PACIFIC ENERGY PARTNERS LP

Form 4

March 23, 2005

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB

OMB APPROVAL

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obligations may continue. See Instruction

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section

30(h) of the Investment Company Act of 1940

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * LEHMAN BROTHERS

HOLDINGS INC

2. Issuer Name and Ticker or Trading Symbol

PACIFIC ENERGY PARTNERS LP

(Check all applicable)

5. Relationship of Reporting Person(s) to

[PPX]

(Last) (First) (Middle)

(Month/Day/Year)

3. Date of Earliest Transaction

Director 10% Owner X_ Other (specify Officer (give title

below) 03/21/2005

below) See remark below

(Street) 4. If Amendment, Date Original

Filed(Month/Day/Year) Applicable Line)

X Form filed by One Reporting Person Form filed by More than One Reporting

6. Individual or Joint/Group Filing(Check

Person

Issuer

NEW YORK, NY 10019

745 SEVENTH AVENUE

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of 2. Transaction Date 2A. Deemed Security (Month/Day/Year) (Instr. 3)

Execution Date, if

(Month/Day/Year)

3. 4. Securities TransactionAcquired (A) or Code Disposed of (D) (Instr. 3, 4 and 5) (Instr. 8)

5. Amount of Securities Beneficially Owned Following

6. Ownership 7. Nature of Form: Direct Indirect (D) or Indirect Beneficial Ownership (I) (Instr. 4) (Instr. 4)

Reported (A) Transaction(s) (Instr. 3 and 4)

Code V Amount (D) Price

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of	2.	3. Transaction Date	3A. Deemed	4.	5. Number of	6. Date Exercisable and	7. Title and Amount
Derivative	Conversion	(Month/Day/Year)	Execution Date, if	TransactionDerivative		Expiration Date	Underlying Securitie
Security	or Exercise		any	Code	Securities	(Month/Day/Year)	(Instr. 3 and 4)

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(Instr. 3)	Price of Derivative Security		(Month/Day/Year)	(Instr. 8)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)				
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	A N Sl
Subordinated Units Representing Limited Partner Interests	Ш	03/21/2005		S	1,013,501	<u>(2)</u>	<u>(3)</u>	Common Units Representing Limited Partner Interests	1
Subordinated Units Representing Limited Partner Interests	<u>(1)</u>	03/21/2005		S	1,013,501	<u>(6)</u>	(3)	Common Units Representing Limited Partner Interests	1
Subordinated Units Representing Limited Partner Interests	<u>(1)</u>	03/21/2005		S	2,027,002	<u>(7)</u>	(3)	Common Units Representing Limited Partner Interests	2

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

LEHMAN BROTHERS HOLDINGS INC

745 SEVENTH AVENUE

NEW YORK, NY 10019

See remark below

Signatures

/s/ Barrett S. DiPaolo, Vice President and Authorized

Signatory 03/23/2005

**Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- **(1)** 1-for-1
- The Subordinated Units are convertible into Common Units of the Issuer immediately after the distribution of available cash to partners in respect of any quarter ending on or after June 30, 2005, assuming certain financial tests in the Issuer's partnership agreement have been satisfied

(3) None.

Reporting Owners 2

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- On March 21, 2005, LB I Group Inc., a subsidiary of the Reporting Person, sold 38.7% of the limited partner interests in LB Pacific, LP which directly owns the Subordinated Units. LB I Group Inc. also sold 38.7% of the membership interests in LB Pacific GP, LLC, which owns the .1% general partner interest in LB Pacific, LP. The allocation of a portion of the aggregate purchase price to the Subordinated Units was determined by agreement of the parties based on relative fair market values.
- (5) The Subordinated Units are held by LB Pacific, LP. See Remark (1).
- The Subordinated Units are convertible into Common Units of the Issuer immediately after the distribution of available cash to partners in respect of any quarter ending on or after June 30, 2006, assuming certain financial tests in the Issuer's partnership agreement have been satisfied.
- The Subordinated Units are convertible into Common Units of the Issuer immediately after the distribution of available cash to partners in respect of any quarter ending on or after June 30, 2007, assuming certain financial tests in the Issuer's partnership agreement have been satisfied.

Remarks:

Remark (1) - This form is a joint filing with the following affiliates of the Reporting Person: Lehman Brothers Inc., a Delawar Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.