

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Salem District Office
1717 Fabry Road, S.E.
Salem, Oregon 97306

ORS000-TS11-502
Gordon Creek Thinning III

Date: April 22, 2011

PROSPECTUS

THIS IS A PROSPECTUS ONLY. ATTACHMENTS MAY NOT INCLUDE ALL EXHIBITS REFERRED TO IN THE CONTRACT. THE COMPLETE CONTRACT, INCLUDING ALL EXHIBITS, IS AVAILABLE FOR INSPECTION AT THE SALEM DISTRICT OFFICE.

NOTICE IS HEREBY GIVEN that the Bureau of Land Management will offer for sale timber as described herein for oral auction, pursuant to Instructions to Bidders, as stated on Form No. 5440-9 and subject to Notice of Requirement for Certification of Nonsegregated Facilities, Form No. 1140-4, attached. Written and oral bids will be received by the District Manager, or his representative, in the timber sale room at the District Office, 1717 Fabry Road, S.E., Salem, Oregon. The timber sale will commence at 9:00 a.m., on Wednesday, May 25, 2011.

THIS TIMBER SALE NOTICE does not constitute the decision document for purposes of protest and appeal of a forest management decision. Consistent with 43 CFR Subpart 5003-Administrative Remedies, the notice of a timber sale, when published as a legal ad in a newspaper of general circulation shall constitute the decision document for purposes of protest and appeal. Protests may be filed with the Contracting Officer within 15 days of the publication of the aforementioned decision document in the newspaper. It is anticipated that the decision document will be published in the Sandy Post on or about April 27, 2011. BLM does not warrant publication on this exact date. All parties considering protest of the timber sale decision document are encouraged to review the aforementioned newspaper(s) to ensure accurate knowledge of the exact publication date.

AN ENVIRONMENTAL ASSESSMENT was prepared for each timber sale tract, and a Finding of No Significant Impact has been documented. These documents are available for inspection as background for each timber sale tract at the Salem District Office.

A WRITTEN BID on Form 5440-9 at not less than the advertised appraised price on a unit basis per species and the required minimum bid deposit shall be required to participate in oral bidding.

THE SUCCESSFUL BIDDER, as a condition of award, will be required to sign Form 1140-6, a certification that the bid was arrived at by the bidder or offeror independently, and was tendered without collusion with any other bidder or offeror. Form 1140-7, Equal Opportunity Affirmative Action Program Representation, must be completed by the successful bidder for all contracts over \$10,000. Form 1140-8, Equal Opportunity Compliance Report Certification, must also be completed by the successful bidder. Form 5450-17, Export Determination, must be completed by the successful bidder. To expedite procedure, this form should be completed and submitted with the written bid.

THE VOLUMES LISTED herein are estimates only. The sale volumes listed are based on 16-foot taper breaks which must be taken into consideration if comparisons are made with volume predictions based on other standards. The volumes based on 32-foot taper breaks are shown for comparison purposes. No sale shall be made for less than the advertised appraised price. The Purchaser shall be liable for the total purchase price, without regard to the amount bid per unit, even though the quantity of timber actually cut or removed or designated for taking is more or less than the estimated volume or quantity so listed.

THIS TIMBER SALE has been cruised based upon Eastside Scribner board foot measure. The minimum bid figures shown by species are dollars per thousand board feet (MBF). The minimum bid increment will be \$0.10 per MBF.

A PERFORMANCE BOND in an amount not less than 20 percent of the total purchase price will be required for all contracts of \$2,500 or more. A minimum performance bond of not less than \$500 will be required for all installment contracts less than \$2,500.

QUALIFIED SMALL BUSINESS concerns may apply to SBA for a loan to provide financing for access road construction required under the terms of qualifying timber sale contracts, and necessary contract changes will be made. Approval of loan applications rests with SBA and may be contingent on availability of funds. Applicants for such loans shall notify BLM of their intention to apply for a loan.

PRE-AWARD QUALIFICATIONS. The high bidder may be required to furnish information to determine the ability to perform the obligations of the contract. If the high bidder is determined not qualified, responsible or refuses to respond within fifteen (15) days of a request for information pertaining to qualifications, the contract may be offered and awarded for the amount of the high bid to the highest of the bidders who is qualified, responsible, and willing to accept the contract.

LOG EXPORT AND SUBSTITUTION: All timber sales shall be subject to the restrictions relating to the export and substitution of unprocessed timber from the United States in accordance with P.L. 94-165 and 43 CFR 5400 and 5420, as amended. The BLM has revised the log export restrictions special provision to reduce the log branding and painting requirements. The new requirements include branding of one end of all logs with a scaling diameter of over 10 inches. All loads of 11 logs or more, regardless of the diameter of the logs, will have a minimum of 10 logs branded on one end. All logs will be branded on loads of 10 logs or less. One end of all branded logs will be marked with yellow paint. At the discretion of the Contracting Officer, the Purchaser may be required to brand and paint all logs. The Purchaser shall bear any increased costs for log branding and painting.

CONTRACT TERMINATION: A revised Special Provision has been added to the contract which enables the Contracting Officer to suspend the contract to facilitate protection of certain plant or animal species, and /or to modify or terminate the contract when necessary to:

1. Comply with the Endangered Species Act, or;
2. Comply with a court order, or;
3. Protect occupied marbled murrelet sites in accordance with the Standards and Guidelines of the (district name) District Record of Decision (ROD) and Resource Management Plan (RMP), or;
4. Protect species which were identified for protection through survey and manage and/or protection buffer standards and guidelines established in the ROD and RMP.

This contract provision limits the liability of the Government to the actual costs incurred by the Purchaser which have not been amortized by timber removed from the contract area.

ADDITIONAL INFORMATION concerning this timber sale tract is available at the above District Office. A copy of the timber sale contract is also available for inspection at the District Office.

Attachments:

- Form 1140-4
- Form 5450-17
- Form 5440-9

TIMBER SALE NOTICE

SALEM DISTRICT
 CASCADE RESOURCE AREA
 SALEM MASTER UNIT

SALE DATE: MAY 25, 2011

CONTRACT NO. ORS000-TS11-502, GORDON CREEK THINNING III
 MULTNOMAH COUNTY, OREGON: O&C: ORAL AUCTION: BID DEPOSIT REQUIRED: \$252,700.00

All timber designated for cutting on: Section 1, T. 1 S., R. 5 E., W.M.

THIS TIMBER SALE HAS BEEN CRUISED BASED UPON EASTSIDE SCRIBNER MEASURE.

Minimum bid figures shown by species are dollars per thousand board feet (MBF). The minimum bid increment will be \$0.10 per MBF.

Approx. No. Merchantable Trees	Est. Vol. MBF 32' Log	Est. Vol. CCF	Species	Est. Vol. MBF 16' Log	Appraised Price Per MBF	Estimated Volume Times Appraised Price
34,265	6,974	14,944	western hemlock	8,317	\$171.40	\$1,425,533.80
15,346	3,582	7,400	Douglas-fir	4,116	\$265.90	\$1,094,444.40
220	30	73	western red cedar	37	\$165.50	\$6,123.50
49,831	10,586	22,416	Totals	12,470		\$2,526,101.70

LOG EXPORT AND SUBSTITUTION RESTRICTIONS: All timber offered for sale hereunder is restricted from export from the United States in the form of unprocessed timber and also prohibited from substitution of exported private timber. The Bureau of Land Management (BLM) has revised the log export restrictions special provision to reduce the log branding and painting requirements. The new requirements include branding of one end of all logs with a scaling diameter of over ten (10) inches. All loads of eleven (11) logs or more, regardless of the diameter of the logs, will have a minimum of ten (10) logs branded on one end. All logs will be branded on loads of ten (10) logs or less. One end of all branded logs will be marked with yellow paint. At the discretion of the Contracting Officer, the Purchaser may be required to brand and paint all logs. The Purchaser shall bear any increased costs for log branding and painting.

CRUISE INFORMATION: The timber volumes were based on a variable plot cruise of four hundred fifty-three (453) acres of partial cut and the three (3) acres of R/W volumes were based on a 100% cruise using form class tables for estimation board feet volume of trees in sixteen (16) foot logs. None of the total sale volume is salvage material. With respect to merchantable trees of all species; the average tree is: 14.5 inches DBHOB; the average log contains 54 bd. ft.; the total gross volume is approximately 13,137 MBF; and 95% recovery is expected.

CUTTING AREA: Three (3) units totaling approximately four hundred fifty-six (456) acres, of which approximately four hundred fifty-three (453) acres shall be partial cut and approximately three (3) acres of right-of-way shall be clearcut. Acres shown on Exhibit A have been computed using a Trimble Geo XT Global Positioning System receiver. Acreage was calculated based on Global Positioning System traverse procedures including differential correction.

CONTRACT TERMINATION: A revised Special Provision has been added to the contract which enables the Contracting Officer to suspend the contract to facilitate protection of certain plant or animal species, and /or to modify or terminate the contract when necessary to:

1. Comply with the Endangered Species Act, or;
2. Comply with a court order, or;
3. Protect occupied marbled murrelet sites in accordance with the Standards and Guidelines of the Salem District Record of Decision (ROD) and Resource Management Plan (RMP), or;
4. Protect species which were identified for protection through survey and manage and/or protection buffer standards and guidelines established in the ROD and RMP.

This contract provision limits the liability of the Government to the actual costs incurred by the Purchaser which have not been amortized by timber removed from the contract area.

DURATION OF CONTRACT: Will be 36 months for cutting and removal of timber.

LOCATION:

Unit 1 and Unit 2:

Starting in Troutdale OR.

- Head east on I-84 toward Hood River - 4.5 mi
- Take exit 22 for Corbett - 0.2 mi
- Turn right and head south on NE Corbett Hill Rd - 1.4 mi
- Turn left heading east onto E Crown Point Hwy/E Historic Columbia River Hwy - 2.0 mi
- Take a slight right at E Larch Mountain Rd continuing east - 3.4 mi
- Turn left to continue east on E Larch Mountain Rd, contract area and right of way will be on the right - 4.0 mi

Unit 1 (southern part):

Starting in Troutdale OR.

- Head east on I-84 toward Hood River - 4.5 mi
- Take exit 22 for Corbett - 0.2 mi
- Turn right and continue north on NE Corbett Hill Rd - 1.4 mi
- Turn left heading east onto E Crown Point Hwy/E Historic Columbia River Hwy - 2.0 mi
- Take a right at E Larch Mountain Rd continuing east - 3.4 mi
- Turn left to stay on E Larch Mountain Rd continuing east, large pullout will be on the right - 1.1 mi
- Turn right at pullout, heading southeast through the gate and onto Donahue Road.
- Take Donahue Road southeast to a second gate. - 0.65 mi
- Continue east through the gate past the water treatment plant to a third gate. - 0.5 mi
- Continue east though the third gate on 1-5E-03.00 road to a fork. - 0.9 mi
- Take the left at fork heading north - 0.17 mi
- Take a right onto 1-5E-02.03 road to enter contract area. - 0.06 mi

Unit 3:

Starting in Sandy OR:

- Head north on SE Ten Eyck Road - 3.5 mi
- Turn right at SE Bull Run Road heading northeast - 3.0 mi
- Continue straight on to Warriner Road heading east - 1.0
- Turn left through gate onto National Forest Road 1010 heading northeast - 0.4 mi
- Turn left through gate onto BLM road 1-5E-27.00 road
- Continue on BLM road 1-5E-27.00 continuing northeast - 1.55 mi
- Turn right onto BLM road 1-5E-28.00 heading northeast - 2.1 mi
- Turn left through gate onto BLM road 1-5E-14.00 heading north - 0.33 mi
- Turn right onto BLM road 1-5E-11.05 continuing north to a fork - 1.21 mi

- Turn left at the fork onto BLM road 1-5E-12.01 heading north into the contract area - 0.14 mi
- Turn right at the fork heading east then north into the contract area - 0.86 mi

ACCESS AND ROAD MAINTENANCE: Gate key required for access. Prospective bidders may obtain a key from the Salem District Office, Monday thru Thursday from 7:45 a.m. to 4:30 p.m. A \$25.00 refundable deposit is required at the time of checking out a key.

In the use of the Bureau of Land Management controlled roads which the Purchaser is authorized to use; the Purchaser shall pay the Government a rock wear obligation of five thousand eight hundred eighty-eight and 65/100ths dollars (\$5,888.65) to the Bureau of Land Management.

In the use of Longview Timber Corp. controlled roads which the Purchaser is authorized to use; the Purchaser shall enter into a license agreement with Longview and pay to Longview a rock wear obligation of four thousand six hundred sixty-two and 13/100ths dollars (\$4,662.13), will be required to carry liability insurance with limits of \$1,000,000/\$1,000,000/\$1,000,000 and furnish a performance bond in the amount of \$3,000.00. Licensee shall pay to Longview, the total value of the right-of-way timber, based upon the indicated estimated volume and species price per unit used in the Government's contract as set forth on Exhibit B, said sum to be paid prior to cutting or removing of any timber from the road right-of-way on road 1N-5E-36.00.

In the use of Frank Timber Resources Inc. controlled road which the Purchaser is authorized to use; the Purchaser shall enter into a license agreement with Frank, and pay to Frank a road use obligation of fifteen thousand three hundred ninety and 00/100ths dollars (\$15,390.00), a rock wear obligation of six thousand six hundred thirty-seven and 98/100ths dollars (\$6,637.98), will be required to carry liability insurance with limits of \$1,000,000/\$1,000,000/\$1,000,000 and furnish a performance bond in the amount of \$2,000.00.

In the use of Department of Agriculture, United States Forest Service controlled roads which the Purchaser is authorized to use; the Purchaser shall enter into a license agreement with Forest Service.

The Purchaser will be required to maintain all Purchaser maintenance roads as indicated on the Exhibit E map.

Purchaser maintenance shall include frequent blading and shaping of road surface; ditch, culvert, and catch basin cleaning; removal of minor slides and other debris. Roads shall be left in a condition to withstand adverse weather at the end of the seasonal operations. Purchaser shall also be responsible for performing post storm inspections and maintenance during the winter season for all Purchaser maintained roads.

ROAD CONSTRUCTION, IMPROVEMENT, AND RENOVATION: The Purchaser will be required to do all work set forth below. The Purchaser shall supply all materials unless otherwise indicated.

a. **Road Construction:**

Road 1-5E-01.02, 1410 feet, 14-foot subgrade, out sloped,
Surfacing - dirt, Usable width 12 feet.

b. Road Improvement:

Road 1N-5E-36.00, 317 feet (0.06 mile), 14-foot subgrade, out sloped,
Surfacing - dirt, Usable width 12 feet.

Road 1-5E-02.03, 2,587 feet (0.49 mile), 14-foot subgrade, out sloped,
Surfacing - dirt, Usable width 12 feet.

Road 1-5E-11.05, 898 feet (0.17 mile), 14-foot subgrade, out sloped,
Surfacing - dirt, Usable width 12 feet.

