


C 3803

MEMORANDUM OF OIL AND GAS LEASE

State: Louisiana
Parish: Caddo
Lessor: City of Shreveport
505 Travis Street,
Shreveport, LA 71101

Gary Loftin
Caddo Parish Clerk of Court
2003058
10/14/2005 02:41 PM

Lessee: Alternate Fuel Systems of Louisiana, Inc.
400 Travis Street, Suite 2000,
Shreveport, LA 71101


K. B. LEBLANC
DEPUTY CLERK

Effective Date: August 13, 2004

For adequate consideration, Lessor, named above, has granted, leased, and let to Lessee, named above, for the purpose of investigating, exploring, prospecting, drilling, mining for, and producing oil, gas, and other minerals, laying pipelines, building roads, tanks, power stations, telephone lines and other structures, and producing, saving, take care of, treating, transporting, and owning oil, gas, and other minerals, all on or from the following lands (the "Lands") in the parish and state named above:


SEE EXHIBIT "A", ATTACHED HERETO AND MADE A PART HEREOF, FOR DESCRIPTION OF PROPERTY.

The Oil and Gas Lease (the "Lease") is for a primary term of three (3) years from the Effective Date stated above, and is effective as long thereafter as oil, gas, or other minerals are produced in paying quantities from the Lands, or other lands pooled with the Lands, according to and by the terms and provisions of the Lease between Lessor and Lessee. The Lease, with all of its terms, covenants, and other provisions, is referred to and incorporated into this Memorandum for all purposes. This Memorandum is placed of record for the purpose of giving notice of the Lease. The original of the Lease is maintained in the office of the Lessee.


This Memorandum is signed by Lessee as of the date of acknowledgment of its signature, but is effective for all purposes as of the Effective Date stated above.

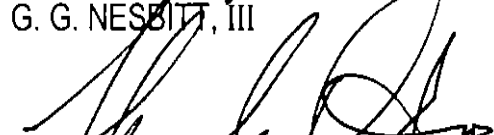
LESSEE:

ALTERNATE FUEL SYSTEMS
OF LOUISIANA, INC.

By: 
FRANK GOLDSBERRY, President

WITNESSES:


G. G. NESBITT, III


THOMAS G. ORTIZ

COPIES SENT

NO
 YES
1 695

STATE OF LOUISIANA)

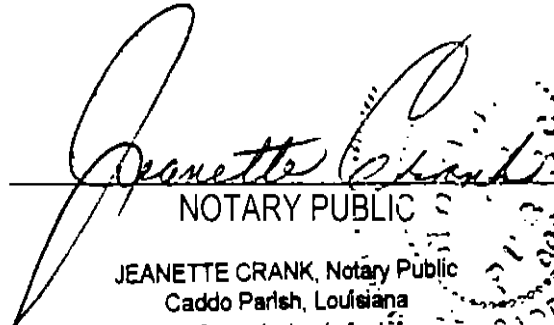
PARISH OF

Caddo

On this 12th day of October, 2005, before me personally appeared FRANK GOLDSBERRY, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of ALTERNATE FUEL SYSTEMS OF LOUISIANA, INC., and that he executed the same as the act of such corporation for the purposes and consideration therein expressed and in the capacity therein stated.

My Commission Expires:

at death


NOTARY PUBLIC
JEANETTE CRANK, Notary Public
Caddo Parish, Louisiana
My Commission is for Life
Notary ID # 002298

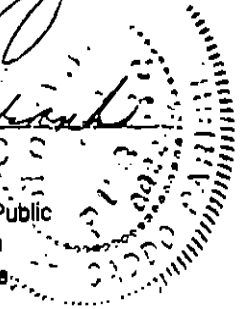


EXHIBIT "A"

SHREVEPORT REGIONAL AIRPORT-GENERAL AREA LEGAL DESCRIPTION

The Shreveport Regional Airport facility is situated on a City-owned 1,597.621-acre tract of land in the western portion of Shreveport, Louisiana, and is surrounded by Kennedy Drive on the East, West 70th Street on the South, Meriwether Road on the West, and Hollywood Avenue on the North. A boundary description of the area is as follows:

Beginning at the intersection of the South right of way line of Hollywood Avenue and the West right of way line of Kennedy Drive proceed S 00°03'45" E along the West right of way line of said Kennedy Drive a distance of 1,530.74 feet to the North line of the Fire Department Garage facility;

thence run S 89°54'41" W along said North line a distance of 238.67 feet;

thence run S 00° 03'45" E along the West line of said Fire Department Garage facility a distance of 208.32 feet;

thence run S 89°54'41" W along the North line of Airport Park facility a distance of 401.33 feet;

thence run S 00°03'45" E along the West line of said Airport Park a distance of 2,523.00 feet;

thence run N 89°54'41" E along the South line of said Airport Park a distance of 640.00 feet to a point on the West right of way line of Kennedy Drive;

thence run S 00°03'45" E along said West right of way line a distance of 1,021.32 feet to the South right of way line of the old West 70th Street dedication;

thence run N 89°50'16" E along said South right of way line a distance of 368.39 feet to the Northerly right of way line of the new West 70th Street dedication;

thence run Southwesterly along said right of way line on a curve to the left, having a radius of 996.96' and a delta angle of 44°44'27", a distance of 778.50 feet;

thence run S 20°33'55" W along said northerly right of way line a distance of 514.17 feet;

thence run along said right of way line on a curve to the right, having a radius of 914.93' and a delta angle of 20°02'48", a distance of 320.12 feet;

thence run S 40°36'43" W along said northerly right of way line a distance of 2,028.42 feet;

thence run along said right of way line on a curve to the right, having a radius of 914.93' and a delta angle of 49°38'57", a distance of 792.82 feet;

thence run N 89°44'20" W along said northerly right of way line a distance of 3,558.65 feet;
thence run along said right of way line on a curve to the right, having a radius of 914.93' and a delta angle of 51°46'16", a distance of 826.71 feet to a point on the Northeasterly right of way line of Meriwether Road;
thence run N 37°58'04" W along the Northeasterly right of way line of Meriwether Road a distance of 837.49 feet;

thence run N 29°08'25" W along said northeasterly right of way line a distance of 230.56 feet;

thence run N 89°54'32" E a distance of 1,144.82 feet;

thence run N 00°18'32" E a distance of 660.28 feet;

thence run N89°58'11" W a distance of 1,122.84 feet;

thence run N 00°20'31" E a distance of 275.08 feet;

thence run N 89°58'13" W a distance of 552.73 feet to a point on the northeasterly right of way line of Meriwether Road;

thence run N 28°51'54" W along said northeasterly right of way line a distance of 586.68 feet;

thence run N 61°08'06" E along said northeasterly right of way line a distance of 45.00 feet;

thence run N 28°51'54" W along said northeasterly right of way line a distance of 550.00 feet;

thence run S 61°08'06" W along said northeasterly right of way line a distance of 45.00 feet;

thence run N 28°51'54" W along said northeasterly right of way line a distance of 61.00 feet;

thence run N 89°13'32" E along said northeasterly right of way line a distance of 34.34 feet;

thence run N 43°56'04" W along said right of way line a distance of 1,694.68 feet;

thence run N 46°03'56" E a distance of 15.00 feet along the easterly right of way line of Meriwether Road;

thence run along said right of way line on a curve to the right, having a radius of 427.46 feet and a chord bearing of N 24°53'28" W and a chord distance of 278.95', a distance of 284.15 feet;

thence run N 05°50'52" W along said easterly right of way line a distance of 1,314.35 feet;

thence run along said right of way line on a curve to the right, having a radius of 1,859.86 feet and a chord bearing of N 2°21'47" W and a chord distance of 225.83', a distance of 225.97 feet;

thence run N 01°03'55" E along said easterly right of way line a distance of 1,690.63 feet;

thence run N 19°22'50" E along said easterly right of way line a distance of 199.82 feet;

thence run N 32°32'43" E along said easterly right of way line a distance of 144.05 feet;

thence run N 53°23'24" E along said easterly right of way line a distance of 280.57 feet;

thence run N 69°11'39" E along said easterly right of way line a distance of 179.07 feet to the South right of way line of Hollywood Avenue;

thence run S 20°11'12" E along southerly right of way line a distance of 8.15 feet;

thence run S 89°42'53" E along said southerly right of way line a distance of 2,809.11 feet;

thence run N 89°47'39" E along said southerly right of way line a distance of 5,257.94 feet;

thence run S 89°32'56" E along said southerly right of way line a distance of 1,265.37 feet to the Point of Beginning.

Caddo Parish Tax Assessor's Geographical numbers (Tract Numbers) for the twenty-two separate tracts that make up the above legal description are as follows:

171419-000-0022 171420-000-0009 171421-000-0019 171421-024-0054

| | | | |
|-----------------|-----------------|-----------------|-----------------|
| 171428-000-0031 | 171429-000-0007 | 171429-000-0016 | 171429-001-0010 |
| 171429-001-0019 | 171429-001-0021 | 171429-001-0023 | 171429-001-0025 |
| 171429-001-0027 | 171429-001-0029 | 171429-001-0031 | 171429-001-0033 |
| 171430-000-0015 | 171430-000-0017 | 171430-000-0018 | 171430-000-0055 |
| 171430-001-0010 | 171430-002-0029 | | |