As filed with the Securities and Exchange Commission on December 16, 2004.

Registration Statement No. 333-_____

U.S. SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM S-1
Registration Statement Under
the Securities Act of 1933
Green Plains Renewable Energy, Inc.
(Exact name of registrant in its charter)

Iowa	2869	84-1652107
(State or jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification No.)

9635 Irvine Bay Court, Las Vegas, NV 89147
(Address and telephone number of principal executive offices and principal place of business)

Barry A. Ellsworth
Chairman of the Board and President
9635 Irvine Bay Court
Las Vegas, NV 89147 (702) 524-8928
(Name, address and telephone number of agent for service)

Copies to:
Eric L. Robinson
BLACKBURN & STOLL, LC
257 East 200 South, Suite 800
Salt Lake City, UT 84101 (801) 521-7900

Approximate date of proposed sale to the public: As soon as practicable from time to time after this Registration Statement becomes effective.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.[ ]

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.[ ]

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.[ ]

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box.[ ]

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price Per Unit	Proposed Maximum Aggregate Offering Price (1)	Amount of Registration Fee
Common Stock	3,800,000	$10	$38,000,000	$4,815
Warrants (2)	(2)	(2)	--	--
Common Stock (3)	950,000	$30	$28,500,000	$3,611

(1) Estimated solely for the purposes of calculating the registration fee which was computed pursuant to Rule 457(a) as promulgated under the Securities Act of 1933.

(2) This registration statement also relates to the issuance of warrants exercisable for up to 950,000 shares of common stock that are issuable upon purchase of common stock in this offering. In accordance with Rule 416 under the Securities Act of 1933 in order to prevent dilution, a presently indeterminable number of shares of common stock are registered hereunder which may be issued in the event of a stock split, stock dividend or similar transactions. No additional registration fee has been paid for these shares of common stock.

(3) These shares are issuable upon the exercise of the common stock underlying the warrants.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

The information in this prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell nor does it seek an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to completion, dated _____ , 2005.

Green Plains Renewable Energy, Inc.
an Iowa Corporation

We are offering up to 3,800,000 shares of our common stock at $10.00 per share. Each share purchased includes a warrant to purchase 1/4 of an additional share of common stock from the Company at a purchase price of $30.00 per share. The warrants may be submitted to us and exercised at any time through December 31, 2007. An investor must purchase a minimum of one thousand (1,000) shares. After making an initial purchase, an investor may purchase incremental shares in blocks of five hundred (500) thereafter.

The securities are offered on a "minimum/maximum, best efforts" basis directly through our officers and directors. No commission or other compensation related to the sale of the shares will be paid to our officers and directors. However, broker/dealers may participate in the offering. If a broker/dealer chooses to participate, a seven percent (7%) commission may be paid to that broker/dealer for any shares sold by said broker/dealer. You may purchase the shares from our directors or officers by submitting 100% of the total subscription price or 20% of the subscription price and executing a promissory note for the remaining balance.

The proceeds of the offering will be placed and held in an escrow account at U.S. Bank N.A., until a minimum of $29,667,000 in proceeds after deduction of selling commissions has been received as proceeds from sale of the securities and we have received a letter of commitment from a lending institution to fund the construction of the Plant. If we do not receive the minimum proceeds within 180 days from the date of this prospectus, unless extended by us for up to an additional 90 days, but not past November 29, 2005, your investment will be promptly returned to you without interest and without any deductions. This offering will expire 60 days after the minimum offering is raised. We may terminate this offering prior to the expiration date.

There is no public market for our common stock or the warrants at this time and no assurance can be given that a public market will ever be established.

Investing in our securities involves substantial risks. See "Risk Factors" beginning on page 6 for a discussion of certain factors that should be considered by prospective purchasers of our securities.

_____

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

This Prospectus is dated _____, 2005

TABLE OF CONTENTS

PROSPECTUS SUMMARY

This summary highlights some of the information contained elsewhere in this prospectus. We urge your to read the entire prospectus carefully, including the "Risk Factors" section and our financial statements and notes to those statements, before deciding whether or not to buy our common stock Except as otherwise noted, when we refer to "GPRE", "we", "us", "our" or the "Company" this reference is to made with respect to Green Plains Renewable Energy, Inc. .

The Company

Green Plains Renewable Energy, Inc., an Iowa Corporation, was organized on June 29, 2004 to construct and operate a dry mill, fuel grade ethanol plant ("Plant"). The Plant may be located near the town of Shenandoah, Iowa, elsewhere in Iowa, or in Nebraska, (if the State of Nebraska were to create a tax incentive plan that would make it feasible for us to do so). We have entered into a letter of intent with an ethanol construction and engineering firm, Fagen, Inc., who is expected to work with ICM, Inc. to design and construct our proposed ethanol plant. Fagen, Inc. will be our design-builder and ICM, Inc. will be Fagen, Inc.'s primary engineering subcontractor. These two firms have developed, designed, and built numerous ethanol plants throughout the country. Fagen, Inc. has been the principal contractor on over 28 ethanol projects and has performed significant work on over 50 other projects. The letter of intent is not a binding legal agreement, and until a binding agreement is executed, either party may withdraw at any time without penalty or further obligation. Prospective purchasers or representatives having questions or desiring additional information should contact us at (702) 524-8928 or at our business address: Green Plains Renewable Energy, Inc. 9635 Irvine Bay Court, Las Vegas, NV 89147.

The Offering

We are offering common stock and warrants of Green Plains Renewable Energy, Inc., an Iowa Corporation. As of the date of this prospectus, the common stock presently represents our only outstanding equity security. We intend to use the offering proceeds to pay for a portion of the construction and start-up operational costs of a 50 million gallon per year ethanol plant expected to be located in southwestern Iowa, elsewhere in Iowa, or in Nebraska. We will also need to secure significant debt financing in order to complete the project. Our financing plan therefore contemplates substantial leverage. This is our initial public offering and no public market exists for our common stock.

The Ethanol Industry

Ethanol is produced by processing corn and/or other biomass. Ethanol is utilized primarily as an "oxygenate," or an additive to gasoline to increase the oxygen level in fuel so the gasoline burns more cleanly. Ethanol is also used to enhance octane in gasoline and as a gasoline extender. The increased use of ethanol is attributable in part to the Federal Clean Air Act Amendments of 1990, which established the federal oxygenated gasoline programs to reduce smog in certain urban areas by requiring the use of oxygenated fuels during the winter months. In addition, under the Clean Air Amendments, ten major U.S. metropolitan areas are required to use oxygenated fuel year-round. Currently, the mandates of the Federal Clean Air Act Amendments of 1990 are being satisfied primarily with ethanol or methyl tertiary butyl ether or "MTBE," which is cheaper than ethanol. However, unlike MTBE, which is petroleum-based, ethanol is biodegradable. MTBE is being phased out or is currently banned in certain states, including, among others, California, Connecticut, Illinois, and New York, due to concerns over groundwater contamination. Other states may do the same in the future.

Due in part to federal and state policies promoting cleaner air and federal and state tax and production incentives, the ethanol industry has grown substantially in recent years. According to Renewable Fuels Association, there

are currently 81 producing ethanol plants in the US capable of producing approximately 3.6 billion gallons of ethanol per year. At the writing of this document, there are 14 new plants currently under construction, which will add about 560 million gallons of new production capability. Ultimately, pending federal and state legislation regarding the use of MTBE as an oxygenate, continuation of the clean air standards, and the creation of a national renewable fuels standard may materially affect the ethanol industry and our

business.

The Project

If we are successful in this offering, and are able to obtain the debt financing that we seek, we plan to build a 50 million-gallon-per-year dry mill, bio-fuel (ethanol) and livestock feed manufacturing plant. We expect the Plant to convert, on an annual basis, approximately 18.5 million bushels of corn into approximately 50 million gallons of ethanol and 160 thousand tons of distillers grains. We also expect to produce approximately 148 thousand tons of raw carbon dioxide gas on an annual basis.

We expect to locate the Plant in southwestern Iowa in Fremont County near or in the town of Shenandoah, or elsewhere in Iowa, or in Nebraska. The Shenandoah site is located next to a spur of the Burlington Northern Railroad main line and is within a quarter mile of State Highways 59 and 2. A possible site in Wahoo, Nebraska is located next to the lines of Union Pacific Railroad and within 1 mile of US Highway 77. Our board of directors reserves the right to select a different site to construct the Plant in Iowa or Nebraska if it believes that doing so would be better for our business. We expect to commence construction, depending upon the season and the weather, approximately 60 days after we close on this offering. This is contingent upon our receipt of written agreements from lenders to provide debt financing and subject to our entering into anticipated construction agreements with Fagen, Inc. and ICM, Inc.

There are no assurances that we will be able raise the minimum amount of capital to close this offering, to secure debt financing, or to finalize agreements with Fagen, Inc. and ICM, Inc. regarding construction of the plant. If we can satisfy these contingencies, and construction is commenced within 60 days of closing, we expect that the construction will take approximately 12 to 16 months, in addition to two months of post-construction testing and engineering. Assuming that the foregoing contingencies are satisfied, we plan to begin accepting shipments of grain and producing ethanol and distillers grains approximately 14 to 16 months after the close of this offering.

The following diagram depicts the plant that we intend to build.

[DIAGRAM OMITTED]

1. Ethanol Storage Tanks: Two ethanol storage tanks. Three tanks used for 190 proof ethanol, 200 proof undenatured ethanol and denaturant. All of the described tanks will be within a retention berm.

2. Administration Building: This building will have brick and/or siding on the exterior and will be approximately 2,700 square feet.

3. DDGS Building: This will be a steel sided building and will be 21,875 square feet. All dry distillers grain will be stored in this building.

4. Grain Receiving Building: The building will be a steel sided building 165' long by 65' wide and approximately 40' tall. There will be two truck bays and one rail bay.

5. Two Concrete Corn Holding Structures: 100 ft tall, 250,000 bushel each, two 15,000 bushel per hour legs.

6. Fermentation Tanks: Three fermentation tanks and one beer well.

7. Main Process Building: Structural steel frame building housing tanks, pumps and heat exchangers as well as a control room and laboratory. Total square footage is approximately 25,000'.

8. Two Methanator Tanks.

9. Thermal Oxidizer Stack: Approximately 125 feet tall. The exact height will depend on air modeling and input from the DNR.

10. Distillation and Evaporation Center:

11. Stillage and Syrup Tanks.

12. Energy Center: Structural steel building totaling approximately 13,750 square feet housing both of the DDGS dryers and the Thermal Oxidizer.

13. Cooling Tower: Four cell induced draft cooling tower.

Our Financing Plan

Our letter of intent with Fagen, Inc. provides that the proposed Plant will cost no more than $56,619,000. We expect that expenses incidental to construction and start-up will cost approximately an additional $19,290,000. Total costs to build the Plant are expected to be approximately $75,909,000. We intend to raise a minimum of $29,667,000 in proceeds after deduction of selling commissions in this offering. We anticipate that our lender will require us to contribute 45% of the capital needed to fund the construction and operation of the Plant, or $34,159,050, before it will issue a loan to us. We expect to realize a savings by selling all or a portion of the offering ourselves. We anticipate using Tax Increment Financing (TIF) for approximately $3,925,000 of the needed equity, and we have raised $637,500 in seed capital that we anticipate will be counted as equity also by the lending institution. We also intend to seek a variety of state and federal grants. However, we are unsure at this time what dollar amounts of any such grants we may qualify for, if any. If we cannot obtain grants of any kind, we will seek the remaining balance of approximately $41,679,500 in debt. If all 3,800,000 shares of common stock are issued for $10.00 each, approximately $36,006,500 will be sought in term debt from banks. If less than the maximum number of common shares are sold, the amount of the debt will be raised proportionately to achieve the approximately $75,909,000 funding of equity and term debt for a 50 million gallon plant. We may also seek third party credit providers to provide subordinated debt sufficient to raise the necessary capital for the construction and initial operating and maintenance costs of the project. Although such subordinated debt holders would have rights inferior to those of the senior lenders in the event of liquidation, their rights would be superior to our stockholders, including investors in this offering. Because the exact amount of equity to be raised cannot be known at this time, we cannot yet know the amount of total debt required to finance our project. If we do not raise at least $29,667,000, after payment of selling commission, in this offering, the offering will fail. We presently have no contracts or commitments with any bank, lender or financial institution for this debt financing, but we will not close on this offering until we have received a letter of commitment to finance the construction of the Plant. In total, we intend to raise approximately $75,909,000 including equity, indebtedness, and grant and government financing proceeds. There are no assurances that we will be able to obtain the necessary debt financing or other financing referred to in this section.

Suitability of Investors

Investing in our common stock is highly speculative and very risky. Our common stock is suitable only as a long-term investment and only if you can sustain a complete loss of your investment in us. Our common stock is suitable only for persons of adequate financial means. We intend to attempt to establish a public market for the common stock once the offering has been completed. However, no assurance can be given that a public market will be established at this time.

The board of directors reserves the right to reject any subscription for any reason, including if the board determines that the securities are not a suitable investment for a particular investor.

Subscription Procedures

To invest, you must complete the Subscription Agreement included as Exhibit 99.1 to this prospectus. You must also provide a check payable to "U.S. Bank, Escrow Agent for "GPRE, INC." as Escrow Agent for Green Plains Renewable Energy, Inc., for either the total amount, or an amount representing 20% of the amount due for the securities for which subscription is sought in which case you will also need to deliver an executed promissory note for the remainder of the

amount due. In the Subscription Agreement, you will make representations to us

concerning, among other things, that you have received and had the opportunity to read this prospectus and any supplements. The Subscription Agreement also requires information about the nature of the ownership of the common stock, state of residence, and taxpayer identification or social security number. Our board of directors reserves the right to reject any subscription. If we reject a subscription, we will return the subscription funds and signature page of the note executed by the subscriber, if any. We do not intend to consider any Subscription Agreements for acceptance or rejection until after the minimum amount of $29,667,000 in proceeds, after deduction of offering commissions, has been deposited into escrow. Therefore, your investment may not be accepted or returned to you until after November 29, 2005

Escrow Procedures

Proceeds from subscriptions for the securities will be deposited in an interest-bearing escrow account that we have established with U.S. Bank, as Escrow Agent under a written escrow agreement. We will not close on the offering until the specific conditions to closing the offering are satisfied. The closing of the offering is subject to certain conditions and we will return your investment with nominal interest within 30 days under the following scenarios:

- If we do not receive the minimum proceeds within 180 days from the date of this prospectus, unless extended by us for up to an additional 90 days, but not past November 29, 2005; or

- Even if we raise the $29,667,000 minimum, but as of 180 days from the date of this prospectus, unless extended by us for up to an additional 90 days, but not past November 29, 2005, we do not have binding written agreements with a lender or lenders for $41,679,500 in term debt or such amount as the board of directors deems sufficient to complete construction and start-up of the Plant.

If we close on the offering, we will deliver certificate representing ownership of the common stock within 30 days of closing. Funds in the escrow account cannot be accessed. We will invest the escrow funds in short-term certificates of deposit issued by a bank, money market funds, or other financial vehicles including those available through the escrow agent.

RISK FACTORS

The purchase of our common stock involves substantial risks and the investment is suitable only for persons with the financial capability to make and hold long-term investments not readily converted into cash. Investors must, therefore, have adequate means of providing for their current and future needs and personal contingencies. Prospective purchasers of the securities should carefully consider the Risk Factors set forth below, as well as the other information appearing in this prospectus, before making any investment in the securities. Investors should understand that there is a possibility that they could loose their entire investment in us.

Risks Related to the Offering

We are not experienced in selling securities and no one has agreed to assist us or purchase any units that we cannot sell ourselves, which may result in the failure of the offering.

This offering is made on a "best efforts" basis. We have no underwriter or placement agent for the offering, and there can be no assurance that the offering will be successful. We plan to offer the securities directly to investors. However, broker/dealers may participate in the offering. If a broker/dealer chooses to participate, a seven percent (7%) commission will be paid to any broker/dealer for any Shares sold by said broker/dealer. Our directors have significant responsibilities in their primary occupations in addition to trying to raise capital. Some of these individuals have no experience in raising capital for such projects and have never been involved in a public offering of securities. There can be no assurance that our directors will be successful in seeking investors for the offering.

We may not be able to sell the minimum amount of common stock required to close on this offering.

Among other things, at least $29,667,000 must be received into escrow, after deduction of selling commissions, and debt funding arrangements must be in place before we can close and utilize the offering proceeds. If we are not able to raise the $29,667,000 in offering proceeds, the offering will fail. Additionally, investors should not assume that the $29,667,000 minimum will be sold only to unaffiliated third party investors. Moreover, we plan to offer the common stock for sale in only a limited number of states which may further increase the risk that the offering will fail.

The sale of the specified minimum is not designed to indicate that an investor's investment decision is shared by other unaffiliated investors.

Common stock may be purchased by directors, officers and other affiliates of the Company. Investors should not expect that the sale of common stock to reach the specified minimum, or in excess of that minimum, indicates that such sales have been made to investors who have no financial or other interest in the offering, or who otherwise are exercising independent judgment. The sale of the specified minimum, while necessary to the business operations of the Company, is not designed as a protection to investors, to indicate that their investment decision is shared by other unaffiliated investors. Each investor must make his own investment decision as to the merits of this offering.

Risks Related to the Common Stock

We plan to construct the Plant by means of substantial leverage of equity, resulting in substantial debt service requirements that could reduce the value of your investment.

Upon completion of the Plant, we anticipate that our total term debt obligations will be approximately $36,006,500 assuming that all 3,800,000 common shares are issued at $10.00 per share. As a result, our capital structure will be highly leveraged. If we raise only the minimum $29,667,000 in proceeds from

the sale of common stock, this would increase our anticipated term debt obligations to up to $41,679,500. Our debt load and service requirements could have important consequences which could reduce the value of your investment, including:

- Limiting our ability to borrow additional amounts for operating capital and other purposes or creating a situation in which such ability to borrow may be available on terms that are not favorable to us;

- Reducing funds available for operations and distributions because a substantial portion of our cash flow will be used to pay interest and principal on our debt;

- Making us vulnerable to increases in prevailing interest rates;

- Placing us at a competitive disadvantage because we may be substantially more leveraged than some of our competitors;

- Subjecting all, or substantially all of our assets to liens, which means that there will be virtually no assets left for stockholders in the event of a liquidation; and,

- Limiting our ability to adjust to changing market conditions, which could increase our vulnerability to a downturn in our business or general economic conditions.

In the event that we are unable to pay our debt service obligations, we could be forced to: (a) reduce or eliminate dividends to stockholders, if they were to commence or (b) reduce or eliminated needed capital expenditures. It is possible that we could be forced to sell assets, seek to obtain additional equity capital or refinance or restructure all or a portion of its debt. In the event that we are unable to refinance our indebtedness or raise funds through asset sales, sales of equity or otherwise, our business would be adversely

affected and we may be forced to liquidate, and you could lose your entire investment.

There is currently no established public trading market for our common stock and your investment may be illiquid for an indefinite amount of time.

There can be no assurance that an active, public trading market will ever develop even if we are successful with this offering. There can be no assurance that our stock will be accepted for listing or trading any exchange or NASDAQ market.

Lenders may require us to abide by restrictive loan covenants that may hinder our ability to operate and reduce our profitability.

We anticipate that the loan agreements governing our secured debt financing will contain a number of restrictive affirmative and negative covenants. These covenants may limit our ability to, among other things:

- Incur additional indebtedness;
- Make capital expenditures in excess of prescribed thresholds;
- Pay dividends to stockholders;
- Make various investments;

- Create liens on our assets;
- Utilize the proceeds of asset sales; or,
- Merge or consolidate or dispose of all or substantially all of our assets.

We also will likely be required to maintain specified financial ratios, including minimum cash flow coverage, minimum working capital and minimum net worth. We also will likely be required to utilize a portion of any excess cash flow generated by operations to prepay our term debt. A breach of any of these covenants or requirements could result in a default under our debt agreements. If we default, and if such default is not cured or waived, a lender could, among other remedies, accelerate our debt and declare that such debt is immediately due and payable. If this occurs, we may not be able to repay such debt or borrow sufficient funds to refinance. Even if new financing is available, it may not be on terms that are acceptable. Such an occurrence could cause us to cease building the Plant, or if the Plant is constructed, such an occurrence could cause us to cease operations. No assurance can be given that our future operating results will be sufficient to achieve compliance with such covenants and requirements, or in the event of a default, to remedy such default.

The common stock will be subordinate to our debts and other liabilities, subjection your investment to greater risk of loss if we are forced to liquidate our assts.

The common stock is subordinate in right of payment to all our current and future debt. In the event of our insolvency, liquidation, dissolution or other winding up of our affairs, all of our debts (including winding-up expenses) must be paid in full before any payment is made to the holders of the common stock. In the event of our bankruptcy, liquidation or reorganization, all common stock will be paid with all our other equity holders. There is no assurance that there would be any remaining funds after the payment of all our debts for any distribution to the holders of the common stock.

The offering price was arbitrarily not determined based on customary valuation methods.

The offering price for the securities was determined arbitrarily by our board of directors, without any consultation with third parties. There is no underwriter for the offering or for establishing an offering price. The offering price of the securities is not, therefore, based on customary valuation or pricing techniques for new issuances.

The common stock will be diluted in value and will be subject to further dilution in value.

We have issued a total of 765,000 shares of common stock to our founders and to seed capital investors. Initially, 550,000 shares of common stock were sold to our two founding stockholders for an average price of $.181 per share. We then issued an additional 215,000 shares were sold to seed capital investors at a price of $2.50 per share. Securities are being offered to investors with this offering at significantly higher prices. The issuance of the founding and seed capital shares is dilutive to the common stock offered in this offering. In addition, if for any reason we are required in the future to raise additional equity capital, and if such equity capital is raised at a lesser price or on more favorable terms than those in this offering, investors in this offering will suffer further dilution of their common stock. There is no assurance that the common stock will not be diluted in the future.

Risks Related to the Company

We have no operating history and our management has no material experience in the ethanol industry.

We were recently formed and have no history of operations. Our proposed operations are subject to all the risks inherent in the establishment of a new business enterprise. We do not have material experience in the ethanol industry. There is no assurance that we will be successful in completing this offering, in securing additional debt financing, and/or in our efforts to build and operate the Plant. Even if we successfully meet all of these objectives and begin operations at the Plant, there is no assurance that we will be able to market the ethanol produced or operate the Plant profitably.

We may not be able to manage our start-up period effectively.

We anticipate a period of significant growth, involving the construction and start-up of operations of the Plant and the hiring of our employees. This period of growth and the start-up of the Plant are likely to be a substantial challenge to us. We have limited financial and human resources. We will need to implement operational, financial and management systems and to recruit, train, motivate and manage our employees. We operate in an area of low unemployment. Though we believe that we can manage start-up effectively and properly staff our operations, there is no assurance that this will occur, and any failure by us to manage our start-up effectively could have a material adverse effect on us, our financial condition, cash flows, results of operations and our ability to execute our business plan.

If our cash flow from operations is not sufficient to service our anticipated debts, then the business may fail and you may lose your entire investment.

Our ability to repay our anticipated debt will depend on our financial and operating performance and on our ability to successfully implement our business strategy. We cannot assure you that we will be successful in implementing our strategy or in realizing our anticipated financial results. Our financial and operational performance depends on numerous factors including prevailing economic conditions and certain financial, business and other factors beyond our control. Our cash flows and capital resources may be insufficient to repay our anticipated debt obligations. If we cannot pay our debt service, we may be forced to reduce or delay capital expenditures, sell assets, restructure our indebtedness or seek additional capital. If we are unable to restructure our indebtedness or raise funds through sales of assets, equity or otherwise, our ability to operate could be harmed and the value of your common stock could decline.

Any institution lending funds to us, whether through a leasing arrangement or direct loans, will take a security interest in our assets, including the property and the Plant. If we fail to make our debt financing payments, the lender will have the right to repossess the secured assets, including the property and the Plant, in addition to other remedies. Such action would end our ability to continue operations. If we fail to make our financing payments and we cease operations, your rights as a holder of common stock are inferior to the rights of our creditors. We may not have sufficient assets to make any payments to you after we pay our creditors.

No Assurance of Equity Financing

Based on our business plan and current construction cost estimates, we

believe we will need to raise approximately $75,909,000 in total funding to construct the Plant and finance the start-up of our operations. We believe that we must raise approximately $29,667,000 in proceeds in this offering after deduction of selling commissions in order to obtain debt financing sufficient to complete our business plan. This offering is being made on a "best efforts" basis by us, and there is no assurance that the offering will be successful. If the offering is not successful, we will return the investors' investment from escrow with nominal interest, less a deduction for escrow agency fees.

A necessary part of our plan of operations is the receipt of significant debt funding, of which there can be no assurance.

Assuming that the maximum offering is sold in this offering, we will seek to secure approximately $36,006,500 in senior long term debt from one or more commercial banks or other lenders to complete its financing. If less than the maximum offering is sold, we anticipate that the amount of the debt will be raised proportionately to achieve the approximately 45% equity, 55% debt ratio that is expected to be needed to borrow the term debt necessary to fund the project. Because the amount of equity raised is not known at this time, the amount and nature of total debt is also not known.

We have no contracts or commitments with any bank, lender or financial institution for this debt financing, but we will not close on this offering until we execute binding financing agreements. We have initiated discussions with potential lenders regarding debt financing, but have not received any commitment for such financing. There is no assurance that such commitment will be received, or if it is received, that it will be on anticipated terms or terms that are otherwise acceptable to us. If debt financing on acceptable terms is unavailable for any reason, we will be forced to abandon our business plan and will return the investors' investments from escrow with nominal interest less deduction for escrow agency fees.

Our plan of operations does not provide for any material diversification of income sources.

It is anticipated that our business will be that of the production and marketing of ethanol and its by-products such as Distillers Dried Grains with Solubles ("DDGS") and carbon dioxide ("CO 2 "). We do not have any other lines of business or other sources of revenue if we are unable to complete the construction and operation of the Plant or if we are not able to market ethanol and its by-products.

Our business success is dependent on unproven management.

We are presently, and are likely for some time to continue to be, dependent upon our current management who were also the founding stockholders. We presently have no employees, and our founders and initial directors will therefore be instrumental to our success. We currently have eight directors. Our two founding stockholders and initial directors live in Nevada and Utah. Since inception, six other directors have been added to our board. Four of our other directors live in Iowa, a seventh lives in Nevada, and an eighth in Utah. These individuals are experienced in business generally, and some have experience in raising capital, in governing and operating companies, but none of them have any experience in organizing, building and operating an ethanol plant. It is possible that one or more of our founding stockholders and/or initial directors may later become unable to serve, and we may be unable to recruit and retain suitable replacements. Our dependence on our founding stockholders and initial directors may have a material adverse impact upon our operations, our cash flows and overall financial performance.

Our board of directors will have the exclusive right to make all decisions with respect to the management and operation of our business and our affairs. Investors will have no right to participate in the decisions of our board of directors or in the management of the Plant. Investors will only be permitted to vote in a limited number of circumstances. Accordingly, no person should purchase securities unless such person is willing to entrust all aspects of our management to the board of directors. We are presently managed by our board of directors. However, none of the directors have expertise in the ethanol industry. In addition, all members of our board of directors are presently engaged in business and other activities outside of and in addition to our business. These other activities all impose substantial demand on the time and attention of such directors.

We anticipate hiring a manager for the Plant with experience in the ethanol industry and a production plant similar to our proposed Plant. However, there is no assurance that we will be successful in attracting or retaining such an individual because of a limited number of individuals with expertise in the area and a competitive market with many new plants being constructed.

Furthermore, we may have difficulty in attracting other competent personnel to relocate to Shenandoah, Iowa, in the event that such personnel are not available locally. We might face the same problems elsewhere in Iowa, or in Nebraska, if we were to build the plant in another location. Our failure to attract and retain such individuals would likely have a material adverse effect on our operations, cash flows and financial performance.

We will be dependent on Fagen, Inc. for expertise in the commencement of operation in the ethanol industry and any loss of this relationship could result in diminished returns or the loss of your investment.

We are dependent on our relationship with Fagen, Inc., and its employees. Specifically, we are dependent upon the Fagen, Inc. employees Mr. Roland "Ron" Fagen and Mr. Wayne Mitchell. Mr. Fagen and Mr. Mitchell have considerable experience in the construction, start-up and operation of ethanol plants. Any loss of our relationship with Fagen, Inc., Mr. Fagen, or Mr. Mitchell, particularly during the construction and start-up period for the Plant, may have a material adverse impact on our operations, cash flows and financial performance. Furthermore, we do not have a binding contract with Fagen, Inc., but only a letter of intent. There are no assurances that Fagen, Inc. will enter into a binding contract.

We have a history of losses and may not ever operate profitably.

For the period from our formation on June 29, 2004 through November 30, 2004, we incurred an accumulated net loss of $12,495. We believe we will incur significant losses from this time forward until we are able to secure financing and successfully complete construction and commence operations of the Plant. There is no assurance that we will be successful in completing this offering, in securing additional financing and/or in our efforts to build and operate an ethanol plant. Even if we successfully meet all of these objectives and begin operations at the ethanol plant, there is no assurance that we will be able to operate profitably.

Risks Related to Construction of the Plant

We will depend on key suppliers, whose failure to perform could hinder our ability to operate profitably and decrease the value of your investment.

We are highly dependent upon Fagen, Inc. and ICM, Inc. to design and build the Plant, but have no definitive binding agreement with either entity. We have entered into a non-binding letter of intent with Fagen, Inc. and ICM, Inc. for various design and construction services. Fagen, Inc. has indicated its intention to deliver to us a proposed Design-Build Contract, in which Fagen, Inc. will serve as our general contractor and will engage ICM, Inc. to provide design and engineering services. We anticipate that we will execute a definitive binding Design-Build Contract with Fagen, Inc. to construct the Plant. However, there is no assurance that such an agreement will be executed.

If we were not to execute a definitive, binding Design-Build Contract with Fagen, Inc., or if Fagen, Inc. were to terminate its relationship with us after construction was initiated, there is no assurance that we would be able to obtain a replacement general contractor. Any such event would likely have a material adverse affect on our operations, cash flows and financial performance.

We anticipate that the agreement with Fagen, Inc. will contain a number of provisions that are favorable to Fagen, Inc. and unfavorable to us. The agreement could also include a liquidated damages or consequential damages provision. This would benefit us, but it could result in an early completion bonus clause for Fagen, Inc. Although no such provisions have been discussed, if such a provision is ultimately agreed upon, our payment of an early completion bonus could substantially reduce our net cash flows and financial performance during the periods of the payment of such bonus.

We will depend on Fagen, Inc. for timely completion of our plant and training of personnel, but Fagen, Inc.'s involvement in other projects could delay the commencement of our operations and further delay our ability to commence operations.

We believe Fagen, Inc. is negotiating with other parties to begin construction with other ethanol plants in 2005. If Fagen, Inc. has entered into other Design-Build contracts with liquidated damage or consequential damage clauses with other plants, there could be substantial risk to our project. For example, if Fagen, Inc. is under pressure to complete another project in order to avoid the operation of such a clause or is already operating under such a clause, Fagen, Inc. may prioritize the completion of these other plants ahead of our Plant. As a result, our ability to sell ethanol products would be delayed having a material adverse effect upon our operations, cash flows, and financial performance.

We are also highly dependent upon Fagen, Inc.'s and ICM, Inc.'s experience and ability to train our personnel in operating the Plant. If the Plant is built and does not operate to the level anticipated by us in our business plan, we will rely on Fagen, Inc. and ICM, Inc. to adequately address such deficiency. There is no assurance that Fagen, Inc. and/or ICM, Inc. will be able to address such deficiency in an acceptable manner. Failure to do so could have a material adverse affect on our operations, cash flows and financial performance.

Construction delays could result in a delay in our commencement of operations and generation of revenue, if any.

We expect that it will be an estimated twelve to sixteen months after we close on this offering before we begin operation of the proposed Plant. Construction projects often involve delays in obtaining permits, construction delays due to weather conditions, or other events that delay the construction schedule. In addition, changes in interest rates or the credit environment or changes in political administrations at the federal, state or local level that result in policy change towards ethanol or this project, could cause construction and operation delays. If it takes longer to raise the financing, obtain necessary permits or construct the Plant than we anticipate, it would delay our ability to generate revenues and make it difficult for us to meet our debt service obligations. This could reduce the value of our common stock and could negatively effect our ability to execute our plan of operation.

If there are defects in Plant construction it may negatively affect our ability to operate the Plant.

There is no assurance that defects in materials and/or workmanship in the Plant will not occur. Under the terms of the anticipated Design-Build Contract, Fagen, Inc. would warrant that the material and equipment furnished to build the Plant would be new, of good quality, and free from material defects in material or workmanship at the time of delivery. Though the Design-Build Contract is anticipated to require Fagen, Inc. to correct all defects in material or workmanship for a period of one year after substantial completion of the Plant, material defects in material or workmanship may still occur. Such defects could cause us to delay the commencement of operations of the Plant, or, if such defects are discovered after operations have commenced, to halt or discontinue the Plant's operation. Any such event may have a material adverse effect on our operations, cash flows and financial performance.

If the preliminary plant site identified in Shenandoah, Iowa is not viable, it could result in substantial delays and costs.

We have preliminarily selected a site for construction of the Plant near or in Shenandoah, Iowa. However, we may locate the Plant elsewhere in Iowa or in Nebraska. Although, after choosing the final site, the site will be tested prior to commencing construction, there can be no assurance that we will not encounter hazardous conditions at the site. We are relying on Fagen, Inc. to determine the adequacy of the site for construction of the Plant. We may encounter hazardous conditions at the site that may delay the construction of the Plant. Fagen, Inc. is not responsible for any hazardous conditions

encountered at the site. Upon encountering a hazardous condition, Fagen, Inc. may suspend work in the affected area. If we receive notice of a hazardous

condition, we may be required to correct the condition prior to continuing construction. The presence of a hazardous condition will likely delay construction of the Plant and may require significant expenditure of our resources to correct the condition. In addition, it is anticipated that Fagen, Inc. will be entitled to an adjustment in price and time of performance if it has been adversely affected by the hazardous condition. If we encounter any hazardous conditions during construction, such event may have a material adverse effect on our operations, cash flows and financial performance.

The site in Shenandoah, Iowa is also situated near the city's airport. Therefore, we have applied to the FAA (Federal Aviation Administration) to receive approval to build the plant in this location. The FAA may inform us that we cannot build the plant in such close proximity to the airport, due to the height of our tallest structure, which will be the grain lift between the two grain storage silos. This structure is anticipated to be 165'. As mentioned, we have submitted an application the FAA to obtain their approval to build the Plant at this location and an official from the FAA has verbally indicated that he believes the issue can be worked out, but no assurance can be given at this time that final approval will be received. Further, even if approval were given, it might be a conditional approval and we would be required to re-engineer the Plant and perhaps lower the silos and/or grain lift. Or, the FAA may ask us to paint these structures and/or add lighting to them, or both. Doing these things could decrease the overall efficiency of the plant and increase our construction and operating costs, which could negatively affect our cash flows and financial performance. If approval from the FAA is not received, we would have to change the plant site, which could cost the Company a significant amount of time and money, and no assurance can be given at this time that we would be able to find another site that would be suitable.

We have also contracted with Mr. Marty Ruikka of PRX - The ProExporters Network to conduct a feasibility study of the proposed Plant site in Shenandoah, as well as two other possible sites. Mr. Ruikka's study will be required by the lending institutions before we will be able to borrow the needed debt-financing. Mr. Ruikka's study will look at things like the availability of corn in the area and its price, the availability of water, rail, electricity, natural gas, etc. If Mr. Ruikka's study were to find the proposed site Shenandoah to be deficient in any way, the lending institutions would, in all likelihood, not be willing to loan us the money needed to complete the Plant at Shenandoah. We would then be forced to locate the Plant at another more suitable location, which could cost the Company a considerable amount of time and money. No assurance can be given at this time that Mr. Ruikka's study will not discover deficiencies at the proposed site in Shenandoah, or at the other sites he is considering in his study, or that we would be able to locate another site at which to build the Plant, if that were to happen, and we were not able to build the Plant at any of the proposed locations. Failure to meet the requirements of Mr. Ruikka's feasibility study would have a material adverse effect on us, our cash flows and financial performance, and could require us to abandon the project.

Any delay or unanticipated cost in providing rail service infrastructure to the Plant could significantly impede our ability to successfully operate the Plan.

Rail service is available in Shenandoah, Iowa. The site lies adjacent to the lines of the Burlington Northern Railroad (BNSF). However, the spur on which the plant will be located needs to be upgraded to meet HAZMAT (Hazardous Materials) standards. Approximately 18 miles of the spur will need to be upgraded. The cost to upgrade the rail will be approximately 3.5 million dollars. After discussions, it is anticipated that GPRE and three other companies that currently use the rail in the area of Shenandoah will put up sufficient funds to pay for those upgrades. BNSF has agreed, verbally in meetings we have held with BNSF , to upgrade the rail within a year after receiving the funds from the users of the rail, and then to pay the users of the rail back for supplying those funds over a five to eight year period based on rail usage and railcar rebates. However, no assurance can be given at this time that the rail extension will be funded by other users, that BNSF will perform the needed upgrades in a timely fashion, or that we will be able to negotiate a final contract with BNSF to upgrade the rail. If we were not able to come to an agreement with BNSF to upgrade the rail, or they could not upgrade the track in a timely fashion, we would have to move the Plant to another location. If we

could come to an agreement with BNSF to upgrade the rail, but a delay were to occur in the upgrading of the spur, it would hinder our ability to market our ethanol and distillers grains and could cost a significant amount of time and

money.

No matter where we decide to locate the Plant, we will need to establish a rail spur from the main line and lay more track for railcar storage at the Plant. In order to have rail service for the Plant, a rail siding to accommodate at least 35 rail cars of approximately 5,800 feet will need to be added to the site. The estimated cost of such rail siding is approximately $1,250,000 to $1,800,000. We will need to negotiate with the nearest railroad or with another third party to provide this rail at the Plant. There is no assurance that an acceptable agreement will be reached with a railroad or other third party to do this, or on acceptable terms. Failure to reach such an agreement would have a material adverse effect on us, our cash flows and financial performance, and could require us to abandon the project.

Any significant delay in the anticipated Plant construction period could significantly delay our ability to successfully operate the Plant.

The construction of the Plant is a major project. There are general risks and potential delays associated with such a project, including, but not limited to, fire, weather, permitting issues, and delays in the provision of materials or labor to the construction site. Any significant delay in the planned completion date may have a material adverse effect on our operations, cash flows and financial performance.

Any material various of the actual cost verses our cost estimates relating to the construction and operation of the Plant could materially and adversely affect our ability to operation the Plant profitably.

It is anticipated that Fagen, Inc. will construct the Plant for a fixed contract price, based on the plans and specifications in the anticipated Design-Build Contract. We have based our capital needs on a design for the Plant that will cost $56.62 million and additional start-up and development costs of $19.29 million for a total of $75.9 million. This price includes construction period interest.

The estimated cost of the Plant is based on preliminary discussions, and there is no assurance that the final cost of the Plant will not be higher. There is no assurance that there will not be design changes or cost overruns associated with the construction of the Plant. Any significant increase in the estimated construction cost of the Plant may have a material adverse effect on our operations, cash flows and financial performance.

