

This instrument was prepared by: Clay Dickinson, GeoMet, Inc., 5336 Stadium Trace Parkway, Suite 206, Birmingham, AL 35244

SURFACE USE AGREEMENT

STATE OF ALABAMA

§

§

COUNTY OF SHELBY

§

This Surface Use Agreement ("Agreement") is made and entered into this 11th day of May, 2007, by and between **Hope Coal Company, Inc.**, whose address is P.O. Box 249 Mayfield, AL 35114, hereinafter referred to as "**Grantor**", and **GEOMET, INC.**, an Alabama corporation, whose address is 5336 Stadium Trace Parkway, Suite 206, Birmingham, Alabama 35244, hereinafter referred to as "**Grantee**". For and in consideration of Ten Dollars (\$10.00) and other good and valuable consideration paid by Grantee, the receipt and sufficiency of which is hereby acknowledged, Grantor does hereby grant, bargain and convey to Grantee, its successors and assigns, the rights set forth hereinbelow on the following lands set out on **Exhibit "A"** (Premises) attached hereto and made a part hereof, located in Shelby County, AL., to wit:

An exclusive right of way and access easement forty (40') feet in width for a distance of approximately 2,105.74 feet more or less, following the estimated routes as shown on **Exhibit's "B"** attached hereto and approximately one (1) acre square for each of the well sites (16-16-556, 15-13-554, 15-14-68) identified on plats marked Exhibit "C", "D" & "E", said right of way and well sites sometimes collectively referred to as ("Easement") along with, along with:

- (a) the right to construct, entrench, inspect, maintain, operate, repair, replace, alter, remove, protect, or abandon in place, a pipeline or pipelines, including pipelines that may have been abandoned by prior operators, for the transportation of gas with appurtenances thereto, including but not limited to, valves, metering equipment, and cathodic equipment, along a right-of-way over, under, through or across the Premises, for the purposes of coalbed methane exploration, development and production operations, along with ingress and egress to same; and
- (b) the right to lay, construct, operate, inspect, maintain, repair, and substitute all pipes and facilities useful or necessary in connection with the transportation, transmission and distribution of hydrocarbons and water or other fluids upon, under and across the Premises; and
- (c) right to construct, install, inspect, maintain, operate, repair, replace, remove, protect or abandon in place, a powerline or powerlines with pole(s), wires, conduits, cables and facilities useful or necessary in connection with the overhead and/or

underground transmission and distribution of electric power along a right-of-way upon, over, under and across the Premises, and

- (d) the right of ingress and egress in, on, over and through the Premises for any and all purposes necessary or convenient to the exercise by Grantee of the rights and easements herein granted.

Grantor further grants to Grantee a non-exclusive easement ten feet (10.0') in width on, over, and across the Premises, as temporary work space for the purpose of flagging, surveying, constructing, installing, maintaining, and removing said pipeline and other improvements permitted hereunder. During the time of construction, repairing, alteration, replacement and removal of said pipelines and facilities thereto, Grantee shall also have the right to use a reasonable area as temporary work space necessary for Grantee's use thereof for its operations along the right-of-way at the crossing of roads, railroads, streams, or uneven terrain.

The full consideration paid to Grantor is to be inclusive of payment for any damages to growing crops and/or timber that may arise from the laying, maintaining, operating or removing said road and/or pipeline/powerline. Grantor does hereby agree that every claim or cause of action that Grantor has now or may have in the future that is attributable to the above described operations is hereby fully satisfied, released and discharged.

Grantee shall attempt to bury its pipelines to a depth where practical and agrees to properly backfill and grade the right of way area so that the construction or maintenance of such pipeline(s) will cause no appreciable adverse change in the normal grade of the right-of-way area.

Grantee may clear the right-of way areas and cut timber and other forest products in clearing and maintaining the right-of-way for the installation of road, pipeline, powerline, equipment and appurtenances authorized hereunder and in connection with Grantee's operations hereunder.

Grantee will clear debris which is caused by its construction or installation of the facilities provided for herein in a workmanlike manner and will maintain the easement and right-of-way free from unsightly and hazardous conditions.

