

ATLAS PIPELINE PARTNERS LP
Form 10-Q/A
March 14, 2007
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q/A

Amendment No.1

(Mark One)

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

For the quarterly period ended September 30, 2006

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.)

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311 Rouser 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 is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

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Explanatory Note

We are filing this Amendment No.1 to our Quarterly Report on Form 10-Q (Amendment No.1) for the quarter ended September 30, 2006. The Quarterly Report on Form 10-Q was originally filed on November 9, 2006 (the Original Filing). Amendment No. 1 is being filed to recognize additional net income of \$2.3 million within our consolidated financial statements for both the three and nine months ended September 30, 2006. The additional net income is the result of the recognition of a gain with respect to certain financial hedge instruments under Statement of Financial Accounting Standards No. 133, Accounting for derivative Instruments and Hedging Activities. Amendment No. 1 amends Items 1 and 2 of Part I of the Original Filing to reflect the effects of this net income recognition and for the convenience of the reader, sets forth the remainder of the Original Filing in its entirety.

Except as described above, no other information in Amendment No. 1 is amended hereby. Amendment No. 1 does not reflect events occurring after the filing of the Original Filing or modify or update those disclosures affected by subsequent events. Accordingly, Amendment No. 1 should be read in conjunction with our other filings made with the SEC subsequent to the filing of the Original Filing. In addition, Item 6 of Part II of Amendment No. 1 has been amended to contain, in accordance with the rules of the SEC, currently-dated certifications from our Chief Executive Officer and Chief Financial Officer. The certifications of our Chief Executive Officer and Chief Financial Officer are attached to Amendment No. 1 as Exhibits 31.1, 31.2, 32.1 and 32.2, respectively.

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ATLAS PIPELINE PARTNERS, L.P. AND SUBSIDIARIES

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(in thousands)

(Unaudited)

	September 30, 2006 (As Restated - see Note 15)	December 31, 2005
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 7,986	\$ 34,237
Accounts receivable - affiliates	6,648	4,649
Accounts receivable	46,325	57,528
Current portion of hedge asset	3,626	11,388
Prepaid expenses and other	7,404	2,454
Total current assets	71,989	110,256
Property, plant and equipment, net	590,634	445,066
Long-term hedge asset	4,975	4,388
Intangible assets, net	26,133	54,869
Goodwill	63,441	111,446
Other assets, net	14,648	16,701
	\$ 771,820	\$ 742,726
LIABILITIES AND PARTNERS' CAPITAL		
Current liabilities:		
Current portion of long-term debt	\$ 92	\$ 1,263
Accounts payable	5,092	15,609
Accrued liabilities	23,594	16,064
Current portion of hedge liability	17,431	23,796
Accrued producer liabilities	29,748	36,712
Total current liabilities	75,957	93,444
Long-term hedge liability	18,910	22,410
Long-term debt, less current portion	299,548	297,362
Commitments and contingencies		
Partners' capital:		
Preferred limited partner's interest	38,770	
Common limited partners' interests	356,975	349,491
General partner's interest	11,152	10,094

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Accumulated other comprehensive loss	(29,492)	(30,075)
Total partners' capital	377,405	329,510
	\$ 771,820	\$ 742,726

See accompanying notes to consolidated financial statements

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(in thousands, except per unit data)

(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2006	2005	2006	2005
	(As Restated -		(As Restated -	
	see Note 15)		see Note 15)	
Revenue:				
Natural gas and liquids	\$ 103,671	\$ 96,234	\$ 300,694	\$ 218,268
Transportation and compression affiliates	6,951	6,248	22,659	16,447
Transportation and compression third parties	6,726	16	20,882	54
Interest income and other	3,198	147	3,622	352
Total revenue and other income	120,546	102,645	347,857	235,121
Costs and expenses:				
Natural gas and liquids	89,679	82,537	252,577	184,578
Plant operating	3,853	2,745	11,006	7,242
Transportation and compression	2,948	871	8,404	2,169
General and administrative	4,835	2,431	12,700	7,763
Compensation reimbursement affiliates	378	412	1,983	1,365
Depreciation and amortization	6,152	3,438	16,685	8,495
Interest	5,700	3,166	18,191	8,478
Minority interest in NOARK			118	
Other		(9)		138
Total costs and expenses	113,545	95,591	321,664	220,228
Net income	7,001	7,054	26,193	14,893
Preferred unit imputed dividend cost	(627)		(1,262)	
Net income attributable to common limited partners and the general partner	\$ 6,374	\$ 7,054	\$ 24,931	\$ 14,893
Allocation of net income attributable to common limited partners and the general partner:				
Common limited partners interest	\$ 2,567	\$ 4,600	\$ 13,664	\$ 9,003
General partner's interest	3,807	2,454	11,267	5,890
Net income attributable to common limited partners				
and the general partner	\$ 6,374	\$ 7,054	\$ 24,931	\$ 14,893
Net income attributable to common limited partners per unit:				
Basic	\$ 0.20	\$ 0.48	\$ 1.07	\$ 1.09

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Diluted	\$ 0.19	\$ 0.48	\$ 1.05	\$ 1.09
Weighted average common limited partner units outstanding:				
Basic	13,076	9,511	12,818	8,226
Diluted	13,248	9,591	12,975	8,277

See accompanying notes to consolidated financial statements

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(in thousands, except unit data)

(Unaudited)

	Number of Limited Partner Units		Preferred Limited Partner	Common Limited Partners	General Partners	Accumulated Other Comprehensive Income/(Loss)	Total Partners Capital
	Preferred	Common					
Balance at January 1, 2006		12,549,266	\$	\$ 349,491	\$ 10,094	\$ (30,075)	\$ 329,510
Issuance of common units		500,000		19,704			19,704
Issuance of 6.5% cumulative convertible preferred limited partner units	40,000		37,508				37,508
Preferred dividend discount				2,350	48		2,398
General partner capital contribution					1,206		1,206
Unissued common units under incentive plans				4,125			4,125
Issuance of units under incentive plans		31,152					
Distributions paid to common limited partners and the general partner				(32,076)	(11,463)		(43,539)
Distribution equivalent rights paid on unissued units under incentive plans				(283)			(283)
Other comprehensive income						583	583
Net income			1,262	13,664	11,267		26,193
Balance at September 30, 2006	40,000	13,080,418	\$ 38,770	\$ 356,975	\$ 11,152	\$ (29,492)	\$ 377,405