

Biotti Jon
Form 4
February 29, 2012

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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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 *
Biotti Jon

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)

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

____ Director _____ 10% Owner
____ Officer (give title below) Other (specify below)

See General Remarks

C/O CHARLESBANK CAPITAL PARTNERS LLC, 200 CLARENDON STREET, 54TH FLOOR

(Street)

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

6. Individual or Joint/Group Filing(Check Applicable Line)

Form filed by One Reporting Person
 Form filed by More than One Reporting Person

BOSTON, MA 02109

(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 Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
				(A) or (D)	Amount		Price

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

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

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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 Derivative 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 of Underlying Securities (Instr. 3 and 4)	8. Pr Deriv Secur (Instr	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Series A Preferred Units ⁽¹⁾ ₍₂₎	\$ 0 ⁽³⁾	11/09/2011 ⁽³⁾		J ⁽³⁾	0 ⁽³⁾	⁽⁴⁾	⁽⁵⁾	Common Units ⁽¹⁾ ₍₂₎	⁽³⁾
Convertible Subordinated Debenture ⁽¹⁾	\$ 0 ⁽⁷⁾	11/09/2011 ⁽⁷⁾		J ⁽⁷⁾	0 ⁽⁷⁾	⁽⁷⁾	⁽⁷⁾	Series A Preferred Units ⁽¹⁾ ₍₂₎ ⁽⁷⁾	⁽⁷⁾

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

Biotti Jon
C/O CHARLESBANK CAPITAL PARTNERS LLC
200 CLARENDON STREET, 54TH FLOOR
BOSTON, MA 02109

See General Remarks

Signatures

Jon Biotti 02/29/2012

 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).

(1) Pursuant to the Global Transaction Agreement dated October 25, 2010 (the "Global Transaction Agreement"), by and among Blueknight Energy Partners, L.P. ("BKEP"), Blueknight Energy Partners G.P., L.L.C., the general partner of BKEP (the "GP"), Blueknight Energy Holding, Inc. ("Vitol Holding") and CB-Blueknight, LLC ("Charlesbank Holding"), Charlesbank Holding purchased 10,769,231 Series A Preferred Units of BKEP (the "Preferred Units") for \$6.50 per Preferred Unit. Also pursuant to the Global Transaction Agreement, BKEP issued to Charlesbank Holding a Convertible Subordinate Debenture (the "Convertible Debenture") in exchange for \$25 million. The Global Transaction Agreement, and the transactions contemplated thereby, are described more fully in BKEP's Current Report on Form 8-K filed with the Securities and Exchange Commission on October 25, 2010 (the "Form 8-K").

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- (2) The Preferred Units are convertible into Common Units of BKEP ("Common Units"). The terms of the Preferred Units are more fully described in the Form 8-K.
- On November 9, 2011, 1,612,747 of the Preferred Units were redeemed by BKEP for an aggregate of \$10,608,194.65 (being \$6.50 per Preferred Unit and \$0.078 per Preferred Unit as a pro-rata distribution amount). Charlesbank Holding still owns 9,156,484 Preferred Units.
- (3) The Preferred Units are convertible in whole or in part into Common Units at the holder's election subject to certain conditions being met.
- (4) Not applicable.
- (5) Mr. Biotti serves as a Managing Director of Charlesbank Capital Partners, LLC, which is the investment adviser to certain entities that serve as members of Charlesbank Holding, except to the extent of Mr. Biotti's pecuniary interest therein, and, pursuant to Rule 16a-1(a)(4) under the Securities Exchange Act of 1934, Mr. Biotti states that the inclusion of these securities in this report shall not be deemed an admission of beneficial ownership of all of the reported securities for purposes of Section 16 or for any other purpose.
- (6) On November 9, 2011, BKEP redeemed the Convertible Debenture for a price equal to its face value of \$25,000,000, plus the accrued and unpaid interest thereon. If not otherwise redeemed, the Convertible Debenture was to mature on December 31, 2011 and, on such date, all outstanding principal and any accrued and unpaid interest were to automatically convert into Preferred Units. The terms of the Convertible Debenture are described more fully in the Form 8-K.
- (7)

Remarks:

Mr. Biotti is a member of the Board of Directors of Blueknight Energy Partners G.P., L.L.C. (the "GP"), the general partner of

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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