

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of report (Date of earliest event reported): **December 31, 2013**

Plains All American Pipeline, L.P.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation)

1-14569
(Commission
File Number)

76-0582150
(IRS Employer
Identification No.)

333 Clay Street, Suite 1600
Houston, Texas
(Address of principal
executive offices)

77002
(Zip Code)

Registrant's telephone number, including area code: **(713) 646-4100**

(Former name or former address, if changed since last report): **Not applicable**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.01. Completion of Acquisition or Disposition of Assets.

On December 31, 2013 (the "Effective Date"), Plains All American Pipeline, L.P., a Delaware limited partnership ("PAA" or the "Partnership"), completed the closing of the merger of PAA Acquisition Company LLC ("MergerCo"), a Delaware limited liability company and wholly-owned subsidiary of PAA, with and into PAA Natural Gas Storage, L.P., a Delaware limited partnership ("PNG"), with PNG continuing as the surviving entity (the "Merger"), pursuant to an Agreement and Plan of Merger dated as of October 21, 2013 (the "Merger Agreement"), by and among PAA, MergerCo, PNG and PNGS GP LLC, a Delaware limited liability company, a wholly-owned subsidiary of PAA and the general partner of PNG ("PNG GP").

In connection with the closing of the Merger, each outstanding common unit representing a limited partner interest in PNG (a "common unit"), other than those owned by PAA immediately prior to the Merger, was cancelled and converted into the right to receive 0.445 common units of PAA (the "Exchange Ratio"), plus cash in lieu of any fractional common units of PAA otherwise issuable in the Merger. The closing of the Merger is expected to result in the issuance of approximately 14.7 million common units of PAA. As a result of the Merger, PAA became the owner of 100% of the common units. Following the Merger, PAA will continue to own 100% of the subordinated units ("subordinated units") representing limited partner interests in PNG and 100% of the membership interests in PNG GP.

The description of the Merger contained in this Item 2.01 does not purport to be complete and is qualified in its entirety by reference to the Merger Agreement, which was filed as Exhibit 2.1 to PAA's Current Report on Form 8-K filed with the Securities and Exchange Commission on October 24, 2013 and is incorporated herein by reference.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Plains All American PNG Successor Long-Term Incentive Plan

Effective as of the Effective Date, pursuant to the Merger Agreement, Plains All American GP LLC ("Plains GP"), a Delaware limited liability company and the general partner of Plains AAP, L.P., which is the sole member of PAA GP LLC, which is the general partner of PAA, adopted and assumed the PAA Natural Gas Storage, L.P. 2010 Long Term Incentive Plan (the "Legacy Plan"). Additionally, as a result of the Merger, outstanding awards of PNG phantom units issued under the Legacy Plan were converted into comparable awards of phantom units representing the right to receive PAA common units

(“Phantom Units”) by applying the Exchange Ratio to each outstanding phantom unit and rounding down to the nearest whole Phantom Unit for any fractions (the “Award Conversion”).

In connection with the adoption and assumption of the Legacy Plan by Plains GP, the Board of Directors of Plains GP adopted an amendment and restatement of the Legacy Plan effective as of the Effective Date (such amendment and restatement, the “Successor Plan”) to reflect (a) the change in the name of the Legacy Plan to the “Plains All American PNG Successor Long-Term Incentive Plan,” and the change in the sponsoring issuer as a result of the Merger, (b) the Award Conversion, (c) the change in the securities that will be subject to Awards (as defined below) under the Successor Plan, which, following the Effective Date, will be PAA common units, (d) the number of PAA common units available for issuance under the Successor Plan and (e) changes to certain terms and conditions applicable to Awards granted under the Successor Plan on and after the Effective Date (and, in certain respects, awards granted under the Legacy Plan prior to the Effective Date), which changes are intended to make the terms of the Successor Plan consistent with the terms of the Plains All American 2013 Long-Term Incentive Plan (the “PAA 2013 LTIP”). On and after the Effective Date, 1,319,980 PAA common units will be available for awards under the Successor Plan (including the awards subject to the Award Conversion), which is equal to the number of PNG common units that were available for issuance under the Legacy Plan prior to the Merger (including PNG common units that were subject to outstanding awards of PNG phantom units that have been converted into awards of Phantom Units in the Award Conversion), multiplied by the Exchange Ratio (with any fractions rounded down to the nearest whole PAA common unit).

