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) **May 9, 2006**

Plains All American Pipeline, L.P.
(Exact name of registrant as specified in its charter)

DELAWARE	**1-14569**	**76-0582150**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

333 Clay Street, Suite 1600, Houston, Texas 77002
(Address of principal executive offices) (Zip Code)

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

(Former name or former address, if changed since last report.)

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:

o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01. Entry into a Material Definitive Agreement.

Purchase Agreement. On May 9, 2006, Plains All American Pipeline, L.P. (the "Partnership"), PAA Finance Corp. ("PAA Finance" and together with the Partnership, the "Issuers") and certain subsidiary guarantors, entered into a Purchase Agreement (the "Purchase Agreement") with Citigroup Global Markets Inc. and UBS Securities LLC, each acting on behalf of itself and acting together as the representatives of BNP Paribas Securities Corp., Banc of America Securities LLC, Fortis Securities LLC, J.P. Morgan Securities Inc., Piper Jaffray & Co., Wachovia Capital Markets, LLC, Amegy Bank National Association, Commerzbank Capital Markets Corp., DnB NOR Markets, Inc., HSBC Securities (USA) Inc. and Mitsubishi UFJ Securities International plc (collectively, the "Initial Purchasers"), to sell $250 million aggregate principal amount of 6.70% Senior Notes due 2036 (the "Notes") in accordance with a private placement conducted pursuant to Rule 144A under the Securities Act of 1933, as amended (the "Offering"). The Notes were issued at 99.819% of the face amount and pursuant to the Purchase Agreement the Issuers agreed to sell the Notes to the Initial Purchasers at a purchase price of 98.944% of the principal amount thereof. The material terms of the Notes are described below in Item 2.03.

Sixth Supplemental Indenture. On May 12, 2006, the Issuers and certain subsidiary guarantors entered into a Sixth Supplemental Indenture, dated as of May 12, 2006 (the "Supplemental Indenture"), to the Indenture, dated as of September 25, 2002 (the "Original Indenture," together with the Supplemental Indenture, the "Indenture"), with Wachovia Bank, National Association, as Trustee. The material terms of the Notes issued under the Supplemental Indenture are described below in Item 2.03.

Registration Rights Agreement. On May 12, 2006, the Issuers and certain subsidiary guarantors entered into an Exchange and Registration Rights Agreement with the Initial Purchasers providing the holders of the Notes certain rights relating to registration of the Notes under the Securities Act. The material terms of the exchange offer are described below in Item 2.03.

Seventh Supplemental Indenture. On May 12, 2006, the Issuers and Plains LPG Services GP LLC, Plains LPG Services, L.P. and Lone Star Trucking, LLC (collectively, the "Additional Subsidiary Guarantors") entered into a Seventh Supplemental Indenture, dated as of May 12, 2006, to the Original Indenture with Wachovia Bank, National Association, as Trustee, pursuant to which the Additional Subsidiary Guarantors agreed to unconditionally guarantee all of the Issuers' obligations under their 7¾% Senior Notes due 2012, $5^5/_8$% Senior Notes due 2013, 4.750% Senior Notes due 2009, 5.875% Senior Notes due 2016 and 5.25% Senior Notes due 2015.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information set forth in Item 1.01 is incorporated herein by reference.

On May 12, 2006 the Issuers offered and sold to the Initial Purchasers $250 million aggregate principal amount of 6.70% Notes due 2036.

The Notes will be general senior unsecured obligations of the Issuers and will rank equally with the existing and future senior unsecured indebtedness of the Issuers. Initially, all payments with respect to the Notes (including principal and interest) will be fully and unconditionally guaranteed, jointly and severally, by substantially all of the Issuer's existing subsidiaries. In the future, the subsidiaries that guarantee other indebtedness of the Issuer or another subsidiary must also guarantee the Notes. The guarantees are also subject to release in certain circumstances. The guarantees are general unsecured obligations of the subsidiary guarantors and rank equally with the existing and future senior unsecured indebtedness of the subsidiary guarantors.

Interest on the Notes will accrue from May 12, 2006 and will be payable semi-annually in arrears on May 15 and November 15 of each year, commencing November 15, 2006. Interest will be payable to the holders of record at the close of business on the May 1 and November 1 preceding such interest payment dates. Interest will be computed on the basis of a 360-day year consisting of twelve 30-day months.

The Issuers may redeem the Notes, in whole or in part, at any time and from time to time at a price equal to the greater of (i) 100% of the principal amount of the Notes to be redeemed or (ii) the sum of the present values of the remaining scheduled payments of principal of and interest on the Notes to be redeemed, discounted to the redemption date on a semi-annual basis at the adjusted treasury rate plus 25 basis points, together with accrued interest to the date of redemption.

The Indenture contains covenants that limit the Issuers and their subsidiaries from creating liens on its or their principal properties to secure debt and from engaging in certain sale-leaseback transactions. The indenture also limits the Issuers' ability to engage in certain mergers, consolidations and sales of properties or assets.

Upon a continuing event of default, the trustee or the holders of 25% principal amount of the then-outstanding Notes may declare all the Notes immediately due and payable, except that a default resulting from the Issuers' entry into a bankruptcy, insolvency or reorganization will automatically cause all outstanding Notes to become due and payable. Each of the following shall constitute an event of default under the Indenture with respect to the Notes:

- default in payment when due of the principal of or any premium on any note at maturity, upon redemption or otherwise;
- default for 60 days in the payment when due of interest on any note;
- failure by the Issuers or, so long as the Notes are guaranteed by a subsidiary guarantor, by such subsidiary guarantor, for 30 days after receipt of notice from the trustee or the holders to comply with any other term, covenant or warranty in the Indenture or the Notes (provided that notice need not be given, and an Event of Default will occur, 30 days after any breach of the covenants described in the Indenture);
- default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any debt for money borrowed of the Issuers or any of the subsidiaries of Plains All American Pipeline (or the payment of which is guaranteed by Plains All American Pipeline or any of its subsidiaries), whether such debt or guarantee now exists or is created after the Issue Date, if (a) that default (x) is caused by a failure to pay principal of or premium, if any, or interest on such debt prior to the expiration of any grace period provided in such debt (a "Payment Default"), or (y) results in the acceleration of the maturity of such debt to a date prior to its originally stated maturity, and, (b) in each case described in clause (x) or (y) above, the principal amount of any such debt, together with the principal amount of any other such debt under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates $25 million or more; provided that if any such default is cured or waived or any such acceleration rescinded, or such debt is repaid, within a period of 30 days from the continuation of such default beyond the applicable grace period or the occurrence of such acceleration, as the case may be, such Event of Default and any consequential acceleration of the Notes shall be automatically rescinded, so long as such rescission does not conflict with any judgment or decree;
- specified events in bankruptcy, insolvency or reorganization of the Issuers or, so long as the Notes are guaranteed by a subsidiary guarantor, by such subsidiary guarantor;
- so long as the Notes are guaranteed by a subsidiary guarantor:
  - the guarantee by such subsidiary guarantor ceases to be in full force and effect, except as otherwise provided in the Indenture;
  - the guarantee by such subsidiary guarantor is declared null and void in a judicial proceeding; or
  - such subsidiary guarantor denies or disaffirms its obligations under the Indenture or its guarantee.

The Notes have not been registered under the Securities Act and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act.

The terms of the Exchange and Registration Rights Agreement described in Item 1.01 above requires the Issuers to register under the Securities Act exchange notes (and related guarantees) having substantially identical terms as the Notes (and related guarantees), and to complete offers to exchange such exchange notes for the Notes. If an exchange offer cannot be effected, the Issuers have agreed to file and keep effective a shelf registration statement for resale of the Notes. Failure of the Issuers to comply with the registration and exchange requirements set forth in the Exchange and Registration Rights Agreement will require the Issuers to pay additional interest semi-annually, over and above the state interest rate, on the Notes in an amount not to exceed a rate of 0.50% per year.

Item 7.01. Regulation FD Disclosure

In accordance with General Instruction B.2 of Form 8-K, the information presented herein under Item 7.01 shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as expressly set forth by specific reference in such a filing.

On May 12, 2006, the Partnership issued a press release announcing that it has completed the Offering. The Partnership is furnishing a copy of such press release as Exhibit 99.1 hereto.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits.

Exhibit 4.1	Sixth Supplemental Indenture, dated as of May 12, 2006, to Indenture, dated as of September 25, 2002, among Plains All American Pipeline, L.P., PAA Finance Corp. and subsidiary guarantors signatory thereto and Wachovia Bank, National Association, as trustee.
Exhibit 4.2	Exchange and Registration Rights Agreement, dated as of May 12, 2006, among Plains All American Pipeline, L.P., PAA Finance Corp. Plains Marketing, L.P., Plains Pipeline, L.P., Plains Marketing GP Inc., Plains Marketing Canada LLC, PMC (Nova Scotia) Company, Plains Marketing Canada, L.P., Basin Holdings GP LLC, Basin Pipeline Holdings, L.P., Rancho Holdings GP LLC, Rancho Pipeline Holdings, L.P., Plains LPG Services GP LLC, Plains LPG Services, L.P., Lone Star Trucking, LLC, Citigroup Global Markets Inc., UBS Securities LLC, BNP Paribas Securities Corp., Banc of America Securities LLC, Fortis Securities LLC, J.P. Morgan Securities Inc., Piper Jaffray & Co., Wachovia Capital Markets, LLC, Amegy Bank National Association, Commerzbank Capital Markets Corp., DnB NOR Markets, Inc., HSBC Securities (USA) Inc. and Mitsubishi UFJ Securities International plc.
Exhibit 4.3	Seventh Supplemental Indenture, dated as of May 12, 2006, to Indenture, dated as of September 25, 2002, among Plains All American Pipeline, L.P., PAA Finance Corp., Plains LPG Services GP LLC, Plains LPG Services, L.P. and Lone Star Trucking, LLC and Wachovia Bank, National Association, as trustee.
Exhibit 10.1	Purchase Agreement, dated May 9, 2006 among Plains All American Pipeline, L.P., PAA Finance Corp., Plains AAP, L.P., Plains All American GP LLC, Plains Marketing, L.P., Plains Pipeline, L.P., Plains Marketing GP Inc., Plains Marketing Canada LLC, PMC (Nova Scotia) Company, Plains Marketing Canada, L.P., Basin Holdings GP LLC, Basin Pipeline Holdings, L.P., Rancho Holdings GP LLC, Rancho Pipeline Holdings, L.P., Plains LPG Services GP LLC, Plains LPG Services, L.P., Lone Star Trucking, LLC, Citigroup Global Markets Inc., UBS Securities LLC, BNP Paribas Securities Corp., Banc of America Securities LLC, Fortis Securities LLC, J.P. Morgan Securities Inc., Piper Jaffray & Co., Wachovia Capital Markets, LLC, Amegy Bank National Association, Commerzbank Capital Markets Corp., DnB NOR Markets, Inc., HSBC Securities (USA) Inc. and Mitsubishi UFJ Securities International plc.

Exhibit 99.1	Press Release of Plains All American Pipeline, L.P. dated May 12, 2006.

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: Plains AAP, L.P., its general partner

By: Plains All American GP LLC, its general partner

By: /s/ Tim Moore
Name: Tim Moore
Title: Vice President

May 12, 2006

Exhibit 4.1

Execution Version

PLAINS ALL AMERICAN PIPELINE, L.P.
PAA FINANCE CORP.
as Issuers

and

THE SUBSIDIARY GUARANTORS NAMED HEREIN
as Guarantors

$250,000,000

SERIES A AND SERIES B

6.70% SENIOR NOTES DUE 2036

SIXTH

SUPPLEMENTAL

INDENTURE

Dated as of May 12, 2006

WACHOVIA BANK, NATIONAL ASSOCIATION
as Trustee

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EXHIBIT D: Transferee Letter of Representations
EXHIBIT E: Certificate to be Delivered Upon Exchange or Registration of Transfer of Securities Pursuant to Regulation S

SIXTH SUPPLEMENTAL INDENTURE dated as of May 12, 2006 (this “Supplemental Indenture”) among PLAINS ALL AMERICAN PIPELINE, L.P., a Delaware limited partnership (the “Partnership”), PAA FINANCE CORP., a wholly owned subsidiary of the Partnership and a Delaware corporation (“PAA Finance” and, together with the Partnership, the “Issuers”), and the subsidiary guarantors signatory hereto (the “Subsidiary Guarantors”), and WACHOVIA BANK, NATIONAL ASSOCIATION, as trustee (the “Trustee”).

W I T N E S S E T H:

WHEREAS, the Issuers have heretofore entered into an Indenture, dated as of September 25, 2002 (the “Original Indenture”), with Wachovia Bank, National Association, as trustee;

WHEREAS, the Original Indenture, as supplemented by this Supplemental Indenture, is herein called the “Indenture”;

WHEREAS, under the Original Indenture, a new series of Debt Securities may at any time be established by the Boards of Directors of the Managing General Partner and PAA Finance in accordance with the provisions of the Original Indenture and the form and terms of such series may be established by a supplemental Indenture executed by the Issuers and the Trustee;

WHEREAS, also under the Original Indenture, guarantors with respect to a series of Debt Securities may be added as parties to the Indenture by a supplemental indenture executed by themselves, the Issuers and the Trustee;

WHEREAS, the Issuers propose to create under the Indenture a new series of Debt Securities, such series to be guaranteed by the Subsidiary Guarantors;

WHEREAS, additional Debt Securities of other series hereafter established, except as may be limited in the Original Indenture as at the time supplemented and modified, may be issued from time to time pursuant to the Original Indenture as at the time supplemented and modified; and

WHEREAS, all conditions necessary to authorize the execution and delivery of this Supplemental Indenture and to make it a valid and binding obligation of the Issuers and the Subsidiary Guarantors have been done or performed.

NOW, THEREFORE, in consideration of the agreements and obligations set forth herein and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

ARTICLE I

Section 1.01. Establishment. (a) There is hereby established a new series of Debt Securities to be issued under the Indenture, to be designated as the Issuers' 6.70% Senior

Notes due 2036 (the "Notes"). As provided in Article III hereof, the Notes shall be issued as either Series A Notes or Series B Notes, and any Notes may have such additional designation.

(b) There are to be authenticated and delivered $250,000,000 principal amount of Series A Notes on the Issue Date, and from time to time thereafter there may be authenticated and delivered an unlimited principal amount of Additional Notes. Further, from time to time after the Issue Date, Series B Notes may be authenticated and delivered in a principal amount equal to the principal amount of the Series A Notes exchanged therefor pursuant to an Exchange Offer.

(c) The Notes shall be issued initially in the form of one or more Global Securities in substantially the form set out in Exhibit A hereto. The Depositary with respect to the Notes shall be The Depository Trust Company.

(d) Each Note shall be dated the date of authentication thereof and shall bear interest from the date of original issuance thereof or from the most recent date to which interest has been paid or duly provided for.

(e) If and to the extent that the provisions of the Original Indenture are duplicative of, or in contradiction with, the provisions of this Supplemental Indenture, the provisions of this Supplemental Indenture shall govern.

ARTICLE II
DEFINITIONS AND INCORPORATION BY REFERENCE

Section 2.01. Definitions. All capitalized terms used herein and not otherwise defined below shall have the meanings ascribed thereto in the Original Indenture. The following are additional definitions used in this Supplemental Indenture:

"Additional Interest" means all additional interest owing on the Notes pursuant to a registration default under an Exchange and Registration Rights Agreement.

"Affiliate" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "control," as used with respect to any Person, shall mean the possession directly or indirectly of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise; and the terms "controlling," "controlled by" and "under common control with" shall have correlative meanings.

"Attributable Indebtedness," when used with respect to any Sale-leaseback Transaction, means, as at the time of determination, the present value (discounted at the rate set forth or implicit in the terms of the lease included in such transaction) of the total obligations of the lessee for rental payments (other than amounts required to be paid on account of property taxes, maintenance, repairs, insurance, assessments, utilities, operating and labor costs and other items that do not constitute payments for property rights) during the remaining term of the lease included in such Sale-leaseback Transaction (including any period for which such lease has been

extended). In the case of any lease that is terminable by the lessee upon the payment of a penalty or other termination payment, such amount shall be the lesser of the amount determined assuming termination upon the first date such lease may be terminated (in which case the amount shall also include the amount of the penalty or termination payment, but no rent shall be considered as required to be paid under such lease subsequent to the first date upon which it may be so terminated) or the amount determined assuming no such termination.

"Capital Interests" means any and all shares, interests, participations, rights or other equivalents (however designated) of capital stock, including, without limitation, with respect to partnerships, partnership interests (whether general or limited) and any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, such Person.

"Consolidated Net Tangible Assets" means, at any date of determination, the total amount of assets after deducting therefrom: (1) all current liabilities (excluding (a) any current liabilities that by their terms are extendible or renewable at the option of the obligor thereon to a time more than 12 months after the time as of which the amount thereof is being computed; and (b) current maturities of long-term debt); and (2) the amount, net of any applicable reserves, of all goodwill, trade names, trademarks, patents and other like intangible assets, all as set forth on the consolidated balance sheet of the Partnership for its most recently completed fiscal quarter, prepared in accordance with GAAP.

"Debt" means any obligation created or assumed by any Person for the repayment of money borrowed, any purchase money obligation created or assumed by such Person, and any guarantee of the foregoing.

"Exchange and Registration Rights Agreement" means (a) the Registration Rights Agreement among the Partnership, PAA Finance, the Subsidiary Guarantors and the Initial Purchasers dated the Issue Date relating to the Series A Notes issued on such date and (b) any similar agreement that the Issuers may enter into in relation to any other Series A Notes, in each case as such agreement may be amended or modified from time to time.

"Exchange Offer" means the offer by the Issuers to the Holders of all outstanding Transfer Restricted Securities to exchange all such outstanding Transfer Restricted Securities held by such Holders for Series B Notes, in an aggregate principal amount equal to the aggregate principal amount of the Transfer Restricted Securities tendered in such exchange offer by such Holders.

"Funded Debt" means all Debt maturing one year or more from the date of the creation thereof, all Debt directly or indirectly renewable or extendible, at the option of the debtor, by its terms or by the terms of any instrument or agreement relating thereto, to a date one year or more from the date of

the creation thereof, and all Debt under a revolving credit or similar agreement obligating the lender or lenders to extend credit over a period of one year or more.

"Guarantee" means a guarantee of the Notes given by a Subsidiary Guarantor pursuant to the Indenture, including all obligations under Article IX hereof.

"guarantee" means a guarantee (other than by endorsement of negotiable instruments for collection in the ordinary course of business), direct or indirect, in any manner (including, without limitation, by way of a pledge of assets, or through letters of credit or reimbursement, "claw-back," "make-well," or "keep-well" agreements in respect thereof), of all or any part of the payment of any Debt. The term "guarantee" used as a verb has a corresponding meaning.

"Initial Purchasers" means Citigroup Global Markets Inc. and UBS Securities LLC and the other initial purchasers party to the initial Exchange and Registration Rights Agreement.

"Issue Date" means, with respect to the Notes, the date on which the Notes are initially issued.

"Notes" has the meaning assigned to it in Section 1.01(a) hereof, and includes both the Series A Notes and the Series B Notes.

"Obligations" means any principal, interest, liquidated damages, penalties, fees, indemnifications, reimbursement obligations, damages and other liabilities payable under the documentation governing any Debt.

"Pari Passu Debt" means any Funded Debt of either of the Issuers, whether outstanding on the Issue Date of thereafter created, incurred or assumed, unless, in the case of any particular Funded Debt, the instrument creating or evidencing the same or pursuant to which the same is outstanding expressly provides that such Funded Debt shall be subordinated in right of payment to the Notes.

"Partnership Agreement" means the Third Amended and Restated Agreement of Limited Partnership of Plains All American Pipeline, L.P., amended and restated effective as of June 27, 2001, as amended by Amendment No. 1 thereto dated as of April 15, 2004 and as such may be otherwise amended, modified or supplemented from time to time.

"Permitted Liens" means:

(1) Liens upon rights-of-way for pipeline purposes;

(2) any statutory or governmental Lien or Lien arising by operation of law, or any mechanics', repairmen's, materialmen's, suppliers', carriers', landlords', warehousemen's or similar Lien incurred in the ordinary course of business which is not yet due or which is being contested in good faith by appropriate proceedings and any undetermined Lien which is incidental to construction, development, improvement or repair;

(3) the right reserved to, or vested in, any municipality or public authority by the terms of any right, power, franchise, grant, license, permit or by any provision of law, to purchase or recapture or to designate a purchaser of, any property;

(4) Liens of taxes and assessments which are (A) for the then current year, (B) not at the time delinquent, or (C) delinquent but the validity of which is being contested at the time by an Issuer or any Restricted Subsidiary in good faith;

(5) Liens of, or to secure performance of, leases, other than capital leases;

(6) any Lien upon, or deposits of, any assets in favor of any surety company or clerk of court for the purpose of obtaining indemnity or stay of judicial proceedings;

(7) any Lien upon property or assets acquired or sold by an Issuer or any Restricted Subsidiary resulting from the exercise of any rights arising out of defaults on receivables;

(8) any Lien incurred in the ordinary course of business in connection with worker's compensation, unemployment insurance, temporary disability, social security, retiree health or similar laws or regulations or to secure obligations imposed by statute or governmental regulations;

(9) any Lien in favor of an Issuer or any Restricted Subsidiary;

(10) any Lien in favor of the United States of America or any state thereof, or any department, agency or instrumentality or political subdivision of the United States of America or any state thereof, to secure partial, progress, advance, or other payments pursuant to any contract or statute, or any Debt incurred by an Issuer or any Restricted Subsidiary for the purpose of financing all or any part of the purchase price of, or the cost of constructing, developing, repairing or improving, the property or assets subject to such Lien;

(11) any Lien securing industrial development, pollution control or similar revenue bonds;

(12) any Lien securing Debt of an Issuer or any Restricted Subsidiary, all or a portion of the net proceeds of which are used, substantially concurrently with the funding thereof (and for purposes of determining such "substantial concurrence," taking into consideration, among other things, required notices to be given to Holders of Outstanding Debt Securities (including the Notes) in connection with such refunding, refinancing or repurchase, and the required corresponding durations thereof), to refinance, refund or repurchase all Outstanding Debt Securities

(including the Notes), including the amount of all accrued interest thereon and reasonable fees and expenses and premium, if any, incurred by the Issuers or any Restricted Subsidiary in connection therewith;

(13) Liens in favor of any Person to secure obligations under the provisions of any letters of credit, bank guarantees, bonds or surety obligations required or requested by any governmental authority in connection with any contract or statute;

(14) any Lien upon or deposits of any assets to secure performance of bids, trade contracts, leases or statutory obligations;

(15) any Lien or privilege vested in any grantor, lessor or licensor or permittor for rent or other charges due or for any other obligations or acts to be performed, the payment of which rent or other charges or performance of which other obligations or acts is required under leases, easements, rights-of-way, licenses, franchises, privileges, grants or permits, so long as payment of such rent or the performance of such other obligations or acts is not delinquent or the requirement for such payment or performance is being contested in good faith by appropriate proceedings;

(16) easements, exceptions or reservations in any property of the Partnership or any of the Restricted Subsidiaries granted or reserved for the purpose of pipelines, roads, the removal of oil, gas, coal or other minerals, and other like purposes for the joint or common use of real property, facilities and equipment, which are incidental to, and do not materially interfere with, the ordinary conduct of its business or the business of the Partnership and its Subsidiaries, taken as a whole;

(17) Liens arising under operating agreements, joint venture agreements, partnership agreements, oil and gas leases, farmout agreements, division orders, contracts for sale, transportation or exchange of oil and natural gas, unitization and pooling declarations and agreements, area of mutual interest agreements and other agreements arising in the ordinary course of the Partnership's or any Restricted Subsidiary's business that are customary in the business of marketing, transportation and terminalling of crude oil and/or marketing of liquefied petroleum gas; or

(18) any obligations or duties to any municipality or public authority with respect to any lease, easement, right-of-way, license, franchise, privilege, permit or grant.

"Principal Property" means, whether owned or leased on the Issue Date or thereafter acquired: (1) any of the pipeline assets of the Partnership or the pipeline assets of any Subsidiary of the Partnership, including any related facilities employed in the transportation, distribution, terminalling, gathering, treating, processing, marketing or storage of crude oil or refined petroleum products, natural gas, natural gas liquids, fuel additives or petrochemicals, and (2) any processing or manufacturing plant or terminal owned or leased by the Partnership or any Subsidiary of the Partnership; except, in the case of either clause (1) or (2), (a) any such assets consisting of inventories, furniture, office fixtures and equipment, including data processing equipment, vehicles and equipment used on, or useful with, vehicles, and (b) any such assets, plant or terminal which, in the good faith opinion of the Board of Directors, is not material in relation to the activities of the Partnership or the activities of the Partnership and its Subsidiaries, taken as a whole.

"Restricted Subsidiary" means any Subsidiary of the Partnership owning or leasing, directly or indirectly through ownership in another Subsidiary, and Principal Property.

"Sale-leaseback Transaction" means the sale or transfer by an Issuer or any Subsidiary of the Partnership of any Principal Property to a Person (other than an Issuer or a Subsidiary of the Partnership) and the taking back by an Issuer or any Subsidiary of the Partnership, as the case may be, of a lease of such Principal Property.

"Securities" shall have the meaning assigned to such term in the Exchange and Registration Rights Agreement relating thereto.

"Series A Notes" means the Issuers' 6.70% Series A Senior Notes due 2036 to be issued pursuant to this Supplemental Indenture.

"Series B Notes" means the Issuers' 6.70% Series B Notes due 2036 to be issued pursuant to an Exchange Offer.

"Subsidiary" means, with respect to any Person: (1) any other Person of which more than 50% of the total voting power of shares or other Capital Interests entitled, without regard to the occurrence of any contingency, to vote in the election of directors, managers or trustees (or equivalent persons) thereof is at the time owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of such Person or a combination thereof; or (2) in the case of a partnership, more than 50% of the partners' Capital Interests, considering all partners' Capital Interests as a single class, is at the time owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of such Person or a combination thereof.

"Subsidiary Guarantors" means each of:

(1) the Subsidiaries of the Partnership named as the "Subsidiary Guarantors" on the signature pages of this Supplemental Indenture;

(2) any other Subsidiary that executes a supplemental Indenture to provide a Guarantee in accordance with the provisions of the Indenture; and

(3) their respective successors and assigns.

Notwithstanding anything in the Indenture to the contrary, PAA Finance, Plains LPG Marketing, L.P., Atchafalaya Pipeline, L.L.C., Plains Marketing International GP LLC, Plains Marketing International, L.P. and Andrews Partners, LLC shall not be Subsidiary Guarantors.

"Transfer Restricted Securities" means any Notes outstanding prior to the Resale Restriction Termination Date with respect to such Notes and which must bear the legend required under Section 3.04 hereof.

Section 2.02. Other Definitions.

Term	Defined in Section
"Additional Notes"	3.02
"Covenant Defeasance"	8.03
"Distribution Compliance Period"	3.03(c)
"Event of Default"	7.01
"IAI Global Note"	3.01
"IAIs"	3.01

"Legal Defeasance"	8.02
"Note Obligations"	9.01
"Payment Default	7.01
"QIBs"	3.01
"Regulation S"	3.01
"Regulation S Global Note"	3.01
"Required Filing Dates"	5.04
"Resale Restriction Termination Date"	3.04
"Rule 144A"	3.01
"Rule 144A Global Note"	3.01
"Successor Company"	6.01
"U.S. Persons"	3.01

ARTICLE III
THE NOTES

Section 3.01. Form. The Notes shall be issued initially in the form of one or more Global Securities as Series A Notes, with Series A Notes initially resold in reliance upon Rule 144A and Regulation S being represented by separate Global Securities, which are referred to herein as the "Rule 144A Global Note" and the "Regulation S Global Note," respectively. The Series A Notes and Trustee's certificate of authentication shall be substantially in the form of Exhibit A hereto, the terms of which are incorporated in and made a part of this Supplemental Indenture, and the Issuers and the Trustee, by their execution and delivery of this Supplemental Indenture, expressly agree to such terms and provisions and to be bound thereby. The Series A Notes constituting Transfer Restricted Securities will be resold initially only to (a) Qualified Institutional Buyers (as such term is defined in Section 144A of the Securities Act) ("QIBs") in reliance on Rule 144A of the Securities Act ("Rule 144A") and (b) Persons other than U.S. Persons (as defined under Regulation S under the Securities Act ("Regulation S")) ("U.S. Persons") in reliance on Regulation S. Thereafter, the Series A Notes may be transferred to, among others, QIBs, purchasers in reliance upon Regulation S and institutional "accredited investors" (as defined in subparagraph (a)(1), (2), (3) or (7) of Rule 501 of the Securities Act ("IAIs")) in accordance with the procedures set forth in Rule 501 of the Securities Act, provided that any Series A Notes constituting Transfer Restricted Securities that are transferred to IAIs who are not QIBs shall be issued only in definitive form or in the form of interests in a separate Global Security (the "IAI Global Note"). Pursuant to the terms of an Exchange and Registration Rights Agreement, upon consummation of the Exchange Offer contemplated thereby, the Series A Notes constituting Transfer Restricted Securities will be exchanged by the Holders for Series B Notes to be issued by the Issuers in accordance with Section 3.03 hereof. The Series B Notes shall be issued initially in the form of one or more Global Securities, and the Series B Notes and the Trustee's certificate of authentication shall be substantially in the form of Exhibit A hereto.

Section 3.02. Issuance of Additional Notes. The Issuers may, from time to time, issue an unlimited amount of additional Series A Notes ("Additional Notes") under the Indenture, which shall be issued in the same form as the Series A Notes issued on the Issue Date and which shall have identical terms as the Series A Notes issued on the Issue Date other than

with respect to the issue date, issue price and date of first payment of interest. The Series A Notes issued on the Issue Date shall be limited in aggregate principal amount to $250,000,000. The Series A Notes issued on the Issue Date and any Additional Notes subsequently issued, together with any Series B Notes issued in exchange therefor pursuant to an Exchange Offer, shall be treated as a single series for all purposes under the Indenture, including waivers, amendments, redemptions and offers to purchase. If the Issuers issue additional Series A Notes prior to the completion of an Exchange Offer, the period of the resale restrictions applicable to any Series A Notes previously offered and sold in reliance on Rule 144A will be automatically extended to the last day of the period of any resale restrictions imposed on any such additional Series A Notes.

Section 3.03. Transfer of Transfer Restricted Securities.

(a) When Notes are presented to the Registrar with the request to register the transfer of such Notes or exchange such Notes for an equal principal amount of Notes of other authorized denominations, the Registrar shall register the transfer or make the exchange in accordance with Article II of the Original Indenture. In addition, in the case of Series A Notes that are Transfer Restricted Securities in definitive form, such request to register the transfer or make the exchange shall be accompanied by the following additional information and documents, as applicable, upon which the Registrar may conclusively rely:

(1) if such Transfer Restricted Securities are being delivered to the Registrar by a Holder for registration in the name of such Holder, without transfer, a certification from such Holder to that effect in substantially the form of Exhibit C hereto; or

(2) if such Transfer Restricted Securities are being transferred (i) to a QIB in accordance with Rule 144A under the Securities Act or (ii) pursuant to an exemption from registration in accordance with Rule 144 under the Securities Act (and based upon an opinion of counsel if the Issuers or the Trustee so requests) or (iii) pursuant to an effective registration statement under the Securities Act, a certification to that effect from such Holder in substantially the form of Exhibit C hereto; or

(3) if such Transfer Restricted Securities are being transferred to an IAI within the meaning of Rule 501(a)(1), (2), (3) or (7) under the Securities Act pursuant to a private placement exemption from the registration requirements of the Securities Act (and based upon an opinion of counsel if the Issuers or the Trustee so requests), a certification to that effect from such Holder in substantially the form of Exhibit C hereto and a certification from the applicable transferee in substantially the form of Exhibit D hereto; or

(4) if such Transfer Restricted Securities are being transferred to Persons other than U.S. Persons in reliance on Regulation S, a certification to that effect from such Holder in substantially the form of Exhibit E hereto; or

(5) if such Transfer Restricted Securities are being transferred in reliance on another exemption from the registration requirements of the Securities Act (and based upon an opinion of counsel if the Issuers or the Trustee so requests), a certification to that effect from such Holder in substantially the form of Exhibit C hereto.

(b) Upon any sale or transfer of a Transfer Restricted Security (including any Transfer Restricted Security represented by a Global Security) pursuant to Rule 144 under the Securities Act or an effective registration statement under the Securities Act:

(1) in the case of any Transfer Restricted Security that is in the form of a definitive Note, the Registrar shall permit the Holder thereof to exchange such Transfer Restricted Security for a definitive Note that does not bear the legend set forth in Section 3.04(a) below and rescind any restriction on the transfer of such Transfer Restricted Security; and

(2) in the case of any Transfer Restricted Security represented by a Global Security, such Transfer Restricted Security shall not be required to bear the legend set forth in Section 3.04(a) below if all other interests in such Global Security have been or are concurrently being sold or transferred pursuant to Rule 144 under the Securities Act or pursuant to an effective registration statement under the Securities Act.

Notwithstanding the foregoing, upon consummation of an Exchange Offer, the Issuers shall issue and, upon receipt of an authentication order in accordance with Section 2.05 of the Original Indenture, the Trustee shall authenticate Series B Notes in exchange for Series A Notes accepted for exchange in the Exchange Offer, which Series B Notes shall not bear the legend set forth in Section 3.04(a) below, and the Registrar shall rescind any restriction on the transfer of such Notes, in each case unless the Holder of such Series A Notes is either (1) is an affiliate of the Issuers within the meaning of Rule 405 under the Securities Act or an Initial Purchaser holding Series A Notes acquired by it and having the status of an unsold allotment in the initial offering and sale of Series A Notes pursuant to the Purchase Agreement, dated as of May 9, 2006, between the Issuers, the other parties referred to as "Plains Parties" therein and the Initial Purchasers, (2) does not acquire the Series B Notes in the ordinary course of such Holder's business or (3) has an arrangement or understanding with any Person to participate in the Exchange Offer for the purpose of distributing such Series B Notes or is engaged in, and intends to engage in, any such distribution. The Issuers shall identify to the Trustee such Holders of the Notes in a written certification signed by an officer of each Issuer and, absent certification from the Issuers to such effect, the Trustee shall assume that there are no such Holders.

