

STATE OF ALABAMA :
COUNTIES OF SHELBY AND BIBB :

20071114000523490 1/15 \$53.00
Shelby Cnty Judge of Probate, AL
11/14/2007 03:37:04PM FILED/CERT

SURFACE USE AFFIDAVIT

COMES NOW Robert D. Anderson, Jr., Land Manager for CDX Sequoya, LLC, a Texas limited liability company, who after being duly sworn did depose and state the following:

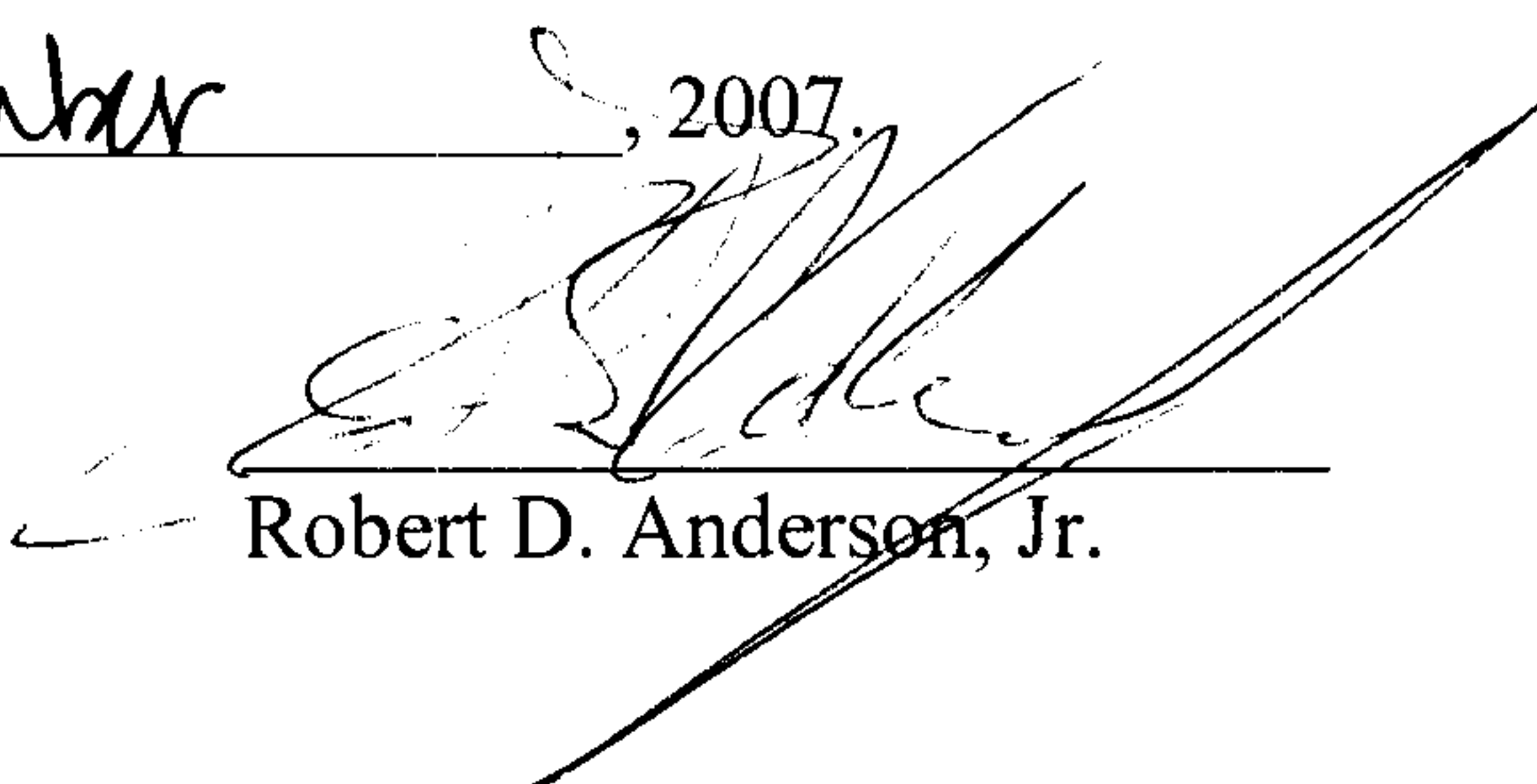
That I am the Land Manager for CDX Sequoya, LLC, and as such, have full knowledge of the drilling and pipeline activities and other operational affairs of said limited liability companies.

That in the normal course of business for said limited liability company, a Surface Use Agreement, dated November 21, 2006, was obtained from Headwaters Investments Corporation, a Delaware nonstock corporation, for various purposes, including, but not limited to, pipeline and power line rights-of-way, drillsite pads, roads and roadways, for the purpose of coalbed methane and oil and gas drilling and production operations.

That summary of such Surface Use Agreement is attached hereto as Exhibit "1" and third parties are hereby put on notice of the existence of such agreement. A copy of such agreement is located in the office of CDX Sequoya, LLC, currently located at 200 Chase Park South, Suite 100, Hoover, Alabama 35244

Further, affiant saith not.

Executed this 13th, day of November, 2007.


Robert D. Anderson, Jr.

