

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 and No/100 Dollars (\$100.00) and other good and valuable consideration, effective as of September 1, 1992, S. LANHAM FRAZIER, III, and AL HAERTLEIN, 1200 Travis, Suite 1705, Houston, Texas, 77002 (hereinafter collectively called "Assignor"), has BARGAINED, GRANTED, SOLD, TRANSFERRED, ASSIGNED and CONVEYED and does by these presents BARGAIN, GRANT, SELL, TRANSFER, ASSIGN and CONVEY unto Mission Energy Methane Company, 16945 North Chase Drive, Suite 1760, Houston, Texas 77002 (hereinafter called "Assignee"), the undivided interests set forth below in and to the leases described on Exhibits "A-1", "A-2" and "A-3" attached hereto and made a part hereof and any amendments thereto and ratifications thereof (hereinafter referred to as "said Leases"), insofar and only insofar as said Leases cover the lands described in said Exhibits "A-1", "A-2" and "A-3" (hereinafter referred to as "said Lands"), together with the like undivided interests in the wells and all personal property and equipment situated on said Lands and attributable to said Leases or used or obtained in connection therewith.

<u>Lease Descriptions</u>	<u>Undivided Interests</u>
Exhibit A-1 Leases	2.25% (.0225)
Exhibit A-2 Leases	1.2385% (.012385)
Exhibit A-3 Leases	2.50% (.0250)

The interests herein assigned are subject to their proportionate share of all of the royalties, overriding royalties and other burdens against said Leases as of the effective date hereof and the terms, conditions, obligations, and provisions set forth in said Leases. The interests herein assigned are further subject to the provisions of any and all agreements binding on Assignor and Assignee to the extent that the same burden the undivided interests herein assigned to such Assignee and are valid and existing on the effective date hereof, including but not limited to participation agreements, development agreements, operating agreements, gas sales contracts and unitization agreements, and any amendments thereto including, but not limited to that certain Joint Operating Agreement effective as of March 17, 1989, naming McKenzie Methane Corporation as Operator covering the premises assigned hereby and other lands.

Assignor hereby binds and obligates itself and its successors and assigns to warrant and forever defend title to the respective interests 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 Leases 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 Leases or any part thereof or interest therein.

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

IN WITNESS WHEREOF, the undersigned have executed this instrument as of September 23, 1992.

ASSIGNOR:

WITNESSES:

Matthew A. Liles
Kathleen Ryan McGinnis

S. Lanham Frazier III
S. LANHAM FRAZIER III

ASSIGNOR:

WITNESSES:

Matthew A. Liles
Kathleen Ryan McGinnis

Al Haertlein
AL HAERTLEIN

ASSIGNEE:

MISSION ENERGY METHANE COMPANY

WITNESSES:

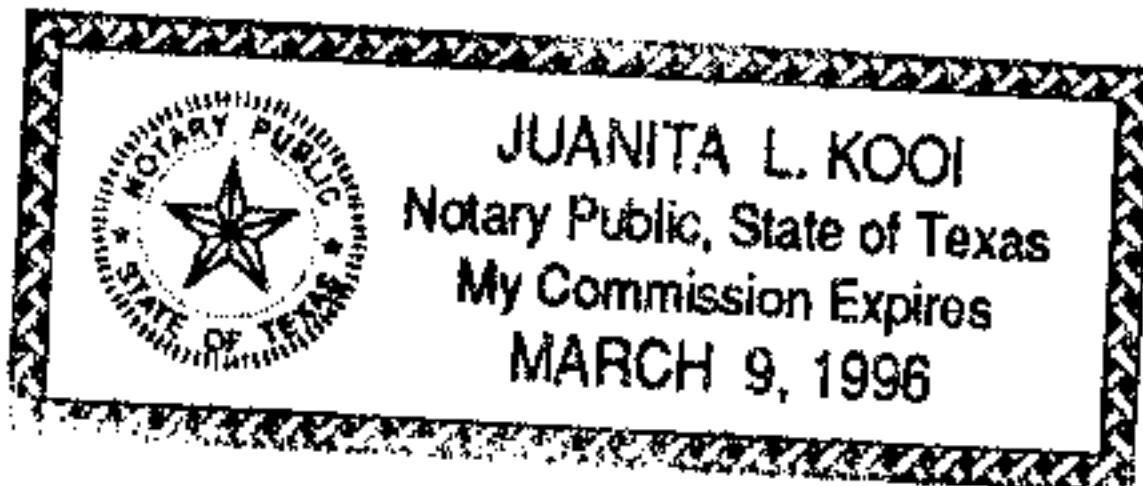
Matthew A. Liles
Kathleen Ryan McGinnis

By: Michael G. McGill
Michael McGill,
Its Vice President

STATE OF TEXAS)
)
COUNTY OF HARRIS)

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that S. LANHAM FRAZIER III, 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, executed the same voluntarily on the date the same bears date.

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



Juanita L. Kooi
Notary Public

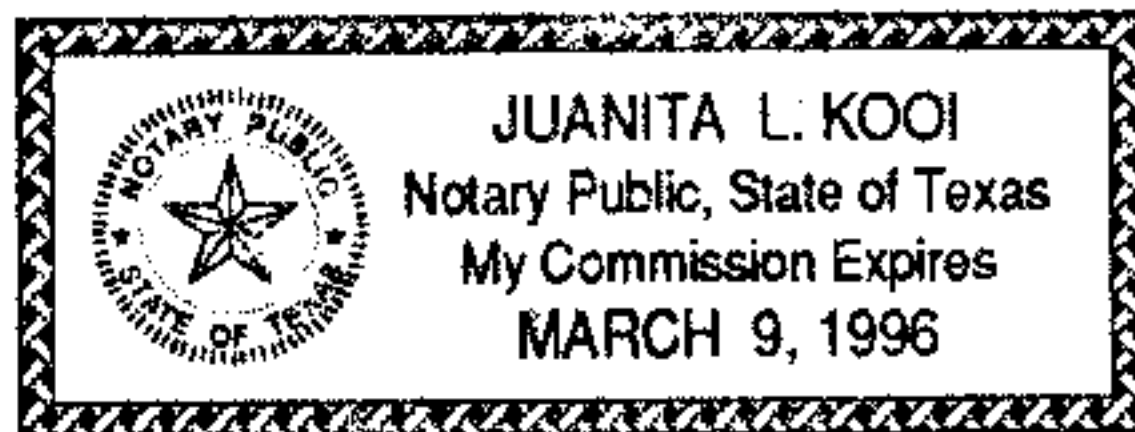
My Commission Expires:

3-9-96

STATE OF TEXAS)
)
COUNTY OF HARRIS)

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that AL HAERTLEIN, 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, executed the same voluntarily on the date the same bears date.

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



Juanita L. Kooi
Notary Public

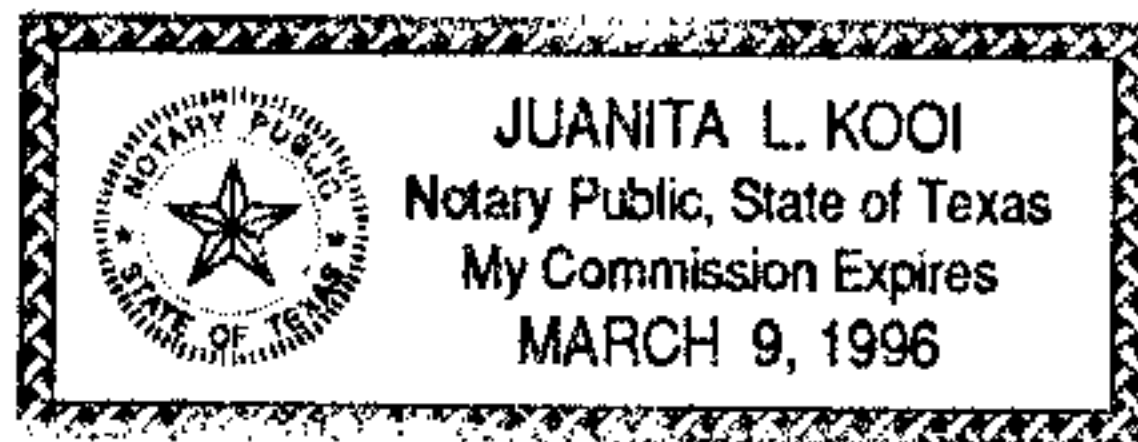
My Commission Expires:

3-9-96

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. McGill, whose name as Vice President and General Manager 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 23 day of September, 1992.



Juanita L. Kooi
Notary Public

My Commission Expires:

3-9-96

EXHIBIT A-1

Attached to and made a part of Assignment dated September 23, 1992 between S. Lanham Fraizer, III and Al Haertlein, as Assignors, and Mission Energy Methane Company, as Assignee.

CAHABA AREA

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. (AL2 001)

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

All of the following property lies in Shelby County, Alabama. Each tract consists of 80 acres, more or less, unless indicated otherwise.

TOWNSHIP 21 SOUTH, RANGE 4 WEST:

TRACT 1 (AL2 978)

W/2 of SE/4 of Section 33

TRACT 2 (AL2 979)

E/2 of SE/4 of Section 33

TRACT 3 (AL2 976)

W/2 of NE/4 of Section 33

TRACT 4 (AL2 977)

E/2 of NE/4 of Section 33

TRACT 5 (AL2 1524)

W/2 of SW/4 of Section 34

TRACT 6 (AL2 981)

W/2 of NW/4 of Section 34

TRACT 7 (AL2 982)

SE/4 of NW/4, SW/4 of NE/4 of Section 34

TRACT 8 (AL2 1903)

N/2 of NE/4 of Section 35

TRACT 9 (AL2 975)

W/2 of SW/4 of Section 28

TRACT 10 (AL2 1989)

W/2 of SE/4 of Section 28

TRACT 11 (AL2 971)

W/2 of NW/4 of Section 28

TRACT 12 (AL2 972)

E/2 of NW/4 of Section 28

TOWNSHIP 21 SOUTH, RANGE 4 WEST CONT'D:

TRACT 13 (AL2 970)

W/2 of NE/4 of Section 28

TRACT 14 (AL2 973)

E/2 of NE/4 of Section 28

TRACT 15 (AL2 1560)

W/2 of NW/4 of Section 27

TRACT 16 (AL2 966)

W/2 of NE/4 of Section 27

TRACT 17 (AL2 968)

SE/4 of NE/4 of Section 27, being 40 acres, more or less.

TRACT 18 (AL2 969)

W/2 of SE/4 of Section 27

TRACT 19 (AL2 963)

W/2 of SW/4 of Section 26

TRACT 20 (AL2 964)

E/2 of SW/4 of Section 26

TRACT 21 (AL2 962)

W/2 of SE/4 of Section 26

TRACT 22 (AL2 959)

W/2 of NW/4 of Section 26

TRACT 23 (AL2 960)

E/2 of NW/4 of Section 26

TRACT 24 (AL2 958)

W/2 of NE/4 of Section 26

TRACT 25 (AL2 961)

E/2 of NE/4 of Section 26

TRACT 26 (AL2 940)

E/2 of SW/4 of Section 22

TRACT 27 (AL2 939)

W/2 of SE/4 of Section 22

TRACT 28 (AL2 941)

E/2 of SE/4 of Section 22

TRACT 29 (AL2 952)

SE/4 of NW/4, SW/4 of NE/4 of Section 22

TRACT 30 (AL2 951)

NW/4 of NE/4 of Section 22, being 40 acres, more or less.

