



NuStar Logistics, L.P. Announces Closing of Hybrid Notes Offering and Full Exercise of Overallotment Option

January 22, 2013

SAN ANTONIO--(BUSINESS WIRE)--Jan. 22, 2013-- NuStar Logistics, L.P., a wholly owned operating subsidiary of NuStar Energy L.P. (NYSE:NS), announced today it has closed its previously announced public offering of \$402.5 million principal amount of 7.625% Fixed-to-Floating Subordinated Notes due 2043, including the underwriters' option to purchase up to an additional \$52.5 million principal amount of Notes, which option was exercised in full on January 16, 2013.

NuStar intends to use the approximately \$391.5 million net proceeds from the offering for general partnership purposes, including repayment of outstanding borrowings under its revolving credit facility, which NuStar Logistics may re-borrow to pay for a portion of the purchase price or growth capital in connection with the acquisition of certain assets by NuStar Logistics from TexStar Crude Oil Services, LP, TexStar Crude Oil Pipeline, LP, TexStar Midstream Utility, LP, TexStar Midstream Transport, LP, TexStar Midstream Services, LP and Frio Pipeline, LP.

Citigroup Global Markets Inc., RBC Capital Markets, LLC, UBS Securities LLC and Wells Fargo Securities, LLC are acting as joint book-running managers for the offering. Barclays Capital Inc., Credit Suisse Securities (USA) LLC, Deutsche Bank Securities Inc., J.P. Morgan Securities LLC, Raymond James & Associates, Inc. and Stifel, Nicolaus & Company, Incorporated are acting as senior co-managers for the offering and BB&T Capital Markets, a division of BB&T Securities, LLC, BNP Paribas Securities Corp., Comerica Securities, Inc., Goldman, Sachs & Co., MLV & Co. LLC and PNC Capital Markets LLC are acting as co-managers for the offering.

This news release does not constitute an offer to sell or a solicitation of an offer to buy the securities described herein, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction. The offering may be made only by means of a prospectus and related prospectus supplement.

A copy of the prospectus supplement and accompanying base prospectus relating to this offering may be obtained from any of the underwriters, including

Citigroup Global Markets Inc.
c/o Broadridge Financial Solutions
1155 Long Island Avenue
Edgewood, New York 11717
Telephone: (800) 831-9146

RBC Capital Markets, LLC
200 Vesey Street
Three World Financial Center
New York, New York 10281
Attention: Transaction Management
Telephone: (866) 375-6829

UBS Securities LLC
299 Park Avenue
New York, New York 10171
Attention: Prospectus Specialist
Telephone: (877) 827-6444, Ext: 561 3884

Wells Fargo Securities, LLC
1525 West W.T. Harris Blvd.
NC0675, Charlotte, North Carolina 28262
Attention: Capital Markets Client Support
Telephone: (800) 326-5897

You may also obtain these documents for free when they are available by visiting the SEC's website at www.sec.gov.

NuStar Energy L.P., a publicly traded limited partnership based in San Antonio, is one of the largest independent liquids terminal and pipeline operators in the nation. The partnership currently has 8,573 miles of pipeline; 87 terminal and storage facilities that store and distribute crude oil, refined products and specialty liquids; and a 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.

This press release includes forward-looking statements regarding future events. 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 2011 annual report on Form 10-K and subsequent filings with the Securities and Exchange Commission.

Source: NuStar Energy L.P.

NuStar Energy, L.P., San Antonio

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