

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

ROBERT HURWITZ, on Behalf of Himself
and All Others Similarly Situated,

Plaintiff,

vs.

C.A. No. 15-711-MAK

ERIC MULLINS, CHARLES W. ADCOCK,
JONATHAN C. FARBER, TOWNES G.
PRESSLER, JR., JOHN A. BAILEY,
JONATHAN P. CARROLL, SCOTT W.
SMITH, RICHARD A. ROBERT, W.
RICHARD ANDERSON, BRUCE W.
MCCULLOUGH and LOREN SINGLETARY,

Defendants.

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AMENDED ANSWER TO PLAINTIFF'S AMENDED CLASS ACTION COMPLAINT

Defendants Eric Mullins, Charles W. Adcock, Jonathan C. Farber, Townes G. Pressler, Jr.,
John A. Bailey, and Jonathan P. Carroll (together, the "LRR Energy Individual Defendants") file
this Amended Answer to Plaintiff's Amended Class Action Complaint (the "Complaint") filed by
Robert Hurwitz ("Plaintiff"), purportedly on behalf of himself and all others similarly situated.

I.

NATURE OF THE ACTION

1. With respect to the first numbered paragraph of the Complaint, the LRR Energy
Individual Defendants admit that Plaintiff attempts to bring a class action on behalf of himself and
former holders of LRR Energy, L.P. ("LRR Energy") units in connection with the acquisition of
LRR Energy by Vanguard Natural Resources, LLC ("Vanguard"). The LRR Energy Individual
Defendants admit that the putative class action is brought against LRR Energy (an entity no longer
in existence), the LRR Energy Individual Defendants, Vanguard, and Scott W. Smith, Richard A.

Robert, W. Richard Anderson, Bruce W. McCullough, and Loren Singletary (the “Vanguard Individual Defendants”).

2. The LRR Energy Individual Defendants admit that Vanguard filed with the SEC a Form S-4 Registration Statement (File No. 333-204696) (the “Registration Statement”), and that Vanguard and LRR Energy jointly issued a Proxy Statement (the “Proxy”).<sup>1</sup> The LRR Energy Individual Defendants specifically deny that the Registration Statement and Proxy contained any false or misleading statements or omissions.

3. The LRR Energy Individual Defendants admit that LRR Energy was, until it merged with Vanguard, headquartered in Houston, Texas, and stated in its Annual Report (Form 10-K), for the period ending December 31, 2014, that it was “a Delaware limited partnership formed in April 2011 . . . to operate, acquire, exploit and develop producing oil and gas properties in North America with long-lived, predictable production profiles.”<sup>2</sup> The LRR Energy Individual Defendants likewise admit that LRR Energy maintained a portfolio of oil and natural gas hedge positions, and the LRR Energy Individual Defendants admit that LRR Energy was able to offer its investors increasing cash distributions for a certain period of time. The LRR Defendants deny the remainder of the allegations in paragraph 3.

4. The LRR Energy Individual Defendants admit that, on April 20, 2015, LRR Energy announced that it had entered into a Purchase Agreement and Plan of Merger (“Merger Agreement”) with a subsidiary of Vanguard (the “Merger”). The Merger Agreement speaks for itself. To the extent allegations in paragraph 4 represent an accurate citation and quotation of that

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<sup>1</sup> On June 3, 2015, Vanguard and LRR Energy jointly issued a Preliminary Proxy Statement and Registration Statement; they were amended during the SEC review process and were declared effective and jointly issued on September 3, 2015.

<sup>2</sup> See LRR Energy, L.P., Annual Report (Form 10-K), at 49 (March 4, 2015) (for the period ending December 31, 2014).

document, the LRR Energy Individual Defendants admit them. The LRR Energy Individual Defendants deny allegations in paragraph 4 to the extent they are inconsistent with, or not contained in, the Merger Agreement. The LRR Energy Individual Defendants specifically deny that the Registration Statement and Proxy contained any materially false or misleading statements or omissions. The LRR Energy Individual Defendants admit that the unitholders of LRR Energy approved the Merger in October 2015. To the extent that the allegations in paragraph 4 and footnote 2 address matters concerning the October 2015 merger involving Eagle Rock Energy Partners, L.P. and Vanguard and/or its subsidiaries, the LRR Energy Individual Defendants lack sufficient knowledge and information to form a belief as to the truth of such allegations. The LRR Energy Individual Defendants deny the remainder of the allegations in paragraph 4.

