

***Atmos Energy Corporation***  
***Audit Committee of Board of Directors***  
***Pre-Approval Policy for Audit and Non-Audit Services***

***I. STATEMENT OF PRINCIPLES***

The Audit Committee is required to pre-approve the audit and non-audit services provided by the Company's independent registered public accounting firm ("independent auditor") to assure that the provision of such services does not impair the firm's independence. Unless a type of service to be provided by the firm has received general pre-approval, it will require specific pre-approval by the Audit Committee. Any proposed services exceeding pre-approved cost levels will require specific pre-approval by the Audit Committee.

The appendices to this Policy describe the audit, audit-related, tax and all other services that have the pre-approval of the Audit Committee. The term of any pre-approval is 12 months from the date of pre-approval, unless the Audit Committee specifically provides for a different period. The Audit Committee will periodically revise the list of pre-approved services, based on subsequent determinations.

***II. DELEGATION***

The Audit Committee may delegate pre-approval authority to one or more of its members. The member or members to whom such authority is delegated shall report any pre-approval decisions to the Audit Committee at its next scheduled meeting. The Audit Committee does not delegate to management its responsibilities to pre-approve services performed by the independent auditor.

***III. AUDIT SERVICES***

The annual audit services engagement terms and fees will be subject to the specific pre-approval of the Audit Committee. The Audit Committee will approve, if necessary, any changes in terms, conditions and fees resulting from changes in audit scope, Company structure or other matters.

In addition to the annual audit services engagement approved by the Audit Committee, the Audit Committee may grant pre-approval for other audit services, which are those services that only the independent auditor can reasonably provide. The Audit Committee has pre-approved the audit services listed in Appendix A. All other audit services not listed in Appendix A must be separately pre-approved by the Audit Committee.

#### *IV. AUDIT-RELATED SERVICES*

Audit-related services are assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements and that are traditionally performed by the independent auditor. The Audit Committee believes that the provision of audit-related services does not impair the independence of the auditor and has pre-approved the audit-related services listed in Appendix B. All other audit-related services not listed in Appendix B must be separately pre-approved by the Audit Committee.

#### *V. TAX SERVICES*

The Audit Committee believes that the independent auditor can provide tax services to the Company such as tax compliance, tax planning and tax advice without impairing the firm's independence. However, the Audit Committee will not permit the retention of the independent auditor in connection with a transaction initially recommended by the independent auditor, the purpose of which may be tax avoidance and the tax treatment of which may not be supported in the Internal Revenue Code and related regulations. The Audit Committee has pre-approved the tax services listed in Appendix C. All tax services involving large and complex transactions not listed in Appendix C must be separately pre-approved by the Audit Committee.

#### *VI. ALL OTHER SERVICES*

The Audit Committee may grant pre-approval to those permissible non-audit services classified as all other services that it believes are routine and recurring services, and would not impair the independence of the independent auditor. The Audit Committee has pre-approved each of the all other services listed in Appendix D. Permissible all other services not listed in Appendix D must be separately pre-approved by the Audit Committee.

A list of prohibited non-audit services listed by the Securities and Exchange Commission ("SEC") is attached to this policy as Exhibit 1. The SEC's rules and relevant guidance should be consulted to determine the precise definitions of these services and the applicability of exceptions to certain of the prohibitions.

#### *VII. PRE-APPROVAL FEE LEVELS*

Pre-approval fee levels for all services to be provided by the independent auditor will be established periodically and reviewed quarterly by the Audit Committee, primarily through a quarterly report provided to the Audit Committee by the independent auditor. Any proposed services exceeding these levels, as updated and revised quarterly, will require specific pre-approval by the Audit Committee.

### *VIII. SUPPORTING DOCUMENTATION*

With respect to each proposed pre-approved service, the independent auditor will provide detailed backup documentation regarding the specific services to be provided, which will be provided to the Audit Committee.

### *IX. PROCEDURES*

Requests or applications to provide services that require separate approval by the Audit Committee will be submitted to the Audit Committee by both the independent auditor and the Chief Financial Officer and must include a joint statement as to whether, in their view, the request or application is consistent with the SEC's rules on auditor independence.

## *Appendix A*

### *Pre-Approved Audit Services for Fiscal Year 2009*

Dated: August 5, 2008

#### *Service*

- Statutory audits or financial audits for subsidiaries or affiliates of the Company
- Services associated with SEC registration statements, periodic reports and other documents filed with the SEC or other documents issued in connection with securities offerings (e.g., comfort letters, consents), and assistance in responding to SEC Comment Letters
- Consultations by the Company's management as to the accounting or disclosure treatment of transactions or events and/or the actual or potential impact of final or proposed rules, standards or interpretations by the SEC, Financial Accounting Standards Board or other regulatory or standard setting bodies
- Attestation of management reports on internal controls

## ***Appendix B***

### ***Pre-Approved Audit-Related Services for Fiscal Year 2009***

Dated: August 5, 2008

#### ***Service***

- Due diligence services pertaining to potential business acquisitions/dispositions
- Agreed-upon or expanded audit procedures related to accounting and/or billing records required to respond to or comply with financial, accounting or regulatory reporting matters
- Internal control reviews and assistance with internal control reporting requirements
- Consultations with the Company's management as to the accounting or disclosure treatment of transactions or events and/or the actual or potential impact of final or proposed rules, standards or interpretations by the SEC, FASB or other regulatory or standard-setting bodies
- Attest services not required by statute or regulation

## *Appendix C*

### *Pre-Approved Tax Services for Fiscal Year 2009*

Dated: August 5, 2008

#### *Service*

- Federal, state and local tax planning and advice
- Processing of federal, state, local and income, franchise and other tax returns
- Review of federal, state, local and income, franchise, and other tax returns
- Other tax-related services

## *Appendix D*

### *Pre-Approved All Other Services for Fiscal Year 2009*

Dated: August 5, 2008

#### *Service*

- Special projects

## *Exhibit 1*

### **Prohibited Non-Audit Services**

- Bookkeeping or other services related to the accounting records or financial statements of the Company
- Financial information systems design and implementation
- Appraisal or valuation services, fairness opinions or contribution-in-kind reports
- Actuarial services
- Internal audit outsourcing services
- Management functions
- Human resources
- Broker-dealer, investment adviser or investment banking services
- Legal services
- Expert services unrelated to the audit