State of Alabama
County of Shelby

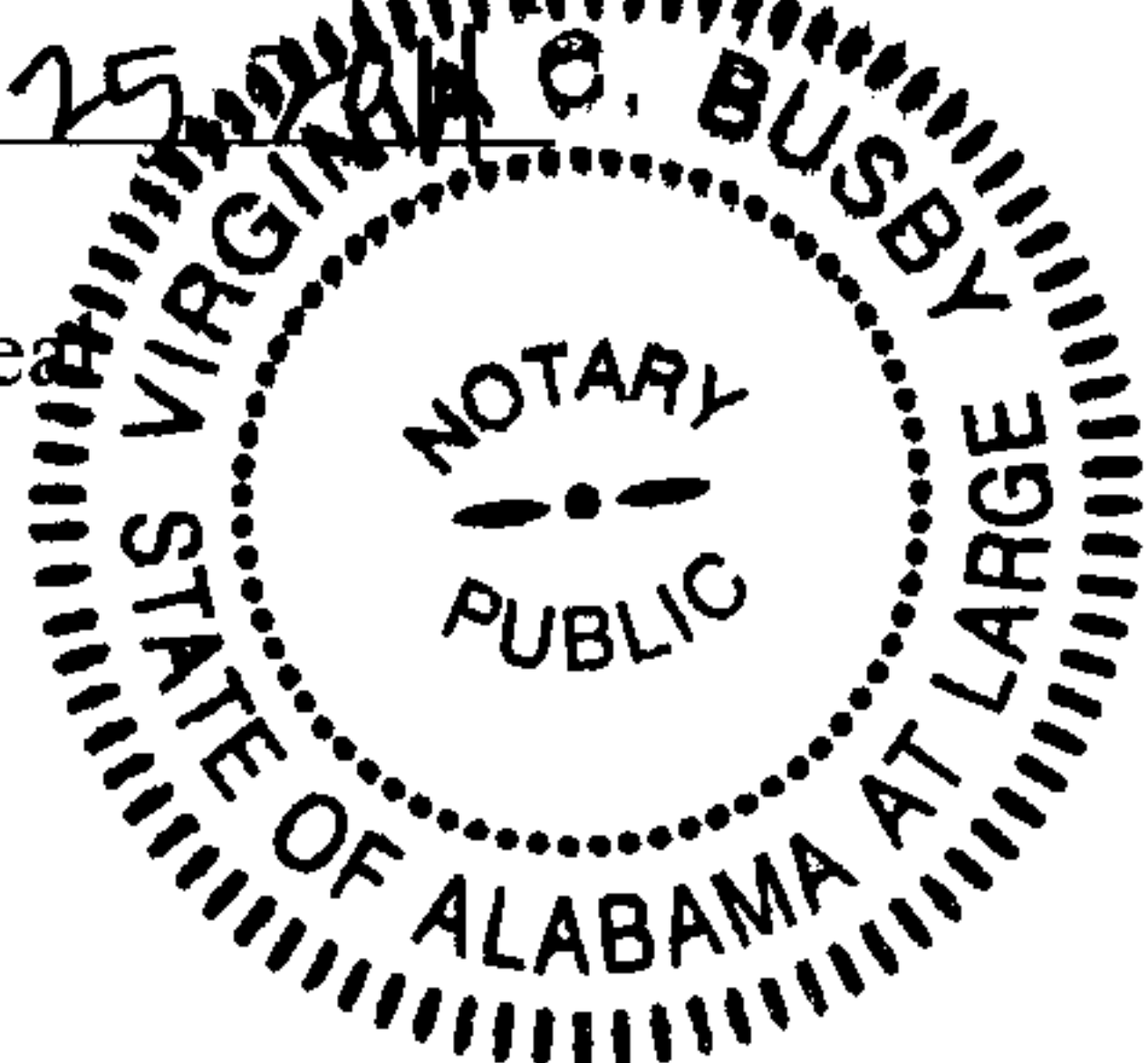
I, the undersigned authority, a Notary Public, in and for said County in said State, hereby certify that Robert D. Anderson, Jr., whose name is signed to the foregoing Surface Use Affidavit and who is known to me, acknowledged before me on this day that, being informed of the contents of the Affidavit, he executed the same voluntarily on the day the same bears date.

Given under my hand and official seal, this 13th day of November, 2007.

My commission expires:

April 25, 2008

Seal



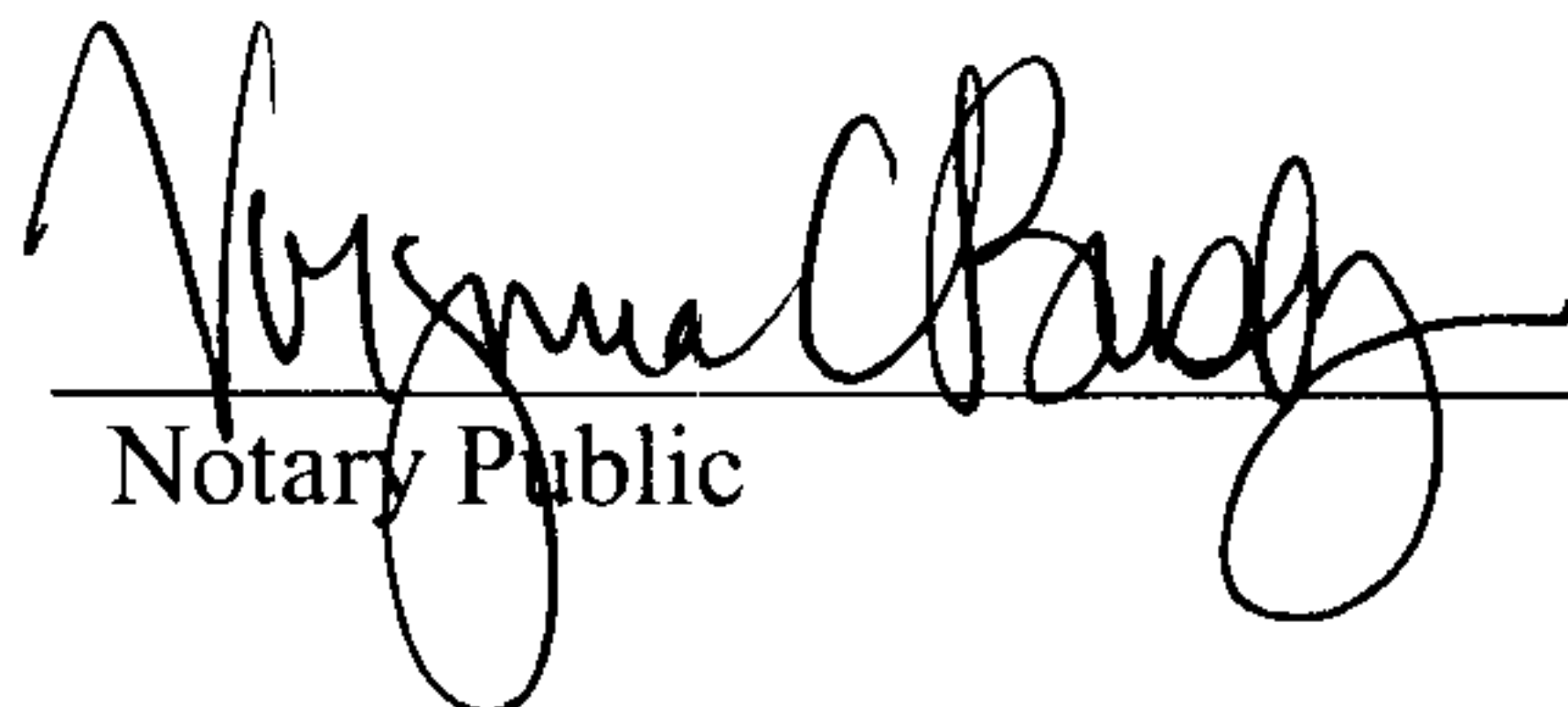

Notary Public

Exhibit "1"

Attached to and made a part of that certain Surface Use Affidavit dated 13th day of November, 2007.

Title: Surface Use Agreement

Date: November 21, 2006

Grantor: Headwaters Investments Corporation

Grantee: CDX Sequoya, LLC

Description: See Exhibits "A", "B" and "C" attached hereto and made a part hereof.

20071114000523490 3/15 \$53.00
Shelby Cnty Judge of Probate, AL
11/14/2007 03:37:04PM FILED/CERT

EXHIBIT "A"

Attached to and made a part of the Surface Use Affidavit, dated 13th day of November, 2007.

EXHIBIT A



20071114000523490 4/15 \$53.00
Shelby Cnty Judge of Probate, AL
11/14/2007 03:37:04PM FILED/CERT

The following described property situated in Shelby County, Alabama:

Township 24 North, Range 11 East

All of Section	1	24 North	11 East
All of Section	2	24 North	11 East
West 1/2 of the Northwest 1/4	11	24 North	11 East
East 1/2 of the Northeast 1/4	11	24 North	11 East
Northwest 1/4 of the Northeast 1/4	11	24 North	11 East
Northeast 1/4 of the Northwest 1/4	11	24 North	11 East
North 1/2	12	24 North	11 East
North 1/2 of the Southwest 1/4	12	24 North	11 East
Northwest 1/4 of the Southeast 1/4	12	24 North	11 East
That portion of the Northeast 1/4 of the Southeast 1/4 and the Southeast 1/4 of the Southeast 1/4 and the Southwest 1/4 of the Southeast 1/4, located North of Shoal Creek	12	24 North	11 East

✓ } AN6135
✓ } AN6133
AN6087
AN6134
AN6144

Township 24 North, Range 14 East

South 1/2 of the Southeast 1/4	4	24 North	14 East
Southeast 1/4 of Southwest 1/4	4	24 North	14 East

Township 22 South, Range 3 West

Northwest 1/4 of the Northeast 1/4	7	22 South	3 West
Northwest 1/4	7	22 South	3 West
Southwest 1/4	7	22 South	3 West
Southwest 1/4 of the Southeast 1/4	7	22 South	3 West
West 1/2 of the Northwest 1/4	18	22 South	3 West
West 1/2 of the Southwest 1/4	18	22 South	3 West
North 1/2 of the Northeast 1/4 of the Southwest 1/4 lying west of old Montevallo-Tuscaloosa dirt road	18	22 South	3 West

20071114000523490 5/15 \$53.00
 Shelby Cnty Judge of Probate, AL
 11/14/2007 03:37:04PM FILED/CERT

