

KINDER MORGAN, INC.
Form 4
March 04, 2011

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 *
GOLDMAN SACHS GROUP INC

2. Issuer Name and Ticker or Trading Symbol
KINDER MORGAN, INC. [KMI]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
200 WEST STREET
(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
03/02/2011

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

NEW YORK, NY 10282
(City) (State) (Zip)

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

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 Indirect Beneficial Ownership (Instr. 4) | | | |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|---|---|-----------------------|
| | | | Code | V | Amount | (A) or (D) | Price | | | |
| Class P Common Stock | 03/02/2011 | | S | | 100 | D | \$ 30.55 | 0 | I | See footnotes (1) (2) |
| Class P Common Stock | 03/03/2011 | | P | | 100 | A | \$ 30.56 | 0 | I | See footnotes (1) (2) |

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

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SEC 1474 (9-02)

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).

This statement is being filed by The Goldman Sachs Group, Inc. ("GS Group") and Goldman, Sachs & Co. ("Goldman Sachs" and together with GS Group, the "Reporting Persons"). Goldman Sachs is a wholly-owned subsidiary of GS Group. The Reporting Persons

(1) disclaim beneficial ownership of the securities reported herein except to the extent of their pecuniary interest therein, if any, and this report shall not be deemed an admission that any such entity is the beneficial owner of, or has pecuniary interest in, such securities for purposes of Section 16 of the Exchange Act or for any other purpose.

The shares of Class P Common Stock, par value \$0.01 per share (the "Common Stock"), of Kinder Morgan, Inc. (the "Company") reported herein as indirectly sold and purchased were beneficially owned directly by Goldman Sachs and indirectly by GS Group.

(2) Without admitting any legal obligation, Goldman Sachs or another wholly-owned subsidiary of GS Group will remit appropriate profits, if any, to the Company.

The Limited Partnerships (as defined below) hold Series A-1 and Series A-2 shares of Class A Common Stock ("Class A Shares"). A holder of Class A Shares may, from time to time prior to May 31, 2015, elect to convert some, or all, of its Class A Shares in order to sell the resulting shares of the Company's Common Stock to a third party or to make a distribution of such resulting Common Stock to its investors or partners. As of the date of this filing, Class A Shares are convertible on a one-for-one basis into Common Stock. As certain thresholds are met through holders of Class A Shares receiving additional value in the future from their ownership of the Class A Shares, either via distributions paid by the Company on such Class A Shares or future sales or distributions to its investors or partners of Common Stock received upon conversion of their Class A Shares, the holders of the Company's Series B-1 or Series B-2 (as applicable) (continued in next footnote)

(3) Class B Common Stock ("Class B Shares") and Series C-1 or Series C-2 (as applicable) Class C Common Stock ("Class C Shares") will convert or be entitled to convert a portion of their Class B Shares and Class C Shares into Common Stock, and the Class A Shares will have their conversion ratio reduced in proportion to the amount of Common Stock that the Class B Shares and Class C Shares receive upon conversion. The total number of Common Stock that the Class A Shares, Class B Shares and Class C Shares may receive in the aggregate is fixed. The formula for the conversion of Class A Shares, Class B Shares and Class C Shares into Common Stock, as well as the terms and conditions of such conversions, are specified in Article Fourth of the Company's Certificate of Incorporation, filed as Exhibit 3.1 of the Company's Amendment No. 3 to the Registration Statement on Form S-1, filed with the Securities and Exchange Commission on January 26, 2011.

(4) GS Group and Goldman Sachs may be deemed to beneficially own indirectly, in the aggregate, 108,089,296 shares of Series A-1 Class A Shares and 26,736,842 shares of Series A-2 Class A Shares through certain limited partnerships (the "Limited Partnerships"). Affiliates of GS Group and Goldman Sachs are the general partner, managing limited partner or managing partner of the Limited Partnerships. Goldman Sachs serves as the investment manager of certain of the Limited Partnerships.

(5) 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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