Road 1-5E-12.01, 1531 feet (0.29 mile), 14-foot subgrade, out sloped,
Surfacing - dirt, Usable width 12 feet.

Improvement will include but not be limited to reshaping and realignment of natural surface road bed, removing merchantable trees from road right-of-way as posted, grubbing stumps, roadside brushing, blading, and compaction of subgrade and shoulders.

c. Renovation:

11.79 miles of blading, roadside brushing (certain areas will require chainsaw work), ditch cleaning, clean inlet, outlet and barrel of existing culverts as needed. Purchase, place and process crushed rock on various depleted road surfaces throughout the sale.

d. Estimated Quantities:

Clearing:

0.9 acres of new construction
2.5 acres of road improvement

Excavation:

477 cubic yards of common

Culvert and Misc.:

40 feet of 30 inch culvert
40 feet of 42 inch culvert

(Each culvert is to be installed and removed the same year during the in-water work period of July 15th through August 31st both days inclusive. Upon removal, the culverts shall become the property of the Government and stockpiled on Government land. If damaged beyond re-use as determined by the Government, the Purchaser shall replace culverts with like material and equal dimensions.)

Aggregate & Borrow Material:

<u>Quantity</u>	<u>Description</u>
2,000 cubic yards	1½ inch minus crushed rock (truck measured yards)
250 cubic yards	3 inch minus crushed rock (truck measured yards, culvert bedding)

Rock Sources:

1½ and 3 inch minus crushed rock with four fractured faces to be obtained and purchased from a commercial source.

Watering:

As needed.

Rolling:

56 hours (includes embankments, new construction, improvement subgrades and rock placement)

e. Right-of-way Debris Disposal:

Debris shall be disposed of by scattering; stumps close to entrance of newly constructed roads will be stockpiled and used for barricade installation in conjunction with the construction of debris barricades.

Debris resulting from road improvement on private land will be scattered on their adjacent lands.

Purchaser shall be required to fall, cut-to-length and deck private, merchantable right-of-way logs on BLM road numbers 1-5E-11.05 and 1-5E-12.01 as directed by the Authorized Officer.

OTHER: All earth disturbing equipment shall be cleaned and inspected prior to entry onto BLM land.

After completion of haul: Construct five debris barricades, water-bar 3.78 miles of natural surface roads.

Seed and fertilize 8.5 acres. Seed, fertilize and mulch 0.5 acre. Wild Blue Ryegrass to be furnished by the Government.

Gates at the entrance of the 1-5E-03.00 and 1-5E-27.00 roads shall be locked with each entry and exit at the end of operations each day.

The Purchaser shall be required to furnish and apply non-saline water during dry hauling periods, for the purpose of laying dust on 0.42 mile of road.

Prior to any road maintenance the Purchaser shall contact the City of Portland Oregon, Bureau of General Services to ensure that buried utilities adjacent to USFS Rd. 1010, road no.'s 1-5E-27.00 and 1-5E-28.00 are located and protected. Also, prior to any road maintenance, new road construction or excavation work adjacent to or on Rd. No. 1-5E-03.00 the Purchaser shall contact the City of Corbett Water District to ensure that buried utilities in the vicinity of the road work are located and protected.

SPECIAL ATTENTION ITEMS:

Sec. 40.	Reserve trees
Sec. 41.i.	Special Yarding Requirements
Sec. 41.j.	Seasonal Restrictions
Sec. 41.k.	Winching, skidding and yarding across stream
Sec. 41.hh.,ii.	Logging Residue Reduction

DESIGNATION AND SALE OF ADDITIONAL TIMBER (Sec. 41.d.)

This contract contains provisions for the sale and removal of additional timber necessary to facilitate safe and efficient purchaser operations. These provisions include:

-The designation and sale of additional timber, such as corridor and guyline trees, at contract price, as necessary to facilitate safe and efficient logging. Such trees may be felled and removed when they are painted by the Authorized Officer;

-Sale of additional timber volume at current fair market value where the species and/or size of trees are not representative of the forest stand(s) being thinned;



-Government reservation of trees previously marked for cutting (replacement) when the Authorized Officer determines that it is necessary in order to maintain stand densities consistent with objectives set forth in management prescriptions;

-The use of unilateral modifications executed by BLM for such additional timber and replacement timber;

-Revocation of the purchaser’s right to cut additional timber if the Authorized Officer determines that trees have been cut and removed that were not previously marked and approved for cutting and removal by the Authorized Officer; and,

-It is estimated that approximately 1,247 MBF of such additional timber may be removed under the contract, but is not included in the advertised sale volume nor was it included in the timber sale appraisal

Seasonal Restriction Matrix

-  Operations restricted, modified or allowed pending conditions.
-  Operations restricted.

Activity	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Yarding, ground-based skidding, falling (1)												
Falling, yarding, road activities (3)												
Mechanized felling (2)												
Grapple Piling (2)												
Ground-based skidding (2)												
Hauling on 1-5E-3 road												
All Roads												
Hauling (2)												
Road Construction (2)												
Road Stabilization (2)												
In-stream Work												
Natural Surface Roads												

- 1 Bark slippage seasonal restrictions may be conditionally waived.
- 2 Seasonal restrictions may be shortened or extended depending on soil moisture conditions.
- 3 Applies to Unit 2 only, Northern Spotted Owl seasonal restrictions.

TIMBER SALE CONTRACT SPECIAL PROVISIONS

Sec. 40.

RESERVED

- a. All timber within the Reserve Areas shown on Exhibit A and all painted orange or posted trees which are on or mark the boundaries of the Reserve Areas and or Right-Of-Way Areas of the Roads to be Constructed or Improved shown on Exhibit A.
- b. All trees marked with orange paint above and below stump height in Cutting Areas as shown on Exhibit A.
- c. All snags greater than fifteen (15) inches DBH and taller than fifteen (15) feet tall in the Cutting Area shown on Exhibit A, except as otherwise provided in this contract.
- d. All existing down logs twenty (20) inches diameter and larger on the large end and at least twenty (20) feet long within the Cutting Area shown on Exhibit A, except as otherwise provided in this contract.
- e. All Hardwoods seven (7) inches and greater at diameter breast height, except as otherwise provided in this contract.

Sec. 41. Special Provisions –

LOGGING

a. Periodic Payment and First Installment Adjustment

1. Notwithstanding the provisions of Sec. 3(b), the amount of the first installment may be reduced by the Government when the Contracting Officer requests the Purchaser to interrupt or delay operations for a period expected to last more than thirty (30) days during the operating season. Such interruption or delay must be beyond the Purchaser's control. Operating Season shall be defined, for this purpose, as the time of year in which operations of the type required are normally conducted and not specifically restricted under the contract. The first installment may be reduced to five (5) percent of the installment amount listed in Sec. 3 (b), during the delay period. The Purchaser must request such a reduction in writing. When the Contracting Officer notifies the Purchaser that operations may proceed, the Purchaser shall have fifteen (15) days after such notification to return the first installment to the full value specified in Sec. 3(b). Failure to return the first installment to the full value within the allotted time will be considered a material breach of contract. No timber shall be cut or removed from the Contract Area until the first installment is restored to the full amount.

2. Notwithstanding the provisions of Sec. 3(b), adjustments in the due dates for periodic payments may be made by the Government if the Contracting Officer interrupts or delays contract operations for a period expected to last at least thirty (30) days and the interruption or delay is beyond the Purchaser's control. Any adjustment made shall provide the Purchaser with an equal amount of operating time as would have been available without the delay. The Purchaser shall request such adjustment in writing before the due date for a periodic payment contained in Sec. 3(b).

b. Prior to the commencement of operations, the Purchaser shall obtain from the Authorized Officer written approval of a written operations and logging plan commensurate with the terms and conditions of the contract which shall include measures needed to assure protection of the environment and watershed. A prework conference between the Purchaser's authorized representative and the Authorized Officer's representative must be held at a location designated by the Authorized Officer before the logging plan will be approved. The Purchaser shall provide a minimum of seven (7) days notice when requesting the scheduling of a prework conference.

c. Before beginning operations on the Contract Area for the first time or after a shutdown of fourteen (14) or more days, the Purchaser shall notify the Authorized Officer in writing of the date he plans to begin operations. This written notification must be received by the Authorized Officer no less than seven (7) days prior to the date the Purchaser plans to begin or resume operations. The Purchaser shall also notify the Authorized Officer in writing if he intends to cease operations for any period of seven (7) or more days.

d. Before cutting and removing any trees necessary to facilitate logging in the Cutting Area shown on Exhibit A, the Purchaser shall identify the location of skid trail, tailhold, tieback, guyline, lift, intermediate support, danger trees and the clearing limits of landings on the ground in a manner approved by the Authorized Officer at the pre-work conference and documented in the Logging Plan. Said Purchaser identification of trees to be cut and removed does not constitute authority to proceed with cutting and removal. In addition, before proceeding the following conditions must be met:

1. All skid trails and skyline corridors upon which timber is identified by the Purchaser to be cut and removed in accordance with this special provision must be necessary for the safe and expeditious removal of timber sold under this contract and shall be limited to the minimum width necessary for yarding of logs with a minimum of damage to reserve trees, however, unless otherwise approved in writing by the Authorized Officer, the width of each skid trail and/or skyline corridor shall be limited to twelve (12) feet.

2. The Purchaser may immediately cut and remove additional timber to clear skid trails, skyline corridors and landings and cut danger trees when the trees have been marked with a paint color to be designated by the Authorized Officer above and below stump height by the Authorized Officer and thereby approved for cutting and removal by the Authorized Officer. The volume of the timber to be sold will be determined by the Authorized Officer in accordance with Bureau of Land Management prescribed procedures. No timber may be cut or removed under terms of this provision unless sufficient installment payments have been made in accordance with Sec. 3.(b) of the contract or sufficient bonding has been provided in accordance with Sec. 3.(d) of the contract.

3. The Purchaser agrees that sale of this additional timber shall be accomplished by a unilateral modification of the contract executed by the Contracting Officer and that such timber shall be sold at the unit prices shown in Exhibit B of this contract unless: the value of the timber must be reappraised subject to the terms for contract extension set forth in Sec. 9 of the contract; or, the

Authorized Officer determines that the trees otherwise reserved in Sec. 40 of the contract or any tree that exceeds twenty-two (22.0) inches diameter at breast height shall be appraised and sold by bilateral modification of the contract at current fair market value in accordance with Sec. 8 of the contract.

4. This authorization for the Purchaser to cut and remove additional timber prior to the execution of a modification may be withdrawn by the Contracting Officer if the Authorized Officer determines that the Purchaser has cut and removed any tree not previously marked and approved for cutting by the Authorized Officer, which under Sec. 10 of the contract constitutes a violation of the contract and under Sec. 13 of the contract may constitute a trespass rendering the Purchaser liable for damages under applicable law.

5. If authorization is withdrawn, the Contracting Officer shall issue a written notice to the Purchaser that the sale of additional timber under this special provision is no longer approved. In this case, the Purchaser shall inform the Authorized Officer at least one (1) working day prior to the need for cutting and removing any additional timber and execute a bilateral modification prior to cutting for such additional approved timber at the unit prices shown in Exhibit B of the contract or in accordance with Sec. 8 or Sec. 9 of the contract as determined by the Authorized Officer in accordance with this provision. The Contracting Officer may issue a written order to the Purchaser to suspend, delay or interrupt any or all contract work for the period of time deemed necessary and appropriate for the Government to safely measure and mark additional timber.

e. All hazardous trees and snags located in the Unit Areas or the Right-of-Way Areas shown on Exhibit A that must be felled to comply with Sec. 15, Fire Prevention and Slash Disposal and Sec. 28, Safety and Health of this contract shall be felled by the Purchaser.

f. No trees may be felled across or into the Reserve Areas shown on Exhibit A or adjacent private land, unless expressly authorized by other provisions of this contract. Tops, limbs, and other logging debris entering the Reserve Area or adjacent Private Land from felling operations shall be pulled back into the Unit Area, shown on Exhibit A.

g. In the Cutting Area shown on Exhibit A, all trees designated for cutting shall be felled and cut into log lengths not to exceed forty two (42) feet before being yarded unless otherwise approved in writing by the Authorized Officer.

h. In the Cutting Area – Ground-based yarding, shown on Exhibit A, skidding shall be done by a skidder equipped with a winch capable of winching logs seventy-five (75) feet unless otherwise agreed by the Authorized Officer. The minimum distance between skid trails shall be one hundred fifty (150) feet unless otherwise approved by the Authorized Officer. Such skid trails shall be limited to the minimum width necessary for skidding of logs with minimum damage to reserve trees. All trees that must be removed to facilitate construction of these skid trails shall be felled and skidded prior to falling operations in the remainder of these areas unless otherwise agreed by the Authorized Officer. The Purchaser shall directionally fall trees into lead with the winching or skidding direction and winch to these skid trails. The leading end of all logs shall be transported free of the ground during skidding. No skidding equipment shall be permitted to operate off these skid trails.

i. In the Unit Area – Special yarding, shown on Exhibit A; logs shall be yarded with the leading end of all logs transported free of the ground during in-haul yarding. The rigging of tail or lift trees shall be required where necessary to meet this requirement, logs shall be yarded to truck roads or landings by a combination of skyline yarding, Cut to Length harvester/shovel logging, or cable winching as approved by the Authorized Officer in the required logging plan.

j. The following seasonal restrictions shall be observed:

1) No ground based skidding, mechanized felling, grapple piling, hauling on natural surface roads, road construction, renovation or road stabilization shall be conducted on the Contract Areas shown on Exhibit A between November 1 of one calendar year and June 14 of the following year both days inclusive unless individually waived annually by the Authorized Officer or during other periods of wet soil conditions as determined by the Authorized Officer.

2) No falling, yarding and or ground based skidding operations shall be conducted within the Contract Area as shown on Exhibit A from March 01 through June 30 of each calendar year both days inclusive due to bark slippage, unless waived in writing by the Authorized Officer.

3) No in-stream work shall be conducted on the Contract Area shown on Exhibit A between September 1 of one calendar year and July 14 of the following year both days inclusive to protect water quality.

4) No hauling shall be conducted on roads within the Contract Area during periods of wet weather patterns when water is running from the road surface directly or indirectly to live streams; when fine sediment is being pumped to the road surface; or when the Authorized Officer determines that other identifiable road conditions are likely to cause sediment delivery to live streams.

5) No falling, ground based skidding, yarding, road construction or road decommissioning operations shall be conducted within Unit 2 of the cutting area as shown on Exhibit A from March 1 to July 15 of each year, both days inclusive, during the spotted owl nesting season unless waived in writing by the Authorized Officer.

k. No winching, skidding or yarding is permitted across any stream shown on Exhibit A.

l. Prior to attaching any logging equipment to a Reserve Tree, the Purchaser shall obtain written approval from the Authorized Officer and shall take precautions to protect the tree from damage as directed in writing by the Authorized Officer.

m. As shown on Exhibit E, a maximum speed limit of 10 miles per hour shall be maintained by all motor vehicles and equipment while traveling in or out of Road 1-5E-3, between mile post 0.47 and mile post 0.89.