5. The LRR Energy Individual Defendants deny the allegations in the first sentence of paragraph 5. The other allegations in paragraph 5 reference the Registration Statement and Proxy, including the fairness opinions (annexed and attached to each) of financial advisers hired by LRE GP's Board of Directors and the conflicts committee of LRE GP's Board of Directors, which speak for themselves. To the extent that the allegations represent an accurate citation and quotation of these documents, the LRR Energy Individual Defendants admit them. The LRR Energy Individual Defendants deny the allegations of paragraph 5 to the extent they are inconsistent with, or are not contained in, the Registration Statement and Proxy. The LRR Energy Individual Defendants deny the remainder of the allegations in paragraph 5.

6. The LRR Energy Individual Defendants deny the allegations in paragraph 6.

7. The LRR Energy Individual Defendants deny the allegations in the first sentence of paragraph 7. The other allegations in paragraph 7 are based upon Vanguard's December 18, 2015 press release, which speaks for itself, and Vanguard's news release issued on Form 8-K on or

about March 4, 2016, which speaks for itself, and to the extent these allegations are Plaintiff's characterizations of the contents of those documents, no response is required. To the extent there are other allegations in paragraph 7 that are not based upon those documents, the LRR Energy Individual Defendants deny them.

8. The LRR Energy Individual Defendants admit that at the time the transaction was announced, the value of the consideration to be received by LRR Energy unitholders was approximately \$8.93 per share, based on Vanguard's closing price on April 20, 2015; the LRR Energy Defendants deny that this is the only legitimate method of valuing such consideration. The LRR Energy Individual Defendants admit that the market price of Vanguard units is publicly available information and that Vanguard's units have declined at certain points in time. The LRR Energy Individual Defendants deny the remainder of the allegations in paragraph 8.

9. The LRR Energy Individual Defendants deny the factual allegations set forth in paragraph 9, although no response is required to the legal assertions in that paragraph.

**II.**  
**JURISDICTION AND VENUE**

10. The LRR Energy Individual Defendants admit the allegations in paragraph 10.

11. The LRR Energy Individual Defendants admit the allegations in paragraph 11.

12. The LRR Energy Individual Defendants admit that venue is proper in this District, but do not admit that Plaintiff's specific allegations would support a finding that venue is proper.

**II.**  
**THE PARTIES**

13. The LRR Energy Individual Defendants lack sufficient knowledge or information to form a belief about the truth of the allegations in paragraph 13.

14. The LRR Energy Individual Defendants admit the allegations in paragraph 14.

15. The LRR Energy Individual Defendants admit the allegations in paragraph 15.

16. The LRR Energy Individual Defendants admit the allegations in paragraph 16.

17. The LRR Energy Individual Defendants admit the allegations in paragraph 17.

18. The LRR Energy Individual Defendants admit the allegations in paragraph 18.

19. The LRR Energy Individual Defendants admit the allegations in paragraph 19.

20. The LRR Energy Individual Defendants admit the allegations in paragraph 20.

21. The LRR Energy Individual Defendants admit the allegations in the first sentence of paragraph 21. The LRR Energy Individual Defendants admit that Vanguard issued the Registration Statement and Proxy, but deny that they were false or misleading.

22. The LRR Energy Individual Defendants admit the allegations in the first sentence of paragraph 22. The LRR Energy Individual Defendants admit that Scott W. Smith signed the Registration Statement, which speaks for itself. The LRR Energy Individual Defendants specifically deny that the Registration Statement is “false and misleading” as alleged in the second sentence of paragraph 22.

23. The LRR Energy Individual Defendants admit the allegations in the first sentence of paragraph 23. The LRR Energy Individual Defendants admit that Richard A. Robert signed the Registration Statement, which speaks for itself. The LRR Energy Individual Defendants specifically deny that the Registration Statement is “false and misleading” as alleged in the second sentence of paragraph 23.

24. The LRR Energy Individual Defendants admit the allegations in the first sentence of paragraph 24. The LRR Energy Individual Defendants admit that W. Richard Anderson signed the Registration Statement, which speaks for itself. The LRR Energy Individual Defendants

specifically deny that the Registration Statement is “false and misleading” as alleged in the second sentence of paragraph 24.

25. The LRR Energy Individual Defendants admit the allegations in the first sentence of paragraph 25. The LRR Energy Individual Defendants admit that Bruce W. McCullough signed the Registration Statement, which speaks for itself. The LRR Energy Individual Defendants specifically deny that the Registration Statement is “false and misleading” as alleged in the second sentence of paragraph 25.

26. The LRR Energy Individual Defendants admit the allegations in the first sentence of paragraph 26. The LRR Energy Individual Defendants admit that Loren Singletary signed the Registration Statement, which speaks for itself. The LRR Energy Individual Defendants specifically deny that the Registration Statement is “false and misleading” as alleged in the second sentence of paragraph 26.

27. The LRR Energy Individual Defendants admit that the defendants named in paragraphs 14 through 20 are collectively referred to in the Complaint as the “LRR Energy Defendants.”

