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

Form 8-K

Current Report

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

December 9, 2011
Date of Report (Date of earliest event reported)

ATMOS ENERGY CORPORATION
(Exact Name of Registrant as Specified in its Charter)

TEXAS AND VIRGINIA	1-10042	75-1743247
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

1800 THREE LINCOLN CENTRE, 5430 LBJ FREEWAY, DALLAS, TEXAS	75240
(Address of Principal Executive Offices)	(Zip Code)

(972) 934-9227
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 8.01. Other Events.

In December 2007, the Division of Investigations of the Office of Enforcement of the Federal Energy Regulatory Commission (the "FERC") began an investigation into possible violations by Atmos Energy Corporation and certain of our affiliates of FERC's posting and competitive bidding regulations for pre-arranged released firm capacity on interstate natural gas pipelines. We cooperated fully with FERC in its investigation and have taken steps to better ensure that current and future transactions comply with applicable FERC regulations by implementing a compliance plan dealing with capacity release and other related matters.

Atmos Energy Corporation and its affiliates, Atmos Energy Marketing, LLC and Trans Louisiana Gas Pipeline, Inc. (collectively, the "Company"), have entered into a stipulation and consent agreement (the "agreement") with the Staff of the Office of Enforcement of FERC, which was approved by FERC on December 9, 2011, thereby resolving this investigation. FERC's findings of violations were limited to the non-utility operations of the Company. Under the terms of the agreement, the Company will pay to the United States Treasury a total civil penalty of approximately $6.4 million and to energy assistance programs approximately $5.6 million in disgorgement of unjust profits plus interest for violations identified during the investigation. The resolution of this matter did not have a material adverse impact on the Company's fiscal 2011 earnings and none of the payments will be charged to any of the Company's customers. In addition, none of the services the Company provides to any of its utility or non-utility customers will be affected by the agreement.

A copy of the agreement is filed herewith as Exhibit 99.1 and is incorporated herein by reference. The foregoing summary does not purport to be complete and is qualified in its entirety by reference to the agreement.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

99.1 Stipulation and Consent Agreement

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ATMOS ENERGY CORPORATION
(Registrant)

DATE: December 9, 2011

By: /s/ LOUIS P. GREGORY
Louis P. Gregory
Senior Vice President
and General Counsel

INDEX TO EXHIBITS

Exhibit Number	Description
99.1	Stipulation and Consent Agreement

Exhibit 99.1

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

In re Atmos Energy Corporation	)	
Atmos Energy Marketing, Inc.	)	Docket No. IN12-1-000
Trans Louisiana Gas Pipeline, Inc.	)	

STIPULATION AND CONSENT AGREEMENT

I. INTRODUCTION

Staff of the Office of Enforcement (Enforcement) of the Federal Energy Regulatory Commission (Commission) and Atmos Energy Corporation (Atmos), the parent company of Atmos Energy Marketing, Inc. (AEM) and Trans Louisiana Gas Pipeline, Inc. (Trans La), enter into this Stipulation and Consent Agreement (Agreement) to resolve an investigation under Part 1b of the Commission's regulations, 18 C.F.R. Part 1b (2011), into whether AEM and Trans La violated provisions of the Commission's open-access transportation program, which entailed the competitive bidding requirements for long-term, discounted rate capacity releases set forth at 18 C.F.R. § 284.8 (2009), the shipper-must-have-title requirement, and 18 C.F.R. § 1c.1 (2011).

II. STIPULATED FACTS

Enforcement and Atmos hereby stipulate and agree to the following:

A. Background

1. Atmos, a company with nearly 5,000 employees and headquartered in Dallas, Texas, has two principal segments. One segment is operated through seven state-regulated natural gas utility divisions. The second business segment, referred to as Atmos' non-utility operations, is conducted through a number of subsidiaries under the umbrella of Atmos Energy Holdings, Inc. (AEH), the parent company of AEM and Trans La. AEM primarily provides natural gas management and marketing services by holding and/or managing transportation and storage capacity on 27 pipelines. AEM bids against third-party asset manager competitors (in many cases through Request-For-Proposals (RFPs) for natural gas

management planning agreements (NGMPAs)) pursuant to state regulations for the right to manage distribution provider capacity, including in some instances the capacity of AEM distribution affiliates. [1] In their capacity management operations, AEM and Trans La utilized the names of two defunct companies -- Woodward Marketing, Inc. (WMI) and LGS Natural Gas Company (LGSN).

2. In 1986, two individuals not affiliated with Atmos organized WMI as a corporation engaged primarily in natural gas marketing. WMI also held direct firm capacity on a number of interstate pipelines. In October 1994, UCG Energy Corporation (UCG), a wholly-owned subsidiary of United Cities Gas Company (United Cities), engaged in a partial acquisition of WMI, for the purpose of acquiring a portion of WMI's marketing business. This was accomplished through the formation of a limited liability company, Woodward Marketing, LLC (WMLLC), into which the marketing assets and operations of both WMI and UCG were contributed. As a result, WMI's gas marketing business was effectively reorganized into an enterprise jointly owned by WMI (55% ownership of WMLLC) and UCG (45% ownership of WMLLC). Thus, WMI, instead of being the primary gas marketing company it had previously been, served as a holding company for the majority ownership interest in the operating entity, WMLLC. In 1997, Atmos acquired United Cities through a merger and obtained UCG's interest in WMLLC. In 1999, Atmos formed Atmos Energy Marketing, LLC (Old AEM) and thereafter merged UCG into Old AEM. In 2001, Atmos, through Old AEM, acquired the remaining 55% interest in WMLLC and WMI was dissolved. As a result, Old AEM became the sole owner of WMLLC. In 2003, Old AEM was merged into WMLLC (the merger survivor) and WMLLC's name was officially changed to AEM.

3. LGSN was a subsidiary of Citizens Communications Company (Citizens), which in 2001 transferred the intrastate pipeline assets and associated contracts of LGSN to Trans La (owned by Atmos). Citizens retained ownership of the capital stock of LGSN, as well as associated liabilities. LGSN was dissolved by its owners in 2001.

4. In February 2008, Enforcement staff opened an investigation pursuant to Part 1b of the Commission's regulations, 18 C.F.R. Part 1b (2011), into possible flipping activities of Atmos and its subsidiaries – AEM and Trans La. Shortly thereafter, staff received information alleging that AEM was also engaged in activities violating shipper-must-have-title. Enforcement staff advised Atmos of

[1] The NGMPAs are similar to the asset management arrangements (AMAs) later recognized in Order No. 712, *Promotion of a More Efficient Capacity Release Market,* Order No. 712, FERC Stats. & Regs. ¶ 31,271 (2008).

the allegations. In addition to Enforcement's investigation, Atmos conducted its own internal investigation. Atmos subsequently submitted a comprehensive report of its findings to staff. The investigative period extended from August 1, 2005 through April 30, 2008.

B. Conduct and Violations

1. Flipping

5. Between August 1, 2005 and April 30, 2008, AEM, as an asset manager, alternated monthly releases of discounted rate capacity (usually at a nominal rate of $0.01/Dth) to either itself, another putative Atmos-related company, or to WMI, which would then immediately re-release the capacity to AEM. The objective was to place ownership of the capacity with AEM for purposes of operations under its NGMPAs. The majority of AEM's flipping occurred on Texas Gas Transmission, LLC (Texas Gas). The total contractual transportation capacity released and/or acquired by AEM on the various pipelines through flipping was 14.01 Bcf. Nearly all of the flipping volumes were released or acquired pursuant to asset management-like agreements with various customers, including AEM's distribution affiliates. This capacity was released during periods when the subject pipelines were not capacity constrained.

6. Between February 1, 2006 and April 30, 2008, Trans La, as an asset manager, engaged in flipping transactions on Gulf South Pipeline Company, L.P. (Gulf South) using the name of a defunct company, LGSN, along with that of Trans La, as the replacement shippers. The contractual transportation capacity acquired through flipping totaled 12.09 Bcf. The contractual capacity utilized in flipping was acquired during periods when Gulf South was not capacity constrained.

7. The management of AEM's and Trans La's NGMPA customer assets and their use of WMI and LGSN led to many of the flipping violations that are the subject of this investigation. WMI and LGSN, which were never owned by Atmos, were both dissolved by their owners in 2001.

8. In its report, Atmos attributed most of its flipping violations, which totaled 26.1 Bcf of contractual capacity, to either AEM or Trans La performing gas and transportation management and planning services.

9. The flipping violations all occurred before the Commission's issuance of Order No. 712, at which time section 284.8(h)(2) of the Commission's regulations required that a shipper releasing firm capacity for a term longer than 31 days and at a price less than the maximum tariff rate must post the capacity for competitive

bidding on the pipeline's EBB. *See* 18 C.F.R. § 284.8(h)(1) (2009). The regulation also provided that a discounted release for 31 days or less was exempt from the competitive bidding requirement, but must be posted for informational purposes within 48 hours of the release. Thus, pursuant to the then effective section 284.8(h)(2), a releasing shipper was not permitted to roll over, extend, or in any way continue a short-term discounted rate release without complying with the posting and bidding requirements. [2]

10. Section 1c.1 of the Commission's regulations makes it unlawful for any entity to engage in a fraud, with scienter, in connection with any jurisdictional purchase or sale of natural gas or transportation service. [3]

<u>Violations and Enforcement Conclusions</u>

11. Enforcement staff concluded that the total contractual capacity either released or acquired by AEM and Trans La through flipping was 26.1 Bcf.

12. Enforcement staff concluded that: (a) the terms of the releases of capacity by AEM and Trans La, including rates and volumes, were of sufficient similarity to characterize the transactions as flipping and (b) the subject releases of short-term, discounted rate capacity were flipping transactions that improperly avoided the requirement that discounted rate capacity be posted for competitive bidding prior to acquisition in violation of section 284.8(h)(2).

13. Enforcement staff concluded that AEM and Trans La, as replacement shippers, used either multiple affiliates or defunct companies, acting in concert or as a single entity, [4] to acquire discounted-rate, short-term capacity in consecutive,

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[2] Order No. 712-A revised that regulation so that it now reads: "When a release of capacity is exempt from bidding under paragraph (h)(1)(iv) of this section, a firm shipper may not roll over, extend or in any way continue the release to the same replacement shipper using the 31 days or less bidding exemption until 28 days after the first release period has ended. The 28-day hiatus does not apply to any re-release to the same replacement shipper that is posted for bidding or that qualifies for any of the other exemptions from bidding in paragraph (h)(1) of this section."

[3] 18 C.F.R. § 1c.1 (2010).

[4] Under the Commission's single entity analysis, the general rule is that "the Commission may disregard the corporate form in the interest of public convenience, fairness, or equity . . . the inquiry is simply a question of whether the statutory purposes would be frustrated by the corporate form." *Town of Highlands*

multi-month capacity release transactions in violation of section 1c.1 of the Commission's regulation. This capacity acquired through the various series of multi-month, consecutive releases was, within each series of acquisitions, of a substantially similar character in terms of rates, quantities, and receipt and delivery point designations. The flips, using the affiliates or defunct companies as replacement shippers, were executed for the purpose of avoiding the Commission's capacity release regulations pertaining to posting and competitive bidding in order to place the capacity in the control of either AEM or Trans La.

14. Enforcement staff concluded that flipping by AEM and Trans La created a number of potential impediments to a well functioning capacity release market (*e . g.* , lack of transactional liquidity, pricing transparencies and barriers to entry for non-affiliated marketers). Nonetheless, Enforcement staff also concluded that while the flipping violations were serious, no pecuniary harm to AEM's competitors resulted therefrom, since all of the capacity utilized in the violations was effectively contractually committed to AEM pursuant to the various AMAs. The utilities would not, in any case, have placed their capacity on the market for bidding to third parties. Therefore, no third party would have received any benefit from the capacity or been harmed by a denial of access to the capacity. There was no competitive advantage gained by AEM from its actions.

15. Enforcement staff concluded that high-level personnel at both AEM and Trans La knew or had access to information that WMI and LGSN were not Atmos companies and should not have been used by schedulers in capacity release transactions. Enforcement staff concluded further that AEM high-level personnel understood the requirements of the Commission's prohibition on rollovers, but nonetheless elected to engage in a strategy of alternating releases of Atmos capacity to multiple Atmos affiliates, a strategy specifically designed to avoid posting the capacity for competitive bidding as required by the Commission's capacity release regulations.

16. Enforcement staff concluded that there were no unjust profits as a result of the flipping violations.

2. Shipper-Must-Have-Title

17. Between August 1, 2005 and April 30, 2008, AEM, as asset manager, was engaged in the transportation of 297.8 Bcf of gas titled in its name using the capacity rights of other parties, including its affiliated utilities. Approximately two-thirds of the volumes *(i.e.,* 190.8 Bcf) were transported and delivered to the capacity holder, and the remaining one-third transported and delivered to third parties (*i . e.* , 107 Bcf). The financial gain from shipper-must-have-title violations was $5,635,971.

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v. *Nantahala Power & Light Company,* 37 FERC ¶ 61,149 (1986).

18. A central requirement of the Commission's open-access transportation program is that all shippers must have title to the gas at the time the gas is tendered to the pipeline or storage transporter and while it is being transported or held in storage by the transporter. Interstate pipeline tariffs include provisions requiring shippers to warrant good title to the gas tendered for transportation on the pipeline. Although the specific language of each interstate pipeline's tariff varies, the Commission has made clear that the shipper of record and the owner of the gas must be one and the same throughout the course of the transportation or the duration of storage on any pipeline. *See Enron Energy Services, Inc.* , 85 FERC ¶ 61,221, at 61,906 (1998).

Violation and Enforcement Conclusions

19. Enforcement staff concluded that AEM, as asset manager, violated the shipper-must-have-title requirement by shipping gas titled in its name using the capacity rights of other parties.

20. Enforcement staff concluded that, like flipping, the shipper-must-have-title violations created a number of potential impediments to a well functioning capacity release market (*e . g.* , lack of transactional liquidity, pricing transparencies and barriers to entry for non-affiliated marketers). However, Enforcement staff concluded that it was unlikely that any pecuniary loss was suffered by third-party competitors of AEM, since the capacity utilized by AEM, when it moved its gas in violation of shipper-must-have-title, was contractually committed to AEM's use as an asset manager and would not have in any event been released by the underlying capacity holder to a third party.

21. Enforcement staff concluded that AEM high-level personnel were aware as far back as 2004 of shipper-must-have-title problems on some of the pipelines on which AEM managed capacity; still, AEM failed to resolve the problems until Enforcement staff in 2008 advised Atmos that it was being investigated for shipper-must-have-title violations.

22. Enforcement staff concluded that AEM earned a total of $5,635,971 in unjust profits as a result of the shipper-must-have-title violations that are the subject of this Agreement.

C. Compliance and Mitigation Measures

23. Prior to the Commission's Order in *BP Energy Company,* [5] AEM and Trans

[5] 121 FERC ¶ 61,088 (2007).

La did not have controls in place to identify and prevent the transactions at issue here. Subsequently, AEM and Trans La took remedial measures to improve compliance with the Commission's open-access transportation requirements. As part of these enhancements, employees at AEM and Trans La were provided additional training on open-access transportation compliance, including the prohibitions on buy/sell transactions, shipper-must-have-title requirement, and flipping.

24. In 2008, Atmos underwent a substantial contract remediation project to conform its asset management contracts to the Commission's requirements in Order No. 712. Additionally, starting in March 2009, Atmos began the process of preparing and executing appropriate amendments relative to non-asset management related transactions to correctly designate delivery points. For those transactions which Atmos believed were not fully compliant with the Commission's rules or regulations, it instructed employees to cease the activity. Atmos also developed and implemented a formal compliance program directed at all of the Commission's rules, regulations and policies that affect the assets, activities, or operations of the company and its subsidiaries. The full compliance plan was internally posted on Atmos' intranet for viewing by all employees. The compliance plan, which includes a comprehensive training program for employees, makes clear that all employees must be in full compliance and may be subject to disciplinary action for failure to achieve compliance. The compliance plan also provides for a FERC Compliance officer and Compliance Manager, and creates a Hotline and website to address compliance issues.

25. During the course of Enforcement's investigation, the cooperation of Atmos, AEM and Trans La was excellent.

III. REMEDIES AND SANCTIONS

26. Atmos admits entering into the flipping transactions and the shipper-must-have title transactions described herein, and admits that these transactions violate the Commission's rules, regulations, or policies. Atmos agrees to take the following actions.

A. Civil Penalty

27. Atmos shall pay a civil penalty of $6,364,029 to the United States Treasury, by wire transfer, within ten days after the Effective Date of this Agreement, as defined below.

B. Disgorgement

28. Atmos shall disgorge $5,635,971, plus interest, such amount representing

unjust profits from shipper-must-have-title violations by AEM, to energy assistance programs administered by States, territories, or Indian tribes and tribal organizations that have received grants from the federal Secretary of Health and Human Services, such energy assistance programs to be agreed upon and such disgorgement to be made within 30 days from the Effective Date of this Agreement. This distribution of unjust profits to such energy assistance programs is appropriate because the alternative of distribution to the counterparties in the shipper-must-have-title transactions would likely create a windfall benefit to the counterparty.

C. Compliance Monitoring

29. AEM and Trans La shall make semi-annual reports to Enforcement staff for one year following the Effective Date of this Agreement. The first semi-annual report shall be submitted no later than ten days after the end of the second calendar quarter after the quarter in which the Effective Date of this Agreement falls. The second report shall be submitted six months thereafter. Each compliance report shall: (1) advise staff whether additional violations by AEM and/or Trans La of open-access transportation requirements of have occurred; (2) provide a detailed update of all natural gas-related compliance training administered and natural gas-related compliance measures instituted in the applicable period, including a description of the training provided to all relevant personnel concerning the Commission's open-access transportation policies, and a list of the personnel that have received such training and when the training took place; and (3) include an affidavit executed by an officer(s) of AEM and Trans La that the compliance reports are true and accurate. Upon request by staff, AEM and/or Trans La shall provide to staff documentation to support its reports. After the receipt of the second semi-annual report, Enforcement staff may, at its sole discretion, require AEM and/or Trans La to submit semi-annual reports for one additional year.

IV. TERMS

30. The "Effective Date" of this Agreement shall be the date on which the Commission issues an order approving this Agreement without material modification. When effective, this Agreement shall resolve the matters specifically addressed herein as to Atmos, AEM and Trans La, and any affiliated entity, their agents, officers, directors and employees, both past and present, and any successor in interest to AEM and Trans La.

31. Commission approval of this Agreement in its entirety and without material modification shall release Atmos and forever bar the Commission from holding Atmos, its affiliates, agents, officers, directors and employees, both past and present, liable for any and all administrative or civil claims arising out of, related to, or connected with the investigation addressed in this Agreement.

32. Failure to make a timely civil penalty payment or to comply with the compliance reporting requirements agreed to herein, or any other provision of this Agreement, shall be deemed a violation of a final order of the Commission issued pursuant to the Natural Gas Act (NGA) and may subject Atmos to additional action under the enforcement and penalty provisions of the NGA.

33. If Atmos does not make the civil penalty payment above at the time agreed by the parties, interest payable to the United States Treasury will begin to accrue pursuant to the Commission's regulations at 18 C.F.R. § 154.501(d) (2011) from the date that payment is due, in addition to the penalty specified above.

34. This Agreement binds Atmos and its agents, successors, and assigns. The Agreement does not create any additional or independent obligations on Atmos, or any affiliated entity, its agents, officers, directors, or employees, other than the obligations identified in Section III of this Agreement.

35. The signatories to this Agreement agree that they enter into the Agreement voluntarily and that, other than the recitations set forth herein, no tender, offer or promise of any kind by any member, employee, officer, director, agent or representative of Enforcement or Atmos has been made to induce the signatories or any other party to enter into the Agreement.

36. Unless the Commission issues an order approving the Agreement in its entirety and without material modification, the Agreement shall be null and void and of no effect whatsoever, and neither Enforcement nor Atmos shall be bound by any provision or term of the Agreement, unless otherwise agreed to in writing by Enforcement and Atmos.

37. In connection with the payment of the civil penalty provided for herein, Atmos agrees that the Commission's order approving the Agreement without material modification shall be a final and unappealable order assessing a civil penalty under section 22(a) of the NGA, 15 U.S.C. § 717t-1(a). Atmos waives findings of fact and conclusions of law, rehearing of any Commission order approving the Agreement without material modification, and judicial review by any court of any Commission order approving the Agreement without material modification.

38. Each of the undersigned warrants that he or she is an authorized representative of the entity designated, is authorized to bind such entity and accepts the Agreement on the entity's behalf.

39. The undersigned representative of Atmos affirms that he or she has read the Agreement, that all of the matters set forth in the Agreement are true and correct to the best of his or her knowledge, information and belief, and that he or she understands that the Agreement is entered into by Enforcement in express reliance on those representations.

40. This Agreement is executed in duplicate, each of which so executed shall be deemed to be an original.

Agreed to and accepted:

/s/ NORMAN C. BAY	October 19, 2011
Norman C. Bay Director Office of Enforcement Federal Energy Regulatory Commission	Date
/s/ LOUIS P. GREGORY	October 12, 2011
Senior Vice President & General Counsel Atmos Energy Corporation	Date

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Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

As reported in its news release issued November 15, 2011, Atmos Energy Corporation ("Atmos Energy") has appointed Marvin L. Sweetin, currently vice president, customer service of Atmos Energy, as senior vice president of utility operations, effective November 9, 2011. Having served in his current position at Atmos Energy since November 2010, Mr. Sweetin, 48, will be responsible for numerous areas in his new position at Atmos Energy, including the supervision of the operations of Atmos Energy's six utility divisions in 12 states, as well as continued responsibility for the company's customer service, safety and training functions. Prior to his service as vice president, customer service, Mr. Sweetin served as director, technical training and director, procurement since he joined Atmos Energy in May 2000.

Although Atmos Energy is not a party to any employment agreement with Mr. Sweetin, he will receive an annual salary of $330,000 and will be eligible to participate in all other applicable incentive, benefit and deferred compensation plans offered by the company to its senior officers. Atmos Energy will also enter into a change in control severance agreement with Mr. Sweetin to provide certain severance benefits to him in the event of the termination of his employment within three years following a change in control of the company. The agreement will provide that in the case of such termination of employment, the company will pay Mr. Sweetin a lump sum severance payment equal to 2.5 times his total compensation, comprised of his annual base salary and "average bonus," as such term is defined in the agreement. In addition, Mr. Sweetin will receive all medical, dental, vision, and any other health benefits which qualify for continuation coverage under Internal Revenue Code Section 4980B ("COBRA coverage"), for a period of 18 months from the date of his termination. Finally, the company will pay Mr. Sweetin a lump sum payment generally equal to the actuarially equivalent of (a) an additional three (3) years of credits under our Pension Account Plan; (b) an additional three (3) years of company matching contributions under our Retirement Savings Plan and (c) the cost to the company of providing COBRA coverage benefits to Mr. Sweetin for an additional 18-month period.

However, if Mr. Sweetin is terminated by the company for "cause" (as defined in the agreement), or if his employment is terminated by retirement, death, or disability, the agreement will provide that the company will not be obligated to pay the severance benefits to Mr. Sweetin. The agreement will further provide that if Mr. Sweetin voluntarily terminates his employment except for "constructive termination" (as defined in the agreement), the company will not be obligated to pay him the severance benefits. A form of such change in control severance agreement has been previously filed with the Commission as Exhibit 10.7(a) to Form 10-K for the fiscal year ended September 30, 2010.

A copy of a news release issued on November 15, 2011 announcing this management change is filed herewith as Exhibit 99.1.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

99.1 News Release issued by Atmos Energy Corporation dated November 15, 2011

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ATMOS ENERGY CORPORATION
(Registrant)

DATE: November 15, 2011

By: /s/ LOUIS P. GREGORY
Louis P. Gregory
Senior Vice President
and General Counsel

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Exhibit 99.1

Media Contact:
Gerald Hunter
972-855-3116

Analysts Contact:
Susan Giles
972-855-3729

Atmos Energy Promotes Marvin L. Sweetin to Senior Vice President of Utility Operations

DALLAS (November 15, 2011)—Atmos Energy Corporation (NYSE: ATO) said today that Marvin L. Sweetin has been promoted to senior vice president of utility operations, effective November 9. In his new role, Sweetin will be responsible for the operations of Atmos Energy's six utility divisions in 12 states and will have continued responsibility for customer service, safety and training. He will serve on the company's Management Committee.

"Marvin brings a wealth of experience and has displayed the capability to lead the utility to improved financial success as well as continue our emphasis to seek improvements in our customer service function and to make our safe system even safer," said Kim R. Cocklin, president and chief executive officer of Atmos Energy Corporation.

Sweetin, 48, has more than 26 years of experience in the energy industry, 11 of those with Atmos Energy. He was named vice president, customer service, in November 2010. Previously, he served as director, technical training, beginning in December 2007. He joined Atmos Energy in May 2000 as director, procurement. He is also a former chair of the company's Utility Operations Council. Before joining Atmos Energy, Sweetin spent 13 years with Atlantic Richfield Company in various roles supporting exploration and production activities in countries around the world.

Sweetin earned a Bachelor of Science degree in petroleum engineering technology from Oklahoma State University and a master's degree in business administration from the University of Dallas.

About Atmos Energy

Atmos Energy Corporation, headquartered in Dallas, is currently the country's largest natural-gas-only distributor, serving more than 3 million natural gas distribution customers in more than 1,600 communities in 12 states from the Blue Ridge Mountains in the East to the Rocky Mountains in the West. Atmos Energy also provides natural gas marketing and procurement services to industrial, commercial and municipal customers primarily in the Midwest and Southeast and manages company-owned natural gas pipeline and storage assets, including one of the largest intrastate natural gas pipeline systems in Texas. Atmos Energy is a Fortune 500 company. For more information, visit www.atmosenergy.com.

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☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operations and Financial Condition.

On Wednesday, November 9, 2011, Atmos Energy Corporation (the "Company") issued a news release in which it reported the Company's financial results for the fourth quarter and full 2011 fiscal year, which ended September 30, 2011, and that certain of its officers would discuss such financial results in a conference call on Thursday, November 10, 2011 at 10:00 a.m. Eastern Time. In the release, the Company also announced that the call would be webcast live and that slides for the webcast would be available on its website for all interested parties.

A copy of the news release is furnished as Exhibit 99.1. The information furnished in this Item 2.02 and in Exhibit 99.1 shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section, nor shall such information be deemed to be incorporated by reference into any of the Company's filings under the Securities Act of 1933 or the Securities Exchange Act of 1934.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

99.1 News Release dated November 9, 2011 (furnished under Item 2.02)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ATMOS ENERGY CORPORATION
(Registrant)

DATE: November 9, 2011

By: / s / LOUIS P. GREGORY
Louis P. Gregory
Senior Vice President
and General Counsel

INDEX TO EXHIBITS

Exhibit Number	Description
99.1	News Release dated November 9, 2011 (furnished under Item 2.02)

Exhibit 99.1

News Release

Analysts and Media Contact:
Susan Giles (972) 855-3729

Atmos Energy Corporation Reports Earnings for Fiscal 2011; Initiates Fiscal 2012 Guidance

DALLAS (November 9, 2011)—Atmos Energy Corporation (NYSE: ATO) today reported consolidated results for its 2011 fiscal year and fourth quarter ended September 30, 2011.

- Fiscal 2011 consolidated results, excluding net unrealized margins were $214.2 million, or $2.34 per diluted share, compared with net income of $210.1 million, or $2.25 per diluted share in the prior year.
- After including noncash, unrealized net losses of $6.6 million, or ($0.07) per diluted share, fiscal 2011 net income was $207.6 million, or $2.27 per diluted share. Net income was $205.8 million, or $2.20 per diluted share in the prior year, after including unrealized net losses of $4.3 million or ($0.05) per diluted share.
- Included in current year net income is the net positive impact of several one-time items totaling $3.2 million, or $0.03 per diluted share. Fiscal 2010 net income included the positive impact of a one-time item of $4.6 million, or $0.05 per diluted share.
- Fiscal 2011 and fiscal 2010 earnings per diluted share reflect the favorable impact of $0.08 and $0.01 from the accelerated share buyback agreement, initiated in the fourth quarter of fiscal 2010 and completed in the second quarter of fiscal 2011.
- Net income from discontinued operations was $8.7 million, or $0.10 per diluted share in the current year, compared with $7.6 million, or $0.08 per diluted share in the prior year.
- Atmos Energy expects fiscal 2012 earnings to be in the range of $2.30 to $2.40 per diluted share, excluding unrealized gains and losses.

For the quarter ended September 30, 2011, consolidated net income was $2.0 million, or $0.02 per diluted share, compared with net income of $1.5 million, or $0.02 per diluted share for the same quarter last year. Results from nonregulated operations include noncash, unrealized net losses of $4.9 million, or ($0.05) per diluted share for the three months ended September 30, 2011, compared with net gains of $1.6 million, or $0.02 per diluted share for the prior-year quarter. For the current quarter, regulated operations contributed $8.1 million of net income, or $0.09 per diluted share, and nonregulated operations experienced a net loss of $6.1 million, or

($0.07) per diluted share. For the current quarter, net income from regulated operations includes $0.9 million, or $0.01 per diluted share from discontinued operations, compared with $1.3 million, or $0.02 per diluted share for the same quarter last year.

"We are pleased to deliver earnings per share growth for the ninth consecutive year," said Kim Cocklin, president and chief executive officer of Atmos Energy Corporation. "Successful regulatory outcomes in both the distribution and regulated pipeline proceedings boosted results across our service territory. In addition, we accessed the capital markets under favorable terms throughout the year, which achieved a lower cost of capital and two rating agency upgrades."

"Looking forward to fiscal 2012 and beyond, we remain confident in the fundamental strength of our business, and we will continue to strive to enhance the stability and predictability of our earnings," Cocklin concluded.

Results for the Year Ended September 30, 2011

Natural gas distribution gross profit, excluding discontinued operations, increased $22.4 million to $1,044.4 million for the year ended September 30, 2011, compared with $1,022.0 million in the prior year. This increase is due largely to a net $40.4 million increase attributable to rate increases, primarily in the company's Mid-Tex, Louisiana, Kentucky and Kansas service areas. Partially offsetting this increase was a $12.0 million decrease associated with a seven percent decrease in consolidated distribution throughput, primarily from lower consumption and warmer weather, coupled with an $8.1 million decrease in revenue-related taxes, which is offset by a decrease in taxes, other than income.

Regulated transmission and storage gross profit increased $16.4 million to $219.4 million for the year ended September 30, 2011, compared with $203.0 million last year. This year-over-year increase is due primarily to a net $23.4 million increase as a result of new rates from the recent Atmos Pipeline – Texas rate case and a $3.2 million increase in revenues resulting from the most recent filing under the Texas Gas Reliability Infrastructure Program (GRIP). These increases were partially offset by a $4.8 million decrease due to the absence of the sale of excess gas, which occurred in the prior year and a $4.4 million decrease from lower throughput to the Mid-Tex Division.

Nonregulated gross profit decreased $49.1 million to $65.0 million for the year ended September 30, 2011, compared with $114.1 million for the prior year. The decrease primarily reflects a $47.2 million decrease in realized asset optimization margins, due to weak natural gas market fundamentals, which provided fewer favorable trading opportunities during fiscal 2011. Additionally, unrealized margins decreased $2.6 million year over year. Partially offsetting these decreases was a $0.7 million increase in realized margins from gas delivery and other services, primarily due to a nine percent increase in consolidated sales volumes.

Consolidated operation and maintenance expense, excluding discontinued operations, for the year ended September 30, 2011, was $449.3 million, compared with $460.5 million for the prior year. Excluding the provision for doubtful accounts, operation and maintenance expense for the current year was $447.5 million, compared with $452.8 million for the prior year. The $5.3 million decrease resulted primarily from a $10.0 million decrease in employee-related costs and a $3.4 million decrease in other administrative costs. These decreases were partially offset by a $7.4 million increase, due to the absence in the current year of a state sales tax refund received in the prior year.

Results for the year ended September 30, 2011 include several one-time items, resulting in a total net of tax gain of $3.2 million. The company unwound two Treasury lock agreements in conjunction with the cancellation of a planned debt offering in November 2011 and recognized a $27.8 million cash gain. Offsetting this gain was a $19.3 million noncash charge to impair the company's investment in the Ft. Necessity storage project and an $11.0 million noncash charge to impair certain natural gas gathering assets. Finally, due to the administrative settlement of various income tax positions during the fiscal second quarter, the company recorded a $5.0 million tax benefit.

The debt capitalization ratio at September 30, 2011, was 51.7 percent, compared with 51.3 percent at September 30, 2010. At September 30, 2011, there was $206.4 million of short-term debt outstanding, compared with $126.1 million at September 30, 2010.

For the year ended September 30, 2011, the company generated operating cash flow of $582.8 million, a $143.6 million reduction compared with the year ended September 30, 2010. The year-over-year decrease primarily reflects the absence of an $85 million income tax refund received in the prior year, coupled with timing of gas cost recoveries under the company's purchased gas cost mechanisms and other net working capital changes.

Capital expenditures increased to $623.0 million for the year ended September 30, 2011, compared with $542.6 million last year. The $80.4 million increase primarily reflects spending related to the Mid-Tex Division steel service line replacement program and the development of a new customer service system, partially offset by costs incurred in the prior year to relocate the company's information technology data center.

Results for the 2011 Fourth Quarter Ended September 30, 2011

Natural gas distribution gross profit, excluding discontinued operations, increased $6.8 million to $174.2 million for the fiscal 2011 fourth quarter, compared with $167.4 million in the prior-year quarter. This increase reflects a net $4.6 million increase in rates, primarily in the company's Mid-Tex and Louisiana service areas, and a $0.7 million increase associated with an eight percent increase in transportation volumes.

Regulated transmission and storage gross profit increased $5.8 million to $61.8 million for the quarter ended September 30, 2011, compared with $56.0 million for the same quarter last year. This increase is due primarily to a net $8.5 million increase as a result of new rates from the recent Atmos Pipeline – Texas rate case and a $3.2 million increase in revenues resulting from the most recent GRIP filing. Partially offsetting these increases is a $4.8 million decrease due to the absence in the current quarter of excess gas sales, which occurred in the prior-year quarter.

Nonregulated gross profit decreased $12.0 million to $6.4 million for the quarter ended September 30, 2011, compared with $18.4 million for the prior-year quarter. Realized margins from gas delivery and other services decreased $1.5 million, compared with the prior-year quarter, largely due to a $0.02/Mcf decrease in gas delivery unit margins, despite a nine percent increase in consolidated sales volumes. Additionally, unrealized margins decreased $10.3 million. Realized asset optimization margins were essentially flat compared with the prior-year quarter.

Consolidated operation and maintenance expense, excluding discontinued operations, for the three months ended September 30, 2011, was $108.0 million, compared with $112.1 million for the prior-year quarter. Excluding the provision for doubtful accounts, operation and maintenance expense for the current quarter was $111.4 million, which was flat compared with the prior-year quarter.

Outlook

The leadership of Atmos Energy remains focused on enhancing shareholder value by delivering consistent earnings growth. Atmos Energy expects fiscal 2012 earnings to be in the range of $2.30 to $2.40 per diluted share, excluding unrealized margins. Net income from regulated operations is expected to be in the range of $184 million to $191 million, while net income from nonregulated operations is expected to be in the range of $26 million to $29 million. Consolidated O&M expense is expected to range from $465 million to $475 million. Interest expense is expected to range from $140 million to $145 million. Capital expenditures for fiscal 2012 are expected to range between $630 million to $650 million.

However, the valuation on September 30, 2012, of the company's nonregulated physical storage inventory and associated financial instruments ("mark-to-market"), as well as changes in events or other circumstances that the company cannot currently anticipate or predict, could result in earnings for fiscal 2012 that are significantly above or below this outlook. Factors that could cause such changes are described below in Forward-Looking Statements and in other company reports filed with the Securities and Exchange Commission.

Conference Call to be Webcast November 10, 2011

Atmos Energy will host a conference call with financial analysts to discuss the fiscal 2011 financial results and outline the assumptions supporting the fiscal 2012 guidance on Thursday, November 10, 2011, at 10 a.m. Eastern Time. The telephone number is 877-485-3107. The conference call will be webcast live on the Atmos Energy website at www.atmosenergy.com. A playback of the call will be available on the website later that day. Kim Cocklin, president and chief executive officer and Fred Meisenheimer, senior vice president and chief financial officer will participate in the conference call.

Highlights and Recent Developments

Atmos Energy Announces Share Repurchase Program

On September 28, 2011, Atmos Energy announced that its Board of Directors approved a new program authorizing the repurchase of up to five million shares of its common stock. Although the program is authorized for a five-year period, it may be terminated or limited at any time. The program is primarily intended to minimize the dilutive effect of equity grants under various benefit related incentive compensation plans of the company.

This news release should be read in conjunction with the attached unaudited financial information.

Forward-Looking Statements

The matters discussed in this news release may contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements other than statements of historical fact included in this news release are forward-looking statements made in good faith by the company and are intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. When used in this news release or in any of the company's other documents or oral presentations, the words "anticipate," "believe," "estimate," "expect," "forecast," "goal," "intend," "objective," "plan," "projection," "seek," "strategy" or similar words are intended to identify forward-looking statements. Such forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those discussed in this news release, including the risks and uncertainties relating to regulatory trends and decisions, the company's ability to continue to access the capital markets and the other factors discussed in the company's reports filed with the Securities and Exchange Commission. These factors include the risks and uncertainties discussed in the company's Annual Report on Form 10-K for the fiscal year ended September 30, 2010 and in the company's Quarterly Report on Form 10-Q for the three and nine months ended June 30, 2011. Although the company believes these forward-looking statements to be reasonable, there can be no assurance that they will approximate actual experience or that the expectations derived from them will be realized. The company undertakes no obligation to update or revise forward-looking statements, whether as a result of new information, future events or otherwise.

About Atmos Energy

Atmos Energy Corporation, headquartered in Dallas, is currently the country's largest natural-gas-only distributor, serving over three million natural gas distribution customers in more than 1,600 communities in 12 states from the Blue Ridge Mountains in the East to the Rocky Mountains in the West. Atmos Energy also provides natural gas marketing and procurement services to industrial, commercial and municipal customers primarily in the Midwest and Southeast and manages company-owned natural gas pipeline and storage assets, including one of the largest intrastate natural gas pipeline systems in Texas. Atmos Energy is a Fortune 500 company. For more information, visit www.atmosenergy.com .

Atmos Energy Corporation
Financial Highlights (Unaudited)

Statements of Income (000s except per share)	Year Ended September 30 2011	2010	Percentage Change
Gross Profit:			
Natural gas distribution segment	$1,044,364	$1,022,011	2%
Regulated transmission and storage segment	219,373	203,013	8%
Nonregulated segment	65,000	114,091	(43)%
Intersegment eliminations	(1,496)	(1,610)	7%
Gross profit	1,327,241	1,337,505	(1)%
Operation and maintenance expense	449,290	460,513	(2)%
Depreciation and amortization	227,099	211,589	7%
Taxes, other than income	178,683	188,252	(5)%
Asset impairments	30,270	—	100%
Total operating expenses	885,342	860,354	3%
Operating income	441,899	477,151	(7)%
Miscellaneous income (expense)	21,499	(156)	13,881%
Interest charges	150,825	154,360	(2)%
Income from continuing operations before income taxes	312,573	322,635	(3)%
Income tax expense	113,689	124,362	(9)%
Income from continuing operations	198,884	198,273	— %
Income from discontinued operations, net of tax	8,717	7,566	15%
Net income	$ 207,601	$ 205,839	1%
Basic earnings per share			
Income per share from continuing operations	$ 2.18	$ 2.14	
Income per share from discontinued operations	0.10	0.08	
Net income per share – basic	$ 2.28	$ 2.22	
Diluted earnings per share			
Income per share from continuing operations	$ 2.17	$ 2.12	
Income per share from discontinued operations	0.10	0.08	
Net income per share – diluted	$ 2.27	$ 2.20	
Cash dividends per share	$ 1.36	$ 1.34	
Weighted average shares outstanding:			
Basic	90,201	91,852	
Diluted	90,652	92,422	

Summary Net Income (Loss) by Segment (000s)	Year Ended September 30 2011	2010	Percentage Change
Natural gas distribution – continuing operations	$154,001	$118,383	30%
Natural gas distribution – discontinued operations	8,717	7,566	15%
Regulated transmission and storage	52,415	41,486	26%
Nonregulated	(940)	42,731	(102)%
Unrealized margins, net of tax	(6,592)	(4,327)	(52)%
Consolidated net income	$207,601	$205,839	1%

Atmos Energy Corporation
Financial Highlights, continued (Unaudited)

Statements of Income	Three Months Ended September 30		Percentage
(000s except per share)	2011	2010	Change
Gross Profit:			
Natural gas distribution segment	$174,232	$167,391	4%
Regulated transmission and storage segment	61,820	56,015	10%
Nonregulated segment	6,359	18,384	(65)%
Intersegment eliminations	(367)	(398)	8%
Gross profit	242,044	241,392	— %
Operation and maintenance expense	107,973	112,055	(4)%
Depreciation and amortization	59,923	55,388	8%
Taxes, other than income	32,815	35,412	(7)%
Total operating expenses	200,711	202,855	(1)%
Operating income	41,333	38,537	7%
Miscellaneous income (expense)	(2,547)	749	(440)%
Interest charges	38,210	38,879	(2)%
Income from continuing operations before income taxes	576	407	42%
Income tax expense (benefit)	(522)	163	420%
Income from continuing operations	1,098	244	350%
Income from discontinued operations, net of tax	863	1,293	(33)%
Net income	$ 1,961	$ 1,537	28%
Basic earnings per share			
Income per share from continuing operations	$ 0.01	$ 0.00	
Income per share from discontinued operations	0.01	0.02	
Net income per share – basic	$ 0.02	$ 0.02	
Diluted earnings per share			
Income per share from continuing operations	$ 0.01	$ 0.00	
Income per share from discontinued operations	0.01	0.02	
Net income per share – diluted	$ 0.02	$ 0.02	
Cash dividends per share	$ .340	$ .335	
Weighted average shares outstanding:			
Basic	90,132	89,890	
Diluted	90,576	90,454	

Summary Net Income (Loss) by Segment (000s)	Three Months Ended September 30		Percentage
	2011	2010	Change
Natural gas distribution – continuing operations	$ (6,852)	$(18,621)	63%
Natural gas distribution – discontinued operations	863	1,293	(33)%
Regulated transmission and storage	14,022	12,497	12%
Nonregulated	(1,208)	4,765	(125)%
Unrealized margins, net of tax	(4,864)	1,603	(403)%
Consolidated net income	$ 1,961	$ 1,537	28%

Atmos Energy Corporation
Financial Highlights, continued (Unaudited)

Discontinued Operations (000s)	Three Months Ended September 30		Year Ended September 30	
	2011	2010	2011	2010
Operating revenues	$8,981	$7,734	$80,028	$69,855
Purchased gas cost	3,766	2,583	48,759	42,419
Gross profit	5,215	5,151	31,269	27,436
Operating expenses	3,935	3,497	16,854	15,151
Operating income	1,280	1,654	14,415	12,285
Other nonoperating expense	(37)	(30)	(196)	(294)
Income from discontinued operations before income taxes	1,243	1,624	14,219	11,991
Income tax expense	380	331	5,502	4,425
Net income	$ 863	$1,293	$ 8,717	$ 7,566

Atmos Energy Corporation
Financial Highlights, continued (Unaudited)

Condensed Balance Sheets (000s)	September 30, 2011	September 30, 2010
Net property, plant and equipment	$5,147,918	$4,793,075
Cash and cash equivalents	131,419	131,952
Accounts receivable, net	273,303	273,207
Gas stored underground	289,760	319,038
Other current assets	316,471	150,995
Total current assets	1,010,953	875,192
Goodwill and intangible assets	740,207	740,148
Deferred charges and other assets	383,793	355,376
	$7,282,871	$6,763,791
Shareholders' equity	$2,255,421	$2,178,348
Long-term debt	2,206,117	1,809,551
Total capitalization	4,461,538	3,987,899
Accounts payable and accrued liabilities	291,205	266,208
Other current liabilities	367,563	413,640
Short-term debt	206,396	126,100
Current maturities of long-term debt	2,434	360,131
Total current liabilities	867,598	1,166,079
Deferred income taxes	960,093	829,128
Deferred credits and other liabilities	993,642	780,685
	$7,282,871	$6,763,791

Atmos Energy Corporation
Financial Highlights, continued (Unaudited)

Condensed Statements of Cash Flows (000s)	Year Ended September 30 2011	2010
Cash flows from operating activities		
Net income	$ 207,601	$ 205,839
Asset impairments	30,270	—
Depreciation and amortization	233,383	217,133
Deferred income taxes	117,353	196,731
Changes in assets and liabilities	(25,826)	83,455
Other	20,063	23,318
Net cash provided by operating activities	582,844	726,476
Cash flows from investing activities		
Capital expenditures	(622,965)	(542,636)
Other, net	(4,421)	(66)
Net cash used in investing activities	(627,386)	(542,702)
Cash flows from financing activities		
Net increase in short-term debt	83,306	54,268
Net proceeds from issuance of long-term debt	394,466	—
Settlement of Treasury lock agreements	20,079	—
Unwinding of Treasury lock agreements	27,803	—
Repayment of long-term debt	(360,131)	(131)
Cash dividends paid	(124,011)	(124,287)
Repurchase of common stock	—	(100,450)
Repurchase of equity awards	(5,299)	(1,191)
Issuance of common stock	7,796	8,766
Net cash provided by (used in) financing activities	44,009	(163,025)
Net increase (decrease) in cash and cash equivalents	(533)	20,749
Cash and cash equivalents at beginning of period	131,952	111,203
Cash and cash equivalents at end of period	$ 131,419	$ 131,952

Statistics	Three Months Ended September 30 2011	2010	Year Ended September 30 2011	2010
Consolidated natural gas distribution throughput (MMcf as metered)	58,081	55,902	424,020	454,175
Consolidated regulated transmission and storage transportation volumes (MMcf)	129,114	133,473	435,012	428,599
Consolidated nonregulated delivered gas sales volumes (MMcf)	94,313	86,717	384,799	353,853
Natural gas distribution meters in service	3,213,191	3,186,040	3,213,191	3,186,040
Natural gas distribution average cost of gas	$ 6.12	$ 5.83	$ 5.30	$ 5.77
Nonregulated net physical position (Bcf)	21.0	15.7	21.0	15.7

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

Form 8-K

Current Report

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

September 23, 2011
Date of Report (Date of earliest event reported)

ATMOS ENERGY CORPORATION
(Exact Name of Registrant as Specified in its Charter)

TEXAS AND VIRGINIA	1-10042	75-1743247
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

1800 THREE LINCOLN CENTRE, 5430 LBJ FREEWAY, DALLAS, TEXAS	75240
(Address of Principal Executive Offices)	(Zip Code)

(972) 934-9227
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

(e) In recognition of the continuing transition of duties and responsibilities from Robert W. Best, Executive Chairman of the Board of Atmos Energy Corporation (the "Company"), to Kim R. Cocklin, President and Chief Executive Officer of the Company, the Human Resources Committee of the Board of Directors (the "HR Committee") performed a current review of their compensation packages. The transition from Mr. Best to Mr. Cocklin as Chief Executive Officer of the Company commenced on October 1, 2010, upon the appointment of Messrs. Best and Cocklin to their respective current positions. The HR Committee reviewed data prepared by its independent compensation consultant with respect to the appropriate compensation for both executive officer positions based on the amounts and types of compensation for similar positions provided by the companies in the Company's proxy peer group of natural gas service providers.

As a result of the HR Committee's review and upon its recommendation, on September 24, 2011, the Board of Directors approved adjustments in compensation for Messrs. Best and Cocklin, with all adjustments effective October 1, 2011. First, the annual base salary for Mr. Best will be reduced to $510,000 from $750,000 and the annual base salary for Mr. Cocklin will be increased to $850,000 from $750,000. In addition, the incentive awards at the target level for fiscal 2012 for both Messrs. Best and Cocklin under the Company's Annual Incentive Plan for Management ("Incentive Plan") will be adjusted to 90% from 80% of their base salaries. Finally, the long-range incentive target for fiscal 2012 under the Company's 1998 Long-Term Incentive Plan ("LTIP") for Mr. Best will remain at 150% of his salary range midpoint while such target for Mr. Cocklin will increase to 200% from 150% of his salary range midpoint. The terms of the Incentive Plan and the LTIP are contained in Appendix B and Appendix A, respectively, to the Company's proxy statement for the 2011 annual meeting of shareholders, which was filed with the Securities and Exchange Commission on December 28, 2010. Like all other executive officers of the Company, Messrs. Best and Cocklin are "at will" employees of the Company and therefore do not have employment agreements with the Company.

Item 8.01. Other Information.

On September 28, 2011, Atmos Energy Corporation (the "Company") announced that its Board of Directors had authorized the Company to repurchase up to five million shares of its common stock over a five year period. The repurchase program is primarily intended to minimize the dilutive effect of equity grants under the Company's various benefit related incentive compensation plans. A press release announcing the repurchase program was issued, is attached hereto as Exhibit 99.1 and is incorporated by reference herein.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

99.1 News Release dated September 28, 2011

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ATMOS ENERGY CORPORATION
(Registrant)

DATE: September 28, 2011

By: /s/ LOUIS P. GREGORY
Louis P. Gregory
Senior Vice President
and General Counsel

INDEX TO EXHIBITS

Exhibit Number	Description
99.1	News Release dated September 28, 2011

Exhibit 99.1

News Release

Analysts and Media Contact:
Susan Giles (972) 855-3729

Atmos Energy Corporation Announces Share Repurchase Program

DALLAS (September 28, 2011)—Atmos Energy Corporation (NYSE: ATO) announced today that its Board of Directors has approved a new program authorizing the repurchase of up to five million shares of its common stock. Although the program is authorized for a five year period, it may be terminated or limited at any time. Repurchases under the program will be made from time to time at management's discretion in accordance with applicable federal securities laws. Shares may be repurchased in the open market or in privately negotiated transactions in amounts the company deems appropriate. The program is primarily intended to minimize the dilutive effect of equity grants under various benefit related incentive compensation plans of the company.

Forward-Looking Statements

The matters discussed in this news release may contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements other than statements of historical fact included in this news release are forward-looking statements made in good faith by the company and are intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. When used in this news release or in any of the company's other documents or oral presentations, the words "anticipate," "believe," "estimate," "expect," "forecast," "goal," "intend," "objective," "plan," "projection," "seek," "strategy" or similar words are intended to identify forward-looking statements. Such forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those discussed in this news release, including the risks and uncertainties relating to regulatory trends and decisions, the company's ability to continue to access the capital markets and the other factors discussed in the company's reports filed with the Securities and Exchange Commission. These factors include the risks and uncertainties discussed in the company's Annual Report on Form 10-K for the fiscal year ended September 30, 2010 and in the company's Quarterly Report on Form 10-Q for the three and nine months ended June 30, 2011. Although the company believes these forward-looking statements to be reasonable, there can be no assurance that they will approximate actual experience or that the expectations derived from them will be realized. The company undertakes no obligation to update or revise forward-looking statements, whether as a result of new information, future events or otherwise.

About Atmos Energy

Atmos Energy Corporation, headquartered in Dallas, is currently the country's largest natural-gas-only distributor, serving over three million natural gas distribution customers in more than 1,600 communities in 12 states from the Blue Ridge Mountains in the East to the Rocky Mountains in the West. Atmos Energy also provides natural gas marketing and procurement services to industrial, commercial and municipal customers primarily in the Midwest and Southeast and manages company-owned natural gas pipeline and storage assets, including one of the largest intrastate natural gas pipeline systems in Texas. Atmos Energy is a Fortune 500 company. For more information, visit www.atmosenergy.com .

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

Form 8-K

Current Report

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

August 3, 2011
Date of Report (Date of earliest event reported)

ATMOS ENERGY CORPORATION
(Exact Name of Registrant as Specified in its Charter)

TEXAS AND VIRGINIA	1-10042	75-1743247
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

1800 THREE LINCOLN CENTRE, 5430 LBJ FREEWAY, DALLAS, TEXAS	75240
(Address of Principal Executive Offices)	(Zip Code)

(972) 934-9227
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operations and Financial Condition.

On Wednesday, August 3, 2011, Atmos Energy Corporation (the "Company") issued a news release in which it reported the Company's financial results for the third quarter of the 2011 fiscal year, which ends September 30, 2011, and that certain of its officers would discuss such financial results in a conference call on Thursday, August 4, 2011 at 10:00 a.m. Eastern Time. In the release, the Company also announced that the call would be webcast live and that slides for the webcast would be available on its website for all interested parties.

A copy of the news release is furnished as Exhibit 99.1. The information furnished in this Item 2.02 and in Exhibit 99.1 shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section, nor shall such information be deemed to be incorporated by reference into any of the Company's filings under the Securities Act of 1933 or the Securities Exchange Act of 1934.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

99.1 News Release dated August 3, 2011 (furnished under Item 2.02)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ATMOS ENERGY CORPORATION
(Registrant)

DATE: August 3, 2011

By: /s/ LOUIS P. GREGORY
Louis P. Gregory
Senior Vice President and General Counsel

INDEX TO EXHIBITS

Exhibit Number	Description
99.1	News Release dated August 3, 2011 (furnished under Item 2.02)

Exhibit 99.1

News Release

Analysts and Media Contact:
Susan Giles (972) 855-3729

Atmos Energy Corporation Reports Earnings for the Fiscal 2011 Third Quarter and Nine Months; Reaffirms Fiscal 2011 Guidance

DALLAS (August 3, 2011)—Atmos Energy Corporation (NYSE: ATO) today reported consolidated results for its fiscal 2011 third quarter and nine months ended June 30, 2011.

- Fiscal 2011 third quarter consolidated results, excluding net unrealized margins were a net loss of $0.7 million, or ($0.01) per diluted share, compared with net income of $7.9 million, or $0.09 per diluted share in the prior-year quarter.
- After including noncash, unrealized net gains of $0.1 million, or $0.00 per diluted share, fiscal 2011 third quarter net loss was $0.6 million, or ($0.01) per diluted share. In the prior-year quarter, net loss was $3.2 million, or ($0.03) per diluted share, after including unrealized net losses of $11.1 million, or ($0.12) per diluted share.
- Net loss for the fiscal 2011 third quarter includes a noncash charge of $6.1 million, or ($0.06) per diluted share, to impair certain natural gas gathering assets.
- Net income from discontinued operations was $0.9 million, or $0.01 per diluted share in the current quarter, compared with $1.1 million, or $0.01 per diluted share in the prior-year quarter.

For the nine months ended June 30, 2011, consolidated net income was $205.6 million, or $2.25 per diluted share, compared with net income of $204.3 million, or $2.18 per diluted share for the same period last year. Included in the current period net income is the net positive impact of several one-time items totaling $6.5 million, or $0.07 per diluted share. Net income for the prior-year period included the positive impact of a one-time item of $4.5 million, or $0.05 per diluted share. Results from nonregulated operations include noncash, unrealized net losses of $1.4 million, or ($0.02) per diluted share for the nine months ended June 30, 2011, compared with net losses of $6.2 million, or ($0.07) per diluted share for the prior-year period. For the current nine-month period, regulated operations contributed $207.1 million of net income, or $2.27 per diluted share, and nonregulated operations experienced a net loss of $1.5 million, or ($0.02) per diluted share. For the current nine months, net income from regulated operations includes $7.9 million, or $0.09 per diluted share from discontinued operations, compared with $6.3 million, or $0.07 per diluted share for the same period last year.

"The continuing stable and predictable contribution from our regulated operations offers a strong platform for growth and allows us to continue to provide safe and reliable service to our customers, while realizing appropriate returns for our shareholders," said Kim Cocklin, president and chief executive officer of Atmos Energy Corporation. "As we enter the final quarter of our fiscal year, which is often a break-even quarter, we expect to deliver earnings per diluted share in the lower end of our range of $2.25-$2.35 for fiscal 2011," Cocklin concluded.

Results for the 2011 Third Quarter Ended June 30, 2011

Natural gas distribution gross profit, excluding discontinued operations, increased $8.9 million to $200.2 million for the fiscal 2011 third quarter, compared with $191.3 million in the prior-year quarter. This increase reflects a net $7.5 million increase in rates, primarily in the company's Mid-Tex, Kansas and Kentucky service areas. Additionally, gross profit increased by $1.2 million due to a five percent increase in consolidated distribution throughput, primarily from higher consumption. These increases were partially offset by a $1.5 million decrease in revenue-related taxes, which was offset by a decrease in taxes, other than income.

Regulated transmission and storage gross profit increased $8.6 million to $53.6 million for the quarter ended June 30, 2011, compared with $45.0 million for the same period last year. This increase is due primarily to a net $8.7 million increase as a result of new rates from the recent Atmos Pipeline – Texas rate case.

Nonregulated gross profit increased $1.6 million to $13.4 million for the quarter ended June 30, 2011, compared with $11.8 million for the prior-year quarter. Realized margins from gas delivery and other services, decreased $0.4 million, compared with the prior-year quarter largely due to a $0.03/Mcf decrease in gas delivery unit margins, despite an 18 percent increase in sales volumes. Additionally, realized asset optimization margins decreased $12.9 million from the prior-year quarter, primarily reflecting the impact of continued weak natural gas market fundamentals. The decreases in gas delivery services and realized asset optimization margins were more than offset by a $14.9 million increase in unrealized margins.

Operating expenses for the quarter ended June 30, 2011, include an $11.0 million noncash charge to impair portions of the Park City and Shrewsbury natural gas gathering assets located in Edmonson County, Kentucky.

Results for the Nine Months Ended June 30, 2011

Natural gas distribution gross profit, excluding discontinued operations, increased $15.5 million to $870.1 million for the nine months ended June 30, 2011, compared with $854.6 million in the prior-year period. This increase is due largely to a net $35.8 million increase attributable to rate increases, primarily in the company's Mid-Tex, Louisiana, Kentucky and Kansas service areas. Partially offsetting this increase was an $11.2 million decrease associated with an eight percent decrease in consolidated distribution throughput, primarily from lower consumption and warmer weather, coupled with an $8.5 million decrease in revenue-related taxes, which is offset by a decrease in taxes, other than income.

Regulated transmission and storage gross profit increased $10.6 million to $157.6 million for the nine months ended June 30, 2011, compared with $147.0 million for the same period last year. This period-over-period increase is due primarily to a net $8.7 million increase as a result of new rates from the recent Atmos Pipeline – Texas rate case and a $6.2 million increase in revenues

resulting from filings under the Texas Gas Reliability Infrastructure Program (GRIP). These increases were partially offset by a $2.8 million decrease primarily resulting from lower throughput to the Mid-Tex Division and a $2.4 million period-over-period decline in per-unit transportation margins.

Nonregulated gross profit decreased $37.1 million to $58.6 million for the nine months ended June 30, 2011, compared with $95.7 million for the prior-year period. The decrease primarily reflects a $47.0 million decrease in realized asset optimization margins, due to greater intramonth trading gains realized in the prior-year period from more favorable trading opportunities in the daily cash market, combined with lower realized gains in the current-year period, due to continued weak natural gas market fundamentals. The decrease in realized asset optimization margins were partially offset by a $7.7 million increase in unrealized margins and a $2.3 million increase in realized margins from gas delivery and other services, primarily due to a nine percent increase in sales volumes.

Consolidated operation and maintenance expense, excluding discontinued operations, for the nine months ended June 30, 2011, was $341.3 million, compared with $348.5 million for the prior-year period. Additionally, excluding the provision for doubtful accounts, operation and maintenance expense for the current nine-month period was $336.1 million, compared with $341.4 million for the prior-year period. The $5.3 million decrease resulted primarily from an $11.4 million decrease in employee-related costs, partially offset by a $7.4 million increase, due to the absence in the current year of a state sales tax refund received in the prior year.

Results for the nine months ended June 30, 2011 include several one-time items, resulting in a total net of tax gain of $6.5 million. The company unwound two Treasury lock agreements, in conjunction with the cancellation of a planned debt offering in November 2011 and recognized a $27.8 million cash gain. Offsetting this gain was a $19.3 million noncash charge to impair the company's investment in the Ft. Necessity storage project and an $11.0 million noncash charge to impair certain natural gas gathering assets. Finally, due to the administrative settlement of various income tax positions during the fiscal second quarter, the company recorded a $5.0 million tax benefit.

The debt capitalization ratio at June 30, 2011, was 48.6 percent, compared with 51.3 percent at September 30, 2010, and 48.4 percent at June 30, 2010. No short-term debt was outstanding at June 30, 2011.

For the nine months ended June 30, 2011, the company generated operating cash flow of $519.6 million, a $75.0 million reduction compared with the nine months ended June 30, 2010. The period-over-period decrease primarily reflects the timing of gas cost recoveries under the company's purchased gas cost mechanisms and other net working capital changes.

Capital expenditures increased to $390.3 million for the nine months ended June 30, 2011, compared with $362.3 million for the same period last year. The $28.0 million increase primarily reflects spending related to the Mid-Tex Division steel service line replacement program and the development of a new customer service system, partially offset by costs incurred in the prior year to relocate the company's information technology data center.

Outlook

The leadership of Atmos Energy remains focused on enhancing shareholder value by delivering consistent earnings growth. Atmos Energy expects fiscal 2011 earnings to be in the lower end of the previously announced range of $2.25 to $2.35 per diluted share, excluding unrealized gains and losses. Net income from regulated operations is now expected to be in the range of $201 million to $208 million, while net income from nonregulated operations is expected to be in the range of $5 million to $7 million. Capital expenditures for fiscal 2011 are now expected to range between $610 million to $625 million.

However, the valuation on September 30, 2011, of the company's nonregulated physical storage inventory and associated financial instruments ("mark-to-market"), as well as changes in events or other circumstances that the company cannot currently anticipate or predict, could result in earnings for fiscal 2011 that are significantly above or below this outlook. Factors that could cause such changes are described below in Forward-Looking Statements and in other company reports filed with the Securities and Exchange Commission.

Conference Call to be Webcast August 4, 2011

Atmos Energy will host a conference call with financial analysts to discuss the financial results for the fiscal 2011 third quarter and first nine months on Thursday, August 4, 2011, at 10 a.m. Eastern Time. The telephone number is 877-485-3107. The conference call will be webcast live on the Atmos Energy website at www.atmosenergy.com . A playback of the call will be available on the website later that day. Kim Cocklin, president and chief executive officer; and Fred Meisenheimer, senior vice president and chief financial officer will participate in the conference call.

Highlights and Recent Developments

Atmos Energy Completes Successful Senior Note Offering

On June 10, 2011, Atmos Energy completed the public offering of $400 million 5.50% Senior Notes due 2041. The company used approximately $394 million of net proceeds from this offering to repay outstanding commercial paper borrowings, fund capital expenditures and for general corporate purposes.

Credit Ratings Upgraded

On June 2, 2011, Fitch raised its corporate credit rating on Atmos Energy to A- from BBB+ and stated the outlook for the company is "Stable." Additionally, on May 11, 2011, Moody's raised its corporate credit rating on Atmos Energy to Baa1 from Baa2 and stated the outlook for the company is "Stable."

Atmos Energy to Sell Distribution Assets

On May 12, 2011, Atmos Energy entered into an agreement to sell its natural gas distribution assets in Missouri, Illinois and Iowa to Liberty Energy (Midstates) Corporation, an affiliate of Algonquin Power & Utilities Corp. for approximately $124 million. The operating results of these assets are now reported in discontinued operations. The transaction is expected to close in fiscal 2012.

This news release should be read in conjunction with the attached unaudited financial information.

Forward-Looking Statements

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Atmos Energy Corporation
Financial Highlights (Unaudited)

Statements of Income (000s except per share)	Three Months Ended June 30 2011	2010	Percentage Change
Gross Profit:			
Natural gas distribution segment	$200,192	$191,331	5%
Regulated transmission and storage segment	53,570	44,957	19%
Nonregulated segment	13,405	11,771	14%
Intersegment eliminations	(362)	(393)	8%
Gross profit	266,805	247,666	8%
Operation and maintenance expense	112,665	111,559	1%
Depreciation and amortization	56,932	51,940	10%
Taxes, other than income	52,142	51,908	— %
Asset impairments	10,988	—	100%
Total operating expenses	232,727	215,407	8%
Operating income	34,078	32,259	6%
Miscellaneous expense	(1,430)	(798)	79%
Interest charges	35,845	37,267	(4)%
Loss from continuing operations before income taxes	(3,197)	(5,806)	45%
Income tax benefit	(1,723)	(1,577)	9%
Loss from continuing operations	(1,474)	(4,229)	65%
Income from discontinued operations, net of tax	908	1,075	(16)%
Net loss	$ (566)	$ (3,154)	82%
Basic earnings per share			
Loss per share from continuing operations	$ (0.02)	$ (0.04)	
Income per share from discontinued operations	0.01	0.01	
Net loss per share – basic	$ (0.01)	$ (0.03)	
Diluted earnings per share			
Loss per share from continuing operations	$ (0.02)	$ (0.04)	
Income per share from discontinued operations	0.01	0.01	
Net loss per share – diluted	$ (0.01)	$ (0.03)	
Cash dividends per share	$ .340	$ .335	
Weighted average shares outstanding:			
Basic	90,127	92,648	
Diluted	90,127	92,648	

Summary Net Income (Loss) by Segment (000s)	Three Months Ended June 30 2011	2010	Percentage Change
Natural gas distribution – continuing operations	$ (8,129)	$ (11,977)	32%
Natural gas distribution – discontinued operations	908	1,075	(16)%
Regulated transmission and storage	10,552	8,465	25%
Nonregulated	(3,995)	10,369	(139)%
Unrealized margins, net of tax	98	(11,086)	101%
Consolidated net loss	$ (566)	$ (3,154)	82%

Atmos Energy Corporation
Financial Highlights, continued (Unaudited)

Statements of Income (000s except per share)	Nine Months Ended June 30 2011	Nine Months Ended June 30 2010	Percentage Change
Gross Profit:			
Natural gas distribution segment	$ 870,132	$ 854,620	2%
Regulated transmission and storage segment	157,553	146,998	7%
Nonregulated segment	58,641	95,707	(39)%
Intersegment eliminations	(1,129)	(1,212)	7%
Gross profit	1,085,197	1,096,113	(1)%
Operation and maintenance expense	341,317	348,458	(2)%
Depreciation and amortization	167,176	156,201	7%
Taxes, other than income	145,868	152,840	(5)%
Asset impairments	30,270	—	100%
Total operating expenses	684,631	657,499	4%
Operating income	400,566	438,614	(9)%
Miscellaneous income (expense)	24,046	(905)	27,570%
Interest charges	112,615	115,481	(2)%
Income from continuing operations before income taxes	311,997	322,228	(3)%
Income tax expense	114,211	124,199	(8)%
Income from continuing operations	197,786	198,029	— %
Income from discontinued operations, net of tax	7,854	6,273	25%
Net income	$ 205,640	$ 204,302	1%
Basic earnings per share			
Income per share from continuing operations	$ 2.17	$ 2.12	
Income per share from discontinued operations	0.09	0.07	
Net income per share – basic	$ 2.26	$ 2.19	
Diluted earnings per share			
Income per share from continuing operations	$ 2.16	$ 2.11	
Income per share from discontinued operations	0.09	0.07	
Net income per share – diluted	$ 2.25	$ 2.18	
Cash dividends per share	$ 1.020	$ 1.005	
Weighted average shares outstanding:			
Basic	90,233	92,513	
Diluted	90,530	92,856	

Summary Net Income by Segment (000s)	Nine Months Ended June 30 2011	Nine Months Ended June 30 2010	Percentage Change
Natural gas distribution – continuing operations	$ 160,853	$ 137,004	17%
Natural gas distribution – discontinued operations	7,854	6,273	25%
Regulated transmission and storage	38,393	28,989	32%
Nonregulated	(51)	38,249	(100)%
Unrealized margins, net of tax	(1,409)	(6,213)	77%
Consolidated net income	$ 205,640	$ 204,302	1%

Atmos Energy Corporation
Financial Highlights, continued (Unaudited)

Discontinued Operations (000s)	Three Months Ended June 30		Nine Months Ended June 30	
	2011	2010	2011	2010
Operating revenues	$11,524	$8,952	$71,047	$62,121
Purchased gas cost	5,460	3,390	44,993	39,836
Gross profit	6,064	5,562	26,054	22,285
Operating expenses	4,472	3,712	12,919	11,654
Operating income	1,592	1,850	13,135	10,631
Other nonoperating expense	(94)	(75)	(159)	(264)
Income from discontinued operations before income taxes	1,498	1,775	12,976	10,367
Income tax expense	590	700	5,122	4,094
Net income	$ 908	$1,075	$ 7,854	$ 6,273

Atmos Energy Corporation
Financial Highlights, continued (Unaudited)

Condensed Balance Sheets (000s)	June 30, 2011	September 30, 2010
Net property, plant and equipment	$4,916,051	$4,793,075
Cash and cash equivalents	117,429	131,952
Accounts receivable, net	342,092	273,207
Gas stored underground	256,768	319,038
Other current assets	273,459	150,995
Total current assets	989,748	875,192
Goodwill and intangible assets	739,677	740,148
Deferred charges and other assets	347,994	355,376
	$6,993,470	$6,763,791
Shareholders' equity	$2,335,824	$2,178,348
Long-term debt	2,206,106	1,809,551
Total capitalization	4,541,930	3,987,899
Accounts payable and accrued liabilities	312,205	266,208
Other current liabilities	333,643	413,640
Short-term debt	—	126,100
Current maturities of long-term debt	2,434	360,131
Total current liabilities	648,282	1,166,079
Deferred income taxes	967,607	829,128
Deferred credits and other liabilities	835,651	780,685
	$6,993,470	$6,763,791

Atmos Energy Corporation
Financial Highlights, continued (Unaudited)

Condensed Statements of Cash Flows (000s)	Nine Months Ended June 30 2011	Nine Months Ended June 30 2010
Cash flows from operating activities		
Net income	$ 205,640	$ 204,302
Asset impairments	30,270	—
Depreciation and amortization	171,875	160,323
Deferred income taxes	115,488	186,325
Changes in assets and liabilities	(19,638)	25,189
Other	15,927	18,425
Net cash provided by operating activities	519,562	594,564
Cash flows from investing activities		
Capital expenditures	(390,283)	(362,349)
Other, net	(3,373)	(438)
Net cash used in investing activities	(393,656)	(362,787)
Cash flows from financing activities		
Net decrease in short-term debt	(132,072)	(76,019)
Net proceeds from issuance of long-term debt	394,618	—
Settlement of Treasury lock agreements	20,079	—
Unwinding of Treasury lock agreements	27,803	—
Repayment of long-term debt	(360,066)	(66)
Cash dividends paid	(93,039)	(93,913)
Repurchase of equity awards	(5,300)	(1,173)
Issuance of common stock	7,548	8,574
Net cash used in financing activities	(140,429)	(162,597)
Net increase (decrease) in cash and cash equivalents	(14,523)	69,180
Cash and cash equivalents at beginning of period	131,952	111,203
Cash and cash equivalents at end of period	$ 117,429	$ 180,383

Statistics	Three Months Ended June 30 2011	Three Months Ended June 30 2010	Nine Months Ended June 30 2011	Nine Months Ended June 30 2010
Consolidated natural gas distribution throughput (MMcf as metered)	69,094	65,928	365,939	398,273
Consolidated regulated transmission and storage transportation volumes (MMcf)	112,564	100,770	305,898	295,126
Consolidated nonregulated delivered gas sales volumes (MMcf)	88,382	75,014	290,486	267,136
Natural gas distribution meters in service	3,199,636	3,199,635	3,199,636	3,199,635
Natural gas distribution average cost of gas	$ 5.59	$ 5.73	$ 5.21	$ 5.77
Nonregulated net physical position (Bcf)	16.7	20.1	16.7	20.1

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

Form 8-K

Current Report Pursuant to Section 13 or
15(d) of the Securities Exchange Act of 1934

June 10, 2011
Date of Report (Date of earliest event reported)

ATMOS ENERGY CORPORATION

(Exact Name of Registrant as Specified in its Charter)

TEXAS AND VIRGINIA	1-10042	75-1743247
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

1800 THREE LINCOLN CENTRE, 5430 LBJ FREEWAY, DALLAS, TEXAS	75240
(Address of Principal Executive Offices)	(Zip Code)

(972) 934-9227
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

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☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01. Entry into a Material Definitive Agreement.

On June 10, 2011, Atmos Energy Corporation ("Atmos Energy") completed a public offering of $400,000,000 aggregate principal amount of its 5.50% Senior Notes due 2041 (the "Notes"). The offering has been registered under the Securities Act of 1933, as amended (the "Securities Act"), pursuant to a registration statement on Form S-3 (Registration No. 333-165818) of Atmos Energy (the "Registration Statement"), and the prospectus supplement dated June 7, 2011 and filed with the Securities and Exchange Commission pursuant to Rule 424(b) of the Securities Act on June 8, 2011. Atmos Energy received net proceeds from the offering, after the underwriting discount and estimated offering expenses, of approximately $394 million.

The Notes were issued pursuant to an indenture dated as of March 26, 2009 (the "Base Indenture") between Atmos Energy and U.S. Bank National Association, as trustee (the "Trustee"), and an officers' certificate delivered to the Trustee pursuant to Section 301 of the Base Indenture (the "Officers' Certificate;" the Base Indenture, as modified by the Officers' Certificate, is referred to herein as the "Indenture") and are represented by a global security executed by Atmos Energy on June 10, 2011 (the "Global Security"). The Notes are unsecured obligations ranking equally with all of Atmos Energy's existing and future senior indebtedness and senior in right of payment to any future indebtedness that is subordinated to the Notes. The Notes bear interest at an annual rate of 5.50%, payable by Atmos Energy on June 15 and December 15 of each year, beginning on December 15, 2011, and mature on June 15, 2041. Atmos Energy may redeem the Notes at its option at any time, in whole or in part, at a redemption price calculated in accordance with the Indenture.

The Indenture includes covenants that limit the ability of Atmos Energy and its restricted subsidiaries (as defined) to, among other things, (i) create specified liens, (ii) engage in specified sale and leaseback transactions, (iii) consolidate or merge with or into other companies or (iv) sell all or substantially all of Atmos Energy's assets. The restrictive covenants are subject to a number of exceptions and qualifications set forth in the Indenture. The Indenture provides for events of default, including (i) interest payment defaults, (ii) breaches of covenants, (iii) certain payment defaults at final maturity or acceleration of other indebtedness and (iv) the occurrence of events of bankruptcy, insolvency or reorganization. If any event of default occurs and is continuing, subject to certain exceptions, the Trustee or the holders of at least 25% in aggregate principal amount of the then outstanding Notes may declare all the Notes to be due and payable immediately, together with any accrued and unpaid interest.

The above descriptions are qualified in their entirety by reference to the text of the Base Indenture, the Officers' Certificate and the Global Security. The Base Indenture has been previously filed, and the Officers' Certificate and Global Security are filed as Exhibits 4.1 and 4.2 to this Current Report on Form 8-K, respectively, and are each incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) *Exhibits*

Exhibit Number	Description
4.1	Officers' Certificate dated June 10, 2011
4.2	Global Security for the 5.50% Senior Notes due 2041

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ATMOS ENERGY CORPORATION
(Registrant)

DATE: June 13, 2011

By: /s/ Louis P. Gregory
Louis P. Gregory
Senior Vice President and General Counsel

INDEX TO EXHIBITS

Exhibit Number	Description
4.1	Officers' Certificate dated June 10, 2011
4.2	Global Security for the 5.50% Senior Notes due 2041

Exhibit 4.1

ATMOS ENERGY CORPORATION

Officers' Certificate Pursuant to Section 301 of the Indenture

June 10, 2011

Each of the undersigned, Fred E. Meisenheimer, Senior Vice President and Chief Financial Officer, and Louis P. Gregory, Senior Vice President and General Counsel of Atmos Energy Corporation (the "Company") certifies, pursuant to the authority delegated to each of them, as an officer of the Company, pursuant to the resolutions adopted on May 4, 2011 by the board of directors of the Company (the "Board") (copies of which resolutions are attached hereto as Exhibit I), that pursuant to Section 301 of the Indenture dated as of March 26, 2009 (the "Indenture") between the Company and U.S. Bank National Association, as trustee (the "Trustee"), a series of debt securities of the Company is hereby established with the following terms and provisions (unless otherwise defined herein, capitalized terms used herein have the meaning given thereto in the Indenture):

1. The title of the series of the securities is the 5.50% Senior Notes due 2041 (the "Notes").

2. The Notes are unsubordinated and will rank equally with all of the Company's other unsecured and unsubordinated debt. Subordinated debt will rank junior to the Notes and the Company's other senior debt.

3. The aggregate principal amount of the Notes that may be issued under the Indenture, in connection with the Underwriting Agreement, dated as of June 7, 2011, between the Company and certain underwriters named therein, is $400,000,000, and the Stated Maturity of the Notes is June 15, 2041. The Notes shall be offered to the public at a price representing 99.678% of their principal amount.

4. The Notes shall bear interest at the rate of 5.50% per annum. Interest on the Notes will be payable in arrears on June 15 and December 15 of each year (each, an "Interest Payment Date"), beginning December 15, 2011. Interest payable on each Interest Payment Date will include interest accrued from and including June 10, 2011, or from and including the most recent Interest Payment Date to which interest has been paid or duly provided for, as the case may be, to but excluding such Interest Payment Date. Interest will be computed on the basis of a 360-day year of twelve 30-day months. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Indenture, be paid to the Holder in whose name the Notes are registered at the close of business on the June 1 or December 1 (whether or not a Business Day) preceding the respective Interest Payment Date. The payment of any Defaulted Interest on the Notes shall be payable to the Holders of the Notes on a Special Record Date established therefor pursuant to the Indenture, or shall be paid at any time in any other lawful manner, all as more fully provided in the Indenture.

5. Payment of the principal of (and premium, if any) and interest on the Notes will be made at the office or agency of the Company maintained for that purpose in the Borough of Manhattan, the City of New York, or at such other office or agency of the

Company as may be maintained for such purpose, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts. So long as the Notes remain in book-entry form, all payments of principal and interest will be made by the Company in immediately available funds.

6. The Company may redeem the Notes prior to maturity at its option, at any time in whole or from time to time in part. Prior to December 15, 2040, the Redemption Price shall be equal to the greater of:

(a) 100% of the principal amount of the Notes to be redeemed, and

(b) as determined by the Quotation Agent (as defined below), the sum of the present values of the Remaining Scheduled Payments (as defined below) of principal and interest on the Notes to be redeemed discounted to the Redemption Date on a semi-annual basis assuming a 360-day year consisting of twelve 30-day months at the Adjusted Treasury Rate (as defined below) plus 20 basis points;

plus, in each case, accrued and unpaid interest on the principal amount of Notes being redeemed to the Redemption Date.

At any time on or after December 15, 2040, the Redemption Price shall be equal to 100% of the principal amount of the Notes to be redeemed, plus accrued and unpaid interest thereon to the Redemption Date.

"Adjusted Treasury Rate" means, for any Redemption Date, the rate per annum equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, assuming a price of the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for that Redemption Date;

"Comparable Treasury Issue" means the United States Treasury security selected by the Quotation Agent as having a maturity comparable to the remaining term of the Notes to be redeemed that would be used, at the time of a selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the Notes to be redeemed;

"Comparable Treasury Price" means, for any Redemption Date, the average of the Reference Treasury Dealer Quotations for that Redemption Date;

"Quotation Agent" means the Reference Treasury Dealer appointed by the Company;

"Reference Treasury Dealer" means each of BNP Paribas Securities Corp., Morgan Stanley & Co. LLC, UBS Securities LLC and a Primary Treasury Dealer (as defined below) selected by Wells Fargo Securities, LLC, and any of their successors; provided, however, if any of the foregoing ceases to be a primary U.S. government securities dealer in New York City (a "Primary Treasury Dealer"), the Company will substitute therefor another Primary Treasury Dealer;

"Reference Treasury Dealer Quotation" means, with respect to each Reference Treasury Dealer and any Redemption Date, the average, as determined by the

Trustee, of the bid and asked prices for the Comparable Treasury Issue (expressed, in each case, as a percentage of its principal amount) quoted in writing to the Trustee by such Reference Treasury Dealer by 5:00 p.m. on the third Business Day preceding such Redemption Date; and

"Remaining Scheduled Payments" means, with respect to each Note to be redeemed, the remaining scheduled payments of the principal and interest on such Note that would be due after the related Redemption Date but for such redemption; provided, however, that if such Redemption Date is not an Interest Payment Date, the amount of the next succeeding scheduled interest payment on such Note will be reduced by the amount of interest accrued on such Note to such Redemption Date.

7. In the case of a partial redemption of the Notes, the Notes to be redeemed shall be selected by the Trustee from the outstanding Notes not previously called for redemption, by such method as the Trustee shall deem fair and appropriate and which may provide for the selection for redemption of portions of the principal of the Notes. A partial redemption shall not reduce the portion of the principal amount of a Note not redeemed to a principal amount of less than $2,000. Notice of any redemption will be mailed by first class mail at least 30 days but not more than 60 days before the Redemption Date to each Holder of the Notes to be redeemed at its registered address. If any Notes are to be redeemed in part only, the notice of redemption will state the portion of the principal amount of the Notes to be redeemed. A new Note in a principal amount equal to the unredeemed portion of the Note will be issued in the name of the Holder of the Note upon surrender for cancellation of the original Note. Unless the Company defaults in payment of the Redemption Price, on and after the Redemption Date, interest will cease to accrue on the Notes or the portions of the Notes called for redemption.

8. Section 703 of the Indenture is replaced with the following in its entirety for purposes of the Notes only:

The Company shall:

(1) file with the Trustee, within 30 days after the Company has filed the same with the Commission, unless such reports are available on the Commission's EDGAR filing system (or any successor thereto), copies of the annual reports and of the information, documents and other reports (or copies of such portions of any of the foregoing as the Commission may from time to time by rules and regulations prescribe) which the Company may be required to file with the Commission pursuant to Section 13 or Section 15(d) of the Exchange Act; or, if the Company is not required to file information, documents or reports pursuant to either of such Sections, then the Company shall file with the Trustee and the Commission, in accordance with rules and regulations prescribed from time to time by the Commission, such of the supplementary and periodic information, documents and reports which may be required pursuant to Section 13 of the Exchange Act in respect of a security listed and registered on a national securities exchange as may be prescribed from time to time in such rules and regulations;

(2) file with the Trustee and the Commission, in accordance with rules and regulations prescribed from time to time by the Commission, such additional information,

documents and reports with respect to compliance by the Company with the conditions and covenants of this Indenture as may be required from time to time by such rules and regulations; and

(3) transmit to all Holders, as their names and addresses appear in the Security Register, within 30 days after the filing thereof with the Trustee, in the manner and to the extent provided in TIA Section 313(c), such summaries of any information, documents and reports required to be filed by the Company pursuant to Subsections (1) and (2) of this Section 703 as may be required by rules and regulations prescribed from time to time by the Commission.

9. The Company has no obligation to redeem, purchase or repay the Notes pursuant to any mandatory redemption or sinking fund or analogous provisions or at the option of the Holder thereof.

10. The entire $400,000,000 principal amount of the Notes shall be payable upon declaration of acceleration of the Maturity thereof pursuant to the Indenture.

11. The defeasance and covenant defeasance provisions of Article Fourteen of the Indenture shall apply to the Notes.

12. The Trustee, the initial Paying Agent and the initial Security Registrar for the Notes shall be U.S. Bank National Association. The Security Register for the Notes shall be initially maintained at, and the place where such Notes may be surrendered for registration of transfer or exchange shall be, the Trustee's Corporate Trust Office located at 1349 West Peachtree Street, Suite 1050, Atlanta, Georgia.

13. The Notes will be issued in registered permanent global form and each evidenced by a global security (a "Global Security") in substantially the form attached hereto as Exhibit II, with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by the Indenture, and may have imprinted or otherwise reproduced thereon such legend or legends or endorsements, not inconsistent with the provisions of the Indenture, as may be required to comply with any law or with any rules or regulations pursuant thereto, or with any rules of any securities exchange or to conform to general usage, all as may be determined by the officers executing each such Global Security, as evidenced by their execution of such Global Security. The beneficial owners of interests in each of the Global Securities may exchange such interests for Notes, as applicable, in certificated form (the "Definitive Notes") only in limited circumstances as provided in the Indenture. In the event that Definitive Notes are issued in exchange for a Global Security, the form of certificate evidencing each Definitive Note shall be in substantially the form of the attached Global Security, with such changes as are necessary to evidence the Notes in definitive form rather than as a Global Security. The Company initially appoints DTC to act as Depository with respect to the Notes.

14. The Notes are issuable in denominations of $2,000 and any integral multiples of $1,000 in excess thereof.

15. The Events of Default set forth in the Indenture shall apply to the Notes.

16. The Company will not pay Additional Amounts on the Notes held by any Holder who is not a United States person in respect of any tax, assessment or governmental charge withheld or deducted.

15. The Company may, at any time, without the consent of the Holders of the Notes, create and issue additional securities having the same ranking, interest rate, maturity and other terms as the Notes. Any such additional securities shall be consolidated and form the same series of the Notes having the same terms as to status, redemption and otherwise as the Notes under the Indenture.

Each of us further certifies that the form and terms of the Notes as established in this certificate have been established pursuant to Section 301 of the Indenture and comply with the Indenture.

[Signature page follows]

IN WITNESS WHEREOF, I have executed this certificate as of the date first written above.

By: /s/ Fred E. Meisenheimer
Name: Fred E. Meisenheimer
Title: Senior Vice President and Chief Financial Officer

IN WITNESS WHEREOF, I have executed this certificate as of the date first written above.

By: /s/ Louis P. Gregory
Name: Louis P. Gregory
Title: Senior Vice President and General Counsel

Exhibit 4.2

THIS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITORY OR A NOMINEE THEREOF. THIS SECURITY MAY NOT BE EXCHANGED IN WHOLE OR IN PART FOR A SECURITY REGISTERED, AND NO TRANSFER OF THIS SECURITY IN WHOLE OR IN PART MAY BE REGISTERED, IN THE NAME OF ANY PERSON OTHER THAN SUCH DEPOSITORY OR ITS NOMINEE EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (55 WATER STREET, NEW YORK, NEW YORK) TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND SUCH CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO., OR SUCH OTHER NAME AS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY, ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL, SINCE THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

ATMOS ENERGY CORPORATION

5.50% Senior Notes due 2041

No. 1

CUSIP NO. 049560 AK1
ISIN NO. US049560AK13

Atmos Energy Corporation, a Texas and Virginia corporation (herein called the "Company", which term includes any successor entity under the Indenture, hereinafter defined), for value received, hereby promises to pay to Cede & Co. or registered assigns the principal sum of FOUR HUNDRED MILLION DOLLARS ($400,000,000) on June 15, 2041 (the "Maturity Date"), at the office or agency of the Company referred to below, and to pay interest thereon from June 10, 2011, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, semiannually in arrears on June 15 and December 15 in each year (each, an "Interest Payment Date"), beginning December 15, 2011 at 5.50% per annum until the principal hereof is paid or duly provided for.

Any payment of principal or interest required to be made on a day that is not a Business Day need not be made on such day, but may be made on the next succeeding Business Day with the same force and effect as if made on such day and no interest shall accrue as a result of such delayed payment. Interest payable on each Interest Payment Date will include interest accrued from and including June 10, 2011, or from and including the most recent Interest Payment Date to which interest has been paid or duly provided for, as the case may be, to but excluding such Interest Payment Date. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Indenture, be paid to the person (the "Holder") in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on the June 1 or December 1 (whether or not a Business Day) next preceding such Interest Payment Date (a "Regular Record Date"). Any such interest not so punctually paid or duly provided for ("Defaulted Interest") will forthwith cease to be payable to the Holder on such Regular Record Date and either may be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on a special record date (the "Special Record Date") for the payment of such Defaulted Interest to be fixed by the Trustee (referred to herein), notice whereof shall be given to the Holder of this Security not less than ten days prior to such Special Record Date, or may be paid at any time in any other lawful manner, all as more fully provided in the Indenture.