(c) Until the 40th day after the later of the commencement of the offering of the Series A Notes and the Issue Date thereof (such period, the "Distribution Compliance Period"), a beneficial interest in a Regulation S Global Note may be transferred to a Person who takes delivery in the form of an interest in a Rule 144A Global Note or an IAI Global Note only if the transferor first delivers to the Trustee a written certificate (in the form provided in Exhibit C hereto) to the effect that such transfer is being made to a Person who the transferor reasonably believes is purchasing for its own account or accounts as to which it exercises sole investment discretion and that such Person is a QIB acquiring such Series A Notes in a transaction meeting

the requirements of Rule 144A or an IAI acquiring such Series A Notes pursuant to a private placement exemption under the Securities Act, in each case in accordance with any applicable securities laws of any state of the United States or any other jurisdiction; provided that, in the case of a transfer to a Person who takes delivery in the form of an interest in an IAI Global Note, such Person shall deliver to the Trustee a written certificate in the form provided in Exhibit D hereto. After the expiration of the Distribution Compliance Period, such certification requirements shall not apply to such transfers of beneficial interests in the Regulation S Global Notes.

(d) Beneficial interests in a Rule 144A Global Note or an IAI Global Note may be transferred to a Person who takes delivery in the form of an interest in a Regulation S Global Note, whether before or after the expiration of the Distribution Compliance Period, only if the transferor first delivers to the Trustee a written certificate (in the form provided in Exhibit C or E hereto, as applicable) to the effect that such transfer is being made in accordance with Rule 904 of Regulation S or Rule 144 (if available).

Section 3.04. Restrictive Legends.

(a) Except as provided in Section 3.03 hereof, prior to the Resale Restriction Termination Date, each security certificate evidencing the Notes shall bear a legend in substantially the following form:

THE ISSUANCE AND SALE OF THIS SECURITY (AND ANY GUARANTEE HEREOF) HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE SECURITIES LAWS. NEITHER THIS SECURITY (NOR ANY GUARANTEE HEREOF) NOR ANY INTEREST OR PARTICIPATION HEREIN (OR THEREIN) MAY BE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAWS. THE HOLDER HEREOF, BY ITS ACCEPTANCE OF THIS SECURITY, AGREES FOR THE BENEFIT OF THE ISSUERS THAT THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED PRIOR TO THE

EXPIRATION OF THE HOLDING PERIOD APPLICABLE THERETO UNDER RULE 144(k) UNDER THE SECURITIES ACT WHICH IS APPLICABLE TO THIS SECURITY (THE "RESALE RESTRICTION TERMINATION DATE") OTHER THAN (1) TO THE ISSUERS OR THEIR RESPECTIVE SUBSIDIARIES, (2) SO LONG AS THIS SECURITY IS ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT ("RULE 144A"), TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" WITHIN THE MEANING OF RULE 144A PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, IN EACH CASE TO WHOM NOTICE IS GIVEN THAT THE RESALE, PLEDGE OR OTHER TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (3) INSIDE THE UNITED STATES TO AN INSTITUTIONAL "ACCREDITED INVESTOR" (AS DEFINED IN RULE 501(A)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT), (4) TO A NON-"U.S. PERSON" IN AN

"OFFSHORE TRANSACTION" (AS SUCH TERMS ARE DEFINED IN REGULATION S UNDER THE SECURITIES ACT) IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT, (5) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, INCLUDING THE EXEMPTION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT, IF AVAILABLE, OR (6) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSITION OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL, AND SUBJECT TO THE RIGHT OF THE ISSUERS OR THE TRUSTEE FOR THE SECURITIES PRIOR TO ANY SUCH SALE, PLEDGE OR OTHER TRANSFER TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATIONS AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM. THIS LEGEND WILL BE REMOVED UPON REQUEST OF THE HOLDER ON OR AFTER THE RESALE RESTRICTION TERMINATION DATE.

(b) Each security certificate evidencing the Global Securities shall bear a legend in substantially the following form:

THIS GLOBAL SECURITY IS HELD BY OR ON BEHALF OF THE DEPOSITARY (AS DEFINED IN THE INDENTURE GOVERNING THIS NOTE) IN CUSTODY FOR THE BENEFIT OF THE BENEFICIAL OWNERS HEREOF, AND IS NOT TRANSFERABLE TO ANY PERSON UNDER ANY CIRCUMSTANCES EXCEPT THAT (A) THE TRUSTEE MAY MAKE SUCH NOTATIONS HEREON AS MAY BE REQUIRED PURSUANT TO SECTION 2.08 OF THE ORIGINAL INDENTURE, (B) THIS GLOBAL SECURITY MAY BE EXCHANGED IN WHOLE BUT NOT IN PART PURSUANT TO SECTION 2.15 OF THE ORIGINAL INDENTURE, (C) THIS GLOBAL SECURITY MAY BE DELIVERED TO THE TRUSTEE FOR CANCELLATION PURSUANT TO SECTION 2.10 OF THE ORIGINAL INDENTURE AND (D) THIS GLOBAL SECURITY MAY BE TRANSFERRED TO A SUCCESSOR DEPOSITARY OR ITS NOMINEE WITH THE PRIOR WRITTEN CONSENT OF THE ISSUERS.

ARTICLE IV
REDEMPTION AND PREPAYMENT

Section 4.01. Optional Redemption.

(a) At their option at any time prior to maturity, the Issuers may choose to redeem all or any portion of the Notes, at once or from time to time.

(b) To redeem the Notes, the Issuers must pay a redemption price in an amount determined in accordance with the provisions of paragraph number 5 of the form of Note in Exhibit A hereto, plus accrued and unpaid interest, if any, including Additional Interest, if any, to the redemption date (subject to the right of Holders on the relevant record date to receive interest due on the relevant interest payment date).

(c) Any redemption pursuant to this Section 4.01 shall otherwise be made pursuant to the provisions of Sections 3.01 through 3.03 of the Original Indenture. The actual redemption price shall be set forth in an Officers' Certificate delivered to the Trustee no later than two Business Days prior to each redemption date.

Section 4.02. Mandatory Redemption. The Issuers shall not be required to make mandatory redemption or sinking fund payments with respect to the Notes.

ARTICLE V
COVENANTS

Section 5.01. Compliance Certificate. (a) In lieu of the Officers' Certificate required by Section 4.05 of the Original Indenture, the Issuers and Subsidiary Guarantors shall deliver to the Trustee, within 90 days after the end of each fiscal year, an Officers' Certificate stating that a review of the activities of the Partnership and its Subsidiaries during the preceding fiscal year has been made under the supervision of the signing Officers (one of whom shall be the principal executive, financial or accounting officer of each Issuer and Subsidiary Guarantor) with a view to determining whether the Issuers have kept, observed, performed and fulfilled their obligations under the Indenture, and further stating, as to each such Officer signing such certificate, that to the best of his or her knowledge the Issuers have kept, observed, performed and fulfilled each and every covenant contained in the Indenture and are not in default in the performance or observance of any of the terms, provisions and conditions of the Indenture (or, if a Default or Event of Default shall have occurred, describing all such Defaults or Events of Default of which he or she may have knowledge and what action the Issuers are taking or propose to take with respect thereto) and that to the best of his or her knowledge no event has occurred and remains in existence by reason of which payments on account of the principal of or interest, if any, on the Notes is prohibited or if such event has occurred, a description of the event and what action the Issuers are taking or propose to take with respect thereto.

(b) The Issuers shall, so long as any of the Notes are outstanding, deliver to the Trustee, forthwith and in any event within five days upon any Officer becoming aware of any Default or Event of Default or an event which, with notice or the lapse of time or both, would constitute an Event of Default, an Officers' Certificate specifying such Default or Event of Default and what action the Issuers are taking or propose to take with respect thereto.

Section 5.02. Limitations on Liens. The Issuers will not, nor will they permit any Subsidiary of the Partnership to, create, assume, incur or suffer to exist any Lien upon any Principal Property or upon any Capital Interests of any Restricted Subsidiary, whether owned or leased on the Issue Date or thereafter acquired, to secure any Debt of an Issuer or any other Person (other than Debt Securities), without in any such case making effective provision whereby all of the Notes shall be secured equally and ratably with, or prior to, such Debt so long as such Debt shall be so secured. This restriction shall not apply to:

(a) Permitted Liens;

(b) any Lien upon any property or assets created at the time of acquisition of such property or assets by an Issuer or any Restricted Subsidiary or within one year after such time to secure all or a portion of the purchase price for such property or assets or Debt incurred to finance such purchase price, whether such Debt was incurred prior to, at the time of or within one year after the date of such acquisition;

(c) any Lien upon any property or assets to secure all or part of the cost of construction, development, repair or improvements thereon or to secure Debt incurred prior to, at the time of, or within one year after completion of such construction, development, repair or improvements or the commencement of full operations thereof (whichever is later), to provide funds for any such purpose;

(d) any Lien upon any property or assets existing thereon at the time of the acquisition thereof by an Issuer or any Restricted Subsidiary (whether or not the obligations secured thereby are assumed by an Issuer or any Restricted Subsidiary); provided, however, that such Lien only encumbers the property or assets so acquired;

(e) any Lien upon any property or assets of a Person existing thereon at the time such Person becomes a Restricted Subsidiary by acquisition, merger or otherwise; provided, however, that such Lien only encumbers the property or assets of such Person at the time such Person becomes a Restricted Subsidiary;

(f) any Lien upon any property or assets of an Issuer or any Restricted Subsidiary in existence on December 10, 2003 or provided for pursuant to agreements existing on December 10, 2003;

(g) Liens imposed by law or order as a result of any proceeding before any court or regulatory body that is being contested in good faith, and Liens which secure a judgment or other court-ordered award or settlement as to which an Issuer or the applicable Restricted Subsidiary, as the case may be, has not exhausted its appellate rights;

(h) any extension, renewal, refinancing, refunding or replacement (or successive extensions, renewals, refinancing, refunding or replacements) of Liens, in whole or in part, referred to in clauses (a) through (g), inclusive, of this Section 5.02; provided, however, that any such extension, renewal, refinancing, refunding or replacement Lien shall be limited to the property or assets covered by the Lien extended, renewed, refinanced, refunded or replaced and that the obligations secured by any such extension, renewal, refinancing, refunding or replacement Lien shall be in an amount not greater than the amount of the obligations secured by the Lien extended, renewed, refinanced, refunded or replaced and any expenses of the Issuers and the Restricted Subsidiaries (including any premium) incurred in connection with such extension, renewal, refinancing, refunding or replacement; or

(i) any Lien resulting from the deposit of moneys or evidence of indebtedness in trust for the purpose of defeasing Debt of an Issuer or any Restricted Subsidiary.

Notwithstanding the foregoing provisions of this Section 5.02, the Issuers may, and may permit any Restricted Subsidiary to, create, assume, incur or suffer to exist any Lien upon any Principal Property or Capital Interests of a Restricted Subsidiary to secure Debt of an Issuer or any Person (other than Debt Securities) that is not excepted by clauses (a) through (i), inclusive, of this Section 5.02 without securing the Notes, provided that the aggregate principal amount of all Debt then outstanding secured by such Lien and all other Liens not excepted by clauses (a) through (i), inclusive, of this Section 5.02, together with all Attributable Indebtedness from Sale-leaseback Transactions (excluding Sale-leaseback Transactions permitted by clauses (a) through (d), inclusive, of Section 5.03), does not exceed 10% of Consolidated Net Tangible Assets.

Section 5.03. Restriction of Sale-Leaseback Transactions. The Issuers will not, and will not permit any Subsidiary of the Partnership to, engage in a Sale-Leaseback Transaction, unless:

(a) such Sale-Leaseback Transaction occurs within one year from the date of completion of the acquisition of the Principal Property subject thereto or the date of the completion of construction, development or substantial repair or improvement, or commencement of full operations on such Principal Property, whichever is later;

(b) the Sale-Leaseback Transaction involves a lease for a period, including renewals, of not more than three years;

(c) the Attributable Indebtedness from that Sale-Leaseback Transaction is an amount equal to or less than the amount the Issuers or such Subsidiary would be allowed to incur as Debt secured by a Lien on the Principal Property subject thereto without equally and ratably securing the Notes under Section 5.02; or

(d) the Issuers or such Subsidiary, within a one-year period after such Sale-Leaseback Transaction, applies or causes to be applied an amount not less than the net sale proceeds from such Sale-Leaseback Transaction to (A) the prepayment, repayment, redemption, reduction or retirement of any Pari Passu Debt of an Issuer or any Subsidiary of the Partnership, or (B) the expenditure or expenditures for Principal Property used or to be used in the ordinary course of business of the Partnership or its Subsidiaries.

Notwithstanding the foregoing provisions of this Section 5.03, the Issuers may, and may permit any Subsidiary of the Partnership to, effect any Sale-Leaseback Transaction that is not excepted by clauses (a) through (d), inclusive, of this Section 5.03, provided that the Attributable Indebtedness

from such Sale-leaseback Transaction, together with the aggregate principal amount of then outstanding Debt (other than Debt Securities) secured by Liens upon Principal Property not excepted by clauses (a) through (i), inclusive, of Section 5.02, does not exceed 10% of Consolidated Net Tangible Assets.

Section 5.04. SEC Reports; Financial Statements.

(a) Whether or not the Partnership is then subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, the Partnership shall electronically file with the Commission, so long as the Notes are Outstanding, the annual, quarterly and other periodic reports that the Partnership is required to file (or would otherwise be required to file) with the Commission pursuant to Sections 13 and 15(d) of the Exchange Act, and such documents shall be filed with the Commission on or prior to the respective dates (the "Required Filing Dates") by which the Partnership is required to file (or would otherwise be required to file) such documents, unless, in each case, such filings are not then permitted by the Commission.

(b) If such filings are not then permitted by the Commission, or such filings are not generally available on the Internet free of charge, the Issuers shall provide the Trustee with, and the Trustee will mail to any Holder of Notes requesting in writing to the Trustee copies of, such annual, quarterly and other periodic reports specified in Sections 13 and 15(d) of the Exchange Act within 15 days after the respective Required Filing Dates.

(c) In addition, the Issuers shall furnish to the Holders of Notes and to prospective investors, upon the requests of Holders of Notes, any information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act, so long as the Notes are not freely transferable under the Securities Act.

(d) The Partnership shall provide the Trustee with a sufficient number of copies of all reports and other documents and information that the Trustee may be required to deliver to Holders of Notes under clause (b) of this Section 5.04.

(e) Delivery of such reports, information and documents to the Trustee is for informational purposes only and the Trustee's receipt of such shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Partnership's compliance with any of its covenants hereunder (as to which the Trustee is entitled to rely exclusively on Officers' Certificates).

Section 5.05. Additional Subsidiary Guarantees. If any Subsidiary (or its successor) of the Partnership that is not then a Subsidiary Guarantor guarantees Debt of either of the Issuers or any other Subsidiary of the Partnership, in either case after the Issue Date, then such Subsidiary (or successor) shall execute and deliver a supplemental Indenture providing for the guarantee of the payment of the Notes pursuant to Article IX hereof.

ARTICLE VI
SUCCESSORS

With respect to the Notes, the provisions of this Article VI shall preempt the provisions of Article X of the Original Indenture in their entirety.

Section 6.01. Consolidation and Mergers of the Issuers. Neither Issuer shall consolidate or amalgamate with or merge with or into any Person, or sell, convey, transfer, lease or otherwise dispose of all or substantially all its assets to any Person, whether in a single

transaction or a series of related transactions, except (1) in accordance with the provisions of the Partnership Agreement, and (2) unless: (a) either (i) such Issuer shall be the surviving Person in the case of a merger or (ii) the resulting, surviving or transferee Person if other than such Issuer (the "Successor Company") shall be a partnership, limited liability company or corporation organized and existing under the laws of the United States, any state thereof or the District of Columbia (provided that PAA Finance may not merge, amalgamate or consolidate with or into another Person other than a corporation satisfying such requirement for so long as the Partnership is not a corporation) and the Successor Company shall expressly assume, by an indenture supplemental hereto, executed and delivered to the Trustee, in form reasonably satisfactory to the Trustee, the due and punctual payment of the principal of, premium, if any, and interest (including Additional Interest, if any) on all of the Notes, and the due and punctual performance or observance of all the other obligations under the Indenture to be performed or observed by such Issuer; (b) immediately after giving effect to such transaction or series of transactions, no Default or Event of Default would occur or be continuing; (c) if such Issuer is not the continuing Person, then each Subsidiary Guarantor, unless it has become the Successor Company, shall confirm that its Guarantee shall continue to apply to the obligations under the Notes and the Indenture; and (d) such Issuer shall have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that such consolidation, amalgamation, merger, sale, conveyance, transfer, lease or other disposition and such supplemental Indenture (if any) comply with this Section 6.01 and any other applicable provisions of the Indenture.

Section 6.02. Rights and Duties of Successor. In case of any consolidation, amalgamation or merger where an Issuer is not the continuing Person, or disposition of all or substantially all of the assets of an Issuer in accordance with Section 6.01, the Successor Company shall succeed to and be substituted for such Issuer with the same effect as if it had been named herein as the respective party to the Indenture, and the predecessor entity shall be released from all liabilities and obligations under the Indenture and the Notes, except that no such release will occur in the case of a lease of all or substantially all of an Issuer's assets. In case of any such consolidation, amalgamation, merger, sale, conveyance, transfer, lease or other disposition, such changes in phraseology and form (but not in substance) may be made in the Notes thereafter to be issued as may be appropriate.

Section 6.03. Supplemental Indenture. Section 9.01 of the Original Indenture is hereby amended, with respect to the Notes, by adding the words "or the confirmation of a Subsidiary Guarantor's" immediately after the word "Issuer's" in Section 9.01(c).

ARTICLE VII
DEFAULTS AND REMEDIES

Section 7.01. Events of Default. With respect to the Notes, the provisions of this Section 7.01 shall preempt the provisions of the first and final paragraphs of Section 6.01 of the Original Indenture in their entirety.

(a) An "Event of Default" occurs if:

(i) the Issuers default for 60 days in the payment when due of interest on, or Additional Interest with respect to, the Notes;

(ii) the Issuers default in the payment when due of principal of or premium, if any, on the Notes at maturity, upon redemption or otherwise;

(iii) failure by an Issuer or any Subsidiary Guarantor for 30 days after receipt of notice by the Issuers from the Trustee or to the Issuers and the Trustee by the Holders of at least 25% in principal amount of the Notes then Outstanding to comply with any other term, covenant or warranty in the Indenture or the Notes (provided that notice need not be given, and an Event of Default shall occur, 30 days after any breach of the provisions of Section 6.01 hereof);

(iv) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Debt of an Issuer or any of the Partnership's Subsidiaries (or the payment of which is guaranteed by the Partnership or any of its Subsidiaries), whether such Debt or guarantee now exists or is created after the Issue Date, if that default (A) is caused by a failure to pay principal of or premium, if any, or interest on such Debt prior to the expiration of the grace period provided in such Debt (a "Payment Default") or (B) results in the acceleration of the maturity of such Debt to a date prior to its original stated maturity, and, in each case described in clause (A) or (B), the principal amount of any such Debt, together with the principal amount of any other such Debt under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates $25.0 million or more; provided, further, that if any such default is cured or waived or any such acceleration rescinded, or such Debt is repaid, within a period of 30 days from the continuation of such default beyond the applicable grace period or the occurrence of such acceleration, as the case may be, such Event of Default and any consequential acceleration of the Notes shall be automatically rescinded, so long as such rescission does not conflict with any judgment or decree;

(v) except as permitted by the Indenture, any Guarantee shall cease for any reason to be in full force and effect (except as otherwise provided in the Indenture) or is declared null and void in a judicial proceeding or any Subsidiary Guarantor, or any Person acting on behalf of any Subsidiary Guarantor, shall deny or disaffirm its obligations under the Indenture or its Guarantee;

(vi) an Issuer or any Subsidiary Guarantor pursuant to or within the meaning of any Bankruptcy Law:

(A) commences a voluntary case,

(B) consents to the entry of an order for relief against it in an involuntary case,

(C) consents to the appointment of a custodian of it or for all or substantially all of its property,

(D) makes a general assignment for the benefit of its creditors, or

(E) generally is not paying its debts as they become due; or

(vii) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

(A) is for relief against an Issuer or any Subsidiary Guarantor in an involuntary case;

(B) appoints a custodian of an Issuer or any Subsidiary Guarantor or for all or substantially all of the property of an Issuer or any Subsidiary Guarantor; or

(C) orders the liquidation of an Issuer or any Subsidiary Guarantor;

and the order or decree remains unstayed and in effect for 60 consecutive days.

(b) In the case of an Event of Default arising from Section 7.01(a)(vi) or 7.01(a)(vii) hereof involving an Issuer (and, for the avoidance of debt, excluding any such Event of Default that involves only one or more Subsidiary Guarantors), the principal amount of all Outstanding Notes and interest thereon shall become due and payable immediately without further action or notice. If any other Event of Default occurs and is continuing, the Trustee or the Holders of at least 25% in principal amount of the then Outstanding Notes may declare the principal amount of all the Notes and interest thereon to be due and payable immediately by a notice in writing to the Issuers (and to the Trustee if given by the Holders) and upon any such declaration such principal amount and interest thereon shall be due and payable immediately.

ARTICLE VIII
LEGAL DEFEASANCE AND COVENANT DEFEASANCE

Section 8.01. Option to Effect Legal Defeasance or Covenant Defeasance. The Issuers may, at the option of the Boards of Directors evidenced by a Board Resolution set forth in an Officers' Certificate, at any time, elect to have either Section 8.02 or 8.03 hereof be applied to all outstanding Notes and Guarantees upon compliance with the conditions set forth below in this Article VIII.

Section 8.02. Legal Defeasance and Discharge. Upon the Issuers' exercise under Section 8.01 hereof of the option applicable to this Section 8.02, each of the Issuers and the Subsidiary Guarantors shall, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, be deemed

to have been discharged from its obligations with respect to all outstanding Notes and Guarantees on the date the conditions set forth below are satisfied (hereinafter, "Legal

Defeasance"). For this purpose, Legal Defeasance means that each of the Issuers shall be deemed to have paid and discharged the entire Debt represented by the outstanding Notes, which shall thereafter be deemed to be "Outstanding" only for the purposes of Section 8.05 hereof and the other Sections of the Indenture referred to in (a) and (b) below, and to have satisfied all its other obligations under such Notes and the Indenture, and each of the Subsidiary Guarantors shall be deemed to have discharged its obligations under its Guarantee (and the Trustee, on demand of and at the expense of the Issuers, shall execute proper instruments acknowledging the same), except for the following provisions which shall survive until otherwise terminated or discharged hereunder:

(a) the rights of Holders of Outstanding Notes to receive solely from the trust fund described in Section 8.04 hereof, and as more fully set forth in such Section, payments in respect of the principal of, premium on, if any, interest and Additional Interest, if any, on such Notes when such payments are due (but not the Change of Control Payment or the payment pursuant to an Asset Sale Offer),

(b) the Issuers' obligations with respect to such Notes under Sections 2.07, 2.08, 2.09 and 4.02 of the Original Indenture,

(c) the rights, powers, trusts, duties and immunities of the Trustee hereunder and the Issuers' obligations in connection therewith,

(d) this Article VIII, and

(e) the Issuers' rights of optional redemption under Section 4.01 hereof.

Subject to compliance with this Article VIII, the Issuers may exercise their option under this Section 8.02 notwithstanding the prior exercise of their option under Section 8.03 hereof.

Section 8.03. Covenant Defeasance. Upon the Issuers' exercise under Section 8.01 hereof of the option applicable to this Section 8.03, each of the Issuers shall, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, be released from its obligations under the covenants contained in Sections 5.02, 5.03, 5.04 and 5.05 hereof with respect to the Outstanding Notes on and after the date the conditions set forth in Section 8.04 are satisfied (hereinafter, "Covenant Defeasance"), and the Notes shall thereafter be deemed not "Outstanding" for the purposes of any direction, waiver, consent or declaration or act of Holders (and the consequences of any thereof) in connection with such covenants, but shall continue to be deemed "Outstanding" for all other purposes hereunder (it being understood that such Notes shall not be deemed outstanding for accounting purposes). For this purpose, Covenant Defeasance means that, with respect to the Outstanding Notes, the Issuers may omit to comply with and shall have no liability in respect of any term, condition or limitation set forth in any such covenant, whether directly or indirectly, by reason of any reference elsewhere herein to any such covenant or by reason of any reference in any such covenant to any other provision herein or in any other document and such omission to comply shall not constitute a Default or an Event of Default under Section 7.01 hereof, but, except as specified above, the remainder of the Indenture, the Guarantees and such Notes shall be unaffected thereby.

Section 8.04. Conditions to Legal or Covenant Defeasance. The following shall be the conditions to the application of either Section 8.02 or 8.03 hereof to the Outstanding Notes:

In order to exercise either Legal Defeasance or Covenant Defeasance:

(a) the Issuers must irrevocably deposit with the Trustee, in trust, for the benefit of the Holders of the Notes, cash in Dollars, U.S. Government Obligations, or a combination thereof, in such amounts as shall be sufficient, in the written opinion of a nationally recognized firm of independent public accountants, to pay the principal of, premium on, if any, interest and Additional Interest, if any, on the Outstanding Notes at the Stated Maturity thereof or on the applicable redemption date, as the case may be, and the Issuers must specify whether the Notes are being defeased to maturity or to a particular redemption date;

(b) in the case of an election under Section 8.02 hereof, the Issuers shall have delivered to the Trustee an Opinion of Counsel confirming that (i) the Issuers have received from, or there has been published by, the Internal Revenue Service a ruling or (ii) since the date of the Indenture, there has been a change in the applicable federal income tax law, in either case to the effect that, and based thereon such Opinion of Counsel shall confirm that, the Holders of the Outstanding Notes shall not recognize income, gain or loss for federal income tax purposes as a result of such Legal Defeasance and shall be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(c) in the case of an election under Section 8.03 hereof, the Issuers shall have delivered to the Trustee an Opinion of Counsel confirming that the Holders of the Outstanding Notes shall not recognize income, gain or loss for federal income tax purposes as a result of such Covenant Defeasance and shall be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(d) no Default or Event of Default shall have occurred and be continuing either (i) on the date of such deposit (other than a Default or Event of Default resulting from the incurrence of Debt all or a portion of the proceeds of which shall be applied to such deposit) or (ii) insofar as Section 7.01(a)(vi) or 7.01(a)(vii) hereof is concerned, at any time in the period ending on the 91st day after the date of deposit;

(e) such Legal Defeasance or Covenant Defeasance shall not result in a breach or violation of, or constitute a default under, any agreement or instrument (other than the Notes and the Indenture) to which the Partnership or any of its Subsidiaries is a party or by which the Partnership or any of its Subsidiaries is bound;

(f) the Issuers shall have delivered to the Trustee an Opinion of Counsel to the effect that after the 91st day following the deposit, the trust funds shall not be subject to the effect of any applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally;

(g) the Issuers shall have delivered to the Trustee an Officers' Certificate stating that the deposit was not made by the Issuers with the intent of preferring the Holders over any other creditors of the Issuers or with the intent of defeating, hindering, delaying or defrauding any other creditors of the Issuers; and

(h) the Issuers shall have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent provided for or relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

Section 8.05. Deposited Money and U.S. Government Obligations to be Held in Trust; Other Miscellaneous Provisions. Subject to Section 8.06 hereof, all money and U.S. Government Obligations (including the proceeds thereof) deposited with the Trustee (or other qualifying trustee, collectively for purposes of this Section 8.05, the "Trustee") pursuant to Section 8.04 hereof in respect of the outstanding Notes shall be held in trust and applied by the Trustee, in accordance with the provisions of such Notes and the Indenture, to the payment, either directly or through any paying agent (including an Issuer acting as paying agent) as the Trustee may determine, to the Holders of such Notes of all sums due and to become due thereon in respect of principal, premium on, if any, interest and Additional Interest, if any, but such money need not be segregated from other funds except to the extent required by law.

The Issuers shall pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the cash or U.S. Government Obligations deposited pursuant to Section 8.04 hereof or the principal and interest received in respect thereof other than any such tax, fee or other charge which by law is for the account of the Holders of the Outstanding Notes.

Anything in this Article VIII to the contrary notwithstanding, the Trustee shall deliver or pay to the Issuers from time to time upon the written request of the Issuers any money or U.S. Government Obligations held by it as provided in Section 8.04 hereof which, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee (which may be the opinion delivered under Section 8.04(a) hereof), are in excess of the amount thereof that would then be required to be deposited to effect an equivalent Legal Defeasance or Covenant Defeasance.

Section 8.06. Repayment to Issuers. Any money deposited with the Trustee or any paying agent, or then held by the Issuers, in trust for the payment of the principal of, premium on, if any, interest or Additional Interest, if any, on any Note and remaining unclaimed for two years after such principal, premium, if any, interest or Additional Interest, if any, has become due and payable shall be paid to the Issuers on their written request or (if then held by the Issuers) shall be discharged from such trust; and the Holder of such Note shall thereafter, as an unsecured creditor, look only to the Issuers for payment thereof, and all liability of the Trustee or such paying agent with respect to such trust money, and all liability of the Issuers as trustee thereof, shall thereupon cease; provided, however, that the Trustee or such paying agent, before being required to make any such repayment, may at the expense of the Issuers cause to be published once, in the New York Times and The Wall Street Journal (national edition), notice that such money remains unclaimed and that, after a date specified therein, which shall not be

less than 30 days from the date of such notification or publication, any unclaimed balance of such money then remaining shall be repaid to the Issuers.

Section 8.07. Reinstatement. If the Trustee or paying agent is unable to apply any Dollars or U.S. Government Obligations in accordance with Section 8.02 or 8.03 hereof, as the case may be, by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, then the Issuers' obligations under the Indenture and the Notes and the Subsidiary Guarantors' obligations under the Guarantees shall be revived and reinstated as though no deposit had occurred pursuant to Section 8.02 or 8.03 hereof until such time as the Trustee or paying agent is permitted to apply all such money in accordance with Section 8.02 or 8.03 hereof, as the case may be; provided, however, that, if the Issuers make any payment of principal of, premium on, if any, interest or Additional Interest, if any, on any Note following the reinstatement of their obligations, the Issuers shall be subrogated to the rights of the Holders of such Notes to receive such payment from the money held by the Trustee or paying agent.

ARTICLE IX
SUBSIDIARY GUARANTEES

Section 9.01. Subsidiary Guarantees. (a) Each Subsidiary Guarantor hereby jointly and severally unconditionally and irrevocably guarantees on a senior basis to each Holder and to the Trustee and its successors and assigns (i) the full and punctual payment of principal, premium, if any, interest, and Additional Interest, if any, with respect to, the Notes when due, whether at maturity, by acceleration, by redemption or otherwise, and all other monetary obligations of the Issuers under the Indenture (including obligations to the Trustee) and the Notes and (ii) the full and punctual performance within applicable grace periods of all other obligations of the Issuers under the Indenture and the Notes (all the foregoing being hereinafter collectively called the "Note Obligations"). Each Subsidiary Guarantor further agrees that the Note Obligations may be extended or renewed, in whole or in part, without notice or further assent from each such Subsidiary Guarantor, and that each such Subsidiary Guarantor shall remain bound under this Article IX notwithstanding any extension or renewal of any Note Obligation.

(b) Each Subsidiary Guarantor waives presentation to, demand of, payment from and protest to the Issuers of any of the Note Obligations and also waives notice of protest for nonpayment. Each Subsidiary Guarantor waives notice of any Default or Event of Default under the Notes or the Note Obligations. The obligations of each Subsidiary Guarantor hereunder shall not be affected by (i) the failure of any Holder or the Trustee to assert any claim or demand or to enforce any right or remedy against the Issuers or any other Person under the Indenture, the Notes or any other agreement or otherwise; (ii) any extension or renewal of any thereof; (iii) any rescission, waiver, amendment or modification of any of the terms or provisions of the Indenture, the Notes or any other agreement; (iv) the release of any security held by any Holder or the Trustee for the Note Obligations or any of them; (v) the failure of any Holder or Trustee to exercise any right or remedy against any other guarantor of the Note Obligations; or (vi) any change in the ownership of such Subsidiary Guarantor, except as provided in Section 9.02 hereof.

(c) Each Subsidiary Guarantor further agrees that its Guarantee herein constitutes a guarantee of payment, performance and compliance when due (and not a guarantee of collection) and waives any right to require that any resort be had by any Holder or the Trustee to any security held for payment of the Note Obligations.

(d) The obligations of each Subsidiary Guarantor hereunder shall not be subject to any reduction, limitation, impairment or termination for any reason other than indefeasible payment in full of the Note Obligations, including any claim of waiver, release, surrender, alteration or compromise, and shall not be subject to any defense of setoff, counterclaim, recoupment or termination whatsoever or by reason of the invalidity, illegality or unenforceability of the Note Obligations or otherwise. Without limiting the generality of the foregoing, the obligations of each Subsidiary Guarantor herein shall not be discharged or impaired or otherwise affected by the failure of any Holder or the Trustee to assert any claim or demand or to enforce any remedy under the Indenture, the Notes or any other agreement, by any waiver or modification of any thereof, by any default, failure or delay, willful or otherwise, in the performance of the obligations, or by any other act or thing or omission or delay to do any other act or thing which may or might in any manner or to any extent vary the risk of any Subsidiary Guarantor or would otherwise operate as a discharge of any Subsidiary Guarantor as a matter of law or equity.

(e) Each Subsidiary Guarantor further agrees that its Guarantee herein shall continue to be effective or be reinstated, as the case may be, if at any time payment, or any part thereof, of principal, premium, if any, interest or Additional Interest, if any, with respect to any Note Obligation is rescinded or must otherwise be restored by any Holder or the Trustee upon the bankruptcy or reorganization of either of the Issuers or otherwise.

