HOLLY ENERGY PARTNERS

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Chairman and CEO

MLP Coalition Investor Conference

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Safe Harbor Disclosure

Statements made during the course of this presentation that are not historical facts are “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements are inherently uncertain and necessarily involve risks that may affect our business prospects and performance, and actual results may differ materially from those discussed during the presentation. Such risks and uncertainties include but are not limited to risks and uncertainties with respect to the future performance of the pipelines and terminals, the actions of actual or potential competitive suppliers and transporters of refined petroleum products in our markets and the markets of Holly Corporation and Alon USA, the demand for and supply of crude oil and refined products, the spread between market prices for refined products and market prices for crude oil, the possibility of constraints on the transportation of refined products, the possibility of inefficiencies or shutdowns in refinery operations or pipelines, effects of governmental regulations and policies, the availability and cost of financing, the effectiveness of capital investments and marketing and acquisition strategies, the possibility of terrorist attacks and the consequences of any such attacks, and general economic conditions. Additional information on risks and uncertainties that could affect the business prospects and performance of Holly Energy Partners is provided in our reports filed with the Securities and Exchange Commission from time to time. All forward-looking statements included in this presentation are expressly qualified in their entirety by the foregoing cautionary statements. Holly Energy Partners undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

HEP history & background

HEP Assets

HEP acquisitions in 2005

HEP growth / stability

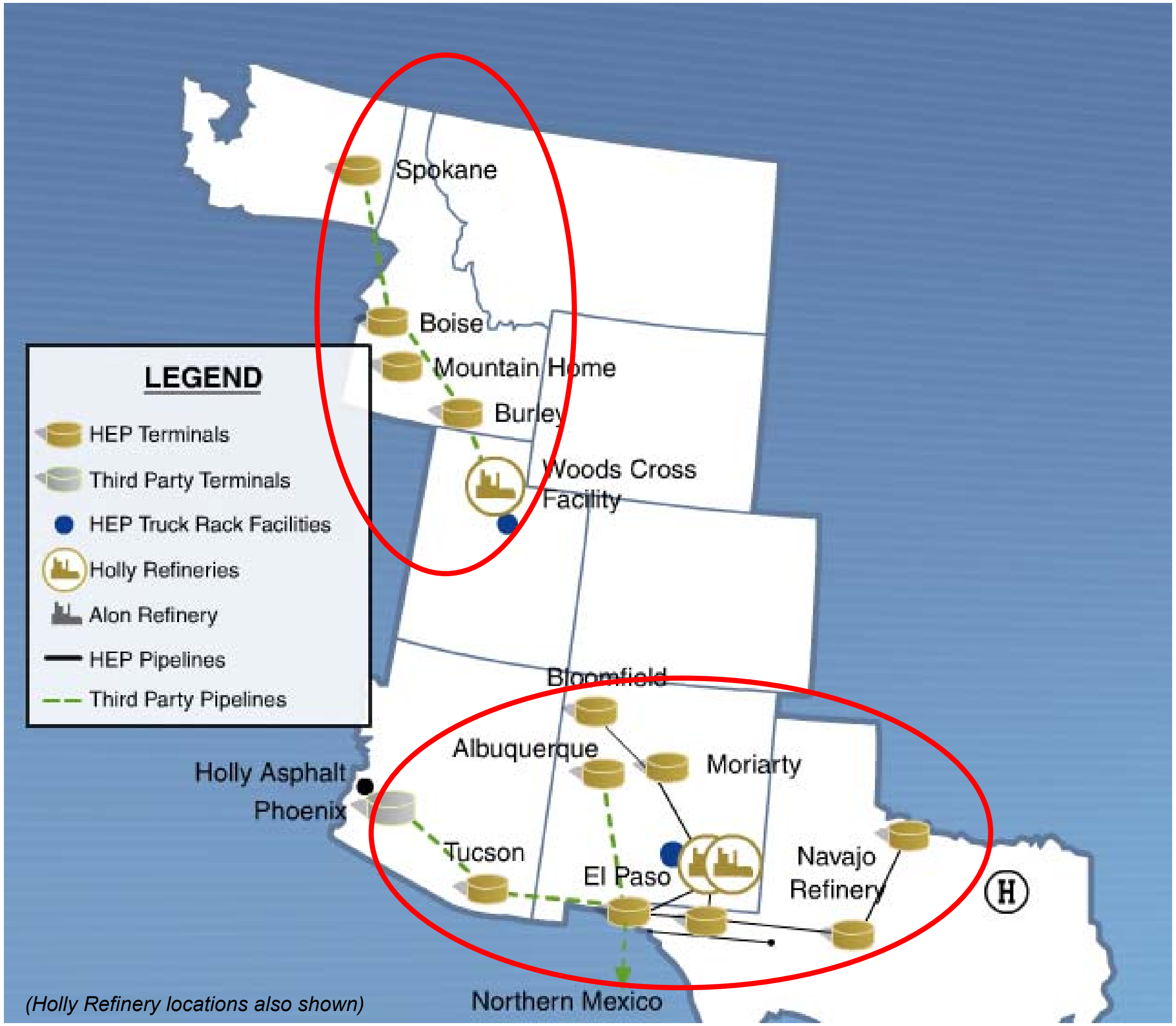
HEP Assets / Initial Public Offering

- Holly Energy Partners (NYSE: HEP) IPO
- Brought to market July 2004
- 7 millions common units sold at $22.25 *(current: $40.11 as of 2/28/06)*
- $100 million credit facility created, led by Union Bank of California

HEP Assets / Overview

- Over 1,600 miles of product pipelines
- 11 Terminals in 5 states *(3 of the terminals are 50% owned)*
- 70% interest in Rio Grande Pipeline Company, a joint venture with BP

HEP Asset Overall Systems



Southern System delivers refined product to Texas, New Mexico and Arizona marke

System also delivers intermediate feedstocks from Holly Corp.'s Lovington, New Mexico facility to the Artesia refining facility

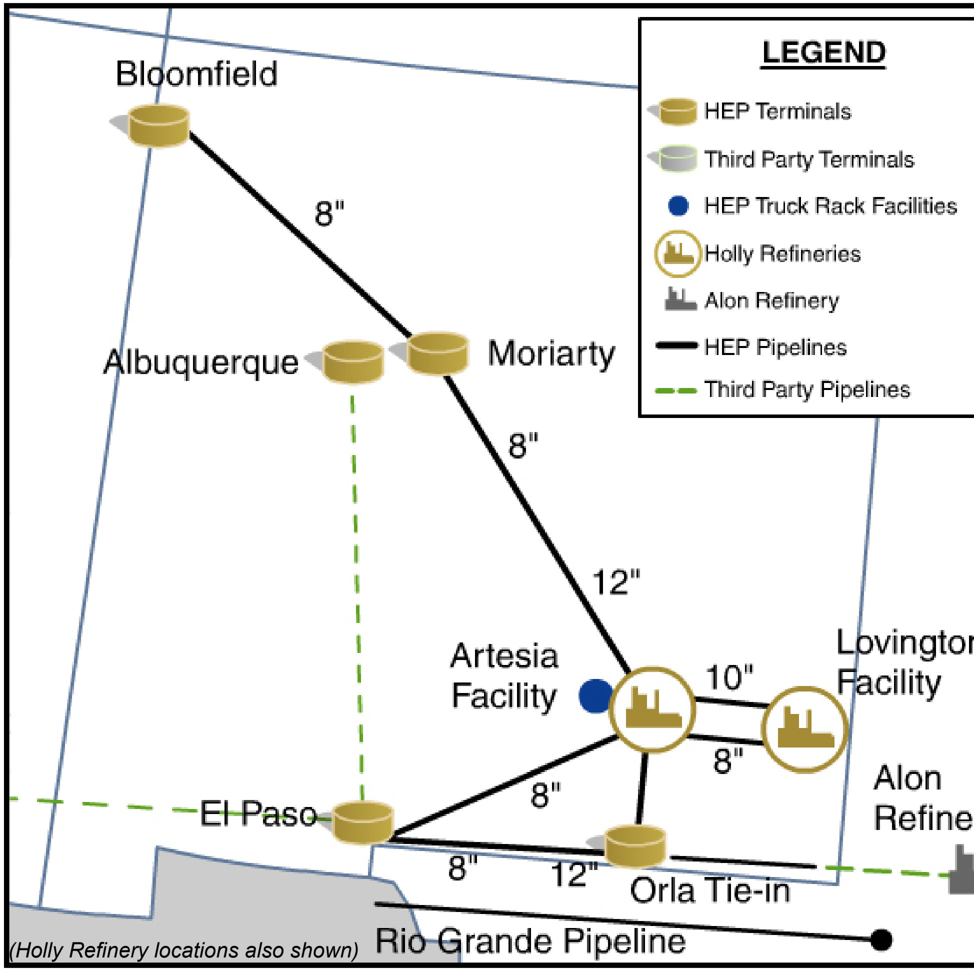
System delivers LPG's to Northern Mexic via Rio Grande Pipeline

Northern System provides terminal storag and delivery for Utah, Idaho and Washington.