Like the Legacy Plan, the Successor Plan provides for the granting of unit options, unit appreciation rights, restricted units and phantom units (collectively, “Awards”), and may include dividend equivalent rights granted with respect to a unit option, unit appreciation right or phantom unit. Subject to certain limitations, Awards under the Successor Plan may be made to employees of Plains GP or its affiliates and to non-employee members of the Board of Directors of Plains GP.

The Successor Plan is administered by the Compensation Committee of the Board of Directors of Plains GP (the “Committee”). The Committee has full authority (subject to the terms of the Successor Plan) to select the individuals who will receive Awards, to determine the form and amount of each of the Awards to be granted and to establish the terms and conditions of Awards.

The foregoing is merely a summary of the Successor Plan and certain Awards thereunder and is qualified in its entirety by the full text of the Successor Plan. The Successor Plan is filed as Exhibit 10.1 hereto and is incorporated herein by reference. A copy of the Legacy Plan was filed as Exhibit 10.2 to PNG’s Current Report on Form 8-K filed with the Securities and Exchange Commission on May 11, 2010, and is incorporated herein by reference. A copy of the PAA 2013 LTIP was attached as Exhibit A to our definitive proxy statement on Schedule 14a, filed with the Securities Exchange Commission on October 3, 2013, and is incorporated herein by reference.

Surrender of Certain Transaction Grants by Certain Plains GP and PNG GP Officers

The officers of Plains GP and PNG GP that hold certain phantom subordinated PNG units issued by PAA (and that were not issued pursuant to the Legacy Plan), which had vesting conditions related to PNG and were payable in common or subordinated PNG units held by PAA (the “Transaction Grants”), have agreed to unilaterally surrender such Transaction Grants upon consummation of the Merger.

Item 5.03. Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

Amendment No. 2 to the Fourth Amended and Restated Agreement of Limited Partnership of Plains All American, L.P.

In connection with the Merger, PAA’s general partner amended the Fourth Amended and Restated Agreement of Limited Partnership (the “Partnership Agreement”) of the Partnership by executing Amendment No. 2 thereto (the “Amendment”), a copy of which is filed as Exhibit 3.1 hereto and incorporated into this report by reference.

Pursuant to the terms of the Amendment, the amounts payable pursuant to the Incentive Distribution Rights of the Partnership under the Partnership Agreement shall be adjusted commencing with the payment date of the first Partnership quarterly distribution declared and paid after the Effective Date (the “IDR Reduction Date”). The Amendment provides for the adjustment of the Incentive Distribution Rights as follows: (i) for the quarterly distribution paid on the IDR Reduction Date and the seven quarterly distributions declared and paid following the IDR Reduction Date, any distributions with respect to the Incentive Distribution Rights shall be reduced by \$3,000,000 per quarter, (ii) for the four quarterly distributions declared and paid thereafter, any distributions with respect to the Incentive Distribution Rights shall be reduced by \$2,500,000 per quarter, and (iii) for any quarterly distributions declared and paid thereafter, such distributions shall be reduced by \$1,250,000 per quarter. In no event will the foregoing reductions (i) cause future incentive distributions to be reduced below the amount of incentive distributions paid with respect to the quarter ended September 30, 2013, or (ii) cumulate in the event that (x) any portion of such reductions are not given effect by virtue of the limitation described in the immediately preceding clause (i), or (y) no distributions are made with respect to a quarter.

Amendment No. 1 to Seventh Amended and Restated Limited Partnership Agreement of Plains AAP, L.P.

On December 31, 2013, Amendment No. 1 (“AAP Amendment No. 1”) to the Seventh Amended and Restated Limited Partnership Agreement of Plains AAP, L.P. (the “AAP LP Agreement”) was executed by its general partner, Plains GP, to revise the definition of the term “Permitted Transfer” thereunder to allow certain transfers in connection with charitable contribution and estate planning transactions. Specifically, AAP Amendment No. 1 permits the existing owners (the “Existing Owners”) of Class B shares representing limited partnership interests in Plains GP Holdings, L.P. (“GP Holdings”) to make distributions of a portion of their Partnership Group Interests (as defined in the AAP LP Agreement) in order to facilitate a bona fide charitable contribution or estate planning transaction, provided such transferred interests are substantially concurrently exchanged for Class A shares representing limited partnership interests in GP Holdings. Any such transfer by any Existing Owner requires approval of the board of directors of Plains GP, and such transferred interests will remain subject to the terms of any continuing lock-up arrangements and any trading restrictions under applicable securities laws.

