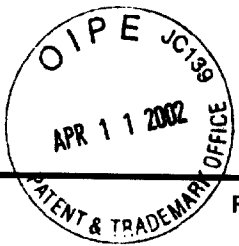


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U.S. DEPARTMENT OF COMMERCE
U.S. Patent and Trademark Office

Form PTO-1595
(Rev. 03/01)

OMB No. 0651-0027 (exp. 5/31/2002)

Tab settings

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

Auto-Gas Systems, Inc.

Additional name(s) of conveying party(ies) attached? Yes No

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other
- Merger
- Change of Name

Execution Date: 02/01/02

2. Name and address of receiving party(ies)

Name: G. Randy Nicholson

Internal Address:

Street Address: P.O. Box 89

City: Abilene State: TX Zip: 79604

Additional name(s) & address(es) attached? Yes No

4. Application number(s) or patent number(s):

If this document is being filed together with a new application, the execution date of the application is:

A. Patent Application No.(s)

B. Patent No.(s)

6,332,128

Additional numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Roger W. Bivans, Esq.

Internal Address: Gibson Dunn & Crutcher

Street Address: 2100 McKinney Ave.

Suite 1100

City: Dallas State: TX Zip: 75201

6. Total number of applications and patents involved: 3

7. Total fee (37 CFR 3.41).....\$ 120.00

Enclosed

Authorized to be charged to deposit account

8. Deposit account number:

(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Roger W. Bivans, Esq.

Name of Person Signing

Signature

04/05/02

Date

Total number of pages including cover sheet, attachments, and documents: 23

04/16/2002 LHMELLER 00000255 6332128

01 FC:581

120.00 OP

Mail documents to be recorded with required cover sheet information to:

Commissioner of Patents & Trademarks, Box Assignments
Washington, D.C. 20231

PATENT
REEL: 012775 FRAME: 0710

Exhibit A

PATENT APPLICATIONS

<u>Title</u>	<u>Jurisdiction</u>	<u>Application Date</u>	<u>Application No.</u>
System and Method of Maintaining a Posted Street Price for Fuel While Offering Different Prices to Identified Customers	U.S.	January 10, 2001	09/759,023
Method of Cross-Marketing Utilizing Electronic Coupons	U.S.	November 17, 2001	pending (Attorney Docket No. 1159-0003C)



INTELLECTUAL PROPERTY SECURITY AGREEMENT

This INTELLECTUAL PROPERTY SECURITY AGREEMENT (this "*Security Agreement*"), dated as of February 1, 2002, is executed by Auto-Gas Systems, Inc., a Delaware corporation ("*Debtor*"), in favor of G. Randy Nicholson ("*Secured Party*").

WITNESSETH:

WHEREAS, Debtor entered into an Agreement to Guarantee, dated as of the date hereof (the "*Guarantee Agreement*"), with the Secured Party, pursuant to which Debtor agreed to comply with the indemnification, reimbursement and other obligations stated therein;

WHEREAS, in order to induce Secured Party to enter into the Guarantee Agreement and perform his obligations thereunder, Debtor has agreed to enter into this Security Agreement and to grant Secured Party the security interest in the Collateral described below.

AGREEMENT

NOW, THEREFORE, Debtor hereby agrees with Secured Party as follows:

1. Definitions and Interpretation. When used in this Security Agreement, the following terms shall have the following respective meanings:

"*Collateral*" shall have the meaning given to that term in Section 2 hereof.

"*Lien*" shall mean any lien, security interest, mortgage, conditional sale or other title retention agreement, security agreement or other encumbrance on title.

"*Obligations*" shall mean and include all indemnification, reimbursement and other obligations howsoever arising, owed by Debtor to Secured Party of every kind and description (whether or not evidenced by any Guarantee Agreement or instrument and whether or not for the payment of money), direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising pursuant to the terms of the Guarantee Agreement or any of the other documents contemplated thereby, including all principal, interest, expenses, liabilities and other obligations chargeable to and payable by Debtor hereunder and thereunder.

"*Patent and Trademark Office*" shall mean the United States Patent and Trademark Office or any successor office or agency thereto.

"*Patent Applications*" means and refers to all applications made to the Patent and Trademark Office or to any similar office or agency of any foreign country or political subdivision thereof for the registration of Patents.

