



**APPLICATION FOR REGISTRATION OF  
FOREIGN LIMITED PARTNERSHIP**

To the Secretary of State of the State of Idaho:

Pursuant to the provisions of Chapter 2, Title 53, Idaho Code, the undersigned Limited Partnership hereby applies for registration to transact business in your State, and for that purpose submits the following statement:

- JUL 26 10 15 AM '82  
CLERK OF STATE
1. The name of the limited partnership is Castle Creek, Ltd.
  2. The name which it shall use in Idaho is Castle Creek, Ltd.
  3. It is organized under the laws of Utah
  4. The date of its formation is July 2, 1982
  5. The address of its registered or principal office in the state or country under the laws of which it is organized is 954 E. 7145 S., Suite 105, Midvale, UT 84047
  6. The name and street address of its proposed registered agent in Idaho are Carl Joseph Peterson,  
490 Fall Drive, Boise, ID 83706
  7. The general character of the business it proposes to transact in Idaho is:  
The expansion and completion of ethanol plants.
  8. The names and business addresses of its partners are (must be completed only if not included in the certificate of limited partnership):

| Name  | General or Limited | Address |
|---|--------------------|---------|
| <u>See Schedule A to Exhibit A of Certificate of Limited Partnership.</u> |                    |         |
| _____   | _____              | _____   |
| _____   | _____              | _____   |
| _____   | _____              | _____   |
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*(continued on reverse)*

8. (Continued)

| Name  | General or Limited | Address |
|-------|--------------------|---------|
| _____ | _____              | _____   |
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| _____ | _____              | _____   |

9. This Application is accompanied by a copy of the certificate of limited partnership and amendments thereto, duly authenticated by the proper officer of the state or country under the laws of which it is organized.

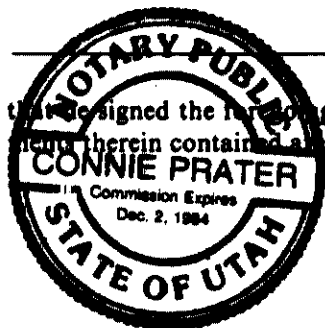
Dated July 21, 1982.

By Clay M. Stringham  
A General Partner

STATE OF UTAH )  
COUNTY OF SALT LAKE ) ss:

I, Connie Prater, a notary public, do hereby certify that on this  
21st day of July, 1982, personally appeared  
before me Clay M. Stringham, who being by me first duly sworn,  
declared that he is a general partner of Castle Creek, Ltd.

that he signed the foregoing document as a general partner of the limited partnership and that the statements therein contained are true.



Connie Prater  
Notary Public

CERTIFICATE  
OF  
LIMITED PARTNERSHIP  
OF  
CASTLE CREEK, LTD.

SECRETARY OF STATE

We, the undersigned, have entered into a Agreement of Limited Partnership, a true copy of which is attached hereto as Exhibit A and is incorporated by reference herein for all purposes, and do hereby swear and certify as follows:

- I. The name of the Limited Partnership is CASTLE CREEK, LTD. (hereinafter "the Partnership").
- II. The business of the Partnership is to complete construction and expand two ethanol distilleries located in Oreana, Idaho and to sell said distilleries and to do any and all matters incident thereto or connected therewith.
- III. The location of the principal place of business is 954 East 7145 South, Suite 105, Midvale, Utah 84047.
- IV. The names and places of residence of each of the members of the Partnership are:

|  |                            |
|--|----------------------------|
| Clay M. Stringham<br>1838 East 9800 South<br>Sandy, Utah 84092           | General Partner            |
| Mountain West Ethanol<br>954 East 7145 South<br>Midvale, Utah 84047      | Initial Limited<br>Partner |
| Associated Ethanol Systems<br>954 East 7145 South<br>Midvale, Utah 84047 | Initial Limited<br>Partner |

and other limited partners as set forth in Schedule A to Exhibit A attached hereto.
- V. The term of the Partnership shall be from June 24, 1982 until July 1, 2032, unless earlier dissolved in accordance with the provisions of Article XVII Exhibit A.
- VI. Each of the Partners is contributing in cash the amount set forth in Article VIII of Exhibit A, and as set forth on Schedule A to Exhibit A.