28. The LRR Energy Individual Defendants admit that the defendants named in paragraphs 21 through 26 are collectively referred to in the Complaint as the “Vanguard Defendants.”

29. The LRR Energy Individual Defendants admit that the defendants named in paragraphs 15 through 20 are collectively referred to in the Complaint as the “LRR Energy Individual Defendants.”

30. The LRR Energy Individual Defendants admit that the defendants named in paragraphs 22 through 26 are collectively referred to in the Complaint as the “Vanguard Individual Defendants.”

**III.**  
**CLASS ACTION ALLEGATIONS**

31. The LRR Energy Individual Defendants admit Plaintiff has brought this action as a class action pursuant to Rule 23 of the Federal Rules of Civil Procedure; the LRR Energy Individual Defendants lack sufficient knowledge or information to form a belief about the truth of the allegation that Plaintiff brings this action on behalf of himself and all other public unitholders of LRR Energy. The LRR Energy Individual Defendants deny that any public unitholders have been harmed by Defendants’ conduct. The LRR Energy Individual Defendants admit that Plaintiff intends to exclude Defendants and any individual or entity affiliated with any Defendant from the putative class. The LRR Energy Individual Defendants deny the remainder of the allegations in paragraph 31.

32. Paragraph 32 contains a legal assertion to which no response is required. To the extent any answer may be required, the LRR Energy Individual Defendants deny paragraph 32.

33. The LRR Energy Individual Defendants lack sufficient knowledge or information to form a belief about the truth of the allegation in the first sentence of paragraph 33 and therefore deny it. The LRR Energy Individual Defendants admit the allegation in the second sentence of paragraph 33.

34. Paragraph 34 contains legal assertions to which no response is required. To the extent any answer may be required, the LRR Energy Individual Defendants lack sufficient knowledge or information to form a belief about the truth of the allegations in paragraph 34 and therefore deny them.

35. The LRR Energy Individual Defendants lack sufficient knowledge or information to form a belief about the truth of the allegations in paragraph 35 and therefore deny them.

36. The LRR Energy Individual Defendants lack sufficient knowledge or information to form a belief about the truth of the allegations in paragraph 36 and therefore deny them.

37. Paragraph 37 contains legal assertions to which no response is required. To the extent any answer may be required, the LRR Energy Individual Defendants lack sufficient knowledge or information to form a belief about the truth of the allegations in paragraph 37 and therefore deny them.

38. The LRR Energy Individual Defendants lack sufficient knowledge or information to form a belief about the truth of the allegations in paragraph 38 and therefore deny them.

39. The LRR Energy Individual Defendants deny the allegations in paragraph 39.

**IV.**  
**BACKGROUND TO THE MERGER**

40. The LRR Energy Individual Defendants admit the allegations in paragraph 40.

41. The LRR Energy Individual Defendants admit the allegations in paragraph 41.

42. The LRR Energy Individual Defendants admit that the allegations in paragraph 42 reference an LRR Energy press release, dated April 30, 2015, which speaks for itself. To the extent the allegations represent an accurate citation and quotation of that document or some other contemporaneous LRR Energy–authored announcement, the LRR Energy Individual Defendants admit them. The LRR Energy Individual Defendants deny the allegations of paragraph 42 to the extent they are inconsistent with, or not contained in, that press release or some other contemporaneous LRR Energy–authored announcement. The LRR Energy Individual Defendants deny the remainder of the allegations in paragraph 42.



43. The LRR Energy Individual Defendants admit that the factual allegations in paragraph 43 reference the documents cited in footnotes 5 and 6 of the Complaint. To the extent the allegations represent an accurate citation and quotation of those documents, the LRR Energy Individual Defendants admit them. The LRR Energy Individual Defendants deny the allegations of paragraph 44 to the extent they are inconsistent with, or not contained in, those documents. Plaintiff's characterizations of those factual allegations and speculations require no response.

44. The LRR Energy Individual Defendants admit that the factual allegations in paragraph 44 reference an LRR Energy earnings call for the third quarter of fiscal year 2014. To the extent the allegations represent an accurate citation and quotation of that earnings call, the LRR Energy Individual Defendants admit them. The LRR Energy Individual Defendants deny the allegations of paragraph 44 to the extent they are inconsistent with, or not contained in, that earnings call. Plaintiff's characterizations of those factual allegations require no response.

45. The LRR Energy Individual Defendants admit that the factual allegations in paragraph 45 reference remarks made by Mullins and Jaime R. Casas ("Casas"), a former employee of LRE GP, at the National Association of Publicly Traded Partnerships MLP Investor Conference. To the extent the allegations represent an accurate citation and quotation of those remarks, the LRR Energy Individual Defendants admit them. The LRR Energy Individual Defendants deny the allegations of paragraph 45 to the extent they are inconsistent with, or not contained in, those remarks. Plaintiff's characterizations of those factual allegations require no response.

