

CROSSTEX ENERGY LP
Form 4
May 24, 2010

FORM 4

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

OMB APPROVAL

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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 *
GSO Crosstex Holdings LLC

(Last) (First) (Middle)

C/O GSO CAPITAL PARTNERS LP, 280 PARK AVENUE

(Street)

NEW YORK, NY 10017

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
CROSSTEX ENERGY LP [XTEX]

3. Date of Earliest Transaction
(Month/Day/Year)
05/20/2010

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

___ Director ___X___ 10% Owner
___ Officer (give title below) ___ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
___ Form filed by One Reporting Person
X 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 | (A) or (D) | Price | | | |
| Common Units | 05/20/2010 | | P | | 69,900 | A | \$ 9.01 | 69,900 | I | See Footnotes (1) (2) (3) (4) (5) (6) |
| Common Units | 05/21/2010 | | P | | 200,000 | A | \$ 8.99 | 269,900 | I | See Footnotes (1) (2) (3) (4) (5) (6) |

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

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SEC 1474 (9-02)

displays a currently valid OMB control number.

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) | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Owned Beneficially (Instr. 5) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| GSO Crosstex Holdings LLC C/O GSO CAPITAL PARTNERS LP 280 PARK AVENUE NEW YORK, NY 10017 | | X | | |
| Blackstone / GSO Capital Solutions Fund LP C/O GSO CAPITAL PARTNERS LP 280 PARK AVENUE, 11TH FLOOR NEW YORK, NY 10017 | | X | | |
| Blackstone / GSO Capital Solutions Associates LLC C/O GSO CAPITAL PARTNERS LP 280 PARK AVENUE, 11TH FLOOR NEW YORK, NY 10017 | | X | | |
| GSO Holdings I LLC C/O THE BLACKSTONE GROUP 345 PARK AVENUE NEW YORK, NY 10017 | | X | | |
| Blackstone Holdings I L.P. C/O GSO CAPITAL PARTNERS LP 280 PARK AVENUE, 11TH FLOOR NEW YORK, NY 10017 | | X | | |
| Goodman Bennett J C/O GSO CAPITAL PARTNERS LP | | X | | |

280 PARK AVENUE, 11TH FLOOR
NEW YORK, NY 10017

Smith J Albert III
C/O GSO CAPITAL PARTNERS LP
280 PARK AVENUE, 11TH FLOOR
NEW YORK, NY 10017

X

Ostrover Douglas I
C/O GSO CAPITAL PARTNERS LP
280 PARK AVENUE, 11TH FLOOR
NEW YORK, NY 10017

X

Blackstone Holdings I/II GP Inc
C/O THE BLACKSTONE GROUP
345 PARK AVENUE
NEW YORK, NY 10017

X

Blackstone Group L.P.
345 PARK AVENUE
NEW YORK, NY 10017

X

Signatures

/s/ Marisa Beeney Authorized
Person

05/24/2010

__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).

GSO Crosstex Holdings LLC ("GSO Crosstex") holds 14,705,882 Series A Convertible Preferred Units ("Preferred Units") of XTEX convertible on a one-for one basis into Common Units ("Common Units") of Crosstex Energy, L.P. ("XTEX"). Blackstone / GSO Capital Solutions Fund LP is the holder of a majority of the membership interests of GSO Crosstex. Blackstone / GSO Capital Solutions

(1) Associates LLC is the general partner of Blackstone / GSO Capital Solutions Fund LP. GSO Holdings I LLC is the managing member of Blackstone / GSO Capital Solutions Associates LLC. Blackstone Holdings I L.P. is the sole member of GSO Holdings I LLC. Blackstone Holdings I/II GP Inc. is the general partner of Blackstone Holdings I L.P. The Blackstone Group L.P. is the controlling shareholder of Blackstone Holdings I/II GP Inc. (Continued in footnote 2).

(2) Blackstone Group Management L.L.C. is the general partner of The Blackstone Group L.P. Stephen A. Schwarzman is the founding member of Blackstone Group Management L.L.C. GSO Special Situations Fund LP directly holds 269,900 Common Units. GSO Capital Partners LP is the investment manager of GSO Special Situations Fund LP. GSO Advisor Holdings L.L.C. is the general partner of GSO Capital Partners LP. Blackstone Holdings I L.P. is the sole member of GSO Advisor Holdings L.L.C.

(3) In addition, each of Bennett J. Goodman, J. Albert Smith III and Douglas I. Ostrover, each of whom serves as an executive of GSO Holdings I LLC, which is an affiliate of Blackstone / GSO Capital Solutions Associates LLC, may have shared investment control with respect to the Preferred Units held by GSO Crosstex.

(4) Due to the limitations of the electronic filing system, Blackstone Group Management L.L.C. and Mr. Stephen A. Schwarzman are filing a separate Form 4. GSO Special Situations Fund LP, GSO Capital Partners LP and GSO Advisor Holdings L.L.C. are filing a separate Form 3.

(5) Information with respect to each of the Reporting Persons is given solely by such Reporting Persons, and no Reporting Person has responsibility for the accuracy or completeness of information supplied by another Reporting Person.

(6) Each of the Reporting Persons, other than GSO Crosstex and GSO Special Situations Fund LP as to their direct holding of securities, disclaims beneficial ownership of the securities held by GSO Crosstex and GSO Special Situations Fund LP, except to the extent of such Reporting Person's pecuniary interest therein, and, pursuant to Rule 16a-1(a)(4) under the Securities Exchange Act of 1934, each of the Reporting Persons, other than GSO Crosstex and GSO Special Situations Fund LP, 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.

Remarks:

Exhibit 99.1 - Joint Filer Information

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.