

AGREEMENT OF MERGER

THIS AGREEMENT OF MERGER, dated as of the 30th day of September, 1976, by and between RAY GROTH OIL COMPANY, INC., an Idaho corporation, hereinafter sometimes referred to as "Groth Oil", with its principal office at 1810 South Yellowstone Avenue, Idaho Falls, Idaho, as Party of the First Part; RAY GROTH FARM, INC., an Idaho corporation, hereinafter sometimes referred to as "Groth Farm", with its principal place of business at 140 Fieldstream Lane, Idaho Falls, Idaho, as Party of the Second Part; and, GROTH ENTERPRISES, INC., a Utah corporation, duly qualified to do business in the State of Idaho, hereinafter sometimes referred to as "Enterprises", with its principal place of business in Idaho at 140 Fieldstream Lane, Idaho Falls, Idaho, as Party of the Third Part,

WITNESSETH:

WHEREAS, Ray Groth Oil Company, Inc., is a corporation duly organized and existing under the laws of the State of Idaho, having been incorporated on the 12th day of July, 1961, and having an authorized capital stock consisting of 2,500 shares, all of which are of one class with a par value of \$100.00 per share and of which there are presently issued and outstanding the number of 1,200 shares; and

WHEREAS, Ray Groth Farm, Inc., is a corporation duly organized and existing under the laws of the State of Idaho, having been incorporated on the 26th day of September, 1961, and having an authorized capital stock consisting of 5,000 shares, all of which are of one class with a par value of \$10.00 per share and of which there are presently issued and outstanding the number of 2,500 shares; and

WHEREAS, Groth Enterprises, Inc., is a corporation duly organized and existing under the laws of the State of Utah, having been incorporated on the 18th day of April, 1914, under the name of Pembroke Company and having subsequently had Articles of Amendment duly filed to change the name to Groth Enterprises, Inc., and having an authorized capital stock consisting of 20,000 shares, all of which are of one class with a par value

of \$5.00 per share and of which there are presently issued and outstanding the number of 1,954 shares; and

WHEREAS, the Boards of Directors of the three corporations, Groth Oil, Groth Farm and Enterprises, deem it advisable that these corporations merge and they have duly approved and authorized the form of this agreement of merger; and

WHEREAS, the laws of the States of Idaho and Utah permit such a merger and the corporations desire to merge under and pursuant to the provisions of the laws of the State of Idaho.

NOW, THEREFORE, in consideration of the mutual agreements and covenants herein contained, it is agreed that Ray Groth Farm, Inc., and Groth Enterprises, Inc., shall be, and they hereby are, merged into Ray Groth Oil Company, Inc., which shall be the surviving corporation, and the terms and conditions of such merger and the mode of carrying it into effect are and shall be as follows:

1. Name of Surviving Corporation.

The name of the corporation, which is sometimes hereinafter referred to as the "surviving corporation", shall from and after the effective date of the merger be Ray Groth Oil Company, Inc.

2. Office of Surviving Corporation.

The principal office of the surviving corporation shall be located at 1810 South Yellowstone Avenue, Idaho Falls, Idaho.

3. Managing Agent of Surviving Corporation.

The managing agent of the surviving corporation in Idaho shall be Ray E. Groth, whose address is 140 Fieldstream Lane, Idaho Falls, Bonneville County, Idaho.

4. Purposes of Surviving Corporation.

That the purposes for which said corporation are formed are as follows:

(a) To engage in the purchase and sale of petroleum products, including all types of fuels such as gasoline, oil, gas, coal, petroleum and other minerals and by-products.

(b) To transport goods and merchandise, including any petroleum products by air, land or water in any manner; to build, construct, purchase, maintain and operate warehouses, storage tanks, pumping plants, pipe lines, refineries, laboratories necessary and convenient in the prosecution of the business of operating a petroleum company; to manufacture, buy, sell,

import, export and otherwise deal in pumps, drills, fuses, caps, candles, tools, machinery and other conveniences for use in the prosecution of the business of the company, and to do all things necessary, incident or convenient to carry out the business as aforesaid.

(c) To operate all types of shops for maintenance and repair to further the purposes of this corporation and business and to engage the services of a sales force, engineers, designers, demonstrators and consultants and to acquire, use, employ, sell and deal in all suitable apparatus, machinery, contrivances, equipment and facilities to further its purposes and charter.

(d) To purchase, own, improve, equip, operate and manage farming lands and properties and to engage in any agricultural pursuit or undertaking.

(e) To engage in the business of farming and the producing, storing, merchandising and selling of all kinds of farm products and planting, growing, harvesting, cultivating, shipping, buying and selling at wholesale and retail all kinds of produce and farm products.

