

NuStar Energy L.P.  
Form 4  
January 26, 2009

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**BLUNTZER JAMES R**

(Last) (First) (Middle)

2330 NORTH LOOP 1604 WEST

(Street)

SAN ANTONIO, TX 78248

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
**NuStar Energy L.P. [NS]**

3. Date of Earliest Transaction (Month/Day/Year)  
**01/22/2009**

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director  10% Owner  
 Officer (give title below)  Other (specify below)

Senior VP- Operations

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount or Price		
Common Units (tax withheld for performance unit vesting)	01/22/2009		F		126	D	\$ 45.26 10,409
Common Units	01/22/2009		M		380	A	\$ 0 10,789
Common Units (tax withheld for performance unit vesting)	01/22/2009		F		144	D	\$ 45.26 10,645

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Common Units	01/22/2009	M	440	A	\$ 0	11,085	D
Common Units (tax withheld for performance unit vesting)	01/22/2009	F	77	D	\$ 45.26	11,008	D
Common Units	01/22/2009	M	234	A	\$ 0	11,242	D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Security (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Performance Units	(1)	01/22/2009		A	2,200	(1) 01/22/2012	Common	2,200	
Performance Units	(2)	01/22/2009		M	380	01/22/2009 01/22/2009	Common	76	
Performance Units	(2)	01/22/2009		M	440	01/22/2009 01/22/2010	Common	88	
Performance Units	(3)	01/22/2009		M	234	01/22/2009 01/22/2011	Common	46	

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BLUNTZER JAMES R 2330 NORTH LOOP 1604 WEST			Senior VP- Operations	

SAN ANTONIO, TX 78248

## Signatures

Elizabeth E. Clifton, as Attorney-in-Fact for James R.  
Bluntzer

01/26/2009

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Award of performance units. The performance units vest annually in one-third increments beginning on the first anniversary of the grant date and are payable in common units in amounts ranging from zero to 200% of the performance units.  
Settlement of previously awarded performance units at 50% of the base units awarded in 2006 and 2007 and vested on January 22, 2009,
- (2) as well as the portion of units that vested but were not awarded in January 2008, which carried over pursuant to the terms of the performance unit grants.
- (3) Settlement of performance units awarded in 2008 at 50% of base units.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.  
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