"*Patent Registrations*" means and refers to all Patent Applications, all Patents issuable pursuant to such Patent Applications and all Patents registered with the Patent and Trademark Office or with any similar office or agency of any foreign country or political subdivision thereof.

“*Patents*” shall have the meaning given to that term in Attachment I hereto.

“*Permitted Liens*” means the following:

- (a) Liens existing on the date hereof or arising under this Security Agreement;
- (b) Liens for taxes, fees, assessments or other governmental charges or levies, either not delinquent or being contested in good faith, provided the same have no priority over the Secured Party’s security interest; and
- (c) Licenses or sublicenses granted in the ordinary course of Debtor’s business and any interest or title of a licensor or under any license.

“*Person*” means any individual, corporation (including any non-profit corporation), general or limited partnership, limited liability company, joint stock company, joint venture, estate, trust, association, organization, labor union, governmental entity or any political subdivision thereof or any other entity.

“*UCC*” shall mean the Uniform Commercial Code as in effect in the State of Texas from time to time.

Unless otherwise defined herein, all other capitalized terms used herein and defined in the Guarantee Agreement shall have the respective meanings given to those terms in the Guarantee Agreement, and all terms defined in the UCC shall have the respective meanings given to those terms in the UCC.

2. Grant of Security Interest. As security for the Obligations, Debtor hereby pledges and grants to Secured Party a security interest in all right, title and interest of Debtor in and to the Patents, Patent Registrations, Patent Applications and other property, including without limitation the proceeds thereof, described in Attachment I annexed hereto (collectively and severally, the “*Collateral*”), which Attachment I is incorporated herein by this reference.

3. Representations and Warranties. Debtor represents and warrants to Secured Party that:

- (a) Debtor is the owner of the Collateral (or, in the case of after-acquired Collateral, at the time Debtor acquires rights in the Collateral, will be the owner thereof) and that no other Person has (or, in the case of after-acquired Collateral, at the time Debtor acquires rights therein, will have) any right, title, claim or interest (by way of Lien or otherwise) in, against or to the Collateral (other than Permitted Liens);
- (b) Secured Party has (or, in the case of after-acquired Collateral, at the time Debtor acquires rights therein, will have) a first priority perfected security interest in the Collateral subject only to Permitted Liens;
- (c) Debtor has full corporate power and authority to grant the security interest herein granted;

- (d) Except for Permitted Liens, Debtor has the sole, full and unencumbered right, title and interest in and to each of the Patents shown on Schedule A to Attachment I and each of the inventions and other patentable subject matter subject to the Patent Applications shown on Schedule B to Attachment I and the registrations thereof are, or will be upon issuance of a Patent, valid and enforceable and in full force and effect; and
- (e) To Debtor's knowledge, except as has been previously disclosed to Secured Party in writing, there is no claim by any third party that any Patents or any Patent Applications are invalid and unenforceable or do or may violate the rights of any Person.

4. Covenants of Debtor. Debtor hereby agrees:

- (a) Debtor shall perform all acts and execute all documents that may be reasonably necessary to record, maintain, preserve, protect and perfect Secured Party's security interest in the Collateral, the Lien granted to Secured Party in the Collateral and the priority of such Lien, including the execution and delivery of financing statements and amendments thereto in forms suitable for filing with the appropriate office under the UCC and notices of security interest for each relevant type of intellectual property in forms suitable for filing with the Patent and Trademark Office, substantially in the form of Attachment II (appropriately revised) annexed hereto, and with any similar office or agency in any other country or any political subdivision thereof.
- (b) Except to the extent that Secured Party shall give its prior written consent or as otherwise permitted under the Guarantee Agreement:
 - (i) Debtor shall not do any act or omit to do any act whereby the Patent Registrations may become abandoned or dedicated to the public domain or the remedies available against potential infringers weakened and shall notify Secured Party immediately if it knows of any reason or has reason to know that any Patent Registration may become abandoned or dedicated unless Debtor determines that prudent business practices require abandonment or dedication; and
 - (ii) Debtor shall not assign, sell, mortgage, lease, transfer, pledge, hypothecate, grant a security interest in or Lien upon, encumber, grant an exclusive or non-exclusive license (except non-exclusive licenses to end-users in the ordinary course of business), or otherwise dispose of any of the Collateral, and nothing in this Security Agreement shall be deemed a consent by Secured Party to any such action.
- (c) Debtor shall promptly notify Secured Party upon the filing with the Patent and Trademark Office or any similar office or agency in any other country or any political subdivision thereof, either by Debtor or through any agent,