System is linked via third party common carrier pipeline

Southern System Detail

- *Artesia to El Paso P/L System*
  - *2 P/L's transporting product from Artesia, NM to El Paso, TX*
  - *Long term lease to Alon USA of capacity from Orla, TX to El Paso, TX*
- *North Products P/L*
  - *Transports product from Artesia, NM to Moriarty & Bloomfield, NM*
- *Rio Grande P/L*
  - *Joint Venture 70% owned by HEP, 30% BP*
  - *Transports LPG's from West Texas to Northern Mexico*



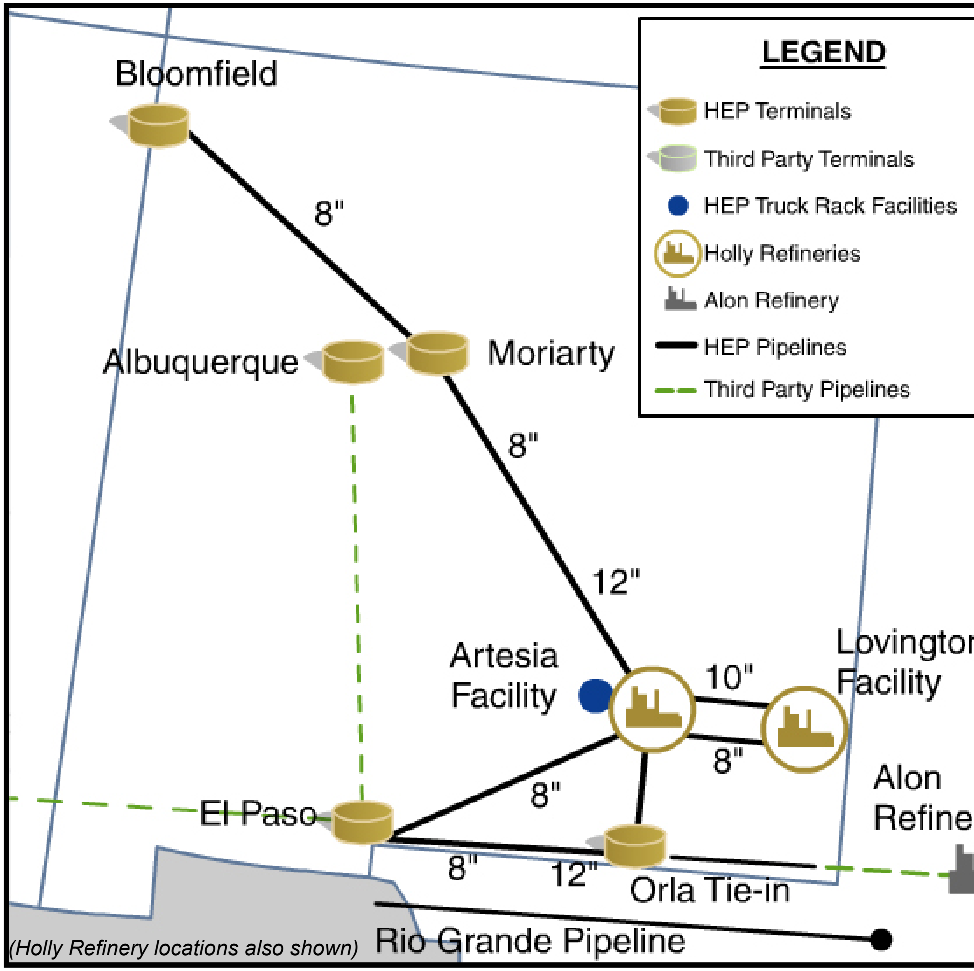
Southern System Detail

5 terminals on this portion of system with aggregate storage capacity of 1,129,000 bbls