- VII. The Limited Partners are not obligated to make additional capital contributions.
- VIII. The contributions of the Limited Partners are to be returned upon, but not before, dissolution of the Partnership. However, certain distributions made to the Partners pursuant to Article X of the attached Exhibit A prior to dissolution may constitute partial or total returns of such capital contributions for tax or accounting purposes.
- IX. The Partners as a group are entitled to receive 100% of the net profits of the Partnership, to be shared 1% to the General Partner and 99% to the Limited Partners all as described in Article X of the attached Exhibit A.
- X. The right of a Limited Partner to assign his interest in the Partnership is limited by the provisions of Article XVI of the attached Exhibit A. An assignee of all or part of the interest in the Partnership of a Limited Partner may become a substituted Limited Partner only if appointed as such by the General Partner and only if the terms and conditions set out in Article XVI of the attached Exhibit A are satisfied.
- XI. No additional Limited Partners may be admitted except: by amendment of the Partnership Agreement, which is contemplated by Article VIII of the attached Exhibit A; or, the General Partner may, pursuant to Article XVI of the attached Exhibit A, admit as substituted Limited Partners assignees of all or part of any Limited Partner's interest in the Partnership.
- XII. No Limited Partner has priority over any other Limited Partner as to contributions or as to compensation by way of income.
- XIII. The Partners have no right to continue the business of the Partnership upon the death, bankruptcy or withdrawal of the General Partner. However, under certain circumstances in accordance with the provisions of Article XVII, the Limited Partners owning a majority of the Interests of the Partnership may elect an additional General Partner.
- XIV. No Limited Partner has any right to demand or receive property other than cash in return for his capital contribution.

The undersigned agree that this Certificate may be executed and sworn to in multiple counterparts, each of said counterparts constituting an original and all together one certificate. In addition this Certificate may contain more than one counterpart of this signature page (page 3), and this Certificate may be executed by the affixing of the signature of each of the Partners to one of such counterpart signature pages; all of such counterpart signature pages shall be read as though one, and they shall have the same force and effect as though all of the signers had signed a single signature page.

IN WITNESS WHEREOF, this Certificate is executed and sworn to as of the 29th day of June, 1982.

GENERAL PARTNER

  
Clay M. Stringham

LIMITED PARTNERS

Associated Ethanol Systems

By   
Carl T. Peterson, Partner

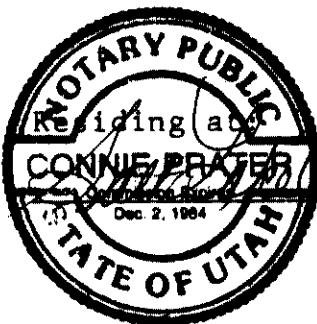
Mountain West Ethanol


By   
Terry R. Holmes, Partner

STATE OF UTAH                    )  
  : ss.  
COUNTY OF SALT LAKE        )

Before me, the undersigned, a Notary Public in and for said County and State, on this day personally appeared Clay M. Stringham, Terry R. Holmes and Carl T. Peterson, known to me to be the person whose name is subscribed to the foregoing instrument and swore and acknowledged to me under oath that they executed the same for the purposes and consideration therein expressed and in the capacities and pursuant to authority expressed therein.

Given under my hand and seal of office this 1<sup>st</sup> day of July, 1982.



  
Notary Public

My commission expires:  
12-2-84

**AGREEMENT OF LIMITED PARTNERSHIP**

**OF**

**CASTLE CREEK, LTD.**

**AGREEMENT OF LIMITED PARTNERSHIP, made and entered into by and between Clay M. Stringham (the "General Partner"), and those other parties who from time to time execute this Agreement or counterparts hereof as limited partners (the "Limited Partners").**

**ARTICLE I**

**Formation of Limited Partnership**

**The parties hereby enter into a Limited Partnership under the provisions of the Uniform Limited Partnership Act of the State of Utah, and the rights and liabilities of the Partners shall be as provided in that Act except as herein otherwise expressly provided.**

**ARTICLE II**

**Name**

**The business of the partnership shall be conducted under the name of Castle Creek, Ltd. or such other name as the General Partner shall hereafter designate in writing to the Limited Partners.**

**ARTICLE III**

**Definitions**

**"Agreement" means this Agreement of Limited Partnership, as amended, modified or supplemented from time to time.**

"General Partner" means Clay M. Stringham.

"Limited Partners" means the other parties who execute this Agreement or counterparts hereof as Limited Partners and any party admitted as a substituted Limited Partner pursuant to Article XVI.

"Partners" means the General Partner and all Limited Partners, where no distinction is required by the context in which the term is used herein.

"Partnership Interest" or "Interest" means the interest in the capital of the Partnership representing a capital contribution of \$1,000.

