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DEBORAH L. PEYTON, RECORDER/REGISTRAR
DELAWARE COUNTY IOWA

MANURE APPLICATION AGREEMENT

Recorder's Cover Sheet

Preparer Information:
Thomas J. Hanson, 401 East Main Street, Manchester, (563) 927-5920

Taxpayer Information:
Pork Chop Ranch LLC
1222 West Marion Street
Manchester, Iowa 52057

Return Address
William D. Werger
Attorney at Law
401 East Main Street
Manchester, Iowa 52057

Grantors:
Swanson Family Farms Corp.

Grantees:
Pork Chop Ranch Llc

Legal Description: Parcel D, Part of the SW ¼ - NE ¼, Sec. 32, T90N, R5W of the Fifth P.M., Delaware County, Iowa, according to Amended Plat recorded in Book 2005, Page 2179

Document or instrument number if applicable:

Thomas J. Hanson 401 East Main Manchester (563) 927-5920
Preparer Information

MANURE APPLICATION AGREEMENT

This Manure Application Agreement (Agreement) is entered into this 22nd day of July, 2005, by and between Swanson Family Farms Corp. (Grantor) and Pork Chop Ranch LLC (Grantee).

WHEREAS, Grantee owns and operates a swine facility located on the following described real estate:

> Parcel D, Part of the SW ¼ - NE ¼, Sec. 32, T90N, R5W of the Fifth P.M., Delaware County, Iowa, according to Amended Plat recorded in Book 2005, Page 2179.

WHEREAS, Grantor owns certain real property through ownership, the legal description of which has been attached below hereto as "Exhibit A" (Grantor's land), and Grantor desires to allow application of manure to the land pursuant to the terms and conditions herein contained;

THEREFORE, the parties agree to the following:

1. Easement. Grantor hereby grants to Grantee an easement to apply manure to land listed in Exhibit A in such amounts and times as provided in this Agreement.

2. Timing of Manure Application. Grantor agrees that Grantee may apply manure on Grantor's land at such time and frequency as is reasonably necessary to assure that the manure holding facility will never rise above level prescribed by the Iowa Department of Natural Resources (IDNR). Grantee warrants that, in the event that Grantor raises row crops on Grantor's land, Grantee will never apply manure on Grantor's land during the period commencing with planting and ending at harvest, unless proper equipment is available to apply manure in growing crops and both Grantor and Grantee agree upon such application. In the event Grantor raises crops other than row crops on Grantor's land, Grantee warrants that Grantee shall not apply manure to Grantor's land during major growing season for such crop. Grantee shall notify Grantor not less than seven (7) days prior to the date on which Grantee intend to apply manure. The parties further agree that in the event that the Grantor determines that a build up of nutrients or trace minerals has occurred which has become significantly detrimental to crop production, Grantee, upon receipt of notice from the Grantor, will discontinue the spreading of manure until these levels have been reduced to a level acceptable to the Grantor. However, such determination will not result in a termination of this agreement.

3. Quality of Manure. All application of manure from Grantee's facility shall be in accordance with the IDNR's regulation regarding application of animal waste and will not exceed amounts outlined in the manure management plan submitted to IDNR for Grantee's swine operation. Grantee shall be prohibited from depositing dead animals or animal parts on the Grantor's premises.

4. Binding Effect. This Agreement shall be binding upon all parties and their successors and assigns.

5. Term and Termination. This Agreement shall commence on the date that it is signed by both parties and shall continue in full force and effect for a period of 15 years provided however, that the Agreement shall terminate in the event that the swine facilities located on Grantee's land, including any additions or modifications thereto, are no longer used for swine production. This Agreement may also be terminated upon written agreement by the parties.

6. Limitation of Liability. The parties hereto agree that no agent or employee of one party is an agent or employee of the other, and that any liability arising from the actions or negligence of an agent or employee of a party hereto shall be such party's sole responsibility.

7. Waiver. The failure of any party hereto to insist in any one or more instances upon performance of any term or condition of the Agreement shall not be construed as a waiver of future performance of any such term, covenant or condition, but the obligation of such party with respect hereto shall continue in full force and effect.

This Agreement has been executed as of the date written above.

Grantor: Swanson Family Farms Corp.

Larry A. Swanson

Larry A. Swanson, President

Grantee: Pork Chop Ranch LLC

By: Michael F. Loecke, Manager

State of Iowa)
) ss:
County of Delaware)

This instrument was acknowledged before me on July 22, 2005, by Larry A. Swanson as President of Swanson Family Farms, Corp., an Iowa Corporation.

THOMAS J. HANSON
Commission Number 115040
My Commission Expires
September 22, 2007

Notary Public in and for the State of Iowa

State of Iowa)
) ss:
County of Delaware)

On this 27th day of July, 2005, before me, the undersigned, a Notary Public in and for the said State, personally appeared Michael F. Loecke, to me personally known, who, being by me duly sworn, did say that he is a manager of Pork Chop Ranch LLC, an Iowa Limited Liability Company, executing the foregoing instrument, that the instrument was signed on behalf of the limited liability company by authority of the limited liability company; and the manager acknowledged the execution of the instrument to be the voluntary act and deed of the limited liability company, by it and by the manager voluntarily executed.

Notary Public in and for the State of Iowa

WILLIAM D. WERGER
Commission Number 129612
My Commission Expires
October 6, 2007

EXHIBIT A
LEGAL DESCRIPTION

The Southeast Quarter of Section five (5) West of the Road and the Northeast Quarter of the Northwest Quarter of Section Six (6), all in Township 89 North, Range 5, West of 5th P.M. in Delaware County, Iowa.

The Southeast Quarter of the Southwest Quarter and the Southwest Quarter of the Southeast Quarter of Section 31; the West ½ of the Southwest Quarter of Section 29; and that part of the Southeast Quarter of the Northwest Quarter and of the South ½ of the Northeast Quarter and of the Northeast Quarter of the Southeast Quarter of Section 32 lying South of the railroad right-of-way except the South ½ of the South ½ of said Southeast Quarter, all the above being in Township 90 North Range 5, West of the 5th P.M. in Delaware County, Iowa.