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American Midstream Partners, LP  
Form 10-Q  
November 09, 2015  
UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended  
September 30, 2015

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: 001-35257

AMERICAN MIDSTREAM PARTNERS, LP  
(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of  
incorporation or organization)

27-0855785

(I.R.S. Employer  
Identification No.)

1400 16th Street, Suite 310

Denver, CO

(Address of principal executive offices)

(720) 457-6060

(Registrant's telephone number, including area code)

80202

(Zip code)

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 (§232.405 of this chapter) 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. (Check one):

Large accelerated filer

Accelerated filer

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

There were 30,425,829 common units, 8,930,336 Series A Units and 1,325,225 Series B Units of American Midstream Partners, LP outstanding as of November 6, 2015. Our common units trade on the New York Stock Exchange under the ticker symbol "AMID."

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Glossary of Terms

As generally used in the energy industry and in this Quarterly Report on Form 10-Q (the “Quarterly Report”), the identified terms have the following meanings:

Bbl      Barrels: 42 U.S. gallons measured at 60 degrees Fahrenheit.

Bcf      Billion cubic feet.

Btu      British thermal unit; the approximate amount of heat required to raise the temperature of one pound of water by one degree Fahrenheit.

Condensate      Liquid hydrocarbons present in casinghead gas that condense within the gathering system and are removed prior to delivery to the gas plant. This product is generally sold on terms more closely tied to crude oil pricing.

/d      Per day.

FERC      Federal Energy Regulatory Commission.

Fractionation      Process by which natural gas liquids are separated into individual components.

GAAP      Accounting principles generally accepted in the United States of America.

Gal      Gallons.

MMBtu      Million British thermal units.

Mcf      Thousand cubic feet.

MMcf      Million cubic feet.

Mgal      One thousand gallons.

NGL or NGLs      Natural gas liquid(s): The combination of ethane, propane, normal butane, isobutane and natural gasoline that, when removed from natural gas, become liquid under various levels of higher pressure and lower temperature.

Throughput      The volume of natural gas transported or passing through a pipeline, plant, terminal or other facility during a particular period.

As used in this Quarterly Report, unless the context otherwise requires, “we,” “us,” “our,” the “Partnership” and similar terms refer to American Midstream Partners, LP, together with its consolidated subsidiaries.

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## PART I. FINANCIAL INFORMATION

## Item 1. Financial Statements

## American Midstream Partners, LP and Subsidiaries

## Condensed Consolidated Balance Sheets

(Unaudited, in thousands)

	September 30, 2015	December 31, 2014
Assets		
Current assets		
Cash and cash equivalents	\$—	\$499
Accounts receivable	4,966	4,924
Unbilled revenue	16,065	24,619
Risk management assets	1,177	688
Other current assets	7,136	15,554
Current deferred tax assets	3,326	3,086
Total current assets	32,670	49,370
Property, plant and equipment, net	638,939	582,182
Goodwill	134,853	142,236
Intangible assets, net	102,052	106,306
Investment in unconsolidated affiliates	82,571	22,252
Other assets, net	14,401	14,298
Total assets	\$1,005,486	\$916,644
Liabilities and Partners' Capital		
Current liabilities		
Accounts payable	\$3,754	\$20,326
Accrued gas purchases	7,881	14,326
Accrued expenses and other current liabilities	17,364	25,800
Current portion of long-term debt	—	2,908
Risk management liabilities	—	215
Total current liabilities	28,999	63,575
Asset retirement obligations	35,254	34,645
Other liabilities	299	126
Long-term debt	508,650	372,950
Deferred tax liabilities	9,075	8,199
Total liabilities	582,277	479,495
Commitments and contingencies (See Note 17)		
Convertible preferred units		
Series A convertible preferred units (8,930 thousand and 5,745 thousand units issued and outstanding as of September 30, 2015 and December 31, 2014, respectively)	165,332	107,965
Equity and partners' capital		
General Partner Interests (536 thousand and 392 thousand units issued and outstanding as of September 30, 2015 and December 31, 2014, respectively)	(105,869	) (2,450
Limited Partner Interests (30,269 thousand and 22,670 thousand units issued and outstanding as of September 30, 2015 and December 31, 2014, respectively)	325,867	294,695
Series B convertible units (1,325 thousand and 1,255 thousand units issued and outstanding as of September 30, 2015 and December 31, 2014, respectively)	33,377	32,220
Accumulated other comprehensive income (loss)	(22	) 2
Total partners' capital	253,353	324,467



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Noncontrolling interests	4,524	4,717
Total equity and partners' capital	257,877	329,184
Total liabilities, equity and partners' capital	\$1,005,486	\$916,644

The accompanying notes are an integral part of these condensed consolidated financial statements.

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American Midstream Partners, LP and Subsidiaries  
 Condensed Consolidated Statements of Operations  
 (Unaudited, in thousands, except for per unit amounts)

	Three months ended September 30,		Nine months ended September 30,	
	2015	2014	2015	2014
Revenue	\$54,825	\$69,699	\$186,485	\$227,940
Gain (loss) on commodity derivatives, net	816	606	1,274	283
Total revenue	55,641	70,305	187,759	228,223
Operating expenses:				
Purchases of natural gas, NGLs and condensate	24,431	46,690	86,742	155,729
Direct operating expenses				