Louisiana	39,181.79	63,345.87	96,217.80
				Customers' Deposits - Texas	47,962.19	0.00	0.00
				Customers' Deposits - Tennessee	533,947.72	0.00	0.00
				Customers' Deposits - Illinois	3,192.11	0.00	0.00
				Customers' Deposits - South Carolina	8,074.03	0.00	0.00
				Customers' Deposits - Georgia	477,603.57	0.00	0.00
				Customers' Deposits - Virginia	29,677.25	0.00	0.00
				Customers' Deposits - Missouri	1,974.55	0.00	0.00
				Customers' Deposits - Iowa	3,545.53	0.00	0.00
				Long-Term Debt	3,072,806.16	1,557,586.41	3,007,982.43
				Notes Payable	(84,632.87)	14,454.22	34,568.61
				Amos - Total Interest Accrued	4,653,788.24	2,213,727.34	3,730,203.84
				United Cities Gas - Total Interest Accrued	0.00	3,369,509.00	0.00
				Total Interest Accrued	4,653,788.24	5,583,236.34	3,730,203.84

Note: For year and September 30, 1997 United Cities balances are reported at the summary account level.

ATMOS ENERGY CORPORATION  
BALANCE SHEET ACCOUNTS  
AS OF JUNE 30, 1998

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Reference	Page	Line	Acct.	Description	1998	1997	As of
No.	No.	No.	No.				September 30,
							1997
2420				Misc. Current & Accrued Liabilities			
				Accrued Liability Bud Adv Payment	(2,244,119.89)	0.00	0.00
				Separation/Integration Costs	0.00	0.00	17,000,000.00
				Accrued Benefit Costs	1,893,016.31	0.00	0.00
				UCG Budget Billings	2,244,119.87	0.00	0.00
				UCG Exchange Gas	47,244.93	0.00	0.00
				UCG P/L Refunds	16,695,515.32	0.00	0.00
				UCG Pensions	(3,996.49)	0.00	0.00
				Workmens Comp	45.00	0.00	0.00
				Capacity Release Credits	(79,934.86)	(79,934.86)	(79,934.86)
				FAS 106 - OPEB	7,663,820.67	4,679,532.37	5,246,416.08
				Performance Plan	1,377,963.15	800,000.00	1,450,000.00
				UPFI Exchange	(4,060.00)	0.00	0.00
				UPFI Exchange #2	(8,625.00)	0.00	0.00
				Texas Gas Storage	5,542,553.43	5,322,363.44	2,737,498.56
				Reimbursement Accounts	3,690.06	0.00	0.00
				Dealer Program	23,343.38	0.00	0.00
				Customer Relations	302,400.00	0.00	0.00
				UCG Tax Payments	(1,675,717.39)	0.00	0.00
				Customer Relations 97	243,648.56	0.00	0.00
				LGA	5,897.50	0.00	0.00
				UCG Miscellaneous	2,208,981.90	0.00	0.00
				Income Tax Payable at Future Rates	427,904.00	0.00	0.00
				Accrued Liability Com & Ind Markets	157,218.00	0.00	0.00
				Total Misc. Current & Accrued Liabilities	34,824,908.45	10,722,061.14	26,353,979.78
2620				Self Insurance Reserve			
				General Liability	1,933,816.00	1,000,000.00	1,000,000.00
				Auto Liability Claims	0.00	0.00	0.00
				Gen. Liab. (Each \$50M Claim Amortized over 12 months)	(441,868.69)	(11,541.66)	0.00
				Workers Compensation	1,623,383.00	1,000,000.00	1,200,000.00
				Total Self Insurance Reserve	3,115,330.31	1,988,458.34	2,200,000.00
60	14			Amos - Total Other Current Liabilities	42,596,027.00	18,293,755.82	32,284,183.62
				United Cities Gas - Total Other Current Liabilities	0.00	14,521,722.00	19,297,929.41
				Total Other Current Liabilities	42,596,027.00	32,815,477.82	51,582,113.03
60	15			Intercompany Accounts	0.00	0.00	276,957.00
60	16			Total Current Liabilities	260,536,647.86	188,877,982.21	277,113,668.92
282				Deferred Federal Income Taxes	74,584,172.45	38,834,075.30	48,721,572.57
283				Deferred State Income Taxes	6,558,109.85	3,585,194.34	6,372,806.73
				Amos - Deferred Income Taxes	81,142,282.30	42,419,269.64	55,094,379.30
				United Cities Gas - Deferred Income Taxes	0.00	23,471,997.00	26,234,437.68
60	17			Total Deferred Income Taxes	81,142,282.30	67,891,266.64	81,328,816.98

Note: For prior year and September 30, 1997 United Cities balances are reported at the summary account level.

ATMOS ENERGY CORPORATION  
BALANCE SHEET ACCOUNTS  
AS OF JUNE 30, 1998

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Reference	Page	Line	Acct.	Description	1998	1997	As of September 30, 1997
No.	No.	No.	No.				
				<b>DEFERRED CREDITS AND OTHER LIABILITIES</b>			
				2520 Customer Advances for Construction	10,874,798.12	9,815,876.51	8,776,173.29
				2530 Other Deferred Credits			
				Advance from UP Alliance	225,000.00	0.00	0.00
				Directors' Fees	192,011.12	98,150.00	107,850.00
				Outside Directors' Retirement Plan	1,480,990.14	118,667.46	134,289.92
				PAS 106 - OPEB	6,490,142.61	6,116,880.61	6,171,915.61
				PAS 109 - Regulatory Liability / Protected	2,291,234.63	2,291,234.63	2,291,234.63
				Protected Excess Deferred Tax - OGC	221,780.62	221,780.62	221,780.62
				Regulatory Liability - ITC	392,454.15	392,454.15	392,454.15
				Rent Amortization - Lafayette Office	101,201.11	168,996.72	160,546.89
				Retirement Cost	22,449,618.33	20,201,978.71	20,390,905.84
				Greenville Office Sublease	2,400.00	0.00	0.00
				Deferred Credits	4,679,373.40	0.00	0.00
				KN Master Mtr Transfer	0.00	200,000.00	200,000.00
				<b>Total Other Deferred Credits</b>	<b>38,526,206.11</b>	<b>29,810,342.90</b>	<b>30,270,977.66</b>
				2550 Deferred Credits - Accrued I.T.C	4,295,358.81	4,566,498.81	811,500.81
				Atmos - Total Deferred Credits and Other Liab.	53,696,363.04	44,192,718.22	39,858,631.76
				United Cities Gas - Total Deferred Credits and Other Liab.	0.00	6,199,200.00	13,729,516.00
60	18			<b>Total Deferred Credits and Other Liab.</b>	<b>53,696,363.04</b>	<b>50,391,918.22</b>	<b>53,588,167.76</b>
60	19			<b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>	<b>\$1,031,632,027.38</b>	<b>\$932,203,469.85</b>	<b>\$1,011,626,092.39</b>

Note: For prior year and September 30, 1997 United Cities balances are reported at the summary account level.

ATMOS ENERGY CORPORATION UTILITY BUSINESS UNITS  
 CONSOLIDATED OPERATING REVENUE AND STATISTICS  
 FOR THE MONTH AND YEAR TO DATE ENDED 06/30/98

Line No.	Description (a)	Current Month		Prior Year Actual (d)	Actual (e)	Budget (f)	Year to Date	Prior Year Actual (g)	Line No.
		Actual (b)	Budget (c)						
1	Degree Days	19	9	9	3,790	3,949		3,884	1
2	Meters in service (1)								
3	Residential	888,015	N/A	871,409	887,168	N/A		871,234	2
4	Commercial	93,355		93,457	95,665			93,852	3
5	Industrial	1,740		1,892	1,876			1,916	4
6	Public Authority & Other	4,841		4,777	4,844			4,777	5
7	Agricultural	14,659		15,410	14,993			16,300	6
	Total meters in service	1,004,610	N/A	986,945	1,004,546	N/A		988,079	7
8	Utility Sales Customers - Regulated (1)								
9	Residential	857,090	N/A	850,280	867,714	N/A		854,706	8
10	Commercial	90,398		90,353	92,716			91,346	9
11	Industrial	1,559		1,407	1,435			1,378	10
12	Public Authority & Other	3,563		3,532	3,593			3,529	11
13	Agricultural	98		301	276			306	12
	Total Regulated Sales Customers	952,908	N/A	945,873	965,734	N/A		951,265	13
14	Utility Sales Customers - Non Regulated (1)								
15	Industrial	193	N/A	186	194	N/A		187	14
16	Agricultural	6,431		6,656	6,429			6,680	15
	Total Non Regulated Sales Customers	6,624	N/A	6,842	6,622	N/A		6,867	16
17	Total Sales Customers (1)	959,532	N/A	952,715	972,356	N/A		958,132	17
18	Transportation Customers (1)(2)	687	N/A	603	633	N/A		532	18
19	Total Utility Customers (1)(2)	960,219	N/A	953,318	972,989	N/A		958,664	19
20	Utility Gas Volumes Sold - Regulated (mcf as metered)								
21	Residential	2,024,982	N/A	2,364,784	68,621,937	N/A		69,785,177	20
22	Commercial	1,329,074		1,426,285	32,316,668			33,656,167	21
23	Industrial	1,317,637		1,790,734	17,387,036			21,814,162	22
24	Public Authority & Other	139,409		170,042	4,539,566			4,761,302	23
25	Agricultural	86,465		86,465	292,578			434,975	24
26	Unbilled	59,479		(1,073,176)	(837,277)			367,912	25
	Total Regulated Gas Volumes	4,957,046	N/A	4,765,134	122,320,509	N/A		130,819,695	26
27	Utility Gas Volumes Sold - Non Regulated (mcf as metered)								
28	Industrial	321,657	N/A	447,979	4,371,941	N/A		4,684,624	27
29	Agricultural	2,772,507		933,212	7,710,896			6,296,895	28
	Total Non Regulated Gas Volumes	3,094,164	N/A	1,381,191	12,082,837	N/A		10,981,519	29
30	Total Gas Volumes Sold	8,051,210	N/A	6,146,325	134,403,346	N/A		141,801,214	30
31	Transport volumes (mcf as metered) (2)	4,361,234	N/A	3,605,308	42,732,628	N/A		36,758,127	31
32	Total Operating Volumes (2)	12,412,444	N/A	9,751,633	177,135,974	N/A		178,559,341	32

N/A = Not Available

ATMOS ENERGY CORPORATION UTILITY BUSINESS UNITS  
 CONSOLIDATED OPERATING REVENUE AND STATISTICS  
 FOR THE MONTH AND YEAR TO DATE ENDED 06/30/98

Line No.	Description (a)	Current Month			Year to Date		
		Actual (b)	Budget (c)	Prior Year Actual (d)	Actual (e)	Budget (f)	Prior Year Actual (g)
1	Utility Gas Sales Revenue - Regulated						
2	Residential	\$ 14,958,865.21	N/A	\$ 15,344,232.51	\$ 385,510,698.94	N/A	\$ 394,159,351.57
3	Commercial	8,392,549.19		7,195,659.39	170,811,600.87		173,860,016.88
4	Industrial	5,363,239.96		6,410,338.28	74,042,476.31		88,565,747.43
5	Public Authority & Other	618,382.31		734,634.44	19,485,900.42		21,979,633.02
6	Agricultural	44,190.23		277,480.13	776,359.77		1,443,035.75
7	Unbilled	3,523,427.72		(4,222,074.00)	(28,133,727.32)		17,659,023.00
	Total Regulated Gas Sales Revenue	\$ 32,900,654.62	N/A	\$ 25,735,270.75	\$ 622,493,311.99	N/A	\$ 697,666,807.65
8	Utility Gas Sales Revenue - Non Regulated						
9	Industrial	1,035,605.77	N/A	1,331,195.47	13,627,904.39	N/A	13,998,588.37
10	Agricultural	8,507,612.25		2,998,362.55	24,096,340.16		19,884,815.26
	Total Non Regulated Gas Sales Revenue	\$ 9,543,218.02	N/A	\$ 4,329,558.02	\$ 37,724,244.55	N/A	\$ 33,883,403.63
11	Total Utility Gas Sales Revenue	\$ 42,443,872.64	\$ 37,468,000.00	\$ 30,064,828.77	\$ 660,217,556.54	\$ 736,349,000.00	\$ 731,550,211.28
12	Other Gas Revenue	458,655.23	322,000.00	872,240.10	6,701,255.53	5,730,000.00	5,335,080.59
13	Total Utility Gas Revenue	\$ 42,902,527.87	\$ 37,790,000.00	\$ 30,937,068.87	\$ 666,918,812.07	\$ 742,079,000.00	\$ 736,885,291.87
14	Transportation Revenue (2)	2,339,128.87	1,488,000.00	1,401,144.29	20,762,728.58	14,272,000.00	14,972,917.08
15	Other Operating Revenue	4,890.00	0.00	0.00	4,890.00	0.00	0.00
16	Total Utility Operating Revenue (2)	\$ 45,246,546.74	\$ 39,278,000.00	\$ 32,338,212.96	\$ 687,686,430.65	\$ 756,351,000.00	\$ 751,808,208.95
17	Utility Purchased Gas Cost						
18	Regulated	\$ 16,531,913.06	N/A	\$ 14,243,147.46	\$ 391,405,888.05	N/A	\$ 459,278,029.88
19	Non Regulated	8,421,127.99	N/A	4,026,689.30	32,534,892.16	N/A	28,993,955.81
20	Eliminations	(103,677.85)	N/A	(123,157.85)	(1,610,484.32)	N/A	(1,769,590.17)
	Total Purchased Gas Cost	\$ 24,849,363.20	\$ 24,601,000.00	\$ 18,144,678.91	\$ 422,330,295.89	\$ 480,212,000.00	\$ 486,502,395.52
21	Gas Sales Margin - Regulated (3)	\$ 16,368,741.56	N/A	\$ 11,492,123.29	\$ 231,087,423.94	N/A	\$ 238,388,777.77
22	Gas Sales Margin - Non Regulated (4)	1,122,090.03	N/A	302,868.52	5,189,352.39	N/A	4,889,447.82
23	Gas Sales Margin - Total (5)	\$ 17,594,509.44	\$ 12,867,000.00	\$ 11,920,149.66	\$ 237,887,260.65	\$ 256,137,000.00	\$ 245,047,815.76
24	Margin per MCF Sold - Regulated (6)	\$ 3.30	N/A	\$ 2.41	\$ 1.89	N/A	\$ 1.82
25	Margin per MCF Sold - Non Regulated (6)	0.36	N/A	0.22	0.43	N/A	0.45
26	Margin per MCF Sold - Total (6)	2.19	N/A	1.94	1.77	N/A	1.73

N/A = Not Available

- (1) The current month reflects the actual for the respective period as per the Meter Inventory Mgmt System, year to date reflects the average for the respective period.
- (2) Reflects intercompany eliminations.
- (3) Regulated gas sales revenue minus regulated gas costs.
- (4) Non regulated gas sales revenue minus non regulated gas costs.
- (5) Total gas sales revenue minus total gas costs.
- (6) Gas sales margin divided by gas sales volumes as metered.

WESTERN KENTUCKY GAS UTILITY BUSINESS UNIT  
 CONSOLIDATED OPERATING REVENUE AND STATISTICS  
 FOR THE MONTH AND YEAR TO DATE ENDED 06/30/98

Line No.	Description (a)	Current Month		Prior Year Actual		Year to Date		Line No.
		Actual (b)	Budget (c)	Actual (d)	Budget (e)	Actual (f)	Prior Year Actual (g)	
1	Degree Days	10	2	8		4,304	4,166	1
2	Meters in service (1)							
3	Residential	155,949	N/A	153,842		N/A	153,628	2
4	Commercial	18,050		17,727			17,688	3
5	Industrial	246		461			465	4
6	Public Authority & Other	1,582		1,559			1,557	5
7	Agricultural	0		0			0	6
	Total meters in service	175,827	N/A	173,589		N/A	173,318	7
8	Utility Sales Customers - Regulated (1)							
9	Residential	151,463	N/A	148,372		N/A	150,039	8
10	Commercial	17,216		17,003			17,193	9
11	Industrial	433		325			319	10
12	Public Authority & Other	1,570		1,552			1,550	11
13	Agricultural	0		0			0	12
	Total Regulated Sales Customers	170,782	N/A	167,252		N/A	169,121	13
14	Utility Sales Customers - Non Regulated (1)							
15	Industrial	0	0	0		0	0	14
16	Agricultural	0	0	0		0	0	15
	Total Non Regulated Sales Customers	0	0	0		0	0	16
17	Total Sales Customers (1)	170,782	N/A	167,252		N/A	169,121	17
18	Transportation Customers (1) (2)	112	N/A	116		N/A	64	18
19	Total Utility Customers (1) (2)	170,894	N/A	167,368		N/A	169,185	19
20	Utility Gas Volumes Sold - Regulated (mcf as metered)							
21	Residential	290,969	N/A	412,763		N/A	12,582,344	20
22	Commercial	207,389		234,827			5,415,836	21
23	Industrial	170,503		382,846			5,222,209	22
24	Public Authority & Other	39,929		60,196			1,433,269	23
25	Agricultural	0		0			0	24
26	Unbilled	(23,381)		(60,633)			261,431	25
	Total Regulated Gas Volumes	685,410	N/A	1,029,999		N/A	24,915,109	26
27	Utility Gas Volumes Sold - Non Regulated (mcf as metered)							
28	Industrial	0	0	0		0	0	27
29	Agricultural	0	0	0		0	0	28
	Total Non Regulated Gas Volumes	0	0	0		0	0	29
30	Total Gas Volumes Sold	685,410	N/A	1,029,999		N/A	24,915,109	30
31	Transport volumes (mcf as metered) (2)	2,068,824	N/A	1,692,335		N/A	16,883,020	31
32	Total Operating Volumes (2)	2,754,234	N/A	2,722,334		N/A	41,798,129	32

N/A = Not Available

WESTERN KENTUCKY GAS UTILITY BUSINESS UNIT  
 CONSOLIDATED OPERATING REVENUE AND STATISTICS  
 FOR THE MONTH AND YEAR TO DATE ENDED 06/30/98

Line No.	Description (a)	Current Month			Year to Date			Line No.
		Actual (b)	Budget (c)	Prior Year Actual (d)	Actual (e)	Budget (f)	Prior Year Actual (g)	
1	Utility Gas Sales Revenue - Regulated							1
2	Residential	\$ 2,132,851.17	N/A	\$ 2,506,220.34	\$ 67,891,791.27	N/A	\$ 65,186,286.06	2
3	Commercial	1,170,721.79		1,183,823.37	27,371,697.68		26,389,328.52	3
4	Industrial	731,746.15		1,326,864.06	12,603,930.14		19,866,027.05	4
5	Public Authority & Other	201,972.90		263,558.84	6,976,213.94		6,576,403.85	5
6	Agricultural	0.00		0.00	0.00		0.00	6
7	Unbilled	420,000.00		352,000.00	(14,894,000.00)		2,872,000.00	7
	Total Regulated Gas Sales Revenue	4,677,272.01	4,362,000.00	5,632,466.61	100,149,633.03	117,425,000.00	120,840,045.48	
8	Utility Gas Sales Revenue - Non Regulated							8
9	Industrial	0.00	0.00	0.00	0.00	0.00	0.00	9
10	Agricultural	0.00	0.00	0.00	0.00	0.00	0.00	10
	Total Non Regulated Gas Sales Revenue	0.00	0.00	0.00	0.00	0.00	0.00	
11	Total Utility Gas Sales Revenue	4,677,272.01	4,362,000.00	5,632,466.61	100,149,633.03	117,425,000.00	120,840,045.48	11
12	Other Gas Revenue	49,501.21	35,000.00	507,465.80	820,071.59	763,000.00	1,086,243.11	12
13	Total Utility Gas Revenue	4,726,773.22	4,397,000.00	6,139,932.41	100,969,704.62	118,188,000.00	121,926,288.59	13
14	Transportation Revenue (2)	698,949.00	700,000.00	544,808.82	6,869,083.53	6,300,000.00	5,428,541.11	14
15	Other Operating Revenue	0.00	0.00	0.00	0.00	0.00	0.00	15
16	Total Utility Operating Revenue (2)	5,425,722.22	5,097,000.00	6,684,741.23	107,838,788.15	124,488,000.00	127,354,829.70	16
17	Utility Purchased Gas Cost							17
18	Regulated	\$ 2,440,435.53	\$ 3,832,000.00	\$ 3,768,533.06	\$ 70,250,037.35	\$ 81,475,000.00	\$ 88,850,950.15	18
19	Non Regulated	0.00	0.00	0.00	0.00	0.00	0.00	19
20	Eliminations	0.00	0.00	0.00	0.00	0.00	0.00	20
	Total Purchased Gas Cost	2,440,435.53	3,832,000.00	3,768,533.06	70,250,037.35	81,475,000.00	88,850,950.15	
21	Gas Sales Margin - Regulated (3)	\$ 2,236,836.48	\$ 530,000.00	\$ 1,863,933.55	\$ 29,899,595.68	\$ 35,950,000.00	\$ 31,989,095.33	21
22	Gas Sales Margin - Non Regulated (4)							22
23	Gas Sales Margin - Total (5)	2,236,836.48	530,000.00	1,863,933.55	29,899,595.68	35,950,000.00	31,989,095.33	23
24	Margin per MCF Sold - Regulated (6)							24
25	Margin per MCF Sold - Non Regulated (6)	\$ 3.26	N/A	\$ 1.81	\$ 1.43	N/A	\$ 1.28	25
26	Margin per MCF Sold - Total (6)	3.26	N/A	1.81	1.43	N/A	1.28	26

N/A = Not Available

- (1) The current month reflects the actual for the respective period as per the Master Inventory Mgmt System, year to date reflects the average for the respective period.
- (2) Reflects intercompany eliminations.
- (3) Regulated gas sales revenue minus regulated gas costs.
- (4) Non regulated gas sales revenue minus non regulated gas costs.
- (5) Total gas sales revenue minus total gas costs.
- (6) Gas sales margin divided by gas sales volumes as metered.

ATMOS ENERGY CORPORATION  
OPERATION EXPENSES  
FOR THE MONTH ENDED 06/30/98

Line No.	Description (a)	Current Month	
		Actual (b)	Budget* (c)
<b>Manufactured Gas Production Exp.</b>			
1	Liquidated Petroleum Gas Expenses	\$0.00	\$0
2	Fuel for L-P Gas Process	0.00	0
3	L-P Gas - Raw Materials	0.00	0
4	Gas Mixing Expense	0.00	0
5	Misc. Production Expenses	218.97	0
6	Items	0.00	0
7	Total Manufactured Gas Prod. Expense	218.97	0
<b>Natural Gas Production Expenses</b>			
8	Operation Supervision and Engineering	0.00	0
9	Production Maps & Records	0.00	0
10	Gas Wells Expenses	0.00	0
11	Field Lines Expenses	317.81	0
12	Field Compressor Station Expenses	2,787.44	0
13	Field Compressor Station Fuel Exp.	5,363.49	0
14	Field Meas. & Reg. Station Expenses	7,537.11	0
15	Purification Expenses	712.71	0
16	Gas Well Royalties	0.00	0
17	Operating Expenses - Other	0.00	0
18	Items	0.00	0
19	Other Exploration Exp.	0.00	0
20	Total Natural Gas Prod. Expenses	16,779.56	0
<b>Production Extraction</b>			
21	Operation Supervision and Engineering	0.00	0
22	Operation Labor	331.55	0
23	Gas Shrinkage	11,326.60	0
24	Fuel	0.00	0
25	Power	0.00	0
26	Gas Production By Others	0.00	0
27	Ventilation in Product Inv.	0.00	0
28	Total Production Extraction Expenses	11,658.15	0

\* Budget in formation not available by account.



**ATMOS ENERGY CORPORATION**  
**OPERATION EXPENSES**  
**FOR THE MONTH ENDED 06/30/93**

Line No.	Description (a)	Current Month	
		Actual (b)	Budget* (c)
<b>Other Gas Supply Expenses</b>			
1	7990 1 Transf. to Purch. Gas Accts. - Cr.	\$0.00	\$0
2	807 Purchased Gas Expenses	9,658.50	0
3	808 Gas Withdrawn from Storage - Dr.	0.00	0
4	809 Gas Delivered to Storage - Cr.	0.00	0
5	812 Gas Used for Other Util. Oper. - Cr.	0.00	0
6	<b>Total Other Gas Supply Expenses</b>	<b>9,658.50</b>	<b>0</b>
<b>Underground Storage Operation Expenses</b>			
7	814 Oper. Supervision-Engineering	15.89	0
8	816 Wells Expense	5,063.58	0
9	817 Lies Expense	3,819.37	0
10	818 Comp. Station Expenses	4,047.39	0
11	919 Comp. Station Fuel & Power	1,957.62	0
12	820 Meas. Reg. Station Expenses	9,392.92	0
13	821 Purification Expenses	719.41	0
14	824 Other Expenses	91.41	0
15	825 Storage Well Royalties	5,751.66	0
16	826 Rents	0.00	0
17	<b>Total Underground Storage Operation Exp.</b>	<b>30,859.25</b>	<b>0</b>
<b>Storage Operation Expenses</b>			
18	841 Labor and Expenses	2,132.13	0
19	842 Rents	0.00	0
20	843 Oper. Supervision-Engineering	0.00	0
21	<b>Total Storage Operation Exp.</b>	<b>2,132.13</b>	<b>0</b>
<b>Transmission Operation Expenses</b>			
22	850 Oper. Supervision-Engineering	1,600.80	0
23	851 System Control-Load Dispatch	0.00	0
24	852 Communications System Expenses	0.00	0
25	853 Comp. Station Labor and Exp.	3,638.72	0

\* Budget information not available by account.

ATMOS ENERGY CORPORATION  
OPERATION EXPENSES  
FOR THE MONTH ENDED 06/30/98

Line No.	Description (a)	Current Month	
		Actual (b)	Budget * (c)
1	854 Gas for Comp. Station Fuel	\$13,729.95	\$0
2	855 Other Fuel and Pow. for Comp. Station	0.00	0
3	856 Maintenance	25,159.40	0
4	857 Metering and Reg. Sta. Exp.	11,322.56	0
5	858 Trans. and Comp. of Gas by O.H.	0.00	0
6	859 Other Expenses	0.00	0
7	8600 0 Rents	0.00	0
8	8600 8 Building Service	0.00	0
9	Total Transmission Operation Expenses	55,451.43	0
	Distribution Operation Expenses		
10	870 Supervision & Engineering	1,379,277.46	0
11	8710 0 Distribution Load Dispatching	34,909.35	0
12	8710 3 Odorization Expense	13,379.31	0
13	872 Comp. Station Labor & Expenses	0.00	0
14	873 Comp. Station Fuel and Power	0.00	0
15	874 Meters & Services Expenses	967,709.05	0
16	875 Meter & Reg. Sta. Exp. Gen.	105,211.90	0
17	876 Meter & Reg. Sta. Exp. Ind.	30,607.48	0
18	877 Meter & Reg. Sta. Exp. City Gate	22,198.05	0
19	878 Meter & House Regulator Exp.	713,633.20	0
20	8790 0 Customer Installation Expenses	302,731.51	0
21	8790 1 Customer Installation Exp. - Flex Conn.	0.00	0
22	8790 8 Irrigation Operating Fee Lines	15.57	0
23	8790 9 Customer Service - Gas Lights & Grills	75,625.68	0
24	8800 0 Other Expenses	128,057.68	0
25	8800 1 Distribution Maps & Records	15,911.77	0
26	8810 0 Rents	534,845.21	0
27	8810 8 Building Service	64,549.34	0
28	Total Distribution Operation Expenses	4,388,882.56	0
	Customer Account Expenses		
29	901 Supervision	15,857.32	0
30	902 Meter Reading Expenses	532,310.89	0
31	903 Cust. Records & Coll. Expenses	707,226.48	0
32	904 Uncollectible Accounts	(1,416,356.73)	0
33	905 Miscellaneous Expenses	7,456.71	0
34	Total Customer Account Expenses	(813,508.33)	\$0

\* Budget information not available by account.

ATMOS ENERGY CORPORATION  
OPERATION EXPENSES  
FOR THE MONTH ENDED 06/30/93

Line No.	Description (a)	Current Month	
		Actual (b)	Budget * (c)
<b>Customer Service and Information Expenses</b>			
1	909 Supervision	\$116,725.59	\$0
2	910 Customer Assistance Expenses	152,323.83	0
3	911 Inform. Instruct. & Ad Expenses	60,409.41	0
4	912 Misc. Customer Serv. & Info. Exp.	0.00	0
5	Total Customer Service & Info. Exp.	329,458.83	0
<b>Sales Promotion Expenses</b>			
6	915 Supervision	30,341.18	0
7	916 Demonstrating & Selling Expenses	100,004.27	0
8	917 Advertising Expenses	2,401.52	0
9	918 Miscellaneous Sales Expenses	223.00	0
10	Total Sales Promotion Expenses	140,971.97	0
<b>Administration &amp; General Operation Expenses</b>			
11	920 Salaries	826,823.10	0
12	921 Office Supplies and Expenses	326,600.15	0
13	922 Admin. Exp. Transf.-Cr.	(1,332,591.87)	0
14	923 Outside Services Employed	537,313.56	0
15	924 Property Insurance	14,440.06	0
16	9250 0 Injuries and Damages	361,156.26	0
17	9250 9 Workers' Comp. Ins.-Cr.	(24,087.82)	0
18	9260 0 Employee Welfare Expenses - Debits	1,080,009.60	0
19	9260 1 Pensions	(487,290.05)	0
20	9260 7 Emp. Welfare Exp. - Cr.	(355,614.91)	0
21	9260 9 Pensions - Cr.	162,829.27	0
22	927 Franchise Requirements	271.89	0
23	928 Regulatory Commission Exp.	48,421.64	0
24	929 Duplicate Charges-Cr.	(316.78)	0
25	9301 General Advertising Expenses	0.00	0
26	9301 Inst. Cooker/ill Advertising Expenses	2,565.17	0
27	9302 Miscellaneous General Expenses	248,520.25	0
28	9310 0 Rents	5,749.50	0
29	9310 8 Building Service	0.00	0
30	Total Admin. & Gen. Operation Expenses	1,194,799.02	0
31	Total Operation Expense	\$6,027,306.04	\$10,521,000

Current month prior year actual, year-to-date actual, year-to-date budget, year-to-date prior year actual, and twelve months ended actual numbers will be provided in upcoming months.

\* Budget information not available by account.

ATMOS ENERGY CORPORATION  
 MAINTENANCE EXPENSES  
 FOR THE MONTH ENDED 06/30/98

Line No.	Description	Current Month	
		Actual	Budget *
<b>Manufactured Gas Prod. Maint. Exp.</b>			
1	740 Maint. Supervision and Engineering	\$0.00	\$0
2	741 Structures and Improvements	0.00	0
3	742 Production Equipment	2,367.31	0
4	Total Manufactured Gas Prod. Maint. Exp.	2,367.31	0
<b>Natural Gas Production Maint. Exp.</b>			
5	761 Maint. Supervision and Engineering	0.00	0
6	762 Structures and Improvements	0.00	0
7	763 Maint. of Producing Gas Wells	0.00	0
8	764 Field Lines	638.25	0
9	765 Field Compressor Station Equipment	34.31	0
10	766 Field Meas. and Reg. Station Equip.	647.22	0
11	767 Purification Equip.	235.72	0
12	769 Other Equip.	0.00	0
13	7990 2 Transf. to Purch. Gas Accts. - Cr.	0.00	0
14	Total Natural Gas Prod. Maint. Exp.	1,555.50	0
<b>Production Extraction</b>			
15	784 Maint. Supervision-Engineering	0.00	0
16	786 Extraction & Refining Equip.	359.17	0
17	787 Maint. Of Pipe Lines	0.00	0
18	Total Production Extraction	\$359.17	\$0

\* Budget information not available by account.

**ATMOS ENERGY CORPORATION  
MAINTENANCE EXPENSES  
FOR THE MONTH ENDED 06/30/98**

Line No.	Description	Current Month	
		Actual	Budget *
<b>Underground Storage Maintenance Expenses</b>			
1	830 Supervision-Engineering	\$0.00	\$0
2	831 Structures & Improvements	0.00	0
3	832 Reservoir & Wells	0.00	0
4	833 Line Maintenance	0.00	0
5	834 Compressor Station Equipment	596.33	0
6	835 Meas. & Reg. Station Equipment	529.03	0
7	836 Purification Equipment	0.00	0
8	837 Other Equipment	0.00	0
9	Total Underground Storage Maintenance Expenses	1,125.36	0
<b>Storage Maintenance Expenses</b>			
10	844 Structures & Improvements	0.00	0
11	845 Gas Holders	0.00	0
12	847 Liquefaction Equipment	152.01	0
13	848 Other Equipment	0.00	0
14	Total Storage Maintenance Expenses	152.01	0
<b>Transmission Maintenance Expenses</b>			
15	861 Supervision-Engineering	0.00	0
16	862 Structures & Improvements	2,012.33	0
17	863 Maintenance of Mals	1,551.44	0
18	864 Compressor Station Equipment	1,075.16	0
19	865 Meas. & Reg. Station Equipment	7,382.49	0
20	866 Communications Equipment	0.00	0
21	867 Other Equipment	0.00	0
22	Total Transmission Maintenance Expenses	\$12,021.42	\$0

\* Budget information not available by account.

ATMOS ENERGY CORPORATION  
 MAINTENANCE EXPENSES  
 FOR THE MONTH ENDED 06/30/98

Line No.	Description	Current Month	
		Actual	Budget*
<b>Distribution Maintenance Expenses</b>			
1	885 Supervision-Engineering	\$108,384.93	\$0
2	886 Structures & Improvements	22,593.69	0
3	887 Maintenance of Metals	442,872.06	0
4	888 Compressor Station Equipment	0.00	0
5	889 Meas. & Reg. Station Equipment-Gen.	30,302.14	0
6	890 Meas. & Reg. Station Equipment-Ind.	11,873.44	0
7	891 Meas. & Reg. Station Equipment-C. Gate	10,105.81	0
8	892 Maintenance of Services	115,962.93	0
9	893 Maintenance of Meter & House Regulator	133,142.96	0
10	894 Other Equipment	26,067.48	0
11	Total Distribution Maintenance Expenses	\$901,307.44	\$0

**Administrative & General Maintenance Expenses**

12	932 Maintenance of General Plant	(7,303.80)	0
13	Total Adm. & Gen. Maintenance Expenses	(\$7,303.80)	\$0
14	Total Maintenance Expenses	\$911,584.41	\$898,000

Current month prior year actual, year-to-date actual, year-to-date budget, year-to-date prior year actual, and twelve months ended actual numbers will be provided in upcoming months.

\* Budget information not available by account.

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
STATEMENTS OF LONG-TERM DEBT  
AS OF JUNE 30, 1998

Line No.	Description (a)	Date (b)	Original Issue		1998		1997		Line No.
			Amount (c)	Current Maturities (d)	Outstanding Debt (e)	Current Maturities (f)	Outstanding Debt (g)		
1	11.2% John Hancock Note, due 12-30-02	12-23-87	\$ 20,000,000.00	\$ 2,000,000.00	\$ 10,000,000.00	\$ 2,000,000.00	\$ 12,000,000.00	1	
2	9.76% John Hancock Note, due 12-30-04	10-11-89	30,000,000.00	3,000,000.00	21,000,000.00	3,000,000.00	24,000,000.00	2	
3	9.57% Variable Annuity Life, due 09-30-06	09-30-91	20,000,000.00	2,000,000.00	18,000,000.00	2,000,000.00	20,000,000.00	3	
4	7.95% Variable Annuity Life, due 08-31-06	08-31-92	10,000,000.00	1,000,000.00	9,000,000.00	1,000,000.00	10,000,000.00	4	
5	10% Michael D. Fredericks, due 12-31-11	12-31-91	1,151,654.00	0.00	1,151,654.00	0.00	1,151,654.00	5	
6	10% Kingdom Foundation, due 12-31-11	12-31-91	1,151,654.00	0.00	1,151,654.00	0.00	1,151,654.00	6	
7	8.07% Variable Annuity Life, due 10-31-06	11-14-94	20,000,000.00	1,000,000.00	20,000,000.00	0.00	20,000,000.00	7	
8	8.26% New York Life, due 10-31-14	11-14-94	20,000,000.00	0.00	20,000,000.00	0.00	20,000,000.00	8	
9	6.09% NationsBank of Texas, due 11-25-98	11-26-96	40,000,000.00	40,000,000.00	40,000,000.00	0.00	40,000,000.00	9	
10	United Cities Gas Company		154,752,506.00	8,526,696.00	150,082,830.00	7,173,152.00	156,405,972.00	10	
	First Mortgage Bonds		317,055,814.00	57,526,696.00	290,386,138.00	15,173,152.00	304,709,280.00	11	
11	9.4% Series J, due 05-01-21	04-01-91	17,000,000.00	0.00	17,000,000.00	0.00	17,000,000.00	11	
12	Total Long-Term Debt		\$ 334,055,814.00	\$ 57,526,696.00	\$ 307,386,138.00	\$ 15,173,152.00	\$ 321,709,280.00	12	
13	Annualized Weighted Average Cost of Long-Term Debt (Including Amort. of Debt Expense)				8.18%		8.75%	13	

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
LABOR STATISTICS BY COMPANY  
FOR THE MONTH, QUARTER AND YEAR TO DATE ENDED 6/30/98

	Month		Quarter		Year to Date	
	Actual	Prior	Actual	Prior	Actual	Prior
		Year		Year		Year
<b>Labor Costs Distribution (000's):</b>						
Shared Services	\$1,276	\$1,132	\$3,766	\$3,383	\$10,549	\$9,905
Energas	1,138	1,659	3,427	4,881	11,779	14,615
Greeley Gas	729	911	2,355	2,715	7,379	8,232
Trans La	397	512	1,243	1,485	3,874	4,352
UCG	2,763	-	(7)	8,123	-	-
UCG - Non Regulated	347	315	976	929	2,860	2,664
WKG	808	1,103	2,631	3,304	8,285	9,982
<b>Total Labor Costs Distribution</b>	<b>\$7,458</b>	<b>\$5,632</b>	<b>\$14,391</b>	<b>\$24,820</b>	<b>\$44,726</b>	<b>\$49,750</b>
<b>Percentage Labor Capitalized</b>						
Shared Services			25%	6%	33%	6%
Energas			28%	29%	30%	24%
Greeley Gas			39%	31%	44%	33%
Trans La			36%	28%	37%	28%
UCG			0%	28%	22%	0%
UCG - Non Regulated			0%	1%	.0%	.0%
WKG			32%	24%	34%	23%
<b>Total Percentage Labor Capitalized</b>			<b>28%</b>	<b>22%</b>	<b>30%</b>	<b>22%</b>
<b>Average Labor Costs Per Employee:</b>						
Shared Services	\$3,430	\$5,076	\$3,396	\$5,057	\$3,880	\$4,858
Energas	2,803	2,870	2,816	2,802	2,883	2,735
Greeley Gas	3,701	3,545	3,750	3,494	3,561	3,484
Trans La	2,941	3,122	3,024	2,994	2,942	2,892
UCG	4,324	-	(3)	2,550	-	-
UCG - Non Regulated	2,313	1,981	2,140	1,964	2,023	1,972
WKG	2,993	3,064	3,220	3,031	3,030	3,002
<b>Average Labor Costs Per Employee</b>	<b>\$3,438</b>	<b>\$3,235</b>	<b>\$2,154</b>	<b>\$2,943</b>	<b>\$3,119</b>	<b>\$3,127</b>

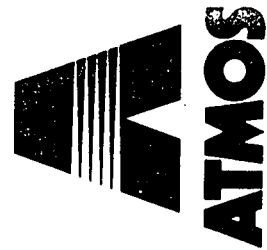


# Atmos Energy Corporation

## FINANCIAL STATEMENTS

JULY, 1998

*Note: These Financial Statements and the Supplemental information contained herein are confidential. Any unauthorized distribution of all or part of these statements is in violation of company policy.*



**ATMOS ENERGY CORPORATION AND SUBSIDIARIES**  
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**AS OF JULY 31, 1998**

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ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS  
AS OF 07/31/98

Line No.	Description (a)	1998 (b)	1997 (c)	As of September 30, 1997 (d)	Line No.
<b>ASSETS</b>					
	Property, plant and equipment				
1	Utility plant	\$1,238,750,415.86	\$1,173,115,005.72	\$1,218,370,929.56	1
2	Nonutility plant	83,683,210.65	81,014,522.42	82,632,468.53	2
3	Construction work in progress	99,844,044.45	49,570,472.44	31,668,205.31	3
4		<u>1,422,277,670.96</u>	<u>1,303,700,000.58</u>	<u>1,332,671,603.40</u>	4
5	Less accumulated depreciation and amortization	526,050,815.48	482,423,290.27	483,544,361.22	5
6	Net property, plant and equipment	896,226,855.48	821,276,710.31	849,127,242.18	6
7	Investments in & advances to subsidiaries	0.00	0.00	0.00	7
	Current assets				
8	Cash and temporary cash investments	4,584,981.07	(1,071,823.78)	6,015,412.91	8
9	Accounts receivable, less allowance for doubtful accounts	44,890,139.30	77,429,810.72	71,217,214.52	9
10	Inventories	14,723,073.94	14,418,079.40	12,332,807.62	10
11	Gas stored underground	36,588,748.03	38,803,543.57	48,122,006.36	11
12	Other current assets	6,573,329.90	5,942,930.90	6,017,201.01	12
13	Intercompany accounts - net	0.00	0.00	0.00	13
14	Total current assets	<u>107,360,272.24</u>	<u>135,522,540.81</u>	<u>143,704,642.42</u>	14
15	Deferred charges and other assets	<u>132,124,286.04</u>	<u>75,169,969.20</u>	<u>95,479,101.77</u>	15
16	Total assets	<u>\$1,135,711,413.76</u>	<u>\$1,031,969,220.32</u>	<u>\$1,088,310,986.37</u>	16

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS (Continued)  
AS OF 07/31/98

Line No.	Description (a)	1998 (b)	1997 (c)	As of September 30, 1997 (d)	Line No.
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
Shareholders' equity					
1	Common stock	\$151,209.30	\$147,611.70	\$148,212.18	1
2	Common stock subscribed	0.00	0.00	0.00	2
3	Additional paid-in capital	267,662,884.16	248,213,118.27	251,174,227.94	3
4	Retained earnings	109,562,339.34	102,168,608.08	75,937,292.59	4
5	Total shareholders' equity	377,376,432.80	350,529,338.05	327,259,732.71	5
6	Long-term debt (including current maturities)	455,895,744.00	321,382,407.00	318,181,824.00	6
7	Total capitalization	833,272,176.80	671,911,745.05	645,441,556.71	7
Current liabilities					
8	Notes payable	35,350,000.00	98,744,000.00	167,300,000.00	8
9	Accounts payable	43,771,081.01	60,675,759.40	62,625,499.15	9
10	Accrued taxes	10,387,839.45	9,840,325.80	12,119,647.37	10
11	Income taxes payable	9,149,275.93	5,610,787.00	(11,703,609.67)	11
12	Dividends declared	0.00	0.00	0.00	12
13	Customers' deposits	12,513,693.53	15,896,374.79	15,097,975.19	13
14	Other current liabilities	45,876,517.86	36,645,669.38	52,582,230.67	14
15	Total current liabilities	157,048,407.78	227,412,916.37	298,021,742.71	15
16	Deferred income taxes	87,536,481.20	75,766,474.64	87,828,170.44	16
17	Deferred credits and other liabilities	57,854,347.98	56,878,084.26	57,019,516.51	17
18	Total liabilities and shareholders' equity	\$1,135,711,413.76	\$1,031,969,220.32	\$1,088,310,986.37	18

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF INCOME  
FOR THE MONTH, YEAR TO DATE AND TWELVE MONTHS ENDED 07/31/98

Line No.	Description (a)	Current Month			Year to Date			Twelve Months Ended				
		Actual (b)	Budget (c)	Prior Year Actual (d)	Actual (e)	Budget (f)	Prior Year Actual (g)	Actual (h)				
	Operating revenues											
1	Gas	\$42,719,548.62	\$37,356,000	\$39,285,193.28	\$709,643,252.69	\$779,452,000	\$776,170,487.15	\$778,307,947.68				
2	Transportation	2,055,858.91	1,499,000	1,623,665.07	22,818,588.49	15,771,000	16,546,582.15	26,157,051.51				
3	Other	2,313,863.00	3,013,000	2,511,916.00	35,820,092.00	46,943,000	37,677,397.30	40,257,511.00				
4	Total operating revenues	47,089,270.53	41,868,000	43,420,774.35	768,281,933.18	842,166,000	830,394,466.60	844,722,510.19				
5	Purchased gas cost	28,796,872.27	26,168,000	26,240,972.46	469,051,068.73	530,915,000	532,151,410.28	\$514,081,072.41				
6	Gross profit	18,292,398.26	15,700,000	17,179,801.89	299,230,864.45	311,251,000	298,243,056.32	330,641,437.78				
	Operating expenses											
7	Operation	11,623,934.02	11,017,000	12,641,711.79	108,171,700.54	118,740,000	129,229,994.00	\$152,625,005.52				
8	Maintenance	773,553.99	898,000	1,134,548.88	8,203,219.49	8,974,000	9,986,307.75	10,190,326.11				
9	Depreciation and amortization	3,574,589.15	4,032,000	3,708,211.05	39,690,613.06	39,987,000	38,581,675.51	46,365,877.00				
10	Taxes - other than income taxes	2,048,767.70	2,243,000	2,188,165.00	26,856,910.57	27,178,000	27,795,275.62	31,192,467.37				
11	Provision for income taxes	(515,591.55)	(1,910,000)	(1,951,170.00)	35,429,399.05	35,195,000	25,549,069.00	24,178,563.42				
12	Total operating expenses	17,505,253.31	16,280,000	17,721,466.72	218,351,842.71	230,074,000	231,142,321.88	264,552,239.42				
13	Operating income	787,144.95	(580,000)	(541,664.83)	80,879,021.74	81,177,000	67,100,734.44	66,089,198.36				
	Other income											
14	Merchandise	(30,816.68)	12,000	2,910.69	(79,384.67)	120,000	36,111.26	(75,862.84)				
15	Interest income	62,988.04	75,000	169,320.72	1,242,361.17	777,000	1,825,517.73	1,572,808.53				
16	Other nonoperating income	132,950.87	95,505	(28,780.62)	802,817.89	1,027,708	(362,417.29)	837,740.81				
17	Equity in earnings - Woodward	268,324.00	28,495	60,871.00	4,043,906.00	2,887,292	2,631,146.00	4,666,571.00				
18	Total other income (loss)	433,446.23	211,000	204,321.79	6,009,700.39	4,812,000	4,130,357.70	7,001,257.50				
19	Income before interest charges	1,220,591.18	(369,000)	(337,343.04)	86,888,722.13	85,989,000	71,231,092.14	73,090,455.86				
20	Interest charges	2,982,357.04	2,684,000	2,912,529.53	29,454,412.22	27,829,000	28,718,802.19	34,330,634.25				
21	Net income	(\$1,761,765.86)	(\$3,053,000)	(\$3,249,872.57)	\$57,434,309.91	\$58,160,000	\$42,512,289.95	\$38,759,821.61				
22	Basic earnings per share	(\$0.06)	(\$0.10)	(\$0.11)	\$1.93	\$1.93	\$1.45	\$1.30				
23	Basic avg. common shares outstanding	30,024,587	30,386,000	29,518,211	29,768,645	30,057,000	29,377,472	29,729,745				

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATING BALANCE SHEETS  
AS OF 07/31/98

Line No.	Description (a)	Atmos Operating Divisions (b)	Atmos Non Regulated (c)	Eliminations and Adjustments (d)	Consolidated (e)	Line No.
<b>ASSETS</b>						
	Property, plant and equipment					
1	Utility plant	\$1,255,100,206.38	\$859,549.26	(\$17,209,339.78)	\$1,238,750,415.86	1
2	Nonutility plant	2,492,188.07	81,191,022.58	0.00	83,683,210.65	2
3	Construction work in progress	99,841,521.77	2,522.68	0.00	99,844,044.45	3
4		1,357,433,916.22	82,053,094.52	(17,209,339.78)	1,422,277,670.96	4
5	Less accumulated depreciation and amortization	520,714,400.50	24,719,627.73	(19,383,212.75)	526,050,815.48	5
6	Net property, plant and equipment	836,719,515.72	57,333,466.79	2,173,872.97	896,226,855.48	6
7	Investments in & advances to subsidiaries	8,333,207.51	0.00	(8,333,207.51)	0.00	7
<b>Current assets</b>						
8	Cash and temporary cash investments	(2,828,242.76)	7,413,223.83	0.00	4,584,981.07	8
9	Accounts receivable, less allowance for doubtful accounts	42,908,630.75	2,034,340.28	(52,831.73)	44,890,139.30	9
10	Inventories	13,099,678.94	1,623,395.00	0.00	14,723,073.94	10
11	Gas stored underground	31,085,612.03	5,503,136.00	0.00	36,588,748.03	11
12	Other current assets	6,120,901.33	853,384.57	(400,956.00)	6,573,329.90	12
13	Intercompany accounts - net	(7,906,443.55)	19,390,155.80	(11,483,712.25)	0.00	13
14	Total current assets	82,480,136.74	36,817,635.48	(11,937,499.98)	107,360,272.24	14
15	Deferred charges and other assets	115,362,667.11	16,424,678.16	336,940.77	132,124,286.04	15
16	Total assets	\$1,042,915,527.08	\$110,575,780.43	(\$17,779,893.75)	\$1,135,711,413.76	16

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATING BALANCE SHEETS (Continued)  
AS OF 07/31/98

Line No.	Description (a)	Atmos Operating Divisions (b)	Atmos Non Regulated (c)	Eliminations and Adjustments (d)	Consolidated (e)	Line No.
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>						
<b>Shareholders' equity</b>						
1	Common stock	\$151,209.30	\$1,005,100.00	(\$1,005,100.00)	\$151,209.30	1
2	Common stock subscribed	0.00	0.00	0.00	0.00	2
3	Additional paid-in capital	267,662,883.66	7,348,108.01	(7,348,107.51)	267,662,884.16	3
4	Retained earnings	77,593,105.36	31,969,233.98	0.00	109,562,339.34	4
5	Total shareholders' equity	345,407,198.32	40,322,441.99	(8,353,207.51)	377,376,432.80	5
<b>Long-term debt (including current maturities)</b>						
6		435,523,308.00	20,372,436.00	0.00	455,895,744.00	6
7	Total capitalization	780,930,506.32	60,694,877.99	(8,353,207.51)	833,272,176.80	7
<b>Current liabilities</b>						
8	Notes payable	30,100,000.00	5,250,000.00	0.00	35,350,000.00	8
9	Accounts payable	30,604,991.69	13,166,089.32	0.00	43,771,081.01	9
10	Accrued taxes	10,008,885.21	378,954.24	0.00	10,387,839.45	10
11	Income taxes payable	(849,348.46)	9,998,624.39	0.00	9,149,275.93	11
12	Dividends declared	0.00	0.00	0.00	0.00	12
13	Customers' deposits	12,454,811.36	459,838.17	(400,956.00)	12,513,693.53	13
14	Other current liabilities	44,767,109.42	1,109,408.44	0.00	45,876,517.86	14
15	Intercompany accounts - net	0.00	11,536,543.98	(11,536,543.98)	0.00	15
16	Total current liabilities	127,086,449.22	41,899,458.54	(11,937,499.98)	157,048,407.78	16
17	Deferred income taxes	81,042,282.30	6,494,198.90	0.00	87,536,481.20	17
18	Deferred credits and other liabilities	53,856,289.24	1,487,245.00	2,510,813.74	57,854,347.98	18
19	Total liabilities and shareholders' equity	\$1,042,915,527.08	\$110,575,780.43	(\$17,779,893.75)	\$1,135,711,413.76	19



ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
ELIMINATIONS TO CONSOLIDATING BALANCE SHEET  
AS OF 07/31/98

ELIMINATIONS	1998	1997
1. Common Stock	\$1,005,100.00	\$1,005,100.00
Investment in and advances to subs		
To eliminate common stock of subs		
2. Paid-in Capital		
Trans La Industrial	2,292,947.39	7,348,107.51
WKG Resources	1,603,833.12	2,510,813.74
United Cities Storage	3,451,327.00	
Investment in and advances to subs		
To eliminate paid-in capital of subs		
3. Atmos Utility Plant	2,173,872.97	
Atmos Deferred Debit	336,940.77	
Atmos Deferred Credit		
To adjust for capital leases associated		
with the sale/lease back transaction		
with the Gilliland Group		
4. Intercompany Accounts- UCGC	400,956.00	400,956.00
Customer Deposits		
Prepays		
To eliminate UCGS deposit from UCGC		
5. Intercompany Accounts UCGC		
Cash	0.00	
Accounts Receivable	(52,831.73)	
Misc. Deferred Debits		
Misc. Current Liabilities	0.00	0.00
Intercompany Accounts Payable		
To eliminate intercompany accounts		
6. Intercompany Accounts Payable - Egasco		
- Services	0.00	
- United Cities Gas	5,609.98	
- United Cities Energy	8,950,428.00	
- United Cities Storage	2,580,506.00	
- United Cities Propane	0.00	
Intercompany Accounts Receivable	0.00	11,483,712.25
To eliminate Intercompany - Net		
Total Eliminations	<u>\$22,748,689.50</u>	<u>\$22,748,689.50</u>
ADJUSTMENTS		
7. WKG Accumulated Provision		
WKG Division Utility Plant		
To adjust 11-30-1987 depreciation on	\$280,000	
WKG Division - amortization Month	5,096,000	
To date		
8. Trans La Accumulated Provision		
Trans La Division Utility Plant		
To adjust 12-31-85 depreciation on	48,202	
Trans La Division - amortization Month	7,262,342	
To date		
9. Trans La Industrial Accumulated Provision		
Trans La Industrial Utility Plant		
To adjust 12-31-85 depreciation on	550	
Trans La Industrial - amortization Month	83,050	
To date		
		39,588.92
		4,430,438.51
		\$14,913,185.32
		\$11,483,712.25

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATING BALANCE SHEET - NON REGULATED  
AS OF 07/31/98

1998

Line No.	Description (a)	ATMOS SERVICES (b)	EGASCO INC. (c)	ENERMART (d)	TRANSLA INDUSTRIAL (e)	UCO ENERGY CORP. (f)	UCO STORAGE CO. (g)	WKG RESOURCES (h)	Eliminations and Adjustments (i)	Consolidated (j)	Line No.
<b>ASSETS</b>											
1	Property, plant and equipment										1
2	Utility plant	\$0.00	\$0.00	\$0.00	\$859,549.26	\$0.00	\$0.00	\$0.00	\$0.00	\$859,549.26	2
3	Nonutility plant	0.00	0.00	0.00	0.00	60,596,729.00	20,040,490.00	553,803.58	0.00	81,191,022.58	3
4	Construction work in progress	0.00	0.00	0.00	2,522.68	0.00	0.00	0.00	0.00	2,522.68	4
5	Less accumulated depreciation and amortization	0.00	0.00	0.00	862,071.94	60,596,729.00	20,040,490.00	553,803.58	0.00	82,053,094.52	5
6	Net property, plant and equipment	0.00	0.00	0.00	480,865.06	21,281,426.00	2,850,398.00	106,938.67	0.00	24,719,627.73	6
7	Investments in & advances to subsidiary	0.00	0.00	0.00	381,206.88	39,315,303.00	17,190,092.00	446,864.91	0.00	57,333,466.79	7
<b>Current assets</b>											
8	Cash and temporary cash investment	1,216.00	4,912.88	11,312.77	2,887.15	4,289,529.00	3,097,938.00	5,428.03	0.00	7,413,223.83	8
9	Accounts receivable, less allowance for doubtful accounts	0.00	16,403.92	1,239,700.73	616,169.71	158,215.00	5,151.00	(1,300.08)	0.00	2,034,340.28	9
10	Inventories	0.00	0.00	0.00	0.00	1,620,716.00	2,679.00	0.00	0.00	1,623,395.00	10
11	Gas stored underground	0.00	0.00	0.00	0.00	0.00	5,503,136.00	0.00	0.00	5,503,136.00	11
12	Other current assets	0.00	0.00	29,159.91	14,236.25	800,340.00	(1,400.00)	11,048.41	0.00	853,384.57	12
13	Intercompany accounts - net	506,047.00	3,034,098.62	11,045,884.76	2,604,136.59	784,871.00	352,370.00	1,062,747.83	0.00	19,390,155.80	13
14	Total current assets	507,263.00	3,055,415.42	12,326,058.17	3,237,429.70	7,653,671.00	8,959,874.00	1,077,924.19	0.00	36,817,635.48	14
15	Deferred charges and other assets	0.00	595,187.72	0.00	2,003.52	15,431,621.00	337,984.00	57,881.92	0.00	16,424,678.16	15
16	Total assets	\$507,263.00	\$3,650,603.14	\$12,326,058.17	\$3,620,640.10	\$62,400,595.00	\$26,487,950.00	\$1,582,671.02	\$0.00	\$110,575,780.43	16

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATING BALANCE SHEET - NON REGULATED  
AS OF 07/31/98

1998

Line No.	Description	Eliminations and Adjustments										Consolidated	Line No.				
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)						
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>																	
1	Shareholders' equity																
2	Common stock	\$1,000.00	\$1,000.00	\$100.00	\$1,000,000.00	\$1,000.00	\$1,000,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$0.00	\$0.00	\$1,005,100.00	1			
3	Common stock subscribed	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2			
4	Additional paid-in capital	0.00	0.00	2,292,947.89	0.00	2,292,947.89	0.00	0.00	3,451,327.00	1,603,833.12	0.00	0.00	7,348,108.01	3			
5	Retained earnings	325,379.67	14,885.49	560,487.78	23,988,221.00	560,487.78	23,988,221.00	23,988,221.00	4,505,036.00	(25,336.71)	0.00	0.00	31,969,233.98	4			
6	Total shareholders' equity	326,379.67	15,885.49	2,853,535.67	24,988,221.00	2,853,535.67	24,988,221.00	24,988,221.00	7,957,363.00	1,579,496.41	0.00	0.00	40,322,441.99	5			
7	Long-term debt (including current maturities)	0.00	0.00	0.00	12,024,797.00	0.00	12,024,797.00	8,347,639.00	0.00	0.00	0.00	0.00	20,372,436.00	6			
8	Total capitalization	326,379.67	15,885.49	2,853,535.67	37,013,018.00	2,853,535.67	37,013,018.00	16,305,002.00	1,579,496.41	0.00	0.00	0.00	60,694,877.99	7			
9	Current liabilities	0.00	0.00	0.00	5,250,000.00	0.00	5,250,000.00	0.00	0.00	0.00	0.00	0.00	5,250,000.00	8			
10	Notes payable	0.00	3,388,353.34	271,098.27	1,039,691.00	271,098.27	1,039,691.00	0.00	0.00	1,647.17	0.00	0.00	13,166,089.32	9			
11	Accounts payable	0.00	2,608.56	34,231.42	310,176.00	34,231.42	310,176.00	0.00	0.00	(2,193.82)	0.00	0.00	378,954.24	10			
12	Accrued taxes	175,273.35	243,755.75	302,759.44	6,563,128.00	302,759.44	6,563,128.00	1,504,259.00	0.00	(15,616.95)	0.00	0.00	9,998,624.39	11			
13	Income taxes payable	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12			
14	Dividends declared	0.00	0.00	58,882.17	0.00	58,882.17	0.00	400,956.00	0.00	0.00	0.00	0.00	459,838.17	13			
15	Customers' deposits	0.00	0.00	18,613.44	789,328.00	18,613.44	789,328.00	301,467.00	0.00	0.00	0.00	0.00	1,109,408.44	14			
16	Other current liabilities	5,609.98	0.00	0.00	8,950,428.00	0.00	8,950,428.00	2,580,506.00	0.00	0.00	0.00	0.00	11,536,543.98	15			
17	Intercompany accounts - net	180,883.33	3,634,717.65	685,584.74	22,902,751.00	685,584.74	22,902,751.00	4,787,188.00	(16,163.60)	0.00	0.00	0.00	41,899,458.54	16			
18	Total current liabilities	0.00	0.00	81,519.69	1,270,604.00	81,519.69	1,270,604.00	5,122,737.00	19,338.21	0.00	0.00	0.00	6,494,198.90	17			
19	Deferred income taxes	0.00	0.00	0.00	1,214,222.00	0.00	1,214,222.00	273,023.00	0.00	0.00	0.00	0.00	1,487,245.00	18			
20	Deferred credits and other liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	19			
21	Total liabilities and shareholders' equity	\$507,263.00	\$3,650,603.14	\$3,620,640.10	\$62,400,595.00	\$3,620,640.10	\$62,400,595.00	\$26,487,950.00	\$1,582,671.02	\$0.00	\$0.00	\$0.00	\$110,575,780.43				

ATMOS ENERGY CORPORATION  
CONSOLIDATING STATEMENTS OF INCOME  
FOR THE MONTH ENDED JULY 31, 1998

Line No.	Description (a)	Current Month					Total Atmos Consolidated (h)	Line No.
		Regulated (1) (b)	Non-Regulated (2) (c)	Eliminations (d)	Total (e)	Non-Utility Operations (3) (f)		
	Operating revenues							
1	Gas	\$27,240,428.09	\$15,479,120.53		\$42,719,548.62	\$0.00	\$42,719,548.62	
2	Transportation	2,164,949.64	8,023.40	(117,114.13)	2,055,858.91	0.00	2,055,858.91	
3	Other	0.00	0.00		0.00		2,313,863.00	
4	Total operating revenues	29,405,377.73	15,487,143.93	(117,114.13)	44,775,407.53	2,313,863.00	47,089,270.53	
5	Purchased gas cost	15,415,863.69	12,385,151.80	(116,964.22)	27,684,051.27	1,112,821.00	28,796,872.27	
6	Gross profit	13,989,514.04	3,101,992.13	(149.91)	17,091,356.26	1,201,042.00	18,292,398.26	
	Operating expenses							
7	Operation	7,098,114.07	517,171.40		7,615,285.47	702,534.00	10,022,381.08	
8	Maintenance	718,758.65	0.00		718,758.65	47,880.00	773,553.99	
9	Depreciation	2,940,830.84	2,865.00		2,943,695.84	359,974.00	3,574,589.15	
10	Taxes - other than income taxes	1,897,025.18	7,101.85		1,904,127.03	81,253.00	2,048,767.70	
11	Shared Services - direct	1,601,552.94	0.00		1,601,552.94	0.00	1,601,552.94	
12	Shared Services - billed	1,959,571.04	28,907.86	305.03	1,988,783.93	(2,045,783.93)	0.00	
13	Provision for income taxes	(1,447,123.35)	891,231.80		(555,891.55)	40,300.00	(515,591.55)	
14	Total operating expenses	14,768,729.37	1,447,277.91	305.03	16,216,312.31	1,288,941.00	17,505,253.31	
15	Operating income (loss)	(779,215.33)	1,654,714.22	(454.94)	875,043.95	(87,899.00)	787,144.95	
	Other income							
16	Merchandise	(30,816.68)	0.00		(30,816.68)	0.00	(30,816.68)	
17	Interest income	31,149.04	0.00		31,149.04	31,839.00	62,988.04	
18	Shared Services - billed	0.00	(305.03)	305.03	0.00	0.00	0.00	
19	Other nonoperating income	108,090.63	(5,075.67)	149.91	103,164.87	29,786.00	132,950.87	
20	Equity in earnings - Woodward	0.00	0.00		0.00	268,324.00	268,324.00	
21	Total other income (loss)	108,422.99	(5,380.70)	454.94	103,497.23	329,949.00	433,446.23	
22	Income (loss) before interest charges	(670,792.34)	1,649,333.52	(0.00)	978,541.18	242,050.00	1,220,591.18	
23	Interest charges	2,743,942.10	245.94		2,744,188.04	238,169.00	2,982,357.04	
24	Net income (loss)	(53,414,734.44)	\$1,649,087.58	(\$0.00)	(\$1,765,646.86)	\$3,881.00	(\$1,761,765.86)	

Footnotes: (1) Regulated Utility Operations includes Energas, GGC, Trans I.a, UCG, WKG and CNG.  
(2) Non-Regulated Utility Operations includes Egasco, Enermart, TIIG and WKGR.  
(3) Non-Utility Operations includes Atmos Energy Services, UCG Energy and UCG Storage.  
(4) Includes all Shared Services expenses booked directly to the business units.  
(5) Includes Operation, Maintenance, Depreciation and Taxes - Other booked in Division 02 and allocated to the business units.

ATMOS ENERGY CORPORATION  
CONSOLIDATING STATEMENTS OF INCOME  
FOR THE TEN MONTHS ENDED JULY 31, 1998

Line No.	Description (a)	Year To Date							Total Atmos Consolidated (h)	Line No.
		Regulated (1) (b)	Non-Regulated (2) (c)	Eliminations (d)	Total (e)	Non-Utility Operations (3) (f)	Shared Services (g)	Total Atmos Consolidated (h)		
1	Operating revenues									
2	Gas	656,168,389.97	\$51,446,423.72		\$709,643,252.69	\$0.00			\$709,643,252.69	1
3	Transportation	24,728,808	72,353.75	(1,731,023.34)	22,818,588.49	0.00			22,818,588.49	2
4	Other	0.00	0.00		0.00	35,820,093.00			35,820,093.00	3
4	Total operating revenues	680,897,197.05	53,518,777.47	(1,731,023.34)	732,461,841.18	35,820,093.00		0.00	768,281,934.18	4
5	Purchased gas cost	406,871,751.44	44,920,043.96	(1,727,455.67)	450,014,339.73	19,036,729.00			469,051,068.73	5
6	Gross profit	273,825,335.61	8,598,733.51	(3,567.67)	282,447,501.45	16,783,364.00		0.00	299,230,865.45	6
7	Operating expenses									
8	Operation	71,715,432.26	4,537,496.63		76,252,928.89	7,154,605.82		15,872,667.60	99,280,202.31	7
9	Maintenance	7,495,687.88	0.00		7,605,687.88	556,520.00		41,011.61	8,203,219.49	8
10	Depreciation	33,778,058.96	28,650.00		33,506,708.96	3,474,111.00		2,709,793.10	39,690,613.06	9
11	Taxes - other than income taxes	25,150,946.69	106,103.04		25,257,049.73	827,344.00		772,516.84	26,856,910.57	10
12	Shared Services - direct	8,891,498.22	0.00		8,891,498.22	0.00		0.00	8,891,498.22	11
13	Shared Services - billed	19,394,005.68	260,879.33	3,653.57	19,568,538.58	387,000.00		(19,955,538.58)	0.00	12
14	Provision for income taxes	31,313,109.96	1,220,967.65		32,525,298.61	2,904,100.44		0.00	35,429,399.05	13
14	Total operating expenses	197,499,606.65	6,154,096.65	3,653.57	203,607,710.87	15,303,681.26		(559,549.43)	218,351,842.70	14
15	Operating income (loss)	76,402,374.96	2,444,636.86	(7,221.24)	78,839,790.58	1,479,682.74		559,549.43	80,879,022.75	15
16	Other income									
17	Merchandise	(79,384.67)	0.00		(79,384.67)	0.00			(79,384.67)	16
18	Interest income	1,036,752.17	0.00		1,036,752.17	205,608.00			1,242,360.17	17
19	Shared Services - billed	0.00	(3,653.57)	3,653.57	0.00	0.00			0.00	18
20	Other nonoperating income	(74,797.40)	(223,355.38)	3,567.67	(294,585.11)	1,097,402.99			802,817.88	19
21	Equity in earnings - Woodward	0.00	0.00		0.00	4,043,906.00			4,043,906.00	20
21	Total other income (loss)	882,570.10	(227,008.95)	7,221.24	662,782.39	5,346,916.99		0.00	6,009,699.38	21
22	Income (loss) before interest charges	77,284,945.06	2,217,627.91	(0.00)	79,502,572.97	6,826,599.73		559,549.43	86,888,722.13	22
23	Interest charges	27,411,825.42	2,755.80		27,414,581.22	2,039,831.00			29,454,412.22	23
24	Net income (loss)	\$49,873,119.64	\$2,214,872.11	(\$0.00)	\$52,087,991.75	\$4,786,768.73		\$559,549.43	\$57,434,309.91	24

Footnotes:  
(1) Regulated Utility Operations includes Energas, GGC, Trans La, UCG, WKG and CNG.  
(2) Non-Regulated Utility Operations includes Egasco, Emermart, TLIG and WKGR.  
(3) Non-Utility Operations includes Atmos Energy Services, UCG Energy and UCG Storage.  
(4) Includes all Shared Services expenses booked directly to the business units.  
(5) Includes Operation, Maintenance, Depreciation and Taxes - Other booked in Division 02 and allocated to the business units.

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
 ELIMINATIONS TO CONSOLIDATING INCOME STATEMENT  
 07/31/98

	Current Month		YEAR TO DATE	
	Dr	Cr	Dr	Cr
1. Gas Revenue Purchased Gas Cost To eliminate gas sales to Atmos from Trans La Industrial	\$0.00	\$0.00	\$0.00	\$0.00
2. Transportation Revenue Purchased Gas Cost To eliminate transportation charges to Enermart Trust from Atmos	80,399.36	80,399.36	993,488.67	993,488.67
3. Transportation Revenue Purchased Gas Cost To eliminate transportation charges to Trans La Industrial from Atmos	24,060.09	24,060.09	294,119.32	294,119.32
4. Transportation Revenue Purchased Gas Cost To eliminate transportation charges to Amarillo Distribution Division from Amarillo Transmission Division-Atmos	12,504.77	12,504.77	439,847.68	439,847.68
5. Transportation Revenue Other Nonoperating Income To eliminate transportation charges for CNG sales at public fill stations from Atmos	149.91	149.91	3,567.67	3,567.67
6. Operation Expense Other Nonoperating Income To eliminate allocation of Corporate Division expenses to WKGR from Atmos	305.03	305.03	3,653.57	3,653.57

ATMOS ENERGY CORPORATION  
CONSOLIDATING STATEMENTS OF INCOME - REGULATED  
FOR THE MONTH JULY 31, 1998

Line No.	Description (a)	Month							Total Regulated (g)	Line No.
		Energas (1) (b)	Greeley (c)	Trans La (1) (d)	UCG (e)	WKG (f)				
	Operating revenues									
1	Gas	\$4,191,231.41	\$4,349,046.88	\$2,510,340.47	\$12,308,153.49	\$3,881,655.84		\$27,240,428.09	1	
2	Transportation	242,881.69	125,675.79	37,178.10	1,140,310.49	618,903.57		2,164,949.64	2	
3	Other	0.00	0.00	0.00	0.00	0.00		0.00	3	
4	Total operating revenues	4,434,113.10	4,474,722.67	2,547,518.57	13,448,463.98	4,500,559.41		29,405,377.73	4	
5	Purchased gas cost	843,654.92	1,359,617.03	1,350,342.07	8,559,178.06	3,303,071.61		15,415,863.69	5	
6	Gross profit	3,590,458.18	3,115,105.64	1,197,176.50	4,889,285.92	1,197,487.80		13,989,514.04	6	
	Operating expenses									
7	Operation	(2)	1,336,025.47	1,081,798.60	579,244.67	2,996,427.65	1,104,617.68	7,098,114.07	7	
8	Maintenance		79,090.45	72,129.86	49,083.31	445,901.87	72,553.16	718,758.65	8	
9	Depreciation		548,925.06	2,291.78	303,528.74	1,540,749.84	545,335.42	2,940,830.84	9	
10	Taxes - other than income taxes		499,428.87	199,791.51	225,829.56	809,889.77	162,085.47	1,897,025.18	10	
11	Shared Services - direct	(3)	313,892.65	115,663.23	166,681.24	767,796.26	237,519.56	1,601,552.94	11	
12	Shared Services - billed	(4)	517,257.20	223,442.67	154,714.07	748,078.46	316,078.64	1,959,571.04	12	
13	Provision for income taxes		(57,309.35)	281,113.03	(139,727.04)	(1,092,290.35)	(438,909.64)	(1,447,123.35)	13	
14	Total operating expenses		3,237,310.35	1,976,230.68	1,339,354.55	6,216,553.50	1,999,280.29	14,768,729.37	14	
15	Operating income (loss)		353,147.83	1,138,874.96	(142,178.05)	(1,327,267.58)	(801,792.49)	(779,215.33)	15	
	Other income									
16	Merchandise		(16,893.12)	0.00	(140.25)	(36,266.08)	22,482.77	(30,816.68)	16	
17	Interest income		17,677.72	2,257.13	902.90	5,890.90	4,420.39	31,149.04	17	
18	Other nonoperating income		(11,428.45)	16,659.86	(1,918.83)	(18,320.31)	123,098.36	108,090.63	18	
19	Equity in earnings - Woodward		0.00	0.00	0.00	0.00	0.00	0.00	19	
20	Total other income (loss)		(10,643.85)	18,916.99	(1,156.18)	(48,695.49)	150,001.52	108,422.99	20	
21	Income (loss) before interest charges		342,503.98	1,157,791.95	(143,334.23)	(1,375,963.07)	(651,790.97)	(670,792.34)	21	
22	Interest charges		546,634.79	325,361.81	(20,976.76)	1,445,601.93	447,320.33	2,743,942.10	22	
23	Net income (loss)		(\$204,130.81)	\$832,430.14	(\$122,337.47)	(\$2,821,565.00)	(\$1,099,111.30)	(\$3,414,734.44)	23	

Footnote:  
(1) Includes CNG.  
(2) Operations expense in the business units does not include any shared services costs.  
(3) Includes all Shared Services expenses booked directly to the business units.  
(4) Includes Operation, Maintenance, Depreciation and Taxes - Other booked in Division 02 and allocated to the business units.

ATMOS ENERGY CORPORATION  
CONSOLIDATING STATEMENTS OF INCOME - REGULATED  
FOR THE TEN MONTHS ENDED JULY 31, 1998

Line No.	Description (a)	Year-to-Date							Line No.
		Energas (1) (b)	Greeley (c)	Trans La (1) (d)	UCG (e)	WKG (f)	Total Regulated (g)		
1	Operating revenues								
2	Gas	\$144,426,688.35	\$77,691,175.43	\$31,600,096.44	\$297,627,508.29	\$104,851,360.46	\$656,196,828.97	1	
3	Transportation	2,430,098.04	1,350,135.54	358,375.33	12,850,662.07	7,487,987.10	24,477,258.08	2	
4	Other	0.00	0.00	0.00	0.00	0.00	0.00	3	
5	Total operating revenues	146,856,786.39	79,041,310.97	31,958,471.77	310,478,170.36	112,339,347.56	680,674,087.05	4	
6	Purchased gas cost	87,508,514.84	45,371,581.07	8,936,428.65	191,452,117.92	73,553,108.96	406,821,751.44	5	
7	Gross profit	59,348,271.55	33,669,729.90	23,022,043.12	119,026,052.44	38,786,238.60	273,852,335.61	6	
8	Operating expenses								
9	Operation	(2) 14,424,091.04	10,456,247.28	5,556,146.96	29,165,356.83	12,113,590.15	71,715,432.26	7	
10	Maintenance	852,126.98	643,159.28	445,223.76	4,877,622.55	787,555.31	7,605,687.88	8	
11	Depreciation	5,488,377.12	4,158,130.59	3,035,287.40	15,342,938.36	5,453,325.49	33,478,058.96	9	
12	Taxes - other than income taxes	9,460,161.56	2,120,744.57	1,900,081.01	9,989,224.10	1,680,735.45	25,150,946.69	10	
13	Shared Services - direct	(3) 2,829,618.80	1,270,331.00	1,673,714.44	1,108,444.34	2,009,389.64	8,891,498.22	11	
14	Shared Services - billed	(4) 5,806,152.59	2,482,895.95	1,683,864.72	5,871,915.91	3,459,176.51	19,304,005.68	12	
15	Provision for income taxes	5,492,249.00	3,525,509.72	2,276,175.07	15,975,231.12	4,035,166.05	31,304,330.96	13	
16	Total operating expenses	44,352,777.09	24,657,018.59	16,570,493.36	82,330,733.21	29,538,938.60	197,449,960.65	14	
17	Operating income (loss)	14,995,494.46	9,012,711.51	6,451,549.76	36,695,319.23	9,247,300.00	76,402,374.96	15	
18	Other income							16	
19	Merchandise	(44,926.44)	(1,667.80)	7,391.11	(243,020.88)	202,839.34	(79,384.67)	17	
20	Interest income	151,065.47	2,786.61	3,590.57	859,579.21	19,730.31	1,036,752.17	18	
21	Other nonoperating income	(166,633.48)	51,263.84	(63,072.83)	38,228.32	65,416.75	(74,797.40)	19	
22	Equity in earnings - Woodward	0.00	0.00	0.00	0.00	0.00	0.00	20	
23	Total other income (loss)	(60,494.45)	52,382.65	(52,091.15)	654,786.65	287,986.40	882,570.10	21	
24	Income (loss) before interest charges	14,935,000.01	9,065,094.16	6,399,458.61	37,350,105.88	9,535,286.40	77,284,945.06	22	
25	Interest charges	5,124,890.27	2,987,715.56	2,419,804.01	12,765,794.60	4,113,620.98	27,411,825.42	23	
26	Net income (loss)	\$9,810,109.74	\$6,077,378.60	\$3,979,654.60	\$24,584,311.28	\$5,421,665.42	\$49,873,119.64	24	

Footnote: (1) Includes CNG.  
(2) Operations expense in the business units does not include any shared services costs.  
(3) Includes all Shared Services expenses booked directly to the business units.  
(4) Includes Operation, Maintenance, Depreciation and Taxes - Other booked in Division 02 and allocated to the business units.



ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATING STATEMENT OF INCOME- NON-REGULATED UTILITY  
FOR THE MONTH ENDED 07/31/98

Line No.	Description (a)	1998						Line No.
		EGASCO, INC. (b)	ENERMART (c)	TRANS LA INDUSTRIAL (d)	W K G RESOURCES (e)	ELIMINATIONS and ADJUSTMENTS (f)	ATMOS NON REGULATED (g)	
	Operating revenues							
1	Gas	\$2,762,454.68	\$12,314,623.33	\$402,042.52	\$0.00	\$0.00	\$15,479,120.53	1
2	Transportation	0.00	0.00	8,023.40	0.00	0.00	8,023.40	2
3	Other	0.00	0.00	0.00	0.00	0.00	0.00	3
4	Total operating revenues	2,762,454.68	12,314,623.33	410,065.92	0.00	0.00	15,487,143.93	4
5	Purchased gas cost	2,271,228.76	9,802,671.70	305,245.34	0.00	0.00	12,385,151.80	5
6	Gross profit	485,225.92	2,511,945.63	104,820.58	0.00	0.00	3,101,992.13	6
	Operating expenses							
7	Operation	68,179.83	432,651.39	16,340.18	0.00	0.00	517,171.40	7
8	Maintenance	0.00	0.00	0.00	0.00	0.00	0.00	8
9	Depreciation and amortization	0.00	0.00	2,865.00	0.00	0.00	2,865.00	9
10	Taxes - other than income taxes	0.00	2,621.87	4,479.98	0.00	0.00	7,101.85	10
11	Shared services - billed	1,594.20	20,174.55	7,139.11	0.00	0.00	28,907.86	11
12	Provision for income taxes	143,044.65	719,774.30	28,412.85	0.00	0.00	891,231.80	12
13	Total operating expenses	212,818.68	1,175,222.11	59,237.12	0.00	0.00	1,447,277.91	13
14	Operating income (loss)	272,407.24	1,336,723.52	45,583.46	0.00	0.00	1,654,714.22	14
	Other income							
15	Merchandise	0.00	0.00	0.00	0.00	0.00	0.00	15
16	Interest income	0.00	0.00	0.00	0.00	0.00	0.00	16
17	Shared services - billed	0.00	0.00	0.00	(305.03)	0.00	(305.03)	17
18	Other nonoperating income	(6,752.55)	0.00	0.00	1,676.88	0.00	(5,075.67)	18
19	Total other income (loss)	(6,752.55)	0.00	0.00	1,371.85	0.00	(5,380.70)	19
20	Income (loss) before interest charges	265,654.69	1,336,723.52	45,583.46	1,371.85	0.00	1,649,333.52	20
21	Interest charges	0.00	0.00	245.94	0.00	0.00	245.94	21
22	Net income (loss)	\$265,654.69	\$1,336,723.52	\$45,337.52	\$1,371.85	\$0.00	\$1,649,087.58	22

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATING STATEMENT OF INCOME- NON-REGULATED UTILITY  
FOR THE TEN MONTHS ENDED 07/31/98

1998

Line No.	Description (a)	ELIMINATIONS and ADJUSTMENTS (f)						Line No.
		EGASCO, INC. (b)	ENERMART (c)	TRANS LA INDUSTRIAL (d)	W K G RESOURCES (e)	ATMOS NON REGULATED (g)		
	Operating revenues							
1	Gas	\$7,782,777.23	\$40,397,659.88	\$5,265,986.61	\$0.00	\$0.00	\$53,446,423.72	1
2	Transportation	0.00	0.00	72,353.75	0.00	0.00	72,353.75	2
3	Other	0.00	0.00	0.00	0.00	0.00	0.00	3
4	Total operating revenues	7,782,777.23	40,397,659.88	5,338,340.36	0.00	0.00	53,518,777.47	4
5	Purchased gas cost	6,246,298.14	34,151,870.23	4,521,875.59	0.00	0.00	44,920,043.96	5
6	Gross profit	1,536,479.09	6,245,789.65	816,464.77	0.00	0.00	8,598,733.51	6
	Operating expenses:							
7	Operation	607,227.93	3,784,584.46	145,684.24	0.00	0.00	4,537,496.63	7
8	Maintenance	0.00	0.00	0.00	0.00	0.00	0.00	8
9	Depreciation and amortization	0.00	0.00	28,650.00	0.00	0.00	28,650.00	9
10	Taxes - other than income taxes	25,000.00	34,127.64	46,965.40	10.00	0.00	106,103.04	10
11	Shared services - billed	15,716.18	184,522.46	60,640.69	0.00	0.00	260,879.33	11
12	Provision for income taxes	231,736.75	784,806.75	204,424.15	0.00	0.00	1,220,967.65	12
13	Total operating expenses	879,680.86	4,788,041.31	486,364.48	10.00	0.00	6,154,096.65	13
14	Operating income (loss)	656,798.23	1,457,748.34	330,100.29	(10.00)	0.00	2,444,636.86	14
	Other income							
15	Merchandise	0.00	0.00	0.00	0.00	0.00	0.00	15
16	Interest income	0.00	0.00	0.00	0.00	0.00	0.00	16
17	Shared services - billed	0.00	0.00	0.00	(3,653.57)	0.00	(3,653.57)	17
18	Other nonoperating income	(226,429.61)	0.00	0.00	3,074.23	0.00	(223,355.38)	18
19	Total other income (loss)	(226,429.61)	0.00	0.00	(579.34)	0.00	(227,008.95)	19
20	Income (loss) before interest charges	430,368.62	1,457,748.34	330,100.29	(589.34)	0.00	2,217,627.91	20
21	Interest charges	0.00	300.00	2,455.80	0.00	0.00	2,755.80	21
22	Net income (loss)	\$430,368.62	\$1,457,448.34	\$327,644.49	(\$589.34)	\$0.00	\$2,214,872.11	22

NON-UTILITY BUSINESS UNITS  
CONSOLIDATING STATEMENT OF INCOME- NON-UTILITY  
FOR THE MONTH ENDED 07/31/98

1998

Line No.	Description (a)	Eliminations and Adjustments										Total Non-Utility (j)	Line No.		
		UCG Leasing (b)	UCG Propane (c)	Rental Division (d)	Utility Serv. Division (e)	Adjustments (f)	UCG Energy Corp. Consolidated (g)	Atmos Energy Services (h)	UCG Storage Co. (i)						
1	Operating revenues														
2	Gas	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	1	\$0.00
3	Transportation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2	0.00
3	Other	84,759.00	1,716,839.00	208,977.00	4,636.00	0.00	2,015,211.00	0.00	298,652.00	0.00	2,313,863.00	0.00	2,313,863.00	3	2,313,863.00
4	Total operating revenues	84,759.00	1,716,839.00	208,977.00	4,636.00	0.00	2,015,211.00	0.00	298,652.00	0.00	2,313,863.00	0.00	2,313,863.00	4	2,313,863.00
5	Purchased gas cost	0.00	1,112,821.00	0.00	0.00	0.00	1,112,821.00	0.00	0.00	0.00	1,112,821.00	0.00	1,112,821.00	5	1,112,821.00
6	Gross profit	84,759.00	604,018.00	208,977.00	4,636.00	0.00	902,390.00	0.00	298,652.00	0.00	1,201,042.00	0.00	1,201,042.00	6	1,201,042.00
7	Operating expenses														
7	Operation	369.00	640,974.00	19,184.00	0.00	0.00	660,527.00	0.00	39,879.00	2,128.00	702,534.00	0.00	702,534.00	7	702,534.00
8	Maintenance	0.00	47,730.00	0.00	0.00	0.00	47,730.00	0.00	150.00	0.00	47,880.00	0.00	47,880.00	8	47,880.00
9	Depreciation and amortization	31,287.00	213,027.00	46,411.00	35,497.00	0.00	326,222.00	0.00	33,752.00	0.00	359,974.00	0.00	359,974.00	9	359,974.00
10	Taxes - other than income taxes	0.00	27,172.00	20,161.00	0.00	0.00	47,333.00	0.00	33,920.00	0.00	81,253.00	0.00	81,253.00	10	81,253.00
11	Shared services - billed	2,850.00	44,460.00	9,120.00	570.00	0.00	57,000.00	0.00	51,000.00	(700.00)	57,000.00	0.00	57,000.00	11	57,000.00
12	Provision for income taxes	16,000.00	(165,000.00)	37,000.00	102,000.00	0.00	(10,000.00)	0.00	51,000.00	(700.00)	40,300.00	0.00	40,300.00	12	40,300.00
13	Total operating expenses	50,506.00	808,363.00	131,876.00	138,067.00	0.00	1,128,812.00	0.00	158,701.00	1,428.00	1,288,941.00	0.00	1,288,941.00	13	1,288,941.00
14	Operating income (loss)	34,253.00	(204,345.00)	77,101.00	(133,431.00)	0.00	(226,422.00)	0.00	139,951.00	(1,428.00)	(87,899.00)	0.00	(87,899.00)	14	(87,899.00)
15	Other income														
15	Merchandise	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15	0.00
16	Interest income	5,873.00	12,126.00	36,730.00	3,912.00	(37,863.00)	20,778.00	0.00	11,061.00	0.00	31,839.00	0.00	31,839.00	16	31,839.00
17	Other nonoperating income	80.00	160.00	(2,450.00)	(3,520.00)	35,516.00	29,786.00	0.00	0.00	0.00	29,786.00	0.00	29,786.00	17	29,786.00
18	Equity in earnings - Woodward	0.00	0.00	0.00	268,324.00	0.00	268,324.00	0.00	0.00	0.00	268,324.00	0.00	268,324.00	18	268,324.00
19	Total other income (loss)	5,953.00	12,286.00	34,280.00	268,716.00	(2,347.00)	318,888.00	0.00	11,061.00	0.00	329,949.00	0.00	329,949.00	19	329,949.00
20	Income (loss) before int chgs	40,206.00	(192,059.00)	111,381.00	135,285.00	(2,347.00)	92,466.00	0.00	151,012.00	(1,428.00)	242,050.00	0.00	242,050.00	20	242,050.00
21	Interest charges	12,946.00	78,319.00	49,967.00	31,270.00	(2,347.00)	170,155.00	0.00	68,014.00	0.00	238,169.00	0.00	238,169.00	21	238,169.00
22	Net income (loss)	\$27,260.00	(\$270,378.00)	\$61,414.00	\$104,015.00	\$0.00	(\$77,689.00)	\$0.00	\$82,998.00	(\$1,428.00)	\$3,881.00	\$0.00	\$3,881.00	22	\$3,881.00



ATMOS ENERGY CORPORATION  
Shared Services Billing  
For The Month Ended 7/31/98

ALLOCATED DOLLARS

DEPARTMENT	Total	Enrgas	GCC	Trans. La	UCO	WKG	Fgesco	Enermart	TLIO	UCO Energy	UCO Storage	WKGR
ACCOUNTING:	217,622.99	77,134.57	(5,007.77)	12,940.29	55,577.29	16,758.96	479.36	2,117.52	479.36	57,000.00	-	143.41
BUSINESS DEVELOPMENT:	83,055.49	20,630.99	10,033.10	7,018.19	31,569.39	13,803.82	-	-	-	-	-	-
CALL CENTER:	-	-	-	-	-	-	-	-	-	-	-	-
EXECUTIVE:	495,210.44	123,677.34	60,900.66	42,187.78	184,668.41	81,678.10	313.88	1,420.48	281.12	-	-	82.67
GAS CONTROL:	66,443.73	11,959.86	6,644.37	3,322.19	29,899.68	13,288.75	-	664.44	664.44	-	-	-
GAS SUPPLY:	119,861.98	23,870.25	18,686.24	7,399.78	30,348.97	25,638.01	-	10,290.98	3,627.75	-	-	-
HUMAN RESOURCES:	(539,527.07)	(164,473.98)	(80,231.53)	(56,259.42)	(125,616.23)	(110,045.16)	(431.60)	(1,896.74)	(431.60)	-	-	(140.81)
INFORMATION TECHNOLOGY:	286,825.87	107,281.01	40,165.88	28,827.11	47,765.79	62,786.08	-	-	-	-	-	-
INTERNAL AUDIT:	71,959.21	17,788.32	8,656.69	6,051.77	27,239.37	11,894.86	50.37	223.07	50.37	-	-	14.39
INVESTOR RELATIONS:	157,412.85	39,062.92	19,011.80	13,291.45	59,181.33	26,122.76	110.60	489.70	110.60	-	-	31.69
LEGAL:	243,064.10	58,813.88	29,839.10	19,724.35	88,891.90	40,788.43	373.52	2,875.90	1,714.37	-	-	42.65
NEW BUSINESS VENTURES:	32,472.10	8,027.12	3,906.39	2,730.90	15,287.44	5,367.64	22.73	100.66	22.73	-	-	6.49
PLANNING & BUDGETING:	58,892.27	14,558.16	7,084.74	4,952.84	22,284.83	9,734.89	41.23	182.57	41.23	-	-	11.78
PRICE POLICY & ADMINISTRATION:	148,913.32	30,884.62	26,000.27	11,481.22	60,905.55	19,209.82	44.67	312.72	44.67	-	-	29.78
REGULATORY AFFAIRS:	36,204.67	5,430.69	9,051.17	3,620.47	14,481.87	3,620.47	-	-	-	-	-	-
REMITTANCE PROCESSING:	53,115.22	15,807.09	5,917.04	4,243.91	17,522.71	9,247.36	42.49	329.31	5.31	-	-	-
TECHNICAL SERVICES:	24,481.73	5,567.14	3,383.38	2,205.80	9,445.05	3,806.91	17.14	39.17	14.69	-	-	2.45
TREASURY:	148,552.71	36,887.04	18,352.09	12,278.65	52,516.59	25,972.89	290.96	1,966.98	275.22	-	-	12.29
TOTAL OPERATIONS:	1,704,561.61	432,907.02	182,393.62	126,017.28	618,959.94	259,874.59	1,355.35	19,116.76	6,900.36	57,000.00	-	236.79
Operations w/o A&G Cap.	2,585,561.61	624,540.30	318,257.26	204,599.17	928,982.53	422,668.81	1,635.11	20,355.69	7,180.02	57,000.00	-	316.72
MAINTENANCE	6,915.34	1,709.47	831.92	581.58	2,616.76	1,143.11	4.84	21.44	4.84	0.00	0.00	1.38
DEPRECIATION	270,919.31	66,971.27	32,591.59	22,784.31	102,515.87	44,782.96	189.64	839.85	189.64	0.00	0.00	54.18
TAXES - OTHER	63,387.67	15,669.44	7,625.54	5,330.90	23,985.89	10,477.98	44.37	196.50	44.37	0.00	0.00	12.68
TOTAL	2,045,783.93	517,257.20	223,442.67	154,714.07	748,078.46	316,078.64	1,594.20	20,174.55	2,139.11	57,000.00	-	305.03

ATMOS ENERGY CORPORATION  
Shared Services Billing  
For The Year-To-Date 7/31/98

ALLOCATED DOLLARS

DEPARTMENT	Total	Energas	GGC	Trans La	UCG	WKG	Egaso	Entermat	TLIO	UCG Energy	UCG Storage	WKOR
ACCOUNTING:	(4,803,936.34)	(892,870.22)	(913,284.99)	(529,451.81)	(1,791,527.31)	(1,065,111.27)	179.49	680.06	216.50	387,000.00	-	233.21
BUSINESS DEVELOPMENT:	461,635.86	114,670.37	55,765.61	39,008.22	175,467.79	76,723.87	-	-	-	-	-	-
CALL CENTER:	27,684.01	10,951.82	5,379.01	3,776.09	-	7,372.25	30.44	132.89	30.44	-	-	11.07
EXECUTIVE:	3,030,415.83	754,189.83	369,677.79	256,969.59	1,135,937.93	500,268.60	2,004.18	8,968.92	1,853.91	-	-	545.08
GAS CONTROL:	448,303.22	80,694.56	44,830.31	22,415.17	201,736.44	89,660.66	-	4,483.04	4,483.04	-	-	-
GAS SUPPLY:	1,199,353.16	236,220.55	191,191.76	72,014.50	305,897.74	266,307.99	-	94,948.40	32,772.22	-	-	-
HUMAN RESOURCES:	5,205,933.09	1,478,994.69	708,732.72	499,205.29	1,533,839.05	970,113.62	2,253.26	9,921.36	2,211.16	-	-	661.94
INFORMATION TECHNOLOGY:	2,364,150.30	930,844.02	348,488.14	250,126.70	289,933.21	544,738.23	-	-	-	-	-	-
INTERNAL AUDIT:	444,701.53	109,951.98	53,487.57	37,399.30	168,251.83	75,517.32	312.93	1,382.03	309.15	-	-	89.42
INVESTOR RELATIONS:	1,511,533.31	393,702.76	191,818.00	134,179.88	520,863.29	263,497.67	1,113.52	4,918.26	1,110.21	-	-	329.72
LEGAL:	2,918,593.86	714,692.49	354,598.03	240,970.10	1,084,509.92	486,361.09	3,292.27	22,125.79	11,500.98	-	-	543.19
NEW BUSINESS VENTURES:	225,116.28	55,659.77	27,076.40	18,932.25	85,172.23	37,215.85	158.41	699.60	156.50	-	-	45.27
PLANNING & BUDGETING:	570,783.22	147,774.16	71,967.76	50,345.88	199,001.53	98,885.87	419.56	1,850.03	414.73	-	-	123.70
PRICE POLICY & ADMINISTRATION:	902,432.25	273,356.60	240,595.98	103,827.13	110,647.06	170,504.02	334.02	2,526.89	397.21	-	-	243.74
REGULATORY AFFAIRS:	289,998.16	43,499.70	72,499.56	28,999.82	115,999.26	28,999.82	-	-	-	-	-	-
REMITTANCE PROCESSING:	306,998.08	99,605.40	37,285.00	26,747.49	82,704.28	58,273.54	268.13	2,077.92	36.32	-	-	-
TECHNICAL SERVICES:	289,670.07	65,861.17	40,032.04	26,107.90	111,760.22	45,038.46	200.45	464.46	176.02	-	-	29.35
TREASURY:	1,040,094.21	316,771.38	159,099.64	106,002.41	208,964.37	223,609.85	2,655.68	18,362.97	2,542.55	-	-	85.36
TOTAL OPERATIONS:	16,433,460.10	4,934,371.03	2,052,240.33	1,387,575.91	4,539,178.84	2,877,977.44	13,222.34	173,542.22	58,210.94	387,000.00	-	2,941.05
Operations w/o A&G Cap.	25,243,460.10	7,037,603.11	3,564,894.67	2,332,349.33	6,896,669.54	4,755,596.59	16,424.78	187,687.54	61,376.51	387,000.00	-	3,856.03
MAINTENANCE	41,011.61	10,138.68	4,933.41	3,449.07	15,518.13	6,779.47	28.75	127.24	28.64	0.00	0.00	8.22
DEPRECIATION	2,709,793.10	670,202.39	323,831.00	227,892.02	1,023,021.86	448,056.34	1,922.43	8,454.56	1,863.26	0.00	0.00	549.24
TAXES - OTHER	772,269.19	190,932.71	92,891.21	64,947.72	292,197.08	127,666.46	542.66	2,398.44	537.85	0.00	0.00	155.06
TOTAL	19,956,534.00	5,805,844.81	2,482,895.95	1,683,864.72	5,871,915.91	3,450,479.71	15,716.18	184,322.46	60,640.69	387,000.00	-	3,653.57

ATMOS ENERGY CORPORATION  
Shared Services Billing  
For The Month Ended 7/31/98

ALLOCATED DOLLARS

DEPARTMENT	Total	Energies	GGC	Trans La	UCG	WKG	Egasso	Enrment	TIIG	UCG Energy	UCG Storage	WKGR
0112900 VP & Controller	60,659.00	14,994.91	7,297.28	5,101.42	22,953.37	10,026.93	42.46	188.04	42.46	0.00	0.00	12.13
0113000 Assistant Controller General Acctg	16,853.26	4,166.12	2,027.45	1,417.36	6,377.27	2,785.84	11.80	52.25	11.80	0.00	0.00	3.37
0113100 General Accounting	53,443.96	13,211.34	6,429.31	4,494.64	20,223.19	8,834.29	37.41	163.68	37.41	0.00	0.00	10.69
0113200 Payroll Accounting	68,399.91	16,908.45	8,228.51	5,732.43	25,882.53	11,306.51	47.88	212.04	47.88	0.00	0.00	13.68
0113300 Accounts Payable	22,138.73	5,472.68	2,663.29	1,861.87	8,377.30	3,659.53	15.50	68.63	15.50	0.00	0.00	4.43
0113400 Accounting Systems	1,906.29	471.24	229.33	160.32	721.34	315.11	1.33	5.91	1.33	0.00	0.00	0.38
0113500 Assistant Controller, Utility Acctg	29,654.76	7,330.65	3,567.47	2,493.97	11,221.36	4,901.93	20.76	91.93	20.76	0.00	0.00	5.93
0113600 Plant Accounting	33,376.95	8,250.78	4,015.25	2,807.00	12,629.84	5,517.21	23.36	103.47	23.36	0.00	0.00	6.68
0113700 Gas Accounting	85,671.80	21,178.07	10,306.32	7,205.00	32,418.21	14,161.55	59.97	265.58	59.97	0.00	0.00	17.13
0113800 Customer Billing	7,780.95	1,933.44	936.05	654.38	2,944.31	1,286.19	5.45	24.12	5.45	0.00	0.00	1.56
0113900 Financial Reporting	43,303.29	10,704.58	5,209.39	3,641.81	16,385.96	7,158.03	30.31	134.24	30.31	0.00	0.00	8.66
0114600 Dallas Taxation	75,261.57	29,773.47	14,623.32	10,265.68	0.00	20,042.16	82.79	361.26	82.79	0.00	0.00	30.10
0118300 Dallas Stores	172.52	172.52	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0119200 Controller Miscellaneous	543,000.00	134,229.60	65,332.90	45,866.30	205,471.20	89,757.90	380.10	1,683.30	380.10	0.00	0.00	108.60
Management Fee - UCGE	57,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	57,000.00	0.00	0.00
0119700 J/C Billing & Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0119800 Overhead Capitalized-Division 02	(399,653.79)	(98,794.42)	(48,078.35)	(33,610.88)	(151,228.99)	(66,062.77)	(279.76)	(1,238.93)	(279.76)	0.00	0.00	(79.93)
0119800 Overhead Capitalized-Op Company	(481,346.21)	(92,838.86)	(87,783.29)	(44,971.01)	(158,799.60)	(96,931.45)	0.00	0.00	0.00	0.00	0.00	0.00
ACCOUNTING:	217,622.99	71,134.57	(5,907.77)	12,940.29	55,577.29	16,738.96	479.36	2,117.52	479.36	57,000.00	0.00	143.41
0056000 Business Development	83,105.40	20,630.99	10,033.10	7,018.19	31,569.39	13,803.82	0.00	0.00	0.00	0.00	0.00	0.00
BUSINESS DEVELOPMENT:	83,105.40	20,630.99	10,033.10	7,018.19	31,569.39	13,803.82	0.00	0.00	0.00	0.00	0.00	0.00
0120100 Amarillo Call Center	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CALL CENTER:	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0050500 Chairman, President & CEO	170,970.62	42,254.05	20,562.95	14,375.27	64,680.15	28,234.83	119.65	529.88	119.65	0.00	0.00	34.19
0052100 Dallas Operations	163,808.65	41,754.83	21,033.03	14,316.88	59,265.97	26,897.38	81.90	393.14	81.90	0.00	0.00	16.38
0052500 Utility Services	9,541.25	2,338.59	1,147.81	802.42	3,610.41	1,577.17	6.68	29.58	6.68	0.00	0.00	1.91
0054700 Chief Financial Officer	150,929.92	37,309.87	18,156.87	12,693.21	57,111.88	24,948.72	105.65	467.88	105.65	0.00	0.00	30.19
EXECUTIVE:	493,210.44	123,677.54	60,900.66	42,187.78	184,668.41	81,678.10	313.88	1,420.48	313.88	0.00	0.00	82.67
0051700 Corporate Gas Control	66,443.73	11,939.86	6,644.37	3,322.19	29,899.68	13,288.75	0.00	664.44	664.44	0.00	0.00	0.00
GAS CONTROL:	66,443.73	11,939.86	6,644.37	3,322.19	29,899.68	13,288.75	0.00	664.44	664.44	0.00	0.00	0.00
0051500 Interstate Gas Supply	47,306.96	8,515.25	9,461.39	2,365.35	12,772.88	14,192.09	0.00	0.00	0.00	0.00	0.00	0.00
0051600 Intrastate Gas Supply	44,421.55	8,884.30	4,442.16	2,221.08	11,105.39	6,653.23	0.00	8,884.31	2,221.08	0.00	0.00	0.00
0051900 Gas Supply	28,133.47	6,470.70	4,782.69	2,813.35	6,470.70	4,782.69	0.00	1,406.67	1,406.67	0.00	0.00	0.00
GAS SUPPLY:	119,861.98	23,670.25	18,686.24	7,399.78	30,348.97	25,638.01	0.00	10,290.98	3,627.75	0.00	0.00	0.00

ATMOS ENERGY CORPORATION  
Shared Services Billing  
For The Month Ended 7/31/98

ALLOCATED DOLLARS

DEPARTMENT	Total	Energys	GGC	Trans La	UCG	WKG	Egenco	Emermart	TIIG	UCG Energy	UCG Storage	WKGR
0056100 Professional Development	4,665.53	1,248.96	587.39	417.10	1,611.94	800.14	0.00	0.00	0.00	0.00	0.00	0.00
0117100 Corporate Services	1,611.73	637.61	313.16	219.84	0.00	429.20	1.77	7.74	1.77	0.00	0.00	0.64
0117200 Compensation & Employment	51,570.11	13,805.32	4,610.37	17,817.47	8,844.27	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0117300 Human Resources - VP	23,493.01	6,289.08	2,957.77	2,100.28	8,116.83	4,029.05	0.00	0.00	0.00	0.00	0.00	0.00
0117400 Employee & Labor Relations	12,900.07	3,346.27	1,173.76	1,117.51	4,318.77	2,143.76	0.00	0.00	0.00	0.00	0.00	0.00
0117500 Employee Benefits	(213,293.49)	(57,098.67)	(26,853.65)	(19,068.44)	(73,692.90)	(36,579.83)	0.00	0.00	0.00	0.00	0.00	0.00
0117800 Employee Communications	19,567.16	5,238.13	2,463.51	1,749.30	6,760.45	3,355.77	0.00	0.00	0.00	0.00	0.00	0.00
0117900 Facilities	14,000.40	3,747.90	1,762.65	4,837.14	2,401.07	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0118100 Employee Development	47,887.67	12,819.52	6,029.06	4,281.16	16,545.19	8,212.74	0.00	0.00	0.00	0.00	0.00	0.00
0119000 Employee Relocation Expense	16,388.42	4,051.21	1,971.53	1,378.27	6,201.38	2,709.01	11.47	50.80	11.47	0.00	0.00	3.28
0119210 Performance Plan	119,604.00	29,566.12	14,388.36	10,058.70	45,238.15	19,770.54	83.72	370.77	83.72	0.00	0.00	23.92
0119300 Outside Directors Retirement Cost	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0119400 Treasury - Worker's Comp	(13,484.19)	(5,334.36)	(2,619.98)	(1,839.24)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0119500 Human Resources - Benefits	(192,244.01)	(76,051.73)	(37,533.01)	(26,222.08)	0.00	(3,590.84)	(14.83)	(64.72)	(14.83)	0.00	0.00	(5.39)
0119600 Retirement Costs	(431,793.48)	(106,739.34)	(51,944.76)	(36,313.83)	(163,390.63)	(71,375.46)	(211.47)	(922.77)	(211.47)	0.00	0.00	(76.99)
HUMAN RESOURCES:	(539,527.07)	(164,473.98)	(80,231.53)	(56,259.43)	(125,616.23)	(110,045.16)	(431.60)	(1,896.74)	(431.60)	0.00	0.00	(140.81)
0115000 Information Services	19,238.45	5,763.84	2,158.55	1,548.70	6,392.94	3,374.42	0.00	0.00	0.00	0.00	0.00	0.00
0115100 Production Services	114,152.33	51,231.57	19,177.59	13,766.77	0.00	29,976.40	0.00	0.00	0.00	0.00	0.00	0.00
0115200 Mass Mail	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0115300 Information Systems	79,069.91	23,689.35	8,871.64	6,365.13	26,274.93	13,868.86	0.00	0.00	0.00	0.00	0.00	0.00
0115400 Information Support	28,930.59	12,984.05	4,860.34	3,489.03	0.00	7,597.17	0.00	0.00	0.00	0.00	0.00	0.00
0115500 Office Equipment	4,830.59	1,447.24	541.99	388.86	1,605.21	847.29	0.00	0.00	0.00	0.00	0.00	0.00
0115600 Telecommunication Services	40,604.00	12,164.96	4,555.77	3,268.62	13,492.71	7,121.94	0.00	0.00	0.00	0.00	0.00	0.00
INFORMATION TECHNOLOGY:	286,825.87	107,281.01	40,165.88	28,827.11	47,765.79	62,786.08	0.00	0.00	0.00	0.00	0.00	0.00
0116400 Internal Audit	71,959.21	17,788.32	8,656.69	6,051.77	27,229.37	11,894.86	50.37	223.07	50.37	0.00	0.00	14.39
INTERNAL AUDIT:	71,959.21	17,788.32	8,656.69	6,051.77	27,229.37	11,894.86	50.37	223.07	50.37	0.00	0.00	14.39
0054900 Investor Relations	94,991.61	23,481.94	11,427.49	7,988.79	35,944.83	15,702.11	66.49	294.47	66.49	0.00	0.00	19.00
0117700 Corporate Communications	61,407.25	15,179.87	7,387.29	5,164.35	23,236.50	10,150.62	42.99	190.36	42.99	0.00	0.00	12.28
0052400 Public Affairs	1,013.99	401.11	197.02	138.31	0.00	370.03	1.12	4.87	1.12	0.00	0.00	0.41
INVESTOR RELATIONS:	157,412.85	39,062.92	19,011.80	13,291.45	59,181.33	26,122.76	110.60	489.70	110.60	0.00	0.00	31.69
0052000 Legal	139,411.29	34,462.47	16,771.18	11,724.49	52,753.23	23,044.69	97.59	432.17	97.59	0.00	0.00	27.88
0052099 Contract Administration	10,019.88	208.42	1,979.93	208.41	1,667.31	2,092.15	208.41	2,092.15	1,563.10	0.00	0.00	0.00
0052200 Governmental Affairs	8,483.99	2,097.25	1,020.62	713.50	3,210.34	1,402.40	5.94	26.30	5.94	0.00	0.00	1.70
0057900 Corporate Secretary	65,368.65	16,159.13	7,863.85	5,497.50	24,735.50	10,805.44	45.76	202.64	45.76	0.00	0.00	13.07
0118200 Central Records	19,780.29	5,886.61	2,203.52	1,580.45	6,525.52	3,443.75	15.82	122.64	15.82	0.00	0.00	0.00
LEGAL:	243,011.10	58,813.88	29,839.10	19,724.35	88,891.90	40,788.43	373.52	2,875.90	1,714.37	0.00	0.00	42.65



ATMOS ENERGY CORPORATION  
Shared Services Billing  
For The Month Ended 7/31/98

ALLOCATED DOLLARS

DEPARTMENT	Total	Energies	GCC	Trans L'n	UCG	WKG	Egenco	Emermt	TLIG	UCG Electr	UCG Storage	WKGR
0054600 New Business Ventures	32,472.10	8,027.12	3,906.39	2,730.90	12,287.44	5,367.64	22.73	100.66	22.73	0.00	0.00	6.49
NEW BUSINESS VENTURES:	32,472.10	8,027.12	3,906.39	2,730.90	12,287.44	5,367.64	22.73	100.66	22.73	0.00	0.00	6.49
0054400 Financial & Strategic Planning	53,608.52	13,252.02	6,449.10	4,508.48	20,285.46	8,861.49	37.53	166.19	37.53	0.00	0.00	10.72
0054500 Business Strategies & Competitive Intelligence	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0114300 Budget & Planning	5,283.75	1,306.14	635.64	444.36	1,999.37	873.40	3.70	16.38	3.70	0.00	0.00	1.06
PLANNING & BUDGETING:	58,892.27	14,558.16	7,084.74	4,952.84	22,284.83	9,734.89	41.23	182.57	41.23	0.00	0.00	11.78
0054000 Price Policy & Administration - V.P.	148,913.32	30,884.62	26,000.27	11,481.22	60,905.55	19,209.82	44.67	312.72	44.67	0.00	0.00	29.78
0054000 Price Policy & Administration	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PRICE POLICY & ADMINISTRATION:	148,913.32	30,884.62	26,000.27	11,481.22	60,905.55	19,209.82	44.67	312.72	44.67	0.00	0.00	29.78
0054100 Regulatory Affairs	36,204.67	5,430.69	9,051.17	3,620.47	14,481.87	3,620.47	0.00	0.00	0.00	0.00	0.00	0.00
REGULATORY AFFAIRS:	36,204.67	5,430.69	9,051.17	3,620.47	14,481.87	3,620.47	0.00	0.00	0.00	0.00	0.00	0.00
0118000 Remittance Processing	53,115.22	15,807.09	5,917.04	4,243.91	17,522.71	9,247.36	42.49	329.31	5.31	0.00	0.00	0.00
REMITTANCE PROCESSING:	53,115.22	15,807.09	5,917.04	4,243.91	17,522.71	9,247.36	42.49	329.31	5.31	0.00	0.00	0.00
0056200 Technical Services	24,481.73	5,567.14	3,383.38	2,205.80	9,445.05	3,806.91	17.14	39.17	14.69	0.00	0.00	2.45
TECHNICAL SERVICES:	24,481.73	5,567.14	3,383.38	2,205.80	9,445.05	3,806.91	17.14	39.17	14.69	0.00	0.00	2.45
0114500 Dallas Treasury	39,368.69	10,180.75	4,275.44	2,334.56	13,416.85	6,901.33	248.02	1,779.46	232.28	0.00	0.00	0.00
0114700 Dallas Risk Management	13,727.99	3,393.55	1,651.48	1,154.52	3,194.67	2,269.24	9.61	42.56	9.61	0.00	0.00	2.75
0114800 Dallas Treasurer	35,581.75	8,795.67	4,280.43	2,992.39	13,463.96	5,881.59	24.91	110.30	24.91	0.00	0.00	7.12
0117600 Purchasing	19,162.32	3,903.36	2,759.37	1,979.47	6,898.44	3,621.68	0.00	0.00	0.00	0.00	0.00	0.00
0118500 Mail & Supply	24,026.95	6,432.02	3,024.99	2,148.01	8,301.31	4,120.62	0.00	0.00	0.00	0.00	0.00	0.00
0118900 Fleet Administration	2,488.96	984.63	483.60	339.49	0.00	662.81	2.74	11.95	2.74	0.00	0.00	1.00
0118600 Purchasing & Stores	14,196.52	3,197.06	1,876.78	1,330.21	5,241.36	2,515.62	5.68	22.71	5.68	0.00	0.00	1.42
TREASURY:	148,552.71	36,887.04	18,352.09	12,278.65	52,316.59	25,972.89	290.96	1,966.98	275.22	0.00	0.00	12.29
TOTAL OPERATIONS:	1,704,561.61	432,907.02	182,393.62	126,017.28	618,959.94	259,674.59	1,355.35	19,116.76	6,900.26	57,000.00	0.00	236.79
Operations w/o A&G Cap.	2,585,561.61	624,560.30	318,257.26	204,599.17	928,988.53	422,668.81	1,635.11	20,355.69	7,180.02	57,000.00	0.00	316.72
MAINTENANCE	6,915.34	1,709.47	831.92	581.58	2,616.76	1,143.11	4.84	21.44	4.84	0.00	0.00	1.38
DEPRECIATION	270,919.31	66,971.27	32,591.59	22,784.31	102,515.87	44,782.96	189.64	839.85	189.64	0.00	0.00	54.18
TAXES - OTHER	63,387.67	15,669.44	7,625.54	5,330.90	23,985.89	10,477.98	44.37	196.50	44.37	0.00	0.00	12.68
TOTAL	2,045,783.93	517,237.20	253,442.67	154,714.07	748,978.46	316,078.64	1,594.20	20,174.53	7,139.11	57,000.00	0.00	303.03

ATMOS ENERGY CORPORATION  
Shared Services Billing  
For The Year-To-Date 7/31/98

