

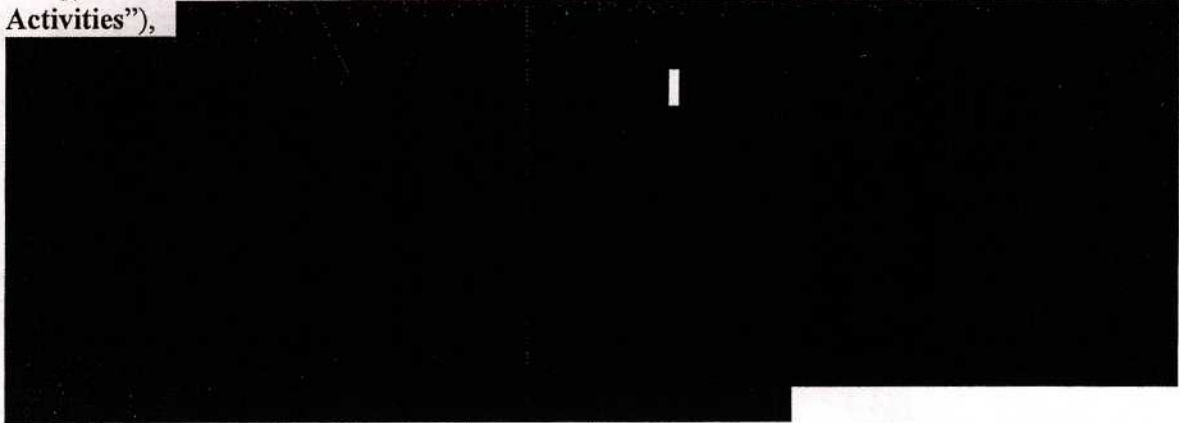
## LEASE AND WIND EASEMENT

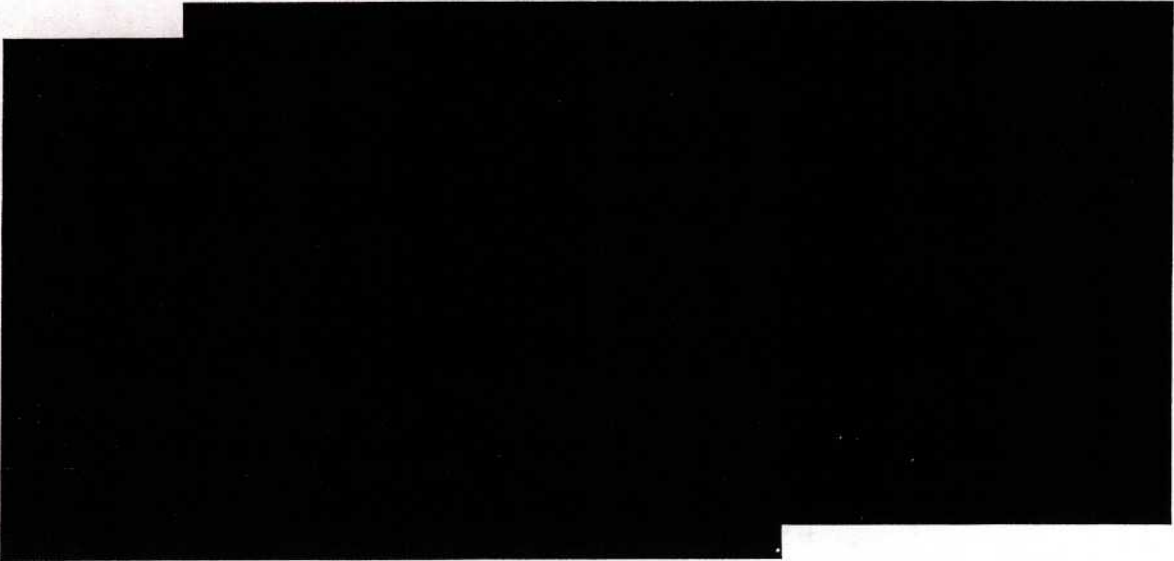
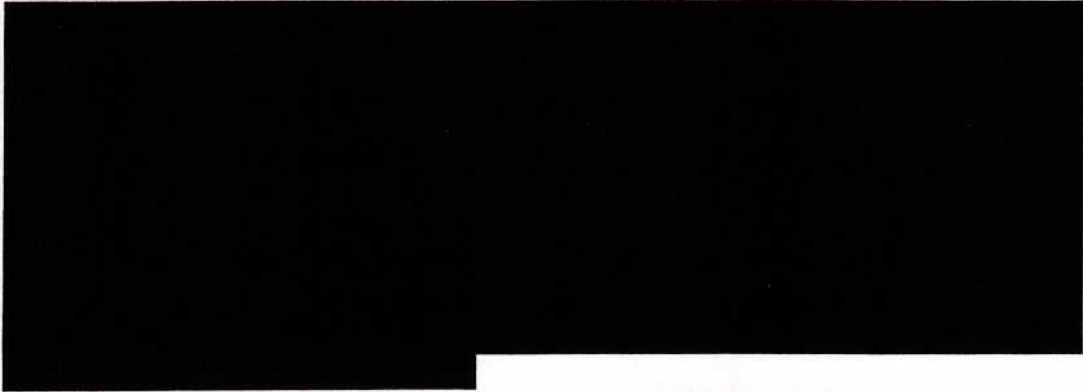
This **LEASE AND WIND EASEMENT** (this "**Agreement**") is made, dated and effective as of \_\_\_\_\_, 2005 (the "**Effective Date**"), by and between \_\_\_\_\_ ("**Owner**"), and \_\_\_\_\_, an \_\_\_\_\_ limited liability company ("\_\_\_\_\_"), in light of the following facts and circumstances.

1. **Lease and Confirmation.** For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by Owner, Owner hereby leases to \_\_\_\_\_ the real property (the "**Property**") of Owner located in the County of Pierce, State of North Dakota. The Property consists of approximately \_\_\_\_\_ acres of land, as more particularly described on Exhibit A attached hereto and incorporated herein by this reference.

