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

FORM 10-Q

[X] Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended October 31, 1997

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 numbers: 1-11331
333-06693

FERRELLGAS PARTNERS, L.P.
FERRELLGAS PARTNERS FINANCE CORP.

(Exact name of registrants as specified in their charters)

Delaware	43-1698480
Delaware	43-1742520
(States or other jurisdictions of incorporation or organization)	(I.R.S. Employer Identification Nos.)

One Liberty Plaza, Liberty, Missouri	64068
(Address of principal executive offices)	(Zip Code)

Registrants' telephone number, including area code: (816) 792-1600

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 [X] No [ ]

At November 23, 1997, the registrants had units or shares outstanding as follows:

Ferrellgas Partners, L.P. -	14,699,678	Common Units
	16,593,721	Subordinated Units
Ferrellgas Partners Finance Corp.	1,000	Common Stock

FERRELLGAS PARTNERS, L.P.
FERRELLGAS PARTNERS FINANCE CORP.

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ITEM 1. FINANCIAL STATEMENTS

FERRELLGAS PARTNERS, L.P. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(in thousands, except unit data)

ASSETS	October 31, 1997 (unaudited)	July 31, 1997
Current Assets:		
Cash and cash equivalents	$ 9,336	$ 14,788
Accounts and notes receivable	77,266	61,835
Inventories	42,912	43,112
Prepaid expenses and other current assets	15,520	8,906
Total Current Assets	145,034	128,641
Property, plant and equipment, net	404,935	405,736
Intangible assets, net	111,257	112,058
Other assets, net	10,283	10,641
Total Assets	$671,509	$657,076
LIABILITIES AND PARTNERS' CAPITAL		
Current Liabilities:		
Accounts payable	$ 63,596	$ 39,322
Other current liabilities	39,264	49,422
Short-term borrowings	44,546	21,786
Total Current Liabilities	147,406	110,530
Long-term debt	492,022	487,334
Other liabilities	12,511	12,354
Contingencies and commitments		
Minority interest	1,839	2,075
Partners' Capital:		
Common unitholders (14,699,678 and 14,612,580 units outstanding at October 1997 and July 1997, respectively)	41,386	52,863
Subordinated unitholders (16,593,721 units outstanding at both October 1997 and July 1997)	35,033	50,337
General partner	(58,688)	(58,417)
Total Partners' Capital	17,731	44,783
Total Liabilities and Partners' Capital	$671,509	$657,076

See notes to consolidated financial statements

FERRELLGAS PARTNERS, L.P. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF EARNINGS
(in thousands, except per unit data)
(unaudited)

	For the three months ended	
	October 31, 1997	October 31, 1996
Revenues:		
Gas liquids and related product sales	$143,051	$156,764
Other	10,154	11,096
Total revenues	153,205	167,860
Cost of product sold (exclusive of depreciation, shown separately below)	86,616	101,075
Gross profit	66,589	66,785
Operating expense	50,065	48,967
Depreciation and amortization expense	11,537	10,831
General and administrative expense	4,421	3,767
Vehicle lease and tank expense	2,312	1,480
Operating income (loss)	(1,746)	1,740
Interest expense	(12,124)	(11,602)
Interest income	397	379
Gain (loss) on disposal of assets	66	(880)
Loss before minority interest	(13,407)	(10,363)
Minority interest	(96)	(65)
Net loss	(13,311)	(10,298)
General partner's interest in net loss	(133)	(103)
Limited partners' interest in net loss	$(13,178)	$(10,195)
Net loss per limited partner unit	$ (0.42)	$ (0.33)
Weighted average number of units outstanding	31,221.4	31,206.3

See notes to consolidated financial statements

FERRELLGAS PARTNERS, L.P. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF PARTNERS' CAPITAL
(in thousands)
(unaudited)

	Number of units					
	Common	Sub-ordinated	Common	Sub-ordinated	General partner	Total partners' capital
July 31, 1997	14,612.6	16,593.7	$52,863	$50,337	$(58,417)	$ 44,783
Common units issued in connection with acquisitions	87.1	0	2,000	0	20	2,020
Quarterly distributions			(7,306)	(8,297)	(158)	(15,761)
Net loss			(6,171)	(7,007)	(133)	(13,311)
October 31, 1997	14,699.7	16,593.7	$41,386	$35,033	$(58,688)	$ 17,731

See notes to consolidated financial statements.

