

SECOND AMENDMENT TO CORRECTED AND RESTATED COALBED METHANE GAS LEASE

STATE OF ALABAMA

INS+# 2006.02230000888350

COUNTIES OF BIBB AND SHELBY

This agreement is made and entered to as of July 9, 2004, by and between Alabama Power Company and Southern Electric Generating Company and CDX Gas, LLC and CDX Sequoya, LLC.

WITNESSETH:

WHEREAS, Alabama Power Company and Southern Electric Generating Company (collectively as "Lessor") and CDX Gas, LLC and CDX Sequoya, LLC (collectively as "Lessee") entered into a COALBED METHANE GAS LEASE dated July 9, 2004 (the "Effective Date") wherein Lessee leased certain interests from Lessor in Bibb and Shelby Counties, Alabama; and

WHEREAS, Alabama Power Company and Southern Electric Generating Company (collectively as "Lessor") and CDX Gas, LLC and CDX Sequoya, LLC (collectively as "Lessee") entered into a CORRECTED AND RESTATED COALBED METHANE GAS LEASE dated July 9, 2004 (the "Effective Date") wherein the parties corrected certain typographical errors and errors in the property descriptions, and which said CORRECTED AND RESTATED COALBED METHANE GAS LEASE restated and replaced the original COALBED METHANE GAS LEASE in every way; and

WHEREAS, certain acreage intended to be included and covered thereby was inadvertently omitted from the lands described in Exhibit "A" attached to said CORRECTED AND RESTATED COALBED METHANE GAS LEASE; and

WHEREAS, the parties now desire to amend said CORRECTED AND RESTATED COALBED METHANE GAS LEASE to cover and include the acreage which was inadvertently omitted from same.

NOW, THEREFORE, the said Lessor and Lessee, for and in consideration of the mutual benefits to be derived by the parties hereto, do hereby amend said CORRECTED AND RESTATED COALBED METHANE GAS LEASE and the Exhibit "A" attached thereto as follows:

Exhibit "A" attached to said CORRECTED AND RESTATED COALBED METHANE GAS LEASE shall cover and include, in addition to the acreage described on Exhibit "A", the acreage described and set out on Exhibit "A" which is attached hereto and made a part hereof, and Lessor does hereby grant, demise, lease and let to Lessee all of Lessors's rights to explore for, drill, produce and remove the coalbed methane gas and its constituents insofar as such underlie the lands described on Exhibit "A" hereto:

20060802000372390 2/6 \$26.00 Shelby Cnty Judge of Probate, AL 08/02/2006 01:11:07PM FILED/CERT

The purpose of this Amendment is to add the acreage described in Exhibit "A" attached hereto, so that the CORRECTED AND RESTATED COALBED METHANE GAS LEASE will cover and include all acreage on the Exhibit "A" attached thereto, plus and in addition to the acreage which is described on the Exhibit "A" attached hereto.

(SIGNATURES FOLLOW ON NEXT PAGE)

20060802000372390 3/6 \$26.00 Shelby Cnty Judge of Probate, AL 08/02/2006 01:11:07PM FILED/CERT

In WITNESS WHEREOF, this Amendment is executed by Lessor and Lessee in duplicate originals to be effective as of the day and year first written above.

ALABAMA POWER COMPANY

By: Arthur P. Beattie

Executive Vice-President

SOUTHERN ELECTRIC GENERATING COMPANY

By: Arthur P. Beattie

Executive Vice-President

CDX GAS, LLC

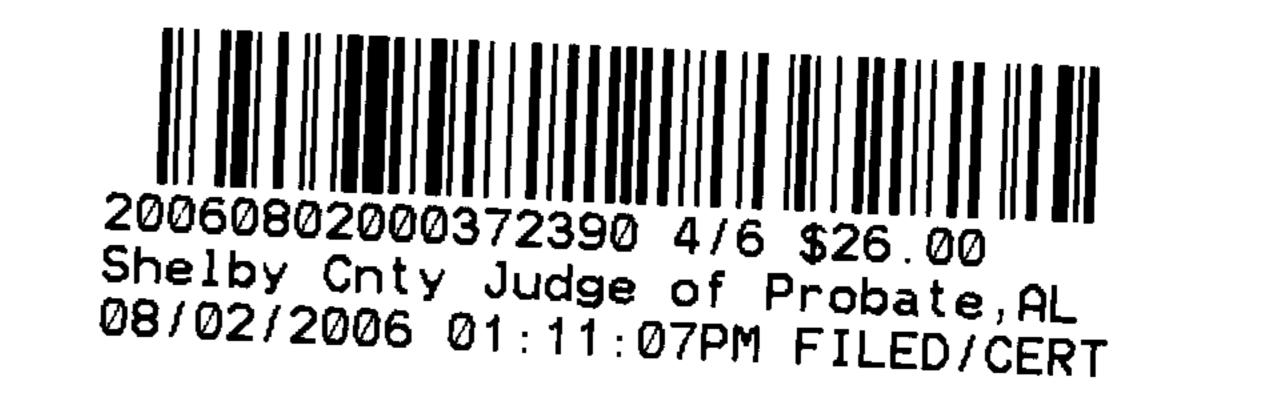
By: Robert R. McBride, Jr.

