UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2010

Commission File Number: 001-33480

CLEAN ENERGY FUELS CORP.
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation)	**33-0968580** (IRS Employer Identification No.)

3020 Old Ranch Parkway, Suite 400, Seal Beach CA 90740
(Address of principal executive offices, including zip code)

(562) 493-2804
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. x

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232,405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes o No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer o	Accelerated filer x
Non-accelerated filer o (Do not check if a smaller reporting company)	Smaller reporting company o

Indicate by check mark whether the registrant is a shell company (as defined by Rule 12b-2 of the Act). Yes o No x

As of November 2, 2010, there were 64,943,601 shares of the registrant's common stock, par value $0.0001 per share, issued and outstanding.

CLEAN ENERGY FUELS CORP. AND SUBSIDIARIES

INDEX

Table of Contents

PART I.—FINANCIAL INFORMATION	
Item 1.—Financial Statements (Unaudited)	3
Item 2.—Management's Discussion and Analysis of Financial Condition and Results of Operations	18
Item 3.—Quantitative and Qualitative Disclosures About Market Risk	31
Item 4.—Controls and Procedures	32
PART II.—OTHER INFORMATION	
Item 1.—Legal Proceedings	32
Item 1A.—Risk Factors	32
Item 2.—Unregistered Sales of Equity Securities and Use of Proceeds	44
Item 3.—Defaults upon Senior Securities	44
Item 4.—Submission of Matters to a Vote of Security Holders	44
Item 5.—Other Information	44
Item 6.—Exhibits	44

PART I.—FINANCIAL INFORMATION

Item 1.—Financial Statements (Unaudited)

Clean Energy Fuels Corp. and Subsidiaries

Condensed Consolidated Balance Sheets

December 31, 2009 and September 30, 2010

(Unaudited)

	December 31, 2009	September 30, 2010
Assets		
Current assets:		
Cash and cash equivalents	$ 67,086,965	$ 32,178,575
Restricted cash	2,500,000	2,500,000
Accounts receivable, net of allowance for doubtful accounts of $898,423 and $576,882 as of December 31, 2009 and September 30, 2010, respectively	16,339,730	32,339,929
Other receivables	8,862,213	11,061,428
Inventory, net	6,217,133	18,044,725
Prepaid expenses and other current assets	7,393,892	11,265,530
Total current assets	108,399,933	107,390,187
Land, property and equipment, net	172,182,436	199,968,904
Capital lease receivables	1,311,054	1,107,041
Notes receivable and other long-term assets	6,875,364	10,660,592
Investments in other entities	10,536,405	11,171,714
Goodwill	21,572,020	65,821,347
Intangible assets, net of accumulated amortization	34,921,361	112,926,564
Total assets	$ 355,798,573	$ 509,046,349
Liabilities and Stockholders' Equity		
Current liabilities:		
Current portion of long-term debt and capital lease obligations	$ 2,439,263	$ 29,328,727
Accounts payable	14,775,406	34,627,089
Accrued liabilities	9,695,443	20,390,637
Deferred revenue	2,691,007	12,006,967
Total current liabilities	29,601,119	96,353,420
Long-term debt and capital lease obligations, less current portion	9,781,425	33,175,323
Other long-term liabilities	36,039,864	38,203,504
Total liabilities	75,422,408	167,732,247
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, $0.0001 par value. Authorized 1,000,000 shares; issued and outstanding no shares	—	—
Common stock, $0.0001 par value. Authorized 149,000,000 shares; issued and outstanding 59,840,151 shares and 64,931,101 shares at December 31, 2009 and September 30, 2010, respectively	5,984	6,493
Additional paid-in capital	424,580,895	506,775,337
Accumulated deficit	(149,410,111)	(165,711,509)
Accumulated other comprehensive income (loss)	2,012,573	(2,915,569)
Total stockholders' equity of Clean Energy Fuels Corp.	277,189,341	338,154,752
Noncontrolling interest in subsidiary	3,186,824	3,159,350
Total equity	280,376,165	341,314,102
Total liabilities and equity	$ 355,798,573	$ 509,046,349

See accompanying notes to condensed consolidated financial statements.

Clean Energy Fuels Corp. and Subsidiaries

Condensed Consolidated Statements of Operations

For the Three Months and Nine Months Ended

September 30, 2009 and 2010

(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2010	2009	2010
Revenue:				
Product revenues	$ 26,290,638	$ 40,974,478	$ 79,500,495	$ 114,680,989
Service revenues	4,891,188	4,679,229	9,799,506	13,996,136

Total revenues	31,181,826	45,653,707	89,300,001	128,677,125
Operating expenses:				
Cost of sales:				
Product cost of sales	16,369,247	31,189,766	52,785,705	85,378,128
Service cost of sales	2,388,458	2,319,064	3,820,740	6,305,141
Selling, general and administrative	10,491,987	15,854,920	33,649,427	44,382,202
Depreciation and amortization	4,516,513	5,507,032	12,256,603	15,567,523
Derivative (gain) loss on Series I warrant valuation	15,422,310	(7,866,162)	17,808,673	(5,876,855)
Total operating expenses	49,188,515	47,004,620	120,321,148	145,756,139
Operating loss	(18,006,689)	(1,350,913)	(31,021,147)	(17,079,014)
Interest income (expense), net	(276,110)	(70,126)	(368,186)	16,379
Other expense, net	(107,468)	(308,346)	(293,995)	(303,769)
Income from equity method investments	77,744	95,509	130,162	200,919
Loss before income taxes	(18,312,523)	(1,633,876)	(31,553,166)	(17,165,485)
Income tax benefit (expense)	(68,352)	(290,121)	(209,202)	836,613
Net loss	(18,380,875)	(1,923,997)	(31,762,368)	(16,328,872)
Loss (income) attributable to noncontrolling interest	(79,708)	94,123	430,972	27,474
Net loss attributable to Clean Energy Fuels Corp.	$ (18,460,583)	$ (1,829,874)	$ (31,331,396)	$ (16,301,398)
Loss per share attributable to Clean Energy Fuels Corp.				
Basic	$ (0.31)	$ (0.03)	$ (0.59)	$ (0.27)
Diluted	$ (0.31)	$ (0.03)	$ (0.59)	$ (0.27)
Weighted average common shares outstanding				
Basic	59,695,666	63,992,763	53,428,391	60,970,130
Diluted	59,695,666	63,992,763	53,428,391	60,970,130

See accompanying notes to condensed consolidated financial statements.

Table of Contents

Clean Energy Fuels Corp.

Condensed Consolidated Statements of Cash Flows

For the Nine Months Ended September 30, 2009 and 2010

(Unaudited)

	Nine Months Ended September 30, 2009	2010
Cash flows from operating activities:		
Net loss	$ (31,762,368)	$ (16,328,872)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation and amortization	12,256,603	15,567,523
Provision for doubtful accounts	(1,074,005)	138,777
Loss on disposal of assets	404,948	175,223
Stock option expense	10,572,136	9,221,647
Derivative (gain) loss on Series I warrant valuation	17,808,673	(5,876,855)
Contingent consideration	—	—
Changes in operating assets and liabilities, net of assets and liabilities acquired:		
Accounts and other receivables	(1,966,808)	(6,073,435)
Inventory	508,425	(3,433,927)
Return of deposits on LNG trucks	5,672,424	255,124
Margin deposits on futures contracts	(3,155,771)	(2,987,224)
Capital lease receivables	790,442	1,142,835
Prepaid expenses and other assets	(1,199,224)	(982,031)
Accounts payable	1,095,378	13,588,186
Accrued expenses and other	444,996	7,388,381
Net cash provided by operating activities	10,395,849	11,795,352
Cash flows from investing activities:		
Purchases of property and equipment	(25,419,519)	(41,437,375)
Proceeds from sale of property and equipment	51,140	280,556
Acquisition, net of cash acquired	(5,645,250)	(15,585,377)
Proceeds from sale of loans receivable	3,026,073	324,576
Investments in other entities	(4,203,758)	(635,309)
Net cash used in investing activities	(32,191,314)	(57,052,929)
Cash flows from financing activities:		
Proceeds from issuance of long-term debt	7,159,570	—
Repayment of capital lease obligations and long-term debt	(2,724,257)	(434,641)
Proceeds from issuance of common stock and exercise of stock options	73,369,650	10,783,828
Net cash provided by financing activities	77,804,963	10,349,187
Net increase (decrease) in cash	56,009,498	(34,908,390)
Cash, beginning of period	36,284,431	67,086,965
Cash, end of period	$ 92,293,929	$ 32,178,575
Supplemental disclosure of cash flow information:		
Income taxes paid	$ 59,227	$ 219,144

Interest paid, net of approximately $509,363 and $295,000 capitalized, respectively	$	704,331	$	804,363

See accompanying notes to condensed consolidated financial statements.

Table of Contents

CLEAN ENERGY FUELS CORP. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

Note 1—General

Nature of Business: Clean Energy Fuels Corp. (the "Company") is engaged in the business of selling natural gas fueling solutions to its customers primarily in the United States and Canada. The Company has a broad customer base in a variety of markets including public transit, refuse, airports and regional trucking. The Company operates, maintains or supplies approximately 211 natural gas fueling locations in Arizona, California, Colorado, District of Columbia, Florida, Georgia, Idaho, Maryland, Massachusetts, Nevada, New Jersey, New Mexico, New York, Ohio, Oklahoma, Rhode Island, Texas, Virginia, Washington and Wyoming within the United States, and in British Columbia and Ontario within Canada. The Company also generates revenue through subsidiaries that are dedicated to manufacturing and servicing advanced natural gas fueling compressors and related equipment, processing and selling renewable biomethane and providing natural gas vehicle conversions. All of the Company's revenues are presented net of taxes collected.

Basis of Presentation: The accompanying interim unaudited condensed consolidated financial statements include the accounts of the Company and its subsidiaries, and, in the opinion of management, reflect all adjustments, which include only normal recurring adjustments, necessary to state fairly the Company's financial position, results of operations and cash flows for the three and nine months ended September 30, 2009 and 2010. All intercompany accounts and transactions have been eliminated in consolidation. The three and nine month periods ended September 30, 2009 and 2010 are not necessarily indicative of the results to be expected for the year ending December 31, 2010 or for any other interim period or for any future year.

Certain information and disclosures normally included in the notes to consolidated financial statements have been condensed or omitted pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC"), but the resultant disclosures contained herein are in accordance with accounting principles generally accepted in the United States of America as they apply to interim reporting. The condensed consolidated financial statements should be read in conjunction with the consolidated financial statements as of and for the year ended December 31, 2009 that are included in the Company's Annual Report on Form 10-K filed with the SEC on March 10, 2010.

Note 2—Acquisitions

Operating and Maintenance Contracts

In May and June 2009, the Company acquired four compressed natural gas operations and maintenance services contracts for $5.6 million in cash. The Company recorded $0.5 million to tangible assets and $5.1 million of intangible assets related to customer relationships, which are being amortized over their expected lives of eight years. The results of operations of the acquired contracts are included in the Company's consolidated financial statements from their acquisition dates forward, which are May 2009 for two of the contracts and June 2009 for the remaining two contracts. In addition, as part of the acquisition, the Company became the custodian of certain customer-owned inventories that it is required to replenish when the contracts expire. The customer-owned inventory was valued on the Company's books at $986,000 with a corresponding balance of $986,000 recorded as a liability on the acquisition dates of the contracts.

Vehicle Conversion

On October 1, 2009, the Company purchased all the outstanding shares of BAF Technologies, Inc. ("BAF"), under a stock purchase agreement. The Company paid an aggregate of $8.5 million to acquire BAF. Pursuant to the terms of the agreement, the purchase price was reduced by the amount of BAF's outstanding debt, which was repaid in full at closing. Due to the fact that approximately $3.8 million of BAF's outstanding debt, including interest, was held by a subsidiary of the Company, the Company paid a net amount of approximately $4.7 million in cash to acquire BAF at the closing. BAF shareholders will be able to earn additional consideration if BAF achieves certain gross profit targets in fiscal 2010 and 2011. The additional consideration will be determined as a percentage of gross profit based on a sliding scale that increases at certain gross profit levels, subject to achieving a minimum gross profit target and capped by a maximum additional payment amount. For 2010, the shareholders of BAF will receive between one and twenty-six percent of the gross profit of BAF as additional consideration if BAF achieves $8 million or more in gross profit, up to a maximum of $11 million in additional consideration (which maximum amount would be payable if BAF achieved approximately $42.3 million in gross profit in 2010).

Table of Contents

For 2011, the shareholders of BAF will receive between one and twenty-one percent of the gross profit of BAF as additional consideration if BAF achieves $8.5 million or more in gross profit, up to a maximum of $11 million in additional consideration (which maximum amount would be payable if BAF achieved approximately $52.4 million in gross profit in 2011). The Company accounted for this acquisition in accordance with authoritative guidance for business combinations, which requires the Company to recognize the assets acquired, the liabilities assumed, and any non-controlling interest in the acquiree at the acquisition date, measured at their fair values as of that date of acquisition. The following table summarizes the allocation of the aggregate purchase price to the fair value of the assets acquired and liabilities assumed:

Current assets	$	4,820,188
Property, plant and equipment		157,624
Identifiable intangible assets		10,660,000
Goodwill		774,142
Total assets acquired		16,411,954
Current liabilities assumed		(4,844,672)
Total purchase price	$	11,567,282

Management allocated approximately $10.7 million of the purchase price to the identifiable intangible assets related to customer relationships, engine certifications and trademarks that were acquired with the acquisition. The fair value of the identifiable intangible assets will be amortized on a straight-line basis over their estimated useful lives of 1.5 to 8 years. In addition, management allocated $0.8 million to goodwill as part of the acquisition and recorded a contingent liability of $3.1 million related to the possible consideration owed to BAF shareholders if BAF achieves certain gross profit targets in 2010 and 2011. Under the accounting guidance the Company must follow for this acquisition, the Company is required to adjust the value of the contingent consideration for this acquisition in the statement of operations as the value of the obligation changes each reporting period. The Company recorded a charge of $0.3 million and $0.2 million during the quarters ended March 31, 2010 and June 30, 2010, respectively, and a gain of $0.5 million during the quarter ended September 30, 2010 related to this obligation. These amounts are recorded in selling, general and administrative expenses in the accompanying condensed consolidated statement of operations. The value of the obligation will increase or decrease in relation to any increase or decrease in the anticipated gross profit of BAF.

The results of BAF's operations have been included in the Company's consolidated financial statements since October 1, 2009.

Natural Gas Fueling Compressors

On September 7, 2010, the Company, acting through certain of its subsidiaries, completed its purchase of the advanced natural gas fueling compressor and related equipment manufacturing and servicing business (the "IMW Acquired Business") of I.M.W. Industries Ltd., a British Columbia corporation ("IMW"). The IMW Acquired Business manufactures and services advanced, non-lubricated natural gas fueling compressors and related equipment for the global natural gas fueling market. The IMW Acquired Business is headquartered near Vancouver, British Columbia, has a second manufacturing facility near Shanghai, China and has sales and service offices in Bangladesh, Colombia and the United States.

In connection with the closing of the Company's acquisition of the IMW Acquired Business, a subsidiary of the Company (the "Acquisition Subsidiary") paid an upfront cash payment of approximately $15.6 million (subject to a final working capital adjustment) and issued 4,017,408 shares of the Company's common stock at closing to IMW's shareholder. The issued shares were registered and available for immediate resale by the IMW shareholder. An additional $288,000 will be paid by the Acquisition Subsidiary once the Chinese regulatory authorities approve the transfer of IMW Compressors (Shanghai) Co. Ltd. to the Acquisition Subsidiary, which is anticipated within the next thirty days. The Acquisition Subsidiary also issued the following promissory notes to IMW (collectively, the "IMW Notes"): (i) a promissory note with a principal amount of $12,500,000 that is due and payable on January 31, 2011, (ii) a promissory note with a principal amount of $12,500,000 that is due and payable on January 31, 2012, (iii) a promissory note with a principal amount of $12,500,000 that is due and payable on January 31, 2013, and (iv) a promissory note with a principal amount of $12,500,000 that is due and payable on January 31, 2014. Each payment under the IMW Notes will consist of $5.0 million in cash and $7.5 million in cash and/or shares of the Company's common stock (the exact combination of cash and/or stock to be determined at the Acquisition Subsidiary's option). In addition, pursuant to a security agreement executed at closing, the IMW Notes are secured by a subordinate security interest in the IMW Acquired Business.

IMW's shareholder may also receive additional consideration based on future gross profits earned by the IMW Acquired Business over the next four years. The additional consideration is subject to achieving minimum gross profit targets and will be determined based on a sliding scale that increases at certain gross profit levels. During the four-year period during which these earn-out payments may be made, the shareholder of IMW will receive between 0 and 23 percent of the gross profit of the IMW Acquired Business as additional consideration, up to a maximum of $40.0 million in the aggregate (which maximum would be payable if the IMW Acquired Business achieves approximately $174.0 million in gross profit over the four-year period during which these earn-out payments may be made).

Table of Contents

The Company accounted for this acquisition in accordance with authoritative guidance for business combinations, which requires the Company to recognize the assets acquired and the liabilities assumed, measured at their fair values as of the date of acquisition. The following table summarizes the allocation of the aggregate purchase price to the fair value of the assets acquired and liabilities assumed:

Current assets	$	25,948,510
Property, plant and equipment		2,558,791
Identifiable intangible assets		81,400,000
Goodwill		44,249,327
Total assets acquired		154,156,628
Liabilities assumed		(23,985,870)
Total purchase price	$	130,170,758

Management allocated approximately $81.4 million of the purchase price to the identifiable intangible assets related to technology, customer relationships, non-compete agreements, and trademarks that were acquired with the acquisition. The fair value of the identifiable intangible assets will be amortized on a straight-line basis over their estimated useful lives ranging from three to twenty years. In addition, management allocated $44.2 million to goodwill as part of the acquisition and recorded a contingent liability of $9.3 million related to the additional consideration described above. As of November 8, 2010, the purchase price allocation is preliminary and could change materially in subsequent periods. Any subsequent changes to the purchase price allocation that result in material changes to the Company's consolidated financial results will be adjusted retrospectively. The final purchase price allocation is pending the receipt of valuation work, the Company's internal review of such work, as well as the consideration of income tax related matters.

Under the accounting guidance the Company must follow for this acquisition, the Company is required to adjust the value of the contingent consideration for this acquisition in the statement of operations as the value of the obligation changes each reporting period. The value of the obligation will increase or decrease in relation to any increase or decrease in the anticipated gross profit of the IMW Acquired Business. The Company determined that no adjustment was necessary to the original amount recorded at September 30, 2010. Any future adjustments will be included in selling, general and administrative expenses in the accompanying condensed consolidated statement of operations.

The difference between the fair value and the face value of the future payments will be accreted to interest expense using the effective interest method over the life of the payments.

The results of operations of the IMW Acquired Business have been included in the Company's consolidated financial statements since September 7, 2010.

The following table presents the Company's unaudited pro forma results of operations for the three and nine months ended September 30, 2009 and 2010 as if the acquisition had occurred at the beginning of the respective periods. The pro forma financial data for all periods presented include adjustments for the following: (i) elimination of intercompany transactions (ii) recording the additional amortization expense from the identifiable intangible assets (iii) adjusting the estimated tax provision of the pro forma combined results; (iv) United States Generally Accepted Accounting Principles conversion adjustments and (v) the issuance of the Company's common stock as part of the acquisition. The Company prepared the pro forma financial information for the combined entities for comparative purposes only, and it is not indicative of what actual results would have been if the acquisition had taken place at the beginning of the respective periods, or of future results.

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
(in thousands, except per share data)	**2009**	**2010**	**2009**	**2010**

Revenue	$ 40,705	$ 58,372	$ 113,988	$ 166,192
Net loss	(20,818)	(3,515)	(38,176)	(23,115)
Loss per share				
Basic	(0.33)	(0.05)	(0.66)	(0.38)
Diluted	(0.33)	(0.05)	(0.66)	(0.38)

For the period from September 7, 2010 through September 30, 2010, the IMW Acquired Business contributed approximately $3.3 million and $(0.3) million, respectively, to the Company's revenues and net loss for the period.

Note 3—Cash and Cash Equivalents

The Company considers all highly liquid investments with maturities of three months or less on the date of acquisition to be cash equivalents.

Note 4—Natural Gas Derivative Financial Instruments

The Company, in an effort to manage its natural gas commodity price risk exposures related to certain contracts, utilizes derivative financial instruments. The Company, from time to time, enters into natural gas futures contracts that are over-the-counter swap transactions that convert its index-based gas supply arrangements to fixed-price arrangements. The Company accounts for its derivative instruments in accordance with authoritative guidance for derivative instruments and hedging activities, which requires the recognition of all derivatives as either assets or liabilities in the condensed consolidated balance sheet and the measurement of those instruments at fair value. Historically, through September 30, 2008, the Company's derivative instruments have not qualified for hedge accounting under the authoritative guidance. On and after July 1, 2008, the Company entered into futures contracts that did qualify for hedge accounting. The Company's futures contracts at September 30, 2009 and 2010 are being accounted for as cash flow hedges under the authoritative guidance and are being used to mitigate the Company's exposure to changes in the price of natural gas and not for speculative purposes. At September 30, 2009 and 2010, all of the Company's futures contracts qualified for hedge accounting.

Table of Contents

The counter-party to the Company's derivative transactions is a high credit quality counterparty; however, the Company is subject to counterparty credit risk to the extent the counterparty to the derivatives is unable to meet its settlement commitments. The Company manages this credit risk by minimizing the number and size of its derivative contracts. The Company actively monitors the creditworthiness of its counterparties and records valuation adjustments against the derivative assets to reflect counterparty risk, if necessary. The counter-party is also exposed to credit risk of the Company, which requires the Company to provide cash deposits as collateral.

The Company marks to market its open futures positions at the end of each period and records the net unrealized gain or loss during the period in derivative (gains) losses in the condensed consolidated statements of operations or in accumulated other comprehensive income in the condensed consolidated balance sheets in accordance with the guidance. The Company recorded an unrealized gains of approximately $1.5 million, and an unrealized loss of approximately $5.1 million, in accumulated other comprehensive income related to its futures contracts for the nine month periods ended September 30, 2009 and 2010, respectively. Of the approximately $5.0 million liability for the Company's futures contracts at September 30, 2010, approximately $3.3 million is included in accrued liabilities for the short-term amount, and approximately $1.7 million is included in other long-term liabilities for the long-term amount in the Company's condensed consolidated balance sheet at September 30, 2010. Of the asset for the Company's futures contracts of approximately $0.8 million at September 30, 2009, approximately $0.5 million is included in prepaid expenses and other current assets for the short-term amount, and approximately $0.3 million is included in other long-term assets for the long-term amount in the Company's condensed consolidated balance sheet at September 30, 2009. The Company's ineffectiveness related to its futures contracts during the nine month periods ended September 30, 2009 and 2010, respectively, was insignificant. For the nine month periods ended September 30, 2009 and 2010, the Company recognized a loss of approximately $1.7 million and a loss of approximately $0.9 million, respectively, in cost of sales in the accompanying condensed consolidated statements of operations related to its futures contracts that were settled during the respective nine-month periods.

The Company is required to make certain deposits on its futures contracts, should any exist. At September 30, 2009, the Company had $3.9 million of margin deposits related to its futures contracts covering approximately 31.8 million gasoline gallon equivalents of natural gas fuel, of which $2.6 million related to contracts that expired during the following twelve months and were classified as current at September 30, 2009. At September 30, 2010, the Company had $5.9 million of margin deposits related to its futures contracts covering approximately 19.9 million gasoline gallon equivalents of fuel, of which $3.8 million were current at September 30, 2010. The current portion of the deposits are recorded in prepaid expenses and other current assets, and the long-term portion of the deposits are recorded in notes receivable and other long-term assets in the Company's condensed consolidated balance sheets.

The following table presents the notional amounts and weighted average fixed prices per gasoline gallon equivalent of the Company's natural gas futures contracts as of September 30, 2010:

	Gallons	Weighted Average Price Per Gasoline Gallon Equivalent
October to December, 2010	2,880,000	$ 0.77
2011	11,600,000	0.82
2012	5,160,000	0.81
January to May, 2013	300,000	0.81

Table of Contents

Note 5—Other Receivables

Other receivables at December 31, 2009 and September 30, 2010 consisted of the following:

	December 31, 2009	September 30, 2010
Loans to customers to finance vehicle purchases	$ 1,179,356	$ 1,421,327
Capital lease receivables	1,209,819	270,997
Accrued customer billings	—	4,548,657
Advances to vehicle manufacturers	2,413,066	1,943,696
Fuel tax credits	2,626,551	660,034

Other		1,433,421		2,216,717
	$	8,862,213	$	11,061,428

Note 6—Inventories:

Inventories at December 31, 2009 and September 30, 2010 consisted of the following:

		December 31, 2009		September 30, 2010
Raw materials and spare parts	$	6,217,133	$	15,266,724
Work in progress		—		845,514
Finished goods		—		1,932,487
	$	6,217,133	$	18,044,725

Raw materials and spare parts are stated at the lower of cost, which is direct material and freight, and net realizable value, on a first-in, first-out basis. Work in progress and finished goods inventory is recorded at the lower of cost, which includes the direct cost of materials plus freight, labor and overhead, and net realizable value.

Note 7—Land, Property and Equipment

Land, property and equipment at December 31, 2009 and September 30, 2010 are summarized as follows:

		December 31, 2009		September 30, 2010
Land	$	472,616	$	472,616
LNG liquefaction plants		91,830,640		92,399,792
Station equipment		83,935,092		90,752,634
LNG tanker trailers		11,887,326		11,904,446
Biomethane plant		6,502,854		15,991,918
Other equipment		9,241,630		13,454,432
Construction in progress		14,190,917		31,898,892
		218,061,075		256,874,730
Less accumulated depreciation		(45,878,639)		(56,905,826)
	$	172,182,436	$	199,968,904

Note 8—Investments in Other Entities

Through September 30, 2010, the Company invested approximately $10.4 million in The Vehicle Production Group LLC ("VPG"), a company that is developing a natural gas vehicle made in the United States for taxi and paratransit use. The Company has now met its investment commitment to VPG and will not be required to invest additional funds under its original investment commitment. The Company accounts for its investment in VPG under the cost method of accounting as the Company does not have the ability to exercise significant influence over VPG's operations.

Note 9—Accrued Liabilities

Accrued liabilities at December 31, 2009 and September 30, 2010 consisted of the following:

		December 31, 2009		September 30, 2010
Salaries and wages	$	2,555,849	$	3,616,035
Accrued gas purchases		627,710		1,207,235
Obligation under derivative liability		—		3,263,041
Contingent obligations		—		3,762,000
Accrued property and other taxes		2,383,707		2,448,350
Accrued professional fees		577,470		798,765
Accrued employee benefits		777,058		1,577,280
Accrued warranty liability		1,135,846		1,992,667
Other		1,637,803		1,725,264
	$	9,695,443	$	20,390,637

Table of Contents

Note 10— Warranty Liability

The Company records warranty liabilities at the time of sale for the estimated costs that may be incurred under its standard warranty. Changes in the warranty liability, which are included in current liabilities for the short-term portion, and in other long-term liabilities for the long-term portion on the Company's condensed consolidated balance sheets, are presented in the following tables:

		December 31, 2009		September 30, 2010
Warranty liability at beginning of year	$	—	$	1,135,846
Acquired liability		989,112		741,299
Costs accrued for new warranty contracts and changes in estimates for pre-existing warranties		221,410		478,219
Service obligations honored		(74,676)		(362,697)
Warranty liability at end of year	$	1,135,846	$	1,992,667
Current portion		726,356		927,930
Non-current portion		409,490		1,064,737

Warranty liability at end of period	$ 1,135,846	$ 1,992,667

Note 11—Debt

	December 31, 2009	September 30, 2010
Facility B loan	$ 10,047,492	$ 9,908,978
IMW promissory notes	—	43,500,000
IMW assumed debt	—	7,064,774
Capital lease obligations	2,173,196	2,030,298
Total debt & capital lease obligations	12,220,688	62,504,050
Less amounts due within one year and short-term borrowings	(2,439,263)	(29,328,727)
Total long-term debt & capital lease obligations	$ 9,781,425	$ 33,175,323

In conjunction with the Company's acquisition of its 70% interest in Dallas Clean Energy, LLC ("DCE"), on August 15, 2008, the Company entered into a Credit Agreement with PlainsCapital Bank ("PCB"). The Company borrowed $18.0 million (the "Facility A Loan") to finance the acquisition of its membership interests in DCE. The Company also obtained a $12.0 million line of credit from PCB to finance capital improvements of the DCE processing facility and to pay certain costs and expenses related to the acquisition and the PCB loans (the "Facility B Loan").

On October 7, 2009, the Facility A Loan was repaid in full and converted into a $20.0 million line of credit (the "A Line of Credit") pursuant to an amendment to the Credit Agreement. On August 13, 2010, the Credit Agreement was amended to extend the maturity date of the A Line of Credit to August 14, 2011. The amendment also provides for a 1-year option to extend the maturity date to August 14, 2012, subject to the addition of an unused facility fee, as well as the Company not being in default on the A Line of Credit. The unused facility fees are to be paid quarterly, in an amount equal to one-tenth of one percent (0.10%) times the unused portion. As of September 30, 2010, the Company did not have any amounts outstanding under the A Line of Credit.

The principal amount of the Facility B Loan became due and payable in annual payments commencing on August 1, 2009, and continuing each anniversary date thereafter, with each such payment being in an amount equal to the lesser of twenty percent of the aggregate principal amount of the Facility B Loan then outstanding or $2,800,000. Pursuant to an amendment to the Facility B loan between the Company and PCB dated November 1, 2010, for a nominal fee, PCB agreed to forgo the scheduled payment due from the Company in the amount of $2.0 million until January 31, 2011. As of September 30, 2010, the Company had an outstanding balance of $9.9 million under the Facility B Loan. Any amount of unpaid principal and interest outstanding on the Facility B Loan is due and payable on August 15, 2013.

Interest accrues daily on the amounts outstanding under the Credit Agreement at the greater of the prime rate of interest for the United States plus 0.50% per annum, or 5.50% per annum. The Company paid a facility fee of $300,000 in connection with the Credit Agreement. As of September 30, 2010, the unamortized balance of the facility fee was $172,500. Amortization of the facility fee is recorded as additional interest expense in the consolidated statements of operations.

The Credit Agreement requires the Company to comply with certain covenants. The Company may not incur indebtedness or liens except as permitted by the Credit Agreement, or declare or pay dividends. The Company must maintain, on a quarterly basis, minimum liquidity of not less than $6.0 million, accounts receivable balances, as defined, of not less than $8.0 million, consolidated net worth, as defined, of not less than $150.0 million, and a debt to equity ratio, as defined, of not more than 0.3 to 1. Beginning in the quarter ended June 30, 2009, the Company must also maintain a specific minimum debt service ratio at each quarter end. Effective in the fourth quarter of 2008, the Company established a lock-box arrangement with PCB subject to the Credit Agreement. Funds from the Company's customers are remitted to the lock-box and then deposited to a PCB bank account. The remitted funds are not used to pay-down the balance of the Credit Agreement. However, if the Company defaults on the Credit Agreement, all of the obligations under the Credit Agreement will become immediately due and payable and all funds received in the Company's lock-box held by PCB will be applied to the balance due on the A Line of Credit and the Facility B Loan. One of the events of default is the occurrence of a "material adverse change," which is a subjective acceleration clause. Based on the authoritative guidance for balance sheet classification of borrowings outstanding under revolving credit agreements that include both a subjective acceleration clause and a lock-box arrangement, the Company has classified its debt pursuant to the Credit Agreement as short-term or long-term, as appropriate, and believes that the likelihood of an event of default is more than remote, but not more likely than not.

One of the Company's bank covenants is a requirement to maintain accounts receivable balances from certain subsidiaries above $8.0 million at each quarter end during the term. Because the Company's revenues are dependent on the price of natural gas and the volume of natural gas the Company delivers, to the extent natural gas prices fall or the Company's volumes decline, the Company could violate this covenant in the future. Beginning with the quarter ended June 30, 2009, the Company is required to maintain a debt service ratio, as defined, of not less than 1.5 to 1. For the quarter ended September 30, 2010, the Company was not in compliance with this covenant; however, PCB agreed by letter dated November 1, 2010 to waive compliance with the covenant until the next quarterly calculation at December 31, 2010. The entire amount of the Facility B Loan is shown as current in the accompanying condensed consolidated balance sheets based on the prevailing accounting guidance. To the extent the Company's operating results do not materialize as anticipated, the Company could violate this covenant again in the future. In the event the Company violates any of the covenants in the future it would seek another waiver from PCB. The Credit Agreement is secured by the Company's interest in, and note receivable from, DCE (described below), certain of the Company's accounts receivable and inventory balances and 45 of the Company's LNG tanker trailers. The net book value of the collateral securing the PCB loans was approximately $57.4 million at September 30, 2010. The Company maintains $2.5 million in a payment reserve account at PCB. PCB may, in the event of a default, withdraw funds from the account to apply to the principal and interest payments due on the A Line of Credit or the Facility B Loan. Such amount is included as restricted cash in the Company's condensed consolidated balance sheet at September 30, 2010.

In conjunction with the DCE acquisition mentioned above, the Company also entered into a Loan Agreement with DCE (the "DCE Loan") to provide secured financing of up to $14.0 million to DCE for future capital expenditures or other uses as agreed to by the Company, in its sole discretion. As of September 30, 2010, the Company is owed approximately $10.6 million under the DCE Loan. Interest on the unpaid balance accrues at a rate of 12% per annum and became payable quarterly beginning on September 30, 2008. The principal amount of the loan is due and payable in annual payments commencing on August 1, 2009, and continuing each anniversary date thereafter, with each such payment being in an amount equal to the lesser of the aggregate principal amount of the DCE Loan then outstanding or $2,800,000. As referenced above, PCB agreed to forgo the Company's next Facility B Loan payment in the amount of $2.0 million until January 31, 2011. The Company granted the same extension to DCE for its next payment on the DCE Loan. On August 1, 2013, the entire amount of unpaid principal and interest under the DCE Loan is due and payable.

The principal and accrued interest balances, as well as any interest income related to the DCE Loan, are eliminated in the consolidated financial statements of the Company. Any event of default by DCE on the DCE Loan results in a cross-default of the Company's Credit Agreement with PCB. Events of default include failure to make payments when due, DCE's failure to perform under the provisions of its landfill lease with the City of Dallas, DCE's violation of a covenant under its operating agreement and other standard events of default.

In connection with the closing of the Company's acquisition of the IMW Acquired Business, the Acquisition Subsidiary issued the IMW Notes (as described in note 2 herein) to IMW.

Also in connection with the closing of the Company's acquisition of the IMW Acquired Business, the Acquisition Subsidiary entered into an Assumption Agreement (the "Assumption Agreement") with HSBC Bank Canada ("HSBC") pursuant to which the Acquisition Subsidiary assumed the obligations and liabilities of IMW under the following arrangements with HSBC (collectively, the "IMW Lines of Credit"):

(i) An operating line of credit with a limit of $7,750,000 in Canadian dollars ("CAD") bearing interest at prime plus 1.25%, to assist in financing the day-to-day working capital needs of the Acquisition Subsidiary.
(ii) A bank guarantee line with a limit of CAD$3,000,000, which allows the Acquisition Subsidiary to provide guarantees and/or standby letters of credit to overseas suppliers or bid/performance deposits on contracts.
(iii) A forward exchange contract line with a limit of CAD$13,750,000. The forward exchange contract line allows the Acquisition Subsidiary to enter into foreign exchange forward contracts up to the notional limit of CAD$13,750,000 (no forward exchange contracts were outstanding at September 30, 2010).
(iv) A MasterCard limit with a maximum amount of CAD$150,000.
(v) An operating line of credit with a limit of 4,000,000 Renminbi ("RMB") (CAD$593,000) bearing interest at the 6 month People's Bank of China rate plus 2.5%.
(vi) A bank guarantee line with a limit of 1,000,000 RMB (CAD$148,000).
(vii) A 16,750,000 Bengali Taka (CAD$239,000) operating line of credit bearing interest at 14%.
(viii) A 320,000,000 Columbian Peso (CAD$166,000) operating line of credit bearing interest at the Colombia benchmark rate plus 7 to 9%.

The IMW Lines of Credit are secured by a general security agreement providing a first priority security interest in all present and after acquired personal property of the Acquisition Subsidiary, including specific charges on all serial numbered goods, inventory and other assets and assignment of risk insurance (the "Security"). The IMW Lines of Credit contain no fixed repayment terms or mandatory principal payments and are due on demand. Based on the relevant accounting guidance, we have classified this debt pursuant to the credit agreement as short-term given that it is due on demand.

The Assumption Agreement with HSBC also includes certain financial covenants. Among these financial covenants are that the Acquisition Subsidiary shall not permit: 1) its ratio of debt to tangible net worth to be greater than 3.25 to 1 until December 31, 2010 and greater than 3.00 to 1 from January 1, 2011 onward, 2) its tangible net worth to at anytime be below CAD$3,000,000 and 3) its ratio of current assets to current liabilities to be less than 1.15 to 1 until December 31, 2010 and less than 1.25 to 1 from January 1, 2011 onward. IMW is in compliance with the financial covenants as of September 30, 2010. Further, (i) 0884808 B.C. Ltd., a British Columbia corporation and a subsidiary of the Company ("Canadian AcqCo"), guaranteed the Acquisition Subsidiary's obligations under the IMW Lines of Credit, (ii) Canadian AcqCo entered into a general security agreement with HSBC pursuant to which Canadian AcqCo agreed that the IMW Lines of Credit are secured by a first priority security interest in all of its present and after acquired personal property, and (iii) Clean Energy, a California corporation and a subsidiary of the Company ("CE"), agreed to inject not less than USD$2,000,000 of additional working capital into the Acquisition Subsidiary at the closing of the Company's acquisition of the IMW Acquired Business.

In addition, CE and Canadian AcqCo agreed that should the making of any scheduled payment by the Acquisition Subsidiary to IMW under the IMW Notes result in the Acquisition Subsidiary being in breach of the Assumption Agreement, the IMW Lines of Credit or the Security, CE and Canadian AcqCo shall furnish the Acquisition Subsidiary with the funds needed to remain in compliance with the Assumption Agreement, the IMW Lines of Credit and the Security. Further, CE and Canadian AcqCo agreed that should the Acquisition Subsidiary make any future earn-out payments to the IMW shareholder in connection with the acquisition of the IMW Acquired Business, and should the making of such earn-out payments result in the Acquisition Subsidiary being in breach of the Assumption Agreement, the IMW Lines of Credit or the Security, then CE and Canadian AcqCo shall furnish the Acquisition Subsidiary with the funds needed to make such earn-out payments and remain in compliance with the Assumption Agreement, the IMW Lines of Credit and the Security.

Note 12—Earnings Per Share

Basic earnings per share is based upon the weighted average number of shares outstanding during each period. Diluted earnings per share reflects the impact of assumed exercise of dilutive stock options and warrants. The information required to compute basic and diluted earnings per share is as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2010	2009	2010
Basic and diluted:				
Weighted average number of common shares outstanding	59,695,666	63,992,763	53,428,391	60,970,130

Certain securities were excluded from the diluted earnings per share calculations at September 30, 2009 and 2010, respectively, as the inclusion of the securities would be anti-dilutive to the calculations. The amounts outstanding as of September 30, 2009 and 2010 for these instruments are as follows:

	September 30,	
	2009	2010
Options	9,186,614	9,563,055
Warrants	18,314,394	18,314,394

Note 13—Comprehensive Loss

The following table presents the Company's comprehensive loss for the nine months ended September 30, 2009 and 2010:

	Nine Months Ended September 30,	
	2009	2010
Net loss attributable to Clean Energy Fuels Corp.	$ (31,331,396)	$ (16,301,398)
Derivative unrealized gains (losses)	1,490,825	(5,129,379)
Foreign currency translation adjustments	289,887	201,237
Comprehensive loss	$ (29,550,684)	$ (21,229,540)

Note 14—Stock-Based Compensation

The following table summarizes the compensation expense and related income tax benefit related to the stock-based compensation expense recognized during the periods:

	Three Months Ended September 30, 2009	Three Months Ended September 30, 2010	Nine Months Ended September 30, 2009	Nine Months Ended September 30, 2010
Stock options:				
Stock-based compensation expense	$ 3,551,992	$ 3,259,927	$ 10,572,136	$ 9,221,647
Income tax benefit	—		—	—
Stock-based compensation expense, net of tax	$ 3,551,992	$ 3,259,927	$ 10,572,136	$ 9,221,647

Stock Options

The following table summarizes the Company's stock option activity during the nine months ended September 30, 2010:

	Number of Shares	Weighted-Average Exercise Price
Outstanding at December 31, 2009	10,348,188	$ 9.57
Granted	446,750	16.70
Exercised	(1,073,542)	10.05
Cancelled/Forfeited	(158,341)	13.37
Outstanding at September 30, 2010	9,563,055	9.79
Exercisable at September 30, 2010	5,879,328	8.97

Table of Contents

The fair value of each option is estimated on the date of grant using the Black-Scholes option pricing model with the following weighted average assumptions used for grants in 2010:

	Nine Months Ended September 30, 2010
Dividend yield	0.00%
Expected volatility	87.69%
Risk-free interest rate	2.08%
Expected life in years	6.00

Based on these assumptions, the weighted average grant date fair value of options granted during the nine months ended September 30, 2010 was $15.66.

Note 15—Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and revenues and expenses during the reporting period. Actual results could differ from those estimates. Current economic conditions may require the use of additional estimates and these estimates may be subject to a greater degree of uncertainty as a result of the uncertain economy.

Note 16—Environmental Matters, Litigation, Claims, Commitments and Contingencies

The Company is subject to federal, state, local, and foreign environmental laws and regulations. The Company does not anticipate any expenditures to comply with such laws and regulations that would have a material impact on the Company's consolidated financial position, results of operations, or liquidity. The Company believes that its operations comply, in all material respects, with applicable federal, state, local and foreign environmental laws and regulations.

The Company may become party to various legal actions that arise in the ordinary course of its business. During the course of its operations, the Company is also subject to audit by tax authorities for varying periods in various federal, state, local, and foreign tax jurisdictions. Disputes have and may continue to arise during the course of such audits as to facts and matters of law. On July 15, 2010, the Internal Revenue Service ("IRS") sent the Company a letter disallowing approximately $5.1 million related to certain claims it made from October 1, 2006 to June 30, 2008 under the Volumetric Excise Tax Credit program. The Company believes its claims were properly made and has appealed the IRS's request for payment. It is impossible at this time to determine the ultimate liabilities that the Company may incur resulting from any lawsuits, claims and proceedings, audits, commitments, contingencies and related matters or the timing of these liabilities, if any. If these matters were to be ultimately resolved unfavorably, an outcome not currently anticipated, it is possible that such outcome could have a material adverse effect upon the Company's consolidated financial position or results of operations. However, the Company believes that the ultimate resolution of such actions will not have a material adverse affect on the Company's consolidated financial position, results of operations, or liquidity.

Note 17—Income Taxes

The Company is required to recognize the impact of a tax position in its financial statements if the position is more likely than not of being sustained by the taxing authority upon examination, based on the technical merits of the position. The Company accrues interest based on the difference between a tax position recognized in the financial statements and the amount claimed on its returns at statutory interest rates. The net interest incurred was immaterial for the nine months ended September 30, 2009 and 2010. Further, the Company accrues penalties if the tax position does not meet the minimum statutory threshold to avoid penalties. No penalties have been accrued by the Company. The Company's unrecognized tax benefits as of September 30, 2010 are unchanged from December 31, 2009.

Table of Contents

The Company is subject to taxation in the United States and various states and foreign jurisdictions. The Company's tax years for 2005 through 2009 are subject to examination by various tax authorities. The Company is no longer subject to U.S. or state examination for years before 2005. The Company is currently under audit by the IRS for tax years 2006 through 2008. On July 15, 2010, the IRS sent the Company a letter disallowing approximately $5.1 million related to certain claims the Company made from

October 1, 2006 to June 30, 2008 under the Volumetric Excise Tax Credit program. The Company believes its claims were properly made and has appealed the IRS's request for payment.

The Company's tax benefit for the period ended September 30, 2010 includes a refund of approximately $1.3 million of alternative minimum taxes previously paid attributable to the Company's election of the extended net operating loss five-year carryback provision under the Worker, Homeownership, and Business Assistance Act of 2009.

Note 18—Fair Value Measurements

On January 1, 2008, the Company adopted the authoritative guidance for fair value measurements which defines fair value, establishes a framework for measuring fair value and enhances disclosures about fair value measurements related to financial instruments. In December 2007, the Financial Accounting Standard Board ("FASB") provided a one-year deferral of this guidance for non-financial assets and non-financial liabilities, except those that are recognized or disclosed at fair value on a recurring basis, at least annually. Accordingly, the Company adopted this guidance for non-financial assets and non-financial liabilities on January 1, 2009.

During the nine months ended September 30, 2010, the Company's financial instruments consisted of natural gas futures contracts, debt instruments, Series I warrants, and the contingent consideration related to both its BAF acquisition and its acquisition of the IMW Acquired Business. The Company remeasures its contingent consideration based on the discounted future cash flows of BAF and the IMW Acquired Business during the contingency periods, which expire December 31, 2011 and March 31, 2014, respectively. The Company records any change in its contingency obligation in selling, general and administrative expenses in its condensed consolidated statements of operations. The Company uses quoted forward price curves, discounted to reflect the time value of money, to value its natural gas futures contracts. The Company uses a Monte Carlo simulation model to value the Series I warrants, which requires the Company to make certain estimates including risk-free interest rates and the volatility of its stock price, among others. The Company's futures contracts and contingent consideration obligation are recorded in accrued liabilities for the short-term liability amount, and long-term liabilities for the long-term liability amount, and the Series I warrants are recorded in other long-term liabilities in the accompanying condensed consolidated balance sheet at September 30, 2010. The fair market value of the Company's debt instruments approximated their carrying values at September 30, 2010.

The following table reflects the fair value as defined by the authoritative guidance of the Company's natural gas futures contracts and Series I warrants at September 30, 2009:

	Balance at September 30, 2009	Quoted Prices In Active Markets for Identical Items (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Natural gas futures contracts obligation	$ (836,342)	$ —	$ (836,342)	$ —
Series I warrants	$ (30,182,411)	$ —	$ —	$ (30,182,411)

The Company recorded a charge of $17,808,673 for the nine month period ended September 30, 2009 in the statement of operations associated with the Series I warrants.

The following table provides a reconciliation of the beginning and ending balances for the Series I warrants at fair value using significant other unobservable inputs (Level 3) for the nine months ended September 30, 2009:

	Series I Warrants
Beginning Balance, January 1, 2009	$ (12,373,738)
Total charges included in earnings for the period	(17,808,673)
Purchases	—
Sales	—
Transfers In/Out	—
Ending Balance, September 30, 2009	$ (30,182,411)

The following table reflects the fair value as defined by the authoritative guidance of the Company's natural gas futures contracts, Series I warrants and contingent consideration at September 30, 2010:

	Balance at September 30, 2010	Quoted Prices In Active Markets for Identical Items (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Natural gas futures contracts obligation	$ (4,970,244)	$ —	$ (4,970,224)	$ —
Series I warrants	$ (23,863,637)	$ —	$ —	$ (23,863,637)
Contingent consideration	$ (12,400,000)	$ —	$ —	$ (12,400,000)

The Company recorded a gain of $5,876,854 for the nine month period ended September 30, 2010 in the statement of operations associated with the Series I warrants.

The following table provides a reconciliation of the beginning and ending balances for the contingent consideration and the Series I warrants at fair value using significant unobservable inputs (Level 3) for the nine months ended September 30, 2010:

	Contingent Consideration	Series I Warrants
Beginning Balance, January 1, 2010	$ (3,100,000)	$ (29,740,491)
Total gain included in earnings for the period	—	5,876,854
IMW Purchased obligations	(9,300,000)	—
Sales	—	—
Transfers In/Out	—	—
Ending Balance, September 30, 2010	$ (12,400,000)	$ (23,863,637)

Note 19—Recently Adopted Accounting Changes and Recently Issued Accounting Standards

In June 2008, the FASB reached a consensus on determining whether an instrument (or embedded feature) is indexed to an entity's own stock. The FASB concluded, among other things, that contingent and other adjustment features in equity-linked financial instruments are consistent with equity indexation if they are based on variables that

would be inputs to a "plain vanilla" option or forward pricing model and they do not increase the contract's exposure to those variables. The Company's Series I warrants issued on October 28, 2008 are linked to the Company's own equity shares; however, the investor has protective pricing features commonly referred to as "*down-round"* protection, whereby the conversion price potentially resets if the common stock price of the Company declines after issuance or shares are issued by the Company at prices below the exercise price of the warrants. As a result of this guidance, effective January 1, 2009, the Company accounts for the Series I warrants as a derivative. The Company recorded a cumulative-effect adjustment of approximately $2.6 million to opening retained earnings and reclassed approximately $9.8 million from additional paid-in capital to long-term liabilities on the date of adopting this guidance, January 1, 2009. During 2009 and during the nine month period ended September 30, 2010, the Company recorded a charge of $17.4 million and a gain of $5.9 million, respectively, related to valuing the Series I warrants.

