

PARTIAL ASSIGNMENT

THE STATE OF ALABAMA)
COUNTIES OF SHELBY)
AND BIBB)

KNOW ALL MEN BY THESE PRESENTS:

That for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration in hand paid, the receipt and sufficiency of which is hereby acknowledged, McKenzie Methane Corporation, a Texas Corporation, with offices at 1625 Broadway, Suite 2580, Denver, Colorado 80202 (hereinafter "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 interests set forth below in and to the leases described on Exhibit "A" attached hereto and made a part hereof (hereinafter referred to as "said Leases") and any amendments and ratifications thereto as of the effective date of this Partial Assignment (hereinafter "this Assignment"), insofar and only insofar as said Leases cover the lands, depths and formations described in Exhibit "A" (hereinafter "said Lands") together with a like undivided interest 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:

ASSIGNEE

UNDIVIDED INTEREST

The Dr. John Alden Lichty, Jr.
1938 Grandchildren Trust

0.5%

The undivided interest set forth above may be proportionately reduced in the event of payout of wells on said Leases or reformation of units covering the Leases or upon failure of title to the Leases or by agreement(s) to settle disputes as to the legal ownership of coal bed methane.

The interest herein assigned is subject to its proportionate share 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 interest herein assigned is further subject to the provisions of any and all agreements binding on Assignor and Assignee to the extent that the same burden the undivided interest herein assigned to Assignee and are valid and existing on the effective date hereof, including but not limited to development agreements, operating agreements, gas sales contracts, unitization agreements and any amendments to such agreements in force and effect as of the effective date of this Assignment.

Reference is here made to said Exhibit "A", to all 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.

The interest assigned hereby may not be assigned, conveyed or transferred by Assignee without Assignee first obtaining all required consents. Further, any assignee must agree to assume the obligations relating to the interest assigned.

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

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SHELBY COUNTY JUDGE OF PROBATE
004 MJS 16.62

Thomas A. Hewel
55 Madison St. Suite 675
Denver, Co 80206

Inst # 1993-23840

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 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 this 4th day of August, 1993 and the same shall be effective as of the date of January 1, 1993.

ASSIGNOR:

MCKENZIE METHANE CORPORATION

By: R.H. Lichty
R.H. Lichty, Vice President

ASSIGNEE:

**THE DR. JOHN ALDEN LICHTY, JR.
1938 GRANDCHILDREN TRUST**

By: Thomas A. Hewel, Trustee
Thomas A. Hewel, Trustee

STATE OF COLORADO)
) ss
COUNTY OF DENVER)

4th The foregoing instrument was acknowledged before me this day of August, 1993 by Roger H. Lichty, Vice President of MCKENZIE METHANE CORPORATION, a Texas corporation, for and on behalf of said corporation.

My Commission Expires:
JOHN KENNEDY

~~700 DENVER CLUB BUILDING~~
DENVER, COLORADO 80202

My Commission Expires:
5/3/94

STATE OF New York)
) ss
COUNTY OF Essex)

The foregoing instrument was acknowledged before me this 10th day of August, 1993 by Thomas A. Hewel, Trustee of THE DR. JOHN ALDEN LICHTY, JR. 1938 GRANDCHILDREN TRUST, a Colorado trust, for and on behalf of said trust.

My Commission Expires:
JULIE D. CONNORS

~~Notary Public, State of New York~~
Qualified in Essex County

No. 4977626
Commission Expires Feb. 11, 1995

This Instrument Prepared By:
R.H. Lichty
McKenzie Methane Corporation
1625 Broadway, Ste. 2580
Denver, CO 80202

Exhibit "A"

Attached to and made a part of that certain Partial Assignment dated August 4th, 1993, between McKenzie Methane Corporation and The Dr. John Alden Lichty, Jr. 1938 Grandchildren Trust

**CAHABA AREA
(129 PROGRAM)**

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)

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 40 acres, more or less.

Township 22 South, Range 5 West:

Tract 1: Section 1 - SE/4 of SE/4 (AL2 1836)

Tract 2: Section 12 - SE/4 of NW/4 (AL2 1914)

Township 21 South, Range 3 West:

Tract 3: Section 31 - NW/4 of NE/4 (AL2 1930)

Township 21 South, Range 4 West:

Tract 4: Section 2 - NE/4 of SE/4 (AL2 1954)

Tract 5: Section 15 - NW/4 of NE/4 (AL2 911)

Tract 6: Section 19 - SE/4 of SE/4 (AL2 1952)

Tract 7: Section 20 - SE/4 of NE/4 (AL2 1754)

Tract 8: Section 29 - SE/4 of SW/4 (AL2 1955)

Tract 9: Section 29 - NW/4 of NW/4 (AL2 1951)

Tract 10: Section 30 - SE/4 of NE/4 (AL2 1929)

Exhibit "A"

Attached to and made a part of that certain Partial
Assignment dated August 4th, 1993, between
McKenzie Methane Corporation and The Dr. John Alden
Lichty, Jr. 1938 Grandchildren Trust

Township 21 South, Range 4 West - Cont'd:

Tract 11: Section 30 - SE/4 of NW/4 (AL2 1947)

Tract 12: Section 30 - NW/4 of NE/4 (AL2 1948)

Tract 13: Section 30 - SE/4 of SW/4 (AL2 1986)

Tract 14: Section 31 - SE/4 of NW/4 (AL2 1938)

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