

THIS INSTRUMENT PREPARED BY, AND  
AFTER RECORDING RETURN TO:  
JONES, DAY, REAVIS & POGUE  
2300 TRAMMELL CROW CENTER  
2001 ROSS AVENUE  
DALLAS, TEXAS 75201  
ATTN: MS. DIANE BROOKS

### ASSIGNMENT

THE STATE OF ALABAMA        )  
                                  )  
COUNTY OF SHELBY        )  
                                  )  
                                  ) (       KNOW ALL MEN BY THESE PRESENTS:

THAT for and in consideration of the sum of ONE HUNDRED DOLLARS (\$100.00) and other good and valuable consideration in hand paid, the receipt and sufficiency of which is hereby acknowledged, McKenzie Methane Corporation, Texas corporation, whose address is 7880 San Felipe, Suite 100, Houston, Texas 77063 (hereinafter called "Assignor") has BARGAINED, GRANTED, SOLD, TRANSFERRED, ASSIGNED AND CONVEYED, and does by these presents BARGAIN, GRANT, SELL, TRANSFER, ASSIGN AND CONVEY unto the party set forth below (hereinafter "Assignee"), the undivided interest set forth below in and to the lease described on Exhibit "A" attached hereto and made a part hereof and any amendments thereto and ratifications thereof (hereinafter referred to as "said Lease"), insofar and only insofar as said Lease covers the lands described in said Exhibit "A" (hereinafter referred to as "said Lands") together with like undivided interest in the wells and all personal property and equipment situated on said Lands and attributable to said Lease, or used or obtained in connection therewith.

Inst # 1992-23658  
10/15/1992-23658  
03:09 PM CERTIFIED  
SHELBY COUNTY JUDGE OF PROBATE  
19.00  
006 MCO

<u>Assignee</u>	<u>Undivided Interest</u>
Mission Energy Methane Company 18872 MacArthur Boulevard Suite 400 Irvine, CA 92715-1448	6.60% (.0660)

The interest herein assigned is subject to its proportionate share of the royalties, overriding royalties and other burdens against said Lease as of the effective date hereof, the terms, conditions, obligations, and provisions set forth in said Lease insofar as they cover and affect said Lands, and is subject to the Development Agreement dated effective March 15, 1991, as amended, subject to the Agreement and Amendment No. 2 to Development Agreement and Amendment No. 1 to Phase IV Program Participation Agreement by and between Assignor and Assignee.

Reference is here made to said Exhibit "A", to all of the instruments and records mentioned or referred to therein or herein and to all of those mentioned in all of said instruments for all purposes in connection herewith.

Assignor hereby binds and obligates itself and its successors and assigns to Warrant and Forever defend title to the respective interest set forth above unto Assignee, its respective successors and assigns, against every person or entity whomsoever claiming or to claim the same or any portion thereof by, through or under Assignor, but not otherwise, subject to the burdens against said Lease and the agreements to which this Assignment is expressly made subject, but with full subrogation and substitution to all covenants and warranties by others heretofore given or made with respect to said Lease or any part thereof or interest therein.

This Assignment shall be binding upon and inure to the benefit of the party hereto and its respective successors and assigns.

IN WITNESS WHEREOF, the undersigned have executed this instrument this 23<sup>rd</sup> day of September, 1992, and same shall be effective the sooner of the date hereof or as of the date of the first production from any well situated on said Lands.

ASSIGNOR:

MCKENZIE METHANE CORPORATION



BY: 

ASSIGNEE:



MISSION ENERGY METHANE COMPANY

BY: 

WITNESSES:

WITNESSES:

