

NuStar, Valero Agree to South Texas Pipeline Projects Aimed at Increasing Transportation of Eagle Ford and Other Crude Sources

September 7, 2011

SAN ANTONIO, Sep 07, 2011 (BUSINESS WIRE) -- NuStar Energy L.P. (NYSE: NS) announced today that the company has entered into an agreement with Valero Energy Corporation (NYSE: VLO) in which NuStar will modify existing sections within its South Texas pipeline system and build new sections to transport Eagle Ford and other crude oils. These projects will help Valero improve transportation of crude and condensate to supply its refineries in Three Rivers, Texas and Corpus Christi, Texas.

NuStar will reverse an eight-inch refined products pipeline that currently runs from Corpus Christi to Three Rivers and will convert it to crude oil service. The pipeline will provide capacity to transport Eagle Ford crude and condensate to Valero's Corpus Christi refinery, and the line is expected to be in full service by the end of September 2011.

NuStar will also build 55 miles of new 12-inch pipeline that will connect to existing pipeline segments to move crude oil from Corpus Christi to Valero's Three Rivers refinery. This system is expected to be completed and in service by the second quarter of 2012.

"These projects are an important part of our ongoing strategy to increase our customers' ability to move crude in South Texas," said Curt Anastasio, president and CEO of NuStar. "With the growing production from the Eagle Ford region, NuStar is in the unique position to provide Valero and our other customers with quick transportation solutions given the fact that we have hundreds of miles of existing pipeline running from that region into Corpus Christi, where it can be refined or transported to other locations."

About NuStar

NuStar Energy L.P. is a publicly traded, limited partnership based in San Antonio, with 8,417 miles of pipeline; 90 terminal and storage facilities that store and distribute crude oil, refined products and specialty liquids; and two asphalt refineries and a fuels refinery with a combined throughput capacity of 118,500 barrels per day. The partnership's combined system has over 94 million barrels of storage capacity. One of the largest asphalt refiners and marketers in the U.S. and the second largest independent liquids terminal operator in the nation, NuStar has operations in the United States, Canada, Mexico, the Netherlands, including St. Eustatius in the Caribbean, the United Kingdom and Turkey. For more information, visit NuStar Energy L.P.'s Web site at <http://www.nustarenergy.com>.

About Valero

Valero Energy Corporation, through its subsidiaries, is an international manufacturer and marketer of transportation fuels, other petrochemical products and power. Valero assets include 15 petroleum refineries with a combined throughput capacity of approximately 2.9 million barrels per day, 10 ethanol plants with a combined production capacity of 1.2 billion gallons per year, and a 50-megawatt wind farm. Valero is also one of the largest retail operators with approximately 6,800 retail and branded wholesale outlets under the Valero, Diamond Shamrock, Shamrock and Beacon brands in the United States and the Caribbean; Ultramar in Canada; and Texaco in the United Kingdom and Ireland. Based in San Antonio, Valero is a Fortune 500 company with approximately 20,000 employees. Please visit <http://www.valero.com> for more information.

SOURCE: NuStar Energy L.P.

NuStar Energy

Mary Rose Brown, 210-918-2314

maryrose.brown@nustarenergy.com