FERRELLGAS PARTNERS, L.P. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(unaudited)

	For the three months ended	
	October 31, 1997	October 31, 1996
Cash Flows From Operating Activities:		
Net loss	$(13,311)	$(10,298)
Reconciliation of net loss to net cash from operating activities:		
Depreciation and amortization	11,537	10,831
Other	952	1,730
Changes in operating assets and liabilities net of effects from business acquisitions:		
Accounts and notes receivable	(15,869)	(25,032)
Inventories	(422)	(13,864)
Prepaid expenses and other current assets	(6,614)	(3,080)
Accounts payable	23,726	40,237
Other current liabilities	(9,840)	6,164
Other liabilities	157	(134)
Net cash provided (used) by operating activities	(9,684)	6,554
Cash Flows From Investing Activities:		
Business acquisitions	(2,744)	(8,247)
Capital expenditures	(4,480)	(3,832)
Other	958	933
Net cash used by investing activities	(6,266)	(11,146)
Cash Flows From Financing Activities:		
Net additions to short-term borrowings	22,760	15,253
Additions to long-term debt	3,853	12,747
Reductions of long-term debt	(234)	(337)
Distributions	(15,761)	(15,761)
Other	(120)	(271)
Net cash provided by financing activities	10,498	11,631
Increase (decrease) in cash and cash equivalents	(5,452)	7,039
Cash and cash equivalents - beginning of period	14,788	13,770
Cash and cash equivalents - end of period	$ 9,336	$ 20,809
Cash paid for interest	$ 12,923	$ 10,795

See notes to consolidated financial statements

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
OCTOBER 31, 1997
(UNAUDITED)

A. The financial statements reflect all adjustments which are, in the opinion of management, necessary for a fair statement of the interim periods presented. All adjustments to the financial statements were of a normal, recurring nature.

B. The preparation of financial statements in conformity with generally accepted accounting principles ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from these estimates.

C. The propane industry is seasonal in nature with peak activity during the winter months. Therefore, the results of operations for the periods ended October 31, 1997 and October 31, 1996 are not necessarily indicative of the results to be expected for a full year.

D. Inventories consist of:

(in thousands)	October 31, 1997	July 31, 1997
Liquefied propane gas and related products	$ 35,231	$ 35,351
Appliances, parts and supplies	7,681	7,761
	$ 42,912	$ 43,112

In addition to inventories on hand, the Partnership enters into contracts to buy product for supply purposes. Nearly all such contracts have terms of less than one year and most call for payment based on market prices at date of delivery. All fixed price contracts have terms less than one year.

Property, plant and equipment, net consist of:

(in thousands)	October 31, 1997	July 31, 1997
Property, plant and equipment	$ 620,013	$ 614,974
Less: accumulated depreciation	215,078	209,238
	$ 404,935	$ 405,736

Intangible assets, net consist of:

(in thousands)	October 31, 1997	July 31, 1997
Intangible assets	$ 224,008	$ 221,269
Less: accumulated amortization	112,751	109,211
	$ 111,257	$ 112,058

E. The Partnership is threatened with or named as a defendant in various lawsuits which, among other items, claim damages for product liability. It is not possible to determine the ultimate disposition of these matters; however, management is of the opinion that there are no known claims or contingent claims that are likely to have a material adverse effect on the results of operations or financial condition of the Partnership.

F. On September 12, 1997, the Partnership paid a cash distribution of $0.50 per Common and Subordinated Unit for the quarter ended July 31, 1997. On November 17, 1997, the Partnership declared its first-quarter cash distribution of $0.50 per Common and Subordinated Unit, payable December 12, 1997.

FERRELLGAS PARTNERS FINANCE CORP.
(a wholly owned subsidiary of Ferrellgas Partners, L.P.)