In exercising its rights hereunder, Grantee is given a non-exclusive right to use the roads and bridges, if any, on the lands of Grantor adjacent to the right-of-way, but Grantee at its sole cost and expense shall promptly repair all damage or deterioration caused by Grantee's use. If Grantee in the exercise of its rights hereunder desires to cut any fences of Grantor for temporary access to the right-of-way, Grantee shall promptly thereafter brace, keep and restore any such fence in a workmanlike manner. If a fence line which establishes a property line is removed, Grantee will re-establish the line using standard survey practices.

Grantee agrees that it will exercise all rights hereunder in accordance with all present and future applicable laws, rules and regulations and in such a manner to reasonably prevent injury or damage to Grantor's adjoining property.

Grantee agrees to indemnify and forever hold harmless Grantor against each and every claim, demand, and cause of action for damages to property, personal injury or loss of life that may be made or come against Grantor by reason or in any way arising out of the construction, operation, maintenance or the facilities constructed under the provisions of this instrument except for such claims, demands, or causes of action for damages to property, personal injury or loss of life arising, wholly or in part, from the negligence or willful acts of Grantor or its agents, invitees, employees and servants.

The term of this Agreement shall be from the date of this Agreement and continue so long thereafter as Grantee, or its successors and assigns, uses or has use for the Premises for its operations thereof and for the purposes herein granted.

The undersigned Grantor hereby covenants and warrants that it is the sole surface owner of the Premises, and has the right to enter in to this agreement. Grantor agrees to warrant and forever defend all and singular, the rights and premises granted to Grantee, its successors and assigns, against every person lawfully claiming or to claim all or any part of those rights and premises.

In the event this Agreement is terminated, surrendered or released as to all or any part of the Premises, Grantee shall, within ninety (90) days, perform all operations and obligations relative to abandonment and clean up of wells, well sites, and any other facilities or sites as required by all then applicable laws, ordinances, orders, rules, and regulations and restore the surface as near as practicable to the same conditions as existed at the time construction operations were commenced hereunder.

This Agreement and the rights granted hereunder shall be covenants running with the land and binding upon the heirs, executors, administrators, successors and assigns of the parties hereto. The rights of either party hereunder may be assigned or transferred in whole or in part.

The Grantor herein expressly reserves for itself and its successors and assigns the right to use and enjoy the Premises described herein in so far as such use and enjoyment by the Grantor, its successors and assigns shall not unreasonably interfere with the use of said easement and right-of-way by said Grantee, its successors and assigns.

IN WITNESS WHEREOF, this agreement is executed on the date set forth hereinabove.

GRANTEE:


GEOMET, INC.

J. Neil Walden, Jr.
Vice President

GRANTOR:



Hope Coal Company, Inc.


20080208000054520 3/14 \$50.00
Shelby Cnty Judge of Probate, AL
02/08/2008 03:54:06PM FILED/CERT

STATE OF ALABAMA

COUNTY OF Shelby

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Clarence L. Moss Jr. whose name as President of Hope Coal Company, Inc., is signed to the foregoing, and who is known to me, acknowledged before me on this day that, being informed of the contents of the foregoing, he as such officer and with full authority executed the same voluntarily for and as the act of said corporation on the day the same bears date. Given under my hand and official seal this the 11th day of May, 2007.

