

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 1000 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. # 1992-23659
10/15/1992-23659
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	9.50% (.0950)

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 23rd 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

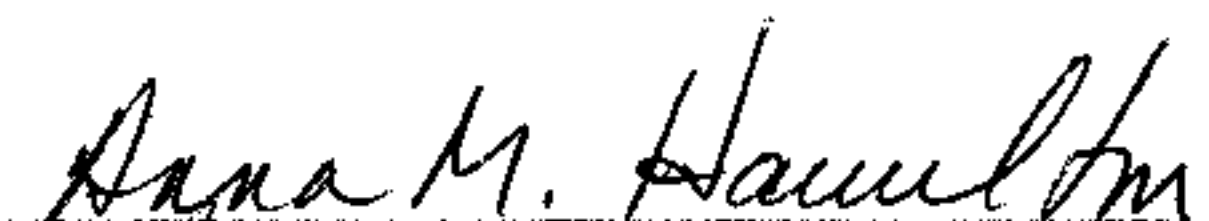
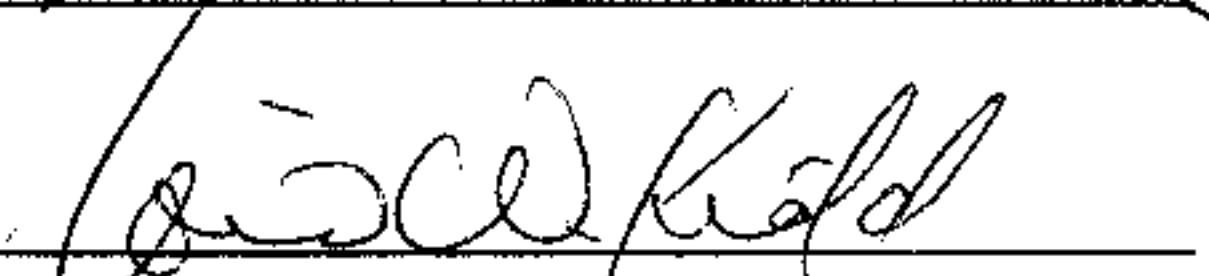
By: 

ASSIGNEE:



MISSION ENERGY METHANE COMPANY

By: 

WITNESSES:

WITNESSES:

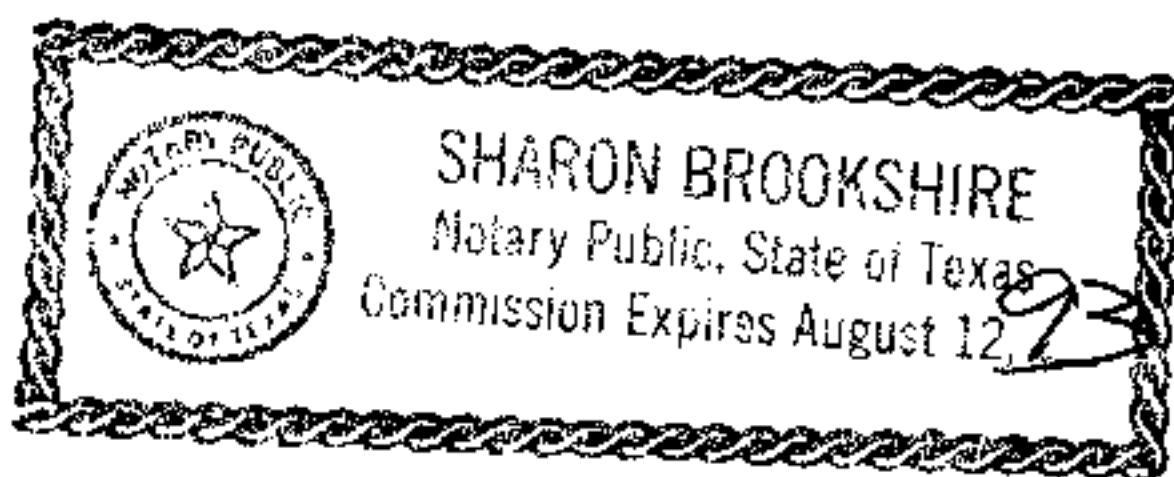



STATE OF TEXAS)

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

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. McBILL 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 I)

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 recorded by a Memorandum of Lease dated November 30, 1988, in Book 128, Page 953 in the Office of Judge of Probate of Bibb County, Alabama. (0102 001)

Oil, Gas and Mineral Lease (Including Coalbed Methane) between RUTH L. GORDON, as Lessor, and MCKENZIE METHANE CORPORATION, as Lessee, recorded by a Memorandum of Lease dated April 12, 1989, in Book 246, Page 67 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 Judge of Probate of Bibb County, Alabama. (0102 010)

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 116 in the Office of Judge of Probate of Bibb County. (0102 013)

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

All of said tracts are located in Shelby County, Alabama.

