PARTIAL ASSIGNMENT

THE STATE OF ALABAMA § KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF SHELBY §

THAT for and in consideration of the sum of One Hundred and NO/100 Dollars (\$100.00) and other good and valuable consideration, S. LANHAM FRAZIER, III and ALBERT HAERTLEIN, whose address is 4212 San Felipe, Suite L, Houston, Texas 77027 (hereinafter called "Assignor"), in equal portions have BARGAINED, GRANTED, SOLD, TRANSFERRED, ASSIGNED and CONVEYED and do by these presents BARGAIN, GRANT, SELL, TRANSFER, ASSIGN and CONVEY unto the parties set forth below (hereinafter called "Assignee", whether one or more), the undivided interests set forth below in and to the leases described on Exhibit "A" attached hereto and made a part hereof and any amendments thereto and ratifications thereof (hereinafter referred to as "said Leases"), insofar and only insofar as said Leases cover 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 Leases or used or obtained in connection therewith.

Assignee

Undivided Interest

Cranberry Methane Corporation 1300 Main, Suite 512 Houston, Texas 77002 .25% (.0025)

In the event the mineral interest covered by said Leases is less than a full mineral interest in all or any portion of said Lands, the undivided interest herein conveyed, and the overriding royalty interests reserved as to the acreage affected, shall be proportionately reduced.

The interest herein assigned is subject to its proportionate share of all 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 such Assignee and are valid and existing on the effective date hereof, including but not limited to participation agreements, development agreements, operating agreements, gas sales contracts and unitization agreements, and any amendments thereto including, but not limited to:

- 1. That certain Joint Operating Agreement effective as of March 17, 1989, naming McKenzie Methane Corporation as Operator covering the premises assigned hereby and other lands.
- 2. Section 4.06 of those certain Development Agreements, all dated as of March 17, 1989, between McKenzie Methane Corporation and SG Methane Company, et al., as amended.
- 3. Those certain Letter Agreements between McKenzie Methane Corporation and Albert Haertlein and S. Lanham Frazier, III dated as of May 1, 1991, and August 13, 1991, respectively.
- 4. That certain Purchase and Sale Agreement dated effective July 1, 1991, between S. Lanham Frazier, III and Cranberry Methane Corporation.
- 5. That certain Purchase and Sale Agreement dated effective July 1, 1991, between Albert Haertlein and Cranberry Methane Corporation.

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.

01/25/1994-02680 12:29 PM CERTIFIED SHELBY COUNTY JUDGE OF PROBATE 013 NJS 69.00 Assignee, as a part of the consideration for this Assignment agrees to assume and be liable for its proportionate part of all obligations, covenants and liabilities relating to the interest assigned hereby including those which have been or may be incurred under the Joint Operating Agreement and Letter Agreements, each of which is mentioned above.

The two Purchase and Sale Agreements referenced above dated effective July 1, 1991 between each Assignor and the Assignee, provide specifically, but not limited to, a reservation by each Assignor of a Production Payment the sum of which amounts to \$400,000 to each Assignor and a reservation by each Assignor of an Overriding Royalty interest (the "Reserved Overriding Royalty Interest") equal to ten percent (10%) of 8/8ths to each Assignor, proportionately reduced to the interest of each Assignor herein conveyed. The Reserved Overriding Royalty interest shall become effective and commence the first day of the month following the month in which the cumulative Program Production equals Two Hundred (200) BCF of Gas, and is determined and paid as described more fully in the Purchase and Sale Agreements. The Production Payment is determined and paid as described more fully in the Purchase and Sale Agreements.

The interest assigned hereby may not be assigned, conveyed or transferred by Assignee without the prior written consent of McKenzie Methane Corporation, 7880 San Felipe Road, Suite 100, Houston, Texas 77063, which consent shall not be unreasonably withheld. Without prejudice to McKenzie Methane Corporation's right to otherwise reasonably withhold consent, it is specifically provided that McKenzie Methane Corporation may withhold consent unless any proposed assignee is a financially responsible person not in direct competition with McKenzie Methane Corporation. Further, any assignee must agree to assume all of 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, their 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 Leases and the agreements to which this Partial 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 Partial 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 as of the

day of March, 1992, and same shall be effective July 1, 1991.

