

FARM LEASE

THIS AGREEMENT, Made and entered into this 11 day of July, 2005 by and between BARB KIEFER AND MARGARET CLINE whose post office address is PERHAM, MN. + MARSHALL, MN. hereinafter referred to as "Landlord" and CHESTER BART, whose post office address is 1744-1734 SE ARGUSVILLE R.D. hereinafter referred to as the "Tenant", 58005

WITNESSETH, That Landlord in consideration of the rents and covenants hereinafter mentioned on the part of the Tenant to be made and performed, has leased, and by these presents does lease unto said Tenant, for agricultural purposes, the following described real estate, situated in Cass County, North Dakota and described as follows, to-wit:

THE SOUTHEAST QUARTER (1/4) OF SECTION (20)  
TOWNSHIP ONE HUNDRED FORTY-THREE (143) RANGE  
FORTY-NINE (49) CONTAINING 142.8 TILLABLE ACRES.

TO HAVE AND TO HOLD the above described premises to the Tenant, his heirs, personal representatives and assigns, for the term as hereinafter described and subject to the conditions and agreements hereinafter set forth:

1. Term. The term of this lease shall be 7 years commencing on JANUARY 1, 2006 and terminating at midnight on December 31, 2009

2. Rental. Each year during the term of this lease, the Tenant shall pay to the Landlord the sum of \$568.00 cash rent for said premises, such amount to be due and payable at the rate of \$424.00 on or before APRIL 1<sup>st</sup> and the balance of \$144.00 on or before November 1<sup>st</sup>.

3. Permitted Uses. The premises shall be used only for the raising of crops, hay and livestock and for no other purposes.

4. Course of Husbandry. Tenant shall operate the premises in accordance with practices of good husbandry and shall use good farmlike methods and shall not overgraze or engage in or permit any practice which shall result in erosion of topsoil or otherwise adversely affect the premises or the fertility of the soil. No permanent grass shall be plowed or broken up without first obtaining the written consent of Landlord. Tenant shall keep the road ditches adjacent to the premises properly mowed. Tenant shall keep the rocks picked on the premises. Tenant shall

use acceptable fall tillage over the entire premises at the termination of this lease. Examples of acceptable fall tillage are one pass over the premises with a mollyboard plow or two passes over the premises with a chisel plow. Any summer follow that is required by a government agricultural program shall be cover cropped.

5. Maintenance of Fences and Improvements. The Tenant shall keep all fences, buildings, wells, dams, and other improvements upon the leased premises in as good a condition and repair during the term of this lease as they were when he took possession. The Landlord shall upon written request supply or pay for all materials reasonably required for such purpose, and the Tenant shall supply all labor. The Tenant shall keep the premises neat and orderly and free from rubbish or waste.

6. Income. Tenant shall receive all income from hay, crops, and livestock raised upon the leased premises during the term of this lease.

7. Government Payments. Tenant shall receive any and all government payments which may be allocated to the use of this land during the term of this lease, whether for participation in any agricultural program or by way of relief from crop failure or disaster, or otherwise.

8. Real Estate Taxes. The Landlord shall be responsible for the payment of all real estate taxes against said premises.

9. Inspection. Landlord shall have the right to enter the premises for the purpose of inspecting the same at any time so long as the same shall not unreasonably interfere with the use of the premises by Tenant.

10. Hold Harmless Provision. Tenant shall hold Landlord harmless from any and all damages, cost and expense by reason of claims, demands or suits by third persons arising from the operation of the leased premises.

11. Landlord's Lien. Landlord reserves and tenant hereby grants Landlord a lien upon all livestock and crops raised on the leased premises to secure the timely performance of all covenants and agreements herein contained.

12. Liens Against Tenant. Tenant shall not permit any lien to attach to growing crops, the premises or any improvements thereon.

13. Assignment or Sub-Lease. This Lease may not be assigned nor any portion of the leased premises be sub-let, without the prior written consent of the Landlord. Landlord may sell or assign the premises freely subject only to the terms of this Lease.

14. Default. Tenant's failure to fulfill any condition herein or to pay the rent when due shall be a default and Landlord shall be entitled to reenter and take possession without the same working a forfeiture of rents to be paid hereunder or a waiver of any covenants to be performed by Tenant. In the event of such default, the Tenant agrees to peacefully surrender his possession forthwith. A waiver by the Landlord of any default or breach hereunder by the Tenant shall not be construed to be a continuing waiver of such default or breach nor a waiver in any manner of a breach or default subsequently occurring.

15. Termination. It is further agreed that the Tenant will, at the termination of this Lease, peacefully surrender possession of said premises to the Landlord, and shall forthwith remove all hay and other personal property owned by the Tenant.

16. Time of Essence. Time shall be of the essence for the performance of every covenant herein and for the payment of rent.

17. Binding Effect of Lease. This Lease shall inure to the benefit of and be binding upon the parties hereto, their heirs, personal representatives, successors and assigns.

IN WITNESS WHEREOF, the parties have set their hands and seals hereto the day and year first above written.

Landlord:

Barbara Fred Kiefer  
Barb Kiefer 7-12-05

Tenant:

DANSTAD PARTNERSHIP  
1949 173 AVE. S-E.  
ARGUSVILLE, N.D.  
58005

By Wayne Olnsted