SHELBY
 COUNTY

min. for 205.65 feet along the west side of said lot 2; thence easterly along the north line of said lot 2 for 208 feet; thence easterly along the north line of Summit Park "B" for 398 feet to the northwest corner of lot 6, block 2, of said Thomas' Addition to the Town of Aldrich; thence looking east along the north line of said lot 6, block 2; turn an angle to the left of 65 deg. 18 min. for 303.48 feet; thence right 0 deg. 19 min. for 580.46 feet; thence left 85 deg. 55 min. for 696.48 feet; thence right 54 deg. 16 min. for 109.50 feet; thence right 5 deg. 22 min. for 636.67 feet; thence right 33 deg. 50 min. for 173.78 feet to the center line of Davis Creek; thence east along the center line of Davis Creek to the east line of the SE 1/4 of SW 1/4, Section 18; thence north along said east line to the northeast corner of said SE 1/4 of SW 1/4; thence west along the north line of said SE 1/4 of SW 1/4 to northwest corner of said forty; thence south along west line of said forty to north line of Section 19; thence west to northwest corner of said Section 19; thence south to southwest corner of said Section 19; thence east to the point of beginning. EXCEPT the following described tract(s): Begin at the northwest corner of SE 1/4 of SW 1/4, Section 19, and run south 798 feet along the west side of said forty to the point of beginning of parcel being excepted; thence turning an angle of 70 deg. right run a distance of 40 feet to the northwest corner of church lot; thence turning an angle of 90 deg. left run a distance of 80 feet to the southwest corner; thence turning an angle of 90 deg. left run a distance of 100 feet to the southeast corner; thence turning an angle of 90 deg. left run a distance of 80 feet to the northeast corner; thence turning an angle of 90 deg. left, run 60 feet back to the point of beginning of herein excepted parcel.

Township 21 South, Range 4 West

Northeast 1/4 of the Northwest 1/4	33	21 South	4 West
------------------------------------	----	----------	--------

Township 22 South, Range 4 West

North 1/2 of the Northeast 1/4	12	22 South	4 West
--------------------------------	----	----------	--------

Southeast 1/4 of the Northeast 1/4	12	22 South	4 West
------------------------------------	----	----------	--------

Section 12

ANG131

ANG132

ANG124



20071114000523490 6/15 \$53.00
Shelby Cnty Judge of Probate, AL
11/14/2007 03:37:04PM FILED/CERT

North 1/2 of the Northwest 1/4

12

22 South

4 West

LESS AND EXCEPT the following described parcel:
Commence at the southwest corner of the NW 1/4 of NW 1/4, Section 12, and run east along the south line of said 1/4-1/4 section to its intersection with the east right of way line of County Highway No. 10, this being the point of beginning of excepted parcel; from the point of beginning, continue east and along the south line of said 1/4-1/4 section for a distance of 140.0 feet to a point; thence turn an angle of 90 deg. to the left and run a distance of 264.0 feet to a point; thence turn an angle of 102 deg. to the left and run a distance of 245.0 feet to the east right of way line of Highway No. 10; thence run in a southerly direction and along the east right of way line of said highway to the point of beginning.

*Section 12
(cont.)*

LESS AND EXCEPT that portion conveyed to Christian Mission Church by Deed dated July 19, 2002, described as follows:

Shelby County, Alabama

Section 12, Township 22 South, Range 4 West

Commence at the southwest corner of the northwest quarter of the Northwest quarter of Section 12, Township 22 south, Range 4 west Shelby County, Alabama and run thence N 89° 29' 09" E along the South line of said quarter-quarter section a distance of 274.88' to a set rebar corner and the point of beginning of the property being Described; Thence continue along last described course a distance of 170.35" to a set Rebar corner; Thence run N 00° 30' 52" W a distance of 314.94' to a set steel rebar corner; Thence run S 89° 29' 09" W a distance of 434.52' to a set rebar corner on the easterly margin of Highway # 10; Thence run S 22° 01' 53" E along said margin of said Highway a distance of 106.21' to a set rebar corner; Thence run N 77° 29' 09" E a distance of 230.24' to a set rebar corner; Thence Run S 00° 30' 51" E a distance of 264.00' to the point of beginning, Containing 1.66 acres.

EXHIBIT A

20071114000523490 7/15 \$53.00
 Shelby Cnty Judge of Probate, AL
 11/14/2007 03:37:04PM FILED/CERT

East 1/2 of the Southeast 1/4	12	22 South	4 West
Southwest 1/4 of the Northeast 1/4	12	22 South	4 West
West 1/2 of the Southeast 1/4	12	22 South	4 West
Southeast 1/4 of the Northwest 1/4	12	22 South	4 West
East 1/2 of the Southwest 1/4	12	22 South	4 West
Northeast 1/4 of the Southwest 1/4 of the Northwest 1/4	12	22 South	4 West
East 1/2 of the Northwest 1/4	13	22 South	4 West
Northeast 1/4 of the Southwest 1/4	13	22 South	4 West
Southeast 1/4 of the Southwest 1/4	13	22 South	4 West
Southwest 1/4 of Southwest 1/4	13	22 South	4 West
Southeast 1/4	13	22 South	4 West
East 1/2 of the Northeast 1/4	13	22 South	4 West
Southwest 1/4 of the Northeast 1/4	13	22 South	4 West
East 1/2 of Northwest 1/4 of the Northwest 1/4	13	22 South	4 West
Southeast 1/4 of the Southwest 1/4 of Northwest 1/4	13	22 South	4 West
Northwest 1/4 of the Northeast 1/4	13	22 South	4 West
South 1/2	24	22 South	4 West
West 1/2 of the Northwest 1/4	24	22 South	4 West
Southeast 1/4 of the Northwest 1/4	24	22 South	4 West
Northeast 1/4 of the Northwest 1/4	24	22 South	4 West
Southwest 1/4 of the Northeast 1/4	24	22 South	4 West
Northwest 1/4 of the Northeast 1/4	24	22 South	4 West
Northeast 1/4 of the Northeast 1/4	24	22 South	4 West
Southeast 1/4 of the Northeast 1/4	24	22 South	4 West
East 1/2 of Fractional Section	26	22 South	4 West
Fractional Northwest 1/4 "D" of Section	26	22 South	4 West
Fractional Northwest 1/4 "A" of Section	27	22 South	4 West

Section 12
(cont.)