For purposes of this Security, "Business Day" means any day that, in the city of the principal Corporate Trust Office of the Trustee and in the City of New York, is neither a Saturday, Sunday, or legal holiday nor a day on which banking institutions are authorized or required by law or regulation to close.

Payment of the principal of (and premium, if any) and interest on this Security will be made at the office or agency of the Company maintained for that purpose in the Borough of Manhattan, the City of New York, or at such other office or agency of the Company as may be maintained for such purpose, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts. So long as this Security remains in book-entry form, all payments of principal and interest will be made by the Company in immediately available funds.

Unless the certificate of authentication hereon has been duly executed by the Trustee by manual signature, this Security shall not be entitled to any benefit under the Indenture, or be valid or obligatory for any purpose.

This Security is one of a duly authorized issue of securities of the Company, designated as the 5.50% Senior Notes due 2041 (the "Securities"), issued under an Indenture dated as of March 26, 2009, as it may be supplemented from time to time (referred to herein as the "Indenture"), between the Company and U.S. Bank National Association, as trustee (referred to herein as the "Trustee", which term includes any successor trustee under the Indenture with respect to the series of which this Security is a part). A reference is hereby made to the Indenture for a statement of the respective rights, limitations of rights, duties, obligations and immunities thereunder of the Company, the Trustee and the Holders of the Securities, and of the terms upon which the Securities are, and are to be, authenticated and delivered, except as otherwise provided herein.

The Securities are initially limited to $400,000,000 aggregate principal amount. The Company may, at any time, without the consent of the Holders of the Securities, create and issue additional securities having the same ranking, interest rate, maturity and other terms as the Securities. Any such additional securities shall be consolidated and form the same series of the Securities having the same terms as to status, redemption and otherwise as the Securities under the Indenture.

Events of Default. If an Event of Default shall occur and be continuing, the principal of all the Securities may be declared due and payable in the manner and with the effect provided in the Indenture.

Optional Redemption. The Securities will be redeemable prior to maturity at the Company's option, at any time in whole or from time to time in part. Prior to December 15, 2040, the Redemption Price will be equal to the greater of:

(a) 100% of the principal amount of the Securities to be redeemed, and

(b) as determined by the Quotation Agent, the sum of the present values of the Remaining Scheduled Payments of principal and interest on the Securities to be redeemed discounted to the Redemption Date on a semi-annual basis assuming a 360-day year consisting of twelve 30-day months at the Adjusted Treasury Rate plus 20 basis points;

plus, in each case, accrued and unpaid interest on the principal amount of Securities being redeemed to the Redemption Date.

At any time on or after December 15, 2040, the Redemption Price will be equal to 100% of the principal amount of the Securities to be redeemed, plus accrued and unpaid interest thereon to the Redemption Date.

"Adjusted Treasury Rate" means, for any Redemption Date, the rate per annum equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, assuming a price of the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for that Redemption Date.

"Comparable Treasury Issue" means the United States Treasury security selected by the Quotation Agent as having a maturity comparable to the remaining term of the Securities to be redeemed that would be used, at the time of a selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the Securities to be redeemed.

"Comparable Treasury Price" means, for any Redemption Date, the Reference Treasury Dealer Quotation for that Redemption Date.

"Quotation Agent" means the Reference Treasury Dealer appointed by the Company.

"Reference Treasury Dealer" means each of BNP Paribas Securities Corp., Morgan Stanley & Co. LLC, UBS Securities LLC and a Primary Treasury Dealer (as defined below) selected by Wells Fargo Securities, LLC, and any of their successors; provided, however, if any of the foregoing ceases to be a primary U.S. government securities dealer in New York City (a "Primary Treasury Dealer"), the Company will substitute therefor another Primary Treasury Dealer.

"Reference Treasury Dealer Quotation" means, with respect to each Reference Treasury Dealer and any Redemption Date, the average, as determined by the Trustee, of the bid and asked prices for the Comparable Treasury Issue (expressed, in each case, as a percentage of its principal amount) quoted in writing to the Trustee by such Reference Treasury Dealer by 5:00 p.m. on the third Business Day preceding such Redemption Date.

"Remaining Scheduled Payments" means, with respect to each Security to be redeemed, the remaining scheduled payments of the principal and interest on such Security that would be due after the related Redemption Date but for such redemption; provided, however, that if such Redemption Date is not an Interest Payment Date, the amount of the next succeeding scheduled interest payment on such Security will be reduced by the amount of interest accrued on such Security to such Redemption Date.

In the event that less than all of the Securities are to be redeemed at any time, selection of such Securities for redemption will be made by The Depository Trust Company ("DTC") during any period the Securities are issued in the form of a global security registered in the name of DTC or a nominee thereof; *provided that* during any period the Securities are issued in certificated form, the selection of such Securities for redemption will be made by the Trustee by lot or by such other method as the Trustee in its sole discretion shall deem fair and appropriate. A partial redemption shall not reduce the portion of the principal amount of a Security not redeemed to a principal amount of less than $2,000. Notice of redemption shall be given by first-class mail, postage prepaid, mailed not less than 30 nor more than 60 days before the Redemption Date, to each Holder of Securities to be redeemed, at its address as shown in the Security Register. If the Securities are to be redeemed in part only, the notice of redemption that relates to such Securities shall state the portion of the principal amount thereof to be redeemed. A new Security in a principal amount equal to the unredeemed portion thereof will be issued in the name of the Holder thereof upon surrender for cancellation of the original Security. On and

after the Redemption Date, interest will cease to accrue on Securities or portions thereof called for redemption unless the Company defaults in the payment of the Redemption Price.

Sinking Fund . This Security does not have the benefit of any sinking fund obligations.

Modification and Waivers; Obligations of the Company Absolute . The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Securities. Certain limited amendments may be effected under the Indenture at any time by the Company and the Trustee without the consent of any Holders of the Securities. Certain other amendments affecting the Securities may only be effected under the Indenture with the consent of the Holders of not less than a majority in aggregate principal amount of the Securities at the time Outstanding. The Indenture also contains provisions permitting the Holders of not less than a majority in principal amount of the Securities at the time Outstanding, on behalf of the Holders of all Outstanding Securities, to waive compliance by the Company with certain provisions of the Indenture affecting the Securities. Furthermore, provisions in the Indenture permit the Holders of not less than a majority in principal amount of the Outstanding Securities to waive on behalf of all of the Holders of all Outstanding Securities certain past defaults under the Indenture in respect of the Securities and their consequences. Any such consent or waiver by or on behalf of the Holder of this Security shall be conclusive and binding upon such Holder and upon all future Holders of this Security and of any Security issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof whether or not notation of such consent or waiver is made upon this Security.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of (and premium, if any) and interest on this Security at the times, place and rate, and in the coin or currency, herein prescribed.

Defeasance and Covenant Defeasance . The Indenture contains provisions for defeasance at any time of (a) the entire indebtedness of the Company represented by this Security and (b) certain restrictive covenants and the related Defaults and Events of Default, upon compliance by the Company with certain conditions set forth therein, which provisions apply to this Security.

Authorized Denominations . The Securities are issuable only in registered form, without coupons, in minimum denominations of $2,000 and any integral multiple of $1,000 in excess thereof.

Registration of Transfer or Exchange . As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Security is registrable on the Security Register of the Company, upon surrender of this Security for registration of transfer at the office or agency of the Company, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Securities, of authorized denominations and for the same aggregate principal amount, will be issued to the

designated transferee or transferees. At the date of the original issuance of this Security such office or agency of the Company is maintained by U.S. Bank National Association, 1349 West Peachtree Street, Suite 1050, Atlanta, Georgia.

As provided in the Indenture and subject to certain limitations therein set forth, the Securities are exchangeable for a like aggregate principal amount of Securities of a different authorized denomination, as requested by the Holder surrendering the same.

No service charge shall be made for any registration of transfer or exchange or redemption of Securities, but the Company may require payment of a sum sufficient to pay all documentary, stamp or similar issue or transfer taxes or other governmental charges payable in connection with any registration of transfer or exchange.

Prior to the time of due presentment of this Security for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Security is registered as the owner hereof for all purposes, whether or not this Security be overdue, and neither the Company, the Trustee nor any agent shall be affected by notice to the contrary.

Defined Terms . All capitalized terms used in this Security which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

Governing Laws . This Security and the Indenture shall be governed by and construed in accordance with the laws of the State of New York, without regard to conflicts of laws principles that would apply any other law.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

ATMOS ENERGY CORPORATION

By: /s/ Fred E. Meisenheimer
Name: Fred E. Meisenheimer
Title: Senior Vice President and Chief Financial Officer

Attest:

By: /s/ Dwala Kuhn
Name: Dwala Kuhn
Title: Corporate Secretary

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

Dated: June 10, 2011

U.S. Bank National Association,
as Trustee

By: /s/ Jack Ellerin
Authorized Officer

ASSIGNMENT FORM

To assign this Security, fill in the form below:
(I) or (we) assign and transfer this Security to

(Insert assignee's social security or tax I.D. no.)

(Print or type assignee's name, address and zip code)

and irrevocably appoint ______________________________
agent to transfer this Security on the books of the Company. The agent may substitute another to act for him.

Date: ____________________ Signature: ______________________________
(sign exactly as name appears on the other side of this Security)

Signature guaranteed by: ____________________

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

Form 8-K

Current Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

June 7, 2011
Date of Report (Date of earliest event reported)

ATMOS ENERGY CORPORATION

(Exact Name of Registrant as Specified in its Charter)

TEXAS AND VIRGINIA	1-10042	75-1743247
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)
1800 THREE LINCOLN CENTRE, 5430 LBJ FREEWAY, DALLAS, TEXAS		75240
(Address of Principal Executive Offices)		(Zip Code)

(972) 934-9227
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 8.01. Other Events.

On June 7, 2011, Atmos Energy Corporation ("Atmos Energy") entered into an underwriting agreement (the "Underwriting Agreement") with BNP Paribas Securities Corp., Morgan Stanley & Co. LLC, UBS Securities LLC and Wells Fargo Securities, LLC, as representatives of the several underwriters named in Schedule I thereto, with respect to the offering and sale in an underwritten public offering (the "Offering") by Atmos Energy of $400 million aggregate principal amount of its 5.50% Senior Notes due 2041 (the "Notes"), with a yield to maturity of 5.522% and an effective yield to maturity of 5.381%, after giving effect to the settlement of related Treasury lock agreements. The Offering has been registered under the Securities Act of 1933, as amended (the "Securities Act"), pursuant to a registration statement on Form S-3 (Registration No. 333-165818) of Atmos Energy (the "Registration Statement"), and the prospectus supplement dated June 7, 2011 and filed with the Securities and Exchange Commission pursuant to Rule 424(b) of the Securities Act on June 8, 2011. Legal opinions related to the Registration Statement are also filed herewith as Exhibits 5.1 and 5.2.

Atmos Energy expects to receive net proceeds, after the underwriting discount and estimated offering expenses, of approximately $394 million. The Offering is expected to close on June 10, 2011, subject to customary closing conditions.

The Notes will be issued pursuant to an indenture dated March 26, 2009 (the "Indenture") between Atmos Energy and U.S. Bank National Association, as trustee (the "Trustee"), to be modified by an Officers' Certificate setting forth the terms of the Notes (the "Officers' Certificate"), to be dated June 10, 2011 and delivered to the Trustee pursuant to Section 301 of the Indenture. The Notes will be represented by a global security, a form of which is filed as an exhibit hereto and which is incorporated herein by reference.

The above description of the Officers' Certificate and the Underwriting Agreement is qualified in its entirety by reference to the form of Officers' Certificate and the Underwriting Agreement. The form of Officers' Certificate and the Underwriting Agreement are each filed as an exhibit hereto. The form of Officers' Certificate and the Underwriting Agreement are each incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) *Exhibits*

Exhibit Number	Description
1.1	Underwriting Agreement dated as of June 7, 2011
4.1	Form of Officers' Certificate, to be dated June 10, 2011
4.2	Form of Global Security for 5.50% Senior Notes due 2041
5.1	Opinion of Gibson, Dunn & Crutcher LLP
5.2	Opinion of Hunton & Williams LLP
23.1	Consent of Gibson, Dunn & Crutcher LLP (included in Exhibit 5.1)
23.2	Consent of Hunton & Williams LLP (included in Exhibit 5.2)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ATMOS ENERGY CORPORATION
(Registrant)

DATE: June 9, 2011

By: /s/ Louis P. Gregory
Louis P. Gregory
Senior Vice President
and General Counsel

INDEX TO EXHIBITS

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Exhibit 1.1

EXECUTION VERSION

ATMOS ENERGY CORPORATION

$400,000,000 5.50% Senior Notes due 2041

UNDERWRITING AGREEMENT

June 7, 2011

BNP PARIBAS SECURITIES CORP .
MORGAN STANLEY & CO. LLC
UBS SECURITIES LLC
WELLS FARGO SECURITIES, LLC

As Representatives of the several
Underwriters named in Schedule I attached hereto

c/o Wells Fargo Securities, LLC
301 S. College Street
Charlotte, NC 28202

Ladies and Gentlemen:

Atmos Energy Corporation, a Texas and Virginia corporation (the " **Company** "), proposes to sell $400,000,000 aggregate principal amount of the Company's 5.50% Senior Notes due 2041 on the terms and conditions stated herein (the " **Securities** "). This is to confirm the agreement concerning the purchase of the Securities from the Company by the Underwriters for whom BNP Paribas Securities Corp., Morgan Stanley & Co. LLC, UBS Securities LLC and Wells Fargo Securities, LLC are acting as representatives (the " **Representatives** "). The Securities are to be issued pursuant to an indenture, dated as of March 26, 2009 (the " **Indenture** ") between the Company and U.S. Bank National Association, as trustee (the " **Trustee** ") and an officers' certificate to be dated as of June 10, 2011 pursuant to Section 301 of the Indenture (the " **Section 301 Officers' Certificate** "). The Securities and the Indenture are more fully described in the Prospectus (defined below).

1. *Representations, Warranties and Agreements of the Company* . The Company represents, warrants and agrees that:

(a) A registration statement on Form S-3 (File No. 333-165818), including a base prospectus relating to the Securities (i) has been prepared by the Company in conformity with the requirements of the Securities Act of 1933, as amended (the " **Securities Act** "), and the rules and regulations (the " **Rules and Regulations** ") of the Securities and Exchange Commission (the " **Commission** ") thereunder; (ii) has been filed with the Commission under the Securities Act; and (iii) is effective under the Securities Act. Copies of the Registration Statement (as defined below) have been delivered by the Company to you as the Representatives of the Underwriters. As used in this Agreement:

(i) " **Applicable Time** " means 2:30 p.m. (New York City time) on the date of this Agreement;

(ii) " **Effective Date** " means any date as of which any part of the Registration Statement became effective under the Securities Act in accordance with the Rules and Regulations;

(iii) " **General Use Issuer Free Writing Prospectus** " means any Issuer Free Writing Prospectus that is intended for general distribution to prospective investors as evidenced by its being so specified in Schedule II to this Agreement;

(iv) " **Issuer Free Writing Prospectus** " means any "free writing prospectus" (as defined in Rule 405 of the Rules and Regulations) prepared by or on behalf of the Company or used or referred to by the Company in connection with the offering of the Securities;

(v) " **Preliminary Prospectus** " means the base prospectus included in the Registration Statement, together with any preliminary prospectus supplement relating to the Securities filed with the Commission pursuant to Rule 424(b) of the Rules and Regulations;

(vi) " **Pricing Disclosure Package** " means, as of the Applicable Time, the most recent Preliminary Prospectus, together with any General Use Issuer Free Writing Prospectus filed or used by or on behalf of the Company on or before the Applicable Time as permitted by this Agreement;

(vii) " **Prospectus** " means the base prospectus included in the Registration Statement, together with the final prospectus supplement relating to the Securities filed with the Commission pursuant to Rule 424(b) of the Rules and Regulations; and

(viii) " **Registration Statement** " means, the registration statement described above, as amended as of the Effective Date, including the Prospectus and all exhibits to such registration statement and any document incorporated by reference therein.

Any reference to any Preliminary Prospectus or the Prospectus shall be deemed to refer to and include any documents incorporated by reference therein pursuant to Form S-3 under the Securities Act as of the date of such Preliminary Prospectus or the Prospectus, as the case may be. Any reference to the " **most recent Preliminary Prospectus** " shall be deemed to refer to the base prospectus included in the Registration Statement, together with the latest preliminary prospectus supplement relating to the Securities filed with the Commission pursuant to Rule 424(b) prior to or on the date hereof (including, for purposes hereof, any documents incorporated by reference therein prior to or on the date hereof). Any reference to any amendment or supplement to any Preliminary Prospectus or the Prospectus shall be deemed to refer to and include any document filed under the Securities Exchange Act of 1934, as amended (the " **Exchange Act** "), after the date of such Preliminary Prospectus or the Prospectus, as the case may be, and incorporated by reference in such Preliminary Prospectus or the Prospectus, as the case may be; and any reference to any amendment to the Registration Statement shall be deemed to include any annual report of the Company on Form 10-K filed with the Commission pursuant to Section 13(a) or 15(d) of the Exchange Act after the Effective Date that is incorporated by reference in the Registration Statement. The Commission has not issued any stop order preventing or suspending the use of any Preliminary Prospectus or the Prospectus or suspending the effectiveness of the Registration

Statement, and no proceeding or examination for such purpose or pursuant to Section 8A of the Securities Act against the Company or related to the offering of the Securities has been instituted or, to the knowledge of the Company, threatened by the Commission. The Commission has not notified the Company of any objection to the use of the form of the Registration Statement.

(b) At the time of filing the Registration Statement and, if applicable, at the time of the most recent amendment thereto for purposes of complying with Section 10(a)(3) of the Securities Act, the Company was a "well-known seasoned issuer" (as defined in Rule 405 of the Rules and Regulations) eligible to use Form S-3 for the offering of the Securities, including not having been an "ineligible issuer" (as defined in Rule 405 of the Rules and Regulations) at any such time. The Registration Statement is an "automatic shelf registration statement" (as defined in Rule 405 of the Rules and Regulations) and was filed not earlier than the date that is three years prior to the applicable Delivery Date (as defined in Section 4).

(c) The Registration Statement conformed and will conform in all material respects on the Effective Date and on the applicable Delivery Date, and any amendment to the Registration Statement filed after the date hereof will conform in all material respects when filed, to the requirements of the Securities Act and the Rules and Regulations. The Preliminary Prospectus conformed, and the Prospectus will conform, in all material respects when filed with the Commission pursuant to Rule 424(b) and on the applicable Delivery Date to the requirements of the Securities Act and the Rules and Regulations. The documents incorporated by reference in any Preliminary Prospectus or the Prospectus conformed, and any further documents so incorporated will conform, when filed with the Commission, in all material respects to the requirements of the Exchange Act, the Securities Act or the Trust Indenture Act, as applicable, and the rules and regulations of the Commission thereunder.

(d) The Registration Statement did not, as of the Effective Date, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; *provided* that no representation or warranty is made as to information contained in or omitted from the Registration Statement in reliance upon and in conformity with written information furnished to the Company through the Representatives by or on behalf of any Underwriter specifically for inclusion therein, which information is specified in Section 8(e).

(e) The Prospectus will not, as of its date and on the applicable Delivery Date, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided* that no representation or warranty is made as to information contained in or omitted from the Prospectus in reliance upon and in conformity with written information furnished to the Company through the Representatives by or on behalf of any Underwriter specifically for inclusion therein, which information is specified in Section 8(e).

(f) The documents incorporated by reference in any Preliminary Prospectus or the Prospectus did not, and any further documents filed and incorporated by reference therein will not, when filed with the Commission, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. There are no contracts or documents which are required to be described in the Registration Statement, the Prospectus or the documents incorporated by reference therein or to be filed as exhibits thereto which have not been so described and filed as required.

(g) The Pricing Disclosure Package did not, as of the Applicable Time, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not

misleading; *provided* that no representation or warranty is made as to information contained in or omitted from the Pricing Disclosure Package in reliance upon and in conformity with written information furnished to the Company through the Representatives by or on behalf of any Underwriter specifically for inclusion therein, which information is specified in Section 8(e).

(h) Each Issuer Free Writing Prospectus (including, without limitation, any road show that is a free writing prospectus under Rule 433), when considered together with the Pricing Disclosure Package as of the Applicable Time, did not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(i) Each Issuer Free Writing Prospectus conformed or will conform in all material respects to the requirements of the Securities Act and the Rules and Regulations on the date of first use, and the Company has complied with any filing requirements applicable to such Issuer Free Writing Prospectus pursuant to the Securities Act and the Rules and Regulations. Each Issuer Free Writing Prospectus does not and will not conflict with the information contained in the Registration Statement, the most recent Preliminary Prospectus or the Prospectus. The Company has not made any offer relating to the Securities that would constitute an Issuer Free Writing Prospectus without the prior written consent of the Representatives. The Company has retained in accordance with the Rules and Regulations all Issuer Free Writing Prospectuses that were not required to be filed pursuant to the Rules and Regulations.

(j) The Company has been duly organized and is validly existing as a corporation in good standing under the laws of the State of Texas and the Commonwealth of Virginia and has corporate power and authority to own, lease and operate its properties and to conduct its business as described in the most recent Preliminary Prospectus and to enter into and perform its obligations under this Agreement, the Indenture and the Securities; and the Company is duly qualified as a foreign corporation to transact business and is in good standing in each other jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure so to qualify or to be in good standing would not result in a material adverse change, or a development known to the Company involving a prospective material adverse change, in the condition, financial or otherwise, or in the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise, whether or not arising in the ordinary course of business (a " **Material Adverse Effect** ").

(k) Each "significant subsidiary" (as such term is defined in Rule 405 of the Securities Act) of the Company (each a " **Subsidiary** " and, collectively, the " **Subsidiaries** ") (a) has been duly organized and is validly existing as an entity in good standing under the laws of the jurisdiction of its formation, (b) has corporate or limited liability company power and authority, as applicable, to own, lease and operate its properties and to conduct its business as described in the most recent Preliminary Prospectus and (c) is duly qualified as a foreign entity to transact business and is in good standing in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except in the cases of clauses (b) and (c) where the failure to have such power and authority or to so qualify or to be in good standing would not result in a Material Adverse Effect. The only Subsidiaries of the Company are the subsidiaries listed on Schedule IV and the Company does not own or control, directly or indirectly, any corporation, association or other entity other than the subsidiaries listed on Schedule III.

(l) The authorized, issued and outstanding capital stock of the Company is as set forth in each of the most recent Preliminary Prospectus and the Prospectus under the caption "Capitalization" (except for subsequent issuances, if any, pursuant to reservations, agreements, acquisitions or employee benefit plans each referred to in each of the most recent Preliminary Prospectus and the Prospectus or

pursuant to the exercise of options or share unit awards, each referred to in each of the most recent Preliminary Prospectus and the Prospectus). The shares of issued and outstanding capital stock of the Company have been duly authorized and validly issued and are fully paid and non-assessable; none of the outstanding shares of capital stock of the Company was issued in violation of the preemptive or other similar rights of any securityholder of the Company.

(m) All of the issued and outstanding capital stock or limited liability company membership interests, as the case may be, of each Subsidiary have been duly authorized and validly issued, are fully paid and non-assessable and are owned by the Company, directly or through subsidiaries, free and clear of any security interest, mortgage, pledge, lien, encumbrance, claim or equity except for such liens, encumbrances, equities or claims as would not, in the aggregate, reasonably be expected to have a Material Adverse Effect; none of the outstanding shares of capital stock or limited liability company membership interests, as the case may be, of any Subsidiary was issued in violation of the preemptive or similar rights of any securityholder of such Subsidiary.

(n) The Indenture has been duly qualified under the Trust Indenture Act. The Indenture has been duly authorized, executed and delivered by the Company and constitutes a valid and binding agreement of the Company, enforceable against the Company in accordance with its terms, except as enforceability thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting the enforcement of creditors' rights generally and by equitable principles of general applicability, regardless of whether such enforceability is considered in a proceeding at equity or at law. At the Delivery Date, the Section 301 Officers' Certificate will have been duly authorized, executed and delivered by the Company.

(o) The Securities have been duly authorized by the Company and, at the Delivery Date, will have been duly executed by the Company and, when authenticated, issued and delivered in the manner provided for in the Indenture and delivered against payment of the purchase price therefor as provided in this Agreement, will constitute valid and binding obligations of the Company, enforceable against the Company in accordance with their terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting the enforcement of creditors' rights generally and by equitable principles of general applicability, regardless of whether such enforceability is considered in a proceeding at equity or at law, and will be in the form contemplated by the Pricing Disclosure Package, the Prospectus, the Indenture and the Section 301 Officers' Certificate, and will be entitled to the benefits of the Indenture.

(p) The Securities and the Indenture will conform in all material respects to the respective statements relating thereto contained in the Pricing Disclosure Package and the Prospectus and will be in substantially the respective forms filed or incorporated by reference, on or prior to the Delivery Date, as exhibits to the Registration Statement.

(q) The Company has all requisite corporate power and authority to execute, deliver and perform its obligations under this Agreement. This Agreement has been duly and validly authorized, executed and delivered by the Company.

(r) Neither the Company nor any of its subsidiaries is in violation of its charter, bylaws or other organizational documents or in default in the performance or observance of any obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, deed of trust, loan or credit agreement, note, lease or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which it or any of them may be bound, or to which any of the property or assets of the Company or any subsidiary is subject (collectively, " **Agreements and Instruments** ") except for such defaults that would not result in a Material Adverse Effect; and the execution, delivery and

performance of this Agreement, the Indenture, the Securities and any other agreement or instrument entered into or issued or to be entered into or issued by the Company in connection with the consummation of the transactions contemplated in each of the most recent Preliminary Prospectus and the Prospectus (including the issuance and sale of the Securities and the use of the proceeds from the sale of the Securities as described in each of the most recent Preliminary Prospectus and the Prospectus under the caption "Use of Proceeds") and compliance by the Company with its obligations hereunder and thereunder have been duly authorized by all necessary corporate or other action on the part of the Company and any of the subsidiaries and do not and will not, whether with or without the giving of notice or passage of time or both, conflict with or constitute a breach of, or default or Repayment Event (as defined below) under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company or any subsidiary pursuant to, the Agreements and Instruments (except for such conflicts, breaches or defaults or liens, charges, encumbrances or a Repayment Event that would not result in a Material Adverse Effect), nor will such action result in any violation of (i) the provisions of the charter, bylaws or other organizational documents of the Company or any subsidiary or (ii) any applicable law, statute, rule, regulation, judgment, order, writ or decree of any government, government instrumentality or court, domestic or foreign, having jurisdiction over the Company or any subsidiary or any of their assets, properties or operations except, with respect to (ii), as would not result in a Material Adverse Effect. As used herein, a " **Repayment Event** " means any event or condition which gives the holder of any note, debenture or other evidence of indebtedness (or any person acting on such holder's behalf) the right, whether with or without giving of notice or passage of time or both, to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company or any subsidiary.

(s) No labor dispute with the employees of the Company or any of its subsidiaries exists or, to the knowledge of the Company, is imminent, and the Company is not aware of any existing or imminent labor disturbance by the employees of any of its or any subsidiary's principal suppliers, manufacturers, customers or contractors, which, in either case, may reasonably be expected to result in a Material Adverse Effect.

(t) There is no action, suit, proceeding, inquiry or investigation before or brought by any court or governmental agency or body, domestic or foreign, now pending against, or, to the knowledge of the Company, threatened against or affecting the Company or any of its subsidiaries, which is required to be disclosed in the most recent Preliminary Prospectus (other than as disclosed therein), or which might reasonably be expected to result in a Material Adverse Effect, or which might reasonably be expected to affect the properties, assets or operations of the Company and its subsidiaries, except what does not result in a Material Adverse Effect, or the consummation of the transactions contemplated in this Agreement or the performance by the Company and its subsidiaries of its obligations hereunder.

(u) The Company and each of its Subsidiaries own or possess or have the right to use, or can acquire on reasonable terms, adequate patents, patent rights, licenses, inventions, copyrights, know-how (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures), trademarks, service marks, trade names or other intellectual property (collectively, " **Intellectual Property** ") necessary to carry on the business now operated by them the absence of which would have a Material Adverse Effect, and neither the Company nor any of its subsidiaries has received any notice or is otherwise aware of any infringement of or conflict with asserted rights of others with respect to any Intellectual Property or of any facts or circumstances which would render any Intellectual Property invalid or inadequate to protect the interest of the Company or any of its subsidiaries therein, and which infringement, conflict, invalidity or inadequacy would result in a Material Adverse Effect.

(v) There have been issued and, at the Applicable Time and the Delivery Date, there shall be in full force and effect orders or authorizations of the regulatory authorities of the States of Colorado, Georgia, Illinois, Kentucky and Virginia, authorizing the issuance and sale of the Securities on terms herein set forth or contemplated, and no other filing with, or authorization, approval, consent, license, order, registration, qualification or decree of, any court or governmental authority or agency is necessary or required for the performance by the Company of its obligations hereunder, in connection with the offering, issuance or sale of the Securities hereunder or the consummation of the transactions contemplated by this Agreement, including the due execution, delivery or performance of the Indenture and the issuance of the Securities by the Company, except such as have been already obtained or as may be required under the Securities Act or the Rules and Regulations or state securities or blue sky laws.

(w) The Company and its subsidiaries possess such permits, licenses, approvals, consents, and other authorizations (collectively, " **Governmental Licenses** ") issued by the appropriate federal, state, local or foreign regulatory agencies or bodies necessary to conduct the business now operated by them, except where the failure to do so would not have a Material Adverse Effect; the Company and its subsidiaries are in compliance with the terms and conditions of all such Governmental Licenses, except where the failure so to comply would not, singly or in the aggregate, have a Material Adverse Effect; all of the Governmental Licenses are valid and in full force and effect, except when the invalidity of such Governmental Licenses or the failure of such Governmental Licenses to be in full force and effect would not have a Material Adverse Effect; and neither the Company nor any of its subsidiaries has received any notice of proceedings relating to the revocation or modification of any such Governmental Licenses which, singly or in the aggregate, would result in a Material Adverse Effect.

(x) There are no persons or entities with registration rights or other similar rights to have any securities registered under the Registration Statement who have not properly waived such rights in connection with the securities registered pursuant to the Registration Statement and in connection with this offering of Securities.

(y) The Company and its subsidiaries have good title to all real property owned by the Company and its subsidiaries and good title to all other properties owned by them, in each case, free and clear of all mortgages, pledges, liens, security interests, claims, restrictions or encumbrances of any kind except such as (a) are described in the most recent Preliminary Prospectus or (b) would not singly or in the aggregate have a Material Adverse Effect. All of the leases and subleases of the Company and its subsidiaries under which the Company or any of its subsidiaries holds properties described in the most recent Preliminary Prospectus are in full force and effect, except as would not result in a Material Adverse Effect.

(z) The Company has not sold or issued any securities that would be integrated with the offering of the Securities contemplated by this Agreement pursuant to the Securities Act, the Rules and Regulations or the interpretations thereof by the Commission.

(aa) The financial statements of the Company included or incorporated by reference in the Registration Statement, the most recent Preliminary Prospectus and the Prospectus, together with the related schedules and notes, present fairly in all material respects the financial position of the Company and its consolidated subsidiaries at the dates indicated and the statement of operations, stockholders' equity and cash flows of the Company and its consolidated subsidiaries for the periods specified; said financial statements have been prepared in conformity with generally accepted accounting principles (" **GAAP** ") applied on a consistent basis throughout the periods involved. The supporting schedules, if any, included in the Registration Statement and incorporated by reference in the most recent Preliminary Prospectus and the Prospectus with respect to the Company, when considered in relation to the financial statements taken as a whole, present fairly, in all material respects in accordance with GAAP, the

financial information set forth therein. The selected financial data and the summary financial information included or incorporated by reference in the most recent Preliminary Prospectus and the Prospectus present fairly, in all material respects, the information shown therein and have been compiled on a basis consistent with that of the audited financial statements of the Company.

(bb) Ernst & Young LLP, who have certified financial statements and supporting schedules of the Company and its consolidated subsidiaries incorporated by reference in the most recent Preliminary Prospectus and in the Registration Statement, whose report is incorporated by reference in the most recent Preliminary Prospectus and in the Registration Statement, who have audited the Company's internal control over financial reporting and who have delivered the initial letter referred to in Section 7(g) hereof, are registered independent public accountants as required by the Securities Act and the Rules and Regulations.

(cc) The Company and each of its subsidiaries are not, and as of the applicable Delivery Date and upon the issuance and sale of the Securities and the application of the proceeds therefrom as described under "Use of Proceeds" in the most recent Preliminary Prospectus and the Prospectus, none of them will be, (i) an "investment company" or an entity "controlled" by an "investment company" as such terms are defined in the Investment Company Act of 1940, as amended (the " **Investment Company Act** ") and the rules and regulations of the Commission thereunder or (ii) a "business development company" (as defined in Section 2(a)(48) of the Investment Company Act).

(dd) (i) Each "employee benefit plan" (within the meaning of Section 3(3) of the Employee Retirement Security Act of 1974, as amended (" **ERISA** ")) for which the Company or any member of its "Controlled Group" (defined as any organization which is a member of a controlled group of corporations within the meaning of Section 414(b) or (c) of the Internal Revenue Code of 1986, as amended (the " **Code** ")) would have any liability (each a " **Plan** ") has been maintained in compliance in all respects with its terms and with the requirements of all applicable statutes, rules and regulations including ERISA and the Code except where failure to do so would not have a Material Adverse Effect; (ii) with respect to each Plan subject to Title IV of ERISA (a) no "reportable event" (within the meaning of Section 4043(c) of ERISA) has occurred or is reasonably expected to occur that would result in a Material Adverse Effect, (b) no "accumulated funding deficiency" (within the meaning of Section 302 of ERISA or Section 412 of the Code), whether or not waived, has occurred or is reasonably expected to occur that would result in a Material Adverse Effect, (c) the fair market value of the assets under each Plan exceeds the actuarial present value of the benefits accrued under such Plan (determined based on those assumptions used to fund such Plan) except where failure to do so would not have a Material Adverse Effect, and (d) neither the Company nor any member of its Controlled Group has incurred, or reasonably expects to incur, any liability under Title IV of ERISA (other than contributions to the Plan or premiums to the Pension Benefit Guaranty Corporation in the ordinary course and without default) in respect of a Plan (including a "multiemployer plan", within the meaning of Section 4001(c)(3) of ERISA) that would result in a Material Adverse Effect; and (iii) each Plan that is intended to be qualified under Section 401(a) of the Code has received a favorable determination letter from the Internal Revenue Service as to its qualified status and nothing has occurred, whether by action or by failure to act, which would cause the loss of such qualification that would result in a Material Adverse Effect.

(ee) The Company is in compliance, in all material respects, with the provisions of the Sarbanes-Oxley Act of 2002 to the extent currently applicable.

(ff) The Company and each of its subsidiaries have filed all federal, state and local income and franchise tax returns required to be filed through the date hereof and have paid all taxes due thereon, except such as are being contested in good faith by appropriate proceedings or where the failure to do so would not have a Material Adverse Effect, and no tax deficiency has been determined adversely to the

Company or any of its subsidiaries which has had, and the Company does not have any knowledge of any tax deficiency which would have, a Material Adverse Effect.

(gg) The Company and its subsidiaries carry, or are covered by, insurance in such amounts and covering such risks as is adequate for the conduct of their respective businesses and the value of their respective properties, except where the failure to do so would not reasonably be expected to have a Material Adverse Effect.

(hh) Except as would not result in a Material Adverse Effect, (A) neither the Company nor any of its subsidiaries is in violation of any federal, state, local or foreign statute, law, rule, regulation, ordinance, code, permit, policy or rule of common law or any judicial or administrative interpretation thereof, including any judicial or administrative order, consent, decree or judgment, relating to pollution or protection of human health, the environment (including, without limitation, ambient air, surface water, groundwater, land surface or subsurface strata) or wildlife, including, without limitation, laws and regulations relating to the release or threatened release of chemicals, pollutants, contaminants, wastes, toxic substances, hazardous substances, petroleum or petroleum products (collectively, " **Hazardous Materials** ") or to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials (collectively, " **Environmental Laws** "), (B) the Company and its subsidiaries have all permits, authorizations and approvals required under any applicable Environmental Laws and are each in compliance with their requirements, (C) there are no pending or, to the knowledge of the Company, threatened administrative, regulatory or judicial actions, suits, demands, demand letters, claims, liens, notices of noncompliance or violation, investigation or proceedings relating to any Environmental Law against the Company or any of its subsidiaries and (D) there are no events or circumstances that might reasonably be expected to form the basis of an order for clean-up or remediation, or an action, suit or proceeding by any private party or governmental body or agency, against or affecting the Company or any of its subsidiaries relating to Hazardous Materials or any Environmental Laws, except as disclosed in the Preliminary Prospectus.

(ii) The Company maintains a system of internal control over financial reporting (as such term is defined in Rule 13a-15(f) of the Exchange Act) that complies with the requirements of the Exchange Act and has been designed by the Company's principal executive officer and principal financial officer, or under their supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. The Company's internal control over financial reporting is effective and the Company is not aware of any material weaknesses in its internal control over financial reporting. Since the date of the latest audited financial statements included or incorporated by reference in the most recent Preliminary Prospectus, there has been no change in the Company's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting. The Company maintains disclosure controls and procedures (as such term is defined in Rule 13a-15(e) of the Exchange Act) that comply with the requirements of the Exchange Act and such disclosure controls and procedures have been designed to provide reasonable assurance that material information relating to the Company and its subsidiaries that is required to be disclosed in the reports the Company files, furnishes, submits or otherwise provides to the Commission under the Exchange Act is made known to the Company's principal executive officer and principal financial officer by others within those entities in such a manner as to allow timely decisions regarding the required disclosure; such disclosure controls and procedures are effective.

(jj) The Company has not distributed and, prior to the later to occur of the Delivery Date and completion of the distribution of the Securities, will not distribute any offering material in connection with the offering and sale of the Securities other than any Preliminary Prospectus, the Prospectus or any

Issuer Free Writing Prospectus to which the Representatives has consented in accordance with Section 1(i) or 5(a)(viii).

Any certificate signed by any officer of the Company and delivered to the Representatives or counsel for the Underwriters in connection with the offering of the Securities shall be deemed a representation and warranty by the Company, as to matters covered thereby on the date of such certificate, to each Underwriter.

2. *Purchase of the Securities by the Underwriters.* On the basis of the representations and warranties contained in, and subject to the terms and conditions of, this Agreement, the Company agrees to sell $400,000,000 aggregate principal amount of Securities to the several Underwriters, and each of the Underwriters, severally and not jointly, agrees to purchase from the Company, at a price set forth in Schedule V, the aggregate principal amount of Securities set forth opposite that Underwriter's name in Schedule I hereto, plus any additional principal amount of Securities that such Underwriter may become obligated to purchase pursuant to Section 9 of this Agreement.

The Company shall not be obligated to deliver any of the Securities to be delivered on the Delivery Date, except upon payment for all such Securities to be purchased on such Delivery Date as provided herein.

3. *Offering of Securities by the Underwriters* . Upon authorization by the Representatives of the release of the Securities, the several Underwriters propose to offer the Securities for sale upon the terms and conditions to be set forth in the Prospectus.

4. *Delivery of and Payment for the Securities.* Delivery of the Securities by the Company and payment for the Securities by the several Underwriters shall be made at 10:00 A.M., New York City time, on the third full business day following the date of this Agreement or at such other date or place as shall be determined by agreement between the Representatives and the Company. This date and time is referred to as the " **Delivery Date** ." Delivery of the Securities shall be made to the Representatives for the account of each Underwriter against payment by the several Underwriters through the Representatives of the respective aggregate purchase prices, as set forth in Section 2 hereof, of the Securities being sold by the Company to or upon the order of the Company by wire transfer in immediately available funds to the accounts specified by the Company. Time shall be of the essence, and delivery at the time and place specified pursuant to this Agreement is a further condition of the obligation of each Underwriter hereunder. The Company shall deliver the Securities through the facilities of the Depository Trust Company (" **DTC** ") unless the Representatives shall otherwise instruct.

The Securities to be purchased by the Underwriters shall be in such denominations ($2,000 or integral multiples of $1,000 in excess thereof) and registered in such names as the Representatives may request in writing prior to the Delivery Date. The Securities will be made available in New York City for examination by the Underwriters not later than 10:00 A.M., New York City time, on the last business day prior to the Delivery Date.

5. *Further Agreements of the Company and the Underwriters* .

(a) The Company agrees:

(i) To prepare the Prospectus in a form reasonably approved by the Representatives and to file such Prospectus pursuant to Rule 424(b) under the Securities Act not later than the Commission's close of business on the second business day following the execution and delivery of this Agreement; to make no further amendment or any supplement to the

Registration Statement or the Prospectus prior to the last Delivery Date except as provided herein; to advise the Representatives, promptly after it receives notice thereof, of the time when any amendment or supplement to the Registration Statement or the Prospectus has been filed and to furnish the Representatives with copies thereof; to file promptly all reports and any definitive proxy or information statements required to be filed by the Company with the Commission pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the date of the Prospectus and for so long as the delivery of a prospectus is required in connection with the offering or sale of the Securities; to advise the Representatives, promptly after it receives notice thereof, of the issuance by the Commission of any stop order or of any order preventing or suspending the use of the Prospectus or any Issuer Free Writing Prospectus, of the suspension of the qualification of the Securities for offering or sale in any jurisdiction, of the initiation or threatening of any proceeding or examination for any such purpose or pursuant to Section 8A of the Securities Act against the Company or related to the offering of the Securities, of any notice from the Commission objecting to the use of the form of the Registration Statement or any post-effective amendment thereto or of any request by the Commission for the amending or supplementing of the Registration Statement, the Prospectus or any Issuer Free Writing Prospectus or for additional information; and, in the event of the issuance of any stop order or of any order preventing or suspending the use of the Prospectus or any Issuer Free Writing Prospectus or suspending any such qualification, to use promptly its best efforts to obtain its withdrawal;

(ii) To prepare a final term sheet (the " **Final Term Sheet** ") reflecting the final terms of the Securities as set forth in Exhibit A to this Agreement, in form and substance satisfactory to the Representatives, and shall file such Final Term Sheet as an Issuer Free Writing Prospectus pursuant to Rule 433 prior to the close of business two business days after the date hereof; *provided that* the Company shall furnish the Representatives with copies of any such Final Term Sheet a reasonable amount of time prior to such proposed filing and will not use or file any such document to which the Representatives or counsel to the Underwriters shall reasonably object.

(iii) To pay the applicable Commission filing fees relating to the Securities within the time required by Rule 456(b)(1);

(iv) To furnish promptly to counsel for the Underwriters a signed copy of the Registration Statement as originally filed with the Commission, and each amendment thereto filed with the Commission, including all consents and exhibits filed therewith;

(v) To deliver promptly to the Representatives such number of the following documents as the Representatives shall reasonably request: (A) conformed copies of the Registration Statement as originally filed with the Commission and each amendment thereto (in each case excluding exhibits other than this Agreement and the computation of per share earnings), (B) each Preliminary Prospectus, the Prospectus and any amendment or supplement thereto, (C) any Issuer Free Writing Prospectus and (D) any document incorporated by reference in any Preliminary Prospectus or the Prospectus; and, if the delivery of a prospectus is required at any time after the date hereof in connection with the offering or sale of the Securities or any other securities relating thereto and if at such time any events shall have occurred as a result of which the Prospectus as then amended or supplemented would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made when such Prospectus is delivered, not misleading, or, if for any other reason it shall be necessary to amend or supplement the Prospectus or to file under the Exchange Act any document incorporated by reference in the

Prospectus in order to comply with the Securities Act or the Exchange Act, to notify the Representatives and, upon the Representatives' request, to file such document and to prepare and furnish without charge to each Underwriter and to any dealer in securities as many copies as the Representatives may from time to time reasonably request of an amended or supplemented Prospectus that will correct such statement or omission or effect such compliance;

(vi) To file promptly with the Commission any amendment or supplement to the Registration Statement or the Prospectus that may, in the judgment of the Company or the Representatives, be required by the Securities Act or requested by the Commission;

(vii) Prior to filing with the Commission any amendment or supplement to the Registration Statement or the Prospectus, any document incorporated by reference in the Prospectus or any amendment to any document incorporated by reference in the Prospectus, to furnish a copy thereof to the Representatives and counsel for the Underwriters and obtain the consent (not to be unreasonably withheld) of the Representatives to the filing;

(viii) Not to make any offer relating to the Securities that would constitute an Issuer Free Writing Prospectus without the prior written consent of the Representatives.

(ix) To retain in accordance with the Rules and Regulations all Issuer Free Writing Prospectuses not required to be filed pursuant to the Rules and Regulations and to comply with any filing requirements applicable to all Issuer Free Writing Prospectuses pursuant to the Securities Act and the Rules and Regulations; and if at any time after the date hereof any events shall have occurred as a result of which any Issuer Free Writing Prospectus, as then amended or supplemented, would conflict with the information in the Registration Statement, the most recent Preliminary Prospectus or the Prospectus or would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, or, if for any other reason it shall be necessary to amend or supplement any Issuer Free Writing Prospectus, to notify the Representatives and, upon the Representatives' request, to file such document and to prepare and furnish without charge to each Underwriter as many copies as the Representatives may from time to time reasonably request of an amended or supplemented Issuer Free Writing Prospectus that will correct such conflict, statement or omission or effect such compliance;

(x) As soon as practicable, to make generally available to the Company's security holders an earnings statement of the Company and its subsidiaries (which need not be audited) complying with Section 11(a) of the Securities Act and the Rules and Regulations;

(xi) Promptly from time to time to take such action to qualify the Securities for offering and sale under the securities laws of such jurisdictions as the Representatives may reasonably request and to comply with such laws so as to permit the continuance of sales and dealings therein in such jurisdictions for as long as may be necessary to complete the distribution of the Securities; *provided* that in connection therewith the Company shall not be required to (i) qualify as a foreign corporation in any jurisdiction in which it would not otherwise be required to so qualify, (ii) take any action that would subject it to service of process in any such jurisdiction or (iii) subject itself to taxation in any jurisdiction in which it would not otherwise be subject;

(xii) During the period from the date hereof to the Delivery Date, without the prior written consent of the Representatives, the Company agrees not to directly or indirectly, issue, sell, offer or contract to sell, grant any option for the sale of, or otherwise transfer or

dispose of, any debt securities issued or guaranteed by the Company other than commercial paper backstopped by the Company's existing credit agreement;

(xiii) To apply the net proceeds from the sale of the Securities being sold by the Company as set forth in the Pricing Disclosure Package.

(xiv) To take all reasonable action necessary to enable Standard & Poor's Rating Services, a division of McGraw Hill, Inc. (" **S&P** "), Moody's Investors Service Inc. (" **Moody's** ") and Fitch IBCA, Inc. (" **Fitch** ") to provide their respective credit ratings of the Securities.

(xv) To cooperate with the Underwriters and use its best efforts to permit the Securities to be eligible for clearance and settlement through the facilities of DTC.

(b) Each Underwriter severally agrees that such Underwriter shall not include any "issuer information" (as defined in Rule 433) in any "free writing prospectus" (as defined in Rule 405) (other than a free writing prospectus that is not required to be filed by the Company pursuant to Rule 433 under the Securities Act) used or referred to by such Underwriter without the prior consent of the Company (any such issuer information with respect to whose use the Company has given its consent, " **Permitted Issuer Information** "); *provided* that (i) no such consent shall be required with respect to any such issuer information contained in any document filed by the Company with the Commission prior to the use of such free writing prospectus and (ii) "issuer information," as used in this Section 5(b), shall not be deemed to include information prepared by or on behalf of such Underwriter on the basis of or derived from issuer information; *provided* , further, that prior to the filing with the Commission of the Final Term Sheet in accordance with Section 5(a)(ii), the Underwriters are authorized to use the information with respect to the final terms of the Securities in communications conveying information relating to the offering to investors.

6. *Expenses.* The Company agrees, whether or not the transactions contemplated by this Agreement are consummated or this Agreement is terminated, to pay all costs, expenses, fees and taxes incident to and in connection with (a) the preparation, authorization, issuance, sale and delivery of the Securities and any stamp duties or other taxes payable in that connection; (b) the preparation, printing and filing under the Securities Act of the Registration Statement (including any exhibits thereto), any Preliminary Prospectus, the Prospectus, any Issuer Free Writing Prospectus and any amendment or supplement thereto; (c) the distribution of the Registration Statement (including any exhibits thereto), any Preliminary Prospectus, the Prospectus, any Issuer Free Writing Prospectus and any amendment or supplement thereto, or any document incorporated by reference therein, all as provided in this Agreement; (d) the production and distribution of this Agreement, the Indenture, the Securities, any supplemental agreement among Underwriters, and any other related documents in connection with the offering, purchase, sale and delivery of the Securities; (e) the filing fees incident to, and the reasonable fees and disbursements of counsel to the Underwriters in connection with, the review, if any, by the Financial Industry Regulatory Authority, Inc. of the terms of the sale of the Securities; (f) the qualification of the Securities under the securities laws of the several jurisdictions as provided in Section 5(a)(xi) and the preparation, printing and distribution of a Blue Sky Memorandum (including related reasonable fees and expenses of counsel to the Underwriters); (g) the investor presentations on any "road show" undertaken in connection with the marketing of the Securities, including, without limitation, expenses associated with any electronic roadshow, travel and lodging expenses of the representatives and officers of the Company and the cost of any aircraft chartered; (h) any fees payable in connection with the rating of the Securities; (i) the reasonable fees and expenses of the Trustee, including the fees and disbursements of counsel for the Trustee, in connection with the Indenture and the Securities and (j) all

other costs and expenses incident to the performance of the obligations of the Company; *provided* that, except as provided in this Section 6 and Sections 8 and 11, the Underwriters shall pay their own costs and expenses, including the costs and expenses of their counsel, any transfer taxes on the Securities which they may sell and the expenses of advertising any offering of the Securities made by the Underwriters.

7. *Conditions of Underwriters' Obligations* . The respective obligations of the Underwriters hereunder are subject to the accuracy, when made and on the Delivery Date, of the representations and warranties of the Company contained herein, to the performance by the Company of its obligations hereunder, and to each of the following additional terms and conditions:

(a) The Prospectus shall have been timely filed with the Commission in accordance with Section 5(a)(i); the Company shall have complied with all filing requirements applicable to any Issuer Free Writing Prospectus, including the Final Term Sheet and any Issuer Free Writing Prospectus used or referred to after the date hereof; no stop order suspending the effectiveness of the Registration Statement or preventing or suspending the use of the Prospectus or any Issuer Free Writing Prospectus shall have been issued and no proceeding or examination for such purpose or pursuant to Section 8A of the Securities Act against the Company or related to the offering of the Securities shall have been initiated or, to the knowledge of the Company, threatened by the Commission; any request of the Commission for inclusion of additional information in the Registration Statement or the Prospectus or otherwise shall have been complied with; and the Commission shall not have notified the Company of any objection to the use of the form of the Registration Statement.

(b) Gibson, Dunn & Crutcher LLP, as counsel to the Company, shall have furnished to the Representatives its written opinion and letter, addressed to the Underwriters and dated such Delivery Date, in form and substance reasonably satisfactory to the Representatives, substantially to the effect set forth in Exhibit B-1 .

(c) Hunton & Williams LLP, as Virginia counsel to the Company, shall have furnished to the Representatives its written opinion, addressed to the Underwriters and dated such Delivery Date, in form and substance reasonably satisfactory to the Representatives, substantially to the effect set forth in Exhibit B-2

(d) Louis P. Gregory, as General Counsel to the Company, shall have furnished to the Representatives his written opinion and letter, addressed to the Underwriters and dated such Delivery Date, in form and substance reasonably satisfactory to the Representatives, substantially to the effect set forth in Exhibit B-3 .

(e) The Trustee shall have received opinion letters, dated such Delivery Date, from Gibson, Dunn & Crutcher LLP and Hunton & Williams LLP, as the Trustee may reasonably require.

(f) The Representatives shall have received from Shearman & Sterling LLP, counsel for the Underwriters, such opinion or opinions, dated such Delivery Date, as the Underwriters may reasonably require.

(g) At the time of execution of this Agreement, the Representatives shall have received from Ernst & Young LLP a letter, in form and substance satisfactory to the Representatives, addressed to the Underwriters and dated the date hereof (i) confirming that they are independent public accountants within the meaning of the Securities Act and are in compliance with the applicable requirements relating to the qualification of accountants under Rule 2-01 of Regulation S-X of the Commission, and (ii) stating, as of the date hereof (or, with respect to matters involving changes or developments since the respective dates as of which specified financial information is given in the most recent Preliminary Prospectus, as of a date

not more than three days prior to the date hereof), the conclusions and findings of such firm with respect to the financial information and other matters ordinarily covered by accountants' "comfort letters" to underwriters in connection with registered public offerings.

(h) With respect to the letter of Ernst & Young LLP referred to in the preceding paragraph and delivered to the Representatives concurrently with the execution of this Agreement (the " **initial letter** "), the Company shall have furnished to the Representatives a letter (the " **bring-down letter** ") of such accountants, addressed to the Underwriters and dated such Delivery Date (i) confirming that they are independent public accountants within the meaning of the Securities Act and are in compliance with the applicable requirements relating to the qualification of accountants under Rule 2-01 of Regulation S-X of the Commission, (ii) stating, as of the date of the bring-down letter (or, with respect to matters involving changes or developments since the respective dates as of which specified financial information is given in the Prospectus, as of a date not more than three days prior to the date of the bring-down letter), the conclusions and findings of such firm with respect to the financial information and other matters covered by the initial letter and (iii) confirming in all material respects the conclusions and findings set forth in the initial letter.

(i) The Company shall have furnished to the Representatives a certificate, dated such Delivery Date, of its Chief Executive Officer or its Chief Financial Officer stating that:

(i) The representations, warranties and agreements of the Company in Section 1 are true and correct on and as of such Delivery Date, and the Company has complied with all its agreements contained herein and satisfied all the conditions on its part to be performed or satisfied hereunder at or prior to such Delivery Date;

(ii) No stop order suspending the effectiveness of the Registration Statement has been issued; no proceedings or examination for that purpose or pursuant to Section 8A of the Securities Act against the Company or related to the offering of the Securities have been instituted or, to the knowledge of such officers, threatened; and the Commission has not notified the Company of any objection to the use of the form of the Registration Statement or any post-effective amendment thereto; and

(iii) There has been no material adverse change, or a development known to the Company involving a prospective material adverse change, in the condition, financial or otherwise, or in the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise, whether or not arising in the ordinary course of business.

(j) There has not been any change, or any development known to the Company involving a prospective change, in the condition, financial or otherwise, or in the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise, whether or not arising in the ordinary course of business, the effect of which is, in the judgment of the Representatives, so material and adverse as to make it impracticable or inadvisable to proceed with the public offering or the delivery of the Securities being delivered on such Delivery Date on the terms and in the manner contemplated in the Prospectus; and subsequent to the execution and delivery of this Agreement (i) no downgrading shall have occurred in the rating or indicative rating accorded the Company's debt securities by any "nationally recognized statistical rating organization" (as such term as defined in Section 3(a)(62) of the Exchange Act;) and (ii) no such organization shall have publicly announced that it has placed the Company under surveillance or review, with possible negative implications, for its rating or indicative rating of any of the Company's debt securities.

(k) Subsequent to the execution and delivery of this Agreement there shall not have occurred any of the following: (i) trading in securities generally on the New York Stock Exchange or the American Stock Exchange or in the over-the-counter market, or trading in any securities of the Company on any exchange or in the over-the-counter market, shall have been suspended or materially limited or the settlement of such trading generally shall have been materially disrupted or minimum prices shall have been established on any such exchange or such market by the Commission, by such exchange or by any other regulatory body or governmental authority having jurisdiction, (ii) a banking moratorium shall have been declared by federal or New York, Texas or Virginia authorities or there shall have occurred any material disruption in commercial banking, securities settlement or clearance services in the United States, (iii) the United States shall have become engaged in hostilities, there shall have been an escalation in hostilities involving the United States or there shall have been a declaration of a national emergency or war by the United States or (iv) there shall have occurred such a material adverse change in general economic, political or financial conditions, including, without limitation, as a result of terrorist activities after the date hereof (or the effect of international conditions on the financial markets in the United States shall be such), in the case of each of the foregoing subsections (i) through (iv), as to make it, in the judgment of the Representatives, impracticable or inadvisable to proceed with the public offering or delivery of the Securities being delivered on such Delivery Date on the terms and in the manner contemplated in the Prospectus.

Counsel for the Underwriters shall have been furnished with such documents and opinions as they may reasonably require for the purpose of enabling them to pass upon the issuance and sale of the Securities as herein contemplated, or in order to evidence the accuracy of any of the representations or warranties, or the fulfillment of any of the conditions, herein contained; and all proceedings taken by the Company in connection with the issuance and sale of the Securities as herein contemplated shall be reasonably satisfactory in form and substance to the Representatives and counsel for the Underwriters.

All opinions, letters, evidence and certificates mentioned above or elsewhere in this Agreement shall be deemed to be in compliance with the provisions hereof only if they are in form and substance reasonably satisfactory to counsel for the Underwriters.

8. *Indemnification and Contribution* . (a) The Company shall indemnify and hold harmless each Underwriter, its directors, officers, agents, affiliates and employees and each person, if any, who controls any Underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, from and against any loss, claim, damage or liability, joint or several, or any action in respect thereof (including, but not limited to, any loss, claim, damage, liability or action relating to purchases and sales of Securities), to which that Underwriter, director, officer, agent, affiliate, employee or controlling person may become subject, under the Securities Act or otherwise, insofar as such loss, claim, damage, liability or action arises out of, or is based upon, (i) any untrue statement or alleged untrue statement of a material fact contained in (A) any Preliminary Prospectus, the Registration Statement, the Prospectus or in any amendment or supplement thereto, (B) any Issuer Free Writing Prospectus or in any amendment or supplement thereto or (C) any Permitted Issuer Information used or referred to in any "free writing prospectus" (as defined in Rule 405) used or referred to by any Underwriter or (D) any "road show" (as defined in Rule 433) not constituting an Issuer Free Writing Prospectus (a " **Non-Prospectus Road Show** ") or (ii) the omission or alleged omission to state in any Preliminary Prospectus, the Registration Statement, the Prospectus, any Issuer Free Writing Prospectus or in any amendment or supplement thereto or in any Permitted Issuer Information or any Non-Prospectus Road Show, any material fact required to be stated therein or necessary to make the statements therein not misleading, and shall reimburse each Underwriter and each such director, officer, employee, agent, affiliate or controlling person promptly upon demand for any legal or other expenses reasonably incurred by that Underwriter, director, officer, employee, agent, affiliate or controlling person in connection with

investigating or defending or preparing to defend against any such loss, claim, damage, liability or action as such expenses are incurred; *provided , however* , that the Company shall not be liable in any such case to the extent that any such loss, claim, damage, liability or action arises out of, or is based upon, any untrue statement or alleged untrue statement or omission or alleged omission made in any Preliminary Prospectus, the Registration Statement, the Prospectus, any Issuer Free Writing Prospectus or in any such amendment or supplement thereto or in any Permitted Issuer Information or any Non-Prospectus Road Show, in reliance upon and in conformity with written information concerning such Underwriter furnished to the Company through the Representatives by or on behalf of any Underwriter specifically for inclusion therein, which information consists solely of the information specified in Section 8(e). The foregoing indemnity agreement is in addition to any liability which the Company may otherwise have to any Underwriter or to any director, officer, employee, agent, affiliate or controlling person of that Underwriter.

(b) Each Underwriter, severally and not jointly, shall indemnify and hold harmless the Company, its directors, officers agents, affiliates and employees, and each person, if any, who controls the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, from and against any loss, claim, damage, liability or expense (including reasonable attorney's fees and expenses relating to investigating or defending or preparing to defend), joint or several, or any action in respect thereof, to which the Company, or any such director, officer, employee, agent, affiliate or controlling person may become subject, under the Securities Act or otherwise, insofar as such loss, claim, damage, liability or action arises out of, or is based upon, (i) any untrue statement or alleged untrue statement of a material fact contained in any Preliminary Prospectus, the Registration Statement, the Prospectus, any Issuer Free Writing Prospectus or in any amendment or supplement thereto or in any Non-Prospectus Road Show, or (ii) the omission or alleged omission to state in any Preliminary Prospectus, the Registration Statement, the Prospectus, any Issuer Free Writing Prospectus or in any amendment or supplement thereto or in any Non-Prospectus Road Show, any material fact required to be stated therein or necessary to make the statements therein not misleading, but in each case only to the extent that the untrue statement or alleged untrue statement or omission or alleged omission was made in reliance upon and in conformity with written information concerning such Underwriter furnished to the Company through the Representatives by or on behalf of that Underwriter specifically for inclusion therein, which information is limited to the information set forth in Section 8(e). The foregoing indemnity agreement is in addition to any liability that any Underwriter may otherwise have to the Company, or any such director, officer, employee, agent, affiliate or controlling person.

(c) Promptly after receipt by an indemnified party under this Section 8 of notice of any claim or the commencement of any action, the indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under this Section 8, notify the indemnifying party in writing of the claim or the commencement of that action; *provided , however* , that the failure to notify the indemnifying party shall not relieve it from any liability which it may have under this Section 8 except to the extent it has been materially prejudiced by such failure and, *provided , further* , that the failure to notify the indemnifying party shall not relieve it from any liability which it may have to an indemnified party otherwise than under this Section 8. If any such claim or action shall be brought against an indemnified party, and it shall notify the indemnifying party thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it wishes, jointly with any other similarly notified indemnifying party, to assume the defense thereof with counsel reasonably satisfactory to the indemnified party. After notice from the indemnifying party to the indemnified party of its election to assume the defense of such claim or action, the indemnifying party shall not be liable to the indemnified party under this Section 8 for any legal or other expenses subsequently incurred by the indemnified party in connection with the defense thereof other than reasonable costs of investigation; *provided, however* , that the indemnified party shall have the right to employ such other counsel as the indemnified party may deem necessary, and the indemnifying party shall bear the reasonable legal or other expenses of such other counsel if (i) the

indemnifying party shall have agreed; (ii) the indemnifying party has failed within a reasonable time to assume the defense of and retain counsel reasonably satisfactory to the indemnified party; or (iii) the named parties in any such proceeding (including any impleaded parties) include both the indemnified party and the indemnifying party, and representation of both sets of parties by the same counsel would be inappropriate due to actual or potential differing interests between them; *provided further* , however, that the indemnifying party shall not, in connection with any one such claim or action or separate but substantially similar or related claims or actions in the same jurisdiction, arising out of the same general allegations or circumstances, be liable for the legal or other expenses of more than one separate firm of attorneys (in addition to local counsel) for all of the indemnified parties, which firm shall be designated in writing by the Company or the Representatives, as applicable, and that all such legal or other expenses shall be reimbursed as they are incurred. No indemnifying party shall (i) without the prior written consent of the indemnified parties, settle or compromise or consent to the entry of any judgment with respect to any pending or threatened claim, action, suit or proceeding in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified parties are actual or potential parties to such claim or action) unless such settlement, compromise or consent includes an unconditional release of each indemnified party from all liability arising out of such claim, action, suit or proceeding, provided that such unconditional release may be subject to parallel release by a claimant or plaintiff of such indemnified party, and does not include any findings of fact or admissions of fault or culpability as to the indemnified party, or (ii) be liable for any settlement of any such action effected without its written consent, but if settled with the consent of the indemnifying party or if there be a final judgment for the plaintiff in any such action, the indemnifying party agrees to indemnify and hold harmless any indemnified party from and against any loss or liability by reason of such settlement or judgment.

(d) If the indemnification provided for in this Section 8 shall for any reason be unavailable to or insufficient to hold harmless an indemnified party under Section 8(a) or 8(b) in respect of any loss, claim, damage or liability, or any action in respect thereof, referred to therein, then each indemnifying party shall, in lieu of indemnifying such indemnified party, contribute to the amount paid or payable by such indemnified party as a result of such loss, claim, damage or liability, or action in respect thereof, (i) in such proportion as shall be appropriate to reflect the relative benefits received by the Company, on the one hand, and the Underwriters, on the other, from the offering of the Securities or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company, on the one hand, and the Underwriters, on the other, with respect to the statements or omissions that resulted in such loss, claim, damage or liability, or action in respect thereof, as well as any other relevant equitable considerations. The relative benefits received by the Company, on the one hand, and the Underwriters, on the other, with respect to such offering shall be deemed to be in the same proportion as the total net proceeds from the offering of the Securities purchased under this Agreement (before deducting expenses) received by the Company, as set forth in the table on the cover page of the Prospectus, on the one hand, and the total underwriting discounts and commissions received by the Underwriters with respect to the aggregate principal amount of Securities purchased under this Agreement, as set forth in the table on the cover page of the Prospectus, on the other hand. The relative fault shall be determined by reference to whether the untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by the Company or the Underwriters, the intent of the parties and their relative knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company and the Underwriters agree that it would not be just and equitable if contributions pursuant to this Section 8(d) were to be determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation that does not take into account the equitable considerations referred to herein. The amount paid or payable by an indemnified party as a result of the loss, claim, damage or liability, or action in respect thereof, referred to above in this Section 8(d) shall be deemed to include, for purposes of this Section 8(d), any legal or other expenses reasonably incurred by such indemnified party in connection

with investigating or defending any such action. Notwithstanding the provisions of this Section 8(d), no Underwriter shall be required to contribute any amount in excess of the amount by which the net proceeds from the sale of the Securities underwritten by it exceeds the amount of any damages that such Underwriter has otherwise paid or become liable to pay by reason of any untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations to contribute as provided in this Section 8(d) are several in proportion to their respective underwriting obligations and not joint.

(e) The Underwriters severally confirm and the Company acknowledges and agrees that the statements regarding the concession and reallowance figures and the paragraph relating to stabilization by the Underwriters appearing under the caption "Underwriting" in the most recent Preliminary Prospectus and the Prospectus constitute the only information concerning such Underwriters furnished in writing to the Company by or on behalf of the Underwriters specifically for inclusion in any Preliminary Prospectus, the Registration Statement, the Prospectus, any Issuer Free Writing Prospectus or in any amendment or supplement thereto or in any Non-Prospectus Road Show.

9. *Defaulting Underwriters* . If, on the Delivery Date, any Underwriter shall fail or refuse to purchase the principal amount of Securities agreed to be purchased by such Underwriter hereunder, the remaining non-defaulting Underwriters shall be obligated to purchase the principal amount of Securities that the defaulting Underwriter agreed but failed to purchase on such Delivery Date in the respective proportions which the principal amount of Securities set forth opposite the name of each remaining non-defaulting Underwriter in Schedule I hereto bears to the aggregate principal amount of Securities set forth opposite the names of all the remaining non-defaulting Underwriters in Schedule I hereto; *provided, however* , that the remaining non-defaulting Underwriters shall not be obligated to purchase any of the Securities on such Delivery Date if the aggregate principal amount of Securities that the defaulting Underwriter or Underwriters agreed but failed to purchase on such date exceeds 9.09% of the aggregate principal amount of Securities to be purchased on such Delivery Date, and any remaining non-defaulting Underwriter shall not be obligated to purchase more than 110% of the principal amount of Securities that it agreed to purchase on such Delivery Date pursuant to the terms of Section 2. If the foregoing maximums are exceeded, the remaining non-defaulting Underwriters, or those other underwriters satisfactory to the Representatives who so agree, shall have the right, but shall not be obligated, to purchase, in such proportion as may be agreed upon among them, all the Securities to be purchased on such Delivery Date. If the remaining Underwriters or other underwriters satisfactory to the Representatives do not elect to purchase the Securities that the defaulting Underwriter or Underwriters agreed but failed to purchase on such Delivery Date, this Agreement shall terminate without liability on the part of any non-defaulting Underwriter or the Company, except that the Company will continue to be liable for the payment of expenses to the extent set forth in, and subject to the terms of, Sections 6 and 11. As used in this Agreement, the term "Underwriter" includes, for all purposes of this Agreement unless the context requires otherwise, any party not listed in Schedule I hereto that, pursuant to this Section 9, purchases Securities that a defaulting Underwriter agreed but failed to purchase.

Nothing contained herein shall relieve a defaulting Underwriter of any liability it may have to the Company for damages caused by its default. If other Underwriters are obligated or agree to purchase the Securities of a defaulting or withdrawing Underwriter, either the Representatives or the Company may postpone the Delivery Date for up to seven full business days in order to effect any changes that in the opinion of counsel for the Company or counsel for the Underwriters may be necessary in the Registration Statement, the Prospectus or in any other document or arrangement.

10. *Termination.* The obligations of the Underwriters hereunder may be terminated by the Representatives by notice given to and received by the Company prior to delivery of

and payment for the Securities if, prior to that time, any of the events described in Sections 7(j) and 7(k) shall have occurred.

11. *Reimbursement of Underwriters' Expenses.* If the Company shall fail to tender the Securities for delivery to the Underwriters by reason of any failure, refusal or inability on the part of the Company to perform any agreement on its part to be performed, or if any other condition to the Underwriters' obligations hereunder required to be fulfilled by the Company is not fulfilled for any reason, the Company will reimburse the Underwriters for all reasonable out-of-pocket expenses (including reasonable fees and disbursements of counsel) incurred by the Underwriters in connection with this Agreement and the proposed purchase of the Securities, and upon demand the Company shall pay the full amount thereof to the Representatives.

12. *Research Analyst Independence.* The Company acknowledges that the Underwriters' research analysts and research departments are required to be independent from their respective investment banking divisions and are subject to certain regulations and internal policies, and that such Underwriters' research analysts may hold views and make statements or investment recommendations and/or publish research reports with respect to the Company and/or the offering that differ from the views of their respective investment banking divisions. The Company hereby waives and releases, to the fullest extent permitted by law, any claims that the Company may have against the Underwriters with respect to any conflict of interest that may arise from the fact that the views expressed by their independent research analysts and research departments may be different from or inconsistent with the views or advice communicated to the Company by such Underwriters' investment banking divisions. The Company acknowledges that each of the Underwriters is a full service securities firm and as such from time to time, subject to applicable securities laws, may effect transactions for its own account or the account of its customers and hold long or short positions in debt or equity securities of the companies that may be the subject of the transactions contemplated by this Agreement.

13. *No Fiduciary Duty* . The Company acknowledges and agrees that in connection with this offering, sale of the Securities or any other services the Underwriters may be deemed to be providing hereunder, notwithstanding any preexisting relationship, advisory or otherwise, between the parties or any oral representations or assurances previously or subsequently made by the Underwriters: (i) no fiduciary or agency relationships between the Company and any other person, on the one hand, and the Underwriters, on the other, exist; (ii) the Underwriters are not acting as advisors, expert or otherwise, to the Company, including, without limitation, with respect to the determination of the public offering price of the Securities, and such relationship between the Company on the one hand, and the Underwriters, on the other, is entirely and solely commercial, based on arms-length negotiations; (iii) any duties and obligations that the Underwriters may have to the Company shall be limited to those duties and obligations specifically stated herein; and (iv) the Underwriters and their respective affiliates may have interests that differ from those of the Company. The Company hereby waives any claims that the Company may have against the Underwriters with respect to any breach of fiduciary duty in connection with this offering.

14. *Notices, Etc* . All statements, requests, notices and agreements hereunder shall be in writing, and:

(a) if to the Underwriters, shall be delivered or sent by mail or facsimile transmission to the Representatives at Wells Fargo Securities, LLC, 301 S. College Street, Charlotte, NC 28202, Attention: Transaction Management (Fax: (704) 383-9165); and

(b) if to the Company, shall be delivered or sent by mail or facsimile transmission to the address of the Company set forth in the Registration Statement, Attention: Louis P. Gregory (Fax: 972-855-3080).

Any such statements, requests, notices or agreements shall take effect at the time of receipt thereof. The Company shall be entitled to act and rely upon any request, consent, notice or agreement given or made on behalf of the Underwriters by the Representatives.

15. *Persons Entitled to Benefit of Agreement* . This Agreement shall inure to the benefit of and be binding upon the Underwriters, the Company, any controlling person referred to herein, the other indemnitees referred to herein and their respective successors and assigns, all as and to the extent provided in this Agreement, and no other person shall acquire or have any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision contained herein. The term "successors and assigns" shall not include a purchaser of Securities from any Underwriter merely because of such purchase.

16. *Survival.* The respective indemnities, representations, warranties and agreements of the Company and the Underwriters contained in this Agreement or made by or on behalf of them, respectively, pursuant to this Agreement, shall survive the delivery of and payment for the Securities and shall remain in full force and effect, regardless of any investigation made by or on behalf of any of them or any person controlling any of them.

17. *Definition of the Term "Business Day* . " For purposes of this Agreement " **business day** " means each Monday, Tuesday, Wednesday, Thursday or Friday that is not a day on which banking institutions in New York are generally authorized or obligated by law or executive order to close.

18. *Governing Law.* This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

19. *Counterparts.* This Agreement may be executed in one or more counterparts and, if executed in more than one counterpart, the executed counterparts shall each be deemed to be an original but all such counterparts shall together constitute one and the same instrument.

20 . *Headings.* The headings herein are inserted for convenience of reference only and are not intended to be part of, or to affect the meaning or interpretation of, this Agreement.

21. *Patriot Act.* In accordance with the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), the Underwriters are required to obtain, verify and record information that identifies their respective clients, including the Company, which information may include the name and address of their respective clients, as well as other information that will allow the Underwriters to properly identify their respective clients.

If the foregoing correctly sets forth the agreement among the Company and the Underwriters, please indicate your acceptance in the space provided for that purpose below.

Very truly yours,

ATMOS ENERGY CORPORATION

By: /s/ Fred E. Meisenheimer
Name: Fred E. Meisenheimer
Title: Senior Vice President and Chief Financial Officer

Signature Page to the Underwriting Agreement

Accepted, as of the date first above written:

BNP PARIBAS SECURITIES CORP .
MORGAN STANLEY & CO. LLC
UBS SECURITIES LLC
WELLS FARGO SECURITIES, LLC
Acting on behalf of themselves
and as the Representatives of
the several Underwriters

By: Wells Fargo Securities, LLC

By: /s/ Carolyn Hurley
Authorized Signatory

Signature Page to the Underwriting Agreement

SCHEDULE I

Underwriters	Principal Amount of Securities	
BNP Paribas Securities Corp.	$	64,000,000
Morgan Stanley & Co. LLC	$	64,000,000
UBS Securities LLC	$	64,000,000
Wells Fargo Securities, LLC	$	64,000,000
Credit Agricole Securities (USA) Inc.	$	24,000,000
Deutsche Bank Securities Inc.	$	24,000,000
Goldman, Sachs & Co.	$	24,000,000
RBS Securities Inc.	$	24,000,000
U.S. Bancorp Investments, Inc.	$	24,000,000
BOSC, Inc.	$	8,000,000
BB&T Capital Markets, a division of Scott & Stringfellow, LLC	$	8,000,000
J.P. Morgan Securities LLC	$	8,000,000
Total	$	400,000,000

Schedule I

SCHEDULE II

GENERAL USE ISSUER FREE WRITING PROSPECTUS

The General Use Issuer Free Writing Prospectus(es) included in the Disclosure Package includes each of the following:

1. Final Term Sheet dated June 7, 2011, a copy of which is attached as Exhibit A to this Agreement substantially in the form filed with the Commission.

SCHEDULE III

LIST OF ALL SUBSIDIARIES

Atmos Energy Holdings, Inc.
Atmos Energy Marketing, LLC
Atmos Energy Services, LLC
Atmos Exploration and Production, Inc.
Atmos Gathering Company, LLC
Atmos Pipeline and Storage, LLC
Atmos Power Systems, Inc.
Blueflame Insurance Services, LTD
Egasco, LLC
Fort Necessity Gas Storage, LLC
Mississippi Energies, Inc.
Phoenix Gas Gathering Company
Trans Louisiana Gas Pipeline, Inc.
Trans Louisiana Gas Storage, Inc.
UCG Storage, Inc.
Unitary GH&C Products, LLC
WKG Storage, Inc.

SCHEDULE IV

LIST OF SIGNIFICANT SUBSIDIARIES

1. Atmos Energy Holdings, Inc.
2. Atmos Energy Marketing, LLC

Schedule IV

SCHEDULE V

PRICING TERMS

A. The initial public offering price of the Securities shall be 99.678% of the principal amount thereof, plus accrued interest, if any, from the date of issuance.

B. The purchase price to be paid by the Underwriters for the Securities shall be 98.803% of the principal amount thereof.

C. The interest rate on the Securities shall be 5.50% per annum.

D. The Securities will be redeemable, as a whole or in part, at the option of the Company, at any time or from the time to time. Prior to December 15, 2040, the redemption price will be equal to the greater of (i) 100% of the principal amount of the Securities to be redeemed or (ii) the sum of the present values of the remaining scheduled payments of principal and interest on the Securities discounted to the redemption date on a semi-annual basis at the treasury rate plus 20 basis points, plus, in the case of each clause (i) and (ii), accrued interest to the date of redemption. On or after December 15, 2040, the redemption price will be equal to 100% of the principal amount of the notes to be redeemed plus accrued and unpaid interest, if any, to the redemption date.

EXHIBIT A

Filed Pursuant to Rule 433 under the Securities Act of 1933
Registration Statement No. 333-165818
Issuer Free Writing Prospectus, dated June 7, 2011

ATMOS ENERGY CORPORATION
5.50% Senior Notes due 2041

This Free Writing Prospectus relates only to the 5.50% Senior Notes due 2041 of Atmos Energy Corporation and should be read together with the Preliminary Prospectus Supplement dated June 7, 2011 relating to the 5.50% Senior Notes due 2041.

Issuer:	Atmos Energy Corporation
Security Description:	Senior Unsecured Notes
Principal Amount:	$400,000,000
Maturity Date:	June 15, 2041
Trade Date:	June 7, 2011
Settlement Date:	June 10, 2011; T+3
Interest Payment Dates:	Semi-annually in arrears on June 15 and December 15, beginning December 15, 2011
Coupon:	5.50%
Benchmark Treasury:	4.75% due February 15, 2041
Benchmark Treasury Price:	108-00
Benchmark Treasury Yield:	4.272%
Spread to Benchmark Treasury:	+125 basis points
Yield to Maturity:	5.522%
Public Offering Price:	99.678% per Note
Optional Redemption Provisions:	The Notes may be redeemed, at the option of Atmos Energy Corporation, at any time in whole or from time to time in part. Prior to December 15, 2040, the redemption price will be equal to the greater of (i) 100% of the principal amount of the Notes to be redeemed and (ii) the sum of the present values of the remaining scheduled payments of principal and interest on the Notes to be redeemed discounted, on a semi-annual basis, at make-whole call, plus, in each case,

	accrued interest to the date of redemption. At any time on or after December 15, 2040, the redemption price will be equal to 100% of the principal amount of the notes to be redeemed plus accrued and unpaid interest, if any, to the redemption date.
Make-Whole Call:	Make whole call at T+ 20 basis points
Net Proceeds:	$395,212,000, before offering expenses.
CUSIP/ISIN:	049560 AK1 / US049560AK13
Minimum Denominations:	$2,000 and any integral multiple of $1,000 in excess thereof.
Joint Book-Running Managers:	BNP Paribas Securities Corp. Morgan Stanley & Co. LLC UBS Securities LLC Wells Fargo Securities, LLC
Senior Co-Managers:	Credit Agricole Securities (USA) Inc. Deutsche Bank Securities Inc. Goldman, Sachs & Co. RBS Securities Inc. U.S. Bancorp Investments, Inc.
Co-Managers:	BOSC, Inc. BB&T Capital Markets, a division of Scott & Stringfellow, LLC J.P. Morgan Securities LLC

Atmos Energy Corporation has filed a registration statement (including a prospectus) with the SEC for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents the issuer has filed with the SEC for more complete information about Atmos Energy Corporation and this offering. You may get these documents for free by visiting EDGAR on the SEC Web site at www.sec.gov. Alternatively, any underwriter or any dealer participating in the offering will arrange to send you the prospectus if you request it by calling BNP Paribas Securities Corp. at 1-800-854-5674; Morgan Stanley & Co. LLC at 1-866-718-1649, UBS Securities LLC toll free at 1-877-827-6444, ext. 561-3884 or Wells Fargo Securities, LLC at 1-800-326-5897.

Exhibit A-2

EXHIBIT B-1

FORM OF OPINIONS AND LETTER OF ISSUER'S COUNSEL
TO BE DELIVERED PURSUANT TO
SECTION 7(b)

1. The Company is a validly existing corporation in good standing under the laws of the State of Texas.

2. The Company has all requisite corporate power to conduct its business as described in the Preliminary Prospectus and the Prospectus, and to execute and deliver the Underwriting Agreement, the Indenture and the certificates evidencing the Notes (collectively, the " **Note Documents** ") and to perform its obligations thereunder.

3. The execution and delivery by the Company of and the performance of the Note Documents its obligations thereunder have been duly authorized by all necessary corporate action. Each of the Note Documents has been duly executed and delivered by the Company.

4. The Indenture constitutes a legal, valid and binding obligation of the Company enforceable against the Company in accordance with its terms.

5. The authentication and delivery of the Notes by the Trustee are authorized and permitted by the Indenture.

6. The Notes are in the form contemplated by the Indenture and, when authenticated in accordance with the provisions of the Indenture and delivered to and paid for by the Underwriters in accordance with the terms of the Underwriting Agreement, will be legal, valid and binding obligations of the Company, enforceable against the Company in accordance with their terms and will be entitled to the benefits of the Indenture.

7. The execution and delivery by the Company of the Note Documents, the performance of its obligations thereunder, and the issuance by the Company of the Notes to the Underwriters: (i) do not and will not violate the charter or bylaws of the Company; (ii) do not and will not result in a default under or material breach of any agreement or instrument included in the list of exhibits (other than agreements identified therein as management contracts and compensatory plans and arrangements, as to which we express no opinion) in the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 2010 or Quarterly Reports on Form 10-Q or Current Reports on Form 8-K filed subsequent to such Annual Report; (iii) do not and will not violate any order, judgment or decree of any court or other agency of government identified to us in a certificate of the Company as constituting all orders, judgments or decrees that are material to the Company and its subsidiaries taken as a whole and that are binding on the Company (other than orders, judgments or decrees with respect to regulatory matters); and (iv) do not and will not violate, or require any filing with or approval of any governmental authority or regulatory body of the States of New York or Texas or the United States of America under, any law or regulation currently in effect of the States of New York or Texas or the United States of America applicable to the Company that, in our experience, is generally applicable to transactions in the nature of those contemplated by the Underwriting Agreement, except for such filings or approvals as already have been made or obtained under the Securities Act of 1933, as amended (the " **Securities Act** "). Other than the last clause of the preceding sentence, we are expressing no opinion in this paragraph regarding federal or state securities laws or regulations.

8. The Company is not and, after giving effect to the sale of the Notes and the use of proceeds therefrom as described in the Prospectus, will not be an "investment company" that is required to be registered under the Investment Company Act of 1940, as amended (the " **Investment Company Act** "). For purposes of this paragraph 8, the term "investment company" has the meanings ascribed to such term in the Investment Company Act.

9. Insofar as the statements in the Preliminary Prospectus and the Prospectus under the caption "Description of Debt Securities" and "Description of the Notes" purport to describe specific provisions of the Indenture, the Notes or the other Note Documents, such statements present in all material respects an accurate summary of such provisions.

10. To the extent that the statements in the Preliminary Prospectus and the Prospectus under the caption "Material U.S. Federal Income Tax Considerations" purport to describe specific provisions of the Internal Revenue Code of 1986, as amended, or the rules and regulations thereunder, such statements present in all material respects an accurate summary of such provisions.

Based on a certificate of the Company, we are of the view that the Registration Statement has become effective under the Securities Act and that the Indenture has been duly qualified under the Trust Indenture Act. To our knowledge, based solely upon telephonic confirmation from the Staff of the Commission on June 10, 2011, as of the time of such confirmation no stop order suspending the effectiveness of the Registration Statement has been issued under the Securities Act and no proceedings for that purpose have been instituted or are pending or threatened by the Commission.

We have participated in conferences with officers and other representatives and internal counsel of the Company, representatives of the independent auditors of the Company, and your representatives and counsel at which the contents of the Registration Statement, the Pricing Disclosure Package and the Prospectus and related matters were discussed. Because the purpose of our professional engagement was not to establish or confirm factual matters and because we did not independently undertake to verify the accuracy, completeness or fairness of the statements set forth in the Registration Statement, the Pricing Disclosure Package or the Prospectus, we are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Registration Statement, the Pricing Disclosure Package or the Prospectus except insofar as such statements specifically relate to us and except to the extent addressed in paragraphs 9 and 10. Our identification of information as being part of the Pricing Disclosure Package is for the limited purpose of making the statements set forth in this letter. We express no opinion or belief as to the conveyance of the Pricing Disclosure Package or the Prospectus or the information contained therein to investors generally or to any particular investor at any particular time or in any particular manner.

On the basis of the foregoing, and except for the financial statements and schedules, statistical information that is found or derived from the internal accounting or financial records of the Company and other information of an accounting or financial nature and the Statement of Eligibility on Form T-1 of the Trustee included or incorporated by reference therein, as to which we express no opinion or belief, no facts have come to our attention that led us to believe: (a) that the Registration Statement, at the time it became effective (which for the purposes of this opinion, shall mean June 7, 2011) or the Prospectus, as of the date of the final prospectus supplement, were not appropriately responsive in all material respects to the requirements of the Securities Act and the Trust Indenture Act and the applicable rules and regulations of the Commission thereunder; or (b)(i) that the Registration Statement, at the time it became effective, contained a untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading, (ii) that the Pricing Disclosure Package, as of the Applicable Time, included an untrue statement of a material fact or omitted to state any material fact necessary in order to make the statements therein, in the light of the circumstances under

which they were made, not misleading; or (iii) that the Prospectus, as of its date or the date hereof, contained or contains an untrue statement of a material fact or omitted or omits to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

* * *

In rendering such opinion, such counsel may state that its opinion is limited to the Federal laws of the United States and the laws of the State of Texas and the State of New York.

EXHIBIT B-2

FORM OF OPINION OF VIRGINIA COUNSEL TO THE COMPANY
TO BE DELIVERED PURSUANT TO
SECTION 7(c)

1. The Company is validly existing as a corporation in good standing under the laws of the Commonwealth of Virginia.

2. The Company has corporate power and authority to own, lease and operate its properties and to conduct its business as described in the Preliminary Prospectus and the Prospectus and to enter into and perform its obligations under the Underwriting Agreement (including without limitation, issuing the Securities), the Indenture (as modified by the Section 301 Officers' Certificate) and the Securities.

3. Each of the Underwriting Agreement, Indenture and the Section 301 Officers' Certificate has been duly authorized, executed and delivered by the Company.

4. The Securities have been duly authorized, executed and delivered by the Company.

Such counsel is aware that this opinion will be relied upon by U.S. Bank National Association, as Trustee under, and in connection with the transactions contemplated by the Indenture.

* * *

In rendering such opinion, such counsel may state that its opinion is limited to the Federal laws of the United States and the laws of the Commonwealth of Virginia.

EXHIBIT B-3

FORM OF OPINIONS AND LETTER OF GENERAL COUNSEL OF THE COMPANY
TO BE DELIVERED PURSUANT TO
SECTION 7(d)

1. The Company has been duly organized and is validly existing as a corporation in good standing under the laws of the State of Texas and the Commonwealth of Virginia.

2. The Company is duly qualified as a foreign corporation to transact business and is in good standing in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure so to qualify or to be in good standing would not result in a Material Adverse Effect.

3. The information in the Registration Statement under Item 15, to the extent that it constitutes matters of law, summaries of legal matters or legal conclusions, has been reviewed by me and is correct in all material respects.