#### ARTICLE IV Purpose

The business of the Partnership is to complete the construction of two ethanol distilleries at Oreana, Idaho, sell said distilleries to two Utah partnerships and manage said distilleries and to engage in any and all activities related or incidental thereto.

#### ARTICLE V Names and Addresses of Partners

The name, address and capital contribution of the General Partner, and the names, addresses and capital contributions of the Limited Partners, are as set forth in Schedule A attached hereto and incorporated herein by reference.

#### ARTICLE VI Term

The term of the Partnership shall be from the date

hereof to July 1, 2032, unless sooner terminated as herein-  
after provided.

**ARTICLE VII**  
**Principal Place of Business**

The principal place of business of the Partnership shall be 954 East 7145 South, Suite 105, Midvale, Utah 84047. The General Partner may from time to time change the principal place of business and in such event, the General Partner shall notify the Limited Partners in writing within twenty days of the effective date of such change. The General Partner may in its discretion establish additional places of business of the Partnership.

**ARTICLE VIII**  
**Capital and Contributions**

Section 8.1. The capital of the Partnership shall be the amount stated to be such from time to time in Schedule A attached hereto and incorporated herein by reference. No Limited Partner shall have any right to demand or receive the return of his capital contribution to the Partnership.

Section 8.2. The General Partner shall not, as the General Partner, make any contribution to the capital of the Partnership. In the event that the General Partner shall purchase any Interests, the General Partner shall in all respects be treated as a Limited Partner to the extent of the Interests purchased.

Section 8.3. The General Partner is hereby authorized to raise capital for the Partnership by a private placement of

not more than 1,295 Interests. No sale shall be made of fewer than ten Interests, and no sale shall be consummated unless and until the Partnership has received subscriptions for the purchase of at least 800 Interests. Pending the receipt of subscriptions for not less than 800 Interests, all subscription proceeds shall be kept by the General Partner separate and apart from all other funds, and shall be deposited and held in trust in one or more interest-bearing or non-interest-bearing bank accounts, in the discretion of the General Partner. All persons whose subscriptions for Interests are accepted by the Partnership shall be admitted as Limited Partners in the Partnership.

Section 8.4. Except as otherwise provided in Section 8.3, the General Partner shall have sole and complete discretion in determining the terms and conditions of the private placement and sale of Interests, and the General Partner is authorized and directed to do all things which he deems necessary, convenient, appropriate or advisable in connection therewith.

#### ARTICLE IX Expenses

Regardless of whether any distributions are made to the Limited Partners, the Partnership shall reimburse the General Partner, at his cost, for the direct expenses, including but not limited to costs of accounting, statistical or bookkeeping services and computing or accounting equipment and travel, telephone and other costs and expenses relating to the acquisition, financing, development, and operation of the Partnership, which he incurs in performing services for the Partnership. In addition, the General

Partner shall receive a monthly management fee of \$3,750.00. Said amount shall be proportionately reduced at such time as the ethanol plants are completed and the General Partner devotes less than full time to the affairs of the Partnership.

#### ARTICLE X Allocations of Profits and Losses

Section 10.1. The net profits or losses of the Partnership for each calendar year shall be allocated 1% to the General Partner and 99% to the Limited Partners.

Section 10.2. The profit or loss allocable to any Interest which may have been transferred during any year shall be allocated among the persons who were the holders of such Interest during such year in proportion to the number of calendar quarters that each such holder was recognized as the owner of the Interest during such year, without regard to the results of Partnership operations during the period in which such holders were recognized as the owner thereof and without regard to the date, amount or recipient of any distributions which may have been made with respect to such Interest.

Section 10.3. "Profits" or "losses" as used herein includes, without limitation, each item of Partnership income, gain, loss and deductions. Any credits of the Partnership for a calendar year shall be allocated as profits or losses of the Partnership in accordance with Section 10.1.

#### ARTICLE XI Books of Account, Record and Reports

Section 11.1. Proper and complete records and books

of account shall be kept by the General Partner in which shall be entered fully and accurately all transactions and other matters relative to the Partnership's business as are usually entered into records and books of accounts maintained by persons engaged in businesses of a like character. The Partnership books and records shall be prepared in accordance with accepted accounting practice, consistently applied, and may be kept on the cash or accrual basis as the General Partner may determine. The books and records shall at all times be maintained at the principal office of the Partnership and shall be open to the reasonable inspection and examination of the Partners or their duly authorized representatives during reasonable business hours. The General Partner shall furnish a list of names and addresses of all Limited Partners (including the number of Interests owned by each of them) to any Limited Partner who requests such a list in writing for any proper purpose.

