

SAVE

**LAND LEASE AND WIND EASEMENT**

This Land Lease and Wind Easement ("Lease") is made on January 10, 2017, (the "Effective Date") between Jens Lloyd Dahl and Carol Dahl, husband and wife  
(insert name of spouse, if any, and marital status)  
(collectively, "Lessor"), and Blazing Star Wind Farm 2, LLC, a Delaware limited liability company ("Lessee").

Contact information for Lessor and Lessee is as follows:

Blazing Star Wind Farm 2, LLC  
Attn: Laura Vaughan  
7650 Edinborough Way, Suite 725  
Edina, MN 55435  
952-988-9000

Jens Lloyd Dahl and Carol Dahl  
PO Box 31  
Lake Benton, MN 56149-0031  
Phone: \_\_\_\_\_

For good and valuable consideration, the receipt of which is hereby acknowledged, Lessor and Lessee agree as follows:

**ARTICLE I. Premises**

**Section 1.1 General**

- (a) Lessor leases to Lessee and Lessee leases from Lessor the real property legally described in Exhibit A attached hereto (the "Premises") for the purposes of testing and evaluating the Premises for wind energy generation, and for constructing, installing, using, replacing, relocating and removing from time to time, and maintaining and operating, wind turbines, overhead and underground electrical transmission and communications lines, electric transformers, energy storage facilities, telecommunications equipment, power generation facilities to be operated in conjunction with large wind turbine installations, roads, meteorological towers and wind measurement equipment, and related facilities and equipment (hereinafter "Wind Facilities"), including without limitation: a line or lines of towers, with such wires and cables as from time to time are suspended therefrom and/or underground wires and cables, for the transmission of electrical energy and/or for communication purposes, and all necessary and proper foundations, footings, crossarms and other appliances and fixtures for use in connection with said towers, wires and cables on, along and in the Premises, together with the appropriate rights of way. Such activities may be conducted by Lessee, its employees, agents, licensees or permittees. Lessee shall have the exclusive right to use the Premises for wind energy purposes. For purposes of this Lease, "wind energy purposes" means converting wind energy into electrical energy, and collecting and transmitting the electrical energy so converted, together with any and all activities related thereto.
- (b) Lessee shall use the Premises only for the construction, installation, operation, maintenance, replacement, and removal of Wind Facilities. In addition, Lessee shall be permitted to install a substation, control building, or permanent maintenance yard (each, an "Approved Other Facility"). The Wind Facilities and Approved Other Facilities shall be referred to collectively as the "Facilities". Lessee shall consult with Lessor on Lessee's site development plan prior to construction on the Premises, showing Lessor the

proposed locations of Facilities, before making its final decisions as to locations of Facilities on the Premises, but Lessee shall have sole discretion over all final siting decisions. Lessee shall use commercially reasonable efforts to minimize the interruption of Lessor's use of the Premises by the Facilities. Lessee has the right to relocate existing Facilities upon the Premises during the term of this Lease.

- (c) Lessor hereby grants to Lessee, for the term of this Lease, easements over, across and on the Premises (1) for ingress to and egress from Facilities (whether located on the Premises, on adjacent property or elsewhere) by means of roads and lanes thereon if existing, or otherwise by such route or routes as Lessee may construct from time to time (the "Access Easement") and (2) to allow the sweep or overhang of any wind turbine blades of wind turbine towers located on properties within the Project, as hereinafter defined, that are adjacent to the Premises (the "Overhang Easement"). The Access Easement shall include the right to improve existing roads and lanes, or to build new roads, shall run with and bind the Premises, and shall inure to the benefit of and be binding upon Lessor and Lessee and their respective transferees, successors and assigns, and all persons claiming under them. Lessee agrees to use commercially reasonable efforts to (i) locate access roads so as to minimize the interruption of Lessor's operations on the Premises, (ii) install such access roads either (a) reasonably perpendicular to a public road or, (b) reasonably parallel to existing furrows on the Premises, or (c) reasonably parallel to a north / south / east / west axis or existing boundaries, fencelines or waterlines, and (iii) cause such access roads to be level with the immediately surrounding portions of the Premises. Lessee shall make good faith efforts to consult with Lessor on the site development plan prior to construction of access roads, and shall use commercially reasonable efforts to minimize the interruption of Lessor's use of the Premises by the access roads, provided that Lessee shall make all such final siting decisions in Lessee's sole discretion. No additional compensation shall be payable to Lessor as a result of any turbine blade overhang or sweep allowed by the Overhang Easement.
- (d) Lessor retains all rights to use that portion of the Premises not occupied by Facilities to the extent its use is consistent with Sections 1.2 and 5.2, for farming, grazing, conservation or other purposes and Lessor shall be entitled to use any private road constructed by Lessee on the Premises for access to the balance of the Premises. Each of Lessor and Lessee acknowledges and agrees that this Lease is not a lease or grant of agricultural lands reserving rent or services of any kind.

## **Section 1.2 Wind Easement**


Any obstruction to the free flow of the wind is prohibited throughout the entire area of the Premises, which shall consist horizontally three hundred and sixty degrees (360°) from any point where any wind turbine or meteorological tower is or may be located at any time from time to time (each such location referred to as a "Site") and for a distance from each Site to the boundaries of the Premises, together vertically through all space located above the surface of the Premises, that is, one hundred eighty degrees (180°) or such greater number or numbers of degrees as may be necessary to extend from each point on and along a line drawn along the surface from each point along the exterior boundary of the Premises through each Site to each point and on and along such line to the opposite exterior boundary of the Premises. Trees, structures and improvements located on the Premises as of the Effective Date shall be allowed to remain and Lessee may not require their removal. Lessor may not place or plant any trees, structures or improvements on the Premises greater than thirty-five (35) feet in height, when fully

constructed or grown, after the date of this Lease which may, in Lessee's sole judgment, impede or interfere with the flow of wind to any Site or Wind Facility, unless Lessor has received approval from Lessee for any such trees, structure or improvement. Notwithstanding the foregoing, (i) Lessor may replace any structure or improvement located on the Premises as of the Effective Date (the "Original Structure or Improvement") with a new structure or improvement in the exact same location that does not exceed the size and dimensions in any direction as the Original Structure or Improvement (the "New Structure or Improvement"), provided that such New Structure or Improvement does not obstruct the free flow of wind in any way that is more detrimental to the Premises than the Original Structure or Improvement, and (ii) on any contiguous, non-tillable land containing an existing home site on the Premises (the "Existing Homestead"), Lessor may place or plant any trees, structures or improvements within such Existing Homestead, provided such trees, structures or improvements do not exceed one hundred fifty (150) feet in height when fully constructed or grown, and provided further that such trees, structures or improvements are not located within seven hundred fifty (750) feet of any Wind Facilities. If at any time during the duration of this Lease, Lessor would like a variance of the preceding requirements, Lessor may submit a letter of request to Lessee for approval, and approval or denial of such request shall be in Lessee's sole discretion. The provisions of this Section 1.2 shall survive the termination of this Lease for the full Term.