BALANCE SHEETS

ASSETS	OCTOBER 31, 1997 (UNAUDITED)	JULY 31, 1997
Cash	$ 1,000	$ 1,000
TOTAL ASSETS	$ 1,000	$ 1,000

STOCKHOLDER'S EQUITY		
Common stock, $1.00 par value; 2,000 shares authorized; 1,000 shares issued and outstanding	$ 1,000	$ 1,000
Additional paid in capital	327	327
Accumulated deficit	(327)	(327)
TOTAL STOCKHOLDER'S EQUITY	$ 1,000	$ 1,000

STATEMENT OF EARNINGS
(unaudited)

	THREE MONTHS ENDED	
	OCTOBER 31, 1997	OCTOBER 31, 1996
General and administrative expense	$ 0	$ 51
NET LOSS	$ 0	$ (51)

See notes to financial statements.

FERRELLGAS PARTNERS FINANCE CORP.
(A wholly owned subsidiary of Ferrellgas Partners, L.P.)

STATEMENT OF CASH FLOWS
(unaudited)

	THREE MONTHS ENDED OCTOBER 31, 1997	THREE MONTHS ENDED OCTOBER 31, 1996
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ 0	$ (51)
Cash used by operating activities	0	(51)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Capital contribution	0	51
Cash provided by financing activities	0	51
Increase in cash	-	-
Cash - beginning of period	1,000	1,000
CASH - END OF PERIOD	$ 1,000	$ 1,000

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 1997
(UNAUDITED)

A. Ferrellgas Partners Finance Corp., a Delaware corporation, was formed on March 28, 1996, and is a wholly-owned subsidiary of Ferrellgas Partners, L.P.

B. The financial statements reflect all adjustments which are, in the opinion of management, necessary for a fair statement of the interim periods presented. All adjustments to the financial statements were of a normal, recurring nature.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following is a discussion of the results of operations and liquidity and capital resources of Ferrellgas Partners, L.P. (the "Partnership" or "MLP"). Except for the $160,000,000 of 9 3/8% Senior Secured Notes issued in April 1996 by the MLP (the "MLP Senior Notes") and the related interest expense, Ferrellgas, L.P. (the "Operating Partnership" or "OLP") accounts for nearly all of the consolidated assets, liabilities, sales and earnings of the MLP. When the discussion refers to the consolidated MLP, the term Partnership will be used.

Ferrellgas Partners Finance Corp. has nominal assets and does not conduct any operations. Accordingly, a discussion of the results of operations and liquidity and capital resources is not presented.

Statements included in this report that are not historical facts, including a statement concerning the Partnership's belief that the OLP will have sufficient funds to meet its obligations to enable it to distribute to the MLP sufficient funds to permit the MLP to meet its obligations with respect to the MLP Senior Notes issued in April 1996, and to enable it to distribute the Minimum Quarterly Distribution ($0.50 per Unit) on all Common Units and Subordinated Units, are forward-looking statements.

Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in or implied by the statements. The risks and uncertainties include but are not limited to the following and their effect on the Partnership's operations: a) the effect of weather conditions on demand for propane, b) price and availability of propane supplies, c) the availability of capacity to transport propane to market areas, d) competition from other energy sources and within the propane industry, e) operating risks incidental to transporting, storing, and distributing propane, f) changes in interest rates g) governmental legislation and regulations, h) energy efficiency and technology trends and (i) other factors that are discussed in the Partnership's filings with the Securities and Exchange Commission.

RESULTS OF OPERATIONS

The propane industry is seasonal in nature with peak activity during the winter months. Due to the seasonality of the business, results of operations for the three months ended October 31, 1997 and 1996, are not necessarily indicative of the results to be expected for a full year. Other factors affecting the results of operations include competitive conditions, demand for product, variations in weather and fluctuations in propane prices. As the Partnership has grown through acquisitions, fixed costs such as personnel costs, depreciation and interest expense have increased. Over time, these fixed cost increases have caused losses in the first and fourth quarters and net income in the second and third quarters to be more pronounced.