Each tract listed herein below consists of 40 acres, more or less:

TOWNSHIP 21 SOUTH, RANGE 4 WEST:

Tract 1: SE/4 of NE/4 of Section 27 (0102 968)

Tract 2: NW/4 of NE/4 of Section 22 (0102 951)

Tract 3: SE/4 of NE/4 of Section 22 (0102 938)

Tract 4: NE/4 of SE/4 of Section 10 (0102 934)

Each tract listed herein below consists of 80 acres, more or less:

TOWNSHIP 21 SOUTH, RANGE 4 WEST:

Tract 5: W/2 of SE/4 of Section 33 (0102 978)

Tract 6: W/2 of NE/4 of Section 33 (0102 976)

Tract 7: E/2 of NE/4 of Section 33 (0102 977)

Tract 8: W/2 of SW/4 of Section 34 (0102 1524)

Tract 9: W/2 of NW/4 of Section 34 (0102 981)

Tract 10: SE/4 of NW/4, SW/4 of NE/4 of Section 34 (0102 982)

Tract 11: W/2 of SW/4 of Section 28 (0102 975)

Tract 12: W/2 of SE/4 of Section 28 (0102 1989)

Tract 13: W/2 of NW/4 of Section 28 (0102 971)

Tract 14: E/2 of NW/4 of Section 28 (0102 972)

TOWNSHIP 21 SOUTH, RANGE 4 WEST - CONT'D>

Tract 15: W/2 of NE/4 of Section 28 (0102 970)
Tract 16: E/2 of NE/4 of Section 28 (0102 973)
Tract 17: W/2 of NW/4 of Section 27 (0102 1560)
Tract 18: W/2 of NE/4 of Section 27 (0102 966)
Tract 19: W/2 of SE/4 of Section 27 (0102 969)
Tract 20: E/2 of SW/4 of Section 26 (0102 964)
Tract 21: W/2 of SW/4 of Section 26 (0102 963)
Tract 22: W/2 of SE/4 of Section 26 (0102 962)
Tract 23: W/2 of NW/4 of Section 26 (0102 959)
Tract 24: E/2 of NW/4 of Section 26 (0102 960)
Tract 25: W/2 of NE/4 of Section 26 (0102 958)
Tract 26: E/2 of NE/4 of Section 26 (0102 961)
Tract 27: E/2 of SW/4 of Section 22 (0102 940)
Tract 28: W/2 of SE/4 of Section 22 (0102 939)
Tract 29: E/2 of SE/4 of Section 22 (0102 941)
Tract 30: SE/4 of NW/4, SW/4 of NE/4 of Section 22 (0102 952)
Tract 31: W/2 of SW/4 of Section 23 (0102 942)
Tract 32: E/2 of NW/4 of Section 23 (0102 955)
Tract 33: W/2 of NE/4 of Section 23 (0102 954)
Tract 34: E/2 of NE/4 of Section 23 (0102 956)
Tract 35: W/2 of NW/4 of Section 24 (0102 928)
Tract 36: W/2 of NE/4 of Section 14 (0102 915)
Tract 37: S/2 of SE/4 of Section 10 (0102 917)
Tract 38: W/2 of SW/4 of Section 11 (0102 914)
Tract 39: E/2 of SW/4 of Section 11 (0102 948)
Tract 40: W/2 of NE/4 of Section 11 (0102 916)
Tract 41: N/2 of SE/4 of Section 11 (0102 900)
Tract 42: S/2 of SE/4 of Section 11 (0102 913)
Tract 43: W/2 of SW/4 of Section 12 (0102 922)
Tract 44: E/2 of SW/4 of Section 12 (0102 924)
Tract 45: E/2 of SE/4 of Section 12 (0102 925)
Tract 46: W/2 of NW/4 of Section 12 (0102 908)
Tract 47: E/2 of NW/4 of Section 12 (0102 920)
Tract 48: W/2 of NE/4 of Section 12 (0102 919)
Tract 49: E/2 of NE/4 of Section 12 (0102 921)
Tract 50: E/2 of SW/4 of Section 1 (0102 1502)

TOWNSHIP 21 SOUTH, RANGE 4 WEST - CONT'D:

Tract 51: W/2 of SE/4 of Section 1 (0102 1501)
Tract 52: E/2 of SE/4 of Section 1 (0102 1503)
Tract 53: E/2 of NE/4 of Section 1 (0102 1519)
Tract 54: W/2 of NW/4 of Section 36 (0102 1500)
Tract 55: W/2 of SE/4 of Section 25 (0102 998)
Tract 56: E/2 of SW/4 of Section 14 (0102 910)
Tract 57: W/2 of SW/4 of Section 14 (0102 944) and (0102 988)
Tract 58: W/2 of NW/4 of Section 14 (0102 943)
Tract 59: E/2 of NW/4 of Section 14 (0102 987)
Tract 60: S/2 of SW/4 of Section 15 (0102 989)

TOWNSHIP 21 SOUTH, RANGE 3 WEST:

Tract 61: W/2 of SW/4 of Section 6 (0102 1504)
Tract 62: W/2 of SW/4 of Section 7 (0102 930)
Tract 63: E/2 of SW/4 of Section 7 (0102 932)
Tract 64: E/2 of SE/4 of Section 7 (0102 933)
Tract 65: W/2 of NW/4 of Section 7 (0102 926)
Tract 66: W/2 of NE/4 of Section 7 (0102 927)
Tract 67: W/2 of SW/4 of Section 8 (0102 946)
Tract 68: W/2 of NW/4 of Section 8 (0102 945)
Tract 69: E/2 of SW/4 of Section 6 (0102 1505)
Tract 70: E/2 of SE/4 of Section 6 (0102 1507)
Tract 71: E/2 of SE/4 of Section 30 (0102 999)
Tract 72: E/2 of SE/4 of Section 19 (0102 994)
Tract 73: W/2 of SW/4 of Section 17 (0102 1552)

sm/land/exhibits/mission/assg-3

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