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Document 2011 659 Type 06 006 Pages 7
Date 2/17/2011 Time 3:50:51PM
Rec Amt $39.00

DEBORAH L PEYTON, RECORDER/REGISTRAR
DELAWARE COUNTY IOWA

MEMORANDUM OF LEASE OPTION AGREEMENT

THE IOWA STATE BAR ASSOCIATION
Official Form No. 101
Recorder's Cover Sheet

Preparer Information:	LeAnn Vaughn, Esq. 808 Travis, Suite 700, Houston, Texas 77002 713/265-0350
Taxpayer Information:	Horizon Wind Energy LLC 808 Travis, Suite 700 Houston, Texas 77002 713/265-0350
Return Document To:	Angie Vallier Stewart Title – NTS 1980 Post Oak Blvd., Suite 610 Houston, Texas 77056
Optionors:	LeRoy John Schnieders Revocable Inter Vivos Trust Mary Valene Schnieders Revocable Inter Vivos Trust
Optionee:	Horizon Wind Energy LLC, a Delaware limited liability company
Legal Description:	See Page 7
Document or instrument number of previously recorded documents:	None

MEMORANDUM OF LEASE OPTION AGREEMENT

THIS MEMORANDUM OF LEASE OPTION AGREEMENT (this "Memorandum") is made and entered into as of January 12, 2011 (the "Effective Date") by and between LeRoy John Schnieders Revocable Inter Vivos Trust dated November 18, 1991, as Amended and Restated on May 13, 2010 and Mary Valene Schnieders, Trustee of the Mary Valene Schnieders Revocable Inter Vivos Trust dated November 18, 1991, as Amended and Restated on May 13, 2010, as tenants in common (together with their heirs, successors and assigns, "Optionor") and Horizon Wind Energy LLC, a Delaware limited liability company, having an office at 808 Travis, Suite 700, Houston, Texas 77002 ("Optionee").

RECITALS

A. Optionor is the owner of certain real property in Delaware County, Iowa, more particularly described on Exhibit A attached hereto and made a part hereof (the "Property").

B. Optionee desires to acquire the right (but not the obligation) to lease the Property, and Optionor desires to grant such option to Optionee. To that end, Optionee and Optionor have entered in an unrecorded Lease Option Agreement contemporaneously herewith (the "Option Agreement") effective as of the Effective Date.

C. Optionee and Optionor desire to execute this Memorandum to provide constructive notice of Optionee's rights under the Option Agreement to all third parties.

NOW, THEREFORE, for good and valuable consideration paid to Optionor, the receipt and sufficiency of which are hereby acknowledged, Optionor and Optionee hereby agree as follows:

1. Grant. Optionor hereby irrevocably and unconditionally grants, bargains, sells and conveys to Optionee the exclusive right and option (the "Option") to lease all or a portion of the Property in accordance with the terms and conditions of the Option Agreement.

2. Option Term. The term of the Option and the Option Agreement shall commence on the Effective Date and shall continue for three years expiring on the third anniversary of the Effective Date, unless extended for three additional years or earlier terminated in accordance with the terms of the Option Agreement.

3. Other Provisions. The Option Agreement also contains various other covenants, obligations and rights of Optionee and Optionor, including, without limitation (i) the terms and conditions of the Lease, (ii) the encumbrance, assignment or subletting of

the rights of Optionee under the Option Agreement and the Property and (iii) provisions relating to consideration for the Option.

4. Purpose of this Memorandum. The conditions, terms and covenants of the Option Agreement are incorporated herein by reference as though fully set forth herein. This Memorandum does not supersede, modify, amend or otherwise change, and shall not be used in interpreting, the terms, conditions or covenants of the Option Agreement. In the event of any conflict between this Memorandum and the Option Agreement, the Option Agreement shall control.

5. Counterparts. This Memorandum may be executed with counterpart signature pages and in duplicate originals, each of which shall be deemed an original, and all of which together shall constitute a single instrument.

6. Successors and Assigns. The Property shall be held, conveyed, assigned, hypothecated, encumbered, leased, used and occupied subject to this Memorandum and the Option Agreement and the covenants, terms and provisions set forth herein and therein, which covenants, terms and provisions shall run with the Property and each portion thereof and interest therein, and shall be binding upon and inure to the benefit of Optionor and Optionee and any other person and entity having any interest therein during their ownership thereof, and their respective grantees, heirs, executors, administrators, successors and assigns, and all persons claiming under them.

SIGNATURES TO FOLLOW ON NEXT PAGE

IN WITNESS WHEREOF, the Parties have executed this Memorandum as of the Effective Date.

OPTIONOR:

LeRoy John Schnieders, Trustee of the
LeRoy John Schnieders Revocable Inter
Vivos Trust dated November 18, 1991, as
Amended and Restated on May 13, 2010

OPTIONOR:

Mary Valene Schnieders, Trustee of the
Mary Valene Schnieders Revocable Inter
Vivos Trust dated November 18, 1991, as
Amended and Restated on May 13, 2010

OPTIONEE:

Horizon Wind Energy LLC,
a Delaware limited liability company

By _____
Name: Anthony M. Yannone
Title: Project Manager

ACKNOWLEDGMENTS

STATE OF Iowa §
§
COUNTY OF Delaware §

The foregoing instrument was acknowledged before me this 29th day of December, 2010 by **LeRoy John Schnieders**, Trustee of the LeRoy John Schnieders Revocable Inter Vivos Trust dated November 18, 1991, as Amended and Restated on May 13, 2010.

My Commission Expires: 11/4/2013

Notary Public

NOTARIAL SEAL IOWA
HOLLY L MCCOY
Commission Number 765420
MY COMMISSION EXPIRES
NOVEMBER 04, 2013

STATE OF Iowa §
§
COUNTY OF Delaware §

The foregoing instrument was acknowledged before me this 29th day of December, 2010 by **Mary Valene Schnieders**, Trustee of the Mary Valene Schnieders Revocable Inter Vivos Trust dated November 18, 1991, as Amended and Restated on May 13, 2010.

My Commission Expires: 11/4/2013

Notary Public

NOTARIAL SEAL IOWA
HOLLY L MCCOY
Commission Number 765420
MY COMMISSION EXPIRES
NOVEMBER 04, 2013

STATE OF Minnesota §
§
COUNTY OF Hennepin §

The foregoing instrument was acknowledged before me this 12th day of January 2011 by Anthony Yonnone as project manager of Horizon Wind Energy LLC, a Delaware limited liability company, on behalf of the limited liability company.

My Commission Expires: 1-31-16

Mary A. Ovick
Notary Public



Exhibit A

Real Property Description

The Property consists of approximately 98.77 acres of land in Delaware County, Iowa as more specifically described below:

Parcel 1:
The Northeast Fractional Quarter (NE frl 1/4) of the Northwest Quarter (NW 1/4) of Section Three (3), Township Eighty Nine (89) North, Range Six (6), West of the Fifth P.M., and the Northwest Quarter (NW 1/4) of the Northwest Quarter (NW 1/4) of Section Three (3), Township Eighty Nine (89) North, Range Six (6), West of the Fifth P.M., Delaware County, Iowa.

PIN: portion of 110-03-00-015-00

Parcel 2:
The South One-Half (S 1/2) of the Southwest Quarter (SW 1/4) of the Southwest Quarter (SW 1/4) of Section Thirty Four (34), Township Ninety (90) North, Range Six (6), West of the Fifth P.M., Delaware County, Iowa.

PIN: 100-34-00-011-00

Wind Company reserves the right to substitute a full and complete legal description when received and Landowner consents to such substitution.

LES MDL (initialed by Landowner)