Section 11.2. No later than 120 days after the end of each fiscal year of the Partnership, the General Partner shall furnish to each Limited Partner a report of the business and operations of the Partnership during such year which report shall constitute the accounting of the General Partner for such year. Such report shall contain a copy of the annual financial statement of the Partnership showing the Partnership's gross receipts and expenses and the Partnership's profit or loss for the year and the allocation thereof among the holders of the Interests.

**ARTICLE XII**  
**Fiscal Year**

The fiscal year of the Partnership shall end on the thirty-first day of December in each year.

**ARTICLE XIII**  
**Partnership Funds**

The funds of the Partnership shall be deposited in such bank account or accounts, or invested in such interest bearing or non-interest bearing investments, as shall be designated by the General Partner. All withdrawals from any of such bank accounts shall be made by the General Partner.

**ARTICLE XIV**  
**Status of Limited Partners**

Section 14.1. The Limited Partners shall not participate in the management or control of the Partnership's business nor shall they transact any business for the Partnership, nor shall they have the power to act for or bind the Partnership, said powers being vested solely and exclusively in the General Partner.

Section 14.2. No Limited Partner shall have any personal liability whatever, whether to the Partnership, to any of the Partners or to the creditors of the Partnership, for the debts of the Partnership or any of its losses beyond the amount committed by him to the capital of the Partnership as set forth opposite his name in Schedule A. Each Interest shall be fully paid and nonassessable.

Section 14.3. The death or legal incapacity of a Limited Partner shall not cause a dissolution of the Partnership,

but the rights of such Limited Partner to share in the profits and losses of the Partnership, to receive distributions of Partnership funds and to assign a Partnership interest pursuant to Article XVI hereof shall, on the happening of such an event, devolve upon his personal representative, or in the event of the death of one whose limited partnership interest is held in joint tenancy, shall pass to the surviving joint tenant, subject to the terms and conditions of this Agreement, and the Partnership shall continue as a limited partnership. The estate of the deceased Limited Partner or such surviving joint tenant, as the case may be, shall be liable for all the obligations of the deceased Limited Partner. However, in no event shall such personal representative or surviving joint tenant become a substituted Limited Partner, except with the consent of the General Partner in accordance with Section 16.2 hereof.

#### ARTICLE XV

##### Powers, Rights and Duties of the General Partner

Section 15.1. The General Partner shall have exclusive authority to manage the operations and affairs of the Partnership and to make all decisions regarding the business of the Partnership. Pursuant to the foregoing, it is understood and agreed that the General Partner shall have all of the rights and powers of a general partner as provided in the Utah Uniform Limited partnership Act and as otherwise provided by law, and any action taken by the General Partner shall constitute the act of and serve to bind the Partnership. In dealing with the General Partner acting on behalf of the Partnership, no person

shall be required to inquire into the authority of such Partner to bind the Partnership. Persons dealing with the Partnership are entitled to rely conclusively on the power and authority of the General Partner as set forth in this Agreement.

Section 15.2. The General Partner is hereby granted the right, power and authority to do on behalf of the Partnership all things which, in his sole judgment, are necessary, proper or desirable to carry out the aforementioned duties and responsibilities, including but not limited to the right, power and authority: to incur all reasonable expenditures; to employ and dismiss from employment any and all employees, agents, independent contractors, managers, brokers, attorneys and accountants; to borrow money and as security therefor to mortgage all or any part of any property, real or personal; to construct, alter, improve, repair, raze, replace or rebuild any property; to do any and all of the foregoing at such price, rental or amount, for cash, securities or other property and upon such terms as the General Partner deems proper; to place record title to any property in his name or in the name of a nominee or a trustee for the purpose of mortgage financing or any other convenience or benefit of the Partnership; and to execute, acknowledge and deliver any and all instruments to effectuate any and all of the foregoing.

Section 15.3. The General Partner shall have the right, power and authority to sell or exchange all or any portion of the property of the Partnership, at such price or amount, for cash, securities or other property and upon such other terms

as the General Partner in his sole discretion deems proper; provided, that the sale or other disposition of all or substantially all of the Partnership's assets shall require the approval of Limited Partners holding a majority of the then outstanding Interests owned by Limited Partners.

Section 15.4. The General Partner shall devote such time to the Partnership business as he, in his sole discretion, shall deem to be necessary to manage and supervise the Partnership business and affairs in an efficient manner; but nothing in this Agreement shall preclude the employment, at the expense of the Partnership, of any agent or third party to manage or provide other services in respect of the Partnership property subject to the control of the General Partner.

