

RECORDING COVER SHEET**ALL TRANSACTIONS, PER ORS 205.234**

THIS COVER SHEET HAS BEEN PREPARED BY THE PERSON
PRESENTING THE ATTACHED INSTRUMENT FOR
RECORDING. ANY ERRORS IN THIS COVER SHEET
DO NOT AFFECT THE TRANSACTION(S) CONTAINED
IN THE INSTRUMENT ITSELF.

AFTER RECORDING RETURN TO

name and address of the person authorized to receive the
instrument after recording, as required by ORS 205.180(4)
and ORS 205.238.

JPMorgan Chase Bank
1111 Fannin, 10th floor
Houston, TX 77002-8009

1. NAME(S) OF THE TRANSACTION(S), described in the attached instrument and required by ORS 205.234(a).

Note: Transaction as defined by ORS 205.010 "means any action required or permitted by law to be recorded including, but not limited to, any transfer, encumbrance or release affecting title to or an interest in real property."

modification of a Trust Deed

2. DIRECT PARTY, name(s) of the person(s) described in ORS 205.125(1)(b) or GRANTOR, as described in ORS 205.160.

Roderick L. Slade as trustee of the Elizabeth A. Slade
family trust v.t.a.d January 26, 1990

3. INDIRECT PARTY, name(s) of the person(s) described in ORS 205.125(1)(a) or GRANTEE, as described in ORS 205.160.

Star marketers Acceptance Corp.

4. TRUE AND ACTUAL CONSIDERATION PAID for instruments conveying or contracting to convey fee title to any real estate and all memoranda of such instruments, reference ORS 93.030.**5. UNTIL A CHANGE IS REQUESTED, ALL TAX STATEMENTS SHALL BE SENT TO THE FOLLOWING ADDRESS for instruments conveying or contracting to convey fee title to any real estate, reference ORS 93.260.****6. FULL OR PARTIAL SATISFACTION, IF ANY, OF THE LIEN CLAIM CREATED BY THE ORDER or WARRANT, for instruments to be recorded in County Clerk Lien Records, reference ORS 205.125(1)(c).****7. THE AMOUNT OF THE CIVIL PENALTY OR THE AMOUNT, INCLUDING PENALTIES, INTEREST AND OTHER CHARGES, FOR WHICH THE WARRANT, ORDER OR JUDGMENT WAS ISSUED, for instruments to be recorded in County Clerk Lien Records, reference ORS 205.125(1)(c) and ORS 18.325.**

State of Oregon, County of Klamath
Recorded 09/08/03 3:27 P m
Vol M03 Pg 66566-29
Linda Smith, County Clerk
Fee \$ 86.00 # of Pgs 14

AFTER RECORDING RETURN TO:

JPMorgan Chase Bank
 1111 Fannin, 10th Floor
 Houston, Texas 77002-8069

Attention: Bob Wieck

LOAN ASSUMPTION AGREEMENT

Original Loan No. 9600332908-009002
 New Loan No. 9600266353-009002

Grantor (Original Borrower):	RODERICK L. SLADE AS TRUSTEE OF THE ELIZABETH A. SLADE FAMILY TRUST U.T.A.D. JANUARY 26, 1990
Grantor (Assuming Party):	PELICAN BUTTE OIL, LLC
Grantor (New Guarantor):	ROBERT D. GEORGE
Grantee (Lender):	STAR MARKETERS ACCEPTANCE CORP.
Legal Description:	Please see attached Exhibit A
Reference Numbers:	Klamath County Records Deed of Trust and Assignment of Leases and Rents Volume M99, Page 10771
	Klamath County Records Financing Statement Volume M97, Page 10031

THIS LOAN ASSUMPTION AGREEMENT is made as of September 4, 2003, among PELICAN BUTTE OIL, LLC, an Oregon limited liability company ("Assuming Party"), RODERICK L. SLADE, as trustee of the ELIZABETH A. SLADE FAMILY TRUST u.t.a.d. JANUARY 26, 1990 ("Original Borrower"), ROGUE VALLEY OIL CO., an Oregon corporation ("Marketer"), ROBERT GEORGE ("Guarantor"), and STAR MARKETERS ACCEPTANCE CORP., a Delaware non-stock corporation ("Lender").