Mary Louise Leatherwood
Notary Public

My commission expires MY COMMISSION EXPIRES OCT. 26, 2010

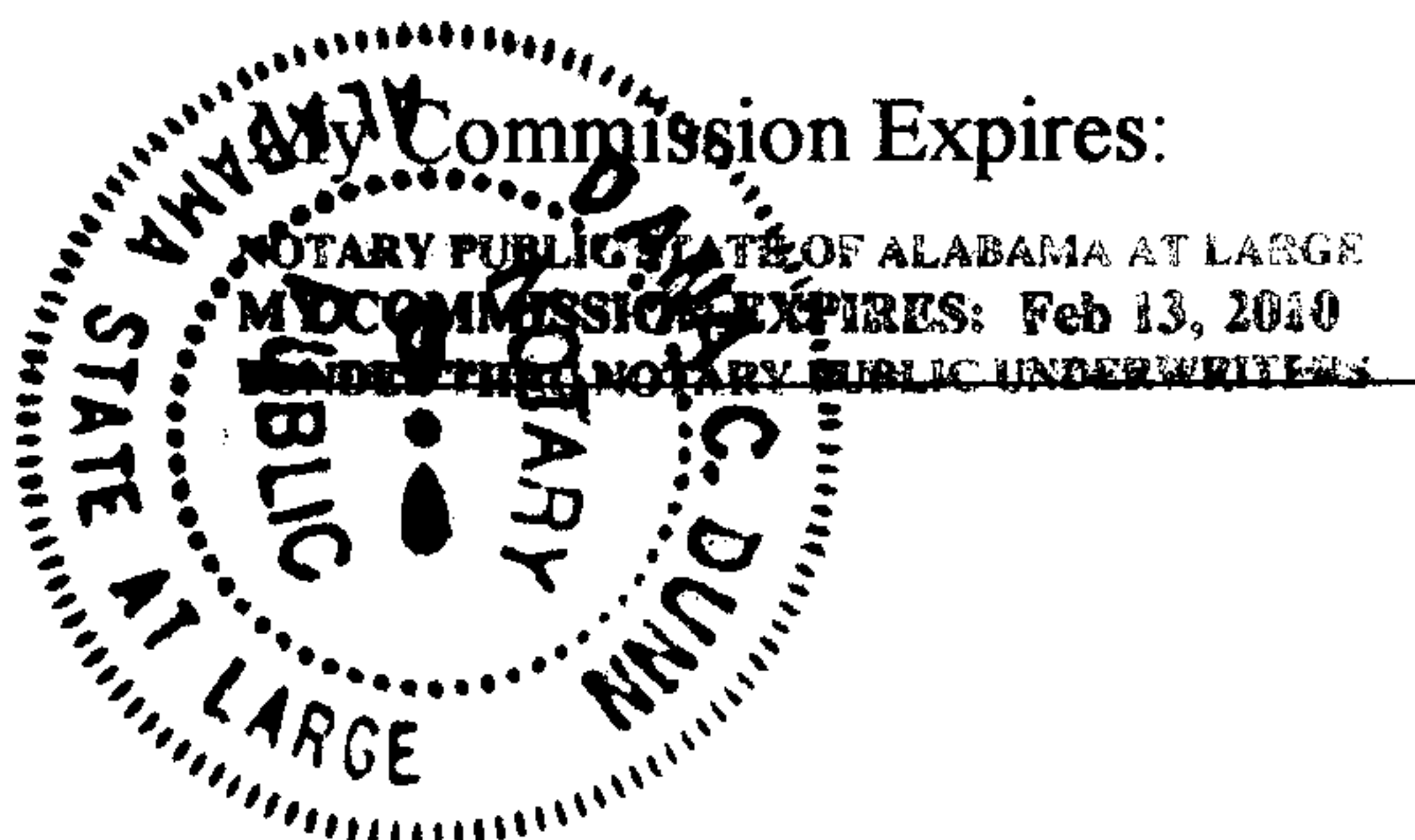


STATE OF ALABAMA)
COUNTY OF JEFFERSON)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that J. Neil Walden, Jr. whose name as Vice-President of GeoMet, Inc., a Delaware Corporation, is signed to the foregoing, and who is known to me, acknowledged before me on this day that, being informed of the contents of the foregoing, he as such officer and with full authority executed the same voluntarily for and as the act of said corporation on the day the same bears date.

Given under my hand and official seal this the 11th day of May, 2007.

[Signature]
Notary Public



20080208000054520 4/14 \$50.00
Shelby Cnty Judge of Probate, AL
02/08/2008 03:54:06PM FILED/CERT

Exhibit "A" ("Premises")

Township 21 South, Range 4 West, Shelby County, AL.

