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

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**FORM 8-K**

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**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934**

**Date of report: June 29, 2010  
(Date of earliest event reported): June 25, 2010**

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**SUNOCO LOGISTICS PARTNERS L.P.**

(Exact name of registrant as specified in its charter)

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**Delaware**  
(State or other jurisdiction  
of incorporation)

**1-31219**  
(Commission  
file number)

**23-3096839**  
(IRS employer  
identification number)

**1818 Market Street, Suite 1500, Philadelphia, PA**  
(Address of principal executive offices)

**19103-3615**  
(Zip Code)

**(215) 977-3000**  
(Registrant's telephone number, including area code)

**N/A**  
(Former name or former address, if changed since last report)

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Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 1.01. Entry into a Material Definitive Agreement.**

On June 25, 2010, Butane Acquisition I LLC, a Delaware limited liability company (“Buyer”) and wholly-owned indirect subsidiary of Sunoco Logistics Partners L.P. (the “Partnership”) entered into a definitive Asset and Membership Interest Purchase and Sale Agreement (the “Purchase Agreement”) with Texon Distributing L.P. (“Texon”) to acquire Texon’s butane blending business for approximately \$140 million plus inventory. The business includes certain intellectual property, customer contracts, butane inventories and related assets. The acquired intellectual property includes patents and associated software and other intellectual property rights relating to butane blending technology.

The Purchase Agreement contains representations and warranties, covenants, indemnifications, and closing conditions that are customary for a transaction of this type.

The transaction has received early termination of the Hart-Scott-Rodino waiting period and is expected to close in the early third quarter 2010.

This acquisition is expected to be funded with \$100 million debt financing from Sunoco, Inc. under a three-year note at an interest rate of three-month LIBOR plus 275 basis points per annum, with the remainder funded under the Partnership’s revolving credit facility.

The description of the Purchase Agreement herein is qualified in its entirety by the document itself, which will be filed as an exhibit to the Partnership’s Quarterly Report on Form 10-Q for the quarter ended June 30, 2010.

**Item 7.01 Regulation FD Disclosure.**

On June 28, 2010, the Partnership issued a press release announcing the signing of the Purchase Agreement. Additional information concerning the transaction was presented to investors in a teleconference call on June 29, 2010. A copy of the press release is attached as Exhibit 99.1, a copy of the slide presentation is attached as Exhibit 99.2, and both are incorporated herein by reference.

The information in this report, being furnished pursuant to Items 7.01 and 9.01 related thereto, of Form 8-K, shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that Section, and is not incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such filing.

**Item 9.01. Financial Statements and Exhibits.**

**(d) Exhibits**

<u>Exhibit No.</u>	<u>Exhibit</u>
99.1	Press release dated June 28, 2010.
99.2	Slide presentation given June 29, 2010 during investor teleconference.

**Forward-Looking Statement**

Statements contained in the exhibits to this report that state the Partnership's or its management's expectations or predictions of the future are forward-looking statements. The Partnership's actual results could differ materially from those projected in such forward-looking statements. Factors that could affect those results include those mentioned in the documents that the Partnership has filed with the Securities and Exchange Commission.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

SUNOCO LOGISTICS PARTNERS LP.

By: Sunoco Partners LLC,  
its General Partner

By: \_\_\_\_\_ /s/ DEBORAH M. FRETZ  
Deborah M. Fretz  
President and Chief Executive Officer

June 29, 2010  
Philadelphia, PA

**EXHIBIT INDEX**

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**Sunoco Logistics Partners L.P.**  
**1818 Market Street**  
**Philadelphia, PA 19103-3615**

For further information contact:  
Thomas Golembeski (media) 215-977-6298  
Peter Gvazdauskas (investors) 215-977-6322

For release: 5:00 p.m. June 28, 2010

No. 15

**SUNOCO LOGISTICS PARTNERS L.P. ACQUIRES TEXON'S BUTANE BLENDING  
BUSINESS**

PHILADELPHIA, June 28, 2010 - Sunoco Logistics Partners L.P. (NYSE: SXL) today announced that it has signed a definitive agreement to acquire a butane blending business from Texon L.P. for \$140 million plus inventory. The Partnership expects to fund the acquisition with a \$100 million loan from Sunoco, Inc. and borrowings under its revolving credit facility. The transaction is expected to close July 1 and will be immediately accretive.

The business consists of patented technology for sophisticated blending of butane into gasoline, contracts with several large terminal operators currently utilizing the patented technology, butane inventories, and other related assets.

"The addition of the Texon butane blending business will be strategically important to us with the future growth of terminal fuel blending services," said Lynn L. Elsenhans, Chairman of Sunoco Partners LLC, the Partnership's general partner. "And it adds attractive immediate and long term accretion for our unitholders."

