



## **NuStar Energy Closes on Sale of Its San Antonio Refinery and Related Assets to Calumet Specialty Products Partners, L.P.**

January 2, 2013

SAN ANTONIO--(BUSINESS WIRE)--Jan. 2, 2013-- NuStar Energy L.P. (NYSE: NS) announced today that it has closed on the sale of its San Antonio refinery and related assets, including a terminal in Elmendorf, TX and a pipeline connecting the terminal and refinery, to Calumet Specialty Products Partners, L.P. ("Calumet") for \$100 million, plus closing date inventory of approximately \$15 million. NuStar purchased the refinery and terminal out of bankruptcy in April 2011 for \$41 million, and the company has invested approximately \$54 million since then on improvements.

NuStar sold the refinery as part of its strategic redirection away from the earnings volatility associated with the margin-based refining business in order to further grow its more stable, fee-based pipeline and storage operations through internal growth projects and acquisitions, especially in the Eagle Ford Shale region and other U.S. shale plays, where NuStar already has extensive pipeline and storage operations. NuStar will use proceeds from the transaction to fund the growth of those fee-based pipeline and storage operations.

"The purchase of the refinery was an excellent opportunity for NuStar, but with our strategic direction to focus on and grow our pipeline and storage operations, it was the right time to sell it, and we are pleased that we found the right buyer in Calumet because they are a solid operator and they will continue the momentum we started by investing in the refinery and its employees," said NuStar President and CEO Curt Anastasio. "The refinery has an outstanding group of employees who worked very hard to make tremendous improvements in the refinery's safety, environmental performance, reliability, and efficiency, and Calumet is fortunate to be bringing them aboard."

To facilitate the transition of the facilities from NuStar to Calumet, the two companies have entered into a transition services agreement in which NuStar will continue providing operational and administrative support for the next few months. Mike Milam, vice president and plant manager, announced that he has accepted an offer with Calumet and will continue in his leadership role at the refinery.

"While we will miss Mike at NuStar, he is very well-liked and respected by the refinery employees and I know they will be pleased that he is staying on to continue the many improvements planned for that facility," said Anastasio.

Located on the South Side of San Antonio, the 14,500-barrel-per-day refinery produces and sells various products, including jet fuels, ultra-low sulfur diesel (ULSD), naphtha, reformates, liquefied petroleum gas (LPG), specialty solvents and other highly specialized fuels, to commercial and retail customers and the U.S. military. The Elmendorf terminal, which is approximately 12 miles away from the refinery, stores the crude oil that is processed at the refinery.

### **About NuStar Energy L.P.**

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 8,573 miles of pipeline; 87 terminal and storage facilities that store and distribute crude oil, refined products and specialty liquids; 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 95 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](http://www.nustarenergy.com).

### ***Cautionary Statement Regarding Forward-Looking Statements***

*This press release includes forward-looking statements within the meaning of the Securities Litigation Reform Act of 1995 regarding future events and the future financial performance of NuStar Energy L.P. All forward-looking statements are based on the partnership's beliefs as well as assumptions made by and information currently available to the partnership. These statements reflect the partnership's current views with respect to future events and are subject to various risks, uncertainties and assumptions. These risks, uncertainties and assumptions are discussed in NuStar Energy L.P.'s 2010 annual report on Form 10-K and subsequent filings with the Securities and Exchange Commission.*

Source: NuStar Energy L.P.

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