(f) In furtherance of the foregoing and not in limitation of any other right which any Holder or the Trustee has at law or in equity against any Subsidiary Guarantor by virtue hereof, upon the failure of the Issuers to pay the principal, premium, if any, interest or Additional Interest, if any, with respect to any Note Obligation when and as the same shall become due, whether at maturity, by acceleration, by redemption or otherwise, or to perform or comply with any other Note Obligation, each Subsidiary Guarantor hereby promises to and shall forthwith pay, or cause to be paid, in cash, to the Holders or the Trustee an amount equal to the sum of (i) the unpaid principal amount of such Note Obligations, (ii) accrued and unpaid interest on such Note Obligations (but only to the extent not prohibited by law) and (iii) all other monetary Note Obligations of the Issuers to the Holders and the Trustee.

(g) Each Subsidiary Guarantor agrees that it shall not be entitled to any right of subrogation in relation to the Holders in respect of any Note Obligations guaranteed hereby until payment in full of all Note Obligations. Each Subsidiary Guarantor further agrees that, as between it, on the one hand, and the Holders and the Trustee, on the other hand, (i) the maturity of the Note Obligations guaranteed hereby may be accelerated as provided in Article VII hereof for the purposes of any Subsidiary Guarantor's Guarantee herein, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the Note Obligations guaranteed hereby, and (ii) in the event of any declaration of acceleration of such obligations as provided in Article VII hereof, such Note Obligations (whether or not due and payable) shall

forthwith become due and payable by such Subsidiary Guarantor for the purposes of this Section 9.01.

(h) Each Subsidiary Guarantor also agrees to pay any and all costs and expenses (including reasonable attorneys' fees) incurred by the Trustee or any Holder in enforcing any rights under this Section 9.01.

Section 9.02. Limitation on Liability. Any term or provision of the Indenture to the contrary notwithstanding, the maximum, aggregate amount of the Note Obligations guaranteed hereunder by any Subsidiary Guarantor shall not exceed the maximum amount that, after giving effect to all other contingent and fixed liabilities of such Subsidiary Guarantor and to any collections from or payments made by or on behalf of any other Subsidiary Guarantor in respect of its obligations under its Guarantee, can be hereby guaranteed without rendering the Indenture, as it relates to any Subsidiary Guarantor, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer.

Section 9.03. Successors and Assigns. This Article IX shall be binding upon each Subsidiary Guarantor and, except as provided in Section 9.07, its successors and assigns and shall inure to the benefit of the successors and assigns of the Trustee and the Holders and, in the event of any transfer or assignment of rights by any Holder or the Trustee, the rights and privileges conferred upon that party in the Indenture and in the Notes shall automatically extend to and be vested in such transferee or assignee, all subject to the terms and conditions of the Indenture.

Section 9.04. No Waiver. Neither a failure nor a delay on the part of either the Trustee or the Holders in exercising any right, power or privilege under this Article IX shall operate as a waiver thereof, nor shall a single or partial exercise thereof preclude any other or further exercise of any right, power or privilege. The rights, remedies and benefits of the Trustee and the Holders herein expressly specified are cumulative and not exclusive of any other rights, remedies or benefits which either may have under this Article IX at law, in equity, by statute or otherwise.

Section 9.05. Modification. No modification, amendment or waiver of any provision of this Article IX, nor the consent to any departure by any Subsidiary Guarantor therefrom, shall in any event be effective unless the same shall be in writing and signed by the Trustee, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice to or demand on any Subsidiary Guarantor in any case shall entitle such Subsidiary Guarantor to any other or further notice or demand in the same, similar or other circumstances.

Section 9.06. Execution of Supplemental Indenture for Future Subsidiary Guarantors. Each Subsidiary which is required to become a Subsidiary Guarantor pursuant to Section 5.05 hereof shall promptly execute and deliver to the Trustee a supplemental Indenture in substantially the form of Exhibit B hereto pursuant to which such Subsidiary shall become a Subsidiary Guarantor under this Article IX and shall guarantee the Note Obligations. Concurrently with the execution and delivery of such supplemental Indenture, the Issuers shall

deliver to the Trustee an Opinion of Counsel to the effect that such supplemental Indenture has been duly authorized, executed and delivered by such Subsidiary and that, subject to the application of bankruptcy, insolvency, moratorium, fraudulent conveyance or transfer and other similar laws relating to creditors' rights generally and to the principles of equity, whether considered in a proceeding at law or in equity, the Guarantee of such Subsidiary Guarantor is a legal, valid and binding obligation of such Subsidiary Guarantor, enforceable against such Subsidiary Guarantor in accordance with its terms.

Section 9.07. Release of Guarantee. Provided that no Default shall have occurred and shall be continuing under the Indenture, the Guarantee of a Subsidiary Guarantor under this Article IX shall terminate and be of no further force and effect, and such Subsidiary Guarantor shall be released from the Indenture and all Note Obligations, upon the following events:

(a) upon any sale or other disposition of all or substantially all of the assets of such Subsidiary Guarantor (including by way of merger, consolidation or otherwise) to any Person that is not an Affiliate of either of the Issuers (provided such sale or other disposition is not prohibited by the Indenture);

(b) upon any sale or other disposition of all of the Equity Interests of a Subsidiary Guarantor, to any Person that is not an Affiliate of either of the Issuers; or

(c) following the release or discharge of all guarantees by such Subsidiary Guarantor of any Debt of the Issuers and any Subsidiary of the Partnership (other than any Debt Securities), upon delivery by the Issuers to the Trustee of a written notice of such release or discharge from the guarantees.

ARTICLE X
MISCELLANEOUS

Section 10.01. Additional Amendments. With respect to the Notes, references to (A) "Section 6.01" in the Original Indenture shall be deemed to be references to "Section 7.01 of this Supplemental Indenture; (B) "Section 11.02" in the Original Indenture shall be deemed to be references to "Section 8.06" of this Supplemental Indenture; (C) "Section 6.01(g) or (h)" in the Original Indenture shall be deemed to be references to Section 7.01(a)(vi) or (a)(vii) of this Supplemental Indenture; and (D) "Article X" in the Original Indenture shall be deemed to be a reference to Article VI of this Supplemental Indenture. All references to "interest" in the Original Indenture shall be deemed to include Additional Interest, if any, unless the context otherwise requires.

Section 10.02. Integral Part. This Supplemental Indenture constitutes an integral part of the Indenture.

Section 10.03. Adoption, Ratification and Confirmation. The Original Indenture, as supplemented and amended by this Supplemental Indenture, is in all respects hereby adopted, ratified and confirmed.

Section 10.04. Counterparts. This Supplemental Indenture may be executed in any number of counterparts, each of which when so executed shall be deemed an original; and all such counterparts shall together constitute but one and the same instrument.

Section 10.05. Governing Law. **THIS SUPPLEMENTAL INDENTURE AND THE NOTES SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.**

[Signatures on following pages]

SIGNATURES

ISSUERS:

PLAINS ALL AMERICAN PIPELINE, L.P.

By: Plains AAP, L.P., its General Partner

By: Plains All American GP LLC, its General Partner

By: /s/ Phil Kramer
Phil Kramer
Executive Vice President
and Chief Financial Officer

PAA FINANCE CORP.

By: /s/ Phil Kramer
Phil Kramer
Executive Vice President
and Chief Financial Officer

SUBSIDIARY GUARANTORS:

PLAINS MARKETING, L.P.

By: Plains Marketing GP Inc., its General Partner

By: /s/ Phil Kramer
Phil Kramer
Executive Vice President
and Chief Financial Officer

PLAINS PIPELINE, L.P.

By: Plains Marketing GP Inc., its General Partner

By: /s/ Phil Kramer
Phil Kramer
Executive Vice President
and Chief Financial Officer

PLAINS MARKETING GP INC.

By: /s/ Phil Kramer
Phil Kramer
Executive Vice President
and Chief Financial Officer

PLAINS MARKETING CANADA LLC

By: Plains Marketing, L.P., its Sole Member

By: Plains Marketing GP Inc., its General Partner

By: /s/ Phil Kramer
Phil Kramer
Executive Vice President
and Chief Financial Officer

PMC (NOVA SCOTIA) COMPANY

By: /s/ Phil Kramer
Phil Kramer
Executive Vice President

PLAINS MARKETING CANADA, L.P.

By: PMC (Nova Scotia) Company, its General Partner

By: /s/ Phil Kramer
Phil Kramer
Executive Vice President

BASIN HOLDINGS GP LLC

By: Plains Pipeline, L.P., its Sole
Member

By: Plains Marketing GP Inc., its General Partner

By: /s/ Phil Kramer
Phil Kramer
Executive Vice President
and Chief Financial Officer

BASIN PIPELINE HOLDINGS, L.P.

By: Basin Holdings GP LLC, its General Partner

By: Plains Pipeline, L.P., its Sole Member

By: Plains Marketing GP Inc., its General Partner

By: /s/ Phil Kramer
Phil Kramer
Executive Vice President
and Chief Financial Officer

RANCHO HOLDINGS GP LLC

By: Plains Pipeline, L.P., its Sole Member

By: Plains Marketing GP Inc., its General Partner

By: /s/ Phil Kramer
Phil Kramer
Executive Vice President
and Chief Financial Officer

RANCHO PIPELINE HOLDINGS, L.P.

By: Rancho Holdings GP LLC, its General Partner

By: Plains Pipeline, L.P., its Sole Member

By: Plains Marketing GP Inc., its General Partner

By: /s/ Phil Kramer
Phil Kramer
Executive Vice President
and Chief Financial Officer

PLAINS LPG SERVICES GP LLC

By: Plains Marketing, L.P., its Sole Member

By: Plains Marketing GP Inc., its General Partner

By: /s/ Phil Kramer
Phil Kramer
Executive Vice President and Chief Financial Officer

PLAINS LPG SERVICES, L.P.

By: Plains LPG Services GP LLC, its General Partner

By: Plains Marketing, L.P., its Sole Member

By: Plains Marketing GP Inc., its General Partner

By: /s/ Phil Kramer
Phil Kramer
Executive Vice President and Chief Financial Officer

LONE STAR TRUCKING, LLC

By: Plains LPG Services, L.P., its Sole Member

By: Plains LPG Services GP LLC, its General Partner

By: Plains Marketing, L.P., its Sole Member

By: Plains Marketing GP Inc., its General Partner

By: /s/ Phil Kramer
Phil Kramer
Executive Vice President and Chief Financial Officer

TRUSTEE:

WACHOVIA BANK, NATIONAL ASSOCIATION,
as Trustee

By: /s/ Ronda L. Porman
Name: Ronda L. Porman
Title: Vice President

EXHIBIT A

(Form of Face of Note)

CUSIP No.
ISIN $

PLAINS ALL AMERICAN PIPELINE, L.P.
PAA FINANCE CORP.

6.70% Series Senior Notes due 2036

Plains All American Pipeline, L.P., a Delaware limited partnership, and PAA Finance Corp., a Delaware corporation, jointly and severally promise to pay to , or registered assigns, the principal sum of Dollars [or such greater or lesser amount as may be endorsed on the Schedule attached hereto][1] on May 15, 2036.

Interest Payment Dates: May 15 and November 15
Record Dates: May 1 and November 1

PLAINS ALL AMERICAN PIPELINE, L.P.
By: Plains AAP, L.P., its General Partner
By: Plains All American GP LLC, its General Partner

By: _____
Name:
Title:

PAA FINANCE CORP.

By: _____
Name:
Title:

TRUSTEE'S CERTIFICATE OF
AUTHENTICATION

This is one of the Debt Securities of the series designated therein referred to in the within-mentioned Indenture.

WACHOVIA BANK, NATIONAL ASSOCIATION,
as Trustee

By: _____
Authorized Signatory
Dated: _____

1 To be included only if the Note is issued in global form.

(Form of Back of Note)

6.70% Series Senior Notes due 2036

[THIS GLOBAL SECURITY IS HELD BY OR ON BEHALF OF THE DEPOSITARY (AS DEFINED IN THE INDENTURE GOVERNING THIS NOTE) IN CUSTODY FOR THE BENEFICIAL OWNERS HEREOF, AND IS NOT TRANSFERABLE TO ANY PERSON UNDER ANY CIRCUMSTANCES EXCEPT THAT (A) THE TRUSTEE MAY MAKE SUCH NOTATIONS HEREON AS MAY BE REQUIRED PURSUANT TO SECTION 2.08 OF THE ORIGINAL INDENTURE, (B) THIS GLOBAL SECURITY MAY BE EXCHANGED IN WHOLE BUT NOT IN PART PURSUANT TO SECTION 2.15 OF THE ORIGINAL INDENTURE, (C) THIS GLOBAL SECURITY MAY BE DELIVERED TO THE TRUSTEE FOR CANCELLATION PURSUANT TO SECTION 2.10 OF THE ORIGINAL INDENTURE AND (D) THIS GLOBAL SECURITY MAY BE TRANSFERRED TO A SUCCESSOR DEPOSITARY OR ITS NOMINEE WITH THE PRIOR WRITTEN CONSENT OF THE ISSUERS.][2]

[THE ISSUANCE AND SALE OF THIS SECURITY (AND ANY GUARANTEE HEREOF) HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE SECURITIES LAWS. NEITHER THIS SECURITY (NOR ANY GUARANTEE HEREOF) NOR ANY INTEREST OR PARTICIPATION HEREIN OR THEREIN MAY BE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAWS. THE HOLDER HEREOF, BY ITS ACCEPTANCE OF THIS SECURITY, AGREES FOR THE BENEFIT OF THE ISSUERS THAT THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED PRIOR TO THE EXPIRATION OF THE HOLDING PERIOD APPLICABLE THERETO UNDER RULE 144(k) UNDER THE SECURITIES ACT (OR, IN THE CASE OF A TRANSFER PURSUANT TO REGULATION S, THE DISTRIBUTION COMPLIANCE PERIOD DEFINED THEREIN) WHICH IS APPLICABLE TO THIS SECURITY (THE "RESALE RESTRICTION TERMINATION DATE") OTHER THAN (1) TO THE ISSUERS OR THEIR RESPECTIVE SUBSIDIARIES, (2) SO LONG AS THIS SECURITY IS ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT ("RULE 144A"), TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" WITHIN THE MEANING OF RULE 144A PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, IN EACH CASE TO WHOM NOTICE IS GIVEN THAT THE RESALE, PLEDGE OR OTHER TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (3) INSIDE THE UNITED STATES TO AN INSTITUTIONAL "ACCREDITED INVESTOR" (AS DEFINED IN RULE 501(A)(1), (2), (3) OR (7)

2 To be included only if the Note is issued in global form.

UNDER THE SECURITIES ACT), (4) TO A NON-"U.S. PERSON" IN AN "OFFSHORE TRANSACTION" (AS SUCH TERMS ARE DEFINED IN REGULATION S UNDER THE SECURITIES ACT) IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT, (5) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, INCLUDING THE EXEMPTION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT, IF AVAILABLE, OR (6) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSITION OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL, AND SUBJECT TO THE RIGHT OF THE ISSUERS OR THE TRUSTEE FOR THE SECURITIES PRIOR TO ANY SUCH SALE, PLEDGE OR OTHER TRANSFER TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATIONS AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM. THIS LEGEND WILL BE REMOVED UPON REQUEST OF THE HOLDER ON OR AFTER THE RESALE RESTRICTION TERMINATION DATE.][3]

Capitalized terms used herein shall have the meanings assigned to them in the Indenture referred to below unless otherwise indicated.

1. Interest; Additional Interest. Plains All American Pipeline, L.P., a Delaware limited partnership (the "Partnership"), and PAA Finance Corp., a Delaware corporation ("PAA Finance" and, together with the Partnership, the "Issuers"), jointly and severally promise to pay interest on the principal amount of this Note at 6.70% per annum from , until maturity. The Issuers shall pay interest semi-annually on May 15 and November 15 of each such year, or if any such day is not a Business Day, on the next succeeding Business Day (each an "Interest Payment Date"). Interest on the Notes shall accrue from the most recent date to which interest has been paid or, if no interest has been paid, from the date of issuance. The first Interest Payment Date shall be , . The Issuers shall pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue principal and premium, if any, from time to time on demand at a rate that is 1% per annum in excess of the rate then in effect; and they shall pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest (without regard to any applicable grace periods) from time to time on demand at the same rate to the extent lawful. Interest shall be computed on the basis of a 360-day year of twelve 30-day months.

2. Method of Payment. The Issuers shall pay interest on the Notes (except defaulted interest) to the Persons who are registered Holders of Notes at the close of business on the May 1 or November 1 next preceding the Interest Payment Date, even if such Notes are canceled after such record date and on or before such Interest Payment Date, except as provided in Section 2.17 of the Original Indenture with respect to defaulted interest, and the Issuers shall pay principal (and premium, if any) of the Notes upon surrender thereof to the Trustee or a paying agent on or after the Stated Maturity thereof. The Notes shall be payable as to principal,

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[3] To be included on Transfer Restricted Securities only.

premium, if any, and interest at the office or agency of the Trustee maintained for such purpose within or without The City and State of New York, or, at the option of the Issuers, payment of interest may be made by check mailed to the Holders at their addresses set forth in the register of Holders, and provided that payment by wire transfer of immediately available funds shall be required with respect to principal of and interest, premium on, each Global Security and all other Notes the Holders of which shall have provided wire transfer instructions to the Issuers or the paying agent on or prior to the applicable record date. Such payment shall be in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

3. Paying Agent and Registrar. Initially, Wachovia Bank, National Association, the Trustee under the Indenture, shall act as paying agent and Registrar. The Issuers may change any paying agent or Registrar without notice to any Holder. The Issuers or any of their Subsidiaries may act in any such capacity.

4. Indenture. The Issuers issued the Notes under an Indenture dated as of September 25, 2002 (the "Original Indenture"), as supplemented by the Sixth Supplemental Indenture dated as of May 12, 2006 (the "Supplemental Indenture" and, together with the Original Indenture, the "Indenture") among the Issuers and the Trustee and, with respect to the Supplemental Indenture, the subsidiary guarantors signatory thereto (the "Subsidiary Guarantors"). The terms of the Notes include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939, as amended (15 U.S. Code §§ 77aaa-77bbbb). The Notes are subject to all such terms, and Holders are referred to the Indenture and such Act for a statement of such terms. To the extent any provision of this Note conflicts with the express provisions of the Indenture, the provisions of the Indenture shall govern and be controlling. The Notes are joint and several obligations of the Issuers initially in aggregate principal amount of $250 million. The Issuers may issue an unlimited aggregate principal amount of Additional Notes under the Indenture. Any such Additional Notes that are actually issued shall be treated as issued and outstanding Notes (and as the same series (with identical terms other than with respect to the issue date, issue price and date of first payment of interest) as the initial Notes) for all purposes of the Indenture, including waivers, amendments, redemptions and offers to purchase. To secure the due and punctual payment of the principal and interest on the Notes and all other amounts payable by the Issuers under the Indenture and the Notes when and as the same shall be due and payable, whether at maturity, by acceleration or otherwise, according to the terms of the Notes and the Indenture, the Subsidiary Guarantors have unconditionally guaranteed the Note Obligations under the Indenture and the Notes on a senior basis pursuant to the terms of the Indenture.

5. Optional Redemption. (a) At their option at any time prior to maturity, the Issuers may choose to redeem all or any portion of the Notes at once or from time to time.

(b) To redeem the Notes, the Issuers must pay a redemption price equal to the greater of (a) 100% of the principal amount of the Notes to be redeemed, and (b) as determined by the Quotation Agent (as defined below), the sum of the present values of the remaining scheduled payments of principal and interest on the Notes to be redeemed (not including any portion of those payments of interest accrued as of the date of redemption) discounted to the date

of redemption on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Adjusted Treasury Rate (as defined below) plus 25 basis points, plus, in either case, accrued and unpaid interest, including Additional Interest, if any, to the date of redemption (subject to the right of Holders on the relevant record date to receive interest due on the relevant interest payment date).

For purposes of determining any redemption price, the following definitions shall apply:

"Adjusted Treasury Rate" means, with respect to any date of redemption, the rate per annum equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for the date of redemption.

"Comparable Treasury Issue" means the United States Treasury security selected by the Quotation Agent as having a maturity comparable to the remaining term of the Notes that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the Notes to be redeemed.

"Comparable Treasury Price" means, with respect to any date of redemption, (a) the average of the Reference Treasury Dealer Quotations for the date of redemption, after excluding the highest and lowest Reference Treasury Dealer Quotations, or (b) if the Trustee obtains fewer than four Reference Treasury Dealer Quotations, the average of all such Reference Treasury Dealer Quotations.

"Quotation Agent" means UBS Securities LLC or another Reference Treasury Dealer appointed by the Issuers.

"Reference Treasury Dealer" means (a) UBS Securities LLC and its successors; provided, however, that if the foregoing shall cease to be a primary U.S. Government securities dealer in the United States (a "Primary Treasury Dealer"), the Issuers shall substitute another Primary Treasury Dealer; and (b) any other Primary Treasury Dealer selected by the Issuers.

"Reference Treasury Dealer Quotations" means, with respect to each Reference Treasury Dealer and any date of redemption, the average, as determined by the Trustee, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Trustee by that Reference Treasury Dealer at 5:00 p.m., New York City time, on the third business day preceding that date of redemption.

6. Mandatory Redemption. The Issuers shall not be required to make mandatory redemption or sinking fund payments with respect to the Notes.

7. Notice of Redemption. Notice of redemption shall be mailed at least 30 days but not more than 60 days before the redemption date to each Holder whose Notes are to be redeemed at its registered address. Notes in denominations larger than $1,000 may be redeemed in part but only in whole multiples of $1,000, unless all of the Notes held by a Holder are to be

redeemed. Unless the Issuers default in payment of the redemption price, on and after the redemption date interest ceases to accrue on Notes or portions thereof called for redemption.

8. Denominations, Transfer, Exchange. The Notes are in registered form without coupons in denominations of $1,000 and integral multiples of $1,000. The transfer of Notes may be registered and Notes may be exchanged as provided in the Indenture. The Registrar and the Trustee may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and the Issuers may require a Holder to pay any taxes or other governmental charges required by law or permitted by the Indenture. The Issuers need not exchange or register the transfer of any Note or portion of a Note selected for redemption or repurchase, except for the unredeemed or unrepurchased portion of any Note being redeemed or repurchased in part. Also, the Issuers need not exchange or register the transfer of any Notes for a period of 15 days before a selection of Notes to be redeemed or repurchased or during the period between a record date and the corresponding Interest Payment Date.

9. Persons Deemed Owners. The registered Holder of a Note shall be treated as its owner for all purposes.

10. Amendment, Supplement and Waiver. Subject to certain exceptions, the Indenture or the Notes may be amended or supplemented with the consent of the Holders of a majority in aggregate principal amount of the then Outstanding Notes, and any existing default or compliance with any provision of the Indenture or the Notes may be waived with the consent of the Holders of a majority in aggregate principal amount of the then Outstanding Notes. Without the consent of any Holder of a Note, the Indenture or the Notes may be amended or supplemented for any of the purposes set forth in Section 9.01 of the Original Indenture (as amended by the Supplemental Indenture), including to cure any ambiguity, defect or inconsistency, to provide for the assumption of an Issuer's obligations to Holders of the Notes in case of a merger or consolidation of such Issuer or sale of all or substantially all of such Issuer's assets, to add or release Subsidiary Guarantors (or their successors) pursuant to the terms of the Indenture, to make any change that would provide any additional rights or benefits to the Holders of the Notes or that does not adversely affect the legal rights under the Indenture of any Holder of the Notes, to comply with the requirements of the Commission to permit the qualification of the Indenture under the Trust Indenture Act, to evidence or provide for the acceptance of appointment under the Indenture of a successor Trustee, to add any additional Events of Default, to secure the Notes or the Guarantees or to establish the form or terms of any other series of Debt Securities.

11. Defaults and Remedies. Events of Default with respect to the Notes include: (i) default for 60 days in the payment when due of interest on, or Additional Interest with respect to, the Notes; (ii) default in payment when due of principal of or premium, if any, on the Notes at maturity, upon redemption or otherwise, (iii) failure by an Issuer or any Subsidiary Guarantor for 30 days after notice to comply with any of the other agreements in the Indenture (provided that notice need not be given, and an Event of Default shall occur, 30 days after any breach of the provisions of Section 6.01 of the Supplemental Indenture); (iv) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Debt of an Issuer or any of the Partnership's Subsidiaries (or the payment of which is guaranteed by the Partnership or any of its Subsidiaries), whether such Debt or

guarantee now exists or is created after the Issue Date, if that default (a) is caused by a failure to pay principal of or premium, if any, or interest on such Debt prior to the expiration of the grace period provided in such Debt (a "Payment Default") or (b) results in the acceleration of the maturity of such Debt to a date prior to its original stated maturity, and, in each case described in clause (a) or (b), the principal amount of any such Debt, together with the principal amount of any other such Debt under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates $25.0 million or more, subject to the proviso set forth in Section 7.01(a)(iv) of the Supplemental Indenture; (v) except as permitted by the Indenture, any Guarantee shall cease for any reason to be in full force and effect (except as otherwise provided in the Indenture) or is declared null and void in a judicial proceeding or any Subsidiary Guarantor, or any Person acting on behalf of any Subsidiary Guarantor, shall deny or disaffirm its obligations under the Indenture or its Guarantee and (vi) certain events of bankruptcy or insolvency with respect to an Issuer or any of the Subsidiary Guarantors. If any Event of Default occurs and is continuing, the Trustee or the Holders of at least 25% in aggregate principal amount of the then Outstanding Notes may declare all the Notes to be due and payable. Notwithstanding the foregoing, in the case of an Event of Default arising from certain events of bankruptcy or insolvency involving an Issuer, but not any Subsidiary Guarantor, all Outstanding Notes shall become due and payable without further action or notice. Holders may not enforce the Indenture or the Notes except as provided in the Indenture. Subject to certain limitations, Holders of a majority in aggregate principal amount of the then Outstanding Notes may direct the Trustee in its exercise of any trust or power. If and so long as the board of directors, an executive committee of the board of directors or trust committee of Responsible Officers of the

Trustee in good faith so determines, the Trustee may withhold from Holders of the Notes notice of any continuing Default or Event of Default (except a Default or Event of Default relating to the payment of principal, premium, if any, or interest) if it determines that withholding notice is in their interests. The Holders of a majority in aggregate principal amount of the Notes then Outstanding by notice to the Trustee may on behalf of the Holders of all of the Notes waive any existing Default or Event of Default and its consequences under the Indenture except a continuing Default or Event of Default in the payment of interest on, the principal of, or premium, if any, on the Notes. The Issuers and the Subsidiary Guarantors are required to deliver to the Trustee annually a statement regarding compliance with the Indenture, and the Issuers are required upon becoming aware of any Default or Event of Default, to deliver to the Trustee a statement specifying such Default or Event of Default.

12. Trustee Dealings with Issuers. The Trustee, in its individual or any other capacity, may make loans to, accept deposits from, and perform services for the Issuers or their Affiliates, and may otherwise deal with the Issuers or their Affiliates, as if it were not the Trustee.

13. No Recourse Against Others. The General Partner and its directors, officers, employees and partners (in their capacities as such) shall not have any liability for any obligations of the Issuers under the Notes. In addition, the Managing General Partner and its directors, officers, employees and members shall not have any liability for any obligations of the Issuers under the Notes. Each Holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes.

14. Authentication. This Note shall not be valid until authenticated by the manual signature of the Trustee or an authenticating agent.

15. Abbreviations. Customary abbreviations may be used in the name of a Holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian), and U/G/M/A (= Uniform Gifts to Minors Act).

16. CUSIP and ISIN Numbers. Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Issuers have caused CUSIP and corresponding ISIN numbers to be printed on the Notes, and the Trustee may use CUSIP and corresponding ISIN numbers in notices of redemption as a convenience to Holders. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice of redemption and reliance may be placed only on the other identification numbers placed thereon.

17. Additional Rights of Holders of Transfer Restricted Securities. In addition to the rights provided to Holders of Notes under the Indenture, Holders of Transfer Restricted Securities shall have all the rights set forth in the Exchange and Registration Rights Agreement, including the right to receive Additional Interest as set forth therein.

The Issuers shall furnish to any Holder upon written request and without charge a copy of the Indenture. Requests may be made to:

Plains All American Pipeline, L.P.
333 Clay Street, Suite 1600
Houston, Texas 77002
Attention: Investor Relations

Assignment Form

To assign this Note, fill in the form below: (I) or (we) assign and transfer this Note to

&nb sp;
(Insert assignee’s soc. sec. or tax I.D. no.)

&n bsp;

&n bsp;

&n bsp;

&n bsp;
(Print or type assignee’s name, address and zip code)

and irrevocably appoint _____
agent to transfer this Note on the books of the Issuers. The agent may substitute another to act for him.

&n bsp;

Date: _____

Your Signature: _____
(Sign exactly as your name appears on the face of this Note)

Signature Guarantee: _____
(Signature must be guaranteed by a financial institution that is a member of the Securities Transfer Agent Medallion Program (“STAMP”), the Stock Exchange Medallion Program (“SEMP”), the New York Stock Exchange, Inc. Medallion Signature Program

("MSP") or such other signature guarantee program as may be determined by the Registrar in addition to, or in substitution for, STAMP, SEMP or MSP, all in accordance with the Securities Exchange Act of 1934, as amended.)

SCHEDULE OF INCREASES OR DECREASES IN THE GLOBAL NOTE[4]

The original principal amount of this Global Note is . The following increases or decreases in this Global Note have been made:

Date of Exchange	Amount of decrease in Principal Amount of this Global Note	Amount of increase in Principal Amount of this Global Note	Principal Amount of this Global Note following such decrease (or increase)	Signature of authorized signatory of Trustee or Note Custodian

4 To be included only if the Note is issued in global form.

EXHIBIT B

FORM OF SUPPLEMENTAL INDENTURE

SUPPLEMENTAL INDENTURE (this "Supplemental Indenture"), dated as of , among Plains All American Pipeline, L.P., a Delaware limited partnership (the "Partnership"), PAA Finance Corp., a Delaware corporation ("PAA Finance" and, together with the Partnership, the "Issuers"), (the "Subsidiary Guarantor"), a direct or indirect subsidiary of Plains All American Pipeline, L.P. (or its successor), a Delaware limited partnership (the "Partnership"), and Wachovia Bank, National Association, as trustee under the indenture referred to below (the "Trustee").

W I T N E S S E T H

WHEREAS, the Issuers have heretofore executed and delivered to the Trustee an indenture (the "Original Indenture"), dated as of September 25, 2002, as supplemented by the Sixth Supplemental Indenture (the "Sixth Supplemental Indenture" and, together with the Original Indenture, the "Indenture") dated as of May 12, 2006, among the Issuers, the Subsidiary Guarantors and the Trustee, providing for the issuance of the Issuers' 6.70% Senior Notes due 2036 (the "Notes");

WHEREAS, Section 5.05 of the Sixth Supplemental Indenture provides that under certain circumstances the Partnership is required to cause the Subsidiary Guarantor to execute and deliver to the Trustee a supplemental indenture pursuant to which the Subsidiary Guarantor shall unconditionally guarantee all of the Issuers' obligations under the Notes pursuant to a Guarantee on the terms and conditions set forth herein; and

WHEREAS, pursuant to Section 9.01 of the Original Indenture, the Issuers and the Trustee are authorized to execute and deliver this Supplemental Indenture;

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Issuers, the Subsidiary Guarantor and the Trustee mutually covenant and agree for the equal and ratable benefit of the holders of the Notes as follows:

1. Definitions. (a) Capitalized terms used herein without definition shall have the meanings assigned to them in the Indenture.

(b) For all purposes of this Supplemental Indenture, except as otherwise herein expressly provided or unless the context otherwise requires: (i) the terms and expressions used herein shall have the same meanings as corresponding terms and expressions used in the Indenture; and (ii) the words "herein," "hereof" and "hereby" and other words of similar import used in this Supplemental Indenture refer to this Supplemental Indenture as a whole and not to any particular section hereof.

2. Agreement to Guarantee. The Subsidiary Guarantor hereby agrees, jointly and severally with all other Subsidiary Guarantors under the Indenture, to guarantee the Issuers' obligations under the Notes on the terms and subject to the conditions set forth in Article IX of the Sixth Supplemental Indenture and to be bound by all other applicable provisions of the Indenture. Except as expressly amended hereby, the Indenture is in all respects ratified and confirmed and all the terms, conditions and provisions thereof shall remain in full force and effect. This Supplemental Indenture shall form a part of the Indenture for all purposes, and every holder of Notes heretofore or hereafter authenticated and delivered shall be bound hereby.

3. **GOVERNING LAW. THIS SUPPLEMENTAL INDENTURE SHALL BE DEEMED TO BE A NEW YORK CONTRACT, AND FOR ALL PURPOSES SHALL BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.**

4. Trustee Makes No Representation. The Trustee makes no representation as to the validity or sufficiency of this Supplemental Indenture.

5. Counterparts. The parties may sign any number of copies of this Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement.

6. Effect of Headings. The Section headings herein are for convenience only and shall not effect the construction thereof.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed as of the date first above written.

PLAINS ALL AMERICAN PIPELINE, L.P.

By: Plains AAP, L.P., its General Partner

By: Plains All American GP LLC, its General Partner

By: _____
Name:
Title:

PAA FINANCE CORP.

By: _____
Name:
Title:

[SUBSIDIARY GUARANTOR],

By: _____
Name:
Title:

WACHOVIA BANK, NATIONAL ASSOCIATION,
as Trustee

By: _____
Name:
Title:

EXHIBIT C

CERTIFICATE TO BE DELIVERED UPON EXCHANGE
OR REGISTRATION OF TRANSFER OF SECURITIES
PURSUANT TO RULE 144A OR RULE 501

Re: 6.70% Series [A/B] Senior Notes due 2036 of Plains All American Pipeline, L.P. and PAA Finance Corp. (together, the "Issuers")

This Certificate relates to $ principal amount of the above captioned Notes held in definitive form (the "Securities") by (the "Transferor").

The Transferor has requested the Trustee by written order to exchange or register the transfer of a Security or Securities.