2. **Purpose of Lease.**

2.1 **General.** The lease created by this Agreement is solely and exclusively for wind energy purposes, and \_\_\_\_\_ shall have the exclusive right to use the Property for wind energy purposes. For purposes of this Agreement, "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 ("**Development Activities**"),

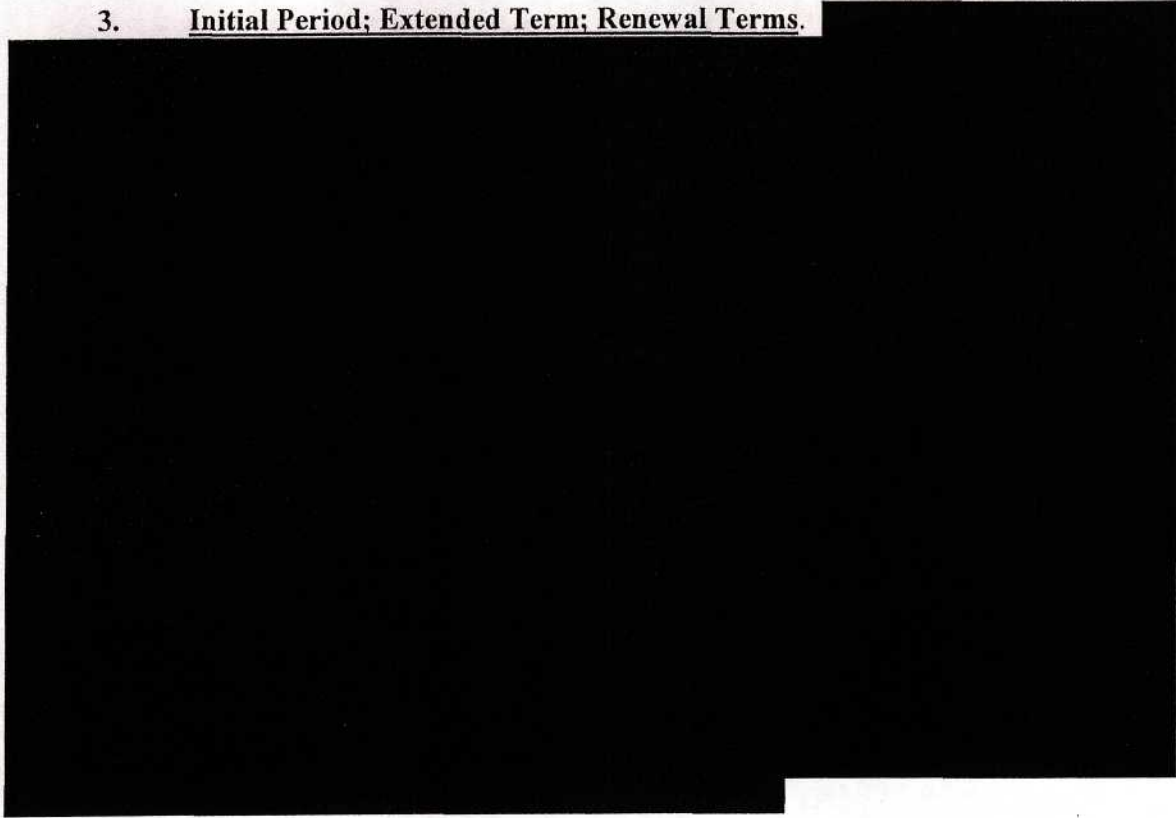




**2.3 Survival of Covenants.** The covenants, conditions, rights and restrictions in favor of \_\_\_\_\_ under this Agreement and \_\_\_\_\_'s reliance on and benefit from those covenants, conditions, rights and restrictions may constitute a portion of a larger wind energy project with which the Property will from time to time share structural and transmission components, ingress and egress, utility access, and other support, all of which may be specifically designed to be interrelated and integrated in operation and use for the full life of the project and any replacement projects; accordingly, the covenants, conditions, rights and restrictions in favor of \_\_\_\_\_ pursuant to this Agreement shall not be deemed invalid

or inoperative or otherwise be disregarded while any portion of the project or any replacement project is under development or is operational.

**3. Initial Period; Extended Term; Renewal Terms.**

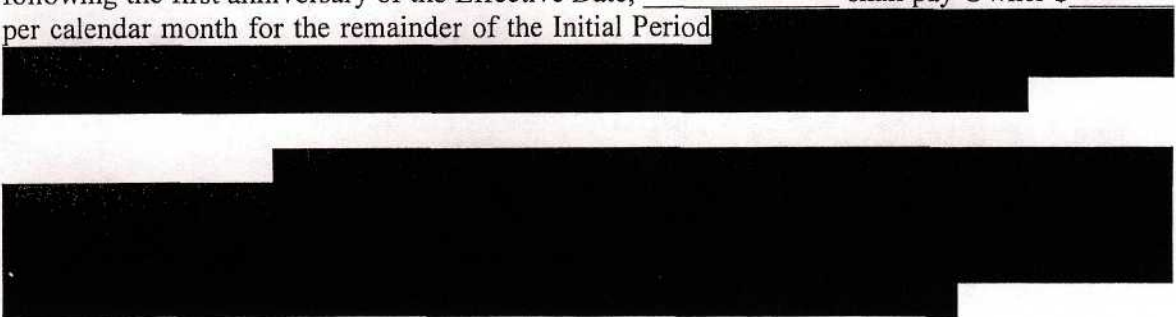


**4. Payments.** \_\_\_\_\_ will pay Owner the following amounts:

**4.1 Initial Payments.**

4.1.1. Within sixty (60) days of the Effective Date, \_\_\_\_\_ shall pay Owner \$\_\_\_\_\_, which will be payment for the remainder of the current month and payment for the next twelve (12) consecutive months of the Initial Period.

4.1.2. Beginning on the first day of the first full calendar month following the first anniversary of the Effective Date, \_\_\_\_\_ shall pay Owner \$ \_\_\_\_\_ per calendar month for the remainder of the Initial Period



**4.2 Installation Fees.** \_\_\_\_\_ shall pay to Owner a one-time installation fee ("**Installation Fee**") equal to \$ \_\_\_\_\_ per megawatt ("**MW**") of installed capacity of wind turbines or other power generation facilities built on the Property in any particular phase of construction, based on such facilities' "nameplate rating" (as determined by the manufacturer).

