



## News Release

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### **FOR IMMEDIATE RELEASE**

## **Plains All American Pipeline to Acquire Wapella Pipeline System**

(Houston – October 8, 2001) Plains All American Pipeline, L.P. (NYSE: PAA) announced today that Plains Marketing Canada, L.P., its wholly owned subsidiary, has entered into an agreement to acquire the Wapella Pipeline System from private investors for approximately US\$13.0 million, including transaction costs. The transaction is subject to certain regulatory approvals and other customary closing conditions and is expected to close in approximately 45 to 60 days.

“The acquisition of the Wapella Pipeline System is consistent with our goal to expand our Canadian operations by acquiring assets which complement our existing operations,” commented Harry Pefanis, President and Chief Operating Officer of Plains All American. “We expect this transaction to be accretive to earnings per unit and cash flow per unit, generating an annual 15% – 20% return on capital.”

David Duckett, Executive Vice President of Plains Marketing Canada, L.P., added, “We believe there are synergies that can be achieved by integrating the Wapella assets with our existing operations. In addition, we continue to evaluate further consolidation opportunities in the Canadian midstream sector.”

The Wapella Pipeline System is located in southeastern Saskatchewan and southwestern Manitoba and currently delivers approximately 11,000 barrels per day of crude oil to the Enbridge Pipeline at Cromer, Manitoba. The acquisition also includes approximately 21,500 barrels of crude oil storage capacity located along the system as well as a truck terminal.

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, successful integration and future performance of assets acquired, availability of third party production volumes for transportation and marketing, demand for various grades of crude oil and resulting changes in pricing conditions, successful third party drilling efforts, regulatory changes, the availability of acquisition opportunities on

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terms favorable to the Partnership, 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, 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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