



December 16, 2015

## Breitburn Energy Partners Provides Interim Estimated Proved Reserves Update

LOS ANGELES--(BUSINESS WIRE)-- Breitburn Energy Partners LP (NASDAQ:BBEP) today released its interim estimated total proved reserves (Interim Reserves) and present value of estimated future net cash flows relating to such estimated reserves discounted using an annual rate of 10% (PV10), as of November 1, 2015, based on NYMEX future strip prices as of November 2, 2015.

The table below summarizes Breitburn's estimated Interim Reserves and PV10 as of November 1, 2015, based on NYMEX future strip prices as of November 2, 2015, and the estimated market-to-market value of its commodity hedges as of November 1, 2015.

	Interim Reserves (Boe) <sup>(1)</sup>	PV10 (\$MM) <sup>(1)</sup>	Estimated Value (\$MM) <sup>(2)</sup>
Proved Developed	194	\$1,460	
Proved Undeveloped	58	406	
Total Interim Reserves	252	\$1,866	
Commodity Hedge Portfolio	--	--	\$ 632
Total Including Commodity Hedges	252	--	\$2,498

(1) The Interim Reserves and PV10 have not been prepared by an independent engineering firm and are based on internal estimates. The Interim Reserves and PV10 have not been calculated pursuant to SEC rules and regulations, which require that they be estimated using the average price during the prior 12-month period, determined as an unweighted average of the first-day-of-the-month price for each month (without regard to Breitburn's commodity derivative positions and without assuming any change in Breitburn's development plans or costs, which has not been the case historically in periods of prolonged depressed commodity prices).

The Interim Reserves and PV10 are based on NYMEX future strip prices as of November 2, 2015 (approximately \$46.14 - \$58.79 per Bbl for WTI, approximately \$48.80 - \$64.02 per Bbl for Brent, and approximately \$2.26 - \$3.15 per MMBtu for Henry Hub through 2020 and then held flat thereafter). The use of these future prices is for illustration purposes only, does not necessarily indicate Breitburn's overall view on future commodity prices, and does not represent a forecast or estimate of Breitburn's estimated total proved reserves as of December 31, 2015, which will be reported as of that date in Breitburn's Form 10-K for 2015. See Part I—Item 1A "—Risk Factors" in Breitburn's Form 10-K for 2014 for a description of some of the risks and uncertainties associated with our business and reserves.

PV10 is a non-GAAP measure. Breitburn's calculation of PV10 differs from the standardized measure of discounted future net cash flows determined in accordance with SEC rules and regulations in that it is presented including the impact of updated estimated reserves and future strip prices rather than the average price during the prior 12-month period, determined as an unweighted average of the first-day-of-the-month price for each month. Information used to calculate PV10 is not derived directly from data determined in accordance with the provisions of applicable accounting standards. Breitburn's calculation of PV10 should not be considered as an alternative to the standardized measure of discounted future net cash flows required under SEC rules and regulations.

The following is a reconciliation of the standardized measure of discounted future net cash flows at December 31, 2014, to Breitburn's calculation of PV10 in this press release using interim estimated proved reserves and future strip prices (through 2020 and then held flat thereafter) as of November 2, 2015 (in millions):

Standardized measure of discounted future net cash flows at December 31, 2014**	\$4,504
Less difference due to updated estimated reserves at oil and natural gas strip prices, due principally to commodity prices, changes in estimated future production costs and future development costs, production, additions and sales of minerals in place	(2,638)
PV-10 (excluding commodity hedges) as of November 1, 2015	\$1,866

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\*\* Represents the present value of estimated future net revenue to be generated from the production of proved reserves, determined in accordance with SEC rules and regulations (using prices and costs in effect as of December 31, 2014), less future development, production and income tax expenses, and discounted at 10% per annum to reflect the timing of future net revenue, without giving effect to derivative transactions.

(2) Estimated value for commodity hedges reflects mark-to-market value as of November 1, 2015, based on November 2, 2015 NYMEX future strip prices (approximately \$46.14 - \$58.79 per Bbl for WTI, approximately \$48.80 - \$64.02 per Bbl for Brent, and approximately \$2.26 - \$3.15 per MMBtu for Henry Hub through 2020).

Breitburn is disclosing the information in this press release pursuant to its obligations under separate confidentiality agreements with certain holders of its unsecured notes (Noteholders). While Breitburn has been in discussions with the Noteholders concerning a potential privately negotiated debt restructuring transaction, there can be no assurance that such a transaction will be completed.

The information disclosed herein does not constitute an offer to buy, or a solicitation of an offer to buy notes or any other Breitburn security.

### **About Breitburn Energy Partners LP**

Breitburn Energy Partners LP is a publicly traded, independent oil and gas master limited partnership focused on the acquisition, development, and production of oil and gas properties throughout the United States. Breitburn's producing and non-producing crude oil and natural gas reserves are located in the following seven producing areas: Ark-La-Tex, Michigan/Indiana/Kentucky, the Permian Basin, Mid-Continent, the Rockies, Florida, and California. See [www.breitburn.com](http://www.breitburn.com) for more information.

### **Cautionary Statement Regarding Forward-Looking Information**

This press release contains forward-looking statements. All statements, other than statements of historical facts, included in this press release that address activities, events or developments that Breitburn expects, believes or anticipates will or may occur in the future are forward-looking statements. These statements are based on certain assumptions made by Breitburn based on management's experience and perception of historical trends, current conditions, anticipated future developments and other factors believed to be appropriate. Such statements are not guarantees of future performance and are subject to certain risks, uncertainties and other factors, some of which are beyond our control and are difficult to predict, including those which are set forth under the heading "Risk Factors" in our Annual Report on Form 10-K filed with the Securities and Exchange Commission, and if applicable, our Quarterly Reports on Form 10-Q and our Current Reports on Form 8-K.

Reserve engineering is a complex and subjective process of estimating underground accumulations of oil and natural gas that cannot be measured in an exact way, and the accuracy of any reserve estimate is a function of the quality of available data and of engineering and geological interpretation and judgment. As a result, estimates prepared by one engineer may vary from those prepared by another. Estimates of proved reserves for our oil and gas properties as of December 31, 2015 will be prepared by independent petroleum engineering firms in accordance with SEC rules and regulations governing the preparation of estimated proved reserves using the unweighted average of the first-day-of-the-month price for each month in the 12-month period ending December 31, 2015, and other information available at that time. Upon completion of their review, the estimate of the proved reserves for our oil and gas properties as of December 31, 2015 may be materially different from our management's estimates of the proved reserves for our oil and gas properties as of November 1, 2015 shown in the table above.

### **Potential Tax Liabilities**

Potential debt exchanges, repurchases or cancellations and/or asset sales could result in a tax liability for Breitburn's unitholders. The effect to each unitholder would depend on the unitholder's individual tax position with respect to any units that it is holding. If available, prior year passive losses from a unitholder's interest in Breitburn may serve to reduce or eliminate such unitholder's current and future year taxable income and related income tax liability.

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