

=====

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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (date of earliest event reported): November 8, 2004

CROSTEX ENERGY, L.P.
(Exact name of registrant as specified in its charter)

----- DELAWARE -----	000-50067 -----	16-1616605 -----
(State or Other Jurisdiction of Incorporation or Organization)	(Commission) File Number	(I.R.S. Employer Identification No.)

2501 CEDAR SPRINGS, SUITE 600 DALLAS, TEXAS -----	75201 -----
(Address of Principal Executive Offices)	(Zip Code)

Registrant's telephone number, including area code: (214) 953-9500

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

=====

Item 2.01. Results of Operations and Financial Condition.

On November 8, 2004, the Registrant issued a press release reporting its financial results for the quarter ended September 30, 2004. A copy of the press release is furnished as Exhibit 99.1 to this Current Report and will be published on the Registrant's website at www.crosstexenergy.com. In accordance with General Instruction B.2 of Form 8-K, the information set forth in this Item 2.02 and in the attached exhibit are deemed to be furnished and shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act").

Item 9.01. Financial Statements and Exhibits.

(c) Exhibits.

In accordance with General Instruction B.2 of Form 8-K, the information set forth in the attached exhibit are deemed to be furnished and shall not be deemed to be "filed" for purposes of Section 18 of the Exchange Act.

EXHIBIT NUMBER -----	DESCRIPTION -----
99.1 --	Press release dated November 8, 2004.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CROSTEX ENERGY, L.P.

By: Crosstex Energy GP, L.P.,
its General Partner

By: Crosstex Energy GP, LLC,
its General Partner

Date: November 8, 2004

By: /s/ William W. Davis

William W. Davis
Executive Vice President and
Chief Financial Officer

3

INDEX TO EXHIBITS

EXHIBIT NUMBER - - - - -	DESCRIPTION -----
99.1	-- Press Release dated November 8, 2004

4

Crosstex Energy Reports Third Quarter Results

DALLAS, Nov. 8 /PRNewswire-FirstCall/ -- The Crosstex Energy companies, Crosstex Energy, L.P. (Nasdaq: XTEX) (the Partnership) and Crosstex Energy, Inc. (Nasdaq: XTXI) (the Corporation) today reported solid growth in the third quarter of 2004.

"We continue to realize substantial growth and solid returns every quarter, and the credit goes to the tremendous group of employees at Crosstex," said Barry E. Davis, President and Chief Executive Officer of the Crosstex Energy companies. "I believe we have the best people in the industry on our team, and our determination, loyalty and expertise have put us in the leadership position we are in today."

Crosstex Energy, L.P. Financial Results

The Partnership reported net income of \$5.9 million, or \$0.23 per limited partner unit, in the quarter ended September 30, 2004, compared to net income in the third quarter of 2003 of \$3.9 million, or \$0.22 per unit. The Partnership's Distributable Cash Flow for the quarter was \$10.4 million, or 2.26 times the amount required to cover its Minimum Quarterly Distribution of \$0.25 per unit, and 1.11 times the amount required to cover its recently increased distribution of \$0.43 per unit. This is an increase of \$1.8 million, or 20.7 percent, over Distributable Cash Flow of \$8.6 million in the 2003 third quarter. Distributable Cash Flow is a non-GAAP financial measure and is explained in greater detail under "Non-GAAP Financial Information." Also, in the tables at the end of this release is a reconciliation of this measure to net income.

The growth in Distributable Cash Flow was driven by growth in the Partnership's gross margin, to \$29.1 million compared to \$17.3 million in the corresponding 2003 period, an increase of 68.3 percent. Gross margin from the Midstream business segment increased by \$10.3 million, or 84.4 percent, to \$22.5 million, due to growth in on-system gathering and transmission volumes of 94 percent, and to growth in processed volumes of 219 percent. The acquisition of LIG Pipeline Company and its subsidiaries on April 1, 2004 was the main driver of growth in Midstream gross margins. LIG contributed \$8.8 million to gross margin in the quarter.