46. The LRR Energy Individual Defendants admit that the factual allegations in paragraph 46 reference remarks made by Casas at an Independent Petroleum Association of America conference in San Francisco, California. To the extent the allegations represent an

accurate citation and quotation of those remarks, the LRR Energy Individual Defendants admit them. The LRR Energy Individual Defendants deny the allegations of paragraph 46 to the extent they are inconsistent with, or not contained in, those remarks. Plaintiff's characterizations of those factual allegations require no response.

47. The LRR Energy Individual Defendants admit that the factual allegations in paragraph 47 reference an April 20, 2015 LRR Energy press release. To the extent the allegations represent an accurate citation and quotation of that document, the LRR Energy Individual Defendants admit them. The LRR Energy Individual Defendants deny the allegations of paragraph 46 to the extent they are inconsistent with, or not contained in, that document. Plaintiff's characterizations of those factual allegations require no response.

**V.**

**THE REGISTRATION STATEMENT AND PROXY**

48. The LRR Energy Individual Defendants deny the allegations in paragraph 48.

49. The LRR Energy Individual Defendants admit the allegations in paragraph 49.

50. The LRR Energy Individual Defendants admit the allegations in paragraph 50.

51. The LRR Energy Individual Defendants admit that the allegations in paragraph 51 reference the documents cited in footnote 7 of the Complaint, which speak for themselves.

52. The LRR Energy Individual Defendants admit that the allegations in paragraph 52 reference the Registration Statement and the Proxy, which speak for themselves. The LRR Energy Individual Defendants admit Plaintiff selectively characterizes and cites to those documents, and the LRR Energy Individual Defendants respectfully refer the Court to these documents for a full and accurate recitation of their contents. The LRR Energy Individual Defendants deny the remainder of the allegations in paragraph 52.

53. The LRR Energy Individual Defendants deny the allegations in paragraph 53.

54. The LRR Energy Individual Defendants deny the allegations in the first sentence of paragraph 54. The LRR Energy Individual Defendants admit that the allegations in paragraph 54 reference the Registration Statement, the Proxy, Vanguard's Third Amended and Restated Credit Agreement, and Vanguard's May 4, 2015 Form 10-Q, which speak for themselves. The LRR Energy Individual Defendants admit Plaintiff selectively characterizes and cites to those documents, and the LRR Energy Individual Defendants respectfully refer the Court to these documents for a full and accurate recitation of their contents. The LRR Energy Individual Defendants deny the remainder of the allegations in paragraph 54.

55. No response is required to the legal assertions in the first and second sentences of paragraph 55. Nonetheless, to the extent that any answer may be required, the LRR Energy Individual Defendants deny the first and second sentences of paragraph 55. The LRR Energy Individual Defendants admit that the allegations in the third sentence of paragraph 55 reference the Registration Statement and the Proxy, which speak for themselves. The LRR Energy Individual Defendants admit Plaintiff selectively characterizes and cites to those documents, and the LRR Energy Individual Defendants respectfully refer the Court to these documents for a full and accurate recitation of their contents. The LRR Energy Individual Defendants admit that the allegations in the fourth sentence of paragraph 55 reference a Vanguard limited liability company agreement, which speaks for itself.

56. The LRR Energy Individual Defendants admit that the allegations in paragraph 56 reference the Registration Statement and the Proxy, which speak for themselves. The LRR Energy Individual Defendants admit Plaintiff selectively characterizes and cites to those documents, and the LRR Energy Individual Defendants respectfully refer the Court to these documents for a full

and accurate recitation of their contents. The LRR Energy Individual Defendants deny the remainder of the allegations in paragraph 56.

57. The LRR Energy Individual Defendants admit that the Registration Statement and Proxy contained recommendations that LRR Energy unitholders vote in favor of the proposed merger, but the LRR Energy Individual Defendants deny the remainder of the first sentence of paragraph 57. The LRR Energy Individual Defendants deny the second sentence of paragraph 57.

58. The LRR Energy Individual Defendants deny the allegations in paragraph 58.

59. The LRR Energy Individual Defendants deny the allegations in paragraph 59.

60. The LRR Energy Individual Defendants admit that on December 18, 2015, Vanguard announced a reduction to its common unitholder distribution level, although no response is required to Plaintiff's characterization of that announcement. The LRR Energy Individual Defendants further admit that on December 18, 2015, Vanguard issued the press release quoted, albeit with emphasis added by Plaintiff, in the second sentence of paragraph 60. The LRR Energy Individual Defendants deny the remainder of the allegations in paragraph 60.

