

**2010 First Quarter
Results Conference Call
May 6, 2010**

Notice: This transcript contains references to non-GAAP financial measures. A presentation of the most directly comparable GAAP measures and reconciliations to non-GAAP financial measures used in this presentation is available on our website at genlp.com and click on the non-GAAP Reconciliations icon at the Investor Relations page.

Welcome to the 2010 First Quarter Conference Call for Genesis Energy. Genesis has four business segments. The Pipeline Transportation Division is engaged in the pipeline transportation of crude oil and carbon dioxide. The Refinery Services Division primarily processes sour gas streams to remove sulfur at refining operations, principally located in Texas, Louisiana, and Arkansas. The Supply and Logistics Division is engaged in the transportation, blending, storage and supply of energy products, including crude oil and refined products. The Industrial Gases Division produces and supplies industrial gases such as carbon dioxide and syngas. Genesis' operations are primarily located in Texas, Louisiana, Arkansas, Mississippi, Alabama, and Florida.

During this conference call, management may be making forward-looking statements within the meaning of the Securities Act of 1933 and the Securities Exchange Act of 1934. The law provides safe harbor protection to encourage companies to provide forward-looking information. Genesis intends to avail itself of those safe harbor provisions and directs you to its most recently filed and future filings with the Securities Exchange Commission. We also encourage you to visit our website at genesisenergy.com where a copy of the press release we issued today is located. The press release also presents a reconciliation of such non-GAAP financial measures to the most comparable GAAP financial measures.

At this time, I would like to introduce Grant Sims, CEO of Genesis Energy, L.P.

Mr. Sims will be joined by Bob Deere, Chief Financial Officer, and Karen Pape, Chief Accounting Officer.

Introduction and Comments on First Quarter 2010

Thank you and welcome to everyone.

As I mentioned in the release, we had a successful quarter in terms of our underlying operations. We continue to see improvement in the business demand relating to our operational and service capabilities. Other than the lost throughput on our Texas pipeline due to the integrity management activities during the quarter, aggregate throughput on our three crude oil pipelines is up year over year and sequentially, a trend we see continuing so far in the second quarter.

We are encouraged to see the demand for NaHS, which by and large drives our Refinery Services segment margin, continue to recover from the effects of the Great Recession....again showing year over year and sequential growth. It appears that April will likely be our strongest month for NaHS sales in a year and a half or so, and our future order book looks strong.

In our fourth quarter call, we talked about the challenges of lack of contango and blending economics in our crude oil business. That challenge continued in the first quarter but in late April and certainly continuing into May, quality differentials and temporal spreads returned to more normal values.

Also on that call, we stated it was a priority to diversify and expand our

geographic and commercial footprint for our heavy refined products transportation/blending/storage business. Our volumes continue to increase sequentially. Were it not for the mis-match in timing of when we recognize margin, our refined products business would have contributed an additional \$1.7 million for the first quarter. This is a continuing priority for us, and we're excited about the continuing integration of our trucks, terminals and barging capabilities.

Industrial gases was a little light of our expectations as the lingering recessionary effects contributed to lower demand from the customers we supply. However, so far in the second quarter we have seen increasing volumes.

Before I turn it over to Bob to discuss in greater detail some of the non-recurring items affecting reported results, I'd like to thank the hard work and dedication of all of our employees for once again delivering solid operational results.

Results of Operations

Comparison of First Quarters

Thank you, Grant

I will discuss the key differences in our first quarter results from the first quarter of 2009. My discussion will focus on our segment margin, as fluctuations in our revenues resulting from changes in the commodity price of crude oil and petroleum products do not have a corresponding impact on our earnings or available cash flow.

For the 2010 first quarter, Available Cash was negatively impacted by a total of \$3.1 million due to one time charges of \$0.8 million associated with a significant pipeline integrity test on the Texas System; a net increase of \$1.7 million of unrealized profit in inventory (offset by the unrealized loss on hedged value); and \$0.6 million associated with the significant narrowing of quality differentials and contango pricing conditions during the first quarter. These items coupled with \$2.3 million of charges related to the change in our general partner, reduced Available Cash to \$18.1 million for the first quarter of 2010, as opposed to \$23.5 million before such items. Available Cash for the first quarter of 2009 was \$21.3 million. Net income attributable to the partnership for the first quarter of 2010 was \$6.9 million, or \$0.06 per unit, as compared to net income attributable to the Partnership of \$5.3 million, or \$0.16 per unit, for the first quarter of 2009.