ALLOCATED DOLLARS

DEPARTMENT	Total	Energis	GCC	Trans L.A.	UCG	WKG	Egasco	Enemart	TLIG	UCG Energy	UCG Storage	WKGR
0112900 VP & Controller	611,145.93	212,332.36	104,066.82	72,985.94	75,060.39	142,713.54	592.91	2,596.27	592.91	0.00	0.00	204.79
0113000 Assistant Controller General Acctg	120,922.08	40,396.78	19,785.20	13,871.72	18,970.97	27,137.94	112.97	495.19	112.97	0.00	0.00	38.34
0113100 General Accounting	361,265.71	120,089.37	58,811.04	41,231.70	58,206.59	80,668.96	335.87	1,472.57	335.87	0.00	0.00	113.74
0113200 Payroll Accounting	405,112.50	131,226.38	64,234.43	45,024.27	74,038.18	88,119.68	367.36	1,611.92	367.36	0.00	0.00	122.92
0113300 Accounts Payable	197,879.51	68,315.50	33,478.62	23,478.65	25,410.93	45,912.81	190.81	835.66	190.81	0.00	0.00	65.72
0113400 Accounting Systems	24,221.07	9,016.74	4,424.34	3,104.57	1,441.04	6,065.43	25.12	109.79	25.12	0.00	0.00	8.92
0113500 Assistant Controller, Utility Acctg	73,402.26	21,144.86	10,326.22	7,230.38	20,126.06	14,175.10	59.49	261.92	59.49	0.00	0.00	18.74
0113600 Plant Accounting	301,816.73	99,946.97	48,943.37	34,312.53	49,599.23	67,135.10	279.57	1,225.88	279.57	0.00	0.00	94.51
0113700 Gas Accounting	582,057.07	188,229.89	92,134.38	64,579.45	107,175.72	126,395.17	526.96	2,312.37	526.96	0.00	0.00	176.17
0113800 Customer Billing	58,322.44	20,389.70	9,994.57	7,009.77	6,840.28	13,705.50	56.94	249.23	56.94	0.00	0.00	19.71
0113900 Financial Reporting	253,373.47	81,005.97	39,642.11	27,783.51	49,030.21	54,386.53	226.89	995.92	226.89	0.00	0.00	75.44
0114600 Dallas Taxation	417,265.40	165,070.17	81,074.67	56,915.01	0.00	111,117.80	458.99	2,002.88	458.99	0.00	0.00	166.89
0118300 Dallas Stores	483.56	483.56	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0119200 Controller Miscellaneous	211,795.93	52,515.61	25,453.78	17,794.11	80,063.79	34,974.32	148.05	653.78	148.05	0.00	0.00	42.30
0119700 Management Fee - UCGE	387,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	387,000.00	0.00	0.00
0119700 I/C Billing & Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0119800 Overhead Capitalized-Division 02	(4,532,111.59)	(1,125,494.72)	(547,321.16)	(382,831.59)	(1,722,292.30)	(752,543.51)	(3,202.44)	(14,145.32)	(3,165.57)	0.00	0.00	(914.98)
0119800 Overhead Capitalized-Op Company ACCOUNTING:	(4,237,888.41)	(977,539.36)	(958,133.18)	(561,941.83)	(635,198.40)	(1,123,975.64)	0.00	0.00	0.00	0.00	0.00	0.00
	(4,803,936.34)	(892,870.22)	(913,284.99)	(529,451.81)	(1,791,527.31)	(1,065,111.27)	179.49	680.06	216.50	387,000.00	0.00	233.21
0056000 Business Development	461,635.86	114,670.37	55,765.61	39,008.22	175,467.79	76,723.87	0.00	0.00	0.00	0.00	0.00	0.00
BUSINESS DEVELOPMENT:	461,635.86	114,670.37	55,765.61	39,008.22	175,467.79	76,723.87	0.00	0.00	0.00	0.00	0.00	0.00
0120100 Amarillo Call Center	27,684.01	10,951.82	5,379.01	3,776.09	0.00	7,372.25	30.44	132.89	30.44	0.00	0.00	11.07
CALL CENTER:	27,684.01	10,951.82	5,379.01	3,776.09	0.00	7,372.25	30.44	132.89	30.44	0.00	0.00	11.07
0050500 Chairman, President & CEO	1,387,575.73	343,081.71	166,891.77	116,694.80	524,980.89	229,393.53	976.77	4,313.06	964.12	0.00	0.00	279.08
0052100 Dallas Operations	640,107.87	163,180.99	82,181.15	55,945.24	231,576.30	105,104.09	321.61	1,539.19	192.96	0.00	0.00	64.34
0052500 Utility Services	137,215.48	33,932.24	16,501.23	11,539.76	51,908.95	22,686.42	96.99	427.37	94.81	0.00	0.00	27.71
0054700 Chief Financial Officer EXECUTIVE:	865,516.75	213,994.89	104,103.64	72,789.79	327,469.79	143,084.56	608.81	2,689.30	602.02	0.00	0.00	173.95
	3,030,415.83	754,189.83	369,677.79	256,969.59	1,133,937.93	500,268.60	2,004.18	8,968.92	1,853.91	0.00	0.00	545.08
0051700 Corporate Gas Control	448,303.22	80,694.56	44,830.31	22,415.17	201,736.44	89,660.66	0.00	4,483.04	4,483.04	0.00	0.00	0.00
GAS CONTROL:	448,303.22	80,694.56	44,830.31	22,415.17	201,736.44	89,660.66	0.00	4,483.04	4,483.04	0.00	0.00	0.00
0051500 Interstate Gas Supply	543,908.61	97,905.57	108,781.71	27,193.43	146,855.31	163,172.59	0.00	0.00	0.00	0.00	0.00	0.00
0051600 Intrastate Gas Supply	414,507.75	82,901.55	41,450.79	20,725.38	103,626.95	62,176.14	0.00	82,901.56	20,725.38	0.00	0.00	0.00
0051900 Gas Supply	240,936.80	55,415.43	40,959.26	24,093.69	55,415.48	40,959.26	0.00	12,046.84	12,046.84	0.00	0.00	0.00
GAS SUPPLY:	1,199,353.16	236,220.55	191,191.76	72,014.50	305,897.74	266,307.99	0.00	94,948.40	32,772.22	0.00	0.00	0.00

ATMOS ENERGY CORPORATION  
Shared Services Billing  
For The Year-To-Date 7/31/98

ALLOCATED DOLLARS

DEPARTMENT	Total	Energas	GGC	Trans La	UCG	WKG	Egasco	Enermart	TLJG	UCG Energy	UCG Storage	WKGR
0056100 Professional Development	40,378.31	12,371.94	5,819.59	4,132.19	10,127.02	7,927.57	0.00	0.00	0.00	0.00	0.00	0.00
0117100 Corporate Services	23,906.17	9,457.27	4,644.96	3,260.79	6,366.22	6,366.22	26.31	114.76	26.31	0.00	0.00	9.55
0117200 Compensation & Employment	448,921.49	157,269.14	73,989.13	52,533.16	61,338.83	100,791.23	0.00	0.00	0.00	0.00	0.00	0.00
0117300 Human Resources - VP	206,928.23	55,394.71	26,052.25	18,499.38	71,493.69	35,488.20	0.00	0.00	0.00	0.00	0.00	0.00
0117400 Employee & Labor Relations	97,106.94	23,995.08	12,225.88	8,681.35	33,550.81	16,653.82	0.00	0.00	0.00	0.00	0.00	0.00
0117500 Employee Benefits	787,216.20	287,903.50	135,452.72	96,171.91	83,167.65	184,520.42	0.00	0.00	0.00	0.00	0.00	0.00
0117800 Employee Communications	158,427.07	42,410.38	19,946.10	14,163.38	54,736.99	27,170.22	0.00	0.00	0.00	0.00	0.00	0.00
0117900 Facilities	124,848.99	33,421.60	15,718.60	11,161.50	43,135.71	21,411.58	0.00	0.00	0.00	0.00	0.00	0.00
0118100 Employee Development	273,410.12	73,191.85	34,422.34	24,442.87	94,463.21	46,889.85	0.00	0.00	0.00	0.00	0.00	0.00
0119000 Employee Relocation Expense	1,696.38	419.31	204.08	142.67	641.92	280.42	1.18	5.27	1.18	0.00	0.00	0.35
0119210 Performance Plan	1,405,876.00	347,599.85	169,095.91	118,233.85	531,911.72	232,416.47	989.18	4,368.91	977.51	0.00	0.00	282.60
0119300 Outside Directors Retirement Cost	230,000.00	56,869.28	27,662.89	19,342.94	87,017.86	38,023.96	161.99	715.11	159.69	0.00	0.00	46.28
0119400 Treasury - Worker's Comp	(12,416.90)	(4,912.13)	(2,412.60)	(1,693.66)	0.00	(3,306.62)	(13.66)	(59.60)	(13.66)	0.00	0.00	(4.97)
0119500 Human Resources - Benefits	206,576.51	79,348.06	38,972.01	27,358.64	0.00	53,413.52	220.64	962.77	220.64	0.00	0.00	80.23
0119600 Retirement Costs	1,222,057.58	302,254.85	146,938.86	102,774.32	462,253.64	202,066.76	867.62	3,814.14	839.49	0.00	0.00	247.90
HUMAN RESOURCES:	5,205,933.09	1,478,594.69	708,732.72	499,205.29	1,533,839.05	970,113.62	2,233.26	9,921.36	2,211.16	-	-	661.94
0115000 Information Services	159,403.35	47,757.23	17,885.06	12,831.98	52,969.73	27,959.35	0.00	0.00	0.00	0.00	0.00	0.00
0115100 Production Services	877,917.60	394,009.41	147,490.16	105,876.86	0.00	230,541.17	0.00	0.00	0.00	0.00	0.00	0.00
0115200 Mass Mail	54.74	24.57	9.20	6.60	0.00	14.37	0.00	0.00	0.00	0.00	0.00	0.00
0115300 Information Systems	577,026.14	230,835.74	86,418.56	62,037.97	62,639.52	135,084.35	0.00	0.00	0.00	0.00	0.00	0.00
0115400 Information Support	225,150.33	101,047.46	37,825.25	27,153.13	0.00	59,124.49	0.00	0.00	0.00	0.00	0.00	0.00
0115500 Office Equipment	35,091.37	10,513.38	3,937.25	2,824.86	11,660.86	6,155.02	0.00	0.00	0.00	0.00	0.00	0.00
0115600 Telecommunication Services	489,506.77	146,656.23	54,922.66	39,405.30	167,663.10	85,839.48	0.00	0.00	0.00	0.00	0.00	0.00
INFORMATION TECHNOLOGY:	2,364,150.30	930,844.02	348,488.14	250,126.70	289,933.21	544,738.23	-	-	-	-	-	-
0116400 Internal Audit	444,701.53	109,951.98	53,487.57	37,399.30	168,251.83	73,517.32	312.93	1,382.03	309.15	0.00	0.00	89.42
INTERNAL AUDIT:	444,701.53	109,951.98	53,487.57	37,399.30	168,251.83	73,517.32	312.93	1,382.03	309.15	-	-	89.42
0054900 Investor Relations	970,890.15	239,954.60	116,774.02	81,635.03	367,309.17	160,455.08	679.49	3,009.14	679.49	0.00	0.00	194.13
0117700 Corporate Communications	405,852.21	100,345.75	48,815.23	34,132.08	153,554.12	67,094.50	285.54	1,261.17	282.23	0.00	0.00	81.59
0052400 Public Affairs	134,990.95	53,402.41	26,228.75	18,412.77	0.00	35,948.09	148.49	647.95	148.49	0.00	0.00	54.00
INVESTOR RELATIONS:	1,511,533.31	393,702.76	191,818.00	134,179.88	520,863.29	263,497.67	1,113.52	4,918.26	1,110.21	-	-	329.72
0052000 Legal	1,843,652.52	455,745.97	221,786.99	155,049.49	697,630.55	304,752.45	1,290.54	5,715.25	1,290.54	0.00	0.00	368.74
0052099 Contract Administration	61,447.56	1,278.08	12,142.05	1,278.11	10,224.87	12,830.26	1,278.11	12,830.26	9,585.82	0.00	0.00	0.00
0052200 Governmental Affairs	78,705.56	19,456.00	9,468.26	6,619.12	29,782.17	13,010.04	55.11	243.98	55.11	0.00	0.00	15.77
0057900 Corporate Secretary	793,383.27	196,124.35	95,444.00	66,723.53	300,216.24	131,146.26	555.37	2,459.47	555.37	0.00	0.00	158.68
0118200 Central Records	141,424.95	42,088.09	15,754.73	11,299.85	46,656.09	24,622.08	113.14	876.83	14.14	0.00	0.00	0.00
LEGAL:	2,918,593.86	714,692.49	354,598.03	240,970.10	1,084,509.92	486,361.09	3,292.27	22,125.79	11,500.98	-	-	543.19

ATMOS ENERGY CORPORATION  
Shared Services Billing  
For The Year-To-Date 7/31/98

ALLOCATED DOLLARS

DEPARTMENT	Total	Energys	GCC	Trans La	UCG	WKG	Egasco	Enertmart	TLIG	UCG Energy	UCG Storage	WKGR
0054600 New Business Ventures	225,116.28	55,659.77	27,076.40	18,932.25	85,172.23	37,215.85	158.41	699.60	156.50	0.00	0.00	45.27
NEW BUSINESS VENTURES:	225,116.28	55,659.77	27,076.40	18,932.25	85,172.23	37,215.85	158.41	699.60	156.50	-	-	45.27
0054400 Financial & Strategic Planning	484,543.66	119,807.07	58,277.78	40,750.00	183,321.60	80,105.47	341.27	1,506.53	336.44	0.00	0.00	97.50
0054500 Business Strategies & Competitive Intelligence	10.50	2.60	1.27	0.88	3.97	1.73	0.01	0.03	0.01	0.00	0.00	0.00
0114300 Budget & Planning	86,229.06	27,964.49	13,688.71	9,595.00	15,675.96	18,778.67	78.28	343.47	78.28	0.00	0.00	26.20
PLANNING & BUDGETTING:	570,783.22	147,774.16	71,967.76	50,345.88	199,001.53	98,885.87	419.56	1,850.03	414.73	-	-	123.70
0054000 Price Policy & Administration - V.P.	270,559.18	56,118.63	47,242.81	20,862.21	110,647.06	34,904.07	81.27	567.68	81.27	0.00	0.00	54.18
0054000 Price Policy & Administration	631,873.07	217,237.97	193,353.17	82,964.92	0.00	135,599.95	252.75	1,958.81	315.94	0.00	0.00	189.56
PRICE POLICY & ADMINISTRATION:	902,432.25	273,356.60	240,595.98	103,827.13	110,647.06	170,504.02	334.02	2,576.49	397.21	-	-	243.74
0054100 Regulatory Affairs	289,998.16	43,499.70	72,499.56	28,999.82	115,999.26	28,999.82	0.00	0.00	0.00	0.00	0.00	0.00
REGULATORY AFFAIRS:	289,998.16	43,499.70	72,499.56	28,999.82	115,999.26	28,999.82	0.00	0.00	0.00	-	-	0.00
0118000 Remittance Processing	306,998.08	99,605.40	37,285.00	26,747.49	82,704.28	58,273.54	268.13	2,077.92	36.32	0.00	0.00	0.00
REMITTANCE PROCESSING:	306,998.08	99,605.40	37,285.00	26,747.49	82,704.28	58,273.54	268.13	2,077.92	36.32	-	-	0.00
0056200 Technical Services	289,670.07	65,861.17	40,032.04	26,107.90	111,760.22	45,038.46	200.45	464.46	176.02	0.00	0.00	29.35
TECHNICAL SERVICES:	289,670.07	65,861.17	40,032.04	26,107.90	111,760.22	45,038.46	200.45	464.46	176.02	-	-	29.35
0114500 Dallas Treasury	275,457.91	96,543.20	40,606.58	22,090.34	28,924.45	65,573.90	2,364.32	17,100.99	2,254.13	0.00	0.00	0.00
0114700 Dallas Risk Management	125,675.88	31,072.44	15,116.34	10,569.32	47,550.02	20,776.23	88.39	390.44	87.45	0.00	0.00	25.25
0114800 Dallas Treasurer	192,330.03	47,560.42	23,134.39	16,176.59	72,772.98	31,799.77	135.52	598.12	133.52	0.00	0.00	38.72
0117600 Purchasing	148,754.14	40,838.69	28,846.39	20,690.12	20,507.13	37,871.81	0.00	0.00	0.00	0.00	0.00	0.00
0118500 Mail & Supply	179,196.19	63,556.03	29,900.87	21,229.93	23,777.05	40,732.29	0.00	0.00	0.00	0.00	0.00	0.00
0118900 Fleet Administration	9,198.11	3,638.76	1,787.19	1,254.61	0.00	2,449.46	10.13	44.15	10.13	0.00	0.00	3.68
0118600 Purchasing & Stores	109,461.95	33,561.82	19,707.88	13,991.50	15,432.74	26,406.39	57.32	229.27	57.32	0.00	0.00	17.71
TREASURY:	1,040,094.21	316,771.38	159,099.64	106,002.41	208,964.37	225,609.85	2,655.68	18,362.97	2,342.55	-	-	85.36
TOTAL OPERATIONS:	16,433,460.10	4,934,571.03	2,059,240.33	1,387,575.91	4,539,178.84	2,877,977.44	13,222.34	173,542.22	58,210.94	387,000.00	-	2,941.05
Operations w/o A&G Cap.	25,243,460.10	7,037,605.11	3,564,894.67	2,332,349.33	6,896,669.54	4,755,596.59	16,424.78	187,687.54	61,376.51	387,000.00	-	3,856.03
MAINTENANCE	41,011.61	10,138.68	4,933.41	3,449.07	15,518.13	6,779.47	28.75	127.24	28.64	0.00	0.00	8.22
DEPRECIATION	2,709,793.10	670,202.39	325,831.00	227,892.02	1,025,021.86	448,056.34	1,922.43	8,454.56	1,863.26	0.00	0.00	549.24
TAXES - OTHER	772,269.19	190,932.71	92,891.21	64,947.72	292,197.08	127,666.46	542.66	2,398.44	537.85	0.00	0.00	155.06
TOTAL	19,956,534.00	5,805,844.81	2,482,895.95	1,683,864.72	5,871,915.91	3,460,479.71	15,716.18	184,522.46	60,640.69	387,000.00	-	3,653.57

**ATMOS ENERGY CORPORATION**  
**Analysis of Shared Services - Actual vs. Budget**  
**For The Month Ended 7/31/98**

Department Name	FY '98	Budget	Actual	Actual	Prior	Actual
	Actual	Budget	Over (Under)	Over (Under)	Year	Over (Under)
<b>EXECUTIVE:</b>	494,649	272,035	222,614	(191,115)	685,764	
<b>FINANCE:</b>						
ACCOUNTING	1,143,580	422,349	721,231	311,501	832,079	
INFORMATION TECHNOLOGY	562,652	519,847	42,805	502,066	60,586	
INTERNAL AUDIT	71,960	64,001	7,959	32,930	39,030	
INVESTOR RELATIONS	157,412	185,302	(27,890)	201,594	(44,182)	
NEW BUSINESS VENTURES	32,471	22,943	9,528	-	32,471	
PLANNING & BUDGETING	58,960	76,816	(17,856)	48,272	10,688	
PRICE POLICY & ADMINISTRATION	165,563	90,601	74,962	85,071	80,492	
REGULATORY AFFAIRS	39,615	27,646	11,969	-	39,615	
TREASURY:	433,014	443,911	(10,897)	273,492	159,522	
<b>TOTAL FINANCE:</b>	<b>2,665,227</b>	<b>1,853,416</b>	<b>811,811</b>	<b>1,454,926</b>	<b>1,210,301</b>	
<b>OPERATIONS:</b>						
BUSINESS DEVELOPMENT	84,727	60,161	24,566	54,990	29,737	
CALL CENTER	-	-	-	928	(928)	
GAS SUPPLY & GAS CONTROL	193,103	176,100	17,003	109,926	83,177	
TECHNICAL SERVICES	24,482	11,370	13,112	90,959	(66,477)	
<b>TOTAL OPERATIONS:</b>	<b>302,312</b>	<b>247,631</b>	<b>54,681</b>	<b>256,803</b>	<b>45,509</b>	
<b>HUMAN RESOURCES:</b>	93,993	592,115	(498,122)	658,448	(564,455)	
<b>LEGAL:</b>	634,751	362,521	272,230	257,530	377,221	
<b>OVERHEAD CAPITALIZED:</b>	(881,000)	(883,917)	2,917	(990,000)	109,000	
<b>TOTAL O&amp;M</b>	<b>3,309,932</b>	<b>2,443,801</b>	<b>866,131</b>	<b>1,446,592</b>	<b>1,863,340</b>	
<b>DEPRECIATION</b>	270,919	198,000	72,919	385,972	(115,052)	
<b>TAXES - OTHER</b>	63,388	57,000	6,388	68,062	(4,675)	
<b>TOTAL</b>	<b>3,644,239</b>	<b>2,698,801</b>	<b>945,438</b>	<b>1,900,626</b>	<b>1,743,613</b>	

ATMOS ENERGY CORPORATION

Analysis of Shared Services - Actual vs. Budget

For The Year-To-Date 7/31/98

Department Name	FY '98 Actual	Budget	Actual Over (Under) Budget	Prior Year	Actual Over (Under) Prior
EXECUTIVE:	3,024,146	2,737,783	286,363	6,318,400	(3,294,254)
FINANCE:					
ACCOUNTING	4,205,323	3,791,957	413,366	2,818,839	1,386,484
INFORMATION TECHNOLOGY	5,704,768	5,831,746	(126,978)	5,423,819	280,949
INTERNAL AUDIT	444,954	585,513	(140,559)	400,413	44,541
INVESTOR RELATIONS	1,511,666	1,861,434	(349,768)	2,056,409	(544,743)
NEW BUSINESS VENTURES	225,117	229,430	(4,313)	-	225,117
PLANNING & BUDGETING	580,466	777,346	(196,880)	449,842	130,624
PRICE POLICY & ADMINISTRATION	1,049,831	902,938	146,893	944,069	105,762
REGULATORY AFFAIRS	314,136	276,481	37,655	-	314,136
TREASURY:	3,305,700	4,378,447	(1,072,747)	2,500,083	805,617
TOTAL FINANCE:	<u>17,341,961</u>	<u>18,635,292</u>	<u>(1,293,331)</u>	<u>14,593,474</u>	<u>2,748,487</u>
OPERATIONS:					
BUSINESS DEVELOPMENT	473,514	620,038	(146,524)	558,369	(84,855)
CALL CENTER	36,433	-	36,433	928	35,505
GAS SUPPLY & GAS CONTROL	1,679,961	1,757,800	(77,839)	1,118,580	561,381
TECHNICAL SERVICES	289,819	203,976	85,843	950,903	(661,084)
TOTAL OPERATIONS:	<u>2,479,727</u>	<u>2,581,814</u>	<u>(102,087)</u>	<u>2,628,780</u>	<u>(149,053)</u>
HUMAN RESOURCES:	4,484,522	5,896,833	(1,412,311)	7,004,504	(2,519,982)
LEGAL:	4,909,252	3,354,317	1,554,935	2,654,079	2,255,173
OVERHEAD CAPITALIZED:	(8,810,000)	(8,839,170)	29,170	(9,100,000)	290,000
TOTAL O&M	<u>23,429,608</u>	<u>24,366,869</u>	<u>(937,261)</u>	<u>24,099,237</u>	<u>(669,629)</u>
DEPRECIATION	2,709,793	1,980,000	729,793	3,297,585	(587,791)
TAXES - OTHER	779,786	570,000	209,786	758,656	21,129
TOTAL	<u>26,919,187</u>	<u>26,916,869</u>	<u>2,318</u>	<u>28,155,478</u>	<u>(1,236,291)</u>

**ATMOS ENERGY CORPORATION**  
**Analysis of Shared Services - Actual vs. Budget**  
**For The Month Ended 7/31/98**

Department Name	FY '98		Actual		Prior		Actual	
	Actual	Budget	Over (Under) Budget	Year	Over (Under) Budget	Year	Over (Under) Budget	Prior
<b>EXECUTIVE:</b>								
0050500	170,930	122,564	48,366	(183,611)	48,366	(183,611)	354,541	
0052100	163,248	55,348	107,900	29,281	107,900	29,281	133,967	
0052500	9,542	24,340	(14,798)	21,889	(14,798)	21,889	(12,347)	
0054700	150,929	69,783	81,146	(58,674)	81,146	(58,674)	209,603	
	494,649	272,035	222,614	(191,115)	222,614	(191,115)	685,764	
<b>EXECUTIVE:</b>								
<b>FINANCE:</b>								
0112900	81,564	64,456	17,108	56,015	17,108	56,015	25,549	
0113000	16,853	84,564	(67,711)	14,544	(67,711)	14,544	2,309	
0113100	53,444	-	53,444	38,200	53,444	38,200	15,244	
0113200	68,400	-	68,400	28,255	68,400	28,255	40,145	
0113300	22,140	-	22,140	21,581	22,140	21,581	559	
0113400	1,907	64,873	(62,966)	9,863	(62,966)	9,863	(7,956)	
0113500	29,189	-	29,189	4,485	29,189	4,485	24,704	
0113600	33,377	-	33,377	25,663	33,377	25,663	7,714	
0113700	85,696	77,397	8,299	52,794	8,299	52,794	32,902	
0113800	5,638	-	5,638	5,786	5,638	5,786	(148)	
0113900	43,303	86,304	(43,001)	24,943	(43,001)	24,943	18,360	
0114600	72,718	43,038	29,680	29,372	29,680	29,372	43,346	
0118300	173	-	173	-	173	-	173	
0119200	629,178	1,717	627,461	-	627,461	-	629,178	
	1,143,580	422,349	721,231	311,501	721,231	311,501	832,079	
<b>ACCOUNTING</b>								
0115000	27,140	25,245	1,895	22,681	1,895	22,681	4,459	
0115100	167,577	137,785	29,792	119,848	29,792	119,848	47,729	
0115200	161,004	219,960	(58,956)	233,679	(58,956)	233,679	(72,675)	
0115300	119,811	68,732	51,079	123,231	51,079	123,231	(3,420)	
0115400	41,685	37,990	3,695	(28,878)	3,695	(28,878)	70,563	
0115500	4,831	4,191	640	27,553	640	27,553	(22,722)	
0115600	40,604	25,944	14,660	3,952	14,660	3,952	36,652	
	562,652	519,847	42,805	502,066	42,805	502,066	60,586	
0116400	71,960	64,001	7,959	32,930	7,959	32,930	39,030	
	71,960	64,001	7,959	32,930	7,959	32,930	39,030	

**ATMOS ENERGY CORPORATION**  
**Analysis of Shared Services - Actual vs. Budget**  
**For The Month Ended 7/31/98**

Department Name	FY '98 Actual	Budget	Actual Over (Under) Budget	Prior Year	Actual Over (Under) Prior
0054900 Investor Relations	94,991	133,242	(38,251)	122,390	(27,399)
0052400 Public Affairs	1,014	-	1,014	23,708	(22,694)
0117700 Corporate Communications	61,407	52,060	9,347	55,496	5,911
<b>INVESTOR RELATIONS</b>	<b>157,412</b>	<b>185,302</b>	<b>(27,890)</b>	<b>201,594</b>	<b>(44,182)</b>
0054200 Retail Services	11,111	-	11,111	-	11,111
0054600 New Business Ventures	21,360	22,943	(1,583)	-	21,360
<b>NEW BUSINESS VENTURES</b>	<b>32,471</b>	<b>22,943</b>	<b>9,528</b>	<b>-</b>	<b>32,471</b>
0054400 Financial & Strategic Planning	53,676	20,629	33,047	30,824	22,852
0054500 Business Strategies & Competitive Intelligence	-	28,328	(28,328)	-	-
0114300 Budget & Planning	5,284	27,859	(22,575)	17,448	(12,164)
<b>PLANNING &amp; BUDGETING</b>	<b>58,960</b>	<b>76,816</b>	<b>(17,856)</b>	<b>48,272</b>	<b>10,688</b>
0054000 Price Policy & Administration	165,563	90,601	74,962	85,071	80,492
<b>PRICE POLICY &amp; ADMINISTRATION</b>	<b>165,563</b>	<b>90,601</b>	<b>74,962</b>	<b>85,071</b>	<b>80,492</b>
0054100 Regulatory Affairs	39,615	27,646	11,969	-	39,615
<b>REGULATORY AFFAIRS</b>	<b>39,615</b>	<b>27,646</b>	<b>11,969</b>	<b>-</b>	<b>39,615</b>
0114500 Dallas Treasury	39,409	52,868	(13,459)	19,527	19,882
0114700 Dallas Risk Management	187,628	239,895	(52,267)	-	187,628
0114800 Dallas Treasurer	35,581	19,332	16,249	129,951	(94,370)
0117600 Purchasing	19,162	17,544	1,618	15,684	3,478
0118000 Remittance Processing	111,765	76,547	35,218	64,713	47,052
0118500 Mail & Supply	25,261	20,268	4,993	19,435	5,826
0118600 Purchasing & Stores	14,197	11,165	3,032	24,182	(9,985)
0118909 Fleet Administration	11	6,292	(6,281)	-	11
<b>TREASURY:</b>	<b>433,014</b>	<b>443,911</b>	<b>(10,897)</b>	<b>273,492</b>	<b>159,522</b>
<b>TOTAL FINANCE:</b>	<b>2,665,227</b>	<b>1,853,416</b>	<b>811,811</b>	<b>1,454,926</b>	<b>1,210,301</b>



**ATMOS ENERGY CORPORATION**  
**Analysis of Shared Services - Actual vs. Budget**  
**For The Month Ended 7/31/98**

Department Name	FY '98 Actual	Budget	Actual Over (Under) Budget	Prior Year	Actual Over (Under) Prior
<b>OPERATIONS:</b>					
0056000 Business Development	84,727	60,161	24,566	54,990	29,737
<b>BUSINESS DEVELOPMENT</b>	<u>84,727</u>	<u>60,161</u>	<u>24,566</u>	<u>54,990</u>	<u>29,737</u>
0120100 Amarillo Call Center	-	-	-	928	(928)
<b>CALL CENTER</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>928</u>	<u>(928)</u>
0051500 Interstate Gas Supply	47,647	59,500	(11,853)	45,384	2,263
0051600 Intrastate Gas Supply	44,421	42,900	1,521	43,333	1,088
0051700 Corporate Gas Control	70,941	48,300	22,641	-	70,941
0051900 Gas Supply	30,094	25,400	4,694	21,209	8,885
<b>GAS SUPPLY &amp; GAS CONTROL</b>	<u>193,103</u>	<u>176,100</u>	<u>17,003</u>	<u>109,926</u>	<u>83,177</u>
0056200 Technical Services	24,482	11,370	13,112	90,959	(66,477)
<b>TECHNICAL SERVICES</b>	<u>24,482</u>	<u>11,370</u>	<u>13,112</u>	<u>90,959</u>	<u>(66,477)</u>
<b>TOTAL OPERATIONS:</b>	<u>302,312</u>	<u>247,631</u>	<u>54,681</u>	<u>256,803</u>	<u>45,509</u>
<b>HUMAN RESOURCES:</b>					
0056100 Professional Development	4,666	24,721	(20,055)	1,280	3,386
0117000 Dallas EAPC	401	1,716	(1,315)	-	401
0117100 Corporate Services	1,612	-	1,612	(14,073)	15,685
0117200 Compensation & Employment	52,346	65,363	(13,017)	66,155	(13,809)
0117300 Human Resources - VP	23,494	20,495	2,999	30,367	(6,873)
0117400 Employee & Labor Relations	12,500	9,959	2,541	9,661	2,839
0117500 Employee Benefits	(61,115)	117,350	(178,465)	104,864	(165,979)
0117800 Employee Communications	19,566	14,708	4,858	-	19,566
0117900 Facilities	18,561	12,756	5,805	-	18,561
0118100 Employee Development	51,450	32,128	19,322	24,367	27,083
0119000 Employee Relocation Expense	33,195	67,919	(34,724)	11,994	21,201
0119210 Performance Plan	269,604	-	269,604	97,155	172,449
0119300 Outside Directors Retirement Cost	-	-	-	14,000	(14,000)
0119400 Treasury - Worker's Comp	(331,902)	-	(331,902)	(1)	(331,901)
0119500 Human Resources - Benefits	407,594	-	407,594	(6)	407,600
0119600 Retirement Costs	(407,979)	225,000	(632,979)	312,685	(720,664)
<b>HUMAN RESOURCES:</b>	<u>93,993</u>	<u>592,115</u>	<u>(498,122)</u>	<u>658,448</u>	<u>(564,455)</u>

**ATMOS ENERGY CORPORATION**  
**Analysis of Shared Services - Actual vs. Budget**  
**For The Month Ended 7/31/98**

Department Name	FY '98 Actual	Budget	Actual Over (Under) Budget	Prior Year	Actual Over (Under) Prior
<b>LEGAL:</b>					
0052000 Legal	531,099	192,257	338,842	183,356	347,743
0051400 Contract Administration	10,020	11,850	(1,830)	-	10,020
0052200 Governmental Affairs	8,483	10,811	(2,328)	9,761	(1,278)
0057900 Corporate Secretary	65,368	126,390	(61,022)	48,655	16,713
0118200 Central Records	19,781	21,213	(1,432)	15,758	4,023
<b>LEGAL:</b>	<u>634,751</u>	<u>362,521</u>	<u>272,230</u>	<u>257,530</u>	<u>377,221</u>
<b>OVERHEAD CAPITALIZED:</b>					
0119800 Overhead Capitalized	(881,000)	(883,917)	2,917	(990,000)	109,000
<b>OVERHEAD CAPITALIZED:</b>	<u>(881,000)</u>	<u>(883,917)</u>	<u>2,917</u>	<u>(990,000)</u>	<u>109,000</u>
<b>TOTAL O&amp;M</b>	<u>3,309,932</u>	<u>2,443,801</u>	<u>866,131</u>	<u>1,446,592</u>	<u>1,863,340</u>
<b>DEPRECIATION</b>	270,919	198,000	72,919	385,972	(115,052)
<b>TAXES - OTHER</b>	63,388	57,000	6,388	68,062	(4,675)
<b>TOTAL</b>	<u>3,644,239</u>	<u>2,698,801</u>	<u>945,438</u>	<u>1,900,626</u>	<u>1,743,613</u>

ATMOS ENERGY CORPORATION  
 Analysis of Shared Services - Actual vs. Budget  
 For The Year-To-Date 7/31/98

Department Name	FY '98 Actual	Budget	Actual Over (Under) Budget	Prior Year	Actual Over (Under) Prior
<b>EXECUTIVE:</b>					
0050500 Chairman, President & CEO	1,387,468	1,240,092	147,376	4,238,116	(2,850,648)
0052100 Dallas Operations	633,947	555,525	78,422	311,462	322,485
0052500 Utility Services	137,216	246,670	(109,454)	228,306	(91,090)
0054700 Chief Financial Officer	865,515	695,496	170,019	1,540,516	(675,001)
	<u>3,024,146</u>	<u>2,737,783</u>	<u>286,363</u>	<u>6,318,400</u>	<u>(3,294,254)</u>
<b>EXECUTIVE:</b>					
<b>FINANCE:</b>					
0112900 VP & Controller	801,499	644,560	156,939	456,562	344,937
0113000 Assistant Controller General Accg	120,922	878,844	(757,922)	143,764	(22,842)
0113100 General Accounting	361,266	-	361,266	388,999	(27,733)
0113200 Payroll Accounting	409,037	-	409,037	272,833	136,204
0113300 Accounts Payable	197,881	-	197,881	184,961	12,920
0113400 Accounting Systems	24,414	527,130	(502,716)	75,928	(51,514)
0113500 Assistant Controller, Utility Acctg	68,754	-	68,754	43,578	25,176
0113600 Plant Accounting	299,393	-	299,393	233,078	66,315
0113700 Gas Accounting	582,052	684,172	(102,120)	491,868	90,184
0113800 Customer Billing	55,638	-	55,638	112,378	(56,740)
0113900 Financial Reporting	253,373	689,388	(436,015)	213,777	39,596
0114600 Dallas Taxation	344,262	350,693	(6,431)	201,113	143,149
0118300 Dallas Stores	546	-	546	-	546
0119200 Controller Miscellaneous	686,286	17,170	669,116	-	686,286
	<u>4,205,323</u>	<u>3,791,957</u>	<u>413,366</u>	<u>2,818,839</u>	<u>1,386,484</u>
<b>ACCOUNTING</b>					
0115000 Information Services	245,103	248,738	(3,635)	233,587	11,516
0115100 Production Services	1,427,902	1,612,807	(184,905)	1,374,687	53,215
0115200 Mass Mail	2,220,891	2,303,606	(82,715)	2,278,482	(57,591)
0115300 Information Systems	934,444	967,015	(32,571)	934,483	(39)
0115400 Information Support	356,247	390,169	(33,922)	374,277	(18,030)
0115500 Office Equipment	30,272	41,910	(11,638)	195,741	(165,469)
0115600 Telecommunication Services	489,909	267,501	222,408	32,562	457,347
	<u>5,704,768</u>	<u>5,831,746</u>	<u>(126,978)</u>	<u>5,423,819</u>	<u>280,949</u>
<b>INFORMATION TECHNOLOGY</b>					
0116400 Internal Audit	444,954	585,513	(140,559)	400,413	44,541
	<u>444,954</u>	<u>585,513</u>	<u>(140,559)</u>	<u>400,413</u>	<u>44,541</u>

**ATMOS ENERGY CORPORATION**  
**Analysis of Shared Services - Actual vs. Budget**  
**For The Year-To-Date 7/31/98**

Department Name	FY '98 Actual	Budget	Actual Over (Under) Budget	Prior Year	Actual Over (Under) Prior
0054900 Investor Relations	970,820	1,327,628	(356,808)	1,260,754	(289,934)
0052400 Public Affairs	134,993	-	134,993	250,462	(115,469)
0117700 Corporate Communications	405,853	533,806	(127,953)	545,193	(139,340)
<b>INVESTOR RELATIONS</b>	<b>1,511,666</b>	<b>1,861,434</b>	<b>(349,768)</b>	<b>2,056,409</b>	<b>(544,743)</b>
0054200 Retail Services	36,662	-	36,662	-	36,662
0054600 New Business Ventures	188,455	229,430	(40,975)	-	188,455
<b>NEW BUSINESS VENTURES</b>	<b>225,117</b>	<b>229,430</b>	<b>(4,313)</b>	<b>-</b>	<b>225,117</b>
0054400 Financial & Strategic Planning	492,850	206,290	286,560	263,334	229,516
0054500 Business Strategies & Competitive Intelligence	11	310,145	(310,134)	-	11
0114300 Budget & Planning	87,605	260,911	(173,306)	186,508	(98,903)
<b>PLANNING &amp; BUDGETING</b>	<b>580,466</b>	<b>777,346</b>	<b>(196,880)</b>	<b>449,842</b>	<b>130,624</b>
0054000 Price Policy & Administration	1,049,831	902,938	146,893	944,069	105,762
<b>PRICE POLICY &amp; ADMINISTRATION</b>	<b>1,049,831</b>	<b>902,938</b>	<b>146,893</b>	<b>944,069</b>	<b>105,762</b>
0054100 Regulatory Affairs	314,136	276,481	37,655	-	314,136
<b>REGULATORY AFFAIRS</b>	<b>314,136</b>	<b>276,481</b>	<b>37,655</b>	<b>-</b>	<b>314,136</b>
0114500 Dallas Treasury	285,694	488,675	(202,981)	313,894	(28,200)
0114700 Dallas Risk Management	1,657,076	2,386,920	(729,844)	-	1,657,076
0114800 Dallas Treasurer	187,664	193,986	(6,322)	1,032,981	(845,317)
0117600 Purchasing	148,752	171,180	(22,428)	155,515	(6,763)
0118000 Remittance Processing	729,697	755,516	(25,819)	580,152	149,545
0118500 Mail & Supply	186,976	203,340	(16,364)	210,315	(23,339)
0118600 Purchasing & Stores	109,757	114,210	(4,453)	207,226	(97,469)
0118909 Fleet Administration	84	64,620	(64,536)	-	84
<b>TREASURY:</b>	<b>3,305,700</b>	<b>4,378,447</b>	<b>(1,072,747)</b>	<b>2,500,083</b>	<b>805,617</b>
<b>TOTAL FINANCE:</b>	<b>17,341,961</b>	<b>18,635,292</b>	<b>(1,293,331)</b>	<b>14,593,474</b>	<b>2,748,487</b>

**ATMOS ENERGY CORPORATION**  
**Analysis of Shared Services - Actual vs. Budget**  
**For The Year-To-Date 7/31/98**

Department Name	FY '98 Actual	Budget	Actual Over (Under) Budget	Prior Year	Actual Over (Under) Prior
<b>OPERATIONS:</b>					
0056000 Business Development BUSINESS DEVELOPMENT	473,514 473,514	620,038 620,038	(146,524) (146,524)	558,369 558,369	(84,855) (84,855)
0120100 Amarillo Call Center CALL CENTER	36,433 36,433	- -	36,433 36,433	928 928	35,505 35,505
0051500 Interstate Gas Supply	543,259	595,800	(52,541)	443,745	99,514
0051600 Intrastate Gas Supply	425,857	428,000	(2,143)	433,065	(7,208)
0051700 Corporate Gas Control	466,722	481,900	(15,178)	-	466,722
0051900 Gas Supply	244,123	252,100	(7,977)	241,770	2,353
<b>GAS SUPPLY &amp; GAS CONTROL</b>	<b>1,679,961</b>	<b>1,757,800</b>	<b>(77,839)</b>	<b>1,118,580</b>	<b>561,381</b>
0056200 Technical Services TECHNICAL SERVICES	289,819 289,819	203,976 203,976	85,843 85,843	950,903 950,903	(661,084) (661,084)
<b>TOTAL OPERATIONS:</b>	<b>2,479,727</b>	<b>2,581,814</b>	<b>(102,087)</b>	<b>2,628,780</b>	<b>(149,053)</b>
<b>HUMAN RESOURCES:</b>					
0056100 Professional Development	40,379	247,210	(206,831)	88,767	(48,388)
0117000 Dallas EAPC	4,887	17,178	(12,291)	-	4,887
0117100 Corporate Services	23,715	-	23,715	295,596	(271,881)
0117200 Compensation & Employment	462,484	594,529	(132,045)	576,510	(114,026)
0117300 Human Resources - VP	207,898	203,045	4,853	214,193	(6,295)
0117400 Employee & Labor Relations	97,492	95,913	1,579	52,423	45,069
0117500 Employee Benefits	1,168,468	1,108,572	59,896	1,222,355	(53,887)
0117800 Employee Communications	158,426	191,564	(33,138)	-	158,426
0117900 Facilities	143,315	136,416	6,899	-	143,315
0118100 Employee Development	291,892	371,498	(79,606)	443,983	(152,091)
0119000 Employee Relocation Expense	205,904	679,190	(473,286)	689,048	(483,144)
0119210 Performance Plan	1,705,876	-	1,705,876	885,775	820,101
0119300 Outside Directors Retirement Cost	230,000	1,718	228,282	140,000	90,000
0119400 Treasury - Worker's Comp	(405,922)	-	(405,922)	86	(406,008)
0119500 Human Resources - Benefits	189,505	-	189,505	653	188,852
0119600 Retirement Costs	(39,797)	2,250,000	(2,289,797)	2,395,115	(2,434,912)
<b>HUMAN RESOURCES:</b>	<b>4,484,522</b>	<b>5,896,833</b>	<b>(1,412,311)</b>	<b>7,004,504</b>	<b>(2,519,982)</b>

ATMOS ENERGY CORPORATION  
 Analysis of Shared Services - Actual vs. Budget  
 For The Year-To-Date 7/31/98

Department Name	FY '98 Actual	Budget	Actual Over (Under) Budget	Prior Year	Actual Over (Under) Prior
LEGAL:					
0052000 Legal	3,834,101	1,909,194	1,924,907	1,768,788	2,065,313
0051400 Contract Administration	61,447	104,682	(43,235)	-	61,447
0052200 Governmental Affairs	78,705	103,919	(25,214)	82,766	(4,061)
0057900 Corporate Secretary	793,574	1,021,800	(228,226)	628,541	165,033
0118200 Central Records	141,425	214,722	(73,297)	173,984	(32,559)
LEGAL:	4,909,252	3,354,317	1,554,935	2,654,079	2,255,173
OVERHEAD CAPITALIZED:					
0119800 Overhead Capitalized	(8,810,000)	(8,839,170)	29,170	(9,100,000)	290,000
OVERHEAD CAPITALIZED:	(8,810,000)	(8,839,170)	29,170	(9,100,000)	290,000
TOTAL O&M	23,429,608	24,366,869	(937,261)	24,099,237	(669,629)
DEPRECIATION	2,709,793	1,980,000	729,793	3,297,585	(587,791)
TAXES - OTHER	779,786	570,000	209,786	758,656	21,129
TOTAL	26,919,187	26,916,869	2,318	28,155,478	(1,236,291)

ATMOS ENERGY CORPORATION UTILITY BUSINESS UNITS  
CONSOLIDATING STATEMENT OF INCOME  
FOR THE MONTH ENDED 07/31/98

1998

Line No.	Description (a)	Utility Business Units					Total Utility Business Units (g)	Line No.
		Energas (b)	GGC (c)	Trans La (d)	UCG (e)	WKG (f)		
	Operating revenues							
1	Gas	\$19,268,309.42	\$4,349,046.88	\$2,912,382.99	\$12,308,153.49	\$3,881,655.84	\$42,719,548.62	
2	Transportation	149,831.79	125,675.79	21,137.27	1,140,310.49	618,903.57	2,055,858.91	
3	Other	0.00	0.00	0.00	0.00	0.00	0.00	
4	Total operating revenues	19,418,141.21	4,474,722.67	2,933,520.26	13,448,463.98	4,500,559.41	44,775,407.53	
5	Purchased gas cost	12,830,657.25	1,359,617.03	1,631,527.32	8,559,178.06	3,303,071.61	27,684,051.27	
6	Gross profit	6,587,483.96	3,115,105.64	1,301,992.94	4,889,285.92	1,197,487.80	17,091,356.26	
	Operating expenses							
7	Operation	1,836,856.69	1,081,798.60	595,584.85	2,996,427.65	1,104,617.68	7,615,285.47	
8	Maintenance	79,090.45	72,129.86	49,083.31	445,901.87	72,553.16	718,758.65	
9	Depreciation and amortization	548,925.06	2,291.78	306,393.74	1,540,749.84	545,335.42	2,943,695.84	
10	Taxes - other than income taxes	502,050.74	199,791.51	230,309.54	809,889.77	162,085.47	1,904,127.03	
11	Shared services - direct	313,892.65	115,663.23	166,681.24	767,796.26	237,519.56	1,601,552.94	
12	Shared services - billed	539,025.95	223,442.67	161,853.18	748,078.46	316,383.67	1,988,783.93	
13	Provision for income taxes	805,509.60	281,113.03	(111,314.19)	(1,092,290.35)	(438,909.64)	(555,891.55)	
14	Total operating expenses	4,625,351.14	1,976,230.68	1,398,591.67	6,216,553.50	1,999,585.32	16,216,312.31	
15	Operating income (loss)	1,962,132.82	1,138,874.96	(96,598.73)	(1,327,267.58)	(802,097.52)	875,043.95	
	Other income							
16	Merchandise	(16,893.12)	0.00	(140.25)	(36,266.08)	22,482.77	(30,816.68)	
17	Interest income	17,677.72	2,257.13	902.90	5,890.90	4,420.39	31,149.04	
18	Other nonoperating income	(18,035.23)	16,659.86	(1,914.69)	(18,320.31)	124,775.24	103,164.87	
19	Total other income (loss)	(17,250.63)	18,916.99	(1,152.04)	(48,695.49)	151,678.40	103,497.23	
20	Income (loss) before interest charges	1,944,882.19	1,157,791.95	(97,750.77)	(1,375,963.07)	(650,419.12)	978,541.18	
21	Interest charges	546,634.79	325,361.81	(20,730.82)	1,445,601.93	447,320.33	2,744,188.04	
22	Net income (loss)	\$1,398,247.40	\$832,430.14	(\$77,019.95)	(\$2,821,565.00)	(\$1,097,739.45)	(\$1,765,646.86)	

ATMOS ENERGY CORPORATION UTILITY BUSINESS UNITS  
CONSOLIDATING STATEMENT OF INCOME  
FOR THE TEN MONTHS ENDED 07/31/98

1998

Line No.	Description (a)	Utility Business Units				WKG (f)	Total Utility Business Units (g)	Line No.
		Energy (b)	GGC (c)	Trans La (d)	UCG (e)			
	Operating revenues							
1	Gas	\$192,607,125.46	\$77,691,175.43	\$36,866,083.05	\$297,627,508.29	\$104,851,360.46	\$709,643,252.69	1
2	Transportation	993,198.16	1,350,135.54	136,605.62	12,850,662.07	7,487,987.10	22,818,588.49	2
3	Other	0.00	0.00	0.00	0.00	0.00	0.00	3
4	Total operating revenues	193,600,323.62	79,041,310.97	37,002,688.67	310,478,170.36	112,339,347.56	732,461,841.18	4
5	Purchased gas cost	126,473,346.86	45,371,581.07	13,164,184.92	191,452,117.92	73,553,108.96	450,014,339.73	5
6	Gross profit	67,126,976.76	33,669,729.90	23,838,503.75	119,026,052.44	38,786,238.60	282,447,501.45	6
	Operating expenses							
7	Operation	18,815,903.43	10,456,247.28	5,701,831.20	29,165,356.83	12,113,590.15	76,252,928.89	7
8	Maintenance	852,126.98	643,159.28	445,223.76	4,877,622.55	787,555.31	7,605,687.88	8
9	Depreciation and amortization	5,488,377.12	4,158,130.59	3,063,937.40	15,342,938.36	5,453,325.49	33,506,708.96	9
10	Taxes - other than income taxes	9,519,289.20	2,120,744.57	1,947,046.41	9,989,224.10	1,680,745.45	25,257,049.73	10
11	Shared services - direct	2,829,618.80	1,270,331.00	1,673,714.44	1,108,444.34	2,009,389.64	8,891,498.22	11
12	Shared services - billed	6,006,391.23	2,482,895.95	1,744,505.41	5,871,915.91	3,462,830.08	19,568,538.58	12
13	Provision for income taxes	6,508,792.50	3,525,509.72	2,480,599.22	15,975,231.12	4,035,166.05	32,525,298.61	13
14	Total operating expenses	50,020,499.26	24,657,018.39	17,056,857.84	82,330,733.21	29,542,602.17	203,607,710.87	14
15	Operating income (loss)	17,106,477.50	9,012,711.51	6,781,645.91	36,695,319.23	9,243,636.43	78,839,790.58	15
	Other income							
16	Merchandise	(44,926.44)	(1,667.80)	7,391.11	(243,020.88)	202,839.34	(79,384.67)	16
17	Interest income	151,065.47	2,786.61	3,590.57	859,579.21	19,730.31	1,036,752.17	17
18	Other nonoperating income	(389,499.56)	51,263.84	(63,068.69)	38,228.32	68,490.98	(294,585.11)	18
19	Total other income (loss)	(283,360.53)	52,382.65	(52,087.01)	654,786.65	291,060.63	662,782.39	19
20	Income (loss) before interest charges	16,823,116.97	9,065,094.16	6,729,558.90	0.00	9,534,697.06	79,502,572.97	20
21	Interest charges	5,125,190.27	2,987,715.56	2,422,259.81	12,765,794.60	4,113,620.98	27,414,581.22	21
22	Net income (loss)	\$11,697,926.70	\$6,077,378.60	\$4,307,299.09	\$24,584,311.28	\$5,421,076.08	\$52,087,991.75	22



WESTERN KENTUCKY GAS BUSINESS UNITS  
CONSOLIDATING STATEMENT OF INCOME  
FOR THE MONTH ENDED 07/31/98

1998

Line No.	Description (a)	Eliminations and Adjustments (d)			Line No.
		WKGR (c)	WKG (b)	Westen Kentucky Gas Business Units (e)	
	Operating revenues				
1	Gas	\$0.00	\$3,881,655.84	\$0.00	1
2	Transportation	0.00	618,903.57	0.00	2
3	Other	0.00	0.00	0.00	3
4	Total operating revenues	0.00	4,500,559.41	0.00	4
5	Purchased gas cost	0.00	3,303,071.61	0.00	5
6	Gross profit	0.00	1,197,487.80	0.00	6
	Operating expenses				
7	Operation	0.00	1,104,617.68	0.00	7
8	Maintenance	0.00	72,553.16	0.00	8
9	Depreciation and amortization	0.00	545,335.42	0.00	9
10	Taxes - other than income taxes	0.00	162,085.47	0.00	10
11	Shared services - direct	0.00	237,519.56	0.00	11
12	Shared services - billed	0.00	316,078.64	305.03	12
13	Provision for income taxes	0.00	(438,909.64)	0.00	13
14	Total operating expenses	0.00	1,999,280.29	305.03	14
15	Operating income (loss)	0.00	(801,792.49)	(305.03)	15
	Other income				
16	Merchandise	0.00	22,482.77	0.00	16
17	Interest income	0.00	4,420.39	0.00	17
18	Shared services - billed	(305.03)	0.00	305.03	17
19	Other nonoperating income	1,676.88	123,098.36	0.00	19
20	Total other income (loss)	1,371.85	150,001.52	305.03	20
21	Income (loss) before interest chgs	1,371.85	(651,790.97)	0.00	21
22	Interest charges	0.00	447,320.33	0.00	22
23	Net income (loss)	\$1,371.85	(\$1,099,111.30)	\$0.00	23

WESTERN KENTUCKY GAS BUSINESS UNITS  
CONSOLIDATING STATEMENT OF INCOME  
FOR THE TEN MONTHS ENDED 07/31/98

Line No.	Description (a)	1998			Line No.
		WKGR (b)	Eliminations and Adjustments (d)	Western Kentucky Gas Business Units (e)	
1	Operating revenues				1
2	Gas	\$104,851,360.46	\$0.00	\$104,851,360.46	2
3	Transportation	7,487,987.10	0.00	7,487,987.10	3
	Other	0.00	0.00	0.00	
4	Total operating revenues	112,339,347.56	0.00	112,339,347.56	4
5	Purchased gas cost	73,553,108.96	0.00	73,553,108.96	5
6	Gross profit	38,786,238.60	0.00	38,786,238.60	6
	Operating expenses				
7	Operation	12,113,590.15	0.00	12,113,590.15	7
8	Maintenance	787,555.31	0.00	787,555.31	8
9	Depreciation and amortization	5,453,325.49	0.00	5,453,325.49	9
10	Taxes - other than income taxes	1,680,735.45	10.00	1,680,745.45	10
11	Shared services - direct	2,009,389.64	0.00	2,009,389.64	11
12	Shared services - billed	3,459,176.51	0.00	3,462,830.08	12
13	Provision for income taxes	4,035,166.05	0.00	4,035,166.05	13
14	Total operating expenses	29,538,938.60	10.00	29,542,602.17	14
15	Operating income (loss)	9,247,300.00	(10.00)	9,243,636.43	15
	Other income				
16	Merchandise	202,839.34	0.00	202,839.34	16
17	Interest income	19,730.31	0.00	19,730.31	17
18	Shared services - billed	0.00	(3,653.57)	0.00	17
19	Other nonoperating income	65,416.75	3,074.23	68,490.98	19
20	Total other income (loss)	287,986.40	(579.34)	291,060.63	20
21	Income (loss) before interest chgs	9,535,286.40	(589.34)	9,534,697.06	21
22	Interest charges	4,113,620.98	0.00	4,113,620.98	22
23	Net income (loss)	\$5,421,665.42	(\$589.34)	\$5,421,076.08	23

WESTERN KENTUCKY GAS COMPANY  
STATEMENTS OF INCOME  
FOR THE MONTH AND YEAR TO DATE 07/31/98

Line No.	Description (a)	Current Month			Year to Date			Prior Year Actual (g)	Actual Over Prior Year (k)	Line No.
		Actual (b)	Budget (c)	Actual Over (Under) Budget (d)	Prior Year Actual (e)	Actual Over (Under) Prior Year (f)	Budget (h)			
1	Operating revenues									
2	Gas	\$3,881,655.84	\$3,908,000	(\$26,344.16)	\$4,938,396.64	(\$1,056,740.80)	\$104,851,360.46	\$119,976,000.00	\$126,864,685.23	1
3	Transportation	618,903.57	700,000	(81,096.43)	618,324.11	579.46	7,487,987.10	7,000,000.00	6,046,865.22	2
3	Other	0.00	23,000	(23,000.00)	0.00	0.00	786,000.00	786,000.00	0.00	3
4	Total operating revenues	4,500,559.41	4,631,000	(130,440.59)	5,556,720.75	(1,056,161.34)	112,339,347.56	127,762,000.00	132,911,550.45	4
5	Purchased gas cost	3,303,071.61	2,409,000	894,071.61	3,283,273.14	19,798.47	73,553,108.96	86,597,000.00	92,134,223.29	5
6	Gross profit	1,197,487.80	2,222,000	(1,024,512.20)	2,273,447.61	(1,075,959.81)	38,786,238.60	41,165,000.00	40,777,327.16	6
7	Operating expenses									
8	Operation	1,104,617.68	1,025,000	79,617.68	1,136,282.21	(31,664.53)	12,113,590.15	12,202,000.00	12,962,877.85	7
8	Maintenance	72,553.16	132,000	(59,446.84)	82,065.10	(9,511.94)	787,555.31	1,370,000.00	801,179.88	8
9	Depreciation	545,335.42	544,000	1,335.42	510,922.63	34,412.79	5,453,325.49	5,440,000.00	5,109,226.30	9
10	Taxes - other than income taxes	162,085.47	143,000	19,085.47	166,798.64	(4,713.17)	1,680,735.45	1,538,000.00	1,332,549	10
11	Shared Services - direct	237,519.56	0	237,519.56	164,798.42	72,721.14	2,009,389.64	0.00	1,985,916.18	11
12	Shared Services - billed	316,078.64	496,000	(179,921.36)	402,776.52	(86,697.88)	3,459,176.51	5,439,000.00	5,031,548.38	12
13	Provision for income taxes	(438,909.64)	(713,000)	274,090.36	(249,980.92)	(188,938.72)	4,035,166.05	5,661,000.00	3,973,576.83	13
14	Total operating expenses	1,999,280.29	1,628,000	371,280.29	2,213,662.60	(214,382.31)	29,538,938.60	31,600,000.00	31,405,309.89	14
15	Operating income (loss)	(801,792.49)	594,000	(1,395,792.49)	59,785.01	(861,577.50)	9,247,300.00	9,565,000.00	9,372,017.27	15
16	Other income									
16	Merchandise	22,482.77	(2,000)	24,482.77	20,561.03	1,921.74	202,839.34	(20,000.00)	300,372.71	16
17	Interest income	4,420.39	4,000	420.39	2,403.77	2,016.62	19,730.31	40,000.00	22,734.35	17
18	Other nonoperating income	123,098.36	35,000	88,098.36	(8,666.27)	131,764.63	65,416.75	350,000.00	(69,355.92)	18
19	Total other income (loss)	150,001.52	37,000	113,001.52	14,298.53	135,702.99	287,986.40	370,000.00	253,751.14	19
20	Income (loss) before interest charge	(651,790.97)	631,000	(1,282,790.97)	74,083.54	(725,874.51)	9,535,286.40	9,935,000.00	9,625,768.41	20
21	Interest charges	447,320.33	379,000	68,320.33	379,939.33	67,381.00	4,113,620.98	3,991,000.00	3,595,025.03	21
22	Net income (loss)	(\$1,099,111.30)	\$252,000	(\$1,351,111.30)	(\$305,855.79)	(793,255.51)	\$5,421,665.42	\$5,944,000.00	\$6,030,743.38	22

WESTERN KENTUCKY GAS RESOURCES, INC.  
STATEMENTS OF INCOME  
FOR THE MONTH AND YEAR TO DATE 07/31/98

Line No.	Description (a)	Current Month			Year to Date			Actual Over (Under) Prior Year (k)	Line No.
		Actual (b)	Budget (c)	Actual Over (Under) Budget (d)	Prior Year Actual (e)	Actual Over (Under) Budget (f)	Budget (h)		
1	Operating revenues								
2	Gas	\$0.00	\$0	\$0.00	\$0.00	\$0.00	\$0	\$0.00	\$0.00
3	Transportation	0.00	0	0.00	0.00	0.00	0	0.00	0.00
4	Other	0.00	0	0.00	0.00	0.00	0	0.00	0.00
5	Total operating revenues	0.00	0	0.00	0.00	0.00	0	0.00	0.00
6	Purchased gas cost	0.00	0	0.00	0.00	0.00	0	0.00	0.00
7	Gross profit	0.00	0	0.00	0.00	0.00	0	0.00	0.00
8	Operating expenses								
9	Operation	0.00	0	0.00	0.00	0.00	0	0.00	0.00
10	Maintenance	0.00	0	0.00	0.00	0.00	0	0.00	0.00
11	Depreciation	0.00	0	0.00	0.00	0.00	0	0.00	0.00
12	Taxes - other than income taxes	0.00	0	0.00	0.00	0.00	0	0.00	0.00
13	Provision for income taxes	0.00	0	0.00	0.00	0.00	0	0.00	0.00
14	Total operating expenses	0.00	0	0.00	0.00	0.00	0	0.00	0.00
15	Operating income (loss)	0.00	0	0.00	0.00	0.00	0	0.00	0.00
16	Other income								
17	Merchandise	0.00	0	0.00	0.00	0.00	0	0.00	0.00
18	Interest income	0.00	0	0.00	0.00	0.00	0	0.00	0.00
19	Shared Services - Billed	(305.03)	3,000	(3,305.03)	0.00	(305.03)	30,000	(3,653.57)	(11,835.98)
20	Other nonoperating income	1,676.88	0	1,676.88	(531.00)	2,207.88	0	3,074.23	(3,543.65)
21	Total other income (loss)	1,371.85	3,000	(1,628.15)	(531.00)	1,902.85	30,000	(579.34)	(15,379.63)
22	Income (loss) before interest charge	1,371.85	3,000	(1,628.15)	(531.00)	1,902.85	30,000	(589.34)	(12,402.63)
23	Interest charges	0.00	0	0.00	0.00	0.00	0	0.00	0.00
24	Net income (loss)	\$1,371.85	\$3,000	(\$1,628.15)	(\$531.00)	\$1,902.85	\$30,000	(\$589.34)	(\$12,402.63)

ATMOS ENERGY SERVICES, INC.  
STATEMENTS OF INCOME  
FOR THE MONTH AND YEAR TO DATE 07/31/98

Line No.	Description (a)	Current Month			Year to Date			Actual Over (Under) Prior Year (k)
		Actual (b)	Budget* (c)	Actual Over (Under) Budget (d)	Prior Year Actual (e)	Actual Over (Under) Prior Year (f)	Actual Over (Under) Budget (g)	
1	Operating revenues							
2	Gas	\$0.00	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3	Transportation	0.00	0	0.00	0.00	0.00	0.00	0.00
4	Other	0.00	0	0.00	0.00	0.00	0.00	0.00
5	Total operating revenues	0.00	0	0.00	0.00	0.00	0.00	0.00
6	Purchased gas cost	0.00	0	0.00	0.00	0.00	0.00	0.00
7	Gross profit	0.00	0	0.00	0.00	0.00	0.00	0.00
8	Operating expenses							
9	Operation	2,128.00	0	2,128.00	170.95	1,957.05	6,128.00	5,218.98
10	Maintenance	0.00	0	0.00	0.00	0.00	0.00	0.00
11	Depreciation	0.00	0	0.00	0.00	0.00	0.00	0.00
12	Taxes - other than income taxes	0.00	0	0.00	0.00	0.00	0.00	0.00
13	Shared Services - Billed	0.00	0	0.00	0.00	0.00	0.00	0.00
14	Provision for income taxes	(700.00)	0	(700.00)	0.00	(700.00)	177,100.00	(1,000.00)
15	Total operating expenses	1,428.00	0	1,428.00	170.95	1,257.05	183,228.00	4,218.98
16	Operating income (loss)	(1,428.00)	0	(1,428.00)	(170.95)	(1,257.05)	(183,228.00)	(4,218.98)
17	Other income							
18	Merchandise	0.00	0	0.00	0.00	0.00	0.00	0.00
19	Interest income	0.00	0	0.00	0.00	0.00	0.00	0.00
20	Other nonoperating income	0.00	0	0.00	0.00	0.00	512,000.00	0.00
21	Total other income (loss)	0.00	0	0.00	0.00	0.00	512,000.00	0.00
22	Income (loss) before interest charge	(1,428.00)	0	(1,428.00)	(170.95)	(1,257.05)	328,772.00	(4,218.98)
23	Interest charges	0.00	0	0.00	0.00	0.00	0.00	0.00
24	Net income (loss)	(\$1,428.00)	\$0	(\$1,428.00)	(\$170.95)	(\$1,257.05)	\$328,772.00	(\$4,218.98)

\* Atmos Energy Services budget not available.

ATMOS ENERGY CORPORATION  
PROPERTY, PLANT AND EQUIPMENT  
AS OF JULY 31, 1998

	Year to Date			
	Balance 9/30/97	Additions	Retirements	Transfers
<b>GAS PLANT</b>				
Atmos				
Atmos General Office(2)	\$39,305,772.63	\$60,088.40	\$0.00	\$16,271.36
Total Atmos	39,305,772.63	60,088.40	0.00	16,271.36
Energas				
Amarillo Transmission Div.(1)	3,209,615.20	0.00	0.00	0.00
Amarillo City Plant Dist. Div.(3)	48,276,563.22	784,780.86	124,447.32	(2,432.30)
Fritch & Sanford City Pit. Dist. Div.(4)	953,581.61	0.00	1,573.73	0.00
West Texas City Plant Dist. Div.(5)	158,615,097.05	3,530,049.61	870,380.33	(13,183.94)
Dalhart City Plant Dist. Div.(6)	2,108,641.38	0.00	14,339.19	0.00
West Texas Rural Irrigation Div.(8)	23,269,273.27	0.00	(1,903.58)	0.00
Energas General Office(10)	2,437,569.38	0.00	107,517.62	0.00
Fair-Amarillo Creek Transmission(11)	71,230.00	0.00	0.00	0.00
Amarillo Rural Dist. Div.(13)	371,855.76	0.00	0.00	0.00
Dalhart Rural Dist. Div.(17)	61,651.11	0.00	0.00	0.00
Dalhart Rural Irrigation Div.(18)	333,690.52	0.00	0.00	0.00
West Texas Rural Dist. Div.(21)	11,127,951.62	0.00	0.00	0.00
Meter Shop Facilities & Meters(22)	0.00	0.00	0.00	0.00
Total Energas	250,836,720.12	4,314,830.47	1,116,354.61	(15,616.24)
Trans La				
Trans La Dist. Div.(7)	111,390,280.93	1,885,069.70	483,804.69	0.00
Total Trans La	111,390,280.93	1,885,069.70	483,804.69	0.00
Western Kentucky Gas				
Western Kentucky Gas Div.(9)	189,388,594.45	4,441,155.89	923,415.81	0.00
Total Western Kentucky Gas	189,388,594.45	4,441,155.89	923,415.81	0.00
				Balance 07/31/98
				\$39,382,132.39
				39,382,132.39
				3,209,615.20
				48,934,464.46
				952,007.88
				161,261,582.39
				2,094,302.19
				23,271,176.85
				2,330,051.76
				71,230.00
				371,855.76
				61,651.11
				333,690.52
				11,127,951.62
				0.00
				254,019,579.74
				112,791,545.94
				112,791,545.94
				192,906,334.53
				192,906,334.53

ATMOS ENERGY CORPORATION  
PROPERTY, PLANT AND EQUIPMENT  
AS OF JULY 31, 1998

	Year to Date			
	Balance 9/30/97	Additions	Retirements	Transfers
<b>GAS PLANT</b>				
<b>Greeley</b>				
Meter Shop Facilities & Meters(24)	\$11,380,596.90	\$0.00	\$0.00	\$0.00
Missouri Dist. Div.(29)	690,434.01	22,923.58	2,523.08	0.00
Denver Company Office(30)	1,797,536.72	0.00	0.00	0.00
Greeley Dist. Div.(33)	23,770,593.23	2,254,600.14	93,012.41	0.00
Northwest Colorado Dist. Div.(34)	17,345,814.60	5,955.03	3,032.78	0.00
Fremont County Dist. Div.(35)	23,294,862.37	29,774.60	109.28	0.00
Durango Dist. Div.(36)	15,387,957.07	64,821.96	7,137.67	0.00
Central Colorado Dist. Div.(37)	0.00	0.00	0.00	0.00
Cortez Dist. Div.(38)	0.00	0.00	0.00	0.00
Southeast Colorado Dist. Div.(39)	0.00	0.00	0.00	0.00
Kaw Valley Dist. Div.(82)	14,012,329.00	650,197.31	72,969.29	0.00
Central Kansas Dist. Div.(83)	8,127,974.64	0.00	0.00	0.00
Cane Dist. Div.(84)	5,305,815.42	0.00	0.00	0.00
Eastern Kansas Dist. Div.(85)	3,667,121.03	5,533.91	20,571.23	0.00
Southwest Kansas Dist. Div.(86)	13,003,584.57	50,769.71	110.88	0.00
<b>Total Greeley Gas</b>	<b>137,784,619.56</b>	<b>3,084,576.24</b>	<b>199,466.62</b>	<b>0.00</b>
<b>United Cities</b>				
United Cities Dist. Divisions(91)	495,033,830.05	5,974,321.27	357,785.75	(22,162.29)
United Cities Storage Gas	0.00	587,316.32	0.00	0.00
<b>Total United Cities Gas</b>	<b>495,033,830.05</b>	<b>6,561,637.59</b>	<b>357,785.75</b>	<b>(22,162.29)</b>
<b>Total Gas Plant</b>	<b>\$1,223,739,817.74</b>	<b>\$20,347,358.29</b>	<b>\$3,080,827.48</b>	<b>(\$21,507.17)</b>
				<b>\$1,240,984,841.38</b>
				<b>500,628,203.28</b>
				<b>587,316.32</b>
				<b>501,215,519.60</b>
				<b>\$11,380,596.90</b>
				<b>710,834.51</b>
				<b>1,797,536.72</b>
				<b>25,932,180.96</b>
				<b>17,348,736.85</b>
				<b>23,324,527.69</b>
				<b>15,445,641.36</b>
				<b>0.00</b>
				<b>0.00</b>
				<b>0.00</b>
				<b>14,589,557.02</b>
				<b>8,127,974.64</b>
				<b>5,305,815.42</b>
				<b>3,652,083.71</b>
				<b>13,054,243.40</b>
				<b>140,669,729.18</b>

**ATMOS ENERGY CORPORATION**  
**PROPERTY, PLANT AND EQUIPMENT**  
**AS OF JULY 31, 1998**

	Year to Date			
	Balance 9/30/97	Additions	Retirements	Transfers
<b>OTHER GAS PLANT &amp; NON-UTILITY PROPERTY</b>				Balance 07/31/98
Atmos				
Atmos General Office	\$31,465,556.99	\$39,895,056.00	\$0.00	\$0.00
Construction Work In Progress	1,132,200.02	926,851.02	1,013,349.90	0.00
Non-utility Plant	32,597,757.01	40,821,907.02	1,013,349.90	0.00
Total Atmos	<u>64,195,514.02</u>	<u>80,642,814.04</u>	<u>2,026,699.80</u>	<u>0.00</u>
Energas				
Construction Work In Progress	1,379,247.81	5,059,495.55	0.00	0.00
Non-utility Plant	517,520.24	0.00	0.00	0.00
Total Energas	<u>1,896,768.05</u>	<u>5,059,495.55</u>	<u>0.00</u>	<u>0.00</u>
Trans La				
Construction Work In Progress	340,764.90	2,658,876.32	0.00	0.00
Acquisition Adj. - Trans La	2,048,887.47	0.00	0.00	0.00
Non-utility Plant	215,890.91	0.00	0.00	0.00
Total Trans La	<u>2,605,543.28</u>	<u>2,658,876.32</u>	<u>0.00</u>	<u>0.00</u>
Western Kentucky Gas				
Construction Work In Progress	779,599.09	5,305,584.56	0.00	0.00
Acquisition Adj. - W.K.G.	3,336,783.64	0.00	0.00	0.00
Total Western Kentucky Gas	<u>4,116,382.73</u>	<u>5,305,584.56</u>	<u>0.00</u>	<u>0.00</u>
Greeley				
Construction Work In Progress	(1,956,742.97)	4,890,059.14	0.00	0.00
Acquisition Adj. - G.G.C. Prior	1,446,406.41	0.00	0.00	0.00
Non-utility Plant	713,075.78	0.00	0.00	0.00
Total Greeley Gas	<u>202,739.22</u>	<u>4,890,059.14</u>	<u>0.00</u>	<u>0.00</u>
United Cities				
Construction Work In Progress	631,379.00	9,924,320.79	0.00	(531,685.41)
Acquisition Adj. - U.C.G.C. - Prior	7,283,287.48	0.00	0.00	0.00
Total United Cities Gas	<u>7,914,666.48</u>	<u>9,924,320.79</u>	<u>0.00</u>	<u>(531,685.41)</u>
Total Other Gas Plt & Non-utility Prop	<u>49,333,856.77</u>	<u>68,660,243.38</u>	<u>1,013,349.90</u>	<u>(531,685.41)</u>
Total Property, Plt and Equipment	<u>\$1,273,073,674.51</u>	<u>\$89,007,601.67</u>	<u>\$4,094,177.38</u>	<u>(\$553,192.58)</u>
				<u>\$1,357,433,906.22</u>



**ATMOS ENERGY CORPORATION**  
**A ACCUMULATED PROVISION**  
**FOR DEPRECIATION AND AMORTIZATION**  
**AS OF JULY 31, 1998**

	Year to Date			Balance 07/31/98
	Balance 9/30/97	Provision	Adjustment	
<b>GAS PLANT</b>				
Atmos		234,359.19		
Retirement work in progress	\$4,900.00	\$0.00	\$3,286.15	\$8,186.15
Atmos General Office(2)	15,625,575.32	2,343,591.90	15,945.91	17,985,113.13
Total accum. prov. for depr. - Atmos	15,630,475.32	2,343,591.90	19,232.06	17,993,299.28
Energas				
Retirement work in progress	28,638.26	0.00	(471,092.68)	(442,454.42)
Amarillo Transmission Div.(1)	2,302,858.65	57,641.20	0.00	2,360,499.85
Amarillo City Plant Dist. Div.(3)	18,510,022.40	1,129,464.50	(104,091.36)	19,535,395.54
Fritch & Sanford City Pit. Dist. Div.(4)	384,725.27	18,089.50	(1,573.73)	401,241.04
West Texas City Plant Dist. Div.(5)	61,038,208.56	4,582,041.84	(671,635.89)	64,948,614.51
Dalhart City Plant Dist. Div.(6)	999,800.33	60,191.50	(10,251.82)	1,049,740.01
West Texas Rural Irrigation Div.(8)	9,943,565.84	411,361.70	1,197.55	10,356,125.09
Energas General Office(10)	1,135,624.24	312,949.90	(90,999.05)	1,357,575.09
Fair-Amarillo Creek Transmission(11)	71,230.00	0.00	0.00	71,230.00
Amarillo Rural Dist. Div.(13)	154,218.32	7,222.32	0.00	161,440.64
Dalhart Rural Dist. Div.(17)	53,743.97	1,408.20	0.00	55,152.17
Dalhart Rural Irrigation Div.(18)	262,696.11	8,520.10	0.00	271,216.21
West Texas Rural Dist. Div.(21)	3,139,533.57	242,877.10	0.00	3,382,410.67
Total accum. prov. for depr. - Energas	98,024,865.52	6,831,767.86	(1,348,446.98)	103,508,186.40
Trans La(7)				
Retirement work in progress	0.00	0.00	(24,768.98)	(24,768.98)
Trans La Dist. Div.	31,633,759.74	3,643,197.80	(634,243.69)	34,642,713.85
Total accum. prov. for depr. - Trans La	31,633,759.74	3,643,197.80	(659,012.67)	34,617,944.87
Western Kentucky Gas(9)				
Retirement work in progress	(938.81)	0.00	(378,884.13)	(379,822.94)
Western Kentucky Gas Div.	85,835,926.90	5,674,484.99	(785,311.19)	90,725,100.70
WKG Pint-Amort-U/G Strg.	500.00	35.90	0.00	535.90
Total accum. prov. for depr. - WKG	85,834,988.09	5,674,484.99	(1,164,195.32)	90,345,813.66

ATMOS ENERGY CORPORATION  
ACCUMULATED PROVISION  
FOR DEPRECIATION AND AMORTIZATION  
AS OF JULY 31, 1998

	Year to Date			
	Balance 9/30/97	Provision	Adjustment	Balance 07/31/98
<b>GAS PLANT</b>				
Greeley				
Retirement work in progress	(10,580.22)	\$0.00	(\$14,185.77)	(\$3,605.55)
Meter Shop Facilities & Meters(24)	(1,844,979.51)	267,490.17	66,872.54	2,197,759.46
Missouri Dist. Div.(29)	(198,609.28)	15,000.00	(3,264.87)	182,787.95
Denver Company Office(30)	(431,153.95)	183,941.87	45,138.38	674,456.68
Greeley Dist. Div.(33)	(7,778,175.86)	639,417.82	22,835.91	9,063,766.17
Northwest Colorado Dist. Div.(34)	(5,354,184.12)	462,491.91	111,285.17	5,972,439.69
Fremont County Dist. Div.(35)	(13,193,596.69)	678,400.14	164,415.98	14,002,600.39
Durango Dist. Div.(36)	(5,878,310.74)	413,522.98	95,520.89	5,998,450.77
Central Colorado Dist. Div.(37)	(1,249.06)	0.00	0.00	0.00
Cortez Dist. Div.(38)	(82,631.95)	0.00	0.00	0.00
Southeast Colorado Dist. Div.(39)		0.00	0.00	0.00
Kaw Valley Dist. Div.(82)	(4,013,718.21)	355,857.18	(26,049.65)	4,123,380.00
Central Kansas Dist. Div.(83)	(3,180,842.11)	214,119.48	53,214.84	3,383,980.34
Cane Dist. Div.(84)	(2,592,468.44)	135,120.54	32,954.45	2,784,505.14
Eastern Kansas Dist. Div.(85)	(831,639.15)	96,869.62	7,485.34	984,020.06
Southwest Kansas Dist. Div.(86)	(7,384,649.46)	441,303.43	(143.59)	7,871,862.47
Total accum. prov. for depr. - GGC	52,776,788.81	3,903,535.14	556,079.62	57,236,403.57
United Cities				
Retirement work in progress	(\$6,748.17)	\$0.00	\$1,925,169.55	\$1,918,421.38
United Cities Dist. Divisions(91)	184,836,304.00	12,139,533.95	(2,712,135.62)	194,263,702.33
Total United Cities Gas	184,829,555.83	12,139,533.95	(786,966.07)	196,182,123.71
Total accumulated prov. for depreciation - Gas Plant	\$468,730,433.31	\$34,536,111.64	(\$3,383,309.36) *	\$499,883,771.49

**ATMOS ENERGY CORPORATION**  
**ACCUMULATED PROVISION**  
**FOR DEPRECIATION AND AMORTIZATION**  
**AS OF JULY 31, 1998**

	Year to Date			
	Balance 9/30/97	Provision	Adjustment	Balance 07/31/98
<b>OTHER GAS PLANT IN SERVICE</b>				
Atmos				
Atmos General Office Division(2)	\$829,702.44	\$373,534.40	\$0.00	\$1,203,236.84
Total Atmos	829,702.44	373,534.40	0.00	1,203,236.84
Energas				
Amarillo City Plant Dist. Div.(3)	158,220.56	34,692.30	0.00	192,912.86
Fritch & Sanford City Plant Dist. Div.(4)	5,916.44	(29.50)	0.00	5,886.94
West Texas City Plant Dist. Div.(5)	1,091,414.72	142,857.10	(149.14)	1,234,271.82
Dalhart Div.(6)	149.14	1,855.70	0.00	9,045.67
West Texas Irrigation Div.(8)	7,091.04	759.40	0.00	7,850.44
Energas General Office(10)	1,875.32	1,753.50	0.00	3,628.82
Amarillo Rural Div.(13)	516.26	91.30	0.00	607.56
Dalhart Irrigation Div.(18)	311.30	45.50	0.00	356.80
West Texas Rural Div.(21)	31,889.52	5,263.70	0.00	37,153.22
Total Energas	1,304,574.27	187,289.00	(149.14)	1,491,714.13
Trans La				
Trans La Distribution Division(7)	220,015.31	51,506.90	0.00	271,522.21
Total Trans La	220,015.31	51,506.90	0.00	271,522.21
Western Kentucky Gas				
Western Kentucky Gas Division(9)	564,100.18	0.00	0.00	564,100.18
Total WKG	564,100.18	0.00	0.00	564,100.18
Greeley				
Greeley Dist. Div.(33)	60,232.62	0.00	0.00	60,232.62
Northwest Colorado Dist. Div.(34)	66,924.56	0.00	0.00	66,924.56
Fremont County Dist. Div.(35)	94,718.87	0.00	0.00	94,718.87
Durango Dist. Div.(36)	23,493.78	0.00	0.00	23,493.78
Central Colorado Dist. Div.(37)	0.00	0.00	0.00	0.00
Cortez Dist. Div.(38)	0.00	0.00	0.00	0.00
Southeast Colorado Dist. Div.(39)	0.00	0.00	0.00	0.00
Kaw Valley Dist. Div.(82)	84,791.05	694.73	0.00	85,485.78
Central Kansas Dist. Div.(83)	10,901.94	0.00	0.00	10,901.94
Cane Dist. Div.(84)	3,106.06	474.70	0.00	3,580.76
Southwest Kansas(86)	88.02	146.67	0.00	234.69
Total Greeley Gas	344,256.90	1,316.10	0.00	345,573.00
United Cities				
United Cities Dist. Divisions(91)	1,022,940.56	4,863,303.73	1,052,868.52	6,939,112.81
Total United Cities Gas	1,022,940.56	4,863,303.73	1,052,868.52	6,939,112.81
<b>Total accumulated provision for amort. of other gas plant in service</b>	<b>\$4,285,589.66</b>	<b>\$5,476,950.13</b>	<b>\$1,052,719.38</b>	<b>\$10,815,259.17</b>

ATMOS ENERGY CORPORATION  
ACCUMULATED PROVISION  
FOR DEPRECIATION AND AMORTIZATION  
AS OF JULY 31, 1998

NON-UTILITY PLANT IN SERVICE (CNG)

	Year to Date			Balance 07/31/98
	Balance 9/30/97	Provision	Adjustment	
Texas				
Energas	\$284,635.61	\$43,126.60	\$0.00	\$327,762.21
Total Texas	<u>284,635.61</u>	<u>43,126.60</u>	<u>0.00</u>	<u>327,762.21</u>
Louisiana				
Trans La	118,740.55	17,991.00	0.00	136,731.55
Total Louisiana	<u>118,740.55</u>	<u>17,991.00</u>	<u>0.00</u>	<u>136,731.55</u>
Greeley				
Greeley Gas	434,287.68	39,647.00	0.00	473,934.68
Total Greeley Gas	<u>434,287.68</u>	<u>39,647.00</u>	<u>0.00</u>	<u>473,934.68</u>
Total accumulated provision for amort. of non-utility plant in service	<u>837,663.84</u>	<u>100,764.60</u>	<u>0.00</u>	<u>938,428.44</u>

UTILITY PLANT ACQUISITION ADJUSTMENT

Louisiana					
Trans La	3,762,016.75	(151,918.30)	0.00	3,610,098.45	
Total Louisiana	<u>3,762,016.75</u>	<u>(151,918.30)</u>	<u>0.00</u>	<u>3,610,098.45</u>	
Kentucky					
W.K.G.	2,277,713.90	170,817.70	0.00	2,448,531.60	
Total Kentucky	<u>2,277,713.90</u>	<u>170,817.70</u>	<u>0.00</u>	<u>2,448,531.60</u>	
Greeley					
G.G.C.	1,341,129.41	11,450.00	0.00	1,352,579.41	
Total Greeley Gas	<u>1,341,129.41</u>	<u>11,450.00</u>	<u>0.00</u>	<u>1,352,579.41</u>	
United Cities					
U.C.G.C.	0.00	0.00	387,491.64	387,491.64	
U.C.G.C. Prior	1,528,772.48	(250,532.18)	0.00	1,278,240.30	
Total United Cities Gas	<u>1,528,772.48</u>	<u>(250,532.18)</u>	<u>387,491.64</u>	<u>1,665,731.94</u>	
Total Accumulated Prov. for Amort. of Utility Plant Acquisition Adjustment	<u>8,909,632.54</u>	<u>(220,182.78)</u>	<u>387,491.64</u>	<u>9,076,941.40</u>	
Total accumulated provision for depreciation & amortization	<u>\$482,763,319.35</u>	<u>\$39,893,643.59</u>	<u>(\$1,943,098.34)</u>	<u>\$520,714,400.50</u>	

Total Depreciation Provision as per Balance Sheet

Less: Depreciation Provision charged to other accounts-18400

Less: Depreciation Provision charged to other accounts (CNG)

Total Depreciation Expense as per Income Statement

\$39,893,643.59  
4,719,844.27  
100,764.60  
\$35,073,034.72

**WKG RESOURCES**  
**PROPERTY, PLANT AND EQUIPMENT**  
**AND RELATED ACCUMULATED PROVISION**  
**AS OF JULY 31, 1998**

	Year to Date			Balance 07/31/98
	Balance 9/30/97	Additions	Retirements	
<b>Property, Plant and Equipment</b>				
Well Construction 3300000	\$106,938.67	\$0.00	\$0.00	\$106,938.67
Mineral Deeds	446,864.91	0.00	0.00	446,864.91
Construction Work in Progr	0.00	0.00	0.00	0.00
<b>Total Property, Plant and Equi</b>	<u>553,803.58</u>	<u>0.00</u>	<u>0.00</u>	<u>553,803.58</u>

	Year to Date		Balance 07/31/98
	Balance 9/30/97	Provision	
<b>Accumulated Provision for Depreciation</b>			
Accumulated Provision for Depreciation	104,254.43	2,684.24	106,938.67
Retirement Work in Progress	0.00	0.00	0.00
<b>Total Accumulated Provision for Depr.</b>	<u>\$104,254.43</u>	<u>\$2,684.24</u>	<u>\$106,938.67</u>



ATMOS ENERGY CORPORATION  
BALANCE SHEET ACCOUNTS  
AS OF JULY 31, 1998

Line No.	Acct. No.	Description	Due Dates	Prior Month	Current Month	Current Change	Prior Year	As of September 30, 1997
<b>ACCOUNTS RECEIVABLE LESS ALLOWANCE</b>								
<b>FOR DUBITFUL ACCOUNTS</b>								
1410 Notes Receivable								
		(Main Extension Notes)						
		Tom King & Dr. Thomas Fields	09-26-97	2,680.00	2,680.00	-	2,680.00	2,680.00
		Bowers, Michael and Melissa	03-19-98	1,785.00	1,785.00	-	1,785.00	1,785.00
		Murphy and Rochester, Inc.	09-01-98	16,510.00	16,510.00	-	16,510.00	16,510.00
		Ida Road	09-23-99	230.00	230.00	-	230.00	230.00
		The Gardens Subdivision	05-11-02	1,060.00	1,060.00	-	1,060.00	1,060.00
		Herbert Construction Co., Inc.	04-22-03	8,240.00	8,240.00	-	8,240.00	8,240.00
		Charles Bourgeois	08-29-03	1,470.00	1,470.00	-	1,470.00	1,470.00
		Meyers, Tom	09-01-03	462.00	462.00	-	462.00	462.00
		Bailes, Julian	09-06-03	1,318.00	1,318.00	-	1,318.00	1,318.00
		Dupuis, Jason	10-05-03	3,439.00	3,439.00	-	3,439.00	3,439.00
		Chitimacha Tribe of LA	11-29-03	4,415.00	4,415.00	-	4,415.00	4,415.00
		Bell Meade Sub-Division	02-05-04	1,170.00	1,170.00	-	1,170.00	1,170.00
		River Ridge Estates	04-02-04	1,933.00	1,933.00	-	1,933.00	1,933.00
		Vermillion Bluff	04-25-04	2,680.00	2,680.00	-	2,680.00	2,680.00
		Pain Place Subdivision	06-29-04	4,260.00	4,260.00	-	4,260.00	4,260.00
		Oak Place Subdivision	09-25-04	9,010.00	9,010.00	-	9,010.00	9,010.00
		Shanadoah Estates Ph VIII	11-07-04	7,970.00	7,970.00	-	7,970.00	7,970.00
		Chinquapin Acres Ext. #1	01-13-05	2,228.00	2,228.00	-	2,228.00	2,228.00
		Cambridge Drive Ext.	02-16-05	5,250.00	5,250.00	-	5,250.00	5,250.00
		Beaulieu Estates	03-09-05	9,557.00	9,557.00	-	9,557.00	9,557.00
		Sugar Ridge	03-17-05	6,750.00	6,750.00	-	6,750.00	6,750.00
		Silver Maple	03-30-05	5,909.00	5,909.00	-	5,909.00	5,909.00
		Abern Acres	05-02-05	990.00	990.00	-	990.00	990.00
		Ingrans Subdivision	07-18-05	8,715.00	8,715.00	-	8,715.00	8,715.00
		Magnolia Landing Ext.	07-26-05	15,041.00	15,041.00	-	15,041.00	15,041.00
		Hiddenway Acres #2 Ext.	07-28-05	475.00	475.00	-	475.00	475.00
		Pine Oak Estates	09-08-05	5,681.00	5,681.00	-	5,681.00	5,681.00
		Broussard Park Ext. Phase #5	11-28-05	8,695.00	8,695.00	-	8,695.00	8,695.00
		Summerfield Subdivision	01-15-06	7,500.00	7,500.00	-	7,500.00	7,500.00
		Bear Creek Subdivision	03-19-06	8,030.00	8,030.00	-	8,030.00	8,030.00
		Acadiana Plaza Subdivision	04-10-06	7,900.00	7,900.00	-	7,900.00	7,900.00
		Summerst Place	04-24-06	2,640.00	2,640.00	-	2,640.00	2,640.00
		Woodridge Subdivision Phase I	04-26-06	4,125.00	4,125.00	-	4,125.00	4,125.00
		Beallien Estates Subd. #1	07-10-06	5,970.00	5,970.00	-	5,970.00	5,970.00
		Beallien Estates Subd. #2	07-10-06	4,465.00	4,465.00	-	4,465.00	4,465.00
		Enclave Development	07-11-06	1,810.00	1,810.00	-	1,810.00	1,810.00
		Ozene Road	07-18-06	3,520.00	3,520.00	-	3,520.00	3,520.00
		Sugardand Estates Phase A	07-31-06	4,130.00	4,130.00	-	4,130.00	4,130.00
		The Oaks Subdivision	08-05-06	8,900.00	8,900.00	-	8,900.00	8,900.00
		Acadian Place Estates	10-14-06	1,907.00	1,907.00	-	1,907.00	1,907.00
		St. Clair V Subdivision	10-14-06	10,044.00	10,044.00	-	10,044.00	10,044.00

Note: For prior year and September 30, 1997 United Cities balances are reported at the summary account level.

ATMOS ENERGY CORPORATION  
BALANCE SHEET ACCOUNTS  
AS OF JULY 31, 1998

Line No.	Acct. Description	Prior Month		Current Month	Current Change	Prior Year		As of September 30, 1997
	Jean Clair Subdivision	8,453.00	8,453.00	8,453.00	-	8,453.00	8,453.00	8,453.00
	Judice Estates	7,415.00	7,415.00	7,415.00	-	7,415.00	7,415.00	7,415.00
	Twin Pines Mobile Home	12,950.00	12,950.00	12,950.00	-	12,950.00	12,950.00	12,950.00
	Brunswick Place	3,235.00	3,235.00	3,235.00	-	3,235.00	3,235.00	3,235.00
	Letchompe Tract H	7,070.00	7,070.00	7,070.00	-	7,070.00	7,070.00	7,070.00
	Letchompe Tract J, PHI	3,300.00	3,300.00	3,300.00	-	3,300.00	3,300.00	3,300.00
	Copperfield South	22,000.00	22,000.00	22,000.00	-	22,000.00	22,000.00	22,000.00
	Woodlake Subdivision	3,295.00	3,295.00	3,295.00	-	3,295.00	3,295.00	3,295.00
	Beaullieu Place Subdivision - Phase 3	6,260.00	6,260.00	6,260.00	-	6,260.00	6,260.00	6,260.00
	B.F. Miller Extension	7,730.00	7,730.00	7,730.00	-	7,730.00	7,730.00	7,730.00
	Hackberry Place	10,420.00	10,420.00	10,420.00	-	10,420.00	10,420.00	10,420.00
	E. Bayou Oaks	10,620.00	10,620.00	10,620.00	-	10,620.00	10,620.00	10,620.00
	Kingspointe Phase 2	12,120.00	12,120.00	12,120.00	-	12,120.00	12,120.00	12,120.00
	Amy Estates	8,490.00	8,490.00	8,490.00	-	8,490.00	8,490.00	8,490.00
	Summerfield Phase II	5,077.00	5,077.00	5,077.00	-	5,077.00	5,077.00	5,077.00
	Austin Village Phase 6	11,545.00	11,545.00	11,545.00	-	11,545.00	11,545.00	11,545.00
	Fernwood Sub. Ph XII	8,790.00	8,790.00	8,790.00	-	8,790.00	8,790.00	8,790.00
	Sugar Ridge Subdivision	9,291.00	9,291.00	9,291.00	-	9,291.00	9,291.00	9,291.00
	Haysa Estates	0.00	0.00	0.00	-	0.00	0.00	0.00
	Dwight W. Andrus, Jr.	0.00	0.00	0.00	-	0.00	0.00	0.00
	Regency Development Co.	0.00	0.00	0.00	-	0.00	0.00	0.00
	Oak Park Inc.	0.00	0.00	0.00	-	0.00	0.00	0.00
	Austin Village Phase II	0.00	0.00	0.00	-	0.00	0.00	0.00
	Fernwood Sub. Ph VIII	0.00	0.00	0.00	-	0.00	0.00	0.00
	Bayou Bend	0.00	0.00	0.00	-	0.00	0.00	0.00
	Austin Village III	0.00	0.00	0.00	-	0.00	0.00	0.00
	Fernwood Phase IV	0.00	0.00	0.00	-	0.00	0.00	0.00
	Kings Pointe Development	0.00	0.00	0.00	-	0.00	0.00	0.00
	Austin Village Phase 4	0.00	0.00	0.00	-	0.00	0.00	0.00
	New Center Commons	0.00	0.00	0.00	-	0.00	0.00	0.00
	Burreka Oaks LLC	0.00	0.00	0.00	-	0.00	0.00	0.00
	River Ranch	0.00	0.00	0.00	-	0.00	0.00	0.00
	Total Notes Receivable	366,925.00	366,925.00	432,391.00	65,466.00	345,521.50	366,487.20	366,487.20



ATMOS ENERGY CORPORATION  
BALANCE SHEET ACCOUNTS  
AS OF JULY 31, 1998

Line No.	Acct. No.	Description	Prior Month	Current Month	Current Change	Prior Year	As of September 30, 1997
		1420 Customer Accounts Receivable					
		1420 1,2 - Gas Ledger					
		General Office					
		Unbilled revenue - Energas	1,119,000.00	497,000.00	(622,000.00)	1,544,000.00	2,261,000.00
		Unbilled revenue - GGC	1,166,035.21	924,035.21	(242,000.00)	1,123,000.00	1,409,000.00
		Unbilled revenue - Trans La	381,000.00	751,000.00	370,000.00	769,000.00	889,000.00
		Unbilled revenue - WKG	899,000.00	734,000.00	(165,000.00)	2,226,000.00	2,373,000.00
		Unbilled revenue - UCG	(5,779,640.48)	(4,686,881.51)	1,092,758.97	0.00	0.00
		PGA - Correcting Account - Energas	(3,310,819.00)	(4,011,547.00)	(700,728.00)	1,642,000.00	623,000.00
		PGA - Correcting Account - GGC	(2,170,169.44)	(3,381,723.55)	(1,211,554.11)	7,963,717.00	8,709,594.00
		PGA - Correcting Account - Trans La	430,000.00	575,000.00	145,000.00	158,000.00	225,000.00
		PGA - Correcting Account - WKG	(8,410,000.00)	(8,241,380.00)	168,620.00	3,837,000.00	5,010,000.00
		PGA - Correcting Account - UCG	(5,469,579.94)	(3,158,564.45)	2,311,015.49	0.00	0.00
		Handbilled Industrial Accounts - Energas	252,656.41	264,360.05	11,703.64	175,842.75	137,781.35
		Handbilled Industrial Accounts - Trans La	94,876.19	133,685.24	38,809.05	104,650.61	90,031.55
		Handbilled Industrial Accounts - WKG	708,833.48	646,979.32	(61,854.16)	2,324,286.77	2,286,869.50
		Energas Div - Amarillo System (City and Rural)	606,712.18	363,131.01	(243,581.17)	941,341.18	746,816.67
		Dalhart City Plant System (City and Rural)	119,590.18	144,780.80	25,190.62	173,764.15	51,269.30
		Fritch & Sanford System	29,072.21	20,796.04	(8,276.17)	16,912.55	11,311.17
		West Texas City Plant System (City and Rural)	20,225,516.43	27,313,489.62	7,087,973.19	19,524,974.15	12,102,455.58
		Greeley Gas Company Division	8,783,150.04	12,394,773.47	3,611,623.43	3,445,201.38	2,257,484.51
		Trans La Division	1,885,136.66	1,715,975.68	(169,160.98)	1,406,504.15	1,302,481.08
		Western Kentucky Gas Division	5,734,474.18	4,664,107.05	(1,070,372.13)	1,593,083.45	516,088.24
		United Cities Gas Division	15,887,008.47	11,796,184.67	(4,090,823.80)	0.00	0.00
		Total Gas Ledger Receivables	33,660,032.97	39,459,196.65	5,799,163.68	48,969,280.14	41,002,182.95
		1420 3 - Merchandise Ledger	2,119,724.95	2,078,037.21	(41,687.74)	2,193,823.76	2,172,379.34
		1420 4 - Service Ledger	1,599,906.00	1,586,308.13	(13,597.87)	274,706.91	270,935.33
		1420 6 - Customer Surcharge - GGC	8,961.03	8,961.03	-	11,164.32	11,088.80
		Total Customer Accounts Receivable	37,388,624.95	43,132,303.02	5,743,678.07	51,448,975.13	43,456,586.42

Note: For prior year and September 30, 1997 United Cities balances are reported at the summary account level.

ATMOS ENERGY CORPORATION  
BALANCE SHEET ACCOUNTS  
AS OF JULY 31, 1998

Line No.	Acct. No.	Description	Prior Month	Current Month	Current Charge	Prior Year	As of September 30, 1997
	1430	Other Accounts Receivable					
	1430 1 -	Miscellaneous					
		Additional Billing					
		Additional Billing - WKG	0.00	0.00	-	2,001.73	(93,443.42)
		Eddius - Watcher Rent	(3,975.00)	(3,975.00)	-	0.00	0.00
		Clyde Plant Extraction - Koch	24,446.20	15,389.64	(9,056.56)	10,220.98	(1,488.09)
		Cortez Outage	20,640.46	20,640.46	-	0.00	0.00
		Eureka Outage	3,528.09	3,528.09	-	0.00	0.00
		Virden IL Damage	20,224.09	20,224.09	-	0.00	0.00
		AT&T Charges Woodward Marketing	817.72	817.72	-	0.00	0.00
		UCG - Pleasanton, KS	3,334.46	4,084.69	750.23	0.00	0.00
		Foran Outage	(513.95)	(513.95)	-	0.00	0.00
		KN - Taboka Outage	14.60	14.60	-	416.71	0.00
		GOC Auto Salvage A/R	(11,440.50)	(6,127.01)	5,313.49	33,283.15	0.00
		Greeley Outage	(6,144.35)	(6,144.35)	-	0.00	0.00
		Breaux Bridge Outage	4,077.14	4,077.14	-	0.00	0.00
		KN - Plainview Linecut	48.70	48.70	-	0.00	0.00
		KN - Big Spring OVR/ODOR	1,227.04	1,227.04	-	0.00	528.22
		Monroe Outage	330.74	330.74	-	0.00	0.00
		Platteville Outage	41,903.25	41,903.25	-	6,988.32	5,033.34
		Thibodaux Outage	0.00	0.00	-	41,903.25	41,903.25
		Winfield Outage	(169.19)	(169.19)	-	0.00	0.00
		CNG - Amarillo	(206.57)	(206.57)	-	5,865.36	5,865.36
		CNG - Canyon	(1,371.78)	(1,371.78)	(8.01)	1,668.23	(173.32)
		CNG - Lafayette	0.00	0.00	-	74.65	510.08
		Meter Salvage Receivable	2,775.00	2,775.00	-	8,050.60	8,050.10
		Midwestern/Equitable Cash	13,334.20	13,330.99	16.79	12,926.26	12,926.26
		Miscellaneous	505,845.21	707,920.97	202,075.76	(8,008.97)	83,624.16
		Steamboat Springs Incident (Reimbursable Expense)	0.00	0.00	-	138,935.61	12,128.80
		Total Miscellaneous Receivable	618,725.56	817,817.26	199,091.70	263,206.56	75,468.74
	1430 2 0541 -	Employee Advances (incl. Expense, Bridge Loans & Education)	671,202.35	673,450.55	2,248.20	117,077.18	81,131.23
	1430 2 06XX -	Merchandise Employee Payroll Deductions	137,631.71	143,879.58	6,247.87	156,483.96	139,500.82
	1431 2 0601 -	Employee Rent	125.06	28.92	(96.14)	0.00	0.00
	1431 2 0601 -	Other Employee A/R	7,239.57	7,239.57	-	0.00	0.00
	1430 7 -	Trans La Miscellaneous	0.00	0.00	-	428,071.99	428,071.99
		State Dept. of Transportation	120.00	90.00	(30.00)	60.00	90.00
		Acadia Parish Police Jury	22,084.55	13,450.22	(8,634.33)	11,958.52	8,440.79
		LIG					
		Total Trans La Miscellaneous Receivables	22,204.55	13,540.22	(8,664.33)	440,090.51	436,602.78
	1430 9 0500 -	WKG PAC	2,085.31	1,366.42	(718.89)	293.31	575.98
	1430 9 07XX -	Westar - Chart Reading & Misc.	770.50	819.50	49.00	3,945.55	3,838.09
		Total Other Accounts Receivable	1,459,984.61	1,658,142.02	198,157.41	981,097.07	737,117.64

Note: For year and September 30, 1997 United Cities balances are reported at the summary account level.

ATMOS ENERGY CORPORATION  
BALANCE SHEET ACCOUNTS  
AS OF JULY 31, 1998

Line No.	Acct. No.	Description	Prior Month	Current Month	Current Change	Prior Year	As of September 30, 1997
1440		Allowance for Doubtful Accounts	(2,308,263.48)	(2,314,403.29)	193,838.19	(1,468,639.30)	(956,451.32)
		Atmos - Total Receivable, Less Allowance	36,707,271.08	42,908,630.75	6,201,359.67	51,306,954.40	43,593,739.94
		United Cities Gas - Total Receivable, Less Allowance	0.00	0.00	-	24,802,381.31	24,162,577.00
9		Total Accounts Receivable, Less Allowance for Doubtful Accounts	36,707,271.08	42,908,630.75	6,201,359.67	76,109,335.71	67,756,316.94
<b>INVENTORIES.</b>							
1540		Plant Materials and Supplies	8,208,995.75	8,161,379.35	(47,616.40)	5,569,027.07	5,148,721.93
1550		Merchandise	227,942.56	225,446.51	(2,496.05)	169,396.03	160,233.09
1510		Propane Fuel Stock	456,837.45	456,837.45	-	0.00	0.00
1630		Stores Expense Undistributed	4,167,855.89	4,256,015.63	88,159.74	1,908,433.30	1,785,741.60
		Atmos - Total Inventories	13,061,631.65	13,099,678.94	38,047.29	7,646,856.40	7,094,696.62
		United Cities Gas - Total Inventories	0.00	0.00	-	5,537,458.00	4,115,542.00
10		Total Inventories	13,061,631.65	13,099,678.94	38,047.29	13,204,314.40	11,210,238.62
<b>GAS STORED UNDERGROUND</b>							
		Total Gas Stored Underground, current	24,797,168.95	31,085,612.03	6,288,443.08	10,143,386.57	41,589,456.36
		United Cities Gas - Total Gas Stored Underground, current	0.00	0.00	-	22,767,606.00	0.00
11		Total Gas Stored Underground, current	24,797,168.95	31,085,612.03	6,288,443.08	31,910,992.57	41,589,456.36
<b>OTHER CURRENT ASSETS</b>							
1340		Other Special Deposits	1,667,744.24	1,667,744.24	-	16,812.74	16,887.74
		Guaranty Deposits	1,667,744.24	1,667,744.24	-	16,812.74	16,887.74
		Total Other Special Deposits	3,335,488.48	3,335,488.48	-	33,625.48	33,775.48
1740		Miscellaneous Current and Accrued Assets	21,170.13	21,170.13	-	0.00	0.00
		Total Miscellaneous Current and Accrued Assets	21,170.13	21,170.13	-	0.00	0.00

Note: For prior year and September 30, 1997 United Cities balances are reported at the summary account level.

**ATMOS ENERGY CORPORATION**  
**BALANCE SHEET ACCOUNTS**  
**AS OF JULY 31, 1998**

Line No.	Acct. No.	Description	Prior Month	Current Month	Current Change	Prior Year	As of September 30, 1997
1660		Prepayments					
		Alliance Prepaid Gas	82,643.27	82,643.27	-	2,578,548.36	1,172,398.13
		Tenn Alliance Prepaid Gas	192,804.34	192,804.34	-	337,513.17	16,816.84
		Cambridge Energy Research (Amort \$2,500/mo thru 01/98)	0.00	0.00	-	10,000.00	5,000.00
		Software Maintenance:					
		SCT Billing Software (Escalating amount to capital 02/97 thru 12/99)	507,038.59	479,976.09	(27,062.50)	479,976.09	750,601.09
		Oracle Database Maint (Escalating amount to IS clearing 02/97 thru 01/00)	139,984.86	133,743.44	(6,241.42)	203,290.76	192,591.16
		Dues - AGA	0.00	(21,762.42)	(21,762.42)	29,384.84	0.00
		Dues - SGA	8,000.36	6,667.10	(1,333.26)	6,666.62	3,999.94
		Franchise Tax - City	0.00	0.00	0.00	53,045.70	1,366.16
		Franchise Tax - Texas	(20,000.00)	(32,000.00)	(12,000.00)	0.00	0.00
		Gas - Excess Nominations	181,074.63	180,739.78	(284.85)	182,123.09	181,898.76
		Gross Receipts Tax - Texas	(57,321.82)	1,114,484.93	1,171,806.75	154,484.46	0.00
		Institute of Gas Technology (Amort \$2,108/mo thru 12/97)	2.00	(2,106.00)	(2,108.00)	10,540.00	6,324.00
		Insurance - Prop., Gen. Liab., Auto, etc.	1,210,037.26	1,405,815.98	195,778.72	425,224.01	358,470.88
		Insurance - Retirement Cost	492,929.56	424,237.43	(68,692.13)	536,869.46	559,450.12
		KPSC Assessment (Quarterly)	3.01	49,231.40	49,228.39	22,222.56	12,797.16
		KPSC Assessment (Amort \$13,368/mo thru 6/97)	0.00	118,527.75	118,527.75	0.00	0.00
		Occupational License	31,583.00	26,283.00	(5,300.00)	29,108.00	17,508.00
		Postage	(70,959.89)	(16,891.11)	54,068.78	55,672.60	96,346.64
		Prepaid Debt Exp. - Nations (Amort \$5,000/mo thru 8/98)	9,999.97	4,999.97	(5,000.00)	2,916.64	54,999.97
		Rent - Gilliland Group (Oper Co)	284,592.01	284,592.01	-	284,592.01	284,592.01
		Total Prepayments	2,992,361.15	4,431,986.96	1,439,625.81	5,402,178.37	3,715,160.86
		Atmos - Total Other Current Assets	4,681,275.52	6,120,901.33	1,439,625.81	5,418,991.11	3,732,048.60
		United Cities Gas - Total Other Current Assets	0.00	0.00	-	687,360.00	1,802,255.00
12		Total Other Current Assets	4,681,275.52	6,120,901.33	1,439,625.81	6,106,351.11	5,539,303.60
		<b>INTERCOMPANY ACCOUNTS - NET</b>					
		1460 Accounts Receivable from Assoc. Co.					
		Egasso, Inc.	9,434.98	(500,437.02)	(509,872.00)	5,609.98	5,609.98
		Enermart, Inc.	(1,255,940.21)	(2,872,889.14)	(1,616,948.93)	(477,713.32)	808,349.49
		Enermart Trust	24,605,312.12	25,057,340.50	452,028.38	20,418,568.59	21,120,195.01
		Trans La Industrial Gas Company, Inc.	(31,144,890.17)	(35,869,225.26)	(4,724,335.09)	(29,930,904.75)	(23,708,148.28)
		United Cities Gas Company	(2,615,099.70)	(2,692,540.68)	(77,440.98)	(2,414,095.26)	(2,738,776.04)
		Western Kentucky Gas Resources	(44,743.33)	(46,647.04)	(1,903.71)	0.00	66,906,326.59
		UCG Rental	(973,324.03)	(973,956.36)	(632.33)	(965,478.67)	(967,305.90)
		UCG Utility Services	2,603,765.02	2,555,448.21	(48,316.81)	0.00	0.00
		UCG Storage	(272,844.10)	(333,159.84)	(60,315.74)	0.00	0.00
		UCG Leasing	2,197,592.02	1,920,627.71	(276,964.31)	0.00	0.00
		UCG Propane	(212,010.56)	(254,670.27)	(42,659.67)	0.00	0.00
		Atmos - Total Intercompany Accounts	4,887,211.65	6,103,665.64	1,216,453.95	0.00	0.00
		United Cities Gas - Total Intercompany Accounts	(2,215,536.31)	(7,906,443.55)	(5,690,907.24)	(13,364,013.43)	61,426,230.85
13		Total Intercompany Accounts - Net	0.00	(1,799,777.91)	(1,799,777.91)	6,769,210.00	(58,606,626.59)
		Total Current Assets	79,118,459.19	82,480,136.74	3,361,677.55	117,462,441.17	131,636,859.17

Note: For year and September 30, 1997 United Cities balances are reported at the summary account level.

ATMOS ENERGY CORPORATION  
BALANCE SHEET ACCOUNTS  
AS OF JULY 31, 1998

Line No.	Acct. Description	Prior Month	Current Month	Current Change	Prior Year	As of September 30, 1997
<b>DEFERRED CHARGES AND OTHER ASSETS</b>						
1280	Gilliland Lease Deposits	733,624.05	733,624.05	-	737,624.05	733,624.05
	<b>Total Other Special Funds</b>	733,624.05	733,624.05	-	737,624.05	733,624.05
1240	Other Investments	8,301.00	8,301.00	-	8,301.00	8,301.00
	Club Memberships	250.00	250.00	-	250.00	250.00
	Herrington Industrial Development	750.00	750.00	-	750.00	750.00
	Whidom Industrial Development	100.00	100.00	-	100.00	100.00
	Worthington Industries Inc	9,401.00	9,401.00	-	9,401.00	9,401.00
<b>1810 Unamortized Debt Expense</b>						
	John Hancock Notes (9.75% through 12/30/96)	0.00	0.00	(685.34)	0.00	0.00
	John Hancock Notes (11.2% through 12/30/02)	37,008.48	36,323.14	(685.34)	44,547.22	43,176.54
	John Hancock Notes (9.76% through 12/30/04)	81,740.82	80,502.32	(1,238.50)	95,364.32	92,887.32
	Var. Annuity Life Ins. (9.57% through 9/10/06)	66,273.11	65,596.86	(676.25)	73,711.86	72,359.56
	Var. Annuity Life Ins. (7.95% through 9/10/06)	32,714.92	32,381.09	(333.83)	36,387.05	35,719.39
	Var. Annuity Life Ins. (8.07% through 10/10/06)	83,797.46	82,959.49	(837.97)	93,015.13	91,339.19
	New York Life Ins. (8.26% through 10/10/14)	97,993.56	97,493.59	(499.97)	103,493.23	102,493.29
	First Mortgage Bonds (9.4% through 2021)	519,191.44	517,310.31	(1,881.13)	539,883.87	536,121.61
	Medium Term Debt Series A - 1	214,779.27	214,130.09	(649.18)	222,569.00	0.00
	Series A - 2	194,102.71	192,815.96	(1,286.75)	209,544.00	0.00
	Series A - 3	23,251.40	22,497.55	(753.85)	32,298.00	0.00
	Long Term Debt Series N	57,803.40	56,489.67	(1,313.73)	73,568.00	0.00
	Series P	237,352.44	236,333.76	(1,018.68)	249,577.00	0.00
	Series Q	261,890.34	260,903.87	(986.47)	273,728.00	0.00
	Series R	357,953.66	352,765.93	(5,187.73)	420,206.00	0.00
	Series T	117,856.10	117,427.53	(428.57)	122,999.00	0.00
	Series U	352,278.08	351,046.34	(1,231.74)	367,059.00	0.00
	Series V	139,557.17	138,325.54	(1,231.63)	154,337.00	0.00
	TNVA - AQ	122,798.49	120,451.21	(2,347.28)	150,965.00	0.00
	<b>Total Unamortized Debt Expense</b>	2,998,342.85	2,975,754.25	(22,588.60)	3,263,232.68	974,096.70
1840	Clearing Accounts	219.35	370.13	150.78	0.00	0.00
	Ditchers & Backhoes	10,641.08	10,641.05	(0.03)	0.00	0.00
	Information Services	30,703.27	30,713.50	10.23	0.00	0.00
	Meter Shop	751.19	751.19	-	71,853.91	1,738.76
	Meter Loops	22,677.42	22,677.42	-	0.00	(25,448.08)
	Payroll/Taxes	39,065.90	(22,330.43)	(61,396.33)	(100,503.37)	0.00
	Vehicle System	1,596.08	1,636.90	40.82	0.00	0.00
	Welders	10,504.42	17,562.42	7,058.00	0.00	0.00
	Fleet Administration	116,158.71	62,022.18	(54,136.53)	(28,649.46)	(23,709.32)
	<b>Total Clearing Accounts</b>	116,158.71	62,022.18	(54,136.53)	(28,649.46)	(23,709.32)

Note: For prior year and September 30, 1997 United Cities balances are reported at the summary account level.