Section 13

AN6132

AN6122

AN6123

Section 24

AN6121

AN6133

AN6122

AN6132

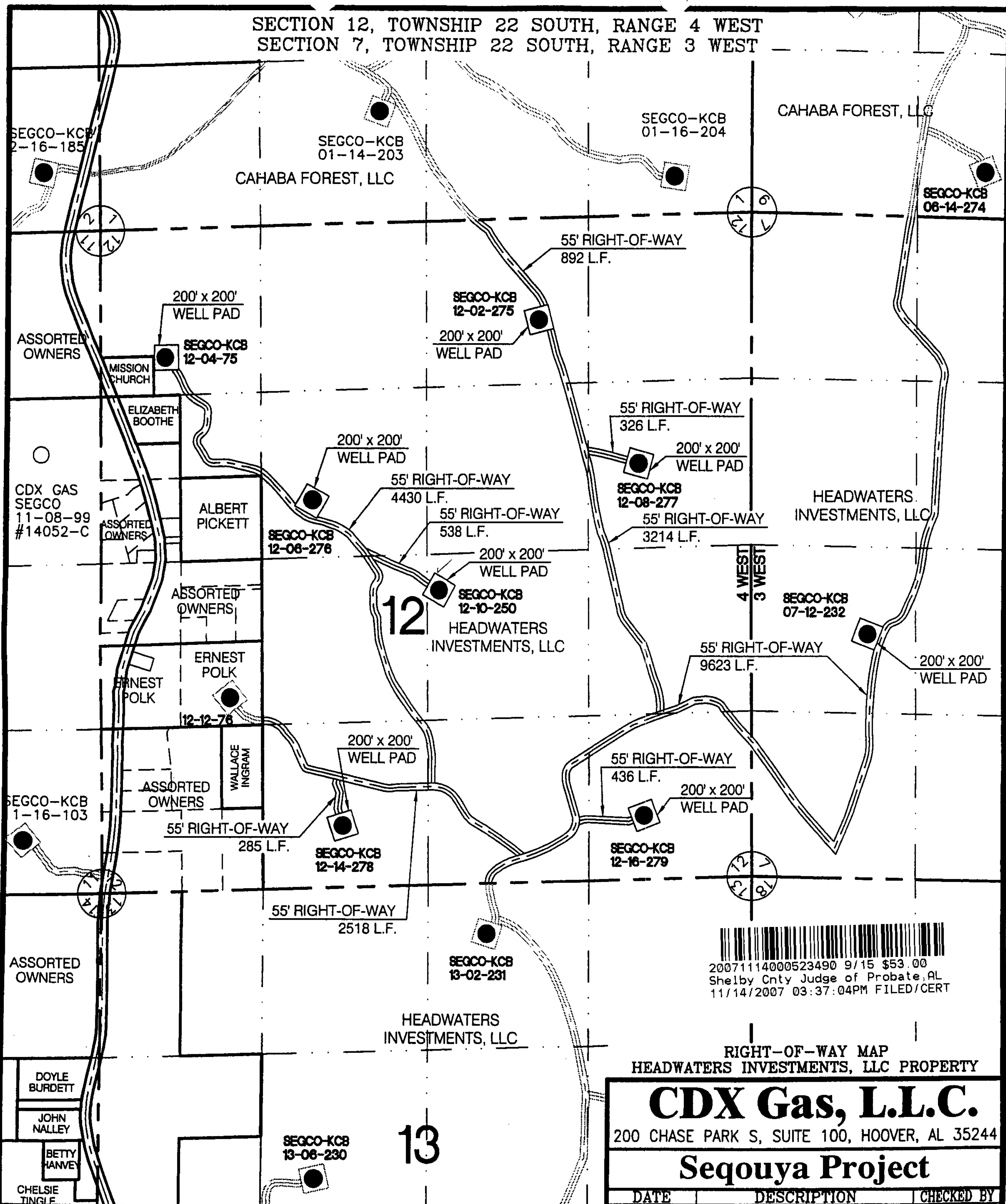
EXHIBIT "B"

20071114000523490 8/15 \$53.00
Shelby Cnty Judge of Probate, AL
11/14/2007 03:37:04PM FILED/CERT

Attached to and made a part of the Surface Use Affidavit, dated 13th day of November, 2007.

EXHIBIT B

SECTION 12, TOWNSHIP 22 SOUTH, RANGE 4 WEST
SECTION 7, TOWNSHIP 22 SOUTH, RANGE 3 WEST



RIGHT-OF-WAY MAP
HEADWATERS INVESTMENTS, LLC PROPERTY

CDX Gas, L.L.C.

200 CHASE PARK S, SUITE 100, HOOVER, AL 35244

Sequoya Project

DATE	DESCRIPTION	CHECKED BY
DATE: 05/01/06	DRAWN BY: E M H	FILE: APR'06
SCALE: 1"=1000'	CHECKED BY: S G F	Job No.: 04-120

Faulkner Surveying

LICENSED PROFESSIONAL SURVEYORS

P.O. BOX 40270 / 1701 HOLT ROAD NE / TUSCALOOSA, ALABAMA 35404 / (205) 553-8333

EXHIBIT B

SECTION 13, TOWNSHIP 22 SOUTH, RANGE 4 WEST

EGCO-KCB
1-16-103

ASSORTED
OWNERS

SESCO-KCB
12-14-278

SESCO-KCB
12-16-279

ASSORTED
OWNERS

DOYLE
BURDETT

JOHN
NALLEY

BETTY
HANVEY

CHELSE
TINGLE

SHELBY COUNTY RD No. 10

HAROLD K
FERGUSON

LINDA S
FANT

CAHABA
FORESTS

13
HEADWATERS
INVESTMENTS, LLC

200' x 200'
WELL PAD

SESCO-KCB
13-02-231

SESCO-KCB
13-06-230

200' x 200'
WELL PAD

55' RIGHT-OF-WAY
3728 L.F.

