

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.

<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.

Inst # 1992-23660
10/15/1992-23660
03:09 PM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
006 MCD 19.00

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.

WITNESSES:

Aana M. Hamilton
Geil W. Keld

WITNESSES:

Geil W. Keld
Aana M. Hamilton

ASSIGNOR:

MCKENZIE METHANE CORPORATION

By: [Signature]

ASSIGNEE:

MISSION ENERGY METHANE COMPANY

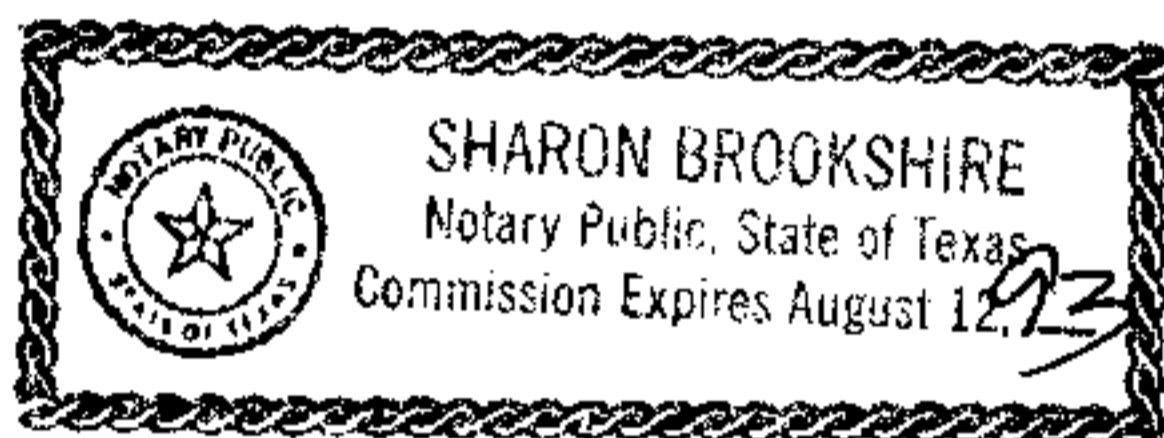
By: Michael J. McGill

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

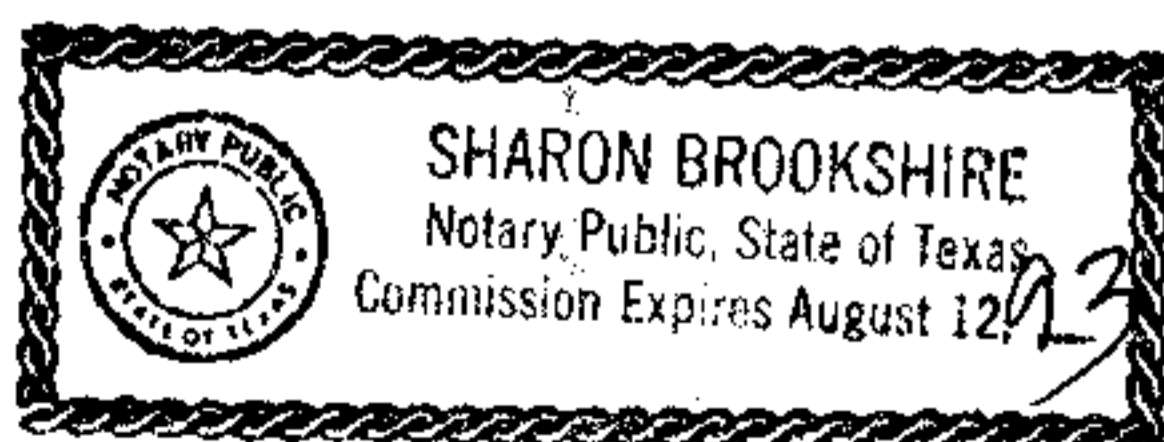
My Commission Expires: _____

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. 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 II)

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)

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)

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 125 in the Office of Judge of Probate of Bibb County. (0102 014)

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 or Bibb Counties, Alabama.

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

TOWNSHIP 21 SOUTH, RANGE 4 WEST:

Tract 1: SE/4 of NW/4 of Section 35 (0102 985)

Tract 2: SE/4 of NE/4 of Section 13 (0102 1514)

Tract 3: SE/4 of SE/4 of Section 25 (0102 1810)

TOWNSHIP 21 SOUTH, RANGE 3 WEST:

Tract 4: SW/4 of SW/4 of Section 30 (0102 1810)

Tract 5: SW/4 of NW/4 of Section 18 (0102 1514)

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

TOWNSHIP 21 SOUTH, RANGE 4 WEST:

Tract 6: E/2 of SE/4 of Section 33 (0102 979)

Tract 7: N/2 of NE/4 of Section 35 (0102 1903)

Tract 8: E/2 of NW/4 of Section 24 (0102 957)

Tract 9: SW diagonal half of the SW/4 of Section 13 (0102 903)

Tract 10: SE/4 of SE/4 of Section 30, SW/4 of SW/4 of Section 29 (0102 1537)

Tract 11: W/2 of SW/4 of Section 27 (0102 1521)

