PAA NATURAL GAS STORAGE LP
Form 3
April 29, 2010

FORM 3

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

OMB APPROVAL

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INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

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

(Print or Type Responses)

1. Name and Address of Reporting Person *
Â Plains All American GP LLC
(Last) (First) (Middle)

333 CLAY STREET, SUITE 1600
(Street)

HOUSTON,Â TXÂ 77002
(City) (State) (Zip)

2. Date of Event Requiring Statement (Month/Day/Year)
04/29/2010

3. Issuer Name **and** Ticker or Trading Symbol
PAA NATURAL GAS STORAGE LP [PNG]

4. Relationship of Reporting Person(s) to Issuer
(Check all applicable)
_____ Director
_____ Officer (give title below)
__X__ 10% Owner
_____ Other (specify below)

5. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
___ Form filed by One Reporting Person
_X_ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Beneficially Owned

1.Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Units	0 (1) (2) (3)	I	See Note (1)

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

SEC 1473 (7-02)

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Table II - Derivative Securities Beneficially Owned (*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)	3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)	4. Conversion or Exercise Price of Derivative Security	5. Ownership Form of Derivative Security: Direct (D)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
		Title			

	Date Exercisable	Expiration Date		Amount or Number of Shares		or Indirect (I) (Instr. 5)	
Series A Subordinated Units	Â (4)	Â (4)	Common Units	0 (1) (2) (3)	$ 0 (4)	I	See Note (1)
Series B Subordinated Units	Â (4)	Â (4)	Common Units	0 (1) (2) (3)	$ 0 (4)	I	See Note (1)

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Plains All American GP LLC 333 CLAY STREET, SUITE 1600 HOUSTON,Â TXÂ 77002	Â	Â X	Â	Â
Plains AAP, L.P. 333 CLAY STREET, SUITE 1600 HOUSTON,Â TXÂ 77002	Â	Â X	Â	Â
PAA GP LLC 333 CLAY STREET, SUITE 1600 HOUSTON,Â TXÂ 77002	Â	Â X	Â	Â
PLAINS ALL AMERICAN PIPELINE LP 333 CLAY STREET, SUITE 1600 HOUSTON,Â TXÂ 77002	Â	Â X	Â	Â

Signatures

/s/ Tim Moore, Vice President	04/29/2010
**Signature of Reporting Person	Date

Explanation of Responses:

*	If the form is filed by more than one reporting person, *see* Instruction 5(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)	As of April 29, 2010, (i) Plains All American Pipeline, L.P. ("PAA") owns a 98% limited partner interest in the Issuer, (ii) PAA GP LLC is the general partner of PAA, (iii) Plains AAP, L.P. owns all of the membership interests in PAA GP LLC, and (iv) Plains All American GP LLC is the general partner of Plains AAP, L.P. Accordingly, PAA GP LLC, Plains AAP, L.P. and Plains All American GP LLC may be deemed to be indirect beneficial owners of any securities held by PAA.
(2)	Immediately following the closing of the initial public offering of the Issuer's Common Units (the "Offering") and in exchange for the contribution of certain assets to the Issuer by PAA and certain of its affiliates, PAA will own 20,084,529 Common Units, 13,934,351 Series A Subordinated Units and 11,500,000 Series B Subordinated Units, representing an 80.8% limited partner interest.
(3)	In connection with the Offering, the Issuer will grant to the underwriters a 30-day option to purchase up to an additional 1,500,000 Common Units ("Over-Allotment Units"), which will be issued to such underwriters upon an exercise of such option, if any. If the underwriters do not exercise their option, all of the Over-Allotment Units will be issued to PAA. If the underwriters exercise their option for less than all of the Over-Allotment Units, the remaining Over-Allotment Units not purchased by the underwriters will be issued to PAA.

(4) The Series A Subordinated Units will convert into Common Units on a one-for one basis at the end of the subordination period described in the Issuer's Registration Statement on Form S-1 (333-164492). The Series B Subordinated Units will convert into Series A Subordinated Units on a one-for-one basis upon satisfaction of certain operational and financial conditions described in the Issuer's Registration Statement (or directly into Common Units on a one-for-one basis if the subordination period has already ended at the time such operational and financial conditions are satisfied). The Series A Subordinated Units have no expiration date. The Series B Subordinated Units that remain outstanding as of December 31, 2018 will automatically be cancelled.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *See* Instruction 6 for procedure.
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