RECITALS

A. Original Borrower obtained a loan (the "Loan") from Lender in the original principal amount of \$773,500.00 pursuant to a Credit Agreement (the "Credit Agreement")

dated March 23, 1999, among Original Borrower, May-Slade Oil Co., an Oregon corporation ("Original Marketer"), and Lender.

B. The Loan is evidenced by a promissory note in the principal amount of \$773,500.00 (the "Note") dated March 23, 1999, made by Original Borrower in favor of Lender and its assigns. The Note is secured by a deed of trust and assignment of leases and rents (the "Deed of Trust") dated March 23, 1999, among Original Borrower as grantor, AmeriTitle as trustee, and Lender as beneficiary, recorded on March 26, 1999, in Klamath County, Oregon, under Klamath County Records Vol. M99, Page 10771, encumbering real property located in Klamath County, Oregon and described in detail on Exhibit A attached hereto and incorporated herein (the "Property"); by a Security Agreement (the "Security Agreement") dated March 23, 1999, between the Original Borrower and Lender; by a fixture filing (the "Fixture Filing") recorded on March 26, 1999, in Klamath County, Oregon, under Klamath County Records Vol. M97, Page 10031; and by a UCC-1 financing statement (the "UCC-1") showing Original Borrower as debtor and Lender as secured party filed with the Oregon Secretary of State, on April 11, 1997, Filing No. 368053, assigned on April 11, 1997, by Lender to Chase Bank of Texas, National Association, as Collateral Agent, amended on March 30, 1999. The Credit Agreement, Note, Deed of Trust, Security Agreement, Fixture Filing, UCC-1, this Agreement, and all other documents evidencing or securing the Loan are collectively referred to as the "Credit Documents."

C. Original Borrower has transferred all of his right, title and interest in and to the Property to Assuming Party. The Deed of Trust provides that the Property may not be sold, transferred, or further encumbered without the prior written consent of Lender. Lender has agreed to consent to the transfer of the Property to Assuming Party in consideration of (i) the payment by Assuming Party of all fees, costs, and expenses related to the assumption transactions including but not limited to attorney fees, filing fees, recording fees, and related costs; (ii) the assumption by Assuming Party of liability to Lender for the repayment of the remaining unpaid balance of the Note and of the performance of each and every other obligation contained in the Credit Documents, all on the terms set forth in this Agreement; and (iii) the guaranty by Guarantor of the performance by Assuming Party of each and every other obligation contained in the Credit Documents

AGREEMENT

NOW, THEREFORE, in consideration of the mutual benefits accruing to each, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Consent and Release; Conditions. Subject to the terms of this Agreement, Lender consents to the transfer of the Property to Assuming Party. Such consent also constitutes a release of the Original Borrower from its obligations under the Credit Documents. Such consent does not extend to any subsequent conveyance of all or any part of the Property, except as permitted by the Credit Documents. Such consent and

release is expressly conditioned on the following: (i) receipt by Lender of a guaranty in form satisfactory to Lender in its sole discretion from Guarantor; (ii) receipt by Lender of a certificate of the managing member of Assuming Party in form satisfactory to Lender in its sole discretion regarding matters of the Assuming Party; (iii) the payment by Assuming Party of all fees referred to in the Recitals above; and (iv) receipt by Lender of an assignment of life insurance policy in favor of Lender in form satisfactory to Lender in its sole discretion from Assuming Party and Guarantor.

2. **Unpaid Principal Balance.** The unpaid principal balance of the Loan as of the date of this Agreement after the application of the August 20, 2003 monthly payment is \$606,254.16, with interest paid through August 20, 2003.

3. **Modifications to Deeds of Trust.** The Deed of Trust is modified as follows:

3.1 **Obligations Secured.** The Deed of Trust is modified to add the following after the definition of the term "Obligations" in the first paragraph of the Deed of Trust:

"Without limiting the generality of the foregoing, this Deed of Trust also secures the strict and timely performance of all covenants, obligations, and agreements contained in the Assumption Agreement dated September 4, 2003, among Grantor, Beneficiary, Robert George and Pelican Butte Oil Co. (the "Assuming Party")."

