
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

**Date of Report: December 15, 2011
Date of Earliest Event Reported: December 13, 2011**

Constellation Energy Partners LLC

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-33147
(Commission
File Number)

11-3742489
(IRS Employer
Identification No.)

1801 Main Street, Suite 1300 Houston, TX
(Address of principal executive offices)

77002
(Zip Code)

Registrant's telephone number, including area code: (832) 308-3700

Not applicable

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 7.01 Regulation FD Disclosure.

On December 15, 2011, Constellation Energy Partners LLC (the “Company”) issued a news release announcing that it had closed the previously announced purchase of the net profits interest (“NPI”) held by Torch Energy Royalty Trust (“Trust”) for \$1.0 million.

A copy of the news release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

In accordance with General Instruction B.2 of Form 8-K, the information contained in this report shall not be deemed “filed” for the purpose of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall such information and Exhibit be deemed incorporated by reference into any filing under the Securities Act of 1933 or the Securities Exchange Act of 1934, each as amended, except as shall be expressly set forth by specific reference in such filing.

Item 8.01 Other Events.*Torch Royalty NPI Litigation Settlement and Class D Liquidation Amount*

During 2011, we entered into a final settlement agreement with the parties to the Torch derivative litigation. The settlement agreement provided for a settlement of all claims in the lawsuit, a payment by us of \$1.2 million to reimburse Trust Venture for its fees and expenses in prosecuting the lawsuit and an offer by us to purchase the NPI from the Trust for \$1.0 million. We were the successful bidder in the public auction to acquire the NPI for \$1.0 million and the NPI was assigned to us by the Trust on December 13, 2011. We intend to extinguish the NPI upon filing the assignment of record in Alabama. Upon its extinguishment, the NPI will no longer burden our properties in the Robinson’s Bend Field. Concurrently, the capital account balance associated with the \$6.7 million in unpaid Class D distributions will be reduced to zero. The Class D interests will remain outstanding, however, until the liquidation of CEP, but will be entitled to no distributions and a zero liquidation amount.

Item 9.01 Financial Statements and Exhibits.**(d) Exhibits.**

<u>Exhibit Number</u>	<u>Description</u>
99.1	News Release dated December 15, 2011

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CONSTELLATION ENERGY PARTNERS LLC

Date: December 15, 2011

By: /s/ Charles C. Ward

Charles C. Ward

Chief Financial Officer and Treasurer

**News Release****General Inquiries: 877.847.0008****www.constellationenergypartners.com****Investor Contact: Charles C. Ward
877.847.0009****Constellation Energy Partners Closes its
Purchase of the Torch Net Profits Interest**

HOUSTON—(BUSINESS WIRE)—December 15, 2011—Constellation Energy Partners LLC (NYSE Arca: CEP) announced today that it has closed its previously announced purchase of the net profits interest (“NPI”) held by Torch Energy Royalty Trust (“Trust”) burdening certain of its properties in the Robinson’s Bend Field for \$1.0 million. The transaction resulted from a settlement agreement reached by the parties earlier this year that resolved litigation related to the NPI.

The Company intends to extinguish the NPI so that it will no longer burden its properties in the Robinson’s Bend Field in Alabama. Concurrently, the capital account balance associated with the \$6.7 million in unpaid Class D distributions will be reduced to zero. The Class D interests will remain outstanding, but will be entitled to no distributions and a zero liquidation amount.

Additional information about the Torch NPI can be found in the company’s filings with the Securities and Exchange Commission and on the company’s Web site (<http://www.constellationenergypartners.com>).

About the Company

Constellation Energy Partners LLC is a limited liability company focused on the acquisition, development and production of oil and natural gas properties, as well as related midstream assets.

Forward-Looking Statements

We make statements in this news release that are considered forward-looking statements within the meaning of the Securities Act of 1933, as amended, and the Securities Exchange Act

of 1934, as amended. These forward-looking statements are largely based on our expectations, which reflect estimates and assumptions made by our management. These estimates and assumptions reflect our best judgment based on currently known market conditions and other factors. Although we believe such estimates and assumptions to be reasonable, they are inherently uncertain and involve a number of risks and uncertainties that are beyond our control. In addition, management’s assumptions about future events may prove to be inaccurate. Management cautions all readers that the forward-looking statements contained in this news release are not guarantees of future performance, and we cannot assure you that such statements will be realized or the forward-looking events and circumstances will occur. Actual results may differ materially from those anticipated or implied in the forward-looking statements due to factors listed in the “Risk Factors” section in our SEC filings and elsewhere in those filings. All forward-looking statements speak only as of the date of this news release. We do not intend to publicly update or revise any forward-looking statements as a result of new information, future events or otherwise. These cautionary statements qualify all forward-looking statements attributable to us or persons acting on our behalf.