

McGraw Kyle A
Form 4
March 15, 2010

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
McGraw Kyle A

(Last) (First) (Middle)
303 W. WALL STREET, SUITE 1400
(Street)

MIDLAND, TX 79701

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

LEGACY RESERVES LP [LGCY]

3. Date of Earliest Transaction (Month/Day/Year)

03/11/2010

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)

EVP of Bus Dev and Land

6. Individual or Joint/Group Filing(Check Applicable Line)

Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V	Amount	(D)	Price
Units representing limited partner interests	03/11/2010		M		20,000	A	\$ 17
Units representing limited partner interests	03/11/2010		D ⁽¹⁾		20,000	D	\$ 22.99
Units representing					1,020,060	I	See footnotes

limited
partner
interests

(2) (3) (4) (5)
(6) (7)

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

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(9-02)

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. Put or Call (Instr. 3)	9. Conversion or Exercise Price of Underlying Security (Instr. 3)	10. Amount or Number of Shares
Unit Options (right to buy)	\$ 17	03/11/2010		M	20,000	03/15/2009 07/17/2011	Units			20,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
McGraw Kyle A 303 W. WALL STREET, SUITE 1400 MIDLAND, TX 79701	X		EVP of Bus Dev and Land	

Signatures

/s/ Kyle A.
McGraw

03/15/2010

**Signature of Reporting Person

Date

Explanation of Responses:

- * 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).
- (1) On March 11, 2010, the reporting person exercised 20,000 vested unit options at an exercise price of \$17.00 per unit, and in connection with such exercise, to cover the exercise price and tax withholdings, agreed to transfer the units to be received upon such exercise to the

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Issuer in exchange for a payment by the Issuer of \$22.99 per unit, the closing price of the Issuer's units on the NASDAQ Global Select Market on such date.

- The reporting person disclaims beneficial ownership of these securities except to the extent of his pecuniary interest therein, and the
- (2) inclusion of these units in this report shall not be deemed an admission of beneficial ownership of all of the reported units for purposes of Section 16 or for any other purpose.
 - (3) Includes 374,386 units owned by Kyle A. McGraw Family Holdings, Ltd., an entity partially owned by Mr. McGraw.
Mr. McGraw currently has a pecuniary interest in 645,674 units through his indirect interest in Brothers Production Properties, Ltd. ("Brothers Properties"), Brothers Production Company, Inc. ("Brothers Production") and Brothers Operating Company, Inc. ("Brothers Operating").
 - (5) Brothers Properties directly owns 2,356,199 units.
 - (6) Brothers Production directly owns 190,521 units.
 - (7) Brothers Operating directly owns 35,976 units.

Remarks:

Director and Executive Vice President of Business Development and Land of Legacy Reserves GP, LLC, the general partner of

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

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