employee, licensee or designee, of (i) any amendment to any of the Patent Applications included in the Collateral or (ii) any application for the registration of any Patent derived from or substantially related to any Patent, Patent Registration or Patent Application included in the Collateral. Upon the reasonable request of Secured Party, Debtor shall execute and deliver any and all assignments, agreements, instruments, documents and papers as Secured Party may request to evidence Secured Party's Lien in such Patent, or invention or other patentable subject matter derived from or substantially related to such Patent, Patent Registration or Patent Application and Debtor authorizes Secured Party to amend an original counterpart of the applicable financing statement or notice of security interest executed pursuant to Section 4(a) of this Security Agreement without first obtaining Debtor's approval of or signature to such amendment and to record such document with the Patent and Trademark Office or any similar office or agency in any other country or any political subdivision thereof.

- (d) Debtor shall keep the Collateral free of all Liens or restrictions on transfer thereof, except Permitted Liens. In furtherance of these obligations:
 - (i) Debtor shall maintain good title to, or the right to use, the Collateral, as the case may be, and (ii) the Debtor will defend such title against the claims and demands of all persons.
- (e) Debtor shall take all reasonable necessary steps, including without limitation the timely payment of all required fees, in accordance with prudent business judgment in any proceeding before the Patent and Trademark Office or any similar office or agency in any other country or any political subdivision thereof, to diligently prosecute or maintain, as applicable, each Patent, Patent Registration and Patent Application included in the Collateral, including filing of renewals, affidavits of use, affidavits of incontestability and opposition, interference and cancellation proceedings (except to the extent that dedication, abandonment or invalidation is permitted hereunder).
- (f) Debtor shall make application to the Patent and Trademark Office (and assign such application to Secured Party as security) to register any material, unpatented but patentable inventions or other subject matter derived from or substantially related to any Patent, Patent Registration and Patent Application included in the Collateral and developed by Debtor or its employees (within the scope of their employment), unless Debtor, in the exercise of its prudent business judgment, deems any such Patent not to have any significant commercial value or determines that its rights thereunder are better preserved as a trade secret. Debtor shall make similar applications and assignments thereof in the appropriate offices or agencies in such other countries or political subdivisions thereof in which applications were filed with respect to such related Patent, Patent Registration and Patent Application included in the Collateral.

- (g) Debtor shall use its best efforts to maintain with each employee who may be the inventor of patentable inventions or other patentable subject matter (invented within the scope of such employee's employment) included in the Collateral an invention assignment agreement requiring such employee to assign all rights to such inventions, including Patents, Patent Registrations and Patent Applications, to Debtor and further requiring such employee to cooperate fully with Debtor, its successors in interest, including Secured Party, and their counsel, in the prosecution of any Patent Application or in any litigation involving the invention, whether such cooperation is required during such employee's employment with Debtor or after the termination of such employment.
- (h) Debtor shall at all times keep at least one complete set of all books, records, accounts and other documents of Debtor concerning the Collateral at its chief executive office and shall make such records available for inspection and copying by Secured Party at such times as Secured Party may reasonably request, subject to Debtor's reasonable security and confidentiality requirements.
- (i) Debtor shall provide Secured Party, on the first business day of each calendar quarter, a schedule of all filings that are required to be made and all fees that are required to be paid in the following twelve month period, in order to record, maintain, preserve, protect and perfect Debtor's ownership of and Secured Party's security interest in the Collateral, or to record, maintain, preserve, protect and perfect the Lien granted to Secured Party in the Collateral and the priority of such Lien.
- (j) As soon as possible after the occurrence or commencement of any of the following, Debtor shall deliver to Secured Party written notice that such event has occurred or commenced:
 - (i) The commencement or filing of (A) any action, suit or proceeding involving Debtor before any court or governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, which could materially and adversely affect any of the Collateral or (B) any claim or dispute between Debtor and any person involving the Collateral; or
 - (ii) The occurrence of any condition or event which has resulted or is reasonably expected to result in a material breach of or noncompliance with any material term, condition or covenant contained in this Security Agreement, the Loan Agreement or Guarantee Agreement.

Each notice pursuant to this Section 4(i) shall be accompanied by a statement of Debtor setting forth details of the occurrence referred to therein and stating what action Debtor proposes with respect thereto.