In connection with such request and in respect of each such Security, the Transferor does hereby certify that the Transferor is familiar with the Indenture and the Supplemental Indenture relative to the Securities and that the transfer of this Security does not require registration under the Securities Act (as defined below) because:*

- Such Security is being acquired for the Transferor's own account without transfer.

- Such Security is being transferred to a "qualified institutional buyer" (as defined in Rule 144A under the Securities Act of 1933, as amended (the "Securities Act")), in reliance on Rule 144A under the Securities Act and in accordance with any applicable securities laws of any state of the

United States or any other jurisdiction, that is purchasing for its own account or for the account of another qualified institutional buyer, in each case to whom notice is given that the transfer is being made in reliance on Rule 144A.

- Such Security is being transferred (i) in accordance with Rule 144 under the Securities Act (and based on an opinion of counsel if the Issuers or the Trustee so requests) or (ii) pursuant to an effective registration statement under the Securities Act.

- Such Security is being transferred to an institutional "accredited investor" within the meaning of Rule 501(a)(1), (2), (3) or (7) under the Securities Act pursuant to a private placement exemption from the registration requirements of the Securities Act (and based on an opinion of counsel if the Issuers or the Trustee so requests) and in accordance with any applicable securities laws of any state of the United States or any other jurisdiction, that is purchasing for its own account or for the account of another institutional accredited investor, together with a certification in substantially the form of Exhibit D to the Supplemental Indenture and, to the knowledge of the Transferor, such institutional accredited investor to whom such Security is to be transferred is not an "affiliate" (as defined in Rule 144 under the Securities Act) of an Issuer.

- Such Security is being transferred in reliance on and in compliance with another exemption from the registration requirements of the Securities Act (and based on an opinion of counsel if the Issuers so request).

*Check appropriate response.

[INSERT NAME OF TRANSFEROR]

By: _____
Name:
Title:
Address:

Date: _____

EXHIBIT D

TRANSFEREE LETTER OF REPRESENTATIONS

Plains All American Pipeline, L.P.
PAA Finance Corp.
%Wachovia Bank, National Association, Trustee
5847 San Felipe, Suite 1050
Houston, Texas 77057
Attn: Corporate Trust Group

Ladies and Gentlemen:

In connection with our proposed purchase of $ aggregate principal amount of 6.70% Senior Notes due 2036 (the "Securities") of Plains All American Pipeline, L.P. and PAA Finance Corp. (together, the "Issuers"):

1. We understand that the Securities have not been registered under the Securities Act of 1933, as amended (the "Securities Act"), or under any other applicable securities laws, and may not be sold except as permitted in the following sentence. We agree on our own behalf and on behalf of any investor account for which we are purchasing the Securities to offer, sell or otherwise transfer such Securities prior to the date which is two years after the later of the date of original issue and the last date on which the Issuers or any affiliate of an Issuer was the owner of such Securities, or any predecessor, thereto (the "Resale Restriction Termination Date") only (a) to the Issuers, (b) pursuant to a registration statement that has been declared effective by the Securities and Exchange Commission (the "Commission"), (c) for so long as the Securities are eligible for resale pursuant to Rule 144A under the Securities Act, to a person we reasonably believe is a qualified institutional buyer under Rule 144A (a "QIB") that purchases for its own account or for the account of a QIB to whom notice is given that the transfer is being made in reliance on Rule 144A, (d) to an institutional "accredited investor" within the meaning of subparagraph (a)(1), (2), (3) or (7) of Rule 501 under the Securities Act (an "Institutional Accredited Investor") that is acquiring the Securities for its own account or for the account of another Institutional Accredited Investor for investment purposes and not with a view to, or for offer or sale in connection with, any distribution thereof in violation of the regulations of the Securities Act and any other applicable securities laws or (e) pursuant to any other available exemption from the registration requirements of the Securities Act, subject in each of the foregoing cases to any requirement of law that the disposition of our property and the property of such investor account or accounts be at all times within our or their control. The foregoing restrictions on resale will not apply subsequent to the Resale Restriction Termination Date. If any resale or other transfer of the Securities is proposed to be made pursuant to clause (d) above prior to the Resale Restriction Termination Date, the transferor shall deliver a letter from the transferee substantially in the form of this letter to the Trustee, which shall provide, among other things, that the transferee is an Institutional Accredited Investor and that it is acquiring such Securities for investment purposes and not for distribution in violation of the Securities Act. We acknowledge that the Issuers and the Trustee reserve the right prior to any

offer, sale or other transfer pursuant to clause (d) or (e) prior to the Resale Restriction Termination Date of the Securities to require the delivery of an opinion of counsel, certifications and/or other information satisfactory to the Issuers and the Trustee.

2. We are an Institutional Accredited Investor purchasing for our own account or for the account of another Institutional Accredited Investor.

3. We are acquiring the Securities purchased by us for our own account, or for one or more accounts as to each of which we exercise sole investment discretion, for investment purposes and not with a view to, or for offer or sale in connection with any distribution in violation of, the Securities Act. We have such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of investment in the Securities, we invest in securities similar to the Securities in the normal course of our business and we, and all accounts for which we are acting, are able to bear the economic risks of investment in the Securities.

4. You are entitled to rely upon this letter and you are irrevocably authorized to produce this letter or a copy thereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby.

Very truly yours,

[NAME OF TRANSFEREE]

By: _____
Authorized Signatory

Upon transfer, the Securities should be registered in the name of the new beneficial owner as follows:

Name:
Address:

Taxpayer ID No:

EXHIBIT E

CERTIFICATE TO BE DELIVERED
IN CONNECTION WITH TRANSFERS PURSUANT TO REGULATION S

[Date]

Plains All American Pipeline, LP
PAA Finance Corp.
c/o Wachovia Bank, National Association, Trustee
5847 San Felipe, Suite 1050
Houston, Texas 77057
Attn: Corporate Trust Group

Re: Plains All American Pipeline, L.P. and PAA Finance Corp. (the "Issuers") 6.70% Series [A/B] Senior Notes due 2036 (the "Securities")

Ladies and Gentlemen:

In connection with our proposed sale of $ aggregate principal amount of the Securities, we confirm that such sale has been effected pursuant to and in accordance with Regulation S under the United States Securities Act of 1933, as amended (the "Securities Act"), and, accordingly, we represent that:

(a) the offer of the Securities was not made to a person in the United States;

(b) either (i) at the time the buy order was originated, the transferee was outside the United States or we and any person acting on our behalf reasonably believed that the transferee was outside the United States or (ii) the transaction was executed in, on or through the facilities of a designated off-shore securities market and neither we nor any person acting on our behalf knows that the transaction has been pre-arranged with a buyer in the United States;

(c) no directed selling efforts have been made in the United States in contravention of the requirements of Rule 904(a) of Regulation S, as applicable; and

(d) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act.

In addition, if the sale is made during a restricted period and the provisions of Rule 904(b)(1) of Regulation S are applicable thereto, we confirm that such sale has been made in accordance with the applicable provisions of Rule 904(b)(1).

You and the Issuers are entitled to rely upon this letter and are irrevocably authorized to produce this letter or a copy hereof to any interested party in any administrative or

legal proceedings or official inquiry with respect to the matters covered hereby. Terms used in this certificate have the meanings set forth in Regulation S.

Very truly yours,

[NAME OF TRANSFEROR]

By: _____
Authorized Signatory

Exhibit 4.2

Execution Version

EXCHANGE AND REGISTRATION RIGHTS AGREEMENT

AMONG

PLAINS ALL AMERICAN PIPELINE, L.P.,

PAA FINANCE CORP.,

THE GUARANTORS

AND

THE INITIAL PURCHASERS

Dated as of May 12, 2006

PLAINS ALL AMERICAN PIPELINE, L.P.
PAA FINANCE CORP.

6.70% Senior Notes due 2036

EXCHANGE AND REGISTRATION RIGHTS AGREEMENT

May 12, 2006

Citigroup Global Markets Inc.
UBS Securities LLC
BNP Paribas Securities Corp.
Banc of America Securities LLC
Fortis Securities LLC
J.P. Morgan Securities Inc.
Piper Jaffray & Co.
Wachovia Capital Markets, LLC
Amegy Bank National Association
Commerzbank Capital Markets Corp.
DnB NOR Markets, Inc.
HSBC Securities (USA) Inc.
Mitsubishi UFJ Securities International plc

c/o Citigroup Global Markets Inc.
388 Greenwich St., 34th Floor
New York, New York 10013

Ladies and Gentlemen:

Plains All American Pipeline, L.P., a Delaware limited partnership (the "Partnership"), PAA Finance Corp., a Delaware corporation ("PAA Finance," and together with the Partnership, the "Issuers") and the Guarantors listed on Schedule 1 hereto (the "Guarantors"), propose to issue and sell to the initial purchasers listed on Schedule 2 hereto (the "Initial Purchasers"), upon the terms set forth in a purchase agreement dated May 9, 2006 (the "Purchase Agreement"), $250,000,000 principal amount of 6.70% Senior Notes due 2036 (the "Securities") relating to the initial placement of the Securities (the "Initial Placement"). To induce the Initial Purchasers to enter into the Purchase Agreement and to satisfy a condition of your obligations thereunder, the Issuers and the Guarantors agree with you for your benefit and the benefit of the other holders from time to time of the Securities (including the Initial Purchasers) (each a "Holder" and, together, the "Holders"), as follows:

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1. Definitions. Capitalized terms used herein without definition shall have their respective meanings set forth in the Purchase Agreement. As used in this Agreement, the following capitalized defined terms shall have the following meanings:

"Act" shall mean the Securities Act of 1933, as amended, and the rules and regulations of the Commission promulgated thereunder.

"Affiliate" of any specified Person shall mean any other Person that, directly or indirectly, is in control of, is controlled by, or is under common control with, such specified Person. For purposes of this definition, control of a Person shall mean the power, direct or indirect, to direct or cause the direction of the management and policies of such Person whether by contract or otherwise; and the terms "controlling" and "controlled" shall have meanings correlative to the foregoing.

"Broker-Dealer" shall mean any broker or dealer registered as such under the Exchange Act.

"Business Day" shall mean any day other than a Saturday, a Sunday or a legal holiday or a day on which banking institutions or trust companies are authorized or obligated by law to close in New York City.

"Commission" shall mean the Securities and Exchange Commission.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission promulgated thereunder.

"Exchange Offer Registration Period" shall mean the one-year period following the consummation of the Registered Exchange Offer, exclusive of any period during which any stop order shall be in effect suspending the effectiveness of the Exchange Offer Registration Statement.

"Exchange Offer Registration Statement" shall mean a registration statement of the Issuers and the Guarantors on an appropriate form under the Act with respect to the Registered Exchange Offer, all amendments and supplements to such registration statement, including post-effective amendments thereto, in each case including the Prospectus contained therein, all exhibits thereto and all material incorporated by reference therein.

"Exchanging Dealer" shall mean any Holder (which may include any Initial Purchaser) that is a Broker-Dealer and elects to exchange for New Securities any Securities that it acquired for its own account as a result of market-making activities or other trading activities (but not directly from the Issuers and the Guarantors or any Affiliate of the Issuers and the Guarantors) for New Securities.

"Final Memorandum" shall have the meaning set forth in the Purchase Agreement.

"Guarantors" shall have the meaning set forth in the preamble hereto and shall also include any Guarantor's successor.

"Holder" shall have the meaning set forth in the preamble hereto.

"Indenture" shall mean the Indenture relating to the Securities and the New Securities, dated as of September 25, 2002, among the Issuers and Wachovia Bank, National Association, as trustee, as amended by the Sixth Supplemental Indenture, dated as of May 12, 2006, among the Issuers, the Guarantors and the Trustee, as the same may be amended from time to time in accordance with the terms thereof.

"Initial Placement" shall have the meaning set forth in the preamble hereto.

"Initial Purchasers" shall have the meaning set forth in the preamble hereto.

"Losses" shall have the meaning set forth in Section 7(d) hereof.

"Majority Holders" shall mean the Holders of a majority of the aggregate principal amount of Securities registered under a Registration Statement.

"Managing Underwriters" shall mean the investment banker or investment bankers and manager or managers that shall administer an underwritten offering.

"New Securities" shall mean debt securities of the Issuers identical in all material respects to the Securities (except that the interest rate step-up provisions and the transfer restrictions shall be eliminated) and to be issued under the Indenture.

"Prospectus" shall mean the prospectus included in any Registration Statement (including, without limitation, a prospectus that discloses information previously omitted from a prospectus filed as part of an effective registration statement in reliance upon Rule 430A under the Act), as amended or supplemented by any prospectus supplement, with respect to the terms of the offering of any portion of the Securities or the New Securities covered by such Registration Statement, and all amendments and supplements thereto and all material incorporated by reference therein.

"Purchase Agreement" shall have the meaning set forth in the preamble hereto.

"Registered Exchange Offer" shall mean the proposed offer of the Issuers and the Guarantors to issue and deliver to the Holders of the Securities that are not prohibited by any law or policy of the Commission from participating in such offer, in exchange for the Securities, a like aggregate principal amount of the New Securities.

"Registration Default" shall have the meaning set forth in Section 4(a) hereof.

"Registration Statement" shall mean any Exchange Offer Registration Statement or Shelf Registration Statement that covers any of the Securities or the New Securities pursuant to the provisions of this Agreement, any amendments and supplements to such registration statement, including post-effective amendments (in each case including the Prospectus contained therein), all exhibits thereto and all material incorporated by reference therein.

"Securities" shall have the meaning set forth in the preamble hereto.

"Shelf Registration" shall mean a registration effected pursuant to Section 3 hereof.

"Shelf Registration Period" has the meaning set forth in Section 3(b) hereof.

"Shelf Registration Statement" shall mean a "shelf" registration statement of the Issuers and the Guarantors pursuant to the provisions of Section 3 hereof which covers some or all of the Securities or New Securities, as applicable, on an appropriate form under Rule 415 under the Act, or any similar rule that may be adopted by the Commission, amendments and supplements to such registration statement, including post-effective amendments, in each case including the Prospectus contained therein, all exhibits thereto and all material incorporated by reference therein.

"Trustee" shall mean the trustee with respect to the Securities and the New Securities under the Indenture.

"Trust Indenture Act" shall mean the Trust Indenture Act of 1939, as amended from time to time.

"underwriter" shall mean any underwriter of Securities in connection with an offering thereof under a Shelf Registration Statement.

2. Registered Exchange Offer. (a) Except as set forth in Section 3, the Issuers and the Guarantors shall prepare and shall use their reasonable best efforts to file with the Commission the Exchange Offer Registration Statement with respect to the Registered Exchange Offer, not later than 120 days following the date of the original issuance of the Securities (or if such 120th day is not a Business Day, the next succeeding Business Day). The Issuers and the Guarantors shall use their reasonable best efforts to cause the Exchange Offer Registration Statement to become effective under the Act within 210 days of the date of the original issuance of the Securities and to consummate the Registered Exchange Offer within 240 days of the date of the original issuance of the Securities (if such 210th or 240th day is not a Business Day, the next succeeding Business Day, as applicable).

(a) Upon the effectiveness of the Exchange Offer Registration Statement, the Issuers and the Guarantors shall promptly commence the Registered Exchange Offer, it being the objective of such Registered Exchange Offer to enable each Holder electing to exchange Securities for New Securities (assuming that such Holder is not an Affiliate of the Issuers or the Guarantors, acquires the New Securities in the ordinary course of such Holder's business, has no arrangements with any Person to participate in the distribution of the New Securities and is not prohibited by any law or policy of the Commission from participating in the Registered Exchange Offer) to trade such New Securities from and after their receipt without any limitations or restrictions under the Act and without material restrictions under the securities laws of a substantial proportion of the several states of the United States.

(b) In connection with the Registered Exchange Offer, the Issuers and the Guarantors shall:

(i) mail to each Holder a copy of the Prospectus forming part of the Exchange Offer Registration Statement, together with an appropriate letter of transmittal and related documents;

(ii) keep the Registered Exchange Offer open for not less than 20 Business Days after the date the notice thereof is mailed to the Holders (or, in each case, longer if required by applicable law);

(iii) use their reasonable best efforts to keep the Exchange Offer Registration Statement continuously effective under the Act, supplemented and amended as required under the Act to ensure that it is available for sales of New Securities by Exchanging Dealers during the Exchange Offer Registration Period;

(iv) utilize the services of a bank depositary for the Registered Exchange Offer with an address in the Borough of Manhattan in New York City, which may be the Trustee or an Affiliate of the Trustee;

(v) permit Holders to withdraw tendered Securities at any time prior to the close of business, New York time, on the last Business Day on which the Registered Exchange Offer is open;

(vi) prior to effectiveness of the Exchange Offer Registration Statement, provide a supplemental letter to the Commission (A) stating that the Issuers and the Guarantors are conducting the Registered Exchange Offer in reliance on the position of the Commission in Exxon Capital Holdings Corporation (pub. avail. May 13, 1988) and Morgan Stanley and Co., Inc. (pub. avail. June 5, 1991) and (B) including a representation that the Issuers and the Guarantors have not entered into any arrangement or understanding with any Person to distribute the New Securities to be received in the Registered Exchange Offer and that, to the best of the Issuers' and the Guarantors' information and belief, each Holder participating in the Registered Exchange Offer is acquiring the New Securities in the ordinary course of business and has no arrangement or understanding with any Person to participate in the distribution of the New Securities; and

(vii) comply in all material respects with all applicable laws.

(c) As soon as practicable after the close of the Registered Exchange Offer, the Issuers and the Guarantors shall:

(i) accept for exchange all Securities tendered and not validly withdrawn pursuant to the Registered Exchange Offer; and

(ii) issue and cause the Trustee promptly to authenticate a global certificate representing New Securities exchanged for Securities and to deliver to each Holder of Securities a principal amount of New Securities equal to the principal amount of the Securities of such Holder so accepted for exchange.

(d) Each Holder hereby acknowledges and agrees that any Broker-Dealer and any such Holder using the Registered Exchange Offer to participate in a distribution of the New Securities (x) could not under Commission policy as in effect on the date of this Agreement rely on the position of the Commission in Morgan Stanley and Co., Inc. (pub. avail. June 5, 1991) and Exxon Capital Holdings Corporation (pub. avail. May 13, 1988), as interpreted in the Commission's letter to Shearman & Sterling dated July 2, 1993 and similar no-action letters; and (y) must comply with the registration and prospectus delivery requirements of the Act in connection with any secondary resale transaction and must be covered by an effective registration statement containing the selling security holder information required by Item 507 or 508, as applicable, of Regulation S-K under the Act if the resales are of New Securities obtained by such Holder in exchange for Securities acquired by such Holder directly from the Issuers or the Guarantors or one of their Affiliates. Accordingly, each Holder participating in the Registered Exchange Offer shall be required to represent to the Issuers and the Guarantors that, at the time of the consummation of the Registered Exchange Offer:

(i) any New Securities received by such Holder will be acquired in the ordinary course of business;

(ii) such Holder will have no arrangement or understanding with any Person to participate in the distribution of the Securities or the New Securities within the meaning of the Act; and

(iii) such Holder is not an Affiliate of the Issuers or the Guarantors.

3. Shelf Registration. (a) If (i) due to any change in law or applicable interpretations thereof by the Commission's staff, the Issuers and the Guarantors determine upon advice of their outside counsel that they are not permitted to effect the Registered Exchange Offer as contemplated by Section 2 hereof; (ii) for any other reason the Registered Exchange Offer is not consummated within 240 days of the date hereof; (iii) any Initial Purchaser so requests with respect to Securities that are not eligible to be exchanged for New Securities in the Registered Exchange Offer and that are held by it following consummation of the Registered Exchange Offer, or (iv) any Holder (other than an Initial Purchaser) is not eligible to participate in the Registered Exchange Offer, the Issuers and the Guarantors shall effect a Shelf Registration Statement in accordance with subsection (b) below.

(b) (i) The Issuers and the Guarantors shall as promptly as practicable (but in no event more than 120 days after so required or requested pursuant to this Section 3), file with the Commission and thereafter shall use their reasonable best efforts to cause to be declared effective under the Act, within 210 days after so required or requested pursuant to this Section 3, a Shelf Registration Statement relating to the offer and sale of the Securities or the New Securities, as applicable, by the Holders thereof from time to time in accordance with the methods of distribution elected by such Holders and set forth in such Shelf Registration Statement; provided, however, that no Holder (other than an Initial Purchaser) shall be entitled to have the Securities held by it covered by such Shelf Registration Statement unless such Holder agrees in writing to be bound by all of the provisions of this Agreement applicable to such Holder; and provided further, that with respect to New Securities received by an Initial Purchaser in exchange for Securities constituting any portion of an unsold allotment, the Issuers and the

Guarantors may, if permitted by current interpretations by the Commission's staff, file a post-effective amendment to the Exchange Offer Registration Statement containing the information required by Item 507 or 508 of Regulation S-K, as applicable, in satisfaction of their obligations under this subsection with respect thereto, and any such Exchange Offer Registration Statement, as so amended, shall be referred to herein as, and governed by the provisions herein applicable to, a Shelf Registration Statement.

(ii) The Issuers and the Guarantors shall use their reasonable best efforts to keep the Shelf Registration Statement continuously effective, supplemented and amended as required by the Act, in order to permit the Prospectus forming part thereof to be usable by Holders for a period of two years from the date the Shelf Registration Statement is declared effective by the Commission or such shorter period that will terminate when all the Securities or New Securities, as applicable, covered by the Shelf Registration Statement have been sold pursuant to the Shelf Registration Statement under the Act (in any such case, such period being called the "Shelf Registration Period"). The Issuers and the Guarantors shall be deemed not to have used their reasonable best efforts to keep the Shelf Registration Statement effective during the requisite period if either Issuer or any Guarantor voluntarily takes any action that would result in Holders of Securities covered thereby not being able to offer and sell such Securities during that period, unless (A) such action is required by applicable law, or (B) such action is taken by such Issuer or such Guarantor in good faith and for valid business reasons (not including avoidance of the Issuers' or the Guarantors' obligations hereunder), including the acquisition or divestiture of assets, so long as the Issuers and the Guarantors promptly thereafter comply with the requirements of Section 5(k) hereof, if applicable.

(iii) The Issuers and the Guarantors shall cause the Shelf Registration Statement and the related Prospectus and any amendment or supplement thereto, as of the effective date of the Shelf Registration Statement or such amendment or supplement, (A) to comply in all material respects with the applicable requirements of the Act and the rules and regulations of the Commission; and (B) not to contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

4. Additional Interest.

(a) In the event that (i) the Issuers and the Guarantors have not filed the Exchange Offer Registration Statement or the Shelf Registration Statement with the Commission on or before the date on which such Registration Statement is required to be so filed pursuant to Section 2(a) and 3(b), respectively, or (ii) such Exchange Offer Registration Statement or Shelf Registration Statement has not been declared effective by the Commission under the Act on or before the date on which such Registration Statement is required to be declared effective under the Act pursuant to Section 2(a) or 3(b), respectively, or (iii) the Exchange Offer has not been consummated within 240 days after the date of issuance of the Securities, or (iv) the Exchange Offer Registration Statement or Shelf Registration Statement required by Section 2(a) or 3(b) hereof is filed and declared effective by the Commission under the Act but shall thereafter cease to be effective (except as specifically permitted herein) without being succeeded immediately by

an additional Registration Statement filed and declared effective by the Commission under the Act (each such event referred to in clauses (i) through (iv) is referred to herein as a "Registration Default"), then the interest rate on the Securities will be increased, for the period from the occurrence of the Registration Default until such time as all Registration Defaults are cured (at which time the interest rate will be reduced to its initial rate) by 0.25% per annum during the first 90-day period following the occurrence and during the continuation of the Registration Default, and by 0.25% per annum for each subsequent 90-day period during which such Registration Default continues. The interest rate will not at any time be increased by greater than 0.50% per annum.

(b) Without limiting the remedies available to the Initial Purchasers and the Holders, the Issuers and the Guarantors acknowledge that any failure by the Issuers or the Guarantors to comply with their obligations under Section 2(a) or 3(b) hereof may result in material irreparable injury to the Initial Purchasers or the Holders for which there is no adequate remedy at law, that it will not be possible to measure damages for such injuries precisely and that, in the event of any such failure, the Initial Purchasers or any Holder may obtain such relief as may be required to specifically enforce the Issuers' and the Guarantors' obligations under Section 2(a) or Section 3(b) hereof.

5. Additional Registration Procedures. In connection with any Shelf Registration Statement and, to the extent applicable, any Exchange Offer Registration Statement, the following provisions shall apply.

(a) The Issuers and the Guarantors shall:

(i) furnish to you, not less than five Business Days prior to the filing thereof with the Commission, a copy of any Exchange Offer Registration Statement and any Shelf Registration Statement, and each amendment thereof and each amendment or supplement, if any, to the Prospectus included therein (including all documents incorporated by reference therein after the initial filing) and shall use their reasonable best efforts to reflect in each such document, when so filed with the Commission, such comments as you reasonably propose;

(ii) include the information set forth in Annex A hereto on the facing page of the Exchange Offer Registration Statement, in Annex B hereto in the forepart of the Exchange Offer Registration Statement in a section setting forth details of the Exchange Offer, in Annex C hereto in the underwriting or plan of distribution section of the Prospectus contained in the Exchange Offer Registration Statement, and in Annex D hereto in the letter of transmittal delivered pursuant to the Registered Exchange Offer;

(iii) if requested by an Initial Purchaser, include the information required by Item 507 or 508 of Regulation S-K, as applicable, in the Prospectus contained in the Shelf Registration Statement; and

(iv) in the case of a Shelf Registration Statement, include the names of the Holders that propose to sell Securities pursuant to the Shelf Registration Statement as selling security holders.

(b) The Issuers and the Guarantors shall ensure that:

(i) any Registration Statement and any amendment thereto and any Prospectus forming part thereof and any amendment or supplement thereto comply in all material respects with the Act and the rules and regulations thereunder; and

(ii) any Registration Statement and any amendment thereto do not, when they become effective, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading.

(c) The Issuers and the Guarantors shall advise you, the Holders of Securities covered by any Shelf Registration Statement and any Exchanging Dealer under any Exchange Offer Registration Statement that has provided in writing to the Issuers and the Guarantors a telephone or facsimile number and address for notices, and, if requested in writing by you or any such Holder or Exchanging Dealer, shall confirm such advice in writing (which notice pursuant to clauses (ii)-(v) hereof shall be accompanied by an instruction to suspend the use of the Prospectus until the Issuers and the Guarantors shall have remedied the basis for such suspension):

(i) when a Registration Statement and any amendment thereto have been filed with the Commission and when the Registration Statement or any post-effective amendment thereto has become effective;

(ii) of any request by the Commission for any amendment or supplement to the Registration Statement or the Prospectus or for additional information;

(iii) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or the initiation of any proceedings for that purpose;

(iv) of the receipt by the Issuers and the Guarantors of any notification with respect to the suspension of the qualification of the Securities included therein for sale in any jurisdiction or the initiation of any proceeding for such purpose; and

(v) of the happening of any event that requires any change in the Registration Statement or the Prospectus so that, as of such date, the statements therein are not misleading and do not omit to state a material fact required to be stated therein or necessary to make the statements therein (in the case of the Prospectus, in the light of the circumstances under which they were made) not misleading.

(d) The Issuers and the Guarantors shall use their reasonable best efforts to obtain the withdrawal of any order suspending the effectiveness of any Registration Statement or the qualification of the Securities therein for sale in any jurisdiction at the earliest possible time.

(e) The Issuers and the Guarantors shall furnish to each Holder of Securities covered by any Shelf Registration Statement, without charge, at least one copy of such Shelf Registration Statement and any post-effective amendment thereto, including all material

incorporated therein by reference, and, if the Holder so requests in writing, all exhibits thereto (including exhibits incorporated by reference therein).

(f) The Issuers and the Guarantors shall, during the Shelf Registration Period, deliver to each Holder of Securities covered by any Shelf Registration Statement, without charge, as many copies of the Prospectus (including each preliminary Prospectus) included in such Shelf Registration Statement and any amendment or supplement thereto as such Holder may reasonably request. The Issuers and the Guarantors consent to the use of the Prospectus or any amendment or supplement thereto by each of the selling Holders of Securities in connection with the offering and sale of the Securities covered by the Prospectus, or any amendment or supplement thereto, included in the Shelf Registration Statement.

(g) The Issuers and the Guarantors shall furnish to each Exchanging Dealer which so requests, without charge, at least one copy of the Exchange Offer Registration Statement and any post-effective amendment thereto, including all material incorporated by reference therein, and, if the Exchanging Dealer so requests in writing, all exhibits thereto (including exhibits incorporated by reference therein).

(h) The Issuers and the Guarantors shall promptly deliver to each Initial Purchaser, each Exchanging Dealer and each other Person required to deliver a Prospectus during the effectiveness of the Exchange Offer Registration Statement, without charge, as many copies of the Prospectus included in such Exchange Offer Registration Statement and any amendment or supplement thereto as any such Person may reasonably request. The Issuers and the Guarantors consent to the use of the Prospectus or any amendment or supplement thereto by any Initial Purchaser, any Exchanging Dealer and any such other Person that may be required to deliver a Prospectus following the Registered Exchange Offer in connection with the offering and sale of the New Securities covered by the Prospectus, or any amendment or supplement thereto, included in the Exchange Offer Registration Statement.

(i) Prior to the Registered Exchange Offer or any other offering of Securities pursuant to any Registration Statement, the Issuers and the Guarantors shall arrange, if necessary, for the qualification of the Securities or the New Securities for sale under the laws of such jurisdiction as any Holder shall reasonably request and will maintain such qualification in effect so long as required; provided that in no event shall either Issuer or any Guarantor be obligated to qualify to do business in any jurisdiction where it is not then so qualified or to take any action that would subject it to service of process in suits, other than those arising out of the Initial Placement, the Registered Exchange Offer or any offering pursuant to a Shelf Registration Statement, in any such jurisdiction where it is not then so subject.

(j) If any of the Securities or the New Securities are not issued in global form, then the Issuers and the Guarantors shall cooperate with the Holders of Securities to facilitate the timely preparation and delivery of certificates representing New Securities or Securities to be issued or sold pursuant to any Registration Statement free of any restrictive legends and in such denominations and registered in such names as Holders may request.

(k) Upon the occurrence of any event contemplated by subsections (c)(ii) or (v) above, the Issuers and the Guarantors shall promptly prepare a post-effective amendment to

the applicable Registration Statement or an amendment or supplement to the related Prospectus or file any other required document so that, as thereafter delivered to Initial Purchasers of the securities included therein, the Prospectus will not include an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. In such circumstances, the period of effectiveness of the Exchange Offer Registration Statement provided for in Section 2 and the Shelf Registration Statement provided for in Section 3(b) shall each be extended by the number of days from and including the date of the giving of a notice of suspension pursuant to Section 5(c) to and

including the date when the Initial Purchasers, the Holders of the Securities and any known Exchanging Dealer shall have received such amended or supplemented Prospectus pursuant to this Section.

(l) Not later than the effective date of any Registration Statement, the Issuers and the Guarantors shall provide a CUSIP number for the Securities or the New Securities, as the case may be, registered under such Registration Statement and provide the Trustee with certificates for such Securities or New Securities, in a form eligible for deposit with The Depository Trust Company.

(m) The Issuers and the Guarantors shall comply with all applicable rules and regulations of the Commission and shall make generally available to the Issuers' security holders as soon as practicable after the effective date of the applicable Registration Statement an earnings statement satisfying the provisions of Section 11(a) of the Act.

(n) The Issuers and the Guarantors shall cause the Indenture to be qualified under the Trust Indenture Act in a timely manner.

(o) The Issuers and the Guarantors may require each Holder of Securities to be sold pursuant to any Shelf Registration Statement to furnish to the Issuers and the Guarantors such information regarding the Holder and the distribution of such Securities as the Issuers and the Guarantors may from time to time reasonably require for inclusion in such Registration Statement. The Issuers and the Guarantors may exclude from such Shelf Registration Statement the Securities of any Holder that unreasonably fails to furnish such information within a reasonable time after receiving such request.

(p) In the case of any Shelf Registration Statement, the Issuers and the Guarantors shall enter into such agreements and take all other appropriate actions (including, if requested, an underwriting agreement in customary form) in order to expedite or facilitate the registration or the disposition of the Securities, and in connection therewith, if an underwriting agreement is entered into, cause the same to contain indemnification provisions and procedures no less favorable than those set forth in Section 7 (or such other provisions and procedures acceptable to the Majority Holders and the Managing Underwriters, if any, with respect to all parties to be indemnified pursuant to Section 7).

(q) In the case of any Shelf Registration Statement, the Issuers and the Guarantors shall:

(i) make reasonably available for inspection by the Holders of Securities to be registered thereunder, any underwriter participating in any disposition pursuant to such Registration Statement, and any attorney, accountant or other agent retained by the Holders or any such underwriter all relevant financial and other records, pertinent partnership, corporate or limited liability company documents and properties of the Issuers and the Guarantors and their respective subsidiaries;

(ii) cause the Issuers' and the Guarantors' respective officers, directors and employees to supply all relevant information reasonably requested by the Holders or any such underwriter, attorney, accountant or agent in connection with any such Registration Statement as is customary for similar due diligence examinations; provided, however, that any information that is designated in writing by the Issuers or the Guarantors, in good faith, as confidential at the time of delivery of such information shall be kept confidential by the Holders or any such underwriter, attorney, accountant or agent, unless such disclosure is made in connection with a court proceeding or required by law, or such information becomes available to the public generally or through a third party without an accompanying obligation of confidentiality;

(iii) make such representations and warranties to the Holders of Securities registered thereunder and the underwriters, if any, in form, substance and scope as are customarily made by issuers to underwriters in primary underwritten offerings and covering matters including, but not limited to, those set forth in the Purchase Agreement;

(iv) obtain opinions of counsel to the Issuers and the Guarantors and updates thereof (which counsel and opinions (in form, scope and substance) shall be reasonably satisfactory to the Managing Underwriters, if any) addressed to each selling Holder and the underwriters, if any, covering such matters as are customarily covered in opinions requested in underwritten offerings and such other matters as may be reasonably requested by such Holders and underwriters;

(v) obtain "cold comfort" letters and updates thereof from the independent certified public accountants of the Issuers and the Guarantors (and, if necessary, any other independent certified public accountants of any subsidiary of the Issuers and the Guarantors or of any business acquired by the Issuers and the Guarantors for which financial statements and financial data are, or are required to be, included in the Registration Statement), addressed to each selling Holder of Securities registered thereunder and the underwriters, if any, in customary form and covering matters of the type customarily covered in "cold comfort" letters in connection with primary underwritten offerings; and

(vi) deliver such documents and certificates as may be reasonably requested by the Majority Holders and the Managing Underwriters, if any, including those to evidence compliance with Section 5(k) and with any customary conditions contained in the underwriting agreement or other agreement entered into by the Issuers or the Guarantors.