Turning to our operating segments, results from our pipeline transportation segment improved slightly, to \$10.4 million, when compared to \$10.2 million for the first quarter of 2009, however the increase would have been approximately \$0.8 million greater without the effects of a pipeline integrity test (performed once in every five years) on a portion of the Texas System. Throughput on our Jay System increased 4,665 barrels per day in the first quarter of 2010 due to increased volumes from Little Escambia Creek, which had been shut-in for most of 2009 due to crude oil prices and maintenance, as well as increased volumes on our Castleberry pipeline extension. Higher crude oil market prices in the first quarter of 2010 increased revenues from pipeline loss allowance volumes by \$0.5 million, despite a 3,400 barrel decrease in the loss allowance volumes compared to the prior quarter. Also offsetting the effects of the pipeline test on segment

margin were higher tariff rates of 7.6% on our Jay and Mississippi systems that were effective in July 2009. These higher tariffs added approximately \$0.3 million to pipeline segment margin.

Refinery services segment margin for the first quarter of 2010 was \$13.3 million, an increase of \$0.5 million from the comparative period in 2009. NaHS sales volumes increased due to improvements in macroeconomic conditions which increased the demand for NaHS. We have seen notable improvements in demand from some copper and molybdenum miners as well as some improvement from our industrial activities customers, including paper and pulp and tanning industries. Caustic soda sales volumes also improved over the first quarter of 2009. However, caustic soda prices declined as market prices averaged approximately \$270 per dry short ton during the first quarter of 2010 compared to \$830 per DST in the first quarter of 2009. Cost-effective timing of our purchases and aggressive management of our processing costs have helped contribute to segment margin.

Supply and logistics segment margin was \$4.5 million in the first quarter of 2010 compared to \$6.0 million in the first quarter of 2009. As mentioned above, the narrowing of quality differentials and contango pricing conditions during the period negatively affected Segment Margin by \$0.6 million. Additionally, net inventory in refined products actually increased over the quarter, and the net unrealized margin carried on the balance sheet but not yet recognized in Segment Margin grew by \$1.7 million over the quarter. The barge operations of DG Marine decreased segment margin by \$0.8 million, comparatively, as average charter rates declined due to reduced refinery utilization in

response to economic conditions. While DG Marine's barge operations are included in segment margin, they are excluded from Available Cash before Reserves.

Our industrial gases segment margin declined \$0.5 million between the quarterly periods primarily due to a 12% decline in volumes delivered to our customers. Volumes decreased as customers in consumer related businesses such as the food industry reduced purchases in response to economic conditions. The average sales price of CO₂ was consistent quarter to quarter.

Interest costs, corporate general and administrative expenses, maintenance capital expenditures and income taxes to be paid in cash affect Available Cash before Reserves. Included in these components for the first quarter of 2010 were non-recurring charges totaling \$1.8 million related to the February 2010 sale of our general partner. Furthermore, Available Cash before Reserves was reduced by approximately \$0.5 million related to exercises of stock appreciation rights at greater than normal quarterly exercise rates. Some of this increased activity related to the sale of the general partner.

In addition to the factors impacting Available Cash before Reserves, net income included the effect of several non-cash charges and credits. Depreciation and amortization expense totaled \$13.4 million for the first quarter, a decrease of \$2.0 million between the quarterly periods primarily as a result of lower amortization expense on intangible assets. In the first quarter of 2010, we recorded a credit of \$2.2 million to general and administrative expenses related to the difference in the ultimate settlement value of the equity-based compensation arrangement between our former general partner and members of our management team. In the prior year quarter, the charge related to these arrangements was \$2.1 million, a change of \$4.3 million between the periods.

Grant will now provide some concluding remarks to our prepared comments.

Summary Remarks

Thanks Bob.

As we've discussed today, we're fairly confident we've seen the bottom and in fact are on the growth slope for our businesses. Obviously, there continues to be a great amount of economic and political uncertainty out there, but our conservative capital structure and continuing relatively high distribution coverage ratio gives us a lot of comfort.

As capital markets have continued to improve and macroeconomic activity has rebounded, we believe there are more and more opportunities for us to grow through acquisitions that make sense for the Partnership. In any event, we will never lose sight of continuing need to integrate and capitalize on our existing businesses to hopefully continue our history of delivering increased distributions.

We're excited to have the Quintana Group, members of the Davison family and other long-term investors in our GP on board. With their support, encouragement and participation, we plan on working creatively and tirelessly to deliver long-term value for all our stakeholders.

With that, I'll turn it back to the moderator for any questions. Thanks.

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