

Blueknight Energy Partners, L.P.
 Form 4
 October 06, 2016

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
 Expires: January 31, 2015
 Estimated average burden hours per response... 0.5

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 *
 CB-Blueknight, LLC

2. Issuer Name and Ticker or Trading Symbol
 Blueknight Energy Partners, L.P.
 [BKEP]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 200 CLARENDON STREET,
 FLOOR 54

3. Date of Earliest Transaction (Month/Day/Year)
 10/05/2016

____ Director
 ____ Officer (give title below)
 ___X___ 10% Owner
 ___X___ Other (specify below)
 Director by Deputization

(Street)
 BOSTON, MA 02116

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 ___ Form filed by One Reporting Person
 ___X___ 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 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 Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership Indirect Beneficial Ownership (Instr. 4) | | |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|-----|-------|
| | | | | (A) or (D) | Code | V | Amount | (D) | Price |

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

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative | 2. Conversion | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if | 4. Transaction | 5. Number of Derivative | 6. Date Exercisable and Expiration Date | 7. Title and Amount of Underlying Securities |
|------------------------|---------------|--------------------------------------|-------------------------------|----------------|-------------------------|---|--|
|------------------------|---------------|--------------------------------------|-------------------------------|----------------|-------------------------|---|--|

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| Security (Instr. 3) | or Exercise Price of Derivative Security | any (Month/Day/Year) | Code (Instr. 8) | Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | (Month/Day/Year) | (Instr. 3 and 4) | | | | |
|--|--|----------------------|-----------------|---|--------------------------|------------------|------------|----------------------------|----------|--|
| | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | | |
| Series A Preferred Units ⁽¹⁾ ₍₂₎ | \$ 6.5 | 10/05/2016 | D | | 6,667,695 ₍₂₎ | <u>(2)</u> | <u>(2)</u> | Common Units | 6,667,69 | |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|--------------------------|
| | Director | 10% Owner | Officer | Other |
| CB-Blueknight, LLC 200 CLARENDON STREET, FLOOR 54 BOSTON, MA 02116 | | X | | Director by Deputization |
| Charlesbank Equity Fund VII, Limited Partnership 200 CLARENDON STREET, FLOOR 54 BOSTON, MA 02116 | | X | | Director by Deputization |
| Charlesbank Equity Fund VII GP, Limited Partnership 200 CLARENDON STREET, FLOOR 54 BOSTON, MA 02116 | | X | | Director by Deputization |
| CHARLESBANK CAPITAL PARTNERS LLC 200 CLARENDON STREET, FLOOR 54 BOSTON, MA 02116 | | X | | Director by Deputization |

Signatures

By: /s/ Jon M. Biotti, Jon M. Biotti, Managing Director of CB-Blueknight, LLC 10/06/2016
__Signature of Reporting Person Date

By: /s/ Jon M. Biotti, Jon M. Biotti, Managing Director of Charlesbank Capital Partners, LLC, general partner of Charlesbank Equity Fund VII GP, Limited Partnership, general partner of Charlesbank Equity Fund VII 10/06/2016
__Signature of Reporting Person Date

By: /s/ Jon M. Biotti, Jon M. Biotti, Managing Director of Charlesbank Capital Partners, LLC, general partner of Charlesbank Equity Fund VII GP, Limited Partnership 10/06/2016
__Signature of Reporting Person Date

By: /s/ Jon M. Biotti, Jon M. Biotti, Managing Director of Charlesbank Capital Partners, LLC 10/06/2016
__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).
- Pursuant to the Preferred Unit Repurchase Agreement (the "Repurchase Agreement") by and among CB-Blueknight, LLC ("Charlesbank Holding"), Blueknight Energy Holding, Inc. ("Vitol Holding") and Blueknight Energy Partners, L.P. (the "Issuer") dated as of July 19, 2016, Charlesbank Holding sold 6,667,695 Series A Preferred Units representing limited partner interests of the Issuer (the "Preferred Units") to the Issuer for \$7.15 per Preferred Unit on October 5, 2016, plus an amount equal to (i) the full quarterly cash Issuer distribution allotted to such Preferred Units for the quarter immediately preceding the quarter in which the closing of the Repurchase Agreement occurred, plus (ii) the pro rata share of the Issuer distribution paid in respect of such Preferred Units for the quarter in which the closing of the Repurchase Agreement occurred.
- (1) The Preferred Units have no expiration date and are convertible at any time, in whole or in part, on a one-for-one basis into Common Units representing limited partner interests of the Issuer at the holder's election as set forth in the Fourth Amended and Restated Agreement of Limited Partnership of the Issuer, dated September 14, 2011 and filed with the Securities and Exchange Commission as Exhibit 3.1 to the Issuer's Current Report on Form 8-K filed on September 14, 2011.
- (2) These securities are owned directly by Charlesbank Holding. This form is jointly filed by Charlesbank Holding, Charlesbank Equity Fund VII, Limited Partnership ("Fund VII"), Charlesbank Equity Fund VII GP, Limited Partnership ("Equity VII GP") and Charlesbank Capital Partners, LLC ("Charlesbank"). Fund VII is the manager of Charlesbank Holding and may be deemed to indirectly beneficially own the securities of the Issuer held by Charlesbank Holding but disclaims beneficial ownership except to the extent of its pecuniary interest therein. Equity VII GP is the general partner of Fund VII and may be deemed to indirectly beneficially own the securities of the Issuer held by Fund VII but disclaims beneficial ownership except to the extent of its pecuniary interest therein.
- (3) (Continued from footnote 3) Charlesbank is the general partner of Equity VII GP and therefore may be deemed to indirectly beneficially own the securities of the Issuer held by Equity VII GP, but disclaims beneficial ownership except to the extent of its pecuniary interest therein. Charlesbank serves as the investment advisor to Fund VII and the investment adviser or general partner to certain other affiliated funds that have a pecuniary interest in the securities of the Issuer owned by Charlesbank Holding but do not control Charlesbank Holding.
- (4)

Remarks:

Prior to October 5, 2016, Charlesbank Holding owned 50% of the equity interests in Blueknight GP Holding, LLC ("GP Holding").

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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