## ARTICLE II. Lease Term

### Section 2.1 Development Period; Construction Period; Extended Term; Renewal Terms

- (a) Lessee's rights under this Lease continue throughout the Development Period. The "Development Period" commences on the Effective Date and expires on the seventh (7<sup>th</sup>) anniversary of the Effective Date.
- (b) The Lease shall automatically be extended for the Construction Period, as defined below, upon the earlier of (i) the date when construction of Wind Facilities, other than meteorological towers, commences in connection with the Project ("Construction Date"); or (ii) the date when Lessor receives written notice from Lessee of Lessee's election to extend the term of the Lease for the Construction Period ("Construction Period Notice Date"). The Construction Period of the Lease ("Construction Period") is two (2) years from the earlier of either of the Construction Date or the Construction Period Notice Date unless sooner terminated in accordance with the terms of the Lease. Lessee may record a notice of the Construction Date or the Construction Period Notice Date against the Premises to give notice of such date, and upon the request of Lessor shall record such notice, but a failure to record such notice shall not affect the validity of this Lease.
- (c) The Lease shall automatically be extended for the Extended Term, as defined below, upon the earlier of (i) the date when the Project begins commercial operation, which shall be defined as the date of the first commercial deliveries of electrical energy to the local utility grid ("Commercial Operation Date"); or (ii) the date when Lessor receives written notice from Lessee of Lessee's election to extend the term of the Lease for the Extended Term ("Extended Term Notice Date"). The Extended Term of the Lease ("Extended Term") is twenty (20) years from the earlier of either of the Commercial Operation Date or the Extended Term Notice Date unless sooner terminated in accordance with the terms of the Lease. Lessee may record a notice of the Commercial Operation Date or the Extended Term Notice Date against the Premises to give notice of such date, and upon the request of Lessor shall record such notice, but a failure to record such notice shall not affect the validity of this Lease.

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- (d) Lessee shall have the right, at its option, to extend the Extended Term for three (3) additional periods of ten (10) years (each, a "Renewal Term"). To exercise its option to renew the term of this Lease for a Renewal Term, Lessee must deliver both a written extension notice to Lessor and an extension payment in the amount of Ten Dollars (\$10.00) per each acre within the Premises (prorated for any partial acre) prior to the expiration of the Extended Term or the applicable Renewal Term, as the case may be. Lessee must deliver the written notice and the extension payment in the amount and in the manner set forth above to exercise effectively its options to extend the term of this Lease for any Renewal Term. The terms of the Lease during each Renewal Term shall be the same terms and conditions applicable during the Extended Term, except as specifically provided herein. Lessee shall have no right to extend the term of this Lease beyond the last Renewal Term provided for in this Section 2.1(d) absent further mutual agreement. If Lessee fails to exercise effectively its option to renew the term hereof, this Lease shall terminate and Lessee shall have no further options or rights to renew or extend the term hereof.

## **Section 2.2 Termination of Lease**

The occurrence of any of the following events shall terminate this Lease:

- (a) The expiration of this Lease as set forth in Section 2.1; or
- (b) The written agreement of the parties to terminate this Lease; or
- (c) An uncured material breach of this Lease by either party and the election of the non-breaching party to terminate the Lease pursuant to Article IX; or
- (d) Lessee's execution and delivery of written notice of termination to Lessor, in Lessee's sole and absolute discretion, as to all or any portion of the Premises and, if applicable, the decommissioning and removal of the Wind Facilities in accordance with Section 4.3; or
- (e) Pursuant to applicable law, including but not limited to Minn. Stat. Sec. 500.30.

Upon the expiration or termination of the Lease, Lessee shall provide Lessor with a release of its interest in the Premises in recordable form.

## **Section 2.3 Survival of Covenants**

The parties acknowledge that the covenants, conditions, rights and restrictions in favor of Lessee pursuant to this Lease including, but not limited to, the easement described in Section 1.2, and Lessee's use of and benefit from those covenants, conditions, rights and restrictions, may constitute a portion of a larger wind energy project (the "Project") with which the Premises will share structural and transmission components, ingress and egress, utility access, and other support, all of which are specifically designed to be interrelated and integrated in operation and use for the full life of the Project, and that the covenants, conditions, rights and restrictions in favor of Lessee pursuant to this Lease shall not be deemed nominal, invalid, inoperative or otherwise be disregarded while any portion of the Project remains operational.

## **ARTICLE III. Payments and Taxes**

### **Section 3.1 Development Period Rent**

During the Development Period, Lessee shall pay Lessor the initial sum of Six Dollars (\$6.00) per acre (the "Development Rental Payment"), as measured by the total number of acres within the Premises per year, prorated for any partial acres within the Premises, but not less than One Hundred Dollars (\$100.00) per year. For purposes of calculating the amount of the Development Rental Payment, the Premises are stipulated to the number of acres set forth in Exhibit A. The first Development Rental Payment shall be paid within sixty (60) days after the Effective Date, and on each anniversary of the Effective Date during the Development Period. The Development Rental Payment for the first and last years of the Development Period, if less than a full year, shall be prorated based on the number of days remaining in such year, provided, that the Development Rental Payment for the last year of the Development Period shall accrue up to the commencement of the Construction Period or earlier termination or expiration of this Lease. Lessee, at its sole and absolute discretion, shall have the right to terminate this Agreement at any time during the Development Period upon thirty (30) days written notice to Lessor.

### **Section 3.2 Annual Rent**

The Annual Rent for the Construction Period, Extended Term and Renewal Term is set forth in Exhibit B.

### **Section 3.3 Other Payments**

- (a) In the event that Lessee elects to install above ground transmission lines on the Premises, Lessee will pay Lessor the fair market value for an above ground transmission line easement at the time of such installation. In the event that the parties are unable to agree upon fair market value within twenty (20) days of the completion of installation, the parties shall agree upon a real estate appraiser, who has no prejudicial interest in the dispute or the parties, who shall serve as an arbitrator of the dispute, and whose determination shall be binding. The arbitrator's fees shall be paid by Lessee.
- (b) In the event that (i) Lessee elects to install an access road on the Premises and (ii) the Premises is not improved with a wind turbine, then Lessee will pay Lessor an annual payment in the amount of \$1.00 per linear foot of access road installed on the Premises by Lessee. Such payment shall be due concurrently with the Annual Rent payment.
- (c) In the event that Lessee elects to install an Approved Other Facility on the Premises, Lessee will pay Lessor the fair market value for an easement for such Approved Other Facility at the time of such installation. In the event that the parties are unable to agree upon fair market value within twenty (20) days of the completion of installation, the parties shall agree upon a real estate appraiser, who has no prejudicial interest in the dispute or the parties, who shall serve as an arbitrator of the dispute, and whose determination shall be binding. The arbitrator's fees shall be paid by Lessee.

