

for the Class in light of the substantial challenges that Class Representative would have faced in proving liability and establishing loss causation and damages in the Action, and the costs and delays of continued litigation.

Pursuant to the Court's Order preliminarily approving settlement and providing for notice filed July 27, 2018 [D.I. 191-192] ("Preliminary Approval Order"), the Claims Administrator, under the supervision of Class Counsel, conducted an extensive notice program, including mailing the Notice of Proposed Settlement of Class Action and Settlement Hearing ("Notice") (attached as Exhibit A-1 to the Preliminary Approval Order) and Proof of Claim and Release Form ("Proof of Claim") (attached as Exhibit A-2 to the Preliminary Approval Order) to approximately 15,962 potential Class Members and their nominees.²

In response to this notice program, as described herein, *not a single Class Member has objected to the Settlement, the Plan of Allocation, or the fees and expenses requested by Class Counsel.*³ In fact, two individuals who previously requested exclusion from the Class have since requested inclusion upon learning of the Settlement and have submitted a timely Proof of Claim form.⁴ To date, the Claims Administrator has received 2,198 Proof of Claim forms, representing

² Supplemental Affidavit of Brian Stone Regarding: (A) Further Notice Dissemination; (B) Report on Claims Received to Date; and (C) Administrative Expenses, ¶4 ("Supp. Stone Aff."), filed herewith; *see* Affidavit of Brian Stone Regarding: (A) Mailing of the Settlement Notice and Proof of Claim; (B) Publication of Summary Notice; and (C) Update to Website, ¶8 [D.I. 194] ("Stone Aff.").

³ Pursuant to the Preliminary Approval Order, all objections to the proposed Settlement were due to be filed with this Court no later than November 9, 2018. Preliminary Approval Order, ¶12. In addition, any opposition to the Settlement Motion was required to be filed with this Court no later than November 28, 2018. *Id.*, ¶8.

⁴ Robert and Jo Ann Winship previously requested exclusion from the Class. *See* Stipulation, Ex. A-4 [D.I. 174-1]. After the Settlement was announced, however, Robert and Jo Ann Winship submitted a Proof of Claim form to the Claims Administrator indicating their desire to participate in the recovery obtained in this Action as members of the Class. Class Representative respectfully requests that Robert and Jo Ann Winship be allowed to opt-in to the Class and participate in the Settlement notwithstanding their prior request for exclusion.

3.08 million Vanguard Natural Resources, LLC ("Vanguard") common units, or 29.62% of the approximately 10.4 million Vanguard common units distributed to the Class in connection with the close of the acquisition of LRR Energy, L.P. ("LRE").⁵ *See* Supp. Stone Aff., ¶¶5, 7.

As explained further below, the uniformly positive reaction of the Class further demonstrates that the Settlement, the proposed Plan of Allocation, and the request for attorneys' fees and reimbursement of expenses are fair and reasonable, and should be approved.

II. THE REACTION OF THE CLASS FULLY SUPPORTS APPROVAL OF THE SETTLEMENT, THE PLAN OF ALLOCATION, AND THE REQUESTED ATTORNEYS' FEES AND EXPENSES

Class Representative and Class Counsel respectfully submit that their opening papers demonstrate why approval of the Settlement Motion and Fee Motion is warranted. Now that the time for objections has passed, the lack of any opposition from members of the Class provides additional support for approval of the Settlement Motion and the Fee Motion.

Pursuant to the Court's Preliminary Approval Order, more than 15,962 copies of the Notice and Proof of Claim form have been mailed to potential Class Members. *See* Supp. Stone Aff., ¶4. The Notice informed Class Members of the terms of the Settlement and that Class Counsel would apply for an award of attorneys' fees in an amount not to exceed 30% of the Settlement Fund and seek the reimbursement of expenses. *See* Stone Aff., Ex. A at 3. The Notice further described the proposed Plan of Allocation, which provides for two forms of consideration, including: (i) an Initial Settlement Payment of \$5.00 to all Class Members releasing claims (even if they do not submit a Proof of Claim); and (ii) a second payment to all Class Members who submit a timely and valid Proof of Claim, which will consist of each Class

⁵ Although the deadline to submit Proof of Claim forms was November 26, 2018, Class Counsel has instructed the Claims Administrator to continue to process Proof of Claim forms received after the deadline.