5. Authorized Action by Secured Party.

- (a) Secured Party may, in its reasonable discretion, pay any amount or do any act required of Debtor hereunder or requested by Secured Party to preserve, defend, protect, maintain, record or enforce Debtor's obligations contained herein, the Obligations, the Collateral, or the right, title and interest granted Secured Party by this Security Agreement, and which Debtor fails to do or pay, and any such payment shall be deemed an advance by Secured Party to Debtor and shall be payable on demand together with interest at the highest rate borne by the Obligations.
- (b) Debtor shall execute and deliver to Secured Party three originals of a Special Power of Attorney in substantially the form of Attachment III to this Agreement for the implementation of the recording, giving of notice, preservation, assignment, sale or other disposal of the Collateral pursuant to Sections 2, 4(a), 5(a) and 7(a).

6. Litigation and Other Proceedings. Upon the occurrence and during the continuation of a failure or other default by Debtor in the payment or performance of any of the Obligations or its obligations under this Security Agreement, Secured Party shall have the right but not the obligation to bring suit or institute proceedings in the name of Debtor or Secured Party to enforce any rights in the Collateral, including any license thereunder, in which event Debtor shall at the request of Secured Party do any and all lawful acts and execute any and all documents reasonably required by Secured Party in aid of such enforcement.

7. Default and Remedies.

- (a) Debtor shall be deemed in default under this Security Agreement upon the occurrence and during the continuation of a failure or other default by Debtor in the payment or performance of any of the Obligations or its obligations under this Security Agreement. Upon the occurrence and during the continuation of any such default, Secured Party may, at its option and (except if otherwise specified below) without notice to or demand on Debtor, and in addition to all rights and remedies available to Secured Party under the Guarantee Agreement or under the UCC, do any one or more of the following:
 - (i) upon ten (10) days' prior notice to Debtor, direct Debtor not to make any further use of the Patents or the inventions or patentable subject matter subject to the Patent Applications for any purpose;
 - (ii) at any time and from time to time, upon ten (10) days' prior notice to Debtor, license, whether general, special or otherwise, and whether on an exclusive or nonexclusive basis, any of the Patents or the inventions or patentable subject matter subject to the Patent Applications throughout the world on such terms and conditions as Secured Party shall in its reasonable discretion determine;

- (iii) at any time and from time to time, enforce (and upon notice to Debtor have the exclusive right to enforce) against any licensee or sublicensee all rights and remedies of Debtor in, to and under any one or more license agreements with respect to the Collateral (without assuming any obligations or liability thereunder), and take or refrain from taking any action under any thereof;
 - (iv) at any time and from time to time, upon ten (10) days' prior notice to Debtor, assign, sell, or otherwise dispose of, the Collateral or any of it, either with or without special or other conditions or stipulations, with power to buy the Collateral or any part of it, and with power also to execute assurances, and do all other acts and things for completing the assignment, sale or disposition which Secured Party shall, in its reasonable discretion, deem appropriate or proper; and
 - (v) in addition to the foregoing, in order to implement the assignment, sale or other disposal of any of the Collateral pursuant to clause (a)(iv) hereof, Secured Party may, at any time, pursuant to the authority granted in the Special Power of Attorney executed pursuant to Section 5(b) hereof, execute and deliver on behalf of Debtor, one or more instruments of assignment of the Patents or the inventions or patentable subject matter subject to the Patent Applications (or any application or registration thereof), in form suitable for filing, recording or registration in any country.
- (b) Debtor shall pay when due all reasonable costs incurred in any such transfer of the Patents or the inventions or patentable subject matter subject to the Patent Applications, including any taxes, fees and reasonable attorneys' fees and expenses, and all such costs shall be added to the Obligations. Secured Party may apply the proceeds actually received from any such license, assignment, sale or other disposition to the reasonable costs and expenses thereof, including reasonable attorneys' fees and all reasonable legal, travel and other expenses which may be incurred by Secured Party, and then to the Obligations, in such order as Secured Party may desire; and Debtor shall remain liable and will pay Secured Party on demand any deficiency remaining, together with interest thereon at a rate equal to the highest rate then borne by the Obligations and the balance of any expenses unpaid. Nothing herein contained shall be construed as requiring Secured Party to take any such action at any time. In the event of any such license, assignment, sale or other disposition of the Collateral, or any of it, after the occurrence or continuation as hereinabove provided of a default, Debtor shall supply its know-how and expertise relating to the manufacture and sale of the products bearing or in connection with which the Patents or the inventions or patentable subject matter subject to the Patent Applications are used, and its customer lists and other records relating to the Patents or the inventions or patentable

subject matter subject to the Patent Applications and to the distribution of products or the provisions of services, to Secured Party or its designee.

