SEC Form 4

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person						2. Issuer Name and Ticker or Trading Symbol <u>CROSSTEX ENERGY LP</u> [XTEX]									5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner					
(Last) C/O CROSST	(First) TEX ENER((N GY HOLDINGS	/iddle)		3. Date of Earliest Transaction (Month/Day/Year) 07/31/2003									Officer (g below)			specify			
2501 CEDAR SPRINGS STE 600						4. If Amendment, Date of Original Filed (Month/Day/Year)									6. Individual or Joint/Group Filing (Check Applicable Line)					
(Street) DALLAS TX 75201											X	X Form filed by One Reporting Person Form filed by More than One Reporting Person								
(City)	(State)	e) (Zip)																		
		Т	able I - Noi	1-Dei	rivativ	ve Se	curitie	s Aco	quired, I	Disp	osed o	of, or B	Benefic	ially Ow	ned					
Date					Fransaction te onth/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 a				5. Amount Securities Beneficially Following I	y Owned Reported	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)		7. Nature of Indirect Beneficial Ownership	
										v	Amount		(A) or (D)	Price	 Transaction(s) (Instr. 3 and 4) 				(Instr. 4)	
Common Units representing limited partnership interests															1,453(1)		Ι		By Crosstex Energy Holdings Inc. ⁽²⁾	
			Table II - I						ired, Dis options						ed					
1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Da if any (Month/Day/Y	Code (In			5. Numb Derivativ Securitie Acquired or Dispo of (D) (In 4 and 5)	ve es d (A) osed	Expiration	5. Date Exercisat Expiration Date Month/Day/Year)		Securities Underlyi		rlying	ng Derivative		erof e s ally g	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	Beneficial Ownership (Instr. 4)	
					Code	v	(A)	(D)	Date Exercisab		cpiration ate			Amount or Number of Shares	- Transac (Instr. 4)					
Subordinated units representing limited partnership interest	(3)								(4)		(4)	Common units representing limited partnership interests		20,364		20,364 ⁽⁴⁾		I	By Crosstex Energy Holdings Inc. ⁽²⁾	
Restricted Units representing partnership interests	\$37.1	07/31/2003			A		7,000		(5)		(5)	repres lim partne	on Units senting ited ership rests	7,000	\$37.1 7,000		0	D		
Employee Stock Option(right to buy)	\$20	12/17/2002			А		17,500		(6)		(6)	repres lim partne	on Units senting ited ership rests	17,500	\$20	17,50	00	D		

Explanation of Responses:

1. The common units representing limited partnership interests and subordinated units representing limited partnership interests were issued to Crosstex Energy Holdings Inc. upon the closing of the Issuer's initial public offering December 17, 2002.

2. Jack M. Lafield is the Senior Vice President--Business Development of Crosstex Energy GP, LLC, the general partner of Crosstex Energy, L.P., which is the general partner of the Issuer. Mr. Lafield beneficially owns securities in Crosstex Energy Holdings Inc., representing approximately 0.44% of the voting power thereof. Crosstex Energy Holdings Inc., directly and indirectly, owns the general partner of the Issuer. Navier, which owns a 2% general partner interests in the Issuer. In addition, Crosstex Energy Holdings Inc., owns 333,000 of the Issuer's common units representing limited partners and 4,667,000 of the Issuer's subordinated units representing limited partnership interests. As a result, Jack M. Lafield may be deemed to be the beneficial owner of a portion of the common units and subordinated units owned by Crosstex Energy Holdings Inc.

3. These securities convert on a 1 for 1 basis.

4. The subordination period will end once the financial tests are met in the Issuer's partnership agreement. When the subordination period ends, each remaining subordinated unit will convert into one common unit.

5. 25% of these units will vest on each of the third and fourth anniversary of July 31, 2003, and the remaining 50% will vest on the fifth anniversary of July 31, 2003.

6. This option vests in three equal installments on December 17, 2003, 2004, and 2005

/s/ Jack M. Lafield

** Signature of Reporting Person Date

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

 * 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).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.



07/31/2003