ATMOS ENERGY CORPORATION  
BALANCE SHEET ACCOUNTS  
AS OF JULY 31, 1998

Line No.	Acct. No.	Description	Prior Month	Current Month	Current Change	Prior Year	As of September 30, 1997
1660		Miscellaneous Deferred Debits					
		Advanced Payments to Employees	468,664.94	(22,194.58)	(490,859.52)	151,148.69	216,605.61
		Kentucky PBR	10,169.57	10,169.57	-	0.00	0.00
		Car Allowance (Amort calendar year)	91,700.00	76,950.00	(14,750.00)	79,845.00	47,907.00
		Company Facilities:					
		Manoos Office					
		Nachitoches Service Center (Reimbursable Upon Completion)	25,188.96	25,188.96	-	25,188.96	25,188.96
		Pedueah Remodeling (Reimbursable Upon Completion)	(6,951.48)	(6,951.48)	-	4,635.73	(7,433.32)
		Thibodaux Office	97,503.81	97,503.81	-	97,503.81	97,503.81
		Consulting	38,557.48	40,548.42	2,190.94	34,436.23	38,357.48
		Danville Incident - KY	39,999.99	26,666.66	(13,333.33)	40,000.00	80,000.00
		Deferred Take or Pay - GGC	17,333.79	17,333.79	-	16,604.55	17,333.79
		Texas Gas Rate Case	285,006.91	402,417.11	117,410.20	315,886.13	322,550.59
		Add O&M Standards to ALMS	5,267.07	5,267.07	-	0.00	722.36
		Gas Contract Management System	64,729.49	64,729.49	-	64,729.49	64,729.49
		Oteasa Service Center Renodel	29,293.79	29,293.79	-	24,809.90	27,209.90
		Quality Review - CIS Project	14,732.44	14,732.44	-	0.00	0.00
		Functional Standard Costing	13,533.00	13,533.00	-	245,383.88	245,383.88
		Internet Requirements Project	0.00	0.00	-	24,101.43	24,101.43
		Remote Paycenter Project	0.00	0.00	-	3,850.00	0.00
		GGC ACH Cash Clearing	(27,426.98)	(27,426.98)	-	25,785.59	25,785.59
		GGC Cash Reconciliation	(691,783.21)	(691,783.21)	-	(8,851.50)	(784.36)
		Lincola Center Rent	807,561.46	593,070.62	(214,490.84)	148,702.91	154.13
		Misc. Charges to be Cleared Currently	511,323.99	931,558.47	420,234.48	267,165.02	74,834.22
		Other Work in Progress	103,971.74	117,433.58	13,461.84	100,445.61	102,306.21
		Pension Assets - Atmos	(405,239.80)	(243,462.80)	161,777.00	(1,386,793.03)	(1,409,859.03)
		Pension Assets - WKG	11,954,415.71	11,954,415.71	115,507.00	11,300,521.94	11,294,519.94
		Pension Assets - GGC	(482,532.25)	(472,914.50)	9,617.75	(411,702.00)	(450,970.00)
		UCG Post Retirement Benefits	1,380,518.00	1,380,518.00	-	0.00	0.00
		Rate Cases:					
		Rate Case Exp - CO - Phase II (Amort \$1,225/mo. thru 12/98)	7,349.70	6,124.75	(1,224.95)	20,824.15	18,374.25
		Rate Case 95-010 - WKG (Amort \$6,828.50/mo. 11/95 thru 10/98)	27,313.87	20,485.37	(6,828.50)	102,427.37	88,770.37
		Rate Case - West Texas (Amort \$1,534.58/mo. thru 11/99)	24,553.14	23,018.56	(1,534.58)	49,492.02	38,364.36
		Restricted Stock Grant Plan	5,017,349.79	4,905,870.75	(111,479.04)	767,995.98	3,117,164.34
		Retirement Cost (Rabbi Trusts and CVI)	21,748,684.25	22,397,509.91	648,825.66	17,723,459.59	21,209,828.66
		Texas La Lawsuit & COO Investigation (Amort \$27,000/mo 3/94 thru 2001)	1,016,572.73	989,572.73	(27,000.00)	1,313,572.73	1,259,572.73
		Texas La Post Settlement					
		Drilling Permits - Energas	181,898.89	182,217.07	318.18	147,609.32	153,746.06
		Executrain - Std. P.C. Training Cost	0.00	0.00	-	0.00	1,000.00
		Acquisition Costs - Atmos	8,778,102.04	8,794,910.18	16,808.14	42,372.94	0.00
		Acquisition Costs - United Cities	14,468,500.32	14,468,500.32	-	3,164,609.28	6,677,252.48
		Conflict Costs	258,138.10	258,138.10	-	0.00	13,869,229.87
		Leadership Conference	396,135.11	471,364.58	75,229.47	258,138.10	258,138.10
		Atmos/UCO Integration (1)	36,212,653.44	36,496,158.24	283,504.80	1,258,082.68	11,270,693.98
		Separation/Integration Costs	0.00	0.00	-	0.00	17,000,000.00
		Business Unit Review Meetings	6,025.95	6,025.95	-	0.00	0.00
		Scans - Delaney Rctreat	4,793.57	19,501.82	14,708.25	0.00	0.00
		Regulatory Summit	1,548.61	1,548.61	-	0.00	0.00
		Five Year Plan Meetings	159,751.30	274,744.85	114,993.55	0.00	0.00

Note: year end September 30, 1997 United Cities balances are reported at the summary account level.

ATMOS ENERGY CORPORATION  
BALANCE SHEET ACCOUNTS  
AS OF JULY 31, 1998

Line No.	Acct. No.	Description	Prior Month	Current Month	Current Change	Prior Year	As of September 30, 1997
		Marketing Initiative	744,130.39	882,385.92	138,255.53	0.00	0.00
		Shared Services Meetings	219,014.92	245,533.40	26,520.48	0.00	0.00
		H R Study - Towers Perrin	241,385.11	667,944.25	426,559.14	0.00	0.00
		Diversity Council	17,123.18	19,955.98	2,832.80	0.00	0.00
		Debt Offering - 1998	70,322.54	79,077.15	8,754.61	0.00	0.00
		South Carolina Rate Case	1,114.46	1,114.46	-	0.00	(20,334,000.00)
		General Reserve - Accrual	2,210.00	17,420.00	15,110.00	0.00	0.00
		1998 Depreciation Study	17,709.81	31,662.86	13,953.05	0.00	0.00
		Payroll Redesign	0.00	44,121.45	44,121.45	0.00	0.00
		Project 2000	0.00	27,970.69	27,970.69	0.00	0.00
		Oracle Financial Project	0.00	21,328.52	21,328.52	0.00	0.00
		Real Estate Dispositions	0.00	16,509,494.46	16,509,494.46	0.00	0.00
		Deferred Gas Cost					
		UCG Rate Cases:					
		IL Rate Case 1996	41,251.11	40,391.71	(859.40)	0.00	0.00
		KN Rate Case 1992	14,883.32	9,922.16	(4,961.16)	0.00	0.00
		TN Rate Case 1995	26,184.91	20,947.82	(5,236.99)	0.00	0.00
		IA Rate Case 1995	35,663.70	34,644.74	(1,018.96)	0.00	0.00
		VA Rate Case 1995	12,469.11	8,312.74	(4,156.37)	0.00	0.00
		GA Rate Case 1996	42,540.30	41,122.29	(1,418.01)	0.00	0.00
		MO Rate Case 1995	11,507.92	8,630.98	(2,876.94)	0.00	0.00
		KN Rate Case 1995	24,639.31	16,439.51	(8,219.80)	0.00	0.00
		INMFO Services	4,148,796.44	4,148,796.30	(430.14)	0.00	0.00
		UCG Acquisition Costs					
		Leak Survey	27,164.12	27,164.12	-	0.00	0.00
		Non Complete Agreement	1,522,763.83	1,522,763.83	-	0.00	0.00
		Energy Efficiency Program - IA	13,860.04	26,247.04	12,387.00	0.00	0.00
		Income Tax Recover Future	3,250,723.23	3,250,723.23	-	0.00	0.00
		UCG KS:					
		Transmission Cost	(270,220.37)	(311,380.37)	(41,160.00)	0.00	0.00
		Capacity Rel Rev	12,744.42	14,694.97	1,950.55	0.00	0.00
		Conservation Program	133,239.45	133,239.45	-	0.00	0.00
		Conservation Program 1997	197,924.91	197,924.91	-	0.00	0.00
		United Cities Gas Deferred Debits	0.00	0.00	-	15,100,651.00	14,970,607.13
		Total Miscellaneous Deferred Debits	109,849,009.87	111,581,865.63	1,732,855.76	51,111,910.03	80,608,664.50
		Atmos					
		United Cities Gas Deferred Debit less Acquisition Costs above	113,706,536.48	115,362,667.11	1,656,130.63	55,093,538.30	82,302,076.93
		Total Deferred Changes and Other Assets	0.00	0.00	-	7,321,179.00	0.00
15			113,706,536.48	115,362,667.11	1,656,130.63	62,414,717.30	82,302,076.93
16		TOTAL ASSETS	\$1,031,632,027.38	\$1,042,915,527.08	11,283,499.70	\$950,065,609.77	\$1,011,626,092.39

(1) Total Net UCG Acquisition: \$ 42,908,455.15

Note: For prior year and September 30, 1997 United Cities balances are reported at the summary account level.

ATMOS ENERGY CORPORATION  
BALANCE SHEET ACCOUNTS  
AS OF JULY 31, 1998

Line Acct. No.	Description	Prior Month	Current Month	Current Change	Prior Year	As of September 30, 1997
5	Atmos - Total Shareholders' Equity United Cities - Total Shareholders' Equity <b>SHAREHOLDERS EQUITY</b>	348,077,476.18 348,077,476.18	345,407,198.32 345,407,198.32	(2,670,277.86) (2,670,277.86)	187,075,034.79 138,652,515.00 325,727,549.79	302,292,130.73 0.00 302,292,130.73
6	Total Long Term Bond Debt Other Long Term Debt United Cities Gas - Total Long Term Debt <b>LONGTERM DEBT</b>	120,470,000.00 167,693,308.00 0.00 288,163,308.00	120,470,000.00 315,053,308.00 0.00 435,523,308.00	- 147,360,000.00 - 147,360,000.00	165,303,308.00 0.00 135,000,000.00 300,303,308.00	271,163,308.00 26,140,000.00 0.00 297,303,308.00
7	<b>TOTAL CAPITALIZATION</b>	656,240,734.18	780,930,506.32	144,689,772.14	626,030,857.79	599,595,438.73
<b>NOTES PAYABLE</b>						
	Amarillo National Bank Master Note/Other	2,000,000.00	(10,000,000.00)	(12,000,000.00)	12,000,000.00	12,000,000.00
	Societe Generale	0.00	10,200,000.00	10,200,000.00	0.00	0.00
	Fuji Bank	0.00	0.00	0.00	15,000,000.00	0.00
	NationsBank	119,900,000.00	19,900,000.00	(100,000,000.00)	0.00	140,600,000.00
	PNC Bank of Pittsburgh	20,000,000.00	10,000,000.00	(10,000,000.00)	0.00	7,800,000.00
	1st National Bank of Commerce	0.00	0.00	-	10,000,000.00	0.00
	Mitsubishi Bank - Houston	22,100,000.00	0.00	(22,100,000.00)	12,800,000.00	0.00
	Atmos - Total Notes Payable	164,000,000.00	30,100,000.00	(133,900,000.00)	49,800,000.00	160,400,000.00
	United Cities Gas - Total Notes Payable	0.00	0.00	-	41,753,000.00	0.00
8	<b>Total Notes Payable</b>	164,000,000.00	30,100,000.00	(133,900,000.00)	91,553,000.00	160,400,000.00



ATMOS ENERGY CORPORATION  
BALANCE SHEET ACCOUNTS  
AS OF JULY 31, 1998

Line No.	Acct. No.	Description	Prior Month	Current Month	Current Change	Prior Year	As of September 30, 1997
<b>ACCOUNTS PAYABLE</b>							
2370		Accounts Payable	4,879.40	23,000.51	18,121.11	156,489.21	179,431.90
		Accrued Annual Report Costs	151,250.00	165,200.00	13,950.00	(34,100.00)	9,900.00
		Accrued Audit Fees	80,000.01	96,667.01	16,667.00	78,153.85	111,487.85
		Accrued Employee Awards	3,967,108.59	1,717,198.31	(2,249,910.28)	82,460.38	30,654.03
		Accrued Payroll Labor Distribution	527,955.87	527,955.87	-	527,955.87	527,955.87
		Accrued Vacation	15,040,317.43	13,926,301.05	(1,114,016.38)	0.00	0.00
		Estimated Gas Cost	0.00	0.00	-	(277,506.82)	0.00
		Customer Service Enhancement	492,797.76	2,554,318.84	2,061,521.08	288,368.00	334,402.02
		Def Cr Cleared Currently					
		DSM Program					
		DSM Program - KY	209,480.63	242,813.96	33,333.33	250,000.00	250,000.00
		DSM Program - KY Payments	(160,643.61)	(198,236.79)	(37,893.18)	(175,571.29)	(217,687.77)
		Propane Payroll/Benefits	503,361.76	580,322.12	76,960.36	0.00	0.00
		Employees' AD & D Insurance	(10,576.55)	(15,486.55)	(4,910.00)	5,749.10	(123.00)
		Employees' College Donation Deductions	129.80	149.15	19.35	0.00	28.00
		Employees' Dependent Life Ins.	880.64	1,530.62	649.98	1,993.00	(21.00)
		Employees' Egespac	27.50	27.50	-	55.00	55.00
		Employees' WKG Pac	1.84	1.84	-	395.75	377.25
		Employees' Trans La PAC	9.69	9.69	-	0.00	0.00
		Employees' Credit Union	229.38	229.38	-	66,940.36	64,398.70
		Employees' Long-Term Disability Insurance	(561.45)	8,973.22	9,534.67	1,463.61	(27,513.07)
		Employees' Medical/Dental Insurance:					
		Medical/Dental Liability	3,791,887.11	4,232,262.33	440,375.22	1,416,126.36	1,428,983.46
		Medical/Dental Prems/Claims Clearing	(862,979.24)	(1,557,989.78)	(695,010.54)	516,974.94	289,638.31
		Employees' Supplemental Life Insurance	(48,600.58)	(49,809.93)	(1,209.35)	12,423.99	(2,184.92)
		Employees' United Way	(10,628.49)	(6,521.67)	4,106.82	1,863.70	1,725.18
		Employees' Universal Life Ins.	(3,349.95)	(1,810.03)	1,539.92	5,232.21	(104.25)
		Employee's U.S. Savings Bonds Deductions	3,838.58	6,231.38	2,392.80	6,926.33	6,410.06
		Employee's ESOP Contributions	38,936.81	110,285.71	71,348.90	87,927.91	87,652.07
		Employee's ESOP Other Expense	5,303.92	11,921.92	6,618.00	21,659.45	13,937.66
		Employee's ESOP Withholding	(147,573.64)	(219,101.28)	(71,527.64)	138,278.21	138,345.58
		Employee's Group Life Ins.	16,384.03	(7,940.45)	(24,324.48)	30,972.26	47.87
		Employee's 401K Withholding	21,511.32	(11,655.05)	(33,166.37)	0.00	0.00
		Employee's Union Dues Withholding	(3.00)	(2.92)	0.08	0.00	0.00
		KN Master Mr Transfer	200,000.00	200,000.00	-	300,000.00	300,000.00
		Mailed Refunds	(432,861.16)	(682,363.65)	(229,504.49)	7,691.06	3,600.00
		Miscellaneous Employee Insurance Accruals - GOC	(534.81)	(72.25)	462.56	159.78	(1,200.28)
		Miscellaneous Contingent Liabilities	159,677.46	578,187.03	418,509.57	0.00	509,331.40
		Net Payroll Payable	62,216.55	(173,543.60)	(235,760.15)	1,765,399.72	2,129,272.93
		Purchase Order Clearing	479,970.32	317,193.71	(162,776.61)	361,518.42	234,018.06
		Contract Retainage	220,709.50	241,230.16	20,520.66	99,990.10	12,266.53
		Unclaimed Property	395,789.44	395,789.44	-	1,164.87	0.00
		Unclaimed Pipeline Refund	0.00	0.00	-	0.00	0.00
		UCG Gas Payables	(13,163.41)	(13,163.41)	-	0.00	0.00
		Vouchers Payable	1,884,381.95	1,935,737.92	51,355.97	2,113,748.69	6,859,380.12
		Total / Accrued Payables	26,547,511.40	24,935,539.31	(1,611,972.09)	7,869,428.20	13,383,375.86

ATMOS ENERGY CORPORATION  
BALANCE SHEET ACCOUNTS  
AS OF JULY 31, 1998

Line No.	Acct. No.	Description	Prior Month	Current Month	Current Change	Prior Year	As of September 30, 1997
		Gas Purchased - Accounts Payable					
		Acadiana Natural Gas, Co.	0.00	0.00	-	53,944.46	58,363.45
		AMOCO	(121,924.78)	(173,313.60)	(51,388.82)	67,200.00	135,000.00
		ANR Pipeline Company	996,981.66	1,311,876.45	314,894.79	(53,856.40)	0.00
		KN Marketing	100,602.91	329,876.15	229,273.24	1,368,689.57	1,207,958.30
		Panenergy Trading/Market	44,537.42	14,487.50	(30,049.92)	171,142.12	174,795.17
		Bronco Gas Transmission, Inc.	0.00	0.00	-	0.00	893.25
		Natural Gas Clearinghouse	(3.00)	(3.00)	-	402,404.70	692,739.65
		City of Odessa - Purchase	0.00	0.00	-	6,000.00	5,000.00
		Coastal Gas Marketing	(2,310.00)	0.00	2,310.00	125,049.82	154,000.00
		Colorado Interstate Gas Company	85,847.02	130,519.56	44,672.54	215,791.88	132,731.89
		Colorado Natural Gas	0.00	0.00	-	43,557.17	78,344.67
		Engage Energy	50,049.09	(151,368.44)	(201,417.53)	21,892.20	0.00
		Costilla Petroleum Corp.	36,579.60	0.00	(36,579.60)	24,874.20	22,658.40
		Crescent Oil & Gas Company	0.00	0.00	-	13,321.77	17,241.95
		Delhi	0.00	0.00	-	1.50	0.00
		Euron	0.00	0.00	-	14.96	0.00
		Exchange Gas	(472,294.11)	(393,442.84)	78,851.27	(563,736.37)	(404,739.03)
		Gas Payable - LA Imbalance	45,193.67	45,162.00	(31.67)	45,902.05	45,714.17
		LG & E Natural Plains Energy	132,903.67	8,323.70	(124,579.97)	459,010.89	554,227.95
		Hugobon	11,982.24	4,751.96	(7,230.28)	40,229.98	8,264.75
		Innovative Gas Services	0.00	0.00	-	587,591.82	0.00
		Interenergy Resource Corp.	(451,089.53)	(348,717.53)	102,372.00	61,728.01	122,552.36
		Kansas Pipeline Partners	(5,239.91)	799.77	6,039.68	5,380.60	3,280.57
		Permian Energy Services	0.00	103,320.00	103,320.00	0.00	101,585.66
		PMN Energy Marketing	17.32	17.32	0.00	0.00	0.00
		Kimball Energy Corp.	85,800.00	85,999.94	199.94	45,928.67	49,695.82
		United Gas Services	5,751.86	8,945.73	3,193.87	0.00	61,386.95
		KN Energy	(148,248.18)	(148,248.18)	-	32,082.83	28,439.97
		K N Gas Supply Services	381,983.48	442,732.70	60,749.22	59,472.31	85,337.69
		KPL Gas Services	21,778.21	21,778.21	0.00	22,711.34	22,275.61
		LIG Chemical	1,826.08	41,962.44	40,136.36	0.00	0.00
		LIG Imbalance	(566,807.15)	(488,463.09)	78,344.06	(68,783.88)	0.00
		Local Gas Production	14,206.23	14,344.64	138.41	67,696.16	159,402.62
		Local Gas Purchases - Fremont County	(2,412.33)	64,876.75	67,289.08	672,287.27	274,824.95
		Louisiana Interstate Gas Corp.	112.86	0.00	(112.86)	17,363.30	343,409.77
		Pioneer Natural Resources Co.	713,091.36	570,683.29	(142,408.07)	795,714.05	848,830.50
		Midcon Gas Services Corp.	0.00	0.00	-	1,125.00	0.00
		Mid-Louisiana Gathering	0.00	0.00	-	491.84	466.02
		Moffat Pipeline Corp.	0.00	0.00	-	9,808.29	9,811.97
		Natural Gas Clearinghouse	0.00	0.00	-	0.00	(234,603.04)
		Noble Gas Marketing	(97,712.00)	(97,712.00)	-	0.00	0.00
		Nonam Energy Services	2,429,469.26	105,609.75	(2,323,859.51)	0.00	0.00
		Nonam Gas Truscon Corp	5,861.08	0.00	-	6,968.47	7,000.23
		Oxy U.S.A., Inc.	0.00	0.00	-	102.95	101.50
		CMS Marketing Services	104,160.00	104,160.00	0.00	0.00	0.00

ATMOS ENERGY CORPORATION  
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Line No.	Acct. No.	Description	Prior Month	Current Month	Current Change	Prior Year	As of September 30, 1997
		Peoples Natural Gas	(14,432.85)	(14,432.85)	-	(2,401.63)	(5,307.85)
		Pipeline Refunds - GGC	1,389,241.33	1,428,447.84	39,206.51	11,715,652.39	470,641.21
		Pipeline Refunds - Trans La (LIG)		0.00	0.00		9,789,532.64
		Other Payables	419,388.92	415,232.65	(4,156.27)	30,762.69	1,322,632.19
		Public Service	(0.08)	(38,594.53)	(38,594.45)	355,451.81	363,065.98
		Wester Gas Marketing	0.00	0.00	-	39,773.82	91,647.28
		Schneider & Company, Inc.	0.00	(5,000.00)	(5,000.00)	0.00	0.00
		Sonnet Marketing	7,193.33	7,289.99	96.66	7,227.24	7,375.55
		Tennessee Gas Pipeline	(787.10)	(787.10)	-	216,407.10	259,695.35
		Tetaco, Inc.	0.00	(103,320.00)	(103,320.00)	684,420.40	785,502.00
		Tetaco Natural Gas Inc.	0.00	0.00	-	0.00	1,698,769.24
		Texas Gas Transmission	(63,000.28)	(63,000.28)	-	1,358,397.52	1,242,989.87
		Trunkline Gas Company	(88,618.43)	(93,035.78)	(4,417.35)	45,438.09	2,321.16
		Tuscaloosa Pipeline Company	0.00	0.00	-	4,161.97	7,836.04
		Wild Horse Energy Partners	2,140.00	2,140.00	0.00	0.00	0.00
		Williams Energy Services	(1,051,778.55)	(1,086,229.80)	(34,451.25)	103,861.71	129,674.70
		Williams Natural Gas Company	3,219,862.37	3,552,819.20	332,956.83	141,924.37	330,094.51
		WKG Supplier Imbalance	22,922.20	21,918.45	(1,003.75)	30,180.50	29,718.34
		Transportation Bank Gas	298,149.78	252,080.59	(46,069.19)	711,183.72	782,866.61
		Woodward Marketing	(12,806,614.62)	(12,566,733.23)	239,881.39	9,200.80	2,125,876.36
		Union Pacific Fuels	(1,277,511.53)	(1,277,511.53)	-	3,131,729.13	2,136,910.37
		UCG Accrued Gas Cost Payables	15,326,876.57	15,043,391.57	(283,485.00)	0.00	0.00
		UCG Gas Purchase Payables	(7,740,788.12)	(5,289,995.96)	2,450,792.16	0.00	0.00
		Vastar Gas	0.00	0.00	-	304,424.29	0.00
		Total Gas Purchased Payable	1,011,591.02	1,799,479.49	787,888.47	23,646,899.45	26,338,735.27
2410		Tax Collections Payable	(4,449.77)	(4,449.77)	-	(4,449.77)	(4,449.77)
		Asor Sales Tax	33,812.79	33,812.79	-	33,812.79	33,812.79
		Asor Franchise Tax	47,156.84	45,540.36	(1,616.48)	0.00	0.00
		City Franchise Fees - Louisiana	(7,244.65)	(9,971.69)	(2,727.04)	420.59	330.84
		City Sales Tax - Canon City	(4,620.95)	(6,703.56)	(2,082.61)	2,845.75	2,614.46
		City Sales Tax - Durango	628.10	252.54	(375.56)	1,940.16	1,536.18
		City Sales Tax - Mount Crested Butte	(3,231.11)	(10,373.85)	(7,142.74)	10,138.86	9,684.81
		City Sales Tax - Steamboat Springs	183,768.32	254,407.64	70,639.32	14,254.44	15,295.05
		City Sales/Use Tax	(3,464.37)	(6,060.77)	(2,596.40)	2,757.71	2,708.80
		City Sales/Use Tax - Cortez	(44,166.50)	(60,021.45)	(15,854.95)	9,345.27	13,958.94
		City Sales/Use Tax - Greeley	(21.50)	(21.50)	-	(15.61)	107.24
		City Sales/Use Tax - Gunnison	(2,185.69)	(4,510.82)	(2,325.13)	2,405.50	2,273.62
		City Sales/Use Tax - Lamar	(8.94)	(8.73)	0.21	0.19	(9.65)
		City & Parish Sales Tax - Louisiana	135.12	131.64	(3.48)	132.36	210.99
		County City/Use Tax - Provers	(48,299.86)	(44,417.97)	3,881.89	10,896.69	10,277.10
		County Sales/Use Tax	447.56	619.76	172.20	449.05	499.93
		County Use Tax - Freemont	(94,929.00)	440,424.04	535,353.04	690,141.61	754,344.31
		Employees' Federal Income Tax Withheld	(401,290.33)	3,338.44	404,628.77	198,310.75	235,029.75
		Employees' Local Tax Withheld - KY	19,691.53	13,292.93	(6,398.60)	15,903.57	29,424.88
		Employees' State Income Tax Withheld - Alabama	(162.86)	(109.79)	53.07	0.00	0.00
		Employees' State Income Tax Withheld - North Carolina	371.61	371.61	-	0.00	0.00
		Employees' State Income Tax Withheld - South Carolina	(1,931.20)	(1,931.20)	-	0.00	0.00

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Line No.	Acct. Description	Prior Month	Current Month	Current Change	Prior Year	As of September 30, 1997
	Employees' State Income Tax Withheld - Colorado	(2,694.66)	8,329.27	11,023.93	13,974.15	15,877.08
	Employees' State Income Tax Withheld - Illinois	29.71	29.71	-	0.00	0.00
	Employees' State Income Tax Withheld - Indiana	446.70	446.70	-	0.00	0.00
	Employees' State Income Tax Withheld - Georgia	14,686.24	21,827.32	7,141.08	0.00	0.00
	Employees' State Income Tax Withheld - Iowa	2,489.28	3,159.88	670.60	0.00	0.00
	Employees' State Income Tax Withheld - Kansas	(10,374.48)	(2,120.19)	8,254.29	4,064.91	3,007.67
	Employees' State Income Tax Withheld - Kentucky	21,390.24	43,031.93	21,641.69	55,682.05	93,394.37
	Employees' State Income Tax Withheld - Louisiana	4,689.18	9,389.57	4,700.39	18,641.07	12,678.35
	Employees' State Income Tax Withheld - Missouri	5,782.67	9,805.67	4,023.00	0.00	509.41
	Employees' State Income Tax Withheld - Ohio	245.15	245.15	-	0.00	0.00
	Employees' State Income Tax Withheld - Virginia	3,471.77	3,471.77	-	0.00	0.00
	State Income Tax Withheld - Propane Division	(272,251.23)	(190,143.24)	82,107.99	0.00	0.00
	Franchise Tax Collected - South Carolina	28,307.58	1,242.87	(27,064.71)	0.00	0.00
	Franchise Tax Collected - Colorado	274,001.62	204,373.47	(69,628.15)	130,737.99	161,783.77
	Franchise Tax Collected - Georgia	128.00	(257,241.43)	(257,369.43)	0.00	0.00
	Franchise Tax Collected - Illinois	16,886.86	13,968.77	(2,918.09)	0.00	0.00
	Franchise Tax Collected - Kansas	1,093,753.82	513,763.95	(579,989.87)	30,876.75	47,495.98
	Franchise Tax Collected - Kentucky	105,483.16	42,528.78	(62,954.38)	21,302.91	44,798.56
	Franchise Tax Collected - Louisiana	36,583.93	84,090.29	47,506.36	49,861.93	74,426.73
	Franchise Tax Collected - Missouri	7,327.37	3,686.04	(3,641.33)	5,955.02	6,301.08
	Franchise Tax Collected - Tennessee	1,082,983.51	1,068,106.30	(14,877.21)	0.00	0.00
	Franchise Tax Collected - Virginia	21.53	21.53	-	0.00	0.00
	Local Tax - Colorado	288.00	313.25	25.25	149.50	149.50
	Occupational Tax Collections	180,699.64	176,199.64	(4,500.00)	9,449.40	21,763.20
	State Sales Tax - North Carolina	(412.86)	(412.86)	-	0.00	0.00
	State Sales Tax - South Carolina	91,331.50	89,913.30	(1,418.20)	0.00	0.00
	State Sales Tax - Colorado	206,103.06	229,811.36	23,708.30	0.00	0.00
	State Sales Tax - Georgia	488,598.91	462,331.56	(26,267.35)	0.00	0.00
	State Sales Tax - Illinois	(6,830.04)	(11,774.31)	(4,944.27)	0.00	0.00
	State Sales Tax - Iowa	(52,280.47)	(42,405.87)	9,874.60	0.00	0.00
	State Sales Tax - Kansas	210,453.99	220,149.98	9,695.99	0.00	0.00
	State Sales Tax - Kentucky	114,363.02	116,359.28	1,996.26	94,815.63	123,327.75
	State Sales Tax - Louisiana	(9,478.21)	(3,580.26)	5,897.95	(19,440.43)	17,311.93
	State Sales Tax - Missouri	44,296.57	46,036.05	1,739.48	0.00	0.00
	State Sales Tax - Tennessee	305,417.75	316,773.64	11,355.89	0.00	0.00
	State Sales Tax - Texas	(186,623.82)	(73,977.23)	112,646.59	88,983.10	(69,631.80)
	State Use Tax - Kansas	(149.91)	204.78	354.69	596.33	638.66
	State Use Tax - Virginia	(1,126.84)	(1,157.03)	(30.21)	0.00	0.00
	Utility School Tax (Remit monthly)	68,998.09	11,256.46	(57,741.63)	70,954.78	47,730.41
	Illinois Asset Chg	(77,009.40)	(77,009.40)	-	0.00	0.00
	Gross Receipts	171,360.78	144,592.53	(26,768.25)	0.00	0.00
	Consumer Tax	114,158.08	106,453.30	(7,704.78)	0.00	0.00
	ICC Sup Fee	(51,001.52)	(51,001.52)	-	0.00	0.00
	Illinois Energy Assistance Tax	(14,728.50)	(14,728.50)	-	0.00	0.00
	Total Tax Collections Payable	3,679,827.91	3,869,972.89	190,144.98	1,633,572.07	1,794,270.05
	Atmos - Total Accounts Payable	31,238,923.33	30,604,991.69	(633,933.64)	33,169,899.72	41,516,381.18
	United Cities Gas - Total Accounts Payable	0.00	0.00	-	16,051,486.00	14,933,663.54
	Total Accounts Payable	31,238,923.33	30,604,991.69	(633,933.64)	49,221,385.72	56,450,044.72

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Line No.	Acct. No.	Description	Prior Month	Current Month	Current Change	Prior Year	As of September 30, 1997
<b>ACCRUED TAXES</b>							
2160		Accrued Taxes - Other					
		AJ Valorem	7,659,776.46	8,720,826.03	1,061,049.57	3,834,831.90	4,992,989.56
		CNG Use Tax - Kentucky	(359.22)	(354.60)	4.62	0.00	0.00
		Employer's Denver City Tax	(591.98)	(712.75)	(120.75)	104.00	104.00
		Employer's PICA Tax	116,459.71	171,882.90	55,423.19	198,310.75	235,029.75
		Federal Motor Fuel Tax-CNG	(9,212.18)	(9,525.46)	(313.28)	(9,033.81)	(8,448.90)
		Franchise - City	1,350,509.55	985,110.55	(365,399.00)	170,015.73	408,345.05
		Louisiana State Supervision & Inspection	216.94	2,916.94	2,700.00	(3,943.39)	(3,183.38)
		Parish & City Use Tax - Louisiana	837.20	1,468.91	631.71	1,398.96	6,363.31
		Severance Tax	(71,972.49)	(78,407.75)	(6,435.26)	1,170.55	(7,737.26)
		State Franchise Tax - Texas	442,957.68	467,957.68	25,000.00	321,116.52	462,957.68
		State Gross Receipts - Texas	(491,102.42)	(572,856.36)	(82,753.94)	0.00	41,574.44
		State Transportation Tax - Texas	3,044.92	4,021.30	976.38	4,021.30	2,784.31
		State Use Tax - Louisiana	713.46	901.18	185.72	1,019.48	2,995.15
		Unemployment Tax - Federal	15,177.67	10,104.33	(5,073.34)	404.20	696.83
		Unemployment Tax - State - North Carolina	69.49	69.49	-	0.00	0.00
		Unemployment Tax - State - South Carolina	823.48	818.60	(4.88)	0.00	0.00
		Unemployment Tax - State - Colorado	474.10	127.31	(346.79)	149.25	149.25
		Unemployment Tax - State - Georgia	2,622.13	2,601.15	(20.98)	0.00	0.00
		Unemployment Tax - State - Illinois	1,654.70	1,097.21	(557.49)	0.00	0.00
		Unemployment Tax - State - Iowa	(673.98)	(1,295.96)	(621.98)	0.00	0.00
		Unemployment Tax - State - Kansas	18,590.95	18,590.95	0.00	0.00	0.00
		Unemployment Tax - State - Missouri	2,006.88	1,909.96	(96.92)	0.00	0.00
		Unemployment Tax - State - Tennessee	97,925.84	97,564.62	(361.22)	0.00	0.00
		Unemployment Tax - State - Kentucky	373.77	7.16	(366.61)	(20.24)	(13.12)
		Unemployment Tax - State - Louisiana	402.92	317.10	(85.82)	(12.40)	(4.67)
		Unemployment Tax - State - Texas	7,043.54	2,502.77	(4,540.77)	308.76	616.47
		Unemployment Tax - State - Virginia	148.27	114.06	(34.21)	0.00	0.00
		Use Tax (City & State) - Texas	139,719.16	147,372.62	7,653.46	14,587.83	76,522.75
		Tennessee Use Tax (City & State)	61,778.51	44,438.91	(17,339.60)	0.00	0.00
		Virginia Use Tax (City & State)	2,472.25	3,723.32	1,251.07	0.00	0.00
		Iowa Use Tax (City & State)	1,606.56	1,672.93	66.37	0.00	0.00
		Kansas Use Tax (City & State)	18,274.54	8,745.32	(9,529.22)	0.00	0.00
		Illinois Use Tax (City & State)	202.96	2,290.66	2,087.70	0.00	0.00
		South Carolina Use Tax (City & State)	(2,180.50)	(1,622.60)	557.90	0.00	0.00
		Georgia Use Tax (City & State)	4,273.44	5,732.49	1,459.05	0.00	0.00
		Missouri Use Tax (City & State)	5,993.02	6,009.05	16.03	0.00	0.00
		Illinois Energy Assistance Tax	(4,523.40)	(4,523.40)	-	0.00	0.00
		Virginia License	(43,606.43)	(31,711.43)	11,895.00	0.00	0.00
		Atmos - Total Accrued Taxes	9,331,929.50	10,008,885.21	676,955.71	4,534,429.39	6,211,524.22
		United Cities Gas - Total Accrued Taxes	0.00	0.00	-	4,902,143.00	5,488,677.46
10		Total Accrued Taxes	9,331,929.50	10,008,885.21	676,955.71	9,436,572.39	11,700,201.68

**ATMOS ENERGY CORPORATION**  
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Line No.	Acct. No.	Description	Prior Month	Current Month	Current Change	Prior Year	As of September 30, 1997
<b>INCOME TAXES PAYABLE</b>							
2360		Accrued Income Taxes		729,994.85	(1,304,950.86)	4,586,152.00	(6,384,148.36)
		Accrued Income Taxes - Federal	2,034,945.71	(1,579,343.31)	(27,654.49)	438,654.00	(2,236,201.00)
		Accrued Income Taxes - State	(1,551,688.82)	(849,348.46)	(1,332,605.35)	5,074,806.00	(8,620,349.36)
		Atmos - Total Income Taxes Payable	483,256.89	0.00	(1,332,605.35)	(4,413,670.00)	(9,714,291.17)
		United Cities Gas - Total Income Taxes Payable	483,256.89	(849,348.46)	(1,332,605.35)	611,136.00	(18,334,640.53)
11		Total Income Taxes Payable					
<b>CUSTOMERS' DEPOSITS</b>							
2350		Customers' Deposits		2,212,621.37	(555.00)	3,337,625.49	3,256,848.10
		Customers' Deposits - Colorado	2,213,176.37	1,406,029.26	(36,578.74)	1,902,772.74	1,792,539.06
		Customers' Deposits - Kentucky	1,442,608.00	1,316,615.65	(22,697.18)	1,526,819.69	1,472,377.99
		Customers' Deposits - Louisiana	1,339,312.83	1,949,541.29	(92,038.93)	3,017,615.70	2,765,269.87
		Customers' Deposits - Texas	2,041,600.22	2,335,956.26	(147,517.23)	0.00	0.00
		Customers' Deposits - Tennessee	2,478,473.49	1,539,483.44	(96,936.21)	0.00	0.00
		Customers' Deposits - Georgia	1,636,419.65	1,194,003.58	(17,449.47)	0.00	0.00
		Customers' Deposits - Kansas	1,211,453.05	220,036.35	(6,260.42)	0.00	0.00
		Customers' Deposits - Virginia	232,563.76	100,993.39	(5,709.05)	0.00	0.00
		Customers' Deposits - South Carolina	107,253.81	87,681.34	(7,168.52)	0.00	0.00
		Customers' Deposits - Illinois	93,390.39	51,484.89	(47,239.62)	0.00	0.00
		Customers' Deposits - Iowa	58,653.41	40,364.54	(7,239.62)	0.00	0.00
		Customers' Deposits - Missouri	47,604.16	12,454,811.36	(447,697.78)	9,784,783.62	9,287,035.02
		Atmos - Total Customers' Deposits	12,902,509.14	0.00	6,052,609.00	5,751,958.00	5,751,958.00
		United Cities Gas - Total Customers' Deposits	12,902,509.14	12,454,811.36	(447,697.78)	15,837,392.82	15,038,993.02
13		Total Customers' Deposits					
<b>OTHER CURRENT LIABILITIES</b>							
2370		Interest Accrued		6,536.56	5,200.71	6,684.44	1,251.00
		Commitment Fee	1,335.85	483,414.82	10,030.29	552,503.04	481,751.04
		Customers' Deposits - Colorado	473,384.53	32,516.54	6,038.59	49,932.80	63,697.94
		Customers' Deposits - Kentucky	26,457.95	24,485.66	5,157.78	34,266.41	44,735.02
		Customers' Deposits - Louisiana	19,337.88	46,416.62	7,234.83	74,876.86	96,217.80
		Customers' Deposits - Texas	39,181.79	49,491.32	1,529.13	0.00	0.00
		Customers' Deposits - Kansas	47,962.19	520,593.12	(13,354.60)	0.00	0.00
		Customers' Deposits - Tennessee	533,947.72	3,369.74	177.63	0.00	0.00
		Customers' Deposits - Illinois	3,192.11	8,074.03	(134.05)	0.00	0.00
		Customers' Deposits - South Carolina	8,074.03	461,071.31	(16,532.26)	0.00	0.00
		Customers' Deposits - Georgia	477,603.57	28,728.61	(948.64)	0.00	0.00
		Customers' Deposits - Virginia	29,677.25	1,924.55	(198.81)	0.00	0.00
		Customers' Deposits - Missouri	1,924.55	3,368.38	(177.15)	0.00	0.00
		Customers' Deposits - Iowa	3,545.53	5,274,733.52	2,201,927.36	2,721,410.90	3,007,982.43
		Long-Term Debt	3,072,806.16	(1,711.36)	82,921.51	27,742.83	34,568.61
		Notes Payable	(84,632.87)	6,942,680.56	2,288,892.32	3,369,509.00	3,730,203.84
		Atmos - Total Interest Accrued	4,653,788.24	0.00	2,288,892.32	6,836,976.28	6,836,976.28
		United Cities Gas - Total Interest Accrued	4,653,788.24	0.00	2,288,892.32	6,836,976.28	6,836,976.28
		Total Interest Accrued					

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Line No.	Acct. Description	Prior Month	Current Month	Current Change	Prior Year	As of September 30, 1997
2420	Misc. Current & Accrued Liabilities					
	Accrued Liability Bud Adv Payment	(2,244,119.89)	(2,244,119.89)	-	0.00	0.00
	Separation/Integration Costs	0.00	0.00	-	0.00	17,000,000.00
	Accrued Benefit Costs	1,895,016.31	1,895,016.31	-	0.00	0.00
	UCG Budget Billings	2,244,119.87	2,244,119.87	-	0.00	0.00
	UCG Exchange Gas	47,244.93	47,244.93	-	0.00	0.00
	UCG P/L Refunds	16,695,515.32	16,692,470.92	(43,044.40)	0.00	0.00
	UCG Pensions	(3,996.49)	(3,996.49)	-	0.00	0.00
	UCG Post Retirement Benefits	0.00	0.00	-	0.00	0.00
	Workmens Comp	45.00	45.00	-	0.00	0.00
	Capacity Release Credits	(79,934.86)	(79,934.86)	-	(79,934.86)	(79,934.86)
	FAS 106 - OPEB	7,663,620.67	7,978,041.09	314,220.42	5,492,944.71	5,246,416.08
	Performance Plan	1,377,963.15	1,647,587.15	269,604.00	897,155.00	1,450,000.00
	UPFI Exchange	(4,060.00)	(4,060.00)	-	0.00	0.00
	UPFI Exchange #2	(8,625.00)	(8,625.00)	-	0.00	0.00
	Texas Gas Storage	5,542,553.43	4,598,467.27	(944,086.16)	4,656,382.02	2,757,498.56
	Reimbursement Accounts	5,690.06	5,690.06	-	0.00	0.00
	Dealer Program	23,343.38	22,770.68	(572.70)	0.00	0.00
	Customer Relations	302,400.00	237,400.00	(65,000.00)	0.00	0.00
	UCG Tax Payments	(1,675,717.39)	(1,675,825.12)	(107.73)	0.00	0.00
	Customer Relations 97	243,648.56	243,648.56	-	0.00	0.00
	LGA	5,897.50	5,897.50	-	0.00	0.00
	UCG Miscellaneous	2,208,981.90	2,208,981.90	-	0.00	0.00
	Income Tax Payable at Future Rates	427,904.00	427,904.00	-	0.00	0.00
	Accrued Liability Com & Ind Markets	157,218.00	157,218.00	-	0.00	0.00
	Total Misc. Current & Accrued Liabilities	34,824,908.45	34,355,921.88	(468,986.57)	10,966,546.87	26,333,979.78
2620	Self Insurance Reserve					
	General Liability	1,933,816.00	2,550,000.00	616,184.00	1,000,000.00	1,000,000.00
	Auto Liability Claims	0.00	0.00	-	(322.40)	0.00
	Gen. Liab. (Each \$50M Claim Amortized over 12 months)	(441,868.69)	(706,876.02)	(265,007.33)	(5,708.33)	0.00
	Workers Compensation	1,625,383.00	1,625,383.00	-	1,200,000.00	1,200,000.00
	Total Self Insurance Reserve	3,117,330.31	3,468,506.98	351,176.67	2,193,969.27	2,200,000.00
14	Amos - Total Other Current Liabilities	39,896,027.00	44,767,109.42	4,871,082.42	19,997,442.42	32,284,183.62
	United Cities Gas - Total Other Current Liabilities	0.00	0.00	-	15,610,769.00	19,297,929.41
	Total Other Current Liabilities	42,596,027.00	44,767,109.42	2,171,082.42	35,608,211.42	51,582,113.03
15	Intercompany Accounts	0.00	0.00	-	162,583.00	276,957.00
16	Total Current Liabilities	260,552,647.86	277,086,449.22	(133,466,198.64)	202,430,281.15	277,113,668.92

**ATMOS ENERGY CORPORATION**  
**BALANCE SHEET ACCOUNTS**  
**AS OF JULY 31, 1998**

Line No.	Acct. No.	Description	Prior Month	Current Month	Current Change	Prior Year	As of September 30, 1997
<b>DEFERRED INCOME TAXES</b>							
282		Deferred Federal Income Taxes	74,584,172.45	74,437,846.67	(146,325.78)	39,084,075.30	48,721,572.57
283		Deferred State Income Taxes	6,538,109.85	6,604,435.63	46,325.78	3,605,194.34	6,372,806.73
		Atmos - Deferred Income Taxes	81,142,282.30	81,042,282.30	(100,000.00)	42,689,269.64	55,094,379.30
		United Cities Gas - Deferred Income Taxes	0.00	0.00	-	25,465,908.00	26,234,437.68
17		Total Deferred Income Taxes	81,142,282.30	81,042,282.30	(100,000.00)	68,155,177.64	81,328,816.98
<b>DEFERRED CREDITS AND OTHER LIABILITIES</b>							
2520		Customer Advances for Construction	10,874,798.12	11,001,307.74	126,509.62	9,978,492.30	8,776,173.29
<b>2530 Other Deferred Credits</b>							
		Advance from UP Alliance	225,000.00	225,000.00	-	0.00	0.00
		Directors' Fees	192,011.12	192,011.12	-	98,350.00	107,850.00
		Outside Directors' Retirement Plan	1,480,990.14	1,393,623.06	(87,367.08)	130,223.28	134,289.92
		PAS 106 - OPEB	6,490,142.61	6,582,747.61	92,605.00	6,164,700.61	6,171,915.61
		PAS 109 - Regulatory Liability / Protected	2,291,234.63	2,291,234.63	-	2,291,234.63	2,291,234.63
		Protected Excess Deferred Tax - OGC	221,780.62	221,780.62	-	221,780.62	221,780.62
		Regulatory Liability - ITC	392,454.15	392,454.15	-	392,454.15	392,454.15
		Rent Amortization - Lafayette Office	101,201.11	98,384.04	(2,817.07)	166,180.11	160,546.89
		Retirement Cost	21,449,618.33	22,481,852.81	32,234.48	20,499,463.68	20,590,905.84
		Greenville Office Sublease	2,400.00	2,400.00	-	0.00	0.00
		Deferred Credits	4,679,373.40	4,678,134.65	(1,238.75)	200,000.00	200,000.00
		KN Master Mtr Transfer	0.00	0.00	-	-	-
		Total Other Deferred Credits	38,526,206.11	38,559,622.69	33,416.58	30,164,387.08	30,270,977.66
2550		Deferred Credits - Accrued I.T.C	4,295,358.81	4,295,358.81	-	811,500.81	811,500.81
<b>Atmos - Total Deferred Credits and Other Liab.</b>							
			54,673,042.04	53,856,289.24	(816,752.80)	40,954,380.19	39,838,651.76
<b>United Cities Gas - Total Deferred Credits and Other Liab.</b>							
			0.00	0.00	-	12,494,913.00	13,729,516.00
18		Total Deferred Credits and Other Liab.	53,696,363.04	53,856,289.24	159,926.20	53,449,293.19	53,588,167.76
<b>19 TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>							
			\$1,031,632,027.38	\$1,042,915,527.08	\$11,283,499.70	\$930,065,609.77	\$1,011,626,092.39



ATMOS ENERGY CORPORATION UTILITY BUSINESS UNITS  
 CONSOLIDATED OPERATING REVENUE AND STATISTICS  
 FOR THE MONTH AND YEAR TO DATE ENDED 07/31/98

Line No.	Description (a)	Current Month			Year to Date		
		Actual (b)	Budget (c)	Prior Year Actual (d)	Actual (e)	Budget (f)	Prior Year Actual (g)
1	Utility Gas Sales Revenue - Regulated	\$ 13,635,566.82	N/A	\$ 13,004,931.31	\$ 399,146,265.76	N/A	\$ 407,164,282.88
2	Residential	7,680,005.07		6,312,236.94	178,491,608.94		180,172,253.82
3	Commercial	3,663,824.17		5,612,550.75	77,066,300.48		94,178,298.18
4	Industrial	607,272.26		551,557.04	20,093,172.68		22,531,190.06
5	Public Authority & Other	943,139.17		756,873.50	1,719,498.94		2,199,909.25
6	Agricultural	406,187.38		373,495.00	(27,727,539.94)		18,032,518.00
7	Unbilled	26,935,994.87	N/A	26,611,644.54	649,429,306.86	N/A	724,278,452.19
	Total Regulated Gas Sales Revenue						
8	Utility Gas Sales Revenue - Non Regulated	1,380,671.26	N/A	1,350,937.77	15,008,575.65	N/A	15,349,526.14
9	Industrial	14,057,788.77		10,948,181.24	38,154,128.93		30,832,996.50
10	Agricultural	15,438,460.03		12,299,119.01	53,162,704.38		46,182,522.64
	Total Non Regulated Gas Sales Revenue						
11	Total Utility Gas Sales Revenue	42,374,454.90	37,076,000.00	38,910,763.55	702,592,011.44	773,425,000.00	770,460,974.83
12	Other Gas Revenue	338,398.72	280,000.00	374,429.73	7,039,654.25	6,010,000.00	5,709,510.32
13	Total Utility Gas Revenue	42,712,853.62	37,356,000.00	39,285,193.28	709,631,665.69	779,435,000.00	776,170,485.15
14	Transportation Revenue (2)	2,055,858.91	1,499,000.00	1,623,665.07	22,818,587.49	15,771,000.00	16,546,582.15
15	Other Operating Revenue	6,695.00	0.00	0.00	11,585.00	0.00	0.00
16	Total Utility Operating Revenue (2)	44,775,407.53	38,855,000.00	40,908,858.35	732,461,838.18	795,206,000.00	792,717,067.30
17	Utility Purchased Gas Cost						
18	Regulated	15,415,863.70	N/A	14,506,159.70	406,821,751.16	N/A	473,784,189.58
19	Non Regulated	12,385,151.80	N/A	10,692,709.05	44,920,043.96	N/A	39,686,664.86
20	Eliminations	(116,964.22)	N/A	(128,434.29)	(1,727,448.54)	N/A	(1,898,024.46)
	Total Purchased Gas Cost	27,684,051.28	24,734,000.00	25,070,434.46	450,014,346.58	504,946,000.00	511,572,829.98
21	Gas Sales Margin - Regulated (3)	11,520,131.17	N/A	12,105,484.84	242,607,555.70	N/A	250,494,262.61
22	Gas Sales Margin - Non Regulated (4)	3,053,308.23	N/A	1,606,409.96	8,242,660.62	N/A	6,495,857.78
23	Gas Sales Margin - Total (5)	14,690,403.62	12,342,000.00	13,840,329.09	252,577,664.86	268,479,000.00	258,888,144.85
24	Margin per MCF Sold - Regulated (6)	2.71	N/A	2.60	1.92	N/A	1.85
25	Margin per MCF Sold - Non Regulated (6)	0.59	N/A	0.41	0.48	N/A	0.44
26	Margin per MCF Sold - Total (6)	1.56	N/A	1.62	1.76	N/A	1.72

N/A = Not Available

(1) The current month reflects the actual for the respective period as per the Meter Inventory Mgmt System, year to date reflects the average for the respective period.

(2) Reflects intercompany eliminations.

(3) Regulated gas sales revenue minus regulated gas costs.

(4) Non regulated gas sales revenue minus non regulated gas costs.

(5) Total gas sales revenue minus total gas costs.

(6) Gas sales margin divided by gas sales volumes as metered.

WESTERN KENTUCKY GAS UTILITY BUSINESS UNIT  
 CONSOLIDATED OPERATING REVENUE AND STATISTICS  
 FOR THE MONTH AND YEAR TO DATE ENDED 07/31/98

Line No.	Description (a)	Current Month			Year to Date		
		Actual (b)	Budget (c)	Prior Year Actual (d)	Actual (e)	Budget (f)	Prior Year Actual (g)
1	Utility Gas Sales Revenue - Regulated						
2	Residential	\$ 1,876,023.23	N/A	\$ 1,951,800.82	\$ 69,767,814.50	N/A	\$ 67,138,086.88
3	Commercial	958,569.69		1,003,070.32	28,530,267.37		27,392,398.84
4	Industrial	846,148.17		1,074,727.53	13,450,078.31		20,940,754.58
5	Public Authority & Other	151,087.50		130,391.13	7,127,301.44		6,706,794.98
6	Agricultural	0.00		0.00	(14,890,380.00)		0.00
7	Unbilled	3,620.00		724,000.00	(14,890,380.00)		3,546,000.00
	<b>Total Regulated Gas Sales Revenue</b>	<b>3,835,448.59</b>	<b>3,571,000.00</b>	<b>4,883,989.80</b>	<b>103,985,081.62</b>	<b>120,996,000.00</b>	<b>125,724,035.28</b>
8	Utility Gas Sales Revenue - Non Regulated						
9	Industrial	0.00	0.00	0.00	0.00	0.00	0.00
10	Agricultural	0.00	0.00	0.00	0.00	0.00	0.00
	<b>Total Non Regulated Gas Sales Revenue</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
11	<b>Total Utility Gas Sales Revenue</b>	<b>3,835,448.59</b>	<b>3,571,000.00</b>	<b>4,883,989.80</b>	<b>103,985,081.62</b>	<b>120,996,000.00</b>	<b>125,724,035.28</b>
12	Other Gas Revenue	46,207.25	23,000.00	54,406.84	866,278.84	786,000.00	1,140,649.95
13	<b>Total Utility Gas Revenue</b>	<b>3,881,655.84</b>	<b>3,594,000.00</b>	<b>4,938,396.64</b>	<b>104,851,360.46</b>	<b>121,782,000.00</b>	<b>126,864,685.23</b>
14	Transportation Revenue (2)	618,903.57	700,000.00	618,324.11	7,487,987.10	7,000,000.00	6,046,865.22
15	Other Operating Revenue	0.00	0.00	0.00	0.00	0.00	0.00
16	<b>Total Utility Operating Revenue (2)</b>	<b>4,500,559.41</b>	<b>4,294,000.00</b>	<b>5,556,720.75</b>	<b>112,339,347.56</b>	<b>128,782,000.00</b>	<b>132,911,550.45</b>
17	Utility Purchased Gas Cost						
18	Regulated	\$ 3,303,071.61	\$ 3,417,000.00	\$ 3,283,273.14	\$ 73,553,108.68	\$ 84,892,000.00	\$ 92,134,223.29
19	Non Regulated	0.00	0.00	0.00	0.00	0.00	0.00
20	Eliminations	0.00	0.00	0.00	0.00	0.00	0.00
	<b>Total Purchased Gas Cost</b>	<b>3,303,071.61</b>	<b>3,417,000.00</b>	<b>3,283,273.14</b>	<b>73,553,108.68</b>	<b>84,892,000.00</b>	<b>92,134,223.29</b>
21	Gas Sales Margin - Regulated (3)	\$ 532,376.98	\$ 154,000.00	\$ 1,600,716.66	\$ 30,431,972.94	\$ 36,104,000.00	\$ 33,589,811.99
22	Gas Sales Margin - Non Regulated (4)	532,376.98	154,000.00	1,600,716.66	30,431,972.94	36,104,000.00	33,589,811.99
23	<b>Gas Sales Margin - Total (5)</b>	<b>\$ 1,064,753.96</b>	<b>\$ 308,000.00</b>	<b>\$ 3,201,433.32</b>	<b>\$ 60,863,945.88</b>	<b>\$ 72,208,000.00</b>	<b>\$ 67,179,623.98</b>
24	Margin per MCF Sold - Regulated (6)	\$ 0.85	N/A	\$ 2.05	\$ 1.41	N/A	\$ 1.31
25	Margin per MCF Sold - Non Regulated (6)						
26	<b>Margin per MCF Sold - Total (6)</b>	<b>\$ 0.85</b>	<b>N/A</b>	<b>2.05</b>	<b>1.41</b>	<b>N/A</b>	<b>1.31</b>

N/A = Not Available

(1) The current month reflects the actual for the respective period as per the Meter Inventory Mgmt System, year to date reflects the average for the respective period.  
 (2) Reflects intercompany eliminations.  
 (3) Regulated gas sales revenue minus regulated gas costs.  
 (4) Non regulated gas sales revenue minus non regulated gas costs.  
 (5) Total gas sales revenue minus total gas costs.  
 (6) Gas sales margin divided by gas sales volumes as metered.

ATMOS ENERGY CORPORATION UTILITY BUSINESS UNITS  
 CONSOLIDATED OPERATING REVENUE AND STATISTICS  
 FOR THE MONTH AND YEAR TO DATE ENDED 07/31/98

Line No.	Description (a)	Current Month		Prior Year Actual (d)	Actual (e)	Year to Date	
		Actual (b)	Budget (c)			Budget (f)	Prior Year Actual (g)
1	Degree Days	0	1	1	3,790	3,950	3,885
Meters in service (1)							
2	Residential	887,153	N/A	869,049	887,191	N/A	871,015
3	Commercial	94,985		92,770	95,545		93,742
4	Industrial	1,708		1,933	1,859		1,919
5	Public Authority & Other	4,826		4,769	4,843		4,777
6	Agricultural	14,603		15,381	14,954		16,208
7	Total meters in service	1,003,275	N/A	983,902	1,004,392	N/A	987,661
Utility Sales Customers - Regulated (1)							
8	Residential	862,823	N/A	846,015	867,248	N/A	853,836
9	Commercial	90,323		89,353	92,424		91,147
10	Industrial	1,384		1,441	1,430		1,387
11	Public Authority & Other	3,574		3,535	3,591		3,530
12	Agricultural	408		300	289		305
13	Total Regulated Sales Customers	958,512	N/A	940,644	964,982	N/A	950,205
Utility Sales Customers - Non Regulated (1)							
14	Industrial	214	N/A	183	196	N/A	187
15	Agricultural	6,421		6,663	6,428		6,678
16	Total Non Regulated Sales Customers	6,635	N/A	6,846	6,624	N/A	6,865
17	Total Sales Customers (1)	965,147	N/A	947,490	971,606	N/A	957,070
18	Transportation Customers (1) (2)	687	N/A	637	633	N/A	542
19	Total Utility Customers (1) (2)	965,834	N/A	948,127	972,239	N/A	957,612
Utility Gas Volumes Sold - Regulated (mcf as metered)							
20	Residential	1,745,388	N/A	1,821,202	70,367,326	N/A	71,606,379
21	Commercial	1,170,299		1,205,491	33,486,968		34,861,658
22	Industrial	983,208		1,498,785	18,370,244		23,312,947
23	Public Authority & Other	143,000		121,758	4,682,566		4,883,060
24	Agricultural	246,273		247,471	538,851		682,446
25	Unbilled	(29,637)		(236,674)	(866,914)		131,238
26	Total Regulated Gas Volumes	4,238,532	N/A	4,658,033	126,579,041	N/A	135,477,728
Utility Gas Volumes Sold - Non Regulated (mcf as metered)							
27	Industrial	456,647	N/A	458,235	4,828,588	N/A	5,142,859
28	Agricultural	4,722,723		3,443,562	12,433,619		9,740,457
29	Total Non Regulated Gas Volumes	5,179,370	N/A	3,901,797	17,262,207	N/A	14,883,316
30	Total Gas Volumes Sold	9,437,902	N/A	8,559,830	143,841,248	N/A	150,361,044
31	Transport volumes (mcf as metered) (2)	3,916,594	N/A	4,108,247	46,649,223	N/A	40,866,374
32	Total Operating Volumes (2)	13,354,496	N/A	12,668,077	190,490,471	N/A	191,227,418

N/A = Not Available

WESTERN KENTUCKY GAS UTILITY BUSINESS UNIT  
CONSOLIDATED OPERATING REVENUE AND STATISTICS  
FOR THE MONTH AND YEAR TO DATE ENDED 07/31/98

Line No.	Description (a)	Current Month		Year to Date		
		Actual (b)	Budget (c)	Actual (e)	Budget (f)	Prior Year Actual (g)
1	Degrees Days	0	0	3,768	4,304	4,166
	Meters in service (1)					
2	Residential	155,830	N/A	155,815	N/A	153,651
3	Commercial	18,011		18,042		17,689
4	Industrial	245		383		465
5	Public Authority & Other	1,577		1,586		1,557
6	Agricultural	0		0		0
7	Total meters in service	175,663	N/A	175,826	N/A	173,362
	Utility Sales Customers - Regulated (1)					
8	Residential	150,976	N/A	152,123	N/A	149,791
9	Commercial	17,198		17,481		17,157
10	Industrial	266		300		319
11	Public Authority & Other	1,566		1,577		1,550
12	Agricultural	0		0		0
13	Total Regulated Sales Customers	170,006	N/A	171,481	N/A	168,817
	Utility Sales Customers - Non Regulated (1)					
14	Industrial	0		0		0
15	Agricultural	0		0		0
16	Total Non Regulated Sales Customers	0		0		0
17	Total Sales Customers (1)	170,006	N/A	171,481	N/A	168,817
18	Transportation Customers (1) (2)	112		92		69
19	Total Utility Customers (1) (2)	170,118	N/A	171,573	N/A	168,886
	Utility Gas Volumes Sold - Regulated (mcf as metered)					
20	Residential	250,082	N/A	271,893	N/A	12,854,237
21	Commercial	170,169		182,194		5,598,050
22	Industrial	213,789		294,080		5,516,289
23	Public Authority & Other	30,069		24,445		1,457,714
24	Agricultural	0		0		0
25	Unbilled	(36,622)		(330,186)		271,478
26	Total Regulated Gas Volumes	627,486	N/A	782,659	N/A	25,697,768
	Utility Gas Volumes Sold - Non Regulated (mcf as metered)					
27	Industrial	0		0		0
28	Agricultural	0		0		0
29	Total Non Regulated Gas Volumes	0		0		0
30	Total Gas Volumes Sold	627,486	N/A	782,659	N/A	25,697,768
31	Transport volumes (mcf as metered) (2)	1,900,787	N/A	21,785,213	N/A	18,694,205
32	Total Operating Volumes (2)	2,528,273	N/A	43,320,739	N/A	44,391,973

N/A - Not Available

**ATMOS ENERGY CORPORATION**  
**OPERATION EXPENSES**  
**FOR THE MONTH ENDED 07/31/98**

Line No.	Description (a)	Current Month	
		Actual (b)	Budget * (c)
<b>Manufactured Gas Production Exp.</b>			
1	717 Liquefied Petroleum Gas Expense	\$0.00	\$0
2	723 Fuel for L-P Gas Process	0.00	0
3	728 L-P Gas - Raw Materials	0.00	0
4	733 Gas Mixing Expense	9.63	0
5	735 Misc. Production Expenses	309.07	0
6	736 Rents	0.00	0
7	Total Manufactured Gas Prod. Expense	318.70	0
<b>Natural Gas Production Expenses</b>			
8	750 Operation Supervision and Engine	0.00	0
9	751 Production Maps & Records	0.00	0
10	752 Gas Wells Expenses	0.00	0
11	753 Field Lines Expenses	728.05	0
12	754 Field Compressor Station Expense	3,531.59	0
13	755 Field Compressor Station Fuel Exp	3,994.59	0
14	756 Field Meas. & Reg. Station Expent	8,329.45	0
15	757 Purification Expenses	2,000.64	0
16	758 Gas Well Royalties	0.00	0
17	759 Operating Expenses - Other	0.00	0
18	760 Rents	0.00	0
19	798 Other Exploration Exp.	201.40	0
20	Total Natural Gas Prod. Expenses	18,785.72	0
<b>Production Extraction</b>			
21	770 Operation Supervision and Engine	0.00	0
22	771 Operation Labor	497.54	0
23	772 Gas Shrinkage	1,185.61	0
24	773 Fuel	2,700.17	0
25	774 Power	3,119.58	0
26	777 Gas Production By Others	0.00	0
27	781 Variation In Product Inv.	0.00	0
28	Total Production Extraction Expenses	\$7,502.90	\$0

\* Budget information not available by account.

ATMOS ENERGY CORPORATION  
OPERATION EXPENSES  
FOR THE MONTH ENDED 07/31/98

Line No.	Description (a)	Current Month	
		Actual (b)	Budget* (c)
<b>Other Gas Supply Expenses</b>			
1	7990 1 Transf. to Purch. Gas Accts. - Cr.	\$0.00	\$0
2	807 Purchased Gas Expenses	10,662.12	0
3	808 Gas Withdrawn from Storage - Dr.	0.00	0
4	809 Gas Delivered to Storage - Cr.	0.00	0
5	812 Gas Used for Other Util. Oper. - Cr.	0.00	0
6	Total Other Gas Supply Expenses	10,662.12	0
<b>Underground Storage Operation Expenses</b>			
7	814 Oper. Supervision-Engineering	428.02	0
8	816 Wells Expense	8,667.93	0
9	817 Lines Expense	7,192.34	0
10	818 Comp. Station Expenses	6,467.98	0
11	819 Comp. Station Fuel & Power	4,625.20	0
12	820 Meas. Reg. Station Expenses	1,355.96	0
13	821 Purification Expenses	976.64	0
14	824 Other Expenses	354.13	0
15	825 Storage Well Royalties	1,332.82	0
16	826 Rents	0.00	0
17	Total Underground Storage Operation Exp.	31,401.02	0
<b>Storage Operation Expenses</b>			
18	841 Labor and Expenses	435.24	0
19	842 Rents	0.00	0
20	843 Oper. Supervision-Engineering	0.00	0
21	Total Storage Operation Exp.	435.24	0
<b>Transmission Operation Expenses</b>			
22	850 Oper. Supervision-Engineering	1,999.66	0
23	851 System Control-Load Dispatch	0.00	0
24	852 Communications System Expense	0.00	0
25	853 Comp. Station Labor and Exp.	6,882.65	0

\* Budget information not available by account.

**ATMOS ENERGY CORPORATION**  
**OPERATION EXPENSES**  
**FOR THE MONTH ENDED 07/31/98**

Line No.	Description (a)	Current Month	
		Actual (b)	Budget * (c)
1	854 Gas for Comp. Station Fuel	\$33,798.79	\$0
2	855 Other Fuel and Pow. for Comp. St	0.00	0
3	856 Mains Expense	12,789.94	0
4	857 Measuring and Reg. Sta. Exp.	10,138.37	0
5	858 Trans. and Comp. of Gas by Oth.	0.00	0
6	859 Other Expenses	0.00	0
7	8600 0 Rents	0.00	0
8	8600 8 Building Service	0.00	0
9	Total Transmission Operation Expenses	65,609.41	0
	<b>Distribution Operation Expenses</b>		
10	870 Supervision & Engineering	1,419,727.27	0
11	8710 0 Distribution Load Dispatching	38,152.08	0
12	8710 3 Odorization Expense	29,857.48	0
13	872 Comp. Station Labor & Expenses	0.00	0
14	873 Comp. Station Fuel and Power	0.00	0
15	874 Mains & Services Expenses	957,629.46	0
16	875 Meas. & Reg. Sta. Exp. Gen.	110,035.35	0
17	876 Meas. & Reg. Sta. Exp. Ind.	27,394.55	0
18	877 Meas. & Reg. Sta. Exp. City Gate	18,780.54	0
19	878 Meter & House Regulator Exp.	841,162.95	0
20	8790 0 Customer Installation Expenses	249,496.88	0
21	8790 1 Customer Installation Exp. - Flex t	4.85	0
22	8790 8 Irrigation Operating Fee Lines	13.31	0
23	8790 9 Customer Service - Gas Lights & C	6,564.98	0
24	8800 0 Other Expenses	152,808.35	0
25	8800 1 Distribution Maps & Records	26,298.73	0
26	8810 0 Rents	587,634.31	0
27	8810 8 Building Service	82,274.01	0
28	Total Distribution Operation Expenses	4,547,835.10	0
	<b>Customer Accounts Expenses</b>		
29	901 Supervision	17,649.82	0
30	902 Meter Reading Expenses	573,340.57	0
31	903 Cust. Records & Coll. Expenses	713,814.04	0
32	904 Uncollectible Accounts	234,169.95	0
33	905 Miscellaneous Expenses	9,320.55	0
34	Total Customer Accounts Expenses	\$1,548,194.93	\$0

\* Budget information not available by account.

**ATMOS ENERGY CORPORATION**  
**OPERATION EXPENSES**  
**FOR THE MONTH ENDED 07/31/98**

Line No.	Description (a)	Current Month	
		Actual (b)	Budget* (c)
<b>Customer Service and Information Expenses</b>			
1	909 Supervision	\$134,040.81	\$0
2	910 Customer Assistance Expenses	204,610.42	0
3	911 Inform. Instruct. & Ad Expenses	81,520.46	0
4	912 Misc. Customer Serv. & Info. Exp.	0.00	0
5	Total Customer Service & Info. Exp.	420,171.69	0
<b>Sales Promotion Expenses</b>			
6	915 Supervision	31,456.66	0
7	916 Demonstrating & Selling Expense	143,582.15	0
8	917 Advertising Expenses	6,410.52	0
9	918 Miscellaneous Sales Expenses	0.00	0
10	Total Sales Promotion Expenses	181,449.33	0
<b>Administrative &amp; General Operation Expenses</b>			
11	920 Salaries	945,264.53	0
12	921 Office Supplies and Expenses	489,587.57	0
13	922 Admin. Exp. Transf.-Cr.	(1,461,634.72)	0
14	923 Outside Services Employed	700,600.82	0
15	924 Property Insurance	14,131.37	0
16	9250 0 Injuries and Damages	776,291.53	0
17	9250 9 Workmen's Comp. Ins.-Cr.	40,801.20	0
18	9260 0 Employee Welfare Expenses - Dat	1,919,000.85	0
19	9260 1 Pensions	(286,901.75)	0
20	9260 7 Emp. Welfare Exp. - Cr.	(504,736.06)	0
21	9260 9 Pensions - Cr.	95,980.26	0
22	927 Franchise Requirements	1,611.52	0
23	928 Regulatory Commission Exp.	119,574.17	0
24	929 Duplicate Charges-Cr.	(2,444.96)	0
25	9301 General Advertising Expenses	0.00	0
26	9301 Inst Goodwill Advertising Expenses	264.84	0
27	9302 Miscellaneous General Expenses	231,045.69	0
28	9310 0 Rents	407,212.71	0
29	9310 8 Building Service	0.00	0
30	Total Admin. & Gen. Operation Expenses	3,485,649.57	0
31	Total Operation Expense	\$10,318,015.73	\$11,017,000

Current month prior year actual, year-to-date actual, year-to-date budget, year-to-date prior year and twelve months ended actual numbers will be provided in upcoming months.



**ATMOS ENERGY CORPORATION  
MAINTENANCE EXPENSES  
FOR THE MONTH ENDED 07/31/98**

Line No.	Description	Current Month	
		Actual	Budget *
<b>Manufactured Gas Prod. Maint. Exp.</b>			
1	Maint. Supervision and Engineering	\$0.00	\$0
2	Structures and Improvements	0.00	0
3	Production Equipment	101.72	0
4	<b>Total Manufactured Gas Prod. Maint. Exp.</b>	<b>101.72</b>	<b>0</b>
<b>Natural Gas Production Maint. Exp.</b>			
5	Maint. Supervision and Engineering	0.00	0
6	Structures and Improvements	0.00	0
7	Maint. of Producing Gas Wells	0.00	0
8	Field Lines	92.76	0
9	Field Compressor Station Equipment	1,276.59	0
10	Field Meas. and Reg. Station Equip.	453.19	0
11	Purification Equip.	263.68	0
12	Other Equip.	0.00	0
13	7990 2 Transf. to Purch. Gas Accts. - Cr.	0.00	0
14	<b>Total Natural Gas Prod. Maint. Exp.</b>	<b>2,086.22</b>	<b>0</b>
<b>Production Extraction</b>			
15	Maint. Supervision-Engineering	0.00	0
16	Extraction & Refining Equip.	524.72	0
17	Maint. Of Pipe Lines	0.00	0
18	<b>Total Production Extraction</b>	<b>\$524.72</b>	<b>\$0</b>

\* Budget information not available by account.

ATMOS ENERGY CORPORATION  
 MAINTENANCE EXPENSES  
 FOR THE MONTH ENDED 07/31/98

Line No.	Description	Current Month	
		Actual	Budget *
<b>Underground Storage Maintenance Expenses</b>			
1	830 Supervision-Engineering	\$0.00	\$0
2	831 Structures & Improvements	0.00	0
3	832 Reservoirs & Wells	594.04	0
4	833 Line Maintenance	0.00	0
5	834 Compressor Station Equipment	434.71	0
6	835 Meas. & Reg. Station Equipment	796.74	0
7	836 Purification Equipment	838.88	0
8	837 Other Equipment	0.00	0
9	Total Underground Storage Maintenance Expenses	2,664.37	0
<b>Storage Maintenance Expenses</b>			
10	844 Structures & Improvements	136.02	0
11	845 Gas Holders	0.00	0
12	847 Liquefaction Equipment	9,191.22	0
13	848 Other Equipment	0.00	0
14	Total Storage Maintenance Expenses	9,317.24	0
<b>Transmission Maintenance Expenses</b>			
15	861 Supervision-Engineering	0.00	0
16	862 Structures & Improvements	0.00	0
17	863 Maintenance of Mains	1,621.93	0
18	864 Compressor Station Equipment	(44.72)	0
19	865 Meas. & Reg. Station Equipment	4,033.64	0
20	866 Communications Equipment	0.00	0
21	867 Other Equipment	0.00	0
22	Total Transmission Maintenance Expenses	\$5,610.85	\$0

\* Budget information not available by account.

**ATMOS ENERGY CORPORATION**  
**MAINTENANCE EXPENSES**  
**FOR THE MONTH ENDED 07/31/98**

Line No.	Description	Current Month	
		Actual	Budget*
<b>Distribution Maintenance Expenses</b>			
1	885 Supervision-Engineering	\$108,321.01	\$0
2	886 Structures & Improvements	14,051.71	0
3	887 Maintenance of Mains	298,370.65	0
4	888 Compressor Station Equipment	0.00	0
5	889 Meas. & Reg. Station Equipment-Gen.	35,490.97	0
6	890 Meas. & Reg. Station Equipment-Ind.	17,001.69	0
7	891 Meas. & Reg. Station Equipment-C. Gate	6,395.34	0
8	892 Maintenance of Services	63,604.38	0
9	893 Maintenance of Meter & House Regulator	136,713.91	0
10	894 Other Equipment	18,099.42	0
11	Total Distribution Maintenance Expenses	\$698,049.08	\$0
<b>Administrative &amp; General Maintenance Expenses</b>			
12	932 Maintenance of General Plant	7,319.79	0
13	Total Adm. & Gen. Maintenance Expenses	\$7,319.79	\$0
14	Total Maintenance Expenses	\$725,673.99	\$898,000

Current month prior year actual, year-to-date actual, year-to-date budget, year-to-date prior year actual, and twelve months ended actual numbers will be provided in upcoming months.

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
STATEMENTS OF LONG-TERM DEBT  
AS OF JULY 31, 1998

Line No.	Description (a)	Date (b)	Original Issue			1998		1997		Line No.
			Amount (c)	Current Maturities (d)	Outstanding Debt (e)	Current Maturities (f)	Outstanding Debt (g)			
1	11.2% John Hancock Note, due 12-30-02	12-23-87	\$ 20,000,000.00	\$ 2,000,000.00	\$ 10,000,000.00	\$ 2,000,000.00	\$ 12,000,000.00	1		
2	9.76% John Hancock Note, due 12-30-04	10-11-89	30,000,000.00	3,000,000.00	21,000,000.00	3,000,000.00	24,000,000.00	2		
3	9.57% Variable Annuity Life, due 09-30-06	09-30-91	20,000,000.00	2,000,000.00	18,000,000.00	2,000,000.00	20,000,000.00	3		
4	7.95% Variable Annuity Life, due 08-31-06	08-31-92	10,000,000.00	1,000,000.00	9,000,000.00	1,000,000.00	10,000,000.00	4		
5	10% Michael D. Fredericks due 12-31-11	12-31-91	1,151,654.00	0.00	1,151,654.00	0.00	1,151,654.00	5		
6	10% Kingdom Foundation due 12-31-11	12-31-91	1,151,654.00	0.00	1,151,654.00	0.00	1,151,654.00	6		
7	8.07% Variable Annuity Life due 10-31-06	11-14-94	20,000,000.00	1,000,000.00	20,000,000.00	0.00	20,000,000.00	7		
8	8.26% New York Life due 10-31-14	11-14-94	20,000,000.00	0.00	20,000,000.00	0.00	20,000,000.00	8		
9	6.09% NationsBank of Texas due 11-25-98	11-26-96	40,000,000.00	40,000,000.00	40,000,000.00	0.00	40,000,000.00	9		
10	6.75% Merrill Lynch due 07-15-28	07-15-98	147,360,000.00	0.00	147,360,000.00	0.00	40,000,000.00	10		
11	United Cities Gas Company		154,752,506.00	9,776,696.00	151,232,436.00	7,182,264.00	156,079,099.00	11		
	First Mortgage Bonds		464,415,814.00	58,776,696.00	438,895,744.00	15,182,264.00	304,382,407.00			
12	9.4% Series J due 05-01-21	04-01-91	17,000,000.00	0.00	17,000,000.00	0.00	17,000,000.00	12		
13	Total Long-Term Debt		\$ 481,415,814.00	\$ 58,776,696.00	\$ 455,895,744.00	\$ 15,182,264.00	\$ 321,382,407.00	13		
14	Annualized Weighted Average Cost of Long-Term Debt (Including Amort. of Debt Expense)				8.11%		8.71%	14		

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
 LABOR STATISTICS BY COMPANY  
 FOR THE MONTH, AND YEAR TO DATE ENDED 7/31/98

	Month		Year to Date	
	Actual	Prior Year	Actual	Prior Year
<b>Labor Costs Distribution (000's):</b>				
Shared Services	\$1,919	\$1,128	\$12,468	\$13,162
Energas	1,710	1,560	13,489	19,383
Greeley Gas	1,093	922	8,471	11,005
Trans La	595	454	4,470	5,751
UCG	3,000	3,297	19,992	36,492
UCG - Non Regulated *				
WKG	1,222	1,097	9,507	13,362
<b>Total Labor Costs Distribution</b>	<b>\$9,539</b>	<b>\$8,458</b>	<b>\$68,397</b>	<b>\$99,155</b>
<b>Percentage Labor Capitalized</b>				
Shared Services			23%	7%
Energas			27%	24%
Greeley Gas			37%	34%
Trans La			34%	28%
UCG			19%	19%
UCG - Non Regulated *			30%	24%
WKG			26%	21%
<b>Total Percentage Labor Capitalized</b>				
<b>Average Labor Costs Per Employee:</b>				
Shared Services	\$5,315	\$4,991	\$4,088	\$5,748
Energas	4,162	2,698	2,991	3,263
Greeley Gas	5,464	3,572	3,715	4,184
Trans La	4,347	2,786	3,083	3,423
UCG	4,504	3,170	3,002	3,421
UCG - Non Regulated *				
WKG	4,272	3,055	3,117	3,611
<b>Average Labor Costs Per Employee</b>	<b>\$4,628</b>	<b>\$3,223</b>	<b>\$3,319</b>	<b>\$3,779</b>

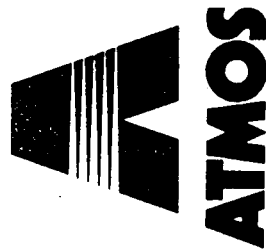
• UCG - Non Regulated information is not available this month.

# Atmos Energy Corporation

## FINANCIAL STATEMENTS

AUGUST, 1998

*Note: These Financial Statements and the Supplemental information contained herein are confidential. Any unauthorized distribution of all or part of these statements is in violation of company policy.*



**ATMOS ENERGY CORPORATION AND SUBSIDIARIES**  
**FINANCIAL STATEMENTS - TABLE OF CONTENTS**  
**AS OF AUGUST 31, 1998**

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ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS  
AS OF 08/31/98

Line No.	Description (a)	1998 (b)	1997 (c)	As of September 30, 1997 (d)	Line No.
<b>ASSETS</b>					
	Property, plant and equipment				
1	Utility plant	\$1,244,722,056.65	\$1,185,848,322.10	\$1,218,370,929.56	1
2	Nonutility plant	72,841,223.65	81,930,581.34	82,632,468.53	2
3	Construction work in progress	101,267,617.80	45,628,624.23	31,668,205.31	3
4		1,418,830,898.10	1,313,407,527.67	1,332,671,603.40	4
5	Less accumulated depreciation and amortization	527,447,639.49	485,124,231.06	483,544,361.22	5
6	Net property, plant and equipment	891,383,258.61	828,283,296.61	849,127,242.18	6
7	Investments in & advances to subsidiaries	0.00	0.00	0.00	7
<b>Current assets</b>					
8	Cash and temporary cash investments	8,533,790.48	3,096,341.79	6,015,412.91	8
9	Accounts receivable, less allowance for doubtful accounts	64,010,220.99	78,275,159.50	71,217,214.52	9
10	Inventories	14,933,092.62	14,122,618.35	12,332,807.62	10
11	Gas stored underground	42,377,884.58	42,826,396.44	48,122,006.36	11
12	Other current assets	6,192,909.18	7,226,539.47	6,017,201.01	12
13	Intercompany accounts - net	0.00	0.00	0.00	13
14	Total current assets	136,047,897.85	145,547,055.55	143,704,642.42	14
15	Deferred charges and other assets	116,461,225.67	86,898,037.76	95,479,101.77	15
16	Total assets	\$1,143,892,382.13	\$1,060,728,389.92	\$1,088,310,986.37	16



ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
 CONSOLIDATED BALANCE SHEETS (Continued)  
 AS OF 08/31/98

Line No.	Description (a)	1998 (b)	1997 (c)	As of September 30, 1997 (d)	Line No.
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
Shareholders' equity					
1	Common stock	\$151,422.21	\$148,172.67	\$148,212.18	1
2	Common stock subscribed	0.00	0.00	0.00	2
3	Additional paid-in capital	268,784,057.22	250,957,340.49	251,174,227.94	3
4	Retained earnings	98,702,382.52	91,139,814.76	75,937,292.59	4
5	Total shareholders' equity	367,637,861.95	342,245,327.92	327,259,732.71	5
6	Long-term debt (including current maturities)	458,419,092.00	321,284,288.00	318,181,824.00	6
7	Total capitalization	826,056,953.95	663,529,615.92	645,441,556.71	7
Current liabilities					
8	Notes payable	34,300,000.00	138,485,000.00	167,300,000.00	8
9	Accounts payable	52,333,374.70	51,561,505.82	62,625,499.15	9
10	Accrued taxes	11,378,883.25	10,998,942.06	12,119,647.37	10
11	Income taxes payable	7,418,659.26	3,362,083.00	(11,703,609.67)	11
12	Dividends declared	8,023,765.67	7,556,806.93	0.00	12
13	Customers' deposits	12,411,523.78	15,493,709.13	15,097,975.19	13
14	Other current liabilities	49,364,523.85	36,452,402.81	52,582,230.67	14
15	Total current liabilities	175,230,730.51	263,910,449.75	298,021,742.71	15
16	Deferred income taxes	87,486,481.20	76,030,385.64	87,828,170.44	16
17	Deferred credits and other liabilities	55,118,216.47	57,257,938.61	57,019,516.51	17
18	Total liabilities and shareholders' equity	\$1,143,892,382.13	\$1,060,728,389.92	\$1,088,310,986.37	18

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF INCOME  
FOR THE MONTH, YEAR TO DATE AND TWELVE MONTHS ENDED 08/31/98

Line No.	Description (a)	Current Month		Year to Date		Twelve Months Ended	
		Actual (b)	Budget (c)	Actual (e)	Budget (f)	Actual (g)	Actual (h)
1	Operating revenues						
2	Gas	\$40,465,493.19	\$36,112,000	\$750,108,745.88	\$815,564,000	\$810,018,752.52	\$784,925,175.50
3	Transportation	1,727,657.81	1,528,000	24,546,246.30	17,299,000	18,179,885.46	26,251,406.01
3	Non Utility	1,937,985.00	3,687,000	37,758,077.00	50,630,000	40,013,524.30	39,859,369.00
4	Total operating revenues	44,131,136.00	41,327,000	812,413,069.18	883,493,000	868,212,162.28	851,035,950.51
5	Purchased gas cost	30,738,473.87	25,671,000	499,789,542.60	556,586,000	555,113,494.66	521,857,461.90
6	Gross profit	13,392,662.13	15,656,000	312,623,526.58	326,907,000	313,098,667.62	329,178,488.61
7	Operating expenses						
8	Operation	11,033,659.18	10,447,000	119,205,359.72	129,187,000	140,109,236.41	152,779,422.29
9	Maintenance	839,770.03	898,000	9,042,989.52	9,872,000	10,956,877.71	10,059,526.18
9	Depreciation and amortization	3,995,275.39	4,006,000	43,685,888.45	43,993,000	42,502,567.88	46,440,260.02
10	Taxes - other than income taxes	2,080,992.35	2,163,000	28,937,902.92	29,341,000	29,943,039.59	31,125,695.75
11	Provision for income taxes	(1,844,553.37)	(1,560,000)	33,584,845.68	33,635,000	23,484,999.00	24,398,080.05
12	Total operating expenses	16,105,143.58	15,954,000	234,456,986.29	246,028,000	246,996,720.59	264,802,984.29
13	Operating income	(2,712,481.45)	(298,000)	78,166,540.29	80,879,000	66,101,947.03	64,375,504.32
14	Other income						
14	Merchandise	16,013.91	12,000	(63,370.76)	132,000	84,049.18	(107,786.85)
15	Interest income	135,446.85	75,000	1,377,808.02	852,000	1,983,636.33	1,550,136.78
16	Other nonoperating income	2,518,967.02	110,509	3,321,784.91	1,138,217	(302,178.85)	3,296,469.39
17	Equity in earnings - Woodward	198,117.00	312,491	4,242,023.00	3,199,783	2,815,528.00	4,680,306.00
18	Total other income (loss)	2,868,544.78	510,000	8,878,245.17	5,322,000	4,581,034.66	9,419,125.32
19	Income before interest charges	156,063.33	212,000	87,044,785.46	86,201,000	70,682,981.69	73,794,629.64
20	Interest charges	2,992,231.73	2,710,000	32,446,643.95	30,539,000	31,642,678.13	34,398,990.04
21	Net income	(\$2,836,168.40)	(\$2,498,000)	\$54,598,141.51	\$55,662,000	\$39,040,303.56	\$39,395,639.60
22	Basic earnings per share	(\$0.09)	(\$0.08)	\$1.83	\$1.85	\$1.33	\$1.32
23	Basic avg. common shares outstanding	30,058,076	30,448,000	29,794,912	30,095,364	29,461,190	29,774,399

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATING BALANCE SHEETS  
AS OF 08/31/98

Line No.	Description (a)	Atmos Operating Divisions (b)	Atmos Non Regulated (c)	Eliminations and Adjustments (d)	Consolidated (e)	Line No.
<b>ASSETS</b>						
1	Property, plant and equipment					1
2	Utility plant	\$1,260,758,400.96	\$859,549.26	(\$16,895,893.57)	\$1,244,722,056.65	2
3	Nonutility plant	2,492,188.07	70,349,035.58	0.00	72,841,223.65	3
	Construction work in progress	101,283,292.08	(15,674.28)	0.00	101,267,617.80	
4	Less accumulated depreciation and amortization	1,364,533,881.11	71,192,910.56	(16,895,893.57)	1,418,830,898.10	4
5		527,774,599.51	22,727,500.73	(19,054,460.75)	527,447,639.49	5
6	Net property, plant and equipment	840,759,281.60	48,465,409.83	2,158,567.18	891,383,258.61	6
7	Investments in & advances to subsidiaries	8,353,207.51	0.00	(8,353,207.51)	0.00	7
<b>Current assets</b>						
8	Cash and temporary cash investments	(1,625,929.06)	10,159,719.54	0.00	8,533,790.48	8
9	Accounts receivable, less allowance for doubtful accounts	61,639,504.07	2,433,832.46	(63,115.54)	64,010,220.99	9
10	Inventories	12,977,951.62	1,955,141.00	0.00	14,933,092.62	10
11	Gas stored underground	36,844,484.58	5,533,400.00	0.00	42,377,884.58	11
12	Other current assets	5,826,321.95	767,543.23	(400,956.00)	6,192,909.18	12
13	Intercompany accounts - net	(20,911,539.32)	28,969,001.76	(8,057,462.44)	0.00	13
14	Total current assets	94,750,793.84	49,818,637.99	(8,521,533.98)	136,047,897.85	14
15	Deferred charges and other assets	98,977,593.48	17,144,965.79	338,666.40	116,461,225.67	15
16	Total assets	\$1,042,840,876.43	\$115,429,013.61	(\$14,377,507.91)	\$1,143,892,382.13	16

**ATMOS ENERGY CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATING BALANCE SHEETS (Continued)**  
**AS OF 08/31/98**

Line No.	Description (a)	Atmos Operating Divisions (b)	Atmos Non Regulated (c)	Eliminations and Adjustments (d)	Consolidated (e)	Line No.
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>						
<b>Shareholders' equity</b>						
1	Common stock	\$151,422.21	\$1,005,100.00	(\$1,005,100.00)	\$151,422.21	1
2	Common stock subscribed	0.00	0.00	0.00	0.00	2
3	Additional paid-in capital	268,784,056.72	7,348,108.01	(7,348,107.51)	268,784,057.22	3
4	Retained earnings	64,408,290.06	34,294,092.46	0.00	98,702,382.52	4
5	Total shareholders' equity	333,343,768.99	42,647,300.47	(8,353,207.51)	367,637,861.95	5
6	Long-term debt (including current maturities)	437,163,308.00	21,255,784.00	0.00	458,419,092.00	6
7	Total capitalization	770,507,076.99	63,903,084.47	(8,353,207.51)	826,056,953.95	7
<b>Current liabilities</b>						
8	Notes payable	34,300,000.00	0.00	0.00	34,300,000.00	8
9	Accounts payable	30,572,775.96	21,760,598.74	0.00	52,333,374.70	9
10	Accrued taxes	11,061,276.87	317,606.38	0.00	11,378,883.25	10
11	Income taxes payable	(3,897,082.93)	11,315,742.19	0.00	7,418,659.26	11
12	Dividends declared	8,023,765.67	0.00	0.00	8,023,765.67	12
13	Customers' deposits	12,352,641.61	459,838.17	(400,956.00)	12,411,523.78	13
14	Other current liabilities	48,150,838.07	1,213,685.78	0.00	49,364,523.85	14
15	Intercompany accounts - net	0.00	8,120,577.98	(8,120,577.98)	0.00	15
16	Total current liabilities	140,564,215.25	43,188,049.24	(8,521,533.98)	175,230,730.51	16
17	Deferred income taxes	80,992,282.30	6,494,198.90	0.00	87,486,481.20	17
18	Deferred credits and other liabilities	50,777,301.89	1,843,681.00	2,497,233.58	55,118,216.47	18
19	Total liabilities and shareholders' equity	\$1,042,840,876.43	\$115,429,013.61	(\$14,377,507.91)	\$1,143,892,382.13	19

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
ELIMINATIONS TO CONSOLIDATING BALANCE SHEET  
AS OF 08/31/98

ELIMINATIONS	1998	1997
1. Common Stock	\$1,005,100.00	\$1,005,100.00
Investment in and advances to subs		
To eliminate common stock of subs		
2. Paid-in Capital		
Trans La Industrial	2,292,947.39	
WKG Resources	1,603,833.12	
United Cities Storage	3,451,327.00	
Investment in and advances to subs		
To eliminate paid-in capital of subs		
3. Atmos Utility Plant	7,348,107.51	
Atmos Deferred Debit	2,158,567.18	
Atmos Deferred Credit	338,666.40	
To adjust for capital leases associated		
with the sale/lease back transaction		
with the Gilliland Group		
4. Intercompany Accounts- UCGC		
Customer Deposits	400,956.00	
Prepays		
To eliminate UCGS deposit from UCGC		
5. Intercompany Accounts UCGC		
Cash		
Accounts Receivable	0.00	
Misc. Deferred Debits	(63,115.54)	
Misc. Current Liabilities		
Intercompany Accounts Payable	0.00	
To eliminate intercompany accounts		
6. Intercompany Accounts Payable - Egasco		
- Services	0.00	
- United Cities Gas	5,609.98	
- United Cities Energy	0.00	
- United Cities Storage	5,487,552.00	
- United Cities Propane	2,627,416.00	
Intercompany Accounts Receivable	0.00	
To eliminate Intercompany - Net	0.00	
<b>Total Eliminations</b>	<b>\$19,308,859.53</b>	<b>\$19,308,859.53</b>
<b>ADJUSTMENTS</b>		
7. WKG Accumulated Provision		
WKG Division Utility Plant	\$14,633,185.32	
To adjust 11-30-1987 depreciation on		
WKG Division - amortization Month	\$280,000	
To date	5,376,000	
8. Trans La Accumulated Provision		
Trans La Division Utility Plant	4,382,236.51	
To adjust 12-31-85 depreciation on		
Trans La Division - amortization Month	48,202	
To date	7,310,544	
9. Trans La Industrial Accumulated Provision		
Trans La Industrial Utility Plant	39,038.92	
To adjust 12-31-85 depreciation on		
Trans La Industrial - amortization Month	550	
To date	83,600	

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATING BALANCE SHEET - NON REGULATED  
AS OF 08/31/98

1998

Line No.	Description (a)	ASSETS					Eliminations and Adjustments (i)			Consolidated (j)	Line No.	
		ATMOS SERVICES (b)	EGASCO INC. (c)	ENERMART (d)	TRANS LA INDUSTRIAL (e)	UCG ENERGY CORP. (f)	UCG STORAGE CO. (g)	WKG RESOURCES (h)				
1	Property, plant and equipment											
2	Utility plant	\$0.00	\$0.00	\$0.00	\$859,549.26	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$859,549.26
3	Nonutility plant	0.00	0.00	0.00	0.00	49,732,778.00	20,062,454.00	553,803.58	0.00	0.00	0.00	70,349,035.58
4	Construction work in progress	0.00	0.00	0.00	(15,674.28)	0.00	0.00	0.00	0.00	0.00	0.00	(15,674.28)
5	Less accumulated depreciation and amortization	0.00	0.00	0.00	843,874.98	49,732,778.00	20,062,454.00	553,803.58	0.00	0.00	0.00	71,192,910.56
6	Net property, plant and equipment	0.00	0.00	0.00	483,730.06	19,252,913.00	2,883,919.00	106,938.67	0.00	0.00	0.00	22,727,500.73
7	Investments in & advances to subsidiaries	0.00	0.00	0.00	360,144.92	30,479,865.00	17,178,535.00	446,864.91	0.00	0.00	0.00	48,465,409.83
8	Current assets	1,216.00	(9,919.75)	8,872.14	(8,940.88)	6,914,946.00	3,248,118.00	5,428.03	0.00	0.00	0.00	10,159,719.54
9	Cash and temporary cash investments	0.00	15,673.16	1,293,107.29	645,084.82	460,100.00	20,318.00	(450.81)	0.00	0.00	0.00	2,433,832.46
10	Accounts receivable, less allowance for doubtful accounts	0.00	0.00	0.00	0.00	1,952,462.00	2,679.00	0.00	0.00	0.00	0.00	1,955,141.00
11	Inventories	0.00	0.00	0.00	0.00	0.00	5,533,400.00	0.00	0.00	0.00	0.00	5,533,400.00
12	Gas stored underground	0.00	0.00	29,159.91	12,232.27	716,900.00	(1,400.00)	10,651.05	0.00	0.00	0.00	767,543.23
13	Other current assets	506,047.00	4,177,251.63	19,783,912.99	2,656,116.10	430,482.00	352,370.00	1,062,822.04	0.00	0.00	0.00	28,969,001.76
14	Intercompany accounts - net	507,263.00	4,183,005.04	21,115,052.33	3,304,492.31	10,474,890.00	9,155,485.00	1,078,450.31	0.00	0.00	0.00	49,818,637.99
15	Total current assets	0.00	590,249.17	0.00	2,782.70	16,159,311.00	334,741.00	57,881.92	0.00	0.00	0.00	17,144,965.79
16	Deferred charges and other assets	\$507,263.00	\$4,773,254.21	\$21,115,052.33	\$3,667,419.93	\$57,114,066.00	\$26,668,761.00	\$1,583,197.14	\$0.00	\$0.00	\$0.00	\$115,429,013.61

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATING BALANCE SHEET - NON REGULATED  
AS OF 08/31/98

1998

Line No.	Description (a)	ATMOS SERVICES (b)	EGASCO, INC. (c)	ENERMART (d)	TRANS LA INDUSTRIAL (e)	UCG ENERGY CORP. (f)	UCG STORAGE CO. (g)	W.K.G. RESOURCES (h)	Eliminations and Adjustments (i)	Consolidated (j)	Line No.
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>											
<b>Shareholders' equity</b>											
1	Common stock	\$1,000.00	\$1,000.00	\$1,000.00	\$100.00	\$1,000,000.00	\$1,000.00	\$1,000.00	\$0.00	\$1,005,100.00	1
2	Common stock subscribed	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2
3	Additional paid-in capital	0.00	0.00	0.00	2,292,947.89	0.00	3,451,327.00	1,603,833.12	0.00	7,348,108.01	3
4	Retained earnings	387,364.67	189,981.76	3,153,273.56	573,973.06	25,415,490.00	4,598,820.00	(24,810.59)	0.00	34,294,092.46	4
5	Total shareholders' equity	388,364.67	190,981.76	3,154,273.56	2,867,020.95	26,415,490.00	8,051,147.00	1,580,022.53	0.00	42,647,300.47	5
6	Long-term debt (including current maturities)	0.00	0.00	0.00	0.00	12,963,351.00	8,292,433.00	0.00	0.00	21,255,784.00	6
7	Total capitalization	388,364.67	190,981.76	3,154,273.56	2,867,020.95	39,378,841.00	16,343,580.00	1,580,022.53	0.00	63,903,084.47	7
<b>Current liabilities</b>											
8	Notes payable	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8
9	Accounts payable	0.00	4,241,625.14	16,406,260.95	287,304.48	823,761.00	0.00	1,647.17	0.00	21,760,598.74	9
10	Accrued taxes	0.00	2,608.56	31,837.22	36,659.42	248,695.00	0.00	(2,193.82)	0.00	317,606.38	10
11	Income taxes payable	113,288.35	338,038.75	1,522,660.60	317,174.44	7,445,182.00	1,594,995.00	(15,616.95)	0.00	11,315,742.19	11
12	Dividends declared	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12
13	Customers' deposits	0.00	0.00	0.00	58,882.17	0.00	400,956.00	0.00	0.00	459,838.17	13
14	Other current liabilities	0.00	0.00	0.00	18,858.78	893,773.00	301,054.00	0.00	0.00	1,213,685.78	14
15	Intercompany accounts - net	5,609.98	0.00	0.00	0.00	5,487,552.00	2,627,416.00	0.00	0.00	8,120,577.98	15
16	Total current liabilities	118,898.33	4,582,272.45	17,960,778.77	718,879.29	14,898,963.00	4,924,421.00	(16,163.60)	0.00	43,188,049.24	16
17	Deferred income taxes	0.00	0.00	0.00	81,519.69	1,270,604.00	5,122,737.00	19,338.21	0.00	6,494,198.90	17
18	Deferred credits and other liabilities	0.00	0.00	0.00	0.00	1,565,658.00	278,023.00	0.00	0.00	1,843,681.00	18
19	Total liabilities and shareholders' equity	\$507,263.00	\$4,773,254.21	\$21,115,052.33	\$3,667,419.93	\$57,114,066.00	\$26,668,761.00	\$1,583,197.14	\$0.00	\$115,429,013.61	19

ATMOS ENERGY CORPORATION  
CONSOLIDATING STATEMENTS OF INCOME  
FOR THE MONTH ENDED AUGUST 31, 1998

Line No.	Description (a)	Current Month					Total Atmos Consolidated (h)	Line No.
		Utility Operations		Non-Utility Operations (3)				
		Regulated (1) (b)	Non-Regulated (2) (c)	Eliminations (d)	Total (e)	Non-Utility Operations (3) (f)	Shared Services (g)	
1	Operating revenues							
1	Gas	\$28,120,568.94	\$12,344,924.25		\$40,465,493.19	\$0.00	\$40,465,493.19	
2	Transportation	1,809,882.98	8,407.35	(90,632.52)	1,727,657.81	0.00	1,727,657.81	
3	Other	0.00	0.00		0.00	1,937,985.00	1,937,985.00	
4	Total operating revenues	29,930,451.92	12,353,331.60	(90,632.52)	42,193,151.00	1,937,985.00	44,131,136.00	
5	Purchased gas cost	19,354,000.15	10,683,620.27	(90,566.55)	29,947,053.87	791,420.00	30,738,473.87	
6	Gross profit	10,576,451.77	1,669,711.33	(65.97)	12,246,097.13	1,146,565.00	13,392,662.13	
7	Operating expenses							
7	Operation	6,532,827.92	468,487.68		7,001,315.60	636,639.00	9,486,287.11	
8	Maintenance	803,139.03	0.00		803,139.03	36,631.00	839,770.03	
9	Depreciation	3,364,269.08	2,865.00		3,367,134.08	357,222.00	3,995,275.39	
10	Taxes - other than income taxes	1,933,311.78	7,309.98		1,940,621.76	81,182.00	2,080,992.35	
11	Shared Services - direct (4)	1,547,372.07	0.00		1,547,372.07	0.00	1,547,372.07	
12	Shared Services - billed (5)	1,537,705.81	22,845.65	207.30	1,560,758.76	55,000.00	1,615,758.76	
13	Provision for income taxes	(3,120,881.17)	406,312.80		(2,714,568.37)	870,015.00	(1,844,553.37)	
14	Total operating expenses	12,597,744.52	907,821.11	207.30	13,505,772.93	2,036,689.00	16,105,143.58	
15	Operating income (loss)	(2,021,292.75)	761,890.22	(273.27)	(1,259,675.80)	(890,124.00)	(2,712,481.45)	
16	Other income							
16	Merchandise	16,013.91	0.00		16,013.91	0.00	16,013.91	
17	Interest income	108,997.85	0.00		108,997.85	26,449.00	135,446.85	
18	Shared Services - billed	0.00	(207.30)	207.30	0.00	0.00	0.00	
19	Other nonoperating income	106,678.15	(19,617.10)	65.97	87,127.02	2,431,840.00	2,518,967.02	
20	Equity in earnings - Woodward	0.00	0.00		0.00	198,117.00	198,117.00	
21	Total other income (loss)	231,689.91	(19,824.40)	273.27	212,138.78	2,656,406.00	2,868,544.78	
22	Income (loss) before interest charges	(1,789,602.84)	742,065.82	(0.00)	(1,047,537.02)	1,766,282.00	156,063.33	
23	Interest charges	2,808,743.39	245.34		2,808,988.73	181,243.00	2,992,231.73	
24	Net income (loss)	(\$4,598,346.23)	\$741,820.48	(\$0.00)	(\$1,856,525.75)	\$1,583,039.00	(\$2,836,168.40)	

Footnotes:  
(1) Regulated Utility Operations includes Enargas, GGC, Trans La, UCG, WKG and CNG.  
(2) Non-Regulated Utility Operations includes Egasco, Enernart, TLIG and WKGR.  
(3) Non-Utility Operations includes Atmos Energy Services, UCG Energy and UCG Storage.  
(4) Includes all Shared Services expenses booked directly to the business units.  
(5) Includes Operation, Maintenance, Depreciation and Taxes - Other booked in Division 02 and allocated to the business units.



ATMOS ENERGY CORPORATION  
CONSOLIDATING STATEMENTS OF INCOME  
FOR THE ELEVEN MONTHS ENDED AUGUST 31, 1998

Line No.	Description (a)	Year To Date						Total Atmos Consolidated (h)	Line No.
		Regulated (1) (b)	Non-Regulated (2) (c)	Eliminations (d)	Total (e)	Non-Utility Operations (3) (f)	Shared Services (g)		
	Operating revenues								
1	Gas	684,317,397.91	\$65,791,347.97		\$750,108,745.88	\$0.00		\$750,108,745.88	1
2	Transportation	26,287,141.06	80,761.10	(1,821,655.86)	24,546,246.30	0.00		24,546,246.30	2
3	Other	0.00	0.00		0.00			37,758,078.00	3
4	Total operating revenues	710,604,538.97	65,872,109.07	(1,821,655.86)	774,654,992.18	37,758,078.00	0.00	812,413,070.18	4
5	Purchased gas cost	426,175,751.59	55,603,664.23	(1,818,022.22)	479,961,393.60	19,828,149.00		499,789,542.60	5
6	Gross profit	284,428,787.38	10,268,444.84	(3,633.64)	294,693,598.58	17,929,929.00	0.00	312,623,527.58	6
	Operating expenses								
7	Operation	78,248,260.18	5,005,984.31		83,254,244.49	7,791,244.82	17,721,000.11	108,766,489.42	7
8	Maintenance	8,408,826.91	0.00		8,408,826.91	593,151.00	41,011.61	9,042,989.52	8
9	Depreciation	36,842,328.04	31,515.00		36,873,843.04	3,831,333.00	2,980,712.41	43,685,888.45	9
10	Taxes - other than income taxes	27,084,258.47	113,413.02		27,197,671.49	908,526.00	831,705.43	28,937,902.92	10
11	Shared Services - direct	10,438,870.29	0.00		10,438,870.29	0.00	0.00	10,438,870.29	11
12	Shared Services - billed	20,841,711.49	283,724.98	3,860.87	21,129,297.34	442,000.00	(21,571,297.34)	0.00	12
13	Provision for income taxes	28,183,449.79	1,627,280.45		29,810,730.24	3,774,115.44	0.00	33,584,845.68	13
14	Total operating expenses	210,047,705.17	7,061,917.76	3,860.87	217,113,483.80	17,340,370.26	3,132.22	234,456,986.28	14
15	Operating income (loss)	74,381,082.21	3,206,527.08	(7,494.51)	77,580,114.78	589,558.74	(3,132.22)	78,166,541.30	15
	Other income								
16	Merchandise	(63,370.76)	0.00		(63,370.76)	0.00		(63,370.76)	16
17	Interest income	1,145,750.02	0.00		1,145,750.02	232,057.00		1,377,807.02	17
18	Shared Services - billed	0.00	(3,860.87)	3,860.87	0.00	0.00		0.00	18
19	Other nonoperating income	31,880.75	(242,972.48)	3,633.64	(207,458.09)	3,529,242.99		3,321,784.90	19
20	Equity in earnings - Woodward	0.00	0.00		0.00	4,242,023.00		4,242,023.00	20
21	Total other income (loss)	1,114,260.01	(246,833.35)	7,494.51	874,921.17	8,003,322.99	0.00	8,878,244.16	21
22	Income (loss) before interest charges	75,495,342.22	2,959,693.73	0.00	78,455,035.95	8,592,881.73	(3,132.22)	87,044,785.46	22
23	Interest charges	30,220,568.81	3,001.14		30,223,569.95	2,223,074.00		32,446,643.95	23
24	Net income (loss)	\$45,274,773.41	\$2,956,692.59	\$0.00	\$48,231,466.00	\$6,369,807.73	(\$3,132.22)	\$54,598,141.51	24

Footnotes: (1) Regulated Utility Operations includes Energas, GGC, Trans La, UCG, WKG and CNG.  
(2) Non-Regulated Utility Operations includes Egasco, Enermart, TLJG and WKGR.  
(3) Non-Utility Operations includes Atmos Energy Services, UCG Energy and UCG Storage.  
(4) Includes all Shared Services expenses booked directly to the business units.  
(5) Includes Operation, Maintenance, Depreciation and Taxes - Other booked in Division 02 and allocated to the business units.

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
ELIMINATIONS TO CONSOLIDATING INCOME STATEMENT  
08/31/98

	Current Month		YEAR TO DATE	
	Dr	Cr	Dr	Cr
1. Gas Revenue				
Purchased Gas Cost	\$0.00	\$0.00	\$0.00	\$0.00
To eliminate gas sales to Atmos from Trans La Industrial				
2. Transportation Revenue				
Purchased Gas Cost	54,603.93	54,603.93	1,048,092.60	1,048,092.60
To eliminate transportation charges to Emermart Trust from Atmos				
3. Transportation Revenue				
Purchased Gas Cost	25,101.83	25,101.83	319,221.15	319,221.15
To eliminate transportation charges to Trans La Industrial from Atmos				
4. Transportation Revenue				
Purchased Gas Cost	10,860.79	10,860.79	450,708.47	450,708.47
To eliminate transportation charges to Amarillo Distribution Division from Amarillo Transmission Division-Atmos				
5. Transportation Revenue				
Other Nonoperating Income	65.97	65.97	3,633.64	3,633.64
To eliminate transportation charges for CNG sales at public fill stations from Atmos				
6. Operation Expense				
Other Nonoperating Income	207.30	207.30	3,860.87	3,860.87
To eliminate allocation of Corporate Division expenses to WKGR from Atmos				

ATMOS ENERGY CORPORATION  
CONSOLIDATING STATEMENTS OF INCOME - REGULATED  
FOR THE MONTH AUGUST 31, 1998

Line No.	Description (a)	Month							Total Regulated (b)	Line No.
		Energy (b)	Greeley (c)	Trans La (l)	UCG (c)	WKG (f)				
1	Operating revenues									
2	Gas	\$5,940,753.47	\$937,828.53	\$1,736,966.70	\$15,253,828.13	\$4,251,192.11		\$28,120,568.94	1	
3	Transportation	131,229.34	179,217.77	68,530.67	800,000.00	630,905.20		1,809,882.98	2	
4	Other	0.00	0.00	0.00	0.00	0.00		0.00	3	
4	Total operating revenues	6,071,982.81	1,117,046.30	1,805,497.37	16,053,828.13	4,882,097.31		29,930,451.92	4	
5	Purchased gas cost	3,872,880.57	1,294,619.84	664,396.58	10,833,888.63	2,688,214.53		19,354,000.15	5	
6	Gross profit	2,199,102.24	(177,573.54)	1,141,100.79	5,219,939.50	2,193,882.78		10,576,451.77	6	
7	Operating expenses									
7	Operation	1,177,456.82	763,890.81	539,975.57	2,995,329.16	1,056,175.56		6,532,827.92	7	
8	Maintenance	103,878.41	71,034.91	50,616.26	517,772.82	59,836.63		803,139.03	8	
9	Depreciation	548,925.06	420,049.66	309,224.10	1,540,734.84	545,335.42		3,364,269.08	9	
10	Taxes - other than income taxes	495,318.66	180,510.61	183,215.03	911,966.24	162,301.24		1,933,311.78	10	
11	Shared Services - direct	307,118.16	167,952.81	179,274.14	710,872.43	182,154.53		1,547,372.07	11	
12	Shared Services - billed	415,866.56	172,956.90	120,952.79	581,318.01	246,611.55		1,537,705.81	12	
13	Provision for income taxes	(574,912.15)	(897,218.40)	(236,167.82)	(1,166,412.20)	(246,170.60)		(3,120,881.17)	13	
14	Total operating expenses	2,473,651.52	879,177.30	1,147,090.07	6,091,581.30	2,006,244.33		12,597,744.52	14	
15	Operating income (loss)	(274,549.28)	(1,056,750.84)	(5,989.28)	(871,641.80)	187,638.45		(2,021,292.75)	15	
16	Other income									
16	Merchandise	14,433.79	21.40	0.00	(10,570.07)	12,128.79		16,013.91	16	
17	Interest income	32,202.36	13,306.51	4,414.84	38,709.01	20,365.13		108,997.85	17	
18	Other nonoperating income	(19,026.32)	9,208.62	(7,359.08)	20,959.00	102,895.93		106,678.15	18	
19	Equity in earnings - Woodward	0.00	0.00	0.00	0.00	0.00		0.00	19	
20	Total other income (loss)	27,609.83	22,536.53	(2,944.24)	49,097.94	135,389.85		231,689.91	20	
21	Income (loss) before interest charges	(246,939.45)	(1,034,214.31)	(8,933.52)	(822,543.86)	323,028.30		(1,789,602.84)	21	
22	Interest charges	738,147.78	395,677.97	337,958.78	798,353.96	538,604.90		2,808,743.39	22	
23	Net income (loss)	(\$95,087.23)	(\$1,429,892.28)	(\$346,892.30)	(\$1,620,897.82)	(\$215,576.60)		(\$4,598,346.23)	23	

Footnote: (1) Includes CNG.

(2) Operations expense in the business units does not include any shared services costs.

(3) Includes all Shared Services expenses booked directly to the business units.

(4) Includes Operation, Maintenance, Depreciation and Taxes - Other booked in Division 02 and allocated to the business units.

ATMOS ENERGY CORPORATION  
CONSOLIDATING STATEMENTS OF INCOME - REGULATED  
FOR THE ELEVEN MONTHS ENDED AUGUST 31, 1998

Line No.	Description (a)	Year-to-Date							Line No.
		Energas (1)	Greeley	Trans La (1)	UCG	WKG	Total Regulated		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)		
1	Operating revenues							1	
2	Gas	\$150,367,441.82	\$78,629,003.96	\$33,337,063.14	\$312,881,336.42	\$109,102,552.57	\$684,317,397.91	2	
3	Transportation	2,561,327.38	1,529,353.31	426,906.00	13,650,662.07	8,118,892.30	26,287,141.06	3	
4	Other	0.00	0.00	0.00	0.00	0.00	0.00	4	
	Total operating revenues	152,928,769.20	80,158,357.27	33,763,969.14	326,531,998.49	117,221,444.87	710,604,538.97		
5	Purchased gas cost	91,381,395.41	46,666,200.91	9,600,825.23	202,286,006.55	76,241,323.49	426,175,751.59	5	
6	Gross profit	61,547,373.79	33,492,156.36	24,163,143.91	124,245,991.94	40,980,121.38	284,428,787.38	6	
7	Operating expenses	(2)						7	
8	Operation	15,601,547.86	11,220,138.09	6,096,122.53	32,160,685.99	13,169,765.71	78,248,260.18	8	
9	Maintenance	956,005.39	714,194.19	495,840.02	5,395,395.37	847,391.94	8,408,826.91	9	
10	Depreciation	6,037,302.18	4,578,180.25	3,344,511.50	16,883,673.20	5,998,660.91	36,842,328.04	10	
11	Taxes - other than income taxes	9,955,480.22	2,301,255.18	2,083,296.04	10,901,190.34	1,843,036.69	27,084,258.47	11	
12	Shared Services - direct	3,136,736.96	1,438,283.81	1,852,988.58	1,819,316.77	2,191,544.17	10,438,870.29	12	
13	Shared Services - billed	6,222,019.15	2,655,852.85	1,804,817.51	6,453,233.92	3,705,788.06	20,841,711.49	13	
	Provision for income taxes	4,917,336.85	2,628,291.32	2,040,007.25	14,808,818.92	3,788,995.45	28,183,449.79		
	Total operating expenses	46,826,428.61	23,536,195.69	17,717,583.43	88,423,314.51	31,545,182.93	210,047,705.17		
14	Operating income (loss)	14,720,945.18	7,955,960.67	6,445,560.48	35,823,677.43	9,434,938.45	74,381,082.21	14	
15	Other income							15	
16	Merchandise	(30,492.65)	(1,646.40)	7,391.11	(253,590.95)	214,968.13	(63,370.76)	16	
17	Interest income	183,267.83	16,093.12	8,005.41	898,288.22	40,095.44	1,145,750.02	17	
18	Other nonoperating income	(185,659.80)	60,472.46	(70,431.91)	59,187.32	168,312.68	31,880.75	18	
19	Equity in earnings - Woodward	0.00	0.00	0.00	0.00	0.00	0.00	19	
	Total other income (loss)	(32,884.62)	74,919.18	(55,035.39)	703,884.59	423,376.25	1,114,260.01		
20	Income (loss) before interest charges	14,688,060.56	8,030,879.85	6,390,525.09	36,527,562.02	9,858,314.70	75,495,342.22	20	
21	Interest charges	5,863,038.05	3,383,393.53	2,757,762.79	13,564,148.56	4,652,225.88	30,220,568.81	21	
22	Net income (loss)	\$8,825,022.51	\$4,647,486.32	\$3,632,762.30	\$22,963,413.46	\$5,206,088.82	\$45,274,773.41	22	

Footnote: (1) Includes CNG.

(2) Operations expense in the business units does not include any shared services costs.

(3) Includes all Shared Services expenses booked directly to the business units.

(4) Includes Operation, Maintenance, Depreciation and Taxes - Other booked in Division 02 and allocated to the business units.

