

KINDER MORGAN INC
 Form 4
 May 31, 2007

FORM 4

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

OMB APPROVAL

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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 *
RANDALL EDWARD III

(Last) (First) (Middle)

P O BOX 4362

(Street)

HOUSTON, TX 77057

(City) (State) (Zip)

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

3. Date of Earliest Transaction
 (Month/Day/Year)
05/30/2007

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

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 Ownership: Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
| Common Stock | 05/30/2007 | | D | 103,350 | \$ 107.50 | D | |

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

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 control number.

SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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| 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) | | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|-----|---|-----------------|--------------|----------------------------|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Stock Option (Right to Buy) | \$ 23.7188 | 05/30/2007 | | D | | 4,500 | | 01/04/1999 | 01/04/2009 | Common Stock | 4,500 |
| Stock Option (Right to Buy) | \$ 23.8125 | 05/30/2007 | | D | | 12,500 | | 04/07/2000 | 10/07/2009 | Common Stock | 12,500 |
| Stock Option (Right to Buy) | \$ 49 | 05/30/2007 | | D | | 10,000 | | 05/08/2001 | 01/02/2011 | Common Stock | 10,000 |
| Stock Option (Right to Buy) | \$ 55.85 | 05/30/2007 | | D | | 10,000 | | 01/02/2002 | 01/01/2012 | Common Stock | 10,000 |
| Stock Option (Right to Buy) | \$ 43.1 | 05/30/2007 | | D | | 10,000 | | 01/15/2003 | 01/14/2013 | Common Stock | 10,000 |
| Stock Option (Right to Buy) | \$ 61.4 | 05/30/2007 | | D | | 10,000 | | 05/11/2004 | 01/21/2014 | Common Stock | 10,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| RANDALL EDWARD III P O BOX 4362 HOUSTON, TX 77057 | X | | | |

Signatures

/s/ Edward
Randall III

05/30/2007

__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).

Stock options surrendered pursuant to Agreement and Plan of Merger dated as of August 28, 2006, among Kinder Morgan, Inc., Knight
(1) Holdco LLC and Knight Acquisition Co. in exchange for a cash payment equal to the difference between \$107.50 and the prices set forth in column 2.

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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