

FRONTIER OIL CORP /NEW/
Form 425
April 04, 2011

Filed by Holly Corporation
Pursuant to Rule 425 under the Securities Act of 1933
and deemed filed pursuant to Rule 14a-12
under the Securities Exchange Act of 1934

Subject Company: Frontier Oil Corporation
Commission File No.: 1-07627

On April 1, 2011, Holly Corporation distributed the following message to its employees:

Weekly Communiqué #03 *A Commitment to Communicate*

April 1, 2011

Having focused last week on Holly Corporation, today we will introduce Frontier Oil Corporation's Senior Managers who complete the *HollyFrontier Integration Team*. We will also share a number of key company milestones, facts and unique events in the company's history.

The Integration Team members, from Frontier Oil Corporation, are as follows (*current titles used*):

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Spotlight on Frontier: A Few Key Milestones & Facts

1. Operates two refineries (El Dorado, KS and Cheyenne, WY) with combined crude capacity of 187 MBPD.
2. Owns and operates an ethanol blending facility in Denver and blends roughly 3,000 BPD of ethanol into gasoline.
3. 1949, is originally incorporated in Canada as Wainoco Oil Corporation, with E&P operations in Canada and the United States.
4. 1956, incorporates.
5. 1981, lists on the NYSE.
6. 1991, purchase of Frontier Refinery in Cheyenne. (*Rarin To Go* and *Bucking Bronc* is the Refinery's trademark).
7. 1999, purchase of the El Dorado Refinery.
8. Employs approximately 800 people, of whom 700 are located at the two Refineries.
9. 2000-2005, best total return to investors among Fortune 500 companies for 5-year period (63% annualized).
10. 2006, makes Fortune 500 list.
11. Traditionally focuses on heavy/sour crude refining and possesses significant coking capacity at each facility to process VTB's.
12. Currently emphasizes Canadian and North Dakota crude supplies for both plants. Still purchases significant crude volumes in the local markets (Cushing area for El Dorado and Guernsey, WY trading hub for Cheyenne).
13. 2006-2010, invests over \$500 million USD on refinery upgrade projects.
14. Is one of the two most profitable independent refining companies. At \$3.29 USD of net income per barrel, is second to Holly Corporation at \$3.72 per barrel, while third place finisher posts \$1.56 per barrel.

On the fun front, don't forget the **HollyFrontier Corporation Logo Contest**. The designer of our future logo wins an **iPad 2**. Please submit *ideas and sketches to your local HR Department for consideration*.

Next week we will describe the 5 Types of Mergers and begin exploring their application to several of our upcoming decisions. We will also share a few **employee FAQs**. Please submit any questions you may have to your local HR Department.

On behalf of the broader *HollyFrontier Integration Team*,

Dave Lamp
President
Holly Corporation
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Important Information for Investors and Shareholders

This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval. The issuance of Holly Corporation (Holly) common stock in connection with the proposed merger will be submitted to Holly's shareholders for their consideration, and the proposed merger will be submitted to shareholders of Frontier Oil Corporation (Frontier) for their consideration. Holly filed with the Securities and Exchange Commission (SEC) a registration statement on Form S-4 that included a joint proxy statement to be used by Holly and Frontier to solicit the required approval of their shareholders in connection with the proposed merger and constituted a prospectus of Holly. Holly and Frontier may also file other documents with the SEC concerning the proposed merger. **INVESTORS AND SECURITY HOLDERS OF HOLLY AND FRONTIER ARE URGED TO READ THE JOINT PROXY STATEMENT/PROSPECTUS REGARDING THE PROPOSED MERGER AND OTHER RELEVANT DOCUMENTS FILED WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED MERGER.** Investors and security holders may obtain a free copy of the joint proxy statement/prospectus and other documents containing important information about Holly and Frontier through the website maintained by the SEC at www.sec.gov. Copies of the documents filed with the SEC by Holly will be available free of charge on Holly's website at www.hollycorp.com under the tab Investors or by contacting Holly's Investor Relations Department at (214) 871-3555. Copies of documents filed with the SEC by Frontier will be available free of charge on Frontier's website at www.frontieroil.com under the tab Investor Relations and then under the tab SEC Filings or by contacting Frontier's Investor Relations Department at (713) 688-9600.

Holly, Frontier and certain of their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from the shareholders of Holly and shareholders of Frontier in connection with the proposed transaction. Information about the directors and executive officers of Holly is set forth in its proxy statement for its 2010 annual meeting of shareholders, which was filed with the SEC on March 25, 2010. Information about the directors and executive officers of Frontier is set forth in its proxy statement for its 2011 annual meeting of shareholders, which was filed with the SEC on March 21, 2011. These documents can be obtained free of charge from the sources indicated above. Other information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, are contained in the joint proxy statement/prospectus and other relevant materials to be filed with the SEC.

Cautionary Statement Regarding Forward-Looking Statements

This communication contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, and Section 21E of the Securities Exchange Act of 1934. These include statements regarding the effects of the proposed merger and statements preceded by, followed by or that otherwise include the words believes, expects, anticipates, intends, estimates, or similar expressions. Forward looking statements relating to expectations about future results or events are based upon information available to Holly and Frontier as of today's date, and are not guarantees of the future performance of Holly, Frontier or the combined company, and actual results may vary materially from the results and expectations discussed. For instance, although Holly and Frontier have signed an agreement for a subsidiary of Holly to merge with and into Frontier, there is no assurance that they will complete the proposed merger. The merger agreement will terminate if the companies do not receive the necessary approval of Holly's shareholders or Frontier's shareholders or government approvals or if either Holly or Frontier fails to satisfy conditions to closing. Additional risks and uncertainties related to the proposed merger include, but are not limited to, the successful integration of Holly's and Frontier's business and the combined company's ability to compete in the highly competitive refining and marketing industry. The revenues, earnings and business prospects of Holly, Frontier and the combined company and their ability to achieve planned business objectives will be subject to a number of risks and uncertainties. These risks and uncertainties include, among other things, risks and uncertainties with respect to the actions of actual or potential competitive suppliers of refined petroleum products in Holly's, Frontier's and the combined company's markets; 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, curtailments or shutdowns in refinery operations or pipelines; effects

of governmental and environmental regulations and policies; the availability and cost of financing; the effectiveness of capital investments and marketing strategies; efficiency in carrying out construction projects; the ability to acquire refined product operations or pipeline and terminal operations on acceptable terms and to integrate any existing or future acquired operations; the possibility of terrorist attacks and the consequences of any such attacks; and general economic conditions.

Holly and Frontier caution that the foregoing list of risks and uncertainties is not exclusive. Additional information concerning these and other risks is contained in Holly's and Frontier's most recently filed Annual Reports on Form 10-K, subsequent Quarterly Reports on Form 10-Q, recent Current Reports on Form 8-K and other SEC filings. All subsequent written and oral forward-looking statements concerning Holly, Frontier, the proposed merger or other matters and attributable to Holly or Frontier or any person acting on their behalf are expressly qualified in their entirety by the cautionary statements above. Neither Holly nor Frontier undertake any obligation to publicly update any of these forward-looking statements to reflect events or circumstances that may arise after the date hereof.

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