Section 15: S2 of SW $\frac{1}{4}$; NW $\frac{1}{4}$ of SW $\frac{1}{4}$

Section 16: SE $\frac{1}{4}$ of SE $\frac{1}{4}$ and the SE diagonal half of the NE $\frac{1}{4}$ of the SE $\frac{1}{4}$



20080208000054520 5/14 \$50.00
Shelby Cnty Judge of Probate, AL
02/08/2008 03:54:06PM FILED/CERT

EXHIBIT "B"

STATE OF ALABAMA)
COUNTY OF SHELBY)

GeoMet – Cahaba Project

Well Pad 556

A parcel of land located in part of the Southeast quarter of the Southeast quarter of Section 16, Township 21 South, Range 4 West, Shelby County, Alabama, containing zero and ninety-two hundredths (0.92) acres, more or less, and being more particularly described as follows:

Commence at the Southeast corner of the Southeast quarter of the Southeast quarter of said Section 16; thence run North 0°45'38" West and along the East boundary of the Southeast quarter of the Southeast quarter of said Section 16 for a distance of 307.92 feet; thence North 57°51'41" West for a distance of 1156.41 feet to the POINT OF BEGINNING of the herein described parcel; thence continue North 57°51'41" West for a distance of 200.00 feet to a point; thence North 32°08'19" East for a distance of 200.00 feet to a point; thence South 57°51'41" East for a distance of 200.00 feet; thence South 32°08'19" West for a distance of 200.00 feet to the POINT OF BEGINNING of the herein described parcel.



20080208000054520 6/14 \$50.00
Shelby Cnty Judge of Probate, AL
02/08/2008 03:54:06PM FILED/CERT

Exhibit "C"

SECTIONS 16, TOWNSHIP 21 SOUTH, RANGE 4 WEST

SOUTH LINE OF NW 1/4 - SE 1/4
NORTH LINE OF SW 1/4 - SE 1/4

PROPOSED WELL PAD
PART OF THE SE 1/4
OF THE SE 1/4
SEC. 16, T 21 S, R 4 W
SHELBY COUNTY, AL
0.92 ACRES±

SOUTH LINE OF NE 1/4 - SE 1/4
NORTH LINE OF SE 1/4 - SE 1/4

CAHABA FORREST, LLC

END
TRACT
CAHABA-3

16-16-556

40' RIGHT-OF-WAY
TRACT CAHABA-3
PART OF THE S 1/2
OF THE SE 1/4
SEC. 16, T 21 S, R 4 W
SHELBY COUNTY, AL
1110.88 L.F.

P.O.B.
WELL PAD

EAST LINE OF SE 1/4 - SE 1/4

1156.41'
N 57°51'41" W

SOUTHEAST CORNER
SE 1/4 OF THE SE 1/4
SEC. 16, T 21 S, R 4 W
SHELBY COUNTY, ALA

307.92'
N 0°45'38" W

1585.85'
N 89°49'00" W

SOUTH LINE OF S 1/2 - SE 1/4

P.O.B.
TRACT
CAHABA-3

RGGS
21-02-164

U.S. STEEL

Right-of-Way Map
Well Pad 556 & Tract Cahaba-3

GeoMet, Inc.
Cahaba Project

DATE	DESCRIPTION	CHECKED BY
DATE: 07/21/08	DRAWN BY: E M H	FILE: ROW18
SCALE: 1" = 300'	CHECKED BY: S G F	Job No.: 04-104

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

20080208000054520 7/14 \$50.00
Shelby Cnty Judge of Probate, AL
02/08/2008 03:54:06PM FILED/CERT

Exhibit "C"

STATE OF ALABAMA)
COUNTY OF SHELBY)

GeoMet – Cahaba Project

Tract Cahaba-3

A strip of land for a Right-of-Way located in part of the South half of the Southeast quarter of Section 16, Township 21 South, Range 4 West, all in Shelby County, Alabama, and being more particularly described with reference to a centerline as described as follows:

Commence at the Southeast corner of the Southeast quarter of the Southeast quarter of said Section 16; thence run North $89^{\circ}49'00''$ West and along the South boundary of the South half of the Southeast quarter of said Section 16 for a distance of 1585.85 feet to the POINT OF BEGINNING of the herein described centerline; thence North $19^{\circ}40'58''$ East for a distance of 389.19 feet; thence North $28^{\circ}48'26''$ East for a distance of 162.66 feet; thence North $40^{\circ}44'42''$ East for a distance of 225.05 feet; thence North $25^{\circ}37'18''$ East for a distance of 162.14 feet; thence North $32^{\circ}08'19''$ East for a distance of 171.83 feet to the END of the herein described centerline, said point lying on the Southwest boundary of a parcel of land for a proposed GeoMet, Inc. well pad.