The actions set forth in clauses (iii), (iv), (v) and (vi) of this Section shall be performed at (A) the effectiveness of such Registration Statement and each post-effective amendment thereto, and (B) each closing under any underwriting or similar agreement as and to the extent required thereunder.

(r) [omitted]

(s) [omitted]

(t) [omitted]

(u) In the event that any Broker-Dealer shall underwrite any Securities or participate as a member of an underwriting syndicate or selling group or "assist in the distribution" (within the meaning of the Conduct Rules and the By-Laws of the National Association of Securities Dealers, Inc.) thereof, whether as a Holder of such Securities or as an underwriter, a placement or sales agent or a broker or dealer in respect thereof, or otherwise, assist such Broker-Dealer in complying with the requirements of such Rules and By-Laws, including, without limitation, by:

(i) if such Rules or By-Laws shall so require, engaging a "qualified independent underwriter" (as defined in such Rules) to participate in the preparation of the Registration Statement, to exercise usual standards of due diligence with respect thereto and, if any portion of the offering contemplated by such Registration Statement is an underwritten offering or is made through a placement or sales agent, to recommend the yield of such Securities;

(ii) indemnifying any such qualified independent underwriter to the extent of the indemnification of underwriters provided in Section 7 hereof; and

(iii) providing such information to such Broker-Dealer as may be required in order for such Broker-Dealer to comply with the requirements of such Rules.

(iv) The Issuers and the Guarantors shall use their reasonable best efforts to take all other steps necessary to effect the registration of the Securities or the New Securities, as the case may be, covered by a Registration Statement.

6. Registration Expenses. The Issuers and the Guarantors bear all expenses incurred in connection with the performance of their obligations under Sections 2, 3 and 5 hereof and, in the event of any Shelf Registration Statement, will reimburse the Holders for the reasonable fees and disbursements of one firm or counsel designated by the Majority Holders to act as counsel for the Holders in connection therewith, and, in the case of any Exchange Offer Registration Statement, will reimburse the Initial Purchasers for the reasonable fees and disbursements of counsel acting in connection therewith.

7. Indemnification and Contribution. (a) The Issuers and each Guarantor agree to indemnify and hold harmless each Holder of Securities or New Securities, as the case may be, covered by any Registration Statement (including each Initial Purchaser and, with respect to any Prospectus delivery as contemplated in Section 5(h) hereof, each Exchanging

Dealer), the directors, officers, employees and agents of each such Holder and each Person who controls any such Holder within the meaning of either the Act or the Exchange Act against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject under the Act, the Exchange Act or other Federal or state statutory law or regulation, at common law or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement as originally filed or in any amendment thereof, or in any preliminary Prospectus or the Prospectus, or in any amendment thereof or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and agree to reimburse each such indemnified party, as incurred, for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability or action; provided, however, that (i) the Issuers and the Guarantors will not be liable in any case to the extent that any such loss, claim, damage or liability arises out of or is based upon any such untrue statement or alleged untrue statement or omission or alleged omission made therein in reliance upon and in conformity with written information furnished to the Issuers or the Guarantors by or on behalf of any such Holder specifically for inclusion therein. This indemnity agreement will be in addition to any liability which the Issuers or the Guarantors may otherwise have.

The Issuers and each Guarantor also agree to indemnify or contribute as provided in Section 7(d) to Losses of any underwriter of Securities or New Securities, as the case may be, registered under a Shelf Registration Statement, their directors, officers, employees or agents and each Person who controls such underwriter on substantially the same basis as that of the indemnification of the Initial Purchasers and the selling Holders provided in this Section 7(a). The Issuers and each Guarantor shall, if requested by any Holder, enter into an underwriting agreement reflecting such agreement, as provided in Section 5(p) hereof.

(b) Each Holder of securities covered by a Registration Statement (including each Initial Purchaser and, with respect to any Prospectus delivery as contemplated in Section 5(h) hereof, each Exchanging Dealer) severally and not jointly agrees to indemnify and hold harmless the Issuers, the Guarantors, the directors of the Issuers and the Guarantors, the officers of the Issuers and the Guarantors who sign such Registration Statement and each Person who controls the Issuers or the Guarantors within the meaning of either the Act or the Exchange Act, to the same extent as the foregoing indemnity from the Issuers and the Guarantors to each such Holder, but only with reference to written information relating to such Holder furnished to the Issuers and the Guarantors by or on behalf of such Holder specifically for inclusion in the documents referred to in the foregoing indemnity. This indemnity agreement will be in addition to any liability which any such Holder may otherwise have.

(c) Promptly after receipt by an indemnified party under this Section 7 or notice of the commencement of any action, such indemnified party will, if a claim in respect thereof is to be made against the indemnifying party under this Section, notify the indemnifying party in writing of the commencement thereof; but the failure so to notify the indemnifying party (i) will not relieve it from liability under paragraph (a) or (b) above unless and to the extent it did not otherwise learn of such action and such failure results in the forfeiture by the indemnifying party of substantial rights and defenses; and (ii) will not, in any event, relieve the indemnifying

party from any obligations to any indemnified party other than the indemnification obligation provided in paragraph (a) or (b) above. The indemnifying party shall be entitled to appoint counsel of the indemnifying party's choice at the indemnifying party's expense to represent the indemnified party in any action for which indemnification is sought (in which case the indemnifying party shall not thereafter be responsible for the fees and expenses of any separate counsel retained by the indemnified party or parties except as set forth below); provided, however, that such counsel shall be satisfactory to the indemnified party. Notwithstanding the indemnifying party's election to appoint counsel to represent the indemnified party in an action, the indemnified party shall have the right to employ separate counsel (including local counsel), and the indemnifying party shall bear the reasonable fees, costs and expenses of such separate counsel if (i) the use of counsel chosen by the indemnifying party to represent the indemnified party would present such counsel with a conflict of interest; (ii) the actual or potential defendants in, or targets of, any such action include both the indemnified party and the indemnifying party and the indemnified party shall have reasonably concluded that there may be legal defenses available to it and/or other indemnified parties which are different from or additional to those available to the indemnifying party; (iii) the indemnifying party shall not have employed counsel satisfactory to the indemnified party to represent the indemnified party within a reasonable time after notice of the institution of such action; or (iv) the indemnifying party shall authorize the indemnified party to employ separate counsel at the expense of the indemnifying party. An indemnifying party will not, without the prior written consent of the indemnified parties, settle or compromise or consent to the entry of any judgment with respect to any pending or threatened claim, action, suit or proceeding in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified parties are actual or potential parties to such claim or action) unless such settlement, compromise or consent includes an unconditional release of each indemnified party from all liability arising out of such claim, action, suit or proceeding.

(d) In the event that the indemnity provided in paragraph (a) or (b) of this Section 7 is unavailable to or insufficient to hold harmless an indemnified party for any reason, then each applicable indemnifying party shall have a joint and several obligation to contribute to the aggregate losses, claims, damages and liabilities (including legal or other expenses reasonably incurred in connection with investigating or defending same) (collectively "Losses") to which such indemnified party may be subject in such proportion as is appropriate to reflect the relative benefits received by such indemnifying party, on the one hand, and such indemnified party, on the other hand, from the Initial Placement and the Registration Statement which resulted in such Losses; provided, however, that in no case shall any Initial Purchaser or any subsequent Holder of any Security or New Security be responsible, in the aggregate, for any amount in excess of the purchase discount or commission applicable to such Security, or in the case of a New Security, applicable to the Security that was exchangeable into such New Security, as set forth on the cover page of the Final Memorandum, nor shall any underwriter be responsible for any amount in excess of the underwriting discount or commission applicable to the securities purchased by such underwriter under the Registration Statement which resulted in such Losses. If the allocation provided by the immediately preceding sentence is unavailable for any reason, the indemnifying party and the indemnified party shall contribute in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of such indemnifying party, on the one hand, and such indemnified party, on the other hand, in connection with the statements or omissions which resulted in such Losses as well as any other relevant equitable considerations. Benefits received by the Issuers or the Guarantors shall be

deemed to be equal to the sum of (x) the total net proceeds from the Initial Placement (before deducting expenses) as set forth on the cover page of the Final Memorandum and (y) the total amount of additional interest which the Issuers and the Guarantors were not required to pay as a result of registering the securities covered by the Registration Statement which resulted in such Losses. Benefits received by the Initial Purchasers shall be deemed to be equal to the total purchase discounts and commissions as set forth on the cover page of the Final Memorandum, and benefits received by any other Holders shall be deemed to be equal to the value of receiving Securities or New Securities, as applicable, registered under the Act. Benefits received by any underwriter shall be deemed to be equal to the total underwriting discounts and commissions, as set forth on the cover page of the Prospectus forming a part of the Registration Statement which resulted in such Losses. Relative fault shall be determined by reference to, among other things, whether any alleged untrue statement or omission relates to information provided by the indemnifying party, on the one hand, or by the indemnified party, on the other hand, the intent of the parties and their relative knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. The parties agree that it would not be just and equitable if contribution were determined by pro rata allocation (even if the Holders were treated as one entity for such purpose) or any other method of allocation which does not take account of the equitable considerations referred to above. Notwithstanding the provisions of this paragraph (d), no Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation. For purposes of this Section 7, each Person who controls a Holder within the meaning of either the Act or the Exchange Act and each director, officer, employee and agent of such Holder shall have the same rights to contribution as such Holder, and each Person who controls the Issuers and the Guarantors within the meaning of either the Act or the Exchange Act, each officer of the Issuers and the Guarantors who shall have signed the Registration Statement and each director of the Issuers and the Guarantors shall have the same rights to contribution as the Issuers and the Guarantors, subject in each case to the applicable terms and conditions of this paragraph (d).

(e) The provisions of this Section 7 will remain in full force and effect, regardless of any investigation made by or on behalf of any Holder or the Issuers and the Guarantors or any of the officers, directors or controlling Persons referred to in this Section hereof, and will survive the sale by a Holder of securities covered by a Registration Statement.

8. Underwritten Registrations. (a) If any of the Securities or New Securities, as the case may be, covered by any Shelf Registration Statement are to be sold in an underwritten offering, the Managing Underwriters shall be selected by the Majority Holders and shall be reasonably satisfactory to the Partnership.

(b) No Person may participate in any underwritten offering pursuant to any Shelf Registration Statement, unless such Person (i) agrees to sell such Person's Securities or New Securities, as the case may be, on the basis reasonably provided in any underwriting arrangements approved by the Persons entitled hereunder to approve such arrangements; and (ii) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents reasonably required under the terms of such underwriting arrangements.

9. No Inconsistent Agreements. The Issuers and the Guarantors have not, as of the date hereof, entered into, nor shall they, on or after the date hereof, enter into, any agreement with respect to their securities that is inconsistent with the rights granted to the Holders herein or otherwise conflicts with the provisions hereof.

10. Amendments and Waivers. The provisions of this Agreement, including the provisions of this sentence, may not be amended, qualified, modified or supplemented, and waivers or consents to departures from the provisions hereof may not be given, unless the Issuers and the Guarantors have obtained the written consent of the Majority Holders (or, after the consummation of any Registered Exchange Offer in accordance with Section 2 hereof, of New Securities); provided that, with respect to any matter that directly or indirectly affects the rights of any Initial Purchaser hereunder, the Issuers and the Guarantors shall obtain the written consent of each such Initial Purchaser against which such amendment, qualification, supplement, waiver or consent is to be effective. Notwithstanding the foregoing (except the foregoing proviso), a waiver or consent to departure from the provisions hereof with respect to a matter that relates exclusively to the rights of Holders whose Securities or New Securities, as the case may be, are being sold pursuant to a Registration Statement and that does not directly or indirectly affect the rights of other Holders may be given by the Majority Holders, determined on the basis of Securities or New Securities, as the case may be, being sold rather than registered under such Registration Statement.

11. Notices. All notices and other communications provided for or permitted hereunder shall be made in writing by hand-delivery, first-class mail, telex, telecopier or air courier guaranteeing overnight delivery:

(a) if to a Holder, at the most current address given by such Holder to the Issuers in accordance with the provisions of this Section, which address initially is, with respect to each Holder, the address of such Holder maintained by the Registrar under the Indenture, with a copy in like manner to Citigroup Global Markets Inc.;

(b) if to you, initially at the respective addresses set forth in the Purchase Agreement;

(c) if to the Issuers, initially at the address set forth in the Purchase Agreement; and

(d) if to the Guarantors, initially at 333 Clay Street, Suite 1600, Houston, Texas 77002.

All such notices and communications shall be deemed to have been duly given when received.

The Initial Purchasers, the Issuers or the Guarantors by notice to the other parties may designate additional or different addresses for subsequent notices or communications.

12. Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of each of the parties, including, without the need for an express assignment or any consent by the Issuers or the Guarantors thereto, subsequent

Holders of Securities and the New Securities. The Issuers and the Guarantors hereby agree to extend the benefits of this Agreement to any Holder of Securities and the New Securities, and any such Holder may specifically enforce the provisions of this Agreement as if an original party hereto.

13. Counterparts. This agreement may be in signed counterparts, each of which shall constitute an original and all of which together shall constitute one and the same agreement.

14. Purchases and Sales of Securities. The Issuers and the Guarantors shall not, and shall use their best efforts to cause their affiliates (as defined in Rule 405 under the Act) not to, purchase and then resell or otherwise transfer any Securities for two (2) years, or if a Shelf Registration Statement shall become effective during such two (2) year period, for the period of such effectiveness.

15. Third Party Beneficiaries. Each Holder shall be a third party beneficiary to the agreements made hereunder between the Issuers and the Guarantors, on the one hand, and the Initial Purchasers, on the other hand, and shall have the right to enforce such agreements directly to the extent it deems such enforcement necessary or advisable to protect its rights or the rights of other Holders hereunder.

16. Headings. The headings used herein are for convenience only and shall not affect the construction hereof.

17. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York applicable to contracts made and to be performed in the State of New York.

18. Severability. In the event that any one of more of the provisions contained herein, or the application thereof in any circumstances, is held invalid, illegal or unenforceable in any respect for any reason, the validity, legality and enforceability of any such provision in every other respect and of the remaining provisions hereof shall not be in any way impaired or affected thereby, it being intended that all of the rights and privileges of the parties shall be enforceable to the fullest extent permitted by law.

19. Securities Held by the Issuers, the Guarantors, etc. Whenever the consent or approval of Holders of a specified percentage of principal amount of Securities or New Securities is required hereunder, Securities or New Securities, as applicable, held by the Issuers, the Guarantors or their Affiliates (other than subsequent Holders of Securities or New Securities if such subsequent Holders are deemed to be Affiliates solely by reason of their holdings of such Securities or New Securities) shall not be counted in determining whether such consent or approval was given by the Holders of such required percentage.

If the foregoing is in accordance with your understanding of our agreement, please sign and return to us the enclosed duplicate hereof, whereupon this letter and your acceptance shall represent a building agreement among the Issuers, the Guarantors and the several Initial Purchasers.

Very truly yours,

PLAINS ALL AMERICAN PIPELINE, L.P.

By: PLAINS AAP, L.P.
its General Partner

By: PLAINS ALL AMERICAN GP LLC
its General Partner

By: /s/ Phil Kramer
Name: Phil Kramer
Title: Executive Vice President and Chief Financial Officer

PAA FINANCE CORP.

By: /s/ Phil Kramer
Name: Phil Kramer
Title: Executive Vice President and Chief Financial Officer

PLAINS MARKETING, L.P.

By: PLAINS MARKETING GP INC.
its General Partner

By: /s/ Phil Kramer
Name: Phil Kramer
Title: Executive Vice President and Chief Financial Officer

PLAINS PIPELINE, L.P.

By: PLAINS MARKETING GP INC.
its General Partner

By: /s/ Phil Kramer
Name: Phil Kramer
Title: Executive Vice President and Chief Financial Officer

PLAINS MARKETING GP INC.

By: /s/ Phil Kramer

Name: Phil Kramer
Title: Executive Vice President and Chief Financial Officer

PLAINS MARKETING CANADA LLC

By: PLAINS MARKETING, L.P.
its Sole Member

By: PLAINS MARKETING GP INC.
its General Partner

By: /s/ Phil Kramer
Name: Phil Kramer
Title: Executive Vice President and Chief Financial Officer

PMC (NOVA SCOTIA) COMPANY

By: /s/ Phil Kramer
Name: Phil Kramer
Title: Executive Vice President

PLAINS MARKETING CANADA, L.P.

By: PMC (NOVA SCOTIA) COMPANY
its General Partner

By: /s/ Phil Kramer
Name: Phil Kramer
Title: Executive Vice President

BASIN HOLDINGS GP LLC

By: PLAINS PIPELINE, L.P.
its Sole Member

By: PLAINS MARKETING GP INC.
its General Partner

By: /s/ Phil Kramer
Name: Phil Kramer
Title: Executive Vice President and Chief Financial Officer

BASIN PIPELINE HOLDINGS, L.P.

By: BASIN HOLDINGS GP LLC
its General Partner

By: PLAINS PIPELINE, L.P.
its Sole Member

By: PLAINS MARKETING GP INC.
its General Partner

By: /s/ Phil Kramer
Name: Phil Kramer
Title: Executive Vice President and Chief Financial Officer

RANCHO HOLDINGS GP LLC

By: PLAINS PIPELINE, L.P.
its Sole Member

By: PLAINS MARKETING GP INC.
its General Partner

By: /s/ Phil Kramer
Name: Phil Kramer
Title: Executive Vice President and Chief Financial Officer

RANCHO PIPELINE HOLDINGS, L.P.

By: RANCHO HOLDINGS GP LLC
its General Partner

By: PLAINS PIPELINE, L.P.
its Sole Member

By: PLAINS MARKETING GP INC.
its General Partner

By: /s/ Phil Kramer
Name: Phil Kramer
Title: Executive Vice President and Chief Financial Officer

PLAINS LPG SERVICES GP LLC

By: Plains Marketing, L.P., its Sole Member

By: Plains Marketing GP Inc., its General Partner

By: /s/ Phil Kramer
Phil Kramer
Executive Vice President and Chief Financial Officer

PLAINS LPG SERVICES, L.P.

By: Plains LPG Services GP LLC, its General Partner

By: Plains Marketing, L.P., its Sole Member

By: Plains Marketing GP Inc., its General Partner

By: /s/ Phil Kramer
Phil Kramer
Executive Vice President and Chief Financial Officer

LONE STAR TRUCKING, LLC

By: Plains LPG Services, L.P., its Sole Member

By: Plains LPG Services GP LLC, its General Partner

By: Plains Marketing, L.P., its Sole Member

By: Plains Marketing GP Inc., its General Partner

By: /s/ Phil Kramer
Phil Kramer
Executive Vice President and
Chief Financial Officer

The foregoing Agreement is hereby
confirmed and accepted as of the
date first above written.

CITIGROUP GLOBAL MARKETS INC.
UBS SECURITIES LLC
BNP PARIBAS SECURITIES CORP.
BANC OF AMERICA SECURITIES LLC
FORTIS SECURITIES LLC
J.P. MORGAN SECURITIES INC.
PIPER JAFFRAY & CO.
WACHOVIA CAPITAL MARKETS, LLC
AMEGY BANK NATIONAL ASSOCIATION
COMMERZBANK CAPITAL MARKETS CORP.
DNB NOR MARKETS, INC.
HSBC SECURITIES (USA) INC.
MITSUBISHI UFJ SECURITIES INTERNATIONAL PLC

By: CITIGROUP GLOBAL MARKETS INC.

By: /s/ Michael Caxey
Name: Michael Caxey
Title: Vice President

By: UBS SECURITIES LLC

By: /s/ Scott Whitney
Name: Scott Whitney
Title: Executive Director

By: /s/ Ryan Donovan
Name: Ryan Donovan
Title: Director

SCHEDULE 1

Plains Marketing, L.P.

Plains Pipeline, L.P.

Plains Marketing GP Inc.

Plains Marketing Canada LLC

PMC (Nova Scotia) Company

Plains Marketing Canada, L.P.

Basin Holdings GP LLC

Basin Pipeline Holdings, L.P.

Rancho Holdings GP LLC

Rancho Pipeline Holdings, L.P.

Plains LPG Services GP LLC

Plains LPG Services, L.P.

Lone Star Trucking, LLC

SCHEDULE 2

Citigroup Global Markets Inc.

UBS Securities LLC

BNP Paribas Securities Corp.

Banc of America Securities LLC

Fortis Securities LLC

J.P. Morgan Securities Inc.

Piper Jaffray & Co.

Wachovia Capital Markets, LLC

Amegy Bank National Association

Commerzbank Capital Markets Corp.

DnB NOR Markets, Inc.

HSBC Securities (USA) Inc.

Mitsubishi UFJ Securities International plc

ANNEX A

Each Broker-Dealer that receives New Securities for its own account pursuant to the Exchange Offer must acknowledge that it will deliver a prospectus in connection with any resale of such New Securities. The Letter of Transmittal states that by so acknowledging and by delivering a prospectus, a Broker-Dealer will not be deemed to admit that it is an “underwriter” within the meaning of the Act. This Prospectus, as it may be amended or supplemented from time to time, may be used by a Broker-Dealer in connection with resales of New Securities received in exchange for Securities where such Securities were acquired by such Broker-Dealer as a result of market-making activities or other trading activities. The Issuers and the Guarantors have agreed that, starting on the Expiration Date (as defined herein) and ending on the close of business one year after the Expiration Date, they will make this Prospectus available to any Broker-Dealer for use in connection with any such resale. See “Plan of Distribution.”

ANNEX B

Each Broker-Dealer that receives New Securities for its own account in exchange for Securities, where such Securities were acquired by such Broker-Dealer as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of such New Securities. See “Plan of Distribution.”

ANNEX C

PLAN OF DISTRIBUTION

Each Broker-Dealer that receives New Securities for its own account pursuant to the Exchange Offer must acknowledge that it will deliver a prospectus in connection with any resale of such New Securities. This Prospectus, as it may be amended or supplemented from time to time, may be used by a Broker-Dealer in connection with resales of New Securities received in exchange for Securities where such Securities were acquired as a result of market-making activities or other trading activities. The Issuers and the Guarantors have agreed that, starting on the Expiration Date and ending on the close of business one year after the Expiration Date, they will make this Prospectus, as amended or supplemented, available to any Broker-Dealer for use in connection with any such resale. In addition, until , 200 [90 days] after commencement of the offering, all dealers effecting transactions in the New Securities may be required to deliver a prospectus.

The Issuers and the Guarantors will not receive any proceeds from any sale of New Securities by Brokers-Dealers. New Securities received by Broker-Dealers for their own account pursuant to the Exchange Offer may be sold from time to time in one or more transactions in the over-the-counter market, in negotiated transactions, through the writing of options on the New Securities or a combination of such methods of resale, at market prices prevailing at the time of resale, at prices related to such prevailing market prices or negotiated prices. Any such resale may be made directly to purchasers or to or through brokers or dealers who may receive compensation in the form of commissions or concessions from any such Broker-Dealer and/or the purchasers of any such New Securities. Any Broker-Dealer that resells New Securities that were received by it for its own account pursuant to the Exchange Offer and any broker or dealer that participates in a distribution of such New Securities may be deemed to be an “underwriter” within the meaning of the Act and any profit of any such resale of New Securities and any commissions or concessions received by any such Persons may be deemed to be underwriting compensation under the Act. The Letter of Transmittal states that by acknowledging that it will deliver and by delivering a prospectus, a Broker-Dealer will not be deemed to admit that it is an “underwriter” within the meaning of the Act.

For a period of one year after the Expiration Date, the Issuers and the Guarantors will promptly send additional copies of this Prospectus and any amendment or supplement to this Prospectus to any Broker-Dealer that requests such documents in the Letter of Transmittal. The Issuers and the Guarantors have agreed to pay all expenses incident to the Exchange Offer (including the reasonable expenses of one counsel for the holders of the Securities) other than commissions or concessions of any brokers or dealers and will indemnify the holders of the Securities (including any Broker-Dealers) against certain liabilities, including liabilities under the Act.

If applicable, add information required by Regulation S-K Items 507 and/or 508.

ANNEX D

Rider A

CHECK HERE IF YOU ARE A BROKER-DEALER AND WISH TO RECEIVE 10 ADDITIONAL COPIES OF THE PROSPECTUS AND 10 COPIES OF ANY AMENDMENTS OR SUPPLEMENTS THERETO.

Name:
Address:

Rider B

If the undersigned is not a Broker-Dealer, the undersigned represents that it acquired the New Securities in the ordinary course of its business, it is not engaged in, and does not intend to engage in, a distribution of New Securities and it has no arrangements or understandings with any Person to participate in a distribution of the New Securities. If the undersigned is a Broker-Dealer that will receive New Securities for its own account in exchange for Securities, it represents that the Securities to be exchange for New Securities were acquired by it as a result of market-making activities or other trading activities and acknowledges that it will deliver a prospectus in connection with any resale of such New Securities; however, by so acknowledging and by delivering a prospectus, the undersigned will not be deemed to admit that it is an “underwriter” within the meaning of the Act.

SEVENTH SUPPLEMENTAL INDENTURE

THIS SEVENTH SUPPLEMENTAL INDENTURE (this "Supplemental Indenture"), dated as of May 12, 2006, is among Plains All American Pipeline, L.P., a Delaware limited partnership (the "Partnership"), PAA Finance Corp., a Delaware corporation ("PAA Finance" and, together with the Partnership, the "Issuers"), Plains LPG Services GP LLC, a Delaware limited liability company ("LPG LLC"), Plains LPG Services, L.P., a Delaware limited partnership ("LPG LP") and Lone Star Trucking, LLC a California limited liability company ("Lone Star" and, together with LPG LLC and LPG LP, the "Subsidiary Guarantors"), direct or indirect subsidiaries of Plains All American Pipeline, L.P. (or its successor), a Delaware limited partnership (the "Partnership"), and Wachovia Bank, National Association, as trustee under the indenture referred to below (the "Trustee").

WITNESSETH

WHEREAS, the Issuers have heretofore executed and delivered to the Trustee an indenture (the "Original Indenture"), dated as of September 25, 2002, as supplemented by the First, Second, Third, Fourth and Fifth Supplemental Indentures (the Original Indenture as so supplemented, the "Indenture"), dated as of September 25, 2002, December 10, 2003, August 12, 2004, August 12, 2004 and May 27, 2005, respectively, among the Issuers, the Subsidiary Guarantors and the Trustee, providing for the issuance of the Issuers' 7¾% Senior Notes due 2012, $5^{5}/_{8}$% Senior Notes due 2013, 4.750% Senior Notes due 2009, 5.875% Senior Notes due 2016 and 5.25% Senior Notes due 2015, respectively (such Senior Notes being hereinafter referred to collectively as the "Notes");

WHEREAS, Section 5.10 of the First Supplemental Indenture and Section 5.05 of the Second, Third, Fourth and Fifth Supplemental Indentures provide that under certain circumstances the Partnership is required to cause the Subsidiary Guarantors to execute and deliver to the Trustee a supplemental indenture pursuant to which the Subsidiary Guarantors shall unconditionally guarantee all of the Issuers' obligations under the Notes pursuant to a Guarantee on the terms and conditions set forth herein; and

WHEREAS, pursuant to Section 9.01 of the Original Indenture, the Issuers and the Trustee are authorized to execute and deliver this Supplemental Indenture;

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Issuers, the Subsidiary Guarantors and the Trustee mutually covenant and agree for the equal and ratable benefit of the holders of the Notes as follows:

1. Definitions. (a) Capitalized terms used herein without definition shall have the meanings assigned to them in the Indenture.

(b) For all purposes of this Supplemental Indenture, except as otherwise herein expressly provided or unless the context otherwise requires: (i) the terms and expressions used herein shall have the same meanings as corresponding terms and expressions used in the Indenture; and (ii) the words "herein," "hereof and "hereby" and other words of similar import

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used in this Supplemental Indenture refer to this Supplemental Indenture as a whole and not to any particular section hereof.

2. Agreement to Guarantee. The Subsidiary Guarantors hereby agree, jointly and severally with all other Subsidiary Guarantors under the Indenture, to guarantee the Issuers' obligations under the Notes on the terms and subject to the conditions set forth in Article IX of the First, Second, Third, Fourth and Fifth Supplemental Indentures, as applicable, and to be bound by all other applicable provisions of the Indenture. Except as expressly amended hereby, the Indenture is in all respects ratified and confirmed and all the terms, conditions and provisions thereof shall remain in full force and effect. This Supplemental Indenture shall form a part of the Indenture for all purposes, and every holder of Notes heretofore or hereafter authenticated and delivered shall be bound hereby.

3. **GOVERNING LAW. THIS SUPPLEMENTAL INDENTURE SHALL BE DEEMED TO BE A NEW YORK CONTRACT, AND FOR ALL PURPOSES SHALL BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.**

4. Trustee Makes No Representation. The Trustee makes no representation as to the validity or sufficiency of this Supplemental Indenture.

5. Counterparts. The parties may sign any number of copies of this Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement.

6. Effect of Headings. The Section headings herein are for convenience only and shall not effect the construction thereof.

[*Signature page follows.*]

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed as of the date first above written.

PLAINS ALL AMERICAN PIPELINE, L.P.

By: Plains AAP, L.P., its General Partner

By: Plains All American GP LLC, its General Partner

By: /s/ Phil Kramer

Phil Kramer
Executive Vice President
and Chief Financial Officer

PAA FINANCE CORP.

By: /s/ Phil Kramer
Phil Kramer
Executive Vice President
and Chief Financial Officer

PLAINS LPG SERVICES GP LLC

By: Plains Marketing, L.P., its Sole Member

By: Plains Marketing GP Inc., its General Partner

By: /s/ Phil Kramer
Phil Kramer
Executive Vice President and Chief Financial Officer

PLAINS LPG SERVICES, L.P.

By: Plains LPG Services GP LLC, its General Partner

By: Plains Marketing, L.P., its Sole Member

By: Plains Marketing GP Inc., its General Partner

By: /s/ Phil Kramer
Phil Kramer
Executive Vice President and Chief Financial Officer

LONE STAR TRUCKING, LLC

By: Plains LPG Services, L.P., its Sole Member

By: Plains LPG Services GP LLC, its General Partner

By: Plains Marketing, L.P., its Sole Member

By: Plains Marketing GP Inc., its General Partner

By: /s/ Phil Kramer
Phil Kramer
Executive Vice President and Chief Financial Officer

WACHOVIA BANK, NATIONAL
ASSOCIATION, as Trustee

By: /s/ Ronda L. Porman
Name: Ronda L. Porman
Title: Vice President

Exhibit 10.1

PLAINS ALL AMERICAN PIPELINE, L.P.

PAA FINANCE CORP.

$250,000,000 6.70% Notes due 2036

Purchase Agreement

May 9, 2006

Citigroup Global Markets Inc.
UBS Securities LLC
BNP Paribas Securities Corp.
Banc of America Securities LLC
Fortis Securities LLC
J.P. Morgan Securities Inc.
Piper Jaffray & Co.
Wachovia Capital Markets, LLC
Amegy Bank National Association
Commerzbank Capital Markets Corp.
DnB NOR Markets, Inc.
HSBC Securities (USA) Inc.
Mitsubishi UFJ Securities International plc

c/o Citigroup Global Markets Inc.
388 Greenwich St., 34th Floor
New York, New York 10013

Ladies and Gentlemen:

Plains All American Pipeline, L.P., a Delaware limited partnership (the "Partnership"), and PAA Finance Corp., a Delaware corporation ("PAA Finance," and together with the Partnership, the "Issuers"), propose to issue and sell to the several initial purchasers named in Schedule 1 hereto (the "Initial Purchasers") $250,000,000 aggregate principal amount of 6.70% Notes due 2036 (the "Securities"). The Securities are to be issued under an indenture dated as of September 25, 2002, among the Issuers and Wachovia Bank, National Association, as trustee (the "Trustee"), as amended by the Sixth Supplemental Indenture to be dated as of May 12, 2006, among the Issuers, the Trustee and the subsidiaries of the Partnership named therein (as amended, the "Indenture"). The Securities will have the benefit of a registration rights agreement (the "Registration Rights Agreement"), to be dated as of the Closing Date (as defined in Section 3), among the Issuers and the Initial Purchasers, pursuant to which and subject to the terms and conditions therein, the Issuers will agree to exchange the Securities with securities (the "Exchange Securities") that have been registered under the Act. Certain terms used herein are defined in Section 17 hereof.

