

SHERMAN R BROOKS
Form 4
November 16, 2012

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 *
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)
11/14/2012

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)
President

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 | I | By Unit Purchase Plan |
| Common Units | 11/14/2012 | | C | | 136,090 | A | \$ 0 |
| Common Units | | | | | 230,615 ⁽⁴⁾ | D | See Footnote <u>(2)</u> |

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

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SEC 1474 (9-02)

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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 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) | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|----------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount Number Shares |
| Class B Units | (1) | 11/14/2012 | | J(3) | 362,283 | (1) | (1) | Common Units | 362,283 |
| Class B Units | (1) | 11/14/2012 | | C | 136,090 | (1) | (1) | Common Units | 136,090 |

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 | | | President | |

Signatures

/s/ Judy Riddle (attorney-in-fact) for R. Brooks
Sherman 11/16/2012

__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) 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.
- (2) Mr. Sherman is the trustee of the R. Brooks Sherman, Jr. Revocable Trust dated 1/15/2008 as amended from time to time.
- (3) The reporting person received 362,283 Class B units as a payment-in-kind distribution on 135,728,062 Class B units owned on the distribution record date.
- (4) Includes restricted units granted under the Inergy, L.P. Long Term Incentive Plan, as amended.
- (5) In lieu of receiving the fractional units, the reporting person was paid cash based on the NRGY closing price on November 14, 2012.

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.

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