

Blueknight Energy Partners, L.P.
Form SC 13G
November 01, 2017

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

SCHEDULE 13G
(Rule 13d-102)

Information to be Included in Statements Filed Pursuant to Rules 13d-1(b), (c) and (d) and
Amendments Thereto Filed Pursuant to Rule 13d-2(b)
(Amendment No.)*

BLUEKNIGHT ENERGY PARTNERS, L.P.

(Name of Issuer)

Common Units

(Title of Class of Securities)

09625U109

(CUSIP Number)

October 31, 2017

(Date of Event which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

Rule 13d-1(b)

Rule 13d-1(c)

Rule 13d-1(d)

*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 the disclosures provided in a prior cover page.

The information required in 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 (the "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 13G

NAMES OF REPORTING PERSONS

1

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

MSD Partners, L.P.

2

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)

(b)

3

SEC USE ONLY

4

CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

SOLE VOTING POWER

5

-0-

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

SHARED VOTING POWER

6

5,192,232⁽¹⁾

SOLE DISPOSITIVE POWER

7

-0-

SHARED DISPOSITIVE POWER

8

5,192,232⁽¹⁾

9

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

5,192,232⁽¹⁾

10

CHECK IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES (SEE

INSTRUCTIONS)

11 PERCENT OF CLASS
REPRESENTED BY AMOUNT IN
ROW (9)

13.6%⁽²⁾

12 TYPE OF REPORTING PERSON
(SEE INSTRUCTIONS)

PN

* SEE INSTRUCTIONS BEFORE FILLING OUT.

Includes 1,935,842 Common Units that MSD Torchlight, L.P. has the right to acquire within 60 days upon conversion of 1,935,842 Series A Preferred Units.

The percentage used herein and in the rest of this Schedule 13G is calculated based upon 38,183,975 shares of 2 Common Units outstanding as of July 27, 2017, as reported in the Issuer's Quarterly Report on Form 10-Q filed with the Commission on August 2, 2017.

CUSIP NO. 09625U109 13G

NAMES OF REPORTING PERSONS

1

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

MSD Torchlight Partners, L.P.

2

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)

(b)

3

SEC USE ONLY

4

CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

SOLE VOTING POWER

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CERTAIN SHARES (SEE
INSTRUCTIONS)

11 PERCENT OF CLASS
REPRESENTED BY AMOUNT IN
ROW (9)

13.6%⁽²⁾

12 TYPE OF REPORTING PERSON
(SEE INSTRUCTIONS)

PN

* SEE INSTRUCTIONS BEFORE FILLING OUT.

CUSIP NO. 09625U109 13G

Item
1(a) Name of Issuer:

The name of the issuer is Blueknight Energy Partners, L.P. (the "Company").

Item
1(b) Address of Issuer's Principal Executive Offices:

The Company's principal executive office is located at 201 NW 10th, Suite 200, Oklahoma City, Oklahoma 73103.

Item
2(a) Name of Person Filing:

This Schedule 13G is being jointly filed by and on behalf of each of each of MSD Partners, L.P. ("MSD Partners"), and MSD Torchlight Partners, L.P. ("MSD Torchlight"). MSD Partners and MSD Torchlight are collectively referred to herein as the "Reporting Persons." MSD Torchlight is the record and direct beneficial owner of the securities covered by this statement. MSD Partners is the investment manager of, and may be deemed to beneficially own securities owned by, MSD Torchlight. MSD Partners (GP), LLC ("MSD GP") is the general partner of, and may be deemed to beneficially own securities owned by, MSD Partners. Each of Glenn R. Fuhrman, John C. Phelan and Marc R. Lisker is a manager of MSD GP and may be deemed to have or share voting and/or dispositive power over the securities beneficially owned by MSD GP.

The Reporting Persons have entered into a Joint Filing Agreement, dated November 1, 2017, a copy of which is filed with this Schedule 13G as Exhibit 99.1, pursuant to which the Reporting Persons have agreed to file this statement jointly in accordance with the provisions of Rule 13d-1(k)(1) under the Act.

Neither the filing of this statement nor anything herein shall be construed as an admission that any person other than the Reporting Persons is, for the purposes of Section 13(d) or 13(g) of the Act or any other purpose, the beneficial owner of any securities covered by this statement.

Item
(b) Address of Principal Business Office or, if none, Residence:

The principal business address of MSD Partners and MSD Torchlight is 645 Fifth Avenue, 21st Floor, New York, New

York 10022.

Item
2(c) Citizenship:

MSD Partners and MSD Torchlight are organized as limited partnerships under the laws of the State of Delaware.

Item
2(d) Title of Class of Securities:

Common Units

Item
2(e) CUSIP No.:

09625U109

Item If this statement is filed pursuant to Rules 13d-1(b), or 13d-2(b),

3 check whether the person filing is a:

Not applicable.

