



NuStar Energy L.P. Announces Binding Open Season for Proposed Niobrara Falls Project

October 15, 2012

Shippers to Have Option to Access Both Cushing and Gulf Coast Markets as Well as Multiple Refineries along Proposed Pipeline Route

SAN ANTONIO--(BUSINESS WIRE)--Oct. 15, 2012-- NuStar Energy L.P. (NYSE: NS) announced today the launch of a Binding Open Season by its affiliate, NuStar Logistics, L.P. ("NuStar"), to assess shipper interest in firm priority space to transport crude petroleum from the Niobrara Shale near Platteville and Watkins, Colorado to Wichita Falls, Texas (the "Niobrara Falls Project"). The Niobrara Falls Project would also have the capability to transport Permian and Granite Wash crude petroleum delivered into NuStar's Dixon, Texas Tank Farm for delivery to the various destinations. The Niobrara Falls Project would allow shippers the option to supply various refineries along the pipeline routes, including Suncor Energy's Denver, Colorado refinery; Valero Energy's McKee, Texas and Ardmore, Oklahoma refineries; and WRB's refinery in Borger, Texas. In addition, it is expected that at Wichita Falls, Texas, shippers would have the option to access the Nederland/Beaumont, Texas markets and/or the Cushing hub via third-party pipelines.

Proposed Niobrara Falls Project

The proposed Niobrara Falls Project would include construction of new crude petroleum pipelines from gathering locations in the Niobrara Shale near Platteville, Colorado and near Watkins, Colorado to a tie-in point on NuStar's existing 10" McKee, Texas to Denver, Colorado petroleum products pipeline (the "NuStar Colorado 10" Pipeline"). The NuStar Colorado 10" Pipeline would be converted to crude oil service, reversed and connected with NuStar's existing 14" Wichita Falls, Texas to McKee, Texas crude oil pipeline (the "NuStar Wichita Falls 14" Pipeline"), which would also be reversed. The NuStar Colorado 10" Pipeline would have an approximate capacity of 70,000 to 75,000 barrels per day, and the NuStar Wichita Falls 14" Pipeline would have an approximate capacity of 125,000 to 130,000 barrels per day. Shippers would have the option to contract for storage at the origin points near Platteville and Watkins, Colorado. Subject to sufficient commitments from shippers, necessary permits, regulatory and internal approvals, the reversed NuStar Wichita Falls 14" Pipeline portion of the Niobrara Falls Project is expected to begin service on or about April 1, 2013, with full Niobrara Falls Project service expected to begin around the 1st quarter of 2014.

Access to Gulf Coast and Cushing Markets

It is expected that the proposed Niobrara Falls Project would connect to the Sunoco Logistics Partners, L.P. Permian Express Phase I project at Wichita Falls, Texas and to the Basin System at Wichita Falls, Texas for further continuous pipeline service to the Nederland/Beaumont, Texas markets and/or the Cushing hub.

Binding Open Season

The Niobrara Falls Project Binding Open Season will commence on October 15, 2012 and will end at noon CT on November 15, 2012. Subject to the terms of the Binding Open Season documents, firm priority space would be available to shippers making long-term volume commitments during the Binding Open Season. Commitment terms of five, seven or ten years would be available. The Notice of Binding Open Season is available on the Web site of NuStar Energy L.P. at www.nustarenergy.com/Customers/Pages/NuStarOpenSeason.aspx. Bona fide potential shippers that would like to receive copies of the open season documents, including the throughput and deficiency agreement, are required to execute a confidentiality agreement (the "CA") in the form available at www.nustarenergy.com/Customers/Pages/NuStarOpenSeason.aspx. To execute the CA, a potential shipper must insert its name, jurisdiction of incorporation or formation, contact information, and submit an executed copy signed by a duly authorized representative of the shipper to: niobrarafallsoptions@nustarenergy.com. CAs that have been altered or amended in any way (other than by inserting the requested information delineated above) will not be accepted by NuStar.

More information about the Binding Open Season is available by contacting: NuStar Energy L.P., Patrick Eureka, Vice President Business Development, 210-918-2134 or niobrarafallsoptions@nustarenergy.com.

NuStar Energy L.P., a publicly traded master limited partnership based in San Antonio, is one of the largest independent liquids terminal and pipeline operators in the nation. NuStar currently has 8,433 miles of pipeline; 82 terminal and storage facilities that store and distribute crude oil, refined products and specialty liquids; a fuels refinery with a throughput capacity of 14,500 barrels per day; and 50% ownership in two asphalt refineries with a combined throughput capacity of 104,000 barrels per day. The partnership's combined system has approximately 94 million barrels of storage capacity, and 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 www.nustarenergy.com.

Photos/Multimedia Gallery Available: <http://www.businesswire.com/cgi-bin/mmg.cgi?eid=50439025&lang=en>

Source: NuStar Energy L.P.

NuStar Energy, L.P., San Antonio
Investors, Chris Russell, Vice President
Investor Relations: 210-918-3507

or
Media, Mary Rose Brown, Senior Vice President,
Corporate Communications: 210-918-2314

Web site: <http://www.nustarenergy.com>