3.2 **Additional Event of Default.** The Deed of Trust is amended to provide that, in addition to any other events of default, it shall be an event of default under the Deed of Trust if Assuming Party shall default in the performance of any covenant of Assuming Party contained in this Agreement.

4. **Authorization; Filings.** Assuming Party and Original Borrower will execute and deliver to Lender a UCC-3A fixture filing amendment form, any and all documents necessary to update Lender's title insurance policy, and all other documents Lender requires to evidence the assumptions of the Credit Documents by Assuming Party. Assuming Party and Original Borrower authorize and direct Lender to file a Form UCC-1 Financing Statement and/or a Form UCC-3 Financing Statement Amendment to reflect the change in debtor from Original Borrower to Assuming Party.

5. **Modifications to Credit Agreements.** The Credit Agreement is modified to provide that, in addition to any other events of default, it shall be an event of default under the Credit Agreement if Assuming Party defaults in the performance of any covenant contained in this Agreement.

6. **Modifications to Note.**

6.1 The Note is modified to provide that, in addition to any other events of default, it shall be an event of default under the Note if Assuming Party defaults in the performance of any covenant of Assuming Party contained in this Agreement.

6.2 The definition of "Stated Rate" in the Note is modified to mean "on any day a rate per annum equal to the Index Rate for that day plus 1.90%" and the remainder of the definition of "Stated Rate" is not changed.

7. **Waiver by Lender.** To the extent Lender has, under the Recitals and Sections set forth above, waived any rights that it may otherwise have under the Note or Deed of Trust to declare the entire unpaid balance of the Note immediately due and payable in the event of a sale, transfer, or subsequent encumbrance of the Property, or to require an adjustment in the terms of the Loan in connection with such sale, transfer, or subsequent encumbrance, such waiver is applicable only to the transfer pursuant to the terms of this Agreement and this Agreement does not in any way constitute a waiver of any rights that Lender may have under the Note or Deed of Trust or under applicable law to declare the unpaid balance of the Note immediately due and payable and/or require adjustments in the terms of the Loan in connection with any subsequent sale or transfer.

8. **Cross-Default.** It shall be a default under the Credit Documents if Assuming Party shall default in the performance of any covenant or agreement of this Agreement.

9. **Full Force and Effect.** Except as herein modified, all the terms, covenants, and conditions of the Credit Documents remain in full force and effect without modification or change. Nothing herein shall be deemed to affect or modify the priority or perfection of the lien of the Deed of Trust, Financing Statement, Security Agreement, or UCC-1. All references to the Credit Documents in any document shall be deemed to mean the Credit Documents as herein modified.

10. **Affirmation of Assumption; Assignment of Leases and Rents; Grant of Security Interest.**

10.1 Assuming Party hereby covenants and agrees to pay the Note in installments and at the times, in the manner, and in all respects as therein provided.

10.2 Assuming Party hereby covenants and agrees to perform each and every other obligation contained in the Credit Documents all as though the Credit Documents had originally been executed by Assuming Party.

10.3 Assuming Party acknowledges and confirms that the Property has been or is being acquired by Assuming Party subject to all liens, charges, and encumbrances created by the Credit Documents and that prior to the execution hereof Assuming Party has had an opportunity to examine the terms of the Credit Documents and review the Credit Documents with counsel, together with all other agreements relating thereto.

10.4 Assuming Party hereby:

(a) assigns, transfers, and sets over to Lender any and all rights of Assuming Party in and to all leases, rents, income, receipts, revenues, issues, and profits now due or that become due or to which Assuming Party may now or shall hereafter become entitled or may demand or claim arising from or out of the Property or any part thereof; and

(b) grants to Lender, as secured party, a security interest in all personal property of whatsoever nature that is now or hereafter located on or used or to be used in connection with any of the Property and any proceeds or products thereof, pursuant to the Uniform Commercial Code of the state of Oregon, including, without limitation, the property described on the UCC-1 and Financing Statement.