ROAD CONSTRUCTION, IMPROVEMENT, MAINTENANCE AND USE

n. The Purchaser shall construct, improve and renovate roads in strict accordance with the plans and specifications shown on Exhibit C which is attached hereto and made a part hereof.

o. Any required construction, improvement or renovation of roads shall be completed and accepted prior to the removal of any timber, except right-of-way timber, over that road.

p. The Purchaser shall not commence work until receipt of written notice to do so from the Authorized Officer.

q. Upon completion of hauling the Purchaser shall water bar, construct barricades, remove culverts, seed, fertilize and mulch in accordance with the plans and specifications shown on Exhibit D and E, which are attached hereto and made a part hereof.

r. The Purchaser is authorized to use the roads listed below and shown on Exhibit E which are under the jurisdiction of the Bureau of Land Management for the removal of Government timber sold under the terms of this contract and the hauling of rock as required in Exhibit C provided that the Purchaser comply with the conditions set forth in Section 41.t. and pay the required rockwear obligation described in Section 41.s. The Purchaser shall pay current Bureau of Land Management rockwear fees for the sale of additional timber under modification of the contract.

Road No. and Segment	Length Miles Used	Road Control	Road Surface Type
1-5E-01.00, A, B	0.69	BLM	Natural
1-5E-01.01, All	0.18	BLM	Natural
1-5E-01.02, A, B	0.33	BLM	Natural
1-5E-01.03, All	0.27	BLM	Natural
1-5E-02.03, C	0.43	BLM	Natural
1-5E-03.00, B	0.42	BLM	Aggregate
1-5E-12.01, C	0.15	BLM	Natural
1-5E-28.00, B/2, C/1, C/2, D, E	2.10	BLM	Aggregate
1N-5E-36.00, B, E, G	1.73	BLM	Natural

s. The Purchaser shall also pay to the Government a road maintenance obligation for rockwear in the amount of five thousand eight hundred eighty-eight and 65/100 dollars (\$5,888.65), for the transportation of timber included in the contract price and for transportation of any mineral material required under terms of the contract over road or roads listed in Section 41.r. The amount of the rockwear shown above shall be paid prior to removal of timber from the contract area; Provided, however, that if the total of such amount exceeds five hundred dollars (\$500.00), the Purchaser may elect to make the payment in installments in the same manner as and together with payments required in Section 3 of this contract.

t. The Purchaser shall perform any road repair and maintenance work on roads used by him, under the terms of Exhibit D, "Road Maintenance Specifications," of this contract which is attached hereto and made a part hereof.

u. With the prior written approval of the Authorized Officer, the Purchaser may arrange for cooperative maintenance with other users of roads included in Section 41. r., v., x., y. of this contract; provided, that such cooperative arrangement shall not relieve the Purchaser of his liability for the maintenance and repair of such roads resulting from wear or damage in accordance with this contract. The Purchaser shall furnish the Authorized Officer a copy of any cooperative maintenance agreements entered into with other users on these roads.

v. In the use of roads listed below and shown on Exhibit E, the Purchaser shall comply with the conditions of Right-of-Way and Road Use Agreement No. OR000888 (R.W.A. S-642) dated 20 August 1965 between the United States of America and Longview Timber Corp. These conditions include : Execution of a license agreement, payment to Longview Timber Corp, a rock wear fee obligation of four thousand six hundred sixty-two and 13/100ths dollars (\$4,662.13), payable prior to hauling as indicated in the license agreement. This document is available for inspection at the office of the Authorized Officer. Prior to the use of said roads, the Purchaser shall furnish the Authorized Officer a copy of the executed license agreement. Default by the Purchaser of said Right-of-Way and Road Use Agreement or any license agreement executed pursuant thereto, for failure to pay appropriate road use fees shall be considered a violation of this contract. The amount of unpaid fees shall be considered as the amount of damage suffered by the Government as a result of the violation of this provision. The Purchaser will be required to carry liability insurance with limits of \$500,000.00/\$1,000,000.00/\$100,000.00 and a performance bond of \$3,000.00.

Road No. and Segment	Length Miles Used	Road Control	Road Surface Type
1-5E-27.00, A, B, C, D, E	1.55	Longview Timber Corp.	ASC
1-5E-03.00, A, C	0.70	Longview Timber Corp.	PRR
1N-5E-36.00, A, C	0.27	Longview Timber Corp.	Natural

w. Prior to cutting or removing any timber from the road right-of-way on road 1N-5E-36.00 segment C, the Purchaser shall pay to Longview Timber Corp., the owner of the right-of-way timber, the total value of that timber, as shown below, based upon the estimated volume and species price per unit used in the Government's contract as set forth on Exhibit B.

Species	Estimated Volume	Contract Price Per MBF	Estimated Volume X Contract Price
Western Hemlock	0.5 MBF	Exhibit B Post sale price	
Western Redcedar	0.1 MBF	Exhibit B Post sale price	
Red Alder	0.1 MBF	Exhibit B Post sale price	

x. In the use of roads listed below and shown on Exhibit E, the Purchaser shall comply with the conditions of Right-of-Way and Road Use Agreement No. OR045532 (R.W.A. S-850) dated 28 August 1972 between the United States of America and Frank Timber Resources Inc. These conditions include: Execution of a license agreement, payment to Frank Timber Resources Inc., a road use obligation of fifteen thousand three hundred ninety and 00/100ths dollars (\$15,390.00), a rock wear obligation of six thousand six hundred thirty-seven and 98/100ths dollars (\$6,637.98), payable prior to hauling as indicated in the license agreement. This document is available for inspection at the office of the Authorized Officer. Prior to the use of said roads, the Purchaser shall furnish the Authorized Officer a copy of the executed license agreement. Default by the Purchaser of said Right-of-Way and Road Use Agreement or any license agreement executed pursuant thereto, for failure to pay appropriate road use fees shall be considered a violation of this contract. The amount of unpaid fees shall be considered as the amount of damage suffered by the Government as a result of the violation of this provision. The Purchaser will be required to carry liability insurance with limits of \$1,000,000.00/\$1,000,000.00/\$1,000,000.00 and a performance bond of \$2,000.00.

Road No. and Segment	Length Miles Used	Road Control	Road Surface Type
1N-5E-36.00, D	0.13	Frank Timber Resources Inc.	Natural
1-5E-02.03, A, B	0.23	Frank Timber Resources Inc.	PRR, Natural
1-5E-03.00, D/1, D/2, D/3	0.85	Frank Timber Resources Inc.	PRR
1-5E-12.01, A, B	0.14	Frank Timber Resources Inc.	Natural
1-5E-11.05, A, B, C, D	2.07	Frank Timber Resources Inc.	PRR
1-5E-14.00, A	0.33	Frank Timber Resources Inc.	PRR

y. In the use of USFS Rd No. 1010, the Purchaser shall comply with the conditions of the Bureau of Land Management and U.S. Forest Service Interagency Right-of-Way and Road Use Agreement dated May 20, 1980, and agreement No. 06-06-11-1. The conditions include: entering into a license agreement with the U.S. Forest Service and performing the maintenance.

z. The Purchaser also agrees that if they elect to use any other private road which is the subject of a right-of-way agreement with the Government for the removal of Government timber sold under the

terms of this contract, Purchaser shall request and agree to the modification of this contract to provide for such use and for allowances for amortization of the Government's share of the capital investment of any such road.

aa. The Purchaser shall be required to secure written approval to use vehicles or haul equipment over Government-owned or private bridges or culvert structures when such vehicles or equipment exceed the maximum allowable weights or dimensions established by the State for vehicles operating without a permit.

bb. Tracked-type equipment shall not be allowed to cross over concrete-bridge decks, other concrete surfaced structures, or asphalt surfaced roads without the proper protection of that surface. Prior approval shall be obtained from the Authorized Officer or bridge owner when crossing with protective devices.

Details of such equipment shall be furnished to the Authorized Officer or bridge owner for evaluation of load characteristics at least fifteen (15) days prior to proposed move in.

Details shall include:

- A. Axle weights when fully loaded.
- B. Axle spacing.
- C. Transverse wheel spacing.
- D. Tire size.
- E. Outside width of vehicles.
- F. Operating speed.
- G. Frequency of use.
- H. Special features (e.g., running tracks, overhang loads, etc.)

The Purchaser shall be responsible for repair of any damage to roads or structures caused by the use of overweight or over dimension or tracked vehicles or equipment: (1) without written approval, or (2) in violation of the conditions of a written approval, or (3) in a negligent manner. The amount of actual damage shall be determined by the Authorized Officer following technical inspection and evaluation.

ENVIRONMENTAL PROTECTION

cc. In addition to the requirements set forth in Sec. 25 of this contract, the Purchaser shall clean all plant parts and soil from all earth disturbing equipment prior to entry and departure from lands managed by the BLM unless otherwise agreed by the Authorized Officer to reduce or prevent the spread of noxious weeds to and from the Contract Area. Equipment shall be inspected by the Authorized Officer at a site approved by the Authorized Officer to verify that the equipment had been reasonably cleaned prior to entry onto lands managed by the BLM.

dd. In addition to the requirements set forth in Sec. 25 of this contract, the Purchaser shall cover skid trails with logging slash and debris and block entrances or other created access points on the Contract Areas shown on Exhibit A as directed by the Authorized Officer.

ee. If in connection with operations under this contract the Purchaser, his contractors, subcontractors or the employees of any of them, discover, encounter or become aware of any objects or sites of cultural value on the contract area such as historical or prehistorical ruins, graves or grave markers, fossils or artifacts, the Purchaser shall immediately suspend all operations in the vicinity of the cultural value and notify the Authorized Officer of the findings. Operations may resume at the discovery site upon receipt of written instructions and authorization by the Authorized Officer.

ff. "The Purchaser shall immediately discontinue specified construction or timber harvesting operations upon written notice from the Contracting Officer that:

(1) threatened or endangered plants or animals protected under the Endangered Species Act of 1973, as amended, may be affected by the operation, and a determination is made that consultation or reinitiation of consultation is required concerning the species prior to continuing operation, or;

(2) When, in order to comply with the Endangered Species Act, the Contracting Officer determines it may be necessary to modify or terminate the contract, or;

(3) federal proposed, federal candidate, Bureau sensitive or State listed species protected under BLM Manual 6840 - Special Status Species Management - have been identified, and a determination is made that continued operations would affect the species or its habitat, or;

(4) Other active raptor nests have been discovered, and a determination is made that continued operations under this contract would adversely affect the present use of the discovered nesting area by the raptor, or;

(5) When, in order to comply with a court order which enjoins operations on the sale or otherwise requires the Bureau of Land Management to suspend operations, or;

(6) When, in order to comply with a court order, the Contracting Officer determines it may be necessary to modify or terminate the contract, or;

(7) Species have been discovered which were identified for protection through survey and manage and/or protection buffer standards and guidelines established in the ROD and RMP, and the Contracting Officer determines that continued operations would affect the species or its habitat, or;

(8) When, in order to protect species which were identified for protection through survey and manage and/or protection buffer standards and guidelines established in the ROD and RMP, the Contracting Officer determines it may be necessary to modify or terminate the contract.

Those operations necessary for a safe removal of personnel and equipment from the contract area and those directed by the Contracting Officer which are required in order to leave the contract area in an acceptable condition will be permitted. Discontinued operations may be resumed upon receipt of written instructions and authorization by the Contracting Officer.

During any period of suspension, the Purchaser may withdraw performance and payment bond coverage aside from that deemed necessary by the Authorized Officer to secure cut and/or removed timber for which the Bureau of Land Management has not received payment, and/or unfulfilled contract requirements associated with harvest operations that have already occurred and associated post-harvest requirements.

In the event of a suspension period or a combination of suspension periods that exceed a total of 30 days, the First Installment held on deposit may be temporarily reduced upon the written request of the Purchaser. For the period of suspension extending beyond 30 days, the First Installment on deposit may be reduced to five (5) percent of the First Installment amount listed in Section 3.b. of the contract. Any First Installment amount temporarily reduced may be refunded or transferred to another BLM contract at the request of the Purchaser. However, if the Purchaser has outstanding debt owing the United States, the Contracting Officer must first apply the amount of First Installment that could be refunded to the debt owed in accordance with the Debt Collection Improvement Act, as amended (31 USC 3710, *et seq.*). Upon Purchaser's receipt of a bill for collection and written notice from the Contracting Officer lifting the suspension, the Purchaser shall restore the First Installment to the full amount shown in Section 3.b. of the contract within 15 days after the bill for collection is issued, subject to Section 3.h. of the contract. The Purchaser shall not resume contract operations until the First Installment amount is fully restored.

In the event of a suspension period or a combination of suspension periods that exceed a total of 30 days, the unamortized Out-of-Pocket Expenses for road or other construction required pursuant to Exhibit C of the contract shall be refunded or transferred to another BLM contract at the request of the Purchaser. Upon written notice from the Contracting Officer lifting the suspension, the Purchaser shall reimburse the Government the amounts refunded or transferred. The Purchaser may choose to pay this reimbursement at once or in installments payable at the same time as payments are due for the timber under the contract and in amounts approximately equal to the expenses associated with the timber for which payment is due.

In the event that operating time is lost as a result of the incorporation of additional contract requirements, or delays due to Endangered Species Act consultation with the U.S. Fish and Wildlife Service or U.S. National Marine Fisheries Service, or court-ordered injunctions, the Purchaser agrees that an extension of time, without reappraisal, will constitute a full and complete remedy for any claim that delays due to the suspension hindered performance of the contract or resulted in damages of any kind to the Purchaser.

The Contracting Officer may determine that it is necessary to terminate the cutting and removal rights under the contract in order to comply with the Endangered Species Act, protect species that have been discovered which were identified for protection through survey and manage and/or protection buffer standards and guidelines established in the ROD and RMP, or comply with a court order. Following the issuance of a written notice that cutting and removal rights will be terminated, the Purchaser will be permitted to remove timber cut under the contract, if allowed by the Endangered Species Act, survey and manage and/or protection buffer standards and guidelines established in the ROD and RMP, or court order requirements necessitating the modification or termination.

In the event cutting and removal rights are terminated under this subsection, the Purchaser agrees that the liability of the United States shall be limited to the actual costs incurred by the Purchaser which have not been amortized by timber removed from the contract area. This calculation of liability shall utilize actual Purchaser costs and Government estimates of timber volumes. At the Authorized Officer's request, the Purchaser agrees to provide documentation of the actual costs incurred in the performance of the contract.

In addition, the Purchaser shall be released from the obligation to pay the contract price for any timber which is not authorized to be removed from the contract area.