In October 2009, the FASB issued new authoritative guidance on multi-deliverable revenue arrangements. This guidance establishes requirements that must be met for an entity to recognize revenue from the sale of a delivered item that is part of a multiple-element arrangement when other items have not yet been delivered. One of those current requirements is that there be objective and reliable evidence of the standalone selling price of the undelivered items, which must be supported by either vendor-specific objective evidence ("VSOE") or third party evidence ("TPE"). This guidance amends previous

guidance by eliminating the requirement that all undelivered elements have VSOE or TPE before an entity can recognize the portion of an overall arrangement fee that is attributable to items that already have been delivered. In the absence of VSOE or TPE of the standalone selling price for one or more delivered or undelivered elements in a multiple-element arrangement, entities will be required to estimate the selling prices of those elements. The overall arrangement fee will be allocated to each element (both delivered and undelivered items) based on their relative selling prices, regardless of whether those selling prices are evidenced by VSOE or TPE or are based on the entity's estimated selling price. Application of the "residual method" of allocating an overall arrangement fee between delivered and undelivered elements will no longer be permitted under this new guidance. Additionally, the new guidance will require entities to disclose more information about their multiple-element revenue arrangements. The revised guidance is effective for fiscal periods beginning on or after June 15, 2010. The adoption of this guidance did not have a material impact on the Company's consolidated financial statements.

In January 2010, the FASB issued new accounting guidance which intended to improve disclosures about fair value measurements. The guidance requires entities to disclose significant transfers in and out of fair value hierarchy levels, the reasons for the transfers and to present information about purchases, sales, issuances and settlements separately in the reconciliation of fair value measurements using significant unobservable inputs (Level 3). Additionally, the guidance clarifies that a reporting entity should provide fair value measurements for each class of assets and liabilities and disclose the inputs and valuation techniques used for fair value measurements using significant other observable inputs (Level 2) and significant unobservable inputs (Level 3). The Company has applied the new disclosure requirements as of January 1, 2010, and the adoption of this guidance did not have a material impact on the Company's consolidated financial statements.

Note 20—Volumetric Excise Tax Credit (VETC)

The Company recorded its VETC credits as revenue in its condensed consolidated statements of operations as the credits were refundable and did not need to offset income tax liabilities to be received. VETC revenues for the nine month periods ended September 30, 2009 and 2010 were approximately $11.8 million and $0.0 million, respectively. The legislation providing for VETC expired on December 31, 2009.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following Management's Discussion and Analysis of Financial Condition and Results of Operations (this "MD&A") should be read together with the unaudited condensed consolidated financial statements and the related notes included elsewhere in this report. For additional context with which to understand our financial condition and results of operations, refer to the MD&A for the fiscal year ended December 31, 2009 contained in our 2009 Annual Report on Form 10-K filed with the SEC on March 10, 2010, as well as the consolidated financial statements and notes contained therein.

Cautionary Statement Regarding Forward Looking Statements

This MD&A and other sections of this report contain forward looking statements. We make forward-looking statements, as defined by the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, and in some cases, you can identify these statements by forward-looking words such as "if," "shall," "may," "might," "will likely result," "should," "expect," "plan," "anticipate," "believe," "estimate," "project," "intend," "goal," "objective," "predict," "potential" or "continue," or the negative of these terms and other comparable terminology. These forward-looking statements, which are based on various underlying assumptions and expectations and are subject to risks, uncertainties and other unknown factors, may include projections of our future financial performance based on our growth strategies and anticipated trends in our business. These statements are only predictions based on our current expectations and projections about future events that we believe to be reasonable. There are important factors that could cause our actual results, level of activity, performance or achievements to differ materially from the historical or future results, level of activity, performance or achievements expressed or implied by such forward-looking statements. These factors include, but are not limited to, those discussed under the caption "Risk Factors" in this report and in our 2009 Annual Report on Form 10-K. In preparing this MD&A, we presume that readers have access to and have read the MD&A in our 2009 Annual Report on Form 10-K pursuant to Instruction 2 to paragraph (b) of Item 303 of Regulation S-K. We undertake no duty to update any of these forward-looking statements after the date of filing of this report to conform such forward-looking statements to actual results or revised expectations, except as otherwise required by law.

Overview

We provide natural gas solutions for vehicle fleets primarily in the United States and Canada. Our primary business activity is selling compressed natural gas ("CNG") and liquefied natural gas ("LNG") vehicle fuel to our customers. We also build, operate and maintain fueling stations, manufacture and service advanced natural gas fueling compressors, and related equipment, process and sell renewable biomethane and provide natural gas vehicle conversions. Our customers include fleet operators in a variety of markets, such as public transit, refuse hauling, airports, taxis and regional trucking. In April 2008, we opened our first compressed natural gas station in Lima, Peru, through our joint venture, Clean Energy del Peru. In August 2008, we acquired 70% of the outstanding membership interest of Dallas Clean Energy, LLC ("DCE"). DCE owns a facility that collects, processes and sells renewable biomethane collected from a landfill in Dallas, Texas. On October 1, 2009, we acquired 100% of BAF Technologies, Inc. ("BAF"), a company that provides natural gas conversions, alternative fuel systems, application engineering, service and warranty support and research and development for natural gas vehicles. On September 7, 2010, the Company, acting through certain of its subsidiaries, completed its purchase of the advanced, non-lubricated natural gas fueling compressor and related equipment manufacturing and servicing business (the "IMW Acquired Business") of I.M.W. Industries Ltd., a British Columbia corporation ("IMW").

The following overview discusses matters on which our management primarily focuses in evaluating our financial condition and operating performance as well as recent and anticipated business trends.

Sources of revenue. We generate the majority of our revenue from selling CNG and LNG and providing operations and maintenance services to our customers. The balance of our revenue is provided by designing and constructing natural gas fueling stations, financing our customers' natural gas vehicle purchases, sales of pipeline quality biomethane produced by our DCE joint venture, sales of natural gas vehicles through our wholly owned subsidiary BAF, and commencing on September 7, 2010, sales of advanced natural gas fueling compressors and related equipment and maintenance services through the IMW Acquired Business.

Key operating data. In evaluating our operating performance, our management focuses primarily on: (1) the amount of CNG and LNG gasoline gallon equivalents delivered (which we define as (i) the volume of gasoline gallon equivalents we sell to our customers, plus (ii) the volume of gasoline gallon equivalents dispensed to our customers at stations where we provide operating and maintenance ("O&M") services but do not directly sell the CNG or LNG, plus (iii) our proportionate share of the gasoline gallon equivalents sold as CNG by our joint venture in Peru, plus (iv) our proportionate share of the gasoline gallon equivalents of biomethane produced and sold as pipeline quality natural gas by DCE, (2) our gross margin (which we define as revenue minus cost of sales), and (3) net income (loss). The following table, which you should read in conjunction with our condensed consolidated financial statements and notes contained elsewhere in this report, presents our key operating data for the years ended December 31, 2007, 2008 and 2009 and for the three and nine months ended September 30, 2009 and 2010:

Gasoline gallon equivalents delivered (in millions)	**Year Ended December 31, 2007**	**Year Ended December 31, 2008**	**Year Ended December 31, 2009**	**Three Months Ended September 30, 2009**	**Three Months Ended September 30, 2010**	**Nine Months Ended September 30, 2009**	**Nine Months Ended September 30, 2010**
CNG	48.0	47.6	67.9	19.9	20.2	48.3	60.0
Biomethane	—	2.0	6.4	1.9	1.8	4.3	5.6
LNG	27.3	23.9	26.7	7.7	9.3	18.9	25.4
Total	75.3	73.5	101.0	29.5	31.3	71.5	91.0
Operating data							
Gross margin	$ 32,055,904	$ 27,098,948	$ 48,582,410	$ 12,424,121	$ 12,144,877	$ 32,693,556	$ 36,993,856
Net income (loss)	(8,894,362)	(44,462,674)	(33,248,701)	(18,460,583)	(1,829,874)	(31,331,396)	(16,301,398)

Key trends in 2007, 2008, and 2009 and the first nine months of 2010. According to the U.S. Energy Information Administration, demand for natural gas fuels in the United States increased by approximately 29% during the period January 1, 2007 through December 31, 2009. We believe this growth in demand was attributable primarily to the rising prices of gasoline and diesel relative to CNG and LNG during these periods and increasingly stringent environmental regulations affecting vehicle fleets.

The number of fueling stations we served grew from 147 at December 31, 2004 to 211 at September 30, 2010 (a 43.5% increase). Included in this number are all of the CNG and LNG fueling stations we own, maintain or with which we have a fueling supply contract. The amount of CNG and LNG gasoline gallon equivalents we delivered from 2005 to 2009 increased by 77.8%. The increase in gasoline gallon equivalents delivered was the primary contributor to increased revenues during these periods. Our cost of sales also increased during these periods, which was attributable primarily to increased costs related to delivering more CNG and LNG to our customers.

During the last half of 2009 and the first nine months of 2010, we also experienced reduced margins in certain markets, particularly in the municipal transit and refuse sector. The reduction in margins is primarily a result of increased competition and sales agreements with larger entities that have greater pricing leverage. Also, in many cases, our agreements with our customers, including governmental agencies, are subject to a competitive bidding process and we may be required to reduce our prices to maintain our contracts as they come up for bid. We also have significant contracts with government entities that are experiencing large budget deficits and these customers have and may continue to demand price reductions for

our services. In addition, in May and June of 2009, we acquired four compressed natural gas operations and maintenance services contracts with municipal transit agencies that have significant volume but smaller margins than we typically generate on our fuel sales. As a result, the overall average margin on our fuel sales across our business decreased during these periods. We believe that our margins on fuel sales will improve in the future to the extent we are successful in growing our retail CNG and LNG fueling operations, which is where we earn our highest margin, relative to our lower margin operations, such as municipal transit. If we are unsuccessful in growing our retail CNG and LNG fueling operations, we may experience reduced margins. We may also lose contracts with governmental customers if we are unwilling or unable to reduce our prices or lose in the competitive bidding process, which would reduce our volumes. For example, MTS of San Diego, which represented approximately six million gasoline gallon equivalents of our CNG volume in 2009, recently conducted a competitive bidding procurement and awarded the contract to a competitor beginning July 27, 2010. We will need to grow our business with non-government entities to replace volumes lost in competitive bid procurements when we are not successful in retaining the contracts.

Recent developments. On September 7, 2010, the Company, acting through certain of its subsidiaries, completed its purchase of the IMW Acquired Business. The IMW Acquired Business manufactures and services advanced natural gas fueling compressors and related equipment for the global natural gas fueling market. The IMW Acquired Business is headquartered near Vancouver, British Columbia, has a second manufacturing facility near Shanghai, China and has sales and service offices in Bangladesh, Columbia and the United States. We believe the acquisition of the IMW Acquired Business will enable us to participate in the growth of natural gas vehicle fueling overseas, as well as in North America, and enable us to offer our customers a wider variety of natural gas vehicle fueling solutions.

On August 30, 2010, we executed a non-binding Letter of Intent (the "LOI") to acquire all of the outstanding interests or substantially all of the assets of Wyoming Northstar Incorporated and its affiliates (collectively, "Northstar"). Northstar is primarily engaged in manufacturing, constructing and servicing LNG and LCNG fueling facilities. Subject to the completion of our due diligence investigation of Northstar and the execution of a definitive purchase agreement, we agreed to purchase the Northstar business for consideration of up to $16 million, with $6.5 million payable at closing and a portion of the consideration to be allocated to employee retention programs. The remaining consideration will be payable in equal payments over the five years following the acquisition. The acquisition is subject to the final approval of a Committee of our Board of Directors and Northstar's Board of Directors. We plan to complete due diligence and negotiation of the definitive agreement as soon as possible, but there is no guarantee that we will be successful in completing the acquisition.

Anticipated future trends. We anticipate that, over the long term, the prices for gasoline and diesel will continue to be higher than the price of natural gas as a vehicle fuel, and more stringent emissions requirements will continue to make natural gas vehicles an attractive alternative to traditional gasoline and diesel powered vehicles. Our belief that natural gas will continue, over the long term, to be a cheaper vehicle fuel than gasoline or diesel is based in part on the growth in U.S. natural gas production. A 2008 Navigant Consulting, Inc. study indicates that as a result of new unconventional gas shale discoveries from 22 basins in the U.S., maximum estimates of total recoverable domestic reserves from producers have increased to equal 118 years of U.S. production at 2007 production levels. The study indicated a mean level of reserves equal to 88 years of supply at 2007 production levels. According to the report, shale gas production growth from only the major six shale resources in the U.S., plus the Marcellus shale, could become 27 billion cubic feet per day and as high as 39 billion cubic feet per day by 2015. Navigant has also indicated that development of the shale resources base has resulted in a substantial surplus of natural gas compared to demand of as much as 11 billion cubic feet per day. These current surplus levels are 18% of annual average historical U.S. consumption levels of approximately 20 Tcf per year; providing sufficient gas supply to meet the requirements of all existing markets and to meet new market requirements. Based on analyst reports, we believe that there is a significant worldwide supply of natural gas relative to crude oil as well. According to the 2009 BP Statistical Review of World Energy, on a global basis, the ratio of proven natural gas reserves to 2008 natural gas production was 44% greater than the ratio of proven crude oil reserves to 2008 crude oil production. This analysis suggests significantly greater longer term availability of natural gas than crude oil based on current consumption.

We believe there will be significant growth in the consumption of natural gas as a vehicle fuel among vehicle fleets, and our goal is to capitalize on this trend and enhance our leadership position as this market expands. With our recent acquisition of the IMW Acquired Business, we are now a fully integrated provider of advanced compression technology, station-building and fueling. We have built natural gas fueling stations, and plan to build additional natural gas fueling stations, that will provide LNG to fleet vehicles at the Ports of Los Angeles and Long Beach and for other regional corridors throughout the United States. We also anticipate expanding our sales of CNG and LNG in the other markets in which we operate, including public transit, regional trucking, refuse hauling and airports. Consistent with the anticipated growth of our business, we also expect that our operating costs and capital expenditures will increase, primarily from the anticipated expansion of our station network or LNG production capacity, as well as the logistics of delivering more CNG and LNG to our customers. We also anticipate that we will continue to seek to acquire assets and/or businesses that are in the natural gas fueling infrastructure or biomethane production business that may require us to raise additional capital. Additionally, we have and will continue to increase our sales and marketing team and other necessary personnel as we seek to expand our existing markets and enter new markets, which will also result in increased costs.

Continuing high unemployment rates and reduced economic activity may reduce our opportunities to attract new fleet customers. Many governmental entities, which represented approximately 37% of our revenues for the nine months ended September 30, 2010, are experiencing significant budget deficits as a result of the economic recession and have been, and may continue to be, unable to invest in new natural gas vehicles for their transit or refuse fleets or may be compelled to reduce public transportation and services, or the prices they pay for these services, which would negatively affect our business.

Sources of liquidity and anticipated capital expenditures. Liquidity is the ability to meet present and future financial obligations either through operating cash flows, the sale or maturity of existing assets, or by the acquisition of additional funds through capital management. Historically, our principal sources of liquidity have consisted of cash provided by operations and financing activities.

We anticipate that we will need to raise capital in order to continue to fund the growth of our business. Our current business plan calls for approximately $17.1 million in capital expenditures from October 1, 2010 through December 31, 2010, primarily related to construction of new fueling stations. We may also elect to invest additional amounts in expansion of our California LNG plant, expansion of our DCE landfill gas processing plant, or for other acquisitions or investments in companies or assets in the natural gas fueling infrastructure, services and production industries, including biomethane production. We will need to raise additional capital as necessary to fund any expansion of our California LNG plant or DCE landfill gas plant, acquisitions or other capital expenditures or investments that we cannot fund through available cash, our line of credit from PCB, or cash generated by operations. The timing and necessity of any future capital raise will depend on our rate of new station construction, which may be affected by any federal legislation that provides incentives for natural gas vehicle purchases and fuel use, any decision to expand our California LNG plant or DCE gas processing plant and potential merger or acquisition activity. For more information, see “Liquidity and Capital Resources” below. We may not be able to raise capital on terms that are favorable to existing stockholders or at all. Any inability to raise capital may impair our ability to invest in new stations, expand our California LNG plant or DCE gas processing plant, develop natural gas fueling infrastructure and invest in strategic transactions or acquisitions and reduce our ability to grow our business and generate increased revenues.

Volatility in operating results related to Series I warrants. Beginning January 1, 2009, under recent accounting guidance, we are required to record the change in the fair market value of our Series I warrants in our financial statements until the Series I warrants are exercised or expire. If the price of our common stock increases during future periods when our Series I warrants are outstanding, we may be required to recognize material losses based on the valuation of the outstanding Series I warrants. We recognized a (gain) loss of $0.2 million, $2.2 million, $15.4 million, ($0.4) million, $18.6 million, ($16.6) million, and ($7.9) million, related to recording the fair market value changes of our Series I warrants in the quarters ended March 31, 2009, June 30, 2009, September 30, 2009, December 31, 2009, March 31, 2010, June 30, 2010, and September 30, 2010, respectively. Our earnings or loss per share have been and will likely continue to be materially impacted by future gains or losses we are required to take as a result of valuing our Series I warrants.

Volatility in operating results related to BAF & IMW contingent consideration. Under recent business combination accounting guidance, we are required to record the change in the value of the contingent consideration related to our acquisitions of both BAF and the IMW Acquired Business, in our financial statements through the contingency period, which expires December 31, 2011 for BAF, and on March 31, 2014 for the IMW Acquired Business.

If the anticipated results of BAF or the IMW Acquired Business increase or decrease during future periods, we may be required to recognize material losses or gains based on the valuation of the increased or decreased consideration due to the former BAF and IMW shareholders. To record the change in value of the BAF contingent consideration, we recognized losses of $0.3 million and $0.2 million during the quarters ended March 31, 2010 and June 30, 2010, respectfully, and we recognized a gain of $0.5 million during the quarter ended September 30, 2010. Subsequent to September 7, 2010, the closing date of the acquisition of the IMW Acquired Business, we determined that no adjustment is required to the value of the contingent consideration owed to the former IMW shareholder during the quarter ended September 30, 2010. Our earnings or loss per share may be materially impacted by future gains or losses we are required to take as a result of changes in the contingent consideration amount.

Business risks and uncertainties. Our business and prospects are exposed to numerous risks and uncertainties. For more information, see “Risk Factors” in Part II, Item 1A of this report.

Operations

We generate revenues principally by selling CNG and LNG and providing O&M services to our vehicle fleet customers. For the nine months ended September 30, 2010, CNG and biomethane (together) represented 72% and LNG represented 28% of our natural gas sales (on a gasoline gallon equivalent basis). To a lesser extent, we generate revenues by designing and constructing fueling stations and selling or leasing those stations to our customers. We also generate material revenues through sales of biomethane produced by our joint venture subsidiary DCE, sales of natural gas vehicles by our wholly owned subsidiary BAF, and commencing on September 7, 2010, sales of advanced natural gas fueling compressors and related equipment and maintenance services through the IMW Acquired Business. Substantially all of our operating and maintenance revenues are generated from CNG stations, as owners of LNG stations tend to operate and maintain their own stations. Substantially all of our station sale and leasing revenues have been generated from CNG stations.

CNG Sales

We sell CNG through fueling stations located on our customers’ properties and through our network of public access fueling stations. At these CNG fueling stations, we procure natural gas from local utilities or brokers under standard, floating-rate arrangements and then compress and dispense it into our customers’ vehicles. Our CNG sales

are made primarily through contracts with our fleet customers. Under these contracts, pricing is determined primarily on an index-plus basis, which is calculated by adding a margin to the local index or utility price for natural gas. CNG sales revenues based on an index-plus methodology increase or decrease as a result of an increase or decrease in the price of natural gas. We also sell a small amount of CNG under fixed-price contracts. We will continue to offer fixed price contracts, as appropriate, and consistent with our natural gas hedging policy that was revised in May 2008. Our fleet customers typically are billed monthly based on the volume of CNG sold at a station. The remainder of our CNG sales are on a per fill-up basis at prices we set at the pump based on prevailing market conditions. These customers typically pay using a credit card at the station.

LNG Sales

We sell substantially all of our LNG to fleet customers, who typically own and operate their fueling stations. We also sell LNG to customers at our two public LNG stations and for non-vehicle use. For the first nine months of 2010, we procured 24.8% of our LNG from third-party producers, and we produced the remainder of the LNG at our liquefaction plants in Texas and California. For LNG that we purchase from third-parties, we may enter into "take or pay" contracts that require us to purchase minimum volumes of LNG at index-based rates. We deliver LNG via our fleet of 58 tanker trailers to fueling stations, where it is stored and dispensed in liquid form into vehicles. We sell LNG principally through supply contracts that are priced on either a fixed-price or index-plus basis. LNG sales revenues based on an index-plus methodology increase or decrease as a result of an increase or decrease in the price of natural gas. We also provided price caps to certain customers on the index component of their index-plus pricing arrangement for certain contracts we entered into on or prior to December 31, 2006. Effective January 1, 2007, we ceased offering price-cap contracts to our customers, but we will continue to perform our obligations under price-cap contracts we entered into before January 1, 2007. We will continue to offer fixed price contracts as appropriate and consistent with our natural gas hedging policy adopted in May 2008. Our LNG contracts provide that we charge our customers periodically based on the volume of LNG supplied.

Government Incentives

From October 1, 2006 through December 31, 2009, we received a volumetric excise tax credit ("VETC") of $0.50 per gasoline gallon equivalent of CNG and $0.50 per liquid gallon of LNG that we sold as vehicle fuel to certain customers. The tax credit was responsible for a significant amount of our historical revenues. Based on the service relationship we had with our customers, either we or our customers were able to claim the credit. We recorded these tax credits as revenues in our condensed consolidated statements of operations as the credits were fully refundable and did not need to offset tax liabilities to be received. As such, the credits were not deemed income tax credits under the accounting guidance applicable to income taxes. In addition, we believe the credits were properly recorded as revenue because we often incorporated the tax credits into our pricing with our customers, thereby lowering the actual price per gallon we charged them. The tax credit expired on December 31, 2009. If the tax credit is not reinstated, our revenue in future periods will be materially less than it would have been with the tax credit and our ability to attract new customers, or retain old customers, may also be reduced.

Operation and Maintenance

We generate a portion of our revenue from operation and maintenance agreements for CNG fueling stations where we do not supply the fuel. We refer to this portion of our business as "O&M." At these fueling stations, the customer contracts directly with a local broker or utility to purchase natural gas. For O&M services, we do not sell the fuel itself, but generally charge a per-gallon fee based on the volume of fuel dispensed at the station. We include the volume of fuel dispensed at the stations at which we provide O&M services in our calculation of aggregate gasoline gallon equivalents sold.

Station Construction

We generate a small portion of our revenue from designing and constructing fueling stations and selling or leasing the stations to our customers. For these projects, we act as general contractor or supervise qualified third-party contractors. We charge construction fees or lease rates based on the size and complexity of the project.

Vehicle Acquisition and Finance

In 2006, we commenced offering vehicle finance services for some of our customers' purchases of natural gas vehicles or the conversion of their existing gasoline or diesel powered vehicles to operate on natural gas. We loan to certain qualifying customers a portion of, and on occasion up to 100%, of the purchase price of their natural gas vehicles. We may

also lease vehicles in the future. Where appropriate, we apply for and receive state and federal incentives associated with natural gas vehicle purchases and pass these benefits through to our customers. We may also secure vehicles to place with customers or pay deposits with respect to such vehicles prior to receiving a firm order from our customers, which we may be required to purchase if our customer fails to purchase the vehicle as anticipated. Through September 30, 2010, we have not generated significant revenue from vehicle finance activities.

Landfill Gas

In August 2008, we acquired 70% of the outstanding membership interests of DCE for a purchase price of $19.6 million including transaction costs. DCE owns a facility that collects, processes and sells biomethane from the McCommas Bluff landfill located in Dallas, Texas. From the acquisition date through December 31, 2008, for the year ended December 31, 2009 and for the nine months ended September 30, 2010, DCE generated approximately $1.8 million, $7.9 million and $8.5 million, respectively, in revenue from sales of biomethane, all of which is included in our condensed consolidated statements of operations.

On April 3, 2009, DCE entered into a fifteen year gas sale agreement with Shell Energy North America (US), L.P. ("Shell") for the sale by DCE to Shell of biomethane produced by DCE's landfill gas processing facility.

DCE retains the right to reserve from the gas sale agreement up to 500 MMBtus per day of biomethane for sale as a vehicle fuel. To the extent that DCE produces volumes of biomethane in excess of the volumes sold under the agreement with Shell, DCE will either attempt to sell such volumes at then-prevailing market prices or seek to enter into another gas sale agreement in the future. There is no guarantee that DCE will produce or be able to sell up to the maximum volumes called for under the agreement, and DCE's ability to produce such volumes of biomethane is dependent on a number of factors beyond DCE's control including, but not limited to, the availability and composition of the landfill gas that is collected, the impact on DCE's operations of the operation of the landfill by the City of Dallas and the reliability of the processing plant's critical equipment. The processing equipment is currently being expanded and upgraded, which may result in significant down time to complete the work, which consequently may reduce DCE's sales of biomethane during the expansion and upgrade work. The expansion and upgrade work is anticipated to continue into the fourth quarter of 2011.

The sale price for the gas under the agreement with Shell is fixed and increases in 2011. The sale price for the gas represents a substantial premium to the current prevailing prices for natural gas at November 9, 2010.

Under the terms of the agreement, DCE has retained the rights to any available greenhouse gas emission reduction credits that may be generated through the operation of the landfill gas collection and processing facility, provided that DCE must supply Shell with a sufficient number of such credits to enable the end-user of the gas to meet applicable "net-zero" emissions requirements under the relevant renewable portfolio standard with respect to use of the biomethane in power generation. Given the complex and changing standards and requirements in the market for greenhouse gas emission reduction credits, there can be no guarantee that any greenhouse gas emission credits will be generated or sold as a result of DCE's landfill gas operations.

The gas sale agreement is terminable by either party on thirty days' written notice if the California Energy Commission makes a written determination or adopts a ruling or regulation after the date of the agreement that the biomethane sold under the agreement will, from the date of such ruling or regulation, no longer qualify as a California Renewable Portfolio Standard eligible fuel. In addition, Shell has the right to terminate the agreement upon thirty days' written notice if the volumes of biomethane produced and delivered, calculated monthly on a rolling two-year average, are less than an annual average of 630,720 MMBtu per year (or 2,083 MMBtu per day).

Vehicle Conversion

On October 1, 2009, we purchased all of the outstanding shares of BAF. Founded in 1992, BAF provides natural gas vehicle conversions, alternative fuel systems, application engineering, service and warranty support and research and development. BAF's vehicle conversions include taxis, limousines, vans, pick-up trucks and shuttle buses. BAF utilizes advanced natural gas system integration technology and has certified NGVs under both EPA and CARB standards achieving Super Ultra Low Emission Vehicle emissions. We generate revenues through the sale of natural gas vehicles that have been converted to run on natural gas by BAF. The majority of BAF's revenue during 2009 was derived from sales of converted natural gas service vans to AT&T. During the fourth quarter of 2009 and for the nine months ended September 30, 2010, BAF contributed approximately $6.9 million and $29.3 million, respectively, to our revenue.

Natural Gas Fueling Compressors

On September 7, 2010, the Company, acting through certain of its subsidiaries, completed its purchase of the IMW Acquired Business. The IMW Acquired Business manufactures and services advanced, non-lubricated natural gas fueling compressors and related equipment for the global natural gas fueling market. The IMW Acquired Business is headquartered near Vancouver, British Columbia, has a second manufacturing facility near Shanghai, China and has sales and service offices in Bangladesh, Columbia and the United States. Since the September 7, 2010 acquisition date, the IMW Acquired Business contributed approximately $3.3 million to our revenue, excluding intercompany sales to us.

Volatility of Earnings and Cash Flows

Our earnings and cash flows historically have fluctuated significantly from period to period based on our futures activities, as all but a few of our futures contracts have historically not qualified for hedge accounting under the relevant derivative accounting guidance. We have therefore recorded any changes in the fair market value of these contracts that did not qualify for hedge accounting directly in our statements of operations in the line item derivative (gains) losses along with any realized gains or losses generated during the period. For example, we experienced derivative gains of $5.7 million for the three months ended June 30, 2008, and derivative losses of $6.0 million and $0.3 million for the three months ended September 30, 2008 and December 31, 2008, respectively. We had no derivative gains or losses for the three months ended March 31, 2007, June 30, 2007, September 30, 2007, December 31, 2007, March 31, 2008, March 31, 2009, June 30, 2009, September 30, 2009, December 31, 2009, March 31, 2010, June 30, 2010 and September 30, 2010 related to our futures contracts. In accordance with our natural gas hedging policy, we plan to structure all subsequent futures contracts as cash flow hedges under the applicable derivative accounting guidance, but we cannot be certain that they will qualify. See "Risk Management Activities" below. If the futures contracts do not qualify for hedge accounting, we could incur significant increases or decreases in our earnings based on fluctuations in the market value of the contracts from period to period.

Additionally, we are required to maintain a margin account to cover losses related to our natural gas futures contracts. Futures contracts are valued daily, and if our contracts are in loss positions at the end of a trading day, our broker will transfer the amount of the losses from our margin account to a clearinghouse. If at any time the funds in our margin account drop below a specified maintenance level, our broker will issue a margin call that requires us to restore the balance. Consequently, these payments could significantly impact our cash balances. At September 30, 2010, we had $5.9 million on deposit in margin accounts, which are included in prepaid expenses and other current assets and notes receivable and other long-term assets on the balance sheet.

The decrease in the value of our futures positions and any required margin deposits on our futures contracts that are in a loss position could significantly impact our financial condition in the future.

Beginning January 1, 2009, under recent accounting guidance, we are required to record the change in the fair market value of our Series I warrants in our financial statements. If the price of our common stock increases during future periods when our Series I warrants are outstanding, we may be required to recognize material losses based on the valuation of the outstanding Series I warrants. We recognized a (gain) loss of $0.2 million, $2.2 million, $15.4 million, ($0.4) million, $18.6 million, ($16.6) million, and ($7.9) million related to recording the fair market value changes of our Series I warrants in the quarters ended March 31, 2009, June 30, 2009, September 30, 2009, December 31, 2009, March 31, 2010, June 30, 2010, and September 30, 2010, respectively (see note 19 to our condensed consolidated financial statements contained elsewhere herein). Our earnings or loss per share have been and likely will continue to be materially impacted by future gains or losses we are required to take as a result of valuing our Series I warrants.

Under recent business combination accounting guidance, we are required to record the change in the value of the contingent consideration related to our acquisitions of both BAF and the IMW Acquired Business in our financial statements through the contingency period, which expires on December 31, 2011 for BAF, and on March 31, 2014 for the IMW Acquired Business. If the anticipated results of BAF or the IMW Acquired Business increase or decrease during future periods, we may be required to recognize material losses or gains based on the valuation of the increased or decreased consideration due to the former BAF and IMW shareholders. To record the change in value of the BAF contingent consideration, we recognized losses of $0.3 million and $0.2 million during the quarters ended March 31, 2010 and June 30, 2010, respectfully, and we recognized a gain of $0.5 million during the quarter ended September 30, 2010. Subsequent to September 7, 2010, the closing date of the acquisition of the IMW Acquired Business, we determined that no adjustment is required to the value of the contingent consideration owed to the former IMW shareholder during the quarter ended September 30, 2010.

Debt Compliance

Our credit agreement with PCB ("Credit Agreement") requires us to comply with certain covenants. We may not incur indebtedness or liens except as permitted by the Credit Agreement, or declare or pay dividends. We must maintain, on a quarterly basis, minimum liquidity of not less than $6.0 million, accounts receivable balances, as defined, of not less than $8.0 million, consolidated net worth, as defined, of not less than $150.0 million, and a debt to equity ratio, as defined, of not more than 0.3 to 1. Beginning in the quarter ended June 30, 2009, we must also maintain a specific minimum debt service ratio at each quarter end. Effective in the fourth quarter of 2008, we established a lock-box arrangement with PCB subject to the Credit Agreement. Funds received from our customers are remitted to the lock-box and then deposited to a PCB bank account. The remitted funds are not used to pay-down the balance of the Credit Agreement unless there is an event of default on the Credit Agreement. One of the events of default is the occurrence of a "material adverse change," which is a subjective acceleration clause. Based on the relevant accounting guidance, we have classified our debt pursuant to the Credit Agreement as short-term or long-term, as appropriate, and we believe the likelihood of an event of default is more than remote but not more likely than not. If we default on the Credit Agreement, all of the obligations under the Credit Agreement will become immediately due and payable and all funds received in our lockbox held by PCB, plus $2.5 million we have deposited with PCB in a payment reserve account, will be applied to the balance due on the Credit Agreement. One of our bank covenants is a requirement to maintain accounts receivable balances from certain subsidiaries above $8.0 million at each quarter-end. To the extent natural gas prices continue to fall, or our volumes decline, we could violate this covenant in the future. Beginning with the quarter ended June 30, 2009, we are required to maintain a debt service ratio, as defined, of not less than 1.5 to 1. We were not in compliance with this covenant as of the quarter ended September 30, 2010 and received a waiver from the bank. The entire amount of the Facility B Loan is shown as current in the accompanying condensed consolidated balance sheets based on prevailing accounting guidance. To the extent our operating results do not materialize as planned, we could violate this covenant again in the future. In the event we violate any of the covenants under the Credit Agreement, we would seek another waiver from the bank.

Pursuant to the recent acquisition of the IMW Acquired Business, our credit agreement with HSBC also requires that a subsidiary of the Company (the "Acquisition Subsidiary") comply with certain financial covenants as detailed in note 11 of our condensed consolidated financial statements contained elsewhere herein. Among those financial covenants are that the Acquisition Subsidiary shall not permit 1) its ratio of debt to tangible net worth to be greater than 3.25 to 1 until December 31, 2010 and greater than 3.00 to 1 from January 1, 2011 onward, 2) its tangible net worth to at anytime be below CAD$3,000,000 and 3) its ratio of current assets to current liabilities to be less than 1.15 to 1 until December 31, 2010 and less than 1.25 to 1 from January 1, 2011 onward. Should the Acquisition Subsidiary's operating results not materialize as planned, it could violate these covenants. If it were to violate a covenant, it would seek a waiver from the bank, which the bank is not obligated to grant. If the bank does not grant a waiver, all of the obligations under the credit agreement would be due and payable. The Acquisition Subsidiary was in compliance with these covenants as of September 30, 2010.

Risk Management Activities

Our risk management activities, including the revised natural gas hedging policy adopted by our board of directors in February 2007 and revised by our board of directors on May 29, 2008, are discussed in Part II, Item 7 (Management's Discussion and Analysis of Financial Condition and Results of Operation) of our 2009 Annual Report on Form 10-K.

Critical Accounting Policies

For the first nine months of 2010, there were no material changes to the "Critical Accounting Policies" discussed in Part II, Item 7 (Management's Discussion and Analysis of Financial Condition and Results of Operations) of our 2009 Annual Report on Form 10-K.

Recently Issued Accounting Pronouncements

For a description of recently issued accounting pronouncements, see note 19 to our condensed consolidated financial statements contained elsewhere herein.

Results of Operations

The following is a more detailed discussion of our financial condition and results of operations for the periods presented:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2010	2009	2010
Statement of Operations Data:				
Revenue:				
Product revenues	84.3%	89.8%	89.0%	89.1%
Service revenues	15.7	10.2	11.0	10.9
Total revenues	100.0	100.0	100.0	100.0
Operating expenses:				
Cost of sales:				
Product cost of sales	52.5	68.3	59.1	66.4
Service cost of sales	7.7	5.1	4.3	4.9
Selling, general and administrative	33.6	34.7	37.7	34.5
Depreciation and amortization	14.5	12.1	13.7	12.1
Derivative loss (gain) on Series I warrant valuation	49.4	(17.2)	19.9	(4.6)
Total operating expenses	157.7	103.0	134.7	113.3
Operating loss	(57.7)	(3.0)	(34.7)	(13.3)
Interest expense, net	(0.9)	(0.2)	(0.4)	0.0
Other income (expense), net	(0.3)	(0.7)	(0.3)	(0.3)
Income from equity method investments	0.2	0.2	0.1	0.2
Loss before income taxes	(58.7)	(3.7)	(35.3)	(13.4)
Income tax benefit (expense)	(0.2)	(0.6)	(0.3)	0.7
Net loss	(58.9)	(4.3)	(35.6)	(12.7)
Loss (income) attributable to noncontrolling interest	(0.3)	0.2	0.5	0.0
Net loss attributable to Clean Energy Fuels Corp.	(59.2)	(4.1)	(35.1)	(12.7)

Three Months Ended September 30, 2010 Compared to Three Months Ended September 30, 2009

Revenue. Revenue increased by $14.5 million to $45.7 million in the three months ended September 30, 2010, from $31.2 million in the three months ended September 30, 2009. A portion of this increase was the result of an increase in the number of gallons delivered from 29.5 million gasoline gallon equivalents to 31.3 million gasoline gallon equivalents. The increase in volume was primarily due to an increase in LNG sales of 1.6 million gallons, of which 1.1 million gallons was from our port trucking customers and 0.4 million gallons was from our new refuse customers (Republic Waste Services of Southern California and Consolidated Disposal Services). We also experienced an increase of 0.3 million gallons in CNG volume between periods, which was due to a combination of a 0.9 million gallon increase from our existing airport and refuse customers, volume growth from our share of our joint venture in Peru, and a 0.5 million gallon increase from new refuse and regional trucking customers. These volume increases were offset by the 1.1 million gallons decrease in transit volumes as a result of a competitive bidding procurement that was awarded to a competitor. Revenue also increased by $9.3 million between periods from sales of natural gas vehicle equipment by BAF, which we acquired on October 1, 2009. We also experienced a $1.6 million increase in station construction revenues between periods. Our effective price per gallon was $1.00 in the three months ended September 30, 2010, which represents a $0.07 per gallon increase from $0.93 in the three months ended September 30, 2009. The increase was primarily due to an increase in natural gas prices between periods and an increase in the price we are charging for our biomethane. Our acquisition of the IMW Acquired Business on September 7, 2010 contributed $3.3 million to our increased revenue between periods. These increases were offset by the decrease in our fuel tax revenue between periods as the fuel tax credits expired on December 31, 2009. We did not record any fuel tax revenues in the third quarter of 2010 and we recorded $3.7 million of revenue related to fuel tax credits in the third quarter of 2009.

Cost of sales. Cost of sales increased by $14.7 million to $33.5 million in the three months ended September 30, 2010, from $18.8 million in the three months ended September 30, 2009. Our cost of sales primarily increased between periods as a result of delivering more volume to our customers together with $6.7 million of increased costs related to BAF's vehicle equipment sales, which we began to recognize on October 1, 2009 when we acquired the company. We also experienced a $1.6 million increase in station construction costs between periods. We also recognized $2.4 million in costs related to sales of compressor equipment and services by the IMW Acquired Business, which we began to recognize on September 7, 2010 when we acquired the IMW Acquired Business. Our effective cost per gallon increased by $0.09 per gallon during the period to $0.73 per gallon. This increase was primarily the result of an increase in natural gas prices between periods.

Selling, general and administrative. Selling, general and administrative expenses increased by $5.4 million to $15.9 million in the three months ended September 30, 2010, from $10.5 million in the three months ended September 30, 2009. The increase was primarily the result of our salaries and benefits amount increasing by $2.0 million between periods as we increased our employee headcount from 158 at September 30, 2009 to 622 (including the addition of 351 and 80 IMW and BAF employees, respectively) at September 30, 2010. Our professional fees increased $0.8 million between periods primarily for legal, audit and consulting services related to our acquisition of the IMW Acquired Business. In addition, our travel and entertainment expenses increased $0.4 million between periods, primarily due to increased travel of our sales team. Our marketing expenses increased $0.4 million between periods due to certain advertising we conducted related to the Ports of Los Angeles and Long Beach. We also experienced a $0.8 million increase in business insurance, contract labor, software/hardware maintenance, training/seminars and office supplies related to our continued business growth. Our bad debt expense increased $1.4 million due to a reversal of our BAF loan provision in the third quarter of 2009. Offsetting these increases was a decrease of $0.5 million during the third quarter of 2010 related to a decrease in the BAF contingent consideration liability and a decrease of $0.3 million between periods related to our stock-based compensation expense.

Depreciation and amortization. Depreciation and amortization increased by $1.0 million to $5.5 million in the three months ended September 30, 2010, from $4.5 million in the three months ended September 30, 2009. This increase was primarily due to additional depreciation expense in the three months ended September 30, 2010 related to increased property and equipment balances between periods, including our expanded station network. Our September 30, 2010 amortization expense includes increased amortization of the intangible assets we obtained in connection with our BAF acquisition in the fourth quarter of 2009 and the acquisition of the IMW Acquired Business on September 7, 2010.

Derivative (gain) loss on Series I warrant valuation. Derivative (gain) loss decreased by $23.3 million to a gain of $7.9 million in the three months ended September 30, 2010, from a loss of $15.4 million in the three months ended September 30, 2009. The decrease represents the decreased fair market value of our outstanding Series I warrants based on our mark-to-market accounting on our Series I warrants (see notes 18 and 19 to our condensed consolidated financial statements contained elsewhere herein) during the three month period ended September 30, 2010.

Interest income (expense), net. Interest income (expense), net, decreased by $0.2 million from $0.3 million in the three months ended September 30, 2009, to $0.1 million in the three months ended September 30, 2010. This decrease was primarily the result of a decrease in interest expense, net of amounts capitalized, in the three months ended September 30, 2010 as we repaid in full our Facility A Loan on October 7, 2009 (see note 11 to our condensed consolidated financial statements contained elsewhere herein).

Other income (expense), net. Other income (expense), net, increased by $0.2 million to $0.3 million of expense for three months ended September 30, 2010. This increase was primarily related to foreign currency exchange losses of the IMW Acquired Business in the three months ended September 30, 2010 that did not occur in the three months ended September 30, 2009.

Income from equity method investments. There was no significant change in income from equity method investments between the three months ended September 30, 2010 and the three months ended September 30, 2009.

Loss (income) attributable to noncontrolling interest. Loss (income) attributable to noncontrolling interest was $80,000 for the noncontrolling interest in the net income of DCE in the three months ended September 30, 2009, as compared to $94,000 for the noncontrolling interest in the net loss of DCE in the three months ended September 30, 2010. The noncontrolling interest represents the 30% interest of our joint venture partner.

Nine Months Ended September 30, 2010 Compared to Nine Months Ended September 30, 2009

Revenue. Revenue increased by $39.4 million to $128.7 million in the nine months ended September 30, 2010, from $89.3 million in the nine months ended September 30, 2009. A portion of this increase was the result of an increase in the number of gallons delivered from 71.5 million gasoline gallon equivalents to 91.0 million gasoline gallon equivalents. The increase in volume was partly from an increase in CNG sales of 11.7 million gallons and an increase in biomethane sales (our 70% share of the biomethane sales of DCE) of 1.3 million gallons. The acquisition of four compressed natural gas operations and maintenance services contracts in May and June of 2009, four new refuse customers, and one new regional trucking customer together accounted for 9.6 million gallons of the CNG volume increase. The volume growth from our existing public and refuse customers, combined with the volume growth from our share of our joint venture in Peru, contributed to the remaining CNG volume increase. We also experienced an increase of 6.5 million gallons in LNG volume between periods, which was primarily due to the volume growth of 2.5 million gallons from our existing transit and refuse customers, combined with a 3.1 million gallon increase from our port trucking customers. We also had LNG volume increases of 0.9 million gallons from two new refuse customers and one new regional trucking customer. Revenue also increased by $29.3 million between periods from sales of natural gas vehicle equipment by BAF, which we acquired on October 1, 2009. Our acquisition of the IMW Acquired Business on September 7, 2010 contributed $3.3 million to our increased revenue between periods. Our effective price per gallon was consistent between periods at $1.01. Offsetting our revenue increases was a decrease in our fuel tax revenues between periods as the fuel tax credits expired on December 31, 2009. We did not record any fuel tax revenues in the first nine months of 2010, and we recorded $11.8 million of revenue related to fuel tax credits in the first nine months of 2009. We also experienced a $1.1 million decrease in station construction revenues between periods.

Table of Contents

Cost of sales. Cost of sales increased by $35.1 million to $91.7 million in the nine months ended September 30, 2010, from $56.6 million in the nine months ended September 30, 2009. Our cost of sales primarily increased between periods as a result of delivering more volume to our customers together with $21.0 million of increased costs related to BAF's vehicle equipment sales, which we began to recognize on October 1, 2009 when we acquired the company. We also recognized $2.4 million of costs from sales of compressor equipments and services by the IMW Acquired Business, which we began to recognize on September 7, 2010 when we acquired the IMW Acquired Business. These increases were offset by the decrease in our effective cost per gallon of $0.02 per gallon, to $0.71 per gallon, in the nine months ended September 30, 2010. We also experienced a $0.9 million decrease in station construction costs between periods.

Selling, general and administrative. Selling, general and administrative expenses increased by $10.8 million to $44.4 million in the nine months ended September 30, 2010, from $33.6 million in the nine months ended September 30, 2009. A significant portion of this increase was the result of our salaries and benefits amount increasing by $5.0 million between periods as we increased our employee headcount from 158 at September 30, 2009 to 622 (including the addition of 351 and 80 IMW and BAF employees, respectively) at September 30, 2010. We also experienced a $2.4 million increase in business insurance, contract labor, software/hardware maintenance, training/seminars and office supplies related to our continued business growth. Our travel and entertainment expenses increased $1.1 million between periods, primarily due to increased travel of our sales team. In addition, our professional fees increased $1.5 million between periods, primarily for legal, audit and consulting services related to the acquisition of the IMW Acquired Business. Our bad debt expense increased $1.4 million due to a reversal of our BAF loan provision in the third quarter of 2009. Our marketing expenses increased $0.6 million between periods due to certain advertising we conducted related to the Ports of Los Angeles and Long Beach.

Depreciation and amortization. Depreciation and amortization increased by $3.3 million to $15.6 million in the nine months ended September 30, 2010, from $12.3 million in the nine months ended September 30, 2009. This increase was due to additional depreciation expense in the nine months ended September 30, 2010 related to increased property and equipment balances between periods, primarily related to our expanded station network. Our September 30, 2010 amortization expense includes increased amortization of the intangible assets we obtained in connection with our acquisition of the operation and maintenance contracts we acquired during the second quarter of 2009, BAF in the fourth quarter of 2009 and the acquisition of the IMW Acquired Business on September 7, 2010.

Derivative gain (loss) on Series I warrant valuation. Derivative (gain) loss decreased by $23.7 million to a gain of $5.9 million in the nine months ended September 30, 2010, from a loss of $17.8 million in the nine months ended September 30, 2009. The decrease represents the decreased non-cash charge we took with respect to valuing our outstanding Series I warrants based on our mark-to-market accounting for the warrants (see notes 18 and 19 to our condensed consolidated financial statements contained elsewhere herein) during the nine month period ended September 30, 2010.

Interest income (expense), net. Interest income (expense), net, increased by $384,000 from $368,000 of expense for the nine months ended September 30, 2009, to $16,000 of income for the nine months ended September 30, 2010. This increase was primarily the result of a decrease in interest expense, net of amounts capitalized, in the first nine months of 2010 as we repaid in full our Facility A Loan on October 7, 2009 (see note 11 to our condensed consolidated financial statements contained elsewhere herein).

Other income (expense), net. There was no significant change in other income (expense), net between the nine months ended September 30, 2010 and the nine months ended September 30, 2009.

Income from equity method investments. Income from equity method investments increased $71,000 to $201,000 of income for the nine months ended September 30, 2010 related to our share of our joint venture in Peru.

Loss (income) attributable to noncontrolling interest. During the nine months ended September 30, 2010, we recorded $27,000 for the noncontrolling interest in the net loss of DCE, compared to $431,000 for the noncontrolling interest in the net loss of DCE in the nine months ended September 30, 2009. The noncontrolling interest represents the 30% interest of our joint venture partner.