THREE MONTHS ENDED OCTOBER 31, 1997 VS. OCTOBER 31, 1996

Total Revenues. Total revenues decreased 8.7% to $153,205,000 as compared to $167,860,000 in the first quarter of fiscal 1997, primarily due to decreased retail propane volumes and sales price per gallon and a decrease in revenues from other operations (wholesale marketing, chemical feedstocks marketing and net trading operations), partially offset by an increase sales volume due to the effect of acquisitions.

Retail volumes decreased 4.8% to 154,495,000 gallons as compared to 162,281,000 gallons for the prior year, primarily due to a delay in deliveries of retail gallons caused by a lack of sustained cold weather and due to a reduction in demand for crop drying gallons compared to the same quarter last year. Revenues from other operations decreased by $6,102,000 primarily due to decreased wholesale marketing sales price per gallon and volumes related to a weaker demand for agricultural gallons as compared to the same quarter as last year.

Gross Profit. Gross profit decreased 0.3% to $66,589,000 as compared to $66,785,000 in the first quarter of fiscal 1997, primarily due to the effect of decreased retail propane volumes and a decrease in volumes in wholesale marketing, trading and chemical feedstocks marketing operations offset by the effect of increased retail margins and the effect of acquisitions.

Operating Expenses. Operating expenses increased 2.2% to $50,065,000 as compared to $48,967,000 in the first quarter of fiscal 1997 primarily due to acquisition related increases in personnel costs, plant and office expenses, and vehicle and other expenses.

Depreciation and Amortization. Depreciation and amortization expense increased 6.5% to $11,537,000 as compared to $10,831,000 in the first quarter of fiscal 1997 primarily due to acquisitions of propane businesses.

Interest expense. Interest expense increased 4.5% to $12,124,000 as compared to $11,602,000 in the first quarter of fiscal 1997. This increase is primarily the result of increased borrowings, partially offset by a small decrease in the overall average interest rate paid by the Partnership on its borrowings.

LIQUIDITY AND CAPITAL RESOURCES

The ability of the MLP to satisfy its obligations is dependent upon future performance, which will be subject to prevailing economic, financial, business and weather conditions and other factors, many of which are beyond its control. For the fiscal year ending July 31, 1998, the General Partner believes that the OLP will have sufficient funds to meet its obligations and enable it to distribute to the MLP sufficient funds to permit the MLP to meet its obligations with respect to the MLP Senior Notes issued in April 1996, and enable it to distribute the Minimum Quarterly Distribution ($0.50 per Unit) on all Common Units and Subordinated Units. Future maintenance and working capital needs of the MLP are expected to be provided by cash generated from future operations, existing cash balances and the working capital borrowing facility. In order to fund expansive capital projects and future acquisitions, the OLP may borrow on existing bank lines or the MLP may issue additional Common Units. Toward this purpose the MLP maintains a shelf registration statement with the Securities and Exchange Commission for 1,800,322 Common Units representing limited partner interests in the MLP. The Common Units may be issued from time to time by the MLP in connection with the OLP's acquisition of other businesses, properties or securities in business combination transactions.

Operating Activities. Cash used by operating activities was $(9,684,000) for the three months ended October 31, 1997, compared to cash provided by operating activities of $6,554,000 for the prior period. This decrease is primarily due to a decrease in volumes from other operations during the quarter as compared to the first quarter of last year and its affect on accounts receivable and accounts payable, and due to the timing of payments for purchases of inventory.

Investing Activities. During the three months ended October 31, 1997, the Partnership made total acquisition capital expenditures of $5,270,000. This amount was funded by $2,744,000 cash payments (including $619,000 for transition costs previously accrued for fiscal 1997 acquisitions), $2,000,000 of common units issued and $1,145,000 of noncompete notes.

