



**Aurora R. Valenti**  
**TOMPKINS COUNTY CLERK**

320 North Tioga Street  
Ithaca, NY 14850

(607) 274-5431  
Fax: (607) 274-5445

**Instrument Number**

**\*544155-002\***

No. of Pages: 7

Delivered By: ENFIELD ENERGY LLC

Receipt No. 544155

Return To:

ENFIELD ENERGY LLC

DATE: 06/25/2009

PO Box 547

Time: 03:44 PM

ITHACA, NY 14851

Document Type: MISC RECORDS

Parties To Transaction: COTTON-HANLON INC

Deed Information

Mortgage Information

Consideration:

Mortgage Amount:

Transfer Tax:

Basic Mtge. Tax:

RETT No:

Special Mtge. Tax:

County Transfer Tax:

Additional Mtge. Tax:

State of New York

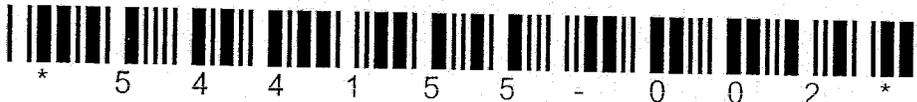
Tompkins County Clerk

Mortgage Serial No.:

This sheet constitutes the Clerk endorsement required by Section 316-A(5) & Section 319 of the Real Property Law of the State of New York. DO NOT DETACH

*Aurora R. Valenti*

Tompkins County Clerk



**MEMORANDUM OF OPTION AGREEMENT AND  
LEASE AND EASEMENT AGREEMENT**

This MEMORANDUM OF OPTION AGREEMENT AND LEASE AND EASEMENT AGREEMENT (this "Memorandum and Easement Agreement") is made upon the date of the first acknowledgement of this Agreement, and is effective on June 24<sup>th</sup>, 2009 as made by and between Cotton-Hanlon, Inc., a New York corporation with an address of Route 224, Cayuta, New York ("Owner") and Enfield Energy, llc, a New York limited liability company, with an address of PO Box 547, Ithaca, New York, 14851 ("Company").

**RECITALS**

A. Owner is the holder of fee simple title to the real property legally described on Exhibit A attached hereto and made a part hereof (the "Property"). Company is the developer of the wind-powered electricity generation facility commonly known as the Black Oak Wind Farm (the "Project").

B. Owner and Company have entered into an Option Agreement and Lease and Easement Agreement (the "Agreement") with an effective date of June 24<sup>th</sup>, 2009 (the "Effective Date"), pursuant to which Owner has granted to Company (i) an exclusive option to lease the Property for development of the Project, and (ii) an exclusive Wind Development Easement on the Easement Property (as defined below) for Wind Energy Purposes (as defined below).

C. Owner and Company want to set forth certain terms and provisions of the Agreement in this Memorandum of Option Agreement and Lease and Easement Agreement for recording purposes.

**NOW, THEREFORE**, for and in consideration of the rents and covenants reserved in the Agreement and the covenants and conditions set forth in the Agreement, Owner and Company hereby covenant, promise and agree as follows:

1. Definitions. Capitalized terms used in this Memorandum and Easement Agreement and not otherwise defined shall have the meanings given them in the Agreement. Certain specific definitions used in this Memorandum and Easement Agreement and in the Agreement include the following:

- (a) "Wind Easement Property" means the real estate described on Exhibit A and is the property which will be subject to the Wind Development Easement. In addition, the Wind Development Easement affects all vertical space located above the surface of the Wind Easement Property, at all elevations.

- (b) "Wind Energy Purposes" means the exclusive right to convert wind energy resources into electrical energy, collecting and transmitting the electrical energy so converted through the construction and operation of Windpower Facilities.
- (c) "Wind Turbine Generators" means towers, nacelles, blades and associated parts used to generate electricity from wind.
- (d) "Windpower Facilities" means Wind Turbine Generators, Cables, electric transformers, energy storage facilities, telecommunications equipment, substations, power generation facilities to be operated in conjunction with large wind turbine installations, roads, fences, meteorological towers and wind measurement equipment, and other facilities and equipment associated with or operated in conjunction with large wind turbine installations.

