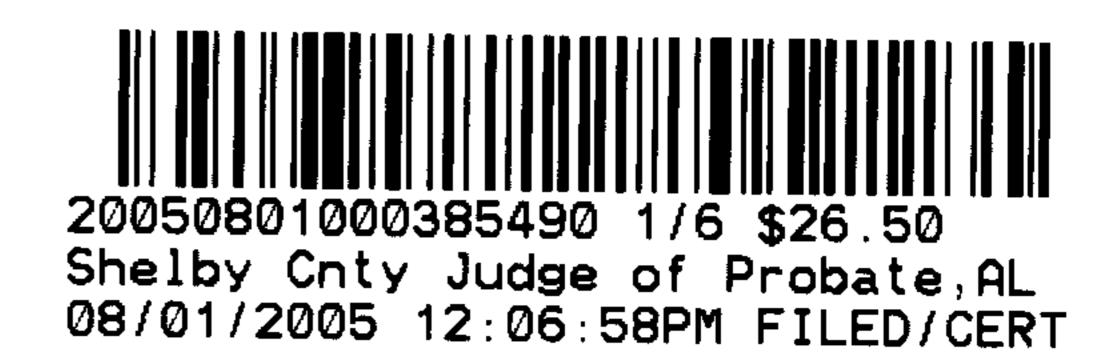
Resource Management
6200 E.J. Oliver Boulevard, Suite 126
P.O. Box 599
Fairfield, Alabama 35064
205 783-2118
Fax 783-2529

G. L. Sides, Manager Southern Lands & Minerals

70150571





Mr. John Gilmer - Real Estate Specialist Alabama Power Company Corporate Real Estate Department P. O. Box 2641 Birmingham, Alabama 35291

Re: License for Electrical Distribution Lines to serve Geomet, Inc. Methane Gas Wells

Dear Mr. Gilmer:

In accordance with your request, this letter will be Alabama Power Company's ("APCO") license, when accepted as herein provided, to install poles, guys, wires, and other appliances necessary therefor (hereinafter collectively referred to as the "power line") on United States Steel Corporation ("USS") land located in the NW-1/4 of the NE-1/4, the NE-1/4 of the NW-1/4, and the SE-1/4 of the NW-1/4 of Section 35, Township 21 South, Range 4 West, Shelby County, Alabama, as shown on Alabama Power Company Drawing No. 61700-00-0515-400 (101 and 102), attached hereto and made a part hereof. This license is granted for the purpose of allowing APCO to provide electrical power service to certain methane gas wells operated by Geomet, Inc. ("Geomet") pursuant to an agreement between USS and Geomet. This license is granted upon the following conditions:

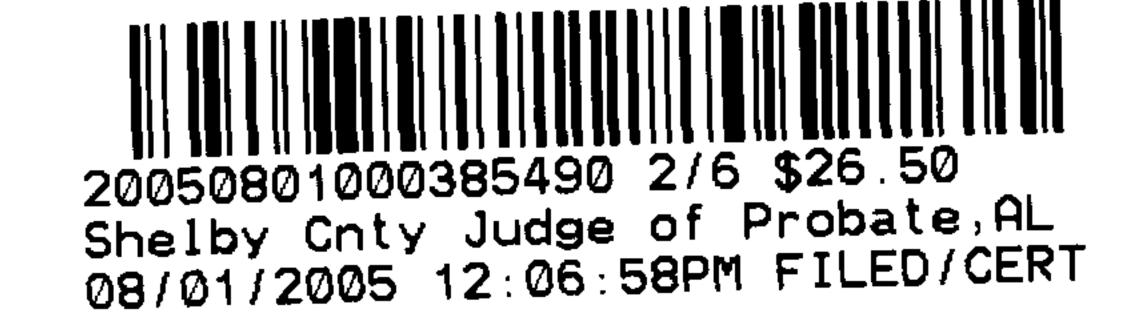
- (1) The rights herein granted are subject to the provisions of USS's coal seam gas agreement with Geomet, Inc. dated April 9, 2002.
- (2) Either party may cancel this license on thirty (30) days' written notice to the other party, provided that electrical power service is no longer required from the line. Upon discontinuance of the service or upon termination of this license as provided above, APCO shall, if requested, to do so by USS and within thirty (30) days after such request, remove said power line as may be installed thereon, from USS lands.
- (3) All persons entering USS lands pursuant to or in connection with this license do so at their own risk, and USS shall not be liable for any injury to persons (including death), or for damages to property in any way arising out of or resulting from APCO's operations hereunder.