55' RIGHT-OF-WAY
362 L.F.

SESCO-KCB
13-08-280

200' x 200'
WELL PAD

4 WEST
3 WEST

55' RIGHT-OF-WAY
1721 L.F.

SESCO-KCB
13-10-281

200' x 200'
WELL PAD

55' RIGHT-OF-WAY
1830 L.F.

30' RIGHT-OF-WAY
744 L.F.

55' RIGHT-OF-WAY
228 L.F.

200' x 200'
WELL PAD

SESCO-KCB
13-14-228

30' RIGHT-OF-WAY
876 L.F.

200' x 200'
WELL PAD

SESCO-KCB
13-16-229

55' RIGHT-OF-WAY
340 L.F.

SESCO-KCB
24-02-282

RIGHT-OF-WAY MAP
HEADWATERS INVESTMENTS, LLC PROPERTY

CDX Gas, L.L.C.

200 CHASE PARK S, SUITE 100, HOOVER, AL 35244

Sequoya Project

DATE	DESCRIPTION	CHECKED BY

DATE: 05/01/06	DRAWN BY: E M H	FILE: APR'08
SCALE: 1"=800'	CHECKED BY: S G F	Job No.: 04-120

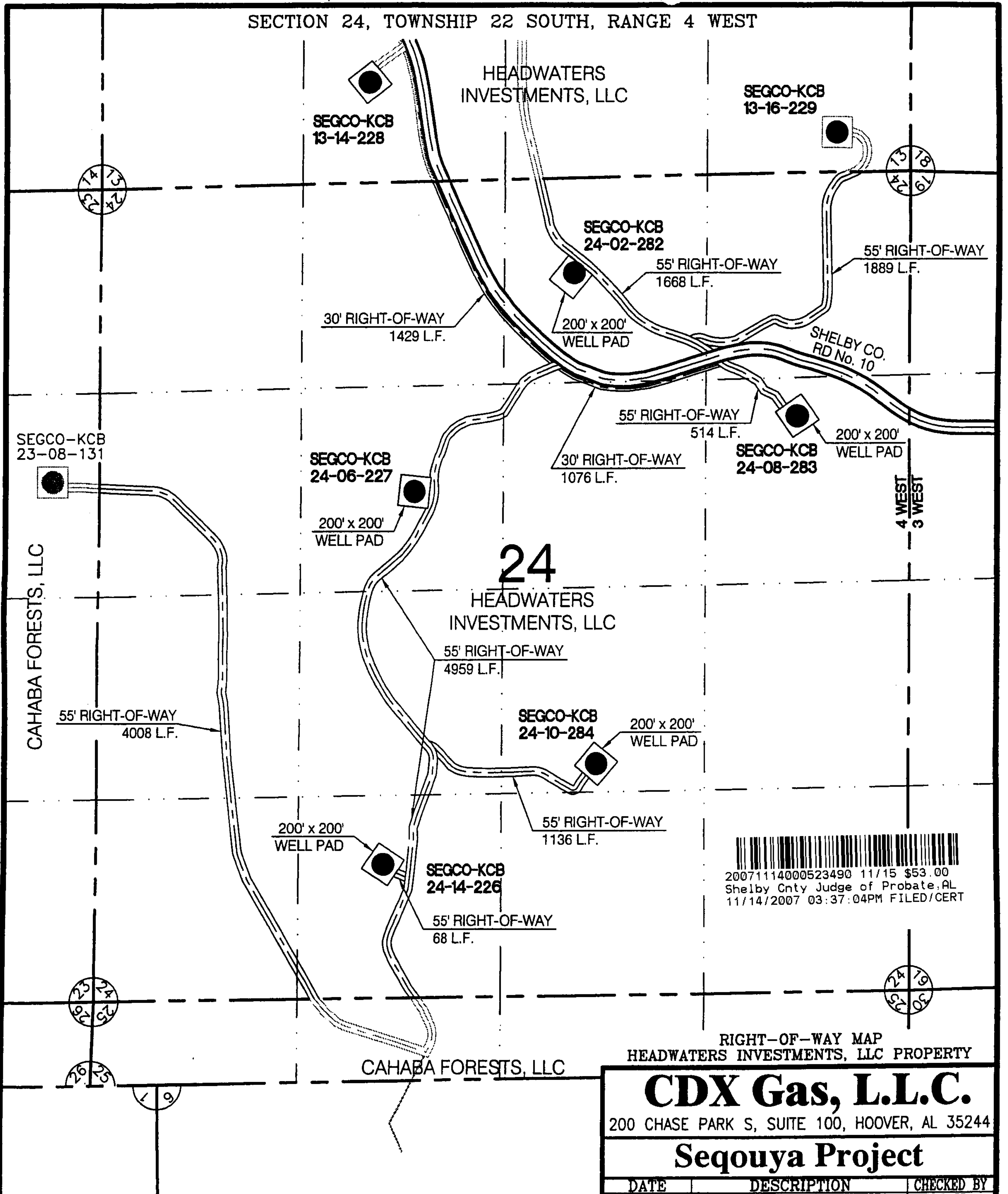
Faulkner Surveying

LICENSED PROFESSIONAL SURVEYORS

P.O. BOX 40270 / 1701 HOLT ROAD NE / TUSCALOOSA, ALABAMA 35404 / (205) 553-8333

EXHIBIT B

SECTION 24, TOWNSHIP 22 SOUTH, RANGE 4 WEST



20071114000523490 11/15 \$53.00
Shelby Cnty Judge of Probate, AL
11/14/2007 03:37:04PM FILED/CERT

