



Sub: U.S Trustee's Decision to decline Equity Committee Formation  
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07/02/2016 08:45 AM  
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GANESAN JAYARAMAN

To

**Honorable Stuart M.Bernstein**

United States Bankruptcy Judge

United States Bankruptcy Court for the Southern District of New York

Attn: Chambers of Hon.Judge Stuart M.Bernstein

One Bowling Green

New York, NY 10004-1408

**Hon'be Judge Staurt M.Bernstein:**

Re: **Breitburn Energy Partners LP, et al.,**

CH.11 Case No. **16-11390**

Sub: **Request for an Equity committee formation**

Respected Sir:

We are preferred shareholders of Breitburn Energy Partners LP and had earlier requested the U.S.Trustee's office towards the formation of the Equity Committee.

For reasons unknown to us shareholders, the US Trustee's office declined our request despite the equity shareholders suffered enormous losses to the tune of \$5 BLN (U.S.\$ Five Billion) and during the recent SEC Financial filing the company has shown a net positive equity of 1.3 BLN (U.S.\$1.3 BLN). This is despite the Company's write off of over 2.5 BLN owing to decline in Oil and Natural Gas prices to \$25 per BBL and \$1.75 NG prices. Since December 31, 2015 filing the Oil prices have recovered close to 100% (\$50 per BBL) and Natural Gas prices have closed to \$3 which is a gain of close to 75% in value.

Despite having Bank revolver and Bond Debts, the company primarily funded its operations by way of Equity issuance over the course of its existence close to \$5 BLN and purchased assets in staggered manner during its existence. As you may aware the company raised only a total of \$ 3 BLN by way of Bank Revolver and Bond Debt during this time.

Below table lists the Company's issuance of Equity securities over the course of 10 years and the purpose for which the equity is issued.

**BREITBURN  
COMMON  
UNIT - SALES**

<u>DATE</u>	<u>Purpose</u>	<u>Common Units Sold</u>	<u>Price per unit</u>	<u>Total issue value (MLN\$)</u>
3-Oct-06	INITIAL PUBLIC OFFER (IPO)	6900000	18.50	127.65
17-May-07	VULCAN RES. ACQUISITION	4062500	32.00	130
25-May-07	LOS.ANG BASIN ACQUISITION	2967744	31.00	92
12-Sep-07	QUICK SILVER RESOURCES ACQUISITION	21348000	27.00	576.396
12-Sep-07	QUICK SILVER RESOURCES ACQUISITION	16666667	27.00	450
8-Feb-11	PUBLIC ISSUE	5000000	21.25	100
2-Feb-12	PUBLIC ISSUE	9200000	18.80	165.9
2-Sep-12	PUBLIC ISSUE	11500000	18.51	204.2
7-Feb-13	PUBLIC ISSUE	14950000	19.86	285.4
18-Nov-13	PUBLIC ISSUE	18947500	18.22	333.2
14-Jul-14	QR ENERGY ACQUISITION	72000000	22.81	1642.32
7-Oct-14	PUBLIC ISSUE	16100000	18.64	289.4
27-Oct-14	ACQUISITION-BOLT ON PERMIAN PROPERTIES	4300000	18.64	80.152
		<b>203942411</b>		<b>4396.466</b>
14-May-14	PUBLIC ISSUE - SER. A PREFERRED	8000000	25.00	193.3
8-Apr-15	EIG -ISSUE PRIVATE PLACEMENT 'B'			350
				<b>543.3</b>
	<b><u>TOTAL EQUITY RAISED</u></b>			<b><u>4939.766</u></b>

The Preferred series 'A' was issued to the Public during 14 May 2014 and in 2014 the company issued close to \$2 BLN worth of Common shares in the price range of \$18.64 - \$22.81.

**With the rise in Oil prices we feel the Company's asset base has risen substantially close to \$7-7.5 BLN, leaving a 4 - 4.5 Bln \$ to the Common and Preferred Equity security holders.**

With the recent sale of Common Units by the Management we are doubtful, whether the Management's actions and interests are consistently aligned to support the Equity Security holders interest. We ordinary individual shareholders suspect there is a 'K' Mart style of operation is being orchestrated by the mighty, powerful Bond debt holders to take over the entire estate and deceive the equity shareholders of their rights.

**Under these circumstances it is incumbent upon the Court to do the rightful thing to affirm, uphold and support the rights small minority shareholders interest by way of directing the U.S.Trustee's office in appointing an equity committee with necessary powers, so that those small investors interests who invested close to \$5 BLN of their hard earned money are not chipped away by some Wall Street mighty hedge funds who can afford million \$ Law firms to wipe out the minority shareholders interests.**

Thanking you,

Sincerely,

**Ganesan Jayaraman**