We will acquire insurance that we believe to be adequate to prevent loss from foreseeable risks. However, events occur for which no insurance is available or for which insurance is not available on terms that are acceptable to us. Loss from such an event, such as, but not limited to, earthquake, tornados, war, riot, terrorism or other risks, may not be insured and such a loss may have a material adverse effect on our operations, cash flows and financial performance.

Risks Related to Ethanol Production

Our ability to operate at a profit is largely dependent on grain prices and ethanol and distillers dried grains prices.

Our results of operations and financial condition will be significantly affected by the cost and supply of grain and by the selling price for ethanol and DDGS. Price and supply are subject to and determined by market forces over which we have no control. We will be dependent on the availability and price of corn. Although the areas surrounding each of the proposed Plant sites produce a significant amount of corn and we do not anticipate problems sourcing corn, there is no assurance that a shortage will not develop, particularly if there were an extended drought or other production problem. In addition, our financial projections assume that we can purchase grain for approximately $2.35 per bushel. The current average price for corn in the area of the proposed Plant

site in Shenandoah is much less, approximately $1.70 per bushel. Historically, the average price for corn has been approximately $2.22 per bushel, in Iowa, and approximately .15 to 18 cents higher in Nebraska. However, there is no assurance that we will be able to purchase corn for any of these prices. Corn prices are primarily dependent on world feedstuffs supply and demand and on U.S. and global corn crop production. These factors can be volatile because of weather, stocks

prices, export prices and the government's agricultural policy. The price of corn has fluctuated significantly in the past and may fluctuate significantly in the future.

We anticipate purchasing our corn from farmers in the area surrounding the Plant and in the cash market and hedging corn through futures contracts to reduce short-term exposure to price fluctuations. We intend to contract with third parties to manage our hedging activities and corn purchasing. However, we have no definitive agreements with any third party to do so at this time, nor do we have any contracts with any corn producers to provide corn to the Plant. We may also enter into supply agreements with local elevators for the origination, supply and delivery of corn to the Plant. There is no assurance that such agreements will be available or be on acceptable terms. Our purchasing and hedging activities may or may not lower our price of corn, and in a period of declining corn prices, these advance purchase and hedging strategies may result in our paying a higher price for corn than our competitors. Further, hedging for protection against the adverse changes in the price of corn may be unsuccessful, and could result in substantial losses to us. Generally, higher corn prices will produce lower profit margins. This is especially true if market conditions do not allow us to pass through increased corn costs to our customers. There is no assurance that we will be able to pass through higher corn prices. If a period of high corn prices were to be sustained for some time, such pricing may have a material adverse effect on our operations, cash flows and financial performance.

Our revenues will be dependent on the market prices for ethanol and DDGS. These prices can be volatile as a result of a number of factors. These factors include the overall supply and demand, the price of gasoline, level of government support, and the availability and price of competing products. For instance, the price of ethanol tends to increase as the price of gasoline increases, and the price of ethanol tends to decrease as the price of gasoline decreases. Any lowering of gasoline prices will likely also lead to lower prices for ethanol and adversely affect our operating results

Increased ethanol productions may negatively affect ethanol prices and materially reduce our ability to operation successfully.

We believe that ethanol production is expanding rapidly at this time. There are a number of new plants under construction or planned for construction, both inside and outside the States of Iowa and Nebraska. We further expect existing ethanol plants to expand by increasing production.

We cannot provide any assurance or guarantee that there will be any material or significant increases in the demand for ethanol. Increased production of ethanol may lead to lower prices. The increased production of ethanol could have other adverse effects as well. For example, the increased production could lead to increased supplies of co-products from the production of ethanol, such as DDGS. Those increased supplies could lead to lower prices for those co-products. Also, the increased production of ethanol could result in increased demand for corn. This could result in higher prices for corn and corn production creating lower profits. There can be no assurance as to the price of ethanol or DDGS in the future. Any material adverse change affecting the price of ethanol and/or DDGS may have a material adverse effect on our operations, cash flows and financial performance.

We expect to compete with existing and future ethanol plants and oil companies, which may result in diminished returns on your investment.

We will operate in a very competitive environment. We will compete with large, multi-product companies that have much greater resources than we anticipate having, and plants with a capacity greater than, equal to or less

than our Plant. We will face competition for capital, labor, management, corn and other resources. Many of our competitors have greater resources than we currently have or will have in the future.

We anticipate that as additional ethanol plants are constructed and brought on line, the supply of ethanol will increase. The absence of increased demand may result in prices for ethanol to decrease. There is no assurance that we will be able to compete successfully or that such competition will not have a material adverse effect on our operations, cash flows and financial performance.

We will also compete with producers of other gasoline additives having

similar octane and oxygenate values as ethanol. An example of such other additives is MTBE, a petrochemical derived from methanol. MTBE costs less to produce than ethanol. Many major oil companies produce MTBE and because it is petroleum-based, its use is strongly supported by major oil companies. Alternative fuels, gasoline oxygenates and alternative ethanol production methods are also continually under development. The major oil companies have significantly greater resources than we have to market MTBE, to develop alternative products, and to influence legislation and public perception of MTBE and ethanol. Despite this fact, the use of MTBE may become legally restricted as a pollutant in several, and possibly, most, if not all states. California has already banned the use of MTBE as have New York and Connecticut. However, California has asked for a waiver of federal standards requiring oxygenates in reformulated gasoline in the past. This means that rather than using ethanol as an alternative oxygenate to MTBE, California sought to be released from federal requirements to use any oxygenates at all. If such requests were ever granted, whether limited to or expanded beyond California, the demand for ethanol would not increase and could diminish. Furthermore, the United States petroleum industry is pursuing a repeal of all federal oxygenated fuel requirements. These companies also have sufficient resources to begin production of ethanol should they choose to do so. Competition from these companies may have a material adverse effect on our operations, cash flows and financial performance.

We are dependent on others third-party brokers or other to sell our product which may result in diminished returns.

We currently have no sales force of our own to market ethanol and DDGS and do not intend to establish such a sales force. We intend to sell all of our ethanol to a third-party broker pursuant to an output contract and intend to contract with a third-party broker to market and sell our DDGS feed products. As a result, we will be dependent on the ethanol broker and the feed broker. There is no assurance that we will be able to enter into contracts with any ethanol broker or feed product broker on acceptable terms. If the ethanol broker breaches the contract or does not have the ability (for financial or other reasons) to purchase all of the ethanol we produce, we will not have any readily available means to sell our ethanol. Our lack of a sales force and reliance on third parties to sell and market our products may place us at a competitive disadvantage. Our failure to sell all of our ethanol and DDGS feed products may have a material adverse effect on our operations, cash flows and financial performance.

Engaging in hedging activities to minimize the potential volatility of corn prices could result in substantial costs and expenses.

In an attempt to minimize the effects of the volatility of corn costs on operating profits, we will likely take hedging positions in corn futures markets and in the natural gas markets. Hedging means protecting the price at which we buy corn and the price at which we will sell our products in the future. It is a way to attempt to reduce the risk caused by price fluctuation. The effectiveness of such hedging activities is dependent upon, among other things, the cost of corn and natural gas and our ability to sell sufficient amounts of ethanol and DDGS. Although we will attempt to link hedging activities to sales plans and pricing activities, such hedging activities can themselves result in costs because price movements in corn contracts and natural gas are highly volatile and are influenced by many factors that are beyond our control. We may incur such costs and they may be significant.

Changes in production technology could require us to commit resources to updating the plant or could otherwise hinder our ability to compete in the ethanol industry or to operate profitably.

Advances and changes in the technology of ethanol production are expected to occur. Such advances and changes may make the ethanol production technology less desirable or obsolete. The Plant is a single-purpose entity and has no use other than the production of ethanol and associated products. Any such event may have a material adverse effect on our operations, cash flows and financial performance.

Our ability to successfully operate is dependent on availability of energy and water at anticipated prices.

The Plant will require a significant and uninterrupted supply of electricity, natural gas and water to operate. We plan to enter into agreements

with local gas, electric, and water utilities to provide our needed energy and water. There can be no assurance that those utilities will be able to reliably supply the gas, electricity, and water that we need.

If there is an interruption in the supply of energy or water for any reason, such as supply, delivery or mechanical problems, we may be required to halt production. If production is halted for an extended period of time, it may have a material adverse effect on our operations, cash flows and financial performance.

If we were to build the plant in Shenandoah, Iowa, a new gas pipeline of approximately 9 miles will have to be run to the site. We have been in discussions with Mid American Energy to build this line for us. As per our discussions, the estimated cost to build the gas line will be approximately $3,510,000. We would be required to put up approximately $1.5 million of that cost. However, no assurance can be given at this time that we will be able to build the pipeline for this price and even if we could, when the gas pipeline were to be completed, at the present time, we have no contracts, commitments or understandings with any natural gas supplier to supply gas to the plant. We have entered into an agreement with U.S. Energy Services, Inc. of Wayzata, Minnesota to negotiate and purchase natural gas for the plant from third party providers of natural gas for up to six months after the Plant becomes operational. However, there can be no assurance given at this time that we or U.S. Energy Services will be able to obtain a sufficient supply of natural gas or that we will be able to procure alternative sources of natural gas on acceptable terms, even with the assistance of U.S. Energy Services. In addition, natural gas prices have historically fluctuated. Presently, prices are much higher than the historical average price we have assumed for this project. Sustained increases in the price of natural gas would increase our cost of production and may have a material adverse effect on our operations, cash flows and financial performance.

We will also need to purchase significant amounts of electricity to operate the proposed Plant. We have negotiated an agreement with Mid American Energy to supply electricity to the Plant, if we were to build it in Shenandoah. We believe the prices we have negotiated with Mid American will be beneficial to the Company. However, no assurance can be given that we will be able to negotiate such favorable rates after the five year period is over. Electricity prices have historically fluctuated significantly. Sustained increases in the price of electricity would increase our cost of production. As a result, these issues may have a material adverse effect on our operations, cash flows and financial performance.

Sufficient availability and quality of water are important requirements to produce ethanol. We anticipate that our water requirements to be approximately 400 to 600 gallons per minute, depending on the quality of the water. The town of Shenandoah has sufficient capacities of water to meet our needs and we have negotiated a contract with the city to supply water to the Plant at a price that we believe will be favorable to our operations. We expect our alternate plant sites to provide similar levels of water service. However, no assurance can be given that a prolonged drought could not diminish the water supplies in the areas of the proposed Plant, especially if we were to build the Plant in Shenandoah, or that we would continue to have sufficient water supplies in the future. Shenandoah is in the southwestern part of the State of Iowa and has a history of water shortages. Historically, this area of the State has

experienced periods of drought. We are exploring the possibility of acquiring the rights two one or two wells in the area of the proposed site in Shenandoah to use as back up for the Plant. However, no assurance can be given at this time that we will be able to acquire these rights. The inability to obtain the rights to these wells, and the possibility of drought, may have a material adverse effect on our operations, cash flows and financial performance and could even cause us to cease production for periods of time.

Our ability to successfully operate is dependent on availability and cost of labor.

We presently have no permanent employees. Our success will depend in part on our ability to attract and retain qualified personnel at a competitive wage and benefit level. We must hire qualified managers, accounting, human resources and other personnel. We will operate in a rural area with low unemployment. There is no assurance that we will be successful in attracting and retaining qualified personnel at a wage and benefit structure at or below those

we have assumed in our project. If we are unsuccessful in this regard, such event may have a material adverse effect on our operations, cash flows and financial performance.

Our ability to successfully operate is dependent on availability and cost of insurance.

We must obtain liability, property and casualty and other policies of insurance prior to the commencement of construction of the Plant. Those policies must be maintained during operations. There is no assurance that we will be able to obtain such insurance on acceptable terms or at all. Any failure by us to secure and maintain adequate insurance, with adequate policy limits and/or self-retention limits, may have a material adverse effect on our operations, cash flows and financial performance.

Risks Related to Regulation and Governmental Action

The loss of favorable tax benefits for ethanol production could hinder our ability to successfully operate.

Congress currently provides federal tax incentives for oxygenated fuel producers and marketers. Ethanol blended with gasoline is one of the oxygenated fuels that qualify for federal tax incentives. These tax incentives allow a lower federal excise tax rate for gasoline blended with at least 10%, 7.7%, or 5.7% ethanol. Additionally, income tax credits are available for blenders of ethanol mixtures and small ethanol producers. Gasoline marketers pay a reduced tax on gasoline sold that contains ethanol. The current credit for gasoline blended with 10% ethanol is 5.4(cent) per gallon. The subsidy will gradually drop to 5.1(cent) per gallon by 2005. Currently, a gasoline marketer that sells gas without ethanol must pay a federal tax of 18.4(cent) per gallon compared to 13(cent) per gallon for gas with 10% ethanol. The tax on gasoline blended with 10% ethanol will gradually increase to 13.3(cent) per gallon by 2005. Smaller credits are available for gasoline blended with 7.7 percent and 5.7 percent ethanol. The ethanol industry and our business are dependent upon the continuation of the federal ethanol credit. This credit has supported a market for ethanol that may disappear without the credit.

The federal tax incentives were scheduled to expire on September 30, 2007, but have recently been replaced by legislation which has extended those incentives to the year 2010. (See Risks Related To Regulation And Governmental Action--Other Legislative Or Regulatory Developments, below). These tax incentives to the ethanol industry may not continue beyond their scheduled expiration date or, if they continue, the incentives may not be at the same level. The revocation or amendment of any one or more of those laws, regulations or programs could adversely affect the future use of ethanol in a material way. We cannot assure you that any of those laws, regulations or programs will continue. The elimination or reduction of federal tax incentives to the ethanol industry would have a material adverse impact on our business by making it more costly or difficult for us to produce and sell ethanol. If the federal ethanol tax incentives are eliminated or sharply curtailed, we believe that a decreased demand for ethanol will result.

Lack of state or local tax incentive programs may hinder our ability to successfully compete.

The average price of corn in Iowa has historically been less than in any other part of the country, which is why we are focusing so intently on Iowa for site location. However, unlike some neighboring states, such as Minnesota, South Dakota, Nebraska, and Wisconsin in which some of our competitors are doing business, the State of Iowa does not have a state ethanol producer incentive payment program. The lack of such an incentive may place us at a competitive disadvantage for capital and other resources when compared to competing ethanol producers in other states.

A change in environmental regulations or violations thereof could impede our ability to successfully operate the Plant.

We will be subject to extensive air, water and other environmental regulation and we will need to obtain a number of environmental permits to construct and operate the Plant. In addition, it is likely that our senior debt financing will be contingent on our ability to obtain the various environmental permits that we will require. Assuming we build the Plant in Iowa, the Iowa

Department of Natural Resources ("IDNR") may also require us to conduct an environmental assessment prior to considering any permits.

Ethanol production involves the emission of various airborne pollutants, including particulate (PM10), carbon monoxide (CO), oxides of nitrogen (N0x) and volatile organic compounds. As a result, we will need to obtain an air quality permit from the IDNR. We intend to apply for this permit during the spring of 2005. We also intend to apply for and receive from the IDNR a storm-water discharge permit, a water withdrawal permit, public water supply permit, and a water discharge permit. We anticipate applying for these permits before construction commences. We do not anticipate a problem receiving all required environmental permits. However, if for any reason any of these permits are not granted, construction costs for the Plant may increase, or the Plant may not be constructed at all. In addition, the IDNR could impose conditions or other restrictions in the permits that are detrimental to us or which increase costs to us above those assumed in this project. Any such event would likely have a material adverse impact on our operations, cash flows and financial performance.

Even if we receive all required permits from the IDNR, we may also be subject to regulations on emissions from the Environmental Protection Agency ("EPA"). Currently the EPA's statutes and rules do not require us to obtain separate EPA approval in connection with construction and operation of the proposed Plant. Additionally, environmental laws and regulations, both at the federal and state level, are subject to change and changes can be made retroactively. Consequently, even if we have the proper permits at the present time, we may be required to invest or spend considerable resources to comply with future environmental regulations. If any of these events were to occur, they may have a material adverse impact on our operations, cash flows and financial performance.

Other legislative or regulatory developments may impede our ability to successfully operate.

Federal government laws that require the use of oxygenated gasoline encourage ethanol production and use. Ethanol contains 35% oxygen by weight. When combined with gasoline, ethanol acts as an oxygenate. As a result, the gasoline burns cleaner, and releases less carbon monoxide and other exhaust emissions into the atmosphere. The federal government encourages the use of oxygenated gasoline as a measure to protect the environment. Oxygenated gasoline is commonly referred to as reformulated gasoline or "RFG." Several United States Senators have introduced legislation that would establish the "Renewable Fuels Standard" which would revise the current method in which ethanol use is required. The proposed legislation would determine the specific volume requirements of ethanol use in RFG on a nationwide basis. The proposed volumes would begin in the year 2004 at 2.3 billion gallons (which has already been surpassed) and grow at a rate of approximately 300 million gallons per year to a volume of 5 billion gallons in 2012. The production capacity of currently operating ethanol plants exceeds 2.3 billion gallons by approximately 1.3

billion gallons. Additional plants are under construction that will bring total domestic ethanol production capacity to approximately 5.60 billion gallons by 2006. Accordingly, fuel ethanol production may exceed required volumes under the proposed legislation in its early stages. If this legislation or similar legislation is adopted, it may have an adverse impact on our early operations, cash flows and financial performance.

The government's regulation of the environment changes constantly. It is possible that more stringent federal or state environmental rules or regulations could be adopted, which could increase our operating costs and expenses. It also is possible that federal or state environmental rules or regulations could be adopted that could have an adverse effect on the use of ethanol. For example, changes in the environmental regulations regarding the required oxygen content of automobile emissions could have an adverse effect on the ethanol industry. Furthermore, Plant operations likely will be governed by the Occupational Safety and Health Administration (OSHA). OSHA regulations may change such that the costs of the operation of the Plant may increase. Any of these regulatory factors may result in higher costs or other materially adverse conditions effecting our operations, cash flows and financial performance.

Our inability to obtain required regulatory permits and/or approvals will impede our ability and may prohibit completed our ability to successfully operate the

Plant.

We will be subject to extensive air, water and other environmental regulation and we will need to obtain a number of environmental permits to construct and operate the plant. As mentioned, we will also need to acquire a permit from the FAA to build the Plant in such close proximity to the airport in Shenandoah, Iowa. In addition, it is likely that our senior debt financing will be contingent on our ability to obtain the various required environmental permits. The Iowa Department of Natural Resources, "IDNR", may also require us to conduct an environmental assessment prior to considering granting any of those permits.

Ethanol production involves the emission of various airborne pollutants, including particulate (PM10), carbon monoxide (CO), oxides of nitrogen (NOx) and volatile organic compounds. Regardless of the fuel source, we will need to obtain an air quality permit from the IDNR. We also intend to apply for and receive from the IDNR a storm-water discharge permit, a water withdrawal permit, public water supply permit, and a water discharge permit. We have not applied for any of these permits, but anticipate doing so before we begin construction. We do not anticipate a problem receiving all required environmental permits. However, if for any reason any of these permits are not granted, construction costs for the plant may increase, or the plant may not be constructed at all. In addition, the IDNR could impose conditions or other restrictions in the permits that are detrimental to us or which increase costs to us above those assumed in this project. The IDNR and the EPA could also change their interpretation of applicable permit requirements or the testing protocols and methods necessary to obtain a permit either before, during or after the permitting process. The IDNR and the EPA could also modify the requirements for obtaining a permit. Any such event would likely have a material adverse impact on our operations, cash flows and financial performance.

Even if we receive all required permits from the IDNR, we may also be subject to regulations on emissions from the United States Environmental Protection Agency, "EPA". Currently the EPA's statutes and rules do not require us to obtain separate EPA approval in connection with construction and operation of the proposed Plant. Additionally, environmental laws and regulations, both at the federal and state level, are subject to change and changes can be made retroactively. Consequently, even if we have the proper permits at the present time, we may be required to invest or spend considerable resources to comply with future environmental regulations or new or modified interpretations of those regulations, to the detriment of our financial performance.

We may engage ICM, Inc.'s environmental consulting division to coordinate, advise and assist us with obtaining certain environmental, occupational health, and safety permits, plans, submissions, and programs. Or we may engage another third party to assist us with these issues.

Risks Related to Conflicts of Interest

We presently have no procedure to identify and address potential conflicts of interest, which could result in a failure to identify and obviate such conflicts and could reduce our ability to successfully operate the Plant.

Significant conflicts of interest may exist in our organizational structure and operations. For example, Fagen, Inc. or other parties with whom we contract may purchase blocks of our securities in this offering and enjoy the rights of other security holders, including voting for management. Though we will attempt to address actual or potential material conflicts of interest as they arise or become known, we have not established any formal procedures to address or resolve conflicts of interest. There is no assurance that any conflict of interest will not have adverse consequences to our operations, cash flows and financial performance.

We have conflicts of interest with our directors and founders, which could result in loss of capital and reduced financial performance.

Our directors also have management responsibilities and may have conflicts of interest with respect to other entities with which we do or may do business with in the future. All of our directors have conflicts of interests in allocating management time between us and other responsibilities. Our directors and officers have and may purchase Company securities in this offering or otherwise. Any purchases of Company securities by the directors and officers

should not be relied upon as an indication of the merits of this offering.

Mr. Gary Thien, one of our directors and a stockholder, along with his wife, who is also stockholder, own a farm southeast of Essex, Iowa. Grain from this farm may or may not be sold to Green Plains Renewable Energy, Inc. This could create a conflict of interest in that Mr. Thien, as a director of the Company, may be able to influence the prices paid for any grain sold to the Company from this farm.

Mr. Thien is the owner and President of Thien Farm Management, Inc. Thien Farm Management currently manages sixteen farms in Page, Fremont, Mills, Montgomery, Cass, and Taylor counties in Iowa, Cass County in Nebraska, and Atchison County in Missouri. Corn production from these farms may or may not be sold to GPRE at prices favorable or not favorable to Mr. Thien and his operations.

Mr. Thien is also the agent for Bunge North America. Bunge is a significant purchaser of corn originating in southwest Iowa. This may create another conflict of interest for Mr. Thien, in that both Bunge and GPRE will be attempting to purchase corn from the surrounding area of the plant, if we were to build the Plant in Shenandoah, Iowa.

David Hart, another of our directors, is both a corn producer and a feeder of livestock in the area surrounding the proposed site in Shenandoah. Conflicts of interest could arise for Mr. Hart that would be similar to those confronting Mr. Thien, as well as an added conflict as a feeder of livestock. As such, Mr. Hart may or may not purchase distillers grains from the Plant and in his position as a director he could exert influence over the price of distillers grains purchased for his operations.

Brent Lorimor, one of our directors, is both a corn producer and a feeder of livestock in the area surrounding the proposed site in Shenandoah. Conflicts of interest could arise for Mr. Lorimor that would be similar to those confronting Mr. Thien, as well as the added conflict as a feeder of livestock faced by Mr. Hart described above. As such, Mr. Lorimor may or may not purchase distillers grains from the Plant and in his position as a director he could exert influence over the price of distillers grains purchased for his operations.

Robert Vavra, one of our directors, is President of Bank Iowa. Bank Iowa may loan money to individuals investing in this offering, specifically for that purpose. This could create a conflict of interest for Mr. Vavra. In the future, Green Plains Renewable Energy, Inc. may attempt to borrow money from Bank Iowa for various reasons. This could create another conflict for Mr. Vavra.

The conflicts described above do exist and will, in all likelihood, continue to exist in the future.

We have conflicts of interest with Fagen, Inc. which could result in loss of capital and reduced financial performance.

As discussed above, we expect that our directors will be advised by one or more employees or associates of Fagen, Inc. Fagen, Inc. is expected to continue to be involved in substantially all material aspects of our formation, capital formation, and operations. Consequently, the terms and conditions of our agreements and understandings with Fagen, Inc. (and, through Fagen, Inc., with ICM, Inc.) have not been negotiated at arm's length. Therefore, there is no assurance that our arrangements with such parties are as favorable to us as could have been if obtained from unaffiliated third parties. In addition, because of the extensive roles that Fagen, Inc. and ICM, Inc. are expected to have in the construction and operation of the Plant, it may be difficult or impossible for us to enforce claims that we may have against Fagen, Inc. and/or ICM, Inc. If this were to occur, it may have a material adverse impact on our operations, cash flows and financial performance.

Fagen, Inc. and its affiliates may also have conflicts of interest because employees or agents of Fagen, Inc. are involved as owners, creditors and in other capacities with other ethanol plants in the United States. We cannot require Fagen, Inc. to devote its full time or attention to our activities. As a result, Fagen, Inc. may have or come to have a conflict of interest in allocating personnel, materials and other resources to our Plant.

Unidentified Risks

The foregoing discussion is not a complete list or explanation of the risks involved with an investment in this business. Additional risks will likely be experienced that are not presently foreseen by us. Investors are not to construe this prospectus as constituting legal or tax advice. Before making any decision to invest in us, investors should read this entire prospectus, including all of its exhibits, and consult with their own investment, legal, tax and other professional advisors.

An investor should be aware that we will assert that the investor consented to the risks and the conflicts of interest described or inherent in this prospectus if the investor brings a claim against us or any of our directors, officers, managers, employee, advisors, agents or representatives.

FORWARD-LOOKING STATEMENTS

Throughout this prospectus, we make "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Forward-looking statements include the words "may," "will," "estimate," "continue," "believe," "expect" or "anticipate" and other similar words. The forward-looking statements contained in this prospectus are generally located in the material set forth under the headings "Summary of the Offering," "Risk Factors," "Estimated Use of Proceeds," and "The Project," but may be found in other locations as well. These forward-looking statements generally relate to our plans and objectives for future operations and are based upon management's reasonable estimates of future results or trends. Although we believe that our plans and objectives reflected in or suggested by such forward-looking statements are reasonable, we may not achieve such plans or objectives. Actual results may differ from projected results due, but not limited, to unforeseen developments, including developments relating to the following:

- The availability and adequacy of our cash flow to meet its requirements, including payment of loans;
- Economic, competitive, demographic, business and other conditions in our local and regional markets;
- Changes or developments in laws, regulations or taxes in the ethanol, agricultural or energy industries;
- Actions taken or omitted to be taken by third parties including our suppliers and competitors, as well as legislative, regulatory, judicial and other governmental authorities;
- Competition in the ethanol industry;
- The loss of any license or permit;
- The loss of our Plant due to casualty, weather, mechanical failure or any extended or extraordinary maintenance or inspection that may be required;
- Changes in our business strategy, capital improvements or development plans;
- The availability of additional capital to support capital improvements and development; and,
- Other factors discussed under "Risk Factors" or elsewhere in this prospectus.

You should read this prospectus completely and with the understanding that actual future results may be materially different from what we expect. The forward looking statements specified in this prospectus have been compiled as of the date of this prospectus and should be evaluated with consideration of any changes occurring after the date of this prospectus. We will not update forward-looking statements even though our situation may change in the future.

ESTIMATED USE OF PROCEEDS

The gross proceeds from this offering will be $29,667,000 if the minimum amount of securities offered is sold and our directors, and $38,000,000 if the maximum number of securities are sold before deducting expenses. We estimated offering expenses to be approximately $80,000. We estimate the net proceeds of the offering to be $29,667,000 if the minimum offering is obtained and not lower than $35,340,000 if the maximum offering is obtained. The following table sets froth our estimate net offering proceeds from the sale of the minimum and the maximum amount of securities offered.

Estimated Offering Proceeds

	Maximum Offering	Minimum Offering
Offering Proceeds	$ 38,000,000	$ 31,900,000
Less Selling Commissions and Offering Expenses (1)	2,660,000	2,233,000
Net Proceeds from Offering	$ 35,340,000	$ 29,667,000

(1) We intend to offer these securities through our officers and directors. However, securities may be sold through broker-dealers who will receive a 7% commission in connection with sales. We do not know what percentage of sales will result for broker-dealer sales. Out estimated offering costs are $80,000. For purposes of this table we have assumed selling commissions and estimated offering expenses will not exceed 7% of the gross proceeds from the offering.

We intend to use the net proceeds of the offering to build the Plant and to start operating the Plant. We must supplement the proceeds of this offering with debt financing to meet our stated goals. We estimate total expenditures for the construction and start-up of the plant will be $75,909,000. See "Management's Discussion and Analysis of Financial Conditions and Results of Operations -Overview" for a detailed description of our estimated use of proceeds.

We expect the total funding required for the Plant to be $75,909,000, which includes $56,619,000 to build the Plant and $19,290,000 for other project development costs including land, site development, utilities, start-up costs, capitalized fees and interest, inventories and working capital. If the Plant is constructed in Shenandoah, the city of Shenandoah has agreed to give us approximately 12 acres of land and we would expect to purchase other land at a cost of approximately $400,000 to $650,000. We have acquired two different options to purchase land in Shenandoah.

The construction of the Plant itself is by far the single largest expense at $56,119,000. If the Plant is constructed in Shenandoah, approximately 9 miles of natural gas pipeline must be installed at an estimated cost of $3.45 million dollars. We expect that we would have to put up approximately $1,500,000 of the cost associated with the natural gas pipeline and Mid American Energy would put up the rest. Rail improvement costs (upgrades, siding and switches) are estimated at $4,641,000. The estimated cost of the administration building and office equipment is $375,000. In addition to the cost to build the ethanol plant and bring rail and utilities to the site, there are significant owner's costs that will be incurred to build and operate the facility successfully. Start-up inventories of ethanol, corn, distillers grains (DDGS), chemicals, yeast, denaturant and spare parts are estimated to be $5,985,000. Other start-up costs are estimated at $710,000. We are reserving funds under the heading "Other Start-Up Costs" in the table set forth in "Management's Discussion and Analysis of Financial Condition and Results of Operations -Overview", to cover anticipated costs associated with general and administrative activities, insurance coverage, construction contingencies, and an estimated construction bond premium of approximately $300,000. This reserve amount is based on an estimate only and our actual insurance costs may exceed the reserved amount. Loan fees and interest during construction will be capitalized and are estimated to be $1,740,000. Organizational, offering, miscellaneous and contingency costs are estimated to be $1,893,000. Total estimated construction costs including bringing utilities and rail to the site are $75,909,000 or $1.52 per gallon of annual denatured ethanol production capacity, assuming capacity production of 50,000,000.

SOURCE OF THE FUNDS

We must obtain debt financing in order to complete construction on the Plant. The amount and nature of the debt financing that we are seeking is subject to the interest rates and the credit environment as well as other economic factors over which we have no control. We have no binding contracts or commitments with any bank, lender or financial institution for our debt financing, but we will not close on this offering until we execute binding financing arrangements.

After completion of this offering and the receipt of the required debt financing, if we require additional cash, we may seek additional financing by borrowing, and/or through the sale of additional securities. In addition, we will be requesting tax increment financing ("TIF") from the City of Shenandoah or Fremont County of approximately $3,925,000. However, we cannot guarantee that we will be successful in obtaining additional financing if needed. Below is an estimate of the source of the funds depending upon the amount of securities sold in the offering.

Sources of Funds	Maximum Offering	Percentage of Funds
Share Proceeds	$ 35,340,000	47%
TIF Financing	3,925,000	5%
Seed Capital	637,500	1%

Term Debt Financing	36,006,500	47%
Total Sources of Funds	$ 75,909,000	100%

Sources of Funds	Minimum Offering	Percentage of Funds
Share Proceeds	$ 29,667,000	39%
TIF Financing	3,925,000	5%
Seed Capital	637,500	1%
Term Debt Financing	41,679,500	55%
Total Sources of Funds	$ 75,909,000	100%

DETERMINATION OF OFFERING PRICE

The offering price of the securities was arbitrarily determined by our management. The offering price bears no relationship to our assets, book value, net worth or other economic or recognized criteria of value. In no event should the offering price be regarded as an indicator of any future market price of our securities. In determining the offering price, we considered such factors as the prospects for the Plant, our management's previous experience, amount of needed funds and our present financial resources.

MARKET PRICE OF AND DIVIDENDS ON COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

Market Information

Currently, there is no public trading market for our securities and there can be no assurance that any market will develop. If a market develops for our securities, it may be limited, sporadic and highly volatile. We do not have any agreements with market makers regarding the trading of our shares, but at some time in the future a market maker may make application for listing our shares.

Presently, we are privately owned. This is our initial public offering. Most initial public offerings are underwritten by a registered broker-dealer firm or an underwriting group. These underwriters generally will act as market makers in the stock of a company they underwrite to help insure a public market

for the stock. This offering is to be sold by our officers and directors and, perhaps, a limited number of broker-dealers. We have no commitment from any brokers to sell shares in this offering. As a result, we will not have the typical broker public market interest normally generated with an initial public offering. Lack of a market for shares of our stock could adversely affect a stockholder in the event a stockholder desires to sell his shares.

Shares Available for Future Sale

As of the date of this prospectus, there are 765,000 shares of our common stock issued and outstanding. Upon the effectiveness of this registration statement, the shares sold in this offering to not-affiliates of the Company will be freely tradable if a marked for the securities exists, of which there can be no assurance. Sales of shares of stock in the public markets may have an adverse effect on prevailing market prices for the common stock.

Rule 144 governs resale of "restricted securities" for the account of any person, other than an issuer, and restricted and unrestricted securities for the account of an "affiliate" of the issuer. Restricted securities generally include any securities acquired directly or indirectly from an issuer or its affiliates which were not issued or sold in connection with a public offering registered under the Securities Act. An affiliate of the issuer is any person who directly or indirectly controls, is controlled by, or is under common control with the issuer. Affiliates of a company may include its directors, executive officers, and person directly or indirectly owning 10% or more of the

outstanding common stock. Under Rule 144 unregistered resales of restricted common stock cannot be made until it has been held for one year from the later of its acquisition from the issuer or an affiliate of the issuer. Thereafter, shares of common stock may be resold without registration subject to Rule 144's volume limitation, aggregation, broker transaction, notice filing requirements, and requirements concerning publicly available information about the company ("Applicable Requirements"). Resales by the issuer's affiliates of restricted and unrestricted securities are subject to the Applicable Requirements. The volume limitations provide that a person (or persons who must aggregate their sales) cannot, within any three-month period, sell more than the greater of one percent of the then outstanding shares, or the average weekly reported trading volume during the four calendar weeks preceding each such sale. A non-affiliate may resell restricted common stock which has been held for two years free of the Applicable Requirements.

Dividend Policy

To date, we have not paid dividends on our common stock. The payment of dividends on the common stock in the future, if any, is within the discretion of the board of directors and will depend upon our earnings, capital requirements, financial condition and other factors the board views are relevant. The board does not intend to declare any dividends in the foreseeable future, but instead intends to retain all earnings, if any, for use in our operations.

Holders of Record

As of the date of this prospectus, there were thirty-one holders of record of our common stock.

DILUTION

As of November 30, 2004, we had a net tangible book value, which is the total tangible assets less total liabilities, of $623,293, or approximately $.82 per share. The following table shows the dilution to your investment without taking into account any changes in our net tangible book value after November 30, 2004, except the sale of the minimum and maximum number of shares offered.

	Assuming Minimum Shares Sold	Assuming Maximum Shares Sold
Shares outstanding	765,000	765,000
Public offering proceeds at $10.00 per share	$31,900,000	$38,000,000
Net offering proceeds after offering estimated expenses (1)	$29,667,000	$35,340,000

Net tangible book value before offering	$623,293	$623,293
Per Share	$.82	$.82
Pro forma net tangible book value after offering	$30,290,293	$35,963,293
Per Share	$7.66	$7.88
Per share increase attributable to purchase of shares by new investors	$6.84	$7.06
Dilution per share to new investors	$3.16	$2.94
Percent dilution	32%	29%

(1) We intend to offer these securities through our officers and directors. However, securities may be sold through broker-dealers who will receive a 7% commission in connection with sales. We do not know what percentage of sales will result for broker-dealer sales. Out estimated offering costs are $80,000. For purposes of this table we have assumed selling commissions and estimated offering expenses will not exceed 7% of the gross proceeds from the offering.

The following table summarizes the comparative ownership and capital contributions of existing common stock stockholders and investors in this offering as of November 30, 2004:

	Shares Owned Number - %	Total Consideration Amount	Average Price Per Share
Present Stockholders (1):			
Minimum Offering	765,000 - 19.3%	$637,500	$.83
Maximum Offering	765,000 - 16.8%	$637,500	$.83
New Investors:			
Minimum Offering	3,190,000 - 80.7%	$31,900,000	$10.00
Maximum Offering	3,800,000 - 83.2%	$38,000,000	$10.00

---

(1) The numbers used for Present Stockholders assumes that none of the present stockholders purchase additional shares in this offering.
(2) Prior to this offering, we had 765,000 shares of common stock outstanding. Of these shares, 550,000 shares were issued for $.182 and 215,000 shares were issued for $2.50.

SELECTED FINANCIAL DATA

The following selected historical financial data of is only a summary and you should read it in conjunction with our consolidated financial statements and the notes to those financial statements.

Statement of Operations Data:	June 29, 2004 (Date of Inception) to November 30, 2004 (Audited)
Revenues	$ 0
Operating Expenses	12,805
Loss From Operations	(12,805)
Net Loss	(12,805)
Loss Per Common Share	(.02)
Balance Sheet Data:	
Current assets	$ 629,093
Total assets	629,093
Current liabilities	5,800
Total liabilities	5,800
Stockholder's equity (deficit)	623,293

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

THIS PROSPECTUS CONTAINS FORWARD-LOOKING STATEMENTS THAT INVOLVE RISKS AND UNCERTAINTIES. ACTUAL EVENTS OR RESULTS MAY DIFFER MATERIALLY FROM THOSE INDICATED IN SUCH FORWARD-LOOKING STATEMENTS. THE FOLLOWING DISCUSSION OF THE

FINANCIAL CONDITION AND RESULTS OF OUR OPERATIONS SHOULD BE READ IN CONJUNCTION WITH THE FINANCIAL STATEMENTS AND RELATED NOTES THERETO INCLUDED ELSEWHERE IN THIS PROSPECTUS.

Overview

We are a start-up company in development stage, which was formed for the purpose of building a plant to produce ethanol and animal feed products in southwestern Iowa or southeastern Nebraska. We do not expect to operate at a profit before the ethanol plant is completely constructed and operational.

Our plant is expected to annually consume approximately 18.5 million bushels of locally grown corn and annually produce approximately 50 million gallons of fuel-grade ethanol, 160,000 tons of DDGS on a dry basis. We plan to hire a broker to sell our DDGS for us. We anticipate locating the Plant in Shenandoah, Iowa, an area where we believe there are over 200 hundred thousand feed cattle on feeder lots within a 50 mile radius of the Plant. We believe we can sell a portion of our distillers grains in a wet form because of this, which will save us a significant amount of money because we will not have to dry the grain before selling it.

Additionally, we will produce approximately 148 thousand tons of carbon dioxide that may be recovered on an annual basis. While we intend to have discussions with several companies regarding construction of a facility to capture raw carbon dioxide, we presently have no agreement with any third party to capture or market the raw carbon dioxide, and the market may be too saturated in Iowa to recover the carbon dioxide profitably. We therefore may choose to vent off the C0(2) and may have no market for it of any kind.

We currently estimate that it will take 12 to 16 months from the date that we close the offering, which includes obtaining our debt financing, and obtaining all necessary permits, to complete the construction of the plant.

We anticipate that we will have an agreement with an experienced ethanol marketer to sell our ethanol production. We also anticipate that we will have an agreement with an experienced marketer to sell our animal feed products. We have no agreements with any party to sell any of our expected products. We will be hiring staff to handle the direct operation of the plant, and currently expect to employ approximately 32 people. We do not intend to hire a sales staff to market our products. Third-party marketing agents will coordinate all shipping.

