

OSAGE PIPE LINE COMPANY, LLC

LOCAL PIPELINE TARIFF CONTAINING RATES, RULES AND REGULATIONS

GOVERNING THE TRANSPORTATION AND HANDLING OF CRUDE PETROLEUM

TRANSPORTED BY PIPELINE

[N] Issued in compliance with 18 CFR § 341.3 – Form of Tariff

[C] ~~This rate decrease is filed in compliance of 18 CFR 342.3(a), Indexing, Rate Changes.~~

~~[C] The rates in this tariff are being established in accordance with the Commission's January 20, 2022 order in Docket No. RM20-14-001, which reduced the index for the current five-year review period from PPI-FG + 0.78 percent to PPI-FG - 0.21 percent (the "March 2022 Index"). **To the extent that all or any portion of that order is reversed on rehearing or appeal and the index for the current five-year period is increased from the March 1 Index level, the Carrier reserves the right to collect from shippers the positive difference, if any, between the rates resulting from application of the March 2022 Index and the rates resulting from application of the new index, for all barrels shipped from March 1, 2022 forward.**~~

Special Permission Requested. Issued on less than thirty (30) days' notice under authority of 18 C.F.R. § 314.14. This tariff publication is conditionally accepted subject to refund pending a 30-day review period.

The rate published in this tariff is for the interstate transportation of Crude Petroleum by pipeline, subject to the regulations named herein. Rate is payable in U.S. currency.

The matter published herein will have no adverse effect on the quality of the human environment.

ISSUED: March 23, 2022

EFFECTIVE: March 23, 2022

Issued By
Kenneth Norwood, VP and Controller

Compiled By
Lauren Horn, Financial Reporting

Holly Energy Partners – Operating, L.P.
2828 N. Harwood, Ste 1300
Dallas, TX 75201
Phone (214) 871-3555 Fax (214) 615-9376

Rules and Regulations

ITEM 10 – DEFINITIONS

“A.P.I.” means American Petroleum Institute.

“Barrel” means forty-two (42) United States gallons.

“Carrier” means Osage Pipe Line Company, LLC.

“Crude Petroleum” means the grade or grades of the direct liquid products of oil or gas wells meeting the requirements of Item 20, which Carrier has undertaken to transport.

“Indirect liquid products of oil or gas wells” means the liquid products resulting from the operation of gasoline recovery plants, gas recycling plants, condensate or distillate recovery equipment in gas or oil fields, or a mixture of such products, which Carrier has undertaken to transport.

“U.S.” means United States.

ITEM 20 – MERCHANTABLE OIL

No crude petroleum will be accepted for transportation except good merchantable petroleum satisfying the following requirements: (i) gravity of not less than nineteen degrees (19°) API and not more than forty-five degrees (45°) API which is properly settled and contains not more than one percent (1%) of basic sediment, water, and other impurities; (ii) Reid Vapor Pressure of not more than 9.5 pounds per square inch at one hundred degrees Fahrenheit (100°F); (iii) pour point not over fifty degrees Fahrenheit (50°F); and (iv) viscosity of up to and including 350 centistokes at sixty degrees Fahrenheit (60°F). Separate common streams must meet one of the following specifications:

- (a) .50 percent (%) sulphur content by weight and below;
- (b) .50 percent (%) sulphur content by weight and below, consisting of West Texas Intermediate Crude, Scurry Grade Crude and east Texas Field Crude (as an additional common stream) from Longview, Texas; or
- (c) .51 to 1.3 percent (%) sulphur by weight;
- (d) 1.31 to 2.0 percent (%) sulphur by weight.

No crude petroleum will be accepted unless its gravity, viscosity, and other characteristics are such that it will be readily susceptible of transportation through the Carrier’s existing facilities, and it will not materially affect the quality of the other shipments or cause disadvantage to other Shippers and/or the Carrier.

ITEM 30 – STORAGE

Storage necessarily incident to transportation and only such storage will be provided by the Carrier.

ITEM 40 – MINIMUM SHIPMENTS

Quantities of Crude Petroleum will be accepted for transportation as a single shipment to destinations shown herein in amounts of not less than 20,000 barrels. Quantities of less than 20,000 barrels may be accepted for transportation if operating conditions permit and if such Crude Petroleum of like quality and characteristics of that currently being transported.

ITEM 50 – QUALITY AND QUANTITY OF RECEIPT AND DELIVERIES

Carrier will accept for transportation Crude Petroleum that can be commingled or intermixed with a grade of Crude Petroleum, which Carrier regularly transports between the origination and destination points of the shipment without substantially reducing the value or altering the quality of any grade of Crude Petroleum, which Carrier regularly transports over the route of the shipment.