During the three months ended October 31, 1997, the Partnership made growth and maintenance capital expenditures of $4,480,000 consisting primarily of the following: 1) relocating and upgrading district plant facilities, 2) additions to Partnership-owned customer tanks and cylinders, 3) vehicle lease buyouts, and 4) upgrading computer equipment and software. Capital requirements for repair and maintenance of property, plant and equipment are relatively low since technological change is limited and the useful lives of propane tanks and cylinders, the Partnership's principal physical assets, are generally long.

The Partnership meets its vehicle and transportation equipment fleet needs by leasing light and medium duty trucks and tractors. The General Partner believes vehicle leasing is a cost effective method for meeting the Partnership's transportation equipment needs. The Partnership continues seeking to expand its operations through strategic acquisitions of smaller retail propane operations located throughout the United States. These acquisitions will be funded through internal cash flow, external borrowings or the issuance of additional Partnership interests. The Partnership does not have any material commitments of funds for capital expenditures other than to support the current level of operations. In fiscal 1998, the Partnership expects growth and maintenance capital expenditures to increase slightly over fiscal 1997 levels.

Financing Activities. During the three months ended October 31, 1997, the Partnership borrowed $26,613,000 from its Credit Facility to fund working capital, business acquisitions, and capital expenditure needs. At October 31, 1997, $113,150,000 of borrowings were outstanding under the revolving portion of the Credit Facility. Letters of credit outstanding, used primarily to secure obligations under certain insurance arrangements, totaled $24,791,000. At October 31, 1997, the Operating Partnership had $67,059,000 available for general corporate, acquisition and working capital purposes under the Credit Facility. On November 17, 1997, the Partnership declared a cash distribution of $0.50 per Common and Subordinated Unit, payable December 12, 1997.

Adoption of New Accounting Standards: The Financial Accounting Standards Board recently issued the following new accounting standards: Statement of Financial Accounting Standards ("SFAS") No. 128, "Earnings Per Share", SFAS No. 130 "Reporting Comprehensive Income" and SFAS No. 131 "Disclosures About Segments of an Enterprise and Related Information."

SFAS No. 128 is required to be adopted by the Partnership during the three-month period ending January 31, 1998. The adoption of this statement is not expected to have a material effect on the calculation of earnings per unit. SFAS Nos. 130 and 131 are required to be adopted by the Partnership for the fiscal year ended July 31, 1998. The adoption of both standards is not expected to have a material effect on the Partnership's financial position or results of operations.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.
None.

ITEM 2. CHANGES IN SECURITIES.
None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.
None.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.
None.

ITEM 5. OTHER INFORMATION.
None.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K.

(A) EXHIBITS

3.1 Agreement of Limited Partnership of Ferrellgas Partners, L.P. (Incorporated by reference to the same numbered Exhibit to the Partnership's Current Report on Form 8-K filed August 15, 1994.)

3.2 Articles of Incorporation for Ferrellgas Partners Finance Corp. (Incorporated by reference to the same numbered Exhibit to the Partnership's Current Report on Form 8-K filed August 15, 1994.)

3.3 Bylaws of Ferrellgas Partners Finance Corp. (Incorporated by reference to the same numbered Exhibit to the Partnership's Quarterly Report on Form 10-Q filed June 13, 1997

10.1 First Amendment to Amended and Restated Credit Agreement dated as of November 7, 1997, among Ferrellgas, L.P., Stratton Insurance Company, Inc., Ferrellgas, Inc., Bank of America National Trust and Savings Association, as agent, and the other financial institutions party thereto.

27.1 Financial Data Schedule for Ferrellgas Partners, L.P. (filed in electronic format only)

27.2 Financial Data Schedule for Ferrellgas Partners Finance Corp.

(B) REPORTS ON FORM 8-K

None.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrants have duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

FERRELLGAS PARTNERS, L.P.

By Ferrellgas, Inc. (General Partner)

Date: November 25, 1997

By /s/ Danley K. Sheldon

Danley K. Sheldon
Senior Vice President and
Chief Financial Officer (Principal
Financial and Accounting Officer)

FERRELLGAS PARTNERS FINANCE CORP.