Gross margin from the Treating segment increased by \$1.5 million, or 30.0 percent, to \$6.7 million. Improvements in margins of the Seminole plant provided \$323 thousand of the increase. Growth in the number of treating plants in service from 45 at the end of the third quarter of 2003 to 67 at the end of the third quarter of 2004 created the remaining increase in Treating margins.

Crosstex Energy, Inc. Financial Results

The Corporation reported net income of \$1.7 million for the third quarter of 2004, compared to net income of \$11.4 million for the respective period in 2003. Net income for the third quarter of 2003 included a gain on issuance of units of the Partnership of \$18.1 million related to the Partnership's unit offering. The Corporation's income before income taxes and interest of non-controlling partners in the Partnership's net income was \$4.6 million in the third quarter of 2004 and \$2.9 million in the third quarter of 2003. The Corporation's share of distributions, including distributions to its ten million limited partner units, its two percent general partner interest, and the incentive distribution rights, is \$6.0 million for the third quarter (payable on November 14, 2004). Its share of the distribution in the third quarter of 2003 was \$4.0 million. The recently announced increase in the Partnership's distribution increased the Corporation's share of the distribution by \$0.3 million, from \$5.7 million to \$6.0 million.

Earnings Call

Crosstex will hold its quarterly conference call to discuss first quarter results today at 1:00 pm Central Time (2:00 pm Eastern Time). The dial-in number for the call is 800-706-7748, passcode Crosstex. A live Webcast of the call can be accessed on the investor information page of Crosstex Energy's Web site at <http://www.crosstexenergy.com>. The call will be available for replay for 30 days by dialing 888-286-8010, passcode 47107072. A replay of the broadcast will also be available on the Partnership's Web site.

About the Crosstex Energy Companies

Crosstex Energy, L.P., a mid-stream natural gas company headquartered in Dallas, operates over 4,500 miles of pipeline, five processing plants, and over 60 natural gas amine treating plants. Crosstex currently provides services for over 1.5 BCF/day of natural gas.

Crosstex Energy Inc. owns the general partner, a 54.2 percent limited partner interest and the incentive distribution rights of Crosstex Energy, L.P.

Additional information about the Crosstex companies can be found at <http://www.crosstexenergy.com>.

Non-GAAP Financial Information

This press release contains non-generally accepted accounting principle financial measures of earnings before non-cash charges and less maintenance capital expenditures, which we refer to as Distributable Cash Flow. The

amounts included in the calculation of these measures are computed in accordance with generally accepted accounting principles (GAAP), with the exception of maintenance capital expenditures. Maintenance capital expenditures are capital expenditures made to replace partially or fully depreciated assets in order to maintain the existing operating capacity of our assets and to extend their useful lives. We believe this measure is useful to investors because it may provide users of this financial information with meaningful comparisons between current results and prior reported results and a meaningful measure of the Partnership's cash flow after it has satisfied the capital and related requirements of its operations. Distributable Cash Flow is not a measure of financial performance or liquidity under GAAP. It should not be considered in isolation or as an indicator of the Partnership's performance. Furthermore, it should not be seen as a measure of liquidity or a substitute for metrics prepared in accordance with GAAP. Our reconciliation of this measure to net income is included in the following tables.

This press release contains forward-looking statements identified by the use of words such as "forecast," "anticipate," "plan" and "estimate". These statements are based on currently available information and assumptions and expectations that the Partnership believes are reasonable. However, the Partnership's assumptions and expectations are subject to a wide range of business risks, so it can give no assurance that actual performance will fall within the forecast ranges. Among the key risks that may bear directly on the Partnership's results of operation and financial condition are: (1) the amount of natural gas transported in the Partnership's gathering and transmission lines may decline as a result of competition for supplies, reserve declines and reduction in demand from key customers and markets; (2) the level of the Partnership's processing and treating operations may decline for similar reasons; (3) fluctuations in natural gas and NGL prices may occur due to weather and other natural and economic forces; (4) there may be a failure to successfully integrate new acquisitions; (5) the Partnership's credit risk management efforts may fail to adequately protect against customer nonpayment; and (6) the Partnership may not adequately address construction and operating risks. The Partnership has no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

