

HOLLY ENERGY PARTNERS LP  
Form SC 13D  
August 28, 2009

**SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
SCHEDULE 13D**

**Under the Securities Exchange Act of 1934**

**Holly Energy Partners, L.P.**

(Name of Issuer)

**Common Units**

(Title of Class of Securities)

**435763 10 7**

(CUSIP Number)

**Denise C. McWatters**

**Vice President, General Counsel and Secretary**

**Holly Energy Partners, L.P.**

**100 Crescent Court, Suite 1600**

**Dallas, Texas 75201**

**Tel: (214) 871-3555**

(Name, Address and Telephone Number of Person  
Authorized to Receive Notices and Communications)

**August 18, 2009**

(Date of Event which Requires Filing  
of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box:

**Note:** Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See §240.13d-7 for other parties to whom copies are to be sent.

\* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a

prior cover  
page.

The information required on the remainder of this cover page shall not be deemed to be filed for the purpose of Section 18 of the Securities Exchange Act of 1934 ( Act ) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

(Continued on following pages)

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Common Unit CUSIP No. 435763 10 7

NAME OF REPORTING PERSON

**1** I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS  
Holly Corporation 75-1056913

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

**2** (a)  
(b)

SEC USE ONLY

**3**

SOURCE OF FUNDS

**4**

OO

CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO  
ITEMS 2(d) OR 2(e)

**5**

CITIZENSHIP OR PLACE OF ORGANIZATION

**6**

Delaware, United States

SOLE VOTING POWER

**7**

NUMBER OF 72,503 Common Units

SHARED VOTING POWER

SHARES BENEFICIALLY OWNED BY **8** 7,217,497 Common Units

SOLE DISPOSITIVE POWER

EACH REPORTING PERSON **9** 72,503 Common Units

WITH SHARED DISPOSITIVE POWER

10

7,217,497 Common Units

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON (1)

7,290,000 Common Units

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

o

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

41.5% of Common Units

14 TYPE OF REPORTING PERSON

CO corporation

(1) Certain indirect wholly owned subsidiaries of Holly Corporation, including Navajo Pipeline Co., L.P. and HEP Logistics Holdings, L.P., are the record owners of 7,217,497 of these Common Units.

Common Unit CUSIP No. 435763 10 7

NAME OF REPORTING PERSON

**1** I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS  
Navajo Holdings, Inc. 85-0284908

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

**2** (a)  
(b)

SEC USE ONLY

**3**

SOURCE OF FUNDS

**4**

OO (see Item 3)

CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO  
ITEMS 2(d) OR 2(e)

**5**

CITIZENSHIP OR PLACE OF ORGANIZATION

**6**

New Mexico, United States

SOLE VOTING POWER

**7**

NUMBER OF 0 Common Units

SHARED VOTING POWER

SHARES BENEFICIALLY OWNED BY **8** 7,127,440 Common Units

SOLE DISPOSITIVE POWER

EACH REPORTING PERSON **9** 0 Common Units

WITH SHARED DISPOSITIVE POWER

**10**

7,127,440 Common Units

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON (1)

**11**

7,127,440 Common Units

CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

**12**

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

**13**

40.5% of Common Units

TYPE OF REPORTING PERSON

**14**

CO corporation

(1) Navajo Pipeline Co., L.P. and HEP Logistics Holdings, L.P. are the record owners of these Common Units.