Section 15.5. The General Partner shall not be required to manage the Partnership as his sole and exclusive function and he may have other business interests and may engage in other activities in addition to those relating to the Partnership, including the rendering of advice or services of any kind to other investors and the making or management of other investments. Neither the Partnership nor any Partner shall have any right by virtue of this Agreement or the partnership relationship created hereby in or to such other ventures or activities or to the income or proceeds derived therefrom and the pursuit of such ventures, even if competitive with the business of the Partnership, shall not be deemed wrongful or improper. The General Partner or any Affiliate of the General Partner shall not be obligated to present any particular investment opportunity to the

Partnership even if such opportunity is of a character which, if presented to the Partnership, could be taken by the Partnership and the General Partner shall have the right to take for his own account (individually or as a trustee) or to recommend to others any such particular investment opportunity.

"Affiliates of the General Partner" means: (i) any corporation, partnership, trust or other entity controlling, controlled by or under common control with the General Partner, and (ii) any officer, director, trustee, general partner or employee of any corporation, partnership, trust or other entity controlling, controlled by or under common control with the General Partner.

Section 15.6. Affiliates of the General Partner may be employed by or retained by the Partnership to provide management for the Partnership; provided, that the General Partner shall not enter into any agreement for management services with an Affiliate on terms less favorable to the Partnership than those customarily charged for similar services in the relevant geographical area. In addition, any management agreement with Affiliates shall be terminable by either party, without penalty, upon 60 days prior written notice.

Section 15.7. The validity of any transaction, agreement or payment involving the Partnership and any Affiliate of the General Partner otherwise permitted by the terms of this Agreement shall not be affected by reason of the relationship between the General Partner and such Affiliate.

Section 15.8. The General Partner shall not be liable, responsible or accountable in damages or otherwise

to the Partnership or any Limited Partner for any action taken or failure to act on behalf of the Partnership within the scope of the authority conferred on the General Partner by this Agreement or by law unless such action or omission was performed or omitted fraudulently or in bad faith or constituted wanton and wilful misconduct or gross negligence.

Section 15.9. The Partnership shall indemnify and hold harmless the General Partner, and the agents of him (herein the "Indemnified Parties") from and against any loss, expense, damage or injury suffered or sustained by him by reason of any acts, omissions or alleged acts or omissions arising out of his activities on behalf of the Partnership or in furtherance of the interests of the Partnership, including but not limited to any judgment, award, settlement, reasonable attorney's fees and other costs or expenses incurred in connection with the defense of any actual or threatened action, proceeding or claim provided that the acts, omissions or alleged acts or omissions upon which such actual or threatened action, proceeding or claims are based were in good faith and were not performed or omitted fraudulently or in bad faith or as a result of wanton and wilful misconduct or gross negligence by such Indemnified Party.

Section 15.10. The General Partner may, in his sole discretion, make or revoke the election referred to in Section 754 of the Internal Revenue Code of 1954 or any similar provision enacted in lieu thereof. Each of the Partners will upon request supply the information necessary to properly give effect to such election.

**ARTICLE XVI**  
**Transfer of Limited Partnership Interests**

Section 16.1. A Limited Partner may assign the whole or any part of his interest in the Partnership (but only in whole Interests), and such assignment shall confer upon the assignee the right to become a substituted Limited Partner, in the following manner and subject to the following conditions:

(i) An instrument of assignment executed by both the assignor and the assignee of the Interests satisfactory in form to the General Partner shall be delivered to the General Partner.

(ii) No assignment shall be effective until the first day of the calendar quarter following the quarter in which the General Partner actually receives the instrument of assignment which complies with the requirements of subparagraph (i).

(iii) No assignment (other than by gift, bequest, inheritance or operation of law) shall be effective prior to January 1, 1985.

(iv) No assignment shall be effective if such assignment would, in the opinion of the General Partner, result in the termination of the Partnership for purposes of the then applicable provisions of the Internal Revenue Code of 1954.

(v) No assignment to a minor or incompetent shall be effective in any respect.

(vi) No assignment shall be effective if such assignment would result in either the assignee or

assignor owning less than ten Interests.

(vii) No transfer, for value, will be effective unless a registration statement is in effect for such transfer or the General Partner receives an acceptable opinion of counsel that the proposed transfer may legally be made without compliance with the registration provisions of the Securities Act of 1933 and the applicable state securities law.

Section 16.2 Upon effectiveness of an assignment of Interests under Section 16.1, the General Partner shall execute, file and record with the appropriate governmental agencies such documents (including amendments to this Agreement) as are required to accomplish the substitution of the assignee as a substituted Limited Partner. In no event shall the consent of any Limited Partner (other than the assignor) be required to effect such substitution. The Partnership shall treat such person entitled to become a substituted Limited Partner pursuant to the provisions of Section 16.1 as the substituted Limited Partner with respect to the Interests assigned from the date such assignment is effective under Section 16.1, notwithstanding the time consumed in preparing and filing the necessary documents with governmental agencies necessary to effectuate the substitution.

Section 16.3. Any person admitted to the Partnership as a substituted Limited Partner shall be subject to and bound by all the provisions of this Agreement as if originally a party to this Agreement.

**ARTICLE XVII**  
**Dissolution of the Partnership**

**Section 17.1.** The happening of any one of the following events shall work an immediate dissolution of the Partnership:

- (i) The death, bankruptcy, or withdrawal of the General Partner;
- (ii) The sale of all the assets of the Partnership;
- (iii) The agreement in writing by Limited Partners holding a majority of all the then outstanding Interests owned by Limited Partners to dissolve the Partnership; or
- (iv) The termination of the term of the Partnership pursuant to Article VI of this Agreement.

**Section 17.2.** For purposes of this Agreement, the "bankruptcy" of a General Partner shall be deemed to have occurred upon the happening of any of the following: (i) the filing of an application of such General Partner for, or a consent to, the appointment of a trustee of his assets, (ii) the filing by such General Partner of a voluntary petition in bankruptcy or the filing of a pleading in any court of record admitting in writing its inability to pay its debts as they come due, (iii) the making by such General Partner of a general assignment for the benefit of creditors, (iv) the filing by such General Partner of an answer admitting the material allegations of, or its consenting to, or defaulting in answering

a bankruptcy petition filed against him in any bankruptcy proceeding, or (v) the entry of an order, judgment or decree by any court of competent jurisdiction adjudicating such General Partner a bankrupt or appointing a trustee of his assets, and such order, judgment or decree continuing unstayed and in effect for any period of 60 consecutive days.

Section 17.3. Upon the written consent or affirmative vote of Limited Partners holding a majority of the then outstanding interests, any General partner may be removed; provided, however, that this Section 17.3 shall not become effective prior to the termination of the offering of interests pursuant to Section 8.3. Any General Partner so removed shall, for the purpose of this Agreement, be deemed to have "withdrawn" from the Partnership. Unless the General Partner so removed was the last remaining General Partner, a new General Partner may be elected within 60 days following the effective date of such removal by the written consent or affirmative vote of Limited Partners holding a majority of the then outstanding interests. If, at any time during the existence of the Partnership, there is only one General Partner, the majority in interest of the Limited Partners may elect an additional General Partner. The removal of a General Partner shall in no way derogate from any rights of such General Partner attributable to the period prior to the date of such removal. Notwithstanding the foregoing and any other provisions of this Agreement, the rights of the Limited Partners to dissolve the Partnership under Section 17.1, to amend the Partnership Agreement under Section 21.1 and to approve

the sale of all or substantially all of the Partnership's assets under Section 15.3 shall be null and void and of no effect or existence and shall not be exercisable until and unless prior to such exercise an opinion of counsel who is satisfactory to a majority in interest of the Limited Partners has been obtained to the effect that the existence of such right or rights and their exercise will not adversely affect the status of the Limited Partners as limited partners of the Partnership or change the Partnership's status for Federal income tax purposes. For purposes of this Section 17.3, counsel will be deemed satisfactory to the Limited Partners if proposed by the General Partner and affirmatively approved within 45 days by a majority in interest of the Limited Partners; provided, that if the holders of 10% or more of the outstanding interests propose counsel for this purpose, such proposed counsel, and not counsel proposed by the General Partner, shall be submitted for approval by the Limited Partners and will be deemed approved by the Limited Partners unless objected to in writing by a majority in interest of Limited Partners within 45 days.

ARTICLE XVIII  
Additional Provisions Concerning Dissolution of  
the Partnership

Section 18.1. In the event of the dissolution of the Partnership for any reason, the General Partner shall commence to wind up the affairs of the Partnership and to liquidate its investments. The holders of the Interests shall continue to share profits and losses during the period of liquidation in the same

proportion as before the dissolution. The General Partner shall have full right and unlimited discretion to determine the time, manner and terms of any sale or sales of Partnership property pursuant to such liquidation having due regard to the activity and condition of the relevant market and general financial and economic conditions.