[REDACTED]

**4.3 Operating Fees.** If and when a wind turbine or other power generation facility is installed on the Property and begins delivering electricity on a commercial basis (i.e., in quantities and for periods greater than required for testing) ("**Operations Date**"), and for so long as each wind turbine or other power generation facility so installed remains on the Property until its physical removal therefrom, \_\_\_\_\_ shall pay to Owner, on an annual basis, Operating Fees \_\_\_\_\_

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

For purposes of this Section 4.3, the first calendar year will commence on the Operations Date and shall end on December 31 of that year in which the Operations Date occurs.

**4.4 Annual Alternative Rent.** \_\_\_\_\_

[REDACTED]

4.5 No Representation.

5. Ownership of Windpower Facilities. Owner shall have no ownership or other interest in any Windpower Facilities installed on the Property, and \_\_\_\_\_ may remove any or all Windpower Facilities at any time.

6. Taxes. \_\_\_\_\_ shall pay any increase in the real property taxes levied against the Property directly attributable to the installation of Windpower Facilities on the Property, including any reclassification of the Property as a result of the Windpower Facilities or this Agreement, to the extent that such increase is not separately assessed to \_\_\_\_\_ and paid directly by \_\_\_\_\_ to the taxing authorities. \_\_\_\_\_ shall not be liable for taxes attributable to facilities installed by Owner or others on the Property, or to the underlying value of the Property itself. It is a condition to Owner's right to payment or reimbursement of any such increased taxes hereunder that Owner submit the real property tax bill to \_\_\_\_\_ within thirty (30) days after Owner receives the bill from the taxing authority. \_\_\_\_\_ shall have the right to pay its portion of the real property taxes directly to the taxing authority. Owner shall pay its portion of the real property taxes, and if Owner fails to do so, \_\_\_\_\_ shall be entitled (but not obligated) to make payments in fulfillment of Owner's obligations to the taxing authority and may offset the amount of such payments from amounts due Owner under this Agreement.

7. Representations, Warranties and Covenants. \_\_\_\_\_ hereby represents, warrants and covenants to Owner as follows:

7.1 Owner Activities. \_\_\_\_\_ shall make reasonable efforts not to disturb Owner's activities on the Property to the extent such activities are consistent with \_\_\_\_\_ rights under this Agreement. \_\_\_\_\_ shall consult with Owner on its site development plan prior to construction, showing Owner the proposed location of wind turbines, roads and electric power lines, before making its final decisions as to location of roads and power lines on the Property, but \_\_\_\_\_ shall make all final siting decisions in its sole and absolute discretion. \_\_\_\_\_ shall post the access roads it constructs going to

the Windpower Facilities as being private roads only for use by personnel in connection with the Windpower Facilities. Owner may use or cross such roads only to the extent that Owner does not interfere with \_\_\_\_\_'s rights under this Agreement.

**7.2 Insurance.** \_\_\_\_\_ shall, at its expense, maintain a commercial general liability insurance policy insuring \_\_\_\_\_ and Owner against loss or liability caused by \_\_\_\_\_'s occupation and use of the Property under this Agreement, in an amount not less than \_\_\_\_\_ (\$\_\_\_\_\_) of combined single limit liability coverage per occurrence, accident or incident, which has a commercially reasonable deductible. Certificates of such insurance shall be provided to Owner at Owner's reasonable request. \_\_\_\_\_ shall have the right to use a qualified program of self-insurance to meet the insurance requirements.

**7.3 Indemnity.** \_\_\_\_\_ will indemnify Owner against liability for physical damage to property and for physical injuries or death to Owner, Owner's property or the public, to the extent caused by \_\_\_\_\_ construction, operation or removal of Windpower Facilities on the Property, except to the extent such damages, injuries or death are caused or contributed to by the negligence or willful misconduct of Owner or Owner's tenants, invitees or permittees. The reference to property damage in the preceding sentence does not include any damages to crops (which are governed solely by the provisions of Section 7.7 below) or any losses of rent, business opportunities, profits and the like that may result from Owner's loss of use of any portions of the Property occupied by, or otherwise attributable to the installation of, Windpower Facilities pursuant to this Agreement. Owner authorizes \_\_\_\_\_, at \_\_\_\_\_ sole expense, to take reasonable safety and security measures to reduce the risk of damage to the Windpower Facilities or the risk that the Windpower Facilities will cause damage, injury or death to people, livestock, other animals and property, including without limitation, fencing around the perimeter of the Windpower Facilities as \_\_\_\_\_ may deem necessary or appropriate to secure or enclose the same, without unduly burdening Owner's use of the Property.

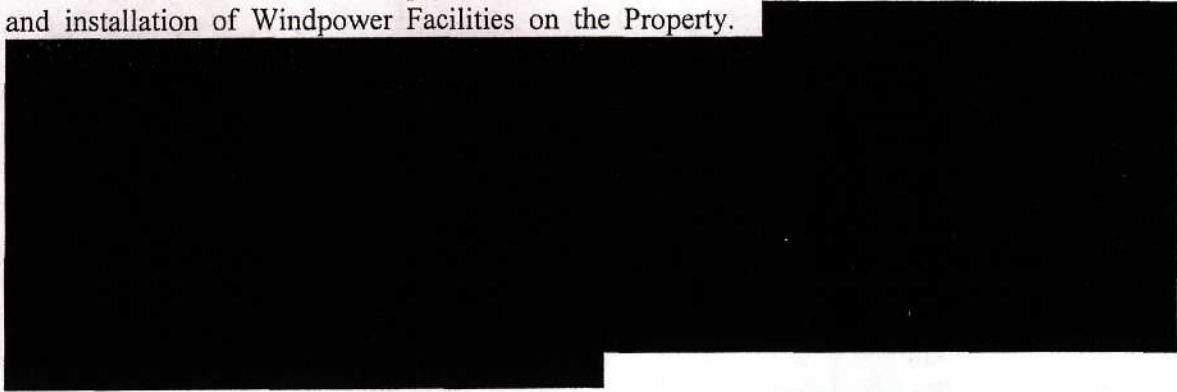
**7.4 Requirement of Governmental Agencies.** \_\_\_\_\_, at its expense, shall comply in all material respects with valid laws, ordinances, statutes, orders and regulations of any governmental agency applicable to the Windpower Facilities. \_\_\_\_\_ shall have the right, in its sole discretion, to contest by appropriate legal proceedings brought in the name of \_\_\_\_\_ or in the names of both \_\_\_\_\_ and Owner where appropriate or required, the validity or applicability to the Property or Windpower Facilities of any law, ordinance, statute, order, regulation, property assessment or the like now or hereafter made or issued by any federal, state, county, local or other governmental agency or entity. Owner shall cooperate in every reasonable way in such contest, at no out-of-pocket expense to Owner. Any such contest or proceeding, including any maintained in the name of Owner, shall be controlled and directed by \_\_\_\_\_, but \_\_\_\_\_ shall protect Owner from \_\_\_\_\_'s failure to observe or comply during the contest with the contested law, ordinance, statute, order, regulation or property assessment.