The Purchaser specifically and expressly waives any right to claim damages, other than those described in the preceding paragraphs, based on an alleged breach of any duty to the Purchaser, whether express or implied, in regard to the manner in which the Government defended the litigation which resulted in the court order affecting the operation of the contract. This waiver also extends to any claims based on effects on the operation of the contract that arise from litigation against another agency. Furthermore, the Purchaser specifically acknowledges and agrees that a court ruling that the Government violated the Administrative Procedures Act cannot be interpreted, in itself, to mean that the Government had not acted reasonably in regard to its duties to the Purchaser under this contract.

FIRE PROTECTION

gg. Primarily for purposes of fire prevention and control, the Purchaser shall comply with the following provisions when operating at Oregon Department of Forestry (ODF) Industrial Fire Precaution Level (IFPL) I (Closed Fire Season). At IFPL II and III, additional fire prevention and control provisions may be added as determined by the Authorized Officer and specified in written instructions to the Purchaser to mitigate dry fuel and weather conditions:

1. Prior to the operation of power driven equipment in construction or logging operations under this contract during the closed fire season or periods of fire danger, prepare a fire prevention and control plan to the satisfaction of the Authorized Officer.
2. Provide and maintain in good working order, and immediately available on the contract area, the following equipment for use during closed fire season or periods of fire danger:

(a) Fire fighting tools shall be kept at each landing or at such other place as the Authorized Officer shall designate whenever people are working on the contract area. All fire fighting tools shall be kept in a sturdily constructed box which shall be painted red and lettered on the front or top in large letters "For Fire Only." The box shall have a hinged lid and a hasp by which the lid can be sealed. One (1) box may serve two landings, not over six hundred (600) feet apart. When filled, the box shall not weigh over two hundred (200) pounds. The fire tools shall be in good condition, be tight on strong handles, and have sharp cutting edges. There shall be not less than four (4) tools in each box or less than one (1) tool for each person working on the contract area. Three-fourths (3/4) of all fire tools shall be shovels, hazel hoes, or other scraping tools. The fire tools shall be used only for fighting fire.

(b) At each landing or such other place as the Authorized Officer shall designate during periods of operation, one fire engine/tank truck of one thousand (1,000) gallons or more capacity with five hundred (500) feet of 1 ½ inch hose, five hundred (500) feet of 1 inch hose, 1-1½ inch gated wye, one 1 inch gated wye, two - 1½ to 1 inch reducer adapters and three- 1 inch nozzles. The fire engine/tank truck shall be equipped with a pump capable of delivering a minimum of forty (40) gallons per minute (gpm) water flow at one hundred fifty (150) pounds per square inch (psi) engine pressure through fifty (50) feet of 1½ inch fire hose. The pump may be either PTO driven or truck mounted auxiliary engine driven. All equipment shall be acceptable to and approved by the Authorized Officer and shall conform

to the standards set forth in Oregon Revised Statutes 477.645 through 477.670 and any rule promulgated pursuant to these statutes. All hose couplings shall have the standard thread adopted by the BLM (1 ½ inch National Hose Thread (NH), 1 inch National Pipe Straight Hose Thread (NPSH)) or be provided with suitable adapters. At the close of each working day, all fire engines/tank trucks shall be filled with water and made available for immediate use. This includes the keys or similar starting device to the fire engine/tank truck.

(c) Two (2) backpack pumps at each landing and one (1) at each tail block, or any other block, all to be kept full of water and in good operating condition.

(d) A chemical fire extinguisher of at least eight (8) ounces minimum capacity of a type approved by the Oregon State Forester and a size 0 or larger shovel shall be carried during the closed fire season or periods of fire danger by each falling crew and each buckner using a power saw on the contract area. Such fire extinguisher shall be filled and in effective operating condition and shall at all times be immediately available to the operator when the saw is being fueled or the motor of the saw is running. Any fueling of a power saw shall be done in an area which has first been cleared of all flammable material. Power saws shall be moved at least twenty (20) feet from the place of fueling before the engine is started. Each power saw shall be equipped with an exhaust system and a spark arresting device which are of types approved by the Oregon State Forester.

3. During Oregon Department of Forestry regulated use closure, no smoking shall be permitted outside of closed vehicles.

LOGGING RESIDUE REDUCTION

hh. Within thirty (30) feet of the edge of each landing, all tops, broken pieces, limbs and debris more than one (1) inch in diameter at the large end and longer than three (3) feet in length shall be piled within fifteen (15) days of completion of hauling logs from that landing. Landing piles shall be kept free of dirt and located adjacent to roads at least twenty (20) feet from any reserve tree and/or as directed by the Authorized Officer. Upon completion of landing piling, the Purchaser shall prepare the landing piles for burning by securely covering each landing pile by securely covering each pile with polyethylene plastic film a minimum of .004 inch thick. Landing piles shall be covered with enough plastic to keep pile dry enough to ensure pile consumption. Woody debris shall then be placed on top of the plastic so that both sides and the middle are held in place during strong wind conditions. The Purchaser is required to furnish the covering materials. The timing of this covering work shall be in accordance with instructions from the Authorized Officer. If, in the opinion of the Authorized Officer, the structure of the landing piles will not permit adequate consumption of piled debris by burning, the Purchaser shall re-pile them at the direction of the Authorized Officer.

ii. In the Fuel Reduction Areas shown on Exhibit F, which is attached hereto and made a part hereof, all slash and debris created by Purchaser's operations shall be machine piled and covered in accordance with Exhibit G which is attached hereto and made a part hereof. The required work shall consist of up to forty seven (47) acres of machine piling logging slash and covering the piles. Piling and covering operations shall be completed within 30 days after completion of skidding or yarding on the Fuel Reduction Area in each Unit shown on Exhibit F, or as directed by the Authorized Officer. All work shall be done as

directed by the Authorized Officer in accordance with the specifications described on Exhibit G which is attached hereto and made a part hereof.

jj. Notwithstanding the provisions of Sec. 15 of this contract, the Government shall assume all obligations for the disposal or reduction of the fire hazards caused by slash created by the Purchaser's operations on Government lands, except for logging residue reduction operations and except for the burning, fire control and patrol assistance of landing piles as required herein. In accordance with written instructions to be issued by the Authorized Officer at least ten (10) days in advance of earliest date of required performance, the Purchaser shall, under supervision of the Authorized Officer or his designated representative, assist in the burning, fire control and patrol assistance of landing piles by furnishing, at his own expense, the services of personnel and equipment on each Unit Area shown on Exhibit A as specified below:

1. One (1) work leader (Firefighter Type 1 (FFT 1) qualified according to National Wildfire Coordinating Group (NWCG) Wildland Fire Qualification System Guide, PMS 310-1) to supervise crew and equipment operators and to serve as Purchaser's representative.
2. Seven (7) person crew (Firefighter Type 2 (FFT 2) qualified according to National Wildfire Coordinating Group (NWCG) Wildland Fire Qualification System Guide, PMS 310-1) for burning preparation, ignition and holding and mop-up operations with hand tools on the day of ignition.
3. Eight (8) drip torches with seventy (70) gallons of slash fuel (4:1 ratio of diesel to gasoline).
4. One (1) fire engine of four hundred (400) gallon capacity. The engine shall comply with all Oregon State Department of Motor Vehicle regulations, be filled with water and equipped with an operator and the following:
 - A mounted pressure pump for discharging via a 1½" inch hose system capable of delivering water at a rate of 20 GPM at 120 PSI pressure through a 50-foot section of 1½" hose and a ¼" nozzle.
 - Five hundred (500) feet of hose (1½" and/or 1") and a shut-off nozzle. Two hundred fifty (250) feet of the hose must be mounted on a live reel.
 - All 1½" hose and fittings shall be compatible with National Hose Thread (NH). All 1" hose and fittings shall be compatible with Iron Pipe Thread (NPSH). If adapters are used, sufficient quantities shall be present to provide spares.
5. All listed personnel shall be physically fit, experienced and fully capable of functioning as required. In addition, on the day of ignition, all listed personnel shall be certified Fire Fighters, be fluent in speaking and understanding English and have two years of prescribed fire or wildfire experience. Personnel who do not meet these requirements or who do not have proper clothing and personal protective equipment (PPE) will not be allowed to participate.

All personnel shall wear long pants and long sleeved shirts, lug sole leather boots with minimum eight (8) inch tall uppers that provide ankle support, approved hard hats and leather gloves. On the day of ignition, clothing shall be of approved aramid fabric (Nomex® or equivalent) and all personnel shall carry an approved fire shelter. Personnel without proper clothing will not be allowed

to participate. Clothing shall be free of diesel fuel oil.

All listed tools and equipment shall be in good usable condition. All power-driven equipment shall be fully fueled and available for immediate use. During periods of use under this subsection, the Purchaser shall provide fuel and maintenance for all such power-driven equipment. All listed tools and equipment shall be in good usable condition. All power-driven equipment shall be fully fueled and available for immediate use. During periods of use under this subsection, the Purchaser shall provide fuel and maintenance for all such power-driven equipment.

6. In the event of a fire escapement, the Purchaser's personnel and equipment shall, under supervision of the Authorized Officer or his designated representative, take action to control and mop-up the escaped fire until released from such service by the Government. If it becomes necessary to suppress a fire which escapes from the prescribed fire area for a period beyond midnight of ignition day, then the Government shall, at its option: (1) reimburse the Purchaser for such additional use of personnel and equipment at wage rates shown in the current Administratively Determined Pay Rates for the Western Area and at equipment rates shown in the current Oregon-Washington Interagency Fire Fighting Equipment Rental Rates schedule until the Purchaser is released from such service by the Government or (2) release the Purchaser from additional suppression work and assume responsibility for suppressing the escaped fire.

7. In situations where an escaped fire is controlled and contained by an adequate fire break (i.e., trail, road, stream, rock formation, etc.), the Government may permit the Purchaser to remove personnel for that day provided that all mop-up work on the escaped fire is included with mop-up work on the prescribed fire area. In such an event, the Purchaser must sign a statement of agreement to complete mop-up work on all escaped fire areas concurrently with mop-up work on the prescribed fire area.

8. In case of injury to personnel or damage to equipment furnished as required by this subsection, liability shall be borne by the Purchaser, unless such injury or damage is caused by Government negligence.

9. Time is of the essence in complying with this provision. In the event the Purchaser fails to provide the personnel and equipment required herein, the Purchaser shall be responsible for all additional cost incurred by the Government in disposing of slash including but not limited to the wages and other costs of providing federal employees and others as substitute labor force, the cost of providing substitute equipment and appropriate additional overhead expenses. If the Purchaser's failure results in a deferral of burning and new conditions necessitate additional site preparation work and/or the use of additional personnel and equipment to accomplish the planned burn, the Purchaser also shall be responsible for such additional costs.

CONTRIBUTED FUNDS

kk. The Purchaser shall assist the Government in burning piles in accordance with Sec. 41.jj. The Purchaser shall have the option of completing this work, or in lieu of pile burning operations only, may make a contribution to the Bureau of Land Management in the amount of Three thousand one hundred ninety and 72/100 dollars (\$3,190.72). Upon making such contribution, the Purchaser shall be relieved of the pile burning obligations set out in Sec. 41.jj. The Purchaser shall notify the Authorized Officer in writing of his intention to make this contribution prior to approval of this contract. If the Purchaser elects to make a contribution, the Authorized Officer shall establish an installment schedule of payments of the contribution.

LOG EXPORT RESTRICTIONS

II. All timber sold to the Purchaser under the terms of the contract, except exempted species, is restricted from export under the United States in the form of unprocessed timber and is prohibited from being used as a substitute for exported private timber. For the purpose of this contract, unprocessed timber is defined as: (1) any logs, except those of utility grade or below, such as sawlogs, peeler logs and pulp logs; (2) cants or squares to be subsequently remanufactured exceeding eight and three-quarters (8-3/4) inches in thickness; (3) split or round bolts or other roundwood not processed to standards or specifications or suitable for end-product uses; or (4) western red cedar lumber which does not meet lumber of American Standards Grades of Number 3 dimension or better, or Pacific Lumber Inspection Bureau R-List Grades of Number 3 Common or better. Thus, timber manufactured into the following will be considered processed: (1) lumber and construction timbers regardless of size, manufactured to standards and specifications suitable for end-product uses; (2) chips, pulp, and pulp products; (3) green or dry veneer and plywood; (4) poles and piling cut or treated for use as such; (5) cants, squares, and lumber cut for remanufacturing of eight and three-quarters (8-3/4) inches in thickness or less; (6) shakes and shingles.

Substitution will be determined under the definition found in 43 CFR 5400.0-5(n).

The Purchaser is required to maintain and upon request to furnish the following information:

1. Date of last export sale.
2. Volume of timber contained in last export sale.
3. Volume of timber exported in the past twelve (12) months from the date of last export sale.
4. Volume of Federal timber purchased in the past twelve (12) months from the date of last export sale.
5. Volume of timber exported in succeeding twelve (12) months from date of last export sale.
6. Volume of Federal timber purchased in succeeding twelve (12) months from date of last export sale.

In the event the Purchaser elects to sell any or all of the timber sold under this contract in the form of unprocessed timber, the Purchaser shall require each party buying, exchanging or receiving such timber to execute a "Certificate as to Nonsubstitution and the Domestic Processing of Timber". The original of such certification shall be filed with the Authorized Officer. Additionally, when the other party is an affiliate of the Purchaser, the Purchaser will be required to update information under item (2) of Form 5450-17 (Export Determination) and file the form with the Authorized Officer.

In the event an affiliate of the Purchaser has exported private timber within twelve (12) months prior to purchaser or otherwise acquiring Federal timber sold under this contract, the Purchaser shall, upon request, obtain from the affiliate information in the form specified by the Authorized Officer and furnish the information to the Authorized Officer.

Prior to the termination of this contract, the Purchaser shall submit to the Authorized Officer Form 5460-15 (Log Scale and Disposition of Timber Removed Report) which shall be executed by the Purchaser. In

addition, the Purchaser is required under the terms of this contract, to retain for a three-year period from the date of termination of the contract the records of all sales or transfer of logs involving timber from the sale for inspection and use of the Bureau of Land Management.

Unless otherwise authorized in writing by the Contracting Officer, the Purchaser shall brand clearly and legibly one end of all logs with a scaling diameter (small end inside bark) of over ten (10) inches, prior to the removal of timber from the contract area. All loads of eleven (11) logs or more will have a minimum of ten (10) logs clearly and legibly branded on one end regardless of the diameter of the logs. All logs will be branded on loads of ten (10) logs or less. One end of all branded logs to be processed domestically will be marked with a three (3) square inch spot of highway yellow paint. The Purchaser will stop trucks for accountability monitoring at mutually agreed upon locations when notified by the Authorized Officer.

If multiple trailers (mule trains) are used, each bunked load shall be considered an individual load and these guidelines will apply to each bunked load. If a flatbed stake trailer is used, each bundle will be treated as a separate load.

At the discretion of the Contracting Officer, the Purchaser may be required to brand and paint all logs. Any increased cost for log branding and painting shall be the responsibility of the Purchaser.