ITEM 50 – QUALITY AND QUANTITY OF RECEIPT AND DELIVERIES (Continued)

Carrier will accept Crude Petroleum for transportation only on condition that Carrier shall not be liable to Shipper or Consignee for changes in gravity or quality which may occur from commingling or inter-mixing such Crude Petroleum with other Crude Petroleum in transit; and that Carrier will not be obligated to deliver to Consignee the identical Crude Petroleum received from Shipper. However, Carrier will deliver to Consignee a grade of Crude Petroleum as nearly like the grade of Crude Petroleum received from Shipper as Carrier is regularly transporting as a common stream to destination points of the shipment.

Carrier will not make a delivery of less than 10,000 barrels of Crude Petroleum at any destination point on its trunk line except when necessitated by dispatching contingencies.

ITEM 60 – MEASUREMENT AND TENDER DEDUCTIONS

The volume of Crude Petroleum received and delivered by Carrier will be measured in barrel units by meter or by gauge. Measured volumes at recorded or observed temperatures will be converted to volumes at sixty degrees Fahrenheit (60°F).

The volume of impurities in Crude Petroleum received and delivered by Carrier will be measured by an electrical or mechanical device or by physical test and such volume will be deducted from the volume of such receipts and deliveries.

Carrier shall determine all measurements, but Shipper and Consignee or their representatives may be present to witness them.

A deduction of one fourth (1/4) of one tenth (1/10) of one percent (1%) by volume will be assessed on each shipment of Crude Petroleum tendered to Carrier.

ITEM 70 – TENDERS REQUIRED

Crude Petroleum for shipment through lines of this Carrier will be received only on proper notice by letter showing the point at which the Crude Petroleum is to be received, point or points of delivery, Consignee, and amount of Crude Petroleum to be transported. The notice shall be received by the Carrier on or before the 23rd of the month preceding the month of delivery. The Carrier may refuse to accept Crude Petroleum for transportation unless satisfactory evidence be furnished that the Shipper or Consignee has made provision for receipt thereof at destination.

ITEM 80 – TITLE UNENCUMBERED

The act of delivering Crude Petroleum to the Carrier for transporting shall constitute a warranty that the Shipper or Consignee has unencumbered title thereto, and that such Crude Petroleum was produced in accordance with concerned laws and regulations. When any Crude Petroleum tendered for transportation is involved in litigation, or the ownership of which may be in dispute, or which may be encumbered by lien or charge of any kind, the Carrier may require of Shippers an indemnity bond to protect it against all loss.

ITEM 90 – LIABILITY OF CARRIER

The Carrier shall not be liable for any loss or damage or delay caused by act of God, public enemy, quarantine, authority of law, strike, riots, fire or the act or default of Shipper or Owner, or for any other cause not due to the negligence of the Carrier whether similar or dissimilar to the causes herein enumerated; and in case of loss from any such causes after Crude Petroleum has been received for transportation and before the same has been delivered to the Consignee, the Shipper shall bear a loss in such proportion as the amount of his shipment is to all of the Crude Petroleum in the custody of the Carrier at the time of such loss, and the Shipper shall be entitled to have delivered only such portion of his shipment as may remain after a deduction of his due proportion of such loss but in such event the Shipper shall be required to pay charges only on the quantity of Crude Petroleum delivered.

ITEM 100 – DUTY OF CARRIER

The Carrier shall not be required to transport Crude Petroleum except with reasonable diligence, considering the quality of the Crude Petroleum, the distance of transportation and other material elements; but in the event Shipper fails to provide adequate facilities for receipt at destination or has not ascertained from the Carrier that it has facilities available for receipt at destination, Carrier shall have the right on 24 hour notices, to divert or reassign, subject to the rates, rules and regulations applicable from point of origin to actual final destination, or make whatever arrangements for disposition as are deemed appropriate to clear the Carrier's facilities, including the right of private sale for the best price reasonably obtainable. The Carrier may be a purchaser at such sale. Out of the proceeds of said sale, the Carrier shall pay itself all transportation and all other applicable lawful charges and necessary expenses of the sale and the expense of caring for and maintaining the Crude Petroleum until disposed of and the balance shall be held for whomsoever may be lawfully entitled thereto.

ITEM 110 – PAYMENT OF TRANSPORTATION AND OTHER CHARGES

Shipper shall be responsible for payment of transportation and all other charges applicable to the shipment, and at the discretion of Carrier, may be required to prepay such charges or furnish guaranty of payment satisfactory to Carrier. Crude Petroleum accepted for transportation shall be subject to the rates in effect on the date of receipt by Carrier, irrespective of the date of tender. Payments not received by Carrier in accordance with invoice terms shall be subject to a later charge equivalent to 125% of prime rate as quoted by a major New York bank. Carrier will have a lien on all Crude Petroleum accepted for transportation to secure the payment of all charges, including demurrage charges, and may refuse to make delivery of the Crude Petroleum until all charges have been paid. If said charges, or any part thereof, shall remain unpaid for five days, as computed from the first seven o'clock a.m. after written notice is mailed to Shipper of Carrier's intention to enforce its lien as herein provided, Carrier shall have the right through an agent to sell said Crude Petroleum at public auction for cash, between the hours of ten o'clock a.m. and four o'clock p.m. on any day not a weekend or legal holiday, and not less than twenty-four hours after notice of the time and place of such sale and the quantity, general description, and location of the Crude Petroleum to be sold has been published in a daily newspaper of general circulation published in the town or city where the sale is to be held, and sent by telegraph (or other comparable means) to Shipper. Carrier may be a bidder and purchaser at such sale. Out of the proceeds of said sale, Carrier shall pay itself for all transportation demurrage, and other lawful charges, expenses of notice, advertisement, sale and other necessary expenses, and expenses of caring for and maintaining the Crude Petroleum, and the balance shall be held for whomsoever may be lawfully entitled thereto; if the proceeds of said sale do not cover all expenses incurred by Carrier, the Shipper and/or Consignee are liable to Carrier for any deficiency.