Contact: Barry E. Davis, President and Chief Executive Officer
 William W. Davis, Executive V.P. and Chief Financial Officer
 Phone: (214) 953-9500

CROSSTEX ENERGY, L.P.
 Selected Financial and Operating Data
 (All amounts in thousands except per unit numbers)

	Quarter Ended		Nine Months Ended	
	September 30,		September 30,	
	2004	2003	2004	2003
Revenues				
Midstream	\$501,004	\$276,222	\$1,327,181	\$745,567
Treating	7,880	6,976	22,592	17,453
	508,884	283,198	1,349,773	763,020
Cost of Gas				
Midstream	478,536	264,035	1,266,624	715,514
Treating	1,229	1,860	4,092	6,311
	479,765	265,895	1,270,716	721,825
Gross Margin	29,119	17,303	79,057	41,195
Operating Expenses	10,013	5,462	26,542	12,007
General & Administrative	4,907	1,721	13,236	5,112
Profit on Energy Trading Activities	(766)	(646)	(1,792)	(1,491)
Stock Based Compensation	288	1,577	766	4,649
(Gain) Loss on Sale of Property	(287)	--	(12)	--
Depreciation and Amortization	6,160	4,031	16,499	9,077
Total	20,315	12,145	55,239	29,354
Operating Income	8,804	5,158	23,818	11,841
Interest Expense	(2,872)	(1,321)	(6,214)	(2,196)
Other Income	13	51	(12)	50
Total Other Income (Expense)	(2,859)	(1,270)	(6,226)	(2,146)
Net Income	\$5,945	\$3,888	\$17,592	\$9,695
General Partner Share of Net Income	\$1,563	\$450	\$4,005	\$621
Limited Partners Share of Net Income	\$4,382	\$3,438	\$13,587	\$9,074

Net Income per Limited Partners' Unit	\$0.23	\$0.22	\$0.73	\$0.60
Weighted Average Limited Partners' Units Outstanding (Diluted)	18,662	15,860	18,607	15,096

CROSSTEX ENERGY, L.P.
Reconciliation of Net Income to Distributable Cash Flow
(All amounts in thousands except ratios)

	Quarter Ended		Nine Months Ended	
	September 30,		September 30,	
	2004	2003	2004	2003
Net Income	\$ 5,945	\$ 3,888	\$17,592	\$ 9,695
Depreciation and Amortization (1)	6,112	4,031	16,374	9,077
Stock Based Compensation	288	1,577	766	4,649
Loss (Gain) on Sale of Property	(287)	--	(12)	--
Proceeds from Sale of Property	385	--	611	--
Deferred Tax Benefit	(168)	--	(168)	--
Cash Flow	12,275	9,496	35,163	23,421
Maintenance Capital Expenditures	(1,842)	(852)	(4,814)	(2,571)
Distributable Cash Flow	\$10,433	\$ 8,644	\$30,349	\$ 20,850
Minimum Quarterly Distribution (MQD)	\$ 4,613	\$ 4,605	\$13,840	\$ 12,054
Distributable Cash Flow/MQD	2.26	1.88	2.19	1.73
Actual Distribution	\$ 9,439	\$ 6,834	\$26,868	\$ 14,712
Distribution Coverage	1.11	1.26	1.13	1.42

(1) Excludes minority interest share of depreciation and amortization of \$48,000 and \$125,000 for the three and nine months ended September 30, 2004, respectively.

