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DEBORAH L PEYTON, RECORDER/REGISTRAR
DELAWARE COUNTY IOWA

Sw Pork Chop Hill Farms II Inc.
14105 Sherrill Road
Sherrill, IA 52073

Preparer Information Thomas J. Hanson, 401 East Main Street, Manchester, (563) 927-5920
Individual's Name | Street Address | City | Phone

Thomas J. Hanson, ISBA # 02110

SPACE ABOVE THIS LINE FOR RECORDER

MANURE APPLICATION AGREEMENT

Brad D. Kimmerle and Darla S. Kimmerle, husband and wife ("Landowner") and Pork Chop Hill Farms II, Inc. ("Producer") agree as follows:

Producer shall supply to Landowner for application on Landowner's farmland manure produced from the swine confinement feeding operation located on land described as follows:

Parcel 2015-15 part of SE ¼ SW ¼ 4-89-6W 5th P.M. Delaware County, Iowa, according to plat recorded in Book 2015, Page 637.

Which said manure shall be applied to land owned by Landowner described as follows:

The SW ¼ of Section 4, Township 89 North, Range 6, West of the 5th P.M., except Parcel 2015-15 according to plat recorded in Book 2015, Page 637.

Or such other land owned or farmed by Landowner as Landowner deems appropriate.

1. Term and Termination. This Agreement shall commence on April 24, 2015 and shall be effective as long the Swine Operation is located on the land described above as Parcel 2015-15.

The Agreement shall terminated prior to the scheduled termination date only if (1) the Producer breaches the terms of the Agreement by ceasing to produce livestock at the location specified for a period of six months or more; or (2) upon any other breach or violation of the terms of the Agreement by any party. Termination under either (1) or (2) of this paragraph shall occur only if the non-breaching party desiring to terminate the lease provides written notice of the breach to the breaching party. The breaching party shall have 30 days from the date of notice to correct the breach or violation. If the breach or violation is corrected within this period of time, or if the non-breaching party does not provide written notice of the breach or violation to the breaching party, the Agreement shall not terminate.

2. Rights To Manure. Landowner shall have the right to all of the actual manure output of the Swine Operation each year. Producer may apply the manure to land other than Landowner's land only upon Landowner's advance written consent.

3. Time of Application. Manure shall not be applied between the time crops are planted and harvested or when the Landowner determines that soil conditions exist which would result in manure application being detrimental to crop production.

4. Application. Landowner shall be responsible for the application of manure from the Swine Operation to Landowner's land and Landowner shall pay for all costs of application of said manure, provided however, that any application of manure from the swine operation applied by the Producer to land other than Landowner's land shall be at the cost of Producer. The parties agree that the manure from the swine operation must be removed twice a year.

5. Regulations, permits and manure management plan. Producer shall be responsible for obtaining and complying with the government permits required for the confinement feeding operation and application of manure from the operation. Producer shall be responsible for application of manure in compliance with applicable law or regulations, including Producer's manure management plan. Landowner shall cooperate with Producer as necessary to obtain required permits.

   If requested by Producer, Landowner shall keep and provide Producer with annual crop yield records, beginning three crop years before the date of this Agreement if such records are available. Landowner shall keep and provide Producer with records of nutrient applications other than Producer's manure, including commercial fertilizer and manure.

   Pursuant to Iowa law, manure cannot be applied on cropland within 200 feet of a known sinkhole, cistern, abandoned well, unplugged agricultural drainage well, agricultural drainage well surface inlet, drinking water well, lake, farm pond, privately owned lake, watersource (creeks and other such water bodies as defined by Iowa Law), major watersource (rivers and other navigable waters as defined by Iowa law, or designated wetland (as defined by Iowa law) (these areas are collectively referred to as "designated areas") or within 800 feet of "high quality water resource" as designated by Iowa law, unless the manure is injected or incorporated on the same date of application or the land has permanent vegetation within 50 feet of the water source (manure cannot be applied within the 50 feet). Landowner shall also advise Producer in writing of any known dangers existing on the land. Such list shall be attached to and made part of this Agreement.

   Pursuant to Iowa law, manure shall not be land surface applied without incorporation within 24 hours within 750 feet of a residence, business, church, school or public use area (including a cemetery).