In the event of the Purchaser's noncompliance with this subsection of the contract, the Authorized Officer may take appropriate action as set forth in Sec. 10 of this contract. In addition, the Purchaser may be declared ineligible to receive future awards of Government timber for a period of one year.

EQUAL OPPORTUNITY IN EMPLOYMENT

mm. Certification of Nonsegregated Facilities, Form 1140-3, is attached hereto and made a part hereof.

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT EQUAL OPPORTUNITY IN EMPLOYMENT CERTIFICATION OF NONSEGREGATED FACILITIES	Bid, offer, or contract number or other identification ORS000-TS11-502
--	--

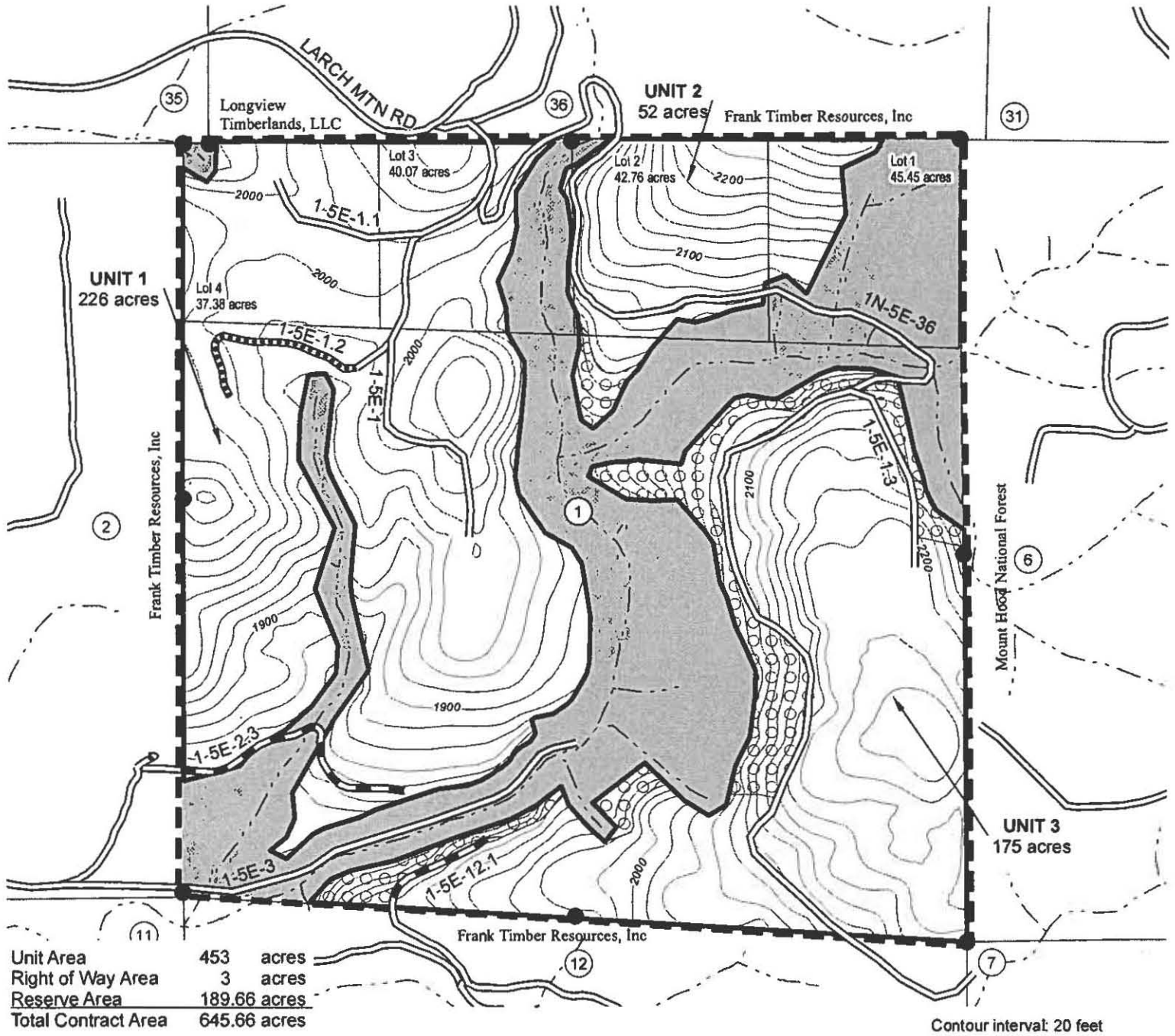
<p>By the submission of this bid or offer and/or by entering into this contract, the bidder, offeror, lessee, subcontractor, or applicant certifies that he does not maintain or provide for his employees any segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location, under his control, where segregated facilities are maintained. He certifies further that he will not maintain or provide for his employees any segregated facilities at any of his establishments, and that he will not permit his employees to perform their services at any location, under his control, where segregated facilities are maintained. The bidder, offeror, applicant, or subcontractor agrees that a breach of this certification is a violation of the Equal Opportunity clause in this contract. As used in this certification, the term "segregated facilities" means, but is not limited to , any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas,</p>	<p>time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, sex, or national origin, because of habit, local custom, or otherwise. He further agrees that (except where he has obtained identical certifications from proposed subcontractors for specific time periods) he will obtain identical certifications from proposed subcontractors prior to the award of subcontractors exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity clause; that he will retain such certifications in his files; and that he will forward the following notice to such proposed subcontractors (except where the proposed sub-contractors have submitted identical certifications for specific time periods):</p>
--	---

NOTICE TO PROSPECTIVE SUBCONTRACTORS OF REQUIREMENT FOR CERTIFICATIONS OF NONSEGREGATED FACILITIES	
<p>A Certification of Nonsegregated Facilities, as required by the May 9, 1967, order (32 F.R. 7439, May 19, 1967) on Elimination of Segregated Facilities, by the Secretary of Labor, must be submitted prior to the award of a sub- contract exceeding \$10,000 which is</p>	<p>not exempt from the provisions of the Equal Opportunity clause. The certification may be submitted either for each subcontract or for all subcontracts during a period (i.e., quarterly, semiannually, or annually).</p>

In accordance with 41 CFR 60, as amended May 19, 1967, and Executive Order No. 11246 of September 24, 1965, as amended, this certification is applicable to all bids, offers, contracts and subcontracts as well as agreements with applicants who are themselves performing federally assisted contracts, which may exceed \$10,000 and are not exempt from the provisions of the Equal Opportunity clause of the Order.

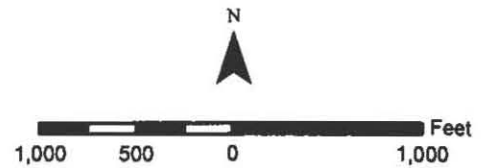
TIMBER SALE CONTRACT MAP - CONTRACT NO. ORS000-TS11-502

T. 1 S., R. 5 E., Section 1, W. M.



- Right-of-Way Area
- Road to be constructed
- Right-of-Way Area
- Road to be improved
- Existing road
- Unit Area - Ground Based Yarding
- Unit Area - Special Yarding

- Stream
- Boundary - Cutting Area
- Boundary - Contract Area
- Reserve Area
- Corner found



Note: All lands within Contract area are O&C lands. Boundaries of right-of-way areas and unit areas are posted and painted orange.

Unit acres do not include existing or new roads. Acres shown on Exhibit A have been computed using a Trimble Geo XT global positioning system Receiver. Acreage was calculated based on global positioning system traverse procedures including differential correction.

Check Sums: Acres = 456.0 and Trees = 49831

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Contract No. OR08-TS-2011.0502
GORDON CREEK THINNING III
Sheet 1 of 3

EXHIBIT B
LUMP SUM SALE

=====
The following estimates and calculations of timber sold are made solely as an administrative aid for determining: (1) adjustments made or credits given in accordance with Secs. 6, 9, or 11; (2) when payments are due; and (3) value of timber subject to any special bonding provisions. The value of timber will be determined by multiplying the value per acre as show below, times the amount of acreage as determined by the Authorized Officer, which has been cut or removed or designated for taking. Except as provided in Sec. 2, Purchaser shall be liable for the total purchase price even though quantity of timber actually cut or removed or designated for taking is less than the estimated volume or quantity shown. Cutting areas are shown on EXHIBIT A
=====

Species	Est. Vol. in MBF	Price /UNIT	\$ SUBTOTAL
Western Hemlock	8,317.0	\$ -----	\$ -----
Douglas Fir	4,116.0	\$ -----	\$ -----
Western Redcedar	37.0	\$ -----	\$ -----
	12,470.0		\$ -----

The apportionment of the purchase price is as follows:

Unit#: 1 PC1
=====

Approx # of Trees	Species	Est. Vol. in MBF	Price /UNIT	\$ SUBTOTAL
17,012	Western Hemlock	4,131.0	\$ -----	\$ -----
7,574	Douglas Fir	2,018.0	\$ -----	\$ -----
110	Western Redcedar	19.0	\$ -----	\$ -----

24,696

\$ -----
DIVIDED BY ACRES: 226.0
= \$ PER ACRE: \$ -----

EXHIBIT B
 LUMP SUM SALE

Unit#: 2 PC2
 =====
 ===

Approx # of Trees	Species	Est. Vol. in MBF	Price /UNIT	\$ SUBTOTAL
3,915	Western Hemlock	951.0	\$ -----	\$ -----
1,743	Douglas Fir	464.0	\$ -----	\$ -----
25	Western Redcedar	4.0	\$ -----	\$ -----

5,683
 DIVIDED BY ACRES: \$ ----- 52.0
 = \$ PER ACRE: \$ -----

Unit#: 3 PC3
 =====
 ===

Approx # of Trees	Species	Est. Vol. in MBF	Price /UNIT	\$ SUBTOTAL
13,174	Western Hemlock	3,199.0	\$ -----	\$ -----
5,865	Douglas Fir	1,563.0	\$ -----	\$ -----
85	Western Redcedar	14.0	\$ -----	\$ -----

19,124
 DIVIDED BY ACRES: \$ ----- 175.0
 = \$ PER ACRE: \$ -----

Unit#: 4 R/W1
 =====
 =====

Approx # of Trees	Species	Est. Vol. in MBF	Price /UNIT	\$ SUBTOTAL
142	Western Hemlock	30.0	\$ -----	\$ -----
128	Douglas Fir	49.0	\$ -----	\$ -----

270
 DIVIDED BY ACRES: \$ ----- 2.0
 = \$ PER ACRE: \$ -----

EXHIBIT B
LUMP SUM SALE

=====
Unit#: 5 R/W3
=====

Approx # of Trees	Species	Est. Vol. in MBF	Price /UNIT	\$ SUBTOTAL
22	Western Hemlock	6.0	\$ -----	\$ -----
36	Douglas Fir	22.0	\$ -----	\$ -----

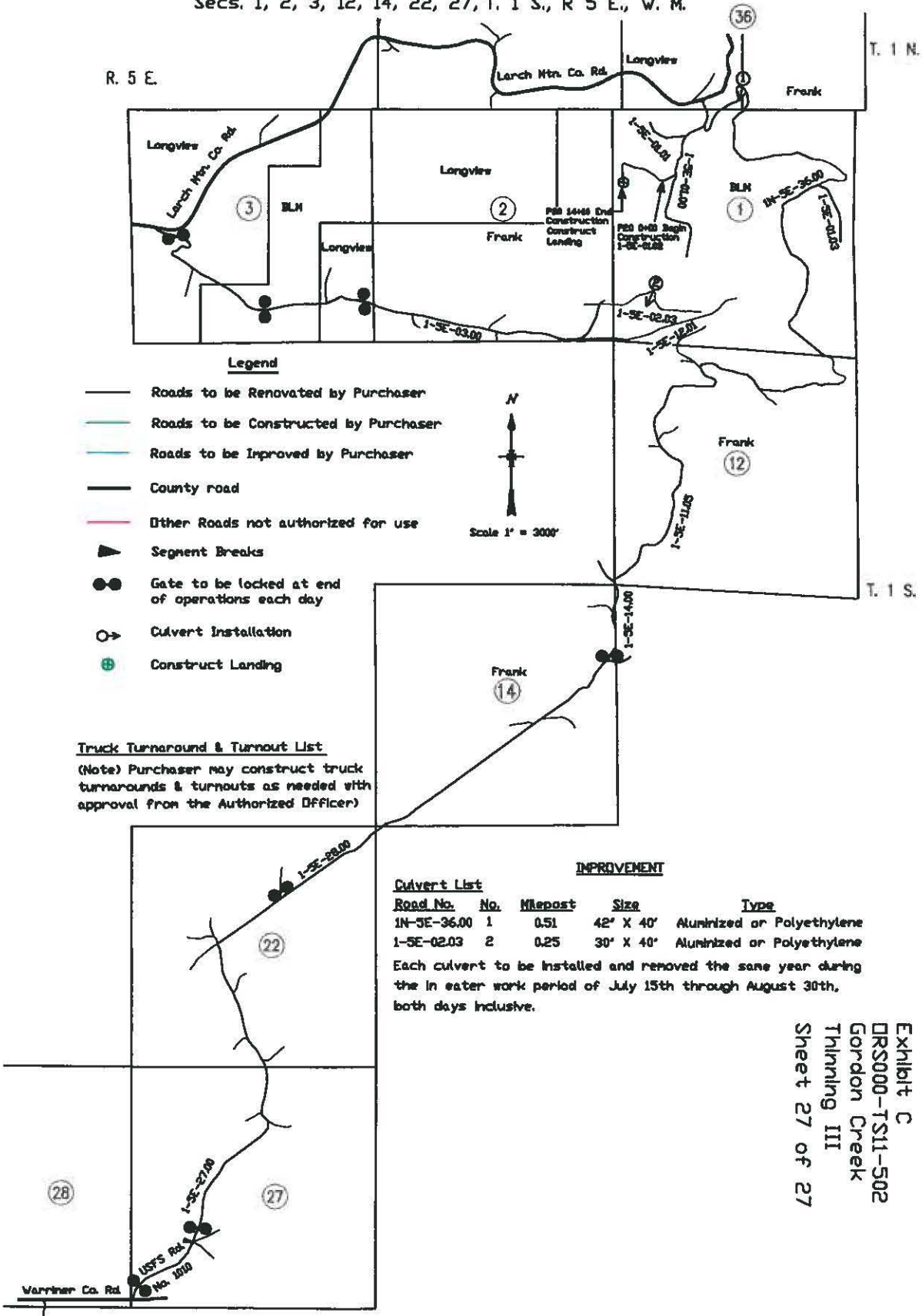
=====
58
DIVIDED BY ACRES: \$ ----- 1.0
= \$ PER ACRE: \$ -----

UNITED STATES
DEPARTMENT OF THE INTERIOR
Bureau of Land Management

Road Plan Map

Sec. 36, T. 1 N., R. 5 E., W. M.

Secs. 1, 2, 3, 12, 14, 22, 27, T. 1 S., R. 5 E., W. M.