CROSSTEX ENERGY, L.P.
Operating Data
(All volumes, except Seminole Plant, in MMBtu/d)

	Quarter Ended		Nine Months Ended	
	September 30,		September 30,	
	2004	2003	2004	2003
Pipeline Throughput				
Gulf Coast Transmission	63,000	74,000	78,000	81,000
Vanderbilt	61,000	55,000	62,000	45,000
CCNG Transmission	198,000	170,000	180,000	166,000
CCNG Transmission - Hallmark	103,000	62,000	102,000	52,000
Gregory Gathering	127,000	163,000	137,000	150,000
Mississippi	78,000	84,000	78,000	84,000
Arkoma	20,000	15,000	19,000	12,000
LIG Pipeline & Marketing	628,000	N/A	594,000 (1)	N/A
Other Midstream	31,000	52,000	35,000	53,000
Total Gathering and Transmission Volume	1,309,000	675,000	1,285,000	643,000
Natural Gas Processed				
Gregory Processing	100,000	106,000	110,000	98,000
Conroe Processing	25,000	28,000	26,000	28,000
LIG Processing	303,000	N/A	283,000 (1)	N/A
Total Processed Volume	428,000	134,000	419,000	126,000
Total On-System Volumes	1,737,000	809,000	1,704,000	769,000
Producer Services Volumes	224,000	274,000	209,000	263,000
Treating Volumes (2)	78,000	94,000	80,000	91,000
Treating Plants in Service (3)	67	45	67	45
Seminole Plant (Mcf/d of CO(2))	21,000	18,000	21,000	18,000

(1) Represents activity since April 1, 2004 acquisition.

(2) Represent volumes for treating plants operated by us whereby we receive a fee based on the volumes treated.

(3) Plants in service represent plants in service on the last day of the quarter.

CROSSTEX ENERGY, INC.
Selected Financial and Operating Data
(All amounts in thousands except per share numbers)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2004	2003	2004	2003
Revenues				
Midstream	\$501,004	\$276,222	\$1,327,181	\$745,567
Treating	7,880	6,976	22,592	17,453
	508,884	283,198	1,349,773	763,020
Cost of Gas				
Midstream	478,536	264,035	1,266,624	715,514
Treating	1,229	1,860	4,092	6,311
	479,765	265,895	1,270,716	721,825
Gross Margin	29,119	17,303	79,057	41,195
Operating Expenses	10,018	6,467	26,570	13,061
General and Administrative	5,263	2,720	14,117	7,392
Impairments	981	--	981	--
Stock Based Compensation	289	1,577	769	4,649
(Gain) Loss on Sale of Property	(287)	--	(12)	--
(Profit) Loss on Energy Trading Activities	(766)	(1,614)	(1,792)	(1,491)
Depreciation and Amortization	6,160	4,105	16,499	9,301
Total	21,658	13,255	57,132	32,912
Operating Income	7,461	4,048	21,925	8,283
Interest Expense	(2,869)	(1,247)	(6,166)	(1,978)
Other Income	50	51	254	50
Total Other Income (Expense)	(2,819)	(1,196)	(5,912)	(1,928)
Income Before Income Taxes and Interest of Non-controlling Partners in the Partnership's Net Income	4,642	2,852	16,013	6,355
Gain on Issuance of Units of the Partnership	--	18,080	--	18,080
Income Tax Provision	(957)	(8,228)	(3,504)	(8,833)
Interest of Non-controlling Partners in the Partnership's Net Income	(2,005)	(1,328)	(6,216)	(3,104)
Net Income	\$ 1,680	\$ 11,376	\$ 6,293	\$ 12,498
Preferred Stock Dividends	\$ --	\$ 866	\$ --	\$ 2,699
Net Income (Loss) Available to Common	\$ 1,680	\$ 10,510	\$ 6,293	\$ 9,799
Diluted Earnings (Loss) per Common Share	\$ 0.13	\$ 0.92	\$ 0.49	\$ 1.02
Weighted Average Shares Outstanding:				
Diluted	12,918	12,333	12,892	12,246

SOURCE Crosstex Energy, Inc.

-0-

11/08/2004

/CONTACT: Barry E. Davis, President and Chief Executive Officer, or William W. Davis, Executive V.P. and Chief Financial Officer, both of Crosstex Energy, Inc., +1-214-953-9500/
/Web site: <http://www.crosstexenergy.com> /
(XTEX XT XI)

CO: Crosstex Energy, Inc.; Crosstex Energy, L.P.

ST: Texas

IN: FIN OIL

SU: ERN CCA