



CERTIFICATE OF MERGER OR CONSOLIDATION

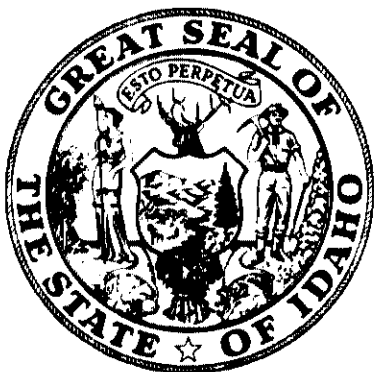
I, PETE T. CENARRUSA, Secretary of State of the State of Idaho hereby certify that duplicate originals of Articles of Merger of L. B. PETROLEUM, INC., BARNES PETROLEUM CORP., and VEGA PETROLEUM CORP.

into L. B. INDUSTRIES, INC.

duly signed and verified pursuant to the provisions of the Idaho Business Corporation Act, have been received in this office and are found to conform to law.

ACCORDINGLY and by virtue, of the authority vested in me by law, I issue this certificate of merger, and attach hereto a duplicate original of the Articles of Merger.

Dated January 5, 19 88



*Pete T. Cenarrusa*

SECRETARY OF STATE

\_\_\_\_\_  
Corporation Clerk

## ARTICLES OF MERGER

(Idaho)

OF  
**L. B. PETROLEUM, INC.; BARNES PETROLEUM CORP.;**  
**AND VEGA PETROLEUM CORP.**  
**INTO L. B. INDUSTRIES, INC., AN IDAHO CORPORATION**

These Articles of Merger are made, effective January 5, 1988, in accordance with Idaho Code Sections 30-1-75 and 30-1-77, whereby L. B. Petroleum, Inc., a Colorado Corporation; Barnes Petroleum Corp., a Texas Corporation; and Vega Petroleum Corp., a Texas Corporation, as wholly owned subsidiaries of L. B. Industries, Inc. shall merge into L. B. Industries, Inc. and where L. B. Industries, Inc. shall be the Surviving Corporation and the separate existence of each of the four designated subsidiary corporations shall terminate and the Surviving Corporation shall succeed to all of the rights, privileges, immunities, franchises, duties, liabilities and all other rights and obligations of L. B. Petroleum, Inc., a Colorado Corporation; Barnes Petroleum Corp., a Texas Corporation; and Vega Petroleum Corp., a Texas Corporation:

First: The three subsidiary corporations to be merged into the undersigned parent corporation are as follows:

L. B. Petroleum, Inc.	Colorado Corporation
Barnes Petroleum Corp.	Texas Corporation
Vega Petroleum Corp.	Texas Corporation

The laws of both Colorado and Texas permit the merger of each of their respective subsidiary corporations into the undersigned parent corporation.

Second: The attached Plan of Merger which is incorporated herein as Exhibit "A" was approved by the Board of Directors of the undersigned, as the Surviving Corporation, in the manner prescribed by the Idaho Business Corporation Act and was authorized and approved in the manner prescribed by the laws of the State of Colorado, the jurisdiction under which the wholly owned subsidiary of L. B. Petroleum, Inc. is organized and was authorized and approved in the manner prescribed by the laws of the State of Texas, the jurisdiction under which the wholly owned subsidiaries of Barnes Petroleum Corp. and Vega Petroleum Corp. are organized.

Third: The number of outstanding shares of each class of stock for each of the subsidiary corporations and the number of shares of each class of each subsidiaries' stock owned by the Surviving Corporation is as follows:

Name of Subsidiary	Number of Shares Outstanding	Designation of Class	Number of Shares Owned by Surviving Corporation
L. B. Petroleum, Inc.	1,003	Common	1,003
	2,500	6% Redeemable Preferred	2,500
Barnes Petroleum Corp.	94,992	Common	94,992
Vega Petroleum Corp.	12,000	Common	12,000

Fourth: A mailing of a copy of the Plan of Merger to the shareholders of L. B. Petroleum, Inc., a Colorado Corporation; Barnes Petroleum Corp., a Texas Corporation; Vega Petroleum Corp., a Texas Corporation; and L. B. Industries, Inc. has been waived by L. B. Industries, Inc. since L. B. Industries, Inc. is the owner of all outstanding shares of stock issued by each of the three subsidiary corporations which are being merged into L. B. Industries, Inc. as the Surviving Corporation.

