# WASTE DISPOSAL LEASE AGREEMENT

Jeremy Reiling
2889 170th St
Winthrop IA
50682

THIS IS AN AGREEMENT entered into this 23 day of May, 2008, by and between Jordan Perring Farms (hereinafter "Operator"), which operates or will be operate a swine facility located at

and Jeremy Reiling (hereinafter "Owner") with an address of 2889, 170th St, Winthrop. IA 50682.

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, its successors and assigns, a lease for a period of twenty (20) years from and after the date here of 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 such purposes and including the right to bring and maintain all equipment for the period necessary to deposit and disseminate said animal waste products on, over, across, and through the premises a now owned by Owner, which are described as follows:

The South west Quarter of Section 3, Township 89 Range 6 of the fifth P.M., Delaware County, Iowa (state).

The legal description of Operator's facility is as follows:
Parcel C part of the South west Quarter of the South west Quarter of section 3. Township 89 North, Range 6 of the 5th P.M Delaware County, 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 dates 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 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, its 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 potassium 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 recommendation 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, 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 inure to the benefit of Operator, its 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) Operator's Discontinuance of Business In the event the Operator or its successors and assigns ceases to raise livestock on its premises for a continuous period of five (5) years, this Lease shall terminate.

5) Alternative Site In the event Owner desires that Operator not apply animal waste to the property described in Section 1, Owner may obtain at its sole expense and alternative site within ~~one (1) mile by established road~~ from the closest boundary of Operator for application of the animal waste products in accordance with this agreement. In the event such site is more than one (1) mile by established road from the closest boundary of the Operator premises, then Owner agrees to pay all transportation costs to get the animal waste products and effluent from the Operator's premises to the site for application.

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, its successors and assigns, agree to pay Operator, its successors and assigns, reasonable compensation for the cost of 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 its recommendation of the fair compensation. Further in the event Iowa State University is not able to render said

advice, then each party select an 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

OWNER Jeremy Reiling

STATE OF Iowa

COUNTY OF Clayton

The foregoing was acknowledged before me this 23 day of May 2008, by Jordan Perringer 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.

Elise Bergan
COMMISSION NUMBER 711108
My Commission Expires
7-2-2010

NOTARY PUBLIC

STATE OF Iowa

COUNTY OF Clayton

The foregoing was acknowledge before me this 23 day of May 2008, by Jeremy Reiling, 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.

NOTARY PUBLIC

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DEBORAH L PEYTON, RECORDER/REGISTRAR
DELAWARE COUNTY IOWA