11. **Reaffirmation of Obligations.** Assuming Party hereby ratifies and reaffirms each and every obligation (the "Reaffirmed Obligations") under the Credit Documents as modified by this Agreement. The Reaffirmed Obligations include but are not limited to the obligation to pay the indebtedness evidenced and/or secured by the Credit Documents and this Agreement. Without limiting the generality of the foregoing, Lender may in its sole discretion and without notice to or consent of Original Borrower, Original Marketer or Guarantor: (i) extend the time for payment of any of the Reaffirmed Obligations by Assuming Party or any other party; (ii) discharge or release any one or more parties from their liability for the Reaffirmed Obligations in whole or in part; (iii) delay any action to collect on the Reaffirmed Obligations or to realize on any collateral therefor; (iv) release or fail to perfect any security interest or lien securing the Reaffirmed Obligations; (v) consent to further transfers of the Property; or (vi) waive or release any of Lender's rights under the Credit Documents or this Agreement.

12. **Encumbrances.** Each of Assuming Party and Original Borrower represents and warrants to Lender that the only encumbrances affecting the Property as of

the date hereof are those that were of record with respect to the Property on the date the Deed of Trust was recorded against the Property.

13. Representations and Warranties of Original Borrower. Original Borrower represents and warrants to Lender that:

(a) The Deed of Trust is a valid first lien on the Property for the full unpaid principal balance of the Loan and all other obligations under the Credit Agreement and other Credit Documents.

(b) There are currently no defenses, offsets or counterclaims to Original Borrower's or Original Marketer's performance of its obligations under the Credit Documents.

(c) There are no defaults by Original Borrower or Original Marketer under the Credit Loan Documents.

(d) All provisions of the Credit Documents are in full force and effect.

(e) There are no subordinate liens of any kind covering or relating to the Property, nor are there any mechanic's liens or liens for unpaid taxes or assessments encumbering the Property, nor has notice of any lien or notice of intent to lien been filed or received.

14. Representations and Warranties of Assuming Party and Marketer. Assuming Party represents and warrants to Lender that:

(a) Assuming Party and Marketer have no knowledge that any of the representations and warranties made by Original Borrower and Original Marketer in the Credit Documents are not true and correct.

(b) Each of the respective representations and warranties set forth in the Credit Documents are true and correct as to Assuming Party and Marketer and are restated in their entirety herein.

15. Other Modifications to Credit Documents.

15.1 The definition of Application in the Credit Agreement is amended to include any application delivered by Assuming Party to Lender relating to the assumptions of the Loan.

15.2 The definition of Credit Documents in the Credit Agreement is amended to include this Agreement.

15.3 The definition of Marketer in the Credit Agreement is amended to mean Rogue Valley Oil Co., an Oregon corporation.

15.4 The definition of Marketer Sales Agreement is amended to mean the Wholesale Marketer Agreement for Motor Fuels dated as of July 1, 1999, between Rogue Valley Oil Co. and Equilon enterprises LLC.

15.5 "Life Insurance Policy" is added as a defined term under the Credit Agreement and it means "an insurance policy on the life of Robert George in the amount of at least one third of the Loan's then-outstanding principal balance."

15.6 "Insurance Assignment" is added as a defined term under the Credit Agreement and it means "an assignment of the Life Insurance Policy in favor of the Lender."

15.7 The following additional covenant is added to the insurance covenants in the Credit Agreement: "The Marketer shall maintain the Life Insurance Policy until the Lender has collected the proceeds thereof in accordance with the Insurance Assignment."

16. Rogue Valley Oil Co. Rogue Valley Oil Co. hereby covenants and agrees to perform each and every obligation contained in the Credit Documents all as though the Credit Documents had originally been executed by Rogue Valley Oil Co. as Marketer.

17. Notices. Any notices required to be made to Assuming Party under the Deed of Trust should be made to Assuming Party at the following address:

Pelican Butte Oil, LLC
191 Bateman Drive
PO Box 5255
Central Point, OR 97502

18. Expenses. Assuming Party will pay all costs and expenses incurred by Lender in connection with the transaction contemplated by this Agreement, including, but not limited to, Lender's attorneys' fees and the premium for one or more mortgagee's policy of title insurance (ALTA or such other type of coverage in Lender's sole discretion) insuring the first-lien priority of the Deed of Trust as security for the Loan amount.

