



**PLAINS**  
ALL AMERICAN  
PIPELINE, L.P.

**News Release**

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**FOR IMMEDIATE RELEASE**

**PLAINS ALL AMERICAN PIPELINE, L.P. DECLARES  
INCREASED DISTRIBUTION ON COMMON AND  
SUBORDINATED UNITS**

(Houston – July 24, 2001) Plains All American Pipeline, L.P. (NYSE: PAA) today announced a cash distribution of \$0.50 per unit on its outstanding Common Units, Class B Common Units and Subordinated Units. The distribution will be payable on August 14, 2001, to holders of record of such units at the close of business on August 3, 2001. The distribution represents a \$0.025 per unit increase over the previous quarter's distribution and effectively increases the annual distribution rate by \$0.10 per unit to \$2.00 per unit.

Greg L. Armstrong, Chairman and CEO of Plains All American, said, "We have been extremely active since we declared our last distribution in April and are pleased to report substantial progress in the execution of our business plan. Major milestones achieved during the period include:

- Assembling an investor group which, together with management, acquired majority control of Plains All American's general partner from Plains Resources Inc.,
- Consummating two strategic and accretive acquisitions for approximately \$200 million and thereby establishing the foundation for further expansion in Canada,
- Raising approximately \$100 million of equity capital to reduce our debt level and strengthen the balance sheet for future growth through acquisitions,
- Obtaining a significant credit upgrade from both S&P and Moody's, which increased Plains All American's senior implied debt rating to BB+ and Ba2, respectively, and
- Launching a 35% expansion of our Cushing Terminal.

"As a result of these activities and operating performance in line with our expectations, we are increasing the Partnership's quarterly distribution to \$0.50 per unit. We are currently devoting significant management attention to integrating the recent acquisitions, as well as evaluating and pursuing additional acquisition opportunities. Prudent, aggressive growth of the Partnership's distribution level is our number one priority."

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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, successful third party drilling efforts and completion of announced oil-sands projects, availability of third party production volumes for transportation and marketing, regulatory changes, the availability of acquisition opportunities on terms favorable to the Partnership, fluctuations in the capital markets and the availability to Plains All American of credit on satisfactory terms, successful integration and future performance of assets acquired, unanticipated shortages or cost increases in materials and skilled labor, weather interference, 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 Texas, California, Oklahoma, Louisiana and the Gulf of Mexico and the Canadian Provinces of Alberta and Saskatchewan. The Partnership's common units are traded on the New York Stock Exchange under the symbol "PAA." The Partnership is headquartered in Houston, Texas.

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