Plains AAP, L.P., a Delaware limited partnership (the "General Partner"), is the general partner of the Partnership. Plains All American GP LLC, a Delaware limited liability company ("GP LLC"), is the general partner of the General Partner. The Partnership owns 100% of the issued and outstanding shares of Plains Marketing GP Inc., a Delaware corporation ("GP Inc.") and the general partner of each of Plains Marketing, L.P., a Texas limited partnership ("Plains Marketing"), and Plains Pipeline, L.P., a Texas limited partnership ("Plains Pipeline"). Plains Marketing owns 100% of the issued and outstanding shares of PAA Finance, a 100% membership interest in Plains Marketing Canada LLC, a Delaware limited liability company ("PMC LLC"), a 99.99% limited partner interest in Plains Marketing Canada, L.P., an Alberta limited partnership ("PMC LP"), a 100% membership interest in Plains LPG Services GP LLC, a Delaware limited liability company ("LPG LLC") and a 99.99% limited partner interest in Plains LPG Services, L.P., a Delaware limited partnership ("LPG LP"). LPG LLC owns a 0.001% general partner interest in LPG LP. LPG LP owns a 100% membership interest in Lone Star Trucking, LLC, a California limited partnership ("Lone Star"). PMC LLC owns 100% of the issued and outstanding share capital of PMC (Nova Scotia) Company, a Nova Scotia unlimited liability company ("PMC NS"). PMC NS owns a 0.01% general partner interest in PMC LP. Plains Pipeline owns 100% membership interests in each of Basin Holdings GP LLC, a Delaware limited liability company ("Basin LLC"), and Rancho Holdings GP LLC, a Delaware limited liability company ("Rancho LLC"), and 99.999% limited partner interests in Basin Pipeline Holdings, L.P., a Delaware limited partnership ("Basin LP") and Rancho Pipeline Holdings, L.P., a Delaware limited partnership ("Rancho LP"). The Partnership owns a 50% membership interest in PAA/Vulcan Gas Storage, LLC, a Delaware limited liability company (the "Joint Venture"). Basin LLC owns a 0.001% general partner interest in Basin LP, and Rancho LLC owns a 0.001% general partner interest in Rancho LP. GP Inc., Plains Marketing, Plains Pipeline, PAA Finance, PMC LLC, PMC LP, PMC NS, Basin LLC, Basin LP, Rancho LLC, Rancho LP, LPG LLC, LPG LP and Lone Star are collectively called the "Subsidiaries." PMC LP and PMC NS are collectively called the "Canadian Subsidiaries." The Partnership, PAA Finance, the General Partner, GP LLC, GP Inc., Plains Marketing, Plains Pipeline, PMC LLC, PMC LP, PMC NS, Basin LLC, Basin LP, Rancho LLC, Rancho LP, LPG LLC, LPG LP and Lone Star are collectively called the "Plains Parties."

The sale of the Securities to the Initial Purchasers will be made without registration of the Securities under the Act in reliance upon exemptions from the registration requirements of the Act.

In connection with the sale of the Securities, the Issuers have prepared a preliminary offering memorandum dated May 9, 2006 (the "Preliminary Offering Memorandum"), and have prepared a pricing supplement (the "Pricing Supplement"), dated May 9, 2006, the form of which is attached as Exhibit A hereto, describing the terms of the Securities, each for use by the Initial Purchasers in connection with their solicitation of offers to purchase the Securities. As used herein, "Offering Memorandum" shall mean the Preliminary Offering Memorandum, as supplemented by the Pricing Supplement and any exhibits thereto and any information incorporated by reference therein, in the most recent form that has been prepared and delivered to the Initial Purchasers in connection with their solicitation of offers to purchase Securities prior to the date and time that this Agreement is executed and delivered by the parties hereto (the "Execution Time"). Promptly after the Execution Time and in any event no later than the second business day following the Execution Time, the Issuers shall deliver or cause to be

delivered copies, in such quantities and at such places as the Initial Purchasers shall reasonably request, of the Final Offering Memorandum (the "Final Offering Memorandum"), which will consist of the Preliminary Offering Memorandum with only such changes thereto as are required to reflect the information contained in the Pricing Supplement and such other changes as the Company reasonably deems appropriate following notice to the Initial Purchasers or their legal counsel, and from and after the time the Final Offering Memorandum is delivered as set forth in this sentence, all references herein to the Offering Memorandum shall be deemed to be a reference to the Offering Memorandum and the Final Offering Memorandum. The Issuers hereby confirm that they have authorized the use of the Offering Memorandum and the Final Offering Memorandum, and any amendment or supplement thereto, in connection with the offer and sale of the Securities by the Initial Purchasers. Unless stated to the contrary, any references herein to the terms "amend," "amendment" or "supplement" with respect to the Offering Memorandum and the Final Offering Memorandum shall be deemed to refer to and include any information filed under the Exchange Act subsequent to the date of such Offering Memorandum or Final Offering Memorandum which is incorporated by reference therein.

1. Representations and Warranties of the Plains Parties. The Plains Parties, jointly and severally, represent and warrant to the Initial Purchasers as set forth below in this Section 1.

(a) As of the Execution Time and on the Closing Date, the Offering Memorandum did not, and will not (and any amendment or supplement thereto, at the date thereof and at the Closing Date, will not), contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the Issuers make no representation or warranty as to the information contained in or omitted from the Offering Memorandum, or any amendment or supplement thereto, in reliance upon and in conformity with information furnished in writing to the Issuers by or on behalf of the Initial Purchasers specifically for inclusion therein. The documents incorporated by reference in the Offering Memorandum, when filed with the Commission, conformed or will conform, as the case may be, in all material respects to the applicable requirements of the Exchange Act and the rules and regulations of the Commission thereunder, and did not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(b) None of the Plains Parties, nor any person acting on its or their behalf has, directly or indirectly, made offers or sales of any security, or solicited offers to buy any security, under circumstances that would require the registration of the Securities under the Act.

(c) None of the Plains Parties, nor any person acting on its or their behalf has engaged in any form of general solicitation or general advertising (within the meaning of Regulation D) in connection with any offer or sale of the Securities in the United States.

(d) The Securities satisfy the eligibility requirements of Rule 144A(d)(3) under the Act.

(e) None of the Plains Parties, nor any person acting on its or their behalf has engaged in any directed selling efforts with respect to the Securities, and each of them has complied with the offering restrictions requirement of Regulation S. Terms used in this paragraph have the meanings given to them by Regulation S.

(f) The Partnership is subject to and in compliance with the reporting requirements of Section 13 or Section 15(d) of the Exchange Act.

(g) Subject to compliance by the Initial Purchasers with the procedures set forth in Section 4 hereof, it is not necessary in connection with the offer, sale and delivery of the Securities by the Issuers to the Initial Purchasers and the initial resale by the Initial Purchasers in the manner contemplated by this Agreement and the Offering Memorandum to register the Securities under the Act or to qualify the Indenture under the Trust Indenture Act.

(h) The Issuers have not paid or agreed to pay to any person any compensation for soliciting another to purchase any securities of the Issuers (except as contemplated by this Agreement).

(i) None of the Plains Parties, nor any person acting on its or their behalf has taken, directly or indirectly, any action designed to cause or which has constituted or which might reasonably be expected to cause or result, under the Exchange Act or otherwise, in the stabilization or manipulation of the price of any security of the Issuers to facilitate the sale or resale of the Securities.

(j) Each of the Plains Parties and the Joint Venture has been duly formed or incorporated and is validly existing in good standing as a limited partnership, limited liability company, corporation or unlimited liability company under the laws of its respective jurisdiction of formation or incorporation with full corporate, partnership, limited liability company or unlimited liability company power and authority, as the case may be, to own or lease its properties and to conduct its business, in each case in all material respects. Each of the Plains Parties and the Joint Venture is duly registered or qualified as a foreign corporation, limited partnership, limited liability company or unlimited liability company, as the case may be, for the transaction of business under the laws of each jurisdiction in which the character of the business conducted by it or the nature or location of the properties owned or leased by it makes such registration or qualification necessary, except where the failure so to register or qualify would not have a material adverse effect on the condition (financial or other), business, prospects, properties, net worth or results of operations of the Partnership, the Subsidiaries and the Joint Venture, taken as a whole.

(k) GP LLC has full limited liability company power and authority to act as the general partner of the General Partner; the General Partner has full partnership power and authority to act as the general partner of the Partnership; GP Inc. has full corporate

power and authority to act as the general partner of Plains Marketing and Plains Pipeline; Basin LLC has full limited liability company power and authority to act as the general partner of Basin LP; Rancho LLC has full limited liability company power and authority to act as the general partner of Rancho LP; PMC NS has full unlimited liability company power and authority to act as the general partner of PMC LP; and LPG LLC has full limited liability company power and authority to act as the general partner of LPG LP, in each case in all material respects.

(l) GP LLC is the sole general partner of the General Partner, with a 1.0% general partner interest in the General Partner, and the General Partner is the sole general partner of the Partnership, with a 2.0% general partner interest in the Partnership; such general partner interests have been duly authorized and validly issued in accordance with the agreement of limited partnership of the General Partner (as in effect on the date hereof and as the same may be amended or restated prior to the Closing Date, such agreement being referred to herein as the "General Partner Partnership Agreement") and the Third Amended and Restated Agreement of Limited Partnership of the Partnership (as the same may be amended or restated prior to the Closing Date, the "Partnership Agreement"), respectively; GP LLC owns such general partner interest in the General Partner and the General Partner owns such general partner interest in the Partnership, in each case, free and clear of all liens, encumbrances, security interests, equities, charges or claims; and the General Partner owns all of the Incentive Distribution Rights (as such capitalized term is defined in the Partnership Agreement) free and clear of all liens, encumbrances, security interests, equities, charges or claims.

(m) GP Inc. is the sole general partner of Plains Marketing, with a .001% general partner interest in Plains Marketing, and the sole general partner of Plains Pipeline, with a .001% general partner interest in Plains Pipeline; such general partner interests have been duly authorized and validly issued in accordance with the agreement of limited partnership of Plains Marketing and the agreement of limited partnership of Plains Pipeline, respectively (in each case, as in effect on the date hereof and as the same may be amended or restated prior to the Closing Date, such agreements being referred to herein as the "Plains Marketing Partnership Agreement" and the "Plains Pipeline Partnership Agreement," respectively); and GP Inc. owns such general partner interests free and clear of all liens, encumbrances, security interests, equities, charges or claims.

(n) All of the outstanding shares of capital stock or other equity interests (other than general partner interests) of each Subsidiary and the Joint Venture (a) have been duly authorized and validly issued (in the case of an interest in a limited partnership or limited liability company, in accordance with the Organizational Documents (as defined in Section 1(u) below) of such Subsidiary or the Joint Venture), are fully paid (in the case of an interest in a limited partnership or limited liability company, to the extent required under the Organizational Documents of such Subsidiary or the Joint Venture) and nonassessable (except (i) in the case of an interest in a Delaware limited partnership or Delaware limited liability company, as such nonassessability may be affected by Section 17-607 of the Delaware Revised Uniform Limited Partnership Act (the "Delaware LP Act") or Section 18-607 of the Delaware Limited Liability Company Act (the "Delaware LLC Act"), as applicable, (ii) in the case of an interest in a limited

partnership or limited liability company formed under the laws of another domestic state, as such nonassessability may be affected by similar provisions of such state's limited partnership or limited liability company statute, as applicable, and (iii) in the case of an interest in an entity formed under the laws of a foreign jurisdiction, as such nonassessability may be affected by similar provisions of such jurisdiction's corporate, partnership or limited liability company statute, if any, as applicable) and (b) except for a 50% membership interest in the Joint Venture owned by Vulcan Gas Storage LLC, are owned, directly or indirectly, by the Partnership, free and clear of all liens, encumbrances, security interests, equities, charges or claims.

(o) All outstanding general partner interests in each Subsidiary that is a partnership have been duly authorized and validly issued in accordance with the Organizational Documents of such Subsidiaries and are owned, directly or indirectly, by the Partnership, free and clear of all liens, encumbrances, security interests, equities, charges or claims.

(p) The Partnership has no direct or indirect majority-owned subsidiaries other than the Subsidiaries, Plains LPG Marketing, L.P., a Texas limited partnership ("LPG Marketing"), Atchafalaya Pipeline, L.L.C. ("Atchafalaya Pipeline"), Plains Marketing International GP LLC ("PMI GP LLC"), Plains Marketing International, L.P. ("PMI LP") and Andrews Partners, LLC ("Andrews Partners"). None of LPG Marketing, Atchafalaya Pipeline, PMI GP LLC, PMI LP or Andrews Partners, individually or considered as a whole, would be deemed to be a significant subsidiary (as such term is defined in Rule 405 under the Act). The Issuers have no independent assets or operations and the guarantees of the Subsidiaries are full and unconditional and joint and several. The footnotes to the Partnership's financial statements included or incorporated by reference in the Offering Memorandum include the appropriate disclosure required by Note 1 to Rule 3-10(f) of Regulation S-X, including the narrative disclosures specified in paragraphs (i)(9) and (i)(10) of Rule 3-10.

(q) The offering and sale of the Securities as contemplated by this Agreement do not give rise to any rights for or relating to the registration of any other securities of the Issuers, except such rights as have been waived or satisfied. The Securities, when issued and delivered against payment therefor as provided herein, the Exchange Securities, when issued and delivered as provided in the Registration Rights Agreement, the Indenture and Registration Rights Agreement, will conform in all material respects to the descriptions thereof contained in the Offering Memorandum. The Issuers have all requisite power and authority to issue, sell and deliver the Securities, in accordance with and upon the terms and conditions set forth in this Agreement, their respective Organizational Documents, the Indenture and the Offering Memorandum and to issue and deliver the Exchange Securities, in accordance with and upon the terms and conditions set forth in this Agreement, the Registration Rights Agreement, their respective Organizational Documents, the Indenture and the Offering Memorandum. At the Closing Date, all corporate, partnership and limited liability company action, as the case may be, required to be taken by the Plains Parties or any of their stockholders, partners or members for the authorization, issuance, sale and delivery of the Securities shall have been validly taken.

(r) The execution and delivery of, and the performance by each of the Plains Parties of their respective obligations under, this Agreement have been duly and validly authorized by each of the Plains Parties, and this Agreement has been duly executed and delivered by each of the Plains Parties, and constitutes the valid and legally binding agreement of each of the Plains Parties, enforceable against each of the Plains Parties in accordance with its terms, provided that the enforceability hereof may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws relating to or affecting creditors' rights generally and by general principles of equity (regardless of whether such

enforceability is considered in a proceeding in equity or at law) and except as rights to indemnity and contribution hereunder may be limited by federal or state securities laws.

(s) The execution and delivery of, and the performance by each of the Plains Parties of their respective obligations under, the Indenture have been duly and validly authorized by each of the Plains Parties, and the Indenture, assuming due authorization, execution and delivery thereof by the Trustee, when executed and delivered by each of the Plains Parties, will constitute the valid and legally binding agreement of each of the Plains Parties, enforceable against each of the Plains Parties in accordance with its terms; the Securities have been duly authorized, and, when executed and authenticated in accordance with the provisions of the Indenture and delivered to and paid for by the Initial Purchasers, will have been duly executed and delivered by each of the Issuers and will constitute the valid and legally binding obligations of the Issuers, enforceable against the Issuers in accordance with their terms and entitled to the benefits of the Indenture; the Exchange Securities have been duly authorized and, when executed and authenticated in accordance with the provisions of the Indenture and delivered in accordance with the Registration Rights Agreement, will have been duly executed and delivered by each of the Issuers and will constitute the valid and legally binding obligations of the Issuers, enforceable against the Issuers in accordance with their terms and entitled to the benefits of the Indenture; and the Registration Rights Agreement has been duly and validly authorized and, when executed and delivered by each of the Plains Parties, will constitute the valid and legally binding agreement of each of the Plains Parties, enforceable against each of the Plains Parties in accordance with its terms; provided that, with respect to each, the enforceability thereof may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws relating to or affecting creditors' rights generally and by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law) and except as rights to indemnity and contribution hereunder may be limited by federal or state securities laws.

(t) The Partnership Agreement is a valid and legally binding agreement of the General Partner, enforceable against the General Partner in accordance with its terms; the Plains Marketing Partnership Agreement is a valid and legally binding agreement of GP Inc. and the Partnership, enforceable against each of them in accordance with its terms; the Plains Pipeline Partnership Agreement is a valid and legally binding agreement of GP Inc. and Plains Marketing, enforceable against each of them in accordance with its terms; the agreement of limited partnership of Basin LP (as in effect on the date hereof and as the same may be amended or restated prior to the Closing Date, the "Basin LP Partnership Agreement") is a valid and legally binding agreement of Basin LLC and

Plains Pipeline, enforceable against each of them in accordance with its terms; the agreement of limited partnership of Rancho LP (as in effect on the date hereof and as the same may be amended or restated prior to the Closing Date, the "Rancho LP Partnership Agreement") is a valid and legally binding agreement of Rancho LLC and Plains Pipeline, enforceable against each of them in accordance with its terms; and the agreement of limited partnership of PMC LP (as in effect on the date hereof and as the same may be amended or restated prior to the Closing Date, the "PMC LP Partnership Agreement") has been duly authorized, executed and delivered by each of PMC NS and Plains Marketing and is a valid and legally binding agreement of PMC NS and Plains Marketing enforceable against each of them in accordance with its terms; the Limited Liability Company Agreement of PMC LLC (as in effect on the date hereof and as the same may be amended or restated prior to the Closing Date, the "PMC LLC Agreement") has been duly authorized, executed and delivered by Plains Marketing and is a valid and legally binding agreement of Plains Marketing, enforceable against it in accordance with its terms; the Limited Liability Company Agreement of LPG LLC (as in effect on the date hereof and as the same may be amended or restated prior to the Closing Date, the "LPG LLC Agreement") has been duly authorized, executed and delivered by Plains Marketing and is a valid and legally binding agreement of Plains Marketing, enforceable against it in accordance with its terms; the agreement of limited partnership of LPG LP (as in effect on the date hereof and as the same may be amended or restated prior to the Closing Date, the "LPG LP Partnership Agreement") is a valid and legally binding agreement of LPG LLC and Plains Marketing, enforceable against each of them in accordance with its terms; the Limited Liability Company Agreement of Lone Star (as in effect on the date hereof and as the same may be amended or restated prior to the Closing Date, the "Lone Star LLC Agreement") has been duly authorized, executed and delivered by LPG LP and is a valid and legally binding agreement of LPG LP, enforceable against it in accordance with its terms; and the Limited Liability Company Agreement of the Joint Venture (as in effect on the date hereof and as the same may be amended or restated prior to the Closing Date, the "Gas Storage LLC Agreement") has been duly authorized, executed and delivered by the Partnership and, assuming due authorization, execution and deliver by the other parties, thereto, is a valid and legally binding agreement of the Partnership, enforceable against it in accordance with its terms; provided that, with respect to each such agreement, the enforceability thereof may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws relating to or affecting creditors' rights generally and by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(u) None of the offering, issuance and sale by the Issuers of the Securities, the issuance of the Exchange Securities, the execution, delivery and performance of this Agreement by the Plains Parties, the consummation of the transactions contemplated hereby, the execution, delivery and performance of the Indenture and the Registration Rights Agreement by the Plains Parties which are parties thereto or the consummation of the transactions contemplated thereby (i) conflicts or will conflict with or constitutes or will constitute a violation of the agreement or certificate of limited partnership, limited liability company agreement, certificate of formation, certificate or articles of incorporation, bylaws or other similar organizational documents (in each case as in effect on the date hereof and as the same may be amended or restated prior to the Closing Date)

("Organizational Documents") of any of the Plains Parties, (ii) conflicts or will conflict with or constitutes or will constitute a breach or violation of, a change of control or a default under (or an event which, with notice or lapse of time or both, would constitute such an event), any indenture, mortgage, deed of trust, loan agreement, lease or other agreement or instrument to which any of the Plains Parties is a party or by which any of them or any of their respective properties may be bound, (iii) violates or will violate any statute, law or regulation or any order, judgment, decree or injunction of any court or governmental agency or body directed to any of the Plains Parties or any of their properties in a proceeding to which any of them or their property is a party or (iv) will result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of any of the Plains Parties or the Joint Venture, which conflicts, breaches, violations or defaults, in the case of clauses (ii), (iii) or (iv), would have a material adverse effect upon the condition (financial or other), business, prospects, properties, net worth or results of operations of the Partnership, the Subsidiaries and the Joint Venture, taken as a whole.

(v) No permit, consent, approval, authorization, order, registration, filing or qualification of or with any court, governmental agency or body is required in connection with the offering, issuance and sale by the Issuers of the Securities, the issuance of the Exchange Securities, the

execution, delivery and performance of this Agreement by the Plains Parties, the consummation of the transactions contemplated hereby, the execution, delivery and performance of the Indenture and the Registration Rights Agreement by the Plains Parties which are parties thereto or the consummation of the transactions contemplated thereby, except for such permits, consents, approvals and similar authorizations as will be obtained pursuant to the Registration Rights Agreement, under the Act and the Trust Indenture Act, and as may be required under the Exchange Act and state securities or "Blue Sky" laws.

(w) None of the Plains Parties is in (i) violation of its Organizational Documents, or of any law, statute, ordinance, administrative or governmental rule or regulation applicable to it or of any decree of any court or governmental agency or body having jurisdiction over it or (ii) breach, default (or an event which, with notice or lapse of time or both, would constitute such an event) or violation in the performance of any obligation, agreement or condition contained in any bond, debenture, note or any other evidence of indebtedness or in any agreement, indenture, lease or other instrument to which it is a party or by which it or any of its properties may be bound, which breach, default or violation would, if continued, have a material adverse effect on the condition (financial or other), business, prospects, properties, net worth or results of operations of the Partnership, the Subsidiaries and the Joint Venture, taken as a whole, or could materially impair the ability of any of the Plains Parties to perform its obligations under this Agreement. To the knowledge of the Plains Parties, no third party to any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which any of the Plains Parties is a party or by which any of them is bound or to which any of their properties are subject, is in default under any such agreement, which breach, default or violation would, if continued, have a material adverse effect on the condition (financial or other), business, prospects, properties, net worth or results of operations of the Partnership, the Subsidiaries and the Joint Venture, taken as a whole.

(x) The accountants, PricewaterhouseCoopers LLP, who have certified or shall certify the audited financial statements included or incorporated by reference in the Offering Memorandum (or any amendment or supplement thereto), are independent registered public accountants with respect to the Plains Parties as required by the Act and the applicable published rules and regulations thereunder.

(y) At March 31, 2006, the Partnership would have had, on an as adjusted basis as indicated in the Offering Memorandum (and any amendment or supplement thereto), a total capitalization as set forth therein. The financial statements (including the related notes and supporting schedules) and other financial information included or incorporated by reference in the Offering Memorandum (and any amendment or supplement thereto) present fairly in all material respects the financial position, results of operations and cash flows of the entities purported to be shown thereby, at the dates and for the periods indicated, and have been prepared in conformity with generally accepted accounting principles applied on a consistent basis throughout the periods indicated, except to the extent disclosed therein. The summary and selected historical financial information included or incorporated by reference in the Offering Memorandum (and any amendment or supplement thereto) is accurately presented in all material respects and prepared on a basis consistent with the audited and unaudited historical consolidated financial statements from which it has been derived, except as described therein. The Partnership and the Subsidiaries do not have any material liabilities or obligations, direct or contingent (including any off-balance sheet obligations), not disclosed in the Offering Memorandum. Since March 28, 2003, the Partnership has complied in all material respects with Regulation G of the Exchange Act and Item 10 of Regulation S-K of the Act, as applicable, in connection with the Offering Memorandum and filings made by the Partnership with the Commission.

(z) Except as disclosed in the Offering Memorandum (or any amendment or supplement thereto), subsequent to the respective dates as of which such information is given in the Offering Memorandum (and any amendment or supplement thereto), (i) none of the Plains Parties has incurred any liability or obligation, indirect, direct or contingent, or entered into any transactions, not in the ordinary course of business, that, singly or in the aggregate, is material to the Plains Parties, taken as a whole, (ii) there has not been any material change in the capitalization, or material increase in the short-term debt or long-term debt, of the Plains Parties and (iii) there has not been any material adverse change, or any development involving or which may reasonably be expected to involve, singly or in the aggregate, a prospective material adverse change in the condition (financial or other), business, prospects, properties, net worth or results of operations of the Plains Parties, taken as a whole.

(aa) The Plains Parties have good and indefeasible title to all real property and good title to all personal property described in the Offering Memorandum as being owned by them, free and clear of all liens, claims, security interests or other encumbrances except (i) as provided in the Restated Credit Facility (Uncommitted Senior Secured Discretionary Contango Facility) dated November 19, 2004 (as amended, the "Contango Credit Agreement") among Plains Marketing, Bank of America, N.A., as administrative agent thereunder and the lenders from time to time party thereto, described

in the Offering Memorandum and (ii) such as do not materially interfere with the use of such properties taken as a whole as described in the Offering Memorandum; and all real property and buildings held under lease by any of the Plains Parties are held under valid and subsisting and enforceable leases with such exceptions as do not materially interfere with the use of such properties taken as a whole as described in the Offering Memorandum.

(bb) Each of the Plains Parties has such permits, consents, licenses, franchises, certificates and authorizations of governmental or regulatory authorities ("permits") as are necessary to own its properties and to conduct its business in the manner described in the Offering Memorandum, subject to such qualifications as may be set forth in the Offering Memorandum and except for such permits the failure of which to have obtained would not have, individually or in the aggregate, a material adverse effect upon the ability of the Partnership, the Subsidiaries and the Joint Venture considered as a whole to conduct their businesses in all material respects as currently conducted and as contemplated by the Offering Memorandum to be conducted; each of the Plains Parties has fulfilled and performed all of its material obligations with respect to such permits and no event has occurred which allows, or after notice or lapse of time would allow, revocation or termination thereof or results in any impairment of the rights of the holder of any such permit, except for such failures to perform, revocations, terminations and impairments that would not have a material adverse effect upon the ability of the Partnership, the Subsidiaries and the Joint Venture considered as a whole to conduct their businesses in all material respects as currently conducted and as contemplated by the Offering Memorandum to be conducted, subject in each case to such qualification as may be set forth in the Offering Memorandum; and, except as described in the Offering Memorandum, none of such permits contains any restriction that is materially burdensome to the Plains Parties considered as a whole.

(cc) Each of the Plains Parties has such consents, easements, rights-of-way or licenses from any person ("rights-of-way") as are necessary to conduct its business in the manner described in the Offering Memorandum, subject to such qualifications as may be set forth in the Offering Memorandum and except for such rights-of-way the failure of which to have obtained would not have, individually or in the aggregate, a material adverse effect upon the ability of the Partnership, the Subsidiaries and the Joint Venture considered as a whole to conduct their businesses in all material respects as currently conducted and as contemplated by the Offering Memorandum to be conducted; each of the Plains Parties has fulfilled and performed all its material obligations with respect to such rights-of-way and no event has occurred which allows, or after notice or lapse of time would allow, revocation or termination thereof or would result in any impairment of the rights of the holder of any such rights-of-way, except for such failures to perform, revocations, terminations and impairments that will not have a material adverse effect upon the ability of the Partnership, the Subsidiaries and the Joint Venture considered as a whole to conduct their businesses in all material respects as currently conducted and as contemplated by the Offering Memorandum to be conducted, subject in each case to such qualification as may be set forth in the Final Offering Memorandum; and, except as described in the Offering Memorandum, none of such rights-of-way contains any restriction that is materially burdensome to the Plains Parties considered as a whole.

(dd) None of the Plains Parties is now, and after sale of the Securities to be sold by the Issuers hereunder and application of the net proceeds from such sale as described in the Offering Memorandum under the caption "Use of Proceeds," none of the Plains Parties will be, (i) an "investment company" or a company "controlled by" an "investment company" within the meaning of the Investment Company Act, (ii) a "public utility company," "holding company" or a "subsidiary company" of a "holding company" or an "affiliate" thereof, under the Public Utility Holding Company Act of 1935, as amended, (iii) a "gas utility," within the meaning of Tex. Util. Code § 121.001 or (iv) a "public utility" or "utility" within the meaning of the Public Utility Regulatory Act of Texas or under similar laws of any state in which any such Plains Party does business.

(ee) None of the Plains Parties has sustained since the date of the latest audited financial statements included in the Offering Memorandum any material loss or interference with its business from fire, explosion, flood or other calamity whether or not covered by insurance, or from any labor dispute or court or governmental action, investigation, order or decree, otherwise than as set forth or contemplated in the Offering Memorandum.

(ff) Except as described in the Offering Memorandum, none of the Plains Parties has violated any environmental, safety, health or similar law or regulation applicable to its business relating to the protection of human health and safety, the environment or hazardous or toxic substances or wastes, pollutants or contaminants ("Environmental Laws"), or lacks any permits, licenses or other approvals required of them under applicable Environmental Laws to own, lease or operate their properties and conduct their business as described in the Offering Memorandum or is violating any terms and conditions of any such permit, license or approval, which in each case would have a material adverse effect on the condition (financial or other), business, prospects, properties, net worth or results of operations of the Partnership, the Subsidiaries and the Joint Venture, taken as a whole.

(gg) No labor dispute by the employees of any of the Plains Parties exists or, to the knowledge of the Plains Parties, is imminent, which might reasonably be expected to have a material adverse effect on the condition (financial or other), business, prospects, properties, net worth or results of operations of the Partnership, the Subsidiaries and the Joint Venture, taken as a whole.

(hh) The Plains Parties maintain insurance covering their properties, operations, personnel and businesses against such losses and risks as are reasonably adequate to protect them and their businesses in a manner consistent with other businesses similarly situated. None of the Plains Parties has received notice from any insurer or agent of such insurer that substantial capital improvements or other expenditures will have to be made in order to continue such insurance, and all such insurance is outstanding and duly in force on the date hereof and will be outstanding and duly in force on the Closing Date.

(ii) Except as described in the Offering Memorandum, there is (i) no action, suit or proceeding before or by any court, arbitrator or governmental agency, body or

official, domestic or foreign, now pending or, to the knowledge of the Plains Parties, threatened, to which any of the Plains Parties, or any of their respective subsidiaries, is or may be a party or to which the business or property of any of the Plains Parties, or any of their respective subsidiaries, is or may be subject, (ii) no statute, rule, regulation or order that has been enacted, adopted or issued by any governmental agency or, to the knowledge of the Plains Parties, that has been proposed by any governmental body and (iii) no injunction, restraining order or order of any nature issued by a federal or state court or foreign court of competent jurisdiction to which any of the Plains Parties, or any of their respective subsidiaries, is or may be subject, that, in the case of clauses (i), (ii) and (iii) above, is reasonably expected to (A) singly or in the aggregate have a material adverse effect on the condition (financial or other), business, prospects, properties, net worth or results of operations of the Partnership, the Subsidiaries and the Joint Venture, taken as a whole, (B) prevent or result in the suspension of the offering and issuance of the Securities or prevent the issuance of the Exchange Securities or (C) challenge the validity of this Agreement, the Indenture, the Securities, the Exchange Securities or the Registration Rights Agreement.

(jj) No Subsidiary is currently prohibited, directly or indirectly, from paying any dividends to the Partnership, from making any other distribution on such Subsidiary's capital stock or partnership or limited liability company interests, from repaying to the Partnership any loans or advances to such Subsidiary from the Partnership or from transferring any of such Subsidiary's property or assets to the Partnership or any other Subsidiary of the Partnership, except as described in or contemplated by the Offering Memorandum (exclusive of any amendment or supplement thereto).

(kk) The Partnership, each of the Subsidiaries and the Joint Venture maintains a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorization; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain accountability for assets; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the

recorded accountability for assets is compared with existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

(ll) The Partnership and, to the knowledge of the Plains Parties, the directors and officers of GP LLC in their capacities as such, are in compliance in all material respects with all applicable and effective provisions of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated thereunder.

Any certificate signed by any officer of the Plains Parties and delivered to the Initial Purchasers or counsel for the Initial Purchasers in connection with the offering of the Securities shall be deemed a representation and warranty by the Plains Parties, as to matters covered thereby, to the Initial Purchasers.

2. Purchase and Sale. Subject to the terms and conditions and in reliance upon the representations and warranties herein set forth, the Issuers agree to sell to each Initial

Purchaser, and each Initial Purchaser severally agrees to purchase from the Issuers, at a purchase price of 98.944% of the principal amount thereof, the Securities.

3. Delivery and Payment. Delivery of and payment for the Securities shall be made at 10:00 A.M., New York City time, on May 12, 2006, or at such time on such later date (not later than May 19, 2006,) as the Initial Purchasers shall designate, which date and time may be postponed by agreement between the Initial Purchasers and the Issuers (such date and time of delivery and payment for the Securities being herein called the "Closing Date"). Delivery of the Securities shall be made to the Initial Purchasers against payment by the Initial Purchasers of the purchase price thereof to or upon the order of the Issuers by wire transfer payable in same-day funds to the account specified by the Issuers. Delivery of the Securities shall be made through the facilities of The Depository Trust Company unless the Initial Purchasers shall otherwise instruct.

4. Offering by Initial Purchasers. Each Initial Purchaser represents and warrants to and agrees with the Issuers that:

(a) It has not offered or sold, and will not offer or sell, any Securities except (i) to those it reasonably believes to be qualified institutional buyers (as defined in Rule 144A under the Act) and that, in connection with each such sale, it has taken or will take reasonable steps to ensure that the purchaser of such Securities is aware that such sale is being made in reliance on Rule 144A or (ii) in accordance with the restrictions set forth in Exhibit B hereto.

(b) Neither it nor any person acting on its behalf has made or will make offers or sales of the Securities in the United States by means of any form of general solicitation or general advertising (within the meaning of Regulation D) in the United States.

5. Agreements. Each of the Plains Parties, jointly and severally, acknowledges and agrees with the Initial Purchasers that:

(a) The Issuers will furnish to the Initial Purchasers and to counsel for the Initial Purchasers, without charge, during the period referred to in paragraph (c) below, as many copies of the Offering Memorandum and any amendments and supplements thereto as they may reasonably request.

(b) The Issuers will not amend or supplement the Offering Memorandum, other than by filing documents under the Exchange Act that are incorporated by reference therein, without the prior written consent of the Initial Purchasers; provided, however, that, prior to the completion of the distribution of the Securities by the Initial Purchasers (as determined by the Initial Purchasers), the Issuers will not file any document under the Exchange Act that is incorporated by reference in the Offering Memorandum unless (i) prior to such proposed filing, the Issuers have furnished the Initial Purchasers with a copy of such document for their review and the Initial Purchasers have not reasonably objected to the filing of such document or (ii) the Initial Purchasers have reasonably objected and the Issuers have received advice of counsel that such filing is necessary and appropriate. The Issuers will promptly advise the Initial Purchasers when any document

filed under the Exchange Act that is incorporated by reference in the Offering Memorandum shall have been filed with the Commission.

(c) If at any time prior to the completion of the distribution of the Securities by the Initial Purchasers (as determined by the Initial Purchasers), any event occurs as a result of which the Offering Memorandum, as then amended or supplemented, would include any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, or if it should be necessary to amend or supplement the Offering Memorandum to comply with applicable law, the Issuers promptly (i) will notify the Initial Purchasers of any such event; (ii) subject to the requirements of paragraph (b) of this Section 5, will prepare an amendment or supplement that will correct such statement or omission or effect such compliance; and (iii) will supply any supplemented or amended Offering Memorandum to the Initial Purchasers and counsel for the Initial Purchasers without charge in such quantities as they may reasonably request.