Terminals are integral to HEP's pipeline system

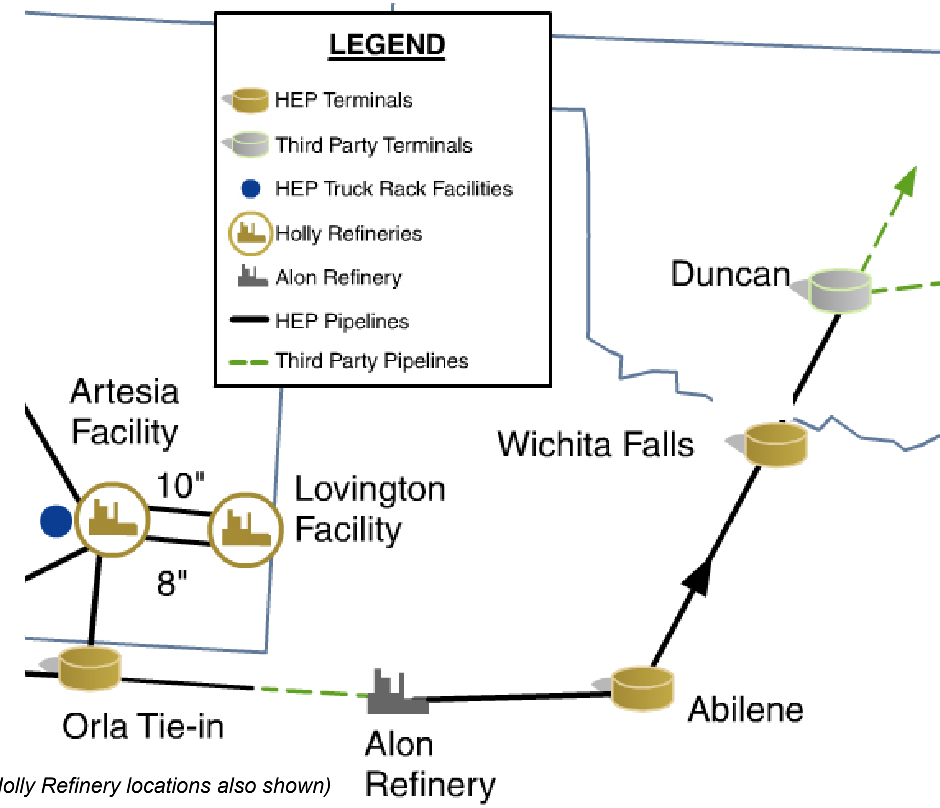
Northern terminals in Moriarty, NM & Bloomfield serve the fast growing Albuquerque, Santa Fe, Four Corners region

Southern terminals provide access to fast growing Arizona markets



Southern System Detail (Alon USA acquisition portion)

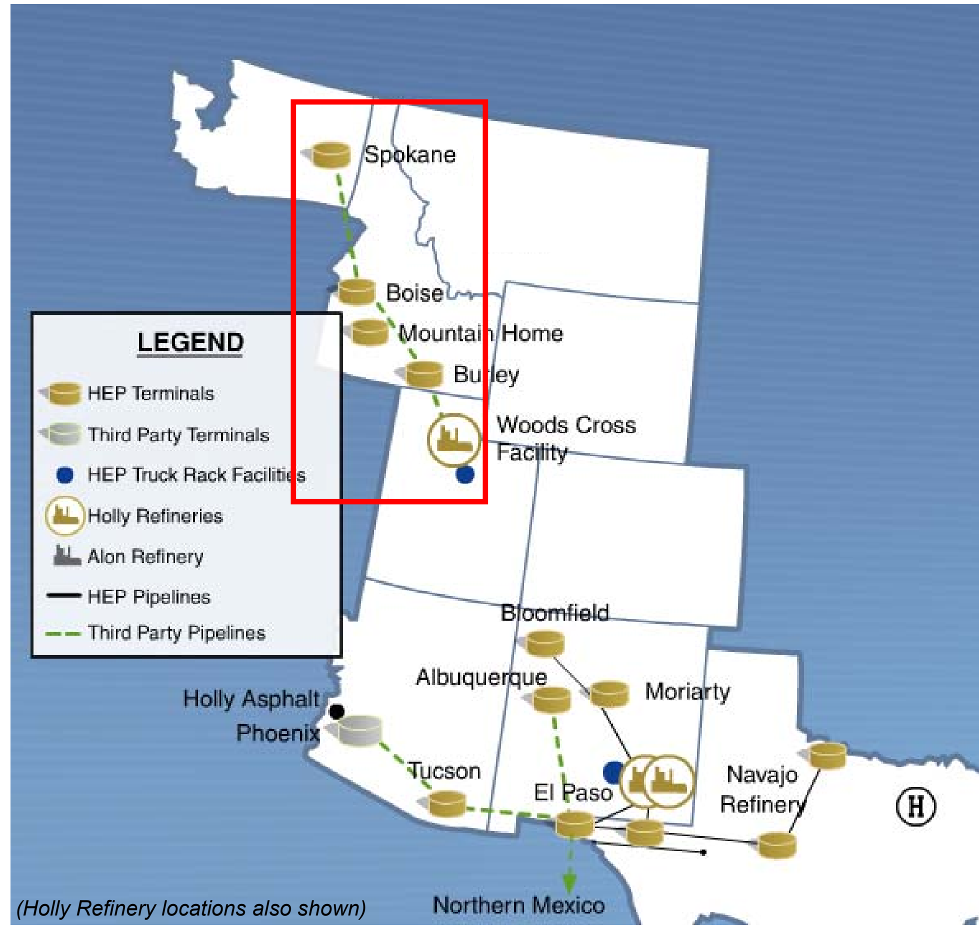
- Four refined products pipelines
- Over 500 miles of refined products pipeline
- 2 refined products terminals located in Abilene & Wichita Falls, TX with total capacity of 347,000 bbls
- A refined products tank farm located at Orla, TX
- Assets distribute approximately 70% of Alon's light refined products