- (c) Debtor assumes all responsibility and liability arising from the use of the Patents or the inventions or patentable subject matter subject to the Patent Applications and Debtor hereby indemnifies and holds Secured Party and its directors, officers, employees, agents and any of their respective affiliates (“*Indemnitees*”) harmless from and against any claim, suit, loss, damage or expense (including reasonable attorneys’ fees and expenses) arising out of or in connection with any alleged infringement of any patent, trademark, service mark, trade name, trade secret, copyright or mask work of a third party or alleged defect in any product manufactured, promoted or sold by Debtor (or any affiliate of Debtor) in connection with any Patent or the inventions or patentable subject matter subject to the Patent Applications or out of the manufacture, promotion, labeling, sale or advertisement of any product or service by Debtor (or any affiliate of Debtor) except for losses arising from or out of the gross negligence or willful misconduct of Secured Party. Debtor agrees that Secured Party does not assume, and shall have no responsibility for, the payment of any sums due or to become due under any agreement or contract included in the Collateral or the performance of any obligations to be performed under or with respect to any such agreement or contract by Debtor, and Debtor shall indemnify and hold each Indemnitee harmless with respect to any and all claims by any Person relating thereto.
- (d) Debtor shall indemnify and hold each Indemnitee harmless from and against any claim, suit, loss, damage or expense (including reasonable attorneys’ fees and expenses) arising out of or in connection with (i) any claim, suit or proceeding instituted by or against Debtor, (ii) any action taken or omitted to be taken by Secured Party pursuant to Section 6, or (iii) any action taken or omitted to be taken by Secured Party pursuant to clause 7(a)(iii) hereof with respect to any license agreement of Debtor; *provided, however*, that Debtor shall not be required to indemnify any Indemnitee to the extent such liability arises from the willful misconduct or gross negligence of such Indemnitee.
- (e) Debtor hereby releases each Indemnitee from any claims, causes of action and demands at any time arising out of or with respect to any actions taken or omitted to be taken by the Indemnitees, or any of them, under the powers of attorney granted under the Special Power of Attorney executed pursuant to Section 5(b) herein, other than actions taken or omitted to be taken through the gross negligence or willful misconduct of such Indemnitee.
- (f) Upon reasonable request, Debtor shall cause Secured Party to be named as an additional insured with respect to any policy of insurance held by

Debtor from time to time covering product liability or intellectual property infringement risk.

9. Miscellaneous.

- (a) Notices. Except as otherwise provided herein, all notices, requests, demands, consents, instructions or other communications to or upon Secured Party or Debtor under this Security Agreement shall be in writing and telecopied, mailed or delivered to each party at its telecopier number or address set forth below (or to such other telecopier number or address for any party as indicated in any notice given by that party to the other party). All such notices and communications shall be effective (a) when sent by an overnight delivery service of recognized standing, on the business day following the deposit with such service; (b) when mailed by registered or certified mail, first class postage prepaid and addressed as aforesaid through the United States Postal Service, upon receipt; (c) when delivered by hand, upon delivery, and (d) when telecopied, upon confirmation of receipt.

Addresses:

Debtor

Secured Party

Auto-Gas Systems, Inc.
1202 Estates Dr., Suite D
Abilene, Texas 79602
Attn: Chief Financial Officer
Telecopier: (915) 676-3156
Telephone: (915) 676-3150

G. Randy Nicholson
P.O. Box 89
Abilene, Texas 79604-0089
Phone: 915-676-3150
Fax: 915-677-5963

- (b) Nonwaiver. No failure or delay on Secured Party's part in exercising any right hereunder shall operate as a waiver thereof or of any other right nor shall any single or partial exercise of any such right preclude any other further exercise thereof or of any other right.
- (c) Amendments and Waivers. This Security Agreement may not be amended or modified, nor may any of its terms be waived, except by written instruments signed by Debtor and Secured Party. Each waiver or consent under any provision hereof shall be effective only in the specific instances for the purpose for which given.
- (d) Assignments. This Security Agreement shall be binding upon and inure to the benefit of Secured Party and Debtor and their respective successors and assigns.

