

PHILADELPHIA, Oct. 14, 2013 /PRNewswire/ -- **Atlas Pipeline Partners, L.P. (NYSE: [APL](#)) ("APL", "Atlas Pipeline", or the "Partnership")**

announced today that the Partnership is providing an operational and financial update and has announced its third quarter earnings reporting date and subsequent conference call date and time. Management expects to release third quarter results on

November 4, 2013

and discuss third quarter results on a conference call on

November 5, 2013

at

10:00 am Eastern Time

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Operational Update

Volumes have continued to increase across all five gathering and processing systems since the end of the second quarter. Current processable volumes are in excess of 1.4 billion cubic feet per day, an increase of over 100 million cubic feet per day ("MMCFD") compared to the Partnership's second quarter reported results. Growth capital spending continues to track \$450 million

for 2013, as organic expansion projects continue across all gathering and processing systems, including expected 2014 expansions at

Arkoma

(120 MMCFD), SouthTX (200 MMCFD), and WestTX (200 MMCFD). It is important to note that the below references to volumes and utilization rates at all gathering and processing systems are as of the time of this release, and may not represent the average volumes reported for the

entire third quarter of 2013. Normal disclosure of third quarter results can be found on the upcoming earnings press release, scheduled to be disseminated on November 4, 2013

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Chief Executive Officer, Eugene Dubay, commented, "We continue to see strong producer activity behind all of our systems. Our job is to build a world class midstream solution for our producers in our areas of operation and we have the assets, people, and expertise to do so. As we continue to grow and expand, our stakeholders will continue to reap the value from these activities."

WestTX System

Current processed volumes in West Texas are in excess of 375 MMCFD, a meaningful increase over second quarter reported processed volumes of approximately 313 MMCFD. Increased volumes are a result of widespread activity across the Permian Basin by multiple producers behind the system, including APL's partner, Pioneer Natural Resources (USA), Inc ("Pioneer"). The Partnership is committed to providing excellent customer service to Pioneer and its other producer customers as their drilling plans continue to expand in the Permian Basin. The system is expected to expand in the second half of 2014 with the addition of the previously announced Edward plant, which will add an incremental 200 MMCFD of capacity. Producers continue to drill at a pace that management expects will require organic plant expansions every 18-24 months. Due to current ethane prices, however, the WestTX system is currently rejecting approximately 50% of the ethane coming into processing facilities back into the residue gas stream. Management expects these facilities will continue to be in ethane rejection for the remainder of 2013.

Velma System

The Velma system in southern Oklahoma is currently processing at approximately 100% of the 160 MMCFD of name-place processing capacity. The Partnership is processing 60 MMCFD under a fixed fee arrangement with ExxonMobil/XTO with firm volume commitments under a ten year agreement, which runs through 2022. Along with ExxonMobil/XTO, incremental growth in processable volume is expected to come from the SCOOP (South Central Oklahoma Oil Province) and the Partnership has multiple gathering and processing agreements with

significant producers in the play. Due to the expected growth from this area, the Partnership is in the early planning stages of the potential connection between the Velma and Arkoma systems, which would require laying approximately 55 miles of pipeline from the eastern side of the Velma system. This project is expected to increase the pace of utilization of the new Stonewall facility, which will add 120 MMCFD of processing capacity at Arkoma at the end of the first quarter of 2014, as well as provide incremental processing capacity for gas produced in the Velma area and potentially accelerate the 80 MMCFD expansion of the Stonewall plant.

Arkoma System

Gathered volumes continue to increase and are currently in excess of 260 MMCFD in the Arkoma area. Upon completion in late October of a recent expansion by MarkWest Energy Partners of its gathering system, the current processing facilities will be operating at nameplate capacity of 220 MMCFD. This expansion was originally expected to be completed in July 2013. Excess volumes, which are expected to grow due to current drilling activity, are being offloaded to third parties until the Stonewall plant is operational at the end of the first quarter of 2014. Cash flows from this system are largely fee-based; however this system does have commodity exposure on fixed recovery contracts, primarily related to Mont Belvieu priced ethane, which is not currently hedged. Approximately half of the ethane is being rejected back into the residue gas stream at these facilities, which is expected to continue at the current ethane and natural gas prices.

WestOK System

Producers in the Mississippi Lime play in northwestern Oklahoma and southern Kansas continue to grow volumes behind APL's WestOK system, with current gathered volumes in excess of 525 MMCFD. With current nameplate capacity of 458 MMCFD, excess volumes are being offloaded and bypassed as the Partnership works to add capacity in the coming months. With the addition of refrigeration, compression and other engineering work currently being undertaken, the

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facilities will have an incremental 40-50 MMCFD of processing capacity available in November of this year. Due to the nonrenewal of a low margin commercial agreement, an additional 60-70 MMCFD of capacity will become available in the second quarter of 2014. This capacity is expected to be filled under more favorable economic returns with volumes currently being offloaded to third parties and volume growth associated with increased producer drilling activity. Management is committed to continuing to provide excellent service to our producer customers in the play and remaining the prominent gatherer and processor in the area. Due to economic conditions regarding ethane prices, approximately 25% of the currently available ethane is being produced on the system, which Management expects to continue throughout the remainder of this year.