Date: November 25, 1997

By /s/ Danley K. Sheldon

Danley K. Sheldon
Senior Vice President and
Chief Financial Officer (Principal
Financial and Accounting Officer)

EXHIBIT 10.1

FIRST AMENDMENT

TO AMENDED AND RESTATED CREDIT AGREEMENT

This FIRST AMENDMENT TO AMENDED AND RESTATED CREDIT AGREEMENT (this "Amendment"), dated as of November 7, 1997, is entered into by and among FERRELLGAS, L.P., a Delaware limited partnership (the "Borrower"), STRATTON INSURANCE COMPANY, INC., a Vermont corporation and a wholly-owned subsidiary of Borrower ("Stratton"), FERRELLGAS, INC., a Delaware corporation and the sole general partner of Borrower (the "General Partner"), each of the financial institutions that is a signatory to this Amendment (collectively, the "Banks") and BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION, as agent for the Banks (in such capacity, the "Agent"), and amends that certain Amended and Restated Credit Agreement dated as of July 31, 1996 (as the same is in effect immediately prior to the effectiveness of this Amendment, the "Existing Credit Agreement" and as the same may be amended, supplemented or modified and in effect from time to time, the "Credit Agreement"), by and among the Borrower, Stratton, the General Partner, the Agent and the Banks from time to time party to the Credit Agreement. Capitalized terms used and not otherwise defined in this Amendment shall have the same meanings in this Amendment as set forth in the Credit Agreement, and the rules of interpretation set forth in Section 1.02 of the Credit Agreement shall be applicable to this Amendment.

RECITAL

The Borrower has requested that the Banks amend Section 8.12(d) under the Existing Credit Agreement, and the Banks are willing to agree to so amend the Existing Credit Agreement on the terms and subject to the conditions set forth below.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing, the mutual covenants and agreements set forth below and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

SECTION 1. Amendment. On the terms of this Amendment and subject to the satisfaction of the conditions precedent set forth below in Section 2, Section 8.12(d) of the Existing Credit Agreement is amended in its entirety as follows:

> "(d) such Restricted Payment (other than (x) Restricted Payments described in clause (i) of the first paragraph of this Section 8.12 made during the fiscal quarter ending January 31, 1997 that do not exceed $26,000,000 in the aggregate or (y) any Restricted Payments described in clauses (iii) or (iv) of the first paragraph of this Section 8.12), the amount of which, if made other than with cash, to be determined in accordance with clause (c) of this Section 8.12, shall not exceed an amount equal to the excess of (A) Consolidated Cash Flow of the Borrower and its Subsidiaries for the period from and after October 31, 1996 through and including the last day of the fiscal quarter ending immediately

preceding the date of the proposed Restricted Payment (the "Determination Period") over (B) the sum of Consolidated Interest Expense of the Borrower and its Subsidiaries for the Determination Period plus all capital expenditures (other than Growth-Related Capital Expenditures) made by the Borrower and its Subsidiaries during the Determination Period plus the aggregate of all other Restricted Payments (other than (x) Restricted Payments described in clause (i) of the first paragraph of this Section 8.12 made during the fiscal quarter ending January 31, 1997 that do not exceed $26,000,000 in the aggregate or (y) any Restricted Payments described in clauses (iii) or (iv) of the first paragraph of this Section 8.12) made by the Borrower and its Subsidiaries during the period from and after October 31, 1996 through and including the date of the proposed Restricted Payment plus (C) $30,000,000; and"

SECTION 2. Conditions to Effectiveness. The amendment set forth in Section 1 of this Amendment shall become effective only upon the satisfaction of all of the following conditions precedent on or prior to November 7, 1997 (the date of satisfaction of all such conditions being referred to as the "Amendment Effective Date"):

(a) On or before the Amendment Effective Date, the Borrower shall deliver to the Agent, on behalf of the Banks, this Amendment, duly executed and delivered by the Borrower, the General Partner, Stratton, Ferrellgas Finance Corp. ("Finance Corp."), the Banks and the Agent.