- (e) Cumulative Rights, etc. The rights, powers and remedies of Secured Party under this Security Agreement shall be in addition to all rights, powers and remedies given to Secured Party by virtue of any applicable law, including the UCC and the Patent Act, any rule or regulation of any governmental authority, the Guarantee Agreement, or any other agreement, all of which rights, powers, and remedies shall be cumulative and may be exercised successively or concurrently without impairing Secured Party's rights hereunder. Debtor waives any right to require Secured Party to proceed against any Person or to exhaust any Collateral or to pursue any remedy in Secured Party's power.
- (f) Payments Free of Taxes, Etc. All payments made by Debtor under this Security Agreement shall be made by Debtor free and clear of and without deduction for any and all present and future taxes, levies, charges, deductions and withholdings. In addition, Debtor shall pay upon reasonable demand any stamp or other taxes, levies or charges of any jurisdiction with respect to the execution, delivery, registration, performance and enforcement of this Security Agreement. Upon reasonable request by Secured Party, Debtor shall furnish evidence satisfactory to Secured Party or such Secured Party or Secured Party's designee that all requisite authorizations and approvals by, and notices to and filings with, governmental authorities and regulatory bodies have been obtained and made and that all requisite taxes, levies and charges have been paid.
- (g) Partial Invalidity; Power to Reform. If at any time any provision of this Security Agreement is or becomes illegal, invalid or unenforceable in any respect under the law or any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Security Agreement nor the legality, validity or enforceability of such provision under the law of any other jurisdiction shall in any way be affected or impaired thereby. Any judge or arbitrator who holds that any provision of this Security Agreement is or has become illegal, invalid or unenforceable in any respect under the law or any jurisdiction shall have the power to reform the illegal, invalid, or unenforceable provision to the extent permitted by law in order to effect the parties' intent as set forth in this Security Agreement.
- (h) Expenses. Debtor shall bear all costs in connection with the preparation, execution and delivery of, and the exercise of its duties under, this Security Agreement. Debtor shall pay on demand all reasonable fees and expenses, including reasonable attorneys' fees and expenses, incurred by Secured Party with respect to any amendments or waivers hereof requested by Debtor or in the enforcement or attempted enforcement of any of the Obligations or in preserving any of Secured Party's rights and remedies, including, without limitation, all such fees and expenses incurred in connection with any "workout" or restructuring affecting this


Security Agreement, the Guarantee Agreement or the Obligations or any bankruptcy or similar proceeding involving Debtor.

- (i) Governing Law. This Security Agreement shall be governed by and construed in accordance with the laws of the State of Texas without reference to conflicts of law rules that would apply any other law.
- (j) JURY TRIAL. EACH OF DEBTOR AND SECURED PARTY, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY AS TO ANY ISSUE RELATING HERETO IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS SECURITY AGREEMENT.


[SIGNATURES ON NEXT PAGE]

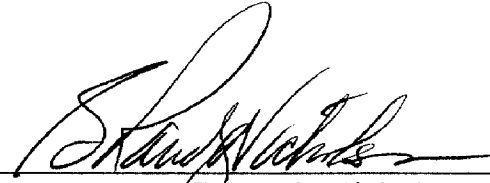
IN WITNESS WHEREOF, the parties hereto have caused this Security Agreement to be duly executed, as of the date first written above.

AUTO-GAS SYSTEMS, INC.

By: 
Name: JEFFREY F. UPP
Title: CFO

ATTEST:

By: 
Name: DANIEL K. McFARLAND
Title: ASST. SECRETARY


G. Randy Nicholson

ATTACHMENT I

TO INTELLECTUAL PROPERTY SECURITY AGREEMENT

(a) All patentable inventions, patent rights, shop rights, letters patent of the United States or any other country, all right, title and interest therein and thereto, and all applications, registrations and recordings in respect thereof, including (i) all patent applications, patent registrations and recordings in the Patent and Trademark Office or in any similar office or agency of the United States, any state thereof or any foreign country or political subdivision thereof and (ii) all reissues, continuations, continuations-in-part or extensions thereof and all licenses thereof, now owned or hereafter acquired by Debtor and either described in Schedules A and B to this Attachment I annexed hereto, which Schedules A and B are incorporated herein by this reference, or derived from or substantially related to the property described therein (collectively, the "*Patents*").

