

LB I GROUP INC  
Form 4/A  
June 06, 2006

**FORM 4**

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

Check this box  
if no longer  
subject to  
Section 16.  
Form 4 or  
Form 5  
obligations  
may continue.  
See Instruction  
1(b).

**STATEMENT OF CHANGES IN 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

## OMB APPROVAL

OMB  
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(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**LEHMAN BROTHERS  
HOLDINGS INC**

(Last) (First) (Middle)

745 SEVENTH AVENUE

(Street)

NEW YORK, NY 10019

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading  
Symbol

**PACIFIC ENERGY PARTNERS LP  
[PPX]**

3. Date of Earliest Transaction  
(Month/Day/Year)

03/21/2005

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

03/23/2005

5. Relationship of Reporting Person(s) to  
Issuer

(Check all applicable)

\_\_\_\_ Director \_\_\_\_ 10% Owner  
\_\_\_\_ Officer (give title \_\_\_\_X\_\_\_\_ Other (specify  
below) below)

See Remark (1).

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 Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
				(A) or (D)			
			Code	V	Amount		Price

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

**Persons who respond to the collection of  
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number.**

SEC 1474  
(9-02)

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

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

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(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8) Code	(Instr. 3, 4, and 5) V (A) (D)	Date Exercisable	Expiration Date	Title
Subordinated Units Representing Limited Partner Interests	<u>(1)</u>	03/21/2005	<u>S</u> <sup>(2)</sup>		786,705 <u>(3)</u>	<u>(4)</u> <u>(5)</u>	Common Units Representi Limited Partner Interests
Subordinated Units Representing Limited Partner Interests	<u>(1)</u>	03/21/2005	<u>S</u> <sup>(2)</sup>		786,705 <u>(3)</u>	<u>(9)</u> <u>(5)</u>	Common Units Representi Limited Partner Interests
Subordinated Units Representing Limited Partner Interests	<u>(1)</u>	03/21/2005	<u>S</u> <sup>(2)</sup>		1,573,409 <u>(3)</u>	<u>(10)</u> <u>(5)</u>	Common Units Representi Limited Partner Interests
Subordinated Units Representing Limited Partner Interests	<u>(1)</u>	03/21/2005 <sup>(11)</sup>	<u>J</u> <sup>(12)</sup>		226,864 <u>(13)</u>	<u>(4)</u> <u>(5)</u>	Common Units Representi Limited Partner Interests
Subordinated Units Representing Limited Partner Interests	<u>(1)</u>	03/21/2005 <sup>(11)</sup>	<u>J</u> <sup>(12)</sup>		226,864 <u>(13)</u>	<u>(9)</u> <u>(5)</u>	Common Units Representi Limited Partner Interests
Subordinated Units Representing Limited Partner Interests	<u>(1)</u>	03/21/2005 <sup>(11)</sup>	<u>J</u> <sup>(12)</sup>		453,727 <u>(13)</u>	<u>(10)</u> <u>(5)</u>	Common Units Representi Limited Partner Interests
Subordinated Units Representing Limited Partner Interests	<u>(1)</u>	03/21/2005 <sup>(11)</sup>	<u>J</u> <sup>(12)</sup>	226,864 <u>(13)</u>		<u>(4)</u> <u>(5)</u>	Common Units Representi Limited Partner Interests

Subordinated Units							Common Units
Representing Limited Partner Interests	<u>(1)</u>	03/21/2005 <sup>(11)</sup>	J <sup>(12)</sup>	226,864 <sup>(13)</sup>	<u>(9)</u>	<u>(5)</u>	Representing Limited Partner Interests
Subordinated Units							Common Units
Representing Limited Partner Interests	<u>(1)</u>	03/21/2005 <sup>(11)</sup>	J <sup>(12)</sup>	453,727 <sup>(13)</sup>	<u>(10)</u>	<u>(5)</u>	Representing Limited Partner Interests

## 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 (1).
LEHMAN BROTHERS INC// 745 SEVENTH AVENUE NEW YORK, NY 10019				See Remark (1).
LB I GROUP INC 745 SEVENTH AVENUE NEW YORK, NY 10019				See Remark (1).
Lehman Brothers Merchant Banking Associates III LP 745 SEVENTH AVENUE NEW YORK, NY 10019				See Remark (1).
Lehman Brothers Merchant Banking Associates III LLC 745 SEVENTH AVENUE NEW YORK, NY 10019				See Remark (1).

## Signatures

Ashvin Rao, Authorized Signatory of Lehman Brothers Holdings, Inc.	06/06/2006
_____ **Signature of Reporting Person	Date
Ashvin Rao, Authorized Signatory of Lehman Brothers, Inc.	06/06/2006
_____ **Signature of Reporting Person	Date
Ashvin Rao, Authorized Signatory of LB I Group Inc.	06/06/2006
_____ **Signature of Reporting Person	Date
Ashvin Rao, Authorized Signatory of Lehman Brothers Merchant Banking Associates III L.L.C.	06/06/2006
_____ **Signature of Reporting Person	Date
	06/06/2006

Ashvin Rao, Authorized Signatory of Lehman Brothers Merchant Banking Associates III L.L.C., general partner of Lehman Brothers Merchant Banking Associates III, L.P.