(Holly Refinery locations also shown)

Northwest Terminals

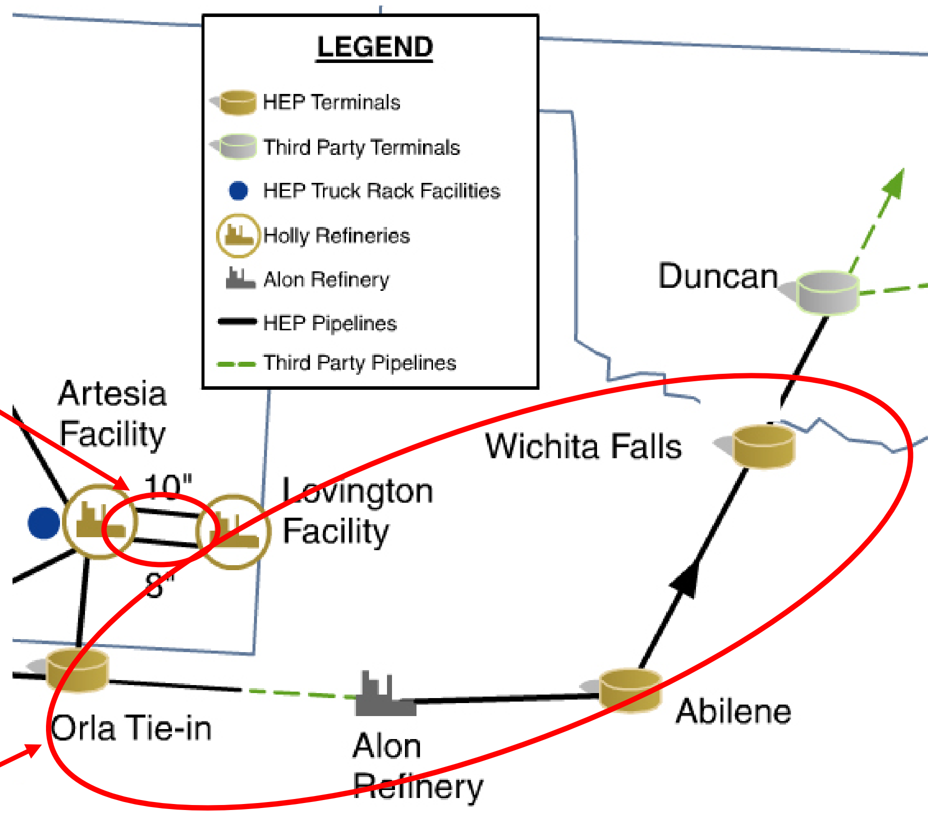
- 4 terminals with aggregate storage capacity of over 600,000 bbls
- Serve Holly Corp's Woods Cross Refinery and other third party shippers
- Linked by third party pipelines
- 3 terminals acquired in 2003 as part of Holly Corp's growth initiative
- Mountain Home is the only terminal that supplies Mountain Home Air Force base
- Product truck rack at Woods Cross Refinery serves local markets in the Salt Lake valley