Section 18.2. Following the payment of all debts and liabilities of the Partnership and all expenses of liquidation, and subject to the right of the General Partner to set up such cash reserves as it may deem reasonably necessary for any contingent or unforeseen liabilities or obligations of the Partnership, the proceeds of the liquidation and any other funds of the Partnership shall be distributed in accordance with Article X hereof.

Section 18.3. Within a reasonable time following the completion of the liquidation of the Partnership's assets, the General Partner shall supply to each of the Partners a statement which shall set forth the assets and the liabilities of the Partnership as of the date of complete liquidation, each Interest holder's pro rata portion of distributions pursuant to Section 18.2, and the amount paid to the General Partner pursuant to Section 18.2.

Section 18.4. Each holder of an Interest shall look solely to the assets of the Partnership for all distributions with respect to the Partnership and his capital contribution thereto and share of profits or losses thereof, and shall have no recourse therefor (in the event of any deficit in the

General Partner's capital account or otherwise) against the General Partner or any Limited Partner. No holder of an Interest shall have any right to demand or receive property other than cash upon dissolution and termination of the Partnership.

Section 18.5. Upon the completion of the liquidation of the Partnership and the distribution of all Partnership funds, the Partnership shall terminate and the General Partner shall have the authority to execute and record a Certificate of Cancellation of the Partnership as well as any and all other documents required to effectuate the dissolution and termination of the Partnership.

#### ARTICLE XIX Power of Attorney

Section 19.1. The Limited Partners, by their execution hereof, jointly and severally hereby irrevocably constitute and appoint the General Partner, with full power of substitution, their true and lawful attorney in fact, in their name, place and stead to make, execute, sign, acknowledge, record and file, on behalf of them and on behalf of the Partnership, the following:

(i) A Certificate of Limited Partnership, a Certificate of Doing Business Under an Assumed Name, and any other certificates or instruments which may be required to be filed by the Partnership or the Partners under the laws of the State of Utah and any other jurisdiction whose laws may be applicable;

(ii) A Certificate of Cancellation of the Partnership and such other instruments or documents

as may be deemed necessary or desirable by the General Partner upon the termination of the Partnership business;

(iii) Any and all amendments of the instruments described in subsections 19.1(i) and 19.1(ii) above, provided such amendments are either required by law to be filed, or are consistent with this Agreement or have been authorized by the particular Limited Partner or Partners; and

(iv) Any and all such other instruments as may be deemed necessary or desirable by the General Partner to carry out fully the provisions of this Agreement in accordance with its terms.

Section 19.2. The foregoing grant of authority:

(i) Is a Special Power of Attorney coupled with an interest, is irrevocable and shall survive the death or incapacity of the Limited Partner granting the power;

(ii) May be exercised by the General Partner on behalf of each Limited Partner by a facsimile signature or by listing all of the Limited Partners executing any instrument with a single signature as attorney in fact for all of them; and

(iii) Shall survive the delivery of an assignment by a Limited Partner of the whole or any portion of his interest.

#### ARTICLE XX Notices

All notices and demands required or permitted under

this Agreement shall be in writing and may (except in the event of a mail strike) be sent by certified or registered mail, postage prepaid, to the Partners at their addresses as shown from time to time on the records of the Partnership. Any Partner may specify a different address by notifying the General Partner in writing of such different address.

ARTICLE XXI  
Amendment of Limited Partnership Agreement;  
Meeting of Limited Partners

Section 21.1 Except as otherwise required by law, this Agreement may be amended in any respect after the termination of the private placement of Interests pursuant to Section 8.3 upon the affirmative vote of Partners holding a majority of the then outstanding Interests. If Limited Partners holding 10% or more of the then outstanding Interests owned by Limited Partners request in writing that the General Partner submit to a vote of the Limited Partners a particular proposed amendment to this Agreement, the General Partner shall do so.

Section 21.2. In the event this Agreement shall be amended pursuant to this Article XXI, the General Partner shall amend the Certificate of Limited Partnership to reflect such change if it deems such amendment of the Certificate to be necessary or appropriate.

ARTICLE XXII  
General Partner Incentives

Section 22.1. The General Partner shall be entitled

to receive five percent (5%) of any savings to the Partnership in the event the Partnership is not required to expend a total of \$480,000 to satisfy the bankruptcy creditors of Rocky Mountain Ethanol Systems, a New Mexico corporation. Any incentives paid to Rocky Mountain Ethanol Systems shall not be considered savings to the Partnership.