### **Section 3.4 Meteorological Tower Fees**

Lessee shall pay Lessor an annual payment (the "Met Tower Fee") for each meteorological tower and/or mobile testing unit installed on the Premises by Lessee after the Effective Date of

this Agreement, if any, for so long as such meteorological tower and/or mobile testing unit is installed and operating on the Premises. The Met Tower Fee shall be in the amount of:

- (a) \$1,500.00 for each temporary meteorological tower. A temporary meteorological tower shall mean any meteorological tower that is installed and operating on the Premises during the Development Period.
- (b) \$2,500.00 for any each permanent meteorological tower, which Met Tower Fee shall increase on an annual basis by two percent (2%) each year commencing in the year after the initial permanent Met Tower Fee is paid. A permanent meteorological tower shall mean any meteorological tower that is installed and operating on the Premises during the Construction Period, Extended Term or Renewal Terms, if any.
- (c) \$500.00 for each mobile testing unit (such as a SODAR unit) located on the Premises.

The Met Tower Fee is full and complete compensation for any loss of rent, business opportunities, profits and the like that may result from Lessor's loss of use of the portion of the Premises occupied by a meteorological tower and/or mobile testing unit. Notwithstanding the foregoing, crop damages will be paid as set forth in Section 6.2 in connection with the installation, maintenance and/or decommissioning of any such meteorological tower and/or mobile testing unit. The initial Met Tower Fee shall be due within sixty (60) days after the date that Lessee installs the first meteorological tower and/or mobile testing unit on the Premises. Each subsequent annual Meteorological Tower Fee shall be due concurrently with the Annual Rent payment each year for so long as one or more of Lessee's meteorological towers and/or mobile testing units are installed and operating on the Premises. The Met Tower Fee for the first and last years, if less than a full year, shall be prorated based on the number of days remaining in such year. In the event that Lessor and Lessee have executed any separate agreement prior to the Effective Date that permits Lessee to install meteorological towers on the Premises and provides for payments with respect to such towers (a "Met Tower Agreement"), then from and after the Effective Date the provisions of this *Section 3.4* shall supersede and replace such Met Tower Agreement with respect to any meteorological towers and/or mobile testing units installed on the Premises prior to the Effective Date.

### **Section 3.5 Taxes, Assessments and Utilities**

- (a) Lessor shall pay, when due, all real property taxes and assessments levied against the Premises and all personal property taxes and assessments levied against any property and improvements owned by Lessor and located on the Premises. If Lessor shall fail to pay any such taxes or assessments when due, Lessee may, at its option, pay those taxes and assessments and any accrued interest and penalties, and deduct the amount of its payment from any Rent otherwise due to Lessor from Lessee.
- (b) Lessee shall pay all personal property taxes and assessments levied against the Facilities when due, including any such taxes based on electricity production. If the Premises experiences any increase in the amount of real property taxes assessed as a result of the installation of the Facilities on the Premises, including any reclassification of the Premises, Lessee shall pay or reimburse Lessor an amount equal to the increase no later than ten (10) days prior to the date each year on which the applicable real estate taxes are due to be paid, provided that Lessor provides Lessee with copies of the applicable current and past statements of real estate taxes payable for the Premises and any related information demonstrating the reasons for any increase in real estate taxes.

- (c) Either party may contest the validity or amount of any levied taxes, assessments or other charges for which each is responsible under this Lease as long as such contest is pursued in good faith and with due diligence and the party contesting the tax, assessment or charge has paid the obligation in question or established adequate reserves to pay the obligation in the event of an adverse determination.
- (d) Lessee shall pay for all water, electric, telecommunications and any other utility services used by the Facilities or Lessee on the Premises.

### **Section 3.6 Severance of Payments**

Lessor acknowledges and agrees that it shall not be permitted to sever the payments under the Lease, and shall not be permitted to assign payments due to Lessor under the Lease to a third party without the consent of Lessee. Upon the transfer of an interest in the Premises to an heir, legal representative, successor or assign, the payments hereunder (or the proportionate share thereof) shall inure to the benefit of such party.

## **ARTICLE IV. Lessee's Covenants**

Lessee covenants, represents and warrants to Lessor as follows:

### **Section 4.1 Liens**

Lessee shall keep the Premises free and clear of all liens and claims of liens for labor, materials, services, supplies and equipment performed on or furnished to Lessee or any Wind Facility on the Premises in connection with Lessee's use of the Premises. Lessee may contest any such lien, but shall post a bond or utilize other available means to remove any lien that is created during the contested proceeding. Lessee agrees to otherwise remove any lien or encumbrance suffered, created or imposed by reason of Lessee's activities related to this Lease within 60 days of the creation of any such lien or encumbrance.

### **Section 4.2 Permits and Laws**

Lessee and its designees shall at all times comply with all federal, state and local laws, statutes, ordinances, rules, regulations, judgments and other valid orders of any governmental authority with respect to Lessee's activities pursuant to this Lease and shall obtain all permits, licenses and orders required to conduct any and all such activities. Lessee shall have the right, in its sole discretion, to contest by appropriate legal proceedings brought in the name of Lessee or in the names of both Lessee and Lessor where appropriate or required, the validity or applicability to the Premises or Facilities of any law, ordinance, statute, order, regulation or the like now or hereafter made or issued by any federal, state, county, local or other governmental agency or entity. Lessor shall cooperate in every reasonable way in such contest, provided Lessee reimburses Lessor for its reasonable and actual out-of-pocket expense directly incurred in connection with such cooperation. Any such contest or proceeding, including any maintained in the name of Lessor, shall be controlled and directed by Lessee, but Lessee shall protect Lessor from Lessee's failure to observe or comply during the contest with the contested law, ordinance, statute, order or regulation.

#### **Section 4.3 Lessee's Improvements**

All Facilities constructed, installed or placed on the Premises by Lessee pursuant to this Lease shall be the sole property of Lessee and Lessor shall have no ownership or other interest in any Facilities on the Premises. The Facilities are and shall remain personal property of the Lessee, notwithstanding any present or future common ownership of the Facilities and the Premises. Throughout the Term Lessee shall, at its sole cost and expense, maintain Lessee's Facilities in good condition and repair, ordinary wear and tear excepted. All Facilities constructed, installed or placed on the Premises by Lessee pursuant to this Lease may be moved, replaced, repaired or refurbished by Lessee at any time. At the end of the Term, including any termination of the Lease, Lessee shall remove all its Facilities, including foundations, to a depth of four (4) feet below grade, within twelve months from the date the Term expires or the Lease terminates. If Lessee fails to remove any of the Facilities within the required time period, such Facilities shall be considered abandoned by Lessee and Lessor may remove these Facilities from the Premises and dispose of them in its sole discretion without notice or liability to Lessee. In the event Lessee fails to remove any of the Facilities as required, and Lessor removes such Facilities at Lessor's expense, Lessee shall reimburse Lessor for all reasonable costs of removing those Facilities as required by the Lease, less any salvage value received by Lessor, within thirty days after receipt of an invoice from Lessor. Lessee agrees to maintain such security for removal of the Facilities as is required by any applicable permits or governmental rules or regulations, if any.