(b) All inventions or other patentable subject matter derived from or substantially related to any Patent, Patent Registration or Patent Application included in the Collateral.

(c) All other intellectual property rights in or appurtenant to any of the foregoing, including without limitation copyright, trademark, service mark, and trade secret rights in all inventions or other patentable subject matter derived from or substantially related to any Patent, Patent Registration, Patent Application, or invention included in the Collateral or any product or process derived therefrom or relating thereto.

(d) All claims by Debtor against any Person for past, present or future infringement of (i) the Patents, the Patent Registrations and such patents as may be issued under the Patent Applications described in Schedules A and B to this Attachment I annexed hereto or with respect to any invention or other patentable subject matter derived from or substantially related to any Patent, Patent Registration or Patent Application included in the Collateral, or (ii) any other intellectual property right described in paragraph (c) above.

(e) Debtor's right in and to any license or other agreement by which any of the foregoing intellectual property rights is licensed to a third party or by which a third party is granted a right to practice any invention or use any other intellectual property included within the Collateral.

(f) All proceeds of the foregoing (including whatever is receivable or received when Collateral or proceeds are sold, collected, exchanged, licensed or otherwise disposed of, whether such disposition is voluntary or involuntary, including rights to payment and return premiums and insurance proceeds under insurance with respect to any Collateral, and all rights to payment with respect to any cause of action affecting or relating to the Collateral).

SCHEDULE A TO ATTACHMENT I

TO INTELLECTUAL PROPERTY SECURITY AGREEMENT

PATENTS

<u>Title</u>	<u>Jurisdiction</u>	<u>Date Issued</u>	<u>Patent No.</u>
System and Method of Providing Multiple Level Discounts on Cross-Marketed Products and Discounting a Price-Per-Unit Volume of Gasoline	U.S.	December 18, 2001	6,332,128

SCHEDULE B TO ATTACHMENT I

TO INTELLECTUAL PROPERTY SECURITY AGREEMENT

PATENT APPLICATIONS

<u>Title</u>	<u>Jurisdiction</u>	<u>Application Date</u>	<u>Application No.</u>
System and Method of Maintaining a Posted Street Price for Fuel While Offering Different Prices to Identified Customers	U.S.	January 10, 2001	09/759,023
Method of Cross-Marketing Utilizing Electronic Coupons	U.S.	November 17, 2001	pending (Attorney Docket No. 1159-0003C)
Database System for Cross-Marketing Utilizing Electronic Coupons	Canada	March 25, 1999	2,266,983
Method and System for Cross-Marketing Utilizing Electronic Coupons	Israel	April 29, 1999	129,677

ATTACHMENT II

TO INTELLECTUAL PROPERTY SECURITY AGREEMENT

GRANT OF SECURITY INTEREST

PATENTS

THIS GRANT OF SECURITY INTEREST, dated as of February 1, 2002, is executed by Auto-Gas Systems, Inc., a Delaware corporation ("*Debtor*"), in favor of G. Randy Nicholson ("*Secured Party*").

A. Debtor owns the letters patent, and/or applications for letters patent, of the United States, more particularly described on *Schedules 1-A and 1-B* annexed hereto as part hereof (collectively, the "*Patents*");

B. Debtor has entered into an Intellectual Property Security Agreement dated the date hereof (the "*Security Agreement*") in favor of Secured Party; and

C. Pursuant to the Security Agreement, Debtor has granted to Secured Party a security interest in all right, title and interest of Debtor in and to the Patents, together with any reissue, continuation, continuation-in-part or extension thereof, all inventions or other patentable subject matter derived from or substantially related to any such Patents, and all proceeds thereof, including any and all causes of action which may exist by reason of infringement thereof for the full term of the Patents (the "*Collateral*"), to secure the prompt payment, performance and observance of the Obligations, as defined in the Security Agreement;

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, Debtor does hereby further grant to Secured Party a security interest in the Collateral to secure the prompt payment, performance and observance of the Obligations.

Debtor does hereby further acknowledge and affirm that the rights and remedies of Secured Party with respect to the security interest in the Collateral granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are hereby incorporated herein by reference as if fully set forth herein.

Secured Party's address is:

G. Randy Nicholson
P.O. Box 89
Abilene, Texas 79604-0089

IN WITNESS WHEREOF, Debtor has caused this instrument to be executed as of the day and year first above written.

AUTO-GAS SYSTEMS, INC.

