

Cushing MLP Total Return Fund
Form N-Q
April 05, 2010

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

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED MANAGEMENT INVESTMENT
COMPANY

Investment Company Act file number 811-22072

The Cushing MLP Total Return Fund
(Exact name of registrant as specified in charter)

3300 Oak Lawn Avenue Suite 650
Dallas, TX 75219
(Address of principal executive offices) (Zip code)

Jerry V. Swank
3300 Oak Lawn Avenue Suite 650
Dallas, TX 75219
(Name and address of agent for service)

214-692-6334
Registrant's telephone number, including area code

Date of fiscal year end: November 30

Date of reporting period: February 28, 2010

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Item 1. Schedule of Investments.

The Cushing MLP Total Return Fund
SCHEDULE OF INVESTMENTS (Unaudited)

February 28, 2010

| | Shares | Fair Value |
|--|---------|--------------|
| Master Limited Partnerships and Related Companies - United States - 125.6% (1) | | |
| Coal - 13.1% (1) | | |
| Alliance Holdings GP, L.P. | 100,000 | \$ 2,872,000 |
| Natural Resource Partners, L.P. | 150,000 | 3,843,000 |
| Penn Virginia GP Holdings, L.P. | 100,000 | 1,754,000 |
| Penn Virginia Resource Partners, L.P. | 100,000 | 2,309,000 |
| | | 10,778,000 |
| Crude/Natural Gas Production - 14.7% (1) | | |
| Encore Energy Partners, L.P. | 155,000 | 3,166,650 |
| EV Energy Partners, L.P. | 75,000 | 2,316,750 |
| Legacy Reserves, L.P. | 75,000 | 1,587,000 |
| Linn Energy, LLC | 100,000 | 2,635,000 |
| Vanguard Natural Resources, LLC | 100,000 | 2,446,000 |
| | | 12,151,400 |
| Crude/Refined Products Pipelines and Storage - 24.9% (1) | | |
| Enbridge Energy Partners, L.P. | 50,000 | 2,561,000 |
| Genesis Energy, L.P. | 200,000 | 3,964,000 |
| Magellan Midstream Partners, L.P. | 125,000 | 5,655,000 |
| NuStar GP Holdings, LLC | 50,000 | 1,401,000 |
| Plains All American Pipeline, L.P. | 75,000 | 4,155,750 |
| TransMontaigne Partners, L.P. | 100,000 | 2,760,000 |
| | | 20,496,750 |
| Natural Gas/Natural Gas Liquid Pipelines and Storage - 36.8% (1) | | |
| Boardwalk Pipeline Partners, L.P. | 100,000 | 2,994,000 |
| Cheniere Energy Partners, L.P. | 150,000 | 2,250,000 |
| Energy Transfer Equity, L.P. | 130,000 | 4,201,600 |
| Energy Transfer Partners, L.P. | 50,000 | 2,314,000 |
| Enterprise GP Holdings, L.P. | 60,000 | 2,462,400 |
| Enterprise Products Partners, L.P. | 150,000 | 4,914,000 |
| ONEOK Partners, L.P. | 75,000 | 4,548,750 |
| TC Pipelines, L.P. | 75,000 | 2,767,500 |
| Williams Partners, L.P. | 100,000 | 3,884,000 |
| | | 30,336,250 |
| Natural Gas Gathering/Processing - 19.0% (1) | | |
| Copano Energy, LLC | 100,000 | 2,380,000 |
| MarkWest Energy Partners, L.P. | 175,000 | 5,176,500 |
| Regency Energy Partners, L.P. | 175,000 | 3,717,000 |
| Targa Resources Partners, L.P. | 175,000 | 4,375,000 |
| | | 15,648,500 |
| Propane - 12.7% (1) | | |
| Inergy, L.P. | 175,000 | 6,321,000 |