#### **Section 4.4 Hazardous Wastes**

Lessee shall not use, dispose of or release on the Premises or cause or permit to exist or be used, stored, disposed of or released on the Premises as a result of Lessee's operations, any substance which is defined as a "hazardous material", "toxic substance" or "solid waste" in any federal, state or local law, statute or ordinance, except in such quantities as may be required in its normal business operations and only if such use is not harmful to Lessor and is in full compliance with all applicable laws. Lessee shall consult with Lessor and provide copies of any notices, claims or other correspondence from any governmental authority regarding hazardous waste issues affecting the Premises.

#### **Section 4.5 Insurance**

Lessee shall obtain and maintain in force policies of insurance covering the Facilities and Lessee's activities on the Premises at all times during the Term, including specifically comprehensive general liability insurance with a minimum combined occurrence and annual limitation of one million dollars, for the period prior to commencement of construction of any Facilities on the Premises other than meteorological towers, and three million dollars, for the period commencing on the Construction Date. Such insurance coverage for the Facilities and Premises may be provided as part of a blanket policy that covers other Facilities or properties as well. Any such policies shall name Lessor as an additional insured and shall provide for 30 days prior written notice to Lessor of any cancellation or material change. Lessee shall provide Lessor with copies of certificates of insurance evidencing this coverage upon written request by Lessor. Policies shall provide coverage for any costs of defense or related fees incurred by Lessor. Nothing herein shall be deemed to limit Lessee's liability hereunder the amount of such insurance coverage. Lessee shall also reimburse Lessor for any increase in Lessor's insurance premiums relating to the Premises, to the extent that such increase is directly caused by the installation of the Facilities or Lessee's operations on the Premises.



## ARTICLE V. Lessor Covenants

Lessor covenants, represents and warrants to Lessee as follows:

### Section 5.1 Title and Authority

Lessor is the sole owner of the Premises in fee simple and each person or entity signing the Lease on behalf of Lessor has the full and unrestricted authority to execute and deliver this Lease and to grant the easements and rights granted herein. All persons having any ownership interest in the Premises (including spouses) are signing this Lease as Lessor. When signed by Lessor, this Lease constitutes a valid and binding agreement enforceable against Lessor in accordance with its terms. There are no encumbrances, liens or other title defects against the Premises except: (a) those currently of record in the county where the Premises are located, or (b) those which are reflected in a title report for the Premises provided to Lessee prior to execution of the Lease. To the extent that any such encumbrances or other title defects could interfere with the development, construction or operation of the Project or otherwise interfere with the rights of Lessee under this Lease, Lessor shall, at Lessor's expense, promptly take such actions required to remove or otherwise cure any such encumbrances or defects. There are no farm or other tenancies affecting the Premises except those disclosed by Lessee to Lessor in writing prior to or at the time of execution hereof.

### Section 5.2 Quiet Enjoyment; Exclusivity; Certain Permitted Activities of Lessor

- (a) As long as Lessee is not in default under this Lease, Lessee shall have the quiet use and enjoyment of the Premises in accordance with the terms of this Lease without any interference of any kind by Lessor or any person claiming through Lessor. Lessor and its activities on the Premises and any grant of rights Lessor makes to any other person shall not interfere with any of Lessee's activities pursuant to this Lease, and Lessor shall not interfere with any of Lessee's activities pursuant to this Lease, and Lessor shall not interfere or allow interference with the wind speed or wind direction over the Premises or otherwise engage in activities which might impede or decrease the output or efficiency of the Wind Facilities. Lessee shall have the sole and exclusive rights to use the Premises for wind energy purposes and to convert all of the wind resources of the Premises. Facilities located on the Premises from time to time may be operated in conjunction with Facilities operated on other nearby properties that are part of the same Project, as determined by Lessee. In no event during the term of this Lease shall Lessor construct, build or locate or allow others to construct, build or locate any wind energy conversion system, wind turbine or similar project on the Premises.
- (b) Notwithstanding the provisions of the foregoing Section 5.2(a) and of Section 1.2, Lessor shall have the right to replace or repair any structures or improvements located on the Premises as of the Effective Date, so long as such structures or improvements do not exceed the height of the existing structure, and are replaced or repaired in substantially the same location as the structures or improvements in existence on the Premises as of the Effective Date. Further, Lessor shall have the right to construct not more than one (1) Small Turbine (as defined below) on the Premises for Lessor's personal use, so long as such Small Turbine is sited within two hundred fifty (250) feet of Lessor's existing building site. A "Small Turbine" shall be defined as a wind turbine for residential or farm use by Lessor, with a nameplate capacity of 40 kW or less and a hub height of sixteen (16) meters or less.

### **Section 5.3 Hazardous Materials**

Lessor shall not use, store, dispose of or release on the Premises or cause or permit to exist or be used, stored, disposed of or released on the Premises as a result of Lessor's operations, any substance which is defined as a "hazardous substance", "hazardous material", to "solid waste" in any federal, state or local law, statute or ordinance, except in such quantities as may be required in its normal business operations and only if such use is not harmful to Lessee and is in full compliance with all applicable laws. Lessor represents to Lessee that Lessor has no knowledge of any condition on the Premises that is in violation of such laws, statutes or ordinances, and that it will indemnify and hold Lessee harmless from and against any claims related to any pre-existing conditions affecting the Premises.

### **Section 5.4 Cooperation; Setback Waivers; Further Assurances**

Lessor shall cooperate with Lessee and use Lessor's best efforts to obtain such non-disturbance and subordination agreements as may be requested by Lessee from any person or entity with a lien, encumbrance, mortgage, lease or other exception to Lessor's fee title to the Premises, to the extent necessary to eliminate any actual or potential interference by the holder thereof with any rights granted to Lessee under this Lease. Lessor shall provide reasonable cooperation to assist Lessee in obtaining and maintaining any permits needed for the Facilities. In connection with the issuance of such permits, and to the extent allowed by (and subject to) applicable law, Lessor hereby waives any and all setback requirements, including any setback requirements described in the zoning ordinance of the county in which the Premises are located or in any governmental entitlement or permit hereafter issued to Lessee, with respect to the locations of any Facilities to be installed or constructed on the Premises or on adjacent properties that are a part of the Project. Lessor shall also provide Lessee with such further assurances and shall execute any estoppel certificates, consents to assignments or additional documents that may be reasonably necessary for recording purposes or requested by Lessee or any of its lenders. Lessee shall reimburse Lessor for its reasonable and actual out-of-pocket expense directly incurred in connection with such cooperation.

