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DELAWARE COUNTY IOWA
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BOOK 8 PAGE 115
DEBORAH L. PEYTON
DELAWARE COUNTY RECORDER
21.00

Prepared by: LOL Finance Co., P.O. Box 64101, St. Paul, MN 55164-9620 612-481-2164

EASEMENT AGREEMENT

THIS AGREEMENT is made effective this 17th day of August, 1998, by and between Donald J. Pottebaum and Jean K. Pottebaum, husband and wife (hereinafter "Grantors") and Land O'Lakes, Inc., a Minnesota Corporation (hereinafter "Grantee") and Metropolitan Life Insurance Company (hereinafter "Lender").

RECITALS

Grantors are the owners of land in the County of Delaware, State of Iowa, described as follows:

> The Northwest Quarter of Section Twelve, Township Eighty Nine North, Range Four, West of the 5th P.M.,

hereinafter referred to as Parcel A.

Grantee has an interest as mortgagee in land in the County of Delaware, State of Iowa, described as follows:

> Parcel A in the Southwest Quarter of the Northwest Quarter of Section Twelve, Township Eighty Nine North, Range Four, West of the 5th P.M., according to plat recorded in Book 8 Plats, Page 138 of the records of the Delaware County Recorder,

hereinafter referred to as Parcel B, pursuant to a Mortgage dated of even date herewith (hereinafter the "Mortgage") by and between Donald J. Pottebaum and Jean K. Pottebaum, as Mortgagors and Land O'Lakes, Inc. as Mortgagee.

Lender has an interest as Mortgagee in the real estate described above as Parcel A.

NOW THEREFORE, in consideration of the above, the monies loaned by Grantee to Grantors, secured by the Mortgage above described, and the covenants and promises hereinafter set forth, the parties agree as follows:

Manure Easement

1. Grantors hereby grant a non-exclusive easement over all of Parcel A to Grantee for the purpose of the application on Parcel A by Grantee of manure and other animal waste generated by the livestock facilities located on Parcel B.

2. Grantee covenants that all applications of manure or other animal waste shall be done in a good and husbandlike manner, and in conformance with all applicable statutes, rules and regulations relating to such practices.

3. Grantee agrees to comply with all reasonable requests of Grantors with respect to timing, location and manner of manure applications over Parcel A so as not to interfere with Grantors' right to use, possession and enjoyment thereof, provided such requests shall not be in conflict with the requirements of Paragraph 2 nor cause Grantee unreasonable and unnecessary hardship.

Water Easement

4. Grantors hereby grant to Grantee a non-exclusive easement for access to Grantor's water supply, whether it be a well or public water source, through piping and pumping mechanisms currently installed and running from Parcel A to Parcel B. Grantor also grants to Grantee the right of ingress and egress over Parcel A for the purpose of maintaining or replacing all such piping and pumps currently serving Grantee. The part of Parcel A subject to this water easement is described as follows:

> A water line running from the well located in the house East of the building to be constructed on Parcel B and water lines running between the house and the building.

5. If the water supply is a private well, each party shall share equally in the cost of maintaining same during the Effective Term (hereinafter defined) of this easement, including the cost of any replacement parts and labor therefor, provided, however, the cost of maintenance shared by Grantee shall not include the cost of drilling a new well. Each party shall be solely responsible for all costs for maintaining the water pipes running from the well to and for the benefit of said party's property.

6. If the water supply is a private well, neither party shall substantially increase the volume of water withdrawn from the well during the Effective Term hereof without the written consent of the other party.

7. If Grantors fail to perform their obligations hereunder, Grantee shall have the right to enter upon the property

of Grantors pursuant to this Easement Agreement and do whatever acts reasonably necessary with respect to the well or other water source to assure Grantee of a continuing source of water for the Effective Term hereof.

Miscellaneous

8. The Effective Term of this Easement Agreement shall commence on the date Grantee becomes the owner in fee simple of Parcel B or assumes responsibility for the operation of the livestock facility on Parcel B, and shall terminate on March 1, 2009, or on such earlier date agreed to in writing between the parties hereto.

9. Lender joins in this Agreement solely for the purpose of consenting to the grant of the Manure Easement and Water Easement as provided for in this Easement Agreement and hereby makes the Mortgage of Lender subject to the provisions of this Easement Agreement.

10. This Easement Agreement shall inure to the benefit of and be binding upon the heirs, successors and assigns of the parties hereto. It is understood by the parties that rights of the Grantee under the terms of this Agreement are fully assignable without the consent of Grantors.

IN WITNESS WHEREOF, the parties hereto have executed this Easement Agreement the year and date first above written.

Grantors:

Donald J. Pottebaum
Donald J. Pottebaum

Jean K. Pottebaum
Jean K. Pottebaum

Grantee:
LAND O'LAKES, INC.

BY [illegible]

~~BY~~: Vice-President

Lender:
METROPOLITAN LIFE
INSURANCE COMPANY

By _____
KENNETH L. KOLLAR
By _____ VICE-PRESIDENT

STATE OF IOWA, COUNTY OF DELAWARE, ss:

The foregoing was acknowledged before me this 17th day of August, 1998, by Donald J. Pottebaum and Jean K. Pottebaum, husband and wife, to me known to be the identical persons described in and who executed the foregoing instrument, and acknowledged that they executed the same as their free act and deed.

Vonda Billhorn
Notary Public In & For the State
Of Iowa
Vonda Billhorn
My Commission Expires 9/22/2001

STATE OF MINNESOTA, COUNTY OF RAMSEY, ss:

The foregoing was acknowledged before me this 2nd day of September, 1998, by Daniel Knutson the Vice-President, of Land O'Lakes, Inc. a Corporation under the laws of the State of Minnesota, on behalf of the Corporation and said Daniel Knutson stated that the seal affixed hereto is the seal of the Corporation.

Karen Marie Piepho
Notary Public In & For the State
Of Minnesota

Karen Marie Piepho
NOTARY PUBLIC - MINNESOTA
MY COMMISSION EXPIRES
JANUARY 31, 2000