

Blueknight Energy Partners, L.P.
Form SC 13D/A
November 14, 2011

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

SCHEDULE 13D/A

**Under the Securities Exchange Act of 1934
(Amendment No. 6)***

Blueknight Energy Partners, L.P.

(Name of Issuer)

Common Units

(Title of Class of Securities)

09625U109

(CUSIP Number)

Cushing MLP Asset Management, L.P.

8117 Preston Road, Suite 440

Dallas, Texas 75225

(Name, Address and Telephone Number of Person Authorized to
Receive Notices and Communications)

- with copies to -

Eliot D. Raffkind

Akin, Gump, Strauss, Hauer & Feld, L.L.P.

1700 Pacific Avenue, Suite 4100

Dallas, Texas 75201-4618

(214) 969-2800

October 31, 2011

(Date of Event Which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D/A, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box. ☐

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 13d-7 for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be filed for the purpose of Section 18 of the Securities Exchange Act of 1934 (Act) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

CUSIP No. 09625U109

NAMES OF REPORTING PERSONS

1

Swank Capital, L.L.C.

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

2

(a) ☐

(b) ☐

SEC USE ONLY

3

SOURCE OF FUNDS (SEE INSTRUCTIONS)

4

AF

CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)

5

☐

CITIZENSHIP OR PLACE OF ORGANIZATION

6

Texas

SOLE VOTING POWER

7

NUMBER OF

0

SHARES
BENEFICIALLY OWNED BY

8

SHARED VOTING POWER

7,086,039

EACH
REPORTING

9

SOLE DISPOSITIVE POWER

PERSON 0

WITH SHARED DISPOSITIVE POWER

10

7,086,039

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

11

7,086,039

CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)

12

o

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

13

27.3%

TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

14

OO, HC

CUSIP No. 09625U109

NAMES OF REPORTING PERSONS

1

Cushing MLP Asset Management, LP

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

2

(a) ☐

(b) ☐

SEC USE ONLY

3

SOURCE OF FUNDS (SEE INSTRUCTIONS)

4

AF

CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)

5

☐

CITIZENSHIP OR PLACE OF ORGANIZATION

6

Texas

SOLE VOTING POWER

7

NUMBER OF

0

SHARES
BENEFICIALLY OWNED BY

8

SHARED VOTING POWER

7,086,039

EACH
REPORTING

9

SOLE DISPOSITIVE POWER

PERSON 0

WITH SHARED DISPOSITIVE POWER

10

7,086,039

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

11

7,086,039

CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)

12

o

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

13

27.3%

TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

14

PN, IA

CUSIP No. 09625U109

NAMES OF REPORTING PERSONS

1

Jerry V. Swank

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

2

(a) ☐

(b) ☐

SEC USE ONLY

3

SOURCE OF FUNDS (SEE INSTRUCTIONS)

4

AF

CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)

5

☐

CITIZENSHIP OR PLACE OF ORGANIZATION

6

USA

SOLE VOTING POWER

7

NUMBER OF

0

SHARES
BENEFICIALLY OWNED BY

8

SHARED VOTING POWER

7,086,039

EACH
REPORTING

9

SOLE DISPOSITIVE POWER

PERSON 0

WITH SHARED DISPOSITIVE POWER

10

7,086,039

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

11

7,086,039

CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)

12

o

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

13

27.3%

TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

14

IN

AMENDMENT NO. 6 SCHEDULE 13D

This Amendment No. 6 (this Amendment) to the Schedule 13D initially filed on January 5, 2011, as subsequently amended on January 28, 2011, again on March 3, 2011, again on March 21, 2011, again on April 28, 2011 and again on September 1, 2011 (collectively, the Schedule 13D) is being filed on behalf of Swank Capital, L.L.C., a Texas limited liability company (Swank Capital), Cushing MLP Asset Management, LP, a Texas limited partnership (MLP Advisors), and Mr. Jerry V. Swank, the principal of Swank Capital and MLP Advisors, relating to Common Units (the Common Units) of Blueknight Energy Partners, L.P., a Delaware limited partnership (the Issuer). Capitalized terms used herein but not defined have the respective meanings given to them in the Schedule 13D.

Item 3 of the Schedule 13D is hereby amended as follows:

Item 3. Source and Amount of Funds

As of November 11, 2011, the Advised Funds had invested \$29,884,417.60 (inclusive of brokerage commissions) in Common Units and Series A Preferred Units of the Issuer. The source of these funds was the working capital of the Advised Funds.

Item 4 of the Schedule 13D is hereby supplemented as follows:

Item 4. Purpose of Transaction

The Issuer conducted a rights offering to the holders of its Common Units, whereby the Issuer distributed to each holder of record, as of 5:00 p.m., New York City time, on September 27, 2011 (the Record Date), 0.5412 subscription rights (the Rights) for each Common Unit held of record as of the Record Date, which entitled such holder to purchase one Series A Preferred Unit of the Issuer at a subscription price of \$6.50 per Series A Preferred Unit (the Rights Offering). The Rights expired on October 31, 2011. Upon exercise of the Rights, the Reporting Persons acquired 3,280,444 Series A Preferred Units for investment purposes.