## **ARTICLE VI. Indemnification**

### **Section 6.1 Indemnification**

Each party (the "Indemnifying Party") agrees to defend, indemnify and hold harmless the other party and the other party's officers, directors, employees, representatives, mortgagees and agents (collectively the "Indemnified Party") against any and all losses, damages, claims, expenses and liabilities for physical damage to property and for physical injury to any person, including, without limitation, reasonable attorneys' fees, to the extent resulting from or arising out of (i) any operations or activities of the Indemnifying Party or such party's agents or employees on the Premises (including, as to Lessor, any operations or activities conducted on the Premises by any person or entity other than Lessee prior to the Effective Date) or (ii) any negligent or intentional act or omission on the part of the Indemnifying Party. This indemnification shall not apply to losses, damages, claims, expenses and liabilities to the extent caused by any unrelated third party (including, but not limited to, any trespasser). This indemnification shall survive the termination of this Lease.

## **Section 6.2 Crop Damage, Compaction and Other Damage**

- (a) The parties anticipate and acknowledge that Lessor or Lessor's renters may suffer damage to crops, tile, fences, livestock and/or other property or improvements on the Premises during Lessee's activities on the Premises. Lessee shall reimburse Lessor for any such damages within thirty (30) days after determining the extent of damage.
- (b) Lessee will take all commercially reasonable steps to avoid damaging any tile lines on the Premises. Lessee agrees to immediately repair and/or replace underground tile lines damaged during construction or operation of the Project. Lessee shall retain a qualified local third party tile repair contractor to undertake all tile repair work. Upon reasonable notice, Lessor shall be given the opportunity to inspect the repair, replacement or rerouting of tile prior to being covered with topsoil.
- (c) Crop damages will be calculated by the following formula:  $\text{Price} \times \text{Yield} \times \text{Percentage of Damage} \times \text{Acreage} = \text{Crop Damages}$ . Prices for damaged or destroyed crops will be based on the average of the last previous March 1st and September 1st Chicago Board of Trade prices for that crop. Yield will be the average of the next previous two (2) years' yields of the same crop as the damaged crop, according to Lessor's records, as received from and certified by Lessor, for the smallest parcel of land that includes the damaged area. For purposes of the foregoing, "Lessor's records" shall include, but not be limited to, warehouse/elevator receipts, applications for crop insurance and scale tickets from grain cart or yield monitors on combines. If Lessor does not have yield records available, the Lessor will use FSA records for the county in which the Premises is located (or other commonly used yield information available for the area) for the smallest parcel of land which includes the damaged area. The parties hereto shall try in good faith to agree to the extent of damage and acreage affected. If the parties hereto cannot agree, they shall have the area measured and extent of damage assessed by an impartial party such as a crop insurance adjuster or extension agent.
- (d) If Lessee's activities on the Premises causes crop yields located greater than five (5) feet from such foundations or roads or to be seriously impaired due to compaction, then Lessee and Lessor shall determine in good faith the acreage of land affected by such compaction (the "Seriously Compacted Area") and, in addition to Lessee's payment for destruction or damage to existing growing crops, Lessee will compensate Lessor for crop losses in the Seriously Compacted Areas. The amount of such compensation will be  $\text{Price} \times \text{Yield} \times \text{Acreage} \times 3 = \text{Compaction Damages}$ , as such terms are defined in Section 6.2(a) above. After such payment for any Seriously Compacted Area, Lessee shall not be responsible to pay Lessor or Lessor's renters any loss of income, rent, business opportunities, profits or other losses arising out of Lessor's inability to grow crops or otherwise use the portion of the Premises occupied by Facilities unless due to a separate compaction incident, in which case the Lessee will compensate Lessor for crop losses in the Seriously Compacted Areas.

## **ARTICLE VII. Assignment; Encumbrance of Lease**

### **Section 7.1 Right to Encumber**

- (a) Lessee may at any time mortgage all or any part of its interest in the Lease and rights under this Lease and/or enter into a collateral assignment of all or any part of its interest in the Lease or rights under this Lease to any entity ("Lender") without the consent of Lessor. Any Lender shall have no obligations under this Lease until such time as it

exercises its rights to acquire Lessee's interests subject to the lien of Lender's mortgage by foreclosure or otherwise assumes the obligations of Lessee directly.

- (b) Lessor and Lessee agree that, once all or any part of Lessee's interests in the Lease are mortgaged or assigned to a Lender, they will not modify or terminate this Lease without the prior written consent of the Lender.
- (c) Lessor agrees that any Lender shall have the right to make any payment and to do any other act or thing required to be performed by Lessee under this Lease, and any such payment, act or thing performed by Lender shall be effective to prevent a default under this Lease and any forfeiture of any of Lessee's rights under this Lease as if done by Lessee itself.
- (d) During the time all or any part of Lessee's interests in the Lease are mortgaged or assigned to any Lender, if Lessee defaults under any of its obligations and Lessor is required to give Lessee notice of the default Lessor shall also be required to give Lender notice of the default. If Lessor becomes entitled to terminate this Lease due to an uncured default by Lessee, Lessor will not terminate this Lease unless it has first given written notice of the uncured default and of its intent to terminate this Lease to the Lender and has given the Lender at least thirty (30) days to cure the default to prevent termination of this Lease. If within such thirty (30) day period the Lender notifies the Lessor that it must foreclose on Lessee's interest or otherwise take possession of Lessee's interest under this Lease in order to cure the default, Lessor shall not terminate this Lease and shall permit the Lender a reasonable period of time necessary for the Lender, with the exercise of due diligence, to foreclose or acquire Lessee's interest under this Lease and to perform or cause to be performed all of the covenants and agreements to be performed and observed by Lessee. The time within which Lender must foreclose or acquire Lessee's interest shall be extended to the extent Lender is prohibited by an order or injunction issued by a court or the operation of any bankruptcy or insolvency law from commencing or prosecuting the necessary foreclosure or acquisition.
- (e) The acquisition of all or any part of Lessee's interests in the Lease by any Lender through foreclosure or other judicial or nonjudicial proceedings in the nature of foreclosure, or by any conveyance in lieu of foreclosure, shall not require the consent of Lessor nor constitute a breach or default of this Lease by Lessee, and upon the completion of the acquisition or conveyance Lessor shall acknowledge and recognize Lender as Lessee's proper successor under this Lease upon Lender's cure of any existing Lessee defaults and assumption of the obligations of Lessee under this Lease prospectively.
- (f) In the event this Lease is rejected by a trustee or a debtor-in-possession in any bankruptcy or insolvency proceeding Lessor agrees, upon request by any Lender within sixty (60) days after the rejection or termination, to execute and deliver to Lessee or Lender a new Lease for the Premises which (i) shall be effective as of the date of the rejection or termination of this Lease, (ii) shall be for a term equal to the remainder of the term of the Lease before giving effect to such rejection or termination, and (iii) shall contain the same terms, covenants, agreements, provisions, conditions and limitations as are contained in this Lease (except for any obligations or requirements which have been fulfilled by Lessee or Lender prior to rejection or termination). Prior to the execution and delivery of any such new lease Lessee, or Lender shall (i) pay Lessor any amounts which are due Lessor from Lessee, (ii) pay Lessor any and all amounts which would have been due under this Lease but for the rejection or termination from the date of the rejection or

termination to the date of the new lease and (iii) agree in writing to perform or cause to be performed all of the other covenants and agreements to be performed by Lessee under this Lease to the extent Lessee failed to perform them prior to the execution and delivery of the new lease.