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| | | |
|---|------------------|---------------|
| Inergy Holdings, L.P. | 60,000 | 4,186,200 |
| | | 10,507,200 |
| Shipping - 4.4% (1) | | |
| Navios Maritime Partners, L.P. | 50,000 | 786,500 |
| Teekay Offshore Partners, L.P. | 150,000 | 2,818,500 |
| | | 3,605,000 |
| Total Master Limited Partnerships and Related Companies (Cost \$73,267,855) | | 103,523,100 |
| | Principal Amount | |
| Senior Notes - United States - 14.1% (1) | | |
| Natural Gas/Natural Gas Liquids Pipelines and Storage - 0.4% (1) | | |
| El Paso Corp., 7.420%, due 02/15/2037 | \$ 375,000 | 344,141 |
| Natural Gas Gathering/Processing - 13.7% (1) | | |
| Atlas Pipeline Partners, L.P., 8.750%, due 06/15/2018 | 3,500,000 | 3,290,000 |
| Copano Energy, LLC, 8.125%, due 03/01/2016 | 2,000,000 | 2,025,000 |
| Markwest Energy Partners, L.P., 6.875%, due 11/01/2014 | 2,000,000 | 1,950,000 |
| Markwest Energy Partners, L.P., 8.750%, due 04/15/2018 | 1,000,000 | 1,017,500 |
| Regency Energy Partners, L.P., 9.375%, due 06/01/2016 (2) | 2,000,000 | 2,120,000 |
| Targa Resources Partners, L.P., 8.250%, due 07/01/2016 | 200,000 | 202,000 |
| Targa Resources Partners, L.P., 11.250%, due 07/15/2017 (2) | 600,000 | 669,000 |
| | | 11,273,500 |
| Total Senior Notes (Cost \$10,689,199) | | 11,617,641 |
| Exchange-Traded Note - United States - 1.8% (1) | | |
| JPMorgan Alerian MLP Index ETN | 50,000 | 1,478,500 |
| Total Exchange-Traded Note (Cost \$1,480,203) | | 1,478,500 |
| Short-Term Investments - United States - Investment Companies - 0.0% (1) | Shares | |
| AIM Short-Term Treasury Portfolio Fund - Institutional Class | 3,207 | 3,207 |
| Fidelity Government Portfolio Fund - Institutional Class | 3,206 | 3,206 |
| First American Treasury Obligations Fund - Class A | 3,206 | 3,206 |
| First American Treasury Obligations Fund - Class Y | 3,206 | 3,206 |
| First American Treasury Obligations Fund - Class Z | 3,206 | 3,206 |
| Total Short-Term Investments (Cost \$16,031) | | 16,031 |
| Total Investments - 141.5% (1) (Cost \$85,453,288) | | 116,635,272 |
| Liabilities in Excess of Other Assets - (41.5)% (1) | | (34,234,310) |
| Total Net Assets Applicable to Common Stockholders - 100.0% (1) | | \$ 82,400,962 |

(1) Calculated as a percentage of net assets applicable to common stockholders.

Restricted securities represent a total fair value of \$2,789,000, which represents

(2) 3.4% of net assets.

Restricted Securities

Certain of the Fund's investments are 144A securities and are valued as determined in accordance with procedures established by the Board of Trustees. The table below shows the principal amount, acquisition date, acquisition cost, fair value and percent of net assets which the restricted securities comprise at February 28, 2010.

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| Investment Security | Principal Amount | Acquisition Date | Acquisition Cost Basis | Market Value | Market Value as Percent of Net Assets | Market Value as Percent of Total Assets | |
|---|------------------|------------------|------------------------|--------------|---------------------------------------|---|------|
| Regency Energy Partners, L.P., 9.375%, due 06/01/2016 | Senior Notes | \$ 2,000,000 | 5/15/2009 | \$ 1,893,888 | \$ 2,120,000 | 2.6% | 1.7% |
| Targa Resources Partners, L.P., 11.250%, due 07/15/2017 | Senior Notes | \$ 600,000 | 6/30/2009 | \$ 570,410 | \$ 669,000 | 0.8% | 0.6% |
| Totals | | | \$ 2,464,298 | \$ 2,789,000 | 3.4% | 2.3% | |

