

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, a 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. # 1992-23657  
10/15/1992-23657  
03:09 PM CERTIFIED  
SHELBY COUNTY JUDGE OF PROBATE  
006 MCD 19.00

<u>Assignee</u>	<u>Undivided Interest</u>
Mission Energy Methane Company 18872 MacArthur Boulevard Suite 400 Irvine, CA 92715-1448	6.49%   (.0649)

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.

WITNESSES:

Anna M. Hamilton  
Geoffrey D. Kappel

WITNESSES:

Geoffrey D. Kappel  
Anna M. Hamilton

ASSIGNOR:

MCKENZIE METHANE CORPORATION

BY: [Signature]

ASSIGNEE:

MISSION ENERGY METHANE COMPANY

BY: Michael J. McGill

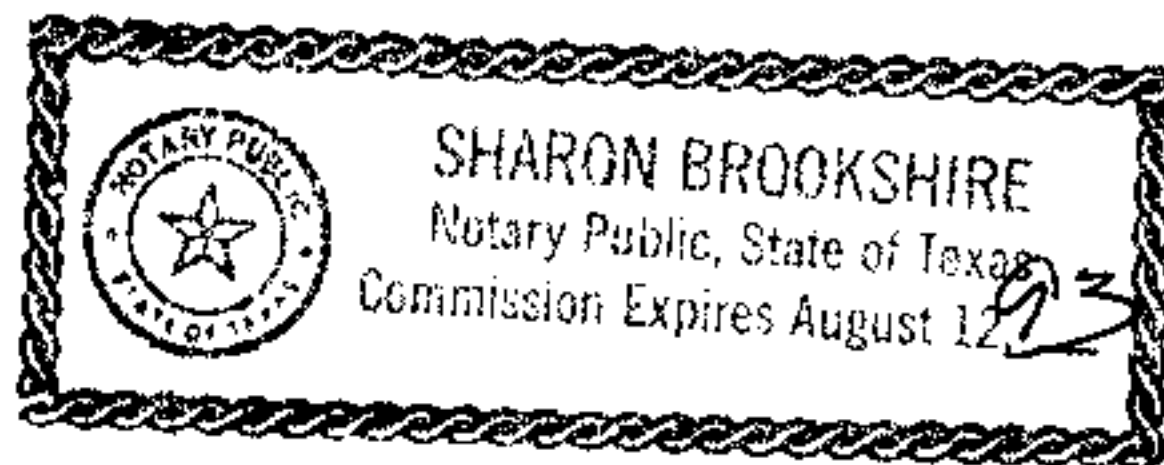


STATE OF TEXAS )

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

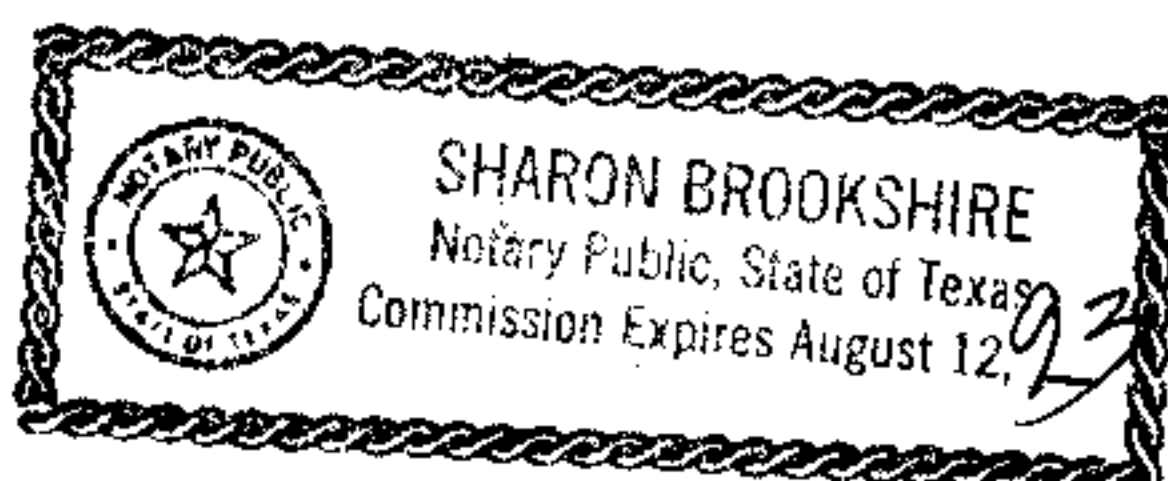
My Commission Expires: \_\_\_\_\_

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. McCall 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  
(PHASE IIIC)

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)

Oil, Gas and Mineral Lease dated April 10, 1989, between WALLACE STURGIS, PERSONAL REPRESENTATIVE FOR THE ESTATE OF CATHERINE HENRY STURGIS, as Lessor, and MCKENZIE METHANE CORPORATION, as Lessee, and recorded in Book 127, Page 840, Bibb County, Alabama. (AL2 011A)

Oil, Gas and Mineral Lease dated April 10, 1989, between JOHN E. PIERCE, SR., ET AL, as Lessor, and MCKENZIE METHANE CORPORATION, as Lessee, and recorded in Book 127, Page 837, Bibb County, Alabama. (AL2 011B)

Oil, Gas and Mineral Lease dated April 10, 1989, between MARY S. BUCKNER, ET VIR, as Lessor, and MCKENZIE METHANE CORPORATION, as Lessee, and recorded in Book 127, Page 831, Bibb County, Alabama. (AL2 011C)

Oil, Gas and Mineral Lease dated April 10, 1989, between ANNA S. LEWIS, ET AL, as Lessor, and MCKENZIE METHANE CORPORATION, as Lessee, and recorded in Book 127, Page 834, Bibb County, Alabama. (AL2 011D)

Oil, Gas and Mineral Lease dated April 10, 1989, between FIRST ALABAMA BANK, AS TRUSTEE UNDER THE WILL OF HAZARD H. STAY, as Lessor, and MCKENZIE METHANE CORPORATION, as Lessee, and recorded in Book 129, Page 935, Bibb County, Alabama. (AL2 011E)

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 80 acres, more or less.

Township 21 South, Range 3 West:

- Tract 1: Section 17 - NE/4 of SE/4 and SW/4 of SE/4 (AL2 1889)  
Tract 2: Section 17 - E/2 of NW/4 (AL2 1937)  
Tract 3: Section 18 - E/2 of NE/4 (AL2 1667)  
Tract 4: Section 18 - E/2 of SE/4 (AL2 1921)  
Tract 5: Section 20 - NE/4 of NE/4 and NW/4 of NW/4 of Section 21 (AL2 1890)  
Tract 6: Section 29 - NW/4 of SE/4 and SW/4 of NE/4 (AL2 1907)  
Tract 7: Section 31 - SW/4 of NE/4 and NW/4 of SE/4 (AL2 1950)  
Tract 8: Section 32 - NW/4 of NW/4, being 40 acres, more or less.  
(AL2 1886)

Township 21 South, Range 4 West:

- Tract 9: Section 10 - W/2 of SW/4 (AL2 1939)  
Tract 10: Section 14 - E/2 of NE/4 (AL2 1924)  
Tract 11: Section 22 - NE/4 of NW/4, being 40 acres, more or less.  
(AL2 1887)  
Tract 12: Section 25 - SE/4 of NW/4, E/2 of SW/4 of NW/4 and diagonal S/2 of  
NE/4 of NW/4 (AL2 1665)  
Tract 13: Section 27 - NE/4 of NE/4, being 40 acres, more or less.  
(AL2 1956)  
Tract 14: Section 29 - N/2 of SW/4 (AL2 1957)  
Tract 15: Section 30 - W/2 of SW/4 (AL2 1908)  
Tract 16: Section 35 - SE/4 of NE/4, being 40 acres, more or less.  
(AL2 1958)

Township 22 South, Range 4 West:

- Tract 17: Section 1 - W/2 of NW/4 (AL2 1910)  
Tract 18: Section 4 - SE/4 of SE/4, being 40 acres, more or less.  
(AL2 1678)  
Tract 19: Section 4 - W/2 of SE/4 (AL2 1616)  
Tract 20: Section 5 - E/2 of NE/4 (AL2 1882)  
Tract 21: Section 10 - SE/4 of NW/4 and SW/4 of NE/4 (AL2 1961)  
Tract 22: Section 12 - W/2 of SE/4 (AL2 1563)  
Tract 23: Section 15 - N/2 of SW/4 (AL2 1639)  
Tract 24: Section 21 - W/2 of SE/4 (AL2 1821)  
Tract 25: Section 22 - E/2 of SW/4 (AL2 1769)  
Tract 26: Section 23 - E/2 of NE/4 (AL2 1702)  
Tract 27: Section 24 - W/2 of SW/4 (AL2 1709)

Township 22 South, Range 5 West:

- Tract 28: Section 12 - N/2 of SE/4 (AL2 1834)  
Tract 29: Section 12 - NW/4 of SW/4 and NE/4 of NW/4 (AL2 1866)

Township 22 South, Range 5 West - Cont'd:

Tract 30: Section 13 - W/2 of NW/4 (AL2 1738)

Tract 31: Section 13 - E/2 of SW/4 (AL2 1575)

Tract 32: Section 13 - W/2 of SW/4 (AL2 1576)

Tract 33: Section 15 - E/2 of SE/4 (AL2 1949)

Tract 34: Section 21 - W/2 of NE/4 (AL2 1853)

Tract 35: Section 21 - E/2 of SW/4 (AL2 1848)

Tract 36: Section 21 - SW/4 of SE/4, being 40 acres, more or less.  
(AL2 1925)

Tract 37: Section 22 - E/2 of NE/4 (AL2 1941)

Tract 38: Section 22 - W/2 of NE/4 (AL2 1922)

Tract 39: Section 22 - W/2 of NW/4 (AL2 1940)

Tract 40: Section 22 - E/2 of SW/4 (AL2 1918)

Tract 41: Section 22 - W/2 of SW/4 (AL2 1919)

Tract 42: Section 23 - W/2 of NE/4 (AL2 1953)

Tract 43: Irregular Section 26 - W/2, being 40 acres, more or less.  
(AL2 1904)

Tract 44: Irregular Section 28 - E/2 of W/2, being 40 acres, more or less.  
(AL2 1926)

Township 24 North, Range 11 East:

Tract 45: Section 2 - W/2 of NE/4 (AL2 1656)

sm/land/exhibits/mission/3c-cah

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