## **Section 7.2 Assignment**

Lessee and any successor or assign of Lessee shall at all times have the right, without need for Lessor's consent, to do any of the following, conditionally or unconditionally, with respect to all or any portion of the Premises for wind energy purposes: grant co-leases, separate leases, subleases, easements, licenses or similar rights (however denominated) to one or more third parties; or sell, convey, lease, assign, mortgage, encumber or transfer to one or more third parties or to any affiliate of Lessee's this Lease, or any right or interest in this Lease, or any or all right or interest of Lessee in the Premises or in any or all of the Facilities that Lessee or any other party may now or hereafter install on the Premises provided that (i) any such assignment, transfer or conveyance shall not be for a period beyond the Term of this Lease; (ii) the assignee or transferee shall be subject to all of the obligations, covenants and conditions applicable to the Lessee; and (iii) Lessee shall not be relieved from liability for any of its obligations under this Lease by virtue of the assignment or conveyance unless Lessee assigns or conveys all of its interests under the Lease to the assignee or transferee, in which event Lessee shall have no continuing liability. Upon any assignment or transfer of any or all of Lessee's interests hereunder, Lessee shall provide notice of such assignment or transfer to Lessor, together with contact information for the assignee or transferee (including name, address and phone number), but failure to provide such contact information shall not be considered a default hereunder.

## **Section 7.3 Continuing Nature of Obligations**

- (a) The wind easement and related rights granted by Lessor in this Lease to Lessee are an easement in gross for the benefit of Lessee, its successors and assigns, as owner of the rights created by the easement. The easement and other rights granted by Lessor in this Lease are independent of any lands or estates or interest in lands, there is no other real property benefiting from the wind easement granted in this Lease and, as between the Premises and other tracts of property on which Lessee may locate Facilities, no tract is considered dominant or servient as to the other.
- (b) The burdens of the lease and wind easement and all other rights granted to Lessee in this Lease shall run with and against the land as to the Premises, shall be a charge and burden on the Premises, and shall be binding upon and enforceable against Lessor and all heirs, legal representatives, successors, assigns, permittees, licensees, lessees, employees and agents of Lessor. The Lease and wind easement shall inure to the benefit of Lessee and its successors, assigns, permittees, licensees and lessees.

## **ARTICLE VIII. Condemnation/Force Majeure**

### **Section 8.1 Condemnation**

If eminent domain proceedings are commenced against all or any portion of the Premises, and the taking and proposed use of such property would prevent or adversely affect Lessee's construction, installation or operation of Facilities on the Premises, the parties shall either amend this Lease to reflect any necessary relocation of the Facilities which will preserve the value and benefit of the Lease to Lessee, together with any corresponding payments, or, at Lessee's option,

this Lease shall terminate in which event neither party shall have any further obligations. If Lessee does not elect to amend or terminate the Lease as set forth herein, the payments hereunder shall continue to be made up to the date of such condemnation.

### **Section 8.2 Proceeds**

All payments made by a condemnor on account of a taking by eminent domain shall be the property of the Lessor, except that Lessee shall be entitled to any award or amount paid for the reasonable costs of removing or relocating any of the Facilities or the loss of any such Facilities or the use of the Premises pursuant to the Lease. Lessee shall have the right to participate in any condemnation proceedings to this extent.

### **Section 8.3 Force Majeure**

Neither Lessor nor Lessee shall be liable to each other, or be permitted to terminate this Lease, for any failure to perform an obligation of this Lease to the extent such performance is prevented by a "Force Majeure", which shall mean an event beyond the control of the party affected and which, by exercise of due diligence and foresight, could not reasonably have been avoided (including, but not limited to, weather events).

## **ARTICLE IX. Default/Termination**

### **Section 9.1 Events of Default**

Each of the following shall constitute an event of default that shall permit the nondefaulting party to terminate this Lease or pursue other remedies available at law or equity.

- (i) any failure by Lessee to pay any amounts due under Article III if the failure to pay continues for thirty (30) days after written notice from Lessor;
- (ii) any other material breach of this Lease by either party which continues for thirty (30) days after written notice of default from the nondefaulting party or, if the cure will take longer than thirty (30) days, the length of time reasonably necessary to effect cure as long as the defaulting party is making diligent efforts to cure during that time.

### **Section 9.2 Surrender**

Upon the termination or expiration of this Lease, Lessee shall peaceably surrender the Premises to Lessor and remove all Facilities from the Premises at Lessee's expense. Lessee shall have twelve months from the date the Lease expires or is terminated to remove the Facilities. For the period between the date of termination or expiration and the date upon which Lessee completes removal of the Facilities as required under Section 4.3 of this Lease, Lessee shall pay Lessor Rent on a monthly basis, prorated as applicable.

### **Section 9.3 Specific Performance**

Each party acknowledges and agrees that the other party shall have the right to seek specific enforcement of this Lease.

## ARTICLE X. Miscellaneous

### Section 10.1 Notice

Notices, consents or other documents required or permitted by this Lease must be given by personal delivery, telecopier or certified mail and shall be sent to the respective parties at the addresses set forth in the preamble hereof (or at such other address as either party may designate upon written notice to the other party in the manner provided in this paragraph).

### Section 10.2 No Third Party Beneficiaries

Except for the rights of Lenders set forth above, no provision of this Lease is intended to nor shall it in any way inure to the benefit of any third party so as to constitute any such person a third party beneficiary under this Lease, or of any one or more of the terms of this Lease, or otherwise give rise to any cause of action in any person not a party to this Lease.

### Section 10.3 Entire Agreement

It is mutually understood and agreed that this Lease constitutes the entire agreement between Lessor and Lessee and supersedes any and all prior oral or written understandings, representations or statements, and that no understandings, representatives or statements, verbal or written, have been made which modify, amend, qualify or affect the terms of this Lease, except the separate agreement referenced in Section 10.14. This Lease may not be amended except in a writing executed by both parties.

### Section 10.4 Legal Matters.

- (a) This Lease is made in Minnesota and shall be governed by the laws of the State of Minnesota. This instrument is exempt from the Minnesota Deed Tax. If the parties are unable to resolve amicably any dispute arising out of or in connection with this Lease, they agree that such dispute shall be resolved in a court located in Minnesota.
- (b) Notwithstanding anything to the contrary in this Lease, neither party shall be entitled to, and each of Lessor and Lessee hereby waives any and all rights to recover, consequential, incidental, and punitive or exemplary damages, however arising, whether in contract, in tort, or otherwise, under or with respect to any action taken in connection with this Lease.
- (c) EACH OF THE PARTIES KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES THE RIGHT TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED ON THIS LEASE, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS LEASE AND ANY AGREEMENT CONTEMPLATED TO BE EXECUTED IN CONJUNCTION HEREWITH, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY HERETO. EACH OF THE PARTIES TO THIS LEASE WAIVES ANY RIGHT TO CONSOLIDATE ANY ACTION IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT OR HAS NOT BEEN WAIVED. THIS PROVISION IS A MATERIAL INDUCEMENT TO EACH OF THE PARTIES FOR ENTERING INTO THIS LEASE. For the avoidance of doubt, the parties do not waive the right to a bench trial.