ITEM 120 – CLAIMS TIME FOR FILING

Except where property is lost or damaged in transit by carelessness or negligence of the Carrier, claims for loss or damage must be made in writing to the Carrier within nine (9) months after delivery of the property, or in case of a failure to make delivery, then within nine (9) months after a reasonable time for delivery has elapsed. Suits for loss or damage shall be instituted only within two (2) years and one (1) day after delivery of the property, or in the case of failure to make delivery, then within two (2) years and one (1) day after a reasonable time for delivery has elapsed; provided, however, that where claims have been duly filed with the Carrier, suit must be brought within two (2) years and one (1) day after notice in writing is given by the Carrier to the claimant that the Carrier has disallowed the claim or any part of parts thereof specified in the notice. Where claims for loss or damage are not filed for suits are not instituted thereon in accordance with the foregoing provisions, such claims will not be paid and the Carrier will not be liable.

ITEM 130 – PIPEAGE CONTRACT REQUIRED

Separate pipeage contracts in accord with this tariff and these regulations covering further details may be required by the Carrier before any duty of transportation shall arise.

ITEM 140 – DIVERSION OR RECONSIGNMENT
Provided no back haul is required, diversion or reconsignment will be made on written request from the Consignor or Consignee. No additional charge will be made for the diversion or reconsignment service. The rate to be applied under this rule is the rate from point of origin to final destination.
ITEM 150 – APPORTIONMENT WHEN TENDERS ARE IN EXCESS OF FACILITIES
When there shall be tendered to the Carrier, for transportation, more Crude Petroleum than can be immediately transported, the transportation furnished by the Carrier shall be apportioned among Shippers on an equitable basis by the Carrier. Carrier's Pipeline Proration Procedure dated June 1, 2007 is available on request.
ITEM 160 – USE OF TELEGRAPH AND TELEPHONE FACILITIES
Without additional charge, patrons may use the private telegraph and/or telephone lines of the Carrier for the transmission of messages incident to the business, but the Carrier shall not be obligated to deliver messages, nor shall it be liable for failure of delivery of messages, and it shall not be liable for errors or delay in transmission or for interruption of the service.
ITEM 170 – APPLICATION OF RATES FROM INTERMEDIATE POINTS
Crude Petroleum received from a point on Carrier's lines which is not named in this tariff, but which is intermediate to a point from which rates are published, will be assessed the rate in effect from the next more distant point published in this tariff.
ITEM 180 – APPLICATION OF RATES TO INTERMEDIATE POINTS
Crude Petroleum destined to a point on Carrier's lines which is not named in this tariff, but which is intermediate to a point to which rates are published, will be assessed the rate in effect to the next more distant point published in this tariff.

RATES			
Rates in Cents Per Barrel			
[I] Increase. All rates on this page are Increased.			
FROM	TO	ITEM	Rates in Cents Per Barrel of 42 U.S. Gallons
Cushing Lincoln County, Oklahoma	El Dorado Butler County, Kansas	200	[U] 22.90
		201	[U] 25.41
		202	[U] 29.02
		203	[U] 30.40
<p>Item 200 – LIGHT CRUDE PETROLEUM – Crude Petroleum having a viscosity up to and including 20 centistokes at sixty degrees Fahrenheit (60°F).</p> <p>Item 201 – MEDIUM CRUDE PETROLEUM – Crude Petroleum having a viscosity greater than 20 centistokes up to and including 100 centistokes at sixty degrees Fahrenheit (60°F).</p>			

Item 202 – HEAVY CRUDE PETROLEUM – Crude Petroleum having a viscosity greater than 100 centistokes up to and including 250 centistokes at sixty degrees Fahrenheit (60°F).

Item 203 – SUPER HEAVY CRUDE PETROLEUM – Crude Petroleum having a viscosity greater than 250 centistokes up to and including 350 centistokes at sixty degrees Fahrenheit (60°F).

EXPLANATIONS

EXPLANATION OF REFERENCE MARKS

[U]	Unchanged Rate	[C]	Cancel
[W]	Word Change	[N]	New

EXPLANATION OF ABBREVIATIONS

A.P.I.	American Petroleum Institute
F.E.R.C.	Federal Energy Regulatory Commission
U.S.	United States
No.	Number