4. The authorized, issued and outstanding capital stock of the Company is as set forth in the most recent Preliminary Prospectus and the Prospectus under the caption "Capitalization" (except for subsequent issuances, if any, pursuant to reservations, agreements or employee benefit plans referred to in the most recent Preliminary Prospectus and the Prospectus or pursuant to the exercise of options or share unit awards referred to in the most recent Preliminary Prospectus and the Prospectus); the shares of issued and outstanding capital stock of the Company have been duly authorized and validly issued and are fully paid and non-assessable; and none of the outstanding shares of capital stock of the Company was issued in violation of the preemptive or other similar rights of any securityholder of the Company.

5. Each Subsidiary has been duly organized and is validly existing as an entity in good standing under the laws of the jurisdiction of its formation, has the power and authority to own, lease and operate its properties and to conduct its business as described in the most recent Preliminary Prospectus and the Prospectus and is duly qualified as a foreign entity to transact business and is in good standing in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure so to qualify or to be in good standing would not result in a Material Adverse Effect; except as otherwise disclosed in the most recent Preliminary Prospectus and the Prospectus, all of the issued and outstanding capital stock or limited liability company membership interests, as the case may be, of each Subsidiary have been duly authorized and validly issued, are fully paid and non-assessable and, to the best of my knowledge, are owned by the Company, directly or through subsidiaries, free and clear of any security interest, mortgage, pledge, lien, encumbrance, claim or equity, except for such liens, encumbrances, equities or claims as would not in the aggregate reasonably be expected to have a Material Adverse Effect; none of the outstanding shares of capital stock or limited liability company membership interests, as the case may be, of any Subsidiary was issued in violation of the preemptive or similar rights of any securityholder of such Subsidiary.

6. The Underwriting Agreement has been duly authorized, executed and delivered by the Company.

7. Each of the Securities and the Indenture has been duly authorized, executed and delivered by the Company. The Section 301 Officers' Certificate has been duly authorized by the Company and duly executed and delivered by two officers of the Company.

8. The documents incorporated by reference in the Registration Statement, the most recent Preliminary Prospectus and the Prospectus (other than financial statements and schedules and other information of an accounting or financial nature included or incorporated by reference therein, as to which I express no opinion or belief), when they were filed with the Commission, complied as to form in all material respects with the requirements of the Exchange Act and the rules and regulations under the Exchange Act.

9. To the best of my knowledge, there is no pending or threatened action, suit, proceeding, inquiry or investigation, to which the Company or any subsidiary is a party, or to which the property of the Company or any subsidiary is subject, before or brought by any court or governmental agency or body, domestic or foreign, which might reasonably be expected to result in a Material Adverse Effect, or which might reasonably be expected to have a Material Adverse Effect on the properties or assets thereof or the consummation of the transactions contemplated in the Underwriting Agreement or the performance by the Company of its obligations thereunder, or which is required to be described in the most recent Preliminary Prospectus and the Prospectus that is not described as required.

10. The information in (a) the most recent Preliminary Prospectus and the Prospectus under "Business — Other Regulation," "Description of the Notes," or "Description of Debt Securities," (b) the Annual Report on Form 10-K for the fiscal year ended September 30, 2010 (the "10-K") under "Item 1. — Business — Ratemaking Activity," under "Item 1. — Business — Other Regulation" or under "Item 3. — Legal Proceedings," (c) the Quarterly Reports on Form 10-Q for the quarterly periods ended December 31, 2010 and March 31, 2011 (the "Q1 — 10-Q" and "Q2 — 10-Q," respectively) under Part II "Item 1. — Legal Proceedings," and (d) "Note 12. — Commitments and Contingencies" to the Company's consolidated financial statements included in the 10-K or "Note 8. — Commitments and Contingencies" to the Company's consolidated financial statements included in the Q1 — 10-Q and Q2 — 10-Q, to the extent that it constitutes matters of law, summaries of legal matters, the Company's articles of incorporation and bylaws or legal proceedings, or legal conclusions, has been reviewed by me and is correct in all material respects.

11. All descriptions in the Registration Statement, the most recent Preliminary Prospectus and the Prospectus of contracts and other documents to which the Company or its subsidiaries are a party are accurate in all material respects; to the best of my knowledge, there are no franchises, contracts, indentures, mortgages, loan agreements, notes, leases or other instruments required to be described or referred to in the Registration Statement, the most recent Preliminary Prospectus or the Prospectus or to be filed as exhibits thereto other than those described or referred to therein or filed or incorporated by reference as exhibits thereto, and the descriptions thereof or references thereto are correct in all material respects.

12. To the best of my knowledge, (i) neither the Company nor any subsidiary is in violation of its charter, bylaws or other organizational document and (ii) no default by the Company or any subsidiary exists in the due performance or observance of any material obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, loan agreement, note, lease or other agreement or instrument that is described or referred to in the Registration Statement, the most recent Preliminary Prospectus or the Prospectus or filed or incorporated by reference as an exhibit to the Registration Statement, except with respect to (ii) above, for such defaults that would not result in a Material Adverse Effect.

13. There have been issued and, as of the date hereof, are in full force and effect orders or authorizations of the regulatory authorities of Colorado, Georgia, Illinois, Kentucky and Virginia authorizing the issuance and sale of the Securities by the Company on the terms set forth or contemplated in the Underwriting Agreement and the Indenture; and no other filing with, or authorization, approval,

consent, license, order, registration, qualification or decree of, any court or governmental authority or agency, domestic or foreign (other than under the Securities Act, the Exchange Act and the Rules and Regulations, which have been obtained, or as may be required under the securities or blue sky laws of the various states, as to which I express no opinion), is necessary or required in connection with the due authorization, execution and delivery of the Underwriting Agreement, the Indenture or the Securities, or for the offering, issuance, sale or delivery of the Securities by the Company pursuant to the Underwriting Agreement.

14. The execution, delivery and performance of the Underwriting Agreement, the Indenture and the Securities by the Company and the consummation of the transactions contemplated in the Underwriting Agreement and the Indenture and in the Registration Statement, the most recent Preliminary Prospectus and the Prospectus (including the issuance and sale of the Securities by the Company and the use of the proceeds from the sale of the Securities as described in the Prospectus under the caption "Use of Proceeds") and compliance by the Company with its obligations under the Underwriting Agreement, the Indenture and the Securities do not and will not, whether with or without the giving of notice or lapse of time or both, violate or constitute a breach of, or default under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company or any subsidiary pursuant to, any contract, indenture, mortgage, deed of trust, loan or credit agreement, note, lease or any other agreement or instrument, known to me, to which the Company or any subsidiary is a party or by which it or any of them may be bound, or to which any of the property or assets of the Company or any subsidiary is subject (except for such violations, breaches or defaults or liens, charges or encumbrances that would not have a Material Adverse Effect), nor will such action result in any violation of the provisions of the articles of incorporation or bylaws of the Company or the charter, bylaws or other organizational documents of any subsidiary, or any applicable law, statute, rule, regulation, judgment, order, writ or decree, known to me, of any government, government instrumentality or court, domestic or foreign, binding on the Company or any subsidiary or any of their respective properties, assets or operations. I express no opinion in this paragraph regarding federal or state securities laws.

Except for the financial statements and related notes and schedules and other information of an accounting or financial nature included or incorporated by reference therein, as to which I express no opinion or belief, no facts have come to my attention that led me to believe: (a) that the Registration Statement, at the time it became effective (which shall have the meaning set forth in Rule 158(c) of the Rules and Regulations) or the Prospectus, as of its date, were not appropriately responsive in all material respects to the requirements of the Securities Act and the Rules and Regulations; or (b)(i) that the Registration Statement, at the time it became effective, contained a untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading, (ii) that the Pricing Disclosure Package, as of the Applicable Time, contained any untrue statement of a material fact or omitted to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; or (iii) that the Prospectus, as of its date or the date hereof, contained or contains an untrue statement of a material fact or omitted or omits to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

Such counsel is aware that this opinion will be relied upon by U.S. Bank National Association, as Trustee under, and in connection with the transactions contemplated by the Indenture.

* * *

In rendering such opinion, such counsel may state that his opinion is limited to the Federal laws of the United States, the laws of the State of Texas and the Virginia Stock Corporation Act.

Exhibit 4.1

ATMOS ENERGY CORPORATION

Officers' Certificate Pursuant to Section 301 of the Indenture

June , 2011

Each of the undersigned, Fred E. Meisenheimer, Senior Vice President and Chief Financial Officer, and Louis P. Gregory, Senior Vice President and General Counsel of Atmos Energy Corporation (the "Company") certifies, pursuant to the authority delegated to each of them, as an officer of the Company, pursuant to the resolutions adopted on May 4, 2011 by the board of directors of the Company (the "Board") (copies of which resolutions are attached hereto as Exhibit I), that pursuant to Section 301 of the Indenture dated as of March 26, 2009 (the "Indenture") between the Company and U.S. Bank

National Association, as trustee (the "Trustee"), a series of debt securities of the Company is hereby established with the following terms and provisions (unless otherwise defined herein, capitalized terms used herein have the meaning given thereto in the Indenture):

1. The title of the series of the securities is the 5.50% Senior Notes due 2041 (the "Notes").

2. The Notes are unsubordinated and will rank equally with all of the Company's other unsecured and unsubordinated debt. Subordinated debt will rank junior to the Notes and the Company's other senior debt.

3. The aggregate principal amount of the Notes that may be issued under the Indenture, in connection with the Underwriting Agreement, dated as of June 7, 2011, between the Company and certain underwriters named therein, is $400,000,000, and the Stated Maturity of the Notes is June 15, 2041. The Notes shall be offered to the public at a price representing 99.678% of their principal amount.

4. The Notes shall bear interest at the rate of 5.50% per annum. Interest on the Notes will be payable in arrears on June 15 and December 15 of each year (each, an "Interest Payment Date"), beginning December 15, 2011. Interest payable on each Interest Payment Date will include interest accrued from and including June 10, 2011, or from and including the most recent Interest Payment Date to which interest has been paid or duly provided for, as the case may be, to but excluding such Interest Payment Date. Interest will be computed on the basis of a 360-day year of twelve 30-day months. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Indenture, be paid to the Holder in whose name the Notes are registered at the close of business on the June 1 or December 1 (whether or not a Business Day) preceding the respective Interest Payment Date. The payment of any Defaulted Interest on the Notes shall be payable to the Holders of the Notes on a Special Record Date established therefor pursuant to the Indenture, or shall be paid at any time in any other lawful manner, all as more fully provided in the Indenture.

5. Payment of the principal of (and premium, if any) and interest on the Notes will be made at the office or agency of the Company maintained for that purpose in the Borough of Manhattan, the City of New York, or at such other office or agency of the

Company as may be maintained for such purpose, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts. So long as the Notes remain in book-entry form, all payments of principal and interest will be made by the Company in immediately available funds.

6. The Company may redeem the Notes prior to maturity at its option, at any time in whole or from time to time in part. Prior to December 15, 2040, the Redemption Price shall be equal to the greater of:

(a) 100% of the principal amount of the Notes to be redeemed, and

(b) as determined by the Quotation Agent (as defined below), the sum of the present values of the Remaining Scheduled Payments (as defined below) of principal and interest on the Notes to be redeemed discounted to the Redemption Date on a semi-annual basis assuming a 360-day year consisting of twelve 30-day months at the Adjusted Treasury Rate (as defined below) plus 20 basis points;

plus, in each case, accrued and unpaid interest on the principal amount of Notes being redeemed to the Redemption Date.

At any time on or after December 15, 2040, the Redemption Price shall be equal to 100% of the principal amount of the Notes to be redeemed, plus accrued and unpaid interest thereon to the Redemption Date.

"Adjusted Treasury Rate" means, for any Redemption Date, the rate per annum equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, assuming a price of the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for that Redemption Date;

"Comparable Treasury Issue" means the United States Treasury security selected by the Quotation Agent as having a maturity comparable to the remaining term of the Notes to be redeemed that would be used, at the time of a selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the Notes to be redeemed;

"Comparable Treasury Price" means, for any Redemption Date, the average of the Reference Treasury Dealer Quotations for that Redemption Date;

"Quotation Agent" means the Reference Treasury Dealer appointed by the Company;

"Reference Treasury Dealer" means each of BNP Paribas Securities Corp., Morgan Stanley & Co. LLC, UBS Securities LLC and a Primary Treasury Dealer (as defined below) selected by Wells Fargo Securities, LLC, and any of their successors; provided, however, if any of the foregoing ceases to be a primary U.S. government securities dealer in New York City (a "Primary Treasury Dealer"), the Company will substitute therefor another Primary Treasury Dealer;

"Reference Treasury Dealer Quotation" means, with respect to each Reference Treasury Dealer and any Redemption Date, the average, as determined by the

Trustee, of the bid and asked prices for the Comparable Treasury Issue (expressed, in each case, as a percentage of its principal amount) quoted in writing to the Trustee by such Reference Treasury Dealer by 5:00 p.m. on the third Business Day preceding such Redemption Date; and

"Remaining Scheduled Payments" means, with respect to each Note to be redeemed, the remaining scheduled payments of the principal and interest on such Note that would be due after the related Redemption Date but for such redemption; provided, however, that if such Redemption Date is not an Interest Payment Date, the amount of the next succeeding scheduled interest payment on such Note will be reduced by the amount of interest accrued on such Note to such Redemption Date.

7. In the case of a partial redemption of the Notes, the Notes to be redeemed shall be selected by the Trustee from the outstanding Notes not previously called for redemption, by such method as the Trustee shall deem fair and appropriate and which may provide for the selection for redemption of portions of the principal of the Notes. A partial redemption shall not reduce the portion of the principal amount of a Note not redeemed to a principal amount of less than $2,000. Notice of any redemption will be mailed by first class mail at least 30 days but not more than 60 days before the Redemption Date to each Holder of the Notes to be redeemed at its registered address. If any Notes are to be redeemed in part only, the notice of redemption will state the portion of the principal amount of the Notes to be redeemed. A new Note in a principal amount equal to the unredeemed portion of the Note will be issued in the name of the Holder of the Note upon surrender for cancellation of the original Note. Unless the Company defaults in payment of the Redemption Price, on and after the Redemption Date, interest will cease to accrue on the Notes or the portions of the Notes called for redemption.

8. Section 703 of the Indenture is replaced with the following in its entirety for purposes of the Notes only:

The Company shall:

(1) file with the Trustee, within 30 days after the Company has filed the same with the Commission, unless such reports are available on the Commission's EDGAR filing system (or any successor thereto), copies of the annual reports and of the information, documents and other reports (or copies of such portions of any of the foregoing as the Commission may from time to time by rules and regulations prescribe) which the Company may be required to file with the Commission pursuant to Section 13 or Section 15(d) of the Exchange Act; or, if the Company is not required to file information, documents or reports pursuant to either of such Sections, then the Company shall file with the Trustee and the Commission, in accordance with rules and regulations prescribed from time to time by the Commission, such of the supplementary and periodic information, documents and reports which may be required pursuant to Section 13 of the Exchange Act in respect of a security listed and registered on a national securities exchange as may be prescribed from time to time in such rules and regulations;

(2) file with the Trustee and the Commission, in accordance with rules and regulations prescribed from time to time by the Commission, such additional information,

documents and reports with respect to compliance by the Company with the conditions and covenants of this Indenture as may be required from time to time by such rules and regulations; and

(3) transmit to all Holders, as their names and addresses appear in the Security Register, within 30 days after the filing thereof with the Trustee, in the manner and to the extent provided in TIA Section 313(c), such summaries of any information, documents and reports required to be filed by the Company pursuant to Subsections (1) and (2) of this Section 703 as may be required by rules and regulations prescribed from time to time by the Commission.

9. The Company has no obligation to redeem, purchase or repay the Notes pursuant to any mandatory redemption or sinking fund or analogous provisions or at the option of the Holder thereof.

10. The entire $400,000,000 principal amount of the Notes shall be payable upon declaration of acceleration of the Maturity thereof pursuant to the Indenture.

11. The defeasance and covenant defeasance provisions of Article Fourteen of the Indenture shall apply to the Notes.

12. The Trustee, the initial Paying Agent and the initial Security Registrar for the Notes shall be U.S. Bank National Association. The Security Register for the Notes shall be initially maintained at, and the place where such Notes may be surrendered for registration of transfer or exchange shall be, the Trustee's Corporate Trust Office located at 1349 West Peachtree Street, Suite 1050, Atlanta, Georgia.

13. The Notes will be issued in registered permanent global form and each evidenced by a global security (a "Global Security") in substantially the form attached hereto as Exhibit II, with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by the Indenture, and may have imprinted or otherwise reproduced thereon such legend or legends or endorsements, not inconsistent with the provisions of the Indenture, as may be required to comply with any law or with any rules or regulations pursuant thereto, or with any rules of any securities exchange or to conform to general usage, all as may be determined by the officers executing each such Global Security, as evidenced by their execution of such Global Security. The beneficial owners of interests in each of the Global Securities may exchange such interests for Notes, as applicable, in certificated form (the "Definitive Notes") only in limited circumstances as provided in the Indenture. In the event that Definitive Notes are issued in exchange for a Global Security, the form of certificate evidencing each Definitive Note shall be in substantially the form of the attached Global Security, with such changes as are necessary to evidence the Notes in definitive form rather than as a Global Security. The Company initially appoints DTC to act as Depository with respect to the Notes.

14. The Notes are issuable in denominations of $2,000 and any integral multiples of $1,000 in excess thereof.

15. The Events of Default set forth in the Indenture shall apply to the Notes.

16. The Company will not pay Additional Amounts on the Notes held by any Holder who is not a United States person in respect of any tax, assessment or governmental charge withheld or deducted.

15. The Company may, at any time, without the consent of the Holders of the Notes, create and issue additional securities having the same ranking, interest rate, maturity and other terms as the Notes. Any such additional securities shall be consolidated and form the same series of the Notes having the same terms as to status, redemption and otherwise as the Notes under the Indenture.

Each of us further certifies that the form and terms of the Notes as established in this certificate have been established pursuant to Section 301 of the Indenture and comply with the Indenture.

[Signature page follows]

IN WITNESS WHEREOF, I have executed this certificate as of the date first written above.

By: ______________________________
Name: Fred E. Meisenheimer
Title: Senior Vice President and
Chief Financial Officer

IN WITNESS WHEREOF, I have executed this certificate as of the date first written above.

By: ______________________________
Name: Louis P. Gregory
Title: Senior Vice President and
General Counsel

Exhibit 4.2

THIS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITORY OR A NOMINEE THEREOF. THIS SECURITY MAY NOT BE EXCHANGED IN WHOLE OR IN PART FOR A SECURITY REGISTERED, AND NO TRANSFER OF THIS SECURITY IN WHOLE OR IN PART MAY BE REGISTERED, IN THE NAME OF ANY PERSON OTHER THAN SUCH DEPOSITORY OR ITS NOMINEE EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (55 WATER STREET, NEW YORK, NEW YORK) TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND SUCH CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO., OR SUCH OTHER NAME AS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY, ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL, SINCE THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

ATMOS ENERGY CORPORATION

5.50% Senior Notes due 2041

No. 1

CUSIP NO. 049560 AK1
ISIN NO. US049560AK13

Atmos Energy Corporation, a Texas and Virginia corporation (herein called the "Company", which term includes any successor entity under the Indenture, hereinafter defined), for value received, hereby promises to pay to Cede & Co. or registered assigns the principal sum of FOUR HUNDRED MILLION DOLLARS ($400,000,000) on June 15, 2041 (the "Maturity Date"), at the office or agency of the Company referred to below, and to pay interest thereon from June 10, 2011, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, semiannually in arrears on June 15 and December 15 in each year (each, an "Interest Payment Date"), beginning December 15, 2011 at 5.50% per annum until the principal hereof is paid or duly provided for.

Any payment of principal or interest required to be made on a day that is not a Business Day need not be made on such day, but may be made on the next succeeding Business Day with the same force and effect as if made on such day and no interest shall accrue as a result of such delayed payment. Interest payable on each Interest Payment Date will include interest accrued from and including June 10, 2011, or from and including the most recent Interest Payment Date to which interest has been paid or duly provided for, as the case may be, to but excluding such Interest Payment Date. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Indenture, be paid to the person (the "Holder") in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on the June 1 or December 1 (whether or not a Business Day) next preceding such Interest Payment Date (a "Regular Record Date"). Any such interest not so punctually paid or duly provided for ("Defaulted Interest") will forthwith cease to be payable to the Holder on such Regular Record Date and either may be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on a special record date (the "Special Record Date") for the payment of such Defaulted Interest to be fixed by the Trustee (referred to herein), notice whereof shall be given to the Holder of this Security not less than ten days prior to such Special Record Date, or may be paid at any time in any other lawful manner, all as more fully provided in the Indenture.

For purposes of this Security, "Business Day" means any day that, in the city of the principal Corporate Trust Office of the Trustee and in the City of New York, is neither a Saturday, Sunday, or legal holiday nor a day on which banking institutions are authorized or required by law or regulation to close.

Payment of the principal of (and premium, if any) and interest on this Security will be made at the office or agency of the Company maintained for that purpose in the Borough of Manhattan, the City of New York, or at such other office or agency of the Company as may be maintained for such purpose, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts. So long as this Security remains in book-entry form, all payments of principal and interest will be made by the Company in immediately available funds.

Unless the certificate of authentication hereon has been duly executed by the Trustee by manual signature, this Security shall not be entitled to any benefit under the Indenture, or be valid or obligatory for any purpose.

This Security is one of a duly authorized issue of securities of the Company, designated as the 5.50% Senior Notes due 2041 (the "Securities"), issued under an Indenture dated as of March 26, 2009, as it may be supplemented from time to time (referred to herein as the "Indenture"), between the Company and U.S. Bank National Association, as trustee (referred to herein as the "Trustee", which term includes any successor trustee under the Indenture with respect to the series of which this Security is a part). A reference is hereby made to the Indenture for a statement of the respective rights, limitations of rights, duties, obligations and immunities thereunder of the Company, the Trustee and the Holders of the Securities, and of the terms upon which the Securities are, and are to be, authenticated and delivered, except as otherwise provided herein.

The Securities are initially limited to $400,000,000 aggregate principal amount. The Company may, at any time, without the consent of the Holders of the Securities, create and issue additional securities having the same ranking, interest rate, maturity and other terms as the Securities. Any such additional securities shall be consolidated and form the same series of the Securities having the same terms as to status, redemption and otherwise as the Securities under the Indenture.

Events of Default . If an Event of Default shall occur and be continuing, the principal of all the Securities may be declared due and payable in the manner and with the effect provided in the Indenture.

Optional Redemption . The Securities will be redeemable prior to maturity at the Company's option, at any time in whole or from time to time in part. Prior to December 15, 2040, the Redemption Price will be equal to the greater of:

(a) 100% of the principal amount of the Securities to be redeemed, and

(b) as determined by the Quotation Agent, the sum of the present values of the Remaining Scheduled Payments of principal and interest on the Securities to be redeemed discounted to the Redemption Date on a semi-annual basis assuming a 360-day year consisting of twelve 30-day months at the Adjusted Treasury Rate plus 20 basis points;

plus, in each case, accrued and unpaid interest on the principal amount of Securities being redeemed to the Redemption Date.

At any time on or after December 15, 2040, the Redemption Price will be equal to 100% of the principal amount of the Securities to be redeemed, plus accrued and unpaid interest thereon to the Redemption Date.

"Adjusted Treasury Rate" means, for any Redemption Date, the rate per annum equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, assuming a price of the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for that Redemption Date.

"Comparable Treasury Issue" means the United States Treasury security selected by the Quotation Agent as having a maturity comparable to the remaining term of the Securities to be redeemed that would be used, at the time of a selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the Securities to be redeemed.

"Comparable Treasury Price" means, for any Redemption Date, the Reference Treasury Dealer Quotation for that Redemption Date.

"Quotation Agent" means the Reference Treasury Dealer appointed by the Company.

"Reference Treasury Dealer" means each of BNP Paribas Securities Corp., Morgan Stanley & Co. LLC, UBS Securities LLC and a Primary Treasury Dealer (as defined below) selected by Wells Fargo Securities, LLC, and any of their successors; provided, however, if any of the foregoing ceases to be a primary U.S. government securities dealer in New York City (a "Primary Treasury Dealer"), the Company will substitute therefor another Primary Treasury Dealer.

"Reference Treasury Dealer Quotation" means, with respect to each Reference Treasury Dealer and any Redemption Date, the average, as determined by the Trustee, of the bid and asked prices for the Comparable Treasury Issue (expressed, in each case, as a percentage of its principal amount) quoted in writing to the Trustee by such Reference Treasury Dealer by 5:00 p.m. on the third Business Day preceding such Redemption Date.

"Remaining Scheduled Payments" means, with respect to each Security to be redeemed, the remaining scheduled payments of the principal and interest on such Security that would be due after the related Redemption Date but for such redemption; provided, however, that if such Redemption Date is not an Interest Payment Date, the amount of the next succeeding scheduled interest payment on such Security will be reduced by the amount of interest accrued on such Security to such Redemption Date.

In the event that less than all of the Securities are to be redeemed at any time, selection of such Securities for redemption will be made by The Depository Trust Company ("DTC") during any period the Securities are issued in the form of a global security registered in the name of DTC or a nominee thereof; *provided that* during any period the Securities are issued in certificated form, the selection of such Securities for redemption will be made by the Trustee by lot or by such other method as the Trustee in its sole discretion shall deem fair and appropriate. A partial redemption shall not reduce the portion of the principal amount of a Security not redeemed to a principal amount of less than $2,000. Notice of redemption shall be given by first-class mail, postage prepaid, mailed not less than 30 nor more than 60 days before the Redemption Date, to each Holder of Securities to be redeemed, at its address as shown in the Security Register. If the Securities are to be redeemed in part only, the notice of redemption that relates to such Securities shall state the portion of the principal amount thereof to be redeemed. A new Security in a principal amount equal to the unredeemed portion thereof will be issued in the name of the Holder thereof upon surrender for cancellation of the original Security. On and

after the Redemption Date, interest will cease to accrue on Securities or portions thereof called for redemption unless the Company defaults in the payment of the Redemption Price.

Sinking Fund . This Security does not have the benefit of any sinking fund obligations.

Modification and Waivers; Obligations of the Company Absolute . The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Securities. Certain limited amendments may be effected under the Indenture at any time by the Company and the Trustee without the consent of any Holders of the Securities. Certain other amendments affecting the Securities may only be effected under the Indenture with the consent of the Holders of not less than a majority in aggregate principal amount of the Securities at the time Outstanding. The Indenture also contains provisions permitting the Holders of not less than a majority in principal amount of the Securities at the time Outstanding, on behalf of the Holders of all Outstanding Securities, to waive compliance by the Company with certain provisions of the Indenture affecting the Securities. Furthermore, provisions in the Indenture permit the Holders of not less than a majority in principal amount of the Outstanding Securities to waive on behalf of all of the Holders of all Outstanding Securities certain past defaults under the Indenture in respect of the Securities and their consequences. Any such consent or waiver by or on behalf of the Holder of this Security shall be conclusive and binding upon such Holder and upon all future Holders of this Security and of any Security issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof whether or not notation of such consent or waiver is made upon this Security.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of (and premium, if any) and interest on this Security at the times, place and rate, and in the coin or currency, herein prescribed.

Defeasance and Covenant Defeasance . The Indenture contains provisions for defeasance at any time of (a) the entire indebtedness of the Company represented by this Security and (b) certain restrictive covenants and the related Defaults and Events of Default, upon compliance by the Company with certain conditions set forth therein, which provisions apply to this Security.

Authorized Denominations . The Securities are issuable only in registered form, without coupons, in minimum denominations of $2,000 and any integral multiple of $1,000 in excess thereof.

Registration of Transfer or Exchange . As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Security is registrable on the Security Register of the Company, upon surrender of this Security for registration of transfer at the office or agency of the Company, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Securities, of authorized denominations and for the same aggregate principal amount, will be issued to the

designated transferee or transferees. At the date of the original issuance of this Security such office or agency of the Company is maintained by U.S. Bank National Association, 1349 West Peachtree Street, Suite 1050, Atlanta, Georgia.

As provided in the Indenture and subject to certain limitations therein set forth, the Securities are exchangeable for a like aggregate principal amount of Securities of a different authorized denomination, as requested by the Holder surrendering the same.

No service charge shall be made for any registration of transfer or exchange or redemption of Securities, but the Company may require payment of a sum sufficient to pay all documentary, stamp or similar issue or transfer taxes or other governmental charges payable in connection with any registration of transfer or exchange.

Prior to the time of due presentment of this Security for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Security is registered as the owner hereof for all purposes, whether or not this Security be overdue, and neither the Company, the Trustee nor any agent shall be affected by notice to the contrary.

Defined Terms . All capitalized terms used in this Security which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

Governing Laws . This Security and the Indenture shall be governed by and construed in accordance with the laws of the State of New York, without regard to conflicts of laws principles that would apply any other law.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

ATMOS ENERGY CORPORATION

By: ______________________________
Name: Fred E. Meisenheimer
Title: Senior Vice President and Chief Financial Officer

Attest:

By: ______________________________
Name: Dwala Kuhn
Title: Corporate Secretary

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

Dated: , 2011

U.S. Bank National Association,
as Trustee

By: ______________________________
Authorized Officer

ASSIGNMENT FORM

To assign this Security, fill in the form below:
(I) or (we) assign and transfer this Security to

(Insert assignee's social security or tax I.D. no.)

(Print or type assignee's name, address and zip code)

and irrevocably appoint ______________________________
agent to transfer this Security on the books of the Company. The agent may substitute another to act for him.

Date: ____________________ Signature: ______________________________

(sign exactly as name appears on the other side of this Security)

Signature guaranteed by: ____________________

Exhibit 5.1

[LETTERHEAD OF GIBSON, DUNN & CRUTCHER LLP]

Client: 03896-00042

June 9, 2011

Atmos Energy Corporation
1800 Three Lincoln Centre
5430 LBJ Freeway
Dallas, Texas 75240

Re: Atmos Energy Corporation Registration Statement on Form S-3 (File No. 333-165818)

Ladies and Gentlemen:

We have acted as counsel to Atmos Energy Corporation (the " Company ") in connection with the preparation and filing with the Securities and Exchange Commission (the " Commission ") of a Registration Statement on Form S-3, file no. 333-165818 (the " Registration Statement "), under the Securities Act of 1933, as amended (the " Securities Act "), the prospectus included therein, the prospectus supplement, dated June 7, 2011, filed with the Commission on June 8, 2011 pursuant to Rule 424(b) of the Securities Act (the " Prospectus Supplement "), and the offering by the Company pursuant thereto of $400,000,000 aggregate principal amount of the Company's 5.50% Senior Notes due 2041 (the " Notes ").

The Notes will be issued pursuant to the Indenture dated as of March 26, 2009 (the " Base Indenture "), between the Company and U.S. Bank National Association, as trustee (the " Trustee "), and an Officers' Certificate (the " Section 301 Officers' Certificate ") to be delivered to the Trustee pursuant to Section 301 of the Base Indenture (the Base Indenture, as modified by the Section 301 Officers' Certificate in respect of the Notes, is referred to herein as the " Indenture "). In connection with the issuance of the Notes, the Company has entered into an Underwriting Agreement dated as of June 7, 2011 (the " Underwriting Agreement ") with the representatives of the underwriters named therein (the " Underwriters "). The Indenture, the Underwriting Agreement and the certificates evidencing the Notes are referred to collectively as the " Note Documents ."

In arriving at the opinions expressed below, we have examined originals, or copies certified or otherwise identified to our satisfaction as being true and complete copies of the originals, of the Base Indenture, the form of Section 301 Officers' Certificate, the form of Notes, the Underwriting Agreement and such other documents, corporate records, certificates of officers of the Company and of public officials and other instruments as we have deemed necessary or advisable to enable us to render these opinions. In our examination, we have assumed, without independent investigation, the genuineness of all signatures, the legal capacity and competency of all natural persons, the authenticity of all documents submitted to us as

originals and the conformity to original documents of all documents submitted to us as copies. As to any facts material to these opinions, we have relied to the extent we deemed

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appropriate and without independent investigation upon statements and representations of officers and other representatives of the Company and others.

Based upon the foregoing, and subject to the assumptions, exceptions, qualifications and limitations set forth herein, we are of the opinion that the Notes, when executed and authenticated in accordance with the provisions of the Indenture and delivered to and paid for by the Underwriters in accordance with the terms of the Underwriting Agreement, will be legal, valid and binding obligations of the Company, enforceable against the Company in accordance with their terms.

The opinions expressed above are subject to the following additional exceptions, qualifications, limitations and assumptions:

A. We render no opinion herein as to matters involving the laws of any jurisdiction other than the State of New York and the United States of America and to the extent relevant for our opinions herein, the Texas Business Organizations Code. This opinion is limited to the effect of the current state of the laws of the State of New York and the United States of America and the Texas Business Organizations Code and the facts as they currently exist. We express no opinion regarding any federal or state laws or regulations related to the regulation of utilities. We assume no obligation to revise or supplement this opinion in the event of future changes in such laws or the interpretations thereof or such facts.

B. We note that the Company is incorporated in the State of Texas and in the Commonwealth of Virginia and we have assumed, without independent investigation, that the Company is a validly existing corporation in good standing under the laws of the Commonwealth of Virginia and that under the laws of the Commonwealth of Virginia: (i) the Company has all requisite power to execute, deliver and perform its obligations under the Note Documents, (ii) the execution and delivery of such documents by the Company and the performance of its obligations thereunder have been duly authorized by all necessary corporate action and do not violate any law, regulation, order, judgment or decree applicable to the Company and (iii) that such documents will be duly executed and delivered by the Company. We understand that you are receiving an opinion of Virginia counsel as to matters relating to Virginia law.

C. The opinions above are subject to (i) the effect of any bankruptcy, insolvency, reorganization, moratorium, arrangement or similar laws affecting the rights and remedies of creditors' generally, including without limitation the effect of statutory or other laws regarding fraudulent transfers or preferential transfers and (ii) general principles of equity, including without limitation concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance, injunctive relief or other equitable remedies regardless of whether enforceability is considered in a proceeding in equity or at law.

To the several underwriters named in Schedule I hereto
June 9, 2011
Page 3

D. We express no opinion regarding the effectiveness of (i) any waiver of stay, extension or usury laws or of unknown future rights or (ii) provisions relating to indemnification, exculpation or contribution, to the extent such provisions may be held unenforceable as contrary to public policy or federal or state securities laws.

We consent to the filing of this opinion as an exhibit to the Registration Statement, and we further consent to the use of our name under the caption "Legal Matters" in the Registration Statement and the Prospectus Supplement. In giving these consents, we do not thereby admit that we are within the category of persons whose consent is required under Section 7 of the Securities Act or the rules and regulations of the Commission promulgated thereunder.

Very truly yours,

/s/ Gibson, Dunn & Crutcher LLP

Exhibit 5.2

HUNTON & WILLIAMS LLP
RIVERFRONT PLAZA, EAST TOWER
951 EAST BYRD STREET
RICHMOND, VIRGINIA 23219-4074

TEL 804 • 788 • 8200
FAX 804 • 788 • 8218

FILE NO: 51645.000001

June 9, 2011

Atmos Energy Corporation
1800 Three Lincoln Centre
Dallas, Texas 75240

Atmos Energy Corporation
5.50% Senior Notes due 2041

Ladies and Gentlemen:

We have acted as special Virginia counsel for Atmos Energy Corporation, a Texas and Virginia corporation (the "Company"), for the purpose of providing this opinion in connection with the Company's issuance and sale of $400 million of the Company's 5.50% Senior Notes due 2041 (the "Notes").

The Notes are being issued pursuant to an indenture, dated as of March 26, 2009 (the "Indenture"), between the Company and U.S. Bank National Association, as trustee (the "Trustee"), and an officers' certificate to be delivered to the Trustee pursuant to Section 301 of the Indenture (the "Section 301 Officers' Certificate"). The Notes are being offered and sold as described in the prospectus, dated March 31, 2010, contained in the Registration Statement on Form S-3 (Registration No. 333-165818) (the "Registration Statement") filed by the Company with the Securities and Exchange Commission (the "Commission") on March 31, 2010 pursuant to the Securities Act of 1933, as amended (the "Act"), and the prospectus supplement thereto, dated June 7, 2011 (collectively, the "Prospectus").

This opinion is being furnished in accordance with the requirements of Item 16 of Form S-3 and Item 601(b)(5)(i) of Regulation S-K promulgated under the Act.

In connection with this opinion, we have examined originals or copies, certified or otherwise identified to our satisfaction, of such corporate records of the Company, certificates of corporate officers of the Company and public officials and such other documents as we have deemed necessary for the purposes of rendering this opinion, including, among other things, (i) the Virginia Restated Articles of Incorporation and the Amended and Restated Bylaws of the Company, each as amended through the date hereof, (ii) a certificate issued by

ATLANTA AUSTIN BANGKOK BEIJING BRUSSELS CHARLOTTE DALLAS HOUSTON LONDON LOS ANGELES
McLEAN MIAMI NEW YORK NORFOLK RALEIGH RICHMOND SAN FRANCISCO WASHINGTON
www.hunton.com

Atmos Energy Corporation
June 9, 2011
Page 2

the State Corporation Commission of the Commonwealth of Virginia on May 24, 2011, and confirmed on the date hereof, to the effect that the Company is existing under the laws of the Commonwealth of Virginia and in good standing, (iii) resolutions of the Board of Directors of the Company, adopted at a meeting held on May 4, 2011, (iv) the Registration Statement, (v) the Prospectus, (vi) the Indenture, (vii) the Section 301 Officers' Certificate, (viii) the Notes and (ix) the Underwriting Agreement, dated June 7, 2011 (the "Underwriting Agreement"), among the Company and BNP Paribas Securities Corp., Morgan Stanley & Co. LLC, UBS Securities LLC and Wells Fargo Securities, LLC as representatives of the several Underwriters listed on Schedule I to the Underwriting Agreement.

For purposes of the opinions expressed below, we have assumed (i) the authenticity of all documents submitted to us as originals, (ii) the conformity to original documents of all documents submitted to us as certified, photostatic or electronic copies and the authenticity of the originals thereof, (iii) the legal capacity of natural persons, (iv) the genuineness of all signatures not witnessed by us and (v) the due authorization, execution and delivery of all documents by all parties and the validity, binding effect and enforceability thereof (other than the due authorization, execution and delivery of documents by the Company).

As to questions of fact material to this opinion, we have relied upon the accuracy of the certificates and other comparable documents of officers and representatives of the Company, upon statements made to us in discussions with the management of the Company and upon certificates of public officials. Except as otherwise expressly indicated, we have not undertaken any independent investigation of factual matters.

We do not purport to express an opinion on any laws other than those of the Commonwealth of Virginia.

Based upon the foregoing, and subject to the assumptions, qualifications and limitations stated herein, we are of the opinion that:

1. The Company is validly existing as a corporation in good standing under the laws of the Commonwealth of Virginia.

2. The Company has all requisite corporate power to execute, deliver and perform its obligations under the Indenture, the Section 301 Officers' Certificate and the Notes, and the execution and delivery of such documents by the Company and the performance of its obligations thereunder have been duly authorized by all necessary corporate action and do not

Atmos Energy Corporation
June 9, 2011
Page 3

violate any law or regulation of the Commonwealth of Virginia or any order, judgment or decree of any court, regulatory body, administrative agency or governmental body of the Commonwealth of Virginia applicable to the Company.

We hereby consent to (a) the filing of this opinion with the Commission as an exhibit to the Company's Current Report on Form 8-K filed the date hereof, (b) the incorporation by reference of this opinion into the registration statement and (c) the reference to our firm under the heading "Legal Matters" in the Prospectus. In giving this consent, we do not admit that we are within the category of persons whose consent is required by Section 7 of the Act and the rules and regulations of the Commission promulgated thereunder.

This opinion is rendered as of the date hereof, and we disclaim any obligation to advise you of facts, circumstances, events or developments that hereafter may be brought to our attention and that may alter, affect or modify the opinion expressed herein. Our opinion is expressly limited to the matters set forth above and we render no opinion, whether by implication or otherwise, as to any other matters relating to the Company or the Notes.

Very truly yours,

/s/ Hunton & Williams LLP

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

Form 8-K

Current Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

May 12, 2011
Date of Report (Date of earliest event reported)

ATMOS ENERGY CORPORATION
(Exact Name of Registrant as Specified in its Charter)

TEXAS AND VIRGINIA	1-10042	75-1743247
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

1800 THREE LINCOLN CENTRE, 5430 LBJ FREEWAY, DALLAS, TEXAS	75240
(Address of Principal Executive Offices)	(Zip Code)

(972) 934-9227
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01. Entry into a Material Definitive Agreement.

On May 12, 2011, Atmos Energy Corporation ("Atmos Energy") entered into a definitive agreement (the "Agreement") to sell its natural gas distribution operations in Missouri, Illinois and Iowa (the "Business") to Liberty Energy (Midstates) Corp. ("Liberty Energy"), an affiliate of Algonquin Power & Utilities Corp. ("Algonquin"), for a purchase price of approximately $124 million. The Agreement contains the usual terms and conditions customary for transactions of this type, including adjustments to the purchase price at closing, if applicable, and indemnification by Atmos Energy related to representations and warranties regarding the Business. The closing of the transaction is subject to the satisfaction of customary conditions including the receipt of applicable regulatory approvals. Neither Atmos Energy nor any of its affiliates have had a material relationship with either Liberty Energy or Algonquin, other than in respect of the Agreement.

In addition, on May 12, 2011, in connection with the execution of the Agreement, Algonguin executed a guaranty (the "Guaranty") of the obligations of Liberty Energy under the Agreement. A copy of the Agreement and the Guaranty are filed as Exhibits 2.1 and 10.1, respectively and are incorporated herein by reference. The foregoing summary does not purport to be complete and is qualified in its entirety by reference to the Agreement and the Guaranty.

The Agreement contains representations, warranties and disclosures that were made by the parties to each other as of specific dates and to evidence their agreement on various issues. The assertions and other statements or disclosures embodied in these representations, warranties and disclosures were made solely for purposes of the Agreement and may be subject to important qualifications and limitations or other factors agreed to by the parties in connection with negotiating the terms of the transaction. Moreover, certain of these representations, warranties and disclosures may not be accurate and complete as of any specified date because they may be subject to contractual standards of materiality that differ from standards generally applicable to investors and have been used to allocate risk among the parties rather than to establish matters as facts or otherwise. Based on the foregoing, you should not rely on the representations, warranties and disclosures included in the Agreement as statements of factual information.

Item 7.01. Regulation FD Disclosure.

On May 13, 2011, Atmos Energy Corporation (the "Company") announced in a news release that it had entered into the Agreement described above under Item 1.01. A copy of the news release is furnished as Exhibit 99.1. The information furnished in this Item 7.01 and in Exhibit 99.1 shall not be deemed to be "filed" for purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that section, nor shall such information be deemed to be incorporated by reference into any of the Company's filings under the Securities Act of 1933 or the Securities Exchange Act of 1934.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

2.1 Asset Purchase Agreement by and between Atmos Energy Corporation as Seller and Liberty Energy (Midstates) Corp. as Buyer, dated as of May 12, 2011

10.1 Guaranty of Algonguin Power & Utilities Corp. dated May 12, 2011

99.1 News Release dated May 13, 2011 (furnished under Item 7.01)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ATMOS ENERGY CORPORATION
(Registrant)

DATE: May 13, 2011

By: /s/ LOUIS P. GREGORY
Louis P. Gregory
Senior Vice President
and General Counsel

INDEX TO EXHIBITS

Exhibit Number	Description
2.1	Asset Purchase Agreement by and between Atmos Energy Corporation as Seller and Liberty Energy (Midstates) Corp. as Buyer, dated as of May 12, 2011
10.1	Guaranty of Algonguin Power & Utilities Corp. dated May 12, 2011
99.1	News Release dated May 13, 2011 (furnished under Item 7.01)

EXHIBIT 2.1

ASSET PURCHASE AGREEMENT

by and between

ATMOS ENERGY CORPORATION

as Seller

and

LIBERTY ENERGY (MIDSTATES) CORP.

as Buyer

Dated as of May 12, 2011

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Exhibit 1.1-C Form of Continuing Services Agreement
Exhibit 1.1-D Form of Special Warranty Deed

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (" Agreement ") is made and entered into as of May 12, 2011, by and between Atmos Energy Corporation, a corporation incorporated in the State of Texas and the Commonwealth of Virginia (" Seller "), and Liberty Energy (Midstates) Corp., a Missouri corporation (" Buyer ").

WHEREAS, Buyer desires to purchase, and Seller desires to sell, the Purchased Assets (as hereinafter defined) upon the terms and conditions set forth in this Agreement;

WHEREAS, concurrently herewith, Algonquin Power & Utilities Corp. (" Algonquin ") has executed and delivered to Seller a Guaranty, dated as of the date hereof (the " Guaranty "), pursuant to which Algonquin has guaranteed the payment and performance obligations of Buyer hereunder;

NOW THEREFORE, in consideration of the Parties' respective covenants, representations, warranties, and agreements hereinafter set forth, and intending to be legally bound hereby, the Parties agree as follows:

ARTICLE I
DEFINITIONS

Section 1.1 Definitions . (a) As used in this Agreement, the following terms have the meanings specified in this Section 1.1(a):

" Actionable Incident " means an incident or occurrence that (i) results in damages or other harm to a Person other than Buyer or Seller or any of their respective Affiliates; and (ii) provides such Person with the legal basis to recover damages or obtain other relief.

" Affiliate " has the meaning set forth in Rule 12b-2 of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended.

" Affiliated Group " means any affiliated group within the meaning of section 1504(a) of the Code or any similar group defined under a similar provision of Law.

" Ancillary Agreements " means the Bill of Sale, each Special Warranty Deed, each Assignment of Easements, and the Continuing Services Agreement.

" Applicable Commission " means the Missouri Public Service Commission, the Illinois Commerce Commission, or the Iowa Utilities Board, as applicable.

" Assignment of Easements " means the assignments of easements to be executed and delivered by Seller at the Closing, in the form of Exhibit 1.1-A .

" Bill of Sale " means the bill of sale, assignment and assumption agreement to be executed and delivered by Seller and Buyer at the Closing, in the form of Exhibit 1.1-B .

"Business" means the natural gas utility business serving customers in the Territory as currently conducted by Seller, including ownership and operation of the Purchased Assets and performance of the Assumed Obligations.

"Business Agreement" means any contract, agreement, real or personal property lease, commitment, understanding, or instrument (other than the Retained Agreements) to which Seller is a party, whether oral or written, that relates principally to the Business, the Purchased Assets, or the Assumed Obligations.

"Business Day" means any day other than Saturday, Sunday, or any day on which banks in the City of New York or Toronto, Ontario are authorized by Law to close.

"Business Employee" means an employee of Seller who is employed as of the Effective Time and whose work responsibilities relate principally to the Business, as set forth on Schedule 7.9(a).

"Buyer Required Regulatory Approvals" means (i) the filings by Seller and Buyer required by the HSR Act and the expiration or earlier termination of all waiting periods under the HSR Act, (ii) CFIUS Approval, and (iii) the approvals set forth on Schedule 1.1-A.

"Buyer's Representatives" means Buyer's accountants, employees, counsel, environmental consultants, financial advisors, and other Representatives.

"CFIUS Approval" means either (i) Seller and Buyer shall have received a written notification issued by Committee on Foreign Investment in the United States that it has determined that (A) it lacks jurisdiction over the transactions contemplated by this Agreement or (B) it has concluded its review under the Exon-Florio Amendment and has determined not to conduct a full investigation or (ii) if a full investigation is deemed to be required, Seller and Buyer shall have received notification that the United States government will not take action to prevent the consummation of the transactions contemplated by this Agreement.

"Claims" means any and all administrative, regulatory, or judicial actions or causes of action, suits, petitions, proceedings (including arbitration proceedings), investigations, hearings, demands, demand letters, claims, or notices of noncompliance or violation delivered by any Governmental Entity or other Person.

"COBRA" means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended.

"COBRA Continuation Coverage" means the continuation of medical coverage required under sections 601 through 608 of ERISA, and section 4980B of the Code.

"Code" means the Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder.

"Confidentiality Agreement" means the Confidentiality Agreement, dated as of March 30, 2011, between Seller and Algonquin.

" Continuing Services Agreement " means the Continuing Services agreement to be executed and delivered by Seller and Buyer at the Closing, in the form of Exhibit 1.1-C .

" Documents " means all files, documents, instruments, papers, books, reports, tapes, microfilms, photographs, letters, ledgers, journals, title policies, real property surveys, purchase orders, invoices, copies of cancelled checks, engineering assessments, technical reports, economic studies, customer lists and information, regulatory filings including in respect of general or other rate cases, operating data and plans, technical documentation (such as design specifications, functional requirements, and operating instructions), user documentation (such as installation guides, user manuals, and training materials), Transferred Employee Records, and other similar materials related principally to the Purchased Assets, the Assumed Obligations or the Business; provided, that "Documents" does not include: (i) any of the foregoing to the extent related to the Excluded Assets or Excluded Liabilities; (ii) information which, if provided to Buyer, would violate any applicable Law or Order, (iii) any valuations of or related to the Business, the Purchased Assets, or the Assumed Obligations (other than studies, reports, and similar items prepared by or on behalf of Seller for the purposes of completing, performing, prosecuting or executing any rate case, any other filing with any Governmental Entity, unperformed service obligations, Easement relocation obligations, and engineering and construction required to complete scheduled construction, construction work in progress, and other capital expenditure projects, in each case related principally to the Business and the Purchased Assets).

" Easements " means all easements, license agreements, railroad crossing rights, rights-of-way, leases for rights-of-way, and similar use and access rights related to the Purchased Assets or Business.

" Encumbrances " means any mortgages, pledges, liens, claims, charges, security interests, conditional and installment sale agreements, activity and use limitations, easements, covenants, encumbrances, obligations, limitations, title defects, deed restrictions, preferential purchase rights or options, and any other restrictions of any kind, including restrictions on use, transfer, receipt of income, or exercise of any other attribute of ownership.

" Environment " means all or any of the following media: soil, land surface and subsurface strata, surface waters (including navigable waters, streams, ponds, drainage basins, and wetlands), groundwater, drinking water supply, stream sediments, ambient air (including the air within buildings and the air within other natural or man-made structures above or below ground), plant and animal life, and any other natural resource.

" Environmental Claims " means any and all Claims (including any such Claims involving toxic torts or similar liabilities in tort, whether based on negligence or other fault, strict or absolute liability, or any other basis) arising pursuant to any Environmental Laws or Environmental Permits, or arising from the presence, Release, or threatened Release (or alleged presence, Release, or threatened Release) into the Environment of any Hazardous Materials, including any and all Claims by any Governmental Entity or by any Person for enforcement, cleanup, remediation, removal, response, remedial or other actions or damages, contribution, indemnification, cost recovery, compensation, or injunctive relief pursuant to any Environmental

Law or for any property damage or personal or bodily injury (including death) or threat of injury to health, safety, natural resources, or the Environment.

" Environmental Laws " means all Laws relating to pollution or the protection of human health, safety, the Environment, or damage to natural resources, including Laws relating to Releases and threatened Releases or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport, or handling of Hazardous Materials. Environmental Laws include the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. § 9601 et seq.; the Federal Insecticide, Fungicide and Rodenticide Act, 7 U.S.C. § 136 et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. § 6901, et seq.; the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq.; the Clean Air Act, 42 U.S.C. § 7401 et seq.; the Federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq.; the Oil Pollution Act, 33 U.S.C. § 2701 et seq.; the Endangered Species Act, 16 U.S.C. § 1531 et seq.; the National Environmental Policy Act, 42 U.S.C. § 4321, et seq.; the Occupational Safety and Health Act, 29 U.S.C. § 651 et seq.; the Safe Drinking Water Act, 42 U.S.C. § 300f et seq.; the Emergency Planning and Community Right-to-Know Act, 42 U.S.C. § 11001 et seq.; the Atomic Energy Act, 42 U.S.C. § 2014 et seq.; the Nuclear Waste Policy Act, 42 U.S.C. § 10101 et seq.; and their state and local counterparts or equivalents, all as amended from time to time, and regulations issued pursuant to any of those Laws.

" Environmental Permits " means all permits, certifications, licenses, franchises, exemptions, approvals, consents, waivers or other authorizations of Governmental Entities issued under or with respect to applicable Environmental Laws and used or held by Seller for the operation of the Business.

" ERISA " means the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations promulgated thereunder.

" ERISA Affiliate " means any Person or entity that together with Seller would be deemed to be under common control within the meaning of Section 414(b), (c), (m) or (o) of the Code.

" Exon-Florio Amendment " means Section 721 of Title VII of the Defense Production Act of 1950, as amended.

" FERC " means the Federal Energy Regulatory Commission.

" Final Regulatory Order " means, with respect to a Required Regulatory Approval, an Order granting such Required Regulatory Approval that has not been reversed, stayed, enjoined, set aside, annulled, or suspended, and that has become final and non-appealable, and with respect to which any required waiting period prescribed by applicable Law before the transactions contemplated by this Agreement may be consummated has expired, and all conditions to effectiveness prescribed therein or otherwise by Law or Order have been satisfied.

" GAAP " means United States generally accepted accounting principles, applied on a consistent basis.

" Governing Documents " of a Party means the articles or certificate of incorporation and bylaws, or comparable governing documents, of such Party.

" Governmental Entity " means the United States of America and any other federal, state, local, or foreign governmental or regulatory authority, department, agency, commission, body, court, or other governmental entity.

" Hazardous Material " means (i) any chemicals, materials, substances, or wastes which are now or hereafter defined as or included in the definition of "hazardous substance," "hazardous material," "hazardous waste," "solid waste," "toxic substance," "extremely hazardous substance," "pollutant," "contaminant," or words of similar import under any applicable Environmental Laws; (ii) any petroleum, petroleum products (including crude oil or any fraction thereof), natural gas, natural gas liquids, liquefied natural gas or synthetic gas useable for fuel (or mixtures of natural gas and such synthetic gas), or oil and gas exploration or production waste, polychlorinated biphenyls, asbestos-containing materials, mercury, and lead-based paints; and (iii) any other chemical, material, substances, waste, or mixture thereof which is prohibited, limited, or regulated by Environmental Laws.

" HSR Act " means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations promulgated thereunder.

" Income Tax " means any Tax based upon, measured by, or calculated with respect to (i) net income, profits, or receipts (including capital gains Taxes and minimum Taxes) or (ii) multiple bases (including corporate franchise and business license Taxes) if one or more of the bases on which such Tax may be based, measured by, or calculated with respect to is described in clause (i), in each case together with any interest, penalties, or additions to such Tax.

" Indebtedness " means (i) indebtedness for borrowed money; (ii) obligations to pay the deferred purchase or acquisition price of property or services, other than trade accounts payable arising, and accrued expenses incurred, in the ordinary course of business consistent with customary trade practices; (iii) the guaranty or other assumption of liability for, or grant of an Encumbrance or provision of collateral to secure, the obligations of any other Person; (iv) capital lease obligations; and (v) all reimbursement and other obligations (contingent or otherwise) in respect of letters of credit or similar instruments.

" Independent Accounting Firm " means any independent accounting firm of national reputation mutually appointed by Seller and Buyer; provided, however, that if the Parties are unable to so agree, each shall select an accounting firm, and such accounting firms shall mutually agree upon and appoint a third, which third shall be the Independent Accounting Firm.

" Intellectual Property " means (i) any U.S. or foreign patents, copyrights, trademarks, maskworks, and other similar intangible rights throughout the world, and applications or registrations for any of the foregoing, (ii) any protectable or proprietary interest, whether registered or unregistered, in know how, trade secrets, database rights, software, operating and manufacturing procedures, designs, specifications and the like, (iii) any protectable or proprietary interest in any similar intangible asset of a technical, scientific or creative nature, and (iv) any protectable or proprietary interests in or to any documents or other tangible media containing any of the foregoing.

" Law " means any statutes, regulations, rules, ordinances, codes, and similar acts or promulgations of any Governmental Entity.

" Loss " or " Losses " means losses, liabilities, damages, obligations, payments, costs, and expenses (including the costs and expenses of any and all actions, suits, proceedings, assessments, judgments, settlements, and compromises relating thereto, reasonable attorneys' fees and reasonable disbursements in connection therewith).

" Material Adverse Effect " means a material adverse effect on the business, assets, properties, results of operations, or financial condition of the Business, taken as a whole, or on the ability of Seller to perform its obligations under this Agreement or consummate the transactions contemplated hereby on a timely basis, but shall not include an effect that results from or arises out of (i) the announcement or pendency of this Agreement and the transactions contemplated hereby, (ii) factors generally affecting the international, national or regional economy, financial markets, capital markets, or commodities markets, (iii) any change in international, national, regional, or local regulatory or political conditions, (iv) any Law or Order (other than a Law adopted or an Order issued specifically with respect to the Business, the Purchased Assets, or the transactions contemplated by this Agreement), (v) any change in GAAP or in the generally applicable principles used in the preparation of the financial statements as required by any Applicable Commission, (vi) any changes or developments in national, regional, state or local wholesale or retail markets for natural gas or related products including those due to actions by competitors or due to changes in commodities prices or hedging markets therefor, (vii) any changes or developments in national, regional, state or local natural gas transmission or distribution systems; (viii) any changes or developments in national, regional, state, or local wholesale or retail natural gas prices; (ix) acts expressly permitted by this Agreement or consented to or requested by Buyer; (x) any outbreak or escalation of hostilities or acts of war or terrorism; and (xi) any changes in weather or climate or acts of God.

" Order " means any order, decision, judgment, writ, injunction, decree, directive, or award of a court, administrative judge, or other Governmental Entity acting in an adjudicative or regulatory capacity, or of an arbitrator with applicable jurisdiction over the subject matter.

" Party " means either Buyer or Seller, as indicated by the context, and " Parties " means Buyer and Seller.

" Permits " means all permits, certifications, licenses, franchises, exemptions, approvals, consents, waivers or other authorizations of Governmental Entities issued under or with respect to applicable Laws or Orders and used or held by Seller for the operation of the Business or the Purchased Assets, other than Environmental Permits.

" Permitted Encumbrances " means (i) those Encumbrances set forth in Schedule 1.1-B ; (ii) Encumbrances securing or created by or in respect of any of the Assumed Obligations; (iii) statutory liens for current Taxes or assessments not yet due or delinquent or the validity or amount of which is being contested in good faith by appropriate proceedings; (iv) mechanics', carriers', workers', repairers', landlords', and other similar liens arising or incurred in the ordinary course of business relating to obligations as to which there is no default on the part of Seller or that are not material in amount and the validity or amount of which is being contested in

good faith by appropriate proceedings, or pledges, deposits, or other liens securing the performance of bids, trade contracts, leases, or statutory obligations (including workers' compensation, unemployment insurance, or other social security legislation); (v) zoning, entitlement, restriction, and other land use and environmental regulations by Governmental Entities; (vi) all rights of condemnation, eminent domain, or other similar rights of any Person; (vii) all Encumbrances arising under approvals by any Governmental Entities; (viii) Encumbrances existing under or as a result of any leases of Real Property identified in the Disclosure Schedules, (ix) Encumbrances created by or through Buyer as of the Closing; and (x) such other Encumbrances that do not, individually or in the aggregate, materially interfere with Buyer's operation of the Business or use of any of the Purchased Assets in the manner currently used and do not secure any Excluded Liabilities.

" Person " means any individual, partnership, limited liability company, joint venture, corporation, trust, unincorporated organization, or Governmental Entity.

" Prime Rate " means, for any day, the prime rate as published in *The Wall Street Journal, Eastern Edition.*

" Regulatory Order " means an Order issued by an Applicable Commission or FERC that affects or governs the rates, services, or other utility operations of the Business.

" Release " means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing of Hazardous Materials into the Environment.

" Representatives " means, with respect to any Person, the officers, directors, employees, agents, accountants, advisors, bankers and other representatives of such Person.

" Required Regulatory Approvals " means the Seller Required Regulatory Approvals and the Buyer Required Regulatory Approvals.

" Seller Disclosure Schedules " means, collectively, all Schedules referenced in Article V of this Agreement.

" Seller Marks " means all registered and unregistered trademarks, service marks, trade names, logos, Internet domain names and any applications for registration of any of the foregoing, together with all goodwill associated with each of the foregoing (" Trademarks "), owned by Seller or its Affiliates, including all Trademarks that include the term "Atmos" and all Trademarks related thereto or containing or comprising the foregoing, including any Trademarks confusingly similar thereto or dilutive thereof.

" Seller Required Regulatory Approvals " means (i) the filings by Seller and Buyer required by the HSR Act and the expiration or earlier termination of all waiting periods under the HSR Act, (ii) CFIUS Approval, and (iii) the approvals set forth on Schedule 1.1-C .

" Seller's Knowledge ," or words to similar effect, means the actual knowledge of the persons set forth in Schedule 1.1-D following reasonable inquiry of the employees of Seller and its Affiliates.

" Seller's Representatives " means Seller's accountants, employees, counsel, environmental consultants, financial advisors, managers and other Representatives.

" Special Warranty Deed " means the special warranty deed or deeds to be executed and delivered by Seller at the Closing, substantially in the form set forth on Exhibit 1.1-D attached hereto.

" Subsidiary ," when used in reference to a Person, means any Person of which outstanding securities or other equity interests having ordinary voting power to elect a majority of the board of directors or other Persons performing similar functions of such Person are owned directly or indirectly by such first Person.

" Tax " and " Taxes " means all taxes, charges, fees, levies, penalties, or other assessments imposed by any foreign or United States federal, state, or local taxing authority, including income, excise, property, sales, transfer, franchise, license, payroll, withholding, social security, or other taxes (including any escheat or unclaimed property obligations), including any interest, penalties, or additions attributable thereto.

" Tax Affiliate " of a Person means a member of that Person's Affiliated Group and any other Subsidiary of that Person which is a partnership or is disregarded as an entity separate from that Person for Tax purposes.

" Tax Return " means any return, report, information return, or other document (including any related or supporting information) required to be supplied to any Governmental Entity with respect to Taxes.

" Territory " means the service territory described in Schedule 1.1-E .

" Transferred Employee Records " means the following records relating to Transferred Employees: (i) skill and development training records and resumes, (ii) seniority histories, (iii) current and historical salary and benefit information, (iv) Occupational, Safety and Health Administration medical reports, (v) active medical restriction forms, and (vi) job performance reviews and applications; provided that such records will not be deemed to include any record which Seller is restricted by applicable Law from providing to Buyer.

" WARN Act " means the Worker Adjustment Retraining and Notification Act of 1988, as amended.

(b) In addition, each of the following terms has the meaning specified in the Appendix or Section set forth opposite such term:

Term	Reference
Actual Transfer Date	Section 7.10(d)
Adjustment Amount	Appendix A
Adjustment Dispute Notice	Section 3.2(c)
Agreement	Recitals

Algonquin	Recitals
Asset Transfer Amount	Section 7.10(d)
Assumed Obligations	Section 2.3
Base Net PPE Amount	Appendix A
Base Price	Section 3.1
Benefit Plan	Section 5.15(a)
Burdensome Condition	Section 7.7(c)
Buyer	Recitals
Buyer's 401(k) Plan	Section 7.10(e)
Buyer's Cafeteria Plan	Section 7.10(h)
Buyer Indemnitees	Section 9.2(a)
Buyer's Pension Plan	Section 7.10(d)
Buyer's Trust	Section 7.10(f)
Cafeteria Plan Participants	Section 7.10(h)
Closing	Section 4.1
Closing Date	Section 4.1
Closing Net PPE Amount	Appendix A
Closing Payment Amount	Section 3.2(a)
Collective Bargaining Agreements	Section 5.9(a)(iv)
Confidential Information	Section 7.3(a)
Continuation Period	Section 7.10(b)
Current Assets	Appendix A
Current Liabilities	Appendix A
Direct Loss	Section 9.3(d)
Division Balance Sheets	Section 5.5(a)
Division Income Statements	Section 5.5(a)
Effective Time	Section 4.1
Excluded Assets	Section 2.2
Excluded Liabilities	Section 2.4
FERC Accounting Rules	Appendix A
FERC Accounts	Appendix A
Franchises	Section 5.9(a)(i)
Final Purchase Price	Section 3.2(e)

Guaranty	Recitals
Indemnifiable Loss	Section 9.2(a)
Indemnifying Party	Section 9.3(a)
Indemnitee	Section 9.3(a)
Inventory	Section 2.1(a)(iii)
IT Assets	Section 2.1(a)(iv)
Large Volume Meters	Section 3.5
Material Contracts	Section 5.9(a)
Net Other Regulatory Amount	Appendix A
Net PPE Adjustment	Appendix A
OPEB Adjustment Amount	Appendix A
Pension Plan Assumptions	Section 7.10(d)
Post-Closing Adjustment Statement	Section 3.2(b)
Purchase Price	Section 3.1
Purchased Assets	Section 2.1
Qualifying Offer	Section 7.9(b)
Real Property	Section 2.1(a)(i)
Recoverable Liabilities	Section 2.3(h)
Regulatory Assets	Appendix A
Regulatory Liabilities	Appendix A
Retained Agreements	Section 2.2(g)
Retiree Plan Assumptions	Section 7.10(f)
Schedule Update	Section 7.16
Seller	Recitals
Seller Indemnitees	Section 9.2(b)
Seller's 401(k) Plan	Section 7.10(e)
Seller's Actuary	Section 7.10(d)
Seller's Cafeteria Plan	Section 7.10(h)
Seller's Pension Plan	Section 7.10(d)
Seller's Retiree Plan	Section 7.10(f)
Seller's Trust	Section 7.10(f)
Termination Date	Section 10.1(b)
Third Party Claim	Section 9.3(a)

Transaction Taxes	Section 7.8(a)
Transferable Permits	Section 2.1(e)
Transferred Employee	Section 7.9(b)
Transition Committee	Section 7.1(e)
Value	Appendix A
Vehicles	Section 2.1(a)(v)
Working Capital Amount	Appendix A

Section 1.2 Other Interpretive Matters . Unless otherwise expressly provided, for purposes of this Agreement, the following rules of interpretation apply:

(a) Appendices, Exhibits and Schedules . Unless otherwise expressly indicated, any reference in this Agreement to an "Appendix," "Exhibit" or "Schedule" refers to an Appendix, Exhibit or Schedule to this Agreement. The Appendices, Exhibits and Schedules to this Agreement are hereby incorporated and made a part hereof as if set forth in full herein and are an integral part of this Agreement. Any capitalized terms used in any Appendix, Exhibit or Schedule but not otherwise defined therein are defined as set forth in this Agreement. In the event of conflict or inconsistency, this Agreement and the Appendices shall prevail over any Exhibit or Schedule.

(b) Time Periods . When calculating the period of time before which, within which, or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such period will be excluded. If the last day of such period is a non-Business Day, the period in question will end on the next succeeding Business Day.

(c) Gender and Number . Any reference in this Agreement to gender includes all genders, and the meaning of defined terms applies to both the singular and the plural of those terms.

(d) Certain Terms . Any reference in this Agreement to "dollars" or "$" means U.S. dollars. The words such as "herein," "hereinafter," "hereof," and "hereunder" refer to this Agreement (including the Appendices, Exhibits and Schedules to this Agreement) as a whole and not merely to a subdivision in which such words appear unless the context otherwise requires. The word "including" or any variation thereof means "including, without limitation" and does not limit any general statement that it follows to the specific or similar items or matters immediately following it. The words "to the extent" when used in reference to a liability or other matter, means that the liability or other matter referred to is included in part or excluded in part, with the portion included or excluded determined based on the portion of such liability or other matter exclusively related to the subject or period.

(e) Headings . The division of this Agreement into Articles, Sections, and other subdivisions, and the insertion of headings are for convenience of reference only

and do not affect, and will not be utilized in construing or interpreting, this Agreement. All references in this Agreement to any "Section" are to the corresponding Section of this Agreement unless otherwise specified.

ARTICLE II
PURCHASE AND SALE

Section 2.1 Purchased Assets . Upon the terms and subject to the satisfaction of the conditions contained in this Agreement, at the Closing, Seller will sell, assign, convey, transfer, and deliver to Buyer, and Buyer will purchase and acquire from Seller, free and clear of all Encumbrances (except for Permitted Encumbrances), all of Seller's right, title, and interest in, to, and under the real and personal property, tangible or intangible, described below, as the same exists at the Effective Time (and, as permitted or contemplated hereby, with such additions and deletions as shall occur from the date hereof through the Effective Time), except to the extent that such assets are Excluded Assets (collectively, the " Purchased Assets "):

(a) The following real and personal property, plant and equipment and related tangible property:

(i) the real property and real property interests described on Schedule 2.1(a)(i) , including buildings, structures, pipelines, other improvements, and fixtures located thereon; the leasehold interests under the leases described on Schedule 2.1(a)(i) ; and the Easements (all of the foregoing, the " Real Property ");

(ii) all other natural gas distribution utility system assets installed in the Territory and used principally in the Business, as generally described on Schedule 2.1(a)(ii) ;

(iii) all parts and other inventory that are held for use specifically in connection with the Business (collectively, the " Inventory ");

(iv) all information technology and communications equipment that is installed or in use solely at or on, and used principally in connection with the operation of, the Purchased Assets, except as otherwise provided in Section 2.2(f) (the " IT Assets ");

(v) all motor vehicles, trailers and similar rolling stock that is held for use principally in connection with the Business, to the extent owned by Seller as of the Effective Time (including as a result of any purchase thereof by Seller pursuant to Section 7.8(b)) (the " Vehicles ");

(vi) all furnishings, fixtures, machinery, equipment, materials and other tangible personal property owned by Seller (other than Inventory, IT Assets and Vehicles) that is located in the Territory and that is used principally in connection with the operation of Business;

(vii) any assets that are leased on the date hereof by Seller but that are purchased by Seller pursuant to Section 7.6(c) for inclusion in the Purchased Assets;

(b) all unbilled revenues allocable to Buyer in accordance with Section 3.5;

(c) the under-recovered purchased gas cost adjustment charges, prepayments, deferred charges and similar items of the type included in the applicable FERC Accounts set forth on Appendix A and principally related to the Business, to the extent that upon the Effective Time Buyer will be entitled to the benefit of such items;

(d) the Business Agreements, subject to Section 7.6(b);

(e) all Permits used or held by Seller principally in connection with the Business or the ownership or operation of any of the Purchased Assets, except to the extent that, notwithstanding compliance by Seller with its obligations hereunder, any such Permits are prohibited by applicable Law or the terms of such Permits from being assigned to Buyer in connection with the transactions contemplated hereby (the " Transferable Permits ");

(f) the Documents;

(g) all warranties against manufacturers or vendors relating to any of the Purchased Assets, to the extent transferrable;

(h) Claims and defenses of Seller to the extent such Claims or defenses relate to the Purchased Assets or Assumed Obligations, provided such Claims and defenses will be assigned by Seller to Buyer without warranty or recourse;

(i) notwithstanding any provision of Section 2.2, the assets and other rights set forth on Schedule 2.1(i) ;

(j) the assets transferred pursuant to Section 7.10 with respect to the Benefit Plans;

(k) any other assets that are principally related to the current operation of the Business, other than the Excluded Assets.

Section 2.2 Excluded Assets . The Purchased Assets do not include any property or assets of Seller not described in Section 2.1 and, notwithstanding any provision to the contrary in Section 2.1 or elsewhere in this Agreement (other than as set forth on Schedule 2.1(i)), the Purchased Assets do not include the following property or assets of Seller (all assets excluded pursuant to this Section 2.2, the " Excluded Assets "):

(a) all billed revenues and all unbilled revenues allocable to Seller in accordance with Section 3.5;

(b) cash, cash equivalents, and bank deposits;

(c) certificates of deposit, shares of stock, securities, bonds, debentures, evidences of indebtedness, and any other debt or equity interest in any Person;

(d) all assets used by Seller in performing corporate, support, administrative and other services from locations outside of the Territory;

(e) all assets relating to the Benefit Plans, except for those Assets transferred pursuant to Section 7.10;

(f) all information technology and communications equipment used in connection with any business of Seller other than the Business, which for the avoidance of doubt may also be used in connection with the Business and the operation of the Purchased Assets, such as network resources and integrated systems of Seller to which the IT Assets may connect or with which the IT Assets may communicate;

(g)(i) all agreements, contracts and understandings set forth on Schedule 2.2(g) , (ii) all Material Contracts existing as of the date hereof that are not set forth on Schedule 5.9(a) as of the date hereof, unless otherwise elected by Buyer, and (iii) except as otherwise provided in Section 7.1(b), any Business Agreement that is entered into after the date hereof that, if existing on the date hereof, would be required to be set forth on Schedule 5.9(a) as a Material Contract (all of the foregoing, the " Retained Agreements ");

(h) any assets that have been disposed of in the ordinary course of business and in compliance with this Agreement after the date hereof and prior to the Effective Time;

(i) all books and records other than the Documents;

(j) the Seller Marks and any other Intellectual Property or rights therein;

(k) any refund or credit related to Taxes paid by or on behalf of Seller, whether such refund is received as a payment or as a credit against future Taxes payable (except to the extent such Tax payments are charged to Buyer pursuant to Section 3.4 hereof);

(l) except to the extent expressly provided in Section 2.1(h), all Claims of Seller against any Person;

(m) all insurance policies, and rights thereunder, including any such policies and rights in respect of the Purchased Assets or the Business;

(n) the rights of Seller arising under or in connection with this Agreement, any certificate or other document delivered in connection herewith, and any of the transactions contemplated hereby and thereby; and

(o) the assets and other rights set forth on Schedule 2.2(o) .

Section 2.3 Assumed Obligations . On the Closing Date, Buyer will deliver to Seller the Bill of Sale pursuant to which Buyer will specifically assume, as of the Effective Time, the following liabilities and obligations of Seller (the " Assumed Obligations "):

(a) any trade accounts payable or other accrued and unpaid current expenses in respect of goods and services incurred principally by or for the Business in the ordinary course of business, to the extent included in the FERC Accounts used for calculation of the Adjustment Amount in accordance with Appendix A ;

(b) all liabilities and obligations of Seller with respect to over-recovered purchased gas cost adjustment charges (subject to Section 9.2(a)(iv)), and all customer deposits, customer advances for construction, deferred credits, regulatory liabilities and other similar items, in each case principally related to the Business, to the extent included in the FERC Accounts used for calculation of the Adjustment Amount in accordance with Appendix A ;

(c) all obligations of Seller under any Regulatory Order applicable to the Business or the Purchased Assets, other than (i) payment obligations of Seller arising in respect of periods prior to the Effective Time, except to the extent included in the FERC Accounts used for calculation of the Adjustment Amount in accordance with Appendix A ; and (ii) obligations imposed on Seller (rather than on Buyer as Seller's successor with respect to the Business) under any Regulatory Order issued specifically with respect to the transactions contemplated by this Agreement;

(d) all liabilities and obligations of Seller arising in respect of the period on or after the Effective Time under the Business Agreements, the Transferable Permits and any other agreements or contractual rights, in each case to the extent assigned to Buyer pursuant to the terms of this Agreement;

(e) all liabilities and obligations associated with the Purchased Assets or the Business in respect of Taxes to the extent Buyer is expressly liable therefor pursuant to Section 3.4 or Section 7.8;

(f) all liabilities and obligations for which Buyer is expressly responsible pursuant to Section 7.10;

(g) all liabilities accruing or arising from and after the Effective Time out of or relating to the conduct or operation of the Business from and after the Effective Time or the ownership or use of the Purchased Assets from and after the Effective Time; and

(h) all liabilities accruing, arising out of or relating to the conduct or operation of the Business or the ownership or use of the Purchased Assets prior to the Effective Time to the extent that Buyer is entitled to recover the same through the rates of the operating Business after the Effective Time (" Recoverable Liabilities ").

Section 2.4 Excluded Liabilities . Seller acknowledges that the sole liabilities and obligations being assumed by Buyer are the Assumed Obligations and Seller shall retain all other liabilities and obligations, including (collectively, the " Excluded Liabilities "):

(a) any liabilities or obligations of Seller to the extent related to any Excluded Assets;

(b) any liabilities or obligations of Seller in respect of Indebtedness;

(c) any liabilities or obligations in respect of Taxes of Seller or any Tax Affiliate of Seller, or any liability of Seller for unpaid Taxes of any Person under Treasury Regulation section 1.1502-6 (or similar provision of state, local, or foreign law) as a transferee or successor, by contract or otherwise, except for Taxes for which Buyer is expressly liable pursuant to Section 3.4 or Section 7.8;

(d) any obligations of Seller or any of its Affiliates for wages, vacation pay, other paid time off, employment Taxes, bonuses, other incentive compensation, commissions, expense reimbursement, or retention or severance pay to the extent attributable to the period prior to the Effective Time or which may become payable as a result of the Closing;

(e) except as otherwise expressly provided in Section 7.10, any liabilities under or relating to any Benefit Plan at any time maintained, contributed to or required to be contributed to by Seller or any of its Affiliates, or under which Seller or any Affiliate has or may incur liability, or any contributions, benefits or liabilities therefor, or any liability with respect to Seller's or any of Seller's Affiliates withdrawal or partial withdrawal from or termination of any Benefit Plan;

(f) except for the Recoverable Liabilities, any liabilities or obligations arising from any Claim (including any workers compensation claim) involving the Purchased Assets or the Business filed or arising from an Actionable Incident occurring prior to the Effective Time, including any such Claims or Actionable Incidents disclosed in the Seller Disclosure Schedules; and

(g) any liabilities or obligations of Seller arising under or in connection with this Agreement, any certificate or other document delivered in connection in herewith, and any of the transactions contemplated hereby and thereby.

Section 2.5 Intercompany Accounts . Prior to the Effective Time, Seller shall cause all intercompany payables, receivables and loans between the Business, on the one hand, and Seller and its Affiliates, on the other hand, to be settled or cancelled; provided, however, that the foregoing shall not apply to any Business Agreement entered into prior to the Effective Time between Seller and Atmos Energy Marketing, LLC, to which Buyer consents in writing pursuant to Section 7.1(b), relating to the provision of certain gas supply services.

ARTICLE III
PURCHASE PRICE

Section 3.1 Purchase Price . Subject to the terms and conditions of this Agreement, the aggregate purchase price (the " Purchase Price ") for the Purchased Assets shall be an amount in cash equal to $123,870,000.00 (the " Base Price "), increased by the Adjustment Amount if the Adjustment Amount is a positive number, or decreased by the Adjustment Amount if the

Adjustment Amount is a negative number. The Adjustment Amount will be determined in accordance with Appendix A .

Section 3.2 Determination of Purchase Price .

(a) No later than five (5) Business Days prior to the Closing Date, Seller will prepare and deliver to Buyer a good faith estimate of the Purchase Price, calculated in accordance with Appendix A , together with reasonable supporting documentation and worksheets. Within two (2) Business Days following receipt by Buyer of such estimate, Buyer may in good faith object in writing to Seller's estimate, in which case the Parties shall endeavor to reconcile their differences in good faith by negotiation prior to the Closing Date; provided that, in the event the Parties are unable to reconcile their differences, Seller's estimate of the Purchase Price shall prevail. The amount of Seller's estimate of the Purchase Price (or the estimate of the Purchase Price to which the Parties agree) (the " Closing Payment Amount ") shall be paid to Seller at the Closing.

(b) Within sixty (60) days after the Closing Date, Seller will prepare and deliver to Buyer a revised calculation of the Purchase Price, calculated in good faith in accordance with Appendix A , together with worksheets and supporting documentation (the " Post-Closing Adjustment Statement "). Seller agrees that Buyer shall have a reasonable right of consultation with Seller in connection with Seller's preparation of the Post-Closing Adjustment Statement and related information, and will provide Buyer with access to its books, records, information, and employees as Buyer may reasonably request. In the event that Buyer raises any objections or disagreements with any methodology used or determination made by Seller during the preparation of the Post-Closing Adjustment Statement, the Parties will attempt in good faith to resolve such objection or disagreement prior to delivery of the Post-Closing Adjustment Statement by Seller to Buyer. No action or inaction by Buyer under this Section 3.2(b) shall prejudice any rights of Buyer under Section 3.2(c) or otherwise.

(c) The amounts determined by Seller as set forth in the Post-Closing Adjustment Statement will be final, binding, and conclusive for all purposes unless, and only to the extent, that within thirty (30) days after Seller has delivered the Post-Closing Adjustment Statement Buyer notifies Seller of any dispute with respect to matters set out in the Post-Closing Adjustment Statement. Any such notice of dispute delivered by Buyer (an " Adjustment Dispute Notice ") will identify with specificity each item in the Post-Closing Adjustment Statement with respect to which Buyer disagrees, the basis of such disagreement, and Buyer's position with respect to such disputed item; provided that the disagreement may be based for purposes of this Section 3.2 only on mathematical errors or amounts reflected on the Post-Closing Adjustment Statement not being calculated in accordance Appendix A and the accounting principles specified therein.

(d) If Buyer delivers an Adjustment Dispute Notice in compliance with Section 3.2(c) and Seller and Buyer are unable to reach a resolution with respect to all disputed items within thirty (30) days of delivery of the Adjustment Dispute Notice, Seller and Buyer will submit any items remaining in dispute for determination and

resolution to the Independent Accounting Firm, which will be instructed to determine in accordance with the accounting principles used in the preparation of the Division Balance Sheets and Division Income Statements, as appropriate depending on the item at issue, and report to the Parties, within thirty (30) days after such submission, upon such remaining disputed items. The report of the Independent Accounting Firm will be final, binding, and conclusive on the Parties for all purposes. The fees and disbursements of the Independent Accounting Firm will be allocated between Seller and Buyer so that Buyer's share of such fees and disbursements will be in the same proportion that the aggregate amount of any such remaining disputed items so submitted to the Independent Accounting Firm that is unsuccessfully disputed by Buyer (as finally determined by the Independent Accounting Firm) bears to the total amount of such disputed amounts initially submitted to the Independent Accounting Firm.

(e) Within five (5) days following the final determination of the Purchase Price pursuant to Section 3.2(c) or Section 3.2(d) (as so determined, the " Final Purchase Price "), (i) if the Final Purchase Price is greater than the Closing Payment Amount, Buyer will pay the difference to Seller; or (ii) if the Final Purchase Price is less than the Closing Payment Amount, Seller will pay the difference to Buyer. Any amount paid under this Section 3.2(e) will be paid with interest for the period commencing on the Closing Date through the date of payment, calculated at the Prime Rate in effect on the Closing Date. Any amount paid under this Section 3.2(e) shall be paid in cash by wire transfer of immediately available funds to the account specified by the Party receiving payment. Neither the determination of the Final Purchase Price nor any payment thereof shall be deemed to waive or limit in any respect any representation or warranty or rights in respect thereof under this Agreement.

Section 3.3 Allocation of Purchase Price . The sum of the Purchase Price and the Assumed Obligations will be allocated among the Purchased Assets on a basis consistent with section 1060 of the Code and the Treasury Regulations thereunder. The Parties will work together in good faith to agree upon such allocation in conjunction with the determination of the Final Purchase Price. In the event that such agreement has not have been reached within thirty (30) days following the determination of the Final Purchase Price, the allocation will be determined by the Independent Accounting Firm, and such determination will be binding on the Parties. Each Party will pay one-half of the fees and expenses of the Independent Accounting Firm in connection with such determination. Each Party will report the transactions contemplated by the Agreement for federal Income Tax and all other Tax purposes in a manner consistent with such allocation. Each Party will provide the other promptly with any other information required to complete Form 8594 under the Code. Each Party will notify the other, and will provide the other with reasonably requested cooperation, in the event of an examination, audit, or other proceeding regarding the allocations provided for in this Section 3.3.

Section 3.4 Prorations .

(a) For purposes of determining the Purchase Price, personal property and real property Taxes, fees with respect to any Transferable Permits, rents under any leases of real or personal property, or other similar expenses, that are not due or assessed until after the Effective Time but which are attributable in whole or in part to

any period commencing prior to the Effective Time, and any other amounts that by the terms of this Agreement are to be allocated between the Parties, will be prorated as of the Effective Time, with Seller liable to the extent such items relate to any period prior to the Effective Time, and Buyer liable to the extent such items relate to any period from and after the Effective Time. If the actual amounts to be prorated are not known, Seller shall include an itemized estimate in the Closing Adjustment Statement based upon the most recent available rates, assessments, valuations, or other data, and the Parties shall adjust the amounts paid at Closing to reflect such prorations. Any prorations shall be made so as to avoid duplication of any amounts, and will be adjusted to properly take into account any amounts thereof used in determining the Purchase Price.

(b) The proration of all items under this Section 3.4 will be recalculated by Buyer within a reasonable period of time following the date upon which the actual amounts become available to Buyer. Buyer will notify Seller of such recalculated amounts, and will provide Seller with all documentation relating to such recalculations, including tax statements and other notices from third parties. The Parties will make such payments to each other as are necessary to reconcile any estimated amounts prorated as of the Effective Time with the final amounts to be prorated. Seller and Buyer agree to furnish each other with such documents and other records as may be reasonably requested in order to confirm all proration calculations made pursuant to this Section 3.4.

Section 3.5 Unbilled Revenues . On and prior to the Closing Date, Seller shall read all customer meters in their normal cycle and in due course render the related bills to its customers served by the Business. Seller shall also read each daily read transportation customer meter (collectively, " Large Volume Meters ") on the day immediately preceding the Closing Date. Seller shall provide Buyer with the last meter reading from each of the Large Volume Meters made on the day immediately preceding the Closing Date as soon as practicable after the Closing Date. After the Closing Date, Buyer shall read the customer meters for their first time, in the normal cycle, and in due course render bills for service during the period between Seller's last reading in the normal cycle and Buyer's first reading in the normal cycle to the customers. Buyer shall determine the volume of gas sold by Seller prior to the Closing Date through Large Volume Meters by Seller's meter readings on the day immediately preceding the Closing Date. Buyer shall determine by allocation the volumes of gas sold through all meters other than Large Volume Meters, by Seller prior to the Closing Date, and by Buyer on and after the Closing Date and prior to its first meter reading, through meters without charts. Such allocation shall be consistent with Seller's past practices for unbilled revenues. Once such determinations have been made by Buyer, the estimated amounts of earned but unbilled revenue and any other related receivables, payables or liabilities (including gas losses) shall be adjusted based upon such determinations for purposes of determining the Final Purchase Price.

ARTICLE IV
THE CLOSING

Section 4.1 Time and Place of Closing . Upon the terms and subject to the satisfaction of the conditions contained in Article VIII of this Agreement, the closing of the purchase and

sale of the Purchased Assets and assumption of the Assumed Obligations (the " Closing ") will take place at the offices of Seller in Dallas, Texas, beginning at 10:00 A.M. (Central time) on the first Business Day of the calendar month following the calendar month during which the conditions set forth in Article VIII (other than conditions to be satisfied by deliveries at the Closing) have been satisfied or waived, or at such other place or time as the Parties may agree. The date on which the Closing occurs is referred to herein as the " Closing Date ." The purchase and sale of the Purchased Assets and assumption of the Assumed Obligations will be effective as of 12:01 A.M. (Central time) on the Closing Date (the " Effective Time ").

Section 4.2 Closing Payment . At the Closing, Buyer will pay or cause to be paid to Seller the Closing Payment Amount, by wire transfer of immediately available funds or by such other means as may be agreed upon by Seller and Buyer.

Section 4.3 Seller's Closing Deliveries . At or prior to the Closing, Seller will deliver the following to Buyer:

(a) the certificate contemplated by Section 8.2(d);

(b) the Bill of Sale, duly executed by Seller;

(c) one or more deeds of conveyance of the parcels of Real Property with respect to which Seller holds fee interests, substantially in the form of the Special Warranty Deed, duly executed and acknowledged by Seller and in recordable form;

(d) one or more instruments of assignment or conveyance, substantially in the form of the Assignment of Easements, as are necessary to transfer the Easements, duly executed and acknowledged by Seller and in recordable form;

(e) all such other instruments of assignment or conveyance as are reasonably requested by Buyer in connection with the transfer of the Purchased Assets to Buyer in accordance with this Agreement;

(f) the Continuing Services Agreement, duly executed by Seller;

(g) all consents, waivers or approvals obtained by Seller from third parties in connection with this Agreement;

(h) terminations or releases of all Encumbrances, other than Permitted Encumbrances, on the Purchased Assets; and

(i) such other agreements, documents, instruments, and writings as are required to be delivered by Seller at or prior to the Closing Date pursuant to this Agreement.