Fifth: These Articles of Merger shall be filed with the Secretary of State's office for the State of Idaho. The merger shall be effective on January 5, 1988 with the concurrent issuance of Certificates of Merger by the States of Colorado, Idaho and Texas.

IN WITNESS WHEREOF, the Surviving Corporation, L. B. Industries, Inc., has hereunto set its hand and seal on the date indicated below.

Date: 12/30/87

L. B. INDUSTRIES, INC.

ATTEST:

By: Joe D. Davis

By: Shirley M. Link

Title: Vice-President & Treasurer

Title: Secretary

State of Idaho

County of Ada

I, Christopher W. Clark, a notary public, do hereby certify that on this 30th day of December, 1987, personally appeared before me Joe D. Davis and Shirley M. Link who, being by me first duly sworn, declared that they are the Vice President/Treasurer and the Secretary of L. B. Industries, Inc., respectively, that they signed the foregoing document on behalf of said corporation, and that the statements therein contained are true.

(Notary Seal)

Christopher W. Clark  
NOTARY PUBLIC  
Residing at: Boise, Idaho  
My Commission Expires: 10-28-91

EXHIBIT A  
PLAN OF MERGER

THIS PLAN OF MERGER shall be effective on January 5, 1988 by and between L. B. Industries, Inc., an Idaho Corporation ("LBI"); L. B. Petroleum, Inc., a Texas Corporation ("LBPI"); Barnes Petroleum Corp., a Texas Corporation ("BPC"); and Vega Petroleum Corp., a Texas Corporation ("VEGA"). LBPI, BPC and VEGA being herein sometimes referred to as the "Constituent Corporations."

LBI is a corporation duly organized and existing under the laws of the State of Idaho, having been incorporated thereunder on December 31, 1975. LBI is currently authorized to transact business as a foreign corporation within the State of Colorado. Concurrent with the filing of the Articles of Merger and this Plan of Merger, LBI shall make application for qualification to transact business in the State of Texas as a foreign corporation under the assumed name of Larry Barnes Petroleum, Inc.

LBPI is a corporation duly organized and existing under the laws of the State of Colorado having been incorporated thereunder on September 8, 1969 under the name of Voyager Petroleums, Inc.

BPC is a corporation duly organized and existing under the laws of the State of Texas having been incorporated thereunder on September 9, 1980 under the name of Originala Petroleum Corp.

VEGA is a corporation duly organized and existing under the laws of the State of Texas having been incorporated thereunder on November 14, 1973 under the name of Glen-Canyon Oil Corporation.

The authorized capitalization of LBPI consists of 50,000 shares of Common Stock, each share having no par value, of which 1,003 shares are issued and outstanding as of the effective date hereof, all of which shares are owned by LBI and 5,000 shares of Cumulative 6% Redeemable Preferred stock, \$100.00 par value per share, of which 2,500 are issued and outstanding as of the effective date hereof, all of which shares are owned by LBI.

The authorized capitablization of BPC consists of 25,000,000 shares of Common Stock, \$.10 par value per share, of which 94,992 shares are issued and outstanding as of the effective date hereof, all of which shares are owned by LBI and 500,000 shares of Preferred Stock, \$1.00 par value per share, of which no shares are issued and outstanding as of the effective date hereof.

The authorized capitalization of VEGA consists of 500,000 shares of Common Stock, \$.25 par value per share of which 12,000 shares are issued and outstanding as of the effective date hereof, all of which shares are owned by LBI.

The registered office in the State of Idaho of LBI is located at 1401 Shoreline Drive, Boise, Idaho, 83702. The registered office of LBPI in the State of Colorado is located at 1700 Broadway, Denver, Colorado 80290. The registered offices of BPC and VEGA in the State of Texas are located at 1601 Elm Street, Dallas, Texas 75201.

The Boards of Directors of LBI, LBPI, BPC, and VEGA, deem it to be to the benefit and advantage of each of said corporations that said corporations merge under and pursuant to the provisions of the Idaho Business Corporation Act, the Colorado Corporation Code and the Texas Business Corporation Act; the Boards of Directors of LBI and each of the Constituent Corporations by resolution duly adopted, have approved this Plan of Merger; and the directors of each corporation have duly authorized the execution of such Plan of Merger.