\_\_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
- On March 21, 2005, LB I Group Inc. sold approximately 30.1% of the ownership interest in each of LB Pacific GP, LLC and LB Pacific LP to a third party. The transaction reported is the indirect disposition by LB I Group Inc. of the Subordinated Units by virtue of the allocations of equity interests in LB Pacific GP, LLC and LP Pacific LP. The number of Subordinated Units shown as disposed of is based on applying the decrease in proportionate interest of LB I Group Inc. in LB Pacific LP, directly and indirectly through LB Pacific GP, LLC, to the number of Subordinated Units held by LB Pacific LP.
- (2)
- As a result of the transaction described in footnote 2, LB I Group Inc., Lehman Brothers Holdings Inc. and Lehman Brothers Inc. each may be deemed to have disposed of, indirect beneficial ownership of 786,705 Subordinated Units that are convertible on or after June 30, 2005, 786,705 Subordinated Units that are convertible on or after June 30, 2006, and 1,573,409 Subordinated Units that are convertible on or after June 30, 2007.
- (3)
- These 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.
- (4)
- None.
- (5)
- The allocation of a portion of the aggregate purchase price for the equity interests in LB Pacific LP and LB Pacific GP, LLC to the Subordinated Units was determined based on fair market values.
- (6)
- Each of Lehman Brothers Inc., LB I Group Inc. and Lehman Brothers Holdings Inc. may be deemed to beneficially own all of these Subordinated Units, each of which is based on the indirect proportionate interest of such reporting person, following the reported transactions, in such Subordinated Units by virtue of its direct and indirect equity interest in LB Pacific LP.
- (7)
- The Subordinated Units are held by LB Pacific, LP, which also owns all of the 2% general partner interest in the Issuer. The Subordinated Units may be deemed to be beneficially owned by LB I Group Inc., Lehman Brothers Holdings Inc. and Lehman Brothers Inc. However, LB Pacific GP LLC disclaims beneficial ownership of the Subordinated Units except to the extent of its pecuniary interest therein. See Remark (1). The numbers of Subordinated Units beneficially owned by the reporting persons, as reported herein, is based on the reporting person's indirect proportionate interest, following the transactions reported herein, in the Subordinated Units held by LB Pacific LP.
- (8)
- These 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.
- (9)
- These 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.
- (10)
- The transaction date shown is the date on which the allocations to funds managed by the fund manager reporting persons as described in footnote 12 were closed. The effect of the allocations is that the investment funds acquired directly beneficial ownership of limited partnership interests in LB Pacific, LP and membership interests in LB Pacific GP, LLC, and indirectly beneficial ownership of the Subordinated Units, on a basis economically equivalent to a purchase on March 3, 2005 at the same price paid by LB I Group Inc. on March 3, 2005 for the interests in LB Pacific, LP and LB Pacific GP, LLC. Accordingly, the purchasing funds separately compensated LB I Group Inc. for the financing costs attributable to the time period between March 3, 2005 and the applicable transaction date.
- (11)
- On March 21, 2005, LB I Group Inc. allocated approximately 8.7% of the ownership interest in each of LB Pacific GP, LLC and LB Pacific LP to a fund managed by Lehman Brothers Merchant Banking Associates III L.P. The transaction reported is the indirect disposition by LB I Group Inc. and the indirect acquisition by the fund of the Subordinated Units by virtue of the allocations of equity interests in LB Pacific GP, LLC and LP Pacific LP. The number of Subordinated Units shown as disposed of is based on applying the decrease in proportionate interest of LB I Group Inc. in LB Pacific LP, directly and indirectly through LB Pacific GP, LLC, to the number of Subordinated Units held by LB Pacific LP.
- (12)
- (13)

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As a result of the transaction described in footnote 12, Lehman Brothers Merchant Banking Associates III L.P. and Lehman Brothers Merchant Banking Associates III LLC each may be deemed to have acquired, and LB I Group Inc. and Lehman Brothers Inc. each may be deemed to have disposed of, indirect beneficial ownership of 226,864 Subordinated Units that are convertible on or after June 30, 2005, 226,864 Subordinated Units that are convertible on or after June 30, 2006, and 453,727 Subordinated Units that are convertible on or after June 30, 2007.

- (14) The aggregate purchase price paid by the purchasing investment funds managed by Lehman Brothers Merchant Banking Associates III L.P. for the equity interests in LB Pacific, LP and LB Pacific GP, LLC was \$15,500,000, plus \$33,933 for financing costs, and an allocation of a portion of the aggregate purchase price to the Subordinated Unit based on estimates of the relative fair market values of assets results in a price of \$29.10 per Subordinated Unit that is convertible on or after June 30, 2006 (or \$29.13 per Unit including financing costs), \$27.60 per Subordinated Unit that is convertible on or after June 30, 2006 (or \$27.63 per Unit including financing costs), and \$26.70 per Subordinated Unit that is convertible on or after June 30, 2007 (or \$26.73 per Unit including financing costs).

- (15) Each of Lehman Brothers Inc. and LB I Group Inc. may be deemed to beneficially own 1,602,682 of these Subordinated Units; Lehman Brothers Holdings Inc. may be deemed to beneficially own all of these Subordinated Units; and Lehman Brothers Merchant Banking Associates III L.P. and Lehman Brothers Merchant Banking Associates III LLC each may each be deemed to beneficially own 226,864 of these Subordinated Units, each of which is based on the indirect proportionate interest of such reporting person, following the reported transactions, in such Subordinated Units by virtue of its direct and indirect equity interest in LB Pacific LP.

- (16) Each of Lehman Brothers Inc. and LB I Group Inc. may be deemed to beneficially own 3,205,364 of these Subordinated Units; Lehman Brothers Holdings Inc. may be deemed to beneficially own all of these Subordinated Units; and Lehman Brothers Merchant Banking Associates III L.P. and Lehman Brothers Merchant Banking Associates III LLC each may each be deemed to beneficially own 453,727 of these Subordinated Units, each of which is based on the indirect proportionate interest of such reporting person, following the reported transactions, in such Subordinated Units by virtue of its direct and indirect equity interest in LB Pacific LP.

### Remarks:

Remark (1) - This amendment has been filed to add the filing codes for all of the joint filers listed herein other than Lehman B

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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