Section 4.4 Buyer's Closing Deliveries . At or prior to the Closing, Buyer will deliver the following to Seller:

(a) the certificate contemplated by Section 8.3(c);

(b) the Bill of Sale, duly executed by Buyer;

(c) all such other documents, instruments, and undertakings as are reasonably requested by Seller in connection with the assumption by Buyer of the Assumed Obligations in accordance with this Agreement;

(d) the Continuing Services Agreement, duly executed by Buyer;

(e) all consents, waivers, or approvals obtained by Buyer from third parties in connection with this Agreement; and

(f) such other agreements, documents, instruments and writings as are required to be delivered by Buyer at or prior to the Closing Date pursuant to this Agreement.

ARTICLE V
REPRESENTATIONS AND WARRANTIES OF SELLER

Except as set forth in the Seller Disclosure Schedules, Seller hereby represents and warrants to Buyer, as of the date hereof and, except to the extent expressly made only as of an earlier date, as of Closing (giving effect, solely for purposes of Article IX hereof, to any Schedule Update):

Section 5.1 Organization and Good Standing . Seller is a corporation duly organized, validly existing, and in good standing under the laws of the State of Texas and the Commonwealth of Virginia and has all requisite corporate power and authority to own, lease, and operate the Purchased Assets and to carry on the Business as presently conducted. Seller is duly qualified or licensed to do business as a foreign corporation and is in good standing in each jurisdiction in which the conduct of the Business, or the ownership or operation of any Purchased Assets, by Seller makes such qualification necessary, except, in each case, for any such failures that would not, individually or in the aggregate, have a Material Adverse Effect.

Section 5.2 Authority and Enforceability . Seller has all corporate power and authority necessary to execute and deliver, and to perform its obligations under, and, subject to the satisfaction of the closing conditions, to consummate the transactions contemplated by, this Agreement and the Ancillary Agreements. The execution, delivery and performance of this Agreement and the Ancillary Agreements and the consummation of the transactions contemplated hereby and thereby have been duly and validly authorized by the board of directors of Seller, and no other corporate proceedings on the part of Seller are necessary to authorize this Agreement or any Ancillary Agreement or to consummate the transactions contemplated hereby or thereby. This Agreement has been duly and validly executed and delivered by Seller, and constitutes a valid and binding agreement of Seller, enforceable against Seller in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, moratorium, or other similar laws affecting or relating to enforcement of creditors' rights generally or general principles of equity. At the Closing, each of the Ancillary Agreements to which Seller is contemplated to be a party will be duly and validly executed and delivered by Seller and will constitute a valid and binding agreement of Seller, enforceable against Seller in accordance with its terms, except as such enforceability may be limited by applicable

bankruptcy, insolvency, moratorium, or other similar laws affecting or relating to enforcement of creditors' rights generally or general principles of equity.

Section 5.3 No Conflicts; Consents . Except as set forth on Schedule 5.3 , neither the execution, delivery and performance by Seller of this Agreement or any Ancillary Agreement, nor the consummation of the transactions contemplated hereby or thereby, will:

(a) violate or conflict with any of Seller's Governing Documents;

(b) violate any Law or Order applicable to Seller or any of the Purchased Assets, except for any such violations of Law or Order that would not have a Material Adverse Effect or that arise as a result of any facts or circumstances relating to Buyer or any of its Affiliates;

(c) other than the Seller Required Regulatory Approvals, require any declaration, filing, or registration by Seller or any of its Affiliates with, or notice by Seller or any of its Affiliates to, or authorization, consent, or approval with respect to Seller or any of its Affiliates of, any Governmental Entity, except for any such declarations, filings, registrations, notices, authorizations, consents, or approvals (i) the failure of which to obtain or make would not have a Material Adverse Effect or (ii) that arise as a result of any facts or circumstances relating to Buyer or any of its Affiliates;

(d) violate, conflict with, result in a breach of, require any consent or approval of, or (with or without notice or lapse of time or both) constitute a default, give rise to any right of modification, acceleration, payment, cancellation or termination, or result in the creation or imposition of any Encumbrance upon any of the Purchased Assets (i) under or pursuant to any Business Agreement, Permit, Environmental Permit, or any other loan agreement, note, bond, mortgage, indenture, or other material instrument or agreement to which Seller or its Affiliates is a party or by which Seller or any of its Affiliates or any of the Purchased Assets may be bound, except for any such violations, conflicts, breaches, consents, approvals, defaults or other occurrences that would not have a Material Adverse Effect or that arise as a result of any facts or circumstances relating to Buyer or any of its Affiliates, or (ii) under or pursuant to any Material Contract.

Section 5.4 Governmental Filings . Except as set forth in Schedule 5.4 , since October 1, 2008, Seller has filed or caused to be filed with the Applicable Commission and FERC all material forms, statements, reports, and documents (including all exhibits, amendments, and supplements thereto) required by Law or Order to be filed by Seller with the Applicable Commission or FERC with respect to the Business, the Purchased Assets, or the Assumed Obligations. As of the respective dates on which such forms, statements, reports, and documents were filed (but giving effect to any subsequent amendment thereof prior to the date hereof), each complied in all material respects with all requirements of any Law or Order applicable thereto in effect on such date and were true and correct in all material respects.

Section 5.5 Financial Information .

(a) Schedule 5.5(a) sets forth the state-specific balance sheets of the Business as of September 30, 2010 (the " Division Balance Sheets ") and the state-specific income statements for the Business for the twelve-month period ended September 30, 2010, and the six-month period ended March 31, 2011 (the " Division Income Statements "). The Division Balance Sheets and the Division Income Statements were prepared in accordance with principles used in the preparation of the financial statements of the applicable state-specific division in connection with the submission of such financial statements to the Applicable Commission (except that with respect to the interim financial statements, certain items that are not customarily allocated by Seller at the state level, such as income taxes and long-term debt, are excluded), and fairly present, in all material respects, the financial condition and results of operation of the Business as of the dates thereof or for the periods covered thereby.

(b) Except as set forth on Schedule 5.5(b) , neither Seller nor any of its Affiliates has any indebtedness or liability, absolute or contingent, related to the Purchased Assets or the Business of a nature required by GAAP to be reflected in a balance sheet relating solely to the Business, other than liabilities, obligations or contingencies (i) that are accrued or reserved against in the Division Balance Sheets, (ii) that were incurred in the ordinary course of business since September 30, 2010, or (iii) that would not have, individually or in the aggregate, a Material Adverse Effect.

(c) Appendix B fairly presents, as if the Effective Time were March 31, 2011, the assets and liabilities required to be included in the calculation of the Adjustment Amount pursuant to Appendix A (assuming, solely for purposes of this hypothetical calculation, that the Retiree Plan Assumptions are as set forth in Schedule 7.10(f)), and such assets and liabilities are of a nature reasonably believed by Seller to be includable in or required to be credited against rate base or amounts otherwise recoverable through the rates and tariffs of the Business pursuant to, and are calculated in accordance with, the rules and standards of the Applicable Commissions prevailing as of the date thereof.

Section 5.6 Changes . Except as set forth in Schedule 5.6 , since September 30, 2010, the Business has been operated, in all material respects, in the ordinary course of business consistent with past practice (except as otherwise contemplated by this Agreement), and no change or event has occurred which, either individually or in the aggregate, has resulted or, with the passage of time, would result in a Material Adverse Effect.

Section 5.7 Scope of Purchased Assets . The Purchased Assets include no assets other than those used in the operation of the Business as currently conducted by Seller and, together with the Excluded Assets identified in subsections (a) through (o) of Section 2.2 and Buyer's rights under this Agreement and the Ancillary Agreements, constitute all of the material assets required by Seller for the conduct of the Business in substantially the same manner as currently conducted by Seller. No Affiliate of Seller holds any interest in or otherwise has any rights with respect to any of the Purchased Assets.

Section 5.8 Title . Upon consummation of the transactions contemplated by this Agreement and receipt of all consents and approvals disclosed on Schedule 5.3 , Seller will have assigned, transferred and conveyed to Buyer good and transferable title to the Purchased Assets, free and clear of all Encumbrances (other than Permitted Encumbrances).

Section 5.9 Material Contracts .

(a) Schedule 5.9(a) lists all of the following Business Agreements (the " Material Contracts "):

(i) each agreement, ordinance, or other grant of any municipal, town or county franchise relating to the Business (the " Franchises "), except for such Franchises, the absence of which would not, individually or in the aggregate, have a Material Adverse Effect;

(ii) all agreements between Seller and any of its Affiliates with respect to the Business, Purchased Assets or Assumed Obligations, including all such agreements for the provision of any commodities, goods, or services;

(iii) all agreements between Seller and one or more Business Employees that provides for (A) employment other than on an at-will basis, (B) bonus or incentive compensation, or (C) any retention, severance or change of control payment;

(iv) all collective bargaining agreements or other agreements with any labor union, employees' association or other employee representative of a group of Business Employees (" Collective Bargaining Agreements ");

(v) all leases, subleases, licenses or other agreements by which any right to use or occupy any interest in real property is granted by or to Seller, except for such leases, subleases, licenses or other agreements, the existence or absence of which would not, individually or in the aggregate, have a Material Adverse Effect and that do not individually involve expenditures in excess of $150,000 in any year;

(vi) all agreements that individually involve expenditures in excess of $150,000 in any year;

(vii) all agreements for or relating to Indebtedness, or pursuant to which any Encumbrance is granted in or to any of the Purchased Assets;

(viii) all agreements providing for the extension of credit by Seller, other than (A) the extension of credit to vendors in the ordinary course of business consistent with past practice, and (B) normal employee advances and other customary extensions of credit in the ordinary course that are not material in amount;

(ix) all agreements granting to any Person any right or option to purchase or otherwise acquire any of the Purchased Assets, including rights of first option, rights of first refusal, or other preferential purchase rights;

(x) all agreements restricting the right of Seller to compete with any Person or in any line of business or geographic area; or

(xi) all partnership, joint venture and joint ownership agreements, and all similar material agreements (however named) involving a sharing of assets, profits, losses, costs or liabilities.

(b) Seller has made available to Buyer copies of all Material Contracts, together with all amendments, waivers, or other changes thereto, which are correct and complete in all material respects. Except as set forth on Schedule 5.9(b) , (i) each Material Contract is a valid and binding obligation of Seller, enforceable against it in accordance with its terms, and, to Seller's Knowledge, is a valid and binding obligation of each other party thereto, enforceable against it in accordance with its terms, in each case except as the same may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to creditors' rights generally, and (ii) neither Seller nor, to Seller's Knowledge, any other party thereto is (or, upon the passage of time or the giving of notice, or both, would be) in material default under or breach of any Material Contract.

(c) All agreements entered into or otherwise utilized by Seller for the purchase, supply, transmission, transportation, storage and delivery of natural gas or other energy commodities, or for the management of price or other risks associated therewith, in each case that relate principally to the Business, have been approved by or otherwise satisfy all requirements of the Applicable Commissions.

(d) Seller has all Franchises and other rights required under applicable Law to provide natural gas distribution service to retail distribution customers located within the Territory, except for such Franchises, the absence of which would not, individually or in the aggregate, have a Material Adverse Effect.

(e) Schedule 5.9(e) sets forth a list of each contact and agreement, other than Business Agreements to be assigned to Buyer hereunder, under which expenditures allocable to the Business exceed $250,000 in any year or that is otherwise material to the operation of the Business.

Section 5.10 Legal Proceedings . Except as set forth in Schedule 5.10 , there are no pending or, to Seller's Knowledge threatened, material Claims relating to the Business, the Purchased Assets, or the Assumed Obligations.

Section 5.11 Compliance with Law; Orders; Permits .

(a) Except as set forth on Schedule 5.11(a) , Seller is, and to Seller's Knowledge at all times since October 1, 2008 has been, in compliance with all Laws, Orders and Permits applicable to the Purchased Assets or the Business, except for

violations which would not, individually or in the aggregate, have a Material Adverse Effect.

(b) Except for Regulatory Orders of general applicability or as set forth in Schedule 5.11(b) , Seller is not subject to any outstanding Orders that would reasonably be expected to impose any material restriction or materially burdensome requirement on the Purchased Assets or the Business following Closing.

(c) Except as set forth on Schedule 5.11(c) , Seller possesses all Permits necessary to own and operate the Business and Purchased Assets as currently operated, all of such Permits are in full force and effect, and no appeal or other proceeding is pending or, to Seller's Knowledge, threatened to revoke any such Permits, except where the failure to have such Permit, such failure to be in effect, or such appeals or proceedings would not, individually or in the aggregate, have a Material Adverse Effect.

Section 5.12 Environmental Matters . The representations and warranties contained in this Section 5.12 are the only representations and warranties being made with respect to compliance with or liability under Environmental Laws or with respect to any environmental, health or safety matter related to the Business, the Purchased Assets or Seller's ownership or operation thereof. Except as would not, individually or in the aggregate, have a Material Adverse Effect:

(a) To Seller's Knowledge, no Environmental Permits are necessary for Seller to operate the Business as it is currently being operated, and to Seller's Knowledge, the Purchased Assets, the Business, and Seller (with respect to the Purchased Assets and Business) are and, at all times since October 1, 2008 have been, in compliance in all material respects with the requirements of all Environmental Laws.

(b) Except as set forth on Schedule 5.12(b) , neither Seller nor any Affiliate of Seller has, since October 1, 2008, entered into or been subject to any consent decree or agreement, been subject to any Order, or received any written notice, report, or other information regarding any actual or alleged violation of Environmental Laws or any liabilities or potential liabilities, including any investigatory, remedial, or corrective obligations, arising under Environmental Laws, in each case relating to the ownership or operation of the Business or the Purchased Assets.

(c) Except as set forth on Schedule 5.12(c) , (i) to Seller's Knowledge there is and has been no Release from, in, on, or beneath any of the Real Property that could form a basis for an Environmental Claim, and (ii) there are no written Environmental Claims pending or, to Seller's Knowledge, threatened that relate to the Purchased Assets or the Business or, to the Knowledge of Seller, that relate to any property or assets previously used in connection with the ownership or operation of the Business or Purchased Assets.

Section 5.13 Taxes . Except as set forth on Schedule 5.13 :

(a) All Tax Returns relating to the Business or the Purchased Assets required to be filed by or on behalf of Seller have been filed in a timely manner, and all Taxes

required to be shown on such Tax Returns have been paid in full. There are no audits or other examinations pending or, to Seller's Knowledge, threatened relating to any Taxes relating to the Business or Purchased Assets. Seller has not granted any waiver of any statute of limitations regarding, or any extension of any period for the assessment of, any Tax relating to the Business or the Purchased Assets.

(b) Seller has withheld and paid all Taxes required to have been withheld and paid in connection with amounts paid or owing to any employee or independent contractor of the Business, and all forms W-2 and 1099 required with respect thereto have been properly completed and timely filed.

(c) Seller is not a party to any Tax allocation or sharing agreement relating to the Business or the Purchased Assets.

Section 5.14 Labor Matters . Except to the extent set forth in Schedule 5.14 : (i) Seller is, and at all times since October 1, 2008 has been, in material compliance with all Laws applicable to the Business Employees respecting employment and employment practices, terms and conditions of employment, and wages and hours; (ii) Seller has not received written notice of any unfair labor practice complaint against Seller pending before the National Labor Relations Board with respect to any of the Business Employees; (iii) Seller has not received notice that any representation petition respecting the Business Employees has been filed with the National Labor Relations Board; (iv) Seller is in material compliance with its obligations under the Collective Bargaining Agreements; (v) no arbitration proceeding arising out of or under any Collective Bargaining Agreement is pending or, to Seller's Knowledge, threatened against Seller; and (vi) there is no labor strike, slowdown, work stoppage, or lockout actually pending or, to Seller's Knowledge, threatened involving the Business Employees.

Section 5.15 Employee Benefits .

(a) Schedule 5.15(a) lists each employee benefit plan (as such term is defined in section 3(3) of ERISA) and each other plan, program, or arrangement providing benefits to employees that is maintained by, contributed to, or required to be contributed to by Seller or any of its ERISA Affiliates as of the date hereof on account of current Business Employees or persons who have retired or may retire from the Business (each, a " Benefit Plan ").

(b) With respect to each Benefit Plan, Seller has made available to Buyer copies of each of the following documents: (i) each Benefit Plan (including all amendments thereto); (ii) the annual report and actuarial report, if required under ERISA or the Code, with respect to each such Benefit Plan for the last plan year ending prior to the date hereof; (iii) the most recent summary plan description, together with each summary of material modifications, if required under ERISA, with respect to such Benefit Plan; and (iv) the most recent determination letter received from the United States Internal Revenue Service with respect to each Benefit Plan that is intended to be qualified under Section 401(a) of the Code.

(c) Except as set forth on Schedule 5.15(c):

(i) Each Benefit Plan that is intended to be qualified under section 401(a) of the Code has received a determination from the Internal Revenue Service that such Benefit Plan is so qualified, and each trust that is intended to be exempt under section 501(a) of the Code has received a determination letter that such trust is so exempt. Nothing has occurred since the date of such determination that would be reasonably expected to materially adversely affect the qualified or exempt status of such Benefit Plan or trust, nor will the consummation of the transactions provided for by this Agreement have any such effect.

(ii) Each Benefit Plan has been maintained, funded, and administered in material compliance with its terms and the terms of any applicable Collective Bargaining Agreements, and in material compliance with all applicable Laws, including ERISA and the Code. There are no pending or, to Seller's Knowledge, threatened claims by or on behalf of any of the Benefit Plans, by any Business Employee or any beneficiary thereof covered under any such Benefit Plan or otherwise involving any such Benefit Plan (other than routine claims for benefits) that would result in liability to Buyer.

(iii) Seller has no obligation to provide post-retirement health or life insurance coverage other than as required under Section 4980B of the Code. Except for any obligation to provide post-retirement benefits under any Collective Bargaining Agreement, Seller has the right, at any time and without liability, to amend or terminate post-retirement medical and life benefits, and to adjust premiums or cost-sharing provisions. No written or otherwise binding representation has been made to any Business Employees promising continuation of life, medical or dental coverage beyond the Continuation Period or the existing term of any Collective Bargaining Agreement, as applicable.

(iv) No liability under Title IV or section 302 of ERISA has been incurred by Seller or any ERISA Affiliate that has not been satisfied in full. No Benefit Plan subject to Title IV of ERISA or any trust established thereunder has incurred any "accumulated funding deficiency" (as defined in section 302 of ERISA and section 412 of the Code), whether or not waived, as of the last day of the most recent fiscal year of each such Benefit Plan ended prior to the Closing Date. There has been no "reportable event" (as such term is defined in Section 4043(c) of ERISA) in connection with any Benefit Plan other than reportable events for which notice is waived under applicable regulations. No Benefit Plan subject to Title IV of ERISA is a "multiemployer pension plan," nor is any Benefit Plan subject to Title IV of ERISA a plan described in section 4063(a) of ERISA.

(v) All contributions required by Law to be made to the Benefit Plans for all periods ending prior to the Closing Date will be paid by Seller to the Benefit Plans within the time required by Law.

(d) Except as set forth on Schedule 5.15(d) or as otherwise expressly provided for in Section 7.10, the consummation of the transactions contemplated hereby will not accelerate the vesting or the time of payment, or increase the amount, of any compensation or benefits of any Business Employee.

Section 5.16 Insurance . The Purchased Assets are insured with reputable insurers in such amounts and against such risks and losses as are customary in the gas utility industry, and Seller has not received any written notice of cancellation or termination with respect to any material insurance policy of Seller providing coverage in respect of the Purchased Assets.

Section 5.17 Brokers and Finders . No broker, finder, or other Person is entitled to any brokerage fees, commissions, or finder's fees for which Buyer could become liable or obligated in connection with the transactions contemplated hereby by reason of any action taken by Seller or any of its Affiliates.

Section 5.18 Exclusivity of Representations and Warranties . Neither Seller nor any of its Affiliates or Seller's Representatives is making any representation or warranty of any kind or nature whatsoever, oral or written, express or implied (including, but not limited to, any relating to financial condition or results of operations of the Business or maintenance, repair, condition, design, performance, value, merchantability or fitness for any particular purpose of the Purchased Assets), except as expressly set forth in this Article V and the Seller Disclosure Schedules, and Seller hereby disclaims any such other representations or warranties.

ARTICLE VI
REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer hereby represents and warrants to Seller, as of the date hereof and, except to the extent expressly made only as of an earlier date, as of Closing:

Section 6.1 Organization and Good Standing . Buyer is a corporation duly organized, validly existing, and in good standing under the laws of the State of Missouri and has all requisite corporate power and authority to own its assets and to carry on its business as presently conducted. As of the Closing, Buyer will be duly qualified or licensed to do business as a foreign corporation and is in good standing in each jurisdiction in which the conduct of the Business, or the ownership or operation of any of the Purchased Assets, by Buyer makes such qualification necessary, except, in each case, for any such failures that would not, individually or in the aggregate, have a material adverse effect on the ability of Buyer to perform its obligations under this Agreement or consummate the transactions contemplated hereby on a timely basis.

Section 6.2 Authority and Enforceability . Buyer has all corporate power and authority necessary to execute and deliver, and to perform its obligations under, and, subject to the satisfaction of the closing conditions, to consummate the transactions contemplated by, this Agreement and the Ancillary Agreements. The execution, delivery and performance of this Agreement and the Ancillary Agreements and the consummation of the transactions contemplated hereby and thereby have been duly and validly authorized by the board of directors of Buyer, and no other corporate proceedings on the part of Buyer are necessary to authorize this Agreement or any Ancillary Agreement or to consummate the transactions contemplated hereby

or thereby. This Agreement has been duly and validly executed and delivered by Buyer, and constitutes a valid and binding agreement of Buyer, enforceable against Buyer in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, moratorium, or other similar laws affecting or relating to enforcement of creditors' rights generally or general principles of equity. At the Closing, the Ancillary Agreements to which Buyer is contemplated to be a party will be duly and validly executed and delivered by Buyer and will constitute a valid and binding agreement of Buyer, enforceable against Buyer in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, moratorium, or other similar laws affecting or relating to enforcement of creditors' rights generally or general principles of equity.

Section 6.3 No Conflicts; Consents . Neither the execution, delivery and performance by Buyer of this Agreement or any Ancillary Agreement, nor the consummation of the transactions contemplated hereby or thereby, will:

(a) violate or conflict with any of Buyer's Governing Documents;

(b) violate any Law or Order applicable to Buyer, except for any such violations that would not have a material adverse effect on the ability of Buyer to perform its obligations under this Agreement or consummate the transactions contemplated hereby on a timely basis or arise as a result of any facts or circumstances relating to Seller or its Affiliates;

(c) other than the Buyer Required Regulatory Approvals, require any declaration, filing, or registration by Buyer or any of its Affiliates with, or notice by Buyer or any of its Affiliates to, or authorization, consent, or approval with respect to Buyer or any of its Affiliates of, any Governmental Entity, except for any such declarations, filings, registrations, notices, authorizations, consents, or approvals (i) the failure of which to obtain or make would not have a material adverse effect on the ability of Buyer to perform its obligations under this Agreement or consummate the transactions contemplated hereby on a timely basis or (ii) that arise as a result of any facts or circumstances relating to Seller or its Affiliates;

(d) violate, conflict with, result in a breach of, require any consent or approval of, or (with or without notice or lapse of time or both) constitute a default, give rise to any right of modification, acceleration, payment, cancellation or termination under or pursuant to any loan agreement, note, bond, mortgage, indenture, or other material instrument or agreement to which Buyer or its Affiliates is a party or by which Buyer or any of its Affiliates or any of their assets may be bound, except for any such violations, conflicts, breaches, consents, approvals, defaults or other occurrences that would not have a material adverse effect on the ability of Buyer to perform its obligations under this Agreement or consummate the transactions contemplated hereby on a timely basis or arise as a result of any facts or circumstances relating to Seller or its Affiliates.

Section 6.4 Financial Capability . Buyer (a) will have at the Closing sufficient funds available to pay the Purchase Price and any fees, costs and expenses incurred by Buyer in

connection with the transactions contemplated by this Agreement, (b) has, and at the Closing will have, the resources and capabilities (financial or otherwise) to perform its other obligations hereunder; and (c) has not incurred, and prior to the Closing will not incur, any obligation, commitment, restriction, or liability of any kind, which would impair or adversely affect such resources and capabilities. Notwithstanding anything to the contrary contained herein, the Parties acknowledge and agree that it shall not be a condition to the obligations of Buyer to consummate the transactions contemplated hereby that Buyer have sufficient funds for payment of the Purchase Price.

Section 6.5 Brokers and Finders . No broker, finder, or other Person is entitled to any brokerage fees, commissions, or finder's fees for which Seller or its Affiliate could become liable or obligated in connection with the transactions contemplated hereby by reason of any action taken by Buyer or any of its Affiliates.

Section 6.6 Legal Proceedings . There are no pending or, to Buyer's knowledge, threatened Claims that would, individually or in the aggregate, have a material adverse effect on the ability of Buyer to perform its obligations under this Agreement or consummate the transactions contemplated hereby on a timely basis.

Section 6.7 Regulation as a Utility . Buyer is not subject to regulation as a public utility or public service company (or similar designation) by the United States, any state of the United States, any foreign country or any municipality or any political subdivision of the foregoing.

Section 6.8 Investigation by Buyer; No Knowledge of Breach . Buyer has performed all due diligence that it has deemed necessary to perform concerning the Business, the Purchased Assets, and the Assumed Obligations in connection with its decision to enter into this Agreement and the Ancillary Agreements and to consummate the transactions contemplated hereby and thereby and acknowledges that Buyer and Buyer's Representatives have been provided access to the personnel, properties, premises and records of Seller for such purpose. In entering into this Agreement, Buyer has relied solely upon its own investigation and analysis, and Buyer:

(a) acknowledges that none of Seller or any of its Affiliates or any of Seller's Representatives makes or has made any representation or warranty, either express or implied, as to the accuracy of completeness of any of the information provided or made available to Buyer or Buyer's Representatives, except that the foregoing limitations shall not apply with respect to Seller to the specific representations and warranties set forth in Article V of this Agreement, but always subject to the limitations and restrictions contained herein;

(b) agrees, to the fullest extent permitted by applicable Law, that none of Seller or any of its Affiliates or any of Seller's Representatives shall have any liability or responsibility whatsoever to Buyer on any basis based upon any information provided or made available, or statements made, to Buyer or Buyer's Representatives (including any forecasts or projected information), except that the foregoing limitations shall not apply with respect to Seller to the extent Seller has liability for indemnification pursuant to Article IX for the breach of the specific representations and warranties set forth in

Article V of this Agreement, but always subject to the limitations and restrictions contained herein;

(c) acknowledges that, except as expressly set forth in this Agreement, there are no representations or warranties of any kind, express or implied, with respect to the Business, the Purchased Assets or the Assumed Obligations; and

(d) without making specific inquiry into any matter, represents that Buyer has no actual knowledge as of the date hereof of a breach of or inaccuracy in any representation, warranty, covenant or agreement contained in this Agreement.

ARTICLE VII
COVENANTS OF THE PARTIES

Section 7.1 Conduct of the Business .

(a) Except (i) as contemplated in this Agreement or required by applicable Law or Order; (ii) for actions approved by Buyer in writing (which approval shall not be unreasonably withheld, conditioned, or delayed); (iii) in connection with necessary repairs due to breakdown or casualty, or other actions taken in response to a business emergency or other unforeseen operational matters; or (iv) as otherwise described in Schedule 7.1 , during the period from the date of this Agreement to the Effective Time, Seller will operate the Purchased Assets and the Business in the ordinary course consistent with its past practice and will use commercially reasonable efforts to preserve intact the Business, and to preserve the goodwill and relationships with customers, suppliers, and others having business dealings with the Business and will not, without the prior written consent of Buyer:

(i) create, incur, assume, or suffer to exist any Encumbrance upon the Purchased Assets, except for Permitted Encumbrances;

(ii) sell, lease (as lessor), transfer, or otherwise dispose of any of the Purchased Assets, other than (A) the use or sale of inventory in the ordinary course of business, or (B) the disposal of Purchased Assets having an aggregate value of less than $250,000 or that are no longer useful in the business;

(iii) make any material change in the levels of Inventory customarily maintained by Seller with respect to the Business;

(iv) assign, relinquish any material rights under, or amend in any material respect any of the Material Contracts;

(v) increase or decrease the number of, fail to use commercially reasonable efforts to fill, or transfer any employees from, the positions of employment in which Business Employees are employed;

(vi) enter into, adopt, or amend in any material respect any agreement with one or more Business Employees, or take any action to affect a material change in any Collective Bargaining Agreement;

(vii) grant any increase in the compensation of, or grant any bonus or retention or severance pay to, Business Employees, except (A) for increases in compensation and bonuses in the ordinary course of business and consistent with past practice, (B) for bonuses and retention and severance pay that will be fully paid by Seller, and (C) to the extent required pursuant to the terms of any Collective Bargaining Agreement existing on the date hereof; provided, in each case, that Seller informs Buyer prior thereto; or

(viii) agree or commit to take any action which would be a violation of the restrictions set forth in this Section 7.1(a).

(b) Seller shall reasonably consult with Buyer prior to entering into any Business Agreement that, if existing as of the date hereof, would be required to be set forth on Schedule 5.9(a) as a Material Contract, and shall promptly provide to Buyer a copy of any such agreement. Schedule 5.9(a) shall be deemed supplemented to include such agreement if (i) Buyer consents in writing thereto (which consent shall not be unreasonably withheld, conditioned, or delayed), or (ii) such agreement is an agreement for the provision of commodities, goods or services by any third party (other than an Affiliate) entered into in the ordinary course of business consistent with past practice that may be terminated by Buyer, without penalty, on no more than ninety (90) days prior written notice following the Closing. Such Business Agreements shall otherwise constitute Retained Agreements, notwithstanding any other provision of this Agreement, and the failure of such Business Agreements to be set forth on Schedule 5.9(a) shall not constitute a breach by Seller of any representation or warranty in this Agreement.

(c) During the period from the date hereof through Closing, Seller shall make reasonable and prudent capital investment in the distribution assets of the Business materially in accordance with its existing capital investment program described on Schedule 7.1(c) , and as otherwise required by Law.

(d) Seller shall keep Buyer apprised of, and regularly consult with Buyer concerning, the matters known to Seller that Seller reasonably expects to result in a significant increase in operating expenses and/or a significant decrease in revenue for the Business or to otherwise materially affect the Business, Purchased Assets, or Assumed Obligations.

(e) Within five (5) Business Days after the date hereof, a committee comprised of one or more Persons designated by Seller and one or more Persons designated by Buyer (collectively, the " Transition Committee ") will be established to examine transition issues relating to or arising in connection with plans for integration of the Business, Purchased Assets or Assumed Obligations following the Closing or other matters that either Seller or Buyer believes are reasonably likely to significantly affect the Business, Purchased Assets or Assumed Obligations following the Closing.

The Transition Committee shall meet on a regular basis to (i) review current Business procedures; (ii) develop the specific implementation plan under the Continuing Services Agreement to ensure the continued processing of all regular business transactions and assist in the migration of files and data following the Closing; and (iii) coordinate the preparation and filing of all applications and other materials required to obtain the Required Regulatory Approvals. Without limiting the obligations of the Parties set out hereunder, it is intended that Seller and Buyer each will, through the Transition Committee, keep the other apprised of the status of matters relating to completion of the transactions contemplated hereby. Members of the Transition Committee shall have no authority to bind either Party and shall not make or commit to make any concessions, agreements or other undertakings with or to any Governmental Entity or other Person.

Section 7.2 Access .

(a) To the extent permitted by applicable Law, between the date of this Agreement and the Closing Date, Seller will, during ordinary business hours and upon reasonable notice, (i) give Buyer and Buyer's Representatives reasonable access to the Purchased Assets; (ii) permit Buyer to make such reasonable inspections thereof as Buyer may reasonably request; (iii) furnish Buyer with such financial and operating data and other information with respect to the Business as Buyer may from time to time reasonably request; and (iv) furnish Buyer with a copy of each material report, schedule, or other document principally relating to the Business filed or submitted by Seller with, or received by Seller from, any Governmental Entity; provided, however, that (i) any such investigation will be conducted in such a manner as not to interfere unreasonably with the operation of the Business or any other Person; (ii) Seller shall not be required to take any action which would constitute or result in a waiver of the attorney-client privilege; and (iii) Seller shall not be required to supply Buyer with any information which Seller is under a legal obligation not to supply. Buyer will indemnify and hold harmless Seller from and against any Losses incurred by Seller, its Affiliates or their Representatives by any action of Buyer or Buyer's representatives while present on any of the Purchased Assets or other premises to which Buyer is granted access hereunder (including restoring any such premises to the condition substantially equivalent to the condition such premises were in prior to any such investigation). Notwithstanding anything in this Section 7.2 to the contrary, (i) Buyer will not have access to personnel and medical records if such access could, in Seller's good faith judgment, subject Seller to risk of liability or otherwise violate the Health Insurance Portability and Accountability Act of 1996 and (ii) any investigation of environmental matters by or on behalf of Buyer will be limited to visual inspections and site visits commonly included in the scope of "Phase 1" level environmental inspections, and Buyer will not have the right to perform or conduct any other sampling or testing at, in, on, or underneath any of the Purchased Assets.

(b) For a period of three (3) years after the Closing Date, each Party and its representatives will have reasonable access to all of the books and records relating to the Business or the Purchased Assets, including all Transferred Employee Records, in the possession of the other Party, and to the employees of the other Party, to the extent that such access may reasonably be required by such Party in connection with the Assumed

Obligations or the Excluded Liabilities, or other matters relating to or affected by the operation of the Business and the Purchased Assets. Such access will be afforded by the applicable Party upon receipt of reasonable advance notice and during normal business hours, and will be conducted in such a manner as not to interfere unreasonably with the operation of the business of any Party or its respective Affiliates. The Party exercising the right of access hereunder will be solely responsible for any costs or expenses incurred by either Party in connection therewith. If the Party in possession of such books and records desires to dispose of any such books and records prior to the expiration of such seven-year period, such Party will, prior to such disposition, give the other Party a reasonable opportunity at such other Party's expense to segregate and take possession of such books and records as such other Party may select.

Section 7.3 Confidentiality .

(a) For a period of two (2) years following the Closing or the termination of this Agreement, Buyer will, and will cause its Affiliates and Buyer's Representatives to, hold all Confidential Information in strict confidence and not disclose any Confidential Information to any Person other than its Affiliates and Buyer's Representatives; provided, however, that upon the Closing, the provisions of Section 7.3 will expire with respect to any information principally related to the Purchased Assets or the Business. " Confidential Information " means all information in any form heretofore or hereafter obtained from Seller in connection with Buyer's evaluation of the Business or the Purchased Assets or the negotiation of this Agreement, whether pertaining to financial condition, results of operations, methods of operation or otherwise, other than information which is in the public domain through no violation of this Agreement or the Confidentiality Agreement by Buyer, its Affiliates, or Buyer's Representatives.

(b) Notwithstanding the foregoing, Buyer may disclose Confidential Information to the extent that such information is required to be disclosed by Buyer by Law or in connection with any proceeding by or before a Governmental Entity, including any disclosure, financial or otherwise, required to comply with the rules of any securities commission or exchange. In the event that Buyer believes any such disclosure is required, Buyer will give Seller notice thereof as promptly as possible and, at Seller's expense, will cooperate with Seller in seeking any protective orders or other relief as Seller may reasonably request.

(c) If the transactions contemplated hereby are not consummated, Buyer will promptly return to Seller or destroy all copies of any Confidential Information, including any materials prepared by Buyer or Buyer's Representatives incorporating or reflecting Confidential Information, and an officer of Buyer shall certify in writing compliance by Buyer with the foregoing; provided, however, that the foregoing shall not apply to computer back-up tapes or similar electronic archival storage.

(d) The provisions of this Section 7.3 supersede the Confidentiality Agreement.

Section 7.4 Notices of Events . Each Party shall, promptly after obtaining knowledge thereof, give written notice to the other Party of any event or condition that causes, or will cause, any representation or warranty of such Party to be inaccurate or that will result in the non-fulfillment of any of the conditions to the consummation of the transactions hereunder. Except as expressly provided in Section 7.1(b) and Section 7.16, neither such notice nor the receiving Party's resulting knowledge of the matters disclosed therein shall be deemed to waive or limit in any respect any representation or warranty, rights in respect thereof, or conditions to the consummation of the transactions under this Agreement.

Section 7.5 Expenses . Buyer shall bear sole responsibility for all filing fees of either Party incurred in connection with requesting or obtaining the CFIUS Approval. Except as provided by the foregoing, Buyer and Seller shall bear, in equal proportions, responsibility for payment of all other filing, recording, transfer, or other fees or charges of any nature in connection any Required Regulatory Approvals or otherwise payable pursuant to any provision of any Law, Order or Franchise in connection with the sale, transfer, and assignment by Seller of the Purchased Assets and the Assumed Obligations to Buyer. In addition, the Parties shall share equally the fees and expenses of such legal counsel as the Parties shall mutually agree will have primary responsibility for the preparation and prosecution of any and all applications and proceedings with respect to the Required Regulatory Approval of each Applicable Commission. Except as provided in the foregoing or to the extent otherwise specifically provided herein, and irrespective of whether the transactions contemplated hereby are consummated, all other costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby will be borne by the Party incurring such costs and expenses.

Section 7.6 Further Assurances .

(a) Subject to the terms and conditions of this Agreement, each of the Parties will use commercially reasonable efforts (which shall not include the payment by Buyer or Seller of any amounts or the reduction of amounts owed to Seller in connection with obtaining any consent required by this Agreement) to take, or cause to be taken, all action, and to do, or cause to be done, all things necessary, proper, or advisable under applicable Law to consummate and make effective the transactions contemplated hereby, including using commercially reasonable efforts to obtain satisfaction of the conditions precedent to each Party's obligations hereunder. Neither Party will, and each Party will cause its Affiliates not to, in each case without the prior written consent of the other Party, take any action which would reasonably be expected to prevent or materially impede, interfere with or delay the transactions contemplated by this Agreement.

(b) Notwithstanding anything in this Agreement or any Ancillary Agreement to the contrary, this Agreement and the Ancillary Agreements shall not constitute an agreement to transfer or assign any contract, agreement, permit, claim or right or any benefit or obligation arising thereunder or resulting therefrom if an attempted assignment thereof, without the consent of a third party, would constitute a breach or other contravention under any agreement or Law to which Seller is a party or by which it is bound, or in any way adversely affect the rights of Seller or, upon transfer, Buyer under such contract, agreement, permit, claim or right. Seller will use its commercially

reasonable efforts to obtain, promptly following the date hereof, any and all consents of third parties required to assign to Buyer Seller's rights under the Business Agreements. Buyer agrees to cooperate with Seller in Seller's efforts to obtain any consents of third parties required to assign to Buyer Seller's rights under the Business Agreements, including the submission of such financial or other information concerning Buyer and the execution of any assumption agreements or similar documents reasonably requested by a third party; provided, however, that notwithstanding the terms of any such agreement or document, no such agreement or document shall, as between the Parties, be deemed to alter the character of any liability or obligation as an Assumed Obligation or Excluded Liability hereunder or otherwise modify any of the rights or obligations of the Parties hereunder with respect thereto. To the extent that, notwithstanding its commercially reasonable efforts, Seller is unable to obtain any such required consent prior to the Closing, and as a result thereof Buyer shall be prevented by such third party from receiving the rights and benefits with respect to such Purchased Asset intended to be transferred hereunder, or if any attempted assignment would adversely affect the rights of Seller thereunder so that Buyer would not in fact receive all such rights or Seller would forfeit or otherwise lose the benefit of rights that Seller is entitled to retain, Seller and Buyer shall cooperate in any lawful and commercially reasonable arrangement, as Seller and Buyer shall agree, under which Buyer would, to the extent practicable, obtain the economic claims, rights and benefits under such asset and assume the economic burdens and obligations with respect thereto in accordance with this Agreement, including by subcontracting, sublicensing or subleasing to Buyer. Without in any way limiting the conditions to Closing set forth in Article VIII, Buyer agrees that other than liability arising from a failure to comply with this Section 7.6 or a breach of Seller's representations and warranties set forth in Article V hereof, Seller shall not have any liability to Buyer arising out of the failure to obtain any such consent that may be required in connection with the transactions contemplated by this Agreement or the Ancillary Agreements or because of any circumstances resulting therefrom.

(c) With respect to vehicles, equipment or other personal property that is used principally for the Business and that is leased by Seller pursuant to a personal property lease that cannot be assigned to Buyer, Seller will, to the extent requested by Buyer and to the extent Seller is reasonably able to do so upon commercially reasonable terms, prior to the Effective Time purchase the assets leased under such lease that are used principally for the Business, in which case such assets will be included in the Purchased Assets. Absent the foregoing, Seller shall use its commercially reasonable efforts to identify substitute assets owned by Seller and Buyer shall have the option to include in the Purchased Assets such substitute assets in lieu of the corresponding leased assets.

(d) Upon the Closing, Seller and Buyer shall enter into such arrangements as necessary to transfer to Buyer the rights, benefits, obligations and liabilities existing at Closing with respect to futures, options, and other derivative transactions not for physical delivery to the extent such transactions are utilized by Seller to manage gas supply price risk otherwise borne by customers of the Business, which may include Buyer entering into transactions with identical terms to those in the existing transactions for the remaining term thereof. To the extent necessary in connection with the

foregoing, the mark-to-market value of any such transaction existing at Closing shall be determined in accordance with the usual and customary practice employed by Seller in its hedging programs for the Business.

(e) Seller agrees to cooperate with any efforts by Buyer to obtain, at Buyer's sole cost and expense, (i) title insurance policies in respect of the Real Property, insuring title to the applicable Real Property as vested in Buyer; (ii) all surveys desired by Buyer in respect of the Real Property; and (iii) all estoppel certificates and non-disturbance agreements desired by Buyer in respect of any real property leases included in the Purchased Assets.

(f) From time to time on or after the Closing Date, Seller will, at Buyer's expense, execute and deliver such documents to Buyer as Buyer may reasonably request in order to more effectively consummate the transactions contemplated hereby. From time to time after the date hereof, Buyer will, at Seller's expense, execute and deliver such documents to Seller as Seller may reasonably request in order to more effectively consummate the transactions contemplated hereby. Following the Closing, each Party will promptly remit to the other any payments such Party receives that are in satisfaction of any rights or assets belonging to the other Party.

Section 7.7 Governmental Approvals .

(a) Within 45 days following the date hereof, Seller and Buyer will each file or cause to be filed (i) with each Applicable Commission, joint applications for the approval of the transactions contemplated hereby; and (ii) with the United States Department of the Treasury, Committee on Foreign Investment, all filings and submissions contemplated to be made or effected by them pursuant to the Exon-Florio Amendment. In addition, within three (3) months following the date hereof, Seller and Buyer will each file or cause to be filed, with the Federal Trade Commission and the United States Department of Justice, Antitrust Division, any notifications required to be filed under the HSR Act with respect to the transactions contemplated hereby, and shall therein request early termination of the waiting period under the HSR Act.

(b) Seller and Buyer will, and will cause their respective Affiliates to, cooperate with each other and use commercially reasonable efforts to (i) promptly prepare and file all necessary applications, notices, petitions, and filings, and execute all agreements and documents, to the extent required by Law or Order for consummation of the transactions contemplated by this Agreement (including the Required Regulatory Approvals), (ii) obtain the transfer to Buyer of all Transferable Permits and the reissuance to Buyer of all Permits that are not Transferable Permits, and (iii) obtain the consents, approvals, and authorizations of all Governmental Entities to the extent required by Law or Order for consummation of the transactions contemplated by this Agreement (including the Required Regulatory Approvals). Each Party will, and will cause its Affiliates to, consult and cooperate with the other Party as to the appropriate time of all such filing such notifications, furnish to the other Party such necessary information and reasonable assistance in connection with the preparation of such filings, and respond promptly to any requests for additional information made in connection

therewith by any Governmental Entity. Seller and Buyer each will have the right to review in advance all characterizations of the information relating to it or to the transactions contemplated by this Agreement which appear in any filing made by the other Party or any of its Affiliates in connection with the transactions contemplated hereby.

(c) Notwithstanding the foregoing or any other provision of this Agreement, neither Party shall be obligated to settle any proceeding with respect to the transactions contemplated by this Agreement, or any intervention therein, other than upon commercially reasonable terms, or to consent or agree to or otherwise take any action that, individually or in the aggregate, would have a material adverse effect on such Party or any of its Affiliates, that would have a Material Adverse Effect, or that constitutes or would result in a Burdensome Condition. As used herein, the term " Burdensome Condition " means a material adverse diminution in the benefits to such Party of the transactions contemplated by this Agreement, including, to the extent in the aggregate resulting in a material adverse diminution in such benefits, a reduction in the authorized rates and tariffs of the Business, a restriction on the ability to put into effect new rates and tariffs, a net increase in regulatory liabilities or net decrease in regulatory assets, additional service requirements not covered in rates, or otherwise, that in any case that is not taken into account in determining the Adjustment Amount under Section 3.2 hereof or otherwise cured (including by payment of consideration) by the other Party.

(d) To the fullest extent possible, in connection with any communications, meetings, or other contacts, oral or written, with any Governmental Entity in connection with the transactions contemplated hereby, each Party shall (and will cause its Affiliates to): (i) inform the other Party in advance of any such communication, meeting, or other contact which such Party or any of its Affiliates proposes or intends to make, including the subject matter, contents, intended agenda, and other aspects of any of the foregoing; (ii) consult and cooperate with the other Party, and to take into account the comments of such other Party in connection with any of the matters covered by Section 7.7(b); (iii) permit for representatives of the other Party to participate to the maximum extent possible in any such communications, meetings, or other contacts; (iv) notify the other Party of any oral communications with any Governmental Entity relating to any of the foregoing; and (v) provide the other Party with copies of all written communications with any Governmental Entity relating to any of the foregoing.

(e) Seller and Buyer will cooperate with each other and promptly prepare and file notifications with, and request Tax clearances from, federal, state and local taxing authorities in jurisdictions in which a portion of the Purchase Price may be required to be withheld or in which Buyer would otherwise be liable for any Tax liabilities of Seller pursuant to such federal, state and local Tax Law (other than any such liabilities which under the terms hereof are to be paid by Buyer).

Section 7.8 Tax Matters .

(a) All transfer, documentary, recording, notarial, sales, use, registration, stamp and other similar taxes, fees and expenses (including, but not limited to, all

applicable real estate transfer Taxes, and including any penalties, interest and additions to any such tax) (" Transaction Taxes ") incurred in connection with this Agreement and the transactions contemplated hereby shall be borne by Buyer, regardless of whether the Tax authority seeks to collect such Taxes from Seller or Buyer. Buyer and Seller shall cooperate in timely making and filing all Tax Returns as may be required to comply with the provisions of laws relating to such Transaction Taxes. To the extent permitted by applicable Law, Buyer will file all necessary Tax Returns and other documentation with respect to all Transaction Taxes, and, if required by applicable Law, Seller will join in the execution of any such Tax Returns or other documentation. Seller shall give prompt written notice to Buyer of any proposed adjustment or assessment of any Transaction Taxes with respect to the transaction, or of any examination of said transaction in a sales, use, transfer or similar Tax audit. In any proceedings, whether formal or informal, Seller shall permit Buyer to participate in and control the defense of such proceeding and shall take all actions and execute all documents required to allow such participation. Seller shall not negotiate a settlement or compromise of any Transaction Taxes without the prior written consent of Buyer, which consent shall not be unreasonably withheld or delayed.

(b) Seller will be responsible for the preparation and timely filing of all Tax Returns reflecting Taxes payable by Seller and the timely payment of all Taxes shown to be due on such returns. Buyer will be responsible for the preparation and timely filing of all Tax Returns reflecting Taxes payable by Buyer and the timely payment of all Taxes shown to be due on such returns. Any Tax Return that reflects Taxes to be prorated in accordance with Section 3.4 will be subject to the approval of the Party not preparing such return, which approval will not be unreasonably withheld or delayed. Each Party will make any such Tax Return prepared by it available for the other Party's review and approval no later than twenty (20) Business Days prior to the due date for filing such Tax Return. Within fifteen (15) Business Days after receipt and approval of such Tax Return, the approving Party will pay to the Party preparing the Tax Return the amount of such prorated Taxes shown as due on such approved Tax Return for which such approving Party is responsible under Section 3.4.

(c) Buyer and Seller will provide each other with such assistance as may reasonably be requested by the other Party in connection with the preparation of any Tax Return, any audit or other examination by any taxing authority, or any judicial or administrative proceedings relating to liability for Taxes, and each Party will retain and provide the other with any records or information which may be relevant to such return, audit or examination or proceedings. Any information obtained pursuant to this Section 7.8(c) or pursuant to any other Section hereof providing for the sharing of information in connection with the preparation of, or the review of, any Tax Return or other schedule relating to Taxes will be kept confidential by the Parties, except to the extent that any disclosure thereof is required by applicable Law or Governmental Entity.

(d) Prior to the Closing, the Parties shall cooperate with each other and use their commercially reasonable efforts to establish the consideration for or value of real property interests conveyed pursuant to this Agreement for purposes of any

documentary transfer tax payable as a result of the transactions contemplated by this Agreement.

Section 7.9 Employees .

(a) Schedule 7.9(a) sets forth a list of the Business Employees as of the date hereof. In the event that any Business Employee ceases to be employed by Seller and its Affiliates, Seller (i) by delivery of written notice thereof to Buyer, shall promptly update Schedule 7.9(a) to remove from such list the name of such person, and (ii) shall use commercially reasonable efforts to fill such position with a person of comparable qualifications, skill and experience reasonably acceptable to Buyer. Upon such replacement, Schedule 7.9(a) shall be updated to include the name of such person. Seller shall not otherwise modify Schedule 7.9(a) without the prior written consent of Buyer.

(b) By such date as may be reasonably requested by Seller (and no later than twenty (20) Business Days prior to the anticipated Closing Date), Buyer will give Qualifying Offers of employment to each of the Business Employees. As used herein, a " Qualifying Offer " means an offer by Buyer to continue employment with the Business (i) at a level of base pay at least equal to such employee's base pay in effect immediately prior to the Closing Date, (ii) with a primary work location within a thirty (35) mile radius from such employee's primary work location immediately prior to the Closing Date, and (iii) with benefits that, together with wages, are in the aggregate substantially comparable to the aggregate benefits and wages in effect for such employee immediately prior to the Closing Date. All Qualifying Offers of employment made by Buyer pursuant to this Section 7.9(b) will be made in accordance with all applicable Laws, will be conditioned only on the occurrence of the Closing, and will include such additional information as shall be mutually agreed by Seller and Buyer. As of the Closing Date, all Business Employees shall be deemed to be employees of Buyer, unless at least five (5) Business Days prior to the Closing Date such Business Employee has failed to accept in writing Seller's Qualifying Offer of employment. Buyer shall keep Seller reasonably apprised as to the status of all such offers. Following acceptance of such offers, Buyer will provide written notice thereof to Seller, and Seller will provide Buyer with access to the Transferred Employee Records. Each such person who becomes employed by Buyer pursuant to this Section 7.9(b) is referred to herein as a " Transferred Employee ."

(c) From and after the Effective Time, Buyer shall recognize the union locals set forth on Schedule 7.9(c) as the exclusive bargaining representatives of the bargaining units set forth on Schedule 7.9(c) that include Transferred Employees, to the extent required by applicable Law.

(d) Seller will reasonably cooperate with Buyer's efforts to encourage the Business Employees to accept employment with Buyer, and with Buyer's efforts to fill positions reasonably necessary for the operation of the Business following the Closing. Prior to the Closing neither Seller nor any of its Affiliates shall transfer or reassign any Business Employees to positions outside of the Business. Upon the Closing, Seller and

its Affiliates will terminate the employment of all Business Employees with Seller and its Affiliates (subject to and in accordance with any Collective Bargaining Agreement) and, for a period of eighteen (18) months following the Closing, Seller will not, and will cause its Affiliates not to, solicit for employment any such Business Employees who are still employed by Buyer or any other employees of Buyer or otherwise encourage any such person to terminate employment with Buyer.

Section 7.10 Employee Benefits .

(a) Seller or its Affiliates will pay or cause to be paid to all Transferred Employees all compensation to which such Transferred Employees are entitled upon or prior to the Effective Time, including all vacation days that are accrued but unused as of the Effective Time. Seller shall be responsible for all liabilities and obligations associated with or arising with respect to employee benefits provided by Seller to the Transferred Employees upon or prior to the Closing, regardless of whether such liabilities or obligations must be satisfied before or after the Effective Time. In no event shall Buyer be responsible for the payment of any severance benefits as a result of the termination of employment of Transferred Employees or any other Person by Seller or any of its Affiliates.

(b) As of the Effective Time and for a period expiring at the end of the first full calendar year following Closing (the " Continuation Period "), Buyer will cause the Transferred Employees to be covered by Buyer-sponsored benefit plans that provide benefits which, together with wages, are in the aggregate substantially comparable to the benefits and wages in effect for the Transferred Employees immediately prior to the Closing Date, including pension and other post-employment benefits that, in the aggregate, are materially similar to the pension and other post-retirement benefits in effect for the Transferred Employees immediately prior to the Closing Date. The form and terms of any particular benefit plan offered by Buyer shall be as determined by Buyer, subject to the foregoing and the other provisions of this Section 7.10.

(c) Buyer will recognize the service and seniority of each of the Transferred Employees recognized by Seller for all benefits purposes, including eligibility for, vesting and accrual of, and determination of the levels of such benefits. However, service will not be recognized to the extent it would result in duplication of benefits for the same period of service.

(d) As soon as practicable after, and in any event within ninety (90) days after, and effective as of, the Closing Date (i) Buyer shall establish or designate, or cause to be established or designated, a defined benefit pension plan and trust intended to qualify under Section 401(a) and Section 501(a) of the Code (the " Buyer's Pension Plan ") and (ii) upon receipt by Seller of written evidence of the adoption or designation of Buyer's Pension Plan and the trust thereunder by Buyer and either (A) the receipt by Buyer of a copy of a favorable determination letter issued by the IRS with respect to Buyer's Pension Plan or (B) other evidence reasonably satisfactory to Seller that the terms of Buyer's Pension Plan and its related trust qualify under Section 401(a) and Section 501(a) of the Code, Seller shall direct the trustees of Seller's Pension Account

Plan (the " Seller's Pension Plan ") to transfer assets having a value as of the actual date of such transfer (the " Actual Transfer Date ") equal to the amount with respect to all Transferred Employees, determined as of the Closing Date by the enrolled actuary of Seller's Pension Plan (the " Seller's Actuary "), in accordance with Section 4044 of ERISA, Treasury Regulation Section 1.414(l)-1(h) governing *de minimus* transfers and the other requirements of Section 414(l) of the Code and the regulations thereunder, and interest and other assumptions mutually agreed upon by Seller's Actuary and Buyer's actuary (the " Pension Plan Assumptions "), with any disputes to be resolved by an actuary mutually agreed upon by Seller's Actuary and Buyer's actuary (such amount, the " Asset Transfer Amount ") from the trust(s) under Seller's Pension Plan to the trust under Buyer's Pension Plan. Buyer's actuary shall have the right to review all such determinations and related work papers. For illustrative purposes, as of the date hereof, Seller's Actuary believes that the Pension Plan Assumptions should be as set forth in Schedule 7.10(d) .

The Asset Transfer Amount shall be adjusted to reflect benefit payments to Transferred Employee-Participants and assumed investment return (based upon the Pension Plan Assumptions), with respect to the period between the Closing Date and the Actual Transfer Date. All determinations by Seller's Actuary under this Section 7.10(d) shall be final and binding, absent manifest error. At the time of transfer of the Asset Transfer Amount in accordance with this Section 7.10 (d), Buyer and Buyer's Pension Plan shall assume all liabilities for all accrued benefits as of the Closing Date, including all ancillary benefits, under Seller's Pension Plan in respect of all Transferred Employees, and each of Seller and Seller's Pension Plan shall be relieved of all liabilities for such benefits. Upon the transfer of the Asset Transfer Amount in accordance with this Section 7.10(d), Buyer agrees to indemnify and hold harmless Seller, its Affiliates and their respective Affiliates and Representatives from and against any and all costs, damages, losses, expenses, or other liabilities arising out of or related to Buyer's Pension Plan, in respect of all Transferred Employees, including benefits accrued by such Transferred Employees prior to the Closing Date that are provided by Buyer's Pension Plan, and Seller shall have no further obligation with respect to such assumed obligations. Buyer and Seller shall provide each other such records and information as may be necessary or appropriate to carry out their obligations under this Section 7.10(d) or for the purposes of administration of Buyer's Pension Plan, and they shall cooperate in the filing of documents required by the transfer of assets and liabilities described herein. Notwithstanding anything contained herein to the contrary, no such transfer shall take place until the 31st day following the filing of all required Forms 5310 in connection therewith.

(e) Seller shall fully vest all Transferred Employees in their account balances under Seller's Retirement Savings Plan (the " Seller's 401(k) Plan "), effective as of the Closing Date. Effective as of the Closing Date, Buyer shall maintain or designate, or cause to be maintained or designated, a defined contribution plan and related trust intended to be qualified under Sections 401(a), 401(k) and 501(a) of the Code (the " Buyer's 401(k) Plan "). Effective as of the Closing Date, the Transferred Employees shall cease participation in Seller's 401(k) Plan, and shall commence participation in Buyer's 401(k) Plan. As soon as practicable after the Closing Date (but in any event not

before any required filings with the IRS have become effective), Seller shall cause the trustee of the trust established under Seller's 401(k) Plan to transfer to the trustee of the trust established under the Buyer's 401(k) Plan all assets and liabilities attributable to the accounts of the Transferred Employees under Seller's 401(k) Plan as of the date of such transfer (including all applicable plan loans), and Buyer shall cause the trustee of the trust established under Buyer's 401 (k) Plan to accept such transfer. Until such time as assets are transferred from Seller's 401(k) Plan to Buyer's 401(k) Plan as contemplated in the foregoing provisions of this Section 7.10(e), Seller and Buyer shall cooperate to take such steps as may be necessary to permit any Transferred Employee with an outstanding plan loan under Seller's 401(k) Plan as of the Closing Date to make timely loan service payments to Seller's 401(k) Plan through Buyer's (or its applicable Affiliate's) payroll deductions.

(f) As of the Closing Date, the Transferred Employees shall cease to be eligible to participate in Seller's post-retirement health and welfare benefit plans, and Buyer shall assume, or cause to be assumed, all obligations and liabilities for post-retirement health and life insurance benefits under the applicable post-retirement health or welfare benefit plan of Seller (the " Seller's Retiree Plan ") as of the Closing Date with respect to each Transferred Employee. During the Continuation Period (i) the eligibility criteria under such benefit plan of Buyer shall be the same as the eligibility criteria under Seller's Retiree Plan immediately prior to the Closing Date and (ii) such benefits (including cost of coverage) provided under the benefit plan of Buyer shall be substantially equivalent to those provided under Seller's Retiree Plan immediately prior to the Closing Date. As soon as reasonably practicable on or after the Closing, (1) Buyer shall establish, or cause to be established, or designate, or cause to be designated, a trust or trusts intended to qualify under Section 501(c)(9) of the Code (the " Buyer's Trust ") and (2) upon receipt by Seller of written evidence of the adoption or designation of Buyer's Trust by Buyer, Seller shall cause Seller's trust or trusts qualifying under Section 501(c)(9) of the Code which were established in respect of such post-retirement health and welfare benefits for Transferred Employees (the " Seller's Trust ") to transfer to Buyer's Trust an amount equal to the fair market value as of the Closing Date of the assets held in Seller's Trust with respect to all Transferred Employees, which amount shall be reflected in the calculation of the OPEB Adjustment Amount pursuant to Appendix A . The accumulated benefit obligation of Seller with respect to the Transferred Employees under the Seller's Retiree Plan shall be calculated in accordance with assumptions mutually agreed upon by Seller's Actuary and Buyer's actuary (the " Retiree Plan Assumptions "), with any disputes to be resolved by an actuary mutually agreed upon by Seller's Actuary and Buyer's actuary. For illustrative purposes, as of the date hereof, Seller's Actuary believes that the Retiree Plan Assumptions should be as set forth in Schedule 7.10(f) .

(g) Buyer will waive or cause the waiver of all limitations under its health and life insurance welfare benefit plans as to pre-existing conditions and actively-at-work exclusions and waiting periods for the Transferred Employees. All health care expenses incurred by Transferred Employees or any eligible dependent thereof, including any alternate recipient pursuant to qualified medical child support orders, in the portion of the calendar year preceding the Closing Date that were qualified to be taken into account for

purposes of satisfying any deductible or out-of-pocket limit under any Seller health care plans will be taken into account for purposes of satisfying any deductible or out-of-pocket limit under the health care plan of Buyer for such calendar year. Seller's Benefit Plans that are welfare plans shall retain all liabilities for claims incurred prior to the Closing Date.

(h) Effective as of the Closing Date, Buyer shall have in effect, or cause to be in effect, flexible spending reimbursement accounts under a cafeteria plan qualified under Section 125 of the Code (the " Buyer's Cafeteria Plan "). Each Transferred Employee who participated as of the Closing Date (collectively, the " Cafeteria Plan Participants ") in a plan maintained by Seller that is qualified under Section 125 of the Code (the " Seller's Cafeteria Plan ") shall participate in Buyer's Cafeteria Plan effective as of the Closing Date. During the period from the Closing Date until the last day of the plan year of Seller's Cafeteria Plan that commenced immediately prior to the Closing Date, Buyer shall continue, or shall cause to be continued, the salary reduction elections made by the Cafeteria Plan Participants as in effect as of the Closing Date, and each Cafeteria Plan Participant shall be entitled to reimbursement from such participant's flexible spending reimbursement accounts under Buyer's Cafeteria Plan on the same terms and conditions as would have been applicable to such participant had such participant continued to be employed by Seller during such period. As soon as practicable following the Closing Date, Seller shall cause to be transferred from Seller's Cafeteria Plan to Buyer's Cafeteria Plan the excess, if any, of the aggregate accumulated contributions to the flexible spending reimbursement accounts made by Cafeteria Plan Participants prior to the Closing during the year in which the Closing occurs over the aggregate reimbursement payouts paid to the Cafeteria Plan Participants for such year from such accounts. From and after the Closing, Buyer shall assume, or cause to be assumed, and be solely responsible for all unreimbursed claims made by the Cafeteria Plan Participants under Seller's Cafeteria Plan that were incurred for the plan year of Seller's Cafeteria Plan that commenced prior to the Closing, or that are incurred anytime thereafter.

(i) If Buyer terminates the employment of any Transferred Employee within the Continuation Period for any reason other than misconduct, Buyer will provide such Transferred Employee with severance benefits that are at least as generous to such Transferred Employee as the severance benefits to which such Transferred Employee would have been entitled had the employee remained covered under Seller's severance arrangement in effect as of the date hereof and terminated employment without reemployment by a successor employer. The terms of Seller's severance arrangement in effect as of the date hereof are set forth in Schedule 7.10(i) .

(j) Seller will be responsible, with respect to the Business, for performing and discharging all requirements under the WARN Act and under applicable Law for the notification of its employees of any "employment loss" within the meaning of the WARN Act which occurs on or prior to the Closing.

(k) Seller will be responsible for providing COBRA Continuation Coverage to any current and former employees of Seller, or to any qualified beneficiaries of such employees, who become entitled to COBRA Continuation Coverage on or before the

Closing, including those for whom the Closing occurs during the COBRA election period. Buyer will be responsible for extending and continuing to extend COBRA Continuation Coverage to all Transferred Employees (and their qualified beneficiaries) who become entitled to such COBRA Continuation Coverage following the Closing.

(l) Individuals who would otherwise be Transferred Employees but who on the Closing Date are not actively at work due to a short term leave of absence covered by the Family and Medical Leave Act or are not actively at work due to military leave or other authorized leave of absence of a period of less than one year from the date hereof, including short-term disability, will be treated as Transferred Employees on the date that they are able to return to work (provided that such return to work occurs within the authorized period of their leaves following the Closing Date or otherwise within the period prescribed by the applicable statute for such leave) and perform the essential functions of their jobs with or without reasonable accommodation. In no event shall an individual on long term disability as of the Effective Time or an authorized leave of absence for a period exceeding one year from the Effective Time (other than applicable military leave) be eligible to become a Transferred Employee, and Buyer shall not be liable for any costs or responsibilities associated with respect to such individual.

(m) Seller hereby acknowledges that, for FICA and FUTA tax purposes, Buyer qualifies as a successor employer with respect to the Transferred Employees. In connection with the foregoing, the parties agree to follow the "Alternative Procedures" set forth in Section 5 of Revenue Procedure 2004-53, 2004-2 C.B. 320. In connection with the application of the "Alternative Procedures," (i) Seller and Buyer each shall report on a predecessor-successor basis as set forth in such Revenue Procedure, (ii) provided that Seller provide to Buyer all necessary payroll records for the calendar year that includes the Closing Date, Seller shall be relieved from furnishing Forms W-2 to employees of Seller that become employees of Buyer, and (iii) provided that Seller provide to Buyer all necessary payroll records for the calendar year that includes the Closing Date, Buyer shall assume the obligations of Seller to furnish such Forms W-2 to such employees for the full calendar year in which the Closing occurs.

Section 7.11 Loss and Damage. In the event that any loss, damage, impairment, confiscation or condemnation occurs to any of the Purchased Assets prior to the Effective Time that results in any property or asset ceasing to be used and useful in the Business as of the time of the Closing, such property or asset shall be an Excluded Asset and the book value thereof shall be deducted in the adjustment of the Purchase Price. If Seller elects to do so, Seller shall repair, replace or restore the Purchased Assets as soon as reasonably possible to their prior condition. In the event that prior to Closing any such repair, replacement or restoration is not completed, and Seller has not undertaken in a written agreement reasonably acceptable to Buyer to cause such assets to be repaired, replaced or restored to their prior condition following the Closing at Seller's expense, then notwithstanding any other provision of this Agreement, the Purchase Price will be reduced by the cost of such replacement or repair as reasonably estimated by Buyer and Seller; provided, however, that in the event that the cost of such replacement or repair is subsequently recovered by Buyer through rates or the proceeds of insurance or otherwise, Buyer shall pay to Seller to amount of such recovery.

Section 7.12 Transitional Use of Signage . Following the Closing, Buyer shall, as soon as practicable, but in no event later than sixty (60) days following the Closing Date, cease to (a) make any use of any Seller Marks, and (b) hold themselves out as having any affiliation with Seller or any of its Affiliates. In furtherance thereof, as soon as practicable but in no event later than sixty (60) days following the Closing Date, Buyer shall remove, strike over, or otherwise obliterate all Seller Marks from the Purchased Assets and all other assets and materials owned or used by Buyer, including any vehicles, business cards, schedules, stationery, packaging materials, displays, signs, promotional materials, manuals, forms, websites, email, computer software, and other materials and systems. Any use by Buyer of any of the Seller Marks as permitted in this Section 7.12 is subject to Buyer's compliance with the quality control requirements and guidelines in effect for the Seller Marks as of the Closing Date (as may be amended by Seller from time to time following the Closing). Buyer shall not use the Seller Marks in a manner that may reflect negatively on such Seller Marks or on Seller or its Affiliates.

Section 7.13 Litigation Support . In the event and for so long as either Party is actively contesting or defending any third-party Claim in connection with (a) any transaction contemplated under this Agreement or (b) any fact, situation, circumstance, status, condition, activity, practice, plan, occurrence, event, incident, action, failure to act, or transaction involving the Business, the other Party will cooperate with the contesting or defending Party and its counsel in the contest or defense, make available its personnel, and provide such testimony and access to its books and records as is reasonably necessary in connection with the contest or defense, all at the sole cost and expense of the contesting or defending Party (unless the contesting or defending Party is entitled to indemnification therefor under Article IX hereof).

Section 7.14 Notification of Customers . As soon as practicable following the Closing, Seller and Buyer will cause to be sent to customers of the Business written notice that such customers have been transferred from Seller to Buyer. Such notice will contain such information as is required by Law and approved by Buyer and Seller, which approval will not be unreasonably withheld or delayed.

Section 7.15 Public Statements . Each Party will, and will cause its Affiliates to, consult with the other Party prior to issuing, and will consider in good faith any comments by the other Party to or in respect of, any public announcement, statement, or other disclosure with respect to this Agreement or the transactions contemplated hereby, except as may be required by Law or the rules of any securities commission or exchange.

Section 7.16 Supplements to Seller Disclosure Schedules . From time to time prior to the Closing, except as provided in Section 7.1(b), Seller shall supplement or amend the Seller Disclosure Schedules as promptly as necessary to properly reflect matters arising after the date hereof or, in the case of matters that are based on Seller's Knowledge, matters that first come to Seller's Knowledge after the date hereof, that, in any case, if existing on the date hereof would constitute a breach of any of Seller's representations and warranties hereunder if not set forth on, or described in, the Seller Disclosure Schedules (" Schedule Update "); provided, however, that any such Schedule Update shall be disregarded for purposes of the satisfaction of the conditions to Closing and shall not be deemed to cure a breach of any covenant or agreement set forth in this Agreement. In the event that Seller provides written notice to Buyer prior to Closing that such matters, individually or in the aggregate, constitute a Material Adverse Effect and the

Closing nevertheless occurs, any breach of any representation or warranty made by Seller which would exist absent such Schedule Update will be deemed cured and all rights of Buyer with respect to such breach shall be deemed waived, except as provided in Section 7.1(b).

ARTICLE VIII
CONDITIONS TO CLOSING

Section 8.1 Conditions to Each Party's Closing Obligations . The respective obligations of each Party to effect the transactions contemplated hereby are subject to the fulfillment or joint waiver by the Parties at or prior to the Closing Date of the following conditions:

(a) The waiting period under the HSR Act, including any extension thereof, applicable to the consummation of the transactions contemplated hereby shall have expired or been terminated; and

(b) No Order (whether temporary, preliminary or permanent) which prevents the consummation of the transactions contemplated hereby shall have been issued and remain in effect (each Party agreeing to use its commercially reasonable efforts to have any such Order lifted) and no Law shall have been enacted which directly or indirectly prohibits the consummation of the transactions contemplated hereby.

Section 8.2 Conditions to Buyer's Closing Obligations . The obligation of Buyer to effect the transactions contemplated hereby is subject to the fulfillment or waiver by Buyer at or prior to the Closing Date of the following additional conditions:

(a) No change or event shall have occurred since the date hereof, that individually or in the aggregate, has had or would have a Material Adverse Effect;

(b) Seller shall have performed and complied in all material respects with the covenants and agreements contained in this Agreement which are required to be performed and complied with by Seller on or prior to the Closing Date;

(c) The representations and warranties of Seller set forth in Article V of this Agreement shall be true and correct, disregarding any materiality or Material Adverse Effect qualifications therein, as of the Effective Time as though made at and as of the Effective Time (except to the extent that any such representation or warranty speaks as of a particular date, in which case such representation and warranty will be true and correct only as of such date), except for any failure or failures of such representations and warranties to be true and correct that would not, individually or in the aggregate, result in a Material Adverse Effect;

(d) Buyer shall have received a certificate from Seller, signed on its behalf by a senior executive officer of Seller and dated the Closing Date, to the effect that the conditions set forth in Sections 8.2(b) and 8.2(c) have been satisfied;

(e) The Required Regulatory Approvals shall have been obtained and shall have become Final Regulatory Orders, shall not impose a Burdensome Condition on

Buyer, and shall not or would not have a Material Adverse Effect or a material adverse effect on Buyer and its Affiliates, taken as a whole;

(f) Except as would not, individually or in the aggregate, result in a Material Adverse Effect or a material adverse effect on Buyer and its Affiliates, taken as a whole, all consents and approvals of third parties (other than the Required Regulatory Approvals) required in connection with the consummation of the transactions contemplated hereby shall have been obtained;

(g) All Encumbrances (other than Permitted Encumbrances) on the Purchased Assets shall have been released; and

(h) Buyer shall have received the other items to be delivered pursuant to Section 4.3.

Section 8.3 Conditions to Seller's Closing Obligations . The obligation of Seller to effect the transactions contemplated hereby is subject to the fulfillment or waiver by Seller at or prior to the Closing Date of the following additional conditions:

(a) Buyer shall have performed and complied in all material respects with the covenants and agreements contained in this Agreement which are required to be performed and complied with by Buyer on or prior to the Closing Date;

(b) The representations and warranties of Buyer set forth in Article VI shall be true and correct, disregarding any materiality or Material Adverse Effect qualifications therein, as of the Effective Time as though made at and as of the Effective Time (except to the extent that any such representation or warranty speaks as of a particular date, in which case such representation and warranty will be true and correct only as of such date), except for any failure or failures of such representations and warranties to be true and correct that do not, individually or in the aggregate, cause such representations and warranties of Buyer to be materially inaccurate taken as a whole or have a material adverse effect on the ability of Buyer to perform its obligations under this Agreement or consummate the transactions contemplated hereby on a timely basis;

(c) Seller shall have received a certificate from Buyer, signed on its behalf by a senior executive officer of Buyer and dated the Closing Date, to the effect that the conditions set forth in Sections 8.3(a) and 8.3(b) have been satisfied;

(d) The Required Regulatory Approvals shall have been obtained and shall have become Final Regulatory Orders, shall not impose a Burdensome Condition on Seller, and shall not or would not result in a material adverse effect on Seller and its Affiliates, taken as a whole;

(e) Except as would not, in the aggregate, result in a material adverse effect on Seller and its Affiliates, taken as a whole, all consents and approvals of third parties (other than the Required Regulatory Approvals) required in connection with the consummation of the transactions contemplated hereby shall have been obtained; and

(f) Seller shall have received the other items to be delivered pursuant to Section 4.4.

ARTICLE IX
INDEMNIFICATION

Section 9.1 Survival of Representations, Warranties, and Certain Covenants . The representations and warranties contained in this Agreement and the covenants and agreements contained in this Agreement which by their terms are to be performed prior to or at the Closing will survive the Closing and will expire fourteen (14) months after the Closing Date, except that the representations and warranties in Sections 5.1, 5.2, 5.8, 5.17, 6.1, 6.2, and 6.5 will survive indefinitely, and the representations and warranties in Section 5.13 will survive until thirty (30) days following the expiration of the applicable statute of limitations.

Section 9.2 Indemnification .

(a) Subject to Section 9.1 and Section 9.4 hereof, from and after the Closing, Seller will indemnify, defend, and hold harmless Buyer and its Affiliates (the " Buyer Indemnitees ") from and against any and all Claims and Losses (each, an " Indemnifiable Loss ") incurred or suffered by any Buyer Indemnitee to the extent resulting from or arising out of:

(i) any breach by Seller of any of the representations and warranties of Seller contained in this Agreement, disregarding any materiality or Material Adverse Effect qualifications therein, or of any covenant or agreement of Seller contained in this Agreement which by its terms is to be performed prior to or at the Closing;

(ii) any breach by Seller of any covenant or agreement of Seller contained in this Agreement not covered by Section 9.2(a)(i);

(iii) the Excluded Liabilities; or

(iv) any liability to credit, offset or refund to customers in any manner any amount as a result of any final determination, approval or disallowance by an Applicable Commission with regard to purchased gas cost recovery amounts (however designated) attributable to any period prior to the Effective Time, except to the extent deducted in the determination of the Adjustment Amount pursuant to Section 3.2.

(b) Subject to Section 9.1 and Section 9.4 hereof, from and after the Closing, Buyer will indemnify, defend, and hold harmless Seller and its Affiliates (the " Seller Indemnitees ") from and against any and all Indemnifiable Losses incurred or suffered by any Seller Indemnitee to the extent resulting from or arising out of:

(i) any breach by Buyer of any of the representations and warranties of Buyer contained in this Agreement, disregarding any materiality or Material Adverse Effect qualifications therein, or of any covenant or agreement of Buyer

contained in this Agreement which by its terms is to be performed prior to the Closing;

(ii) any breach by Buyer of any covenant or agreement of Buyer contained in this Agreement not covered by Section 9.2(b)(i); or

(iii) the Assumed Obligations.

Section 9.3 Indemnification Procedures .

(a) Third Party Claims . If any Person entitled to receive indemnification under this Agreement (an " Indemnitee ") receives notice of the assertion or commencement of any Claim by any Person who is neither a Party to this Agreement nor an Affiliate of a Party to this Agreement (a " Third Party Claim ") for which the Indemnitee claims a right to indemnification hereunder from the other Party (the " Indemnifying Party "), the Indemnitee will promptly give written notice of such Third Party Claim to the Indemnifying Party. Such notice will describe the nature of the Third Party Claim in reasonable detail and indicating the estimated amount, if practicable, of the Indemnifiable Loss that has been or may be sustained by the Indemnitee, and the Indemnitee shall provide the Indemnifying Party with such other information with respect to the Third Party Claim as the Indemnifying Party may reasonably request. The Indemnifying Party, at its sole cost and expense, will have the right, upon written notice to the Indemnitee, to assume the defense of the Third Party Claim, provided, that (i) the Indemnifying Party, within thirty (30) days after the receipt of notice thereof, notifies in writing the Indemnitee of its intent to defend such Third Party Claim and expressly confirms in writing its unqualified obligation to indemnify and hold harmless the Indemnitee for the full amount of any Loss that is reasonably likely to result from such Third Party Claim; (ii) the claim solely seeks (and continues to seek) monetary damages; and (iii) the defense of such claim by counsel selected by the Indemnifying Party will not, in the reasonable judgment of counsel to the Indemnitee, create a conflict or potential conflict of interest between such parties.

(b) Defense of Third Party Claims . If the Indemnifying Party assumes the defense of a Third Party Claim pursuant to Section 9.3(a), the Indemnifying Party will appoint counsel reasonably acceptable to the Indemnitee for the defense of such Third Party Claim, will diligently pursue such defense, and will keep the Indemnitee reasonably informed with respect to such defense. The Indemnitee shall cooperate with the Indemnifying Party and its counsel, including permitting reasonable access to books, records, and personnel, in connection with the defense of any Third Party Claim. The Indemnitee will have the right to participate in such defense, including appointing separate counsel, but the costs of such participation shall be borne solely by the Indemnitee. The Indemnifying Party will have full authority, in consultation with the Indemnitee, to make all decisions and determine all actions to be taken with respect to the defense and settlement of the Third Party Claim; provided, however, that the Indemnifying Party shall not pay, compromise, settle, or otherwise dispose of such Third Party Claim without the prior written consent of the Indemnitee unless such settlement involves only the payment of money, such payment is made in full solely by

the Indemnifying Party without recourse to the Indemnitee, and such settlement does not impose any obligations or restrictions on the Indemnitee of any nature. In no event will the Indemnifying Party have authority to agree, without the consent of the Indemnitee, to any relief binding on the Indemnitee other than the payment of money damages by the Indemnifying Party without recourse to the Indemnitee.

(c) Failure to Assume Defense . Whether or not the Indemnifying Party assumes the defense of a Third Party Claim, the Indemnitee shall not admit any liability with respect to, or settle, compromise or discharge, or offer to settle, compromise or discharge, such Third Party Claim without the Indemnifying Party's prior written consent (which consent shall not be withheld unless the Indemnifying Party confirms in writing its unqualified obligation to indemnify and hold harmless the Indemnitee for the full amount of any Loss that is reasonably likely to result from such Third Party Claim).

(d) Direct Losses . Any claim by an Indemnitee on account of an Indemnifiable Loss that does not result from a Third Party Claim (a " Direct Loss ") will be asserted by giving the Indemnifying Party prompt written notice thereof, stating the nature of such Loss in reasonable detail and indicating the estimated amount, if practicable. The Indemnitee shall provide the Indemnifying Party with such other information with respect to the Direct Loss as the Indemnifying Party may reasonably request and shall cooperate with the Indemnifying Party and its counsel, including permitting reasonable access to books, records, and personnel, in connection with determining the validity of any claim for indemnity by the Indemnitee and in otherwise resolving such matters. The Indemnifying Party will have a period of twenty (20) Business Days within which to respond to such claim of a Direct Loss. If the Indemnifying Party rejects such claim, or does not respond within such period, the Indemnitee may seek enforcement of its rights to indemnification under this Agreement.

(e) Delay . A failure to give timely notice as provided in this Section 9.3 will affect the rights or obligations of a Party hereunder only to the extent that, as a result of such failure, the Party entitled to receive such notice was actually prejudiced as a result of such failure. Notwithstanding the foregoing, no claim for indemnification made after expiration of the applicable survival period with respect to the representation, warranty or covenant on which such claim is based set forth in Section 9.1 will be valid.

Section 9.4 Limitations on Indemnification .

(a) A Party may assert a claim for indemnification hereunder only to the extent the Indemnitee gives notice of such claim to the Indemnifying Party in accordance with Section 9.3 prior to the expiration of the applicable survival period with respect to the representation, warranty or covenant on which such claim is based, if any, set forth in Section 9.1.

(b) Notwithstanding any other provision of this Article IX:

(i) Except as provided in Section 9.4(b)(iii), in no event shall either Party be liable for indemnification pursuant to Section 9.2(a)(i), Section 9.2(a)(iv)

or Section 9.2(b)(i) hereof (i) for any item or items arising out of the same facts, events or circumstances where the Indemnifiable Loss relating thereto is less than $100,000 and (ii) in respect of each individual item where the Indemnifiable Loss relating thereto is equal to or greater than $100,000, unless and until the aggregate of all Indemnifiable Losses which are incurred or suffered by the Buyer Indemnitees or Seller Indemnitees, respectively, exceeds 2% of the Purchase Price, in which case the Buyer Indemnitees or Seller Indemnitees, as applicable, shall be entitled, subject to Section 9.4(b)(ii), to indemnification for (A) 50% of all such Indemnifiable Losses up to 2% of the Purchase Price and (B) all such Indemnifiable Losses in excess of 2% of the Purchase Price. All Indemnifiable Losses arising under Section 9.2(a)(iv) shall be deemed to be a single item for purposes of the foregoing.

(ii) Except as provided in Section 9.4(b)(iii), neither Seller nor Buyer shall be required to make payments for indemnification pursuant to Section 9.2(a)(i) or Section 9.2(b)(i), respectively, in an aggregate amount in excess of twelve and on-half percent (12.5%) of the Purchase Price.

(iii) The limitations specified in Section 9.4(b)(i) and Section 9.4(b)(ii) shall not apply to Indemnifiable Losses arising out of any breach of any of the representations and warranties in Sections 5.1, 5.2, 5.8, 5.13, 5.17, 6.1, 6.2, or 6.5, but in no case shall either Seller or Buyer be required to make payments for indemnification pursuant to Section 9.2(a)(i) or Section 9.2(b)(i), respectively, in an aggregate amount in excess of one hundred percent (100%) of the Purchase Price.

(c) Notwithstanding anything contained in this Agreement to the contrary, except for the representations and warranties expressly contained in Article V and the Seller Disclosure Schedules, neither Seller nor any other Person is making any other express or implied representation or warranty of any kind or nature whatsoever (including with respect to Seller, the Business, the Purchased Assets, the Assumed Obligations or the transactions contemplated by this Agreement), and Seller hereby disclaims any other representations or warranties, whether made by such Party or its Affiliates, officers, directors, employees, agents, or representatives, including the implied warranty of merchantability and any implied warranty of fitness for a particular purpose.

(d) In the event that Buyer proceeds to the Closing notwithstanding written notice from Seller prior to Closing that any breach by Seller of any representation or warranty in this Agreement, individually or in the aggregate with any other breaches of Seller's representations and warranties in this Agreement, constitutes a Material Adverse Effect, no Buyer Indemnitees shall have any claim or recourse against Seller or any of its Affiliates with respect to such breach, under this Article IX or otherwise.

(e) In addition to the other limitations set forth in this Article IX, with respect to any claim for indemnification regarding any breach of any representation and warranty set forth in Section 5.12: (i) to the extent applicable, Seller's indemnification

obligation shall be limited to the cost of the least restrictive standard or remedy acceptable to each applicable Governmental Entity under applicable Environmental Law (including engineering or institutional controls) based on the industrial use of the relevant facility or property, proximity of commercial and residential areas, and all other relevant factors; provided, that the use of such standards or engineering or institutional controls does not materially interfere with operations at the affected facility and (ii) if any contamination at any Real Property that is subject to indemnity by Seller is exacerbated due to the negligence, gross negligence or willful misconduct of Buyer after the Closing Date, to the extent such exacerbation increases the cost of the investigation or remediation of such contamination, Seller shall not be responsible for any such increase in costs.

Section 9.5 Mitigation .

(a) An Indemnitee will use commercially reasonable efforts to mitigate any Indemnifiable Losses, including commercially reasonable efforts to recover all Indemnifiable Losses from insurers of such Indemnitee under applicable insurance policies or through the rate recovery process so as to reduce the amount of any Indemnifiable Loss hereunder; provided, however, that the foregoing shall not require the maintenance of any insurance. In the event the Indemnitee shall fail to use such commercially reasonable efforts, then notwithstanding anything in this Agreement to the contrary, the Indemnifying Party shall not be required to indemnify the Indemnitee for that portion of Indemnifiable Losses that would reasonably have been expected to have been avoided if the Indemnitee had used such commercially reasonable efforts.

(b) The amount of any Indemnifiable Loss will be reduced to the extent of any insurance proceeds, rate recovery or other payments actually received from an insurer or other third party with respect to an Indemnifiable Loss, net of all costs of recovery (including any demonstrably resulting increase in the cost of insurance). If the amount of any Indemnifiable Loss, at any time subsequent to the making of an indemnity payment in respect thereof, is reduced by recovery, settlement, or payment under or pursuant to any insurance coverage, by rate recovery or by recovery, settlement, or payment by or against any other Person, the amount of such reduction (net of all costs of recovery), will be repaid by the Indemnitee to the Indemnifying Party reasonably promptly following actual receipt or credit of such amounts.

(c) The amount of any Indemnifiable Loss will be reduced to the extent of any Tax benefit available to the Indemnitee or its Affiliates arising in connection with the accrual, incurrence or payment of any such Indemnifiable Loss.

(d) The amount of any Indemnifiable Loss will be reduced to the extent that the Indemnitee received a benefit from the reflection of such matter in the calculation of the Adjustment Amount or any other adjustment to the Final Purchase Price, if any, as finally determined pursuant to Section 3.2.

(e) Upon making any indemnity payment, the Indemnifying Party will, to the extent of such indemnity payment, be subrogated to all rights of the Indemnitee against

any third party in respect of the Indemnifiable Loss to which the indemnity payment relates; provided, however, that (i) the Indemnifying Party is then in compliance with its obligations under this Agreement in respect of such Indemnifiable Loss, and (ii) until the Indemnitee recovers full payment of its Indemnifiable Loss, any and all claims of the Indemnifying Party against any such third party on account of said indemnity payment will be subordinated to the Indemnitee's rights against such third party.

Section 9.6 Tax Treatment of Indemnity Payments . Seller and Buyer agree to treat any indemnity payment made pursuant to this Article IX as an adjustment to the Purchase Price for federal, state, and local income Tax purposes.

Section 9.7 No Consequential Damages . Notwithstanding anything to the contrary elsewhere in this Agreement (other than this Section 9.7) or provided for under any applicable Law, no Party will be liable to the other Party, either in contract or in tort, for any consequential, incidental, indirect, special, or punitive damages of the other Party, including business interruption, loss of future revenue, profits or income, or loss of business reputation or opportunity, relating to the breach or alleged breach hereof or otherwise, whether or not the possibility of such damages has been disclosed to the other Party in advance or could have been reasonably foreseen by such other Party, and, in particular, no "multiple of profits," "multiple of cash flow," "multiple of assets" or similar valuation methodology shall be used in calculating the amount of any Indemnifiable Losses. The exclusion of consequential, incidental, indirect, special, and punitive damages as set forth in the preceding sentence does not apply to any such damages sought by third parties against Buyer or Seller, as the case may be, in connection with Losses that may be indemnified pursuant to this Article IX after Closing.