In consideration of the foregoing and the mutual agreements hereinafter set forth, the parties hereto agree that, in accordance with the provisions of the Idaho Business Corporation Act, the Colorado Corporation Code and the Texas Business Corporation Act that LBPI, BPC and VEGA shall be merged with and into LBI, with LBI surviving, and that the terms and conditions of such merger and the mode of carrying it into effect are, and shall be, as set forth herein.

#### ARTICLE I

Except as herein specifically set forth, the corporate existence of LBI, with all its purposes, powers and objects, shall continue in effect and unimpaired by the merger, and the corporate identity and existence, with all the purposes, powers, and objects of LBPI, BPC and VEGA shall be merged into LBI; and LBI, as the corporation surviving the merger, shall be fully vested therewith. The separate existence and corporate organization of LBPD, BPC and VEGA shall cease as soon as the merger shall become effective as herein provided, and thereupon LBI, LBPI, BPC and VEGA shall be a single corporation, to wit, LBI (hereinafter sometimes referred to as the "Surviving Corporation"). The Surviving Corporation shall be governed by the laws of the State of Idaho. Copies of the Plan of Merger and the appropriate Articles of Merger which need to be filed in each respective state shall be filed with the appropriate entity within the states of Idaho, Colorado and Texas. The merger shall become effective on January 5, 1988, although the Articles of Merger may be filed with the appropriate state offices prior to the effective date of the merger.

The address of the principal office of the Surviving Corporation shall be P.O. Box 2797, 1401 Shoreline Drive, Boise, Idaho 83701.

#### ARTICLE II

Upon the effective date of the merger, the Certificate and Articles of Incorporation of LBI shall be the Certificate and Articles of Incorporation of the Surviving Corporation, without any changes unless and until the same shall thereafter be altered or amended in accordance with law and the Articles of Incorporation.

### ARTICLE III

Upon the effective date of the merger, the Bylaws of LBI shall be the Bylaws of the Surviving Corporation until the same shall thereafter be altered or amended in accordance with law, the Articles of Incorporation, and said Bylaws.

### ARTICLE IV

On the effective date of the merger, the Surviving Corporation shall continue in existence and, without further transfer, succeed to and possess all of the rights, privileges, and purposes of each of the Constituent Corporations; and all of the property, real and personal, including subscriptions to shares, causes of action and every other asset of each of the Constituent Corporations, shall vest in the Surviving Corporation without further act or deed; and the Surviving Corporation shall be liable for all liabilities, obligations and penalties of each of the Constituent Corporations. No liability or obligation due or to become due, claim or demand for any cause existing against either corporation, or any stockholder, officer, director or employee thereof, shall be released or impaired by such merger. No action or proceeding, whether civil or criminal, then pending by or against any Constituent Corporation or any stockholder, officer, director or employee thereof, shall be released or impaired by such merger. No action or proceeding, whether civil or criminal, then pending by or against any Constituent Corporation or any stockholder, officer, director or employee thereof shall abate or be discontinued by such merger, but may be enforced, prosecuted, defended, settled or compromised as if such merger had not occurred or the Surviving Corporation may be substituted in any action or proceeding in place of any of the Constituent Corporations.

If at any time the Surviving Corporation shall consider or be advised that any further assignments, conveyances or assurances in law are necessary or desirable to vest, perfect or confirm of record in the Surviving Corporation the title to any property or rights of the Constituent Corporations, or otherwise to carry out the provisions hereof, the proper officers and directors of the Constituent Corporations, as of the effective date of the merger, shall execute and deliver any and all proper deeds, assignments and assurances in law, and do any things necessary or proper to vest, perfect or confirm title to such property or rights in the Surviving Corporation, and otherwise to carry out the provisions hereof.

### ARTICLE V

The number of shares of stock which the Surviving Company shall have authority to issue shall be as authorized by the Articles of Incorporation of the Surviving Corporation.

### ARTICLE VI

Upon the effective date of the merger, each issued and outstanding share of stock of LBPI, BPC and VEGA shall be cancelled. Conversion of the shares of stock whether Common or Preferred which is held by LBI into shares of the Stock of LBI is not required because LBI is the sole shareholder of each of the three subsidiaries which are being merged into LBI.