19. Reserves. Original Borrower acknowledges that it is transferring to Assuming Party all of its rights to funds on deposit with Lender under Credit Documents,

if any, and that Original Borrower hereby waives its rights to and shall have no further claims to such funds following conveyance of the Property to Assuming Party.

20. **Miscellaneous UCC Matters.** Assuming Party hereby represents and warrants to Lender that it is a limited liability company organized under the laws of the State of Oregon, that Oregon is the location of Assuming Party, as Debtor, under the Oregon Revised Statutes Chapter 79, and that Assuming Party's name as it appears in this Agreement is identical to the manner in which Borrower's name appears in the public records of the Secretary of State of the State of Oregon. Assuming Party shall give Lender at least sixty days written notice before Assuming Party changes its jurisdiction of organization.

21. **Attorneys' Fees and Legal Expenses.** In the event of any default under the Credit Documents, or in the event that any dispute arises relating to the interpretation, enforcement, or performance of the Credit Documents, the holder shall be entitled to collect from Assuming Party on demand all fees and expenses incurred in connection therewith, including but not limited to fees of attorneys, accountants, appraisers, environmental inspectors, consultants, expert witnesses, arbitrators, mediators, and court reporters. Without limiting the generality of the foregoing, Assuming Party shall pay all such costs and expenses incurred in connection with (a) arbitration or other alternative dispute resolution proceedings, trial court actions, and appeals; (b) bankruptcy or other insolvency proceedings of Assuming Party, Original Borrower, any guarantor or other party liable for any of the obligations of the Credit Documents, or any party having any interest in any security for any of those obligations; (c) judicial or nonjudicial foreclosure on, or appointment of a receiver for, any property securing the Note; (d) post-judgment collection proceedings; (e) all claims, counterclaims, cross-claims, and defenses asserted in any of the foregoing whether or not they arise out of or are related to the Credit Documents or any security for the Note; (f) all preparation for any of the foregoing; and (g) all settlement negotiations with respect to any of the foregoing.

22. **Binding Effect.** All agreements, covenants, conditions, and provisions of this Agreement shall be binding upon and inure to the benefit of the successors and assigns of each of the parties hereto.

23. **Final and Complete Expression.** This Agreement, and the various other documents executed in connection herewith, constitute the final and complete expression of the parties with respect to the transactions contemplated herein and may not be modified, amended, altered, or superseded except by an agreement in writing signed by all parties hereto.

24. **Captions.** The headings to the various sections of this Agreement have been inserted for convenience of reference only and do not modify, amend, alter, or supersede the express provisions hereof.

25. **No Joint Venture.** Nothing contained herein or in any of the Credit Documents shall be construed as creating a partnership or joint venture between or among Assuming Party and Lender or between Lender and any other party, or cause Lender to be responsible in any way for the debts or obligations of Assuming Party or any other party, it being the express intent of the parties that the relationship between Assuming Party and Lender is, and at all times shall remain, that of a borrower and lender.

26. **Third-Party Beneficiaries.** Nothing contained herein or in any of the Credit Documents shall be construed as creating a third-party beneficiary relationship between Assuming Party, Lender, and any other party.

27. **Severability.** If any provision of this Agreement or the application thereof to any person or circumstance shall be determined to be invalid or unenforceable, the remainder of this Agreement or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable shall not be affected thereby and each provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

28. **Further Assurances.** Each of Assuming Party and Original Borrower will execute such other instruments and provide Lender with such further assurances as Lender, in its reasonable discretion, deems necessary to protect its security or to more fully carry out the intent and purposes of this Agreement.

29. **Conflicts Between Documents.** In the event of a conflict in the terms and conditions of any of the Credit Documents and this Agreement, the terms and conditions of this Agreement shall prevail.