ASSIGNOR:

WITNESSES:

WITNESSES:

WITNESSES:

ALBERT HAERTLEIN

ASSIGNEE:

CRANBERRY METHANE CORPORATION

BY:

Alex Cranberg, President

COUNTY OF HARRIS

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that S. LANHAM FRAZIER, III, is signed to the foregoing Partial Assignment, and who is known to me, acknowledged before me on this day that, being informed of the contents of said Assignment, he executed the same voluntarily on the date the same bears date.

day of March, 1992. Given under my hand and official seal this the __

Notary Public My Commission Expires: 5-8-9

STATE OF TEXAS

COUNTY OF HARRIS

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that ALBERT HAERTLEIN, is signed to the foregoing Partial Assignment, and who is known to me, acknowledged before me on this day that, being informed of the contents of said Assignment, he executed the same voluntarily on the date the same bears date.

Given under my hand and official seal this the ______ day of March, 1992.

Notary Public

My Commission Expires: 5892

STATE OF TEXAS

COUNTY OF HARRIS

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that ALEX CRANBERG, whose name as President of CRANBERRY METHANE CORPORATION, a Nevada corporation, is signed to the foregoing Partial 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 _____ day of March, 1992.

Notary Public

My Commission Expires: 1-22-5

This Instrument Prepared By: S. Lanham Frazier, III 4212 San Felipe, Suite L Houston, Texas 77027

EXHIBIT A

CAHABA AREA

Oil, as and Mineral Lease (Including Coalbed Methane) between <u>RUTH L. GORDON</u>, as Lessee, recorded by a <u>Memoran-dum of Lease dated April 12</u>, 1989, in Book 246, Page 67 in the Office of the Judge of Probate of Shelby County, Alabama. (AL2 010)

Coalbed Methane Gas Lease dated June 1, 1989 between SOUTHERN ELECTRIC GENERA-TING COMPANY, et al, 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. (ALZ 013)

Coalbed Methane Gas Lease dated June 1, 1989 between <u>SOUTHERN ELECTRIC GENERATING COMPANY</u>, as Lessor, and <u>MCKENZIE METHANE CORPORATION</u>, 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. (AL2 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 County, Alabama and cover 80 acres, more or less, unless otherwise indicated.

Township 21 South, Range 4 West:

TRACT 1 (AL2 910)

E/2 SW/4 Sec. 14

TRACT 2 (AL2 944) and (AL2 988)

W/2 SW/4 Sec. 14

TRACT 3 (AL2 943)

W/2 NW/4 Sec. 14

TRACT 4 (AL2 987)

E/2 NW/4 Sec. 14

<u>TRACT 5</u> (AL2 1511)

W/2 NE/4 Sec. 25

TRACT 6 (AL2 1509)

W/2 NE/4 Sec. 24

TRACT 7 (AL2 1514) (See also Tract 50)

SE/4 NE/4 Sec. 13, being 40 acres, more or less.

TRACT 8 (AL2 1508)

E/2 SE/4 Sec. 14

TRACT 9 (AL2 1810) (See also Tract 29)

SE/4 of SE/4 Sec. 25, being 40 acres, more or less.

Township 21 South. Range 4 West Cont'd:

TRACT 10 (AL2 1516)

E/2 SE/4 Sec. 13

TRACT 11 (AL2 1510)

W/2 SE/4 Sec. 24

TRACT 12 (AL2 1660)

E/2 NE/4 Sec. 24

TRACT 13 (AL2 1649)

E/2 SE/4 Sec. 24

TRACT 14 (AL2 1500)

W/2 NW/4 Sec. 36

TRACT 15 (AL2 998)

W/2 SE/4 Sec. 25

TRACT 16 (AL2 991)

NW/4 NE/4, NW diagonal 1/4 NE/4 NE/4 and NE diagonal 1/2 of NW/4 SW/4 Sec. 13, being 70 acres, more or less.

TRACT 17 (AL2 1523)

E/2 SW/4 Sec. 16

TRACT 18 (AL2 1532)

E/2 NE/4 Sec. 16

TRACT 19 (AL2 1533)

E/2 NW/4 Sec. 16

TRACT 20 (AL2 1602)

W/2 SE/4 Sec. 16

TRACT 21 (AL2 1554)

E/2 SE/4 Sec. 36

TRACT 22 (AL2 1600)

E/2 NE/4 Sec. 36

TRACT 23 (AL2 1568)

E/2 SW/4 Sec. 36

TRACT 24 (AL2 1607)

E/2 SE/4 Sec. 35

TRACT 25 (AL2 1609)

W/2 SE/4 Sec. 36

TRACT 26 (AL2 1608)

W/2 NE/4 Sec. 36

TRACT 27 (AL2 1577)

W/2 SE/4 Sec. 35

Township 21 South, Range 4 West Cont'd:

TRACT 28 (AL2 1569)

SE Diagonal 1/2 of SW/4 Sec. 35

TRACT 29 (AL2 1604)

SE/4 NE/4 and NE/4 SE/4 of Sec. 25

TRACT 30 (AL2 1579)

E/2 NW/4 of Sec. 36

TRACT 31 (AL2 1666)

NE/4 SW/4 and NE Diagonal half SE/4 SW/4, being 60 acres, more or less.