### **Section 10.5 Cooperation**

Each of the parties, without further consideration, agrees to execute and deliver such additional documents and take such action as may be reasonably necessary to carry out the purposes and intent of this Lease and to fulfill the obligations of the respective parties.

### **Section 10.6 Waiver**

Neither party shall be deemed to have waived any provision of this Lease or any remedy available to it unless such waiver is in writing and signed by the party against whom the waiver would operate. Any waiver at any time by either party of its rights with respect to any rights arising in connection with this Lease shall not be deemed a waiver with respect to any subsequent or other matter.

### **Section 10.7 Relationship of Parties**

The duties, obligations and liabilities of each of the parties are intended to be several and not joint or collective. This Lease shall not be interpreted or construed to create an association, joint venture, fiduciary relationship or partnership between Lessor and Lessee or to impose any partnership obligation or liability or any trust or agency obligation or relationship upon either party. Lessor and Lessee shall not have any right, power, or authority to enter into any agreement or undertaking for, or act on behalf of, or to act or be an agent or representative of, or to otherwise bind, the other party.

### **Section 10.8 Confidentiality**

Lessor shall maintain in the strictest confidence, for the benefit of Lessee and any assignee or transferee of Lessee, all information pertaining to the financial terms of or payments under this Lease, Lessee's site or product design, methods of operation, methods of construction, power production or availability of the Facilities, and the like, whether disclosed by Lessee, any assignee or transferee, or discovered by Lessor, unless such information either (i) is in the public domain by reason of prior publication through no act or omission of Lessor or its employees or agents; or (ii) was already known to Lessor at the time of disclosure and which Lessor is free to use or disclose without breach of any obligation to any person or entity. Lessor shall not use such information for its own benefit, publish or otherwise disclose it to others, or permit its use by others for their benefit or to the detriment of Lessee, any assignee or transferee. Notwithstanding the foregoing, Lessor may disclose such information to other lessors in the Project; Lessor's lenders, attorneys, accountants and other personal financial advisors solely for use in connection with their representation of Lessor regarding this Lease; any prospective purchaser of the Premises who has made a written offer to purchase or otherwise acquire the Premises that Lessor desires to accept; or pursuant to lawful process, subpoena or court order requiring such disclosure, provided Lessor in making such disclosure advises the party receiving the information of the confidentiality of the information, which agreement shall run to the benefit of and be enforceable by Lessee and any assignee or transferee of Lessee. The provisions of this Section 10.8 shall survive the termination or expiration of this Lease.



### **Section 10.9 Counterparts**

This Lease may be executed in two or more counterparts and by different parties on separate counterparts, all of which shall be considered one and the same agreement and each of which shall be deemed an original.

### **Section 10.10 Tax Credits**

If under applicable law the holder of a leasehold interest in the nature of that held by Lessee under this Lease becomes ineligible for any tax credit, benefit or incentive for alternative energy expenditure established by any local, state or federal government, then, at Lessee's option, Lessor and Lessee shall amend this Lease or replace it with a different instrument so as to convert Lessee's interest in the Premises to a substantially similar interest that makes Lessee eligible for such tax credit, benefit or incentive.

### **Section 10.11 Memorandum of Lease**

Lessor and Lessee shall execute in recordable form and Lessee shall then record a memorandum of this Lease. Lessor hereby consents to the recordation of the interest of an assignee in the Premises. Upon the termination of the Lease, at the request of Lessor, Lessee agrees to provide a recordable acknowledgement of such termination to Lessee.

### **Section 10.12 Multiple Owners**

Notwithstanding anything to the contrary in this Lease or elsewhere, any obligation under this Lease for Lessee to pay Lessor any amount will be completely and unconditionally satisfied by payment of such amount by Lessee to the party named for Lessor in Section 10.1 at the address for such party given in Section 10.1, or such other single address designated by not less than thirty (30) days' prior written notice to Lessee signed by all parties comprising Lessor. At Lessee's election such payment may be by joint check or checks payable to the Lessor parties known to Lessee. The parties comprising Lessor shall be solely responsible to notify Lessee in writing of any change in ownership of the Premises or any portion thereof. Each of the parties comprising Lessor hereby irrevocably directs and authorizes Lessee to make all payments payable to Lessor under this Lease and to provide all notices to Lessor under this Lease directly to the party named in Section 10.1 as agent for all parties comprising Lessor, or to such other single person that all parties comprising Lessor shall direct by written notice to Lessee. The parties comprising Lessor shall be solely responsible for distributing their respective shares of such payments between themselves. The parties comprising Lessor shall resolve any dispute they might have between themselves under this Lease or any other agreement regarding any amount paid or payable to Lessor under this Lease or the performance of any obligation owed to Lessor under this Lease and shall not join Lessee in any such dispute or interfere with, delay, limit or otherwise adversely affect any of the rights or remedies of Lessee under this Lease in any way; provided, this will not limit the rights of Lessor under this Lease to enforce the obligations of Lessee under this Lease and so long as all parties comprising Lessor agree on pursuing such right or remedy and so notify Lessee in writing.

### **Section 10.13 Severability**

Whenever possible, each provision of this Lease shall be interpreted in such manner as to be valid, binding and enforceable under applicable law. If any provision of this Lease is held to be invalid, void (or voidable) or unenforceable under applicable law, such provision shall be

ineffective only to the extent held to be invalid, void (or voidable) or unenforceable, and the remainder of such provision or the remaining provisions of this Lease shall remain in effect.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, the undersigned have caused this instrument to be executed as of the Effective Date.

LESSOR:

Jens Lloyd Dahl  
Jens Lloyd Dahl

Carol Dahl  
Carol Dahl

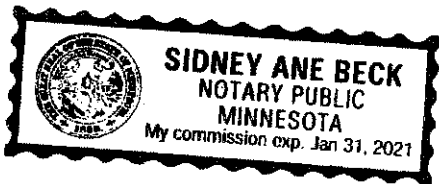
LESSEE:

Blazing Star Wind Farm 2, LLC

By: [Signature]  
Blake E. Nixon, President

STATE OF Minnesota )  
COUNTY OF Lincoln ) ss.

The foregoing instrument was acknowledged before me this 5<sup>th</sup> day of January, 2017 by Jens Lloyd Dahl and Carol Dahl, husband and wife  
*(insert name of spouse, if any, and marital status)*



Sidney Beck  
Notary Public

STATE OF MINNESOTA     )  
  ) ss.  
COUNTY OF HENNEPIN    )

The foregoing instrument was acknowledged before me this 10th day of January, 2017, by Blake E. Nixon, the President of Blazing Star Wind Farm 2, LLC, a Delaware limited liability company, on behalf of the limited liability company.

