#### SHERMAN R BROOKS

Form 4

February 04, 2011

# FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

**SECURITIES** 

OMB Number:

3235-0287

Expires:

January 31, 2005

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**OMB APPROVAL** 

subject to Section 16. Form 4 or Form 5 obligations may continue.

See Instruction

Check this box

if no longer

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

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * SHERMAN R BROOKS			2. Issuer Name <b>and</b> Ticker or Trading Symbol INERGY L P [NRGY]	5. Relationship of Reporting Person(s) to Issuer  (Check all applicable)		
(Last)	(First)	(Middle)	3. Date of Earliest Transaction	(Check all applicable)		
			(Month/Day/Year)	Director 10% Owner		
TWO BRUSH CREEK			02/02/2011	_X_ Officer (give title Other (specify below)		
BLVD., SUITE 200				EVP/CFO		
	(Street)		4. If Amendment, Date Original	6. Individual or Joint/Group Filing(Check		
			Filed(Month/Day/Year)	Applicable Line)		
KANSAS CI	TY, MO 64	112		_X_ Form filed by One Reporting Person Form filed by More than One Reporting Person		

#### (City) (State) (Zip) Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned 1.Title of 2. Transaction Date 2A. Deemed 3. 4. Securities Acquired (A) 5. Amount of 7. Nature of

Security (Instr. 3)	(Month/Day/Year)	Execution Date, if any (Month/Day/Year)	Transactic Code (Instr. 8)	-	(A) or		Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	Indirect Beneficial Ownership (Instr. 4)
Common Units			Couc v	Amount	(D)	THEC	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 (2) (3)	260,904 (6)	D	

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Common Units	02/03/2011	M	26,400	A	\$ 9.74	287,304 (6)	D
Common Units	02/03/2011	S	26,400	D	\$ 41.636 (3) (5)	260,904 (6)	D

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 onDerivative 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 o Underlying Securities (Instr. 3 and 4)	
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount Number Shares
Class B Units	<u>(1)</u>					<u>(1)</u>	<u>(1)</u>	Common Units	266,94
Options	\$ 9.74	02/02/2011		M	19,800	06/20/2008(7)	06/16/2015	Common Units	19,80
Options	\$ 9.74	02/03/2011		M	26,400	06/20/2008(7)	06/19/2015	Common Units	26,40

# **Reporting Owners**

Reporting Owner Name / Address	Relationships						
	Director	10% Owner	Officer	Other			
SHERMAN R BROOKS TWO BRUSH CREEK BLVD. SUITE 200 KANSAS CITY, MO 64112			EVP/CFO				

# **Signatures**

/s/ Judy Riddle (attorney-in-fact) for R. Brooks 02/04/2011 Sherman \*\*Signature of Reporting Person Date

Reporting Owners 2

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## **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 **(1)** remaining outstanding Class B units converting into common units following the payment date of the eighth quarterly distribution
- following the closing of the merger.
- The prices for this transaction range from \$42.30 to \$42.43.
- Upon request, full information about the subject transaction will be provided to the SEC. **(3)**
- (4) Mr. Sherman is the trustee of the R. Brooks Sherman, Jr. Revocable Trust dated 1/15/2008 as amended from time to time.
- 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 (7)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.