Table of Contents

Seasonality and Inflation

To some extent, we experience seasonality in our results of operations. Natural gas vehicle fuel amounts consumed by some of our customers tends to be higher in summer months when buses and other fleet vehicles use more fuel to power their air conditioning systems. Natural gas commodity prices tend to be higher in the fall and winter months due to increased overall demand for natural gas for heating during these periods.

Since our inception, inflation has not significantly affected our operating results. However, costs for construction, repairs, maintenance, electricity and insurance are all subject to inflationary pressures and could affect our ability to maintain our stations adequately, build new stations, build new LNG plants and expand our existing facilities or materially increase our operating costs.

Liquidity and Capital Resources

Historically, our principal sources of liquidity have consisted of cash provided by operations and financing activities. In May 2007, we completed our initial public offering of 10,000,000 shares of common stock at a public offering price of $12.00 per share. Net cash proceeds from the initial public offering were approximately $108.5 million, after deducting underwriting discounts, commissions and offering expenses. On August 15, 2008, in connection with our acquisition of 70% of the membership interests of DCE, we entered into a credit agreement with PCB pursuant to which we borrowed $18.0 million under a term loan and an additional $12.0 million under a line of credit (see note 10 to the accompanying condensed consolidated financial statements). On September 24, 2008, we sold 319,488 shares of our common stock at a price of $15.65 per share to Boone Pickens Interests, Ltd. for proceeds of approximately $5.0 million. On November 3, 2008, we sold 4,419,192 units of common stock and warrants for $7.92 per unit and we raised net proceeds of approximately $32.5 million after deducting offering costs. On July 1, 2009, we sold 9,430,000 shares of our common stock to third party investors and received net proceeds of $73.2 million. On October 7, 2009, we repaid the $18.0 million term loan with PCB and simultaneously amended the Credit Agreement to obtain a $20 million line of credit ("LOC") from PCB. The $20 million LOC expires August 14, 2011, but we have a one year renewal option we can exercise as long as we are not in default on the PCB debt facilities. As of September 30, 2010, we have not drawn any loan amounts under the new LOC and we had an outstanding balance of $9.9 million on our Facility B Loan. As of September 30, 2010, the Acquisition Subsidiary had an outstanding balance of $6.8 million under the IMW Lines of Credit. The Acquisition Subsidiary also issued the following promissory notes to IMW (collectively, the "IMW Notes"): (i) a promissory note with a principal amount of $12,500,000 that is due and payable on January 31, 2011, (ii) a promissory note with a principal amount of $12,500,000 that is due and payable on January 31, 2012, (iii) a promissory note with a principal amount of $12,500,000 that is due and payable on January 31, 2013, and (iv) a promissory note with a principal amount of $12,500,000 that is due and payable on January 31, 2014. Each payment under the IMW Notes will consist of $5.0 million in cash and $7.5 million in cash and/or shares of the Company's

common stock (the exact combination of cash and/or common stock to be determined at the Acquisition Subsidiary's option). We also issued 4,017,408 shares of our common stock to IMW's shareholder.

In addition to funding operations, our principal uses of cash have been, and are expected to be, the construction of new fueling stations, construction of LNG production facilities, the purchase of new LNG tanker trailers, investment in biomethane production, mergers and acquisitions, the financing of natural gas vehicles for our customers and general corporate purposes, including making deposits to support our derivative activities, geographic expansion (domestically and internationally), expanding our sales and marketing activities, support of legislative initiatives and for working capital for our expansion. We have also acquired and may continue to seek to acquire and invest in companies or assets in the natural gas and biomethane fueling infrastructure, services and production industries. On August 31, 2010, we executed a non-binding letter of intent to acquire all of the outstanding interests or substantially all of the assets of Northstar for consideration of up to $16 million, with $6.5 million payable at closing, and a portion of the consideration to be allocated to employee retention programs. The remaining consideration will be paid in equal installments over the five years following the closing. This acquisition is subject to board approval, completion of due diligence, and execution of a definitive purchase agreement. We financed our operations in the first nine months of 2010 primarily through cash on hand and cash provided by financing activities.

At September 30, 2010, we had total cash and cash equivalents of $32.2 million, compared to $67.1 million at December 31, 2009.

Cash provided by operating activities was $11.8 million for the nine months ended September 30, 2010, compared to $10.4 million for the nine months ended September 30, 2009. The increase in operating cash flow resulted primarily from changes in working capital balances due to timing differences related to various cash flows between periods. Our operating cash flow, before working capital changes, decreased between periods, mostly due to the loss of fuel tax revenues in the first nine months of 2010 as the legislation providing for the tax rebates expired December 31, 2009. We recorded $11.8 million of fuel tax revenues in the first nine months of 2009.

Cash used in investing activities was $57.1 million for the nine months ended September 30, 2010, compared to $32.2 million for the nine months ended September 30, 2009. Our purchases of property and equipment were $41.4 million during the first nine months of 2010, compared to $25.4 million for the same period in 2009. In May and June 2009, we acquired four compressed natural gas operations and maintenance service contracts for $5.6 million. We made an additional investment in the Vehicle Production Group, LLC ("VPG"), a company developing a CNG taxi and a paratransit vehicle, during the first nine months of 2009 of $4.2 million, compared to $0.4 million for the same period in 2010. In September 2010, we invested $15.6 million in initial payments related to the acquisition of the IMW Acquired Business.

Cash provided by financing activities for the nine months ended September 30, 2010 was $10.3 million, compared to $77.8 million for the nine months ended September 30, 2009. The decrease was primarily related to the July 2009 common stock offering from which we received net proceeds of $73.2 million and additional bank borrowings in the first nine months of 2009 of $7.2 million from PCB to fund capital expenditures related to DCE's landfill plant upgrade. Offsetting the decrease was current year stock option exercises, from which we received net proceeds of approximately $10.8 million.

Our financial position and liquidity are, and will be, influenced by a variety of factors, including our ability to generate cash flows from operations, deposits and margin calls on our futures positions, the level of any outstanding indebtedness and the interest we are obligated to pay on this indebtedness, our capital expenditure requirements (which consist primarily of station construction, LNG plant construction costs, DCE plant construction costs and the purchase of LNG tanker trailers and equipment) and any merger or acquisition activity.

Capital Expenditures

Our current business plan, calls for approximately $17.1 million in additional capital expenditures from October 1, 2010 through the end of 2010, primarily related to construction of new fueling stations. We may also require $6.5 million to fund the closing of our acquisition of Northstar if we are successful in completing the acquisition in 2010. We anticipate that we will need to raise capital to continue to fund the growth of our business. If we have significant unanticipated capital expenditures, investments, acquisitions or operating expenses, we may also seek to raise capital to fund such capital expenditures, investments, acquisitions or expenses. We may not be able to raise capital on terms that are favorable to existing stockholders or at all. Any inability to raise capital may impair our ability to invest in new stations, develop natural gas fueling infrastructure, invest in our biomethane business, and invest in strategic transactions or acquisitions and reduce our ability to generate increased revenues.

Contractual Obligations

The following represents the scheduled maturities of our contractual obligations as of September 30, 2010:

	Payments Due by Period				
Contractual Obligations:	**Total**	**Remainder of 2010**	**2011 and 2012**	**2013 through 2015**	**2016 and beyond**
Debt and capital lease obligations(a)	$ 69,362,439	$ 7,365,134	$ 32,760,521	$ 29,236,784	$ 0
Operating lease commitments(b)	23,658,220	857,510	6,148,529	9,135,393	7,516,788
"Take or pay" LNG purchase contracts(c)	23,160,094	1,263,356	7,114,350	9,175,275	5,607,113
Construction contracts(d)	17,246,326	12,888,778	4,357,548	0	0
Total	$ 133,427,079	$ 22,374,778	$ 50,380,948	$ 47,547,452	$ 13,123,901

(a) Consists of debt (including the IMW Notes) and capital lease obligations to finance equipment purchases, including implied interest.

(b) Consists of various space and ground leases for our California LNG plant, offices and fueling stations as well as leases for equipment.

(c) The amounts in the table represent our estimates for our fixed LNG purchase commitments under two "take or pay" contracts.

(d) Consists of our obligations to fund various fueling station construction projects, net of amounts funded through September 30, 2010, and excluding contractual commitments related to station sales contracts.

Off-Balance Sheet Arrangements

At September 30, 2010, we had the following off-balance sheet arrangements that had, or are reasonably likely to have, a material effect on our financial condition.

- outstanding surety bonds for construction contracts and general corporate purposes totaling $21.7 million,

- two take-or-pay contract for the purchase of LNG,
- operating leases where we are the lessee,
- operating leases where we are the lessor and owner of the equipment, and
- firm commitments to sell CNG and LNG at fixed prices.

We provide surety bonds primarily for construction contracts in the ordinary course of business, as a form of guarantee. No liability has been recorded in connection with our surety bonds as we do not believe, based on historical experience and information currently available, that it is probable that any amounts will be required to be paid under these arrangements for which we will not be reimbursed.

We have entered into two contracts that require us to purchase minimum volumes of LNG. One contract expires in June 2011, and the other contract expires in October 2017.

We have entered into operating lease arrangements for certain equipment and for our office and field operating locations in the ordinary course of business. The terms of our leases expire at various dates through 2016. Additionally, in November 2006, we entered into a ground lease for 36 acres in California on which we built our California LNG liquefaction plant. The lease is for an initial term of thirty years and requires payments of $230,000 per year, plus up to $130,000 per year for each 30 million gallons of production capacity utilized, subject to future adjustment based on consumer price index changes. We must also pay a royalty to the landlord for each gallon of LNG produced at the facility, as well as for certain other services that the landlord will provide. Commercial operations began December 1, 2008, and the payments for this lease are included in "Operating lease commitments" in the "Contractual Obligations" table set forth above.

We are also the lessor in various leases with our customers, whereby our customers lease from us certain stations and equipment that we own.

Item 3.—Quantitative and Qualitative Disclosures about Market Risk

Commodity Risk. We are subject to market risk with respect to our sales of natural gas, which has historically been subject to volatile market conditions. Our exposure to market risk is heightened when we have a fixed price or price cap sales contract with a customer that is not covered by a futures contract, or when we are otherwise unable to pass through natural gas price increases to customers. Natural gas prices and availability are affected by many factors, including weather conditions, overall economic conditions and foreign and domestic governmental regulation and relations.

Natural gas costs represented 42% (or 44 % excluding BAF) of our cost of sales for fiscal year ending 2009 and 35% (or 47% excluding BAF and the IMW Acquired Business) of our cost of sales for the nine month ended September 30, 2010. Prices for natural gas over the ten-year and nine-month period from December 31, 1999 through September 30, 2010, based on the NYMEX daily futures data, have ranged from a low of $1.65 per Mcf to a high of $19.38 per Mcf. At September 30, 2010, the NYMEX index price of natural gas was $3.64 per Mcf.

To reduce price risk caused by market fluctuations in natural gas, we may enter into exchange traded natural gas futures contracts. These arrangements also expose us to the risk of financial loss in situations where the other party to the contract defaults on its contract or there is a change in the expected differential between the underlying price in the contract and the actual price of natural gas we pay at the delivery point.

We account for these futures contracts in accordance with the accounting guidance on derivatives. The accounting under this guidance for changes in the fair value of a derivative depends upon whether it has been specified in a hedging relationship and, further, on the type of hedging relationship. To qualify for designation in a hedging relationship, specific criteria must be met and appropriate documentation maintained. Our futures contracts did not qualify for hedge accounting under this guidance for the years ended December 31, 2005 and 2006, and we did not have any derivative activity in 2007. Consequently, any changes in the fair value of the derivatives during 2005 and 2006 were recorded directly to our consolidated statements of operations. In 2008, we had certain contracts that did not qualify for hedge accounting and we had two derivative contracts to hedge two fixed supply contracts that did qualify for hedge accounting. During 2009 and the nine month period ended September 30, 2010, we had five futures contracts that did qualify for hedge accounting.

The fair value of the futures contracts we use is based on quoted prices in active exchange traded or over the counter markets which are then discounted to reflect the time value of money for contracts applicable to future periods. The fair value of these futures contracts is continually subject to change due to market conditions. In an effort to mitigate the volatility in our earnings related to futures activities, in February 2007, our board of directors adopted a revised natural gas hedging policy which restricts our ability to purchase natural gas futures contracts and offer fixed price sales contracts to our customers. This policy was further revised by our board of directors in May 2008. We plan to structure prospective futures contracts so that they will be accounted for as cash flow hedges under this guidance, but we cannot be certain they will qualify. For more information, please read "—Risk Management Activities" above.

We have prepared a sensitivity analysis to estimate our exposure to market risk with respect to the futures contracts we hold as of September 30, 2010 to hedge the fixed price component of certain supply contracts. If the price of natural gas were to fluctuate (increase or decrease) by 10% from the price quoted on NYMEX on September 30, 2010 ($3.64 per Mcf), we could expect a corresponding fluctuation in the value of the contracts of approximately $0.9 million.

Item 4.—Controls and Procedures

Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in the reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. We carried out an evaluation, under the supervision of and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of the end of the period covered by this report.

Changes in Internal Control over Financial Reporting

On September 7, 2010, the Company purchased the IMW Acquired Business. In the third quarter, the Company began to integrate the acquisition into its internal control over financial reporting structure. As such, there have been changes during the quarter associated with the establishment of internal control over financial reporting with respect to the IMW Acquired Business. There were no other changes in our internal control over financial reporting that occurred during the period covered by this Quarterly Report on Form 10-Q that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II.—OTHER INFORMATION

Item 1.—Legal Proceedings

We may become party to various legal actions that arise in the ordinary course of our business. During the course of our operations, we are also subject to audit by tax authorities for varying periods in various federal, state, local, and foreign tax jurisdictions. Disputes have and may continue to arise during the course of such audits as to facts and matters of law. On July 15, 2010, we received a letter from the IRS disallowing approximately $5.1 million related to certain claims we filed from October 1, 2006 through June 30, 2008 under the Volumetric Excise Tax Credit program. We believe our claims were properly made and has appealed the IRS's request for payment. It is impossible at this time to determine the ultimate liabilities that we may incur resulting from any lawsuits, claims and proceedings, audits, commitments, contingencies and related matters or the timing if these liabilities, if any. If these matters were to be ultimately resolved unfavorably, an outcome not currently anticipated, it is possible that such outcome could have a material adverse effect upon our consolidated financial position or results of operations. However, we believe that the ultimate resolution of such actions will not have a material adverse affect on our consolidated financial position, results of operations, or liquidity.

Item 1A.—Risk Factors

An investment in our Company involves a high degree of risk of loss. You should carefully consider the risk factors discussed below together with the risk factors in Part I, Item 1A of our 2009 Annual Report on Form 10-K and all of the other information included in this report before you decide to purchase shares of our common stock. We believe the risks and uncertainties described below are the most significant we face. The occurrence of any of the following risks could harm our business. In that case, the trading price of our common stock could decline. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our operations.

We have a history of losses and may incur additional losses in the future.

For the nine month period ended September 30, 2010, we incurred pre-tax losses of $17.2 million, which included a derivative gain of $5.9 million related to marking to market the value of our Series I warrants. In 2007, 2008 and 2009 we incurred pre-tax losses of $7.7 million, $44.3 million, and $33.4 million, respectively. Our loss for 2008 includes $18.6 million in expenses associated with our support for Proposition 10, the California Alternative Fuel Vehicles and Renewable Energy ballot initiative and our loss for 2009 includes $17.4 million of derivative losses related to marking to market the value of our Series I warrants. During 2007, 2008 and 2009, our losses were substantially decreased by our receipt of approximately $17.0 million, $17.2 million and $15.5 million of revenue from federal fuel tax credits; however, the law providing for the fuel tax credits expired on December 31, 2009. In order to execute our strategy and improve our financial performance, we must continue to invest in developing the natural gas vehicle fuel market and offer our customers compelling natural gas fuel prices. If we do not achieve or maintain profitability that can be sustained in the absence of federal fuel tax credits, our business will suffer and the price of our common stock may drop. In addition, if the price of our common stock increases during future periods when our Series I warrants are outstanding, we may be required to recognize material losses based on the valuation of the outstanding Series I warrants.

A material portion of our historical revenues are associated with a federal fuel excise tax credit that expired on December 31, 2009.

The federal excise tax credit of $0.50 per gasoline gallon equivalent of CNG and liquid gallon of LNG sold for vehicle fuel use, which began on October 1, 2006, expired December 31, 2009. Based on the service relationship we had with our customers, either we or our customers were able to claim the credit. In 2007, 2008 and 2009, we recorded approximately $17.0 million, $17.2 million and $15.5 million of revenue, respectively, related to fuel tax credits, representing approximately 14.5%, 13.7% and 11.8%, respectively, of our total revenue during the periods. If the fuel tax credit is not reinstated during 2010 or extended to future periods, our revenue during 2010 and any such future periods will be materially reduced and our financial performance will suffer. Analysts that write research on our company may also reduce their ratings or make negative adjustments to their future expectations of our financial performance if the fuel excise tax credit is not reinstated or extended to future periods, which may also result in a decrease in the price of our common stock. In addition, on July 15, 2010, the IRS sent us a letter disallowing approximately $5.1 million related to certain excise tax credit claims we made from October 1, 2006 to June 30, 2008. If we are unsuccessful in appealing the IRS disallowance of these claims, we may be required to refund some or all of the $5.1 million in contested claims and we may have to revise or restate our historical financial statements for some or all of the time period from October 1, 2006 through June 30, 2008 to account for the reduction in revenue.

We will need to raise debt or equity capital to continue to fund the growth of our business.

We will be required to raise debt or equity capital to fund the growth of our business. Our business plan calls for approximately $17.1 million in capital expenditures from October 1, 2010 through December 31, 2010. We may also require capital for unanticipated expenses, mergers and acquisitions and strategic investments. In addition, we have committed to significant future payments that will be required to make in connection with our acquisition of the IMW Acquired Business.

On September 7, 2010, the Company, acting through certain of its subsidiaries, completed its purchase of the advanced, non-lubricated natural gas fueling compressor and related equipment manufacturing and servicing business (the "IMW Acquired Business") of I.M.W. Industries Ltd., a British Columbia corporation ("IMW"). A subsidiary of the Company (the "Acquisition Subsidiary") paid an upfront cash payment of approximately $15.6 million (subject to a final working capital adjustment) and issued 4,017,408 shares of the Company's common stock at closing to IMW's shareholder. In connection with the closing of the Company's acquisition of the IMW Acquired Business, the Acquisition Subsidiary also issued the following promissory notes to IMW (collectively, the "IMW Notes"): (i) a promissory note with a principal amount of $12,500,000 that is due and payable on January 31, 2011, (ii) a promissory note with a principal amount of $12,500,000 that is due and payable on January 31, 2012, (iii) a promissory note with a principal amount of $12,500,000 that is due and payable on January 31, 2013, and (iv) a promissory note with a principal amount of $12,500,000 that is due and payable on January 31, 2014. Each payment under the IMW Notes will consist of $5.0 million in cash and $7.5 million in cash and/or shares of the Company's common stock (the exact combination of cash and/or stock to be determined at the Acquisition Subsidiary's option). In addition, pursuant to a security agreement executed at closing, the IMW Notes are secured by a subordinate security interest in the IMW Acquired Business.

On August 31, 2010, we executed a non-binding letter of intent to acquire all the outstanding interests or substantially all the assets of Northstar for consideration of up to $16 million, with $6.5 million payable at closing, and a portion of the consideration to be allocated to employee retention programs. The remaining consideration will be paid in equal installments over the five years following the closing. This acquisition is subject to Board approval, completion of due diligence, and execution of a definitive purchase agreement.

Equity or debt financing options may not be available on terms favorable to us or at all, particularly if there are no effective federal incentives supporting the growth of the natural gas fueling business. Additional sales of our common stock or securities convertible into our common stock will dilute existing stockholders and may result in a decline in our stock price. We may also pursue debt financing options including, but not limited to, equipment financing, the sale of convertible promissory notes or commercial bank financing. Recent economic turmoil and severe lack of liquidity in the debt capital markets and volatility and rapidly falling prices in the equity capital markets have severely and adversely affected capital raising opportunities. If we are unable to obtain debt or equity financing in amounts sufficient to fund any unanticipated expenses, capital expenditures, mergers, acquisitions or strategic investments, we will be forced to suspend or curtail these capital expenditures or postpone or delay potential acquisitions or other strategic transactions, which could harm our business, results of operations, and future prospects.

Our growth depends in part on tax and related government incentives for clean burning fuels and alternative fuel vehicles. A reduction in these incentives or the failure to pass new legislation with new incentive programs will increase the cost of natural gas fuel and vehicles for our customers and will significantly reduce our revenue.

Our business depends in part on tax credits, rebates and similar federal, state and local government incentives that promote the use of natural gas as a vehicle fuel in the United States. The federal fuel excise tax credit for the sale of natural gas fuel expired on December 31, 2009. The federal income tax credit that is available to offset 50% to 80% of the incremental cost of purchasing new or converted natural gas vehicles is scheduled to expire on December 31, 2010, and if these tax credits are not extended, it will have a detrimental effect on the natural gas vehicle and fueling industry, including sales at our wholly owned subsidiaries, BAF and the IMW Acquired Business, and adversely affect our results of operations and financial performance. Our business plan and the ability of our business to successfully grow depends in part on the reinstatement and extension of the federal fuel excise tax credit for natural gas vehicle fuel, the extension of the federal income tax credit for the purchase of natural gas vehicles and the passage of legislation providing for additional incentives for the sale and use of natural gas vehicles. If existing federal incentives are not reinstated or extended and if new incentives are not passed, fewer natural gas vehicles will be sold and used and our revenue and financial performance will be adversely affected. Furthermore, the failure of certain federal, state and local government incentives which promote the use of natural gas as a vehicle fuel to pass into law could result in a negative perception by the market generally and a decline in the market price of our common stock. In addition, if grant funds are no longer available under existing government programs for the purchase and construction of natural gas vehicles and stations, the purchase of natural gas vehicles and station construction could slow and our business and results of operations will be adversely affected. Continued reduction in tax revenues associated with high unemployment rates, economic recession or slow-down could result in a significant reduction in funds available for government grants that support vehicle conversion and station construction, which could impair our ability to grow our business.

Automobile and engine manufacturers produce very few originally manufactured natural gas vehicles and engines for the United States and Canadian markets, which may restrict our sales.

Limited availability of natural gas vehicles restricts their wide scale introduction and narrows our potential customer base. Original equipment manufacturers produce a small number of natural gas engines and vehicles, and they may not make adequate investments to expand their natural gas engine and vehicle product lines. For the North American market, there is only one major automobile manufacturer that makes natural gas powered passenger vehicles, and major manufacturers of medium and heavy duty vehicles produce only a narrow range and number of natural gas vehicles. The technology utilized in some of the heavy duty vehicles that run on LNG is also relatively new and has not been previously deployed or used in large numbers of vehicles. As a result, these vehicles may require servicing and further technology refinements to address performance issues that may occur as vehicles are deployed in large numbers and are operated under strenuous conditions. If potential heavy duty LNG truck purchasers are not satisfied with truck performance, or additional heavy-duty truck engine manufacturers do not enter the market for LNG engines, it may delay, impair, or eliminate the growth of our LNG fueling business, which would impair our financial performance. Further, North American car and truck manufacturers are facing significant economic challenges that may make it difficult or impossible for them to introduce new natural gas vehicles in the North American market or continue to manufacture and support the limited number of available natural gas vehicles. Due to the limited supply of natural gas vehicles, our ability to promote natural gas vehicles and our natural gas fuel sales may be restricted, even if there is demand.

Decreases in the price of oil, gasoline and diesel fuel without similar decreases in the price of natural gas may slow the growth of our business and negatively impact our financial results.

Prices for oil, gasoline and diesel fuel have declined substantially from the recent high prices reached in the summer of 2008. The price of a barrel of crude oil has declined from a high of $148.35 per barrel reached on July 11, 2008 to a price of $79.97 per barrel on September 30, 2010. Average retail prices for ultra low sulfur diesel fuel in California have declined from a high of $5.03 in May and June 2008 to $3.14 per gallon at September 30, 2010, and average retail prices for gasoline in California have declined from a high of $4.59 per gallon in June 2008 to $3.04 per gallon at September 30, 2010. The decrease in the price of diesel and gasoline, in particular, has resulted in reduced interest in alternative fuels such as LNG and CNG. Decreased interest in alternative fuels will slow the growth of our business. In addition, to the extent that we price our CNG and LNG fuel at a discount to these reduced diesel or gasoline prices in an effort to attract new and retain existing customers, our profit margin on fuel sales may be harmed and our financial results negatively impacted. Our retail prices for LNG fuel in California decreased from $3.70 per diesel gallon equivalent in June and July of 2008 to $2.20 per diesel gallon equivalent at September 30, 2010, and our retail prices for CNG fuel sold in the Los Angeles basin decreased from a high of $3.30 per gasoline gallon equivalent in July of 2008 to $2.50 per gasoline gallon equivalent at September 30, 2010. Lower fuel prices for CNG and LNG as a result of lower natural gas commodity prices also will reduce our revenues.

If the prices of CNG and LNG do not remain sufficiently below the prices of gasoline and diesel, potential fleet customers will have less incentive to purchase natural gas vehicles, which would decrease demand for CNG and LNG and limit our growth.

Natural gas vehicles cost more than comparable gasoline or diesel powered vehicles because converting a vehicle to use natural gas adds to its base cost. If the prices of CNG and LNG do not remain sufficiently below the prices of gasoline or diesel, fleet operators may be unable to recover the additional costs of acquiring or converting to natural gas vehicles in a timely manner, and they may choose not to use natural gas vehicles. Our ability to offer CNG and LNG fuel to our customers at lower prices than gasoline and diesel depends in part on natural gas prices remaining lower, on an energy equivalent basis, than oil prices. If the price of oil declines and the price of natural gas increases, it will make it more difficult for us to offer our customers discounted prices for CNG and LNG as compared to gasoline and diesel prices and maintain an acceptable margin on our sales. Recent and significant volatility in oil and gasoline prices demonstrate that it is difficult to predict future transportation fuel costs. In addition, any new regulations imposed on natural gas extraction in the United States, particularly on extraction of natural gas from shale formations, could increase the costs of domestic gas production or make it more costly to produce natural gas in the United States, which could lead to substantial increases in the price of natural gas. Reduced prices for gasoline and diesel fuel and continuing uncertainty about fuel prices, combined with higher costs for natural gas and natural gas vehicles, may cause potential customers to delay or reject converting their fleets to run on natural gas. In that event, our sales of natural gas fuel and vehicles would be slowed and our business would suffer.

The volatility of natural gas prices could adversely impact the adoption of CNG and LNG vehicle fuel and our business.

In the recent past, the price of natural gas has been volatile, and this volatility may continue. From the end of 1999 through September 30, 2010, the price for natural gas, based on the NYMEX daily futures data, ranged from a low of $1.65 per Mcf to a high of $19.38 per Mcf. As of September 30, 2010, the NYMEX index price for natural gas was $3.64 per Mcf. Increased natural gas prices affect the cost to us of natural gas and will adversely impact our operating margins in cases where we have committed to sell natural gas at a fixed price without an effective futures contract in place that fully mitigates the price risk or where we otherwise cannot pass on the increased costs to our customers. In addition, higher natural gas prices may cause CNG and LNG to cost as much as or more than gasoline and diesel generally, which would adversely impact the adoption of CNG and LNG as a vehicle fuel. Conversely, lower natural gas prices reduce our revenues due to the fact that in a significant amount of our customer agreements the commodity cost is passed through to the customer. Among the factors that can cause price fluctuations in natural gas prices are changes in domestic and foreign supplies of natural gas, domestic storage levels, crude oil prices, the price difference between crude oil and natural gas, price and availability of alternative fuels, weather conditions, level of consumer demand, economic conditions, price of foreign natural gas imports, and domestic and foreign governmental regulations and political conditions. In particular, there have been recent legislative efforts to place new regulatory requirements on the production of natural gas by hydraulic fracturing of shale gas reservoirs. Hydraulic fracturing of shale gas reservoirs has resulted in a substantial increase in the proven natural gas reserves in the United States, and any change in regulations that makes it substantially more expensive or unprofitable to produce natural gas through hydraulic fracturing could lead to increased natural gas prices. The recent economic recession and increased domestic natural gas supplies have contributed to significant declines in the price of natural gas since the summer of 2008.

Our growth depends in part on environmental regulations and programs mandating the use of cleaner burning fuels, and modification or repeal of these regulations may adversely impact our business.

Our business depends in part on environmental regulations and programs in the United States that promote or mandate the use of cleaner burning fuels, including natural gas for vehicles. In particular, the Ports of Los Angeles and Long Beach have adopted the San Pedro Bay Ports Clean Air Action Plan, which outlines a Clean Trucks Program that calls for the replacement of drayage trucks with trucks that meet certain clean truck standards. Industry participants with a vested interest in gasoline and diesel, many of which have substantially greater resources than we do, invest significant time and money in an effort to influence environmental regulations in ways that delay or repeal requirements for cleaner vehicle emissions. Further, an economic recession may result in the delay, amendment or waiver of environmental regulations or the Clean Trucks Program due to the perception that they impose increased costs on the transportation industry that cannot be absorbed in a contracting economy. For example, the Clean Trucks Program formerly called for the replacement of a set number of drayage trucks with "clean" trucks, but due to economic conditions and other factors, the Clean Trucks Program no longer calls for any specific number of "clean" truck replacements. In addition, many of the clean trucks that have been deployed have been clean diesel trucks which are generally less expensive than LNG trucks. There have also been recent ballot initiatives commenced in the State of California and political support for postponing or delaying California's implementation of AB 32, also known as the Global Warming Solutions Act of 2006, which is intended to reduce greenhouse gas emissions.

CNG, LNG and biomethane vehicle fuel all produce fewer greenhouse gases than gasoline or diesel fuel and the delay or repeal of AB 32, and in particular California's low-carbon fuel standard, could reduce the appeal of natural gas fuel for our customers and reduce our revenue. The delay, repeal or modification of federal or state regulations or programs that encourage the use of cleaner vehicles, and in particular the Clean Trucks Program outlined in the San Pedro Bay Ports Clean Air Action Plan or California's AB 32, could also have a detrimental effect on the United States natural gas vehicle industry, which, in turn, could slow our growth and adversely affect our business.

The use of natural gas as a vehicle fuel may not become sufficiently accepted for us to expand our business.

To expand our business, we must develop new fleet customers and obtain and fulfill CNG and LNG fueling contracts from these customers. We cannot guarantee that we will be able to develop these customers or obtain these fueling contracts. Whether we will be able to expand our customer base will depend on a number of factors, including the level of acceptance and availability of natural gas vehicles, the growth in our target markets of fueling station infrastructure that supports CNG and LNG sales and our ability to supply CNG and LNG at competitive prices. The decline in oil, diesel and gasoline prices from the levels they reached during the summer of 2008 has resulted in decreased interest in alternative fuels like CNG and LNG. In addition, the disruption in the capital markets that began in 2008 has reduced the availability of debt financing to support the purchase of CNG and LNG vehicles and investment in CNG and LNG infrastructure. If our potential customers are unable to access credit to purchase natural gas vehicles, it may make it difficult or impossible for them to invest in natural gas vehicle fleets, which would impair the ability of our business to grow.

We cannot be certain that we will be successful in managing or integrating our recently acquired subsidiary, BAF, with our existing operations.

On October 1, 2009, we closed our acquisition of 100% of the equity interests of BAF, which is now our wholly owned subsidiary. BAF provides natural gas vehicle conversions, alternative fuel systems, application engineering, service and warranty support and research and development services. Historically, BAF has suffered net operating losses and required outside financing to support its ongoing business. Our ability to realize benefits from the acquisition depends on our ability to improve BAF's financial performance in comparison to its historical financial results. Our management team has limited experience managing a vehicle conversion company, and BAF represents a new product offering for our company. The successful management and integration of BAF's operations will present significant challenges, including realizing economies of scale and integrating internal financial and operational systems. We cannot provide any assurances that we will realize any anticipated benefits or will successfully integrate any of the acquired operations with our existing operations. In addition, the BAF operations do not have the disclosure controls and procedures or internal controls over financial reporting that are as thorough or effective as those required for public companies. Although we intend to implement appropriate controls and procedures as we integrate the BAF operations, we cannot provide assurance as to the effectiveness of BAF's disclosure controls and procedures or internal controls over financial reporting until we have fully integrated them.

A significant portion of the purchase price of the IMW Acquired Business was allocated to goodwill and a write-off of all or part of this goodwill could adversely affect our operating results.

Under business combination accounting standards, we allocated the total purchase price of the IMW Acquired Business to its net tangible assets and intangible assets based on their fair values as of the date of the acquisition and recorded the excess of the purchase price over those values as goodwill. Management's estimates of the fair value of the assets and liabilities of the IMW Acquired Business were based upon certain assumptions, including assumptions about and anticipated attainment of new business, believed to be reasonable, but which are inherently uncertain. Pursuant to the applicable accounting standards, we allocated $44.2 million of the purchase price for the IMW Acquired Business to goodwill. Our goodwill could be impaired if developments affecting the acquired compressor manufacturing operations or the markets in which the IMW Acquired Business produces and/or sells compressors lead us to conclude that the cash flows we expect to derive from its manufacturing operations will be substantially reduced. An impairment of all or part of our goodwill could adversely affect our results of operations and financial condition.

We cannot be certain that we will be successful in managing or integrating the acquired business of IMW into our business, which could prevent us from realizing the expected benefits of the acquisition and could adversely affect our future results.

The integration of the IMW Acquired Business into our business presents significant challenges and risks to our business, including (i) the distraction of management from other business concerns, (ii) the retention of customers of IMW, (iii) expansion into foreign markets, (iv) the introduction of IMW's compressor and related equipment manufacturing and servicing business, which is a new product line for us, (v) achievement of appropriate internal controls over financial reporting and (vi) the monitoring of compliance with all laws and regulations. The vast majority of IMW's revenue is derived

Table of Contents

from sales in emerging markets, and IMW has not previously been required to comply with the U.S. Foreign Corruption Practices Act or any of the requirements of Sarbanes-Oxley. If we do not successfully integrate the IMW Acquired Business into our business and maintain regulatory compliance, we may not realize the benefits expected from the acquisition and our results of operations could be materially adversely affected. If the revenue of the IMW Acquired Business declines or grows more slowly than we anticipate, or if its operating expenses are higher than we expect, we may not be able to achieve, sustain or increase the growth of our business, in which case our financial condition will suffer and our stock price could decline. In addition, the operations of the IMW Acquired Business do not have the disclosure controls and procedures or internal controls over financial reporting that are as thorough or effective as those required for a public company. Although we intend to implement appropriate controls and procedures as we integrate the operations of the IMW Acquired Business, we cannot provide assurance as to the effectiveness of the disclosure controls and procedures or internal controls over financial reporting of the IMW Acquired Business until we have fully integrated them.

Failure to comply with the terms of our Credit Agreement with PlainsCapital Bank could impair our rights in DCE and other secured property.

In August 2008, we acquired a 70% interest in DCE, which manages a biomethane production facility at the McCommas Bluff landfill in Dallas, Texas, and holds a lease to the associated landfill gas development rights. We borrowed $18 million from PCB to fund the acquisition and obtained a $12 million line of credit from PCB to pay certain costs and expenses of the acquisition and finance capital improvements of the gas processing plant through a loan made by us to DCE. We have used $12.0 million of the line of credit from PCB, and the outstanding balance was $9.9 million as of September 30, 2010. In October 2009, we repaid the $18 million loan that we used to fund the acquisition of DCE and amended the Credit Agreement to obtain a $20 million line of credit from PCB to finance capital expenditures and working capital for our operations, and for other general business purposes. During the nine months ended September 30, 2010, we did not borrow any money under the $20 million line of credit. To secure our obligations under the Credit Agreement, we granted PCB a security interest in 45 of our LNG tanker trailers, certain accounts receivable and inventory, and our note receivable from, and our membership interests in, DCE. Our Credit Agreement with PCB requires that we comply with certain covenants. One of the covenants requires that we maintain accounts receivable balances from certain subsidiaries above $8 million at each quarter-end during the term. To the extent natural gas prices fall, which would result in decreased revenues, or our volumes sold decline, we could violate this covenant. Also, beginning with the quarter ended June 30, 2009, we have been required to maintain a specific minimum debt service ratio. Should our operating results not materialize as planned, we could violate this covenant. If we were to violate a covenant, we would seek a waiver from the bank, which the bank is not obligated to grant. If the bank does not grant a waiver, all of the obligations under the Credit Agreement will become immediately due and payable and $2.5 million of our funds held by PCB would be applied to the balance due on the PCB loans. We also would be unable to use the $20 million PCB line of credit if this were to occur.

For the quarter ended September 30, 2010, we were not in compliance with our debt service ratio covenant under the Credit Agreement, however, PCB agreed to waive compliance with this covenant until the next quarterly calculation at December 31, 2010.

The infrastructure to support gasoline and diesel consumption is vastly more developed than the infrastructure for natural gas vehicle fuels.

Gasoline and diesel fueling stations and service infrastructure are widely available in the United States. For natural gas vehicle fuels to achieve more widespread use in the United States and Canada, they will require a promotional and educational effort and the development and supply of more natural gas vehicles and fueling stations. This will require significant continued effort by us, as well as government and clean air groups, and we may face resistance from oil companies and other vehicle fuel companies. A prolonged economic recession and continued disruption in the capital markets may make it difficult or impossible to obtain financing to expand the natural gas vehicle fueling infrastructure and impair our ability to grow our business. There is no assurance natural gas will ever achieve the level of acceptance as a vehicle fuel necessary for us to expand our business significantly.

We have significant contracts with federal, state and local government entities that are subject to unique risks.

We have existing, and will continue to seek, long-term LNG and CNG station construction, maintenance and fuel sales contracts with various federal, state and local governmental bodies, which accounted for approximately 64% of our yearly revenues from 2006 through 2009. In May 2009, we spent $5.6 million to acquire four new CNG operation and maintenance contracts with government agencies. In addition to our normal business risks, our contracts with these government entities are often subject to unique risks, some of which are beyond our control. Long-term government contracts and related orders are subject to cancellation if appropriations for subsequent performance periods are not made. The termination of funding for a government program supporting any of our CNG or LNG operations could result in a loss of anticipated future revenues attributable to that program, which could have a negative impact on our operations. In addition, government entities with whom we contract are often able to modify, curtail or terminate contracts with us without prior notice at their convenience, and are only liable for payment for work done and commitments made at the time of termination. Modification, curtailment or termination of significant contracts could have a material adverse effect on our results of operations and financial condition. In particular, if any of the contracts we recently acquired are terminated, we may be unable to recover our investment in acquiring the contracts.

Table of Contents

The budget deficits being experienced by many governmental entities may reduce the available funding for certain natural gas programs and services and the purchase of CNG or LNG fuel, which could reduce our revenue and impair our financial performance.

Many governmental entities are experiencing significant budget deficits as a result of the economic recession, which has and may continue to reduce or curtail their ability to fund natural gas fuel programs, purchase natural gas vehicles or provide public transportation and services, which would harm our business. Our contracts with governmental entities constituted approximately 64% of our revenues from 2006 to 2009. Furthermore, in response to budget deficits, such governmental entities have and may continue to request or demand that we lower our price for CNG or LNG fuel. Since we compete for several of our contracts with government entities through a competitive bidding process, in order to be awarded new contracts or for the renewal of an expired contract, we may have to agree to lower prices for CNG fuel, LNG fuel and our operations and maintenance services. For example, the Metropolitan Transit System of San Diego, which represented approximately 6 million gallons of CNG in 2009, recently conducted a competitive bidding procurement and awarded the contract to a competitor as of July 27, 2010. Government deficits, spending reductions and competitive bidding procurement processes could reduce our margins on fuel sales, lower our revenue and impair our financial performance.

Conversion of vehicles to run on natural gas is time-consuming and expensive and may limit the growth of our sales.

Conversion of vehicle engines from gasoline or diesel to natural gas is performed by only a small number of vehicle conversion suppliers (including our wholly owned subsidiary, BAF) that must meet stringent safety and engine emissions certification standards. The engine certification process is time consuming and expensive and raises vehicle costs. In addition, conversion of vehicle engines from gasoline or diesel to natural gas may result in vehicle performance issues or increased maintenance costs that could discourage our potential customers from purchasing converted vehicles that run on natural gas and impair the financial performance of our recently acquired subsidiary, BAF. Without an increase in vehicle conversion options, reduced vehicle conversion costs and improved vehicle conversion performance, our sales of natural gas vehicle fuel

and converted natural gas vehicles, through BAF, may be restricted and our revenue will be reduced both by less demand for natural gas vehicle fuel and less demand for converted natural gas vehicles.

A majority of our sales of CNG vehicles are to one customer. If this customer does not continue to purchase CNG vehicles, then revenue at our wholly owned subsidiary, BAF, will decline and our financial results will be impaired.

During 2009, BAF derived approximately 63% of its revenue from AT&T. During 2010, BAF anticipates that a similar percentage of its revenue will also be derived from sales to AT&T. AT&T is not required to purchase any CNG vehicle conversion kits under its agreement with BAF and the agreement and all purchase orders submitted by AT&T under the agreement may be cancelled by AT&T at any time for any reason. If AT&T does not continue to order and pay for CNG vehicle conversion kits produced by BAF, then BAF's sales revenue will substantially decline and our financial performance may suffer. AT&T has indicated that they may reduce or delay conversion of additional vehicles during 2011 in order to allow for build out of infrastructure to support fueling the vehicles. In the absence of continued sales to AT&T, BAF may experience materially reduced revenues and may require significant capital investment to continue as a going concern, which could drain our capital resources.

If there are advances in other alternative vehicle fuels or technologies, or if there are improvements in gasoline, diesel or hybrid engines, demand for natural gas vehicles may decline and our business may suffer.

Technological advances in the production, delivery and use of alternative fuels that are, or are perceived to be, cleaner, more cost-effective or more readily available than CNG or LNG have the potential to slow adoption of natural gas vehicles. Advances in gasoline and diesel engine technology, especially hybrids, may offer a cleaner, more cost-effective option and make fleet customers less likely to convert their fleets to natural gas. Technological advances related to ethanol or biodiesel, which are increasingly used as an additive to, or substitute for, gasoline and diesel fuel, may slow the need to diversify fuels and affect the growth of the natural gas vehicle market. In addition, a prototype heavy duty electric truck model was recently introduced at the ports of Los Angeles and Long Beach. Use of electric heavy duty trucks or the perception that electric heavy duty trucks may soon be widely available and provide satisfactory performance in heavy duty applications may reduce demand for heavy duty LNG trucks. In addition, hydrogen and other alternative fuels in experimental or developmental stages may eventually offer a cleaner, more cost-effective alternative to gasoline and diesel than natural gas. Advances in technology that slow the growth of or conversion to natural gas vehicles, or which otherwise reduce demand for natural gas as a vehicle fuel, will have an adverse effect on our business. Failure of natural gas vehicle technology to advance at a sufficient pace may also limit its adoption and our ability to compete with other alternative fuels and alternative fuel vehicles.

Table of Contents

Our ability to supply LNG to new and existing customers is restricted by limited production of LNG and by our ability to source LNG without interruption and near our target markets.

Production of LNG in the United States is fragmented. LNG is produced at a variety of smaller natural gas plants around the United States, as well as at larger plants. It may become difficult for us to obtain additional LNG without interruption and near our current or target markets at competitive prices. If our LNG liquefaction plants, or any of those from which we purchase LNG, are damaged by severe weather, earthquake or other natural disaster, or otherwise experience prolonged downtime, our LNG supply will be restricted. Currently, one of the suppliers from whom we obtain LNG has experienced unscheduled plant shut downs and has been unable to maintain minimum production levels, which has caused us to incur additional costs to obtain LNG from other sources. If we are unable to supply enough of our own LNG or purchase it from third parties to meet existing customer demand, we may be liable to our customers for penalties. Our growth plans, if successful, will require substantial growth in the available LNG supply across the United States, and if this supply is unavailable, it will constrain our ability to grow the market for LNG fuel including supplying LNG fuel to heavy duty truck customers. An LNG supply interruption or LNG demand that exceeds available supply will also limit our ability to expand LNG sales to new customers and could disrupt our relationship with existing customers, which would hinder our growth. Furthermore, because transportation of LNG is relatively expensive, if we are required to supply LNG to our customers from distant locations and cannot pass these costs through to our customers, our operating margins will decrease on those sales due to our increased transportation costs.

LNG supply purchase commitments may exceed demand causing our costs to increase and impact LNG sales margins.

Two of our LNG supply agreements have a take or pay commitment and our California LNG liquefaction plant has a land lease and other fixed operating costs regardless of production and sales levels. The take or pay commitments require us to pay for the LNG that we have agreed to purchase irrespective of whether we can sell the LNG to our own customers. For example, the LNG Sales Agreement that we entered into with Desert Gas Services, LLC ("DGS") on October 17, 2007 has a ten year term and, provided that Plant Capacity (as defined in the LNG Sales Agreement) is available to be taken by us, the plant is not shut down by DGS and no event beyond our reasonable control prevents us from taking delivery of LNG, we are committed to purchasing at least 45,000 gallons of LNG per day. Should the market demand for LNG decline or if we lose significant LNG customers or if demand under any existing or any future LNG supply contract does not maintain its volume levels or grow, overall operating and supply costs may increase as a percentage of revenue and negatively impact our margins.

One of our third-party LNG suppliers may cancel its supply contract with us on short notice or increase its LNG prices, which would hinder our ability to meet customer demand and increase our costs.

Under certain circumstances, Williams Gas Processing Company ("Williams") may terminate our LNG supply contract with them on short notice. Williams may also significantly increase the price of LNG we purchase upon 24 hours' notice if their costs to produce LNG increases, and we may be required to reimburse them for certain other expenses. Our contract with Williams, which supplied 29% of the LNG we sold for the year ended December 31, 2008, 14% for the year ended December 31, 2009, and 13.2% for the first nine months of 2010, expires on June 30, 2011. Furthermore, there are a limited number of LNG suppliers in or near the areas where our LNG customers are located. It may be difficult to replace an LNG supplier, and we may be unable to obtain alternate suppliers at acceptable prices, in a timely manner, or at all. If significant supply interruptions occur, our ability to meet customer demand will be impaired, customers may cancel orders and we may be subject to supply interruption penalties. If we are subject to LNG price increases, our operating margins may be impaired and we may be forced to sell LNG at a loss under our LNG supply contracts.

If we are unable to obtain natural gas in the amounts needed on a timely basis or at reasonable prices, we could experience an interruption of CNG or LNG deliveries or increases in CNG or LNG costs, either of which could have an adverse effect on our business.

Some regions of the United States and Canada depend heavily on natural gas supplies coming from particular fields or pipelines. Interruptions in field production or in pipeline capacity could reduce the availability of natural gas or possibly create a supply imbalance that increases natural gas prices. We have in the past experienced LNG supply disruptions due to severe weather in the Gulf of Mexico and plant outages. If there are interruptions in field production, insufficient pipeline capacity, equipment failure on liquefaction production or delivery delays, we may experience supply stoppages which could result in our inability to fulfill delivery commitments. This could result in our being liable for contractual damages and daily penalties or otherwise adversely affect our business.

Oil companies and natural gas utilities, which have far greater resources and brand awareness than we have, may expand into the natural gas fuel market, which could harm our business and prospects.

There are numerous potential competitors who could enter the market for CNG and LNG vehicle fuels. Many of these potential entrants, such as integrated oil companies and natural gas utilities, have far greater resources and brand awareness than we have. Natural gas utilities, particularly in California, continue to own and operate natural gas fueling stations that compete with our stations. If the use of natural gas vehicles and demand for natural gas vehicle fuel increases, these companies may find it more attractive to enter or expand their operations in the market for natural gas vehicle fuels and we may experience increased pricing pressure, reduced operating margins and fewer expansion opportunities.

If we do not have effective futures contracts in place, increases in natural gas prices may cause us to lose money.

From 2005 to 2008, we sold and delivered approximately 30% of our total gasoline gallon equivalents of CNG and LNG under contracts that provided a fixed price or a price cap to our customers over terms typically ranging from one to three years, and in some cases up to five years. At any given time, however, the market price of natural gas may rise and our obligations to sell fuel under fixed price contracts may be at prices lower than our fuel purchase price if we do not have effective futures contracts in place. This circumstance has in the past and may again in the future compel us to sell fuel at a loss, which would adversely affect our results of operations and financial condition. Commencing with the adoption of our revised natural gas hedging policy in February 2007, our policy has been to purchase futures contracts to hedge our exposure to natural gas price variability related to our fixed price contracts. Such contracts, however, may not be available or we may not have sufficient financial resources to secure such contracts. In addition, under our hedging policy, we may reduce or remove futures contracts we have in place related to these contracts if such disposition is approved in advance by our board of directors and derivative committee. If we are not economically hedged with respect to our fixed price contracts, we will lose money in connection with those contracts during periods in which natural gas prices increase above the prices of natural gas included in our customers' contracts. As of September 30, 2010, we were economically hedged with respect to all four of our fixed price contracts with our customers.

