

AFFIDAVIT AND NOTICE OF ASSIGNMENT OF LEASEHOLD INTEREST

STATE OF ALABAMA

COUNTY SHELBY

BE IT KNOWN AND REMEMBERED, that on the hereinbelow listed date, before the undersigned Notary Public and undersigned witnesses personally came and appeared:

WILL E. JONES, JR., a resident of the full age of majority of the Parish of Ouachita, State of Louisiana who, being known to me and being by me first duly sworn, deposes and says as follows:

SUE JONES, a resident of the full age of majority of the Parish of Ouachita, State of Louisiana who, being known to me and being by me first duly sworn, deposes and says as follows:

1. My name is Will E. Jones, Jr. I am over twenty-one (21) years of age and reside at the following address: 1303 Glenmar Avenue, Monroe, Louisiana 71201. I am personally knowledgeable of the facts affirmed in this affidavit.

1a. My name is Sue Jones. I am over twenty-one (21) years of age and reside at the following address: 1303 Glenmar Avenue, Monroe, Louisiana 71201. I am personally knowledgeable of the facts affirmed in this affidavit.

2. On or about August 1, 1989, McKenzie Methane Corporation, as Assignor, acting by and through its president, Michael McKenzie, granted, bargained, sold, transferred, assigned and conveyed to me, Will E. Jones, Jr., as Assignee, an undivided carried working interest in each of the leases identified in Exhibit A hereto, which undivided interest is more particularly described in Exhibit B attached hereto and made a part hereof.

2a. On or about August 1, 1989, McKenzie Methane Corporation, as Assignor, acting by and through its president, Michael McKenzie, granted, bargained, sold, transferred, assigned and conveyed to me, Sue Jones, as Assignee, an undivided carried working interest in each of the leases identified in Exhibit A hereto, which undivided interest is more particularly described in Exhibit B attached hereto and made a part hereof.

3. The aforesaid partial assignment has not been, to the best of my knowledge, prepared and executed in recordable form and is not available for recording.

FURTHER AFFIANT SAYETH NOT.

THUS DONE AND PASSED, in the presence of the undersigned competent witnesses of lawful age, together with the said parties and me, the said Notary Public, on this 26th day of January, 1994.

Rita M. Cowan
WITNESS:

Will E. Jones, Jr.
WILL E. JONES, JR.

Sue Jones
WITNESS:

Sue Jones
SUE JONES

[Signature]
NOTARY PUBLIC

Inst # 1994-03225
01/31/1994-03225
01:29 PM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
016 MCO 46.00

Inst # 1994-03225

EXHIBIT A

CAHABA AREA

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. (AL2 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. (AL2 010)

Coalbed Methane Gas Lease dated June 1, 1989 between SOUTHERN ELECTRIC GENERATING 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. (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. (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 unless otherwise indicated.

SHELBY COUNTY LEASES

Township 20 South, Range 4 West:

TRACT 1 (AL2 1629)

W/2 NE/4 Sec. 31

TRACT 2 (AL2 1626)

E/2 SW/4 Sec. 31

TRACT 3 (AL2 1758)

W/2 SW/4 Sec. 31

TRACT 4 (AL2 1630)

W/2 NW/4 Sec. 5

TRACT 5 (AL2 1760)

E/2 NE/4 Sec. 31

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

TRACT 5 (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 64)

(40 Acres)

SE/4 NE/4 Sec. 13

TRACT 8 (AL2 1508)

E/2 SE/4 Sec. 14

TRACT 9 (AL2 1810) (See also Tract 39)

(40 Acres)

SE/4 of SE/4 Sec. 25

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 W/2 SW/4 Sec. 13

TRACT 17 (AL2 990)

S/2 NW/4 Sec. 13

TRACT 18 (AL2 1523)

E/2 SW/4 Sec. 16

TRACT 19 (AL2 1532)

E/2 NE/4 Sec. 16

TRACT 20 (AL2 1533)

E/2 NW/4 Sec. 16

TRACT 21 (AL2 1602)

W/2 SE/4 Sec. 16

TRACT 22 (AL2 1554)

E/2 SE/4 Sec. 36

TRACT 23 (AL2 1600)

E/2 NE/4 Sec. 36

TRACT 24 (AL2 1568)

