



**Attn: Trading and Market Making/Legal and Compliance/Operations/Systems**  
**UNIFORM PRACTICE ADVISORY (UPC #37-17) 9/21/2017**  
**Vanguard Natural Resources LLC (VNRAQ, VNRSQ, VNGBQ, VNRCQ)**

Notice has been received that the above Debtors' Modified Second Amended Joint Plan of Reorganization became effective on 8/1/2017. Pursuant to the Plan, On the Effective Date, except to the extent that holders of VNR Preferred Units and holders of VNR Common Units agree to less favorable treatment of its VNR Preferred Units and Common Units, and subject to the terms of the Restructuring Transactions, all VNR Preferred Units and Common Units shall be cancelled and shall be of no further force and effect, whether surrendered for cancellation or otherwise, and in full and final satisfaction, settlement, release, and discharge of and in exchange for each VNR Preferred Unit and VNR Common Unit.

Each Holder of VNR Preferred Units shall receive: (i) if Class 6, Class 7, Class 8, Class 9 and Class 12 are each determined to have voted to accept the Plan in accordance with the Bankruptcy Code, such Holder's Pro Rata share of (A) the VNR Preferred Unit Equity Distribution and (B) VNR Preferred Unit New Warrants; or (ii) if Class 6, Class 7, Class 8, Class 9, or Class 12 is determined to have voted to reject the Plan in accordance with the Bankruptcy Code, no distribution; provided that each Holder of VNR Preferred Units shall be given the opportunity to elect to waive and decline any distribution on account of its VNR Preferred Units under the Plan, in which case the VNR Preferred Unit Equity Distribution and VNR Preferred Unit New Warrants that such Holder would have been entitled to receive shall be cancelled and of no further effect.

Summary details of these distributions as provided by the Plan are provided below for your convenience; however, please consult the Company's bankruptcy filings for thorough details.<sup>1</sup>

Security Description	New Common Stock per \$1000 PA	New Warrants per Share (Preferred Unitholders)
Perpetual Preferred Unit Series A 7.875%	0.00151363	0.04484264
Perpetual Preferred Unit Series B 7.625%	0.00151043	0.04474971
Perpetual Preferred Unit Series C 7.750%	0.00151209	0.04479605

Each Holder of VNR Common Units shall receive: (i) if Class 6, Class 7, Class 8, Class 9, and Class 12 are each determined to have voted to accept the Plan in accordance with the Bankruptcy Code, such Holder's Pro Rata share of the VNR Common Unit New Warrants; or (ii) if Class 6, Class 7, Class 8, Class 9, or Class 12, is determined to have voted to reject the Plan in accordance with the Bankruptcy Code, no distribution; provided that each Holder of VNR Common Units shall be given the opportunity to elect to waive and decline any distribution on account of its VNR Common Units under the Plan, in which case the VNR Common Unit New Warrants that such Holder would have been entitled to receive shall be cancelled and of no further effect.

<sup>1</sup> See e.g., *In re Vanguard Natural Resources, LLC, et al.*, No. 17-30560 (Debtors' Modified Second Amended Joint Plan of Reorganization).

Summary details of these distributions as provided by the Plan are provided below for your convenience; however, please consult the Company's bankruptcy filings for thorough details.<sup>1</sup>

<b>Security Description</b>	<b>New Warrants per Share (Common Unitholders)</b>
VNR Common Units	0.00489200

In addition, on the Effective Date, each holder of an Allowed Senior Notes Claim, which Claims are deemed Allowed in the aggregate principal amount of approximately (\$1,021,000,000), shall receive, in full and final satisfaction, compromise, settlement, release, and discharge of, in exchange for and on account of such Allowed Senior Notes Claims, its Pro Rata share of (i)(A) \$105,000,000 in Cash, (B) 50% of the New Equity Interests, (C) 50% of the Class A Litigation Trust Interests, and (D) 75% of the Class B Litigation Trust Interests and (ii) payment in full of the Noteholders' Professional Fees; and (iii) payment of the reasonable and documented fees and expenses of the Senior Notes Indenture Trustee.

Summary details of these distributions as provided by the Plan are provided below for your convenience; however, please consult the Company's bankruptcy filings for thorough details.<sup>1</sup>

<b>Security Description</b>	<b>CUSIP</b>	<b>New 2<sup>nd</sup> Lien Notes (144a) per \$1000 PA</b>	<b>New 2<sup>nd</sup> Lien Notes (RegS) per \$1000 PA</b>	<b>New Common Stock per \$1000 PA</b>
7.00% 2 <sup>nd</sup> Lien Notes (144a) due 2023	92205CAB9	1067.2777719		
7.00% 2 <sup>nd</sup> Lien Notes (RegS) due 2023	U92172AA0		1067.2777719	
7.875% Senior Notes due 2020	92205CAA1			1.56929262
8.375% Senior Notes due 2019	26985UAB3			1.55048905

Members are reminded of their obligations under FINRA Rule 2111 if they continue to engage in transactions in the above security after the effective date.

Members are advised that deliveries in settlement of contracts in the OLD securities, which were executed prior to the announcement that the securities had been deemed worthless, shall be evidenced by either a) the OLD security; or b) a Letter of Indemnity which shall grant the purchaser any rights and privileges which might accrue to the holders of the physical securities. Such deliveries shall operate to close-out the contract and shall be settled at the existing contract price pursuant to Uniform Practice Code Rule 11530.

Questions regarding this notice should be directed to: FINRA Operations- 1-866-776-0800.