

**QUICKSILVER GAS SERVICES LP**  
**RECONCILIATION OF NET INCOME TO**  
**DISTRIBUTABLE CASH FLOW**  
**In thousands - Unaudited**

	<u>Three Months Ended March 31,</u>		<u>Three Months Ended June 30,</u>		<u>Three Months Ended Sept. 30,</u>		<u>Nine Months Ended Sept. 30,</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Net income	\$ 9,434	\$ 2,884	\$ 7,412	\$ 5,606	\$ 8,653	\$ 6,388	\$ 25,499	\$ 14,878
Depreciation and accretion expense	5,041	3,156	5,768	3,407	5,745	3,866	16,554	10,429
Income tax provision/(payments)	(37)	(35)	248	38	235	(226)	446	(223)
Non-cash interest expense, net of capitalized interest cost paid	1,247	2,154	1,693	1,947	1,283	1,977	4,224	6,077
Maintenance capital expenditures	(2,500)	(473)	(2,500)	(473)	(2,500)	(473)	(7,500)	(1,418)
Distributable cash flow	<u>\$ 13,185</u>	<u>\$ 7,686</u>	<u>\$ 12,621</u>	<u>\$ 10,525</u>	<u>\$ 13,416</u>	<u>\$ 11,532</u>	<u>\$ 39,223</u>	<u>\$ 29,743</u>

As required by Regulation G promulgated by the Securities and Exchange Commission, the above schedule is a reconciliation of our unaudited distributable cash flow, a non-GAAP financial measure, for the three months ended March 31, June 30 and September 30 and nine months ended September 30 of 2009 and 2008, to net income for these periods determined in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Our management believes that distributable cash flow provides investors with information that is useful to an assessment of our operating performance and the cash flow generated by our operations. Other companies may calculate their distributable cash flow differently than we calculate our distributable cash flow and, accordingly, our distributable cash flow may not be comparable to similar measures disclosed by other companies.

**QUICKSILVER GAS SERVICES LP**  
**RECONCILIATION OF NET INCOME TO**  
**ADJUSTED GROSS MARGIN and EBITDA**

Unaudited  
(Amounts in thousands)

	Three Months Ended March 31,		Three Months Ended June 30,		Three Months Ended Sept. 30,		Nine Months Ended Sept. 30,	
	2009	2008	2009	2008	2009	2008	2009	2008
Total revenues	\$ 24,714	\$ 15,185	\$ 23,981	\$ 18,205	\$ 24,298	\$ 19,304	\$ 72,993	\$ 52,694
Operations and maintenance expense	5,411	4,950	6,003	5,312	5,694	4,772	17,108	15,034
General and administrative expense	1,992	1,817	1,738	1,422	1,733	1,473	5,463	4,712
Adjusted gross margin	17,311	8,418	16,240	11,471	16,871	13,059	50,422	32,948
Other income	-	5	1	1	-	4	1	10
EBITDA	17,311	8,423	16,241	11,472	16,871	13,063	50,423	32,958
Depreciation and accretion expense	5,041	3,156	5,768	3,407	5,745	3,866	16,554	10,429
Interest expense	2,873	2,418	2,813	2,421	2,238	2,703	7,924	7,542
Income tax provision	(37)	(35)	248	38	235	106	446	109
Net income	\$ 9,434	\$ 2,884	\$ 7,412	\$ 5,606	\$ 8,653	\$ 6,388	\$ 25,499	\$ 14,878

As required by Regulation G promulgated by the Securities and Exchange Commission, the above schedule is a reconciliation of our unaudited earnings before interest, taxes and depreciation (EBITDA), a non-GAAP financial measure, for the three months ended March 31, June 30 and September 30 and the nine months ended September 30 for the 2009 and 2008 periods, to net income for these periods determined in accordance with accounting principles generally accepted in the United States of America ("GAAP"). Our management believes that EBITDA is a widely accepted financial indicator of a company's operational performance and its ability to incur and service debt, fund capital expenditures and make distributions. EBITDA is not a measure calculated in accordance with GAAP, as it does not include deductions for items such as depreciation, interest and income taxes, which are necessary to maintain our business. EBITDA should not be considered as an alternative to net income, operating cash flow or any other measure of financial performance presented in accordance with GAAP. EBITDA calculations may vary among entities, so our computation may not be comparable to EBITDA measures of other entities. In evaluating EBITDA, we believe that investors should consider, among other things, the amount by which EBITDA exceeds interest costs, how EBITDA compares to principal payments on debt and how EBITDA compares to capital expenditures for each period.

Our management believes that presenting EBITDA as supplemental information will enhance investors' understanding of our cash flows for the periods presented. EBITDA is also used as a supplemental performance measure by our management and by external users of our financial statements such as investors, commercial banks, research analysts and others, to assess:

- financial performance of our assets without regard to financing methods, capital structure or historical cost basis;
- our operating performance as compared to those of other companies in the midstream energy industry without regard to financing methods, capital structure or historical cost basis; and
- the viability of acquisitions and capital expenditure projects and the overall rates of return on alternative investment opportunities.

Our management believes that adjusted gross margin provides investors with information that is useful to an assessment of our operating performance and the profitability of our operations. Other companies may calculate their adjusted gross margin differently than we calculate our adjusted gross margin and, accordingly, our adjusted gross margin may not be comparable to similar measures disclosed by other companies.