Section 9.8 Exclusive Remedy . Except for injunctive relief and as provided in Section 7.2(a), the Parties acknowledge and agree that, from and after the Closing, the sole and exclusive remedy for any breach or inaccuracy, or alleged breach or inaccuracy, of any representation or warranty in this Agreement or any breach or failure to perform, or alleged breach or failure to perform, any covenant or agreement in this Agreement, or any other claim based upon, arising out of or relating to this Agreement and/or the transactions contemplated hereby, will be indemnification in accordance with this Article IX. In furtherance of the foregoing, Seller and Buyer hereby waive, on behalf of themselves and the other Seller Indemnitees and Buyer Indemnitees, respectively, to the fullest extent permitted by applicable Law, any and all other rights, claims, and causes of action (including rights of contribution, rights of recovery arising out of or relating to any Environmental Laws, claims for breach of contract, breach of representation or warranty, negligent misrepresentation and all other claims for breach of duty) that may be based upon, arise out of, or relate to the Business, the Purchased Assets, the Excluded Assets, the Assumed Obligations, the Excluded Liabilities, this Agreement, the negotiation, execution, or performance of this Agreement (including any tort or breach of contract claim or cause of action based upon, arising out of, or related to any representation or warranty made in or in connection with this Agreement or as an inducement to enter into this Agreement), or the transactions contemplated hereby, known or unknown, foreseen or unforeseen, which exist or may arise in the future, that it may have against the other arising under or based upon any Law, common law, or otherwise.

ARTICLE X
TERMINATION AND OTHER REMEDIES

Section 10.1 Termination .

(a) This Agreement may be terminated at any time prior to the Closing Date by mutual written consent of Seller and Buyer.

(b) This Agreement may be terminated by Seller or Buyer if the Closing has not occurred on or before eight (8) months following the date of this Agreement (the " Termination Date "); provided that the right to terminate this Agreement under this Section 10.1(b) will not be available to a Party whose failure to fulfill any obligation under this Agreement has been the cause of, or resulted in, the failure of the Closing to occur on or before the Termination Date. Notwithstanding the foregoing, (i) if eight (8) months following the date of this Agreement the conditions to the Closing set forth in Section 8.2(e) or Section 8.3(d) have not been fulfilled but all other conditions to the Closing have been fulfilled or are capable of being fulfilled at the Closing, then the Termination Date will be the day which is fourteen (14) months following the date of this Agreement.

(c) This Agreement may be terminated by either Seller or Buyer if (i) any Required Regulatory Approval has been denied by the applicable Governmental Entity and all appeals of such denial have been taken and have been unsuccessful, or (ii) one or more courts of competent jurisdiction in the United States or any State has issued an Order permanently restraining, enjoining, or otherwise prohibiting the Closing, and such Order has become final and non-appealable.

(d) This Agreement may be terminated by Buyer or by Seller if (i) any Required Regulatory Approval or other Order shall have been issued by any Governmental Entity with terms, conditions or adverse requirements which would cause the condition set forth in Section 8.2(e) or in Section 8.3(d), respectively, not to be satisfied, (ii) such condition has not been waived by Buyer or Seller, respectively, and (iii) all appeals of such Required Regulatory Approval or Order have been taken and have been unsuccessful.

(e) This Agreement may be terminated by Buyer if there has been a breach by Seller of any representation, warranty, or covenant made by it in this Agreement which has prevented the satisfaction of any condition to the obligations of Buyer to effect the Closing and such breach has not been cured by Seller or waived by Buyer within twenty (20) Business Days after all other conditions to Closing have been satisfied or are capable of being satisfied.

(f) This Agreement may be terminated by Seller if there has been a breach by Buyer of any representation, warranty, or covenant made by it in this Agreement which has prevented the satisfaction of any condition to the obligations of Seller to effect the Closing and such breach has not been cured by Buyer or waived by Seller

within twenty (20) Business Days after all other conditions to Closing have been satisfied or are capable of being satisfied.

Section 10.2 Procedure and Effect of Termination .

(a) In the event that a Party having the right to terminate this Agreement desires to terminate this Agreement, such Party shall give the other Party written notice of such termination, specifying the basis for such termination, and this Agreement will terminate and the transactions contemplated hereby will be abandoned, without further action by either Party, whereupon the liabilities of the Parties hereunder will terminate, except as otherwise expressly provided in this Section 10.2.

(b) The obligations of the Parties under Article XI, and Sections 5.17, 6.5, 7.3, 7.5, and 7.15 and this Section 10.2 (and any definitions in Article I referenced in any of the foregoing) will survive the termination of this Agreement. Except if the basis for such termination is that a Party has breached its obligation to consummate the Closing in accordance with Article IV (provided that the conditions to the obligation of such Party under Article VIII hereof to consummate the Closing have been satisfied, other than conditions to be satisfied by deliveries at the Closing), such termination shall be the sole remedy of the Parties hereto with respect to breaches of any covenant, agreement, representation or warranty contained in this Agreement and neither Party hereto nor any of its Affiliates or Representatives shall have any liability or further obligation to the other Party or any of its Affiliates or Representatives pursuant to this Agreement, except with respect to the obligations specified in the preceding sentence; provided that nothing herein shall relieve any Party from liability for any willful and material breach of any representation, warranty, covenant or agreement of such Party contained in this Agreement.

(c) Upon any termination of this Agreement, all filings, applications and other submissions made pursuant to this Agreement, to the extent practicable, will within a commercially reasonable time thereafter be withdrawn by the filing Party from the Governmental Entity or other Person to which they were made.

ARTICLE XI
MISCELLANEOUS PROVISIONS

Section 11.1 Amendment . Except as provided in Section 7.1(b), Section 7.9(a), and Section 7.16, this Agreement may be amended, modified, or supplemented only by written agreement of Seller and Buyer.

Section 11.2 Waivers and Consents . Except as otherwise provided in this Agreement, any failure of either Party to comply with any obligation, covenant, agreement, or condition herein may be waived by the Party entitled to the benefits thereof only by a written instrument signed by the Party granting such waiver, but such waiver or failure to insist upon strict compliance with such obligation, covenant, agreement, or condition will not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

Section 11.3 Notices . All notices and other communications hereunder will be in writing and will be deemed given (i) when received, if delivered personally, (ii) when sent, if sent by facsimile transmission (provided that the sender receives confirmation of successful transmission), or (iii) when received, if mailed by overnight courier or certified mail (return receipt requested), postage prepaid, in each case, to the Party being notified at such Party's address indicated below (or at such other address for a Party as is specified by like notice):

(a) If to Seller, to:

Atmos Energy Corporation
Attn: Chief Financial Officer
Attn: General Counsel
5430 LBJ Freeway
1800 Three Lincoln Centre
Dallas, Texas 75240
Fax: (972) 855-3080

with a copy (which shall not constitute notice) to:

Gibson, Dunn & Crutcher LLP
Attn: Richard Russo, Esq.
1801 California Street, Suite 4200
Denver, Colorado 80202-2642
Fax: (303) 313-2838

(b) if to Buyer, to:

Liberty Energy (Midstates) Corp.
c/o Algonquin Power & Utilities Corp.
Attn: Chief Executive Officer
2845 Bristol Circle
Oakville, Ontario, Canada L6H 7H7
Fax: (905) 465-4514

with a copy (which shall not constitute notice) to:

Husch Blackwell LLP
Attn: James G. Goettsch, Esq.
4801 Main Street, Suite 1000
Kansas City, Missouri 64112
Fax: (816) 983-8080

Section 11.4 Assignment . This Agreement and all of the provisions hereof will be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns, but neither this Agreement nor any of the rights, interests, or obligations hereunder may be assigned by either Party, without the prior written consent of the other Party.

Notwithstanding the foregoing, Buyer shall be permitted to assign its rights and obligations under this Agreement to one or more wholly-owned, direct or indirect Subsidiaries with prior written notice to Seller; provided, however, that no such assignment shall relieve Buyer of, or constitute a discharge of, Buyer's liabilities and obligations under this Agreement, nor shall any such assignment relieve Algonquin of, or constitute a discharge of, Algonquin's liabilities and obligations under the Guaranty.

Section 11.5 No Third Party Beneficiaries . No provision of this Agreement is intended to or shall be deemed to confer any rights or remedies upon any Person other than the Parties, except for the rights of Affiliates of the Parties under Article IX hereof. Without limiting the foregoing, no provision of this Agreement creates any rights in any employee or former employee of Seller (including any beneficiary or dependent thereof) in respect of continued employment or resumed employment, and no provision of this Agreement creates any rights in any such Persons in respect of any benefits that may be provided, directly or indirectly, under any employee benefit plan or arrangement.

Section 11.6 Governing Law . This Agreement (as well as any claim or controversy arising out of or relating to this Agreement or the transactions contemplated hereby) shall be governed by and construed in accordance with the laws of the State of New York, without regard to the conflicts of laws rules thereof that would otherwise require the laws of another jurisdiction to apply.

Section 11.7 Severability . Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction will not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction.

Section 11.8 Entire Agreement . This Agreement will be a valid and binding agreement of the Parties only if and when it is fully executed and delivered by the Parties, and until such execution and delivery no legal obligation will be created by virtue hereof. This Agreement and the Ancillary Agreements, together with the Appendices and Exhibits hereto and thereto and the certificates and instruments delivered hereunder or in accordance herewith, embodies the entire agreement and understanding of the Parties hereto in respect of the transactions contemplated by this Agreement. This Agreement and the Ancillary Agreements supersede all prior agreements and understandings between the Parties with respect to such transactions contemplated hereby. Neither this Agreement nor any Ancillary Agreement shall be deemed to contain or imply any restriction, covenant, representation, warranty, agreement or undertaking of any party with respect to the transactions contemplated hereby or thereby other than those expressly set forth herein or therein or in any document required to be delivered hereunder or thereunder.

Section 11.9 Delivery . This Agreement, and any certificates and instruments delivered hereunder or in accordance herewith, may be executed in multiple counterparts (each of which will be deemed an original, but all of which together will constitute one and the same instrument), and may be delivered by facsimile transmission, with such facsimile signature constituting an original for all purposes.

Section 11.10 Waiver of Jury Trial. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE ANCILLARY AGREEMENTS OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY.

Section 11.11 Submission to Jurisdiction. Each of the parties irrevocably agrees that any legal action or proceeding arising out of or relating to this Agreement brought by the other party or its successors or assigns shall be brought and determined in any New York State or federal court sitting in the City of New York (or, if such court lacks subject matter jurisdiction, in any appropriate New York or federal court), and each of the parties hereby irrevocably submits to the exclusive jurisdiction of the aforesaid courts for itself and with respect to its property, generally and unconditionally, with regard to any such action or proceeding arising out of or relating to this Agreement and the transactions contemplated hereby. Each of the parties agrees not to commence any action, suit or proceeding relating thereto except in the courts described above in New York, other than actions in any court of competent jurisdiction to enforce any judgment, decree or award rendered by any such court in New York as described herein. Each of the parties further agrees that notice as provided herein shall constitute sufficient service of process and the parties further waive any argument that such service is insufficient. Each of the parties hereby irrevocably and unconditionally waives, and agrees not to assert, by way of motion or as a defense, counterclaim or otherwise, in any action or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby, (a) any claim that it is not personally subject to the jurisdiction of the courts in New York as described herein for any reason, (b) that it or its property is exempt or immune from jurisdiction of any such court or from any legal process commenced in such courts (whether through service of notice, attachment prior to judgment, attachment in aid of execution of judgment, execution of judgment or otherwise) and (c) that (i) the suit, action or proceeding in any such court is brought in an inconvenient forum, (ii) the venue of such suit, action or proceeding is improper or (iii) this Agreement, or the subject matter hereof, may not be enforced in or by such courts.

Section 11.12 Specific Performance. The parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. Accordingly, each of the parties shall be entitled to specific performance of the terms hereof, including an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement in any New York State or federal court sitting in the City of New York (or, if such court lacks subject matter jurisdiction, in any appropriate New York State or federal court), this being in addition to any other remedy to which they are entitled at law or in equity. Each of the parties hereby further waives (a) any defense in any action for specific performance that a remedy at law would be adequate and (b) any requirement under any law to post security as a prerequisite to obtaining equitable relief.

Section 11.13 Disclosure Generally. Notwithstanding anything to the contrary contained in the Seller Disclosure Schedules or in this Agreement, the information and disclosures contained in any Seller Disclosure Schedule shall be deemed to be disclosed and incorporated by reference with respect to any other representation or warranty of Seller for which applicability of such information and disclosure is reasonably apparent on its face. The fact that any item of

information is disclosed in any Seller Disclosure Schedule shall not be construed to mean that such information is required to be disclosed by this Agreement. Such information and the dollar thresholds set forth herein shall not be used as a basis for interpreting the terms "material" or "Material Adverse Effect" or other similar terms in this Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed by their respective duly authorized officers as of the date first above written.

ATMOS ENERGY CORPORATION

By: / s / FRED E. MEISENHEIMER
Name: Fred E. Meisenheimer
Title: Senior Vice President and Chief Financial Officer

LIBERTY ENERGY (MIDSTATES) CORP.

By: / s / IAN ROBERTSON
Name: Ian Robertson
Title: President

Signature Page to Asset Purchase Agreement

APPENDIX A
ADJUSTMENT AMOUNT

1. Adjustment Amount . The " Adjustment Amount " will be the sum of the following amounts: the Net PPE Adjustment, plus the Net Other Regulatory Amount, plus the Working Capital Amount, minus the OPEB Adjustment Amount. As used herein:

   (a) " Net PPE Adjustment " means the positive or negative amount obtained by subtracting the Base Net PPE Amount from the Closing Net PPE Amount. As used in the foregoing:

      (i) " Base Net PPE Amount " means $112,023,460.

      (ii) " Closing Net PPE Amount " means the Value as of the Effective Time of the net property, plant and equipment included in the Purchased Assets as of the Effective Time, determined in accordance with the rules and regulations of the Applicable Commission.

   (b) " Net Other Regulatory Amount " means the amount obtained by subtracting Regulatory Liabilities from Regulatory Assets. For purposes of the foregoing:

      (i) " Regulatory Assets " means the Value as of the Effective Time of the FERC Accounts related to deferred charges and other rights to recover amounts from customers through rates and charges in future periods (together with any interest or return thereon), that result specifically from ratemaking action by an Applicable Commission (whether pursuant to an increase in rate base for ratemaking purposes or pursuant to an authorized recovery or credit mechanism), that are included in the Purchased Assets as of the Effective Time, determined in accordance with the rules and regulations of the Applicable Commission (and excluding any amounts included in the Closing Net PPE Amount). Regulatory Assets shall not include any regulatory asset established in favor of Buyer for the amortization of liabilities in respect of any pension or postretirement benefits other than pensions.

      (ii) " Regulatory Liabilities " means the Value as of the Effective Time of the FERC Accounts related to liabilities to refund or credit amounts to customers through rates and charges in future periods (together with any interest or return thereon), that result specifically from ratemaking action by the Applicable Commission (whether pursuant to a decrease or offset to rate base for ratemaking purposes or pursuant to an authorized recovery or credit mechanism), that are included in Assumed Obligations as of the Effective Time or are imposed on Buyer by any Applicable Commission for rate purposes in connection with the approval of the transaction (and excluding any amounts included in the Closing Net PPE Amount).

(c) "Working Capital Amount" means the amount obtained by subtracting Current Liabilities from Current Assets. For purposes of the foregoing:

(i) "Current Assets" means the Value as of the Effective Time of the FERC Accounts related to current assets that are included in the Purchased Assets as of the Effective Time, determined in accordance with the rules and regulations of the Applicable Commission (and excluding any amounts included in the Closing Net PPE Amount or in the Net Other Regulatory Amount).

(ii) "Current Liabilities" means the Value as of the Effective Time of the FERC Accounts related to current liabilities that are included in the Purchased Assets as of the Effective Time, determined in accordance with the rules and regulations of the Applicable Commission (and excluding any amounts included in the Closing Net PPE Amount or in the Net Other Regulatory Amount).

(d) "OPEB Adjustment Amount" means the amount obtained by subtracting (i) the amount of assets, if any, in respect of other post-retirement benefit obligations of Seller with respect to the Transferred Employees that Seller causes to be transferred to one or more voluntary employees' beneficiary association trusts established by Buyer, from (ii) the accumulated other post-retirement benefit obligation of Seller with respect to the Transferred Employees, determined in accordance with the Retiree Plan Assumptions (and excluding any amounts included in the Net Other Regulatory Amount or Working Capital Amount).

2. Accounting Principles. For purposes of this Appendix A:

(a) The "Value" of an item shall be the book value thereof, as determined in accordance with GAAP and applicable FERC Accounting Rules, as modified by the rules and regulations of the Applicable Commission.

(b) "FERC Accounting Rules" means the requirements of FERC with respect to and in accordance with the Uniform System of Accounts established by FERC in effect as of the date hereof.

(c) "FERC Accounts" means the accounts maintained by Seller with respect to the Business in accordance with the FERC Accounting Rules, as modified by the rules and regulations of the Applicable Commission.

(d) All determinations and calculations will be made and performed in a manner to avoid double counting of any item, to the extent that any such item is otherwise accounted for in such determination or calculation.

APPENDIX B

SAMPLE CALCULATION OF ADJUSTMENT AMOUNT

As of March 31, 2011

Net PPE Adjustment		$ 952,727
Plus: Net Other Regulatory Amount		62,611
Plus: Working Capital Amount		15,147
Less: Retiree Medical Plan Liability*	(3,300,000)	
Plus: VEBA Market Value*	3,750,686	
Plus: Net OPEB Adjustment Amount*		450,686
Adjustment Amount		$1,481,172

* This sample calculation uses the actuarial principles set forth in Schedule 7.10(f) with respect to retiree medical plan liability and includes, in VEBA Market Value, all assets of Seller's Trust. The actual Net OPEB Adjustment Amount as of the Closing Date will be calculated using the Retiree Plan Assumptions determined in accordance with Section 7.10(f) of the Agreement, and the fair market value as of the Closing Date of the assets held in Seller's Trust with respect to all Transferred Employees only, and not with respect to retirees.

Exhibit 1.1-A
Form of Assignment of Easements

THIS SPACE FOR RECORDER'S USE ONLY

Date: , 20

RECORDING REQUESTED BY:

Husch Blackwell LLP

AND WHEN RECORDED MAIL TO:

Husch Blackwell LLP
Attn: John C. Crossley, Esq.
4801 Main Street, Suite 1000
Kansas City, MO 64112

ASSIGNMENT OF EASEMENTS

GRANTOR:	Atmos Energy Corporation, a corporation incorporated in the State of Texas and the Commonwealth of Virginia
GRANTEE:	Liberty Energy (Midstates) Corp., a Missouri corporation
GRANTEE MAILING ADDRESS:	______________________________ ______________________________
LEGAL DESCRIPTION:	See Exhibit A, attached hereto.
ORIGINAL BOOK/PAGE:	See Exhibit A, attached hereto.

ASSIGNMENT OF EASEMENTS

In consideration of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Atmos Energy Corporation, a corporation incorporated in the State of Texas and the Commonwealth of Virginia (" Assignor "), as grantor, with an address of , has granted, sold, conveyed, transferred, and assigned, and by these presents does hereby grant, sell, convey, transfer, and assign unto Liberty Energy (Midstates) Corp., a Missouri corporation (" Assignee "), as grantee, with a mailing address of , , on an AS-IS, WHERE-IS BASIS, WITH ALL FAULTS, without representation or warranty of any kind except as set forth in that certain Asset Purchase Agreement dated as of May 12, 2011, by and between Assignor and Assignee, all of Assignor's right, title, and interest in and to the Easements (as such term is defined in the Asset Purchase Agreement), including the interests and rights described or set forth on Exhibit A attached hereto and by this reference made a part hereof.

This Assignment is being delivered pursuant to the Asset Purchase Agreement and will be construed consistently therewith. This Assignment is not intended to, and does not, in any manner enhance, diminish, or otherwise modify the rights and obligations of Assignor and Assignee under the Asset Purchase Agreement. To the extent that any provision of this Assignment conflicts or is inconsistent with the terms of the Asset Purchase Agreement, the terms of the Asset Purchase Agreement will govern.

TO HAVE AND TO HOLD the above-described premises unto Assignee and its successors and assigns, forever.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY BLANK]

IN WITNESS WHEREOF, Grantor has caused this Indenture to be executed by its duly authorized officer, the day and the year first above written.

[SEAL]

ATMOS ENERGY CORPORATION, a corporation incorporated in the State of Texas and the Commonwealth of Virginia
By: ______________________________
Name: ______________________________
Title: ______________________________

STATE OF ___________)
) ss.
COUNTY OF _________)

On this day of , 20 , before me appeared , to me personally known, who, being by me duly sworn did say that he is the of Atmos Energy Corporation, who is personally known to me to be such officer, and who is personally known to me to be the same person who executed, as such officer, the within instrument on behalf of such corporation, and such person duly acknowledged the execution of the same to be the act and deed of such corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

____
Notary Public

____
Print or Type Name

My commission expires:

____

Exhibit 1.1-B
Form of Bill of Sale, Assignment and Assumption Agreement

THIS BILL OF SALE; ASSIGNMENT AND ASSUMPTION AGREEMENT (this " Agreement ") is made as of , by and among Atmos Energy Corporation, a corporation incorporated in the State of Texas and the Commonwealth of Virginia (" Seller "), and Liberty Energy (Midstates) Corp., a Missouri corporation (" Buyer ").

RECITALS

A. Seller and Buyer have entered into that certain Asset Purchase Agreement, dated as of May 12, 2011 (the " Purchase Agreement "), pursuant to which Seller is to sell and Buyer is to purchase the Purchased Assets, and Seller is to assign and Buyer is to assume the Assumed Obligations. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Purchase Agreement.

B. Seller and Buyer have agreed to execute and deliver this Agreement for the purpose of effecting (i) the transfer to and vesting in Buyer of title to the Purchased Assets and (ii) the assumption by Buyer of the Assumed Obligations, as set forth herein.

AGREEMENT

In consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Pursuant to and in accordance with the terms and conditions of the Purchase Agreement, Seller does hereby sell, convey, transfer, assign, deliver and vest in Buyer, its successors and assigns forever, all of its right, title and interest in and to the Purchased Assets.

2. Pursuant to and in accordance with the terms and conditions of the Purchase Agreement, Seller hereby contributes, conveys, transfers and assigns to Buyer all of Seller's rights, duties and obligations under the Assumed Obligations, and Buyer hereby agrees to pay, discharge, perform or otherwise satisfy, and assumes and agrees to be bound by, the Assumed Obligations.

3. Nothing in this Agreement shall alter any liability or obligation of Seller or Buyer arising under the Purchase Agreement.

4. This Agreement and all of the provisions hereof shall be binding upon, inure to the benefit of and be enforceable by the parties and their respective heirs, executors, administrators, successors and assigns.

5. This Agreement (as well as any claim or controversy arising out of or relating to this Agreement or the transactions contemplated hereby) shall be governed by and construed in accordance with the internal laws of the State of New York, without regard to the conflicts of laws rules thereof that would otherwise require the laws of another jurisdiction to apply.

6. The parties incorporate by reference Section 11.11 of the Purchase Agreement (Submission to Jurisdiction).

7. This Agreement may be executed in multiple counterparts (each of which will be deemed an original, but all of which together will constitute one and the same instrument), and may be delivered by facsimile transmission, with such facsimile signature constituting an original for all purposes.

[The remainder of this page has been intentionally left blank.]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

SELLER:

ATMOS ENERGY CORPORATION

By: ______________________________
Name: Fred E. Meisenheimer
Title: Senior Vice President and Chief Financial Officer

BUYER:

LIBERTY ENERGY (MIDSTATES) CORP.

By: ______________________________
Name: Ian Robertson
Title: President

Signature Page to Bill of Sale, Assignment and Assumption Agreement

Exhibit 1.1-C
Form of Continuing Services Agreement

CONTINUING SERVICES AGREEMENT

THIS CONTINUING SERVICES AGREEMENT (this " Agreement ") is entered into as of , by and between Atmos Energy Corporation (" Seller ") and Liberty Energy (Midstates) Corp. (" Buyer "). Seller and Buyer are referred to collectively as the " Parties " and each individually, a " Party ".

WHEREAS, as of the date hereof, Seller has sold to Buyer assets relating to the local gas distribution utility business and operations conducted by Seller in the States of Missouri, Illinois and Iowa pursuant to that certain Asset Purchase Agreement dated as of May 12, 2011, between Seller and Buyer (the " Purchase Agreement "); and

WHEREAS, upon the Closing Date and for the limited term specified herein, Buyer desires that Seller continue to provide certain services to Buyer with respect to the Business, and Seller has agreed to continue to provide or cause to be provided to Buyer such services, in accordance with the terms and conditions of this Agreement;

NOW THEREFORE, in consideration of the Parties' respective covenants, representations, warranties, and agreements hereinafter set forth, and intending to be legally bound hereby, the Parties agree as follows:

ARTICLE I
DEFINITIONS

1.1 Definitions . Capitalized terms used herein but not otherwise defined shall have the meanings set forth in the Purchase Agreement. As used in this Agreement, the following terms have the meanings specified in this Section 1.1:

" Services " means, collectively, the services provided hereunder by Seller to Buyer as described in Section 2.1 hereof.

" Service Schedule " means a schedule in the form of Exhibit A attached hereto or in such other form as may be mutually agreed upon by the Parties that, together with this Agreement, governs the provision of a particular Service or group of related Services by Seller to Buyer.

(a) In addition, each of the following terms has the meaning specified in the Section set forth opposite such term:

Term	Reference
Buyer Data	Section 7.2
Buyer Indemnitee	Section 9.3
Confidential Information	Section 6.2(a)
Defaulting Party	Section 8.1
Event of Default	Section 8.1
Force Majeure Event	Section 10.1

Internal Costs	Section 4.1
Non-Defaulting Party	Section 8.1(a)
Restricted Information	Section 6.3
Seller Indemnitee	Section 9.2
Seller Systems	Section 7.1
Third-Party Costs	Section 4.1

ARTICLE II
SERVICES

2.1 Services . From and after the Closing Date and throughout the term of this Agreement, but subject to Section 3.2 hereof, Seller shall provide or cause to be provided to Buyer each of the Services described in any Service Schedule, in each case subject to and upon the terms and conditions set forth in this Agreement and, to the extent not inconsistent herewith, the applicable Service Schedule. The Services shall be limited to those that Seller currently provides with respect to the Business, and Seller shall not be required to provide any portion of the Services historically provided by any third party or to use its own funds to pay for such third-party Services. The specific Services to be provided, and the scope thereof, shall be as described in the Service Schedules.

2.2 Standards . Seller shall provide the Services to Buyer with the same degree of care with which, and with the same priority as, Seller performed services of a like nature with respect to the Business immediately prior to the Closing Date. The Services shall be provided in accordance with the policies, procedures and practices of Seller in effect from time to time pursuant to which Seller performs services of a like nature for itself and its Affiliates. Seller shall provide to Buyer reasonable advance notice of any material change in such policies, procedures and practices.

2.3 Subcontracting . Seller may engage one or more subcontractors to perform all or any portion of the Services to the extent, and upon the same terms and conditions, that Seller (a) subcontracts for the provision of such Services to the Business on the date hereof, or (b) subsequently subcontracts for the provision of such services to Seller. Seller will provide Buyer reasonable prior notice if Seller elects to subcontract the provision of any of the Services that historically have been performed by personnel of Seller. Seller will promptly advise Buyer of any material disputes or defaults under any such subcontract.

2.4 Impracticability . Seller shall not be required to provide any Service to the extent Seller determines in good faith that performance of such Service (a) becomes impracticable, in any material respect, as a result of a cause or causes outside the reasonable control of Seller, (b) would require Seller to violate any applicable Law, or (c) would result in the breach of any agreement or other applicable contract existing on the Closing Date. Seller shall use commercially reasonable efforts to avoid such circumstances. In the event of the foregoing, the Parties shall work together to enable such Services to be performed to the greatest extent possible.

2.5 Service Interruption . Upon reasonable written notice to Buyer, Seller, its Affiliates or any relevant third party will have the right to temporarily interrupt (a) the provision of the Services for routine maintenance purposes or (b) the operation of the facilities or systems of Seller, its Affiliates or such third party providing any Services whenever it is the commercially reasonable judgment of Seller, its Affiliates or such third party that such action is desirable or necessary. If maintenance is nonscheduled, with respect to Services provided by Seller or its Affiliates, Seller shall notify Buyer as far in advance as reasonably practicable under the circumstances that maintenance is required. With respect to Services provided by any third party, Seller shall forward on a reasonably prompt basis to Buyer any notice received from any such third party regarding the interruption of Services. Seller or such relevant third party will be relieved of their obligations to provide the Services only for the period of time that the relevant facilities or systems are so shut down but shall also use commercially reasonable efforts to minimize each period of shutdown for such purpose and to schedule, to the extent reasonably practicable under the circumstances, such period of shutdown so as to not materially inconvenience or disrupt the conduct of Buyer's business. Seller shall consult with Buyer prior to temporary shutdowns to the extent reasonably practicable or, if not reasonably practicable, promptly thereafter.

2.6 Obligations . The provision of the Services hereunder is subject to the following:

(a) Neither Seller nor any of its Affiliates shall be liable for any action or inaction taken or omitted to be taken by it or a relevant third party pursuant to, and in accordance with, instructions received from Buyer;

(b) Seller, its Affiliates and any relevant third party may rely upon any notice or other communication of any nature with Buyer (written or oral, including telephone conversations and e-mails, whether or not such notice or other communication is made in a manner permitted or required by this Agreement), and neither Seller nor any of its Affiliates shall have any duty to verify the identity or authority of a Buyer representative signing or making any such notice or communication;

(c) Seller and its Affiliates may refuse to take any action requested by Buyer if it is not an action required to be taken under this Agreement. Any services provided beyond the scope of the Services shall be billed on such basis as the Parties hereto may mutually agree upon from time to time;

(d) Seller shall have no obligation to perform any Service to the extent that performing such Service is dependent upon, or otherwise requires, Seller or any of its Affiliates to perform some service, operation or function prior to Seller performing any such Service unless Buyer or its Affiliates shall have, prior to when Seller is required to perform such Service, performed such other service, operation or function consistent with commercially reasonable business practices;

(e) Buyer shall, during the term of this Agreement, comply with any applicable Law relating to the use of the Services;

(f) Buyer and its Affiliates shall not, and shall cause any of their employees not to, break, bypass or circumvent, or attempt to break, bypass or circumvent any security system of Seller or any of its Affiliates or any third party providing Services hereunder or obtain access to any program or data other than that to which access has been specifically granted by Seller or any of its Affiliates or any third party providing Services hereunder; and

(g) Representatives and employees of Buyer or any of its Affiliates receiving the Services or working with Buyer, any of its Affiliates or any relevant third party in connection with the provision of Services shall at all times comply with all physical and technological security rules, policies and procedures of Seller, its Affiliates and any relevant third party.

ARTICLE III
TERM AND TERMINATION

3.1 Term . This Agreement shall remain in effect for a term commencing on the date hereof and continuing until the date that is nine (9) months following the Closing Date or such earlier date upon which this Agreement is terminated in accordance with Article VIII or this Article III, and thereupon shall terminate except as otherwise provided in Section 3.4.

3.2 Termination . From time to time during the term hereof, Buyer may, upon not less than thirty (30) days prior written notice, advise Seller that the services set out under any particular Service Schedule are no longer required, in which case Seller will discontinue the provision of the Service under such Service Schedule in accordance with the timing set out in such notice and, following discontinuation, such Service shall no longer be included in the Services. This Agreement shall terminate on the date that all Services have expired or been terminated in accordance with the terms of this Agreement. Notwithstanding anything herein to the contrary, Seller may terminate any Service under any Service Schedule, upon not less than thirty (30) days prior written notice to Buyer, in the event the provision of such Service relied upon a Seller System that has been upgraded or converted pursuant to the system conversion plans of Seller (currently expected to occur in April 2013). For the avoidance of doubt, Seller shall have no obligation to provide comparable or alternative Services using such upgraded or converted Seller Systems.

3.3 Amounts Due . In the event of a termination of this Agreement, all outstanding amounts due from Buyer under Article IV, up through and including the date of termination, will become due and payable to Seller. The fee for any terminated Service will be prorated for the number of days of Service received in the calendar month (based on a thirty (30)-day month) in which the Service is terminated.

3.4 Survival . The provisions of Section 3.3, this Section 3.4, Articles IV, VI, VII, IX and X of this Agreement, and, for the avoidance of doubt, any and all payment obligations with respect to Services performed prior to the termination or expiration of this Agreement, shall survive any termination or expiration of this Agreement.

ARTICLE IV
COMPENSATION AND PAYMENT

4.1 Compensation . In consideration for the provision of the Services, Buyer shall pay to Seller (a) the amount specified in or determined pursuant to the terms of the applicable Service Schedule, which the Parties agree is and shall be a reasonable approximation of the actual costs incurred by Seller in providing such Service, including, without limitation, all salaries, wages and employee benefits and related taxes of employees of Seller or its Affiliates that provide such Services to Buyer following the Closing, amounts attributable to costs of state and federal payroll taxes, payroll administration costs, health insurance premiums, and any expenses paid to or on behalf of such employees in connection with any workers compensation or disability claim (" Internal Costs "); plus (b) all reasonable third-party costs paid by Seller or any of its Affiliates to any Person (other than an Affiliate of Seller) to the extent incurred by Seller or such Affiliate in the performance of such Service, without mark-up of any kind (" Third-Party Costs ").

4.2 Allocation of Costs . In the event that any Internal Costs or Third-Party Costs incurred by Seller in connection with the provision of the Services to Buyer are not solely related to the provision of Services to Buyer, the amount attributable to the provision of the Services to Buyer for purposes of Section 4.1 shall be determined by allocating such costs in accordance with the methodologies used by Seller or its Affiliates to allocate such costs to the Business in respect of such Services, as of the date of the Purchase Agreement.

4.3 Invoicing . Seller shall bill Buyer monthly for all charges pursuant to this Agreement. All such charges shall be invoiced as incurred, except to the extent that a Service Schedule provides for other billing methods. With respect to any Third-Party Costs incurred by Seller that are chargeable to Buyer hereunder, Seller shall deliver to Buyer, with the applicable invoice, reasonable supporting documentation.

4.4 Payment Terms . Payment of all undisputed amounts shall be due in cash fifteen (15) days after Buyer's receipt of an invoice therefor. Payment of an invoice shall not constitute a waiver of any rights. In the event of a dispute regarding any invoiced amount, Buyer will notify Seller in writing of the dispute, and the Parties will cooperate in good faith for the prompt resolution of any such dispute (it being understood that any such dispute shall not excuse payment of undisputed amounts). Any additional amount determined to be validly due and payable hereunder shall be paid promptly following such determination. No amounts due hereunder from Buyer to Seller may or will be offset or held in escrow by Buyer against amounts due or allegedly due from Seller or its Affiliates pursuant to the Purchase Agreement or any other documents delivered in connection with the transactions contemplated by the Purchase Agreement.

4.5 Late Payments . Late payments shall bear interest from the date due through and including the date paid, at a rate of twelve percent (12%) per annum.

4.6 Payment of Taxes . Buyer will pay and be responsible for all sales, service, value-added, use, excise, consumption, and other similar taxes (but excluding any withholding taxes or other net income or franchise taxes that are assessed or imposed against Seller or its Affiliates) and duties that are assessed or imposed against Seller or its Affiliates on the provision of

Services as a whole, or of any particular Service, pursuant to the terms of this Agreement. Any and all payments by or on account of any obligation of Buyer hereunder will be made free and clear of, and without deduction for, any and all present or future taxes, including deductions, charges or withholdings imposed by any Governmental Entity.

ARTICLE V
COOPERATION

5.1 Good Faith Cooperation . The Parties will cooperate with each other in good faith in all matters relating to the provision and receipt of the Services.

5.2 Representatives . Each Party shall designate (and from time to time may replace) one or more representatives to act for and on behalf of such Party on matters concerning this Agreement generally and one or more representatives to act for and on behalf of such Party on matters concerning each of the Services. Each Party shall promptly notify the other Party in writing of the selection and any subsequent replacements of its representatives.

5.3 Reports . Each Party shall furnish to the other such periodic reports relating to a Service as specified in the Service Schedule relating to such Service.

5.4 Access . Buyer shall permit Seller and its subcontractors, and the employees, agents and representatives of each, reasonable access to facilities, information and data of Buyer, to the extent and at all times reasonably necessary for Seller to perform any of the Services.

ARTICLE VI
DATA AND INFORMATION

6.1 Information Maintained by Seller . Until the expiration or termination of this Agreement, Seller shall maintain all information and data relating to the Services that is required to be maintained under any Service Schedule or by applicable Law or that is otherwise customarily retained in connection with the Services. Seller shall provide Buyer and its representatives with reasonable access thereto during the term hereof. Upon the expiration or termination of this Agreement, Seller shall deliver such information and data to Buyer in such form as Buyer may reasonably request; provided, however, that the conversion of such information or data into any form other than that in which it is maintained by Seller shall be at the sole cost of Buyer.

6.2 Confidential Information .

(a) As used herein, " Confidential Information " means all information concerning a Party or its Affiliates or any of their respective businesses, assets, products, services, employees, or customers that is designated by such Party as confidential or that is customarily or legally required to be protected from public disclosure, regardless of whether such information is provided or obtained orally, in writing or other tangible form, via email or in electronic form, or through visual observation. Notwithstanding the foregoing, Confidential Information shall not include any information that is in the public domain through no fault of the non-disclosing Party, or that has been obtained from a third party on a non-confidential basis.

(b) Except with the prior consent of the disclosing Party, for a period of two (2) years following termination of this Agreement, each Party must: (i) limit access to the Confidential Information of the disclosing Party to its employees, agents, representatives, subcontractors and consultants who have a need-to-know the information for performance or receipt of the Services; (ii) advise its employees, agents, representatives, subcontractors and consultants having access to such Confidential Information of the confidential nature thereof and of the obligations set forth in this Agreement; and (iii) safeguard such Confidential Information by using at least the same degree of care used by that Party in safeguarding its own similar information or material, but no less than a reasonable degree of care.

(c) Notwithstanding any other provision of this Agreement, a Party may disclose Confidential Information of the other Party to the extent compelled or required to do so by applicable Law, legal process, or the rules of any securities exchange. In such event, such Party shall give the other Party prompt written notice of such required disclosure and, if so requested, provide reasonable assistance to the other Party (at such other Party's expense) in opposing or limiting such required disclosure.

6.3 Personal Information . Each Party agrees to comply with, and to cause each of its respective Affiliates and all of their employees, agents, contractors and subcontractors to comply with, all applicable Laws governing the collection, accessibility, use, maintenance, disclosure, protection or transmission of Restricted Information regarding any employee, agent, subcontractor, or customer of the other Party or of such other Party's Affiliates in connection with the provision or receipt of Services under this Agreement. As used herein, " Restricted Information " means any information of a personal or confidential nature regarding any such Person, regardless of how or from whom such information is received, and includes, without limitation, names, addresses, telephone numbers, e-mail addresses, social security numbers, credit card numbers, account information, credit information, demographic information and "protected health information" (as defined in the Health Insurance Portability and Accountability Act of 1996).

ARTICLE VII
OWNERSHIP OF ASSETS

7.1 Seller Systems . Any information system, software, computer network, database or data file owned, licensed, leased or provided by Seller or any of its Affiliates that is used by Seller or any of its Affiliates in connection with provision of any Service, each as modified, maintained or enhanced from time to time by Seller, any of its Affiliates or any relevant third party (collectively, the " Seller Systems ") shall remain the sole and exclusive property of Seller or its Affiliates, as the case may be. In furtherance of the foregoing, under no circumstances will Buyer or any of its Affiliates obtain, pursuant to this Agreement, any ownership right or license in or to (a) any custom development work performed hereunder by Seller, its Affiliates or third parties working at the direction of Seller or its Affiliates, (b) any Intellectual Property of Seller or its Affiliates or (c) any of the Seller Systems.

7.2 Buyer Data . Any software, database, data file, record or other information owned, licensed, leased or provided by Buyer or any of its Affiliates that is provided to, or stored

or accessed by, Seller or any of its Affiliates in connection with any Service, each as modified, maintained or enhanced from time to time by Buyer, any of its Affiliates or any relevant third party (collectively, the " Buyer Data ") shall remain the sole and exclusive property of Buyer or its Affiliates, as the case may be. In furtherance of the foregoing, under no circumstances will Seller or any of its Affiliates obtain, pursuant to this Agreement, any ownership right or license in or to (a) any Intellectual Property of Buyer or its Affiliates or (b) any of the Buyer Data.

7.3 Other Assets . All procedures, methods, systems, strategies, tools, equipment, facilities and other resources owned, licensed or leased by any Party or its Affiliates and used or provided by such Party, any of its Affiliates or any relevant third party in connection with this Agreement shall remain the property of such Party or its Affiliates and, except as otherwise provided herein, shall at all times be under the sole direction and control of such Party, its Affiliates or such third party.

ARTICLE VIII
DEFAULT

8.1 Default . Each of the following shall constitute an " Event of Default " by a Party (the " Defaulting Party "):

(a) The failure of the Defaulting Party to pay any amounts owed to the Non-Defaulting Party under this Agreement within the later of ten (10) days following the due date for such payment and five (5) days following written notice of such failure from the other Party (the " Non-Defaulting Party ");

(b) The failure or refusal by the Defaulting Party to perform any material obligation under this Agreement and the Defaulting Party has failed to correct such default within thirty (30) days from its receipt of written notice from the Non-Defaulting Party to correct such default or, provided that the Defaulting Party is diligently pursuing such correction, such longer period as may be reasonably required therefor.

8.2 Rights Upon Default . The Non-Defaulting Party shall have the right, upon written notice to the Defaulting Party, to (a) terminate this Agreement or any Service Schedule hereunder at any time following an Event of Default by the Defaulting Party and prior to such time as the Defaulting Party has cured such Event of Default; and/or (b) suspend performance under this Agreement until such time as the applicable Event of Default has been cured and the Defaulting Party has satisfied any and all liabilities to the Non-Defaulting Party in respect thereof. The foregoing rights shall not be exclusive and shall be in addition to all other rights and remedies available to the Non-Defaulting Party, at law or in equity.

ARTICLE IX
INDEMNIFICATION AND LIABILITY

9.1 Disclaimer of Warranties. THE SERVICES TO BE PROVIDED UNDER THIS AGREEMENT ARE FURNISHED AS IS, WHERE IS, WITH ALL FAULTS AND WITHOUT WARRANTY OF ANY KIND, EXPRESS OR IMPLIED OR STATUTORILY, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR

PURPOSE; provided, however, that the foregoing does not limit the provisions of Sections 2.2 or 9.3.

9.2 Indemnification by Buyer . Buyer shall indemnify, defend, and hold harmless Seller and its Affiliates, and their respective officers, employees, agents and representatives (each, a " Seller Indemnitee ") from and against any and all actual or contingent claims, demands, suits, losses, liabilities, damages, obligations, payments, costs, and expenses (including reasonable attorneys' fees) incurred by Seller or its Affiliates, as the case may be, in connection with this Agreement, except solely to the extent directly resulting from either Seller's or any of its Affiliate's, as the case may be, gross negligence or willful misconduct in connection with this Agreement.

9.3 Indemnification by Seller . Seller shall indemnify, defend, and hold harmless Buyer and its Affiliates, and their respective officers, employees, agents and representatives (each, a " Buyer Indemnitee ") from and against any and all actual or contingent claims, demands, suits, losses, liabilities, damages, obligations, payments, costs, and expenses (including reasonable attorneys' fees) to the extent directly resulting from either Seller's or any of its Affiliate's, as the case may be, gross negligence or willful misconduct in connection with this Agreement.

9.4 Waiver of Consequential Damages . Notwithstanding anything to the contrary elsewhere in this Agreement or provided for under any applicable Law, no Party will, in any event, be liable to the other Party, either in contract or in tort, for any consequential, incidental, indirect, special, or punitive damages of the other Party, relating to the breach or alleged breach hereof or otherwise. The exclusion of consequential, incidental, indirect, special, and punitive damages as set forth in the preceding sentence does not apply to any such damages sought by third parties in connection with Losses that may be indemnified pursuant to this Article IX.

9.5 LIMITATION OF LIABILITY . NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, NEITHER SELLER NOR ANY OF ITS AFFILIATES WILL BE LIABLE WITH RESPECT TO THIS AGREEMENT OR ANYTHING DONE IN CONNECTION HEREWITH, INCLUDING BUT NOT LIMITED TO THE PERFORMANCE OR BREACH HEREOF, OR FROM THE SALE, DELIVERY, PROVISION OR USE OF ANY SERVICE OR DOCUMENTATION OR DATA PROVIDED UNDER OR COVERED BY THIS AGREEMENT EXCEPT IN THE EVENT OF SELLER'S OR ANY OF ITS AFFILIATE'S, AS THE CASE MAY BE, GROSS NEGLIGENCE OR WILLFUL MISCONDUCT IN CONNECTION WITH THIS AGREEMENT, IN WHICH CASE THE AGGREGATE LIABILITY OF SELLER AND ITS AFFILIATES SHALL BE LIMITED TO THE SUM OF ALL FEES RECEIVED BY SUCH PARTIES FOR SERVICES UNDER THIS AGREEMENT.

ARTICLE X
MISCELLANEOUS

10.1 Force Majeure . If Seller, any of its Affiliates or any relevant third party is prevented from or delayed in complying, either totally or in part, with any of the terms or provisions of this Agreement for any reason beyond its reasonable control (including war, riot,

rebellion, civil disturbances, terrorism, power failures, shortage of fuel, raw materials or components, nuclear accident, strikes, lockouts, labor disputes, flood, storm, fire and earthquake or other acts of God or conditions or events of nature, or any Law, demand or requirement of any Governmental Entity) (a " Force Majeure Event "), then upon notice to Seller, the affected provisions and/or other requirements of this Agreement shall be suspended during the period of such disability, and neither Seller, its Affiliates nor any relevant third party shall have any liability to Buyer, its Affiliates or any other Person in connection therewith. Seller or its Affiliates shall, and shall direct each relevant third party to, use commercially reasonable efforts to promptly remove such disability as soon as reasonably possible; provided, however, that nothing in this Section 10.1 will be construed to require the settlement of any strike, walkout, lockout, other labor dispute or any other claim or litigation on terms which, in the reasonable judgment of Seller, its Affiliates or any relevant third party, are contrary to its interest. It is understood that the settlement of a strike, walkout, lockout, other labor dispute or any other claim or litigation will be entirely within the discretion of Seller and its Affiliates or any relevant third party. If Seller, its Affiliates or any relevant third party is unable to provide any of the Services due to such a disability, the Parties hereto shall use commercially reasonable efforts to cooperatively seek a solution that is mutually satisfactory.

10.2 Independent Contractor . The relationship between the Parties established under this Agreement is that of independent contractor, and neither Party shall be deemed an employee, agent, partner, or joint venturer of or with the other.

10.3 Entire Agreement . This Agreement, together with the Service Schedules, constitutes the entire agreement between the Parties with respect to the subject matter hereof and thereof and supersedes all prior written and oral agreements and understandings with respect to the subject matter hereof. Notwithstanding the foregoing, nothing in this Agreement shall be deemed to supersede or limit in any way any of the rights or obligations of the Parties under the Purchase Agreement or any other agreement entered into by the Parties in connection with the Purchase Agreement or the consummation of the transactions contemplated thereby.

10.4 Governing Law . This Agreement (as well as any claim or controversy arising out of or relating to this Agreement) shall be governed by and construed in accordance with the laws of the State of New York, without regard to the conflicts of laws rules thereof that would otherwise require the laws of another jurisdiction to apply.

10.5 Submission to Jurisdiction . Each of the Parties irrevocably agrees that any legal action or proceeding arising out of or relating to this Agreement brought by the other party or its successors or assigns shall be brought and determined in any New York State or federal court sitting in the City of New York (or, if such court lacks subject matter jurisdiction, in any appropriate New York or federal court), and each of the Parties hereby irrevocably submits to the exclusive jurisdiction of the aforesaid courts for itself and with respect to its property, generally and unconditionally, with regard to any such action or proceeding arising out of or relating to this Agreement and the transactions contemplated hereby. Each of the Parties agrees not to commence any action, suit or proceeding relating thereto except in the courts described above in New York, other than actions in any court of competent jurisdiction to enforce any judgment, decree or award rendered by any such court in New York as described herein. Each of the Parties further agrees that notice as provided herein shall constitute sufficient service of process

and the Parties further waive any argument that such service is insufficient. Each of the Parties hereby irrevocably and unconditionally waives, and agrees not to assert, by way of motion or as a defense, counterclaim or otherwise, in any action or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby, (a) any claim that it is not personally subject to the jurisdiction of the courts in New York as described herein for any reason, (b) that it or its property is exempt or immune from jurisdiction of any such court or from any legal process commenced in such courts (whether through service of notice, attachment prior to judgment, attachment in aid of execution of judgment, execution of judgment or otherwise) and (c) that (i) the suit, action or proceeding in any such court is brought in an inconvenient forum, (ii) the venue of such suit, action or proceeding is improper or (iii) this Agreement, or the subject matter hereof, may not be enforced in or by such courts.

10.6 Waiver of Jury Trial . EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY.

10.7 Interpretation . The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

10.8 Notices . Any notice, demand, offer, request or other communication required or permitted to be given by either Party pursuant to the terms of this Agreement shall be made in accordance with, and in the manner provided by, the provisions for notices in the Purchase Agreement.

10.9 Nonassignability . Except as provided in Section 2.3, neither Party may, directly or indirectly, in whole or in part, assign, transfer or otherwise dispose of all or any part of this Agreement or the rights or obligations hereunder, without the other Party's prior written consent, and any attempted assignment, transfer or disposition without such prior written consent shall be voidable at the option of the other Party. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective legal representatives and permitted successors and assigns.

10.10 Third-Party Beneficiaries. Except as otherwise expressly provided in Article IX of this Agreement , n othing in this Agreement is intended to confer upon any Person other than the Parties any rights or remedies of any nature whatsoever under or by reason of this Agreement.

10.11 Severability . If any term or other provision of this Agreement is determined by a decision by a court of a court of competent jurisdiction to be invalid, illegal or incapable of being enforced by any rule of law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible.

10.12 Injunctive Relief. Notwithstanding any other provision of this Agreement, any Party at any time may seek a preliminary injunction or other preliminary judicial relief if, in its sole judgment, such action is necessary to avoid irreparable damage or harm.

10.13 Failure Or Indulgence Not Waiver; Remedies Cumulative. No failure or delay on the part of either Party hereto in the exercise of any right hereunder shall impair such right or be construed to be a waiver of, or acquiescence in, any breach hereof, nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or of any other right. All rights and remedies existing under this Agreement are cumulative to, and not exclusive of, any rights or remedies otherwise available.

10.14 Amendment. No change or amendment will be made to this Agreement except by a written instrument signed on behalf of each of the Parties.

10.15 Counterparts. This Agreement may be executed in one or more counterparts (including by facsimile or other electronic transmission), all of which shall be considered one and the same agreement, and shall become effective when one or more counterparts have been signed by each of the Parties and delivered to the other Party.

Remainder of Page Intentionally Left Blank

IN WITNESS WHEREOF, the Parties have executed this Continuing Services Agreement effective as of the date first set forth above.

ATMOS ENERGY CORPORATION

By: ______________________________
Name: Fred E. Meisenheimer
Title: Senior Vice President and Chief Financial Officer

LIBERTY ENERGY (MIDSTATES) CORP.

By: ______________________________
Name: Ian Robertson
Title: President

Exhibit A

Service Schedules to be finalized prior to Closing.

Exhibit 1.1-D
Form of Special Warranty Deed

THIS SPACE FOR RECORDER'S USE ONLY

Date: , 20

RECORDING REQUESTED BY:

Husch Blackwell LLP

AND WHEN RECORDED MAIL TO:

Husch Blackwell LLP
Attn: James G. Goettsch, Esq.
4801 Main Street, Suite 1000
Kansas City, MO 64112

SPECIAL WARRANTY DEED

GRANTOR:	Atmos Energy Corporation, a corporation incorporated in the State of Texas and the Commonwealth of Virginia
GRANTEE:	Liberty Energy (Midstates) Corp., a Missouri corporation
GRANTEE MAILING ADDRESS:	______________ ______________
LEGAL DESCRIPTION:	See Exhibit A, attached hereto.
ORIGINAL BOOK/PAGE:	______________

THIS INDENTURE, made on the day of , 2011, by and between Atmos Energy Corporation, a corporation incorporated in the State of Texas and the Commonwealth of Virginia, Grantor, and Liberty Energy (Midstates) Corp., a Missouri corporation, Grantee, with a mailing address of , .

WHEREAS, Grantor and Grantee have signed that certain Asset Purchase Agreement dated as of May 12, 2011 (the "Agreement"), which Agreement provides for the conveyance of certain assets to Grantee, including, without limitation, the real estate lying, being, and situate in the County of and State of legally described on Exhibit A attached hereto (the "Property").

WITNESSETH: THAT GRANTOR, in consideration of the sum of Ten and 00/100 Dollars ($10.00), and other valuable consideration, to it in hand paid by Grantee, the receipt of which is hereby acknowledged, does by these presents, sell and convey unto Grantee and its successors and assigns, the Property;

SUBJECT TO all Permitted Encumbrances, as defined in the Agreement.

TO HAVE AND TO HOLD, the Property aforesaid, on an AS-IS, WHERE-IS BASIS, WITH ALL FAULTS (subject to the representations and warranties in the Agreement), with all and singular the rights, privileges, appurtenances, and immunities thereto belonging or in anywise appertaining, unto Grantee and unto its successors and assigns forever; and that Grantor will warrant and defend the title of the Property unto Grantee and unto its successors and assigns forever, against the lawful claims and demands of all persons whomsoever, lawfully claiming the same by, through, or under the party of the Grantor, except as hereinafter stated; PROVIDED, HOWEVER, that notwithstanding the foregoing, Grantee shall not be entitled to recover any remedies otherwise available to Grantee for any breach of the foregoing warranties unless such remedies are available to Grantee under the Agreement (and then only to the extent and subject to all limitations provided in the Agreement); and PROVIDED, FURTHER, that the terms of the Agreement shall govern in the event of any inconsistency between the terms of the Agreement and the terms of this Indenture.

IN WITNESS WHEREOF, Grantor has caused this Indenture to be executed by its duly authorized officer, the day and the year first above written.

ATMOS ENERGY CORPORATION, a corporation incorporated in the State of Texas and the Commonwealth of Virginia

[SEAL]

By: ______________________________

Name: ______________________________

Title: ______________________________

STATE OF ________________)
) ss.
COUNTY OF ______________)

On this day of , 20 , before me appeared , to me personally known, who, being by me duly sworn did say that he is the of Atmos Energy Corporation, who is personally known to me to be such officer, and who is personally known to me to be the same person who executed, as such officer, the within instrument on behalf of such corporation, and such person duly acknowledged the execution of the same to be the act and deed of such corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

____
Notary Public

____
Print or Type Name

My commission expires:

____

EXHIBIT A

Legal Description

DISCLOSURE SCHEDULES

to the

ASSET PURCHASE AGREEMENT

by and between

ATMOS ENERGY CORPORATION

as Seller

and

LIBERTY ENERGY (MIDSTATES) CORP.

as Buyer

Dated as of May 12, 2011

These disclosure schedules (" Disclosure Schedules") are referred to in, and are part of, the Asset Purchase Agreement, dated as of May 12, 2011 (the " Agreement "), by and between Atmos Energy Corporation, a corporation incorporated in the State of Texas and the Commonwealth of Virginia (" Seller "), and Liberty Energy (Midstates) Corp., a Missouri corporation (" Buyer").

Capitalized terms used but not otherwise defined herein have the meanings set forth in the Agreement. Reference to any document, contract or agreement, including the Agreement (collectively, a " Document ") herein is qualified in its entirety by the text of the Document, as amended, supplemented or modified (to the extent provided), which is deemed to include all exhibits, schedules, annexes and other documents attached thereto, or referenced in such Document as constituting part of the terms of such Document, to the extent provided.

Any item disclosed in these Disclosure Schedules is deemed to be disclosed and incorporated by reference with respect to any other representation or warranty of Seller in the Agreement for which applicability of such information and disclosure is reasonably apparent on its face.

The fact that any item of information is disclosed in these Disclosure Schedules shall not be construed to mean that such information is required to be disclosed by the Agreement. Such information shall not be used as a basis for interpreting the terms "material" or "Material Adverse Effect" or other similar terms in the Agreement. The inclusion of any item in these Disclosure Schedules is not an admission or acknowledgement of any liability or obligation with respect to any third Person.

Items disclosed herein are not necessarily limited to the matters required by the Agreement to be disclosed in these Disclosure Schedules. Such additional information is provided for informational purposes only. Nothing in these Disclosure Schedules shall be deemed to expand the scope or effect, or change the meaning of any representation, warranty or covenant in the Agreement.

SCHEDULE 1.1-A

BUYER REQUIRED REGULATORY APPROVALS

APPLICABLE COMMISSIONS

Approval by each Applicable Commission of the joint application of the Parties for the approval of the transactions contemplated by the Agreement, including:

(a) Authorization of Buyer to provide regulated gas distribution service in the applicable jurisdiction upon and following the Closing at the same rates, charges, terms and conditions as set forth in the then current tariffs of Seller with respect to the Business on file with the Applicable Commission, including the issuance or approval of the transfer to Buyer of all certificates of public convenience and necessity and other licenses, authorizations, waivers and approvals previously granted by the Applicable Commission to Seller and required for Buyer to operate the Business as currently operated by Seller.

(b) Approval of the assumption and transfer to Buyer of, and authorization to record and recover in accordance with the terms and conditions then applicable to Seller, the Regulatory Assets and Regulatory Liabilities included in the Purchased Assets and Assumed Obligations, and to record and recover a regulatory asset or liability to reflect unfunded pension plan and post- retirement benefits other than pension obligations, if any, assumed by Buyer, to be amortized over the average remaining service period of employees of the Business expected to receive benefits under such plans.

(c) Approval for Buyer to issue debt, either to third parties or to one or more of its Affiliate parent companies, with respect to the financing of the transaction contemplated by the Agreement, in an amount such that the debt component of the utility's capital structure does not exceed 50% of such capital structure.

(d) Authorization of the parties to enter into and perform in accordance with the terms of all other documents reasonably necessary and incidental to the performance of the transactions contemplated by the Agreement.

FERC: Any and all approvals of the Federal Energy Regulatory Commission required in connection with the transactions contemplated by the Agreement.

SCHEDULE 1.1-B

PERMITTED ENCUMBRANCES

1. Unrecorded easements, discrepancies or conflicts in boundary lines, shortages in area and encroachments which an accurate and complete survey would disclose, that do not, individually or in the aggregate, materially interfere with Buyer's operation of the Business or use of any of the Purchased Assets in the manner currently used and do not secure any Excluded Liabilities.
2. All matters of record which would be disclosed by an abstract of title, title opinion or title insurance commitment, that do not, individually or in the aggregate, materially interfere with Buyer's operation of the Business or use of any of the Purchased Assets in the manner currently used and do not secure any Excluded Liabilities.

SCHEDULE 1.1-C

SELLER REQUIRED REGULATORY APPROVALS

ILLINOIS

Illinois Commerce Commission

1. Joint application for approval of the sale of certain of its assets located in the State of Illinois to Liberty Energy (Midstates) Corp.
2. Order issued approving said sale – *to be issued prior to Closing* .

IOWA

Iowa State Utilities Board

1. Joint application for approval of the sale of certain of its assets located in the State of Iowa to Liberty Energy (Midstates) Corp.
2. Order issued approving said sale – *to be issued prior to Closing* .

MISSOURI

Missouri Public Service Commission

1. Joint application for approval of the sale of certain of its assets located in the State of Missouri to Liberty Energy (Midstates) Corp.
2. Order issued approving said sale – *to be issued prior to Closing* .

FEDERAL

1. FERC - See FERC Order previously provided to Buyer.

SCHEDULE 1.1-D

SELLER'S KNOWLEDGE – LIST OF EMPLOYEES

Name	*Title*
Kevin Akers	President Kentucky/Mid-States Division
Greg Waller	Vice President, Finance Kentucky/Mid-States Division
Ernie Napier	Vice President, Technical Services Kentucky/Mid-States Division
Kevin Dobbs	Vice President, Operations Kentucky/Mid-States Division
Kenny Malter	Vice President, Gas Supply
Louis Gregory	Senior Vice President & General Counsel
Pace McDonald	Director, Taxes
Doug Walther	Associate General Counsel

SCHEDULE 1.1-E

TERRITORY

1. ILLINOIS : The local natural gas distribution system comprising approximately 702 miles of pipeline of varying diameters from 2-inches to 8-inches, associated with the natural gas distribution system serving the primary markets of Alma, Altamont, Beecher City, Brookport, Brownstown, Carrier Mills, Cowden, Eldorado, Farina, Farmersville, Galatia, Girard, Harrisburg, Huey, Iuka, Joppa, Kinmundy, Metropolis, Middletown, Muddy, New Holland, Raleigh, Salem, St. Elmo, St. Peter, Thayer, Vandalia, Virden, Waggoner, and Xenia.

2. IOWA : The local natural gas distribution system comprising approximately 144 miles of pipeline of varying diameters from 2-inches to 10-inches, associated with the natural gas distribution system serving the primary markets of Keokuk and Montrose.

3. MISSOURI : The local natural gas distribution system comprising approximately 2,179 miles of pipeline of varying diameters from 2-inches to 12-inches, associated with the natural gas distribution system serving the primary markets of Adrian, Alexandria, Amoret, Appleton, Arbela, Arbyrd, Arcadia, Archie, Benton, Bertrand, Bowling Green, Butler, Campbell, Canton, Cardwell, Caruthersville, Chaffee, Charleston, Clarkton, Cooter, Doniphan, East Prairie, Edina, Ewing, Gideon, Gordonville, Greentop, Greenville, Hannibal, Hayti Heights, Hayti, Holcomb, Holland, Hornersville, Howardville, Hume, Ironton, Jackson, Kahoka, Kirksville, Knox City, La Plata, Labelle, LaGrange, Lambert, Lancaster, Lewistown, Lilbourn, Luray, Malden, Marston, Matthews, Memphis, Miner, Monticello, Montrose, Morehouse, Morley, Naylor, Neelyville, New Madrid, North Lilbourn, Oak Ridge, Oran, Palmyra, Passaic, Piedmont, Portageville, Puxico, Queen City, Qulin, Rich Hill, Senath, Sikeston, Steele, Wardell, and Wayland.

SCHEDULE 2.1(a)(i)

REAL PROPERTY AND REAL PROPERTY INTERESTS

1. OWNED OFFICE/WAREHOUSE STRUCTURES AND LAND :

   a. ILLINOIS

      i. 611 N. Main, Harrisburg, IL.

   b. IOWA

      i. None.

   c. MISSOURI

      i. 2 Industrial Loop Drive, Hannibal, MO.

      ii. Out Lot 50, Hannibal, MO (remediated former MGP site).

      iii. 101 E. Mill Street, Butler, MO.

      iv. 209 Champ Clark Drive, Bowling Green, MO.

      v. 916 Green Street, Kirksville, MO.

SCHEDULE 2.1(a)(i)

REAL PROPERTY AND REAL PROPERTY INTERESTS
(Continued)

2. LEASED OFFICE/WAREHOUSE SPACE :

Illinois

Address	*Type*	*Office Size*	*Warehouse Size*	*Other Size*	*Action Required*
136 E. Dean St, Virden 62690	Office	2736	2914		Prior written consent
224 S. 6 th St, Vandalia 62471	Office	1750	2650		Prior written consent
615 E. 10 th St, Metropolis 62960	Office	1200	1250	1125	Prior written consent

Iowa

Address	*Type*	*Office Size*	*Warehouse Size*	*Other Size*	*Action Required*
2547 Hilton Rd, Keokuk 52632	Office	4430	5360		Prior written consent

Missouri

Address	*Type*	*Office Size*	*Warehouse Size*	*Other Size*	*Action Required*
100 S. Main, Butler 64730	Other	2000	232		Prior written consent
900 Truman Blvd, Caruthersville 63830	Other	4500	1200		Prior written consent
2370 N. High St, Suite 1, Jackson 63755	Office	2500			Prior written consent
216 W. Main, Malden 63863	Office	1000		248	None
1024 Linn St, Sikeston 63801	Office	4000	6000		Prior written consent

113 R S. Main, Ironton 63650	Warehouse space	375	None
617 North Main Piedmont	Storage space	375	None

3. EASEMENTS AND RIGHTS-OF-WAY

a. ILLINOIS : All right, title and interest to all real property (and interests therein and appurtenances thereto), rights-of-way, leases, easements, licenses or other rights to use or have access, servitudes, distribution systems and assets, whether or not of record, including (without limitation) in the counties of Clay, Clinton, Effingham, Fayette, Logan, Macoupin, Marion, Massac, Montgomery, Saline, Sangamon, and Shelby, associated with the high pressure natural gas distribution system service for the primary markets of Alma, Altamont, Beecher City, Brookport, Brownstown, Carrier Mills, Cowden, Eldorado, Farina, Farmersville, Galatia, Girard, Harrisburg, Huey, Iuka, Joppa, Kinmundy, Metropolis, Middletown, Muddy, New Holland, Raleigh, Salem, St. Elmo, St. Peter, Thayer, Vandalia, Virden, Waggoner, and Xenia.

b. IOWA : All right, title and interest to all real property (and interests therein and appurtenances thereto), rights-of-way, leases, easements, licenses or other rights to use or have access, servitudes, distribution systems and assets, whether or not of record, including (without limitation) in the county of Lee, associated with the high pressure natural gas distribution system service for the primary markets of Keokuk and Montrose.

c. MISSOURI : All right, title and interest to all real property (and interests therein and appurtenances thereto), rights-of-way, leases, easements, licenses or other rights to use or have access, servitudes, distribution systems and assets, whether or not of record, including (without limitation) in the counties of Adair, Bates, Butler, Cape Girardeau, Cass, Clark, Dunklin, Henry, Iron, Knox, Lewis, Macon, Mississippi, New Madrid, Pemiscot, Pike, Ripley, Schuyler, Scotland, Scott, St. Clear, Stoddard and Wayne associated with the high pressure natural gas distribution system service for the primary markets of the primary markets of Adrian, Alexandria, Amoret, Appleton, Arbela, Arbyrd, Arcadia, Archie, Benton, Bertrand, Bowling Green, Butler, Campbell, Canton, Cardwell, Caruthersville, Chaffee, Charleston, Clarkton, Cooter, Doniphan, East Prairie, Edina, Ewing, Gideon, Gordonville, Greentop, Greenville, Hannibal, Hayti Heights, Hayti, Holcomb, Holland, Hornersville, Howardville, Hume, Ironton, Jackson, Kahoka, Kirksville, Knox City, La Plata, Labelle, LaGrange, Lambert, Lancaster, Lewistown, Lilbourn, Luray, Malden, Marston, Matthews, Memphis, Miner, Monticello, Montrose, Morehouse, Morley, Naylor, Neelyville, New Madrid, North Lilbourn, Oak Ridge, Oran, Palmyra, Passaic, Piedmont, Portageville, Puxico, Queen City, Qulin, Rich Hill, Senath, Sikeston, Steele, Wardell, and Wayland.

SCHEDULE 2.1(a)(ii)

ALL OTHER NATURAL GAS DISTRIBUTION UTILITY SYSTEM ASSETS

1. HIGH PRESSURE PIPELINE DISTRIBUTION SYSTEM

a. ILLINOIS : All personal property comprising approximately 702 miles of pipeline of varying diameters from 2-inches to 8-inches, associated with the high pressure natural gas distribution system serving the primary markets of Alma, Altamont, Beecher City, Brookport, Brownstown, Carrier Mills, Cowden, Eldorado, Farina, Farmersville, Galatia, Girard, Harrisburg, Huey, Iuka, Joppa, Kinmundy, Metropolis, Middletown, Muddy, New Holland, Raleigh, Salem, St. Elmo, St. Peter, Thayer, Vandalia, Virden, Waggoner, and Xenia.

b. IOWA : All personal property comprising approximately 144 miles of pipeline of varying diameters from 2-inches to 10-inches, associated with the high pressure natural gas distribution system serving the primary markets of Keokuk and Montrose.

c. MISSOURI : All personal property comprising approximately 2,179 miles of pipeline of varying diameters from 2-inches to 12-inches, associated with the high pressure natural gas distribution system serving the primary markets of Adrian, Alexandria, Amoret, Appleton, Arbela, Arbyrd, Arcadia, Archie, Benton, Bertrand, Bowling Green, Butler, Campbell, Canton, Cardwell, Caruthersville, Chaffee, Charleston, Clarkton, Cooter, Doniphan, East Prairie, Edina, Ewing, Gideon, Gordonville, Greentop, Greenville, Hannibal, Hayti Heights, Hayti, Holcomb, Holland, Hornersville, Howardville, Hume, Ironton, Jackson, Kahoka, Kirksville, Knox City, La Plata, Labelle, LaGrange, Lambert, Lancaster, Lewistown, Lilbourn, Luray, Malden, Marston, Matthews, Memphis, Miner, Monticello, Montrose, Morehouse, Morley, Naylor, Neelyville, New Madrid, North Lilbourn, Oak Ridge, Oran, Palmyra, Passaic, Piedmont, Portageville, Puxico, Queen City, Qulin, Rich Hill, Senath, Sikeston, Steele, Wardell, and Wayland.

2. GAS DISTRIBUTION ASSETS

a. ILLINOIS : All personal property associated with the distribution system's provision of service, including, without limitation, compressors, pumps, motors, dehydrators, treaters, vessels, machinery, vehicles, trailers, fences, tools, lubricants, materials, supplies and spare-parts and computer hardware, and Seller's interest as lessee in any equipment leased by Seller, to the primary markets of Alma, Altamont, Beecher City, Brookport, Brownstown, Carrier Mills, Cowden, Eldorado, Farina, Farmersville, Galatia, Girard, Harrisburg, Huey, Iuka, Joppa, Kinmundy, Metropolis, Middletown, Muddy, New Holland, Raleigh, Salem, St. Elmo, St. Peter, Thayer, Vandalia, Virden, Waggoner, and Xenia.

b. IOWA : All personal property associated with the distribution system's provision of service, including, without limitation, compressors, pumps, motors, dehydrators, treaters, vessels, machinery, vehicles, trailers, fences, tools, lubricants, materials, supplies and spare-parts and computer hardware, and Seller's interest as lessee in any equipment leased by Seller, to the primary markets of Keokuk and Montrose.

c. MISSOURI : All personal property associated with the distribution system's provision of service, including, without limitation, compressors, pumps, motors, dehydrators, treaters, vessels, machinery, vehicles, trailers, fences, tools, lubricants, materials, supplies and spare-parts and computer hardware, and Seller's interest as lessee in any equipment leased by Seller, to the primary markets of Adrian, Alexandria, Amoret, Appleton, Arbela, Arbyrd, Arcadia, Archie, Benton, Bertrand, Bowling Green, Butler, Campbell, Canton, Cardwelll, Caruthersville, Chaffee, Charleston, Clarkton, Cooter, Doniphan, East Prairie, Edina, Ewing, Gideon, Gordonville, Greentop, Greenville, Hannibal, Hayti Heights, Hayti, Holcomb, Holland, Hornersville, Howardville, Hume, Ironton, Jackson, Kahoka, Kirksville, Knox City, La Plata, Labelle, LaGrange, Lambert, Lancaster, Lewistown, Lilbourn, Luray, Malden, Marston, Matthews, Memphis, Miner, Monticello, Montrose, Morehouse, Morley, Naylor, Neelyville, New Madrid, North Lilbourn, Oak Ridge, Oran, Palmyra, Passaic, Piedmont, Portageville, Puxico, Queen City, Qulin, Rich Hill, Senath, Sikeston, Steele, Wardell, and Wayland.

SCHEDULE 2.1(i)

ASSETS AND OTHER RIGHTS

ILLINOIS

None.

IOWA

None.

MISSOURI

None.

SCHEDULE 2.2(g)

ALL EXCLUDED AGREEMENTS, CONTRACTS, AND UNDERSTANDINGS

The agreements listed below, which are jointly used by the subject Business and other divisions of Seller.

Contractor	*Description*	*Effective Date*	*Term*
Bank of America	P-Card and Travel & Entertainment Card	12/9/2010	Ongoing
McJunkin	Pipe valves & fittings	2/21/2011	Three years
GE Capital Fleet Services	Master Lease Agreement; and related addendum*	1/15/1999	Ongoing
GE Capital Fleet Services	Master Services Agreement ; and related addendum*	1/15/1999	Ongoing
ARI Fleet LT and Automotive Rentals, Inc.	Lease and fleet management services agreement *	5/4/2010	Ongoing
Deere Credit, Inc.	Master Lease Agreement—Equipment leases*	3/10/2003	Two years
US Bank	Retail lockbox	12/16/2009	Three years
CheckFree	Walkin pay centers and e-bill handling	3/31/2006	Ongoing
BillMatrix	Credit Card payment processing	3/1/2011	Negotiating new contract, currently month-to-month
Western Union	Walk-in pay centers	3/31/1997	Ongoing
Fidelity Express	Walk-in pay centers	12/19/2003	Annual auto-renewal
Visa	Acceptance & promotional agreement	5/1/2011	Two years
Contract Callers, Inc.	Outside collection agency	1/1/2005	Ongoing
Professional Finance Co.	Outside collection agency	10/1/2005	Ongoing
Dynamic Recovery Services	Outside collection agency	4/1/2004	Ongoing
HHT Limited	Outside collection agency	5/6/2010	Ongoing
Kubra	Bill printing	7/30/2009	4/30/2013
Societe Generale	ISDA Master Agreement		Ongoing
Barclays Bank PLC	ISDA Master Agreement		Ongoing
CitiGroup Inc.	ISDA Master Agreement		Ongoing

Conoco Phillips	ISDA Master Agreement	Ongoing
Credit Agricole (formerly Calyon)	ISDA Master Agreement	Ongoing
Fifth Third Bank	ISDA Master Agreement	Ongoing
JPMorgan Chase Bank N.A.	ISDA Master Agreement	Ongoing
Wells Fargo Bank, National	ISDA Master Agreement	Ongoing
Shell Energy North America (US)	ISDA Master Agreement	Ongoing
Morgan Stanley	ISDA Master Agreement	Ongoing
BP Corporation North America Inc.	ISDA Master Agreement	Ongoing
BNP Paribas	ISDA Master Agreement	Ongoing
Royal Bank of Canada	ISDA Master Agreement	Ongoing

* Assets that principally relate to the current operation of the Business that are leased under a lease, contract or agreement set forth on this Schedule 2.2(g) will be transferred to Buyer pursuant to an assignment or partial assignment of the lease schedule or lease of which they are a part (without assignment of the master lease agreement itself or any other lease thereunder); provided, however, that if such lease cannot be assigned to Buyer, such assets shall be subject to Section 7.6 (c) of the Agreement.

SCHEDULE 2.2(o)

EXCLUDED ASSETS AND OTHER RIGHTS

ILLINOIS

None.

IOWA

None.

MISSOURI

None.

SCHEDULE 5.3

EXCEPTIONS TO NO CONFLICTS OF AND/OR CONSENTS

ILLINOIS

See actions described under the "*Action Required*" columns in Schedule 2.1(a)(i) and Schedule 5.9(a).

IOWA

See actions described under the "*Action Required*" columns in Schedule 2.1(a)(i) and Schedule 5.9(a).

MISSOURI

See actions described under the "*Action Required*" columns in Schedule 2.1(a)(i) and Schedule 5.9(a).

SCHEDULE 5.4

EXCEPTIONS TO GOVERNMENTAL FILINGS

ILLINOIS

None.

IOWA

None.

MISSOURI

None.

SCHEDULE 5.5(a)

BALANCE SHEETS AND FINANCIAL STATEMENTS AS OF MARCH 31, 2011

[SEE FINANCIAL STATEMENTS PREVIOUSLY PROVIDED TO BUYER AS SET FORTH BELOW.]

ILLINOIS

1. Income Statement FY 2010
2. Income Statement as of March 31, 2011
3. Balance Sheet FY 2010
4. Balance Sheet as of March 31, 2011

IOWA

5. Income Statement FY 2010
6. Income Statement as of March 31, 2011
7. Balance Sheet FY 2010
8. Balance Sheet as of March 31, 2011

MISSOURI

9. Income Statement FY 2010
10. Income Statement as of March 31, 2011
11. Balance Sheet FY 2010
12. Balance Sheet as of March 31, 2011

SCHEDULE 5.5(b)

INDEBTEDNESS OR LIABILITIES

ILLINOIS

None.

IOWA

None.

MISSOURI

None.

SCHEDULE 5.6

EXCEPTIONS TO NORMAL BUSINESS OPERATIONS

ILLINOIS

None.

IOWA

None.

MISSOURI

None.

http://www.investquest.com/iq/a/ato/fin/8k/ato8k051311.htm 3/26/2013

SCHEDULE 5.9(a)

MATERIAL CONTRACTS

(i) FRANCHISE AGREEMENTS

IOWA

Municipality	Term Date	Action Required
Keokuk	11/30/2014	None
Montrose	3/31/2015	None

ILLINOIS

Municipality	Term Date	Action Required
Alma	7/5/2015	None
Altamont	8/27/2015	Consent
Beecher City	7/10/2015	Consent
Brookport	3/4/2026	None
Brownstown	9/1/2015	Consent
Carrier Mills	10/13/2027	None
Cowden	6/3/2015	None
Eldorado	10/14/2016	None
Farina	8/6/2015	Consent
Farmersville	7/1/2015	None
Galatia	7/5/2023	None
Girard	11/12/2024	None
Harrisburg	8/18/2016	None
Huey	6/4/2014	None
Iuka	4/23/2014	None
Joppa	7/6/2022	None
Kinmundy	2/3/2013	None
Metropolis	8/24/2016	None
Middletown	4/1/2013	None
Muddy	7/7/2023	None
New Holland	7/13/2036	None
Raleigh	6/12/2019	None
St. Elmo	8/6/2015	Consent
St. Peter	8/6/2015	Consent
Thayer	5/9/2034	None
Vandalia	1/22/2017	None
Virden	9/6/2025	None
Waggoner	7/10/2016	None
Xenia	6/11/2015	None

MISSOURI

Municipality / County	Term Date	Action Required
Adrian	2/12/2027	Written notice*
Alexandria	2/8/2026	Written notice*
Amoret	5/3/2018	None
Appleton	9/30/2020	None
Arbela	2/9/2026	Written notice*
Arbyrd	8/22/2025	None
Arcadia	3/9/2024	None
Archie	4/7/2012	None
Benton	1/1/2026	Written notice*
Bertrand	4/14/2024	None
Bowling Green	7/1/2023	None
Butler	4/4/2016	30-day written notice
Campbell	9/12/2012	None
Canton	1/13/2026	Written notice*
Cardwelll	4/16/2018	None
Caruthersville	4/5/2012	None
Chaffee	6/6/2930	Written notice*
Charleston	6/19/2017	None
Clark, County of	12/31/2012	None
Clarkton	4/12/2012	None
Cooter	9/1/2024	None
Doniphan	7/20/2024	None
East Prairie	3/22/2017	None
Edina	6/12/2026	None
Ewing	3/2/2029	None
Gideon	5/17/2012	None
Gordonville	6/25/2018	None
Greentop	9/24/2019	None
Greenville	1/6/2028	None
Hannibal	9/30/2013	None
Hayti	5/17/2012	None
Hayti Heights	5/16/2014	None
Holcomb	6/4/2012	None
Holland	5/4/2012	None
Hornersville	3/13/2025	Written notice*
Howardville	7/6/2024	None
Hume	12/31/2016	None
Ironton	4/11/2014	None
Jackson	10/31/2020	None
Kahoka	12/1/2025	Written notice*
Kirksville	3/19/2020	None
Knox City	4/4/2026	Written notice*
Knox, County of	12/31/2012	Written notice*
La Plata	6/8/2024	None
Labelle	10/10/2025	Written notice*

LaGrange	11/28/2015	None
Lambert	9/18/2018	None
Lancaster	11/7/2019	None
Lewis, County of	12/31/2012	None
Lewistown	5/4/2026	Written notice*
Lilbourn	5/16/2027	None
Luray	10/5/2025	Written notice*
Malden	9/29/2016	None
Marion, County of	12/31/2012	None
Marston	11/19/2025	Written notice*
Matthews	8/10/2018	None
Memphis	2/2/2026	Written notice*
Miner	11/9/2025	None
Monticello	10/3/2025	None
Montrose	4/9/2017	None
Morehouse	4/16/2027	None
Morley	2/10/2026	Written notice*
Naylor	1/1/2028	None
Neelyville	1/7/2028	None
New Madrid	10/3/2024	None
North Lilbourn	6/6/2025	None
Oak Ridge	7/16/2027	None
Oran	7/31/2027	None
Palmyra	4/4/2027	None
Passaic	12/12/2019	None
Piedmont	2/14/2025	Written notice*
Portageville	6/2/2012	None
Puxico	6/17/2012	None
Queen City	4/9/2020	None
Qulin	9/17/2028	None
Ralls, County of	12/31/2012	None
Rich Hill	12/12/2017	Written notice*
Scotland, County of	12/31/2012	None
Senath	12/13/2024	None
Sikeston	5/5/2028	None
Steele	11/2/2018	None
Wardell	5/1/2026	Written notice*
Wayland	4/6/2026	Written notice*

* Prior approval of assignment along with Buyer's assent to the terms and conditions of same.

(ii) AGREEMENTS BETWEEN SELLER AND ANY OF ITS AFFILIATES

None.

(iii) AGREEMENTS BETWEEN SELLER AND ONE OR MORE BUSINESS EMPLOYEES

None.

(iv) COLLECTIVE BARGAINING AGREEMENTS

a. Illinois : None.

b. Iowa : None.

c. Missouri : Collective Bargaining Agreement; International Brotherhood of Electrical Workers, Local Union 1439, AFL-CIO, effective June 2, 2010 through May 31, 2012.

(v) LEASES, SUBLEASES, LICENSES OR OTHER AGREEMENTS

a. Illinois : None.

b. Iowa : Office Lease for office space located on the premises of 2547 Hilton Road, Keokuk, Iowa 52632 (office lease between Atmos Energy Corporation as Lessee, and S&P Development LLC as Lessor).

c. Missouri : None.

(vi) AGREEMENTS INVOLVING EXPENDITURES IN EXCESS OF $150,000 ANNUALLY

Contract No.	*Description*	*Party*	*Action Required*
UCG-10857	Storage Agreement	Gallagher Drilling Incorporated	Prior written consent
UCG-11106	Storage Agreement	Panhandle Eastern Pipe Line Company	Prior written consent
UCG-11323	Storage Agreement For Harrisburg/ Galatia IL	Texas Eastern Transmission	Prior written consent
UCG-11322	Transportation Agreement for Harrisburg/ Galatia IL	Texas Eastern Transmission	Prior written consent
UCG-10276-6	Amendment No. 10 to Transportation Agreement for Virden IL	Panhandle Eastern Pipe Line Company LP	Prior written consent
UCG-10275-6	Amendment No. 10 to Transportation Agreement for Virden IL	Panhandle Eastern Pipe Line Company LP	Prior written consent
UCG-10267-10	Letter Agreement amending the Transportation Agreement for Metropolis IL	Panhandle Eastern Pipe Line Company LP	Prior written consent
UCG-10096-5	Transportation Agreement for Altamont IL	Natural Gas Pipeline Company of America LLC	Prior written consent

UCG-10095-6	Transportation Agreement for Vandalia IL	Natural Gas Pipeline Company of America LLC	Prior written consent
UCG-10093-6	Transportation Agreement for Altamont IL	Natural Gas Pipeline Company of America LLC	Prior written consent
UCG-10092-7	Transportation Agreement for Vandalia IL	Natural Gas Pipeline Company of America LLC	Prior written consent
UCG-10267-8	Amendment No. 6 to Transportation Agreement for Metropolis IL	Trunkline Gas Company LLC	Prior written consent
UCG-10925-IL	Main Extension, Gas Transportation and Pipeline Operation and Maintenance Agreement	LaFarge Corporation	Prior written consent
UCG-10835	Gas Supply Agreement – Base Contract (NAESB)	CenterPoint Energy Gas Marketing Company	Prior written consent
UCG-10999	Gas Supply Agreement – Base Contract (NAESB)	OGE Energy Resources, Inc.	Prior written consent
UCG-10999-1	Transaction confirmation	OGE Energy Resources, Inc.	(see UCG-10999 above)
UCG-10999-2	Transaction confirmation	OGE Energy Resources, Inc.	(see UCG-10999 above)
UCG-11074	Gas Supply Agreement – Base Contract (NAESB)	Tenaska Marketing Ventures	Prior written consent
UCG-11074-9	Transaction confirmation	Tenaska Marketing Ventures	(see UCG-11074 above)
UCG-11105	Gas Supply Agreement – Base Contract (NAESB)	Coral Energy Resources, L.P.	Prior written consent
UCG-11105-16	Transaction confirmation	Shell Energy North America, L.P.	(see UCG-11105 above)

Illinois 2011 Hedging Plan – covered by ISDA Master Agreements (see 2.2(g))

Supply Agreements with CenterPoint Energy Services, Inc. have been awarded through March 2012 but written agreements have not yet been finalized – Seller will supplement with these two agreements.