TOWNSHIP 21 SOUTH, RANGE 4 WEST CONT'D:

TRACT 31 (AL2 938)

SE/4 of NE/4 of Section 22, being 40 acres, more or less.

TRACT 32 (AL2 942)

W/2 of SW/4 of Section 23

TRACT 33 (AL2 955)

E/2 of NW/4 of Section 23

TRACT 34 (AL2 954)

W/2 of NE/4 of Section 23

TRACT 35 (AL2 956)

E/2 of NE/4 of Section 23

TRACT 36 (AL2 928)

W/2 of NW/4 of Section 24

TRACT 37 (AL2 957)

E/2 of NW/4 of Section 24

TRACT 38 (AL2 915)

W/2 of NE/4 of Section 14

TRACT 39 (AL2 934)

NE/4 of SE/4 of Section 10, being 40 acres, more or less.

TRACT 40 (AL2 1923)

NW/4 of SE/4 of Section 10, being 40 acres, more or less.

TRACT 41 (AL2 917)

S/2 of SE/4 of Section 10

TRACT 42 (AL2 914)

W/2 of SW/4 of Section 11

TRACT 43 (AL2 948)

E/2 of SW/4 of Section 11

TRACT 44 (AL2 916)

W/2 of NE/4 of Section 11

TRACT 45 (AL2 900)

N/2 of SE/4 of Section 11

TRACT 46 (AL2 913)

S/2 of SE/4 of Section 11

TRACT 47 (AL2 922)

W/2 of SW/4 of Section 12

TRACT 48 (AL2 924)

E/2 of SW/4 of Section 12

TOWNSHIP 21 SOUTH, RANGE 4 WEST CONT'D:

TRACT 49 (AL2 925)

E/2 of SE/4 of Section 12

TRACT 50 (AL2 908)

W/2 of NW/4 of Section 12

TRACT 51 (AL2 920)

E/2 of NW/4 of Section 12

TRACT 52 (AL2 919)

W/2 of NE/4 of Section 12

TRACT 53 (AL2 921)

E/2 of NE/4 of Section 12

TRACT 54 (AL2 903)

The SW diagonal half of the SW/4 of Section 13

TRACT 55 (AL2 1502)

E/2 of SW/4 of Section 1

TRACT 56 (AL2 1501)

W/2 of SE/4 of Section 1

TRACT 57 (AL2 1503)

E/2 of SE/4 of Section 1

TRACT 58 (AL2 1519)

E/2 of NE/4 of Section 1

TRACT 59 (AL2 1743)

E/2 of NW/4 of Section 32

TRACT 60 (AL2 983)

W/2 of SE/4 of Section 34

TRACT 61 (AL2 986)

NW Diagonal/2 of SW/4 of Section 35

TRACT 62 (AL2 985)

SE/4 of NW/4 of Section 35, being 40 acres, more or less.

TRACT 63 (AL2 984)

N/2 of NW/4 of Section 35

TRACT 64 (AL2 980)

N/2 of NE/4 of Section 34

TRACT 65 (AL2 1537)

SE/4 of SE/4 of Section 30, SW/4 of SW/4 of Section 29

TRACT 66 (AL2 1746)

W/2 of SE/4 of Section 29

TOWNSHIP 21 SOUTH, RANGE 4 WEST CONT'D:

TRACT 67 (AL2 1547)

E/2 of SE/4 of Section 28

TRACT 68 (AL2 1521)

W/2 of SW/4 of Section 27

TRACT 69 (AL2 1525)

E/2 of SW/4 of Section 27

TRACT 70 (AL2 1561)

E/2 of SE/4 of Section 27

TRACT 71 (AL2 1526)

E/2 of NW/4 of Section 27

TRACT 72 (AL2 1748)

E/2 of NE/4 of Section 29

TRACT 73 (AL2 1535)