2. Option to Lease. Pursuant to the Agreement, Owner grants to Company an exclusive option to lease the Property.

- (a) Term of Option. The Option Period shall commence on the Effective Date and shall continue for up to five (5) years from the Effective Date, as provided in the Agreement.
- (b) Exercise of Option. Company may exercise its right to lease the Property by giving written notice to Owner at any time prior to the termination of the Option Period.
- (c) Option Payment. Payment for the Option to lease shall be waived as provided in Exhibit E of the Agreement.
- (d) Rights during Option Period
  - (i) Access to Property. Company shall have the right to enter the Property for purposes of installing and maintaining meteorological measuring equipment and conducting such other tests, studies, inspections, surveys, and soil or other analysis as Company deems advisable or necessary. Owner shall cooperate with Company in such efforts and make available to Company for inspection, copies of all field tiling surveys, plans and other such records of Owner only as such information relates directly to the proposed Windpower Facilities.
  - (ii) Right Reserved to Owner. Owner expressly reserves the right to use the Property for purposes that do not and will not interfere with Company's rights to use the Property for Wind Energy Purposes.

3. Lease. If Company exercises its Option to lease the Property, Owner shall lease the Property to Company. Pursuant to the Agreement, Company has the exclusive right to use the Property for Wind Energy Purposes.

- (a) Term of Lease. The Lease shall commence on the date Company gives notice of its exercise of the option, or on such other date as Company may specify in such notice (the "Lease Commencement Date"). The term of the Lease shall be thirty (30) years from the Lease Commencement Date, subject to Company's option to extend the term of the Lease for up to two (2) additional twenty (20) year periods, as provided in the Agreement.
- (b) Rent. The rent due and payable from Company to Owner for the Lease shall be in the amounts specified in, and shall be payable pursuant to the terms and provisions of, the Agreement.

4. Wind Development Easement.

- (a) Grant. Owner agrees to grant to Company an exclusive Wind Development Easement on and over the Wind Easement Property. Owner agrees that this is and will be the only Wind Development Easement on and over the Wind Easement Property for the duration of the easement. The grant of the Wind Development Easement shall also constitute a waiver of any setback requirement, whether such setback is required from a property line, residence or any other structure as would otherwise be required by any applicable law, ordinance or regulation. Owner also agrees that Company may install Windpower Facilities on adjacent land to the Property at a closer distance to the Property than the setbacks that would otherwise be required under any applicable law, ordinance or regulation.
- (b) Limitations on Use of Wind Easement Property. As of the Effective Date, Owner may not, without the prior written approval of Company, (i) place or plant any trees or (ii) place or build any structures or improvements higher than forty feet on the Wind Easement Property after the Effective Date which may, in Company's sole judgment, impede or interfere with the flow of wind to any Site or Windpower Facilities (including Windpower Facilities within the Project but located on adjacent land). Structures and improvements located on the Wind Easement Property as of the Effective Date shall be allowed to remain, insofar as they do not interfere with Company's rights hereunder. Owner may not place or build any new structures, improvements or excavations closer than 20 feet to Company's Cables, roads or fences or closer than 100 feet to any other Windpower Facilities.
- (c) Rights Reserved to Owner. Owner expressly reserves the right to use the Wind Easement Property for purposes of ranching, hunting, recreation, conservation,

growing timber and farming that do not and will not interfere with the Windpower Facilities.

- (d) Consideration for Easement. Company shall pay Owner One Dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by Owner.
- (e) Duration of Easement. The term of the Wind Development Easement shall begin on the Effective Date and shall terminate on the first to occur of the following:
- a. the date that Company delivers written notice to Owner that Company is terminating the Wind Development Easement; or
  - b. the last day of the Lease Term; or
  - c. if Company does not exercise the Option within the Option Period in accordance with Article II.
- (f) Successors and Assigns. The Wind Development Easement shall burden the Wind Easement Property and shall run with the land. The Wind Development Easement shall inure to the benefit of and be binding upon Owner and Company and their respective heirs, transferees, successors and assigns, and all persons claiming under them.