Said right-of-way being 40 feet in width and being 20 feet opposite and adjacent to the above described centerline.



20080208000054520 8/14 \$50.00
Shelby Cnty Judge of Probate, AL
02/08/2008 03:54:06PM FILED/CERT

EXHIBIT "B"


STATE OF ALABAMA)
COUNTY OF SHELBY)

GeoMet – Cahaba Project

Well Pad 554

A parcel of land located in part of the Southwest quarter of the Southwest quarter of Section 15, Township 21 South, Range 4 West, Shelby County, Alabama, containing zero and ninety-two hundredths (0.92) acres, more or less, and being more particularly described as follows:

Commence at the Southwest corner of the Southwest quarter of the Southwest quarter of said Section 15; thence run South $89^{\circ}57'41''$ East and along the South boundary of the Southwest quarter of the Southwest quarter of said Section 15 for a distance of 964.36 feet; thence North $49^{\circ}47'51''$ East for a distance of 41.11 feet to the POINT OF BEGINNING of the herein described parcel; thence continue North $49^{\circ}47'51''$ East for a distance of 200.00 feet to a point; thence North $40^{\circ}12'09''$ West for a distance of 200.00 feet to a point; thence South $49^{\circ}47'51''$ West for a distance of 200.00 feet; thence South $40^{\circ}12'09''$ East for a distance of 200.00 feet to the POINT OF BEGINNING of the herein described parcel.


20080208000054520 9/14 \$50.00
Shelby Cnty Judge of Probate, AL
02/08/2008 03:54:06PM FILED/CERT