Legend

- Roads to be Renovated by Purchaser
- Roads to be Constructed by Purchaser
- Roads to be Improved by Purchaser
- County road
- Other Roads not authorized for use
- ▲ Segment Breaks
- Gate to be locked at end of operations each day
- Culvert Installation
- ⊕ Construct Landing



Truck Turnaround & Turnout List
(Note) Purchaser may construct truck turnarounds & turnouts as needed with approval from the Authorized Officer)

IMPROVEMENT

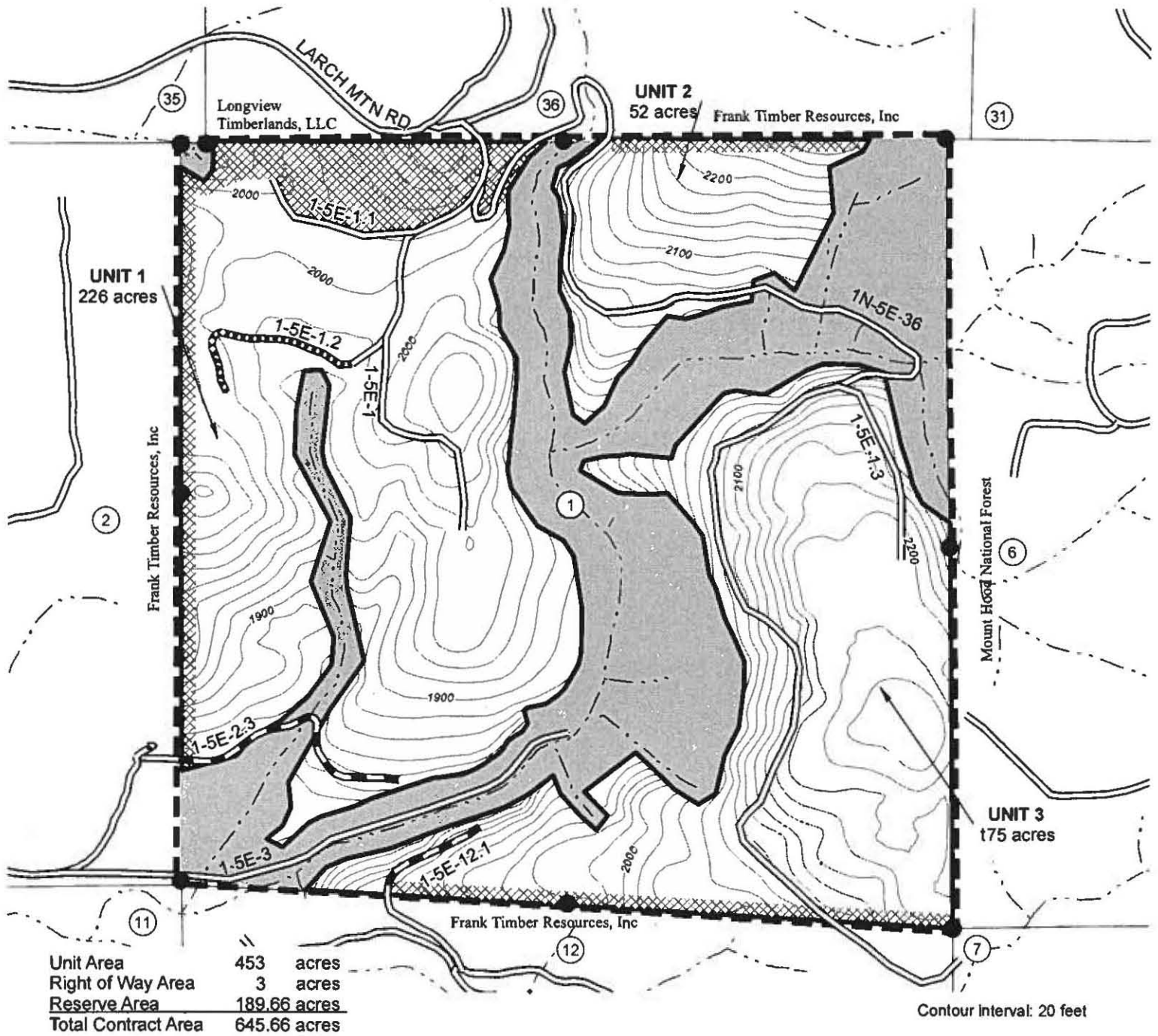
Culvert List					Type	
Road No.	No.	Milepost	Size			
1N-3E-36.00	1	0.51	42' X 40'	Aluminized or Polyethylene		
1-3E-02.03	2	0.25	30' X 40'	Aluminized or Polyethylene		

Each culvert to be installed and removed the same year during the in eater work period of July 15th through August 30th, both days inclusive.

Exhibit C
DRS000-TS11-502
Gordon Creek
Thinning III
Sheet 27 of 27

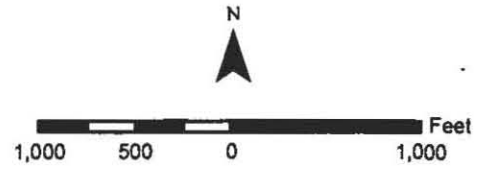
TIMBER SALE CONTRACT MAP - CONTRACT NO. ORS000-TS11-502

T. 1 S., R. 5 E., Section 1, W. M.



Unit Area	453	acres
Right of Way Area	3	acres
Reserve Area	189.66	acres
Total Contract Area	645.66	acres

- Fuel Reduction Area
- Stream
- Right-of-Way Area
- Road to be constructed
- Boundary - Cutting Area
- Right-of-Way Area
- Road to be improved
- Boundary - Contract Area
- Reserve Area
- Existing road
- Corner found

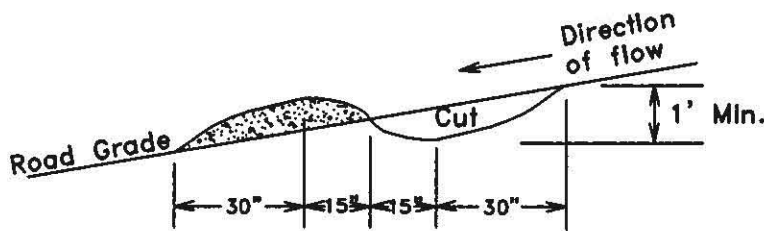


Note: All lands within Contract area are O&C lands. Boundaries of right-of-way areas and unit areas are posted and painted orange.

Unit acres do not include existing or new roads. Acres shown on Exhibit A have been computed using a Trimble Geo XT global positioning system Receiver. Acreage was calculated based on global positioning system traverse procedures including differential correction.

SPECIAL PROVISIONS FOR MACHINE PILING AND PILE COVERING

1. Piling of brush and logging debris shall be performed with a track mounted hydraulic excavator referred to as a "shovel" in this contract. The excavator shall be equipped with a controllable grapple head or hydraulic thumb capable of picking up logging slash and debris without also picking up more than minimal soil. The shovel shall have a minimum reach of twenty (20) feet. Prior to commencement of piling work, all equipment shall meet the approval of the Authorized Officer. The excavator shall be cleaned in accordance with section 41.cc.
2. The shovel shall not operate on slopes greater than thirty-five (35) percent.
3. The Purchaser shall operate the shovel so as to keep the tracks of the shovel on top of unpiled slash and/or brush and to make no more than one pass over any single spot on the ground. Areas receiving more than one pass shall be tilled in accordance with the instructions of the Authorized Officer if, in the opinion of the Authorized Officer, compaction has occurred.
4. Logging slash and debris smaller than six (6) inches diameter, large end, and longer than four (4) feet, shall be piled so that the remaining slash and debris shall average less than four (4) inches deep and shall not have any concentration of slash and debris more than eight (8) inches deep. Remaining slash and debris shall not be matted so that it would, in the opinion of the Authorized Officer, interfere with standard tree planting techniques or be continuous enough to carry fire during the dry season.
5. Logging slash and debris and brush shall be piled as directed by the Authorized Officer. Piles shall be tight, free of dirt, and free of projecting limbs or slash which would interfere with adequate pile covering. If, in the opinion of the Authorized Officer, the structure of the piles will not permit adequate consumption of piled debris by burning, the Purchaser shall re-pile them at the direction of the Authorized Officer.
6. Piles shall be located in areas suitable for burning as determined by the Authorized Officer. The piles shall not be closer than thirty (30) feet from the unit boundary or in locations which, in the opinion of the Authorized Officer, would endanger reserve trees.
7. Upon completion of piling, the Purchaser shall prepare the piles for burning by securely covering each pile. Total surface area of each pile shall be covered at least seventy-five percent (75%) with four (4) mil (0.004 inch thick) black plastic provided by the Purchaser at the Purchaser's expense. Landing piles shall be covered with enough plastic to keep pile dry enough to ensure pile consumption. Woody debris shall then be placed on top of the plastic so that both sides and the middle are held in place during strong wind conditions. The Purchaser is required to furnish the covering materials. The timing of this covering work shall be in accordance with instructions from the Authorized Officer. If, in the opinion of the Authorized Officer, the structure of the landing piles will not permit adequate consumption of piled debris by burning, the Purchaser shall re-pile them at the direction of the Authorized Officer. Woody debris shall then be placed on top of the plastic so that both the sides and the middle are held in place under strong windy conditions.

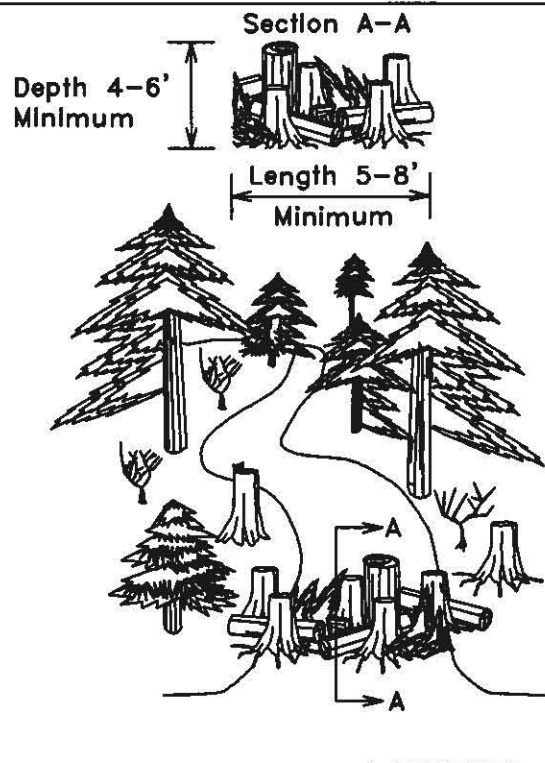


1. Waterbars shall be constructed as shown.
2. Exact locations will be flagged by the Authorized Officer prior to construction.
3. All waterbars shall be skewed 30 degrees.
4. Waterbars shall extend from the cut bank to the fill slope and be readily crossed by passenger type vehicles.
5. See Itemized Project List for quantities and locations.

Typical Waterbar Details
 (Not to scale)

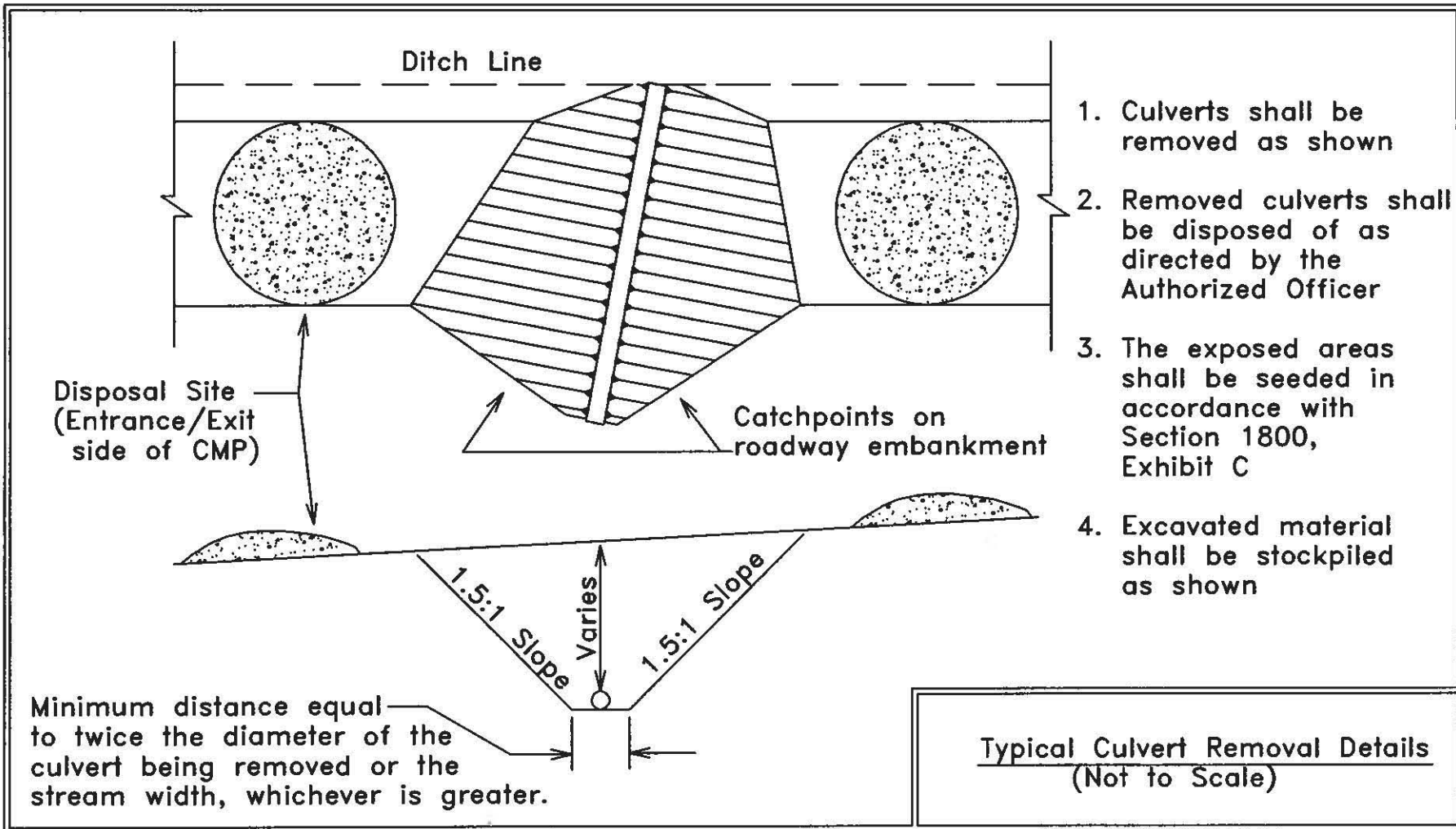
Typical Debris Barricade Details
 (Debris & Earth berm)
 (Not to Scale)

