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GENESIS ENERGY LP
Form 8-K
March 27, 2006

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UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): March 24, 2006

GENESIS ENERGY, L.P.
(Exact name of registrant as specified in its charter)

| | | |
|---|--|---|
| Delaware (State or other jurisdiction of incorporation or organization) | 1-12295 (Commission File Number) | 76-0513049 (I.R.S. Employer Identification No.) |
|---|--|---|

| | |
|--|---------------------|
| 500 Dallas, Suite 2500, Houston, Texas (Address of principal executive offices) | 77002 (Zip Code) |
|--|---------------------|

(713) 860-2500 (Registrant's
telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240-14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240-14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240-13e-4(c))

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Item 1.01. Entry into a Material Definitive Agreement.

On March 24, 2006, Genesis Energy, L.P. ("Genesis") entered into a definitive agreement with Magna Carta Group, LLC to purchase a 50% partnership interest in Sandhill Group, LLC ("Sandhill"). The purchase price is \$5.0 million, plus earnout provisions such that additional payments of up to \$2.0 million would be paid if Sandhill achieves targeted performance levels during the seven years between 2006 and 2012 inclusive. The acquisition, if concluded, will be financed with a combination of cash obtained in our public offering of common units in December 2005 and borrowings under our revolving credit facility.

Sandhill owns a carbon dioxide processing facility located in Brandon, Mississippi. The facility processes carbon dioxide to food grade level for sale to the food processing industry. Genesis currently supplies all of the carbon dioxide processed at the facility, pursuant to the carbon dioxide sales contract assigned to Genesis with the volumetric production payment acquired in October 2005 from Denbury Resources Inc., the general partner of Genesis.

GELP issued the attached press release dated October 12, 2005, as set forth in Exhibit 99.1 attached hereto.

Item 9.01. Financial Statements and Exhibits

(c) Exhibits

The following materials are filed as exhibits to this Current Report on Form 8-K.

Exhibit.

- 99.1 Copy of Genesis Energy, L.P.'s press release dated March 24, 2006.
- 99.2 Purchase and Sale Agreement for Membership Interest in Sandhill Group, L.L.C. between The Magna Carta Group, L.L.C. and Genesis Crude Oil, L.P.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

GENESIS ENERGY, L.P.
(A Delaware Limited Partnership)

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By: GENESIS ENERGY, INC., as
General Partner

Date: March 27, 2006

By: /s/ ROSS A. BENAVIDES

Ross A. Benavides
Chief Financial Officer