Our futures contracts may not be as effective as we intend.

Our purchase of futures contracts can result in substantial losses under various circumstances, including if we do not accurately estimate the volume requirements under our fixed price customer contracts when determining the volumes included in the futures contracts we purchase, or we elect to purchase a futures contract in connection with a bid proposal and ultimately we are not awarded the entire contract or our customer does not fully perform its obligations under the awarded contract. We also could incur significant losses if a counterparty does not perform its obligations under the applicable futures arrangement, the futures arrangement is economically imperfect or ineffective, or our futures policies and procedures are not properly followed or do not work as planned. Furthermore, we cannot assure that the steps we take to monitor our futures activities will detect and prevent violations of our risk management policies and procedures.

A decline in the value of our futures contracts may result in margin calls that would adversely impact our liquidity.

We are required to maintain a margin account to cover losses related to our natural gas futures contracts. Futures contracts are valued daily, and if our contracts are in loss positions at the end of a trading day, our broker will transfer the amount of the losses from our margin account to a clearinghouse. If at any time the funds in our margin account drop below a specified maintenance level, our broker will issue a margin call that requires us to restore the balance. Payments we make to satisfy margin calls will reduce our cash reserves, adversely impact our liquidity and may also adversely impact our ability to expand our business. Moreover, if we are unable to satisfy the margin calls related to our futures contracts, our broker may sell these contracts to restore the margin requirement at a substantial loss to us. As of September 30, 2010, we had $5.9 million on deposit related to our futures contracts.

If our futures contracts do not qualify for hedge accounting, our net income and stockholders' equity will fluctuate more significantly from quarter to quarter based on fluctuations in the market value of our futures contracts.

We account for our futures activities under the relevant derivative accounting guidance, which requires us to value our futures contracts at fair market value in our financial statements. Prior to June 2008, our futures contracts did not qualify for hedge accounting, and therefore we have recorded any changes in the fair market value of these contracts directly in our consolidated statements of operations in the line item "derivative (gains) losses" along with any realized gains or losses during the period. Currently, we attempt to qualify all of our futures contracts for hedge accounting under the relevant derivative accounting guidance, but there can be no assurances that we will be successful in doing so. At September 30, 2010, all of our futures contracts qualified for hedge accounting. To the extent that all or some of our futures contracts do not qualify for hedge accounting, we could incur significant increases and decreases in our net income and stockholders' equity in the future based on fluctuations in the market value of our futures contracts from quarter to quarter. We had no derivative gains or losses related to our natural gas futures contracts for the year ended December 31, 2009 and for the nine months ended September 30, 2010. Any negative fluctuations may cause our stock price to decline due to our failure to meet or exceed the expectations of securities analysts or investors.

Compliance with potential greenhouse gas regulations affecting our LNG plants or fueling stations may prove costly and negatively affect our financial performance.

California has adopted legislation, AB 32, which calls for a cap on greenhouse gas emissions throughout California and a statewide reduction to 1990 levels by 2020, and an additional 80% reduction below 1990 levels by 2050. Seven western U.S. states (Arizona, California, Montana, New Mexico, Oregon, Utah and Washington) and four Canadian provinces (British Columbia, Manitoba, Ontario and Quebec) formed the Western Climate Initiative to help combat climate change. Other states and the federal government are considering passing measures to regulate and reduce greenhouse gas emissions. Any of these regulations, when and if implemented, may regulate the greenhouse gas emissions produced by our LNG production plants in California and Texas or our LNG and CNG fueling stations and require that we obtain emissions credits or invest in costly emissions prevention technology. We cannot currently estimate the potential costs associated with federal or state regulation of greenhouse gas emissions from our LNG plants or LNG and CNG stations, and these unknown costs are not contemplated in the financial terms of our customer agreements. These unanticipated costs may have a negative impact on our financial performance and may impair our ability to fulfill customer contracts at an operating profit.

Natural gas fueling operations and vehicle conversions entail inherent safety and environmental risks that may result in substantial liability to us.

Natural gas fueling operations and vehicle conversions entail inherent risks, including equipment defects, malfunctions and failures and natural disasters, which could result in uncontrollable flows of natural gas, fires, explosions and other damages. For example, operation of LNG pumps requires special training and protective equipment because of the extreme low temperatures of LNG. LNG tanker trailers have also in the past been, and may in the future be, involved in accidents that result in explosions, fires and other damage. Improper refueling of LNG vehicles can result in venting of methane gas, which is a potent greenhouse gas, and LNG related methane emissions may in the

future be regulated by the EPA or by state regulations. Additionally, CNG fuel tanks, if damaged or improperly maintained, may rupture and the contents of the tank may rapidly decompress and result in death or injury. In 2007, a driver of a CNG van in Los Angeles was killed when the previously damaged tank he was fueling ruptured. These risks may expose us to liability for personal injury, wrongful death, property damage, pollution and other environmental damage. We may incur substantial liability and cost if damages are not covered by insurance or are in excess of policy limits. If CNG or LNG vehicles are perceived to be unsafe, it will harm our growth and negatively affect BAF's ability to sell converted CNG vehicles, which would impair our financial performance.

Our business is heavily concentrated in the western United States, particularly in California and Arizona. Continuing economic downturns in these regions could adversely affect our business.

Our operations to date have been concentrated in California and Arizona. For the years ended December 31, 2007, 2008 and 2009, sales in California accounted for 40%, 45% and 49% respectively, and sales in Arizona accounted for 20%, 14% and 10%, respectively, of the total amount of gallons we delivered. For the nine month period ended September 30, 2010, sales in California and Arizona accounted for 49% and 9%, respectively, of the total amount of gallons we delivered. A decline in the economy in these areas could slow the rate of adoption of natural gas vehicles, reduce fuel consumption or reduce the availability of government grants, any of which could negatively affect our growth.

We provide financing to fleet customers for natural gas vehicles, which exposes our business to credit risks.

We loan to certain qualifying customers a portion of, and occasionally up to 100%, of the purchase price of natural gas vehicles. We may also lease vehicles to customers in the future. There are risks associated with providing financing or leasing that could cause us to lose money. Some of these risks include: most of the equipment financed consists of vehicles, which are mobile and easily damaged, lost or stolen, there is a risk the borrower may default on payments, we may not be able to bill properly or track payments in adequate fashion to sustain growth of this service, and the amount of capital available to us is limited and may not allow us to make loans required by customers. Some of our customers, such as taxi owners, may depend on the CNG vehicles that we finance or lease to them as their sole source of income, which may make it difficult for us to recover the collateral in a bankruptcy proceeding. The continued disruption in the credit markets may further reduce the amount of capital available to us and an economic recession or continued high unemployment rates may increase the rate of default by borrowers, leading to an increase in losses on our loan portfolio. As of September 30, 2010, we had $5.9 million outstanding in loans provided to customers to finance natural gas vehicle purchases.

Our business is subject to a variety of governmental regulations that may restrict our business and may result in costs and penalties.

We are subject to a variety of federal, state and local laws and regulations relating to the environment, health and safety, labor and employment and taxation, among others. These laws and regulations are complex, change frequently and have tended to become more stringent over time. Failure to comply with these laws and regulations may result in a variety of administrative, civil and criminal enforcement measures, including assessment of monetary penalties and the imposition of remedial requirements. From time to time, as part of the regular overall evaluation of our operations, including newly acquired operations, we may be subject to compliance audits by regulatory authorities. In addition, any failure to comply with regulations related to the government procurement process at the federal, state or local level or restrictions on political activities and lobbying may result in administrative or financial penalties including being barred from providing services to governmental entities, which accounted for approximately 64% of our yearly revenues from 2006 through 2009.

In connection with our LNG liquefaction activities and the landfill gas processing facility operated by DCE, we need or may need to apply for additional facility permits or licenses to address storm water or wastewater discharges, waste handling, and air emissions related to production activities or equipment operations. This may subject us to permitting conditions that may be onerous or costly. Compliance with laws and regulations and enforcement policies by regulatory agencies could require us to make material expenditures and may distract our officers, directors and employees from the operation of our business.

Operational issues, permitting and other factors at DCE's landfill gas processing facility may adversely affect both DCE's ability to supply biomethane and our operating results.

In August 2008, we acquired our 70% interest in DCE. In April 2009, DCE entered into a 15-year gas sale agreement with Shell for the sale to Shell of specified levels of biomethane produced by DCE's landfill gas processing facility. There is, however, no guarantee that DCE will be able to produce or sell up to the maximum volumes called for under the agreement. DCE's ability to produce such volumes of biomethane depends on a number of factors beyond DCE's control, including, but not limited to, the availability and composition of the landfill gas that is collected, successful permitting, the operation of the landfill by the City of Dallas and the reliability of the processing facility's critical equipment. The DCE facility is subject to periods of reduced production or non-production due to upgrades, maintenance, repairs and other factors. For example, as part of an operational upgrade in March 2009, the facility was shut down for approximately one month. More recently, on June 12, 2009, the facility was taken offline for repairs that were completed on July 2, 2009 and the facility was taken offline for upgrades from September 20, 2010 until September 25, 2010. We anticipate that the facility will incur additional downtime for one to two weeks or more during the fall of 2010 related to replacing the plant's gas driven compression with electric driven compression. Future operational upgrades, including planned expansion of the plant, or complications in the operations of the facility could require additional shutdowns during 2010 and 2011, and accordingly, DCE's revenues may fluctuate from quarter to quarter.

Our quarterly results of operations have not been predictable in the past and have fluctuated significantly and may not be predictable and may fluctuate in the future.

Our quarterly results of operations have historically experienced significant fluctuations. Our net losses (gains) were approximately $0.9 million, $3.6 million, $1.5 million, $2.9 million, $5.4 million, $3.2 million, $12.1 million, $23.7 million, $6.5 million, $6.4 million, $18.5 million, $1.9 million, $24.4 million, $(9.9) million, and $1.8 million for the three months ended March 31, 2007, June 30, 2007, September 30, 2007, December 31, 2007, March 31, 2008, June 30, 2008, September 30, 2008, December 31, 2008, March 31, 2009, June 30, 2009, September 30, 2009, December 31, 2009, March 31, 2010, June 30, 2010, and September 30, 2010, respectively. Our quarterly results may fluctuate significantly as a result of a variety of factors, many of which are beyond our control. In particular, if our stock price increases or decreases in future periods during which our Series I warrants are outstanding, we will be required to recognize corresponding losses or gains related to the valuation of the Series I warrants that could materially impact our results of operations. If our quarterly results of operations fall below the expectations of securities analysts or investors, the price of our common stock could decline substantially. Fluctuations in our quarterly results of operations may be due to a number of factors, including, but not limited to, our ability to increase sales to existing customers and attract new customers, the addition or loss of large customers, construction cost overruns, downtime at our facilities (including the recent shutdowns in March and June 2009 and September 2010 of DCE's landfill gas processing facility), the amount and timing of operating costs, unanticipated expenses, capital expenditures related to the maintenance and expansion of our business, operations and infrastructure, changes in the price of natural gas, changes in the prices of CNG and LNG relative to gasoline and diesel, changes in our pricing policies or those of our competitors, fluctuation in the value of our outstanding Series I warrants or natural gas futures contracts, the costs related to the acquisition of assets or businesses, regulatory changes, and geopolitical events such as war, threat of war or terrorist actions. Investors in our stock should not rely on the results of one quarter as an indication of future performance as our quarterly revenues and results of operations may vary significantly in the future. Therefore, period-to-period comparisons of our operating results may not be meaningful.

The future price of our common stock or the offering price of our common stock in future offerings could result in a reduction of the exercise price of our Series I warrants and result in dilution of our common stock.

We issued Series I warrants to purchase up to 3,314,394 shares of our common stock in connection with our registered direct offering completed in November 2008. These warrants contain provisions that require an adjustment in the exercise price of the Series I warrants in the event that we price any offering of common stock at a price below the current exercise price, which is $12.68 per share.

Sales of outstanding shares of our stock into the market in the future could cause the market price of our stock to drop significantly, even if our business is doing well.

If our stockholders sell, or indicate an intention to sell, substantial amounts of our common stock in the public market, the trading price of our common stock could decline. As of September 30, 2010, 64,931,101 shares of our common stock were outstanding. The 11,500,000 shares sold in our initial public offering, the 4,419,192 shares of common stock and the 3,314,394 shares of common stock subject to outstanding warrants sold in our registered direct offering that closed on November 3, 2008, and the 9,430,000 shares of our common stock sold in our common stock offering that closed July 1, 2009 are freely tradable without restriction or further registration under federal securities laws unless purchased by our affiliates.

In addition, upon the closing of our acquisition of the IMW Acquired Business, we issued 4,017,408 shares of our common stock, which are registered for immediate resale. Of such shares, IMW's shareholder has sold 972,400 shares of our Common Stock as of September 30, 2010.

Shares held by non-affiliates for more than six months may generally be sold without restriction, other than a current public information requirement, and may be sold freely without any restrictions after one year. All other outstanding shares of common stock may be sold under Rule 144 under the Securities Act, subject to applicable restrictions.

In addition, as of September 30, 2010, there were 9,563,055 shares underlying outstanding options and 18,314,394 shares underlying outstanding warrants (including the 3,314,394 Series I warrant shares sold in our registered direct offering which closed on November 3, 2008). All shares subject to outstanding options and warrants are eligible for sale in the public market to the extent permitted by the provisions of various option and warrant agreements and Rule 144. If these additional shares are sold, or if it is perceived that they will be sold in the public market, the trading price of our stock could decline.

Further, as of September 30, 2010, 16,539,720 shares of our stock held by our co-founder and board member T. Boone Pickens are subject to pledge agreements with banks. Should one or more of the banks be forced to sell the shares subject to the pledge, the trading price of our stock could also decline. In addition, a number of our directors and executive officers have entered into Rule 10b5-1 Sales Plans with a broker to sell shares of our common stock that they hold or that may be acquired upon the exercise of stock options. Sales under these plans will occur automatically without further action by the director or officer once the price and/or date parameters of the selling plan are achieved. As of September 30, 2010, 1,803,765 shares in the aggregate were subject to future sale by our named executive officers and directors under these selling plans. All sales of common stock under the plans will be reported through appropriate filings with the SEC.

A significant portion of our stock is beneficially owned by a single stockholder whose interests may differ from yours and who will be able to exert significant influence over our corporate decisions, including a change of control.

As of September 30, 2010, Boone Pickens and affiliates (including Madeleine Pickens, his wife) owned in the aggregate 30% of our outstanding shares of common stock and beneficially owned in the aggregate approximately 43% of the outstanding shares of our common stock, inclusive of the 15,000,000 shares underlying a warrant held by Mr. Pickens. As a result, Mr. Pickens will be able to influence or control matters requiring approval by our stockholders, including the election of directors and the approval of mergers, acquisitions or other extraordinary transactions. Mr. Pickens may have interests that differ from yours and may vote in a way with which you disagree and which may be adverse to your interests. This concentration of ownership may have the effect of delaying, preventing or deterring a change of control of our company, could deprive our stockholders of an opportunity to receive a premium for their stock as part of a sale of our company, and might ultimately affect the market price of our stock. Conversely, this concentration may facilitate a change in control at a time when you and other investors may prefer not to sell.

Item 2.—Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 3.—Defaults upon Senior Securities

None.

Item 4.—(Removed and Reserved)

Item 5.—Other Information

None.

Item 6.—Exhibits

(a) Exhibits

2.5 Asset Purchase Agreement, dated July 1, 2010, among Clean Energy, a California corporation, 0884808 B.C. Ltd., a British Columbia corporation, and 0884810 B.C. Ltd., a British Columbia corporation, on the one hand, and I.M.W. Industries Ltd., a British Columbia corporation, 652322 B.C. Ltd., a British Columbia corporation, Miller Family Trust and Bradley N. Miller, on the other hand. (Filed as Exhibit 2.5 to Form 8-K, as filed with the Securities and Exchange Commission on July 1, 2010, and incorporated herein by reference.)

2.6 Amendment to Asset Purchase Agreement, dated as of September 7, 2010, by and among Clean Energy, a California corporation, 0884808 B.C. Ltd., a British Columbia corporation and a wholly-owned subsidiary of Clean Energy — CA, and Clean Energy Compression Corp, a British Columbia corporation formerly known as 0884810 B.C. Ltd and a wholly-owned subsidiary of Canadian AcqCo, on the one hand, and I.M.W. Industries Ltd., a British Columbia Corporation,

	B&M Miller Equity Holdings Inc., a successor by amalgamation to 652322 B.C. Ltd., a British Columbia corporation, Bradley N. Miller, Marion G. Miller and Miller Family Trust, on the other hand. (Filed as Exhibit 2.6 to Form 8-K, as filed with the Securities and Exchange Commission on September 7, 2010, and incorporated herein by reference.)
10.57	Form of Year 1 Note, issued by Clean Energy Compression Corp. to I.M.W. Industries Ltd. *
10.58	Form of Future Payment Note, issued by Clean Energy Compression Corp. to I.M.W. Industries Ltd. *
10.59	Form of Security Agreement between Clean Energy Compression Corp. and I.M.W. Industries Ltd. *
10.60	Form of Commitment to Provide Funds, between Clean Energy Compression Corp., 0884808 B.C. Ltd., and HSBC Bank Canada.*
10.61	Form of Commitment to Provide Funds, between Clean Energy Compression Corp., 0884808 B.C. Ltd., and HSBC Bank Canada.*
10.62	Form of Assumption Agreement, between I.M.W. Industries Ltd., IMW CNG Bangladesh Ltd., IMW Compressor Group (Shanghai) Co. Ltd., IMW Colombia Ltda., Bradley Norman Miller, Marion Miller, B&M Miller Equity Holdings Inc., Clean Energy Compression Corp., Clean Energy, 0884808 B.C. Ltd., and HSBC Bank Canada.*
10.63	Form of General Security Agreement, between 0884808 B.C. Ltd. and HSBC Bank Canada.*
10.64	Form of Guarantee, executed by 0884808 B.C. Ltd.*
10.65	Fifth Amendment to Credit Agreement among the registrant, Clean Energy and PlainsCapital Bank.*
10.66	Seventh Amendment to Lease Agreement, dated September 23, 2010, between Clean Energy and BixbyBIT - Bixby Office Park, LLC.*
10.67	Limited Waiver and Consent, dated October 29, 2010, among the registrant, Clean Energy and PlainsCapital Bank.*
31.1	Certification of Andrew J. Littlefair, President and Chief Executive Officer, pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities and Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*
31.2	Certification of Richard R. Wheeler, Chief Financial Officer, pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities and Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*
32.1	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, executed by Andrew J. Littlefair, President and Chief Executive Officer, and Richard R. Wheeler, Chief Financial Officer.*

* Filed herewith.

Table of Contents

SIGNATURE

Pursuant to the requirements of the Securities and Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CLEAN ENERGY FUELS CORP.

Date: November 8, 2010

By: /s/ RICHARD R. WHEELER

Richard R. Wheeler
Chief Financial Officer
(Principal financial officer and duly authorized to sign on behalf of the registrant)

Exhibit 10.57

YEAR 1 NOTE

$12,500,000 September 7, 2010

FOR VALUE RECEIVED, Clean Energy Compression Corp., a British Columbia corporation ("***Canadian OpCo***"), promises to pay to the order of I.M.W. Industries Ltd., a British Columbia corporation, or its registered assigns ("***Company***"), the principal sum of twelve million five hundred thousand Dollars ($12,500,000) (the "***Principal Amount***"). This Year 1 Note (this "***Note***") is issued pursuant to the terms of the Agreement, and no interest will accrue or be payable with respect to the outstanding principal amount of this Note. All references in this Note to "Dollars" and/or "$" shall be deemed to be references to the currency of the United States of America.

1. Definitions. For purposes of this Note, the following terms shall have the following meanings (capitalized terms used herein but not otherwise defined shall have the meanings provided therefor in the Agreement):

"***Agreement***" means the Asset Purchase Agreement dated July 1, 2010 by and among Clean Energy, a California corporation, 0884808 B.C. Ltd., a British Columbia corporation and a wholly-owned subsidiary of Clean Energy, and Canadian OpCo, on the one hand, and Holder, 652322 B.C. Ltd., a British Columbia corporation, Miller Family Trust and Bradley N. Miller, on the other hand.

"***Acceleration Event***" means one of: (i) a Change of Control, or (ii) a sale of all or substantially all of the Business by CLNE or a Purchaser.

"***Maturity Midpoint Price***" means the sum of the Pre-Closing Price and the Maturity Price, divided by two.

"***Maturity Price***" means the average closing price of CLNE Stock, as reported on the NASDAQ Stock Market, for the three trading days prior to the Maturity Date.

"***Note Payment***" means the amount of cash paid by Canadian OpCo to Company upon the Maturity Date, which shall be a minimum amount of Five Million Dollars ($5,000,000) and may, at the sole option of Canadian OpCo, be up to a maximum amount equal to the Principal Amount.

"***Senior Event of Default***" means any default in the performance of any term, covenant or condition contained in the agreement or instrument under which any Senior Indebtedness is issued, or any other default thereunder, in each case permitting the Senior Lender to accelerate or demand repayment of, or to put or cause the redemption or prepayment of, such Senior Indebtedness.

"***Senior Indebtedness***" means any indebtedness, liabilities and other obligations of Canadian OpCo to any Person (each a "***Senior Lender***") with respect to any working capital, revolving credit or other line of credit facility, any term loan facility, or any other extension of credit by a bank, insurance company or financial institution engaged in the business of lending money or other institutional lender, including reimbursement obligations under letters of credit

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(or guaranties, as applicable) and obligations in respect of bankers' acceptances, obligations in respect of interest rate protection agreements and other derivative products and in respect of currency exchange and purchase agreements, and renewals, extensions, refinancings, deferrals, amendments and modifications of the items described above. The terms "***indebtedness***," "***liabilities***" and "***obligations***" are used in this definition in their most comprehensive sense and include any and all advances, debts, obligations and liabilities, now existing or hereafter arising, whether voluntary or involuntary and whether due or not due, absolute or contingent, liquidated or unliquidated, determined or undetermined. Notwithstanding the foregoing the Future Payment Notes shall not be "Senior Indebtedness" for purposes of this Note.

"***Subordinated Debt Payment***" means any payment or distribution by or on behalf of Canadian OpCo, directly or indirectly, of assets of Canadian OpCo or any Affiliate of Canadian OpCo of any kind or character, whether in cash, property or securities, including on account of the purchase, redemption or other acquisition of Subordinated Indebtedness, or by setoff, exchange or in any other manner, for or on account of the Subordinated Indebtedness.

2. Maturity. Unless sooner paid in accordance with the terms hereof, the entire unpaid principal amount shall become fully due and payable on the earlier of (i) January 31, 2011, (ii) the date on which Canadian OpCo prepays this Note pursuant to Section 3(c), or (iii) at the option of Company, upon the occurrence of an Acceleration Event (such earlier date, the "***Maturity Date***"). For the avoidance of doubt, Canadian OpCo acknowledges that the entire unpaid Principal Amount shall be fully due and payable on the Maturity Date, regardless of whether any of Canadian OpCo's agreements with any Senior Lender(s) permit it to make such payment.

3. Payments.

(a) Form of Payment. On the Maturity Date, Canadian OpCo will pay to Company the Note Payment; and (ii) if necessary, deliver to Company a number of CLNE Shares calculated pursuant to the following formula:

$$\frac{\text{Principal Amount minus the Note Payment}}{\text{the lower of (x) the Maturity Price and (y) the Maturity Midpoint Price}}$$

(b) Security Agreement. Canadian OpCo's obligations hereunder shall be secured pursuant to the security agreement dated September 7, 2010 between Canadian OpCo and Company (the "***Security Agreement***").

(c) Prepayment. Canadian OpCo shall have the right to prepay this Note at any time without notice.

4. Subordination. By accepting this Note, Company agrees as follows:

(a) All payments on account of the indebtedness, liabilities and other obligations of Canadian OpCo to Company and each other holder from time to time of this Note, including, without limitation, all amounts of principal payable by Canadian OpCo to Company under this Note or in connection herewith (the "***Subordinated Indebtedness***") shall be subordinate and subject in right of payment to the prior payment in full in cash of the Senior Indebtedness;

(b) Upon the occurrence of any Senior Event of Default (or if any Senior Event of Default would exist immediately after the making of a Subordinated Debt Payment), and until such Senior Event of Default is cured or waived, upon receipt by Canadian OpCo and Company of notice in writing of such Senior Event of Default, Canadian OpCo shall not make, and Company shall not accept or receive, any Subordinated Debt Payment;

(c) All liens and security interests now or hereafter existing of Company in any property or assets of Canadian OpCo (including any liens and security interests under the Security Agreement) shall be subject, subordinate and junior in all respects and at all times to the liens and security interests now or hereafter existing to secure the Senior Indebtedness, regardless of the time or order of attachment or perfection of such liens and security interests, the time or order of filing of financing statements, the acquisition of purchase money or other liens and security interests, the time of giving or failure to give notice of the acquisition or expected acquisition of any purchase money or other liens and security interests, or any other circumstances whatsoever;

(d) Company waives any and all notice of the incurrence of the Senior Indebtedness or any part thereof and any amendment to or extension of any Senior Indebtedness. Further, Company will not (i) at any time contest the validity, perfection, priority or enforceability of the Senior Indebtedness, any agreements or instruments evidencing the Senior Indebtedness, or the liens and security interests of the Senior Lender in any collateral, or (ii) interfere with or in any manner oppose a disposition of any collateral by the Senior Lender in accordance with applicable law; and

(e) Company will execute and deliver to any Senior Lender such subordination agreement as may be reasonably requested by such Senior Lender and consistent with the terms of this Agreement, and execute, acknowledge, deliver, file, notarize and register all such further agreements, instruments, certificates, documents and assurances, and perform such acts as such Senior Lender may reasonably require in connection with any Senior Indebtedness.

5. Default.

(a) Events of Default. For purposes of this Note, any of the following events which shall occur shall constitute an "***Event of Default***":

(i) Any indebtedness under this Note is not paid when and as the same shall become due and payable, whether at maturity, by acceleration or otherwise (regardless of whether any such failure to pay any indebtedness under this Note is due to the existence of a Senior Event of Default or as a result of the restricting of payments hereunder by any Senior Lender), and any such amount shall remain unpaid for a period of thirty (30) days following delivery of notice thereof by Company;

(ii) Canadian OpCo shall (A) apply for or consent to the appointment of a receiver, trustee, custodian or liquidator of itself or any part of its property, (B) become subject to the appointment of a receiver, trustee, custodian or liquidator for itself or any part of its property if such appointment is not terminated or dismissed within thirty (30) days, (C) make an assignment for the benefit of creditors, (D) fail generally or admit in writing to its inability to pay

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its debts as they become due, (E) institute any proceedings under any bankruptcy, reorganization, receivership, insolvency or other similar law affecting the rights of creditors generally, or file a petition or answer seeking reorganization or an arrangement with creditors to take advantage of any insolvency law, or file an answer admitting the material allegations of a bankruptcy, reorganization or insolvency petition filed against it, or (F) become subject to any involuntary proceedings under any bankruptcy, reorganization, receivership, insolvency or other similar law affecting the rights of creditors generally, which proceeding is not dismissed within thirty (30) days of filing; or

(iii) Canadian OpCo shall liquidate, wind-up or dissolve (or suffer any liquidation, wind-up or dissolution), except that an amalgamation or other combination with an Affiliate of Canadian OpCo, where the surviving or continuing Entity remains obligated under this Note, shall not constitute an Event of Default hereunder.

(b) Consequences of Events of Default. If any Event of Default shall occur for any reason, whether voluntary or involuntary, and be continuing, Company may, upon notice or demand, declare the outstanding indebtedness under this Note to be due and payable, whereupon the outstanding indebtedness under this Note shall be and become immediately due and payable, and Canadian OpCo shall immediately pay to Holder all such indebtedness. Canadian OpCo agrees to pay Company all reasonable out-of-pocket costs and expenses incurred by Company in any effort to collect indebtedness under this Note, including attorneys' fees.

6. Lost, Stolen, Destroyed or Mutilated Note. In case this Note shall be mutilated, lost, stolen or destroyed, Canadian OpCo shall issue a new Note of like date, tenor and denomination and deliver the same in exchange and substitution for and upon surrender and cancellation of the mutilated Note, or if this Note is lost, stolen or destroyed, upon receipt of evidence satisfactory to Canadian OpCo of the loss, theft or destruction of this Note; *provided* that Canadian OpCo may require posting of bond in such reasonable amount as Canadian OpCo may direct as indemnity against any claim that may be made against it with respect to this Note.

7. Governing Law. This Note is to be construed in accordance with and governed by the laws of British Columbia.

8. Amendment and Waiver. Any term of this Note may be amended and the observance of any term of this Note may be waived (either generally or in a particular instance and either retroactively or prospectively) by a writing signed by Canadian OpCo and Company.

9. Notices. Except as may be otherwise provided herein, all notices, requests, waivers and other communications made pursuant to this Note shall be made in accordance with the Agreement.

10. Severability. If one or more provisions of this Note are held to be unenforceable under applicable law, such provision shall be excluded from this Note and the balance of the Note shall be interpreted as if such provision were so excluded and shall be enforceable in accordance with its terms.

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11. Assignment.

(a) Upon notice to Company, Canadian OpCo may assign its rights and obligations hereunder or any interest herein to any of its present or future Affiliates, so long as Canadian OpCo remains obligated under this Note.

(b) Upon notice to Canadian OpCo and in accordance with the Agreement, Company may assign its rights and obligations hereunder or any interest herein.

12. Payments. Whenever any payment of cash is to be made by Canadian OpCo to any Person pursuant to this Note, such payment shall be made in lawful money of the United States of America by a bank draft sent via overnight courier service to such Person at such address as previously provided to Canadian OpCo in writing (which address, in the case of Company as of the date of issuance hereof, shall initially be the address for Company as set forth in the Agreement); provided that Company may elect to receive a payment of cash via wire transfer of immediately available funds by providing Canadian OpCo with prior written notice setting out such request and Company's wire transfer instructions. Whenever any payment to be made shall otherwise be due on a day which is not a Business Day, such payment shall be made on the immediately succeeding Business Day.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, Canadian OpCo has caused this Note to be duly executed by its officers, thereunto duly authorized as of the date first above written.

Clean Energy Compression Corp.

By: ______________________________

Name: ______________________________

Title: ______________________________

Exhibit 10.58

FUTURE PAYMENT NOTE [#1][#2][#3]

$12,500,000 September 7, 2010

FOR VALUE RECEIVED, Clean Energy Compression Corp., a British Columbia corporation ("***Canadian OpCo***"), promises to pay to the order of I.M.W. Industries Ltd., a British Columbia corporation, or its registered assigns ("***Company***"), the principal sum of twelve million five hundred thousand Dollars ($12,500,000) (the "***Principal Amount***"). This note (this "***Note***") is one of the "Future Payment Notes" issued pursuant to the terms of the Agreement. No interest will accrue or be payable with respect to the outstanding principal amount of this Note. All references in this Note to "Dollars" and/or "$" shall be deemed to be references to the currency of the United States of America.

1. Definitions. For purposes of this Note, the following terms shall have the following meanings (capitalized terms used herein but not otherwise defined shall have the meanings provided therefor in the Agreement):

"***Agreement***" means the Asset Purchase Agreement dated July 1, 2010 by and among Clean Energy, a California corporation, 0884808 B.C. Ltd., a British Columbia corporation and a wholly-owned subsidiary of Clean Energy, and Canadian OpCo, on the one hand, and Holder, 652322 B.C. Ltd., a British Columbia corporation, Miller Family Trust and Bradley N. Miller, on the other hand.

"***Acceleration Event***" means one of: (i) a Change of Control, or (ii) a sale of all or substantially all of the Business by CLNE or a Purchaser.

"***Maturity Midpoint Price***" means the sum of the Pre-Closing Price and the Maturity Price, divided by two.

"***Maturity Price***" means the average closing price of CLNE Stock, as reported on the NASDAQ Stock Market, for the three trading days prior to the Maturity Date.

"***Note Payment***" means the amount of cash paid by Canadian OpCo to Company upon the Maturity Date, which shall be a minimum amount of Five Million Dollars ($5,000,000) and may, at the sole option of Canadian OpCo, be up to a maximum amount equal to the Principal Amount.

"***Senior Event of Default***" means any default in the performance of any term, covenant or condition contained in the agreement or instrument under which any Senior Indebtedness is issued, or any other default thereunder, in each case permitting the Senior Lender to accelerate or demand repayment of, or to put or cause the redemption or prepayment of, such Senior Indebtedness.

"***Senior Indebtedness***" means any indebtedness, liabilities and other obligations of Canadian OpCo to any Person (each a "***Senior Lender***") with respect to any working capital, revolving credit or other line of credit facility, any term loan facility, or any other extension of credit by a bank, insurance company or financial institution engaged in the business of lending money or other institutional lender, including reimbursement obligations under letters of credit

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(or guaranties, as applicable) and obligations in respect of bankers' acceptances, obligations in respect of interest rate protection agreements and other derivative products and in respect of currency exchange and purchase agreements, and renewals, extensions, refinancings, deferrals, amendments and modifications of the items described above. The terms "***indebtedness***," "***liabilities***" and "***obligations***" are used in this definition in their most comprehensive sense and include any and all advances, debts, obligations and liabilities, now existing or hereafter arising, whether voluntary or involuntary and whether due or not due, absolute or contingent, liquidated or unliquidated, determined or undetermined. Notwithstanding the foregoing the Year 1 Note and the other Future Payment Notes shall not be "Senior Indebtedness" for purposes of this Note.

"***Subordinated Debt Payment***" means any payment or distribution by or on behalf of Canadian OpCo, directly or indirectly, of assets of Canadian OpCo or any Affiliate of Canadian OpCo of any kind or character, whether in cash, property or securities, including on account of the purchase, redemption or other acquisition of Subordinated Indebtedness, or by setoff, exchange or in any other manner, for or on account of the Subordinated Indebtedness.

2. Maturity. Unless sooner paid in accordance with the terms hereof, the entire unpaid Principal Amount shall be fully due and payable on the earlier of (i) January 31, [2012][2013][2014], (ii) the date on which Canadian OpCo prepays this Note pursuant to Section 3(c), or (iii) at the option of Company, upon the occurrence of an Acceleration Event (such earlier date, the "***Maturity Date***"). For the avoidance of doubt, Canadian OpCo acknowledges that the entire unpaid Principal Amount shall be fully due and payable on the Maturity Date, regardless of whether any of Canadian OpCo's agreements with any Senior Lender(s) permit it to make such payment.

3. Payments.

(a) Form of Payment. On the Maturity Date, Canadian OpCo will pay to Company the Note Payment; and (ii) if necessary, deliver to Company a number of CLNE Shares calculated pursuant to the following formula:

$$\frac{\text{Principal Amount minus the Note Payment}}{\text{the lower of (x) the Maturity Price and (y) the Maturity Midpoint Price}}$$

(b) Security Agreement. Canadian OpCo's obligations hereunder shall be secured pursuant to the security agreement dated September 7, 2010 between Canadian OpCo and Company (the "***Security Agreement***").

(c) Prepayment. Canadian OpCo shall have the right to prepay this Note at any time without notice.

[(d) Offset. Company acknowledges and agrees that this Note is subject to offset pursuant to Section 9.5 of the Agreement.][Only in Future Payment Note #3]

4. Subordination. By accepting this Note, Company agrees as follows:

(a) All payments on account of the indebtedness, liabilities and other obligations of Canadian OpCo to Company and each other holder from time to time of this Note, including,

without limitation, all amounts of principal payable by Canadian OpCo to Company under this Note or in connection herewith (the "***Subordinated Indebtedness***") shall be subordinate and subject in right of payment to the prior payment in full in cash of the Senior Indebtedness. ;

(b) Upon the occurrence of any Senior Event of Default (or if any Senior Event of Default would exist immediately after the making of a Subordinated Debt Payment), and until such Senior Event of Default is cured or waived, upon receipt by Canadian OpCo and Company of notice in writing of such Senior Event of Default, Canadian OpCo shall not make, and Company shall not accept or receive, any Subordinated Debt Payment;

(c) All liens and security interests now or hereafter existing of Company in any property or assets of Canadian OpCo (including any liens and security interests under the Security Agreement) shall be subject, subordinate and junior in all respects and at all times to the liens and security interests now or hereafter existing to secure the Senior Indebtedness, regardless of the time or order of attachment or perfection of such liens and security interests, the time or order of filing of financing statements, the acquisition of purchase money or other liens and security interests, the time of giving or failure to give notice of the acquisition or expected acquisition of any purchase money or other liens and security interests, or any other circumstances whatsoever;

(d) Company waives any and all notice of the incurrence of the Senior Indebtedness or any part thereof and any amendment to or extension of any Senior Indebtedness. Further, Company will not (i) at any time contest the validity, perfection, priority or enforceability of the Senior Indebtedness, any agreements or instruments evidencing the Senior Indebtedness, or the liens and security interests of the Senior Lender in any collateral, or (ii) interfere with or in any manner oppose a disposition of any collateral by the Senior Lender in accordance with applicable law; and

(e) Company will execute and deliver to any Senior Lender such subordination agreement as may be reasonably requested by such Senior Lender and consistent with the terms of this Agreement, and execute, acknowledge, deliver, file, notarize and register all such further agreements, instruments, certificates, documents and assurances, and perform such acts as such Senior Lender may reasonably require in connection with any Senior Indebtedness.

5. Default.

(a) Events of Default. For purposes of this Note, any of the following events which shall occur shall constitute an "***Event of Default***":

(i) Any indebtedness under this Note is not paid when and as the same shall become due and payable, whether at maturity, by acceleration or otherwise (regardless of whether any such failure to pay any indebtedness under this Note is due to the existence of a Senior Event of Default or as a result of the restricting of payments hereunder by any Senior Lender), and any such amount shall remain unpaid for a period of thirty (30) days following delivery of notice thereof by Company;

(ii) Canadian OpCo shall (A) apply for or consent to the appointment of a receiver, trustee, custodian or liquidator of itself or any part of its property, (B) become subject

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to the appointment of a receiver, trustee, custodian or liquidator for itself or any part of its property if such appointment is not terminated or dismissed within thirty (30) days, (C) make an assignment for the benefit of creditors, (D) fail generally or admit in writing to its inability to pay its debts as they become due, (E) institute any proceedings under any bankruptcy, reorganization, receivership, insolvency or other similar law affecting the rights of creditors generally, or file a petition or answer seeking reorganization or an arrangement with creditors to take advantage of any insolvency law, or file an answer admitting the material allegations of a bankruptcy, reorganization or insolvency petition filed against it, or (F) become subject to any involuntary proceedings under any bankruptcy, reorganization, receivership, insolvency or other similar law affecting the rights of creditors generally, which proceeding is not dismissed within thirty (30) days of filing; or

(iii) Canadian OpCo shall liquidate, wind-up or dissolve (or suffer any liquidation, wind-up or dissolution), except that an amalgamation or other combination with an Affiliate of Canadian OpCo, where the surviving or continuing Entity remains obligated under this Note, shall not constitute an Event of Default hereunder.

(b) Consequences of Events of Default. If any Event of Default shall occur for any reason, whether voluntary or involuntary, and be continuing, Company may, upon notice or demand, declare the outstanding indebtedness under this Note to be due and payable, whereupon the outstanding indebtedness under this Note shall be and become immediately due and payable, and Canadian OpCo shall immediately pay to Holder all such indebtedness. Canadian OpCo agrees to pay Company all reasonable out-of-pocket costs and expenses incurred by Company in any effort to collect indebtedness under this Note, including attorneys' fees.

6. Lost, Stolen, Destroyed or Mutilated Note. In case this Note shall be mutilated, lost, stolen or destroyed, Canadian OpCo shall issue a new Note of like date, tenor and denomination and deliver the same in exchange and substitution for and upon surrender and cancellation of the mutilated Note, or if this Note is lost, stolen or destroyed, upon receipt of evidence satisfactory to Canadian OpCo of the loss, theft or destruction of this Note; *provided* that Canadian OpCo may require posting of bond in such reasonable amount as Canadian OpCo may direct as indemnity against any claim that may be made against it with respect to this Note.

7. Governing Law. This Note is to be construed in accordance with and governed by the laws of British Columbia.

8. Amendment and Waiver. Any term of this Note may be amended and the observance of any term of this Note may be waived (either generally or in a particular instance and either retroactively or prospectively) by a writing signed by Canadian OpCo and Company.

9. Notices. Except as may be otherwise provided herein, all notices, requests, waivers and other communications made pursuant to this Note shall be made in accordance with the Agreement.

10. Severability. If one or more provisions of this Note are held to be unenforceable under applicable law, such provision shall be excluded from this Note and the balance of the

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Note shall be interpreted as if such provision were so excluded and shall be enforceable in accordance with its terms.

11. Assignment.

(a) Upon notice to Company, Canadian OpCo may assign its rights and obligations hereunder or any interest herein to any of its present or future Affiliates, so long as Canadian OpCo remains obligated under this Note.

(b) Upon notice to Canadian OpCo and in accordance with the Agreement, Company may assign its rights and obligations hereunder or any interest herein.

12. Payments. Whenever any payment of cash is to be made by Canadian OpCo to any Person pursuant to this Note, such payment shall be made in lawful money of the United States of America by a bank draft sent via overnight courier service to such Person at such address as previously provided to Canadian OpCo in writing (which address, in the case of Company as of the date of issuance hereof, shall initially be the address for Company as set forth in the Agreement); provided that Company may elect to receive a payment of cash via wire transfer of immediately available funds by providing Canadian OpCo with prior written notice setting out such request and Company's wire transfer instructions. Whenever any payment to be made shall otherwise be due on a day which is not a Business Day, such payment shall be made on the immediately succeeding Business Day.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, Canadian OpCo has caused this Note to be duly executed by its officers, thereunto duly authorized as of the date first above written.

Clean Energy Compression Corp.

By: __________________________

Name: __________________________

Title: __________________________

SECURITY AGREEMENT

THIS SECURITY AGREEMENT (this "***Security Agreement***"), dated as of September 7, 2010, is made between Clean Energy Compression Corp., a British Columbia corporation ("***Canadian OpCo***") as debtor and I.M.W. Industries Ltd., a British Columbia corporation ("***Company***") as secured party.

FOR VALUE RECEIVED, Canadian OpCo hereby covenants, agrees, warrants, represents, acknowledges and confirms to and with Company and creates and grants the mortgages, charges and security interests hereinafter set forth, as follows::

Section 1. Definitions; Interpretation.

(a) All capitalized terms used in this Security Agreement and not otherwise defined herein shall have the meanings assigned to them in the Notes and the Asset Purchase Agreement. Words and expressions used herein that have been defined in the Act shall be interpreted in accordance with their respective meanings given in the Act whether expressed herein with or without initial capital letters and whether in the singular or the plural unless otherwise defined herein or unless the context otherwise requires, and wherever the context so requires in this Security Agreement the singular shall be read as if the plural were expressed, and vice-versa, and the provisions hereof shall be read with all grammatical changes necessary dependent upon the person referred to being a male, female, firm or corporation.

(b) As used in this Security Agreement, the following terms shall have the following meanings:

"***Act***" means the Personal Property Security Act of British Columbia and all regulations thereunder as the same may be amended from time to time.

"***Asset Purchase Agreement***" means the Asset Purchase Agreement dated July 1, 2010 by and among Clean Energy, a California corporation, 0884808 B.C. Ltd., a British Columbia corporation and a wholly-owned subsidiary of Clean Energy, and Canadian OpCo, on the one hand, and Company, 652322 B.C. Ltd., a British Columbia corporation, Miller Family Trust and Bradley N. Miller, on the other hand.

"***Collateral***" has the meaning set forth in Section 2.

"***Event of Default***" has the meaning set forth in Section 6.

"***Lien***" means any mortgage, deed of trust, pledge, security interest, assignment, deposit arrangement, charge or encumbrance, lien, or other type of preferential arrangement.

"***Notes***" means, collectively, the Year 1 Promissory Note, Future Payment Note #1, Future Payment Note #2 and Future Payment Note #3.

"***Obligations***" means the indebtedness, liabilities and other obligations of Canadian OpCo to Company from time to time (i) under or in connection with the Notes and (ii)

with respect to any liability of Canadian OpCo transferred by Company to Canadian OpCo pursuant to the Agreement in respect of which Company has continued to provide a guarantee, indemnity or other obligation to a third party on behalf of Canadian OpCo.

"***Senior Event of Default***" means any default in the performance of any term, covenant or condition contained in the agreement or instrument under which any Senior Indebtedness is issued, or any other default thereunder, in each case permitting the Senior Lender to accelerate or demand repayment of, or to put or cause the redemption or prepayment of, such Senior Indebtedness.

"***Senior Indebtedness***" means any indebtedness, liabilities and other obligations of Canadian OpCo to any Senior Lender with respect to any working capital, revolving credit or other line of credit facility, any term loan facility, or any other extension of credit to Canadian OpCo by a Senior Lender, including reimbursement obligations under letters of credit (or guaranties, as applicable) and obligations in respect of bankers' acceptances, obligations in respect of interest rate protection agreements and other derivative products and in respect of currency exchange and purchase agreements, and renewals, extensions, refinancings, deferrals, amendments and modifications of the items described above.

"***Senior Lender***" means a bank, insurance company or financial institution engaged in the business of lending money or other institutional lender.

(c) Where applicable and except as otherwise defined herein, terms used in this Security Agreement shall have the meanings assigned to them in the Act.

(d) In this Security Agreement, (i) the meaning of defined terms shall be equally applicable to both the singular and plural forms of the terms defined; and (ii) the captions and headings are for convenience of reference only and shall not affect the construction of this Security Agreement.

Section 2. Security Interest.

(a) For the consideration aforesaid and as security for the payment and performance of the Obligations (as hereinafter defined), Canadian OpCo, subject to the exceptions set out in subsection (b) hereof, does hereby:

(i) mortgage and charge as and by way of a fixed and specific charge to and in favour of Company and assign and transfer to Company and grant to Company, by way of mortgage, charge, assignment and transfer, a security interest in all Company's right, title and interest, both present and future, in and to all of its presently owned or held and after acquired or held personal property, of whatever nature or kind and wheresoever situate and all proceeds and renewals thereof and therefrom, accretions thereto and substitutions therefor, including, without limitation, all of the following now owned or hereafter owned or acquired by or on behalf of Canadian OpCo:

a. all inventory of whatever kind and wherever situate, including, without limitation, goods acquired or held for sale or lease or furnished or to be

furnished under contracts of rental or service, all raw materials, work in process, finished goods, returned goods, repossessed goods, and all packaging materials, supplies and containers relating to or used or consumed in connection with any of the foregoing (all of which is hereinafter collectively called the "Inventory");

b. all equipment (other than Inventory) of whatever kind and wherever situate, including, without limitation, all machinery, tools, apparatus, plant, fixtures, furniture, furnishings, chattels, motor vehicles, vessels and other tangible personal property of whatsoever nature or kind that is not Inventory, and all parts, components, attachments, accessories, accessions, replacements, substitutions, additions and improvements to any of the foregoing (all of which is hereinafter collectively called the "Equipment");

c. all book accounts and book debts and generally all accounts, debts, dues, claims, choses in action and demands of every nature and kind howsoever arising or secured including letters of credit and advices of credit, which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to or owned by Company (all of which is hereinafter collectively called the "Accounts");

d. All deeds, documents, writings, papers, books of account and other books and electronically recorded data relating to or being records of Accounts, Chattel Paper or Documents of Title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;

e. all contractual rights, insurance claims, licences, goodwill, patents, trademarks, trade names, copyrights and other industrial or intellectual property of Canadian OpCo, all other choses in action of Canadian OpCo of every kind which now are, or which may at any time hereafter be, due or owing to or owned by Canadian OpCo, and all other intangible property of Canadian OpCo which is not Accounts, Chattel Paper, Instruments, Documents of Title, Securities or Money;

f. all Money;

g. the undertaking of Canadian OpCo; and

h. all Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Intangibles and Securities now owned or hereafter owned or acquired by or on behalf of Canadian OpCo (including such as may be returned to or repossessed by Canadian OpCo), and all other goods of Canadian OpCo which are not Equipment, Inventory or Accounts; and

(ii) charge as and by way of a floating charge to and in favour of Company, and grant to Company a security interest in and to:

a. all Canadian OpCo's right, title and interest in and to all its presently owned or held and after acquired or held real, immovable and leasehold property and all interests therein, and all easements, rights-of-way, privileges, benefits, licences, improvements and rights whether connected therewith or appurtenant thereto or separately owned or held, including all structures, plant and other fixtures (all of which is hereinafter collectively called "Real Property"); and

b. all property, assets and undertakings of Canadian OpCo, both present and future, of whatsoever nature or kind and wheresoever situate, and all Proceeds thereof and therefrom, other than such of its property, assets and undertakings as are otherwise validly and effectively subject to the charges and security interests in favour of Company created pursuant to section 1.1(a) hereof; and

(iii) mortgage and charge as and by way of a fixed and specific charge to and in favour of Company, and assign and transfer to Company and grant to Company, by way of mortgage, charge, assignment and transfer, a security interest in all of Canadian OpCo's right, title and interest, both present and future, in and to all of its presently owned or held and after acquired or held property which:

a. is or hereafter becomes a fixture, or

b. constitutes a licence, quota, permit or other similar right or benefit or crops.

