



## News Release

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### **Atmos Pipeline and Storage Completes Successful Nonbinding Open Season for Fort Necessity Gas Storage Project**

DALLAS (July 10, 2008)—Atmos Energy Corporation (NYSE: ATO) said today that Atmos Pipeline and Storage, LLC, which is an indirectly wholly owned subsidiary of Atmos Energy Corporation, completed a nonbinding open season for its proposed Fort Necessity salt dome gas storage facility located in Franklin Parish, Louisiana.

“We are very pleased with the favorable results of our open season,” said Ron McDowell, Atmos Pipeline and Storage executive vice president. “Our open season participants requested storage capacity that, in total, was more than three times greater than the 5 billion cubic feet (Bcf) of capacity proposed in Phase One of the project.”

The open season participants represent a diverse group of companies in the energy industry, including natural gas utilities, national gas marketing and trading firms, interstate pipelines, natural gas producers and LNG-related companies in the United States and international markets.

“This level of interest confirms the strong desire for high-cyclical storage facilities in the Gulf Coast area, particularly a site like Fort Necessity, located downstream of historical interstate pipeline bottlenecks,” said Mark Johnson, senior vice president, nonregulated operations, for Atmos Energy Corporation.

“In addition, the market participants recognize the Fort Necessity storage location will provide access to premier markets in the Gulf Coast, Midwest and Northeast regions as well as access to a diverse and competitive natural gas supply from the Barnett Shale, Haynesville Shale and Gulf Coast onshore and offshore production,” Johnson said.

Located near Fort Necessity, Louisiana, the proposed development would initially create three 5 Bcf caverns, for an estimated total of 15 Bcf of working gas storage, designed with six-turn injection and withdrawal capabilities. The site has planned interconnects with Tennessee Gas Pipeline’s 800 Leg, Columbia Gulf, ANR, Regency, Texas Gas and Trunkline mainlines.

Drilling operations recently began to obtain core samples necessary to complete the FERC 7C application, which is currently anticipated to be filed in August 2008. Pending regulatory approval, the first cavern is projected to go into operation by mid 2011, with

the other two caverns in operation by 2012 and 2014. Based on market demand, four additional storage caverns could potentially be developed.

### **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 in the company’s Quarterly Report on Form 10-Q for the three and six months ended March 31, 2008. 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](http://www.atmosenergy.com).

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