**7.5 Construction Liens.** \_\_\_\_\_ shall keep the Property free and clear of all liens and claims of liens for labor and services performed on, and materials, supplies

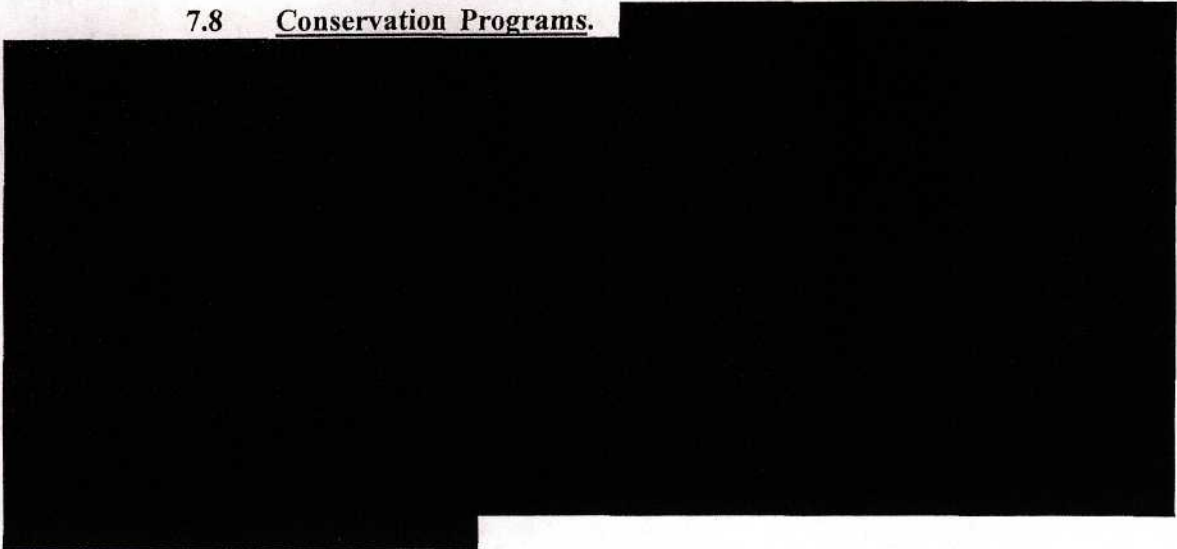
or equipment furnished to, the Property in connection with \_\_\_\_\_'s use of the Property pursuant to this Agreement; provided, however, that if \_\_\_\_\_ wishes to contest any such lien, \_\_\_\_\_ shall, within sixty (60) days after it receives notice of the filing of such lien, remove or bond around such lien pursuant to applicable law.

**7.6 Hazardous Materials.** \_\_\_\_\_ shall not violate, and shall indemnify Owner against, any violation by \_\_\_\_\_ or \_\_\_\_\_'s agents or contractors of any federal, state or local law, ordinance or regulation relating to the generation, manufacture, production, use, storage, release or threatened release, discharge, disposal, transportation or presence of any substance, material or waste which is now or hereafter classified as hazardous or toxic, or which is regulated under current or future federal, state or local laws or regulations, on or under the Property.

**7.7 Crop Damage.** The parties anticipate and acknowledge that Owner may suffer damage to crops on the Property during \_\_\_\_\_ construction and installation of Windpower Facilities on the Property. \_\_\_\_\_ shall pay Owner one-time compensation of \$\_\_\_\_\_ per acre (prorated for fractional portions) for any and all portions of the Property that are taken out of commercial crop production as a direct result of \_\_\_\_\_ construction and installation of Windpower Facilities on the Property.



**7.8 Conservation Programs.**



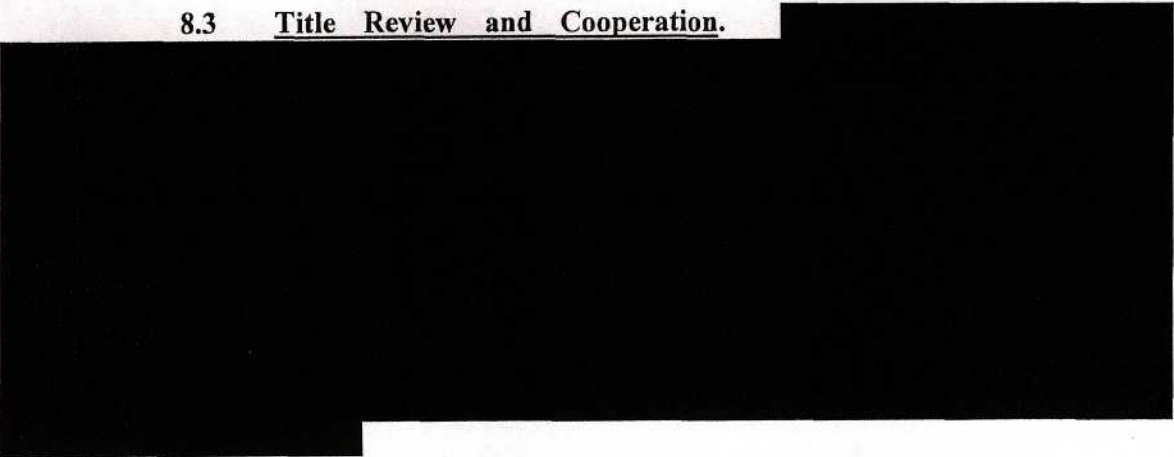
8. **Owner's Representations, Warranties and Covenants.** Owner hereby represents, warrants and covenants to \_\_\_\_\_ as follows:

8.1 **Owner's Authority.** Owner is the sole owner of the Property and has the unrestricted right and authority to execute this Agreement and to grant to \_\_\_\_\_ the rights granted hereunder. No rights to convert the wind resources of the Property or to otherwise use the Property for wind energy purposes have been granted to or are held by any party other than \_\_\_\_\_. Each person signing this Agreement on behalf of Owner is authorized to do so, and all persons having any ownership or possessory interest in the Property (including spouses) are signing this Agreement as Owner. When signed by Owner, this Agreement constitutes a valid and binding agreement enforceable against Owner in accordance with its terms.