(f) To engage in the general livestock and ranching business and to raise, feed, range, manage, buy, sell, market and care for livestock and poultry of every kind and to buy, lease, manage, operate and sell ranch properties and products therefrom.

(g) To purchase, acquire, own and hold the stock of this and other corporations, interest in partnerships or joint ventures and to direct or participate in the direction of operations of other corporations, ventures and partnerships through the ownership of the stock or interests therein; to purchase, subscribe for, acquire, own, hold, sell, exchange, assign, transfer, create security interests in, pledge or otherwise dispose of shares or voting trust certificates or shares of the capital stock of corporations or associations or any bonds, notes, securities or evidence of indebtedness of the United States or any state or political subdivision or municipality thereof; to issue and exchange therefor shares of the capital stock, bonds, notes or other obligations of the corporation and while the owner of any such bonds, stocks, notes, evidences of indebtedness or interest; to exercise all the right, powers and privileges of

such ownership, including the right to vote thereon; to promote, lend money to and to guarantee the dividends, stocks, bonds, notes, evidences of indebtedness, contracts or other obligations of and otherwise aid, in any manner which shall be lawful, any such corporation, joint venture, partnership or enterprise in which the corporation has an interest held by this corporation and to do any and all acts and things permitted by law and designed to protect, improve and enhance the value of any and all such interests and properties of this corporation.

(h) To engage in the business of buying, selling, investing and dealing in stocks, bonds, notes, debentures, or other securities or evidences of indebtedness; to underwrite, subscribe for, buy, sell, pledge, mortgage, hold or otherwise deal in stocks, bonds, obligations or securities of any private or public corporation, government or municipality, trusts, syndicates, joint ventures, partnerships or individuals, and to do any other act or thing permitted by law for the preservation, protection, improvement or enhancement of the value of such securities or obligations.

(i) To purchase, lease or otherwise acquire, take over, hold, sell, liquidate or otherwise dispose of the business and properties of every kind of corporations, associations, partnerships, firms, trustees, syndicates, individuals, joint ventures, combinations, organizations and other entities; to continue, alter, extend and develop their business, assume their liabilities, guarantee or become surety for performance of their obligations, reorganize their capital and participate in any way in their affairs and to take over as a going concern and to continue in its own name any business so acquired; and to act as a financial, commercial, special or general agent or representative of any and all such corporations and associations public and private, partnerships, firms, joint ventures, trustees, syndicates, individuals and organizations.

(j) To transact the business of investing on behalf of itself or others, any part of its capital and such additional funds as it may obtain, or any interest therein; and selling or otherwise disposing of any such investment or any part thereof or interest therein.

(k) To purchase or in anywise acquire, for investment or for sale, or otherwise, lands, contracts of purchase for the sale of lands, buildings, improvements and any other real property or any kind of interest therein; to manage, improve, develop and turn to account any land, contract of purchase for sale of lands acquired by the corporation; to make and obtain loans upon real estate and to take mortgages, deeds of trust and assignments of mortgages on the same and to make and obtain loans upon personal property, giving or taking evidences of indebtedness securing the payment thereof by mortgage, pledge or otherwise.

(l) To buy and sell, discount and rediscount, notes, drafts, bills of exchange, stocks, bonds, securities and choses in action of all kinds, both as principal and as agent; also to buy and sell liens on real and personal property.

(m) To draw, make, accept, endorse, execute, issue, discount and have discounted, and to deal in every lawful manner in promissory notes, bills of exchange, trade acceptances, conditional sales, warehouse receipts, warrants, and other negotiable or transferable instruments; and to borrow money and to incur indebtedness as may be determined expedient.

(n) To purchase, lease as lessee, or otherwise acquire, and to hold for investment, improve, maintain and operate the business property and other real estate, automotive vehicles, fixtures and machinery, supplies and utensils, and all other personal property or fixtures, stock in this and other corporations, and any other personal property, and to sell, assign, convey, lease as lessor, manage, pledge, mortgage or otherwise encumber or dispose of lands, buildings, structures, vehicles, equipment, fixtures, supplies and other real or personal property, tangible or intangible, which shall be deemed necessary, convenient or conducive to the full accomplishments of the foregoing objects in this Section 4.

(o) To engage in any or all of the purposes or powers enumerated in this Section 4 as a partner and to enter into any partnership, limited or general, as limited or general partner, or both, or as a joint venturer in any such transactions in the exercise of such powers and purposes and to enter into any other arrangement for sharing profits, the union of interests or cooperation with any corporation, association, partnership, syndicate, entity, person or governmental unit in the carrying on of any business which the corporation is authorized to carry

on, or any business or transaction deemed necessary, convenient or incidental to the carrying out of any of the purposes of this corporation.