SECTIONS 15, TOWNSHIP 21 SOUTH, RANGE 4 WEST

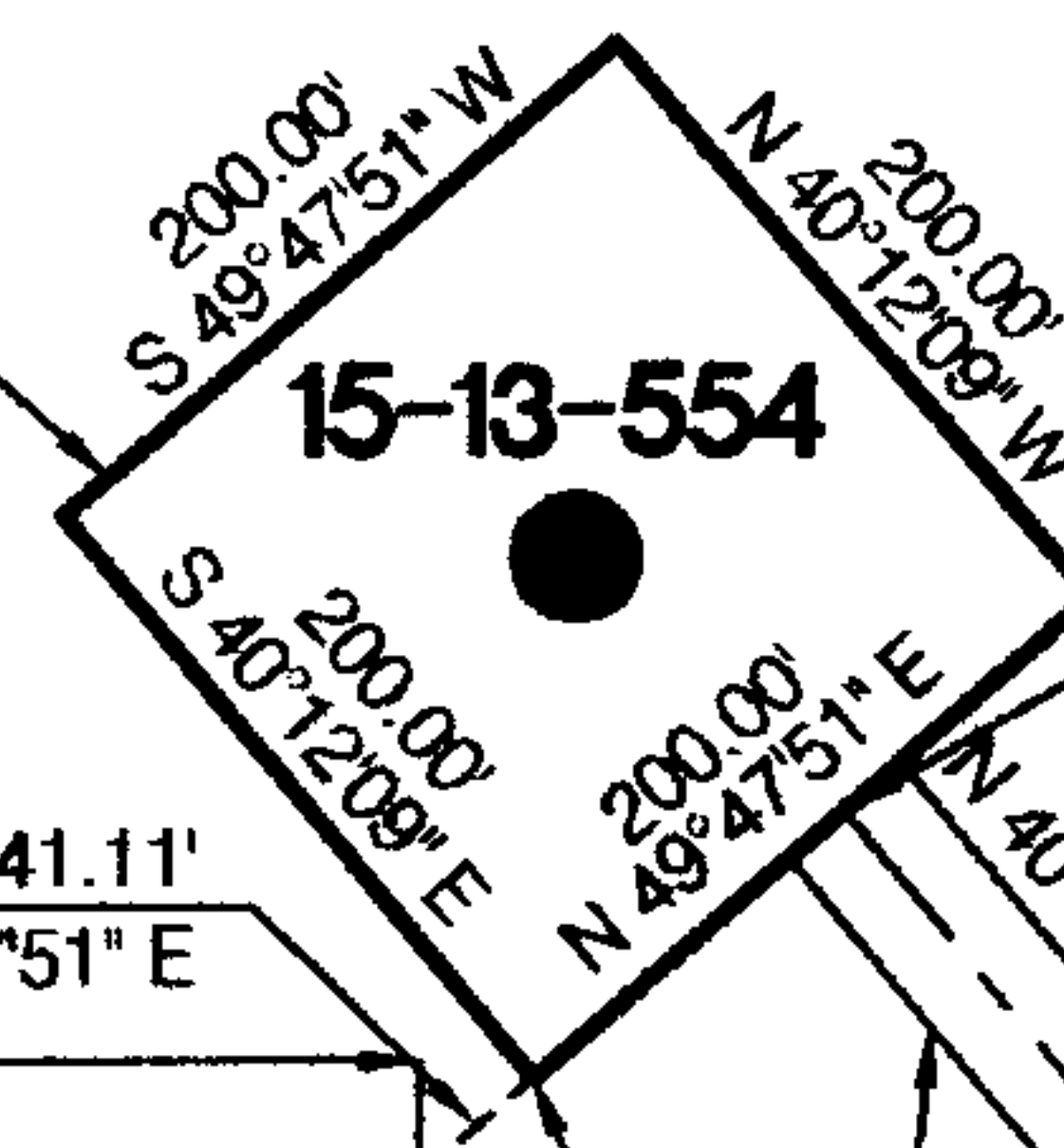
CAHABA FORREST, LLC

WEST LINE OF SW 1/4 - SW 1/4

EAST LINE OF SW 1/4 - SW 1/4

SOUTHWEST CORNER
SW 1/4 OF THE SW 1/4
SEC. 15, T 21 S, R 4 W
SHELBY COUNTY, ALA

PROPOSED WELL PAD
PART OF THE SW 1/4
OF THE SW 1/4
SEC. 15, T 21 S, R 4 W
SHELBY COUNTY, AL
0.92 ACRES±



END
TRACT
CAHABA-4



SOUTH LINE OF SW 1/4 - SW 1/4

964.36'

S 89°57'41" E

1164.10'

S 89°57'41" E

41.11'

N 49°47'51" E

P.O.B.
WELL PAD

P.O.B.
TRACT
CAHABA-4

40' RIGHT-OF-WAY
TRACT CAHABA-4
PART OF THE SW 1/4
OF THE SW 1/4
SEC. 15, T 21 S, R 4 W
SHELBY COUNTY, AL
129.03 L.F.

U.S. STEEL

22-04-555

Right-of-Way Map
Well Pad 554 & Tract Cahaba-4

GeoMet, Inc.
Cahaba Project

DATE	DESCRIPTION	CHECKED BY

DATE: 07/20/06	DRAWN BY: E M H	FILE: ROW18
SCALE: 1" = 200'	CHECKED BY: S G F	Job No.: 04-104

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



20080208000054520 10/14 \$50.00
Shelby Cnty Judge of Probate, AL
02/08/2008 03:54:06PM FILED/CERT

Exhibit "D"

STATE OF ALABAMA)
COUNTY OF SHELBY)

GeoMet – Cahaba Project

Tract Cahaba-4

A strip of land for a Right-of-Way located in part of the Southwest quarter of the Southwest quarter of Section 15, Township 21 South, Range 4 West, all in Shelby County, Alabama, and being more particularly described with reference to a centerline as described as follows:

Commence at the Southwest corner of the Southwest quarter of the Southwest quarter of said Section 15; thence run South $89^{\circ}57'41''$ East and along the South boundary of the Southwest quarter of the Southwest quarter of said Section 15 for a distance of 1164.10 feet to the POINT OF BEGINNING of the herein described centerline; thence North $40^{\circ}12'09''$ West for a distance of 129.03 feet to the END of the herein described centerline, said point lying on the Southeast boundary of a parcel of land for a proposed GeoMet, Inc. well pad.

Said right-of-way being 40 feet in width and being 20 feet opposite and adjacent to the above described centerline.