8.2 **No Interference.**



8.3 **Title Review and Cooperation.**



8.4 **Requirements of Governmental Agencies/Lenders.** Owner shall assist and fully cooperate with \_\_\_\_\_, at no out-of-pocket expense to Owner, in complying with or obtaining any land use permits and approvals, tax-incentive or tax-abatement program approvals, building permits, environmental impact reviews or any other approvals required or deemed desirable by \_\_\_\_\_ in connection with the financing, construction, installation, replacement, relocation, maintenance, operation or removal of Windpower Facilities, including

execution of applications for such approvals and delivery of information and documentation related thereto.

**8.5 Indemnity.**

**8.6 Hazardous Materials.** Owner shall not violate, and shall indemnify \_\_\_\_\_ for, from and against any violation (past, present or future) by Owner or Owner's agents or contractors of, any federal, state or local law, ordinance or regulation relating to the generation, manufacture, production, use, storage, release or threatened release, discharge, disposal, transportation or presence of any substance, material or waste which is now or hereafter classified as hazardous or toxic, or which is regulated under current or future federal, state or local laws or regulations, on or under the Property.

**8.7 Quiet Enjoyment.** Owner covenants and warrants that \_\_\_\_\_ shall peacefully hold and enjoy all of the rights granted by this Agreement for its entire term without hindrance or interruption by Owner or any person lawfully or equitably claiming by, through, under or superior to Owner subject to the terms of this Agreement.