(p) The purposes specified herein and enumerated in this Section 4 shall be construed as both powers and purposes of this corporation, and the enumeration of specific powers and purposes shall not be construed to limit or restrict in any manner the meaning of general terms or of the general powers of this corporation; nor shall the expression of one thing be deemed to exclude another, although it be of like nature not expressed.

5. Contracts.

No contract or other transaction between the corporation or any other corporation, whether or not a majority of the shares of the capital stock of such other corporation is owned by the corporation, and no act of the corporation shall in any way be effected or invalidated by the fact that any of the directors of the corporation are pecuniarily or otherwise interested in or are directors or officers of such other corporations; any director, individually, may be a party to or may be pecuniarily or otherwise interested in any contract or transaction of the corporation and any director of the corporation who is so interested may be counted in determining the existence of a quorum at any meeting of the board of directors of the company which shall authorize such contract or transaction, with like force and effect as if he were not such director or officer of such other corporation and not so interested.

6. Capitalization.

The surviving corporation shall be capitalized at the sum of \$250,000.00, to consist of 2,500 shares of the common capital stock at the par value of \$100.00 per share. All such shares are designated common shares and are of one and the same class, and shall have full voting powers and equal rights of participation in dividends and assets of the surviving corporation and shall be nonassessable.

7. By-Laws.

The By-Laws of Ray Groth Oil Company, Inc., as they shall exist upon the effective date of this merger, shall be and re-

main and continue to be the By-Laws of the surviving corporation until they shall be altered, amended or repealed as therein provided.

8. Directors and Officers.

The persons who are directors of Ray Groth Oil Company, Inc., on the effective date of this merger, shall be and remain and continue to be directors of the surviving corporation and are named as follows:

Ray E. Groth
Helen P. Groth
Michael P. Groth
Terry B. Groth
Richard A. Groth
Ray A. Groth

Such directors shall hold office until the next annual meeting of the surviving corporation, after the effective date of this merger, and the election of the board of directors thereat or until their respective successors are elected or appointed and qualified.

All persons who are officers of the surviving corporation, on the effective date of this merger, shall be and remain and continue to be officers of the surviving corporation, subject to the provisions of the By-Laws of such surviving corporation. The officers of the surviving corporation, who will serve as hereinabove set forth, are as follows:

Ray E. Groth, President
Terry B. Groth, Vice President
Helen P. Groth, Secretary
Ray A. Groth, Treasurer and Assistant Secretary

Such officers shall serve in such capacity until the first regular meeting of the board following the next annual meeting of stockholders, or until their successors shall have been elected or appointed and qualified.

9. Effective Date of Merger.

This agreement of merger and the merger herein provided for shall become effective as of the 1st day of October, 1976, and the separate existence of Groth Enterprises, Inc., and Ray Groth Farms, Inc., except insofar as they may be continued by statute, shall cease as soon as this agreement of merger shall have been

adopted, approved, signed and acknowledged, in accordance with the laws of the State of Idaho, and this agreement of merger and certificate shall have been filed in the office of the Secretary of State of the State of Idaho and filed in the office of the County Recorder, Bonneville County, Idaho.

10. Corporate Identity.

The corporate identity, existence, purposes, powers, objects, franchises, rights and immunities of Ray Groth Oil Company, Inc., shall continue unaffected and unimpaired by the merger hereby provided for and the corporate identities, existences, purposes, powers, objects, franchises, rights and immunities of Ray Groth Farm, Inc., and Groth Enterprises, Inc., shall be continued in and merged with and into Ray Groth Oil Company, Inc., and Ray Groth Oil Company, Inc., shall be fully vested therewith.

11. Conversion of Shares.

The conversion of the shares of the merged corporations, Groth Farm and Enterprises, into shares of the surviving corporation, Groth Oil, shall be as follows:

(a) As of the effective date of the merger, each share of stock of Ray Groth Farm, Inc., shall be converted into common stock of Ray Groth Oil Company, Inc., at the rate of one (1) share of the surviving corporation, Ray Groth Oil Company, Inc., for each five (5) shares of the common stock of Ray Groth Farm, Inc. The certificates representing such shares shall be surrendered and new certificates issued of the surviving corporation upon the rate as herein set forth.

(b) Upon the effective date of the merger, each share of stock of Groth Enterprises, Inc., shall be converted into common stock of the surviving corporation, Ray Groth Oil Company, Inc., at the rate of three (3) shares of the surviving corporation, Ray Groth Oil Company, Inc., for each one (1) share of the common stock of Groth Enterprises, Inc. Fractional shares shall not be issued and such conversion shall be to the nearest whole share for any fractions thereof.