#### ARTICLE VII

Upon the effective date of the merger, the Surviving Corporation shall utilize the name L. B. Industries, Inc., as previously used by it. Since the Articles of Incorporation and Bylaws of LBI shall, in accordance with Articles II and III hereof, constitute the Articles of Incorporation and Bylaws of the Surviving Corporation, no amendment to the Articles of Incorporation or Bylaws is required to perfect the merger.

#### ARTICLE VIII

Upon the effective date of the merger, the shares of Common Stock and 6% Redeemable Cumulative Preferred Stock of LBPI which shall be outstanding immediately prior to the effective date of the merger shall be cancelled and retired, and no new shares of Common Stock, Preferred Stock or other securities of the Surviving Corporation shall be issuable with respect thereto.

Upon the merger becoming effective, the shares of Common Stock of BPC which shall be outstanding immediately prior to the effective date of the merger, shall be cancelled and retired, and no new shares of Common Stock, Preferred Stock or other securities of the Surviving Corporation shall be issuable with respect thereto.

Upon the merger becoming effective, the shares of Common Stock of VEGA which shall be outstanding immediately prior to the effective date of the merger, shall be cancelled and retired, and no new shares of Common Stock or other securities of the Surviving Corporation shall be issuable with respect thereto.

#### ARTICLE IX

The officers and directors of LBI at the effective date of the merger shall serve as the officers and directors of the Surviving Corporation, until their successors shall have been elected and shall qualify or as otherwise provided in the Bylaws of the Surviving Corporation.

#### ARTICLE X

All corporate acts, plans, policies, approvals and authorizations of LBPI, BPC and VEGA, their stockholders, Boards of Directors, committees elected or appointed by the Boards of Directors, officers and agents, which were valid and effective immediately prior to the effective date of the merger, shall be taken for all purposes as the acts, plans, policies, approvals and authorizations of the Surviving Corporation and shall be as effective and binding thereon as they were on LBPI, BPC and VEGA. The employees of LBPI, BPC and VEGA shall become the employees of the Surviving Corporation and continue to be entitled to the same rights and benefits they enjoyed as employees of LBPI, BPC and VEGA. It is

intended that the transaction described herein qualify as a reorganization within the definition of Sections 368(a)(1)(A) of the Internal Revenue Code of 1954, as amended.

#### ARTICLE XI

This Plan of Merger shall be submitted to and subject to obtaining the consents and approvals of the respective Board of Directors of LBI and the Constituent Corporations as are necessary under the applicable laws of the State of Idaho, State of Colorado and State of Texas. It should be noted, however, that it is not necessary under the applicable laws of the State of Idaho, State of Colorado and State of Texas to submit this Plan of Merger for approval before the stockholders of LBI or the stockholders of each of the Constituent Corporations since the Surviving Corporation owns in excess of 90% of the outstanding stock in each of the subsidiaries being merged into the Surviving Corporation pursuant to this Plan of Merger.

#### ARTICLE XII

This Plan of Merger and the merger may be terminated and abandoned by resolutions of the Boards of Directors of LBI, LBPI, BPC and VEGA prior to the merger becoming effective. In the event of the termination and the abandonment of this Agreement and the merger pursuant to the foregoing provisions of this Article XII, this Agreement shall become void and of no further effect without any liability on the part of LBI, the Constituent Corporations or their stockholders, directors or officers in respect thereof.

#### ARTICLE XIII

This Plan of Merger may be executed in counterparts, each of which when so executed shall be deemed to be an original, and such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, each party to this Plan of Merger, pursuant to authority duly given by its Board of Directors, has caused these presents to be executed on its behalf by its president or vice-president, and attested to by its secretary or assistant secretary as of the date or dates indicated below.

L. B. INDUSTRIES, INC.,  
an Idaho Corporation

12/30/87  
Date

By: Joe J. Davis  
Title: Vice-President & Treasurer

ATTEST:  
Shirley M. Luke  
Secretary



L. B. PETROLEUM, INC.  
a Texas Corporation

12/31/87  
Date

ATTEST:

Mike A. Taylor  
Secretary

By: [Signature]

Title: President.

BARNES PETROLEUM CORP.  
a Texas Corporation

12/31/87  
Date

ATTEST:

Mike A. Taylor  
Secretary

By: [Signature]

Title: President.

VEGA PETROLEUM COPR.  
a Texas Corporation

12/31/87  
Date

ATTEST:

Mike A. Taylor  
Secretary

By: [Signature]

Title: President.