61. The LRR Energy Individual Defendants admit that in the December 18, 2015 press release, Vanguard explained that its reduction to its common unitholder distribution levels was related to market conditions that affected its decision at that time to prioritize paying down debt, although no response is required to Plaintiff's characterization of Vanguard's explanation, which is quoted in paragraph 61 and speaks for itself. The LRR Energy Individual Defendants deny the remainder of the allegations in paragraph 61.

62. The LRR Energy Individual Defendants admit that Plaintiff's allegations in paragraph 62 reference a March 4, 2016 Vanguard press release and a May 19, 2016 Vanguard Form 8-K, each of which speak for themselves. The LRR Energy Individual Defendants admit

that Plaintiff selectively characterizes and cites to these documents. The LRR Energy Individual Defendants respectfully refer the Court to those documents for a full and accurate recitation of their contents. The LRR Energy Individual Defendants deny all other allegations in Paragraph 62.

63. The LRR Energy Individual Defendants deny the allegations in paragraph 63.

64. The LRR Energy Individual Defendants deny the allegations in paragraph 64, except that the LRR Energy Individual Defendants admit Plaintiff accurately quotes from third-party sources, albeit selectively and with his own emphasis added.

65. The LRR Energy Individual Defendants deny the allegations in paragraph 65, except that the LRR Energy Individual Defendants admit Plaintiff accurately quotes a third-party source, albeit selectively and with his own emphasis added.

66. The LRR Energy Individual Defendants deny the allegations in paragraph 66, except that the LRR Energy Individual Defendants admit that certain of those allegations reference the Proxy, which speaks for itself. To the extent the allegations represent an accurate citation and quotation of that document, the LRR Energy Individual Defendants admit them. The LRR Energy Individual Defendants deny the allegations of paragraph 46 to the extent they are inconsistent with, or not contained in, that document.

67. The LRR Energy Individual Defendants deny the allegations in paragraph 67.

**VI.**  
**CAUSES OF ACTION**

**COUNT I**

**Against the Vanguard Defendants for Violation of Section 11 of the 1933 Act**

68. The LRR Energy Individual Defendants repeat and re-allege their responses in response to Plaintiff's previous allegations as though fully set forth herein.

69. Paragraph 69 consists of legal conclusions and allegations asserted against the Vanguard Defendants to which no response from the LRR Energy Individual Defendants is required.

70. Paragraph 70 consists of legal conclusions and allegations asserted against the Vanguard Defendants to which no response from the LRR Energy Individual Defendants is required.

71. Paragraph 71 consists of legal conclusions and allegations asserted against the Vanguard Defendants to which no response from the LRR Energy Individual Defendants is required.

72. Paragraph 72 consists of legal conclusions and allegations asserted against the Vanguard Defendants to which no response from the LRR Energy Individual Defendants is required.

73. Paragraph 73 consists of legal conclusions and allegations asserted against the Vanguard Defendants to which no response from the LRR Energy Individual Defendants is required.

74. Paragraph 74 consists of legal conclusions and allegations asserted against the Vanguard Defendants to which no response from the LRR Energy Individual Defendants is required.

75. Paragraph 75 consists of legal conclusions and allegations asserted against the Vanguard Defendants to which no response from the LRR Energy Individual Defendants is required.

76. Paragraph 76 consists of legal conclusions and allegations asserted against the Vanguard Defendants to which no response from the LRR Energy Individual Defendants is required.

## COUNT II

### **Against the Vanguard Defendants for Violations of Section 15 of the 1933 Act**

77. The LRR Energy Individual Defendants repeat and re-allege their responses set forth in response to Plaintiff's previous allegations as though fully set forth herein.

78. Paragraph 78 consists of legal conclusions and allegations asserted against the Vanguard Defendants to which no response from the LRR Energy Individual Defendants is required.

79. Paragraph 79 consists of legal conclusions and allegations asserted against the Vanguard Defendants to which no response from the LRR Energy Individual Defendants is required.

80. Paragraph 80 consists of legal conclusions and allegations asserted against the Vanguard Defendants to which no response from the LRR Energy Individual Defendants is required.

## COUNT III

### **Against All Defendants for Violation of Section 14(a) of the Exchange Act and Rule 14a9 Promulgated Thereunder**

81. The LRR Energy Individual Defendants repeat and re-allege their responses set forth in response to Plaintiff's previous allegations as though fully set forth herein.

82. The LRR Energy Individual Defendants admit that the LRR Energy Individual Defendants prepared, reviewed, and/or disseminated the Proxy, as described therein. The

remainder of paragraph 82 consists of legal assertions and conclusions to which no response is required.