(c) The common capital stock of Groth Enterprises, Inc., owned by Ray Groth Oil Company, Inc., shall be converted into the common stock of Ray Groth Oil Company, Inc., at the ratio of one (1) share of Ray Groth Oil Company, Inc., common capital

stock for each five (5) shares of Groth Enterprises, Inc., and such stock shall be surrendered and reissued to Ray Groth Oil Company, Inc., the surviving corporation, to be held by it as treasury stock.

12. Effect of Merger.

Upon this merger becoming effective:

(a) The surviving corporation, Ray Groth Oil Company, Inc., shall possess all of the rights, privileges, powers and franchises and shall be subject to all of the restrictions, disabilities, obligations and duties of each of the merged corporations, Groth Farm and Enterprises, except as otherwise herein provided and except as otherwise provided by law.

(b) The surviving corporation, Ray Groth Oil Company, Inc., shall be vested with all property, real, personal and mixed, and all debts due to the merged corporations, Groth Farm and Enterprises, on whatever account, as well as all other things in action due to or belonging to said merged corporations.

(c) All property, rights, privileges, powers and franchises of the merged corporations, Groth Farm and Enterprises, shall be thereafter as effectually the property of the surviving corporation, Ray Groth Oil Company, Inc., as they were of said merged corporations, but all rights of creditors and all liens upon any property of any of the merged corporations shall be preserved unimpaired and all debts, liabilities, obligations and duties of the merged corporations shall thenceforth attach to and are hereby assumed by the surviving corporation and may be enforced against it to the same extent as if such debts, liabilities, obligations and duties had been incurred or contracted by it.

13. Delivery of Documents.

Upon the effective date of the merger, and at such time as and when requested by the surviving corporation, Ray Groth Oil Company, Inc., or by its successors or assigns, each of the merged corporations, Groth Farm and Enterprises, shall execute and deliver or cause to be executed and delivered all deeds, bills of sale, documents of transfer and any and all other instruments and shall take or cause to be taken all such other and further actions as the surviving corporation may deem necessary and desirable in order to more fully vest

in and confirm to the surviving corporation all title to and possession of all of the property, rights, privileges, powers and franchises hereinabove referred to and otherwise to carry out the intent and purposes of this agreement of merger.

14. Duration.

The duration of the merged and surviving corporation, Ray Groth Oil Company, Inc., shall be perpetual.

15.

This merger is to be effected under the laws of the State of Idaho and pursuant to the provisions of 368(a)(1)(A) of the United States Internal Revenue Code.

IN WITNESS WHEREOF, the said corporations have caused this agreement of merger to be signed and their corporate name, with their corporate seal affixed, and attested by their secretary, respectfully, pursuant to resolutions duly adopted by the boards of directors of each of said corporations.

RAY GROTH OIL COMPANY, INC.

By: Ray A. Groth

ATTESTED:

Sharon B. Groth

RAY GROTH FARM, INC.

By: Ray A. Groth

ATTESTED:

Sharon B. Groth

GROTH ENTERPRISES, INC.

By: Michael P. Groth

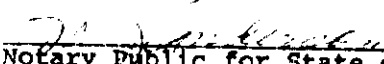
ATTESTED:

Michael P. Groth

STATE OF IDAHO)
) ss.
County of Bonneville)

On this 32 day of September, 1976, before me the undersigned, a Notary Public in and for said State, personally appeared RAY E. GROTH, known to me to be the President of RAY GROTH OIL COMPANY, INC., the corporation that executed the within instrument and acknowledged to me that said corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and the year in this certificate first above written.




Notary Public for State of Idaho
Residing at Idaho Falls, Idaho

(SEAL)

STATE OF IDAHO)
) ss.
County of Bonneville)

On this 32 day of September, 1976, before me the undersigned, a Notary Public in and for said State, personally appeared RAY E. GROTH, known to me to be the President of RAY GROTH FARM, INC., the corporation that executed the within instrument and acknowledged to me that said corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and the year in this certificate first above written.




Notary Public for State of Idaho
Residing at Idaho Falls, Idaho

(SEAL)

STATE OF IDAHO)
) ss.
County of Bonneville)

On this 30 day of September, 1976, before me the undersigned, a Notary Public in and for said State, personally appeared HELEN P. GROTH, known to me to be the President of GROTH ENTERPRISES, INC., the corporation that executed the within instrument and acknowledged to me that said corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and the year in this certificate first above written.



Notary Public for State of Idaho
Residing at Idaho Falls, Idaho

(SEAL)