  
Notary Public



This instrument was drafted by:  
Blazing Star Wind Farm 2, LLC  
c/o Geronimo Energy, LLC  
7650 Edinborough Way, Suite 725  
Edina, MN 55435

**EXHIBIT A**

**DESCRIPTION OF PREMISES**

**Legal Description of Premises:**

**Tax Parcel No(s):** 02-0182-000 and 03-0024-000

The South Half of the Southeast Quarter (S½SE¼) of Section Thirty-three (33), Township One Hundred Eleven (111) North, Range Forty-five (45), West, Lincoln County, Minnesota;

AND

The East One Half (E½) of the Southeast Quarter (SE¼) of Section Three (3), Township One Hundred Ten (110), North of Range Forty-five (45) West of the Fifth (5<sup>th</sup>) Principal Meridian, Lincoln County, Minnesota.

**The Premises contains 160.00 acres.**

## EXHIBIT B

### ANNUAL RENT

Defined terms:

NC	=	Nameplate Capacity of the Project (measured in Megawatts (MW))
PNC	=	Nameplate Capacity of the turbines installed on the Premises (measured in Megawatts (MW))
NCF	=	Net Capacity Factor (power production factor for the wind farm)
P	=	Price of power sold to the utility (measured in \$/Megawatt hour)
R	=	Total revenue of the Project (estimated to be $NC \times 365 \times NCF \times P \times 24$ )
PTR	=	Total Turbine Rent of the Project
TR	=	Turbine Rent for the Premises
A	=	Total Project acreage
PA	=	Total Premises acreage

Lessee shall pay Lessor the following amounts as rent for the Premises (collectively, the "Annual Rent"), which Annual Rent shall not be less than \$1,000.00 per year:

- (i) **Turbine Rent.** If one or more wind turbines are installed on the Premises, the Annual Turbine Rent shall be equal to \$3,500 per megawatt of installed nameplate capacity of the wind turbines installed on the Premises. Commencing on the first anniversary of the commencement of the Extended Term, the Turbine Rent shall increase at the rate of two percent (2.0%) per year.

$$\text{Annual Turbine Rent for the Premises (TR)} = \text{PNC} \times 3,500 \text{ (as adjusted per above).}$$

PLUS

- (ii) **Acreage Rent.** The Annual Acreage Rent shall be equal to:

(a) Minimum Acreage Rent. Twenty Dollars and No/100 (\$20.00) per acre of the Premises (the "Minimum Acreage Rent"). Commencing on the first anniversary of the commencement of the Extended Term, the Minimum Acreage Rent shall increase at the rate of two percent (2.0%) per year.

PLUS

(b) Per Acre Revenue Allocation ("PARA") Acreage Rent Bonus. The "PARA Acreage Rent Bonus" shall be equal to the PARA Acreage Rent (as defined below) for such year less the Minimum Acreage Rent paid at the commencement of such year. Because the PARA Acreage Rent Bonus is calculated based on actual project revenue for such year, the PARA Acreage Rent Bonus shall be payable in the year following the year in which the calculation is based (i.e. the PARA Acreage Rent Bonus amount applicable for the first year of the Extended Term will be payable at the same time as the Minimum Acreage Rent payable for the second year of the Extended Term). As such, the last PARA Acreage Rent Bonus payment shall be made after the termination or expiration of the Lease. If the PARA Acreage Rent Bonus is a negative value for such year, no PARA Acreage Rent Bonus will be payable for such year.

The PARA Acreage Rent shall be the product of the total revenue of the Project during such year and an allocation factor (the "Allocation Factor"), which will be 4.0% during the Extended Term and 4.5% during any Renewal Terms, minus the Total Turbine Rent of the Project, divided by the Total Project acreage, and multiplied by the Total Premises acreage.

$$\text{PARA Acreage Rent Per Acre} = ((R \times \text{Allocation Factor}) - \text{PTR}) / A$$

$$\text{PARA Acreage Rent} = \text{Annual Acreage Rent Per Acre} \times \text{PA}$$

For the avoidance of doubt, if the event that the Project, including the Facilities located on the Premises, is sold to a utility that includes the output from such Project in its retail rate base, such that a revenue amount for the sale of such output (and therefore the Annual Acreage Rent) is not reasonably susceptible to calculation, then the Acreage Rent shall be equal to the Minimum Acreage Rent described in (a) above shall be payable.

The Annual Rent payment for any year, if less than a full year, shall be prorated based on the number of days in such year.

The first Annual Rent payment shall be due within sixty (60) days after the first day of the Construction Period. The second Annual Rent payment shall be due within sixty (60) days after the first day of the Extended Period; such second Annual rent payment shall also include a true-up of Annual Payments based on the length of the Construction Period (i.e., if the Construction Period was more than one year then the second Annual Payment will be increased to reflect the additional prorated amount, if the Construction Period was less than one year then the second payment will be decreased to reflect the prorated amount). Subsequent Annual Rent payments during the Extended Term and Renewal Term(s), if any, shall be due within ninety (90) days of each anniversary of the commencement of the Extended Term.

For example, if the commencement of the Extended Term occurs on April 1, 2018, then the second Annual Rent payment will be due on May 31, 2018, and subsequent annual rent payments would be due on May 31 of each year. The Annual Rent payment due on May 31, 2018 would apply to the period from April 1, 2018 through March 30, 2019. The Annual Rent payment due on May 31, 2019 would apply to the period from April 1, 2019 through March 30, 2019, and would include a PARA Acreage Rent Bonus for the period from April 1, 2018 through March 30, 2019.

Blazing Star 2 - Payment Detail Sheet 2022 Year 3 Payment	
Original Easement Grantor	Jens Lloyd Dahl and Carol Dahl, husband and wife
Tract Number	340, 351
Tax PIN	02-0182-000; 03-0024-000
Acres	160.00
Number of Turbines	0
Turbine Numbers	0
Access Road Lineal Feet	1281.60
Payee Information	
Payee	Kyle Dahl
Payment Term	2022 Payment
Percent Ownership	100%
Total Days in Construction	284
Year 1 Payment	\$4481.60
Year 2 Payment	
Turbine Payment	\$0.00
Acreage Payment	\$3264.00
Access Road Payment	\$1307.23
Adjustment Payment*	\$-994.55
Total Payment	\$3576.69
Year 3 Payment	
Turbine Payment	\$0.00
Acreage Payment	\$3329.28
Access Road Payment	\$1333.38
Total Payment	\$4662.66

Actual payment amounts and due dates will be made based on the actual terms in your signed agreement. Payments are escalated at 2% per contract escalation amount.

\*- Year 2 Adjustment is to adjust the payment due to the construction being from 4/20/2020 – 1/28/2021. Adjustment is calculated by multiplying the Year 1 Payment by  $(365-284)/365$ . Please refer to lease for additional details.