IN WITNESS WHEREOF, Owner and Company have executed this Memorandum and Easement Agreement as of the date first written above.

**OWNER:** Cotton-Hanlon, Inc.

Signature

Michael W Hanlon

Printed Name

Michael W Hanlon, President

Title \_\_\_\_\_

**ACKNOWLEDGMENT OF OWNER**

STATE OF NEW YORK )

) ss.:

COUNTY OF TOMPKINS )

On the 24 day of JUNE, 2009, before me, the undersigned, a Notary Public in and for said State, personally appeared Michael W. HANLON, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that they executed the same in their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s) or the person(s) upon behalf of which the individual(s) acted, executed the instrument.

**DANIEL M. ZAJAC**  
Notary Public, State of New York  
No. 01ZA5083500  
Qualified in Tompkins County  
Commission Expires August 11, ~~1999~~  
2013

Daniel M. Zajac  
Notary Public

**COMPANY:** Enfield Energy, llc

Signature \_\_\_\_\_

Printed Name John Lancich Pres

Title \_\_\_\_\_

**ACKNOWLEDGMENT OF COMPANY**

STATE OF NEW YORK )

) ss.:

COUNTY OF TOMPKINS )

**DANIEL M. ZAJAC**  
Notary Public, State of New York  
No. 01ZA5083500  
Qualified in Tompkins County  
Commission Expires August 11, ~~1999~~  
2013

On the 24 day of JUNE, 2009, before me, the undersigned, a Notary Public in and for said State, personally appeared John RANCICH, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that they executed the same in their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s) or the person(s) upon behalf of which the individual(s) acted, executed the instrument.

Daniel M. Zajac  
Notary Public

## EXHIBIT A

Attached to and made a part of that certain Memorandum of Option Agreement and Lease and Easement Agreement dated \_\_\_\_\_, 2009 between Cotton-Hanlon, Inc. Owner, and Enfield Energy, llc, a limited liability company

### DESCRIPTION OF PROPERTY

That tract or parcel of Land situated in the Town of Enfield, County of Tompkins and State of New York, being the South One-half of the following described parcel: Commencing 64 rods East of the Northwest corner of Great Lot Number 72; running thence South 128 rods; thence East 62 ½ rods; thence North 128 rods; thence west 62 ½ rods to the place of beginning, containing 50 acres of land more or less. Being situate in and a part of Great Lot Number 72.

The premises herein described contains 25 acres of land, more or less. Being the same premises conveyed to Cotton-Hanlon, Inc. by deed dated June 1, 1957 and recorded June 17, 1957 in Liber 397, of Deeds at Page 490.

AND,

All that tract or parcel of Land situate on Great Lot 72, in the Town of Enfield, County of Tompkins and State of New York, and bounded and described as follows: Beginning at the northwest corner of said great lot No. 72, in Enfield and running thence South 125 rods, thence East 64 rods, thence North 125 rods, thence West 64 rods to the place of beginning, containing 50 acres of land be the same more or less.

Together with any right of way which the Grantor herein may have over Lot 66 on the North.

The above described property is the same conveyed to Cotton-Hanlon, Inc. by deed dated February 16, 1955 and recorded in Liber 375, of Deeds at Page 380. And is part of a parcel of land conveyed to the Addison H. McCoy and Ella McCoy, his wife, by Margaret B.F. Kelly by deed dated March 9, 1911 and recorded in Tompkins County Clerk's Office April 1, 1911 in Liber 174 of Deeds at page 519.

The said Ella McCoy died in 1934 and the said Addison E. McCoy died June 10, 1954 leaving a Last Will and Testament dated June 19, 1947 in which all the real property of said Addison E. McCoy was willed to Mab G. McCoy the deceased's second wife.



