

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Phantom Units	(1)	03/27/2008		A		1		12/31/2008	12/31/2008	Common Units	112,150 (1)	\$ 0	1	D	

Explanation of Responses:

1. The phantom unit is the economic equivalent of 1% of the Company's total outstanding units on January 1, 2008, which equals 112,500 units. These phantom units entitle the grantee to participate in the appreciation of the price of Vanguard Natural Resources, LLC units ("VNR units") to the extent that the December 31, 2008 VNR unit price exceeds 108% of the VNR unit price at January 1, 2008 (which was \$16.00). Distributions paid on the VNR units during 2008 are considered in reaching the 108% hurdle rate. Payments, if any, under these phantom units would be made in January 2009.

/s/ [Richard A. Robert](#) [03/31/2008](#)

** Signature of Reporting Person Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.