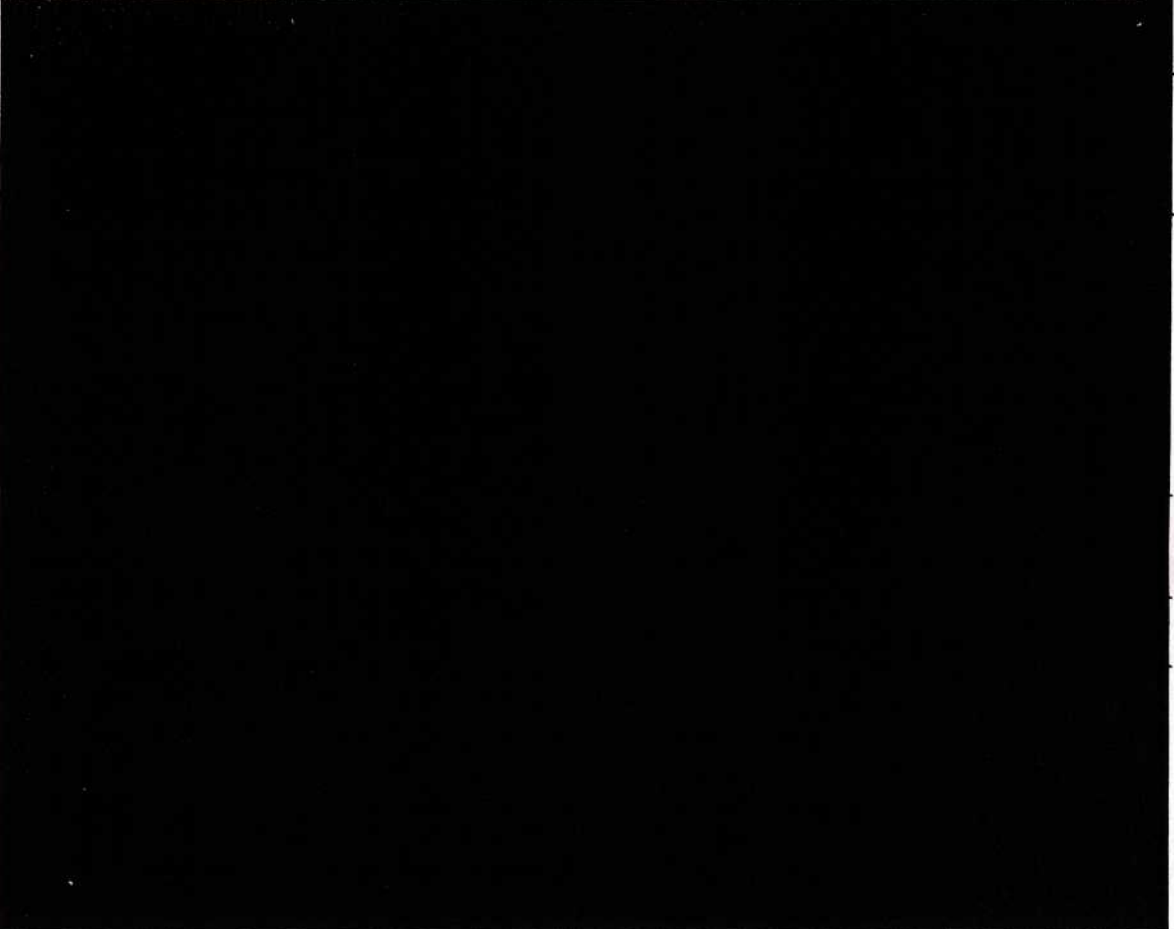
**9. Assignment; Subleases; Cure.**

**9.1 Assignees and Tenants.**

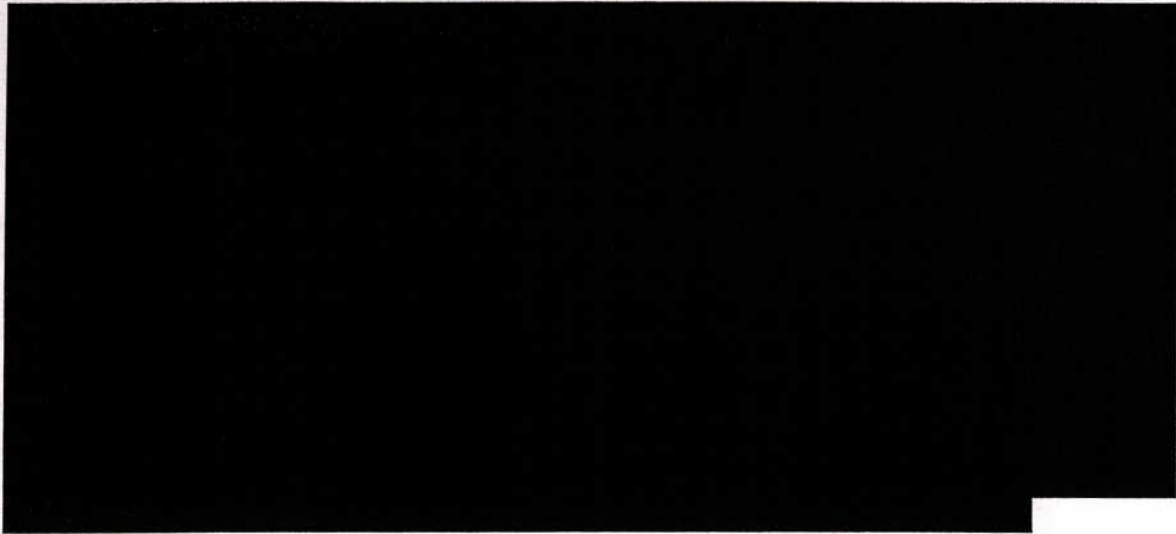


**9.2 Assignee/Tenant Obligations.** No Assignee or Tenant which does not directly hold an interest in this Agreement, and no Assignee or Tenant which holds an interest in or lien on or security interest in this Agreement for security purposes, shall have any obligation or liability under this Agreement prior to the time that such Assignee or Tenant directly holds an interest in this Agreement or, in the case of an interest, lien or security interest for security purposes, the holder thereof succeeds to absolute title to such interest. Any such Assignee or Tenant shall be liable to perform obligations under this Agreement only for and during the period such Assignee or Tenant directly holds such interest or absolute title. Any assignment permitted hereunder shall release the assignor from obligations accruing after the date that liability is assumed by the Assignee or Tenant.

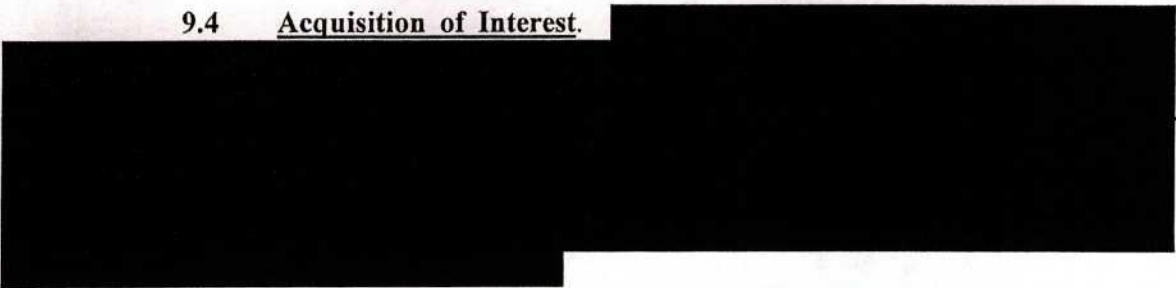
**9.3 Right to Cure Defaults/Notice of Defaults/Right to New Lease.**



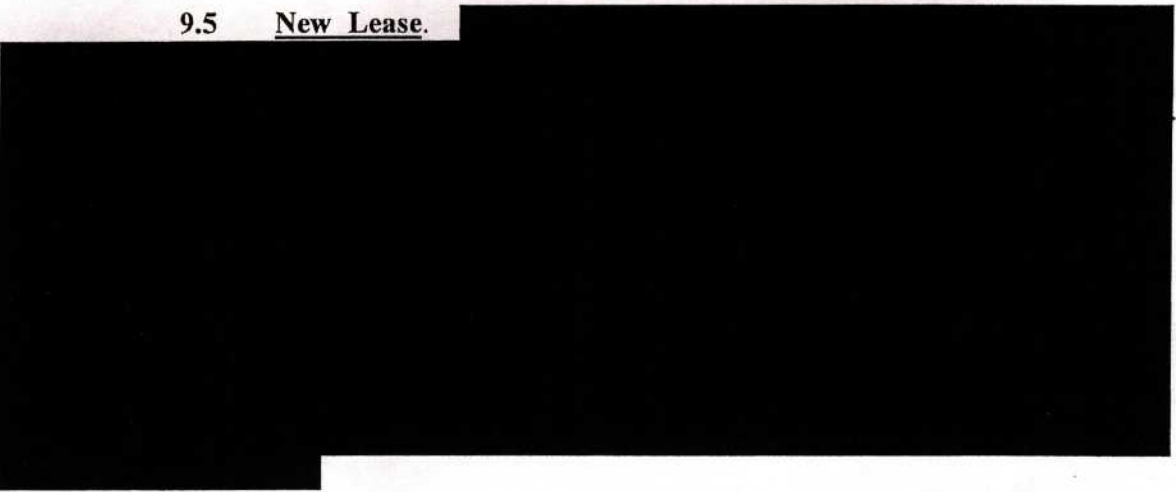
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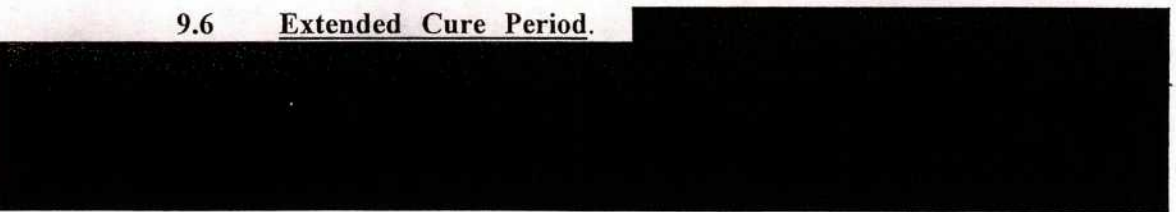
9.4 Acquisition of Interest.