RIGHT-OF-WAY MAP
HEADWATERS INVESTMENTS, LLC PROPERTY

CDX Gas, L.L.C.

200 CHASE PARK S, SUITE 100, HOOVER, AL 35244

Sequoya Project

DATE	DESCRIPTION	CHECKED BY
05/25/06	CORRECT PROP OWNER	E M H

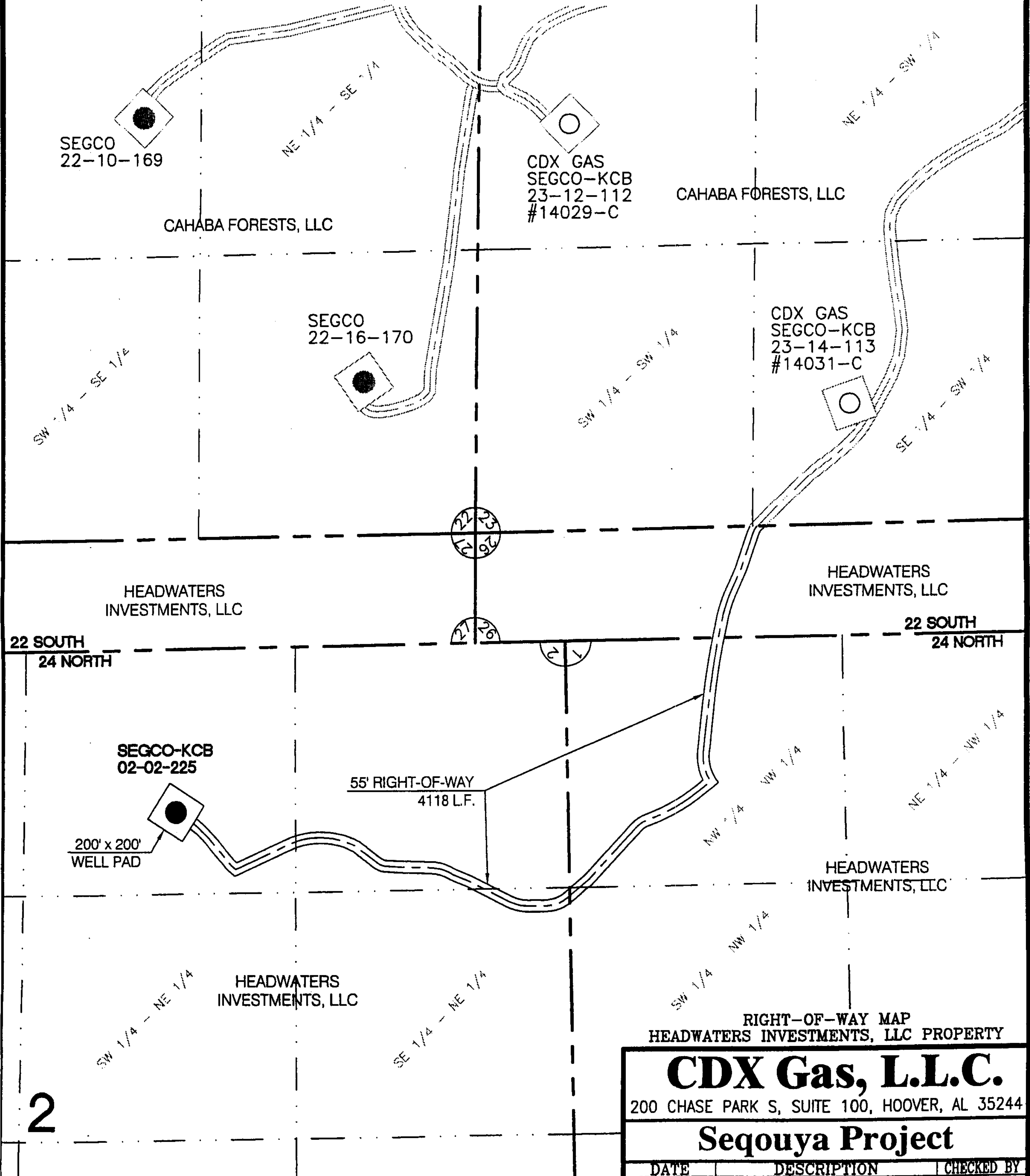
DATE: 05/01/06	DRAWN BY: E M H	FILE: APR'06
SCALE: 1"=800'	CHECKED BY: S G F	Job No.: 04-120

Faulkner Surveying

LICENSED PROFESSIONAL SURVEYORS

P.O. BOX 40270 / 1701 HOLT ROAD NE / TUSCALOOSA, ALABAMA 35404 / (205) 553-8333

SECTION 26, TOWNSHIP 22 SOUTH, RANGE 4 WEST
SECTIONS 1-2, TOWNSHIP 24 NORTH, RANGE 11 EAST



2

RIGHT-OF-WAY MAP
HEADWATERS INVESTMENTS, LLC PROPERTY

CDX Gas, L.L.C.