Senior Vice President

CDX SEQUOYA, LLC

By: Robert R. McBride, Jr.

Vice President



<u>ACKNOWLEDGMENT</u>

STATE OF ALABAMA

COUNTY OF JEFFERSON

I, THE UNDERSIGNED, a Notary Public in and for said County and State, hereby certify that Arthur P
Beattie, whose name as Executive Vice-President of ALABAMA POWER COMPANY, an Alabama corporation
is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being
informed of the contents of the instrument, he, as such officer and with full authority, executed the same voluntarily
for and as the act of said corporation

for and as the act of said corporation.						
Given under my hand and seal this 17 day of July , 2006.						
My Commission Expires:						
Feb 3, 2009						
ACKNOWLEDGMENT						
STATE OF ALABAMA						
COUNTY OF JEFFERSON						
I, THE UNDERSIGNED, a Notary Public in and for said County and State, hereby certify that Arthur P. Beattie, whose name as Executive Vice-President of SOUTHERN ELECTRIC GENERATING COMPANY, an Alabama corporation is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.						
Given under my hand and seal this 17 day of July , 2006. ——————————————————————————————————						
My Commission Expires:						
Feb3, 2009						

20060802000372390 5/6 \$26.00 Shelby Cnty Judge of Probate, AL 08/02/2006 01:11:07PM FILED/CERT

ACKNOWLEDGMENT

STATE OF ALABAMA

COUNTY OF SHELBY

I, THE UNDERSIGNED, a Notary Public in and for said County and State, hereby certify that Robert R. McBride, Jr., who is the Senior Vice President of CDX GAS, LLC, a Texas limited liability company, and whose name as such is signed to the foregoing instrument, as its officer and who is known to me, acknowledged before me on this day that, being informed of the contents of the same, he, as such officer and with full authority, executed the same voluntarily for and as the act of said limited liability company.

Given under my hand and seal this 5th day of July , 2006.

NOTARY PUBLIC

My Commission Expression Expression

ACKNOWLEDGMENT

STATE OF ALABAMA

COUNTY OF SHELBY

I, THE UNDERSIGNED, a Notary Public in and for said County and State, hereby certify that Robert R. McBride, Jr., who is the Vice President of CDX SEQUOYA, LLC, a Texas limited liability company, and whose name as such is signed to the foregoing instrument, as its officer and who is known to me, acknowledged before me on this day that, being informed of the contents of the same, he, as such officer and with full authority, executed the same voluntarily for and as the act of said limited liability company.

Given under my hand and seal this 5	day of July	, 2006.
A POR SELECTION OF THE		Jetholm.
My Compression Express		NOTARY PUBLIC
5-8-10		

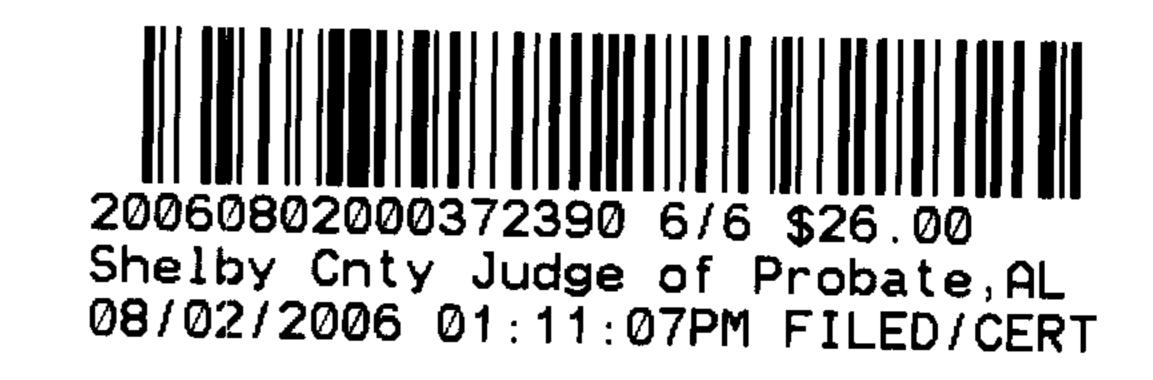


EXHIBIT "A"

~~~~	"T" I- i	T)	C4º			Segco Net
County	Township	Range	Section	Description	Acres	Acres
Shelby Shelby	21S 22S	3W 4W	18 15	N/2 N/2 SW/4 SW/4 NE/4 NW/4	10.0 40.0	10.0 40.0
Total acres included in original AMENDMENT TO CORRECTED AND RESTATED COALBED METHANE GAS LEASE					<u>39,797.45</u>	28,071.57
TOTAL AM	ENDED LEASE	ACREAGI	E		39,847.45	28,121.57
Bibb County Shelby Coun						14,263.35 13,858.22