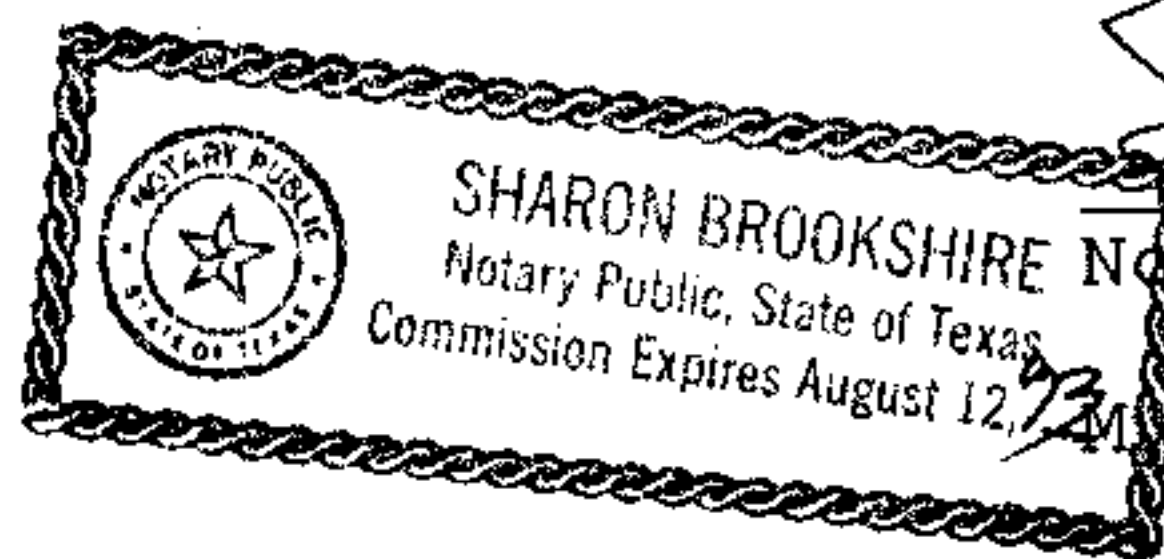
  


STATE OF TEXAS )

COUNTY OF HARRIS )

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that MICHAEL MCKENZIE whose name as PRESIDENT of McKenzie Methane Corporation, a Texas corporation, is signed to the foregoing Assignment, and who is known to me, acknowledged before me on this day that, being informed of the contents of said Assignment, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation on the date the same bears date.

Given under my hand and official seal this the 23rd day of September, 1992.



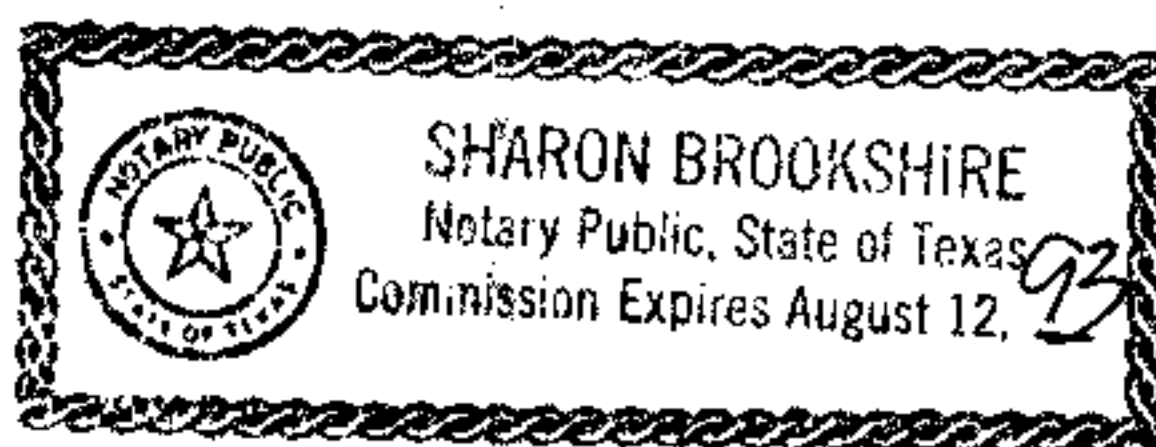
Sharon Brookshire  
Notary Public  
Commission Expires: \_\_\_\_\_

STATE OF TEXAS )

COUNTY OF HARRIS )

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that MICHAEL J. McGUIRE whose name as V.P. of Mission Energy Methane Company, a California corporation, is signed to the foregoing Assignment, and who is known to me, acknowledged before me on this day that, being informed of the contents of said Assignment, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation on the date the same bears date.

Given under my hand and official seal this the 23rd day of September, 1992.