Shelby County, AL 08/01/2005 State of Alabama

Deed Tax:\$.50

Mr. John Gilmer January 26, 2005 Page 2 of 3

- (4) APCO shall defend, indemnify, and hold USS, its successors, assigns, officers, directors, and employees (the "Indemnified Parties") harmless from and against all damages, losses, claims, suits, demands, judgments, decrees, costs and expenses, including attorney's fees, consultants' fees, and other legal costs, including but not limited to, damages paid under any Worker's Compensation Act or similar Act or law incurred by or imposed upon the Indemnified Parties arising from or in connection with any personal injuries (including deaths) and/or property damages, including injuries or damages to the Indemnified Parties, arising from or in connection with any activities of APCO, its employees, agents, contractors, and assigns under this Agreement, unless such injury (including death) or damage is proximately caused by the intentional misconduct of the Indemnified Parties and/or the sole negligence of the Indemnified Parties.
- (5) APCO represents and warrants that it is a "self-insured" entity and agrees to provide written certification thereof to USS and to notify USS in the event that said self-insurance is no longer in effect. Certification shall be made to: General Manager-Southeast, USS Real Estate-Suite, United States Steel Corporation, P. O. Box 599 Suite 183-C, Fairfield, Alabama 35064.
- (6) It is understood that if necessitated by interference with any future use by USS of the USS lands crossed by said power line, upon written request by USS, APCO shall, within thirty (30) days, and at APCO's expense, remove said power line, from said licensed locations to other locations to be agreed upon by both parties hereto. APCO shall not be required to relocate said power line more than one time at APCO's expense.
- (7) The rights herein granted shall not in any way be construed to be superior to and are subject to any existing agreements for the use of the surface and/or subsurface of said land, any existing timber purchase and cutting agreements between USS and third parties, and any existing leases, agreements, and easements on, over, and across said land for roads, railroads, electric power transmission lines, telephone lines, telegraph lines, or pipelines.
- (8) APCO shall have the right to trim and/or cut such trees located on land of USS as may interfere with the installation or endanger the safety or proper maintenance and operation of said power line. However, APCO shall promptly pay USS, its successors and assigns for the appraised value of all pre-merchantable and merchantable timber cut, trimmed, or damage by APCO in the exercise of its rights granted hereunder, which appraisal may be governed by one or more timber purchase and cutting agreements entered into between USS and a third party. No trees, limbs, or timber lying outside FIFTEEN (15) FEET from the centerline of said power line therefor may be cut or trimmed without USS's consent unless such tree, limb, or timber poses a material risk to persons or property. Any contacts regarding timber shall be directed to USS's Chief Forester, Bob Canavera at, (205) 783-2250.



Mr. John Gilmer January 26, 2005 Page 3 of 3

This letter is written in duplicate, and upon acceptance on behalf of APCO by signature on the line indicated below and return of one executed counterpart to this office, shall constitute a license for APCO to install, operate, maintain, and remove said power line to serve said methane gas wells.

Garry L. Sides USS Real Estate	
AGREED AND ACCEPTED THIS DAY OF	Jan ,2005
ALABAMA POWER COMPANY	
By:	
Its: LAND Supv.	

WITNESS:

B37.

20050801000385490 3/6 \$26.50 Shelby Cnty Judge of Probate, AL 08/01/2005 12:06:58PM FILED/CERT