1. Roads shall be blocked as shown using available debris
2. All barricade material shall be stockpiled in a large configuration of stumps, logs, large rocks, woody material and earth. Earth will be used to aid debris from being cut or removed from the site.
3. Barricade locations will be flagged by the Authorized Officer prior to construction
4. The barricade shall span the entire width of the roadway and shall sufficiently block all vehicular access to the road



U.S. DEPARTMENT OF THE INTERIOR
Bureau of Land Management
Salem District

EXHIBIT H
ORS000-TS11-502
Gordon Creek Thinning III
Sheet 2 of 2

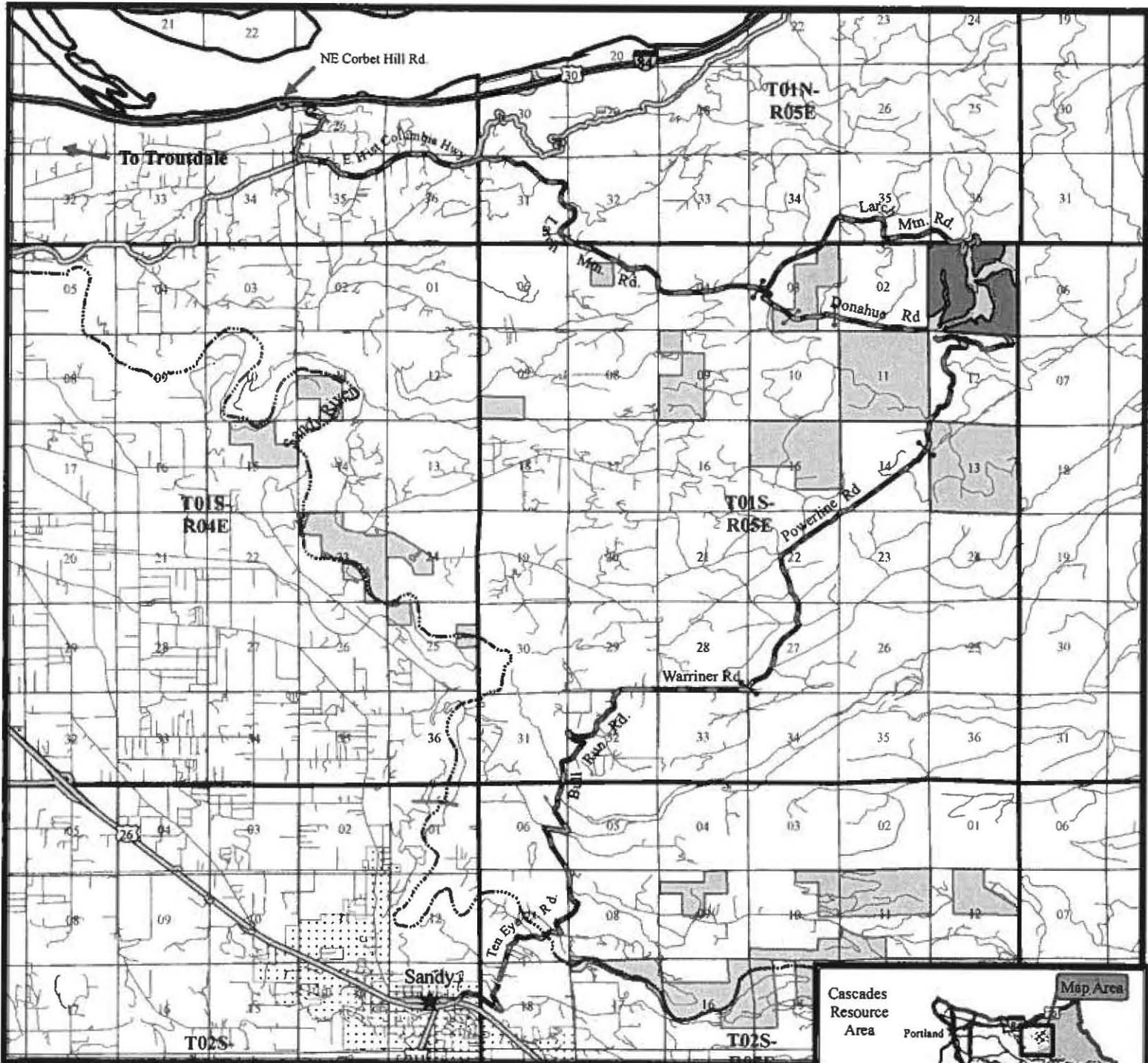


United States Department of the Interior
 BUREAU OF LAND MANAGEMENT
TIMBER SALE CONTRACT LOCATION MAP
 Contract No. ORS000-TS11-502

March 31, 2011
 Bureau Of Land Management
 Salem District Office
 Cascades Resource Area

March 31, 2011

T. 1S, R. 5E, Section 1 W. M. - SALEM DISTRICT - OREGON

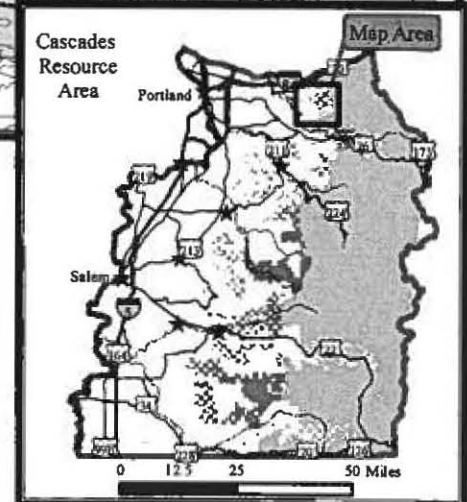


2 1 0 Miles

No warranty is made by the Bureau of Land Management as to the accuracy, reliability, or completeness of these data for individual or aggregate use with other data. Original data were compiled from various sources and may be updated without notification.



- ★ City
- G Locked Gate
- G Unlocked Gate
- ~ Haul Route
- ~ Roads
- ~ Interstate Hwys
- ~ State Hwys
- ~ Major Streams
- ~ Gordon III Timber Sale Area
- Bureau of Land Management



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Summary of All Roads and Projects

T.S. Update 04/15/10

T.S. Contract Name: Gordon III Exhibit D Sale Date: May 2011
 Prepared by: Ditterick Ph: 375-5635 Print Date: 3/18/2011 12:00:14 PM
 Construction: 0.00 sta (Surfaced 0.00 sta Natural 0.00 sta)
 Improve: 0.00 sta Renov: 690.09 sta Decom: 0.00 sta Temp: 0.00 sta

200 Clearing and Grubbing: 0.0 acres	\$0.00
Clearing: 0.0 sta Grubbing: 0.0 acres	
Slash Treatment: 0.0 acres	
300 Excavation:	\$0.00
Haul: 0 sta-yds	
400 Drainage:	\$0.00
Culvert: 0 lf wt = 0 lbs	
DownSpout: 0 lf	
PolyPipe: 0 lf	
500 Renovation:	\$5,841.52
Blading 12.71 mi	
Surfacing:	\$42,131.40
Quarry Name: Mtn Hood 1,200 cy (= 1600 Cubic Yards Truck Measurement)	
1300 Geotextiles:	\$0.00
1400 Slope Protection:	\$0.00
1800 Soil Stabilization: 9.0 acres	\$2,248.18
Includes Small Quantity Factor of 1.06	
1900 Cattleguards:	\$0.00
2100 RoadSide Brushing: 0.0 acres	\$0.00
2200 Surface Treatment: 0.0 tons	\$0.00
2300 Engineering: 0.00 sta.	\$0.00
2400 Minor Concrete:	\$0.00
2500 Gabions:	\$0.00
8000 Miscellaneous:	\$1,708.86
Mobilization: Const. \$983.00 Surf. \$856.00.....	\$1,839.00
Quarry Development:	\$0.00
Total: 12,470 mbf @ \$4.31/mbf =	\$53,768.95

Notes:

Quantities shown are estimates only and not pay items.
 Surfacing Quantities are COMPACTED in place cubic yards.

Exhibit D appraisal

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Summary of All Roads and Projects

T.S. Update 04/15/10

T.S. Contract Name: Gordon III Sale Date: May 2011
 Prepared by: Ditteick Ph: 375-5635 Print Date: 4/6/2011 8:46:38 AM
 Construction: 14.10 sta (Surfaced 0.00 sta Natural 14.10 sta)
 Improve: 53.33 sta Renov: 622.52 sta Decom: 0.00 sta Temp: 0.00 sta

200 Clearing and Grubbing: 3.8 acres	\$7,205.04
Clearing: 94.9 sta Grubbing: 5.7 acres	
Slash Treatment: 3.8 acres	
300 Excavation: 477 cy	\$2,105.97
Haul: 0 sta-yds	
400 Drainage:	\$4,988.16
Culvert: 80 lf wt = 2,480 lbs factor = 1.2	
DownSpout: 0 lf	
PolyPipe: 0 lf	
500 Renovation:	\$14,939.62
Blading 12.44 mi	
Surfacing:	\$17,435.64
Quarry Name: Mtn Hood 488 cy (= 650 Cubic Yards Truck Measurement)	
1300 Geotextiles:	\$0.00
1400 Slope Protection:	\$0.00
1800 Soil Stabilization: 0.0 acres	\$918.48
1900 Cattleguards:	\$0.00
2100 RoadSide Brushing: 15.0 acres	\$3,839.38
2200 Surface Treatment: 0.0 tons	\$0.00
2300 Engineering: 0.00 sta.	\$0.00
2400 Minor Concrete:	\$0.00
2500 Gabions:	\$0.00
8000 Miscellaneous:	\$467.60
Mobilization: Const. \$2,271.00 Surf. \$428.00.....	\$2,699.00
Quarry Development:	\$0.00
Total: 12,470 mbf @ \$4.38/mbf =	\$54,598.88

Notes:

Quantities shown are estimates only and not pay items.
 Surfacing Quantities are COMPACTED in place cubic yards.

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Timber - Sale - Summary**

Salem
Gordon Cr. Thinning III
TS 11-502

Legal Description

Forest Type	Township	Range	Section	Subdivision
O&C	IS	5E	1	Lot 1, Lot 2, Lot 3, Lot 4, WM.
O&C	IS	5E	1	SE1/4NE1/4, SW1/4NE1/4, SE1/4NW1/4, SW1/4NW1/4, WM.
O&C	IS	5E	1	SW1/4, SE1/4, WM.

Cutting Volume (16' MBF)

Unit	WH	DF	WRC						Total	Regen	Partial	ROW
PC #1	4,131	2,018	19						6,168	0	226	0
PC #2	951	464	4						1,419	0	52	0
PC #3	3,199	1,563	14						4,776	0	175	0
RW #1	30	49							79	0	0	2
RW #3	6	22							28	0	0	1
Totals	8,317	4,116	37						12,470	0	453	3

Logging Costs per 16' MBF

Stump to Truck	\$	134.10
Transportation	\$	65.63
Road Construction	\$	4.38
Road Amortization	\$	1.23
Road Maintenance	\$	4.31

Other Allowances :

Equipment Washing	\$ 0.03
Misc	\$ 1.72
Road Blocking, Stumps	\$ 0.07
Water Bars/ Berms	\$ 0.05
Total Other Allowances :	\$ 1.86

Profit & Risk

Total Profit & Risk		7 %
Basic Profit & Risk	7 % + Additional Risk	0 %
Back Off		0 %

Tract Features

Avg Log	Western Hemlock : 55 bf	All : 54 bf
Recovery	Western Hemlock : 95 %	All : 95 %
Salvage	Western Hemlock : 0 %	All : 0 %
Avg Volume (16' MBF per Acre)		27
Avg Yarding Slope		25 %
Avg Yarding Distance (feet)		450
Avg Age		0
Volume Cable		0 %
Volume Ground		100 %
Volume Aerial		0 %
Road Construction Stations		14.10
Road Improvement Stations		53.33
Road Renovation Stations		622.52
Road Decommission Stations		0.00

Cruise

Cruised By	P.W. Hazen
Date	01/01/2011
Type of Cruise	V-Plot & GGD 100
County, State	Mulmoham, OR

Net Volume

Green (16' MBF)	12,470
Salvage (16' MBF)	0
Western Hemlock Peeler	0
Export Volume	0
Scaling Allowance (\$0.00 per 16' MBF)	\$0.00

Total Logging Costs per 16' MBF

\$ 211.52

Utilization Centers

Center #1 : Molalla, Or.	65 Miles
Center #2	0 Miles
Weighted distance to Utilization Centers	65

Length of Contract

Cutting and Removal Time	24 Months
Personal Property Removal Time	1 Months

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Salem
Gordon Cr. Thinning III
TS 11-502

Stumpage Summary

Stumpage Computation (16' MBF)

Species	Trees	Net Volume	Pond Value	(-) Profit & Risk	(-) Logging Cost	(+) Marginal Log Value	(-) Back Off	Appraised Price	Appraised Value
WH	34,265	8,317	\$ 411.77	\$ 28.82	\$ 211.52			\$ 171.40	\$ 1,425,533.80
DF	15,346	4,116	\$ 513.36	\$ 35.94	\$ 211.52			\$ 265.90	\$ 1,094,444.40
WRC	220	37	\$ 405.40	\$ 28.38	\$ 211.52			\$ 165.50	\$ 6,123.50
Totals	49,831	12,470							\$ 2,526,101.70

Log Code by Percent

Species	Code #1	Code #2	Code #3	Code #4	Code #5	Code #6
Douglas-fir				44.0	51.0	5.0
Western Hemlock				40.0	54.0	6.0
Western red-cedar				100.0		

Marginal Log Volume

Species	Grade #7	Grade #8
Douglas-fir		
Western Hemlock		
Western red-cedar		

Appraised By : Hazen, Pete

Date : 03/24/2011

Area Approval By :

Date :

District Approval By :

Date :

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

EXPORT DETERMINATION

OMB CLEARANCE
NO. 1004-0058 EXPIRES MAY 31, 1983

Location of facility where Federal Timber is expected to be processed.

INSTRUCTIONS

Timber sale applicant forwards information to authorized officer.

In compliance with requirements of 43 CFR 5424.1, I We hereby submit the following information:

(1) Have you exported private timber from lands tributary to the above processing facility within the last 12 months?

Yes No (If "Yes", give date of last export sale.)

a.. Export (date) _____

(2) Provide names of affiliates* who have exported private timber from lands tributary to the above processing facility within the last 12 months and date of last export sale.

a. Affiliate _____ Export date _____

b. Affiliate _____ Export date _____

c. Affiliate _____ Export date _____

*See 43 CFR 5424.0-5

Name of Firm _____

Signature of Signing Officer _____

Title _____

Date _____

(See statement on reverse)

Form 5450-17 (June 1981)

The Bureau of Land Management collects this information pursuant to the law(see 43 CFR 5400.0-3(c)).

The Bureau of Land Management uses the information to determine whether Federal timber has been substituted for exported private timber (see 43 CFR 5400.0-5(n) and 5424.0-6(c)(2)).