Contract No.	Description	Party	Action Required
UCG-10158-IA-9	Amendment No. 11 Firm Storage Agreement	ANR Pipeline Company	Prior written consent
UCG-10157-11	Amendment No. 11 to Transportation Agreement	ANR Pipeline Company	Prior written consent
UCG-10155-3	Amendment No. 2 to Firm Transportation Agreement	ANR Pipeline Company	Prior written consent
UCG-10774-IA	Gas Transportation Agreement	Roquette America, Inc.	Prior written consent
UCG-11105	Gas Supply Agreement – Base Contract (NAESB)	Coral Energy Resources, L.P.	Prior written consent
UCG-11105-16	Transaction confirmation	Shell Energy North America, L.P.	(see UCG-11105 above)

Iowa 2011 Hedging Plan – covered by ISDA Master Agreements (see 2.2(g))

Contract No.	Description	Party	Action Required
GGC-10287	Storage Agreement	Panhandle Eastern Pipe Line Company	Prior written consent
UCG-10060-14	Firm Storage Agreement – Amendment No. 21 for Kirksville, MO	ANR Pipeline Company	Prior written consent
UCG-10061-16	Firm Storage Agreement – Amendment No. 22 for Kirksville, MO	ANR Pipeline Company	Prior written consent
UCG-10063-11	Transportation Agreement – Amendment No. 20 for Kirksville, MO	ANR Pipeline Company	Prior written consent
UCG-10059-12	Transportation Agreement – Amendment No. 20 for Kirksville, MO	ANR Pipeline Company	Prior written consent
GGC-10286-3	Transportation Agreement – Amendment No. 14 for Butler, MO	Panhandle Eastern Pipe Line Company, LP	Prior written consent
UCG-11443	Southeast MO Storage Agreement	Natural Gas Pipeline Company of America LLC	Prior written consent
UCG-11442	Transportation Agreement for Southeast MO	Natural Gas Pipeline Company of America LLC	Prior written consent
UCG-11442-1	Amendment to the Transportation Agreement for Southeast MO	Natural Gas Pipeline Company of America LLC	(see UCG-11442 above)

UCG-11441	Southeast MO Transportation Agreement	Natural Gas Pipeline Company of America LLC	Prior written consent
UCG-11441-1	Southeast MO Transportation Agreement – Amendment No. 1	Natural Gas Pipeline Company of America LLC	(see UCG-11441 above)
UCG-10752-4	Transportation Agreement	Ozark Gas Transmission LLC	Prior written consent
UCG-10291-4	Hannibal MO Storage Agreement – Amendment No. 4	Panhandle Eastern Pipe Line Company LP	Prior written consent
UCG-10279-5	Hannibal MO Transportation Agreement – Amendment No. 13	Panhandle Eastern Pipe Line Company LP	Prior written consent
UCG-10277-5	Bowling Green MO Transportation Agreement – Amendment No. 9	Panhandle Eastern Pipe Line Company LP	Prior written consent
UCG-10205-2	Southeast MO Transportation Agreement	Texas Eastern Transmission LP	Prior written consent
UCG-10204-2	Southeast MO Storage Agreement	Texas Eastern Transmission LP	Prior written consent
UCG-10135-5	Amendment No. 5 to Transportation Agreement for Hannibal MO	Panhandle Eastern Pipe Line Company LP	Prior written consent
UCG-10064-2	Transportation Agreement – Amendment No. 6	ANR Pipeline Company	Prior written consent
UCG-10062-3	Storage Agreement – Amendment No. 5	ANR Pipeline Company	Prior written consent
TS-17488	Transportation-Storage Agreement	Southern Star Central Gas Pipeline	Prior written consent
UCG-10765-MO	Gas Transportation Agreement	Noranda Aluminum, Inc.	Prior written consent
UCG-11305-MO	Gas Transportation Agreement	General Mills	None
UCG-10835	Gas Supply Agreement – Base Contract (NAESB)	CenterPoint Energy Gas Marketing Company	Prior written consent
UCG-10837	Gas Supply Agreement – Base Contract (NAESB)	ConocoPhillips Company	Prior written consent
UCG-10837-7	Transaction confirmation	ConocoPhillips Company	(see UCG-10837 above)

UCG-10837-8	Transaction confirmation	ConocoPhillips Company	(see UCG-10837 above)
UCG-10999	Gas Supply Agreement – Base Contract (NAESB)	OGE Energy Resources, Inc.	Prior written consent
UCG-10999-1	Transaction confirmation	OGE Energy Resources, Inc.	(see UCG-10999 above)
UCG-11105	Gas Supply Agreement – Base Contract (NAESB)	Coral Energy Resources, L.P.	Prior written consent
UCG-11105-15	Transaction confirmation	Shell Energy North America, L.P.	(see UCG-11105 above)
UCG-11313	Gas Supply Agreement – Base Contract (NAESB)	Laclede Energy Resources, Inc.	Prior written consent
UCG-11313-8	Transaction confirmation	Laclede Energy Resources, Inc.	(see UCG-11313 above)

Missouri 2011 Hedging Plan – covered by ISDA Master Agreements (see 2.2(g))

A Supply Agreement with CenterPoint Energy Services, Inc. has been awarded through March 2012 but the written agreement has not yet been finalized – Seller will supplement with this agreement.

N/A	Hannibal Cast Iron Replacement Change Order, dated 4/29/2010	Team Construction, L.L.C.	None
N/A	2011 Hannibal Cast Iron Replacement Change Order, dated 4/14/2011	Team Construction, L.L.C.	None

(vii) through (xi): None.

SCHEDULE 5.9(b)

EXCEPTIONS TO VALID AND BINDING OBLIGATIONS OF MATERIAL CONTRACTS

ILLINOIS

None.

IOWA

None.

MISSOURI

None.

SCHEDULE 5.9(e)

OTHER MATERIAL CONTRACTS NOT TO BE ASSIGNED TO BUYER

SEE SCHEDULE 2.2(g).

SCHEDULE 5.10

PENDING OR THREATENED CLAIMS

ILLINOIS : None.

IOWA : None.

MISSOURI : One workers compensation claim, permanent/partial disability of former employee. Remaining lifetime medical $165,000.

SCHEDULE 5.11(a)

EXCEPTIONS TO COMPLIANCE WITH LAWS, ORDERS, AND PERMITS

ILLINOIS

None.

IOWA

None.

MISSOURI

None.

SCHEDULE 5.11(b)

OUTSTANDING REGULATORY ORDERS

ILLINOIS

None.

IOWA

None.

MISSOURI

None.

SCHEDULE 5.11(c)

EXCEPTIONS TO MATERIAL PERMITS

ILLINOIS

None.

IOWA

None.

MISSOURI

None.

SCHEDULE 5.12(b)

EXCEPTIONS TO NO ENVIRONMENTAL VIOLATIONS

ILLINOIS

None.

IOWA

None.

MISSOURI

None.

SCHEDULE 5.12(c)

EXCEPTIONS TO NO ENVIRONMENTAL RELEASES

ILLINOIS

None.

IOWA

None.

MISSOURI

None.

SCHEDULE 5.13

EXCEPTIONS TO NO TAX ISSUES

ILLINOIS

None.

IOWA

None.

MISSOURI

None.

SCHEDULE 5.14

EXCEPTIONS TO COMPLIANCE WITH ALL LABOR LAWS

ILLINOIS

None.

IOWA

None.

MISSOURI

None.

SCHEDULE 5.15(a)

EMPLOYEE BENEFIT PLANS

1. Accidental Death and Dismemberment (not subsidized)
2. Basic Life Insurance
3. Business Travel Accident Insurance
4. Company Provided Uniforms
5. Employee Assistance Program
6. Flexible Benefits Plan
7. Flexible Spending Account
8. Group Dental Plan
9. Group Medical Plan
10. Group Variable Universal Life (not subsidized)
11. Long-Term Disability Insurance
12. Pension Account Plan (plan closed to new entrants)
13. Retiree Medical Plan
14. Retirement Savings Plan
15. Retirement Savings Plan Fixed Annual Company Contribution
16. Service Award Program
17. Short-Term Disability Insurance
18. Time-Off Benefits
19. Education Assistance Program
20. Variable Pay Plan
21. Vision Plan (not subsidized)
22. Voluntary Benefits – Auto and Home Insurance (not subsidized)
23. Wellness Program
24. Workers' Compensation

SCHEDULE 5.15(c)

EXCEPTIONS TO QUALIFICATIONS OF EMPLOYEE BENEFITS UNDER SECTION 401(a)

ILLINOIS

None.

IOWA

None.

MISSOURI

None.

SCHEDULE 5.15(d)

EXCEPTIONS TO NON-ACCELERATION OF EMPLOYEE BENEFITS

ILLINOIS

None.

IOWA

None.

MISSOURI

None.

SCHEDULE 7.1

EXCEPTIONS TO CONDUCT OF BUSINESS IN ORDINARY COURSE

ILLINOIS

None.

IOWA

None.

MISSOURI

None.

SCHEDULE 7.1(c)

CAPITAL INVESTMENTS PROGRAM

1. SEE FY 2011 CAPITAL BUDGET PREVIOUSLY PROVIDED TO BUYER.
2. PROPOSED FY 2012 CAPITAL BUDGET TO BE PROVIDED TO BUYER (which in the aggregate will be reasonably consistent with the FY 2011 Capital Budget).

SCHEDULE 7.9(a)

LIST OF BUSINESS EMPLOYEES

ILLINOIS

State Total: 31

Hire Date	*Job Name*	*Work Location*	*Grade*	*Pay Basis*
1/5/1987	Sr. Service Technician	Metropolis	2	Non Exempt Hrly
8/27/2007	Sr. Construction Operator	Harrisburg	2	Non Exempt Hrly
6/24/1985	Sr. Service Technician	Harrisburg	2	Non Exempt Hrly
9/3/1985	Sr. Service Technician	Metropolis	2	Non Exempt Hrly
11/7/1983	Distribution Operator	Vandalia	3	Non Exempt Hrly
10/1/1983	Operations Supervisor	Harrisburg	5	Exempt Salary
1/26/1987	Sr. Construction Operator	Metropolis	2	Non Exempt Hrly
7/13/1981	Distribution Operator	Metropolis	3	Non Exempt Hrly
8/7/1989	Crew Leader	Harrisburg	3	Non Exempt Hrly
2/24/1987	Sr. MIC Tech	Vandalia	3	Non Exempt Hrly
10/1/1983	Sr. Service Technician	Harrisburg	2	Non Exempt Hrly
10/3/1983	Crew Leader	Vandalia	3	Non Exempt Hrly
1/1/1984	Sr. Construction Operator	Vandalia	2	Non Exempt Hrly
3/13/1980	Operations Assistant	Vandalia	2	Non Exempt Hrly
10/29/1984	Operations Supervisor	Vandalia	5	Exempt Salary
8/27/1979	Crew Leader	Metropolis	3	Non Exempt Hrly
12/23/2002	Operations Assistant	Harrisburg	2	Non Exempt Hrly
10/25/1979	Sr. Construction Operator	Harrisburg	2	Non Exempt Hrly
5/5/1980	Sr. Service Technician	Harrisburg	2	Non Exempt Hrly
11/16/1992	Sr. Service Technician	Metropolis	2	Non Exempt Hrly
6/4/1974	Sr. Service Technician	Vandalia	2	Non Exempt Hrly
5/14/1981	Operations Assistant	Virden	2	Non Exempt Hrly
2/18/1986	Sr. Service Technician	Vandalia	2	Non Exempt Hrly
2/2/1987	Sr. MIC Tech	Harrisburg	3	Non Exempt Hrly
12/1/1985	Sr. Construction Operator	Vandalia	2	Non Exempt Hrly
3/29/1976	Sr. Service Technician	Harrisburg	2	Non Exempt Hrly
7/18/2005	Service Technician	Virden	1	Non Exempt Hrly
8/30/2004	Service Technician	Vandalia	1	Non Exempt Hrly
4/28/2008	Meter Reader	Virden	1	Non Exempt Hrly
3/17/2003	Sr. Service Technician	Virden	2	Non Exempt Hrly
5/24/2004	Sr. Service Technician	Virden	2	Non Exempt Hrly

IOWA

State Total: 13

Hire Date	*Job Name*	*Work Location*	*Grade*	*Pay Basis*
4/16/1990	Town Operator	Keokuk	4	Non Exempt Hrly
7/28/2008	Service Technician	Keokuk	1	Non Exempt Hrly
6/1/1978	Distribution Operator	Keokuk	3	Non Exempt Hrly
11/19/1990	Crew Leader	Keokuk	3	Non Exempt Hrly
5/7/1979	Operations Assistant	Keokuk	2	Non Exempt Hrly

3/19/1979	Operations Assistant	Keokuk	2	Non Exempt Hrly
3/5/1990	Sr. Construction Operator	Keokuk	2	Non Exempt Hrly
9/1/1973	Operations Manager	Keokuk	6	Exempt Salary
1/24/1972	Sr. Service Technician	Keokuk	2	Non Exempt Hrly
11/29/2007	Service Technician	Keokuk	1	Non Exempt Hrly
1/11/2010	Meter Reader	Keokuk	1	Non Exempt Hrly
1/9/2006	Project Specialist	Keokuk	4	Exempt Salary
2/12/1990	Operations Supervisor	Keokuk	5	Exempt Salary

MISSOURI

State Total: 65

Hire Date	*Job Name*	*Work Location*	*Grade**	*Pay Basis*
1/25/1971	Operations Assistant	Hannibal	2	Non Exempt Hrly
6/8/1981	Operations Assistant	Caruthersville	2	Non Exempt Hrly
1/10/1994	Crew Leader	Sikeston	U	Non Exempt Hrly
7/31/2006	Sr. Construction Operator	Jackson	U	Non Exempt Hrly
3/5/1990	Sr. Construction Operator	Hannibal	2	Non Exempt Hrly
5/18/1998	Sr. Construction Operator	Jackson	U	Non Exempt Hrly
8/18/1997	Operations Assistant	Butler	2	Non Exempt Hrly
5/3/1988	Meter Reader	Caruthersville	U	Non Exempt Hrly
1/9/1989	Distribution Operator	Hannibal	3	Non Exempt Hrly
3/16/1999	Sr. Service Technician	Butler	U	Non Exempt Hrly
12/3/1984	Sr. Service Technician	Caruthersville	U	Non Exempt Hrly
12/17/1990	Sr. MIC Tech	Caruthersville	U	Non Exempt Hrly
8/26/1991	Sr. Construction Operator	Sikeston	U	Non Exempt Hrly
6/18/1990	Project Specialist	Sikeston	4	Exempt Salary
12/9/1985	Crew Leader	Butler	U	Non Exempt Hrly
12/9/1996	Sr. Service Technician	Malden	U	Non Exempt Hrly
8/14/1984	Operations Supervisor	Hannibal	5	Exempt Salary
4/16/1979	Sr. Service Technician	Kirksville	U	Non Exempt Hrly
12/16/1998	Operations Assistant	Jackson	2	Non Exempt Hrly
3/12/1984	Operations Assistant	Kirksville	2	Non Exempt Hrly
10/1/1990	Distribution Operator	Hannibal	3	Non Exempt Hrly
8/7/1978	Sr. Service Technician	Malden	U	Non Exempt Hrly
3/15/1985	Sr. Service Technician	Jackson	U	Non Exempt Hrly
1/2/1992	Sr. MIC Tech	Sikeston	U	Non Exempt Hrly
4/23/1982	Sr. Construction Operator	Caruthersville	U	Non Exempt Hrly
11/20/1978	Sr. Service Technician	Sikeston	U	Non Exempt Hrly
12/22/1980	Corrosion Control Technician	Hannibal	3	Non Exempt Hrly
4/9/1982	Sr. Construction Operator	Jackson	U	Non Exempt Hrly
1/1/1990	Sr. Construction Operator	Hannibal	2	Non Exempt Hrly
7/24/1990	Sr. Service Technician	Sikeston	U	Non Exempt Hrly
6/3/1977	Sr. Service Technician	Caruthersville	U	Non Exempt Hrly
6/3/1985	Operations Supervisor	Kirksville	5	Exempt Salary
11/18/1977	Sr. Service Technician	Caruthersville	U	Non Exempt Hrly
6/21/1982	Mgr Public Affairs	Jackson	6	Exempt Salary
5/1/1975	Crew Leader	Caruthersville	U	Non Exempt Hrly
3/7/1977	Sr. Service Technician	Malden	U	Non Exempt Hrly

6/30/2008	Construction Operator	Hannibal	1	Non Exempt Hrly
1/14/2008	Sr. Service Technician	Malden	U	Non Exempt Hrly
11/24/2008	Meter Reader	Jackson	U	Non Exempt Hrly
11/17/2008	Meter Reader	Kirksville	U	Non Exempt Hrly
7/17/2007	Meter Reader	Malden	U	Non Exempt Hrly
1/7/2008	Meter Reader	Sikeston	U	Non Exempt Hrly
5/21/2007	Meter Reader	Butler	U	Non Exempt Hrly
8/6/2007	Service Technician	Jackson	U	Non Exempt Hrly
4/6/2006	Construction Operator	Kirksville	U	Non Exempt Hrly
2/4/1998	Sr. Service Technician	Sikeston	U	Non Exempt Hrly
5/12/1998	Operations Supervisor	Jackson	5	Exempt Salary
7/15/2004	Service Technician	Hannibal	1	Non Exempt Hrly
2/1/1996	Sr. MIC Tech	Jackson	U	Non Exempt Hrly
10/26/1998	Sr. Construction Operator	Hannibal	2	Non Exempt Hrly
2/14/2008	Construction Operator	Jackson	U	Non Exempt Hrly
5/13/2002	Sr. Construction Operator	Butler	U	Non Exempt Hrly
3/16/1994	Operations Supervisor	Malden	5	Exempt Salary
6/27/1997	Sr. MIC Tech	Hannibal	3	Non Exempt Hrly
11/17/1997	Operations Supervisor	Sikeston	5	Exempt Salary
7/16/1990	Sr. Service Technician	Kirksville	U	Non Exempt Hrly
9/17/1987	Sr. Service Technician	Sikeston	U	Non Exempt Hrly
3/11/1996	Sr. Service Technician	Jackson	U	Non Exempt Hrly
7/23/1990	Crew Leader	Kirksville	U	Non Exempt Hrly
6/26/1995	Sr. Construction Operator	Sikeston	U	Non Exempt Hrly
3/12/2007	Sr. Construction Operator	Malden	U	Non Exempt Hrly
5/9/2011	Meter Reader	Sikeston	U	Non Exempt Hrly
5/9/2011	Operations Assistant	Caruthersville	U	Non Exempt Hrly
Position posted internally	Operations Assistant	Sikeston	2	Non Exempt Hrly
Temp emp 4/1/2011	Meter Reader	Hannibal	1	Non Exempt Hrly
				Grand Total: 109

* U = Union

SCHEDULE 7.9(c)

COLLECTIVE BARGAINING UNITS

ILLINOIS : None.

IOWA : None.

MISSOURI : International Brotherhood of Electrical Workers, Local Union 1439, AFL-CIO.

SCHEDULE 7.10(d)

**ASSET TRANSFER AMOUNT OF
PENSION LIABILITIES AND ASSETS**

Transfer of Pension Liabilities and Assets

For purposes of determining the asset transfer amount:

Terminations Prior to Closing Date

Seller will retain the liability, and no assets will be transferred.

New Hires Prior to Closing

Employees will become participants in the Retirement Savings Plan and will not participate in the Pension Account Plan; no assets will be transferred.

Active Participants at Closing Date

Grandfathered Participants

- Assets transferred : Greater of (1) the Pension Account Plan account balance at Closing Date [1] or (2) the lump sum value of the Pension Account Plan grandfathered monthly benefit earned as of the Closing Date
- Assumptions : For the lump sum value of the grandfathered benefit, IRS 417(e) interest rates and mortality table in effect for lump sums payable as of the first of the month following the Closing Date

Nongrandfathered Participants

- Assets transferred : Pension Account Plan account balance at Closing Date [1]
- Assumptions : Not applicable

[1] Account balance will include a partial year of pay credits and interest credits if the transaction closes in the middle of a calendar year.

Adjustment Between Closing Date and Actual Transfer Date

For purposes of Section 7.9(e), the Interest Crediting Rate in effect in the Pension Account Plan during the period between Closing Date and Actual Transfer Date will be used for the adjustment.

SCHEDULE 7.10(f)

ASSET TRANSFER AMOUNT OF POST-RETIREMENT HEALTH AND WELFARE BENEFITS

Transfer of Retiree Medical Liabilities and Assets

For purposes of determining the asset transfer amount, Seller will transfer based on financial reporting assumptions as this is the basis for rate recovery.

Discount Rate	Based on high quality corporate bond yields as of the Closing Date
Salary Increase	4.0% per year
Medical/Dental Plan Trend Rate:	
•Medical costs	8.00% in fiscal year 2011: reducing 0.5% per year, reaching 5.00% in fiscal year 2017 and after.
•Prescription drug costs	8.00% in fiscal year 2011: reducing 0.5% per year reaching 5.50% in fiscal year 2016 and after.
•Dental costs	6.00% in fiscal year 2011 and after
Mortality Table	RP2000 White Collar with mortality improvement projected to 2020 using Scale AA
Termination	Rates varying by age and service. Sample rates:

	Age 25	Age 40	Age 55
Rate	12.1%	4.7%	2.2%

Retirement

Rates varying by age:

Age	Rate
55-58	5%
59-60	10%
61	15%
62	40%
63-64	30%
65-69	50%
70	100%

Percentage Covering Spouses	70%
Spouses Ages	Wives 2 years younger than husbands
Participation Rates	95%
Other Assumptions	Other assumptions as used for the Seller's most recent financial statement disclosures as of September 30, 2010

SCHEDULE 7.10(i)

SEVERANCE ARRANGEMENTS

Seller has no formal severance policy, however Seller's general practice is 1.5 weeks pay for each full year of service (rounded down) – minimum five weeks, no maximum.

Seller also subsidizes COBRA coverage for the same amount of time as calculated above at a rate same as active-employee rates.

EXHIBIT 10.1

GUARANTY

THIS GUARANTY (this " Guaranty ") is made as of May 12, 2011, by Algonquin Power & Utilities Corp., a corporation organized under the Laws of Canada (the " Guarantor "), in favor of Atmos Energy Corporation, a corporation incorporated in the State of Texas and the Commonwealth of Virginia (" Seller "). Capitalized terms used but not defined herein have the meanings given to such terms in the Asset Purchase Agreement (defined below).

1. Guaranty . To induce Seller to enter into that certain Asset Purchase Agreement, dated as of the date hereof, by and between Liberty Energy (Midstates) Corp., a Missouri corporation (" Buyer "), and Seller (as amended, supplemented or otherwise modified from time to time, the " Purchase Agreement "), and for other good and valuable consideration, Guarantor hereby absolutely, unconditionally and irrevocably guarantees to Seller the full and prompt payment, when due, of the Purchase Price (including any adjustment thereof, whenever due) and the full and prompt payment and performance of all other obligations of Buyer (and Buyer's successors and permitted assigns under the Purchase Agreement) to Seller to be performed prior to or upon Closing under the Purchase Agreement (collectively, the " Obligations "). All sums payable by Guarantor hereunder shall be paid in immediately available funds.

2. Nature of Guaranty . This is an unconditional guaranty of payment and performance and not of collectibility, and a separate action or actions may be brought and prosecuted against Guarantor to enforce this Guaranty, irrespective of whether any action is brought against Buyer or whether Buyer is joined in any such action or actions. Seller shall not be obligated to file any claim relating to the Obligations in the event that Buyer becomes subject to a bankruptcy, reorganization or similar proceeding, and the failure of Seller to so file shall not affect Guarantor's obligations hereunder. In the event that any payment by Buyer to Seller in satisfaction of any Obligation is rescinded or must otherwise be returned for any reason whatsoever, Guarantor shall remain liable hereunder with respect to such Obligation as if such payment had not been made.

3. Changes in Obligations; Certain Waivers .

(a) Guarantor agrees that Seller may at any time and from time to time, without notice to or further consent of Guarantor, extend the time for payment or performance of any of the Obligations, and may also make any agreement with Buyer for the extension, renewal, payment, compromise, discharge or release thereof, in whole or in part, or for any modification of the terms thereof or of any agreement between Seller and Buyer without in any way impairing or affecting Guarantor's obligations under this Guaranty. Guarantor agrees that the obligations of Guarantor hereunder shall not be released, modified or discharged, in whole or in part, by: (i) the failure of Seller to assert any claim or demand or to enforce any right or remedy against Buyer, Guarantor, or others; (ii) any change in the time, place or manner of payment or performance of any of the Obligations or any rescission, waiver, compromise, consolidation or other amendment or modification of any of the terms or provisions of the Purchase Agreement; (iii) the addition, substitution or release of any Person interested in the transactions contemplated by the Purchase Agreement; (iv) any change in the corporate existence, structure or ownership of Buyer or of any other Person interested in the transactions contemplated by the Purchase Agreement; (v) any voluntary or involuntary insolvency, bankruptcy, reorganization, liquidation,

dissolution, receivership, marshaling of assets, assignment for the benefit of creditors or other similar proceeding affecting Buyer or any other Person interested in the transactions contemplated by the Purchase Agreement; (vi) the existence of any claim, set-off or other right which Guarantor may have at any time against Seller, whether in connection with the Obligations or otherwise; (vii) the adequacy of any other means Seller may have of obtaining payment or performance of the Obligations; (viii) the value, genuineness, validity or enforceability of the Purchase Agreement or any other agreement or instrument referred to herein or therein; or (ix) any other act or omission that may in any manner or to any extent vary the risk of or to Guarantor or otherwise operate as a discharge of Guarantor as a matter of Law or equity (other than as a result of payment and performance of the Obligations in accordance with their terms).

(b) To the fullest extent permitted by Law, Guarantor hereby expressly waives any and all rights or defenses arising by reason of any Law which would otherwise require any election of remedies by Seller. Guarantor hereby waives promptness, diligence, notice of the acceptance of this Guaranty and of the Obligations, presentment, demand for payment, notice of non-performance, default, dishonor and protest, notice of any Obligations incurred and all other notices of any kind (other than notices required to be given under the Purchase Agreement), all defenses which may be available by virtue of any valuation, stay, moratorium Law or other similar Law now or hereafter in effect, any right to require the marshaling of assets of Buyer or any other Person interested in the transactions contemplated by the Purchase Agreement, all rights of subrogation, indemnification or contribution (whether arising by contract or operation of law, including, without limitation, any such right under bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights) arising prior to the satisfaction in full of the Obligations and all suretyship defenses generally. Guarantor acknowledges that it will receive substantial direct and indirect benefits from the transactions contemplated by the Purchase Agreement and that the waivers set forth in this Guaranty are knowingly made in contemplation of such benefits. Guarantor hereby covenants and agrees that it shall not institute, and shall cause its respective Affiliates not to institute, any proceedings asserting that this Guaranty is illegal, invalid or unenforceable in accordance with its terms, subject to (i) the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or other similar Laws affecting creditors' rights generally, and (ii) general equitable principles (whether considered in a proceeding in equity or at Law).

4. No Waiver; Cumulative Rights . No failure on the part of Seller to exercise, and no delay in exercising, any right, remedy or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise by Seller of any right, remedy or power hereunder preclude any other or future exercise of any right, remedy or power hereunder. Each and every right, remedy and power hereby granted to Seller or allowed it by Law or other agreement shall be cumulative and not exclusive of any other, and may be exercised by Seller at any time or from time to time.

5. Representations and Warranties . Guarantor hereby represents and warrants to Seller that:

(a) Guarantor is a corporation, duly organized, validly existing and in good standing under the Laws of Canada and has all necessary corporate power and authority to enter into and carry out its obligations hereunder;

(b) the execution, delivery and performance of this Guaranty have been duly authorized by all necessary action and do not contravene any provision of Guarantor's charter, articles or certificate of incorporation, bylaws or similar organizational documents or any law, regulation, rule, decree, order, judgment or contractual restriction binding on Guarantor or its assets, and do not and will not cause any security interest, lien or other Encumbrance to be created or imposed upon any of Guarantor's assets or property;

(c) all consents, approvals, authorizations, permits or filings with and notifications to, any governmental authority necessary for the due execution, delivery and performance of this Guaranty by Guarantor have been obtained or made and all conditions thereof have been duly complied with, and no other action by, and no notice to or filing with, any Governmental Entity is required in connection with the execution, delivery or performance of this Guaranty;

(d) this Guaranty has been duly and validly executed and constitutes a valid and legally binding obligation of Guarantor, enforceable against Guarantor in accordance with its terms, subject to the effects of bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights generally and to general principles of equity; and

(e) Guarantor has the financial capacity to pay and perform its Obligations under this Guaranty, and to obtain all funds necessary for Guarantor to fulfill its Obligations under this Guaranty for so long as this Guaranty shall remain in effect in accordance with Section 8 hereof.

6. No Assignment; Amendment . This Guaranty shall not be assigned by operation of Law or otherwise. This Guaranty may be amended only by an instrument in writing executed by Guarantor and Seller.

7. Notices . All notices, requests and other communications hereunder shall be in writing and shall be deemed to have been given upon receipt if either (a) personally delivered, (b) sent by registered or certified mail, return receipt requested, as of the date such receipt indicates by signature, (c) sent by overnight delivery via a nationally recognized carrier, or (d) by facsimile with, and as of the date of, completed transmission being acknowledged: (i) to Seller at the addresses set forth in Section 11.3 of the Purchase Agreement; or (ii) to Guarantor at the following address (or in each case at such other address or facsimile number for Guarantor or Seller as shall be specified in a notice given in accordance with this Section 7):

Algonquin Power & Utilities Corp.
2845 Bristol Circle
Oakville, Ontario, Canada L6H 7H7
Attn: General Counsel
Facsimile: 905-465-4514

With a copy to (which shall not constitute notice):

Husch Blackwell LLP
4801 Main St., Suite 1000
Kansas City, MO 64112
Attn: James G. Goettsch, Esq.
Facsimile: 816-983-8080

8. Continuing Guaranty . This Guaranty shall remain in full force and effect and shall be binding on Guarantor, its successors and permitted assigns until all of the Obligations and all amounts payable under this Guaranty have been indefeasibly paid, observed, performed or satisfied in full and shall inure to the benefit of, and be enforceable by, Seller and its successors and permitted assigns. Notwithstanding the foregoing, this Guaranty shall terminate and Guarantor shall have no further obligations under this Guaranty upon the valid termination of the Purchase Agreement (other than those provisions of the Purchase Agreement that expressly survive such termination); provided that such termination does not arise as a result of any breach by Buyer of, or failure of Buyer to perform its obligations under, the Purchase Agreement.

9. Parties in Interest . This Guaranty is solely for the benefit of Seller and its successors and permitted assigns, and is not intended to, and shall not, confer any rights or remedies upon any other Person.

10. Governing Law. This Guaranty (as well as any claim or controversy arising out of or relating to this Guaranty) shall be governed by and construed in accordance with the laws of the State of New York, without regard to the conflicts of laws rules thereof that would otherwise require the laws of another jurisdiction to apply.

11. Submission to Jurisdiction . Guarantor irrevocably agrees that any legal action or proceeding arising out of or relating to this Guaranty brought by Seller or its successors or assigns shall be brought and determined in any New York State or federal court sitting in the City of New York (or, if such court lacks subject matter jurisdiction, in any appropriate New York or federal court), and Guarantor hereby irrevocably submits to the exclusive jurisdiction of the aforesaid courts for itself and with respect to its property, generally and unconditionally, with regard to any such action or proceeding arising out of or relating to this Agreement and the transactions contemplated hereby. Guarantor agrees not to commence any action, suit or proceeding relating thereto except in the courts described above in New York, other than actions in any court of competent jurisdiction to enforce any judgment, decree or award rendered by any such court in New York as described herein. Guarantor further agrees that notice as provided herein shall constitute sufficient service of process and the Parties further waive any argument that such service is insufficient. Guarantor hereby irrevocably and unconditionally waives, and agrees not to assert, by way of motion or as a defense, counterclaim or otherwise, in any action or proceeding arising out of or relating to this Guaranty or the transactions contemplated hereby, (a) any claim that it is not personally subject to the jurisdiction of the courts in New York as described herein for any reason, (b) that it or its property is exempt or immune from jurisdiction of any such court or from any legal process commenced in such courts (whether through service

of notice, attachment prior to judgment, attachment in aid of execution of judgment, execution of judgment or otherwise) and (c) that (i) the suit, action or proceeding in any such court is brought in an inconvenient forum, (ii) the venue of such suit, action or proceeding is improper or (iii) this Guaranty, or the subject matter hereof, may not be enforced in or by such courts.

12. Severability . Any term or provision of this Guaranty that is invalid or unenforceable in any situation in any jurisdiction will not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction.

13. Delivery . This Guaranty may be delivered by facsimile or other electronic transmission, with such facsimile or other electronic signature constituting an original for all purposes.

14. Waiver of Jury Trial . GUARANTOR HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS GUARANTY.

[Signature page follows]

IN WITNESS WHEREOF, Guarantor has caused this Guaranty to be executed and delivered as of the date first written above by its officer thereunto duly authorized.

ALGONQUIN POWER & UTILITIES CORP.

By: /s/ IAN ROBERTSON
Name: Ian Robertson
Title: Chief Executive Officer

By: /s/ DAVID BRONICHESKI
Name: David Bronicheski
Title: Chief Financial Officer

ACCEPTED BY :

ATMOS ENERGY CORPORATION

By: /s/ FRED E. MEISENHEIMER
Name: Fred E. Meisenheimer
Title: Senior Vice President and Chief Financial Officer

-7-

Exhibit 99.1

News Release

Analysts and Media Contact:
Susan Giles (972) 855-3729

Atmos Energy Corporation to Sell Natural Gas Distribution Assets in Missouri, Illinois and Iowa

DALLAS (May 13, 2011)—Atmos Energy Corporation (NYSE: ATO) today announced that it has executed a definitive agreement to sell all of its natural gas distribution assets located in Missouri, Illinois and Iowa to Liberty Energy (Midstates) Corporation, an affiliate of Algonquin Power & Utilities Corp. for an all cash price of approximately $124 million, with the agreement containing usual terms and conditions customary for transactions of this type, including typical adjustments to the purchase price, if applicable.

"We are pleased to be able to consummate this sale to a company of Algonquin's excellent reputation and know that they will continue our focus on safety, reliability, a strong culture and providing excellent customer service," said Kim R. Cocklin, President and Chief Executive Officer of Atmos Energy Corporation.

The transaction will include the transfer of approximately 84,000 meters and is expected to close in fiscal 2012, after the receipt of all necessary regulatory approvals. These predominantly residential and commercial meters represent less than three percent of Atmos Energy's three million natural gas customers. The proceeds from this transaction will be redeployed to fund growth opportunities in other jurisdictions we serve. Upon closing this transaction, Atmos Energy will reduce the number of states in which it operates from twelve to nine, with approximately 80 percent of its utility operations in the three states of Texas, Louisiana and Mississippi.

For additional information, visit our website at atmosenergy.com.

Forward-Looking Statements

The matters discussed in this news release may contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements other than statements of historical fact included in this news release are forward-looking statements made in good faith by the company and are intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. When used in this news release or in any of the company's other documents or oral presentations, the words "anticipate," "believe," "estimate," "expect," "forecast," "goal," "intend," "objective," "plan," "projection," "seek," "strategy" or similar words are intended to identify forward-looking statements. Such forward-looking statements are

subject to risks and uncertainties that could cause actual results to differ materially from those discussed in this news release, including the risks and uncertainties relating to regulatory trends and decisions, the company's ability to continue to access the capital markets and the other factors discussed in the company's reports filed with the Securities and Exchange Commission. These factors include the risks and uncertainties discussed in the company's Annual Report on Form 10-K for the fiscal year ended September 30, 2010 and in the company's Quarterly Report on Form 10-Q for the three months and six months ended March 31, 2011. Although the company believes these forward-looking statements to be reasonable, there can be no assurance that they will approximate actual experience or that the expectations derived from them will be realized. The company undertakes no obligation to update or revise forward-looking statements, whether as a result of new information, future events or otherwise.

About Atmos Energy

Atmos Energy Corporation, headquartered in Dallas, is currently the country's largest natural-gas-only distributor, serving over three million natural gas distribution customers in more than 1,600 communities in 12 states from the Blue Ridge Mountains in the East to the Rocky Mountains in the West. Atmos Energy also provides natural gas marketing and procurement services to industrial, commercial and municipal customers primarily in the Midwest and Southeast and manages company-owned natural gas pipeline and storage assets, including one of the largest intrastate natural gas pipeline systems in Texas. Atmos Energy is a Fortune 500 company. For more information, visit www.atmosenergy.com .

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

Form 8-K

Current Report

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

May 2, 2011
Date of Report (Date of earliest event reported)

ATMOS ENERGY CORPORATION
(Exact Name of Registrant as Specified in its Charter)

TEXAS AND VIRGINIA	1-10042	75-1743247
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

1800 THREE LINCOLN CENTRE, 5430 LBJ FREEWAY, DALLAS, TEXAS	75240
(Address of Principal Executive Offices)	(Zip Code)

(972) 934-9227
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01. Entry into a Material Definitive Agreement.

On May 2, 2011, Atmos Energy Corporation (the "Company") entered into a $750 million Revolving Credit Agreement (the "credit facility") with The Royal Bank of Scotland plc as Administrative Agent, Crédit Agricole Corporate and Investment Bank as Syndication Agent, Bank of America, N.A., U.S. Bank National Association and Wells Fargo Bank, N.A. as Co-Documentation Agents, and a syndicate of 14 lenders identified therein. The credit facility replaces both the $200 million Revolving Credit Agreement (180 Day Facility) (the "180 Day Facility") with SunTrust Bank as Administrative Agent, which was entered into on October 15, 2010 and expired on April 13, 2011, and the $566.7 million Revolving Credit Agreement (the "5 Year Facility") with SunTrust Bank as Administrative Agent, which was entered into on December 15, 2006 and was set to expire on December 15, 2011. The credit facility contains substantially the same terms as both the 180 Day Facility and the 5 Year Facility, except that all borrowings must be repaid within 364 days. In addition, no borrowings can be outstanding under the credit facility for at least thirty (30) consecutive days ("clean-up period") during each fiscal year of the Company, with the timing of the clean-up period at the Company's discretion. The credit facility also contains an accordion feature similar to the 5 Year Facility, which allows the Company to propose up to a $250 million increase in the lenders' commitment. The credit facility will continue to be used to back-stop the Company's commercial paper program and to provide short-term working capital to the Company.

Borrowings under the credit facility will bear interest at a rate dependent upon the Company's credit ratings at the time of such borrowing and based, at the Company's election, on a base rate or LIBOR for the applicable interest period (one, two, three or six months). In the case of borrowings based either on the base rate or on LIBOR, an applicable margin ranging from 0% to 2.00% per annum would be added, based on the Company's then current credit ratings. The base rate is defined as the highest of (i) the per annum rate of interest established by The Royal Bank of Scotland as its prime lending rate at the time of such borrowing, (ii) the Federal Funds Rate, as in effect at the time of borrowing, plus one-half of one percent (0.50%) per annum, or (iii) the one-month LIBOR plus one percent (1.00%). Based on the current prime lending rate charged by The Royal Bank of Scotland, the current Federal Funds Rate, the one-month LIBOR and the Company's current credit ratings, borrowings at the base rate would bear interest at 3.25% per annum, plus an applicable margin of 0.50% per annum, or an effective total interest rate of 3.75% per annum. Based upon the current LIBOR for a one-month period and the Company's current credit ratings, borrowings at LIBOR would bear interest at 0.21% per annum, plus an applicable margin of 1.50% per annum, or an effective total interest rate of 1.71% per annum.

The Company must also pay commitment fees quarterly in arrears on the average daily unused portion of the credit facility at rates ranging from 0.125% to 0.300% per annum, dependent upon the Company's credit ratings. Based upon the Company's current credit ratings, the commitment fee would be at the rate of 0.175%.

The credit facility will expire on May 2, 2016, at which time all outstanding amounts under the credit facility will be due and payable. The credit facility contains usual and customary covenants for transactions of this type, including covenants limiting liens, substantial asset sales and mergers. In addition, the credit facility provides that during the term of the facility, the Company's debt to capitalization ratio as of the last day of each of its fiscal quarters shall be less

than or equal to 0.70 to 1.00, excluding from the calculation of debt (i) any pension and other post-retirement benefits liability adjustments recorded in accordance with generally accepted accounting principles; and (ii) an amount of hybrid securities, as defined in the credit facility (generally, deferrable interest subordinated debt with a maturity of at least 20 years), not to exceed a total of 15% of total capitalization.

In the event of a default by the Company under the credit facility, including cross-defaults relating to specified other indebtedness of the Company, The Royal Bank of Scotland may, upon the consent of a certain minimum number of lenders, and shall, upon the request and direction of such lenders, terminate the commitments made under the credit facility, declare the amount outstanding, including all accrued interest and unpaid fees, payable immediately, and enforce any and all rights and interests created and existing under the credit facility documents, including, without limitation, all rights of set-off and all other rights available under the law. For certain events of default relating to insolvency, bankruptcy or receivership, the commitments are automatically terminated and the amounts outstanding automatically become payable immediately.

With respect to the other parties to the credit facility, some of whom were also parties to the 180 Day Facility and 5 Year Facility discussed above, the Company also has or may have had customary banking relationships based on the provision of a variety of financial services, including pension fund, cash management, investment banking, and equipment financing and leasing services, none of which are material individually or in the aggregate with respect to any individual party. A copy of the credit facility is filed as Exhibit 10.1 and is incorporated herein by reference. The foregoing summary does not purport to be complete and is qualified in its entirety by reference to the credit facility.

Item 1.02. Termination of a Material Definitive Agreement.

On May 2, 2011, concurrent with the execution of the credit facility described in Item 1.01 above, the Company terminated the 5 Year Facility described in Item 1.01 above, which was due to expire on December 15, 2011. The Company incurred no early termination penalties as a result of such termination. With respect to the other parties to such terminated credit facility, the Company has or may have had customary banking relationships based on the provision of a variety of financial services, including pension fund, cash management, investment banking, and equipment financing and leasing services, none of which are material individually or in the aggregate with respect to any individual party.

Item 2.02. Results of Operations and Financial Condition.

On Wednesday, May 4, 2011, the Company issued a news release in which it reported the Company's financial results for the second quarter of the 2011 fiscal year, which ends September 30, 2011, and that certain of its officers would discuss such financial results in a conference call on Thursday, May 5, 2011 at 10:00 a.m. Eastern Time. In the release, the Company also announced that the call would be webcast live and that slides for the webcast would be available on its website for all interested parties.

A copy of the news release is furnished as Exhibit 99.1. The information furnished in this Item 2.02 and in Exhibit 99.1 shall not be deemed to be "filed" for purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that section, nor shall such information be deemed to be incorporated by reference into any of the Company's filings under the Securities Act of 1933 or the Securities Exchange Act of 1934.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information described in Item 1.01 above is hereby incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

10.1 Revolving Credit Agreement, dated as of May 2, 2011 among Atmos Energy Corporation, the Lenders from time to time parties thereto, The Royal Bank of Scotland plc as Administrative Agent, Crédit Agricole Corporate and Investment Bank as Syndication Agent, Bank of America, N.A., U.S. Bank National Association and Wells Fargo Bank, N.A. as Co-Documentation Agents

99.1 News Release dated May 4, 2011 (furnished under Item 2.02)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ATMOS ENERGY CORPORATION
(Registrant)

DATE: May 4, 2011

By: /s/ LOUIS P. GREGORY
Louis P. Gregory
Senior Vice President
and General Counsel

INDEX TO EXHIBITS

Exhibit Number	Description
10.1	Revolving Credit Agreement, dated as of May 2, 2011 among Atmos Energy Corporation, the Lenders from time to time parties thereto, The Royal Bank of Scotland plc as Administrative Agent, Crédit Agricole Corporate and Investment Bank as Syndication Agent, Bank of America, N.A., U.S. Bank National Association and Wells Fargo Bank, N.A. as Co-Documentation Agents
99.1	News Release dated May 4, 2011 (furnished under Item 2.02)

Exhibit 10.1

Execution Version

REVOLVING CREDIT AGREEMENT

dated as of May 2, 2011

among

ATMOS ENERGY CORPORATION,
as Borrower,

THE LENDERS FROM TIME TO TIME PARTY HERETO,

THE ROYAL BANK OF SCOTLAND PLC
as Administrative Agent,

CRÉDIT AGRICOLE CORPORATE AND INVESTMENT BANK
as Syndication Agent,

BANK OF AMERICA, N.A.,
U.S. BANK NATIONAL ASSOCIATION
and
WELLS FARGO BANK, N.A.
as Co-Documentation Agents

RBS SECURITIES INC. , CRÉDIT AGRICOLE CORPORATE AND INVESTMENT BANK, MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED, U.S. BANK NATIONAL ASSOCIATION, and WELLS FARGO SECURITIES, LLC

As Joint Lead Arrangers

and

Joint-Bookrunners

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REVOLVING CREDIT AGREEMENT

THIS REVOLVING CREDIT AGREEMENT (this " Agreement ") is made and entered into as of May 2, 2011, by and among ATMOS ENERGY CORPORATION, a Texas and Virginia corporation (the " Borrower "), the several banks and other financial institutions and lenders from time to time party hereto (the " Lenders "), and THE ROYAL BANK OF SCOTLAND PLC, in its capacity as administrative agent for the Lenders (the " Administrative Agent ").

WITNESSETH:

WHEREAS, the Borrower has requested that the Lenders establish in favor of the Borrower a $750,000,000 revolving credit facility;

WHEREAS , subject to the terms and conditions of this Agreement, the Lenders, to the extent of their respective Commitments as defined herein, are willing severally to establish the requested revolving credit facility in favor of the Borrower.

NOW, THEREFORE , in consideration of the premises and the mutual covenants herein contained, the Borrower, the Lenders and the Administrative Agent agree as follows:

ARTICLE I

DEFINITIONS; CONSTRUCTION

Section 1.1. Definitions . In addition to the other terms defined herein, the following terms used herein shall have the meanings herein specified (to be equally applicable to both the singular and plural forms of the terms defined):

" Additional Commitment Amount " shall have the meaning set forth in Section 2.21 .

" Additional Lender " shall have the meaning set forth in Section 2.21 .

" Adjusted LIBO Rate " shall mean, with respect to each Interest Period for a Eurodollar Borrowing, the rate per annum obtained by dividing (i) LIBOR for such Interest Period by (ii) a percentage equal to 1.00 *minus* the Eurodollar Reserve Percentage.

" Administrative Questionnaire " shall mean, with respect to each Lender, an administrative questionnaire in the form prepared by the Administrative Agent and submitted to the Administrative Agent duly completed by such Lender.

" Affiliate " shall mean, as to any Person, any other Person directly or indirectly controlling, controlled by or under direct or indirect common control with such Person. A Person shall be deemed to control another Person if such Person possesses, directly or indirectly, the power (a) to vote 10% or more of the securities having ordinary voting power for the election of directors of such other Person or (b) to direct or cause direction of the management and policies of such other Person, whether through the ownership of voting securities, by contract or otherwise.

" Aggregate Commitment Amount " shall mean the aggregate principal amount of the Aggregate Commitments from time to time. On the Closing Date, the Aggregate Commitment Amount equals $750,000,000.

" Aggregate Commitments " shall mean, collectively, all Commitments of all Lenders at any time outstanding.

" Applicable Commitment Fee Percentage " shall mean, as of any date, with respect to the Commitment Fee as of any date, the percentage per annum determined by reference to the applicable Rating Category as set forth on Schedule I ; provided , that a change in the Applicable Commitment Fee Percentage resulting from a change in the Rating Category shall be effective on the day on which any rating agency changes its rating and shall continue until the day prior to the day that a further change becomes effective. Notwithstanding the foregoing, the Applicable Commitment Fee Percentage for the Commitment Fee from the Closing Date until the first change in the applicable Rating Category after the Closing Date shall be at Level III as set forth on Schedule I .

" Applicable Lending Office " shall mean, for each Lender and for each Type of Loan, the "Lending Office" of such Lender (or an Affiliate of such Lender) designated for such Type of Loan in the Administrative Questionnaire submitted by such Lender or such other office of such Lender (or an Affiliate of such Lender) as such Lender may from time to time specify to the Administrative Agent and the Borrower as the office by which its Loans of such Type are to be made and maintained.

" Applicable Margin " shall mean, as of any date, the percentage per annum determined by reference to the applicable Rating Category from time to time in effect as set forth on Schedule I ; provided , that a change in the Applicable Margin resulting from a change in the Rating Category shall be effective on the day on which any rating agency changes its rating and shall continue until the day prior to the day that a further change becomes effective. Notwithstanding the foregoing, the Applicable Margin from the Closing Date until the first change in the applicable Rating Category after the Closing Date shall be at Level III as set forth on Schedule I .

" Approved Fund " shall mean any Person (other than a natural Person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its business and that is administered or managed by (i) a Lender, (ii) an Affiliate of a Lender or (iii) an entity or an Affiliate of an entity that administers or manages a Lender.

" Assignment and Acceptance " shall mean an assignment and acceptance entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 9.4(b)) and accepted by the Administrative Agent, in the form of Exhibit A attached hereto or any other form approved by the Administrative Agent.

" Availability Period " shall mean the period from the Closing Date to the Commitment Termination Date.

" Bankruptcy Code " shall mean the Bankruptcy Code in Title 11 of the United States Code, as amended, modified, succeeded or replaced from time to time.

" Base Rate " shall mean the highest of (i) the per annum rate which the Administrative Agent announces from time to time to be its prime lending rate, as in effect from time to time, (ii) the Federal Funds Rate, as in effect from time to time, (any changes in such rate to be effective as of the date of any change in such rate) plus one-half of one percent (0.50%) and (iii) the one-month Adjusted LIBO

Rate, which rate shall be determined on a daily basis (any changes in such rate to be effective as of the date of any change in such rate) plus 100 basis points per annum, which rate shall be determined on a daily basis. The Administrative Agent's prime lending rate is a reference rate and does not necessarily represent the lowest or best rate charged to customers. The Administrative Agent may make commercial loans or other loans at rates of interest at, above or below the Administrative Agent's prime lending rate. Each change in the Administrative Agent's prime lending rate shall be effective from and including the date such change is publicly announced as being effective.

" Borrowing " shall mean a borrowing consisting of Loans of the same Type, made, converted or continued on the same date and in the case of Eurodollar Loans, as to which a single Interest Period is in effect.

" Business Day " shall mean (i) any day other than a Saturday, Sunday or other day on which commercial banks in New York, New York are authorized or required by law to close and (ii) if such day relates to a Borrowing of, a payment or prepayment of principal or interest on, a conversion of or into, or an Interest Period for, a Eurodollar Loan or a notice with respect to any of the foregoing, any day on which dealings in Dollars are carried on in the London interbank market.

" Capital Stock " shall mean (a) in the case of a corporation, all classes of capital stock of such corporation, (b) in the case of a partnership, partnership interests (whether general or limited), (c) in the case of a limited liability company, membership interests and (d) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person.

" Change in Law " shall mean (i) the adoption of any applicable law, rule or regulation after the date of this Agreement, (ii) any change in any applicable law, rule or regulation, or any change in the interpretation, implementation or application thereof, by any Governmental Authority after the date of this Agreement, or (iii) compliance by any Lender (or its Applicable Lending Office) (or, for purposes of Section 2.15(b), by the Parent Company of such Lender, if applicable) with any request, guideline or directive (whether or not having the force of law) of any Governmental Authority made or issued after the date of this Agreement; provided, however, that for purposes of this Agreement, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives in connection therewith and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "Change in Law", regardless of the date enacted, adopted or issued.

" Change of Control " shall mean either of the following events:

(a) any "person" or "group" (within the meaning of Section 13(d) or 14(d) of the Exchange Act) has become, directly or indirectly, the "beneficial owner" (as defined in Rules 13d-3 (other than subsection (d) thereof) and 13d-5 under the Exchange Act), by way of merger, consolidation or otherwise of 40% or more of the voting power of the Borrower on a fully-diluted basis, after giving effect to the conversion and exercise of all outstanding warrants, options and other securities of the Borrower convertible into or exercisable for voting stock of the Borrower (whether or not such securities are then currently convertible or exercisable); or

(b) during any period of two consecutive calendar years, individuals who at the beginning of such period constituted the board of directors of the Borrower together with any new members of such board of directors whose elections by such board of directors or whose nomination for election by the stockholders of the Borrower was approved by a vote of a majority

of the members of such board of directors then still in office who either were directors at the beginning of such period or whose election or nomination for election was previously so approved cease for any reason to constitute a majority of the directors of the Borrower then in office.

" Charges " shall have the meaning set forth in Section 9.12 .

" Closing Date " shall mean the date on which the conditions precedent set forth in Section 3.1 and Section 3.2 have been satisfied or waived in accordance with Section 9.2 .

" Code " shall mean the Internal Revenue Code of 1986, as amended from time to time, and the rules and regulations promulgated thereunder.

" Co-Documentation Agents " shall mean, collectively, Bank of America, N.A., U.S. Bank National Association and Wells Fargo Bank, N.A.

" Commitment " shall mean, with respect to each Lender, the obligation of such Lender to make Loans to the Borrower in an aggregate principal amount not exceeding the amount set forth with respect to such Lender on Schedule II , as such schedule may be amended pursuant to Section 2.21 , or in the case of a Person becoming a Lender after the Closing Date through an assignment of an existing Commitment, the amount of the assigned "Commitment" as provided in the Assignment and Acceptance executed by such Person as an assignee, as the same may be increased or deceased pursuant to terms hereof.

" Commitment Fee " shall have the meaning set forth in Section 2.11(b) .

" Commitment Termination Date " shall mean the earliest of (i) May 2, 2016, (ii) the date on which the Commitments are terminated pursuant to Section 2.6 and (iii) the date on which all amounts outstanding under this Agreement have been declared or have automatically become due and payable (whether by acceleration or otherwise).

" Compliance Certificate " shall mean a certificate from a Financial Officer of the Borrower in the form of, and containing the certifications set forth in, the certificate attached hereto as Exhibit 5.1(c) .

" Consolidated Capitalization " shall mean, without duplication, the sum of (a) all of the shareholders' equity or net worth of the Borrower and its Subsidiaries on a consolidated basis, as determined in accordance with GAAP plus (b) the aggregate principal amount of Preferred Securities plus (c) the aggregate Minority Interests in Subsidiaries plus (d) Consolidated Funded Debt.

" Consolidated Funded Debt " shall mean, without duplication, the sum of (a) all indebtedness of the Borrower and its Subsidiaries for borrowed money, (b) all purchase money indebtedness of the Borrower and its Subsidiaries (other than trade accounts payable), (c) the principal portion of all obligations of the Borrower and its Subsidiaries under capital leases, (d) all commercial letters of credit and all performance and standby letters of credit issued or bankers' acceptances created for the account of the Borrower or one of its Subsidiaries, including, without duplication, all unreimbursed draws thereunder, (e) all Guaranty Obligations of the Borrower and its Subsidiaries with respect to funded indebtedness of another Person of the types listed in clauses (a) through (d), (f) all indebtedness of another entity secured by a Lien on any property of the Borrower or any of its Subsidiaries whether or not such indebtedness has been assumed by the Borrower or any of its Subsidiaries, (g) all indebtedness of any partnership or unincorporated joint venture to the extent the

Borrower or one of its Subsidiaries is legally obligated with respect thereto, net of any assets of such partnership or joint venture and in the case of the Capital Stock of such partnership or joint venture being held by a Subsidiary, limited to the net worth of such Subsidiary, (h) all obligations of the Borrower and its Subsidiaries to advance or provide funds or other support for the payment or purchase of funded indebtedness (including, without limitation, maintenance agreements, comfort letters or similar agreements or arrangements) (other than as may be given in respect of Atmos Energy Marketing, LLC ("AEM")) and (i) the principal balance outstanding under any synthetic lease, tax retention operating lease, off-balance sheet loan or similar off-balance sheet financing product of the Borrower or one of its Material Subsidiaries where such transaction is considered borrowed money indebtedness for tax purposes but is classified as an operating lease in accordance with GAAP; provided , however , that (x) neither the indebtedness of AEM incurred in connection with the purchase of gas by AEM for resale to the Borrower nor the guaranty by the Borrower or one of its Subsidiaries of such indebtedness shall be included in this definition if such indebtedness has been outstanding for less than two months from the date of its incurrence by AEM and (y) for the purposes of calculating the Debt to Capitalization Ratio, Consolidated Funded Debt will exclude (to the extent otherwise included in Consolidated Funded Debt) (i) any pension and other post-retirement benefits liability adjustments recorded in accordance with GAAP and (ii) an amount of Hybrid Securities not to exceed a total of 15% of Consolidated Capitalization.

" Consolidated Net Property " shall mean the Fixed Assets less, without duplication, the amount of accumulated depreciation and amortization attributable thereto.

" Consolidated Net Worth " shall mean, as of any date, (i) the total assets of the Borrower and its Subsidiaries that would be reflected on the Borrower's consolidated balance sheet as of such date prepared in accordance with GAAP, after eliminating all amounts properly attributable to minority interests, if any, in the stock and surplus of Subsidiaries, *minus* (ii) the total liabilities of the Borrower and its Subsidiaries that would be reflected on the Borrower's consolidated balance sheet as of such date prepared in accordance with GAAP.

" Contractual Obligation " of any Person shall mean any provision of any security issued by such Person or of any agreement, instrument or undertaking under which such Person is obligated or by which it or any of the property in which it has an interest is bound.

" Credit Documents " shall mean, collectively, this Agreement, any promissory notes issued pursuant to this Agreement, the Fee Letter, all Notices of Borrowing, all Notices of Conversion/Continuation, all Compliance Certificates and any and all other instruments, agreements, documents and writings executed in connection with any of the foregoing.

" Credit Exposure " shall mean, with respect to any Lender at any time, the outstanding principal amount of such Lender's Loans.

" Debt to Capitalization Ratio " shall mean the ratio of (a) Consolidated Funded Debt to (b) Consolidated Capitalization.

" Default " shall mean any act, condition or event that, with the giving of notice or the lapse of time or both, would constitute an Event of Default.

" Defaulting Lender " shall mean, at any time, subject to Section 2.22 , any Lender that, as determined by the Administrative Agent acting in good faith, (a) has failed to fund any portion of its Commitments required to be funded by it within two Business Days after the date required to be funded by it, unless the subject of a good faith dispute as specified to the Administrative Agent, (b) has otherwise

failed to pay over to the Administrative Agent or any other Lender any other amount required to be paid by it under the Credit Documents within three Business Days after the date when due, unless the subject of a good faith dispute as specified to the Administrative Agent, (c) has notified the Borrower or the Administrative Agent that it does not intend to comply with its funding obligations or has made a public statement to that effect with respect to its funding obligations under the Credit Documents unless such notification or public statement relates to such Lender's obligation to fund any portion of its Commitments hereunder and states that such position is based on such Lender's determination that a condition precedent to funding cannot be satisfied, (d) has failed, within three Business Days after request by the Administrative Agent, to confirm to the Administrative Agent that it will comply with its funding obligations; provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (d) upon receipt of such confirmation by the Administrative Agent, or (e) as to which a Lender Insolvency Event has occurred and is continuing.

" Default Interest " shall have the meaning set forth in Section 2.10(b) .

" Dollar(s) " and the sign "$" shall mean lawful money of the United States of America.

" Environmental Laws " shall mean any current or future legal requirement of any Governmental Authority pertaining to (a) the protection of health, safety, and the indoor or outdoor environment, (b) the conservation, management, or use of natural resources and wildlife, (c) the protection or use of surface water and groundwater or (d) the management, manufacture, possession, presence, use, generation, transportation, treatment, storage, disposal, release, threatened release, abatement, removal, remediation or handling of, or exposure to, any hazardous or toxic substance or material or (e) pollution (including any release to land surface water and groundwater) and includes, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, 42 USC 9601 *et seq.* , Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 and Hazardous and Solid Waste Amendment of 1984, 42 USC 6901 *et seq.* , Federal Water Pollution Control Act, as amended by the Clean Water Act of 1977, 33 USC 1251 et seq., Clean Air Act of 1966, as amended, 42 USC 7401 *et seq.* , Toxic Substances Control Act of 1976, 15 USC 2601 et seq., Hazardous Materials Transportation Act, 49 USC App. 1801 *et seq.* , Occupational Safety and Health Act of 1970, as amended, 29 USC 651 *et seq.* , Oil Pollution Act of 1990, 33 USC 2701 *et seq.* , Emergency Planning and Community Right-to-Know Act of 1986, 42 USC 11001 *et seq.* , National Environmental Policy Act of 1969, 42 USC 4321 *et seq.* , Safe Drinking Water Act of 1974, as amended, 42 USC 300(f) *et seq.* , any analogous implementing or successor law, and any amendment, rule, regulation, order, or directive issued thereunder.

" ERISA " shall mean the Employee Retirement Income Security Act of 1974, as amended, and any successor statute thereto, as interpreted by the rules and regulations thereunder, all as the same may be in effect from time to time. References to sections of ERISA shall be construed also to refer to any successor sections.

" ERISA Affiliate " shall mean an entity, whether or not incorporated, which is under common control with the Borrower or any of its Subsidiaries within the meaning of Section 4001(a)(14) of ERISA, or is a member of a group which includes the Borrower or any of its Subsidiaries and which is treated as a single employer under Sections 414(b), (c), (m), or (o) of the Code.

" Eurodollar " when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, bears interest at a rate determined by reference to the Adjusted LIBO Rate.

" Eurodollar Reserve Percentage " shall mean the aggregate of the maximum reserve percentages (including, without limitation, any emergency, supplemental, special or other marginal reserves) expressed as a decimal (rounded upwards to the next 1/100 th of 1%) in effect on any day with respect to the Adjusted LIBO Rate pursuant to regulations issued by the Board of Governors of the Federal Reserve System (or any Governmental Authority succeeding to any of its principal functions) with respect to eurocurrency funding (currently referred to as "eurocurrency liabilities" under Regulation D). Eurodollar Loans shall be deemed to constitute eurocurrency funding and to be subject to such reserve requirements without benefit of or credit for proration, exemptions or offsets that may be available from time to time to any Lender under Regulation D. The Eurodollar Reserve Percentage shall be adjusted automatically on and as of the effective date of any change in any reserve percentage.

" Event of Default " shall have the meaning provided in Section 7.1 .

" Exchange Act " shall mean the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

" Excluded Taxes " shall mean with respect to the Administrative Agent, any Lender or any other recipient of any payment to be made by or on account of any obligation of the Borrower hereunder, (a) income or franchise taxes imposed on (or measured by) its net income by the United States of America, or by the jurisdiction under the laws of which such recipient is organized or in which its principal office is located or, in the case of any Lender, in which its applicable lending office is located, (b) any branch profits taxes imposed by the United States of America or any similar tax imposed by any other jurisdiction in which any Lender is located and (c) in the case of a Foreign Lender, any withholding tax that (i) is imposed on amounts payable to such Foreign Lender at the time such Foreign Lender becomes a party to this Agreement, (ii) is imposed on amounts payable to such Foreign Lender at any time that such Foreign Lender designates a new lending office, other than taxes that have accrued prior to the designation of such lending office that are otherwise not Excluded Taxes, and (iii) is attributable to such Foreign Lender's failure to comply with Section 2.17(e) .

" Existing Five-Year Credit Agreement " shall mean that certain Revolving Credit Agreement, dated as of December 15, 2006, among the Borrower, the lenders identified therein and SunTrust Bank, as administrative agent, as amended, modified, supplemented or replaced from time to time.

" FATCA " means Sections 1471 through 1474 of the Code and any current or future regulations or official interpretations thereof.

" Federal Funds Rate " shall mean, for any day, the rate per annum (rounded upwards, if necessary, to the next 1/100 th of 1%) equal to the weighted average of the rates on overnight Federal funds transactions with member banks of the Federal Reserve System arranged by Federal funds brokers, as published by the Federal Reserve Bank of New York on the next succeeding Business Day or if such rate is not so published for any Business Day, the Federal Funds Rate for such day shall be the average rounded upwards, if necessary, to the next 1/100th of 1% of the quotations for such day on such transactions received by the Administrative Agent from three Federal funds brokers of recognized standing selected by the Administrative Agent.

" Fee Letter " shall mean, collectively, that certain fee letter, dated as of March 28, 2011, executed by the Administrative Agent and accepted by the Borrower and that certain fee letter dated as of March 28, 2011 executed by the Administrative Agent, RBS Securities Inc. and Crédit Agricole Corporate and Investment Bank and accepted by the Borrower.

" Financial Officer " shall mean any one of the chief financial officer, the controller or the treasurer of the Borrower.

" Fitch " shall mean Fitch Ratings Ltd., or any successor or assignee of the business of such company in the business of rating securities.

" Fixed Assets " shall mean the assets of the Borrower and its Subsidiaries constituting "net property, plant and equipment" on the consolidated balance sheet of the Borrower and its Subsidiaries.

" Foreign Lender " shall mean any Lender that is not a United States person under Section 7701(a)(3) of the Code.

" GAAP " shall mean generally accepted accounting principles in the United States applied on a consistent basis and subject to Section 1.3 .

" Governmental Authority " shall mean any Federal, state, local or foreign court or governmental agency, authority, instrumentality or regulatory body.

" Guaranty Obligations " shall mean, with respect to any Person, without duplication, any obligations (other than endorsements in the ordinary course of business of negotiable instruments for deposit or collection) guaranteeing any indebtedness for borrowed money of any other Person in any manner, whether direct or indirect, and including without limitation any obligation, whether or not contingent, (a) to purchase any such indebtedness or other obligation or any property constituting security therefor, (b) to lease or purchase property, securities or services primarily for the purpose of assuring the owner of such indebtedness or (c) to otherwise assure or hold harmless the owner of such indebtedness or obligation against loss in respect thereof. The amount of any Guaranty Obligation hereunder shall (subject to any limitations set forth therein) be deemed to be an amount equal to the outstanding principal amount of the indebtedness in respect of which such Guaranty Obligation is made.

" Hazardous Materials " shall mean all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any Environmental Law.

" Hedging Obligations " shall mean any and all obligations of such Person, whether absolute or contingent and howsoever and whensoever created, arising, evidenced or acquired under (i) any and all Hedging Transactions, (ii) any and all cancellations, buy backs, reversals, terminations or assignments of any Hedging Transactions and (iii) any and all renewals, extensions and modifications of any Hedging Transactions and any and all substitutions for any Hedging Transactions.

" Hedging Transaction " shall mean any transaction (including an agreement with respect thereto) now existing or hereafter entered into by such Person that is a rate swap, basis swap, forward rate transaction, commodity swap, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collateral transaction, forward transaction, currency swap transaction, cross-currency rate swap transaction, currency option or any other similar transaction (including any option with respect to any of these transactions) or any combination thereof, whether linked to one or more interest rates, foreign currencies, commodity prices, equity prices or other financial measures.

" Hybrid Securities " shall mean any trust preferred securities, or deferrable interest subordinated debt with a maturity of at least 20 years, which provides for the optional or mandatory

deferral of interest or distributions, issued by the Borrower, or any business trusts, limited liability companies, limited partnerships or similar entities (i) substantially all of the common equity, general partner or similar interests of which are owned (either directly or indirectly through one or more wholly owned subsidiaries) at all times by the Borrower or any of its subsidiaries, (ii) that have been formed for the purpose of issuing trust preferred securities or deferrable interest subordinated debt, and (iii) substantially all the assets of which consist of (A) subordinated debt of the Borrower or a subsidiary of the Borrower, and (B) payments made from time to time on the subordinated debt.

" Indemnified Taxes " shall mean Taxes other than Excluded Taxes.

" Information Memorandum " shall mean the Confidential Executive Summary dated March 2011 relating to the Borrower and the transactions contemplated by this Agreement and the other Credit Documents.

" Interest Period " shall mean with respect to any Eurodollar Borrowing, a period of one, two, three or six months; provided, that:

(i) the initial Interest Period for such Borrowing shall commence on the date of such Borrowing (including the date of any conversion from a Borrowing of another Type), and each Interest Period occurring thereafter in respect of such Borrowing shall commence on the day on which the next preceding Interest Period expires;

(ii) if any Interest Period would otherwise end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day, unless such Business Day falls in another calendar month, in which case such Interest Period would end on the next preceding Business Day;

(iii) any Interest Period which begins on the last Business Day of a calendar month or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period shall end on the last Business Day of such calendar month;

(iv) no Interest Period may extend beyond the Commitment Termination Date.

" Joint Lead Arrangers " shall mean, collectively, RBS Securities, Inc., Crédit Agricole Corporate and Investment Bank, Merrill Lynch, Pierce, Fenner & Smith Incorporated, U.S. Bank National Association and Wells Fargo Securities, LLC.

" Lender Insolvency Event " shall mean that (i) a Lender or its Parent Company is adjudicated as, or determined by any Governmental Authority having regulatory authority over such Person or its assets to be, insolvent, or is generally unable to pay its debts as they become due, or admits in writing its inability to pay its debts as they become due, or makes a general assignment for the benefit of its creditors, (ii) a Lender or its Parent Company is the subject of a bankruptcy, insolvency, reorganization, liquidation or similar proceeding, or a receiver, trustee, conservator, custodian or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such capacity, has been appointed for such Lender or its Parent Company, or such Lender or its Parent Company has taken any action in furtherance of or indicating its consent to or acquiescence in any such proceeding or appointment, or (iii) a Lender or its Parent Company has been adjudicated as, or determined by any Governmental Authority having regulatory authority over such Person or its assets to be, insolvent;

provided that, for the avoidance of doubt, a Lender Insolvency Event shall not be deemed to have occurred solely by virtue of the ownership or acquisition of any equity interest in or control of a Lender or a Parent Company thereof by a Governmental Authority or an instrumentality thereof so long as such ownership or acquisition does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender.

" Lenders " shall have the meaning assigned to such term in the opening paragraph of this Agreement and shall include, where appropriate, each Additional Lender that joins this Agreement pursuant to Section 2.21 .

" LIBOR " shall mean, for any Interest Period with respect to a Eurodollar Loan, the rate per annum (rounded upwards, if necessary, to the nearest 1/100 of 1%) appearing on Reuters Screen LIBOR01 Page (or such other commercially available source providing quotations of BBA LIBOR as may be designated by the Administrative Agent from time to time) as the London interbank offered rate for deposits in Dollars at approximately 11:00 a.m. (London, England time), two Business Days prior to the first day of such Interest Period for a term comparable to such Interest Period. If for any reason such rate is not available, LIBOR shall be, for any Interest Period, the rate per annum reasonably determined by the Administrative Agent as the rate of interest at which Dollar deposits in the approximate amount of the Eurodollar Loan comprising part of such borrowing would be offered by the Administrative Agent to major banks in the London interbank Eurodollar market at their request at or about 10:00 a.m. two Business Days prior to the first day of such Interest Period for a term comparable to such Interest Period.

" Lien " shall mean any mortgage, pledge, hypothecation, assignment, deposit arrangement, security interest, encumbrance, lien (statutory or otherwise), preference, priority or charge of any kind.

" Loan " shall mean a loan made by a Lender to the Borrower under its Commitment, which may either be a Base Rate Loan or a Eurodollar Loan.

" Material Adverse Effect " shall mean a material adverse effect on (a) the business, assets, liabilities, results of operations or financial condition of the Borrower and its Subsidiaries, taken as a whole, (b) the ability of the Borrower to perform its obligations under this Agreement or any of the other Credit Documents or (c) the validity or enforceability of this Agreement, any of the other Credit Documents, or the rights and remedies of the Lenders hereunder or thereunder.

" Material Subsidiary " shall mean, at any date, a Subsidiary of the Borrower whose aggregate assets properly included under the category "property, plant and equipment" on the balance sheet of such Subsidiary, less the amount of depreciation and amortization attributable thereto, constitutes at least 10% of Consolidated Net Property as of such date; provided that if at any time the Borrower has Subsidiaries that are not Material Subsidiaries whose total aggregate assets under the category "property, plant and equipment" on the balance sheet of such Subsidiaries, less the amount of depreciation and amortization attributable thereto, constitute more than 20% of Consolidated Net Property as of such date the Borrower shall designate one or more of such Subsidiaries as Material Subsidiaries for the purposes of this Agreement in order that all Subsidiaries of the Borrower, other than Material Subsidiaries, own not more than 20% of Consolidated Net Property.

" Maximum Rate " shall have the meaning set forth in Section 9.12 .

" Minority Interests " shall mean interests owned by Persons (other than the Borrower or a Subsidiary of the Borrower) in a Subsidiary of the Borrower in which less than 100% of all classes of the voting securities are owned by the Borrower or its Subsidiaries.

" Moody's " shall mean Moody's Investors Service, Inc., or any successor or assignee of the business of such company in the business of rating securities.

" Multiemployer Plan " shall mean a Plan covered by Title IV of ERISA which is a multiemployer plan as defined in Section 3(37) or 4001(a)(3) of ERISA.

" Multiple Employer Plan " shall mean a Plan covered by Title IV of ERISA, other than a Multiemployer Plan, which the Borrower or any ERISA Affiliate and at least one employer other than the Borrower or any ERISA Affiliate are contributing sponsors.

" 1998 Indenture " shall mean, collectively, that certain Indenture, dated as of July 15, 1998, granted by the Borrower to US Bank Trust National Association, as Trustee, and all Supplemental Indentures thereto.

" Non-Defaulting Lender " shall mean, at any time, a Lender that is not a Defaulting Lender.

" Non-Recourse Indebtedness " shall mean, at any time, indebtedness incurred after the date hereof by the Borrower or a Material Subsidiary in connection with the acquisition of property or assets by the Borrower or such Material Subsidiary or the financing of the construction of or improvements on property, whenever acquired, that, under the terms of such indebtedness and pursuant to applicable law, the recourse at such time and thereafter of the lenders with respect to such indebtedness is limited to the property or assets so acquired, or such construction or improvements, and any accession or additions thereto and proceeds thereof, including indebtedness as to which a performance or completion guarantee or similar undertaking was initially applicable to such indebtedness or the related property or assets if such guarantee or similar undertaking has been satisfied and is no longer in effect at such time. Indebtedness which is otherwise Non-Recourse Indebtedness will not lose its character as Non-Recourse Indebtedness because there is recourse to the Borrower, any Material Subsidiary, any guarantor or any other Person for (a) environmental representations, warranties or indemnities, or (b) indemnities for and liabilities arising from (i) fraud, (ii) misrepresentation, (iii) misapplication or non-payment of rents, profits, insurance and condemnation proceeds and other sums actually received from secured assets to be paid to the lender, (iv) waste, (v) materialmen's and mechanics' liens or (vi) similar matters.

" Notice of Borrowing " shall have the meaning set forth in Section 2.3 .

" Notice of Conversion/Continuation " shall mean the notice given by the Borrower to the Administrative Agent in respect of the conversion or continuation of an outstanding Borrowing as provided in Section 2.5(b).

" Obligations " shall mean all amounts owing by the Borrower to the Administrative Agent or any Lender pursuant to or in connection with this Agreement or any other Credit Document, including without limitation, all principal, interest (including any interest accruing after the filing of any petition in bankruptcy or the commencement of any insolvency, reorganization or like proceeding relating to the Borrower, whether or not a claim for post-filing or post-petition interest is allowed in such proceeding), all reimbursement obligations, fees, expenses, indemnification and reimbursement payments, costs and expenses (including all reasonable fees and expenses of counsel to the Administrative Agent and any Lender incurred pursuant to this Agreement or any other Credit Document), whether direct or indirect,

absolute or contingent, liquidated or unliquidated, now existing or hereafter arising hereunder or thereunder, and all Hedging Obligations owed to the Administrative Agent, any Lender or any of their Affiliates incurred in order to limit interest rate or fee fluctuation with respect to the Loans, and all obligations and liabilities incurred in connection with collecting and enforcing the foregoing, together with all renewals, extensions, modifications or refinancings thereof.

" Other Taxes " shall mean any and all present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies arising from any payment made hereunder or from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement or any other Credit Document.

" Parent Company " shall mean, with respect to a Lender, the bank holding company (as defined in Federal Reserve Board Regulation Y), if any, of such Lender, and/or any Person owning, beneficially or of record, directly or indirectly, a majority of the shares of such Lender.

" Participant " shall have the meaning set forth in Section 9.4(d).

" Payment Office " shall mean the office of the Administrative Agent located at 600 Washington Boulevard, Stamford, CT, 06901, or such other location as to which the Administrative Agent shall have given written notice to the Borrower and the other Lenders.

" PBGC " shall mean the Pension Benefit Guaranty Corporation established pursuant to Subtitle A of Title IV of ERISA and any successor thereto.

" Permitted Lien " shall mean, with respect to any asset, the Liens permitted to exist on such asset under Section 6.6 .

" Person " shall mean any individual, partnership, joint venture, firm, corporation, association, trust, limited liability company or other enterprise (whether or not incorporated), or any government or political subdivision or any agency, department or instrumentality thereof.

" Physical Trade Contract " shall mean any agreement that is for the purchase, sale, transfer or exchange of natural gas or any other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing and any master agreement relating to or governing any or all of the foregoing, in each case entered into in the ordinary course of business.

" Physical Trade Obligations " shall mean any and all obligations of such Person, whether absolute or contingent and howsoever and whensoever created, arising, evidenced or acquired under (i) any and all Physical Trade Contracts, (ii) any and all cancellations, buy backs, reversals, terminations or assignments of any Physical Trade Contracts and (iii) any and all renewals, extensions and modifications of any Physical Trade Contracts and any and all substitutions for any Physical Trade Contracts.

" Plan " shall mean any employee benefit plan (as defined in Section 3(3) of ERISA) which is covered by ERISA and with respect to which the Borrower or any ERISA Affiliate is (or, if such plan were terminated at such time, would under Section 4069 of ERISA be deemed to be) an "employer" within the meaning of Section 3(5) of ERISA.

" Preferred Securities " shall mean, at any date, any equity interests in the Borrower, in a Special Purpose Financing Subsidiary of the Borrower or in any other Subsidiary of the Borrower (such as those known as "TECONS", "MIPS" or "RHINOS"): (a) that are not (i) required to be redeemed or redeemable at the option of the holder thereof prior to the fifth anniversary of the Commitment

Termination Date or (ii) convertible into or exchangeable for (unless solely at the option of the Borrower or such Subsidiary of the Borrower) equity interests referred to in clause (i) above or indebtedness having a scheduled maturity, or requiring any repayments or prepayments of principal or any sinking fund or similar payments in respect of principal or providing for any such repayment, prepayment, sinking fund or other payment at the option of the holder thereof prior to the fifth anniversary of the Commitment Termination Date and (b) as to which, at such date, the Borrower or such Subsidiary of the Borrower has the right to defer the payment of all dividends and other distributions in respect thereof for the period of at least 19 consecutive quarters beginning at such date.

" Pro Rata Share " shall mean with respect to any Commitment of any Lender at any time, a percentage, the numerator of which shall be such Lender's Commitment (or if such Commitments have been terminated or expired or the Loans have been declared to be due and payable, such Lender's Credit Exposure), and the denominator of which shall be the sum of such Commitments of all Lenders (or if such Commitments have been terminated or expired or the Loans have been declared to be due and payable, all Credit Exposure of all Lenders).

" Rating Category " shall mean the applicable credit ratings categories given to the Borrower by Moody's, S&P and Fitch as set forth on Schedule I .

" Register " shall have the meaning set forth in Section 9.4(c) .

" Regulation D, T, U, or X " shall mean Regulation D, T, U or X, respectively, of the Board of Governors of the Federal Reserve System (or any successor body) as from time to time in effect, any amendment thereto and any successor to all or a portion thereof.

" Related Parties " shall mean, with respect to any specified Person, such Person's Affiliates and the respective directors, partners, officers, employees, agents and advisors of such Person and such Person's Affiliates.

" Release " shall mean any release, spill, emission, leaking, dumping, injection, pouring, deposit, disposal, discharge, dispersal, leaching or migration into the environment (including ambient air, surface water, groundwater, land surface or subsurface strata) or within any building, structure, facility or fixture.

" Reportable Event " shall mean a "reportable event" as defined in Section 4043 of ERISA with respect to which the notice requirements to the PBGC have not been waived.

" Required Lenders " shall mean, at any time, Lenders holding more than 50% of the aggregate outstanding Commitments of the Lenders at such time or if the Lenders have no Commitments outstanding, then Lenders holding more than 50% of the Credit Exposure of the Lenders; provided however, that to the extent that any Lender is a Defaulting Lender, such Defaulting Lender and all of its Commitments and Credit Exposure shall be excluded for purposes of determining Required Lenders.

" Requirement of Law " for any Person shall mean the articles or certificate of incorporation, bylaws, partnership certificate and agreement, or limited liability company certificate of organization and agreement, as the case may be, and other organizational and governing documents of such Person, and any law, treaty, rule or regulation, or determination of a Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

" S&P " shall mean Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., or any successor or assignee of the business of such division in the business of rating securities.

" SEC " shall mean the Securities and Exchange Commission or any successor agency.

" Single Employer Plan " shall mean any Plan which is covered by Title IV of ERISA, but which is not a Multiemployer Plan or a Multiple Employer Plan.

" Special Purpose Financing Subsidiary " shall mean a Subsidiary of the Borrower that has no direct or indirect interest in the business of the Borrower and its other Subsidiaries and was formed solely for the purpose of issuing Preferred Securities.

" Subsidiary " shall mean, as to any Person, (a) any corporation more than 50% of whose stock of any class or classes having by the terms thereof ordinary voting power to elect a majority of the directors of such corporation (irrespective of whether or not, at the time, any class or classes of such corporation shall have or might have voting power by reason of the happening of any contingency) is at the time owned by such Person directly or indirectly through Subsidiaries and (b) any partnership, association, joint venture, limited liability company or other entity in which such Person directly or indirectly through Subsidiaries has more than 50% voting equity interest at any time.

" Syndication Agent " shall mean Crédit Agricole Corporate and Investment Bank.

" Taxes " shall mean any and all present or future taxes, levies, imposts, duties, deductions, charges or withholdings imposed by any Governmental Authority.

" Termination Event " shall mean (a) with respect to any Single Employer Plan, the occurrence of a Reportable Event or the substantial cessation of operations (within the meaning of Section 4062(e) of ERISA), (b) the withdrawal of the Borrower or any ERISA Affiliate from a Multiple Employer Plan during a plan year in which it was a substantial employer (as such term is defined in Section 4001(a)(2) of ERISA), or the termination of a Multiple Employer Plan, (c) the distribution of a notice of intent to terminate or the actual termination of a Plan pursuant to Section 4041(a)(2) or 4041A of ERISA, (d) the institution of proceedings to terminate or the actual termination of a Plan by the PBGC under Section 4042 of ERISA, (e) any event or condition which might reasonably constitute grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Plan, or (f) the complete or partial withdrawal of the Borrower or any ERISA Affiliate from a Multiemployer Plan.

" Total Assets " shall mean all assets of the Borrower and its Subsidiaries as shown on its most recent quarterly consolidated balance sheet, as determined in accordance with GAAP.

" 2001 Indenture " shall mean, collectively, that certain Indenture, dated as of May 22, 2001, granted by the Borrower to SunTrust Bank, Atlanta, as Trustee, and all Supplemental Indentures thereto.

" 2007 Indenture " shall mean, collectively, that certain Indenture, dated as of June 14, 2007, granted by the Borrower to U.S. Bank National Association, as Trustee, and all Supplemental Indentures, if any, thereto.

" 2009 Indenture " shall mean, collectively, that certain Indenture, dated as of March 26, 2009, granted by the Borrower to U.S. Bank National Association, as Trustee, and all Supplemental Indentures, if any, thereto.

" Type ", when used in reference to a Loan or Borrowing, refers to whether the rate of interest on such Loan, or on the Loans comprising such Borrowing, is determined by reference to the Adjusted LIBO Rate or the Base Rate.

Section 1.2. Classifications of Loans and Borrowings . For purposes of this Agreement, Loans may be classified and referred to by Type (e.g. a "Eurodollar Loan", or "Base Rate Loan"). Borrowings also may be classified and referred to by Type (e.g. "Eurodollar Borrowing").

Section 1.3. Accounting Terms and Determination . Unless otherwise defined or specified herein, all accounting terms used herein shall be interpreted, all accounting determinations hereunder shall be made, and all financial statements required to be delivered hereunder shall be prepared, in accordance with GAAP as in effect from time to time, applied on a basis consistent with the most recent audited consolidated financial statements of the Borrower delivered pursuant to Section 5.1(a); provided , that if the Borrower notifies the Administrative Agent that the Borrower wishes to amend the covenant in Section 5.2 to eliminate the effect of any change in GAAP on the operation of such covenant (or if the Administrative Agent notifies the Borrower that the Required Lenders wish to amend Section 5.2 for such purpose), then the Borrower's compliance with such covenant shall be determined on the basis of GAAP in effect immediately before the relevant change in GAAP became effective, until either such notice is withdrawn or such covenant is amended in a manner satisfactory to the Borrower and the Required Lenders. Notwithstanding any other provision contained herein, all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be made, without giving effect to any election under Accounting Standards Codification Section 825-10 (or any other Financial Accounting Standard having a similar result or effect) to value any Consolidated Funded Indebtedness or other liabilities of the Borrower or any Subsidiary of the Borrower at "fair value", as defined therein.

Section 1.4. Terms Generally . The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation". The word "will" shall be construed to have the same meaning and effect as the word "shall". In the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including" and the word "to" means "to but excluding". Unless the context requires otherwise (i) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as it was originally executed or as it may from time to time be amended, restated, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (ii) any reference herein to any Person shall be construed to include such Person's successors and permitted assigns, (iii) the words "hereof", "herein" and "hereunder" and words of similar import shall be construed to refer to this Agreement as a whole and not to any particular provision hereof, (iv) all references to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles, Sections, Exhibits and Schedules to this Agreement and (v) all references to a specific time shall be construed to refer to the time in the city and state of the Administrative Agent's principal office, unless otherwise indicated.

ARTICLE II

AMOUNT AND TERMS OF THE COMMITMENTS

Section 2.1. General Description of Facility . Subject to and upon the terms and conditions herein set forth, the Lenders hereby establish in favor of the Borrower a revolving credit facility pursuant to which each Lender severally agrees (to the extent of such Lender's Commitment) to make Loans to the Borrower in accordance with Section 2.2 .

Section 2.2. Loans . Subject to the terms and conditions set forth herein, each Lender severally agrees to make Loans, ratably in proportion to its Pro Rata Share, to the Borrower, from time to time during the Availability Period, in an aggregate principal amount outstanding at any time that will not result in (a) such Lender's Credit Exposure exceeding such Lender's Commitment or (b) the sum of the aggregate Credit Exposures of all Lenders exceeding the Aggregate Commitment Amount. During the Availability Period, the Borrower shall be entitled to borrow, prepay and reborrow Loans in accordance with the terms and conditions of this Agreement; provided , that the Borrower may not borrow or reborrow should there exist a Default or Event of Default.

Section 2.3. Procedure for Borrowings . The Borrower shall give the Administrative Agent written notice (or telephonic notice promptly confirmed in writing) of each Borrowing substantially in the form of Exhibit 2.3 (a " Notice of Borrowing ") (x) prior to 11:00 a.m. (New York time) one (1) Business Day prior to the requested date of each Base Rate Borrowing and (y) prior to 11:00 a.m. (New York time) three (3) Business Days prior to the requested date of each Eurodollar Borrowing. Each Notice of Borrowing shall be irrevocable and shall specify: (i) the aggregate principal amount of such Borrowing, (ii) the date of such Borrowing (which shall be a Business Day), (iii) the Type of such Loan comprising such Borrowing and (iv) in the case of a Eurodollar Borrowing, the duration of the initial Interest Period applicable thereto (subject to the provisions of the definition of Interest Period). Each Borrowing shall consist entirely of Base Rate Loans or Eurodollar Loans, as the Borrower may request. The aggregate principal amount of each Eurodollar Borrowing shall be not less than $5,000,000 or a larger multiple of $1,000,000, and the aggregate principal amount of each Base Rate Borrowing shall not be less than $1,000,000 or a larger multiple of $100,000; provided , that Base Rate Loans made pursuant to Section 2.4 may be made in lesser amounts as provided therein. At no time shall the total number of Eurodollar Borrowings outstanding exceed six. Promptly following the receipt of a Notice of Borrowing in accordance herewith, the Administrative Agent shall advise each Lender of the details thereof and the amount of such Lender's Loan to be made as part of the requested Borrowing.

Section 2.4. Funding of Borrowings.

(a) Each Lender will make available each Loan to be made by it hereunder on the proposed date thereof by wire transfer in immediately available funds by 11:00 a.m. (New York time) to the Administrative Agent at the Payment Office. The Administrative Agent will make such Loans available to the Borrower by promptly crediting the amounts that it receives, in like funds by the close of business on such proposed date, to an account maintained by the Borrower with the Administrative Agent or at the Borrower's option, by effecting a wire transfer of such amounts to an account designated by the Borrower to the Administrative Agent.

(b) Unless the Administrative Agent shall have been notified by any Lender prior to 5:00 p.m. (New York time) one (1) Business Day prior to the date of a funding of a requested Borrowing in which such Lender is to participate that such Lender will not make available to the Administrative Agent such Lender's share of such Borrowing, the Administrative Agent may assume that such Lender has made such amount available to the Administrative Agent on such date, and the Administrative Agent, in reliance on such assumption, may make available to the Borrower on such date a corresponding amount. If such corresponding amount is not in fact made available to the Administrative Agent by such Lender on the date of such Borrowing, the Administrative Agent shall be entitled to recover such corresponding amount on demand from such Lender together with interest at the Federal Funds Rate until the second Business Day after such demand and thereafter at the Base Rate. If such Lender does not pay such corresponding amount forthwith upon the Administrative Agent's demand therefor, the Administrative Agent shall promptly notify the Borrower, and the Borrower shall immediately pay such corresponding amount to the Administrative Agent together with interest at the rate specified for such Borrowing. Nothing in this subsection shall be deemed to relieve any Lender from its obligation to fund its Pro Rata Share of any Borrowing hereunder or to prejudice any rights which the Borrower may have against any Lender as a result of any default by such Lender hereunder.

(c) All Borrowings shall be funded by the Lenders severally on the basis of their respective Pro Rata Shares. No Lender shall be responsible for any default by any other Lender in its obligations hereunder, and each Lender shall be obligated to make its Loans provided to be made by it hereunder, regardless of the failure of any other Lender to make its Loans hereunder.