The mortgages, charges, assignments and transfers and security interests created or granted pursuant to Sections 1.1 (a), (b) and (c) hereof are hereinafter collectively called the "Security Interest", and all property, assets, interests and undertakings (including Proceeds) subject to the Security Interest or otherwise charged or secured hereby or expressed to be charged, assigned or transferred or secured by any instruments supplemental hereto or in implementation hereof are hereinafter collectively called the "Collateral".

(b) The Security Interest granted hereby shall not extend or apply to and the Collateral shall not extend to or include:

(i) Consumer Goods, or

(ii) any intangibles of Canadian OpCo to the extent that (A) such general intangibles are not assignable or capable of being encumbered as a matter of law or under the terms of the license, lease or other agreement applicable thereto, without the consent of the licensor or lessor thereof or other applicable party thereto and (B) such consent has not been obtained.

(iii) the last day of the term of any lease or agreement therefor but upon the enforcement of the Security Interest Company shall stand possessed of such last day in trust to assign and dispose thereof as Company shall direct.

(c) This Security Agreement shall create a continuing security interest in the Collateral which shall remain in effect until terminated in accordance with <u>Section 18</u> hereof.

(d) Company agrees that while no Event of Default exists (i) nothing in this Security Agreement shall impair Canadian OpCo's control, use and disposition of its assets, including the Collateral, and (ii) Canadian OpCo may possess, operate, collect, lease, sell, license, consign, use and enjoy and deal with the Collateral in the course of its business.

(e) Canadian OpCo acknowledges that the Security Interest attaches upon the execution of this Security Agreement (or in the case of any after acquired property, at the time of acquisition thereof), that value has been given, and that Canadian OpCo has, or in the case of after acquired property will have at the time of acquisition, rights in the Collateral.

Section 3. Subordination. All Liens and security interests now or hereafter existing of Company in any property or assets of Canadian OpCo (including any Liens and security interests under this Security Agreement) shall be subject, subordinate and junior in all respects and at all times to the Liens and security interests now or hereafter existing of the Senior Lenders therein, regardless of the time or order of attachment or perfection of such Liens and security interests, the time or order of filing of financing statements, the acquisition of purchase money or other Liens and security interests, the time of giving or failure to give notice of the acquisition or expected acquisition of any purchase money or other Liens and security interests, or any other circumstances whatsoever. Company will execute and deliver to any Senior Lender such subordination agreement as may be reasonably requested by such Senior Lender, and execute, acknowledge, deliver, file, notarize and register all such further agreements, instruments, certificates, documents and assurances, and perform such acts as such Senior Lender shall, acting reasonably, deem necessary or appropriate in connection with any Senior Indebtedness. Company waives any and all notice of the incurrence of the Senior Indebtedness or any part thereof and any amendment to or extension of any Senior Indebtedness. Company will not (i) at any time contest the validity, perfection, priority or enforceability of any Liens and security interests of any Senior Lender in any collateral, or (ii) interfere with or in any manner oppose a disposition of any collateral by any Senior Lender in accordance with applicable law.

Section 4. Financing Statements, Etc. Canadian OpCo hereby authorizes Company to file at any time and from time to time any financing statements describing the Collateral, and Canadian OpCo shall execute and deliver to Company, and Canadian OpCo hereby authorizes Company to file, at any time and from time to time, all amendments to financing statements, assignments, continuation financing statements and termination statements, in form reasonably satisfactory to Company, as Company may reasonably request, to perfect and continue perfected or provide notice of the security interest of Company in the Collateral and to accomplish the purposes of this Agreement. Company hereby:

(i) acknowledges receiving a copy of this Security Agreement, and

(ii) waives all rights to receive from Canadian OpCo a copy of any financing statement, financing change statement or verification statement filed, issued or obtained at any time in respect of this Security Agreement.

Section 5. Representations and Warranties. Canadian OpCo represents and warrants to Company that the execution, delivery and performance by Canadian OpCo of this Security Agreement have been duly authorized by all necessary action of Canadian OpCo, and this Security Agreement constitutes the legal, valid and binding obligation of Canadian OpCo, enforceable against Canadian OpCo in accordance with its terms.

Section 6. Events of Default. For purposes of this Security Agreement, any of the following events which shall occur and be continuing shall constitute an "***Event of Default***":

(a) Any indebtedness under the Notes is not paid when and as the same shall become due and payable, whether at maturity, by acceleration or otherwise, (regardless of whether any such failure to pay any indebtedness under the Notes is due to the existence of a Senior Event of Default or as a result of the restricting of payments under the Notes by any Senior Lender), and any such amount shall remain unpaid for a period of thirty (30) days following delivery of notice thereof by Company;

(b) Canadian OpCo shall (A) apply for or consent to the appointment of a receiver, trustee, custodian or liquidator of itself or any part of its property, (B) become subject to the appointment of a receiver, trustee, custodian or liquidator for itself or any part of its property if such appointment is not terminated or dismissed within thirty (30) days, (C) make an assignment for the benefit of creditors, (D) fail generally or admit in writing to its inability to pay its debts as they become due, (E) institute any proceedings under any bankruptcy, reorganization, receivership, insolvency or other similar law affecting the rights of creditors generally, or file a petition or answer seeking reorganization or an arrangement with creditors to take advantage of any insolvency law, or file an answer admitting the material allegations of a bankruptcy, reorganization or insolvency petition filed against it, or (F) become subject to any involuntary proceedings under any bankruptcy, reorganization, receivership, insolvency or other similar law affecting the rights of creditors generally, which proceeding is not dismissed within thirty (30) days of filing; or

(c) Canadian OpCo shall liquidate, wind-up or dissolve (or suffer any liquidation, wind-up or dissolution), except that an amalgamation or other combination with an Affiliate of Canadian OpCo, where the surviving or continuing Entity remains obligated to perform the Obligations, shall not constitute an Event of Default hereunder.

For all purposes, including without limitation any application to register a crystallized floating charge under the Land Title Act (British Columbia) against any Real Property, the floating charge created by this Security Agreement shall be crystallized and become a fixed charge upon the earliest of:

(i) the occurrence of an Event of Default; or

(ii) Canadian OpCo taking any action pursuant to Section 7 hereof to enforce and realize upon any or all of the Security Interest created by this Security Agreement,

and in any event upon the appointment by Canadian OpCo of a Receiver pursuant to Section 8 hereof

Section 7. Remedies.

(a) Upon the occurrence and continuance of any Event of Default, Company may declare any of the Obligations to be immediately due and payable and shall have, in addition to all other rights and remedies granted to it in this Agreement, all rights and remedies of a secured party under applicable laws. Without limiting the generality of the foregoing, to enforce and realize on the security constituted by this Security Agreement Company may take any action permitted by law or in equity, as it may deem expedient, and in particular, but without limiting the generality of the foregoing, Company may do any of the following upon the occurrence and continuance of any Event of Default:

(i) appoint by instrument a receiver, receiver and manager or receiver-manager (the person so appointed is hereinafter called the "Receiver") of the Collateral, with or without bond as Company may determine, and from time to time in its absolute discretion remove such Receiver and appoint another in its stead;

(ii) enter upon any premises of Canadian OpCo and take possession of the Collateral with power to exclude Canadian OpCo, its agents and its servants therefrom, without becoming liable as a mortgagee in possession;

(iii) preserve, protect and maintain the Collateral and make such replacements thereof and repairs and additions thereto as Company may deem advisable;

(iv) sell, lease or otherwise dispose of all or any part of the Collateral, whether by public or private sale or lease or otherwise, in such manner, at such price as can be reasonably obtained therefor and on such terms as to credit and with such conditions of sale and stipulations as to title or conveyance or evidence of title or otherwise as Companyh may seem reasonable, provided that if any sale, lease or other disposition is on credit Canadian OpCo will not be entitled to be credited with the proceeds of any such sale, lease or other disposition until the monies therefor are actually received; and

(v) exercise all of the rights and remedies of a secured party under the Act.

Canadian OpCo agrees that Company may exercise its rights and remedies hereunder immediately upon default, except as may be otherwise provided in the Act, and Canadian OpCo hereby expressly confirms that except as may be otherwise provided herein or in the Act, Company has not given any covenant, express or implied, and is under no obligation to allow Company any period of time to remedy any default prior to Company exercising its rights and remedies hereunder. All monies or other forms of payment received by Canadian OpCo in payment of any Account, after default under this Security Agreement has occurred, will be received and held by Canadian OpCo in trust for Company. In accordance with the Property Law Act (British Columbia), the doctrine of consolidation applies to this Security Agreement.

(b) The cash proceeds actually received from the sale or other disposition or collection of Collateral, and any other amounts received in respect of the Collateral the application of which is not otherwise provided for herein, shall be applied to the payment of the Obligations. Any surplus thereof which exists after payment and performance in full of the Obligations shall be promptly paid over to Canadian OpCo or otherwise disposed of in accordance with applicable law. Canadian OpCo shall remain liable to Company for any deficiency which exists after any sale or other disposition or collection of Collateral.

Section 8. Receiver. A Receiver appointed pursuant to this Security Agreement shall be the agent of Canadian OpCo and not of Company and Company shall not be in any way responsible for any misconduct, negligence or non-feasance on the part of any Receiver, its servants, agents or employees. A Receiver shall, to the extent permitted by law or to such lesser extent permitted by its appointment, have all the powers of Company hereunder, and in addition shall have power to carry on the business of Canadian OpCo and for such purpose to enter upon, use and occupy all premises owned or occupied by Canadian OpCo wherein Collateral may be situate, maintain Collateral upon such premises, use Collateral directly or indirectly in carrying on Canadian OpCo's business and from time to time to borrow money either unsecured or secured by a security interest in any of the Collateral. Company shall not be responsible or liable for any debts contracted by it, for damages to persons or property or for salaries or non-fulfilment of contracts during any period when Company shall manage the Collateral upon entry, as herein provided, nor shall Company be liable to account as mortgagee in possession or for anything except actual receipts or be liable for any loss on realization or for any default or omission for which a mortgagee in possession may be liable. Company shall not be bound to do, observe or perform or to see to the observance or performance by Canadian OpCo of any obligations or covenants imposed upon Canadian OpCo nor shall Company, in the case of Securities, Instruments or Chattel Paper, be obliged to preserve rights against other persons, nor shall Company be obliged to keep any of the Collateral identifiable. Canadian OpCo hereby waives any applicable provision of law permitted to be waived by it which imposes higher or greater obligations upon Company than aforesaid.

Section 9. Notices. Except as may be otherwise provided herein, all notices, requests, waivers and other communications made pursuant to this Security Agreement shall be made in accordance with the Asset Purchase Agreement.

Section 10. No Waiver; Cumulative Remedies. No failure on the part of Company to exercise, and no delay in exercising, any right, remedy,

power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, remedy, power or privilege preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. Company may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges, refrain from perfecting or maintaining perfection of the Security Interest, and otherwise deal with Canadian OpCo, account debtors of Canadian OpCo, sureties and others and with the Collateral, the Security Interest and other security interests as Company may see fit without prejudice to the liability of Canadian OpCo or Company's right to hold and realize on the security constituted by this Security Agreement. The rights and remedies under this Security Agreement are cumulative and not exclusive of any rights, remedies, powers and privileges that may otherwise be available to Company.

Section 11. Binding Effect. This Security Agreement shall be binding upon, inure to the benefit of and be enforceable by Canadian OpCo, Company and their respective successors and assigns.

Section 12. Governing Law. This Security Agreement shall be governed by, and construed in accordance with, the law of British Columbia, except as required by mandatory provisions of law and to the extent the validity or perfection of the security interests hereunder, or the remedies hereunder, in respect of any Collateral are governed by the law of a jurisdiction other than British Columbia.

Section 13. Entire Agreement; Amendment .. This Agreement contains the entire agreement of the parties with respect to the subject matter hereof and shall not be amended except by the written agreement of the parties.

Section 14. Assignment. Company may, with notice to Canadian OpCo, at any time assign, transfer or grant a security interest in this Security Agreement and the Security Interest. Canadian OpCo expressly agrees that the assignee, transferee or secured party, as the case may be, shall have all of Company's rights and remedies under this Security Agreement and Canadian OpCo will pay the Obligations to the assignee, transferee or secured party, as the case may be, as the Obligations become due.

Section 15. Severability. Whenever possible, each provision of this Security Agreement shall be interpreted in such manner as to be effective and valid under all applicable laws and regulations. If, however, any provision of this Security Agreement shall be prohibited by or invalid under any such law or regulation in any jurisdiction, it shall, as to such jurisdiction, be deemed modified to conform to the minimum requirements of such law or regulation, or, if for any reason it is not deemed so modified, it shall be ineffective and invalid only to the extent of such prohibition or invalidity without affecting the remaining provisions of this Security Agreement, or the validity or effectiveness of such provision in any other jurisdiction.

Section 16. Amalgamation. Canadian OpCo acknowledges and agrees that in the event it amalgamates with any other company or companies it is the intention of the parties hereto that the term "Debtor" when used herein shall apply to each of the amalgamating companies and to the amalgamated company, such that the Security Interest granted hereby:

(i) shall extend to "Collateral" (as that term is herein defined) owned by each of the amalgamating companies and the amalgamated company at the time of amalgamation and to any "Collateral" thereafter owned or acquired by the amalgamated company, and

(ii) shall secure the "Obligations" (as that term is herein defined) of each of the amalgamating companies and the amalgamated company to Company at the time of amalgamation and any "Obligations" of the amalgamated company to Company thereafter arising. The Security Interest shall attach to "Collateral" owned by each company amalgamating with Canadian OpCo, and by the amalgamated company, at the time of amalgamation, and shall attach to any "Collateral" thereafter owned or acquired by the amalgamated company when such becomes owned or is acquired.

Section 17. Counterparts. This Security Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute but one and the same agreement.

Section 18. Termination. Upon payment and performance in full of all Obligations, the security interest created under this Security Agreement shall terminate and Company shall promptly execute and deliver to Canadian OpCo such documents and instruments reasonably requested by Canadian OpCo as shall be necessary to evidence termination of all security interests given by Canadian OpCo to Company hereunder. Any partial payment or satisfaction of the Obligations shall be deemed not to be a redemption or discharge of this Security Agreement. Canadian OpCo shall be entitled to a release and discharge of this Security Agreement upon full payment and satisfaction of all Obligations

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have duly executed this Security Agreement, as of the date first above written.

Clean Energy Compression Corp.

By ______________________________
Title:

I.M.W. Industries Ltd.

By ______________________________
Title:

Exhibit 10.60

COMMITMENT TO PROVIDE FUNDS

This Commitment to Provide Funds is made as of September 7, 2010 between Clean Energy, a California corporation ("***Clean Energy***"), Clean Energy Compression Corp., a British Columbia corporation ("***CECC***"), 0884808 B.C. Ltd., a British Columbia corporation ("***0884808***"), and HSBC Bank Canada ("***HSBC***"), a Canadian chartered bank.

RECITALS

WHEREAS, Clean Energy, 0884808 and CECC are parties to an Asset Purchase Agreement dated July 1, 2010 (the "***Asset Purchase Agreement***"), pursuant to which CECC will acquire substantially all of the assets and business of I.M.W. Industries Ltd. ("***IMW***"), a British Columbia corporation;

WHEREAS, at the closing of the transactions contemplated by the Asset Purchase Agreement, CECC will deliver to IMW certain preferred shares of CECC (the "***Earnout Shares***");

WHEREAS, following the delivery by CECC to IMW of the Earnout Shares, 0884808 has agreed, pursuant to the Asset Purchase Agreement and in exchange for the Earnout Shares, to pay to B&M Miller Equity Holdings Inc. (the ***"Holdco"***) one or more earn-out payments (each an "***Earn-Out Payment"*** and collectively, the "***Earn-Out Payments"***), based upon the Adjusted Gross Profit (as such term is defined in the Asset Purchase Agreement) of the Business (as such term is defined in the Asset Purchase Agreement), provided that the aggregate Earn-Out Payments paid to Holdco pursuant to the Asset Purchase Agreement will not exceed Forty Million Dollars ($40,000,000);

WHEREAS, HSBC and IMW are parties to an amended and restated facilities letter dated December 19, 2007, as amended by letters dated December 15, 2008, March 23, 2009, December 1, 2009, December 22, 2009, March 26, 2010 and June 14, 2010 (collectively, the "***Commitment Letter***") pursuant to which HSBC has provided to IMW certain credit facilities (the "***Credit Facilities***") and pursuant to which IMW and other parties thereto have granted certain security documents (the "***Security***") as security in favour of HSBC;

WHEREAS, in connection with the closing of the transactions contemplated by the Asset Purchase Agreement, HSBC, CECC, 0884808, Clean Energy and certain other parties have entered or will enter into an Assumption Agreement (the "***Assumption Agreement***"), pursuant to which, *inter alia*, the Credit Facilities and the obligations of IMW under the Commitment Letter will be assumed by CECC; and

WHEREAS, in order to induce HSBC to enter into the Assumption Agreement, Clean Energy, 0884808 and CECC have agreed to enter into this Commitment to Provide Funds.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual representations, warranties, covenants and promises contained herein, the adequacy and

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sufficiency of which are hereby acknowledged by each of the parties, the parties hereto agree as follows:

AGREEMENT

1. **Commitment to Provide Funds**. Clean Energy and 0884808 hereby agree that should CECC pay any of the Earn-Out Payments on behalf of 0884808, and should the making of such Earn-Out Payment result in CECC being in breach of any of the terms, conditions or provisos of the Assumption Agreement, the Commitment Letter or the Security, then Clean Energy and 0884808 shall, either directly or indirectly, furnish CECC with the necessary funds (the "**Funds**") to enable CECC to make such Earn-Out Payment to the Holdco and to remain in compliance with the terms, conditions and provisos of the Assumption Agreement, the Commitment Letter and the Security.

2. **Assignment and Postponement of Claims**. 0884808 agrees to grant to HSBC an assignment and postponement of claims with respect to all amounts owing from time to time by CECC to 0884808 (including the repayment by CECC to 0884808 of the Funds in the aggregate), which assignment and postponement of claims shall permit payments to be made by CECC to 0884808 as agreed to between CECC and 0884808, provided that CECC is not in breach of any of the terms, conditions or provisos under the Assumption Agreement, the Commitment Letter or the Security at the time that such payments are made by CECC, and provided that any such payment by CECC shall not result in CECC being in breach of any of the terms, conditions or provisos of the Assumption Agreement, the Commitment Letter or the Security. Clean Energy agrees that in the event that any Funds are furnished directly by Clean Energy (or any of its affiliates or subsidiaries) to CECC, then Clean Energy shall enter, or cause such paying affiliate or subsidiary company to enter, into an assignment and postponement of claims in favour of HSBC with respect to any amounts owing by CECC to such party.

3. **Entire Agreement**. This Commitment to Provide Funds constitutes the entire agreement between the parties relating to the subject matter hereof and supersedes all prior oral and written understandings, all contemporaneous oral negotiations and discussions, and all other writings and agreements relating to the subject matter hereof.

4. **Notices**.

(a) All notices, requests, demands and other communications hereunder shall be either (i) delivered in person, (ii) sent by overnight courier service or other express commercial delivery service, or (iii) sent by facsimile with confirmation of receipt and, in each case, addressed as follows:

If to CECC:

Clean Energy Compression Corp.
43676 Progress Way
Chilliwack, B.C. VR2 0C3
Facsimile: (604) 792-3806
Attention: Rick Wheeler

If to 0884808:

0884808 B.C. Ltd.
43676 Progress Way
Chilliwack, B.C. VR2 0C3
Facsimile: (604) 792-3806
Attention: Rick Wheeler

If to Clean Energy:	Clean Energy 3020 Old Ranch Parkway, Suite 400 Seal Beach, CA 90740 Facsimile: (562) 493-4532 Attention: Rick Wheeler
If to HSBC:	HSBC Bank Canada Vancouver Main Branch Suite 200 – 885 West Georgia Street Vancouver, B.C. V6C 3G1 Facsimile: (604) 641-1808 Attention: Cam Rathwell, Senior Account Manager, Commercial Banking

(b) All notices, requests, instructions or documents given to any party in accordance with this Section 4 shall be deemed to have been given on the date of mailing or transmission, whether delivered by hand, by overnight courier service, or by facsimile, with confirmation of receipt on such date. Any party hereto may change its address specified for notices herein by designating a new address by notice given in accordance with this Section 4.

5. **Modifications, Amendments and Waivers**. This Commitment to Provide Funds cannot be amended or changed nor any performance, term, or condition waived in whole or in part, except by a writing signed by the party against whom enforcement of the amendment, change or waiver is sought. No delay or failure on the part of any party in exercising any rights hereunder, and no partial or single exercise thereof, will constitute a waiver of such rights or of any other rights hereunder.

6. **Governing Law**. This Commitment to Provide Funds is to be construed in accordance with and governed by the internal laws of the State of Delaware or any similar successor provision, without giving effect to any choice of law rule that would cause the application of the laws of any jurisdiction other than the internal laws of the State of Delaware to the rights and duties of the parties.

7. **Counterparts**. This Commitment to Provide Funds may be executed in any number of counterparts which may be delivered by facsimile, each of which shall be deemed to be an original, but all of which counterparts shall together constitute one and the same instrument.

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8. **No Third-Party Beneficiaries**. The terms and provisions of this Commitment to Provide Funds are intended solely for the benefit of each party hereto and their respective successors and permitted assigns, and the parties do not intend to confer third-party beneficiary rights upon any other individual or entity.

[Signatures Follow On a Separate Page]

IN WITNESS WHEREOF, each of the parties has caused this Commitment to Provide Funds to be executed on its behalf by their respective officers thereunto duly authorized all as of the date first written above.

Clean Energy
By:
Name:
Title:

0884808 B.C. Ltd.
By:
Name:
Title:

Clean Energy Compression Corp.
By:
Name:
Title:

HSBC
By:
Name:
Title:

Exhibit 10.61

COMMITMENT TO PROVIDE FUNDS

This Commitment to Provide Funds is made as of September 7, 2010 between Clean Energy, a California corporation ("***Clean Energy***"), Clean Energy Compression Corp., a British Columbia corporation ("***CECC***"), 0884808 B.C. Ltd., a British Columbia corporation ("***0884808***"), and HSBC Bank Canada ("***HSBC***"), a Canadian chartered bank.

RECITALS

WHEREAS, Clean Energy, 0884808 and CECC are parties to an Asset Purchase Agreement dated July 1, 2010 (the "***Asset Purchase Agreement***"), pursuant to which CECC will acquire substantially all of the assets and business of I.M.W. Industries Ltd. ("***IMW***"), a British Columbia corporation ;

WHEREAS, at the closing of the transactions contemplated by the Asset Purchase Agreement, CECC will deliver to IMW the following promissory notes (collectively, the "***Notes***"): (i) a promissory note with a principal amount of $12,500,000 that is due and payable on January 31, 2011, (ii) a promissory note with a principal amount of $12,500,000 that is due and payable on January 31, 2012, (iii) a promissory note with a principal amount of $12,500,000 that is due and payable on January 31, 2013, and (iv) a promissory note with a principal amount of $12,500,000 that is due and payable on January 31, 2014.

WHEREAS, HSBC and IMW are parties to an amended and restated facilities letter dated December 19, 2007, as amended by letters dated December 15, 2008, March 23, 2009, December 1, 2009, December 22, 2009, March 26, 2010 and June 14, 2010 (collectively, the "***Commitment Letter***") pursuant to which HSBC has provided to IMW certain credit facilities (the "***Credit Facilities***") and pursuant to which IMW and other parties thereto have granted certain security documents (the "***Security***") as security in favour of HSBC.

WHEREAS, in connection with the closing of the transactions contemplated by the Asset Purchase Agreement, HSBC, CECC, 0884808, Clean Energy and certain other parties have entered or will enter into an Assumption Agreement (the "***Assumption Agreement***"), pursuant to which, *inter alia*, the Credit Facilities and the obligations of IMW under the Commitment Letter will be assumed by CECC.

WHEREAS, in order to induce HSBC to enter into the Assumption Agreement, Clean Energy, 0884808 and CECC have agreed to enter into this Commitment to Provide Funds.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual representations, warranties, covenants and promises contained herein, the adequacy and sufficiency of which are hereby acknowledged by each of the parties, the parties hereto agree as follows:

AGREEMENT

1. **Commitment to Provide Funds**. Clean Energy and 0884808 hereby agree that should the making of any scheduled payment by CECC to IMW under the Notes, pursuant to the Asset Purchase Agreement, result in CECC being in breach of any of the terms, conditions or provisos of the Assumption Agreement, the Commitment Letter or the Security, Clean Energy and 0884808 shall, either directly or indirectly, furnish CECC with the necessary funds (the "**Funds**") to enable CECC to make such payment to IMW and to remain in compliance with the terms, conditions and provisos of the Assumption Agreement, the Commitment Letter and the Security.

2. **Assignment and Postponement of Claims**. 0884808 agrees to grant to HSBC an assignment and postponement of claims with respect to all amounts owing from time to time by CECC to 0884808 (including the repayment by CECC to 0884808 of the Funds in the aggregate), which assignment and postponement of claims shall permit payments to be made by CECC to 0884808 as agreed to between CECC and 0884808, provided that CECC is not in breach of any of the terms, conditions or provisos under the Assumption Agreement, the Commitment Letter or the Security at the time that such payments are made by CECC, and provided that any such payment by CECC shall not result in CECC being in breach of any of the terms, conditions or provisos of the Assumption Agreement, the Commitment Letter or the Security. Clean Energy agrees that in the event that any Funds are furnished directly by Clean Energy (or any of its affiliates or subsidiaries) to CECC, then Clean Energy shall enter, or cause such paying affiliate or subsidiary company to enter, into an assignment and postponement of claims in favour of HSBC with respect to any amounts owing by CECC to such party.

3. **Entire Agreement**. This Commitment to Provide Funds constitutes the entire agreement between the parties relating to the subject matter hereof and supersedes all prior oral and written understandings, all contemporaneous oral negotiations and discussions, and all other writings and agreements relating to the subject matter hereof.

4. **Notices**.

(a) All notices, requests, demands and other communications hereunder shall be either (i) delivered in person, (ii) sent by overnight courier service or other express commercial delivery service, or (iii) sent by facsimile with confirmation of receipt and, in each case, addressed as follows:

If to CECC:	Clean Energy Compression Corp. 43676 Progress Way Chilliwack, B.C. VR2 0C3 Facsimile: (604) 792-3806 Attention: Rick Wheeler

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If to 0884808:	0884808 B.C. Ltd. 43676 Progress Way Chilliwack, B.C. VR2 0C3 Facsimile: (604) 792-3806 Attention: Rick Wheeler
If to Clean Energy:	Clean Energy 3020 Old Ranch Parkway, Suite 400 Seal Beach, CA 90740 Facsimile: (562) 493-4532

Attention: Rick Wheeler

If to HSBC:

HSBC Bank Canada
Vancouver Main Branch
Suite 200 – 885 West Georgia Street
Vancouver, B.C. V6C 3G1

Facsimile: (604) 641-1808
Attention: Cam Rathwell, Senior Account Manager, Commercial Banking

(b) All notices, requests, instructions or documents given to any party in accordance with this Section 4 shall be deemed to have been given on the date of mailing or transmission, whether delivered by hand, by overnight courier service, or by facsimile, with confirmation of receipt on such date. Any party hereto may change its address specified for notices herein by designating a new address by notice given in accordance with this Section 4.

5. **Modifications, Amendments and Waivers**. This Commitment to Provide Funds cannot be amended or changed nor any performance, term, or condition waived in whole or in part, except by a writing signed by the party against whom enforcement of the amendment, change or waiver is sought. No delay or failure on the part of any party in exercising any rights hereunder, and no partial or single exercise thereof, will constitute a waiver of such rights or of any other rights hereunder.

6. **Governing Law**. This Commitment to Provide Funds is to be construed in accordance with and governed by the internal laws of the State of Delaware or any similar successor provision, without giving effect to any choice of law rule that would cause the application of the laws of any jurisdiction other than the internal laws of the State of Delaware to the rights and duties of the parties.

7. **Counterparts**. This Commitment to Provide Funds may be executed in any number of counterparts which may be delivered by facsimile, each of which shall be deemed to be an original, but all of which counterparts shall together constitute one and the same instrument.

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8. **No Third-Party Beneficiaries**. The terms and provisions of this Commitment to Provide Funds are intended solely for the benefit of each party hereto and their respective successors and permitted assigns, and the parties do not intend to confer third-party beneficiary rights upon any other individual or entity.

[Signatures Follow On a Separate Page]

IN WITNESS WHEREOF, each of the parties has caused this Commitment to Provide Funds to be executed on its behalf by their respective officers thereunto duly authorized all as of the date first written above.

Clean Energy
By:
Name:
Title:

0884808 B.C. Ltd.
By:
Name:
Title:

Clean Energy Compression Corp.
By:
Name:
Title:

HSBC
By:
Name:
Title:

Exhibit 10.62

ASSUMPTION AGREEMENT

THIS AGREEMENT is dated September 7, 2010 (the "**Effective Date**")

BETWEEN:

I.M.W. INDUSTRIES LTD.

("**IMW**")

AND:

IMW CNG BANGLADESH LTD.

("**IMW Bangladesh**")

AND:

IMW COMPRESSOR GROUP (SHANGHAI) CO. LTD.

("**IMW China**")

AND:

IMW COLOMBIA LTDA.

("**IMW Colombia**")

(IMW Bangladesh, IMW China and IMW Colombia collectively, the "**Corporate Guarantors**")

AND:

BRADLEY NORMAN MILLER

("**Mr. Miller**")

AND:

MARION MILLER

("**Ms. Miller**")

(Mr. Miller and Ms. Miller collectively, the "**Personal Guarantors**")

AND:

B&M MILLER EQUITY HOLDINGS INC.

("**Miller Holdco**")

AND:

CLEAN ENERGY COMPRESSION CORP.

(the "**Purchaser**")

AND:

CLEAN ENERGY

("**Clean Energy**")

AND:

0884808 B.C. LTD.

("**Canadian AcqCo**")

AND:

HSBC BANK CANADA

(the "**Lender**")

WHEREAS:

A. IMW as borrower, 652322 B.C. Ltd. ("**652322**", a predecessor amalgamating corporation of Miller Holdco), as corporate guarantor, Mr. Miller, as personal guarantor, Ms. Miller, as personal guarantor, and the Lender entered into an amended and restated facility letter dated December 19, 2007, as amended by letters dated December 15, 2008 and March 23, 2009 (collectively, the **"Letter Agreement**") with respect to, *inter alia*, a demand revolving loan in the original principal amount of CAD$3,000,000 ("**Operating Loan**"), a demand revolving documentary credit line sub-limit to the Operating Loan in the original amount of CAD$2,000,000 ("**Import Line Sub-Limit**"), a demand revolving line in the original amount of CAD$1,980,000 ("**Foreign Exchange Line**"), a demand revolving bank guarantee and standby letter of credit line in the original amount of CAD$1,600,000 ("**BG Line**") and a Mastercard limit in the original amount of CAD$110,000 ("**Mastercard Limit**"), each made by the Lender to IMW;

B. By letters dated December 1, 2009, December 22, 2009, March 26, 2010 and June 14, 2010 (collectively, with the Letter Agreement, the "**Commitment Letter**"), the terms of the Letter Agreement were further amended such that, *inter alia*, IMW Bangladesh, IMW China and IMW Colombia were added as additional parties thereto and a demand

revolving loan in the original amount of CAD$2,000,000 ("**Subsidiary BG Line**") was made by the Lender to IMW;

C. The Operating Loan, Import Line Sub-Limit, Foreign Exchange Line, BG Line, Mastercard Limit and Subsidiary BG Line (collectively, the "**Loan**") are secured by the security documents granted by IMW, 652322, the Corporate Guarantors and the Personal Guarantors pursuant to the Commitment Letter (collectively, the "**Security**"), including, *inter alia*, the security documents referred to in the Schedule hereto;

D. Pursuant to an asset purchase agreement dated July 1, 2010 (the "**Purchase Agreement**"), between IMW, Miller Holdco, Miller Family Trust, Mr. Miller and Ms. Miller (the foregoing collectively, the "**Vendors**"), the Purchaser (formerly named 0884810 B.C. Ltd.), Clean Energy and Canadian AcqCo, the Purchaser agreed to purchase, and IMW agreed to sell, all of IMW's right, title, and interest in the assets, properties, goodwill and rights of IMW (collectively, the "**Purchased Assets**") used, held for use, or intended to be used, in its business of designing, manufacturing and supplying industrial products, parts and services (the "**Purchase Transaction**");

E. The Purchaser wishes to assume the obligations and liabilities of IMW under the Loan, the Commitment Letter and the Security and to be bound by the terms thereof as of the Effective Date;

F. IMW and the Corporate Guarantors wish to confirm and ratify all of the obligations and liabilities of IMW and the Corporate Guarantors under the Loan, the Commitment Letter and the Security, as applicable; and

G. The Lender has agreed that the Purchaser may assume the Loan and the obligations and liabilities of IMW with respect thereto, including without limitation the Commitment Letter and the Security, on the condition that the liabilities and obligations of IMW and the Corporate Guarantors thereunder survive and continue from the Effective Date, and that the parties enter into and satisfy the terms of this Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the sum of One Dollar ($1.00) and other good and valuable consideration paid by each party to the other (the receipt and sufficiency whereof is hereby acknowledged by each party) the parties hereto covenant and agree each with the other as follows:

1. Assumption of Loan and Security.

The Purchaser hereby assumes all rights, benefits, obligations and liabilities of IMW under the Loan, the Commitment Letter and the Security. The Purchaser hereby unconditionally undertakes, covenants and agrees with the Lender, as principal debtor and not as surety, to pay the Loan, interest thereon and all money now or hereafter due and payable to the Lender under the Commitment Letter and the Security, including any amounts payable with respect to any letter of credit issued on behalf of IMW, at the time and in the manner as therein provided, and to perform and observe and be bound by all the terms, covenants, liabilities and obligations (collectively, the "**Assumed Obligations**") of IMW set forth in the Commitment Letter and the

Security to the same extent as if it had originally executed the Commitment Letter and the Security as the borrower thereunder.

2. Amendment of Commitment Letter.

The parties further agree that the terms of the Commitment Letter shall be amended to incorporate the following terms, and any such term being capitalized and not defined in this section shall have the meaning ascribed thereto as set out in this Agreement:

(a) Additional Equity: Clean Energy shall inject not less than USD$2,000,000 of additional working capital (the "Additional Working Capital") into Canadian AcqCo, which shall then inject the Additional Working Capital into the Purchaser, concurrent with the closing of the Purchase Transaction;

(b) Financial Covenants:

i. Debt to Tangible Net Worth: The ratio of Debt to Tangible Net Worth of the Purchaser shall not exceed:

a. 3.25 to 1 from the Effective Date up to and including December 31, 2010; and

b. 3.00 to 1 from and including January 1, 2011,

without the prior written consent of the Lender, and such covenant herein shall be evaluated by the Lender on a quarterly basis;

ii. Tangible Net Worth: The Tangible Net Worth of the Purchaser shall not equal less than CAD$3,000,000 at any time;

iii. Ratio of Current Assets to Current Liabilities: The ratio of current assets to current liabilities of the Purchaser shall not equal less than:

a. 1.15 to 1 from the Effective Date up to and including December 31, 2010; and

b. 1.25 to 1 from and including January 1, 2011,

and such covenant herein shall be evaluated by the Lender on a quarterly basis; and

iv. the Purchaser shall not pay any interest, dividends, or other amounts to its shareholders, subordinated lenders, or the Vendors, provided however that any funds that are under postponement to the Lender may be paid to such parties so long as the Purchaser is not in breach of any of the terms, conditions or provisos under this Agreement, the Commitment Letter or the Security at the time that such payments are made, and provided that any such payment shall not result in the Purchaser being in breach of any of the terms, conditions or provisos under this Agreement, the Commitment Letter or the Security;

v. For the purposes of the financial covenants in this section, the following terms shall have the meanings indicated below:

c. "Debt" includes all current and long term liabilities that have not been formally postponed to the Lender; and

d. "Tangible Net Worth" means total equity less any intangible assets, goodwill, and amounts due from any related parties, and plus liabilities that have been formally postponed to the Lender;

(c) Borrower: Effective as and from the Effective Date, all references in the Commitment Letter and the Security to IMW, as borrower, shall mean and be deemed to mean the Purchaser; and

(d) EDC Guarantees: The Purchaser shall renew and/or extend each EDC Guarantee not less than 15 days prior to the termination date thereof and shall provide the Lender with written notice upon each such renewal and/or extension confirming the same.

3. Representations and Warranties.

The Purchaser represents and warrants to the Lender that on the Effective Date, it will have acquired all of the Purchased Assets pursuant to the terms of the Purchase Agreement and is or will be the legal and beneficial owner thereof. Clean Energy and Canadian AcqCo each represent and warrant to the Lender that on the Effective Date, they will be the legal and beneficial owners of all of the issued and outstanding shares in the capital of the Purchaser.

4. Lender Consent.

The Lender hereby consents to the Purchase Transaction, to the assignment to and assumption by the Purchaser of the Assumed Obligations, confirms such Purchase Transaction, assignment and assumption will not constitute a default under the Commitment Letter or the Security, provided that its consent shall not constitute consent by the Lender of any subsequent sale, lease or other disposal of the Purchased Assets, which approval the Purchaser agrees that it and any subsequent purchaser or owner of the Purchased Assets shall be obligated to obtain, in accordance with the provisions of the Commitment Letter and the Security, in the event of any subsequent sale, lease or other disposal of the Purchased Assets.

5. No Novation/No Release of IMW and the Corporate Guarantors.

The parties agree that this Agreement shall not constitute a novation or an accord and satisfaction between the Purchaser, Clean Energy, Canadian AcqCo, IMW, the Corporate Guarantors, or any of them, and the Lender, with respect to the Loan and any other indebtedness owing under the Commitment Letter and the Security. This Agreement shall in no way discharge or release IMW or the Corporate Guarantors from their respective obligations, covenants and liabilities under the Commitment Letter and the Security and that each of IMW, and the Corporate Guarantors hereby ratify and confirm and are and shall respectively remain bound by the Commitment Letter and the Security to which it is a party. Each of the Corporate Guarantors hereby acknowledge the Purchaser's liability under the Assumed Obligations and confirm that the unlimited guarantees given by each of them remain in full force and effect with respect to the Purchaser as borrower under the Assumed Obligations. Without limiting the foregoing, nothing in this Agreement shall alter or prejudice the rights and remedies of the Lender as against IMW or the Corporate Guarantors under

the Commitment Letter and the Security, all of which rights and remedies are hereby expressly reserved.

6. Release of the Personal Guarantors and Miller Holdco.

Upon satisfaction of the conditions precedent to closing set out in section 10 hereto, the Lender shall release the Personal Guarantors and Miller Holdco from their respective liabilities and obligations under the Commitment Letter and the Security which arise after the Effective Date. The parties hereby acknowledge and consent to the release by the Lender of the Personal Guarantors and Miller Holdco from their respective obligations and liabilities under the Commitment Letter and the Security.

7. Further Documents.

The parties covenant and agree that they will upon request by the Lender acting reasonably do and perform every reasonable act and execute every document necessary to better assume the obligations under each of the Security.

8. Further Sale of the Purchased Assets.

The Purchaser covenants and agrees with the Lender that its obligations under the Security shall not be affected or limited by any further or other sale of the Purchased Assets, whether or not the Lender consents thereto unconditionally or on condition, and all of the obligations of the Purchaser, Clean Energy and Canadian AcqCo set out herein or in the Security shall continue and survive a further sale or any dealing by the Lender with the Purchased Assets or any person interested therein, unless released by the Lender.

9. Lender's Costs.

The Purchaser will pay, on closing, the Lender's assumption fee, reasonable outside costs (including insurance review) and legal fees incurred by the Lender in connection with this Agreement and the assumption of the Loan by the Purchaser.

10. Deliveries on Closing: Conditions Precedent to Lender's Consent.

The Purchaser will provide the following deliveries to the Lender's solicitor on or before the Effective Date in order for this Agreement and the Lender's consent under this Agreement to be effective, in each case in form and content satisfactory to the Lender:

(a) confirmation of the initial capital of the Purchaser, which capital shall include the amount of USD$15,000,000 of initial equity of the Purchaser and the amount of USD$2,000,000 that is to be provided by Clean Energy pursuant to subsection 2(a) hereto;

(b) an assignment and postponement of claims granted by Canadian AcqCo with respect to all amounts owing from time to time by the Purchaser to Canadian AcqCo, which assignment and postponement of claims will permit payments to be made by the Purchaser to Canadian AcqCo as agreed to between the Purchaser and Canadian AcqCo, provided that the Purchaser is not in breach of any of the terms, conditions or provisos under this Agreement, the Commitment Letter or the Security at the time when such

payments are due, and provided that any such payment shall not result in the Purchaser being in breach of any of the terms, conditions or provisos under this Agreement, the Commitment Letter or the Security;

(a) a commitment to provide funds, executed by the Purchaser, Canadian AcqCo and Clean Energy, wherein Clean Energy and/or Canadian AcqCo covenant, *inter alia*, to furnish funds if necessary to the Purchaser which funds are to enable the Purchaser to make payments in respect of certain promissory notes under the Purchase Agreement;

(b) a draft opening balance sheet for the Purchaser, confirming compliance with all covenants and conditions under this Agreement, the Commitment Letter and the Security;

(c) an unlimited guarantee and a general security agreement by Canadian AcqCo of the indebtedness of the Purchaser to the Lender;

(d) Officer's Certificate of each of the Purchaser, Canadian AcqCo and Clean Energy, together with a certified copy of the resolutions of the board of directors of the Purchaser, Canadian AcqCo and Clean Energy, confirming that all necessary corporate action has been taken by them to authorize the execution, delivery and performance of this Agreement, the Purchase Agreement, and other related security documents as required herein;

(e) favourable letter(s) of opinion from the solicitors for the Purchaser, Canadian AcqCo and Clean Energy confirming that each has the corporate power and capacity to enter into the transactions contemplated herein and that the Purchase Agreement, this Agreement, and other related security documents as required herein, have been duly authorized, executed and delivered by each of them;

(f) evidence satisfactory to the Lender that all indebtedness of IMW to Vancity Capital Corporation ("**VCC**") has been repaid and that all security granted in favour of VCC has been discharged (collectively, the "**Discharges**"), unless appropriate solicitors' undertakings are in place to provide the Lender with evidence of the Discharges within a reasonable time following closing, such undertakings to be in a form satisfactory to the Lender, acting reasonably;

(g) approval and confirmation from Export Development Canada ("**EDC**"), addressed to the Lender, consenting to this Agreement and the assumption by the Purchaser of the Assumed Obligations, and confirmation from EDC that the Master Financing Guarantee Agreement dated **February 11, 2008** (the "**EDC Guarantee Agreement**") and all guarantees issued pursuant to the EDC Guarantee Agreement (collectively, the "**EDC Guarantees**", and in the singular, the "**EDC Guarantee**"), including all guarantees with respect to the Operating Loan, the BG Line and the Subsidiary BG Line, remain in full force and effect with respect to the Purchaser as borrower thereunder;

(h) Officer's Certificate of the Purchaser, Canadian AcqCo and Clean Energy, certifying that the Purchase Transaction has closed in accordance with the terms of the Purchase Agreement;

(i) a certificate of good standing for the Purchaser issued by the appropriate government authority;

(j) evidence of all risk insurance (including extended coverage endorsement) in amounts and from an insurer acceptable to the Lender, on all of the Purchaser's personal property including, without limitation, the Purchased Assets and all other equipment and inventory owned by the Purchaser, showing the Lender as first loss payee by way of standard mortgage endorsement;

(k) the Lender's assumption fee as advised by the Lender to the Purchaser;

(l) payment of the Lender's solicitor's estimated account; and

(m) confirmation that the Purchaser is not in default under this Agreement, the Commitment Letter or the Security.

11. Confirmation re: Loan Amount.

The Lender acknowledges and agrees with the Purchaser that:

(a) the authorized maximum amount of each of the Loan facilities is as set forth below:

i. Operating Loan: CAD$7,750,000;

ii. Import Line Sub-Limit: CAD$2,000,000;

iii. Foreign Exchange Line: CAD$13,750,000;

iv. BG Line: CAD$3,000,000;

v. Mastercard Limit: CAD$150,000; and

vi. Subsidiary BG Line: USD$1,050,000; and

(b) to the knowledge of the Lender, as of the Effective Date, no default or event of default exists under the Commitment Letter or the Security, provided that the acknowledgement of the Lender in this paragraph (b) shall not prevent the Lender from acting on a default or an event of default of which it is not now aware.

12. Communications.

All communications to the Purchaser shall be addressed as follows:

Clean Energy Compression Corp.
c/o Clean Energy Fuels Corp.
Suite 400 — 3020 Old Ranch Parkway
Seal Beach, CA, 90740, USA

Attention: Mr. Richard R. Wheeler, Chief Financial Officer

Fax: (562) 493-4532,

all communications to the Lender shall be addressed as follows:

HSBC Bank Canada
Vancouver Main Branch
Suite 200 — 885 West Georgia Street
Vancouver, BC V6C 3G1

Attention: Cam Rathwell, Senior Account Manager, Commercial Banking

Fax: (604) 641-1808,

and shall be subject to the terms of the Security dealing with notices.

13. Governing Law.

This Agreement shall be construed in accordance with and governed by the laws of the Province of British Columbia.

14. Effect.

This Agreement shall be effective as and from the Effective Date and shall be read and construed along with the Commitment Letter and the Security, and the Commitment Letter and the Security will, together with all the terms, covenants and conditions thereof, be and continue to remain in full force and effect except as modified by this Agreement.

15. Successors.

This Agreement will enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns.

16. Counterparts.

This Agreement may be executed in any number of counterparts, each of which when executed and delivered is an original, but all of which taken together constitute one and the same document.

17. Independent Legal Advice.

Each of the parties for this Agreement has received independent legal advice as to the nature and effect of this Agreement.

[THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF this Agreement has been duly executed by the parties hereto as of the Effective Date.

HSBC BANK CANADA

Per: ______________________________
Name:
Title:
Per: ______________________________
Name:

I.M.W. INDUSTRIES LTD.

Per: ______________________________
Name:
Title:
Per: ______________________________

Title:

Name:
Title:

B&M MILLER EQUITY HOLDINGS INC.

Per: ______________________________
Name:
Title:
Per: ______________________________
Name:
Title:

IMW CNG BANGLADESH LTD.

Per: ______________________________
Name:
Title:
Per: ______________________________
Name:
Title:

IMW COMPRESSOR GROUP (SHANGHAI) CO. LTD.

Per: ______________________________
Name:
Title:
Per: ______________________________
Name:
Title:

IMW COLOMBIA LTDA.

Per: ______________________________
Name:
Title:
Per: ______________________________
Name:
Title:

CLEAN ENERGY

Per: ______________________________
Name:
Title:
Per: ______________________________
Name:
Title:

0884808 B.C. LTD.

Per: ______________________________
Name:
Title:
Per: ______________________________
Name:
Title:

CLEAN ENERGY COMPRESSION CORP.

