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BRENDA L. PETSCH
DELAWARE CO RECORDER
$8.00

Prepared by Margaret Perrinjaquet, P.O. Box 400, Edgewood, IA 52042

WASTE DISPOSAL LEASE AGREEMENT

THIS IS AN AGREEMENT entered into this 25th day of April, 2002, by and between Kevin and Margaret Perrinjaquet (hereinafter "Operator"), which operates or will operate a swine facility located at the NW ¼ of Section 10, Coffins Grove Township, Delaware County and John Preussner and Don Preussner (hereinafter "Owner") with an address of 1276 160th Street, Dundee, Iowa.

In consideration of the mutual covenants and promises herein contained, the parties agree as follows:

1) Grant of Lease. Owner does hereby grant unto Operator, it's successors and assigns, a lease for a period of twenty (20) years from and after the date here for the purpose of depositing all animal waste products excluding animals and animal parts from livestock operations conducted on the above described premises owned or operated by Operator, together with the right of entrance and exits at convenient points for the period necessary to deposit and disseminate said animal waste products on, over, across, an through the premises now owned by Owner, which are described as follows:

The SE ¼ of SW ¼ of Section 2 and the SW ½ of SE ¼ of Section 2, Coffins Grove Township, T-89-N and R-6-W, Delaware County, State of Iowa.

The legal description of Operator's facility is as follows:

4000 Head Finisher Site at NW ¼ of Section 10, Coffins Grove Township, Delaware County, State of Iowa.

2) Time of Disposal. Unless otherwise consented to by Owner, said right to enter the above described real estate of Owner and to deposit said waste products is limited in time to the time following harvesting of the crop grown thereon by Owner, it's successors and assigns, up to and not later than June 1, of the next crop year, or other days as agreed upon by Owner and Operator.

Said Lease shall further be limited by a maximum amount of waste products to be deposited upon said real estate. The maximum amount shall be mutually agreed upon by the parties here to be based upon the analysis of the soil and an analysis of the waste products, taking into account the intended farming use of the real estate by Owner, it's successors and assigns. Operator shall have the right, but not the obligation, to apply

animal waste products to Owner's property above described at a rate not to exceed the nutrient uptake requirement of the crop. Owner guarantees Operator the right to apply a minimum of 125 pounds of nitrogen per acre along with phosphorous and potash each year to the property described in Section 1 of this Agreement.

If the parties are unable to mutually agree to submit samples of soil and waste to Iowa State University, Ames, Iowa and to abide by their recommendations as to the maximum amount of waste that can be deposited upon said real estate taking into account Owner's intended farming use of said real estate. Should Iowa State University not be able to render said advice, then the samples shall be submitted to another credible laboratory of the parties choice. The cost of said analysis shall be borne equally by the parties hereto.

3) Benefit. It is agreed that the Lease herein conveyed and granted shall insure to the benefit of Operator, it's successors and assigns and shall pass automatically with a conveyance or transfer of possession of Operator. Owner represents that it has the full right and power to enter into the Lease granted herein.

4) No Minimum. The fact that this agreement has been granted to Operator in no way obligates Operator or commits Operator to deposit any waste what so ever upon the described land. Subject to the limitations on the maximum amount of waste, Operator, it's successors and assigns shall have full right to determine the amounts of waste to be deposited on said property.

5) Operator's Discontinuance of Business. In the event the Operator or it's successors and assigns ceases to raise livestock on it's premises for a continuous period of five (5) years, this Lease shall terminate.

6) Covenant Running with the Land. This agreement shall be binding upon and shall inure to the benefit of the parties here to and their respective successors, assigns and legal representatives and shall be deemed as a covenant running with the land.

7) Compensation. Owner, it's successors and assigns, agree to pay Operator, it's successors and assigns, reasonable compensation for the cost for the spreading and applying the animal waste products herein before described.

Future reasonable compensation will be determined by the parties each year depending on the circumstances in the local agricultural economy at the time and if the parties are unable to mutually agree upon the reasonable compensation for any certain year, then the parties agree to submit the question to Iowa State University, Ames, Iowa and to abide by it's recommendation of the fair compensation. Further in the event Iowa State University is not able to render said advice, then each party selects and expert and the two (2) experts shall select a third expert. Then the three (3) experts shall make a recommendation concerning the reasonable compensation for the year and the parties agree to abide by said recommendation. Finally, if the three (3) experts cannot agree, then the reasonable compensation for the year shall be the average of the three (3) experts

opinions.

IN WITNESS WHEREOF, the parties hereto have executed this Waste Disposal Lease Agreement the year and date above written.

OPERATOR Margaret Pennyquet

OWNER John H. Preussner
Don A. Preussner

STATE OF Iowa

COUNTY OF Delaware

The foregoing was acknowledged before me this 25 day of April 2002, by John + Don Preussner, to me known to be the person described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

Richard H. Hood
COMMISSION NUMBER 186987
MY COMMISSION EXPIRES
October 10, 2002

Richard H. Hood
NOTARY PUBLIC

STATE OF Iowa

COUNTY OF Delaware

The foregoing was acknowledged before me this 25 day of April 2002, by Kevin + Margaret Pennyquet, to me known to be the person described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

Richard H. Hood
COMMISSION NUMBER 186987
MY COMMISSION EXPIRES
October 10, 2002

Richard H Hood
NOTARY PUBLIC