

NuStar Energy L.P. Announces Entry into Agreement to Acquire Navigator Energy Services, LLC

April 11, 2017

NuStar Acquires Leading Crude Oil Gathering, Transportation and Storage Assets in the Permian Basin

SAN ANTONIO--(BUSINESS WIRE)--Apr. 11, 2017-- NuStar Energy L.P. (NYSE: NS) ("NuStar" or the "Partnership") today announced that it has entered into a definitive agreement to acquire Navigator Energy Services, LLC ("Navigator"), for approximately \$1.475 billion, subject to purchase price adjustments. Navigator owns and operates crude oil transportation, pipeline gathering and storage assets located in the Midland Basin of West Texas consisting of:

- approximately 500 miles of crude oil mainline transportation pipelines with approximately 74,000 barrels per day, ship-or-pay volume commitments and deliverability of approximately 412,000 barrels per day through multiple outbound interconnects;
- a pipeline gathering system with more than 200 connected producer tank batteries capable of more than 400,000 barrels per day of pumping capacity covering over 500,000 dedicated acres; and
- approximately 1 million barrels of crude oil storage capacity with 440,000 barrels leased to third parties.

The acquisition is expected to close in mid- to late-May 2017, subject to customary closing conditions, including the receipt of regulatory approvals. Because the acquisition is subject to customary closing conditions, the Partnership can give no assurance that the transaction will be consummated on the terms described or at all.

"We are excited about starting 2017 with a strategic acquisition, and the addition of Navigator's Permian assets marks NuStar's entry into one of the most prolific basins in the United States," said NuStar President and CEO Bradley C. Barron. "We expect that the purchase price, when coupled with modest future growth capex to build out the system, will result in a high single digit multiple as volumes ramp over time."

"We could not be more excited for all of Navigator's stakeholders in finding a future owner in NuStar that shares our commitment to exceptional customer and employee relations. We will be working with NuStar to provide a seamless transition for customers and employees alike," said Chief Executive Officer, John O'Shea and Co-Founder & Chief Commercial Officer, Matt Vining.

"The Navigator team has built a truly unique company predicated on a customer-first philosophy underpinned by a group of employees focused on flawless execution. We are confident NuStar will have tremendous success integrating Navigator and transitioning it into the next phase of growth," added Mark Saxe, Managing Director of First Reserve Energy Infrastructure Fund

UBS Investment Bank is serving as exclusive financial advisor to NuStar, and Andrews Kurth Kenyon is serving as exclusive legal advisor to NuStar. Deutsche Bank Securities Inc. is serving as exclusive financial advisor to Navigator and Simpson Thacher & Bartlett LLP is serving as exclusive legal advisor to Navigator.

Conference Call Details

A conference call with management is scheduled for 10:00 a.m. CT tomorrow, April 12, 2017, to discuss the acquisition. Investors interested in listening to the discussion may dial toll-free 844/889-7787, passcode 7830179. International callers may access the discussion by dialing 661/378-9931, passcode 7830179. The partnership intends to have a playback available following the discussion, which may be accessed by dialing toll-free 855/859-2056, passcode 7830179. International callers may access the playback by dialing 404/537-3406, passcode 7830179. The playback will be available until 2:00 p.m. CT on May 12, 2017.

Investors interested in listening to the live discussion or a replay via the internet may access the discussion directly at <http://edge.media-server.com/m/p/x7herqwk> or by logging on to NuStar Energy L.P.'s website at www.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 Energy L.P. currently has approximately 8,700 miles of pipeline and 79 terminal and storage facilities that store and distribute crude oil, refined products and specialty liquids. The partnership's combined system has approximately 95 million barrels of storage capacity, and the partnership 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 website at www.nustarenergy.com.

Cautionary Statement Regarding Forward-Looking Statements

This press release includes forward-looking statements regarding future events, such as the Partnership's ability to successfully complete and integrate the transactions described herein. 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 2016 annual report on Form 10-K and subsequent filings with the Securities and Exchange Commission. Actual results may differ materially from those described in the forward-looking statements.

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