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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:** | Robert D. Magnussen, Esq.<br>808 Travis, Suite 700<br>Houston, Texas 77002<br>713/265-0350 |
| **Taxpayer Information:** | Horizon Wind Energy LLC<br>808 Travis, Suite 700<br>Houston, Texas 77002<br>713/265-0350 |
| **Return Document To:** | (X) EW<br>Jennifer Plessner<br>Stewart Title – NTS<br>1980 Post Oak Blvd., Suite 610<br>Houston, Texas 77056 |
| **Grantors:** | Don A. Preussner |
| **Grantees:** | Horizon Wind Energy LLC |
| **Legal Description:** | See Page 7 |
| **Document or instrument number of previously recorded documents:** | |



RDM

**MEMORANDUM OF LEASE OPTION AGREEMENT**

THIS MEMORANDUM OF LEASE OPTION AGREEMENT (this "Memorandum") is made and entered into as of June 28, 2011 (the "Effective Date") by and between Don A. Preussner, *an individual* (together with *his heirs,* successor and assigns, "Optionor"), *Beverly J. Preussner,* 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.

D. *Beverly J. Preussner,* the spouse of Don A. Preussner, joins in the execution of this Memorandum for the sole purposes of (i) evidencing *her]* consent to the Option Agreement and this Memorandum, and (ii) waiving and relinquishing any and all rights of dower, homestead and distributive share in compliance with Section 561.13 of the Iowa Code, and other spousal rights if any, *she* may have in the Property, and *her* joinder in the execution hereof does not and shall not constitute the assertion of any ownership or other rights in the Property.

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:

Don A. Preussner

Don A. Preussner

*Joinder of spouse pursuant to Recital D above:*

Beverly J. Preussner

Beverly J. Preussner, *spouse of* Don A. Preussner

OPTIONEE:

Horizon Wind Energy LLC, a Delaware limited liability company

By:

Name: Brian Jammes

Title: authorized representative



pbm

## ACKNOWLEDGMENTS

STATE OF IOWA §
§
COUNTY OF DELAWARE §

The foregoing instrument was acknowledged before me this 24th day of June, 2011, by **Don A. Preussner**.

My Commission Expires: 9/29/12

Janice Russ
Notary Public

JANICE RUSS
COMMISSION # 176244
MY COMMISSION EXPIRES
9-29-12

STATE OF IOWA §
§
COUNTY OF DELAWARE §

The foregoing instrument was acknowledged before me this 24th day of June, 2011 by **Beverly J. Preussner,** spouse of Don A. Preussner.

My Commission Expires: 9/29/12

Janice Russ
Notary Public

JANICE RUSS
COMMISSION # 176244
MY COMMISSION EXPIRES
9-29-12

STATE OF Minnesota §
§
COUNTY OF Hennepin §

The foregoing instrument was acknowledged before me this 28th day of June, 2011 by Brian Lammers as authorized representative 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

MARY ANN OVICK
NOTARY PUBLIC MINNESOTA
MY COMMISSION
EXPIRES JAN. 31 2016

Exhibit A
**Real Property Description**

The Properties consist of approximately 230.75 acres of land in Delaware County, Iowa as more specifically described below:

**Parcel 1:**

The North Half (N 1/2) of the Northwest Quarter (NW 1/4) of Section Four (4), Township Eighty Nine (89) North, Range Six (6), West of the Fifth P.M., Delaware County, Iowa.

**PIN: 110040000200**

**Parcel 2:**

The Northeast Quarter (NE 1/4) of Section Four (4), Township Eighty Nine (89) North, Range Six (6), West of the Fifth P.M., Delaware County, Iowa.

**PIN: 110040001600**

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

D.A.P. (initialed by Landowner)