

## Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

**Part I Reporting Issuer**

1 Issuer's name  <b>HollyFrontier Corporation</b>		2 Issuer's employer identification number (EIN)  <b>75-1056913</b>	
3 Name of contact for additional information  <b>Leslie Simmons</b>	4 Telephone No. of contact  <b>(214) 871-3853</b>	5 Email address of contact  <b>leslie.simmons@hollyfrontier.com</b>	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact  <b>2828 N. Harwood, Suite 1300</b>		7 City, town, or post office, state, and Zip code of contact  <b>Dallas, TX 75201</b>	
8 Date of action  <b>July 1, 2011</b>		9 Classification and description  <b>Tax-free Merger</b>	
10 CUSIP number  <b>436106108</b>	11 Serial number(s)	12 Ticker symbol  <b>HFC</b>	13 Account number(s)

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ On February 21, 2011, Holly Corporation ("Holly") and Frontier Oil Corporation ("Frontier") agreed to a "merger of equals". Pursuant to the terms of the merger agreement, a wholly owned subsidiary of Holly merged into Frontier, with Frontier surviving as a wholly owned subsidiary of Holly. Upon the completion of the merger, Holly became the parent company of Frontier and Holly's name was changed to HollyFrontier Corporation. Upon completion of the merger, Frontier shareholders received 0.4811 shares of Holly common stock for each share of Frontier common stock they owned. The merger was completed on July 1, 2011.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ Upon completion of the merger, Frontier shareholders received 0.4811 shares of Holly common stock for each share of Frontier common stock they owned.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ The merger qualified as tax-free under Section 368 of the Internal Revenue Code of 1986, as amended (the "Code") thus, the Frontier shareholders did not recognize gain or loss on the receipt of the Holly common stock (except to the extent of cash issued in lieu of fractional shares). Accordingly, pursuant to Section 358 of the Internal Revenue Code, the Frontier shareholders' basis in the Holly common stock received was equal to their basis in the Frontier common stock surrendered. If a Frontier shareholder owns a single block of stock with uniform basis, then on a per share basis the Frontier shareholders will have to allocate their basis in each share of Frontier stock to 0.4811 shares of Holly common stock received and to fractional shares to the extent thereof. To the extent that holders of Frontier stock owned separate, identifiable blocks, the aggregate basis of the Holly stock computed above must be apportioned among the shares of Holly stock in such a manner that preserves the Frontier stock blocks.

**Part II Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ The merger was treated as a reorganization within the meaning of Section 368(a) of the Code and each of Holly, Frontier and Merger Sub were a party to the reorganization within the meaning of Section 368(b) of the Code. The receipt of the Holly common stock was tax-free to the Frontier shareholders pursuant to Section 354 of the Code, resulting in a substituted basis to such shareholders under Section 358 of the Code.

18 Can any resulting loss be recognized? ▶ Except for the receipt of fractional shares, no loss will be recognized by the Frontier shareholders.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ The tax year ended December 31, 2011.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here** Signature ▶ *Scott C. Surplus* Date ▶ 1/17/12

Print your name ▶ Scott C. Surplus Title ▶ VP/Controller

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.