83. Paragraph 83 consists of legal assertions and conclusions to which no response is required; to the extent any answer may be required, the LRR Energy Individual Defendants deny the statements, conclusions, and allegations (if any) in paragraph 83.

84. Paragraph 84 consists of legal assertions and conclusions to which no response is required; to the extent any answer may be required, the LRR Energy Individual Defendants deny the statements, conclusions, and allegations (if any) in paragraph 84.

85. Paragraph 85 consists of legal assertions and conclusions to which no response is required; to the extent any answer may be required, the LRR Energy Individual Defendants deny the statements, conclusions, and allegations (if any) in paragraph 85.

#### **COUNT IV**

##### **Against the LRR Energy and Vanguard Individual Defendants for Violation of Section 20(a) of the Exchange Act**

86. The LRR Energy Individual Defendants repeat and re-allege their responses set forth in responses to Plaintiff's previous allegations as though fully set forth herein.

87. Paragraph 87 consists of legal assertions and conclusions to which no response is required; to the extent any answer may be required, the LRR Energy Individual Defendants deny the statements, conclusions, and allegations (if any) in paragraph 87.

88. Paragraph 88 consists of legal assertions and conclusions to which no response is required; to the extent any answer may be required, the LRR Energy Individual Defendants deny the statements, conclusions, and allegations (if any) in paragraph 88.



89. Paragraph 89 consists of legal assertions and conclusions to which no response is required; to the extent any answer may be required, the LRR Energy Individual Defendants deny the statements, conclusions, and allegations (if any) in paragraph 89.

90. Paragraph 90 consists of legal assertions and conclusions to which no response is required; to the extent any answer may be required, the LRR Energy Individual Defendants deny the statements, conclusions, and allegations (if any) in paragraph 90.

**PRAYER FOR RELIEF**

The LRR Energy Individual Defendants admit Plaintiff prays for the relief requested in his Prayer for Relief, but denies that Plaintiff is entitled to any such relief.

**DEFENSES**

The LRR Energy Individual Defendants assert the following defenses without assuming the burden of proof or any other burden if such burden would otherwise be on Plaintiff:

**FIRST DEFENSE**  
**FAILURE TO STATE A CLAIM**

The Complaint fails to state any claim against the LRR Energy Individual Defendants upon which relief may be granted.

**SECOND DEFENSE**  
**LACK OF CAUSATION**

Plaintiff's claims and putative class members' claims against the LRR Energy Individual Defendants are barred because the LRR Energy Individual Defendants did not directly or proximately cause or contribute to any damage, loss, or injury sustained by Plaintiff or putative class members.

**THIRD DEFENSE**  
**LACK OF LOSS CAUSATION**

Plaintiff's claims and putative class members' claims against the LRR Energy Individual Defendants are barred because any damage, loss, or injury sustained by Plaintiff and putative class members was proximately caused by or contributed to, in whole or in part, by market conditions and/or the conduct of others, including other defendants and/or third parties, rather than any conduct of the LRR Energy Individual Defendants.

**FOURTH DEFENSE**  
**GOOD FAITH**

The LRR Energy Individual Defendants acted at all times in good faith and with justification and did not directly or indirectly induce or participate in any acts alleged to constitute a violation of law or cause of action.

**FIFTH DEFENSE**  
**DUE DILIGENCE (REASONABLE INVESTIGATION)**

The LRR Energy Individual Defendants had, after reasonable investigation, reasonable grounds to believe and did believe, at the time the Proxy became effective, that any and all portions of the Proxy for which the LRR Energy Individual Defendants are allegedly responsible were true and complete.

**SIXTH DEFENSE**  
**LACK OF STANDING**

To the extent that Plaintiff and putative class members did not own LRR Energy units as of the "record date" of August 28, 2015 and did not own those same units through the time of the merger on October 5, 2015, they lack standing to assert their claims against the LRR Energy Individual Defendants.

**SEVENTH DEFENSE**  
**REASONABLE INVESTIGATION OF EXPERTS**

With respect to those parts of the Proxy made upon the authority of an expert or purporting to be a copy of, a summary of, a characterization of, or an extract from a report or valuation or opinion of an expert or purporting to be made on the authority of a public official document or statement, the LRR Energy Individual Defendants had, after reasonable investigation, reasonable grounds to believe, and did believe, at the time that such parts of the Proxy became effective, that the statements therein were true and that there was no omission of a material fact required therein or necessary to make the statements therein not misleading.

**EIGHTH DEFENSE**  
**REASONABLE INVESTIGATION OF NON-EXPERTS**

With respect to those parts of the Proxy not purportedly made upon the authority of an expert and not purporting to be a copy of, a summary of, a characterization of, or an extract from a report or valuation or opinion of an expert or purporting to be made on the authority of a public official document or statement, the LRR Energy Individual Defendants had, after reasonable investigation, reasonable grounds to believe, and did believe, at the time that such parts of the Proxy became effective, that the statements therein were true and that there was no omission of a material fact required therein or necessary to make the statements therein not misleading.