The following table describes our proposed use of proceeds, based upon a minimum offering of $29,667,000, net of selling commissions, and a maximum offering of $38,000,000. The total use of proceeds is estimated to be $75,909,000. The actual use of funds is based upon contingencies, such as the estimated cost of plant construction, the suitability and cost of the proposed site, the regulatory permits required and the cost of debt financing and inventory costs, which are driven by the market. Therefore, the following figures are intended to be estimates only based on between 36% and 46% investor equity, and the actual use of funds may vary significantly from the descriptions given below depending on the contingencies described above. However, we anticipate that any variation in our use of proceeds will occur in the level of proceeds attributable to a particular use (as set forth below) rather than a change from one of the uses set forth below to a use not identified in this prospectus.

Projected Sources and Uses Of Funds

	Maximum Offering	Minimum Offering
Estimated Sources:		
Share Proceeds	$ 35,340,000	$ 29,667,000
TIF Financing	3,925,000	3,925,000
Seed Capital	637,500	637,500

Term Debt Financing	36,006,500	41,679,500
Total Estimated Sources of Funds	$ 75,909,000	$ 75,909,000
Estimated Uses of Funds:		
Plant Construction and Misc. Costs	$ 59,398,000	$ 59,398,000
Estimated Site Costs	$ 3,290,000	$ 3,290,000
Estimated Railroad Costs	$ 4,641,000	$ 4,641,000
Estimated Fire Protection/Water Supply Costs	$ 825,000	$ 825,000
Estimated Rolling Stock Costs	$ 175,000	$ 175,000
Estimated Financing Costs	$ 340,000	$ 340,000
Estimated Pre-Production Period Costs	$ 710,000	$ 710,000
Estimated Inventory & Working Capital Costs	$ 6,530,000	$ 6,530,000
Total Estimated Use of Funds	$ 75,909,000	$ 75,909,000

Plan for the Next 24 Months of Operations

We expect to spend the next 24 months in financing, design-development and construction of the Plant. Assuming the successful completion of this offering and the related debt financing, we expect to have sufficient cash on hand to cover all costs associated with construction of the project, including but not limited to, site acquisition, utilities, construction, equipment acquisition and site development. In addition, we expect to have enough cash to cover our costs through this period, including staffing, office costs, audit, legal, compliance and staff training. We estimate that we will need approximately $75,909,000 to complete the project.

The tables above describing the estimated sources of funds and various costs associated with the project also describe operations for the next 24 months. These tables are only estimates and actual expenses could be much higher due to a variety of factors described in the section entitled "Risk Factors". All sources of funding are only estimates. The Company has no commitments or agreements with any third party to provide the necessary funds.

Condition of Records

We currently have no experienced general manager, and we do not expect to retain one until some time in 2005. We are dependent entirely on our board of directors and an outside accounting firm for maintenance of books and records. We intend to hire and train staff well before the start of the Plant operations, and we have included an expense allocation for this in our budget. However, there can be no assurance that we will be able to retain qualified individuals. It is possible that accounting or other financing functions may not be performed on time, if at all.

Operating Expenses

We expect to have certain operating expenses, such as salaries, when the Plant manager and other office staff are hired. Along with operating expenses, we anticipate that we will have significant expenses related to financing and interest. We have allocated funds in our capital structure for these expenses. However, there can be no assurance that the funds allocated are sufficient to cover the expenses. We may need additional funding to cover these costs if sufficient funds are not retained up-front or if costs are higher than expected.

Liquidity and Capital Resources

We are seeking to raise a minimum of $29,667,000 and a maximum of $38,000,000 in this offering. The offering proceeds will be placed in an escrow account with U.S. Bank. We will not close on the escrow until we execute definitive binding agreements for our debt financing. Assuming that the maximum offering is raised, approximately $41,679,500 in debt and other funding will be

needed to complete the project. If less than the maximum offering is raised, additional debt must be sought. We do not have financing commitments for any amount. Completion of the project relies entirely on our ability to attract these loans and close on this offering. We may engage a financing company to attempt to obtain the loans. If we cannot close on our debt financing within 180 days from the date of this prospectus, unless extended by us for up to an additional 90 days, but not past November 29, 2005, your investment will be promptly returned to you without interest and without any deductions.

We hope to attract the senior bank loan from a major bank, with participating loans from other banks, to construct the Plant. We expect that the combined minimum loan amount of $36,256,500 will be secured by all of our real property, including receivables and inventories. We expect to pay near prime rate on this loan, plus annual fees for maintenance and observation of the loan by the lender. If we were to issue warrants in connection with any subordinated financing, it could reduce the value of our common stock.

Critical Accounting Policies

Because of our limited operations and business activities, we do not have any accounting policies that we believes are critical to facilitate an investor's understanding of our financial and operating status.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future material effect on our financial condition, results of operations or liquidity.

Recent Accounting Pronouncements

Financial Accounting Standards Board Interpretation No. 46, Consolidation of Variable Interest Entities, an interpretation of Accounting Research Bulletin No. 51, Consolidated Financial Statements, addresses consolidation by business enterprises of variable interest entities. It is effective immediately for variable interest entities created after January 31, 2003. It applies in the first fiscal year or interim period beginning after June 15, 2003, to variable interest entities acquired before February 1, 2003. The impact of adoption of this statement is not expected to be significant.

SFAS No. 149, Amendment of Statement 133 on Derivative Instruments and Hedging Activities, amends and clarifies accounting for derivative instruments under SFAS No. 133. It is effective for contracts entered into after June 30, 2003. The impact of adoption of this statement is not expected to be significant.

SFAS No. 150, Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity, establishes standards for how an issuer classifies and measures certain financial instruments with characteristics of both liability and equity. It requires that an issuer classify a financial instrument that is within its scope as a liability (or an asset in some circumstances). This statement is effective for financial instruments entered into or modified after May 31, 2003, and otherwise is effective at the beginning of the first interim period beginning after June 15, 2003. The impact of adoption of this statement is not expected to be significant.

Grant and Government Programs

We believe that we are eligible for and anticipate applying for various state and federal grant, loan and forgivable loan programs. Most grants that may be awarded to us are considered paid-in capital for tax purposes and are not taxable income. Although we may apply under several programs simultaneously and may be awarded grants or other benefits from more than one program, it must be noted that some combinations of programs are mutually exclusive. Under some state and federal programs, awards are not made to applicants in cases where

construction on the project has started prior to the award date. There is no guarantee that applications will result in awards of grants or loans. We are also not depending on the award of any such grants as part of our funding of the Project. However, we may be eligible to receive such grants. If we do, the amount of money we will have to borrow will be reduced by that amount.

We intend to apply for tax increment financing (TIF) from the town of Shenandoah, Iowa or, if an alternate Plant site is chosen, from the corresponding town or city. Tax increment financing is a program created by state statute and provides city councils or county boards of supervisors the power to use all or part of the property tax resulting from the increase in taxable valuation due to the construction of new industrial or commercial facilities to provide economic incentives. We will be seeking approval to

receive tax increment financing from the City Council or governing body of the city or town in which we locate the Plant. We currently anticipate that we will be able to TIF approximately 3.925 million dollars. However, there can be no assurance that any TIF will be received.

We will be applying for a grant from the USDA's Commodity Credit Corporation, if the program is extended to continue past 2006 when it is it scheduled to expire. It has been extended in the past and we hope that it will be extended once again. Under the grant program, the Commodity Credit Corporation will reimburse eligible ethanol producers of less than 65 million gallons of bioenergy one bushel of corn for every two and one-half bushels of corn used for the increased production of ethanol. No eligible producer may receive more than $7.5 million under the program. Because we expect to be an eligible producer and to annually utilize 18.5 million bushels of corn in the increased production of ethanol, we expect to potentially receive the maximum award of $7.5 million. However, the Commodity Credit Corporation may award only $150 million annually fiscal years 2003 through 2006 and any award we received may be reduced based upon the volume of applications from other eligible producers. We expect to be eligible to receive an award under the program only once during the life of our project, if the program is extended. If it is not extended by the U.S. Congress, we do not believe we would be in production early enough to receive any benefits from the program. There can be no assurance that any amounts will be received under this program.

There may be additional tax credits in the State of Iowa that we may be eligible for as a producer of ethanol. There may also be benefits that the Company will receive from the State of Iowa for developing a business in an enterprise zone. These programs may benefit the Company financially. There may be other state and federal programs that we are not aware of at this time. Programs and incentives offered by state and federal agencies are subject to change and new programs and incentives may become available. As changes in current programs and incentives are made and new programs and incentives become available, we will endeavor to stay informed and to take advantage of the programs and incentives for which we are eligible. However, there can be no assurance that we will receive any funding under any federal or state funding initiative.

BUSINESS

We intend to raise capital to develop, construct, own, and operate a 50 million gallon dry mill ethanol Plant in southwestern Iowa, elsewhere in Iowa, or in southeastern Nebraska. We plan to build the Plant such that it will have an annual capacity to process approximately 18.5 million bushels of corn into approximately 50 million gallons of ethanol. We also expect the Plant to produce approximately 160,000 tons annually of animal feed known as Distillers Dried Grains with Solubles ("DDGS") on a dry matter basis. These are the principal by-products of the ethanol production process. The Plant will also produce approximately 148 thousand tons of raw carbon dioxide annually as another by-product of the ethanol production process. We are still exploring the options available to us to recover and market the raw carbon dioxide. However, because there is significant ethanol production in the areas where we intend to locate the Plant, we might not be able to find a market for our CO(2) and may end up venting it off as many other producers do.

Primary Product--Ethanol

Ethanol is a chemical produced by the fermentation of sugars found in grains and other biomass. Ethanol can be produced from a number of different types of grains, such as wheat and sorghum, as well as from agricultural waste products such as sugar, rice hulls, cheese whey, potato waste, brewery and beverage wastes and forestry and paper wastes. However, approximately 90% of ethanol in the United States today is produced from corn because corn contains large quantities of carbohydrates that convert into glucose more easily than most other kinds of biomass.

Description of Dry Mill Process

Our Plant will produce ethanol by processing corn. The corn will be received by rail and by truck, then weighed and unloaded in a receiving building. It will then be transported to a scalper to remove rocks and debris before it is conveyed to storage bins. Thereafter, the corn will be transported

to a hammer mill or grinder where it is ground into a mash and conveyed into a slurry tank for enzymatic processing. We will add water, heat and enzymes to break the ground grain into a fine slurry. The slurry will be heated for sterilization and pumped to a liquefaction tank where additional enzymes are added. Next, the grain slurry is pumped into fermenters, where yeast is added, to begin a batch fermentation process. A vacuum distillation system will divide the alcohol from the grain mash. Alcohol is then transported through a rectifier column, a side stripper and a molecular sieve system where it is dehydrated. The 200 proof alcohol is then pumped to farm shift tanks and blended with five percent denaturant (usually gasoline) as it is pumped into storage tanks.

Corn mash from the distillation stripper is pumped into one of several decanter type centrifuges for dewatering. The water ("thin stillage") is then pumped from the centrifuges and then to an evaporator where it is dried into a thick syrup. The solids that exit the centrifuge or evaporators ("the wet cake") are conveyed to the DDGS dryer system. Syrup is added to the "the wet cake" as it enters the dryer, where moisture is removed. The process will produce distillers grains, which are processed corn mash that can be used as animal feed.

Assuming that financing will be in place to begin plant construction in the Spring or Summer of 2005, the Company intends that the plant begin producing ethanol and by-products in the summer of 2006.

The following flow chart illustrates the dry mill process:

[FLOW CHART OMITTED]

Thermal Oxidizer

Ethanol plants such as ours may produce odors in the production of ethanol and its primary by-product, DDGS that some people find to be unpleasant. We intend to employ a thermal oxidizer emissions system to help reduce the risk of this problem.

We expect a thermal oxidizer emissions system to reduce any unpleasant odors caused by the ethanol and distillers grains manufacturing process. Tests have shown that a thermal oxidizer, which heats emissions, may destroy up to 99 percent of the volatile organic carbon compounds in emissions that cause odor in the drying process. We expect this addition to the Plant to reduce the risk of possible nuisance claims and any related negative public reaction against us.

By-Products

The principal by-product of the ethanol production process is distillers grains, a high protein, high-energy animal feed supplement primarily marketed to the dairy and beef industry. Distillers grains contain by-pass protein that is superior to other protein supplements such as cottonseed meal and soybean meal. By-pass proteins are more digestible to the animal, thus generating greater lactation in milk cows and greater weight gain in beef cattle. Dry mill ethanol processing creates three forms of distillers grains: Distillers Wet Grains with Solubles ("DWGS"), Distillers Modified Wet Grains with Solubles ("DMWG") and Distillers Dried Grains with Solubles ("DDGS"). DWGS is processed corn mash that contains approximately 70% moisture. DWGS has a shelf life of approximately three days and can be sold only to farms within the immediate vicinity of an ethanol plant. DMWG is DWGS that has been dried to approximately 50% moisture. DMWG have a slightly longer shelf life of approximately three weeks and are often sold to nearby markets. DDGS is DWGS that has been dried to 10% moisture. DDGS has an almost indefinite shelf life and may be sold and shipped to any market regardless of its vicinity to an ethanol plant. We intend to market DDGS and are exploring possibilities of local demand for DMWG to market at least a portion of our distillers grains in this form.

Corn Feedstock Supply

We anticipate that our Plant will need approximately 18.5 million bushels of grain per year or 50,600 bushels per day as the feedstock for its dry milling process. The corn supply for our plant will be obtained primarily from local markets. In the year 2003, in the area surrounding the proposed site at Shenandoah corn production was approximately 154.4 million bushels. The following table provides a summary of the approximate number of bushels of corn produced by suppliers, by county, located within approximately 60 miles of the site in Shenandoah, Iowa, during the year 2003.

County	District	Corn (bushels)
Adair, Iowa	SW	13,400,000
Fremont, Iowa	SW	15,000,000
Cass, Iowa	SW	15,700,000
Page, Iowa	WC	12,500,000
Mills, Iowa	SW	12,900,000
Montgomery, Iowa	SW	11,400,000
Pottawattamie, Iowa	SW	27,900,000
Taylor, Iowa	SW	7,800,000
Atchison, Missouri	SW	12,354,000
Nodaway, Missouri	NW	11,636,000
Nemaha, Nebraska	SW	6,752,000
Cass, Nebraska	SE	11,492,000
Otoe, Nebraska	SE	8,600,000
Total		167,434,000

Source: USDA Website

The price and availability of grain are subject to significant fluctuations depending upon a number of factors that affect commodity prices in general, including crop conditions, weather, governmental programs and foreign purchases. Because the market price of ethanol is not related to corn prices, ethanol producers are generally not able to compensate for increases in the cost of corn feedstock through adjustments in prices charged for their ethanol. We

therefore anticipate that our Plant's profitability will be negatively impacted during periods of high corn prices. We have determined, however, that the average price for corn in Iowa and the areas surrounding the proposed sites over the last ten years has been approximately $2.22 per bushel.

Grain Elevators

We anticipate establishing ongoing business relationships with local corn farmers and elevators to acquire the corn needed for the project. Much of our corn is expected to be acquired directly from farmers. Most of the farmers in the area have their own dry storage facilities. This will allow us to purchase much of the corn needed to operate the Plant directly from farmers. We expect to become licensed as an Iowa Grain Dealer, which will allow us to contract to purchase Iowa grains. We have identified a number of farms and elevators as potential sources of corn in Iowa and discussions are in progress for future corn delivery. We have no contracts, agreements or understandings with any grain producers in the area, although we anticipate procuring corn from these sources.

Commodities Manager

We intend to hire a commodities manager to ensure the consistent scheduling of corn deliveries and to establish and fill forward contracts through the grain elevators and local farmers. The commodities manager will coordinate corn deliveries between the trucks, railroad and the participating farmers and elevators. Additionally, the commodities manager will develop price protection through the use of hedging strategies. We anticipate that we will hire a commodities purchaser or engage a third party that has expertise in this area to carry out these activities.

Ethanol Markets

Ethanol has important applications. Primarily, ethanol can be used as a high quality octane enhancer and an oxygenate capable of reducing air pollution and improving automobile performance. The ethanol industry is heavily dependent

on several economic incentives to produce ethanol.

Local Ethanol Markets

Local markets are, of course, the easiest to service because of their close proximity. However, the local market where we intend to build our Plant may be oversold with other local and regional marketers, and if we were to focus solely on local markets, it could depress the local ethanol price. Therefore, we intend to market the majority of our ethanol to regional and national markets.

Regional Ethanol Markets

Typically a regional market is one that is outside of the local market, yet within the neighboring states. This market will likely be serviced by rail, and is within a 450-mile radius of the Plant. The rail lines of Burlington Northern railroad run adjacent to our proposed site in Iowa. Union Pacific services the Wahoo, Nebraska location. We will have to build a switching spur on the site to load the rail cars with ethanol. We estimate this will cost approximately $150,000 to $250,000 to construct.

The Burlington Northern rail lines run adjacent to the proposed site in Iowa and the Union Pacific lines run along the property in Wahoo, Nebraska. These lines will allow us to sell our products to both the Western and Eastern markets. The rail lines and the nearness of Interstate Highways will allow us to transport our products to regional markets. Regional markets typically include large cities that are either carbon monoxide or ozone non-attainment areas.

Generally, the regional market is good business to develop. The freight is reasonable, the competition, while aggressive, is not too severe, and the turn-around time on the rail cars is an advantage. In addition, it is often easier to obtain letters of intent to purchase product from regional buyers than from national buyers. These letters, while not binding, do tend to raise the comfort level of the financial lending institutions. Not surprising in a regional market, letters of intent to purchase are taken quite seriously by the buyer. Regional pricing tends to follow national pricing less the freight difference. As with national markets, the use of a group-marketing program or a broker is advantageous, especially in the first one to three years of operation.

Occasionally there are Opport Shareies to obtain backhaul rates from local trucking companies. These are rates that are reduced since the truck is loaded both ways. Normally the trucks drive to the refined fuels terminals empty and load gasoline product for delivery. A backhaul is the opport Sharey to load the truck with ethanol to drive to the terminal.

National Ethanol Markets

Recently, California has been the focus of a major ethanol campaign as MTBE has now been phased out. California banned the use of MTBE beginning January 1, 2003. California represents a market of about 950 million gallons annually due to the oxygenate requirement for RFG. With the recent denial of the California RFG oxygenate waiver request, the size of the California market is now better known.

While there is a great deal of focus on California, another emerging ethanol market is in the Northeast. Both New York and Connecticut banned the use of MTBE as of January 1, 2004. As in California, the primary drivers are the health and water concerns surrounding the use of MTBE. The market potential for ethanol in the Northeast is estimated at about 1 billion gallons annually. The ultimate size of the California and Northeast markets will depend on how the RFG oxygenate and MTBE debate plays out in the political arena. The States of Georgia and Louisiana began blending ethanol in June of 2004. These States are expected to consume an additional 250 million gallons per year. As of the writing of this document, it is believed that other States will introduce legislation to ban the use of MTBE in the coming years. The location of Burlington Northern or Union Pacific rail lines running adjacent to our proposed Plant sites will allow us to transport our ethanol to markets throughout the country. Being an ethanol producer west of the Mississippi, we believe the Western markets will become our largest and best markets, because it will be less expensive to transport our products to the western markets than to the eastern. However, we intend to market our ethanol to the best available market at any given time.

California, Illinois, Ohio and Minnesota are by far the largest ethanol markets. In addition to California there are also other significant national ethanol market opport Shareies such as Arizona, Colorado, Texas, Oregon, Washington, New Mexico and Nevada.

State	Total Ethanol Consumed in 1999 (gallons)
Arizona	13,737,000
California	52,384,000
Colorado	47,925,000
Illinois	215,565,000
Minnesota	206,542,000
Nevada	23,883,000
New Mexico	21,030,000
Ohio	207,956,000
Oregon	11,238,000
Texas	51,218,000
Washington	26,651,000

Source: U.S. Department of Transportation Highway Statistics 1999

General Demand

Ethanol demand is expected to continue at a very aggressive pace as demonstrated in the following chart from the Department of Energy's Energy Information Administration (EIA). 1999's 2.8 billion gallon per year demand is expected to grow to 4.5 billion gallons by the year 2015 according to the EIA. If the use of MTBE is phased out on a national level in the next few years and the RFG oxygenate requirement remains unchanged, a doubling of ethanol demand could occur much sooner.

U.S. ETHANOL DEMAND
(000 Gallons)

[GRAPH OMITTED]

Source: Energy Information Administration

This outlook may be affected by pending legislation. Currently, bills have been introduced in the United States Senate and House that would revise the current method in which fuel ethanol use is required. The proposed legislation will determine the specific volume of ethanol to be used in gasoline on a nationwide basis. The proposed volumes would begin in the year 2004 at 2.3 billion gallons and grow at a rate of approximately 300 million gallons per year to a volume of 5 billion gallons in 2012. Although the current rate of growth exceeds earlier projections over several years, demand for ethanol in the near future may diminish, or increase, if the legislation is enacted.

Ethanol Pricing

Historical ethanol, corn and gasoline prices are shown in the following chart. Ethanol prices tend to track the wholesale gasoline price plus the federal tax incentive of 53(cent) per gallon. In 1996 the ethanol price increased dramatically because high corn prices caused many ethanol plants to curtail operations or shutdown. The chart below shows the historical relationships between the prices of ethanol, gasoline, and corn.

Average U.S. Market Pricing of Ethanol, Gasoline and Corn

[GRAPH OMITTED]

Wholesale Gasoline Data Source: DOE U.S. Refiner Prices of Petroleum Products for Resale;
Corn and Sorghum Data Source: USDA;
Ethanol Data Source: Hart's Oxy-Fuel News;
Prepared by BBI International.

Federal Ethanol Supports

Ethanol sales have been favorably affected by the Clean Air Act amendments of 1990, particularly the Federal Oxygen Program which became effective November 1, 1992. The Federal Oxygen Program requires the sale of oxygenated motor fuels during the winter months in certain major metropolitan areas to reduce carbon monoxide pollution. Ethanol use has increased due to a second Clean Air Act program, the Reformulated Gasoline Program. This program became effective January 1, 1995, and requires the sale of reformulated gasoline in nine major urban areas to reduce pollutants, including those that contribute to ground level ozone, better known as smog.

Increasingly stricter EPA regulations are expected to increase the number of metropolitan areas deemed in non-compliance with Clean Air Standards, which could increase the demand for ethanol. The use of ethanol as an oxygenate to blend with fuel to comply with federal mandates also has been aided by federal tax policy. The Energy Tax Act of 1978 exempted ethanol blended gasoline from the federal gas tax as a means of stimulating the development of a domestic ethanol industry and mitigating the country's dependence on foreign oil. As amended, the federal tax exemption currently allows the market price of ethanol to compete with the price of domestic gasoline. The exemption for a 10% ethanol blend is the equivalent of providing a per gallon "equalization" payment that allows blenders to pay more for ethanol than the wholesale price of gasoline and still retain profit margins equal to those received upon the sale of gasoline that is not blended with ethanol. Under current legislation, the federal gasoline tax is $0.184 per gallon and the tax on a 10% ethanol blend is $0.13

per gallon, providing a $0.054 difference. The exemption will gradually drop to 5.1 cents in 2005. This federal tax exemption is scheduled to expire in 2007. As discussed above, a bill has been introduced in the United States Senate that would revise the current method and volume in which fuel ethanol use is required.

Project Location--Proximity to Markets

We intend to build our Plant in southwestern Iowa in Fremont County near the town of Shenandoah, or elsewhere in Iowa, or in Nebraska, (if the State of Nebraska were to pass tax incentives that would make it feasible for us to do so), or at another site in the southwest area of Iowa. Site selection is based upon location to existing grain production and price, animal feed lots, roads, rail transportation, natural gas lines, and major population centers. There are two possible locations for the Plant in Shenandoah. One would be located on an undeveloped 54-acre parcel of land owned by the town of Shenandoah and we would purchase more land from a private land owner which lies adjacent to the 54-acre parcel to increase the total land area to approximately 85 acres. Or we would purchase 66.9 acres from a private individual who owns a parcel of land to the Northwest of the city's land. We have acquired an option to purchase this land. The city would then donate an additional 12 acres to us. A letter of intent has been signed with the town of Shenandoah to this effect. Depending on which location is chosen, the rail lines of Burlington Northern would run along the either the Northern border of the property or the Southern border of the property. These lines will connect us to the regional and national ethanol markets of the U.S. The site in Wahoo, Nebraska is an 80-acre undeveloped parcel. Final site selection is contingent on analysis of such issues as cost of water, utilities and transportation, and upon raising sufficient funds to allow for construction, the securing of additional financing needed, and obtaining necessary permits and approvals to build at the selected location. A letter of intent has been signed with the town of Shenandoah to this effect. Our board has reserved the right, in their sole discretion, to modify or change the location for any reason. These letters of intent will be our only property other than cash holdings.

Transportation and Delivery

The Plant will have the facilities to receive grain by truck and rail

and to load ethanol and distiller's grains onto trucks and rail cars. The Burlington Northern and Santa Fe Railway currently provides rail service to the Shenandoah site. However, as stated elsewhere in this prospectus, an 18 mile span of rail running from Red Oak, Iowa to Shenandoah must be upgraded to meet Hazmat (Hazardous Materials) Standards. BNSF, in meetings, has verbally agreed to do the work necessary to bring the rail up to Hazmat Standards at a cost of approximately $3,500,000 dollars that the Company, Eaton Corporation, Essex Elevator and DeBruce Grain have all agreed to give upfront to BNSF. The Company's share will be approximately 2.4 million dollars. BNSF has then agreed to pay us back for that amount over a 5-8 year period. Union Pacific would service the Wahoo site. Other potential sites may be served by the same railroads. We expect to negotiate a marketing service relationship with the appropriate railroad, but do not currently have any agreement for the provision of such services. In terms of freight rates, rail is considerably more cost effective than trucking to the majority of our ethanol and DDGS markets.

Utilities

The production of ethanol is a very energy intensive process that uses significant amounts of electricity and natural gas. Water supply and quality is also an important consideration.

Natural Gas

The Plant will produce process steam from its own boiler system and dry the DDGS by-product via a direct gas-fired dryer. We anticipate the Plant will use approximately 5,500 deca-therms per day. The price of natural gas is volatile and we expect to be able to purchase natural gas at a significant discount to the spot markets at any given time, due to the quantities of gas we

will use to operate the Plant. We also expect to use hedging strategies to protect us from the volatility of gas prices, and we expect to hire a third party who is experienced in doing this to assist us. We expect to purchase natural gas from a local provider at whatever site is eventually chosen. Mid American and/or Northern Natural Gas are possible vendors. However, we have not yet entered into any agreement with a utility regarding the specific type and nature of service to be provided.

If we were to chose the site at Shenandoah, to access sufficient supplies of natural gas to operate the Plant, a connection to a distribution pipeline located underground, which lies about 9 miles away from the site will be required. Mid American Energy has agreed that they would pay for the majority of the costs to run the additional pipe needed to make our Plant operational. However, we would be expected to pay for approximately $1,500,000 of those additional costs. The Wahoo site has sufficient gas within 2 miles of the site and a pipeline to connect to that source would also have to be built. The economics of these things will be more fully revealed to us after the feasibility study is completed and will help us make our decision as to site selection. We have entered into an agreement with U.S. Energy Services, Inc. to act as our natural gas purchaser and we anticipate entering into agreements, with the assistance of U.S. Energy Services, with a natural gas supplier(s) at whatever site we choose before we begin construction of the Plant. U.S. Energy Services, Inc. will also act as our risk manager where natural gas is concerned.

Electricity

The proposed plant will require approximately 30,000,000 kilowatts hours per year. We have been in discussions with Mid American Energy concerning the purchase of electricity. We believe that we will be able to purchase electricity from Mid American and that Mid American will supply electricity to the plant at rates that will be favorable for the Company for a period of 5 years at the Shenandoah site. Electricity at other sites in Iowa may or may not be supplied by Mid American, but we would expect to be able to negotiate favorable rates at other sites with Mid American or other electricity providers. However, no assurance can be given that we would be able to negotiate favorable rates at any of the sites. The Wahoo site offers two alternative electricity energy providers that we would negotiate with if we were to build the Plant at that location. We would anticipate negotiating an agreement with a power supplier at any site before we began construction of the Plant.

Water

We will require a significant supply of water. The water requirements for a 50 million-gallon per-year plant are approximately 400 to 600 gallons per minute. That is approximately 864,000 gallons per day if we were to use the maximum amount. Much of the water used in an ethanol plant is recycled back into the process. We will need boiler makeup water and cooling tower water. Boiler makeup water is treated on-site to minimize all elements that will harm the boiler. Recycled water cannot be used for this process. Cooling tower water is deemed non-contact water (it does not come in contact with the mash) and, therefore, can be regenerated back into the cooling tower process. We anticipate using "grey water" that the City has agreed to give us for the cost of pumping the water from their treatment plant to our site, for this part of the Plant at the Shenandoah site. This water will makeup about two thirds of the water that we will use at the Plant. We anticipate purchasing the potable water needed at the Plant from the City of Shenandoah also. The makeup water requirements for the cooling tower are primarily a result of evaporation. Depending on the type of technology utilized in the plant design, much of the water can be recycled back into the process, which will minimize the discharge water. This will have the long-term effect of lowering wastewater treatment costs. Many new plants today are zero or near zero effluent facilities. At most, there should be no more than 300 gallons per minute of non-contact cooling water effluent. Each of the proposed sites has sufficient water to meet our needs and we have negotiated water rates with the City of Shenandoah, Iowa that we feel would be favorable to the Company.

Our Primary Competition

We will be in direct competition with numerous other ethanol producers, many of whom have much greater resources. We also expect that additional ethanol producers will enter the market if the demand for ethanol continues to increase. Our proposed Plant will compete with other ethanol producers on the basis of price and, to a lesser extent, delivery service. We believe we can compete favorably with other ethanol producers due to our proximity to ample grain supplies at favorable prices.

During the last twenty years, ethanol production capacity in the United States has grown from almost nothing to an estimated 3.6 billion gallons per year. Plans to construct new plants or to expand existing plants have been announced which would increase capacity by approximately 523 million gallons per year. This increase in capacity may continue in the future. We cannot determine the effect of this type of an increase upon the demand or price of ethanol.

The ethanol industry has grown to approximately 81 production facilities in the United States. Industry authorities estimate that these facilities are capable of producing approximately 3.6 billion gallons of ethanol per year. The largest ethanol producers include Archer Daniels Midland, Cargill, Minnesota Corn Processors, Midwest Grain, Williams Energy Service, New Energy Corporation and High Plains Corporation, all of which are capable of producing more ethanol than we expect to produce. In addition, there are several regional entities recently formed, or in the process of formation, of a similar size and with similar resources to ours.

The following table identifies most of the producers in the United States along with their production capacities.

U.S. FUEL ETHANOL PRODUCTION CAPACITY
million gallons per year (mmgy)

COMPANY	LOCATION	FEEDSTOCK	Current Capacity (mmgy)	Under Construction/ Expansions (mmgy)
Abengoa Bioenergy Corp.	York, NE	Corn/milo	50	
	Colwich, KS		20	
	Portales, NM		15	
ACE Ethanol, LLC	Stanley, WI	Corn	15	15
Adkins Energy, LLC*	Lena, IL	Corn	40	
A.E. Staley	Loudon, TN	Corn	65	
AGP*	Hastings, NE	Corn	52	
Agra Resources Coop. d.b.a. EXOL*	Albert Lea, MN	Corn	38	
Agri-Energy, LLC*	Luverne, MN	Corn	21	

Alchem Ltd. LLLP	Grafton, ND	Corn	10.5	

Al-Corn Clean Fuel*	Claremont, MN	Corn	30	
Archer Daniels Midland	Decatur, IL	Corn	1070	
	Cedar Rapids, IA	Corn		
	Clinton, IA	Corn		
	Columbus, NE	Corn		
	Marshall, MN	Corn		
	Peoria, IL	Corn		
	Wallhalla, ND	Corn/barley		
Aventine Renewable Energy, Inc.	Pekin, IL	Corn	100	
	Aurora, NE	Corn	35	
Badger State Ethanol, LLC*	Monroe, WI	Corn	48	
Big River Resources, LLC*	West Burlington, IA	Corn	40	
Broin Enterprises, Inc.	Scotland, SD	Corn	9	
Cargill, Inc.	Blair, NE	Corn	83	
	Eddyville, IA	Corn	35	
Central Illinois Energy Cooperative*^	Canton, IL	Corn		30
Central MN Ethanol Coop*	Little Falls, MN	Corn	20	
Central Wisconsin Alcohol	Plover, WI	Seed corn	4	
Chief Ethanol	Hastings, NE	Corn	62	
Chippewa Valley Ethanol Co.*	Benson, MN	Corn	42	
Commonwealth Agri-Energy, LLC*	Hopkinsville, KY	Corn	20	
Cornhusker Energy Lexington, LLC*^	Lexington, NE	Corn		42
Corn Plus, LLP*	Winnebago, MN	Corn	44	
Dakota Ethanol, LLC*	Wentworth, SD	Corn	48	
DENCO, LLC*	Morris, MN	Corn	21.5	
ESE Alcohol Inc.	Leoti, KS	Seed corn	1.5	
Ethanol2000, LLP*	Bingham Lake, MN	Corn	30	
Glacial Lakes Energy, LLC*	Watertown, SD	Corn	48	
Golden Cheese Company of California*	Corona, CA	Cheese whey	5	
Golden Grain Energy, LLC*^	Mason City, IA	Corn		40
Golden Triangle Energy, LLC*	Craig, MO	Corn	20	
Gopher State Ethanol	St. Paul, MN	Corn/Beverage Waste	15	
Grain Processing Corp.	Muscatine, IA	Corn	10	
Great Plains Ethanol, LLC*	Chancellor, SD	Corn	42	
Heartland Corn Products*	Winthrop, MN	Corn	36	
Heartland Grain Fuels, LP*	Aberdeen, SD	Corn	8	
	Huron, SD	Corn	14	
Husker Ag, LLC*	Plainview, NE	Corn	23	
Iowa Ethanol, LLC*	Hanlontown, IA	Corn	45	
James Valley Ethanol, LLC	Groton, SD	Corn	45	

J.R. Simplot	Caldwell, ID	Potato waste	4	
KAAPA Ethanol, LLC*	Minden, NE	Corn	40	
Land O' Lakes*	Melrose, MN	Cheese whey	2.6	
Lincolnland Agri-Energy, LLC*^	Palestine, IL	Corn		40
Little Sioux Corn Processors, LP*	Marcus, IA	Corn	46	
Merrick/Coors	Golden, CO	Waste beer	1.5	
Michigan Ethanol, LLC	Caro, MI	Corn	45	
MGP Ingredients, Inc.	Pekin, IL	Corn/wheat starch	78	
	Atchison, KS			
Mid-Missouri Energy, Inc.*^	Malta Bend, MO	Corn		40
Midwest Grain Processors*	Lakota, IA	Corn	45	
Midwest Renewables^	Iowa Falls, IA	Corn		40
Miller Brewing Co.	Olympia, WA	Brewery waste	0.7	
Minnesota Energy*	Buffalo Lake, MN	Corn	18	
New Energy Corp.	South Bend, IN	Corn	95	
Northeast Missouri Grain, LLC*	Macon, MO	Corn	40	
Northern Lights Ethanol, LLC*	Big Stone City, SD	Corn	45	
Otter Creek Ethanol, LLC*	Ashton, IA	Corn	45	
Parallel Products	Louisville, KY	Beverage waste	4	
	R. Cucamonga, CA		4	

Permeate Refining	Hopkinton, IA	Sugars & starches	1.5	
Pine Lake Corn Processors, LLC*^	Steamboat Rock, IA	Corn		20
Platte Valley Fuel Ethanol, LLC^	Central City, NE	Corn	40	
Pro-Corn, LLC*	Preston, MN	Corn	40	
Quad-County Corn Processors*	Galva, IA	Corn	23	
Reeve Agri-Energy	Garden City, KS	Corn/milo	12	
Siouxland Energy & Livestock Coop*	Sioux Center, IA	Corn	18	
Sioux River Ethanol, LLC*	Hudson, SD	Corn	45	
Tall Corn Ethanol, LLC*	Coon Rapids, IA	Corn	45	
Trenton Agri Products, LLC	Trenton, NE	Corn	30	
Tri-State Ethanol Co., LLC*	Rosholt, SD	Corn	18	
United WI Grain Producers, LLC*^	Friesland, WI	Corn		40
U.S. Energy Partners, LLC	Russell, KS	Milo/wheat starch	40	
Utica Energy, LLC	Oshkosh, WI	Corn	24	26
VeraSun Energy Corporation	Aurora, SD	Corn	100	
	Fort Dodge, IA	Corn		100
Voyager Ethanol, LLC*^	Emmetsburg, IA	Corn		50
Western Plains Energy, LLC*	Campus, KS	Corn	30	

Wyoming Ethanol	Torrington, WY	Corn	5	
Total Existing Capacity			3325.8	
Total Under Construction/Expansions				523.0
Total Capacity			3748.8	

* farmer-owned
^ under construction
Last Updated: May 2004

*Source: Renewable Fuels Association

Operating Ethanol Plants in the State of Iowa

There are currently 13 operating ethanol plants in Iowa, (producing approximately 553.5 million gallons of ethanol per year). Three other plants are currently under construction and will be capable of producing approximately an additional 120 million gallons. The plants are scattered throughout the State, but are concentrated, for the most part, in the central regions where a majority of the corn is produced. We plan to build our Plant in the southwestern part of Iowa and corn has historically been less expensive in this part of the State.

Competition from Alternative Fuel Additives

Alternative fuels, gasoline oxygenates and ethanol production methods are continually under development by ethanol and oil companies with far great resources. New products or methods of ethanol production developed by larger and better-financed competitors could provide them competitive advantages and harm our business.

The development of ethers to be used as oxygenates may provide a growth segment for ethanol. Ethers are composed of isobutylene (a product of the refining industry) and ethanol or methanol. The products are ethyl tertiary butyl ether ("ETBE") or methyl tertiary butyl ether ("MTBE"). We expect to compete with producers of MTBE, a petrochemical derived from methanol that costs less to produce than ethanol. MTBE is a commonly used oxygenate used in fuels for compliance with Federal Clean Air Act mandates, and is a major competitor of ethanol. Many major oil companies produce MTBE, and strongly favor its use because it is petroleum based. These companies have significant resources to market MTBE and to influence legislation and public perception of MTBE. These companies also have sufficient resources to begin production of ethanol should they choose to do so.

However, MTBE has been linked to groundwater contamination at various locations in the east and west. As a result, California passed legislation which completely phased out MTBE from its gasoline pool as of January 1, 2004. Similarly, New York and Connecticut passed legislation to phase out the use of

MTBE by December 31, 2004. At the writing of this document, Management believes that other States have written legislation to ban the use of MTBE. It is further believed that such legislation will be introduced to the legislative bodies of those States during the year of 2005. Ethanol is the most readily available substitute for MTBE in these markets. Assuming that more states, and/or the US Environmental Protection Agency, force elimination of MTBE, the demand for ethanol could increase from the current 3.3 billion gallons per year, to 5 to 8 billion gallons per year in 2012.