E/2 SW/4 Sec. 36

TRACT 25 (AL2 1607)

E/2 SE/4 Sec. 35

TRACT 26 (AL2 1609)

W/2 SE/4 Sec. 36

TRACT 27 (AL2 1608)

W/2 NE/4 Sec. 36

TRACT 28 (AL2 1577)

W/2 SE/4 Sec. 35

TRACT 29 (AL2 1569)

Diagonal south easterly 1/2 of SW/4 Sec. 35

TRACT 31 (AL2 1579)

E/2 NW/4 Sec. 36

Township 21 South, Range 3 West:

TRACT 32 (AL2 1810) (See also Tract 15)

(40 Acres)

SW/4 SW/4 Sec. 30

TRACT 33 (AL2 996)

(70.15 Acres)

A strip of land running through the SE/4 Sec. 19,
NE/4 and SE/4 Sec. 30 and SW/4 SW/4 Sec. 29,
and owned by SEGCO

TRACT 34 (AL2 1512)

S/2 NE/4 Sec. 30

TRACT 35 (AL2 1513)

N/2 SW/4 Sec. 29

TRACT 36 (AL2 1664)

S/2 NW/4 Sec. 29

TRACT 37 (AL2 1692)

W/2 SW/4 Sec. 19

TRACT 38 (AL2 1691)

W/2 NW/4 Sec. 19

TRACT 39 (AL2 999)

(70 Acres)

E/2 SE/4 Sec. 30 less and except acreage owned by SEGCO

TRACT 40 (AL2 994)

E/2 SE/4 Sec. 19

TRACT 41 (AL2 1552)

W/2 SW/4 Sec. 17

TRACT 42 (AL2 993)

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

TRACT 43 (AL2 997)

N/2 NW/4 Sec. 29

TRACT 44 (AL2 1543)

E/2 NW/4 Sec. 20

TRACT 45 (AL2 1856)

S/2 NE/4 Sec. 20

TRACT 46 (AL2 1780)

E/2 SW/4 Sec. 5

TRACT 47 (AL2 1553)

E/2 SW/4 Sec. 31

TRACT 48 (AL2 1671)

W/2 SE/4 Sec. 30

TRACT 49 (AL2 1668)

S/2 SW/4 Sec. 20

TRACT 50 (AL2 1711)

E/2 SW/4 Sec. 30

TRACT 51 (AL2 1669)

N/2 NE/4 Sec. 29

TRACT 52 (AL2 1670)

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

TRACT 53 (AL2 995)

N/2 SW/4 Sec. 20

TRACT 54 (AL2 1514) (See also Tract 13)

(40 Acres)

SW/4 NW/4 Sec. 18

Township 22 South, Range 4 West:

TRACT 55 (AL2 1590)

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

TRACT 56 (AL2 1792)

W/2 SW/4 Sec. 11

TRACT 57 (AL2 1592)

W/2 SE/4 Sec. 10

TRACT 58 (AL2 1786)

W/2 NW/4 Sec. 16

TRACT 59 (AL2 1618)

W/2 NW/4 Sec. 9

TRACT 60 (AL2 1689)

E/2 NW/4 Sec. 16

TRACT 61 (AL2 1610)

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

TRACT 62 (AL2 1566)

W/2 NW/4 Sec. 15

TRACT 63 (AL2 1565)

W/2 NW/4 Sec. 14

TRACT 64 (AL2 1567)

S/2 SW/4 Sec. 15

TRACT 65 (AL2 1597)

E/2 NE/4 Sec. 15

TRACT 66 (AL2 1620)

E/2 SE/4 Sec. 10

TRACT 67 (AL2 1621)

S/2 SE/4 Sec. 15

TRACT 68 (AL2 1555)

W/2 NE/4 Sec. 1

TRACT 69 (AL2 1589)

E/2 SE/4 Sec. 2

TRACT 70 (AL2 1588)

E/2 SW/4 Sec. 2

TRACT 71 (AL2 1587)

E/2 SW/4 Sec. 1

TRACT 72 (AL2 1564)

E/2 SE/4 Sec. 12

TRACT 73 (AL2 1596)

E/2 NW/4 Sec. 12

TRACT 74 (AL2 1573)