The foregoing descriptions are qualified in their entirety by reference to the full text of the Amendment and AAP Amendment No. 1, which are filed as Exhibit 3.1 and Exhibit 3.2, respectively, hereto and are incorporated herein by reference.

Item 7.01. Regulation FD Disclosure.

On December 31, 2013, PAA and PNG issued a joint press release announcing the completion of the Merger. A copy of the joint press release is attached as Exhibit 99.1 hereto. The press release contains statements intended as “forward-looking statements” that are subject to the cautionary statements about forward-looking statements set forth in the press release.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description
3.1*	Amendment No. 2 dated December 31, 2013 to the Fourth Amended and Restated Agreement of Limited Partnership of Plains All American Pipeline, L.P.
3.2*	Amendment No. 1 to Seventh Amended and Restated Limited Partnership Agreement of Plains AAP, L.P., dated as of December 31, 2013.
10.1	Plains All American PNG Successor Long-Term Incentive Plan (incorporated by reference to Exhibit 4.4 to the Registration Statement on Form S-8 (File No. 333-193139 filed on December 31, 2013).
10.2	PAA Natural Gas Storage, L.P. 2010 Long Term Incentive Plan (incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K of PAA Natural Gas Storage, L.P. filed on May 11, 2010).
10.3	Plains All American 2013 Long-Term Incentive Plan (incorporated by reference to Exhibit A to the Registrant’s Proxy Statement filed on October 3, 2013).
99.1*	Joint press release dated December 31, 2013.

* Filed herewith

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PLAINS ALL AMERICAN PIPELINE, L.P.

By: PAA GP LLC, its general partner

By: Plains AAP, L.P., its sole member

By: Plains All American GP LLC,
its general partner

By: /s/ Richard McGee

Name: Richard McGee

Title: Executive Vice President, General Counsel and Secretary

Date: December 31, 2013

EXHIBIT INDEX

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10.3	Plains All American 2013 Long-Term Incentive Plan (incorporated by reference to Exhibit A to the Registrant’s Proxy Statement filed on October 3, 2013).
99.1*	Joint press release dated December 31, 2013.

* Filed herewith

AMENDMENT NO. 2 TO THE FOURTH AMENDED AND RESTATED
AGREEMENT OF LIMITED PARTNERSHIP OF
PLAINS ALL AMERICAN PIPELINE, L.P.

This Amendment No. 2 (this "Amendment") to the Fourth Amended and Restated Agreement of Limited Partnership of Plains All American Pipeline, L.P., a Delaware limited partnership (the "Partnership"), dated as of May 17, 2012 (and as amended to the date hereof, the "Partnership Agreement"), is hereby adopted effective as of December 31, 2013, by PAA GP LLC, a Delaware limited liability company, (the "General Partner"), as general partner of the Partnership. Capitalized terms used but not defined herein are used as defined in the Partnership Agreement.

WHEREAS, Section 13.1(d)(i) of the Partnership Agreement provides that the General Partner, without the approval of any Partner, may amend any provision of the Partnership Agreement to reflect a change that, in the discretion of the General Partner, does not adversely affect the Limited Partners in any material respect;

WHEREAS, the General Partner has determined, in its discretion, that this Amendment does not adversely affect the Limited Partners in any material respect;

WHEREAS, this Amendment shall become effective only upon and after consummation of the transactions contemplated by that certain Agreement and Plan of Merger by and among the Partnership, PAA Acquisition Company LLC ("Acquisition Co"), PNGS GP LLC and PAA Natural Gas Storage, L.P. ("PNG"), dated as of October 21, 2013 (the "Merger Agreement"), related to the merger of Acquisition Co and PNG.

NOW, THEREFORE, the General Partner does hereby amend the Partnership Agreement as follows:

Section 1. Section 1.1 of the Partnership Agreement is hereby amended by adding the following definition:

"PNG Merger Effective Date" means the date on which the transactions contemplated by the Merger Agreement have been substantially consummated as contemplated thereunder.