MTBE's advantages over ethanol in a blend include its low affinity for water and low vapor pressure. Because petroleum pipelines and storage tanks contain water in various amounts, MTBE's low affinity for water allows it to be distributed through existing pipeline systems, as contrasted with ethanol, which must be shipped via transport truck or rail car. In addition, blending MTBE with

gasoline reduces the overall vapor pressure of the blend thereby reducing the normal volatile organic compound evaporative emissions. ETBE is not widely commercially available yet, and it may suffer from the same negative environmental effects as MTBE. Scientific research to better define the properties of ETBE as it relates to the environment is underway.

Employees

Prior to completion of the Plant construction and commencement of operations, we intend to hire approximately 32 employees. Approximately ten of our employees will work in management and administration and the remainder will work in Plant operations.

The following table represents some of the anticipated positions within the plant and the minimum number of individuals we intend to employ for each position:

Position	Number Employed
General Manager	1
Plant Manager	1
Commodities Manager	1
Controller	1
Lab Manager	1
Lab Technician	2
Secretary/Clerical	4
Shift Supervisors	4
Maintenance Supervisor	1
Maintenance Craftsmen	4
Plant Operators	12
TOTAL	32

The position titles, job responsibilities and numbers allocated to each position may differ when we begin to employ individuals for each position.

We intend to enter into written confidentiality and assignment agreements with our officers and employees. Among other things, these agreements are expected to require such officers and employees to keep strictly confidential all proprietary information developed or used by us in the course of our business.

Sales and Marketing

We intend to sell and market the ethanol and distiller's grains produced at the Plant through normal and established markets. We hope to market all of the ethanol produced with the assistance of an ethanol distributor, but have not entered into any agreements regarding the sale of our ethanol. Similarly, we hope to sell all of our DDGS through the use of an ethanol-byproducts marketing firm, but have not entered into any agreements regarding the sale of our DDGS.

We do not plan to hire or establish a sales organization to market any of the products or by-products we produce. Consequently, we will be extremely dependent upon the entities we plan to engage to purchase or market each of our products.

Strategic Partners and Development Services Team

We have entered into a non-binding letter of intent with Fagen, Inc. in connection with the design, construction and operation of the proposed Plant. However, the Company reserves the right to contract with another firm if it deems that doing so would be in the best interests of the Company.

Fagen, Inc.

Fagen, Inc. has been involved in the construction of more ethanol plants than any other company in this industry. Fagen, Inc. is providing two services for the project. First, Fagen, Inc. is acting as co-developer for the project. Second, Fagen, Inc. will act as the general contractor on the project. Fagen, Inc. has extensive experience in the area of heavy industrial projects, particularly agricultural based facilities. The expertise of Fagen, Inc. in integrating process and facility design into a construction and operationally efficient facility is very important. In particular, Fagen, Inc. has been the principal contractor on approximately 28 ethanol projects and has performed significant work on over 50 ethanol plants in the United States. In many instances, Fagen, Inc. has been asked to return to the plant as the maintenance contractor or follow up construction for major expansions. Fagen, Inc. has done repeat work for Chief Ethanol Fuels and Minnesota Corn Processors, both of whom rank in the top ten in terms of the largest ethanol producers.

Fagen, Inc.'s understanding of operational efficiencies and integration of various processes are essential to our success. Fagen, Inc. also has knowledge and support to assist our management team in executing a successful start-up. Fagen, Inc. is a meaningful project participant because of its investment and desire to facilitate the project's successful transition from start-up to day-to-day profitable operation.

ICM, Inc.

ICM, Inc. is a full-service, engineering, manufacturing and merchandising firm based in Colwich, Kansas and is expected to be the principal subcontractor for the Plant. ICM, Inc. is expected to provide the process engineering operations for Fagen, Inc. ICM, Inc.'s merchandising operation currently procures and markets various grain products.

ICM, Inc. personnel have over 60 years of combined dry and wet mill operation and design experience. They have been involved in the research, design, and construction of ethanol plants for many years. Principals of ICM, Inc. have over twenty years of experience in the ethanol industry and have been involved in the design, fabrication and operations of many ethanol plants.

Since 1995, ICM, Inc. has developed a very successful new design for DDG dryers and estimates that it currently has more than seventy-five percent of the market for DDG dryers. ICM, Inc. also works closely with Phoenix Bio-Systems, which brings over twenty years of brewery and ethanol production experience. Phoenix Bio Systems designed a Bio-Methanator, a high rate treatment system for organics in wastewater. The methanator, combined with ICM, Inc.'s ethanol plant design, allows for the development of zero process water discharge ethanol plants. This design will be incorporated into our proposed ethanol plant allowing a no process water discharge during normal operation.

Letter of Intent

We have executed a letter of intent with Fagen, Inc. The letter of intent states that Fagen, Inc. will enter into good faith negotiations with us to prepare definitive agreements for financial, design and construction services. It is estimated we will pay Fagen, Inc. up to $56.619 million in exchange for the following services:

- Providing a preliminary design and construction schedule and a guaranteed maximum price for the design and construction of the ethanol plant;

- Assisting us with site evaluation and selection, pre-development activities, including, but not limited to, government approvals,

coordination of civil and soil engineering, railroad spur design, etc;

o Providing the needed construction expertise, sufficient financial responsibility to satisfy construction lender requirements, designing and building the ethanol plant; and

o Assisting us in locating appropriate operational management for the Plant.

We will also be responsible for fees and expenses related to financing, such as printing and publication expenses, legal fees, ratings, credit enhancements, trustee or agent fees and any registration fees.

RMT, Inc.

We may contract with RMT, Inc. to provide environmental management consulting. RMT, Inc. offers environmental, engineering and construction management services, and will provide us with soil and hydrology studies, as well as permitting services for the Plant. RMT Inc. has worked with regulatory agencies to permit and site the Badger State Ethanol, LLC plant in Monroe, Wisconsin. RMT, Inc. is part of Alliant Energy Corporation, a large diversified energy and industrial services company. However, the Company reserves the right to contract with another firm if it deems that doing so would be in the best interests of the Company.

Construction of the Project--Proposed Design-Build Contract

Fagen, Inc. has advised us that it will provide to us a proposed Design-Build contract. No Design-Build contract has been executed with respect to this project. The Design-Build contract is expected to be completed and executed prior to closing of our larger equity offering. However, no assurances can be given that a Design-Build contract will be entered into with Fagen, Inc. The proposed Design-Build contract is subject to modification and approval by lenders. Pursuant to the proposed Design-Build contract, Fagen, Inc. will act as our general contractor and will design and construct the Plant.

General Terms and Conditions

Based on terms of other Design-Build contracts into which Fagen, Inc. has entered, and our proposed letter of intent with Fagen, Inc., we have identified typical terms generally included in such Design-Build contracts.

We expect to pay Fagen, Inc. up to an anticipated maximum of $56,619,000 to design and construct the Plant. All drawings, specifications and other construction related documents would belong to Fagen, Inc. We will be granted an irrevocable limited license to use such drawings, specifications and related documents in connection with our occupancy of the Plant. If the contract is terminated by us without cause or by Fagen, Inc. for cause, such as failure to pay undisputed amounts when due, then we may be required to pay Fagen, Inc. a fee of $1,000,000 if we resume construction of the Plant through our own employees or third parties.

We expect to make payments to Fagen, Inc. on an agreed upon progress billing basis, based upon monthly applications for payment submitted to us by Fagen, Inc. for all work performed as of the date of the application. We expect to retain 10% of the amount submitted in each application for payment. When at least 50% of the work has been completed, and approved for operation by

government authorities, we expect to pay the full amount of each application for payment. When the Plant is substantially completed, we expect to pay Fagen, Inc. all amounts we have retained. If we do not pay all undisputed amounts within five days after the due date, we expect to be charged interest at a rate of approximately 18% per year.

If Fagen, Inc. encounters "differing site conditions," it will expect to be entitled to an adjustment in the contract price and time of performance, if such conditions adversely affect its costs and performance time. By "differing site conditions," we mean any concealed physical conditions at the site that:

o Materially differ from the conditions contemplated in the contract; or

o Any unusual conditions which differ materially from the conditions ordinarily encountered in similar work.

We expect that once the proposed Design-Build contract is executed and we have graded the site pursuant to Fagen, Inc.'s and ICM, Inc.'s specifications, work on the Plant will begin within five days from our notice to proceed. We expect substantial completion of the Plant to occur no later than 550 calendar days after Fagen, Inc. receives notice from us to proceed. By "substantial completion," we mean when the Plant is sufficiently complete so that we can occupy and use the plant to produce ethanol.

In addition, Fagen, Inc. is expected to be responsible for the following:

o Providing all necessary design services, such as architectural, engineering and other professional design services, consistent with applicable law and provided by licensed design professionals either employed by Fagen, Inc. or qualified independent licensed design consultants;

o Performing all work in accordance with all legal requirements;

o Obtaining all permits, approvals, licenses and fees related to the construction of the Plant, except that we will be responsible for obtaining an Air Pollution Construction and Operation Permit and National Pollutant Discharge Elimination permits;

o Performing its responsibilities in a safe manner so as to prevent damage, injury or loss;

o Providing to us a warranty that the work performed for us is of good quality, conforms to all contract and construction documents, and is free of defect in materials and workmanship;

o For a period of one year after substantial completion, correcting, at their cost, any defects in materials and workmanship and commencing correction of defects within seven days of receipt of notice from us that the work performed was defective;

o Obtaining and providing us with a certificate of insurance covering claims arising from worker's compensation or disability; claims for bodily injury, sickness, death or disease, regardless of whether the person injured was an employee of Fagen, Inc.; claims for damage or destruction of tangible personal property; claims for damages arising from personal injury, death or property damage resulting from ownership, use and maintenance of any motor vehicles; or claims pursuant to any duty to indemnify. Such insurance must be maintained throughout the development and construction of the Plant; and

o Indemnifying, defending and holding us, our officers, directors, agents and employees harmless against any claims, losses, damages, liabilities, including attorney's fees and expenses, for any bodily injury, sickness, death or damage or destruction of property if such arises from the negligent acts or omissions of Fagen, Inc., its consultants, agents or employees.

We expect to be responsible for the following:

o Obtaining and maintaining liability insurance to protect us from any claim that may arise from performance of our responsibilities;

o Obtaining and maintaining property insurance for the full insurable value of the Plant, including professional fees, overtime premiums and all other expenses incurred to replace or repair the ethanol plant;

o Indemnifying, defending and holding Fagen, Inc., its officers, directors, agents and employees harmless against any claims, losses, damages, liabilities, including attorney's fees and expenses, for any bodily injury, sickness, death or damage or destruction of property due to the negligent act or omission of any separate contractors we hire;

- Rough grading the construction site to the specifications of Fagen, Inc. or ICM, Inc.;

- Providing at least one access road of sufficient quality to withstand semi-truck traffic;

- Procuring an Air Pollution Construction and Operation permit;

- Obtaining the necessary Iowa, (and/or other presiding government authority) air and water discharge permits;

- Providing for a continuous supply of natural gas of at least 1.5 billion cubic feet per year and supply meter and regulators to provide burner tip pressures as specified by ICM, Inc.;

- Providing a continuous supply of electricity of 15,000 kva, 12,400-volt electrical energy, a high voltage switch, a substation, if required, and meter as specified by the electric company; and

- Providing rail tracks, ties and ballast to the Plant at grades specified by ICM, Inc.

We expect that Fagen, Inc. will have the right to stop or postpone work and to reasonably adjust the time for completion of the Plant if any of the following occurs:

- We do not provide reasonable evidence indicating that we have adequate funds to fulfill all our contractual obligations or do not pay amounts properly due according to the progress payments, without cause, and we do not cure within seven days after we receive notice from Fagen, Inc. and work on the Plant has stopped;

- Any acts, omissions, conditions, events or circumstances beyond its control, if the act or omission was not caused by Fagen, Inc. or anyone for whom they are responsible. If Fagen, Inc.'s delay in performance is caused by us or those under our control, then the contract price may be appropriately adjusted;

- The presence of any hazardous conditions at the construction site. Upon receiving notice of a hazardous condition, we must immediately proceed to correct the condition. After the condition is corrected and our experts provides written certification that the hazardous condition has been corrected and all necessary governmental approvals have been obtained, Fagen, Inc. should resume work in the effected area. Fagen, Inc. may be entitled to an adjustment in price and time for completion of the Plant if its price and time for performance has been adversely affected by the hazardous condition;

- Work on the Plant has stopped for 60 consecutive days, or more than 90 days total, because of any order from us or a court or governmental authority, if such stoppage is not because of any act or omission of

Fagen, Inc. or because we failed to provide Fagen, Inc. with information, permits or approvals for which we will be responsible. Fagen, Inc. may terminate the Design-Build contract if we do not begin to correct the above within seven days after receipt of Fagen, Inc.'s termination notice.

We expect to have the right to terminate the Design-Build contract for any reason; but if our termination is without cause, then we expect to be required to provide Fagen, Inc. with 10 days prior written notice. In addition, we expect to be required to pay Fagen, Inc. for the following:

- All work completed to date and any proven loss, cost or expense incurred in connection with such work;

- Reasonable costs and expenses attributable to the termination, including demobilization costs and amounts due to settle terminated contracts with subcontractors and consultants; and

- Overhead and profit in the amount of 15% of the sum of the above payments to the point of termination.

Dispute Resolution

It is anticipated that the Design-Build contract will provide that any party making a claim must provide written notice within a reasonable time, but not to exceed 21 days after the occurrence. Disputes would first be resolved through discussions between Fagen, Inc and us. If the dispute is still not resolved, then the parties would submit the matter to non-binding mediation. In the event that the dispute is still not settled, the matter must be resolved by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association, unless the parties agree otherwise. The determination of the arbitrator is expected to be final and may not be appealed to any court. The prevailing party in any arbitration proceeding is entitled to recover reasonable attorney's fees and expenses incurred.

Limitation of Consequential Damages

It is anticipated that the Design-Build contract will provide that we may be entitled to receive either consequential damages for losses such as loss of use, profits, business, reputation or financing, or liquidated damages approximating $8,000 per day in the event Fagen, Inc. fails to substantially complete the Plant on the scheduled substantial completion date.

It is anticipated that the substantial completion date will be approximately 12 to 16 months after the close of our proposed public offering. It is also anticipated that if Fagen, Inc. finishes the Plant and it is fully operational on or before the scheduled substantial completion date, we expect that we may be asked to pay Fagen, Inc. a performance bonus of a certain amount per day for those days delivered prior to the scheduled substantial completion date. That amount will be negotiated in the future.

Construction and Timetable for Completion of the Project

Assuming this offering is successful, and we are able to complete our proposed public offering and secure the debt portion of our financing, we estimate that the project will be completed approximately 12 to 16 months after we close on our proposed public offering. This schedule assumes that two months of detailed design will occur prior to closing and a twelve to sixteen-month construction schedule followed by two months of commissioning. This schedule also assumes that weather, interest rates, and other factors beyond our control do not upset our timetable. There can be no assurance that the timetable that we have set will be followed, and factors or events beyond our control could hamper our efforts to complete the project in a timely fashion.

Regulatory Permits

We anticipate that we will engage an environmental consulting firm to coordinate, advise and assist us with obtaining certain environmental, occupational health, and safety permits, plans, submissions, and programs. Many of those permits are discussed below. In addition to these permits, we will apply for other local, state, and federal permits related to environmental, occupational health, and safety requirements as needed. The information below is based in part on information generally relied upon by consultants and may include certain assumptions regarding the accuracy of specifications provided by manufacturers of the equipment and other components used in the construction of the Plant. Pursuant to the anticipated Design-Build contract, Fagen, Inc. and ICM, Inc. are expected to be responsible for all construction permits.

Waste Water Discharge Permit

This Plant will be a zero-discharge facility. We expect that we will use water to cool our closed circuit systems in the Plant. In order to maintain a high quality of water for the cooling system, the water will be continuously replaced with make-up water. As a result, this plant will discharge clean, non-contact cooling water from boilers and the cooling towers. Several discharge options, including publicly owned treatment works, use of a holding pond, discharge to a receiving stream, subsurface infiltration, irrigation and other options are under consideration by our consulting engineers and us. Each of these options will require an appropriate permit. We anticipate submitting the applicable permit applications(s) no later than 180 days prior to beginning of construction.

Storm Water Discharge Permit and Storm Water Pollution Prevention Plan (SWPPP Permits)

Before we can begin construction of our Plant, we must obtain an Industrial Storm Water Discharge Permit from the Iowa Department of Natural Resources ("IDNR"). This permit will be classified as either general or specific by the IDNR and the application for it must be filed at least 180 days before construction begins. In connection with this permit, we must have a Storm Water Pollution Prevention Plan in place that outlines various measures we plan to implement to prevent storm water pollution. Other compliance and reporting requirements would also apply.

Prior to the commencement of construction of the Plant, We must file a notice of intent and application for a Construction Site Storm Water Discharge Permit. If the IDNR does not object to the notice of intent, we could begin construction and allow storm water discharge fourteen days after the filing. As part of the application for the Construction Site Storm Water Discharge Permit, we will need to prepare a construction site erosion control plan. We would also be subject to certain reporting and monitoring requirements. We anticipate, but there can be no assurances, that we will be able to obtain these permits.

High Capacity Well Permit

We believe at this time that we will have a sufficient supply of water to meet the needs of the Plant. However, we are considering the advantages of drilling a new high capacity well to use as a back-up water supply to meet the plant's water needs. If our consulting engineers determine that a well is needed, or cost effective, we would need to apply to the IDNR for a High Capacity Well Permit. Before issuing such a permit, the IDNR will require us to calculate the drawdown of water levels in the major stratigraphic at various distances away from the pumping well and the effect of the well on the town well.

Bureau of Alcohol, Tobacco and Firearms Requirements

Before we can begin operations, we will have to comply with applicable Bureau of Alcohol, Tobacco and Firearms ("ATF") regulations. These regulations require that we first make application for and obtain an alcohol fuel producer's permit. 27 CFR ss.19.915. The application must include information identifying the principal persons involved in our venture and a statement as to whether any such person has ever been convicted of a felony or misdemeanor under federal or state law. The term of the permit is indefinite until terminated, revoked, or suspended. The permit also requires that we maintain certain security measures. We must also secure an operations bond pursuant to 27 CFR ss. 19.957. There are other taxation requirements related to special occupational tax and a special tax stamp.

FAA

The proposed site in Shenandoah, Iowa is situated within a few thousand feet of the Shenandoah airport. Our highest structure, the grain lift between our two main storage silos, is anticipated to be 165'. Therefore, we will need to receive approval from the FAA to build the Plant at the Shenandoah site. We have applied to the FAA to receive the needed approval.

The City Engineer in Shenandoah has indicated to us that he doesn't believe there will be a problem if we can keep the structure below 150'. Engineers at Fagen, Inc. have indicated that we can redesign the Plant to keep the grain lift under 150'. Therefore, we have applied to the FAA for the approval to build the Plant with the highest structure not to exceed 150'. If they grant us that approval, we will then resubmit for approval to build a 165' structure. We decided to do it this way because the City Engineer and the City Administrator in Shenandoah, who have significant experience with the FAA, have indicated to us that getting approval for a 165' structure would probably take several more months. Therefore, we hope to have approval within 30 days to build the Plant with the highest structure being 150' and then submitting for the 165' structure. However, no assurance can be given at this time that we will be able to build the Plant at the proposed site in Shenandoah since it is in such close proximity to the airport. If we are turned down by the FAA, we would have to locate another site on which to build the Plant. This could cause the Company to incur greater looses financially and take a good deal of time. No assurance can be given that we would be successful in locating another site.

EPA

Even if we receive all environmental permits for construction and operation of the Plant, we will also be subject to oversight activities by the EPA. There is always a risk that the EPA may enforce certain rules and regulations differently than an individual state's environmental administrators. Environmental rules are subject to change, and any such changes could result in greater regulatory burdens.

Expected Timing of Permitting and Consequences of Delay or Failure

Without the air pollution construction permits, we will be unable to begin construction. It is anticipated that the air pollution construction permit applications will be filed four months prior to the beginning of construction.

We anticipate that if granted the air pollution construction and operation permit, we will commence construction thereafter, assuming we successfully complete the offering and secure our debt financing. Once granted, the permit is valid indefinitely until the plant is modified or there is a process change that changes air emissions.

We must apply for the Storm Water Discharge Permit 180 days prior to the beginning of construction. We must file a notice of intent and application for a Construction Site Storm Water Discharge Permit 14 days before construction begins. In addition, we must have in place a pollution prevention plan submitted before operations. We have not applied for any of these permits, but plan to do so at the appropriate time. There can be no assurance that these permits will be granted to us.

We must complete our spill prevention control and countermeasure ("SPCC") plan at or near the time of commencement of operations.

If we decided to drill a well at the site, we would also need to obtain a high capacity water withdrawal permit before commencing operations, There is no assurance that this permit would be granted. We are also in negotiations to obtain the rights to one to two wells in close proximity to the proposed site in Shenandoah. Even if we were to obtain the rights to these wells, we would also have to obtain a different type of permit from IDNR to use the water from these wells in that they are currently only permitted for a different type of use. There is no assurance that these new permits would be granted.

We must obtain an Alcohol Fuel Producer's Permit, post an operations bond, and file certain information with the Bureau of Alcohol, Tobacco, and Firearms before we begin operations. There is no assurance that this Permit will be granted.

Without the air pollution construction permit, the waste water discharge permit, the various storm water discharge permits, water withdrawal permit, spill prevention control and countermeasures plan, and alcohol fuel producer's permit, we will be unable to begin or continue operations.

Small Ethanol Producer Tax Credit

"Small Ethanol Producers" are allowed a 10-cents-per-gallon production income tax credit on up to 15 million gallons of production annually. Under current law, small ethanol producers are those ethanol producers producing less than 30 million gallons per year. We do not expect to be classified as a small ethanol producer for purposes of the tax credit because we expect to produce approximately 50 million gallons of ethanol per year.

Although we do not qualify to receive the credit under current law, federal tax legislation has been introduced, which, if enacted, would change the definition of a "Small Ethanol Producer." Specifically, producers producing up to 60 million gallons of ethanol per year would become eligible to receive the credit. If the tax legislation were enacted, we would expect to become able to receive the credit for our first 15 million gallons of annual production. If we do become eligible to receive the credit, this credit could be beneficial to our profits and loss statements. However, there is no assurance that the tax legislation will be passed by the Congress or enacted into law by the President.

Nuisance

Even if we receive all EPA and Iowa environmental permits for construction and operation of the Plant, we may be subject to the regulations on emissions by the Environmental Protection Agency. We could also be subject to environmental or nuisance claims from adjacent property owners or residents in the area arising from odors or other air or water discharges from the Plant, although we do not expect any such claims. To minimize the risk of such claims, we intend to employ a thermal oxidizer.

PROPERTY

We currently own no plants or other physical properties.

MANAGEMENT

Directors, Executive Officers, Promoters and Control Persons

Set forth below is certain information concerning each of our directors and executive officers as of December 16, 2004.

Name	Age	Position	With the Company Since
Barry Ellsworth	50	President/CEO/Chairman	2004
Dan Christensen	58	Treasurer/Secretary/Director	2004
Gary Thien	52	Vice President/Director	2004
David A. Hart	51	Director	2004
Steven Nicholson	78	Director	2004
Robert D. Vavra	54	Director	2004
Brent Lorimor	38	Director	2004
Hersch Patton	59	Director	2004

Our board is divided into three classes. One class of directors is elected at each annual meeting of stockholders for a three-year term. Each year a different class of directors is elected on a rotating basis. The terms of Gary Thien, David Hart, and Brent Lorimor expire at the 2005 annual meeting of stockholders. The terms of Dan Christensen, Steve Nicholson, and Robert Vavra expire at the 2006 annual meeting of stockholders. The terms of Barry Ellsworth and Hersch Patton expire at the 2007 annual meeting of stockholders. The number of directors currently comprising the board of directors is eight. The bylaws authorize from one to nine directors, the exact number of which may be determined by resolution of the board.

Business Experience of Management

The following is a brief description of the business experience and background of the above-named officers and directors of our Company.

BARRY A. ELLSWORTH, resides in Las Vegas, Nevada. He assumed his present positions with the Company as President and as a director on June 29, 2004, upon the formation of the Company and is responsible for the day to day operations of the Company. Mr. Ellsworth graduated from Brigham Young University in 1977, with a BA in Communications. He later attended Cal Western School of Law in San Diego, CA. For the past five years, Mr. Ellsworth has acted as the Managing Director of Red Rock Investment Partners, a financial consulting firm, specializing in Mergers and Acquisitions. Earlier, he owned the financial consulting firm of Ellsworth and Associates. Prior to that, he gained experience in finance working as a stockbroker at the firms of Prudential-Bache Securities, Wilson-Davis Securities, and Dean Witter Reynolds. He has been instrumental in taking companies public and has raised capital for various concerns.

DAN E. CHRISTENSEN, resides in Salt Lake City, Utah. He assumed his present positions with the Company as Treasurer, Secretary and as a director on

June 29, 2004, upon the formation of the Company. Mr. Christensen graduated from Brigham Young University with a Bachelor's Degree in Business in 1969 and received a Management Administration Degree from the California Savings and Loan Institute in 1973. He has acted as the CEO of Commercial Mortgage and Investment, LLC, (CMI), with offices in South Jordan, Utah and San Francisco,

California, since 1981. CMI provides mortgage banking services for selected real estate projects, nationwide, including real estate development projects for his own account. Mr. Christensen has procured over 3 billion dollars in financing for numerous real estate development projects over the years, including many of his own projects.

GARY THIEN, resides in Council Bluffs, Iowa. Gary graduated from Iowa State University in Ames, Iowa in 1974, with a Bachelor of Science Degree in Agricultural Business. For the past 10 years, Mr. Thien has owned and operated Thien Farm Management, located in Council Bluffs, Iowa, which manages approximately 20 thousand acres of farm land in Southwest Iowa. He is also a real estate broker and has expertise in commodity marketing, insurance and risk management, budgeting, cash flow analysis, etc. Mr. Thien is also President of the American Society of Farm Managers and Rural Appraisers.

DAVID A. HART, resides in rural Stanton, Iowa. Dave attended Iowa Western Community College in Council Bluffs, Iowa, where he studied Farm Operations and Management. He began farming in 1973. Mr. Hart and his wife Cathy, operate Hart Farms in a 20 mile area around Stanton. This diversified operation includes: Grain Production, Cattle Feeding and Backgrounding, Cow/Calf Production, Custom Farming, Grain Hauling, Custom Spraying, and Seed Sales. Hart Farms plants and harvests approximately 3,000 acres of corn and soybeans. This operation also includes approximately 1,500 acres of hay and pasture. Mr. Hart has served on numerous church and community boards. He is a member of Stanton Fire and Rescue, having served 8 years as Fire Chief. As a Certified Emergency Medical Technician, Dave also serves on the Montgomery County 911 board. Other memberships include the National Cattlemen's Association, Corn and Soybean Associations, and the Farm Bureau.

R. STEVEN NICHOLSON, resides in Las Vegas, Nevada. Mr. Nicholson served in the US Navy during WWII from 1942-1946. He graduated with an AB in History and Philosophy in 1950 from Wesleyan University. He received an MA in Cultural Anthropology from Syracuse University in 1956 and received a PhD. in the Sociology of Large Scale Organizations/Japanese and Chinese Cultures from Michigan State University in 1971. From 1956-1962 Mr. Nicholson was Director of World Vision Japan. From 1963-1971 he served as the Academic Dean, Lansing Community College-Michigan; 1971-1973 President, Daily College-Chicago; 1973-1976 President, Southern Nevada Community College, Las Vegas; 1976-1985 President, Mount Hood Community College-Oregon; 1985-1990 President, Oakland Community College-Michigan; 1990-1992 Chancellor, Higher Colleges of Technology Abu Dhabi, United Arab Emirates;1992-1994 Christian College Coalition - Oregon; 1994-1999 Senior Fellow for Higher Education-Murdock Charitable Trust Vancouver, Washington. Mr. Nicholson has served on various other boards throughout the years, including Mercy Corps International (International Relief and Development); Pontiac, Michigan Manpower Development Authority; American Association of Community Colleges, Washington, DC; and the World Affairs Council - Japan/America Society.

ROBERT D. VAVRA, resides in Shenandoah, Iowa. Robert graduated from Black Hills State University in Spearfish, South Dakota in 1972 with Bachelor of Science Degrees in Math and History and graduated from the Graduate School of Banking in Boulder, Colorado in 1991. Robert has been President and Director of Bank Iowa, since 1996. He has worked for the same bank since 1986 in the role of a loan officer and Executive Vice President. Mr. Vavra has served on a number of community boards, over the years, which include the Shenandoah Optimist Club, Shenandoah Memorial Hospital and the Essex Commercial Club. Currently he serves on the Forest Park Manor Board of directors and serves as a member of the Banking Committee for the Shenandoah Chamber and Industry Association, Board of directors.

BRENT LORIMOR, of rural Farragut, Iowa, was elected to serve as a director of Green Plains Renewable Energy in November of 2004. Brent graduated from Northwest Missouri State University in 1988 and taught vocational agriculture in southeast Iowa for three years before returning home to farm. Since 1992, Mr. Lorimor has been involved in the family farm operation with his brother and mother. Lorimor Farming Corporation consists of 2500 acres of corn

and soybeans in Fremont, Page, and Montgomery counties. In addition to the crops, Lorimor Farming Corporation feeds out over 2000 head of cattle annually.

Brent is the 5th generation to farm land in the area dating back to 1856. Mr. Lorimor is a member of the Iowa and National Cattlemen's Association, Corn & Soybean Grower's Association, as well as St. Mary's church in Shenandoah, Iowa.

HERSCHEL C. PATTON II, 59, resides in Salt Lake City, Utah and was elected to the Board of Directors of Green Pains Renewable Energy, Inc. in November of 2004. Hersch attended the University of Nevada/Reno and graduated from flight school in 1970. Hersch was a senior captain and pilot for both Western and Delta Airlines beginning in 1975 until retirement in 2004. During his tenure as a captain for Delta, Mr. Patton was involved in the ownership and development of various successful commercial and residential real estate ventures including the acquisition and sale of the Jeremy Ranch Golf and Country Club and the Cottonwood Creek Retail Center. Hersch remains active in real estate and various other investments.

Committees of the Board of Directors

Committees may be established by the directors by resolution and an affirmative vote. The Company anticipates forming an audit committee and a compensation committee in the future. At this time, neither an audit, compensation or any other committee has been created. These functions are being handled by the board of directors.

EXECUTIVE COMPENSATION

None of the Company's officers work of the Company on a full time basis. None of the officers received any salary, wage or other compensation for services through November 30, 2004, and no arrangements have been made with respect to future compensation and no employment agreements exist with any officer of the Company. There are presently no ongoing pension or other plans or arrangements pursuant to which remuneration is proposed to be paid in the future to any of the officers and directors of the Company. We do reimburse our officers and directors for out of pocket expenses incurred in connection with their service to the Company. It is expected that after the offering is completed that employment agreements and compensation packages will be negotiated.

We expect to hire a project manager to assist us in the development of the Plant and with other matters. We intend to recruit and hire permanent employees who will be compensated on a regular basis pursuant to agreed upon salaries once the Plant is completed. We expect to offer typical health and other employee benefits.

Director Compensation

No cash fees or other consideration were paid to our directors for service on the board from inception through November 30, 2004. No arrangements have been agreed with respect to future compensation of our directors. It is anticipated that no compensation will be paid to the directors until completion of the offering. thereafter, it is expected that the board will adopt a reasonable compensation package for the board members.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Since our inception, we have engaged in transactions with related parties. We currently do not have outside directors or unaffiliated stockholders to evaluate related party transactions.

Sale and Issuance of Common Stock

On July 1, 2004, 550,000 shares of common stock were issued to our two initial directors and founders for cash payments to the Company. Barry A. Ellsworth contributed $50,000 to the Company at that time and was issued three

hundred fifty thousand Shares (350,000) of Common Stock. Dan E. Christensen contributed $50,000 to the Company and was issued two hundred thousand (200,000) Shares of Common Stock. The average purchase price for these Shares was $.18 per share.

Fagen, Inc. and ICM, Inc.

On November 4, 2004, we entered into a letter of intent with Fagen, Inc., which is expected to contract with ICM, Inc. Fagen, Inc and ICM, Inc. are to provide services to us in connection with our plan to build the Plant for a total of $56,619,000, which includes not only the Plant, but also costs associated with operations. Under the terms of the letter of intent, Fagen, Inc. and ICM, Inc. express their intent to enter into definitive agreements to provide design and construction related services. The letter of intent does not constitute a binding agreement, but the parties are obligated to enter into good faith negotiations to prepare definitive agreements. Prior to negotiating definitive agreements, any party could withdraw from the terms of the letter of intent. The board expects that Fagen, Inc. will purchase a minority interest in us.

Under the letter of intent, Fagen, Inc. agrees to provide services to us in the following areas: o Providing a Preliminary Schedule and Guaranteed Maximum Price ("GMP") and Design-Build contract for the design and construction of the proposed Plant;

o Assisting in all phases of the permitting process including taking a lead role in obtaining all required permits for the construction and operation of the proposed Plant;

o Designing and building the proposed Plant in accordance with a Design Build Contract, based upon the Design-Build Institute of America form contract; and

o Assisting in identifying appropriate operational management for the Plant.

Under the letter of intent, we have agreed to pay Fagen, Inc. an aggregate of $56,619,000. Pursuant to a proposed Design-Build contract Fagen, Inc. delivered to us, Fagen, Inc. will act as our general contractor.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

As of the date of this prospectus, the Company has issued and outstanding seven hundred sixty-five thousand (765,000) shares of its Common Stock, $0.001 par value. Each share is entitled to one vote. The following table sets forth the names, addresses and stock ownership of all persons who own, of record or beneficially, ten percent or more the Company's outstanding Common Stock as of the date of this Memorandum, together with the stock ownership of the Company's directors individually, and all officers and directors as a group, as of the date of this Memorandum.

The following table sets forth certain information with respect to the beneficial ownership of our common stock as of November 30, 2004, for: (i) each person who is known by us to beneficially own more than five percent of our common stock, (ii) each of our directors, (iii) each of our named executive officers, and (iv) all directors and executive officers as a group. On November 30,2004 the Company had 765,000 shares of common stock outstanding.

Name and Address of Beneficial Owner(1)	Shares Beneficially Owned	Percentage of Total	Position
Barry Ellsworth	350,000	45.8%	President/CEO/Chairman
Dan Christensen	200,000	26.1%	Treasurer/Secretary/Director
Gary Thien (3)	8,000	1.0%	Vice President/Director
David A. Hart	8,000	1.0%	Director
Steven Nicholson (4)	28,000	3.7%	Director
Robert D. Vavra (5)	5,000	*	Director
Brent Lorimor	4,000	*	Director
Hersch Patton	20,000	2.6%	Director

Executive Officers and Directors as a Group (8 persons)	623,000	81.4%

* Less than 1%.

---

(1) Except where otherwise indicated, the address of the beneficial owner is deemed to be the same address as the company.
(2) Beneficial ownership is determined in accordance with SEC rules and generally includes holding voting and investment power with respect to the securities. Shares of common stock subject to options or warrants currently exercisable, or exercisable within 60 days, are deemed outstanding for computing the percentage of the total number of shares beneficially owned by the designated person, but are not deemed outstanding for computing the percentage for any other person.
(3) These shares are held by Mr. Thien and his wife, as joint tenants.
(4) These shares are held by Mr. Nicholson and his wife, as joint tenants.
(5) These shares are held by Mr. Vavra and his wife, as joint tenants.

Securities Authorized for Issuance Under Equity Compensation Plans

We have no securities authorized for issuance under equity compensation plans.

Compensation Committee Interlocks and Insider Participation

None of our executive officers serve on our Compensation Committee or in a like capacity in any other entity.

DESCRIPTION OF SECURITIES

Our authorized capital stock currently consists of 25,000,000 shares of common stock, $.001 par value per share. The following descriptions are a summary and qualified in their entirety by the provisions of our Articles of Incorporation and by the provisions of the Iowa Business Corporation Act.

Common Stock

As of the date of this prospectus, we had 765,000 shares of common stock outstanding. Except as otherwise required by applicable law, all voting rights are vested in and exercised by the holders of the common, with each share of common stock being entitled to one (1) vote. In the event of liquidation, holders of common stock are entitled to share ratably in the distribution of assets remaining after payment of liabilities, if any. Holders of common stock have no cumulative voting rights. Holders of common stock have no preemptive or other rights to subscribe for shares.

Dividends

Dividends are payable at the discretion of our board of directors, subject to the provisions of the Iowa Statutes and our Bylaws. The board has no obligation to pay dividends to stockholders, even if we were to become profitable. We have not declared or paid any distributions on our common stock.

Stockholders are entitled to receive dividends of cash or property if and when a dividend is declared by our directors. Dividends will be made to investors in proportion to the number of common stock investors own as compared to all of our common stock that are then issued and outstanding. Our directors have the sole authority to authorize dividends based on available cash (after payment of expenses and resources).

We do not expect to generate revenues until the proposed Plant is operational. We expect that will occur approximately 12 to 16 months after construction commences. After operation of the proposed Plant begins, and if we become profitable and have sufficient funds for current and anticipated operating needs (including funds held in debt reserves), we may begin paying dividends of a portion of our available net cash flows and profits to our stockholders in proportion to the common stock held and in accordance with our Bylaws, unless we decide to use the available net cash to increase the size of the Plant or to build a second Plant at another location. By net cash flow, we

mean our gross cash proceeds received, less any portion, as reasonably determined by our directors in their sole discretion, used to pay or establish reserves for our expenses, taxes, debt payments, capital improvements, replacements and contingencies. If our financial performance and loan covenants permit, our directors will try to make cash dividends at times and in amounts that will permit stockholders to benefit from the profitable operations of the Plant, but that will not place any undue financial burdens on our operations. However, we might not ever be able to pay any cash dividends. Any such dividends are totally discretionary with the board and may not, for various reasons, occur. As a result, you may never make any profit on your investment. The board may elect to retain future profits to provide operational financing for the Plant, further debt retirement, possible Plant expansion or to build additional plant(s).

We do not know the amount of cash that we will generate once we begin operations. At the start, we will generate no revenues and do not expect to generate any operating revenue until the proposed Plant is operating fully. Cash dividends are not assured, and we may never be in a position to pay dividends. Whether we will be able to generate sufficient cash flow from our business to pay dividends to members will depend upon numerous factors, including:

(i) Successful and timely completion of construction since we will not generate any revenue until our Plant is constructed and operational;
(ii) Required principal and interest payments on any debt and compliance with applicable loan covenants which will reduce the amount of cash available for dividends;
(iii) Our ability to operate our Plant at full capacity which directly impacts our revenues;
(iv) Adjustments and amounts of cash set aside for reserves and unforeseen expenses; and,
(v) State and federal regulations and subsidies, and support for ethanol generally which can impact our profitability and the cash available for dividends.

Warrants

The Warrants are exercisable for shares of common stock at an exercise price of $30 per share. The Warrants expire on December 31, 2006 (the "Warrant Term"). The Warrants are exercised by surrendering to the Company a Warrant certificate evidencing the Warrants to be exercised, with the exercise form included therein duly completed and executed, and paying to the Company the exercise price per share in cash or check payable to the Company. Stock certificates with respect to shares purchased through the exercise of Warrants will be issued as soon thereafter as practicable.

