

PARTIAL ASSIGNMENT

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

KNOW ALL MEN BY THESE PRESENTS:

Inst # 1993-23841

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

Thomas *[Signature]*
08/11/1993-23841
4:01 PM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
004 MJS 16.00

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
(Cahaba 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)

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)

Exhibit "A"

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

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)

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