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Holly Energy Partners Announces Delaware Basin Diesel Supply Project

DALLAS--(BUSINESS WIRE)-- Holly Energy Partners, L.P. (NYSE: HEP) (the "Partnership") announced plans to construct a truck loading rack in Orla, TX to serve the growing diesel demand in the Delaware Basin. This project will expand the Partnership's existing logistics footprint and connect to its New Mexico refined product system. Construction will commence in the second quarter and is expected to be completed in the fourth quarter of 2018. The cost of the project is estimated between \$10 million and \$20 million.

The facility will be capable of delivering up to 30,000 barrels per day of diesel depending on market demand. In connection with this project, the Partnership expects to enter into a long-term throughput agreement containing minimum annual throughput commitments with HollyFrontier (NYSE: HFC).

About Holly Energy Partners, L.P.:

Holly Energy Partners, L.P., headquartered in Dallas, Texas, provides petroleum product and crude oil transportation, terminalling, storage and throughput services to the petroleum industry, including HollyFrontier Corporation subsidiaries. The Partnership, through its subsidiaries and joint ventures, owns and/or operates petroleum product and crude gathering pipelines, tankage and terminals in Texas, New Mexico, Arizona, Washington, Idaho, Oklahoma, Utah, Nevada, Wyoming and Kansas as well as refinery processing units in Kansas and Utah.

Forward-looking Statement:

The statements in this press release relating to matters that are not historical facts are "forward-looking statements" within the meaning of the federal securities laws. These statements are based on our beliefs and assumptions and those of our general partner using currently available information and expectations as of the date hereof, are not guarantees of future performance and involve certain risks and uncertainties. Although we and our general partner believe that such expectations reflected in such forward-looking statements are reasonable, neither we nor our general partner can give assurance that our expectations will prove to be correct. Therefore, actual outcomes and results could materially differ from what is expressed, implied or forecast in these statements. Any differences could be caused by a number of factors including, but not limited to:

- | risks and uncertainties with respect to the actual quantities of petroleum products and crude oil shipped on our pipelines and/or terminalled, stored and throughput in our terminals;
- | the economic viability of HollyFrontier Corporation, Delek US Holdings, Inc. and our other customers;
- | the demand for refined petroleum products in markets we serve;
- | our ability to purchase and integrate future acquired operations;
- | our ability to complete previously announced or contemplated acquisitions;
- | the availability and cost of additional debt and equity financing;
- | the possibility of reductions in production or shutdowns at refineries utilizing our pipeline and terminal facilities;
- | the effects of current and future government regulations and policies;
- | our operational efficiency in carrying out routine operations and capital construction projects;
- | the possibility of terrorist attacks and the consequences of any such attacks;
- | general economic conditions; and
- | other financial, operations and legal risks and uncertainties detailed from time to time in our Securities and Exchange Commission filings.

The forward-looking statements speak only as of the date made and, other than as required by law, we undertake no

obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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