Members' *pro rata* share of the Net Settlement Amount based on the number of LRE common units that were exchanged for Vanguard common units in connection with the close of the Acquisition. *Id.* at 9-10. The Notice also apprised Class Members of their right to object to the Settlement, the proposed Plan of Allocation, and/or the request for attorneys' fees and reimbursement of litigation expenses, as well as their right to attend the final approval hearing currently scheduled for December 14, 2018 before the Court.⁶ *Id.* at 8.

In addition, a copy of the Summary Notice of Proposed Settlement of Class Action and Settlement Hearing (attached as Exhibit A-3 to the Preliminary Approval Order) was published on August 13, 2018 in *Investor's Business Daily* and issued over *PR Newswire*. Stone Aff., ¶9. And, the Notice, Stipulation, Proof of Claim, and all other relevant documents were posted on a website dedicated to this Action and on Lead Class Counsel's website.⁷ *Id.*, ¶10.

As noted above, following this notice program, ***not a single Class Member*** objected to the Settlement, the proposed Plan of Allocation, the Service Award, or Class Counsel's application for fees and reimbursement of expenses. The absence of any objections from Class Members strongly supports a finding that the Settlement is fair, reasonable, and adequate. *See In re Nat'l Football League Players Concussion Injury Litig.*, 821 F.3d 410, 438 (3d Cir. 2016), *as amended* (May 2, 2016) (finding that the reaction of the class "weigh[ed] in favor of settlement approval" where "approximately 1% of class members objected"); *Rodriguez v. Infinite Care, Inc.*, No. CV 15-1824, 2016 WL 6804430, at *4 (E.D. Pa. Nov. 17, 2016) (the lack of any objections by class members was "persuasive evidence of the fairness and adequacy of the

⁶ The Notice also informed Class Members that the Class Representative intended to seek \$25,000 for his significant contribution to the Class in vigorously pursuing this Action since its inception in August of 2015 (the "Service Award"). Stone Aff., Ex. A at 7.

⁷ *See* <http://www.lrrenergysecuritieslitigation.com/>; <https://www.robbsinarroyo.com/lrr-energy-securities-litigation-settlement/>.

proposed settlement, and weighs in favor of a final approval"); *Schaub v. Chesapeake & Del. Brewing Holdings*, No. CV 16-756, 2016 WL 9776070, at *3 (E.D. Pa. Nov. 14, 2016) (holding "[t]he second [*Girsh*] factor supports settlement because the Class responded favorably to the settlement, as there are no objectors"); *Schwartz v. Urban Outfitters, Inc.*, No. CV 13-5978, 2016 WL 7626720, at *1 (E.D. Pa. Oct. 31, 2016) (granting final approval of securities class action settlement where no objections were filed); *In re Linerboard Antitrust Litig.*, 296 F. Supp. 2d 568, 578 (E.D. Pa. 2003) ("unanimous approval of the proposed settlement[] by the class members is entitled to nearly dispositive weight in this court's evaluation of the proposed settlement").⁸

Similarly, the fact that there were no objections to the proposed Plan of Allocation demonstrates strong support for the plan. *Maley v. Del Global Techs. Corp.*, 186 F. Supp. 2d 358, 367 (S.D.N.Y. 2002) (finding that "the favorable reaction of the Class supports approval of the proposed Plan of Allocation"); *Urban Outfitters*, 2016 WL 7626720, at *1 (finding that "[a]bsent no objections and considering administrative convenience and necessity for the benefit of the Class, the Plan of Allocation and formula for calculating claims of Authorized Claimants described in the Notice sent to the Class provides a fair, reasonable and adequate basis to allocate the Net Settlement Fund."); *see also Lucent*, 307 F. Supp. 2d at 649 ("The favorable reaction of