Common Unit CUSIP No. 435763 10 7

NAME OF REPORTING PERSON

**1** I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS  
Navajo Pipeline GP, L.L.C. 52-2364943

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

**2** (a)  
(b)

SEC USE ONLY

**3**

SOURCE OF FUNDS

**4**

OO (see Item 3)

CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO  
ITEMS 2(d) OR 2(e)

**5**

CITIZENSHIP OR PLACE OF ORGANIZATION

**6**

Delaware, United States

SOLE VOTING POWER

**7**

NUMBER OF 0 Common Units

SHARED VOTING POWER

SHARES BENEFICIALLY OWNED BY **8**

7,127,440 Common Units

SOLE DISPOSITIVE POWER

EACH REPORTING PERSON **9**

0 Common Units

WITH SHARED DISPOSITIVE POWER

**10**

7,127,440 Common Units

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON (1)

**11**

7,127,440 Common Units

CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

**12**

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

**13**

40.5% of Common Units

TYPE OF REPORTING PERSON

**14**

OO limited liability company

(1) Navajo Pipeline Co., L.P. and HEP Logistics Holdings, L.P. are the record owners of these Common Units.



Common Unit CUSIP No. 435763 10 7

NAME OF REPORTING PERSON

**1** I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS  
Navajo Pipeline LP, L.L.C. 85-0484420

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

**2** (a)  
(b)

SEC USE ONLY

**3**

SOURCE OF FUNDS

**4**

OO (see Item 3)

CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO  
ITEMS 2(d) OR 2(e)

**5**

CITIZENSHIP OR PLACE OF ORGANIZATION

**6**

Delaware, United States

SOLE VOTING POWER

**7**

NUMBER OF 0 Common Units

SHARED VOTING POWER

SHARES BENEFICIALLY OWNED BY **8** 7,127,440 Common Units

SOLE DISPOSITIVE POWER

EACH REPORTING PERSON **9** 0 Common Units

WITH SHARED DISPOSITIVE POWER

**10**

7,127,440 Common Units

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON (1)

**11**

7,127,440 Common Units

CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

**12**

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

**13**

40.5% of Common Units

TYPE OF REPORTING PERSON

**14**

OO limited liability company

(1) Navajo Pipeline Co., L.P. and HEP Logistics Holdings, L.P. are the record owners of these Common Units.

Common Unit CUSIP No. 435763 10 7

NAME OF REPORTING PERSON

**1** I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS  
Navajo Pipeline Co., L.P. 75-1611333

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

**2** (a)  
(b)

SEC USE ONLY

**3**

SOURCE OF FUNDS

**4**

OO (see Item 3)

CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO  
ITEMS 2(d) OR 2(e)

**5**

CITIZENSHIP OR PLACE OF ORGANIZATION

**6**

Delaware, United States

SOLE VOTING POWER

**7**

NUMBER OF 0 Common Units

SHARED VOTING POWER

SHARES BENEFICIALLY OWNED BY **8** 7,127,440 Common Units

SOLE DISPOSITIVE POWER

EACH REPORTING PERSON **9** 0 Common Units

WITH SHARED DISPOSITIVE POWER

**10**

7,127,440 Common Units

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON (1)

**11**

7,127,440 Common Units

CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

**12**

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

**13**

40.5% of Common Units

TYPE OF REPORTING PERSON

**14**

PN partnership

(1) HEP Logistics Holdings, L.P. is the record owner of 7,000,000 of these Common Units.

Common Unit CUSIP No. 435763 10 7

NAME OF REPORTING PERSON

**1** I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS  
Holly Logistic Services, L.L.C. 05-0593172

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

**2** (a)  
(b)

SEC USE ONLY

**3**

SOURCE OF FUNDS

**4**

OO (see Item 3)

CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO  
ITEMS 2(d) OR 2(e)

**5**

CITIZENSHIP OR PLACE OF ORGANIZATION

**6**

Delaware, United States

SOLE VOTING POWER

**7**

NUMBER OF 0 Common Units

SHARED VOTING POWER

SHARES BENEFICIALLY OWNED BY **8** 7,000,000 Common Units

SOLE DISPOSITIVE POWER

EACH REPORTING PERSON **9** 0 Common Units

WITH SHARED DISPOSITIVE POWER

**10**

7,000,000 Common Units

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON (1)

**11**

7,000,000 Common Units

CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

**12**

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

**13**

39.8% of Common Units

TYPE OF REPORTING PERSON

**14**

OO limited liability company

(1) HEP Logistics Holdings, L.P. is the record owner of these Common Units.