TRACT 32 (AL2 1929)

SE/4 NE/4 of Sec. 30, being 40 acres, more or less.

TRACT 33 (AL2 1948)

NW/4 NE/4 of Sec. 30, being 40 acres, more or less.

TRACT 34 (AL2 1938)

SE/4 NW/4 of Sec. 31, being 40 acres, more or less.

TRACT 35 (AL2 1951)

NW/4 NW/4 of Sec. 29, being 40 acres, more or less.

TRACT 36 (AL2 989)

S/2 SW/4 of Sec. 15

TRACT 37 (AL2 1578)

E/2 SW/4 of Sec. 25

TRACT 38 (AL2 1665)

SE/4 NW/4, E/2 SW/4 NW/4, SE diagonal 1/2 of NE/4 NW/4 of Sec. 25

TRACT 39 (AL2 1908)

W/2 SW/4 of Sec. 30

TRACT 40 (AL2 1958)

SE diagonal 1/2 of S/2 NE/4, being 40 acres, more or less

Township 21 South, Range 3 West:

TRACT 41 (AL2 1810) (See also Tract 9)

SW/4 SW/4 Sec. 30, being 40 acres, more or less.

TRACT 42 (AL2 996)

N/2 NE/4 Sec. 30

TRACT 43 (AL2 1512)

S/2 NE/4 Sec. 30

TRACT 44 (AL2 1513)

N/2 SW/4 Sec. 29

TRACT 45 (AL2 1664)

S/2 NW/4 Sec. 29

<u>Township 21 South, Range 3 West - Cont'd</u>:

TRACT 46 (AL2 1692)

W/2 SW/4 Sec. 19

TRACT 47 (AL2 1691)

W/2 NW/4 Sec. 19

TRACT 48 (AL2 999)

E/2 SE/4 Sec. 30

TRACT 49 (AL2 994)

E/2 SE/4 Sec. 19

TRACT 50 (AL2 1552)

W/2 SW/4 Sec. 17

TRACT 51 (AL2 993)

SW/4 NE/4 and NW/4 SE/4 Sec. 17

TRACT 52 (AL2 997)

N/2 NW/4 Sec. 29

TRACT 53 (AL2 1543)

E/2 NW/4 Sec. 20

TRACT 54 (AL2 1856)

S/2 NE/4 Sec. 20

TRACT 55 (AL2 1780)

E/2 SW/4 Sec. 5

TRACT 56 (AL2 1553)

E/2 SW/4 Sec. 31

TRACT 57 (AL2 1671)

W/2 SE/4 Sec. 30

TRACT 58 (AL2 1668)

S/2 SW/4 Sec. 20

TRACT 59 (AL2 1711)

E/2 SW/4 Sec. 30

TRACT 60 (AL2 1669)

NW/4 NE/4 Sec. 29, being 40 acres, more or less.

TRACT 61 (AL2 995)

N/2 SW/4 Sec. 20

TRACT 62 (AL2 1514) (See also Tract 7)

SW/4 NW/4 Sec. 18, being 40 acres, more or less.

TRACT 63 (AL2 1670)

SE/4 NE/4 and NE/4 SE/4 Sec. 29

Township 21 South, Range 3 West - Cont'd:

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TRACT 64 (AL2 1681)

E/2 SW/4 of Sec. 17

TRACT 65 (AL2 1690)

W/2 SW/4 of Sec. 18

TRACT 66 (AL2 992)

W/2 NE/4 of Sec. 18

TRACT 67 (AL2 1601)

E/2 NW/4 of Sec. 30

TRACT 68 (AL2 1651)

SW/4 NW/4 of Sec. 30, being 40 acres, more or less.

TRACT 69 (AL2 1930)

NW/4 NE/4 of Sec. 31, being 40 acres, more or less.