Section 2.5. Interest Elections .

(a) Each Borrowing initially shall be of the Type specified in the applicable Notice of Borrowing, and in the case of a Eurodollar Borrowing, shall have an initial Interest Period as specified in such Notice of Borrowing. Thereafter, the Borrower may elect to convert such Borrowing into a different Type or to continue such Borrowing, and in the case of a Eurodollar Borrowing, may elect Interest Periods therefor, all as provided in this Section 2.5 . The Borrower may elect different options with respect to different portions of the affected Borrowing, in which case each such portion shall be allocated ratably among the Lenders holding Loans comprising such Borrowing, and the Loans comprising each such portion shall be considered a separate Borrowing.

(b) To make an election pursuant to this Section 2.5 , the Borrower shall give the Administrative Agent prior written notice (or telephonic notice promptly confirmed in writing) of each Borrowing substantially in the form of Exhibit 2.5 attached hereto (a " Notice of Conversion/Continuation ") that is to be converted or continued, as the case may be, (x) prior to 11:00 a.m. (New York time) one (1) Business Day prior to the requested date of a conversion into a Base Rate Borrowing and (y) prior to 11:00 a.m. (New York time) three (3) Business Days prior to a continuation of or conversion into a Eurodollar Borrowing. Each such Notice of Conversion/Continuation shall be irrevocable and shall specify (i) the Borrowing to which such Notice of Conversion/Continuation applies and if different options are being elected with respect to different portions thereof, the portions thereof that are to be allocated to each resulting Borrowing (in which case the information to be specified pursuant to clauses (iii) and (iv) shall be specified for each resulting Borrowing); (ii) the effective date of the election made pursuant to such Notice of Conversion/Continuation, which shall be a Business Day, (iii) whether the resulting Borrowing is to be a Base Rate Borrowing or a Eurodollar Borrowing; and (iv) if the resulting Borrowing is to be a Eurodollar Borrowing, the Interest Period applicable thereto after giving effect to such election, which shall be a period contemplated by the definition of "Interest Period". If any such Notice of Conversion/Continuation requests a Eurodollar Borrowing but does not specify an

Interest Period, the Borrower shall be deemed to have selected an Interest Period of one month. The principal amount of any resulting Borrowing shall satisfy the minimum borrowing amount for Eurodollar Borrowings and Base Rate Borrowings set forth in Section 2.3 .

(c) If, on the expiration of any Interest Period in respect of any Eurodollar Borrowing, the Borrower shall have failed to deliver a Notice of Conversion/Continuation, then, unless such Borrowing is repaid as provided herein, the Borrower shall be deemed to have elected to convert such Borrowing to a Base Rate Borrowing. No Borrowing may be converted into, or continued as, a Eurodollar Borrowing if a Default or an Event of Default exists, unless the Administrative Agent and each of the Lenders shall have otherwise consented in writing. No conversion of any Eurodollar Loans shall be permitted except on the last day of the Interest Period in respect thereof.

(d) Upon receipt of any Notice of Conversion/Continuation, the Administrative Agent shall promptly notify each Lender of the details thereof and of such Lender's portion of each resulting Borrowing.

Section 2.6. Optional Reduction and Termination of Commitments .

(a) Unless previously terminated, all Commitments shall terminate on the Commitment Termination Date.

(b) Upon at least three (3) Business Days' prior written notice (or telephonic notice promptly confirmed in writing) to the Administrative Agent (which notice shall be irrevocable), the Borrower may reduce the Aggregate Commitments in part or terminate the Aggregate Commitments in whole; provided , that (i) any partial reduction shall apply to reduce proportionately and permanently the Commitment of each Lender, (ii) any partial reduction pursuant to this Section 2.6 shall be in an amount of at least $5,000,000 and any larger multiple of $1,000,000, and (iii) no such reduction shall be permitted which would reduce the Aggregate Commitment Amount to an amount less than the outstanding Credit Exposures of all Lenders.

Section 2.7. Repayment of Loans . The outstanding principal amount of all Loans shall be due and payable (together with accrued and unpaid interest thereon) on the Commitment Termination Date.

Section 2.8. Evidence of Indebtedness .

(a) Each Lender shall maintain in accordance with its usual practice appropriate records evidencing the indebtedness of the Borrower to such Lender resulting from each Loan made by such Lender from time to time, including the amounts of principal and interest payable thereon and paid to such Lender from time to time under this Agreement. The Administrative Agent shall maintain appropriate records in which shall be recorded (i) the Commitment of each Lender, (ii) the amount of each Loan made hereunder by each Lender, the Type thereof and the Interest Period applicable thereto, (iii) the date of each continuation thereof pursuant to Section 2.5 , (iv) the date of each conversion of all or a portion thereof to another Type pursuant to Section 2.5 , (v) the date and amount of any principal or interest due and payable or to become due and payable from the Borrower to each Lender hereunder in respect of such Loans and (vi) both the date and amount of any sum received by the Administrative Agent hereunder from the Borrower in respect of the Loans and each Lender's Pro Rata Share thereof. The

entries made in such records shall be *prima facie* evidence of the existence and amounts of the obligations of the Borrower therein recorded; provided , that the failure or delay of any Lender or the Administrative Agent in maintaining or making entries into any such record or any error therein shall not in any manner affect the obligation of the Borrower to repay the Loans (both principal and unpaid accrued interest) of such Lender in accordance with the terms of this Agreement.

(b) This Agreement evidences the obligation of the Borrower to repay the Loans and is being executed as a "noteless" credit agreement. However, at the request of any Lender at any time, the Borrower agrees that it will prepare, execute and deliver to such Lender a promissory note payable to the order of such Lender (or, if requested by such Lender, to such Lender and its registered assigns) and in a form approved by the Administrative Agent. Thereafter, the Loans evidenced by such promissory note and interest thereon shall at all times (including after assignment permitted hereunder) be represented by one or more promissory notes in such form payable to the order of the payee named therein (or, if such promissory note is a registered note, to such payee and its registered assigns).

Section 2.9. Prepayments .

(a) Optional Prepayments . The Borrower shall have the right at any time and from time to time to prepay any Borrowing, in whole or in part, without premium or penalty, by giving irrevocable written notice (or telephonic notice promptly confirmed in writing) to the Administrative Agent no later than (i) in the case of prepayment of any Eurodollar Borrowing, 11:00 a.m. (New York time) not less than three (3) Business Days prior to any such prepayment, and (ii) in the case of any prepayment of any Base Rate Borrowing, not less than one Business Day prior to the date of such prepayment. Each such notice shall be irrevocable and shall specify the proposed date of such prepayment and the principal amount of each Borrowing or portion thereof to be prepaid. Upon receipt of any such notice, the Administrative Agent shall promptly notify each affected Lender of the contents thereof and of such Lender's Pro Rata Share of any such prepayment. If such notice is given, the aggregate amount specified in such notice shall be due and payable on the date designated in such notice, together with accrued interest to such date on the amount so prepaid in accordance with Section 2.10(c); provided , that if a Eurodollar Borrowing is prepaid on a date other than the last day of an Interest Period applicable thereto, the Borrower shall also pay all amounts required pursuant to Section 2.16 . Each partial prepayment of any Loan shall be in an amount that would be permitted in the case of an advance of a Borrowing of the same Type pursuant to Section 2.3 . Each prepayment of a Borrowing shall be applied ratably to the Loans comprising such Borrowing.

(b) Mandatory Repayments . No later than the earlier of (i) 364 days after the date any Loan is made and (ii) the Commitment Termination Date, the Borrower shall repay the principal amount and any interest outstanding of such Loan.

Section 2.10. Interest on Loans .

(a) The Borrower shall pay interest on each Base Rate Loan at the Base Rate in effect from time to time and on each Eurodollar Loan at the Adjusted LIBO Rate for the applicable Interest Period in effect for such Loan, *plus* , in each case, the Applicable Margin in effect from time to time.

(b) Upon the occurrence, and during the continuation, of an Event of Default under Section 7.1(a) or, at the option of the Required Lenders, any other Event of Default, the Borrower shall pay interest (" Default Interest ") with respect to all Eurodollar Loans at the rate otherwise applicable for

the then-current Interest Period *plus* an additional 2% per annum until the last day of such Interest Period, and thereafter, and with respect to all Base Rate Loans and all other Obligations hereunder (other than Loans), at an all-in rate in effect for Base Rate Loans, *plus* an additional 2% per annum.

(c) Interest on the principal amount of all Loans shall accrue from and including the date such Loans are made to but excluding the date of any repayment thereof. Interest on all outstanding Base Rate Loans shall be payable quarterly in arrears on the last day of each March, June, September and December and on the Commitment Termination Date. Interest on all outstanding Eurodollar Loans shall be payable on the last day of each Interest Period applicable thereto, and, in the case of any Eurodollar Loans having an Interest Period in excess of three months, on each day which occurs every three months after the initial date of such Interest Period, and on the Commitment Termination Date. Interest on any Loan which is converted into a Loan of another Type or which is repaid or prepaid shall be payable on the date of such conversion or on the date of any such repayment or prepayment (on the amount repaid or prepaid) thereof. All Default Interest shall be payable on demand.

(d) The Administrative Agent shall determine each interest rate applicable to the Loans hereunder and shall promptly notify the Borrower and the Lenders of such rate in writing (or by telephone, promptly confirmed in writing). Any such determination shall be conclusive and binding for all purposes, absent manifest error.

Section 2.11. Fees .

(a) The Borrower shall pay to the Administrative Agent for its own account fees in the amounts and at the times previously agreed upon in writing by the Borrower and the Administrative Agent.

(b) The Borrower agrees to pay to the Administrative Agent for the account of each Lender a commitment fee (the " Commitment Fee "), which shall accrue at the Applicable Commitment Fee Percentage per annum (determined daily in accordance with Schedule I) on the daily amount of the unused Commitment of such Lender during the Availability Period. Notwithstanding anything set forth herein to the contrary, a Defaulting Lender shall not be entitled to receive any Commitment Fees under this Section 2.11(b) for any date in which such Lender was and/or continued to be a Defaulting Lender.

(c) The Borrower shall pay to the Administrative Agent, for the ratable benefit of each Lender, the upfront fee previously agreed upon by the Borrower and the Administrative Agent, which shall be due and payable on the Closing Date.

(d) Accrued fees under paragraph (b) and (c) above shall be payable quarterly in arrears on the last day of each March, June, September and December, commencing on December 31, 2010 and on the Commitment Termination Date.

Section 2.12. Computation of Interest and Fees . Interest hereunder based on the Administrative Agent's prime lending rate shall be computed on the basis of a year of 365 days (or 366 days in a leap year) and paid for the actual number of days elapsed (including the first day but excluding the last day). All other interest and all fees shall be computed on the basis of a year of 360 days and paid for the actual number of days elapsed (including the first day but excluding the last day) Each determination by the Administrative Agent of an interest amount or fee hereunder shall be made in good faith and, except for manifest error, shall be final, conclusive and binding for all purposes.

Section 2.13. Inability to Determine Interest Rates . If prior to the commencement of any Interest Period for any Eurodollar Borrowing,

(i) the Administrative Agent shall have determined in good faith (which determination shall be conclusive and binding upon the Borrower) that, by reason of circumstances affecting the relevant interbank market, adequate means do not exist for ascertaining LIBOR for such Interest Period, or

(ii) the Administrative Agent shall have received notice from the Required Lenders that the Adjusted LIBO Rate does not adequately and fairly reflect the cost to such Lenders of making, funding or maintaining their Eurodollar Loans for such Interest Period,

the Administrative Agent shall give written notice (or telephonic notice, promptly confirmed in writing) to the Borrower and to the Lenders as soon as practicable thereafter. Until the Administrative Agent shall notify the Borrower and the Lenders that the circumstances giving rise to such notice no longer exist, (i) the obligations of the Lenders to make Eurodollar Loans or to continue or convert outstanding Loans as or into Eurodollar Loans shall be suspended and (ii) all such affected Loans shall be converted into Base Rate Loans on the last day of the then current Interest Period applicable thereto unless the Borrower prepays such Loans in accordance with this Agreement. Unless the Borrower notifies the Administrative Agent at least one Business Day before the date of any Eurodollar Borrowing for which a Notice of Borrowing has previously been given that it elects not to borrow on such date, then such Borrowing shall be made as a Base Rate Borrowing.

Section 2.14. Illegality . If any Change in Law shall make it unlawful or impossible for any Lender to make, maintain or fund any Eurodollar Loan and such Lender shall so notify the Administrative Agent, the Administrative Agent shall promptly give notice thereof to the Borrower and the other Lenders, whereupon until such Lender notifies the Administrative Agent and the Borrower that the circumstances giving rise to such suspension no longer exist, the obligation of such Lender to make Eurodollar Loans, or to continue or convert outstanding Loans as or into Eurodollar Loans, shall be suspended. In the case of the making of a Eurodollar Borrowing, such Lender's Loan shall be made as a Base Rate Loan as part of the same Borrowing for the same Interest Period and if the affected Eurodollar Loan is then outstanding, such Loan shall be converted to a Base Rate Loan either (i) on the last day of the then current Interest Period applicable to such Eurodollar Loan if such Lender may lawfully continue to maintain such Loan to such date or (ii) immediately if such Lender shall determine that it may not lawfully continue to maintain such Eurodollar Loan to such date. Notwithstanding the foregoing, the affected Lender shall, prior to giving such notice to the Administrative Agent, designate a different Applicable Lending Office if such designation would avoid the need for giving such notice and if such designation would not otherwise be disadvantageous to such Lender in the good faith exercise of its discretion.

Section 2.15. Increased Costs .

(a) If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit or similar requirement that is not otherwise included in the determination of the Adjusted LIBO Rate hereunder against assets of, deposits with or for the account of, or credit extended by, any Lender (except any such reserve requirement reflected in the Adjusted LIBO Rate); or

(ii) impose on any Lender or the eurodollar interbank market any other condition affecting this Agreement or any Eurodollar Loans made by such Lender;

and the result of either of the foregoing is to increase the cost to such Lender of making, converting into, continuing or maintaining a Eurodollar Loan or to reduce the amount received or receivable by such Lender hereunder (whether of principal, interest or any other amount), then the Borrower shall promptly pay, upon written notice from and demand by such Lender on the Borrower (with a copy of such notice and demand to the Administrative Agent), to the Administrative Agent for the account of such Lender, within five Business Days after the date of such notice and demand, additional amount or amounts sufficient to compensate such Lender for such additional costs incurred or reduction suffered.

(b) If any Lender shall have determined that on or after the date of this Agreement any Change in Law regarding capital requirements has or would have the effect of reducing the rate of return on such Lender's capital (or on the capital of the Parent Company of such Lender) as a consequence of its obligations hereunder to a level below that which such Lender or the Parent Company of such Lender could have achieved but for such Change in Law (taking into consideration such Lender's policies or the policies of the Parent Company of such Lender with respect to capital adequacy) then, from time to time, within five (5) Business Days after receipt by the Borrower of written demand by such Lender (with a copy thereof to the Administrative Agent), the Borrower shall pay to such Lender such additional amounts as will compensate such Lender or the Parent Company of such Lender for any such reduction suffered.

(c) A certificate of a Lender setting forth the amount or amounts necessary to compensate such Lender or the Parent Company of such Lender, as the case may be, specified in paragraph (a) or (b) of this Section 2.15 shall be delivered to the Borrower (with a copy to the Administrative Agent) and shall be conclusive, absent manifest error. The Borrower shall pay any such Lender such amount or amounts within 10 days after receipt thereof.

(d) Failure or delay on the part of any Lender to demand compensation pursuant to this Section 2.15 shall not constitute a waiver of such Lender's right to demand such compensation.

Section 2.16. Funding Indemnity . In the event of (a) the payment of any principal of a Eurodollar Loan other than on the last day of the Interest Period applicable thereto (including as a result of an Event of Default), (b) the conversion or continuation of a Eurodollar Loan other than on the last day of the Interest Period applicable thereto, or (c) the failure by the Borrower to borrow, prepay, convert or continue any Eurodollar Loan on the date specified in any applicable notice (regardless of whether such notice is withdrawn or revoked), then, in any such event, the Borrower shall compensate each Lender, within five (5) Business Days after written demand from such Lender, for any loss, reasonable cost or expense directly attributable to such event. In the case of a Eurodollar Loan, such loss, cost or expense shall be deemed to include an amount determined by such Lender to be the excess, if any, of (A) the amount of interest that would have accrued on the principal amount of such Eurodollar Loan if such event had not occurred at the Adjusted LIBO Rate applicable to such Eurodollar Loan for the period from the

date of such event to the last day of the then current Interest Period therefor (or in the case of a failure to borrow, convert or continue, for the period that would have been the Interest Period for such Eurodollar Loan) over (B) the amount of interest that would accrue on the principal amount of such Eurodollar Loan for the same period if the Adjusted LIBO Rate were set on the date such Eurodollar Loan was prepaid or converted or the date on which the Borrower failed to borrow, convert or continue such Eurodollar Loan. A certificate as to any additional amount payable under this Section 2.16 submitted to the Borrower by any Lender (with a copy to the Administrative Agent) shall be conclusive, absent manifest error.

Section 2.17. Taxes .

(a) Any and all payments by or on account of any obligation of the Borrower hereunder shall be made free and clear of and without deduction for any Indemnified Taxes or Other Taxes; provided , that if the Borrower shall be required to deduct any Indemnified Taxes or Other Taxes from such payments, then (i) the sum payable shall be increased as necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 2.17) the Administrative Agent or any Lender (as the case may be) shall receive an amount equal to the sum it would have received had no such deductions been made, (ii) the Borrower shall make such deductions and (iii) the Borrower shall pay the full amount deducted to the relevant Governmental Authority in accordance with applicable law.

(b) In addition, the Borrower shall pay any Other Taxes to the relevant Governmental Authority in accordance with applicable law.

(c) The Borrower shall indemnify the Administrative Agent and each Lender, within five (5) Business Days after written demand therefor, for the full amount of any Indemnified Taxes or Other Taxes paid by the Administrative Agent or such Lender, as the case may be, on or with respect to any payment by or on account of any obligation of the Borrower hereunder (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section 2.17) and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by a Lender, or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(d) As soon as practicable after any payment of Indemnified Taxes or Other Taxes by the Borrower to a Governmental Authority, the Borrower shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(e) Any Foreign Lender that is entitled to an exemption from or reduction of withholding tax under the Code or any treaty to which the United States is a party, with respect to payments under this Agreement shall deliver to the Borrower (with a copy to the Administrative Agent), at the time or times prescribed by applicable law, such properly completed and executed documentation prescribed by applicable law or reasonably requested by the Borrower as will permit such payments to be made without withholding or at a reduced rate. Without limiting the generality of the foregoing, each Foreign Lender agrees that it will deliver to the Administrative Agent and the Borrower (or in the case of a Participant, to the Lender from which the related participation shall have been purchased), as

appropriate, two (2) duly completed copies of (i) Internal Revenue Service Form W-8 ECI, or any successor form thereto, certifying that the payments received from the Borrower hereunder are effectively connected with such Foreign Lender's conduct of a trade or business in the United States; or (ii) Internal Revenue Service Form W-8 BEN, or any successor form thereto, certifying that such Foreign Lender is entitled to benefits under an income tax treaty to which the United States is a party which reduces the rate of withholding tax on payments of interest; or (iii) Internal Revenue Service Form W-8 BEN, or any successor form prescribed by the Internal Revenue Service, together with a certificate (A) establishing that the payment to the Foreign Lender qualifies as "portfolio interest" exempt from U.S. withholding tax under Code section 871(h) or 881(c), and (B) stating that (1) the Foreign Lender is not a bank for purposes of Code section 881(c)(3)(A), or the obligation of the Borrower hereunder is not, with respect to such Foreign Lender, a loan agreement entered into in the ordinary course of its trade or business, within the meaning of that section; (2) the Foreign Lender is not a 10% shareholder of the Borrower within the meaning of Code section 871(h)(3) or 881(c)(3)(B); and (3) the Foreign Lender is not a controlled foreign corporation that is related to the Borrower within the meaning of Code section 881(c)(3)(C); or (iv) such other Internal Revenue Service forms as may be applicable to the Foreign Lender, including Forms W-8 IMY or W-8 EXP. Each such Foreign Lender shall deliver to the Borrower and the Administrative Agent such forms on or before the date that it becomes a party to this Agreement (or in the case of a Participant, on or before the date such Participant purchases the related participation). In addition, each such Foreign Lender shall deliver such forms promptly upon the obsolescence or invalidity of any form previously delivered by such Foreign Lender. Each such Foreign Lender shall promptly notify the Borrower and the Administrative Agent at any time that it determines that it is no longer in a position to provide any previously delivered certificate to the Borrower (or any other form of certification adopted by the Internal Revenue Service for such purpose).

(f) If a payment made to a Lender under this Agreement would be subject to U.S. federal withholding tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower and Administrative Agent, at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or Administrative Agent, such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or Administrative Agent as may be necessary for the Borrower or Administrative Agent to comply with its obligations under FATCA, to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment.

Section 2.18. Payments Generally; Pro Rata Treatment; Sharing of Set-offs .

(a) The Borrower shall make each payment required to be made by it hereunder (whether of principal, interest, fees, or amounts payable under Sections 2.15 , 2.16 or 2.17 , or otherwise) prior to 12:00 noon (New York time) on the date when due, in immediately available funds, free and clear of any defenses, rights of set-off, counterclaim, or withholding or deduction of taxes. Any amounts received after such time on any date may, in the discretion of the Administrative Agent, be deemed to have been received on the next succeeding Business Day for purposes of calculating interest thereon. All such payments shall be made to the Administrative Agent at the Payment Office, except that payments pursuant to Sections 2.15 , 2.16 and 2.17 and 9.3 shall be made directly to the Persons entitled thereto. The Administrative Agent shall distribute any such payments received by it for the account of any other Person to the appropriate recipient promptly following receipt thereof. If any payment hereunder shall be due on a day that is not a Business Day, the date for payment shall be extended to the next succeeding Business Day, and, in the case of any payment accruing interest, interest thereon shall be made payable for the period of such extension. All payments hereunder shall be made in Dollars.

(b) If at any time insufficient funds are received by and available to the Administrative Agent to pay fully all amounts of principal, interest and fees then due hereunder, such funds shall be applied (i) first, towards payment of interest and fees then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of interest and fees then due to such parties, and (ii) second, towards payment of principal then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of principal then due to such parties.

(c) If any Lender shall, by exercising any right of set-off or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of its Loans that would result in such Lender receiving payment of a greater proportion of the aggregate amount of its Loans and accrued interest thereon than the proportion received by any other Lender, then the Lender receiving such greater proportion shall purchase (for cash at face value) participations in the Loans of other Lenders to the extent necessary so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Loans; provided , that (i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest, and (ii) the provisions of this paragraph shall not be construed to apply to any payment made by the Borrower pursuant to and in accordance with the express terms of this Agreement or any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans to any assignee or participant, other than to the Borrower or any Subsidiary or Affiliate thereof (as to which the provisions of this paragraph shall apply). The Borrower consents to the foregoing and agrees, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against the Borrower rights of set-off and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of the Borrower in the amount of such participation.

(d) Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders hereunder that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders the amount or amounts due. In such event, if the Borrower has not in fact made such payment, then each of the Lenders severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

Section 2.19. Mitigation of Obligations . If any Lender requests compensation under Section 2.15 , Section 2.16 , or Section 2.17 , or if the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.17 , then such Lender shall use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the sole judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable under Section 2.15 or Section 2.17 , as the case may be, in the future and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with such designation or assignment.

Section 2.20. **Replacement of Lenders .** If any Lender requests compensation under Section 2.15 , or if the Borrower is required to pay any additional amount to any Lender or any Governmental Authority of the account of any Lender pursuant to Section 2.17 , or if any Lender is a Defaulting Lender, then the Borrower may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions set forth in Section 9.4(b)) all its interests, rights and obligations under this Agreement to an assignee that shall assume such obligations (which assignee may be another Lender); provided , that (i) the Borrower shall have received the prior written consent of the Administrative Agent, which consent shall not be unreasonably withheld, (ii) such Lender shall have received payment of an amount equal to the outstanding principal amount of all Loans owed to it, accrued interest thereon, accrued fees and all other amounts payable to it hereunder, from the assignee (in the case of such outstanding principal and accrued interest) and from the Borrower (in the case of all other amounts) and (iii) in the case of a claim for compensation under Section 2.15 or payments required to be made pursuant to Section 2.17 , such assignment will result in a reduction in such compensation or payments. A Lender shall not be required to make any such assignment and delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply.

Section 2.21. **Increase of Commitments; Additional Lenders .**

(a) So long as no Event of Default has occurred and is continuing, from time to time after the Closing Date and provided that (a) at the time of and immediately after giving effect to any such proposed increase, no Default or Event of Default shall exist, all representations and warranties of each Borrower set forth in the Credit Documents shall be true and correct in all material respects (other than those representations and warranties that are expressly qualified by a Material Adverse Effect or other materiality, in which case such representations and warranties shall be true and correct in all respects), and, since September 30, 2010, there shall have been no change which has had or could reasonably be expected to have a Material Adverse Effect, (b) the Borrower shall be in *pro forma* compliance with Section 5.2 as of the most recently ended fiscal quarter for which financial statements have been delivered, calculated as if all such Additional Revolving Commitments had been established as of the first day of the relevant period for testing compliance and (c) the Borrower shall have received all consents, approvals, authorizations, registrations and filings and orders required or advisable to be made or obtained under any Requirement of Law, or by any Contractual Obligation of Borrower, Borrower may, upon at least 30 days' written notice to the Administrative Agent (who shall promptly provide a copy of such notice to each Lender), propose to increase the Aggregate Commitments up to an aggregate amount not to exceed $250,000,000 (the amount of any such increase, the " Additional Commitment Amount "). All Additional Commitments shall have the same terms and conditions applicable to the Commitments established on the Closing Date, including without limitation, as to yield, maturity and amortization. Each Lender shall have the right, for a period of 20 days following receipt of such notice, to elect by written notice to the Borrower and the Administrative Agent to increase its Commitment by a principal amount equal to its Pro Rata Share of the Additional Commitment Amount. No Lender (or any successor thereto) shall have any obligation to increase its Commitment or its other obligations under this Agreement and the other Credit Documents, and any decision by a Lender to increase its Commitment shall be made in its sole discretion independently from any other Lender.

(b) If any Lender shall not elect to increase its Commitment pursuant to subsection (a) of this Section 2.21 , the Borrower may designate another bank or other financial institution (which may be, but need not be, one or more of the existing Lenders) which at the time agrees to, in the case of any such Person that is an existing Lender, increase its Commitment and in the case of any other such Person (an " Additional Lender "), become a party to this Agreement; provided , however , that any new bank or financial institution must be acceptable to the Administrative Agent, which acceptance will not be unreasonably withheld or delayed. The sum of the increases in the Commitments of the existing Lenders pursuant to this subsection (b) plus the Commitments of the Additional Lenders shall not in the aggregate exceed the Additional Commitment Amount.

(c) An increase in the Aggregate Commitment Amount pursuant to this Section 2.21 shall become effective upon the receipt by the Administrative Agent of a supplement or joinder in form and substance reasonably satisfactory to the Administrative Agent executed by the Borrower and by each Additional Lender and by each existing Lender whose Commitment is to be increased, setting forth the new Commitments of such Lenders and setting forth the agreement of each Additional Lender to become a party to this Agreement and to be bound by all the terms and provisions hereof, and such evidence of appropriate corporate authorization on the part of the Borrower with respect to the increase in the Commitments and such opinions of counsel for the Borrower with respect to the increase in the Commitments as the Administrative Agent may reasonably request.

(d) Upon the acceptance of any such agreement by the Administrative Agent, the Aggregate Commitment Amount shall automatically be increased by the amount of the Commitments added or increased through such agreement and Schedule II shall automatically be deemed amended to reflect the Commitments of all Lenders after giving effect to the addition and increase of such Commitments.

(e) Upon any increase in the Aggregate Commitment Amount pursuant to this Section 2.21 that is not pro rata among all Lenders, within five Business Days, in the case of any Base Rate Loans then outstanding, and at the end of the then current Interest Period with respect thereto, in the case of any Eurodollar Loans then outstanding, the Borrower shall prepay such Loans in their entirety and, to the extent the Borrower elects to do so and subject to the conditions specified in Article III , the Borrower shall reborrow Loans from the Lenders in proportion to their respective Commitments after giving effect to such increase, until such time as all outstanding Loans are held by the Lenders in proportion to their respective Commitments after giving effect to such increase.

Section 2.22. Defaulting Lenders .

(a) Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as such Lender is no longer a Defaulting Lender, to the extent permitted by applicable Requirement of Law:

(i) Waivers and Amendments . Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in the definition of Required Lenders and in Section 9.2 .

(ii) Defaulting Lender Waterfall . Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article VII or otherwise) shall be applied at such time or times as may be determined by the Administrative Agent as follows: *first* , to the payment of any amounts owing by such

Defaulting Lender to the Administrative Agent hereunder; *second* , as the Borrower may request (so long as no Default or Event of Default exists), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; *third* , if so determined by the Administrative Agent and the Borrower, to be held in a deposit account and released pro rata in order to satisfy such Defaulting Lender's potential future funding obligations with respect to Loans under this Agreement; *fourth* , to the payment of any amounts owing to the Lenders as a result of any then final and non-appealable judgment of a court of competent jurisdiction obtained by any Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; *fifth* , so long as no Default or Event of Default exists, to the payment of any amounts owing to the Borrower as a result of any the final and non-appealable judgment of a court of competent jurisdiction obtained by the Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and *sixth* , to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if (x) such payment is a payment of the principal amount of any Loans in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Loans were made at a time when the conditions set forth in Section 3.2 were satisfied or waived, such payment shall be applied solely to pay the Loans of all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of such Defaulting Lender until such time as all Loans are held by the Lenders pro rata in accordance with the Commitments without giving effect to Section 2.18 . Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender pursuant to this Section 2.22(ii) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(b) If the Borrower and the Administrative Agent agree in writing that a Lender is no longer a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein, that Lender will, to the extent applicable, purchase at par that portion of outstanding Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Loans to be held pro rata by the Lenders in accordance with the Commitments, whereupon such Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while that Lender was a Defaulting Lender; and provided , further , that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

ARTICLE III

CONDITIONS PRECEDENT TO LOANS

Section 3.1. Conditions To Effectiveness . The obligations of the Lenders to make Loans hereunder shall not become effective until the date on which each of the following conditions is satisfied (or waived in accordance with Section 9.2).

(a) The Administrative Agent and the Joint Lead Arrangers shall have received all fees and other amounts due and payable on or prior to the Closing Date, including reimbursement or payment of all out-of-pocket expenses (including reasonable fees, charges and disbursements of counsel

to the Administrative Agent) required to be reimbursed or paid by the Borrower hereunder, under any other Credit Document and under any agreement with the Administrative Agent or the Joint Lead Arrangers.

(b) The Administrative Agent (or its counsel) shall have received the following:

(i) a counterpart of this Agreement signed by or on behalf of each party hereto or written evidence satisfactory to the Administrative Agent (which may include telecopy transmission of an executed signature page of this Agreement) that such party has signed a counterpart of this Agreement;

(ii) evidence satisfactory to Administrative Agent that the Existing Five-Year Credit Agreement has been terminated and all amounts owing to the Lenders thereunder have been paid in full;

(iii) a certificate of the Secretary or Assistant Secretary of the Borrower in the form of Exhibit 3.1(b)(iii) , attaching and certifying copies of its bylaws and of the resolutions of its boards of directors, authorizing the execution, delivery and performance of the Credit Documents and certifying the name, title and true signature of each officer of the Borrower executing the Credit Documents;

(iv) certified copies of the articles or certificate of incorporation of the Borrower, together with certificates of good standing or existence, as may be available from the Secretary of State of the jurisdictions of organization of the Borrower and each other jurisdiction in which the failure to so qualify and be in good standing would have or would reasonably be expected to have a Material Adverse Effect;

(v) a favorable written opinion of inside or outside counsel to the Borrower, addressed to the Administrative Agent and each of the Lenders, and covering such matters relating to the Borrower, the Credit Documents and the transactions contemplated therein as the Administrative Agent or the Required Lenders shall reasonably request;

(vi) a certificate in the form of Exhibit 3.1(b)(vi) , dated the Closing Date and signed by a Financial Officer, certifying that (A) no Default or Event of Default exists, (B) all representations and warranties of the Borrower set forth in the Credit Documents are true and correct in all material respects, (C) since September 30, 2010, there shall have been no material adverse change in the business, condition (financial or otherwise), operations, liabilities (contingent or otherwise), properties or prospects of the Borrower and its subsidiaries taken as a whole, (D) there are no actions, suits, investigations or legal, equitable, arbitration or administrative proceedings pending or, to the knowledge of the Borrower, threatened against the Borrower, any of its Subsidiaries or any of its properties which would have or be reasonably expected to have a Material Adverse Effect and (E) except as would not result or be reasonably expected to result in a Material Adverse Effect: (a) each of the properties of the Borrower and its Subsidiaries and all operations at such properties are in compliance in all material respects with all applicable Environmental Laws, (b) there is no violation of any Environmental Law with respect to the properties or the businesses operated by the Borrower or its Subsidiaries, and (c) there are no conditions relating to the businesses or properties that would reasonably be expected to give rise to a material liability under any applicable Environmental Laws;

(vii) if a Borrowing will be made on the Closing Date, a duly executed Notice of Borrowing and a duly executed funds disbursement agreement, together with a report setting forth the sources and uses of the proceeds hereof;

(viii) certified copies of all consents, approvals, authorizations, registrations and filings and orders required or advisable to be made or obtained under any Requirement of Law, or by any Contractual Obligation of Borrower, in connection with the execution, delivery, performance, validity and enforceability of the Credit Documents or any of the transactions contemplated thereby, and such consents, approvals, authorizations, registrations, filings and orders shall be in full force and effect and all applicable waiting periods shall have expired, and no investigation or inquiry by any governmental authority regarding the Commitments or any transaction being financed with the proceeds thereof shall be ongoing;

(ix) copies of (A) the internally prepared quarterly financial statements of the Borrower and its Subsidiaries on a consolidated basis for the fiscal quarter ending on December 31, 2010 and (B) the audited consolidated financial statements for the Borrower and its Subsidiaries for the fiscal year ending September 30, 2010; and

(x) such other documents, certificates or information as the Joint Lead Arrangers may reasonably request, all in form and substance reasonably satisfactory to the Joint Lead Arrangers.

(c) To the extent requested by the Administrative Agent in writing not less than five (5) Business Days prior to the Closing Date, the Administrative Agent shall have received, not later than two (2) calendar days prior to the Closing Date, all documentation and other information with respect to the Borrower that the Administrative Agent reasonably believes is required by regulatory authorities under applicable "know-your-customer" and anti-money laundering rules and regulations, including without limitation the Patriot Act (as defined below).

Section 3.2. Each Credit Event . The obligation of each Lender to make a Loan on the occasion of any Borrowing is subject to the satisfaction of the following conditions:

(a) at the time of and immediately after giving effect to such Borrowing, no Default or Event of Default shall exist;

(b) at the time of and immediately after giving effect to such Borrowing, all representations and warranties of the Borrower set forth in the Credit Documents shall be true and correct in all material respects on and as of the date of such Borrowing before and after giving effect thereto;

(c) the Borrower shall have delivered the required Notice of Borrowing;

(d) since September 30, 2010, there shall have been no change which has had or could reasonably be expected to have a Material Adverse Effect; and

(e) the Administrative Agent shall have received such other documents, certificates, information or legal opinions as the Administrative Agent or the Required Lenders may reasonably request, all in form and substance reasonably satisfactory to the Administrative Agent or the Required Lenders.

Each Borrowing shall be deemed to constitute a representation and warranty by the Borrower on the date thereof as to the matters specified in paragraphs (a) and (b) of this Section 3.2 .

Section 3.3. Delivery of Documents . All of the Credit Documents, certificates, legal opinions and other documents and papers referred to in this Article III , unless otherwise specified, shall be delivered to the Administrative Agent for the account of each of the Lenders and, except for any promissory notes, in sufficient counterparts or copies for each of the Lenders and shall be in form and substance reasonably satisfactory to the Administrative Agent.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants to the Administrative Agent and each Lender as follows:

Section 4.1. Organization and Good Standing . The Borrower (a) is a corporation duly organized, validly existing and in good standing under the laws of the jurisdictions of its incorporation, (b) is duly qualified and in good standing as a foreign corporation authorized to do business in every jurisdiction where the failure to so qualify would have or would reasonably be expected to have a Material Adverse Effect and (c) has the requisite corporate power and authority to own its properties and to carry on its business as now conducted and as proposed to be conducted.

Section 4.2. Due Authorization . The Borrower (a) has the requisite corporate power and authority to execute, deliver and perform this Agreement and the other Credit Documents and to incur the obligations herein and therein provided for and (b) has been authorized by all necessary corporate action, to execute, deliver and perform this Agreement and the other Credit Documents.

Section 4.3. No Conflicts . Neither the execution and delivery of the Credit Documents, nor the consummation of the transactions contemplated therein, nor performance of and compliance with the terms and provisions thereof by the Borrower will (a) violate or conflict with, in any material respect, any provision of its articles of incorporation or bylaws, (b) violate, contravene or conflict with, in any material respect, any law, regulation (including without limitation, Regulation U, Regulation X or any regulation promulgated by the Federal Energy Regulatory Commission), order, writ, judgment, injunction, decree or permit applicable to it, (c) except as would not reasonably be expected to result in a Material Adverse Effect, violate, contravene or conflict with contractual provisions of, or cause an event of default under, any indenture, loan agreement, mortgage, deed of trust, contract or other agreement or instrument to which it is a party or by which it or its properties may be bound, or (d) in any material respect, result in or require the creation of any Lien upon or with respect to its properties, other than a Permitted Lien.

Section 4.4. Consents . No consent, approval, authorization or order of, or filing, registration or qualification with, any court or Governmental Authority or third party is required in

connection with the execution, delivery or performance of this Agreement or any of the other Credit Documents, except any such consent, approval, authorization, order, filing, registration or qualification as would not reasonably be expected to have a Material Adverse Effect.

Section 4.5. Enforceable Obligations . This Agreement and the other Credit Documents have been duly executed and delivered and constitute legal, valid and binding obligations of the Borrower enforceable against the Borrower in accordance with their respective terms, except as may be limited by bankruptcy or insolvency laws or similar laws affecting creditors' rights generally or by general equitable principles.

Section 4.6. Financial Condition .

(a) The consolidated financial statements delivered to the Lenders pursuant to Section 3.1(b)(ix) and pursuant to Section 5.1(a) and (b) : (i) have been prepared in accordance with GAAP (subject to the provisions of Section 1.3) and (ii) present fairly in all material respects the financial condition, results of operations, and cash flows of the Borrower and its Subsidiaries as of such date and for such periods.

(b) Since September 30, 2010, there has been no sale, transfer or other disposition by the Borrower of any material part of the business or property of the Borrower, and no purchase or other acquisition by the Borrower of any business or property (including any Capital Stock of any other Person) material in relation to the financial condition of the Borrower, in each case which is not (i) reflected in the most recent financial statements delivered to the Lenders pursuant to Section 3.1(b)(ix) and pursuant to Section 5.1 or in the notes thereto or (ii) otherwise permitted by the terms of this Agreement and communicated to the Administrative Agent.

Section 4.7. Intentionally Omitted .

Section 4.8. No Default . No Default or Event of Default presently exists and is continuing.

Section 4.9. Intentionally Omitted .

Section 4.10. Taxes . The Borrower and its Subsidiaries have filed, or caused to be filed, all material tax returns (federal, state, local and foreign) required to be filed and paid all amounts of taxes shown thereon to be due (including interest and penalties) and has paid all other material taxes, fees, assessments and other governmental charges (including mortgage recording taxes, documentary stamp taxes and intangibles taxes) owing by it, except for such taxes which are not yet delinquent or that are being contested in good faith and by proper proceedings, and against which adequate reserves are being maintained in accordance with GAAP.

Section 4.11. Compliance with Law . The Borrower and each of its Subsidiaries is in compliance with all laws, rules, regulations, orders and decrees applicable to it or to its properties, except where the failure to be in compliance would not have or would not reasonably be expected to have a Material Adverse Effect.

Section 4.12. Material Agreements . Neither the Borrower nor any of its Subsidiaries is in default in any respect under any contract, lease, loan agreement, indenture, mortgage, security agreement or other agreement or obligation to which it is a party or by which any of its properties is bound which default has had or would be reasonably expected to have a Material Adverse Effect.

Section 4.13. ERISA . Except as would not result or be reasonably expected to result in a Material Adverse Effect:

(a) During the five-year period prior to the date on which this representation is made or deemed made: (i) no Termination Event has occurred, and, to the best knowledge of the Borrower, no event or condition has occurred or exists as a result of which any Termination Event is reasonably expected to occur, with respect to any Plan; (ii) no "accumulated funding deficiency," as such term is defined in Section 302 of ERISA and Section 412 of the Code, whether or not waived, has occurred with respect to any Plan; (iii) each Plan has been maintained, operated, and funded in material compliance with its own terms and in material compliance with the provisions of ERISA, the Code, and any other applicable federal or state laws; and (iv) no Lien in favor or the PBGC or a Plan has arisen or is reasonably expected to arise on account of any Plan.

(b) No liability has been or is reasonably expected by the Borrower to be incurred under Sections 4062, 4063 or 4064 of ERISA with respect to any Single Employer Plan by the Borrower or any of its Subsidiaries which has or would reasonably be expected to have a Material Adverse Effect.

(c) The actuarial present value of all "benefit liabilities" under each Single Employer Plan (determined within the meaning of Section 401(a)(2) of the Code, utilizing the actuarial assumptions used to fund such Plans), whether or not vested, did not, as of the last annual valuation date prior to the date on which this representation is made or deemed made, exceed the current value of the assets of such Plan allocable to such accrued liabilities, except as disclosed in the Borrower's financial statements.

(d) Neither the Borrower nor any ERISA Affiliate has incurred, or, to the best knowledge of the Borrower, is reasonably expected to incur, any withdrawal liability under ERISA to any Multiemployer Plan or Multiple Employer Plan. Neither the Borrower nor any ERISA Affiliate has received any notification that any Multiemployer Plan is in reorganization (within the meaning of Section 4241 of ERISA), is insolvent (within the meaning of Section 4245 of ERISA), or has been terminated (within the meaning of Title IV of ERISA), and no Multiemployer Plan is, to the best knowledge of the Borrower, reasonably expected to be in reorganization, insolvent, or terminated.

(e) No prohibited transaction (within the meaning of Section 406 of ERISA or Section 4975 of the Code) or breach of fiduciary responsibility has occurred with respect to a Plan which has subjected or is reasonably likely to subject the Borrower or any ERISA Affiliate to any liability under Sections 406, 407, 409, 502(i), or 502(l) of ERISA or Section 4975 of the Code, or under any agreement or other instrument pursuant to which the Borrower or any ERISA Affiliate has agreed or is required to indemnify any person against any such liability.

(f) The present value (determined using actuarial and other assumptions which are reasonable with respect to the benefits provided and the employees participating) of the liability of the Borrower and each ERISA Affiliate for post-retirement welfare benefits to be provided to their current and former employees under Plans which are welfare benefit plans (as defined in Section 3(1) of ERISA), net of all assets under all such Plans allocable to such benefits, are reflected on the financial statements referenced in Section 5.1 in accordance with FASB 106.

(g) Each Plan which is a welfare plan (as defined in Section 3(1) of ERISA) to which Sections 601-609 of ERISA and Section 4980B of the Code apply has been administered in compliance in all material respects with such sections.

Section 4.14. Use of Proceeds. The proceeds of the Loans hereunder will be used solely for the purposes specified in Section 5.8. None of such proceeds will be used for the acquisition of another Person unless the board of directors (or other comparable governing body) or stockholders, as appropriate, of such Person has approved such acquisition.

Section 4.15. Government Regulation.

(a) No proceeds of the Loans will be used, directly or indirectly, for the purpose of purchasing or carrying any "margin stock" within the meaning of Regulation U, or for the purpose of purchasing or carrying or trading in any securities. If requested by any Lender or the Administrative Agent, the Borrower will furnish to the Administrative Agent and each Lender a statement to the foregoing effect in conformity with the requirements of FR Form U-1 referred to in Regulation U. No indebtedness being reduced or retired out of the proceeds of the Loans was or will be incurred for the purpose of purchasing or carrying any margin stock within the meaning of Regulation U or any "margin security" within the meaning of Regulation T. "Margin stock" within the meaning of Regulation U does not constitute more than 25% of the value of the consolidated assets of the Borrower and its Subsidiaries.

(b) Neither the Borrower nor any of its Subsidiaries is an "investment company" registered or required to be registered under the Investment Company Act of 1940, as amended, and is not controlled by an "investment company".

Section 4.16. Disclosure. Neither this Agreement nor the Information Memorandum nor any financial statements delivered to the Lenders nor any other document, certificate or statement furnished to the Lenders by or on behalf of the Borrower in connection with the transactions contemplated hereby (in each case, as modified or supplemented by other information so furnished) contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained therein or herein, taken as a whole, not misleading; provided that, with respect to projected financial information, the Borrower represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time (it being understood that the projected financial information is subject to significant uncertainties and contingencies, many of which are beyond the Borrower's control, and that no assurance can be given that any projections will be realized).

Section 4.17. Intentionally Omitted.

Section 4.18. Insurance. The Borrower and its Subsidiaries maintain insurance with financially sound and reputable insurance companies or associations in such amounts and covering such risks as is usually carried by companies engaged in similar business and owning similar properties in the same general areas in which the Borrower and its Subsidiaries operate and/or maintain a system or systems of self-insurance or assumption of risk which accords with the practices of similar businesses.

Section 4.19. Franchises, Licenses, Etc . The Borrower and its Subsidiaries possess (a) good title to, or the legal right to use, all properties and assets and (b) all franchises, certificates, licenses, permits and other authorizations, in each case as are necessary for the operation of their respective businesses, except to the extent the failure to possess any of the foregoing would not and would not reasonably be expected to have a Material Adverse Effect.

Section 4.20. Secured Indebtedness . All of the secured indebtedness of the Borrower is set forth on Schedule 4.20 or permitted by Section 6.6 .

Section 4.21. Subsidiaries . All Subsidiaries of the Borrower and the designation as to which such Subsidiaries are Material Subsidiaries are set forth on Schedule 4.21 . Schedule 4.21 may be updated from time to time by the Borrower.

ARTICLE V

AFFIRMATIVE COVENANTS

The Borrower covenants and agrees that so long as any Lender has a Commitment hereunder or any Obligation remains unpaid or outstanding:

Section 5.1. Information Covenants . The Borrower will furnish, or cause to be furnished, to the Administrative Agent (who shall forward copies thereof to each Lender):

(a) Annual Financial Statements . As soon as available, and in any event within 120 days after the close of each fiscal year of the Borrower, a consolidated balance sheet and income statement of the Borrower and its Subsidiaries, as of the end of such fiscal year, together with retained earnings and a consolidated statement of cash flows for such fiscal year setting forth in comparative form figures for the preceding fiscal year, all such financial information described above to be in reasonable form and detail and audited by independent certified public accountants of recognized national standing and whose opinion shall be furnished to the Administrative Agent, shall be to the effect that such financial statements have been prepared in accordance with GAAP (except for changes with which such accountants concur) and shall not be limited as to the scope of the audit or qualified by a going concern or similar qualification.

(b) Quarterly Financial Statements . As soon as available, and in any event within 65 days after the close of each fiscal quarter of the Borrower (other than the fourth fiscal quarter) a consolidated balance sheet and income statement of the Borrower and its Subsidiaries, as of the end of such fiscal quarter, together with a related consolidated statement of cash flows for such fiscal quarter in each case setting forth in comparative form figures for the corresponding period of the preceding fiscal year, all such financial information described above to be in reasonable form and detail and reasonably acceptable to the Administrative Agent, and accompanied by a certificate of a Financial Officer of the Borrower to the effect that such quarterly financial statements fairly present in all material respects the financial condition of the Borrower and have been prepared in accordance with GAAP, subject to changes resulting from audit and normal year-end audit adjustments and absence of notes.

(c) Officer's Certificate . At the time of delivery of the financial statements provided for in Sections 5.1(a) and 5.1 (b) above, a certificate of a Financial Officer of the Borrower, substantially in the form of Exhibit 5.1(c) , (i) demonstrating compliance with Section 5.2 by calculation thereof as of the end of each such fiscal period and (ii) stating that no Default or Event of Default exists, or if any Default or Event of Default does exist, specifying the nature and extent thereof and what action the Borrower proposes to take with respect thereto.

(d) Reports . Promptly after the same are available, copies of all annual, regular, periodic and special reports and registration statements which the Borrower may file or be required to file with the SEC under Section 13 or 15(d) of the Exchange Act, and not otherwise required to be delivered to the Administrative Agent pursuant hereto.

(e) Notices . Upon the Borrower obtaining knowledge thereof, the Borrower will give written notice to the Administrative Agent promptly of (i) the occurrence of a Default or Event of Default, specifying the nature and existence thereof and what action the Borrower proposes to take with respect thereto, (ii) any change in any rating from S&P, Moody's, Fitch and any loss of rating and (iii) the occurrence of any of the following with respect to the Borrower or any Subsidiary: (A) the pendency or commencement of any litigation, arbitration or governmental proceeding against the Borrower or such Subsidiary which, if adversely determined, would have or would be reasonably expected to have a Material Adverse Effect or (B) the institution of any proceedings against the Borrower or such Subsidiary with respect to, or the receipt of notice by such Person of potential liability or responsibility for violation or alleged violation of, any federal, state or local law, rule or regulation (including, without limitation, any Environmental Law), the violation of which would have or would be reasonably expected to have a Material Adverse Effect.

(f) ERISA . Upon the Borrower or any ERISA Affiliate obtaining knowledge thereof, the Borrower will give written notice to the Administrative Agent and each of the Lenders promptly (and in any event within five Business Days) of: (i) any event or condition, including, but not limited to, any Reportable Event, that constitutes, or would be reasonably expected to lead to, a Termination Event; (ii) any communication from the PBGC stating its intention to terminate any Plan or to have a trustee appointed to administer any Plan together with a statement of the amount of liability, if any, incurred or expected to be incurred by the Borrower or any Subsidiary in connection therewith; (iii) with respect to any Multiemployer Plan, the receipt of notice as prescribed in ERISA or otherwise of any withdrawal liability assessed against the Borrower or any ERISA Affiliate, or of a determination that any Multiemployer Plan is in reorganization or insolvent (both within the meaning of Title IV of ERISA); (iv) the failure to make full payment on or before the due date (including extensions) thereof of all amounts which the Borrower or any of its Subsidiaries or ERISA Affiliates is required to contribute to each Plan which is subject to Title IV of ERISA pursuant to its terms and as required to meet the minimum funding standard set forth in ERISA and the Code with respect thereto; or (v) any change in the funding status of any Plan that would have or would be reasonably expected to have a Material Adverse Effect; together, with a description of any such event or condition or a copy of any such notice and a statement by a officer of the Borrower briefly setting forth the details regarding such event, condition, or notice, and the action, if any, which has been or is being taken or is proposed to be taken by the Borrower with respect thereto. Promptly upon request, the Borrower shall furnish the Administrative Agent with such additional information concerning any Plan as may be reasonably requested by the Administrative Agent or any Lender, including, but not limited to, copies of each annual report/return (Form 5500 series), as well as all schedules and attachments thereto required to be filed with the Department of Labor and/or the Internal Revenue Service pursuant to ERISA and the Code, respectively, for each "plan year" (within the meaning of Section 3(39) of ERISA).

(g) Other Information . With reasonable promptness upon any such request, such other information regarding the business, properties or financial condition of the Borrower as the Administrative Agent or the Required Lenders may reasonably request.

(h) Delivery of Information . Documents required to be delivered pursuant to this Section (to the extent any such documents are included in materials otherwise filed with the SEC) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (i) on which the Borrower posts such documents, or provides a link thereto on the Borrower's website on the Internet at the website address www.atmosenergy.com ; or (ii) on which such documents are posted on the Borrower's behalf on an Internet or intranet website, if any, to which each Lender and the Administrative Agent have access (whether a commercial, third party website or sponsored by the Administrative Agent); provided that the Borrower shall notify the Administrative Agent (by telecopier or electronic mail) of the posting of any such documents (which notice the Administrative Agent shall promptly forward to the Lenders). Notwithstanding anything contained herein, in every instance the Borrower shall be required to provide paper or facsimile copies of the officer's certificates required by Section 5.1(c) to the Administrative Agent. Except for such officer's certificates, the Administrative Agent shall have no obligation to request the delivery or to maintain copies of the documents referred to above, and in any event shall have no responsibility to monitor compliance by the Borrower with any such request for delivery, and each Lender shall be solely responsible for maintaining its copies of such documents.

Section 5.2. Debt to Capitalization Ratio . As of the last day of each fiscal quarter of the Borrower, the Debt to Capitalization Ratio shall be less than or equal to 0.70 to 1.0.

Section 5.3. Preservation of Existence, Franchises and Assets . The Borrower will, and will cause its Subsidiaries to, do all things necessary to preserve and keep in full force and effect its existence, rights, franchises and authority, except where failure to do so would not or would not reasonably be expected to have a Material Adverse Effect. The Borrower will, and will cause its Subsidiaries to, generally maintain its properties, real and personal, in good condition, and the Borrower and its Subsidiaries shall not waste or otherwise permit such properties to deteriorate, reasonable wear and tear excepted, except, in each case, where failure to do so would not or would not reasonably be expected to have a Material Adverse Effect.

Section 5.4. Books and Records . The Borrower will, and will cause its Subsidiaries to, keep complete and accurate books and records of its transactions in accordance with good accounting practices on the basis of GAAP (including the establishment and maintenance of appropriate reserves).

Section 5.5. Compliance with Law . The Borrower will, and will cause its Subsidiaries to, comply with, and obtain all permits and licenses required by, all laws (including, without limitation, all Environmental Laws and ERISA laws), rules, regulations and orders, and all applicable restrictions imposed by all Governmental Authorities, applicable to it and its property, if the failure to comply would have or would be reasonably expected to have a Material Adverse Effect.

Section 5.6. Payment of Taxes and Other Claims . The Borrower will, and will cause its Subsidiaries to, pay, settle or discharge (a) all material taxes, assessments and governmental charges or levies imposed upon it, or upon its income or profits, or upon any of its properties, before they shall become delinquent and (b) all lawful claims (including claims for labor, materials and supplies) which, if unpaid, might give rise to a Lien upon any of its properties; provided , however , that the Borrower shall not be required to pay any such tax, assessment, charge, levy, claim or indebtedness which

is being contested in good faith by appropriate action and as to which adequate reserves therefor, if required, have been established in accordance with GAAP, unless the failure to make any such payment (i) would give rise to an immediate right to foreclose or collect on a Lien securing such amounts or (ii) would have or would reasonably be expected to have a Material Adverse Effect.

Section 5.7. **Insurance**. The Borrower will, and will cause its Subsidiaries to, at all times maintain in full force and effect insurance (including worker's compensation insurance, liability insurance and casualty insurance) with financially sound and reputable insurance companies or associations in such amounts and covering such risks as is usually carried by companies engaged in similar business and owning similar properties in the same general areas in which the Borrower and its Subsidiaries operate and/or maintain a system or systems of self-insurance or assumption of risk which accords with the practices of similar businesses.

Section 5.8. **Use of Proceeds**. The proceeds of the Loans may be used solely (a) to refinance the indebtedness under each of the Existing Five-Year Credit Agreement on the Closing Date and to pay related fees and expenses, (b) to maintain a liquidity facility for the issuance of commercial paper, (c) to fund future acquisitions permitted by Section 4.14 and (d) for working capital, capital expenditures and other lawful corporate purposes of the Borrower.

Section 5.9. **Audits/Inspections**. Upon reasonable prior notice and during normal business hours and no more frequently than once during any fiscal year upon reasonable advance notice through the Administrative Agent to the Borrower, the Borrower will permit representatives appointed by the Administrative Agent, including, without limitation, independent accountants, agents, attorneys, and appraisers to visit and inspect the Borrower's and its Subsidiaries' property, including their books and records, their accounts receivable and inventory, the Borrower's and its Subsidiaries' facilities and their other business assets, and to make photocopies or photographs thereof and to write down and record any information such representative obtains and shall permit the Administrative Agent or its representatives to discuss all such matters with the officers, employees and representatives of the Borrower and its Subsidiaries; provided, however, that when an Event of Default exists the Administrative Agent or any Lender (or any of their respective representatives) may do any of the foregoing at the expense of the Borrower at any time during normal business hours.

ARTICLE VI

NEGATIVE COVENANTS

The Borrower covenants and agrees that so long as any Lender has a Commitment hereunder or any Obligation remains outstanding:

Section 6.1. **Nature of Business**. The Borrower will not materially alter the character of its business from that conducted as of the Closing Date.

Section 6.2. **Consolidation and Merger**. The Borrower will not (a) enter into any transaction of merger, or (b) consolidate, liquidate, wind up or dissolve itself (or suffer any liquidation or dissolution); provided that, so long as no Default or Event of Default shall exist or be caused thereby, a Person may be merged or consolidated with or into the Borrower so long as the Borrower shall be the continuing or surviving corporation.

Section 6.3. Sale or Lease of Assets . Within any period of four consecutive fiscal quarters, the Borrower will not, nor will it permit any Subsidiary to, convey, sell, lease, transfer or otherwise dispose of assets, business or operations with a net book value in excess of 25% of Total Assets as calculated as of the end of the most recent such fiscal quarter.

Section 6.4. **Arm's-Length Transactions** . The Borrower will not, nor will it permit its Subsidiaries to, enter into any transaction or series of transactions, whether or not in the ordinary course of business, with any Affiliate other than on terms and conditions substantially as favorable as would be obtainable in a comparable arm's-length transaction with a Person other than an Affiliate; provided that the foregoing restriction shall not apply to the payment or grant of reasonable compensation, benefits and indemnities to any director, officer, employee or agent of the Borrower or any Subsidiary.

Section 6.5. **Fiscal Year; Organizational Documents** . The Borrower will not (a) change its fiscal year or (b) in any manner that would reasonably be expected to materially adversely affect the rights of the Lenders, change its organizational documents or its bylaws; it being understood that the Borrower's shareholders may approve an amendment to the Borrower's Articles of Incorporation to permit the issuance of Preferred Securities.

Section 6.6. **Liens** . The Borrower will not, nor will it permit any of its Material Subsidiaries to, contract, create, incur, assume or permit to exist any Lien with respect to any of its property or assets of any kind (whether real or personal, tangible or intangible), whether now owned or after acquired, except for the following: (a) Liens securing Obligations, (b) Liens for taxes not yet due or Liens for taxes being contested in good faith by appropriate action and for which adequate reserves, if required, determined in accordance with GAAP have been established (and as to which the property subject to any such Lien is not yet subject to foreclosure, sale or loss on account thereof), (c) Liens in respect of property imposed by law arising in the ordinary course of business such as materialmen's, mechanics', warehousemen's, carrier's, landlords' and other nonconsensual statutory Liens which are not yet due and payable, which have been in existence less than 90 days or which are being contested in good faith by appropriate action and for which adequate reserves, if required, determined in accordance with GAAP have been established (and as to which the property subject to any such Lien is not yet subject to foreclosure, sale or loss on account thereof), (d) pledges or deposits made in the ordinary course of business to secure payment of worker's compensation insurance, unemployment insurance, pensions or social security programs, (e) Liens arising from good faith deposits in connection with or to secure performance of tenders, bids, leases, government contracts, performance and return-of-money bonds and other similar obligations incurred in the ordinary course of business (other than obligations in respect of the payment of borrowed money), (f) Liens arising from good faith deposits in connection with or to secure performance of statutory obligations and surety and appeal bonds, (g) easements, rights-of-way, restrictions (including zoning restrictions), minor defects or irregularities in title and other similar charges or encumbrances not, in any material respect, impairing the use of the encumbered property for its intended purposes, (h) judgment Liens that would not constitute an Event of Default or securing appeal or other surety bonds related to such judgments, (i) Liens arising by virtue of any statutory or common law provision relating to banker's liens, rights of setoff or similar rights as to deposit accounts or other funds maintained with a creditor depository institution, (j) any Lien on any assets securing indebtedness incurred or assumed for the purpose of financing all or any part of the cost of acquiring, developing, operating, constructing, altering, repairing or improving all or part of such assets; provided that such Lien attaches to such asset concurrently with or within 90 days after the acquisition thereof, completion of construction, improvement or repair, or commencement of commercial operation of such assets, (k) any Lien on any asset of any Person existing at the time such Person is merged or consolidated with or into

the Borrower or one of its Subsidiaries and not created in contemplation of such event, (l) any Lien existing on any asset prior to the acquisition thereof by the Borrower or one of its Subsidiaries and not created in contemplation of such acquisition, (m) any Lien on the assets of the Borrower or any Material Subsidiary pursuant to Section 803 of the 1998 Indenture, Section 803 of the 2001 Indenture, Section 803 of the 2007 Indenture, or Section 803 of the 2009 Indenture if placed on the property of the Borrower or such Material Subsidiary on an equal and ratable basis with Liens securing Obligations and other Liens that may be placed on the properties of the Borrower or such Material Subsidiary in the future, (n) any Lien created in connection with a project financed with, or created to secure, Non-Recourse Indebtedness, (o) Liens on goods (and the proceeds thereof) and documents of title and the property covered thereby securing indebtedness in respect of commercial letters of credit, (p) Liens that have been placed by any developer, landlord or other third party on property over which the Borrower or any Material Subsidiary has easement rights or on any real property leased by the Borrower or any Material Subsidiary and subordination or similar agreements relating thereto, (q) any condemnation or eminent domain proceedings affecting any real property, (r) any provision for the retention of title to an asset by vendor or transferor of such asset which asset is acquired by the Borrower or a Material Subsidiary in a transaction entered into in the ordinary course of business, (s) Liens on the proceeds of assets that were subject to Liens permitted hereunder or on assets acquired with such proceeds as a replacement of such former assets, (t) Liens not otherwise permitted by this Agreement securing indebtedness in the aggregate (at the time such Liens are created) not in excess of ten percent (10%) of Consolidated Net Property, (u) Liens constituted by a right of set off, or rights over a margin call account, or any form of cash collateral, or any similar arrangement, securing Hedging Obligations and/or Physical Trade Obligations, in each case so long as the aggregate principal amount of cash securing such Hedging Obligations and Physical Trade Obligations, do not exceed ten percent (10%) of Consolidated Net Worth, (v) Liens on accounts and related assets arising under an areawide utility contract or similar contract with the federal government related to energy management, conservation, or similar services, securing indebtedness of the Persons to whom Borrower has subcontracted to provide such services to the federal government and (w) any extension, renewal or replacement (or successive extensions, renewals or replacements), as a whole or in part, of any Liens referred to in the foregoing clauses (a) through (v) for amounts not exceeding the principal amount of the indebtedness (including undrawn commitments) secured by the Lien so extended, renewed or replaced (except for accrued interest and a reasonable premium or other reasonable amount paid, and fees and expenses reasonably incurred in connection with such extension, renewal or replacement); provided that such extension, renewal or replacement Lien is limited to all or a part of the same property or assets that were covered by the Lien extended, renewed or replaced (plus improvements on such property or assets).

Section 6.7. Required Clear Period . The Borrower shall cause there to be no Loans outstanding hereunder for a period of at least thirty (30) consecutive days during each fiscal year of the Borrower.

ARTICLE VII

EVENTS OF DEFAULT

Section 7.1. Events of Default . An Event of Default shall exist upon the occurrence of any of the following specified events (each an " Event of Default "):

(a) Payment . The Borrower shall default in the payment (i) when due of any principal of any of the Loans or (ii) within three Business Days of when due of any interest on the Loans

or of any fees owing hereunder or any of the other Credit Documents or (iii) within ten days of when due of any other amounts owing hereunder, under any of the other Credit Documents or in connection herewith.

(b) Representations . Any representation, warranty or statement made or deemed to be made by the Borrower herein, in any of the other Credit Documents, or in any statement or certificate delivered or required to be delivered pursuant hereto or thereto (including without limitation the certificate delivered pursuant to Section 3.1(b)(vi)) shall prove untrue in any material respect on the date as of which it was deemed to have been made.

(c) Covenants . The Borrower shall:

(i) default in the due performance or observance of any term, covenant or agreement contained in Sections 5.2 , 5.3 (as to maintenance of existence of the Borrower only), 5.9 or 6.1 through 6.6 inclusive; or

(ii) default in the due performance or observance by it of any term, covenant or agreement contained in Section 5.1 and such default shall continue unremedied for a period of five Business Days after the earlier of the Borrower becoming aware of such default or notice thereof given by the Administrative Agent; or

(iii) default in the due performance or observance by it of any term, covenant or agreement (other than those referred to in subsections (a), (b), (c)(i), or (c)(ii) of this Section 7.1) contained in this Agreement or any other Credit Document and such default shall continue unremedied for a period of at least 30 days after the earlier of the Borrower becoming aware of such default or notice thereof given by the Administrative Agent.

(d) Credit Documents . The Borrower shall default in the due performance or observance of any term, covenant or agreement in any of the other Credit Documents and such default shall continue unremedied for a period of at least 30 days after the earlier of (i) the Borrower becoming aware of such default or notice thereof given by the Administrative Agent or (ii) any Credit Document shall fail to be in full force and effect or the Borrower shall so assert.

(e) Bankruptcy, etc . The occurrence of any of the following with respect to the Borrower or any of its Material Subsidiaries: (i) a court or governmental agency having jurisdiction in the premises shall enter a decree or order for relief in respect of the Borrower or any of its Material Subsidiaries in an involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or appoint a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official of the Borrower or any of its Material Subsidiaries or for any substantial part of its property or order the winding up or liquidation of its affairs; or (ii) an involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect is commenced against the Borrower or any of its Material Subsidiaries and such petition remains unstayed and in effect for a period of 60 consecutive days; or (iii) the Borrower or any of its Material Subsidiaries shall commence a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or consent to the entry of an order for relief in an involuntary case under any such law, or consent to the appointment or taking possession by a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official of such Person or any substantial part of its property or make any general assignment for the benefit of creditors; or (iv) the Borrower or any of its Material Subsidiaries shall admit in writing its inability to pay its debts generally as they become due or any action shall be taken by such Person in furtherance of any of the aforesaid purposes.

(f) Defaults under Other Agreements . With respect to any indebtedness of the Borrower in excess of $100,000,000 (other than indebtedness outstanding under this Agreement or Non-Recourse Indebtedness) (A) the Borrower shall (1) default in any payment (beyond the applicable grace period with respect thereto, if any) with respect to any such indebtedness, or (2) default (after giving effect to any applicable grace period) in the observance or performance of any covenant or agreement relating to such indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event or condition shall occur or condition exist, the effect of which default or other event or condition is to cause, or permit, the holder of the holders of such indebtedness (or trustee or agent on behalf of such holders) to cause (determined without regard to whether any notice or lapse of time is required) any such indebtedness to become due prior to its stated maturity; or (B) any such indebtedness shall be declared due and payable, or required to be prepaid other than by a regularly scheduled required prepayment, or by a mandatory prepayment upon specified events or conditions, in each case, prior to the stated maturity thereof; or (C) any such indebtedness shall mature and remain unpaid.

(g) Judgments . One or more final judgments, orders, or decrees shall be entered against the Borrower involving a liability of $100,000,000 or more, in the aggregate (to the extent not paid or covered by insurance provided by a carrier who has acknowledged coverage) and such judgments, orders or decrees shall continue unsatisfied, undischarged and unstayed for a period of 90 days; provided that if such judgment, order or decree provides for periodic payments over time then the Borrower shall have a grace period of 30 days with respect to each such periodic payment.

(h) ERISA . The occurrence of any of the following events or conditions if any of the same would be reasonably expected to result in a liability of an amount greater than or equal to $20,000,000: (A) any "accumulated funding deficiency," as such term is defined in Section 302 of ERISA and Section 412 of the Code, whether or not waived, shall exist with respect to any Plan, or any lien shall arise on the assets of the Borrower or any ERISA Affiliate in favor of the PBGC or a Plan; (B) a Termination Event shall occur with respect to a Single Employer Plan, which is, in the reasonable opinion of the Administrative Agent, likely to result in the termination of such Plan for purposes of Title IV of ERISA; (C) a Termination Event shall occur with respect to a Multiemployer Plan or Multiple Employer Plan, which is, in the reasonable opinion of the Administrative Agent, likely to result in (i) the termination of such Plan for purposes of Title IV of ERISA, or (ii) the Borrower or any ERISA Affiliate incurring any liability in connection with a withdrawal from, reorganization of (within the meaning of Section 4241 of ERISA), or insolvency (within the meaning of Section 4245 of ERISA) of such Plan; or (D) any prohibited transaction (within the meaning of Section 406 of ERISA or Section 4975 of the Code) or breach of fiduciary responsibility shall occur which would be reasonably expected to subject the Borrower or any ERISA Affiliate to any liability under Sections 406, 409, 502(i), or 502(l) of ERISA or Section 4975 of the Code, or under any agreement or other instrument pursuant to which the Borrower or any ERISA Affiliate has agreed or is required to indemnify any person against any such liability.

(i) Change of Control . The occurrence of any Change of Control.

Section 7.2. Acceleration; Remedies . Upon the occurrence and during the continuation of an Event of Default, the Administrative Agent may, with the consent of the Required Lenders, and shall, upon the request and direction of the Required Lenders, by written notice to the

Borrower take any of the following actions without prejudice to the rights of the Administrative Agent or any Lender to enforce its claims against the Borrower, except as otherwise specifically provided for herein:

(a) Termination of Commitments . Declare the Commitments terminated whereupon the Commitments shall be immediately terminated.

(b) Acceleration of Loans . Declare the unpaid amount of all Obligations to be due whereupon the same shall be immediately due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower.

(c) Enforcement of Rights . Enforce any and all rights and interests created and existing under the Credit Documents or otherwise available at law or in equity, including, without limitation, all rights of set-off.

Notwithstanding the foregoing, if an Event of Default specified in Section 7.1(e) shall occur, then the Commitments shall automatically terminate and all Loans, all accrued interest in respect thereof, all accrued and unpaid fees and other indebtedness or obligations owing to the Lenders and the Administrative Agent hereunder shall immediately become due and payable without the giving of any notice or other action by the Administrative Agent or the Lenders.

Notwithstanding the fact that enforcement powers reside primarily with the Administrative Agent, each Lender has, to the extent permitted by law, a separate right of payment and shall be considered a separate "creditor" holding a separate "claim" within the meaning of Section 101(5) of the Bankruptcy Code or any other insolvency statute.

Section 7.3. Allocation of Payments After Event of Default .

Notwithstanding any other provisions of this Agreement, but subject in all respects to Section 2.22 , after the occurrence of an Event of Default, all amounts collected or received by the Administrative Agent or any Lender on account of amounts outstanding under any of the Credit Documents shall be paid over or delivered as follows:

FIRST, to the payment of all reasonable out-of-pocket costs and expenses (including without limitation reasonable attorneys' fees) of the Administrative Agent or any of the Lenders in connection with enforcing the rights of the Lenders under the Credit Documents, pro rata as set forth below;

SECOND, to payment of any fees owed to the Administrative Agent or any Lender, pro rata as set forth below;

THIRD, to the payment of all accrued interest payable to the Lenders hereunder, pro rata as set forth below;

FOURTH, to the payment of the outstanding principal amount of the Loans, pro rata as set forth below;

FIFTH, to all other obligations which shall have become due and payable under the Credit Documents and not repaid pursuant to clauses "FIRST" through "FOURTH" above; and

SIXTH, to the payment of the surplus, if any, to whoever may be lawfully entitled to receive such surplus.

In carrying out the foregoing, (a) amounts received shall be applied in the numerical order provided until exhausted prior to application to the next succeeding category and (b) each of the Lenders shall receive an amount equal to its pro rata share (based on the proportion that the then outstanding Loans held by such Lender bears to the aggregate then outstanding Loans) of amounts available to be applied.

ARTICLE VIII

THE ADMINISTRATIVE AGENT

Section 8.1. Appointment of Administrative Agent. Each Lender irrevocably appoints The Royal Bank of Scotland plc as the Administrative Agent and authorizes it to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent under this Agreement and the other Credit Documents, together with all such actions and powers that are reasonably incidental thereto. The Administrative Agent may perform any of its duties hereunder or under the other Credit Documents by or through any one or more sub-agents or attorneys-in-fact appointed by the Administrative Agent. The Administrative Agent and any such sub-agent or attorney-in-fact may perform any and all of its duties and exercise its rights and powers through their respective Related Parties. The exculpatory provisions set forth in this Article shall apply to any such sub-agent or attorney-in-fact and the Related Parties of the Administrative Agent, any such sub-agent and any such attorney-in-fact and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent.

Section 8.2. Nature of Duties of Administrative Agent. The Administrative Agent shall not have any duties or obligations except those expressly set forth in this Agreement and the other Credit Documents. Without limiting the generality of the foregoing, (a) the Administrative Agent shall not be subject to any fiduciary or other implied duties, regardless of whether a Default or an Event of Default has occurred and is continuing, (b) the Administrative Agent shall not have any duty to take any discretionary action or exercise any discretionary powers, except those discretionary rights and powers expressly contemplated by the Credit Documents that the Administrative Agent is required to exercise in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 9.2), and (c) except as expressly set forth in the Credit Documents, the Administrative Agent shall not have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of its Subsidiaries that is communicated to or obtained by the Administrative Agent or any of its Affiliates in any capacity. The Administrative Agent shall not be liable for any action taken or not taken by it, its sub-agents or attorneys-in-fact with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 9.2) or in the absence of its own gross negligence or willful misconduct as determined by a court of competent jurisdiction by final and nonappealable judgment. The Administrative Agent shall not be responsible for the negligence or misconduct of any sub-agents or attorneys-in-fact selected by it with reasonable care. The Administrative Agent shall not be deemed to have knowledge of any Default or Event of Default unless and until written notice thereof (which notice shall include an express reference to such event being a "Default" or "Event of Default" hereunder) is given to the Administrative Agent by the Borrower or any Lender, and the Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with any Credit

Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements, or other terms and conditions set forth in any Credit Document, (iv) the validity, enforceability, effectiveness or genuineness of any Credit Document or any other agreement, instrument or document, or (v) the satisfaction of any condition set forth in Article III or elsewhere in any Credit Document, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent. The Administrative Agent may consult with legal counsel (including counsel for the Borrower) concerning all matters pertaining to such duties.

Section 8.3. Lack of Reliance on the Administrative Agent. Each of the Lenders acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each of the Lenders also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it has deemed appropriate, continue to make its own decisions in taking or not taking of any action under or based on this Agreement, any related agreement or any document furnished hereunder or thereunder.

Section 8.4. Certain Rights of the Administrative Agent. If the Administrative Agent shall request instructions from the Required Lenders with respect to any action or actions (including the failure to act) in connection with this Agreement, the Administrative Agent shall be entitled to refrain from such act or taking such act, unless and until it shall have received instructions from such Lenders; and the Administrative Agent shall not incur liability to any Person by reason of so refraining. Without limiting the foregoing, no Lender shall have any right of action whatsoever against the Administrative Agent as a result of the Administrative Agent acting or refraining from acting hereunder in accordance with the instructions of the Required Lenders where required by the terms of this Agreement.

Section 8.5. Reliance by Administrative Agent. The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing believed by it to be genuine and to have been signed, sent or made by the proper Person. The Administrative Agent may also rely upon any statement made to it orally or by telephone and believed by it to be made by the proper Person and shall not incur any liability for relying thereon. The Administrative Agent may consult with legal counsel (including counsel for the Borrower), independent public accountants and other experts selected by it and shall not be liable for any action taken or not taken by it in accordance with the advice of such counsel, accountants or experts.

Section 8.6. The Administrative Agent in its Individual Capacity. The bank serving as the Administrative Agent shall have the same rights and powers under this Agreement and any other Credit Document in its capacity as a Lender as any other Lender and may exercise or refrain from exercising the same as though it were not the Administrative Agent; and the terms "Lenders", "Required Lenders" or any similar terms shall, unless the context clearly otherwise indicates, include the Administrative Agent in its individual capacity. The bank acting as the Administrative Agent and its Affiliates may accept deposits from, lend money to, and generally engage in any kind of business with the Borrower or any Subsidiary or Affiliate of the Borrower as if it were not the Administrative Agent hereunder.

Section 8.7. **Successor Administrative Agent .**

(a) The Administrative Agent may resign at any time by giving written notice thereof to the Lenders and the Borrower. Upon any such resignation, the Required Lenders shall have the right to appoint a successor Administrative Agent, subject to the approval by the Borrower provided that no Default or Event of Default shall exist at such time. If no successor Administrative Agent shall have been so appointed, and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of resignation, then the retiring Administrative Agent may, on behalf of the Lenders, appoint a successor Administrative Agent, which shall be a commercial bank organized under the laws of the United States of America or any state thereof or a bank which maintains an office in the United States, having a combined capital and surplus of at least $500,000,000.

(b) Upon the acceptance of its appointment as the Administrative Agent hereunder by a successor, such successor Administrative Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent, and the retiring Administrative Agent shall be discharged from its duties and obligations under this Agreement and the other Credit Documents. If within 45 days after written notice is given of the retiring Administrative Agent's resignation under this Section 8.7 no successor Administrative Agent shall have been appointed and shall have accepted such appointment, then on such 45 th day (i) the retiring Administrative Agent's resignation shall become effective, (ii) the retiring Administrative Agent shall thereupon be discharged from its duties and obligations under the Credit Documents and (iii) the Required Lenders shall thereafter perform all duties of the retiring Administrative Agent under the Credit Documents until such time as the Required Lenders appoint a successor Administrative Agent as provided above. After any retiring Administrative Agent's resignation hereunder, the provisions of this Article shall continue in effect for the benefit of such retiring Administrative Agent and its representatives and agents in respect of any actions taken or not taken by any of them while it was serving as the Administrative Agent.

Section 8.8. **Co-Documentation Agents; Syndication Agent .** Each of the Lenders and the Borrower hereby acknowledges and agrees that the Co-Documentation Agents and the Syndication Agent shall have no duties or obligations under any Credit Documents to any Lender or the Borrower.

ARTICLE IX

MISCELLANEOUS

Section 9.1. **Notices .**

(a) Except in the case of notices and other communications expressly permitted to be given by telephone, all notices and other communications to any party herein to be effective shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail, sent by telecopy or to the extent permitted below, by email as follows:

To the Borrower: Atmos Energy Corporation
Three Lincoln Centre, Suite 1800
5430 LBJ Freeway
Dallas, Texas 75240

	Attention: Fred E. Meisenheimer Telecopy Number: (214) 550-5641 Email Address: Fred.Meisenheimer@atmosenergy.com
With a copy to:	Atmos Energy Corporation 700 Three Lincoln Centre 5430 LBJ Freeway Dallas, Texas 75240 Attention: Treasurer Telecopy Number: (214) 550-9326 Email Address: dan.meziere@atmosenergy.com
and	Atmos Energy Corporation Three Lincoln Centre, Suite 1800 5430 LBJ Freeway Dallas, Texas 75240 Attention: General Counsel Telecopy Number: (214) 550-9216 Email Address: louis.gregory@atmosenergy.com
To the Administrative Agent:	The Royal Bank of Scotland plc 600 Washington Blvd. Stamford, CT 06901 Attention: Damon Matthews Telecopy Number: 203-873-5300 Email Address: GBMNAgency@rbs.com
With a copy to:	The Royal Bank of Scotland plc 600 Washington Blvd. Stamford, CT 06901 Attention: Lynne Alfarone Telecopy Number: 203-873-3569 Email Address: AgencyOps@rbs.com and King & Spalding LLP 1180 Peachtree Street, N.E. Atlanta, Georgia 30309 Attention: Carolyn Z. Alford Telecopy Number: (404) 572-5100 Email Address: czalford@kslaw.com
To any other Lender:	the address set forth in the Administrative Questionnaire or the Assignment and Acceptance executed by such Lender

Notices and other communications hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by the

Administrative Agent, provided that the foregoing shall not apply to notices to any Lender pursuant to Article II if such Lender has notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent or the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, provided that approval of such procedures may be limited to particular notices or communications. Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), provided that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient, and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor.

Any party hereto may change its address or telecopy number for notices and other communications hereunder by notice to the other parties hereto. All such notices and other communications shall, when transmitted by overnight delivery, or faxed, be effective when delivered for overnight (next-day) delivery, or transmitted in legible form by facsimile machine, respectively, or if mailed, upon the third Business Day after the date deposited into the mail or if delivered, upon delivery; provided, that notices delivered to the Administrative Agent shall not be effective until actually received by such Person at its address specified in this Section 9.1 during normal business hours for such Person, or if received after normal business hours for such Person, such notice shall be effective on the next Business Day.

(b) Any agreement of the Administrative Agent and the Lenders herein to receive certain notices by telephone or facsimile is solely for the convenience and at the request of the Borrower. The Administrative Agent and the Lenders shall be entitled to rely on the authority of any Person purporting to be a Person authorized by the Borrower to give such notice and the Administrative Agent and Lenders shall not have any liability to the Borrower or other Person on account of any action taken or not taken by the Administrative Agent or the Lenders in reliance upon such telephonic or facsimile notice. The obligation of the Borrower to repay the Loans and all other Obligations hereunder shall not be affected in any way or to any extent by any failure of the Administrative Agent and the Lenders to receive written confirmation of any telephonic or facsimile notice or the receipt by the Administrative Agent and the Lenders of a confirmation which is at variance with the terms understood by the Administrative Agent and the Lenders to be contained in any such telephonic or facsimile notice.

(c) The Borrower agrees that the Administrative Agent may, but shall not be obligated to, make the Communications (as defined below) available to the other Lenders by posting the Communications on Debt Domain, Intralinks, Syndtrak or a substantially similar electronic transmission system (the " Platform "). The Platform is provided "as is" and "as available". The Agent Parties (as defined below) do not warrant the adequacy of the Platform and expressly disclaim liability for errors or omissions in the Communications. No warranty of any kind, express, implied or statutory, including, without limitation, any warranty of merchantability, fitness for a particular purpose, non-infringement of third-party rights or freedom from viruses or other code defects, is made by any Agent Party in connection with the Communications of the Platform. In no event shall the Administrative Agent or any of its Related Parties (collectively, the " Agent Parties ") have any liability to the Borrower, any Lender or any other Person or entity for damages of any kind, including, without limitation, direct or indirect, special, incidental or consequential damages, losses or expenses (whether in tort, contract or otherwise) arising out of Borrower's or the Administrative Agent's transmission of Communications through the

Platform. " Communications " means, collectively, any notice, demand, communication, information, document or other material that the Borrower provides to the Administrative Agent pursuant to any Credit Document or the transactions contemplated therein which is distributed to the Administrative Agent or any Lender by means of electronic communications pursuant to this Section, including through the Platform.

Section 9.2. Waiver; Amendments .

(a) No failure or delay by the Administrative Agent or any Lender in exercising any right or power hereunder or any other Credit Document, and no course of dealing between the Borrower and the Administrative Agent or any Lender, shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power or any abandonment or discontinuance of steps to enforce such right or power, preclude any other or further exercise thereof or the exercise of any other right or power hereunder or thereunder. The rights and remedies of the Administrative Agent and the Lenders hereunder and under the other Credit Documents are cumulative and are not exclusive of any rights or remedies provided by law. No waiver of any provision of this Agreement or any other Credit Document or consent to any departure by the Borrower therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) of this Section 9.2 , and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. Without limiting the generality of the foregoing, the making of a Loan shall not be construed as a waiver of any Default or Event of Default, regardless of whether the Administrative Agent or any Lender may have had notice or knowledge of such Default or Event of Default at the time.

(b) No amendment or waiver of any provision of this Agreement or the other Credit Documents, nor consent to any departure by the Borrower therefrom, shall in any event be effective unless the same shall be in writing and signed by the Borrower and the Required Lenders or the Borrower and the Administrative Agent with the consent of the Required Lenders and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided , that no amendment or waiver shall: (i) increase the Commitment of any Lender without the written consent of such Lender, (ii) reduce the principal amount of any Loan or reduce the rate of interest thereon, or reduce any fees payable hereunder, without the written consent of each Lender affected thereby, (iii) postpone the date fixed for any payment of any principal of, or interest on, any Loan or interest thereon or any fees hereunder or reduce the amount of, waive or excuse any such payment, or postpone the scheduled date for the termination or reduction of any Commitment, without the written consent of each Lender affected thereby, (iv) change Section 2.18(b) or (c) in a manner that would alter the pro rata sharing of payments required thereby, without the written consent of each Lender, (v) change any of the provisions of this Section 9.2 or the definition of "Required Lenders" or any other provision hereof specifying the number or percentage of Lenders which are required to waive, amend or modify any rights hereunder or make any determination or grant any consent hereunder, without the consent of each Lender; (vi) release any guarantor or limit the liability of any such guarantor under any guaranty agreement, without the written consent of each Lender other than Defaulting Lenders; (vii) release all or substantially all collateral (if any) securing any of the Obligations, without the written consent of each Lender other than Defaulting Lenders; provided further , that no such agreement shall amend, modify or otherwise affect the rights, duties or obligations of the Administrative Agent without the prior written consent of such Person. Notwithstanding anything contained herein to the contrary, this Agreement may be amended and restated without the consent of any Lender (but with the consent of the Borrower and the Administrative Agent) if, upon giving effect to such amendment and restatement, such Lender shall no longer be a party to this Agreement (as so amended and restated), the Commitments of such Lender shall have terminated (but such Lender shall continue to be entitled to the benefits of Sections 2.15 , 2.16 , 2.17 and 9.3), such Lender shall have no other commitment or other obligation hereunder and shall have been paid in full all principal, interest and other amounts owing to it or accrued for its account under this Agreement.

Section 9.3. Expenses; Indemnification .

(a) The Borrower shall pay (i) all reasonable, out-of-pocket costs and expenses of the Administrative Agent and its Affiliates , including the reasonable fees, charges and disbursements of counsel for the Administrative Agent and its Affiliates, in connection with the syndication of the credit facilities provided for herein, the preparation and administration of the Credit Documents and any amendments, modifications or waivers thereof (whether or not the transactions contemplated in this Agreement or any other Credit Document shall be consummated), and (ii) all reasonable out-of-pocket costs and expenses (including, without limitation, the reasonable fees, charges and disbursements of outside counsel and the allocated cost of inside counsel) incurred by the Administrative Agent or any Lender in connection with the enforcement or protection of its rights in connection with this Agreement, including its rights under this Section 9.3 , or in connection with the Loans made hereunder, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans.

(b) The Borrower shall indemnify the Administrative Agent (and any sub-agent thereof), the Joint Lead Arrangers, each Lender and each Related Party of any of the foregoing Persons (each such Person being called an " Indemnitee ") against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses (including the reasonable fees, charges and disbursements of any counsel for any Indemnitee), and shall indemnify and hold harmless each Indemnitee from all fees and time charges and disbursements for attorneys who may be employees of any Indemnitee, incurred by any Indemnitee or asserted against any Indemnitee by any third party or by the Borrower arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Credit Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder or the consummation of the transactions contemplated hereby or thereby, (ii) any Loan or the use or proposed use of the proceeds therefrom, (iii) any actual or alleged presence or Release of Hazardous Materials on or from any property owned or operated by the Borrower or any of its Subsidiaries, or any liability arising under the Environmental Laws related in any way to the Borrower or any of its Subsidiaries, or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by the Borrower, and regardless of whether any Indemnitee is a party thereto, provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses (x) are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee or (y) result from a claim brought by the Borrower against an Indemnitee for breach in bad faith of such Indemnitee's obligations hereunder or under any other Credit Document, if the Borrower has obtained a final and nonappealable judgment in its favor on such claim as determined by a court of competent jurisdiction.

