

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

FORM 8-K

CURRENT REPORT

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

Date of Report – December 15, 2006
(Date of earliest event reported)

SUNOCO LOGISTICS PARTNERS L.P.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

1-31219
(Commission File Number)

23-3096839
(IRS Employer
Identification Number)

1735 Market Street, Suite LL, Philadelphia, PA 19103-7583
(Address of principal executive offices)

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

Not applicable.
(Former name or former address, if changed since last report)

Check the appropriate box below if the form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2 to Form 8-K):

- 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 24.14a-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 40.13e-4(c))

Item 1.01 Entry into a Material Definitive Agreement

On December 19, 2006, Sunoco Partners Marketing and Terminals L.P. (“Terminals L.P.”), a subsidiary of Sunoco Logistics Partners L.P. (the “Partnership”) entered into a Marine Dock and Terminaling Agreement with Motiva Enterprises LLC (“Motiva”), for the construction of three new crude oil storage tanks, with a combined capacity of 2.0 million shell barrels, at the Partnership’s Nederland, Texas crude oil marine storage and terminaling facility (the “Nederland Terminal”). Also on December 19, 2006, in a related transaction, Sunoco Pipeline L.P., an affiliate of the Partnership, entered into a Crude Oil Pipeline Throughput and Deficiency Agreement with Motiva, for the construction of a 12-mile, 30-inch crude oil pipeline from the Nederland Terminal to Motiva’s Port Arthur, Texas refinery. The term of each of these agreements (collectively, the “Agreements”) is ten years. The Partnership currently expects that construction of the additional tankage and pipeline will be completed on or before January 2010, at a combined cost to the Partnership in excess of \$70 million.

A copy of each of the Agreements will be filed as an exhibit to the Partnership’s Annual Report on SEC Form 10-K for the year ended December 31, 2006. The Partnership currently anticipates filing this Form 10-K on or before March 15, 2006.

Item 7.01 Regulation FD Disclosure.

On December 20, 2006, the Partnership issued a press release (the ‘Press Release’) announcing the execution of the Agreements. A copy of the Press Release is furnished herewith as Exhibit 99.1.

The information furnished pursuant to this Item 7.01 “Regulation FD Disclosure,” including Exhibit 99.1, shall not be deemed to be “filed” for the purposes of Section 18 of the Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities under that section and shall not be deemed to be incorporated by reference into any filing of the Partnership under the Exchange Act or under the Securities Act of 1933, as amended, regardless of any general incorporation language in such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

99.1 Press Release dated December 19, 2006.

SIGNATURES

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.

Dated: December 21, 2006

SUNOCO LOGISTICS PARTNERS LP.

By: Sunoco Partners LLC,
its General Partner

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



News Release
Sunoco Logistics Partners L.P.
1735 Market Street
Philadelphia, PA 19103-7583

For further information contact:
Jerry Davis (media) 215-977-6298

For release: 4:15 PM, December 20, 2006

No. 24

**SUNOCO LOGISTICS PARTNERS L.P. EXECUTES AGREEMENTS
WITH MOTIVA ENTERPRISES**

PHILADELPHIA, December 20, 2006 - Sunoco Logistics Partners L.P. (NYSE: SXL) announced today that it has executed agreements with Motiva Enterprises LLC to construct three new crude oil storage tanks, with a combined capacity of 2.0 million shell barrels, at its Nederland, Texas crude oil terminal, and a 12 mile, 30" crude oil pipeline from the Nederland Terminal to Motiva's Port Arthur, Texas refinery. The term of the agreements is 10 years. Construction is expected to be completed on or before January 2010 at a cost in excess of \$70 million. The tanks and pipeline are being designed to serve the proposed Motiva Port Arthur Refinery expansion project. Motiva is completing front-end engineering and design work associated with the proposed expansion project.

"We are very excited about the opportunity to service Motiva out of the Nederland Terminal," said Deborah M. Fretz, President and Chief Executive Officer. "Nederland has a long history of providing crude oil storage and delivery services, dating back to the 1901 Spindletop, Texas crude oil discovery. The additional tankage and pipeline will allow the Nederland terminal to provide crude oil to Motiva's Port Arthur refinery, increasing Nederland's extensive connectivity to Gulf Coast and inland refineries. Construction of these assets, along with our ongoing expansion capital program at Nederland, will continue to expand our investment platform within the Texas Gulf Coast region. We expect this transaction to be immediately accretive upon completion."

Sunoco Logistics Partners L.P. (NYSE: SXL), headquartered in Philadelphia, is a master limited partnership formed to acquire, own and operate refined product and crude oil pipelines and terminal facilities, including those of Sunoco, Inc. The Eastern Pipeline System consists of approximately 1,787 miles of primarily refined product pipelines 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 8.9 million barrels of refined product terminal capacity and 19.8 million barrels of crude oil terminal capacity (including 12.9 million barrels of capacity at the Texas Gulf Coast Nederland Terminal). The Western Pipeline System consists of approximately 3,635 miles of crude oil pipelines, located principally in Oklahoma and Texas, a 43.8 percent interest in the West Texas Gulf Pipe Line Company and a 55.3 percent interest in Mid-Valley Pipeline Company. For additional information visit Sunoco Logistics' web site at www.sunocologistics.com.

Although Sunoco Logistics Partners L.P. (the "Partnership") 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 release. Such risks and uncertainties include, by way of example and not of limitation: whether or not the transactions 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; changes in operating conditions and costs; changes in the level of environmental remediation spending; 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-Q filed with the Securities and Exchange Commission on August 3, 2006. The Partnership undertakes no obligation to update any forward-looking statements in this release, whether as a result of new information or future events.

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