2005 Acquisitions

- Two intermediate product feedstock lines connecting the Holly's New Mexico refining facilities
- Acquired from Holly in July 2005

- Four refined product P/L's, two refined product terminals, one refined product tank farm
- Acquired from Alon USA in February 2005



(Holly Refinery locations also shown)

HEP has Stable Cash Flows

- 94% of HEP’s revenues come from long-term contracts
- 15-year agreements with Holly Corp & Alon USA *(on assets acquired from Alon in 2005)*
- Minimum revenue commitment of over $48 million from Holly Corp
- Minimum revenue commitment of over $27 million from Alon USA
- BP contract with Rio Grande pipeline requiring BP to ship a minimum average of 12,500 bpd

Holly Corporation as a strong customer

- *Holly Corporation (NYSE: HOC) 30 + years in the refining business*
  - *Acquired refinery in Artesia, NM—expanded capacity 3 times since purchase*
  - *[Acquired refinery in Great Falls, MT (in stages from 1984 to 1992)]*
  - *Acquired refinery in Woods Cross, UT in 2003*

- *Financial statistics for Holly:*

(all in millions, except where noted)	12/31/05
Cash *(inc. equivalents & marketable sec.)*	$254.8
Debt	$0.0
Market Cap *(in billions)*	$1.8B
Sales *(in billions)*	$3.2B
Net Income	$167.7
EBITDA	$311.1