6. Level of soil nutrients Manure shall be applied in compliance with the manure management plan. In addition, manure shall be applied to maximize soil fertility or other soil nutrients and prevent buildup of those nutrients or trace elements, based on soil tests conducted by a reputable soil test service at the expense of Landowner. If soil tests show nutrient levels in excess of soil test recommendations, application of manure on those specific fields shall be limited to crop utilization rates until subsequent soil tests show nutrient levels are reduced to acceptable levels. However, such determination shall not by itself result in termination of the agreement.

   Nutrient applications other than the Producer's manure, i.e., commercial fertilizers and manure from other sources, shall supplement and not replace manure applications. Landowner shall not apply nutrients from other sources in excess of amounts allowed in Producer's manure management plan.

7. Consideration. Other than cost of application to be paid by Landowner, Landowner shall not be required to pay Producer for manure to be provided under this Agreement.

8. Binding Effect. This Agreement shall run with the land and inure to the benefit of and be binding upon the heirs, executors, personal representatives, and successors of each party.

9. Assignment. This Agreement shall not be assigned by either party without the express prior written consent of all parties.

10. Limitation of liability and indemnification. Each party shall indemnify, defend and hold harmless the other parties from all costs, losses, liabilities, claims, penalties or expenses (including reasonable attorney's fees) imposed upon or incurred by or asserted against the party by reason of: a) any failure on the part of any other party to perform or comply with any of the terms of this agreement, b) any enforcement or remedial action taken by the party in the event of a failure to perform or comply with the terms of this agreement by any other party; or c) any litigation, negotiation or transaction in which the party becomes involved or concerned (without that party's fault) respecting the agreement, the described premise or the use or occupancy thereof by any other party.

11. Warranty. Producer warrants, represents, and guarantees that the manure will be fit for providing nutrients for crop production at a level equivalent to standard values in the industry and that the manure will be beneficial to the land and crops.

12. Entire Agreement. This agreement constitutes the entire agreement between the parties; and it supersedes all negotiations and other discussions prior to and after the execution of this agreement.

13. Amendments. No amendment of the terms of this agreement will be effective unless made in writing and signed by the parties. The waiver of a provision of this agreement will not be deemed a waiver of future compliance with this agreement.

14. Severability. In the event any provision of this agreement is held unenforceable, in whole or in part, the remaining provisions of this agreement will not be affected thereby unless the unenforceable provision materially alters the rights of either party and its impossible to adjust for the unenforceable provision.

15. Changes in Agreement Terms. The conduct of either party by act or omission shall not be construed as a material alteration of this agreement until such provision is reduced to writing and executed by all parties as an addendum to this Agreement.

16. Construction. Words and phrases herein, including the acknowledgment, are construed as in the singular or plural and as the appropriate gender according to the context. The captions and headings of the paragraphs of this agreement are for convenience only and are not be used to interpret or define the provisions thereof.

17. Notices. The notices contemplated in this Agreement shall be made in writing and shall be delivered either in person or mailed in the U.S. Postal Service by registered mail return receipt requested to the recipient's last unknown mailing address.

Pork Chop Hill Farms II, Inc.

Brad D. Kimmerle

Brad D. Kimmerle

By: Darlene Gansemer - Sec

Darla S. Kimmerle

Darla S. Kimmerle

STATE OF IOWA, COUNTY OF DELAWARE: ss:

On this 27th day of April, 2015, before me, the undersigned, a Notary Public in and for said State, personally **Brad D. Kimmerle** and **Darla S. Kimmerle**, husband and wife known to me be the identical persons named herein and who executed the foregoing instrument and acknowledged that they executed the same as their voluntary act and deed.

THOMAS J. HANSON
Commission Number 115040
My Commission Expires
September 22, 2016

Notary Public in and for the State of Iowa

STATE OF IOWA, COUNTY OF DELAWARE: ss:

This record was acknowledged before me on this 24 day of April, 2015 by Darlene Conover as Secretary of Pork Chop Hill Farms II, Inc.

THOMAS J. HANSON
Commission Number 115040
My Commission Expires
September 22, 2016

Notary Public in and for the State of Iowa