**Aurora R. Valenti**  
**TOMPKINS COUNTY CLERK**

320 North Tioga Street  
Ithaca, NY 14850  
(607) 274-5431  
Fax: (607) 274-5445

**Instrument Number**

\*544155-001\*

No. of Pages: 7

Delivered By: ENFIELD ENERGY LLC

Receipt No. 544155

Return To:

ENFIELD ENERGY LLC

DATE: 06/25/2009

PO Box 547

ITHACA, NY 14851

Time: 03:44 PM

Document Type: EASEMENT/LEASE

Parties To Transaction: COTTON-HANLON INC

Deed Information

Consideration: \$0.00

Transfer Tax: \$0.00

RETT No: 01843

County Transfer Tax: \$0.00

State of New York

Tompkins County Clerk

Mortgage Information

Mortgage Amount:

Basic Mtge. Tax:

Special Mtge. Tax:

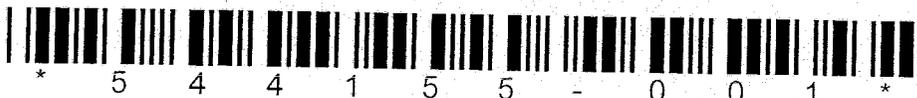
Additional Mtge. Tax:

Mortgage Serial No.:

This sheet constitutes the Clerk endorsement required by Section 316-A(5) & Section 319 of the Real Property Law of the State of New York. DO NOT DETACH

*Aurora R. Valenti*

Tompkins County Clerk



**MEMORANDUM OF OPTION AGREEMENT AND  
LEASE AND EASEMENT AGREEMENT**

This MEMORANDUM OF OPTION AGREEMENT AND LEASE AND EASEMENT AGREEMENT (this "Memorandum and Easement Agreement") is made upon the date of the first acknowledgement of this Agreement, and is effective on June 24<sup>th</sup>, 2009 as made by and between Cotton-Hanlon, Inc., a New York corporation with an address of Route 224, Cayuta, New York ("Owner") and Enfield Energy, llc, a New York limited liability company, with an address of PO Box 547, Ithaca, New York, 14851 ("Company").

**RECITALS**

A. Owner is the holder of fee simple title to the real property legally described on Exhibit A attached hereto and made a part hereof (the "Property"). Company is the developer of the wind-powered electricity generation facility commonly known as the Black Oak Wind Farm (the "Project").

B. Owner and Company have entered into an Option Agreement and Lease and Easement Agreement (the "Agreement") with an effective date of June 24<sup>th</sup>, 2009 (the "Effective Date"), pursuant to which Owner has granted to Company (i) an exclusive option to lease the Property for development of the Project, and (ii) an exclusive Wind Development Easement on the Easement Property (as defined below) for Wind Energy Purposes (as defined below).

C. Owner and Company want to set forth certain terms and provisions of the Agreement in this Memorandum of Option Agreement and Lease and Easement Agreement for recording purposes.

**NOW, THEREFORE**, for and in consideration of the rents and covenants reserved in the Agreement and the covenants and conditions set forth in the Agreement, Owner and Company hereby covenant, promise and agree as follows:

1. Definitions. Capitalized terms used in this Memorandum and Easement Agreement and not otherwise defined shall have the meanings given them in the Agreement. Certain specific definitions used in this Memorandum and Easement Agreement and in the Agreement include the following:

- (a) "Wind Easement Property" means the real estate described on Exhibit A and is the property which will be subject to the Wind Development Easement. In addition, the Wind Development Easement affects all vertical space located above the surface of the Wind Easement Property, at all elevations.

- (b) "Wind Energy Purposes" means the exclusive right to convert wind energy resources into electrical energy, collecting and transmitting the electrical energy so converted through the construction and operation of Windpower Facilities.
- (c) "Wind Turbine Generators" means towers, nacelles, blades and associated parts used to generate electricity from wind.
- (d) "Windpower Facilities" means Wind Turbine Generators, Cables, electric transformers, energy storage facilities, telecommunications equipment, substations, power generation facilities to be operated in conjunction with large wind turbine installations, roads, fences, meteorological towers and wind measurement equipment, and other facilities and equipment associated with or operated in conjunction with large wind turbine installations.