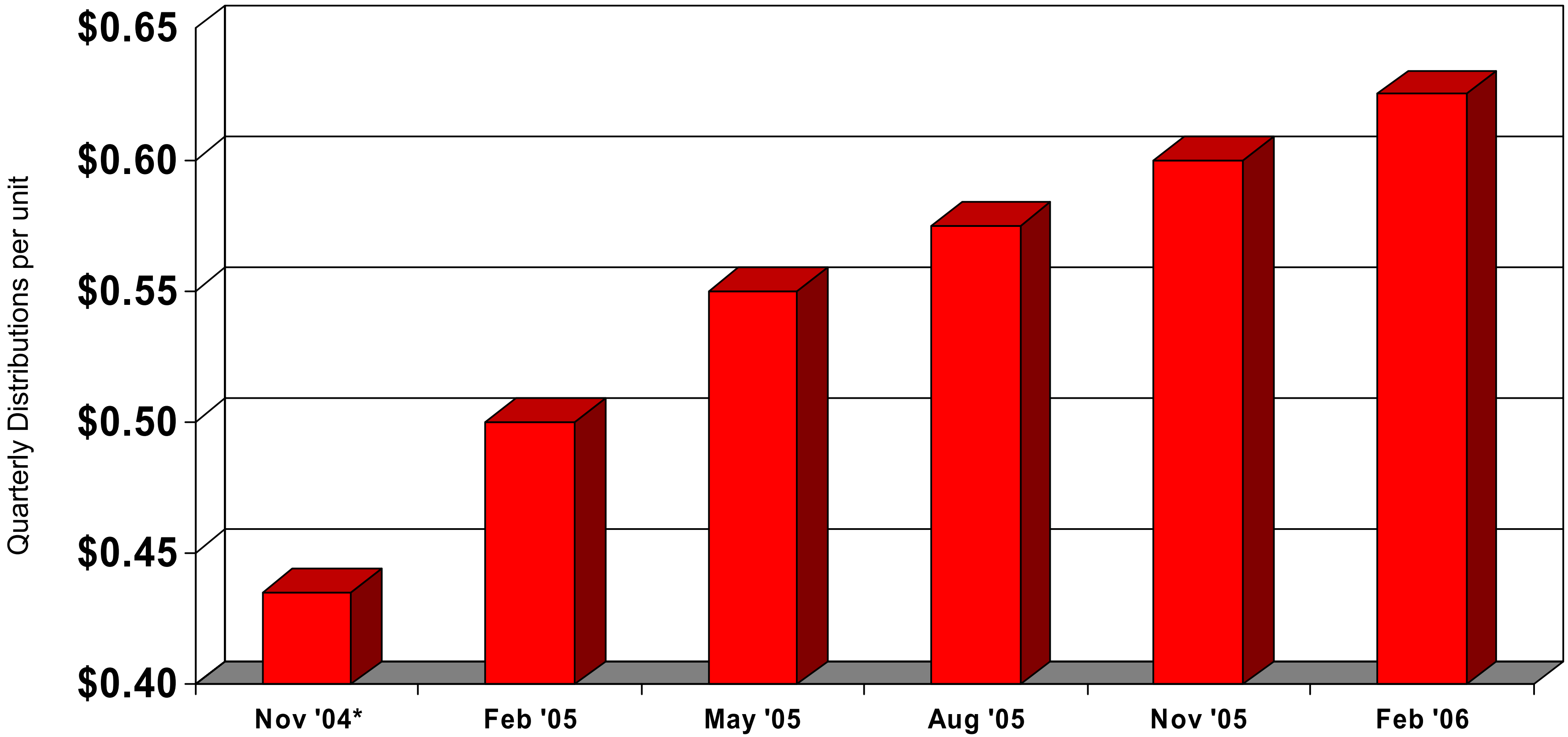
HOLLY

HEP has Long-Term Contracts in Place

♦ ***Approximately $82 million of HEP revenue is subject to long-term contracts:***

Counterparty	Type of Contract	Revenue ($ millions)
Holly Corp—IPO Assets	Minimum Revenue Commitment	36.7
Holly Corp—Intermediate P/L Assets	Minimum Revenue Commitment	11.8
Alon USA—Assets purchased in 2005	Minimum Volume Commitment	20.2
Alon USA—Lease Agreement	Capacity Commitment (20,000bpd)	6.9
BP	Minimum Volume Commitment	6.4
TOTAL		**82.0**

