Agreed Order Signed April 10, 2012

Atmos Energy Corp., Mid-Tex Division, Docket No. GUD 10126

At 3320 Atmos Energy/San Angelo Unit: System ID 211232 San Angelo Distribution System; System ID 211078 Ballinger Distribution System; and System ID 211160 Winters Distribution System, Runnels County, Texas.

Rules Violated:

16 TAC §8.207(a)(2): Individuals grading leaks lacked training, experience, and/or knowledge of leak classification and investigation in the areas listed in the attached notes.

16 TAC §8.207(c)(2): A grade 2 leak was discovered and the operator did not repair the leak within six months of its detection.

49 CFR §192.613(a): Repaired leaks were monitored, and gas concentrations were found in the ground at specified locations.

49 CFR §192.703(c): A hazardous leak(s) at the listed site(s) was not repaired.

Date Violation Began: February 14, 2011

Date of Compliance: February 14, 2011

Penalty Paid: \$10,000.00