(60 Acres)

NW/4 NW/4, NE/4 SW/4 NW/4, SE/4 NW/4 SW/4 Sec. 12

TRACT 75 (AL2 1685)

E/2 NW/4 Sec. 1

TRACT 76 (AL2 1593)

W/2 NE/4 Sec. 11

TRACT 77 (AL2 1622)

W/2 NE/4 Sec. 16

TRACT 78 (AL2 1623)

E/2 SW/4 Sec. 16

TRACT 79 (AL2 1695)

E/2 SE/4 Sec. 11

TRACT 80 (AL2 1684)

W/2 SE/4 Sec. 16

TRACT 81 (AL2 1720)

W/2 SW/4 Sec. 16

TRACT 82 (AL2 1633)

SE/4 NW/4 and NE/4 SW/4 Sec. 11

TRACT 83 (AL2 1617)

E/2 SW/4 Sec. 4

TRACT 84 (AL2 1693)

E/2 NE/4 Sec. 11

TRACT 85 (AL2 1694)

W/2 SE/4 Sec. 11

TRACT 86 (AL2 1677)

W/2 SW/4 Sec. 4

TRACT 87 (AL2 1650)

E/2 NW/4 Sec. 4

TRACT 88 (AL2 1619)

E/2 NW/4 Sec. 9

TRACT 89 (AL2 1663)

W/2 NW/4 Sec. 9

TRACT 90 (AL2 1686)

W/2 NE/4 Sec. 15

TRACT 91 (AL2 1717)

W/2 SW/4 Sec. 14

TRACT 92 (AL2 1688)

N/2 SE/4 Sec. 15

TRACT 93 (AL2 1701)

E/2 NW/4 Sec. 23

TRACT 94 (AL2 1674)

E/2 NE/4 Sec. 1

TRACT 95 (AL2 1885)

E/2 SE/4 Sec. 21

TRACT 96 (AL2 1697)

S/2 SE/4 Sec. 14

TRACT 97 (AL2 1703)

W/2 SE/4 Sec. 23

TRACT 98 (AL2 1700)

W/2 NE/4 Sec. 23

TRACT 99 (AL2 1716)

E/2 SW/4 Sec. 14

TRACT 100 (AL2 1705)

E/2 SW/4 Sec. 23

TRACT 101 (AL2 1643)

W/2 NW/4 Sec. 23

TRACT 102 (AL2 1675)

E/2 SE/4 Sec. 1

TRACT 103 (AL2 1704)

W/2 SW/4 Sec. 23

TRACT 104 (AL2 1822)

W/2 SE/4 Sec. 22

TRACT 105 (AL2 1594)

N/2 NW/4 Sec. 11

Township 22 South, Range 3 West:

TRACT 106 (AL2 1571)

W/2 NW/4 Sec. 7

TRACT 107 (AL2 1558)

W/2 NW/4 Sec. 6

TRACT 108 (AL2 1580)

W/2 SW/4 Sec. 6

TRACT 109 (AL2 1559)

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

TRACT 110 (AL2 1683)

E/2 NW/4 Sec. 7

TRACT 111 (AL2 1672)

E/2 SW/4 Sec. 6

TRACT 112 (AL2 1673)

SW/4 SE/4 and W/2 E/2 SE/4 Sec. 6

Township 24 North, Range 11 East:

TRACT 113 (AL2 1653)

W/2 NW/4 Sec. 1

Township 21 South, Range 4 West:

TRACT 1 (AL2 978)

W/2 of SE/4 of Section 33

TRACT 2 (AL2 979)