Tax Basis

At February 28, 2010, the cost basis of investments for federal income tax purposes was \$84,974,443, and gross unrealized appreciation and depreciation of investments for federal income tax purposes were as follows:

| | |
|-------------------------------|--------------|
| Gross unrealized appreciation | \$32,314,196 |
| Gross unrealized depreciation | (653,367) |
| Net unrealized appreciation | \$31,660,829 |

Fair Value Measurements

The Fund has adopted authoritative fair valuation accounting standards which establish an authoritative definition of fair value and set out a hierarchy for measuring fair value. These standards require additional disclosures about the various inputs and valuation techniques used to develop the measurements of fair value and a discussion in changes in valuation techniques and related inputs during the period. These inputs are summarized in the three broad levels listed below.

| Description | Fair Value at February 28, 2010 | Fair Value Measurements at Reporting Date Using Quoted Prices in Active Markets | | |
|---|---------------------------------|---|---|-------------------------------|
| | | Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Unobservable Inputs (Level 3) |
| Equity Securities | | | | |
| Master Limited Partnerships and Related Companies (a) | \$ 103,523,100 | \$ 103,523,100 | \$ - | \$ - |
| Total Equity Securities | 103,523,100 | 103,523,100 | - | - |
| Notes | | | | |

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| | | | | |
|------------------------|----------------|----------------|---------------|------|
| Senior Notes (a) | 11,617,641 | - | 11,617,641 | - |
| Exchange-Traded Note | 1,478,500 | 1,478,500 | - | - |
| Total Notes | 13,096,141 | 1,478,500 | 11,617,641 | - |
| Other | | | | |
| Short-Term Investments | 16,031 | 16,031 | - | - |
| Total Other | 16,031 | 16,031 | - | - |
| Total | \$ 116,635,272 | \$ 105,017,631 | \$ 11,617,641 | \$ - |

(a) All other industry classifications are identified in the Schedule of Investments.

Derivative Financial Instruments

The Fund has adopted enhanced disclosure regarding derivatives and hedging activity intending to improve financial reporting of derivative instruments by enabling investors to understand how and why an entity uses derivatives, how derivatives are accounted for, and how derivative instruments affect an entity's results of operations and financial position.

The Fund occasionally engages in equity option trading as a source of protection against a broad market decline, therefore, the primary risk of this strategy is fluctuation in pricing of these positions. The Fund did not hold any option contracts as of February 28, 2010.

Item 2. Controls and Procedures.

- (a) The Registrant's President and Treasurer have concluded that the Registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940 (the "1940 Act")) (17 CFR 270.30a-3(c)) are effective as of a date within 90 days of the filing date of the report that includes the disclosure required by this paragraph, based on the evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act (17 CFR 270.30a-3(b)) and Rule 13a-15(b) or Rule 15d-15(b) under the Securities Exchange Act of 1934, as amended (17 CFR 240.13a-15(b) or 240.15d-15(d)).
- (b) There were no changes in the Registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act) (17 CFR 270.30a-3(d)) that occurred during the Registrant's last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Registrant's internal control over financial reporting.

Item 3. Exhibits.

Separate certifications for each principal executive officer and principal financial officer of the Registrant as required by Rule 30a-2(a) under the 1940 Act (17 CFR 270.30a-2(a)). Filed herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

(Registrant) The Cushing MLP Total Return Fund

By (Signature and Title) /s/ Jerry V. Swank
Jerry V. Swank, President

Date March 31,
2010

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By (Signature and Title) /s/ Jerry V. Swank
Jerry V. Swank, President

Date March 31, 2010

By (Signature and Title) /s/ Mark
Fordyce
Mark Fordyce, Treasurer

Date March 31, 2010
