

ATLAS PIPELINE PARTNERS LP
Form 10-Q
May 07, 2010
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2010

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number: 1-4998

ATLAS PIPELINE PARTNERS, L.P.

(Exact name of registrant as specified in its charter)

DELAWARE (State or other jurisdiction of incorporation or organization)	23-3011077 (I.R.S. Employer Identification No.)
1550 Coraopolis Heights Road	
Moon Township, Pennsylvania (Address of principal executive office)	15108 (Zip code)
Registrant's telephone number, including area code: (412) 262-2830	

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in rule 12b-2 of the Exchange Act.

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Large accelerated filer Accelerated filer x
Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company
Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No x

The number of common units of the registrant outstanding on May 4, 2010 was 53,211,498.

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ATLAS PIPELINE PARTNERS, L.P. AND SUBSIDIARIES

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(in thousands)

(Unaudited)

	March 31, 2010	December 31, 2009
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 159	\$ 1,021
Accounts receivable	69,853	100,721
Current portion of derivative asset	635	998
Prepaid expenses and other	15,586	15,404
Total current assets	86,233	118,144
Property, plant and equipment, net	1,679,472	1,684,384
Intangible assets, net	161,702	168,091
Investment in joint venture	130,461	132,990
Long-term portion of derivative asset		361
Other assets, net	32,689	33,993
	\$ 2,090,557	\$ 2,137,963
LIABILITIES AND PARTNERS CAPITAL		
Current liabilities:		
Current portion of long-term debt	\$ 590	\$
Accounts payable affiliates	5,012	2,043
Accounts payable	12,080	22,928
Accrued liabilities	16,431	14,348
Accrued interest payable	16,556	9,652
Current portion of derivative liability	13,311	33,547
Accrued producer liabilities	65,621	66,211
Total current liabilities	129,601	148,729
Long-term portion of derivative liability	7,893	11,126
Long-term debt, less current portion	1,202,808	1,254,183
Other long-term liability	355	398
Commitments and contingencies		
Partners capital:		
Class B preferred limited partner s interest	14,955	14,955
Common limited partners interests	803,839	787,834

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Investment in Class B cumulative preferred member units of Atlas Pipeline Holdings II, LLC (reported as treasury units)	(15,000)	(15,000)
General partner's interest	15,864	15,853
Accumulated other comprehensive loss	(38,472)	(49,190)
	781,186	754,452
Non-controlling interest	(31,286)	(30,925)
Total partners' capital	749,900	723,527
	\$ 2,090,557	\$ 2,137,963

See accompanying notes to consolidated financial statements

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(in thousands, except per unit data)

(Unaudited)

	Three Months Ended March 31,	
	2010	2009
Revenue:		
Natural gas and liquids	\$ 260,949	\$ 144,133
Transportation, compression, processing and other fees affiliates	176	10,068
Transportation, compression, processing and other fees third parties	14,079	14,891
Equity income in joint venture	1,462	
Other income, net	6,569	5,149
Total revenue and other income, net	283,235	174,241
Costs and expenses:		
Natural gas and liquids	206,663	134,745
Plant operating	15,534	13,823
Transportation and compression	189	3,331
General and administrative	9,419	10,303
Compensation reimbursement affiliates	375	375
Depreciation and amortization	22,746	22,668
Interest	26,431	21,108
Total costs and expenses	281,357	206,353
Income (loss) from continuing operations	1,878	(32,112)
Income from discontinued operations		8,876
Net income (loss)	1,878	(23,236)
Income attributable to non-controlling interests	(1,317)	(469)
Preferred unit dividends		(900)
Net income (loss) attributable to common limited partners and the general partner	\$ 561	\$ (24,605)

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Continuing operations	\$ 550	\$ (32,808)
Discontinued operations		8,698
	550	(24,110)

General Partner's interest:

Continuing operations	11	(673)
Discontinued operations		178
	11	(495)

Net income (loss) attributable to common limited partners and the General Partner:

Continuing operations	561	(33,481)
Discontinued operations		8,876
	561	\$ (24,605)

Net income (loss) attributable to common limited partners per unit:**Basic:**

Continuing operations	\$ 0.01	\$ (0.71)
Discontinued operations		0.19
	0.01	\$ (0.52)

Diluted:

Continuing operations	\$ 0.01	\$ (0.71)
Discontinued operations		0.19
	0.01	\$ (0.52)

Weighted average common limited partner units outstanding:

Basic	52,849	45,971
Diluted	52,950	45,971

See accompanying notes to consolidated financial statements

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ATLAS PIPELINE PARTNERS, L.P. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF PARTNERS' CAPITAL
FOR THE THREE MONTHS ENDED MARCH 31, 2010

(in thousands, except unit data)

(Unaudited)

	Number of Limited Partner Units					Accumulated Other Comprehensive (Loss)	Class B Preferred Units of Atlas Pipeline Holdings II, LLC	Non-controlling Interest	Partners Capital
	Class B Preferred	Common	Class B Preferred Limited Partner	Common Limited Partners	General Partner				
Balance at January 1, 2010	15,000	50,517,103	\$ 14,955	\$ 787,834	\$ 15,853	\$ (49,190)	\$ (15,000)	\$ (30,925)	\$ 723,527
Issuance of common units		2,689,765		15,332					15,332
Distributions to non-controlling interests								(1,678)	(1,678)
Issuance of units under incentive plans		2,866		123					123
Other comprehensive income						10,718			10,718
Net income				550	11			1,317	1,878