(c) The Borrower shall pay, and hold the Administrative Agent and each of the Lenders harmless from and against, any and all present and future stamp, documentary, and other similar taxes with respect to this Agreement and any other Credit Documents, any collateral described therein, or any payments due thereunder, and save the Administrative Agent and each Lender harmless from and against any and all liabilities with respect to or resulting from any delay or omission to pay such taxes.

(d) To the extent that the Borrower fails to pay any amount required to be paid to the Administrative Agent under clauses (a), (b) or (c) hereof, each Lender severally agrees to pay to the Administrative Agent such Lender's Pro Rata Share (determined as of the time that the unreimbursed expense or indemnity payment is sought) of such unpaid amount; provided , that the unreimbursed expense or indemnified payment, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent in its capacity as such.

(e) To the extent permitted by applicable law, the Borrower shall not assert, and hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to actual or direct damages) arising out of, in connection with or as a result of, this Agreement or any agreement or instrument contemplated hereby, the transactions contemplated therein, any Loan or the use of proceeds thereof.

(f) All amounts due under this Section 9.3 shall be payable promptly after written demand therefor.

Section 9.4. Successors and Assigns .

(a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Administrative Agent and each Lender, and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with the provisions of paragraph (b) of this Section, (ii) by way of participation in accordance with the provisions of paragraph (d) of this Section or (iii) by way of pledge or assignment of a security interest subject to the restrictions of paragraph (f) of this Section (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in paragraph (d) of this Section and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Any Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans at the time owing to it); provided that any such assignment shall be subject to the following conditions:

(i) Minimum Amounts .

(A) in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment and the Loans at the time owing to it or in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund, no minimum amount need be assigned; and

(B) in any case not described in paragraph (b)(i)(A) of this Section, the aggregate amount of the Commitment (which for this purpose includes Loans and Credit Exposure outstanding thereunder) or, if the applicable Commitment is not then in effect, the principal outstanding balance of the Loans and Credit Exposure of the assigning Lender

subject to each such assignment (determined as of the date the Assignment and Acceptance with respect to such assignment is delivered to the Administrative Agent or, if "Trade Date" is specified in the Assignment and Acceptance, as of the "Trade Date") shall not be less than $5,000,000, unless each of the Administrative Agent and, so long as no Event of Default has occurred and is continuing, the Borrower otherwise consents (each such consent not to be unreasonably withheld or delayed).

(ii) Proportionate Amounts . Each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement with respect to the Loans, Credit Exposure or the Commitment assigned.

(iii) Required Consents . No consent shall be required for any assignment except to the extent required by paragraph (b)(i)(B) of this Section and, in addition:

(A) the consent of the Borrower (such consent not to be unreasonably withheld or delayed) shall be required unless (x) an Event of Default has occurred and is continuing at the time of such assignment or (y) such assignment is to a Lender, an Affiliate of a Lender or an Approved Fund;

(B) the consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed) shall be required for assignments to a Person that is not a Lender, an Affiliate of a Lender or an Approved Fund.

(iv) Assignment and Acceptance . The parties to each assignment shall deliver to the Administrative Agent (A) a duly executed Assignment and Acceptance, (B) a processing and recordation fee of $3,500, (C) an Administrative Questionnaire unless the assignee is already a Lender and (D) the documents required under Section 2.17(e) if such assignee is a Foreign Lender.

(v) No Assignment to Borrower . No such assignment shall be made to the Borrower or any of the Borrower's Affiliates or Subsidiaries.

(vi) No Assignment to Natural Persons or Defaulting Lender . No such assignment shall be made to a natural person or a Defaulting Lender or an Affiliate thereof.

(vii) Certain Additional Payments . In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Borrower and the Administrative Agent, the applicable pro rata share of Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Administrative Agent and each other Lender hereunder (and interest accrued thereon), and (y) acquire (and fund as appropriate) its full pro rata share of all Loans. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable law without compliance with the provisions of this paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

Subject to acceptance and recording thereof by the Administrative Agent pursuant to paragraph (c) of this Section 9.4 , from and after the effective date specified in each Assignment and Acceptance, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Acceptance, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Acceptance, be released from its obligations under this Agreement (and, in the case of an Assignment and Acceptance covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Sections 2.15 , 2.16 , 2.17 and 9.3 with respect to facts and circumstances occurring prior to the effective date of such assignment. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this paragraph shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with paragraph (d) of this Section 9.4 . If the consent of the Borrower to an assignment is required hereunder (including a consent to an assignment which does not meet the minimum assignment thresholds specified above), the Borrower shall be deemed to have given its consent five Business Days after the date notice thereof has actually been delivered by the assigning Lender (through the Administrative Agent) to the Borrower, unless such consent is expressly refused by the Borrower prior to such fifth Business Day.

(c) The Administrative Agent shall maintain at one of its offices a copy of each Assignment and Acceptance delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amount of the Loans and Credit Exposure owing to, each Lender pursuant to the terms hereof from time to time (the " Register "). The entries in the Register shall be conclusive, and the Borrower, the Administrative Agent and the Lenders may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrower and any Lender (as to its commitment only), at any reasonable time and from time to time upon reasonable prior notice.

(d) Any Lender may at any time, without the consent of, or notice to, the Borrower or the Administrative Agent, sell participations to any Person (other than a natural person, the Borrower or any of the Borrower's Affiliates or Subsidiaries) (each, a " Participant ") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans owing to it); provided that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Borrower, the Administrative Agent and the Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement.

(e) Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver with respect to the following to the extent affecting such Participant: (i) increase the Commitment of any Lender without the written consent of such Lender, (ii) reduce the principal amount of any Loan or reduce the rate of interest thereon, or reduce any fees payable hereunder, without the written consent of each Lender affected thereby, (iii) postpone the date fixed for any payment of any principal of, or interest on, any Loan or interest thereon or any fees hereunder or

reduce the amount of, waive or excuse any such payment, or postpone the scheduled date for the termination or reduction of any Commitment, without the written consent of each Lender affected thereby, (iv) change Section 2.18(b) or (c) in a manner that would alter the pro rata sharing of payments required thereby, without the written consent of each Lender, (v) change any of the provisions of this Section 9.4 or the definition of "Required Lenders" or any other provision hereof specifying the number or percentage of Lenders which are required to waive, amend or modify any rights hereunder or make any determination or grant any consent hereunder, without the consent of each Lender; (vi) release any guarantor or limit the liability of any such guarantor under any guaranty agreement without the written consent of each Lender except to the extent such release is expressly provided under the terms of this Agreement or such guaranty agreement; or (vii) release all or substantially all collateral (if any) securing any of the Obligations. Subject to paragraph (e) of this Section 9.4 , the Borrower agrees that each Participant shall be entitled to the benefits of Sections 2.15 , 2.16 , and 2.17 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section 9.4 , provided , that such Participant agrees to be subject to the provisions of Sections 2.19 and 2.20 as if it were an assignee hereunder, further, to the extent permitted by law, each Participant also shall be entitled to the benefits of Section 9.7 as though it were a Lender, provided such Participant agrees to be subject to Section 2.15 as though it were a Lender.

(f) A Participant shall not be entitled to receive any greater payment under Section 2.15 and Section 2.17 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Borrower's prior written consent. A Participant that would be a Foreign Lender if it were a Lender shall not be entitled to the benefits of Section 2.17 unless the Borrower is notified of the participation sold to such Participant and such Participant agrees, for the benefit of the Borrower, to comply with Section 2.17 (e) as though it were a Lender.

(g) Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including without limitation any pledge or assignment to secure obligations to a Federal Reserve Bank or any other central bank or a Governmental Authority having jurisdiction over any Lender or its parent; provided that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

Section 9.5. Governing Law; Jurisdiction; Consent to Service of Process .

(a) This Agreement and the other Credit Documents shall be construed in accordance with and be governed by the law (without giving effect to the conflict of law principles thereof, except for Sections 5-1401 and 5-1402 of the New York General Obligations Law) of the State of New York.

(b) The Borrower hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the United States District Court of the Southern District of New York, and of any state court of the State of New York sitting in New York County and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement or any other Credit Document or the transactions contemplated hereby or thereby, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York state court or, to the extent permitted by applicable law, such Federal court. Each of the parties hereto agrees that a final

judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement or any other Credit Document shall affect any right that the Administrative Agent or any Lender may otherwise have to bring any action or proceeding relating to this Agreement or any other Credit Document against the Borrower or its properties in the courts of any jurisdiction.

(c) The Borrower irrevocably and unconditionally waives any objection which it may now or hereafter have to the laying of venue of any such suit, action or proceeding described in paragraph (b) of this Section 9.5 and brought in any court referred to in paragraph (b) of this Section 9.5 . Each of the parties hereto irrevocably waives, to the fullest extent permitted by applicable law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d) Each party to this Agreement irrevocably consents to the service of process in the manner provided for notices in Section 9.1 , provided that such service of process is delivered only by overnight courier, signature required. Nothing in this Agreement or in any other Credit Document will affect the right of any party hereto to serve process in any other manner permitted by law.

Section 9.6. WAIVER OF JURY TRIAL . EACH PARTY HERETO IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF THIS AGREEMENT OR ANY OTHER CREDIT DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER CREDIT DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

Section 9.7. Right of Setoff . In addition to any rights now or hereafter granted under applicable law and not by way of limitation of any such rights, each Lender shall have the right, at any time or from time to time upon the occurrence and during the continuance of an Event of Default, without prior notice to the Borrower, any such notice being expressly waived by the Borrower to the extent permitted by applicable law, to set off and apply against all deposits (general or special, time or demand, provisional or final) of the Borrower at any time held or other obligations at any time owing by such Lender to or for the credit or the account of the Borrower against any and all Obligations held by such Lender irrespective of whether such Lender shall have made demand hereunder and although such Obligations may be unmatured. Each Lender agrees promptly to notify the Administrative Agent and the Borrower after any such set-off and any application made by such Lender; provided , that the failure to give such notice shall not affect the validity of such set-off and application. Each Lender agrees to apply all amounts collected from any such set-off to the Obligations before applying such amounts to any other indebtedness or other obligations owed by the Borrower and any of its Subsidiaries to such Lender.

Section 9.8. Counterparts; Integration . This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts (including by telecopy), and all of said counterparts taken together shall be deemed to constitute one and the same instrument. This Agreement, the Fee Letter, the other Credit Documents, and any separate letter agreement(s) relating to

any fees payable to the Administrative Agent constitute the entire agreement among the parties hereto and thereto regarding the subject matters hereof and thereof and supersede all prior agreements and understandings, oral or written, regarding such subject matters. Delivery of an executed counterpart to this Agreement or any other Loan Document by facsimile transmission or by electronic mail in pdf format shall be as effective as delivery of a manually executed counterpart hereof.

Section 9.9. Survival. All covenants, agreements, representations and warranties made by the Borrower herein and in the certificates or other instruments delivered in connection with or pursuant to this Agreement shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of this Agreement and the making of any Loans, regardless of any investigation made by any such other party or on its behalf and notwithstanding that the Administrative Agent or any Lender may have had notice or knowledge of any Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect as long as the principal of or any accrued interest on any Loan or any fee or any other amount payable under this Agreement is outstanding and unpaid and so long as the Commitments have not expired or terminated. The provisions of Sections 2.15, 2.16, 2.17, and 9.3 and Article VIII shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby, the repayment of the Loans, the expiration or termination of the Commitments or the termination of this Agreement or any provision hereof. All representations and warranties made herein, in the certificates, reports, notices, and other documents delivered pursuant to this Agreement shall survive the execution and delivery of this Agreement and the other Credit Documents, and the making of the Loans.

Section 9.10. Severability. Any provision of this Agreement or any other Credit Document held to be illegal, invalid or unenforceable in any jurisdiction, shall, as to such jurisdiction, be ineffective to the extent of such illegality, invalidity or unenforceability without affecting the legality, validity or enforceability of the remaining provisions hereof or thereof; and the illegality, invalidity or unenforceability of a particular provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

Section 9.11. Confidentiality. Each of the Administrative Agent and each Lender agrees to take normal and reasonable precautions to maintain the confidentiality of any Information, except that such Information may be disclosed (i) to any Related Party of the Administrative Agent or any such Lender, including without limitation accountants, legal counsel and other advisors, (ii) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (iii) to the extent requested by any regulatory agency or authority, (iv) to the extent that such information becomes publicly available other than as a result of a breach of this Section 9.11, or which becomes available to the Administrative Agent, any Lender or any Related Party of any of the foregoing on a non-confidential basis from a source other than the Borrower, (v) in connection with the exercise of any remedy hereunder or any suit, action or proceeding relating to this Agreement or the enforcement of rights hereunder, and (vi) subject to provisions substantially similar to this Section 9.11, to any actual or prospective assignee or Participant, or to any direct or indirect contractual counterparties (or the professional advisors thereto) to any swap or derivative transaction relating to Borrower and its obligations, (vii) on a confidential basis to (a) any rating agency in connection with rating the Borrower, its Subsidiaries or the facilities or (b) the CUSIP Service Bureau or any similar agency in connection with the issuance and monitoring of CUSIP numbers with respect to the facilities; or (viii) with the consent of the Borrower. Any Person required to maintain the confidentiality of any information as provided for in this Section 9.11 shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such information as such Person would accord its own confidential information. For the purposes of this Section, " Information " means all information received from the

Borrower relating to the Borrower or its business, other than any such information that is available to the Administrative Agent or any Lender on a nonconfidential basis prior to disclosure by the Borrower; provided that, in the case of information received from the Borrower after the date hereof, such information is clearly identified at the time of delivery as confidential.

Section 9.12. Interest Rate Limitation . Notwithstanding anything herein to the contrary, if at any time the interest rate applicable to any Loan, together with all fees, charges and other amounts which may be treated as interest on such Loan under applicable law (collectively, the " Charges "), shall exceed the maximum lawful rate of interest (the " Maximum Rate") which may be contracted for, charged, taken, received or reserved by a Lender holding such Loan in accordance with applicable law, the rate of interest payable in respect of such Loan hereunder, together with all Charges payable in respect thereof, shall be limited to the Maximum Rate and, to the extent lawful, the interest and Charges that would have been payable in respect of such Loan but were not payable as a result of the operation of this Section 9.12 shall be cumulated and the interest and Charges payable to such Lender in respect of other Loans or periods shall be increased (but not above the Maximum Rate therefor) until such cumulated amount, together with interest thereon at the Federal Funds Rate to the date of repayment, shall have been received by such Lender.

Section 9.13. Waiver of Effect of Corporate Seal . The Borrower represents and warrants that it is not required to affix its corporate seal to this Agreement or any other Credit Document pursuant to any requirement of law or regulation, agrees that this Agreement is delivered by Borrower under seal and waives any shortening of the statute of limitations that may result from not affixing the corporate seal to this Agreement or such other Credit Documents.

Section 9.14. Patriot Act . The Administrative Agent and each Lender hereby notifies the Borrower that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the " Patriot Act "), it is required to obtain, verify and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow such Lender or the Administrative Agent, as applicable, to identify the Borrower in accordance with the Patriot Act. The Borrower shall, and shall cause each of its Subsidiaries to, provide to the extent commercially reasonable, such information and take such other actions as are reasonably requested by the Administrative Agent or any Lender in order to assist the Administrative Agent and the Lenders in maintaining compliance with the Patriot Act.

Section 9.15. No Fiduciary Duty . The Administrative Agent, the Syndication Agent, the Co-Documentation Agents, each Lender and their Affiliates (collectively, solely for purposes of this paragraph, the " Lenders "), may have economic interests that conflict with those of Borrower. Borrower agrees that nothing in the Credit Documents or otherwise will be deemed to create an advisory, fiduciary or agency relationship or fiduciary or other implied duty between the Lenders and Borrower, its stockholders or its affiliates. The Borrower acknowledges and agrees that (i) the transactions contemplated by the Credit Documents are arm's-length commercial transactions between the Lenders, on the one hand, and Borrower, on the other, (ii) in connection therewith and with the process leading to such transaction each of the Lenders is acting solely as a principal and not the agent or fiduciary of Borrower, its management, stockholders, creditors or any other person, (iii) no Lender has assumed an advisory or fiduciary responsibility in favor of Borrower with respect to the transactions contemplated hereby or the process leading thereto (irrespective of whether any Lender or any of its affiliates has advised or is currently advising Borrower on other matters) or any other obligation to Borrower except the obligations expressly set forth in the Credit Documents and (iv) Borrower has consulted its own legal and financial advisors to the extent it deemed appropriate. Borrower further acknowledges and agrees that it is responsible for

making its own independent judgment with respect to such transactions and the process leading thereto. Borrower agrees that it will not claim that any Lender has rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to Borrower, in connection with such transaction or the process leading thereto.

(remainder of page left intentionally blank)

IN WITNESS WHEREOF , the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

ATMOS ENERGY CORPORATION , as Borrower

By: /s/ FRED E. MEISENHEIMER
Name: Fred E. Meisenheimer
Title: Senior Vice President and CFO

[SIGNATURE PAGE TO REVOLVING CREDIT AGREEMENT]

THE ROYAL BANK OF SCOTLAND PLC ,
as Administrative Agent and as a Lender

By: /s/ BRIAN D. WILLIAMS
Name: Brian D. Williams
Title: Vice President

[SIGNATURE PAGE TO REVOLVING CREDIT AGREEMENT]

CRÉDIT AGRICOLE CORPORATE AND INVESTMENT BANK ,
as Syndication Agent and as a Lender

By: /s/ DIXON SCHULTZ
Name: Dixon Schultz
Title: Managing Director

By: /s/ SHARADA MANNE
Name: Sharada Manne
Title: Director

[SIGNATURE PAGE TO REVOLVING CREDIT AGREEMENT]

U.S. BANK NATIONAL ASSOCIATION ,
as a Co-Documentation Agent and as a Lender

By: /s/ JOHN PRIGGE
Name: John Prigge
Title: Vice President

[SIGNATURE PAGE TO REVOLVING CREDIT AGREEMENT]

BANK OF AMERICA, N.A.,
as a Co-Documentation Agent and as a Lender

By: /s/ ALLISON W. CONNALLY
Name: Allison W. Connally
Title: Vice President

[SIGNATURE PAGE TO REVOLVING CREDIT AGREEMENT]

WELLS FARGO BANK, NATIONAL ASSOCIATION ,
as a Co-Documentation Agent and as a Lender

By: /s/ KATIE KLOECKNER
Name: Katie Kloeckner
Title: Assistant Vice President

[SIGNATURE PAGE TO REVOLVING CREDIT AGREEMENT]

THE BANK OF TOKYO-MITSUBISHI UFJ, LTD. , as a Lender

By: /s/ JOHN JEFFERS
Name: John Jeffers
Title: Managing Director

[SIGNATURE PAGE TO REVOLVING CREDIT AGREEMENT]

BNP PARIBAS , as a Lender

By: /s/ DENIS OMEARA
Name: Denis Omeara
Title: Managing Director

By: /s/ PASQUALE PERRAGLIA
Name: Pasquale Perraglia
Title: Vice-President

[SIGNATURE PAGE TO REVOLVING CREDIT AGREEMENT]

DEUTSCHE BANK AG NEW YORK BRANCH , as a Lender

By: /s/ OLIVER SCHWARZ
Name: Oliver Schwarz
Title: Director

By: /s/ HANS-JOSEF THIELE
Name: Hans-Josef Thiele
Title: Director

[SIGNATURE PAGE TO REVOLVING CREDIT AGREEMENT]

UBS AG, STAMFORD BRANCH , as a Lender

By: /s/ MARY E. EVANS
Name: Mary E. Evans
Title: Associate Director

By: /s/ IRJA R. OTSA
Name: Irja R. Otsa
Title: Associate Director

[SIGNATURE PAGE TO REVOLVING CREDIT AGREEMENT]

BRANCH BANKING AND TRUST COMPANY , as a Lender

By: /s/ MARK B. GROVER
Name: Mark B. Grover
Title: Senior Vice President

[SIGNATURE PAGE TO REVOLVING CREDIT AGREEMENT]

GOLDMAN SACHS BANK USA , as a Lender

By: /s/ MARK WALTON
Name: Mark Walton
Title: Authorized Signatory

[SIGNATURE PAGE TO REVOLVING CREDIT AGREEMENT]

JPMORGAN CHASE BANK, N.A. , as a Lender

By: /s/ JUAN J. JAVELLANA
Name: Juan J. Javellana
Title: Executive Director

[SIGNATURE PAGE TO REVOLVING CREDIT AGREEMENT]

MORGAN STANLEY BANK, N.A. , as a Lender

By: /s/ SHERRESE CLARKE
Name: Sherrese Clarke
Title: Authorized Signatory

[SIGNATURE PAGE TO REVOLVING CREDIT AGREEMENT]

BOKF, N.A. DBA BANK OF TEXAS , as a Lender

By: /s/ DAVID K. FELAN
Name: David K. Felan
Title: Senior Vice President

[SIGNATURE PAGE TO REVOLVING CREDIT AGREEMENT]

Schedule I

APPLICABLE MARGINS AND APPLICABLE PERCENTAGES

Level	Rating Category Moody's/S&P/Fitch	Applicable Margin for Eurodollar Advances	Applicable Margin for Base Rate Advances	Applicable Commitment Fee Percentage
I	A2/A/A or higher	1.00%	0.00%	0.125%
II	A3/A-/ A-	1.25%	0.25%	0.150%
III	Baa1/ BBB+/ BBB+	1.50%	0.50%	0.175%
IV	Baa2/ BBB/ BBB	1.75%	0.75%	0.250%
V	Baa3/ BBB-/ BBB- or lower	2.00%	1.00%	0.300%

The credit ratings to be utilized for purposes of this Schedule are those assigned to the senior, unsecured long-term debt securities of the Borrower without third-party credit enhancement, whether or not any such debt securities are actually outstanding, and any rating assigned to any other debt security of the Borrower shall be disregarded. The rating in effect on any date is that in effect at the close of business on such date. If the ratings established or deemed to have been established by Moody's, S&P and Fitch for the Borrower fall within different Levels, the highest rating (or numerically lower Level) shall apply, unless the ratings differ by more than one Level, in which case, if the rating is the same by two rating agencies, and the third agency rating is lower, then the higher rating shall govern and otherwise, the governing rating shall be the rating next below the highest of the three. If the Borrower is not rated by Moody's, S&P or Fitch, then the rate shall be established by reference to Level V.

If the rating system of Moody's, S&P or Fitch shall change, or if any of these rating agencies shall cease to be in the business of rating corporate debt obligations, the Borrower, the Lenders and the Administrative Agent shall negotiate in good faith to amend this Schedule to reflect such changed rating system or the unavailability of ratings from such rating agency and, pending the effectiveness of any such amendment, the Applicable Margin and the Applicable Percentage shall be determined by reference to the rating most recently in effect prior to any such change or cessation. If after a reasonable time (not to exceed 90 days) the parties cannot agree to a mutually acceptable amendment, the Applicable Margin and the Applicable Percentage shall be determined by reference to Level V.

[SCHEDULE I]

Schedule II

COMMITMENT AMOUNTS

Lender		Commitment Amount
The Royal Bank of Scotland plc	$	60,000,000
Crédit Agricole Corporate and Investment Bank	$	60,000,000
Bank of America, N.A.	$	60,000,000
U.S. Bank National Association	$	60,000,000
Wells Fargo Bank, National Association	$	60,000,000
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	$	56,250,000
BNP Paribas	$	56,250,000
Deutsche Bank AG New York Branch	$	56,250,000
UBS AG, Stamford Branch	$	56,250,000
Branch Banking and Trust Company	$	47,500,000
Goldman Sachs Bank USA	$	47,500,000
JPMorgan Chase Bank, N.A.	$	47,500,000
Morgan Stanley Bank, N.A.	$	47,500,000
Bokf, N.A. dba Bank of Texas	$	35,000,000
TOTAL	**$**	**750,000,000**

[SCHEDULE II]

SCHEDULE 4.20

Secured Indebtedness as of March 31, 2011

	Interest Rate	Maturity		Balance at 3/31/11
Rental Property fixed rate term notes	various	due 2013	due in installments	$327,379.43
Total Secured Indebtedness				$327,379.43

[SCHEDULE 4.20]

SCHEDULE 4.21

SUBSIDIARIES [1]

Name	State or Country of Incorporation
BLUE FLAME INSURANCE SERVICES, LTD (wholly-owned subsidiary of Atmos Energy Corporation)	Bermuda
MISSISSIPPI ENERGIES, INC. (wholly-owned subsidiary of Atmos Energy Corporation)	Mississippi
UNITARY GH&C PRODUCTS, LLC (28% owned by Mississippi Energies, Inc.)	Delaware
ATMOS ENERGY HOLDINGS, INC. (wholly-owned subsidiary of Atmos Energy Corporation)	Delaware
ATMOS ENERGY SERVICES, LLC (a limited liability company, wholly-owned by Atmos Energy Holdings, Inc.)	Delaware
EGASCO, LLC (a limited liability company, wholly-owned by Atmos Energy Holdings, Inc.)	Texas
ATMOS ENERGY MARKETING, LLC (a limited liability company, wholly-owned by Atmos Energy Holdings, Inc.)	Delaware
ATMOS POWER SYSTEMS, INC. (a wholly-owned subsidiary of Atmos Energy Holdings, Inc.)	Georgia

[SCHEDULE 4.21]

Name	State or Country of Incorporation
ATMOS PIPELINE AND STORAGE, LLC (a limited liability company, wholly-owned by Atmos Energy Holdings, Inc.)	Delaware
UCG STORAGE, INC. (wholly-owned by Atmos Pipeline and Storage, LLC)	Delaware
WKG STORAGE, INC. (wholly-owned by Atmos Pipeline and Storage, LLC)	Delaware
ATMOS EXPLORATION AND PRODUCTION, INC. (wholly-owned by Atmos Pipeline and Storage, LLC)	Delaware
TRANS LOUISIANA GAS PIPELINE, INC. (wholly-owned by Atmos Pipeline and Storage, LLC)	Louisiana
TRANS LOUISIANA GAS STORAGE, INC. (wholly-owned by Atmos Pipeline and Storage, LLC)	Delaware
FORT NECESSITY GAS STORAGE, LLC (a limited liability company, wholly-owned by Atmos Pipeline and Storage, LLC)	Delaware
ATMOS GATHERING COMPANY, LLC (a limited liability company, wholly-owned by Atmos Pipeline and Storage, LLC)	Delaware
PHOENIX GAS GATHERING COMPANY (wholly-owned by Atmos Gathering Company, LLC)	Delaware

[1] No Subsidiary of the Borrower currently qualifies as a Material Subsidiary as that term is defined in the Agreement.

[SCHEDULE 4.21]

EXHIBIT A

FORM OF ASSIGNMENT AND ACCEPTANCE

[*Date*]

Reference is made to the Revolving Credit Agreement dated as of May 2, 2011 (as amended and in effect on the date hereof, the " Credit Agreement "), among Atmos Energy Corporation, a Texas and Virginia corporation, the lenders from time to time party thereto and The Royal Bank of Scotland plc, as Administrative Agent for such lenders. Terms defined in the Credit Agreement are used herein with the same meanings.

[*Name of Assignor*] (the " Assignor ") hereby sells and assigns, without recourse, to [*name of Assignee*] (the " Assignee "), and the Assignee hereby purchases and assumes, without recourse, from the Assignor, effective as of the Assignment Date set forth below, the interests set forth below (the " Assigned Interest ") in the Assignor's rights and obligations under the Credit Agreement, including, without limitation, the Commitment of the Assignor on the Assignment Date and Credit Exposure owing to the Assignor which are outstanding on the Assignment Date, but excluding accrued interest and fees to and excluding the Assignment Date. The Assignee hereby acknowledges receipt of a copy of the Credit Agreement. From and after the Assignment Date (i) the Assignee shall be a party to and be bound by the provisions of the Credit Agreement and, to the extent of the Assigned Interest, have the rights and obligations of a Lender thereunder and (ii) the Assignor shall, to the extent of the Assigned Interest, relinquish its rights and be released from its obligations under the Credit Agreement.

This Assignment and Acceptance is being delivered to the Administrative Agent together with (i) if the Assignee is a Foreign Lender, any documentation required to be delivered by the Assignee pursuant to Section 2.17(e) of the Credit Agreement, duly completed and executed by the Assignee, and (ii) if the Assignee is not already a Lender under the Credit Agreement, an Administrative Questionnaire in the form supplied by the Administrative Agent, duly completed by the Assignee. The Assignee shall pay the fee payable to the Administrative Agent pursuant to Section 9.4(b)(iv) of the Credit Agreement.

The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim and (ii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Acceptance and to consummate the transactions contemplated hereby, and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Credit Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Credit Documents or any collateral thereunder, (iii) the financial condition of the Borrower, any of its Subsidiaries or Affiliates or any other Person obligated in respect of any Credit Document or (iv) the performance or observance by the Borrower, any of its Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Credit Document.

The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Acceptance and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it meets all

requirements of an eligible assignee under Section 9.4 of the Credit Agreement (subject to receipt of such consents as may be required under Section 9.4(b)(iii) of the Credit Agreement), (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it has received a copy of the Credit Agreement, together with copies of the most recent financial statements delivered pursuant to Section 5.1 thereof, as applicable, and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Acceptance and to purchase the Assigned Interest on the basis of which it has made such analysis and decision independently and without reliance on the Administrative Agent or any other Lender, and (v) if it is a Foreign Lender, attached to the Assignment and Acceptance is any documentation required to be delivered by it pursuant to the terms of the Credit Agreement, duly completed and executed by the Assignee; and (b) agrees that (i) it will, independently and without reliance on the Administrative Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Credit Documents are required to be performed by it as a Lender.

Choose in the alternative [**Alternative A** : From and after the Effective Date, the Administrative Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignor for amounts which have accrued to but excluding the Effective Date and to the Assignee for amounts which have accrued from and after the Effective Date.] [**Alternative B** : From and after the Effective Date, the Administrative Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignee whether such amounts have accrued prior to, on or after the Effective Date. The Assignor and the Assignee shall make all appropriate adjustments in payments by the Administrative Agent for periods prior to the Effective Date or with respect to the making of this assignment directly between themselves.]

This Assignment and Acceptance shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and Acceptance may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Acceptance by telecopy shall be effective as delivery of a manually executed counterpart of this Assignment and Acceptance. This Assignment and Acceptance shall be governed by and construed in accordance with the laws of the State of New York.

Assignment Date:

Legal Name of Assignor:

Legal Name of Assignee:

Assignee's Address for Notices:

Effective Date of Assignment:
(" Effective Date "):

Facility	Principal Amount Assigned	Percentage Assigned of Commitment (set forth, to at least 8 decimals, as a percentage of the aggregate Commitments of all Lenders thereunder)
Commitment:	$	%

The terms set forth above are hereby agreed to:

[**NAME OF ASSIGNOR**], as Assignor

By: ______________________
Name:
Title:

[**NAME OF ASSIGNEE**], as Assignee

By: ______________________
Name:
Title:

The undersigned hereby consents to the within assignment [1]:

ATMOS ENERGY CORPORATION	THE ROYAL BANK OF SCOTLAND PLC, as Administrative Agent:
By: ______________________	By: ______________________
Name:	Name:
Title:	Title:

[1] Consents to be included to the extent required by Section 9.4(b)(iii) of the Credit Agreement.

EXHIBIT 2.3

FORM OF NOTICE OF BORROWING

[*Date*]

The Royal Bank of Scotland plc,
as Administrative Agent
for the Lenders referred to below
600 Washington Blvd.
Stamford, CT 06901

Ladies and Gentlemen:

Reference is made to the Revolving Credit Agreement dated as of May 2, 2011 (as amended and in effect on the date hereof, the " Credit Agreement "), among the undersigned, as Borrower, the lenders from time to time party thereto, and The Royal Bank of Scotland plc, as Administrative Agent. Terms defined in the Credit Agreement are used herein with the same meanings. This notice constitutes a Notice of Borrowing, and the Borrower hereby requests a Borrowing under the Credit Agreement, and in that connection the Borrower specifies the following information with respect to the Borrowing requested hereby:

(A) Aggregate principal amount of Borrowing [2]: ______________

(B) Date of Borrowing (which is a Business Day): ______________

(C) Interest Rate basis [3]: ______________

(D) Interest Period [4]: ______________

(E) Location and number of Borrower's account to which proceeds of Borrowing are to be disbursed: ______________

The Borrower hereby represents and warrants that the conditions specified in paragraphs (a) and (b) of Section 3.2 of the Credit Agreement are satisfied.

Very truly yours,

ATMOS ENERGY CORPORATION

By: ______________________________
Name:
Title:

[2] Not less than $5,000,000 for Eurodollar Borrowing or $1,000,000 for Base Rate Borrowing.
[3] Eurodollar Borrowing or Base Rate Borrowing.
[4] Which must comply with the definition of "Interest Period" and end not later than the Commitment Termination Date.

EXHIBIT 2.5

FORM OF NOTICE OF CONVERSION/CONTINUATION

[*Date*]

The Royal Bank of Scotland plc,
as Administrative Agent
for the Lenders referred to below
600 Washington Blvd.
Stamford, CT 06901

Ladies and Gentlemen:

Reference is made to the Revolving Credit Agreement dated as of May 2, 2011 (as amended and in effect on the date hereof, the " Credit Agreement "), among the undersigned, as Borrower, the lenders named therein, and The Royal Bank of Scotland plc, as Administrative Agent. Terms defined in the Credit Agreement are used herein with the same meanings. This notice constitutes a Notice of Conversion/Continuation and the Borrower hereby requests the conversion or continuation of a Borrowing under the Credit Agreement, and in that connection the Borrower specifies the following information with respect to the Borrowing to be converted or continued as requested hereby:

(A) Borrowing to which this request applies: ______________

(B) Principal amount of Borrowing to be converted/continued: ______________

(C) Effective date of election (which is a Business Day): ______________

(D) Interest rate basis: ______________

(E) Interest Period: ______________

Very truly yours,

ATMOS ENERGY CORPORATION

By: ______________________________________
Name:
Title:

EXHIBIT 3.1(b)(iii)

FORM OF SECRETARY'S CERTIFICATE OF ATMOS ENERGY CORPORATION

Reference is made to the Revolving Credit Agreement dated as of May 2, 2011 (the " Credit Agreement "), among Atmos Energy Corporation (the " Borrower "), the lenders named therein, and The Royal Bank of Scotland plc, as Administrative Agent. Terms defined in the Credit Agreement are used herein with the same meanings. This certificate is being delivered pursuant to Section 3.1(b)(iii) of the Credit Agreement.

I, _____________, Secretary of the Borrower, DO HEREBY CERTIFY that:

(a) annexed hereto as Exhibit A is a true, correct and complete copy of the Amended and Restated Articles of Incorporation of the Borrower, and all amendments thereto, for each of the State of Texas and the Commonwealth of Virginia. Except as shown on Exhibit A, each of such Amended and Restated Articles of Incorporation of the Borrower has not been amended or otherwise modified since [*date*] and at all times hereafter through the date hereof;

(b) annexed hereto as Exhibit B is a true and correct copy of the Amended and Restated Bylaws of the Borrower as in effect on [*date*] [5] and at all times thereafter through the date hereof;

(c) annexed hereto as Exhibit C is a true and correct copy of certain resolutions duly adopted by the Board of Directors of the Borrower at its meeting on [*date*] with respect to the transactions contemplated by the Credit Agreement, which resolutions are the only resolutions adopted by the Board of Directors of the Borrower or any committee thereof relating to the Credit Agreement and the other Loan Documents to which the Borrower is a party and the transactions contemplated therein and have not been revoked, amended, supplemented or modified and are in full force and effect on the date hereof; and

(d) each of the persons named below is and has been at all times since [*date*] a duly elected and qualified officer of the Borrower holding the office set forth opposite her name and the signature set forth opposite her name is her genuine signature:

Name	*Title*	*Specimen Signature*
[Include all officers who are signing the Credit Agreement or any other Loan Documents.]		

5 This date should be prior to the date of the resolutions referred to in clause (d).

Name	*Title*	*Specimen Signature*

IN WITNESS WHEREOF, I have hereunto signed my name this ___day of [*month*], [*year*].

____
Name
Secretary

I, ______________, [______________] of the Borrower, do hereby certify that ______________has been duly elected, is duly qualified and is the [*Assistant*] Secretary of the Borrower, that the signature set forth above is [*his/her*] genuine signature and that [*he/she*] has held such office at all times since [*date*]. [6]

____
Name:
Title:

[6] This certification should be included as part of the Secretary's certificate and signed by one of the officers whose incumbency is certified pursuant to clause (e) above.

Exhibit A

[Articles of Incorporation]

Exhibit B

[Bylaws]

3.1(b)(iii)-4

Exhibit C

[Resolutions]

3.1(b)(iii)-5

EXHIBIT 3.1(b)(vi)

FORM OF OFFICER'S CERTIFICATE OF ATMOS ENERGY CORPORATION

Reference is made to the Revolving Credit Agreement dated as of May 2, 2011 (the " Credit Agreement "), among Atmos Energy Corporation (the " Borrower "), the lenders from time to time party thereto, and The Royal Bank of Scotland plc, as Administrative Agent. Terms defined in the Credit Agreement are used herein with the same meanings. This certificate is being delivered pursuant to Section 3.1(b)(vi) of the Credit Agreement.

I, ______________, [______________] of the Borrower, DO HEREBY CERTIFY that:

(a) no Default or Event of Default exists;

(b) the representations and warranties of the Borrower set forth in the Credit Agreement are true and correct in all material respects;

(c) since September 30, 2010, there have been no material adverse change in the business, condition (financial or otherwise), operations, liabilities (contingent or otherwise), properties or prospects of the Borrower and its subsidiaries taken as a whole;

(d) there are no actions, suits, investigations or legal, equitable, arbitration or administrative proceedings pending or, to the knowledge of the Borrower, threatened against the Borrower, any of its Subsidiaries or any of their properties which would have or be reasonably expected to have a Material Adverse Effect;

(e) except as would not result or be reasonably expected to result in a Material Adverse Effect: (a) each of the properties of the Borrower and its Subsidiaries and all operations at such properties are in compliance in all material respects with all applicable Environmental Laws, (b) there is no violation of any Environmental Law with respect to such properties or the businesses operated by the Borrower or its Subsidiaries (the " Businesses "), and (c) there are no conditions relating to the Businesses or such properties that would reasonably be expected to give rise to a material liability under any applicable Environmental Laws; and

(f) attached hereto as Exhibit A are true, correct and complete copies of all consents, approvals, authorizations, registrations and filings and orders required or advisable to be made or obtained under any Requirement of Law, or by any Contractual Obligation of Borrower, in connection with the execution, delivery, performance, validity and enforceability of the Credit Documents or any of the transactions contemplated thereby, and such consents, approvals, authorizations, registrations, filings and orders are in full force and effect and all applicable waiting periods have expired, and no investigation or inquiry by any governmental authority regarding the Commitments or any transaction being financed with the proceeds thereof is ongoing.

IN WITNESS WHEREOF, I have hereunto signed my name this __day of [*month*], [*year*].

____
Name:
Title:

Exhibit A

[third party consents and approvals]

3.1(b)(vi)-2

EXHIBIT 5.1(c)

FORM OF COMPLIANCE CERTIFICATE

To: The Royal Bank of Scotland plc, as Administrative Agent
303 Peachtree St., N.E.
Atlanta, GA 30308
Attention: Mark Huffstetler

Ladies and Gentlemen:

Reference is made to that certain Revolving Credit Agreement dated as of May 2, 2011 (as amended and in effect on the date hereof, the " Credit Agreement "), among Atmos Energy Corporation (the " Borrower "), the lenders named therein, and The Royal Bank of Scotland plc, as Administrative Agent. Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Credit Agreement.

I, ______________, being the duly elected and qualified, and acting in my capacity as Chief Financial Officer of the Borrower, hereby certify to the Administrative Agent and each Lender as follows:

1. The consolidated financial statements of the Borrower and its Subsidiaries attached hereto for the fiscal [***quarter***] [***year***] ending ______________fairly present in all material respects the financial condition of the Borrower and its Subsidiaries as at the end of such fiscal [***quarter***][***year***] on a consolidated basis, and the related statements of income cash flows of the Borrower and its Subsidiaries for such fiscal [***quarter***][***year***] , in accordance with generally accepted accounting principles consistently applied (subject, in the case of such quarterly financial statements, to normal year-end audit adjustments and the absence of footnotes).

2. The calculations set forth in Attachment 1 are computations of the financial covenants set forth in Article V of the Credit Agreement calculated from the financial statements referenced in clause 1 above in accordance with the terms of the Credit Agreement.

3. Based upon a review of the activities of Borrower and its Subsidiaries and the financial statements attached hereto during the period covered thereby, as of the date hereof, there exists no Default or Event of Default.

____
Name:
Title: Treasurer

Attachment 1 to Compliance Certificate

3.1(b)(vii)-2

Exhibit 99.1

News Release

Analysts and Media Contact:
Susan Giles (972) 855-3729

Atmos Energy Corporation Reports Earnings for the Fiscal 2011 Second Quarter and Six Months; Reaffirms Fiscal 2011 Guidance

DALLAS (May 4, 2011)—Atmos Energy Corporation (NYSE: ATO) today reported consolidated results for its fiscal 2011 second quarter and six months ended March 31, 2011.

- Fiscal 2011 second quarter consolidated results, excluding net unrealized margins were $134.3 million, or $1.47 per diluted share, compared with net income of $139.6 million, or $1.49 per diluted share in the prior-year quarter.
- After including noncash, unrealized net losses of $2.1 million, or ($0.02) per diluted share, fiscal 2011 second quarter net income was $132.2 million, or $1.45 per diluted share. Net income was $114.1 million, or $1.22 per diluted share in the prior-year quarter, after including unrealized net losses of $25.5 million, or ($0.27) per diluted share.
- Net income for the fiscal 2011 second quarter includes the positive impact of several one-time items totaling $11.1 million, or $0.12 per diluted share, while net income for the second quarter of fiscal 2010 included the positive impact of a $4.5 million one-time item, or $0.05 per diluted share.

For the six months ended March 31, 2011, consolidated net income was $206.2 million, or $2.26 per diluted share, compared with net income of $207.5 million, or $2.22 per diluted share for the same period last year. Included in the current period net income is the positive impact of several one-time items totaling $11.1 million, or $0.12 per diluted share. Net income for the prior-year period included the positive impact of a one-time item of $4.5 million, or $0.05 per diluted share. Results from nonregulated operations include noncash, unrealized net losses of $1.7 million, or ($0.02) per diluted share for the six months ended March 31, 2011, compared with net gains of $2.6 million, or $0.03 per diluted share for the prior-year period. For the current six-month period, regulated operations contributed $203.8 million of net income, or $2.23 per diluted share, and nonregulated operations contributed $2.4 million of net income, or $0.03 per diluted share.

"Rate and regulatory enhancements continue to drive our core regulated operations, contributing about 99 percent of earnings for the period," said Kim Cocklin, president and chief executive officer of Atmos Energy Corporation. The stable and predictable results from our regulated operations have helped mitigate the erosion of our asset optimization margins due to continued weak gas market fundamentals. We are positioned well for the remainder of fiscal 2011 and are on track to meet our guidance of earning between $2.25 and $2.35 per diluted share in fiscal 2011," Cocklin concluded.

Results for the 2011 Second Quarter Ended March 31, 2011

Natural gas distribution gross profit increased $4.8 million to $390.2 million for the fiscal 2011 second quarter, compared with $385.4 million in the prior-year quarter. This increase reflects a net $17.7 million increase in rates, primarily in the company's Mid-Tex, Louisiana and Missouri service areas. This increase was partially offset by a $7.9 million decrease associated with an 11 percent decrease in consolidated distribution throughput, primarily from lower consumption and warmer weather, coupled with a $4.2 million decrease in revenue-related taxes, which was offset by a decrease in taxes, other than income.

Regulated transmission and storage gross profit decreased $0.2 million to $55.0 million for the quarter ended March 31, 2011, compared with $55.2 million for the same period last year. This decrease is due primarily to a $2.7 million reduction in throughput to the Mid-Tex Division and a $0.8 million quarter-over-quarter decline in per-unit transportation margins. These decreases were partially offset by a $3.1 million increase in revenues resulting from filings under the Texas Gas Reliability Infrastructure Program (GRIP) and a $0.8 million increase in demand fees.

Nonregulated gross profit increased $5.9 million to $20.1 million for the quarter ended March 31, 2011, compared with $14.2 million for the prior-year quarter. Realized margins primarily from gas delivery services increased $1.8 million, compared with the prior-year quarter largely due to a three percent increase in consolidated sales volumes and an increase in gas delivery per-unit margins. These increases were partially offset by a $32.1 million decrease in realized asset optimization margins from the prior-year quarter, which primarily reflects the impact of continued weak natural gas market fundamentals. The decrease in realized asset optimization margins was more than offset by a $36.1 million increase in unrealized margins.

Consolidated operation and maintenance expense for the quarter ended March 31, 2011, was $116.4 million, compared with $117.1 million for the prior-year quarter. Excluding the provision for doubtful accounts, operation and maintenance expense for the current quarter increased $0.4 million, compared with the prior-year quarter. The increase is due primarily to the absence of a $7.4 million state sales tax refund received in the prior year, partially offset by a $4.6 million decrease in employee-related costs and a $1.0 million reduction in other administrative costs.

Results for the quarter ended March 31, 2011 include several one-time items, resulting in a total net gain of $11.1 million. The company unwound two Treasury lock agreements, in conjunction with the cancellation of a planned debt offering in November 2011 and recognized a $27.8 million cash gain. Partially offsetting this gain was a $19.3 million noncash charge to impair the company's investment in the Ft. Necessity storage project. Lastly, due to the administrative settlement of various income tax positions during the quarter, the company recorded a $5.0 million tax benefit.

Results for the Six Months Ended March 31, 2011

Natural gas distribution gross profit increased $9.9 million to $689.9 million for the six months ended March 31, 2011, compared with $680.0 million in the prior-year period. This increase is due largely to a net $31.8 million increase attributable to rate increases, primarily in the company's Mid-Tex, Louisiana and Missouri service areas. Partially offsetting this increase was a $13.2 million decrease associated with an 11 percent decrease in consolidated distribution throughput, primarily from lower consumption and warmer weather, coupled with a $7.0 million decrease in revenue-related taxes, which is offset by a decrease in taxes, other than income.

Regulated transmission and storage gross profit increased $2.0 million to $104.0 million for the six months ended March 31, 2011, compared with $102.0 million for the same period last year. This period-over-period increase is due primarily to a $6.2 million increase in revenues resulting from filings under GRIP and a $2.4 million increase in demand fees. These increases were partially offset by a $3.7 million decrease primarily resulting from lower throughput to the Mid-Tex Division and a $2.3 million period-over-period decline in per-unit transportation margins.

Nonregulated gross profit decreased $38.7 million to $45.2 million for the six months ended March 31, 2011, compared with $83.9 million for the prior-year period. The decrease primarily reflects a $34.1 million decrease in realized asset optimization margins, due to greater intramonth trading gains realized in the prior-year period from more favorable trading opportunities in the daily cash market, combined with lower realized gains in the current-year period, due to continued weak natural gas market fundamentals. Additionally, unrealized margins decreased $7.2 million compared to the prior year. These decreases were partially offset by a $2.7 million increase in realized margins from gas delivery services, primarily due to a five percent increase in consolidated sales volumes.

Consolidated operation and maintenance expense for the six months ended March 31, 2011, was $233.0 million, compared with $241.0 million for the prior-year period. Excluding the provision for doubtful accounts, operation and maintenance expense for the current six-month period was $228.9 million, compared with $234.8 million for the prior-year period. The $5.9 million decrease resulted primarily from an $8.8 million decrease in employee-related costs and a $3.6 million decrease in other administrative costs. These decreases were partially offset by a $7.4 million increase, due to the absence in the current year of a state sales tax refund received in the prior year.

Results for the six months ended March 31, 2011 include the previously mentioned one-time items resulting in a net gain of $11.1 million.

The debt capitalization ratio at March 31, 2011, was 47.6 percent, compared with 51.3 percent at September 30, 2010, and 48.1 percent at March 31, 2010. No short-term debt was outstanding at March 31, 2011 or 2010, while short-term debt was $126.1 million at September 30, 2010.

For the six months ended March 31, 2011, the company generated operating cash flow of $438.5 million, a $45.0 million reduction compared with the six months ended March 31, 2010. The period-over-period decrease primarily reflects differences in the timing of customer collections and vendor payments, coupled with the timing of gas cost recoveries under our purchased gas cost mechanisms.

Capital expenditures increased to $246.7 million for the six months ended March 31, 2011, compared with $232.6 million for the same period last year. The $14.1 million increase primarily reflects spending related to the Mid-Tex Division steel service line replacement program and the development of a new customer service system, partially offset by costs incurred in the prior year to relocate the company's information technology data center.

Outlook

The leadership of Atmos Energy remains focused on enhancing shareholder value by delivering consistent earnings growth. Atmos Energy still expects fiscal 2011 earnings to be in the range of $2.25 to $2.35 per diluted share, excluding unrealized gains and losses. However, net income from regulated operations is now expected to be in the range of $191 million to $198 million, while net income from nonregulated operations is expected to be in the range of $15 million to $17 million. Capital expenditures for fiscal 2011 are expected to continue to range between $580 million to $595 million.

However, the valuation on September 30, 2011, of the company's nonregulated physical storage inventory and associated financial instruments ("mark-to-market"), as well as changes in events or other circumstances that the company cannot currently anticipate or predict, could result in earnings for fiscal 2011 that are significantly above or below this outlook. Factors that could cause such changes are described below in Forward-Looking Statements and in other company reports filed with the Securities and Exchange Commission.

Conference Call to be Webcast May 5, 2011

Atmos Energy will host a conference call with financial analysts to discuss the financial results for the fiscal 2011 second quarter and first six months on Thursday, May 5, 2011, at 10 a.m. Eastern Time. The telephone number is 877-485-3107. The conference call will be webcast live on the Atmos Energy website at www.atmosenergy.com . A playback of the call will be available on the website later that day. Kim Cocklin, president and chief executive officer; and Fred Meisenheimer, senior vice president and chief financial officer will participate in the conference call.

Highlights and Recent Developments

$750 Million Committed Credit Facility

On May 2, 2011, Atmos Energy Corporation replaced the company's five-year $567 million committed credit facility, scheduled to expire in December 2011, with a $750 million five-year committed credit facility that contains an accordion feature that could increase borrowing capacity to $1 billion.

Atmos Pipeline-Texas Rate Order

On April 18, 2011, the Railroad Commission of Texas issued an order in the Atmos Pipeline-Texas (APT) rate case. The order authorized an increase in annual operating income of $20.4 million, a return on equity of 11.8 percent, a rate base of $807.7 million and approved a straight fixed variable rate design. Additionally, an annual adjustment mechanism was established for a three-year pilot period that will adjust regulated rates up or down by 75 percent of the difference between APT's nonregulated annual revenue and a base credit of approximately $84 million.

Financial-Related Developments

On March 9, 2011, Atmos Energy announced the unwinding of two Treasury lock agreements with a cumulative notional amount of $250 million, generating a pretax cash gain of approximately $27.8 million. Additionally, the company impaired its investment in the Ft. Necessity storage project and recognized a pretax noncash loss of approximately $19.3 million.

This news release should be read in conjunction with the attached unaudited financial information.

Forward-Looking Statements

The matters discussed in this news release may contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements other than statements of historical fact included in this news release are forward-looking statements made in good faith by the company and are intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. When used in this news release or in any of the company's other documents or oral presentations, the words "anticipate," "believe," "estimate," "expect," "forecast," "goal," "intend," "objective," "plan," "projection," "seek," "strategy" or similar words are intended to identify forward-looking statements. Such forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those discussed in this news release, including the risks and uncertainties relating to regulatory trends and decisions, the company's ability to continue to access the capital markets and the other factors discussed in the company's reports filed with the Securities and Exchange Commission. These factors include the risks and uncertainties discussed in the company's Annual Report on Form 10-K for the fiscal year ended September 30, 2010 and in the company's Quarterly Report on Form 10-Q for the three months ended December 31, 2010. Although the company believes these forward-looking statements to be reasonable, there can be no assurance that they will approximate actual experience or that the expectations derived from them will be realized. The company undertakes no obligation to update or revise forward-looking statements, whether as a result of new information, future events or otherwise.

About Atmos Energy

Atmos Energy Corporation, headquartered in Dallas, is currently the country's largest natural-gas-only distributor, serving over three million natural gas distribution customers in more than 1,600 communities in 12 states from the Blue Ridge Mountains in the East to the Rocky Mountains in the West. Atmos Energy also provides natural gas marketing and procurement services to industrial, commercial and municipal customers primarily in the Midwest and Southeast and manages company-owned natural gas pipeline and storage assets, including one of the largest intrastate natural gas pipeline systems in Texas. Atmos Energy is a Fortune 500 company. For more information, visit www.atmosenergy.com .

Atmos Energy Corporation
Financial Highlights (Unaudited)

Statements of Income (000s except per share)	Three Months Ended March 31 2011	2010	Percentage Change
Gross Profit:			
Natural gas distribution segment	$390,158	$385,385	1%
Regulated transmission and storage segment	54,976	55,181	— %
Nonregulated segment	20,058	14,161	42%
Intersegment eliminations	(370)	(406)	9%
Gross profit	464,822	454,321	2%
Operation and maintenance expense	116,379	117,088	(1)%
Depreciation and amortization	57,136	53,080	8%
Taxes, other than income	54,103	59,613	(9)%
Asset impairment	19,282	—	100%
Total operating expenses	246,900	229,781	7%
Operating income	217,922	224,540	(3)%
Miscellaneous income	26,187	49	53,343%
Interest charges	37,892	39,582	(4)%
Income before income taxes	206,217	185,007	11%
Income tax expense	74,008	70,881	4%
Net income	$132,209	$114,126	16%
Basic net income per share	$ 1.45	$ 1.22	
Diluted net income per share	$ 1.45	$ 1.22	
Cash dividends per share	$ .340	$ .335	
Weighted average shares outstanding:			
Basic	90,246	92,518	
Diluted	90,533	92,853	

Summary Net Income (Loss) by Segment (000s)	Three Months Ended March 31 2011	2010	Percentage Change
Natural gas distribution	$118,610	$102,731	15%
Regulated transmission and storage	17,739	12,070	47%
Nonregulated	(2,044)	24,834	(108)%
Unrealized margins, net of tax	(2,096)	(25,509)	92%
Consolidated net income	$132,209	$114,126	16%

Atmos Energy Corporation
Financial Highlights, continued (Unaudited)

Statements of Income	Six Months Ended March 31		Percentage
(000s except per share)	2011	2010	Change
Gross Profit:			
Natural gas distribution segment	$689,930	$680,012	1%
Regulated transmission and storage segment	103,983	102,041	2%
Nonregulated segment	45,236	83,936	(46)%
Intersegment eliminations	(767)	(819)	6%
Gross profit	838,382	865,170	(3)%
Operation and maintenance expense	232,973	240,950	(3)%
Depreciation and amortization	113,297	106,919	6%
Taxes, other than income	94,799	102,165	(7)%
Asset impairment	19,282	—	100%
Total operating expenses	460,351	450,034	2%
Operating income	378,031	415,136	(9)%
Miscellaneous income (expense)	25,450	(220)	11,668%
Interest charges	76,809	78,290	(2)%
Income before income taxes	326,672	336,626	(3)%
Income tax expense	120,466	129,170	(7)%
Net income	$206,206	$207,456	(1)%
Basic net income per share	$ 2.26	$ 2.22	
Diluted net income per share	$ 2.26	$ 2.22	
Cash dividends per share	$ .68	$ .67	
Weighted average shares outstanding:			
Basic	90,157	92,336	
Diluted	90,455	92,681	

Summary Net Income by Segment (000s)	Six Months Ended March 31 2011	2010	Percentage Change
Natural gas distribution	$175,928	$154,179	14%
Regulated transmission and storage	27,841	20,524	36%
Nonregulated	4,109	30,115	(86)%
Unrealized margins, net of tax	(1,672)	2,638	(163)%
Consolidated net income	$206,206	$207,456	(1)%

Atmos Energy Corporation
Financial Highlights, continued (Unaudited)

Condensed Balance Sheets (000s)	March 31, 2011	September 30, 2010
Net property, plant and equipment	$4,914,650	$4,793,075
Cash and cash equivalents	153,246	131,952
Accounts receivable, net	458,813	273,207
Gas stored underground	228,051	319,038
Other current assets	143,978	150,995
Total current assets	984,088	875,192
Goodwill and intangible assets	739,834	740,148
Deferred charges and other assets	357,252	355,376
	$6,995,824	$6,763,791
Shareholders' equity	$2,373,979	$2,178,348
Long-term debt	1,807,323	1,809,551
Total capitalization	4,181,302	3,987,899
Accounts payable and accrued liabilities	423,726	266,208
Other current liabilities	301,824	413,640
Short-term debt	—	126,100
Current maturities of long-term debt	352,434	360,131
Total current liabilities	1,077,984	1,166,079
Deferred income taxes	944,605	829,128
Deferred credits and other liabilities	791,933	780,685
	$6,995,824	$6,763,791

Atmos Energy Corporation
Financial Highlights, continued (Unaudited)

Condensed Statements of Cash Flows (000s)	Six Months Ended March 31 2011	Six Months Ended March 31 2010
Cash flows from operating activities		
Net income	$ 206,206	$ 207,456
Asset impairment	19,282	—
Depreciation and amortization	113,395	107,015
Deferred income taxes	115,302	44,097
Changes in assets and liabilities	(25,969)	113,131
Other	10,255	11,759
Net cash provided by operating activities	438,471	483,458
Cash flows from investing activities		
Capital expenditures	(246,663)	(232,629)
Other, net	(1,535)	(946)
Net cash used in investing activities	(248,198)	(233,575)
Cash flows from financing activities		
Net decrease in short-term debt	(128,884)	(75,907)
Unwinding of Treasury lock agreements	27,803	—
Repayment of long-term debt	(10,066)	(66)
Cash dividends paid	(62,067)	(62,550)
Repurchase of equity awards	(3,333)	—
Issuance of common stock	7,568	8,590
Net cash used in financing activities	(168,979)	(129,933)
Net increase in cash and cash equivalents	21,294	119,950
Cash and cash equivalents at beginning of period	131,952	111,203
Cash and cash equivalents at end of period	$ 153,246	$ 231,153

Statistics	Three Months Ended March 31 2011	Three Months Ended March 31 2010	Six Months Ended March 31 2011	Six Months Ended March 31 2010
Consolidated natural gas distribution throughput (MMcf as metered)	176,301	197,824	296,845	332,345
Consolidated regulated transmission and storage transportation volumes (MMcf)	93,493	98,418	193,334	194,356
Consolidated nonregulated delivered gas sales volumes (MMcf)	107,566	104,893	202,104	192,122
Natural gas distribution meters in service	3,213,031	3,222,045	3,213,031	3,222,045
Natural gas distribution average cost of gas	$ 5.28	$ 6.19	$ 5.14	$ 5.77
Nonregulated net physical position (Bcf)	17.7	23.7	17.7	23.7

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

Form 8-K

Current Report

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

April 18, 2011
Date of Report (Date of earliest event reported)

ATMOS ENERGY CORPORATION
(Exact Name of Registrant as Specified in its Charter)

TEXAS AND VIRGINIA	1-10042	75-1743247
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

1800 THREE LINCOLN CENTRE, 5430 LBJ FREEWAY, DALLAS, TEXAS	75240
(Address of Principal Executive Offices)	(Zip Code)

(972) 934-9227
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 8.01. Other Events.

The Railroad Commission of Texas issued an order on April 18, 2011 in the rate case of Atmos Pipeline-Texas (APT), a division of Atmos Energy Corporation, filed September 17, 2010. Below is a summary of the major provisions of the order:

- An annual increase in base rates of $26.1 million, offset by an increase in depreciation rates of $5.7 million, generating a net annual operating income increase of approximately $20.4 million;
- An authorized return on equity of 11.8 percent with a capital structure of 49.5 percent debt / 50.5 percent equity, based on actual capital structure providing an authorized overall rate of return of 9.361 percent;
- Approval of a Straight Fixed Variable rate design, under which all fixed costs associated with transportation and storage services are recovered through monthly customer charges;
- An annual adjustment mechanism that will adjust regulated rates up or down by 75 percent of the difference between APT's non-regulated annual revenue and a base credit of approximately $84 million, which mechanism was approved for a 3-year pilot period;
- Approval of a rate base of $807.7 million, compared to the $417.1 million rate base from the prior rate case; and
- Provisions of the order will be in effect with bills rendered on and after May 1, 2011.

A copy of the order may be found on the home page of Atmos Energy Corporation's website at www.atmosenergy.com .

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ATMOS ENERGY CORPORATION
(Registrant)

DATE: April 19, 2011

By: /s/ LOUIS P. GREGORY
Louis P. Gregory
Senior Vice President
and General Counsel

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

Form 8-K

Current Report

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

March 9, 2011
Date of Report (Date of earliest event reported)

ATMOS ENERGY CORPORATION
(Exact Name of Registrant as Specified in its Charter)

TEXAS AND VIRGINIA	1-10042	75-1743247
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

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Item 7.01. Regulation F-D Disclosure.

On Wednesday, March 9, 2011, Atmos Energy Corporation (the "Company") issued a news release in which it announced two financial-related developments. A copy of the news release is furnished as Exhibit 99.1.

The information furnished in this Item 7.01 and in Exhibit 99.1 shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section, nor shall such information be deemed to be incorporated by reference into any of the Company's filings under the Securities Act of 1933 or the Securities Exchange Act of 1934.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

99.1 News Release dated March 9, 2011 (furnished under Item 7.01)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ATMOS ENERGY CORPORATION
(Registrant)

DATE: March 9, 2011

By: /s/ LOUIS P. GREGORY
Louis P. Gregory
Senior Vice President
and General Counsel

INDEX TO EXHIBITS

Exhibit Number	Description
99.1	News Release dated March 9, 2011 (furnished under Item 7.01)

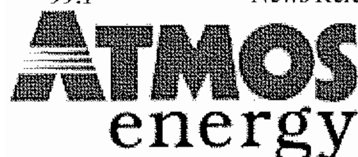

Exhibit 99.1

News Release

Analysts and Media Contact:
Susan Giles (972) 855-3729

Atmos Energy Corporation Announces Financial-Related Developments
Reaffirms Fiscal 2011 Earnings Guidance

DALLAS (March 9, 2011)—Atmos Energy Corporation (NYSE: ATO) today announced the unwinding of two Treasury lock agreements with a cumulative notional amount of $250 million generating a pretax cash gain of approximately $28 million. Additionally, the company plans to impair its investment in the Ft. Necessity storage project and recognize a pretax noncash loss of approximately $19 million. The net impact to fiscal 2011 earnings is an increase of approximately $6 million, or $0.07 per diluted share. Atmos Energy still expects fiscal 2011 earnings to be in the range of $2.25 to $2.35 per diluted share.

The company's original fiscal 2011 financing plans included the issuance of $250 million of 30-year unsecured senior notes in November 2011 to fund its capital expenditure program. In September 2010, Atmos Energy entered into two Treasury lock agreements to fix the Treasury yield component of the interest cost associated with the anticipated issuance of these senior notes. Due to stronger than anticipated cash flows, primarily resulting from the extension of the Bush tax cuts that allow the continued use of bonus depreciation, the need to issue $250 million of debt in November has been eliminated and the related Treasury lock agreements with a trade date of September 30, 2010, have been unwound. A pretax cash gain of approximately $28 million will be recorded in the second quarter of fiscal 2011.

In addition, in fiscal 2010, a subsidiary of Atmos Energy entered into an exclusive option and acquisition agreement with a third party storage developer to develop the proposed Ft. Necessity salt-dome gas storage facility in Franklin Parish, Louisiana. In January 2011, the third-party developer notified Atmos Energy that it planned not to commence the activities required to allow it to exercise the option by March 2011. As a result, the option was terminated. Atmos Energy has evaluated its strategic alternatives and has concluded the project's threshold returns are currently unattainable. Approximately $19 million of capitalized costs associated with the project will be impaired during the second quarter of fiscal 2011 and a corresponding pretax noncash loss will be recognized.

As a result of these two actions, the net impact on fiscal 2011 earnings is expected to be an increase of approximately $6 million, or $0.07 per diluted share. The company still expects fiscal 2011 earnings to be in the range of $2.25 to $2.35 per diluted share, excluding unrealized gains and losses and considering the updated assumptions announced on February 8, 2011.

Additionally, changes in events or other circumstances that the company cannot currently anticipate or predict may occur prior to the close of the fiscal year on September 30, 2011, which could result in earnings for fiscal 2011 that are significantly above or below this range. Factors that could cause such changes are described below in Forward-Looking Statements and in other company reports filed with the Securities and Exchange Commission.

Forward-Looking Statements

The matters discussed in this news release may contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements other than statements of historical fact included in this news release are forward-looking statements made in good faith by the company and are intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. When used in this news release or in any of the company's other documents or oral presentations, the words "anticipate," "believe," "estimate," "expect," "forecast," "goal," "intend," "objective," "plan," "projection," "seek," "strategy" or similar words are intended to identify forward-looking statements. Such forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those discussed in this news release, including the risks and uncertainties relating to regulatory trends and decisions, the company's ability to continue to access the capital markets and the other factors discussed in the company's reports filed with the Securities and Exchange Commission. These factors include the risks and uncertainties discussed in the company's Annual Report on Form 10-K for the fiscal year ended September 30, 2010, and the company's Quarterly Report on Form 10-Q for the three months ended December 31, 2010. Although the company believes these forward-looking statements to be reasonable, there can be no assurance that they will approximate actual experience or that the expectations derived from them will be realized. The company undertakes no obligation to update or revise forward-looking statements, whether as a result of new information, future events or otherwise.

About Atmos Energy

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

Form 8-K

Current Report

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

February 9, 2011 Date of Report (Date of earliest event reported)

ATMOS ENERGY CORPORATION
(Exact Name of Registrant as Specified in its Charter)

TEXAS AND VIRGINIA	1-10042	75-1743247
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

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☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

(b) On February 9, 2011, following the conclusion of the 2011 annual meeting of shareholders of Atmos Energy Corporation, Richard W. Cardin and Phillip E. Nichol each retired from the company's board of directors in accordance with the board's mandatory retirement policy. Mr. Cardin had served the company as a board member since 1997, when the company acquired United Cities Gas Company, while Mr. Nichol had served on the board since 1985. In connection with Mr. Cardin's retirement from the board, he also simultaneously retired as chairman of the Audit Committee and as a member of the Executive and Nominating and Corporate Governance Committees of the board. In connection with Mr. Nichol's retirement from the Board, he also simultaneously retired as chairman of the Nominating and Corporate Governance Committee as well as a member of the Executive, Human Resources and Work Session/Annual Meeting Committees. A copy of the news release issued on February 9, 2011 announcing the retirements of Messrs. Cardin and Nichol from the board is filed herewith as Exhibit 99.1.

Item 5.07. Submission of Matters to a Vote of Security Holders.

At the company's 2011 annual meeting of shareholders on February 9, 2011, of the 90,639,048 shares outstanding and entitled to vote, 79,826,771 shares were represented, constituting a 88.1% quorum. The final results for each of the matters submitted to a vote of shareowners at the annual meeting are as follows:

Proposal No. 1 : All of the board's nominees for director were elected to serve until the company's 2012 annual meeting of shareholders or until their respective successors are elected and qualified, with the vote totals as set forth in the table below:

Nominee	For	Against	Abstain	Broker Non-Votes
Kim R. Cocklin	62,236,043	1,768,094	226,749	15,595,885
Richard W. Douglas	53,877,121	9,825,365	528,400	15,595,885
Ruben E. Esquivel	62,383,386	1,619,601	227,899	15,595,885
Richard K. Gordon	62,429,678	1,573,134	228,074	15,595,885

Proposal No. 2 : Our shareholders approved an amendment to our 1998 Long-Term Incentive Plan to provide for an increase of 2,200,000 shares in the number of shares of common stock reserved for issuance under the plan and an extension of the term of the plan for an additional five years, with the vote totals as set forth in the table below:

For	Against	Abstain	Broker Non-Votes
51,331,882	12,540,360	358,644	15,595,885

Proposal No. 3 : Our shareholders approved an amendment to our Annual Incentive Plan for Management to provide for an extension of the term of the plan for an additional five years, with the vote totals as set forth in the table below:

For	Against	Abstain	Broker Non-Votes
60,565,264	3,243,050	422,572	15,595,885

Proposal No. 4 : The appointment of Ernst & Young LLP as the company's independent registered public accounting firm for fiscal 2011 was ratified by our shareholders, with the vote totals as set forth in the table below:

For	Against	Abstain	Broker Non-Votes
78,632,238	870,696	323,837	0

Proposal No. 5: Our shareholders approved, on an advisory (non-binding) basis, the compensation of our named executive officers, with the vote totals as set forth in the table below:

For	Against	Abstain	Broker Non-Votes
61,928,385	1,489,349	813,152	15,595,885

Proposal No. 6: Our shareholders approved, on an advisory (non-binding) basis, the holding of an advisory (non-binding) vote on executive compensation on an annual basis, with the vote totals as set forth in the table below:

One-Year Frequency Vote	Two-Year Frequency Vote	Three-Year Frequency Vote	Abstain	Broker Non-Votes
56,099,327	785,247	6,038,716	1,307,596	15,595,885

In accordance with the results of this vote, the Board of Directors determined to implement an annual advisory vote on executive compensation, commencing with the company's 2012 annual meeting of shareholders.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

99.1 News Release issued by Atmos Energy Corporation dated February 9, 2011

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ATMOS ENERGY CORPORATION
(Registrant)

DATE: February 14, 2011

By: /s/ LOUIS P. GREGORY
Louis P. Gregory
Senior Vice President and General Counsel

INDEX TO EXHIBITS

Exhibit Number	Description
99.1	News Release issued by Atmos Energy Corporation dated February 9, 2011

Exhibit 99.1

News Release

MEDIA CONTACT:
Gerald Hunter (972) 855-3116

ANALYSTS CONTACT:
Susan Giles (972) 855-3729

Atmos Energy Announces Retirements of Cardin and Nichol from Board of Directors

DALLAS (February 9, 2011)—Atmos Energy Corporation announced today that Richard W. Cardin and Phillip E. Nichol have retired from the company's board of directors, effective after the company's annual meeting of shareholders held on February 9.

Cardin joined the board of directors in 1997 and served as chairman of its Audit Committee from 2009 to 2011, as well as a member of the Executive and Nominating and Corporate Governance Committees. Cardin retired from Arthur Andersen, LLP in 1995, having served as managing partner in the Chattanooga and Nashville, Tennessee offices from 1969 to 1994. The board has benefited greatly from Mr. Cardin's professional background and outside board service as well as his leadership experience in public accounting, auditing and financial reporting matters as chairman of the audit committees of Atmos Energy, United States Lime and Mineral, Inc. and Integraph Corporation.

Nichol served on the company's board of directors since 1985 and as chairman of the board's Nominating and Corporate Governance Committee since 1985. Additionally, he served as a member of the board's Executive, Human Resources and Work Session/Annual Meeting Committees. Nichol is the retired Senior Vice President of Central Division Staff at UBS PaineWebber, Incorporated and provided significant expertise gained from his management positions at UBS PaineWebber and Kidder Peabody, his experience in the financial services industry and his leadership in corporate governance as chairman of the Nominating and Corporate Governance Committee.

"Dick Cardin and Phil Nichol have been dedicated members of our board and have provided superb leadership, invaluable counsel and steady guidance during periods of significant change for our company," said Bob Best, executive chairman of Atmos Energy.

"They have invested considerable time, effort and energy to ensure a thorough understanding of the company's operations and financial condition, and have contributed a clear vision and strategic direction for our growth," Best said. "We are sincerely grateful and appreciate their many contributions as well as their friendship and support. We wish them the best."

About Atmos Energy

Atmos Energy Corporation, headquartered in Dallas, is the country's largest natural-gas-only distributor, serving more than 3 million natural gas distribution customers in more than 1,600 communities in 12 states from the Blue Ridge Mountains in the East to the Rocky Mountains in the West. Atmos Energy also provides natural gas marketing and procurement services to industrial, commercial and municipal customers primarily in the Midwest and Southeast and manages company-owned natural gas pipeline and storage assets, including one of the largest intrastate natural gas pipeline systems in Texas. Atmos Energy is a Fortune 500 company. For more information, visit www.atmosenergy.com.

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 8-K

Current Report

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

February 8, 2011
Date of Report (Date of earliest event reported)

ATMOS ENERGY CORPORATION

(Exact Name of Registrant as Specified in its Charter)

TEXAS AND VIRGINIA	1-10042	75-1743247
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

1800 THREE LINCOLN CENTRE, 5430 LBJ FREEWAY, DALLAS, TEXAS	75240
(Address of Principal Executive Offices)	(Zip Code)

(972) 934-9227
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operations and Financial Condition.

On Tuesday, February 8, 2011, Atmos Energy Corporation (the "Company") issued a news release in which it reported the Company's financial results for the first quarter of the 2011 fiscal year, which ends September 30, 2011, and that certain of its officers would discuss such financial results in a conference call on Wednesday, February 9, 2011 at 8:00 a.m. Eastern Time. In the release, the Company also announced that the call would be webcast live and that slides for the webcast would be available on its website for all interested parties.

A copy of the news release is furnished as Exhibit 99.1. The information furnished in this Item 2.02 and in Exhibit 99.1 shall not be deemed to be "filed" for purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that section, nor shall such information be deemed to be incorporated by reference into any of the Company's filings under the Securities Act or the Exchange Act.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

99.1 News Release dated February 8, 2011 (furnished under Item 2.02)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ATMOS ENERGY CORPORATION
(Registrant)

DATE: February 8, 2011

By: /s/ LOUIS P. GREGORY
Louis P. Gregory
Senior Vice President and General Counsel

INDEX TO EXHIBITS

Exhibit Number	Description
99.1	News Release dated February 8, 2011 (furnished under Item 2.02)

Exhibit 99.1

News Release

Analysts and Media Contact:
Susan Giles (972) 855-3729

Atmos Energy Corporation Reports Earnings for the Fiscal 2011 First Quarter;
Company Affirms Fiscal 2011 Guidance

DALLAS (February 8, 2011)—Atmos Energy Corporation (NYSE: ATO) today reported consolidated results for its fiscal 2011 first quarter ended December 31, 2010.

- Fiscal 2011 first quarter consolidated results, excluding net unrealized margins were $73.7 million, or $0.81 per diluted share, compared with net income of $66.5 million, or $0.71 per diluted share in the prior-year quarter.
- After including noncash, unrealized net gains of $0.3 million, or $0.00 per diluted share, fiscal 2011 first quarter net income was $74.0 million, or $0.81 per diluted share. Net income was $93.3 million, or $1.00 per diluted share in the prior-year quarter, after including unrealized net gains of $26.8 million, or $0.29 per diluted share.
- For the three months ended December 31, 2010, regulated operations contributed $67.4 million, or $0.74 per diluted share, compared with $59.9 million of net income, or $0.64 per diluted share in the prior-year quarter.
- Nonregulated operations contributed $6.6 million of net income, or $0.07 per diluted share, compared with $33.4 million of net income, or $0.36 per diluted share for the same three months last year.

"We are pleased to deliver solid first quarter financial results," said Kim Cocklin, president and chief executive officer of Atmos Energy Corporation. "Our core regulated operations provided stable and predictable results from the enhanced rate designs achieved in recent years. Results from our nonregulated operations remained constant, despite continued low gas price volatility."

"Consolidated net income increased 11 percent over last year, after excluding the net unrealized gains from both periods. We remain on track to meet our guidance for fiscal 2011 of earning between $2.25 and $2.35 per diluted share," Cocklin concluded.

Results for the Quarter Ended December 31, 2010

Natural gas distribution gross profit increased $5.2 million to $299.8 million for the quarter ended December 31, 2010, compared with $294.6 million in the prior-year quarter. This increase is due largely to a $14.1 million increase in rates, primarily in the company's Texas, Louisiana, Missouri, Kentucky and Kansas service areas. Partially offsetting the increase in rates was a $4.9 million decrease associated with a 10 percent drop in consolidated distribution throughput, caused principally by warmer weather this fiscal quarter compared to the same period last year and a $2.7 million decrease in revenue-related franchise taxes.

Regulated transmission and storage gross profit increased $2.1 million to $49.0 million for the quarter ended December 31, 2010, compared with $46.9 million for the same period last year. This quarter-over-quarter increase is due primarily to a $3.1 million increase in revenues resulting from filings under the Texas Gas Reliability Infrastructure Program (GRIP) and a $1.6 million increase in demand fees. These increases were partially offset by a $1.5 million decrease from lower per-unit transportation margins and a $1.0 million decrease due principally to a decline in throughput to the Mid-Tex Division.

Nonregulated gross profit decreased $44.6 million to $25.2 million for the first quarter of fiscal 2011, compared with $69.8 million for the prior-year quarter. The decrease primarily reflects a $43.4 million decrease in unrealized margins due to a significant unrealized gain recognized in the prior-year quarter. The prior-year quarter unrealized gain resulted from narrowing spreads between the then current cash prices and forward natural gas prices experienced on Atmos Energy Holding's (AEH) net physical position and the deferral of physical storage withdrawals to later in the 2010 fiscal year. Gas delivery margins were flat compared with the prior-year quarter as an 8 percent increase in consolidated sales volumes was offset by a decrease in gas delivery per-unit margins. The $2.0 million decrease in realized asset optimization margins from the prior-year quarter primarily reflects the impact of continued low natural gas price volatility.

Consolidated operation and maintenance expense for the quarter ended December 31, 2010, was $116.6 million, compared with $123.9 million for the prior-year quarter. Excluding the provision for doubtful accounts, operation and maintenance expense for the current quarter was $115.0 million, compared with $121.3 million for the same period last year. The $6.3 million decrease resulted primarily from a $4.2 million decrease in employee-related costs and a $1.8 million reduction in legal and other administrative costs.

The debt capitalization ratio at December 31, 2010, was 51.4 percent, compared with 51.3 percent at September 30, 2010 and 51.0 percent at December 31, 2009. At December 31, 2010, there was $248.0 million of short-term debt outstanding, compared with $126.1 million at September 30, 2010 and $179.7 million at December 31, 2009, primarily due to seasonal borrowings to fund our working capital needs.

For the quarter ended December 31, 2010, the company generated operating cash flow of $45.8 million, a $49.4 million reduction compared with the first quarter of fiscal 2010. The quarter-over-quarter decrease primarily reflects differences in the timing of customer collections and vendor payments.

Capital expenditures increased to $123.2 million for the fiscal 2011 first quarter, compared with $115.4 million in the prior-year quarter. The $7.8 million increase primarily reflects spending related to the Mid-Tex steel service line replacement program and to the purchase of software for new customer service systems, partially offset by the relocation of the company's information technology data center in the prior-year quarter.

Outlook

The leadership of Atmos Energy remains focused on enhancing shareholder value by delivering consistent earnings growth. Atmos Energy still expects fiscal 2011 earnings to be in the range of $2.25 to $2.35 per diluted share, excluding unrealized gains and losses. However, net income from regulated operations is now expected to be in the range of $171 million to $178 million, while net income from nonregulated operations is expected to be in the range of $35 million to $37 million. Capital expenditures for fiscal 2011 are expected to continue to range between $580 million to $595 million.

However, the valuation on September 30, 2011, of the company's nonregulated physical storage inventory and associated financial instruments ("mark-to-market"), as well as changes in events or other circumstances that the company cannot currently anticipate or predict, could result in earnings for fiscal 2011 that are significantly above or below this outlook. Factors that could cause such changes are described below in Forward-Looking Statements and in other company reports filed with the Securities and Exchange Commission.

Conference Call to be Webcast February 9, 2011

Atmos Energy will host a conference call with financial analysts to discuss the financial results for the fiscal 2011 first quarter on Wednesday, February 9, 2011, at 8 a.m. Eastern Time. The telephone number is 877-485-3107. The conference call will be webcast live on the Atmos Energy website at www.atmosenergy.com . A playback of the call will be available on the website later that day. Kim Cocklin, president and chief executive officer; and Fred Meisenheimer, senior vice president, chief financial officer and treasurer will participate in the conference call.

Highlights and Recent Developments

Fort Necessity Storage Project Update

In fiscal 2010, a subsidiary of AEH entered into an exclusive option and acquisition agreement with a third party storage developer, (that was extended until March 2011), to develop the proposed Fort Necessity salt-dome natural gas storage project. In January 2011, the third party developer notified Atmos Energy that it did not plan to commence the activities required to allow it to exercise the option by March 2011. Accordingly, the option was terminated shortly thereafter. The company is currently evaluating its strategic alternatives with respect to this project.

Kentucky Lawsuit Verdict

Atmos Energy Corporation and two subsidiaries of AEH have been involved in a lawsuit filed in the Circuit Court of Edmonson County, Kentucky related to the Park City Gathering Project. The dispute which gave rise to the litigation involves the amount of royalties due from a third party producer to landowners (who own the mineral rights) for natural gas produced from the landowners' properties. Atmos Energy companies entered into contracts with the third party producer to gather, treat and ultimately sell natural gas produced from the landowners properties, but had no contractual relationship with the landowners or the investors/working interest owners.

On December 17, 2010, the jury returned a verdict in favor of the landowners and investor/working interest owners and awarded compensatory damages of $3.8 million and punitive damages of $27.5 million payable by Atmos Energy and the AEH subsidiaries. A hearing is scheduled on February 28, 2011 to hear a number of motions, including a motion to dismiss the jury verdict and a motion for a new trial. In the event the trial judge denies these motions, Atmos Energy will appeal the decision.

$200 Million Committed Revolving Credit Facility

On December 8, 2010, Atmos Energy Marketing, LLC (AEM) and the participating banks amended and restated AEM's $450 million 364-day committed revolving credit facility, replacing it with a $200 million three-year facility with an accordion feature that could increase AEM's borrowing capacity to $500 million.

Change in Business Segments Effective December 1, 2010

As a result of the appointment of a new CEO effective October 1, 2010, during the first quarter of fiscal 2011, the company revised the information used by the chief operating decision maker to manage the company. As a result of this change, effective December 1, 2010, Atmos Energy began reporting its nonregulated operations in one operating segment. Certain prior-year presentations have been reclassified to conform to the current-year presentation.

This news release should be read in conjunction with the attached unaudited financial information.

Forward-Looking Statements

The matters discussed in this news release may contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements other than statements of historical fact included in this news release are forward-looking statements made in good faith by the company and are intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. When used in this news release or in any of the company's other documents or oral presentations, the words "anticipate," "believe," "estimate," "expect," "forecast," "goal," "intend," "objective," "plan," "projection," "seek," "strategy" or similar words are intended to identify forward-looking statements. Such forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those discussed in this news release, including the risks and uncertainties relating to regulatory trends and decisions, the company's ability to continue to access the capital markets and the other factors discussed in the company's reports filed with the Securities and Exchange Commission. These factors include the risks and uncertainties discussed in the company's Annual Report on Form 10-K for the fiscal year ended September 30, 2010. Although the company believes these forward-looking statements to be reasonable, there can be no assurance that they will approximate actual experience or that the expectations derived from them will be realized. The company undertakes no obligation to update or revise forward-looking statements, whether as a result of new information, future events or otherwise.

About Atmos Energy

Atmos Energy Corporation, headquartered in Dallas, is the country's largest natural-gas-only distributor, serving over three million natural gas distribution customers in more than 1,600 communities in 12 states from the Blue Ridge Mountains in the East to the Rocky Mountains in the West. Atmos Energy also provides natural gas marketing and procurement services to industrial, commercial and municipal customers primarily in the Midwest and Southeast and manages company-owned natural gas pipeline and storage assets, including one of the largest intrastate natural gas pipeline systems in Texas. Atmos Energy is a Fortune 500 company. For more information, visit www.atmosenergy.com .

Atmos Energy Corporation
Financial Highlights (Unaudited)

Statements of Income	Three Months Ended December 31		Percentage
(000s except per share)	2010	2009	Change
Gross Profit:			
Natural gas distribution segment	$299,772	$294,627	2%
Regulated transmission and storage segment	49,007	46,860	5%
Nonregulated segment	25,178	69,775	(64)%
Intersegment eliminations	(397)	(413)	4%
Gross profit	373,560	410,849	(9)%
Operation and maintenance expense	116,594	123,862	(6)%
Depreciation and amortization	56,161	53,839	4%
Taxes, other than income	40,696	42,552	(4)%
Total operating expenses	213,451	220,253	(3)%
Operating income	160,109	190,596	(16)%
Miscellaneous expense	(737)	(269)	174%
Interest charges	38,917	38,708	1%
Income before income taxes	120,455	151,619	(21)%
Income tax expense	46,458	58,289	(20)%
Net income	$ 73,997	$ 93,330	(21)%
Basic net income per share	$ 0.81	$ 1.00	
Diluted net income per share	$ 0.81	$ 1.00	
Cash dividends per share	$ 0.340	$ 0.335	
Weighted average shares outstanding:			
Basic	90,082	92,152	
Diluted	90,408	92,509	

Summary Net Income by Segment (000s)	Three Months Ended December 31		Percentage
	2010	2009	Change
Natural gas distribution	$ 57,318	$ 51,448	11%
Regulated transmission and storage	10,102	8,454	19%
Nonregulated	6,275	6,633	(5)%
Unrealized margins, net of tax	302	26,795	(99)%
Consolidated net income	$ 73,997	$ 93,330	(21)%

Atmos Energy Corporation
Financial Highlights, continued (Unaudited)

Condensed Balance Sheets (000s)	December 31, 2010	September 30, 2010
Net property, plant and equipment	$4,859,344	$4,793,075
Cash and cash equivalents	129,892	131,952
Accounts receivable, net	564,934	273,207
Gas stored underground	339,105	319,038
Other current assets	229,324	150,995
Total current assets	1,263,255	875,192
Goodwill and intangible assets	739,991	740,148
Deferred charges and other assets	359,033	355,376
	$7,221,623	$6,763,791
Shareholders' equity	$2,274,853	$2,178,348
Long-term debt	1,807,319	1,809,551
Total capitalization	4,082,172	3,987,899
Accounts payable and accrued liabilities	510,085	266,208
Other current liabilities	349,914	413,640
Short-term debt	247,993	126,100
Current maturities of long-term debt	352,434	360,131
Total current liabilities	1,460,426	1,166,079
Deferred income taxes	892,090	829,128
Deferred credits and other liabilities	786,935	780,685
	$7,221,623	$6,763,791

Atmos Energy Corporation
Financial Highlights, continued (Unaudited)

Condensed Statements of Cash Flows (000s)	Three Months Ended December 31 2010	2009
Cash flows from operating activities		
Net income	$ 73,997	$ 93,330
Depreciation and amortization	56,207	53,875
Deferred income taxes	43,423	12,832
Changes in assets and liabilities	(132,515)	(69,263)
Other	4,712	4,382
Net cash provided by operating activities	45,824	95,156
Cash flows from investing activities		
Capital expenditures	(123,162)	(115,439)
Other, net	(370)	(1,873)
Net cash used in investing activities	(123,532)	(117,312)
Cash flows from financing activities		
Net increase in short-term debt	112,628	111,335
Repayment of long-term debt	(10,000)	—
Cash dividends paid	(31,002)	(31,234)
Repurchase of equity awards	(3,231)	—
Issuance of common stock	7,253	5,681
Net cash provided by financing activities	75,648	85,782
Net increase (decrease) in cash and cash equivalents	(2,060)	63,626
Cash and cash equivalents at beginning of period	131,952	111,203
Cash and cash equivalents at end of period	$ 129,892	$ 174,829

Statistics	Three Months Ended December 31 2010	2009
Consolidated natural gas distribution throughput (MMcf as metered)	120,544	134,521
Consolidated regulated transmission and storage transportation volumes (MMcf)	99,841	95,938
Consolidated nonregulated delivered gas sales volumes (MMcf)	94,538	87,229
Natural gas distribution meters in service	3,206,286	3,208,531
Natural gas distribution average cost of gas	$ 4.92	$ 5.12
Nonregulated net physical position (Bcf)	19.6	19.0

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