Common Unit CUSIP No. 435763 10 7

NAME OF REPORTING PERSON

**1** I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS  
HEP Logistics Holdings, L.P. 20-0833056

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

**2** (a)  
(b)

SEC USE ONLY

**3**

SOURCE OF FUNDS

**4**

OO (see Item 3)

CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO  
ITEMS 2(d) OR 2(e)

**5**

CITIZENSHIP OR PLACE OF ORGANIZATION

**6**

Delaware, United States

SOLE VOTING POWER

**7**

NUMBER OF 0 Common Units

SHARED VOTING POWER

SHARES BENEFICIALLY OWNED BY **8** 7,000,000 Common Units

SOLE DISPOSITIVE POWER

EACH REPORTING PERSON **9** 0 Common Units

WITH SHARED DISPOSITIVE POWER

**10**

7,000,000 Common Units

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

**11**

7,000,000 Common Units

CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

**12**

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

**13**

39.8% of Common Units

TYPE OF REPORTING PERSON

**14**

PN partnership



**Item 1. Security and Issuer**

This schedule relates to the common units representing limited partner interests (the Common Units ) of Holly Energy Partners, L.P., a Delaware limited partnership (the Issuer ), which has its principal executive offices at 100 Crescent Court, Suite 1600, Dallas, Texas 75201.

**Item 2. Identity and Background**

(a) Name of Persons Filing this Statement:

- (1) Holly Corporation, a Delaware corporation (Holly ), is the parent of Navajo Holdings, Inc., a New Mexico corporation (Navajo Holdings ), Navajo Pipeline GP, L.L.C., a Delaware limited liability company (Navajo Pipeline GP ), Navajo Pipeline LP, L.L.C., a Delaware limited liability company (Navajo Pipeline LP ), Navajo Pipeline, Co., L.P., a Delaware limited partnership (Navajo ), Holly Logistic Services, L.L.C., a Delaware limited liability company (HLS ), and HEP Logistics Holdings, L.P., a Delaware limited partnership (the General Partner ).
- (2) Navajo Holdings is a wholly owned subsidiary of Holly.
- (3) Navajo Pipeline GP is a wholly owned subsidiary of Navajo Holdings.
- (4) Navajo Pipeline LP is a wholly owned subsidiary of Navajo Holdings.
- (5) Navajo has one general and limited partner, which are Navajo Pipeline GP and Navajo Pipeline LP, respectively.
- (6) HLS is a wholly owned subsidiary of Navajo.
- (7) The General Partner (collectively with Holly, Navajo Holdings, Navajo Pipeline GP, Navajo Pipeline LP, Navajo and HLS, the Reporting Persons ), has one general and limited partner, which are HLS and Navajo, respectively, and is the sole general partner of the Issuer.

The Reporting Persons have entered into a Joint Filing Agreement, dated the date hereof, a copy of which is filed with this Schedule 13D as Exhibit A (which is hereby incorporated by reference) pursuant to which the Reporting Persons have agreed to file this statement jointly in accordance with the provisions of Rule 13d-1(k)(1) under the Act. Information with respect to each Reporting Person is given solely by such Reporting Person, and no Reporting Person assumes responsibility for the accuracy or completeness of the information furnished by another Reporting Person. The Reporting Persons expressly disclaim that they have agreed to act as a group.

Pursuant to Rule 13d-4 of the Act, the Reporting Persons expressly declare that the filing of this statement shall not be construed as an admission that any such

person is, for the purposes of Section 13(d) and/or Section 13(g) of the Act or otherwise, the beneficial owner of any securities covered by this Schedule 13D held by any other person.