Section 22.2. The General Partner shall be entitled to receive fifteen percent (15%) of any savings to the Partnership in the event the Partnership is not required to expend a total of \$450,000 to expand and complete the construction of the two ethanol plants located in Oreana, Idaho. Any incentives paid to Rocky Mountain Ethanol Systems shall not be considered savings of the Partnership.

Section 22.3. The General Partner shall not be prohibited from receiving a royalty directly from Mountain West Ethanol, a Utah partnership and Associated Ethanol Systems, a Utah partnership so long as said royalty does not exceed five percent (5%) of gross sales of all ethanol and stillage produced at the ethanol plants in excess of 2,700 gallons per day.

Section 22.4. The amounts set forth in this Article XXII shall be in addition to the amounts set forth in Articles IX and X hereof.

#### ARTICLE XXIII Miscellaneous

Section 23.1. The Partners agree that the Partnership assets are not and will not be suitable for partition. Accordingly, each of the Partners hereby irrevocably waives

any and all rights that he may have to maintain any action for partition of any of the Partnership assets.

Section 23.2. This Agreement constitutes the entire agreement among the parties. It supersedes any prior agreement or understandings among them, and it may not be modified or amended in any manner other than as set forth herein.

Section 23.3. This Agreement and the rights of the parties hereunder shall be governed by and interpreted in accordance with the laws of the State of Utah.

Section 23.4. Except as herein otherwise specifically provided, this Agreement shall be binding upon and inure to the benefit of the parties and their legal representatives, heirs, administrators, executors, successors and assigns.

Section 23.5. Wherever from the context it appears appropriate, each term stated in either the singular or plural shall include the singular and the plural, and pronouns stated in either the masculine, the feminine or the neuter gender shall include the masculine, feminine and neuter.

Section 23.6. Captions contained in this Agreement are inserted only as a matter of convenience and in no way define, limit or extend the scope or intent of this Agreement or any provision hereof.

Section 23.7. If any provision of this Agreement, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those to which it is held invalid, shall not be affected

thereby.

Section 23.8. This Agreement may be executed in several counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument. In addition, this Agreement may contain more than one counterpart of the signature page and this Agreement may be executed by the affixing of the signatures of each of the Partners to one of such counterpart signature pages; all of such counterpart signature pages shall be read as though one, and they shall have the same force and effect as though all of the signers had signed a single signature page.

IN WITNESS WHEREOF, the undersigned have executed this Agreement of Limited Partnership as of this 24th day of June, 1982.

GENERAL PARTNER:

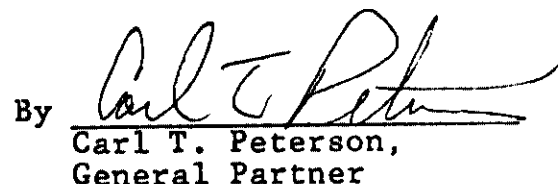
  
Clay M. Stringham

LIMITED PARTNERS:

MOUNTAIN WEST ETHANOL

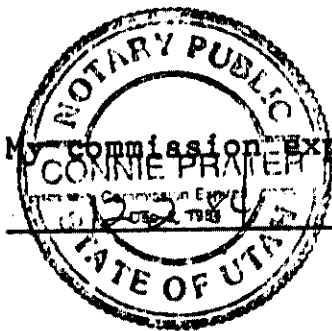
By   
Terry R. Holmes,  
General Partner

ASSOCIATED ETHANOL SYSTEMS

By   
Carl T. Peterson,  
General Partner

STATE OF UTAH           )  
                                  : ss.  
County of SALT LAKE )

BE IT REMEMBERED, that on this 24<sup>th</sup> day of June,  
1982 personally came before me, a Notary Public in and for the  
County and State aforesaid, Terry R. Holmes, Carl T.  
Peterson, Clay M. Stringham  
and they duly executed the above Agreement and acknowledged said  
Agreement to be their act and deed.



My Commission Expires:

Connie Prater  
Notary Public

Residing at:

Salt Lake County, Utah

**SCHEDULE A**

**Capital  
Contribution**

**GENERAL PARTNER:**

Clay M. Stringham  
954 East 7145 South  
Midvale, Utah 84047

\$0.00

**LIMITED PARTNERS:**

Mountain West Ethanol  
954 East 7145 South  
Midvale, Utah 84047

\$100,000

Associated Ethanol Systems  
954 East 7145 South  
Midvale, Utah 84047

\$100,000