Deborah M. Fretz, President and Chief Executive Officer said, "Texon's proven patented technology for butane blending into gasoline, which Sunoco Logistics has successfully utilized at its terminals, provides terminal operators the opportunity to blend butane into gasoline meeting stringent product quality specifications."

A conference call will be held on Tuesday, June 29, 2010 at 9:00 a.m. EDT to discuss the transaction. Those wishing to listen can access the call by dialing (USA toll free) 1-888-889-4955; International (USA toll) 1-312-470-0130 and request "Sunoco Logistics Partners' Conference Call, Passcode: Sunoco Logistics". This event and supporting slides may also be accessed by a webcast, which will be available at [www.sunocologistics.com](http://www.sunocologistics.com).

Sunoco Logistics Partners L.P. (NYSE: SXL), headquartered in Philadelphia, is a master limited partnership formed to acquire, own and operate refined products and crude oil pipelines and terminal facilities. The Refined Products Pipeline System consists of approximately 2,200 miles of refined products pipelines located in the northeast, midwest and southwest United States and interests in four refined products pipelines, consisting of a 9.4 percent interest in Explorer Pipeline Company, a 31.5 percent interest in Wolverine Pipe Line Company, a 12.3 percent interest in West Shore Pipe Line Company and a 14.0 percent interest in Yellowstone Pipe Line

Company. The Terminal Facilities consist of approximately 10 million shell barrels of refined products terminal capacity and approximately 23 million shell barrels of crude oil terminal capacity (including approximately 20 million shell barrels of capacity at the Texas Gulf Coast Nederland Terminal). The Crude Oil Pipeline System consists of approximately 3,850 miles of crude oil pipelines, located principally in Oklahoma and Texas, a 55.3 percent interest in Mid-Valley Pipeline Company and a 43.8 percent interest in the West Texas Gulf Pipe Line Company.

Portions of this document constitute forward-looking statements as defined by federal law. Although Sunoco Logistics Partners L.P. believes that the assumptions underlying these statements are reasonable, investors are cautioned that such forward-looking statements are inherently uncertain and necessarily involve risks that may affect the Partnership's business prospects and performance causing actual results to differ from those discussed in the foregoing news release. Such risks and uncertainties include, by way of example and not of limitation: whether or not the transaction described in the foregoing news release will be cash flow accretive; increased competition; changes in demand for crude oil and refined products that we store and distribute; potential equipment malfunction; potential labor issues; the legislative or regulatory environment; plant construction/repair delays; nonperformance by major customers or suppliers; and political and economic conditions, including the impact of potential terrorist acts and international hostilities. These and other applicable risks and uncertainties have been described more fully in the Partnership's Form 10-K filed with the Securities and Exchange Commission on February 23, 2010. The Partnership undertakes no obligation to update any forward-looking statements in this release, whether as a result of new information or future events.

- END -



**Sunoco Logistics**



# **Acquisition of Texon's Butane Blending Business**

**June 2010**



# Forward-Looking Statements

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You should review this slide presentation in conjunction with the conference call for Sunoco Logistics Partners L.P., held on June 29 at 9:00 a.m. EDT. You may listen to the audio portion of the conference call on our website at [www.sunocologistics.com](http://www.sunocologistics.com) or by dialing (USA toll-free) 1-888-889-4955. International callers should dial 1-312-470-0130. Please request "Sunoco Logistics Partners' Conference Call Passcode: Sunoco Logistics.

Audio replays of the conference call will be available for two weeks after the conference call beginning approximately two hours following the completion of the call. To access the replay, dial 1-888-568-0673. International callers should dial 1-203-369-3190.

During the call, those statements we make that are not historical facts are forward-looking statements. Although we believe the assumptions underlying these statements are reasonable, investors are cautioned that such forward-looking statements involve risks that may affect our business prospects and performance, causing actual results to differ from those discussed during the conference call. Such risks and uncertainties include, among other things: our ability to successfully consummate announced acquisitions and organic growth projects and integrate them into existing business operations; the ability of announced acquisitions to be cash-flow accretive; increased competition; changes in the demand both for crude oil that we buy and sell, as well as for crude oil and refined products that we store and distribute; the loss of a major customer; changes in our tariff rates; changes in throughput of third-party pipelines that connect to our pipelines and terminals; changes in operating conditions and costs; changes in the level of environmental remediation spending; potential equipment malfunction; potential labor relations problems; the legislative or regulatory environment; plant construction/repair delays; and political and economic conditions, including the impact of potential terrorist acts and international hostilities.

These and other applicable risks and uncertainties are described more fully in our Form 10-K, filed with the Securities and Exchange Commission on February 23, 2010. We undertake no obligation to update publicly any forward-looking statements whether as a result of new information or future events.