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATING STATEMENT OF INCOME- NON-REGULATED UTILITY  
FOR THE MONTH ENDED 08/31/98

Line No.	Description (a)	1998						Line No.
		EGASCO, INC. (b)	ENERMART (c)	TRANS LA INDUSTRIAL (d)	W K G RESOURCES (e)	ELIMINATIONS and ADJUSTMENTS (f)	ATMOS NON REGULATED (g)	
	Operating revenues							
1	Gas	\$1,157,189.24	\$10,770,427.93	\$417,307.08	\$0.00	\$0.00	\$12,344,924.25	
2	Transportation	0.00	0.00	8,407.35	0.00	0.00	8,407.35	
3	Other	0.00	0.00	0.00	0.00	0.00	0.00	
4	Total operating revenues	1,157,189.24	10,770,427.93	425,714.43	0.00	0.00	12,353,331.60	
5	Purchased gas cost	806,727.04	9,523,520.26	353,372.97	0.00	0.00	10,683,620.27	
6	Gross profit	350,462.20	1,246,907.67	72,341.46	0.00	0.00	1,669,711.33	
	Operating expenses							
7	Operation	59,515.88	377,853.67	31,118.13	0.00	0.00	468,487.68	
8	Maintenance	0.00	0.00	0.00	0.00	0.00	0.00	
9	Depreciation and amortization	0.00	0.00	2,865.00	0.00	0.00	2,865.00	
10	Taxes - other than income taxes	0.00	2,878.00	4,431.98	0.00	0.00	7,309.98	
11	Shared services - billed	1,216.53	15,848.39	5,780.73	0.00	0.00	22,845.65	
12	Provision for income taxes	94,283.00	297,614.80	14,415.00	0.00	0.00	406,312.80	
13	Total operating expenses	155,015.41	694,194.86	58,610.84	0.00	0.00	907,821.11	
14	Operating income (loss)	195,446.79	552,712.81	13,730.62	0.00	0.00	761,890.22	
	Other income							
15	Merchandise	0.00	0.00	0.00	0.00	0.00	0.00	
16	Interest income	0.00	0.00	0.00	0.00	0.00	0.00	
17	Shared services - billed	0.00	0.00	0.00	(207.30)	0.00	(207.30)	
18	Other nonoperating income	(20,350.52)	0.00	0.00	733.42	0.00	(19,617.10)	
19	Total other income (loss)	(20,350.52)	0.00	0.00	526.12	0.00	(19,824.40)	
20	Income (loss) before interest charges	175,096.27	552,712.81	13,730.62	526.12	0.00	742,065.82	
21	Interest charges	0.00	0.00	245.34	0.00	0.00	245.34	
22	Net income (loss)	\$175,096.27	\$552,712.81	\$13,485.28	\$526.12	\$0.00	\$741,820.48	

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATING STATEMENT OF INCOME- NON-REGULATED UTILITY  
FOR THE ELEVEN MONTHS ENDED 08/31/98

Line No.	Description (a)	1998					ELIMINATIONS and ADJUSTMENTS (f)	ATMOS NON REGULATED (g)	Line No.
		EGASCO, INC. (b)	ENERMART (c)	TRANS LA INDUSTRIAL (d)	W K G RESOURCES (e)				
	Operating revenues								
1	Gas	\$8,939,966.47	\$51,168,087.81	\$5,683,293.69	\$0.00	\$0.00	\$65,791,347.97	1	
2	Transportation	0.00	0.00	80,761.10	0.00	0.00	80,761.10	2	
3	Other	0.00	0.00	0.00	0.00	0.00	0.00	3	
4	Total operating revenues	8,939,966.47	51,168,087.81	5,764,054.79	0.00	0.00	65,872,109.07	4	
5	Purchased gas cost	7,053,025.18	43,675,390.49	4,875,248.56	0.00	0.00	55,603,664.23	5	
6	Gross profit	1,886,941.29	7,492,697.32	888,806.23	0.00	0.00	10,268,444.84	6	
	Operating expenses								
7	Operation	666,743.81	4,162,438.13	176,802.37	0.00	0.00	5,005,984.31	7	
8	Maintenance	0.00	0.00	0.00	0.00	0.00	0.00	8	
9	Depreciation and amortization	0.00	0.00	31,515.00	0.00	0.00	31,515.00	9	
10	Taxes - other than income taxes	25,000.00	37,005.64	51,397.38	10.00	0.00	113,413.02	10	
11	Shared services - billed	16,932.71	200,370.85	66,421.42	0.00	0.00	283,724.98	11	
12	Provision for income taxes	326,019.75	1,082,421.55	218,839.15	0.00	0.00	1,627,280.45	12	
13	Total operating expenses	1,034,696.27	5,482,236.17	544,975.32	10.00	0.00	7,061,917.76	13	
14	Operating income (loss)	852,245.02	2,010,461.15	343,830.91	(10.00)	0.00	3,206,527.08	14	
	Other income								
15	Merchandise	0.00	0.00	0.00	0.00	0.00	0.00	15	
16	Interest income	0.00	0.00	0.00	0.00	0.00	0.00	16	
17	Shared services - billed	0.00	0.00	0.00	(3,860.87)	0.00	(3,860.87)	17	
18	Other nonoperating income	(246,780.13)	0.00	0.00	3,807.65	0.00	(242,972.48)	18	
19	Total other income (loss)	(246,780.13)	0.00	0.00	(53.22)	0.00	(246,833.35)	19	
20	Income (loss) before interest charges	605,464.89	2,010,461.15	343,830.91	(63.22)	0.00	2,959,693.73	20	
21	Interest charges	0.00	300.00	2,701.14	0.00	0.00	3,001.14	21	
22	Net income (loss)	\$605,464.89	\$2,010,161.15	\$341,129.77	(\$63.22)	\$0.00	\$2,956,692.59	22	

NON-UTILITY BUSINESS UNITS  
CONSOLIDATING STATEMENT OF INCOME- NON-UTILITY  
FOR THE MONTH ENDED 08/31/98

Line No.	Description (a)	1998										Line No.
		UCG Leasing (b)	UCG Propane (c)	Rental Division (d)	Utility Serv. Division (e)	Eliminations and Adjustments (f)	UCG Energy Corp. Consolidated (g)	Atmos Energy Services (h)	UCG Storage Co. (i)	Total Non-Utility (j)		
1	Operating revenues											
2	Gas	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3	Transportation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3	Non Utility	83,385.00	1,431,761.00	119,914.00	4,273.00	0.00	1,639,333.00	0.00	298,652.00	1,937,985.00	1,937,985.00	1,937,985.00
4	Total operating revenues	83,385.00	1,431,761.00	119,914.00	4,273.00	0.00	1,639,333.00	0.00	298,652.00	1,937,985.00	1,937,985.00	1,937,985.00
5	Purchased gas cost	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6	Gross profit	83,385.00	640,341.00	119,914.00	4,273.00	0.00	847,913.00	0.00	298,652.00	1,146,565.00	1,146,565.00	1,146,565.00
7	Operating expenses											
8	Operation	3,000.00	610,531.00	1,744.00	0.00	0.00	615,275.00	0.00	21,364.00	636,639.00	636,639.00	636,639.00
8	Maintenance	0.00	36,316.00	0.00	0.00	0.00	36,316.00	0.00	315.00	36,631.00	36,631.00	36,631.00
9	Depreciation and amortization	31,081.00	210,712.00	46,411.00	35,497.00	0.00	323,701.00	0.00	33,521.00	357,222.00	357,222.00	357,222.00
10	Taxes - other than income taxes	0.00	27,101.00	20,161.00	0.00	0.00	47,262.00	0.00	33,920.00	81,182.00	81,182.00	81,182.00
11	Shared services - billed	2,750.00	42,900.00	8,800.00	550.00	0.00	55,000.00	0.00	0.00	55,000.00	55,000.00	55,000.00
12	Provision for income taxes	16,000.00	(140,000.00)	943,000.00	56,000.00	0.00	875,000.00	(61,985.00)	57,000.00	870,015.00	870,015.00	870,015.00
13	Total operating expenses	52,831.00	787,560.00	1,020,116.00	92,047.00	0.00	1,952,554.00	(61,985.00)	146,120.00	2,036,689.00	2,036,689.00	2,036,689.00
14	Operating income (loss)	30,554.00	(147,219.00)	(900,202.00)	(87,774.00)	0.00	(1,104,641.00)	61,985.00	152,532.00	(890,124.00)	(890,124.00)	(890,124.00)
15	Other income											
15	Merchandise	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
16	Interest income	5,959.00	11,979.00	27,851.00	4,360.00	(34,877.00)	15,272.00	0.00	11,177.00	26,449.00	26,449.00	26,449.00
17	Other nonoperating income	92.00	430.00	2,425,847.00	5,471.00	0.00	2,431,840.00	0.00	0.00	2,431,840.00	2,431,840.00	2,431,840.00
18	Equity in earnings - Woodward	0.00	0.00	0.00	198,117.00	0.00	198,117.00	0.00	0.00	198,117.00	198,117.00	198,117.00
19	Total other income (loss)	6,051.00	12,409.00	2,453,698.00	207,948.00	(34,877.00)	2,645,229.00	0.00	11,177.00	2,656,406.00	2,656,406.00	2,656,406.00
20	Income (loss) before int chgs	36,605.00	(134,810.00)	1,553,496.00	120,174.00	(34,877.00)	1,540,588.00	61,985.00	163,709.00	1,766,282.00	1,766,282.00	1,766,282.00
21	Interest charges	12,931.00	95,360.00	11,634.00	28,271.00	(34,877.00)	113,319.00	0.00	69,924.00	183,243.00	183,243.00	183,243.00
22	Net income (loss)	\$23,674.00	(\$230,170.00)	\$1,541,862.00	\$91,903.00	\$0.00	\$1,427,269.00	\$61,985.00	\$93,785.00	\$1,583,039.00	\$1,583,039.00	\$1,583,039.00

NON-UTILITY BUSINESS UNITS  
CONSOLIDATING STATEMENT OF INCOME- NON UTILITY  
FOR THE ELEVEN MONTHS ENDED 08/31/98

1998

Line No.	Description (a)	Eliminations and Adjustments (f)						UCG Storage Co. (i)	Total Non-Utility (j)	Line No.
		UCG Leasing (b)	UCG Propane (c)	Rental Division (d)	Utility Serv. Division (e)	UCG Energy Corp. Consolidated (g)	Atmos Energy Services (h)			
1	Operating revenues									
1	Gas	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	1
2	Transportation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2
3	Non Utility	974,736.00	27,687,056.00	2,822,715.00	507,251.00	31,991,758.00	5,766,320.00	37,758,078.00	37,758,078.00	3
4	Total operating revenues	974,736.00	27,687,056.00	2,822,715.00	507,251.00	31,991,758.00	5,766,320.00	37,758,078.00	37,758,078.00	4
5	Purchased gas cost	0.00	16,897,843.00	0.00	424,930.00	17,322,773.00	2,505,376.00	19,828,149.00	19,828,149.00	5
6	Gross profit	974,736.00	10,789,213.00	2,822,715.00	82,321.00	14,668,985.00	3,260,944.00	17,929,929.00	17,929,929.00	6
7	Operating expenses									
7	Operation	15,971.39	6,937,089.55	456,848.39	16,381.79	7,426,291.12	358,825.70	7,791,244.82	7,791,244.82	7
8	Maintenance	0.00	543,349.00	0.00	0.00	543,349.00	49,802.00	593,151.00	593,151.00	8
9	Depreciation and amortization	350,098.00	2,087,454.00	618,815.00	404,513.00	3,460,880.00	370,453.00	3,831,333.00	3,831,333.00	9
10	Taxes - other than income taxes	0.00	302,661.00	228,629.00	9.00	531,299.00	377,227.00	908,526.00	908,526.00	10
11	Shared services - billed	23,260.00	340,691.00	73,619.00	4,430.00	442,000.00	(0.00)	442,000.00	442,000.00	11
12	Provision for income taxes	184,730.82	(24,999.16)	1,570,009.46	1,393,258.91	3,123,000.03	536,000.41	3,774,115.44	3,774,115.44	12
13	Total operating expenses	574,060.21	10,186,245.39	2,947,920.85	1,818,592.70	15,526,819.15	1,692,308.11	17,340,370.26	17,340,370.26	13
14	Operating income (loss)	400,675.79	602,967.61	(125,205.85)	(1,736,271.70)	(857,834.15)	1,568,635.89	589,558.74	589,558.74	14
15	Other income									
15	Merchandise	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15
16	Interest income	44,554.00	114,780.00	356,998.00	40,404.00	147,050.00	85,007.00	232,057.00	232,057.00	16
17	Other nonoperating income	917.99	25,511.00	2,931,218.00	59,596.00	3,017,242.99	512,000.00	3,529,242.99	3,529,242.99	17
18	Equity in earnings - Woodward	0.00	0.00	0.00	4,242,023.00	4,242,023.00	0.00	4,242,023.00	4,242,023.00	18
19	Total other income (loss)	45,471.99	140,291.00	3,288,216.00	4,342,023.00	7,406,315.99	85,007.00	8,003,322.99	8,003,322.99	19
20	Income (loss) before int chgs	446,147.78	743,258.61	3,163,010.15	2,605,751.30	6,548,481.84	1,653,642.89	8,592,881.73	8,592,881.73	20
21	Interest charges	147,527.00	778,346.00	600,046.00	328,351.00	1,444,584.00	778,490.00	2,223,074.00	2,223,074.00	21
22	Net income (loss)	\$298,620.78	(\$35,087.39)	\$2,562,964.15	\$2,277,400.30	\$5,103,897.84	\$875,152.89	\$6,369,807.73	\$6,369,807.73	22



ATMOS ENERGY CORPORATION  
Shared Services Billing  
For The Month Ended 8/31/98

ALLOCATED DOLLARS

DEPARTMENT	Total	Enrgies	GCC	Trans Ls	UCG	WKG	Esasco	Enermart	TLIG	UCG Energy	UCG Storage	WKGR
ACCOUNTING:	(1,053,634.31)	(242,933.34)	(160,723.84)	(95,977.19)	(408,919.74)	(197,226.91)	(426.51)	(1,891.27)	(426.51)	55,000.00	-	(119.00)
BUSINESS DEVELOPMENT:	18,648.68	4,632.34	2,252.76	1,575.81	7,088.36	3,069.41	-	-	-	-	-	-
CALL CENTER:	454.79	179.92	88.37	62.03	-	121.11	0.50	2.18	0.50	-	-	0.18
EXECUTIVE:	402,833.68	100,465.88	49,392.29	34,257.76	150,523.49	66,461.92	258.98	1,168.30	235.99	-	-	69.07
GAS CONTROL:	43,041.15	7,747.40	4,304.12	2,152.06	19,368.52	8,608.23	-	430.41	430.41	-	-	-
GAS SUPPLY:	108,814.17	21,468.72	17,623.71	6,638.83	27,737.29	24,398.77	-	8,038.61	2,908.24	-	-	-
HUMAN RESOURCES:	760,628.62	163,994.43	78,355.96	55,097.80	353,140.91	107,759.29	310.22	1,387.50	310.22	-	-	72.29
INFORMATION TECHNOLOGY:	270,858.38	106,318.33	39,803.45	28,568.74	33,949.17	62,218.69	-	-	-	-	-	-
INTERNAL AUDIT:	52,422.11	12,958.74	6,306.38	4,408.70	19,856.53	8,665.37	36.70	162.51	36.70	-	-	10.48
INVESTOR RELATIONS:	147,111.19	36,490.54	17,759.63	12,415.98	55,340.05	24,402.31	103.31	457.47	103.31	-	-	29.59
LEGAL:	165,262.70	39,652.95	20,445.07	13,223.47	59,635.03	27,891.67	307.15	2,510.34	1,569.57	-	-	21.45
NEW BUSINESS VENTURES:	31,076.24	7,682.05	3,738.47	2,613.51	11,759.25	5,136.90	21.75	96.34	21.75	-	-	6.32
PLANNING & BUDGETING:	47,975.43	11,859.50	5,771.44	4,034.74	18,153.91	7,930.34	33.59	148.72	33.59	-	-	9.60
PRICE POLICY & ADMINISTRATION:	120,159.10	25,927.41	21,949.28	9,664.17	46,127.36	16,132.10	36.78	259.71	37.52	-	-	24.77
REGULATORY AFFAIRS:	40,601.60	6,090.24	10,150.40	4,060.16	16,240.64	4,060.16	-	-	-	-	-	-
REMITTANCE PROCESSING:	(4,062.98)	(1,209.14)	(432.62)	(324.63)	(1,340.38)	(707.36)	(3.25)	(25.19)	(0.41)	-	-	-
TECHNICAL SERVICES:	5,162.73	1,174.01	713.49	465.16	1,991.78	802.80	3.61	8.26	3.10	-	-	0.52
TREASURY:	128,297.58	31,353.88	15,566.56	10,233.62	45,764.01	22,289.92	302.63	2,071.17	285.68	-	-	10.11
TOTAL OPERATIONS:	1,285,650.86	334,263.86	133,244.92	93,190.72	456,405.18	192,044.72	983.46	14,825.06	5,549.66	55,000.00	-	141.28
Operations w/o A&G Cmp.	2,164,776.49	525,509.38	268,819.51	171,603.43	765,774.18	354,692.16	1,264.62	16,061.35	5,828.82	55,000.00	-	221.04
MAINTENANCE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
DEPRECIATION	270,919.31	66,971.27	32,591.59	22,784.31	102,515.87	44,782.96	189.64	839.85	189.64	0.00	0.00	54.18
TAXES - OTHER	59,188.59	14,631.43	7,120.39	4,977.76	22,596.96	9,783.87	41.43	183.48	41.43	0.00	0.00	11.84
TOTAL	1,615,758.76	415,866.56	172,956.90	120,932.79	581,318.01	246,611.55	1,216.53	15,848.39	5,780.73	55,000.00	-	207.30

ATMOS ENERGY CORPORATION  
Shared Services Billing  
For The Year-To-Date 8/31/98

ALLOCATED DOLLARS

DEPARTMENT	Total	Energis	GGC	Trans La	UCG	WKG	Egasco	Emermat	TLIO	UCG Energy	UCG Storage	WKOR
ACCOUNTING:	(5,857,570.65)	(1,155,793.56)	(1,074,008.83)	(625,429.00)	(2,200,447.05)	(1,262,338.18)	(247.02)	(1,211.21)	(210.01)	442,000.00	-	114.21
BUSINESS DEVELOPMENT:	480,284.54	119,302.71	58,018.37	40,584.03	182,556.15	79,823.28	-	-	-	-	-	-
CALL CENTER:	28,138.80	11,131.74	5,467.38	3,838.12	-	7,493.36	30.94	135.07	30.94	-	-	11.25
EXECUTIVE:	3,433,249.51	854,655.71	419,070.08	291,227.35	1,286,461.42	566,730.52	2,263.16	10,137.22	2,089.90	-	-	614.15
GAS CONTROL:	491,344.37	88,441.96	49,134.43	24,567.23	221,104.96	98,268.89	-	4,913.45	4,913.45	-	-	-
GAS SUPPLY:	1,308,167.33	257,689.27	208,815.47	78,653.33	333,635.03	290,706.76	-	102,987.01	35,680.46	-	-	-
HUMAN RESOURCES:	5,966,561.71	1,642,989.12	787,288.68	554,303.09	1,886,979.96	1,077,872.91	2,563.48	11,308.86	2,521.38	-	-	734.23
INFORMATION TECHNOLOGY:	2,635,008.68	1,037,162.35	388,291.59	278,695.44	323,902.38	606,956.92	-	-	-	-	-	-
INTERNAL AUDIT:	497,123.64	122,910.72	59,793.95	41,808.00	188,088.36	82,182.69	349.63	1,544.54	345.85	-	-	99.90
INVESTOR RELATIONS:	1,658,644.50	430,193.30	209,577.63	146,595.86	576,212.34	287,899.98	1,216.83	5,375.73	1,213.52	-	-	359.31
LEGAL:	3,083,856.56	754,345.44	375,043.10	254,193.57	1,144,144.95	514,252.76	3,599.42	24,636.13	13,070.55	-	-	570.64
NEW BUSINESS VENTURES:	256,192.52	63,341.82	30,814.87	21,545.76	96,931.48	42,352.75	180.16	795.94	178.25	-	-	51.49
PLANNING & BUDGETING:	618,758.65	159,633.66	77,739.20	54,380.62	217,155.44	106,816.21	453.15	1,998.75	448.32	-	-	133.30
PRICE POLICY & ADMINISTRATION:	1,022,591.35	299,284.01	262,545.26	113,491.30	156,774.42	186,636.12	370.80	2,786.20	434.73	-	-	268.51
REGULATORY AFFAIRS:	330,599.76	49,589.94	82,649.96	33,059.98	132,239.90	33,059.98	-	-	-	-	-	-
REMITTANCE PROCESSING:	302,935.10	98,396.26	36,832.38	26,472.86	81,363.90	57,566.18	264.88	2,052.73	35.91	-	-	-
TECHNICAL SERVICES:	294,832.80	67,035.18	40,745.53	26,573.06	113,752.00	45,841.26	204.06	472.72	179.12	-	-	29.87
TREASURY:	1,168,391.79	348,525.26	174,666.20	116,256.03	254,728.38	247,899.77	2,958.31	20,434.14	2,828.23	-	-	95.47
TOTAL OPERATIONS: Operations w/o A&G Cap.	17,719,110.96	5,268,834.89	2,192,485.25	1,480,766.63	4,995,584.02	3,070,072.16	14,207.80	188,367.28	63,760.60	442,000.00	-	3,082.33
	27,408,236.59	7,563,114.49	3,833,714.18	2,503,954.76	7,662,443.72	5,110,288.75	17,889.40	203,748.89	67,205.33	442,000.00	-	4,077.07
MAINTENANCE	41,011.61	10,138.68	4,933.41	3,449.07	15,518.13	6,779.47	28.75	127.24	28.64	0.00	0.00	8.22
DEPRECIATION	2,980,712.41	737,173.66	358,472.59	250,676.33	1,127,537.73	492,839.30	2,112.07	9,294.41	2,052.90	0.00	0.00	603.42
TAXES - OTHER	831,457.78	205,564.14	100,011.60	69,925.48	314,594.04	137,450.33	584.09	2,581.92	579.28	0.00	0.00	166.90
TOTAL	21,572,282.76	6,221,711.37	2,655,852.85	1,804,817.51	6,453,233.92	3,707,091.26	16,932.71	200,370.85	66,421.42	442,000.00	-	3,860.87

ATMOS ENERGY CORPORATION  
Shared Services Billing  
For The Month Ended 8/31/98

ALLOCATED DOLLARS

DEPARTMENT	Total	Energas	GGC	Trans La	UCCG	WKG	Ebasco	Enemart	TLIG	UCCG Energy	UCCG Storage	WKGR
0112900 VP & Controller	59,239.54	14,644.00	7,126.52	4,982.05	22,416.24	9,792.30	41.47	183.64	41.47	0.00	0.00	11.85
0113000 Assistant Controller General Acctg	14,255.42	3,523.94	1,714.93	1,198.88	5,394.25	2,356.42	9.98	44.19	9.98	0.00	0.00	2.85
0113100 General Accounting	37,338.24	9,230.00	4,491.79	3,140.15	14,128.79	6,172.01	26.14	115.75	26.14	0.00	0.00	7.47
0113200 Payroll Accounting	64,850.54	16,031.05	7,801.52	5,453.93	24,539.44	10,719.79	45.40	201.04	45.40	0.00	0.00	12.97
0113300 Accounts Payable	34,667.51	8,569.80	4,170.50	2,915.54	13,118.19	5,730.54	24.27	107.47	24.27	0.00	0.00	6.93
0113400 Accounting Systems	1,007.68	249.09	121.22	84.75	381.31	166.57	0.71	3.12	0.71	0.00	0.00	0.20
0113500 Assistant Controller, Utility Acctg	26,641.66	6,585.82	3,204.99	2,240.56	10,081.20	4,403.87	18.65	82.59	18.65	0.00	0.00	5.33
0113600 Plant Accounting	28,463.50	7,036.18	3,424.16	2,393.78	10,770.59	4,705.02	19.92	88.24	19.92	0.00	0.00	5.89
0113700 Gas Accounting	60,889.88	15,051.98	7,325.05	5,120.84	23,040.73	10,065.10	42.62	188.76	42.62	0.00	0.00	12.18
0113800 Customer Billing	3,434.31	848.96	413.15	288.83	1,299.54	567.69	2.40	10.65	2.40	0.00	0.00	0.69
0113900 Financial Reporting	25,515.34	6,307.39	3,069.50	2,145.84	9,655.00	4,217.69	17.86	79.10	17.86	0.00	0.00	5.10
0114600 Dallas Taxation	33,451.72	13,233.50	6,499.67	4,562.81	0.00	8,908.19	36.80	160.57	36.80	0.00	0.00	13.38
0118300 Dallas Stores	122.93	122.93	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0119200 Controller Miscellaneous	(619,386.95)	(153,112.46)	(74,512.25)	(52,090.44)	(234,376.02)	(102,384.66)	(433.57)	(1,920.10)	(433.57)	0.00	0.00	(123.88)
0119700 Management Fee - UCCG	55,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	55,000.00	0.00	0.00
0119700 J/C Billing & Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0119800 Overhead Capitalized-Division 02	(398,803.51)	(98,584.23)	(47,976.06)	(33,539.38)	(150,907.25)	(65,922.22)	(279.16)	(1,236.29)	(279.16)	0.00	0.00	(79.76)
0119800 Overhead Capitalized-Op Company ACCOUNTING:	(480,322.12)	(92,661.29)	(87,398.53)	(44,875.33)	(158,461.75)	(96,725.22)	0.00	0.00	0.00	0.00	0.00	0.00
	(1,053,634.31)	(242,923.34)	(160,723.84)	(93,977.19)	(408,919.74)	(197,226.91)	(426.51)	(1,891.27)	(426.51)	55,000.00	0.00	(119.00)
0056000 Business Development	18,648.68	4,632.34	2,252.76	1,575.81	7,088.36	3,093.41	0.00	0.00	0.00	0.00	0.00	0.00
BUSINESS DEVELOPMENT:	18,648.68	4,632.34	2,252.76	1,575.81	7,088.36	3,093.41	0.00	0.00	0.00	0.00	0.00	0.00
0120100 Amarillo Call Center	454.79	179.92	88.37	62.03	0.00	121.11	0.50	2.18	0.50	0.00	0.00	0.18
CALL CENTER:	454.79	179.92	88.37	62.03	0.00	121.11	0.50	2.18	0.50	0.00	0.00	0.18
0050500 Chairman, President & CEO	154,264.03	38,134.09	18,557.96	12,973.60	58,373.51	25,499.84	107.98	478.22	107.98	0.00	0.00	30.85
0052100 Dallas Operations	114,987.00	29,310.18	14,764.33	10,049.86	41,602.30	18,880.87	57.49	275.97	57.49	0.00	0.00	11.50
0052500 Utility Services	5,626.08	1,390.76	676.82	473.15	2,128.91	929.99	3.94	17.44	3.94	0.00	0.00	1.13
0054700 Chief Financial Officer	127,956.57	31,630.85	15,393.18	10,761.15	48,418.77	21,151.22	89.57	396.67	89.57	0.00	0.00	25.59
EXECUTIVE:	402,833.68	100,465.88	49,392.29	34,237.76	150,523.49	66,461.92	258.98	1,168.30	258.98	0.00	0.00	69.07
0051700 Corporate Gas Control	43,041.15	7,747.40	4,304.12	2,152.06	19,368.52	8,608.23	0.00	430.41	430.41	0.00	0.00	0.00
GAS CONTROL:	43,041.15	7,747.40	4,304.12	2,152.06	19,368.52	8,608.23	0.00	430.41	430.41	0.00	0.00	0.00
0051500 Interstate Gas Supply	50,649.32	9,116.87	10,129.86	2,532.47	13,675.32	15,194.80	0.00	0.00	0.00	0.00	0.00	0.00
0051600 Intrastate Gas Supply	34,202.43	6,840.49	3,420.24	1,710.12	8,550.61	5,130.36	0.00	6,840.49	1,710.12	0.00	0.00	0.00
0051900 Gas Supply	23,962.42	5,511.36	4,073.61	2,396.24	5,511.36	4,073.61	0.00	1,198.12	1,198.12	0.00	0.00	0.00
GAS SUPPLY:	108,814.17	21,468.72	17,623.71	6,638.83	27,737.29	24,398.77	0.00	8,038.61	2,908.24	0.00	0.00	0.00

ATMOS ENERGY CORPORATION  
Shared Services Billing  
For The Month Ended 8/31/98

ALLOCATED DOLLARS

DEPARTMENT	Total	Engras	GOC	Trans La	UCC	WKG	Egasco	Enemart	TLIO	UCC Energy	UCC Storage	WKOR
0056100 Professional Development	15,609.12	4,178.56	1,965.19	1,395.46	5,392.95	2,676.96	0.00	0.00	0.00	0.00	0.00	0.00
0117100 Corporate Services	1,643.30	650.08	319.29	224.15	0.00	437.61	1.81	7.89	1.81	0.00	0.00	0.66
0117200 Compensation & Employment	35,460.86	9,492.87	4,644.52	3,170.20	12,251.73	5,081.54	0.00	0.00	0.00	0.00	0.00	0.00
0117300 Human Resources - VP	20,896.28	5,593.94	2,630.84	1,868.13	7,219.66	3,583.71	0.00	0.00	0.00	0.00	0.00	0.00
0117400 Employee & Labor Relations	11,095.09	2,970.16	1,396.87	991.90	3,833.35	1,902.81	0.00	0.00	0.00	0.00	0.00	0.00
0117500 Employee Benefits	63,134.90	16,901.21	7,948.68	5,644.26	21,813.11	10,827.64	0.00	0.00	0.00	0.00	0.00	0.00
0117800 Employee Communications	7,814.89	2,092.06	983.89	698.65	2,700.04	1,340.25	0.00	0.00	0.00	0.00	0.00	0.00
0117900 Facilities	14,805.07	3,963.32	1,863.96	1,323.57	5,115.15	2,539.07	0.00	0.00	0.00	0.00	0.00	0.00
0118100 Employee Development	39,632.76	10,609.69	4,989.76	3,543.17	13,693.12	6,797.02	0.00	0.00	0.00	0.00	0.00	0.00
0119000 Employee Relocation Expense	3,546.24	876.64	426.61	298.24	1,341.90	586.19	2.48	10.99	2.48	0.00	0.00	0.71
0119210 Performance Plan	236,271.00	58,406.19	28,423.40	19,870.39	89,404.95	39,035.60	165.39	732.44	165.39	0.00	0.00	47.25
0119300 Outside Directors Retirement Cost	23,000.00	5,685.60	2,766.90	1,934.30	8,703.20	3,801.90	16.10	71.30	16.10	0.00	0.00	4.60
0119400 Treasury - Worker's Comp	164.55	65.10	31.97	22.44	0.00	43.82	0.18	0.79	0.18	0.00	0.00	0.07
0119500 Human Resources - Benefits	(192,550.48)	(76,172.96)	(37,412.56)	(26,263.89)	0.00	(51,276.19)	(211.81)	(924.24)	(211.81)	0.00	0.00	(77.02)
0119600 Retirement Costs	480,105.04	118,681.97	57,736.64	40,376.83	181,671.75	79,361.36	336.07	1,488.33	336.07	0.00	0.00	96.07
HUMAN RESOURCES:	760,628.62	163,994.43	78,555.96	55,097.80	353,140.91	107,759.29	310.22	1,387.50	310.22	0.00	0.00	72.29
0115000 Information Services	19,054.61	5,708.75	2,137.93	1,533.90	6,331.85	3,342.18	0.00	0.00	0.00	0.00	0.00	0.00
0115100 Production Services	143,015.63	64,185.42	24,026.63	17,247.68	0.00	37,555.90	0.00	0.00	0.00	0.00	0.00	0.00
0115200 Mass Mail	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0115300 Information Systems	62,519.38	18,730.81	7,014.67	5,032.81	20,775.19	10,965.90	0.00	0.00	0.00	0.00	0.00	0.00
0115400 Information Support	25,678.53	11,524.53	4,313.99	3,096.83	0.00	6,743.18	0.00	0.00	0.00	0.00	0.00	0.00
0115500 Office Equipment	1,923.42	576.25	215.81	154.84	639.15	337.37	0.00	0.00	0.00	0.00	0.00	0.00
0115600 Telecommunication Services	18,666.81	5,592.57	2,094.42	1,502.68	6,202.98	3,274.16	0.00	0.00	0.00	0.00	0.00	0.00
INFORMATION TECHNOLOGY:	270,858.38	106,318.33	39,803.45	28,568.74	33,949.17	62,218.69	-	-	-	-	-	-
0116400 Internal Audit	52,422.11	12,958.74	6,306.38	4,408.70	19,836.53	8,665.37	36.70	162.31	36.70	0.00	0.00	10.48
INTERNAL AUDIT:	52,422.11	12,958.74	6,306.38	4,408.70	19,836.53	8,665.37	36.70	162.31	36.70	0.00	0.00	10.48
0054900 Investor Relations	142,751.77	35,288.23	17,173.04	12,005.42	54,017.27	23,596.87	99.93	442.53	99.93	0.00	0.00	28.55
0117700 Corporate Communications	3,519.49	870.03	423.39	295.99	1,331.78	581.77	2.46	10.91	2.46	0.00	0.00	0.70
0052400 Public Affairs	839.93	332.28	163.20	114.57	0.00	223.67	0.92	4.03	0.92	0.00	0.00	0.34
INVESTOR RELATIONS:	147,111.19	36,490.54	17,759.63	12,415.98	55,349.05	24,402.31	103.31	457.47	103.31	0.00	0.00	29.59
0052000 Legal	88,912.73	21,979.23	10,696.20	7,477.56	33,644.58	14,697.27	62.24	275.63	62.24	0.00	0.00	17.78
0052099 Contract Administration	9,433.51	196.20	1,864.06	1,569.74	1,569.74	1,969.72	196.22	1,969.72	1,471.63	0.00	0.00	0.00
0052200 Governmental Affairs	9,374.43	2,317.38	1,127.74	788.39	3,547.28	1,549.59	6.56	29.06	6.56	0.00	0.00	1.87
0057900 Corporate Secretary	38,975.53	9,634.75	4,688.76	3,277.84	14,748.34	6,442.66	27.28	120.82	27.28	0.00	0.00	7.80
0118200 Central Records	18,566.50	5,525.39	2,068.31	1,483.46	6,125.09	3,232.43	14.85	115.11	14.85	0.00	0.00	0.00
LEGAL:	165,262.70	39,652.95	20,445.07	13,223.47	59,635.03	27,891.67	307.15	2,510.34	1,569.57	0.00	0.00	27.45

ATMOS ENERGY CORPORATION  
Shared Services Billing  
For The Month Ended 8/31/98

ALLOCATED DOLLARS

DEPARTMENT	Total	Energies	GGC	Trans La	UCG	WKG	Epsaco	Enertant	TLIG	UCG Energy	UCG Storage	WKGR
0054600 New Business Ventures	31,076.24	7,682.05	3,738.47	2,613.51	11,759.25	5,136.90	21.75	96.34	21.75	0.00	0.00	6.22
NEW BUSINESS VENTURES:	31,076.24	7,682.05	3,738.47	2,613.51	11,759.25	5,136.90	21.75	96.34	21.75	0.00	0.00	6.22
0054400 Financial & Strategic Planning	44,839.18	11,084.23	5,394.15	3,770.98	16,967.15	7,411.92	31.39	139.00	31.39	0.00	0.00	8.97
0054500 Business Strategies & Competitive Intelligence	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0114300 Budget & Planning	3,136.25	775.27	377.29	263.76	1,186.76	518.42	2.20	9.72	2.20	0.00	0.00	0.00
PLANNING & BUDGETING:	47,975.43	11,859.50	5,771.44	4,034.74	18,153.91	7,930.34	33.59	148.72	33.59	0.00	0.00	8.97
0054000 Price Policy & Administration - V.P.	112,780.84	23,390.76	19,691.53	8,695.40	46,127.36	14,548.73	33.83	236.84	33.83	0.00	0.00	22.56
0054000 Price Policy & Administration	7,378.26	2,536.65	2,257.75	968.77	0.00	1,583.37	2.95	22.87	3.69	0.00	0.00	2.21
PRICE POLICY & ADMINISTRATION:	120,159.10	25,927.41	21,949.28	9,664.17	46,127.36	16,132.10	36.78	259.71	37.52	0.00	0.00	24.77
0054100 Regulatory Affairs	40,601.60	6,090.24	10,150.40	4,060.16	16,240.64	4,060.16	0.00	0.00	0.00	0.00	0.00	0.00
REGULATORY AFFAIRS:	40,601.60	6,090.24	10,150.40	4,060.16	16,240.64	4,060.16	0.00	0.00	0.00	0.00	0.00	0.00
0118000 Remittance Processing	(4,062.98)	(1,209.14)	(452.62)	(324.63)	(1,340.38)	(707.36)	(3.25)	(25.19)	(0.41)	0.00	0.00	0.00
REMITTANCE PROCESSING:	(4,062.98)	(1,209.14)	(452.62)	(324.63)	(1,340.38)	(707.36)	(3.25)	(25.19)	(0.41)	0.00	0.00	0.00
0056200 Technical Services	5,162.73	1,174.01	713.49	465.16	1,991.78	802.80	3.61	8.26	3.10	0.00	0.00	0.52
TECHNICAL SERVICES:	5,162.73	1,174.01	713.49	465.16	1,991.78	802.80	3.61	8.26	3.10	0.00	0.00	0.52
0114500 Dallas Treasury	42,365.03	10,955.60	4,600.84	2,512.25	14,438.00	7,426.59	266.90	1,914.90	249.93	0.00	0.00	0.00
0114700 Dallas Risk Management	14,820.89	3,663.75	1,782.95	1,246.44	5,608.22	2,449.89	10.37	45.94	10.37	0.00	0.00	0.00
0114800 Dallas Treasurer	28,545.09	7,056.36	3,433.97	2,400.64	10,801.46	4,718.50	19.98	88.49	19.98	0.00	0.00	2.96
0117600 Purchasing	14,635.74	2,981.30	2,107.55	1,511.87	5,268.87	2,766.15	0.00	0.00	0.00	0.00	0.00	5.71
0118500 Mail & Supply	15,845.14	4,241.74	1,994.90	1,416.56	5,474.50	2,717.44	0.00	0.00	0.00	0.00	0.00	0.00
0118900 Fleet Administration	782.98	309.75	152.13	106.80	0.00	208.51	0.86	3.76	0.86	0.00	0.00	0.00
0118600 Purchasing & Stores	11,502.71	2,545.38	1,494.22	1,059.06	4,172.96	2,002.84	4.52	18.08	4.52	0.00	0.00	0.31
TREASURY:	128,297.58	31,753.88	15,566.56	10,233.62	45,764.01	22,289.92	302.63	2,071.17	285.68	0.00	0.00	1.13
TOTAL OPERATIONS:	1,285,650.86	334,263.86	133,244.92	93,190.72	456,405.18	197,044.72	985.46	14,825.06	5,549.66	55,000.00	55,000.00	141.28
Operations w/o A&G Cap.	2,164,776.49	525,509.38	268,819.51	171,605.43	765,774.18	354,692.16	1,264.62	16,061.33	5,828.82	55,000.00	55,000.00	221.04
MAINTENANCE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
DEPRECIATION	270,919.31	66,971.27	32,591.59	22,784.31	102,515.87	44,782.96	189.64	839.85	189.64	0.00	0.00	54.18
TAXES - OTHER	59,188.59	14,631.43	7,120.39	4,977.76	22,396.96	9,783.87	41.43	183.48	41.43	0.00	0.00	11.84
TOTAL	1,615,758.76	415,856.56	172,956.90	120,952.79	581,318.01	246,611.55	1,216.53	15,848.39	5,780.73	55,000.00	55,000.00	207.30

ATMOS ENERGY CORPORATION  
Shared Services Billing  
For The Year-To-Date 8/31/98

ALLOCATED DOLLARS

DEPARTMENT	Total	Energys	GGC	Trans La	UCO	WKG	Egasco	Enemart	TLIG	UCO Energy	UCO Storage	WKGR
0112900 VP & Controller	670,345.47	226,976.36	111,193.34	77,967.99	97,476.63	132,505.84	634.38	2,779.91	694.38	0.00	0.00	216.64
0113000 Assistant Controller General Acctg	135,177.50	43,920.72	21,500.13	15,070.60	24,365.72	29,494.36	122.95	539.38	122.95	0.00	0.00	41.19
0113100 General Accounting	398,603.95	129,319.37	63,302.83	44,371.85	72,335.38	86,840.97	362.01	1,588.32	362.01	0.00	0.00	121.21
0113200 Payroll Accounting	469,963.04	147,257.43	72,035.95	50,478.20	98,577.62	98,839.47	412.76	1,812.96	412.76	0.00	0.00	135.89
0113300 Accounts Payable	232,547.02	76,883.30	37,649.12	26,394.19	34,579.12	51,643.35	215.08	943.13	215.08	0.00	0.00	72.65
0113400 Accounting Systems	25,228.75	9,265.83	4,545.56	3,189.32	1,822.35	2,583.00	25.83	112.91	25.83	0.00	0.00	9.12
0113500 Assistant Controller, Utility Acctg	100,043.92	27,730.68	13,311.21	9,470.94	30,207.26	18,578.97	78.14	344.51	78.14	0.00	0.00	24.07
0113600 Plant Accounting	330,280.23	106,983.15	52,367.53	36,706.31	60,369.82	71,840.12	299.49	1,314.12	299.49	0.00	0.00	100.20
0113700 Gas Accounting	642,946.95	203,281.87	99,459.43	69,700.29	130,216.45	136,460.27	569.58	2,501.13	569.58	0.00	0.00	188.35
0113800 Customer Billing	61,756.75	21,238.66	10,407.52	7,298.60	8,139.82	14,273.19	59.34	259.88	59.34	0.00	0.00	20.40
0113900 Financial Reporting	278,888.81	87,313.36	42,711.61	29,929.35	58,685.21	58,604.22	244.75	1,075.02	244.75	0.00	0.00	80.54
0114600 Dallas Taxation	450,717.12	178,303.67	87,574.34	61,477.82	0.00	120,025.99	495.79	2,163.45	495.79	0.00	0.00	180.27
0118300 Dallas Stores	606.49	606.49	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0119200 Controller Miscellaneous	(407,591.02)	(100,596.85)	(49,058.47)	(34,296.33)	(154,312.23)	(67,410.34)	(285.52)	(1,264.32)	(285.38)	0.00	0.00	(81.58)
0119700 I/C Billing & Other	442,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	442,000.00	0.00	0.00
0119800 Overhead Capitalized-Division 02	(4,950,915.10)	(1,224,078.95)	(595,897.22)	(416,370.97)	(1,873,199.55)	(818,465.73)	(3,481.60)	(15,381.61)	(3,444.73)	0.00	0.00	(994.74)
0119800 Overhead Capitalized-Op Company ACCOUNTING:	(5,857,570.65)	(1,135,793.56)	(1,045,731.71)	(606,817.16)	(793,660.15)	(1,221,800.86)	(247.02)	(1,211.21)	(210.01)	442,000.00	0.00	0.00
0056000 Business Development	480,284.54	119,302.71	58,018.37	40,584.03	182,556.15	79,823.28	0.00	0.00	0.00	0.00	0.00	0.00
BUSINESS DEVELOPMENT:	480,284.54	119,302.71	58,018.37	40,584.03	182,556.15	79,823.28	0.00	0.00	0.00	0.00	0.00	0.00
0120100 Amarillo Call Center	28,138.80	11,131.74	5,467.38	3,838.12	0.00	7,493.36	30.94	135.07	30.94	0.00	0.00	11.25
CALL CENTER:	28,138.80	11,131.74	5,467.38	3,838.12	0.00	7,493.36	30.94	135.07	30.94	0.00	0.00	11.25
0050500 Chairman, President & CEO	1,541,839.76	381,215.80	185,449.73	129,668.40	583,354.40	254,893.37	1,084.75	4,791.28	1,072.10	0.00	0.00	309.93
0052100 Dallas Operations	755,094.87	192,491.17	96,945.48	65,995.10	273,180.60	123,984.96	379.10	1,815.16	227.46	0.00	0.00	75.84
0052500 Utility Services	142,841.56	35,323.00	17,178.05	12,012.91	54,037.86	23,616.41	100.93	444.81	98.75	0.00	0.00	28.84
0054700 Chief Financial Officer	993,473.32	245,625.74	119,496.82	83,550.94	375,888.56	164,235.78	698.38	3,085.97	691.59	0.00	0.00	195.54
EXECUTIVE:	3,493,249.51	854,655.71	419,070.08	291,277.35	1,286,461.42	566,730.32	2,263.16	10,137.22	2,089.90	0.00	0.00	614.15
0051700 Corporate Gas Control	491,344.37	88,441.96	49,134.43	24,567.23	221,104.96	98,268.89	0.00	4,913.45	4,913.45	0.00	0.00	0.00
GAS CONTROL:	491,344.37	88,441.96	49,134.43	24,567.23	221,104.96	98,268.89	0.00	4,913.45	4,913.45	0.00	0.00	0.00
0051500 Interstate Gas Supply	594,557.93	107,020.44	118,911.57	29,727.90	160,530.63	178,367.39	0.00	0.00	0.00	0.00	0.00	0.00
0051600 Interstate Gas Supply	448,710.18	89,742.04	44,871.03	22,435.50	112,177.56	67,306.50	0.00	89,742.05	22,435.50	0.00	0.00	0.00
0051900 Gas Supply	264,899.22	60,926.79	45,032.87	26,489.93	60,926.84	45,032.87	0.00	13,244.96	13,244.96	0.00	0.00	0.00
GAS SUPPLY:	1,308,167.33	257,689.27	208,815.47	78,653.33	333,635.03	290,706.76	0.00	102,987.01	35,680.46	0.00	0.00	0.00

ATMOS ENERGY CORPORATION  
Shared Services Billing  
For The Year-To-Date 8/31/98

ALLOCATED DOLLARS

DEPARTMENT	Total	Energy	GOC	Trans La	UCD	WKG	Eratco	Emermat	TUJO	UCG Energy	UCG Storage	WKGR
0056100 Professional Development	55,987.43	16,530.50	7,784.78	5,527.65	15,519.97	10,604.53	0.00	0.00	0.00	0.00	0.00	0.00
0117100 Corporate Services	25,549.47	10,107.35	4,964.25	3,484.94	0.00	6,803.83	28.12	122.65	28.12	0.00	0.00	10.21
0117200 Compensation & Employment	481,382.35	166,762.01	78,453.65	55,703.36	73,590.56	106,872.77	0.00	0.00	0.00	0.00	0.00	0.00
0117300 Human Resources - VP	227,824.51	60,988.65	28,683.09	20,367.51	78,713.35	39,071.91	0.00	0.00	0.00	0.00	0.00	0.00
0117400 Employee & Labor Relations	108,202.03	28,965.24	13,622.75	9,673.25	37,384.16	18,556.63	0.00	0.00	0.00	0.00	0.00	0.00
0117500 Employee Benefits	850,351.10	304,804.71	143,401.40	101,816.17	104,980.76	195,348.06	0.00	0.00	0.00	0.00	0.00	0.00
0117800 Employee Communications	166,241.96	44,502.44	20,929.99	14,862.03	57,437.03	28,510.47	0.00	0.00	0.00	0.00	0.00	0.00
0117900 Facilities	139,654.06	37,384.92	17,582.56	12,485.07	48,250.86	23,950.65	0.00	0.00	0.00	0.00	0.00	0.00
0118100 Employee Development	313,042.88	83,801.54	39,412.10	27,986.04	108,156.33	53,686.87	0.00	0.00	0.00	0.00	0.00	0.00
0119000 Employee Relocation Expense	5,242.62	1,295.95	630.69	440.91	1,983.82	866.61	3.66	16.26	3.66	0.00	0.00	1.06
0119210 Performance Plan	1,642,147.00	406,006.04	197,519.31	138,104.24	621,316.67	271,472.07	1,154.57	5,101.35	1,142.90	0.00	0.00	329.85
0119300 Outside Directors Retirement Cost	253,000.00	62,534.88	30,429.79	21,277.24	95,721.06	41,825.86	178.09	786.41	175.79	0.00	0.00	50.88
0119400 Treasury - Worker's Comp	(10,252.35)	(4,847.03)	(2,380.63)	(1,671.22)	0.00	(3,262.80)	(13.48)	(58.81)	(13.48)	0.00	0.00	(4.90)
0119500 Human Resources - Benefits	8,026.03	3,175.10	1,559.45	1,094.75	0.00	2,137.33	8.83	38.53	8.83	0.00	0.00	3.21
0119600 Retirement Costs	1,702,162.62	420,936.82	204,695.50	143,151.15	643,925.39	281,428.12	1,203.69	5,302.47	1,175.56	0.00	0.00	343.97
HUMAN RESOURCES:	5,968,561.71	1,642,989.12	787,288.68	554,303.09	1,886,979.96	1,077,872.91	2,563.48	11,308.86	2,521.38	-	-	734.23
0115000 Information Services	178,457.96	53,465.98	20,022.99	14,365.88	59,301.58	31,301.53	0.00	0.00	0.00	0.00	0.00	0.00
0115100 Production Services	1,020,933.23	458,194.83	171,516.79	123,124.54	0.00	268,097.07	0.00	0.00	0.00	0.00	0.00	0.00
0115200 Mass Mail	54.74	24.57	9.20	6.60	0.00	14.37	0.00	0.00	0.00	0.00	0.00	0.00
0115300 Information Systems	639,545.52	249,566.55	93,433.23	67,060.78	83,434.71	146,050.25	0.00	0.00	0.00	0.00	0.00	0.00
0115400 Information Support	250,828.86	112,571.99	42,139.24	30,249.96	0.00	65,867.67	0.00	0.00	0.00	0.00	0.00	0.00
0115500 Office Equipment	37,014.79	11,089.63	2,979.70	12,300.01	0.00	6,492.39	0.00	0.00	0.00	0.00	0.00	0.00
0115600 Telecommunication Services	508,173.58	152,248.80	57,017.08	40,907.98	168,866.08	89,133.64	0.00	0.00	0.00	0.00	0.00	0.00
INFORMATION TECHNOLOGY:	2,633,008.68	1,037,162.35	388,291.59	278,695.44	323,902.38	606,956.92	-	-	-	-	-	-
0116400 Internal Audit	497,123.64	122,910.72	59,793.95	41,808.00	188,088.36	82,182.69	349.63	1,544.54	345.85	0.00	0.00	99.90
INTERNAL AUDIT:	497,123.64	122,910.72	59,793.95	41,808.00	188,088.36	82,182.69	349.63	1,544.54	345.85	-	-	99.90
0054900 Investor Relations	1,113,441.92	275,242.83	133,947.06	93,640.45	421,326.44	184,051.95	779.42	3,451.67	779.42	0.00	0.00	222.68
0117700 Corporate Communications	409,371.70	101,215.78	49,238.62	34,428.07	154,885.90	67,676.27	288.00	1,272.08	284.69	0.00	0.00	82.29
0052400 Public Affairs	135,830.88	53,734.69	26,391.95	18,527.34	0.00	36,171.76	149.41	651.98	149.41	0.00	0.00	54.34
INVESTOR RELATIONS:	1,658,644.50	430,193.30	209,577.63	146,595.86	576,212.34	287,899.98	1,216.83	5,375.73	1,213.52	-	-	359.31
0052000 Legal	1,932,545.25	477,725.20	232,485.19	162,527.05	731,275.13	319,449.72	1,352.78	5,990.88	1,352.78	0.00	0.00	386.52
0052099 Contract Administration	70,881.07	1,474.28	14,006.11	1,474.33	11,794.61	14,799.98	1,474.33	273.04	11,057.45	0.00	0.00	0.00
0052200 Governmental Affairs	88,079.99	21,773.38	10,596.00	7,407.51	33,329.45	14,559.63	61.67	14,799.98	61.67	0.00	0.00	17.64
0057900 Corporate Secretary	832,358.80	205,759.10	100,132.76	70,001.37	314,964.58	137,588.92	582.65	2,580.29	582.65	0.00	0.00	166.48
0118200 Central Records	159,991.45	47,613.48	17,823.04	12,783.31	52,781.18	27,854.51	127.99	991.94	16.00	0.00	0.00	0.00
LEGAL:	3,083,856.56	756,345.44	375,043.10	254,193.57	1,144,144.95	514,252.76	3,599.42	24,636.13	13,070.55	-	-	570.64

ATMOS ENERGY CORPORATION  
Shared Services Billing  
For The Year-To-Date 8/31/98

ALLOCATED DOLLARS

DEPARTMENT	Total	Energas	GCC	Trans La	UCC	WKO	Egaso	Enertarm	TLIO	UCG Energy	UCG Storage	WKGR
0054600 New Business Ventures	256,192.52	63,341.82	30,814.87	21,545.76	96,931.48	42,332.75	180.16	795.94	178.25	0.00	0.00	51.49
NEW BUSINESS VENTURES:	256,192.52	63,341.82	30,814.87	21,545.76	96,931.48	42,332.75	180.16	795.94	178.25	-	-	51.49
0054400 Financial & Strategic Planning	529,282.84	130,891.30	63,671.93	44,520.98	200,288.75	87,517.39	372.66	1,645.53	367.83	0.00	0.00	106.47
0054500 Business Strategies & Competitive Intelligence	10.50	2.60	1.27	0.88	3.97	1.73	0.01	0.03	0.01	0.00	0.00	0.00
0114300 Budget & Planning	89,265.31	28,739.76	14,066.00	9,858.76	16,862.72	19,297.09	80.48	353.19	80.48	0.00	0.00	26.83
PLANNING & BUDGETING:	618,758.65	159,633.66	77,739.20	54,380.62	217,155.44	106,816.21	453.15	1,998.75	448.32	-	-	133.30
0054000 Price Policy & Administration - V.P.	383,340.02	79,509.39	66,934.34	29,557.61	156,774.42	49,452.80	115.10	804.52	115.10	0.00	0.00	76.74
0054000 Price Policy & Administration	639,251.33	219,774.62	195,610.92	83,933.69	0.00	137,183.32	255.70	1,981.68	319.63	0.00	0.00	191.77
PRICE POLICY & ADMINISTRATION:	1,022,591.35	299,284.01	262,545.26	113,491.30	156,774.42	186,636.12	370.80	2,786.20	434.73	-	-	268.51
0054100 Regulatory Affairs	330,599.76	49,589.94	82,649.96	33,059.98	132,239.90	33,059.98	0.00	0.00	0.00	0.00	0.00	0.00
REGULATORY AFFAIRS:	330,599.76	49,589.94	82,649.96	33,059.98	132,239.90	33,059.98	-	-	-	-	-	-
0118000 Remittance Processing	302,935.10	98,396.26	36,832.38	26,422.86	81,363.90	57,566.18	264.88	2,052.73	35.91	0.00	0.00	0.00
REMITTANCE PROCESSING:	302,935.10	98,396.26	36,832.38	26,422.86	81,363.90	57,566.18	264.88	2,052.73	35.91	-	-	-
0056200 Technical Services	294,832.80	67,035.18	40,745.53	26,573.06	113,752.00	45,841.26	204.06	472.72	179.12	0.00	0.00	29.87
TECHNICAL SERVICES:	294,832.80	67,035.18	40,745.53	26,573.06	113,752.00	45,841.26	204.06	472.72	179.12	-	-	29.87
0114500 Dallas Treasury	317,822.94	107,498.80	45,207.42	24,602.59	43,362.45	73,000.49	2,631.22	19,015.89	2,504.08	0.00	0.00	0.00
0114700 Dallas Risk Management	140,496.77	34,736.19	16,899.29	11,815.76	53,158.24	23,226.12	98.76	436.38	97.82	0.00	0.00	28.21
0114800 Dallas Treasurer	220,895.12	54,616.78	26,568.36	18,577.23	83,574.44	36,518.27	155.50	686.61	153.50	0.00	0.00	44.43
0117600 Purchasing	163,389.88	43,819.99	30,953.94	22,201.99	25,776.00	40,637.96	0.00	0.00	0.00	0.00	0.00	0.00
0118500 Mail & Supply	195,041.33	67,797.79	31,895.77	22,646.49	29,251.55	43,449.73	10.99	47.91	10.99	0.00	0.00	3.99
0118909 Fleet Administration	9,981.09	3,948.31	1,939.32	1,361.41	0.00	2,657.97	10.99	47.91	10.99	0.00	0.00	3.99
0118600 Purchasing & Stores	120,764.66	36,107.20	21,202.10	15,050.56	19,605.70	28,409.23	61.84	247.35	61.84	0.00	0.00	18.84
TREASURY:	1,168,391.79	348,525.26	174,666.20	116,256.03	234,728.38	247,899.77	2,958.31	20,434.14	2,828.23	-	-	95.47
TOTAL OPERATIONS:	17,719,110.96	5,268,834.89	2,192,485.25	1,480,766.63	4,995,584.02	3,070,022.16	14,207.80	188,367.28	63,760.60	442,000.00	-	3,082.33
Operations w/o A&G Cap.	27,408,236.59	7,563,114.49	3,833,714.18	2,503,954.76	7,662,443.72	5,110,288.75	17,689.40	203,748.89	67,205.33	442,000.00	-	4,077.07
MAINTENANCE	41,011.61	10,138.68	4,933.41	3,449.07	15,518.13	6,779.47	28.75	127.24	28.64	0.00	0.00	8.22
DEPRECIATION	2,980,712.41	737,173.66	358,422.59	250,676.33	1,127,537.73	492,839.30	2,112.07	9,294.41	2,052.90	0.00	0.00	603.42
TAXES - OTHER	831,457.78	205,564.14	100,011.60	69,925.48	314,594.04	137,450.33	584.09	2,581.92	579.28	0.00	0.00	166.90
TOTAL	21,572,292.76	6,221,711.37	2,655,852.85	1,804,817.51	6,453,233.92	3,707,091.26	16,933.71	200,370.85	66,471.42	442,000.00	-	3,860.87



**ATMOS ENERGY CORPORATION**  
**Analysis of Shared Services - Actual vs. Budget**  
**For The Month Ended 8/31/98**

Department Name	FY '98 Actual	Budget	Actual Over (Under) Budget	Prior Year	Actual Over (Under) Prior
EXECUTIVE:	403,231	272,884	130,347	195,787	207,444
FINANCE:					
ACCOUNTING	502,493	414,394	88,099	292,095	210,398
INFORMATION TECHNOLOGY	566,286	525,788	40,498	480,533	85,753
INTERNAL AUDIT	52,422	59,293	(6,871)	29,040	23,382
INVESTOR RELATIONS	147,164	185,308	(38,144)	158,322	(11,158)
NEW BUSINESS VENTURES	31,075	22,943	8,132	-	31,075
PLANNING & BUDGETING	49,434	76,390	(26,956)	44,182	5,252
PRICE POLICY & ADMINISTRATION	133,302	90,598	42,704	87,552	45,750
REGULATORY AFFAIRS	46,037	28,305	17,732	-	46,037
TREASURY:	541,915	439,668	102,247	303,592	238,323
TOTAL FINANCE:	2,070,128	1,842,687	227,441	1,395,316	674,812
OPERATIONS:					
BUSINESS DEVELOPMENT	18,924	60,161	(41,237)	49,401	(30,477)
CALL CENTER	347	-	347	-	347
GAS SUPPLY & GAS CONTROL	158,431	176,200	(17,769)	106,943	51,488
TECHNICAL SERVICES	5,163	8,836	(3,673)	95,285	(90,122)
TOTAL OPERATIONS:	182,865	245,197	(62,332)	251,629	(68,764)
HUMAN RESOURCES:	1,223,928	368,234	855,694	30,842	1,193,086
LEGAL:	392,346	327,022	65,324	216,678	175,668
OVERHEAD CAPITALIZED:	(881,000)	(883,917)	2,917	(990,000)	109,000
TOTAL O&M	3,391,498	2,172,107	1,219,391	1,100,252	2,291,246
DEPRECIATION	270,919	198,000	72,919	385,972	(115,053)
TAXES - OTHER	59,189	57,000	2,189	59,473	(284)
TOTAL	3,721,606	2,427,107	1,294,499	1,545,697	2,175,909

**ATMOS ENERGY CORPORATION**  
**Analysis of Shared Services - Actual vs. Budget**  
**For The Year-To-Date 8/31/98**

Department Name	FY '98 Actual	Budget	Actual Over (Under) Budget	Prior Year	Actual Over (Under) Prior
<b>EXECUTIVE:</b>	3,427,377	3,010,667	416,710	6,514,187	(3,086,810)
<b>FINANCE:</b>					
ACCOUNTING	4,707,816	4,206,351	501,465	3,110,934	1,596,882
INFORMATION TECHNOLOGY	6,271,054	6,357,534	(86,480)	5,904,352	366,702
INTERNAL AUDIT	497,376	644,806	(147,430)	429,453	67,923
INVESTOR RELATIONS	1,658,830	2,046,742	(387,912)	2,214,731	(555,901)
NEW BUSINESS VENTURES	256,192	252,373	3,819	-	256,192
PLANNING & BUDGETING	629,900	853,736	(223,836)	494,024	135,876
PRICE POLICY & ADMINISTRATION	1,183,133	993,536	189,597	1,031,621	151,512
REGULATORY AFFAIRS	360,173	304,786	55,387	-	360,173
TREASURY:	3,847,615	4,818,115	(970,500)	2,803,675	1,043,940
<b>TOTAL FINANCE:</b>	<u>19,412,089</u>	<u>20,477,979</u>	<u>(1,065,890)</u>	<u>15,988,790</u>	<u>3,423,299</u>
<b>OPERATIONS:</b>					
BUSINESS DEVELOPMENT	492,438	680,199	(187,761)	607,770	(115,332)
CALL CENTER	36,780	-	36,780	928	35,852
GAS SUPPLY & GAS CONTROL	1,838,392	1,934,000	(95,608)	1,225,523	612,869
TECHNICAL SERVICES	294,982	212,812	82,170	1,046,188	(751,206)
<b>TOTAL OPERATIONS:</b>	<u>2,662,592</u>	<u>2,827,011</u>	<u>(164,419)</u>	<u>2,880,409</u>	<u>(217,817)</u>
<b>HUMAN RESOURCES:</b>	5,708,450	6,265,067	(556,617)	7,035,346	(1,326,896)
<b>LEGAL:</b>	5,301,598	3,681,339	1,620,259	2,870,757	2,430,841
<b>OVERHEAD CAPITALIZED:</b>	(9,691,000)	(9,723,087)	32,087	(10,090,000)	399,000
<b>TOTAL O&amp;M</b>	<u>26,821,106</u>	<u>26,538,976</u>	<u>282,130</u>	<u>25,199,489</u>	<u>1,621,617</u>
<b>DEPRECIATION</b>	2,980,713	2,178,000	802,713	3,683,557	(702,844)
<b>TAXES - OTHER</b>	838,975	627,000	211,975	818,129	20,846
<b>TOTAL</b>	<u>30,640,793</u>	<u>29,343,976</u>	<u>1,296,817</u>	<u>29,701,175</u>	<u>939,618</u>

**ATMOS ENERGY CORPORATION**  
**Analysis of Shared Services - Actual vs. Budget**  
**For The Month Ended 8/31/98**

Department Name	FY '98 Actual	Budget	Actual Over (Under) Budget	Prior Year	Actual Over (Under) Prior
<b>EXECUTIVE:</b>					
0050500 Chairman, President & CEO	154,264	123,464	30,800	95,006	59,258
0052100 Dallas Operations	115,385	55,948	59,437	30,689	84,696
0052500 Utility Services	5,626	24,440	(18,814)	22,971	(17,345)
0054700 Chief Financial Officer	127,956	69,032	58,924	47,121	80,835
	<u>403,231</u>	<u>272,884</u>	<u>130,347</u>	<u>195,787</u>	<u>207,444</u>
<b>FINANCE:</b>					
0112900 VP & Controller	79,817	64,456	15,361	57,291	22,526
0113000 Assistant Controller General Accg	14,256	84,564	(70,308)	14,383	(127)
0113100 General Accounting	37,338	-	37,338	37,499	(161)
0113200 Payroll Accounting	64,850	-	64,850	26,785	38,065
0113300 Accounts Payable	34,667	-	34,667	24,001	10,666
0113400 Accounting Systems	1,007	64,873	(63,866)	8,966	(7,959)
0113500 Assistant Controller, Utility Acctg	23,505	-	23,505	5,435	18,070
0113600 Plant Accounting	28,462	-	28,462	25,613	2,849
0113700 Gas Accounting	60,890	77,397	(16,507)	49,002	11,888
0113800 Customer Billing	2,531	-	2,531	6,651	(4,120)
0113900 Financial Reporting	25,515	86,304	(60,789)	18,567	6,948
0114600 Dallas Taxation	20,354	35,083	(14,729)	17,257	3,097
0118300 Dallas Stores	123	-	123	645	(522)
0119200 Controller Miscellaneous	109,178	1,717	107,461	-	109,178
	<u>502,493</u>	<u>414,394</u>	<u>88,099</u>	<u>292,095</u>	<u>210,398</u>
<b>ACCOUNTING</b>					
0115000 Information Services	25,526	25,408	118	22,342	3,184
0115100 Production Services	195,637	147,668	47,969	122,330	73,307
0115200 Mass Mail	201,540	217,487	(15,947)	196,654	4,886
0115300 Information Systems	88,594	68,634	19,960	90,525	(1,931)
0115400 Information Support	34,400	36,456	(2,056)	41,527	(7,127)
0115500 Office Equipment	1,923	4,191	(2,268)	5,127	(3,204)
0115600 Telecommunication Services	18,666	25,944	(7,278)	2,028	16,638
	<u>566,286</u>	<u>525,788</u>	<u>40,498</u>	<u>480,533</u>	<u>85,753</u>
<b>INFORMATION TECHNOLOGY</b>					
0116400 Internal Audit	52,422	59,293	(6,871)	29,040	23,382
	<u>52,422</u>	<u>59,293</u>	<u>(6,871)</u>	<u>29,040</u>	<u>23,382</u>
<b>INTERNAL AUDIT</b>					

**ATMOS ENERGY CORPORATION**  
**Analysis of Shared Services - Actual vs. Budget**  
**For The Month Ended 8/31/98**

Department Name	FY '98 Actual	Budget	Actual Over (Under) Budget	Prior Year	Actual Over (Under) Prior
0054900 Investor Relations	142,696	133,242	9,454	86,994	55,702
0052400 Public Affairs	948	-	948	24,316	(23,368)
0117700 Corporate Communications	3,520	52,066	(48,546)	47,012	(43,492)
<b>INVESTOR RELATIONS</b>	147,164	185,308	(38,144)	158,322	(11,158)
0054200 Retail Services	12,310	-	12,310	-	12,310
0054600 New Business Ventures	18,765	22,943	(4,178)	-	18,765
<b>NEW BUSINESS VENTURES</b>	31,075	22,943	8,132	-	31,075
0054400 Financial & Strategic Planning	46,298	20,629	25,669	27,514	18,784
0054500 Business Strategies & Competitive Intelligence	-	28,628	(28,628)	-	-
0114300 Budget & Planning	3,136	27,133	(23,997)	16,668	(13,532)
<b>PLANNING &amp; BUDGETING</b>	49,434	76,390	(26,956)	44,182	5,252
0054000 Price Policy & Administration	133,302	90,598	42,704	87,552	45,750
<b>PRICE POLICY &amp; ADMINISTRATION</b>	133,302	90,598	42,704	87,552	45,750
0054100 Regulatory Affairs	46,037	28,305	17,732	-	46,037
<b>REGULATORY AFFAIRS</b>	46,037	28,305	17,732	-	46,037
0114500 Dallas Treasury	42,380	49,368	(6,988)	35,725	6,655
0114700 Dallas Risk Management	177,910	238,345	(60,435)	-	177,910
0114800 Dallas Treasurer	28,544	19,082	9,462	156,911	(128,367)
0117600 Purchasing	14,634	17,531	(2,897)	15,120	(486)
0118000 Remittance Processing	250,642	76,547	174,095	57,693	192,949
0118500 Mail & Supply	16,323	20,329	(4,006)	18,637	(2,314)
0118600 Purchasing & Stores	11,303	11,681	(378)	19,506	(8,203)
0118909 Fleet Administration	179	6,785	(6,606)	-	179
<b>TREASURY:</b>	541,915	439,668	102,247	303,592	238,323
<b>TOTAL FINANCE:</b>	2,070,128	1,842,687	227,441	1,395,316	674,812

**ATMOS ENERGY CORPORATION**  
**Analysis of Shared Services - Actual vs. Budget**  
**For The Month Ended 8/31/98**

Department Name	FY '98 Actual	Budget	Actual Over (Under) Budget	Prior Year	Actual Over (Under) Prior
<b>OPERATIONS:</b>					
0056000 Business Development	18,924	60,161	(41,237)	49,401	(30,477)
<b>BUSINESS DEVELOPMENT</b>	<u>18,924</u>	<u>60,161</u>	<u>(41,237)</u>	<u>49,401</u>	<u>(30,477)</u>
0120100 Amarillo Call Center	347	-	347	-	347
<b>CALL CENTER</b>	<u>347</u>	<u>-</u>	<u>347</u>	<u>-</u>	<u>347</u>
0051500 Interstate Gas Supply	53,340	59,500	(6,160)	42,719	10,621
0051600 Intrastate Gas Supply	34,202	42,900	(8,698)	41,276	(7,074)
0051700 Corporate Gas Control	46,926	48,400	(1,474)	-	46,926
0051900 Gas Supply	23,963	25,400	(1,437)	22,948	1,015
<b>GAS SUPPLY &amp; GAS CONTROL</b>	<u>158,431</u>	<u>176,200</u>	<u>(17,769)</u>	<u>106,943</u>	<u>51,488</u>
0056200 Technical Services	5,163	8,836	(3,673)	95,285	(90,122)
<b>TECHNICAL SERVICES</b>	<u>5,163</u>	<u>8,836</u>	<u>(3,673)</u>	<u>95,285</u>	<u>(90,122)</u>
<b>TOTAL OPERATIONS:</b>	<u>182,865</u>	<u>245,197</u>	<u>(62,332)</u>	<u>251,629</u>	<u>(68,764)</u>
<b>HUMAN RESOURCES:</b>					
0056100 Professional Development	15,610	24,721	(9,111)	1,680	13,930
0117000 Dallas EAPC	783	1,710	(927)	-	783
0117100 Corporate Services	1,643	-	1,643	12,707	(11,064)
0117200 Compensation & Employment	38,821	65,363	(26,542)	45,425	(6,604)
0117300 Human Resources - VP	20,897	20,495	402	21,343	(446)
0117400 Employee & Labor Relations	11,095	9,459	1,636	10,118	977
0117500 Employee Benefits	108,749	109,795	(1,046)	101,211	7,538
0117800 Employee Communications	7,814	14,708	(6,894)	-	7,814
0117900 Facilities	14,806	11,936	2,870	-	14,806
0118100 Employee Development	39,633	42,128	(2,495)	27,311	12,322
0119000 Employee Relocation Expense	55,273	67,919	(12,646)	8,862	46,411
0119210 Performance Plan	386,271	-	386,271	97,155	289,116
0119300 Outside Directors Retirement Cost	23,000	-	23,000	14,000	9,000
0119400 Treasury - Worker's Comp	140,263	-	140,263	(1)	140,264
0119500 Human Resources - Benefits	(144,650)	-	(144,650)	(5)	(144,645)
0119600 Retirement Costs	503,920	-	503,920	(308,964)	812,884
<b>HUMAN RESOURCES:</b>	<u>1,223,928</u>	<u>368,234</u>	<u>855,694</u>	<u>30,842</u>	<u>1,193,086</u>

**ATMOS ENERGY CORPORATION**  
**Analysis of Shared Services - Actual vs. Budget**  
**For The Month Ended 8/31/98**

Department Name	FY '98 Actual	Budget	Actual Over (Under) Budget	Prior Year	Actual Over (Under) Prior
<b>LEGAL:</b>					
0052000 Legal	316,001	192,257	123,744	137,905	178,096
0051400 Contract Administration	9,433	11,850	(2,417)	-	9,433
0052200 Governmental Affairs	9,374	10,812	(1,438)	9,032	342
0057900 Corporate Secretary	38,972	91,590	(52,618)	44,207	(5,235)
0118200 Central Records	18,566	20,513	(1,947)	25,534	(6,968)
<b>LEGAL:</b>	<u>392,346</u>	<u>327,022</u>	<u>65,324</u>	<u>216,678</u>	<u>175,668</u>
<b>OVERHEAD CAPITALIZED:</b>					
0119800 Overhead Capitalized	(881,000)	(883,917)	2,917	(990,000)	109,000
<b>OVERHEAD CAPITALIZED:</b>	<u>(881,000)</u>	<u>(883,917)</u>	<u>2,917</u>	<u>(990,000)</u>	<u>109,000</u>
<b>TOTAL O&amp;M</b>	<u>3,391,498</u>	<u>2,172,107</u>	<u>1,219,391</u>	<u>1,100,252</u>	<u>2,291,246</u>
<b>DEPRECIATION</b>	270,919	198,000	72,919	385,972	(115,053)
<b>TAXES - OTHER</b>	59,189	57,000	2,189	59,473	(284)
<b>TOTAL</b>	<u>3,721,606</u>	<u>2,427,107</u>	<u>1,294,499</u>	<u>1,545,697</u>	<u>2,175,909</u>

**ATMOS ENERGY CORPORATION**  
**Analysis of Shared Services - Actual vs. Budget**  
**For The Year-To-Date 8/31/98**

<u>Department Name</u>	<u>FY '98 Actual</u>	<u>Budget</u>	<u>Actual Over (Under) Budget</u>	<u>Prior Year</u>	<u>Actual Over (Under) Prior</u>
<b>EXECUTIVE:</b>					
0050500 Chairman, President & CEO	1,541,732	1,363,556	178,176	4,333,122	(2,791,390)
0052100 Dallas Operations	749,332	611,473	137,859	342,151	407,181
0052500 Utility Services	142,842	271,110	(128,268)	251,277	(108,435)
0054700 Chief Financial Officer	993,471	764,528	228,943	1,587,637	(594,166)
	<u>3,427,377</u>	<u>3,010,667</u>	<u>416,710</u>	<u>6,514,187</u>	<u>(3,086,810)</u>
<b>FINANCE:</b>					
0112900 VP & Controller	881,316	709,016	172,300	513,853	367,463
0113000 Assistant Controller General Acctg	135,178	963,408	(828,230)	158,147	(22,969)
0113100 General Accounting	398,604	-	398,604	426,498	(27,894)
0113200 Payroll Accounting	473,887	-	473,887	299,618	174,269
0113300 Accounts Payable	232,548	-	232,548	208,962	23,586
0113400 Accounting Systems	25,421	592,003	(566,582)	84,894	(59,473)
0113500 Assistant Controller, Utility Acctg	92,259	-	92,259	49,013	43,246
0113600 Plant Accounting	327,855	-	327,855	258,691	69,164
0113700 Gas Accounting	642,942	761,569	(118,627)	540,870	102,072
0113800 Customer Billing	58,169	-	58,169	119,029	(60,860)
0113900 Financial Reporting	278,888	775,692	(496,804)	232,344	46,544
0114600 Dallas Taxation	364,616	385,776	(21,160)	218,370	146,246
0118300 Dallas Stores	669	-	669	645	24
0119200 Controller Miscellaneous	795,464	18,887	776,577	-	795,464
<b>ACCOUNTING</b>	<u>4,707,816</u>	<u>4,206,351</u>	<u>501,465</u>	<u>3,110,934</u>	<u>1,596,882</u>
0115000 Information Services	270,629	274,146	(3,517)	255,929	14,700
0115100 Production Services	1,623,539	1,760,475	(136,936)	1,497,017	126,522
0115200 Mass Mail	2,422,431	2,521,093	(98,662)	2,475,136	(52,705)
0115300 Information Systems	1,023,038	1,035,649	(12,611)	1,025,008	(1,970)
0115400 Information Support	390,647	426,625	(35,978)	415,804	(25,157)
0115500 Office Equipment	32,195	46,101	(13,906)	200,868	(168,673)
0115600 Telecommunication Services	508,575	293,445	215,130	34,590	473,985
<b>INFORMATION TECHNOLOGY</b>	<u>6,271,054</u>	<u>6,357,534</u>	<u>(86,480)</u>	<u>5,904,352</u>	<u>366,702</u>
0116400 Internal Audit	497,376	644,806	(147,430)	429,453	67,923
<b>INTERNAL AUDIT</b>	<u>497,376</u>	<u>644,806</u>	<u>(147,430)</u>	<u>429,453</u>	<u>67,923</u>

**ATMOS ENERGY CORPORATION**  
**Analysis of Shared Services - Actual vs. Budget**  
**For The Year-To-Date 8/31/98**

Department Name	FY '98		Budget	Actual Over (Under) Budget		Prior Year	Actual Over (Under) Prior
	Actual	Budget		Over (Under)	Budget		
0054900 Investor Relations	1,113,516	1,460,870	(347,354)	1,347,748	(234,232)		
0052400 Public Affairs	135,941	-	135,941	274,778	(138,837)		
0117700 Corporate Communications	409,373	585,872	(176,499)	592,205	(182,832)		
<b>INVESTOR RELATIONS</b>	<b>1,658,830</b>	<b>2,046,742</b>	<b>(387,912)</b>	<b>2,214,731</b>	<b>(555,901)</b>		
0054200 Retail Services	48,972	-	48,972	-	48,972		
0054600 New Business Ventures	207,220	252,373	(45,153)	-	207,220		
<b>NEW BUSINESS VENTURES</b>	<b>256,192</b>	<b>252,373</b>	<b>3,819</b>	<b>-</b>	<b>256,192</b>		
0054400 Financial & Strategic Planning	539,148	226,919	312,229	290,848	248,300		
0054500 Business Strategies & Competitive Intelligence	11	338,773	(338,762)	-	11		
0114300 Budget & Planning	90,741	288,044	(197,303)	203,176	(112,435)		
<b>PLANNING &amp; BUDGETING</b>	<b>629,900</b>	<b>853,736</b>	<b>(223,836)</b>	<b>494,024</b>	<b>135,876</b>		
0054000 Price Policy & Administration	1,183,133	993,536	189,597	1,031,621	151,512		
<b>PRICE POLICY &amp; ADMINISTRATION</b>	<b>1,183,133</b>	<b>993,536</b>	<b>189,597</b>	<b>1,031,621</b>	<b>151,512</b>		
0054100 Regulatory Affairs	360,173	304,786	55,387	-	360,173		
<b>REGULATORY AFFAIRS</b>	<b>360,173</b>	<b>304,786</b>	<b>55,387</b>	<b>-</b>	<b>360,173</b>		
0114500 Dallas Treasury	328,074	538,043	(209,969)	349,619	(21,545)		
0114700 Dallas Risk Management	1,834,986	2,625,265	(790,279)	-	1,834,986		
0114800 Dallas Treasurer	216,208	213,068	3,140	1,189,892	(973,684)		
0117600 Purchasing	163,386	188,711	(25,325)	170,635	(7,249)		
0118000 Remittance Processing	980,339	832,063	148,276	637,845	342,494		
0118500 Mail & Supply	203,299	223,669	(20,370)	228,952	(25,653)		
0118600 Purchasing & Stores	121,060	125,891	(4,831)	226,732	(105,672)		
0118909 Fleet Administration	263	71,405	(71,142)	-	263		
<b>TREASURY:</b>	<b>3,847,615</b>	<b>4,818,115</b>	<b>(970,500)</b>	<b>2,803,675</b>	<b>1,043,940</b>		
<b>TOTAL FINANCE:</b>	<b>19,412,089</b>	<b>20,477,979</b>	<b>(1,065,890)</b>	<b>15,988,790</b>	<b>3,423,299</b>		



**ATMOS ENERGY CORPORATION**  
**Analysis of Shared Services - Actual vs. Budget**  
**For The Year-To-Date 8/31/98**

Department Name	FY '98 Actual	Budget	Actual Over (Under) Budget	Prior Year	Actual Over (Under) Prior
<b>OPERATIONS:</b>					
0056000 Business Development	492,438	680,199	(187,761)	607,770	(115,332)
<b>BUSINESS DEVELOPMENT</b>	<u>492,438</u>	<u>680,199</u>	<u>(187,761)</u>	<u>607,770</u>	<u>(115,332)</u>
0120100 Amarillo Call Center	36,780	-	36,780	928	35,852
<b>CALL CENTER</b>	<u>36,780</u>	<u>-</u>	<u>36,780</u>	<u>928</u>	<u>35,852</u>
0051500 Interstate Gas Supply	596,599	655,300	(58,701)	486,464	110,135
0051600 Intrastate Gas Supply	460,059	470,900	(10,841)	474,341	(14,282)
0051700 Corporate Gas Control	513,648	530,300	(16,652)	-	513,648
0051900 Gas Supply	268,086	277,500	(9,414)	264,718	3,368
<b>GAS SUPPLY &amp; GAS CONTROL</b>	<u>1,838,392</u>	<u>1,934,000</u>	<u>(95,608)</u>	<u>1,225,523</u>	<u>612,869</u>
0056200 Technical Services	294,982	212,812	82,170	1,046,188	(751,206)
<b>TECHNICAL SERVICES</b>	<u>294,982</u>	<u>212,812</u>	<u>82,170</u>	<u>1,046,188</u>	<u>(751,206)</u>
<b>TOTAL OPERATIONS:</b>	<u>2,662,592</u>	<u>2,827,011</u>	<u>(164,419)</u>	<u>2,880,409</u>	<u>(217,817)</u>
<b>HUMAN RESOURCES:</b>					
0056100 Professional Development	55,989	271,931	(215,942)	90,447	(34,458)
0117000 Dallas EAPC	5,670	18,888	(13,218)	-	5,670
0117100 Corporate Services	25,358	-	25,358	308,303	(282,945)
0117200 Compensation & Employment	501,305	659,892	(158,587)	621,935	(120,630)
0117300 Human Resources - VP	228,795	223,540	5,255	235,536	(6,741)
0117400 Employee & Labor Relations	108,587	105,372	3,215	62,541	46,046
0117500 Employee Benefits	1,277,217	1,218,367	58,850	1,323,566	(46,349)
0117800 Employee Communications	166,240	206,272	(40,032)	-	166,240
0117900 Facilities	158,121	148,352	9,769	-	158,121
0118100 Employee Development	331,525	413,626	(82,101)	471,294	(139,769)
0119000 Employee Relocation Expense	261,177	747,109	(485,932)	697,910	(436,733)
0119210 Performance Plan	2,092,147	-	2,092,147	982,930	1,109,217
0119300 Outside Directors Retirement Cost	253,000	1,718	251,282	154,000	99,000
0119400 Treasury - Worker's Comp	(265,659)	-	(265,659)	85	(265,744)
0119500 Human Resources - Benefits	44,855	-	44,855	648	44,207
0119600 Retirement Costs	464,123	2,250,000	(1,785,877)	2,086,151	(1,622,028)
<b>HUMAN RESOURCES:</b>	<u>5,708,450</u>	<u>6,265,067</u>	<u>(556,617)</u>	<u>7,035,346</u>	<u>(1,326,896)</u>

**ATMOS ENERGY CORPORATION**  
**Analysis of Shared Services - Actual vs. Budget**  
**For The Year-To-Date 8/31/98**

Department Name	FY '98 Actual	Budget	Actual Over (Under) Budget	Prior Year	Actual Over (Under) Prior
<b>LEGAL:</b>					
0052000 Legal	4,150,102	2,101,451	2,048,651	1,906,693	2,243,409
0051400 Contract Administration	70,880	116,532	(45,652)	-	70,880
0052200 Governmental Affairs	88,079	114,731	(26,652)	91,798	(3,719)
0057900 Corporate Secretary	832,546	1,113,390	(280,844)	672,748	159,798
0118200 Central Records	159,991	235,235	(75,244)	199,518	(39,527)
<b>LEGAL:</b>	<u>5,301,598</u>	<u>3,681,339</u>	<u>1,620,259</u>	<u>2,870,757</u>	<u>2,430,841</u>
<b>OVERHEAD CAPITALIZED:</b>					
0119800 Overhead Capitalized	(9,691,000)	(9,723,087)	32,087	(10,090,000)	399,000
<b>OVERHEAD CAPITALIZED:</b>	<u>(9,691,000)</u>	<u>(9,723,087)</u>	<u>32,087</u>	<u>(10,090,000)</u>	<u>399,000</u>
<b>TOTAL O&amp;M</b>	<u>26,821,106</u>	<u>26,538,976</u>	<u>282,130</u>	<u>25,199,489</u>	<u>1,621,617</u>
<b>DEPRECIATION</b>	2,980,713	2,178,000	802,713	3,683,557	(702,844)
<b>TAXES - OTHER</b>	838,975	627,000	211,975	818,129	20,846
<b>TOTAL</b>	<u>30,640,793</u>	<u>29,343,976</u>	<u>1,296,817</u>	<u>29,701,175</u>	<u>939,618</u>

ATMOS ENERGY CORPORATION UTILITY BUSINESS UNITS  
CONSOLIDATING STATEMENT OF INCOME  
FOR THE MONTH ENDED 08/31/98

1998

Line No.	Description (a)	Utility Business Units				WKG (f)	Total Utility Business Units (g)	Line No.
		Energas (b)	GGC (c)	Trans La (d)	UCG (e)			
1	Operating revenues							
2	Gas	\$17,868,370.64	\$937,828.53	\$2,154,273.78	\$15,251,828.13	\$4,251,192.11	\$40,465,493.19	1
3	Transportation	65,698.65	179,217.77	51,836.19	800,000.00	630,905.20	1,727,657.81	2
3	Other	0.00	0.00	0.00	0.00	0.00	0.00	3
4	Total operating revenues	17,934,069.29	1,117,046.30	2,206,109.97	16,053,828.13	4,882,097.31	42,193,151.00	4
5	Purchased gas cost	14,137,663.15	1,294,619.84	992,667.72	10,833,888.63	2,688,214.53	29,947,053.87	5
6	Gross profit	3,796,406.14	(177,573.54)	1,213,442.25	5,219,939.50	2,193,882.78	12,246,097.13	6
7	Operating expenses							
8	Operation	1,614,826.37	763,890.81	571,093.70	2,995,329.16	1,056,175.56	7,001,315.60	7
8	Maintenance	103,878.41	71,034.91	50,616.26	517,772.82	59,836.63	803,139.03	8
9	Depreciation and amortization	548,925.06	420,049.66	312,089.10	1,540,734.84	545,335.42	3,367,134.08	9
10	Taxes - other than income taxes	498,196.66	180,510.61	187,647.01	911,966.24	162,301.24	1,940,621.76	10
11	Shared services - direct	307,118.16	167,952.81	179,274.14	710,872.43	182,154.53	1,547,372.07	11
12	Shared services - billed	432,931.48	172,956.90	136,733.52	581,318.01	246,818.85	1,560,758.76	12
13	Provision for income taxes	(183,014.35)	(897,218.40)	(221,752.82)	(1,166,412.20)	(246,170.60)	(2,714,568.37)	13
14	Total operating expenses	3,322,861.79	879,177.30	1,205,700.91	6,091,581.30	2,006,451.63	13,505,772.93	14
15	Operating income (loss)	473,544.35	(1,056,750.84)	7,741.34	(871,641.80)	187,431.15	(1,259,675.80)	15
16	Other income							
16	Merchandise	14,433.79	21.40	0.00	(10,570.07)	12,128.79	16,013.91	16
17	Interest income	32,202.36	13,306.51	4,414.84	38,709.01	20,365.13	108,997.85	17
18	Other nonoperating income	(39,310.87)	9,208.62	(7,359.08)	20,959.00	103,629.35	87,127.02	18
19	Total other income (loss)	7,325.28	22,536.53	(2,944.24)	49,097.94	136,123.27	212,138.78	19
20	Income (loss) before interest charges	480,869.63	(1,034,214.31)	4,797.10	(822,543.86)	323,554.42	(1,047,537.02)	20
21	Interest charges	738,147.78	395,677.97	338,204.12	798,353.96	538,604.90	2,808,988.73	21
22	Net income (loss)	(\$257,278.15)	(\$1,429,892.28)	(\$333,407.02)	(\$1,620,897.82)	(\$215,050.48)	(\$3,856,525.75)	22

ATMOS ENERGY CORPORATION UTILITY BUSINESS UNITS  
CONSOLIDATING STATEMENT OF INCOME  
FOR THE ELEVEN MONTHS ENDED 08/31/98

1998

Line No.	Description (a)	Utility Business Units				Total Utility Business Units (g)	Line No.
		Energy (b)	GGC (c)	Trans La (d)	UCG (e)		
1	Operating revenues						
2	Gas	\$210,475,496.10	\$78,629,003.96	\$39,020,356.83	\$312,881,336.42	\$109,102,552.57	\$750,108,745.88
3	Transportation	1,058,896.81	1,529,353.31	188,441.81	13,650,662.07	8,118,892.30	24,546,246.30
3	Other	0.00	0.00	0.00	0.00	0.00	0.00
4	Total operating revenues	211,534,392.91	80,158,357.27	39,208,798.64	326,531,998.49	117,221,444.87	774,654,992.18
5	Purchased gas cost	140,611,010.01	46,666,200.91	14,156,852.64	202,286,006.55	76,241,323.49	479,961,393.60
6	Gross profit	70,923,382.90	33,492,156.36	25,051,946.00	124,245,991.94	40,980,121.38	294,693,598.58
7	Operating expenses						
8	Operation	20,430,729.80	11,220,138.09	6,272,924.90	32,160,685.99	13,169,765.71	83,254,244.49
9	Maintenance	956,005.39	714,194.19	495,840.02	5,395,395.37	847,391.94	8,408,826.91
10	Depreciation and amortization	6,037,302.18	4,578,180.25	3,376,026.50	16,883,673.20	5,998,660.91	36,873,843.04
11	Taxes - other than income taxes	10,017,485.86	2,301,255.18	2,134,693.42	10,901,190.34	1,843,046.69	27,197,671.49
12	Shared services - direct	3,136,736.96	1,438,283.81	1,852,988.58	1,819,316.77	2,191,544.17	10,438,870.29
13	Shared services - billed	6,439,322.71	2,655,852.85	1,871,238.93	6,453,233.92	3,709,648.93	21,129,297.34
13	Provision for income taxes	6,325,778.15	2,628,291.32	2,258,846.40	14,808,818.92	3,788,995.45	29,810,730.24
14	Total operating expenses	53,343,361.05	25,536,195.69	18,262,558.75	88,422,314.51	31,549,053.80	217,113,483.80
15	Operating income (loss)	17,580,021.85	7,955,960.67	6,789,387.25	35,823,677.43	9,431,067.58	77,580,114.78
	Other income						
16	Merchandise	(30,492.65)	(1,646.40)	7,391.11	(253,590.95)	214,968.13	(63,370.76)
17	Interest income	183,267.83	16,093.12	8,005.41	898,288.22	40,095.44	1,145,750.02
18	Other nonoperating income	(428,810.43)	60,472.46	(70,427.77)	59,187.32	172,120.33	(207,458.09)
19	Total other income (loss)	(276,035.25)	74,919.18	(55,031.25)	703,884.59	427,183.90	874,921.17
20	Income (loss) before interest charges	17,303,986.60	8,030,879.85	6,734,356.00	0.00	9,858,251.48	78,455,035.95
21	Interest charges	5,863,338.05	3,383,393.53	2,760,463.93	13,564,148.56	4,652,225.88	30,223,569.95
22	Net income (loss)	\$11,440,648.55	\$4,647,486.32	\$3,973,892.07	\$22,963,413.46	\$5,206,025.60	\$48,231,466.00

WESTERN KENTUCKY GAS BUSINESS UNITS  
CONSOLIDATING STATEMENT OF INCOME  
FOR THE MONTH ENDED 08/31/98

Line No.	Description (a)	1998				Line No.
		WKGR (b)	WKGR (c)	Eliminations and Adjustments (d)	Western Kentucky Gas Business Units (e)	
1	Operating revenues					
2	Gas	\$4,251,192.11	\$0.00	\$0.00	\$4,251,192.11	1
3	Transportation	630,905.20	0.00	0.00	630,905.20	2
3	Other	0.00	0.00	0.00	0.00	3
4	Total operating revenues	4,882,097.31	0.00	0.00	4,882,097.31	4
5	Purchased gas cost	2,688,214.53	0.00	0.00	2,688,214.53	5
6	Gross profit	2,193,882.78	0.00	0.00	2,193,882.78	6
7	Operating expenses					
8	Operation	1,056,175.56	0.00	0.00	1,056,175.56	7
9	Maintenance	59,836.63	0.00	0.00	59,836.63	8
10	Depreciation and amortization	545,335.42	0.00	0.00	545,335.42	9
11	Taxes - other than income taxes	162,301.24	0.00	0.00	162,301.24	10
12	Shared services - direct	182,154.53	0.00	0.00	182,154.53	11
13	Shared services - billed	246,611.55	0.00	207.30	246,818.85	12
13	Provision for income taxes	(246,170.60)	0.00	0.00	(246,170.60)	13
14	Total operating expenses	2,006,244.33	0.00	207.30	2,006,451.63	14
15	Operating income (loss)	187,638.45	0.00	(207.30)	187,431.15	15
16	Other income					
17	Merchandise	12,128.79	0.00	0.00	12,128.79	16
18	Interest income	20,365.13	0.00	0.00	20,365.13	17
19	Shared services - billed	0.00	(207.30)	207.30	0.00	17
19	Other nonoperating income	102,895.93	733.42	0.00	103,629.35	19
20	Total other income (loss)	135,389.85	526.12	207.30	136,123.27	20
21	Income (loss) before interest chgs	323,028.30	526.12	0.00	323,554.42	21
22	Interest charges	538,604.90	0.00	0.00	538,604.90	22
23	Net income (loss)	(\$215,576.60)	\$526.12	\$0.00	(\$215,050.48)	23

WESTERN KENTUCKY GAS BUSINESS UNITS  
CONSOLIDATING STATEMENT OF INCOME  
FOR THE ELEVEN MONTHS ENDED 08/31/98

1998

Line No.	Description (a)	Eliminations and Adjustments (d)			Western Kentucky Gas Business Units (e)	Line No.
		WKGR (c)	WKG (b)	Adjustments (d)		
	Operating revenues					
1	Gas	\$0.00	\$109,102,552.57	\$0.00	\$109,102,552.57	1
2	Transportation	0.00	8,118,892.30	0.00	8,118,892.30	2
3	Other	0.00	0.00	0.00	0.00	3
4	Total operating revenues	0.00	117,221,444.87	0.00	117,221,444.87	4
5	Purchased gas cost	0.00	76,241,323.49	0.00	76,241,323.49	5
6	Gross profit	0.00	40,980,121.38	0.00	40,980,121.38	6
	Operating expenses					
7	Operation	0.00	13,169,765.71	0.00	13,169,765.71	7
8	Maintenance	0.00	847,391.94	0.00	847,391.94	8
9	Depreciation and amortization	0.00	5,998,660.91	0.00	5,998,660.91	9
10	Taxes - other than income taxes	10.00	1,843,036.69	0.00	1,843,046.69	10
11	Shared services - direct	0.00	2,191,544.17	0.00	2,191,544.17	11
12	Shared services - billed	0.00	3,705,788.06	3,860.87	3,709,648.93	12
13	Provision for income taxes	0.00	3,788,995.45	0.00	3,788,995.45	13
14	Total operating expenses	10.00	31,545,182.93	3,860.87	31,549,053.80	14
15	Operating income (loss)	(10.00)	9,434,938.45	(3,860.87)	9,431,067.58	15
	Other income					
16	Merchandise	0.00	214,968.13	0.00	214,968.13	16
17	Interest income	0.00	40,095.44	0.00	40,095.44	17
18	Shared services - billed	(3,860.87)	0.00	3,860.87	0.00	17
19	Other nonoperating income	3,807.65	168,312.68	0.00	172,120.33	19
20	Total other income (loss)	(53.22)	423,376.25	3,860.87	427,183.90	20
21	Income (loss) before interest chgs	(63.22)	9,858,314.70	0.00	9,858,251.48	21
22	Interest charges	0.00	4,652,225.88	0.00	4,652,225.88	22
23	Net income (loss)	(\$63.22)	\$5,206,088.82	\$0.00	\$5,206,025.60	23

WESTERN KENTUCKY GAS COMPANY  
STATEMENTS OF INCOME  
FOR THE MONTH AND YEAR TO DATE 08/31/98

Line No.	Description (a)	Current Month			Year to Date			Actual Over (Under) Prior Year (k)	Line No.
		Actual (b)	Budget (c)	Actual Over (Under) Budget (d)	Prior Year Actual (e)	Actual (f)	Over (Under) Budget (g)		
1	Operating revenues								
2	Gas	\$4,251,192.11	\$3,932,000	\$319,192.11	\$109,102,552.57	\$123,908,000.00	(\$14,805,447.43)	\$13,129,836.63	1
3	Transportation	630,905.20	700,000	(69,094.80)	8,118,892.30	7,700,000.00	418,892.30	6,629,678.03	2
3	Other	0.00	22,000	(22,000.00)	0.00	808,000.00	(808,000.00)	0.00	3
4	Total operating revenues	4,882,097.31	4,654,000	228,097.31	117,221,444.87	132,416,000.00	(15,194,555.13)	137,759,514.66	4
5	Purchased gas cost	2,688,214.53	2,429,000	259,214.53	3,050,057.66	39,026,000.00	(12,784,676.51)	95,184,280.95	5
6	Gross profit	2,193,882.78	2,225,000	(31,117.22)	40,980,121.38	43,390,000.00	(2,409,878.62)	42,575,233.71	6
7	Operating expenses								
8	Operation	1,056,175.56	1,047,000	9,175.56	13,169,765.71	13,249,000.00	(79,234.29)	14,225,646.80	7
8	Maintenance	59,836.63	132,000	(72,163.37)	847,391.94	1,452,000.00	(604,608.06)	893,219.17	8
9	Depreciation	545,335.42	544,000	1,335.42	5,998,660.91	5,984,000.00	14,660.91	5,620,148.93	9
10	Taxes - other than income taxes	162,301.24	133,000	29,301.24	1,843,036.69	1,671,000.00	172,036.69	1,707,478.07	10
11	Shared Services - direct	182,154.53	0	182,154.53	2,191,544.17	0.00	2,191,544.17	2,149,323.11	11
12	Shared Services - billed	246,611.55	472,000	(225,388.45)	3,705,788.06	5,911,000.00	(2,205,211.94)	5,254,703.14	12
13	Provision for income taxes	(246,170.60)	(717,000)	470,829.40	3,788,995.45	4,944,000.00	(1,155,004.55)	3,645,602.57	13
14	Total operating expenses	2,006,244.33	1,611,000	395,244.33	31,545,182.93	33,211,000.00	(1,665,817.07)	33,496,121.79	14
15	Operating income (loss)	187,638.45	614,000	(426,361.55)	9,434,938.45	10,179,000.00	(744,061.55)	9,079,111.92	15
16	Other income								
16	Merchandise	12,128.79	(2,000)	14,128.79	214,968.13	(22,000.00)	236,968.13	326,402.76	16
17	Interest income	20,365.13	4,000	16,365.13	40,095.44	44,000.00	(3,904.56)	24,842.10	17
18	Other nonoperating income	102,895.93	35,000	67,895.93	168,312.68	385,000.00	(216,687.32)	(90,409.42)	18
19	Total other income (loss)	135,389.85	37,000	98,389.85	423,376.25	407,000.00	16,376.25	260,835.44	19
20	Income (loss) before interest charge	323,028.30	651,000	(327,971.70)	9,858,314.70	10,586,000.00	(727,685.30)	9,339,947.36	20
21	Interest charges	538,604.90	391,000	147,604.90	4,657,225.88	4,382,000.00	275,225.88	3,947,396.03	21
22	Net income (loss)	(\$215,576.60)	\$260,000	(\$475,576.60)	\$5,206,088.82	\$6,204,000.00	(\$997,911.18)	\$5,397,551.33	22

WESTERN KENTUCKY GAS RESOURCES, INC.  
STATEMENTS OF INCOME  
FOR THE MONTH AND YEAR TO DATE 08/31/98

Line No.	Description (a)	Current Month			Year to Date			Actual Over (Under) Prior Year (k)	Line No.
		Actual (b)	Budget (c)	Actual Over (Under) Budget (d)	Prior Year Actual (e)	Actual Over (Under) Prior Year (f)	Actual (g)		
1	Operating revenues								
2	Gas	\$0.00	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3	Transportation	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00
4	Other	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00
5	Total operating revenues	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00
6	Purchased gas cost	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00
7	Gross profit	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00
8	Operating expenses								
9	Operation	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00
10	Maintenance	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00
11	Depreciation	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00
12	Taxes - other than income taxes	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00
13	Provision for income taxes	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00
14	Total operating expenses	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00
15	Operating income (loss)	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00
16	Other income								
17	Merchandise	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00
18	Interest income	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00
19	Shared Services - Billed	(207.30)	3,000	(3,207.30)	0.00	(207.30)	(3,860.87)	(11,835.98)	7,975.11
20	Other nonoperating income	733.42	0	733.42	(3,655.30)	4,388.72	3,807.65	(7,198.95)	11,006.60
21	Total other income (loss)	526.12	3,000	(2,473.88)	(3,655.30)	4,181.42	(53.22)	(19,034.93)	18,981.71
22	Income (loss) before interest charge	526.12	3,000	(2,473.88)	(2,655.30)	3,181.42	(63.22)	(15,057.93)	14,994.71
23	Interest charges	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00
24	Net income (loss)	\$526.12	\$3,000	(\$2,473.88)	(\$2,655.30)	\$3,181.42	(\$63.22)	(\$15,057.93)	\$14,994.71



ATMOS ENERGY SERVICES, INC.  
STATEMENTS OF INCOME  
FOR THE MONTH AND YEAR TO DATE 08/31/98

Line No.	Description (a)	Current Month				Year to Date				Line No.		
		Actual (b)	Budget* (c)	Actual Over (Under) Budget (d)	Prior Year Actual (e)	Actual Over (Under) Budget (f)	Budget* (g)	Actual Over (Under) Budget (h)	Prior Year Actual (i)		Actual Over (Under) Prior Year (k)	
1	Operating revenues											
2	Gas	\$0.00	\$0	\$0.00	\$0.00	\$0.00	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3	Transportation	0.00	0	0.00	0.00	0.00	0	0.00	0.00	0.00	0.00	0.00
4	Other	0.00	0	0.00	0.00	0.00	0	0.00	0.00	0.00	0.00	0.00
4	Total operating revenues	0.00	0	0.00	0.00	0.00	0	0.00	0.00	0.00	0.00	0.00
5	Purchased gas cost	0.00	0	0.00	0.00	0.00	0	0.00	0.00	0.00	0.00	0.00
6	Gross profit	0.00	0	0.00	0.00	0.00	0	0.00	0.00	0.00	0.00	0.00
7	Operating expenses											
8	Operation	0.00	0	0.00	0.00	0.00	0	0.00	0.00	0.00	0.00	0.00
9	Maintenance	0.00	0	0.00	0.00	0.00	0	0.00	0.00	0.00	0.00	0.00
10	Depreciation	0.00	0	0.00	0.00	0.00	0	0.00	0.00	0.00	0.00	0.00
11	Taxes - other than income taxes	0.00	0	0.00	0.00	0.00	0	0.00	0.00	0.00	0.00	0.00
12	Shared Services - Billed	0.00	0	0.00	0.00	0.00	0	0.00	0.00	0.00	0.00	0.00
12	Provision for income taxes	(61,985.00)	0	(61,985.00)	0.00	0.00	0	0.00	(61,985.00)	0	(61,985.00)	116,115.00
13	Total operating expenses	(61,985.00)	0	(61,985.00)	0.00	0.00	0	0.00	(61,985.00)	0	(61,985.00)	117,024.02
14	Operating income (loss)	61,985.00	0	61,985.00	0.00	0.00	0	0.00	61,985.00	0	61,985.00	(117,024.02)
15	Other income											
16	Merchandise	0.00	0	0.00	0.00	0.00	0	0.00	0.00	0	0.00	0.00
17	Interest income	0.00	0	0.00	0.00	0.00	0	0.00	0.00	0	0.00	0.00
17	Other nonoperating income	0.00	0	0.00	0.00	0.00	0	0.00	0.00	0	0.00	512,000.00
18	Total other income (loss)	0.00	0	0.00	0.00	0.00	0	0.00	0.00	0	0.00	512,000.00
19	Income (loss) before interest charge	61,985.00	0	61,985.00	0.00	0.00	0	0.00	61,985.00	0	61,985.00	394,975.98
20	Interest charges	0.00	0	0.00	0.00	0.00	0	0.00	0.00	0	0.00	0.00
21	Net income (loss)	\$61,985.00	\$0	\$61,985.00	\$0.00	\$0.00	\$0	\$0.00	\$61,985.00	\$0	\$61,985.00	\$394,975.98

\* Atmos Energy Services budget not available.

