



News Release

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Atmos Energy Announces Nonbinding Open Season For Fort Necessity Gas Storage Project

DALLAS (May 21, 2008)—Atmos Energy Corporation (NYSE: ATO) today announced a nonbinding open season for services at its proposed Fort Necessity salt-dome natural gas storage project in Franklin Parish, Louisiana.

Atmos Pipeline and Storage, LLC, which is wholly owned by Atmos Energy Holdings, Inc., a wholly owned subsidiary of Atmos Energy Corporation, plans to develop the facility to provide initially up to 15 billion cubic feet (Bcf) of working gas storage in three underground caverns. Pending regulatory approval, the first cavern is projected to go into full commercial operation by early 2011. The other two caverns are expected to enter service by 2012 and 2014.

The nonbinding open season for the 15 Bcf of working capacity will extend from 8 a.m. CDT on June 2, 2008, through 5 p.m. CDT on June 20, 2008. The company said it expects to file for certification by the Federal Energy Regulatory Commission (FERC) in August 2008.

Open season is a FERC regulatory procedure to gauge the interest by potential customers in using a regulated facility to assure that it meets the public interest and to allocate the capacity in the facility equitably among customers.

Company officials said they expect that the project site will have mainline interconnects with Tennessee Gas Pipeline's 800 Leg, Columbia Gulf ANR and Regency Energy Partners' 30-inch Winnsboro Extension. Additional mainline interconnects being considered include Trunkline and Texas Gas Transmission pipelines in northeastern Louisiana.

Information about the project and the nonbinding open season is available at www.atmosenergy.com/fortnecessity. Prospective customers seeking additional information should contact Mark Walsh at (713) 316-8724 or Gayle Taggart at (713) 316-8723.

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 SEC filings. 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, 2007, and Quarterly Reports on Form 10-Q for the first and second quarters of the 2008 fiscal year. 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 about 3.2 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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