(b) On or before the Amendment Effective Date, all corporate, partnership and other proceedings taken or to be taken in connection with the transactions contemplated by this Amendment, and all documents incidental thereto, shall be reasonably satisfactory in form and substance to the Agent and its counsel, and the Agent and such counsel shall have received all such counterpart originals or certified copies of such documents as they may reasonably request.

(c) All governmental actions or filings necessary for the execution, delivery and performance of this Amendment shall have been made, taken or obtained, and no order, statutory rule, regulation, executive order, decree, judgment or injunction shall have been enacted, entered, issued, promulgated or enforced by any court or other governmental entity which prohibits or restricts the transactions contemplated by this Amendment nor shall any action have been commenced or threatened seeking any injunction or any restraining or other order to prohibit, restrain, invalidate or set aside the transactions contemplated by this Amendment.

(d) The representations and warranties set forth in this Amendment shall be true and correct as of the Amendment Effective Date.

SECTION 3. Representations and Warranties. In order to induce the Banks to enter into this Amendment and to amend the Existing Credit Agreement in the manner provided in this Amendment, the Borrower, the General Partner, Finance Corp. and Stratton represent and warrant to each Bank as of the Amendment Effective Date as follows:

(a) Power and Authority. The Borrower, the General Partner, Stratton and Finance Corp. have all requisite corporate or partnership power and authority to enter into this Amendment and to carry out the transactions contemplated by, and perform their respective obligations under, the Existing Credit Agreement as amended by this Amendment (hereafter referred to as the "Amended Credit Agreement").

(b) Authorization of Agreements. The execution and delivery of this Amendment by the Borrower, the General Partner, Stratton and Finance Corp. and the performance of the Amended Credit Agreement by the Borrower, the General Partner, Stratton and Finance Corp. have been duly authorized by all necessary action, and this Amendment has been duly executed and delivered by the Borrower, the General Partner, Stratton and Finance Corp.

(c) Enforceability. The Amended Credit Agreement constitutes the legal, valid and binding obligation of the Borrower, the General Partner, Stratton and Finance Corp. enforceable against the Borrower, the General Partner, Stratton and Finance Corp. in accordance with its terms, except as may be limited by bankruptcy, insolvency or other similar laws affecting the enforcement of creditors' rights in general. The enforceability of the obligations of the Borrower, the General Partner, Stratton and Finance Corp. hereunder is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(d) No Conflict. The execution and delivery by the Borrower, the General Partner, Stratton and Finance Corp. of this Amendment and the performance by the Borrower, the General Partner, Stratton and Finance Corp. of the Amended Credit Agreement do not and will not (i) contravene, in any material respect, any provision of any law, regulation, decree, ruling, judgment or order that is applicable to the Borrower, the General Partner, Stratton or Finance Corp., as the case may be, or their respective properties or other assets, (ii) result in a breach of or constitute a default under the charter, bylaws or other organizational documents of the Borrower, the General Partner, Stratton, or Finance Corp., as the case may be, or any material agreement, indenture, lease or instrument binding upon the Borrower, the General Partner, Stratton, or Finance Corp., or their respective properties or other assets or (iii) result in the creation or imposition of any Liens on their respective properties other than as permitted under the Credit Agreement.

(e) Governmental Consents. No authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution, delivery and performance by the Borrower, the General Partner, Stratton or Finance Corp. of this Amendment.

(f) Representations and Warranties in the Credit Agreement. The Borrower, the General Partner and Stratton confirm that as of the Amendment Effective Date the representations and warranties contained in Article VI of the Credit Agreement are (before and after giving effect to this Amendment) true and correct in all material respects (except to the extent any such representation and warranty is expressly stated to have been made as of a specific date, in which case it shall be true and correct as of such specific date) and that no Default has occurred and is continuing.

(g) Subsidiaries. As of the Amendment Effective Date, the Borrower has no Subsidiaries other than Finance Corp and Stratton.

SECTION 4. Miscellaneous.

(a) Reference to and Effect on the Existing Credit Agreement and the Other Basic Documents.

(i) Except as specifically amended by this Amendment and the documents executed and delivered in connection herewith, the Existing Credit Agreement and the other Loan Documents shall remain in full force and effect and are hereby ratified and confirmed.