(d) The Issuers will arrange, if necessary, for the qualification of the Securities for sale by the Initial Purchasers under the laws of such jurisdictions as the Initial Purchasers may reasonably designate and will maintain such qualifications in effect so long as reasonably required for the sale of the Securities; provided that in no event shall either Issuer be obligated to qualify to do business in any jurisdiction where it is not now so qualified or to take any action that would subject it to service of process in suits, other than those arising out of the offering or sale of the Securities, in any jurisdiction where it is not now so subject. The Issuers will promptly advise the Initial Purchasers of the receipt by the Issuers of any notification with respect to the suspension of the qualification of the Securities for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose.

(e) During the period of two years after the Closing Date, none of the Plains Parties will resell any Securities that have been acquired by any of them.

(f) None of the Plains Parties, nor any person acting on behalf of any of the Plains Parties (other than the Initial Purchasers, as to whom the Plains Parties make no representation), will, directly or indirectly, make offers or sales of any security, or solicit offers to buy any security, that is or will be integrated with the sale of the Securities in a manner that would require the registration of the Securities under the Act.

(g) None of the Plains Parties, nor any person acting on behalf of any of the Plains Parties (other than the Initial Purchasers, as to whom the Plains Parties make no representation), will engage in any form of general solicitation or general advertising (within the meaning of Regulation D) in connection with any offer or sale of the Securities in the United States.

(h) So long as any of the Securities are "restricted securities" within the meaning of Rule 144(a)(3) under the Act, the Issuers will, during any period in which they are not subject to and in compliance with Section 13 or 15(d) of the Exchange Act or they are not exempt from such reporting requirements pursuant to and in compliance with

Rule 12g3-2(b) under the Exchange Act, provide to each holder of such restricted securities and to each prospective purchaser (as designated by such holder) of such restricted securities, upon the request of such holder or prospective purchaser, any information required to be provided by Rule 144A(d)(4) under the Act. This covenant is intended to be for the benefit of the holders, and the prospective purchasers designated by such holders, from time to time of such restricted securities. The information provided by the Issuers pursuant to this Section 5(h) will not, at the date thereof, contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(i) None of the Plains Parties, nor any person acting on behalf of any of the Plains Parties (other than the Initial Purchasers, as to whom the Plains Parties make no representation), will engage in any directed selling efforts with respect to the Securities, and each of them will comply with the offering restrictions requirement of Regulation S. Terms used in this paragraph have the meanings given to them by Regulation S.

(j) The Issuers will cooperate with and assist the Initial Purchasers to permit the Securities to be eligible for clearance and settlement through The Depository Trust Company.

(k) The Plains Parties will not, for a period 60 days following the Execution Time, without the prior written consent of the Initial Purchasers, offer, sell or contract to sell, pledge or otherwise dispose of (or enter into any transaction which is designed to, or might reasonably be expected to, result in the disposition (whether by actual disposition or effective economic disposition due to cash settlement or otherwise) by any of the Plains Parties or any person in privity with the Plains Parties), directly or indirectly, or announce the offering of, any U.S. dollar-denominated debt securities registered under the Act or eligible for trading pursuant to Rule 144A issued or guaranteed by the Plains Parties (other than the Securities), except the issuance of the Exchange Securities or borrowings under the Amended and Restated Credit Agreement [US/Canada Facilities] dated November 4, 2005 (as amended, the "Revolving Agreement") among the Partnership, PMC NS, PMC LP, as borrowers thereunder, Bank of America, N.A., as administrative agent thereunder, Bank of America, N.A., acting through its Canada Branch, as Canadian administrative agent thereunder, and various other agents thereunder and lenders from time to time party thereto, and/or the Contango Credit Agreement.

(l) None of the Plains Parties, nor any person acting on its or their behalf, will take, directly or indirectly, any action designed to or which has constituted or which might reasonably be expected to cause or result, under the Exchange Act or otherwise, in stabilization or manipulation of the price of any security of the Issuers to facilitate the sale or resale of the Securities.

(m) The Issuers agree to pay the costs and expenses relating to the following matters: (i) the issuance of the Securities and the fees of the Trustee; (ii) the preparation, printing or reproduction of the Offering Memorandum and each amendment or supplement thereto; (iii) the printing (or reproduction) and delivery (including postage,

air freight charges and charges for counting and packaging) of such copies of the Final Offering Memorandum, and all amendments or supplements thereto, as may be reasonably requested for use in connection with the offering and sale of the Securities; (iv) the preparation, printing, authentication, issuance and delivery of certificates for the Securities, including any stamp or transfer taxes in connection with the original issuance and sale of the Securities; (v) the printing (or reproduction) and delivery of this Agreement, any blue sky memorandum and all other agreements or documents printed (or reproduced) and delivered in connection with the offering of the Securities (including, without limitation, the Indenture and the Registration Rights Agreement); (vi) any registration or qualification of the Securities for offer and sale under the securities or blue sky laws of the several states as provided in Section 5(d) hereof (including filing fees and the reasonable fees and expenses of counsel for the Initial Purchasers relating to such registration and qualification); (vii) if required, admitting the Securities for trading in the PORTAL Market; (viii) the transportation and other expenses incurred by or on behalf of the Issuers' representatives in connection with presentations to prospective purchasers of the Securities; (ix) the fees and expenses of the Issuers' accountants and the fees and expenses of counsel (including local and special counsel) for the Issuers; and (x) all other costs and expenses incident to the performance by the Issuers of their obligations hereunder.

(n) Without the prior written consent of the Initial Purchasers, the Plains Parties have not given and will not give to any prospective purchaser of the Securities any written information relating to the offer and sale of the Securities, other than the Offering Memorandum.

6. Conditions to the Obligations of the Initial Purchasers. The obligations of the Initial Purchasers to purchase the Securities shall be subject to the accuracy of the representations and warranties on the part of the Plains Parties contained herein at the Execution Time and the Closing Date, to the accuracy of the statements of the Plains Parties made in any certificates pursuant to the provisions hereof, to the performance by the Plains Parties of their obligations hereunder and to the following additional conditions:

(a) The Issuers shall have requested and caused Vinson & Elkins L.L.P., counsel for the Issuers, to furnish to the Initial Purchasers its opinion, dated the Closing Date and addressed to the Initial Purchasers, to the effect that:

(i) Each of GP LLC, the General Partner, the Partnership. the Subsidiaries (other than the Canadian Subsidiaries) and the Joint Venture has been duly formed or incorporated and is validly existing in good standing as a limited partnership, limited liability company or corporation under the laws of its jurisdiction of formation or incorporation with full partnership, limited liability company or corporate power and authority, as the case may be, to own or lease its properties and to conduct its business in each case in all material respects. Each of GP LLC, the General Partner, the Partnership, the Subsidiaries (other than the Canadian Subsidiaries) and the Joint Venture is duly registered or qualified as a foreign limited partnership, limited liability company or corporation, as the case

may be, for the transaction of business and is in good standing under the laws of the jurisdictions set forth on Exhibit C to this Agreement.

(ii) GP LLC has full limited liability company power and authority to act as the general partner of the General Partner; the General Partner has full partnership power and authority to act as the general partner of the Partnership; GP Inc. has full corporate power and authority to act as the general partner of Plains Marketing and Plains Pipeline; Rancho LLC has full limited liability company power and authority to act as the general partner of Rancho LP and Basin LLC has full limited liability company power and authority to act as the general partner of Basin LP, in each case in all material respects.

(iii) GP LLC is the sole general partner of the General Partner, with a 1.0% general partner interest in the General Partner, and the General Partner is the sole general partner of the Partnership, with a 2.0% general partner interest in the Partnership; such general partner interests have been duly authorized and validly issued in accordance with the General Partner Partnership Agreement and the Partnership Agreement, respectively; the General Partner owns all of the Incentive Distribution Rights; GP LLC owns such general partner interest in the General Partner, and the General Partner owns such general partner interest in the Partnership and the Incentive Distribution Rights, in each case, free and clear of all liens, encumbrances, security interests, charges or claims (A) in respect of which a financing statement under the Uniform Commercial Code of the States of Delaware or Texas naming GP LLC or the General Partner as debtor is on file in the office of the Secretary of State of the States of Delaware or Texas or (B) otherwise known to such counsel, without independent investigation, other than those created by or arising under the Delaware LP Act.

(iv) GP Inc. is the sole general partner of Plains Marketing, with a .001% general partner interest in Plains Marketing, and the sole general partner of Plains Pipeline, with a .001% general partner interest in Plains Pipeline; such general partner interests have been duly authorized and validly issued in accordance with the Plains Marketing Partnership Agreement and the Plains Pipeline Partnership Agreement, respectively; and GP Inc. owns such general partner interests free and clear of all liens, encumbrances, security interests, charges or claims (A) in respect of which a financing statement under the Uniform Commercial Code of the States of Delaware or Texas naming GP Inc. as debtor is on file in the office of the Secretary of State of the States of Delaware or Texas or (B) otherwise known to such counsel, without independent investigation, other than those created by or arising under the Texas LP Act.

(v) All of the outstanding shares of capital stock or other equity interests (other than general partner interests) of each Subsidiary (other than the Canadian Subsidiaries, as to which such counsel need not express any opinion) and the Joint Venture (a) have been duly authorized and validly issued (in the case of an interest in a limited partnership or limited liability company, in accordance with the Organizational Documents of such Subsidiary or the Joint Venture), are

fully paid (in the case of an interest in a limited partnership or limited liability company, to the extent required under the Organizational Documents of such Subsidiary or the Joint Venture) and nonassessable (except (i) in the case of an interest in a Delaware limited partnership or Delaware limited liability company, as such nonassessability may be affected by Section 17-607 of the Delaware LP Act or Section 18-607 of the Delaware LLC Act, as applicable and (ii) in the case of an interest in a limited partnership or limited liability company formed under the laws of another domestic state, as such nonassessability may be affected by similar provisions of such state's limited partnership or limited liability company statute, as applicable) and (b) except for a 50% membership interest in the Joint Venture owned by Vulcan Gas Storage LLC, are owned, directly or indirectly, by the Partnership, free and clear of all liens, encumbrances, security interests, charges or claims (A) in respect of which a financing statement under the Uniform Commercial Code of the States of Delaware or Texas naming the Partnership as debtor or, in the case of capital stock or other equity interests of a Subsidiary owned directly by one or more other Subsidiaries (other than the Canadian Subsidiaries), naming any such other Subsidiaries as debtor(s), is on file in the office of the Secretary of State of the States of Delaware or Texas or (B) otherwise known to such counsel, without independent investigation, other than those created by or arising under the corporate, limited liability company or partnership laws of the jurisdiction of formation or incorporation of the respective Subsidiary (other than such laws of the jurisdiction of formation or incorporation of the Canadian Subsidiaries) or the Joint Venture, as the case may be.

(vi) All outstanding general partner interests in each Subsidiary that is a partnership (other than the Canadian Subsidiaries) have been duly authorized and validly issued in accordance with the respective Organizational Documents of such Subsidiary and are owned, directly or indirectly, by the Partnership, free and clear of all liens, encumbrances, security interests, charges or claims (A) in respect of which a financing statement under the Uniform Commercial Code of the States of Delaware or Texas naming the Partnership as debtor or, in the case of general partner interests of a Subsidiary owned directly by one or more other Subsidiaries (other than the Canadian Subsidiaries), naming any such other Subsidiaries as debtor(s), is on file in the office of the Secretary of State of the States of Delaware or Texas or (B) otherwise known to such counsel, without independent investigation, other than those created by or arising under the partnership laws of the jurisdiction of formation of the respective Subsidiary, as the case may be.

(vii) To such counsel's knowledge, the offering or sale of the Securities as contemplated by this Agreement does not give rise to any rights for or relating to the registration of any other securities of the Issuers, except such rights as have been waived or satisfied. The Issuers have all requisite power and authority to issue, sell and deliver the Securities, in accordance with and upon the terms and conditions

set forth in this Agreement, their respective Organizational Documents, the Indenture and Offering Memorandum and to issue and deliver the Exchange Securities, in accordance with and upon the terms and conditions set

forth in this Agreement, the Registration Rights Agreement, their respective Organizational Documents, the Indenture and the Offering Memorandum.

(viii) This Agreement has been duly authorized, executed and delivered by each of the Plains Parties (other than the Canadian Subsidiaries, as to which such counsel need not express an opinion).

(ix) The Indenture has been duly authorized, executed and delivered by each of the Plains Parties (other than the Canadian Subsidiaries, as to which such counsel need not express an opinion) and (assuming the due authorization, execution and delivery thereof by the Trustee) is a valid and legally binding agreement of each of the Plains Parties, enforceable against each of them in accordance with its terms; provided that the enforceability thereof may be limited by (A) applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium or similar laws from time to time in effect affecting creditors' rights and remedies generally and by general principles of equity (regardless of whether such principles are considered in a proceeding in equity or at law) and (B) public policy, applicable law relating to fiduciary duties and indemnification and an implied covenant of good faith and fair dealing.

(x) The Securities have been duly and validly authorized and, when executed and authenticated in accordance with the provisions of the Indenture and delivered to and paid for by the Initial Purchasers under this Agreement, will constitute legal, valid, binding and enforceable obligations of the Issuers entitled to the benefits of the Indenture; provided that the enforceability thereof may be limited by (A) applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium or similar laws from time to time in effect affecting creditors' rights and remedies generally and by general principles of equity (regardless of whether such principles are considered in a proceeding in equity or at law) and (B) public policy, applicable law relating to fiduciary duties and indemnification and an implied covenant of good faith and fair dealing.

(xi) The Exchange Securities have been duly and validly authorized and, when executed and authenticated in accordance with the provisions of the Indenture and delivered pursuant to the Registration Rights Agreement, will constitute legal, valid, binding and enforceable obligations of the Issuers entitled to the benefits of the Indenture; provided that the enforceability thereof may be limited by (A) applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium or similar laws from time to time in effect affecting creditors' rights and remedies generally and by general principles of equity (regardless of whether such principles are considered in a proceeding in equity or at law) and (B) public policy, applicable law relating to fiduciary duties and indemnification and an implied covenant of good faith and fair dealing.

(xii) The Registration Rights Agreement has been duly authorized, executed and delivered by each of the Plains Parties that are a party thereto (other than the Canadian Subsidiaries, as to which such counsel need not express an

opinion), and is a valid and legally binding agreement of each of the Plains Parties, enforceable against each of them in accordance with its terms; provided that the enforceability thereof may be limited by (A) applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium or similar laws from time to time in effect affecting creditors' rights and remedies generally and by general principles of equity (regardless of whether such principles are considered in a proceeding in equity or at law) and (B) public policy, applicable law relating to fiduciary duties and indemnification and an implied covenant of good faith and fair dealing.

(xiii) The Partnership Agreement is a valid and legally binding agreement of the General Partner, enforceable against the General Partner in accordance with its terms; the Plains Marketing Partnership Agreement is a valid and legally binding agreement of GP Inc. and the Partnership, enforceable against each of them in accordance with its terms; the Plains Pipeline Partnership Agreement is a valid and legally binding agreement of GP Inc. and Plains Marketing enforceable against each of them in accordance with its terms; the Basin LP Partnership Agreement is a valid and legally binding agreement of Basin LLC and Plains Pipeline, enforceable against each of them in accordance with its terms; the Rancho LP Partnership Agreement is a valid and legally binding agreement of Rancho LLC and Plains Pipeline, enforceable against each of them in accordance with its terms; the PMC LP Partnership Agreement has been duly authorized, executed and delivered by Plains Marketing and is a valid and legally binding agreement of Plains Marketing enforceable against it in accordance with its terms; the PMC LLC Agreement has been duly authorized, executed and delivered by Plains Marketing and is a valid and legally binding agreement of Plains Marketing, enforceable against it in accordance with its terms; the LPG LLC Agreement has been duly authorized, executed and delivered by Plains Marketing and is a valid and legally binding agreement of Plains Marketing, enforceable against it in accordance with its terms; the LPG LP Partnership Agreement is a valid and legally binding agreement of LPG LLC and Plains Marketing, enforceable against each of them in accordance with its terms; the Lone Star LLC Agreement has been duly authorized, executed and delivered by LPG LP and is a valid and legally binding agreement of LPG LP, enforceable against it in accordance with its terms; the Gas Storage LLC Agreement has been duly authorized, executed and delivered by the Partnership and, assuming due authorization, execution and delivery by the other parties thereto, is a valid and legally binding agreement of the Partnership enforceable against it in accordance with its terms; provided that, with respect to each such agreement (other than the PMC LP Partnership Agreement, as to which such counsel need not express an opinion), the enforceability thereof may be limited by (A) applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium or similar laws from time to time in effect affecting creditors' rights and remedies generally and by general principles of equity (regardless of whether such principles are considered in a proceeding in equity or at law) and (B) public policy, applicable law relating to fiduciary duties and indemnification and an implied covenant of good faith and fair dealing.

(xiv) None of the offering, issuance and sale by the Issuers of the Securities, the issuance of the Exchange Securities, the execution, delivery and performance of this Agreement by the Plains Parties, the consummation of the transactions contemplated hereby, the execution, delivery and performance of the Indenture and the Registration Rights Agreement by the Plains Parties which are parties thereto or the consummation of the transactions contemplated thereby (A) constitutes or will constitute a violation of the Organizational Documents (other than the Organizational Documents of the Canadian Subsidiaries) of any of the Plains Parties, (B) conflicts or will conflict with or constitutes or will constitute a breach or violation of, a change of control or a default under (or an event which, with notice or lapse of time or both, would constitute such an event), any agreement filed as an exhibit to any document incorporated by reference into the Offering Memorandum (including any amendment or supplement thereto) (other than the Revolving Agreement and the Contango Credit Agreement, as to which such counsel need not express an opinion), (C) results or will result in any violation of the Delaware LP Act, the Delaware LLC Act, the DGCL, the laws of the State of Texas or federal law, or (D) results or will result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of any of the Plains Parties (other than the Canadian Subsidiaries) or the Joint Venture, which in the case of clauses (B), (C) or (D) would reasonably be expected to have a material adverse effect on the financial condition, business or results of operations of the Partnership, the Subsidiaries and the Joint Venture, taken as a whole.

(xv) No permit, consent, approval, authorization, order, registration, filing or qualification of or with any federal, Delaware or Texas court, governmental agency or body having jurisdiction over the Plains Parties or any of their respective properties is required for the offering, issuance and sale by the Issuers of the Securities, the issuance of the Exchange Securities, the execution, delivery and performance of this Agreement by the Plains Parties, the consummation of the transactions contemplated hereby, the execution, delivery and performance of the Indenture and the Registration Rights Agreement by the Plains Parties which are parties thereto or the consummation of the transactions contemplated thereby, except as will be obtained pursuant to the Registration Rights Agreement, under the Act and the Trust Indenture Act and as may be required under the Exchange Act and state securities or “Blue Sky” laws, as to which such counsel need not express any opinion.

(xvi) The statements in the Offering Memorandum under the captions “Description of Notes,” “Exchange Offer; Registration Rights” and “Certain United States Federal Income Tax Considerations,” insofar as they constitute descriptions of agreements or refer to statements of law or legal conclusions, are accurate in all material respects, and the Securities, the Exchange Securities, the Indenture and the Registration Rights Agreement conform in all material respects to the descriptions thereof contained in the Offering Memorandum.

(xvii) None of the Plains Parties is an “investment company” as such term is defined in the Investment Company Act.

(xviii) Assuming the accuracy of the representations and warranties and compliance with the agreements contained herein, no registration of the Securities under the Act, and no qualification of an indenture under the Trust Indenture Act, are required for the offer and sale by the Issuers to the Initial Purchasers and the initial resale by the Initial Purchasers of the Securities in the manner contemplated by this Agreement.

(xix) The documents incorporated by reference in the Offering Memorandum (including any amendment or supplement thereto) (except for financial statements and the notes and schedules thereto and other financial information included in any such incorporated documents, as to which such counsel need not express any opinion) comply as to form in all material respects with the requirements of the Exchange Act and the rules and regulations promulgated thereunder.

In addition, such counsel shall state that they have participated in conferences with officers and other representatives of the Plains Parties, representatives of the independent registered public accountants of the Partnership and your representatives, at which the contents of the Offering Memorandum and related matters were discussed, and although such counsel has not independently verified, is not passing on, and is not assuming any responsibility for the accuracy, completeness or fairness of the statements contained in the Offering Memorandum (except to the extent specified in the foregoing opinion), no facts have come to such counsel’s attention that lead such counsel to believe that the Preliminary Offering Memorandum and the Pricing Supplement as of the Execution Time and as of the Closing Date, and the Final Offering Memorandum as of its date and as of the Closing Date (in each case other than (i) the financial statements included or incorporated by reference therein, including the notes and schedules thereto and the auditors’ reports thereon, and (ii) the other financial and statistical information included or incorporated by reference therein, as to which such counsel need not comment), contained or contains an untrue statement of a material fact or omitted or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

In rendering such opinion, such counsel may (A) rely in respect of matters of fact upon certificates of officers and employees of the Plains Parties and upon information obtained from public officials, (B) assume that all documents submitted to them as originals are authentic, that all copies submitted to them conform to the originals thereof, and that the signatures on all documents examined by them are genuine, (C) state that their opinion is limited to federal laws, the Delaware LP Act, the Delaware LLC Act, the DGCL, the laws of the State of Texas and the contract laws of the State of New York, (D) with respect to the opinions expressed in paragraph (i) above as to the due qualification or registration as a foreign limited partnership, corporation or limited liability company, as the case may be, of each of the Plains Parties, state that such opinions are based upon certificates of foreign qualification or registration provided by the Secretary of State of

the States listed on Exhibit C hereto (each of which shall be dated as of a date not more than fourteen days prior to the Closing Date and shall be provided to you) and (E) state that they express no opinion with respect to (i) any permits to own or operate any real or personal property or (ii) state or local taxes or tax statutes to which any of the limited partners of the Partnership or any of the Plains Parties may be subject.

(b) The Initial Purchasers shall have received on the Closing Date, an opinion of Fulbright & Jaworski L.L.P., special counsel for the Plains Parties, dated the Closing Date and addressed to the Initial Purchasers, to the effect that none of the offering, issuance or sale by the Issuers of the Securities, the issuance of the Exchange Securities, the execution, delivery and performance of this Agreement by the Plains Parties, the consummation of the transactions contemplated hereby, the execution, delivery and performance of the Indenture and the Registration Rights

Agreement by the Plains Parties which are parties thereto or the consummation of the transactions contemplated thereby, result in a breach of, or constitutes a default under (or an event which, with notice or lapse of time or both, would constitute such an event) the provisions of any Credit Facility (as defined in Annex A to such opinion, which shall include the Revolving Agreement and the Contango Credit Agreement).

In rendering such opinion, such counsel may (A) rely in respect of matters of fact upon certificates of officers and employees of the Plains Parties and upon information obtained from public officials, (B) assume that all documents submitted to them as originals are authentic, that all copies submitted to them conform to the originals thereof, and that the signatures on all documents examined by them are genuine and (C) state that such opinions are limited to the laws of the State of Texas, excepting therefrom municipal and local ordinances and regulations.

In rendering such opinion, such counsel shall state that such opinion letter may be relied upon only by the Initial Purchasers and their counsel in connection with the transactions contemplated by this Agreement and no other use or distribution of such opinion letter may be made without such counsel's prior written consent.

(c) The Initial Purchasers shall have received on the Closing Date an opinion of Tim Moore, general counsel for GP LLC, dated the Closing Date and addressed to the Initial Purchasers, to the effect that:

(i) To the knowledge of such counsel, none of the Plains Parties is in (A) breach or violation of the provisions of its Organizational Documents or (B) default (and no event has occurred which, with notice or lapse of time or both, would constitute such a default) or violation in the performance of any obligation, agreement or condition contained in any bond, debenture, note or any other evidence of indebtedness or in any agreement, indenture, lease or other instrument to which it is a party or by which it or any of its properties may be bound, which breach, default or violation, if continued, would reasonably be expected to have a material adverse effect on the condition, business or operations of the Partnership, the Subsidiaries and the Joint Venture, taken as a whole, or would reasonably be

expected to materially impair the ability of any of the Plains Parties to perform their obligations under this Agreement.

(ii) None of the offering, issuance and sale by the Issuers of the Securities, the issuance of the Exchange Securities, the execution, delivery and performance by the Plains Parties of this Agreement, the consummation of the transactions contemplated hereby, the execution, delivery and performance of the Indenture and the Registration Rights Agreement by the Plains Parties which are parties thereto or the consummation of the transactions contemplated thereby (A) constitutes or will constitute a breach or violation of, a change of control or a default under (or an event which, with notice or lapse of time or both, would constitute such an event) any bond, debenture, note or any other evidence of indebtedness, indenture or any other material agreement or instrument known to such counsel to which a Plains Party is a party or by which any one of them may be bound (other than any other agreement filed as an exhibit to any documents incorporated by reference into the Offering Memorandum (including any amendment or supplement thereto) or any Credit Agreement (as defined in Annex A to such opinion)) or (B) violates or will violate any statute, law or regulation or any order, judgment, decree or injunction of any court or governmental agency or body directed to any of the Plains Parties or any of their properties in a proceeding to which any of them is a party, which would, in the case of either (A) or (B), reasonably be expected to have a material adverse effect on the condition, business or operations of the Partnership, the Subsidiaries and the Joint Venture, taken as a whole.

(iii) To the knowledge of such counsel, each of the Plains Parties has such permits, consents, licenses, franchises and authorizations ("permits") issued by the appropriate federal, state or local governmental or regulatory authorities as are necessary to own or lease its properties and to conduct its business in the manner described in the Offering Memorandum, subject to such qualifications as may be set forth in the Offering Memorandum, and except for such permits which, if not obtained, would not reasonably be expected to have, individually or in the aggregate, a material adverse effect upon the operations conducted by the Partnership, the Subsidiaries and the Joint Venture, taken as a whole; and, to the knowledge of such counsel, none of the Plains Parties has received any notice of proceedings relating to the revocation or modification of any such permits which, individually or in the aggregate, would reasonably be expected to have a material adverse effect upon the operations conducted by the Partnership, the Subsidiaries and the Joint Venture, taken as a whole.

(iv) Except as described in the Offering Memorandum, to the knowledge of such counsel, there is no litigation proceeding, or governmental investigation pending or threatened against any of the Plains Parties which would be reasonably likely to have a material adverse effect on the condition, business, properties, or operations of the Partnership, the Subsidiaries and the Joint Venture, taken as a whole.

In addition, such counsel shall state that he has participated in discussions with officers and other representatives of the Plains Parties and the independent registered public accountants of the Partnership and your representatives, at which the contents of the Offering Memorandum and related matters were discussed, and although such counsel has not independently verified, is not passing on, and is not assuming any responsibility for the accuracy, completeness or fairness of the statements contained in, the Offering Memorandum, no facts have come to such counsel's attention that lead such counsel to believe that the Preliminary Offering Memorandum and the Pricing Supplement as of the Execution Time and as of the Closing Date, and the Final Offering Memorandum as of its date and as of the Closing Date (in each case other than (i) the financial statements included or incorporated by reference therein, including the notes and schedules thereto and the auditors' reports thereon, and (ii) the other financial and statistical information included or incorporated by reference therein, as to which such counsel need not comment), contained or contains an untrue statement of a material fact or omitted or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

In rendering such opinion, such counsel may (A) rely in respect of matters of fact upon certificates of officers and employees of the Plains Parties and upon information obtained from public officials, (B) assume that all documents submitted to him as originals are authentic, that all copies submitted to him conform to the originals thereof, and that the signatures on all documents examined by him are genuine, (C) state that such opinions are limited to federal laws and the Delaware LP Act, the Delaware LLC Act and the DGCL and the laws of the State of Texas and (D) state that he expresses no opinion with respect to state or local taxes or tax statutes.

(d) The Initial Purchasers shall have received on the Closing Date, an opinion of Bennett Jones LLP with respect to the Province of Alberta, the Province of Nova Scotia and the federal laws of Canada, dated the Closing Date and addressed to the Initial Purchasers, to the effect that:

(i) Each of the Canadian Subsidiaries has been duly formed and is validly existing in good standing as a limited partnership or unlimited liability company under the laws of its jurisdiction of formation with all necessary partnership or corporate power and authority to own or lease its properties, as the case may be, in all material respects as described in the Offering Memorandum, and to conduct its business as currently conducted and as proposed in the Offering Memorandum to be conducted. PMC NS has all necessary corporate power and authority to act as general partner of PMC LP in all material respects as described in the Offering Memorandum. Each of the Canadian Subsidiaries is duly registered extra-provincially for the transaction of business and is in good standing under the laws of the jurisdictions set forth on Exhibit C to this Agreement.

(ii) PMC NS is the sole general partner of PMC LP with a 0.01% interest in PMC LP; such interest has been duly authorized and validly issued in accordance with the PMC LP Partnership Agreement; and PMC NS owns such

interest free and clear of all liens, encumbrances, security interests, charges or claims in respect of which a financing statement under the laws of the Provinces of Nova Scotia or Alberta naming PMC NS as debtor is on file.

(iii) Plains Marketing is the sole limited partner of PMC LP with a 99.99% limited partner interest in PMC LP; such limited partner interest has been duly authorized and validly issued in accordance with the PMC LP Partnership Agreement and is fully paid (to the extent required under the PMC LP Partnership Agreement) and nonassessable (except as such nonassessability may be affected by matters described in the PMC LP Partnership Agreement).

(iv) PMC LLC is the registered holder of 100% of the issued and outstanding capital stock of PMC NS; such share capital has been duly authorized and validly issued in accordance with the PMC NS Memorandum and Articles of Association, as fully paid and nonassessable shares (except as such nonassessability may be affected by the laws of the Province of Nova Scotia).

(v) This Agreement has been duly authorized and validly executed and delivered by each of PMC LP and PMC NS.

(vi) The Indenture has been duly authorized, executed and delivered by each of PMC LP and PMC NS. The laws of the Province of Alberta would permit an action to be brought against PMC LP or PMC NS before a court of competent jurisdiction in the Province of Alberta to enforce a final and conclusive in personam judgment for a sum certain obtained in a New York court relating to the Indenture which is not impeachable as void or voidable under the internal laws of the State of New York which action is predicated solely upon civil liability, subject to certain exceptions set forth in such opinion.

(vii) No permit, consent, approval, authorization, order, registration, filing or qualification of or with any court, governmental agency or body of the federal government of Canada or the Province of Alberta is required for the offering, issuance and sale by the Issuers of the Securities, the issuance of the Exchange Securities, or the execution, delivery and performance of the Indenture by the Plains Parties.

(viii) The PMC LP Partnership Agreement has been duly authorized, executed and delivered by PMC NS and is a valid and legally binding agreement of PMC NS and Plains Marketing enforceable against each of them in accordance with its terms; provided that, with respect to such agreement, the enforceability thereof may be limited by (A) applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium or similar laws from time to time in effect affecting creditors' rights and remedies generally and by general principles of equity (regardless of whether such principles are considered in a proceeding in equity or at law) and (B) public policy, applicable law relating to fiduciary duties and indemnification and an implied covenant of good faith and fair dealing.

(ix) None of the offering, issuance and sale by the Issuers of the Securities, the issuance of the Exchange Securities, the execution, delivery and performance of this Agreement by the Plains Parties, the consummation of the transactions contemplated hereby, the execution, delivery and performance of the Indenture and the Registration Rights Agreement by the Plains Parties which are parties thereto or the consummation of the transactions contemplated thereby constitutes or will constitute a violation of the Organizational Documents of the Canadian Subsidiaries.

(x) To the knowledge of such counsel, each of PMC LP and PMC NS has such permits, consents, licenses, franchises and authorizations ("permits") issued by the appropriate federal or provincial or regulatory authorities as are necessary to own or lease its properties and to conduct its business as currently conducted and as proposed in the Offering Memorandum to be conducted, subject to such qualifications as may be set forth in the Offering Memorandum, and except for such permits, consents, licenses, franchises and authorizations which, if not obtained would not reasonably be expected to have, individually or in the aggregate, a material adverse effect upon the operations conducted by PMC LP and PMC NS taken as a whole.

In rendering such opinion, such counsel may (A) rely in respect of matters of fact upon certificates of officers and employees of the Plains Parties and upon information obtained from public officials, (B) assume that all documents submitted to them as originals are authentic, that all copies submitted to them conform to the originals thereof, and that the signatures on all documents examined by them are genuine, (C) state that such opinions are limited to federal laws of Canada and the laws of the Provinces of Alberta and Nova Scotia, excepting therefrom municipal and local ordinances and regulations and (D) state that they express no opinion with respect to state or local taxes or tax statutes to which any of the limited partners of the Partnership or any of the Plains Parties may be subject.

In rendering such opinion, such counsel shall state that (A) Vinson & Elkins L.L.P. is thereby authorized to rely upon such opinion letter in connection with the transactions contemplated by this Agreement as if such opinion letter were addressed and delivered to them on the date thereof and (B) subject to the foregoing, such opinion letter may be relied upon only by the Initial Purchasers and their counsel in connection with the transactions contemplated by this Agreement and no other use or distribution of this opinion letter may be made without such counsel's prior written consent.

(e) The Initial Purchasers shall have received on the Closing Date an opinion of Baker Botts L.L.P., counsel for the Initial Purchasers, dated the Closing Date and addressed to the Initial Purchasers, with respect to the issuance and sale of the Securities, the issuance of the Exchange Securities, the Indenture, the Registration Rights Agreement, the Offering Memorandum and other related matters the Initial Purchasers may reasonably require.

(f) The Initial Purchasers shall have received letters addressed to the Initial Purchasers, dated, respectively, the date of this Agreement, the time of purchase and the Closing Date from PricewaterhouseCoopers LLP, independent registered public accountants, in form and substance satisfactory to the Initial Purchasers, containing statements and information of the type ordinarily included in accountants' "comfort letters" to initial purchasers, delivered according to Statement of Auditing Standards Nos. 72, 76 and 100 (or any successor bulletins), with respect to the audited and unaudited financial statements and certain financial information contained or incorporated by reference in the Preliminary Offering Memorandum, the Pricing Supplement and the Final Offering Memorandum.