**ATMOS ENERGY CORPORATION  
PROPERTY, PLANT AND EQUIPMENT  
AS OF AUGUST 31, 1998**

	Year to Date				
	Balance 9/30/97	Additions	Retirements	Transfers	Balance 08/31/98
<b>GAS PLANT</b>					
Atmos					
Atmos General Office(2)	\$39,305,772.63	\$60,088.40	\$0.00	\$655.12	\$39,366,516.15
Total Atmos	<u>39,305,772.63</u>	<u>60,088.40</u>	<u>0.00</u>	<u>655.12</u>	<u>39,366,516.15</u>
Energas					
Amarillo Transmission Div.(1)	3,209,615.20	0.00	0.00	0.00	3,209,615.20
Amarillo City Plant Dist. Div.(3)	48,276,563.22	1,048,762.62	124,447.32	308,680.26	49,509,558.78
Fritch & Sanford City Plt. Dist. Div.(4)	953,581.61	1,340.34	1,573.73	0.00	953,348.22
West Texas City Plant Dist. Div.(5)	158,615,097.05	4,732,522.55	884,349.04	2,432.30	162,465,702.86
Dalhart City Plant Dist. Div.(6)	2,108,641.38	1,232.09	14,339.19	0.00	2,095,534.28
West Texas Rural Irrigation Div.(8)	23,269,273.27	80,481.43	(1,833.38)	0.00	23,351,588.08
Energas General Office(10)	2,437,569.38	12,921.52	107,517.62	0.00	2,342,973.28
Fain-Amarillo Creek Transmission(11)	71,230.00	0.00	0.00	0.00	71,230.00
Amarillo Rural Dist. Div.(13)	371,855.76	23,993.81	0.00	0.00	395,849.57
Dalhart Rural Dist. Div.(17)	61,651.11	0.00	0.00	0.00	61,651.11
Dalhart Rural Irrigation Div.(18)	333,690.52	14,914.90	0.00	0.00	348,605.42
West Texas Rural Dist. Div.(21)	11,127,951.62	90,695.61	0.00	0.00	11,218,647.23
Meter Shop Facilities & Meters(22)	0.00	639,156.36	328,043.80	(311,112.56)	0.00
Total Energas	<u>250,836,720.12</u>	<u>6,646,021.23</u>	<u>1,458,437.32</u>	<u>0.00</u>	<u>256,024,304.03</u>
Trans La					
Trans La Dist. Div.(7)	111,390,280.93	2,261,239.75	938,648.88	0.00	112,712,871.80
Total Trans La	<u>111,390,280.93</u>	<u>2,261,239.75</u>	<u>938,648.88</u>	<u>0.00</u>	<u>112,712,871.80</u>
Western Kentucky Gas					
Western Kentucky Gas Div.(9)	189,388,594.45	5,668,965.03	923,415.81	0.00	194,134,143.67
Total Western Kentucky Gas	<u>189,388,594.45</u>	<u>5,668,965.03</u>	<u>923,415.81</u>	<u>0.00</u>	<u>194,134,143.67</u>

**ATMOS ENERGY CORPORATION**  
**PROPERTY, PLANT AND EQUIPMENT**  
**AS OF AUGUST 31, 1998**

	Year to Date				
	Balance 9/30/97	Additions	Retirements	Transfers	Balance 08/31/98
<b>GAS PLANT</b>					
Greeley					
Meter Shop Facilities & Meters(24)	\$11,380,596.90	\$0.00	\$0.00	\$0.00	\$11,380,596.90
Missouri Dist. Div.(29)	690,434.01	22,923.58	2,593.14	0.00	710,764.45
Denver Company Office(30)	1,797,536.72	0.00	0.00	0.00	1,797,536.72
Greeley Dist. Div.(33)	23,770,593.23	2,604,896.67	135,090.77	0.00	26,240,399.13
Northwest Colorado Dist. Div.(34)	17,345,814.60	10,001.35	21,771.91	0.00	17,334,044.04
Fremont County Dist. Div.(35)	23,294,862.37	57,686.41	6,115.86	0.00	23,346,432.92
Durango Dist. Div.(36)	15,387,957.07	77,327.78	7,137.67	0.00	15,458,147.18
Central Colorado Dist. Div.(37)	0.00	0.00	0.00	0.00	0.00
Cortez Dist. Div.(38)	0.00	0.00	0.00	0.00	0.00
Southeast Colorado Dist. Div.(39)	0.00	0.00	0.00	0.00	0.00
Kaw Valley Dist. Div.(82)	14,012,329.00	749,929.78	108,896.87	0.00	14,653,361.91
Central Kansas Dist. Div.(83)	8,127,974.64	0.00	0.00	0.00	8,127,974.64
Cane Dist. Div.(84)	5,305,815.42	0.00	6,324.42	0.00	5,299,491.00
Eastern Kansas Dist. Div.(85)	3,667,121.03	5,533.91	20,578.06	0.00	3,652,076.88
Southwest Kansas Dist. Div.(86)	13,003,584.57	50,769.71	110.88	0.00	13,054,243.40
Total Greeley Gas	137,784,619.56	3,579,069.19	308,619.58	0.00	141,055,069.17
United Cities Gas					
Kansas Div. (81)	0.00	453,079.09	0.00	95,003,308.93	95,456,388.02
General Office Div. (91)	495,033,830.05	5,974,321.27	357,785.75	(483,371,873.77)	17,278,491.80
Illinois Div. (92)	0.00	116,609.18	0.00	31,393,260.00	31,509,869.18
Tennessee Div. (93)	0.00	1,123,608.71	0.00	206,052,705.43	207,176,314.14
So. Carolina Div. (94)	0.00	22,507.16	0.00	9,091,253.75	9,113,760.91
Georgia Div. (95)	0.00	175,871.73	0.00	77,557,702.67	77,733,574.40
Virginia Div. (96)	0.00	76,769.43	0.00	27,420,241.28	27,497,010.71
Missouri Div. (97)	0.00	151,809.91	0.00	26,750,940.23	26,902,750.14
Iowa Div. (98)	0.00	14,356.33	0.00	10,080,299.19	10,094,655.52
United Cities Storage Gas	0.00	587,316.32	0.00	0.00	587,316.32
Total United Cities Gas	495,033,830.05	8,696,249.13	357,785.75	(22,162.29)	503,350,131.14
Total Gas Plant	\$1,223,739,817.74	\$26,911,632.73	\$3,986,907.34	(\$21,507.17)	\$1,246,643,035.96

**ATMOS ENERGY CORPORATION  
PROPERTY, PLANT AND EQUIPMENT  
AS OF AUGUST 31, 1998**

	Year to Date				
	Balance 9/30/97	Additions	Retirements	Transfers	Balance 08/31/98
<b>OTHER GAS PLANT &amp; NON-UTILITY PROPERTY</b>					
Atmos					
Atmos General Office					
Construction Work In Progress	\$31,465,556.99	\$42,087,435.34	\$0.00	\$0.00	\$73,552,992.33
Non-utility Plant	1,132,200.02	926,851.02	1,013,349.90	0.00	1,045,701.14
Total Atmos	32,597,757.01	43,014,286.36	1,013,349.90	0.00	74,598,693.47
Energias					
Construction Work In Progress	1,379,247.81	3,848,229.82	0.00	0.00	5,227,477.63
Non-utility Plant	517,520.24	0.00	0.00	0.00	517,520.24
Total Energias	1,896,768.05	3,848,229.82	0.00	0.00	5,744,997.87
Trans La					
Construction Work In Progress	340,764.90	2,702,783.82	0.00	0.00	3,043,548.72
Acquisition Adj. - Trans La	2,048,887.47	0.00	0.00	0.00	2,048,887.47
Non-utility Plant	215,890.91	0.00	0.00	0.00	215,890.91
Total Trans La	2,605,543.28	2,702,783.82	0.00	0.00	5,308,327.10
Western Kentucky Gas					
Construction Work In Progress	779,599.09	4,885,705.98	0.00	0.00	5,665,305.07
Acquisition Adj. - W.K.G.	3,336,783.64	0.00	0.00	0.00	3,336,783.64
Total Western Kentucky Gas	4,116,382.73	4,885,705.98	0.00	0.00	9,002,088.71
Greeley					
Construction Work In Progress	(1,956,742.97)	5,273,356.82	0.00	0.00	3,316,613.85
Acquisition Adj. - G.G.C. Prior	1,446,406.41	0.00	0.00	0.00	1,446,406.41
Non-utility Plant	713,075.78	0.00	0.00	0.00	713,075.78
Total Greeley Gas	202,739.22	5,273,356.82	0.00	0.00	5,476,096.04
United Cities					
Construction Work In Progress	631,379.00	10,377,660.89	0.00	(531,685.41)	10,477,354.48
Acquisition Adj. - U.C.G.C. - Prior	7,283,287.48	0.00	0.00	0.00	7,283,287.48
Total United Cities Gas	7,914,666.48	10,377,660.89	0.00	(531,685.41)	17,760,641.96
Total Other Gas Plt & Non-utility Prop	49,333,856.77	70,102,023.69	1,013,349.90	(531,685.41)	117,890,845.15
Total Property, Plt. and Equipment	\$1,273,073,674.51	\$97,013,656.42	\$5,000,257.24	(\$553,192.58)	\$1,364,533,881.11

**ATMOS ENERGY CORPORATION  
ACCUMULATED PROVISION  
FOR DEPRECIATION AND AMORTIZATION  
AS OF AUGUST 31, 1998**

	Year to Date			Balance 08/31/98
	Balance 9/30/97	Provision	Adjustment	
<b>GAS PLANT</b>				
Atmos		234,359.19		
Retirement work in progress	\$4,900.00	\$0.00	\$3,286.15	\$8,186.15
Atmos General Office(2)	15,625,904.99	2,577,891.09	329.67	18,203,796.08
Total accum. prov. for depr. - Atmos	(329.67)	2,577,891.09	3,615.82	18,211,982.23
Energas				
Retirement work in progress	28,638.26	0.00	(548,279.69)	(519,641.43)
Amarillo Transmission Div.(1)	2,302,858.65	63,405.32	0.00	2,366,263.97
Amarillo City Plant Dist. Div.(3)	18,510,022.40	1,242,410.95	(125,746.59)	19,626,686.76
Fritch & Sanford City Plt. Dist. Div.(4)	384,725.27	19,898.45	(1,573.73)	403,049.99
West Texas City Plant Dist. Div.(5)	61,038,357.70	5,040,042.01	(879,230.56)	65,199,020.01
Dalhart City Plant Dist. Div.(6)	999,800.33	66,210.65	(10,398.69)	1,055,612.29
West Texas Rural Irrigation Div.(8)	9,943,565.84	452,586.24	(2,756.76)	10,393,395.32
Energas General Office(10)	1,135,624.24	344,244.89	(90,999.05)	1,388,870.08
Fain-Amarillo Creek Transmission(11)	71,230.00	0.00	0.00	71,230.00
Amarillo Rural Dist. Div.(13)	154,218.32	7,954.62	0.00	162,172.94
Dalhart Rural Dist. Div.(17)	53,743.97	1,549.02	0.00	55,292.99
Dalhart Rural Irrigation Div.(18)	262,696.11	9,372.11	0.00	272,068.22
West Texas Rural Dist. Div.(21)	3,139,533.57	267,164.81	(46,067.21)	3,360,631.17
Total accum. prov. for depr. - Energas	98,024,865.52	7,514,839.07	(1,705,052.28)	103,834,652.31
Trans La Gas(7)				
Retirement work in progress	0.00	0.00	(27,909.16)	(27,909.16)
Trans La Dist. Div.	31,633,759.74	4,007,517.58	(1,097,816.77)	34,543,460.55
Total accum. prov. for depr. - Trans La	31,633,759.74	4,007,517.58	(1,125,725.93)	34,515,551.39
Western Kentucky Gas(9)				
Retirement work in progress	(938.81)	0.00	(418,906.65)	(419,845.46)
Western Kentucky Gas Div.	85,835,426.90	6,241,896.87	(784,775.29)	91,292,548.48
WKG Pint-Amort-U/G Strg.	500.00	39.49	0.00	539.49
Total accum. prov. for depr. - WKG	85,834,488.09	6,241,896.87	(1,203,681.94)	90,873,242.51

**ATMOS ENERGY CORPORATION**  
**ACCUMULATED PROVISION**  
**FOR DEPRECIATION AND AMORTIZATION**  
**AS OF AUGUST 31, 1998**

	Year to Date			
	Balance 9/30/97	Provision	Adjustment	Balance 08/31/98
<b>GAS PLANT</b>				
<b>Greeley Gas</b>				
Retirement work in progress	(10,580.22)	\$0.00	(\$1,885.19)	\$8,695.03
Meter Shop Facilities & Meters(24)	(1,844,979.51)	367,798.98	0.00	2,231,195.73
Missouri Dist. Div.(29)	(198,609.28)	20,698.44	(7,920.43)	183,830.83
Denver Company Office(30)	(431,153.95)	251,649.44	0.00	697,025.87
Greeley Dist. Div.(33)	(7,778,175.86)	882,468.06	(192,742.61)	9,091,237.89
Northwest Colorado Dist. Div.(34)	(5,354,184.12)	635,530.16	(21,905.48)	6,012,287.29
Fremont County Dist. Div.(35)	(13,193,596.69)	927,525.29	(10,560.89)	14,076,748.67
Durango Dist. Div.(36)	(5,878,310.74)	567,966.76	(7,174.68)	6,050,198.98
Central Colorado Dist. Div.(37)	(1,249.00)	0.00	0.00	0.00
Cortez Dist. Div.(38)	(82,631.99)	0.00	0.00	0.00
Southeast Colorado Dist. Div.(39)	0.00	0.00	0.00	0.00
Kaw Valley Dist. Div.(82)	(4,013,718.21)	490,616.50	(154,196.04)	4,129,992.93
Central Kansas Dist. Div.(83)	(3,180,842.19)	293,953.83	0.00	3,410,599.85
Cane Dist. Div.(84)	(2,592,468.44)	184,557.06	(6,363.01)	2,794,624.20
Eastern Kansas Dist. Div.(85)	(831,639.15)	879,665.10	(16,840.26)	996,140.31
Southwest Kansas Dist. Div.(86)	(7,384,649.46)	7,430,702.63	(143.59)	7,916,149.47
Total accum. prov. for depr. - GGC	52,776,788.81	5,241,670.42	(419,732.18)	57,598,727.05
<b>United Cities Gas</b>				
Retirement work in progress	(\$6,748.17)	\$0.00	\$1,888,313.39	\$1,881,565.22
Kansas Div. (81)	33,743,678.17	1,378,268.80	0.00	35,121,946.97
General Office Div. (91)	7,799,094.62	796,861.45	0.00	8,595,956.07
Illinois Div. (92)	13,993,952.86	463,218.80	0.00	14,457,171.66
Tennessee Div. (93)	72,388,466.91	3,189,873.10	0.00	75,578,340.01
So. Carolina Div. (94)	3,442,165.46	124,909.55	0.00	3,567,075.01
Georgia Div. (95)	33,012,303.23	1,045,556.20	0.00	34,057,859.43
Virginia Div. (96)	9,210,808.91	405,793.55	0.00	9,616,602.46
Missouri Div. (97)	8,816,569.62	465,362.35	0.00	9,281,931.97
Iowa Div. (98)	5,397,397.03	204,238.10	0.00	5,601,635.13
Total United Cities Gas	187,797,688.64	8,074,081.90	1,888,313.39	197,760,083.93
<b>Total accumulated prov. for depreciation - Gas Plant</b>	<b>\$471,698,066.12</b>	<b>\$33,657,896.93</b>	<b>(\$2,562,263.12) *</b>	<b>\$502,794,239.42</b>

**ATMOS ENERGY CORPORATION**  
**ACCUMULATED PROVISION**  
**FOR DEPRECIATION AND AMORTIZATION**  
**AS OF AUGUST 31, 1998**

	Year to Date		
	Balance 9/30/97	Provision	Adjustment
<b>OTHER GAS PLANT IN SERVICE</b>			<b>Balance 08/31/98</b>
<b>Atmos</b>			
Atmos General Office Division(2)	\$829,702.44	\$410,887.84	\$0.00
Total Atmos	829,702.44	410,887.84	0.00
<b>Energas</b>			
Amarillo City Plant Dist. Div.(3)	158,220.56	38,161.53	0.00
Fritch & Sanford City Plant Dist. Div.(4)	5,916.44	(32.45)	0.00
West Texas City Plant Dist. Div.(5)	1,091,414.72	157,142.81	(149.14)
Dalhart Div.(6)	7,189.97	2,041.27	0.00
West Texas Irrigation Div.(8)	7,091.04	835.34	0.00
Energas General Office(10)	1,875.32	1,928.85	0.00
Amarillo Rural Div.(13)	516.26	100.43	0.00
Dalhart Irrigation Div.(18)	311.30	50.05	0.00
West Texas Rural Div.(21)	31,889.52	5,790.07	0.00
Total Energas	1,304,574.27	206,017.90	(149.14)
<b>Trans La Gas</b>			
Trans La Distribution Division(7)	220,015.31	56,657.59	0.00
Total Trans La	220,015.31	56,657.59	0.00
<b>Western Kentucky Gas</b>			
Western Kentucky Gas Division(9)	564,100.18	0.00	0.00
Total WKG	564,100.18	0.00	0.00
<b>Greeley Gas</b>			
Greeley Dist. Div.(33)	60,232.62	0.00	0.00
Northwest Colorado Dist. Div.(34)	66,924.56	0.00	0.00
Fremont County Dist. Div.(35)	94,718.87	0.00	0.00
Durango Dist. Div.(36)	23,493.78	0.00	0.00
Central Colorado Dist. Div.(37)	0.00	0.00	0.00
Cortez Dist. Div.(38)	0.00	0.00	0.00
Southeast Colorado Dist. Div.(39)	0.00	0.00	0.00
Kaw Valley Dist. Div.(82)	84,791.05	764.21	0.00
Central Kansas Dist. Div.(83)	10,901.94	0.00	0.00
Cane Dist. Div.(84)	3,106.06	522.17	0.00
Southwest Kansas(86)	88.02	161.34	0.00
Total Greeley Gas	344,256.90	1,447.72	0.00

ATMOS ENERGY CORPORATION  
ACCUMULATED PROVISION  
FOR DEPRECIATION AND AMORTIZATION  
AS OF AUGUST 31, 1998

	Year to Date		
	Balance 9/30/97	Provision	Adjustment
<b>OTHER GAS PLANT IN SERVICE</b>			
United Cities Gas			
Kansas Div. (81)	0.00	10,634.47	0.00
Western Region Admin. Div. (87)	0.00	32,857.68	0.00
Central Region Admin. Div. (88)	0.00	5,267.20	0.00
Southern Region Admin. Div. (89)	0.00	4,853.84	0.00
Eastern Region Admin. Div. (90)	0.00	6,933.60	0.00
General Office Div. (91)	6,691,664.57	2,257.45	0.00
Illinois Div. (92)	0.00	3,465.55	0.00
Tennessee Div. (93)	0.00	232,392.90	0.00
So. Carolina Div. (94)	0.00	476.90	0.00
Georgia Div. (95)	0.00	6,861.56	0.00
Virginia Div. (96)	0.00	1,469.30	0.00
Missouri Div. (97)	0.00	1,356.00	0.00
Iowa Div. (98)	0.00	468.85	0.00
Total United Cities Gas	<u>6,691,664.57</u>	<u>309,295.30</u>	<u>0.00</u>
Total accumulated provision for amort. of other gas plant in service	<u>\$9,954,313.67</u>	<u>\$984,306.35</u>	<u>(\$149.14)</u>
		<u>7,000,959.87</u>	<u>Balance 08/31/98</u>
			<u>\$10,938,470.88</u>



**ATMOS ENERGY CORPORATION  
ACCUMULATED PROVISION  
FOR DEPRECIATION AND AMORTIZATION  
AS OF AUGUST 31, 1998**

	Year to Date			
	Balance 9/30/97	Provision	Adjustment	Balance 08/31/98
<b>NON-UTILITY PLANT IN SERVICE (CNG)</b>				
Texas				
Energas	\$284,635.61	\$47,439.26	\$0.00	\$332,074.87
Total Texas	284,635.61	47,439.26	0.00	332,074.87
Louisiana				
Trans La	118,740.55	19,790.10	0.00	138,530.65
Total Louisiana	118,740.55	19,790.10	0.00	138,530.65
Greeley				
Greeley Gas	434,287.68	43,611.70	0.00	477,899.38
Total Greeley Gas	434,287.68	43,611.70	0.00	477,899.38
Total accumulated provision for amort. of non-utility plant in service	837,663.84	110,841.06	0.00	948,504.90
<b>UTILITY PLANT ACQUISITION ADJUSTMENT</b>				
Louisiana				
Trans La	3,762,016.75	(167,110.13)	0.00	3,594,906.62
Total Louisiana	3,762,016.75	(167,110.13)	0.00	3,594,906.62
Kentucky				
W.K.G.	2,277,713.90	187,899.47	0.00	2,465,613.37
Total Kentucky	2,277,713.90	187,899.47	0.00	2,465,613.37
Greeley				
G.G.C.	1,341,129.41	12,595.00	0.00	1,353,724.41
Total Greeley Gas	1,341,129.41	12,595.00	0.00	1,353,724.41
United Cities				
U.C.G.C.	0.00	0.00	387,491.64	387,491.64
U.C.G.C. Prior	1,528,772.48	(237,124.21)	0.00	1,291,648.27
Total United Cities Gas	1,528,772.48	(237,124.21)	387,491.64	1,679,139.91
Total Accumulated Prov. for Amort. of Utility Plant Acquisition Adjustment	8,909,632.54	(203,739.87)	387,491.64	9,093,384.31
Total accumulated provision for depreciation & amortization	\$491,399,676.17	\$34,549,304.47	(\$2,174,920.62)	\$523,774,599.51

Total Depreciation Provision as per Balance Sheet  
Less: Depreciation Provision charged to other accounts-18400  
Less: Depreciation Provision charged to other accounts (CNG)  
Total Depreciation Expense as per Income Statement

\$34,549,304.47  
3,635,188.39  
110,841.06  
\$30,803,275.02

WKG RESOURCES  
PROPERTY, PLANT AND EQUIPMENT  
AND RELATED ACCUMULATED PROVISION  
AS OF AUGUST 31, 1998

	Year to Date			Balance 08/31/98
	Balance 9/30/97	Additions	Retirements	
Property, Plant and Equipment				
Well Construction 3300000	\$106,938.67	\$0.00	\$0.00	\$106,938.67
Mineral Deeds	446,864.91	0.00	0.00	446,864.91
Construction Work in Prog	0.00	0.00	0.00	0.00
<b>Total Property, Plant and Equ</b>	<b>553,803.58</b>	<b>0.00</b>	<b>0.00</b>	<b>553,803.58</b>

	Year to Date		Balance 08/31/98
	Balance 9/30/97	Provision	
Accumulated Provision for Depreciation			
Accumulated Provision for Depreciation Retirement Work in Progress	104,254.43	2,684.24	106,938.67
	0.00	0.00	0.00
<b>Total Accumulated Provision for Depr.</b>	<b>\$104,254.43</b>	<b>\$2,684.24</b>	<b>\$106,938.67</b>

**ATMOS ENERGY CORPORATION**  
**BALANCE SHEET ACCOUNTS**  
As of August 31, 1998

Line Acct No.	Description	Current Month	Prior Month	Current Change	Prior Year	September 30, 1997
<b>6</b>	<b>NET PROPERTY, PLANT, AND EQUIPMENT</b>	<b>840,759,281.60</b>	<b>836,719,515.72</b>	<b>4,039,765.88</b>	<b>768,756,862.88</b>	<b>789,333,948.28</b>
<b>INVESTMENTS IN &amp; ADVANCES TO SUBSIDIARIES</b>						
1230	Investments In Associated Companies					
	Amos Energy Services, Inc.	1,000.00	1,000.00	0.00	1,000.00	1,000.00
	Egasco, Inc.	1,000.00	1,000.00	0.00	1,000.00	1,000.00
	Enermart, Inc.	2,293,047.89	2,293,047.89	0.00	2,293,047.89	2,293,047.89
	Trans La Industrial Gas Company, Inc.	1,604,833.12	1,604,833.12	0.00	1,604,833.12	1,604,833.12
	Western Kentucky Gas Resources	1,000,000.00	1,000,000.00	0.00	1,000,000.00	1,000,000.00
	UCG Energy Corporation, Inc.	3,452,326.50	3,452,326.50	0.00	3,452,326.50	3,452,326.50
	UCG Storage Company, Inc.					
<b>7</b>	<b>Total Investments in &amp; Advances to Subsidiaries</b>	<b>8,353,207.51</b>	<b>8,353,207.51</b>	<b>0.00</b>	<b>8,353,207.51</b>	<b>8,353,207.51</b>
1310	Cash in Banks					
	Cash - ACIS Refund	(56,189.90)	(46,874.03)	(9,315.87)	(78,115.35)	(116,646.66)
	Cash - Auxiliary Accounts	5,715,143.40	238,773.47	5,476,369.93	594,765.57	540,950.76
	Cash - Concentration Account - ANB - 523	(3,640,966.12)	(1,035,005.99)	(2,605,960.13)	(1,806,975.65)	(2,639,517.39)
	Cash - Concentration Account - Nations Bank	(1,244,500.57)	76,494.62	(1,320,995.19)	1,116,591.58	1,267,873.91
	Cash - Customer Refund	(40,402.18)	(52,885.88)	12,483.70	(47,219.05)	(78,087.66)
	Cash - Other	3,874.65	3,890.65	(16.00)	28,102.25	29,112.43
	Cash - Fleet Bank	178,372.00	178,372.00	0.00	178,372.00	178,372.00
	Cash - Trust Company	102,500.00	102,500.00	0.00	0.00	0.00
	Cash - First American	(2,809,077.73)	(2,459,077.73)	(350,000.00)	0.00	0.00
	Cash - Harris Trust	100,776.33	100,776.33	0.00	0.00	0.00
	Total Cash in Banks	(1,690,470.12)	(2,893,036.56)	1,202,566.44	(14,478.65)	(817,942.61)
1350	Working Funds	64,541.06	64,793.80	(252.74)	57,775.16	52,355.00
1360	Temporary Cash Investments					
	Atmos - Total Cash and Temporary Cash Investments	0.00	0.00	0.00	0.00	3,000,000.00
	United Cities Gas - Total Cash and Temporary Cash Investments	(1,625,929.06)	(2,828,242.76)	1,202,313.70	43,296.51	2,234,412.39
	United Cities Gas - Total Cash and Temporary Cash Investments	0.00	0.00	0.00	(17,143.00)	487,507.00
<b>8</b>	<b>CASH AND TEMPORARY CASH INVESTMENTS</b>	<b>(1,625,929.06)</b>	<b>(2,828,242.76)</b>	<b>1,202,313.70</b>	<b>26,153.51</b>	<b>2,721,919.39</b>

ATMOS ENERGY CORPORATION  
BALANCE SHEET ACCOUNTS  
As of August 31, 1998

Line Acct No.	Description	Due Dates	Current Month	Prior Month	Current Change	Prior Year	September 30, 1997
<b>ACCOUNTS RECEIVABLE, LESS ALLOWANCE</b>							
<b>FOR DOUBTFUL ACCOUNTS</b>							
1410	Notes Receivable						
	(Main Extension Notes)						
	Tom King & Dr. Thomas Fields	09-26-97	2,680.00	2,680.00	0.00	2,680.00	2,680.00
	Bowers, Michael and Mellisa	03-09-99	1,785.00	1,785.00	0.00	1,785.00	1,785.00
	Hayes Estates	03-31-98	0.00	0.00	0.00	154.20	154.20
	Murphy and Rochester, Inc.	09-01-98	16,510.00	16,510.00	0.00	16,510.00	16,510.00
	Ida Road	09-23-99	230.00	230.00	0.00	230.00	230.00
	The Gardens Subdivision	05-11-02	1,060.00	1,060.00	0.00	1,060.00	1,060.00
	Dwight W. Andrus	10-28-02	0.00	0.00	0.00	4,480.00	4,480.00
	Regency Development	03-25-03	0.00	0.00	0.00	3,156.00	3,156.00
	Herbert Construction Co., Inc.	04-22-03	8,240.00	8,240.00	0.00	8,240.00	8,240.00
	Oak Park Inc.	07-26-03	0.00	0.00	0.00	1,630.00	1,630.00
	Charles Bourgeois	08-29-03	1,470.00	1,470.00	0.00	1,470.00	1,470.00
	Meyers, Tom	09-01-03	462.00	462.00	0.00	462.00	462.00
	Bailes, Julian	09-06-03	1,318.00	1,318.00	0.00	1,318.00	1,318.00
	Dupuis, Jason	10-05-03	3,439.00	3,439.00	0.00	3,439.00	3,439.00
	Chitimacha Tribe of LA	11-29-03	4,415.00	4,415.00	0.00	4,415.00	4,415.00
	Bell Meade Sub-Division	02-05-04	1,170.00	1,170.00	0.00	1,170.00	1,170.00
	River Ridge Estates	04-02-04	1,933.00	1,933.00	0.00	1,933.00	1,933.00
	Austin Village	04-25-04	0.00	0.00	0.00	11,360.00	11,360.00
	Vermillion Bluff	04-25-04	2,680.00	2,680.00	0.00	2,680.00	2,680.00
	Fernwood Sub. Phase 7	03-09-05	0.00	0.00	0.00	3,210.00	3,210.00
	Patin Place Subdivision	06-29-04	4,260.00	4,260.00	0.00	4,260.00	4,260.00
	Oak Place Subdivision	09-25-04	9,010.00	9,010.00	0.00	9,010.00	9,010.00
	Shenandoah Estates Ph VIII	11-07-04	7,970.00	7,970.00	0.00	7,970.00	7,970.00
	Chinquapin Acres Ext. #1	01-13-05	2,228.00	2,228.00	0.00	2,228.00	2,228.00
	Cambridge Drive Ext.	02-16-05	5,250.00	5,250.00	0.00	5,250.00	5,250.00
	Beaulieu Estates	03-09-05	9,557.00	9,557.00	0.00	9,557.00	9,557.00
	Sugar Ridge	03-17-05	6,750.00	6,750.00	0.00	6,750.00	6,750.00
	Silver Maple	03-30-05	5,909.00	5,909.00	0.00	5,909.00	5,909.00
	Ahern Acres	05-02-05	990.00	990.00	0.00	990.00	990.00
	Bayou Bend	06-13-05	0.00	0.00	0.00	1,620.00	1,620.00
	Ingrams Subdivision	07-18-05	8,715.00	8,715.00	0.00	8,715.00	8,715.00
	Magnolia Landing Ext.	07-26-05	15,041.00	15,041.00	0.00	15,041.00	15,041.00
	Hideaway Acres #2 Ext.	07-28-05	475.00	475.00	0.00	475.00	475.00
	Pin Oak Estates	09-08-05	5,681.00	5,681.00	0.00	5,681.00	5,681.00
	Austin Village III	10-02-05	0.00	0.00	0.00	8,970.00	8,970.00
	Fernwood Sub. Phase 4	07-11-06	0.00	0.00	0.00	4,675.00	4,675.00
	Broussard Park Est. Phase #5	11-28-05	8,695.00	8,695.00	0.00	8,695.00	8,695.00
	Summerfield Subdivision	01-15-06	7,500.00	7,500.00	0.00	7,500.00	7,500.00
	Bear Creek Subdivision	03-19-06	8,030.00	8,030.00	0.00	8,030.00	8,030.00
	Acadiana Plaza Subdivision	04-10-06	7,900.00	7,900.00	0.00	7,900.00	7,900.00
	Summerset Place	04-24-06	2,640.00	2,640.00	0.00	2,640.00	2,640.00
	Woodridge Subdivision Phase I	04-26-06	4,125.00	4,125.00	0.00	4,125.00	4,125.00

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05-06-06	Kings Pointe Development	0.00	0.00	0.00	5,325.00	5,325.00
05-06-06	Austin Village IV	0.00	0.00	0.00	8,930.00	8,930.00
05-06-06	New Center Commons	0.00	0.00	0.00	4,745.00	4,745.00
07-10-06	Beallieu Estates Subd. #1	5,970.00	5,970.00	0.00	5,970.00	5,970.00
07-10-06	Beallieu Estates Subd. #2	4,465.00	4,465.00	0.00	4,465.00	4,465.00
07-11-06	Enclave Development	1,810.00	1,810.00	0.00	1,810.00	1,810.00
07-18-06	Ozzone Road	3,520.00	3,520.00	0.00	3,520.00	3,520.00
07-31-06	Sugarland Estates Phase A	4,130.00	4,130.00	0.00	4,130.00	4,130.00
08-05-06	The Oaks Subdivision	8,900.00	8,900.00	0.00	8,900.00	8,900.00
10-14-06	Acadian Place Estates	1,907.00	1,907.00	0.00	1,907.00	1,907.00
10-14-06	St. Clair V Subdivision	10,044.00	10,044.00	0.00	10,044.00	10,044.00
10-14-06	Jean Clair Subdivision	8,453.00	8,453.00	0.00	8,453.00	8,453.00
10-23-06	Judice Estates	0.00	7,415.00	(7,415.00)	7,415.00	7,415.00
11-14-06	Twin Pines Mobile Home	12,950.00	12,950.00	0.00	12,950.00	12,950.00
01-28-07	Brunswick Place	3,235.00	3,235.00	0.00	3,235.00	3,235.00
02-24-07	Leitomphe Tract H	7,070.00	7,070.00	0.00	7,070.00	7,070.00
02-24-07	Leitomphe Tract J. PHI	3,300.00	3,300.00	0.00	3,300.00	3,300.00
04-14-07	Copperfield South	22,000.00	22,000.00	0.00	22,000.00	22,000.00
04-23-07	Woodlake Subdivision	3,295.00	3,295.00	0.00	3,295.00	3,295.00
05-01-07	Beallieu Place Subdivision - Phase 3	6,260.00	6,260.00	0.00	6,260.00	6,260.00
05-06-07	B.F. Miller Extension	7,730.00	7,730.00	0.00	4,350.00	4,350.00
06-09-07	Hackberry Place	10,420.00	10,420.00	0.00	10,420.00	10,420.00
06-11-07	E. Bayou Oaks	10,620.00	10,620.00	0.00	10,620.00	10,620.00
09-03-07	Amy Estates	8,490.00	8,490.00	0.00	0.00	0.00
09-22-08	Kingspointe	12,120.00	12,120.00	0.00	0.00	0.00
11-14-07	Summerfield Phase II	5,077.00	5,077.00	0.00	0.00	0.00
09-03-07	Austin Village Phase 6	11,545.00	11,545.00	0.00	0.00	0.00
12-19-07	Fernewood Sub. Ph XII	8,790.00	8,790.00	0.00	0.00	0.00
11-13-07	Sugar Ridge Subdivision	9,291.00	9,291.00	0.00	0.00	0.00
09-02-07	Eureka Oaks LLC	4,930.00	4,930.00	0.00	0.00	0.00
05-14-08	River Ranch	60,536.00	60,536.00	0.00	0.00	0.00
	Bradford Place	4,133.00	0.00	4,133.00	0.00	0.00
	Total Notes Receivable	429,109.00	432,391.00	(3,282.00)	366,487.20	366,487.20

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Line Acct No.	Description	Current Month	Prior Month	Current Change	Prior Year	September 30, 1997
1420	Customer Accounts Receivable					
1420 1,2	- Gas Ledger					
	General Office					
	Unbilled revenue - Energas	1,329,000.00	497,000.00	832,000.00	1,266,000.00	2,261,000.00
	Unbilled revenue - GGC	744,035.21	924,035.21	(180,000.00)	1,163,000.00	1,409,000.00
	Unbilled revenue - Trans La	696,000.00	751,000.00	(55,000.00)	896,000.00	889,000.00
	Unbilled revenue - WKG	889,000.00	734,000.00	155,000.00	1,681,000.00	2,373,000.00
	Unbilled revenue - UCG	(4,685,640.48)	(4,686,881.51)	1,241.03	0.00	0.00
	PGA - Correcting Account - Energas	(3,599,048.00)	(4,011,547.00)	412,499.00	1,289,000.00	623,000.00
	PGA - Correcting Account - GGC	(136,839.31)	(3,381,723.55)	3,244,884.24	7,790,447.00	8,709,594.00
	PGA - Correcting Account - Trans La	396,000.00	575,000.00	(179,000.00)	137,000.00	225,000.00
	PGA - Correcting Account - WKG	(7,386,088.00)	(8,241,380.00)	855,292.00	4,335,000.00	5,010,000.00
	PGA - Correcting Account - UCG	14,619,919.01	(3,158,564.45)	17,778,483.46	0.00	0.00
	Handbilled Industrial Accounts - Energas	288,743.20	264,360.05	24,383.15	143,445.42	137,781.35
	Handbilled Industrial Accounts - Trans La	88,598.76	133,685.24	(45,086.48)	125,971.21	90,031.55
	Handbilled Industrial Accounts - WKG	1,643,767.80	646,979.32	996,788.48	2,511,707.62	2,286,869.50
	Energas Div - Amarillo System (City and Rural)	584,579.06	363,131.01	221,448.05	885,111.91	746,816.67
	Dalhart City Plant System (City and Rural)	164,665.16	144,780.80	19,884.36	162,227.90	51,269.30
	Fritch & Sanford System	15,810.74	20,796.04	(4,985.30)	14,148.77	11,311.17
	West Texas City Plant System (City and Rural)	27,242,808.83	27,313,489.62	(70,680.79)	20,591,861.83	12,102,455.58
	Greeley Gas Company Division	8,613,872.78	12,394,773.47	(3,780,900.69)	2,903,112.41	2,257,484.51
	Trans La Division	1,708,138.17	1,715,975.68	(7,837.51)	1,446,027.23	1,302,481.08
	Western Kentucky Gas Division	3,335,528.76	4,664,102.05	(1,328,573.29)	1,326,263.07	516,088.24
	United Cities Gas Division	11,411,736.47	11,796,184.67	(384,448.20)	0.00	0.00
	Total Gas Ledger Receivables	57,964,588.16	39,459,196.65	18,505,391.51	48,667,324.37	41,002,182.95
1420 3	- Merchandise Ledger	2,026,461.17	2,078,037.21	(51,576.04)	2,233,893.71	2,172,379.34
1420 4	- Service Ledger	1,943,302.05	1,586,308.13	356,993.92	305,094.67	270,955.33
1420 6	- Customer Surcharge - GGC	8,961.03	8,961.03	0.00	11,125.85	11,088.80
	Total Customer Accounts Receivable	61,943,312.41	43,132,503.02	18,810,809.39	51,217,438.60	43,456,586.42
1430	Other Accounts Receivable					
1430 1	- Miscellaneous					
	Eddins - Walcher Rent	0.00	(3,975.00)	3,975.00	0.00	0.00
	Clyde Plant Extraction - Koch	15,389.64	15,389.64	0.00	5,719.78	(1,488.09)
	Cortez Outage	20,640.46	20,640.46	0.00	0.00	0.00
	Eureka Outage	3,528.09	3,528.09	0.00	0.00	0.00
	Virdeen IL Damage	20,226.86	20,224.09	2.77	0.00	0.00
	AT&T Charges Woodward Marketing	1,809.63	817.72	991.91	0.00	0.00
	UCG - Pleasanton, KS	0.00	4,084.69	(4,084.69)	0.00	0.00
	Forsan Outage	0.00	(513.95)	513.95	0.00	0.00
	KN - Tahoka Outage	0.00	14.60	(14.60)	473.32	0.00
	GGC Auto Salvage A/R	0.00	(6,127.01)	6,127.01	45,039.37	0.00
	Greeley Outage	0.00	(6,144.35)	6,144.35	0.00	0.00

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	Breaux Bridge Outage	0.00	4,077.14	(4,077.14)	0.00	0.00
	KN - Plainview Linecut	0.00	48.70	(48.70)	484.18	528.22
	KN - Big Spring OVR/C/DOR	0.00	1,227.04	(1,227.04)	0.00	0.00
	Monroe Outage	0.00	330.74	(330.74)	6,988.32	5,033.34
	Platteville Outage	41,903.25	41,903.25	0.00	41,903.25	41,903.25
	Thibodaux Outage	0.00	0.00	0.00	9,053.95	0.00
	Westar - Post Outage	0.00	0.00	0.00	1,178.31	0.00
	Winnfield Outage	0.00	(169.19)	169.19	5,865.36	5,865.36
	CNG - Amarillo	(206.57)	(206.57)	0.00	67.34	(173.32)
	CNG - Canyon	(1,379.79)	(1,379.79)	0.00	440.93	510.08
	KN - Brownfield Line Cut	0.00	0.00	0.00	14,180.68	0.00
	Meter Salvage Receivable	2,775.00	2,775.00	(2,775.00)	11,304.70	8,056.10
	Midwestern/Equitable Cash	13,350.99	13,350.99	(10,575.99)	12,926.26	12,926.26
	Miscellaneous	703,277.84	703,277.84	(689,926.85)	56,937.54	2,307.54
	Other Misc UCG A/R	341,654.00	554,576.21	(212,922.21)	0.00	0.00
	Odessa-KN Odorization	4,741.09	4,643.13	97.96	0.00	0.00
	<b>Total Miscellaneous Receivable</b>	<b>1,431,960.87</b>	<b>1,372,393.47</b>	<b>59,567.40</b>	<b>212,563.29</b>	<b>75,468.74</b>
1430 2 0541	Employee Advances(Incl. Expense & Bridge Loans)	141,970.53	118,874.34	23,096.19	120,128.26	81,131.23
1430 2 06XX	Merchandise Employees' Payroll Deductions	144,132.57	143,879.58	252.99	146,061.50	139,500.82
1431 2 0601	Employee Rent	48.16	28.92	19.24	0.00	0.00
1431 2 0601	Other Employee A/R	7,143.02	7,239.57	(96.55)	0.00	0.00
1430 7	Trans La Miscellaneous	90.00	90.00	0.00	90.00	90.00
	Acadia Parish Police Jury	43,767.11	13,450.22	30,316.89	10,873.16	8,440.79
	LJG	0.00	0.00	0.00	428,071.99	428,071.99
	Miscellaneous	0.00	0.00	0.00	0.00	0.00
	<b>Total Trans La Miscellaneous Receivables</b>	<b>43,857.11</b>	<b>13,540.22</b>	<b>30,316.89</b>	<b>439,035.15</b>	<b>436,602.78</b>
1430 9 0500	WKG PAC	1,429.71	1,366.42	63.29	434.31	575.98
1430 9 07XX	Westar - Chart Reading & Misc.	586.34	819.50	(233.16)	4,120.43	3,838.09
	<b>Total Other Accounts Receivable</b>	<b>1,771,128.31</b>	<b>1,658,142.02</b>	<b>112,986.29</b>	<b>922,342.94</b>	<b>737,117.64</b>
1440	Allowance for Doubtful Accounts	(2,504,045.65)	(2,314,405.29)	(189,640.36)	(1,633,729.31)	(966,451.32)
	Atmos - Total Receivable, Less Allowance	61,639,504.07	42,908,630.75	18,730,873.32	50,872,539.43	43,593,739.94
	United Cities Gas - Total Receivable, Less Allowance				25,297,957.00	24,162,577.00
9	<b>Total Accounts Receivable, Less Allowance for Doubtful Accounts</b>	<b>61,639,504.07</b>	<b>42,908,630.75</b>	<b>18,730,873.32</b>	<b>76,170,496.43</b>	<b>67,756,316.94</b>

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Line No.	Acct. No.	Description	Current Month	Prior Month	Current Change	Prior Year	September 30, 1997
<b>INVENTORIES</b>							
10		1540 Plant Materials and Supplies	8,131,721.76	8,161,379.35	(29,657.59)	5,392,333.07	5,148,721.93
		1550 Merchandise	222,047.40	225,446.51	(3,399.11)	165,628.91	160,233.09
		1510 Propane Fuel Stock	456,837.45	456,837.45	0.00	0.00	0.00
		1630 Stores Expense Undistributed	4,167,345.01	4,256,015.63	(88,670.62)	1,899,630.37	1,785,741.60
		Atmos - Total Inventories	12,977,951.62	13,099,678.94	(121,727.32)	7,457,592.35	7,094,696.62
		United Cities Gas - Total Inventories	0.00		0.00	5,494,767.00	4,115,542.00
		Total Inventories	12,977,951.62	13,099,678.94	(121,727.32)	12,952,359.35	11,210,238.62
<b>GAS STORED UNDERGROUND</b>							
11		1640 Total Gas Stored Underground, current	36,844,484.58	31,085,612.03	5,758,872.55	37,051,173.44	41,589,456.36
		Total Gas Stored Underground, current	36,844,484.58	31,085,612.03	5,758,872.55	37,051,173.44	41,589,456.36
<b>OTHER CURRENT ASSETS</b>							
		1340 Other Special Deposits					
		Guaranty Deposits	16,877.74	17,744.24	(866.50)	16,887.74	16,887.74
		UCG Escrow 1st Mortgage Bonds	1,650,000.00	1,650,000.00	0.00	0.00	0.00
		Total Other Special Deposits	1,666,877.74	1,667,744.24	(866.50)	16,887.74	16,887.74
		1740 Miscellaneous Current and Accrued Assets	0.00	21,170.13	(21,170.13)	0.00	0.00
		1660 Prepayments					
		Prepaid Gas:					
		Alliance Prepaid Gas	82,643.27	82,643.27	0.00	2,911,996.82	1,172,398.13
		Tenn Alliance Prepaid Gas	192,804.34	192,804.34	0.00	308,628.49	16,816.84
		Cambridge Energy Research (Amort \$2,500/mo thru 01/98)	0.00	0.00	0.00	7,500.00	5,000.00
		Softwares Maintenance:					
		SCT Billing Software (Escalating amort to capital 02/97 thru 12/99)	479,976.09	479,976.09	0.00	452,913.59	750,601.09
		Oracle Database Maint (Escalating amort to IS clearing 02/97 thru 01/00)	133,743.44	133,743.44	0.00	197,940.96	192,591.16



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	Dues - AGA	0.00	(21,762.42)	21,762.42	14,692.43	0.00
	Dues - SGA	5,333.84	6,667.10	(1,333.26)	5,333.28	3,999.94
	Franchise Tax - City	0.00	0.00	0.00	1,536.93	1,366.16
	Franchise Tax - Louisiana	(44,000.00)	(32,000.00)	(12,000.00)	25,669.00	0.00
	Gas - Excess Nominations	180,615.45	180,739.78	(124.33)	181,950.84	181,898.76
	Gross Receipts Tax	862,371.56	1,114,484.93	(252,113.37)	57,235.54	0.00
	Institute of Gas Technology (Amort \$2,108/mo thru 12/97)	4,216.00	(2,106.00)	6,322.00	8,432.00	6,324.00
	Insurance - Prop., Gen. Liab., Auto, etc.	1,289,156.81	1,405,815.98	(116,659.17)	634,336.58	358,470.88
	Insurance - Retirement Cost	355,545.30	424,237.43	(68,692.13)	356,531.93	559,450.12
	CPSC Assessment (Quarterly)	22,414.86	25,722.91	(3,308.05)	17,745.53	12,797.16
	SC PUC Assessment	14,011.97	14,011.97	0.00	0.00	0.00
	KS PUC Assessment	9,496.52	9,496.52	0.00	0.00	0.00
	KPSC Assessment (Amort \$10,775/mo thru 6/99)	107,752.50	118,527.75	(10,775.25)	0.00	0.00
	Occupational License	20,983.00	26,283.00	(5,300.00)	23,308.00	17,508.00
	Postage	93,620.58	(16,891.11)	110,511.69	67,671.24	96,346.64
	Prepaid Debt. Exp.-Nations (Amort \$5,000/mo thru 8/98)	64,166.67	4,999.97	59,166.70	59,999.97	54,999.97
	Rent - Gilliland Group (Oper Co)	284,592.01	284,592.01	0.00	284,592.01	284,592.01
	<b>Total Prepayments</b>	<b>4,159,444.21</b>	<b>4,431,986.96</b>	<b>(272,542.75)</b>	<b>5,618,015.14</b>	<b>3,715,160.86</b>
	<b>Atmos - Total Other Current Assets</b>	<b>5,826,321.95</b>	<b>6,099,731.20</b>	<b>(273,409.25)</b>	<b>5,634,902.88</b>	<b>3,732,048.60</b>
12	<b>United Cities Gas - Total Other Current Assets</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1,677,773.00</b>	<b>1,807,255.00</b>
	<b>Total Other Current Assets</b>	<b>5,826,321.95</b>	<b>6,120,901.33</b>	<b>(294,579.38)</b>	<b>7,312,675.88</b>	<b>5,539,303.60</b>
	<b>INTERCOMPANY ACCOUNTS - NET</b>					
	1460 Accounts Receivable from Assoc. Co.					
	Atmos Energy Services, Inc.	(500,437.02)	(500,437.02)	0.00	5,609.98	5,609.98
	Egasco, Inc.	(3,953,944.47)	(2,872,889.14)	(1,081,055.33)	452,485.53	808,349.49
	Encrsmart, Inc.	25,441,749.41	25,057,340.50	384,408.91	20,839,424.31	21,120,195.01
	Encrsmart Trust	(46,151,583.78)	(35,869,225.26)	(10,282,358.52)	(27,310,785.48)	(23,708,148.28)
	Trans La Industrial Gas Company, Inc.	(1,660,297.79)	(2,692,540.68)	1,032,242.89	(2,519,074.69)	(2,738,776.04)
	United Cities Gas Company	(41,516.29)	(46,647.04)	5,130.75	41,388,831.69	66,906,326.59
	Western Kentucky Gas Resources	(973,950.98)	(973,956.36)	5.38	(968,832.11)	(967,305.90)
	UCG Rental	(1,029,987.21)	2,555,448.21	(3,585,435.42)	0.00	0.00
	UCG Utility Services	(329,505.53)	(333,159.84)	3,654.31	0.00	0.00
	UCG Storage	1,969,414.55	1,920,627.71	48,786.84	0.00	0.00
	UCG Leasing	(298,962.93)	(254,670.23)	(44,292.70)	0.00	0.00
	UCG Propane	6,617,482.72	6,103,665.60	513,817.12	0.00	0.00
	Atmos - Total Intercompany Accounts	(20,911,539.32)	(7,906,443.55)	(13,005,095.77)	31,887,659.23	61,426,250.85
13	<b>United Cities Gas - Total Intercompany Accounts</b>	<b>0.00</b>	<b>(7,906,443.55)</b>	<b>0.00</b>	<b>(34,380,985.69)</b>	<b>(58,606,626.59)</b>
	<b>Total Intercompany Accounts - Net</b>	<b>(20,911,539.32)</b>	<b>(7,906,443.55)</b>	<b>(13,005,095.77)</b>	<b>(2,493,326.46)</b>	<b>2,819,624.26</b>
14	<b>Total Current Assets</b>	<b>94,750,793.84</b>	<b>82,480,136.74</b>	<b>12,270,657.10</b>	<b>131,019,532.15</b>	<b>131,636,859.17</b>

**ATMOS ENERGY CORPORATION**  
**BALANCE SHEET ACCOUNTS**  
As of August 31, 1998

Line No.	Acct No.	Description	Current Month	Prior Month	Current Change	Prior Year	September 30, 1997
<b>DEFERRED CHARGES AND OTHER ASSETS</b>							
1280		Gilliland Lease Deposits	733,624.05	733,624.05	0.00	737,624.05	737,624.05
1240		Other Investments					
		Club Memberships	8,301.00	8,301.00	0.00	8,301.00	8,301.00
		Herrington Industrial Development	250.00	250.00	0.00	250.00	250.00
		Windom Industrial Development	750.00	750.00	0.00	750.00	750.00
		Worthington Industries Inc	100.00	100.00	0.00	100.00	100.00
		<b>Total Other Investments</b>	<b>9,401.00</b>	<b>9,401.00</b>	<b>0.00</b>	<b>9,401.00</b>	<b>9,401.00</b>
1810		Unamortized Debt Expense					
		John Hancock Notes (11.2% through 12/30/02)	35,637.80	36,323.14	(685.34)	43,861.88	43,176.54
		John Hancock Notes (9.76% through 12/30/04)	79,263.82	80,502.32	(1,238.50)	94,125.82	92,887.32
		Var. Annuity Life Ins. (9.57% through 9/30/06)	64,920.61	65,596.86	(676.25)	73,035.61	72,359.36
		Var. Annuity Life Ins. (7.95% through 9/01/06)	32,047.26	32,381.09	(333.83)	36,053.22	35,719.39
		Var. Annuity Life Ins. (8.07% through 10/01/06)	82,121.52	82,959.49	(837.97)	92,177.16	91,339.19
		New York Life Ins. (8.26% through 10/01/14)	96,993.62	97,493.59	(499.97)	102,993.26	102,493.29
		First Mortgage Bonds (9.4% through 2021)	515,429.18	517,310.31	(1,881.13)	538,002.74	536,121.61
		Medium Term Debt Series A - 1	213,480.91	214,130.09	(649.18)	0.00	0.00
		Series A - 2	191,529.21	192,815.96	(1,286.75)	0.00	0.00
		Series A - 3	21,743.70	22,497.55	(753.85)	0.00	0.00
		Long Term Debt Series N	55,175.94	56,489.67	(1,313.73)	0.00	0.00
		Series P	235,315.08	236,333.76	(1,018.68)	0.00	0.00
		Series Q	259,917.40	260,903.87	(986.47)	0.00	0.00
		Series R	347,578.20	352,765.93	(5,187.73)	0.00	0.00
		Series T	116,998.96	117,427.53	(428.57)	0.00	0.00
		Series U	349,814.60	351,046.34	(1,231.74)	0.00	0.00
		Series V	137,093.91	138,325.54	(1,231.63)	0.00	0.00
		TNVA - AQ	118,103.93	120,451.21	(2,347.28)	0.00	0.00
		Debentures 6.75%	2,739,286.65	0.00	2,739,286.65	0.00	0.00
		<b>Total Unamortized Debt Expense</b>	<b>5,692,452.30</b>	<b>2,975,754.25</b>	<b>2,716,698.05</b>	<b>980,249.69</b>	<b>974,096.70</b>
1840		Clearing Accounts					
		Ditchers & Backhoes	409.91	370.13	39.78	(37.22)	(37.22)
		Information Services	(78.61)	10,641.05	(10,719.66)	0.00	0.00
		Meter Shop	0.00	30,713.50	(30,713.50)	0.00	0.00
		Meter Loops	751.19	751.19	0.00	58,815.50	1,738.76
		Payroll/Taxes	22,677.42	22,677.42	0.00	0.00	(25,448.08)
		Vehicle System	237,162.95	(22,330.43)	259,493.38	(74,798.64)	(7.86)
		Welders	1,838.95	1,636.90	202.05	45.08	45.08
		Fleet Administration	26,448.41	17,562.42	8,885.99	0.00	0.00
		<b>Total Clearing Accounts</b>	<b>289,210.22</b>	<b>62,022.18</b>	<b>227,188.04</b>	<b>(15,975.28)</b>	<b>(23,709.32)</b>

**ATMOS ENERGY CORPORATION**  
**BALANCE SHEET ACCOUNTS**  
 As of August 31, 1998

Line Acct. No.	Description	Current Month	Prior Month	Current Change	Prior Year	September 30, 1997
1860	Miscellaneous Deferred Debits	18,587.52	(22,194.58)	40,782.10	2,027,272.77	218,605.61
	Advanced Payments to Employees	10,169.57		0.00	0.00	0.00
	Kentucky PBR	62,200.00	76,950.00	(14,750.00)	63,876.00	47,907.00
	Car Allowance (Amort calendar year)					
	Company Facilities:					
	Monroe Office	25,188.96	25,188.96	0.00	25,188.96	25,188.96
	Natchitoches Service Center (Reimbursable Upon Completion)	(6,951.48)	(6,951.48)	0.00	4,635.73	(7,435.32)
	Paducah Remodeling (Reimbursable Upon Completion)	97,503.81	97,503.81	0.00	97,503.81	97,503.81
	Thibodaux Office	40,548.42	40,548.42	0.00	38,357.48	38,357.48
	Odessa Service Center Remodel	14,732.44	14,732.44	0.00	0.00	0.00
	Consulting	13,333.33	26,666.66	(13,333.33)	20,000.00	80,000.00
	Danville Incident - KY	17,919.77	17,333.79	585.98	17,333.79	17,333.79
	Deferred Take or Pay - GGC	419,252.14	402,417.11	16,835.03	340,936.19	322,550.59
	Drilling Permits	0.00	0.00	0.00	0.00	1,000.00
	Department Projects:					
	Texas Gas Rate Case	5,267.07	5,267.07	0.00	0.00	722.36
	Add O&M Standards to ALMS	0.00	64,729.49	(64,729.49)	64,729.49	64,729.49
	Functional Standard Costing	0.00	0.00	0.00	24,101.43	24,101.43
	Gas Contract Management System	29,293.79	29,293.79	0.00	24,809.90	27,209.90
	Internet Requirements Project	0.00	0.00	0.00	0.00	0.00
	Remote Paycenter Project	0.00	0.00	0.00	25,785.59	25,785.59
	Quality Review - CIS Project	0.00	13,533.00	(13,533.00)	245,383.88	245,383.88
	CIS Infrastructure	0.00	0.00	0.00	42,672.94	0.00
	GGC ACH Cash Clearing	(27,426.98)	(27,426.98)	0.00	322.93	(784.36)
	GGC Cash Reconciliation	(691,783.21)	(691,783.21)	0.00	1,275.30	154.13
	Lincoln Center Rent	362,165.10	593,070.62	(230,905.52)	160,239.70	171,776.49
	Misc. Charges to be Cleared Currently	678,366.84	931,558.47	(253,191.63)	225,241.31	74,834.22
	Other Work in Progress	156,934.14	117,433.58	39,500.56	102,306.21	102,306.21
	Pension Assets - Atmos	(81,685.80)	(243,462.80)	161,777.00	(1,398,326.03)	(1,409,859.03)
	Pension Assets - WKG	12,069,922.71	11,954,415.71	115,507.00	11,297,520.94	11,294,519.94
	Pension Assets - GGC	(463,296.75)	(472,914.50)	9,617.75	(431,336.00)	(450,970.00)
	Pension Assets - UCG	1,380,518.00	1,380,518.00	0.00	0.00	0.00
	Rate Cases:					
	Rate Case Exp - CO - Phase II (Amort \$1,225/mo. thru 12/98)	4,899.80	6,124.75	(1,224.95)	19,599.20	18,374.25
	Rate Case 95-010 - WKG (Amort \$6,828.50/mo. 11/95 thru 10/98)	13,656.87	20,485.37	(6,828.50)	95,598.87	88,770.37
	Rate Case - West Texas (Amort \$1,534.58/mo. thru 11/99)	21,483.98	23,018.56	(1,534.58)	48,926.13	38,364.36
	UCG Rate Cases:					
	IL Rate Case 1996 (Amort \$859.40/mo. Thru 8/02)	39,532.31	40,391.71	(859.40)	0.00	0.00
	KN Rate Case 1992 (Amort \$4,961.16/mo. Thru 9/98)	4,961.00	9,922.16	(4,961.16)	0.00	0.00
	TN Rate Case 1995 (Amort \$5,236.99/mo. Thru 11/98)	15,710.93	20,947.92	(5,236.99)	0.00	0.00
	IA Rate Case 1995 (Amort \$1,018.96/mo. Thru 5/01)	33,625.78	34,644.74	(1,018.96)	0.00	0.00
	VA Rate Case 1995 (Amort \$4,156.37/mo. Thru 9/98)	4,156.37	8,312.74	(4,156.37)	0.00	0.00
	GA Rate Case 1996 (Amort \$1,418.01/mo. Thru 12/00)	39,704.28	41,122.29	(1,418.01)	0.00	0.00
	MO Rate Case 1995 (Amort \$2,876.94/mo. Thru 10/98)	5,754.04	8,630.98	(2,876.94)	0.00	0.00
	KN Rate Case 1995 (Amort \$8,219.80/mo. Thru 9/98)	8,219.71	16,439.51	(8,219.80)	0.00	0.00
	South Carolina Rate Case	1,114.46	1,114.46	0.00	0.00	0.00

**ATMOS ENERGY CORPORATION**  
**BALANCE SHEET ACCOUNTS**  
As of August 31, 1998

Line Acct No.	Description	Current Month	Prior Month	Current Change	Prior Year	September 30, 1997
	Restricted Stock Grant Plan	4,882,771.80	4,905,870.75	(23,098.95)	1,286,572.73	3,117,164.34
	Retirement Cost (Rabbi Trusts and CVI)	22,238,645.25	22,397,509.91	(158,864.66)	152,615.51	21,209,828.66
	Trans La Lawsuit & COG Investigation (Amort \$27,000/mo 3/94 thru 2001)	962,572.73	989,572.73	(27,000.00)	6,491,462.61	1,259,572.73
	Trans La Post Settlement	182,773.59	182,217.07	556.52	0.00	153,746.06
	Acquisition Costs - Atmos	8,795,139.90	8,794,910.18	229.72	258,138.10	6,677,252.48
	Acquisition Costs - United Cities	14,468,500.32	14,468,500.32	0.00	0.00	30,869,229.87
	Conflict Costs	258,138.10	258,138.10	0.00	1,517,578.74	258,138.10
	Leadership Conference	429,581.68	421,364.58	8,217.10	0.00	0.00
	Atmos/UCG Integration (1)	36,799,427.16	36,496,158.24	303,268.92	0.00	11,270,693.98
	Separation/Integration Costs	0.00	0.00	0.00	0.00	0.00
	Business Unit Review Meetings	6,025.95	6,025.95	0.00	0.00	0.00
	Sena - Delancy Retreat	19,501.82	19,501.82	0.00	0.00	0.00
	Regulatory Summit	1,931.82	1,931.82	0.00	0.00	0.00
	Five Year Plan Meetings	403,104.68	274,744.85	128,359.83	0.00	0.00
	Marketing Initiative	938,700.10	882,385.92	56,314.18	0.00	0.00
	Shared Services Meetings	478,289.80	245,535.40	232,754.40	0.00	0.00
	H R Study - Towers Perrin	741,188.98	667,944.25	73,244.73	0.00	0.00
	Diversity Council	20,901.02	19,955.98	945.04	0.00	0.00
	Debt Offering - 1998	0.00	79,077.15	(79,077.15)	0.00	0.00
	General Reserve - Accrual	(19,759,403.00)	(19,759,403.00)	0.00	0.00	(20,334,000.00)
	1998 Depreciation Study	21,605.00	17,420.00	4,185.00	0.00	0.00
	Payroll Redesign	48,322.86	31,662.86	16,660.00	0.00	0.00
	Project 2000	44,121.45	44,121.45	0.00	0.00	0.00
	Oracle Financial Project	409,477.10	27,970.69	381,506.41	0.00	0.00
	Real Estate Dispositions	21,328.52	21,328.52	0.00	0.00	0.00
	Deferred Gas Cost	281,745.90	16,509,494.46	(16,227,748.56)	0.00	0.00
	UCG-Environmental	3,986,189.61	4,148,796.30	(162,606.69)	0.00	4,186,362.25
	UCG-Leak Survey	27,164.12	27,164.12	0.00	0.00	0.00
	UCG-Non Compete Agreement	1,245,576.23	1,522,763.83	(277,187.60)	0.00	0.00
	Energy Efficiency Program - IA	26,391.06	26,247.04	144.02	0.00	0.00
	Income Tax Recoverable in Future Years	0.00	3,250,723.25	(3,250,723.25)	0.00	0.00
	UCG KS Transition Cost	(329,466.61)	(311,380.37)	(18,086.24)	0.00	0.00
	UCG KS Capacity Rel Rev	16,410.19	14,694.97	1,715.22	0.00	0.00
	UCG-Conservation Program	133,239.45	133,239.45	0.00	0.00	0.00
	UCG-Conservation Program IA ( Amortize \$13,698.9/mo)	129,430.41	197,924.91	(68,494.50)	0.00	0.00
	United Cities Gas Deferred Debits			0.00	49,402,213.93	10,780,245.38
	Total Miscellaneous Deferred Debits	92,252,905.91	111,581,865.63	(19,328,959.72)	72,292,538.14	80,604,665.00
15	Total Deferred Charges and Other Assets	98,977,593.48	115,362,667.11	(16,385,073.63)	74,003,837.60	82,302,077.43
16	TOTAL ASSETS	\$1,042,840,876.43	\$1,042,915,527.08	(74,650.65)	982,133,440.14	1,011,626,092.39

**ATMOS ENERGY CORPORATION**  
**BALANCE SHEET ACCOUNTS**  
As of August 31, 1998

Line No.	Acct. No.	Description	Current Month	Prior Month	Current Change	Prior Year	September 30, 1997
5		Atmos - Total Shareholders' Equity United Cities - Total Shareholders' Equity	333,343,768.99	345,407,198.32	(12,063,429.33)	180,111,186.21	166,536,416.24
		<b>SHAREHOLDERS' EQUITY</b>	<u>333,343,768.99</u>	<u>345,407,198.32</u>	<u>(12,063,429.33)</u>	<u>317,068,956.21</u>	<u>302,292,130.73</u>
6		Long Term Bond Debt United Cities Gas - Total Long Term Debt	437,163,308.00	435,523,308.00	1,640,000.00	165,303,308.00	162,303,308.00
		<b>LONG-TERM DEBT</b>	<u>437,163,308.00</u>	<u>435,523,308.00</u>	<u>1,640,000.00</u>	<u>135,000,000.00</u>	<u>135,000,000.00</u>
7		<b>TOTAL CAPITALIZATION</b>	<u>770,507,076.99</u>	<u>780,930,506.32</u>	<u>(10,423,429.33)</u>	<u>617,372,264.21</u>	<u>599,595,438.73</u>
		<b>NOTES PAYABLE</b>					
		Amarillo National Bank Master Note/Other	12,000,000.00	(10,000,000.00)	22,000,000.00	12,000,000.00	12,000,000.00
		1st National Bank of Commerce	0.00	0.00	0.00	10,000,000.00	0.00
		Fuji Bank	0.00	0.00	0.00	15,000,000.00	0.00
		Mitsubishi Bank - Houston	0.00	0.00	0.00	34,200,000.00	0.00
		NationsBank	0.00	19,900,000.00	(19,900,000.00)	0.00	140,600,000.00
		PNC Bank of Pittsburgh	0.00	10,000,000.00	(10,000,000.00)	10,000,000.00	7,800,000.00
		Societe Generale	22,300,000.00	10,200,000.00	12,100,000.00	35,000,000.00	0.00
		Atmos - Total Notes Payable	<u>34,300,000.00</u>	<u>30,100,000.00</u>	<u>4,200,000.00</u>	<u>116,200,000.00</u>	<u>160,400,000.00</u>
8		United Cities Gas - Total Notes Payable	0.00	0.00	0.00	15,576,000.00	0.00
		<b>Total Notes Payable</b>	<u>34,300,000.00</u>	<u>30,100,000.00</u>	<u>4,200,000.00</u>	<u>131,776,000.00</u>	<u>160,400,000.00</u>
		<b>ACCOUNTS PAYABLE</b>					
		2320 Accounts Payable	41,167.51	23,000.51	18,167.00	174,656.21	179,431.90
		Accrued Annual Report Costs	147,200.00	165,200.00	(18,000.00)	(12,100.00)	9,900.00
		Accrued Audit Fees	113,334.01	96,667.01	16,667.00	94,820.85	111,487.85
		Accrued Employee Awards	2,036,003.65	1,717,198.31	318,805.34	75,860.46	30,654.03
		Accrued Payroll Labor Distribution	527,955.87	527,955.87	0.00	527,955.87	527,955.87
		Accrued Vacation	15,557,855.09	13,926,301.05	1,631,554.04	0.00	0.00
		Estimated Gas Cost	0.00	0.00	0.00	(303,602.79)	0.00
		Customer Service Enhancement	159,736.76	2,554,318.84	(2,394,582.08)	301,736.00	334,402.02
		Def Cr Cleared Currently					
		DSM Program					
		DSM Program - KY	276,147.29	242,813.96	33,333.33	250,000.00	250,000.00
		DSM Program - KY Payments	(211,237.10)	(198,536.79)	(12,700.31)	(202,892.94)	(217,687.77)
		Propane Payroll/Benefits	714,417.59	580,322.12	134,095.47	0.00	0.00
		Employees' AD & D Insurance	(16,052.47)	(15,486.55)	(565.92)	5,872.75	(123.00)
		Employees' College Donation Deductions	162.05	149.15	12.90	14.00	28.00
		Employees' Dependent Life Ins.	1,398.62	1,530.62	(132.00)	1,991.00	(21.00)
		Employees' Egaspac	27.50	27.50	0.00	27.50	55.00
		Employees' WKG Pac	1.84	1.84	0.00	0.00	377.25
		Employees' Trans La PAC	9.69	9.69	0.00	0.00	0.00
		Employees' Credit Union	229.38	229.38	0.00	0.00	64,398.70
		Employees' Long-Term Disability Insurance	42,242.22	8,973.22	33,269.00	702.85	(27,513.07)

ATMOS ENERGY CORPORATION  
BALANCE SHEET ACCOUNTS  
As of August 31, 1998

Line No.	Acct. No.	Description	Current Month	Prior Month	Current Change	Prior Year	September 30, 1997
		Employees' Medical/Dental Insurance					
		Medical/Dental Liability	4,166,487.40	4,232,262.33	(65,774.93)	1,202,376.06	1,428,983.46
		Medical/Dental Premiums/Claims Clearing	(1,371,857.47)	(1,557,989.78)	186,132.31	484,549.51	289,638.31
		Employees' Supplemental Life Insurance	(51,728.20)	(49,809.93)	(1,918.27)	18,151.43	(2,184.92)
		Employees' United Way	(5,566.20)	(6,521.67)	955.47	1,767.70	1,725.18
		Employees' Universal Life Ins.	(2,110.63)	(1,810.03)	(300.60)	(57.30)	(104.25)
		Employees' U.S. Savings Bonds Deductions	6,028.33	6,231.38	(203.05)	6,776.81	6,410.06
		Employer's Annuity Expense	110,285.71	110,285.71	0.00	(0.74)	87,652.07
		Employer's ESOP Contributions	2,980.57	11,921.92	(8,941.35)	8,444.16	13,957.66
		Employer's ESOP Other Expense	(219,101.28)	(219,101.28)	0.00	0.00	138,345.58
		Employees' ESOP Withholding	2,931.67	(7,940.45)	10,872.12	30,121.65	47.87
		Employees' Group Life Ins.	(291,257.85)	(11,655.05)	(279,602.80)	0.00	0.00
		Employees' 401K Withholding	1,050.13	(2.92)	1,053.05	0.00	0.00
		KN Master Mtr Transfer	200,000.00	200,000.00	0.00	300,000.00	300,000.00
		Mailed Refunds	(219,881.01)	(104,178.62)	(115,702.39)	9,960.30	3,600.00
		Miscellaneous Employee Insurance Accruals - GGC	(164.99)	(72.25)	(92.74)	159.78	(1,200.28)
		Miscellaneous Contingent Liabilities	0.00	0.00	0.00	0.00	509,331.40
		Net Payroll Payable	(270,967.91)	(173,543.60)	(97,424.31)	215,379.95	2,129,272.93
		Purchase Order Clearing	465,439.59	317,193.71	148,245.88	318,409.33	234,018.06
		Contract Retainage	155,879.17	241,230.16	(85,350.99)	18,180.11	12,266.53
		Unclaimed Property	377,811.61	(17,977.83)	(395,789.44)	101,623.36	108,890.30
		UCG Gas Payables	8,851.76	(13,163.41)	22,015.17	0.00	0.00
		Vouchers Payable	2,327,110.43	1,935,737.92	391,372.51	1,228,964.49	6,859,380.12
		Total Accrued Payables	24,782,820.33	24,935,539.31	(152,718.98)	4,859,848.36	13,383,375.86
		Gas Purchased - Accounts Payable					
		Acadiana Natural Gas, Co.	0.00	0.00	0.00	55,393.05	0.00
		AMOCO	(84,959.99)	(173,313.60)	88,353.61	398,711.79	58,363.45
		ANR Pipeline Company	472,870.01	1,311,876.45	(839,006.44)	0.00	135,000.00
		KN Marketing	(289,336.18)	329,876.15	(619,212.33)	1,929,427.80	1,207,958.30
		Panenergy Trading/Market	(307,754.07)	14,487.50	(322,241.57)	293,787.90	174,795.17
		Natural Gas Clearinghouse	243,830.95	(3.00)	243,833.95	465,877.89	692,739.65
		City of Odessa - Purchase	0.00	0.00	0.00	7,000.00	5,000.00
		Coastal Gas Marketing	130,519.56	130,519.56	0.00	134,176.00	154,000.00
		Colorado Interstate Gas Company	0.00	0.00	0.00	136,616.17	132,731.89
		Colorado Natural Gas	0.00	(151,368.44)	151,368.44	85,733.15	78,344.67
		Engage Energy	17,222.89	0.00	168,591.33	0.00	0.00
		Costilla Petroleum Corp.	24,811.20	24,811.20	0.00	26,881.20	22,658.40
		Crescent Oil & Gas Company	0.00	0.00	0.00	13,602.55	17,241.95
		Diamond Shamrock	253,395.65	0.00	253,395.65	730,772.64	1,698,769.24
		Exchange Gas	(431,614.08)	(393,442.84)	38,171.24	(470,212.96)	(404,739.03)
		Gas Payable - LA Imbalance	45,142.00	45,142.00	0.00	45,802.24	45,714.17
		LG & E Natural Plains Energy	(32,981.88)	8,323.70	(41,305.58)	483,680.72	554,227.95
		Hugoton	4,751.96	4,751.96	0.00	6,159.46	8,264.75

**ATMOS ENERGY CORPORATION**  
**BALANCE SHEET ACCOUNTS**  
 As of August 31, 1998

Line No.	Acct. No.	Description	Current Month	Prior Month	Current Change	Prior Year	September 30, 1997
		Interenergy Resource Corp.	(402,261.83)	(348,717.53)	(53,544.30)	93,129.46	122,552.36
		Kansas Pipeline Partners	39,994.18	799.77	39,194.41	2,721.17	3,280.57
		Pennunion Energy Services	154,497.50	103,320.00	51,177.50	39,550.71	101,585.66
		PMN Energy Marketing	17.32	17.32	0.00	0.00	0.00
		Kimball Energy Corp.	85,999.94	85,999.94	0.00	65,385.31	49,695.82
		United Gas Services	181.76	8,945.73	(8,761.97)	29,832.32	61,386.95
		KN Energy	233,735.30	294,484.52	(60,749.22)	32,070.54	28,439.97
		KN Gas Supply Services	0.00	0.00	0.00	106,930.96	85,337.69
		KPL Gas Services	21,778.21	21,778.21	0.00	22,942.62	22,275.61
		LIG Chemical	0.00	41,962.44	(41,962.44)	0.00	0.00
		LIG Imbalance	(855,085.50)	(488,463.09)	(366,622.41)	(152,165.94)	159,402.62
		Local Gas Production - Fremont County	15,125.67	14,344.64	781.03	200,306.57	274,824.95
		Local Gas Purchases - GGC	141,434.92	64,876.75	76,558.17	236,710.49	343,409.77
		Louisiana Intrastate Gas Corp.	4,800.20	0.00	4,800.20	82,621.23	848,830.50
		Pioneer Natural Resources Co.	524,789.38	570,683.29	(45,893.91)	781,451.70	893.25
		Midcon Gas Services Corp.	0.00	0.00	0.00	1,705.50	466.02
		Mid-Louisiana Gathering	0.00	0.00	0.00	534.86	9,811.97
		Moffat Pipeline Corp.	0.00	0.00	0.00	9,406.23	0.00
		Noble Gas Marketing	(175,112.00)	(97,712.00)	(77,400.00)	0.00	0.00
		Noram Energy Services	0.00	111,470.83	(111,470.83)	0.00	7,000.23
		Noram Gas Transm Corp	2,688,814.55	0.00	2,688,814.55	6,309.75	101.50
		Oxy U.S.A., Inc.	0.00	0.00	0.00	79.75	0.00
		CMS Marketing Services	104,160.00	104,160.00	0.00	0.00	0.00
		Peoples Natural Gas	(14,476.79)	(14,432.85)	(43.94)	(7,457.85)	(5,307.85)
		Pipeline Refunds - GGC	668,290.76	665,382.20	2,908.56	483,304.21	470,641.21
		Pipeline Refunds - Trans La (LIG)	758,308.64	763,065.64	(4,757.00)	9,789,532.64	9,789,532.64
		Pipeline Refunds - WKG	406,662.52	415,232.65	(8,570.13)	1,351,435.82	1,322,632.19
		Public Service	58,594.76	(38,594.53)	97,189.29	353,994.26	363,065.98
		Westar Gas Marketing	0.00	0.00	0.00	79,300.06	91,647.28
		Schreider & Company, Inc.	0.00	(5,000.00)	5,000.00	0.00	0.00
		Sonat Marketing	(219,663.97)	7,289.99	(226,953.96)	7,362.19	7,375.55
		Tennessee Gas Pipeline	222,638.58	(787.10)	223,425.68	204,841.56	259,695.35
		Texas Gas	(356,695.65)	(103,320.00)	(253,375.65)	693,911.44	785,502.00
		Trunkline Gas Company	1,212,693.20	(63,000.28)	1,275,693.48	1,295,122.86	1,242,989.87
		Tuscaloosa Pipeline Company	2,462.98	(93,035.78)	95,498.76	39,548.37	2,321.16
		Wild Horse Energy Partners	4,280.00	2,140.00	2,140.00	7,707.78	7,836.04
		Williams Energy Services	2,860,831.39	2,466,589.40	394,241.99	195,737.97	129,674.70
		Williams Natural Gas Company	0.00	0.00	0.00	250,988.39	330,024.51
		WKG Supplier Imbalance	20,938.68	21,918.45	(979.77)	29,960.32	29,718.34
		Transportation Bank Gas	273,801.13	252,080.59	21,720.54	810,303.86	782,886.61
		Woodward Marketing	(1,991,178.76)	(12,566,733.23)	10,575,554.47	555,840.30	2,125,826.36
		Union Pacific Fuels	(1,277,511.53)	(1,277,511.53)	0.00	2,861,556.10	2,136,910.37
		Natural Gas Clearinghouse	0.00	0.00	0.00	0.00	(234,603.04)
		UCG Accrued Gas Cost Payables	(2,089,327.33)	15,043,391.57	(17,132,718.90)	0.00	0.00
		UCG Gas Purchase Payables	412,596.91	(5,289,995.96)	5,702,592.87	0.00	0.00
		Pro Energy	(269,984.81)	0.00	(269,984.81)	0.00	0.00
		E Prime	(8,481.60)	0.00	(8,481.60)	0.00	0.00
		HS Energy Services, Inc.	(51,177.60)	0.00	(51,177.60)	0.00	0.00
		Total Gas Purchased Payable	3,252,371.13	1,799,479.49	1,452,891.64	24,905,923.11	26,338,735.27

**ATMOS ENERGY CORPORATION**  
**BALANCE SHEET ACCOUNTS**  
As of August 31, 1998

Line No.	Acct. No.	Description	Current Month	Prior Month	Current Change	Prior Year	September 30, 1997
		<b>2410 Tax Collections Payable</b>					
		Astor Sales Tax	(4,449.77)	(4,449.77)	0.00	(4,449.77)	(4,449.77)
		Astor Franchise Tax	33,812.79	33,812.79	0.00	33,812.79	33,812.79
		City Franchise Fees - Louisiana	45,540.36	45,540.36	(337.71)	0.00	0.00
		City Sales Tax - Canon City	(12,628.13)	(9,971.69)	(2,656.44)	405.56	330.84
		City Sales Tax - Durango	(10,079.38)	(6,703.56)	(3,375.82)	2,608.58	2,614.46
		City Sales Tax - Mount Crested Butte	(151.44)	252.54	(403.98)	1,960.31	1,536.18
		City Sales Tax - Steamboat Springs	(15,344.19)	(10,373.85)	(4,970.34)	10,745.52	9,684.81
		City Sales/Use Tax	201,610.06	254,407.64	(52,797.58)	14,045.63	15,295.05
		City Sales/Use Tax - Cortez	(9,265.48)	(6,060.77)	(3,204.71)	2,635.46	2,708.80
		City Sales/Use Tax - Greeley	(75,065.59)	(60,021.45)	(15,044.14)	7,944.17	13,958.94
		City Sales/Use Tax - Gunnison	(21.50)	(21.50)	0.00	107.24	107.24
		City Sales/Use Tax - Lamar	(6,636.28)	(4,510.82)	(2,125.46)	2,473.38	2,273.62
		City & Parish Sales Tax - Louisiana	(8.94)	(8.73)	(0.21)	6.36	(9.65)
		County City/Use Tax - Prowers	112.79	131.64	(18.85)	194.55	210.99
		County Sales/Use Tax	(58,203.22)	(44,417.97)	(13,785.25)	10,344.96	10,277.10
		County Use Tax - Fremont	456.18	619.76	(163.58)	529.37	499.93
		Employees' Federal Income Tax Withheld	(90,912.85)	440,424.04	(531,336.89)	422,436.98	754,344.31
		Employees' FICA Tax	(228,690.77)	3,338.44	(232,029.21)	187,982.67	235,029.75
		Employees' Local Tax Withheld - KY	13,835.25	13,292.93	542.32	21,538.69	29,424.88
		Employees' State Income Tax Withheld - Alabama	(56.72)	(109.79)	53.07	0.00	0.00
		Employees' State Income Tax Withheld - North Carolina	371.61	371.61	0.00	0.00	0.00
		Employees' State Income Tax Withheld - South Carolina	(1,931.20)	(1,931.20)	0.00	0.00	0.00
		Employees' State Income Tax Withheld - Colorado	8,173.13	8,329.27	(156.14)	13,924.14	15,877.08
		Employees' State Income Tax Withheld - Illinois	29.71	29.71	0.00	0.00	0.00
		Employees' State Income Tax Withheld - Indiana	446.70	446.70	0.00	0.00	0.00
		Employees' State Income Tax Withheld - Georgia	14,167.87	21,827.32	(7,659.45)	0.00	0.00
		Employees' State Income Tax Withheld - Iowa	2,760.09	3,159.88	(399.79)	0.00	0.00
		Employees' State Income Tax Withheld - Kansas	(2,103.10)	(2,120.19)	17.09	0.00	0.00
		Employees' State Income Tax Withheld - Kentucky	43,143.63	43,031.93	111.70	3,548.04	3,007.67
		Employees' State Income Tax Withheld - Louisiana	4,696.03	9,389.57	(4,693.54)	27,834.68	91,394.37
		Employees' State Income Tax Withheld - Missouri	8,399.67	9,805.67	(1,406.00)	7,325.07	12,678.35
		Employees' State Income Tax Withheld - Ohio	245.15	245.15	0.00	0.00	509.41
		Employees' State Income Tax Withheld - Virginia	3,471.77	3,471.77	0.00	0.00	0.00



ATMOS ENERGY CORPORATION  
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Line No.	Acct. No.	Description	Current Month	Prior Month	Current Change	Prior Year	September 30, 1997
		State Income Tax Withheld - F. opane Division	(215,016.01)	(190,143.24)	(24,872.77)	0.00	0.00
		Franchise Tax Collected - South Carolina	4,842.87	1,242.87	3,600.00	0.00	0.00
		Franchise Tax Collected - Colorado	144,758.96	204,373.47	(59,614.51)	144,778.97	161,783.77
		Franchise Tax Collected - Georgia	(258,966.08)	(257,241.43)	(1,724.65)	0.00	0.00
		Franchise Tax Collected - Illinois	13,968.77	13,968.77	0.00	0.00	0.00
		Franchise Tax Collected - Kansas	492,171.96	513,763.95	(21,591.99)	39,767.89	47,495.98
		Franchise Tax Collected - Kentucky	50,742.16	42,528.78	8,213.38	32,986.33	44,798.56
		Franchise Tax Collected - Louisiana	16,158.99	84,090.29	(67,931.30)	60,428.84	74,426.73
		Franchise Tax Collected - Missouri	3,443.14	3,686.04	(242.90)	6,125.81	6,301.08
		Franchise Tax Collected - Tennessee	1,123,235.85	1,068,106.30	55,129.55	0.00	0.00
		Franchise Tax Collected - Virginia	21.53	21.53	0.00	0.00	0.00
		Local Tax - Colorado	313.25	313.25	0.00	149.50	149.50
		Occupational Tax Collections	171,699.64	176,199.64	(4,500.00)	15,462.08	21,763.20
		State Sales Tax - North Carolina	(412.86)	(412.86)	0.00	0.00	0.00
		State Sales Tax - South Carolina	91,735.56	89,913.30	1,822.26	0.00	0.00
		State Sales Tax - Colorado	185,936.59	229,811.36	(43,874.77)	83,149.39	85,057.13
		State Sales Tax - Georgia	471,472.91	462,331.56	9,141.35	0.00	0.00
		State Sales Tax - Illinois	(14,958.60)	(11,774.31)	(3,184.29)	0.00	0.00
		State Sales Tax - Iowa	(51,316.44)	(42,405.87)	(8,910.57)	0.00	0.00
		State Sales Tax - Kansas	219,221.86	220,149.98	(928.12)	0.00	0.00
		State Sales Tax - Kentucky	129,472.00	116,359.28	13,112.72	110,967.61	123,327.75
		State Sales Tax - Louisiana	(11,047.51)	(3,580.26)	(7,467.25)	(2,911.46)	17,311.93
		State Sales Tax - Missouri	44,612.95	46,036.05	(1,423.10)	0.00	0.00
		State Sales Tax - Tennessee	317,615.70	316,773.64	842.06	0.00	0.00
		State Sales Tax - Texas	(420,021.76)	(73,977.23)	(346,044.53)	(206,311.75)	(69,631.80)
		State Use Tax - Virginia	(1,166.68)	(1,157.05)	(9.63)	729.80	0.00
		State Use Tax - Kansas	858.82	204.78	654.04	0.00	638.66
		Utility School Tax (Remit monthly)	(13,152.21)	11,256.46	(24,408.67)	48,415.25	47,730.41
		Illinois Asst Chg	(77,009.40)	(77,009.40)	0.00	0.00	0.00
		Gross Receipts	146,276.50	144,592.53	1,683.97	0.00	0.00
		Consumer Tax	171,435.54	106,453.30	64,982.24	0.00	0.00
		ICC Sup Fee	(51,001.52)	(51,001.52)	0.00	0.00	0.00
		Illinois Energy Assistance Tax	(14,728.50)	(14,728.50)	0.00	0.00	0.00
		Total Tax Collections Payable	2,537,584.50	3,869,972.89	(1,332,388.39)	-1,101,692.64	1,794,270.05
		Atmos - Total Accounts Payable	30,572,775.96	30,604,991.69	(32,215.73)	30,867,464.11	41,516,381.18
		United Cities Gas - Total Accounts Payable	0.00	0.00	0.00	12,439,717.00	14,933,663.54
		Total Accounts Payable	30,572,775.96	30,604,991.69	(32,215.73)	43,307,181.11	56,450,044.72
		ACCRUED TAXES					
		2360 Accrued Taxes - Other	9,778,043.10	8,720,826.03	1,057,217.07	4,422,638.33	4,992,989.56
		Ad Valorem	(352.78)	(354.60)	1.82	0.00	0.00
		CNG Use Tax - Kentucky	(788.73)	(712.73)	(76.00)	104.00	104.00
		Employer's Denver City Tax	(60,146.31)	171,882.90	(232,029.21)	187,982.67	235,029.75
		Federal Motor Fuel Tax-CNG	1,137,449.70	985,110.55	152,339.15	(8,772.67)	(8,448.90)
		Franchise - City	5,616.94	2,916.94	2,700.00	287,359.23	408,345.05
		Louisiana State Supervision & Inspection	924.98	1,468.91	(543.93)	(943.39)	(3,183.38)
		Parish & City Use Tax - Louisiana				1,930.98	6,363.31

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Line No.	Acct. No.	Description	Current Month	Prior Month	Current Change	Prior Year	September 30, 1997
		Severance Tax	(87,579.72)	(78,407.75)	(9,171.97)	1,016.27	(7,737.26)
		State Franchise Tax - Texas	492,957.68	467,957.68	25,000.00	462,957.68	462,957.68
		State Gross Receipts - Texas	(532,063.22)	(573,856.36)	41,793.14	0.00	41,357.44
		State Transportation Tax - Texas	279.46	4,021.30	(3,741.84)	1,750.51	2,784.31
		State Use Tax - Louisiana	456.66	901.18	(444.52)	1,520.89	2,995.15
		Unemployment Tax - Federal	11,327.51	10,104.33	1,223.18	622.57	696.83
		Unemployment Tax - State - North Carolina	69.49	69.49	0.00	0.00	0.00
		Unemployment Tax - State - South Carolina	818.60	818.60	0.00	0.00	0.00
		Unemployment Tax - State - Colorado	127.31	127.31	0.00	149.25	149.25
		Unemployment Tax - State - Georgia	2,601.76	2,601.15	0.61	0.00	0.00
		Unemployment Tax - State - Illinois	1,097.21	1,097.21	0.00	0.00	0.00
		Unemployment Tax - State - Iowa	(1,271.14)	(1,295.96)	24.82	0.00	0.00
		Unemployment Tax - State - Kansas	18,590.95	18,590.95	0.00	0.00	0.00
		Unemployment Tax - State - Missouri	1,938.41	1,909.96	28.45	0.00	0.00
		Unemployment Tax - State - Tennessee	97,586.00	97,564.62	21.38	0.00	0.00
		Unemployment Tax - State - Kentucky	27.41	7.16	20.25	3.16	0.00
		Unemployment Tax - State - Louisiana	317.10	317.10	0.00	(7.26)	(4.67)
		Unemployment Tax - State - Texas	3,710.54	2,502.77	1,207.77	495.30	616.47
		Unemployment Tax - State - Virginia	117.46	114.06	3.40	0.00	0.00
		Use Tax (City & State) - Texas	150,293.76	147,372.62	2,921.14	24,542.75	76,522.75
		Tennessee Use Tax (City & State)	46,630.65	44,438.91	2,191.74	0.00	0.00
		Virginia Use Tax (City & State)	4,180.13	3,733.32	456.81	0.00	0.00
		Iowa Use Tax (City & State)	1,694.53	1,672.93	21.60	0.00	0.00
		Kansas Use Tax (City & State)	4,745.56	8,745.32	(3,999.76)	0.00	0.00
		Illinois Use Tax (City & State)	3,343.01	2,290.66	1,052.35	0.00	0.00
		South Carolina Use Tax (City & State)	(51.30)	(1,622.60)	1,571.30	0.00	0.00
		Georgia Use Tax (City & State)	5,877.90	5,732.49	145.41	0.00	0.00
		Missouri Use Tax (City & State)	6,211.21	6,009.05	202.16	0.00	0.00
		Illinois Energy Assistance Tax	(4,523.40)	(4,523.40)	0.00	0.00	0.00
		Virginia License	(19,816.43)	(31,711.43)	11,895.00	0.00	0.00
		Atmos - Total Accrued Taxes	11,061,276.87	10,008,885.21	1,052,391.66	5,383,350.27	6,211,524.22
		United Cities Gas - Total Accrued Taxes	0.00	0.00	0.00	5,210,910.00	5,488,677.46
10		Total Accrued Taxes	11,061,276.87	10,008,885.21	1,052,391.66	10,594,260.27	11,700,201.68
<b>INCOME TAXES PAYABLE</b>							
		2160 Accrued Income Taxes					
		Accrued Income Taxes - Federal	(1,883,233.77)	729,994.85	(2,613,228.62)	2,847,152.00	(6,384,148.56)
		Accrued Income Taxes - State	(2,013,849.16)	(1,579,343.31)	(434,505.85)	598,654.00	(2,236,201.00)
		Atmos - Total Income Taxes Payable	(3,897,082.93)	(849,348.46)	(3,047,734.47)	3,445,806.00	(8,620,349.56)
		United Cities Gas - Total Income Taxes Payable	0.00	0.00	0.00	(5,282,670.00)	(9,714,291.17)
11		Total Income Taxes Payable	(3,897,082.93)	(849,348.46)	(3,047,734.47)	(1,936,864.00)	(18,334,640.53)
<b>DIVIDEND DECLARED</b>							
		Atmos	8,023,765.67	0.00	8,023,765.67	7,556,806.93	0.00
12		2180 Dividend Declared	8,023,765.67	0.00	8,023,765.67	7,556,806.93	0.00

**ATMOS ENERGY CORPORATION**  
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Line No.	Acct. No.	Description	Current Month	Prior Month	Current Change	Prior Year	September 30, 1997
<b>CUSTOMERS' DEPOSITS</b>							
2350		Customers' Deposits					
		Customers' Deposits - Colorado	2,628,334.85	2,212,621.37	415,713.48	3,323,656.23	3,256,848.10
		Customers' Deposits - Kentucky	1,375,447.87	1,406,029.26	(30,581.39)	1,847,667.36	1,792,539.06
		Customers' Deposits - Louisiana	1,299,233.80	1,316,615.65	(17,381.85)	1,494,525.87	1,472,377.99
		Customers' Deposits - Texas	1,895,225.80	1,949,541.29	(54,315.49)	2,892,122.50	2,765,269.87
		Customers' Deposits - Tennessee	2,348,518.31	2,335,956.26	12,562.05	0.00	0.00
		Customers' Deposits - Georgia	1,547,017.52	1,539,483.44	7,534.08	0.00	0.00
		Customers' Deposits - Kansas	760,302.95	1,194,003.58	(433,700.63)	0.00	0.00
		Customers' Deposits - Virginia	222,907.48	220,036.35	2,871.13	0.00	0.00
		Customers' Deposits - South Carolina	101,142.45	100,993.39	149.06	0.00	0.00
		Customers' Deposits - Illinois	88,076.83	87,681.34	395.49	0.00	0.00
		Customers' Deposits - Iowa	45,637.39	51,484.89	(5,847.50)	0.00	0.00
		Customers' Deposits - Missouri	40,796.36	40,364.54	431.82	0.00	0.00
		Atmos - Total Customers' Deposits	12,352,641.61	12,454,811.36	(102,169.75)	9,557,971.96	9,287,035.02
		United Cities Gas - Total Customers' Deposits	0.00	0.00	0.00	5,876,755.00	5,751,958.00
13		Total Customers' Deposits	12,352,641.61	12,454,811.36	(102,169.75)	15,434,726.96	15,038,993.02
<b>OTHER CURRENT LIABILITIES</b>							
2370		Interest Accrued					
		Commitment Fee	12,804.43	6,536.56	6,267.87	7,987.18	1,251.00
		Customers' Deposits - Colorado	508,579.34	483,414.82	25,164.52	647,880.74	481,751.04
		Customers' Deposits - Kentucky	38,474.86	32,516.54	5,958.32	56,361.53	63,697.94
		Customers' Deposits - Louisiana	29,489.97	24,485.66	5,004.31	39,233.73	44,735.02
		Customers' Deposits - Texas	53,874.66	46,416.62	7,458.04	85,252.58	96,217.80
		Customers' Deposits - Kansas	40,387.35	49,491.32	(9,103.97)	0.00	0.00
		Customers' Deposits - Tennessee	531,055.82	520,593.12	10,462.70	0.00	0.00
		Customers' Deposits - Illinois	3,767.26	3,369.74	397.52	0.00	0.00
		Customers' Deposits - South Carolina	8,936.29	7,939.98	996.31	0.00	0.00
		Customers' Deposits - Georgia	470,407.83	461,071.31	9,336.52	0.00	0.00
		Customers' Deposits - Virginia	29,570.59	28,728.61	841.98	0.00	0.00
		Customers' Deposits - Missouri	1,919.06	1,725.74	193.32	0.00	0.00
		Customers' Deposits - Iowa	3,357.92	3,368.38	(10.46)	0.00	0.00
		Long-Term Debt	7,711,741.65	5,274,733.52	2,437,008.13	3,888,655.12	3,007,982.43
		Notes Payable	4,942.56	(1,711.36)	6,653.92	56,739.60	34,568.61
		Atmos - Total Interest Accrued	9,449,259.59	6,942,680.56	2,506,579.03	4,782,110.48	3,730,203.84
		United Cities Gas - Total Interest Accrued	0.00	0.00	0.00	3,369,509.00	0.00
		Total Interest Accrued	9,449,259.59	6,942,680.56	2,506,579.03	8,151,619.48	3,730,203.84

**ATMOS ENERGY CORPORATION**  
**BALANCE SHEET ACCOUNTS**  
As of August 31, 1998

Line No.	Acct. No.	Description	Current Month	Prior Month	Current Change	Prior Year	September 30, 1997
		<b>2420 Misc. Current &amp; Accrued Liabilities</b>					
		Accrued Liability Bud Adv Payment	0.00	(0.02)	0.02	0.00	0.00
		Separation/Integration Costs	0.00	0.00	0.00	0.00	17,000,000.00
		Accrued Benefit Costs	1,895,016.31	1,895,016.31	0.00	0.00	0.00
		UCG Budget Billings	0.00	0.00	0.00	0.00	0.00
		UCG Exchange Gas	46,122.74	47,244.93	(1,122.19)	0.00	0.00
		UCG P/L Refunds	16,607,077.22	16,652,470.92	(45,393.70)	0.00	0.00
		UCG Penalties	(3,996.49)	(3,996.49)	0.00	0.00	0.00
		Workmens Comp	0.00	45.00	(45.00)	0.00	0.00
		Capacity Release Credits	(79,934.86)	(79,934.86)	0.00	(79,934.86)	0.00
		FAS 106 - OPEB	8,042,163.99	7,978,041.09	64,122.90	4,999,251.83	5,246,416.08
		Performance Plan	2,031,838.15	1,647,567.15	386,271.00	994,310.00	1,450,000.00
		UPFI Exchange	(4,060.00)	(4,060.00)	0.00	0.00	0.00
		UPFI Exchange #2	(8,625.00)	(8,625.00)	0.00	0.00	0.00
		Texas Gas Storage	5,055,122.37	4,598,467.27	456,655.10	0.00	0.00
		Reimbursement Accounts	5,690.06	5,690.06	0.00	4,263,349.75	2,737,498.56
		Dealer Program	22,770.68	22,770.68	0.00	0.00	0.00
		Customer Relations	225,000.00	237,400.00	(12,400.00)	0.00	0.00
		UCG Tax Payments	(1,675,834.71)	(1,675,825.12)	(9.59)	0.00	0.00
		Customer Relations 97	243,648.56	243,648.56	0.00	0.00	0.00
		LGA	5,514.64	5,897.50	(382.86)	0.00	0.00
		UCG Environmental	1,814,799.76	2,132,034.40	(317,234.64)	2,132,034.40	2,132,034.40
		UCG SAR's	76,947.50	76,947.50	0.00	76,947.50	76,947.50
		Income Tax Payable at Future Rates	427,904.00	427,904.00	0.00	0.00	0.00
		Accrued Liability Com & Ind Markets	157,218.00	157,218.00	0.00	0.00	0.00
		Total Misc. Current & Accrued Liabilities	34,886,382.92	34,355,921.88	530,461.04	12,385,958.62	28,562,961.68
		<b>2620 Self Insurance Reserve</b>					
		General Liability	2,550,000.00	2,550,000.00	0.00	1,000,000.00	1,000,000.00
		Auto Liability Claims	(333,340.00)	(366,674.00)	33,334.00	0.00	0.00
		Gen. Liab. (Each \$50M Claim Amortized over 12 months)	(166,847.44)	(340,202.02)	173,354.58	0.00	0.00
		Workers Compensation	1,765,383.00	1,625,383.00	140,000.00	1,200,000.00	1,200,000.00
		Total Self Insurance Reserve	3,815,195.56	3,468,506.98	346,688.58	2,200,000.00	2,200,000.00
		<b>Atmos - Total Other Current Liabilities</b>					
		United Cities Gas - Total Other Current Liabilities	48,150,838.07	44,767,109.42	3,383,728.65	22,737,578.10	34,493,165.52
14		Total Other Current Liabilities	48,150,838.07	44,767,109.42	3,383,728.65	12,789,757.41	17,088,947.51
15		Intercompany Accounts	0.00	0.00	0.00	35,527,335.51	51,582,113.03
16		Total Current Liabilities	140,564,215.25	127,086,449.22	13,477,766.03	236,870.00	276,957.00
						242,496,316.78	277,113,668.92

**ATMOS ENERGY CORPORATION**  
**BALANCE SHEET ACCOUNTS**  
As of August 31, 1998

Line No.	Acct. No.	Description	Current Month	Prior Month	Current Change	Prior Year	September 30, 1997
<b>DEFERRED INCOME TAXES</b>							
282		Deferred Federal Income Taxes	74,437,846.67	74,437,846.67	(73,162.89)	39,098,268.25	48,721,572.57
283		Deferred State Income Taxes	6,604,435.63	6,604,435.63	23,162.89	3,861,001.39	6,372,806.73
		Atmos - Deferred Income Taxes	80,992,282.30	81,042,282.30	(50,000.00)	42,959,269.64	55,094,379.30
		United Cities Gas - Deferred Income Taxes	0.00	0.00	0.00	25,459,819.00	26,234,437.68
17		Total Deferred Income Taxes	80,992,282.30	81,042,282.30	(50,000.00)	68,419,088.64	81,328,816.98
<b>DEFERRED CREDITS AND OTHER LIABILITIES</b>							
2520		Customer Advances for Construction	10,793,913.10	11,001,307.74	(207,394.64)	8,768,342.16	8,776,173.29
2530		Other Deferred Credits					
		Advance from UP Alliance	225,000.00	225,000.00	0.00	0.00	0.00
		Directors' Fees	192,011.12	192,011.12	0.00	99,350.00	107,850.00
		Outside Directors' Retirement Plan	1,404,656.38	1,393,623.06	11,033.32	132,256.60	134,289.92
		FAS 106 - OPEB	6,675,352.61	6,582,747.61	92,605.00	6,212,520.61	6,171,915.61
		FAS 109 - Regulatory Liability / Protected	2,291,234.63	2,291,234.63	0.00	2,291,234.63	2,291,234.63
		KN Master Mir Transfer	0.00	0.00	0.00	200,000.00	200,000.00
		Protected Excess Deferred Tax - GGC	221,780.62	221,780.62	0.00	221,780.62	221,780.62
		Regulatory Liability - ITC	392,454.15	392,454.15	0.00	392,454.15	392,454.15
		Rent Amortization - Lafayette Office	126,742.97	98,384.04	28,358.93	163,363.50	160,546.89
		Retirement Cost	22,730,231.61	22,481,852.81	248,378.80	20,769,682.43	20,590,905.84
		Greenville Office Sublease	2,400.00	2,400.00	0.00	0.00	0.00
		Deferred Credits	1,426,165.89	4,678,134.65	(3,251,968.76)	30,482,642.54	0.00
		Total Other Deferred Credits	35,688,029.98	38,559,622.69	(2,871,592.71)	60,965,285.08	30,270,977.66
2550		Deferred Credits - Accrued I.T.C	4,295,358.81	4,295,358.81	0.00	811,500.81	811,500.81
		Atmos - Total Deferred Credits and Other Liab.	50,777,301.89	53,856,289.24	(3,078,987.35)	70,545,128.05	39,858,651.76
		UCG - Total Def Credits and Other Liab.	0.00	0.00	0.00	(16,699,357.54)	13,729,516.00
18		Total Deferred Credits and Other Liab.	50,777,301.89	53,856,289.24	(3,078,987.35)	53,845,770.51	53,588,167.76
19		TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	1,042,840,876.43	1,042,915,527.08	(74,650.65)	982,133,440.14	1,011,626,092.39

ATMOS ENERGY CORPORATION UTILITY BUSINESS UNITS  
CONSOLIDATED OPERATING REVENUE AND STATISTICS  
FOR THE MONTH AND YEAR TO DATE ENDED 08/31/98

Line No.	Description (a)	Current Month		Prior Year Actual		Year to Date	
		Actual (b)	Budget (c)	(d)	(e)	Budget (f)	Prior Year Actual (g)
1	Degree Days	0	4	2	3,790	3,954	3,887
	Meters in service (1)						
2	Residential	887,447	N/A	868,650	887,213	N/A	870,805
3	Commercial	94,950		92,503	95,491		93,630
4	Industrial	1,703		1,929	1,844		1,919
5	Public Authority & Other	4,827		4,775	4,841		4,776
6	Agricultural	14,507		15,340	14,913		16,130
7	Total meters in service	1,003,434	N/A	983,237	1,004,302	N/A	987,260
	Utility Sales Customers - Regulated (1)						
8	Residential	860,775	N/A	844,279	866,659	N/A	852,968
9	Commercial	91,022		88,890	92,296		90,942
10	Industrial	1,307		1,428	1,418		1,389
11	Public Authority & Other	3,497		3,527	3,583		3,529
12	Agricultural	299		300	290		305
13	Total Regulated Sales Customers	956,900	N/A	938,424	964,246	N/A	949,133
	Utility Sales Customers - Non Regulated (1)						
14	Industrial	201	N/A	193	196	N/A	187
15	Agricultural	6,442		6,643	6,429		6,675
16	Total Non Regulated Sales Customers	6,643	N/A	6,836	6,625	N/A	6,862
17	Total Sales Customers (1)	963,543	N/A	945,260	970,872	N/A	955,995
18	Transportation Customers (1) (2)	728	N/A	599	650	N/A	548
19	Total Utility Customers (1) (2)	964,271	N/A	945,859	971,522	N/A	956,543
	Utility Gas Volumes Sold - Regulated (mcf as metered)						
20	Residential	1,854,191	N/A	1,681,060	72,221,516	N/A	73,287,439
21	Commercial	1,392,538		1,193,941	34,879,506		36,055,599
22	Industrial	762,142		1,642,181	19,132,387		24,955,128
23	Public Authority & Other	117,479		132,511	4,800,045		5,015,571
24	Agricultural	276,412		164,703	815,263		847,149
25	Unbilled	273,019		(150,214)	(593,895)		(18,976)
26	Total Regulated Gas Volumes	4,675,782	N/A	4,664,182	131,254,822	NA	140,141,910
	Utility Gas Volumes Sold - Non Regulated (mcf as metered)						
27	Industrial	324,716	N/A	444,146	5,153,304	N/A	5,587,005
28	Agricultural	3,679,934		2,065,432	16,113,553		11,805,889
29	Total Non Regulated Gas Volumes	4,004,650	N/A	2,509,578	21,266,857	NA	17,392,894
30	Total Gas Volumes Sold	8,680,432	N/A	7,173,760	152,521,679	N/A	157,534,804
31	Transport volumes (mcf as metered) (2)	3,798,774	N/A	4,033,874	50,447,997	N/A	44,900,248
32	Total Operating Volumes (2)	12,479,206	N/A	11,207,634	202,969,676	N/A	202,435,052

ATMOS ENERGY CORPORATION UTILITY BUSINESS UNITS  
 CONSOLIDATED OPERATING REVENUE AND STATISTICS  
 FOR THE MONTH AND YEAR TO DATE ENDED 08/31/98

Line No.	Description (a)	Current Month			Year to Date		
		Actual (b)	Budget (c)	Prior Year Actual (d)	Actual (e)	Budget (f)	Prior Year Actual (g)
	Utility Gas Sales Revenue - Regulated						
1	Residential	\$ 11,065,752.89	N/A	\$ 12,510,512.50	\$ 410,212,018.65	N/A	\$ 419,674,795.38
2	Commercial	4,961,439.01		6,295,646.01	183,453,047.95		186,467,899.83
3	Industrial	4,323,967.45		5,938,279.05	82,029,267.93		100,116,577.23
4	Public Authority & Other	528,780.96		616,005.89	20,621,953.64		23,147,195.95
5	Agricultural	831,314.46		506,511.17	2,550,813.40		2,706,420.42
6	Unbilled	6,197,122.24		(525,948.00)	(21,530,417.70)		17,506,570.00
7	Total Regulated Gas Sales Revenue	27,907,377.01	N/A	25,341,096.62	677,336,683.87	N/A	749,619,458.81
	Utility Gas Sales Revenue - Non Regulated						
8	Industrial	989,565.69	N/A	1,304,096.62	15,998,141.34	N/A	16,653,622.76
9	Agricultural	11,082,163.60		6,780,127.19	49,236,292.53		37,613,123.69
10	Total Non Regulated Gas Sales Revenue	12,071,729.29	N/A	8,084,223.81	65,234,433.87	N/A	54,266,746.45
11	Total Utility Gas Sales Revenue	39,979,106.30	35,856,000.00	33,425,230.43	742,571,117.74	809,281,000.00	803,886,205.26
12	Other Gas Revenue	483,301.89	256,000.00	423,034.94	7,522,956.14	6,266,000.00	6,132,545.26
13	Total Utility Gas Revenue	40,462,408.19	36,112,000.00	33,848,265.37	750,094,073.88	815,547,000.00	810,018,750.52
14	Transportation Revenue (2)	1,727,657.81	1,528,000.00	1,633,303.31	24,546,245.30	17,299,000.00	18,179,885.46
15	Other Operating Revenue	3,085.00	0.00	0.00	14,670.00	0.00	0.00
16	Total Utility Operating Revenue (2)	\$ 42,193,151.00	\$ 37,640,000.00	\$ 35,481,568.68	\$ 774,654,989.18	\$ 832,846,000.00	\$ 828,198,635.98
	Utility Purchased Gas Cost						
17	Regulated	\$ 19,354,000.15	N/A	\$ 14,881,664.91	\$ 426,175,751.91	N/A	\$ 488,665,855.49
18	Non Regulated	10,683,570.27	N/A	7,134,527.75	55,603,614.23	N/A	46,821,192.61
19	Eliminations	(1,551,044.61)	N/A	(124,740.28)	(1,882,553.15)	N/A	(2,022,764.74)
20	Total Purchased Gas Cost	\$ 29,882,465.81	\$ 23,730,000.00	\$ 21,891,452.38	\$ 479,896,812.99	\$ 538,676,000.00	\$ 533,464,283.36
21	Gas Sales Margin - Regulated (3)	\$ 8,553,376.86	N/A	\$ 10,459,341.71	\$ 251,160,931.96	N/A	\$ 260,953,603.32
22	Gas Sales Margin - Non Regulated (4)	1,388,159.02	N/A	949,696.06	9,630,819.64	N/A	7,445,553.84
23	Gas Sales Margin - Total (5)	10,096,640.49	12,126,000.00	11,533,778.05	262,674,304.75	280,605,000.00	270,421,921.90
24	Margin per MCF Sold - Regulated (6)	\$ 1.83	N/A	\$ 2.24	\$ 1.91	N/A	\$ 1.86
25	Margin per MCF Sold - Non Regulated (6)	0.35	N/A	0.38	0.45	N/A	0.43
26	Margin per MCF Sold - Total (6)	1.16	N/A	1.61	1.72	N/A	1.72

N/A = Not Available

- (1) The current month reflects the actual for the respective period as per the Meter Inventory Mgmt System, year to date reflects the average for the respective period.
- (2) Reflects intercompany eliminations.
- (3) Regulated gas sales revenue minus regulated gas costs.
- (4) Non regulated gas sales revenue minus non regulated gas costs.
- (5) Total gas sales revenue minus total gas costs.
- (6) Gas sales margin divided by gas sales volumes as metered.

WESTERN KENTUCKY GAS UTILITY BUSINESS UNIT  
 CONSOLIDATED OPERATING REVENUE AND STATISTICS  
 FOR THE MONTH AND YEAR TO DATE ENDED 08/31/98

Line No.	Description (a)	Current Month		Year to Date	
		Actual (b)	Budget (c)	Actual (e)	Budget (f)
1	Degree Days	0	0	3,768	4,304
2	Meters in service (1)				
3	Residential	155,899	N/A	155,822	N/A
4	Commercial	17,999		18,038	
5	Industrial	241		370	
6	Public Authority & Other	1,578		1,585	
7	Agricultural	0		0	
	Total meters in service	175,717	N/A	175,815	N/A
8	Utility Sales Customers - Regulated (1)				
9	Residential	150,476	N/A	151,974	N/A
10	Commercial	17,086		17,445	
11	Industrial	253		295	
12	Public Authority & Other	1,551		1,575	
13	Agricultural	0		0	
	Total Regulated Sales Customers	169,366	N/A	171,289	N/A
14	Utility Sales Customers - Non Regulated (1)				
15	Industrial	0		0	
16	Agricultural	0		0	
	Total Non Regulated Sales Customers	0		0	
17	Total Sales Customers (1)	169,366	N/A	171,289	N/A
18	Transportation Customers (1) (2)	118		95	
19	Total Utility Customers (1) (2)	169,484	N/A	171,384	N/A
20	Utility Gas Volumes Sold - Regulated (mcf as metered)				
21	Residential	223,798	N/A	12,320,663	N/A
22	Commercial	147,486		5,419,356	
23	Industrial	110,091		3,204,226	
24	Public Authority & Other	38,169		1,431,011	
25	Agricultural	0		0	
26	Unbilled	34,424		(285,762)	
	Total Regulated Gas Volumes	553,968	N/A	22,089,495	N/A
27	Utility Gas Volumes Sold - Non Regulated (mcf as metered)				
28	Industrial	0		0	
29	Agricultural	0		0	
	Total Non Regulated Gas Volumes	0		0	
30	Total Gas Volumes Sold	553,968	N/A	22,089,495	N/A
31	Transport volumes (mcf as metered) (2)	1,953,276	N/A	23,738,489	N/A
32	Total Operating Volumes (2)	2,507,244	N/A	45,827,984	N/A
	Prior Year Actual (g)				
					4,167
					153,675
					17,687
					464
					1,558
					0
					173,384
					149,530
					17,117
					316
					1,549
					0
					168,512
					70
					168,582
					13,086,269
					5,784,401
					5,820,455
					1,491,962
					0
					127,465
					26,310,552
					0
					0
					0
					26,310,552
					20,566,411
					46,876,963

N/A = Not Available



WESTERN KENTUCKY GAS UTILITY BUSINESS UNIT  
 CONSOLIDATED OPERATING REVENUE AND STATISTICS  
 FOR THE MONTH AND YEAR TO DATE ENDED 08/31/98

Line No.	Description (a)	Current Month			Year to Date		
		Actual (b)	Budget (c)	Prior Year Actual (d)	Actual (e)	Budget (f)	Prior Year Actual (g)
1	Utility Gas Sales Revenue - Regulated						
2	Residential	\$ 1,774,210.61	N/A	\$ 1,853,073.66	\$ 71,542,025.11	N/A	\$ 68,991,160.54
3	Commercial	856,357.56		1,065,615.21	29,386,624.93		28,458,014.05
4	Industrial	377,229.12		1,158,749.50	13,827,307.43		22,099,504.08
5	Public Authority & Other	183,100.02		176,245.33	7,310,401.46		6,883,040.31
6	Agricultural	0.00		0.00	0.00		0.00
7	Unbilled	1,010,292.00		(47,000.00)	(13,880,088.00)		3,499,000.00
	Total Regulated Gas Sales Revenue	4,201,189.31	3,547,000.00	4,206,683.70	108,186,270.93	124,543,000.00	129,930,718.98
8	Utility Gas Sales Revenue - Non Regulated						
9	Industrial	0.00	0.00	0.00	0.00	0.00	0.00
10	Agricultural	0.00	0.00	0.00	0.00	0.00	0.00
	Total Non Regulated Gas Sales Revenue	0.00	0.00	0.00	0.00	0.00	0.00
11	Total Utility Gas Sales Revenue	4,201,189.31	3,547,000.00	4,206,683.70	108,186,270.93	124,543,000.00	129,930,718.98
12	Other Gas Revenue	50,002.80	22,000.00	58,467.70	916,281.64	808,000.00	1,199,117.65
13	Total Utility Gas Revenue	4,251,192.11	3,569,000.00	4,265,151.40	109,102,552.57	125,351,000.00	131,129,836.63
14	Transportation Revenue (2)	630,905.20	700,000.00	582,812.81	8,118,892.30	7,700,000.00	6,629,678.03
15	Other Operating Revenue	0.00	0.00	0.00	0.00	0.00	0.00
16	Total Utility Operating Revenue (2)	4,882,097.31	4,269,000.00	4,847,964.21	117,221,444.87	133,051,000.00	137,759,514.66
17	Utility Purchased Gas Cost						
18	Regulated	\$ 2,688,214.53	\$ 3,403,000.00	\$ 3,050,057.66	\$ 76,241,323.49	\$ 88,295,000.00	\$ 95,184,280.95
19	Non Regulated	0.00	0.00	0.00	0.00	0.00	0.00
20	Eliminations	0.00	0.00	0.00	0.00	0.00	0.00
	Total Purchased Gas Cost	2,688,214.53	3,403,000.00	3,050,057.66	76,241,323.49	88,295,000.00	95,184,280.95
21	Gas Sales Margin - Regulated (3)	\$ 1,512,974.78	\$ 144,000.00	\$ 1,156,626.04	\$ 31,944,947.44	\$ 36,248,000.00	\$ 34,746,438.03
22	Gas Sales Margin - Non Regulated (4)						
23	Gas Sales Margin - Total (5)	1,512,974.78	144,000.00	1,156,626.04	31,944,947.44	36,248,000.00	34,746,438.03
24	Margin per MCF Sold - Regulated (6)	\$ 2.73	N/A	\$ 1.89	\$ 1.45	N/A	\$ 1.32
25	Margin per MCF Sold - Non Regulated (6)						
26	Margin per MCF Sold - Total (6)	2.73	N/A	1.89	1.45	N/A	1.32

N/A = Not Available

- (1) The current month reflects the actual for the respective period as per the Meter Inventory Mgmt System, year to date reflects the average for the respective period.
- (2) Reflects intercompany eliminations.
- (3) Regulated gas sales revenue minus regulated gas costs.
- (4) Non regulated gas sales revenue minus non regulated gas costs.
- (5) Total gas sales revenue minus total gas costs.
- (6) Gas sales margin divided by gas sales volumes as metered.

**ATMOS ENERGY CORPORATION**  
**OPERATION EXPENSES**  
**FOR THE MONTH ENDED 08/31/98**

Line No.	Description (a)	Current Month		
		Actual (b)	Budget * (c)	Over(Under) Budget (d)
1	Total Operation Expense	\$9,850,479.55	\$10,447,000	(\$596,520.45)
	<b>Manufactured Gas Production Exp.</b>			
2	717 Liquefied Petroleum Gas Expenses	\$0.00		
3	723 Fuel for L-P Gas Process	0.00		
4	728 L-P Gas - Raw Materials	0.00		
5	733 Gas Mixing Expense	161.84		
6	735 Misc. Production Expenses	354.80		
7	736 Rents	0.00		
8	Total Manufactured Gas Prod. Expense	\$516.64		
	<b>Natural Gas Production Expenses</b>			
9	750 Operation Supervision and Engineer	0.00		
10	751 Production Maps & Records	0.00		
11	752 Gas Wells Expenses	0.00		
12	753 Field Lines Expenses	284.94		
13	754 Field Compressor Station Expenses	2,790.62		
14	755 Field Compressor Station Fuel Exp.	4,587.71		
15	756 Field Meas. & Reg. Station Expense	6,191.23		
16	757 Purification Expenses	668.75		
17	758 Gas Well Royalties	0.00		
18	759 Operating Expenses - Other	0.00		
19	760 Rents	0.00		
20	798 Other Exploration Exp.	100.70		
21	Total Natural Gas Prod. Expenses	\$14,623.95		
	<b>Production Extraction</b>			
22	770 Operation Supervision and Engineer.	0.00		
23	771 Operation Labor	904.45		
24	772 Gas Shrinkage	3,575.60		

**ATMOS ENERGY CORPORATION**  
**OPERATION EXPENSES**  
**FOR THE MONTH ENDED 08/31/98**

Line No.	Description (a)	Current Month		
		Actual (b)	Budget * (c)	Over(Under) Budget (d)
25	Fuel	803.69		
26	Power	0.00		
27	Gas Production By Others	0.00		
28	Variation In Product Inv.	0.00		
29	Total Production Extraction Expenses Other Gas Supply Expenses	<u>\$5,283.74</u>		
1	7990 1 Transf. to Purch. Gas Accts. - Cr.	\$0.00		
2	807 Purchased Gas Expenses	9,310.70		
3	808 Gas Withdrawn from Storage - Dr.	0.00		
4	809 Gas Delivered to Storage - Cr.	0.00		
5	812 Gas Used for Other Util. Oper. - Cr.	0.00		
6	Total Other Gas Supply Expenses	<u>9,310.70</u>		
<b>Underground Storage Operation Expenses</b>				
7	814 Oper. Supervision-Engineering	168.47		
8	816 Wells Expense	5,257.30		
9	817 Lines Expense	4,139.36		
10	818 Comp. Station Expenses	5,082.04		
11	819 Comp. Station Fuel & Power	3,269.88		
12	820 Meas. Reg. Station Expenses	3,608.48		
13	821 Purification Expenses	736.83		
14	823 Loss	(138,734.64)		
15	824 Other Expenses	673.33		
16	825 Storage Well Royalties	449.81		
17	826 Rents	0.00		
18	Total Underground Storage Operation Exp.	<u>(115,349.14)</u>		
<b>Storage Operation Expenses</b>				
19	841 Labor and Expenses	1,988.51		
20	842 Rents	0.00		
21	843 Oper. Supervision-Engineering	0.00		
22	Total Storage Operation Exp.	<u>1,988.51</u>		

ATMOS ENERGY CORPORATION  
OPERATION EXPENSES  
FOR THE MONTH ENDED 08/31/98

Line No.	Description (a)	Current Month		
		Actual (b)	Budget * (c)	Over(Under) Budget (d)
<b>Transmission Operation Expenses</b>				
23	850 Oper. Supervision-Engineering	1,465.06		
24	851 System Control-Load Dispatch	0.00		
25	852 Communications System Expenses	0.00		
26	853 Comp. Station Labor and Exp.	2,661.35		
1	854 Gas for Comp. Station Fuel	\$15,439.57		
2	855 Other Fuel and Pow. for Comp. Stati	0.00		
3	856 Mains Expense	21,171.65		
4	857 Measuring and Reg. Sta. Exp.	11,530.55		
5	858 Trans. and Comp. of Gas by Oth.	0.00		
6	859 Other Expenses	0.00		
7	8600 0 Rents	0.00		
8	8600 8 Building Service	0.00		
9	Total Transmission Operation Expenses	52,268.18		
<b>Distribution Operation Expenses</b>				
10	870 Supervision & Engineering	1,309,888.62		
11	8710 0 Distribution Load Dispatching	31,514.13		
12	8710 3 Odorization Expense	10,158.43		
13	872 Comp. Station Labor & Expenses	0.00		
14	873 Comp. Station Fuel and Power	0.00		
15	874 Mains & Services Expenses	842,740.71		
16	875 Meas. & Reg. Sta. Exp. Gen.	100,403.66		
17	876 Meas. & Reg. Sta. Exp. Ind.	34,183.91		
18	877 Meas. & Reg. Sta. Exp. City Gate	14,630.73		
19	878 Meter & House Regulator Exp.	693,122.87		
20	8790 0 Customer Installation Expenses	222,376.97		
21	8790 1 Customer Installation Exp. - Flex Ci	0.00		
22	8790 8 Irrigation Operating Fee Lines	21.86		
23	8790 9 Customer Service - Gas Lights & Gr	58,829.55		
24	8800 0 Other Expenses	116,636.71		
25	8800 1 Distribution Maps & Records	16,001.00		
26	8810 0 Rents	587,405.72		
27	8810 8 Building Service	69,985.31		
28	Total Distribution Operation Expenses	4,107,900.18		

\* Budget information not available by account.

**ATMOS ENERGY CORPORATION**  
**OPERATION EXPENSES**  
**FOR THE MONTH ENDED 08/31/98**

Line No.	Description (a)	Current Month		
		Actual (b)	Budget * (c)	Over(Under) Budget (d)
<b>Customer Accounts Expenses</b>				
29	901 Supervision	16,565.28		
30	902 Meter Reading Expenses	505,303.81		
31	903 Cust. Records & Coll. Expenses	798,973.51		
32	904 Uncollectible Accounts	157,503.05		
33	905 Miscellaneous Expenses	4,598.77		
34	Total Customer Accounts Expenses	<u>\$1,482,944.42</u>		
<b>Customer Service and Information Expenses</b>				
1	909 Supervision	\$110,455.96		
2	910 Customer Assistance Expenses	304,439.70		
3	911 Inform. Instruct. & Ad Expenses	51,676.26		
4	912 Misc. Customer Serv. & Info. Exp.	<u>(720,836.00)</u>		
5	Total Customer Service & Info. Exp. Sales Promotion Expenses	<u>(254,264.08)</u>		
6	915 Supervision	31,078.79		
7	916 Demonstrating & Selling Expenses	122,870.79		
8	917 Advertising Expenses	1,567.06		
9	918 Miscellaneous Sales Expenses	<u>80,942.50</u>		
10	Total Sales Promotion Expenses	<u>236,459.14</u>		
<b>Administrative &amp; General Operation Expense</b>				
11	920 Salaries	799,150.60		
12	921 Office Supplies and Expenses	1,191,204.23		
13	922 Admin. Exp. Transf.-Cr.	<u>(1,388,852.77)</u>		
14	923 Outside Services Employed	881,431.13		
15	924 Property Insurance	14,106.37		
16	9250 Injuries and Damages	415,243.98		
17	92509 Workmen's Comp. Ins.-Cr.	19,866.85		
18	92600 Employee Welfare Expenses - Debit	<u>2,644,278.06</u>		

\* Budget information not available by account.

ATMOS ENERGY CORPORATION  
OPERATION EXPENSES  
FOR THE MONTH ENDED 08/31/98

Line No.	Description (a)	Current Month		
		Actual (b)	Budget * (c)	Over/(Under) Budget (d)
19	9260 1 Pensions	(286,397.79)		
20	9260 7 Emp. Welfare Exp. - Cr.	(543,734.30)		
21	9260 9 Pensions - Cr.	93,195.98		
22	927 Franchise Requirements	925.09		
23	928 Regulatory Commission Exp.	90,852.96		
24	929 Duplicate Charges-Cr.	(3,997.20)		
25	9301 General Advertising Expenses	0.00		
26	9301 Inst Goodwill Advertising Expenses	775.79		
27	9302 Miscellaneous General Expenses	184,149.76		
28	9310 0 Rents	196,598.57		
29	9310 8 Building Service	0.00		
30	Total Admin. & Gen. Operation Expenses	4,308,797.31		
31	Total Operation Expense	\$9,850,479.55	\$10,447,000	(\$596,520.45)

Current month prior year actual, year-to-date actual, year-to-date budget, year-to-date prior year actual, and twelve months ended actual numbers will be provided in upcoming months.

**ATMOS ENERGY CORPORATION**  
**MAINTENANCE EXPENSES**  
**FOR THE MONTH ENDED 08/31/98**

Line No.	Description (a)	Current Month		
		Actual (b)	Budget * (c)	Over(Under) Budget (d)
1	Total Maintenance Expenses	\$803,139.03	\$898,000	(\$94,860.97)
	<b>Manufactured Gas Prod. Maint. Exp.</b>			
2	740 Maint. Supervision and Engineering	\$0.00		
3	741 Structures and Improvements	0.00		
4	742 Production Equipment	1,637.43		
5	Total Manufactured Gas Prod. Maint. Exp.	1,637.43		
	<b>Natural Gas Production Maint. Exp.</b>			
6	761 Maint. Supervision and Engineering	0.00		
7	762 Structures and Improvements	0.00		
8	763 Maint. of Producing Gas Wells	0.00		
9	764 Field Lines	486.06		
10	765 Field Compressor Station Equipment	50.66		
11	766 Field Meas. and Reg. Station Equip.	0.00		
12	767 Purification Equip.	74.42		
13	769 Other Equip.	0.00		
14	7990 2 Transf. to Purch. Gas Accts. - Cr.	0.00		
15	Total Natural Gas Prod. Maint. Exp.	611.14		
	<b>Production Extraction</b>			
16	784 Maint. Supervision-Engineering	0.00		
17	786 Extraction & Refining Equip.	317.26		
18	787 Maint. Of Pipe Lines	0.00		
19	Total Production Extraction	\$317.26		

\* Budget information not available by account.

