

1134

RELEASE OF VERIFIED STATEMENT
OF MECHANIC AND MATERIALMEN'S LIEN

KNOW ALL MEN BY THESE PRESENTS:

That for and in consideration of partial payment of the claim of Ivey Electrical Corporation against Pilgreen Producing Company and McKenzie Methane Corporation and other good and valuable consideration the receipt of which is hereby acknowledged, Ivey Electrical Corporation does hereby waive, relinquish and release that certain Verified Statement of Mechanic's and Materialmen's Lien recorded in Miscellaneous Book 334, Page 513^{Thru 515.} as filed in the office of the Probate Judge of Shelby County, Alabama. Said statement of lien was dated the 18th day of March, 1991, and covers the following described property located in said county, to-wit:

See Exhibit "A" attached hereto and made a part hereof by reference as fully and to the same extent as if copied herein in words and figures.

DATED this 14 day of May, 1991.

IVEY ELECTRICAL CORPORATION

BY: Larry Terrel

BOOK 343 PAGE 264

STATE OF ALABAMA

COUNTY OF JEFFERSON

I, MARIA C. HARBIN, a Notary Public in and for said County in said state, hereby certify that LARRY TERREL, whose name as PRESIDENT, of Ivey Electrical Corporation, a Mississippi corporation, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand this the 14 day of May, 1991.

Maria C. Harbin
NOTARY PUBLIC, JEFF, County, AL

My Commission Expires:
MY COMMISSION EXPIRES JULY 21, 1993

Pilgreen Producing Co.
2-Chase Corporate Center
Suite 450
Birmingham

STATE OF ALABAMA
COUNTY OF SHELBY

1310

VERIFIED STATEMENT OF MECHANIC'S AND MATERIALMAN'S LIEN

Ivey Electrical Corporation files this statement in writing, verified by the oath of Tony Bailey, who has personal knowledge of the facts herein set forth:

1. That Ivey Electrical Corporation claims a lien upon the following property, situated in Shelby County, Alabama, said property being the methane gas wells described on Exhibit "A" attached hereto, the Oil, Gas and Methane Gas Leases and leasehold interests making up the production unit for each of the said methane gas wells, all electrical transformers, pump panels, meter stations, fittings and other electrical equipment associated with said methane gas wells, and all other surface equipment, downhole equipment, production equipment, gas gathering lines and any other fixtures and/or equipment located on or associated with the methane gas wells described on Exhibit "A", attached hereto.

2. Pursuant to Section 35-11-217, Code of Alabama (1975) the said Ivey Electrical Corporation also claims a lien against one acre of land being contiguous with one of the said wells described on Exhibit "A", attached hereto. Said one acre is more particularly described as:

One acre in the shape of a square, the center of which is located 1824 feet FEL and 2314 feet FSL of Sec. 34, T21S, R4W, in Shelby County, Alabama, said acre being located in the NW/4 of the SE/4 of said Sec. 34.

3. This lien is claimed, separately and severally, as to the wells and the related surface and production equipment, the leasehold interests, and the electrical equipment owned by McKenzie Methane Corporation and/or Pilgreen Producing Company, their successors and assigns, in the above described property.

4. Said lien is claimed to secure an indebtedness of \$519,639.60, plus interest from the due date of each invoice, for labor done, and materials and supplies furnished by Ivey Electrical Corporation, in connection with the methane gas wells described on Exhibit "A", attached hereto. All of said labor, materials and supplies were furnished by Ivey Electrical Corporation for McKenzie Methane Corporation and/or Pilgreen Producing Company.

5. The names of the owners, or proprietors, of said wells, leasehold interests, and other properties herein described, are McKenzie Methane Corporation, 5847 San Felipe Road, Suite 4300, Houston, Texas 77057, and/or Pilgreen Producing Company, 2 Chase Corporate Drive, Suite 450, Birmingham, Alabama 35244.

Markow, Walker, Reeves & Anderson
700 - Energy Center Blvd. Suite 405
Northport, Al. 35476

BOOK 343 PAGE 265

BOOK

334 PAGE 513

BOOK

6. This lien is filed in conjunction with other similar liens filed in Jefferson and Tuscaloosa Counties, Alabama. Said liens also being filed against the methane gas wells, leasehold interests, electrical equipment and associated surface equipment, downhole equipment and production equipment owned by the said McKenzie Methane Corporation and/or Pilgreen Producing Company. Said specific wells and interests, being more particularly described in each Verified Statement of Mechanic's and Materialman's Lien as filed of record in the Offices of the Probate Judge for Jefferson and Tuscaloosa Counties, Alabama.

IVEY ELECTRICAL CORPORATION

By: Tony Bailey
As Its: V.P.

BOOK 343 PAGE 266

STATE OF ALABAMA

COUNTY OF TUSCALOOSA

BOOK 334 PAGE 514

Before me, the undersigned authority, a Notary Public, in and for said State and County, personally appeared Tony Bailey, the Vice-President of Ivey Electrical Corporation, who being duly sworn, deposes and says as follows: That he has personal knowledge of the facts set forth in the foregoing statement of lien, and that the same are true and correct, to the best of his knowledge and belief.

Tony Bailey
Tony Bailey
as V.P. of
Ivey Electrical Corporation

SWORN TO AND SUBSCRIBED BEFORE ME ON THIS THE 18th DAY OF March, 1991.

Diane D. Bunn
Notary Public

My commission expires: 09/20/94

EXHIBIT "A"

Attached to that certain verified statement of Mechanic's and Materialman's Lien executed Mar. 18, 1991 by Ivey Electrical Corporation.

I. The following methane gas wells located in Shelby County, Alabama.

BOOK 343 PAGE 267
BOOK 334 PAGE 515

WELL NAME	ALABAMA OIL AND GAS BD. PERMIT NUMBER	LOCATION
1. UEX 34-10-88	6545-C	1824' FEL and 2314' FSL of Sec. 34, in the NW/4 of SE/4 of Sec. 34, T21S, R4W
2. UEX 28-10-72A	6654-C	2296' FEL and 1673' FSL of Sec. 28, in the NW/4 of SE/4 of Sec. 28, T21S, R4W
3. Segco 13-8-132	6724-C	1789' FNL and 364' FEL of Sec. 13, in the SE/4 of NE/4 of Sec. 13, T21S, R4W
4. UEX 35-4-93	6698-C	594' FNL and 453' FWL of Sec. 35, in the NW/4 of NW/4 of Sec. 35, T21S, R4W
5. UEX 34-12-89	6789-C	2037' FSL and 658' FWL of Sec. 34, in the NW/4 of SW/4 of Sec. 34, T21S, R4W
6. U.S. Steel 26-16-59	6532-C	794' FEL and 917' FSL of Sec. 26, in the SE/4 of SE/4 of Sec. 26, T21S, R4W
7. KC Segco 1-2-230	7083-C	600' FNL and 1840' FEL of Sec. 1, in the NW/4 of NE/4 of Sec. 1, T22S, R4W
8. KC Segco 36-7-266	7279-C	2134' FNL and 2054' FEL of Sec. 36, in the SW/4 of NE/4 of Sec. 36, T21S, R4W
9. KC Segco 36-15-267	7280-C	1838' FEL and 866' FSL of Sec. 36, in the SW/4 of SE/4 of Sec. 36, T21S, R4W
10. KC Segco 35-16-265	7278-C	354' FEL and 954' FSL of Sec. 35, in the SE/4 of SE/4 of Sec. 35, T21S, R4W
11. KC Segco 25-14-236	7115-C	1672' FWL and 818' FSL of Sec. 25, in the SE/4 of SW/4 of Sec. 25, T21S, R4W
12. Segco 30-2-110	6727-C	546' FNL and 1980' FEL of Sec. 30, in the NW/4 of NE/4 of Sec. 30, T21S, R3W

STATE OF ALABAMA
I CERTIFY THIS INSTRUMENT WAS FILED
91 MAR 21 AM 11:13

JUDGE OF PROBATE

I CERTIFY THIS INSTRUMENT WAS FILED
91 MAY 15 AM 10:46

JUDGE OF PROBATE

1. Dead Tax _____
2. Mfg. Tax _____
3. Recording Fee _____
4. _____
5. _____
6. _____
Total _____

1. Dead Tax _____
2. _____
3. _____
4. _____
5. _____
6. _____
Total _____