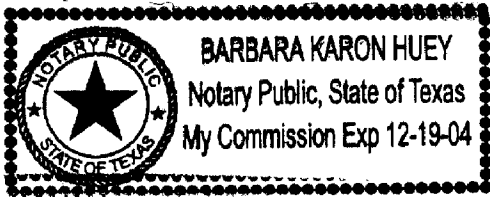
By: *Jeffrey F. Upp*
Name: JEFFREY F. UPP
Title: CFO

STATE OF TEXAS)
)
COUNTY OF TAYLOR)

On ~~February~~ ^{March} 7, 2002 before me, Jeffrey F. Upp, personally appeared known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on such instrument the person or entity on behalf of which the person(s) acted executed the instrument.

WITNESS my hand and official seal.

Signature *Barbara Karon Huey*



SCHEDULE I-A TO GRANT OF SECURITY INTEREST

PATENTS

<u>Title</u>	<u>Jurisdiction</u>	<u>Date Issued</u>	<u>Patent No.</u>
System and Method of Providing Multiple Level Discounts on Cross-Marketed Products and Discounting a Price-Per-Unit Volume of Gasoline	U.S.	December 18, 2001	6,332,128

SCHEDULE 1-B TO GRANT OF SECURITY INTEREST

PATENT APPLICATIONS

<u>Title</u>	<u>Jurisdiction</u>	<u>Application Date</u>	<u>Application No.</u>
System and Method of Maintaining a Posted Street Price for Fuel While Offering Different Prices to Identified Customers	U.S.	January 10, 2001	09/759,023
Method of Cross-Marketing Utilizing Electronic Coupons	U.S.	November 17, 2001	pending (Attorney Docket No. 1159-0003C)
Database System for Cross-Marketing Utilizing Electronic Coupons	Canada	March 25, 1999	2,266,983
Method and System for Cross-Marketing Utilizing Electronic Coupons	Israel	April 29, 1999	129,677

ATTACHMENT III

TO INTELLECTUAL PROPERTY SECURITY AGREEMENT

SPECIAL POWER OF ATTORNEY

STATE OF TEXAS)
)
COUNTY OF TAYLOR)

KNOW ALL PERSONS BY THESE PRESENTS, THAT Auto-Gas Systems, Inc., a Delaware corporation (“*Debtor*”), pursuant to an Intellectual Property Security Agreement dated the date hereof (the “*Security Agreement*”), between Debtor and Secured Party (as hereinafter defined) hereby irrevocably appoints and constitutes G. Randy Nicholson (“*Secured Party*”), its true and lawful attorney, with full power of substitution, and with full power and authority to perform the following acts on behalf of Debtor:

1. For the purpose of assigning, selling, licensing or otherwise disposing of all right, title and interest of Debtor in and to any letters patent of the United States or any other country or political subdivision thereof, and all registrations, recordings, reissues, continuations, continuations-in-part and extensions thereof, and all pending applications therefor, and for the purpose of the recording, registering and filing of, or accomplishing any other formality with respect to, the foregoing, to execute and deliver any and all agreements, documents, instruments of assignment or other papers necessary or advisable to effect such purpose.

2. For the purpose of evidencing and perfecting Secured Party’s interest in any patent not previously assigned to Secured Party as security, or in any patent, which Debtor may acquire from a third party, and for the purpose of the recording, registering and filing of, or accomplishing any other formality with respect to, the foregoing, to execute and deliver any and all agreements, documents, instruments of assignment or other papers necessary or advisable to effect such purpose.

3. To execute any and all documents, statements, certificates or other papers necessary or advisable in order to obtain the purposes described above as Secured Party may in its sole discretion determine.

This power of attorney is made pursuant to the Security Agreement and takes effect solely for the purposes of Sections 2, 4(a), 5(a) and 7(a) thereof and is subject to the conditions thereof and may not be revoked until the payment and performance in full of all "Obligations" as defined in the Security Agreement.

Dated: March 7, 2002

AUTO-GAS SYSTEMS, INC.

By: *Jeffrey F. Upp*
Name: JEFFREY F. UPP
Title: LFO

STATE OF TEXAS)
)
COUNTY OF TAYLOR)

On March 7, 2002 before me, Jeffrey F. Upp, personally appeared known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on such instrument the person or entity on behalf of which the person(s) acted executed the instrument.

WITNESS my hand and official seal.

Signature *Barbara Karon Huey*