2. Option to Lease. Pursuant to the Agreement, Owner grants to Company an exclusive option to lease the Property.

- (a) Term of Option. The Option Period shall commence on the Effective Date and shall continue for up to five (5) years from the Effective Date, as provided in the Agreement.
- (b) Exercise of Option. Company may exercise its right to lease the Property by giving written notice to Owner at any time prior to the termination of the Option Period.
- (c) Option Payment. Payment for the Option to lease shall be waived as provided in Exhibit E of the Agreement.
- (d) Rights during Option Period
  - (i) Access to Property. Company shall have the right to enter the Property for purposes of installing and maintaining meteorological measuring equipment and conducting such other tests, studies, inspections, surveys, and soil or other analysis as Company deems advisable or necessary. Owner shall cooperate with Company in such efforts and make available to Company for inspection, copies of all field tiling surveys, plans and other such records of Owner only as such information relates directly to the proposed Windpower Facilities.
  - (ii) Rights Reserved to Owner. Owner expressly reserves the right to use the Property for purposes that do not and will not interfere with Company's rights to use the Property for Wind Energy Purposes.

3. Lease. If Company exercises its Option to lease the Property, Owner shall lease the Property to Company. Pursuant to the Agreement, Company has the exclusive right to use the Property for Wind Energy Purposes.

- (a) Term of Lease. The Lease shall commence on the date Company gives notice of its exercise of the option, or on such other date as Company may specify in such notice (the "Lease Commencement Date"). The term of the Lease shall be thirty (30) years from the Lease Commencement Date, subject to Company's option to extend the term of the Lease for up to two (2) additional twenty (20) year periods, as provided in the Agreement.
- (b) Rent. The rent due and payable from Company to Owner for the Lease shall be in the amounts specified in, and shall be payable pursuant to the terms and provisions of, the Agreement.

4. Wind Development Easement.

- (a) Grant. Owner agrees to grant to Company an exclusive Wind Development Easement on and over the Wind Easement Property. Owner agrees that this is and will be the only Wind Development Easement on and over the Wind Easement Property for the duration of the easement. The grant of the Wind Development Easement shall also constitute a waiver of any setback requirement, whether such setback is required from a property line, residence or any other structure as would otherwise be required by any applicable law, ordinance or regulation. Owner also agrees that Company may install Windpower Facilities on adjacent land to the Property at a closer distance to the Property than the setbacks that would otherwise be required under any applicable law, ordinance or regulation.
- (b) Limitations on Use of Wind Easement Property. As of the Effective Date, Owner may not, without the prior written approval of Company, (i) place or plant any trees or (ii) place or build any structures or improvements higher than forty feet on the Wind Easement Property after the Effective Date which may, in Company's sole judgment, impede or interfere with the flow of wind to any Site or Windpower Facilities (including Windpower Facilities within the Project but located on adjacent land). Structures and improvements located on the Wind Easement Property as of the Effective Date shall be allowed to remain, insofar as they do not interfere with Company's rights hereunder. Owner may not place or build any new structures, improvements or excavations closer than 20 feet to Company's Cables, roads or fences or closer than 100 feet to any other Windpower Facilities.
- (c) Rights Reserved to Owner. Owner expressly reserves the right to use the Wind Easement Property for purposes of ranching, hunting, recreation, conservation,

growing timber and farming that do not and will not interfere with the Windpower Facilities.

- (d) Consideration for Easement. Company shall pay Owner One Dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by Owner.
- (e) Duration of Easement. The term of the Wind Development Easement shall begin on the Effective Date and shall terminate on the first to occur of the following:
  - a. the date that Company delivers written notice to Owner that Company is terminating the Wind Development Easement; or
  - b. the last day of the Lease Term; or
  - c. if Company does not exercise the Option within the Option Period in accordance with Article II.
- (f) Successors and Assigns. The Wind Development Easement shall burden the Wind Easement Property and shall run with the land. The Wind Development Easement shall inure to the benefit of and be binding upon Owner and Company and their respective heirs, transferees, successors and assigns, and all persons claiming under them.