Fractional shares will not be issued upon the exercise of Warrants, and no payment will be made with respect to any fractional share of common stock to which any warrant holder might otherwise be entitled upon exercise of Warrants. No adjustments as to previously declared or paid cash dividends, if any, will be made upon any exercise of Warrants.

The Warrants do not confer voting, dividend, liquidation, or preemptive rights, or any other rights of stockholders of the Company. The exercise price of the Warrants may be adjusted downward at any time in the sole discretion of the Board.

Transfer Agent and Registrar

Pacific Stock Transfer Company, 500 E. Warm Springs Road, Suite 240, Las Vegas, NV 89119, is our stock transfer agent.

PLAN OF DISTRIBUTION

Before purchasing any securities, an investor must execute a Subscription Agreement and a promissory note, if applicable, due upon closing. The Subscription Agreement will contain, among other provisions, an acknowledgement that the investor received a prospectus. All subscriptions are subject to approval by our directors and we reserve the right to reject any Subscription Agreement. An investor must purchase a minimum of one thousand (1,000) shares of common stock and blocks of 500 shares thereafter.

The Offer

We are hereby offering, on a best efforts basis, a maximum of 3,800,000 common shares and a minimum of 3,190,000 shares of common stock at an offering price of $10.00 per share. Each share includes a Warrant to purchase an additional 1/4 of a Share of the Company's Common Stock at a purchase price of $30.00 per share. The Warrants will be exercisable at any time after this offering has been closed. The shares will be sold by our officers and directors, who are listed under the heading "Management--Directors, Executive Officers, Promoters and Control Persons.". We will not pay commissions to our officers or directors for these sales. Broker/Dealers may participate in this offering. We may pay a commission of up to 7% for shares sold in this offering by Broker/Dealers. We intend to use the proceeds of this offering to construct an ethanol plant and to operate the plant as a going concern. We require a minimum purchase of 1,000 Shares (minimum investment of $10,000) and blocks of five hundred (500) additional shares thereafter.

Method of Subscription

Each person desiring to purchase 1,000 or more shares of common stock and thereby become a stockholder of the Company must execute and deliver to us the Subscription Agreement delivered together with this prospectus. Such documents must be submitted together with a check payable to US Bank, Escrow for "GPRE, Inc." for the total amount. Or you may pay twenty percent (20%) of the total amount due for the number of the securities for which subscription is sought and deliver an executed promissory note for the remaining eighty percent

(80%) of that price. Such notes will be due and payable within 10 days, upon notice from the Company that the minimum amount of common stock being offered herewith has been subscribed to. We reserve the right to accept or reject, in whole or in part, any subscription for any reason. Further, the initial board and/or officers of the Company and their principals may purchase common stock in this offering on the same terms as other investors.

Proceeds from subscriptions for the common stock will be deposited in an interest-bearing escrow account that we have established with U.S. Bank, as Escrow Agent under a written escrow agreement.

Subscription Period

The initial closing date for the offering will be within 180 days from the date of this prospectus, unless extended by us for up to an additional 90 days, but not past November 29, 2005. This offering will expire 60 days after the minimum offering is raised. We reserve the right to cancel the offering at any time, to reject subscriptions for common stock in whole or in part and to waive conditions to the purchase of securities.

Delivery of Certificates

If we satisfy all offering conditions, upon closing of the offering, we will issue certificates for the common stock and warrants subscribed for in this offering. Unless otherwise specifically provided in the Subscription Agreement, we will issue certificates for any subscription signed by more than one subscriber as joint tenants, with full rights of survivorship.

Suitability of Investors

Investing in the securities offered hereby involves a high degree of risk. Accordingly, the purchase of securities is suitable only for persons of substantial financial means that have no need for liquidity in their investments and can bear the economic risk of loss of any investment in the securities.

Upon acceptance of a subscription by the directors, the funds accompanying the request will be deposited in an escrow account and credited to the investor's account in accordance with the terms of this prospectus.

Investors that may be deemed the beneficial owners of 5% or more, and 10% or more of our issued and outstanding common stock may have reporting obligations under Section 13 and Section 16 of the Securities and Exchange Act. A beneficial owner of 5% or more of our outstanding common stock should consult legal counsel to determine what filing and reporting obligations may be required

under the federal securities laws.

Summary of Promotional and Sales Material

In addition to and apart from this prospectus, we will use certain sales material in connection with this offering. The material may include a brochure, a question-and-answer booklet, a speech for public seminars, invitations to seminars, news articles, public advertisements and audio-visual materials, such as a Power Point presentation. In certain jurisdictions, such sales materials may not be available. Other than as described herein, we have not authorized the use of any other sales material. This offering is made only by means of this prospectus. Although the information contained in such sales materials does not conflict with any of the information contained in this prospectus, such material does not purport to be complete and should not be considered as a part of this prospectus or of the Registration Statement of which this prospectus is a part, or as incorporated in this prospectus or the Registration Statement by reference.

LEGAL PROCEEDINGS

We are not party to any legal proceedings.

LEGAL MATTERS

The validity of the common stock offered by this prospectus will be passed upon for us by Blackburn & Stoll, LC, Salt Lake City, Utah.

LIMITATIONS OF DIRECTORS' AND SHARE HOLDERS' LIABILITY AND INDEMNIFICATION

Our Bylaws provides that none of our directors or stockholders will be liable to us for any breach of their duty of care. This could prevent us and our stockholders from bringing an action against any director for monetary damages arising out of a breach of that director's duty of care or grossly negligent business decisions. This provision does not affect possible injunctive or other equitable remedies to enforce a directors' duty of loyalty for acts or omissions not taken in good faith, that involve intentional misconduct or a knowing violation of law, or for any transaction from which the director derived an improper personal benefit.

Under Iowa law, no officer, director or stockholder will be liable for any of our debts, obligations or liabilities merely because he or she is an officer, director, or stockholder. In addition, Iowa law and our Bylaws contain an extensive indemnification provision which requires us to indemnify any officer or director who was or is a party, or who is threatened to be made a party to any current or potential legal action because he or she is our director, officer, employee or agent. We must also indemnify these individuals if they were serving another entity at our request. We must also indemnify against expenses, including attorneys' fees, judgments, fines and any amounts paid in any settlement that was actually and reasonably incurred by these individuals in connection with any legal proceedings, including legal proceedings based upon violations of the Securities Act or state securities laws. Our indemnification obligations may include criminal or other proceedings.

EXPERTS

The financial statements as of November 30, 2004 included in this prospectus and registration statement have been audited by L. L. Bradford & Company, LLC, independent public accountants, as indicated in their reports with respect thereto, and are included herein in reliance upon the authority of said firm as experts in accounting and auditing in giving said report.

CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

AVAILABLE INFORMATION

We have filed a Registration Statement on Form S-1under the Securities

Act of 1933, as amended (the "Securities Act"), with respect to the shares offered hereby. This prospectus does not contain all of the information set forth in the Registration Statement and the exhibits and schedules thereto. For further information with respect to Quest Group International, Inc. and the

shares offered hereby, reference is made to the Registration Statement and the exhibits and schedules filed therewith. Statements contained in this prospectus as to the contents of any contract or any other document referred to are not necessarily complete, and in each instance reference is made to the copy of such contract or other document filed as an exhibit to the Registration Statement, each such statement being qualified in all respects by such reference. A copy of the Registration Statement, and the exhibits and schedules thereto, may be inspected without charge at the public reference facilities maintained by the Securities and Exchange Commission in Room 1024, 450 Fifth Street, N.W., Washington, D.C. and copies of all or any part of the Registration Statement may be obtained from the Commission upon payment of a prescribed fee. This information is also available from the Commission's Internet website, http://www.sec.gov.

Until 90 days after the date of this prospectus, all dealers that effect transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to dealers' obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

FINANCIAL STATEMENTS

GREEN PLAINS RENEWALBE ENERGY, INC.

TABLE OF CONTENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTANTS

To the Board of Directors and Stockholders
Green Plains Renewable Energy, Inc.
(A Development Stage Company)
Las Vegas, Nevada

We have audited the accompanying balance sheet of Green Plains Renewable Energy, Inc. (A Development Stage Company) as of November 30, 2004, and the related statements of operations, stockholders' equity, and cash flows for the period from June 29, 2004 (Inception) through November 30, 2004. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards of the Public

Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Green Plains Renewable Energy, Inc. as of November 30, 2004, and the results of its activities and cash flows for the period from June 29, 2004 (Inception) through November 30, 2004, in conformity with accounting principles generally accepted in the United States of America.

/s/ L.L. Bradford & Company, LLC

L.L. Bradford & Company, LLC
December 3, 2004
Las Vegas, Nevada

GREEN PLAINS RENEWABLE ENERGY, INC.
(A DEVELOPMENT STAGE COMPANY)
BALANCE SHEET
NOVEMBER 30, 2004

ASSETS

Current assets	
Cash	$ 626,093
Other current assets	3,000
Total current assets	629,093
Total assets	$ 629,093

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities	
Accrued liabilities	$ 5,800
Total current liabilities	5,800
Total liabilities	5,800
Commitments and contingencies	-
Stockholders' equity	
Common stock; $.001 par value, 25,000,000 shares authorized, 765,000 shares issued and shares outstanding	765
Additional paid-in capital	635,023
Accumulated deficit	(12,495)
Total stockholders' equity	623,293
Total liabilities and stockholders' equity	$ 629,093

See Accompanying Notes to Financial Statements

STATEMENT OF OPERATIONS
FOR THE PERIOD FROM JUNE 29, 2004 (INCEPTION) THROUGH NOVEMBER 30, 2004

Revenues	$ -
Operating expenses	12,805
Loss from operations	(12,805)
Other income	
Interest income	310
Loss before provision for income taxes	(12,495)
Provision for income taxes	-
Net loss	$ (12,495)
Loss per common share - basic and diluted	$ (0.02)
Weighted average common shares outstanding - Basic and diluted	622,535

See Accompanying Notes to Financial Statements

GREEN PLAINS RENEWABLE ENERGY, INC.
STATEMENT OF STOCKHOLDERS' EQUITY
FOR THE PERIOD FROM JUNE 29, 2004 (INCEPTION) THROUGH NOVEMBER 30, 2004

	Common Stock		Additional Paid-in	Accumulated	Total Stockholders'
	Shares	Amount	Capital	Deficit	Equity
Balance at June 29, 2004 (Inception)	-	$ -	$ -	$ -	$ -
Issuance of common stock to the founders of the Company for cash	550,000	550	99,450	-	100,000
Issuance of common stock to directors of the Company for cash	73,000	73	182,427	-	182,500
Issuance of common stock for cash, net of offering costs of $1,712	142,000	142	353,146	-	353,288
Net loss	-	-	-	(12,495)	(12,495)
Balance at November 30, 2004	765,000	$ 765	$ 635,023	$$ (12,495)	$ 623,293

See Accompanying Notes to Financial Statements

GREEN PLAINS RENEWABLE ENERGY, INC.
STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM JUNE 29, 2004 (INCEPTION) THROUGH NOVEMBER 30, 2004

Cash flows from operating activities:	
Net loss	$ (12,495)
Adjustments to reconcile net loss to net cash used by operating activities:	
Changes in operating assets and liabilities:	
Change in other current assets	(3,000)
Change in accrued liabilities	5,800
Net cash used by operating activities	(9,695)

Cash flows from financing activities:	
Proceeds from issuance of stock	635,788
Net cash provided by financing activities	635,788
Net increase in cash	626,093
Cash, at beginning of period	-
Cash, at end of period	$ 626,093
Supplemental disclosures of cash flow:	
Cash paid for income taxes	$ -
Cash paid for interest	$ -

See Accompanying Notes to Financial Statements

GREEN PLAINS RENEWABLE ENERGY, INC.
(A DEVELOPMENT STAGE COMPANY)
NOTES TO FINANCIAL STATEMENTS

1. DESCRIPTION OF BUSINESS, HISTORY, AND SUMMARY OF SIGNIFICANT POLICIES

Description of business - Green Plains Renewable Energy, Inc. (hereinafter referred to as the "Company") is a development stage company incorporated on June 29, 2004 under the laws of the state of Iowa. Green Plains Renewable Energy, Inc. was organized to construct and operate a 50 million gallon, dry mill, fuel grade ethanol plant ("Plant").

Definition of fiscal year - The Company's fiscal year end is November 30.

Use of estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents - The Company considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents. The Company maintains cash balances with several regional financial institutions. Accounts are insured by the Federal Deposit Insurance Corporation up to $100,000. As of November 30, 2004, the Company's uninsured cash balances totaled $531,100.

Income taxes - The Company accounts for its income taxes in accordance with Statement of Financial Accounting Standards No. 109. Deferred tax assets and liabilities at the end of each period are determined using the tax rate expected to be in effect when taxes are actually paid or recovered. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized. As of November 30, 2004, the Company established a valuation allowance for the entire deferred tax asset of approximately $4,000.

Net loss per common share - The Company computes net loss per share in accordance with SFAS No. 128, Earnings per Share (SFAS 128) and SEC Staff Accounting Bulletin No. 98 (SAB 98). Under the provisions of SFAS 128 and SAB 98, basic net loss per share is computed by dividing the net loss available to common stockholders for the period by the weighted average number of shares of common stock outstanding during the period. The calculation of diluted net loss per share gives effect to common stock equivalents, however, potential common shares are excluded if their effect is antidilutive. For the period from June 29, 2004 (Inception) through November 30, 2004, no shares were excluded from the computation of diluted earnings per share because their effect would be antidilutive.

New accounting pronouncements - Financial Accounting Standards Board Interpretation No. 46, Consolidation of Variable Interest Entities, an interpretation of Accounting Research Bulletin No. 51, Consolidated Financial Statements, addresses consolidation by business enterprises of variable interest entities. It is effective immediately for variable interest entities created after January 31, 2003. It applies in the first fiscal year or interim period beginning after June 15, 2003, to variable interest entities acquired before February 1, 2003. The impact of adoption of this statement is not expected to be significant.

SFAS No. 149, Amendment of Statement 133 on Derivative Instruments and Hedging Activities, amends and clarifies accounting for derivative instruments under SFAS No. 133. It is effective for contracts entered into after June 30, 2003. The impact of adoption of this statement is not expected to be significant.

SFAS No. 150, Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity, establishes standards for how an issuer classifies and measures certain financial instruments with

characteristics of both liability and equity. It requires that an issuer classify a financial instrument that is within its scope as a liability (or an asset in some circumstances). This statement is effective for financial instruments entered into or modified after May 31, 2003, and otherwise is effective at the beginning of the first interim period beginning after June 15, 2003. The impact of adoption of this statement is not expected to be significant.

2. OTHER CURRENT ASSETS

As of November 30, 2004 other assets totaling $3,000 consists of the following:

Deposit related to the option agreement to purchase approximately 22.0 acres of farm real estate located in Fremont county, Iowa	$ 1,000
Deposit related to the option agreement to purchase approximately 66.6 acres of farm real estate located in Fremont county, Iowa	2,000
	$ 3,000

3. STOCKHOLDERS' EQUITY

During July 2004, the Company issued 550,000 shares of common stock to the founders of the Company for cash totaling $100,000.

During August, October and November 2004, the Company issued 73,000 shares of common stock to directors for cash totaling $182,500.

During August, September, October and November 2004, the Company issued 142,000 shares of common stock to various individuals and entities for cash totaling $355,000.

4. COMMITMENTS AND CONTINGENCIES

The Company entered into an agreement with U.S. Energy Services, Inc. for consulting and energy management services. These services will be provided prior to and during the construction of the Plant ("Construction Period"), and after the Construction Period when the Plant has been placed in service ("Completion Date"). The Completion Date shall be determined when the Plant begins producing ethanol. U.S. Energy's fee for services shall be $2,900 per month. The Company may defer payment on the invoiced amounts until documents for closing and funding the loans necessary for the plant have been secured. In the event that plant financing is not secured, this agreement shall become null and void and both parties will be relieved of professional and/or financial obligations due the other party. For the period from June 29, 2004 (Inception) through November 30, 2004, total fees related to these services were $5,800, and were recorded as accrued liabilities on the balance sheet.

PART II - INFORMATION NOT REQUIRED IN PROSPECTUS

Item 24. Indemnification of Directors And Officers

The Iowa Business Corporation Act permits us to indemnify our directors, officers, employees and agents, subject to limitations imposed by the Iowa Business Corporation Act. Our Bylaws require us to indemnify directors and officers to the full extent permitted by the Iowa Business Corporation Act.

Item 25. Other Expenses Of Issuance And Distribution

The following table sets forth all estimated costs and expenses, other than underwriting discounts, commissions and expense allowances, payable by the registrant in connection with the maximum offering for the securities included in this Registration Statement:

Securities and Exchange Commission registration fee.....	$8,426
Blue Sky fees and expenses.....	2,000
Printing and shipping expenses.....	10,000
Legal fees and expenses.....	30,000
Accounting fees and expenses.....	15,000
Miscellaneous fees	15,000
Total.....	$80,426

All expenses are estimated except the Commission filing fee.

Item 26. Recent Sales Of Unregistered Securities

In July, 2004, we sold 550,000 shares of common stock to Barry Ellsworth and Dan Christensen, our founders and initial directors and accredited investors, in a private offering in consideration for $100,000. The sale of the these securities was exempt from registration pursuant to Rule 506 of Regulation D and Sections 4(2) and 4(6) of the Securities Act of 1933, as amended. We did not use an underwriter or pay any commissions in connection with these transactions.

During the months of July through November, 2004, we sold an aggregate of 215,000 shares of common stock to 29 accredited investors in a private offering in consideration for an aggregate of $537,500. The sale of the these securities was exempt from registration pursuant to Rule 506 of Regulation D and Sections 4(2) and 4(6) of the Securities Act of 1933, as amended. We did not use an underwriter or pay any commissions in connection with these transactions

Item 27. Exhibits Index

EXHIBIT NO.	DESCRIPTION OF EXHIBIT
3(i).1	Amended and Restated Articles of Incorporation of the Company
3(ii).1	Bylaws of the Company
4.1	Form of Warrant Certificate
5.1	Opinion of Blackburn & Stoll, LC
10.1	Option Agreement on Hilger West Property, by and between the Company and Alberta A. Bryon, dated November 12, 2005.

EXHIBIT NO. DESCRIPTION OF EXHIBIT

10.2	Option Agreement on Hilger East Property, by and between the Company and Alberta A. Bryon, dated October 20, 2005.
10.3	Letter of Intent relating to the purchase of real property from Shenandoah Chamber & Industry Association, dated November 12, 2004.
10.4	Letter of Intent by and between Fagen, Inc. and Green Plains Renewable Energy, Inc. dated November 4, 2004.
10.5	Letter Agreement by and between the Company and U.S. Energy, Inc., dated October 5, 2004.
23.1	Consent of L.L. Bradford & Company, LLC
23.2	Consent of Blackburn & Stoll, LC (included in Exhibit 5.1 hereto)
24.1	Powers of Attorney (included in Part II of this Registration Statement)
99.1	Subscription Agreement
99.2	Escrow Agreement

Item 28. Undertakings

The registrant hereby undertakes that it will:

(1) File, during any period in which it offers or sells securities, a post-effective amendment to this registration statement to: (i) Include any prospectus required by section 10(a)(3) of the Securities Act of 1933; (ii) Reflect in the prospectus any facts or events which, individually or together, represent a fundamental change in the information in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume or securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in the volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement; and (iii) Include any additional or changed material information on the plan of distribution.

(2) For determining any liability under the Securities Act of 1933, treat each post-effective amendment as a new registration statement of the securities offered, and the offering of the securities at that time to be the initial bona fide offering.

(3) File a post-effective amendment to remove from registration any of the securities that remain unsold at the end of the offering.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 (the "Act") may be permitted to directors, officers and controlling persons of the small business issuer pursuant to the foregoing provisions, or otherwise, the small business issuer has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the small business issuer in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, we will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question of whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

SIGNATURES

In accordance with the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Las Vegas, State of Nevada, on December 14, 2004.

GREEN PLAINS RENEWABLE ENERGY, INC.
(Registrant)

By /s/ Barry A. Ellsworth

Barry A. Ellsworth,
President and Chairman

We the undersigned, directors and officers of Green Plains Renewable Energy, Inc., do hereby severally constitute and appoint Barry A. Ellsworth as our true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign and all amendments or post-effective amendments to this registration statement, and to file the same with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys and agents, and each or any of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that the said attorneys-in-fact and agent, or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Barry A. Ellsworth --- Barry A. Ellsworth	President and Chairman (acts as Principal Executive Officer and Principal Financial Officer)	December 14, 2004
/s/ Dan Christensen --- Dan Christensen	Secretary, Treasurer and Director (acts as Principal Financial Officer)	December 14, 2004
/s/ Gary Thien --- Gary Thien	Director and Vice President	December 14, 2004
/s/ David A. Hart --- David A. Hart	Director	December 14, 2004
/s/ Steve Nicholson --- Steve Nicholson	Director	December 14, 2004
/s/ Robert D. Vavra --- Robert D. Vavra	Director	December 14, 2004
/s/ Brent Lorimor --- Brent Lorimor	Director	December 14, 2004
/s/ Hersch Patton --- Hersch Patton	Director	December 14, 2004

EXHIBIT 3(i).1

AMENDED AND RESTATED
ARTICLES OF INCORPORATION OF
GREEN PLAINS RENEWABLE ENERGY, INC.

Pursuant to the provisions of Sections 490.1001 through 490.1009 of the Iowa Business Corporation Act (the "Act"), the undersigned corporation adopts the following amended and restated Articles of Incorporation as of this date and hereby certifies as follows:

1. The name of the corporation is Green Plains Renewable Energy, Inc.

2. These Articles of Restatement supersede the original Articles of Incorporation and all amendments thereto.

3. This amendment and restatement of the Articles of Incorporation was adopted by the shareholders of the corporation by written consent of shareholders, effective July 30, 2004.

4. These Articles of Restatement were duly approved by the shareholders in the manner required by the Iowa Business Corporation Act and by the Articles of Incorporation.

ARTICLE I NAME

The name of this corporation shall be: GREEN PLAINS RENEWABLE ENERGY, INC.

ARTICLE II SHARES

The number of shares of stock authorized is: 25,000,000 COMMON STOCK PAR VALUE $.001

ARTICLE III DIRECTORS

The number of directors constituting the entire board of directors shall be not less than one nor more than nine as fixed from time to time by vote of a majority of the entire board or directors, provided, however, that the number of directors shall not be reduced so as to shorten the term of any director at the time in office, and provided further, that the number of directors constituting the entire board of directors shall be one until otherwise fixed by a majority of the entire board or directors. Directors shall serve staggered terms and shall be divided into three groups (Groups I, II, and III), as nearly equal in numbers as the then total number of directors constituting the entire Board of Directors permits, with the term of office of one Group expiring each year. The initial term of Group I shall expire at the first annual stockholders' meeting of the corporation in 2005. At that time, a director, or directors, shall be elected to serve in Group I, and to hold office for a three-year term expiring at the third succeeding annual meeting. The initial term of Group II shall expire at the second annual stockholders' meeting of the corporation in 2006. At that time, a director, or directors, shall be elected to serve in Group II, and to hold office for a three-year term expiring at the third succeeding annual meeting. The initial term of Group III shall expire at the third annual

stockholders' meeting of the corporation in 2007. At that time, a new director, or directors, shall be elected to serve in Group III, for a three-year term expiring at the third succeeding annual meeting. At each annual stockholders' meeting held thereafter, directors shall be chosen for a term of three years to serve in the Group that has expired at that meeting to succeed those whose terms expire. Any vacancies in the Board of Directors for any reason, and any directorships resulting from any increase in the number of directors, may be filled by the Board of Directors, acting by a majority of the directors then in office, although less than a quorum, and any directors so chosen shall hold office until the next election of the Group for which such directors shall have been chosen and until their successors shall be elected and qualified. Subject to the foregoing, at each annual meeting of stockholders the successors to the Group of directors whose term shall then expire shall be elected to hold office for a term expiring at the third succeeding annual meeting.

Notwithstanding any other provisions in the Articles of Incorporation or the Bylaws (and notwithstanding the fact that some lesser percentage may be specified by law, in the Articles of Incorporation or in the Bylaws), any director or the entire board of directors of the corporation may be removed at any time, but only for cause and only by the affirmative vote of the holders of 75% or more of the outstanding shares of capital stock of the corporation entitled to vote generally in the election of directors (considered for this purpose as one class) cast at a meeting of the stockholders called for that purpose.

ARTICLE IV PURPOSE

The purpose, or purposes, for which the Corporation is organized:

To build an Ethanol Plant and to engage in any activity or business permitted under the laws of the State of Iowa.

IN WITNESS WHEREOF, the undersigned signs and executes these Amended and Restated Articles of Incorporation and certifies to the truth of the facts herein stated, this 30th day of July, 2004.

/s/ Dan Christensen Date: 07/30/2004

Dan Christensen
Principal Financial Officer and Director

EXHIBIT 3(ii).1

BYLAWS
OF
GREEN PLAINS RENEWABLE ENERGY, INC.

ARTICLE I: OFFICES

SECTION 1.01. REGISTERED OFFICE. The Corporation shall maintain its registered office at 101 East Graham Avenue, Council Bluffs, Iowa 51503. The location and address of the registered office of the Corporation, and the identity of the Corporation's registered agent, may be changed from time to time by the Board of Directors.

SECTION 1.02. OTHER OFFICES. The Corporation may have such other offices, either within or without the State of Iowa, as the Board of Directors may designate, or as the business of the Corporation may require from time to time.

ARTICLE II: MEETINGS OF STOCKHOLDERS

SECTION 2.01. PLACE OF MEETINGS. All meetings of stockholders shall be held at such place within or outside the State of Iowa which may be designated by the Board of Directors.

SECTION 2.02. ANNUAL MEETINGS. The annual meetings of stockholders shall be held on such date and at such time as the Board of Directors shall determine. At such meetings directors shall be elected and any other business may be transacted which is within the powers of the stockholders. If election of directors shall not be accomplished at the annual meeting of stockholders, including any adjournment thereof, the Board of Directors shall cause such election to be held at a special meeting of stockholders called for that purpose as soon thereafter as is convenient.

SECTION 2.03. SPECIAL MEETINGS. Special meetings of the stockholders, for any purpose or purposes whatsoever, may be called at any time by the Chairman of the Board, the Chief Executive Officer, the President, or the Board of Directors. Special meetings of stockholders may only be called by any other person or persons as required by applicable law.

SECTION 2.04. NOTICE OF MEETINGS. Written notice of each annual meeting shall be given to each stockholder entitled to vote, either personally or by mail or other means of written communication, charges prepaid, addressed to such stockholder at stockholder's address appearing on the books of the Corporation or given by stockholder to the Corporation for the purpose of notice. All such notices shall be sent to each stockholder entitled thereto not less than 10 nor more than 60 days before each annual meeting, and shall specify the place, the date and the hour of such meeting, and shall state such other matters, if any, as may be expressly required by statute. If mailed, such notice shall be deemed to be given when deposited in the United States mail, postage prepaid, directed to the stockholder at his or her address as it appears on the records of the Corporation.

SECTION 2.05. ADJOURNED MEETINGS AND NOTICE THEREOF. Any stockholders' meeting, annual or special, whether or not a quorum is present, may be adjourned from time to time by the vote of a majority of the shares represented at the meeting, the holders of which are either present in person or represented by proxy thereat, but in the absence of a quorum no other business may be transacted at such meeting.

If an annual or special stockholders meeting is adjourned to a different date, time, or place, notice need not be given if the new date, time, or place is announced at the meeting before adjournment. However, notice must be given in the manner provided in Section 2.04 of these Bylaws if the adjournment is for more than 30 days or a new record date for the adjourned meeting is or must be fixed.

SECTION 2.06. VOTING; PROXIES. Each stockholder entitled to vote at any meeting of stockholders shall be entitled to one vote for each share of stock held by him or her, which has voting power upon the matter in question. Each stockholder entitled to vote at a meeting of stockholders may authorize another person or persons to act for him or her by proxy, but no such proxy shall be

voted or acted upon after eleven months from its date, unless the proxy provides for a longer period. A duly executed proxy shall be irrevocable if it states that it is irrevocable and if, and only as long as it is coupled with an interest sufficient in law to support an irrevocable power. A stockholder may revoke any proxy which is not irrevocable by attending the meeting and voting in person or by filing an instrument in writing revoking the proxy or another duly executed proxy bearing a later date with the Secretary of the Corporation. At all meetings of stockholders for the election of directors a plurality of the votes cast shall be sufficient to elect. All other elections and questions shall, unless otherwise provided by law or by the Articles of Incorporation or these Bylaws be decided by the vote of the holders of a majority of the outstanding shares of stock entitled to vote thereon present in person or by proxy at the meeting, except that procedural matters relating to the conduct of a meeting shall be determined by a plurality of the votes cast at the meeting with respect to such matter.

SECTION 2.07. FILING DATE FOR DETERMINATION OF STOCKHOLDERS OF RECORD. In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or to express consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix, in advance, a record date, which shall not be more than 60 nor less than 10 days before the date of such meeting, nor more than 60 days prior to any other action. If no record date is fixed: (1) the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held; (2) the record date for determining stockholders for any other purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

SECTION 2.08. LIST OF STOCKHOLDERS ENTITLED TO VOTE. The Secretary shall prepare and make, at least 10 days before every meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least 10 days prior to the meeting, either at a place within the city where the meeting is to be held, which place shall be specified in the notice of the meeting, or, if not so specified, at the place where the meeting is to be held. The list shall also be produced and kept at the time and place of the meeting during the whole time thereof and may be inspected by any stockholder who is present. Upon the willful neglect or refusal of the directors to produce such a list at any meeting for the election of directors, they shall be ineligible for election to any office at such meeting. The stock ledger shall be the only evidence as to who are the stockholders entitled to examine the stock ledger, the list of stockholders referred to in this section or the books of the Corporation, or to vote in person or by proxy it any meeting of stockholders.

SECTION 2.09. QUORUM. The presence in person or by proxy of persons entitled to vote a majority of the votes entitled to be cast by each separate class or voting group specified in the Corporation's Articles of Incorporation, as the same may be amended or supplemented from time to time, at any meeting shall constitute a quorum for the transaction of business. The stockholders present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough stockholders to leave less than a quorum. Shares of its own stock belonging to the Corporation or to another corporation, if a majority of the shares entitled to vote for the election of directors of such other corporation is held, directly or indirectly, by the Corporation, shall neither be entitled to vote or be counted for quorum purposes; provided, however, that the foregoing shall not limit the right of any corporation to vote stock, including its own stock, held in a fiduciary capacity.

SECTION 2.10. BUSINESS CONDUCTED AT MEETINGS OF STOCKHOLDERS;

STOCKHOLDER PROPOSALS. To be properly brought before any meeting of stockholders, business must be (a) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors, (b) otherwise properly brought before the meeting by or at the direction of the Board of Directors or (c) otherwise properly brought before the meeting by a stockholder. In addition, for business to be properly brought before any meeting by a stockholder, the stockholder must have given timely notice thereof in writing to the Secretary of the Corporation. To be timely, a stockholder's notice must be delivered to, or mailed and received at, the principal executive offices of the Corporation not less than 50 days nor more than 75 days prior to the meeting; provided, however, that in the event less than 60 days' notice or prior public disclosure of the date of the meeting is given or made to stockholders, notice by the stockholder to be timely must be so received not later than the close of business on the tenth day following the day on which such notice of the date of the meeting was mailed or such public disclosure was made. A stockholder's notice to the Secretary shall set forth as to each matter the stockholder proposes to bring before the meeting: (i) a brief description of the business desired to be brought and the reasons for conducting such business at the meeting; (ii) the name and record address of the stockholder proposing such business and any other stockholders known by such stockholder to be supporting such proposal; (iii) the class and number of shares of the Corporation which are beneficially owned by the stockholder and by any other stockholders known by such stockholder to be supporting such proposal; and (iv) any material or financial interest of the stockholder in such business.

Notwithstanding anything in these Bylaws to the contrary, no business shall be conducted at any meeting of the stockholders except in accordance with the procedures set forth in this Section 2.10. The Chairman of the Board of Directors or other presiding officer shall, if the facts warrant, determine and declare at any meeting of the stockholders that business was not properly brought before the meeting in accordance with the provisions of this Section 2.10, and if he should so determine, he shall so declare to the meeting and any such business not properly brought before the meeting shall not be transacted.

SECTION 2.11. ORGANIZATION OF MEETINGS. The Chairman of the Board shall preside at each meeting of stockholders. In the absence of the Chairman of the Board, the meeting shall be chaired by an officer of the Corporation in accordance with the following order: Chief Executive Officer, President, and Vice President. In the absence of all such officers, the meeting shall be chaired by a person chosen by the vote of a majority in interest of the stockholders present in person or represented by proxy and entitled to vote thereat, shall act as chairman. The Secretary or in his or her absence an Assistant Secretary, or in the absence of the Secretary and all Assistant Secretaries, a person whom the chairman of the meeting shall appoint shall act as secretary of the meeting and keep a record of the proceedings thereof.

The Board of Directors of the Corporation shall be entitled to make such rules and regulations for the conduct of meetings of stockholders as it shall deem necessary, appropriate or convenient. Subject to such rules and regulations of the Board of Directors, if any, the chairman of the meeting shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chairman, are necessary, appropriate or convenient for the proper conduct of the meeting, rules and procedures for maintaining order at the meeting and the safety of those present, limitations on the participation in such meeting to stockholders of record of the Corporation and their duly authorized proxies, and such other persons as the chairman of the meeting shall permit, restrictions on entry to the meeting after the time fixed for the commencement thereof, limitations on the time allotted to questions or comment by participants and regulation of the opening and closing of the polls for balloting on matters which are to be voted on by ballot, unless, and to the extent, determined by the Board of Directors, or the chairman of the meeting, meetings of stockholders shall not be required to be held in accordance with rules of parliamentary procedure.

SECTION 2.12. NO ACTION WITHOUT MEETING. Except where otherwise required by the Iowa Business Corporation Act, no action permitted to be taken by the stockholders of the Corporation under any provision of the Iowa Business Corporation Act and under these Bylaws may be taken without a meeting.

ARTICLE III: DIRECTORS

SECTION 3.01. POWERS. Subject to limitation of the Articles of

Incorporation, of the Bylaws, and of the Iowa Business Corporation Act as to action which shall be authorized or approved by the stockholders, and subject to the duties of directors as prescribed by the Bylaws, all corporate powers shall be exercised by or under the authority of, and the business and affairs of the Corporation shall be managed under the direction of the Board of Directors. Without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared that the directors shall have the following powers, to wit:

(a) To select and remove all the other officers, agents and employees of the Corporation, prescribe such powers and duties for them as may not be inconsistent with law, or with the Articles of Incorporation or the Bylaws, fix their compensation, and require from them security for faithful service.

(b) To conduct, manage and control the affairs and business of the Corporation, and to make such rules and regulations therefor not inconsistent with law, or with the Articles of Incorporation or the Bylaws, as they may deem best.

(c) To change from time to time the registered office for the transaction of the business of the Corporation from one location to another as provided in Section 1.01, hereof; to fix and locate from time to time one or more subsidiary offices of the Corporation within or without the State of Iowa as provided in Section 1.02 hereof; to designate any place within or without the State of Iowa for the holding of any stockholders' meeting or meetings and to adopt, make and use a corporate seal, and to prescribe the forms of certificates of stock, and to alter the form of such seal and of such certificates from time to time, as in their judgment they may deem best, provided such seal and such certificates shall at all times comply with the provisions of law.

(d) To authorize the issuance of shares of stock of the Corporation from time to time, upon such terms as may be lawful, in consideration of money paid, labor done or services actually rendered, debts or securities canceled, or tangible or intangible property actually received, or in the case of shares issued as a dividend, against amounts transferred from surplus to stated capital.

(e) To borrow money and incur indebtedness for the purposes of the Corporation, and to cause to be executed and delivered therefor, in the Corporation name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecation's or other evidence of debt and securities therefor.

SECTION 3.02. NUMBER AND TERM OF OFFICE; REMOVAL.

(a) The number of directors constituting the entire board of directors shall be not less than one nor more than nine as fixed from time to time by vote of a majority of the entire board or directors, provided, however, that the number of directors shall not be reduced so as to shorten the term of any director at the time in office, and provided further, that the number of directors constituting the entire board of directors shall be one until otherwise fixed by a majority of the entire board or directors. Directors shall serve staggered terms and shall be divided into three groups (Groups I, II, and III), as nearly equal in numbers as the then total number of directors constituting the entire Board of Directors permits, with the term of office of one Group expiring each year. To comply with the Iowa Business Corporation Act, the initial term of Group I shall expire at the first annual stockholders' meeting of the Corporation in 2005. At that time, a director, or directors, shall be elected to serve in Group I, and to hold office for a three-year term expiring at the third succeeding annual meeting. The initial term of Group II shall expire at the second annual stockholders' meeting of the Corporation in 2006. At that time, a director, or directors, shall be elected to serve in Group II, and to hold office for a three-year term expiring at the third succeeding annual meeting. The initial term of Group III shall expire at the third annual stockholders' meeting of the Corporation in 2007. At that time, a new director, or directors, shall be elected to serve in Group III, for a three-year term expiring at the third succeeding annual meeting. At each annual stockholders' meeting held thereafter, directors shall be chosen for a term of three years to serve in the Group that has expired at that meeting to succeed those whose terms expire. Any vacancies in the Board of Directors for any reason, and any directorships resulting from any increase in the number of directors, may be

filled by the Board of Directors, acting by a majority of the directors then in office, although less than a quorum, and any directors so chosen shall hold office until the next election of the Group for which such directors shall have been chosen and until their successors shall be elected and qualified. Subject to the foregoing, at each annual meeting of stockholders the successors to the Group of directors whose term shall then expire shall be elected to hold office for a term expiring at the third succeeding annual meeting.

(b) Notwithstanding any other provisions in the Articles of Incorporation or these Bylaws (and notwithstanding the fact that some lesser percentage may be specified by law, in the Articles of Incorporation or in these Bylaws), any director or the entire board of directors of the corporation may be removed at any time, but only for cause and only by the affirmative vote of the holders of 75% or more of the outstanding shares of capital stock of the corporation entitled to vote generally in the election of directors (considered for this purpose as one class) cast at a meeting of the stockholders called for that purpose.

SECTION 3.03. ELECTION OF DIRECTORS. At each meeting of the stockholders for the election of directors, the directors to be elected at such meeting shall be elected by a plurality of votes given at such election.

SECTION 3.04. DIRECTORS ELECTED BY SPECIAL CLASS OR SERIES. To the extent that any holders of any class or series of stock other than common stock issued by the Corporation shall have the separate right, voting as a class or series, to elect directors, the directors elected by such class or series shall be deemed to constitute an additional class of directors and shall have a term of office for one year or such other period as may be designated by the provisions of such class or series providing such separate voting right to the holders of such class or series of stock, and any such class of director shall be in addition to the classes otherwise provided for in the Articles of Incorporation. Any directors so elected shall be subject to removal in such manner as may be provided by law or by the Articles of Incorporation of this Corporation.