30. **Counterparts.** This Agreement may be executed in a number of identical counterparts. If so executed, each of such counterparts shall collectively constitute one agreement.

31. **Time Is of the Essence.** Time is of the essence under this Agreement and in the performance of every term, covenant, and obligation contained herein.

32. **Governing Law.** This Agreement is made with reference to and is to be construed in accordance with the laws of the state of Oregon.

33. **Release of Original Borrower.** Concurrently herewith, Lender hereby releases Original Borrower from all liability with respect to the Loan and the Credit Documents, except to the extent of any loss suffered by Lender as a result of fraudulent

66576

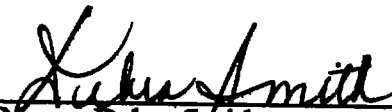
misrepresentations or gross negligence by or on behalf of Original Borrower, and attorneys' fees and other costs incurred by Lender in collecting the foregoing.

DATED as of the day and year first above written.

LENDER:


STAR MARKETERS ACCEPTANCE
CORP., a Delaware non-stock corporation

By: JPMORGAN CHASE BANK,
as Master Servicer

By: 
Name: Debra Smith
Its: Associate


ASSUMING PARTY:

PELICAN BUTTE OIL, LLC, an Oregon
limited liability company

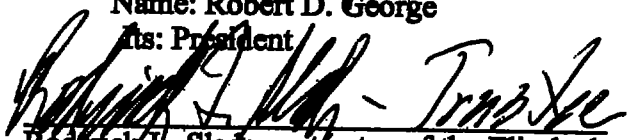
By: 
Name: Robert D. George
Its: Managing Member

MARKETER:

ROGUE VALLEY OIL CO., an Oregon
corporation

By: 
Name: Robert D. George
Its: President

ORIGINAL BORROWER:


Roderick L. Slade, as trustee of the Elizabeth
A. Slade Trust u.t.a.d January 26, 1990

GUARANTOR:


Robert D. George

STATE OF OREGON

66577

County of

)
) ss.
)

This instrument was acknowledged before me on the 4th day of September, 2003, by ROBERT GEORGE as MANAGING MEMBER of PELICAN BUTTE OIL, LLC, an Oregon limited liability company.



Kay E. Hamilton
Notary Public for Oregon
My Commission Expires: 1/8/05

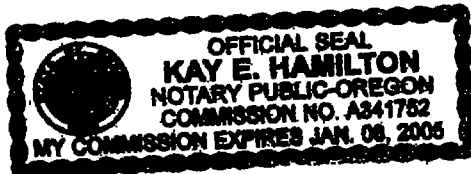
STATE OF OREGON

County of

Jackson

)
) ss.
)

This instrument was acknowledged before me on the 4th day of September, 2003, by RODERICK L. SLADE as TRUSTEE of the ELIZABETH A. SLADE TRUST U.T.A.D. JANUARY 26, 1990.



Kay E. Hamilton
Notary Public for Oregon
My Commission Expires: 1/8/05

STATE OF TEXAS

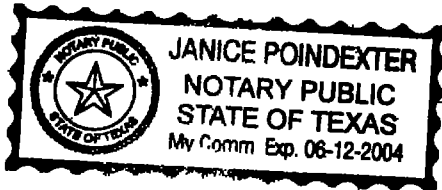
COUNTY OF HARRIS

ss.

66578

I certify that I know or have satisfactory evidence that Debra Smith is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the Associate of JPMorgan Chase Bank, as Master Servicer of STAR MARKETERS ACCEPTANCE CORP., a Delaware non-stock corporation, to be the free and voluntary act of such corporation for the uses and purposes mentioned in the instrument.

Dated this 28 day of August, 2003.



Janice Poindexter
(Signature of Notary)
Janice Poindexter
(Legibly Print or Stamp Name of Notary)

Notary public in and for the State of Texas

My commission expires 6/12/2004

EXHIBIT A

66579

The land is located in the county of Klamath, state of Oregon, and is described as follows:

Lots 1,2,3, and 4 in Block 20 in the ORIGINAL TOWN OF LINKVILLE, now the City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon

Property Address:
135 Main Street
Klamath Falls, Oregon 97601