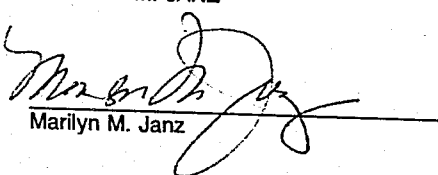


REAL PROPERTY LEASE AGREEMENTwith  
OPTION TO PURCHASE  
and  
RIGHT OF FIRST REFUSAL

This Memorandum is being entered into by and between MARILYN M. JANZ and MAY-SLADE OIL COMPANY, an Oregon corporation, to evidence the execution by the parties, effective January 1, 1991, of a Real Property Lease Agreement with Option to Purchase and Right of First Refusal with respect to the real property identified on Exhibit "A" attached hereto and by this reference incorporated herein as though fully set forth. By agreement of the parties, this Memorandum may be recorded by May-Slade Oil Company.

IN WITNESS WHEREOF, the parties have executed this Memorandum effective the 1st day of January, 1991.

MARILYN M. JANZ

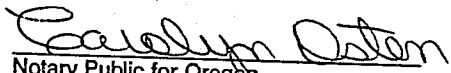
  
 Marilyn M. Janz

MAY-SLADE OIL COMPANY

  
 By Rod Slade, President

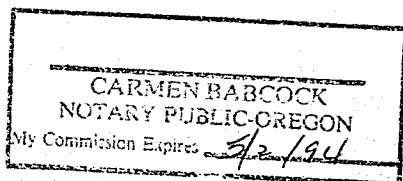
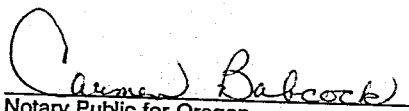
 STATE OF OREGON )  
                           ) ss.  
 County of Klamath )

Personally appeared before me this 24<sup>th</sup> day of December, 1990, the above named MARILYN M. JANZ, and acknowledged the foregoing instrument to be her voluntary act and deed.

  
 Notary Public for Oregon  
 My Commission Expires: 8-2-91

 STATE OF OREGON )  
                           ) ss.  
 County of Klamath )

Personally appeared before me this 20<sup>th</sup> day of December, 1990, the above named Rod Slade, President of MAY-SLADE OIL COMPANY, and acknowledged the foregoing instrument on behalf of the corporation.


  
 Notary Public for Oregon  
 My Commission Expires: 5/2/94

90 DEC 28 AM 11 51

EXHIBIT "A" TO MEMORANDUM BETWEEN  
MARILYN JANZ and MAY-SLADE OIL COMPANY

DESCRIPTION OF LEASED PROPERTY

PARCEL #1:

Lots 20, 21 and 22 in Block 19 of Railroad Addition to the City of Klamath Falls, according to the official plat thereof on file in the Office of the County Clerk of Klamath County, Oregon.

PARCEL #2:

Beginning at a point 48.5 feet South of the Northwest corner of the Northeast quarter of the Southeast quarter of Section 3, Township 39 South, Range 9 East of the Willamette Meridian; thence South 646.5 feet to the right of way of the Oregon California and Eastern Railway Company; thence Northwesterly along said right of way 162 feet; thence Northerly 576.3 feet to the South side of the Dalles-California Highway; thence Easterly 150 feet to the place of beginning. SAVING AND EXCEPTING from said premises the portions conveyed to the State of Oregon for Highway purposes. ALSO SAVING AND EXCEPTING the following described parcel: A tract of land situated in the SE1/4 of Section 3, Township 39 South, Range 9 East of the Willamette Meridian, more particularly described as follows: Beginning at the East one-fourth corner of said Section 3; thence South 89° 52' West 1,275.74 feet; thence South 00° 21' 47" East 54.10 feet to a one-half inch pipe on the Southerly right of way line of the Dalles-California Highway marking the Northeast corner of that parcel of land described in Deed Volume 251 page 162, as recorded in the Klamath County Deed Records; thence continuing South 00° 21' 47" East along the East line of said parcel described in said Deed Volume 251 page 162, 233.00 feet to the true point of beginning of this description; thence continuing South 00° 21' 47" East along said line 395.64 feet to the Northerly right of way line of the Oregon-California and Eastern Railway Company; thence North 67° 41' West along said right of way line 156.57 feet (162 feet by record); thence North 00° 55' 30" West along the West line of said parcel described in said Deed Volume 251 page 162, 334.24 feet; thence North 89° 14' East 147.71 feet to the true point of beginning of this description, containing 1.25 acres, more or less, with bearings being based on the East line of the SE1/4 of said Section 3 as being South 01° 14' East.

Return: R. L. Slade  
953 S. Spring  
Klamath Falls, Or. 97601

Exhibit "A"  
Page 1 of 1

STATE OF OREGON,  
County of Klamath ss.

Filed for record at request of:

R. L. Slade  
on this 26th day of Dec. A.D., 19 90  
at 11:51 o'clock A.M. and duly recorded  
in Vol. M90 of Deeds Page 25414.  
By Evelyn Biehn County Clerk  
By Pauline Muelender Deputy.

Fee, \$33.00

Deputy.