

SEQUENCE NO. 25932
 BISON I

WIND PROJECT OPTION AGREEMENT

This Wind Project Option Agreement ("Option") is made as of June 2, 2008/9 by and between Keith Kessler and Deanna Kessler, husband and wife, and ("Owner") as owner of the real property described on attached **Attachment 1** ("Owner's Property") and RendField Land Company, Inc., a Minnesota corporation ("Developer").

1. Grant of Option. Owner hereby grants to Developer the exclusive and irrevocable option to acquire the exclusive right to convert all of the wind resources of the Owner's Property into energy, subject to and in accordance with the terms and conditions set forth in this Agreement.
2. Payment and Grant of "Most Favored Nation" Status. Developer shall pay to Owner the non-refundable sum of \$ [REDACTED] (\$ [REDACTED] per acre) within 30 business days of the date hereof and on the anniversary hereof (the "Option Payment(s)"). If, within 8 months of the date hereof, Developer enters into an option agreement for wind development purposes with another landowner within a 10 mile radius of the Owner's Property, which such option agreement includes a higher Option Payment or higher Annual Installment Payments (as defined in the Wind Project Easement Agreement attached as **Attachment 2**), then this Wind Project Option Agreement (and the Wind Project Easement Agreement, as applicable) will be amended to reflect such higher payments.
3. Option Term. The term of the Option shall be Five (5) years (the "Option Term").
4. Exercise of Option. Developer shall give written notice to Owner of the exercise of this Option. In the event of exercise of the Option by Developer, Developer and Owner agree to promptly execute a Wind Project Easement Agreement in the form of **Attachment 2**.
5. Failure to Exercise Option or Make Option Payments. If Developer fails to give written notice of exercise of this Option on or before the Option Term expires, or if Developer fails to make any Option Payment when due, and such failure continues for fifteen (15) days

after written notice thereof from Owner, this Option shall automatically terminate, Developer shall have no rights herein and Owner shall retain the Option Payment(s).

6. Developer Access and Met Tower Construction.

- (a) During the Option Term, Developer and Developer's agents and contractors shall be entitled to enter upon the Owner's Property to perform soil tests, environmental tests, and such other inspections, tests and studies as Developer deems necessary, all at Developer's sole cost and expense.
- (b) During the Option Term, Developer and Developer's agents and contractors shall be entitled to enter upon Owner's Property to construct, erect, install, reinstall, replace, relocate and remove from time to time: meteorological and wind measuring equipment, including but not limited to anemometer towers and all necessary and proper appliances and fixtures for use in connection with said towers (collectively "Met Towers"), to determine the feasibility of wind energy conversion on the Property, on adjacent property or elsewhere.
- (c) Developer shall pay Owner a Met Tower Fee for each meteorological tower, if any, installed on the Owner's Property by Developer that operates during the Option Term in an amount equal to [REDACTED] (\$ [REDACTED] per Met Tower per year.
- (d) Developer agrees to indemnify, defend and hold Owner harmless from any and all claims, of whatever nature, arising out of or relating to any act or omission of Developer or Developer's agents or contractors on the Owner's Property during the Option Term and before execution of the Wind Project Easement Agreement.
- (e) Developer shall, prior to expiration of the Option Term if this Option is not exercised, restore the Owner's Property to the condition as it exists as of the date hereof.
- (f) Developer shall not permit any mechanic liens to be filed against the Owner's Property, and shall immediately discharge or obtain releases of any such mechanic liens. Developer shall not be liable for any existing conditions on the Owner's Property, provided the Owner's Property is restored to the condition as it exists on the date hereof.

7. Representations and Warranties By Owner. Owner represents and warrants to Developer that Owner is the sole owner of the Owner's Property and has the unrestricted right and authority to sign this Option and to grant Developer the rights granted herein. When signed by both parties, this Option constitutes a valid and binding agreement enforceable against Owner in accordance with its terms.

8. Confidentiality. Owner shall not disclose to others (except Owner's, legal counsel and financial advisors who recognize and agree to preserve and maintain the confidentiality of such information) the terms of this Option or information about Developer's methods, power production, or availability of wind resources on the Owner's Property unless the

information is already in the public domain. Owner also agrees not to use such information for Owner's own benefit or permit its use by others for their benefit or to the detriment of Developer.

9. Notices. All notices or other communications required or permitted by this Option shall be in writing. Notices and payments shall be deemed given or made when personally delivered; five (5) days after deposit in the United States mail, first class, postage prepaid, certified; or, one (1) business day after dispatch by Federal Express or other overnight delivery service of national scope, addressed as follows:

If to Owner: Keith & Deanna Kessler
6001 26th Street SW
Glen Ullin, ND 58631

If to Developer: RendField Land Company, Inc.
30 W. Superior St.
Duluth, MN 55802
Attn: General Manager – Renewable Operations

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

10. Entire Agreement. This Option and its Attachments constitute the entire agreement between the parties with respect to the subject matter hereof and thereof. This Option may not be changed orally, but only by an agreement signed by the parties.

11. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of North Dakota, irrespective of the domicile of the parties.

12. Binding Effect. This Option shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

13. Time Is of the Essence. Time is of the essence in the performance of the terms and conditions of this Option.

14. Savings Clause. If any term or condition of this Option is held to be invalid or enforceable, such term or condition shall not be enforced, but all other terms and condition of this Option shall be deemed in full force and effect.

ATTACHMENT 1

Legal Description of Owner's Property

The SE¼ of Section 1 and the E½ of the E½ and NW¼ of SE¼ of Section 12, ALL in Township 141 North, Range 88 West, Mercer County, North Dakota.

**MORTGAGEE
MORTGAGOR
INDEXED ✓**

**STATE OF NORTH DAKOTA
COUNTY OF MERCER**

**192255
OFFICE OF
COUNTY RECORDER**

I hereby certify that the within instrument was filed in this office for record this 7/13/2009 at 9:48 AM, and was duly recorded as Book 180 MISC on Page 415 Fee: \$22.00

County Recorder *Brenda L. Cook*

By Deputy

Return To: MINNESOTA POWER, 30 W SUPERIOR
DULUTH, MN 55802