SouthTX System

In the Eagle Ford shale, where the Partnership's newly acquired SouthTX system is located, volumes continue to grow with processed volumes more than 20% higher than those reported for the second quarter. Although at times during the third quarter the SouthTX system has run at the full nameplate capacity of approximately 200 MMCFD, a portion of those volumes have been interruptible packages of gas, which causes some periodic fluctuation in volume figures. Currently, the system is running at approximately 155 MMCFD, which compares to reported second quarter average volumes of 122 MMCFD. The management team is committed to getting to full utilization of 200 MMCFD on the current Silver Oak I plant by the end of the year and expects the 200 MMCFD Silver Oak II plant to come online at the end of the first quarter of 2014. Management's expectation is for this system to be fully utilized by the end of 2014.

2013 Guidance Update

Due primarily to a continued weak pricing environment for ethane, resulting in continued ethane rejection at various facilities as mentioned above, as well as slower than expected volume growth in South Texas in the period after closing of the acquisition, Management is updating

guidance for 2013. The Partnership now expects a third quarter distribution of \$0.62-\$0.64

per limited partner unit, pending final third quarter results and board approval. Fourth quarter distribution per limited partner unit is currently expected to be between \$0.62-\$0.65

, which would equate to full-year 2013 distributions of \$2.45-\$2.50

per limited partner unit. Distribution coverage is expected to average over 1.0x for the remainder of 2013. Accordingly, Management is now expecting Adjusted EBITDA of \$335 million to \$350 million for 2013.

The Partnership is reaffirming its 2014 guidance. Management is still expecting the Silver Oak II plant in South Texas to come online at the end of the first quarter of 2014 and expects the plant to be fully utilized by the end of 2014. As one of the major contributors to the ramp up of cash flow in 2014, achieving the currently published guidance for the 2014 fiscal year will be largely dependent on the timing of volume growth at Silver Oak II during the year, including the amount of condensate recovered on that system. Additionally, the Partnership maintains a robust price risk management portfolio for 2014 and beyond, however ethane is not currently included in this portfolio. Changes in ethane prices from those used for guidance could also impact actual results.

All forecasted amounts above set forth Management's best estimates and are based on various assumptions, including, among others, the Partnership's expected cost and timing for completion of its announced capital expenditure program, timing of incremental volumes on its gathering and processing systems, known contract structures, scheduled maintenance of facilities including those of third-parties that impact the Partnership's operations, estimated commodity prices and interest rates, and budgeted operating and general administrative costs. While Management believes these estimates are reasonable, they are inherently uncertain, and are based upon various assumptions, among others, that are listed above and those contained in the forward-looking statements legend below. Management does not forecast certain items, including GAAP revenues, depreciation, amortization, and non-cash changes in derivatives, and therefore is unable to provide forecasted Net Income, a comparable GAAP measure, for the periods presented. The reconciling items between these non-GAAP measures and Net Income are expected to be similar to those previously presented and are not expected to be significant to the Partnership's cash flows.

The Partnership undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. In light of these risks and uncertainties, the forward-looking events and

circumstances discussed in this press release might not occur and actual results, performance or achievement could differ materially from that anticipated or implied in the forward-looking statements.

Third Quarter Earnings Announcement

Interested parties are invited to access the live webcast of an investor call with management regarding the Partnership's third quarter 2013 results on Tuesday, November 5, 2013 at 10:00 am ET

by going to the Investor Relations section of the Partnership's website at

www.atlaspipeline.com

. An audio replay of the conference call will also be available beginning at 12:00 pm ET

on

Tuesday, November 5, 2013

. To access the replay, dial 1-888-286-8010 and enter conference code 35780875.

Atlas Pipeline Partners, L.P. (NYSE: APL) is active in the gathering and processing segments of the midstream natural gas industry. In Oklahoma, southern Kansas

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Texas

, and

Tennessee

, APL owns and operates 14 active gas processing plants, 18 gas treating facilities, as well as approximately 11,200 miles of active intrastate gas gathering pipeline. APL also has a 20% interest in West Texas LPG Pipeline Limited Partnership, which is operated by Chevron Corporation. For more information, visit the Partnership's website at

www.atlaspipeline.com

or contact

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Atlas Energy, L.P. (NYSE: ATLS) is a master limited partnership which owns all of the general partner Class A units and incentive distribution rights and an approximate 37% limited partner interest in its upstream oil & gas subsidiary, Atlas Resource Partners, L.P. Additionally, Atlas Energy owns and operates the general partner of its midstream oil & gas subsidiary, Atlas Pipeline Partners, L.P., through all of the general partner interest, all the incentive distribution

rights and an approximate 6% limited partner interest. For more information, please visit our website at www.atlasenergy.com , or contact Investor Relations at InvestorRelations@atlasenergy.com

Certain matters discussed within this press release are forward-looking statements. Although Atlas Pipeline Partners, L.P. believes the expectations reflected in such forward-looking statements are based on reasonable assumptions, it can give no assurance that its expectations will be attained. Atlas Pipeline does not undertake any duty to update any statements contained herein (including any forward-looking statements), except as required by law. Factors that could cause actual results to differ materially from expectations include general industry considerations, regulatory changes, changes in commodity prices and local or national economic conditions and other risks detailed from time to time in Atlas Pipeline's reports filed with the SEC, including quarterly reports on Form 10-Q, current reports on Form 8-K and annual reports on Form 10-K.

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