(g) The Plains Parties shall not have failed at or prior to the Closing Date to have performed or complied in all material respects with any of their agreements herein contained and required to be performed or complied with by them hereunder at or prior to the Closing Date.

(h) The Plains Parties shall have furnished or caused to be furnished to you such further certificates and documents as you shall have reasonably requested.

(i) There shall have been furnished to you at the Closing Date a certificate reasonably satisfactory to you, signed on behalf of the Partnership by the President or any Vice President and the Chief Financial Officer or Chief Accounting Officer of GP LLC to the effect that: (A) the representations and warranties of each of the Partnership, the General Partner and GP LLC contained in this Agreement were true and correct at and as of the Execution Time and are true and correct at and as of the Closing Date as though made at and as of the Closing Date; (B) each of the Partnership, the General Partner and GP LLC has in all material respects performed all obligations and satisfied all conditions required to be performed or satisfied by it pursuant to the terms of this Agreement at or prior to the Closing Date; and (C) since the date of the most recent financial statements included or incorporated by reference in the Offering Memorandum (exclusive of any amendment or supplement thereto), there has been no material adverse change in the condition (financial or otherwise), business, prospects, properties, net worth or results of operations of the Partnership and the Subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business, except as set forth in or contemplated by the Offering Memorandum (exclusive of any amendment or supplement thereto).

(j) There shall have been furnished to you at the Closing Date a certificate reasonably satisfactory to you, signed on behalf of GP Inc. by the President or any Vice President of GP Inc. to the effect that: (A) the representations and warranties of each of GP Inc., Plains Marketing, Plains Pipeline, PMC LLC, Basin LLC, Basin LP, Rancho LLC and Rancho LP contained in this Agreement were true and correct at and as of the Execution Time and are true and correct at and as of the Closing Date as though made at and as of the Closing Date; (B) each of GP Inc., Plains Marketing, Plains Pipeline, PMC LLC, Basin LLC, Basin LP, Rancho LLC and Rancho LP has in all material respects performed all obligations and satisfied all conditions required to be performed or satisfied by it pursuant to the terms of this Agreement at or prior to the Closing Date; and (C)

since the date of the most recent financial statements included or incorporated by reference in the Offering Memorandum (exclusive of any amendment or supplement thereto), there has been no material adverse change in the condition (financial or otherwise), business, prospects, properties, net worth or results of operations of the Partnership and the Subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business, except as set forth in or contemplated by the Offering Memorandum (exclusive of any amendment or supplement thereto).

(k) There shall have been furnished to you at the Closing Date a certificate reasonably satisfactory to you, signed on behalf of PAA Finance by the President or any Vice President of PAA Finance to the effect that: (A) the representations and warranties of PAA Finance contained in this Agreement were true and correct at and as of the Execution Time and are true and correct at and as of the Closing Date as though made at and as of the Closing Date and (B) PAA Finance has in all material respects performed all obligations and satisfied all conditions required to be performed or satisfied by it pursuant to the terms of this Agreement at or prior to the Closing Date.

(l) There shall have been furnished to you at the Closing Date a certificate reasonably satisfactory to you, signed on behalf of PMC NS by the President or any Vice President of PMC NS to the effect that: (A) the representations and warranties of each of PMC NS and PMC LP contained in this Agreement were true and correct at and as of the Execution Time and are true and correct at and as of the Closing Date as though made at and as of the Closing Date and (B) each of PMC NS and PMC LP has in all material respects performed all obligations and satisfied all conditions required to be performed or satisfied by it pursuant to the terms of this Agreement at or prior to the Closing Date.

(m) (i) Subsequent to the date of the initial letter or letters referred to in paragraph (f) of this Section 6, there shall not have been any change or decrease specified in such letter or letters; or (ii) subsequent to the Execution Time or, if earlier, the dates as of which information is given in the Offering Memorandum (exclusive of any amendment or supplement thereto), there shall not have been any change, or any development involving a prospective change, in or affecting the condition (financial or otherwise), prospects, earnings, business or properties of the Partnership, the Subsidiaries and the Joint Venture, taken as a whole, whether or not arising from transactions in the ordinary course of business, except as set forth in or contemplated in the Preliminary Offering Memorandum (exclusive of any amendment or supplement thereto) the effect of which, in any case referred to in clause (i) or (ii) above, is, in the sole judgment of the Initial Purchasers, so material and adverse as to make it impractical or inadvisable to market the Securities as contemplated by the Offering Memorandum (exclusive of any amendment or supplement thereto).

All such opinions, certificates, letters and other documents referred to in this Section 6 will be in compliance with the provisions hereof only if they are reasonably satisfactory in form and substance to you and your counsel. The Issuers shall furnish to the Initial Purchasers conformed copies of such opinions, certificates, letters and other documents in such number as they shall reasonably request.

If any of the conditions specified in this Section 6 shall not have been fulfilled in all material respects when and as provided in this Agreement, or if any of the opinions and certificates mentioned above or elsewhere in this Agreement shall not be in all material respects reasonably satisfactory in form and substance to the Initial Purchasers and counsel for the Initial Purchasers, this Agreement and all obligations of the Initial Purchasers hereunder may be cancelled at, or at any time prior to, the Closing Date by the Initial Purchasers. Notice of such cancellation shall be given to the Issuers in writing or by telephone or facsimile confirmed in writing.

The documents required to be delivered by this Section 6 will be delivered at the office of counsel for the Partnership, at 1001 Fannin, Houston, Texas 77002, on the Closing Date.

7. Reimbursement of Expenses. If the sale of the Securities provided for herein is not consummated because any condition to the obligations of the Initial Purchasers set forth in Section 6 hereof is not satisfied, because of any termination pursuant to Section 10(i) hereof based on the suspension of trading in the Partnership's Common Units by the Commission or the NYSE or Section 10(iii) or because of any refusal, inability or failure on the part of the Issuers to perform any agreement herein or comply with any provision hereof other than by reason of a default by the Initial Purchasers, the Issuers will reimburse the Initial Purchasers on demand for all out-of-pocket expenses (including reasonable fees and disbursements of counsel) that shall have been incurred by them in connection with the proposed purchase and sale of the Securities.

8. Indemnification and Contribution. (a) Each of the Plains Parties, jointly and severally, agrees to indemnify and hold harmless each Initial Purchaser, the directors, officers, employees and agents of each Initial Purchaser and each person who controls any Initial Purchaser within the meaning of either the Act or the Exchange Act against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject under the Act, the Exchange Act or other Federal or state statutory law or regulation, at common law or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in the Preliminary Offering Memorandum, the Pricing Supplement, the Final Offering Memorandum (or in any supplement or amendment to the Final Offering Memorandum) or any other written information used by the Plains Parties in connection with the offer and sale of the Securities or any information provided by the Issuers to any holder or prospective purchaser of Securities pursuant to Section 5(h) hereof, or in any amendment thereof or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and agrees to reimburse each such indemnified party, as incurred, for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability or action; provided, however, that the Plains Parties will not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon any such untrue statement or alleged untrue statement or omission or alleged omission made in the Preliminary Offering Memorandum, the Pricing Supplement or the Final Offering Memorandum, or in any amendment thereof or supplement thereto, in reliance upon and in conformity with

written information furnished to the Issuers or GP LLC by or on behalf of the Initial Purchasers specifically for inclusion therein. This indemnity agreement will be in addition to any liability which any Plains Party may otherwise have.

(b) The Initial Purchasers, severally and not jointly, agree to indemnify and hold harmless the Plains Parties, their respective directors and the officers and each person who controls the Plains Parties within the meaning of either the Act or the Exchange Act, to the same extent as the foregoing indemnity from the Plains Parties to the Initial Purchasers, but only with reference to written information relating to the Initial Purchasers furnished to the Issuers or GP LLC by or on behalf of the Initial Purchasers specifically for inclusion in the Preliminary Offering Memorandum, the Pricing Supplement or the Final Offering Memorandum (or in any amendment or supplement to the Final Offering Memorandum). This indemnity agreement will be in addition to any liability which the Initial Purchasers may otherwise have.

(c) Promptly after receipt by an indemnified party under this Section 8 of notice of the commencement of any action, such indemnified party will, if a claim in respect thereof is to be made against the indemnifying party under this Section 8, notify the indemnifying party in writing of the commencement thereof, but the failure so to notify the indemnifying party (i) will not relieve it from liability under paragraph (a) or (b) above unless and to the extent it did not otherwise learn of such action and such failure results in the forfeiture by the indemnifying party of substantial rights and defenses; and (ii) will not, in any event, relieve the indemnifying party from any obligations to any indemnified party other than the indemnification obligation provided in paragraph (a) or (b) above. The indemnifying party shall be entitled to appoint counsel of the indemnifying party's choice at the indemnifying party's expense to represent the indemnified party in any action for which indemnification is sought (in which case the indemnifying party shall not thereafter be responsible for the fees and expenses of any separate counsel retained by the indemnified party or parties except as set forth below); provided, however, that such counsel shall be satisfactory to the indemnified party. Notwithstanding the indemnifying party's election to appoint counsel to represent the indemnified party in an action, the indemnified party shall have the right to employ separate counsel (including local counsel), and the indemnifying party shall bear the reasonable fees, costs and expenses of such separate counsel if (i) the use of counsel chosen by the indemnifying party to represent the indemnified party would present such counsel with a conflict of interest; (ii) the actual or potential defendants in, or targets of, any such action include both the indemnified party and the indemnifying party and the indemnified party shall have reasonably concluded that there may be legal defenses available to it and/or other indemnified parties which are different from or additional to those available to the indemnifying party; (iii) the indemnifying party shall not have employed counsel satisfactory to the indemnified party to represent the indemnified party within a reasonable time after notice of the institution of such action; or (iv) the indemnifying party shall authorize the indemnified party to employ separate counsel at the expense of the indemnifying party. An indemnifying party will not, without the prior written consent of the indemnified parties, settle or compromise or consent to the entry of any judgment with respect to any pending or threatened claim, action, suit or proceeding in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified parties are actual or potential parties to such claim or action) unless such settlement, compromise or consent (i) includes an unconditional release of each indemnified party from all liability arising out of such claim, action, suit or proceeding and (ii) does not include a statement

as to or an admission of fault, culpability or failure to act by or on behalf of any indemnified party.

(d) In the event that the indemnity provided in paragraph (a) or (b) of this Section 8 is unavailable to or insufficient to hold harmless an indemnified party for any reason, the Plains Parties and the Initial Purchasers agree to contribute to the aggregate losses, claims, damages and liabilities (including legal or other expenses reasonably incurred in connection with investigating or defending same) (collectively "Losses") to which the Plains Parties and the Initial Purchasers may be subject in such proportion as is appropriate to reflect the relative benefits received by the Plains Parties on the one hand and by the Initial Purchasers on the other from the offering of the Securities; provided, however, that in no case shall the Initial Purchaser be responsible for any amount in excess of the purchase discount or commission applicable to the Securities purchased by the Initial Purchaser hereunder. If the allocation provided by the immediately preceding sentence is unavailable for any reason, the Plains Parties and the Initial Purchasers shall contribute in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Plains Parties on the one hand and of the Initial Purchasers on the other in connection with the statements or omissions which resulted in such Losses, as well as any other relevant equitable considerations. Benefits received by the Plains Parties shall be deemed to be equal to the total net proceeds from the offering (before deducting expenses) received by it, and benefits received by the Initial Purchasers shall be deemed to be equal to the total purchase discounts and commissions in each case set forth on the cover of the Final Offering Memorandum. Relative fault shall be determined by reference to, among other things, whether any untrue or any alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information provided by the Plains Parties on the one hand or the Initial Purchasers on the other, the intent of the parties and their relative knowledge, information and opportunity to correct or prevent such untrue statement or omission. The Plains Parties and the Initial Purchasers agree that it would not be just and equitable if contribution were determined by pro rata allocation or any other method of allocation which does not take account of the equitable considerations referred to above. Notwithstanding the provisions of this paragraph (d), no person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. For purposes of this Section 8, each person who controls the Initial Purchasers within the meaning of either the Act or the Exchange Act and each director, officer, employee and agent of the Initial Purchasers shall have the same rights to contribution as the Initial Purchasers, and any person who controls the Plains Parties within the meaning of either the Act or the Exchange Act and the respective officers and directors of the Plains Parties shall have the same rights to contribution as the Plains Parties, subject in each case to the applicable terms and conditions of this paragraph (d).

9. Default by an Initial Purchaser. If any one or more of the Initial Purchasers shall fail or refuse to purchase Securities which it or they are obligated to purchase hereunder on the Closing Date, and the aggregate principal amount of Securities which such defaulting Initial Purchaser or Initial Purchasers are obligated but fail or refuse to purchase is not more than one tenth of the aggregate principal amount of the Securities which the Initial Purchasers are obligated to purchase on the Closing Date, each non-defaulting Initial Purchaser shall be obligated, severally, in the proportion which the principal amount of Securities set

forth opposite its name in Schedule 1 hereto bears to the aggregate principal amount of Securities set forth opposite the names of all non-defaulting Initial Purchasers, to purchase the Securities which such defaulting Initial Purchaser or Initial Purchasers are obligated, but fail or refuse, to purchase. If any one or more of the Initial Purchasers shall fail or refuse to purchase Securities which it or they are obligated to purchase on the Closing Date and the aggregate principal amount of Securities with respect to which such default occurs is more than one tenth of the aggregate principal amount of Securities which the Initial Purchasers are obligated to purchase on the Closing Date and arrangements satisfactory to the Initial Purchasers and the Issuers for the purchase of such Securities by one or more non-defaulting Initial Purchasers or other party or parties approved by the Initial Purchasers and the Issuers are not made within 36 hours after such default, this Agreement will terminate without liability on the part of any party hereto (other than any defaulting Initial Purchaser). In any such case which does not result in termination of this Agreement, either the Initial Purchasers or the Issuers shall have the right to postpone the Closing Date, but in no event for longer than seven days, in order that the required changes, if any, in the Offering Memorandum or any other documents or arrangements may be effected. Any action taken under this paragraph shall not relieve any defaulting Initial Purchaser from liability in respect of any such default of any such Initial Purchaser under this Agreement. The term "Initial Purchaser" as used in this Agreement includes, for all purposes of this Agreement, any party not listed in Schedule 1 hereto who, with the approval of the Initial Purchasers and the approval of the Issuers, purchases Securities which a defaulting Initial Purchaser is obligated, but fails or refuses, to purchase.

Any notice under this Section 9 may be made by telecopy or telephone but shall be subsequently confirmed by letter.

10. Termination of Agreement. This Agreement shall be subject to termination in your absolute discretion, without liability on the part of any of the Initial Purchasers to any Plains Party, by notice to the Issuers prior to delivery of and payment for the Securities, if at any time prior to such time (i) trading in the Partnership's Common Units shall have been suspended by the Commission or the NYSE or trading in securities generally on the New York Stock Exchange, the American Stock Exchange or the Nasdaq National Market shall have been suspended or limited or minimum prices shall have been established; (ii) a banking moratorium shall have been declared either by federal or New York or Texas state authorities or a material disruption in commercial banking or securities settlement or clearance services in the United States shall have occurred; (iii) (a) a downgrading shall have occurred in any rating accorded the Securities or any other debt securities of any Plains Parties by any "nationally recognized statistical rating organization", as that term is defined by the Commission for purposes of Rule 436(g)(2) under the Act, or (b) any such organization shall have publicly announced that it has under surveillance or review, with possible negative implications, its rating of the Securities or any other debt securities of any Plains Parties; or (iv) there shall have occurred any outbreak or escalation of hostilities or acts of terrorism, declaration by the United States of a national emergency or war or other calamity or crisis or any change in financial, political or economic conditions in the United States or elsewhere, the effect of which on financial markets is such as to make it, in the sole judgment of the Initial Purchasers, impracticable or inadvisable to proceed with the offering or delivery of the Securities as contemplated by the Offering Memorandum (exclusive of any amendment or supplement thereto). Notice of such termination may be given to the Issuers by telegram, telecopy or telephone and shall be subsequently confirmed by letter.

11. Representations and Indemnities to Survive. The respective agreements, representations, warranties, indemnities and other statements of the Plains Parties or their respective officers and of the Initial Purchasers set forth in or made pursuant to this Agreement will remain in full

force and effect, regardless of any investigation made by or on behalf of the Initial Purchasers or the Plains Parties or any of the officers, directors or controlling persons referred to in Section 8 hereof, and will survive delivery of and payment for the Securities. The provisions of Sections 7 and 8 hereof shall survive the termination or cancellation of this Agreement.

12. Notices. All communications hereunder will be in writing and effective only on receipt, and, if sent to the Initial Purchasers, will be mailed, delivered or telefaxed to Citigroup Global Markets Inc. General Counsel (fax no.: (212) 816-7912) and confirmed to the General Counsel at Citigroup Global Markets Inc., 388 Greenwich Street, New York, New York 10013, Attention: General Counsel; or, if sent to any of the Plains Parties, will be mailed, delivered or telefaxed to the Issuers at 333 Clay, Suite 1600, Houston, TX 77002, fax no.: (713) 646-4313 and confirmed to it at (713) 646-4100, attn: Tim Moore.

13. Successors. This Agreement will inure to the benefit of and be binding upon the parties hereto and their respective successors and the officers and directors and controlling persons referred to in Section 8 hereof, and, except as expressly set forth in Section 5(h) hereof, no other person will have any right or obligation hereunder.

14. Integration. This Agreement supersedes all prior agreements and understandings (whether written or oral) between the Plains Parties and the Initial Purchasers, or any of them, with respect to the subject matter hereof.

15. Applicable Law; Counterparts. This Agreement shall be governed by and construed in accordance with the laws of the State of New York applicable to contracts made and to be performed within the State of New York. This Agreement may be signed in various counterparts which together constitute one and the same instrument. If signed in counterparts, this Agreement shall not become effective unless at least one counterpart hereof shall have executed and delivered on behalf of each party hereto.

16. Headings. The Section headings used herein are for convenience only and shall not affect the construction hereof.

17. Effective Date of Agreement. This Agreement shall become effective upon the execution and delivery hereof by the parties hereto.

18. No Fiduciary Duty. The Plains Parties hereby acknowledge that (a) the purchase and sale of the Securities pursuant to this Agreement is an arm's-length commercial transaction between the Plains Parties, on the one hand, and the Initial Purchasers and any affiliate through which it may be acting, on the other, (b) the Initial Purchasers are acting as principal and not as an agent or fiduciary of the Plains Parties and (c) the Plains Parties' engagement of the Initial Purchasers in connection with the offering and the process leading up to the offering is as independent contractors and not in any other capacity. Furthermore, the Plains Parties agree that they are solely responsible for making their own judgments in

connection with the offering (irrespective of whether any of the Initial Purchasers has advised or is currently advising the Plains Parties on related or other matters). The Plains Parties agree that they will not claim that the Initial Purchasers have rendered advisory services of any nature or respect, or owe an agency, fiduciary or similar duty to the Plains Parties, in connection with such transaction or the process leading thereto.

19. Definitions. The terms which follow, when used in this Agreement, shall have the meanings indicated.

"Act" shall mean the Securities Act of 1933, as amended, and the rules and regulations of the Commission promulgated thereunder.

"Commission" shall mean the Securities and Exchange Commission.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission promulgated thereunder.

"Investment Company Act" shall mean the Investment Company Act of 1940, as amended, and the rules and regulations of the Commission promulgated thereunder.

"Regulation D" shall mean Regulation D under the Act.

"Regulation S" shall mean Regulation S under the Act.

"Trust Indenture Act" shall mean the Trust Indenture Act of 1939, as amended, and the rules and regulations of the Commission promulgated thereunder.

If the foregoing is in accordance with your understanding of our agreement, please sign and return to us the enclosed duplicate hereof, whereupon this Agreement and your acceptance shall represent a binding agreement among the Plains Parties and the Initial Purchasers.

Very truly yours,

PLAINS ALL AMERICAN PIPELINE, L.P.

By: PLAINS AAP, L.P.
its General Partner

By: PLAINS ALL AMERICAN GP LLC
its General Partner

By: /s/ Phil Kramer
Name: Phil Kramer
Title: Executive Vice President and Chief Financial Officer

PAA FINANCE CORP.

By: /s/ Phil Kramer
Name: Phil Kramer
Title: Executive Vice President and Chief Financial Officer

PLAINS AAP, L.P.

By: PLAINS ALL AMERICAN GP LLC
its General Partner

By: /s/ Phil Kramer
Name: Phil Kramer
Title: Executive Vice President and Chief Financial Officer

PLAINS ALL AMERICAN GP LLC

By: /s/ Phil Kramer
Name: Phil Kramer

Title: Executive Vice President and Chief Financial Officer

PLAINS MARKETING, L.P.

By: PLAINS MARKETING GP INC.
its General Partner

By: /s/ Phil Kramer
Name: Phil Kramer
Title: Executive Vice President and Chief Financial Officer

PLAINS PIPELINE, L.P.

By: PLAINS MARKETING GP INC.
its General Partner

By: /s/ Phil Kramer
Name: Phil Kramer
Title: Executive Vice President and Chief Financial Officer

PLAINS MARKETING GP INC.

By: /s/ Phil Kramer
Name: Phil Kramer
Title: Executive Vice President and Chief Financial Officer

PLAINS MARKETING CANADA LLC

By: PLAINS MARKETING, L.P.
its Sole Member

By: PLAINS MARKETING GP INC.
its General Partner

By: /s/ Phil Kramer
Name: Phil Kramer
Title: Executive Vice President and Chief Financial Officer

PMC (NOVA SCOTIA) COMPANY

By: /s/ Phil Kramer
Name: Phil Kramer
Title: Executive Vice President

PLAINS MARKETING CANADA, L.P.

By: PMC (NOVA SCOTIA) COMPANY
its General Partner

By: /s/ Phil Kramer
Name: Phil Kramer
Title: Executive Vice President

BASIN HOLDINGS GP LLC

By: PLAINS PIPELINE, L.P.
its Sole Member

By: PLAINS MARKETING GP INC.
its General Partner

By: /s/ Phil Kramer
Name: Phil Kramer
Title: Executive Vice President and Chief Financial Officer

BASIN PIPELINE HOLDINGS, L.P.

By: BASIN HOLDINGS GP LLC
its General Partner

By: PLAINS PIPELINE, L.P.
its Sole Member

By: PLAINS MARKETING GP INC.
its General Partner

By: /s/ Phil Kramer
Name: Phil Kramer
Title: Executive Vice President and Chief Financial Officer

RANCHO HOLDINGS GP LLC

By: PLAINS PIPELINE, L.P.
its Sole Member

By: PLAINS MARKETING GP INC.
its General Partner

By: /s/ Phil Kramer
Name: Phil Kramer

Title: Executive Vice President and Chief Financial Officer

RANCHO PIPELINE HOLDINGS, L.P.

By: RANCHO HOLDINGS GP LLC
its General Partner

By: PLAINS PIPELINE, L.P.
its Sole Member

By: PLAINS MARKETING GP INC.
its General Partner

By: /s/ Phil Kramer
Name: Phil Kramer
Title: Executive Vice President and Chief Financial Officer

PLAINS LPG SERVICES GP LLC

By: PLAINS MARKETING, L.P.
its Sole Member

By: PLAINS MARKETING GP INC.
its General Partner

By: /s/ Phil Kramer
Name: Phil Kramer
Title: Executive Vice President and Chief Financial Officer

PLAINS LPG SERVICES, L.P.

By: PLAINS LPG SERVICES GP LLC
its General Partner

By: PLAINS MARKETING, L.P.
its Sole Member

By: PLAINS MARKETING GP INC.
its General Partner

By: /s/ Phil Kramer
Name: Phil Kramer
Title: Executive Vice President and Chief Financial Officer

LONE STAR TRUCKING, LLC

By: PLAINS LPG SERVICES, L.P.
its Sole Member

By: PLAINS LPG SERVICES GP LLC
its General Partner

By: PLAINS MARKETING, L.P.
its Sole Member

By: PLAINS MARKETING GP INC.
its General Partner

By: /s/ Phil Kramer

Name: Phil Kramer
Title: Executive Vice President and Chief Financial Officer

The foregoing Agreement is hereby confirmed and accepted by the Initial Purchasers as of the date first above written.

Citigroup Global Markets Inc.
UBS Securities LLC
BNP Paribas Securities Corp.
Banc of America Securities LLC
Fortis Securities LLC
J.P. Morgan Securities Inc.
Piper Jaffray & Co.
Wachovia Capital Markets, LLC
Amegy Bank National Association
Commerzbank Capital Markets Corp.
DnB NOR Markets, Inc.
HSBC Securities (USA) Inc.
Mitsubishi UFJ Securities International plc

By: Citigroup Global Markets Inc.

By: /s/ Brian Bednarski
Name: Brian Bednarski
Title: Director

By: UBS Securities LLC

By: /s/ Scott D. Whitney
Name: Scott D. Whitney
Title: Executive Director

By: /s/ Marc J. Ordona
Name: Marc J. Ordona
Title: Director

Schedule 1

Initial Purchasers	Principal Amount of Securities to be Purchased
Citigroup Global Markets Inc.	75,000,000
UBS Securities LLC	75,000,000
BNP Paribas Securities Corp.	25,000,000
Banc of America Securities LLC	10,000,000
Fortis Securities LLC	10,000,000
J.P. Morgan Securities Inc.	10,000,000
Piper Jaffray & Co.	10,000,000
Wachovia Capital Markets, LLC	10,000,000
Amegy Bank National Association	5,000,000
Commerzbank Capital Markets Corp.	5,000,000
DnB NOR Markets, Inc.	5,000,000
HSBC Securities (USA) Inc.	5,000,000
Mitsubishi UFJ Securities International plc	5,000,000
Total	$ 250,000,000

EXHIBIT A

Form of Pricing Supplement

PRICING SUPPLEMENT DATED May 9, 2006

ISSUERS: Plains All American Pipeline, L.P. and PAA Finance Corp.

SIZE: $250mm
MATURITY/MATURITY DATE: May 15, 2036 (30 yr)
ISSUE PRICE: 99.819%
NET PROCEEDS TO ISSUERS: $246,760,000
COUPON: 6.70%
MAKE WHOLE CALL: T + 25 bp
SPREAD: 140 bp
YIELD: 6.714%
INTEREST PAYMENT DATES: May 15 and November 15
FIRST INTEREST PAYMENT: November 15, 2006
FORMAT: 144A and Regulation S
BOOKS: Citigroup, UBS Investment Bank
LD MGR: BNP Paribas
SR CO MGRS: Banc of America Securities LLC, Fortis Securities LLC, JPMorgan, Piper Jaffray, Wachovia Securities
CO MGRS: Amegy Bank National Association, Commerzbank Corporates & Markets, DnB NOR Markets, HSBC, Mitsubishi UFJ Securities
USE of PROCEEDS: Repay outstanding indebtedness under revolving credit facility
SETTLEMENT: (T+3) May 12, 2006
MARKETING: Preliminary Offering Memorandum dated May 9, 2006

The information in this Pricing Supplement supplements the Preliminary Offering Memorandum and supersedes the information in the Preliminary Offering Memorandum to the extent inconsistent with the information in the Preliminary Offering Memorandum.

The securities referred to herein have not been registered under the Securities Act of 1933 and may not be offered or sold in the United States or to US persons other than "qualified institutional buyers" as defined in Rule 144A under the Securities Act or outside the United States to non-US persons pursuant to Regulation S under the Securities Act. Nothing in this communication shall constitute an offer to sell or the solicitation of an offer to buy securities in any jurisdiction in which such offer or sale would be unlawful. Offers of these securities are made only by means of the offering memorandum. You are reminded that this notice has been delivered to you on the basis that you are a person into whose possession this notice may be lawfully delivered in accordance with the laws of jurisdiction in which you are located and you may not nor are you authorized to deliver this notice to any other person and you agree not to copy or retransmit this notice. See "Notice to Investors" in the Preliminary Offering Memorandum.

EXHIBIT B

Selling Restrictions for Offers and
Sales Outside the United States

(1)(a) The Securities have not been and will not be registered under the Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (other than a distributor) except in accordance with Regulation S under the Act or pursuant to an exemption from the registration requirements of the Act. The Initial Purchasers represent and agree that, except as otherwise permitted by Section 4(a)(i) of the Agreement to which this is an exhibit, they have not offered and sold the Securities, and will not offer and sell the Securities, (i) as part of their distribution at any time; and (ii) otherwise until 40 days after the later of the commencement of the offering and the Closing Date, except in accordance with Rule 903 of Regulation S under the Act or another exemption from the registration requirements of the Act. The Initial Purchasers represent and agree that neither they, nor any of their Affiliates nor any person acting on their behalf or on behalf of their Affiliates has engaged or will engage in any directed selling efforts with respect to the Securities, and that they and their Affiliates have complied and will comply with the offering restrictions requirement of Regulation S. The Initial Purchasers agree that, at or prior to the confirmation of sale of Securities (other than a sale of Securities pursuant to Section 4(a)(i) of the Agreement to which this is an exhibit), they shall have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Securities from them during the distribution compliance period referred to in Regulation S under the Act a confirmation or notice to substantially the following effect:

> "The Securities covered hereby have not been registered under the U.S. Securities Act of 1933 (the "Act") and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the date of the Securities were first offered to persons other than "distributors" (as defined in Regulation S under the Act) in reliance upon Regulation S under the Act and the Closing Date, except in either case in accordance with Regulation S or Rule 144A under the Act. Terms used above have the meanings given to them by Regulation S under the Act."

(b) The Initial Purchasers also represent and agree that they have not entered and will not enter into any contractual arrangement with any distributor with respect to the distribution of the Securities, except with their Affiliates or with the prior written consent of the Partnership.

(c) Terms used in this Section have the meanings given to them by Regulation S.

(2) The Initial Purchasers represent and agree that (i) they have not offered or sold and, prior to the date six months after the date of issuance of the Securities, will not offer or sell any Securities to persons in the United Kingdom except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent)

for the purposes of their businesses or otherwise in circumstances which have not resulted and will not result in an offer to the public in the United Kingdom within the meaning of the Public Offers of Securities Regulations 1995, as amended; (ii) they have complied and will comply with all applicable provisions of the Financial Services and Markets Act 2000 (the "FSMA") with respect to anything done by them in relation to the Securities in, from or otherwise involving the United Kingdom; and (iii) they have only communicated, or caused to be communicated, and will only communicate, or cause to be communicated, any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by them in connection with the issue or sale of the Securities in circumstances in which Section 21(1) of the FSMA does not apply to us.

EXHIBIT C

Form of Exhibit A to Opinions in Sections 6(a) and (d)

Entity	Jurisdiction in which registered or qualified
Plains All American Pipeline, L.P.	Texas
PAA Finance Corp.	None
Plains AAP, L.P.	Texas
Plains All American GP LLC	California, Louisiana, Oklahoma, Texas
Plains Marketing GP Inc.	California, Illinois, Louisiana, Oklahoma, Texas
Plains Marketing, L.P.	California, Illinois, Louisiana, Oklahoma
Plains Pipeline, L.P.	California, Illinois, Louisiana, Oklahoma, Texas
Plains Marketing Canada LLC	None
PMC (Nova Scotia) Company	Alberta, British Columbia, Manitoba, Ontario, Saskatchewan
Plains Marketing Canada, L.P.	Manitoba, Saskatchewan, California, Louisiana, Maryland, Michigan, North Dakota, Oklahoma, Texas
Basin Holdings GP LLC	Oklahoma, Texas
Basin Pipeline Holdings, LP	Oklahoma, Texas
Rancho Holdings GP LLC	Texas
Rancho Pipeline Holdings, L.P.	Texas
PAA/Vulcan Gas Storage, LLC	Texas
Plains LPG Services GP LLC	Illinois, Mississippi, North Dakota
Plains LPG Services, L.P.	California, Illinois, Michigan, New Hampshire, Oklahoma, Texas
Lone Star Trucking, LLC	None

Exhibit 99.1

News Release

Contacts: **Phillip D. Kramer**
Manager, Special Projects
713/646-4222 – 800/564-3036

Brad A. Thielemann
Executive Vice President and CFO
713/646-4560 – 800/564-3036

FOR IMMEDIATE RELEASE

PLAINS ALL AMERICAN COMPLETES PRIVATE PLACEMENT OF $250 MILLION OF SENIOR NOTES

(Houston – May 12, 2006) — Plains All American Pipeline, L.P. (NYSE: PAA) announced today that it has completed its previously announced private placement of $250 million of 30-year senior notes. The senior notes were issued at 99.819% of their principal amount and have a fixed-rate interest coupon of 6.70% and a maturity date of May 15, 2036. The senior notes are not registered under the Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

The proceeds from the offering, net of initial purchasers' discounts and offering expenses, totaled approximately $246.8 million.. Proceeds were used to repay amounts outstanding under its revolving credit facilities and for general partnership purposes.

This news release does not constitute an offer to sell or a solicitation of an offer to buy the securities described herein, nor shall there be any sale of these securities in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any jurisdiction.

Plains All American Pipeline, L.P. is engaged in interstate and intrastate crude oil transportation, and crude oil gathering, marketing, terminalling and storage, as well as the marketing and storage of liquefied petroleum gas and other petroleum products, in the United States and Canada. Through its 50% equity interest in PAA/Vulcan Gas Storage, LLC, the Partnership is also engaged in the development and operation of natural gas storage facilities. The Partnership's common units are traded on the New York Stock Exchange under the symbol "PAA". The Partnership is headquartered in Houston, Texas.

Except for the historical information contained herein, the matters discussed in this news release are forward-looking statements that involve certain risks and uncertainties. These risks and uncertainties include, among other things, fluctuations in the capital markets and other factors and uncertainties inherent in the transportation, gathering, marketing, terminalling and storage of crude oil. More information regarding such risks and uncertainties may be found in the Partnership's most recent Form 10-K, Form 10-Q and Forms 8-K filed with the Securities and Exchange Commission.

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