Sharon Brookshire  
Notary Public  
My Commission Expires: \_\_\_\_\_



EXHIBIT "A"

Attached to and made a part of that certain Assignment dated effective September 1, 1992, between McKenzie Methane Corporation and Mission Energy Methane Company.

CAHABA AREA  
(129 PROGRAM)

Coal Seam Gas Agreement and Option dated September 30, 1988, between USX CORPORATION, as Lessor, and MCKENZIE METHANE CORPORATION, as Lessee, recorded by a Memorandum of Lease dated November 30, 1988 in Book 222, Page 386, Shelby County, Alabama, and Amendment to Memorandum of Lease dated February 19, 1989, in Book 280, Page 47, Shelby County, Alabama; and Amendment to Memorandum of Lease dated February 19, 1989, in Book 128, Page 953, Bibb County, Alabama. (AL2 001)

Coalbed Methane Gas Lease dated June 1, 1989, between SOUTHERN ELECTRIC GENERATING COMPANY AND KIMBERLY-CLARK CORPORATION, as Lessor, and MCKENZIE METHANE CORPORATION, as Lessee, recorded by a Memorandum of Lease dated June 1, 1989, in Book 254, Page 568 in the Office of the Judge of Probate of Shelby County, Alabama; and recorded by a Memorandum of Lease dated June 1, 1989, in Book 128, Page 106 in the Office of the Judge of Probate of Bibb County, Alabama. (AL2 013)

Coalbed Methane Gas Lease dated June 1, 1989, between SOUTHERN ELECTRIC GENERATING COMPANY, as Lessor, and MCKENZIE METHANE CORPORATION, as Lessee, recorded by a Memorandum of Lease dated June 1, 1989, in Book 254, Page 559 in the Office of the Judge of Probate of Shelby County, Alabama; and recorded by a Memorandum of Lease dated June 1, 1989, in Book 128, Page 116 in the Office of the Judge of Probate of Bibb County, Alabama. (AL2 014)

Coalbed Methane Gas Lease dated June 1, 1989, between KIMBERLY-CLARK CORPORATION, as Lessor, and MCKENZIE METHANE CORPORATION, as Lessee, recorded by a Memorandum of Lease dated June 1, 1989, in Book 254, Page 554, in the Office of the Judge of Probate of Shelby County, Alabama; and recorded by a Memorandum of Lease dated June 1, 1989 in Book 128, Page 125 in the Office of the Judge of Probate of Bibb County, Alabama. (AL2 016)

INSOFAR AND ONLY INSOFAR as the acreage described in the above leases is included in the tracts described below.

All of said tracts are located in Shelby and Bibb Counties, Alabama.

Each tract contains 40 acres, more or less.

Township 22 South, Range 5 West:

Tract 1: Section 1 - SE/4 of SE/4 (AL2 1836)

Tract 2: Section 12 - SE/4 of NW/4 (AL2 1914)

Township 21 South, Range 3 West:

Tract 3: Section 31 - NW/4 of NE/4 (AL2 1930)

Township 21 South, Range 4 West:

Tract 4: Section 2 - NE/4 of SE/4 (AL2 1954)

Tract 5: Section 15 - NW/4 of NE/4 (AL2 911)

Tract 6: Section 19 - SE/4 of SE/4 (AL2 1952)

Tract 7: Section 20 - SE/4 of NE/4 (AL2 1754)

Tract 8: Section 29 - SE/4 of SW/4 (AL2 1955)

Tract 9: Section 29 - NW/4 of NW/4 (AL2 1951)

Tract 10: Section 30 - SE/4 of NE/4 (AL2 1929)

Township 21 South, Range 4 West - Cont'd:

Tract 11: Section 30 - SE/4 of NW/4 (AL2 1947)

Tract 12: Section 30 - NW/4 of NE/4 (AL2 1948)

Tract 13: Section 30 - SE/4 of SW/4 (AL2 1986)

Tract 14: Section 31 - SE/4 of NW/4 (AL2 1938)

Inst # 1992-23658

sm/land/exhibits/miss 10/15/1992-23658  
02/09 PM CERTIFIED  
SHELBY COUNTY JUDGE OF PROBATE  
006 NCD 2 19.00