# Sunoco Logistics Asset Overview

- Serves key U.S. refining and production centers in U.S. Northeast, Midwest, and Gulf Coast
- 2,200 miles of refined product pipelines
- 3,850 miles of crude oil pipelines
- 41 active refined products terminals
- 23 million barrels of crude oil storage capacity (including 20 million barrels at Nederland, TX)
- Completed and integrated 15 acquisitions since 2002



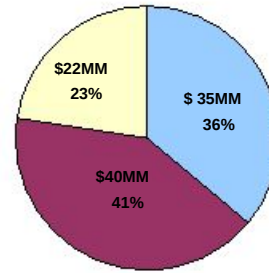
# Financial Growth

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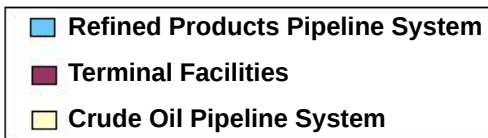
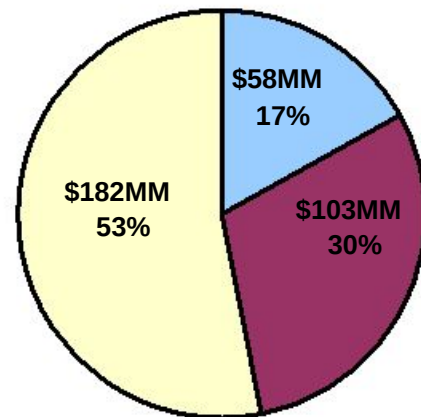
## Growth Strategy

- Optimize current asset base
- Invest in organic extensions
- Acquire complementary assets
  - continue focus on platform growth
- Initiate refined product commercial activities in 2010

## 2002 EBITDA \$97MM



## 2009 EBITDA \$343MM



# Refined Products Strategic Investment Platform

- Organic growth opportunities accelerate:
  - Biodiesel
  - New terminal at Aldine, TX
  - Crude pipeline to products pipeline conversion to supply Longview, TX
  - Marcellus Shale Mariner project
- Refined Products Terminals are increasingly becoming blend sites as a result of alternative fuel mandates and opportunities:
  - Current blending activities are for additives, ethanol, biodiesel, and butane blending
  - Future blending activity will be ethanol (E10, E15, E85), butane, bioheat, biodiesel, and cellulosic biofuel



# **Texon Butane Blending Business**

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- Purchase price of \$140MM
  
- Patented blend technology for sophisticated butane blending into gasoline to capture margin spread between gasoline and butane
  - Sunoco Logistics has utilized the patented technology since 2009
  - Key Texon personnel are joining Sunoco Logistics
  
- Business is a turnkey, full service offering to customers
  - Service for customers includes:
    - purchase and management of butane supply
    - installation and monitoring of butane injection equipment
  
- Growing cash flow base that is immediately accretive

# Patented Truck Rack Butane Blending System



# Texon Acquisition

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## Strategic Rationale for Acquisition

- Logical extension of SXL's current refined products terminalling services business where we blend additives, ethanol, biodiesel, and butane
  
- A new growth platform that is aligned with our current core business and is well understood with our existing sites
  - Extensive operating synergies with current operations (engineering, construction, butane supply management, product quality monitoring)
  
- Growth potential is largely driven by the addition of new sites
  - Plan to install at all of our key gasoline terminals
  - Several large customers are interested in expanding their number of installations
  - Revenue generated from margin between gasoline and butane

# Texon Acquisition

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## Key Drivers of the Business

- Volume blended
  - Significant opportunity for growth in terminal sites: customers are attracted by sophisticated blending which ensures rigorous adherence to product specifications
  - SXL can add value by accelerating growth
  
- Margin between gasoline and butane prices
  - Business model will lock in a favorable margin between butane and gasoline and remove commodity risk
  - SXL can add value on butane supply
  - Growth in natural gas from shale regions will increase the supply of butane which will sustain or improve current gasoline/butane margins



# Texon Acquisition

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## Financial Characteristics

- Acquisition will be immediately accretive with 2011 EBITDA at a typical acquisition multiple
- Addition of new blend sites will translate to outstanding EBITDA growth potential
- Cash distributions will be based on conservative margin assumptions
- Sunoco, Inc. will provide a \$100MM three year loan at market rates to provide further accretion in early years, demonstrating Sunoco's continued support of growth in SXL

# Texon Acquisition

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## Summary

- The Texon acquisition will further strengthen our geographically diverse asset base
  - The patented technology will enhance our ability to grow terminal services at SXL and other customer locations
  - Greatly enhances the profitability of gasoline terminals and is an important feature in future terminal acquisitions
- An experienced management team at Sunoco Logistics, including former Texon personnel, will be able to capitalize on the opportunity to add real growth and unitholder value
- Our investment grade credit rating and flexible capital structure will facilitate the growth potential of this acquisition
- Cash flow from the transaction will serve to support our consistent track record of distribution growth