⁸ In addition, no institutional investors have objected to the Settlement. The absence of objections by these sophisticated investors, who had ample means and incentive to object to the Settlement if they deemed it unsatisfactory, is further evidence of its fairness. *See In re AT&T Corp. Sec. Litig.*, No. 00-CV-5364 (GEB), 2005 WL 6716404, at *4 (D.N.J. Apr. 25, 2005) (the reaction of the class "weigh[ed] heavily in favor of approval" where "no objections were filed by any institutional investors who had great financial incentive to object"); *see also In re Citigroup Inc. Sec. Litig.*, 965 F. Supp. 2d 369, 382 (S.D.N.Y. 2013) (the reaction of the class supported the settlement where "not a single objection was received from any of the institutional investors that hold the majority of Citigroup stock"); *In re AOL Time Warner, Inc. Sec. & "ERISA" Litig.*, No. MDL 1500, 2006 WL 903236, at *10 (S.D.N.Y. Apr. 6, 2006) (the lack of objections from institutional investors supported approval of settlement).

the Class supports approval of the proposed Plan of Allocation.... [N]o Class Member has objected to the Plan of Allocation."); *In re Veeco Instruments Inc. Sec. Litig.*, No. 05 MDL 01695 (CM), 2007 WL 4115809, at *14 (S.D.N.Y. Nov. 7, 2007) ("Not one class member has objected to the Plan of Allocation which was fully explained in the Notice of Settlement sent to all Class Members. This favorable reaction of the Class supports approval of the Plan of Allocation.").

Finally, the positive reaction of the Class should also be considered with respect to Class Counsel's Fee Motion. The absence of any objections to the requested fees and reimbursement of litigation expenses supports a finding that Class Counsel's fee and expense request is fair and reasonable. *See, e.g., In re AT&T Corp.*, 455 F.3d 160, 170 (3d Cir. 2006) ("the absence of substantial objections by class members to the fees requested by counsel strongly supports approval"); *W. Palm Beach Police Pension Fund v. DFC Glob. Corp.*, No. CV 13-6731, 2017 WL 4167440, at *8 (E.D. Pa. Sept. 20, 2017) ("The notice of the settlement was sent to thousands of potential Class members and was posted on a publicly available website. No objections have been raised. The lack of objections weighs in favor of this award of attorneys' fees."); *In re Datatec Sys., Inc. Sec. Litig.*, No. 04-CV-525 (GEB), 2007 WL 4225828, at *7 (D.N.J. Nov. 28, 2007) (concluding that the fact "[n]o objections have been made to the requested fees ... weighs strongly in favor of approval of the fee request"); *Stoner v. CBA Info. Servs.*, 352 F. Supp. 2d 549, 553 (E.D. Pa. 2005) (finding a "33% fee is reasonable and well within the norm" where "[t]here were no objections to Plaintiff's fee request"); *In re Aetna Inc. Sec. Litig.*, No. Civ. A. MDL 1219, 2001 WL 20928, at *15 (E.D. Pa. Jan. 4, 2001) ("[T]he Class members' view of the attorneys' performance, inferred from the lack of objections to the fee petition, supports the fee award.").

III. CONCLUSION

In sum, the lack of any objections strongly suggests that, as a whole, Class Members are satisfied with the Settlement and believe it is an appropriate resolution of the claims asserted in this Action. Accordingly, for the foregoing reasons and those set forth in the Settlement Motion [D.I. 196] and Fee Motion [D.I. 197], Class Representative and Class Counsel respectfully request that the Court approve the Settlement, the Plan of Allocation, the Service Award, and the request for attorneys' fees and reimbursement of litigation expenses.