20080208000054520 11/14 \$50.00
Shelby Cnty Judge of Probate, AL
02/08/2008 03:54:06PM FILED/CERT

EXHIBIT "B"

STATE OF ALABAMA)
COUNTY OF SHELBY)

GeoMet – Cahaba Project

Well Pad 68

A parcel of land located in part of the Southeast quarter of the Southwest quarter of Section 15, Township 21 South, Range 4 West, Shelby County, Alabama, containing zero and ninety-two hundredths (0.92) acres, more or less, and being more particularly described as follows:

Commence at the Southeast corner of the Southeast quarter of the Southwest quarter of said Section 15; thence run North $0^{\circ}41'09''$ West and along the East boundary of the Southeast quarter of the Southwest quarter of said Section 15 for a distance of 421.90 feet; thence North $66^{\circ}26'32''$ West for a distance of 754.76 feet to the POINT OF BEGINNING of the herein described parcel; thence continue North $66^{\circ}26'32''$ West for a distance of 200.00 feet to a point; thence North $23^{\circ}33'28''$ East for a distance of 200.00 feet to a point; thence South $66^{\circ}26'32''$ East for a distance of 200.00 feet; thence South $23^{\circ}33'28''$ West for a distance of 200.00 feet to the POINT OF BEGINNING of the herein described parcel.



20080208000054520 12/14 \$50.00
Shelby Cnty Judge of Probate, AL
02/08/2008 03:54:06PM FILED/CERT

Exhibit "E"