TRACT 70 (AL2 1889)

NE/4 SE/4 and SW/4 SE/4 of Sec. 17

TRACT 71 (AL2 1937)

E/2 NW/4 of Sec. 17

TRACT 72 (AL2 1667)

E/2 NE/4 of Sec. 18

TRACT 73 (AL2 1921)

E/2 SE/4 of Sec. 18

TRACT 74 (AL2 1890)

NE/4 NE/4 of Sec. 20 and NW/4 NW/4 of Sec. 21

TRACT 75 (AL2 1907)

NW/4 SE/4 and SW/4 NE/4 of Sec. 29

TRACT 76 (AL2 1950)

SW/4 NE/4 and NW/4 SE/4 of Sec. 31

TRACT 77 (AL2 1886)

NW/4 NW/4 of Sec. 32, being 40 acres, more or less.

Township 22 South, Range 3 West:

TRACT 78 (AL2 1571)

W/2 NW/4 Sec. 7

TRACT 79 (AL2 1558)

W/2 NW/4 Sec. 6

TRACT 80 (AL2 1580)

W/2 SW/4 Sec. 6

TRACT 81 (AL2 1559)

SW/4 NE/4 and NW/4 SE/4 Sec. 6

Township 22 South, Range 3 West - Cont'd:

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TRACT 82 (AL2 1683)

E/2 NW/4 Sec. 7

TRACT 83 (AL2 1672)

E/2 SW/4 Sec. 6

TRACT 84 (AL2 1673)

SW/4 SE/4 Sec. 6, being 40 acres, more or less.

TRACT 85 (AL2 1572)

NW/4 SW/4 of Sec. 7, being 40 acres, more or less.

Township 22 South, Range 4 West:

TRACT 86 (AL2 1590)

SE/4 SE/4 and SE/4 NE/4 Sec. 3

TRACT 87 (AL2 1792)

W/2 SW/4 Sec. 11

TRACT 88 (AL2 1592)

W/2 SE/4 Sec. 10

TRACT 89 (AL2 1786)

W/2 NW/4 Sec. 16

TRACT 90 (AL2 1618)

W/2 NW/4 Sec. 9

TRACT 91 (AL2 1689)

E/2 NW/4 Sec. 16

TRACT 92 (AL2 1610)

SE/4 SW/4 Sec. 10 and NW/4 NE/4 Sec. 14

TRACT 93 (AL2 1566)

W/2 NW/4 Sec. 15

TRACT 94 (AL2 1565)

W/2 NW/4 Sec. 14

TRACT 95 (AL2 1567)

S/2 SW/4 Sec. 15

TRACT 96 (AL2 1597)

E/2 NE/4 Sec. 15

TRACT 97 (AL2 1620)

E/2 SE/4 Sec. 10

TRACT 98 (AL2 1621)

S/2 SE/4 Sec. 15

TRACT 99 (AL2 1555)

W/2 NE/4 Sec. 1

Township 22 South, Range 4 West - Cont'd:

TRACT 100 (AL2 1589)

E/2 SE/4 Sec. 2

TRACT 101 (AL2 1588)

E/2 SW/4 Sec. 2

TRACT 102 (AL2 1587)

E/2 SW/4 Sec. 1

TRACT 103 (AL2 1564)

E/2 SE/4 Sec. 12

TRACT 104 (AL2 1596)

E/2 NW/4 Sec. 12

TRACT 105 (AL2 1573)

NW/4 NW/4, NE/4 SW/4 NW/4, SE/4 NW/4 SW/4 Sec. 12, being 60 acres, more or less.

TRACT 106 (AL2 1685)

E/2 NW/4 Sec. 1

TRACT 107 (AL2 1593)

W/2 NE/4 Sec. 11

TRACT 108 (AL2 1622)

W/2 NE/4 Sec. 16

TRACT 109 (AL2 1623)

E/2 SW/4 Sec. 16

TRACT 110 (AL2 1695)

E/2 SE/4 Sec. 11

TRACT 111 (AL2 1684)

W/2 SE/4 Sec. 16

TRACT 112 (AL2 1720)

W/2 SW/4 Sec. 16

TRACT 113 (AL2 1633)

SE/4 NW/4 and NE/4 SW/4 Sec. II

TRACT 114 (AL2 1617)

E/2 SW/4 Sec. 4

TRACT 115 (AL2 1693)

E/2 NE/4 Sec. 11

TRACT 116 (AL2 1694)

W/2 SE/4 Sec. 11

TRACT 117 (AL2 1677)