(ii) The execution and delivery of this Amendment and performance of the Amended Credit Agreement shall not, except as expressly provided herein, constitute a waiver of any provision of, or operate as a waiver of any right, power or remedy of the Banks under, the Existing Credit Agreement or any of the other Loan Documents.

(iii) Upon the conditions precedent set forth herein being satisfied, this Amendment shall be construed as one with the Existing Credit Agreement, and the Existing Credit Agreement shall, where the context requires, be read and construed throughout so as to incorporate this Amendment.

(b) Fees and Expenses. The Borrower, the General Partner and Stratton acknowledge that all costs, fees and expenses incurred in connection with this Amendment will be paid in accordance with Section 11.04 of the Existing Credit Agreement.

(c) Headings. Section and subsection headings in this Amendment are included for convenience of reference only and shall not constitute a part of this Amendment for any other purpose or be given any substantive effect.

(d) Counterparts. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

(e) Governing Law. This Amendment shall be governed by and construed according to the laws of the State of New York.

IN WITNESS WHEREOF, the parties hereto have duly executed this Amendment as of the date first above written.

FERRELLGAS, L.P., a Delaware limited partnership

By: FERRELLGAS, INC.
Its: General Partner

By: ----------------------------
Name: --------------------------
Title: -------------------------

FERRELLGAS, INC.

By: ----------------------------------
Name: --------------------------------
Title: -------------------------------

STRATTON INSURANCE COMPANY, INC.

By: ----------------------------------
Name: --------------------------------
Title: -------------------------------

AGENT

BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION, as Agent

By: ----------------------------------
Name: --------------------------------
Title: -------------------------------

BANKS

BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION

By: ----------------------------------

Name: --------------------------------

Title: -------------------------------

NATIONSBANK OF TEXAS, N.A.

By: ----------------------------------

Name: --------------------------------

Title: -------------------------------

WELLS FARGO BANK, N.A.

By: ----------------------------------

Name: --------------------------------

Title: -------------------------------

THE BANK OF NOVA SCOTIA

By: ----------------------------------

Name: --------------------------------

Title: -------------------------------

BANKBOSTON, N.A. (FORMERLY KNOWN AS THE FIRST NATIONAL BANK OF BOSTON)

By: ----------------------------------

Name: --------------------------------

Title: -------------------------------

BANQUE PARIBAS

By: ----------------------------------

Name: --------------------------------

Title: -------------------------------

UNION BANK OF CALIFORNIA, N.A.

By: ----------------------------------

Name: --------------------------------

Title: -------------------------------

THE BANK OF NEW YORK

By: ----------------------------------

Name: --------------------------------

Title: -------------------------------

CAISSE NATIONALE DE CREDIT AGRICOLE

By: ----------------------------------

Name: --------------------------------

Title: -------------------------------

The undersigned hereby acknowledges and consents to the foregoing First Amendment to Amended and Restated Credit Agreement, makes the representations and warranties set forth in the foregoing First Amendment to Amended and Restated Credit Agreement, reaffirms the terms of its Amended and Restated Continuing Guaranty with Bank of America National Trust and Savings Association, as Agent and acknowledges that such Amended and Restated Continuing Guaranty remains in full force and effect in accordance with its terms.

FERRELLGAS FINANCE CORP.

By: ----------------------------------

Name: --------------------------------

Title: -------------------------------

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1,000
0000922358
FERRELLGAS PARTNERS L.P.

3-MOS
JUL-31-1998
AUG-01-1997
OCT-31-1997
9,336
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78,500
1,234
42,912
145,034
620,013
215,078
671,509
147,406
492,022
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0
76,419
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671,509
143,051
153,205
86,616
150,530
0
0
12,124
(13,311)
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(13,311)
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(0.42)
(0.42)

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0001012493
FERRELLGAS PARTNERS FINANCE CORP.

3-MOS
JUL-31-1998
AUG-01-1997
OCT-31-1997
1,000
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1,000
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1,000
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