Per: ______________________________
Name:
Title:
Per: ______________________________
Name:
Title:

SIGNED, **SEALED** and **DELIVERED** by **BRADLEY NORMAN MILLER** in the presence of:

____
Name

____
Address

____
Occupation

____
BRADLEY NORMAN MILLER

SIGNED, **SEALED** and **DELIVERED** by **MARION MILLER** in the presence of:

____
Name

____
MARION MILLER

Address	))))
Occupation	))))

SCHEDULE

The Security

1. General Security Agreement granted by IMW dated January 29, 2007;
2. General Security Agreement granted by 652322 dated January 29, 2007;
3. General Security Agreement granted by Bradley Norman Miller dated January 29, 2007;
4. General Security Agreement granted by Marion Miller dated January 29, 2007;
5. Priority Agreement granted by GE Canada Equipment Financing G.P. and GE Canada Leasing Services Company dated February 1, 2007;
6. Libor Agreement granted by IMW dated March 8, 2007;
7. Unlimited Guarantee granted by 652322 dated January 29, 2007;
8. Joint and Several Unlimited Guarantees granted by the Personal Guarantors dated January 29, 2007;
9. Trade Financing General Agreement granted by IMW dated January 29, 2007;
10. Agreement For Foreign Exchange Contracts granted by IMW dated January 29, 2007;
11. Agreement As To Loans And Advance And Security Therefor granted by IMW dated January 29, 2007;
12. Assignment of Insurance Interest granted by IMW dated January 29, 2007;
13. Assignment and Postponement granted by 652322 dated January 29, 2007;
14. Security Over Cash, Credit Balances And Deposit Instruments By Customer granted by IMW dated January 29, 2007;
15. Application For Credit And Promise To Give Bills Of Lading, Warehouse Receipts, Or Security Under All Or Any Of Paragraphs 427(1)(a), (b), (c), (d), (g), (h), (i), (j), (k), (l), (m), (n), (o), (p) Of The Bank Act granted by IMW dated January 29, 2007;
16. Security Under Section 427 Of The Bank Act granted by IMW dated January 30, 2007;
17. Section 427 Letter Agreement Re: Dating Of Documents granted by IMW dated January 29, 2007;
18. Guarantee(s) by EDC under its Exporter Guarantee Program in respect of the Operating Loan;
19. Guarantee(s) by EDC under its Performance Security Guarantee Program in respect of the advances made under the BG Line;
20. Guarantee(s) by EDC under its Exporter Guarantee Program in respect of the advances made under the Subsidiary BG Line;
21. Negative Pledge Agreement granted by IMW Bangladesh and IMW dated March 26, 2010;
22. Negative Pledge Agreement granted by IMW China and IMW dated December 9, 2009; and
23. Unlimited Guarantee granted by IMW Bangladesh dated January 27, 2007;
24. Unlimited Guarantee granted by IMW China dated January 27, 2007; and
25. Unlimited Guarantee granted by IMW Colombia dated January 27, 2007.

Exhibit 10.63

HSBC Bank Canada 1012083 (10-2003)
GENERAL SECURITY AGREEMENT
(British Columbia, Alberta, New Brunswick, Nova Scotia, Newfoundland and Labrador)

This General Security Agreement made as of the 7th day of September, 2010.

BETWEEN:

0884808 B.C. LTD.
c/o Clean Energy
Suite 400 — 3020 Old Ranch Parkway
Seal Beach, CA, 90740, U.S.A.

(the "Debtor")

AND:

HSBC BANK CANADA, a chartered bank of Canada, having a head office in the City of Vancouver, in the Province of British Columbia, and having a branch at Suite 200 - 885 West Georgia Street, Vancouver, British Columbia, V6C 3E9

(the "Bank")

I Security

1.1 For value received, the Debtor grants and creates the security constituted by this General Security Agreement and agrees to the terms, covenants, agreements, conditions, provisos and other matters set out in this General Security Agreement

1.2 As general and continuing security for the Obligations (as defined in clause 2.1 hereof), the Debtor:

1.2.1 hereby grants to the Bank, by way of mortgage, charge, assignment and transfer, a security interest in all presently owned and hereafter acquired personal property of the Debtor of whatsoever nature and kind and wheresoever situate and all proceeds thereof and therefrom, renewals thereof, Accessions thereto and substitutions therefor (all of which are herein collectively called the "Personal Property Collateral"), including, without limiting the generality of the foregoing, all the presently owned or held and hereafter acquired right, title and interest of the Debtor in and to all Goods (including all accessories, attachments, additions and Accessions thereto), Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Intangibles (subject to Clause 1.2.2 hereof), Licences, Money, Investment Property, and all:

(a) Inventory of whatsoever nature and kind and wheresoever situate;

(b) Equipment (other than Inventory) of whatsoever nature and kind and wheresoever situate, including, without limitation, all machinery, tools, apparatus, plant, furniture, fixtures and vehicles of whatsoever nature and kind;

(c) book accounts and book debts and generally all Accounts, debts, dues, claims, choses in action and demands of every nature and kind howsoever arising or secured

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including letters of credit, letters of guarantee and advices of credit, which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to or owned by the Debtor (all of which are herein collectively called the "Debts");

(d) deeds, documents, writings, papers, books of account and other books relating to or being records of Debts, Chattel Paper or Documents of Title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;

(e) contractual rights and insurance claims and all goodwill;

(f) monies other than trust monies lawfully belonging to others; and

(g) personal property described in any schedule now or hereafter annexed hereto; and

1.2.2 hereby grants to the Bank, by way of mortgage and charge a security interest in all presently owned and hereafter acquired patents, trade-marks, copyrights, industrial designs and other intellectual property and all proceeds thereof and therefrom, renewals thereof, Accessions thereto and substitutions therefor (all of which is deemed to be included in the definition of "Personal Property Collateral" referred to in Clauses 1.2.1 and 1.3.2. hereof); and

1.2.3 hereby charges as and by way of a floating charge in favour of the Bank all the presently owned or held and hereafter acquired property, assets, effects and undertakings of the Debtor of whatsoever nature and kind and wheresoever situate, other than such of the property, assets, effects and undertakings of the Debtor as are validly and effectively subjected to the security interest granted to the Bank pursuant to clause 1.2.1 (all of which property, assets, effects and undertakings so charged by this clause 1.2.3 are herein collectively called the "Other Collateral") including, without limiting the generality of the foregoing, all presently owned or held and hereafter acquired right, title and interest of the Debtor in and to real and immovable and leasehold property and rights whether in fee or of a less estate and all interest in and rights relating to lands and all easements, rights of way, privilege, benefits, licences, improvements and rights whether connected therewith or appurtenant thereto or separately owned or held and all structures, buildings, plant, machinery, fixtures, apparatus and fixed assets and the charge created by this clause 1.2.3 shall be a floating charge such that the Debtor shall not have power without the prior written consent of the Bank to:

(a) create or permit to exist any Encumbrance against any of the Other Collateral which ranks or could in any event rank in priority to or pari passu with the security constituted by this General Security Agreement, save for:

(1) those Encumbrances shown in the Encumbrance Schedule; and

(2) Encumbrances approved in writing by the Bank prior to creation or assumption; or

(b) grant, sell, exchange, transfer, assign, lease or otherwise dispose of the Other Collateral.

1.3 In this General Security Agreement:

1.3.1 any reference to “Premises” shall mean all property owned or leased by the Debtor;

1.3.2 the Personal Property Collateral and the Other Collateral are herein together called the “Collateral”;

1.3.3 any reference to “Collateral” shall, unless the context otherwise requires, be deemed a reference to “Collateral or any part thereof”;

1.3.4 any reference to “Debtor” and the personal pronoun “it” or “its” and any verb relating thereto and used therewith shall be read and construed as required by and in accordance with the context in which such words are used depending upon whether the Debtor is one or more corporations and, if more than one Debtor executes this General Security Agreement, this General Security Agreement shall apply and be binding upon each of them jointly and severally and all obligations hereunder shall be joint and several;

1.3.5 any references to “Environmental Laws” shall mean any laws, regulations, orders, by-laws, permits or lawful requirements of any governmental authority with respect to environmental protection or regulating hazardous materials;

1.3.6 any reference to “General Security Agreement” shall, unless the context otherwise requires, be deemed a reference to this General Security Agreement as amended from time to time by written agreement together with the schedules hereto and any schedules added hereto pursuant to the provisions hereof;

1.3.7 any reference to “Hazardous Materials” shall mean any asbestos material, urea formaldehyde, explosives, radioactive materials, pollutants, contaminants, hazardous substances, corrosive substances, toxic substances, special waste or waste of any kind including, without limitation, compounds known as chlorobiphenyls and any substance the storage, manufacture, disposal, treatment, generation, use, transport, remediation or release of which into the environment is prohibited, controlled or licensed under Environmental Laws;

1.3.8 any reference to “PPSA” shall mean the Personal Property Security Act of the Province as amended from time to time, including any amendments thereto and any Act substituted therefor and amendments thereto;

1.3.9 any reference to the “Province” shall mean the Province of British Columbia; and

1.3.10 the terms “Goods”, “Chattel Paper”, “Documents of Title”, “Equipment”, “Accounts”, “Consumer Goods”, “Instruments”, “Intangibles”, “Licences” (Alberta and British Columbia only), “Money”, “Investment Property”, “Proceeds”, “Inventory” and “Accessions” and other words and expressions which have been defined in the PPSA shall be interpreted in accordance with their respective meanings given in the PPSA (either in the singular or plural thereof), as the context requires unless otherwise defined herein or unless the context otherwise requires.

1.4 The Bank and the Debtor have not agreed to postpone the time for attachment of the security interest granted hereby.

1.5 The security interest in Consumer Goods hereby granted shall not become effective until, but shall become effective immediately when, the Bank notifies the Debtor in writing that it is effective.

1.6 The last day of the term of any lease held by the Debtor with respect to any of the Collateral is excluded from the security constituted by this General Security Agreement.

II Obligations Secured

2.1 The security constituted by this General Security Agreement is general and continuing security for payment, performance and satisfaction of each and every obligation, indebtedness and liability of the Debtor to the Bank (including interest thereon), present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed, wheresoever and howsoever incurred, and any ultimate unpaid balance thereof, including all future advances and re-advances, and whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and whether the Debtor be bound alone or with another or others and whether as principal or surety, (all of which obligations, indebtedness and liabilities are herein collectively called the “Obligations”).

2.2 This General Security Agreement and the security constituted hereby are in addition to and not in substitution for any other security or Investment Property which the Bank may now or from time to time hold or take from the Debtor or from any other person whomsoever.

III Representations and Warranties of the Debtor

3.1 The Debtor represents and warrants that, and, so long as this General Security Agreement remains in effect, shall be deemed to continuously represent and warrant that:

3.1.1 this General Security Agreement has been authorized, executed and delivered in accordance with resolutions of the directors (and of the shareholders as applicable) of the Debtor and all other matters and things have been done and performed so as to authorize and make the execution and delivery of this General Security Agreement, the creation of the security constituted hereby and the performance of the Debtor’s obligations hereunder, legal, valid and binding;

3.1.2 the Collateral is genuine and is owned by the Debtor free of all security interests, mortgages, liens, claims, charges and other encumbrances (herein collectively called “Encumbrances”), save for the security constituted by this General Security Agreement, those Encumbrances shown on the Encumbrance Schedule and those Encumbrances approved in writing by the Bank;

3.1.3 the Debtor has good and lawful authority to create the security in the Collateral constituted by this General Security Agreement;

3.1.4 each Debt, Chattel Paper and Instrument included in the Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "Account Debtor"), and the amount represented by the Debtor to the Bank from time to time as owing by each Account Debtor or by all Account Debtors will be the correct amount actually and unconditionally owing by such Account Debtor or Account Debtors, except for normal cash discounts where applicable, and no Account Debtor will have any defense, set off, claim or counterclaim against the Debtor which can be asserted against the Bank, whether in any proceeding to enforce the Collateral or otherwise;

3.1.5 with respect to Goods (including Inventory) comprised in the Collateral, the locations specified in the Location Schedule are accurate and complete (save for Goods in transit to

such locations and Inventory on lease or consignment) and all fixtures or Goods about to become fixtures which form part of the Collateral will be situate at one of the locations specified in the Location Schedule;

3.1.6 none of the Premises are insulated with urea formaldehyde nor contain any asbestos material or underground tanks;

3.1.7 the Premises are free of any Hazardous Materials;

3.1.8 the Premises are not currently used in a manner, and, to the Debtor's knowledge, after having made due inquiry, no prior use has occurred, which is contrary to any laws, regulations, orders, bylaws, permits or lawful requirements of any Environmental Laws; and

3.1.9 there are no existing or threatened claims, actions, orders or investigations under any Environmental Laws against the Debtor or against the Premises;

3.1.10 the Debtor is the owner of any intellectual property applications and registrations and there are no outstanding claims of ownership by third parties in respect of these registrations and applications;

3.1.11 all intellectual property applications and registrations are valid and in good standing;

3.1.12 all trade-mark and industrial designs have been in continuous use and that the use has been proper in relation to the wares and/or services of the Debtor;

3.1.13 only the Debtor has used the trade-marks, or if there are any third party users of the Debtor's trade-marks, such third party users are properly licensed to use such trademarks;

3.1.14 all assignments and other documents affecting intellectual property rights have been disclosed and provided to the Bank;

3.1.15 there are no outstanding or threatened claims or proceedings with respect to the intellectual property; and

3.1.16 all necessary assignments and license agreements have been properly executed by the Debtor for use of third party intellectual property.

IV Covenants of the Debtor

4.1 The Debtor covenants and agrees that at all times while this General Security Agreement remains in effect the Debtor will:

4.1.1 defend the Collateral for the benefit of the Bank against the claims and demands of all other persons;

4.1.2 not, without the prior written consent of the Bank:

(a) create or permit to exist any Encumbrance against any of the Personal Property Collateral which ranks or could in any event rank in priority to or pari passu with the security constituted by this General Security Agreement, save for:

(i) those Encumbrances shown in the Encumbrance Schedule; and

(ii) Encumbrances approved in writing by the Bank prior to creation or assumption; or

(b) grant, sell, exchange, transfer, assign, lease or otherwise dispose of the Collateral;

provided always, that, until default, the Debtor may, in the ordinary course of the Debtor's business, sell or lease Inventory and, subject to clause 5.2 hereof, use monies available to the Debtor;

4.1.3 fully and effectively maintain and keep maintained valid and effective the security constituted by this General Security Agreement;

4.1.4 notify the Bank promptly of:

(a) any change in the information contained herein or in the Schedules hereto relating to the Debtor, the Debtor's name, the Debtor's business or the Collateral;

(b) the details of any significant acquisition of Collateral;

(c) the details of any claims or litigation affecting the Debtor or the Collateral;

(d) any loss or damage to the Collateral;

(e) any default by any Account Debtor in payment or other performance of obligations of the Account Debtor comprised in the Collateral; and

(f) the return to, or repossession by, the Debtor of Collateral;

4.1.5 keep the Collateral in good order, condition and repair (in the locations specified in the Location Schedule or such other locations as the Bank may approve in writing) and not use the Collateral in violation of the provisions of this General Security Agreement or any other agreement relating to the Collateral or any policy insuring the Collateral or any applicable statute, law, by-law, rule, regulation or ordinance;

4.1.6 carry on and conduct the business of the Debtor in a proper and efficient manner and so as to protect and preserve the Collateral and to keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for the Debtor's business as well as accurate and complete records concerning the Collateral and, at the Bank's request, mark any and all such records and the Collateral so as to indicate the security constituted by this General Security Agreement;

4.1.7 forthwith pay:

(a) all obligations to its employees and all obligations to others which relate to its employees when due, including, without limitation, all taxes, duties, levies, government fees, claims and dues related to its employees;

(b) all taxes, assessments, rates, duties, levies, government fees, claims and dues lawfully levied, assessed or imposed upon it or the Collateral when due, unless the Debtor shall in good faith contest its obligations so to pay and shall furnish such security as the Bank may require; and

(c) all Encumbrances which rank or could in any event rank in priority to or pari passu with the security constituted by this General Security Agreement, other than the Encumbrances, if any, shown in the Encumbrance Schedule hereto and those approved in writing by the Bank;

4.1.8 prevent the Collateral, save Inventory sold or leased as permitted hereby, from being or becoming an Accession to other property not covered by this General Security Agreement;

4.1.9 insure the Collateral for such periods, in such amounts, on such terms and against loss or damage by fire and such other risks as the Bank shall reasonably direct (but in any event in accordance with prudent business practice and for not less than the full replacement cost thereof) with loss payable to the Bank and the Debtor, as insureds, as their respective interests may appear, and to pay all premiums for such insurance;

4.1.10 deliver to the Bank from time to time promptly upon request:

(a) any Documents of Title, Instruments, Investment Property and Chattel Paper comprised in or relating to the Collateral;

(b) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to the Collateral for the purpose of inspecting, auditing or copying the same;

(c) all financial statements prepared by or for the Debtor regarding the Debtor's business;

(d) all policies and certificates of insurance relating to the Collateral; and

(e) such information concerning the Collateral, the Debtor and the Debtor's business and affairs as the Bank may reasonably require;

4.1.11 forthwith pay all costs, charges, expenses and legal fees and disbursements (on a solicitor and his own client basis) which may be incurred by the Bank in:

(a) inspecting the Collateral;

(b) negotiating, preparing, perfecting and registering this General Security Agreement and other documents, whether or not relating to this General Security Agreement;

(c) investigating title to the Collateral;

(d) taking, recovering, keeping possession of and insuring the Collateral;

(e) connection with any disclosure requirements under the PPSA; and

(f) all other actions and proceedings taken in connection with the preservation of the Collateral and the confirmation, perfection and enforcement of this General Security Agreement and of any other security held by the Bank as security for the Obligations;

4.1.12 at the Bank's request at any time and from time to time create in favour of the Bank, as security for the Obligations, a fixed charge or charges upon any of the Other Collateral;

4.1.13 at the Bank's request at any time and from time to time execute and deliver such further and other documents and instruments and do all other acts and things as the Bank reasonably requires in order to give effect to this General Security Agreement or to confirm and perfect, and maintain perfection of, the security constituted by this General Security Agreement in favour of the Bank;

4.1.14 permit the Bank and its representatives, at all reasonable times, access to all the Debtor's property, assets and undertakings and to all its books of account and records for the purpose of inspection and render all assistance necessary for such inspection;

4.1.15 comply with the covenants, if any, set out in the Additional Covenants Schedule;

4.1.16 develop and use the Premises only in compliance with all Environmental Laws;

4.1.17 permit the Bank to investigate the Premises, any goods on the Premises and the Debtor's records at any time and from time to time to verify such compliance with Environmental Laws and this General Security Agreement;

4.1.18 upon the reasonable request of the Bank, obtain from time to time at the Debtor's cost a report from an independent consultant designated or approved by the Bank verifying compliance with Environmental Laws and this General Security Agreement or the extent of any non-compliance therewith;

4.1.19 not store, manufacture, dispose, treat, generate, use, transport, remediate or release Hazardous Materials on or from the Premises without notifying the Bank in writing;

4.1.20 promptly remove any Hazardous Materials from the Premises in a manner which conforms to Environmental Laws governing their removal;

4.1.21 notify the Bank in writing of:

(a) any enforcement, clean-up, removal, litigation or other governmental, regulatory, judicial or administrative action instituted, contemplated or threatened against the Debtor or the Premises pursuant to any Environmental Laws;

(b) all claims, actions, orders, or investigations, made or threatened by any third party against the Debtor or the Premises relating to damage, contribution, cost recovery, compensation, loss or injuries resulting from any Hazardous Materials or any breach of the Environmental Laws; and

(c) the discovery of any Hazardous Materials or any occurrence or condition on the Premises or any real property adjoining or in the vicinity of the Premises which could subject the Debtor or the Premises to any fines, penalties, orders or proceedings under any Environmental Laws;

4.1.22 apply to file applications and complete registrations on any present material intellectual property which is not currently protected by an application or registration where commercially reasonable, including any and all improvements to intellectual property and apply to file registrations on unregistered trade-marks in Canada and the United States;

4.1.23 apply to file applications and complete registrations of all after acquired material intellectual property in all jurisdictions where commercially reasonable;

4.1.24 keep up-to-date witnessed records regarding material intellectual property;

4.1.25 enter into confidentiality agreements with employees and other third parties who may invent, create, discover, author and/or reduce to practice intellectual property for the Debtor and who may have access to confidential information of the Debtor;

4.1.26 ensure that all after acquired material intellectual property obtained from third parties is properly acquired by way of a written license agreement or assignment;

4.1.27 provide, upon written request by the Bank, a list of all registered and unregistered trade-marks, patent applications, issued patents, copyright, industrial designs and other material intellectual property; and

4.1.28 mark all products and advertising appropriately to maintain the validity of all material intellectual property rights.

V Payments and Proceeds

5.1 After default under this General Security Agreement, the Bank may notify all or any Account Debtors of the security constituted by this General Security Agreement and may also direct such Account Debtors to make all payments on the Collateral to the Bank.

5.2 The Debtor acknowledges that any payments on or other proceeds of the Collateral received by the Debtor from Account Debtors, whether before or after notification of the security constituted by this General Security Agreement to Account Debtors and after default under this General Security Agreement, shall be received and held by the Debtor in trust for the Bank and shall be turned over to the Bank forthwith upon request.

VI Bank Actions

6.1 The Debtor hereby authorizes the Bank to:

6.1.1 file such financing statements and other documents and do such acts, matters and things (including completing and adding schedules hereto identifying the Collateral or any permitted Encumbrances affecting the Collateral or identifying the locations at which the Debtor's business is carried on and the Collateral and records relating thereto are situate) as the Bank may deem appropriate to perfect and continue the security constituted hereby, to protect and preserve the Collateral and to realize upon the security constituted hereby and the Debtor hereby irrevocably constitutes and appoints the Bank the true and lawful attorney of the Debtor, with full power of substitution, to do any of the foregoing in the name of the Debtor whenever and wherever it may be deemed necessary or expedient by the Bank; and

6.1.2 make enquiries from time to time of any governmental authority with respect to the Debtor's compliance with Environmental Laws and the Debtor agrees that the Debtor will from time to time provide to the Bank with such written authorization as the Bank may reasonably require in order to facilitate the obtaining of such information.

6.2 The Bank may charge for its reasonable costs incurred in connection with any disclosure requirements under the PPSA.

6.3 If the Debtor fails to perform any of its Obligations hereunder, the Bank may, but shall not be obliged to, perform any or all of such Obligations without prejudice to any other rights and remedies of the Bank hereunder, and any payments made and any costs, charges, expenses and legal fees and disbursements (on a solicitor and his own client basis) incurred in connection therewith shall be payable by the Debtor to the Bank forthwith with interest until paid at the highest rate borne by any of the Obligations and such amounts shall form part of the Obligations and constitute a charge upon the Collateral in favour of the Bank prior to all claims subsequent to this General Security Agreement.

6.4 The Debtor covenants and agrees that the Bank may, but shall be under no obligation to, at any time or times as the Bank deems necessary and without the concurrence of the Debtor or any other person make such arrangements for the repairing, finishing and putting in order of the Premises, including, without limitation, such repairs, replacements and improvements as are necessary so that the Debtor and the Premises comply with Environmental Laws, and all reasonable costs, charges and expenses including an allowance for the time and services of the Bank, the Bank's servants or agents or any other person or persons appointed for the above purposes including, without limitation, the full amount of all legal fees, disbursements, costs, charges and expenses incurred by the Bank and any amount due hereunder shall be payable forthwith to the Bank, shall be deemed an advance to the Debtor by the Bank, shall be deemed to be Obligations, and shall bear interest at the highest rate per annum from time to time charged by the Bank on any of the other Obligations until paid.

VII Default

7.1 The Debtor shall be in default under this General Security Agreement, unless otherwise agreed in writing by the Bank, upon the occurrence of any of the following events:

7.1.1 the Debtor makes default in payment when due of any of the Obligations which are indebtedness or liabilities or the Debtor fails to perform or satisfy any other of the Obligations (and such failure to make a payment when due or failure to perform or satisfy any of the other obligations is not cured by Debtor within five business days); or

7.1.2 the Debtor is in breach of any term, condition, proviso, agreement or covenant to the Bank, or any representation or warranty given by the Debtor to the Bank is untrue, whether or not any such term, condition, proviso, agreement or covenant, representation or warranty is contained in this General Security Agreement; or

7.1.3 the Debtor makes an assignment for the benefit of its creditors, is declared bankrupt, makes a proposal or otherwise takes advantage of provisions for relief under the Bankruptcy and Insolvency Act (Canada), the Companies Creditors' Arrangement Act (Canada) or similar legislation in any jurisdiction, or makes an authorized assignment; or

7.1.4 there is instituted by or against the Debtor any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against, or winding-up of affairs of, the Debtor; or

7.1.5 the Debtor ceases or threatens to cease to carry on business or makes or agrees to make a bulk sale of assets or commits or threatens to commit an act of bankruptcy; or

7.1.6 a receiver, receiver and manager or receiver-manager of all or any part of the Collateral or of any other property, assets or undertakings of the Debtor is appointed; or

7.1.7 any execution, sequestration, extent or other process of any court becomes enforceable against the Debtor or a distress or analogous process is levied upon the Collateral or any part thereof; or

7.1.8 an order is made or an effective resolution is passed for winding-up the Debtor, or

7.1.9 without the prior written consent of the Bank, the Debtor creates or permits to exist any Encumbrance against any of the Collateral which ranks or could in any event rank in priority to or pari passu with the security constituted by this General Security Agreement; or

7.1.10 the holder of any Encumbrance against any of the Collateral does anything to enforce or realize on such Encumbrance; or

7.1.11 the Debtor enters into any reconstruction, reorganization, amalgamation, merger or other similar arrangement with any other person; or

7.1.12 the Bank in good faith believes and has commercially reasonable grounds to believe that the prospect of payment or performance of any of the Obligations is impaired or that any of the Collateral is or is about to be placed in jeopardy; or

7.1.13 any certificate, statement, representation, warranty or audit report herewith, heretofore or hereafter furnished by or on behalf of the Debtor to the Bank, whether in connection with this General Security Agreement or otherwise, and whether furnished as an inducement to the Bank to extend any credit to or to enter into this or any other agreement with the Debtor or not:

(a) proves to have been false in any material respect at the time as of which the facts therein set forth were stated or certified; or

(b) proves to have omitted any substantial contingent or unliquidated liability or claim against the Debtor;

or, upon the date of execution of this General Security Agreement, there shall have been any material adverse change in any of the facts disclosed by any such certificate, statement, representation, warranty or audit report, which change shall not have been disclosed to the Bank at or prior to the time of such execution.

7.2 For the purposes of Section 198.1 of the Land Title Act of British Columbia, the floating charge created by this General Security Agreement over land shall become a fixed charge thereon upon the earliest of:

7.2.1 the occurrence of an event described in any of clauses 7.1.3, 7.1.4, 7.1.5, 7.1.6, 7.1.7 or 7.1.8; or

7.2.2 the Bank taking any action to enforce and realize on the security constituted by this General Security Agreement.

VIII Enforcement

8.1 The Bank may make demand for payment at any time of any or all of the Obligations which are payable upon demand (whether or not there is any default under this General Security Agreement) and, upon any default under this General Security Agreement, the Bank may declare any or all of the Obligations which are not payable on demand to become immediately due and payable.

8.2 Upon default under this General Security Agreement, the security hereby constituted will immediately become enforceable.

8.3 To enforce and realize on the security constituted by this General Security Agreement the Bank may take any action permitted by law or in equity, as it may deem expedient, and in particular, without limiting the generality of the foregoing, the Bank may do any one or more of the following:

8.3.1 appoint by instrument a receiver, receiver and manager or receiver-manager (the person so appointed is herein called the "Receiver") of the Collateral, with or without bond as the Bank may determine, and from time to time in its sole discretion remove such Receiver and appoint another in its stead;

8.3.2 enter upon any of the Premises and take possession of the Collateral with power to exclude the Debtor, its agents and its servants therefrom, without becoming liable as a mortgagee in possession;

8.3.3 preserve, protect and maintain the Collateral and make such replacements thereof and repairs and additions thereto as the Bank may deem advisable;

8.3.4 sell, lease or otherwise dispose of or concur in selling, leasing or otherwise disposing of all or any part of the Collateral, whether by public or private sale or lease or otherwise, in such manner, at such price as can be reasonably obtained therefor and on such terms as to credit and with such conditions of sale and stipulations as to title or conveyance or evidence of title or otherwise as to the Bank may seem reasonable, provided that the Debtor will not be entitled to be credited with the proceeds of any such sale, lease or other disposition until the monies therefor are actually received; and

8.3.5 exercise all of the rights and remedies of a secured party under the PPSA.

8.4 A Receiver appointed pursuant to this General Security Agreement shall be the agent of the Debtor and not of the Bank and, to the extent permitted by law or to such lesser extent permitted by its appointment, shall have all the powers of the Bank hereunder, and in addition shall have power to carry on the business of the Debtor and for such purpose from time to time to borrow money either secured or unsecured, and if secured by a security on any of the Collateral, any such security may rank in priority to or pari passu with or behind the security constituted by this General Security Agreement, and if it does not so specify such security shall rank in priority to the security constituted by this General Security Agreement.

8.5 Subject to applicable law and the claims, if any, of the creditors of the Debtor ranking in priority to the security constituted by this General Security Agreement, all amounts realized from the disposition of the Collateral pursuant to this General Security Agreement will be applied as the Bank, in its sole discretion, may direct as follows:

Firstly: in or toward payment of all costs, charges and expenses (including legal fees and disbursements on a solicitor and his own client basis) incurred by the Bank in connection with or incidental to:

(1) the exercise by the Bank of all or any of the powers granted to it pursuant to this General Security Agreement; and

(2) the appointment of the Receiver and the exercise by the Receiver of all or any of the powers granted to the Receiver pursuant to this General Security Agreement, including the Receiver's reasonable remuneration and all outgoings properly payable by the Receiver;

Secondly: in or toward payment to the Bank of all principal and other monies (except interest) due in respect of the Obligations;

Thirdly: in or toward payment to the Bank of all interest remaining unpaid in respect of the Obligations; and

Fourthly: any surplus will be paid to the Debtor.

IX Deficiency

9.1 If the amounts realized from the disposition of the Collateral are not sufficient to pay the Obligations in full to the Bank, the Debtor will immediately pay to the Bank the amount of such deficiency.

X Rights Cumulative

10.1 All rights and remedies of the Bank set out in this General Security Agreement are cumulative and no right or remedy contained herein is intended to be exclusive but each will be in addition to every other right or remedy contained herein or in any existing or future general security agreement or now or hereafter existing at law or in equity or pursuant to any other agreement between the Debtor and the Bank that may be in effect from time to time.

XI Appointment of Attorney

11.1 The Debtor hereby irrevocably appoints the Bank or the Receiver, as the case may be, with full power of substitution, to be the attorney of the Debtor for and in the name of the Debtor to sign, endorse or execute under seal or otherwise any deeds, documents, transfers, cheques, instruments, demands, assignments, assurances or consents that the Debtor is obliged to sign, endorse or execute and generally to use the name of the Debtor and to do all things as may be necessary or incidental to the exercise of all or any of the powers conferred on the Bank or the Receiver, as the case may be, pursuant to this General Security Agreement.

XII Liability of Bank

12.1 The Bank shall not be responsible or liable for any debts contracted by it, for damages to persons or property or for salaries or nonfulfillment of contracts during any period when the Bank shall manage the Collateral upon entry or manage the business of the Debtor, as herein provided, nor shall the Bank be liable to account as

mortgagee in possession or for anything except actual receipts or be liable for any loss or realization or for any default or omission for which a mortgagee in possession may be liable.

12.2 The Bank shall not be bound to do, observe or perform or to see to the observance or performance by the Debtor of any obligations or covenants imposed upon the Debtor nor shall the Bank, in the case of Investment Property, Instruments or Chattel Paper, be obliged to reserve rights against other persons, nor shall the Bank be obliged to keep any of the Collateral identifiable.

12.3 The Bank shall not be obliged to inquire into the right of any person purporting to be entitled under the PPSA to information and materials from the Bank by making a demand upon the Bank for such information and materials and the Bank shall be entitled to comply with such demand and shall not be liable for having complied with such demand notwithstanding that such person may in fact not be entitled to make such demand.

12.4 The Debtor will indemnify the Bank and hold the Bank harmless from and against any and all claims, costs, losses, demands, actions, causes of action, lawsuits, damages, penalties, judgments and liabilities of whatsoever nature and kind in connection with or arising out of any representation or warranty given by the Debtor, being untrue, the breach of any term, condition, proviso, agreement or covenant to the Bank, or the exercise of any of the rights and or remedies of the Bank, or any transaction contemplated in this General Security Agreement.

12.5 The Debtor hereby waives any applicable provision of law permitted to be waived by it which imposes higher or greater obligations upon the Bank than provided in this General Security Agreement.

12.6 The Debtor shall indemnify, reimburse and save harmless the Bank, any receiver, its directors, officers, employees, agents, and successors and assigns, from any and all liabilities, actions, damages, claims, losses, costs and expenses whatsoever (including without limitation, the full amount of all legal fees, costs, charges and expenses and the cost of removal, treatment, storage and disposal of any Hazardous Materials and remediation of the Premises) which may be paid, incurred or asserted against the Bank for, with respect to or as a direct or indirect result of the presence on or under, or the escape, seepage, leakage, spillage, discharge, emission or release from the Premises or into or upon any other land, the atmosphere or any watercourse, body of water or wetland of any Hazardous Materials.

12.7 Any amount owing by the Debtor hereunder shall, from the date of disbursement until the date the Bank receives reimbursement, be deemed advanced to the Debtor by the Bank, shall be deemed to be Obligations and shall bear interest at the highest rate per annum from time to time charged by the Bank on any of the other Obligations until paid.

12.8 The Debtor agrees that the indemnity obligations hereunder shall survive the release of the security of this General Security Agreement and the payment and satisfaction of the indebtedness and liabilities hereby secured.

XIII Appropriation of Payments and Offset

13.1 Subject to any applicable provisions of the PPSA, any and all payments made in respect of the Obligations from time to time and monies realized from any security held therefor (including monies collected in accordance with or realized on any enforcement of this General Security Agreement) may be applied to such part or parts of the Obligations as the Bank may see fit, and the Bank may at all times and from time to time change any appropriation as the Bank may see fit or, at the option of the Bank, such payments and monies may be held unappropriated in a collateral account or released to the Debtor, all without prejudice to the liability of the Debtor or to the rights of the Bank hereunder.

13.2 Without limiting any other right of the Bank, whenever any of the Obligations is immediately due and payable or the Bank has the right to declare any of the Obligations to be immediately due and payable (whether or not it has so declared), the Bank may, in its sole discretion, set off against any of the Obligations any and all monies then owed to the Debtor by the Bank in any capacity, whether or not due and to do so even though any charge therefor is made or entered on the Bank’s records subsequent thereto, and the Bank shall be deemed to have exercised such right to set off immediately at the time of making its decision.

XIV Liability to Advance, Etc.

14.1 Except to the extent that the Bank:

14.1.1 by accepting bills of exchange drawn on it by the Debtor; or

14.1.2 by issuing letters of credit or letters of guarantee on the application of the Debtor;

is required to advance monies on the maturity of such bills or pursuant to such letters of credit or letters of guarantee, as the case may be, none of the preparation, execution, perfection and registration of this General Security Agreement or the advance of any monies shall bind the Bank to make any advance or loan or further advance or loan, or renew any note or extend any time for payment of any indebtedness or liability of the Debtor to the Bank or extend any term for performance or satisfaction of any obligation of the Debtor to the Bank.

14.2 Nothing herein contained shall in any way oblige the Bank to grant, continue, renew, extend time for payment of or accept anything which constitutes or would constitute Obligations or any of them.

XV Waiver

15.1 No delay or omission by the Bank in exercising any right or remedy hereunder or with respect to any of the Obligations shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy.

15.2 The Bank may from time to time and at any time waive in whole or in part any right, benefit or default under any clause of this General Security Agreement but any such waiver of any right, benefit or default on any occasion shall be deemed not to be a waiver of any such right, benefit or default thereafter, or of any other right, benefit or default, as the case may be.

XVI Extensions

16.1 The Bank may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges, refrain from perfecting or maintaining perfection of security, and otherwise deal with the Debtor, Account Debtors of the Debtor, sureties and others and with the Collateral and other security as the Bank may see fit without prejudice to the liability of the Debtor or the Bank's right to hold and realize on the security constituted by this General Security Agreement.

XVII Assignment

17.1 The Bank may, without further notice to the Debtor, at any time mortgage, charge, assign, transfer or grant a security interest in this General Security Agreement and the security constituted hereby.

17.2 The Debtor expressly agrees that the assignee, transferee or secured party of the Bank, as the case may be, shall have all of the Bank's rights and remedies under this General Security Agreement and the Debtor will not assert any defence, counterclaim, right of set-off or otherwise any claim which it now has or hereafter acquires against the Bank in any action commenced by such assignee, transferee or secured party, as the case may be, and will pay the Obligations to the assignee, transferee or secured party, as the case may be, as the Obligations become due.

XVIII Satisfaction and Discharge

18.1 Any partial payment or satisfaction of the Obligations, or any ceasing by the Debtor to be indebted to the Bank, shall be deemed not to be redemption or discharge of the security constituted by this General Security Agreement.

18.2 The Debtor shall be entitled to a release and discharge of the security constituted by this General Security Agreement upon full payment, performance and satisfaction of all Obligations, or the securing of the Obligations to the satisfaction of the Bank, and upon written request by the Debtor and payment to the Bank of all costs, charges, expenses and legal fees and disbursements (on a solicitor and his own client basis) incurred by the Bank in connection with the Obligations and such release and discharge.

XIX No Merger

19.1 This General Security Agreement shall not operate so as to create any merger or discharge of any of the Obligations, or any assignment, transfer, guarantee, lien, contract, promissory note, bill of exchange or security in any form held or which may hereafter be held by the Bank from the Debtor or from any other person whomsoever.

19.2 The taking of a judgment with respect to any of the Obligations will not operate as a merger of any of the terms, conditions, covenants, agreements or provisos contained in this General Security Agreement.

19.3 The release and discharge of the security constituted by this General Security Agreement by the Bank shall not operate as a release or discharge of any right of the Bank to be indemnified and held harmless by the Debtor pursuant to clause 12.4 hereof or of any other right of the Bank against the Debtor arising under this General Security Agreement prior to such release and discharge.

XX Interpretation

20.1 In this General Security Agreement:

20.1.1 the invalidity or unenforceability of the whole or any part of any clause shall not affect the validity or enforceability of any other clause or the remainder of such clause;

20.1.2 the headings have been inserted for reference only and shall not define, limit, alter or enlarge the meaning of any provision of this General Security Agreement; and

20.1.3 when the context so requires, the singular shall be read as if the plural were expressed and the provisions hereof shall be read with all grammatical changes necessary dependent upon the person referred to being a male, female, firm or corporation.

XXI Notice

21.1 Whenever either the Bank or the Debtor hereto is required or entitled to notify or direct the other or to make a demand upon or request of the other relating to the Collateral, this General Security Agreement or the PPSA, such notice, direction, demand or request shall be sufficiently given if given in writing and delivered to the party for whom it is intended at the address of such party herein or as changed pursuant hereto or if sent by prepaid registered mail addressed to the party for whom it is intended at the address of such party herein set forth or as changed pursuant hereto.

21.2 Either the Bank or the Debtor may notify the other in accordance herewith of any change in its principal address to be used for the purposes hereof.

XXII Variation

22.1 Save for any schedules which may be added hereto pursuant to the provisions hereof, no modification, variation or amendment of any provision of this General Security Agreement shall be made except by written agreement, executed by the parties hereto and no waiver of any provision hereof shall be effective unless in writing.

XXIII Enurement

23.1 This General Security Agreement shall enure to the benefit of the Bank and its successors and assigns and shall be binding upon the respective heirs, executors, personal representatives, successors and permitted assigns of the Debtor.

XXIV Copy of Agreement and Financing Statement

24.1 The Debtor hereby:

24.1.1 acknowledges receiving a copy of this General Security Agreement; and

24.1.2 waives all rights to receive from the Bank a copy of any financing statement, financing change statement or verification statement filed at any time or from time to time in respect of this General Security Agreement.

XXV Governing Law

25.1 This General Security Agreement shall be governed by and construed in accordance with the laws of the Province.

25.2 For the purpose of legal proceedings this General Security Agreement shall be deemed to have been made in the Province and to be performed there and the courts of the Province shall have jurisdiction over all disputes which may arise under this General Security Agreement and the Debtor hereby irrevocably and unconditionally submits to the non-exclusive jurisdiction of such courts, provided always that nothing herein contained shall prevent the Bank from proceeding at its election against the Debtor in the courts of any other Province, country or jurisdiction.

IN WITNESS WHEREOF the Debtor has executed this General Security Agreement as of the day and year first above written.

(For Corporation)	Execution Date Y	M	D	Debtor's Signature
______________________ Officer Signature	10	09		**0884808 B.C. LTD.** (by its authorized signatory(ies))
______________________ Name				Per: ______________________ Signature
______________________ Address				______________________ Name
______________________ Occupation				______________________ Title
				Per: ______________________ Signature
				______________________ Name
				______________________ Title

(For Individual)

______________________ Officer Signature	
______________________ Name	
______________________ Address	______________________ Debtor's Signature
______________________ Occupation	______________________ Name

Officer Certification:

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the Evidence Act, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the Land Title Act as they pertain to the execution of this instrument.

ENCUMBRANCE SCHEDULE

Prior Encumbrances:

Encumbrances existing under the following agreements:

1. Security Agreement, of even date herewith, by and between Clean Energy Compression Corp. and I.M.W. Industries Ltd.
2. Real Property Lease of 43676 Progress Way, Chilliwack, BC with Highway 1 Business Park Ltd.
3. Master Equipment Lease No. 8542401 with Nexcap Finance Corp.
4. Equipment Loan and Security Agreement No. 150010760971 with GE Canada Equipment Financing G.P.
5. Equipment Loan and Security Agreement No.150010868977 with GE Canada Equipment Financing G.P.
6. Lease Agreement No. 340439 with De Lage Landen Financial Services Canada Inc.
7. Lease Agreement No. 358682 with De Lage Landen Financial Services Canada Inc.
8. Lease Agreement No. 361819 with De Lage Landen Financial Services Canada Inc.
9. Leasing Agreement No. 120005690370 with GE Canada Leasing Services Company
10. Vehicle Lease Agreement with Envision Leasing Ltd.

LOCATION SCHEDULE

Address(es) of Location of the Collateral:

43676 Progress Way
Chilliwack, B.C. VR2 0C3
Canada

ADDITIONAL COVENANTS SCHEDULE

Additional Covenants of the Debtor under Clause 4.1.15:

Nil.

HSBC Bank Canada 1012002 (03-2003)
GUARANTEE *(For use in all Provinces except Quebec)*

To: **HSBC Bank Canada**

In consideration of **HSBC Bank Canada** (herein called the "Bank") dealing with **CLEAN ENERGY COMPRESSION CORP.** (herein called the "Customer") and one dollar and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned hereby jointly and severally unconditionally guarantee(s) payment to the Bank of all present and future debts and liabilities direct or indirect, absolute or contingent, now or at any time and from time to time hereafter due or owing to the Bank from or by the Customer whether as principal or surety, and whether incurred by the Customer alone or jointly with any other Corporation, person or persons, or otherwise howsoever together with all costs, charges and expenses (including legal fees on a solicitor and client basis) incurred by the Bank, the receiver, receiver-manager or agent of the Customer, or the agent of the Bank in the perfection and enforcement of this Guarantee and of any security held by the Bank in respect of such indebtedness, obligations, liabilities, expenses and interest.

**(if unlimited delete paragraph and have customer initial)*

~~Provided that no sum in excess of $ ________________ and interest thereon as herein provided calculated from the date demand is made under this Guarantee and accruing both before and after judgment (the "Limited Amount"), shall be recoverable from the undersigned hereunder.*~~

Initial
Initial

~~[For an obligation which is payable only in a currency other than Canadian currency express the Limited Amount in the foreign currency.]~~

~~Provided that if this Guarantee is expressed to be made in respect of a Limited Amount, the undersigned shall, in addition to the Limited Amount be liable for all amounts received by the undersigned as trustee for the Bank in accordance with paragraphs 12 or 17 and all costs, charges and expenses (including legal fees on a solicitor and client basis) incurred by the Bank, its receiver, receiver-manager or agent of the Customer, or the agent of the Bank in the perfection and enforcement of this Guarantee.~~

And the undersigned and each of them (if more than one) hereby jointly and severally agree(s) with the Bank as follows:

1. The sum collectible by the Bank under this Guarantee shall include interest accruing on the debt owed by the Customer to the Bank at the respective rates of interest applicable to the various obligations of the Customer which constitute the Customer's debts and liabilities to the Bank. Where the Customer is liable to the Bank for interest calculated at more than one rate, then the particular rate of interest charged on a particular obligation shall continue to apply hereunder in respect of such obligation both before and after default and before and after judgment.

2. Every certificate issued under the hand of the Manager or Acting Manager of the Bank at the branch where the Customer's account is kept, purporting to show the amount at any particular time due and payable to the Bank and covered by this Guarantee, shall, in the absence of manifest mathematical error, be received as conclusive evidence against the undersigned that such amount is at such time due and payable to the Bank and is covered hereby.

3. If this Guarantee is expressed to be made in respect of a Limited Amount and the Limited Amount is less than the obligation or the aggregate of the obligations of the Customer, then a certificate by the Manager or Acting Manager of the branch of the Bank where the Customer's account is kept shall be conclusive as to which of the obligations of the Customer are being allocated for collection under this Guarantee and the rate or rates of interest applicable.

4. If the Customer is a corporation, no change in the name, objects, capital stock or constitution of the Customer shall in any way affect the liability of the undersigned, either with respect to transactions occurring before or after any such change, and this Guarantee shall extend to all debts and liabilities to the Bank of the person or corporation who or which assumes the obligations of the Customer in whole or in part in whatsoever manner including, without limitation, by amalgamation with the Customer.

5. The Bank shall not be obliged to inquire into the powers of the Customer or any of its directors or other agents acting or purporting to act on its behalf, and moneys, advances, renewals or credits in fact borrowed or obtained from the Bank in exercise of such powers shall be deemed to form part of the debts and liabilities hereby guaranteed, notwithstanding that such borrowing or obtaining of moneys, advances, renewals or credits is in excess of the powers of the Customer or of its directors or other agents, or is in any way irregular, defective or informal.

6. If the Customer is a partnership, no change in the name of the Customer's firm or in the membership of the Customer's firm through the death, retirement or introduction of one or more partners or otherwise, or by the disposition of the Customer's business in whole or in part, shall in any way affect the liability of the undersigned, either with respect to transactions occurring before or after any such change, and this Guarantee shall extend to all debts and liabilities to the Bank of the person or corporation who or which assumes the obligations of the Customer in whole or in part in whatsoever manner.

7. The Bank, without the consent of the undersigned and without exonerating in whole or in part the undersigned, may grant time, renewals, extensions, indulgences, releases and discharges to, may take securities from and give the same and any or all existing securities up to, may abstain from taking securities from, or from perfecting securities of, may cease or refrain from giving credit or making loans or advances to, may accept compositions from, and may otherwise deal with the Customer and all other persons (including the undersigned and any other guarantor) and securities, as the Bank may see fit, and all dividends, compositions, and moneys received by the Bank from the Customer or from any other persons or estates capable of being applied by the Bank in reduction of the debts and liabilities hereby guaranteed, shall be regarded for all purposes as payments in gross. No loss of or in respect of the securities received by the customer or others, whether occasioned by the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this guarantee. Until all indebtedness of the Customer to the Bank has been paid in full, the undersigned shall not have any right of subrogation to the Bank or to the securities held by the Bank and this Guarantee shall not be diminished or affected on account of any act or failure to act on the part of the Bank which would prevent subrogation from operating in favour of the undersigned. The Bank shall be entitled to prove against the estate of the Customer upon any insolvency or winding-up in respect of the whole of said debts and liabilities; and the undersigned shall

have no right to be subrogated to the Bank or to the securities held by the Bank until the Bank has received payment in full of its claim with interest.

8. The Bank, in its sole discretion and as the Bank sees fit, without in any way prejudicing or affecting the rights of the Bank hereunder, may appropriate any moneys received to any portion of the debts and liabilities hereby guaranteed, whether then due or to become due, and may revoke or alter any such appropriation.

9. This shall be a continuing guarantee, and shall cover and secure any ultimate balance owing to the Bank, but the Bank shall not be obliged to enforce its rights against the Customer or other persons or the securities it may hold before being entitled to payment from the undersigned of all and every of the debts and liabilities hereby guaranteed: Provided always that the undersigned may determine his or her or their further liability under this continuing guarantee by 90 days' notice in writing to be given to the Bank, and the liability hereunder of the undersigned shall continue until the expiration of 90 days after the giving of such notice, notwithstanding the death or insanity of the undersigned, and after the expiry of such notice the undersigned shall remain liable under this Guarantee in respect of any sum or sums of money owing to the Bank as aforesaid on the date such notice expired and also in respect of any contingent or future liabilities incurred to or by the Bank on or before such date but maturing thereafter, but in the event of the determination of this Guarantee as to one or more of the undersigned it shall remain a continuing guarantee as to the other or others of the undersigned.

