

SHERMAN R BROOKS
Form 4
February 04, 2011

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 *
SHERMAN R BROOKS

(Last) (First) (Middle)
TWO BRUSH CREEK
BLVD., SUITE 200
(Street)

KANSAS CITY, MO 64112

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
INERGY L P [NRGY]

3. Date of Earliest Transaction (Month/Day/Year)
02/02/2011

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/CFO

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		
Common Units					1,020.2731	I	By Unit Purchase Plan
Common Units					400,412	I	See Footnote (4)
Common Units	02/02/2011		M	19,800 A	\$ 9.74	280,704 (6)	D
Common Units	02/02/2011		S	19,800 D	\$ 42.3899	260,904 (6)	D
					(2) (3)		

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).
The Class B units will convert automatically into common units on a one-for-one basis, with 50% of the outstanding Class B units converting into common units following the payment date of the fourth quarterly distribution following the closing of the merger and the remaining outstanding Class B units converting into common units following the payment date of the eighth quarterly distribution following the closing of the merger.
- (1) The prices for this transaction range from \$42.30 to \$42.43.
- (2) Upon request, full information about the subject transaction will be provided to the SEC.
- (3) Mr. Sherman is the trustee of the R. Brooks Sherman, Jr. Revocable Trust dated 1/15/2008 as amended from time to time.
- (4) The prices for this transaction range from \$41.62 to \$41.66.
- (5) Includes restricted units granted under the Inergy, L.P. Long Term Incentive Plan, as amended.
- (6) The option vests in three installments as follows: 25% of the option vests on the 3rd anniversary of the grant date; 25% of the option vests on the 4th anniversary of the grant date; and the remaining 50% of the option vests on the 5th anniversary of the grant date.

Remarks:

Contributions to the EUPP plan are used to purchase Inergy, LP Common Units at the end of each quarter.

On January 12, 2004, Inergy, LP's Common Units, Senior Subordinated Units and Junior Subordinated Units underwent a two

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

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