**ATMOS ENERGY CORPORATION**  
**MAINTENANCE EXPENSES**  
**FOR THE MONTH ENDED 08/31/98**

Line No.	Description	Actual	Current Month	
			Budget *	Over(Under) Budget
<b>Underground Storage Maintenance Expenses</b>				
1	830 Supervision-Engineering	\$0.00		
2	831 Structures & Improvements	0.00		
3	832 Reservoirs & Wells	0.00		
4	833 Line Maintenance	0.00		
5	834 Compressor Station Equipment	108.58		
6	835 Meas. & Reg. Station Equipment	752.80		
7	836 Purification Equipment	247.91		
8	837 Other Equipment	0.00		
9	Total Underground Storage Maintenance Expense:	1,109.29		
<b>Storage Maintenance Expenses</b>				
10	844 Structures & Improvements	0.00		
11	845 Gas Holders	0.00		
12	847 Liquefaction Equipment	0.00		
13	848 Other Equipment	0.00		
14	Total Storage Maintenance Expenses	0.00		
<b>Transmission Maintenance Expenses</b>				
15	861 Supervision-Engineering	0.00		
16	862 Structures & Improvements	0.00		
17	863 Maintenance of Mains	1,524.77		
18	864 Compressor Station Equipment	309.08		
19	865 Meas. & Reg. Station Equipment	1,887.47		
20	866 Communications Equipment	0.00		
21	867 Other Equipment	652.61		
22	Total Transmission Maintenance Expenses	\$4,371.93		

\* Budget information not available by account.



ATMOS ENERGY CORPORATION  
MAINTENANCE EXPENSES  
FOR THE MONTH ENDED 08/31/98

Line No.	Description	Actual	Current Month	
			Budget *	Over(Under) Budget
<b>Distribution Maintenance Expenses</b>				
1	885 Supervision-Engineering	\$101,955.16		
2	886 Structures & Improvements	14,097.35		
3	887 Maintenance of Mains	410,982.01		
4	888 Compressor Station Equipment	0.00		
5	889 Meas. & Reg. Station Equipment-Gen.	31,605.36		
6	890 Meas. & Reg. Station Equipment-Ind.	14,119.86		
7	891 Meas. & Reg. Station Equipment-C. Gate	9,549.70		
8	892 Maintenance of Services	101,552.05		
9	893 Maintenance of Meter & House Regulator	92,212.97		
10	894 Other Equipment	19,015.02		
11	Total Distribution Maintenance Expenses	\$795,089.98		
<b>Administrative &amp; General Maintenance Expenses</b>				
12	932 Maintenance of General Plant	0.00		
13	Total Adm. & Gen. Maintenance Expenses	\$0.00		
14	Total Maintenance Expenses	\$803,139.03	\$898,000	(\$94,860.97)

Current month prior year actual, year-to-date actual, year-to-date budget, year-to-date prior year actual, and twelve months ended actual numbers will be provided in upcoming months.

\* Budget information not available by account.

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
STATEMENTS OF LONG-TERM DEBT  
AS OF AUGUST 31, 1998

Line No.	Description (a)	Date (b)	Original Issue			1998			1997			Line No.
			Amount (c)	Current Maturities (d)	Outstanding Debt (e)	Current Maturities (f)	Outstanding Debt (g)					
1	11.2% John Hancock Note, due 12-30-02	12-23-87	\$ 20,000,000.00	\$ 2,000,000.00	\$ 10,000,000.00	\$ 2,000,000.00	\$ 12,000,000.00	1				
2	9.76% John Hancock Note, due 12-30-04	10-11-89	30,000,000.00	3,000,000.00	21,000,000.00	3,000,000.00	24,000,000.00	2				
3	9.57% Variable Annuity Life, due 09-30-06	09-30-91	20,000,000.00	2,000,000.00	18,000,000.00	2,000,000.00	20,000,000.00	3				
4	7.95% Variable Annuity Life, due 08-31-06	08-31-92	10,000,000.00	1,000,000.00	8,000,000.00	1,000,000.00	10,000,000.00	4				
5	10% Michael D. Fredericks due 12-31-11	12-31-91	1,151,654.00	0.00	1,151,654.00	0.00	1,151,654.00	5				
6	10% Kingdom Foundation due 12-31-11	12-31-91	1,151,654.00	0.00	1,151,654.00	0.00	1,151,654.00	6				
7	8.07% Variable Annuity Life due 10-31-06	11-14-94	20,000,000.00	1,000,000.00	20,000,000.00	0.00	20,000,000.00	7				
8	8.26% New York Life due 10-31-14	11-14-94	20,000,000.00	0.00	20,000,000.00	0.00	20,000,000.00	8				
9	6.09% NationsBank of Texas due 11-25-98	11-26-96	40,000,000.00	40,000,000.00	40,000,000.00	0.00	40,000,000.00	9				
10	6.75% Merrill Lynch due 07-15-28	07-15-98	150,000,000.00	0.00	150,000,000.00	0.00	40,000,000.00	10				
11	United Cities Gas Company		154,752,506.00	9,777,849.00	152,115,784.00	7,182,264.00	156,079,099.00	11				
	First Mortgage Bonds		467,055,814.00	58,777,849.00	441,419,092.00	15,182,264.00	304,382,407.00					
12	9.4% Series J due 05-01-21	04-01-91	17,000,000.00	0.00	17,000,000.00	0.00	17,000,000.00	12				
13	Total Long-Term Debt		\$ 484,055,814.00	\$ 58,777,849.00	\$ 458,419,092.00	\$ 15,182,264.00	\$ 321,382,407.00	13				
14	Annualized Weighted Average Cost of Long-Term Debt (Including Amort. of Debt Expense)				8.22%		8.46%	14				

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
LABOR STATISTICS BY COMPANY  
FOR THE MONTH, AND YEAR TO DATE ENDED 8/31/98

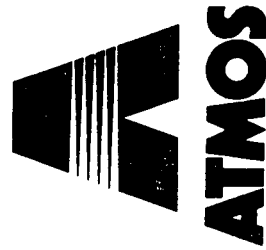
	Month		Year to Date		Prior	
	Actual	Year	Actual	Year	Actual	Year
<b>Labor Costs Distribution (000's):</b>						
Shared Services	\$1,287	\$1,065	\$13,754	\$13,754	\$13,754	\$13,754
Energas	1,126	1,576	14,615	14,615	17,750	17,750
Greeley Gas	726	918	9,197	9,197	10,071	10,071
Trans La	399	474	4,869	4,869	5,280	5,280
UCG	1,982	2,680	21,974	21,974	31,005	31,005
UCG - Non Regulated	360	302	3,739	3,739	3,485	3,485
WKG	816	1,130	10,323	10,323	12,208	12,208
<b>Total Labor Costs Distribution</b>	<b>\$6,696</b>	<b>\$8,145</b>	<b>\$78,471</b>	<b>\$78,471</b>	<b>\$93,553</b>	<b>\$93,553</b>
<b>Percentage Labor Capitalized</b>						
Shared Services			24%	24%	7%	7%
Energas			27%	27%	26%	26%
Greeley Gas			37%	37%	37%	37%
Trans La			34%	34%	30%	30%
UCG			24%	24%	24%	24%
UCG - Non Regulated			.0%	.0%	.0%	.0%
WKG			30%	30%	27%	27%
<b>Total Percentage Labor Capitalized</b>			<b>26%</b>	<b>26%</b>	<b>23%</b>	<b>23%</b>
<b>Average Labor Costs Per Employee:</b>						
Shared Services	\$3,423	\$4,841	\$4,019	\$4,019	\$5,471	\$5,471
Energas	2,760	2,780	3,241	3,241	2,730	2,730
Greeley Gas	3,630	3,586	3,707	3,707	3,488	3,488
Trans La	2,912	2,926	3,062	3,062	2,873	2,873
UCG	3,035	2,577	2,763	2,763	2,649	2,649
UCG - Non Regulated	2,195	1,948	2,073	2,073	2,044	2,044
WKG	2,873	3,183	3,095	3,095	3,011	3,011
<b>Average Labor Costs Per Employee</b>	<b>\$3,014</b>	<b>\$2,956</b>	<b>\$3,127</b>	<b>\$3,127</b>	<b>\$2,998</b>	<b>\$2,998</b>

# Atmos Energy Corporation

## FINANCIAL STATEMENTS

SEPTEMBER, 1998

*Note: These Financial Statements and the Supplemental information contained herein are confidential. Any unauthorized distribution of all or part of these statements is in violation of company policy.*



**ATMOS ENERGY CORPORATION AND SUBSIDIARIES**  
**FINANCIAL STATEMENTS - TABLE OF CONTENTS**  
**AS OF SEPTEMBER 30, 1998**

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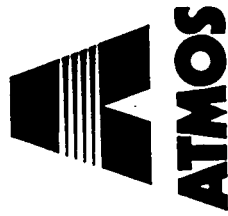
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Atmos Energy Corporation  
Preliminary Financial Results  
As of September 30, 1998  
And for the Fiscal Year Then Ended  
Executive Summary

# Executive Summary

Included herein is the summary of the preliminary financial condition of Atmos Energy Corporation as of September 30, 1998 and the results of operations and cash flows for the year then ended. This information is preliminary in that the Internal Audit Department and Ernst & Young are currently engaged in their respected reviews of the balance sheet at September 30, 1998 and the results of operations and cash flows for the year then ended. Both the Internal Audit Department and Ernst & Young expect to have their work complete by November 10, 1998 when they, as well as the company's management, meet with the Audit Committee of the Board, and November 11, when earnings are released.

Despite a year when weather was warmer than last year, as well as warmer than the 30 year norm, the Company has achieved excellent financial results which are significantly better than last year and in line with analyst expectations for the year. This is the result of a number of factors, but the most significant are the United Cities merger benefits and savings, West Texas irrigation and the gains on asset sales.

Financial results for the year ended September 30, 1998 can be summarized as follows-

	Amount (000's)	EPS	
		Basic	Diluted
Net income from recurring operations	<u>\$53,021</u>	<u>\$1.77</u>	<u>\$1.77</u>
Gains on asset sales	<u>2,244</u>	<u>0.08</u>	<u>0.07</u>
Reported net income	<u>\$55,265</u>	<u>\$1.85</u>	<u>\$1.84</u>

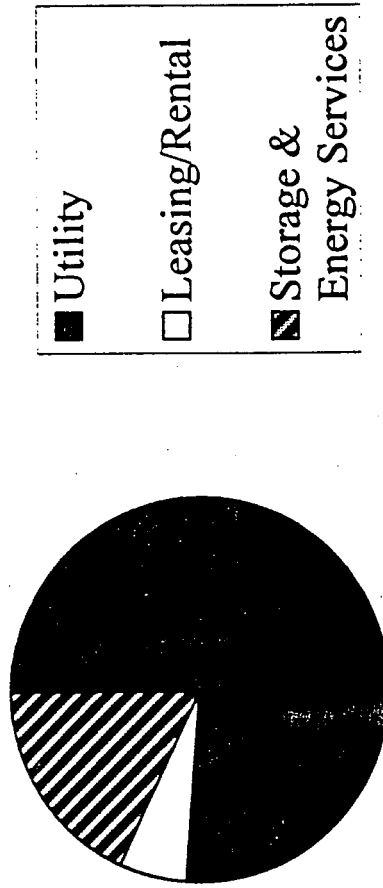


# Executive Summary

This compares to financial results for the year ended September 30, 1997 that can be summarized as follows-

	Amount (000's)	EPS	
		Basic	Diluted
Net income from recurring operations	\$39,268	\$1.34	\$1.34
Charges for:			
Office separations	2,800	0.10	0.10
Reserve for integration costs	12,630	0.43	0.43
Reported net income	<u>\$23,838</u>	<u>\$0.81</u>	<u>\$0.81</u>

The reported net income for 1998 continues to come primarily from the regulated utility operations; however 24 % of 1998's reported net income is from unregulated, non-utility operations which include West Texas Irrigation, the gain on asset sales and Woodward Marketing.



# Executive Summary

The most significant factors influencing this years results, other than weather, are operation and maintenance expense savings, results from West Texas irrigation and the sale of assets.

	1998	1997	Difference
(000's)			
Operations and maintenance expense	<u>\$141,614</u>	<u>\$185,657</u>	<u>\$44,043</u>
West Texas Irrigation (net income)	<u>\$ 6,133</u>	<u>\$ 3,465</u>	<u>\$2,668</u>
Sale of assets (after tax)	<u>\$ 2,244</u>	<u>-</u>	<u>\$2,244</u>

From the standpoint of cash flows, 1998 was another year in which total cash outflows exceeded cash flows from operating activities by \$77.1 million, resulting in the Company having to borrow and issue equity to meet its cash requirements. Total debt increased by \$37.2 million from September 30, 1997 to September 30, 1998. Total debt at September 30, 1998 and 1997 include:

	September 30, 1998	September 30, 1997	Increase (Decrease)
(000's)			
Short term debt:			
Working capital	\$ 48,909	\$ 48,122	\$ 787
Other	17,491	119,178	(101,687)
Long term debt	<u>456,331</u>	<u>318,182</u>	<u>138,149</u>
Total debt	<u>\$522,731</u>	<u>\$485,482</u>	<u>\$ 37,249</u>

The preceding table reflects the 30 year, 6 3/4% long term financing completed in July 1998.

# Executive Summary

While total debt increased from September 30, 1997, debt as a percentage of total capitalization actually improved moderately from September 30, 1997 to September 30, 1998.

	<u>September 30, 1998</u>	<u>%</u>	<u>September 30, 1997</u>	<u>%</u>
(000's)				
Short term Debt - working capital	\$ 48,909		\$ 48,122	
Capitalization				
Short term debt	\$ 17,491	2.1%	\$ 119,178	15.6%
Long term debt	456,331	54.0%	318,182	41.6%
Common equity	371,158	43.9%	327,260	42.8%
Total Capitalization	<u>\$844,980</u>	<u>100.0%</u>	<u>\$764,620</u>	<u>100.0%</u>

The improvement in capitalization reflects the benefits of 1998 net income in excess of dividend requirements and new equity from the issue of common stock through the Direct Stock Purchase Plan.

For purposes of analysis, the Company has shown the 1998 and 1997 financial results on a consolidated basis but also on a segment basis using the following segments.

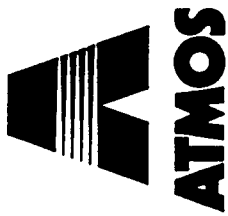
- ▷ Utility (Energas, Greeley, Trans La, United Cities, and WKG)
- ▷ Propane
- ▷ Storage and Energy Services (Atmos Energy Services, Woodward, Egasco, EnerMart, UCG Storage, UCG Energy)
- ▷ Leasing and Rental

Management is continuing to evaluate the groupings of businesses for segment reporting purposes, and some modification could be made before results are finalized in the 1998 Annual Report.

# Executive Summary

The financial information provided herein includes:

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● Cash Flows	33
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# Overview of Financial Results

# Atmos Consolidated

Overview of Financial Results

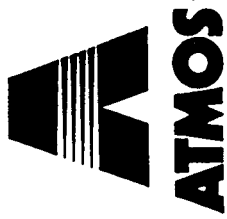
## Net Income by Quarter 1998

(000's except EPS) For year ended September 30, 1998	Reported		Budget		Street	
	Net Income	EPS (1)	Net Income	EPS (1)	Net Income	EPS (2)
1st Quarter	\$ 20,122	\$ 0.68	\$ 17,775	\$ 0.61	\$ 17,775	\$ 0.61
2nd Quarter	37,398	1.25	42,676	1.41	42,676	1.16
3rd Quarter	1,676	0.06	762	0.02	762	0.04
4th Quarter	<u>(3,931)</u>	<u>(0.13)</u>	<u>(9,338)</u>	<u>(0.31)</u>	<u>(9,338)</u>	<u>(0.22)</u>
Total	<u>\$ 55,265</u>	<u>\$ 1.84</u>	<u>\$ 51,875</u>	<u>\$ 1.72</u>	<u>\$ 51,875</u>	<u>\$ 1.76</u>

Note: EPS for the year is not necessarily the sum of EPS by quarter, depending on weighted average shares outstanding in each quarter.

(1) Fully diluted.

(2) Annual EPS for street does not total quarters due to analyst changing annual and quarterly EPS estimates throughout the year.



# Results of Operations

# Income Statement - Fourth Quarter As Reported

(000's except EPS)	Quarter ended September 30,		
	1998	1997	Budget
Operating revenues	\$127,016	\$119,861	\$120,010
Purchased gas cost/cost of sales	76,118	71,271	73,395
Gross profit	50,898	48,590	46,615
O&M expense	37,637	60,216	35,611
Depreciation & amortization	11,439	10,383	12,054
Taxes, other than income	4,980	6,524	6,796
Income taxes	(4,139)	(13,202)	(5,783)
Total operating expenses	49,917	63,921	48,678
Operating income	981	(15,331)	(2,063)
Other income	4,231	1,196	998
Interest charges	9,143	7,789	8,273
Net income (loss)	\$ (3,931)	\$ (21,924)	\$ (9,338)
Net income (loss) per share			
Basic	\$ (0.13)	\$ (0.74)	\$ (0.31)
Diluted	\$ (0.13)	\$ (0.74)	\$ (0.30)
Average shares outstanding			
Basic	30,022	29,578	30,457
Diluted	30,294	29,590	30,676



# Income Statement - Annual As Reported

	Year ended September 30,	
	1998	1997
(000's except EPS)		Budget
Operating revenues	\$848,208	\$906,835
Purchased gas cost/cost of sales	516,372	577,181
Gross profit	331,836	329,654
O&M expense	141,614	185,657
Depreciation & amortization	47,555	45,257
Taxes, other than income	29,788	32,131
Income taxes	31,806	14,298
Total operating expenses	250,763	277,343
Operating income	81,073	52,311
Other income	9,771	5,122
Interest charges	35,579	33,595
Net income	\$ 55,265	\$ 23,838
Net income per share		
Basic	\$ 1.85	\$ 0.81
Diluted	\$ 1.84	\$ 0.81
Average shares outstanding		
Basic	29,822	29,409
Diluted	30,031	29,422
		30,137
		30,277

# Net Income Normalized - Fourth Quarter

	Quarter ended September 30,			
	1998	1997		
(\$000's except EPS)	Amount	Per Share (1)	Amount	Per Share (1)
<u>As reported net income (loss)</u>	\$ (3,931)	\$ (0.13)	\$ (21,924)	\$ (0.74)
Reserve for integration			12,630	0.43
Sale of facilities	(1,783)	(0.06)		
<u>Normalized net income (loss)</u>				
Excluding effects of weather	(5,714)	(0.19)	(9,294)	(0.31)
<u>Est. effects of weather (after tax)</u>				
Degree days (gas and propane)	54	-	50	-
Rainfall	(815)	(0.03)	(676)	(0.02)
<u>Normalized net income (loss)</u>	\$ (6,475)	\$ (0.22)	\$ (9,920)	\$ (0.33)

(1) Fully diluted EPS.

Normalized EPS may not add due to rounding.

# Net Income Normalized - Annual

	Year ended September 30,			
	1998	1997		
(\$000's except EPS)	Amount	Per Share (1)	Amount	Per Share (1)
<u>As reported net income</u>	\$55,265	\$ 1.84	\$23,838	\$0.81
Reserve for integration	-	-	12,630	0.43
Officer separation	-	-	2,800	0.10
Sale of facilities	(2,244)	(0.08)		
<u>Normalized net income</u>				
Excluding effects of weather	53,021	1.77	39,268	1.34
<u>Est. effects of weather (after tax)</u>				
Degree days (gas and propane)	2,543	0.08	3,110	0.11
Rainfall	(171)	(0.01)	461	0.01
<u>Normalized net income</u>	\$55,393	\$ 1.84	\$42,839	\$1.46

(1) Fully diluted EPS.

Note: Normalized EPS may not add due to rounding.

# Atmos Consolidated

*Results of Operations*

## Income Statement by Segment (Annual As Reported)

	Utility		Propane		Leasing/Rental		Storage & Energy Services		Consolidated	
	1998	1997	1998	1997	1998	1997	1998	1997	1998	1997
(000's except E/PS)										
Operating revenue	\$ 744,652	\$ 811,537	\$ 29,091	\$ 33,194	\$ 3,977	\$ 4,005	\$ 70,488	\$ 58,099	\$ 848,208	\$ 906,835
Purchased gas cost	444,288	510,943	17,709	21,193	-	-	54,375	45,045	516,372	577,181
Gross profit	300,364	300,594	11,382	12,001	3,977	4,005	16,113	13,054	331,836	329,654
O&M expense	128,624	170,287	8,107	9,478	601	799	4,282	5,093	141,614	185,657
Depreciation & amort.	43,358	40,769	2,324	2,120	1,013	1,136	860	1,232	47,555	45,257
Taxes, other than income	28,716	31,610	332	-	256	-	484	521	29,788	32,131
Income taxes	25,235	11,331	(38)	(90)	1,878	674	4,731	2,383	31,806	14,298
Total op. expenses	225,933	253,997	10,725	11,508	3,748	2,609	10,357	9,229	250,763	277,343
Operating income (loss)	74,431	46,597	657	493	229	1,396	5,756	3,825	81,073	52,311
Other income	901	846	72	159	3,460	505	1,418	358	5,851	1,868
Equity in earnings (WMLLC)	-	-	-	-	-	-	3,920	3,254	3,920	3,254
Interest charges	33,185	30,452	795	742	417	784	1,182	1,617	35,579	33,595
Net income (loss)	\$ 42,147	\$ 16,991	\$ (66)	\$ (90)	\$ 3,272	\$ 1,117	\$ 9,912	\$ 5,820	\$ 55,265	\$ 23,838
Net income per share										
Basic									\$ 1.85	\$ 0.81
Diluted									\$ 1.84	\$ 0.81

Ave. shares outstanding

Basic

Diluted

29,822    29,409  
30,031    29,422

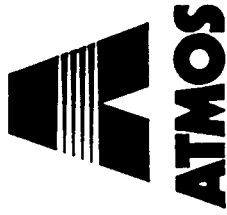
# Income Statement

	Year ended September 30,		Budget
	1998	1997	
(000's)			
Gas marketing sales	\$362,822	\$314,623	
Commodities trading	(373)	-	
Gross income	<u>362,449</u>	<u>314,623</u>	
Gas marketing purchases	349,790	306,071	
Gross brokerage profit	<u>12,659</u>	<u>8,552</u>	\$6,916
Payroll burden	3,214	2,229	1,828
Rent	142	133	134
Legal	36	17	25
Other	551	455	323
DD&A	35	30	31
Total operating expenses	<u>3,978</u>	<u>2,864</u>	<u>2,341</u>
Net income from operations	8,681	5,688	4,575
Other income	658	631	297
Interest charges	36	68	228
Net income	<u>\$ 9,303</u>	<u>\$ 6,251</u>	<u>\$4,644</u>

WMLLC

# Atmos Net Income Share and Return

	Year ended September 30,	
(000's)	1998	1997
WMLLC net income	<u>\$ 9,303</u>	<u>\$ 6,251</u>
Atmos share @ 45%	4,186	2,813
Estimated to actual recording	<u>(266)</u>	<u>441</u>
Atmos share recorded	3,920	3,254
Less:		
Amortization of excess purchase price	400	359
Provision for taxes	1,337	1,100
Atmos Equity in WMLLC Earnings recorded	<u>\$ 2,183</u>	<u>\$ 1,795</u>
Average investment	\$10,938	\$ 8,727
Return on investment	20.0%	20.6%



# Variance Analysis

# Atmos Utility

Variance Analysis

## Gross Profit Variances

1998 vs. 1997

	Volume Variance (Mmcf)	Prior Margin	\$ Variance (000's)	Gross Profit
Favorable (unfavorable)				\$ 300,594
Gross profit for the year ended September 30, 1997				
As The Result Of Weather				
Regulated sales - MMcf	(8,624)	\$ 1.8841	\$ (16,249)	
Non-regulated sales - MMcf	(71)	0.3323	(24)	
Transportation sales - MMcf	5,268	0.4075	2,147	
Total weather variances			<u>(14,126)</u>	
As The Result Of Margins				
Regulated sales - MMcf	\$ 0.0760	Actual Volume 136,747	10,388	
Non-regulated sales - MMcf	0.1358	1,801	245	
Transportation sales - MMcf	0.0359	54,068	1,939	
Total margin variances			<u>12,572</u>	
Other Gas Revenue			1,324	
Total Gross Profit Variances				<u>(230)</u>
Gross profit for the year ended September 30, 1998				<u>\$ 300,364</u>



Atmos Utility

Variance Analysis

**Operating Expense Variances**  
1998 vs. 1997

(Favorable) Unfavorable (000's)	<u>Variance</u>	<u>Total Operating Expense</u>
Operating expense for the year ended September 30, 1997		\$ 253,997
Operating and maintenance expenses	\$ (41,663)	
Depreciation & amortization	2,589	
Taxes other than income	(2,894)	
Income taxes	13,904	
Total operating expense variances		<u>(28,064)</u>
Operating expense for the year ended September 30, 1998		<u>\$ 225,933</u>

# Atmos Utility

## Net Income Variance

### 1998 vs. 1997

	Profit and Expense Variances	Net Income Effect
Favorable (unfavorable) (000's)		
1997 Net Income		\$ 16,991
 Net variances:		
1998 gross profit variance	\$ (230)	
1998 operating expense variance	28,064	
Other income variance	55	
Interest charges variance	<u>(2,733)</u>	
Total net variances		<u>25,156</u>
1998 Net income		<u>\$ 42,147</u>

# Propane Net Income Variance 1998 vs. 1997

	Volume Variance (MMcf)	Prior Margin	\$ Variance (000's)	Net Income Effect \$ (90)
Favorable (unfavorable)				
Net Income for the year ended September 30, 1997				
Gross Profit Variance	701	\$0.3638	\$ 255	
As The Result Of Weather				
As The Result Of Margins	Margin Variance \$(0.0260)	Actual Volume 33,676	(874)	(619)
Total Gross Profit Variance				
Operating Expense Variances				
O&M Expense			1,371	
Depreciation and amortization expense			(204)	
Taxes, other than income			(332)	
Income taxes			(52)	
Total operating expense variances			783	
Other income variance				(87)
Interest charges variance				(53)
Net income for the year ended September 30, 1998				\$ (66)

# Leasing/Rental

Variance Analysis

## Net Income Variance

1998 vs. 1997

	Profit and Expense Variances	Net Income Effect
Favorable (unfavorable)		
Net income for the year ended September 30, 1997		<u>\$ 1,117</u>
Gross profit variance		(28)
Operating expense variances		
O&M Expense	\$ 198	
Depreciation and amortization expense	123	
Taxes, other than income	(256)	
Income taxes	<u>(1,204)</u>	
Total operating expense variances		(1,139)
Other income variance (1)		2,955
Interest charge variance		<u>367</u>
Net income for the year ended September 30, 1998		<u><u>\$ 3,272</u></u>

(1) Sale of facilities.

# Storage and Energy Services

## Net Income Variances

1998 vs. 1997

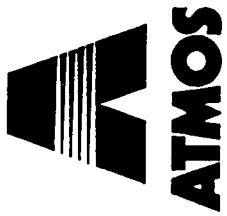
Variance Analysis

	Volume Variances (MMcf)	Prior Margin	\$ Variance (000's)	Net Income Effect \$ 5,820
Favorable (unfavorable)				
Net income for the year ended September 30, 1997				
Gross profit variance				
Irrigation gross profit variances				
As the result of weather				
Non-regulated irrigation	4,275	\$0.4685	\$2,003	
Non-regulated industrial	(416)	0.3455	(144)	
Total weather variances			<u>1,859</u>	
As the result of margins				
Non-regulated irrigation			1,755	
Non-regulated industrial			(772)	
Total margin variances			<u>982</u>	
Other gross profit variances			<u>218</u>	
Total gross profit variance				3,059
Operating expense variances				
O&M Expense			811	
Depreciation and amortization expense			372	
Taxes, other than income			37	
Income taxes			<u>(2,348)</u>	
Total operating expense variances				(1,128)
Other income variance				1,060
WMLLC equity in earnings variance				666
Interest charge variance				<u>435</u>
Net income for the year ended September 30, 1998				<u>\$ 9,912</u>

# Cost and Net Income Variance

## 1998 vs. 1997

Favorable (unfavorable)	Variance (000's)
Net income for the year ended September 30, 1997	<u>\$6,251</u>
Total gross brokerage profit variance	4,107
Payroll burden	985
Other	129
Total operating expense variance	1,114
Interest charges	<u>(32)</u>
Total cost variance above prior year actual	<u>1,082</u>
Other income variance	<u>27</u>
Net income for the year ended September 30, 1998	<u><u>\$9,303</u></u>



# Operating Data

## Utility Operating Data

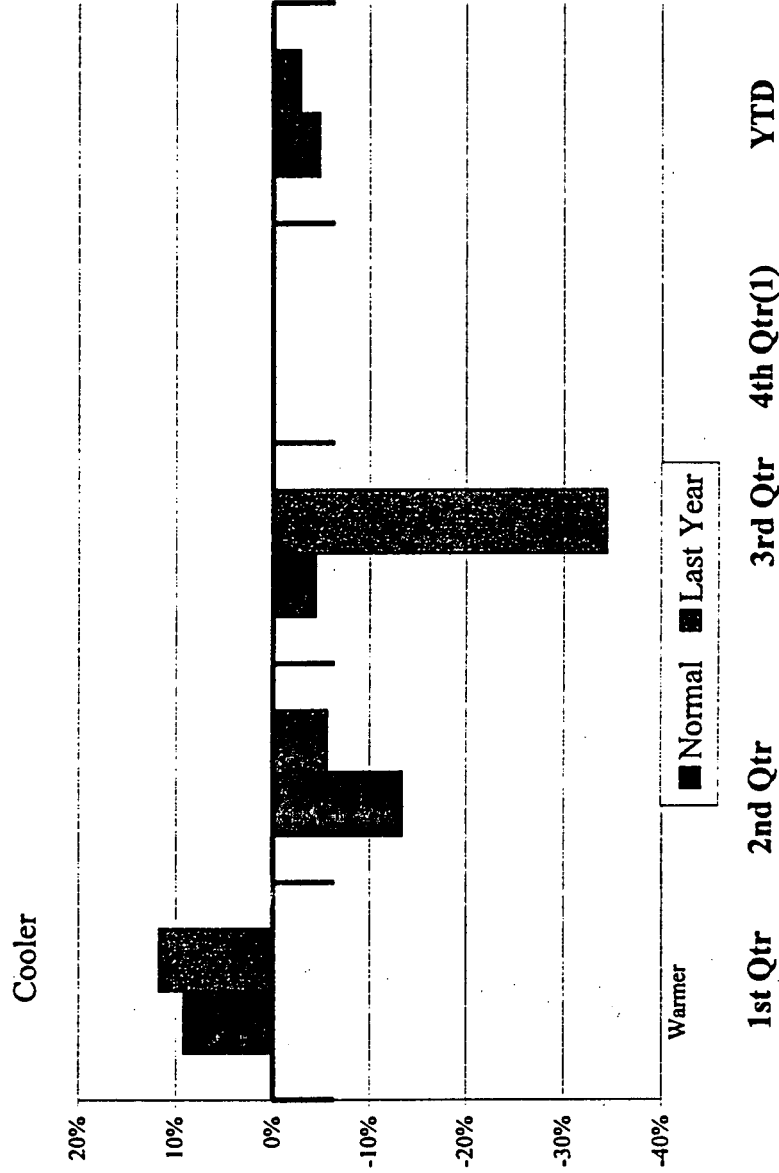
Operating Data

# Volumes, Degree Days, and Customers

	4th Quarter		Year to Date	
	1998	1997	1998	1997
<b>Sales Volumes - MMcf</b>				
Residential	5,395	5,205	73,472	75,216
Commercial	4,023	3,630	36,083	37,384
Public authority and other	433	424	4,937	5,191
Total weather sensitive sales	9,851	9,259	114,492	117,791
<b>Industrial</b>				
Industrial	3,973	4,837	21,360	26,690
Irrigation	604	455	896	890
Total sales volumes	14,428	14,551	136,748	145,371
<b>Transportation volumes - MMcf</b>				
Transportation volumes - MMcf	11,334	12,042	54,067	48,800
Total volumes delivered - MMcf	25,562	26,593	190,815	194,171
<b>Degree days (natural gas service areas)</b>				
Degree days (natural gas service areas)			3,799	3,909
Percent of normal			95%	98%
<b>Meters-in-service at end of period</b>				
Meters-in-service at end of period			990,308	970,372

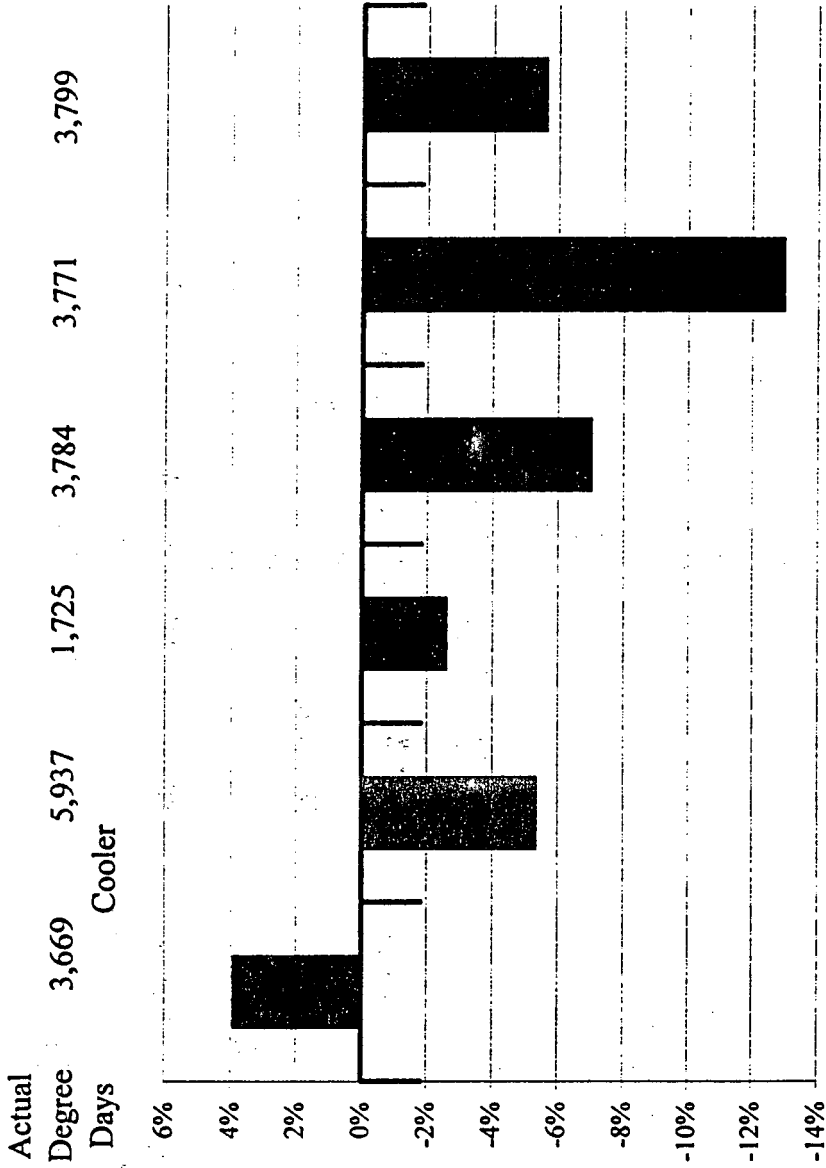


# Atmos Utility Degree Days as % of Normal and Last Year 1998



(1) Heating degree days are insignificant during the summer.

# Atmos Utility and Propane Degree Days by Business Unit as % of Normal 1998

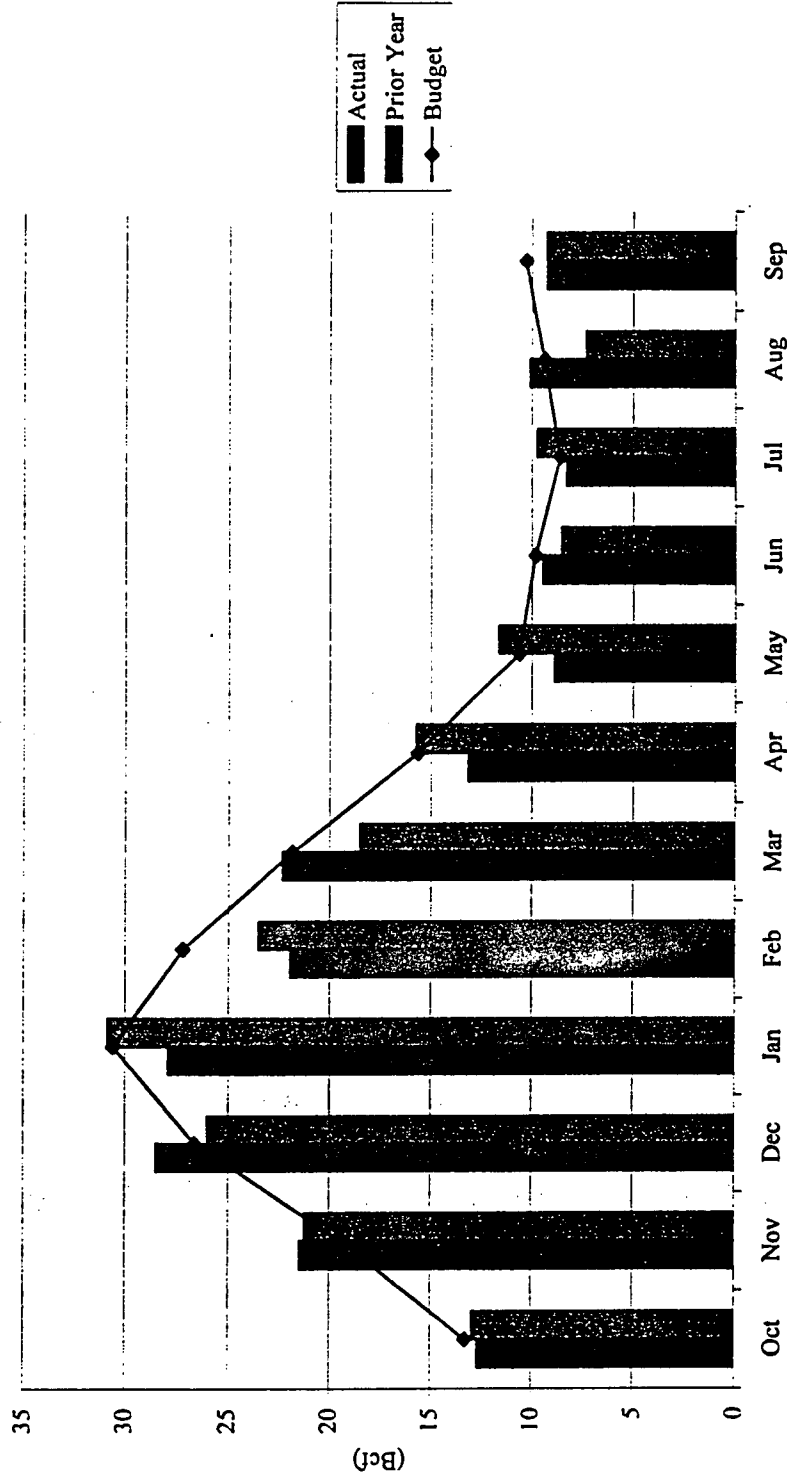


Warmer

Energas   Greeley   Trans La   UCG   WKG   Propane

# Atmos Utility

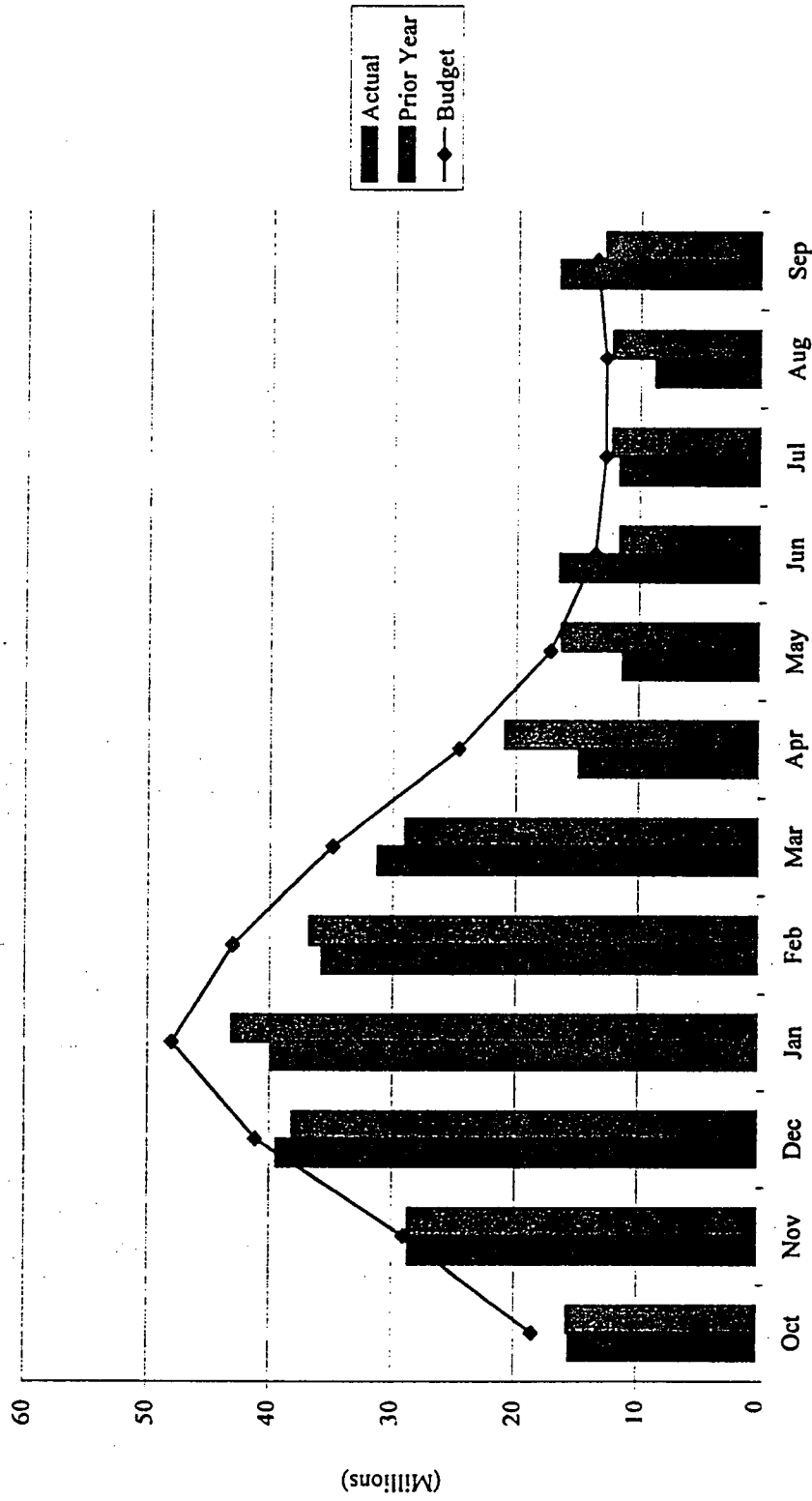
## Volumes (Sales and Transportation) 1998



Impacted By Warmer Weather

# Atmos Utility Margins 1998

Operating Data



Gains in the 1st quarter were more than off-set by below budget margin in January and February.

## Propane

Operating Data

# Volumes, Degree Days, and Customers

	1998	1997
Sales volumes - gallons (000's)		
Retail LP sales	17,229	17,145
Wholesale LP sales	16,447	15,830
Total sales gallons	<u>33,676</u>	<u>32,975</u>
Degree days	3,799	3,847
Percent of normal	94 %	96 %
Customers	37,400	29,097

Customer growth through acquisitions in fiscal year 1998 as follows:

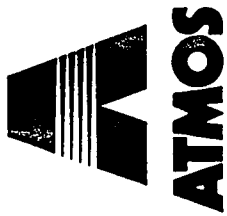
	Customers	Purchase Price (000's)
Ingas Inc.	1,600	\$ 2,719
Harris Propane Gas Inc.	1,800	2,000
Massey Propane Gas Company	1,200	993
E-Con Gas Inc.	1,300	2,080
Shaw LP Gas Inc.	2,600	3,911
	<u>8,500</u>	<u>\$11,703</u>

# Storage and Energy Services

Operating Data

	For year ended September 30, 1998		For year ended September 30, 1997	
	MMcf	Price (000's) Average price per Mcf	MMcf	Price (000's) Average price per Mcf
<b>Gas Storage Activity:</b>				
Gas in storage beginning of year	2,154	\$5,810	2,059	\$ 5,245
Storage withdrawals	958	2,505	567	1,152
Storage injections	1,262	3,902	662	1,717
Gas in storage end of year	<u>2,458</u>	<u>\$7,207</u>	<u>2,154</u>	<u>\$5,810</u>

	Revenues (000's)	
	MMcf	Revenues (000's)
<b>Gas Sales:</b>		
Irrigation	17,018	\$52,006
Industrial	3,806	11,300
	<u>20,824</u>	<u>\$63,306</u>
<b>Meters-in-service</b>	<u>14,224</u>	<u>15,076</u>
		<u>\$ 40,810</u>
		<u>11,971</u>
	<u>16,964</u>	<u>\$ 52,781</u>



# Cash Flows

# Atmos Consolidated

## Cash Flow Statements

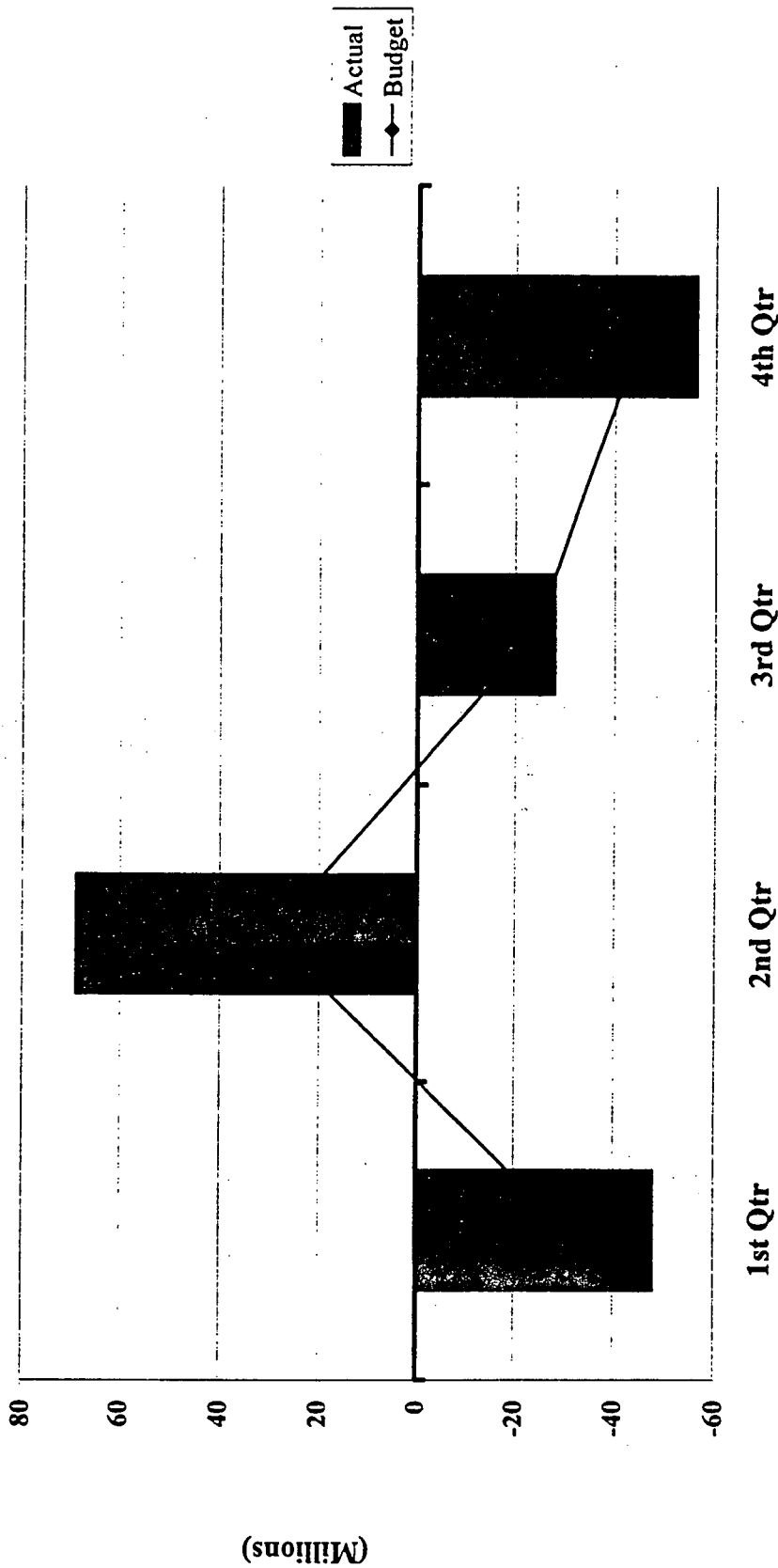
### As Reported

Cash Flows

(\$000's)	Year ended September 30,	1997
Net income	\$ 55,265	\$ 14,575
Depreciation & amortization	53,416	42,207
Changes in working capital and other	17,280	23,708
Merger & integration costs	(32,775)	(32,075)
Reserve for integration	-	20,334
Cash provided by operations	93,186	68,749
Capital expenditures, net	(122,149)	(121,123)
Debt repayments	(16,296)	(14,659)
Dividends paid	(31,834)	(26,415)
Net cash inflows (outflows)	(77,093)	(93,448)
Cash provided from financing activities	74,012	88,330
Net Increase (Decrease) In Cash	\$ (3,081)	\$ (5,118)



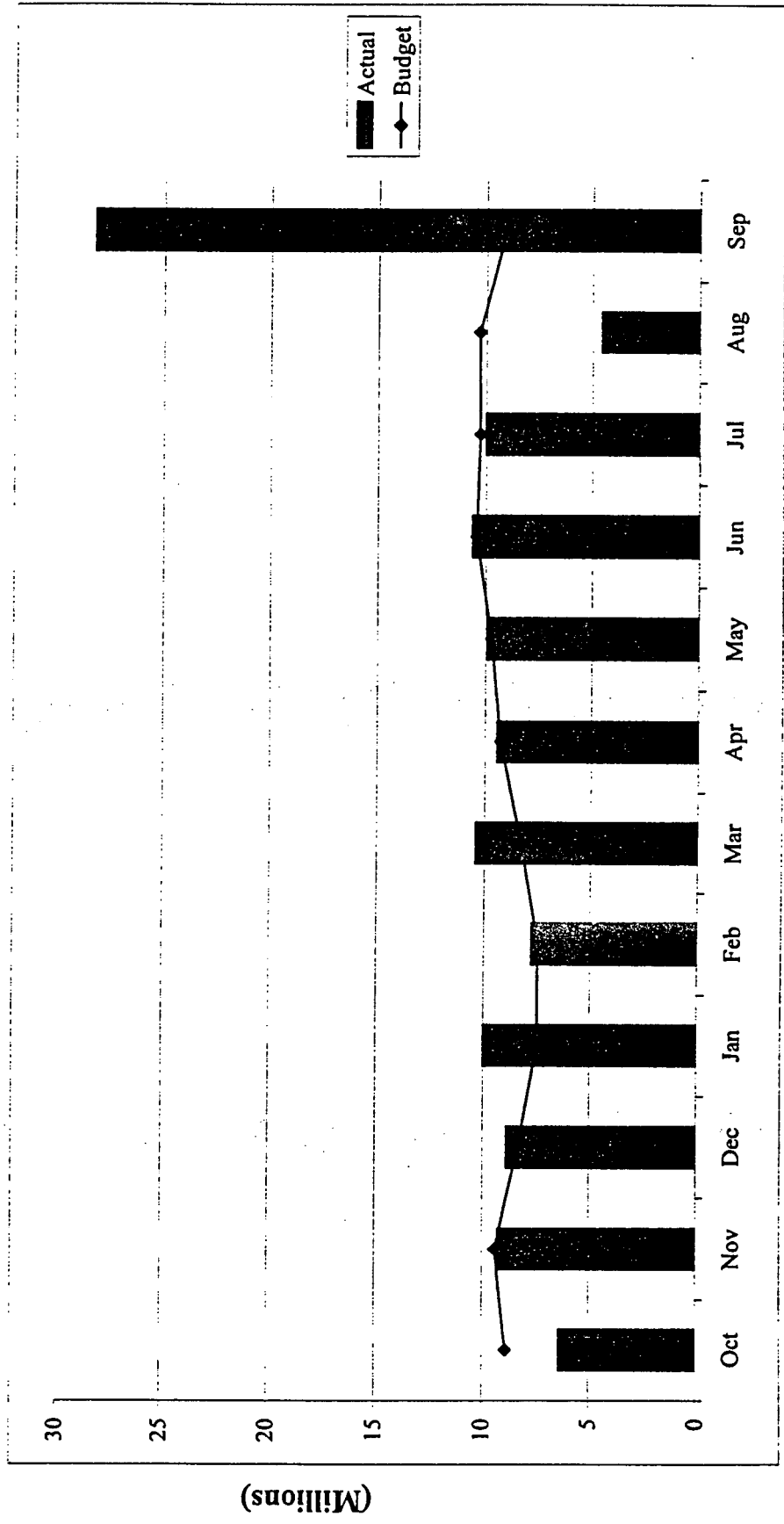
# Atmos Consolidated Free Cash Flow after Dividends 1998



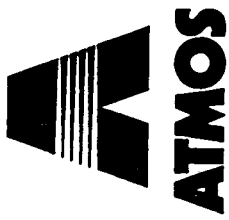
# Capital Expenditures and Customer Growth

	Year ended September 30,			% Meter Growth
	1998	1997	# of Net New Meters	
(\$000's)				
Utility units:				
Energas	\$ 12,945	\$ 21,700	3,632	1.17%
Greeley Gas	10,876	14,100	2,405	2.12%
Trans La	5,476	8,200	1,095	1.37%
United Cities	22,748	28,800	9,782	3.19%
Western Kentucky	11,802	15,200	2,170	1.25%
Total utility	<u>63,847</u>	<u>88,000</u>	<u>19,084</u>	<u>1.94%</u>
Non-utility units:				
Propane	734	1,166		
Storage and other	81	200		
Leasing and rental	716	1,634		
Total non-utility	<u>1,531</u>	<u>3,000</u>		
Customer service initiative	58,922	25,900		
Shared services	1,316	3,600		
Total capital invested	<u>\$125,616</u>	<u>\$120,500</u>		

# Atmos Consolidated Capital Expenditures by Month 1998



Total capital expenditures for the year were \$126 million as compared to budget of \$109 million.



# Balance Sheet And Capitalization

# Atmos Consolidated Balance Sheets As of September 30

*Balance Sheet and Capitalization*

Description (000's) ASSETS	1998	1997
Property, plant and equipment	\$1,333,556	\$1,301,004
Construction work in progress	<u>112,864</u>	<u>31,668</u>
	1,446,420	1,332,672
Less accumulated depreciation and amort.	<u>528,560</u>	<u>483,545</u>
Net property, plant and equipment	917,860	849,127
Current assets		
Cash and temporary cash investments	2,935	6,016
Accounts receivable, less allowance for doubtful accounts	36,687	71,217
Inventories	15,219	12,333
Gas stored underground	48,909	48,122
Other current assets	<u>3,630</u>	<u>6,017</u>
Total current assets	107,380	143,705
Deferred charges and other assets	<u>116,150</u>	<u>95,479</u>
Total assets	<u>\$1,141,390</u>	<u>\$1,088,311</u>

# Atmos Consolidated Balance Sheets

## As of September 30

*Balance Sheet and Capitalization*

Description (000's)	1998	1997
<b>CAPITALIZATION AND LIABILITIES</b>		
Shareholders' equity		
Common stock	\$ 152	\$ 148
Additional paid-in capital	271,637	251,174
Retained earnings	99,369	75,938
Total shareholders' equity	371,158	327,260
Long-term debt	399,798	302,981
Total capitalization	770,956	630,241
Current liabilities		
Current maturities of long-term debt	56,533	15,201
Notes payable	66,400	167,300
Accounts payable	44,742	62,626
Taxes payable	12,736	416
Customers' deposits	12,029	15,098
Other current liabilities	30,369	52,582
Total current liabilities	222,809	313,223
Deferred income taxes	80,213	87,828
Deferred credits and other liabilities	67,412	57,019
Total capitalization and liabilities	\$1,141,390	\$1,088,311

# Atmos Consolidated Capitalization

	1998	1997
(\$000's)		
Working capital		
Short-term debt (1)	<u>\$ 48,909</u>	<u>\$ 48,122</u>
Short-term debt	\$ 17,491	\$ 119,178
	2.1%	15.6%
Long-term debt	456,331	318,182
	54.0%	41.6%
Shareholders' equity	<u>371,158</u>	<u>327,260</u>
	43.9%	42.8%
Total capitalization	<u>\$844,980</u>	<u>\$764,620</u>
	100.0%	100.0%

(1) Includes short-term borrowings associated with working gas inventories.

Atmos Consolidated

Return on Average Equity

	<u>Utility</u>	<u>Propane</u>	<u>Leasing/ Rental</u>	<u>Storage &amp; Energy Services</u>	<u>Consolidated</u>
1997					
As Reported	6.8%	-1.1%	10.9%	91.6%	7.3%
Normalized except for effects of weather (1)					
	11.7%	-1.1%	10.9%	91.6%	11.7%
1998					
As Reported	13.2%	-0.8%	26.7%	113.8%	15.8%
Normalized except for effects of weather (2)					
	13.2%	-0.8%	9.3%	113.8%	15.2%

(1) Adjusted for effects of management reorganization and reserves.  
 (2) Adjusted for sales of facilities.



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ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS  
AS OF 09/30/98

Line No.	Description (a)	1998 (b)	1997 (c)	Line No.
<b>ASSETS</b>				
1	Property, plant and equipment			1
2	Utility plant	\$1,258,300,496.84	\$1,218,370,929.56	2
3	Nonutility plant	75,255,493.53	82,632,468.53	3
	Construction work in progress	112,864,203.36	31,568,205.31	
4		1,446,420,193.73	1,332,671,603.40	4
5	Less accumulated depreciation and amortization	528,559,811.74	483,544,361.22	5
6	Net property, plant and equipment	917,860,381.99	849,127,242.18	6
7	Investments in & advances to subsidiaries	0.00	0.00	7
Current assets				
8	Cash and temporary cash investments	4,734,898.19	6,015,412.91	8
9	Accounts receivable, less allowances for doubtful accounts	34,887,296.59	71,217,214.52	9
10	Inventories	15,219,349.14	12,332,807.62	10
11	Gas stored underground	48,908,958.26	48,122,006.36	11
12	Other current assets	3,629,466.46	6,017,201.01	12
13	Intercompany accounts - net	0.00	0.00	13
14	Total current assets	107,379,968.64	143,704,642.42	14
15	Deferred charges and other assets	116,149,364.09	95,479,101.77	15
16	Total assets	\$1,141,389,714.72	\$1,088,310,986.37	16

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS (Continued)  
AS OF 09/30/98

Line No.	Description (a)	1998 (b)	1997 (c)	Line No.
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>				
1	Shareholders' equity			1
2	Common stock	\$151,991.59	\$148,212.18	2
3	Common stock subscribed	0.00	0.00	3
4	Additional paid-in capital	271,637,623.66	251,174,227.94	4
5	Retained earnings	99,368,877.36	75,937,292.59	5
6	Total shareholders' equity	371,158,492.61	327,259,732.71	6
7	Long-term debt (including current maturities)	456,330,719.00	318,181,824.00	7
8	Total capitalization	827,489,211.61	645,441,556.71	8
Current liabilities				
9	Notes payable	66,400,000.00	167,300,000.00	9
10	Accounts payable	44,741,660.58	62,625,499.15	10
11	Accrued taxes	10,350,962.92	12,119,647.37	11
12	Income taxes payable	2,385,011.08	(11,703,609.67)	12
13	Dividends declared	0.00	0.00	13
14	Customers' deposits	12,029,062.43	15,097,975.19	14
15	Other current liabilities	30,369,188.26	52,582,230.67	15
16	Total current liabilities	166,275,885.27	298,021,742.71	16
17	Deferred income taxes	80,212,479.88	87,828,170.44	17
18	Deferred credits and other liabilities	67,412,137.96	57,019,516.51	18
19	Total liabilities and shareholders' equity	\$1,141,389,714.72	\$1,088,310,986.37	19

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF INCOME  
FOR THE MONTH, AND YEAR ENDED 09/30/98

Line No.	Description (a)	Current Month		Year to Date		Line No.
		Actual (b)	Budget (c)	Actual (e)	Budget (f)	
	Operating revenues					
1	Gas	\$34,482,738.90	\$31,821,000	\$784,591,484.78	\$847,385,000	\$844,835,182.14
2	Transportation	(573,440.77)	1,596,000	23,970,805.53	18,895,000	19,885,045.17
3	Non Utility	1,887,143.00	3,398,000	39,645,220.00	54,028,000	42,114,816.30
4	Total operating revenues	35,794,441.13	36,815,000	848,207,510.31	920,308,000	906,835,043.61
5	Purchased gas cost	16,581,999.72	21,556,000	516,371,542.32	578,142,000	577,181,413.96
6	Gross profit	19,212,441.41	15,259,000	331,835,967.99	342,166,000	329,653,629.65
	Operating expenses					
7	Operation	12,130,831.26	11,453,000	131,336,190.98	140,640,000	173,683,298.98
8	Maintenance	1,234,751.22	898,000	10,177,740.74	10,770,000	11,973,414.37
9	Depreciation and amortization	3,869,511.88	4,016,000	47,555,400.33	48,009,000	45,256,939.45
10	Taxes - other than income taxes	849,696.13	2,390,000	29,787,599.05	31,731,000	32,130,832.42
11	Provision for income taxes	(1,779,032.90)	(2,313,000)	31,805,812.78	31,322,000	14,298,233.37
12	Total operating expenses	16,305,757.59	16,444,000	250,762,743.88	262,472,000	277,342,718.59
13	Operating income	2,906,683.82	(1,185,000)	81,073,224.11	79,694,000	52,310,911.06
	Other income					
14	Merchandise	(88,854.99)	12,000	(152,225.75)	144,000	39,633.09
15	Interest income	131,574.27	75,000	1,509,382.29	927,000	2,155,965.09
16	Other nonoperating income	1,171,300.82	99,033	4,493,085.73	1,237,250	(327,494.37)
17	Equity in earnings - Woodward	(321,813.00)	90,967	3,920,210.00	3,290,750	3,253,811.00
18	Total other income (loss)	892,207.10	277,000	9,770,452.27	5,599,000	5,121,914.81
19	Income before interest charges	3,798,890.92	(908,000)	90,843,676.38	85,293,000	57,432,825.87
20	Interest charges	3,132,386.66	2,879,000	35,579,030.61	33,418,000	33,595,024.22
21	Net income	\$666,504.26	(\$3,787,000)	\$55,264,645.77	\$51,875,000	\$23,837,801.65
22	Basic earnings per share	\$0.02	(\$0.12)	\$1.85	\$1.72	\$0.81
23	Basic avg. common shares outstanding	30,143,560	30,537,000	29,822,057	30,137,000	29,408,912
24	Diluted earnings (loss) per share	\$0.02	(\$0.12)	\$1.84	\$1.71	\$0.81
25	Diluted avg. common shares outstanding	30,364,629	30,761,000	30,031,466	30,348,000	29,422,135

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF INCOME  
FOR THE QUARTER ENDED 09/30/98

Line No.	Description (a)	1998 (b)	Budget (c)	1997 (d)	Line No.
1	Operating revenues				1
2	Gas	\$117,667,780.71	\$105,289,000	\$107,949,888.27	2
3	Transportation	3,208,075.95	4,623,000	4,962,128.09	3
	Other	6,138,991.00	10,098,000	6,949,335.00	
4	Total operating revenues	127,014,847.66	120,010,000	119,861,351.36	4
5	Purchased gas cost	76,117,345.86	73,395,000	71,270,976.14	5
6	Gross profit	50,897,501.80	46,615,000	48,590,375.22	6
7	Operating expenses				7
8	Operation	34,788,424.46	32,917,000	57,095,016.77	8
9	Maintenance	2,848,075.24	2,694,000	3,121,655.50	9
10	Depreciation	11,439,376.42	12,054,000	10,383,474.99	10
11	Taxes - other than income taxes	4,979,456.18	6,796,000	6,523,721.80	11
	Provision for income taxes	(4,139,177.82)	(5,783,000)	(13,202,005.63)	
12	Total operating expenses	49,916,154.48	48,678,000	63,921,863.43	12
13	Operating income (loss)	981,347.32	(2,063,000)	(15,331,488.21)	13
14	Other income				14
15	Merchandise	(103,637.76)	36,000	6,432.52	15
16	Interest income	330,009.16	225,000	499,768.08	16
17	Other nonoperating income	3,823,218.71	305,047	6,142.30	17
	Equity in Earnings - Woodward	144,628.00	431,953	683,536.00	
18	Total other income (loss)	4,194,198.11	998,000	1,195,878.90	18
19	Income (loss) before interest charges	5,175,545.43	(1,065,000)	(14,135,609.31)	19
20	Interest charges	9,106,975.43	8,273,000	7,788,751.56	20
21	Net income (loss)	(\$3,931,430.00)	(\$9,338,000)	(\$21,924,360.87)	21
22	Basic earnings (loss) per share	(\$0.13)	(\$0.31)	(\$0.74)	22
23	Basic average common shares outstanding	30,075,091	30,457,000	29,577,915	23
24	Diluted earnings (loss) per share	(\$0.13)	(\$0.30)	(\$0.74)	24
25	Diluted avg. common shares outstanding	\$30,294,038.00	\$30,679,000.00	\$29,589,746.00	25

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATING BALANCE SHEETS  
AS OF 09/30/98

Line No.	Description (a)	Atmos Operating Divisions (b)	Atmos Non Regulated (c)	Eliminations and Adjustments (d)	Consolidated (e)	Line No.
ASSETS						
1	Property, plant and equipment					1
2	Utility plant	\$1,274,023,394.94	\$859,549.26	(\$16,582,447.36)	\$1,258,300,496.84	2
3	Nonutility plant	2,453,750.95	72,801,742.58	0.00	75,255,493.53	3
3	Construction work in progress	112,879,990.47	(15,787.11)	0.00	112,864,203.36	
4		1,389,357,136.36	73,645,504.73	(16,582,447.36)	1,446,420,193.73	4
5	Less accumulated depreciation and amortization	524,552,588.79	22,732,931.70	(18,725,708.75)	528,559,811.74	5
6	Net property, plant and equipment	864,804,547.57	50,912,573.03	2,143,261.39	917,860,381.99	6
7	Investments in & advances to subsidiaries	8,353,207.51	0.00	(8,353,207.51)	0.00	7
Current assets						
8	Cash and temporary cash investments	(1,740,416.11)	6,475,314.30	0.00	4,734,898.19	8
9	Accounts receivable, less allowance for doubtful accounts	31,234,844.29	3,601,813.43	50,638.87	34,887,296.59	9
10	Inventories	12,842,813.14	2,376,536.00	0.00	15,219,349.14	10
11	Gas stored underground	41,701,711.26	7,207,247.00	0.00	48,908,958.26	11
12	Other current assets	3,332,714.40	697,708.06	(400,956.00)	3,629,466.46	12
13	Intercompany accounts - net	568,291.07	15,635,582.78	(16,203,873.85)	0.00	13
14	Total current assets	87,939,958.05	35,994,201.57	(16,554,190.98)	107,379,968.64	14
15	Deferred charges and other assets	97,914,914.54	17,894,234.96	340,214.59	116,149,364.09	15
16	Total assets	\$1,059,012,627.67	\$104,801,009.56	(\$22,423,922.51)	\$1,141,389,714.72	16

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATING BALANCE SHEETS (Continued)  
AS OF 09/30/98

Line No.	Description (a)	Atmos Operating Divisions (b)	Atmos Non Regulated (c)	Eliminations and Adjustments (d)	Consolidated (e)	Line No.
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>						
<b>Shareholders' equity</b>						
1	Common stock	\$151,991.59	\$1,005,100.00	(\$1,005,100.00)	\$151,991.59	1
2	Common stock subscribed	0.00	0.00	0.00	0.00	2
3	Additional paid-in capital	271,637,623.16	7,348,108.01	(7,348,107.51)	271,637,623.66	3
4	Retained earnings	62,468,677.09	36,900,200.27	0.00	99,368,877.36	4
5	Total shareholders' equity	334,258,291.84	45,253,408.28	(8,353,207.51)	371,158,492.61	5
<b>Long-term debt (including current maturities)</b>						
6		435,163,308.00	21,167,411.00	0.00	456,330,719.00	6
7	Total capitalization	769,421,599.84	66,420,819.28	(8,353,207.51)	827,489,211.61	7
<b>Current liabilities</b>						
8	Notes payable	66,400,000.00	0.00	0.00	66,400,000.00	8
9	Accounts payable	38,859,656.80	5,882,003.78	0.00	44,741,660.58	9
10	Accrued taxes	10,048,710.32	302,252.60	0.00	10,350,962.92	10
11	Income taxes payable	(4,419,753.65)	6,804,764.73	0.00	2,385,011.08	11
12	Dividends declared	0.00	0.00	0.00	0.00	12
13	Customers' deposits	11,970,180.26	459,838.17	(400,956.00)	12,029,062.43	13
14	Other current liabilities	29,162,281.14	1,206,907.12	0.00	30,369,188.26	14
15	Intercompany accounts - net	0.00	16,153,234.98	(16,153,234.98)	0.00	15
16	Total current liabilities	152,021,074.87	30,809,001.38	(16,554,190.98)	166,275,885.27	16
17	Deferred income taxes	74,569,775.98	5,642,703.90	0.00	80,212,479.88	17
18	Deferred credits and other liabilities	63,000,176.98	1,928,485.00	2,483,475.98	67,412,137.96	18
19	Total liabilities and shareholders' equity	\$1,059,012,627.67	\$104,801,009.56	(\$22,423,922.51)	\$1,141,389,714.72	19

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ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
ELIMINATIONS TO CONSOLIDATING BALANCE SHEET  
AS OF 09/30/98

<b>ELIMINATIONS</b>		
1. Common Stock	\$1,005,100.00	\$1,005,100.00
Investment in and advances to subs		
To eliminate common stock of subs		
2. Paid-in Capital		
Trans La Industrial	2,292,947.39	
WKG Resources	1,603,833.12	
United Cities Storage	3,451,327.00	
Investment in and advances to subs		
To eliminate paid-in capital of subs		
3. Atmos Utility Plant	2,143,261.39	
Atmos Deferred Debit	340,214.59	
Atmos Deferred Credit		
To adjust for capital leases associated		
with the sale/lease back transaction		
with the Gilliland Group		
4. Intercompany Accounts- UCGC		
Customer Deposits	400,956.00	400,956.00
Prepays		
To eliminate UCGS deposit from UCGC		
5. Intercompany Accounts UCGC		
Cash	0.00	
Accounts Receivable	50,638.87	
Misc. Deferred Debits		0.00
Misc. Current Liabilities		0.00
Intercompany Accounts Payable		
To eliminate intercompany accounts		
6. Intercompany Accounts Payable - Egasco		
- Services	0.00	
- United Cities Gas	5,609.98	
- United Cities Energy	0.00	
- United Cities Storage	11,182,356.00	
- United Cities Propane	4,965,269.00	
	0.00	
	0.00	
Intercompany Accounts Receivable		16,203,873.85
To eliminate Intercompany - Net		
Total Eliminations	<u>\$27,441,513.34</u>	<u>\$27,441,513.34</u>
<b>ADJUSTMENTS</b>		
7. WKG Accumulated Provision	\$14,353,185.32	\$14,353,185.32
WKG Division Utility Plant		
To adjust 11-30-1987 depreciation on	\$280,000	
WKG Division - amortization Month	5,656,000	
To date		
8. Trans La Accumulated Provision	4,334,034.51	4,334,034.51
Trans La Division Utility Plant		
To adjust 12-31-85 depreciation on	48,202	
Trans La Division - amortization Month	7,358,746	
To date		
9. Trans La Industrial Accumulated Provision	38,488.92	38,488.92
Trans La Industrial Utility Plant		
To adjust 12-31-85 depreciation on	550	
Trans La Industrial - amortization Month	84,150	
To date		

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATING BALANCE SHEET - NON REGULATED  
AS OF 09/30/98

1998

Line No.	Description (a)	ATMOS SERVICES (b)	EGASCO INC. (c)	ENERMART (d)	TRANS LA INDUSTRIAL (e)	UCG ENERGY CORP. (f)	UCG STORAGE CO. (g)	WKG RESOURCES (h)	Eliminations and Adjustments (i)	Consolidated (j)	Line No.
<b>ASSETS</b>											
1	Property, plant and equipment										
2	Utility plant	\$0.00	\$0.00	\$0.00	\$859,549.26	\$0.00	\$0.00	\$0.00	\$0.00	\$859,549.26	1
3	Nonutility plant	0.00	0.00	0.00	0.00	52,163,520.00	20,084,419.00	553,803.58	0.00	72,801,742.58	2
3	Construction work in progress	0.00	0.00	0.00	(15,787.11)	0.00	0.00	0.00	0.00	(15,787.11)	3
4	Less accumulated depreciation and amortization	0.00	0.00	0.00	843,762.15	52,163,520.00	20,084,419.00	553,803.58	0.00	73,645,504.73	4
5		0.00	0.00	0.00	486,597.03	19,221,956.00	2,917,440.00	106,938.67	0.00	22,732,931.70	5
6	Net property, plant and equipment	0.00	0.00	0.00	357,165.12	32,941,564.00	17,166,979.00	446,864.91	0.00	50,912,573.03	6
7	Investments in & advances to subsidiaries	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7
<b>Current assets</b>											
8	Cash and temporary cash investments	1,216.00	5,809.68	8,619.43	3,061.16	3,519,486.00	2,931,719.00	5,403.03	0.00	6,475,314.30	8
9	Accounts receivable, less allowance for doubtful accounts	0.00	14,942.40	1,334,433.83	694,086.16	753,832.00	805,051.00	(531.96)	0.00	3,601,813.43	9
10	Inventories	0.00	0.00	0.00	0.00	2,373,857.00	2,679.00	0.00	0.00	2,376,536.00	10
11	Gas stored underground	0.00	0.00	0.00	0.00	0.00	7,207,247.00	0.00	0.00	7,207,247.00	11
12	Other current assets	0.00	0.00	29,159.91	10,228.29	649,426.00	(1,400.00)	10,293.86	0.00	697,708.06	12
13	Intercompany accounts - net	(17,159.96)	960,724.16	8,890,630.42	2,563,386.58	933,691.00	1,227,921.00	1,076,389.58	0.00	15,635,582.78	13
14	Total current assets	(15,943.96)	981,476.24	10,262,843.59	3,270,762.19	8,230,292.00	12,173,217.00	1,091,554.51	0.00	35,994,201.57	14
15	Deferred charges and other assets	9,409.21	585,310.62	0.00	3,675.21	16,906,460.00	331,498.00	57,881.92	0.00	17,894,234.96	15
16	Total assets	(\$6,534.75)	\$1,566,786.86	\$10,262,843.59	\$3,631,602.52	\$58,078,316.00	\$29,671,694.00	\$1,596,301.34	\$0.00	\$104,801,009.56	16

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATING BALANCE SHEET - NON REGULATED  
AS OF 09/30/98

1998

Line No.	Description	Eliminations and Adjustments										Consolidated (j)	Line No.
		ATMOS SERVICES (b)	EGASCO, INC. (c)	ENERMART (d)	TRANS LA INDUSTRIAL (e)	UCG ENERGY CORP. (f)	UCG STORAGE CO. (g)	W K G RESOURCES (h)	Adjustments (i)				
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>													
Shareholders' equity													
1	Common stock	\$1,000.00	\$1,000.00	\$1,000.00	\$100.00	\$1,000,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$0.00	\$0.00	\$1,005,100.00	1
2	Common stock subscribed	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2
3	Additional paid-in capital	0.00	0.00	0.00	2,292,947.89	0.00	3,451,327.00	0.00	1,603,833.12	0.00	0.00	7,348,108.01	3
4	Retained earnings	(10,146.19)	535,939.26	4,772,007.96	599,981.17	25,552,831.00	5,474,409.41	(24,822.34)	0.00	0.00	0.00	36,900,200.27	4
5	Total shareholders' equity	(9,146.19)	536,939.26	4,773,007.96	2,893,029.06	26,552,831.00	8,926,736.41	1,580,010.78	0.00	0.00	0.00	45,253,408.28	5
Long-term debt (including current maturities)													
6		0.00	0.00	0.00	0.00	12,930,538.00	8,236,873.00	0.00	0.00	0.00	0.00	21,167,411.00	6
7	Total capitalization	(9,146.19)	536,939.26	4,773,007.96	2,893,029.06	39,483,369.00	17,163,609.41	1,580,010.78	0.00	0.00	0.00	66,420,819.28	7
Current liabilities													
8	Notes payable	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8
9	Accounts payable	0.00	486,169.49	3,659,729.06	339,884.06	1,388,585.00	5,989.00	1,647.17	0.00	0.00	0.00	5,882,003.78	9
10	Accrued taxes	0.00	0.00	0.00	39,087.42	265,359.00	0.00	(2,193.82)	0.00	0.00	0.00	302,252.60	10
11	Income taxes payable	(2,998.54)	543,678.11	1,911,554.57	203,716.00	2,717,976.00	1,433,473.59	(2,635.00)	0.00	0.00	0.00	6,804,764.73	11
12	Dividends declared	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12
13	Customers' deposits	0.00	0.00	0.00	58,882.17	0.00	400,956.00	0.00	0.00	0.00	0.00	459,838.17	13
14	Other current liabilities	0.00	0.00	0.00	19,104.12	885,518.00	302,285.00	0.00	0.00	0.00	0.00	1,206,907.12	14
15	Intercompany accounts - net	5,609.98	0.00	0.00	0.00	11,182,356.00	4,965,269.00	0.00	0.00	0.00	0.00	16,153,234.98	15
16	Total current liabilities	2,611.44	1,029,847.60	5,571,283.63	660,673.77	16,439,794.00	7,107,972.59	(3,181.65)	0.00	0.00	0.00	30,809,001.38	16
17	Deferred income taxes	0.00	0.00	(81,448.00)	77,899.69	509,691.00	5,117,089.00	19,472.21	0.00	0.00	0.00	5,642,703.90	17
18	Deferred credits and other liabilities	0.00	0.00	0.00	0.00	1,645,462.00	283,023.00	0.00	0.00	0.00	0.00	1,928,485.00	18
19	Total liabilities and shareholders' equity	(86,534.75)	\$1,566,786.86	\$10,262,843.59	\$3,631,602.52	\$58,078,316.00	\$29,671,694.00	\$1,596,301.34	\$0.00	\$0.00	\$0.00	\$104,801,009.56	19

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ATMOS ENERGY CORPORATION  
CONSOLIDATING STATEMENTS OF INCOME  
FOR THE MONTH ENDED SEPTEMBER 30, 1998

Line No.	Description (a)	Current Month						Total Atmos Consolidated (h)	Line No.
		Regulated (1) (b)	Non-Regulated (2) (c)	Eliminations (d)	Total (e)	Non-Utility Operations (3) (f)	Shared Services (g)		
1	Operating revenues								
2	Gas	\$30,244,239.97	\$4,238,498.93		\$34,482,738.90	\$0.00		\$34,482,738.90	1
3	Transportation	(464,464.90)	7,126.35	(118,102.22)	(575,440.77)	0.00		(575,440.77)	2
4	Other	0.00	0.00		0.00	1,887,143.00		1,887,143.00	3
5	Total operating revenues	29,779,775.07	4,245,625.28	(118,102.22)	33,907,298.13	1,887,143.00	0.00	35,794,441.13	4
6	Purchased gas cost	13,195,314.04	2,693,367.75	(117,824.07)	15,770,857.72	811,142.00		16,581,999.72	5
7	Gross profit	16,584,461.03	1,552,257.53	(278.15)	18,136,440.41	1,076,001.00	0.00	19,212,441.41	6
8	Operating expenses								
9	Operation	8,625,877.61	(1,253,753.71)	0.00	7,372,123.90	267,498.86	3,848,841.63	11,488,464.39	7
10	Maintenance	1,205,364.38	0.00		1,205,364.38	26,070.00	3,316.84	1,234,751.22	8
11	Depreciation	3,031,794.10	2,866.97		3,034,661.07	365,218.00	469,632.81	3,869,511.88	9
12	Taxes - other than income taxes	655,450.10	(18,960.54)		636,489.56	124,823.00	88,383.57	849,696.13	10
13	Shared Services - direct	642,366.87	0.00		642,366.87	0.00	0.00	642,366.87	11
14	Shared Services - billed	4,316,206.44	40,923.04	631.02	4,357,760.50	57,000.00	(4,414,760.50)	0.00	12
15	Provision for income taxes	(3,188,558.04)	1,026,969.55		(2,161,588.49)	382,555.59	0.00	(1,779,032.90)	13
16	Total operating expenses	15,288,501.46	(201,954.69)	631.02	15,087,177.79	1,223,165.45	(4,585.65)	16,305,757.59	14
17	Operating income (loss)	1,295,959.57	1,754,212.22	(909.17)	3,049,262.62	(147,164.45)	4,585.65	2,906,683.82	15
18	Other income								
19	Merchandise	(88,854.99)	0.00		(88,854.99)	0.00		(88,854.99)	16
20	Interest income	73,953.27	0.00		73,953.27	57,621.00		131,574.27	17
21	Shared Services - billed	0.00	(631.02)	631.02	0.00	0.00		0.00	18
22	Other nonoperating income	(265,143.73)	237,352.40	278.15	(27,513.18)	1,198,814.00		1,171,300.82	19
23	Equity in earnings - Woodward	0.00	0.00		0.00	(321,813.00)		(321,813.00)	20
24	Total other income (loss)	(280,045.45)	236,721.38	909.17	(42,414.90)	934,622.00	0.00	892,207.10	21
25	Income (loss) before interest charge	1,015,914.12	1,990,933.60	0.00	3,006,847.72	787,457.55	4,585.65	3,798,890.92	22
26	Interest charges	2,960,102.32	245.34		2,960,347.66	172,039.00		3,132,386.66	23
27	Net income (loss)	(\$1,944,188.20)	\$1,990,688.26	\$0.00	\$46,500.06	\$615,418.55	\$4,585.65	\$666,504.26	24

Footnotes: (1) Regulated Utility Operations includes Energas, GGC, Trans La, UCG, WKG and CNG.  
(2) Non-Regulated Utility Operations includes Egasco, Enermart, TLIG and WKGR.  
(3) Non-Utility Operations includes Atmos Energy Services, UCG Energy and UCG Storage.  
(4) Includes all Shared Services expenses booked directly to the business units.  
(5) Includes Operation, Maintenance, Depreciation and Taxes - Other booked in Division 02 and allocated to the business units.

ATMOS ENERGY CORPORATION  
CONSOLIDATING STATEMENTS OF INCOME  
FOR THE QUARTER ENDED SEPTEMBER 30, 1998

Line No.	Description (a)	Current Quarter						Total Atmos Consolidated (h)	Line No.
		Utility Operations			Non-Utility Operations (3)				
		Regulated (1) (b)	Non-Regulated (2) (c)	Eliminations (d)	Total (e)	Non-Utility Operations (3) (f)	Shared Services (g)		
1	Operating revenues								
2	Gas	\$85,605,237.00	\$32,062,543.71		\$117,667,780.71	\$0.00		\$117,667,780.71	
3	Transportation	3,510,367.72	23,557.10	(325,848.87)	3,208,075.95	0.00		3,208,075.95	
4	Other	0.00	0.00	0.00	0.00	6,138,991.00		6,138,991.00	
5	Total operating revenues	89,115,604.72	32,086,100.81	(325,848.87)	120,875,856.66	6,138,991.00	0.00	127,014,847.66	
6	Purchased gas cost	47,965,177.88	25,762,139.82	(325,354.84)	73,401,962.86	2,715,383.00		76,117,345.86	
7	Gross profit	41,150,426.84	6,323,960.99	(494.03)	47,473,893.80	3,423,608.00	0.00	50,897,501.80	
8	Operating expenses								
9	Operation	22,256,819.60	(268,094.63)		21,988,724.97	1,606,671.86	7,401,735.75	30,997,132.58	
10	Maintenance	2,727,262.06	0.00		2,727,262.06	110,581.00	10,232.18	2,848,075.24	
11	Depreciation	9,336,894.02	8,596.97		9,345,490.99	1,082,414.00	1,011,471.43	11,439,376.42	
12	Taxes - other than income taxes	4,485,787.06	(4,548.71)		4,481,238.35	287,258.00	210,959.83	4,979,456.18	
13	Shared Services - direct	3,791,291.88	0.00		3,791,291.88	0.00	0.00	3,791,291.88	
14	Shared Services - billed	7,813,483.29	92,676.55	1,143.35	7,907,303.19	169,000.00	(8,076,303.19)	0.00	
15	Provision for income taxes	(7,756,562.56)	2,324,514.15		(5,432,048.41)	1,292,870.59	0.00	(4,139,177.82)	
16	Total operating expenses	42,654,975.35	2,153,144.33	1,143.35	44,809,263.03	4,548,795.45	558,096.00	49,916,154.48	
17	Operating income (loss)	(1,504,548.51)	4,170,816.66	(1,637.38)	2,664,630.77	(1,125,187.45)	(558,096.00)	981,347.32	
18	Other income								
19	Merchandise	(103,657.76)	0.00		(103,657.76)	0.00		(103,657.76)	
20	Interest income	214,100.16	0.00		214,100.16	115,909.00		330,009.16	
21	Shared Services - billed	0.00	(1,143.35)	1,143.35	0.00	0.00		0.00	
22	Other nonoperating income	(50,374.95)	212,659.63	494.03	162,778.71	3,660,440.00		3,823,218.71	
23	Equity in earnings - Woodward	0.00	0.00		0.00	144,628.00		144,628.00	
24	Total other income (loss)	60,067.45	211,516.28	1,637.38	273,221.11	3,920,977.00	0.00	4,194,198.11	
25	Income (loss) before interest charge	(1,444,481.06)	4,382,332.94	0.00	2,937,851.88	2,795,789.55	(558,096.00)	5,175,545.43	
26	Interest charges	8,512,787.81	736.62		8,513,524.43	593,451.00	0.00	9,106,975.43	
27	Net income (loss)	(89,957,268.87)	\$4,381,596.32	\$0.00	(\$5,575,672.55)	\$2,202,338.55	(\$558,096.00)	(\$3,931,430.00)	

Footnotes: (1) Regulated Utility Operations includes Energas, GGC, Trans La, UCG, WKG and CNG.  
(2) Non-Regulated Utility Operations includes Egasco, Enermart, TLIG and WKGR.  
(3) Non-Utility Operations includes Atmos Energy Services, UCG Energy and UCG Storage.

ATMOS ENERGY CORPORATION  
CONSOLIDATING STATEMENTS OF INCOME  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 1998

Line No.	Description (a)	Year To Date							Line No.
		Utility Operations							
		Regulated (1) (b)	Non-Regulated (2) (c)	Eliminations (d)	Total (e)	Non-Utility Operations (3) (f)	Shared Services (g)	Total Atmos Consolidated (h)	
1	Operating revenues								
2	Gas	714,561,637.88	\$70,029,846.90	\$784,591,484.78	\$0.00	\$0.00	\$784,591,484.78	1	\$784,591,484.78
3	Transportation	25,822,676.16	87,887.45	(1,939,758.08)	23,970,805.53	0.00	23,970,805.53	2	23,970,805.53
4	Other	0.00	0.00	0.00	0.00	39,645,221.00	39,645,221.00	3	39,645,221.00
4	Total operating revenues	740,384,314.04	70,117,734.35	(1,939,758.08)	808,562,290.31	39,645,221.00	848,207,511.31	4	848,207,511.31
5	Purchased gas cost	439,371,065.63	58,297,031.98	(1,935,846.29)	495,732,251.32	20,639,291.00	516,371,542.32	5	516,371,542.32
6	Gross profit	301,013,248.41	11,820,702.37	(3,911.79)	312,830,038.99	19,005,930.00	331,835,968.99	6	331,835,968.99
7	Operating expenses								
8	Operation	86,874,137.79	3,752,230.60		90,626,368.39	8,058,743.68	120,254,953.81	7	120,254,953.81
9	Maintenance	9,614,191.29	0.00		9,614,191.29	619,221.00	10,277,740.74	8	10,277,740.74
9	Depreciation	39,874,122.14	34,381.97		39,908,504.11	4,196,551.00	47,555,400.33	9	47,555,400.33
10	Taxes - other than income taxes	27,739,708.57	94,452.48		27,834,161.05	1,033,349.00	29,787,599.05	10	29,787,599.05
11	Shared Services - direct	(4) 11,081,237.16	0.00		11,081,237.16	0.00	11,081,237.16	11	11,081,237.16
12	Shared Services - billed	(5) 25,157,917.93	324,648.02	4,491.89	25,487,057.84	499,000.00	(25,986,057.84)	12	0.00
13	Provision for income taxes	24,994,891.75	2,654,250.00		27,649,141.75	4,156,671.03	31,805,812.78	13	31,805,812.78
14	Total operating expenses	225,336,206.63	6,859,963.07	4,491.89	232,200,661.59	18,563,535.71	250,762,743.87	14	250,762,743.87
15	Operating income (loss)	75,677,041.78	4,960,739.30	(8,403.68)	80,629,377.40	442,394.29	81,073,225.12	15	81,073,225.12
16	Other income								
16	Merchandise	(152,225.75)	0.00		(152,225.75)	0.00	(152,225.75)	16	(152,225.75)
17	Interest income	1,219,703.29	0.00		1,219,703.29	289,678.00	1,509,381.29	17	1,509,381.29
18	Shared Services - billed	0.00	(4,491.89)	4,491.89	0.00	0.00	0.00	18	0.00
19	Other nonoperating income	(233,262.98)	(5,620.08)	3,911.79	(234,971.27)	4,728,056.99	4,493,085.72	19	4,493,085.72
20	Equity in earnings - Woodward	0.00	0.00		0.00	3,920,210.00	3,920,210.00	20	3,920,210.00
21	Total other income (loss)	834,214.56	(10,111.97)	8,403.68	832,506.27	8,937,944.99	9,770,451.26	21	9,770,451.26
22	Income (loss) before interest charge	76,511,256.34	4,950,627.33	(0.00)	81,461,883.67	9,380,339.28	90,843,676.38	22	90,843,676.38
23	Interest charges	33,180,671.13	3,246.48		33,183,917.61	2,395,113.00	35,579,030.61	23	35,579,030.61
24	Net income (loss)	\$43,330,585.21	\$4,947,380.85	(\$0.00)	\$48,277,966.06	\$6,985,226.28	\$55,264,645.77	24	\$55,264,645.77

Footnotes:  
(1) Regulated Utility Operations includes Energas, GGC, Trans La, UCG, WKG and CNG.  
(2) Non-Regulated Utility Operations includes Energas, Emermart, TLLG and WKGR.  
(3) Non-Utility Operations includes Atmos Energy Services, UCG Energy and UCG Storage.  
(4) Includes all Shared Services expenses booked directly to the business units.  
(5) Includes Operation, Maintenance, Depreciation and Taxes - Other booked in Division 02 and allocated to the business units.

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
ELIMINATIONS TO CONSOLIDATING INCOME STATEMENT  
09/30/98

	Current Month		YEAR TO DATE	
	Dr	Cr	Dr	Cr
1. Gas Revenue				
Purchased Gas Cost	\$0.00	\$0.00	\$0.00	\$0.00
To eliminate gas sales to Atmos from Trans La Industrial				
2. Transportation Revenue				
Purchased Gas Cost	92,432.47	92,432.47	1,140,525.07	1,140,525.07
To eliminate transportation charges to Enermart Trust from Atmos				
3. Transportation Revenue				
Purchased Gas Cost	25,391.60	25,391.60	344,612.75	344,612.75
To eliminate transportation charges to Trans La Industrial from Atmos				
4. Transportation Revenue				
Purchased Gas Cost	0.00	0.00	450,708.47	450,708.47
To eliminate transportation charges to Amarillo Distribution Division from Amarillo Transmission Division-Atmos				
5. Transportation Revenue				
Other Nonoperating Income	278.15	278.15	3,911.79	3,911.79
To eliminate transportation charges for CNG sales at public fill stations from Atmos				
6. Operation Expense				
Other Nonoperating Income	631.02	631.02	4,491.89	4,491.89
To eliminate allocation of Corporate Division expenses to WKGR from Atmos				



ATMOS ENERGY CORPORATION  
CONSOLIDATING STATEMENTS OF INCOME - REGULATED  
FOR THE MONTH SEPTEMBER 30, 1998

Line No.	Description (a)	Month						Total Regulated (g)	Line No.
		Energy (1) (b)	Grealey (c)	Trans La (1) (d)	UCG (e)	WKG (f)			
1	Operating revenues							1	
2	Gas	\$5,245,880.64	\$4,600,199.34	\$2,230,945.10	\$12,513,214.88	\$5,654,000.01	\$30,244,239.97	2	
3	Transportation	193,467.86	197,017.03	71,008.89	(1,638,585.36)	712,626.68	(464,464.90)	3	
4	Other	0.00	0.00	0.00	0.00	0.00	0.00	4	
	Total operating revenues	5,439,348.50	4,797,216.37	2,301,953.99	10,874,629.52	6,366,626.69	29,779,775.07		
5	Purchased gas cost	2,534,677.59	942,526.41	914,571.71	5,048,945.75	3,754,592.58	13,195,314.04	5	
6	Gross profit	2,904,670.91	3,854,689.96	1,387,382.28	5,825,683.77	2,612,034.11	16,584,461.03	6	
	Operating expenses								
7	Operation	(2) 3,355,309.05	868,734.17	516,905.05	2,654,323.61	1,230,605.73	8,625,877.61	7	
8	Maintenance	198,829.07	118,094.74	66,580.23	707,817.25	114,043.09	1,205,364.38	8	
9	Depreciation	314,183.04	425,163.03	264,641.80	1,539,628.00	488,178.23	3,031,794.10	9	
10	Taxes - other than income taxes	34,206.03	53,466.13	124,576.96	377,517.72	65,683.26	655,450.10	10	
11	Shared Services - direct	315,420.56	118,887.76	(150,659.77)	198,018.19	160,700.13	642,366.87	11	
12	Shared Services - billed	1,226,118.83	554,735.30	381,773.95	1,384,022.46	769,555.90	4,316,206.44	12	
13	Provision for income taxes	(1,654,549.02)	511,492.95	(260,413.06)	(1,272,474.83)	(512,614.08)	(3,188,558.04)	13	
14	Total operating expenses	3,789,517.56	2,650,574.08	943,405.16	5,588,852.40	2,316,152.26	15,288,501.46	14	
15	Operating income (loss)	(884,846.65)	1,204,115.88	443,977.12	236,831.37	295,881.85	1,295,959.57	15	
	Other income								
16	Merchandise	(13,800.80)	251.90	0.00	(22,312.14)	(52,993.95)	(88,854.99)	16	
17	Interest income	20,266.62	4,577.66	1,658.17	39,701.93	7,748.89	73,953.27	17	
18	Other nonoperating income	(98,308.49)	(6,415.43)	(25,040.30)	(108,093.04)	(27,286.47)	(265,143.73)	18	
19	Equity in earnings - Woodward	0.00	0.00	0.00	0.00	0.00	0.00	19	
20	Total other income (loss)	(91,842.67)	(1,585.87)	(23,382.13)	(90,703.25)	(72,531.53)	(280,045.45)	20	
21	Income (loss) before interest charge	(976,689.32)	1,202,530.01	420,594.99	146,128.12	223,350.32	1,015,914.12	21	
22	Interest charges	701,749.66	367,988.87	561,244.95	830,193.90	498,924.94	2,960,102.32	22	
23	Net income (loss)	(\$1,678,438.98)	\$834,541.14	(\$140,649.96)	(\$684,065.78)	(\$275,574.62)	(\$1,944,188.20)	23	

Footnote:  
(1) Includes CNG.  
(2) Operations expense in the business units does not include any shared services costs.  
(3) Includes all Shared Services expenses booked directly to the business units.  
(4) Includes Operation, Maintenance, Depreciation and Taxes - Other booked in Division 02 and allocated to the business units.

ATMOS ENERGY CORPORATION  
CONSOLIDATING STATEMENTS OF INCOME - REGULATED  
FOR THE QUARTER ENDED SEPTEMBER 30, 1998

Current Quarter

Line No.	Description (a)	Energas (1)	Greeley	Trans La (1)	UCG	WKG	Total Regulated	Line No.
		(b)	(c)	(d)	(e)	(f)	(g)	
	Operating revenues							
1	Gas	\$15,377,865.52	\$9,887,074.75	\$6,478,252.27	\$40,075,196.50	\$13,786,847.96	\$85,605,237.00	1
2	Transportation	\$567,578.89	\$501,910.59	\$176,717.66	\$301,725.13	\$1,962,435.45	3,510,367.72	2
3	Other	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00	3
4	Total operating revenues	15,945,444.41	10,388,985.34	6,654,969.93	40,376,921.63	15,749,283.41	89,115,604.72	4
5	Purchased gas cost	\$7,251,213.08	\$3,596,763.28	\$2,929,310.36	\$24,442,012.44	\$9,745,878.72	47,965,177.88	5
6	Gross profit	8,694,231.33	6,792,222.06	3,725,659.57	15,934,909.19	6,003,404.69	41,150,426.84	6
	Operating expenses							
7	Operation	\$5,868,791.34	\$2,714,423.58	\$1,636,125.29	\$8,646,080.42	\$3,391,398.97	22,256,819.60	7
8	Maintenance	\$381,797.93	\$261,259.51	\$166,279.80	\$1,671,491.94	\$246,432.88	2,727,262.06	8
9	Depreciation	\$1,412,033.16	\$847,504.47	\$877,394.64	\$4,621,112.68	\$1,578,849.07	9,336,894.02	9
10	Taxes - other than income taxes	\$1,028,953.56	\$433,768.25	\$533,621.55	\$2,099,373.73	\$390,069.97	4,485,787.06	10
11	Shared Services - direct	\$936,431.37	\$402,503.80	\$195,295.61	\$1,676,686.88	\$580,374.22	3,791,291.88	11
12	Shared Services - billed	\$2,159,242.59	\$951,134.87	\$657,440.81	\$2,713,418.93	\$1,332,246.09	7,813,483.29	12
13	Provision for income taxes	(\$2,286,770.52)	(\$104,612.42)	(\$636,307.92)	(\$3,531,177.38)	(\$1,197,694.32)	(7,756,562.56)	13
14	Total operating expenses	9,500,479.43	5,505,982.06	3,429,849.78	17,896,987.20	6,321,676.88	42,654,975.35	14
15	Operating income (loss)	(806,248.10)	1,286,240.00	295,809.79	(1,962,078.01)	(318,272.19)	(1,504,548.51)	15
	Other income							
16	Merchandise	(\$16,260.13)	\$273.30	(\$140.25)	(\$69,148.29)	(\$18,382.39)	(103,657.76)	16
17	Interest income	\$70,146.70	\$20,141.30	\$6,975.91	\$84,301.84	\$32,534.41	214,100.16	17
18	Other nonoperating income	(\$128,763.26)	\$19,453.05	(\$34,318.21)	(\$105,454.35)	\$198,707.82	(50,374.95)	18
19	Equity in earnings - Woodward	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00	19
20	Total other income (loss)	(74,876.69)	39,867.65	(27,482.55)	(90,300.80)	212,859.84	60,067.45	20
21	Income (loss) before interest charge	(881,124.79)	1,326,107.65	268,327.24	(2,052,378.81)	(105,412.35)	(1,444,481.06)	21
22	Interest charges	\$1,986,532.23	\$1,089,028.65	\$878,226.97	\$3,074,149.79	\$1,484,850.17	8,512,787.81	22
23	Net income (loss)	(\$2,867,657.02)	\$2,37,079.00	(\$609,899.73)	(\$5,126,528.60)	(\$1,590,262.52)	(\$9,957,268.87)	23

Footnote:

- (1) Includes CNG.
- (2) Operations expense in the business units does not include any shared services costs.
- (3) Includes all Shared Services expenses booked directly to the business units.
- (4) Includes Operation, Maintenance, Depreciation and Taxes - Other booked in Division 02 and allocated to the business u

ATMOS ENERGY CORPORATION  
CONSOLIDATING STATEMENTS OF INCOME - REGULATED  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 1998

Line No.	Description (a)	Year-to-Date							Line No.
		Energy (1)	Greasey	Trans La (1)	UCG	WKG	Total Regulated		
		(b)	(c)	(d)	(e)	(f)	(g)		
	Operating revenues								
1	Gas	\$155,613,322.46	\$83,229,203.30	\$35,568,008.24	\$325,394,551.30	\$114,756,552.58	\$714,561,637.88	1	
2	Transportation	2,754,795.24	1,726,370.34	497,914.89	12,012,076.71	8,831,518.98	25,822,676.16	2	
3	Other	0.00	0.00	0.00	0.00	0.00	0.00	3	
4	Total operating revenues	158,368,117.70	84,955,573.64	36,065,923.13	337,406,628.01	123,588,071.56	740,384,314.04	4	
5	Purchased gas cost	93,916,073.00	47,608,727.32	10,515,396.94	207,334,952.30	79,995,916.07	439,371,065.63	5	
6	Gross profit	64,452,044.70	37,346,846.32	25,550,526.19	130,071,675.71	43,592,155.49	301,013,248.41	6	
	Operating expenses								
7	Operation	(2) 18,957,164.69	12,088,872.26	6,613,027.58	34,815,009.60	14,400,371.44	86,874,137.79	7	
8	Maintenance	1,154,834.46	832,288.93	562,420.25	6,103,212.62	961,435.03	9,614,191.29	8	
9	Depreciation	6,351,485.22	5,003,343.28	3,609,153.30	18,423,301.20	6,486,839.14	39,874,122.14	9	
10	Taxes - other than income taxes	9,989,686.25	2,354,721.31	2,207,873.00	11,278,708.06	1,908,719.95	27,739,708.57	10	
10	Shared Services - direct	3,452,157.52	1,557,171.57	1,702,328.81	2,017,334.96	2,352,244.30	11,081,237.16	10	
11	Shared Services - billed	7,447,830.20	3,210,588.15	2,186,591.46	7,837,256.38	4,475,343.96	25,157,917.93	11	
12	Provision for income taxes	3,262,787.83	3,139,784.27	1,779,594.19	13,536,344.09	3,276,381.37	24,994,891.75	12	
13	Total operating expenses	50,615,946.17	28,186,769.77	18,660,988.59	94,011,166.91	33,861,335.19	225,336,206.63	13	
14	Operating income (loss)	13,836,098.53	9,160,076.55	6,889,537.60	36,060,508.80	9,730,820.30	75,677,041.78	14	
	Other income								
15	Merchandise	(44,293.45)	(1,394.50)	7,391.11	(275,903.09)	161,974.18	(152,225.75)	15	
16	Interest income	203,534.45	20,670.78	9,663.58	937,990.15	47,844.33	1,219,703.29	16	
17	Other nonoperating income	(283,968.29)	54,057.03	(95,472.21)	(48,905.72)	141,026.21	(233,262.98)	17	
18	Equity in earnings - Woodward	0.00	0.00	0.00	0.00	0.00	0.00	18	
19	Total other income (loss)	(124,727.29)	73,333.31	(78,417.52)	613,181.34	350,844.72	834,214.56	19	
20	Income (loss) before interest charge	13,711,371.24	9,233,409.86	6,811,120.08	36,673,690.14	10,081,665.02	76,511,256.34	20	
21	Interest charges	6,564,787.71	3,751,382.40	3,319,007.74	14,394,342.46	5,151,150.82	33,180,671.13	21	
22	Net income (loss)	\$7,146,583.53	\$5,482,027.46	\$3,492,112.34	\$22,279,347.68	\$4,930,514.20	\$43,330,585.21	22	

Footnote: (1) Includes CNG.

(2) Operations expense in the business units does not include any shared services costs.

(3) Includes all Shared Services expenses booked directly to the business units.

(4) Includes Operation, Maintenance, Depreciation and Taxes - Other booked in Division 02 and allocated to the business units.