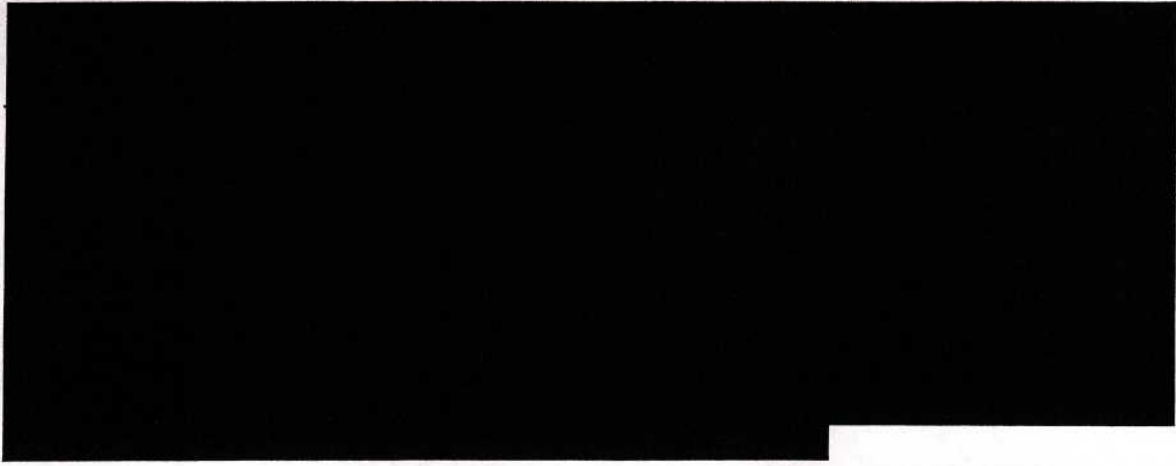


9.5 New Lease.



9.6 Extended Cure Period.

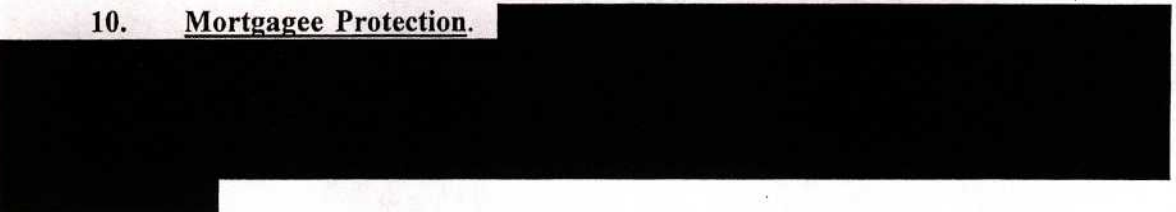




9.7 Certificates, etc.



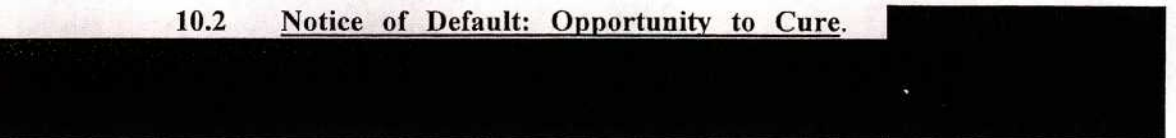
10. Mortgagee Protection.



10.1 Leasehold Mortgagee's Right to Possession, Right to Acquire and Right to Assign.



10.2 Notice of Default: Opportunity to Cure.



[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

10.3 New Lease to Mortgagee.

[REDACTED]

[REDACTED]

[REDACTED]

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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

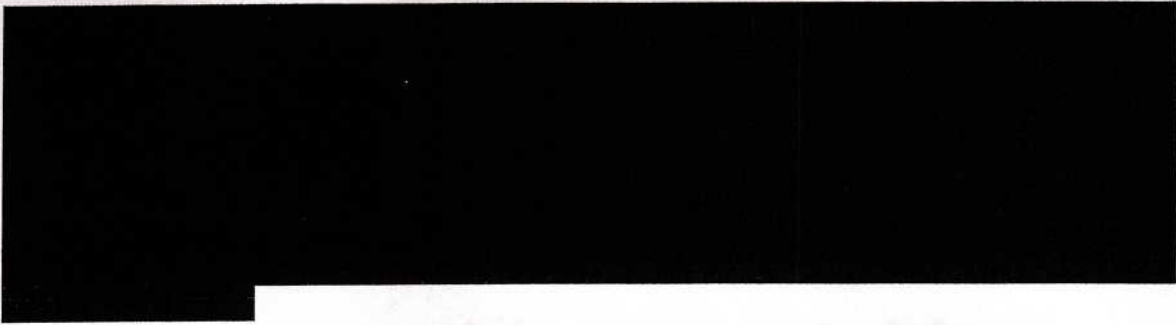
**10.4 Leasehold Mortgagee's Consent to Amendment, Termination or Surrender.**

[REDACTED]

**10.5 No Waiver.**

[REDACTED]