Dated: December 7, 2018

Respectfully submitted,

COOCH AND TAYLOR, P.A.

/s/ Blake A. Bennett

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Lead Counsel for Plaintiff

CERTIFICATE OF SERVICE

I hereby certify that on December 7, 2018, I electronically filed the *Class Representative's Reply in Further Support of Motion for (1) Final Approval of Class Action Settlement and Plan of Allocation; and (2) an Award of Attorneys' Fees and Expenses and Class Representative's Service Award* with the Clerk of Court using CM/ECF which will send notification of such filing to those registered as CM/ECF participants.

/s/ Blake A. Bennett

Blake A. Bennett (#5133)

Attorneys for Class Representative

knowledge and information provided by other experienced GCG employees working under my supervision, and, if called as a witness, I could and would testify competently thereto.

2. This affidavit has been prepared and executed to supplement and update the Class Notice Affidavit [D.I. 147] and my prior affidavit for the above-captioned Action, which was filed on October 12, 2018 [D.I. 194] (“Settlement Mailing Affidavit”).

3. Pursuant to the Court's Settlement Order, GCG disseminated the Notice of Proposed Settlement of Class Action and Settlement Hearing (the “Settlement Notice”) and the Proof of Claim and Release (the “Proof of Claim” and, collectively with the Settlement Notice, the “Claim Packet”) to potential Class Members.

4. As of December 6, 2018, GCG mailed a total of 15,962 Claim Packets to potential Class Members and their nominees.

REPORT ON CLAIMS RECEIVED TO DATE

5. Consistent with the Settlement Order, Class Members who wish to participate in the Settlement were required to complete and submit a Proof of Claim by November 26, 2018. As of December 6, 2018, GCG has received a total of 2,198 Proof of Claim forms with approximately 1,663 submitted via mail, approximately 97 submitted electronically through the Settlement website created for this Action, and approximately 438 submitted electronically through GCG’s Electronic Filing Department.³

6. Although the submission deadline has expired, Lead Class Counsel has instructed GCG to continue to accept late-filed Proof of Claim forms.

the Second Addendum to the Stipulation of Settlement [D.I. 188] (collectively, the “Stipulation”), and the Settlement Mailing Affidavit.

³ These numbers are preliminary and subject to change as GCG is not able yet to provide finalized recovery amounts under the proposed Plan of Allocation because Proof of Claim forms are still being received and processed.

7. As of December 6, 2018, approximately 3.08 million Vanguard Natural Resources, Inc. units were reflected on the Proof of Claim forms received and processed to date. We expect this number to change as we continue to receive and process Proof of Claim forms.

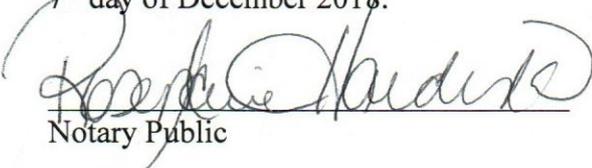
8. GCG received a Proof of Claim form from Robert and Jo Ann Winship, two individuals who previously requested exclusion from the Class. If authorized by the Court, GCG will process the Proof of Claim form submitted by Robert and Jo Ann Winship despite their prior request for exclusion.

9. Finally, GCG plans to distribute the Initial Settlement Payment of \$5.00 to all Class Members (even if they did not submit a Proof of Claim) as soon as the Court's Final Approval Order becomes Final. GCG expects the Proof of Claim verification process to take up to six (6) months and the second payment to verified claimants will be mailed out immediately following the conclusion of that process. GCG will update the Settlement website every forty-five days to reflect the status of the Proof of Claim verification process.



BRIAN STONE

Sworn to before me this
7th day of December 2018.



Notary Public

ROSE MARIE HARDINA
Notary Public State of New York
No. 01HA5067940
Qualified in Nassau County
Commission Expires January 7, 2019