- (b) Principal Business Address and Principal Office Address of Reporting Persons:
- (1) The principal business address and principal office address of the Reporting Persons is 100 Crescent Court, Suite 1600, Dallas, Texas 75201.
- (c) Present Principal Occupation or Principal Business:
- (1) The principal business of Holly is to act as a holding company whose assets consist of direct and indirect ownership interests in, and whose business is conducted substantially through, its subsidiaries.
  - (2) The principal business of Navajo Holdings is to act as a holding company whose assets consist of direct and indirect ownership interests in, and whose business is conducted substantially through, its subsidiaries.
  - (3) The principal business of Navajo Pipeline GP is to serve as the general partner of Navajo.
  - (4) The principal business of Navajo Pipeline LP is to serve as the limited partner of Navajo.
  - (5) The principal business of Navajo is to own all of the membership interests in HLS and serve as the limited partner of the General Partner.
  - (6) The principal business of HLS is to serve as the general partner of the General Partner.
  - (7) The principal business of the General Partner is to serve as the general partner of the Issuer. The principal business of the Issuer is the operation (through its subsidiaries) of oil and gas refined product and crude oil pipelines.

Pursuant to Instruction C to Schedule 13D of the Act, information regarding the directors and executive officers of Holly, Navajo Holdings and HLS (the Listed Persons ) are as follows:

**Holly Corporation:**

<b>Name</b>	<b>Position</b>	<b>Principal Occupation/Business</b>	<b>Common Units Beneficially Owned</b>	<b>Percent of Common Units Beneficially Owned</b>
Matthew P. Clifton	Chairman of the Board and Chief Executive Officer	Executive Officer of Holly and its affiliates	67,246	0.4
David L. Lamp	President	Executive Officer of Holly and its affiliates	300 <sup>(1)</sup>	*
Bruce R. Shaw	Senior Vice President and Chief Financial Officer	Executive Officer of Holly and its affiliates	8,580	*
Denise C. McWatters	Vice President, General Counsel and Secretary	Executive Officer of Holly and its affiliates	3,610 <sup>(2)</sup>	*
Robert G. McKenzie	Director	Financial Consultant	0	*
Marcus R. Hickerson	Director	President, Waxahachie Community Development Corporation	10,300 <sup>(3)</sup>	0.1
Thomas K. Matthews II	Director	Financial Consultant	1,000 <sup>(4)</sup>	*
Jack P. Reid	Director	Retired	4,400 <sup>(5)</sup>	*
Paul T. Stoffel	Director	Chairman of Triple S Capital Corp. and Paul Stoffel Investments	150,300	0.9
Buford P. Berry	Director	Of Counsel, Thompson & Knight L.L.P.	0	*
Leldon E. Echols	Director	Private Investor	0	*

\* Less than 0.1%

**Navajo Holdings, Inc.**

<b>Principal</b>	<b>Common Units</b>	<b>Percent of Common Units Beneficially</b>
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<b>Name</b>	<b>Position</b>	<b>Occupation/Business</b>	<b>Beneficially Owned</b>	<b>Owned</b>
Matthew P. Clifton	President and Director	Executive Officer of Holly and its affiliates	67,246	0.4
Bruce R. Shaw	Vice President, Chief Financial Officer and Director	Executive Officer of Holly and its affiliates	8,580	*
Denise C. McWatters	Vice President, General Counsel, Secretary and Director	Executive Officer of Holly and its affiliates	3,610 <sup>(2)</sup>	*

\* Less than 0.1%

**Holly Logistic Services, L.L.C.**

<b>Name</b>	<b>Position</b>	<b>Principal Occupation/Business</b>	<b>Common Units Beneficially Owned</b>	<b>Percent of Common Units Beneficially Owned</b>
Matthew P. Clifton	Chairman of the Board and Chief Executive Officer	Executive Officer of Holly and its affiliates	67,246	0.4
David G. Blair	Senior Vice President	Executive Officer of HLS	15,601	0.1
Bruce R. Shaw	Senior Vice President			