Item
4 Ownership:

A. MSD Partners, L.P.

Amount beneficially owned: 5,192,232 (which includes
(a) 1,935,842 Common Units that MSD Torchlight, L.P. has the
right to acquire within 60 days upon conversion of 1,935,842
Series A Preferred Units)

(B) Percent of class: 13.6%³

(N) Number of shares as to which such person has:

(S) ole power to vote or direct the vote: -0-

(S) hared power to vote or direct the vote: 5,192,232

(S) ole power to dispose or direct the disposition: -0-

(S) hared power to dispose or direct the disposition: 5,192,232

B. MSD Torchlight Partners, L.P.

(A) Amount beneficially owned: 5,192,232 (which includes
1,935,842 Common Units that MSD Torchlight, L.P. has the

right to acquire within 60 days upon conversion of 1,935,842 Series A Preferred Units)

(B) Percent of class: 13.6%³

(D) Number of shares as to which such person has:

(S) Sole power to vote or direct the vote: -0-

(Sh) Shared power to vote or direct the vote: 5,192,232

(So) Sole power to dispose or direct the disposition: -0-

(Sh) Shared power to dispose or direct the disposition: 5,192,232

C. MSD Partners (GP), LLC

(a) Amount beneficially owned: 5,192,232 (which includes 1,935,842 Common Units that MSD Torchlight, L.P. has the right to acquire within 60 days upon conversion of 1,935,842 Series A Preferred Units)

(b) Percent of class: 13.6%³

(c) Number of shares as to which such person has:

(i) Sole power to vote or direct the vote: -0-

(ii) Shared power to vote or direct the vote: 5,192,232

(iii) Sole power to dispose or direct the disposition: -0-

(iv) Shared power to dispose or direct the disposition: 5,192,232

D. Glenn R. Fuhrman

(a) Amount beneficially owned: 5,192,232 (which includes 1,935,842 Common Units that MSD Torchlight, L.P. has the right to acquire within 60 days upon conversion of 1,935,842 Series A Preferred Units)

(b) Percent of class: 13.6%³

(c) Number of shares as to which such person has:

(i) Sole power to vote or direct the vote: -0-

(ii) Shared power to vote or direct the vote: 5,192,232

(iii) Sole power to dispose or direct the disposition: -0-

(iv) Shared power to dispose or direct the disposition: 5,192,232

E. John C. Phelan

Amount beneficially owned: 5,192,232 (which includes

(a) 1,935,842 Common Units that MSD Torchlight, L.P. has the right to acquire within 60 days upon conversion of 1,935,842 Series A Preferred Units)

(b) Percent of class: 13.6%³

(c) Number of shares as to which such person has:

(i) Sole power to vote or direct the vote: -0-

(ii) Shared power to vote or direct the vote: 5,192,232

(iii) Sole power to dispose or direct the disposition: -0-

(iv) Shared power to dispose or direct the disposition: 5,192,232

F. Marc. R. Lisker

Amount beneficially owned: 5,192,232 (which includes

(a) 1,935,842 Common Units that MSD Torchlight, L.P. has the right to acquire within 60 days upon conversion of 1,935,842 Series A Preferred Units)

(b) Percent of class: 13.6%³

(c) Number of shares as to which such person has:

(i) Sole power to vote or direct the vote: -0-

(ii) Shared power to vote or direct the vote: 5,192,232

(iii) Sole power to dispose or direct the disposition: -0-

(iv) Shared power to dispose or direct the disposition: 5,192,232

The percentage used herein and in the rest of this Schedule 13G is calculated based upon 38,183,975 shares of 3 Common Units outstanding as of July 27, 2017, as reported in the Issuer's Quarterly Report on Form 10-Q filed with the Commission on August 2, 2017.

Item 5 Ownership of Five Percent or Less of a Class:

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If this statement is being filed to report the fact that as of the date hereof each of the Reporting Persons has ceased to be the beneficial owner of more than five percent of the class of securities, check the following [].

Item Ownership of More Than Five Percent on Behalf of Another Person:
6

Not applicable.

Item Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on by the Parent Holding Company or Control Person:
7

Not applicable.

Item Identification and Classification of Members of the Group:
8

Not applicable.

Item Notice of Dissolution of Group:
9

Not applicable.

Item Certification:
10

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as participant in any transaction having that purpose or effect, other than activities solely in connection with a nomination under § 240.14a-11.

SIGNATURE

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

Date: November 1, 2017

MSD Partners, L.P.

By: MSD Partners (GP), LLC
Its: General Partner

By: /s/ Marc R. Lisker
Name: Marc R. Lisker
Title: Manager

MSD Torchlight Partners, L.P.

By: MSD Partners, L.P.
Its: Investment Manager

By: MSD Partners (GP), LLC
Its: General Partner

By: /s/ Marc R. Lisker
Name: Marc R. Lisker
Title: Manager

EXHIBIT INDEX

Exhibit Description of Exhibit

99.1 Joint Filing Agreement dated November 1, 2017.

Exhibit 99.1

AGREEMENT REGARDING THE JOINT FILING OF SCHEDULE 13G

The undersigned hereby agree as follows:

- (i) Each of them is individually eligible to use the Schedule 13G to which this Exhibit is attached, and such Schedule 13G is filed on behalf of each of them; and
- (ii) Each of them is responsible for the timely filing of such Schedule 13G and any amendments thereto, and for the completeness and accuracy of the information concerning such person contained therein; but none of them is responsible for the completeness or accuracy of the information concerning the other persons making the filing, unless such person knows or has reason to believe that such information is inaccurate.

Date: November 1, 2017

MSD Partners, L.P.

By: MSD Partners (GP), LLC
Its: General Partner

By: /s/ Marc R. Lisker
Name: Marc R. Lisker
Title: Manager

MSD Torchlight Partners, L.P.

By: MSD Partners, L.P.
Its: Investment Manager

By: MSD Partners (GP), LLC
Its: General Partner

By: /s/ Marc R. Lisker
Name: Marc R. Lisker
Title: Manager