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATING STATEMENT OF INCOME- NON-REGULATED UTILITY  
FOR THE MONTH ENDED 09/30/98

Line No.	Description (a)	1998						Line No.
		EGASCO, INC. (b)	ENERMART (c)	INDUSTRIAL (d)	W K G RESOURCES (e)	ELIMINATIONS and ADJUSTMENTS (f)	ATMOS NON REGULATED (g)	
1	Operating revenues							
2	Gas	(\$876,519.46)	\$4,679,236.38	\$435,782.01	\$0.00	\$0.00	\$4,238,498.93	1
3	Transportation	0.00	0.00	7,126.35	0.00	0.00	7,126.35	2
3	Other	0.00	0.00	0.00	0.00	0.00	0.00	3
4	Total operating revenues	(876,519.46)	4,679,236.38	442,908.36	0.00	0.00	4,245,625.28	4
5	Purchased gas cost	(1,027,669.84)	3,334,578.13	386,459.46	0.00	0.00	2,693,167.75	5
6	Gross profit	151,150.38	1,344,658.25	56,448.90	0.00	0.00	1,552,257.53	6
7	Operating expenses							
8	Operation	(151,488.62)	(1,115,595.58)	13,330.49	0.00	0.00	(1,253,753.71)	7
8	Maintenance	0.00	0.00	0.00	0.00	0.00	0.00	8
9	Depreciation and amortization	0.00	0.00	2,866.97	0.00	0.00	2,866.97	9
10	Taxes - other than income taxes	(25,000.00)	1,607.48	4,431.98	0.00	0.00	(18,960.54)	10
11	Shared services - billed	3,411.83	29,202.05	8,309.16	0.00	0.00	40,923.04	11
12	Provision for income taxes	215,049.80	810,709.90	1,256.85	(47.00)	0.00	1,026,969.55	12
13	Total operating expenses	41,973.01	(274,076.15)	30,195.45	(47.00)	0.00	(201,954.69)	13
14	Operating income (loss)	109,177.37	1,618,734.40	26,253.45	47.00	0.00	1,754,212.22	14
15	Other income							
15	Merchandise	0.00	0.00	0.00	0.00	0.00	0.00	15
16	Interest income	0.00	0.00	0.00	0.00	0.00	0.00	16
17	Shared services - billed	0.00	0.00	0.00	(631.02)	0.00	(631.02)	17
18	Other nonoperating income	236,780.13	0.00	0.00	572.27	0.00	237,352.40	18
19	Total other income (loss)	236,780.13	0.00	0.00	(58.75)	0.00	236,721.38	19
20	Income (loss) before interest charges	345,957.50	1,618,734.40	26,253.45	(11.75)	0.00	1,990,933.60	20
21	Interest charges	0.00	0.00	245.34	0.00	0.00	245.34	21
22	Net income (loss)	\$345,957.50	\$1,618,734.40	\$26,008.11	(\$11.75)	\$0.00	\$1,990,688.26	22

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATING STATEMENT OF INCOME - NON-REGULATED UTILITY  
FOR THE QUARTER ENDED 09/30/98

Line No.	Description (a)	1998						Line No.
		EGASCO, INC. (b)	ENERMART (c)	TRANS LA INDUSTRIAL (d)	W K G RESOURCES (e)	ELIMINATIONS and ADJUSTMENTS (f)	ATMOS NON REGULATED (g)	
	Operating revenues							
1	Gas	\$3,043,124.46	\$27,764,287.64	\$1,255,131.61	\$0.00	\$0.00	\$32,062,543.71	
2	Transportation	0.00	0.00	23,557.10	0.00	0.00	23,557.10	
3	Other	0.00	0.00	0.00	0.00	0.00	0.00	
4	Total operating revenues	3,043,124.46	27,764,287.64	1,278,688.71	0.00	0.00	32,086,100.81	
5	Purchased gas cost	2,056,285.96	22,660,776.09	1,045,077.77	0.00	0.00	25,762,139.82	
6	Gross profit	986,838.50	5,103,511.55	233,610.94	0.00	0.00	6,323,960.99	
	Operating expenses							
7	Operation	(23,792.91)	(305,090.52)	60,788.80	0.00	0.00	(268,094.63)	
8	Maintenance	0.00	0.00	0.00	0.00	0.00	0.00	
9	Depreciation	0.00	0.00	8,596.97	0.00	0.00	8,596.97	
10	Taxes - other than income taxes	(25,000.00)	7,107.35	13,343.94	0.00	0.00	(4,548.71)	
11	Shared services - billed	6,222.56	65,224.99	21,229.00	0.00	0.00	92,676.55	
12	Provision for income taxes	452,377.45	1,828,099.00	44,084.70	(47.00)	0.00	2,324,514.15	
13	Total operating expenses	409,807.10	1,595,340.82	148,043.41	(47.00)	0.00	2,153,144.33	
14	Operating income (loss)	577,031.40	3,508,170.73	85,567.53	47.00	0.00	4,170,816.66	
	Other income							
15	Merchandise	0.00	0.00	0.00	0.00	0.00	0.00	
16	Interest income	0.00	0.00	0.00	0.00	0.00	0.00	
17	Shared services - billed	0.00	0.00	0.00	(1,143.35)	0.00	(1,143.35)	
18	Other nonoperating income	209,677.06	0.00	0.00	2,982.57	0.00	212,659.63	
19	Total other income (loss)	209,677.06	0.00	0.00	1,839.22	0.00	211,516.28	
20	Income (loss) before interest charges	786,708.46	3,508,170.73	85,567.53	1,886.22	0.00	4,382,332.94	
21	Interest charges	0.00	0.00	736.62	0.00	0.00	736.62	
22	Net income (loss)	\$786,708.46	\$3,508,170.73	\$84,830.91	\$1,886.22	\$0.00	\$4,381,596.32	

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
CONSOLIDATING STATEMENT OF INCOME- NON-REGULATED UTILITY  
FOR THE TWELVE MONTHS ENDED 09/30/98

1998

Line No.	Description (a)	ELIMINATIONS and ADJUSTMENTS					ATMOS NON REGULATED (g)	Line No.
		EGASCO, INC. (b)	ENERMART (c)	TRANS LA INDUSTRIAL (d)	W K G RESOURCES (e)	ADJUSTMENTS (f)		
	Operating revenues							
1	Gas	\$8,063,447.01	\$55,847,324.19	\$6,119,075.70	\$0.00	\$0.00	\$70,029,846.90	
2	Transportation	0.00	0.00	87,887.45	0.00	0.00	87,887.45	
3	Other	0.00	0.00	0.00	0.00	0.00	0.00	
4	Total operating revenues	8,063,447.01	55,847,324.19	6,206,963.15	0.00	0.00	70,117,734.35	
5	Purchased gas cost	6,025,355.34	47,009,968.62	5,261,708.02	0.00	0.00	58,297,031.98	
6	Gross profit	2,038,091.67	8,837,355.57	945,255.13	0.00	0.00	11,820,702.37	
	Operating expenses							
7	Operation	515,255.19	3,046,842.55	190,132.86	0.00	0.00	3,752,230.60	
8	Maintenance	0.00	0.00	0.00	0.00	0.00	0.00	
9	Depreciation and amortization	0.00	0.00	34,381.97	0.00	0.00	34,381.97	
10	Taxes - other than income taxes	0.00	38,613.12	55,829.36	10.00	0.00	94,452.48	
11	Shared services - billed	20,344.54	229,572.90	74,730.58	0.00	0.00	324,648.02	
12	Provision for income taxes	541,069.55	1,893,131.45	220,096.00	(47.00)	0.00	2,654,250.00	
13	Total operating expenses	1,076,669.28	5,208,160.02	575,170.77	(37.00)	0.00	6,859,963.07	
14	Operating income (loss)	961,422.39	3,629,195.55	370,084.36	37.00	0.00	4,960,739.30	
	Other income							
15	Merchandise	0.00	0.00	0.00	0.00	0.00	0.00	
16	Interest income	0.00	0.00	0.00	0.00	0.00	0.00	
17	Shared services - billed	0.00	0.00	0.00	(4,491.89)	0.00	(4,491.89)	
18	Other nonoperating income	(10,000.00)	0.00	0.00	4,379.92	0.00	(5,620.08)	
19	Total other income (loss)	(10,000.00)	0.00	0.00	(111.97)	0.00	(10,111.97)	
20	Income (loss) before interest charges	951,422.39	3,629,195.55	370,084.36	(74.97)	0.00	4,950,627.33	
21	Interest charges	0.00	300.00	2,946.48	0.00	0.00	3,246.48	
22	Net income (loss)	\$951,422.39	\$3,628,895.55	\$367,137.88	(\$74.97)	\$0.00	\$4,947,380.85	

NON-UTILITY BUSINESS UNITS  
CONSOLIDATING STATEMENT OF INCOME- NON-UTILITY  
FOR THE MONTH ENDED 09/30/98

Line No.	Description (a)	1998										Total Non-Utility	Line No.	
		UCG Leasing (b)	UCG Propane (c)	Rental Division (d)	Utility Serv. Division (e)	Eliminations and Adjustments (f)	UCG Energy Corp. Consolidated (g)	Energy Services (h)	UCG Storage Co. (i)	Total (j)				
1	Operating revenues													
2	Gas	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	1
3	Transportation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2
3	Non Utility	82,589.00	1,404,106.00	97,347.00	4,449.00	0.00	1,588,491.00	0.00	0.00	298,652.00	1,887,143.00	0.00	1,887,143.00	3
4	Total operating revenues	82,589.00	1,404,106.00	97,347.00	4,449.00	0.00	1,588,491.00	0.00	0.00	298,652.00	1,887,143.00	0.00	1,887,143.00	4
5	Purchased gas cost	0.00	811,142.00	0.00	0.00	0.00	811,142.00	0.00	0.00	0.00	811,142.00	0.00	811,142.00	5
6	Gross profit	82,589.00	592,964.00	97,347.00	4,449.00	0.00	777,349.00	0.00	0.00	298,652.00	1,076,001.00	0.00	1,076,001.00	6
7	Operating expenses													
8	Operation	13,425.00	215,064.00	5,756.00	142.00	0.00	234,387.00	4,010.86	0.00	29,101.00	267,498.86	0.00	267,498.86	7
8	Maintenance	0.00	25,920.00	0.00	0.00	0.00	25,920.00	0.00	0.00	150.00	26,070.00	0.00	26,070.00	8
9	Depreciation and amortization	30,285.00	236,758.00	13,652.00	51,002.00	0.00	331,697.00	0.00	0.00	33,521.00	365,218.00	0.00	365,218.00	9
10	Taxes - other than income taxes	0.00	29,564.00	27,442.00	0.00	0.00	57,006.00	0.00	0.00	67,817.00	124,823.00	0.00	124,823.00	10
11	Shared services - billed	2,850.00	44,460.00	9,120.00	570.00	0.00	57,000.00	0.00	0.00	0.00	57,000.00	0.00	57,000.00	11
12	Provision for income taxes	13,222.00	(13,191.00)	109,853.00	(147,000.00)	0.00	(37,116.00)	(118,500.00)	0.00	538,171.59	382,555.59	0.00	382,555.59	12
13	Total operating expenses	59,782.00	538,575.00	165,823.00	(95,286.00)	0.00	668,894.00	(114,489.14)	0.00	668,760.59	1,223,165.45	0.00	1,223,165.45	13
14	Operating income (loss)	22,807.00	54,389.00	(68,476.00)	99,735.00	0.00	108,455.00	114,489.14	0.00	(370,108.59)	(147,164.45)	0.00	(147,164.45)	14
15	Other income													
15	Merchandise	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15
16	Interest income	7,060.00	28,074.00	64,079.00	4,692.00	(59,923.00)	43,982.00	0.00	0.00	13,639.00	57,621.00	0.00	57,621.00	16
17	Other nonoperating income	90.00	5,296.00	391,378.00	2,150.00	0.00	398,914.00	(512,000.00)	0.00	1,311,900.00	1,198,814.00	0.00	1,198,814.00	17
18	Equity in earnings - Woodward	0.00	0.00	0.00	(321,813.00)	0.00	(321,813.00)	0.00	0.00	0.00	(321,813.00)	0.00	(321,813.00)	18
19	Total other income (loss)	7,150.00	33,370.00	455,457.00	(314,971.00)	(59,923.00)	121,083.00	(512,000.00)	0.00	1,325,539.00	934,622.00	0.00	934,622.00	19
20	Income (loss) before int chgs	29,957.00	87,759.00	386,981.00	(215,236.00)	(59,923.00)	229,538.00	(397,510.86)	0.00	955,430.41	787,457.55	0.00	787,457.55	20
21	Interest charges	12,931.00	118,601.00	(7,246.00)	27,836.00	(59,923.00)	92,199.00	0.00	0.00	79,840.00	172,039.00	0.00	172,039.00	21
22	Net income (loss)	\$17,026.00	(\$3,842.00)	\$394,227.00	(\$243,072.00)	\$0.00	\$137,339.00	(\$397,510.86)	\$0.00	\$875,590.41	\$615,418.55	\$0.00	\$615,418.55	22

NON-UTILITY BUSINESS UNITS  
CONSOLIDATING STATEMENT OF INCOME - NON UTILITY  
FOR THE QUARTER ENDED 09/30/98

1998

Line No.	Description (a)	Eliminations						UCG Energy Corp. Consolidated (e)	Atmos Energy Services (h)	UCG Storage Co. (i)	Non Utility (j)	Line No.
		UCG Leasing (b)	UCG Propane (c)	Rental Division (d)	Utility Serv. Division (e)	Eliminations and Adjustments (f)	UCG Storage Co. (i)					
1	Operating revenues											
2	Gas	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	1	
3	Transportation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2	
3	Other	250,733.00	4,552,706.00	426,238.00	13,358.00	0.00	5,243,035.00	0.00	895,956.00	6,138,991.00	3	
4	Total operating revenues	250,733.00	4,552,706.00	426,238.00	13,358.00	0.00	5,243,035.00	0.00	895,956.00	6,138,991.00	4	
5	Purchased gas cost	0.00	2,715,383.00	0.00	0.00	0.00	2,715,383.00	0.00	0.00	2,715,383.00	5	
6	Gross profit	250,733.00	1,837,323.00	426,238.00	13,358.00	0.00	2,527,652.00	0.00	895,956.00	3,423,608.00	6	
7	Operating expenses											
8	Operation	16,794.00	1,466,569.00	26,684.00	142.00	0.00	1,510,189.00	6,138.86	90,344.00	1,606,671.86	7	
8	Maintenance	0.00	109,966.00	0.00	0.00	0.00	109,966.00	0.00	615.00	110,581.00	8	
9	Depreciation	92,653.00	660,497.00	106,474.00	121,996.00	0.00	981,620.00	0.00	100,794.00	1,082,414.00	9	
10	Taxes - other than income taxes	0.00	83,837.00	67,764.00	0.00	0.00	151,601.00	0.00	135,657.00	287,258.00	10	
11	Shared services - billed	8,450.00	131,820.00	27,040.00	1,690.00	0.00	169,000.00	0.00	0.00	169,000.00	11	
12	Provision for income taxes	45,222.00	(318,191.00)	1,089,853.00	11,000.00	0.00	827,884.00	(181,185.00)	646,171.59	1,292,870.59	12	
13	Total operating expenses	163,119.00	2,134,498.00	1,317,815.00	134,828.00	0.00	3,750,260.00	(175,046.14)	973,581.59	4,548,795.45	13	
14	Operating income (loss)	87,614.00	(297,175.00)	(891,577.00)	(121,470.00)	0.00	(1,222,608.00)	175,046.14	(77,625.59)	(1,125,187.45)	14	
15	Other income											
15	Merchandise	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15	
16	Interest income	18,892.00	52,179.00	128,660.00	12,964.00	(132,663.00)	80,032.00	0.00	35,877.00	115,909.00	16	
17	Other nonoperating income	262.00	5,886.00	2,814,775.00	4,101.00	35,516.00	2,860,540.00	(512,000.00)	1,311,900.00	3,660,440.00	17	
18	Equity in earnings - Woodward	0.00	0.00	0.00	144,628.00	0.00	144,628.00	0.00	0.00	144,628.00	18	
19	Total other income (loss)	19,154.00	58,065.00	2,943,435.00	161,693.00	(97,147.00)	3,085,200.00	(512,000.00)	1,347,777.00	3,920,977.00	19	
20	Income (loss) before int chgs	106,768.00	(239,110.00)	2,051,858.00	40,223.00	(97,147.00)	1,862,592.00	(336,953.86)	1,270,151.41	2,795,789.55	20	
21	Interest charges	38,808.00	292,280.00	54,355.00	87,377.00	(97,147.00)	375,673.00	0.00	217,778.00	593,451.00	21	
22	Net income (loss)	\$67,960.00	(\$531,390.00)	\$1,997,503.00	(\$47,154.00)	\$0.00	\$1,486,919.00	(\$336,953.86)	\$1,052,373.41	\$2,202,338.55	22	



NON-UTILITY BUSINESS UNITS  
CONSOLIDATING STATEMENT OF INCOME- NON UTILITY  
FOR THE TWELVE MONTHS ENDED 09/30/98

1998

Line No.	Description (a)	Eliminations										Total Non-Utility (j)
		UCG Leasing (b)	UCG Propane (c)	Rental Division (d)	Utility Serv. Division (e)	Adjustments (f)	UCG Energy Corp. Consolidated (g)	Atmos Energy Services (h)	UCG Storage Co. (i)			
1	Operating revenues											
2	Gas	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3	Transportation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3	Non Utility	1,057,325.00	29,091,162.00	2,920,062.00	511,700.00	0.00	33,580,249.00	6,064,972.00	39,645,221.00	0.00	39,645,221.00	39,645,221.00
4	Total operating revenues	1,057,325.00	29,091,162.00	2,920,062.00	511,700.00	0.00	33,580,249.00	6,064,972.00	39,645,221.00	0.00	39,645,221.00	39,645,221.00
5	Purchased gas cost	0.00	17,708,985.00	0.00	424,930.00	0.00	18,133,915.00	2,505,376.00	20,639,291.00	0.00	20,639,291.00	20,639,291.00
6	Gross profit	1,057,325.00	11,382,177.00	2,920,062.00	86,770.00	0.00	15,446,334.00	3,559,596.00	19,005,930.00	0.00	19,005,930.00	19,005,930.00
7	Operating expenses											
7	Operation	29,396.39	7,152,153.55	462,604.39	16,523.79	0.00	7,660,678.12	387,926.70	8,058,743.68	10,138.86	8,058,743.68	8,058,743.68
8	Maintenance	0.00	569,269.00	0.00	0.00	0.00	569,269.00	49,952.00	619,221.00	0.00	619,221.00	619,221.00
9	Depreciation and amortization	380,383.00	2,324,212.00	632,467.00	455,515.00	0.00	3,792,577.00	403,974.00	4,196,551.00	0.00	4,196,551.00	4,196,551.00
10	Taxes - other than income taxes	0.00	332,225.00	256,071.00	9.00	0.00	588,305.00	445,044.00	1,033,349.00	0.00	1,033,349.00	1,033,349.00
11	Shared services - billed	26,110.00	385,151.00	82,739.00	5,000.00	0.00	499,000.00	(0.00)	499,000.00	0.00	499,000.00	499,000.00
12	Provision for income taxes	197,952.82	(38,190.16)	1,679,862.46	1,246,258.91	0.00	3,085,884.03	1,074,172.00	4,156,671.03	(3,385.00)	4,156,671.03	4,156,671.03
13	Total operating expenses	633,842.21	10,724,820.39	3,113,743.85	1,723,306.70	0.00	16,195,713.15	2,361,068.70	18,563,535.71	6,753.86	18,563,535.71	18,563,535.71
14	Operating income (loss)	423,482.79	657,356.61	(193,681.85)	(1,636,536.70)	0.00	(749,379.15)	1,198,527.30	442,394.29	(6,753.86)	442,394.29	442,394.29
15	Other income											
15	Merchandise	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
16	Interest income	51,614.00	142,854.00	421,077.00	45,096.00	(469,609.00)	191,032.00	98,646.00	289,678.00	0.00	289,678.00	289,678.00
17	Other nonoperating income	1,007.99	30,807.00	3,322,596.00	61,746.00	0.00	3,416,156.99	1,311,900.00	4,728,056.99	0.00	4,728,056.99	4,728,056.99
18	Equity in earnings - Woodward	0.00	0.00	0.00	3,920,210.00	0.00	3,920,210.00	0.00	3,920,210.00	0.00	3,920,210.00	3,920,210.00
19	Total other income (loss)	52,621.99	173,661.00	3,743,673.00	4,027,052.00	(469,609.00)	7,527,398.99	1,410,546.00	8,937,944.99	0.00	8,937,944.99	8,937,944.99
20	Income (loss) before int chgs	476,104.78	831,017.61	3,549,991.15	2,390,515.30	(469,609.00)	6,778,019.84	2,609,073.30	9,380,339.28	(6,753.86)	9,380,339.28	9,380,339.28
21	Interest charges	160,458.00	896,947.00	592,800.00	356,187.00	(469,609.00)	1,536,783.00	858,330.00	2,395,113.00	0.00	2,395,113.00	2,395,113.00
22	Net income (loss)	\$315,646.78	(\$65,929.39)	\$2,957,191.15	\$2,034,328.30	\$0.00	\$5,241,236.84	\$1,750,743.30	\$6,985,226.28	(\$6,753.86)	\$6,985,226.28	\$6,985,226.28

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ATMOS ENERGY CORPORATION  
Shared Services Billing  
For The Month Ended 9/30/98

ALLOCATED DOLLARS

DEPARTMENT	Total	Energas	GGC	Trans La	UCG	WKG	Fgasco	Emermat	TLIG	UCG Energys	WKGR
ACCOUNTING:	(292,624.11)	(30,799.92)	(59,031.82)	(24,767.52)	(178,568.66)	(57,545.10)	161.80	703.64	161.80	57,000.00	61.67
BUSINESS DEVELOPMENT:	36,106.43	8,968.84	4,361.66	3,050.99	13,724.05	6,000.89	-	-	-	-	-
CALL CENTER:	562,820.89	168,022.52	63,191.18	45,361.03	183,713.01	98,535.34	452.04	3,481.16	-62.23	-	2.38
EXECUTIVE:	315,776.20	78,593.94	38,549.71	26,785.68	118,338.31	52,121.51	207.17	930.36	193.30	-	56.22
GAS CONTROL:	44,174.73	7,951.44	4,417.47	2,208.74	19,878.63	8,834.95	-	441.75	441.75	-	-
GAS SUPPLY:	132,918.94	26,115.91	21,709.23	8,027.32	33,973.87	30,215.51	-	9,472.85	3,404.25	-	-
HUMAN RESOURCES:	952,443.93	241,531.06	122,567.67	84,642.24	341,445.37	159,752.34	432.89	1,560.94	409.26	-	102.16
INFORMATION TECHNOLOGY:	402,380.81	159,259.65	59,623.10	42,794.64	47,503.88	93,199.54	-	-	-	-	-
INTERNAL AUDIT:	179,786.63	44,443.25	21,628.33	15,120.06	68,031.26	29,718.73	125.85	557.34	125.85	-	35.96
INVESTOR RELATIONS:	193,058.82	47,871.37	23,298.40	16,288.13	72,678.04	32,012.83	135.54	600.16	135.54	-	38.81
LEGAL:	366,408.16	88,642.05	44,851.01	30,028.12	135,550.54	61,187.52	489.73	3,550.76	2,040.15	-	68.28
NEW BUSINESS VENTURES:	35,874.78	8,868.25	4,315.74	3,017.07	13,575.02	5,930.10	25.11	111.21	25.11	-	7.17
PLANNING & BUDGETING:	457,710.71	113,146.10	55,062.59	38,493.47	173,197.74	75,659.58	320.39	1,418.91	320.39	-	91.54
PRICE POLICY & ADMINISTRATION:	117,575.93	40,422.61	35,978.23	15,437.72	-	25,231.79	47.03	364.49	58.79	-	35.27
REGULATORY AFFAIRS:	45,844.59	6,876.68	11,461.15	4,584.46	18,337.84	4,584.46	-	-	-	-	-
REMITTANCE PROCESSING:	73,428.99	21,852.47	8,179.99	5,866.98	24,224.22	12,783.99	58.74	455.26	7.34	-	-
TECHNICAL SERVICES:	11,560.73	2,628.91	1,597.69	1,041.62	4,460.13	1,797.69	8.09	18.50	6.94	-	1.16
TREASURY:	235,345.60	57,205.42	27,510.58	18,028.70	88,046.13	39,583.31	566.54	3,847.80	535.55	-	21.57
TOTAL OPERATIONS:	3,870,592.76	1,091,600.55	489,271.91	336,009.45	1,178,109.38	679,604.98	3,030.92	27,515.13	7,928.25	57,000.00	522.19
Operations w/o A&G Cap.	4,751,592.76	1,283,253.83	625,135.55	414,591.34	1,488,137.97	842,599.20	3,310.68	28,754.06	8,208.01	57,000.00	602.12
MAINTENANCE	171.04	42.29	20.58	14.38	64.72	28.27	0.12	0.53	0.12	0.00	0.03
DEPRECIATION	469,632.81	116,093.23	56,496.83	39,496.12	177,709.06	77,630.30	328.74	1,455.86	328.74	0.00	93.93
TAXES - OTHER	74,363.89	18,382.76	8,945.98	6,254.00	28,139.30	12,292.35	52.05	230.53	52.05	0.00	14.87
TOTAL	4,414,760.50	1,226,118.83	554,735.30	381,773.95	1,384,022.46	769,555.90	3,411.83	29,202.05	8,209.16	57,000.00	631.02

ATMOS ENERGY CORPORATION  
Shared Services Billing  
For The Year-To-Date 9/30/98

ALLOCATED DOLLARS

DEPARTMENT	Total	Enersys	GGC	Trans La	UCG	WKG	Egasco	Enemart	TLIG	UCG Energy	WKGR
ACCOUNTING:	(6,150,194.76)	(1,166,593.48)	(1,133,040.65)	(650,196.52)	(2,379,015.71)	(1,319,883.28)	(85.22)	(507.57)	(48.21)	499,000.00	175.88
BUSINESS DEVELOPMENT:	516,390.97	128,271.55	62,380.03	43,633.02	196,280.20	85,824.17	-	-	-	-	-
CALL CENTER:	590,959.69	179,154.26	68,658.56	49,199.15	183,713.01	106,028.70	482.98	3,616.23	93.17	-	13.63
EXECUTIVE:	3,749,025.71	933,249.65	457,619.79	318,013.03	1,404,799.73	618,852.03	2,470.33	11,067.58	2,283.20	-	670.37
GAS CONTROL:	535,519.10	96,393.40	53,551.90	26,775.97	240,983.59	107,103.84	-	5,355.20	5,355.20	-	-
GAS SUPPLY:	1,441,086.27	283,805.18	230,524.70	86,680.65	367,608.90	320,922.27	-	112,459.86	39,084.71	-	-
HUMAN RESOURCES:	6,919,005.64	1,884,520.18	909,856.35	638,945.33	2,228,425.33	1,237,625.25	2,996.37	12,869.80	2,930.64	-	836.39
INFORMATION TECHNOLOGY:	3,037,389.49	1,196,422.00	447,914.69	321,490.08	371,406.26	700,156.46	-	-	-	-	-
INTERNAL AUDIT:	676,910.27	167,353.97	81,422.28	56,928.06	256,119.62	111,901.42	475.48	2,101.88	471.70	-	135.86
INVESTOR RELATIONS:	1,851,703.32	478,064.67	232,876.03	162,883.99	648,890.38	319,912.81	1,352.37	5,975.89	1,349.06	-	398.12
LEGAL:	3,450,264.72	842,987.49	419,894.11	284,221.69	1,279,695.49	575,440.28	4,089.15	28,186.89	15,110.70	-	638.92
NEW BUSINESS VENTURES:	292,067.30	72,210.07	35,130.61	24,562.83	110,506.50	48,282.85	205.27	907.15	203.36	-	58.66
PLANNING & BUDGETING:	1,076,469.36	272,779.76	132,801.79	92,874.09	390,353.18	182,475.79	773.54	3,417.66	768.71	-	224.84
PRICE POLICY & ADMINISTRATION:	1,140,167.28	339,706.62	298,523.49	128,929.02	156,774.42	211,867.91	417.83	3,150.69	493.52	-	303.78
REGULATORY AFFAIRS:	376,444.35	56,466.62	94,111.11	37,644.44	150,577.74	37,644.44	-	-	-	-	-
REMITTANCE PROCESSING:	376,364.09	120,248.73	45,012.37	32,289.84	105,588.12	70,350.17	323.62	2,507.99	43.25	-	-
TECHNICAL SERVICES:	306,393.53	69,664.09	42,343.22	27,614.68	118,212.13	47,638.95	212.15	491.22	186.06	-	31.03
TREASURY:	1,403,737.39	405,730.68	202,176.78	134,284.73	342,774.51	287,483.08	3,524.85	24,281.94	3,363.78	-	117.04
TOTAL OPERATIONS:	21,589,703.72	6,360,435.44	2,681,757.16	1,816,776.08	6,173,693.40	3,749,627.14	17,238.72	215,882.41	71,688.85	499,000.00	3,604.52
Operations w/o A&G Cap.	32,159,829.35	8,846,368.32	4,458,849.73	2,918,546.10	9,150,581.69	5,952,887.95	21,000.08	232,502.95	75,413.34	499,000.00	4,679.19
MAINTENANCE	41,182.65	10,180.97	4,953.99	3,463.45	15,582.85	6,807.74	28.87	127.77	28.76	0.00	8.25
DEPRECIATION	3,450,345.22	853,266.89	414,919.42	290,172.45	1,305,246.79	570,469.60	2,440.81	10,750.27	2,381.64	0.00	697.35
TAXES - OTHER	905,821.67	223,946.90	108,957.58	76,179.48	342,733.34	149,742.68	636.14	2,812.45	631.33	0.00	181.77
TOTAL	25,987,053.26	7,447,830.20	3,210,588.15	2,186,591.46	7,837,256.38	4,476,647.16	20,344.54	229,572.90	74,730.58	499,000.00	4,491.89

ATMOS ENERGY CORPORATION  
Shared Services Billing  
For The Month Ended 9/30/98

ALLOCATED DOLLARS

DEPARTMENT	Total	Energas	GGC	Trans La	UCG	WKG	Brasco	Enemart	TLIG	UCG Energy	WKGR
0112900 VP & Controller	63,422.20	15,677.96	7,629.69	5,333.81	23,998.96	10,483.69	44.40	196.61	44.40	0.00	12.68
0113000 Assistant Controller General Acctg	29,248.87	7,230.33	3,518.64	2,459.83	11,067.77	4,834.84	20.47	90.67	20.47	0.00	5.85
0113100 General Accounting	35,341.47	8,736.41	4,251.58	2,972.22	13,373.21	5,841.94	24.74	109.56	24.74	0.00	7.07
0113200 Payroll Accounting	77,226.47	19,090.37	9,290.34	6,494.75	29,222.50	12,765.54	54.06	239.40	54.06	0.00	15.45
0113300 Accounts Payable	55,835.37	13,802.51	6,717.00	4,695.75	21,128.10	9,229.59	39.08	173.09	39.08	0.00	11.17
0113400 Accounting Systems	954.51	235.95	114.83	80.27	361.19	157.78	0.67	2.96	0.67	0.00	0.19
0113500 Assistant Controller, Utility Acctg	34,368.43	8,495.89	4,134.52	2,890.38	13,005.01	5,681.10	24.06	106.54	24.06	0.00	6.87
0113600 Plant Accounting	43,367.09	10,720.34	5,217.06	3,647.17	16,410.11	7,168.58	30.36	134.44	30.36	0.00	8.67
0113700 Gas Accounting	91,218.33	22,549.17	10,973.57	7,671.46	34,517.02	15,078.39	63.85	282.78	63.85	0.00	18.24
0113800 Customer Billing	2,853.72	705.43	343.30	240.00	1,079.85	471.72	2.00	8.85	2.00	0.00	0.57
0113900 Financial Reporting	31,621.42	7,816.82	3,804.06	2,659.36	11,965.55	5,227.02	22.13	98.03	22.13	0.00	6.32
0114600 Dallas Taxation	180,331.39	71,339.09	35,038.39	24,597.20	0.00	48,022.25	198.37	865.59	198.37	0.00	72.13
0118300 Dallas Stores	3,634.54	3,634.54	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0119200 Controller Miscellaneous	(118,947.92)	(29,181.45)	(14,201.16)	(9,927.83)	(44,669.34)	(19,513.32)	(82.63)	(365.95)	(82.63)	57,000.00	(23.61)
Management Fee - UCGE	57,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0119700 I/C Billing & Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0119800 Overhead Capitalized-Division 02	(399,653.79)	(98,794.42)	(48,078.35)	(33,610.88)	(151,228.99)	(66,062.77)	(279.76)	(1,238.93)	(279.76)	0.00	(79.93)
0119800 Overhead Capitalized-Op Company	(481,346.21)	(92,858.86)	(87,785.29)	(44,971.01)	(158,799.60)	(96,931.45)	0.00	0.00	0.00	0.00	0.00
ACCOUNTING:	(292,624.11)	(30,799.92)	(59,031.82)	(24,767.52)	(178,568.66)	(57,545.10)	161.80	703.64	161.80	57,000.00	61.67
0056000 Business Development	36,106.43	8,968.84	4,361.66	3,050.99	13,724.05	6,000.89	0.00	0.00	0.00	0.00	0.00
BUSINESS DEVELOPMENT:	36,106.43	8,968.84	4,361.66	3,050.99	13,724.05	6,000.89	-	-	-	-	-
0120100 Amarillo Call Center	562,820.89	168,022.52	63,191.18	45,361.03	183,713.01	98,535.34	452.04	3,481.16	452.04	0.00	2.38
CALL CENTER:	562,820.89	168,022.52	63,191.18	45,361.03	183,713.01	98,535.34	452.04	3,481.16	452.04	0.00	2.38
0050500 Chairman, President & CEO	135,103.33	33,397.55	16,252.93	11,362.19	51,123.10	22,332.58	94.57	418.82	94.57	0.00	27.02
0052100 Dallas Operations	69,361.41	17,680.21	8,906.01	6,062.19	25,094.96	11,389.14	34.68	166.47	20.81	0.00	6.94
0052500 Utility Services	5,666.66	1,400.79	681.70	476.57	2,144.26	936.70	3.97	17.57	3.97	0.00	1.13
0054700 Chief Financial Officer	105,644.80	26,115.39	12,709.07	8,884.73	39,975.99	17,463.09	73.95	327.50	73.95	0.00	21.13
EXECUTIVE:	315,776.20	78,593.94	38,549.71	26,785.68	118,338.31	52,121.51	207.17	930.36	193.30	0.00	56.22
0051700 Corporate Gas Control	44,174.73	7,951.44	4,417.47	2,208.74	19,878.63	8,834.95	0.00	441.75	441.75	0.00	0.00
GAS CONTROL:	44,174.73	7,951.44	4,417.47	2,208.74	19,878.63	8,834.95	-	441.75	441.75	-	-
0051500 Interstate Gas Supply	64,834.09	11,670.14	12,966.82	3,241.70	17,505.20	19,450.23	0.00	0.00	0.00	0.00	0.00
0051600 Intrastate Gas Supply	40,457.34	8,091.46	4,045.73	2,022.87	10,114.34	6,068.60	0.00	8,091.47	2,022.87	0.00	0.00
0051900 Gas Supply	27,627.51	6,354.31	4,696.68	2,762.75	6,354.33	4,696.68	0.00	1,381.38	1,381.38	0.00	0.00
GAS SUPPLY:	132,918.94	26,115.91	21,709.23	8,027.32	33,973.87	30,215.51	-	9,472.85	3,404.25	-	-
0056100 Professional Development	99,867.38	26,734.50	12,573.30	8,928.14	34,504.18	17,127.26	0.00	0.00	0.00	0.00	0.00
0117100 Corporate Services	1,601.43	633.52	311.16	218.44	0.00	426.46	1.76	7.69	1.76	0.00	0.64
0117200 Compensation & Employment	30,813.44	8,248.77	3,879.41	2,754.72	10,646.04	5,284.50	0.00	0.00	0.00	0.00	0.00
0117300 Human Resources - VP	24,943.45	6,677.37	3,140.38	2,229.94	8,617.96	4,277.80	0.00	0.00	0.00	0.00	0.00
0117400 Employee & Labor Relations	13,560.05	3,630.02	1,707.21	1,212.27	4,685.00	2,325.55	0.00	0.00	0.00	0.00	0.00
0117500 Employee Benefits	95,079.57	25,452.80	11,970.52	8,500.11	32,849.99	16,306.15	0.00	0.00	0.00	0.00	0.00
0117800 Employee Communications	30,307.55	8,113.34	3,815.72	2,709.49	10,471.26	5,197.74	0.00	0.00	0.00	0.00	0.00
0117900 Facilities	25,259.50	6,761.97	3,180.17	2,258.20	8,727.16	4,332.00	0.00	0.00	0.00	0.00	0.00

ATMOS ENERGY CORPORATION  
Shared Services Billing  
For The Month Ended 9/30/98

ALLOCATED DOLLARS

DEPARTMENT	Total	Energies	GCG	Trans La	UCG	WKG	Egasso	Emermart	TLIG	UCG Energy	WKGR
0118100 Employee Development	28,176.69	7,542.89	3,547.45	2,519.00	9,735.05	4,832.30	0.00	0.00	0.00	0.00	0.00
0119000 Employee Relocation Expense	791.86	195.76	95.26	66.60	299.64	130.89	0.55	2.45	0.55	0.00	0.16
0119210 Performance Plan	236,271.00	53,728.03	32,652.65	21,288.02	91,153.35	36,740.14	165.39	378.03	141.76	0.00	23.63
0119300 Outside Directors Retirement Cost	23,000.00	5,685.60	2,766.90	1,934.30	8,703.20	3,801.90	16.10	71.30	16.10	0.00	4.60
0119400 Treasury - Worker's Comp	795.36	314.65	154.54	108.49	0.00	211.80	0.87	3.82	0.87	0.00	0.32
0119500 Human Resources - Benefits	22,070.36	8,731.02	4,288.27	3,010.40	5,877.34	2,428	24.28	105.94	24.28	0.00	8.83
0119600 Retirement Costs	319,906.29	79,080.82	38,484.73	26,904.12	121,052.54	52,880.51	223.94	991.71	223.94	0.00	63.98
HUMAN RESOURCES:	952,443.93	241,531.06	122,567.67	84,642.24	341,445.37	159,752.34	432.89	1,560.94	409.26	0.00	102.16
0115000 Information Services	53,658.68	16,076.15	6,020.50	4,319.52	17,830.78	9,411.73	0.00	0.00	0.00	0.00	0.00
0115100 Production Services	259,426.01	116,430.39	43,583.57	31,286.78	0.00	68,125.27	0.00	0.00	0.00	0.00	0.00
0115200 Mass Mail	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0115300 Information Systems	64,356.48	19,281.19	7,220.80	5,180.70	21,385.66	11,288.13	0.00	0.00	0.00	0.00	0.00
0115400 Information Support	48,546.36	14,544.49	5,446.90	3,907.98	16,131.96	8,515.03	0.00	0.00	0.00	0.00	0.00
0115500 Office Equipment	4,080.54	1,222.53	457.84	328.48	1,355.96	715.73	0.00	0.00	0.00	0.00	0.00
0115600 Telecommunication Services	(27,687.26)	(8,295.10)	(3,106.51)	(2,228.82)	(9,200.48)	(4,856.35)	0.00	0.00	0.00	0.00	0.00
INFORMATION TECHNOLOGY:	402,380.81	159,259.65	59,623.10	42,794.64	47,503.88	93,199.54	0.00	0.00	0.00	0.00	0.00
0116400 Internal Audit	179,786.63	44,443.25	21,628.33	15,120.06	68,031.26	29,718.73	125.85	557.34	125.85	0.00	35.96
INTERNAL AUDIT:	179,786.63	44,443.25	21,628.33	15,120.06	68,031.26	29,718.73	125.85	557.34	125.85	0.00	35.96
0054900 Investor Relations	163,742.95	40,477.26	19,698.28	13,770.78	61,960.33	27,066.71	114.62	507.60	114.62	0.00	32.75
0052400 Corporate Communications	28,323.76	7,001.63	3,407.35	2,382.03	10,717.71	4,681.92	19.83	87.80	19.83	0.00	5.66
0052400 Public Affairs	992.11	392.48	192.77	135.32	0.00	264.20	1.09	4.76	1.09	0.00	0.40
INVESTOR RELATIONS:	193,058.82	47,871.37	23,298.40	16,288.13	72,678.04	32,012.83	135.54	600.16	135.54	0.00	38.81
0052000 Legal	160,015.96	39,555.95	19,249.92	13,457.34	60,550.04	26,450.64	112.01	496.05	112.01	0.00	32.00
0052099 Contract Administration	11,537.21	239.99	2,279.75	239.97	1,919.79	2,408.97	239.97	2,408.97	1,799.80	0.00	0.00
0052200 Governmental Affairs	9,766.06	2,414.16	1,174.86	821.33	3,695.48	1,614.33	6.84	30.27	6.84	0.00	1.95
0057900 Corporate Secretary	171,636.91	42,428.64	20,647.92	14,434.66	64,947.41	28,371.58	120.15	532.07	120.15	0.00	34.33
0118200 Central Records	13,432.02	4,003.31	1,498.56	1,074.82	4,437.82	2,342.00	10.76	83.40	1.35	0.00	0.00
LEGAL:	366,408.16	88,642.05	44,851.01	30,028.12	135,550.54	61,187.52	489.73	3,550.76	2,040.15	0.00	68.28
0054600 New Business Ventures	35,874.78	8,868.25	4,315.74	3,017.07	13,575.02	5,930.10	25.11	111.21	25.11	0.00	7.17
NEW BUSINESS VENTURES:	35,874.78	8,868.25	4,315.74	3,017.07	13,575.02	5,930.10	25.11	111.21	25.11	0.00	7.17
0054400 Financial & Strategic Planning	33,801.94	8,355.85	4,066.37	2,842.74	12,790.65	5,587.46	23.66	104.79	23.66	0.00	6.76
0054500 Business Strategies & Competitive Intelligence	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0114300 Budget & Planning	423,908.77	104,790.25	50,996.22	35,650.73	160,407.00	70,072.12	296.73	1,314.12	296.73	0.00	84.78
PLANNING & BUDGETING:	457,710.71	113,146.10	55,062.59	38,493.47	173,197.74	75,659.58	320.39	1,418.91	320.39	0.00	91.54
0054000 Price Policy & Administration - V.P.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0054000 Price Policy & Administration	117,575.93	40,422.61	35,978.23	15,437.72	0.00	25,231.79	47.03	364.49	58.79	0.00	35.27
PRICE POLICY & ADMINISTRATION:	117,575.93	40,422.61	35,978.23	15,437.72	0.00	25,231.79	47.03	364.49	58.79	0.00	35.27
0054100 Regulatory Affairs	45,844.59	6,876.68	11,461.15	4,584.46	18,337.84	4,584.46	0.00	0.00	0.00	0.00	0.00
REGULATORY AFFAIRS:	45,844.59	6,876.68	11,461.15	4,584.46	18,337.84	4,584.46	0.00	0.00	0.00	0.00	0.00

ATMOS ENERGY CORPORATION  
Shared Services Billing  
For The Month Ended 9/30/98

ALLOCATED DOLLARS

DEPARTMENT	Total	Energas	GGC	Trans La	UCG	WKG	Egasco	Entermat	TLIG	UCG Energy	WKOR
0118000 Remittance Processing	71,428.99	21,352.47	8,179.99	5,866.98	24,224.22	12,783.99	58.74	455.26	7.34	0.00	0.00
REMITTANCE PROCESSING:	71,428.99	21,352.47	8,179.99	5,866.98	24,224.22	12,783.99	58.74	455.26	7.34	-	-
0056200 Technical Services	11,560.73	2,628.91	1,597.69	1,041.62	4,460.13	1,797.69	8.09	18.50	6.94	0.00	1.16
TECHNICAL-SERVICES:	11,560.73	2,628.91	1,597.69	1,041.62	4,460.13	1,797.69	8.09	18.50	6.94	-	1.16
0114500 Dallas Treasury	77,477.16	20,035.57	8,414.02	4,594.40	26,404.22	13,581.75	488.11	3,501.97	457.12	0.00	0.00
0114700 Dallas Risk Management	10,245.04	2,532.57	1,232.48	861.61	3,876.72	1,693.51	7.17	31.76	7.17	0.00	2.05
0114800 Dallas Treasurer	107,060.48	26,465.34	12,879.38	9,003.79	40,511.69	17,697.10	74.94	331.89	74.94	0.00	21.41
0117600 Purchasing	18,372.31	3,742.44	2,645.61	1,897.86	6,614.03	3,472.37	0.00	0.00	0.00	0.00	0.00
0118500 Mail & Supply	17,787.93	4,761.83	2,239.50	1,590.24	6,145.73	3,050.63	0.00	0.00	0.00	0.00	0.00
0118909 Fleet Administration	(7,768.87)	(3,073.36)	(1,509.49)	(1,059.67)	0.00	(2,068.85)	(8.55)	(37.29)	(8.55)	0.00	(3.11)
0118600 Purchasing & Stores	12,171.55	2,741.03	1,609.08	1,140.47	4,493.74	2,156.80	4.87	19.47	4.87	0.00	1.22
TREASURY:	235,345.60	57,205.42	27,510.58	18,028.70	88,946.13	39,583.31	566.54	3,847.80	535.55	-	21.57
TOTAL OPERATIONS:	3,870,592.76	1,091,600.55	489,271.91	336,009.45	1,178,109.38	679,604.98	3,030.92	27,515.13	7,928.25	57,000.00	522.19
Operations w/o A&G Cap.	4,751,592.76	1,283,253.83	625,135.55	414,591.34	1,488,137.97	842,599.20	3,310.68	28,754.06	8,208.01	57,000.00	602.12
MAINTENANCE	171.04	42.29	20.58	14.38	64.72	28.27	0.12	0.53	0.12	0.00	0.03
DEPRECIATION	469,632.81	116,093.23	56,496.83	39,496.12	177,709.06	77,630.30	328.74	1,455.86	328.74	0.00	93.93
TAXES - OTHER	74,363.89	18,382.76	8,945.98	6,254.00	28,139.30	12,292.35	52.05	230.53	52.05	0.00	14.87
TOTAL	4,414,760.50	1,226,118.83	554,735.30	381,773.95	1,384,022.46	769,555.90	3,411.83	29,202.05	8,309.16	57,000.00	631.02

ATMOS ENERGY CORPORATION  
Shared Services Billing  
For The Year-To-Date 9/30/98

ALLOCATED DOLLARS

DEPARTMENT	Total	Energas	GGC	Trans La	UCG	WKG	Egasco	Emermat	ILIG	UCG Energy	WKCR
0112900 VP & Controller	733,807.67	242,654.32	118,823.03	83,301.80	121,475.59	162,989.53	678.78	2,976.52	678.78	0.00	229.32
0113000 Assistant Controller General Acctg	164,426.37	51,151.05	25,018.77	17,530.43	35,432.99	34,329.20	143.42	630.05	143.42	0.00	47.04
0113100 General Accounting	433,945.42	138,055.78	67,554.41	47,344.07	85,708.59	92,682.91	386.75	1,697.88	386.75	0.00	128.28
0113200 Payroll Accounting	547,189.51	166,347.80	81,326.29	56,972.95	127,800.12	111,605.01	466.82	2,052.36	466.82	0.00	151.34
0113300 Accounts Payable	288,382.39	90,687.81	44,366.12	31,089.94	59,657.22	60,872.94	254.16	1,116.22	254.16	0.00	83.82
0113400 Accounting Systems	26,183.26	9,501.78	4,660.39	3,269.59	2,183.54	6,389.78	26.50	115.87	26.50	0.00	9.31
0113500 Assistant Controller, Utility Acctg	134,412.35	36,226.57	17,665.73	12,361.32	43,212.27	24,260.07	102.20	451.05	102.20	0.00	30.94
0113600 Plant Accounting	373,647.32	117,703.49	57,584.59	40,353.48	76,779.93	79,008.70	329.85	1,448.56	329.85	0.00	108.87
0113700 Gas Accounting	734,165.28	223,831.04	110,433.00	77,371.75	164,733.47	151,538.66	633.43	2,783.91	633.43	0.00	206.59
0113800 Customer Billing	64,610.47	21,944.09	10,750.82	7,538.60	9,219.67	14,744.91	61.34	268.73	61.34	0.00	20.97
0113900 Financial Reporting	310,510.23	93,130.18	46,515.67	32,588.71	70,650.76	63,831.24	266.88	1,173.05	266.88	0.00	86.86
0114600 Dallas Taxation	631,048.51	249,642.76	122,612.73	86,075.02	0.00	168,048.24	694.16	3,029.04	694.16	0.00	252.40
0118300 Dallas Stores	4,241.03	4,241.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0119200 Controller Miscellaneous Management Fee - UCGE	(525,638.94)	(129,778.30)	(63,259.63)	(44,224.16)	(198,981.57)	(86,923.66)	(368.15)	(1,630.27)	(368.15)	0.00	(105.19)
0119700 I/C Billing & Other	499,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	499,000.00	0.00
0119800 Overhead Capitalized-Division 02	(5,350,568.89)	(1,322,873.37)	(643,575.57)	(449,981.85)	(2,024,428.54)	(884,528.50)	0.00	0.00	0.00	0.00	0.00
0119800 Overhead Capitalized-Op Company ACCOUNTING:	(5,219,556.74)	(1,163,059.51)	(1,133,517.00)	(651,788.17)	(952,459.75)	(1,318,732.31)	(3,761.36)	(16,620.54)	(3,724.49)	0.00	(1,074.67)
	(6,150,194.76)	(1,166,593.48)	(1,133,040.65)	(650,196.52)	(2,379,015.71)	(1,319,883.28)	(85.22)	(507.57)	(48.21)	499,000.00	175.88
0056000 Business Development BUSINESS DEVELOPMENT:	516,390.97	128,271.55	62,380.01	43,635.02	196,280.20	85,824.17	0.00	0.00	0.00	0.00	0.00
	516,390.97	128,271.55	62,380.03	43,635.02	196,280.20	85,824.17	0.00	0.00	0.00	0.00	0.00
0120100 Amarillo Call Center CALL CENTER:	590,959.69	179,154.26	88,638.56	49,199.15	183,713.01	106,028.70	482.98	3,616.23	93.17	0.00	13.63
	590,959.69	179,154.26	88,638.56	49,199.15	183,713.01	106,028.70	482.98	3,616.23	93.17	0.00	13.63
0050500 Chairman, President & CEO	1,676,943.09	414,613.35	201,702.66	141,030.59	634,477.50	277,225.95	1,179.32	5,210.10	1,166.67	0.00	336.95
0052100 Dallas Operations	824,456.28	210,171.38	105,851.49	72,057.29	298,275.56	135,374.10	413.78	1,981.63	248.27	0.00	82.78
0052500 Utility Services	148,308.22	36,723.79	17,859.75	12,489.48	56,182.12	24,553.11	104.90	462.38	102.72	0.00	29.97
0054700 Chief Financial Officer EXECUTIVE:	1,099,118.12	271,741.13	132,205.89	92,435.67	415,864.55	181,698.87	772.33	3,413.47	765.54	0.00	220.67
	3,749,025.71	933,249.65	457,619.79	318,013.03	1,404,799.73	618,852.03	2,470.33	11,067.58	2,283.20	0.00	670.37
0051700 Corporate Gas Control GAS CONTROL:	535,519.10	96,393.40	53,551.90	26,775.97	240,983.59	107,103.84	0.00	5,355.20	5,355.20	0.00	0.00
	535,519.10	96,393.40	53,551.90	26,775.97	240,983.59	107,103.84	0.00	5,355.20	5,355.20	0.00	0.00
0051500 Interstate Gas Supply	659,392.02	118,690.58	131,878.39	32,969.60	178,035.83	197,817.62	0.00	0.00	0.00	0.00	0.00
0051600 Intrastate Gas Supply	489,167.52	97,833.50	48,916.76	24,458.37	122,291.90	73,375.10	0.00	97,833.52	24,458.37	0.00	0.00
0051900 Gas Supply GAS SUPPLY:	292,526.73	67,281.10	49,729.55	29,252.68	67,281.17	49,729.55	0.00	14,626.34	14,626.34	0.00	0.00
	1,441,086.27	283,805.18	230,524.70	86,680.65	367,608.90	320,922.27	0.00	112,459.86	39,084.71	0.00	0.00
0056100 Professional Development	155,854.81	43,285.00	20,358.08	14,455.79	50,024.15	27,731.79	0.00	0.00	0.00	0.00	0.00
0117100 Corporate Services	271,150.90	10,740.87	5,275.41	3,703.38	0.00	7,230.29	29.88	130.34	29.88	0.00	10.85
0117200 Compensation & Employment	512,195.79	175,010.78	82,333.06	58,458.08	84,236.60	112,157.27	0.00	0.00	0.00	0.00	0.00
0117300 Human Resources - VP	252,767.96	67,666.02	31,823.47	22,597.45	87,331.31	43,349.71	0.00	0.00	0.00	0.00	0.00
0117400 Employee & Labor Relations	121,762.08	32,595.26	15,329.96	10,885.52	42,069.16	20,882.18	0.00	0.00	0.00	0.00	0.00
0117500 Employee Benefits	945,430.67	330,257.51	155,371.92	110,316.28	137,830.75	211,654.21	0.00	0.00	0.00	0.00	0.00
0117800 Employee Communications	196,549.51	52,615.78	24,745.71	17,571.52	67,908.29	33,708.21	0.00	0.00	0.00	0.00	0.00



ATMOS ENERGY CORPORATION  
Shared Services Billing  
For The Year-To-Date 9/30/98

ALLOCATED DOLLARS

DEPARTMENT	Total	Enrgas	GCC	Trans La	UCG	WKG	Egasco	Emermat	TLIG	UCG Energy	WKGR
0117900 Facilities	164,913.56	44,146.89	20,762.73	14,743.27	56,978.02	28,282.65	0.00	0.00	0.00	0.00	0.00
0118100 Employee Development	341,219.57	91,344.43	42,959.55	30,505.04	117,891.38	58,519.17	0.00	0.00	0.00	0.00	0.00
0119000 Employee Relocation Expense	6,034.48	1,491.71	725.95	507.51	2,283.46	997.50	4.21	18.71	4.21	0.00	1.22
0119210 Performance Plan	1,878,418.00	459,734.07	230,171.96	159,392.26	712,470.02	308,212.21	1,319.96	5,479.38	1,284.66	0.00	353.48
0119300 Outside Directors Retirement Cost	276,000.00	68,240.48	33,196.69	23,211.54	104,424.26	45,627.76	194.19	857.71	191.89	0.00	55.48
0119400 Treasury - Worker's Comp	(11,456.99)	(4,532.38)	(2,226.09)	(1,562.73)	0.00	(3,051.00)	(12.61)	(54.99)	(12.61)	0.00	(4.58)
0119500 Human Resources - Benefits	30,096.39	11,906.12	5,847.72	4,105.15	0.00	8,014.67	33.11	144.47	33.11	0.00	12.04
0119600 Retirement Costs	2,022,068.91	500,017.64	243,180.23	170,055.27	764,977.93	334,308.63	1,427.63	6,294.18	1,399.50	0.00	407.90
HUMAN RESOURCES:	6,919,005.64	1,884,520.18	909,856.35	638,945.33	2,228,425.33	1,237,625.25	2,996.37	12,869.80	2,930.64	-	836.39
0115000 Information Services	232,116.64	69,542.13	26,043.49	18,685.40	77,132.36	40,713.26	0.00	0.00	0.00	0.00	0.00
0115100 Production Services	1,280,359.24	574,625.22	215,100.36	154,411.32	0.00	336,222.34	0.00	0.00	0.00	0.00	0.00
0115200 Mass Mail	54.74	24.57	9.20	6.60	0.00	14.37	0.00	0.00	0.00	0.00	0.00
0115300 Information Systems	703,902.00	268,847.74	100,654.03	72,241.48	104,820.37	157,338.38	0.00	0.00	0.00	0.00	0.00
0115400 Information Support	299,375.22	127,116.48	47,586.14	34,157.94	16,131.96	74,382.70	0.00	0.00	0.00	0.00	0.00
0115500 Office Equipment	41,095.33	12,312.16	4,610.90	3,308.18	13,655.97	7,208.12	0.00	0.00	0.00	0.00	0.00
0115600 Telecommunication Services	480,486.32	143,953.70	53,910.57	38,679.16	159,665.60	84,277.29	0.00	0.00	0.00	0.00	0.00
INFORMATION TECHNOLOGY:	3,037,389.49	1,196,422.00	447,914.69	321,490.08	371,406.26	700,156.46	-	-	-	-	-
0116400 Internal Audit	676,910.27	167,353.97	81,422.28	56,928.06	256,119.62	111,901.42	475.48	2,101.88	471.70	0.00	135.86
INTERNAL AUDIT:	676,910.27	167,353.97	81,422.28	56,928.06	256,119.62	111,901.42	475.48	2,101.88	471.70	0.00	135.86
0054900 Investor Relations	1,277,184.87	315,720.09	153,645.34	107,411.23	483,286.77	211,118.66	894.04	3,959.27	894.04	0.00	255.43
0117700 Corporate Communications	437,695.46	108,217.41	52,645.97	36,810.10	165,603.61	72,358.19	307.83	1,359.88	304.52	0.00	87.95
0052400 Public Affairs	136,822.99	54,127.17	26,584.72	18,662.66	0.00	36,435.96	150.50	656.74	150.50	0.00	54.74
INVESTOR RELATIONS:	1,851,703.32	478,064.67	232,876.03	162,883.99	648,890.38	319,912.81	1,352.37	5,975.89	1,349.06	0.00	398.12
0052000 Legal	2,092,561.21	517,281.15	251,735.11	175,984.39	791,825.17	345,900.36	1,464.79	6,486.93	1,464.79	0.00	418.52
0052099 Contract Administration	82,418.28	1,714.27	16,285.86	1,714.30	13,714.40	17,208.95	1,714.30	17,208.95	12,857.25	0.00	0.00
0052200 Governmental Affairs	97,846.05	24,187.54	11,770.86	8,228.84	37,024.93	16,173.96	68.51	303.31	68.51	0.00	19.59
0057900 Corporate Secretary	1,003,995.71	248,187.74	120,780.68	84,436.03	379,911.99	165,960.50	702.80	3,112.36	702.80	0.00	200.81
0118200 Central Records	173,443.47	51,616.79	19,321.60	13,858.13	57,219.00	30,196.51	138.75	1,075.34	17.35	0.00	0.00
LEGAL:	3,450,564.72	842,987.49	419,894.11	284,221.69	1,279,695.49	573,440.28	4,089.15	28,186.89	15,110.70	0.00	638.92
0054600 New Business Ventures	292,067.30	72,210.07	35,130.61	24,562.83	110,506.50	48,282.85	205.27	907.15	203.36	0.00	58.66
NEW BUSINESS VENTURES:	292,067.30	72,210.07	35,130.61	24,562.83	110,506.50	48,282.85	205.27	907.15	203.36	0.00	58.66
0054400 Financial & Strategic Planning	563,184.78	139,247.15	67,738.30	47,363.72	213,079.40	93,104.85	396.32	1,750.32	391.49	0.00	113.23
0054500 Business Strategies & Competitive Intelligence	10.50	2.60	0.88	0.88	3.97	1.73	0.01	0.03	0.01	0.00	0.00
0114300 Budget & Planning	513,274.08	133,530.01	65,062.22	45,509.49	177,269.81	89,369.21	377.21	1,667.31	377.21	0.00	111.61
PLANNING & BUDGETING:	1,076,469.36	272,779.76	132,801.79	92,874.09	390,353.18	182,473.79	773.54	3,417.66	768.71	0.00	224.84
0054000 Price Policy & Administration - V.P.	383,340.02	79,509.39	66,934.34	29,557.61	156,774.42	49,452.80	115.10	804.52	115.10	0.00	76.74
0054000 Price Policy & Administration	756,827.26	260,197.23	231,589.15	99,371.41	0.00	162,415.11	302.73	2,346.17	378.42	0.00	227.04
PRICE POLICY & ADMINISTRATION:	1,140,167.28	339,706.62	298,523.49	128,929.02	156,774.42	211,867.91	417.83	3,150.69	493.52	0.00	303.78
0054100 Regulatory Affairs	376,444.35	56,466.62	94,111.11	37,644.44	150,577.74	37,644.44	0.00	0.00	0.00	0.00	0.00

ATMOS ENERGY CORPORATION  
Shared Services Billing  
For The Year-To-Date 9/30/98

ALLOCATED DOLLARS

DEPARTMENT	Total	Enersys	GGC	Trans La	UCG	WKG	Egaseo	Entermat	TLIG	UCG Energy	WKGR
REGULATORY AFFAIRS:	376,444.35	56,466.62	94,111.11	37,644.44	150,577.74	37,644.44					
0118000 Remittance Processing	376,364.09	120,248.73	45,012.37	32,289.84	105,588.12	70,350.17	323.62	2,507.99	43.25	0.00	0.00
REMITTANCE PROCESSING:	376,364.09	120,248.73	45,012.37	32,289.84	105,588.12	70,350.17	323.62	2,507.99	43.25		
0056200 Technical Services	306,393.53	69,664.09	42,343.22	27,614.68	118,212.13	47,638.95	212.15	491.22	186.06	0.00	31.03
TECHNICAL SERVICES:	306,393.53	69,664.09	42,343.22	27,614.68	118,212.13	47,638.95	212.15	491.22	186.06		31.03
0114500 Dallas Treasury	395,300.10	127,534.37	53,621.44	29,196.99	69,766.67	86,582.24	3,119.33	22,517.86	2,961.20	0.00	0.00
0114700 Dallas Risk Management	150,741.81	37,268.76	18,131.77	12,677.37	57,034.96	24,919.63	105.93	468.14	104.99	0.00	30.26
0114800 Dallas Treasurer	327,955.60	81,082.12	39,447.74	27,581.02	124,086.13	54,215.37	230.44	1,018.50	228.44	0.00	65.84
0117600 Purchasing	181,762.19	47,562.43	33,599.55	24,099.85	32,390.03	44,110.33	0.00	0.00	0.00	0.00	0.00
0118500 Mail & Supply	212,829.26	72,559.62	34,135.27	24,236.73	35,397.28	46,500.36	0.00	0.00	0.00	0.00	0.00
0118909 Fleet Administration	2,212.22	875.15	429.83	301.74	0.00	589.12	2.44	10.62	2.44	0.00	0.88
0118600 Purchasing & Stores	132,936.21	38,848.23	22,811.18	16,191.03	24,099.44	30,566.03	66.71	266.82	66.71	0.00	20.06
TREASURY:	1,403,737.39	405,730.68	202,176.78	134,284.73	342,774.51	287,483.08	3,524.85	24,281.94	3,363.78		117.04
TOTAL OPERATIONS:	21,589,703.72	6,360,435.44	2,681,757.16	1,816,776.08	6,173,693.40	3,749,627.14	17,238.72	215,882.41	71,688.85	499,000.00	3,604.52
Operations w/o A&G Cap.	32,159,829.35	8,846,368.32	4,458,849.73	2,918,546.10	9,150,581.69	5,952,887.95	21,000.08	232,502.95	75,413.34	499,000.00	4,679.19
MAINTENANCE	41,182.65	10,180.97	4,953.99	3,463.45	15,582.85	6,807.74	28.87	127.77	28.76	0.00	8.25
DEPRECIATION	3,450,345.22	853,266.89	414,919.42	290,172.45	1,305,246.79	570,469.60	2,440.81	10,750.27	2,381.64	0.00	697.35
TAXES - OTHER	905,821.67	223,946.90	108,957.58	76,179.48	342,733.34	149,742.68	636.14	2,812.45	631.33	0.00	181.77
TOTAL	25,987,053.26	7,447,830.20	3,210,588.15	2,186,591.46	7,837,256.38	4,476,647.16	20,344.54	229,572.90	74,730.58	499,000.00	4,491.89

**ATMOS ENERGY CORPORATION**  
**Analysis of Shared Services - Actual vs. Budget**  
**For The Month Ended 9/30/98**

Department Name	FY '98 Actual	Budget	Actual Over (Under) Budget	Prior Year	Actual Over (Under) Prior
EXECUTIVE:	315,776	276,384	39,392	255,281	60,495
FINANCE:					
ACCOUNTING	828,797	458,136	370,661	307,010	521,787
INFORMATION TECHNOLOGY	856,526	645,120	211,406	570,237	286,289
INTERNAL AUDIT	176,787	58,075	118,712	35,908	140,879
INVESTOR RELATIONS	193,059	185,306	7,753	228,140	(35,081)
NEW BUSINESS VENTURES	39,548	22,953	16,595	-	39,548
PLANNING & BUDGETING	457,711	74,918	382,793	43,011	414,700
PRICE POLICY & ADMINISTRATION	128,081	90,892	37,189	103,073	25,008
REGULATORY AFFAIRS	54,983	28,318	26,665	2,115	52,868
TREASURY:	645,135	587,950	57,185	316,282	328,853
TOTAL FINANCE:	<u>3,380,626</u>	<u>2,151,668</u>	<u>1,228,958</u>	<u>1,605,776</u>	<u>1,774,850</u>
OPERATIONS:					
BUSINESS DEVELOPMENT	36,106	60,161	(24,055)	76,487	(40,381)
CALL CENTER	562,821	571,002	(8,181)	-	562,821
GAS SUPPLY & GAS CONTROL	185,104	176,000	9,104	121,767	63,337
TECHNICAL SERVICES	11,561	9,061	2,500	92,988	(81,427)
TOTAL OPERATIONS:	<u>795,592</u>	<u>816,224</u>	<u>(20,632)</u>	<u>291,242</u>	<u>504,350</u>
HUMAN RESOURCES:	343,594	616,988	(273,394)	1,011,129	(667,535)
LEGAL:	498,371	325,372	172,999	430,873	67,498
OVERHEAD CAPITALIZED:	(881,000)	(883,917)	2,917	(990,000)	109,000
TOTAL O&M	<u>4,452,960</u>	<u>3,302,719</u>	<u>1,150,241</u>	<u>2,604,301</u>	<u>1,848,659</u>
DEPRECIATION	469,633	198,000	271,633	(726,103)	1,195,736
TAXES - OTHER	74,535	57,000	17,535	49,063	25,472
TOTAL	<u>4,997,127</u>	<u>3,557,719</u>	<u>1,439,408</u>	<u>1,927,261</u>	<u>3,069,867</u>

**ATMOS ENERGY CORPORATION**  
**Analysis of Shared Services - Actual vs. Budget**  
**For The Year-To-Date 9/30/98**

Department Name	FY '98	Budget	Actual	Actual Over (Under) Budget	Prior Year	Actual Over (Under) Prior
	Actual	Budget	Actual	Over (Under) Budget	Year	Prior
<b>EXECUTIVE:</b>	3,743,153	3,287,051		456,102	6,769,468	(3,026,315)
<b>FINANCE:</b>						
ACCOUNTING	5,536,613	4,664,487		872,126	3,417,944	2,118,669
INFORMATION TECHNOLOGY	7,127,580	7,002,654		124,926	6,474,589	652,991
INTERNAL AUDIT	674,163	702,881		(28,718)	465,361	208,802
INVESTOR RELATIONS	1,851,889	2,232,048		(380,159)	2,442,871	(590,982)
NEW BUSINESS VENTURES	295,740	275,326		20,414	-	295,740
PLANNING & BUDGETING	1,087,611	928,654		158,957	537,035	550,576
PRICE POLICY & ADMINISTRATION	1,311,214	1,084,428		226,786	1,134,694	176,520
REGULATORY AFFAIRS	415,156	333,104		82,052	2,115	413,041
TREASURY:	4,492,750	5,406,065		(913,315)	3,119,957	1,372,793
<b>TOTAL FINANCE:</b>	<b>22,792,715</b>	<b>22,629,647</b>		<b>163,068</b>	<b>17,594,566</b>	<b>5,198,149</b>
<b>OPERATIONS:</b>						
BUSINESS DEVELOPMENT	528,544	740,360		(211,816)	684,257	(155,713)
CALL CENTER	599,601	571,002		28,599	928	598,673
GAS SUPPLY & GAS CONTROL	2,023,496	2,110,000		(86,504)	1,347,290	676,206
TECHNICAL SERVICES	306,543	221,873		84,670	1,139,176	(832,633)
<b>TOTAL OPERATIONS:</b>	<b>3,458,184</b>	<b>3,643,235</b>		<b>(185,051)</b>	<b>3,171,651</b>	<b>286,533</b>
<b>HUMAN RESOURCES:</b>	6,052,044	7,107,055		(1,055,011)	8,046,475	(1,994,431)
<b>LEGAL:</b>	5,799,969	4,006,711		1,793,258	3,301,630	2,498,339
<b>OVERHEAD CAPITALIZED:</b>	(10,572,000)	(10,607,004)		35,004	(11,080,000)	508,000
<b>TOTAL O&amp;M</b>	<b>31,274,066</b>	<b>30,066,695</b>		<b>1,207,371</b>	<b>27,803,790</b>	<b>3,470,276</b>
<b>DEPRECIATION</b>	3,450,345	2,376,000		1,074,345	2,957,454	492,892
<b>TAXES - OTHER</b>	913,510	684,000		229,510	867,192	46,318
<b>TOTAL</b>	<b>35,637,921</b>	<b>33,126,695</b>		<b>2,511,226</b>	<b>31,628,436</b>	<b>4,009,485</b>

**ATMOS ENERGY CORPORATION**  
**Analysis of Shared Services - Actual vs. Budget**  
**For The Month Ended 9/30/98**

Department Name	FY '98 Actual	Budget	Actual Over (Under) Budget	Prior Year	Actual Over (Under) Prior
<b>EXECUTIVE:</b>					
0050500 Chairman, President & CEO	135,103	122,564	12,539	120,638	14,465
0052100 Dallas Operations	69,361	55,348	14,013	30,665	38,696
0052500 Utility Services	5,667	24,440	(18,773)	22,212	(16,545)
0054700 Chief Financial Officer	105,645	74,032	31,613	81,766	23,879
	<u>315,776</u>	<u>276,384</u>	<u>39,392</u>	<u>255,281</u>	<u>60,495</u>
<b>EXECUTIVE:</b>					
<b>FINANCE:</b>					
0112900 VP & Controller	84,222	64,456	19,766	61,738	22,484
0113000 Assistant Controller General Acctg	29,249	94,564	(65,315)	14,734	14,515
0113100 General Accounting	35,341	-	35,341	38,966	(3,625)
0113200 Payroll Accounting	77,961	-	77,961	28,641	49,320
0113300 Accounts Payable	55,835	-	55,835	24,254	31,581
0113400 Accounting Systems	955	86,497	(85,542)	11,109	(10,154)
0113500 Assistant Controller, Utility Acctg	34,368	-	34,368	4,622	29,746
0113600 Plant Accounting	43,367	-	43,367	26,343	17,024
0113700 Gas Accounting	91,218	77,397	13,821	48,360	42,858
0113800 Customer Billing	2,854	-	2,854	6,301	(3,447)
0113900 Financial Reporting	31,621	86,304	(54,683)	15,642	15,979
0114600 Dallas Taxation	176,213	47,205	129,008	26,945	149,268
0118300 Dallas Stores	3,635	-	3,635	(645)	4,280
0119200 Controller Miscellaneous	161,958	1,713	160,245	-	161,958
	<u>828,797</u>	<u>458,136</u>	<u>370,661</u>	<u>307,010</u>	<u>521,787</u>
<b>ACCOUNTING</b>					
0115000 Information Services	79,478	25,164	54,314	22,553	56,925
0115100 Production Services	388,520	169,388	219,132	178,711	209,809
0115200 Mass Mail	244,319	224,472	19,847	201,339	42,980
0115300 Information Systems	96,740	143,865	(47,125)	89,874	6,866
0115400 Information Support	70,988	52,096	18,892	62,416	8,572
0115500 Office Equipment	4,081	4,191	(110)	9,700	(5,619)
0115600 Telecommunication Services	(27,600)	25,944	(53,544)	5,644	(33,244)
	<u>856,526</u>	<u>645,120</u>	<u>211,406</u>	<u>570,237</u>	<u>286,289</u>
<b>INFORMATION TECHNOLOGY</b>					
0116400 Internal Audit	176,787	58,075	118,712	35,908	140,879
	<u>176,787</u>	<u>58,075</u>	<u>118,712</u>	<u>35,908</u>	<u>140,879</u>
0054900 Investor Relations	163,743	133,243	30,500	125,062	38,681
					(33)

**ATMOS ENERGY CORPORATION**  
**Analysis of Shared Services - Actual vs. Budget**  
**For The Month Ended 9/30/98**

Department Name	FY '98 Actual	Budget	Actual Over (Under) Budget	Prior Year	Actual Over (Under) Prior
0052400 Public Affairs	992	-	992	24,607	(23,615)
0117700 Corporate Communications	28,324	52,063	(23,739)	78,471	(50,147)
<b>INVESTOR RELATIONS</b>	<u>193,059</u>	<u>185,306</u>	<u>7,753</u>	<u>228,140</u>	<u>(35,081)</u>
0054200 Retail Services	-	-	-	-	-
0054600 New Business Ventures	39,548	22,953	16,595	-	39,548
<b>NEW BUSINESS VENTURES</b>	<u>39,548</u>	<u>22,953</u>	<u>16,595</u>	<u>-</u>	<u>39,548</u>
0054400 Financial & Strategic Planning	33,802	20,634	13,168	28,037	5,765
0054500 Business Strategies & Competitive Intelligence	-	28,328	(28,328)	-	-
0114300 Budget & Planning	423,909	25,956	397,953	14,974	408,935
<b>PLANNING &amp; BUDGETING</b>	<u>457,711</u>	<u>74,918</u>	<u>382,793</u>	<u>43,011</u>	<u>414,700</u>
0054000 Price Policy & Administration	128,081	90,892	37,189	103,073	25,008
<b>PRICE POLICY &amp; ADMINISTRATION</b>	<u>128,081</u>	<u>90,892</u>	<u>37,189</u>	<u>103,073</u>	<u>25,008</u>
0054100 Regulatory Affairs	54,983	28,318	26,665	2,115	52,868
<b>REGULATORY AFFAIRS</b>	<u>54,983</u>	<u>28,318</u>	<u>26,665</u>	<u>2,115</u>	<u>52,868</u>
0114500 Dallas Treasury	92,532	142,303	(49,771)	29,664	62,868
0114700 Dallas Risk Management	134,659	239,344	(104,685)	-	134,659
0114800 Dallas Treasurer	107,060	39,083	67,977	154,468	(47,408)
0117600 Purchasing	18,372	17,153	1,219	16,338	2,034
0118000 Remittance Processing	269,754	112,283	157,471	66,317	203,437
0118500 Mail & Supply	18,354	20,304	(1,950)	27,383	(9,029)
0118600 Purchasing & Stores	12,172	11,165	1,007	22,112	(9,940)
0118909 Fleet Administration	(7,769)	6,315	(14,084)	-	(7,769)
<b>TREASURY:</b>	<u>645,135</u>	<u>587,950</u>	<u>57,185</u>	<u>316,282</u>	<u>328,853</u>
<b>TOTAL FINANCE:</b>	<u>3,380,626</u>	<u>2,151,668</u>	<u>1,228,958</u>	<u>1,605,776</u>	<u>1,774,850</u>
<b>OPERATIONS:</b>					
0056000 Business Development	36,106	60,161	(24,055)	76,487	(40,381)
<b>BUSINESS DEVELOPMENT</b>	<u>36,106</u>	<u>60,161</u>	<u>(24,055)</u>	<u>76,487</u>	<u>(40,381)</u>
0120100 Amarillo Call Center	562,821	571,002	(8,181)	-	562,821
<b>CALL CENTER</b>	<u>562,821</u>	<u>571,002</u>	<u>(8,181)</u>	<u>-</u>	<u>562,821</u>

**ATMOS ENERGY CORPORATION**  
**Analysis of Shared Services - Actual vs. Budget**  
**For The Month Ended 9/30/98**

Department Name	FY '98		Actual Over (Under) Budget		Prior Year	Actual Over (Under) Prior
	Actual	Budget	Budget	Over (Under)		
0051500 Interstate Gas Supply	67,028	59,500	7,528	16,258	50,770	16,258
0051600 Intrastate Gas Supply	41,422	42,800	(1,378)	(5,053)	46,475	(5,053)
0051700 Corporate Gas Control	48,104	48,400	(296)	48,104	-	48,104
0051900 Gas Supply	28,550	25,300	3,250	4,028	24,522	4,028
<b>GAS SUPPLY &amp; GAS CONTROL</b>	<b>185,104</b>	<b>176,000</b>	<b>9,104</b>	<b>63,337</b>	<b>121,767</b>	<b>63,337</b>
0056200 Technical Services	11,561	9,061	2,500	(81,427)	92,988	(81,427)
<b>TECHNICAL SERVICES</b>	<b>11,561</b>	<b>9,061</b>	<b>2,500</b>	<b>(81,427)</b>	<b>92,988</b>	<b>(81,427)</b>
<b>TOTAL OPERATIONS:</b>	<b>795,592</b>	<b>816,224</b>	<b>(20,632)</b>	<b>504,350</b>	<b>291,242</b>	<b>504,350</b>
<b>HUMAN RESOURCES:</b>						
0056100 Professional Development	102,175	24,726	77,449	102,175	-	102,175
0117000 Dallas EAPC	-	1,712	(1,712)	-	-	-
0117100 Corporate Services	1,601	-	1,601	(7,826)	9,427	(7,826)
0117200 Compensation & Employment	33,723	68,054	(34,331)	(31,776)	65,499	(31,776)
0117300 Human Resources - VP	24,943	20,493	4,450	3,746	21,197	3,746
0117400 Employee & Labor Relations	13,560	9,584	3,976	4,990	8,570	4,990
0117500 Employee Benefits	140,223	109,803	30,420	73,782	66,441	73,782
0117800 Employee Communications	30,308	29,708	600	11,608	18,700	11,608
0117900 Facilities	25,260	12,882	12,378	25,260	-	25,260
0118100 Employee Development	29,331	47,135	(17,804)	(9,358)	38,689	(9,358)
0119000 Employee Relocation Expense	31,795	67,891	(36,096)	11,929	19,866	11,929
0119210 Performance Plan	386,271	-	386,271	(69,419)	455,690	(69,419)
0119300 Outside Directors Retirement Cost	23,000	-	23,000	9,000	14,000	9,000
0119400 Treasury - Worker's Comp	2,008	-	2,008	2,008	-	2,008
0119500 Human Resources - Benefits	(1,525,888)	-	(1,525,888)	(1,525,882)	(6)	(1,525,882)
0119600 Retirement Costs	1,025,283	225,000	800,283	732,227	293,056	732,227
<b>HUMAN RESOURCES:</b>	<b>343,594</b>	<b>616,988</b>	<b>(273,394)</b>	<b>(667,535)</b>	<b>1,011,129</b>	<b>(667,535)</b>
<b>LEGAL:</b>						
0052000 Legal	291,979	192,257	99,722	70,848	221,131	70,848
0051400 Contract Administration	11,537	11,850	(313)	11,537	-	11,537
0052200 Governmental Affairs	9,766	10,812	(1,046)	(748)	10,514	(748)
0057900 Corporate Secretary	171,637	89,940	81,697	268	171,369	268
0118200 Central Records	13,452	20,513	(7,061)	(14,407)	27,859	(14,407)
<b>LEGAL:</b>	<b>498,371</b>	<b>325,372</b>	<b>172,999</b>	<b>67,498</b>	<b>430,873</b>	<b>67,498</b>

**ATMOS ENERGY CORPORATION**  
**Analysis of Shared Services - Actual vs. Budget**  
**For The Month Ended 9/30/98**

<u>Department Name</u>	<u>FY '98 Actual</u>	<u>Budget</u>	<u>Actual Over (Under) Budget</u>	<u>Prior Year</u>	<u>Actual Over (Under) Prior</u>
<b>OVERHEAD CAPITALIZED:</b>					
0119800 Overhead Capitalized	(881,000)	(883,917)	2,917	(990,000)	109,000
<b>OVERHEAD CAPITALIZED:</b>	(881,000)	(883,917)	2,917	(990,000)	109,000
<b>TOTAL O&amp;M</b>	<u>4,452,960</u>	<u>3,302,719</u>	<u>1,150,241</u>	<u>2,604,301</u>	<u>1,848,659</u>
<b>DEPRECIATION</b>	469,633	198,000	271,633	(726,103)	1,195,736
<b>TAXES - OTHER</b>	74,535	57,000	17,535	49,063	25,472
<b>TOTAL</b>	<u>4,997,127</u>	<u>3,557,719</u>	<u>1,439,408</u>	<u>1,927,261</u>	<u>3,069,867</u>





**ATMOS ENERGY CORPORATION**  
**Analysis of Shared Services - Actual vs. Budget**  
**For The Year-To-Date 9/30/98**

Department Name	FY '98 Actual	Budget	Actual Over (Under) Budget	Prior Year	Actual Over (Under) Prior
0052400 Public Affairs	136,933	-	136,933	299,385	(162,452)
0117700 Corporate Communications	437,697	637,935	(200,238)	670,676	(232,979)
INVESTOR RELATIONS	1,851,889	2,232,048	(380,159)	2,442,871	(590,982)
0054200 Retail Services	48,972	-	48,972	-	48,972
0054600 New Business Ventures	246,768	275,326	(28,558)	-	246,768
NEW BUSINESS VENTURES	295,740	275,326	20,414	-	295,740
0054400 Financial & Strategic Planning	572,950	247,553	325,397	318,885	254,065
0054500 Business Strategies & Competitive Intelligence	11	367,101	(367,090)	-	11
0114300 Budget & Planning	514,650	314,000	200,650	218,150	296,500
PLANNING & BUDGETING	1,087,611	928,654	158,957	537,035	550,576
0054000 Price Policy & Administration	1,311,214	1,084,428	226,786	1,134,694	176,520
PRICE POLICY & ADMINISTRATION	1,311,214	1,084,428	226,786	1,134,694	176,520
0054100 Regulatory Affairs	415,156	333,104	82,052	2,115	413,041
REGULATORY AFFAIRS	415,156	333,104	82,052	2,115	413,041
0114500 Dallas Treasury	420,606	680,346	(259,740)	379,283	41,323
0114700 Dallas Risk Management	1,969,645	2,864,609	(894,964)	-	1,969,645
0114800 Dallas Treasurer	323,268	252,151	71,117	1,344,360	(1,021,092)
0117600 Purchasing	181,758	205,864	(24,106)	186,973	(5,215)
0118000 Remittance Processing	1,250,093	944,346	305,747	704,162	545,931
0118500 Mail & Supply	221,653	243,973	(22,320)	256,335	(34,682)
0118600 Purchasing & Stores	133,232	137,056	(3,824)	248,844	(115,612)
0118909 Fleet Administration	(7,506)	77,720	(85,226)	-	(7,506)
TREASURY:	4,492,750	5,406,065	(913,315)	3,119,957	1,372,793
TOTAL FINANCE:	22,792,715	22,629,647	163,068	17,594,566	5,198,149
OPERATIONS:					
0056000 Business Development	528,544	740,360	(211,816)	684,257	(155,713)
BUSINESS DEVELOPMENT	528,544	740,360	(211,816)	684,257	(155,713)
0120100 Amarillo Call Center	599,601	571,002	28,599	928	598,673
CALL CENTER	599,601	571,002	28,599	928	598,673

**ATMOS ENERGY CORPORATION**  
**Analysis of Shared Services - Actual vs. Budget**  
**For The Year-To-Date 9/30/98**

Department Name	FY '98	Budget	Actual	Actual Over (Under) Budget	Prior Year	Actual Over (Under) Prior
	Actual	Budget	Actual	Over (Under) Budget	Year	Prior
0051500 Interstate Gas Supply	663,627	714,800	(51,173)	537,234	126,393	(19,335)
0051600 Intrastate Gas Supply	501,481	513,700	(12,219)	520,816	561,752	7,396
0051700 Corporate Gas Control	561,752	578,700	(16,948)	-	676,206	(832,633)
0051900 Gas Supply	296,636	302,800	(6,164)	289,240	1,347,290	(832,633)
<b>GAS SUPPLY &amp; GAS CONTROL</b>	<b>2,023,496</b>	<b>2,110,000</b>	<b>(86,504)</b>	<b>1,347,290</b>	<b>286,533</b>	
0056200 Technical Services	306,543	221,873	84,670	1,139,176	(832,633)	
<b>TECHNICAL SERVICES</b>	<b>306,543</b>	<b>221,873</b>	<b>84,670</b>	<b>1,139,176</b>	<b>286,533</b>	
<b>TOTAL OPERATIONS:</b>	<b>3,458,184</b>	<b>3,643,235</b>	<b>(185,051)</b>	<b>3,171,651</b>		
<b>HUMAN RESOURCES:</b>						
0056100 Professional Development	158,164	296,657	(138,493)	90,447	67,717	5,670
0117000 Dallas EAPC	5,670	20,600	(14,930)	-	(290,771)	(152,406)
0117100 Corporate Services	26,959	-	26,959	317,730	687,434	(2,995)
0117200 Compensation & Employment	535,028	727,946	(192,918)	256,733	51,036	27,433
0117300 Human Resources - VP	253,738	244,033	9,705	71,111	177,848	183,381
0117400 Employee & Labor Relations	122,147	114,956	7,191	1,390,007	27,433	
0117500 Employee Benefits	1,417,440	1,328,170	89,270	18,700	177,848	183,381
0117800 Employee Communications	196,548	235,980	(39,432)	509,983	(149,127)	(424,804)
0117900 Facilities	183,381	161,234	22,147	717,776	1,039,798	108,000
0118100 Employee Development	360,856	460,761	(99,905)	1,438,620	108,000	(263,736)
0119000 Employee Relocation Expense	292,972	815,000	(522,028)	168,000	108,000	(1,481,675)
0119210 Performance Plan	2,478,418	-	2,478,418	2,379,207	(889,801)	(1,994,431)
0119300 Outside Directors Retirement Cost	276,000	1,718	(263,651)	85		
0119400 Treasury - Worker's Comp	(263,651)	-	263,651	642		
0119500 Human Resources - Benefits	(1,481,033)	-	1,481,033	2,379,207		
0119600 Retirement Costs	1,489,406	2,700,000	(1,210,594)	8,046,475		
<b>HUMAN RESOURCES:</b>	<b>6,052,044</b>	<b>7,107,055</b>	<b>(1,055,011)</b>	<b>8,046,475</b>	<b>2,314,257</b>	<b>82,417</b>
<b>LEGAL:</b>						
0052000 Legal	4,442,081	2,293,708	2,148,373	2,127,824	2,314,257	82,417
0051400 Contract Administration	82,417	128,382	(45,965)	-	(4,467)	(4,467)
0052200 Governmental Affairs	97,845	125,543	(27,698)	102,312	160,066	(53,934)
0057900 Corporate Secretary	1,004,183	1,203,330	(199,147)	844,117	160,066	(53,934)
0118200 Central Records	173,443	255,748	(82,305)	227,377	2,498,339	(39)
<b>LEGAL:</b>	<b>5,799,969</b>	<b>4,006,711</b>	<b>1,793,258</b>	<b>3,301,630</b>	<b>2,498,339</b>	<b>(39)</b>

ATMOS ENERGY CORPORATION  
 Analysis of Shared Services - Actual vs. Budget  
 For The Year-To-Date 9/30/98

Department Name	FY '98 Actual	Budget	Actual Over (Under) Budget	Prior Year	Actual Over (Under) Prior
OVERHEAD CAPITALIZED:					
0119800 Overhead Capitalized	(10,572,000)	(10,607,004)	35,004	(11,080,000)	508,000
OVERHEAD CAPITALIZED:	(10,572,000)	(10,607,004)	35,004	(11,080,000)	508,000
TOTAL O&M	<u>31,274,066</u>	<u>30,066,695</u>	<u>1,207,371</u>	<u>27,803,790</u>	<u>3,470,276</u>
DEPRECIATION	3,450,345	2,376,000	1,074,345	2,957,454	492,892
TAXES - OTHER	913,510	684,000	229,510	867,192	46,318
TOTAL	<u>35,637,921</u>	<u>33,126,695</u>	<u>2,511,226</u>	<u>31,628,436</u>	<u>4,009,485</u>

ATMOS ENERGY CORPORATION UTILITY BUSINESS UNITS  
CONSOLIDATING STATEMENT OF INCOME  
FOR THE MONTH ENDED 09/30/98

1998

Line No.	Description (a)	Utility Business Units				WKG (f)	Total Utility Business Units (g)	Line No.
		Energy (b)	GGC (c)	Trans La (d)	UCG (e)			
1	Operating revenues							1
2	Gas	\$9,048,597.56	\$4,600,199.34	\$2,666,727.11	\$12,513,214.88	\$5,654,000.01	\$34,482,738.90	2
3	Transportation	100,757.24	197,017.03	52,743.64	(1,638,585.36)	712,626.68	(575,440.77)	3
	Other	0.00	0.00	0.00	0.00	0.00	0.00	
4	Total operating revenues	9,149,354.80	4,797,216.37	2,719,470.75	10,874,629.52	6,366,626.69	33,907,298.13	4
5	Purchased gas cost	4,749,153.41	942,526.41	1,275,639.57	5,048,945.75	3,754,592.58	15,770,857.72	5
6	Gross profit	4,400,201.39	3,854,689.96	1,443,831.18	5,825,683.77	2,612,034.11	18,136,440.41	6
	Operating expenses							
7	Operation	2,088,224.85	868,734.17	530,235.54	2,654,323.61	1,230,605.73	7,372,123.90	7
8	Maintenance	198,829.07	118,094.74	66,580.23	707,817.25	114,043.09	1,205,364.38	8
9	Depreciation and amortization	314,183.04	425,163.03	267,508.77	1,539,628.00	488,178.23	3,034,661.07	9
10	Taxes - other than income taxes	10,813.51	53,466.13	129,008.94	377,517.72	65,683.26	636,489.56	10
11	Shared services - direct	315,420.56	118,887.76	(150,659.77)	198,018.19	160,700.13	642,366.87	11
12	Shared services - billed	1,258,732.71	554,735.30	390,083.11	1,384,022.46	770,186.92	4,357,760.50	12
13	Provision for income taxes	(628,789.32)	511,492.95	(259,156.21)	(1,272,474.83)	(512,661.08)	(2,161,588.49)	13
14	Total operating expenses	3,557,414.42	2,650,574.08	973,600.61	5,588,852.40	2,316,736.28	15,087,177.79	14
15	Operating income (loss)	842,786.97	1,204,115.88	470,230.57	236,831.37	295,297.83	3,049,262.62	15
	Other income							
16	Merchandise	(13,800.80)	251.90	0.00	(22,312.14)	(52,993.95)	(88,854.99)	16
17	Interest income	20,266.62	4,577.66	1,658.17	39,701.93	7,748.89	73,953.27	17
18	Other nonoperating income	138,749.79	(6,415.43)	(25,040.30)	(108,093.04)	(26,714.20)	(27,513.18)	18
19	Total other income (loss)	145,215.61	(1,585.87)	(23,382.13)	(90,703.25)	(71,959.26)	(42,414.90)	19
20	Income (loss) before interest charge	988,002.58	1,202,530.01	446,848.44	146,128.12	223,338.57	3,006,847.72	20
21	Interest charges	701,749.66	367,988.87	561,490.29	830,193.90	498,924.94	2,960,347.66	21
22	Net income (loss)	\$286,252.92	\$834,541.14	(\$114,641.85)	(\$684,065.78)	(\$275,586.37)	\$46,500.06	22

ATMOS ENERGY CORPORATION UTILITY BUSINESS UNITS  
CONSOLIDATING STATEMENT OF INCOME  
FOR THE QUARTER ENDED 09/30/98

1998

Line No.	Description (a)	Utility Business Units						Total Utility Business Units (g)	Line No.
		Energas (b)	GGC (c)	Trans La (d)	UCG (e)	WKG (f)			
1	Operating revenues								
2	Gas	\$46,185,277.62	\$9,887,074.75	\$7,733,383.88	\$40,075,196.50	\$13,786,847.96	\$117,667,780.71	1	
3	Transportation	316,287.68	501,910.59	125,717.10	301,725.13	1,962,435.45	\$3,208,075.95	2	
3	Other	0.00	0.00	0.00	0.00	0.00	0.00	3	
4	Total operating revenues	46,501,565.30	10,388,985.34	7,859,100.98	40,376,921.63	15,749,283.41	120,875,856.66	4	
5	Purchased gas cost	31,717,473.81	3,596,763.28	3,899,834.61	24,442,012.44	9,745,878.72	73,401,962.86	5	
6	Gross profit	14,784,091.49	6,792,222.06	3,959,266.37	15,934,909.19	6,003,404.69	47,473,893.80	6	
7	Operating expenses								
8	Operation	5,539,907.91	2,714,423.58	1,696,914.09	8,646,080.42	3,391,398.97	21,988,724.97	7	
8	Maintenance	381,797.93	261,259.51	166,279.80	1,671,491.94	246,432.88	2,727,262.06	8	
9	Depreciation	1,412,033.16	847,504.47	885,991.61	4,621,112.68	1,578,849.07	9,345,490.99	9	
10	Taxes - other than income taxes	1,011,060.91	433,768.25	546,965.49	2,099,373.73	390,069.97	4,481,238.35	10	
11	Shared services - direct	936,431.37	402,503.80	195,295.61	1,676,686.88	580,374.22	3,791,291.88	11	
12	Shared services - billed	2,230,690.14	951,134.87	678,669.81	2,713,418.93	1,333,389.44	7,907,303.19	12	
13	Provision for income taxes	(6,294.07)	(104,612.42)	(592,223.22)	(3,531,177.38)	(1,197,741.32)	(5,432,048.41)	13	
14	Total operating expenses	11,505,627.35	5,505,982.06	3,577,893.19	17,896,987.20	6,322,773.23	44,809,263.03	14	
15	Operating income (loss)	3,278,464.14	1,286,240.00	381,373.18	(1,962,078.01)	(319,368.54)	2,664,630.77	15	
16	Other income								
16	Merchandise	(16,260.13)	273.30	(140.25)	(69,148.29)	(18,382.39)	(103,657.76)	16	
17	Interest income	70,146.70	20,141.30	6,975.91	84,301.84	32,534.41	214,100.16	17	
18	Other nonoperating income	81,403.69	19,453.05	(34,314.07)	(105,454.35)	201,690.39	162,778.71	18	
19	Total other income (loss)	135,290.26	39,867.65	(27,478.41)	(90,300.80)	215,842.41	273,221.11	19	
20	Income (loss) before interest charge	3,413,754.40	1,326,107.65	353,894.77	(2,052,378.81)	(103,526.13)	2,937,851.88	20	
21	Interest charges	1,986,532.23	1,089,028.65	878,963.59	3,074,149.79	1,484,850.17	8,513,524.43	21	
22	Net income (loss)	\$1,427,222.17	\$237,079.00	(\$525,068.82)	(\$5,126,528.60)	(\$1,588,376.30)	(\$5,575,672.55)	22	

ATMOS ENERGY CORPORATION UTILITY BUSINESS UNITS  
CONSOLIDATING STATEMENT OF INCOME  
FOR THE TWELVE MONTHS ENDED 09/30/98

1998

Line No.	Description (a)	Utility Business Units					Total Utility Business Units (g)	Line No.
		Energy (b)	GGC (c)	Trans La (d)	UCG (e)	WKG (f)		
	Operating revenues							
1	Gas	\$219,524,093.66	\$83,229,203.30	\$41,687,083.94	\$325,394,551.30	\$114,756,552.58	\$784,591,484.78	
2	Transportation	1,159,654.05	1,726,370.34	241,185.45	12,012,076.71	8,831,518.98	23,970,805.53	
3	Other	0.00	0.00	0.00	0.00	0.00	0.00	
4	Total operating revenues	220,683,747.71	84,955,573.64	41,928,269.39	337,406,628.01	123,588,071.56	808,562,290.31	
5	Purchased gas cost	145,360,163.42	47,608,727.32	15,432,492.21	207,334,952.30	79,995,916.07	495,732,251.32	
6	Gross profit	75,323,584.29	37,346,846.32	26,495,777.18	130,071,675.71	43,592,155.49	312,830,038.99	
	Operating expenses							
7	Operation	22,519,262.43	12,088,872.26	6,803,160.44	34,815,009.60	14,400,371.44	90,626,676.17	
8	Maintenance	1,154,834.46	832,288.93	562,420.25	6,103,212.62	961,435.03	9,614,191.29	
9	Depreciation and amortization	6,351,485.22	5,003,343.28	3,643,535.27	18,423,301.20	6,486,839.14	39,908,504.11	
10	Taxes - other than income taxes	10,028,299.37	2,354,721.31	2,263,702.36	11,278,708.06	1,998,729.95	27,834,161.05	
11	Shared services - direct	3,452,157.52	1,557,171.57	1,702,328.81	2,017,334.96	2,352,244.30	11,081,237.16	
12	Shared services - billed	7,697,747.64	3,210,588.15	2,261,322.04	7,837,256.38	4,479,835.85	25,486,750.06	
13	Provision for income taxes	5,696,988.83	3,139,784.27	1,999,690.19	13,536,344.09	3,276,334.37	27,649,141.75	
14	Total operating expenses	56,900,775.47	28,186,769.77	19,236,159.36	94,011,166.91	33,865,790.08	232,200,661.59	
15	Operating income (loss)	18,422,808.82	9,160,076.55	7,259,617.82	36,060,508.80	9,726,365.41	80,629,377.40	
	Other income							
16	Merchandise	(44,293.45)	(1,394.50)	7,391.11	(275,903.09)	161,974.18	(152,225.75)	
17	Interest income	203,534.45	20,670.78	9,663.58	937,990.15	47,844.33	1,219,703.29	
18	Other nonoperating income	(290,060.64)	54,057.03	(95,468.07)	(48,905.72)	145,406.13	(234,971.27)	
19	Total other income (loss)	(130,819.64)	73,333.31	(78,413.38)	613,181.34	355,224.64	832,506.27	
20	Income (loss) before interest charge	18,291,989.18	9,233,409.86	7,181,204.44	0.00	10,081,590.05	81,461,883.67	
21	Interest charges	6,565,087.71	3,751,382.40	3,321,954.22	14,394,342.46	5,151,150.82	33,183,917.61	
22	Net income (loss)	\$11,726,901.47	\$5,482,027.46	\$3,859,250.22	\$22,279,347.68	\$4,930,439.23	\$48,277,966.06	

WESTERN KENTUCKY GAS BUSINESS UNITS  
CONSOLIDATING STATEMENT OF INCOME  
FOR THE MONTH ENDED 09/30/98

Line No.	Description (a)	1998			Line No.
		WKGR (b)	WKG (c)	Eliminations and Adjustments (d)	
1	Operating revenues				1
2	Gas	\$5,654,000.01	\$0.00	\$0.00	\$5,654,000.01
3	Transportation	712,626.68	0.00	0.00	712,626.68
3	Other	0.00	0.00	0.00	0.00
4	Total operating revenues	6,366,626.69	0.00	0.00	6,366,626.69
5	Purchased gas cost	3,754,592.58	0.00	0.00	3,754,592.58
6	Gross profit	2,612,034.11	0.00	0.00	2,612,034.11
7	Operating expenses				7
8	Operation	1,230,605.73	0.00	0.00	1,230,605.73
8	Maintenance	114,043.09	0.00	0.00	114,043.09
9	Depreciation and amortization	488,178.23	0.00	0.00	488,178.23
10	Taxes - other than income taxes	65,683.26	0.00	0.00	65,683.26
11	Shared services - direct	160,700.13	0.00	0.00	160,700.13
12	Shared services - billed	769,555.90	0.00	631.02	770,186.92
13	Provision for income taxes	(512,614.08)	(47.00)	0.00	(512,661.08)
14	Total operating expenses	2,316,152.26	(47.00)	631.02	2,316,756.28
15	Operating income (loss)	295,881.85	47.00	(631.02)	295,297.83
16	Other income				
16	Merchandise	(52,993.95)	0.00	0.00	(52,993.95)
17	Interest income	7,748.89	0.00	0.00	7,748.89
18	Shared services - billed	0.00	(631.02)	631.02	0.00
19	Other nonoperating income	(27,286.47)	572.27	0.00	(26,714.20)
20	Total other income (loss)	(72,531.53)	(58.75)	631.02	(71,959.26)
21	Income (loss) before interest chgs	223,350.32	(11.75)	0.00	223,338.57
22	Interest charges	498,924.94	0.00	0.00	498,924.94
23	Net income (loss)	(\$275,574.62)	(\$11.75)	\$0.00	(\$275,586.37)



WESTERN KENTUCKY GAS BUSINESS UNITS  
CONSOLIDATING STATEMENT OF INCOME  
FOR THE QUARTER ENDED 09/30/98

Line No.	Description (a)	1998			Line No.
		WKGR (c)	WKG (b)	Eliminations and Adjustments (d)	
1	Operating revenues				1
2	Gas	\$0.00	\$13,786,847.96	\$0.00	\$13,786,847.96
3	Transportation	0.00	1,962,435.45	0.00	1,962,435.45
3	Other	0.00	0.00	0.00	0.00
4	Total operating revenues	0.00	15,749,283.41	0.00	15,749,283.41
5	Purchased gas cost	0.00	9,745,878.72	0.00	9,745,878.72
6	Gross profit	0.00	6,003,404.69	0.00	6,003,404.69
7	Operating expenses				7
8	Operation	0.00	3,391,398.97	0.00	3,391,398.97
8	Maintenance	0.00	246,432.88	0.00	246,432.88
9	Depreciation and amortization	0.00	1,578,849.07	0.00	1,578,849.07
10	Taxes - other than income taxes	0.00	390,069.97	0.00	390,069.97
11	Shared services - direct	0.00	580,374.22	0.00	580,374.22
12	Shared services - billed	0.00	1,332,246.09	1,143.35	1,333,389.44
13	Provision for income taxes	(47.00)	(1,197,694.32)	0.00	(1,197,741.32)
14	Total operating expenses	(47.00)	6,321,676.88	1,143.35	6,322,773.23
15	Operating income (loss)	47.00	(318,272.19)	(1,143.35)	(319,368.54)
16	Other income				
16	Merchandise	0.00	(18,382.39)	0.00	(18,382.39)
17	Interest income	0.00	32,534.41	0.00	32,534.41
17	Shared services - billed	(1,143.35)	0.00	1,143.35	0.00
19	Other nonoperating income	2,982.57	198,707.82	0.00	201,690.39
20	Total other income (loss)	1,839.22	212,859.84	1,143.35	215,842.41
21	Income (loss) before interest chgs	1,886.22	(105,412.35)	0.00	(103,526.13)
22	Interest charges	0.00	1,484,850.17	0.00	1,484,850.17
23	Net income (loss)	\$1,886.22	(\$1,590,262.52)	\$0.00	(\$1,588,376.30)

WESTERN KENTUCKY GAS BUSINESS UNITS  
CONSOLIDATING STATEMENT OF INCOME  
FOR THE TWELVE MONTHS ENDED 09/30/98

Line No.	Description (a)	1998			Line No.
		WKGR (b)	WKGR (c)	Eliminations and Adjustments (d)	
	Operating revenues				
1	Gas	\$114,756,552.58	\$0.00	\$0.00	1
2	Transportation	8,831,518.98	0.00	0.00	2
3	Other	0.00	0.00	0.00	3
4	Total operating revenues	123,588,071.56	0.00	0.00	4
5	Purchased gas cost	79,995,916.07	0.00	0.00	5
6	Gross profit	43,592,155.49	0.00	0.00	6
	Operating expenses				
7	Operation	14,400,371.44	0.00	0.00	7
8	Maintenance	961,435.03	0.00	0.00	8
9	Depreciation and amortization	6,486,839.14	0.00	0.00	9
10	Taxes - other than income taxes	1,908,719.95	10.00	0.00	10
11	Shared services - direct	2,352,244.30	0.00	0.00	11
12	Shared services - billed	4,475,343.96	0.00	4,491.89	12
13	Provision for income taxes	3,276,381.37	(47.00)	0.00	13
14	Total operating expenses	33,861,335.19	(37.00)	4,491.89	14
15	Operating income (loss)	9,730,820.30	37.00	(4,491.89)	15
	Other income				
16	Merchandise	161,974.18	0.00	0.00	16
17	Interest income	47,844.33	0.00	0.00	17
18	Shared services - billed	0.00	(4,491.89)	4,491.89	17
19	Other nonoperating income	141,026.21	4,379.92	0.00	19
20	Total other income (loss)	350,844.72	(111.97)	4,491.89	20
21	Income (loss) before interest chgs	10,081,665.02	(74.97)	0.00	21
22	Interest charges	5,151,150.82	0.00	0.00	22
23	Net income (loss)	\$4,930,514.20	(\$74.97)	\$0.00	23

WESTERN KENTUCKY GAS COMPANY  
STATEMENTS OF INCOME  
FOR THE MONTH AND YEAR TO DATE 09/30/98

Line No.	Description (a)	Current Month			Actual			Year to Date			Line No.
		Actual (b)	Budget (c)	Actual Over (Under) Budget (d)	Prior Year Actual (e)	Actual Over (Under) Prior Year (f)	Actual (g)	Budget (h)	Actual Over (Under) Budget (i)	Prior Year Actual (j)	
1	Operating revenues										
2	Gas	\$5,654,000.01	\$4,452,000	\$1,202,000.01	\$5,792,418.58	(\$138,418.57)	\$114,756,552.58	\$128,360,000.00	(\$13,603,447.42)	\$136,922,255.21	(\$22,165,702.63)
3	Transportation	712,626.68	700,000	12,626.68	587,668.77	124,957.91	8,831,518.98	8,400,000.00	431,518.98	7,217,346.80	1,614,172.18
4	Other	0.00	23,000	(23,000.00)	0.00	0.00	0.00	831,000.00	(831,000.00)	0.00	0.00
5	Total operating revenues	6,366,626.69	5,175,000	1,191,626.69	6,380,087.35	(13,460.66)	123,588,071.56	137,591,000.00	(14,002,928.44)	144,139,602.01	(20,551,530.45)
6	Purchased gas cost	3,754,592.58	2,824,000	930,592.58	3,897,612.13	(143,019.55)	79,995,916.07	91,850,000.00	(11,854,083.93)	99,081,893.08	(19,085,977.01)
7	Gross profit	2,612,034.11	2,351,000	261,034.11	2,482,475.22	129,558.89	43,592,155.49	45,741,000.00	(2,148,844.51)	45,057,708.93	(1,465,553.44)
8	Operating expenses										
9	Operation	1,230,605.73	1,273,000	(42,394.27)	1,498,082.32	(267,476.59)	14,400,371.44	14,522,000.00	(121,628.56)	15,723,729.12	(1,323,357.68)
10	Maintenance	114,043.09	132,000	(17,956.91)	110,648.31	3,394.78	961,435.03	1,584,000.00	(622,564.97)	1,003,867.48	(42,432.45)
11	Depreciation	488,178.23	544,000	(55,821.77)	466,787.25	21,390.98	6,486,839.14	6,528,000.00	(41,160.86)	6,086,936.18	399,902.96
12	Taxes - other than income taxes	65,683.26	123,000	(57,316.74)	183,634.53	(117,951.27)	1,908,719.95	1,794,000.00	114,719.95	1,891,112.60	17,607.35
13	Shared Services - direct	160,700.13	0	160,700.13	218,913.33	(58,213.20)	2,352,244.30	0.00	2,352,244.30	2,368,236.44	(15,992.14)
14	Shared Services - billed	769,555.90	664,000	105,555.90	453,051.02	316,504.88	4,475,343.96	6,575,000.00	(2,099,656.04)	5,707,754.16	(1,232,410.20)
15	Provision for income taxes	(512,614.08)	(837,000)	324,385.92	(298,361.59)	(214,252.49)	3,276,381.37	4,107,000.00	(830,618.63)	3,347,240.98	(70,859.61)
16	Total operating expenses	2,316,152.26	1,899,000	417,152.26	2,632,755.17	(316,602.91)	33,861,335.19	35,110,000.00	(1,248,664.81)	36,128,876.96	(2,267,541.77)
17	Operating income (loss)	295,881.85	452,000	(156,118.15)	(150,279.95)	446,161.80	9,730,820.30	10,631,000.00	(900,179.70)	8,928,831.97	801,988.33
18	Other income										
19	Merchandise	(52,993.95)	(2,000)	(50,993.95)	13,859.86	(66,853.81)	161,974.18	(24,000.00)	185,974.18	340,262.62	(178,288.44)
20	Interest income	7,748.89	4,000	3,748.89	3,959.54	3,789.35	47,844.33	48,000.00	(155.67)	28,801.64	19,042.69
21	Other nonoperating income	(27,286.47)	35,000	(62,286.47)	(14,432.99)	(12,853.48)	141,026.21	420,000.00	(278,973.79)	(104,842.41)	245,868.62
22	Total other income (loss)	(72,531.53)	37,000	(109,531.53)	3,386.41	(75,917.94)	350,844.72	444,000.00	(93,155.28)	264,221.85	86,622.87
23	Income (loss) before interest charge	223,350.32	489,000	(265,649.68)	(146,893.54)	370,243.86	10,081,665.02	11,075,000.00	(993,334.98)	9,193,053.82	888,611.20
24	Interest charges	498,924.94	405,000	93,924.94	166,647.27	332,277.67	5,151,150.82	4,787,000.00	364,150.82	4,109,043.30	1,042,107.52
25	Net income (loss)	(275,574.62)	\$84,000	(359,574.62)	(531,540.81)	37,966.19	\$4,930,514.20	\$6,288,000.00	(\$1,357,485.80)	\$5,084,010.52	(\$153,496.32)

WESTERN KENTUCKY GAS COMPANY  
STATEMENTS OF INCOME  
FOR THE QUARTER ENDED 09/30/98

Line No.	Description (a)	Actual (b)	Budget (c)	Actual Over (Under) Budget (d)	Prior Year Actual (e)	Actual Over (Under) Prior Year (f)	Line No.
1	Operating revenues						1
2	Gas	\$13,786,847.96	\$12,292,000	\$1,494,848	\$14,995,966.62	(\$1,209,119)	2
3	Transportation	1,962,435.45	2,100,000	(137,565)	1,788,805.69	173,630	3
	Other	0.00	68,000	(68,000)	0.00	0	
4	Total operating revenues	15,749,283.41	14,460,000	1,289,283	16,784,772.31	(1,035,489)	4
5	Purchased gas cost	9,745,878.72	7,662,000	2,083,879	10,230,942.93	(485,064)	5
6	Gross profit	6,003,404.69	6,798,000	(794,595)	6,553,829.38	(550,425)	6
	Operating expenses						
7	Operation	3,391,398.97	3,346,000	45,399	3,897,133.48	(505,735)	7
8	Maintenance	246,432.88	396,000	(149,567)	284,752.70	(38,320)	8
9	Depreciation	1,578,849.07	1,632,000	(53,151)	1,488,632.51	90,217	9
10	Taxes - other than income taxes	390,069.97	399,000	(8,930)	516,926.77	(126,857)	10
11	Shared Services - direct	580,374.22	0	580,374	547,118.68	33,256	11
12	Shared Services - billed	1,332,246.09	1,632,000	(299,754)	1,078,982.30	253,264	12
13	Provision for income taxes	(1,197,694.32)	(2,267,000)	1,069,306	(876,316.77)	(321,378)	13
14	Total operating expenses	6,321,676.88	5,138,000	1,183,677	6,937,229.67	(615,553)	14
15	Operating income (loss)	(318,272.19)	1,660,000	(1,978,272)	(383,400.29)	65,128	15
	Other income						
16	Merchandise	(18,382.39)	(6,000)	(12,382)	60,450.94	(78,833)	16
17	Interest income	32,534.41	12,000	20,534	8,471.06	24,063	17
18	Other nonoperating income	198,707.82	105,000	93,708	(44,152.76)	242,861	18
19	Total other income (loss)	212,859.84	111,000	101,860	24,769.24	188,091	19
20	Income (loss) before interest charges	(105,412.35)	1,771,000	(1,876,412)	(358,631.05)	253,219	20
21	Interest charges	1,484,850.17	1,175,000	309,850	893,957.60	590,893	21
22	Net income (loss)	(\$1,590,262.52)	\$596,000	(\$2,186,263)	(\$1,252,588.65)	(\$337,674)	22



WESTERN KENTUCKY GAS RESOURCES, INC.  
STATEMENTS OF INCOME  
FOR THE QUARTER ENDED 09/30/98

Line No.	Description (a)	Actual (b)	Budget (c)	Actual Over (Under) Budget (d)	Prior Year Actual (e)	Actual Over (Under) Prior Year (f)	Line No.
1	Operating revenues						
2	Gas	\$0.00	\$0	\$0.00	\$0.00	\$0.00	1
3	Transportation	0.00	0	0.00	0.00	0.00	2
3	Other	0.00	0	0.00	0.00	0.00	3
4	Total operating revenues	0.00	0	0.00	0.00	0.00	4
5	Purchased gas cost	0.00	0	0.00	0.00	0.00	5
6	Gross profit	0.00	0	0.00	0.00	0.00	6
7	Operating expenses						
8	Operation	0.00	0	0.00	0.00	0.00	7
8	Maintenance	0.00	0	0.00	0.00	0.00	8
9	Depreciation	0.00	0	0.00	0.00	0.00	9
10	Taxes - other than income taxes	0.00	0	0.00	0.00	0.00	10
11	Provision for income taxes	(47.00)	0	(47.00)	(2,638.74)	2,591.74	11
12	Total operating expenses	(47.00)	0	(47.00)	(2,638.74)	2,591.74	12
13	Operating income (loss)	47.00	0	47.00	2,638.74	(2,591.74)	13
14	Other income						
14	Merchandise	0.00	0	0.00	0.00	0.00	14
15	Interest income	0.00	0	0.00	0.00	0.00	15
16	Shared Services - billed	(1,143.35)	9,000	(10,143.35)	0.00	(1,143.35)	16
17	Other nonoperating income	2,982.57	0	2,982.57	(4,274.69)	7,257.26	17
18	Total other income (loss)	1,839.22	9,000	(7,160.78)	(4,274.69)	6,113.91	18
19	Income (loss) before interest charges	1,886.22	9,000	(7,113.78)	(1,635.95)	3,522.17	19
20	Interest charges	0.00	0	0.00	0.00	0.00	20
21	Net income (loss)	\$1,886.22	\$9,000	(\$7,113.78)	(\$1,635.95)	\$3,522.17	21

ATMOS ENERGY SERVICES, INC.  
STATEMENTS OF INCOME  
FOR THE MONTH AND YEAR TO DATE 09/30/98

Line No.	Description (a)	Current Month			Year to Date			Actual Over (Under) Prior Year (k)	Line No.
		Actual (b)	Budget* (c)	Actual Over (Under) Budget (d)	Prior Year Actual (e)	Actual Over (Under) Prior Year (f)	Budget* (h)		
1	Operating revenues								
2	Gas	\$0.00	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3	Transportation	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00
3	Other	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00
4	Total operating revenues	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00
5	Purchased gas cost	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00
6	Gross profit	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00
7	Operating expenses								
8	Operation	4,010.86	0	4,010.86	0.00	4,010.86	10,138.86	10,138.86	5,218.98
8	Maintenance	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00
9	Depreciation	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00
10	Taxes - other than income taxes	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00
11	Shared Services - Billed	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00
12	Provision for income taxes	(118,500.00)	0	(118,500.00)	(826.65)	(117,673.35)	(3,385.00)	(3,385.00)	(1,826.65)
13	Total operating expenses	(114,489.14)	0	(114,489.14)	(826.65)	(113,662.49)	6,753.86	6,753.86	3,392.33
14	Operating income (loss)	114,489.14	0	114,489.14	826.65	113,662.49	(6,753.86)	(6,753.86)	(3,392.33)
15	Other income								
15	Merchandise	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00
16	Interest income	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00
17	Other nonoperating income	(512,000.00)	0	(512,000.00)	0.00	(512,000.00)	0.00	0.00	0.00
18	Total other income (loss)	(512,000.00)	0	(512,000.00)	0.00	(512,000.00)	0.00	0.00	0.00
19	Income (loss) before interest charge	(397,510.86)	0	(397,510.86)	826.65	(398,337.51)	(6,753.86)	(6,753.86)	(3,392.33)
20	Interest charges	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00
21	Net income (loss)	(397,510.86)	\$0	(397,510.86)	\$826.65	(398,337.51)	(6,753.86)	(6,753.86)	(3,392.33)

\* Atmos Energy Services budget not available.

