



PLAINS
ALL AMERICAN
PIPELINE, L.P.

News Release

Contact: Phillip D. Kramer
Executive Vice President and CFO
713/654-1414 or 800/934-6083

FOR IMMEDIATE RELEASE

Plains All American Pipeline, L.P. Obtains \$700 Million In New Credit Facilities

(Houston – May 9, 2000) Plains All American Pipeline, L.P. (NYSE:PAA) today announced it had secured two new credit facilities totaling \$700 million with a group of lenders. FleetBoston Robertson Stephens, Inc. acted as exclusive arranger and Fleet National Bank is the Administrative Agent for both facilities. Other top tier lenders include Bank of America, First Union, Bank One, Paribas, MeesPierson and U.S. Bank.

The first facility consists of a \$400 million Revolving Credit Facility which matures in April 2004. Draws under this facility will be used to refinance all existing bank debt of Plains All American's subsidiary partnerships and limited liability companies, excluding qualified amounts borrowed for crude oil inventory. In addition, borrowings under the new facility will be used to repay up to \$114 million (plus accrued interest) due to Plains Resources Inc. (AMEX:PLX).

The second facility consists of a \$300 million Letter of Credit and Hedged Inventory Credit Facility which matures in April 2003. The total amount of this facility is available for letters of credit to support the purchase of crude oil, subject to a borrowing base. In addition, the facility contains a \$100 million sublimit for crude oil inventory borrowings. This facility replaces existing facilities used by the Partnership to secure the purchase of crude oil.

"These new facilities provide Plains All American with significant working capital availability, as well as flexibility for both internal and external growth opportunities," said Phil Kramer, Executive Vice President and Chief Financial Officer for Plains All American Inc., the Partnership's General Partner. "Giving effect to the repayment of existing debt and closing costs, the Partnership should have approximately \$260 million outstanding on its revolving credit facility. Accordingly, Plains All American will have approximately \$140 million of additional borrowing capacity for acquisitions, capital expansion projects and general working capital purposes. In addition, the capacity available under the letter of credit facility should enable Plains All American to absorb additional acquisitions of other midstream assets and entities."

Kramer also noted that these facilities enabled the Partnership to consolidate and simplify the organizational structure of its operating partnerships and limited liability subsidiaries. "In

-- MORE --

addition to realizing administrative savings, such actions should enable us to reduce the amount of letters of credit required to support certain of our gathering and marketing activities by putting the full credit of the Partnership behind each commitment.”

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, demand for various grades of crude oil and resulting changes in pricing conditions, availability of third party production volumes for transportation and marketing, regulatory changes, the availability of acquisition opportunities on terms favorable to the Partnership, the availability to Plains All American of credit on satisfactory terms, and other factors and uncertainties inherent in the marketing, transportation, terminalling, gathering and storage of crude oil discussed in the Partnership’s filings with the Securities and Exchange Commission.

Plains All American Pipeline, L.P. is engaged in interstate and intrastate crude oil transportation, terminalling and storage, as well as crude oil gathering and marketing activities, primarily in California, Texas, Oklahoma, Louisiana and the Gulf of Mexico. Plains All American Inc., a wholly owned subsidiary of Plains Resources Inc., holds an effective 54% interest in the Partnership and serves as its General Partner. The Partnership’s common units are traded on the New York Stock Exchange under the symbol “PAA”. Plains Resources Inc.’s common shares are traded on the American Stock Exchange under the symbol “PLX”. The Partnership is headquartered in Houston, Texas.

###