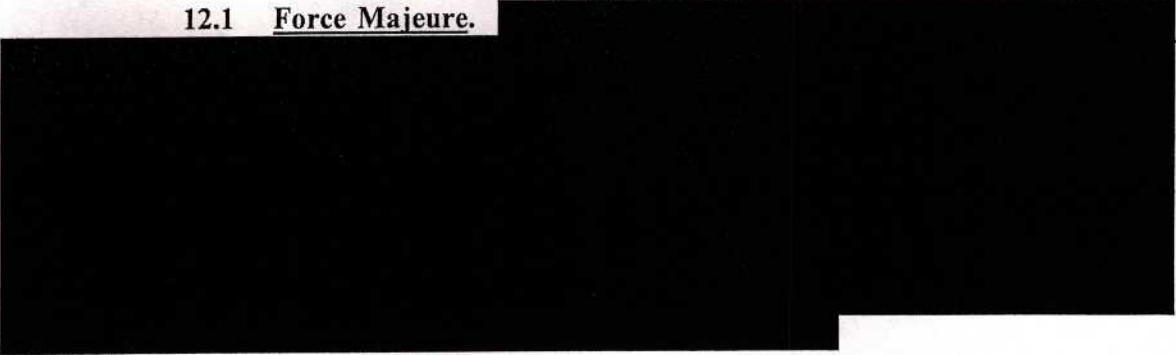


**11.4 Cumulative Remedies.**

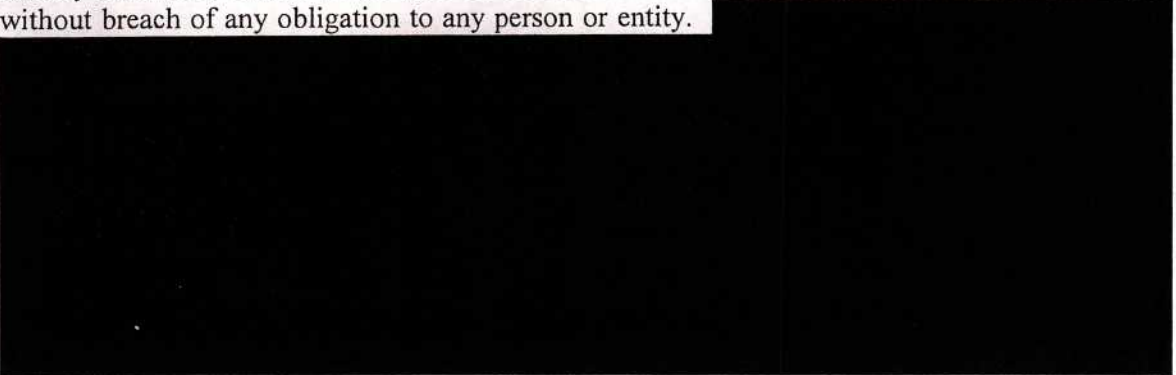


**12. Miscellaneous.**

**12.1 Force Majeure.**

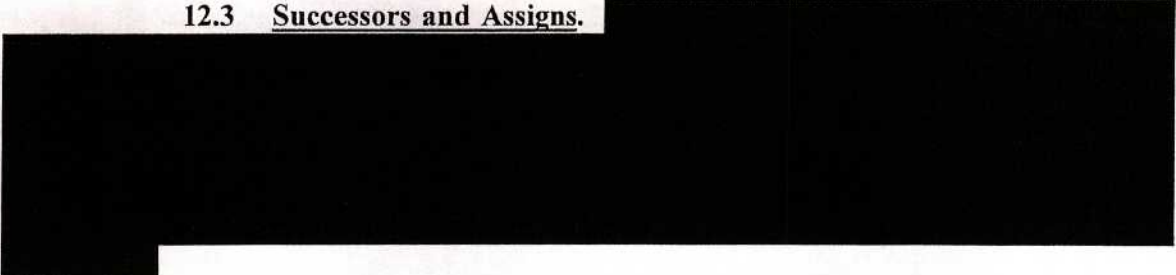


**12.2 Confidentiality.** Owner shall maintain in the strictest confidence, for the benefit of \_\_\_\_\_, any Assignee or Tenant, all information pertaining to the financial terms of or payments under this Agreement, \_\_\_\_\_ site or product design, methods of operation, methods of construction, power production or availability of the Windpower Facilities, and the like, whether disclosed by \_\_\_\_\_, any Assignee or Tenant, or discovered by Owner, unless such information either (i) is in the public domain by reason of prior publication through no act or omission of Owner or its employees or agents; or (ii) was already known to Owner at the time of disclosure and which Owner is free to use or disclose without breach of any obligation to any person or entity.





**12.3 Successors and Assigns.**



**12.4 Memorandum of Lease.** Owner and \_\_\_\_\_ shall execute in recordable form and \_\_\_\_\_ shall then record a memorandum of the lease evidenced by this Agreement reasonably satisfactory in form and substance to \_\_\_\_\_ and Owner. Owner hereby consents to the recordation of the interest of an Assignee in the Property.

**12.5 Notices.** All notices or other communications required or permitted by this Agreement, including payments to Owner, shall be in writing and shall be deemed given when personally delivered, or in lieu of such personal service, five (5) days after deposit in the United States mail, first class, postage prepaid, certified, or the next business day if sent by reputable overnight courier, provided receipt is obtained and charges prepaid by the delivering party. Any notice shall be addressed as follows:

If to Owner:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

If to \_\_\_\_\_:

\_\_\_\_\_ Wind LLC  
c/o PPM Energy, Inc.  
Attn: Contracts Administration  
1125 NW Couch, Suite 700  
Portland, Oregon 97209  
Facsimile: (503) 796-6901  
Telephone No. (503) 796-7000

With copy to:

\_\_\_\_\_ Wind LLC  
c/o PPM Energy, Inc.  
Attn: Real Estate Administration  
1125 NW Couch, Suite 700  
Portland, Oregon 97209  
Facsimile: (503) 796-6901

11/18/08 10:26:01

Telephone No.: (503) 796-7000

If to any Assignee or Tenant:

At the address indicated in the notice to Owner provided under Section 9.1 hereof

Any party may change its address for purposes of this paragraph by giving written notice of such change to the other parties in the manner provided in this paragraph.

**12.6 Entire Agreement; Amendments.** This Agreement constitutes the entire agreement between Owner and \_\_\_\_\_ respecting its subject matter. \_\_\_\_\_

**12.7 Legal Matters.** This Agreement shall be governed by and interpreted in accordance with the laws of the State of North Dakota. \_\_\_\_\_

**12.8 Partial Invalidity** \_\_\_\_\_

**12.9 Tax Credits** \_\_\_\_\_

**12.10 No Partnership.** \_\_\_\_\_

12.11 Counterparts.

IN WITNESS WHEREOF, Owner and \_\_\_\_\_ have caused this Agreement to be executed and delivered by their duly authorized representatives as of the Effective Date.

\_\_\_\_\_:

\_\_\_\_\_,  
an Oregon limited liability company

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: Vice President

OWNER:

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_

STATE OF OREGON        )  
                                  ) ss.  
COUNTY OF Multnomah )

The foregoing instrument was acknowledged before me this \_\_\_ day of \_\_\_\_\_, 2005 by \_\_\_\_\_, Vice President of \_\_\_\_\_, an Oregon limited liability company, on behalf of the limited liability company.

\_\_\_\_\_  
Notary Public for Oregon  
My commission expires: \_\_\_\_\_  
Commission No.: \_\_\_\_\_

STATE OF NORTH DAKOTA        )  
                                  ) ss.  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, in the year 2005, before me personally appeared \_\_\_\_\_, known to me to be the person who is described in and

who executed the within and foregoing instrument, and acknowledged to me that he executed the same.

\_\_\_\_\_  
(Notary signature)

\_\_\_\_\_  
(Printed, Typed or Stamped Name of Notary)  
My commission expires: \_\_\_\_\_

**EXHIBIT A**

**Description of the Property**

All that real property located in \_\_\_\_\_ County, North Dakota, described as follows: