

945

DECLARATION OF UNIT

STATE OF ALABAMA

COUNTY OF TUSCALOOSA

WHEREAS, the undersigned are the owners of those certain Oil, Gas and Mineral Leases described in Exhibit "A" attached hereto and made a part hereof, covering all or a part of the property hereinafter described; and

WHEREAS, the undersigned, having full authority in and under the Oil, Gas and Mineral Leases described in Exhibit "A" with reference to the lands described in said leases and embraced within the following described unit, consider it necessary and advisable to pool, consolidate and combine the lands covered by said leases situated in said unit in order to properly develop said land and leases, to promote and conserve occluded natural gas and coal bed methane in order to comply with orders prescribed by the Oil and Gas Board of Alabama and to establish as an occluded natural gas and coal bed methane drilling, operating and producing unit the land hereinbelow described;

NOW, THEREFORE, in accordance with the power and authority granted by leases described in Exhibit "A" and in consideration of the premises, the undersigned do hereby pool, combine and consolidate the Oil, Gas and Mineral Leases and interest described in Exhibit "A", and the lands and acreage covered thereby so as to constitute and establish the following described lands as a drilling, operating and production unit for the development, production and transportation of occluded natural gas and coal bed methane, to wit:

The SE 1/4 of SE 1/4 of Section 19, Township 21 South,  
Range 3 West, Shelby County, Alabama

Unit Name/Number KC/SEGCO 19-16-108

Permit No. 6707-C of the State Oil and Gas Board of Alabama.

There is hereby pooled and combined, into the area described above, all the leasehold, mineral, overriding royalty and royalty interest and all other interest in the above described unit as to which the undersigned (or any of the undersigned) have the right to pool and combine into the unit created hereby whether or not said leases and other interests are particularly described herein. Said unit is subject to the rules, regulations and orders of the Oil and Gas Board of Alabama, and the above described lands have been established as a gas unit by Order of the State Oil and Gas Board of Alabama for the KC/SEGCO 19-16-108 well.

The pooled unit so created shall remain in force until:

- (a) Dissolved by written instrument executed by all of the undersigned or their successors in interest, or
- (b) The leases described in Exhibit "A" have terminated by their own terms and provisions, or
- (c) Superseded, as to any pool or pools, which shall occur whenever the Regulatory Agency having jurisdiction prescribes a spacing pattern different from that under which the unit hereby created was formed, which different spacing pattern is applicable to any such pool or pools and pursuant to which revised pattern a different unit has been established with respect to such pool or pools.

EXECUTED this the 8th day of NOVEMBER, 1991.

✓  
MCKENZIE METHANE CORPORATION

ATTEST:

BY:

Pam Travis  
ASSISTANT SECRETARY

BY:

Maria R. Smith  
VICE-PRESIDENT

**CORPORATION ACKNOWLEDGMENT**

STATE OF ALABAMA

COUNTY OF

I, the undersigned Notary Public in and for the County and State, hereby certify that Daniel Clark, whose name as Vice President of MCKENZIE METHANE CORPORATION, is signed to the foregoing conveyance, acknowledged before me on this day that, being informed of the contents of the conveyance he as such officer and with full authority executed the same voluntarily for and as the act of the said Corporation.

Given under my hand this the 8 day of November, 1991.

[SEAL]

Lina Rodriguez  
Notary Public in and for  
Sherborn County, Alabama

My Commission Expires:

MY COMMISSION EXPIRES APRIL 26, 1995

**EXHIBIT "A"**

Attached to and made a part of that Declaration of Unit for well KC/SEGCO 19-16-108 by McKenzie Methane Corporation.

**SCHEDULE OF LEASES**

All of the following gas leases insofar and only insofar as same covers and includes lands situated in the Unit described in the Declaration of Unit to which this Exhibit is attached:

<u>LESSOR</u>	<u>LESSEE</u>	<u>DATE OF LEASE</u>	<u>RECORDING DATA</u> <u>BOOK</u>	<u>PAGE</u>
Southern Electric Generating Company and Kimberly-Clark Corporation	McKenzie Methane Corporation	06/01/89	254	568
Southern Electric Generating Company	McKenzie Methane Corporation	06-01-89	254	559

STATE OF ALA. SHERLY CO.  
I CERTIFY THIS  
INSTRUMENT WAS FILED

91 NOV 15 PM 3:17

JUDGE OF PROBATE

1. Deed Tax	\$
2. Mig. Tax	\$
3. Recording Fee	\$ 15.00
4. Indexing Fee	\$ 3.00
5. No Tax Fee	\$
6. Certification Fee	\$ 1.00
	\$ 19.00