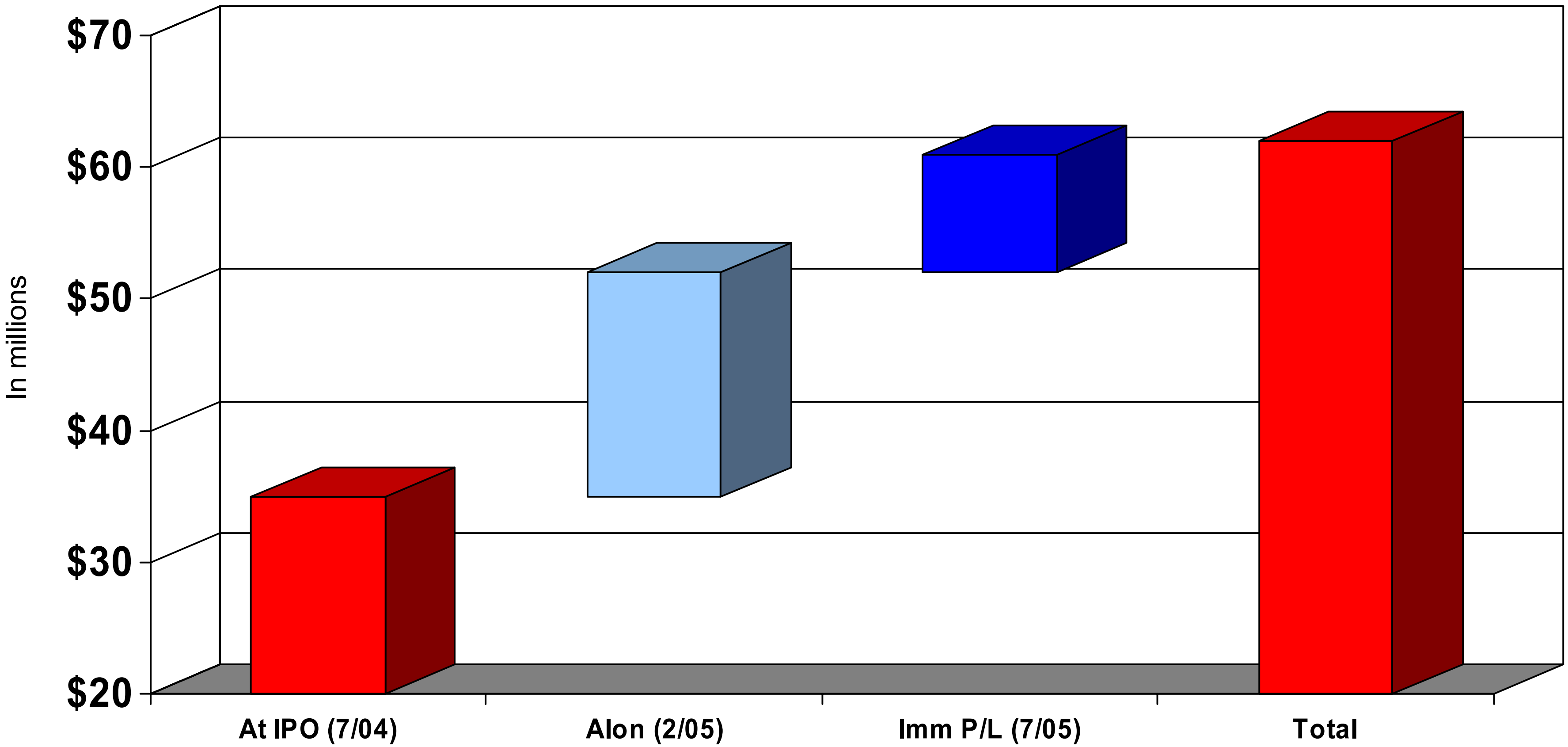
HEP Distribution Growth since IPO



* Less than a full calendar quarter—distribution paid at pro-rated $0.50/qtr

HEP EBITDA Growth since IPO

Growth achieved in 12 month period from time of initial IPO



- Incremental EBITDA growth from acquisitions

HEP Growth Opportunities

- *Resulting from Holly Growth:*
  - *Refinery expansions in 2006 & future*
  - *Terminal & pipeline support*
  - *Crude pipeline in Utah*
- *Any future Alon expansions*
- *External acquisitions*
- *Internal growth*

Key HEP Investment Highlights

- *Well maintained assets serving high growth markets*
- *Positioned to grow as major customers--Holly & Alon--grow*
- *Strong sponsor and customer in Holly Corporation*
- *Stable base of revenue with long-term fee-based commitments*
- *No commodity risk / stable operations*

  --Won't take any commodity risk

  --Stable operating cost structure
- *Disciplined growth strategy*
- *Conservative financial structure*

  --Growth with mix of debt & equity

Question period from audience

Holly Energy Partners, L.P.

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Definitions

Earnings before interest, taxes, depreciation and amortization (“EBITDA”) is calculated as net income plus (i) interest expense net of interest income and (ii) depreciation and amortization. EBITDA is not a calculation based upon U.S. generally accepted accounting principles (“U.S. GAAP”). However, the amounts included in the EBITDA calculation are derived from amounts included in our consolidated financial statements. EBITDA should not be considered as an alternative to net income or operating income, as an indication of our operating performance or as an alternative to operating cash flow as a measure of liquidity. EBITDA is not necessarily comparable to similarly titled measures of other companies. EBITDA is presented here because it is a widely used financial indicator used by investors and analysts to measure performance. EBITDA is also used by our management for internal analysis and as a basis for compliance with financial covenants.

Earnings & Cash Flow Guidance—Full Year Basis

- *EBITDA: $60+ million*

- *Interest Expense (on total long-term debt of $185 million)*
  - *6.25% on $125 million*
  - *Three months LIBOR plus 115.75 basis points on $60 million*
  - *Commitment fee of 50 basis points on $100 million credit facility, and*
  - *Approx. $1 million of annual amortization of debt issuance and underwriting costs*

- *Depreciation & Amortization: Approx. $16 million*

- *Maintenance Capital Expenditures: Approx. $2 million*

HEP Consolidated Statement Of Income

	2005
Revenues:	
Affiliates	$ 44,184
Third parties	35,936
	80,120
Operating costs and expenses:	
Operations	25,332
Depreciation and amortization	14,201
General and administrative	4,047
	43,580
Operating income	36,540
Other income (expense):	
Interest income	649
Interest expense	(9,633)
Income before minority interest	27,556
Minority interest in Rio Grande Pipeline Company	(740)
Net income	26,816
Less:	
General partner interest in net income	(721)
Limited partners' interest in net income	$ 26,095
Net income per limited partner unit - Basic and diluted	$ 1.70
Weighted average limited partners' units outstanding	15,356

HEP Distributable Cash Flow

	2005
Net income	$26,816
Add cash interest expense	8,848
Add amortization of deferred debt issuance costs	785
Subtract interest income	(649)
Add depreciation and amortization	14,201
EBITDA (1)	50,001
Subtract cash interest expense	(8,848)
Add interest income	649
Subtract maintenance capital expenditures (2)	(364)
Distributable cash flow (3)	$41,438

(1) Defined at end of presentation

(2)Maintenance capital expenditures are capital expenditures made to replace partially or fully depreciated assets in order to maintain the existing operating capacity of our assets and to extend their useful lives.

(3) Distributable cash flow is not a calculation based upon U.S. GAAP.