The Series A Preferred Units are convertible into Common Units at the holder's election on a one-for-one basis at a conversion price of \$6.50 per Common Unit. The Series A Preferred Units are convertible into Common Units at the option of the Issuer in various instances as described in the Fourth Amended and Restated Agreement of Limited Partnership of the Issuer.

Item 5 of the Schedule 13D is hereby amended as follows:

Item 5. Interest in Securities of the Issuer

(a) The aggregate percentage of Common Units reported to be owned by Swank Capital, MLP Advisors and Mr. Swank is based upon the sum of (i) 22,657,638 Common Units outstanding, which is the total number of Common Units outstanding as of November 7, 2011, as reported in the Issuer's Form 10-Q filed with the Securities and Exchange Commission on November 9, 2011, and (ii) 3,280,444 Series A Preferred Units convertible into 3,280,444 Common Units beneficially owned by the Advised Funds.

As of November 11, 2011, Swank Capital and MLP Advisors beneficially owned 3,805,595 Common Units and 3,280,444 Series A Preferred Units convertible into 3,280,444 Common Units, for a total of 7,086,039 Common Units representing approximately 27.3% of the issued and outstanding Common Units of the Issuer.

In addition, Mr. Swank, as the managing member of Swank Capital, the general partner of MLP Advisors, may also be deemed to beneficially own the 7,086,039 Common Units beneficially owned by the Advised Funds, representing approximately 27.3% of the issued and outstanding Common Units of the Issuer.

Swank Capital, MLP Advisors and Mr. Swank disclaim beneficial ownership of the Common Units held by the Advised Funds except to the extent of their pecuniary interest therein.

(b) Mr. Swank, as the managing member of Swank Capital, Swank Capital, as the general partner of MLP Advisors, and MLP Advisors, the investment manager of the Advised Funds, have the shared power to vote and dispose of the Common Units owned by the Advised Funds reported in this Schedule 13D.

The filing of this Schedule 13D shall not be construed as admission that Swank Capital, MLP Advisors or Mr. Swank is for the purposes of Section 13(d) or 13(g) of the Act the beneficial owner of any of the 7,086,039 Common Units owned by the Advised Funds. Pursuant to Rule 13d-4, Swank Capital, MLP Advisors and Mr. Swank disclaim all such beneficial ownership.

(c) The transactions in the Issuer's securities during the sixty days prior to the date hereof made the Advised Funds and which may be attributed to the Reporting Persons are listed as Annex A attached hereto and made a part hereof. These transactions were effected in the open market.

(d) No person other than the Reporting Persons is known to have the right to receive, or the power to direct the receipt of dividends from, or proceeds from the sale of, the Common Units.

(e) Not applicable.

Signature

After reasonable inquiry and to the best of my knowledge and belief, the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: November 14, 2011

SWANK CAPITAL, L.L.C.

By: /s/ Jerry V. Swank
Jerry V. Swank
Managing Member

CUSHING MLP ASSET MANAGEMENT,
LP

By: Swank Capital, L.L.C., its general
partner

By: /s/ Jerry V. Swank
Jerry V. Swank
Managing Member

/s/ Jerry V. Swank
Jerry V. Swank

Annex A

Trade Date	Ticker Symbol	Quantity	Price/Share
09/15/2011	BKEP	3,000	\$ 7.2392
09/15/2011	BKEP	175,000	\$ 7.2000
09/28/2011	BKEP	(405)	\$ 7.2601
10/03/2011	BKEPR	100	\$ 0.5000
10/03/2011	BKEPR	(100)	\$ 0.8800
10/04/2011	BKEPR	337	\$ 0.8598
10/05/2011	BKEPR	25,000	\$ 0.8426
10/05/2011	BKEPR	75,000	\$ 0.8460
10/06/2011	BKEPR	133,034	\$ 0.8603
10/06/2011	BKEPR	62,066	\$ 0.8603
10/06/2011	BKEPR	17,400	\$ 0.8045
10/10/2011	BKEPR	77,090	\$ 0.9000
10/10/2011	BKEPR	35,975	\$ 0.9000
10/10/2011	BKEPR	9,894	\$ 0.9000
10/11/2011	BKEP	(5,339)	\$ 6.0291
10/11/2011	BKEPR	62,000	\$ 0.8865
10/11/2011	BKEPR	30,000	\$ 0.8865
10/12/2011	BKEP	(5,000)	\$ 6.0030
10/12/2011	BKEPR	160,000	\$ 0.9000
10/12/2011	BKEPR	300,000	\$ 0.9000
10/20/2011	BKEP	(20,000)	\$ 5.5600
10/20/2011	BKEPR	38,094	\$ 0.5035
10/24/2011	BKEP	(5,300)	\$ 6.0285
10/25/2001	BKEP	(22,219)	\$ 6.0314
10/27/2011	BKEP	(31,600)	\$ 6.0047
10/28/2011	BKEP	(13,137)	\$ 6.0695
10/31/2011	BKEP	(6,220)	\$ 6.0459