



Atlas Energy Spinoff Distribution and Merger Federal Income Tax Consequences

Spinoff Distribution:

Atlas Energy, L.P. distributed common units of Atlas Energy Group, LLC (NYSE: ATLS) to each common unitholder of Atlas Energy, L.P. in a tax-free transaction. As a result, all Atlas Energy, L.P. unitholders as of the distribution date automatically became partners in Atlas Energy Group, LLC. Your initial basis in the Atlas Energy Group, LLC common units received shall not exceed your adjusted basis in your Atlas Energy, L.P. common units. The adjusted basis of your interest in Atlas Energy, L.P. generally will be reduced (but not below zero) by the initial basis in the Atlas Energy Group, LLC common units distributed on February 27, 2015. Therefore, if your initial basis in the Atlas Energy Group, LLC common units received is greater than your adjusted basis in your interest in Atlas Energy, L.P. common units, you will be required to reduce your adjusted basis in Atlas Energy, L.P. down to zero and your initial basis in Atlas Energy Group, LLC will be limited to the reduction in your Atlas Energy, L.P. adjusted basis.

A U.S. holder's initial tax basis in any units of Atlas Energy Group, LLC received in the distribution will be provided with your final 2015 Atlas Energy, L.P. Schedule K-1 tax package scheduled to be available by March 2016.

Atlas and Targa Merger:

The receipt of Targa Resource Corp. shares and cash in exchange for Atlas Energy, L.P. common units pursuant to the merger will be a taxable transaction for U.S. federal income tax purposes to U.S. holders. Generally a U.S. holder who receives Targa Resource Corp. shares and cash in exchange for Atlas Energy, L.P. common units pursuant to the merger will recognize gain or loss in an amount equal to the difference between (i) the "amount realized," which is the sum of (A) the amount of cash received and (B) the fair market value of Targa Resource Corp. shares received; and (ii) such U.S. holder's adjusted tax basis in the Atlas Energy, L.P. common units exchanged reduced (but not below zero) by the initial basis in the Atlas Energy Group, LLC common units distributed by Atlas Energy, L.P. on February 27, 2015.

Gain or loss recognized by a U.S. holder will generally be taxable as capital gain or loss. Short or long-term capital gain or loss will be based on their Atlas Energy, L.P. common unit holding period. However, a portion of this gain or loss, which portion is likely to be substantial, will be separately computed and taxed as ordinary income or loss under Section 751 of the Internal Revenue Code of 1986, as amended (the "Code") to the extent attributable to assets giving rise to depreciation recapture or other "unrealized receivables" or to "inventory items" owned by Atlas Energy, L.P. and its subsidiaries, even if the Atlas Energy, L.P. unitholder's aggregate adjusted basis in its Atlas Energy, L.P. common units exceeds the amount realized in the exchange. Consequently, a U.S. holder may recognize both ordinary income and capital loss upon the exchange of Atlas Energy, L.P. common units in the merger. Section 751 Ordinary income information will be provided with your final 2015 Atlas Energy, L.P. Schedule K-1 tax package. Passive losses that were not deductible by a U.S. holder in prior taxable periods because they exceeded a U.S. holder's share of Atlas Energy, L.P.'s income may become available to offset a portion of the gain recognized by such U.S. holder. In addition, certain Atlas Energy, L.P. unitholders may be subject to the 3.8% net investment income tax on unearned income in respect of any net gain from the exchange.

A U.S. holder's tax basis in the Targa Resource Corp. shares received in the merger will equal the fair market value of such shares on the date of the merger. A U.S. holder's holding period in the Targa Resource Corp. shares received in the merger will begin on the day after the date of the merger.

The U.S. federal income tax consequences of the merger to an Atlas Energy, L.P. unitholder will depend on such unitholder's own personal tax situation. Accordingly, we strongly urge you to consult your tax advisor for a full understanding of the particular tax consequences of the merger to you. Please refer to the Registration Statement on Form S-4 filed by Targa Resources Corp. for more information regarding the spinoff distribution and merger and the applicable U.S. federal income tax consequences. The registration statement is available on the SEC's website under www.sec.gov.