**NINTH DEFENSE**  
**REASONABLE INVESTIGATION OF OTHER PUBLIC INFORMATION**

With respect to those parts of the Proxy purportedly made by an official third-party person or purporting to be a copy of, a summary of, a characterization of, or an extract from a public official third-party document, the LRR Energy Individual Defendants had, after reasonable investigation, reasonable grounds to believe, and did believe, at the time that such parts of the

Proxy became effective, that the statements therein were true and there was no omission of a material fact required therein or necessary to make the statements therein not misleading.

**TENTH DEFENSE**  
**CONTRIBUTION AND INDEMNIFICATION**

Under the principles of contribution and indemnity, persons or entities other than the LRR Energy Individual Defendants, including other defendants and/or other third parties, are wholly or partially responsible for the purported damages, if any, Plaintiff and putative class members may have sustained.

**ELEVENTH DEFENSE**  
**INTERVENING OR SUPERSEDING ACTS OF THIRD PARTIES OR OTHER DEFENDANTS**

Plaintiff's damages, if any, resulted from the acts or omissions of third parties and/or other defendants over whom the LRR Energy Individual Defendants had no control. The acts or omissions of such third parties and/or other defendants constitute intervening or superseding causes of harm, if any, suffered by Plaintiff and putative class members.

**TWELFTH DEFENSE**  
**ALLOCATION OF FAULT**

Any damage, loss, or liability suffered by Plaintiff and putative class members must be reduced, diminished, and/or barred altogether or in proportion to the wrongful or negligent conduct of persons or entities other than the LRR Energy Individual Defendants, including other defendants and/or other third parties, pursuant to federal law and/or under the principles of equitable allocation, recoupment, set-off, proportionate responsibility, contributory fault, and/or comparative fault.

**THIRTEENTH DEFENSE**  
**CLASS ACTION**

Plaintiff's claims and putative class members' claims against the LRR Energy Individual Defendants are barred because this action cannot be maintained as a class action pursuant to Rule 23 of the Federal Rules of Civil Procedure.

**FOURTEENTH DEFENSE**  
**INADEQUATE CLASS REPRESENTATIVE**

Plaintiff's claims and putative class members' claims against the LRR Energy Individual Defendants are barred to the extent that Plaintiff is not an adequate or appropriate class representative.

**FIFTEENTH DEFENSE**  
**STATUTE OF LIMITATIONS**

Plaintiff's claims and putative class members' claims against the LRR Energy Individual Defendants are barred, in whole or in part, by the applicable statutes of limitations.

**SIXTEENTH DEFENSE**  
**LACHES**

Plaintiff's claims and putative class members' claims against the Individual LRR Energy Individual Defendants are barred, in whole or in part, by the doctrine of laches.

**SEVENTEENTH DEFENSE**  
**PRIOR KNOWLEDGE**

If the allegations in the Complaint are true, which the LRR Energy Individual Defendants deny, at and around the time of the merger, Plaintiff and putative class members, like all others in the market, had actual or constructive knowledge of the alleged omissions and, therefore, the LRR Energy Individual Defendants are not subject to liability.

**EIGHTEENTH DEFENSE**  
**ASSUMPTION OF RISK**

Plaintiff's claims and putative class members' claims are barred, in whole or in part, because Plaintiff and putative class members had actual or constructive knowledge of and assumed the risks disclosed in public filings or statements, and any losses sustained were caused because those known and disclosed risks came to fruition.

**NINETEENTH DEFENSE**  
**FRAUD OF OTHERS**

If the allegations of the Complaint are true, which the LRR Energy Individual Defendants deny, the LRR Energy Individual Defendants were victims of fraud, deceit, misrepresentations, concealment, negligence and/or breach of contract practiced upon it by others, including other defendants and/or other third parties, in that information relating to the merger was not provided to the LRR Energy Individual Defendants and/or was knowingly concealed from the LRR Energy Individual Defendants at the time the Proxy was issued.

**TWENTIETH DEFENSE**  
**RELIANCE ON EXPERTS AND OTHER PROFESSIONALS**

In issuing the Proxy, the LRR Energy Individual Defendants were entitled to and did reasonably rely on the work, conclusions, and advice provided by experts, including agents of other defendants, other third parties, and/or other professionals.

**TWENTY-FIRST DEFENSE**  
**RELIANCE ON LEGAL AUTHORITIES**

Plaintiff's claims and putative class members' claims against the LRR Energy Individual Defendants fail because there was no false or misleading statement or omission, as the statements made by the LRR Energy Individual Defendants were consistent with the legal standards applicable at the time.