IN WITNESS WHEREOF, Owner and Company have executed this Memorandum and Easement Agreement as of the date first written above.

OWNER: Cotton-Hanlon, Inc.

Signature Michael W. Hanlon

Printed Name Michael W. Hanlon, President

Title \_\_\_\_\_

ACKNOWLEDGMENT OF OWNER

STATE OF NEW YORK )

) ss.:

COUNTY OF TOMPKINS )

On the 24 day of JUNE, 2009, before me, the undersigned, a Notary Public in and for said State, personally appeared Michael W. HANLON, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that they executed the same in their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s) or the person(s) upon behalf of which the individual(s) acted, executed the instrument.

DANIEL M. ZAJAC  
Notary Public, State of New York  
No. 01ZA5083500  
Qualified in Tompkins County  
Commission Expires August 11, ~~1999~~  
2013

Daniel M Zajac  
Notary Public

COMPANY: Enfield Energy, llc

Signature [Signature] Pres

Printed Name John Rancich

Title \_\_\_\_\_

ACKNOWLEDGMENT OF COMPANY

STATE OF NEW YORK )

) ss.:

COUNTY OF TOMPKINS )

**DANIEL M. ZAJAC**  
Notary Public, State of New York  
No. 01ZA5083500  
Qualified in Tompkins County  
Commission Expires August 11, ~~1999~~  
2013

On the 24 day of JUNE, 2009, before me, the undersigned, a Notary Public in and for said State, personally appeared JOHN RANCICH, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that they executed the same in their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s) or the person(s) upon behalf of which the individual(s) acted, executed the instrument.

Daniel M. Zajac  
Notary Public

## EXHIBIT A

Attached to and made a part of that certain Memorandum of Option Agreement and Lease and Easement Agreement dated \_\_\_\_\_, 2009 between Cotton-Hanlon, Inc. Owner, and Enfield Energy, llc, a limited liability company

### DESCRIPTION OF PROPERTY

That tract or parcel of Land situated in the Town of Enfield, County of Tompkins and State of New York, being the South One-half of the following described parcel: Commencing 64 rods East of the Northwest corner of Great Lot Number 72; running thence South 128 rods; thence East 62 ½ rods; thence North 128 rods; thence west 62 ½ rods to the place of beginning, containing 50 acres of land more or less. Being situate in and a part of Great Lot Number 72.

The premises herein described contains 25 acres of land, more or less. Being the same premises conveyed to Cotton-Hanlon, Inc. by deed dated June 1, 1957 and recorded June 17, 1957 in Liber 397, of Deeds at Page 490.

AND,

All that tract or parcel of Land situate on Great Lot 72, in the Town of Enfield, County of Tompkins and State of New York, and bounded and described as follows: Beginning at the northwest corner of said great lot No. 72, in Enfield and running thence South 125 rods; thence East 64 rods, thence North 125 rods, thence West 64 rods to the place of beginning, containing 50 acres of land be the same more or less.

Together with any right of way which the Grantor herein may have over Lot 66 on the North.

The above described property is the same conveyed to Cotton-Hanlon, Inc. by deed dated February 16, 1955 and recorded in Liber 375, of Deeds at Page 380. And is part of a parcel of land conveyed to the Addison H. McCoy and Ella McCoy, his wife, by Margaret B.F. Kelly by deed dated March 9, 1911 and recorded in Tompkins County Clerk's Office April 1, 1911 in Liber 174 of Deeds at page 519.

The said Ella McCoy died in 1934 and the said Addison E. McCoy died June 10, 1954 leaving a Last Will and Testament dated June 19, 1947 in which all the real property of said Addison E. McCoy was willed to Mab G. McCoy the deceased's second wife.