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

- Tract 12: E/2 of SE/4 of Section 27 (0102 1561)
Tract 13: E/2 of NW/4 of Section 27 (0102 1526)
Tract 14: W/2 of NE/4 of Section 29 (0102 1535)
Tract 15: E/2 of SE/4 of Section 20 (0102 1550)
Tract 16: W/2 of SW/4 of Section 22 (0102 1751)
Tract 17: W/2 of NW/4 of Section 23 (0102 937)
Tract 18: N/2 of NW/4 of Section 21 (0102 1756)
Tract 19: W/2 of SW/4 of Section 1 (0102 1551)
Tract 20: W/2 of NE/4 of Section 1 (0102 1520)
Tract 21: E/2 of NW/4 of Section 1 (0102 1529)
Tract 22: W/2 of NW/4 of Section 1 (0102 1530)
Tract 23: W/2 of NE/4 of Section 25 (0102 1511)
Tract 24: W/2 of NE/4 of Section 24 (0102 1509)
Tract 25: E/2 of SE/4 of Section 14 (0102 1508)
Tract 26: E/2 of SE/4 of Section 13 (0102 1516)
Tract 27: W/2 of SE/4 of Section 24 (0102 1510)
Tract 28: NW/4 of NE/4, NW diagonal 1/4 of NE/4 of NE/4 and NE diagonal 1/2 of NW/4 of SW/4 of Section 13, being 70 acres more or less. (0102 991)
Tract 29: E/2 of SW/4 of Section 16 (0102 1523)
Tract 30: E/2 of NE/4 of Section 16 (0102 1532)
Tract 31: E/2 of NW/4 of Section 16 (0102 1533)
Tract 32: W/2 of SE/4 of Section 16 (0102 1602)
Tract 33: E/2 of SE/4 of Section 36 (0102 1554)
Tract 34: E/2 of NE/4 of Section 36 (0102 1600)
Tract 35: E/2 of SW/4 of Section 36 (0102 1568)
Tract 36: E/2 of SE/4 of Section 35 (0102 1607)
Tract 37: W/2 of SE/4 of Section 36 (0102 1609)
Tract 38: W/2 of NE/4 of Section 36 (0102 1608)
Tract 39: S/2 of NW/4 of Section 13 (0102 990)
Tract 40: E/2 of SW/4 of Section 25 (0102 1578)

TOWNSHIP 21 SOUTH, RANGE 3 WEST:

- Tract 41: W/2 of NW/4 of Section 6 (0102 1549)
Tract 42: W/2 of NE/4 of Section 6 (0102 1546)
Tract 43: E/2 of NW/4 of Section 6 (0102 1545)
Tract 44: E/2 of NE/4 of Section 6 (0102 1522)
Tract 45: N/2 of NE/4 of Section 30 (0102 996)
Tract 46: S/2 of NE/4 of Section 30 (0102 1512)

TOWNSHIP 21 SOUTH, RANGE 3 WEST - CONT'D:

Tract 47: N/2 of SW/4 of Section 29 (0102 1513)
Tract 48: SW/4 of NE/4 and NW/4 of SE/4 of Section 17 (0102 993)
Tract 49: N/2 of NW/4 of Section 29 (0102 997)
Tract 50: E/2 of NW/4 of Section 20 (0102 1543)
Tract 51: S/2 of NE/4 of Section 20 (0102 1856)
Tract 52: E/2 of SW/4 of Section 5 (0102 1780)
Tract 53: E/2 of SW/4 of Section 31 (0102 1553)
Tract 54: N/2 of SW/4 of Section 20 (0102 995)
Tract 55: W/2 of NE/4 of Section 18 (0102 992)
Tract 56: E/2 of NW/4 of Section 30 (0102 1601)

TOWNSHIP 22 SOUTH, RANGE 5 WEST:

Tract 57: E/2 of NE/4 of Section 13 (0102 1741)

TOWNSHIP 22 SOUTH, RANGE 4 WEST:

Tract 58: W/2 of SE/4 of Section 1 (0102 1557)
Tract 59: W/2 of NE/4 of Section 4 (0102 1591)
Tract 60: E/2 of SE/4 of Section 5 (0102 1790)
Tract 61: SE/4 of SE/4 and SE/4 of NE/4 of Section 3 (0102 1590)
Tract 62: W/2 of SW/4 of Section 11 (0102 1792)
Tract 63: W/2 of SE/4 of Section 10 (0102 1592)
Tract 64: W/2 of NE/4 of Section 1 (0102 1555)
Tract 65: E/2 of SE/4 of Section 2 (0102 1589)
Tract 66: E/2 of SW/4 of Section 2 (0102 1588)
Tract 67: E/2 of SW/4 of Section 1 (0102 1587)
Tract 68: E/2 of SE/4 of Section 12 (0102 1564)
Tract 69: E/2 of NW/4 of Section 12 (0102 1596)
Tract 70: NW/4 of NW/4, NE/4 of SW/4 of NW/4, SE/4 of NW/4 of SW/4 of Section 12, being 60 acres, more or less. (0102 1573)
Tract 71: N/2 of NW/4 Section 11 (0102 1594)
Tract 72: E/2 of NW/4 of Section 17 (0102 1791)
Tract 73: E/2 of NE/4 of Section 12 (0102 1562)

TOWNSHIP 22 SOUTH, RANGE 3 WEST:

Tract 74: W/2 of NW/4 of Section 7 (0102 1571)
Tract 75: W/2 of NW/4 of Section 6 (0102 1558)
Tract 76: W/2 of SW/4 of Section 6 (0102 1580)
Tract 77: SW/4 of NE/4 and NW/4 of SE/4 of Section 6 (0102 1559)
Tract 78: N/2 of SW/4 of Section 7 (0102 1572)

sm/land/exhibits/mission/ASSG-4

inst # 1992-23660

10/15/1992-23660
03:09 PM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
006 MCD 19.00