

EXERCISE OF OPTION TO PURCHASE REAL AND PERSONAL PROPERTY

WHEREAS, ED SHUEY, JR. and CHRISTINE ANN SHUEY, husband and wife, ("Landlord") and JERRY McNERNEY and LEANNE MYRA McNERNEY, husband and wife, ("Tenant") entered into a LEASE WITH OPTION TO PURCHASE ("Lease"), effective as of December 1, 1994; a copy of which is attached hereto as Exhibit "A" and made a part hereof by reference; and

WHEREAS, Landlord and Tenant executed a MODIFICATION TO LEASE AGREEMENT, ("Modification") effective as of December 1, 1996, a copy of which is attached hereto as Exhibit "B" and made a part hereof by reference; and

WHEREAS, effective as of May 1, 1998, Landlord, Tenant and RICHARD VAN DONK and KAREN VAN DONK, ("Assignees") agreed to an assumption and assignment of said Lease (as modified by said Modification), a copy of which assumption and assignment agreement is attached hereto as Exhibit C.

NOW, THEREFORE, in accordance with the terms of said Lease as modified, Assignees hereby elect to exercise the Option to Purchase the real and personal property formerly known as Ed's BP located on Highway 97 South, Chemult, Oregon 97731, the legal description of which is set forth on Exhibit D attached hereto and made a part hereof by reference, including the inventory, pumps and turbines, and all tanks, tools and equipment located at the business premises now known as "Rick's Fuel Stop".

Dated this 7th day of October, 1998.

ASSIGNEES:

RICHARD VAN DONK
RICHARD VAN DONK

KAREN VAN DONK
KAREN VAN DONK

MODIFICATION TO LEASE AGREEMENT

JERRY McNERNEY AND LEANNE McNERNEY, husband and wife, referred to as TENANT, and ED SHUEY, JR. AND CHRISTINE ANN SHUEY, husband and wife, referred to as LANDLORD, agree:

The parties have entered into a lease dated April 19, 1995, wherein LANDLORD, has let to the TENANT, the following described premises

JERRY'S BP STATION (FORMERLY KNOWN AS ED'S BP)
HIGHWAY 97 SOUTH
CHEMULT, OR 97731

For a good and sufficient consideration, the receipt of which is hereby acknowledged, the parties reaffirm the original lease, subject to the following modifications effective December 1, 1996.

The present term of the lease expires on December 1, 1996. The lease shall now expire on December 1, 1998.

Other than those terms specifically changed herein, all other terms of the original lease shall remain in full force and effect.

Dated: 4-11, 1997.

LANDLORD

ED SHUEY, JR.

CHRISTINE ANN SHUEY

TENANT

JERRY McNERNEY

LEANNE McNERNEY