SECTION 3.05. VACANCIES. Any vacancy occurring in the Board of Directors for any cause other than by reason of an increase in the number of directors may be filled by a majority of the remaining members of the Board of Directors, although such majority is less than a quorum, or by the stockholders. Any vacancy occurring by reason of an increase in the number of directors may he filled by action of a majority of the entire Board of Directors or by the stockholders. A director elected by the Board of Directors to fill a vacancy shall be elected to hold office until the expiration of the term for which he was elected and until his successor shall have been elected and shall have qualified. A director elected by the stockholders to fill a vacancy shall be elected to hold office until the expiration of the term for which he was elected and until his successor shall have been elected and shall have qualified. The provisions of this Section 3.05 shall not apply to directors governed by Section 3.04.

No reduction of the authorized number of directors shall have the effect of removing any director prior to the expiration of director's term of office. No director shall be removed from office except for cause.

SECTION 3.06. RESIGNATIONS. A director may resign at any time by giving written notice to the Board of Directors or to the Secretary. Such resignation shall take effect at the time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

SECTION 3.07. PLACE OF MEETING. Meetings of the Board of Directors shall be held at any place so designated from time to time by resolution of the Board or by written consent of all members of the Board. In the absence of such designation, meetings shall be held at the principal office of the Corporation.

SECTION 3.08. ANNUAL MEETING. Immediately following each annual meeting of stockholders, or any adjournment thereof, the Board of Directors shall hold a regular meeting for the purpose of organization, election of officers, and the transaction of other business. Notice of such meeting is hereby dispensed with.

SECTION 3.09. OTHER REGULAR MEETINGS. Other regular meetings of the Board of Directors are hereby dispensed with and all business conducted by the

Board of Directors shall be conducted at special meetings.

SECTION 3.10. SPECIAL MEETINGS. Special meetings of the Board of Directors for any purpose or purposes shall be called at any time by the Chairman of the Board, the Chief Executive Officer, the President or, if the Chief Executive Officer and the President are absent or unable or refuse to act, by any Vice President or by any three directors.

Written notice of the time and place of special meetings shall be delivered personally to each director, or sent to each director by mail or by other form of written communication, charges prepaid, addressed to director at director's address as it is shown upon the records of the Corporation, or if it is not so shown on such records or is not readily ascertainable at the place in which the meetings of directors are regularly held. In case such notice is mailed, it shall be deposited in the United States mail in the place in which the principal office of the Corporation is located at least 48 hours prior to the time of the holding of the meeting. In case such notice is delivered personally or telecopied as above provided, it shall be so delivered or telecopied at least 24 hours prior to the time of the holding of the meeting. Alternatively, the Secretary may give notice of the time and place of a special meeting by telephoning each director at least 24 hours prior to the time of holding the meeting. Such mailing, telephoning, telecopying or delivering as above provided shall be due, legal and personal notice to such director.

SECTION 3.11. NOTICE OF ADJOURNMENT. Notice of the time and place of holding an adjourned meeting need not be given to absent directors if the time and place be fixed at the meeting adjourned.

SECTION 3.12. WAIVER OF NOTICE. A director's attendance at or participation in a meeting waives any required notice to the director of the meeting unless the director at the beginning of the meeting, or promptly upon the director's arrival, objects to holding the meeting or transacting business at the meeting because of lack of notice or defective notice, and does not thereafter vote for or assent to action taken at the meeting. The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though had at a meeting duly held after regular call and notice, if a quorum be present, and if, either before or after the meeting, each of the directors not present signs a written waiver of notice, or a consent to holding such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

SECTION 3.13. QUORUM. One-half of the authorized number of directors shall be necessary to constitute a quorum for the transaction of business, except to adjourn as hereinafter provided. Every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board of Directors, unless a greater number be required by law or by the Articles of Incorporation.

SECTION 3.14. ADJOURNMENT. A quorum of the directors may adjourn any directors' meeting to meet again at a stated day and hour; provided, however, that in the absence of a quorum, a majority of the directors present at any directors' meeting, either regular or special, may adjourn from time to time until the time fixed for the next regular or special meeting of the board.

SECTION 3.15. FEES AND COMPENSATION. Directors shall not receive any stated salary for their services as directors, but, by resolution of the board, a fixed fee, with or without expenses of attendance, may be allowed for attendance at each meeting. Nothing herein contained shall be construed to preclude any director from serving the Corporation in any other capacity as an officer, agent, employee, or otherwise, and receiving compensation therefor.

SECTION 3.16. ACTION WITHOUT MEETING. Any action required or permitted to be taken by the Board of Directors under any provision of the Iowa Business Corporation Act and under these Bylaws may be taken without a meeting if all of the directors of the Corporation shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the

Minutes of the proceedings of the Board of Directors. Such action by written consent shall have the same force and effect as the unanimous vote of such directors.

SECTION 3.17. MEETING BY TELECOMMUNICATION. Members of the Board of Directors, or any committee designated by the Board of Directors, may participate in a meeting of the Board or committee by any means of communication by which all persons participating in the meeting can hear each other during the meeting, and participation in a meeting under this Section shall constitute presence in person at the meeting.

ARTICLE IV: COMMITTEES

SECTION 4.01. EXECUTIVE COMMITTEE. The Board of Directors may appoint from among its members an executive committee of not less than two members, one of whom shall be the Chief Executive Officer or President, and shall designate one of such members as chairman. The Board of Directors may also designate one or more of its members as alternates to serve as a member or members of the executive committee in the absence of a regular member or members. The Board of Directors reserves to itself alone the power to amend the Bylaws, declare dividends, issue stock, recommend to stockholders any action requiring their approval, change the membership of any committee at any time, fill vacancies therein, and discharge any committee either with or without cause at any time. Subject to the foregoing limitations, the executive committee shall possess and exercise all other powers of the Board of Directors during the intervals between meetings.

SECTION 4.02. COMPENSATION COMMITTEE. The Board of Directors may appoint a compensation committee of three or more directors, at least a majority of whom shall be neither officers nor otherwise employed by the Corporation. The Board of Directors shall designate one director as chairman of the committee, and may designate one or more directors as alternate members of the committee, who may replace any absent or disqualified member at any meeting of the committee. The committee shall have the power to fix from time to time the compensation of all principal officers of the Corporation (other than the Chairman of the Board, the Chief Executive Officer and the President, whose compensation shall be fixed from time to time by the board) and shall otherwise exercise such powers as may be specifically delegated to it by the board and act upon such matters as may be referred to it from time to time for study and recommendation by the board or the Chief Executive Officer or President.

SECTION 4.03. OTHER COMMITTEES. The Board of Directors may also appoint from among its own members such other committees as the board may determine, which shall in each case consist of not less than two directors, and which shall have such powers and duties as shall from time to time be prescribed by the board. The Chief Executive Officer shall be a member ex officio of each committee appointed by the Board of Directors.

SECTION 4.04. RULES OF PROCEDURE. A majority of the members of any committee may fix its rules of procedure. All action by any committee shall be reported to the Board of Directors at a meeting succeeding such action and shall be subject to revision, alteration, and approval by the Board of Directors; provided that no rights or acts of third parties shall be affected by any such revision or alteration.

ARTICLE V: OFFICERS

SECTION 5.01. OFFICERS. The officers of the Corporation shall be a President, a Vice-President, a Secretary, and a Treasurer. The Corporation may also have, at the discretion of the Board of Directors, a Chairman of the Board, a Chief Executive Officer, a Chief Operating Officer, a Chief Financial Officer, one or more Executive Vice Presidents, one or more additional Vice-Presidents, one or more Assistant Secretaries, one or more Assistant Treasurers, and such other officers as may be appointed in accordance with the provisions of Section 5.03. Any person may hold any or all offices.

SECTION 5.02. ELECTION. The officers of the Corporation, except such officers as may be appointed in accordance with the provisions of Section 5.03 or Section 5.05, shall be chosen annually by the Board of Directors, and each shall hold office until the officer shall die, resign or be removed or otherwise disqualified to serve, or officer's successor shall be elected and qualified.

SECTION 5.03. SUBORDINATE OFFICERS, ETC. The Board of Directors may appoint such other officers as the business of the Corporation may require, each

of whom shall hold office for such period, have such authority and perform such duties as are provided in the Bylaws or as the Board of Directors may from time to time determine.

SECTION 5.04. REMOVAL AND RESIGNATION. Any officer may be removed, either with or without cause, by a majority of the directors at the time in office, at any regular or special meeting of the board, or, except in case of an officer chosen by the Board of Directors, by an officer upon whom such power of removal may be conferred by the Board of Directors.

Any officer may resign at any time by giving written notice to the Board of Directors or to the Chief Executive Officer, or to the President, or to the Secretary of the Corporation. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

SECTION 5.05. VACANCIES. A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in the Bylaws for regular appointments to such office.

SECTION 5.06. CHAIRMAN OF THE BOARD. The Chairman of the Board, if there shall be such an officer, shall, if present, preside at all meetings of the Board of Directors, and exercise and perform such other powers and duties as may be from time to time assigned to the chairperson by the Board of Directors or prescribed by the Bylaws.

SECTION 5.07. PRESIDENT. Unless otherwise determined by the Board of Directors by the election or appointment to the office of Chief Executive Officer of someone other than the person then holding the office of President, the office of President shall include the office of Chief Executive Officer. The President shall preside at all meetings of the stockholders and, in the absence of the Chairman of the Board, at meetings of Directors. He may sign, execute and deliver in the name of the Corporation, powers of attorney, contracts, bonds, and other obligations and shall perform such other duties as may be prescribed from time to time by the Board of Directors.

SECTION 5.08. CHIEF EXECUTIVE OFFICER. The Chief Executive Officer shall be the chief executive and administrative officer of the Corporation. In the absence of the President, he shall perform all the duties of the President. He shall exercise such duties as customarily pertain to the office of Chief Executive Officer and shall have general and active supervision over the property, business and affairs of the Corporation and over its several officers, including the President if the office of President is held by someone other than the Chief Executive Officer. He may appoint officers, agents or employees other than those appointed by the Board of Directors. He may sign, execute and deliver in the name of the Corporation, powers of attorney, contracts, bonds, and other obligations and shall perform such other duties as may be prescribed from time to time by the Board of Directors.

SECTION 5.09. CHIEF OPERATING OFFICER. The Chief Operating Officer shall be the chief operating officer of the Corporation and, subject to the directions of the Board of Directors and the Chief Executive Officer, shall have general charge of the business operations of the Corporation and general supervision over its employees and agents. In the absence of the Chief Executive Officer, he shall perform all the duties of the Chief Executive Officer. Subject to the approval of the Board of Directors and the Chief Executive Officer, he shall employ all employees of the Corporation or delegate such employment to subordinate officers and shall have authority to discharge any person so employed. He shall perform such other duties as the Board of Directors or the Chief Executive Officer shall require. He shall report to the Chief Executive

Officer and the Board of Directors from time to time as the Board of Directors or the Chief Executive Officer may direct. He may sign, execute and deliver in the name of the Corporation, powers of attorney, contracts, bonds, and other obligations and shall perform such other duties as may be prescribed from time to time by the Board of Directors.

SECTION 5.10. EXECUTIVE VICE PRESIDENT. Unless otherwise determined by the Board of Directors by the election to the office of Chief Operating Officer of someone other than the person then holding the office of Executive Vice President, the office of Executive Vice President shall include the office of

Chief Operating Officer. The Executive Vice President shall possess the power and may perform the duties of the President in his absence or disability. He may sign, execute and deliver in the name of the Corporation, powers of attorney, contracts, bonds, and other obligations and shall perform such other duties as may be prescribed from time to time by the Board of Directors.

SECTION 5.11. CHIEF FINANCIAL OFFICER. The Chief Financial Officer shall be responsible to the Board of Directors and the Chief Executive Officer for all the financial affairs of the Corporation, for supervision of all persons, including the Treasurer, engaged in financial activities on behalf of the Corporation, and for financial supervision and control, and internal audit, of the Corporation and any subsidiaries of the Corporation. He may sign, with such other officer(s) as the Board of Directors may designate for the purpose, all bills of exchange or promissory notes of the Corporation. He shall perform such other duties as may be assigned to him by the Board of Directors or the Chief Executive Officer.

SECTION 5.12. VICE PRESIDENTS. The Vice Presidents of the Corporation shall have such powers and perform such duties as may be assigned to them from time to time by the Board of Directors or the Chief Executive Officer. Vice President may be assigned various ranks, such as Senior Vice President, Vice President, Assistant Vice President, and the like. In the absence or disability of the President and the Executive Vice President, the Vice President designated by the Board of Directors shall perform the duties and exercise the powers of the President. A Vice President may sign and execute contracts and other obligations pertaining to the regular course of his duties.

SECTION 5.13. SECRETARY. The Secretary shall keep the minutes of all meetings of the stockholders and of the Board of Directors and to the extent ordered by the Board of Directors, the Chief Executive Officer or the President, the minutes of meetings of all committees. He shall cause notice to be given of meetings of stockholders, of the Board of Directors, and of any committee appointed by the Board. He shall have custody of the corporate seal and general charge of the records, documents, and papers of the Corporation not pertaining to the performance of the duties vested in other officers, which shall at all reasonable times be open to the examination of any director. He may sign or execute contracts with the President, the Chief Executive Officer, the Chief Operating Officer, the Executive Vice President or a Vice President thereunto authorized in the name of the company and affix the seal of the Corporation thereto. He shall perform such other duties as may be prescribed from time to time by the Board of Directors or by the Bylaws. He shall be sworn to the faithful discharge of his duties. Assistant Secretaries shall assist the Secretary and keep and record such minutes of meetings as shall be directed by the Board of Directors.

SECTION 5.14. TREASURER. Unless otherwise determined by the Board of Directors by the election or appointment to the office of Chief Financial Officer of someone other than the person then holding the office of Treasurer, the office of Treasurer shall include the office of Chief Financial Officer. He shall report to the Chief Financial Officer and, in the absence of the Chief Financial Officer, he shall perform all the duties of the Chief Financial Officer. The Treasurer shall have general custody of the collection and disbursement of funds of the Corporation. He shall endorse on behalf of the Corporation for collection all checks, notes, and other obligations, and shall deposit the same to the credit of the Corporation in such bank or banks or depositories as the Board of Directors may designate. He may sign, with such other officer(s) as the Board of Directors may designate for the purpose, all bills of exchange or promissory notes of the Corporation. He shall enter or cause to be entered regularly in the books of the Corporation full and accurate accounts of all monies received and paid by him on account of the Corporation; shall at all reasonable times exhibit his books and accounts to any director of

the Corporation upon application at the office of the Corporation during normal business hours; and whenever required by the Board of Directors, the Chief Executive Officer or the Chief Financial Officer, shall render a statement of his accounts. He shall perform such other duties as may be prescribed from time to time by the Board of Directors or by the Bylaws.

ARTICLE VI: STOCK

SECTION 6.01. CERTIFICATES. Every holder of stock represented by

certificates and, upon request, every holder of uncertificated shares, if any, shall be entitled to have a certificate signed by or in the name of the Corporation by the Chairman of the Board of Directors, if any, or Chief Executive Officer, the President or a Vice President, and by the Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary, of the Corporation, representing the number of shares registered in certificate form. Any or all of the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent, or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if he or she were such officer, transfer agent or registrar at the date of issue.

SECTION 6.02. TRANSFER OF SHARES. The shares of stock of the Corporation shall be transferable only upon its books by the holders thereof in person or by their duly authorized attorneys or legal representatives, and upon such transfer the old certificates shall be surrendered to the Corporation by the delivery thereof to the person in charge of the stock transfer books and ledgers, or to such other person as the Board of Directors may designate, by whom they shall be canceled, and new certificates shall thereupon be issued. A record shall be made of each transfer.

SECTION 6.03. LOST, STOLEN OR DESTROYED STOCK CERTIFICATES; ISSUANCE OF NEW CERTIFICATES. The Corporation may issue a new certificate of stock in the place of any certificate therefore issued by it, alleged to have been lost, stolen or destroyed, and the Corporation may require the owner of the lost, stolen or destroyed certificate, or his or her legal representative, to give the Corporation a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate.

SECTION 6.04. TRANSFER AGENT. The Board of Directors shall have power to appoint one or more transfer agents and registrars for the transfer and registration of certificates of stock of any class.

ARTICLE VII: INDEMNIFICATION OF DIRECTORS AND OFFICERS

SECTION 7.01. INDEMNIFICATION. Each person who was or is made a party or is threatened to be made a party or is involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter a "proceeding"), by reason of the fact that he or she, or a person of whom he or she is the legal representative, is or was a director or officer, of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, whether the basis of such proceeding is alleged action in an official capacity as a director, officer, employee or agent or in any other capacity while serving as a director, officer, employee or agent, shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the Iowa Business Corporation Act, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than said law permitted the Corporation to provide prior to such amendment), against all expense, liability and loss (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by such person in connection therewith and such indemnification shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of his or her heirs, executors and administrators; provided, however, that, except as provided in paragraph (b) hereof, the Corporation shall indemnify any such person seeking indemnification in connection with a proceeding (or part thereof) initiated by such person only if such proceeding (or part thereof) was

authorized by the Board of Directors of the Corporation. The right to indemnification conferred in this Section shall be a contract right and shall include the right to be paid by the Corporation the expenses incurred in defending any such proceeding in advance of its final disposition: provided, however, that, if the Iowa Business Corporation Act requires, the payment of such expenses incurred by a director or officer in his or her capacity as a director or officer (and not in any other capacity in which service was or is rendered by such person while a director or officer, including, without

limitation, service to an employee benefit plan) in advance of the final disposition of a proceeding, shall be made only upon delivery to the Corporation of an undertaking, by or on behalf of such director or officer, to repay all amounts so advanced if it shall ultimately be determined that such director or officer is not entitled to be indemnified under this Section or otherwise. The Corporation may, by action of its Board of Directors, provide indemnification to employees and agents of the Corporation with the same scope and effect as the foregoing indemnification of directors and officers.

SECTION 7.02. RIGHT TO SUE. If a claim under Section 7.01 is not paid in full by the Corporation within thirty days after a written claim has been received by the Corporation, the claimant may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim and, if successful in whole or in part, the claimant shall be entitled to be paid also the expense of prosecuting such claim. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition where the required undertaking, if any is required, has been tendered to the Corporation) that the claimant has not met the standards of conduct which make it permissible under the Iowa Business Corporation Act for the Corporation to indemnify the claimant for the amount claimed, but the burden of proving such defense shall be on the Corporation. Neither the failure of the Corporation (including its Board of Directors, independent legal counsel, or its stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he or she has met the applicable standard of conduct set forth in the Iowa Business Corporation Act, nor an actual determination by the Corporation (including its Board of Directors, independent legal counsel, or its stockholders) that the claimant has not met such applicable standard or conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard or conduct.

SECTION 7.03. NON-EXCLUSIVITY OF RIGHTS. The rights conferred on any person in Sections 7.01 and 7.02 shall not be exclusive of any other right which such persons may have or hereafter acquire under any statute, provision of the Articles of Incorporation, these Bylaws, agreement, vote of stockholders or disinterested directors, or otherwise.

SECTION 7.04. INSURANCE. The Corporation may maintain insurance to the extent reasonably available at commercially reasonable rates (in the judgment of the Board of Directors), at its expense, to protect itself and any such director, officer, employee or agent of the Corporation or another corporation, partnership, joint venture, trust or other enterprise against any such expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the Iowa Business Corporation Act.

SECTION 7.05. EFFECT OR AMENDMENT. Any amendment, repeal or modification of any provision of this Article VII which reduces or eliminates the rights of any director, officer, employee or agent under this Article VII shall apply only to acts, omissions, events or occurrences that take place after the effectiveness of such amendment, repeal or modification, regardless of when any action, suit or proceeding is commenced, and shall not affect the rights of any director, officer, employee or agent with respect to acts, omissions, events or occurrences that take place prior to the effectiveness of such amendment, repeal or modification.

ARTICLE VIII: MISCELLANEOUS

SECTION 8.01. FISCAL YEAR. The fiscal year of the Corporation shall be December 31st. It may be changed by resolution of the Board of Directors.

SECTION 8.02. SEAL. The corporate seal shall have the name of the Corporation inscribed thereon and shall be in such form as may be approved from time to time by the Board of Directors.

SECTION 8.03. WAIVER OF NOTICE OF MEETINGS OF STOCKHOLDERS, DIRECTORS AND COMMITTEES. Any written waiver of notice, signed by the person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a

waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of any regular or special meeting of the stockholders, directors, or members of a committee of directors need be specified in any written waiver of notice.

SECTION 8.04. INTERESTED DIRECTORS. Any director or officer individually, or any partnership of which any director or officer may be a member, or any corporation or association of which any director or officer may be an officer, director, trustee, employee or stockholder, may be a party to, or may be pecuniarily or otherwise interested in, any contract or transaction of the Corporation, and in the absence of fraud no contract or other transaction shall be thereby affected or invalidated. Any director of the Corporation who is so interested, or who is also a director, officer, trustee, employee or stockholder of such other corporate or association or a member of such partnership which is so interested, may be counted in determining the existence of a quorum at any meeting of the Board of Directors of the Corporation which shall authorize any such contract or transaction, and may vote thereat to authorize any such contract or transaction, with like force and, affect as if he were not such director, officer, trustee, employee or stockholder of such other corporation or association or not so interested or a member of a partnership so interested; provided that in case a director, or a partnership, corporation or association of which a director is a member, officer, director, trustee or employee is so interested, such fact shall be disclosed or shall have been known to the Board of Directors or a majority thereof. This paragraph shall not be construed to invalidate any such contract or transaction which would otherwise be valid under the common and statutory law applicable thereto.

SECTION 8.05. FORM OF RECORDS. Any records maintained by the Corporation in the regular course of its business, including its stock ledger, books of account, and minute books, may be kept on, or be in the form of, magnetic media, photographs, microphotographs, or any other information storage device, provided that the records so kept can be converted into clearly legible form within a reasonable time. The Corporation shall so convert any records so kept upon the request of any person entitled to inspect the same.

SECTION 8.06. AMENDMENT OF BYLAWS. In furtherance and not in limitation of the powers conferred by the laws of the State of Iowa, the Board of Directors is expressly authorized and empowered to adopt, amend, alter, change, rescind and repeal the Bylaws of the Corporation in whole or in part. Except where the Articles of Incorporation of the Corporation requires a higher vote, the Bylaws of the Corporation may also be adopted, amended, altered, changed, rescinded or repealed in whole or in part at any annual or special meeting of the stockholders by the affirmative vote of two-thirds of the shares of the Corporation outstanding and entitled to vote thereon.

SECTION 8.07. REPRESENTATION OF SHARES OF OTHER CORPORATIONS. The Chief Executive Officer, the President or any Vice-President of this Corporation are authorized to vote, represent and exercise on behalf of this Corporation all rights incident to any and all shares of any other corporation or corporations standing in the name of this Corporation. The authority herein granted to said officers to vote or represent on behalf of this Corporation any and all shares held by this Corporation in any other corporation or corporations may be exercised either by such officers in person or by any person authorized so to do by proxy or power of attorney duly executed by said officers.

Exhibit 4.1

COMMON STOCK PURCHASE WARRANTS

GREEN PLAINS RENEWABLE ENERGY, INC.

Incorporated Under the Laws of the State of Iowa

No. - _____ _____ Common Stock Purchase Warrants

CERTIFICATE FOR COMMON STOCK PURCHASE WARRANTS

GREEN PLAINS RENEWABLE ENERGY, INC., a Iowa corporation (the "Company"), for value received, hereby certifies that _____, or registered assigns (the "Holder"), is the registered owner of the above indicated number of Warrants. One (1) Warrant entitles the Holder to purchase one (1) share of the Company's common stock, $.001 par value (the "Common Stock"). The Common Stock issuable upon an exercise of this Warrant is sometimes herein referred to as the "Warrant Stock" and the shares of such Warrant Stock are sometimes herein referred to as the "Warrant Shares."

1. Purchase Price. The purchase price (the "Exercise Price") per share for the Warrant Stock shall be $30.00 per share, subject to adjustment hereunder, tendered to the Company as provided in Section 3 hereof.

2. Rights to Exercise. The Holder shall have the right (but not the obligation) to exercise the Warrant, in whole in or in part, to receive the Warrant Stock, subject to adjustment hereunder, at any time on or before December 31, 2006 (the "Exercise Period").

3. Manner of Exercise. In order to exercise this Warrant, the Holder shall surrender this Warrant certificate at the office of the Company, as set forth below, or at such other address within the State of Iowa as the Company shall designate in writing, together with a duly executed exercise form in the form attached hereto and simultaneous payment in full (in cash or by certified or official bank or bank cashier's check payable to the order of the Company or by offset of obligations then owed by the Company to the Holder) of the purchase price for the Warrant Stock.

Upon surrender of this Warrant certificate in conformity with the foregoing provisions, the Company shall promptly deliver to or upon the written order of the Holder a stock certificate or certificates representing the Warrant Stock.

4. Adjustments upon Certain Events.

4.1 Stock Splits, Stock Combinations and Certain Stock Dividends. If the Company shall at any time subdivide or combine its outstanding Common Stock, or declare a dividend in Common Stock or other securities of the Company convertible into or exchangeable for Common Stock, a Warrant shall, after such subdivision or combination or after the record date for such dividend, be exercisable for that number of shares of Common Stock and other securities of the Company that the Holder would have owned immediately after such event with respect to the Common Stock and other securities for which a Warrant may have been exercised immediately before such event had the Warrant been exercised immediately before such event. Any adjustment under this Section 4.1 shall become effective at the close of business on the date the subdivision, combination or dividend becomes effective.

4.2 Adjustment for Reorganization, Consolidation, Merger. In case of any reorganization of the Company (or any other corporation the stock or other securities of which are at the time receivable upon exercise of a Warrant) or in case the Company (or any such other corporation) shall merge into or with

or consolidate with another corporation or convey all or substantially all of its assets to another corporation or enter into a business combination of any form as a result of which the Common Stock or other securities receivable upon exercise of a Warrant are converted into other stock or securities of the same or another corporation, then and in each such case, the Holder of a Warrant, upon exercise of the purchase right at any time after the consummation of such

reorganization, consolidation, merger, conveyance or combination, shall be entitled to receive, in lieu of the shares of Common Stock or other securities to which such Holder would have been entitled had he exercised the purchase right immediately prior thereto, such stock and securities which such Holder would have owned immediately after such event with respect to the shares Common Stock and other securities for which a Warrant may have been exercised immediately before such event had the Warrant been exercised immediately prior to such event.

4.3 Notice. In each case of an adjustment in the Common Stock or other securities receivable upon the exercise of a Warrant, the Company shall promptly notify the Holder of such adjustment. Such notice shall set forth the facts upon which such adjustment is based.

5. Loss, Theft, Destruction, or Mutilation. Upon receipt by the Company of evidence reasonably satisfactory to it of the ownership of and the loss, theft, destruction or mutilation of this Warrant and (in the case of loss, theft, or destruction) of indemnity satisfactory to it (in the exercise of its reasonable discretion), and (in the case of mutilation) upon surrender and cancellation thereof, the Company will execute and deliver, in lieu thereof, a new Warrant in the same form and tenor.

6. Reservation of Shares Issuable on Exercise of Warrant. The Company will at all times reserve and keep available out of its authorized shares, solely for issuance upon the exercise of the Warrant, such shares of its Common Stock and other securities as from time to time shall be issuable upon the exercise of the Warrant.

7. Miscellaneous.

7.1 Governing Law. This Warrant shall be construed in accordance with, and governed by the substantive laws of, the State of Iowa.

7.2 Assignment. The benefit of this Warrant and of the Warrant Stock represented hereby may be assigned and transferred by the Holder and its assigns in accordance with any applicable securities laws and regulations; however, the obligations of the Company and its successors may not be delegated without the prior written consent of the Holder hereof. Subject to the foregoing, this Warrant shall be binding upon and inure to the benefit of the parties and their respective legal representatives, successors, agents, heirs and assigns.

7.3 Enforcement. In the event of a dispute between the parties arising under this Warrant, the party prevailing in such dispute shall be entitled to collect such party's costs and expenses from the other party, including without limitation court costs and reasonable attorneys' fees.

7.4 Notices. All notices, requests, consents and demands shall be given to the Company at 9635 Irvine Bay Court, Las Vegas, NV 89147, and to the Holder at the address shown on the records of the Company as provided by the Holder. All notices, requests, consents and demands shall be given or made by personal delivery, by confirmed air courier, by telecopy or by certified first class mail, return receipt requested, postage prepaid, to the party addressed as aforesaid. If sent by confirmed air courier, such notice shall be deemed to be given on the earlier to occur of the date actually received by the addressee or the business day on which delivery is made at such address as confirmed by the air courier. If mailed, such notice shall be deemed to be given on the earlier to occur of the date actually received by the addressee or the third business day following the date upon which it is deposited in a first-class postage-prepaid envelope in the United States mail addressed to such party's business address. If given by telecopy, such notice shall be deemed to be given on the business day actually received by the addressee.

7.5 Payment of Taxes. The Holder shall pay all documentary, stamp or similar taxes and other government charges that may be imposed with respect to the issuance, transfer or delivery of any Warrant Stock on exercise

of the Warrants. In the event the Warrant Stock are to be delivered in a name other than the name of the Holder of the Warrant Certificate, no such delivery shall be made unless the person requesting the same has paid the amount of any such taxes or charges incident thereto.

7.6 Reduction in Exercise Price at Company's Option. The Company's Board of Directors may, at its sole discretion, reduce the Exercise Price of the Warrants in effect at any time either for the life of the Warrants or any shorter period of time determined by the Company's Board of Directors. The Company shall promptly notify the Registered Holders of any such reduction in the Exercise Price.

IN WITNESS WHEREOF, the Company has caused this Warrant to be duly executed as of the ____ day of _____, 2005.

GREEN PLAINS RENEWABLE ENERGY, INC.,
a Iowa corporation

By: _____
Its: President

GREEN PLAINS RENEWABLE ENERGY, INC.

The following abbreviations, when used in the inscription on the face of this instrument, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common
TEN ENT - as tenants by the entireties
JR TEN - as joint tenants with right of survivorship and not as tenants in common
UNIF TRANS MIN ACT - _____ (Custodian for Minor) as custodian for _____ (name of minor) under the Uniform Transfers to Minors Act

Additional abbreviations may also be used though not in the above list.

FORM OF ASSIGNMENT

(To be Executed by the Registered Holder if He or She Desires to Assign Warrants Evidenced by the Within Warrant Certificate)

FOR VALUE RECEIVED _____ hereby sells, assigns and transfers unto _____ _____ (_____) Warrants, evidenced by the within Warrant Certificate, and does hereby irrevocably constitute and appoint _____ Attorney to transfer the said Warrants evidenced by the within Warrant Certificates on the books of the Company, with full power of substitution.

Dated:_____ _____
Signature

Notice: The above signature must correspond with the name as written upon the face of the Warrant Certificate in every particular, without alteration or enlargement or any change whatsoever.

Signature Guaranteed: _____

SIGNATURE MUST BE GUARANTEED BY A COMMERCIAL BANK OR MEMBER FIRM OF ONE OF THE FOLLOWING STOCK EXCHANGES: NEW YORK STOCK EXCHANGE, PACIFIC COAST STOCK EXCHANGE, AMERICAN STOCK EXCHANGE, OR MIDWEST STOCK EXCHANGE.

FORM OF ELECTION TO PURCHASE

(To be Executed by the Holder if Holder Desires to Exercise Warrants Evidenced by the Warrant Certificate)

To Green Plains Renewable Energy, Inc.

The undersigned hereby irrevocably elects to exercise _____ (_____) Warrants, evidenced by the within Warrant Certificate for, and to purchase thereunder, _____ (_____) full shares of Common Stock issuable upon exercise of said Warrants and delivery of $_____ and any applicable taxes.

The undersigned requests that certificates for such shares be issued in the name of:

PLEASE INSERT SOCIAL SECURITY OR TAX IDENTIFICATION NUMBER

_____

_____

(Please print name and address)

_____

If said number of Warrants shall not be all the Warrants evidenced by the within Warrant Certificate, the undersigned requests that a new Warrant Certificate evidencing the Warrants not so exercised be issued in the name of and delivered to:

_____

(Please print name and address)

_____

Dated: _____ Signature:_____

NOTICE: The above signature must correspond with the name as written upon the face of the within Warrant Certificate in every particular, without alteration or enlargement or any change whatsoever, or if signed by any other person the Form of Assignment hereon must be duly executed and if the certificate representing the shares or any Warrant Certificate representing Warrants not exercised is to be registered in a name other than that in which the within Warrant Certificate is registered, the signature of the holder hereof must be guaranteed.

Signature Guaranteed: _____

SIGNATURE MUST BE GUARANTEED BY A COMMERCIAL BANK OR MEMBER FIRM OF ONE OF THE FOLLOWING STOCK EXCHANGES: NEW YORK STOCK EXCHANGE, PACIFIC COAST STOCK EXCHANGE, AMERICAN STOCK EXCHANGE, OR MIDWEST STOCK EXCHANGE.

Exhibit 5.1

BLACKBURN & STOLL, LC
Attorneys at Law
257 East 200 South, Suite 400
Salt Lake City, Utah 84111

Telephone (801) 521-7900
Fax (801) 521-7965

December 16, 2004

Green Plains Renewable Energy, Inc.
9635 Irvine Bay Court
Las Vegas, Nevada 89147

Re: Registration Statement on Form S-1

Ladies and Gentlemen:

We have acted as counsel to Green Plains Renewable Energy, Inc. (the "Company") in the preparation of a Registration Statement on Form S-1 filed on December 16, 2004, to which this opinion is attached as Exhibit 5.1 (the "Registration Statement"), with the Securities and Exchange Commission (the "Commission"). The Registration Statement relates to the sale of up to 3,800,000 shares the Company's common stock (the "Shares"), par value $.001 per share, and warrants exercisable for up to 950,000 shares of the Company's common stock (the "Warrant Shares"). .

This opinion is an exhibit to the Registration Statement, and is being furnished to you in accordance with the requirements of Item 601(b)(5) of Regulation S-X under the Securities Act of 1933, as amended (the "1933 Act").

In that capacity, we have reviewed the Registration Statement, and other documents, corporate records, certificates, and other instruments for purposes of this opinion.

In such examination, we have assumed the genuineness of all signatures, the legal capacity of natural persons, the authenticity of all documents submitted to us as originals, the conformity of all documents submitted to us as certified, conformed or photostatic copies and the authenticity of the originals of such documents. In making our examination of documents executed by parties other than the Company, we have assumed that such parties had the power, corporate or other, to enter into and perform all obligations thereunder and have also assumed the due authorization by all requisite action, corporate or other, and execution and delivery by such parties of such documents and the validity, binding effect and enforceability thereof. As to any facts material to the opinions expressed herein, we have, to the extent we deemed appropriate, relied upon statements and representations of officers and other representatives of the Company and others.

The law covered by the opinion expressed herein is limited to the Iowa Business Corporation Act and we do not express any opinion herein concerning any other law.

Based upon and subject to the foregoing, and to the limitations, qualifications, exceptions and assumptions set forth herein, we are of the opinion that:

(A) Upon the issuance and sale of the Shares in the manner contemplated by the Registration Statement, and subject to the Company completing all actions and proceedings required on its part to be taken prior to the issuance of the Shares pursuant to the terms of the Registration Statement, including, without limitation, collection of required payment for the Shares, the Shares will be legally and validly issued, fully paid and nonassessable securities of the Company.

(B) Upon the issuance and sale of the Warrant Shares in the manner contemplated by the Registration Statement and the warrant agreement, the Warrants Shares, when issued and delivered against the exercise price therefore in accordance with the other terms set forth in the Registration Statement and

warrant agreement, will be legally and validly issued, fully paid and nonassessable securities of the Company.

In rendering this opinion, we have assumed that the certificates representing the Shares and Warrant Shares and the warrant agreement will conform to the form of specimens examined by us and such certificates and warrant agreements will be duly executed and delivered by the Company.

We hereby consent to being named as counsel to the Company in the Registration Statement, to the references therein to our firm under the caption "Legal Matters" and to the inclusion of this opinion as an exhibit to the Registration Statement.

Very truly yours,

/s/ Blackburn & Stoll, LC

BLACKBURN & STOLL, LC

EXHIBIT 10.1

REAL ESTATE OPTIONS

OPTION AGREEMENT ON HILGER WEST PROPERTY

THIS OPTION AGREEMENT (the "Agreement") is made and entered into as of the 12th day of November, 2005, (the "Commencement Date"), by and between Alberta A. Bryan, Duane Hilger, Power of Attorney ("Optionor"), and Green Plains Renewable Energy, Inc., ("Optionee").

RECITALS

This Agreement is entered into upon the basis of the following facts and intentions:

A. Alberta A. Bryan owns approximately 22.0 acres, more or less, of farm real estate ("Property") located in Fremont County, State of Iowa, described as part of the North 1/2 of the Northwest 1/4 west of ditch, Section 25, Township 69 North, Range 40 West of the 5th PM, Fremont County, Iowa.

B. Pursuant to this Agreement, Optionor intends to grant to Optionee an option to acquire the Property on the terms and conditions set forth below.

NOW, THEREFORE, in consideration of the covenants and conditions hereinafter contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and the promises of the parties, and undersigned agree as follows:

1. RECITATIONS. The above Recitals are incorporated herein by reference and made a part of this agreement.

2. GRANT OF OPTION. For and in consideration of the payment by Optionee to Optionor of the Option Consideration shown in Paragraph 4 below, Optionor hereby grants to Optionee an option (the "Option") to acquire the Property, subject to the provisions, terms, and conditions stated herein.

3. TERM OF OPTION. The term ("Term") of this Option shall commence at 8:00 a.m. on the Commencement Date and shall terminate and lapse for all purposes at 5:00 p.m. Central Time on the 30th day of June, 2005, (the "Expiration Date").

4. OPTION CONSIDERATION PAYMENT. In consideration for the Option herein granted, Optionee hereby agrees to pay to Thien Farm Management, Inc., as Escrow Agent for Optionor, concurrently with the execution and delivery of this Agreement,the amount of $ 1,000.00 (the "Option Consideration Payment").

In the event Optionee fails, for any reason, to timely exercise the Option herein granted, then (except as otherwise set forth in this Agreement) the Option Consideration Payment placed into Escrow shall be distributed to Optionor.

In the event Optionee does exercise the Option contained herein, the Option Consideration Payment placed into Escrow shall be a credit against the total purchase price at closing.

5. EXERCISE OF OPTION. Optionee shall exercise the Option herein granted, if at all, by delivering written notice thereof (the "Notice of Exercise") to Optionor at any time prior to the Expiration Date of the Agreement. The Notice of Exercise must unconditionally state that Optionee is exercising the Option herein granted. On the date of Optionor's receipt of the Notice of Exercise, a binding contract on the terms set forth in this Agreement shall exist between Optionor, as transferor, and Optionee, as transferee, for the acquisition of the property.

6. ACQUISITION CONSIDERATION. The consideration for the acquisition of said Property paid by Optionee shall be $ 7,500.00 per acre, exact acreage to be determined by survey with the survey cost paid by Optionee.

7. ESCROW. If the Option herein granted is timely exercised, then the transfer and conveyance of the Property of Optionor described in Paragraph A of recitations above, shall be consummated through an escrow established with Thien

Farm Management, Inc., with an address of 101 East Graham Avenue, Suite 1, Council Bluffs, Iowa 51503, telephone number 712-328-3477; ATTN: Gary Thien ("Escrow Officer"). Each of the parties shall timely execute and deposit into Escrow such instructions, documents, funds, and instruments as are required by this Agreement or as the Escrow Officer shall reasonably require to consummate the transaction contemplated hereby.

