

## NuStar and PMI Have Announced an Expansion and Extension of an Existing Agreement to Transport and Store Naphtha

April 10, 2015

*Agreement and Related Capital Investment Will be Immediately Accretive to Earnings for NuStar;*

*Will Provide Opportunity for PMI to Move Greater Volumes and Additional Grades of Naphtha More Efficiently and at a Lower Cost*

SAN ANTONIO--(BUSINESS WIRE)--Apr. 10, 2015-- NuStar Energy L.P. (NYSE: NS) and PMI, an affiliate of Petróleos Mexicanos ("Pemex"), announced today that the companies have expanded operations in which NuStar transports and stores naphtha, a gasoline blending component, for PMI. Under the terms of the 10-year agreement, which extends a previous 10-year agreement between the two companies that went into effect in 2005, naphtha produced at Pemex's Reynosa-Burgos Complex in northern Mexico is transported via the NuStar Burgos-Valley pipeline system to NuStar's terminal in Edinburg, Texas. From Edinburg, the naphtha is delivered into Transmontaigne's terminal in Brownsville, Texas. NuStar invested in the construction of a new 50,000-barrel naphtha storage tank at the Edinburg Terminal to augment the project's original 80,000-barrel storage capacity, to accommodate the additional grades and volumes of naphtha. The services under this revised agreement, which also includes a slight increase in throughput commitment from PMI, commenced on April 1, 2015.

The agreement and related capital investment provides a more efficient, safe and economical method of delivery as it replaces truck deliveries that were moving the naphtha from Mexico to Brownsville.

"PMI has always been an outstanding partner for NuStar, so we are very pleased to expand operations through this latest contract with them because it will benefit both companies," said Brad Barron, president and CEO of NuStar. "For a modest investment to construct an additional tank and upgrade a few items on the system, NuStar is able to expand our services to PMI and will continue to generate returns for NuStar and PMI for the next 10 years."

Barron noted that work continues on the previously announced joint venture with PMI to transport propane from the US into Northern Mexico, stating that he hopes to have an update on the JV in the very near future.

PMI officials stated that they are confident in this new project and that they look forward to continuing development of key infrastructure that improves Pemex and Mexico's energy performance. They also noted that the transaction fosters the integration of the North American energy markets.

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 8,643 miles of pipeline and 81 terminal and storage facilities that store and distribute crude oil, refined products and specialty liquids. The partnership's combined system has approximately 93 million barrels of storage capacity, and NuStar has operations in the United States, Canada, Mexico, the Netherlands, including St. Eustatius in the Caribbean, and the United Kingdom. For more information, visit NuStar Energy L.P.'s Web site at [www.nustarenergy.com](http://www.nustarenergy.com).

PMI is the international group of companies of Petróleos Mexicanos. It is responsible for trading crude oil, petroleum products and petrochemicals worldwide, with operations in over 20 countries. PMI also operates midstream assets in Mexico and the United States. PMI has extensive long-term business relationships with major oil and midstream companies around the world. [www.pmi.com.mx](http://www.pmi.com.mx)

Source: NuStar Energy L.P.

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