W/2 SW/4 Sec. 4

Township 22 South, Range 4 West - Cont'd:

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TRACT 118 (AL2 1650)

E/2 NW/4 Sec. 4

TRACT 119 (AL2 1619)

E/2 NW/4 Sec. 9

TRACT 120 (AL2 1663)

W/2 NE/4 Sec. 9

TRACT 121 (AL2 1686)

W/2 NE/4 Sec. 15

TRACT 122 (AL2 1717)

W/2 SW/4 Sec. 14

TRACT 123 (AL2 1688)

N/2 SE/4 Sec. 15

TRACT 124 (AL2 1701)

E/2 NW/4 Sec. 23

TRACT 125 (AL2 1674)

E/2 NE/4 Sec. 1

TRACT 126 (AL2 1855)

E/2 SE/4 Sec. 21

TRACT 127 (AL2 1697)

S/2 SE/4 Sec. 14

TRACT 128 (AL2 1703)

W/2 SE/4 Sec. 23

TRACT 129 (AL2 1700)

W/2 NE/4 Sec. 23

TRACT 130 (AL2 1716)

E/2 SW/4 Sec. 14

TRACT 131 (AL2 1705)

E/2 SW/4 Sec. 23

TRACT 132 (AL2 1643)

W/2 NW/4 Sec. 23

TRACT 133 (AL2 1675)

E/2 SE/4 Sec. 1

TRACT 134 (AL2 1704)

W/2 SW/4 Sec. 23

TRACT 135 (AL2 1822)

W/2 SE/4 Sec. 22

Township 22 South, Range 4 West- Cont'd:

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TRACT 136 (AL2 1594)

N/2 NW/4 Sec. 11

TRACT 137 (AL2 1861)

N/2 SW/4 of Sec. 10

TRACT 138 (AL2 1696)

W/2 NE/4 of Sec. 12

TRACT 139 (AL2 1635)

W/2 NE/4 of Sec. 13

TRACT 140 (AL2 1715)

E/2 NE/4 of Sec. 16

TRACT 141 (AL2 1719)

E/2 SE/4 of Sec. 16

TRACT 142 (AL2 1718)

W/2 NW/4 of Sec. 21

TRACT 143 (AL2 1820)

E/2 NW/4 of Sec. 21

TRACT 144 (AL2 1819)

W/2 NE/4 of Sec. 21

TRACT 145 (AL2 1818)

E/2 NE/4 of Sec. 21

TRACT 146 (AL2 1857)

W/2 SW/4 of Sec. 21

TRACT 147 (AL2 1779)

E/2 SW/4 of Sec. 21

TRACT 148 (AL2 1698)

E/2 NW/4 of Sec. 22

TRACT 149 (AL2 1714)

W/2 NE/4 of Sec. 22

TRACT 150 (AL2 1699)

E/2 NE/4 of Sec. 22

TRACT 151 (AL2 1706)

E/2 SE/4 of Sec. 23

TRACT 152 (AL2 1687)

E/2 NW/4 of Sec. 15

TRACT 153 (AL2 1562)

E/2 NE/4 of Sec. 12

<u>TRACT 154</u> (AL2 1557)

W/2 SE/4 of Sec. 1

Township 22 South, Range 4 West - Cont'd:

TRACT 155 (AL2 1591)

W/2 NE/4 of Sec. 4

TRACT 156 (AL2 1676)

E/2 NE/4 of Sec. 4

TRACT 157 (AL2 1682)

E/2 SW/4 of Sec. 12

TRACT 158 (AL2 1910)

W/2 NW/4 of Sec. 1

TRACT 159 (AL2 1678)

SE/4 SE/4 of Sec. 4, being 40 acres, more or less.

TRACT 160 (AL2 1616)

W/2 SE/4 of Sec. 4

TRACT 161 (AL2 1563)

W/2 SE/4 of Sec. 12

TRACT 162 (AL2 1639)

N/2 SW/4 of Sec. 15

TRACT 163 (AL2 1821)

W/2 SE/4 of Sec. 21

TRACT 164 (AL2 1769)

E/2 SW/4 of Sec. 22

TRACT 165 (AL2 1702)

E/2 NE/4 of Sec. 23

TRACT 166 (AL2 1709)

W/2 SW/4 of Sec. 24

Inst # 1994-02680

O1/25/1994-O268O 12109 PM CERTIFIED SHELBY COUNTY JUDGE OF PROBATE 013 NJS 69.00