10. Notwithstanding the provisions of any statute relating to the rate of interest payable by debtors, this Guarantee shall remain in full force and effect whatever the rate of interest received or demanded by the Bank.

11. The undersigned hereby grants to the Bank the right to set off against any and all accounts, credits or balances maintained by the undersigned with the Bank, the aggregate amount of any and all liabilities of the undersigned hereunder if and when the same shall become due and payable.

12. All debts and liabilities present and future of the Customer to the undersigned are hereby assigned to the Bank and postponed to the present and future debts and liabilities of the Customer to the Bank and all moneys received by the undersigned from the Customer shall be received in trust for the Bank and forthwith upon receipt shall be paid over to the Bank until the Customer's indebtedness to the Bank is fully paid and satisfied; all without prejudice to or without in any way limiting or lessening the liability of the undersigned to the Bank whether this Guarantee is expressed to be made in respect of a Limited Amount or otherwise.

13. The Bank shall not be obliged to give the undersigned notice of default by the Customer, and upon any default by the Customer the undersigned shall be held bound directly to the Bank as principal debtor in respect of the payment of the amounts hereby guaranteed.

14. No suit based on this Guarantee shall be instituted until demand for payment has been made. Any notice, demand or court process may be served by the Bank on the undersigned or his or her or their legal personal representatives either personally or by posting the same by ordinary mail postage prepaid, in an envelope addressed to the address of the party to be served last known to the Bank, and the notice or demand so sent shall be deemed to be served on the day following that on which it is mailed.

15. This Guarantee shall be operative and binding upon every signatory hereof notwithstanding the non-execution hereof by any other proposed signatory or signatories, and the undersigned acknowledges that this Guarantee has been delivered free of any conditions and that no statements, representations, agreements, collateral agreements or promises have been made to or with the undersigned affecting or limiting the liability of the undersigned under this Guarantee or inducing the undersigned to grant this Guarantee except as specifically contained herein in writing, and agrees that this Guarantee is in addition to and not in substitution for any other guarantees held or which may hereafter be held by the Bank.

16. No alteration or waiver of this Guarantee or of any of its terms, provisions or conditions shall be binding on the Bank unless made in writing under the signature of either the President or one of the Vice-Presidents of the Bank.

17. The undersigned shall file all claims against the Customer in any bankruptcy or other proceedings in which the filing of claims is required by law or upon any indebtedness of the Customer to the undersigned and will assign to the Bank all of the undersigned's rights thereunder. In all such cases, whether an administration, bankruptcy, or otherwise, the person or persons authorized to pay such claims shall pay to the Bank the full amount payable on the claim in the proceeding before making any payment to the undersigned; all without in any way limiting or lessening the liability of the undersigned to the Bank whether this Guarantee is expressed to be made in respect of a Limited Amount or otherwise. All moneys received by the undersigned in all such cases shall be received in trust for the Bank and forthwith upon receipt shall be paid over to the Bank until the Customer's indebtedness is fully paid and satisfied. To the fullest extent necessary for the purposes of this paragraph 17 the undersigned hereby assigns to the Bank all the undersigned's rights to any payments or distributions to which the undersigned otherwise would be entitled.

18. In this Guarantee, any word importing the singular number shall include the plural, and without restricting the generality of the foregoing, where there is more than one undersigned any reference to the undersigned refers to each and every one of the undersigned, and any word importing a person shall include a corporation, partnership and any other entity.

19. If this Guarantee is executed by more than one party, the liability of each of the undersigned hereunder shall be joint and several.

20. This Guarantee shall extend to and enure to the benefit of the successors and assigns of the Bank, and shall be binding upon the undersigned and the respective heirs, executors, administrators, successors and assigns of each of the undersigned.

21. No invalidity, irregularity or unenforceability by reason of any bankruptcy or similar law or any law or order of any government or agency thereof purporting to reduce, amend or otherwise affect the liability of the Customer to the Bank or of any security therefor, shall affect, impair or be a defence to this Guarantee. If one or more provisions contained herein shall be invalid, illegal or unenforceable in any respect, such provision shall be deemed to be severable and the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

22. With respect to any portion of the indebtedness secured hereby which is payable in a currency other than Canadian currency (the "Foreign Currency Obligation"), the following provisions shall apply:

(a) Payment hereunder with respect to the Foreign Currency Obligation shall be made in immediately available funds in lawful money of the jurisdiction in the currency of which the Foreign Currency Obligation is payable (the "Foreign Currency") in such form as shall be customary at the time of payment for settlement of international payments in Vancouver, British Columbia without set-off, compensation or counterclaim and free and clear of and without deduction for any and all present and future taxes, levies, imposts, deductions, charges and withholdings with respect thereto.

(b) The undersigned shall hold the Bank harmless from any loss incurred by the Bank arising from any change in the value of Canadian currency in relation to the Foreign Currency between the date the Foreign Currency Obligation becomes due and the date of payment thereof.

(c) If for the purpose of obtaining judgment in any court it is necessary to convert a sum due hereunder in the Foreign Currency into Canadian funds ("Canadian dollars"), the rate of exchange used shall be that at which in accordance with normal banking procedures the Bank could purchase the Foreign Currency with Canadian dollars on the business day preceding that on which final judgment is given.

The obligation of the undersigned in respect of any Foreign Currency Obligation due by it to the Bank hereunder shall, notwithstanding any judgment in Canadian dollars, be discharged only to the extent that on the business day following receipt by the Bank of any sum adjudged to be so due in Canadian dollars the Bank may in accordance with normal banking procedures purchase the Foreign Currency with Canadian dollars; if the amount of the Foreign Currency so purchased is less than the sum originally due to the Bank in the Foreign Currency the undersigned agrees, as a separate obligation and notwithstanding any such judgment, to indemnify the Bank against such loss and if the Foreign Currency purchased exceeds the sum originally due to the Bank in the Foreign Currency the Bank agrees to remit such excess to the undersigned to the extent the undersigned is entitled thereto.

23. All the rights, powers and remedies of the Bank hereunder and under any other agreement now or at any time hereafter in force between the Bank and the undersigned shall be cumulative and shall be in addition to and not in substitution for all rights, powers and remedies of the Bank at law or in equity.

24. The undersigned by its signature of this Guarantee on the one hand and the Bank by making this Guarantee available to the undersigned on the other hand acknowledge having expressly required it to be drawn up in the English language. La soussignée par sa signature de ce cautionnement d'une part et la Banque en mettant le dit cautionnement à sa disposition d'autre part reconnaissent avoir expressément exigé qu'il soit rédigé en langue anglaise.

**(insert Province where Customer's Account is kept)*

25. This Guarantee shall be construed in accordance with the laws of the Province of British Columbia and shall be deemed to have been made in such Province and to be performed there, and the Courts of such Province shall have jurisdiction over all disputes which may arise under this Guarantee, provided that nothing herein contained shall prevent the Bank from proceeding at its election against the undersigned in the courts of any other province or country.

If the undersigned becomes resident outside the Province referred to in this paragraph 25 then the undersigned hereby submits to the jurisdiction of the courts of competent jurisdiction of the Province referred to in this paragraph 25 in respect of any proceeding hereon. Service of any process upon the undersigned may be made by ordinary mail in an envelope addressed to the following address:

c/o Clean Energy Fuels Corp., Suite 400 — 3020 Old Ranch Parkway, Seal Beach, CA, 90740, USA

or in any manner permitted by law.

26. **Each of the undersigned hereby acknowledges that he or she has read the contents of this Guarantee and understands that the signing of this Guarantee involves joint and several financial responsibility on the part of the undersigned**.

Dated at , this 7th day of September, 2010.

Witness

Signature of Guarantor

0884808 B.C. LTD.

Name of Corporation

Per:

Name:

Title:

Exhibit 10.65

FIFTH AMENDMENT TO CREDIT AGREEMENT

THIS FIFTH AMENDMENT TO CREDIT AGREEMENT (herein called the "Amendment") is made as of August 13, 2010 by and among CLEAN ENERGY FUELS CORP., a Delaware corporation ("CEF"), and CLEAN ENERGY, a California corporation ("Clean Energy"; CEF and Clean Energy together are the "Borrowers"), and PLAINSCAPITAL BANK, a Texas state chartered bank ("Lender").

W I T N E S S E T H:

WHEREAS, the Borrowers and Lender entered into that certain Credit Agreement dated as of August 15, 2008, as amended by (i) that certain First Amendment to Credit Agreement dated as of February 13, 2009, (ii) that certain Second Amendment to Credit Agreement dated as of March 12, 2009, (iii) that certain Third Amendment to Credit Agreement dated as of May 5, 2009, (iv) that certain Fourth Amendment to Credit Agreement dated as of September 30, 2009, and (v) that certain letter agreement dated as of August 2, 2010 (as further amended, supplemented, or restated to the date hereof, the "Original Credit Agreement"), for the purpose and consideration therein expressed, whereby Lender became obligated to make loans to the Borrowers as therein provided; and

WHEREAS, the Borrowers and Lender desire to amend the Original Credit Agreement as set forth herein;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements contained herein and in the Original Credit Agreement, in consideration of the loans which may hereafter be made by Lender to the Borrowers, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto do hereby agree as follows:

ARTICLE I.

DEFINITIONS AND REFERENCES

§ 1.1. Terms Defined in the Original Credit Agreement. Unless the context otherwise requires or unless otherwise expressly defined herein, the terms defined in the Original Credit Agreement shall have the same meanings whenever used in this Amendment.

§ 1.2. Other Defined Terms. Unless the context otherwise requires, the following terms when used in this Amendment shall have the meanings assigned to them in this Section 1.2.

"Amendment" means this Fifth Amendment to the Original Credit Agreement.

"Credit Agreement" means the Original Credit Agreement as amended hereby.

ARTICLE II.

AMENDMENTS TO ORIGINAL CREDIT AGREEMENT

§ 2.1. Definitions. The definition of "Facility A Maturity Date" in Section 1.1 of the Original Credit Agreement is hereby amended in its entirety to read as follows:

"Facility A Maturity Date" means August 14, 2011.

§ 2.2. Facility A Loan. The introductory clause in Section 2.1(a) of the Original Credit Agreement which currently reads as follows:

Borrowers shall have the right and option to extend the Facility A Maturity Date to August 15, 2011 (the "Extension Period"), subject to the conditions that:

is hereby amended in its entirety to read as follows:

Borrowers shall have the right and option to extend the Facility A Maturity Date to August 14, 2012 (the "Extension Period"), subject to the conditions that:

§ 2.3. Fees. Section 2.4 of the Original Credit Agreement is hereby amended to add the following subsection (f):

(f) Unused Facility Fee. For the Facility A Loans, on the fifteenth day of each November, February, May and August, beginning on November 15, 2010 and continuing regularly thereafter, Borrower shall pay to Lender an unused line fee in an amount equal to one-tenth of one percent (0.10%) times the result of (i) the Facility A Maximum Credit Amount minus (ii) the average daily outstanding balance of the Facility A Loans during the immediately preceding three (3) month period.

ARTICLE III.

CONDITIONS OF EFFECTIVENESS

§ 3.1. Effective Date. This Amendment shall become effective as of the date first above written when and only when:

(a) Lender shall have received, at Lender's office, this Amendment and the Consent and Agreement, each duly executed and delivered and in form and substance satisfactory to Lender.

(b) All corporate and other proceedings taken or to be taken in connection with the transactions contemplated hereby shall be reasonably satisfactory in form and substance to Lender, and Lender shall have received all such counterpart originals or certified copies of such documents as Lender may reasonably request.

(c) The Borrowers shall have paid, in connection with the Loan Documents, all fees and reimbursements to be paid to Lender pursuant to any Loan Documents, or otherwise due Lender and including fees and disbursements of Lender's attorneys.

ARTICLE IV.

REPRESENTATIONS AND WARRANTIES

§ 4.1. Representations and Warranties of the Borrowers. In order to induce Lender to enter into this Amendment, each Borrower represents and warrants to Lender that:

(a) The representations and warranties contained in Article V of the Original Credit Agreement are true and correct at and as of the time of the effectiveness hereof, except to the extent that the facts on which such representations and warranties are based have been changed by the extension of credit under the Credit Agreement.

(b) Such Borrower is duly authorized to execute and deliver this Amendment and is and will continue to be duly authorized to borrow monies and to perform its obligations under the Credit Agreement. Such Borrower has duly taken all corporate action necessary to authorize the execution and delivery of this Amendment and to authorize the performance of the obligations of such Borrower.

(c) The execution and delivery by such Borrower of this Amendment, the performance by such Borrower of its obligations hereunder and the consummation of the transactions contemplated hereby do not and will not conflict with any provision of law, statute, rule or regulation or of the organizational documents of such Borrower, or of any material agreement, judgment, license, order or permit applicable to or binding upon such Borrower, or result in the creation of any lien, charge or encumbrance upon any assets or properties of such Borrower. Except for those which have been obtained, no consent, approval, authorization or order of any court or governmental authority or third party is required in connection with the execution and delivery by such Borrower of this Amendment or to consummate the transactions contemplated hereby.

(d) When duly executed and delivered, each of this Amendment and the Credit Agreement will be a legal and binding obligation of the Borrowers, enforceable in accordance with its terms, except as limited by bankruptcy, insolvency or similar laws of general application relating to the enforcement of creditors' rights and by equitable principles of general application.

ARTICLE V.

MISCELLANEOUS

§ 5.1. Ratification of Agreements. The Original Credit Agreement as hereby amended is hereby ratified and confirmed in all respects. Any reference to the Credit Agreement in any Loan Document shall be deemed to be a reference to the Original Credit Agreement as hereby amended. The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of Lender under the Credit Agreement, the Notes, or any other Loan Document nor constitute a waiver of any provision of the Credit Agreement, the Notes or any other Loan Document.

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§ 5.3. Survival of Agreements. All representations, warranties, covenants and agreements of each Borrower herein shall survive the execution and delivery of this Amendment and the performance hereof, including without limitation the making or granting of the Loans, and shall further survive until all of the Obligations are paid in full. All statements and agreements contained in any certificate or instrument delivered by any Borrower hereunder or under the Credit Agreement to Lender shall be deemed to constitute representations and warranties by, and/or agreements and covenants of, such Borrower under this Amendment and under the Credit Agreement.

§ 5.4. Loan Documents. This Amendment is a Loan Document, and all provisions in the Credit Agreement pertaining to Loan Documents apply hereto.

§ 5.5. Governing Law. This Amendment shall be governed by and construed in accordance the laws of the State of Texas and any applicable laws of the United States of America in all respects, including construction, validity and performance.

§ 5.6. Counterparts; Fax. This Amendment may be separately executed in counterparts and by the different parties hereto in separate counterparts, each of which when so executed shall be deemed to constitute one and the same Amendment. This Amendment may be validly executed by facsimile or other electronic transmission.

THIS AMENDMENT AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS OF THE PARTIES.

[*The remainder of this page has been intentionally left blank.*]

IN WITNESS WHEREOF, this Amendment is executed as of the date first above written.

CLEAN ENERGY FUELS CORP., as a Borrower

By: /s/ Richard R. Wheeler
Name: Richard R. Wheeler
Title: Chief Financial Officer

CLEAN ENERGY, as a Borrower

By: /s/ Richard R. Wheeler
Name: Richard R. Wheeler
Title: Chief Financial Officer

PLAINSCAPITAL BANK, as the Lender

By: /s/ Ronald C. Berg
Name: Ronald C. Berg
Title: President, Turtle Creek

[SIGNATURE PAGE TO FIFTH AMENDMENT TO CREDIT AGREEMENT]

CONSENT AND AGREEMENT

Reference is made to that certain Credit Agreement dated as of April 15, 2008 as amended by a First Amendment to Credit Agreement dated as of February 13, 2009, as amended by a Second Amendment to Credit Agreement dated as of March 12, 2009, by a Third Amendment to Credit Agreement dated as of May 5, 2009, a Fourth Amendment to Credit Agreement dated as of September 30, 2009, a letter agreement dated as of August 2, 2010, and a Fifth Amendment to Credit Agreement dated as of August 13, 2010 (the "Fifth Amendment", the Credit Agreement, as so amended, the "Agreement"), by and among CLEAN ENERGY FUELS CORP., a Delaware corporation, CLEAN ENERGY, a California corporation (the "Borrowers"), and PLAINSCAPITAL BANK, a Texas state chartered bank (the "Lender"), which Agreement is in full force and effect on the date hereof. Terms which are defined the Agreement are used herein with the meanings given them in the Agreement.

Each of the undersigned (each a "Grantor") hereby consents to the Fifth Amendment and agrees and acknowledges, with respect to each Security Document executed by it that (i) such Security Document is and shall continue in full force and effect for the benefit of the Lender with respect to the Obligations secured thereby; (ii) there are no offsets, claims or defenses of the undersigned with respect to such Security Document, nor, to the knowledge of the undersigned, with respect to the Loans; (iii) such Security Document is not released, diminished or impaired in any way by the transaction contemplated in connection with the Fifth Amendment; and (iv) such Security Document is hereby ratified and confirmed in all respects.

Dated as of August 13, 2010

BLUE FUELS GROUP L.P.

By: Blue Energy General LLC, its general partner

By: Clean Energy & Technologies LLC, its sole member

By: Clean Energy Fuels Corp., its sole member

By /s/ Richard R. Wheeler
Richard R. Wheeler
Chief Financial Officer

NATURAL FUELS COMPANY, LLC

By: Clean Energy & Technologies LLC, its sole member

By: Clean Energy Fuels Corp., its sole member

By /s/ Richard R. Wheeler
Richard R. Wheeler
Chief Financial Officer

[CONSENT AND AGREEMENT TO FIFTH AMENDMENT]

TRANSTAR ENERGY COMPANY L.P.

By: Blue Energy General LLC, its general partner

By: Clean Energy & Technologies LLC, its sole member

By: Clean Energy Fuels Corp., its sole member

By /s/ Richard R. Wheeler
Richard R. Wheeler
Chief Financial Officer

[CONSENT AND AGREEMENT TO FIFTH AMENDMENT]

Exhibit 10.66

BIXBY OFFICE PARK
3010 & 3020 OLD RANCH PARKWAY
SEAL BEACH, CALIFORNIA

SEVENTH AMENDMENT TO LEASE
(CLEAN ENERGY)

THIS SEVENTH AMENDMENT TO LEASE (this "**Amendment**") is made as of September 23, 2010, by and between **BIXBYBIT - BIXBY OFFICE PARK, LLC**, a Delaware limited liability company ("**Landlord**") and **CLEAN ENERGY**, a California corporation (**Tenant**").

RECITALS

A. Landlord (as successor-in-interest to EOP-Bixby Ranch, L.L.C.) and Tenant (formerly known as ENRG Fuel USA, Inc. and ENRG, Inc., as successor-in-interest to Pickens Fuels Corporation) entered into that certain Lease Agreement dated as of August 12, 1999, as amended by that certain First Amendment to Lease dated as of March 11, 2002, that certain Second Amendment dated as of November 24, 2003, that certain Third Amendment dated as of January 13, 2006 (the "**Third Amendment**"), that certain Fourth Amendment dated as of March 15, 2006, that certain Fifth Amendment dated as of October 17, 2006 (the "**Fifth Amendment**"), and that certain Sixth Amendment to Lease Agreement dated as of August 1, 2008 (the "**Sixth Amendment**") (collectively, as amended, the "**Lease**"), with respect to certain premises located at 3010 Old Ranch Parkway, Seal Beach, California 90740 (the "**3010 Building**") and 3020 Old Ranch Parkway, Seal Beach, California 90740 (the "**3020 Building**"). All capitalized terms used herein and not otherwise defined herein shall have the meanings set forth in the Lease.

B. Pursuant to the Lease, Tenant leases from Landlord certain premises consisting of (i) 19,881 rentable square feet of space comprising the entire fourth (4th) floor of the 3020 Building and (ii) 6,136 rentable square feet of space located on the fourth (4th) floor of the 3010 Building and commonly known as Suite 440, for a total of **26,017** rentable square feet (collectively, the "**Existing Premises**"), as more particularly described in the Lease.

C. Landlord and Tenant desire to expand the Existing Premises covered by the Lease to include **7,873** rentable square feet of space located on the second (2nd) floor of the 3020 Building, and commonly known as Suite 200 (the "**Expansion Premises**"), as more particularly set forth on <u>Exhibit A</u> attached hereto.

D. Landlord and Tenant desire to amend the Lease to extend the Term of the Lease, to expand the size of the Premises, and to modify other provisions of the Lease, all as more particularly set forth herein and subject to the terms hereof.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants contained herein, Landlord and Tenant agree as follows:

1. <u>**EXPANSION OF THE EXISTING PREMISES**</u>. Effective as of the Extension Date and continuing through to and including the Expiration Date (as those terms are defined below), Landlord shall lease to Tenant and Tenant shall lease from Landlord the Expansion Premises

on all of the terms and conditions of the Lease, as amended hereby. From and after the Extension Date, all references to the "**Premises**" in the Lease and this Amendment shall be deemed references to the Existing Premises and the Expansion Premises, collectively, and shall measure **33,890** rentable square feet.

2. <u>**TERM**</u>. The Lease with respect to the Premises, as amended by <u>Section 1</u> above, is hereby amended to extend for a term of eighty (86) months (the "**Extended Term**"), commencing on the earlier of (i) the date Tenant commences business operations in the Expansion Premises, or (ii) the date the Landlord Work is Substantially Complete (as such terms are defined in <u>Exhibit B</u> attached hereto), subject to the issuance of a certificate of occupancy from the relevant governmental authority, if required, which date is anticipated to be December 1, 2010 (the "**Extension Date**"), and expiring on the last day of the eighty-sixth (86th) month following the Extension Date (the "**Expiration Date**"). From and after the date hereof, all references to "Term" in the Lease or this Amendment shall be deemed references to the Term, as extended by this Amendment, and all references to the date of expiration of the Lease shall be deemed references to the Expiration Date. It is understood and agreed that if for any reason the Extension Date occurs pursuant to the terms of this Amendment on a day other than the first (1st) day of a calendar month, the period commencing on the Extension Date and ending on the last day of the calendar month in which the Extension Date occurs shall be an initial stub period which shall be added to the Extended Term and Tenant shall pay all Rent and other charges with respect to such stub period (on a prorated basis as referenced in <u>Section 3.1</u> (Base Rent) of the Lease) at the same rate applicable to the first (1st) full calendar month of the Extended Term. Following such stub period and commencing as of the first (1st) day of the first (1st) full calendar month following the month in which the Extension Date occurs, Tenant shall commence the payment of Rent and other charges payable hereunder as if the Extended Term had actually commenced on such date. The use of the stub period described above is intended to provide for ease of administration and calculation of all amounts owed hereunder, it being agreed that all rental adjustments will be determined as of the first (1st) day of a calendar month and the Extended Term will end as of the last day of a calendar month (unless earlier terminated pursuant to the terms hereof). Within 30 days after the Extension Date, Tenant shall return an executed Confirmation of Extension Date in the form attached hereto as <u>Exhibit C</u>. The Confirmation of Extension Date shall be binding upon Tenant unless Tenant objects thereto in writing within such 30 day period. It is acknowledged and agreed that the existing Term of the Lease is currently scheduled to expire January 31, 2015, and the Extended Term described herein shall supersede and replace the currently remaining Term of the Lease pursuant to this Amendment. In addition to the foregoing, Tenant shall have one (1) option to extend the Term for an additional period of five (5) years, pursuant to and in accordance with the terms and conditions of <u>Rider No. 1</u>, <u>Rider No. 2</u> and <u>Rider No. 3</u> attached hereto.

3. <u>**CONDITION OF THE EXISTING PREMISES; CONDITION AND USE OF THE EXPANSION PREMISES**</u>.

a. <u>*Condition of the Existing Premises*</u>. Landlord shall have no obligation whatsoever to construct leasehold improvements for Tenant or to repair or refurbish the Existing Premises. Tenant currently occupies and will continue to occupy the Existing Premises in its current configuration "**AS-IS**", subject to Landlord's obligation to provide services, maintain the Premises and the Building, and to comply with applicable laws, rules and regulations, all as more particularly set forth in the Lease.

b. <u>*Condition and Use of the Expansion Premises*</u>. Except as specifically set forth in the Work Letter attached hereto as <u>Exhibit B</u>, Landlord shall have no obligation whatsoever on or before the Extension Date to construct leasehold improvements for Tenant or to repair or refurbish the Expansion Premises, however, all terms and conditions in the Lease with respect to Landlord's repair obligations and obligations to provide services shall continue with respect to the entire Premises during the

Extended Term. The taking of possession of the Expansion Premises by Tenant following completion of the Landlord Work shall be conclusive evidence that Tenant accepts the same "**AS IS**" and that the Expansion Premises is in good and satisfactory condition at the time such possession was taken. Tenant acknowledges that neither Landlord nor Landlord's agents has made any representation or warranty as to the condition of the Expansion Premises or the Building or its suitability for Tenant's purposes. Tenant represents and warrants to Landlord that (a) its sole intended use of the Expansion Premises is for general office use, which has no special requirements, including but not limited to special security requirements, (b) it does not intend to use the Expansion Premises for any other purpose, and (c) prior to executing this Amendment it has made such investigations as it deems appropriate with respect to the suitability of the Expansion Premises for its intended use and has determined that the Expansion Premises is suitable for such intended use.

4. BASE RENT.

a. *Base Rent for the Existing Premises*. Effective as of the Extension Date, in addition to all other amounts payable under the Lease, Tenant shall pay Monthly Base Rent for the Existing Premises as set forth below, in accordance with the terms of the Lease. Upon execution of this Amendment, Tenant shall pay to Landlord the sum of **$72,102.00** constituting Base Rent due and payable by Tenant for the Existing Premises for the first full calendar month of the Extended Term for which Base Rent is payable hereunder.

Months of the Extended Term/Rental Adjustment Dates**	Annual Base Rent	Monthly Base Rent	Monthly Base Rent per Rentable Square Foot of the Existing Premises
Extension Date — November 30, 2011	$ 865,224.00	$ 72,102.00	$ 2.77
December 1, 2011 — November 30, 2012	$ 908,484.00	$ 75,707.00	$ 2.91
December 1, 2012 — November 30, 2013	$ 953,904.00	$ 79,492.00	$ 3.06
December 1, 2013 — November 30, 2014	$ 982,524.00	$ 81,877.00	$ 3.15
December 1, 2014 — February 28, 2015	$ 1,012,008.00	$ 84,334.00	$ 3.24
March 1, 2015 — November 30, 2015	$ 685,207.32	$ 57,100.61	$ 2.19
December 1, 2015 — November 30, 2016	$ 705,763.56	$ 58,813.63	$ 2.26
December 1, 2016 — November 30, 2017	$ 726,936.36	$ 60,578.03	$ 2.33
December 1, 2017 — Expiration Date	$ 748,744.56	$ 62,395.38	$ 2.40

b. *Base Rent for the Expansion Premises*. Effective as of the Extension Date, in addition to all other amounts payable under the Lease, Tenant shall pay Monthly Base Rent for the Expansion Premises as set forth below, in accordance with the terms of the Lease. Upon execution of this Amendment, Tenant shall pay to Landlord the sum of **$15,352.35** constituting Base Rent due and payable by Tenant for the Expansion Premises for the first full calendar month of the Extended Term for which Base Rent is payable hereunder.

Months of the Extended Term/Rental Adjustment Dates**	Annual Base Rent	Monthly Base Rent	Monthly Base Rent per Rentable Square Foot of the Expansion Premises
*1 — 12	$ 184,228.20	$ 15,352.35	$ 1.95
13 — 24	$ 189,755.05	$ 15,812.92	$ 2.01
25 — 36	$ 195,447.70	$ 16,287.31	$ 2.07
37 — 48	$ 201,311.13	$ 16,775.93	$ 2.13
49 — November 30, 2015	$ 207,350.46	$ 17,279.21	$ 2.19
December 1, 2015 — November 30, 2016	$ 213,570.98	$ 17,797.58	$ 2.26
December 1, 2016 — November 30, 2017	$ 219,978.11	$ 18,331.51	$ 2.33
December 1, 2017 — Expiration Date	$ 226,577.45	$ 18,881.45	$ 2.40

*Base Rent due for the Expansion Premises for the first (1st) three (3) full months of the Extended Term shall be abated, as set forth in Section 4.c below.

**Numbered months referenced are to months of the Extended Term. For purposes of clarification, Landlord and Tenant have agreed that the Monthly Base Rent for the Premises (including the Existing Premises and the Expansion Premises) shall be adjusted to a fixed rate of $2.26 per rentable square foot effective as of December 1, 2015, and the rental charts above reflect this fixed adjustment date.

c. *Rent Abatement for the Expansion Premises*. Notwithstanding anything to the contrary contained herein and provided that Tenant faithfully performs all of the terms and conditions of the Lease, as amended, and no default by Tenant occurs under the Lease and continues to exist beyond the expiration of any applicable notice and cure period, Landlord hereby agrees that during the first (1st) three (3) full months of the Extended Term (the "**Abatement Period**"), Tenant shall not be required to pay the monthly installments of Base Rent and Tenant's Share of Operating Costs and Taxes due for the Expansion Premises only. During the Abatement Period, Tenant shall still be responsible for the payment of all of its other monetary obligations under the Lease, as amended, including, but not limited to, payment of Base Rent and Tenant's Share of Operating Costs and Taxes due for the Existing Premises. In the event of a default by Tenant under the terms of the Lease that results in termination of the Lease in accordance with the provisions of Article 15 (Defaults and Remedies) of the Lease, then as a part of the recovery set forth in Article 15 of the Lease, Landlord shall be entitled to the recovery of the Base Rent that was abated under the provisions of this Section 3.

5. OPERATING COSTS AND TAXES.

a. *Tenant's Share*. Effective as of the Extension Date, Tenant's Share of Operating Costs and Taxes shall be 12.73% (33,890 rentable square feet within the Premises/266,287 rentable square feet within the Project). Landlord and Tenant stipulate and agree that the rentable square footage of the Building and the Premises are correct.

b. *Base Year*. Effective as of the Extension Date, Tenant's Share of Operating Costs and Taxes shall be calculated using calendar year 2011 as the Base Year. Accordingly, in addition to all other costs and expenses payable pursuant to the Lease, as amended, including, without limitation, Base Rent set forth in Section 4 of this Amendment, Tenant shall pay Tenant's Share of Operating Costs and Taxes in excess of the Operating Costs and Taxes for the calendar year 2011.

c. *Building Occupancy*. Effective as of the date hereof, Section 3.2.(a).(3) (Operating Costs) of the Lease is hereby revised as set forth in this Section 5.c. If at any time during a calendar year the Building is not 100% occupied or Landlord is not supplying services to 100% of the total rentable square footage of the Building, Expenses shall be determined as if the Building had been 95% occupied and Landlord had been supplying services to 95% of the rentable square footage of the Building.

d. *Cap on Controllable Operating Costs*. Notwithstanding anything to the contrary contained in Article 3 (Rent) of the Lease, effective as of the Extension Date, the aggregate Controllable Operating Costs (as hereinafter defined) included in Operating Costs in any calendar year after the Base Year shall not increase by more than five percent (5%) on an annual, cumulative and compounded basis, over the actual aggregate Controllable Operating Costs included in Operating Costs for any preceding calendar year (including the Base Year), but with no such limit on the amount of Controllable Operating Costs which may be included in the Operating Costs incurred during the Base Year. For purposes of this Section 4.c, "**Controllable Operating Costs**" shall mean all Operating Costs except: (i) insurance carried by Landlord with respect to the Property and/or the operation thereof; (ii) costs of capital expenditures which constitute Operating Costs under Section 3.2.(a).(3) of the Lease; and (iii) wages, salaries and other compensation and benefits paid to Landlord's employees, agents or contractors engaged in the operation, management, maintenance (including, but not limited to, janitorial and cleaning services) or security of the Building or Property, to the extent such wages, salaries and other compensation are incurred as a result of union labor or government mandated requirements including, but not limited to, prevailing wage laws and similar requirements. The provisions of this Section 5.d do not apply to Taxes and utility services.

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6. **SECURITY DEPOSIT**. Landlord is currently holding a Security Deposit in the amount of **$92,776.40** under the Lease for the Existing Premises. Pursuant to the terms of Section 6 of the Sixth Amendment, Tenant is entitled to a reduction of the Security Deposit effective as of October 31, 2010, in an amount equal to **$48,690.36** (the "**Original Reduction Amount**"). Landlord and Tenant hereby agree to amend Section 6 of the Sixth Amendment to the reflect that effective as of the date of execution and delivery of this Amendment, a portion of the Original Reduction Amount, equal to **$20,769.60** (110% of the last monthly installment of Base Rent payable for the Expansion Premises, herein the "**Expansion Security Amount**"), shall be deemed applied to the Security Deposit held by Landlord under the Lease, thereby reducing the Original Reduction Amount. Accordingly, Landlord hereby agrees that, effective as of the Extension Date (and provided that no breach or default by Tenant has occurred under the Lease after the date of this Amendment and prior to the Extension Date, and remains uncured following the expiration of any applicable notice and cure period), Tenant shall be entitled to a reduction of the Security Deposit in the amount **$27,920.76** (the "**New Reduction Amount**"), which amount shall be applied to Base Rent next coming due under the Lease. From and after the application of the New Reduction Amount to Base Rent next coming due under the Lease as set forth herein, the Security Deposit amount held by Landlord hereunder shall be **$64,855.64**. Thereafter, provided that no breach or default by Tenant occurs under the Lease after the date of this Amendment and prior to December 1, 2011 (and remains uncured following the expiration of any applicable cure period), Tenant shall be entitled to a reduction of the Security Deposit effective as of December 1, 2011, in an amount equal to the Expansion Security Amount, which amount shall be applied to Base Rent next coming due under the Lease, as amended. It is understood and agreed that, if the Expansion Security Amount is applied as set forth above, the Security Deposit shall total **$44,086.04**, and there shall be no further reduction in the amount of the Security Deposit for the remainder of the Term, and the Security Deposit, as reduced hereby, shall continue to be held pursuant to the terms Article VI of the Lease, through the date Tenant has satisfied all of its obligations under the Lease. It is further understood and agreed that the terms set forth in the last sentence of Section 6 of the Sixth Amendment requiring Tenant to restore the Security Deposit in the event of a default by Tenant shall continue in full force and effect.

7. **PARKING**. From and after the Extension Date, Tenant shall be entitled to use a total of one hundred thirty-six (136) parking passes subject to and in accordance with the terms and conditions of Section 36 and Exhibit D of the Original Lease, and the terms of this Section 7. Of those 136 parking passes, Tenant shall have the right to maintain (a) up to twenty-four (24) reserved parking passes at the monthly rate of $100.00 per reserved parking pass per month throughout the Extended Term and (b) up to twenty-three (23) reserved parking passes at no cost to Tenant during the Extended Term, subject, however, to the payment of Operating Costs attributable to the parking areas. All charges paid by Tenant for reserved parking passes shall constitute Additional Rent under the Lease. Notwithstanding the foregoing, it is understood and agreed that Tenant's existing twenty-four (24) reserved parking passes shall remain in the same location, as more particularly shown on Exhibit D (Parking Diagram) attached hereto.

8. **FIRST RIGHT TO LEASE**. During the period from the Extension Date until the last day of the fiftieth (50th) full month of the Extended Term, Tenant shall have the First Right to lease Suite 250 of the 3020 Building, subject to and in accordance with the terms and conditions of Rider No. 4 attached hereto.

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9. **SNDA**. Landlord agrees to use commercially reasonable efforts to obtain from the current lender holding a lien on the Property as of the date hereof a subordination, non-disturbance and attornment agreement ("**SNDA**") in favor of Tenant with respect to the Lease, in the current lender's standard form. If Tenant requests any material changes to the current lender's form of SNDA, then Tenant shall reimburse Landlord for any actual fees charged to Landlord in obtaining such SNDA for Tenant (including any actual processing fees or actual costs charged by the current lender).

10. **ADDITIONAL LEASE MODIFICATION**. Effective as of the date hereof, Section 1.01 (Suite B250 Right of First Offer) of the Fifth Amendment is hereby deleted in its entirety and shall be of no further force or effect. It is further understood and agreed that the terms of Article 11 of the Lease relating to the obligations of Tenant to carry insurance shall be revised as follows: (i) Section 11(b) shall require full replacement cost coverage to be carried by Tenant; (ii) Section 11(c) shall be revised to reflect that the required financial size category rating of Tenant's insurers shall be "X" in the latest edition of the A.M. Best Key Rating Guide. Further, any blanket policy shall be endorsed to provide that the required general aggregate coverage limit shall apply separately and in total to this location only (designate location general aggregate limit).

11. **FINANCIAL STATEMENTS**. At any time during the Term of the Lease, upon thirty (30) days prior written notice from Landlord (but not more frequently than once per calendar year), Tenant agrees to provide Landlord with a current financial statement for Tenant and financial statements for the two (2) years prior to the current financial statement year for Tenant. Such statements are to be prepared in accordance with generally accepted accounting principles and, if such is the normal practice of Tenant, audited by an independent certified public accountant. Notwithstanding the foregoing, following the occurrence of a breach or default by Tenant under the Lease, which remains uncured following the expiration of any applicable notice and cure period, Tenant shall provide financial statements as referenced above, upon ten (10) business days notice from Landlord, and such financial statements shall be audited by an independent certified public accountant unless otherwise agreed by Landlord.

12. **BROKERS**. Tenant represents and warrants to Landlord that, other than Jones Lang LaSalle (Paul Park) ("**Tenant's Broker**"), it has not engaged any broker, finder or other person who would be entitled to any commission or fees in respect of the negotiation, execution or delivery of this Amendment, and shall indemnify, defend and hold harmless Landlord against any loss, cost, liability or expense incurred by Landlord as a result of any claim asserted by any broker, finder or other person on the basis of any arrangements or agreements made or alleged to have been made by or on behalf of Tenant. The provisions of this section shall not apply to brokers with whom Landlord has an express written broker agreement. Landlord shall pay a commission or finder's fee due to Tenant's Broker in connection with this Amendment, pursuant to a separate written agreement. The provisions of this Section 12 shall survive the expiration or earlier termination of the Lease. Landlord represents and warrants to Tenant that, other than Cushman & Wakefield (James Estrada) ("**Landlord's Broker**"), and other than Tenant's Broker, it has not engaged any broker, finder or other person who would be entitled to any commission or fees in respect of the negotiation, execution or delivery of this Amendment, and shall indemnify, defend and hold harmless Tenant against any

loss, cost, liability or expense incurred by Tenant as a result of any claim asserted by any broker, finder or other person on the basis of any arrangements or agreements made or alleged to have been made by or on behalf of Landlord.

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13. **OFFSET RIGHT FOR LANDLORD FAILURE TO PAY BROKERAGE COMMISSION**. If Landlord fails to pay the brokerage commission payable by Landlord with respect to this Amendment in accordance with the terms and conditions of a separate written brokerage agreement executed by Landlord, Tenant shall be entitled to deliver to Landlord written notice ("**Payment Notice**") of such failure to pay. Each Payment Notice shall include a reasonably particularized breakdown of all the amounts Tenant contends are owed. If Landlord fails to fulfill any such payment obligation within ten (10) days after Landlord's receipt of the Payment Notice from Tenant, Tenant shall be entitled to fund the entire amount which is the subject of the Payment Notice, together with interest at the Interest Rate from the date of payment by Tenant until the actual date of offset, against Tenant's first obligations to pay Rent.

14. **TENANT'S RIGHT TO TRANSFER TO AFFILIATES**. Effective as of the date hereof, Article 14 (Assignment and Subletting) of the Lease is hereby amended to add the following as a new Section 14.9:

"14.9 Affiliate Transfers. Notwithstanding anything to the contrary contained in this Article 14, an assignment of this Lease or a subletting of all or a portion of the Premises to an entity which is controlled by, controls, or is under common control with, Tenant or any corporation or other business entity that succeeds to the business of Tenant as a result of a merger, consolidation, sale of substantially all of the assets, or other business reorganization ("**Affiliate**") of Tenant shall not be deemed a Transfer requiring Landlord's consent under this Article 14, provided that (i) Tenant notifies Landlord of any such assignment or sublease prior to the effective date thereof and promptly supplies Landlord with any documents or information requested by Landlord regarding such assignment or sublease or such Affiliate (including, in the event of an assignment, evidence of the assignee's assumption of Tenant's obligations under this Lease or, in the event of a sublease, evidence of the sublessee's assumption, in full, of the obligations of Tenant with respect to the portion of the premises so subleased, other than the payment of rent), (ii) such assignment or sublease is not a subterfuge by Tenant to avoid its obligations under this Lease, (iii) such assignment or sublease does not cause Landlord to be in default under any lease at the Property, (iv) the net worth of such Affiliate shall be reasonably sufficient to meet the obligations undertaken by such Affiliate with respect to this Lease, taking into a account all relevant factors, and (v) with respect to a subletting only, Tenant and such Affiliate execute Landlord's standard consent to sublease form. The provisions of this Section 14.9 shall not be available to any assignee or sublessee of Tenant's interest in this Lease, unless such transferee obtained its interest in this Lease pursuant to the provisions of this Section 14.9. Notwithstanding the foregoing, any subtenant or assignee shall comply with the terms and conditions of Section 13.A (ERISA Compliance) of the Sixth Amendment."

15. **CONTINUING EFFECTIVENESS**. The Lease, except as amended hereby, remains unamended, and, as amended hereby, remains in full force and effect.

16. **COUNTERPARTS; ELECTRONIC DELIVERY**. This Amendment may be executed in one or more counterparts, each of which shall constitute an original and all of which shall be one and the same agreement. The parties may exchange counterpart signatures by facsimile or electronic transmission and the same shall constitute delivery of this Amendment with respect to the delivering party. If a variation or discrepancy among counterparts occurs, the copy of this Amendment in Landlord's possession shall control. Tenant confirms that no default exists under the Lease.

17. **EXECUTION BY BOTH PARTIES**. Submission of this instrument for examination or signature by Tenant does not constitute a reservation of or option to lease, and it is not effective as an amendment to lease or otherwise until execution and delivery by both Landlord and Tenant.

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18. **AUTHORIZATION**. The individuals signing on behalf of Tenant each hereby represents and warrants that he or she has the capacity set forth on the signature pages hereof and has full power and authority to bind Tenant to the terms hereof. Two (2) authorized officers must sign on behalf of Tenant and this Amendment must be executed by the president or vice-president and the secretary or assistant secretary of Tenant, unless the bylaws or a resolution of the board of directors shall otherwise provide. In such case, the bylaws or a certified copy of the resolution of Tenant, as the case may be, must be furnished to Landlord.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first above written.

LANDLORD:

BIXBYBIT - BIXBY OFFICE PARK, LLC,
a Delaware limited liability company

By: BixbyBIT Investments, LLC,
a Delaware limited liability company
its sole member

By: BLC Incentive Management, LLC,
a Delaware limited liability company,
its Managing Member

By: Bixby Land Company,
a California corporation,
its Managing Member

By: /s/ Aaron D. Hill
Name: Aaron D. Hill
Title: Vice President
BL #
DRE #

By: /s/ Martin T. O'Hea
Name: Martin T. O'Hea
Title: Chief Financial Officer
BL #
DRE #

[SIGNATURES CONTINUED ON FOLLOWING PAGE]

TENANT:

CLEAN ENERGY,
a California corporation

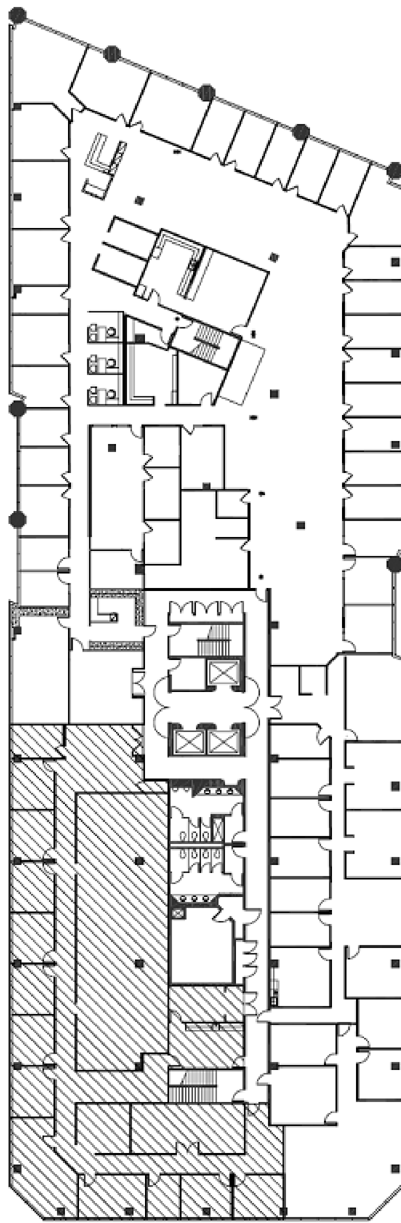
By: /s/ Andrew J. Littlefair
Name: /s/ Andrew J. Littlefair
Title: President and CEO

By: /s/ Richard R. Wheeler
Name: Richard R. Wheeler
Title: Chief Financial Officer

Tenant's Tax ID Number (SSN or FEIN)

EXHIBIT A

EXPANSION PREMISES



3020 Old Ranch Pkwy
Suite 200
7,873 Rentable S.F.

TENANT'S INITIALS HERE:_______

EXHIBIT B

WORK LETTER

This Exhibit is attached to and made a part of the Seventh Amendment to Lease by and between **BIXBYBIT - BIXBY OFFICE PARK, LLC**, a Delaware limited liability company ("**Landlord**") and **CLEAN ENERGY**, a California corporation ("**Tenant**") for space in the buildings located at 3010 & 3020 Old Ranch Parkway, Seal Beach, California 90740.

1. Landlord, at its sole cost and expense (subject to the terms and provisions of this Section 1 and Section 2 below) shall perform improvements to the Expansion Premises in accordance with the space plan attached hereto as Schedule 1 (the "**Space Plan**"), using mutually agreed to methods, materials and finishes, provided, however, Tenant acknowledges and agrees that Landlord shall not be obligated to pay more than $118,095.00 (calculated at a rate of $15.00 per rentable square foot of the Expansion Premises) (the "**Allowance**") to complete the Landlord Work (as defined below), and Tenant shall pay to Landlord (within fifteen (15) business days after invoice therefor, which invoice shall include reasonable detail and supporting documentation) the amount of any actual and reasonable costs incurred by Landlord to complete the Landlord Work in excess of $118,095.00. The improvements to be performed in accordance with the Space Plan are hereinafter referred to as the "**Landlord Work**". Landlord shall enter into a direct contract for the Landlord Work with a licensed general contractor selected by Landlord, which shall be DBAC. The contract shall provide a construction schedule for the Landlord Work with a goal of completing the Landlord Work by no later than November 30, 2010. In addition, Landlord shall have the right to select and/or approve of any subcontractors used in connection with the Landlord Work. Landlord Work shall include any and all architectural fees, engineering fees, and required permits. Tenant shall pay a construction management fee to Landlord in an amount equal to five percent (5%) of the actual cost of construction of the Landlord Work.

2. All other work and upgrades (including, without limitation, any change orders with respect to the initial Space Plan), shall be subject to Landlord's and Tenant's mutual approval, and shall be at Tenant's sole cost and expense, plus any applicable state sales or use tax thereon, payable upon demand as Additional Rent and a construction management fee payable to Landlord equivalent to five percent (5%) of the cost of such work and upgrades. Tenant shall be responsible for any delay (subject to force majeure) in completion of the Expansion Premises resulting from any such other work and upgrades requested or performed by Tenant.

3. Landlord's supervision or performance of any work for or on behalf of Tenant shall not be deemed to be a representation by Landlord that such work complies with applicable insurance requirements, building codes, ordinances, Laws or regulations or that the improvements constructed will be adequate for Tenant's use.

4. Landlord and Tenant agree to cooperate with each other in order to enable the Landlord Work to be performed in a timely manner and with as little inconvenience to the operation of Tenant's business as is reasonably possible. Notwithstanding anything herein to the contrary, any delay in the completion of the Landlord Work or inconvenience suffered by Tenant during the performance of the Landlord Work shall not subject Landlord to any liability for any loss or damage resulting therefrom or entitle Tenant to any credit, abatement or adjustment of Rent or other sums payable under the Lease.