Section 2. Section 6.4 of the Partnership Agreement is hereby amended by adding a new subsection (f) to such Section:

"(f) Notwithstanding anything to the contrary in this Section 6.4, any distributions to the holder of the Incentive Distribution Rights provided for in clauses (ii), (iii) and (iv) of Subsection 6.4(a), as applicable, shall be adjusted commencing with the payment date of the first quarterly distribution declared and paid after the PNG Merger Effective Date (the "PNG Merger IDR Reduction Date"). Such adjustment shall be as follows: (i) for the quarterly distribution paid on the PNG Merger IDR Reduction Date and the seven quarterly distributions declared and paid following the PNG Merger IDR Reduction Date, any distributions to the holder(s) of the Incentive Distribution Rights shall be reduced by \$3,000,000 per quarter, (ii) for the four quarterly distributions declared and paid thereafter, such distributions shall be reduced by \$2,500,000 per quarter, and (iii) thereafter, such distributions shall be reduced by \$1,250,000

per quarter; provided, however, that (A) in no event shall the reduction pursuant to Section 6.4(f)(i), (ii) or (iii) cause the Incentive Distribution with respect to the applicable quarter to be reduced below the total amount of Incentive Distributions paid (excluding any adjustments pursuant to Section 6.4(b), (c), (d) and (e)) with respect to the quarter ended September 30, 2013, and (B) any portion of the potential reductions provided for in Section 6.4(f)(i), (ii) or (iii) that are not given effect by virtue of the limitation set forth in clause (A) immediately preceding, or by virtue of the fact that no distributions are made with respect to a quarter, shall not cumulate or otherwise have any effect on Incentive Distributions made with respect to future periods. For avoidance of doubt, the reduction shall be an aggregate of \$24 million for the first eight quarters (commencing with and including the PNG Merger IDR Reduction Date), \$10 million for the next four quarters and \$1.25 million per quarter thereafter."

Section 3. The first sentence of Section 6.9 of the Partnership Agreement is hereby amended to (a) delete the word "and" following the reference to "Second Target Distribution," (b) insert a comma following the reference to "Second Target Distribution" and (c) add the phrase "and the Incentive Distribution reduction amount referenced in Section 6.4(f)(i),(ii) or (iii), as applicable," immediately following the reference to "the Incentive Distribution reduction amount referenced in Section 6.4(e)(i) or (ii), as applicable."

Section 4. Except as hereby amended, the Partnership Agreement shall remain in full force and effect.

Section 5. This Amendment shall be governed by, and interpreted in accordance with, the laws of the State of Delaware, all rights and remedies being governed by such laws without regard to principles of conflicts of laws.

IN WITNESS WHEREOF, this Amendment has been executed as of the date first written above.

GENERAL PARTNER:

PAA GP LLC

By: Plains AAP, L.P., its sole member

By: Plains All American GP LLC, its general partner

By: /s/ Richard McGee

Name: Richard McGee

Title: Executive Vice President, General Counsel and Secretary



AMENDMENT NO. 1
dated as of December 31, 2013
TO
SEVENTH AMENDED AND RESTATED
LIMITED PARTNERSHIP AGREEMENT
OF
PLAINS AAP, L.P.
dated as of October 21, 2013

AMENDMENT NO. 1
TO
SEVENTH AMENDED AND RESTATED
LIMITED PARTNERSHIP AGREEMENT
OF
PLAINS AAP, L.P.

THIS AMENDMENT NO. 1 (this "**Amendment**") to the SEVENTH AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT (the "**Agreement**") of Plains AAP, L.P., a Delaware limited partnership (the "**Partnership**"), dated as of October 21, 2013, is made and entered into as of the 31st day of December, 2013. Capitalized terms used but not defined herein shall have the meaning given such terms in the Agreement.

WHEREAS, the Partners have entered into the Agreement;

WHEREAS, Section 11.2(a) of the Agreement provides that, except as otherwise expressly provided, the Agreement may not be amended, modified, superseded or restated without the approval of the General Partner, subject to specified exceptions requiring the approval of certain Partners;

WHEREAS, the changes contemplated by this Amendment do not require separate approval beyond that of the General Partner; and

WHEREAS, the General Partner has approved this Amendment by resolution dated December 31, 2013.