**TWENTY-SECOND DEFENSE**  
**OFFSET OF DAMAGES (TAX BENEFITS)**

Any recovery for damages allegedly incurred by Plaintiff and putative class members, if any, is subject to offset in the amount of any tax benefit actually received by Plaintiff and putative class members through their investments.

**TWENTY-THIRD DEFENSE**  
**OFFSET OF DAMAGES (VANGUARD BANKRUPTCY PROCEEDINGS)**

Any recovery for damages allegedly incurred by Plaintiff and putative class members, if any, is subject to offset with respect to any applicable benefits received by Plaintiff and putative class members in any of the jointly administered cases in the United States Bankruptcy Court for the Southern District of Texas under the case caption *In re Vanguard Natural Resources, LLC, et al.*, Case Number 17-30560.

**TWENTY-FOURTH DEFENSE**  
**LACK OF IMPACT ON APPROVAL OF MERGER**

Plaintiff's claims and putative class members' claims against the LRR Energy Individual Defendants are barred, in whole or in part, because the purported false or misleading statements or omissions alleged in the Complaint for which the LRR Energy Individual Defendants are allegedly responsible did not impact the decision by LRR Energy unitholders to approve the merger.

**TWENTY-FIFTH DEFENSE**  
**LACK OF MATERIALITY**

The LRR Energy Individual Defendants are not liable to Plaintiff because none of the statements or omissions for which the LRR Energy Individual Defendants are allegedly responsible contain any material misleading statements or omissions. Such alleged statements or omissions, including non-actionable expressions of opinion and puffery, were not material to the investment decisions of a reasonable investor in view of, inter alia, the total mix of available information.

**TWENTY-SIXTH DEFENSE**  
**LACK OF MATERIALITY (BESPEAKS CAUTION DOCTRINE)**

Some or all of the alleged false or misleading statements or omissions alleged in the Complaint are rendered non-actionable by the bespeaks caution doctrine because such alleged forward-looking statements or omissions were accompanied by substantive and tailored cautionary language, alerting the reasonable investor to consider those statements or omissions with healthy skepticism in the context of the total mix of information the document provided investors.

**TWENTY-SEVENTH DEFENSE**  
**ATTORNEYS' FEES NOT RECOVERABLE**

Plaintiff and putative class members are precluded from recovering attorneys' fees from the LRR Energy Individual Defendants under applicable provisions of law.

**TWENTY-EIGHTH DEFENSE**  
**SAFE HARBOR**

The claims alleged against the LRR Energy Individual Defendants are non-actionable to the extent that the alleged statements of material fact, omissions of material fact, misleading statements of material fact, and/or other challenged statements made by the LRR Energy Individual Defendants fall within the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995, contained in Section 27A of the Securities Act, as codified at 15 U.S.C. § 77z-2(c).

**TWENTY-NINTH DEFENSE**  
**FAILURE TO MITIGATE DAMAGES**

To the extent Plaintiff and putative class members have failed to comply with their duties to take reasonable action to mitigate any damages allegedly sustained as a result of the facts alleged in the Complaint, Plaintiff and putative class members are barred from recovering any damages that might reasonably have been avoided.



**THIRTIETH DEFENSE**  
**WAIVER, RES JUDICATA, AND RELEASE**

Plaintiff and putative class members, by acts, omissions, and/or other conduct, have waived, in whole or in part, the right to obtain the relief sought in the Complaint, and their claims are barred by res judicata and release.

**THIRTY-FIRST DEFENSE**  
**ADDITIONAL DEFENSES**

The LRR Energy Individual Defendants hereby adopt and incorporate by reference any and all other defenses asserted, or that may hereafter be asserted, by any other defendant to the extent such defense may be applicable to the LRR Energy Individual Defendants, including but not limited to absence of necessary or indispensable parties, claim preclusion, issue preclusion, Securities Litigation Uniform Standards Act preclusion, estoppel, election, accord and satisfaction, ratification, unclean hands, detrimental reliance, and any others listed under Rules 8(c) and 12(b) of the Federal Rules of Civil Procedure, as the facts would support and as justice and equity may require. The LRR Energy Individual Defendants also hereby give notice that they reserve all rights to amend this answer and to assert all such other and further defenses as may become available or apparent, as well as any cross-claims and third-party claims not asserted herein of which they may become aware through discovery or other investigation, as may be appropriate at a later time.

WHEREFORE, the LRR Energy Individual Defendants respectfully request that upon final hearing, all claims against them be dismissed, that the LRR Energy Individual Defendants be discharged with costs, and that the LRR Energy Individual Defendants be awarded such further relief as may be just and equitable.

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/s/ Travis S. Hunter

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