W/2 of NE/4 of Section 29

TRACT 74 (AL2 1540)

E/2 of SW/4 of Section 20

TRACT 75 (AL2 1550)

E/2 of SE/4 of Section 20

TRACT 76 (AL2 1749)

E/2 of SW/4 of Section 21

TRACT 77 (AL2 1751)

W/2 of SW/4 of Section 22

TRACT 78 (AL2 1752)

E/2 of SW/4 of Section 23

TRACT 79 (AL2 1541)

W/2 of SE/4 of Section 23

TRACT 80 (AL2 1542)

E/2 of SE/4 of Section 23

TRACT 81 (AL2 1538)

W/2 of SW/4 of Section 24

TRACT 82 (AL2 1539)

E/2 of SW/4 of Section 24

TRACT 83 (AL2 1599)

W/2 of NW/4 of Section 22

TRACT 84 (AL2 937)

W/2 of NW/4 of Section 23

TOWNSHIP 21 SOUTH, RANGE 4 WEST CONT'D:

TRACT 85 (AL2 1793)

E/2 of NE/4 of Section 21

TRACT 86 (AL2 1756)

N/2 of NW/4 of Section 21

TRACT 87 (AL2 1551)

W/2 of SW/4 of Section 1

TRACT 88 (AL2 1520)

W/2 of NE/4 of Section 1

TRACT 89 (AL2 1529)

E/2 of NW/4 of Section 1

TRACT 90 (AL2 1530)

W/2 of NW/4 of Section 1

TRACT 91 (AL2 1534)

E/2 of SE/4 of Section 21

TRACT 92 (AL2 965)

E/2 of SE/4 of Section 26

TRACT 93 (AL2 1915)

SE/4 of NE/4 of Section 34 and SW/4 of NW/4 of Section 35

TRACT 94 (AL2 1939)

W/2 of SW/4 of Section 10

TRACT 95 (AL2 901)

NE/4 of SW/4 of Section 15, being 40 acres, more or less.

TRACT 96 (AL2 1924)

E/2 of NE/4 of Section 14

TRACT 97 (AL2 1887)

NE/4 of NW/4 of Section 22, being 40 acres, more or less.

TRACT 98 (AL2 1956)

NE/4 of NE/4 of Section 27, being 40 acres, more or less.

TRACT 99 (AL2 1957)

N/2 of SW/4 of Section 29

TRACT 100 (AL2 1958)

The portion of the S/2 of NE/4 commencing at the center of Section 35 go northeasterly in straight line to NE corner of S/2 of NE/4 of Section 35; thence west to NW corner of S/2 of NE/4 of Section 35; thence south to point of beginning, being 40 acres, more or less.

TRACT 101 (AL2 1954)

NE/4 of SE/4 of Section 2, being 40 acres, more or less.

TOWNSHIP 21 SOUTH, RANGE 4 WEST CONT'D:

TRACT 102 (AL2 1952)

SE/4 of SE/4 of Section 19, being 40 acres, more or less.

TRACT 103 (AL2 1754)

SE/4 of NE/4 of Section 20, being 40 acres, more or less.

TRACT 104 (AL2 1955)

SE/4 of SW/4 of Section 29, being 40 acres, more or less.

TRACT 105 (AL2 1951)

NW/4 of NW/4 of Section 29, being 40 acres, more or less.

TRACT 106 (AL2 1948)

NW/4 of NE/4 of Section 30, being 40 acres, more or less.

TRACT 107 (AL2 1947)

SE/4 of NW/4 of Section 30, being 40 acres, more or less.

TOWNSHIP 21 SOUTH, RANGE 3 WEST:

TRACT 108 (AL2 930)

W/2 of SW/4 of Section 7

TRACT 109 (AL2 932)

E/2 of SW/4 of Section 7

TRACT 110 (AL2 933)

E/2 of SE/4 of Section 7

TRACT 111 (AL2 926)

W/2 of NW/4 of Section 7

TRACT 112 (AL2 927)

W/2 of NE/4 of Section 7

TRACT 113 (AL2 946)

W/2 of SW/4 of Section 8

TRACT 114 (AL2 945)

W/2 of NW/4 of Section 8

TRACT 115 (AL2 1504)

W/2 of SW/4 of Section 6

TRACT 116 (AL2 1505)

E/2 of SW/4 of Section 6

TRACT 117 (AL2 1507)

E/2 of SE/4 of Section 6

TRACT 118 (AL2 1528)

W/2 of SW/4 of Section 5

TRACT 119 (AL2 1628)

E/2 of NW/4 of Section 5

TOWNSHIP 21 SOUTH, RANGE 3 WEST CONT'D:

TRACT 120 (AL2 1522)

E/2 of NE/4 of Section 6

TRACT 121 (AL2 1546)

W/2 of NE/4 of Section 6

TRACT 122 (AL2 1545)

E/2 of NW/4 of Section 6

TRACT 123 (AL2 1549)

W/2 of NW/4 of Section 6

TRACT 124 (AL2 1630)

W/2 of NW/4 of Section 5

TRACT 125 (AL2 996)

N/2 of NE/4 of Section 30

TOWNSHIP 20 SOUTH, RANGE 3 WEST:

TRACT 126 (AL2 1605)

W/2 of SE/4 of Section 31

TRACT 127 (AL2 1759)

E/2 of SE/4 of Section 31

TRACT 128 (AL2 1629)

W/2 of NE/4 of Section 31

TRACT 129 (AL2 1626)

E/2 of SW/4 of Section 31

TRACT 130 (AL2 1758)

W/2 of SW/4 of Section 31

TRACT 131 (AL2 1760)

E/2 of NE/4 of Section 31

EXHIBIT A-2

Attached to and made a part of Assignment dated September 23, 1992 between S. Lanham Fraizer, III and Al Kaertlein, as Assignors, and Mission Energy Methane Company, as Assignee.

CAHABA AREA

Coal Seam Gas Agreement and Option dated September 30, 1988, between USX CORPORATION, as Lessor, and MCKENZIE METHANE CORPORATION, as Lessee, recorded by an Amendment to Memorandum of Lease dated November 14, 1989, in Book 128, Page 953, Bibb County, Alabama. (AL2 001)

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

All of the following property is situated in Shelby County, Alabama. Each tract consists of 40 acres, more or less, unless indicated otherwise.

TOWNSHIP 21 SOUTH, RANGE 4 WEST:

TRACT 1 (AL2 912)

NW/4 of NW/4 of Section 15

TRACT 2 (AL2 935)

SE/4 of SW/4 of Section 10

EXHIBIT A-3

Attached to and made a part of Assignment dated September 23, 1992 between S. Lanham Fraizer, III and Al Haertlein, as Assignors, and Mission Energy Methane Company, as Assignee.

CAHABA AREA

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. (AL2 001)

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

All of the following property lies in Shelby County, Alabama. Each tract consists of 80 acres, more or less, unless indicated otherwise.

TOWNSHIP 21 SOUTH, RANGE 4 WEST:

TRACT 1 - (AL2 902)

SW/4 of NE/4 of Section 15, being 40 acres, more or less.

TRACT 2 - (AL2 904)

SE/4 of NE/4 of Section 15, being 40 acres, more or less.

TRACT 3 - (AL2 906)

NW/4 of SE/4 of Section 15, being 40 acres, more or less.

TRACT 4 - (AL2 908)

SE/4 of SE/4 of Section 15, being 40 acres, more or less.

TRACT 5 - (AL2 901)

NE/4 of SW/4 of Section 15, being 40 acres, more or less.

Inst # 1992-23656

-1- 10/15/1992-23656
03:09 PM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
39.00
MCO