ATMOS ENERGY SERVICES, INC.  
STATEMENTS OF INCOME  
FOR THE QUARTER ENDED 09/30/98

Line No.	Description (a)	Actual (b)	Budget (c)	Actual Over (Under) Budget (d)	Prior Year Actual (e)	Actual Over (Under) Prior Year (f)	Line No.
1	Operating revenues						
2	Gas	\$0.00	\$0	\$0.00	\$0.00	\$0.00	1
3	Transportation	0.00	0	0.00	0.00	0.00	2
3	Other	0.00	0	0.00	0.00	0.00	3
4	Total operating revenues	0.00	0	0.00	0.00	0.00	4
5	Purchased gas cost	0.00	0	0.00	0.00	0.00	5
6	Gross profit	0.00	0	0.00	0.00	0.00	6
7	Operating expenses						
8	Operation	6,138.86	0	6,138.86	170.95	5,967.91	7
9	Maintenance	0.00	0	0.00	0.00	0.00	8
9	Depreciation	0.00	0	0.00	0.00	0.00	9
10	Taxes - other than income taxes	0.00	0	0.00	0.00	0.00	10
11	Shared Services - billed	0.00	0	0.00	0.00	0.00	11
12	Provision for income taxes	(181,185.00)	0	(181,185.00)	(826.65)	(180,358.35)	12
13	Total operating expenses	(175,046.14)	0	(175,046.14)	(655.70)	(174,390.44)	13
14	Operating income (loss)	175,046.14	0	175,046.14	655.70	174,390.44	14
15	Other income						
15	Merchandise	0.00	0	0.00	0.00	0.00	15
16	Interest income	0.00	0	0.00	0.00	0.00	16
17	Other nonoperating income	(512,000.00)	0	(512,000.00)	0.00	(512,000.00)	17
18	Total other income (loss)	(512,000.00)	0	(512,000.00)	0.00	(512,000.00)	18
19	Income (loss) before interest charges	(336,953.86)	0	(336,953.86)	655.70	(337,609.56)	19
20	Interest charges	0.00	0	0.00	0.00	0.00	20
21	Net income (loss)	(336,953.86)	\$0	(336,953.86)	\$655.70	(337,609.56)	21



ATMOS ENERGY CORPORATION  
PROPERTY, PLANT AND EQUIPMENT  
AS OF SEPTEMBER 30, 1998

	Year to Date				
	Balance 9/30/97	Additions	Retirements	Transfers	Balance 09/30/98
<b>GAS PLANT</b>					
Atmos					
Atmos General Office(2)	\$39,305,772.63	\$1,780,542.22	\$1,083,715.07	(\$5,776.55)	\$39,996,823.23
Total Atmos	39,305,772.63	1,780,542.22	1,083,715.07	(5,776.55)	39,996,823.23
Energas					
Amarillo Transmission Div.(1)	3,209,615.20	0.00	0.00	0.00	3,209,615.20
Amarillo City Plant Dist. Div.(3)	48,276,563.22	1,650,321.96	321,186.77	21,717.79	49,627,416.20
Fritch & Sanford City Plt. Dist. Div.(4)	953,581.61	1,340.34	1,573.73	0.00	953,348.22
West Texas City Plant Dist. Div.(5)	158,615,097.05	6,885,035.52	1,243,896.83	11,611.67	164,267,847.41
Dalhart City Plant Dist. Div.(6)	2,108,641.38	2,040.42	14,407.12	0.00	2,096,274.68
West Texas Rural Irrigation Div.(8)	23,269,273.27	218,825.69	4,284.87	0.00	23,483,814.09
Energas General Office(10)	2,437,569.38	249,524.78	198,061.40	(2,775.09)	2,486,257.67
Fair-Amarillo Creek Transmission(11)	71,230.00	0.00	0.00	0.00	71,230.00
Amarillo Rural Dist. Div.(13)	371,855.76	41,799.84	0.00	0.00	413,655.60
Dalhart Rural Dist. Div.(17)	61,651.11	0.00	0.00	0.00	61,651.11
Dalhart Rural Irrigation Div.(18)	333,690.52	7,114.90	1,293.19	0.00	339,512.23
West Texas Rural Dist. Div.(21)	11,127,951.62	165,002.46	21,487.33	0.00	11,271,466.75
Meter Shop Facilities & Meters(22)	0.00	761,236.95	328,043.80	(25,980.62)	407,212.53
Total Energas	250,836,720.12	9,982,242.86	2,134,235.04	4,573.75	258,689,301.69
Trans La					
Trans La Dist. Div.(7)	111,390,280.93	2,595,853.59	1,941,307.95	0.00	112,044,826.57
Total Trans La	111,390,280.93	2,595,853.59	1,941,307.95	0.00	112,044,826.57
Western Kentucky Gas					
Western Kentucky Gas Div.(9)	189,388,594.45	10,069,212.10	1,287,052.76	1,857.92	198,172,611.71
Total Western Kentucky Gas	189,388,594.45	10,069,212.10	1,287,052.76	1,857.92	198,172,611.71

ATMOS ENERGY CORPORATION  
PROPERTY, PLANT AND EQUIPMENT  
AS OF SEPTEMBER 30, 1998

	Year to Date				
	Balance 9/30/97	Additions	Retirements	Transfers	Balance 09/30/98
<b>GAS PLANT</b>					
<b>Greeley</b>					
Meter Shop Facilities & Meters(24)	\$11,380,596.90	\$307,293.71	\$39,638.54	\$0.00	\$11,648,252.07
Missouri Dist. Div.(29)	690,434.01	28,104.23	2,593.14	0.00	715,945.10
Denver Company Office(30)	1,797,536.72	38,946.25	0.00	0.00	1,836,482.97
Greeley Dist. Div.(33)	23,770,593.23	3,149,634.93	237,853.78	0.00	26,682,374.38
Northwest Colorado Dist. Div.(34)	17,345,814.60	279,189.02	21,992.71	0.00	17,603,010.91
Fremont County Dist. Div.(35)	23,294,862.37	122,626.03	62,671.28	0.00	23,354,817.12
Durango Dist. Div.(36)	15,387,957.07	236,424.19	9,186.11	0.00	15,615,195.15
Central Colorado Dist. Div.(37)	0.00	0.00	0.00	0.00	0.00
Cortez Dist. Div.(38)	0.00	0.00	0.00	0.00	0.00
Southeast Colorado Dist. Div.(39)	0.00	0.00	0.00	0.00	0.00
Kaw Valley Dist. Div.(82)	14,012,329.00	1,001,469.01	149,177.96	0.00	14,864,620.05
Central Kansas Dist. Div.(83)	8,127,974.64	48,524.59	7,385.22	0.00	8,169,114.01
Cane Dist. Div.(84)	5,305,815.42	76,511.61	27,294.65	0.00	5,355,032.38
Eastern Kansas Dist. Div.(85)	3,667,121.03	76,699.53	24,571.11	0.00	3,719,249.45
Southwest Kansas Dist. Div.(86)	13,003,584.57	168,500.46	110.88	0.00	13,171,974.15
Total Greeley Gas	137,784,619.56	5,533,923.56	582,475.38	0.00	142,736,067.74
<b>United Cities Gas</b>					
Kansas Div. (81)	0.00	1,676,677.54	0.00	95,003,308.93	96,679,986.47
General Office Div. (91)	495,033,830.05	5,974,321.27	357,785.75	(483,371,873.77)	17,278,491.80
Illinois Div. (92)	0.00	286,098.15	0.00	31,393,260.00	31,679,358.15
Tennessee Div. (93)	0.00	3,148,364.60	0.00	199,370,743.67	202,519,108.27
So. Carolina Div. (94)	0.00	91,507.40	0.00	9,091,253.75	9,182,761.15
Georgia Div. (95)	0.00	959,242.66	0.00	77,557,702.67	78,516,945.33
Virginia Div. (96)	0.00	420,406.97	0.00	34,102,203.04	34,522,610.01
Missouri Div. (97)	0.00	395,495.63	0.00	26,750,940.23	27,146,435.86
Iowa Div. (98)	0.00	75,086.45	0.00	10,080,299.19	10,155,385.64
United Cities Storage Gas	0.00	587,316.32	0.00	0.00	587,316.32
Total United Cities Gas	495,033,830.05	13,614,516.99	357,785.75	(22,162.29)	508,268,399.00
<b>Total Gas Plant</b>	<b>\$1,223,739,817.74</b>	<b>\$43,576,291.32</b>	<b>\$7,386,571.95</b>	<b>(\$21,507.17)</b>	<b>\$1,259,908,029.94</b>

ATMOS ENERGY CORPORATION  
PROPERTY, PLANT AND EQUIPMENT  
AS OF SEPTEMBER 30, 1998

	Year to Date				
	Balance 9/30/97	Additions	Retirements	Transfers	Balance 09/30/98
<b>OTHER GAS PLANT &amp; NON-UTILITY PROPERTY</b>					
Atmos					
Atmos General Office					
Construction Work In Progress	\$31,465,556.99	\$58,463,125.85	\$0.00	\$0.00	\$89,928,682.84
Non-utility Plant	1,132,200.02	1,030,100.93	1,155,036.93	0.00	1,007,264.02
Total Atmos	32,597,757.01	59,493,226.78	1,155,036.93	0.00	90,935,946.86
Energas					
Construction Work In Progress	1,379,247.81	2,738,924.86	0.00	0.00	4,118,172.67
Non-utility Plant	517,520.24	0.00	0.00	0.00	517,520.24
Total Energas	1,896,768.05	2,738,924.86	0.00	0.00	4,635,692.91
Trans La					
Construction Work In Progress	340,764.90	2,676,272.26	0.00	0.00	3,017,037.16
Acquisition Adj. - Trans La	2,048,887.47	0.00	0.00	0.00	2,048,887.47
Non-utility Plant	215,890.91	0.00	0.00	0.00	215,890.91
Total Trans La	2,605,543.28	2,676,272.26	0.00	0.00	5,281,815.54
Western Kentucky Gas					
Construction Work In Progress	779,599.09	1,417,307.66	0.00	0.00	2,196,906.75
Acquisition Adj. - W.K.G.	3,336,783.64	0.00	0.00	0.00	3,336,783.64
Total Western Kentucky Gas	4,116,382.73	1,417,307.66	0.00	0.00	5,533,690.39
Greeley					
Construction Work In Progress	(1,956,742.97)	5,242,826.80	0.00	0.00	3,286,083.83
Acquisition Adj. - G.G.C. Prior	1,446,406.41	0.00	0.00	0.00	1,446,406.41
Non-utility Plant	713,075.78	0.00	0.00	0.00	713,075.78
Total Greeley Gas	202,739.22	5,242,826.80	0.00	0.00	5,445,566.02
United Cities					
Construction Work In Progress	631,379.00	11,210,092.63	0.00	(531,685.41)	11,309,786.22
CIA Reclass Contribution-Acct. 27100	0.00	(976,679.00)	0.00	0.00	(976,679.00)
Acquisition Adj. - U.C.G.C. - Prior	7,283,287.48	0.00	0.00	0.00	7,283,287.48
Total United Cities Gas	7,914,666.48	10,233,413.63	0.00	(531,685.41)	17,616,394.70
Total Other Gas Plt & Non-utility Prop	49,333,856.77	81,801,971.99	1,155,036.93	(531,685.41)	129,449,106.42
Total Property, Plt. and Equipment	\$1,273,073,674.51	\$125,378,263.31	\$8,541,608.88	(\$553,192.58)	\$1,389,357,136.36

ATMOS ENERGY CORPORATION  
ACCUMULATED PROVISION  
FOR DEPRECIATION AND AMORTIZATION  
AS OF SEPTEMBER 30, 1998

	Year to Date			Balance 09/30/98
	Balance 9/30/97	Provision	Adjustment	
<b>GAS PLANT</b>				
<b>Atmos</b>				
Retirement work in progress	\$4,900.00	\$0.00	\$6,329.43	\$11,229.43
Atmos General Office(2)	15,625,575.32	3,007,732.76	(1,084,415.37)	17,548,892.71
Total accum. prov. for depr. - Atmos	15,630,475.32	3,007,732.76	(1,078,085.94)	17,560,122.14
<b>Energas</b>				
Retirement work in progress	28,638.26	0.00	(481,143.55)	(452,505.29)
Amarillo Transmission Div.(1)	2,302,858.65	68,891.15	0.00	2,371,749.80
Amarillo City Plant Dist. Div.(3)	18,510,022.40	1,394,646.48	(331,571.93)	19,573,096.95
Fritch & Sanford City Plt. Dist. Div.(4)	384,725.27	20,893.67	(1,573.73)	404,045.21
West Texas City Plant Dist. Div.(5)	61,038,357.70	5,515,260.69	(1,308,684.85)	65,252,933.54
Dalhart City Plant Dist. Div.(6)	999,800.33	64,869.04	(10,466.62)	1,054,202.75
West Texas Rural Irrigation Div.(8)	9,943,565.84	473,695.29	(8,875.00)	10,408,386.13
Energas General Office(10)	1,135,624.24	324,905.83	(181,442.83)	1,279,087.24
Faln-Amarillo Creek Transmission(11)	71,230.00	0.00	0.00	71,230.00
Amarillo Rural Dist. Div.(13)	154,218.32	8,744.70	0.00	162,963.02
Dalhart Rural Dist. Div.(17)	53,743.97	1,687.07	0.00	55,431.04
Dalhart Rural Irrigation Div.(18)	262,696.11	6,804.39	(1,516.04)	267,984.46
West Texas Rural Dist. Div.(21)	3,139,533.57	267,309.26	(68,447.20)	3,338,395.63
Total accum. prov. for depr. - Energas	98,025,014.66	8,147,707.57	(2,385,721.75)	103,787,000.48
<b>Trans La Gas(7)</b>				
Retirement work in progress	0.00	0.00	(48,985.89)	(48,985.89)
Trans La Dist. Div.	31,633,759.74	4,341,763.96	(2,104,737.13)	33,870,787.57
Total accum. prov. for depr. - Trans La	31,633,759.74	4,341,763.96	(2,153,723.02)	33,821,801.68
<b>Western Kentucky Gas(9)</b>				
Retirement work in progress	(938.81)	0.00	(436,633.93)	(437,572.74)
Western Kentucky Gas Div.	85,835,426.90	6,796,268.33	(1,181,525.33)	91,450,169.90
WKG Pint-Amort-U/G Strg.	500.00	43.07	0.00	543.07
Total accum. prov. for depr. - WKG	85,834,988.09	6,796,268.33	(1,618,159.26)	91,013,140.23

ATMOS ENERGY CORPORATION  
ACCUMULATED PROVISION  
FOR DEPRECIATION AND AMORTIZATION  
AS OF SEPTEMBER 30, 1998

	Year to Date			
	Balance 9/30/97	Provision	Adjustment	Balance 09/30/98
<b>GAS PLANT</b>				
<b>Greeley Gas</b>				
Retirement work in progress	\$10,580.22	\$0.00	(\$19,927.40)	(\$9,347.18)
Meter Shop Facilities & Meters(24)	1,863,396.75	401,235.25	(39,388.54)	2,225,243.46
Missouri Dist. Div.(29)	171,052.82	22,612.69	(7,920.43)	185,745.08
Denver Company Office(30)	445,376.43	278,113.26	0.00	723,489.69
Greeley Dist. Div.(33)	8,401,512.44	964,105.00	(286,428.42)	9,079,189.02
Northwest Colorado Dist. Div.(34)	5,398,662.61	693,463.46	(22,139.52)	6,069,986.55
Fremont County Dist. Div.(35)	13,159,784.27	1,011,089.79	(62,597.09)	14,108,276.97
Durango Dist. Div.(36)	5,489,406.90	619,851.12	(9,471.68)	6,099,786.34
Central Colorado Dist. Div.(37)	0.00	0.00	0.00	0.00
Cortez Dist. Div.(38)	0.00	0.00	0.00	0.00
Southeast Colorado Dist. Div.(39)	0.00	0.00	0.00	0.00
Kaw Valley Dist. Div.(82)	3,793,572.47	535,790.59	(199,193.50)	4,130,169.56
Central Kansas Dist. Div.(83)	3,116,646.02	321,600.89	(7,923.64)	3,430,323.27
Cane Dist. Div.(84)	2,616,430.15	204,359.50	(23,783.31)	2,797,006.34
Eastern Kansas Dist. Div.(85)	879,665.10	145,483.32	(20,635.02)	1,004,513.40
Southwest Kansas Dist. Div.(86)	7,430,702.63	530,416.30	(143.59)	7,960,975.34
Total accum. prov. for depr. - GGC	52,776,788.81	5,728,121.17	(699,552.14)	57,805,357.84
<b>United Cities Gas</b>				
Retirement work in progress	(\$6,748.17)	\$0.00	\$1,948,622.47	\$1,941,874.30
Kansas Div. (81)	33,743,678.17	1,657,071.68	0.00	35,400,749.85
General Office Div. (91)	4,830,961.81	936,925.43	2,968,132.81	8,736,020.05
Illinois Div. (92)	13,993,952.86	556,736.94	0.00	14,550,689.80
Tennessee Div. (93)	69,866,975.60	3,840,119.80	0.00	73,707,095.40
So. Carolina Div. (94)	3,442,165.46	150,325.77	0.00	3,592,491.23
Georgia Div. (95)	33,012,303.23	1,252,775.46	0.00	34,265,078.69
Virginia Div. (96)	11,732,300.22	503,352.24	0.00	12,235,652.46
Missouri Div. (97)	8,816,569.62	553,600.82	0.00	9,370,170.44
Iowa Div. (98)	5,397,397.03	245,474.29	0.00	5,642,871.32
Total United Cities Gas	184,829,555.83	9,696,382.43	4,916,755.28	199,442,693.54
<b>Total accumulated prov. for depreciation. - Gas Plant</b>	<b>\$468,730,582.45</b>	<b>\$37,717,976.22</b>	<b>(\$3,018,486.83)</b>	<b>\$503,430,115.91</b>

**ATMOS ENERGY CORPORATION**  
**ACCUMULATED PROVISION**  
**FOR DEPRECIATION AND AMORTIZATION**  
**AS OF SEPTEMBER 30, 1998**

	Year to Date		
	Balance 9/30/97	Provision	Adjustment
<b>OTHER GAS PLANT IN SERVICE</b>			
<b>Atmos</b>			
Atmos General Office Division(2)	\$829,702.44	\$448,081.69	\$0.00
Total Atmos	<u>829,702.44</u>	<u>448,081.69</u>	<u>0.00</u>
<b>Energas</b>			
Amarillo City Plant Dist. Div.(3)	158,220.56	43,478.07	0.00
Fritch & Sanford City Plant Dist. Div.(4)	5,916.44	(75.63)	0.00
West Texas City Plant Dist. Div.(5)	1,091,414.72	171,234.09	0.00
Dalhart Div.(6)	7,189.97	2,227.39	0.00
West Texas Irrigation Div.(8)	7,091.04	843.26	0.00
Energas General Office(10)	1,875.32	1,928.85	0.00
Amarillo Rural Div.(13)	516.26	33.53	0.00
Dalhart Irrigation Div.(18)	311.30	52.30	0.00
West Texas Rural Div.(21)	31,889.52	6,262.86	0.00
Total Energas	<u>1,304,425.13</u>	<u>225,984.72</u>	<u>0.00</u>
<b>Trans La Gas</b>			
Trans La Distribution Division(7)	220,015.31	61,702.65	0.00
Total Trans La	<u>220,015.31</u>	<u>61,702.65</u>	<u>0.00</u>
<b>Western Kentucky Gas</b>			
Western Kentucky Gas Division(9)	564,100.18	0.00	0.00
Total WKG	<u>564,100.18</u>	<u>0.00</u>	<u>0.00</u>
<b>Greeley Gas</b>			
Greeley Dist. Div.(33)	60,232.62	0.00	0.00
Northwest Colorado Dist. Div.(34)	66,924.56	0.00	0.00
Fremont County Dist. Div.(35)	94,718.87	0.00	0.00
Durango Dist. Div.(36)	23,493.78	0.00	0.00
Central Colorado Dist. Div.(37)	0.00	0.00	0.00
Cortez Dist. Div.(38)	0.00	0.00	0.00
Southeast Colorado Dist. Div.(39)	0.00	0.00	0.00
Kaw Valley Dist. Div.(82)	84,791.05	833.69	0.00
Central Kansas Dist. Div.(83)	10,901.94	0.00	0.00
Cane Dist. Div.(84)	3,106.06	569.64	0.00
Southwest Kansas(86)	88.02	176.01	0.00
Total Greeley Gas	<u>344,256.90</u>	<u>1,579.34</u>	<u>0.00</u>
			<u>\$1,277,784.13</u>
			<u>1,277,784.13</u>
			201,698.63
			5,840.81
			1,262,648.81
			9,417.36
			7,934.30
			3,804.17
			549.79
			363.60
			38,152.38
			1,530,409.85
			281,717.96
			281,717.96
			564,100.18
			564,100.18
			60,232.62
			66,924.56
			94,718.87
			23,493.78
			0.00
			0.00
			0.00
			0.00
			85,624.74
			10,901.94
			3,675.70
			264.03
			345,836.24

ATMOS ENERGY CORPORATION  
 ACCUMULATED PROVISION  
 FOR DEPRECIATION AND AMORTIZATION  
 AS OF SEPTEMBER 30, 1998

	Year to Date			Balance 09/30/98
	Balance 9/30/97	Provision	Adjustment	
<b>OTHER GAS PLANT IN SERVICE</b>				
United Cities Gas				
Kansas Div. (81)	0.00	51,750.89	0.00	51,750.89
Western Region Admin. Div. (87)	0.00	0.00	0.00	0.00
Central Region Admin. Div. (88)	0.00	0.00	0.00	0.00
Southern Region Admin. Div. (89)	0.00	0.00	0.00	0.00
Eastern Region Admin. Div. (90)	0.00	0.00	0.00	0.00
General Office Div. (91)	1,022,940.56	2,708.94	5,668,724.01	6,694,373.51
Illinois Div. (92)	0.00	4,113.81	0.00	4,113.81
Tennessee Div. (93)	0.00	291,774.83	0.00	291,774.83
So. Carolina Div. (94)	0.00	518.58	0.00	518.58
Georgia Div. (95)	0.00	7,991.18	0.00	7,991.18
Virginia Div. (96)	0.00	1,763.16	0.00	1,763.16
Missouri Div. (97)	0.00	1,519.02	0.00	1,519.02
Iowa Div. (98)	0.00	410.96	0.00	410.96
Total United Cities Gas	1,022,940.56	362,551.37	5,668,724.01	7,054,215.94
<b>Total accumulated provision for amort.</b>	<b>\$4,285,440.52</b>	<b>\$1,099,899.77</b>	<b>\$5,668,724.01</b>	<b>\$11,054,064.30</b>
<b>of other gas plant in service</b>				

**ATMOS ENERGY CORPORATION  
ACCUMULATED PROVISION  
FOR DEPRECIATION AND AMORTIZATION  
AS OF SEPTEMBER 30, 1998**

	Year to Date		
	Balance 9/30/97	Provision	Adjustment
<b>NON-UTILITY PLANT IN SERVICE (CNG)</b>			
Texas			
Energas	\$284,635.61	\$51,751.92	\$0.00
Total Texas	<u>284,635.61</u>	<u>51,751.92</u>	<u>0.00</u>
Louisiana			
Trans La	118,740.55	21,589.20	0.00
Total Louisiana	<u>118,740.55</u>	<u>21,589.20</u>	<u>0.00</u>
Greeley			
Greeley Gas	434,287.68	47,576.40	0.00
Total Greeley Gas	<u>434,287.68</u>	<u>47,576.40</u>	<u>0.00</u>
Total accumulated provision for amort. of non-utility plant in service	<u>837,663.84</u>	<u>120,917.52</u>	<u>0.00</u>
<b>UTILITY PLANT ACQUISITION ADJUSTMENT</b>			
Louisiana			
Trans La	3,762,016.75	(182,301.96)	0.00
Total Louisiana	<u>3,762,016.75</u>	<u>(182,301.96)</u>	<u>0.00</u>
Kentucky			
W.K.G.	2,277,713.90	204,981.24	0.00
Total Kentucky	<u>2,277,713.90</u>	<u>204,981.24</u>	<u>0.00</u>
Greeley			
G.G.C.	1,341,129.41	13,740.00	0.00
Total Greeley Gas	<u>1,341,129.41</u>	<u>13,740.00</u>	<u>0.00</u>
United Cities			
U.C.G.C.	0.00	0.00	387,491.64
U.C.G.C. Prior	1,528,772.50	(223,716.26)	0.00
Total United Cities Gas	<u>1,528,772.50</u>	<u>(223,716.26)</u>	<u>387,491.64</u>
Total Accumulated Prov. for Amort. of Utility Plant Acquisition Adjustment	<u>8,909,632.56</u>	<u>(187,296.98)</u>	<u>387,491.64</u>
Total accumulated provision for depreciation & amortization	<u>\$482,763,319.37</u>	<u>\$38,751,496.53</u>	<u>\$3,037,728.82</u>
			<u>Balance 09/30/98</u>
			<u>\$336,387.53</u>
			<u>336,387.53</u>
			<u>140,329.75</u>
			<u>140,329.75</u>
			<u>481,864.08</u>
			<u>481,864.08</u>
			<u>958,581.36</u>
			<u>3,579,714.79</u>
			<u>3,579,714.79</u>
			<u>2,482,695.14</u>
			<u>2,482,695.14</u>
			<u>1,354,869.41</u>
			<u>1,354,869.41</u>
			<u>387,491.64</u>
			<u>387,491.64</u>
			<u>1,305,056.24</u>
			<u>1,305,056.24</u>
			<u>1,692,547.88</u>
			<u>1,692,547.88</u>
			<u>9,109,827.22</u>
			<u>9,109,827.22</u>
			<u>\$524,552,588.79</u>
			<u>\$524,552,588.79</u>

Total Depreciation Provision as per Balance Sheet  
Less: Depreciation Provision charged to other accounts-18400  
Less: Depreciation Provision charged to other accounts (CNG)  
Total Depreciation Expense as per Income Statement

\$38,751,496.53  
5,861,428.30  
120,917.52  
\$32,769,150.71





**ATMOS ENERGY CORPORATION  
BALANCE SHEET ACCOUNTS  
As of September 30, 1998**

Line No.	Acct. No.	Description	Current Month	Prior Month	Current Change	September 30, 1997
6		<u>NET PROPERTY, PLANT, AND EQUIPMENT</u>	864,804,547.57	840,759,281.60	24,045,265.97	789,333,948.28
		<u>INVESTMENTS IN &amp; ADVANCES TO SUBSIDIARIES</u>				
	1230	Investments In Associated Companies				
		Atmos Energy Services, Inc.	1,000.00	1,000.00	0.00	1,000.00
		Egasco, Inc.	1,000.00	1,000.00	0.00	1,000.00
		Enermart, Inc.	1,000.00	1,000.00	0.00	1,000.00
		Trans La Industrial Gas Company, Inc.	2,293,047.89	2,293,047.89	0.00	2,293,047.89
		Western Kentucky Gas Resources	1,604,833.12	1,604,833.12	0.00	1,604,833.12
		UCG Energy Corporation, Inc.	1,000,000.00	1,000,000.00	0.00	1,000,000.00
		UCG Storage Company, Inc.	3,452,326.50	3,452,326.50	0.00	3,452,326.50
7		Total Investments in & Advances to Subsidiaries	8,353,207.51	8,353,207.51	0.00	8,353,207.51
8		<u>CASH AND TEMPORARY CASH INVESTMENTS</u>	(1,740,416.11)	(1,625,929.06)	(114,487.05)	2,721,919.39
		<u>ACCOUNTS RECEIVABLE, LESS ALLOWANCE FOR DOUBTFUL ACCOUNTS</u>				
	1410	Notes Receivable				
		(Main Extension Notes)				
		Tom King & Dr. Thomas Fields	2,680.00	2,680.00	0.00	2,680.00
		Bowers, Michael and Melissa	1,785.00	1,785.00	0.00	1,785.00
		Hayes Estates	0.00	0.00	0.00	154.20
		Murphy and Rochester, Inc.	0.00	16,510.00	(16,510.00)	16,510.00
		Ida Road	230.00	230.00	0.00	230.00
		The Gardens Subdivision	1,060.00	1,060.00	0.00	1,060.00
		Dwight W. Andrus	0.00	0.00	0.00	4,480.00
		Regency Development	0.00	0.00	0.00	3,156.00
		Herbert Construction Co., Inc.	8,240.00	8,240.00	0.00	8,240.00
		Oak Park Inc.	0.00	0.00	0.00	1,630.00
		Charles Bourgeois	1,470.00	1,470.00	0.00	1,470.00
		Meyers, Tom	462.00	462.00	0.00	462.00
		Bailes, Julian	1,318.00	1,318.00	0.00	1,318.00

**ATMOS ENERGY CORPORATION**  
**BALANCE SHEET ACCOUNTS**  
As of September 30, 1998

Line Acct. No. No.	Description	Current Month	Prior Month	Current Change	September 30, 1997
	Dupuis, Jason	3,439.00	3,439.00	0.00	3,439.00
	Chitimacha Tribe of LA	4,415.00	4,415.00	0.00	4,415.00
	Bell Meade Sub-Division	1,170.00	1,170.00	0.00	1,170.00
	River Ridge Estates	1,933.00	1,933.00	0.00	1,933.00
	Austin Village	0.00	0.00	0.00	11,360.00
	Vermillion Bluff	2,680.00	2,680.00	0.00	2,680.00
	Ferrowood Sub. Phase 7	0.00	0.00	0.00	3,210.00
	Patin Place Subdivision	4,260.00	4,260.00	0.00	4,260.00
	Oak Place Subdivision	9,010.00	9,010.00	0.00	9,010.00
	Shenandoah Estates Ph VIII	7,970.00	7,970.00	0.00	7,970.00
	Chinquapin Acres Ext. #1	2,228.00	2,228.00	0.00	2,228.00
	Cambridge Drive Ext.	5,250.00	5,250.00	0.00	5,250.00
	Beaullieu Estates	9,557.00	9,557.00	0.00	9,557.00
	Sugar Ridge	6,750.00	6,750.00	0.00	6,750.00
	Silver Maple	5,909.00	5,909.00	0.00	5,909.00
	Ahern Acres	990.00	990.00	0.00	990.00
	Bayou Bend	0.00	0.00	0.00	1,620.00
	Ingrams Subdivision	8,715.00	8,715.00	0.00	8,715.00
	Magnolia Landing Ext.	15,041.00	15,041.00	0.00	15,041.00
	Hideaway Acres #2 Ext.	475.00	475.00	0.00	475.00
	Pin Oak Estates	5,681.00	5,681.00	0.00	5,681.00
	Austin Village III	0.00	0.00	0.00	8,970.00
	Ferrowood Sub. Phase 4	0.00	0.00	0.00	4,675.00
	Broussard Park Est. Phase #5	8,695.00	8,695.00	0.00	8,695.00
	Summerfield Subdivision	7,500.00	7,500.00	0.00	7,500.00
	Bear Creek Subdivision	8,030.00	8,030.00	0.00	8,030.00
	Acadiana Plaza Subdivision	7,900.00	7,900.00	0.00	7,900.00
	Summerset Place	2,640.00	2,640.00	0.00	2,640.00
	Woodridge Subdivision Phase I	4,125.00	4,125.00	0.00	4,125.00
	Kings Pointe Development	0.00	0.00	0.00	5,325.00
	Austin Village IV	0.00	0.00	0.00	8,930.00
	New Center Commons	0.00	0.00	0.00	4,745.00
	Beaullieu Estates Subd. #1	5,970.00	5,970.00	0.00	5,970.00
	Beaullieu Estates Subd. #2	4,465.00	4,465.00	0.00	4,465.00
	Enclave Development	1,810.00	1,810.00	0.00	1,810.00
	Ozene Road	3,520.00	3,520.00	0.00	3,520.00
	Sugarland Estates Phase A	4,130.00	4,130.00	0.00	4,130.00
	The Oaks Subdivision	8,900.00	8,900.00	0.00	8,900.00
	Acadian Place Estates	1,907.00	1,907.00	0.00	1,907.00
	St. Clair V Subdivision	10,044.00	10,044.00	0.00	10,044.00

**ATMOS ENERGY CORPORATION**  
**BALANCE SHEET ACCOUNTS**  
 As of September 30, 1998

Line Acct. No.	Description	Current Month	Prior Month	Current Change	September 30, 1997
	Jean Clair Subdivision	8,453.00	8,453.00	0.00	8,453.00
	Judice Estates	0.00	0.00	0.00	7,415.00
	Twin Pines Mobile Home	12,950.00	12,950.00	0.00	12,950.00
	Brunswick Place	3,235.00	3,235.00	0.00	3,235.00
	Letriomphe Tract H	7,070.00	7,070.00	0.00	7,070.00
	Letriomphe Tract J, PHI	3,300.00	3,300.00	0.00	3,300.00
	Copperfield South	22,000.00	22,000.00	0.00	22,000.00
	Woodlake Subdivision	3,295.00	3,295.00	0.00	3,295.00
	Beaulieu Place Subdivision - Phase 3	6,260.00	6,260.00	0.00	6,260.00
	B.F. Miller Extension	7,730.00	7,730.00	0.00	4,350.00
	Hackberry Place	10,420.00	10,420.00	0.00	10,420.00
	E. Bayou Oaks	10,620.00	10,620.00	0.00	10,620.00
	Amy Estates	8,490.00	8,490.00	0.00	0.00
	Kingspointe	12,120.00	12,120.00	0.00	0.00
	Summerfield Phase II	5,077.00	5,077.00	0.00	0.00
	Austin Village Phase 6	11,545.00	11,545.00	0.00	0.00
	Fernwood Sub, Ph XII	8,790.00	8,790.00	0.00	0.00
	Sugar Ridge Subdivision	9,291.00	9,291.00	0.00	0.00
	Eureka Oaks LLC	4,930.00	4,930.00	0.00	0.00
	River Ranch	60,536.00	60,536.00	0.00	0.00
	Bradford Place	4,133.00	4,133.00	0.00	0.00
	<b>Total Notes Receivable</b>	<b>412,599.00</b>	<b>429,109.00</b>	<b>(16,510.00)</b>	<b>366,487.20</b>
1420	Customer Accounts Receivable				
1420 1,2	- Gas Ledger				
	General Office				
	Unbilled revenue - Energas	1,657,000.00	1,329,000.00	328,000.00	2,261,000.00
	Unbilled revenue - GGC	1,237,000.00	744,035.21	492,964.79	1,409,000.00
	Unbilled revenue - Trans La	822,000.00	696,000.00	126,000.00	889,000.00
	Unbilled revenue - WKG	1,171,000.00	889,000.00	282,000.00	2,373,000.00
	Unbilled revenue - UCG	4,329,999.99	(4,685,640.48)	9,015,640.47	2,686,681.03
	PGA - Correcting Account - Energas	(4,203,439.00)	(3,599,048.00)	(604,391.00)	623,000.00
	PGA - Correcting Account - GGC	583,679.00	(136,839.31)	720,518.31	8,709,594.00
	PGA - Correcting Account - Trans La	596,000.00	396,000.00	200,000.00	225,000.00
	PGA - Correcting Account - WKG	(5,673,654.00)	(7,386,088.00)	1,712,434.00	5,010,000.00
	PGA - Correcting Account - UCG	(8,338,100.38)	14,619,919.01	(22,958,019.39)	6,690,159.65
	Handbilled Industrial Accounts - Energas	192,629.66	288,743.20	(96,113.54)	137,781.35
	Handbilled Industrial Accounts - Trans La	58,056.43	88,598.76	(30,542.33)	90,031.55
	Handbilled Industrial Accounts - WKG	2,107,915.80	1,643,767.80	464,148.00	2,286,869.50
	Handbilled Industrial Accounts - GGC	20,967.69	0.00	20,967.69	0.00

**ATMOS ENERGY CORPORATION**  
**BALANCE SHEET ACCOUNTS**  
 As of September 30, 1998

Line No.	Acct. No.	Description	Current Month	Prior Month	Current Change	September 30, 1997
		Energas Div - Amarillo System (City and Rural)	360,271.93	584,579.06	(224,307.13)	746,816.67
		Dalhart City Plant System (City and Rural)	145,062.89	164,665.16	(19,602.27)	51,289.30
		Fritch & Sanford System	8,061.69	15,810.74	(7,749.05)	11,311.17
		West Texas City Plant System (City and Rural)	16,201,791.20	27,242,808.83	(11,041,017.63)	12,102,455.58
		Greeley Gas Company Division	4,625,927.35	8,613,872.78	(3,987,945.43)	2,257,484.51
		Trans La Division	1,623,936.76	1,708,138.17	(84,201.41)	1,302,481.08
		Western Kentucky Gas Division	155,127.54	3,335,528.76	(3,180,401.22)	516,088.24
		United Cities Gas Division	8,862,995.15	11,411,736.47	(2,548,741.32)	13,647,805.14
		Total Gas Ledger Receivables	26,544,229.70	57,964,588.16	(31,420,358.46)	64,026,828.77
		1420 3 - Merchandise Ledger	1,959,284.86	2,026,461.17	(67,176.31)	3,447,484.04
		1420 4 - Service Ledger	2,014,594.55	1,943,302.05	71,292.50	270,935.33
		1420 6 - Customer Surcharge	288,961.03	8,961.03	280,000.00	11,088.80
		<b>Total Customer Accounts Receivable</b>	<b>30,807,070.14</b>	<b>61,943,312.41</b>	<b>(31,136,242.27)</b>	<b>67,756,316.94</b>
		1430 Other Accounts Receivable				
		1430 1 - Miscellaneous				
		Clyde Plant Extraction - Koch	15,389.64	15,389.64	0.00	(1,488.09)
		Cortez Outage	0.00	20,640.46	(20,640.46)	0.00
		Eureka Outage	0.00	3,528.09	(3,528.09)	0.00
		Virden IL Damage	0.00	20,226.86	(20,226.86)	0.00
		AT&T Charges Woodward Marketing	0.00	1,809.63	(1,809.63)	0.00
		Forsan Outage	460.32	0.00	460.32	0.00
		KN - Plainview Linecut	0.00	0.00	0.00	528.22
		Monroe Outage	0.00	0.00	0.00	5,033.34
		Platteville Outage	0.00	41,903.25	(41,903.25)	41,903.25
		Winnfield Outage	0.00	0.00	0.00	5,865.36
		CNG - Amarillo	(206.57)	(206.57)	0.00	(173.32)
		CNG - Canyon	(1,379.79)	(1,379.79)	0.00	510.08
		Meter Salvage Receivable	2,775.00	2,775.00	0.00	8,056.10
		Midwestern/Equitable Cash	13,350.99	13,350.99	0.00	12,926.26
		Miscellaneous	306,741.85	967,528.22	(660,786.37)	2,307.54
		Other Misc UCG A/R	341,654.00	341,654.00	0.00	508,454.60
		Odessa-KN Odorization	0.00	4,741.09	(4,741.09)	0.00
		<b>Total Miscellaneous Receivable</b>	<b>678,785.44</b>	<b>1,431,960.87</b>	<b>(753,175.43)</b>	<b>583,923.34</b>
		1430 2 0541 - Employee Advances(Incl. Expense & Bridge Loans)	243,672.06	141,970.53	101,701.53	87,346.40

**ATMOS ENERGY CORPORATION**  
**BALANCE SHEET ACCOUNTS**  
**As of September 30, 1998**

Line No.	Acct. No.	Description	Current Month	Prior Month	Current Change	September 30, 1997
	1430 2 06XX	- Merchandise Employees' Payroll Deductions	144,388.25	144,132.57	255.68	681,366.12
	1431 2 0601	- Employee Rent	67.40	48.16	19.24	0.00
	1431 2 0601	- Other Employee A/R	7,143.02	7,143.02	0.00	31,820.18
	1430 7 -	Trans La Miscellaneous	90.00	90.00	0.00	90.00
		Acadia Parish Police Jury	45,858.99	43,767.11	2,091.88	8,440.79
		LIG	(2,957.64)	0.00	(2,957.64)	428,071.99
		Miscellaneous				
		Total Trans La Miscellaneous Receivables	42,991.35	43,857.11	(865.76)	436,602.78
	1430 9 0500	- WKG PAC	1,507.75	1,429.71	78.04	575.98
	1430 9 07XX	- Westar - Chart Reading & Misc.	634.83	586.34	48.49	3,838.09
		Total Other Accounts Receivable	1,119,190.10	1,771,128.31	(651,938.21)	1,825,472.89
	1440	Allowance for Doubtful Accounts	(1,104,014.95)	(2,504,045.65)	1,400,030.70	(2,188,222.56)
		Atmos - Total Receivable, Less Allowance	31,234,844.29	61,639,504.07	(30,404,659.78)	67,760,054.47
		United Cities Gas - Total Receivable, Less Allowance				
		Total Accounts Receivable, Less Allowance for Doubtful Accounts	31,234,844.29	61,639,504.07	(30,404,659.78)	67,760,054.47
<b>INVENTORIES</b>						
	1540	Plant Materials and Supplies	8,074,760.46	8,131,721.76	(56,961.30)	7,623,803.26
	1550	Merchandise	199,812.96	222,047.40	(22,234.44)	601,634.17
	1510	Propane Fuel Stock	456,837.45	456,837.45	0.00	470,500.68
	1630	Stores Expense Undistributed	4,111,402.27	4,167,345.01	(55,942.74)	2,514,300.51
		Total Inventories	12,842,813.14	12,977,951.62	(135,138.48)	11,210,238.62
<b>GAS STORED UNDERGROUND</b>						
	1640	Total Gas Stored Underground, current	41,701,711.26	36,844,484.58	4,857,226.68	41,589,456.36
		Total Gas Stored Underground, current	41,701,711.26	36,844,484.58	4,857,226.68	41,589,456.36

**ATMOS ENERGY CORPORATION  
BALANCE SHEET ACCOUNTS  
As of September 30, 1998**

Line No.	Acct. No.	Description	Current Month	Prior Month	Current Change	September 30, 1997
<b>OTHER CURRENT ASSETS</b>						
1340		Other Special Deposits				
		Guaranty Deposits	17,372.74	16,877.74	495.00	16,887.74
		UCG Escrow 1st Mortgage Bonds	124,565.00	1,650,000.00	(1,525,435.00)	0.00
		Total Other Special Deposits	141,937.74	1,666,877.74	(1,524,940.00)	16,887.74
1740		Miscellaneous Current and Accrued Assets	0.00	0.00	0.00	45,686.90
1660		Prepayments				
		Prepaid Gas:				
		Alliance Prepaid Gas	0.00	82,643.27	(82,643.27)	1,172,398.13
		Tenn Alliance Prepaid Gas	0.00	192,804.34	(192,804.34)	586,151.10
		Cambridge Energy Research (Amort \$2,500/mo thru 01/98)	0.00	0.00	0.00	5,000.00
		Software Maintenance:				
		SCT Billing Software (Esc amort to capital 02/97 thru 12/99)	425,845.09	479,976.09	(54,131.00)	750,601.09
		Oracle Database Maint (Esc amort to IS clearing thru 01/00)	121,260.60	133,743.44	(12,482.84)	192,591.16
		Dues - AGA	65,287.25	0.00	65,287.25	0.00
		Dues - SGA	4,000.50	5,333.84	(1,333.34)	3,999.94
		Franchise Tax - City	0.00	0.00	0.00	1,366.16
		Franchise Tax - Louisiana	0.00	(44,000.00)	44,000.00	0.00
		Gas - Excess Nominations	180,509.79	180,615.45	(105.66)	181,898.76
		Gross Receipts Tax	742,915.32	862,371.56	(119,456.24)	950,593.93
		Institute of Gas Technology	3,162.00	4,216.00	(1,054.00)	6,324.00
		Insurance - Prop., Gen. Liab., Auto, etc.	826,140.55	1,289,156.81	(463,016.26)	600,110.79
		Insurance - Retirement Cost	289,388.67	355,545.30	(66,156.63)	559,450.12
		CPSC Assessment (Quarterly)	17,457.75	22,414.86	(4,957.11)	12,797.16
		SC PUC Assessment	14,011.97	14,011.97	0.00	0.00
		KS PUC Assessment	40,057.55	9,496.52	30,561.03	0.00
		KPSC Assessment (Amort \$10,775/mo thru 6/99)	96,977.25	107,752.50	(10,775.25)	0.00
		Occupational License	15,683.00	20,983.00	(5,300.00)	17,508.00
		Postage	5,154.02	93,620.58	(88,466.56)	96,346.64
		Prepaid Debt. Exp.-Nations	58,333.34	64,166.67	(5,833.33)	54,999.97
		Rent - Gilliland Group (Oper Co)	284,592.01	284,592.01	0.00	284,592.01
		Total Prepayments	3,190,776.66	4,159,444.21	(968,667.55)	5,476,728.96
12		Total Other Current Assets	3,332,714.40	5,826,321.95	(2,493,607.55)	5,539,303.60

**ATMOS ENERGY CORPORATION**  
**BALANCE SHEET ACCOUNTS**  
As of September 30, 1998

Line No.	Acct. No.	Description	Current Month	Prior Month	Current Change	September 30, 1997
<b>INTERCOMPANY ACCOUNTS - NET</b>						
1460		Accounts Receivable from Assoc. Co.				
		Atmos Energy Services, Inc.	18,759.08	(500,437.02)	519,196.10	5,609.98
		Egasco, Inc.	(960,724.16)	(3,953,944.47)	2,993,220.31	808,349.49
		Enermart, Inc.	24,227,663.18	25,441,749.41	(1,214,086.23)	21,120,195.01
		Enermart Trust	(33,114,282.74)	(46,151,583.78)	13,037,301.04	(23,708,148.28)
		Trans La Industrial Gas Company, Inc.	(2,653,633.38)	(1,660,297.79)	(993,335.59)	(2,738,776.04)
		United Cities Gas Company	(41,516.29)	(41,516.29)	0.00	(0.78)
		Western Kentucky Gas Resources	(987,598.11)	(973,950.98)	(13,647.13)	(967,305.90)
		UCG Rental	4,041,625.11	(1,029,987.21)	5,071,612.32	264,436.51
		UCG Utility Services	(389,129.97)	(329,505.53)	(59,624.44)	2,856,606.03
		UCG Storage	4,242,720.43	1,969,414.55	2,273,305.88	4,349,175.29
		UCG Leasing	(233,622.57)	(298,962.93)	65,340.36	9,296.40
		UCG Propane	6,418,030.49	6,617,482.72	(199,452.23)	820,186.55
13		Total Intercompany Accounts - Net	568,291.07	(20,911,539.32)	21,479,830.39	2,819,624.26
14		Total Current Assets	87,939,958.05	94,750,793.84	(6,810,835.79)	131,640,596.70
<b>DEFERRED CHARGES AND OTHER ASSETS</b>						
1280		Gilliland Lease Deposits	733,624.05	733,624.05	0.00	737,624.05
		Total Other Special Funds	733,624.05	733,624.05	0.00	737,624.05
1240		Other Investments				
		Club Memberships	8,301.00	8,301.00	0.00	8,301.00
		Herrington Industrial Development	250.00	250.00	0.00	250.00
		Windom Industrial Development	750.00	750.00	0.00	750.00
		Worthington Industries Inc	100.00	100.00	0.00	100.00
		Total Other Investments	9,401.00	9,401.00	0.00	9,401.00
1810		Unamortized Debt Expense				
		John Hancock Notes (11.2% through 12/30/02)	34,952.46	35,637.80	(685.34)	43,176.54
		John Hancock Notes (9.76% through 12/30/04)	78,025.32	79,263.82	(1,238.50)	92,887.32
		Var. Annuity Life Ins. (9.57% through 9/30/06)	64,244.36	64,920.61	(676.25)	72,359.36
		Var. Annuity Life Ins. (7.95% through 9/01/06)	31,713.43	32,047.26	(333.83)	35,719.39



**ATMOS ENERGY CORPORATION**  
**BALANCE SHEET ACCOUNTS**  
As of September 30, 1998

Line No.	Acct. No.	Description	Current Month	Prior Month	Current Change	September 30, 1997
		Var. Annuity Life Ins. (8.07% through 10/01/06)	81,283.55	82,121.52	(837.97)	91,339.19
		New York Life Ins. (8.26% through 10/01/14)	96,493.65	96,993.62	(499.97)	102,493.29
		First Mortgage Bonds (9.4% through 2021)	513,548.05	515,429.18	(1,881.13)	536,121.61
		MTD Series A - 1 (6.67% through 12/15/05)	212,831.73	213,480.91	(649.18)	220,621.89
		MTD Series A - 2 (6.27% through 12/19/10)	190,242.46	191,529.21	(1,286.75)	205,683.46
		MTD Series A - 3 (6.2% through 12/01/00)	20,989.85	21,743.70	(753.85)	30,036.05
		LTD Series N (8.69% through 3/01/00)	53,862.21	55,175.94	(1,313.73)	69,626.97
		LTD Series P (10.43% through 11/01/17)	234,296.40	235,315.08	(1,018.68)	246,520.56
		LTD Series Q (9.75% through 4/30/20)	258,930.93	259,917.40	(986.47)	270,768.57
		LTD Series R (11.32% through 5/01/04)	342,390.47	347,578.20	(5,187.73)	404,643.23
		LTD Series T (9.32% through 6/01/21)	116,570.39	116,998.96	(428.57)	121,713.23
		LTD Series U (8.77% through 5/01/22)	348,582.86	349,814.60	(1,231.74)	363,363.74
		LTD Series V (7.5% through 12/01/07)	135,862.28	137,093.91	(1,231.63)	150,641.84
		TNVA - AQ	0.00	118,103.93	(118,103.93)	143,924.01
		Debtures (6.75% through 7/15/28)	2,814,211.57	2,739,286.65	74,924.92	0.00
		Total Unamortized Debt Expense	5,629,031.97	5,692,452.30	(63,420.33)	3,201,640.25
		1840 Clearing Accounts				
		Ditchers & Backhoes	655.40	409.91	245.49	(37.22)
		Information Services	0.00	(78.61)	78.61	0.00
		Meter Loops	751.19	751.19	0.00	1,798.76
		Payroll/Taxes	22,677.24	22,677.42	(0.18)	(25,448.08)
		Vehicle System	(2,504.33)	263,611.36	(266,115.69)	(7.86)
		Welders	1,854.32	1,838.95	15.37	45.08
		Total Clearing Accounts	22,682.63	289,210.22	(266,527.59)	(23,709.32)
		1860 Miscellaneous Deferred Debits				
		Advanced Payments to Employees	412,760.58	18,587.52	394,173.06	218,605.61
		Kentucky PBR	10,169.57	10,169.57	0.00	0.00
		Car Allowance (Amort calendar year)	45,050.00	62,200.00	(17,150.00)	47,907.00
		Company Facilities:				
		Monroe Office	10,810.46	25,188.96	(14,378.50)	25,188.96
		Natchitoches Service Center (Reimbursable Upon Completion)	0.00	(6,951.48)	6,951.48	(7,435.32)
		Patacah Remodeling (Reimbursable Upon Completion)	97,503.81	97,503.81	0.00	97,503.81
		Thibodaux Office	0.00	40,548.42	(40,548.42)	38,357.48
		Odessa Service Center Remodel	0.00	14,732.44	(14,732.44)	0.00
		Consulting	50,000.00	13,333.33	36,666.67	80,000.00
		Danville Incident - KY	0.00	17,919.77	(17,919.77)	17,333.79
		Deferred Take or Pay - GGC	444,642.53	419,252.14	25,390.39	322,550.59

ATMOS ENERGY CORPORATION  
BALANCE SHEET ACCOUNTS  
As of September 30, 1998

Line Acct. No.	Description	Current Month	Prior Month	Current Change	September 30, 1997
	Drilling Permits	0.00	0.00	0.00	1,000.00
	Department Projects:				
	Add O&M Standards to ALMS	0.00	0.00	0.00	64,729.49
	Functional Standard Costing	0.00	0.00	0.00	24,101.43
	Gas Contract Management System	0.00	29,293.79	(29,293.79)	27,209.90
	Remote Paycenter Project	0.00	0.00	0.00	25,785.59
	Quality Review - CIS Project	0.00	0.00	0.00	245,383.88
	GGC ACH Cash Clearing	0.00	(27,426.98)	27,426.98	(784.36)
	GGC Cash Reconciliation	0.00	(691,783.21)	691,783.21	154.13
	Lincoln Center Rent	378,591.52	362,165.10	16,426.42	171,776.49
	Misc. Charges to be Cleared Currently	298,518.72	678,366.84	(379,848.12)	74,834.22
	Other Work in Progress	327,122.77	156,934.14	170,188.63	102,306.21
	Pension Assets - Atmos	459,487.00	(81,685.80)	541,172.80	(1,409,859.03)
	Pension Assets - WKG	11,703,506.71	12,069,922.71	(366,416.00)	11,294,519.94
	Pension Assets - GGC	(510,693.00)	(463,296.75)	(47,396.25)	(450,970.00)
	Pension Assets - UCG	(60,337.00)	1,380,518.00	(1,440,855.00)	0.00
	Rate Cases:				
	Texas Gas Rate Case	5,267.07	5,267.07	0.00	722.36
	Rate Case Exp - CO - Phase II (Amort \$1,225/mo. thru 12/98)	3,674.85	4,899.80	(1,224.95)	18,374.25
	Rate Case 95-010 - WKG (Amort \$6,828.50/mo. 11/95 thru 10/98)	6,828.37	13,656.87	(6,828.50)	88,770.37
	Rate Case - West Texas (Amort \$1,534.58/mo. thru 11/99)	19,949.40	21,483.98	(1,534.58)	38,364.36
	UCG Rate Cases:				
	IL Rate Case 1996 (Amort \$859.40/mo. Thru 8/02)	38,672.91	39,532.31	(859.40)	48,985.71
	KN Rate Case 1992 (Amort \$4,961.16/mo. Thru 9/98)	0.00	4,961.00	(4,961.00)	59,533.76
	TN Rate Case 1995 (Amort \$5,236.99/mo. Thru 11/98)	10,473.94	15,710.93	(5,236.99)	73,317.82
	IA Rate Case 1995 (Amort \$1,018.96/mo. Thru 5/01)	32,606.82	33,625.78	(1,018.96)	44,834.34
	VA Rate Case 1995 (Amort \$4,156.37/mo. Thru 9/98)	0.00	4,156.37	(4,156.37)	44,319.38
	GA Rate Case 1996 (Amort \$1,418.01/mo. Thru 12/00)	38,286.27	39,704.28	(1,418.01)	55,302.39
	MO Rate Case 1995 (Amort \$2,876.94/mo. Thru 10/98)	2,877.10	5,754.04	(2,876.94)	37,400.38
	KN Rate Case 1995 (Amort \$8,219.80/mo. Thru 9/98)	0.00	8,219.71	(8,219.71)	98,637.51
	South Carolina Rate Case	1,114.46	1,114.46	0.00	8,257.54
	Restricted Stock Grant Plan	4,770,047.85	4,882,771.80	(112,723.95)	3,117,164.34
	Retirement Cost (Rabbi Trusts and CVI)	22,399,479.34	22,238,645.25	160,834.09	21,209,828.66
	Trans La Lawsuit & COG Investigation (Amort \$27,000/mo 3/94 thru 2001)	962,572.73	962,572.73	0.00	1,259,572.73
	Trans La Post Settlement	182,773.59	182,773.59	0.00	153,746.06
	Acquisition Costs - Atmos	8,961,388.17	8,795,139.90	166,248.27	6,677,252.48
	Acquisition Costs - United Cities	14,468,500.32	14,468,500.32	0.00	13,869,229.87
	Conflict Costs	258,138.10	258,138.10	0.00	258,138.10
	Senn/Delaney Leadership	738,472.60	449,083.50	289,389.10	0.00
					(101)

**ATMOS ENERGY CORPORATION**  
**BALANCE SHEET ACCOUNTS**  
As of September 30, 1998

Line No.	Acct. No.	Description	Current Month	Prior Month	Current Change	September 30, 1997
		Atmos/UCG Integration	36,137,934.26	36,799,427.16	(661,492.90)	28,270,693.98
		Business Unit Review Meetings	0.00	6,025.95	(6,025.95)	0.00
		Regulatory Summit	0.00	1,931.82	(1,931.82)	0.00
		Five Year Plan Meetings	0.00	403,104.68	(403,104.68)	0.00
		Marketing Initiative	968,774.48	938,700.10	30,074.38	0.00
		Shared Services	604,789.80	478,289.80	126,500.00	0.00
		H R Study - Towers Perrin	1,445,833.31	741,188.98	704,644.33	0.00
		Diversity Council	0.00	20,901.02	(20,901.02)	0.00
		General Reserve - Accrual	(20,334,000.00)	(19,759,403.00)	(574,597.00)	(20,334,000.00)
		1998 Depreciation Study	35,955.00	21,605.00	14,350.00	0.00
		Payroll Redesign	0.00	48,322.86	(48,322.86)	0.00
		Year 2000 Project	47,701.87	44,121.45	3,580.42	0.00
		Oracle Financial Project	94,126.74	409,477.10	(315,350.36)	0.00
		TNVA - Acquisition	115,756.65	0.00	115,756.65	0.00
		Real Estate Dispositions	28,271.94	21,328.52	6,943.42	0.00
		Deferred Gas Cost	(270,488.93)	281,745.90	(552,234.83)	398,849.92
		UCG-Environmental	3,985,759.47	3,986,189.61	(430.14)	4,186,362.25
		UCG-Leak Survey	27,164.12	27,164.12	0.00	86,254.07
		UCG-Non Compete Agreement	1,190,138.71	1,245,576.23	(55,437.52)	1,655,388.95
		UCG - Energy Efficiency Program - IA	26,330.63	26,391.06	(60.43)	0.00
		Income Tax Recoverable in Future Years	0.00	0.00	0.00	3,456,443.33
		UCG KS Transition Cost	560,184.13	(329,466.61)	889,650.74	1,954,894.52
		UCG KS Capacity Rel Rev	38,714.19	16,410.19	22,304.00	(46,580.57)
		UCG-Conservation Program	133,239.45	133,239.45	0.00	339,579.47
		UCG-Conservation Program IA ( Amortize \$13,698.90/mo)	115,731.51	129,430.41	(13,698.90)	33,545.78
		<b>Total Miscellaneous Deferred Debits</b>	<b>91,520,174.89</b>	<b>92,252,905.91</b>	<b>(732,731.02)</b>	<b>78,373,383.92</b>
15		<b>Total Deferred Charges and Other Assets</b>	<b>97,914,914.54</b>	<b>98,977,593.48</b>	<b>(1,062,678.94)</b>	<b>82,298,339.90</b>
16		<b>TOTAL ASSETS</b>	<b>1,059,012,627.67</b>	<b>\$1,042,840,876.43</b>	<b>16,171,751.24</b>	<b>1,011,626,092.39</b>

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**ATMOS ENERGY CORPORATION**  
**BALANCE SHEET ACCOUNTS**  
As of September 30, 1998

Line No.	Acct. No.	Description	Current Month	Prior Month	Current Change	September 30, 1997
5		<u>SHAREHOLDERS' EQUITY</u>				
			334,258,291.84	333,343,768.99	914,522.85	302,292,130.73
6		<u>LONG-TERM DEBT</u>				
			435,163,308.00	437,163,308.00	(2,000,000.00)	297,303,308.00
7		<u>TOTAL CAPITALIZATION</u>				
			769,421,599.84	770,507,076.99	(1,085,477.15)	599,595,438.73
		<u>NOTES PAYABLE</u>				
		Amarillo National Bank	12,000,000.00	12,000,000.00	0.00	12,000,000.00
		NationsBank	20,000,000.00	0.00	20,000,000.00	140,600,000.00
		PNC Bank of Pittsburgh	0.00	0.00	0.00	7,800,000.00
		Societe Generale	34,400,000.00	22,300,000.00	12,100,000.00	0.00
8		Total Notes Payable	66,400,000.00	34,300,000.00	32,100,000.00	160,400,000.00

ACCOUNTS PAYABLE

2320	Accounts Payable	59,334.51	41,167.51	18,167.00	179,431.90
	Accrued Annual Report Costs	93,600.00	147,200.00	(53,600.00)	309,900.00
	Accrued Audit Fees	130,001.01	113,334.01	16,667.00	111,487.85
	Accrued Employee Awards	2,685,105.59	2,036,003.65	649,101.94	1,708,806.65
	Accrued Payroll Labor Distribution	527,955.87	527,955.87	0.00	527,955.87
	Accrued Vacation	12,537,608.41	15,557,855.09	(3,020,246.68)	8,174,807.26
	Estimated Gas Cost	1,161,249.04	159,736.76	1,001,512.28	334,402.02
	Def Cr Cleared Currently				
	DSM Program				
	DSM Program - KY - Accrual	363,305.79	276,147.29	87,158.50	250,000.00
	DSM Program - KY Payments	(363,305.79)	(211,237.10)	(152,068.69)	(217,687.77)
	Propane Payroll/Benefits	334,107.96	714,417.59	(380,309.63)	0.00
	Employees' AD & D Insurance	(21,463.93)	(16,052.47)	(5,411.46)	19,913.59
	Employees' College Donation Deductions	174.95	162.05	12.90	28.00
	Employees' Dependent Life Ins.	1,270.07	1,398.62	(128.55)	(21.00)
	Employees' Egaspac	27.50	27.50	0.00	55.00
	Employees' WKG Pac	1.84	1.84	0.00	377.25
	Employees' Trans La PAC	9.69	9.69	0.00	0.00
	Employees' Credit Union	229.38	229.38	0.00	64,398.70
	Employees' LTD Insurance	76,223.28	42,242.22	33,981.06	(27,513.07)
	Employees' Medical/Dental Insurance	1,745,153.99	2,794,629.93	(1,049,475.94)	2,856,074.11
	Employees' Supplemental Life Insurance	(76,869.40)	(51,728.20)	(25,141.20)	(2,184.92)
	Employees' United Way	(11,281.19)	(5,566.20)	(5,714.99)	1,725.18

ATMOS ENERGY CORPORATION  
BALANCE SHEET ACCOUNTS  
As of September 30, 1998

Line No.	Acct. No.	Description	Current Month	Prior Month	Current Change	September 30, 1997
		Employees' Universal Life Ins.	(2,420.45)	(2,110.63)	(309.82)	(104.25)
		Employees' U.S. Savings Bonds Deductions	2,827.21	6,028.33	(3,201.12)	6,410.06
		Employer's ESOP Contributions	110,285.71	110,285.71	0.00	87,652.07
		Employer's ESOP Other Expense	11,857.57	2,980.57	8,877.00	13,957.66
		Employees' ESOP Withholding	(219,101.28)	(219,101.28)	0.00	138,345.58
		Employees' Group Life Ins.	(3,819.25)	2,931.67	(6,750.92)	27,903.38
		Employees' 401K Withholding	109,974.26	(291,257.85)	401,232.11	278,784.71
		Employees' Union Dues Withholding	(3.00)	1,050.13	(1,053.13)	0.00
		KN Master Mtr Transfer	200,000.00	200,000.00	0.00	300,000.00
		Mailed Refunds	(73,027.17)	(219,881.01)	146,853.84	(33,578.15)
		SCT WIPS Accrual	1,850,000.00	0.00	1,850,000.00	0.00
		Miscellaneous Employee Insurance Accruals - GGC	(279.87)	(164.99)	(114.88)	(1,200.28)
		Miscellaneous Contingent Liabilities	0.00	0.00	0.00	509,331.40
		Net Payroll Payable	52,422.65	(270,967.91)	323,390.56	2,129,272.93
		Purchase Order Clearing	232,107.17	465,439.59	(233,332.42)	234,018.06
		Contract Retainage	115,882.52	155,879.17	(39,996.65)	259,868.44
		Unclaimed Property	388,182.30	377,811.61	10,370.69	108,890.30
		UCG Gas Payables	0.00	8,851.76	(8,851.76)	1,582,508.92
		Vouchers Payable	3,639,081.39	2,327,110.43	1,311,970.96	6,859,380.12
		Total Accrued Payables	25,656,408.33	24,782,820.33	873,588.00	26,793,397.57
		Gas Purchased - Accounts Payable				
		AMOCO	254,374.26	(84,959.99)	339,334.25	58,363.45
		ANR Pipeline Company	(9,991.14)	472,870.01	(482,861.15)	135,000.00
		KN Marketing	180,818.16	(289,336.18)	470,154.34	1,207,958.30
		Panenergy Trading/Market	0.00	(307,754.07)	307,754.07	174,795.17
		Natural Gas Clearinghouse	243,830.95	243,830.95	0.00	692,739.65
		City of Odessa - Purchase	15,000.00	0.00	15,000.00	5,000.00
		Coastal Gas Marketing	0.00	0.00	0.00	154,000.00
		Colorado Interstate Gas Company	130,519.56	130,519.56	0.00	132,731.89
		Colorado Natural Gas	0.00	0.00	0.00	78,344.67
		Engage Energy	107,335.32	17,222.89	90,112.43	0.00
		Costilla Petroleum Corp.	0.00	24,811.20	(24,811.20)	22,658.40
		Crescent Oil & Gas Company	0.00	0.00	0.00	17,241.95
		Diamond Shamrock	253,395.65	253,395.65	0.00	1,698,769.24
		Exchange Gas	(482,992.51)	(431,614.08)	(51,378.43)	(404,739.03)
		Gas Payable - LA Imbalance	45,135.84	45,142.00	(6.16)	45,714.17
		LG & E Natural Plains Energy	125,160.88	(32,981.88)	158,142.76	554,227.95
		Hugoton	6,253.80	4,751.96	1,501.84	8,264.75
		Interenergy Resource Corp.	0.00	(402,261.83)	402,261.83	122,552.36
		Kansas Pipeline Partners	3,928.76	39,994.18	(36,065.42)	3,280.57

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**ATMOS ENERGY CORPORATION**  
**BALANCE SHEET ACCOUNTS**  
As of September 30, 1998

Line No.	Acct. No.	Description	Current Month	Prior Month	Current Change	September 30, 1997
		Pennunion Energy Services	2,013.05	154,497.50	(152,484.45)	101,585.66
		PMN Energy Marketing	17.32	17.32	0.00	0.00
		Kimball Energy Corp.	199.94	85,999.94	(85,800.00)	49,695.82
		United Gas Services	65,289.70	183.76	65,105.94	61,386.95
		KN Energy	269,825.93	233,735.30	36,090.63	28,439.97
		K N Gas Supply Services	0.00	0.00	0.00	85,337.69
		KPL Gas Services	21,778.21	21,778.21	0.00	22,275.61
		LIG Imbalance	(780,062.36)	(855,085.50)	75,023.14	0.00
		Local Gas Production	14,469.26	15,125.67	(656.41)	159,402.62
		Local Gas Purchases - Fremont County	188,891.14	141,434.92	47,456.22	274,824.95
		Louisiana Intrastate Gas Corp.	222,424.85	4,800.20	217,624.65	343,409.77
		Pioneer Natural Resources Co.	537,521.93	524,789.38	12,732.55	848,830.50
		Midcon Gas Services Corp.	0.00	0.00	0.00	893.25
		Mid-Louisiana Gathering	0.00	0.00	0.00	466.02
		Moffat Pipeline Corp.	0.00	0.00	0.00	9,811.97
		Noble Gas Marketing	(163,332.00)	(175,112.00)	11,780.00	0.00
		Noram Energy Services	7,399,907.30	0.00	7,399,907.30	0.00
		Noram Gas Transm Corp	0.00	2,688,814.55	(2,688,814.55)	7,000.23
		Oxy U.S.A., Inc.	0.00	0.00	0.00	101.50
		CMS Marketing Services	104,160.00	104,160.00	0.00	0.00
		Peoples Natural Gas	0.00	(14,476.79)	14,476.79	(5,307.85)
		Pipeline Refunds - GGC	787,945.34	668,290.76	119,654.58	470,641.21
		Pipeline Refunds - Trans La (LIG)	753,522.64	758,308.64	(4,786.00)	9,789,532.64
		Pipeline Refunds - WKG	397,559.15	406,662.52	(9,103.37)	1,322,632.19
		Public Service	197,222.42	58,594.76	138,627.66	363,065.98
		Westar Gas Marketing	0.00	0.00	0.00	91,647.28
		Schreider & Company, Inc.	(15,000.00)	0.00	(15,000.00)	0.00
		Sonat Marketing	10,113.95	(219,663.97)	229,777.92	7,375.55
		Tennessee Gas Pipeline	233,980.50	222,638.58	11,341.92	259,695.35
		Texaco, Inc.	(253,375.65)	(356,695.65)	103,320.00	785,502.00
		Texas Gas Transmission	1,242,129.45	1,212,693.20	29,436.25	1,242,989.87
		Trunkline Gas Company	30,172.33	2,462.98	27,709.35	2,321.16
		Tuscaloosa Pipeline Company	0.00	0.00	0.00	7,836.04
		Wild Horse Energy Partners	4,280.00	4,280.00	0.00	0.00
		Williams Energy Services	91,423.87	2,860,831.39	(2,769,407.52)	129,674.70
		Williams Natural Gas Company	0.00	0.00	0.00	330,024.51
		WKG Supplier Imbalance	19,978.06	20,938.68	(960.62)	29,718.34
		Transportation Bank Gas	244,550.36	273,801.13	(29,250.77)	782,886.61
		Woodward Marketing	(474,563.46)	(1,991,178.76)	1,516,615.30	2,125,826.36
		Union Pacific Fuels	(468.51)	(1,277,511.53)	1,277,043.02	2,136,910.37
		Natural Gas Clearinghouse	0.00	0.00	0.00	(234,603.04)

**ATMOS ENERGY CORPORATION**  
**BALANCE SHEET ACCOUNTS**  
 As of September 30, 1998

Line No.	Acct. No.	Description	Current Month	Prior Month	Current Change	September 30, 1997
		UCG Accrued Gas Cost Payables	(1,852,889.60)	(2,089,327.33)	236,437.73	0.00
		UCG Gas Purchase Payables	1,018,467.91	412,596.91	605,871.00	52,054.90
		Pro Energy	(269,984.81)	(269,984.81)	0.00	0.00
		E Prime	0.00	(8,481.60)	8,481.60	0.00
		HS Energy Services, Inc.	13,650.00	(51,177.60)	64,827.60	0.00
		Aquila Energy	0.00	0.00	0.00	0.00
		Akawa Natural Gas	39,666.39	0.00	39,666.39	0.00
		<b>Total Gas Purchased Payable</b>	<b>10,974,254.14</b>	<b>3,252,371.13</b>	<b>7,721,883.01</b>	<b>26,390,790.17</b>
		2410 Tax Collections Payable				
		Astor Sales Tax	0.00	(4,449.77)	4,449.77	(4,449.77)
		Astor Franchise Tax	0.00	33,812.79	(33,812.79)	33,812.79
		City Franchise Fees - Louisiana	43,943.25	45,202.65	(1,259.40)	0.00
		City Sales Tax - Canon City	2,318.27	(12,628.13)	14,946.40	330.84
		City Sales Tax - Durango	2,281.29	(10,079.38)	12,360.67	2,614.46
		City Sales Tax - Mount Crested Butte	269.90	(151.44)	421.34	1,536.18
		City Sales Tax - Steamboat Springs	4,978.45	(15,344.19)	20,322.64	9,684.81
		City Sales/Use Tax	0.00	201,610.06	(201,610.06)	739,417.32
		City Sales/Use Tax - Cortez	2,081.18	(8,265.48)	10,346.66	2,708.80
		City Sales/Use Tax - Greeley	14,167.31	(75,065.59)	89,232.90	13,958.94
		City Sales/Use Tax - Gunnison	0.00	(21.50)	21.50	107.24
		City Sales/Use Tax - Lamar	2,123.57	(6,636.28)	8,759.85	2,273.62
		City & Parish Sales Tax - Louisiana	0.00	(8.94)	8.94	(9.65)
		County City/Use Tax - Prowers	0.00	112.79	(112.79)	210.99
		County Sales/Use Tax	0.00	(58,203.22)	58,203.22	10,277.10
		County Use Tax - Fremont	0.00	456.18	(456.18)	499.93
		Employees' Federal Income Tax Withheld	(90,893.82)	(90,912.85)	19.03	649,187.30
		Employees' FICA Tax	(228,690.77)	(228,690.77)	0.00	258,043.85
		Employees' Local Tax Withheld - KY	18,083.38	13,835.25	4,248.13	29,424.88
		Employees' State Income Tax Withheld - Alabama	(56.72)	(56.72)	0.00	0.00
		Employees' State Income Tax Withheld - North Carolina	371.61	371.61	0.00	371.61
		Employees' State Income Tax Withheld - South Carolina	(1,931.20)	(1,931.20)	0.00	123.11
		Employees' State Income Tax Withheld - Colorado	(2,694.66)	8,173.13	(10,867.79)	15,877.08
		Employees' State Income Tax Withheld - Illinois	29.71	29.71	0.00	29.71
		Employees' State Income Tax Withheld - Indiana	446.70	446.70	0.00	146.59
		Employees' State Income Tax Withheld - Georgia	16,630.04	14,167.87	2,462.17	20,595.46
		Employees' State Income Tax Withheld - Iowa	2,439.01	2,760.09	(321.08)	2,861.75
		Employees' State Income Tax Withheld - Kansas	(2,172.26)	(2,103.10)	(69.16)	6,188.49
		Employees' State Income Tax Withheld - Kentucky	16,236.69	43,143.63	(26,906.94)	95,369.34
		Employees' State Income Tax Withheld - Louisiana	4,674.18	4,696.03	(21.85)	12,678.35

**ATMOS ENERGY CORPORATION**  
**BALANCE SHEET ACCOUNTS**  
As of September 30, 1998

Line No.	Acct. No.	Description	Current Month	Prior Month	Current Change	September 30, 1997
		Employees' State Income Tax Withheld - Missouri	8,494.67	8,399.67	95.00	4,365.49
		Employees' State Income Tax Withheld - Ohio	245.15	245.15	0.00	155.14
		Employees' State Income Tax Withheld - Virginia	3,471.77	3,471.77	0.00	0.00
		Payroll Withholding - Propane	186,631.24	(215,016.01)	401,647.25	0.00
		Franchise Tax Collected - South Carolina	4,219.60	4,842.87	(623.27)	3,181.18
		Franchise Tax Collected - Colorado	149,316.79	144,758.96	4,557.83	161,783.77
		Franchise Tax Collected - Georgia	128.00	(258,966.08)	259,094.08	(170,109.57)
		Franchise Tax Collected - Illinois	(1,243.52)	13,968.77	(15,212.29)	9,175.80
		Franchise Tax Collected - Kansas	201,013.07	492,171.96	(291,158.89)	47,495.98
		Franchise Tax Collected - Kentucky	59,897.05	50,742.16	9,154.89	44,798.56
		Franchise Tax Collected - Louisiana	28,400.67	16,158.99	12,241.68	74,426.73
		Franchise Tax Collected - Missouri	(8,021.18)	3,443.14	(11,464.32)	6,301.08
		Franchise Tax Collected - Tennessee	1,087,736.04	1,123,235.85	(35,499.81)	886,132.49
		Franchise Tax Collected - Virginia	21.53	21.53	0.00	14.14
		Local Tax - Colorado	313.25	313.25	0.00	149.50
		Occupational Tax Collections	167,199.64	171,699.64	(4,500.00)	21,763.20
		State Sales Tax - North Carolina	0.00	(412.86)	412.86	169.48
		State Sales Tax - South Carolina	2,292.00	91,735.56	(89,443.56)	17,999.25
		State Sales Tax - Colorado	140,266.32	185,936.59	(45,670.27)	85,057.13
		State Sales Tax - Georgia	147,622.40	471,472.91	(323,850.51)	18,474.16
		State Sales Tax - Illinois	803.00	(14,958.60)	15,761.60	(9,318.17)
		State Sales Tax - Iowa	0.00	(51,316.44)	51,316.44	(2,687.30)
		State Sales Tax - Kansas	(5,590.54)	219,221.86	(224,812.40)	27,934.83
		State Sales Tax - Kentucky	70,981.15	129,472.00	(58,490.85)	123,327.75
		State Sales Tax - Louisiana	(733.88)	(11,047.51)	10,313.63	17,311.93
		State Sales Tax - Mississippi	940.98	44,612.95	(43,671.97)	17,721.11
		State Sales Tax - Tennessee	103,007.04	317,615.70	(214,608.66)	157,111.92
		State Sales Tax - Texas	46,466.63	(420,021.76)	466,488.39	(69,631.80)
		State Use Tax - Virginia	6,918.69	(1,166.68)	8,085.37	(3,499.05)
		State Use Tax - Kansas	2,713.17	858.82	1,854.35	638.66
		Utility School Tax (Remit monthly)	97,798.63	(13,152.21)	110,950.84	47,730.41
		Illinois Asst Chg	(77,009.40)	(77,009.40)	0.00	0.00
		Gross Receipts	51,060.78	146,276.50	(95,215.72)	(5,720.69)
		Consumer Tax	0.00	171,435.54	(171,435.54)	2,531.29
		ICC Sup Fee	(51,001.52)	(51,001.52)	0.00	(40,127.65)
		Illinois Energy Assistance Tax	0.00	(14,728.50)	14,728.50	0.00
		Total Tax Collections Payable	<u>2,228,994.33</u>	<u>2,537,584.50</u>	<u>(308,590.17)</u>	<u>3,378,527.88</u>
9		Total Accounts Payable	<u>38,859,656.80</u>	<u>30,572,775.96</u>	<u>8,286,880.84</u>	<u>56,562,715.62</u>

ACCRUED TAXES



**ATMOS ENERGY CORPORATION**  
**BALANCE SHEET ACCOUNTS**  
As of September 30, 1998

Line No.	Acct. No.	Description	Current Month	Prior Month	Current Change	September 30, 1997
2360		Accrued Taxes - Other				
		Ad Valorem	9,425,980.71	9,778,043.10	(352,062.39)	9,665,026.89
		CNG Use Tax - Kentucky	(350.90)	(352.78)	1.88	0.00
		Employer's Denver City Tax	(864.73)	(788.73)	(76.00)	104.00
		Employer's FICA Tax	(60,146.31)	(60,146.31)	0.00	235,029.75
		Federal Motor Fuel Tax-CNG	(8,353.52)	(9,155.12)	801.60	(8,448.90)
		Franchise - City	509,300.46	1,137,449.70	(628,149.24)	408,345.05
		Louisiana State Supervision & Inspection	3,309.71	5,616.94	(2,307.23)	(3,183.38)
		Parish & City Use Tax - Louisiana	1,683.00	924.98	758.02	6,363.31
		Severance Tax	(96,181.46)	(87,579.72)	(8,601.74)	(7,737.26)
		State Franchise Tax - Texas	217,989.29	492,957.68	(274,968.39)	462,957.68
		State Gross Receipts	(102,463.13)	(532,063.22)	429,600.09	41,357.44
		State Transportation Tax - Texas	1,313.26	279.46	1,033.80	2,784.31
		State Use Tax - Louisiana	0.00	456.66	(456.66)	2,995.15
		Unemployment Tax - Federal	12,267.35	11,327.51	939.84	2,582.41
		Unemployment Tax - State - North Carolina	69.49	69.49	0.00	359.03
		Unemployment Tax - State - South Carolina	818.60	818.60	0.00	(22.52)
		Unemployment Tax - State - Colorado	127.31	127.31	0.00	149.25
		Unemployment Tax - State - Georgia	2,602.42	2,601.76	0.66	1,793.42
		Unemployment Tax - State - Illinois	1,097.21	1,097.21	0.00	3,040.21
		Unemployment Tax - State - Iowa	(1,267.01)	(1,271.14)	4.13	(125.67)
		Unemployment Tax - State - Kansas	18,590.95	18,590.95	0.00	18,590.95
		Unemployment Tax - State - Missouri	1,949.88	1,928.41	21.47	701.96
		Unemployment Tax - State - Tennessee	97,604.00	97,586.00	18.00	12,098.62
		Unemployment Tax - State - Kentucky	39.95	27.41	12.54	946.14
		Unemployment Tax - State - Louisiana	317.10	317.10	0.00	(4.67)
		Unemployment Tax - State - Texas	4,730.09	3,710.54	1,019.55	616.47
		Unemployment Tax - State - Virginia	118.57	117.46	1.11	1,094.18

**ATMOS ENERGY CORPORATION**  
**BALANCE SHEET ACCOUNTS**  
**As of September 30, 1998**

Line No.	Acct. No.	Description	Current Month	Prior Month	Current Change	September 30, 1997
		Use Tax (City & State) - Texas	0.00	150,293.76	(150,293.76)	76,522.75
		Tennessee Use Tax (City & State)	0.00	46,630.65	(46,630.65)	59,131.17
		Virginia Use Tax (City & State)	26,381.07	4,180.13	22,200.94	3,092.79
		Iowa Use Tax (City & State)	0.00	1,694.53	(1,694.53)	555.68
		Kansas Use Tax (City & State)	0.00	4,745.56	(4,745.56)	21,197.43
		Illinois Use Tax (City & State)	0.00	3,343.01	(3,343.01)	10,599.21
		South Carolina Use Tax (City & State)	(31.61)	(51.30)	19.69	0.00
		Georgia Use Tax (City & State)	0.00	5,877.90	(5,877.90)	7,801.62
		Missouri Use Tax (City & State)	0.00	6,211.21	(6,211.21)	18,975.79
		Illinois Energy Assistance Tax	0.00	(4,523.40)	4,523.40	0.00
		Virginia License	(7,921.43)	(19,816.43)	11,895.00	(23,498.99)
10		Total Accrued Taxes	<u>10,048,710.32</u>	<u>11,061,276.87</u>	<u>(1,012,566.55)</u>	<u>11,021,791.27</u>
<u>INCOME TAXES PAYABLE</u>						
	2360	Accrued Income Taxes				
		Accrued Income Taxes - Federal	(10,191,185.21)	(1,883,233.77)	(8,307,951.44)	(14,989,277.95)
		Accrued Income Taxes - State	<u>5,771,431.56</u>	<u>(2,013,849.16)</u>	<u>7,785,280.72</u>	<u>(3,242,443.06)</u>
11		Total Income Taxes Payable	<u>(4,419,753.65)</u>	<u>(3,897,082.93)</u>	<u>(522,670.72)</u>	<u>(18,231,721.01)</u>
<u>DIVIDEND DECLARED</u>						
12	2380	Dividend Declared	<u>0.00</u>	<u>8,023,765.67</u>	<u>(8,023,765.67)</u>	<u>0.00</u>

**ATMOS ENERGY CORPORATION**  
**BALANCE SHEET ACCOUNTS**  
**As of September 30, 1998**

Line No.	Acct. No.	Description	Current Month	Prior Month	Current Change	September 30, 1997
<u>CUSTOMERS' DEPOSITS</u>						
2350		Customers' Deposits				
		Customers' Deposits - Colorado	2,627,946.90	2,628,334.85	(387.95)	3,256,848.10
		Customers' Deposits - Kentucky	1,309,000.11	1,375,447.87	(66,447.76)	1,792,539.06
		Customers' Deposits - Louisiana	1,272,355.50	1,299,233.80	(26,878.30)	1,472,377.99
		Customers' Deposits - Texas	1,823,885.36	1,895,225.80	(71,340.44)	2,765,269.87
		Customers' Deposits - Tennessee	2,238,055.86	2,348,518.31	(110,462.45)	2,586,527.54
		Customers' Deposits - Georgia	1,493,232.52	1,547,017.52	(53,785.00)	1,730,410.25
		Customers' Deposits - Kansas	734,607.50	760,302.95	(25,695.45)	847,351.50
		Customers' Deposits - Virginia	213,096.48	222,907.48	(9,811.00)	257,620.13
		Customers' Deposits - South Carolina	92,730.45	101,142.45	(8,412.00)	117,740.93
		Customers' Deposits - Illinois	82,507.83	88,076.83	(5,569.00)	98,142.12
		Customers' Deposits - Iowa	44,609.39	45,637.39	(1,028.00)	61,687.52
		Customers' Deposits - Missouri	38,152.36	40,796.36	(2,644.00)	52,478.26
13		Total Customers' Deposits	11,970,180.26	12,352,641.61	(382,461.35)	15,038,993.27
<u>OTHER CURRENT LIABILITIES</u>						
2370		Interest Accrued				
		Commitment Fee	2,792.01	12,804.43	(10,012.42)	1,251.00
		Customers' Deposits - Colorado	520,499.05	508,579.34	11,919.71	481,751.04
		Customers' Deposits - Kentucky	42,401.19	38,424.86	3,976.33	63,697.94
		Customers' Deposits - Louisiana	34,000.89	29,489.97	4,510.92	44,735.02
		Customers' Deposits - Texas	60,176.80	53,874.66	6,302.14	96,217.80
		Customers' Deposits - Kansas	42,122.46	40,387.35	1,735.11	28,837.04
		Customers' Deposits - Tennessee	517,585.68	531,055.82	(13,470.14)	537,596.24
		Customers' Deposits - Illinois	3,876.27	3,767.26	109.01	2,169.18
		Customers' Deposits - South Carolina	8,702.56	8,936.29	(233.73)	6,839.62
		Customers' Deposits - Georgia	465,479.12	470,407.83	(4,928.71)	484,917.47
		Customers' Deposits - Virginia	28,884.46	29,570.59	(686.13)	31,853.60
		Customers' Deposits - Missouri	1,895.20	1,919.06	(23.86)	1,431.99
		Customers' Deposits - Iowa	3,577.89	3,357.92	219.97	2,623.83
		Long-Term Debt	9,148,599.09	7,711,741.65	1,436,857.44	7,565,754.68
		Notes Payable	5,187.75	4,942.56	245.19	37,918.65
		Total Interest Accrued	10,885,780.42	9,449,259.59	1,436,520.83	9,387,595.10

**ATMOS ENERGY CORPORATION**  
**BALANCE SHEET ACCOUNTS**  
As of September 30, 1998

Line No.	Acct. No.	Description	Current Month	Prior Month	Current Change	September 30, 1997
	2420	Misc. Current & Accrued Liabilities				
		Accrued Liability Bud Adv Payment	0.00	0.00	0.00	6,280,210.94
		Separation/Integration Costs	0.00	0.00	0.00	17,000,000.00
		UCG-Accrued 401K (20%)	199,508.94	1,895,016.31	(1,695,507.37)	0.00
		UCG Exchange Gas	46,122.74	46,122.74	0.00	47,450.64
		UCG P/L Refunds	1,487,101.86	16,607,077.22	(15,119,975.36)	0.00
		UCG Pensions	0.00	(3,996.49)	3,996.49	0.00
		Capacity Release Credits	(79,934.86)	(79,934.86)	0.00	(79,934.86)
		FAS 106 - OPEB	5,335,168.67	8,042,163.99	(2,706,995.32)	5,246,416.08
		Performance Plan	2,420,109.15	2,033,838.15	386,271.00	1,450,000.00
		UPFI Exchange	(4,060.00)	(4,060.00)	0.00	0.00
		UPFI Exchange #2	(8,625.00)	(8,625.00)	0.00	0.00
		Texas Gas Storage	3,499,566.30	5,055,122.37	(1,555,556.07)	3,166,826.76
		Reimbursement Accounts	0.00	5,690.06	(5,690.06)	0.00
		Dealer Program	0.00	22,770.68	(22,770.68)	19,298.98
		UCG Tax Payments	(79,765.71)	(1,675,834.71)	1,596,069.00	0.00
		Customer Relations	409,211.74	225,000.00	184,211.74	231,865.87
		Customer Relations 97	243,648.56	243,648.56	0.00	244,350.00
		LGA	5,031.99	5,514.64	(482.65)	446.50
		UCG Environmental	1,457,399.76	1,814,799.76	(357,400.00)	2,132,034.40
		UCG Stock Appreciation Rights	76,947.50	76,947.50	0.00	76,947.50
		Income Tax Payable at Future Rates	427,904.00	427,904.00	0.00	5,004,714.07
		Accrued Liability Com & Ind Markets	20,000.00	157,218.00	(137,218.00)	150,217.73
		Total Misc. Current & Accrued Liabilities	<u>15,455,335.64</u>	<u>34,886,382.92</u>	<u>(19,431,047.28)</u>	<u>40,970,844.61</u>
	2620	Self Insurance Reserve				
		General Liability	2,550,000.00	2,550,000.00	0.00	1,000,000.00
		Auto Liab. (Each \$50M Claim Amortized over 12 months)	(300,006.00)	(333,340.00)	33,334.00	950,000.00
		Gen. Liab. (Each \$50M Claim Amortized over 12 months)	(1,194,828.92)	(166,847.44)	(1,027,981.48)	0.00
		Workers Compensation	1,766,000.00	1,765,383.00	617.00	2,194,347.43
		Total Self Insurance Reserve	<u>2,821,165.08</u>	<u>3,815,195.56</u>	<u>(994,030.48)</u>	<u>4,144,347.43</u>
14		Total Other Current Liabilities	<u>29,162,281.14</u>	<u>48,150,838.07</u>	<u>(18,988,556.93)</u>	<u>54,502,787.14</u>
16		Total Current Liabilities	<u>152,021,074.87</u>	<u>140,564,215.25</u>	<u>11,456,859.62</u>	<u>279,294,566.29</u>

**ATMOS ENERGY CORPORATION**  
**BALANCE SHEET ACCOUNTS**  
As of September 30, 1998

Line No.	Acct. No.	Description	Current Month	Prior Month	Current Change	September 30, 1997
<u>DEFERRED INCOME TAXES</u>						
	282	Deferred Federal Income Taxes	68,786,633.53	74,364,683.78	(5,578,050.25)	49,352,661.44
	283	Deferred State Income Taxes	5,783,142.45	6,627,598.52	(844,456.07)	31,976,155.97
17		Total Deferred Income Taxes	<u>74,569,775.98</u>	<u>80,992,282.30</u>	<u>(6,422,506.32)</u>	<u>81,328,817.41</u>
<u>DEFERRED CREDITS AND OTHER LIABILITIES</u>						
	2520	Customer Advances for Construction	10,792,398.17	10,793,913.10	(1,514.93)	10,072,053.09
	2530	Other Deferred Credits				
		Advance from UP Alliance	0.00	225,000.00	(225,000.00)	0.00
		Directors' Fees	192,011.12	0.00	192,011.12	0.00
		Outside Directors' Retirement Plan	1,415,689.70	1,596,667.50	(180,977.80)	408,693.89
		FAS 106 - OPEB	17,815,410.78	6,675,352.61	11,140,058.17	6,171,915.61
		FAS 109 - Regulatory Liability / Protected	2,188,407.26	2,291,234.63	(102,827.37)	2,291,234.63
		KN Master Mtr Transfer	0.00	0.00	0.00	200,000.00
		Protected Excess Deferred Tax - GGC	193,150.58	221,780.62	(28,630.04)	221,780.62
		Regulatory Liability - ITC - GGC	332,328.45	392,454.15	(60,125.70)	4,056,864.42
		Rent Amortization - Lafayette Office	92,749.90	126,742.97	(33,993.07)	160,546.89
		Retirement Cost	23,819,672.20	22,730,231.61	1,089,440.59	20,590,905.84
		Greenville Office Sublease	2,400.00	2,400.00	0.00	0.00
		UCG-Deferred Tax Recovery	2,165,562.21	1,426,165.89	739,396.32	6,421,774.16
		Total Other Deferred Credits	<u>48,217,382.20</u>	<u>35,688,029.98</u>	<u>12,529,352.22</u>	<u>40,523,716.06</u>
	2550	Deferred Credits - Accrued I.T.C	3,990,396.61	4,295,358.81	(304,962.20)	811,500.81
18		Total Deferred Credits and Other Liab.	<u>63,000,176.98</u>	<u>50,777,301.89</u>	<u>12,222,875.09</u>	<u>51,407,269.96</u>
19		TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	<u>1,059,012,627.67</u>	<u>1,042,840,876.43</u>	<u>16,171,751.24</u>	<u>1,011,626,092.39</u>

ATMOS ENERGY CORPORATION UTILITY BUSINESS UNITS  
 CONSOLIDATED OPERATING REVENUE AND STATISTICS  
 FOR THE MONTH AND YEAR TO DATE ENDED 09/30/98

Line No.	Description (a)	Current Month		Year to Date		
		Actual (b)	Budget (c)	Prior Year Actual (d)	Budget (f)	Prior Year Actual (g)
1	Degree Days	9	35	22	3,989	3,909
Meters in service (1)						
2	Residential	889,074	N/A	870,747	N/A	870,799
3	Commercial	94,302		92,703		93,552
4	Industrial	1,884		1,926		1,921
5	Public Authority & Other	4,834		4,781		4,777
6	Agricultural	14,438		15,291		16,060
7	Total meters in service	1,004,532	N/A	985,448	N/A	987,109
Utility Sales Customers - Regulated (1)						
8	Residential	861,389	N/A	846,378	N/A	852,419
9	Commercial	89,682		88,895		90,771
10	Industrial	1,368		1,466		1,397
11	Public Authority & Other	3,572		3,536		3,530
12	Agricultural	304		300		304
13	Total Regulated Sales Customers	956,315	N/A	940,575	N/A	948,421
Utility Sales Customers - Non Regulated (1)						
14	Industrial	195	N/A	184	N/A	187
15	Agricultural	6,382		6,599		6,669
16	Total Non Regulated Sales Customers	6,577	N/A	6,783	N/A	6,856
17	Total Sales Customers (1)	962,892	N/A	947,358	N/A	955,277
18	Transportation Customers (1) (2)	714	N/A	615	N/A	556
19	Total Utility Customers (1) (2)	963,606	N/A	947,973	N/A	955,833
Utility Gas Volumes Sold - Regulated (mcf as metered)						
20	Residential	1,278,067	N/A	1,712,985	N/A	75,000,424
21	Commercial	1,217,419		1,221,941		31,277,540
22	Industrial	2,227,749		1,699,935		26,655,063
23	Public Authority & Other	138,390		155,597		5,171,168
24	Agricultural	80,519		42,858		890,007
25	Unbilled	551,000		395,996	(42,895)	377,020
26	Total Regulated Gas Volumes	5,493,143	NA	5,229,312	NA	145,371,222
Utility Gas Volumes Sold - Non Regulated (mcf as metered)						
27	Industrial	453,703	N/A	506,663	N/A	6,093,668
28	Agricultural	904,225		936,855		12,742,744
29	Total Non Regulated Gas Volumes	1,357,928	NA	1,443,518	NA	18,836,412
30	Total Gas Volumes Sold	6,851,071	N/A	6,672,830	N/A	164,207,634
31	Transport volumes (mcf as metered) (2)	5,788,836	N/A	3,900,160	N/A	48,800,408
32	Total Operating Volumes (2)	12,639,907	N/A	10,572,990	N/A	213,008,042

N/A = Not Available

**ATMOS ENERGY CORPORATION UTILITY BUSINESS UNITS  
CONSOLIDATED OPERATING REVENUE AND STATISTICS  
FOR THE MONTH AND YEAR TO DATE ENDED 09/30/98**

Line No.	Description (a)	Current Month			Year to Date		
		Actual (b)	Budget (c)	Prior Year Actual (d)	Actual (e)	Budget (f)	Prior Year Actual (g)
1	Utility Gas Sales Revenue - Regulated						
2	Residential	\$ 10,978,226.78	N/A	\$ 12,885,834.95	\$ 421,190,245.43	N/A	\$ 432,560,636.33
3	Commercial	5,819,300.54		6,575,571.56	189,272,348.49		193,043,471.39
4	Industrial	7,152,248.26		6,279,225.66	89,181,516.19		106,395,802.89
5	Public Authority & Other	595,184.41		750,861.54	21,217,138.05		23,898,057.49
6	Agricultural	239,667.90		138,471.65	2,790,481.30		2,844,892.07
7	Unbilled	4,938,331.32		3,009,129.00	(16,592,086.38)		20,515,699.00
	Total Regulated Gas Sales Revenue	29,722,959.21	N/A	29,639,094.36	707,059,643.08	N/A	779,258,559.17
8	Utility Gas Sales Revenue - Non Regulated						
9	Industrial	1,407,216.25	N/A	1,518,545.71	17,405,357.59	N/A	18,172,168.47
10	Agricultural	2,769,437.25		3,196,599.79	52,005,729.78		40,809,723.48
	Total Non Regulated Gas Sales Revenue	4,176,653.50	N/A	4,715,145.50	69,411,087.37	N/A	58,981,891.95
11	Total Utility Gas Sales Revenue	33,899,612.71	31,597,000.00	34,354,239.86	776,470,730.45	840,878,000.00	838,240,451.12
12	Other Gas Revenue	577,961.19	224,000.00	462,189.76	8,100,917.33	6,490,000.00	6,594,731.02
13	Total Utility Gas Revenue	34,477,573.90	31,821,000.00	34,816,429.62	784,571,647.78	847,368,000.00	844,835,182.14
14	Transportation Revenue (2)	(587,388.98)	1,596,000.00	1,705,159.68	23,958,856.32	18,895,000.00	19,885,045.14
15	Other Operating Revenue	5,165.00	0.00	0.00	19,835.00	0.00	0.00
16	Total Utility Operating Revenue (2)	33,895,349.92	33,417,000.00	36,521,589.30	808,550,339.10	866,263,000.00	864,720,227.28
17	Utility Purchased Gas Cost						
18	Regulated	\$ 13,195,313.42	N/A	\$ 17,044,379.23	\$ 439,371,065.41	N/A	\$ 505,710,234.72
19	Non Regulated	2,693,417.75	N/A	4,110,674.57	58,297,031.98	N/A	50,931,867.18
20	Eliminations	(65,234.22)	N/A	(147,161.53)	(1,947,787.37)	N/A	(2,169,926.27)
	Total Purchased Gas Cost	15,823,496.95	19,702,000.00	21,007,892.27	495,720,310.02	548,378,000.00	554,472,175.63
21	Gas Sales Margin - Regulated (3)	\$ 16,527,645.79	N/A	\$ 12,594,715.13	\$ 267,688,577.67	N/A	\$ 273,548,324.45
22	Gas Sales Margin - Non Regulated (4)	1,483,235.75	N/A	604,470.93	11,114,055.39	N/A	8,050,024.77
23	Gas Sales Margin - Total (5)	18,016,115.76	11,895,000.00	13,346,347.59	280,750,420.43	292,500,000.00	283,768,275.49
24	Margin per MCF Sold - Regulated (6)	\$ 3.01	N/A	\$ 2.41	\$ 1.96	N/A	\$ 1.88
25	Margin per MCF Sold - Non Regulated (6)	1.09	N/A	0.42	0.49	N/A	0.43
26	Margin per MCF Sold - Total (6)	2.64	N/A	2.00	1.76	N/A	1.73

N/A = Not Available

- (1) The current month reflects the actual for the respective period as per the Meter Inventory Mgmt System, year to date reflects the average for the respective period.
- (2) Reflects intercompany eliminations.
- (3) Regulated gas sales revenue minus regulated gas costs.
- (4) Non regulated gas sales revenue minus non regulated gas costs.
- (5) Total gas sales revenue minus total gas costs.
- (6) Gas sales margin divided by gas sales volumes as metered.

WESTERN KENTUCKY GAS UTILITY BUSINESS UNIT  
 CONSOLIDATED OPERATING REVENUE AND STATISTICS  
 FOR THE MONTH AND YEAR TO DATE ENDED 09/30/98

Line No.	Description (a)	Current Month		Prior Year Actual		Actual (e)	Budget (f)	Prior Year Actual (g)
		Actual (b)	Budget (c)	29	11			
1	Degree Days	3		29	11	3,771	4,333	4,178
Meters in service (1)								
2	Residential	156,107	N/A	154,219		155,846	N/A	153,720
3	Commercial	18,000		17,706		18,035		17,689
4	Industrial	442		460		426		464
5	Public Authority & Other	1,579		1,573		1,585		1,559
6	Agricultural	0		0		0		0
7	Total meters in service	176,128	N/A	173,958		175,892	N/A	173,432
Utility Sales Customers - Regulated (1)								
8	Residential	150,133	N/A	147,139		151,820	N/A	149,331
9	Commercial	17,038		16,673		17,411		17,080
10	Industrial	289		308		295		316
11	Public Authority & Other	1,566		1,554		1,574		1,550
12	Agricultural	0		0		0		0
13	Total Regulated Sales Customers	169,026	N/A	165,674		171,100	N/A	168,277
Utility Sales Customers - Non Regulated (1)								
14	Industrial	0		0		0		0
15	Agricultural	0		0		0		0
16	Total Non Regulated Sales Customers	0		0		0		0
17	Total Sales Customers (1)	169,026	N/A	165,674		171,100	N/A	168,277
18	Transportation Customers (1) (2)	101		117		95		77
19	Total Utility Customers (1) (2)	169,127	N/A	165,791		171,195	N/A	168,354
Utility Gas Volumes Sold - Regulated (mcf as metered)								
20	Residential	240,513	N/A	251,199		12,561,176	N/A	13,337,468
21	Commercial	185,124		193,361		5,604,480		5,977,762
22	Industrial	210,412		308,142		3,414,638		6,128,597
23	Public Authority & Other	30,588		39,182		1,461,600		1,531,144
24	Agricultural	0		0		0		0
25	Unbilled	62,908		193,066		(222,854)		320,531
26	Total Regulated Gas Volumes	729,546	N/A	984,950		22,819,040	N/A	27,295,502
Utility Gas Volumes Sold - Non Regulated (mcf as metered)								
27	Industrial	0		0		0		0
28	Agricultural	0		0		0		0
29	Total Non Regulated Gas Volumes	0		0		0		0
30	Total Gas Volumes Sold	729,546	N/A	984,950		22,819,040	N/A	27,295,502
31	Transport volumes (mcf as metered) (2)	2,074,297	N/A	1,831,952		25,812,786	N/A	22,398,363
32	Total Operating Volumes (2)	2,803,843	N/A	2,816,902		48,631,826	N/A	49,693,865

N/A = Not Available



WESTERN KENTUCKY GAS UTILITY BUSINESS UNIT  
 CONSOLIDATED OPERATING REVENUE AND STATISTICS  
 FOR THE MONTH AND YEAR TO DATE ENDED 09/30/98

Line No.	Description (a)	Current Month			Year to Date		
		Actual (b)	Budget (c)	Prior Year Actual (d)	Actual (e)	Budget (f)	Prior Year Actual (g)
1	Utility Gas Sales Revenue - Regulated						
2	Residential	\$ 1,772,796.65	N/A	\$ 1,912,318.45	\$ 73,314,821.76	N/A	\$ 70,903,478.99
3	Commercial	967,065.29		1,078,925.87	30,353,690.22		29,536,939.92
4	Industrial	789,244.05		1,177,874.69	14,616,551.48		23,277,378.77
5	Public Authority & Other	147,420.68		197,022.93	7,457,822.14		7,080,063.24
6	Agricultural	0.00		0.00	0.00		0.00
7	Unbilled	1,691,223.00		1,367,000.00	(12,188,865.00)		4,866,000.00
	Total Regulated Gas Sales Revenue	5,367,749.67	3,817,000.00	5,733,141.94	113,554,020.60	128,360,000.00	135,663,860.92
8	Utility Gas Sales Revenue - Non Regulated						
9	Industrial	0.00	0.00	0.00	0.00	0.00	0.00
10	Agricultural	0.00	0.00	0.00	0.00	0.00	0.00
	Total Non Regulated Gas Sales Revenue	0.00	0.00	0.00	0.00	0.00	0.00
11	Total Utility Gas Sales Revenue	5,367,749.67	3,817,000.00	5,733,141.94	113,554,020.60	128,360,000.00	135,663,860.92
12	Other Gas Revenue	286,250.34	23,000.00	59,276.64	1,202,531.98	831,000.00	1,258,394.29
13	Total Utility Gas Revenue	5,654,000.01	3,840,000.00	5,792,418.58	114,756,552.58	129,191,000.00	136,922,255.21
14	Transportation Revenue (2)	712,626.68	700,000.00	587,668.77	8,831,518.98	8,400,000.00	7,217,346.80
15	Other Operating Revenue	0.00	0.00	0.00	0.00	0.00	0.00
16	Total Utility Operating Revenue (2)	6,366,626.69	4,540,000.00	6,380,087.35	123,588,071.56	137,591,000.00	144,139,602.01
17	Utility Purchased Gas Cost						
18	Regulated	\$ 3,754,592.58	\$ 3,555,000.00	\$ 3,897,612.13	\$ 79,995,916.07	\$ 91,850,000.00	\$ 99,081,893.08
19	Non Regulated	0.00	0.00	0.00	0.00	0.00	0.00
20	Eliminations	0.00	0.00	0.00	0.00	0.00	0.00
	Total Purchased Gas Cost	3,754,592.58	3,555,000.00	3,897,612.13	79,995,916.07	91,850,000.00	99,081,893.08
21	Gas Sales Margin - Regulated (3)	\$ 1,613,157.09	\$ 262,000.00	\$ 1,835,529.81	\$ 33,558,104.53	\$ 36,510,000.00	\$ 36,581,967.84
22	Gas Sales Margin - Non Regulated (4)						
23	Gas Sales Margin - Total (5)	1,613,157.09	262,000.00	1,835,529.81	33,558,104.53	36,510,000.00	36,581,967.84
24	Margin per MCF Sold - Regulated (6)	\$ 2.21	N/A	\$ 1.86	\$ 1.47	N/A	\$ 1.34
25	Margin per MCF Sold - Non Regulated (6)						
26	Margin per MCF Sold - Total (6)	2.21	N/A	1.86	1.47	N/A	1.34

N/A = Not Available

- (1) The current month reflects the actual for the respective period as per the Meter Inventory Mgmt System, year to date reflects the average for the respective period.
- (2) Reflects intercompany eliminations.
- (3) Regulated gas sales revenue minus regulated gas costs.
- (4) Non regulated gas sales revenue minus non regulated gas costs.
- (5) Total gas sales revenue minus total gas costs.
- (6) Gas sales margin divided by gas sales volumes as metered.

**ATMOS ENERGY CORPORATION**  
**OPERATION EXPENSES**  
**FOR THE MONTH ENDED 09/30/98**

Line No.	Description (a)	Current Month		
		Actual (b)	Budget * (c)	Over(Under) Budget (d)
1	Total Operation Expense	\$13,018,532.05	\$11,453,000	\$1,565,532.05
	<b>Manufactured Gas Production Exp.</b>			
2	717 Liquefied Petroleum Gas Expt	\$0.00		
3	723 Fuel for L-P Gas Process	0.00		
4	728 L-P Gas - Raw Materials	0.00		
5	733 Gas Mixing Expense	55.88		
6	735 Misc. Production Expenses	493.30		
7	736 Rents	0.00		
8	Total Manufactured Gas Prod. Expense	549.18		
	<b>Natural Gas Production Expenses</b>			
9	750 Operation Supervision and En	0.00		
10	751 Production Maps & Records	0.00		
11	752 Gas Wells Expenses	0.00		
12	753 Field Lines Expenses	284.86		
13	754 Field Compressor Station Expi	2,814.17		
14	755 Field Compressor Station Fuel	5,543.64		
15	756 Field Meas. & Reg. Station Ex	7,172.24		
16	757 Purification Expenses	859.36		
17	758 Gas Well Royalties	0.00		
18	759 Operating Expenses - Other	0.00		
19	760 Rents	0.00		
20	798 Other Exploration Exp.	100.70		
21	Total Natural Gas Prod. Expenses	16,774.97		
	<b>Production Extraction</b>			
22	770 Operation Supervision and Enit	0.00		
23	771 Operation Labor	689.40		
24	772 Gas Shrinkage	19,844.00		
25	773 Fuel	679.70		

**ATMOS ENERGY CORPORATION  
OPERATION EXPENSES  
FOR THE MONTH ENDED 09/30/98**

Line No.	Description (a)	Current Month		
		Actual (b)	Budget * (c)	Over(Under) Budget (d)
26	774 Power	1,782.56		
27	777 Gas Production By Others	0.00		
28	781 Variation In Product Inv.	0.00		
29	Total Production Extraction Expenses	\$22,995.66		
	Other Gas Supply Expenses			
1	7990 1 Transf. to Purch. Gas Accts. - -	\$0.00		
2	807 Purchased Gas Expenses	9,608.59		
3	808 Gas Withdrawn from Storage	0.00		
4	809 Gas Delivered to Storage - Cr.	0.00		
5	812 Gas Used for Other Util. Oper.	0.00		
6	Total Other Gas Supply Expenses	9,608.59		
<b>Underground Storage Operation Expenses</b>				
7	814 Oper. Supervision-Engineering	812.32		
8	816 Wells Expense	3,506.05		
9	817 Lines Expense	3,547.26		
10	818 Comp. Station Expenses	5,276.17		
11	819 Comp. Station Fuel & Power	0.00		
12	820 Meas. Reg. Station Expenses	3,398.70		
13	821 Purification Expenses	751.58		
14	823 Loss	0.00		
15	824 Other Expenses	371.44		
16	825 Storage Well Royalties	3,521.40		
17	826 Rents	0.00		
18	Total Underground Storage Operation	21,184.92		
<b>Storage Operation Expenses</b>				
19	841 Labor and Expenses	1,866.71		
20	842 Rents	0.00		
21	843 Oper. Supervision-Engineering	0.00		
22	Total Storage Operation Exp.	1,866.71		

**ATMOS ENERGY CORPORATION**  
**OPERATION EXPENSES**  
**FOR THE MONTH ENDED 09/30/98**

Line No.	Description (a)	Current Month		
		Actual (b)	Budget * (c)	Over(Under) Budget (d)
<b>Transmission Operation Expenses</b>				
23	850 Oper. Supervision-Engineering	1,495.61		
24	851 System Control-Load Dispatch	0.00		
25	852 Communications System Expe	0.00		
26	853 Comp. Station Labor and Exp.	5,154.25		
1	854 Gas for Comp. Station Fuel	\$15,221.40		
2	855 Other Fuel and Pow. for Comp	0.00		
3	856 Mains Expense	33,792.31		
4	857 Measuring and Reg. Sta. Exp.	15,242.07		
5	858 Trans. and Comp. of Gas by O	0.00		
6	859 Other Expenses	188.37		
7	8600 0 Rents	0.00		
8	8600 8 Building Service	0.00		
9	Total Transmission Operation Expense	71,094.01		
<b>Distribution Operation Expenses</b>				
10	870 Supervision & Engineering	1,590,246.00		
11	8710 0 Distribution Load Dispatching	35,367.82		
12	8710 3 Odorization Expense	34,468.42		
13	872 Comp. Station Labor & Expen	167.54		
14	873 Comp. Station Fuel and Power	0.00		
15	874 Mains & Services Expenses	1,413,956.41		
16	875 Meas. & Reg. Sta. Exp. Gen.	105,803.57		
17	876 Meas. & Reg. Sta. Exp. Ind.	28,635.19		
18	877 Meas. & Reg. Sta. Exp. City G	19,934.51		
19	878 Meter & House Regulator Exp	745,174.43		
20	8790 0 Customer Installation Expense	458,980.72		
21	8790 1 Customer Installation Exp. - F	6,204.18		
22	8790 8 Irrigation Operating Fee Lines	0.00		
23	8790 9 Customer Service - Gas Lights	(24,809.05)		
24	8800 0 Other Expenses	132,588.21		
25	8800 1 Distribution Maps & Records	19,661.18		
26	8810 0 Rents	557,891.99		
27	8810 8 Building Service	97,098.04		
28	Total Distribution Operation Expenses	5,221,371.16		

**ATMOS ENERGY CORPORATION**  
**OPERATION EXPENSES**  
**FOR THE MONTH ENDED 09/30/98**

Line No.	Description (a)	Current Month		
		Actual (b)	Budget * (c)	Over(Under) Budget (d)
<b>Customer Account Expenses</b>				
29	901 Supervision	39,960.77		
30	902 Meter Reading Expenses	524,440.79		
31	903 Cust. Records & Coll. Expens	1,297,179.77		
32	904 Uncollectible Accounts	585,102.13		
33	905 Miscellaneous Expenses	13,651.35		
34	Total Customer Account Expenses	<u>\$2,460,334.81</u>		
<b>Customer Service and Information Expenses</b>				
1	909 Supervision	\$125,793.74		
2	910 Customer Assistance Expenses	428,194.23		
3	911 Inform. Instruct. & Ad Expens	114,595.38		
4	912 Misc. Customer Serv. & Info.	0.00		
5	Total Customer Service & Info. Exp.	<u>668,583.35</u>		
<b>Sales Promotion Expenses</b>				
6	915 Supervision	53,100.85		
7	916 Demonstrating & Selling Expt	223,185.01		
8	917 Advertising Expenses	2,735.06		
9	918 Miscellaneous Sales Expenses	0.00		
10	Total Sales Promotion Expenses	<u>279,020.92</u>		
<b>Administrative &amp; General Operation Expense</b>				
11	920 Salaries	801,843.33		
12	921 Office Supplies and Expenses	1,372,687.40		
13	922 Admin. Exp. Transf.-Cr.	296,394.77		
14	923 Outside Services Employed	725,288.85		
15	924 Property Insurance	14,581.37		
16	9250 0 Injuries and Damages	677,532.50		
17	9250 9 Workmen's Comp. Ins.-Cr.	(92,074.38)		
18	9260 0 Employee Welfare Expenses -	868,078.18		

ATMOS ENERGY CORPORATION  
OPERATION EXPENSES  
FOR THE MONTH ENDED 09/30/98

Line No.	Description (a)	Current Month		
		Actual (b)	Budget * (c)	Over(Under) Budget (d)
19	9260 1 Pensions	(1,029,428.55)		
20	9260 7 Emp. Welfare Exp. - Cr.	(296,022.58)		
21	9260 9 Pensions - Cr.	312,431.98		
22	927 Franchise Requirements	483.70		
23	928 Regulatory Commission Exp.	43,628.69		
24	929 Duplicate Charges-Cr.	(3,392.81)		
25	9301 General Advertising Expense;	0.00		
26	Inst Goodwill Advertising Ex.	(175.00)		
27	9302 Miscellaneous General Expen	327,117.90		
28	9310 0 Rents	226,172.42		
29	9310 8 Building Service	0.00		
30	Total Admin. & Gen. Operation Expen	4,245,147.77		
31	Total Operation Expense	<u>\$13,018,532.05</u>	<u>\$11,453,000</u>	<u>\$1,565,532.05</u>

Current month prior year actual, year-to-date actual, year-to-date budget, year-to-date prior year actual, and twelve months ended actual numbers will be provided in upcoming months.

**ATMOS ENERGY CORPORATION**  
**MAINTENANCE EXPENSES**  
**FOR THE MONTH ENDED 09/30/98**

Line No.	Description (a)	Actual (b)	Current Month	
			Budget * (c)	Over(Under) Budget (d)
1	Total Maintenance Expenses	<u>\$1,208,681.22</u>	<u>\$898,000</u>	<u>\$310,681.22</u>
	Manufactured Gas Prod. Maint. Exp.			
2	740 Maint. Supervision and Engineering	\$0.00		
3	741 Structures and Improvements	0.00		
4	742 Production Equipment	<u>1,786.93</u>		
5	Total Manufactured Gas Prod. Maint. Exp.	<u>1,786.93</u>		
	Natural Gas Production Maint. Exp.			
6	761 Maint. Supervision and Engineering	0.00		
7	762 Structures and Improvements	0.00		
8	763 Maint. of Producing Gas Wells	0.00		
9	764 Field Lines	962.74		
10	765 Field Compressor Station Equipmen	43.91		
11	766 Field Meas. and Reg. Station Equip.	0.00		
12	767 Purification Equip.	540.18		
13	769 Other Equip.	0.00		
14	7990 2 Transf. to Purch. Gas Accts. - Cr.	0.00		
15	Total Natural Gas Prod. Maint. Exp.	<u>1,546.83</u>		
	Production Extraction			
16	784 Maint. Supervision-Engineering	0.00		
17	786 Extraction & Refining Equip.	527.87		
18	787 Maint. Of Pipe Lines	0.00		
19	Total Production Extraction	<u>\$527.87</u>		

\* Budget is not available by account.

ATMOS ENERGY CORPORATION  
 MAINTENANCE EXPENSES  
 FOR THE MONTH ENDED 09/30/98

Line No.	Description	Current Month		
		Actual	Budget *	Over(Under) Budget
<u>Underground Storage Maintenance Expenses</u>				
1	830 Supervision-Engineering	\$0.00		
2	831 Structures & Improvements	0.00		
3	832 Reservoirs & Wells	0.00		
4	833 Line Maintenance	0.00		
5	834 Compressor Station Equipment	155.08		
6	835 Meas. & Reg. Station Equipment	0.00		
7	836 Purification Equipment	190.24		
8	837 Other Equipment	0.00		
9	Total Underground Storage Maintenance Exp	345.32		
<u>Storage Maintenance Expenses</u>				
10	844 Structures & Improvements	0.00		
11	845 Gas Holders	0.00		
12	847 Liquefaction Equipment	272.40		
13	848 Other Equipment	0.00		
14	Total Storage Maintenance Expenses	272.40		
<u>Transmission Maintenance Expenses</u>				
15	861 Supervision-Engineering	0.00		
16	862 Structures & Improvements	423.58		
17	863 Maintenance of Mains	5,881.49		
18	864 Compressor Station Equipment	99.34		
19	865 Meas. & Reg. Station Equipment	2,632.05		
20	866 Communications Equipment	0.00		
21	867 Other Equipment	1,125.68		
22	Total Transmission Maintenance Expenses	\$10,162.14		



**ATMOS ENERGY CORPORATION**  
**MAINTENANCE EXPENSES**  
**FOR THE MONTH ENDED 09/30/98**

Line No.	Description	Actual	Current Month	
			Budget *	Over(Under) Budget
<b>Distribution Maintenance Expenses</b>				
1	885 Supervision-Engineering	\$130,670.81		
2	886 Structures & Improvements	14,732.84		
3	887 Maintenance of Mains	701,264.66		
4	888 Compressor Station Equipment	0.00		
5	889 Meas. & Reg. Station Equipment-Gt	29,754.21		
6	890 Meas. & Reg. Station Equipment-In	10,640.27		
7	891 Meas. & Reg. Station Equipment-C.	8,612.16		
8	892 Maintenance of Services	106,584.60		
9	893 Maintenance of Meter & House Reg	170,239.95		
10	894 Other Equipment	21,369.19		
11	Total Distribution Maintenance Expenses	<u>\$1,193,868.69</u>		
<b>Administrative &amp; General Maintenance Expenses</b>				
12	932 Maintenance of General Plant	171.04		
13	Total Adm. & Gen. Maintenance Expenses	<u>\$171.04</u>		
14	Total Maintenance Expenses	<u>\$1,208,681.22</u>	<u>\$898,000</u>	<u>\$310,681.22</u>

Current month prior year actual, year-to-date actual, year-to-date budget, year-to-date prior year actual, and twelve months ended actual numbers will be provided in upcoming months.

\* Budget information not available by account.

ATMOS ENERGY CORPORATION AND SUBSIDIARIES  
STATEMENTS OF LONG-TERM DEBT  
AS OF SEPTEMBER 30, 1998

Line No.	Description (a)	Date (b)	Original Issue			1998		1997		Line No.
			Amount (c)	Current Maturities (d)	Outstanding Debt (e)	Current Maturities (f)	Outstanding Debt (g)			
1	Notes 11.2% John Hancock Note, due 12-30-02	12-23-87	\$ 20,000,000.00	\$ 2,000,000.00	\$ 10,000,000.00	\$ 2,000,000.00	\$ 12,000,000.00	1		
2	9.76% John Hancock Note, due 12-30-04	10-11-89	30,000,000.00	3,000,000.00	21,000,000.00	3,000,000.00	24,000,000.00	2		
3	9.57% Variable Annuity Life, due 09-30-06	09-30-91	20,000,000.00	2,000,000.00	16,000,000.00	2,000,000.00	18,000,000.00	3		
4	7.95% Variable Annuity Life, due 08-31-06	08-31-92	10,000,000.00	1,000,000.00	8,000,000.00	1,000,000.00	9,000,000.00	4		
5	10% Michael D. Fredericks due 12-31-11	12-31-91	1,151,654.00	0.00	1,151,654.00	0.00	1,151,654.00	5		
6	10% Kingdom Foundation due 12-31-11	12-31-91	1,151,654.00	0.00	1,151,654.00	0.00	1,151,654.00	6		
7	8.07% Variable Annuity Life due 10-31-06	11-14-94	20,000,000.00	0.00	20,000,000.00	0.00	20,000,000.00	7		
8	8.26% New York Life due 10-31-14	11-14-94	20,000,000.00	0.00	20,000,000.00	0.00	20,000,000.00	8		
9	6.67% Med. Term Note due 12-15-05	12-15-95	10,000,000.00	0.00	10,000,000.00	0.00	10,000,000.00	9		
10	6.27% Med. Term Note due 12-19-10	12-19-95	10,000,000.00	0.00	10,000,000.00	0.00	10,000,000.00	10		
11	6.20% Med. Term Note due 12-01-00	12-19-95	2,000,000.00	0.00	2,000,000.00	0.00	2,000,000.00	11		
12	6.09% NationsBank of Texas due 11-25-98	11-26-96	40,000,000.00	40,000,000.00	40,000,000.00	0.00	40,000,000.00	12		
13	6.75% Debentures due 07-15-28	07-27-98	150,000,000.00	0.00	150,000,000.00	0.00	40,000,000.00	13		
14			334,303,308.00	48,000,000.00	309,303,308.00	8,000,000.00	167,303,308.00	14		
First Mortgage Bonds										
15	9.4% Series J due 05-01-21	04-01-91	17,000,000.00	0.00	17,000,000.00	0.00	17,000,000.00	15		
16	8.69% Series N due 03-01-00	03-01-87	3,000,000.00	2,000,000.00	3,000,000.00	2,000,000.00	5,000,000.00	16		
17	10.43% Series P due 11-01-17	10-01-87	25,000,000.00	2,500,000.00	25,000,000.00	1,250,000.00	25,000,000.00	17		
18	9.75% Series Q due 04-30-20	04-01-90	20,000,000.00	0.00	20,000,000.00	0.00	20,000,000.00	18		
19	11.32% Series R due 05-10-04	12-01-89	12,860,000.00	2,140,000.00	12,860,000.00	2,140,000.00	20,000,000.00	19		
20	9.32% Series T due 06-01-21	06-01-91	18,000,000.00	0.00	18,000,000.00	0.00	18,000,000.00	20		
21	8.77% Series U due 05-01-22	05-01-92	20,000,000.00	0.00	20,000,000.00	0.00	20,000,000.00	21		
22	7.50% Series V due 12-01-07	09-01-92	10,000,000.00	0.00	10,000,000.00	0.00	10,000,000.00	22		
23			125,860,000.00	6,640,000.00	125,860,000.00	5,390,000.00	130,000,000.00	23		
24	Total Utility Long-Term Debt		460,163,308.00	54,640,000.00	435,163,308.00	13,390,000.00	297,303,308.00	24		
25	UCG Energy Company		0.00	2,435,334.00	12,930,338.00	2,404,929.00	11,985,733.00	25		
26	UCG Storage Company		0.00	707,206.02	8,236,873.00	655,910.00	8,892,783.00	26		
27	Total Non-Utility Long-Term Debt		0.00	3,142,540.02	21,167,411.00	3,060,839.00	20,878,516.00	27		
28	Total Long-Term Debt		\$ 460,163,308.00	\$ 57,782,540.02	\$ 456,330,719.00	\$ 16,450,839.00	\$ 318,181,824.00	28		
29	Annualized Weighted Average Cost of Long-Term Debt (Including Amort. of Debt Expense)						7.94%	29		

**ATMOS ENERGY CORPORATION AND SUBSIDIARIES**  
**LABOR STATISTICS BY COMPANY**  
**FOR THE MONTH, QUARTER, AND YEAR TO DATE ENDED 9/30/98**

	Month		Quarter		Year to Date	
	Actual	Prior Year	Actual	Prior Year	Actual	Prior Year
<b>Labor Costs Distribution (000's):</b>						
Shared Services	\$1,356	\$1,064	\$4,562	\$3,257	\$15,110	\$14,818
Energas	1,127	1,634	3,963	4,770	15,742	19,384
Greeley Gas	720	934	2,539	2,774	9,917	11,005
Trans La	401	471	1,395	1,399	5,270	5,751
UCG	2,010	2,783	6,992	8,760	23,984	33,788
UCG - Non Regulated	384	341	1,097	981	4,124	3,826
WKG	815	1,154	2,853	3,381	11,138	13,362
	\$6,813	\$8,381	\$23,401	\$25,322	\$85,285	\$101,934
<b>Total Labor Costs Distribution</b>						
Percentage Labor Capitalized						
Shared Services	3%	10%	18%	9%	22%	7%
Energas	31%	25%	26%	25%	27%	26%
Greeley Gas	46%	41%	39%	39%	38%	37%
Trans La	39%	30%	32%	30%	34%	30%
UCG	29%	24%	24%	24%	25%	26%
UCG - Non Regulated	0%	0%	0%	0%	0%	0%
WKG	33%	25%	28%	25%	30%	27%
	25%	24%	25%	23%	26%	24%
<b>Total Percentage Labor Capitalized</b>						
Average Labor Costs Per Employee:						
Shared Services	\$3,587	4881	\$12,326	\$14,713	\$3,388	\$5,579
Energas	2,783	3060	9,704	8,539	3,215	2,886
Greeley Gas	3,673	3736	12,768	10,896	4,160	3,601
Trans La	2,949	3058	10,204	8,769	3,213	3,002
UCG	3,102	2699	10,642	8,446	2,788	2,653
UCG - Non Regulated	2,341	2200	6,784	6,287	2,096	2,057
WKG	2,900	3497	10,046	9,736	3,272	3,200
	\$3,086	3137	\$3,520	\$3,085	\$3,118	\$3,078