E/2 of SE/4 of Section 33

TRACT 3 (AL2 976)
W/2 of NE/4 of Section 33
TRACT 4 (AL2 977)
E/2 of NE/4 of Section 33
TRACT 5 (AL2 1616)
W/2 of SW/4 of Section 34
TRACT 6 (AL2 981)
W/2 of NW/4 of Section 34
TRACT 7 (AL2 982)
SE/4 of NW/4, SW/4 of NE/4 of Section 34
TRACT 8 (AL2 1611)
N/2 of NE/4 of Section 35
TRACT 9 (AL2 975)
W/2 of SW/4 of Section 28
TRACT 10 (AL2 1612)
W/2 of SE/4 of Section 28
TRACT 11 (AL2 971)
W/2 of NW/4 of Section 28
TRACT 12 (AL2 972)
E/2 of NW/4 of Section 28
TRACT 13 (AL2 970)
W/2 of NE/4 of Section 28
TRACT 14 (AL2 973)
E/2 of NE/4 of Section 28
TRACT 15 (AL2 1560)
W/2 of NW/4 of Section 27
TRACT 16 (AL2 966)
W/2 of NE/4 of Section 27
TRACT 17 (AL2 968)
E/2 of NE/4 of Section 27
TRACT 18 (AL2 969)
W/2 of SE/4 of Section 27
TRACT 19 (AL2 963)
W/2 of SW/4 of Section 26

TRACT 20 (AL2 964)
E/2 of SW/4 of Section 26

TRACT 21 (AL2 962)
W/2 of SE/4 of Section 26

TRACT 22 (AL2 959)
W/2 of NW/4 of Section 26

TRACT 23 (AL2 960)
W/2 of NW/4 of Section 26

TRACT 24 (AL2 958)
W/2 of NE/4 of Section 26

TRACT 25 (AL2 961)
E/2 of NE/4 of Section 26

TRACT 26 (AL2 940)
E/2 of SW/4 of Section 22

TRACT 27 (AL2 939)
W/2 of SE/4 of Section 22

TRACT 28 (AL2 941)
E/2 of SE/4 of Section 22

TRACT 29 (AL2 952)
SE/4 of NW/4, SW/4 of NE/4 of Section 22

TRACT 30 (AL2 951)
NE/4 of NW/4, NW/4 of NE/4 of Section 22

TRACT 31 (AL2 938)
E/2 of NE/4 of Section 22

TRACT 32 (AL2 942)
W/2 of SW/4 of Section 23

TRACT 33 (AL2 955)
E/2 of NW/4 of Section 23

TRACT 34 (AL2 1613)
W/2 of NE/4 of Section 23

TRACT 35 (AL2 956)
E/2 of NE/4 of Section 23

TRACT 36 (AL2 928)
W/2 of NW/4 of Section 24

TRACT 37 (AL2 957)

E/2 of NW/4 of Section 24

TRACT 38 (AL2 915)

W/2 of NE/4 of Section 14

TRACT 39 (AL2 934)

N/2 of SE/4 of Section 10

TRACT 40 (AL2 917)

S/2 of SE/4 of Section 10

TRACT 41 (AL2 914)

W/2 of SW/4 of Section 11

TRACT 42 (AL2 948)

E/2 of SW/4 of Section 11

TRACT 43 (AL2 916)

W/2 of NE/4 of Section 11

TRACT 44 (AL2 900)

N/2 of SE/4 of Section 11

TRACT 45 (AL2 913)

W/2 of SW/4 of Section 12

TRACT 46 (AL2 922)

W/2 of SW/4 of Section 12

TRACT 47 (AL2 924)

E/2 of SW/4 of Section 12

TRACT 48 (AL2 925)

E/2 of SE/4 of Section 12

TRACT 49 (AL2 908)

W/2 of NW/4 of Section 12

TRACT 50 (AL2 920)

E/2 of NW/4 of Section 12

TRACT 51 (AL2 919)

W/2 of NE/4 of Section 12

TRACT 52 (AL2 921)

E/2 of NE/4 of Section 12

TRACT 53 (AL2 903)

The SW diagonal half of the SW/4 of Section 13

TRACT 54 (AL2 1502)

E/2 of SW/4 of Section 1

TRACT 55 (AL2 1501)

W/2 of SE/4 of Section 1

TRACT 56 (AL2 1503)

E/2 of SE/4 of Section 1

TRACT 57 (AL2 1519)

E/2 of NE/4 of Section 1

Township 21 South, Range 3 West:

TRACT 58 (AL2 930)

W/2 of SW/4 of Section 7

TRACT 59 (AL2 932)

E/2 of SW/4 of Section 7

TRACT 60 (AL2 933)

E/2 of SE/4 of Section 7

TRACT 61 (AL2 926)

W/2 of NW/4 of Section 7

TRACT 62 (AL2 927)