8. Within thirty (30) calendar days of notice by the Optionee to the Optionor of the intent to execute options, Optionor (at its sole cost and expense) shall deliver to Optionee an abstract of title ("Abstract"), with true and correct copies of all documents and instruments referred to therein as exceptions to title to the Property. The Abstract shall bear certification date of not earlier than the Commencement Date hereof. Optionor covenants and warrants that, on the date the Escrow closes, it shall deliver marketable fee simple title in and to the Property to Optionee, free and clear of all liens and encumbrances, including unrecorded liens for labor or materials rendered for or involved in the Property, and subject to no exceptions other than:

a. A lien for real estate taxes and assessments not yet delinquent to be prorated as hereinafter provided;
b. Exceptions to title approved in writing by Optionee after its receipt and review of the Abstract; and
c. The covenants, conditions, and restrictions as described in this Agreement.

In the event Optionee presents any reasonable objection to Optionor's title evidenced by the Iowa Land Title Examination Standards to any condition of title shown by the Abstract, Optionor shall have thirty (30) calendar days to adequately address said condition. If the condition is not adequately addressed (unless otherwise agreed between the parties), Optionee shall have the right to terminate and cancel this Agreement, in which event Escrow (if theretofore opened) shall be closed, this Agreement shall be terminated and canceled, the Option Consideration Payment theretofore received by Optionor (if any) shall immediately be returned to Optionee, and neither party shall have any further obligation or liability one to the other. Upon giving notice of its intent to exercise this option, Optionee shall, within thirty (30) days, tender, transfer and convey the Acquisition Consideration described in Paragraph 6 above.

9. TITLE INSURANCE. At the close of Escrow, the Escrow Officer shall be prepared to issue to Optionee a Title Insurance Company ALTA Owner's Police of Title Insurance, For B 1970 (amended on 10/17/70 and again on 12/6/85) ("Title Policy") in the stated amount of the Purchase Price, showing fee title to the Property vested in Optionee, subject to the exceptions to title specified in Paragraph 8 herein above. The Title Policy shall also include all endorsements available for issuance by the Title Insurance Company that are required by Optionee.

10. CLOSE OF ESCROW.

a. Date for Close of Escrow. Escrow shall close within 180 days of Exercise of Option.
b. Deposit of Documents and Funds by Optionor and Optionee. Optionor and Optionee shall deposit into Escrow the following on or before the date Escrow closes:

(i) A duly executed and acknowledged Warranty Deed conveying Optionor's Property to Optionee, in the form of Exhibit "C" attached hereto and incorporated herein by reference;
(ii) The Title Policy or a written commitment to issue the Title Policies executed by the Title Insurance Company;

(iii) Materials of Optionor and Optionee relating to the Properties to be transferred, all of which shall be made available to Optionor and Optionee outside of Escrow; and
(iv) Such other documents, instruments, and funds as are required or necessary to consummate the transaction described herein and convey Marketable Legal Title in the Property to Optionor and Optionee.

c. Prorations. Except as otherwise provided herein, taxes and other expenses, if any, affecting same shall be prorated as of 11:59 p.m. on the day preceding the date Escrow closes. Liens, mortgages, pre-existing leases, and

assessments encumbering the same, which have been approved by Optionee and Optionor in writing (or have been deemed approved) shall be assumed by Optionee. If, for any reason, any amounts cannot be prorated on the date Escrow closes, they will be prorated outside of Escrow as soon as said amounts may be determined.

d. Closing Costs. Optionee shall pay all (100%) of the premium for the Title Insurance Policy on Optionor's Property. Optionee shall pay all (100%) of any Escrow fees, notary fees, recording costs, and other costs or expenses of Escrow. Optionor shall pay all (100%) of all costs to obtain marketable and clear title, revenue stamps, and other cost normally charged to seller.

11. INSPECTION OF THE PROPERTY: RIGHT OF ACCESS. Parties agree that the other party and its agents shall have access to the properties at all times during the Term hereof for the purpose of conducting at their own expense, any inspections as may be related to the purchase of the Property, and/or related to securing any land use permits or approvals (including environmental and hazardous waste audits and inspections) pertaining to the use, development, or construction of improvements thereon following acquisition of said properties. Both are hereby granted the right but not the obligation to inspect the Property of the other and determine to their own satisfaction the condition of same, including the soil condition, environmental requirements, and the presence or absence of hazardous waste or toxic materials. Provided, however, that the foregoing right of access is subject to the following:

a. Indemnification RE: Third Party Claims. Parties shall indemnify, protect, defend, and hold the other free and harmless from claims and liabilities of any and all kinds asserted by third persons which arise out of or in connection with any inspection of the Properties conducted by or authorized by parties or its servants, agents, invitee, designees, or independent contractors; and

b. Indemnification RE: Damage Claims. Parties shall indemnify, protect, defend, and hold each other free and harmless from any claims and liabilities of any and all kinds, including, without limitation, property damage and mechanics' liens, which may be suffered or incurred by the other, including damage to growing crops set at their fair market value, which may be caused by other parties or its servants, agents, designees, or independent contractors.

12. CROPS. Parties agree that crops planted or growing on the premises at the time of the transfer of the ownership of the respective premises between Optionor and Optionee following an exercise of the Option by Optionee, shall remain the property of the Optionor. Parties further agree that Optionee shall have the right following the closing of escrow to enter upon the property transferred to it to commence construction thereon of improvements contemplated by it, but in such event Optionee shall reimburse Optionor for the fair market value of any planted or growing crops damaged or destroyed by reason of such construction, said value to be determined by an independent appraiser. Parties further agree that the Optionor after closing escrow shall have the continued right to access to the premises transferred to undertake and complete all necessary field work until the crop thereon is harvested.

13. REPRESENTATIONS AND WARRANTIES OF OPTIONOR AND OPTIONEE. Parties hereby represent and warrant to each other as follows:

a. Neither party has received any notice from any person or entity to the effect that the use and operation of the Properties are not currently in full compliance with all applicable environmental, zoning, and land

use laws, and other applicable local, state, and federal laws and regulations, including, without limitation, those laws and regulations relating to use, handling, and disposal of hazardous waste and hazardous substances.

b. Parties, to the best of their knowledge, any tenant or other third parties have not produced, manufactured, discharged, refined, or disposed of on, under, or about the Properties any flammable materials or wastes, toxic materials or wastes (including PCB's) (collectively, "Hazardous Substances").

c. Parties have or will make available to each other, for inspection and copying all of their books and records relating to the title of the subject real estate. Parties agree that all copies of instruments, agreements, and other documents provided by each other are true and correct copies of such instruments, agreements, and documents in their possession.

d. Parties represent that there are no service contracts, maintenance contracts, management contracts, warranties, guarantees, soil report, plans, or similar documents or items relating to the Properties except those that have been specifically disclosed each to each other in writing and true copies of which have been or will be provided to the other.

e. Parties agree that there are no condemnation, environmental, zoning, or other land-use regulation proceedings, either instituted or planned to be instituted, which would affect the Properties, and that parties have not received notice of any special assessment proceedings affecting the Property.

f. Parties represent that there is no litigation pending against either of them or basis therefor that arises out of the ownership of the Properties that might detrimentally affect the use or operation of same or adversely affect the ability to parties to perform their obligations under this Agreement.

g. Optionor represents that it is owner of the real estate described in Exhibit "A"; that this Purchase Agreement and all documents executed by Optionor which are to be delivered to Optionee at the closing are or at the time of the closing will not violate any provisions of any agreement or judicial order of which Optionor is a party or to which Optionor or the Property is subject. Optionee makes the same representations and agrees to the same requirements.

h. Parties agree that at the time of the closing there will be no outstanding contracts made by them for any improvements to their respective Properties which have not been or will not be fully paid for, and parties shall cause to be discharged all mechanics' or materialmen's liens arising from any labor or materials furnished to their respective Properties prior to the time of the closing.

14. LAND USE PLANNING AND COOPERATION. During the Term of this Agreement, parties hereto shall have the right, without other party's prior consent, to transmit any information related to the Property to be acquired respectively, and to file any application with any governmental authority having or asserting jurisdiction over the Property to be acquired, for the purpose of seeking such land use approvals and development or construction authorizations or both and permits (including, without limitations, environmental and zoning or rezoning reviews and proceedings) as parties deem appropriate in the exercise of its sole and absolute discretion. In the event any such transmittal of information, or filing of an application, requires the consent of or signature by or cooperation of the other party, other party hereby represents and warrants that it shall timely provide said consent or signatures and cooperation, or both.

15. NOTICES. Whenever any notice is required or permitted to be given under any provision of this Agreement, such notice shall be in writing, signed by or on behalf of the person giving the notice, and shall be personally delivered, telefaxed, or mailed by prepaid certified or registered mail, return receipt requested, to the person or persons to whom such notice is to be given, addressed to such person as set forth below:

If the Optionee: Gary Thien, Vice President
Green Plains Renewable Energy, Inc.
101 East Graham Ave.
Council Bluffs, Iowa 51503

If the Optionor: Albert A. Bryan % of Duane Hilger
3652 250th Street
Farragut, Iowa 51639

If telefaxed, such notice shall be deemed to have been effectively given twenty-four (24) hours after the date transmitted; if mailed, such notice shall be deemed to have been effectively given upon the earlier to occur of

receipt by the addressee or on the third (3rd) business day following the date of mailing.

16. ATTORNEYS' FEES. In the event any dispute between the parties hereto should result in litigation, the prevailing party shall be reimbursed for all reasonable costs, including but not limited to, reasonable attorney's fees. This provision shall survive the termination or later rescission of this Agreement.

17. MISCELLANEOUS.

a. Invalidity of Provision. If any provision of this Agreement, as applied to either party or to any circumstance, shall be adjudged by a court of competent jurisdiction to be void or unenforceable for any reason, the same shall in no way affect (to the maximum extent permissible by law) any other provision of this Agreement, or the validity or enforceability for this Agreement as a whole.

b. Amendments. No addition to or modification of any provision contained in this Agreement shall be effective unless fully set forth in writing signed by all parties.

c. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same instrument.

d. Governing Law. The interpretation, construction, and performance of this Agreement shall be governed by the laws of the State of Iowa and any question arising thereunder shall be construed or determined according to such law.

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

f. Additional Documents. Parties agree to execute such additional documents, including escrow instructions, as may be reasonable and necessary to carry out the provisions of this Agreement.

g. Entire Agreement. This Agreement, together with the exhibits hereto and the documents referred to herein, constitutes the entire agreement of the parties with respect to the subject matter hereof. Any prior correspondence, memoranda, or agreements are replaced in their entirety by this Agreement, the exhibits hereto, and the documents referred to herein.

h. Time of Essence. Time is of the essence in the performance of each and every provision of this Agreement.

i. Continuation and Survival of Representations and Warranties. All representations and warranties by the respective parties contained herein or made in writing pursuant to this Agreement are intended to

and shall remain true and correct as of the time of close of Escrow, shall be deemed to be material, and shall survive the execution and delivery of this Agreement and the delivery of the deed and transfer of title. All statements contained in any certificate or other instrument delivered at any time by or on behalf of Optionor or Optionee in conjunction with the transaction contemplated hereby shall constitute representations and warranties hereunder.

j. Real Estate Brokers. Each party warrants and represents to the other that each shall indemnify and hold the other party harmless from any dealing with regard to the Properties through or with any licensed real estate broker or other person and specifically with respect to any claim of right to a commission or finder's fee in this transaction or in any transaction related to this transaction.

18. If prior to the exercise of this Option, Optionor expends funds and efforts in anticipation of the 2005 crop season, and Optionee then exercises the Option, Optionee shall reimburse Optionor for all reasonable work and expenses.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and date first above written.

Optionee:

/s/ Gary Thien

Gary Thien, Vice President
Green Plains Renewable Energy, Inc.

Date: November 12, 2005

Optionor:

/s/ Duane Hilger

Albert A. Bryan, By Duane Hilger, POA

Date: November 12, 2005

EXHIBIT 10.2

OPTION AGREEMENT ON HILGER EAST PROPERTY

THIS OPTION AGREEMENT (the "Agreement") is made and entered into as of the 20th day of October, 2005, (the "Commencement Date"), by and between Alberta A. Bryan, Duane Hilger, Power of Attorney ("Optionor"), and Green Plains Renewable Energy, Inc., ("Optionee").

RECITALS

This Agreement is entered into upon the basis of the following facts and intentions:

A. Alberta A. Bryan owns approximately 66.6 acres, more or less, of farm real estate ("Property") located in Fremont County, State of Iowa, described as part of the North 1/2 of the Northwest 1/4 and part of the Northwest 1/4 of the Northwest 1/4 of Section 25, Township 69 North, Range 40 West of the 5th PM, Fremont County, Iowa.

B. Pursuant to this Agreement, Optionor intends to grant to Optionee an option to acquire the Property on the terms and conditions set forth below.

NOW, THEREFORE, in consideration of the covenants and conditions hereinafter contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and the promises of the parties, and undersigned agree as follows:

1. RECITATIONS. The above Recitals are incorporated herein by reference and made a part of this agreement.

2. GRANT OF OPTION. For and in consideration of the payment by Optionee to Optionor of the Option Consideration shown in Paragraph 4 below, Optionor hereby grants to Optionee an option (the "Option") to acquire the Property, subject to the provisions, terms, and conditions stated herein.

3. TERM OF OPTION. The term ("Term") of this Option shall commence at 8:00 a.m. on the Commencement Date and shall terminate and lapse for all purposes at 5:00 p.m. Central Time on the 30th day of June, 2005, (the "Expiration Date").

5. OPTION CONSIDERATION PAYMENT. In consideration for the Option herein granted, Optionee hereby agrees to pay to Thien Farm Management, Inc., as Escrow Agent for Optionor, concurrently with the execution and delivery of this Agreement, the amount of $ 2,000.00 (the "Option Consideration Payment").

In the event Optionee fails, for any reason, to timely exercise the Option herein granted, then (except as otherwise set forth in this Agreement) the Option Consideration Payment placed into Escrow shall be distributed to Optionor.

In the event Optionee does exercise the Option contained herein, the Option Consideration Payment placed into Escrow shall be a credit against the total purchase price at closing.

5. EXERCISE OF OPTION. Optionee shall exercise the Option herein granted, if at all, by delivering written notice thereof (the "Notice of Exercise") to Optionor at any time prior to the Expiration Date of the Agreement. The Notice of Exercise must unconditionally state that Optionee is exercising the Option herein granted. On the date of Optionor's receipt of the Notice of Exercise, a binding contract on the terms set forth in this Agreement shall exist between Optionor, as transferor, and Optionee, as transferee, for the acquisition of the property.

6. ACQUISITION CONSIDERATION. The consideration for the acquisition of said Property paid by Optionee shall be $ 7,500.00 per acre, exact acreage to be determined by survey with the survey cost paid by Optionee.

7. ESCROW. If the Option herein granted is timely exercised, then the transfer and conveyance of the Property of Optionor described in Paragraph A of recitations above, shall be consummated through an escrow established with Thien

Farm Management, Inc., with an address of 101 East Graham Avenue, Suite 1, Council Bluffs, Iowa 51503, telephone number 712-328-3477; ATTN: Gary Thien ("Escrow Officer"). Each of the parties shall timely execute and deposit into escrow such instructions, documents, funds, and instruments as are required by this Agreement or as the Escrow Officer shall reasonably require to consummate the transaction contemplated hereby.

8. Within thirty (30) calendar days of notice by the Optionee to the Optionor of the intent to execute options, Optionor (at its sole cost and expense) shall deliver to Optionee an abstract of title ("Abstract"), with true and correct copies of all documents and instruments referred to therein as exceptions to title to the Property. The Abstract shall bear certification date of not earlier than the Commencement Date hereof. Optionor covenants and warrants that, on the date the Escrow closes, it shall deliver marketable fee simple title in and to the Property to Optionee, free and clear of all liens and encumbrances, including unrecorded liens for labor or materials rendered for or involved in the Property, and subject to no exceptions other than:

a. A lien for real estate taxes and assessments not yet delinquent to be prorated as hereinafter provided;
b. Exceptions to title approved in writing by Optionee after its receipt and review of the Abstract; and
c. The covenants, conditions, and restrictions as described in this Agreement.

In the event Optionee presents any reasonable objection to Optionor's title evidenced by the Iowa Land Title Examination Standards to any condition of title shown by the Abstract, Optionor shall have thirty (30) calendar days to adequately address said condition. If the condition is not adequately addressed (unless otherwise agreed between the parties), Optionee shall have the right to terminate and cancel this Agreement, in which event Escrow (if theretofore opened) shall be closed, this Agreement shall be terminated and canceled, the Option Consideration Payment theretofore received by Optionor (if any) shall immediately be returned to Optionee, and neither party shall have any further obligation or liability one to the other. Upon giving notice of its intent to exercise this option, Optionee shall, within thirty (30) days, tender, transfer and convey the Acquisition Consideration described in Paragraph 6 above.

9. TITLE INSURANCE. At the close of Escrow, the Escrow Officer shall be prepared to issue to Optionee a Title Insurance Company ALTA Owner's Police of Title Insurance, For B 1970 (amended on 10/17/70 and again on 12/6/85) ("Title Policy") in the stated amount of the Purchase Price, showing fee title to the Property vested in Optionee, subject to the exceptions to title specified in Paragraph 8 herein above. The Title Policy shall also include all endorsements available for issuance by the Title Insurance Company that are required by Optionee.

10. CLOSE OF ESCROW.

a. Date for Close of Escrow. Escrow shall close within 180 days of Exercise of Option.
b. Deposit of Documents and Funds by Optionor and Optionee. Optionor and Optionee shall deposit into Escrow the following on or before the date Escrow closes:

(i) A duly executed and acknowledged Warranty Deed conveying Optionor's Property to Optionee, in the form of Exhibit "C" attached hereto and incorporated herein by reference;
(ii) The Title Policy or a written commitment to issue the Title Policies executed by the Title Insurance Company;

(iii) Materials of Optionor and Optionee relating to the Properties to be transferred, all of which shall be made available to Optionor and Optionee outside of Escrow; and
(iv) Such other documents, instruments, and funds as are required or necessary to consummate the transaction described herein and convey Marketable Legal Title in the Property to Optionor and Optionee.

c. Prorations. Except as otherwise provided herein, taxes and

other expenses, if any, affecting same shall be prorated as of 11:59 p.m. on the day preceding the date Escrow closes. Liens, mortgages, pre-existing leases, and assessments encumbering the same, which have been approved by Optionee and Optionor in writing (or have been deemed approved) shall be assumed by Optionee. If, for any reason, any amounts cannot be prorated on the date Escrow closes, they will be prorated outside of Escrow as soon as said amounts may be determined.

d. Closing Costs. Optionee shall pay all (100%) of the premium for the Title Insurance Policy on Optionor's Property. Optionee shall pay all (100%) of any Escrow fees' notary fees, recording costs, and other costs or expenses of Escrow. Optionor shall pay all (100%) of all costs to obtain marketable and clear title, revenue stamps, and other cost normally charged to seller.

11. INSPECTION OF THE PROPERTY: RIGHT OF ACCESS. Parties agree that the other party and its agents shall have access to the properties at all times during the Term hereof for the purpose of conducting at their own expense, any inspections as may be related to the purchase of the Property, and/or related to securing any land use permits or approvals (including environmental and hazardous waste audits and inspections) pertaining to the use, development, or construction of improvements thereon following acquisition of said properties. Both are hereby granted the right but not the obligation to inspect the Property of the other and determine to their own satisfaction the condition of same, including the soil condition, environmental requirements, and the presence or absence of hazardous waste or toxic materials. Provided, however, that the foregoing right of access is subject to the following:

a. Indemnification RE: Third Party Claims. Parties shall indemnify, protect, defend, and hold the other free and harmless from claims and liabilities of any and all kinds asserted by third persons which arise out of or in connection with any inspection of the Properties conducted by or authorized by parties or its servants, agents, invitee, designees, or independent contractors; and

b. Indemnification RE: Damage Claims. Parties shall indemnify, protect, defend, and hold each other free and harmless from any claims and liabilities of any and all kinds, including, without limitation, property damage and mechanics' liens, which may be suffered or incurred by the other, including damage to growing crops set at their fair market value, which may be caused by other parties or its servants, agents, designees, or independent contractors.

12. CROPS. Parties agree that crops planted or growing on the premises at the time of the transfer of the ownership of the respective premises between Optionor and Optionee following an exercise of the Option by Optionee, shall remain the property of the Optionor. Parties further agree that Optionee shall have the right following the closing of escrow to enter upon the property transferred to it to commence construction thereon of improvements contemplated by it, but in such event Optionee shall reimburse Optionor for the fair market value of any planted or growing crops damaged or destroyed by reason of such construction, said value to be determined by an independent appraiser. Parties further agree that the Optionor after closing escrow shall have the continued right to access to the premises transferred to undertake and complete all necessary field work until the crop thereon is harvested.

13. REPRESENTATIONS AND WARRANTIES OF OPTIONOR AND OPTIONEE. Parties hereby represent and warrant to each other as follows:

a. Neither party has received any notice from any person or entity to the effect that the use and operation of the Properties are not currently in full compliance with all applicable environmental, zoning, and land use laws, and other applicable local, state, and federal laws and regulations, including, without limitation, those laws and regulations relating to use, handling, and disposal of hazardous waste and hazardous substances.

b. Parties, to the best of their knowledge, any tenant or other third parties have not produced, manufactured, discharged, refined, or disposed of on, under, or about the Properties any flammable materials or wastes, toxic materials or wastes (including PCB's) (collectively, "Hazardous Substances").

c. Parties have 'r will make available to each other, for inspection and copying all of their books and records relating to the title of

the subject real estate. Parties agree that all copies of instruments, agreements, and other documents provided by each other are true and correct copies of such instruments, agreements, and documents in their possession.

d. Parties represent that there are no service contracts, maintenance contracts, management contracts, warranties, guarantees, soil report, plans, or similar documents or items relating to the Properties except those that have been specifically disclosed each to each other in writing and true copies of which have been or will be provided to the other.

e. Parties agree that there are no condemnation, environmental, zoning, or other land-use regulation proceedings, either instituted or planned to be instituted, which would affect the Properties, and that parties have not received notice of any special assessment proceedings affecting the Property.

f. Parties represent that there is no litigation pending against either of them or basis therefor that arises out of the ownership of the Properties that therefore detrimentally affect the use or operation of same or adversely affect the ability to parties to perform their obligations under this Agreement.

g. Optionor represents that it is owner of the real estate described in Exhibit "A"; that this Purchase Agreement and all documents executed by Optionor which are to be delivered to Optionee at the closing are or at the time of the closing will not violate any provisions of any agreement or judicial order of which Optionor is a party or to which Optionor or the Property is subject. Optionee makes the same representations and agrees to the same requirements.

h. Parties agree that at the time of the closing there will be no outstanding contracts made by them for any improvements to their respective Properties which have not been or will not be fully paid for, and parties shall cause to be discharged all mechanics' or materialmen's liens arising from any labor or materials furnished to their respective Properties prior to the time of the closing.

14. LAND USE PLANNING AND COOPERATION. During the Term of this Agreement, parties hereto shall have the right, without other party's prior consent, to transmit any information related to the Property to be acquired respectively, and to file any application with any governmental authority having or asserting jurisdiction over the Property to be acquired, for the purpose of seeking such land use approvals and development or construction authorizations or both and permits (including, without limitations, environmental and zoning or rezoning reviews and proceedings) as parties deem appropriate in the exercise of its sole and absolute discretion. In the event any such transmittal of information, or filing of an application, requires the consent of or signature by or cooperation of the other party, other party hereby represents and warrants that it shall timely provide said consent or signatures and cooperation, or both.

15. NOTICES. Whenever any notice is required or permitted to be given under any provision of this Agreement, such notice shall be in writing, signed by or on behalf of the person giving the notice, and shall be personally delivered, telefaxed, or mailed by prepaid certified or registered mail, return receipt requested, to the person or persons to whom such notice is to be given, addressed to such person as set forth below:

If the Optionee: Gary Thien, Vice President
Green Plains Renewable Energy, Inc
101 East Graham Ave.
Council Bluffs, Iowa 51503

If the Optionor: Albert A. Bryan % of Duane Hilger
3652 250th Street
Farragut, Iowa 51639

If telefaxed, such notice shall be deemed to have been effectively given twenty-four (24) hours after the date transmitted; if mailed, such notice shall be deemed to have been effectively given upon the earlier to occur of receipt by the addressee or on the third (3rd) business day following the date of mailing.

16. ATTORNEYS' FEES. In the event any dispute between the parties hereto should result in litigation, the prevailing party shall be reimbursed for all reasonable costs, including but not limited to, reasonable attorney's fees. This provision shall survive the termination or later rescission of this Agreement.

17. MISCELLANEOUS.

a. Invalidity of Provision. If any provision of this Agreement, as applied to either party or to any circumstance, shall be adjudged by a court of competent jurisdiction to be void or unenforceable for any reason, the same shall in no way affect (to the maximum extent permissible by law) any other provision of this Agreement, or the validity or enforceability for this Agreement as a whole.

b. Amendments. No addition to or modification of any provision contained in this Agreement shall be effective unless fully set forth in writing signed by all parties.

c. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same instrument.

d. Governing Law. The interpretation, construction, and performance of this Agreement shall be governed by the laws of the State of Iowa and any question arising thereunder shall be construed or determined according to such law.

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

f. Additional Documents. Parties agree to execute such additional documents, including escrow instructions, as may be reasonable and necessary to carry out the provisions of this Agreement.

g. Entire Agreement. This Agreement, together with the exhibits hereto and the documents referred to herein, constitutes the entire agreement of the parties with respect to the subject matter hereof. Any prior correspondence, memoranda, or agreements are replaced in their entirety by this Agreement, the exhibits hereto, and the documents referred to herein.

h. Time of Essence. Time is of the essence in the performance of each and every provision of this Agreement.

i. Continuation and Survival of Representations and Warranties. All representations and warranties by the respective parties contained herein or made in writing pursuant to this Agreement are intended to and shall remain true and correct as of the time of close of Escrow, shall be deemed to be material, and shall survive the execution and delivery of this Agreement and the delivery of the deed and transfer of title. All statements contained in any certificate or other instrument delivered at any time by or on behalf of Optionor or Optionee in conjunction with the transaction contemplated hereby shall constitute representations and warranties hereunder.

j. Real Estate Brokers. Each party warrants and represents to the other that each shall indemnify and hold the other party harmless from any dealing with regard to the Properties through or with any licensed real estate broker or other person and specifically with respect to any claim of right to a commission or finder's fee in this transaction or in any transaction related to this transaction.

18. If prior to the exercise of this Option, Optionor expends funds and efforts in anticipation of the 2005 crop season, and Optionee then exercises the Option, Optionee shall reimburse Optionor for all reasonable work and expenses.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and date first above written.

Optionee:

/s/ Gary Thien

Gary Thien, Vice President
Green Plains Renewable Energy, Inc.

Date: October 20, 2005

Optionor:

/s/ Duane Hilger

Albert A. Bryan, By Duane Hilger, POA

Date: October 20, 2005

Exhibit 10.3

LOI WITH SCIA TO ACQUIRE PROPERTY

LETTER OF INTENT

This Letter of Intent is made and entered into as of the 12th day of November, 2005, by and between Green Plains Renewable Energy, Inc. and the Shenandoah Chamber and Industry Association.

It is the intent of Green Plains Renewable Energy, Inc. to construct an ethanol plant that will produce in excess of 40,000,000 gallons of fuel grade ethanol annually. It is the intent of Green Plains Renewable Energy, Inc. to locate the plant in the North half of Section 25, Township 69 North, Range 40 West of the 5th PM, Fremont County, Iowa.

To accomplish this construction, Green Plains Renewable Energy, Inc. requires the acquisition of two parcels of land owned by the Shenandoah Chamber and Industry Association described as follows:

Parcel 1: 6.8 acres, more or less located north and west of the BNSF Railroad in the Southwest 1/4 of the Northeast 1/4 of Section 25, Township 69 North, Range 40 West of the 5th PM, Fremont County, Iowa.

AND:

Parcel 2: 4.1 acres, more or less located in the Northwest 1/4 of the Northeast 1/4 of Section 25, described as that land south and west of rail spur running form the BNSF Railroad, north and west to the Eaton Mfg. Plant, and east of land owned by Alberta A. Bryan, all in Township 69 North, Range 40 West of the 5th PM, Fremont County, Iowa.

It is agreed by Green Plains Renewable Energy, Inc., and the Shenandoah Chamber and Industry Association, that within 5 days from the date that Green Plains Renewable Energy, Inc. successfully completes and closes its anticipated equity fund drive and secures and closes the debt commitments that it will need to complete construction of the aforementioned ethanol Plant, the Shenandoah Chamber and Industry Association, will transfer its ownership in the above described real estate by Warranty Deed, free from all liens and encumbrances, to Green Plains Renewable Energy, Inc. for $1.00 and other valuable consideration.

In witness thereof, the parties have executed this Letter of Intent on the day and date first written above.

/s/ Gary Thien

Green Plains Renewable Energy, Inc.
By: Gary Thien, Vice President

/s/ Gregg Connell

Shenandoah Chamber and
Industry Association
By: Gregg Connell,
Executive Vice President

/s/ Charles Millburg

Shenandoah Chamber and Industry Association
By: Charles Millburg, President

EXHIBIT 10.4

LETTER OF INTENT WITH FAGEN

Date: November 4, 2004

Parties: Fagen, Inc., a Minnesota Corporation, of Granite Falls, MN ("Fagen") and Green Plains Renewable Energy, Inc. of Las Vegas, Nevada ("Owner")

Owner is an entity organized to facilitate the development and building of a locally-owned 50 MGY gas-fired fuel ethanol plant in the vicinity of Shenandoah, Iowa (the "Facility" or "Project").

Fagen is an engineering and construction firm capable of providing development assistance, as well as designing and constructing the Facility being considered by Owner.

Owner and Fagen agree to use best efforts in jointly developing this Project under the following terms:

1. Owner agrees that Fagen will Design/Build the Facility if determined by Owner to be feasible and if adequate financing is obtained. Should Owner choose to develop or pursue a relationship with a company other than Fagen to provide the preliminary engineering or design-build services for the project, then Owner shall reimburse Fagen for all expenses Fagen has incurred in connection with the Project based upon Fagen's standard rate schedule plus all third party costs incurred from the date of this Letter of Intent. Such expenses include, but are not limited to, labor rates and reimbursable expenses such as legal charges for document review and preparation, travel expenses, reproduction costs, long distance phone cost, and postage. In the event Fagen's services are terminated by Owner, title to the technical data, which may include preliminary engineering drawings and layouts and proprietary process related information, shall remain with Fagen; however, Owner shall have the limited license to use the above described technical data, excluding proprietary process related information, for construction, operation, repair and maintenance of the Project.

If Fagen intentionally or by gross negligence fails or refuses to comply with its commitments contained in this Letter of Intent, Fagen shall absorb all of its own expenses, and Owner shall have the right to terminate the Letter of Intent immediately upon written notice to Fagen, and Owner shall be released from its obligations to pay or reimburse Fagen as described above.

2. Fagen will provide Owner with assistance in evaluating, from both a technical and business perspective:

- Owner organizational options;
- The appropriate location of the proposed Facility; and
- Business plan development.

Fagen assumes no risk or liability of representation or advice to Owner by assisting in evaluating the above. All decisions made regarding feasibility, financing, and business risks are the Owner's responsibility and liability.

3. Fagen agrees to Design/Build the Facility, utilizing ICM, Inc. technology in the plant process, for a lump sum price of

$56,619,000.00. This lump sum price shall remain firm by Fagen to Owner until December 31, 2005, and may be subject to revision by Fagen after such date.

4. Fagen will assist Owner in locating appropriate management for the Facility.

5. Fagen will assist Owner in presenting information to

potential investors, potential lenders, and various entities or agencies that may provide project development assistance.

6. During the term of this Letter of Intent the Owner agrees that Fagen will be the exclusive Developer and Design-Builder for the Owner in connection with matters covered by this Letter of Intent, and Owner shall not disclose any information related to this Letter of Intent to a competitor or prospective competitor of Fagen.

7. This Letter of Intent shall terminate on December 31, 2005 unless the basic size and design of the Facility have been determined and mutually agreed upon, and a specific site or sites have been determined and mutually agreed upon, and at least 10% of the necessary equity has been raised. Furthermore, this Letter of Intent shall terminate on December 31, 2006 unless financing for the Facility has been secured. Either of the aforementioned dates may be extended upon mutual written agreement of the Parties.

8. Fagen and Owner agree to negotiate in good faith and enter into a definitive lump sum design-build agreement, including Exhibits thereto, acceptable to the Parties. Upon execution of such agreement, this Letter of Intent becomes null and void.

9. The Parties agree that this Letter of Intent may be modified only by written agreement by the Parties.

10. This Letter of Intent may be executed in one or more counterparts, each of which when so executed and delivered shall be deemed an original, but all of which taken together constitute one and the same instrument. Signatures which have been affixed and transmitted by facsimile shall be binding to the same extent as an original signature, although the Parties contemplate that a fully executed counterpart with original signatures will be delivered to each Party.

Green Plains Renewable Energy, Inc.	Fagen, Inc.
By: /s/ Barry A. Ellsworth	By: /s/ Wayne Mitchell
---	---
Its: President	Its: Vice President
Date: November 04, 2004	Date: November 04, 2004

Exhibit 10.5

U.S. ENERGY SERVICES, INC.

October 5, 2004

Barry Ellsworth
Green Plains Renewable Energy, Inc.
9635 Irvine Bay Court
Las Vegas, NV 89147

Dear Mr. Ellsworth:

The purpose of this letter is to set forth the understanding and agreement between U.S. Energy Services, Inc. ("U.S. Energy") and Green Plains Renewable Energy, Inc. (GREEN PLAINS) (hereinafter "the Parties").

WHEREAS: GREEN PLAINS is attempting to locate a site that will be suitable, at which, GREEN PLAINS can construct a 45 million dry-mill ethanol plant; and

WHEREAS: U.S. Energy has expertise in negotiating and/or providing for the competitive pricing of natural gas, electricity, and/or coal, and any associated energy facilities and services for such plants; and

WHEREAS: GREEN PLAINS is interested in using the services and expertise of U.S. Energy in helping GREEN PLAINS to negotiate the cost of these services and facilities for the benefit of Green Plains as part of the site selection process and the ongoing energy requirements of the Green Plain's Plant;

NOW THEREFORE, and in consideration of the above, the value and sufficiency of which is hereby acknowledged, the Parties agree as follows:

PROJECT DESCRIPTION: GREEN PLAINS is developing a 45 million gallon per year ethanol plant ("Plant") to be located in southwest Iowa. The Plant will have approximately a four MW peak usage in electricity and will consume approximately 4,500 MMBtu of natural gas per day.

U.S. ENERGY RESPONSIBILITIES: U.S. Energy will provide consulting and energy management services for supplies of natural gas, coal, and electricity for the Plant for the purpose of incorporating the requirements for service and pricing established by GREEN PLAINS for the reasonable operation of the Plant described herein. These services will be provided prior to and during the construction of the Plant ("Construction Period"), and after the Construction Period when the Plant has been placed in service ("Completion Date") subject to the terms of this Agreement. The Completion Date shall be determined when the Plant begins producing ethanol. These services will include but not be limited to the following:

A. Energy Infrastructure Advisory Services Prior to and During the Construction Period

1. Provide an economic comparison of receiving natural gas distribution service. U.S. Energy will provide preliminary engineering cost estimates, route drawings, and project timeline related to constructing pipeline facilities.

   In the event that a direct connect pipeline option is selected, U.S. Energy will submit a tap request to the pipeline. In addition, U.S. Energy will also on behalf of and under the direction of GREEN PLAINS negotiate an option for GREEN PLAINS to minimize interconnect costs through the purchase of firm transportation to the Plant.

2. Determine whether firm, interruptible, or a blend of transportation entitlement will provide the lowest burnertip cost. Factors that will be considered include pipeline credits for the new interconnect, cost of an alternate fuel system, and availability of specific receipt point capacity.

3. Provide advisory services to GREEN PLAINS regarding electric pricing and service agreements.

   a. Analyze the electric service proposals along with primary, secondary and generation options and recommend an electric

sourcing strategy and plan. The plan may include a combination of electric supplier agreement and/or installation of on-site generation.

b. Negotiate final electric service agreements that meet the pricing and reliability requirements of GREEN PLAINS, including options for third party access to electric metering.

c. Prepare and implement a regulatory strategy, if required and if an alternative power supplier is selected. Any attorney fees required for the specific purpose of obtaining regulatory approval for an alternative power supplier, if any, will be over and above U.S. Energy's monthly fee herein, and must be pre-approved by GREEN PLAINS.

4. Evaluate the economics and feasibility of using coal as a fuel source rather than natural gas. Negotiate the acquisition, transportation, storage and other logistics necessary in managing the cost of coal if used as a fuel source.

5. Evaluate the proposed electric distribution infrastructure (substation) for reliability, future growth potential and determination of the division of ownership of facilities between the utility and the Plant.

6. Investigate economic development rates, utility grants, equipment rebates and other utility programs that may be available.

7. Provide a monthly report, at the time of monthly billing to GREEN PLAINS, outlining the tasks completed and the tasks to be completed in the next month(s)and the current status of tasks and activities completed on behalf of GREEN PLAINS to accomplish the goals of GREEN PLAINS.

B. On-Going Energy Management Services Following the Completion Period

U.S. Energy will provide the following services at GREEN PLAINS's request:

1. Provide natural gas supply information to minimize the cost of natural gas purchased. This will include acquiring multiple supply quotes and reporting to GREEN PLAINS the various supply index and fixed prices. U.S. Energy will not take title to GREEN PLAINS gas supplies, but will communicate supply prices and potential buying strategies.

2. Negotiate with pipelines, utilities, other shippers, and suppliers to provide transportation, balancing, and supply agreements that meet GREEN PLAINS's performance criteria at the lowest possible cost.

3. Develop and implement a price risk management plan that is consistent with GREEN PLAINS's pricing objectives and risk profile.

4. Provide daily nominations to the suppliers, pipeline, and other applicable shippers for natural gas deliveries to the Plant. This will include daily electronic confirmations to GREEN PLAINS of all nominations and actual daily usage. U.S. Energy will utilize customer or utility supplied telemetering to obtain actual usage data.

5. Provide a consolidated monthly invoice to GREEN PLAINS that reflects all applicable natural gas and electric energy costs. U.S. Energy will be responsible for reviewing, reconciling and paying all shipper, supplier and utility invoices.

6. Provide a monthly usage report of electric energy consumption and costs. Also, where applicable and available from the utility, obtain monthly interval electric load data and provide monthly load profile graphs.

7. On going review and renegotiation of electric service costs, as required. This may include:

a. Completing and evaluating annual proposals to identify the most reliable and economic third party electric energy supply.

b. Identifying new service tariffs or opportunities to renegotiate the service agreement to provide lower costs.

c. Identifying on-site generation opportunities as market conditions change.

d. Provide a monthly projection of energy (natural gas or coal and electricity) and annual summaries.

8. Evaluate the economics and feasibility of using coal as a fuel source rather than natural gas. Negotiate the acquisition, transportation, storage and other logistics necessary in managing the cost of coal if used as a fuel source.

