

ATLAS AMERICA INC
Form 4
February 02, 2007

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
COBALT CAPITAL
MANAGEMENT INC

(Last) (First) (Middle)

237 PARK AVENUE, SUITE 900

(Street)

NEW YORK, NY 10017

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
ATLAS AMERICA INC [ATLS]

3. Date of Earliest Transaction
(Month/Day/Year)

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

___ Director ___X_ 10% Owner
___ Officer (give title below) ___ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
X Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Ownership (Instr. 4)
			Code	V	Amount	(D)	Price
Common Stock, par value \$.01 per share	01/31/2007		S		121,659 (1) (2)	D	\$ 53.56
					1,918,213	I	
							Footnote (3)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Owned Following Reporting Transaction (Instr. 6)
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Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
COBALT CAPITAL MANAGEMENT INC 237 PARK AVENUE SUITE 900 NEW YORK, NY 10017		X		

Signatures

Cobalt Capital Management, Inc., By: /s/ Wayne Cooperman 02/02/2007

__Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Atlas America, Inc. (the "Issuer") informed Wayne M. Cooperman, the principal of the Reporting Person, that the trades previously reported on a Form 4 filed by the reporting person appeared to be subject to disgorgement as "short swing" trades under the provisions of Section 16 (b) of the Securities Exchange Act of 1934, as amended. Although Mr. Cooperman denied he or the Reporting Person had engaged in any trades in the common stock of the Issuer that were subject to disgorgement and denied any other basis for liability in respect of any investments in the common stock of the Issuer, Mr. Cooperman agreed to resolve this matter by entering into a Settlement Agreement and (continued in Footnote 2)

(2) Release with the Issuer dated October 23, 2006 (the "Settlement Agreement") solely to avoid the expense and inconvenience of a possible assertion of legal claims by the Issuer in connection with investments in the common stock of the Issuer by Mr. Cooperman or the Reporting Person. Pursuant to the Settlement Agreement, Mr. Cooperman paid the Issuer \$44,568.82. Mr. Cooperman and the Issuer have agreed that in conformity with the terms of the Settlement Agreement Mr. Cooperman will pay the Issuer any amounts in excess of the initial settlement for any liabilities that may arise with respect to the reported transaction.

(3) The securities reported on this filing are held in (a) the accounts of three private investment vehicles and (b) two managed accounts over which the Reporting Person has investment discretion. The reporting person hereby disclaims beneficial ownership over the shares reported on this Form 4 to the extent of its pecuniary interest therein and this report shall not be deemed an admission that the Reporting Person is the beneficial owner of the securities for purposes of Section 16 of the Securities Exchange Act of 1934, as amended, or for any other purpose.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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