W/2 of NE/4 of Section 7

TRACT 63 (AL2 946)

W/2 of SW/4 of Section 8

TRACT 64 (AL2 945)

W/2 of NW/4 of Section 8

TRACT 65 (AL2 1504)

W/2 of SW/4 of Section 6

TRACT 66 (AL2 1505)

E/2 of SW/4 of Section 6

TRACT 67 (AL2 1507)

E/2 of SE/4 of Section 6

Township 21 South, Range 4 West:

Tract 1 (AL2 1743)

E/2 of NW/4 of Section 32

Tract 2 (AL2 983)

W/2 of SE/4 of Section 34

Tract 3 (AL2 986)

NW Diagonal/2 of SW/4 of Section 35

Tract 4 (AL2 985)

- a) S/2 of NE/4 of Section 35 described as follows:
commencing at center of Section 35, go northeasterly in straight line to NE corner of S/2 of NE/4 of Section 35; thence west to NW corner of S/2 of NE/4 of Section 35; thence south to point of beginning.
- b) SE/4 of NW/4 of Section 35

Tract 5 (AL2 984)

N/2 of NW/4 of Section 35

Tract 6 (AL2 980)

N/2 of NE/4 of Section 34

Tract 7 (AL2 1745)

SE/4 of SE/4 of Section 30, SW/4 of SW/4 of Section 29

Tract 8 (AL2 1746)

W/2 of SE/4 of Section 29

Tract 9 (AL2 1747)

E/2 of SE/4 of Section 28

Tract 10 (AL2 1521)

W/2 of SW/4 of Section 27

Tract 11 (AL2 1525)

E/2 of SW/4 of Section 27

Tract 12 (AL2 1561)

E/2 of SE/4 of Section 27

Tract 13 (AL2 1526)

E/2 of NW/4 of Section 27

Tract 14 (AL2 1748)

E/2 of NE/4 of Section 29

Tract 15 (AL2 1535)

W/2 of NE/4 of Section 29

Tract 16 (AL2 1536)

E/2 of NW/4 of Section 29

Tract 17 (AL2 1540)

E/2 of SW/4 of Section 20

Tract 18 (AL2 1550)

E/2 of SE/4 of Section 20

Tract 19 (AL2 1749)

E/2 of SW/4 of Section 21

Tract 20 (AL2 1751)

W/2 of SW/4 of Section 22

Tract 21 (AL2 1752)

E/2 of SW/4 of Section 23

Tract 22 (AL2 1541)

W/2 of SE/4 of Section 23

Tract 23 (AL2 1542)

E/2 of SE/4 of Section 23

Tract 24 (AL2 1538)

W/2 of SW/4 of Section 24

Tract 25 (AL2 1539)

E/2 of SW/4 of Section 24

Tract 26 (AL2 1599)

W/2 of NW/4 of Section 22

Tract 27 (AL2 937)

W/2 of NW/4 of Section 23

Tract 28 (AL2 1721)

E/2 of NE/4 of Section 21

Tract 29 (AL2 1756)

N/2 of NW/4 of Section 21

Tract 30 (AL2 1551)

W/2 of SW/4 of Section 1

Tract 31 (AL2 1544)

W/2 of NE/4 of Section 1

Tract 32 (AL2 1529)

E/2 of NW/4 of Section 1

Tract 33 (AL2 1530)

W/2 of NW/4 of Section 1

Township 21 South, Range 3 West:

Tract 34 (AL2 1522)

W/2 of SW/4 of Section 5

Tract 35 (AL2 1757)

E/2 of NW/4 of Section 5

Tract 36 (AL2 1528)

E/2 of NE/4 of Section 6

Tract 37 (AL2 1546)

W/2 of NE/4 of Section 6

Tract 38 (AL2 1545)

E/2 of NW/4 of Section 6

Tract 39 (AL2 1549)

W/2 of NW/4 of Section 6

Township 20 South, Range 3 West:

Tract 40 (AL2 1605)

W/2 of SE/4 of Section 31

Tract 41 (AL2 1759)

E/2 of SE/4 of Section 31

This instrument was prepared by:

Lois W. Kidd
7880 San Felipe, Ste. 100
Houston, TX 77063

Inst # 1994-03225

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