9. Provide natural gas or coal and electric energy operating budgets for the Plant.

10. Perform initial sales tax exemption audits for energy consumption costs as required and allowed by Iowa tax laws.

In performing the activities described above and throughout this document, U.S. Energy agrees that it will at no time mark up or mark down, for its own benefit, the actual commodity it is negotiating and/or purchasing for and on behalf of GREEN PLAINS, whether it be natural gas, coal, electricity, or any futures or options it may purchase concerning those same commodities, for and on behalf of GREEN PLAINS, in its hedging strategies or risk management programs for the same. U.S. Energy further agrees that GREEN PLAINS shall be permitted to inspect the books and trades n said commodities done by U.S. Energy for and on behalf of GREEN PLAINS at any and all times.

TERM: The initial term of this Agreement shall commence on October 1, 2004 and continue until six (6) months after the Plant's completion date, unless the site at Shenandoah, Iowa, which is the primary location that U.S. Energy is being engaged to work on behalf of GREEN PLAINS, is found to be deficient in anyway in the feasibility study that is to be done by Mr. Marty Ruikka and Pro Exporters on behalf of the lending banks for the Project. In the event the Shenandoah sit is found to be unsuitable, this Agreement shall be suspended until such time as an alternative site is identified and U.S. Energy is directed to provide the services specified in this Agreement for the substitute site. Once U.S. Energy begins activities related to the new site all terms and conditions of this Agreement shall be effective and enforceable. The Agreement shall be month-to-month from that time on. This Agreement may be terminated by either party effective after the initial term upon sixty (60) days prior written notice. GREEN PLAINS shall remain responsible for payment and performance associated with any and all transportation, supply, and storage transactions entered into by U.S. Energy and authorized by GREEN PLAINS, prior to termination.

FEES: U.S. Energy's fee for services described above during the term of this Agreement shall be $2,900 per month, plus pre-approved travel expenses. GREEN PLAINS may defer payment on the invoiced amounts until documents for closing and funding the loans necessary for the plant have been secured. Deferred invoice

amounts shall not bear interest. Plant financing shall be deemed to be secured at the time GREEN PLAINS and its project lender(s) actually execute and deliver all required documents for closing the loans necessary to finance the complete construction of the GREEN PLAINS plant. In the event that plant financing is not secured, this Agreement shall become null and void and both parties will be relieved of professional and/or financial obligations due the other party. Payment of pre-approved travel expenses shall not be deferred. If GREEN PLAINS experiences significant delays in its project timeline and it is necessary for U.S. Energy to delay work on GREEN PLAINS's energy management activities, upon mutual agreement by both parties, U.S. Energy will suspend its activities and suspend invoicing GREEN PLAINS until U.S. Energy's activities resume.

BILLING AND PAYMENT: On the first of the month, U.S. Energy shall invoice GREEN PLAINS for the work completed in the prior month and GREEN PLAINS shall pay U.S. Energy within ten (10) days of receipt of invoice. U.S. Energy will also provide to GREEN PLAINS a consolidated invoice of the Plant's energy costs.

TAXES: GREEN PLAINS will be responsible for payment of all taxes including, but not limited to, all sales, use, excise, BTU, heating value and other taxes associated with the purchase and/or transport of natural gas or coal and electricity and the provision of services hereunder.

CONFIDENTIALITY: U.S. Energy shall not divulge to any other person or party any information developed by U.S. Energy hereunder or revealed to U.S. Energy pursuant to this Agreement, unless such information is (a) already in U.S. Energy's possession and such information is not known by U.S. Energy to be subject to another Confidentiality Agreement, or (b) is or becomes generally available to the public other than as a result of an unauthorized disclosure by U.S. Energy, its officers, employees, directors, agents or its advisors, or (c) becomes available to U.S. Energy on a non-confidential basis from a source which is not known to be prohibited from disclosing such information to U.S. Energy by legal, contractual or fiduciary obligation to the supplier, or (d) is required by U.S. Energy to be disclosed by court order, or (e) is permitted by GREEN PLAINS. All such information shall be and remain the property of GREEN PLAINS unless such information is subject to another Confidentiality Agreement, and upon the termination of this Agreement, U.S. Energy shall return all such information upon GREEN PLAINS's request. Notwithstanding anything to the contrary herein, U.S. Energy shall not disclose any information which is in any way related to this Agreement or U.S. Energy's services hereunder without first discussing such proposed disclosure with GREEN PLAINS.

NOTICES: Any formal notice, request or demand which a party hereto may desire to give to the other respecting this Agreement shall be in writing and shall be considered as duly delivered as of the postmark date when mailed by ordinary, registered or certified mail by said party to the addresses listed below. Either party may, from time-to-time, identify alternate addresses at which they may receive notice during the term of this Agreement by providing written notice to the other party of such alternate addresses.

Green Plains Renewable Energy, Inc.:	Green Plains Renewable Energy, Inc. Attn: Barry Ellsworth 9635 Irvine Bay Court Las Vegas, NV 89147
U.S. Energy: (Payment)	U.S. Energy Services, Inc. c/o US Bank SDS 12-1449 Account #: 173100561153 P.O. Box 86 Minneapolis, MN 55486
(Notices):	U.S. Energy Services, Inc. 1000 Superior Blvd Wayzata, MN 55391 Attn: Gail McMinn

ASSIGNMENT OR AMENDMENT: The Agreement may not be assigned or amended without the written consent of U.S. Energy and GREEN PLAINS.

APPLICABLE LAW: The Agreement shall be construed in accordance with the laws of the State of Iowa.

ENTIRE AGREEMENT: This Agreement constitutes the entire Agreement among the parties pertaining to the subject matter hereof and supersedes all prior Agreements and understanding pertaining hereto.

If the above correctly sets forth GREEN PLAIN's understanding of the Agreement, please so indicate in the spaces below and return both originals to U.S. Energy, Attention: Gail McMinn

Sincerely,

U.S. ENERGY SERVICES, INC.

By: /s/ Gail McMinn (Sign)

Name: Gail McMinn (Print)
Title: Vice President

Date: 10-5-04

ACCEPTED AND DATED TO THIS 5th
DAY OF OCTOBER, 2004.

GREEN PLAINS RENEWABLE ENERGY, INC.

By: /s/ Barry A. Ellsworth (Sign)

Name: Barry A. Ellsworth (Print)
Title: President
Date: 10-5-04

Exhibit 23.1

L.L. Bradford & Company, LLC
3441 S Eastern Avenue
Las Vegas, Nevada 89109

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTANTS

The Board of Directors
Green Plains Renewable Energy, Inc.

We consent to the use in this Registration Statement on Form S-1 of Green Plains Renewable Energy, Inc. of our report dated December 3, 2004, with respect to the balance sheet of Green Plains Renewable Energy, Inc. as of November 30, 2004, and related statements of operations, stockholders' equity, and cash flows for the period from June 29, 2004 (Inception) through November 30, 2004, included herein.

We also consent to the reference to our firm under the headings "Experts".

/s/ L.L. Bradford & Company, LLC

Las Vegas, Nevada
December 15, 2004

EXHIBIT 99.1

GREEN PLAINS RENEWABLE ENERGY
SUBSCRIPTION AGREEMENT

SHARES OF GREEN PLAINS RENEWABLE ENERGY
$10.00 PER SHARE
(WITH ACCOMPANYING WARRANT TO ACQUIRE 1/4 SHARE OF
COMMON STOCK FOR EACH SHARE PURCHASED)

INSTRUCTIONS TO INVESTORS:

You must complete all items and sign this Subscription Agreement. You should read the prospectus in its entirety, including financial statements and appendices, before making an investment decision. Along with the completed and signed Subscription Agreement, you must submit 20% or all of the total subscription price and a Promissory Note for the remaining 80% of the total subscription price (if you are not submitting full payment). The principal balance (if any) will be due in one or more installments upon written notice from us, pursuant to the terms and conditions of the Promissory Note. We will hold all of your subscription payment in an escrow account that we have established at U.S. Bank, Salt Lake City, Utah until we receive and accept subscriptions for the minimum offering amount of $29,667,000. The fact that we deposit your subscription payment does not mean that we have accepted your subscription. If we accept your subscription, one of our officers or directors will countersign a copy of your Subscription Agreement and return it to you. If we reject your subscription, we will promptly return your investment. The initial closing date for the offering will be within 180 days from the date of this prospectus, unless extended by us for up to an additional 90 days, but not past November 29, 2005. This offering will expire 60 days after the minimum offering is raised. We reserve the right to cancel the offering at any time, to reject subscriptions for common stock in whole or in part and to waive conditions to the purchase of securities. See the section entitled "Plan of Distribution--Escrow Procedures" in the prospectus for additional information.

Item 1. Check the appropriate box to indicate form of ownership. If you are a Custodian, Corporation, Partnership or Trust, please provide additional information and documents.

Item 2. Indicate the number of Shares you are purchasing and complete the payment schedule. To participate in this offering, you must purchase a minimum of 1,000 Shares (a $1,000 investment), and in increments of 500 Shares thereafter.

Item 3. You need not be an accredited investor to participate in this offering. However, for state securities law purposes, if you are an accredited investor, please indicate which of the requirements in this Item that you satisfy.

Item 4. Please print the name(s) in which Shares are to be registered and provide your address and telephone number. Check the appropriate box if you are a non-resident alien, a U.S. Citizen residing outside the United States or subject to back up withholding. IRAs and KEOGHS should provide the Taxpayer Identification Number of the account and the Social Security Number of the accountholder. Trusts should provide their Taxpayer Identification Number. Custodians should provide the minor's Social Security Number. All individual investors should provide their Social Security Number. Other entities should provide their Taxpayer Identification Number.

Item 5. Please indicate your state of residence.

Item 6. Please indicate if you are a broker or dealer or an affiliate or associated person of a broker or dealer.

Item 7. You must make the representations and warranties set forth in this Item and sign and date the Subscription Agreement in the space provided.

After following these instructions, return the Subscription Agreement, the Promissory Note (if you are not submitting full payment) and checks to:

_____

_____

The undersigned hereby subscribes for and agrees to purchase the number of Shares (includes warrants exercisable for 1/4 share of common stock for each share purchased) set forth in Item 2. Further, the undersigned, under penalties of perjury, certifies that: (i) the number shown under Item 4 on this Subscription Agreement is his or her correct Taxpayer Identification Number, and (ii) he or she is not subject to back up withholding either because: (a) he or she has not been notified by the Internal Revenue Service ("IRS") that he or she is subject to backup withholding as a result of a failure to report all interest or dividends, or (b) the IRS has notified him or her that he or she is no longer subject to backup withholding (Note: Clause (ii) should be crossed out if the box in Item 4 is checked).

1. Form of Ownership (check one box)

[ ] Individual
[ ] Joint Tenants with Right of Survivorship
(Both signatures must appear in Item 7)
[ ] Custodian for
[ ] Corporation or Partnership
(Corporate Resolutions authorizing purchase or Partnership Agreement must be enclosed)
[ ] IRA
[ ] KEOGH
[ ] Pension or Profit Sharing Plan
[ ] Trust (Signature and title pages of Trust Agreement and all amendments must be enclosed)

Trustee name:_____

Trust date:_____

[ ] Other
[ ] Estate

2. Purchase Information

Number of Shares subscribed:

Purchase price per Share (1): x $10.00

Total subscription price: $

20% minimum initial payment: x 0.2

2

Minimum initial payment due: $ (Include a check for either the "total subscription price" or the "minimum initial payment due" payable to U.S. BANK ESCROW FOR GPRE, INC.

(1) Includes warrants exercisable for 1/4 share of common stock for each share purchased.

Note: If you pay only the minimum initial payment due, the balance of the total subscription price will need to be paid pursuant to the Promissory Note

3. Accredited Investor Status. You need not be an accredited investor to purchase the Shares. However, for state securities law purposes please indicate whether you are an accredited investor by completing the following. If you are not an accredited investor, then check the following box and skip to Item 4.

[ ] Not an accredited investor

If you are an accredited investor, then you hereby represent and warrant that you are an accredited investor because (check all that apply):

INDIVIDUALS

[ ] (a) You are an individual with a net worth, or a joint net worth together with your spouse, in excess of $1,000,000. (In calculating net worth, you may include equity in personal property and real estate, including your principal residence, cash, short-term investments, stock and securities. Equity in personal property and real estate should be based on the fair market value of such property minus debt secured by such property).

[ ] (b) You are an individual that had an individual income in excess of $200,000 in each of the prior two years and reasonably expects an income in excess of $200,000 in the current year.

[ ] (c) You are an individual that had with your spouse joint income in excess of $300,000 in each of the prior two years and reasonably expects joint income in excess of $300,000 in the current year.

[ ] (d) You are a manager or executive officer of GREEN PLAINS RENEWABLE ENERGY, INC.

ENTITIES

[ ] (e) You, if other than an individual, are an entity all of whose equity owners meet one of the tests set forth in (a) through (d) above.

[ ] (f) You are an entity, and are an "Accredited Investor" as defined in Rule 501(a) of Regulation D of the Securities Act of 1933 (the "Act") because (check one or more, as applicable):

[ ] (i) You (or, in the case of a trust, the undersigned trustee) are a bank or savings and loan association as defined in Sections 3(a)(2) and 3(a)(5)(A), respectively, of the Act acting either in your individual or fiduciary capacity.

[ ] (ii) You are an insurance company as defined in Section 2(13) of the Act.

[ ] (iii) You are an investment company registered under the Investment Company Act of 1940 or a business development company as defined in Section 2(a) (48) of that Act.

[ ] (iv) You are a Small Business Investment Company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958.

[ ] (v) You are an employee benefit plan within the meaning of Title I of the Employee Retirement Income Security Act of 1974 and either (check one or more, as applicable):

[ ] (a) The investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company, or registered investment adviser; or

[ ] (b) The employee benefit plan has total assets in excess of $1000,000; or

[ ] (c) The plan is a self-directed plan with investment decisions made solely by persons who are "Accredited Investors" as defined under the 1933 Act.

[ ] (vi) You are a private business development company as defined in Section 202(a) (22) of the Investment Advisers Act of 1940.

[ ] (vii) You have total assets in excess of $1,000,000, were not formed for the specific purpose of acquiring Securities of the Company and are one or more of the following (check one or

more, as applicable):

[ ] (a) an organization described in Section 501(c)(3) of the Internal Revenue Code;

[ ] (b) a corporation;

[ ] (c) a Massachusetts or similar business trust; or

[ ] (d) a partnership.

[ ] (viii) You are a trust with total assets exceeding $1,000,000, which was not formed for the specific purpose of acquiring Securities of the Company and whose purchase is directed by a sophisticated investor as described in Rule 506(b)(2)(ii) of Regulation D of the Act. (IF ONLY THIS RESPONSE IS CHECKED, please contact us to receive and complete an information statement before this subscription can be considered.)

4. Investor Information

Names and addresses will be recorded exactly as printed below.

Name _____

Name of Joint Investor

Address_____

_____

_____
City State Zip Code

Telephone No.: _____ Fax No. (if any):_____

E-mail address (if any):_____

[ ] Check box if you are a non-resident alien

[ ] Check box if you are a U.S. citizen residing outside of the United States

[ ] Check box if you are subject to backup withholding

_____ _____ _____
Investor's Social Security No. Joint Investor's Social Security No. Taxpayer Identification No.

5. State of Residence

_____

6. Relationship to Brokerage Firms

(Please answer the following questions by checking the appropriate response.)

(a) [ ] YES [ ] NO: Are you a manager, officer, partner, branch manager, registered representative, employee, stockholder of, or similarly related to or employed by, a brokerage firm? (IF YES, please contact the Company to provide additional information before submitting your subscription.)

(b) [ ] YES [ ] NO: Is your spouse, father, mother, father-in-law, mother-in-law, or any of your brothers, sisters, brothers-in-law, sisters-in-law or children, or any relative which you support, a

manager, officer, partner, branch manager, registered representative, employee, stockholder of, or similarly related to or engaged by, a brokerage firm? (IF YES, please contact the Company to provide additional information before submitting your subscription.)

(c) [ ] YES [ ] NO: If you are an entity, are any of your managers, officers, partners or 5% owners also managers, officers, partners, branch managers, registered representatives, employees, stockholders of, or similarly related to or employed by a brokerage firm? (IF YES, please contact the Company to provide additional information before submitting this subscription.)

7. Signature of Investor

By signing below, you represent and warrant to us that you:

(i) Have received a copy of GREEN PLAINS RENEWABLE ENERGY, INC.'s prospectus dated _____ , 2005, along with all amendments or supplements thereto (collectively the "Prospectus").

(ii) Are aware that the Prospectus is a part of the Company's Registration Statement on Form S-1, as amended, as filed with the United States Securities and Exchange Commission, that such Registration Statement contains important information, materials and exhibits not included with the Prospectus, that such additional

materials are considered to be material or informative in connection with a decision to acquire the Shares, and you have been directed to and have been informed of the existence of such additional information in the Registration Statement.

(iii) Are a bona fide resident of, and are domiciled in, the state set forth in Item 5 above.

(iv) Agree that if you are paying only the 20% minimum initial payment due, you will pay the remaining 80% of the total subscription price within ten (10) days upon written notice from us, pursuant to the terms and conditions of the Promissory Note.

(v) Understand that for administrative convenience, upon our acceptance of this Subscription Agreement, the issuance of the Shares subscribed for hereunder may be made effective as of a uniform date, as determined by the board of directors, that is different from the date we accept this Subscription Agreement, provided that the effective date must be within 30 days of the date we accept this Subscription Agreement.

(vi) Are purchasing the Shares for your own account, for investment purposes, and not for resale for at least 12 months from the date of the completion of this offering.

ONCE YOU SIGN THIS SUBSCRIPTION AGREEMENT AND SEND IT TO US WITH YOUR CHECK, YOUR SUBSCRIPTION IS IRREVOCABLE. IF YOU ARE NOT SUBMITTING FULL PAYMENT, YOU WILL BE BOUND TO PAY THE REMAINING 80% OF THE TOTAL SUBSCRIPTION PRICE WITHIN TEN (10) DAYS UPON WRITTEN NOTICE FROM US, PURSUANT TO THE TERMS AND CONDITIONS OF THE PROMISSORY NOTE. WE WILL RETURN YOUR INVESTMENT ONLY IF WE REJECT YOUR SUBSCRIPTION OR WE CANNOT SATISFY THE CONDITIONS TO BREAKING ESCROW.

You understand that we are relying on the representations, warranties and other information set forth in this Subscription Agreement with respect to the offer and sale of the Shares. By signing below, you certify that all information provided in this Subscription Agreement is accurate and complete as of the date listed below.

Individuals:

_____

_____

_____
Signature of Investor

Entities:

_____
Name of Entity

_____

_____ _____
Signature of Joint Investor Authorized Signature

_____

_____ _____
Date Print Name
Its:_____

_____
Date

Have you included the following with this Subscription Agreement:

[ ] Check for payment of 20% or 100% of the total subscription price made payable to "US BANK ESCROW FOR GPRE, INC.?

[ ] Completed and signed Promissory Note for the remaining 80% of the total subscription price (if you are not submitting full payment)?

ACCEPTANCE

The above Subscription Agreement for the purchase of Shares is accepted as of this _____ day of _____ , 2005.

GREEN PLAINS RENEWABLE ENERGY, INC.

By:_____

Its_____

ATTACHMENT

(FORM OF PROMISSORY NOTE)

Number of Shares subscribed:

Purchase price per Share: x $10.00

Total subscription price: $

80% deferred payment: x 0.8

Principal balance: $

For value received, the undersigned, pursuant to the undersigned's subscription agreement (the "Subscription Agreement") to purchase the above Shares of Green Plains Renewable Energy, Inc., an Iowa Corporation (the "Company"), hereby promises to pay in lawful money of the United States of America, the principal sum of $ ("Principal Balance").

1. Payments.

(a) The Principal Balance shall be due and payable in one or more installments as specified in a written notice from the Company ("Call Notice"), but not less than ten (10) days from the date of the notice; provided, however, that the Company may not issue the Call Notice until it receives subscription agreements for at least $29,667,000 in connection with its initial public offering of Shares (the "Offering"). The date(s) and amount(s) of payments due shall be as specified in the Call Notice. All payments shall be made payable to

the order of "US Bank, Escrow for GPRE, Inc." unless the Call Notice states that the Company has closed on at least the minimum amount offered in the Offering, in which case payments shall be made as specified in the Call Notice.

(b) In the event the undersigned fails to make any payment of the Principal Balance when due (as specified in the Call Notice), interest shall accrue on such payment amount at the rate of 8% per annum from the due date, and be due and payable as of the last day of the calendar month in which incurred.

2. Default. In the event the undersigned fails to make any payment of principal or interest under this Promissory Note when due, the undersigned acknowledges and agrees that:

(a) The Company may commence legal proceedings to collect the amounts due, and shall be entitled to collect from the undersigned all of its costs and expenses of collection or enforcement including, but not limited to, reasonable attorneys' fees and expenses; and

(b) The Company may retain the entire subscription payment remitted pursuant to the Subscription Agreement as liquidated damages, and redeem any Shares then already issued with respect to the Subscription Agreement, in exchange for canceling this Promissory Note.

3. Notices. All notices, requests, consents and demands shall be made in writing and shall be delivered by facsimile or by hand, sent via a reputable nationwide overnight courier service or mailed by first class certified or registered mail, return receipt requested, postage prepaid, if to the undersigned at the fax number or address of such undersigned as shown on the books of the Company, or if to the Company at the following fax number or address, or to such other fax number or address as may be furnished in writing to the undersigned: GREEN PLAINS RENEWABLE ENERGY, INC. 101 East Graham Avenue, Council Bluffs, Iowa Shenandoah, Iowa 51503, phone number: (712) 328-3477; fax number: (712) 328-3621. Notices, etc. shall be deemed delivered upon

confirmation of facsimile transmission, upon personal delivery, one business day after being sent via reputable nationwide overnight courier service, or three business days after deposit in the mail.

4. Modification and Waiver. No purported amendment, modification or waiver of any provision hereof shall be binding unless set forth in a written document signed by the undersigned and the Company (in the case of amendments or modifications) or by the party to be charged thereby (in the case of waivers). Any waiver shall be limited to the provision hereof in the circumstances or events specifically made subject thereto, and shall not be deemed a waiver of any other term hereof or of the same circumstance or event upon any reoccurrence thereof.

5. Successors and Assigns. All the terms and provisions of this Promissory Note shall be binding upon and inure to the benefit of and be enforceable by the respective successors and assigns of the undersigned and the Company, whether or not so expressed.

6. Waiver of Demand, Presentment and Notice of Dishonor. The undersigned hereby waives demand, presentment, protest, notice of protest and notice of dishonor, and any and all other notices or demands in connection with the delivery, acceptance, performance or default hereof.

7. Applicable Law. The laws of the State of Iowa, without regard to its conflicts of law principles, shall govern the validity, the construction and the interpretation of the rights and duties of the parties.

IN WITNESS WHEREOF, the undersigned has executed this Promissory Note as of the date set forth below.

Individuals:	Entities:
_____	_____
Signature of Investor	Name of Entity
_____	_____
Signature of Joint Investor	Authorized Signature

______________________________ Date

___________________________________ Print Name

Its:_______________________________

Date:______________________________

Exhibit 99.2

ESCROW AGREEMENT

THIS AGREEMENT (this "Agreement") is entered into as of this 30th day of November, 2004, by and between Green Plains Renewable Energy, Inc. (the "Company") and U.S. Bank National Association (the "Escrow Agent"), a national banking association.

RECITALS

A. The Company is conducting a public offering of units (the "Units") at a price of ten thousand dollars ($10,000) per Unit, each Unit consisting of one thousand (1000) shares of its common stock (the "Shares"), under applicable state and Federal laws and regulations (the "Offering"). Subscribers purchasing at least one (1) initial Unit may be allowed to purchase half Units consisting of 500 shares of the Company's common stock thereafter.

B. The Company wishes to assure those who subscribe for Units (the "Subscriber") that the Subscribers' monies will be released to the Company (i) only if and when not less than twenty nine million, six hundred, sixty seven thousand dollars ($29,667,000) (the "Threshold Amount") in subscriptions, representing sufficient Units to meet the Threshold Amount, are accepted by the Company from the sale of Shares; and (ii) the Company has obtained a commitment letter for financing construction of the ethanol plant; and (iii) there shall not be any legal orders prohibiting the Offering or release of funds from escrow, or orders from the United States Securities and Exchange Commission revoking the effectiveness of the Registration Statement related to the Offering; and (iv) upon the direction of the Company;

C. The Company desires to provide for the safekeeping of the proceeds of the Offering until such time as subscriptions for Shares totaling the Threshold Amount (or such greater amount as the Company may direct in writing) have been received, and a commitment letter for financing the construction of the ethanol plant has been received by the Company, and upon the direction of the Company, or until such time as Escrow Agent is required to pay and return such proceeds to the Subscribers upon the terms hereinafter provided.

AGREEMENT

1. Deposit and Disbursement.

a. Escrow Agent hereby agrees to receive and disburse the proceeds from the offering of the Shares and any interest earned thereon in accordance with the terms of this Agreement.

b. The Company or its authorized placement agents, on behalf of the Subscribers, shall from time to time cause to be wired or deposited with Escrow Agent all proceeds received from sales of Units to be placed in an escrow account at Escrow Agent designated as the GPRE Escrow Account (the "Escrow Account") until the Threshold Amount (or such greater amount as the Company may direct in writing) has been deposited in said account. All proceeds are to be deposited in the Escrow Account within five (3) business days after receipt by Escrow Agent.

c. As deposits are made in the Escrow Account, Company shall cause to be delivered to Escrow Agent with each such deposit a list showing the name, address, and tax identification number of each Subscriber together with a copy of a fully completed subscription agreement for each Subscriber. Escrow Agent shall keep a current list of the persons who have subscribed for the Shares and deposited money, showing name, date, address and amount of each subscription. All funds so deposited shall remain the property of the

Subscribers, subject to the provisions of Paragraph 5 hereof. Escrow Agent shall promptly forward to the Company any subscription agreements which it may receive directly from Subscribers.

d. If the Company rejects any subscriptions for which Escrow Agent has already collected funds, Escrow Agent shall promptly issue a refund check to the rejected Subscriber in the amount of the original deposit collected from such Subscriber. If the Company rejects any subscription for which Escrow Agent has not yet collected funds but has submitted the Subscriber's check for

collection, Escrow Agent shall promptly remit the Subscriber's check directly to the Subscriber.

e. In the event that the Threshold Amount is not deposited with Escrow Agent on or before November 29, 2005, as set forth in the Company's Prospectus (unless that date is extended in accordance therewith and the Escrow Agent has been notified by the Company of such extension), a copy of which has been attached as Exhibit B hereto, Escrow Agent shall promptly return the funds which have been deposited in the Escrow Account to the Subscribers, in the amount and to the addresses as shown on its records, without interest earned. If the Offering is terminated due to the failure to fulfill Threshold amount by Green Plains Renewable Energy, Inc., Escrow Agent will inform the Company of the total amount of interest earned on funds deposited with Escrow Agent, and pay said interest to the Company.

f. Upon receipt of (i) the Threshold Amount (or such greater amount as the Company may direct in writing); and (ii) written confirmation that the Company has received a commitment letter for financing the construction of the ethanol plant; and (iii) written confirmation from the Company that funds may be released from escrow, Escrow Agent shall release the escrow funds, less accumulated interest income and any unpaid fees and expenses, to the Company. Interest income shall be distributed to the Company. At the Company's option, it may continue to deposit proceeds from the sale of additional Shares (after receipt an/or distribution of the Threshold Amount or any greater amount as directed in writing by the Company) and to direct the disbursement from time to time of funds so deposited after subscriptions for the Threshold Amount have been received.

2. Responsibilities and Obligations of Escrow Agent.

a. Escrow Agent assumes no responsibilities, obligations, or liabilities except those expressly provided for in this Agreement as follows:

(1) Escrow Agent shall have no responsibility, obligation or liability to any person with respect to any action taken, suffered or omitted to be taken by it in good faith under this Agreement and shall in no event be liable hereunder except for its gross negligence or willful misconduct.

(2) Notwithstanding anything herein to the contrary, no reference in this Agreement to any other agreement shall be construed or deemed to enlarge the responsibilities, obligations, or liabilities of Escrow Agent set forth in this Agreement, and Escrow Agent is not charged with knowledge of any other agreement.

b. Escrow Agent shall be protected in relying upon the truth of any statement contained in any requisition, notice, request, certificate, approval, consent or other proper paper, and in acting on any such document, which on its face and without inquiry as to any other facts, appears to be genuine and to be signed by the proper party or parties, and is entitled to believe all signatures are genuine and that any person signing any such paper who claims to be duly authorized is in fact so authorized.

c. Escrow Agent shall be entitled to act on any instruction given to it in writing and signed by an authorized signatory of the Company and shall be fully protected in doing so.

d. Escrow Agent shall be entitled to act in accordance with any court order or other final determination by any governmental authority with jurisdiction of any matter arising hereunder.

e. Escrow Agent shall have no responsibility for, and makes no representation as to the value, validity or genuineness of any article, asset or

document deposited with Escrow Agent in the Escrow Account under this Agreement, provided that it will give notice to the Company of any check for money not credited and the reason stated therefore and of any discrepancy with respect to the value, validity or genuineness of any article, asset or document so deposited if and when it has actual knowledge thereof.

f. Escrow Agent shall have no responsibility to make payments out of the Escrow Account for any amount in excess of the amount of collected funds deposited in the Escrow Account, together with any interest earnings thereon, at the time any payment is to be made.

g. If any controversy arises between the parties hereto or with any third person relating to the Escrow Account, Escrow Agent shall not be required to resolve the same or to take any action to do so, but may, at its discretion, institute such interpleader or other proceedings as it deems proper. Escrow Agent may rely on any joint written instructions as to the disposition of funds, assets, documents or other assets held in escrow hereunder.

h. Escrow Agent may execute any of its powers or responsibilities hereunder and exercise any of its rights hereunder either directly or by or through its agents or attorneys. Nothing in this Agreement shall be deemed to impose upon Escrow Agent any duty to qualify to do business or to act as a fiduciary or otherwise in any jurisdiction. Escrow Agent shall not be responsible for and shall not be under a duty to examine or pass upon the validity, binding effect, execution or sufficiency of the Agreement or of any agreement amendatory of supplemental hereto or of any other agreement.

3. Investment of Escrow Funds.

The Escrow Agent shall invest funds in the triple "A" rated First American Treasury Obligations Money Fund (Class D). The Company hereby confirms receipt of the First American Funds prospectus. The Company further acknowledges that the fund investment advisor, custodian, distributor and other service providers as described in the prospectus are affiliates of U.S. Bank National Association, and investment in the fund includes approval of the fund's fees and expenses as detailed in the prospectus, including advisory and custodial fees and shareholder service expenses (which may be so called 12b-1 shareholder service fees), which fees and expenses are paid to U.S. Bank National Association, or subsidiaries of U.S. Bancorp. The shares of the funds are not deposits or obligations of, or guaranteed by, any bank including U.S. Bank National Association, or any of their affiliates, nor are they insured by the Federal Deposit Insurance Commission, the Federal Reserve Board or any other agency. The investment in the fund involves investment risk, including possible loss of principal. Interest earned on the Escrow Account will be the property of the Company, unless the Offering is terminated for failure to fulfill the Threshold Amount by November 29, 2005, in which case interest earned will be the property of the Company as provided in Section 1(e) above. All entities entitled to receive interest from the escrow account will provide Escrow Agent with a W-9 or W-8 IRS tax form prior to the disbursement of interest. The Escrow Agent shall not be liable for losses, penalties or charges incurred upon any sale or purchase of any such investment.

4. Compensation of Escrow Agent.

Escrow Agent shall be paid for services hereunder and shall be reimbursed for its out of pocket expenses for fees of counsel in setting up the escrow, all in accordance with the fee schedule attached hereto as Exhibit A. Payment of all fees shall be the responsibility of the Company and may, to the extent of unpaid fees and expenses, be deducted from any property placed within the escrow with Escrow Agent. In the event that Escrow Agent is made a party to litigation with respect to the property held hereunder, or brings an action in interpleader or in the event that the conditions of this escrow are not promptly fulfilled, or Escrow Agent is required to render any service not provided for in this Agreement and fee schedule, or there is any assignment of the interest of this escrow or any modification hereof, Escrow Agent shall be entitled to reasonable compensation for such extraordinary services and reimbursement for all fees, costs, liability and expenses, including reasonable attorneys' fees. Escrow Agent may amend its fee schedule from time to time on sixty (60) days prior written notice to the Company.

5. Indemnification of Escrow Agent.

The Company hereby indemnifies and holds harmless Escrow Agent against any and all claims, losses, and damages it may suffer in connection with its carrying out the terms of this Agreement, including, without limitation, Escrow Agent's unpaid fees and reimbursable expenses, but excluding any loss Escrow Agent may sustain as a result of its gross negligence or willful misconduct. Escrow Agent shall have a lien or right of setoff on all funds, monies or other assets held hereunder to pay all of its fees and reimbursable expenses permitted under this Agreement. The obligations of the Company under this Section 5 shall survive termination for any reason of this Agreement or resignation or removal of Escrow Agent.

6. Termination and Resignation.

a. This Agreement shall terminate when (i) Escrow Agent or its successor or assign receives written notification of termination from the Company including final disposition instructions signed by the Company, and (ii) there occurs the actual final disposition of the monies held in escrow hereunder as provided in this Agreement. The rights and obligations of Escrow Agent shall survive the termination of this Agreement.

b. Escrow Agent may resign at any time and be discharged from its duties as escrow agent hereunder by giving the Company no fewer than twenty (20) days prior written notice thereof. As soon as practicable after its resignation, Escrow Agent shall turn over to a successor escrow agent appointed by the Company all monies held hereunder upon presentation of the document from the Company appointing a successor escrow agent and its acceptance of appointment. If no resignation, Escrow Agent may designate its successor by written notice to the Company so long as any such successor is a bank or trust company. Upon the designation of a successor escrow agent and the delivery to a resigning escrow agent of the document appointing such successor escrow agent and its acceptance of appointment, the resigning escrow agent shall be released from any and all liabilities arising thereafter except as provided in Sections 2(a)(1) and 5 of this Agreement. If no successor escrow agent is appointed by the Company within the twenty (20) day period following such notice of resignation, Escrow Agent reserves the right to forward the matter and all monies and other property held by Escrow Agent pursuant to this Agreement to a court of competent jurisdiction at the expense of the Company.

c. The Company may discharge Escrow Agent and appoint a successor escrow agent hereunder at any time by giving Escrow Agent no fewer than twenty (20) days prior written notice thereof. As soon as practicable after its discharge, Escrow Agent shall turn over to the successor escrow agent appointed by the Company all monies held hereunder upon presentation of the document from the Company appointing such successor escrow agent and its acceptance of appointment. Upon the designation of a successor escrow agent, the delivery to a discharged escrow agent with its obligations pursuant to the immediately preceding sentence, the discharged escrow agent shall be released from any and all liabilities arising thereafter except as provided in Sections 2(a)(1) and 5 of this Agreement.

7. Notices.

All notices provided for herein shall be in writing, shall be delivered by hand or by registered or certified mail shall be deemed given when actually received, and shall be addressed to the parties hereto at their respective addresses, which may be changed by any party from time to time by written notice to all other parties hereto as follows:

a. If to the Company:

Green Plains Renewable Energy, Inc.
9635 Irvine Bay Court
Las Vegas, NV 89147

Attn: Barry Ellsworth
(702) 524-8928
(702) 220-4535 (fax)

b. If to the Escrow Agent: with a copy to:

U.S. Bank Corporate Trust Svcs.
60 Livingston Avenue
EP-MN-WS3T
St. Paul, MN 55107-2292
Attn: Olaleye Fadahunsi
(651) 495-3726
(651) 495-8087 (fax)

U.S. Bank National Association
15 West South Temple, 2nd Floor
Salt Lake City, UT 84101
Attn: Kim Galbraith
(801) 534-6083
(801) 534-6013 (fax)

8. Disclosure.

The parties hereby agree not to use the name of U.S. Bank National Association to imply an association with the Offering other than that of a legal escrow agent.

9. Brokerage Confirmation.

The parties acknowledge that to the extent regulations of the Comptroller of Currency or other applicable regulatory entity grant a right to receive brokerage confirmations of security transactions of the escrow, the parties waive receipt of such confirmations to the extent permitted by law. Escrow Agent shall furnish a statement of security transactions on its regular monthly reports to the Company.

10. Parties Bound.

This Agreement shall extend to and be binding upon the respective successors, representatives, and assigns of the Company and Escrow Agent.

11. Entire Agreement.

This Agreement constitutes the entire agreement of the parties hereto with respect to the subject matter hereof and cannot be modified, amended, supplemented, or changed, nor can any provisions hereof be waived, except by written instrument executed by the parties hereto.

12. Assignment.

Neither party may assign its rights or obligations under this Agreement without the written consent of the other party hereto.

13. Applicable Law.

The Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Utah.

14. Severability.

If at any time subsequent to the date hereof, any provision of this Agreement shall be held by a court of competent jurisdiction to be illegal, void, or unenforceable, such provision shall be of no force or effect, and shall be limited or expanded in scope so as to carry out the intent of the parties as expressed herein to the greatest extent possible. The illegality or unenforceability of any such provision shall have no effect upon and shall not impair the enforceability of any other provision of this Agreement.

15. Counterparts.

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be one and the same instrument. The exchange of copies of this Agreement and of signature pages by facsimile transmission shall constitute effective execution and delivery of this Agreement as to the parties and may be used in lieu of the original Agreement for all purposes. Signatures of the parties transmitted by facsimile shall be deemed to be their original signatures for all purposes.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

COMPANY

By /s/ /s/ Barry Ellsworth

Title President

U.S. BANK NATIONAL ASSOCIATION, as Escrow Agent

Name: /s/

Title: _____

EXHIBIT A

Schedule of Fees for Services as
Escrow Agent

For

Green Plains Renewable Energy,Inc.
Sbuscription Escrow

Administrative Fees Billed One Time

04480

Escrow Agent, One Time	$1,000.00
One time fee for performance of the routine duties of the agent in administration of the escrow account. Administration fees are payable in advance	

Direct Out of Pocket Expenses

Reimbursement of expenses associated with the performance of our duties, including but not limited to publications, legal counsel after the initial close, travel expenses and filing fees.	At Cost

Extraordinary Services

Extraordinary services are duties or responsibilities of an unusual nature, including termination, but not provided for in the governing documents or otherwise set forth in this schedule. A reasonable charge will be assessed based on the nature of the service and the responsibility involved. At our option, these charges will be billed at a flat fee or at our hourly rate then in effect.

Account approval is subject to review and qualification. Fees are subject to change at our discretion and upon written notice. Fees paid in advance will not be prorated. The fees set forth above and any subsequent modifications thereof are part of your agreement. Finalization of the transaction constitutes agreement to the above fee schedule, including agreement to any subsequent changes upon proper written notice. In the event your transaction is not finalized, any related out-of-pocket expenses will be billed to you directly. Absent your written instructions to sweep or otherwise invest, all sums in your account will remain uninvested and no accrued interest or other compensation will be credited to the account. Payment of fees constitutes acceptance of the terms and conditions set forth.

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT:
To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account.
For a non-individual person such as a business entity, a charity, a Trust or other legal entity we will ask for documentation to verify its formation and existence as a legal entity. We may also ask to see financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.

Dated: November 23, 2004

EXHIBIT B

Copy of Company Prospectus