SECTIONS 15, TOWNSHIP 21 SOUTH, RANGE 4 WEST

U.S. STEEL

NORTH LINE OF SE 1/4 - SW 1/4

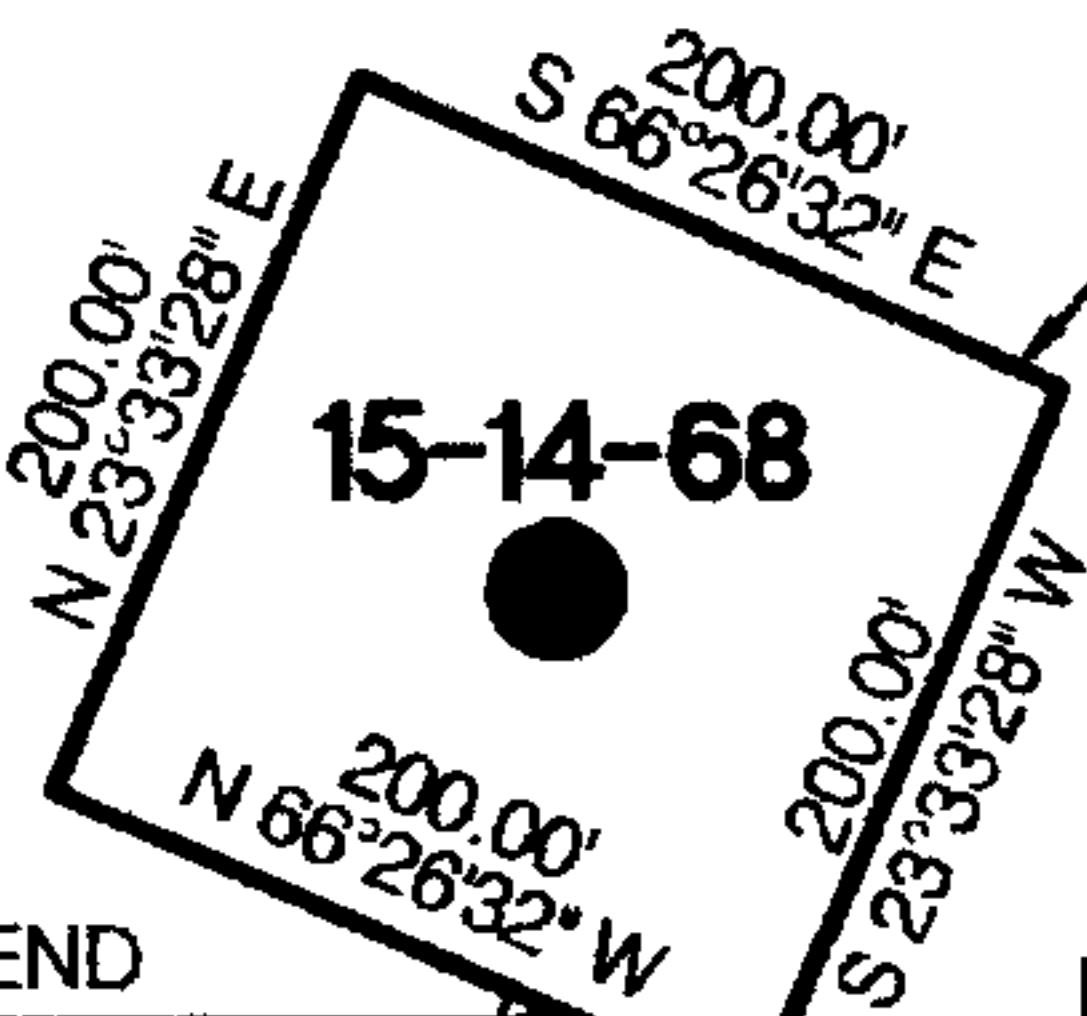


WEST LINE OF SE 1/4 - SW 1/4

EAST LINE OF SE 1/4 - SW 1/4

421.90'
N 0°41'09" W

PROPOSED WELL PAD
PART OF THE SE 1/4
OF THE SW 1/4
SEC. 15, T 21 S, R 4 W
SHELBY COUNTY, AL
0.92 ACRES±



END
TRACT
CAHABA-5

P.O.B.
WELL PAD

CAHABA FORREST, LLC

754.76'
N 66°26'32" W

40' RIGHT-OF-WAY
TRACT CAHABA-5
PART OF THE SE 1/4
OF THE SW 1/4
SEC. 15, T 21 S, R 4 W
SHELBY COUNTY, AL
865.83 L.F.

SOUTHEAST CORNER
SE 1/4 OF THE SW 1/4
SEC. 15, T 21 S, R 4 W
SHELBY COUNTY, ALA

1164.22'
N 89°57'41" W

SOUTH LINE OF SE 1/4 - SW 1/4

P.O.B.
TRACT
CAHABA-5

U.S. STEEL

Right-of-Way Map
Well Pad 68 & Tract Cahaba-5

GeoMet, Inc.
Cahaba Project

DATE	DESCRIPTION	CHECKED BY

DATE: 07/20/08	DRAWN BY: E M H	FILE: ROW18
SCALE: 1" = 200'	CHECKED BY: S G F	Job No.: 04-104

Faulkner Surveying

LICENSED PROFESSIONAL SURVEYORS

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



20080208000054520 13/14 \$50.00
Shelby Cnty Judge of Probate, AL
02/08/2008 03:54:06PM FILED/CERT

Exhibit "E"

STATE OF ALABAMA)
COUNTY OF SHELBY)


GeoMet – Cahaba Project

Tract Cahaba-5

A strip of land for a Right-of-Way located in part of the Southeast quarter of the Southwest quarter of Section 15, Township 21 South, Range 4 West, all in Shelby County, Alabama, and being more particularly described with reference to a centerline as described as follows:

Commence at the Southeast corner of the Southeast quarter of the Southwest quarter of said Section 15; thence run North $89^{\circ}57'41''$ West and along the South boundary of the Southeast quarter of the Southwest quarter of said Section 15 for a distance of 1164.22 feet to the POINT OF BEGINNING of the herein described centerline; thence North $44^{\circ}01'27''$ East for a distance of 194.19 feet; thence North $26^{\circ}44'27''$ East for a distance of 304.86 feet; thence North $33^{\circ}07'28''$ East for a distance of 150.20 feet; thence North $13^{\circ}20'59''$ East for a distance of 108.84 feet; thence North $23^{\circ}33'28''$ East for a distance of 107.74 feet to the END of the herein described centerline, said point lying on the South boundary of a parcel of land for a proposed GeoMet, Inc. well pad.

Said right-of-way being 40 feet in width and being 20 feet opposite and adjacent to the above described centerline.


20080208000054520 14/14 \$50.00
Shelby Cnty Judge of Probate, AL
02/08/2008 03:54:06PM FILED/CERT