200 CHASE PARK S, SUITE 100, HOOVER, AL 35244

Sequoya Project

DATE	DESCRIPTION	CHECKED BY
DATE: 05/01/06	DRAWN BY: E M H	FILE: APR'06
SCALE: 1"=600'	CHECKED BY: S G F	Job No.: 04-120

Faulkner Surveying
LICENSED PROFESSIONAL SURVEYORS
P.O. BOX 40270 / 1701 HOLT ROAD NE / TUSCALOOSA, ALABAMA 35404 / (205) 553-8333

EXHIBIT "C"

Attached to and made a part of the Surface Use Affidavit, dated 13th day of November, 2007.



20071114000523490 13/15 \$53.00
Shelby Cnty Judge of Probate, AL
11/14/2007 03:37:04PM FILED/CERT

Exhibit "C"

Attached to and made a part of that certain Surface Use Agreement dated **NOVEMBER 21,** 2006 between HEADWATERS INVESTMENTS, LLC, as Grantor, and CDX SEQUOYA, LLC, as Grantee.

S-T-R	Facility	Width / Ft.	Length / Ft.	Acres
S07-T22S-R3W	Segco-KCB Well # 07-12-232 Wellpad	200	200	0.92
S07-T22S-R3W S12-T22S-R4W	55' ROW	55	9623	12.15
S12-T22S-R4W	Segco-KCB Well # 12-02-275 Wellpad	200	200	0.92
S12-T22S-R4W	55' ROW	55	892	1.13
S12-T22S-R4W	Segco-KCB Well # 12-08-277 Wellpad	200	200	0.92
S12-T22S-R4W	55' ROW	55	326	0.41
S12-T22S-R4W	55' ROW	55	3214	4.06
S12-T22S-R4W	Segco-KCB Well # 12-04-75 Wellpad	200	200	0.92
S12-T22S-R4W	55' ROW	55	4430	5.59
S12-T22S-R4W	Segco-KCB Well # 12-06-276 Wellpad	200	200	0.92
S12-T22S-R4W	Segco-KCB Well # 12-10-250 Wellpad	200	200	0.92
S12-T22S-R4W	55' ROW	55	538	0.68
S12-T22S-R4W	Segco-KCB Well # 12-14-278 Wellpad	200	200	0.92
S12-T22S-R4W	55' ROW	55	285	0.36
S12-T22S-R4W	55' ROW	55	2518	3.18
S12-T22S-R4W	Segco-KCB Well # 12-16-279 Wellpad	200	200	0.92
S12-T22S-R4W	55' ROW	55	436	0.55
S13-T22S-R4W	Segco-KCB Well # 13-02-231 Wellpad	200	200	0.92
S13-T22S-R4W	55' ROW	55	330	0.42
S13-T22S-R4W	55' ROW	55	3728	4.71
S13-T22S-R4W	Segco-KCB Well # 13-08-280 Wellpad	200	200	0.92
S13-T22S-R4W	55' ROW	55	362	0.46
S13-T22S-R4W	Segco-KCB Well # 13-10-281 Wellpad	200	200	0.92
S13-T22S-R4W	55' ROW	55	1830	2.31
S13-T22S-R4W	Segco-KCB Well # 13-06-230 Wellpad	200	200	0.92
S13-T22S-R4W	55' ROW	55	1721	2.17
S13-T22S-R4W	Segco-KCB Well # 13-14-228 Wellpad	200	200	0.92
S13-T22S-R4W	55' ROW	55	228	0.29
S13-T22S-R4W	55' ROW	55	665	0.84
S13-T22S-R4W	30' ROW	30	964	0.66
S13-T22S-R4W	30' ROW	30	744	0.51
S13-T22S-R4W	30' ROW	30	876	0.60
S13-T22S-R4W	Segco-KCB Well # 13-16-229 Wellpad	200	200	0.92
S13-T22S-R4W	55' ROW	55	340	0.43
S02-T24S-R11W	Segco-KCB Well # 02-02-225 Wellpad	200	200	0.92
S26-T22S-R4W S01 & 02-T24S-R11W	55' ROW	55	4118	5.20
S24-T22S-R4W	Segco-KCB Well # 24-02-282 Wellpad	200	200	0.92
S24-T22S-R4W	55' ROW	55	1668	2.11
S24-T22S-R4W	55' ROW	55	1889	2.39
S24-T22S-R4W	Segco-KCB Well # 24-06-227 Wellpad	200	200	0.92
S24-T22S-R4W	Segco-KCB Well # 24-08-283 Wellpad	200	200	0.92
S24-T22S-R4W	55' ROW	55	514	0.65
S24-T22S-R4W	30' ROW	30	1076	0.74
S24-T22S-R4W	30' ROW	30	1429	0.98
S24-T22S-R4W	Segco-KCB Well # 24-10-284 Wellpad	200	200	0.92
S24-T22S-R4W	55' ROW	55	1136	1.43
S24-T22S-R4W	Segco-KCB Well # 24-14-226 Wellpad	200	200	0.92

Exhibit "C"

S-T-R	Facility	Width / Ft.	Length / Ft.	Acres
S24-T22S-R4W	55' ROW	55	68	0.09
S24-T22S-R4W	55' ROW	55	4959	6.26
S24-T22S-R4W	55' ROW	55	4008	5.06
Total Acres				84.78