5. For purposes of this Seventh Amendment, including for purposes of determining the Extension Date (pursuant to Section 2 of this Amendment), the Landlord Work shall be "**Substantially Complete**" upon (i) the completion of the Landlord Work in the Expansion Premises pursuant to the Space Plan, and a temporary certificate of occupancy or other required equivalent approval from the local governmental authority permitting occupancy of the Premises has been obtained, subject only to any minor adjustments or touch up work which may be necessary (which work Landlord agrees to complete as soon as possible).

6. This Exhibit shall not be deemed applicable to any additional space added to the Expansion Premises at any time or from time to time, whether by any options under the Lease or otherwise, or to any portion of the original Premises or any additions to the Expansion Premises in the event of a renewal or extension of the original Term of the Lease, whether by any options under the Lease or otherwise, unless expressly so provided in the Lease or any amendment or supplement to the Lease.

7. Landlord agrees to reimburse Tenant for its actual reasonable costs charged by Tenant's architect for its representation of Tenant in the development of a space plan for the Expansion Premises, within thirty (30) days of Landlord's receipt of a copy of the architect's invoice from Tenant, which invoice shall detail such actual reasonable costs charged by Tenant's architect, provided that such costs shall be limited to two (2) rounds of space plan drafts.

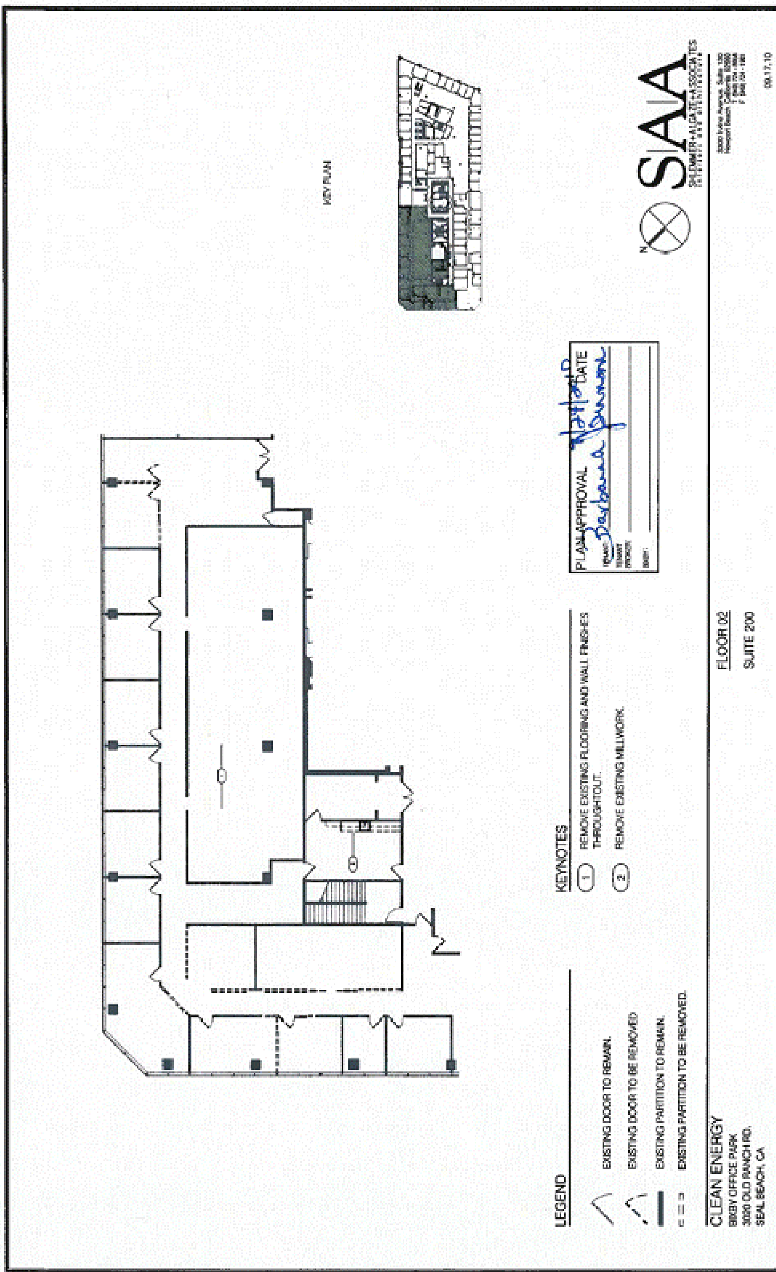
8. Unless otherwise agreed by Landlord and Tenant, Landlord shall be responsible for the prompt payment of the Allowance directly to the contractor, in accordance with the terms and conditions of this Work Letter. However, if Landlord fails to fund the Allowance in accordance with the terms of this Work Letter, Tenant may deliver to Landlord written notice ("**Allowance Payment Notice**") of such failure to fund, which Allowance Payment Notice shall include a detailed description of the amounts Tenant contends Landlord failed to fund pursuant to this Work Letter. If Landlord objects to any Allowance amount set forth in an Allowance Payment Notice, Landlord shall identify and provide the reasonable basis for such objection(s). If Landlord fails to fund a portion of the Allowance as specifically set forth in an Allowance Payment Notice within ten (10) business days after Landlord's receipt of the Allowance Payment Notice from Tenant and if Landlord fails to deliver written notice to Tenant within such ten (10) day period explaining Landlord's reasons that the Allowance amounts described in Tenant's Allowance Payment Notice are not due and payable by Landlord ("**Refusal Notice**"), Tenant shall be entitled to fund the portion of the Allowance which is the subject of the Allowance Payment Notice (or, if Landlord timely sent a Refusal Notice, only those amounts to which Landlord did not object) itself and to offset such amount(s), against Tenant's first obligations to pay Base Rent. If Landlord delivers a Refusal Notice, and if Landlord and Tenant are not able to agree on the Allowance amounts to be so paid by Landlord, if any, within twenty (20) business days after Tenant's receipt of a Refusal Notice, Landlord or Tenant may elect to have such dispute resolved by expedited binding arbitration before a retired judge of the Superior Court of the State of California under the auspices of JAMS (or any successor to such organization, or if there is no such successor, then to a comparable organization mutually agreed upon by Landlord and Tenant) in Los Angeles, California, according to the then rules of commercial arbitration of such organization. JAMS shall be instructed to complete the arbitration

within thirty (30) days. If such dispute is so submitted to arbitration, Tenant shall not be permitted any such offset against Base Rent unless and until the arbitration proceedings are concluded in Tenant's favor. The foregoing shall apply only to a failure of Landlord to fund the Allowance and shall not be applicable to any other obligation of Landlord under the Lease as amended hereby. It is further understood and agreed that if Landlord has not funded a portion of the Allowance and delivers a Refusal Notice with respect to the requested disbursement amount, and such failure to fund results in the contractor actually ceasing or threatening to cease construction of the Landlord Work, then Landlord and Tenant work together to promptly agree upon a mutually acceptable arrangement with respect to the Allowance such that there is no delay in the completion (and no cessation) of the Landlord Work.

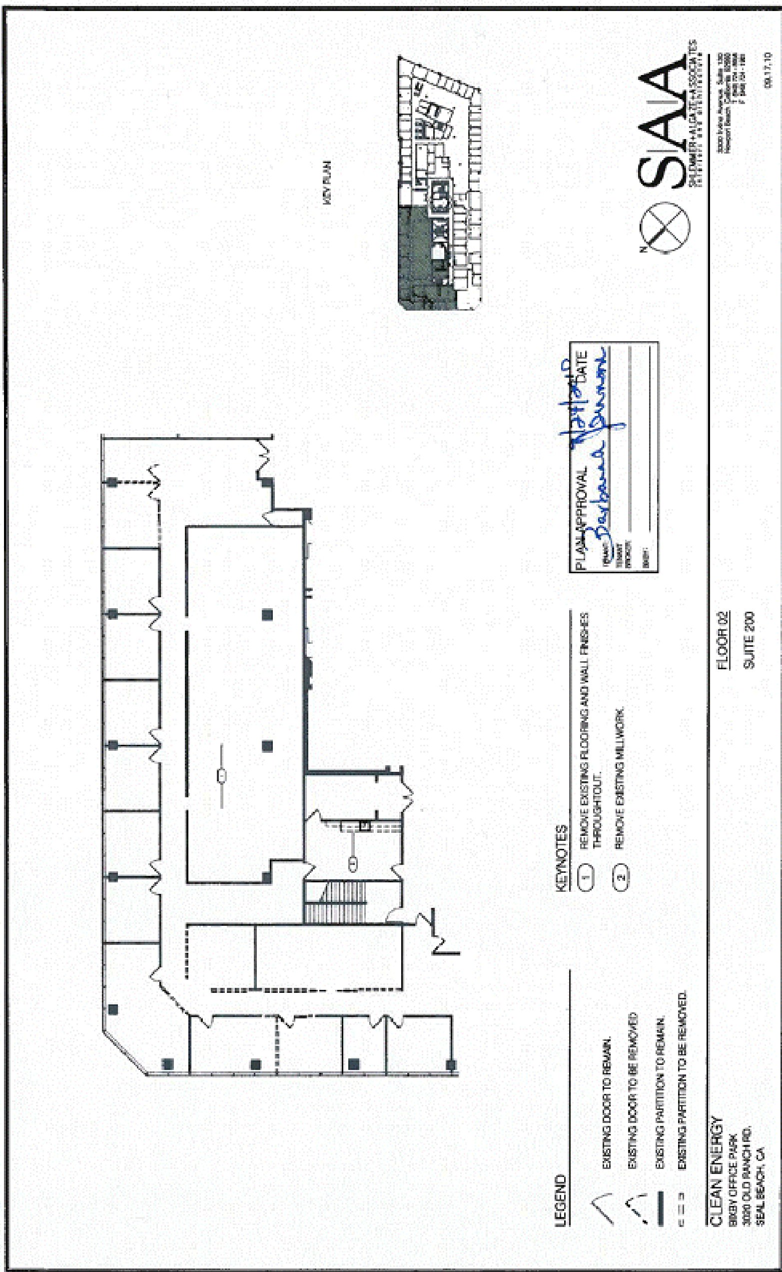
9. Landlord shall cause the contractor performing the Landlord Work to issue industry standard construction warranties with respect to the Landlord Work, with coverage for workmanship, materials and equipment, which warranties shall run to the benefit of Landlord and Tenant or shall be assignable to Tenant such that Tenant will be entitled to the benefit of any such warranties upon request.

SCHEDULE 1 TO EXHIBIT B

SPACE PLAN



TENANT'S INITIALS HERE:________



TENANT'S INITIALS HERE:_______

LEGEND

NEW DOOR.
EXISTING PARTITION TO REMAIN.
NEW DEMISING PARTITION
NEW PARTITION
WALL MOUNTED DUPLEX ELECTRICAL OUTLET.
BUILDING STANDARD TELE/DATA OUTLET
WALL POWER IN-FEED FOR WORKSTATIONS POWER AND TELEPHONE/DATA.

KEYNOTES

(2.1) PROVIDE NEW UPPER AND LOWER MILLWORK WITH GARBAGE DISPOSAL, ADA COMPLIANT SINK, DISHWASHER, AND ADJUSTABLE SHELVING.
(2.2) PROVIDE 1/4" DIAMETER COLD COPPER WATER LINE FOR COFFEE MAKER WITH SHUT OFF VALVE
(2.3) PROVIDE 1/4" DIAMETER COLD COPPER WATER LINE FOR ICE MAKER WITH SHUT OFF VALVE.
(2.4) PROVIDE NEW BUILDING STANDARD TENANT DOOR LOCKING ASSEMBLY.
(2.5) PROVIDE NEW TENANT DOOR AND ASSEMBLY WITH MAG-HOLD.
(2.6) PROVIDE NEW BUILDING STANDARD CARPET WITH 4" STRAIGHT RUBBER BASE.
(2.7) PROVIDE NEW BUILDING STANDARD VCT WITH 4" COVED RUBBER BASE.
(2.9) PROVIDE NEW BUILDING STANDARD PAINT.
(2.10) PROVIDE ALLOWANCE TO RELOCATE LIGHT FIXTURES PER NEW WALL LAYOUT.
(2.11) PROVIDE ALLOWANCE FOR BUILDING STANDARD ACCENT PAINT AT 30% OF WALLS. (2) COATS PAINT, (1) COAT PRIMER.
(2.12) PROVIDE ALLOWANCE FOR WORKSTATION IN-FEEDS. ALLOW (1) FURNITURE FEED AT EACH LOCATION.
(2.13) PROVIDE DEDICATED DUPLEX OUTLET, 15 AMP, 5-15R, AND TELE/DATA FOR TENANT'S COPIER. *
(2.14) CONTRACTOR TO VERIFY EXISTING ELECTRICAL AND PROVIDE NEW AS REQUIRED TO BE (1) BUILDING STANDARD DUPLEX AND (1) TELE/DATA AT DESK LOCATIONS THAT DO NOT INDICATE FURNITURE FEEDS.

ALTERNATE KEYNOTES

(B.1) NEW WOOD FLOORING, PROVENZA OLD WORLD COLLECTION, 564, DESERT HAZE.
(B.2) PROVIDE NEW FRAMED BUTT-JOINT GLASS WALL TO MATCH EXISTING DOOR HEIGHT. MAXIMIZE WIDTH.
(B.3) PROVIDE ALTERNATE PRICE FOR 24" HIGH FRAMED CLERESTORY WINDOW, MAXIMIZE WIDTH.
(B.4) PROVIDE ALTERNATE PRICE FOR POWER FOR NEW MOTORIZED MECHOSHADE ELECTROSHADE SYSTEM FOR MOTORIZED SHADES: ELECTRO/3, SHADECLOTH:TBD, AT WINDOW
(B.5) PROVIDE ALTERNATE PRICE FOR NEW WOOD VENEER CREDENZA WITH WOOD VENEER TOP.
(B.6) PROVIDE ALTERNATE PRICE FOR STONE SLAB COUNTERTOP WITH BULLNOSE EDGE.
(B.7) PROVIDE ALTERNATE PRICE FOR CARD READER TO BE TIED INTO ELECTRICAL SYSTEMS.
(B.8) PROVIDE ALTERNATE PRICE FOR NEW WRITABLE WHITE BOARD TO RUN FULL LENGTH OF WALL WITH 4" ALUMINUM CHALK RAIL. WOOD VENEER SLIDING DOORS TO COVER LENGTH OF WHITE BOARD TO BE MOUNTED ON HAFALE SLIDING HARDWARE; HAFELE "SLIDING DOOR FITTING HAWA DORADO INFRONT" OR EQUAL.
(B.9) PROVIDE ALTERNATE PRICE FOR NEW 24 HOUR 1-TON HVAC UNIT.
(B.10) PROVIDE ALTERNATE PRICE FOR (8) BUILDING STANDARD DEDICATED DUPLEX OUTLETS.
(B.11) PROVIDE NEW FLUSH MOUNTED FLOOR CORE.
(B.12) PROVIDE POWER IN CEILING FOR NEW RECESSED 8'-0" WIDE PROJECTION SCREEN IN CEILING, DA LITE OR EQUAL.
(B.13) PROVIDE POWER IN CEILING FOR TENANT'S CEILING MOUNTED PROJECTOR.
(B.14) PROVIDE NEW FULL HEIGHT PARTITION.
(B.15) PONY-UP EXISTING WALL TO BE FULL HEIGHT.

see drawing for placement *

PLAN APPROVAL 9/14/2010 DATE
Barbara Johnson
BROKER

CLEAN ENERGY
BIXBY OFFICE PARK
3020 OLD RANCH RD.
SEAL BEACH, CA

FLOOR 02
SUITE 200

SAA
SHLEMMER + ALGAZE + ASSOCIATES
09.17.10

TENANT'S INITIALS HERE:_______

EXHIBIT C

CONFIRMATION OF EXTENSION DATE

BIXBYBIT - BIXBY OFFICE PARK, LLC, a Delaware limited liability company ("**Landlord**") and **CLEAN ENERGY**, a California corporation ("**Tenant**"), are parties to that certain Seventh Amendment to Lease dated as of September 20, 2010 (the "**Seventh Amendment**"). All capitalized terms not defined herein shall have the same meaning as set forth in the Seventh Amendment. Landlord and Tenant hereby confirm the following:

1) The Extended Term of the Lease (as more particularly defined in the Seventh Amendment) commenced as of , 20 , which date shall be the "**Extension Date**" under the terms of the Lease.

2) The "**Expiration Date**" of the Lease is , 20 , subject to extension or earlier termination in accordance with the terms and conditions of the Lease.

3) The Lease, as amended by the Seventh Amendment, remains in full force and effect.

[SIGNATURES ON NEXT PAGE]

LANDLORD:

BIXBYBIT - BIXBY OFFICE PARK, LLC,
a Delaware limited liability company

By: BixbyBIT Investments, LLC,
a Delaware limited liability company
its sole member

By: BLC Incentive Management, LLC,
a Delaware limited liability company,
its Managing Member

By: Bixby Land Company,
a California corporation,
its Managing Member

By: /s/ Aaron D. Hill
Name: Aaron D. Hill
Title: Vice President
BL #
DRE #

By: /s/ Martin T. O'Hea
Name: Martin T. O'Hea
Title: Chief Financial Officer
BL #
DRE #

TENANT:

CLEAN ENERGY,
a California corporation

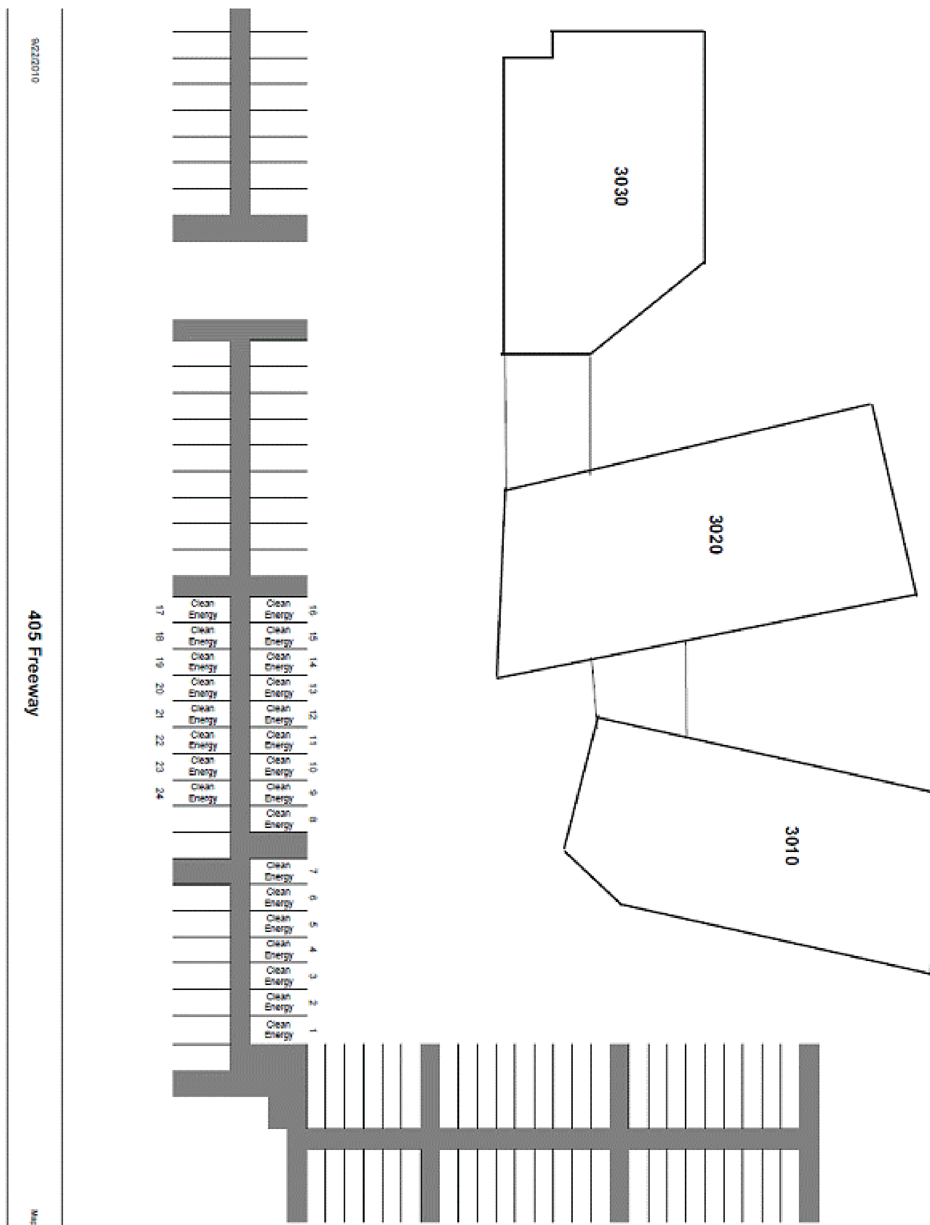
By: /s/ Andrew J. Littlefair
Name: /s/ Andrew J. Littlefair
Title: President and CEO

By: /s/ Richard R. Wheeler
Name: Richard R. Wheeler
Title: Chief Financial Officer

Tenant's Tax ID Number (SSN or FEIN)

EXHIBIT D

PARKING DIAGRAM



TENANT'S INITIALS HERE:_______

EXHIBIT D

RIDER NO. 1 TO SEVENTH AMENDMENT

EXTENSION OPTION RIDER

This Rider No. 1 is made and entered into by and between **BIXBYBIT - BIXBY OFFICE PARK, LLC**, a Delaware limited liability company ("**Landlord**") and **CLEAN ENERGY**, a California corporation ("**Tenant**"), as of the day and year of the Seventh Amendment to Lease between Landlord and Tenant to which this Rider is attached. Landlord and Tenant hereby agree that, notwithstanding anything contained in the Lease to the contrary, the provisions set forth below shall be deemed to be part of the Lease and shall supersede any inconsistent provisions of the Lease. All references in the Lease and in this Rider to the "Lease" shall be construed to mean the Lease (and all exhibits and Riders attached thereto), as amended and supplemented by this Rider. All capitalized terms not defined in this Rider shall have the same meaning as set forth in the Lease.

1. Landlord hereby grants to Tenant (1) option (the "**Extension Option**") to extend the Term of the Lease for an additional period of five (5) years (the "**Option Term**"), on the same terms, covenants and conditions as provided for in the Lease during the Extended Term, except for the Monthly Base Rent, which shall equal the greater of (a) the Monthly Base Rent payable by Tenant during the last month of the then current Term immediately preceding the Option Term or (b) the "fair market rental rate" for the Premises for the Option Term as defined and determined in accordance with the provisions of Section 3 below.

2. The Extension Option must be exercised, if at all, by written notice ("**Extension Notice**") delivered by Tenant to Landlord no sooner than that date which is twelve (12) months and no later than that date which is nine (9) months prior to the expiration of the then current term of the Lease. The Extension Option shall not be deemed to be properly exercised if, at the time the Extension Option is exercised or on the scheduled commencement date for the Option Term, Tenant has (a) committed an uncured event of default whose cure period has expired pursuant to Article 15 of the Lease (following the delivery of any written notice required thereunder), (b) assigned all or any portion of the Lease or its interest therein without Landlord's consent (if required) or otherwise in violation of Article 14 of the Lease, or (c) sublet all or any portion of the Premises, other than in strict accordance with the terms of Article 14 of the Lease. Upon Tenant's written request in connection with Tenant's delivery of an Extension Notice, Landlord will provide written confirmation to Tenant that Landlord is not aware of the existence of a condition referenced in (a) through (c) above which would render Tenant's exercise of its Extension Option ineffective. Provided Tenant has properly and timely exercised the Extension Option, the then current term of the Lease shall be extended by the Option

Term, and all terms, covenants and conditions of the Lease shall remain unmodified and in full force and effect, except that the Monthly Base Rent shall be as set forth above. In connection with any exercise by Tenant of the Extension Option, Landlord shall determine whether and to what extent any additional Security Deposit may be required, after taking into account the then existing financial strength of Tenant and all other relevant and industry standard factors, consistent with market, provided, however, it is expressly understood that Landlord will not require any addition to Tenant's Security Deposit in connection with Tenant's exercise of its Extension Option so long as (i) no uncured breach or default by Tenant exists under the Lease as of the date of delivery of the Extension Notice or as of the date of the commencement of the Option Term, and (ii) there has occurred no material adverse change in the financial condition of Tenant as of the date of delivery of the Extension Notice or as of the date of commencement of the Option Term.

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3. If Landlord determines that the Monthly Base Rent for the Option Term shall be the Monthly Base Rent payable by Tenant during the last month of the then current Term pursuant to Section 1(a) above, such determination shall be conclusive, Tenant shall have no right to object thereto, and the following provisions regarding the determination of the fair market rental rate shall not apply. If, however, Landlord determines that the Monthly Base Rent for the applicable Option Term shall be the fair market rental rate pursuant to Section 1(b) above, then such fair market rate shall be determined in accordance with the Fair Market Rental Rate Rider attached to the Seventh Amendment to Lease as Rider No. 2.

4. Notwithstanding the fair market rental rate determined pursuant to Section 3 above, in no event shall the Monthly Base Rent payable during the Option Term be less than the Monthly Base Rent payable during the last month of the immediately preceding Term.

5. If Tenant wishes to determine prior to exercise of the Extension Option whether Landlord intends to require that Tenant pay the existing Monthly Base Rent for the Option Term, Tenant may deliver to Landlord no less than eleven (11) months prior to the expiration of the then current Term of the Lease a written inquiry to such effect, and Landlord agrees to respond to such written inquiry within thirty (30) days following receipt thereof.

RIDER NO. 2 TO SEVENTH AMENDMENT

FAIR MARKET RENTAL RATE

This Rider No. 2 is made and entered into by and between **BIXBYBIT - BIXBY OFFICE PARK, LLC**, a Delaware limited liability company ("**Landlord**") and **CLEAN ENERGY**, a California corporation ("**Tenant**"), as of the day and year of the Seventh Amendment to Lease between Landlord and Tenant to which this Rider is attached. Landlord and Tenant hereby agree that, notwithstanding anything contained in the Lease to the contrary, the provisions set forth below shall be deemed to be part of the Lease and shall supersede any inconsistent provisions of the Lease. All references in the Lease and in this Rider to the "Lease" shall be construed to mean the Lease (and all exhibits and Riders attached thereto), as amended and supplemented by this Rider. All capitalized terms not defined in this Rider shall have the same meaning as set forth in the Lease.

1. The term "fair market rental rate" as used in the Lease and any Rider attached thereto shall mean the annual amount per square foot, projected during the Option Term that a willing, non-equity renewal tenant (excluding sublease and assignment transactions) would pay, and a willing, institutional landlord of a comparable Class "A" office building located in the West Orange County market area (the "**Comparison Area**") would accept, in an arm's length transaction (what Landlord is accepting in then current transactions for the buildings located in the Project may be used for purposes of projecting rent for the Option Term), for space of comparable size, quality and floor height as the Premises, taking into account the age, quality and layout of the existing improvements in the Premises, and taking into account items that professional real estate brokers or professional real estate appraisers customarily consider, including, but not limited to, rental rates, space availability, tenant size, tenant improvement allowances, parking charges and any other lease considerations, if any, then being charged or granted by Landlord or the lessors of such similar office buildings. All economic terms other than Monthly Base Rent, such as tenant improvement allowance amounts, if any, operating expense allowances, parking charges, etc., will be established by Landlord and will be factored into the determination of the fair market rental rate for the Option Term. Accordingly, the fair market rental rate will be an effective rate, not specifically including, but accounting for, the appropriate economic considerations described above. The fair market rental rate shall include the periodic rental increases that would be included for space leased for the period of the Option Term.

2. In the event the determination of fair market rental rate is required under the Lease (as set forth in Rider No. 1 above), Landlord shall provide written notice of Landlord's determination of the fair market rental rate not later than ninety (90) days following Landlord's receipt of Tenant's Extension Notice. Tenant shall have ten (10) business days ("**Tenant's Review Period**") after receipt of Landlord's notice of the fair market rental rate within which to accept such fair market rental rate or to reasonably object thereto in writing. Failure of Tenant to so object to the fair market rental rate submitted by Landlord in writing within Tenant's Review Period shall conclusively be deemed Tenant's disapproval thereof. If within Tenant's Review Period Tenant objects to or is deemed to have disapproved the fair market rental rate submitted by Landlord, Landlord and Tenant will meet together with their respective legal counsel to present and discuss their individual determinations of the fair market rental rate for the Premises under the parameters set forth in Section 1 above and shall diligently and in good faith attempt to negotiate a rental rate on the basis of such individual determinations. Such meeting shall occur no later than ten (10) days after the expiration of Tenant's Review Period. The parties shall each provide the other with such supporting information and documentation as they deem

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appropriate. At such meeting if Landlord and Tenant are unable to agree upon the fair market rental rate, they shall each submit to the other their respective best and final offer as to the fair market rental rate. If Landlord and Tenant fail to reach agreement on such fair market rental rate within five (5) business days following such a meeting (the "**Outside Agreement Date**"), Tenant's Extension Option will be deemed null and void unless Tenant demands arbitration, in which event each party's determination shall be submitted to arbitration in accordance with the provisions of Section 3 below and neither party shall have the right to reject the decision or to nullify the exercise of the applicable Option.

3. (a) Landlord and Tenant shall each appoint one (1) competent, independent and impartial commercial real estate broker with at least ten (10) years full time commercial real estate brokerage experience in the Comparison Area (each a "**broker**"). The determination of the brokers shall be limited solely to the issue of whether Landlord's or Tenant's last proposed (as of the Outside Agreement Date) best and final fair market rental rate for the Premises is the closest to the actual fair market rental rate

for the Premises as determined by the brokers, taking into account the requirements specified in Section 1 above. Each such broker shall be appointed within fifteen (15) days after the Outside Agreement Date.

(b) The two (2) brokers so appointed shall within fifteen (15) days of the date of the appointment of the last appointed broker agree upon and appoint a third broker who shall be qualified under the same criteria set forth hereinabove for qualification of the initial two (2) brokers.

(c) The three (3) brokers shall within thirty (30) days of the appointment of the third broker reach a decision as to whether the parties shall use Landlord's or Tenant's submitted best and final fair market rental rate, and shall notify Landlord and Tenant thereof. During such thirty (30) day period, Landlord and Tenant may submit to the brokers such information and documentation to support their respective positions as they shall deem reasonably relevant and Landlord and Tenant may each appear before the brokers jointly to question and respond to questions from the brokers.

(d) The decision of the majority of the three (3) brokers shall be binding upon Landlord and Tenant and neither party shall have the right to reject the decision or to nullify the exercise of the applicable Option. If either Landlord or Tenant fails to appoint an broker within the time period specified in Section 3(a) hereinabove, the broker appointed by one of them shall within thirty (30) days following the date on which the party failing to appoint an broker could have last appointed such broker reach a decision based upon the same procedures as set forth above (i.e., by selecting either Landlord's or Tenant's submitted best and final fair market rental rate), and shall notify Landlord and Tenant thereof, and such broker's decision shall be binding upon Landlord and Tenant and neither party shall have the right to reject the decision or to nullify the exercise of the applicable Option.

(e) If the two (2) brokers fail to agree upon and timely appoint a third broker, either party, upon ten (10) days written notice to the other party, can apply to the Presiding Judge of the Superior Court of Orange County to appoint a third broker meeting the qualifications set forth herein. The third broker, however, selected, shall be a person who has not previously acted in any capacity for either party.

(f) The cost of each party's broker shall be the responsibility of the party selecting such broker, and the cost of the third broker (or arbitration, if necessary) shall be shared equally by Landlord and Tenant.

(g) If the process described hereinabove has not resulted in a selection of either Landlord's or Tenant's submitted best and final fair market rental rate by the commencement of the applicable lease term, then the fair market rental rate estimated by Landlord will be used until the broker(s) reach a decision, with an appropriate rental credit and other adjustments for any overpayments of Monthly Base Rent or other amounts if the brokers select Tenant's submitted best and final estimate of the fair market rental rate. The parties shall enter into an amendment to the Lease confirming the terms of the decision.

RIDER NO. 3 TO SEVENTH AMENDMENT

OPTIONS IN GENERAL

This Rider No. 3 is made and entered into by and between **BIXBYBIT - BIXBY OFFICE PARK, LLC**, a Delaware limited liability company ("**Landlord**") and **CLEAN ENERGY**, a California corporation ("**Tenant**"), as of the day and year of the Seventh Amendment to Lease between Landlord and Tenant to which this Rider is attached. Landlord and Tenant hereby agree that, notwithstanding anything contained in the Lease to the contrary, the provisions set forth below shall be deemed to be part of the Lease and shall supersede any inconsistent provisions of the Lease. All references in the Lease and in this Rider to the "Lease" shall be construed to mean the Lease (and all exhibits and Riders attached thereto), as amended and supplemented by this Rider. All capitalized terms not defined in this Rider shall have the same meaning as set forth in the Lease.

(a) **Definition**. As used in this Rider, the word "**Option**" means:

- the Extension Option pursuant to Rider No. 1 attached hereto.
- the First Right pursuant to Rider No. 4 attached hereto.

(b) **Option Personal**. The Option granted to Tenant is personal to the original Tenant executing this Seventh Amendment to Lease (the "**Original Tenant**") and any Affiliate of Tenant pursuant to Section 14 of the Seventh Amendment, and may be exercised only by the Original Tenant while occupying the entire Premises and without the intent of thereafter assigning the Lease or subletting the Premises and may not be exercised or be assigned, voluntarily or involuntarily, by any person or entity other than the Original Tenant. The Option granted to Tenant under the Lease is not assignable separate and apart from the Lease, nor may the Option be separated from the Lease in any manner, either by reservation or otherwise.

(c) **Effect of Default on Options**. Tenant will have no right to exercise any Option, notwithstanding any provision of the grant of option to the contrary, and Tenant's exercise of any Option may be nullified by Landlord upon written notice to Tenant and deemed of no further force or effect, if (i) Tenant is in default of any monetary obligation or material non-monetary obligation under the terms of the Lease (following the expiration of any applicable notice and cure period) as of Tenant's exercise of the Option in question or at any time after the exercise of any such Option and prior to the commencement of the Option event, or (ii) Landlord has given Tenant two (2) or more notices of default, whether or not such defaults are subsequently cured, during any twelve (12) consecutive month period of the Lease.

(d) **Option as Economic Term**. The Option is hereby deemed an economic term which Landlord, in its sole and absolute discretion, may or may not offer in conjunction with any future extensions of the Term.

RIDER NO. 4 TO SEVENTH AMENDMENT

RIGHT OF FIRST OFFER TO EXPAND

This Rider No. 4 is made and entered into by and between **BIXBYBIT - BIXBY OFFICE PARK, LLC**, a Delaware limited liability company ("**Landlord**") and **CLEAN ENERGY**, a California corporation ("**Tenant**"), as of the day and year of the Seventh Amendment to Lease between Landlord and Tenant to which this Rider is attached. Landlord and Tenant hereby agree that, notwithstanding anything contained in the Lease to the contrary, the provisions set forth below shall be deemed to be part of the Lease and shall supersede any inconsistent provisions of the Lease. All references in the Lease and in this Rider to the "Lease" shall be construed to mean the Lease (and all exhibits and Riders attached thereto), as amended and supplemented by this Rider. All capitalized terms not defined in this Rider shall have the same meaning as set forth in the Lease.

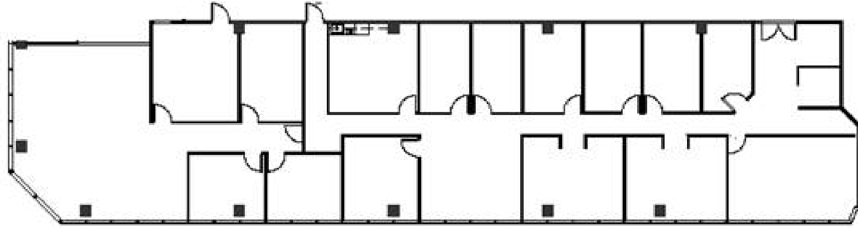
During the period from the Extension Date until the last day of the fiftieth (50th) full month of the Extended Term (subject to extension as set forth in the last paragraph hereof), Landlord hereby grants Tenant the ongoing right ("**First Right**") to lease Suite 250 of the 3020 Building (the "**First Right Space**"), as more particularly shown on Schedule 1 attached hereto, in accordance with and subject to the provisions of this Rider No. 4. At any time after the Extension Date, but prior to leasing the First Right Space, or any portion thereof, to any other party during the period that this First Right is in effect, Landlord shall give Tenant written notice of the basic economic terms including but not limited to the Base Rent, term, security deposit, and tenant improvement allowance (collectively, the "**Economic Terms**"), upon which Landlord is willing to lease such particular First Right Space to Tenant or to a third party in response to a third party proposal or request for proposal; provided that the Economic Terms shall exclude brokerage commissions and other Landlord payments that do not directly inure to the tenant's benefit. It is understood that should Landlord intend to lease other space in addition to the First Right Space as part of a single transaction, then Landlord's notice shall so provide and all such space shall collectively be subject to the following provisions. Within five (5) business days after receipt of Landlord's notice, and provided Tenant is not then in default (beyond any applicable cure period provided for in the Lease), Tenant must give Landlord written notice pursuant to which Tenant shall elect to (i) lease all, or any portion thereof agreeable to Landlord, of the space specified in Landlord's notice (the "**Designated Space**") upon such Economic Terms and the same non-Economic Terms as set forth in the Lease; (ii) refuse to lease the Designated Space, specifying that such refusal is not based upon the Economic Terms, but upon Tenant's lack of need for the Designated Space, in which event Landlord may lease the Designated Space upon any terms it deems appropriate; or (iii) refuse to lease the Designated Space, specifying that such refusal is based upon said Economic Terms (or square footage), in which event Tenant shall also specify revised Economic Terms (or square footage) upon which Tenant shall be willing to lease the Designated Space. In the event that Tenant does not so respond in writing to Landlord's notice within said period, Tenant shall be deemed to have elected clause (ii) above. In the event Tenant gives Landlord notice pursuant to clause (iii) above, Landlord may elect to either (x) lease the Designated Space to Tenant upon such revised Economic Terms (or square footage) and the same other non-Economic Terms as set forth in the Lease, or (y) lease the Designated Space to any third party upon Economic Terms which are not materially more favorable to such party than those Economic Terms proposed by Tenant or re-offer the space to Tenant if Economic Terms are materially more favorable. Should Landlord so elect to lease the Designated Space to Tenant, then Landlord shall promptly prepare and deliver to Tenant an amendment to Lease consistent with the foregoing, and Tenant shall return same to Landlord (executed or with reasonable comments to discuss with Landlord) within ten (10) business days. Tenant's failure to timely return the amendment shall entitle Landlord to specifically enforce Tenant's commitment to lease the Designated Space, to lease such space to a third party, and/or to pursue any other available legal remedy.

Notwithstanding the foregoing, it is understood that Tenant's First Right shall be subject to any extension or expansion rights previously granted by Landlord to any existing third party tenants as of the Lease execution date, and to any extension or expansion rights which may hereafter be granted by Landlord to any third party tenant occupying the First Right Space or any portion thereof who leases the First Right Space prior to Tenant executing this Seventh Amendment. Currently, an existing tenant on the second (2nd) floor of the Building has an ongoing right of first offer with respect to space contiguous to its premises, expiring on or about July 31, 2015.

It is further acknowledged that the reference above to a cutoff date of the last day of the 50th full month of the Extended Term is based on the assumption that Tenant will lease the Designated Space for a Term coterminous with the Extended Term of the Lease. Notwithstanding the foregoing, Landlord hereby agrees to provide to Tenant throughout the Extended Term written notice of the proposed Economic Terms for a lease of any Designated Space, and Tenant shall have the First Right to lease such Designated Space on the Economic Terms proposed by Landlord in such notice, subject to and in accordance with the terms of this Rider No. 4.

SCHEDULE 1 TO RIDER NO. 4

FIRST RIGHT SPACE



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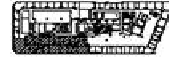
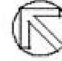
5,974 Rentable S.F.



3020 Old Ranch Pkwy
Floor 2
Seal Beach
California



TENANT'S INITIALS HERE:_______

SCHEDULE 1 TO
RIDER NO. 4

Exhibit 10.67

LIMITED WAIVER AND CONSENT

RECITALS:

Reference is made to that certain Credit Agreement dated as of August 15, 2008 (as heretofore amended or supplemented, the "Agreement"), among Clean Energy Fuels Corp., a Delaware corporation ("CEF"), Clean Energy, a California corporation ("Clean Energy"; CEF and Clean Energy referred to herein collectively as the "Borrowers"), and PlainsCapital Bank, a Texas state chartered bank ("Lender"). Terms used and not defined herein shall have the meanings given them in the Agreement.

The Borrowers have requested that Lender consent to the provisions set forth in this Limited Waiver and Consent (this "Limited Waiver and Consent").

WAIVER AND CONSENT:

1. Section 7.14 of the Agreement provides that as of the end of each Fiscal Quarter, the Borrowers will maintain a Global Debt Service Coverage Ratio of at least 1.50:1. The Borrowers have notified Lender that the Borrowers are not in compliance with such covenant for the Fiscal Quarter ending September 30, 2010. Subject to the conditions and limitations set forth below, Lender hereby waives any violation of Section 7.14 for the Fiscal Quarter ending September 30, 2010 and any Defaults or Events of Default arising from such violation.

2. Pursuant to Section 2.4(e) of the Agreement, the Borrowers are to make a principal payment on the Facility B Loans in the amount of $2,800,000 on November 1, 2010. The Borrowers have requested that the due date for such payment be extended to January 31, 2011. Subject to the conditions and limitations set forth below, Lender hereby agrees the due date for the 2010 annual principal payment in the amount of $2,800,000 is extended to January 31, 2011.

RATIFICATIONS

Each Borrower hereby ratifies and confirms all of their respective covenants and obligations under the Agreement, the Notes and other Loan Documents.

LIMITATIONS AND CONDITIONS:

This Limited Waiver and Consent shall become effective as of the date set forth below when and only when Lender shall have received, at Lender's office:

(i) a counterpart of this Limited Waiver and Consent executed by each Borrower;

(ii) a counterpart of the Consent and Agreement in the form attached hereto executed by each Restricted Person named as a party thereto;

(iii) a waiver fee in the amount of $10,000, paid by the Borrowers in good and immediately available funds for the waiver set forth in item 1 above; and

(iv) an extension fee in the amount of $10,000, paid by the Borrowers in good and immediately available funds for the extension of the principal payment date set forth in item 2 above.

Each Borrower hereby represents and warrants to Lender that immediately after giving effect to this Limited Waiver and Consent there shall exist no Default or Event of Default and all representations and warranties contained herein, in the Agreement or otherwise made in writing by any Restricted Person in connection herewith or therewith shall be true and correct in all material respects with the same force and effect as if those representations and warranties had been made on and as of the date hereof.

Except as expressly waived or agreed herein, all covenants, obligations and agreements of the Restricted Persons contained in the Agreement shall remain in full force and effect in accordance with their terms. Without limitation of the foregoing, the consents, waivers and agreements set forth herein are limited precisely to the extent set forth herein and shall not be deemed to (a) be a consent or agreement to, or waiver or modification of, any other term or condition of the Agreement or any of the documents referred to therein, or (b) except as expressly set forth herein, prejudice any right or rights that Lender may now have or may have in the future under or in connection with the Agreement or any of the documents referred to therein. Except as expressly modified or amended hereby, the terms and provisions of the Agreement and any other documents or instruments executed in connection with any of the foregoing, are and shall remain in full force and effect, and the same are hereby ratified and confirmed by each Loan Party in all respects. Any reference to the Agreement in any Loan Document shall be deemed to be a reference to the Agreement as modified and amended hereby.

The Borrowers agree to reimburse and save Lender harmless from and against liabilities for the payment of all out-of-pocket costs and expenses arising in connection with the preparation, execution, delivery, amendment, modification, waiver and enforcement of, or the preservation of any rights under, this Limited Waiver and Consent, including, without limitation, the reasonable fees and expenses of legal counsel to Lender that may be payable in respect of, or in respect of any modification of, this Limited Waiver and Consent.

This Limited Waiver and Consent and the rights and obligations of the parties hereunder shall be construed in accordance with and be governed by the laws of the State of Texas.

This Limited Waiver and Consent is a "Loan Document" as defined and described in the Agreement and all of the terms and provisions of the Agreement relating to Loan Documents shall apply hereto.

This Limited Waiver and Consent may be separately executed in counterparts and by the different parties hereto in separate counterparts, each of which when so executed shall be deemed to constitute one and the same agreement.

THIS LIMITED WAIVER AND CONSENT AND THE DOCUMENTS REFERRED TO HEREIN REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES.

THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

IN WITNESS WHEREOF, the undersigned parties have executed this Limited Waiver and Consent as of the 29th day of October, 2010.

CLEAN ENERGY FUELS CORP., as a Borrower

By: /s/ Richard R. Wheeler
Name: Richard R. Wheeler
Title: Chief Financial Officer

CLEAN ENERGY, as a Borrower

By: /s/ Richard R. Wheeler
Name: Richard R. Wheeler
Title: Chief Financial Officer

PLAINSCAPITAL BANK, as the Lender

By: /s/ Ronald C. Berg
Name: Ronald C. Berg
Title: President, Turtle Creek

[SIGNATURE PAGE TO LIMITED WAIVER AND CONSENT]

CONSENT AND AGREEMENT

Reference is made to that certain Credit Agreement dated as of August 15, 2008 (as heretofore amended or supplemented, the "Agreement"), by and among CLEAN ENERGY FUELS CORP., a Delaware corporation, CLEAN ENERGY, a California corporation (the "Borrowers"), and PLAINSCAPITAL BANK, a Texas state chartered bank (the "Lender"), which Agreement is in full force and effect on the date hereof. Terms which are defined the Agreement are used herein with the meanings given them in the Agreement.

Each of the undersigned (each a "Grantor") hereby consents to the Limited Waiver and Consent dated as of October 29, 2010, and agrees and acknowledges, with respect to each Security Document executed by it that (i) such Security Document is and shall continue in full force and effect for the benefit of the Lender with respect to the Obligations secured thereby; (ii) there are no offsets, claims or defenses of the undersigned with respect to such Security Document, nor, to the knowledge of the undersigned, with respect to the Loans; (iii) such Security Document is not released, diminished or impaired in any way by the transaction contemplated in connection with such Limited Waiver and Consent; and (iv) such Security Document is hereby ratified and confirmed in all respects.

Dated: October 29, 2010

BLUE FUELS GROUP L.P.

By: Blue Energy General LLC, its general partner

By: Clean Energy & Technologies LLC, its sole member

By: Clean Energy Fuels Corp., its sole member

By /s/ Richard R. Wheeler
Richard R. Wheeler
Chief Financial Officer

NATURAL FUELS COMPANY, LLC

By: Clean Energy & Technologies LLC, its sole member

By: Clean Energy Fuels Corp., its sole member

By /s/ Richard R. Wheeler
Richard R. Wheeler
Chief Financial Officer

TRANSTAR ENERGY COMPANY L.P.

By: Blue Energy General LLC, its general partner

By: Clean Energy & Technologies LLC, its sole member

By: Clean Energy Fuels Corp., its sole member

By /s/ Richard R. Wheeler
Richard R. Wheeler
Chief Financial Officer

Exhibit 31.1

Certifications

I, Andrew J. Littlefair, certify that:

1. I have reviewed this Form 10-Q of Clean Energy Fuels Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 8, 2010

/s/ ANDREW J. LITTLEFAIR
Andrew J. Littlefair,
President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

Certifications

I, Richard R. Wheeler, certify that:

1. I have reviewed this Form 10-Q of Clean Energy Fuels Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 8, 2010

/s/ RICHARD R. WHEELER

Richard R. Wheeler,
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION REQUIRED BY
SECTION 1350 OF TITLE 18 OF THE UNITED STATES CODE

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, each of the undersigned hereby certifies in his capacity as the specified officer of Clean Energy Fuels Corp. (the "Company") that, to the best of his knowledge, the quarterly report of the Company on Form 10-Q for the fiscal quarter ended September 30, 2010 fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, and that the information contained in such report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods presented in the financial statements included in such report.

Dated: November 8, 2010

/s/ ANDREW J. LITTLEFAIR
Name: Andrew J. Littlefair
Title: *President and Chief Executive Officer*
(Principal Executive Officer)

Dated: November 8, 2010

/s/ RICHARD R. WHEELER
Name: Richard R. Wheeler
Title: *Chief Financial Officer*
(Principal Financial Officer)

This certification accompanies this Report on Form 10-Q pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that the Company specifically incorporates it by reference.