NOW, THEREFORE, pursuant to Section 11.2(a) of the Agreement, the Agreement is hereby amended as follows: The following amendments shall take effect as of the date hereof:

1.1 Amendments. The following amendments shall take effect as of the date hereof:

(a) Article 1 of the Agreement is hereby amended by deleting clause (e) of the definition of "Permitted Transfer" contained therein and inserting in lieu thereof the following clause:

(e) with respect to a Partnership Group Interest, (i) a Transfer by either of EMG or Kayne Anderson to one of its members or partners, as applicable or (ii) a Transfer by a Partner that has been approved by the Board and is being made in order to facilitate a bona fide charitable contribution or estate planning transaction; *provided*, in each case that such transferee agrees as a condition to such Transfer to effect, and actually effects, a substantially concurrent Exchange of such Partnership Group Interest; and

1.1 Severability. In the event any provision of this Amendment is held to be illegal, invalid or unenforceable to any extent, the legality, validity and enforceability of the remainder of this Amendment shall not be affected thereby and shall remain in full force and effect and shall be enforced to the greatest extent permitted by law.

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1.2 Governing Law. This Amendment shall be construed according to and governed by the laws of the State of Delaware without regard to principles of conflict of laws.

[Signature pages follow]

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IN WITNESS WHEREOF, this Amendment has been executed as of the date first written above.

By: Plains All American GP LLC, its general partner

By: /s/ Richard McGee

Name: Richard McGee

Title: Executive Vice President,
General Counsel and Secretary

**SIGNATURE PAGE FOR AMENDMENT NO. 1 TO SEVENTH AMENDED AND RESTATED
LIMITED PARTNERSHIP AGREEMENT**



News Release

FOR IMMEDIATE RELEASE

**Plains All American Pipeline, L.P. Completes Merger
of PAA Natural Gas Storage, L.P.**

HOUSTON — December 31, 2013 — Plains All American Pipeline, L.P. (NYSE: PAA) (“PAA”) and PAA Natural Gas Storage, L.P. (NYSE: PNG) (“PNG”) today jointly announced the completion of the merger of PNG with a wholly-owned subsidiary of PAA, with PNG surviving the merger as a wholly-owned subsidiary of PAA, effective today, December 31, 2013. PNG’s common unitholders approved the merger in a special meeting held today in Houston, Texas. Under the terms of the merger agreement, each PNG unitholder eligible to receive the merger consideration will receive 0.445 common units of PAA for each PNG common unit owned by such unitholder, plus cash in lieu of any fractional common units of PAA otherwise issuable in the merger.

The transaction is expected to result in the issuance of approximately 14.7 million common units of PAA. In connection with the closing of the merger, the owners of PAA’s general partner have agreed to reduce their incentive distribution rights under PAA’s agreement of limited partnership by \$12 million in each of 2014 and 2015, \$10 million in 2016 and \$5 million per year thereafter.

As a result of the completion of the merger, common units of PNG will be delisted and, as of the opening of the stock market on January 2, 2014, will no longer be publicly traded. PAA common units will continue to be traded on the New York Stock Exchange under the ticker symbol “PAA.”

Plains All American Pipeline, L.P. (NYSE: PAA) is a publicly traded master limited partnership that provides midstream energy infrastructure and logistics services for crude oil, natural gas liquids (“NGL”), natural gas and refined products. PAA owns an extensive network of pipeline transportation, terminalling, storage and gathering assets in key crude oil and NGL producing basins and transportation corridors and at major market hubs in the United States and Canada. On average, PAA handles over 3.5 million barrels per day of crude oil and NGL on its pipelines. PAA is headquartered in Houston, Texas.

PAA Natural Gas Storage, L.P. is a Delaware limited partnership engaged in the development, acquisition, operation and commercial management of natural gas storage facilities. PNG currently owns and operates three natural gas storage facilities located in Louisiana, Mississippi and Michigan. PNG is headquartered in Houston, Texas.

Forward-Looking Statements

Except for the historical information contained herein, the matters discussed in this release are forward-looking statements that involve certain risks and uncertainties that could cause actual results to differ materially from results anticipated in the forward-looking statements. Various risks relating to PAA and PNG are described in their respective filings with the Securities and Exchange Commission.

Contact:

Roy I. Lamoreaux
Director, Investor Relations
713/646-4222 or 800/564-3036

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