A Bureau of Land Management timber purchaser is obligated to report this information under provisions of the above-numbered contract (see 43 CFR 5424.1).

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NOTICE OF REQUIREMENT FOR CERTIFICATION
OF NONSEGREGATED FACILITIES

Bidders and offerors are cautioned as follows: by signing this bid or offer or entering into this contract or lease, as the case may be, the bidder, offeror, or contractor will be deemed to have signed and agreed to the provisions of the Certification of Nonsegregated Facilities in this solicitation. The certification provides that the bidder or offeror does not maintain or provide for his employees facilities which are segregated on a basis of race, color, religion, sex, or national origin, whether such facilities are segregated by directive or on a de facto basis. The certification also provides that he will not maintain such segregated facilities. Failure of a bidder or offeror to agree to the Certification of Nonsegregated Facilities will render his bid or offer nonresponsive to the terms of solicitations involving awards of contract exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity clause.

In accordance with 41 CFR 60, as amended May 19, 1967, and Executive Order No. 11246 of September 24, 1965, as amended, this notification will be included in all notices of invitations for bid, lease, offers, and requests for proposal where prospective nonexempt contracts may exceed \$10,000.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO.1004-0113
Expires: July 31, 1995

DEPOSIT AND BID FOR
 TIMBER*
 VEGETATIVE RESOURCE
(Other Than Timber)

LUMP SUM SALE

Tract Number	ORS000-TS11-502
Sale Name	Gordon Creek Thinning III
Sale Notice (dated)	April 22, 2011
BLM District	Salem

Sealed Bid for Sealed Bid Sale Written Bid for Oral Auction Sale

In response to the above dated Sale Notice, the required deposit and bid are hereby submitted for the purchase of designated timber/vegetative resource on the tract specified above.

Required bid deposited is **\$252,700.00** and is enclosed in the form of cash money order bank draft
 cashier's check certified check bid bond of corporate surety on approved list of the United States Treasury
 guaranteed remittance approved by the authorized officer.

IT IS AGREED That the bid deposit shall be retained by the United States as liquidated damages if the bid is accepted and the undersigned fails to execute and return the contract, together with any required performance bond and any required payment within 30 days after the contract is received by the successful bidder. It is understood that no bid for less than the appraised price on a unit basis per species will be considered. If the bid is rejected the deposit will be returned.

BID SCHEDULE - LUMP SUM SALE

NOTE: Bidders should carefully check computations in completing the Bid Schedule

BID SUBMITTED					ORAL BID MADE	
PRODUCT SPECIES	UNIT	ESTIMATED VOLUME OR QUANTITY	UNIT PRICE	TOTAL VALUE	UNIT PRICE	TOTAL VALUE
western hemlock	MBF	8,317	x _____ = _____		x _____ = _____	
Douglas-fir	MBF	4,116	x _____ = _____		x _____ = _____	
western red cedar	MBF	37	x _____ = _____		x _____ = _____	
	MBF		x _____ = _____		x _____ = _____	
	MBF		x _____ = _____		x _____ = _____	
	MBF		x _____ = _____		x _____ = _____	
	MBF		x _____ = _____		x _____ = _____	
	MBF		x _____ = _____		x _____ = _____	
	MBF		x _____ = _____		x _____ = _____	
TOTAL PURCHASE PRICE						

(Continued on reverse)

If sale contract is executed, undersigned is liable for total purchase price even though the quantity cut, removed, or designated for taking is more or less than the total estimated volume or quantity shown above. Undersigned certifies bid was arrived at by bidder or offeror independently, and was tendered without collusion with any other bidder or offeror. In submitting or confirming this bid, undersigned agrees to the foregoing provisions, applicable regulations, and certifies that he is authorized to act as, or on behalf of, the bidder.

Bid submitted on *(date)*

(Check appropriate box, sign in ink, and complete the following)

<input type="checkbox"/> Signature, if firm is individually owned	Name of firm <i>(type or print)</i>
<input type="checkbox"/> Signatures, if firm is a partnership	Business address, include zip code <i>(type or print)</i>
<input type="checkbox"/> Corporation organized under the state laws of Signature of Authorized Corporate Signing Officer	<p style="text-align: center;"><i>(To be completed following oral bidding)</i></p> I HEREBY confirm the above oral bid By <i>(signature)</i>
Title	Date
Submit bid, in duplicate, to qualify for either an oral auction or sealed bid sale together with the required bid deposit made payable to the Department of the Interior-BLM Oral Auction - Submit to Sales Supervisor prior to closing of qualifying period for tract.	Sealed Bid - Send to District Manager, who issued the sale notice, in a sealed envelope marked on the outside: (1) "Bid for Timber" (2) Vegetative Resource Other Than Timber (3) Time bids are to be opened (4) Legal description

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et. seq.) requires us to inform you that:

This information is being collected to obtain data relevant to the operation of this timber sale contract.
 This information will be used to administer our timber sale program.
 Response to this request is required to obtain a benefit.

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 38 FR 6280 and 43 CFR 5442.1

PURPOSE: To qualify an oral auction bidder, and then if successful, to bind bidder to certain contract conditions.

ROUTINE USE: To determine that an individual is qualified to participate in oral auction bidding, and, as surety that bidder will fulfill contract requirements.

EFFECT OF NOT PROVIDING INFORMATION: Filing this deposit and bid information is necessary only when an individual wishes to participate in a sealed or auction bid sale for timber or vegetative resources.

BURDEN HOURS STATEMENT

Public reporting burden for this form is estimated to average 1 hr. 15 mm. per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, (Alternate) Bureau Clearance Officer, (WO-771), 18 and C Streets, N.W. Washington, D.C. 20240, and the Office of Management and Budget, Paperwork Reduction Project (1004-0113), Washington, D.C. 20503.

INSTRUCTIONS TO BIDDERS

1. **AUTHORITY** - Timber located on the revested Oregon and California Railroad Grant Lands and on the reconveyed Coos Bay wagon Road Grant Lands is administered and sold pursuant to authority of the Act of August 28, 1937 (50 Stat. 874; 43 U.S.C. 1181a); timber located on other lands and other vegetative resources on all public lands of the United States under jurisdiction of the Bureau of Land Management are administered and sold pursuant to authority of the Act of July 31, 1947 (61 Stat. 681), as amended, by the Act of July 23, 1955 (69 Stat. 367; 30 U.S.C. 601 et. seq.). Regulations of the Secretary of the Interior governing sale of timber are codified in 43 CFR Group 5400.

2. **QUALIFICATIONS OF BIDDERS** - A bidder for sale of timber/vegetative resources must be either (a) a citizen of the United States, (b) a partnership composed wholly of such citizens, (c) an unincorporated association composed wholly of such citizens, or (d) a corporation authorized to transact business in the State in which the timber/vegetative resource is located.

3. **INSPECTION OF TIMBER/VEGETATIVE RESOURCES** - Bidder is invited, urged, and cautioned to inspect the timber/vegetative resource prior to submitting a bid. By executing the timber/vegetative resource sale contract, bidder warrants that the contract is accepted on the basis of his examination and inspection of the timber/vegetative resource and his opinion of its value.

4. **DISCLAIMER OF WARRANTY** - Government expressly disclaims any warranty of the fitness of the designated timber/vegetative resource for any purpose of the bidder; all timber/vegetative resources are to be sold "As Is" without any warranty of merchantability by Government. Any warranty as to the quantity or quality of timber/vegetative resource to be sold is expressly disclaimed by Government.

5. **BIDS** - Sealed or written bids for not less than the advertised appraised price, per timber/vegetative resource must be submitted in duplicate to the District Manager who issued Timber/Vegetative Resource Sale Notice.

(a) **Sealed Bid Sales** - Bids will be received until time for opening which is set out in the Notice. Enclose both copies of bid with required bid deposit in a sealed envelope marked on the outside *Rid for Timber/Vegetative Resource*. time bid is to be opened, tract number, and legal description of land on which timber/vegetative resource is located. In event of a tie, the high bidder shall be determined by lot from among those who submitted the tie bids.

(b) **Auction Sales** - Submission of the required bid deposit and a written bid is required to qualify for oral bidding. Oral bidding shall begin from the highest written bid. No oral bid will be considered which is not higher than the preceding bid. In the event there is a tie in high written bids, and no oral bidding occurs, the bidder who was the first to submit his bid deposit and written bid shall be declared the high bidder. If the officer conducting the sale cannot determine who made the first submission of high tie written bids, the high bidder shall be determined by lot. High bidder must confirm his bid, in writing, immediately upon being declared high bidder.

(c) Except as otherwise provided in 43 CFR 5442.2, bids will not be considered in resale of timber/vegetative resource remaining from an uncompleted contract from any person or affiliate of such person who failed to complete the original contract because of (1) cancellation for the purchaser's breach or (2) through failure to complete payment by expiration date.

(d) When it is in the interest of the Government to do so, it may reject any and all bids and may waive minor deficiencies in bids or in sale advertisement.

6. **BID FORMS** - All sealed, written bids, and confirmation of oral bids shall be submitted on forms provided by Government.

(a) **Lump Sum Sales** - Bids shall specify (1) Bureau of Land Management estimated volume, (2) price per unit, and (3) total purchase price. Estimated volume and price per unit are to be used for administrative and appraisal purposes only. Upon award of contract, high bidder shall be liable for total purchase price, including any adjustment which may be made as a result of reappraisal if an extension of time is granted, even though quantity of timber/vegetative resource actually cut, removed, or designated for taking is more or less than the estimated volume or quantity listed.

(b) **Timber Scale Sales** - Bids must state price per thousand board feet that will be paid for each species. High bidder will be determined by multiplying bid price per thousand board feet per species by Bureau of Land Management estimate of volume of each species. Purchaser shall be liable for purchase price of all merchantable timber sold under contract even though all such timber is not actually cut and removed prior to expiration of time for cutting and removal as specified in contract. *

7. **BID DEPOSIT** - All bidders must make a deposit of not less than the amount specified in the *Timber/Vegetative Resource Notice*. Deposit may be in the form of cash, money orders, bank drafts, cashiers or certified checks made payable to the Department of the Interior-BLM, bid bonds of a corporate surety shown on the approved list of the United States Treasury Department*, or any approved guaranteed remittance approved by the Authorized Officer. Upon conclusion of bidding, the bid deposit of all bidders, except high bidder, will be returned. The cash deposit of the successful bidder may be applied toward the required sale deposit and/or the purchase price. Cash not applied to the sale deposit or the purchase price, or a corporate surety bid band, will be returned at the time the contract is signed by the Government.

8. **A WARD OF CONTRACT** - Government may require high bidder to furnish such information as is necessary to determine the ability of bidder to perform the obligation of contract. Contract will be awarded to high bidder, unless he is not qualified or responsible or unless all bids are rejected. If high bidder is not qualified or responsible or fails to sign and return the contract together with required performance bond and any required payment, contract may be offered and awarded to the highest bidders qualified, responsible, and willing to accept the contract.

9. **TIMBER/VEGETATIVE RESOURCE SALE CONTRACT** - To be executed by purchaser, has been prepared by Government, and may be examined in the District Manager's office.

10. PERFORMANCE BOND -

(a) A performance bond in an amount of not less than 20 percent of total purchase price is required, but the amount of the bond shall not be in excess of \$500,000, except when the purchaser opts to increase the minimum bond to permit cutting prior to payment as provided in 43 CFR 5451.2, or in the event the purchaser is a holder of an unresolved default the bond may be increased as provided in 43 CFR 5150.1(b). Performance bond may be (1) bond of a corporate surety shown on approval list issued by the United States Treasury Department and executed on an approved standard form, (2) personal surety bond executed on an approved standard form if Government determines principals and bondsman are capable of carrying out the terms of the contract, (3) cash bonds, (4) negotiable securities of the United States, or (5) Any guaranteed remittance approved by the Authorized Officer.

(b) If purchaser elects to cut timber without skidding or yarding it to a loading point or removing it prior to the payment of the second or subsequent installments, Government shall require an increase in amount of performance bond initially required by an amount equal to the value of timber to be cut. Such increase must be on 5 bond rider form supplied by Government and be approved, in writing, by Government prior to cutting timber covered by the bond increase. This increased amount of bond shall be used to assure payment for timber cut in advance of payment.*

11. **PAYMENT BOND** - If purchaser elects to (a) cut and remove timber, or (b) remove timber already cut which has been secured by an increased performance bond as provided in paragraph 10(b) above, before payment of the second or subsequent installments, Government shall require a payment bond on a form supplied by Government. Purchaser shall obtain written approval from Government of payment bond prior to cutting and/or removal of timber covered by the bond. Payment bond shall be used to assure payment for timber cut and/or removed in advance of payment.*

12. **PAYMENT OF PURCHASE PRICE** - For sales of \$500 or more, Government may allow payment by installments. Except as discussed in paragraphs 10 and 11 above, no part of any timber/vegetative resource sold may be severed, cut, or removed unless advance payment has been made as provided in contract.

13. **LIQUIDATED DAMAGES** - Within thirty (30) days from receipt of *Timber Vegetative Resource Sale Contract*, the successful bidder shall sign contract and return it to Government, together with required bond and any required payment. If successful bidder fails to comply within the stipulated time, his bid deposit shall be retained by Government as liquidated damages.

14. **NINETY-DAY SALES** - If no bid is received within time specified in the advertisement of sale and if Government determines that there has been no significant rise in the market value of timber/vegetative resource, it may, in its discretion, keep the sale open, not to exceed ninety (90) days.

15. **UNAUTHORIZED USE OF GOVERNMENT PROPERTY** - A sale may be refused to high bidder who has been notified that he has failed to make satisfactory arrangements for payment of damages resulting from unauthorized use of, or injury to, property of the United States.

*Applies to Timber Only

16. EQUAL OPPORTUNITY CLAUSE - This contract is subject to the provisions of Executive Order No. 11246 of September 24, 1965, as amended, which sets forth the nondiscrimination clauses. Copies of this order may be obtained from the District Manager. 43 CFR 60-1.7(b) requires that the Equal Opportunity *Compliance Report Certification* will be completed by prospective contractors. Certification may be obtained from District Manager.

17. LOG EXPORT - All timber offered for sale except as noted in the *Timber Sale Notice* is restricted from export from the United States in the form of unprocessed timber and cannot be used as a substitute for exported private timber. For the purpose of this contract, unprocessed timber is defined as: (1) any logs except those of utility grade or below, such as sawlogs, peeler logs, and pulp logs; (2) cants or squares to be subsequently remanufactured exceeding eight and three quarters (8-3/4) inches in thickness; (3) split or round bolts or other roundwood not processed to standards and specifications suitable for end product use; or (4) western red cedar lumber which does not meet lumber of American Lumber Standards Grades of Number 3 dimension

or better, or Pacific Lumber Inspection Bureau R-List Grades of Number 3 common or better. Timber manufactured into the following will be considered processed.. (1) lumber and construction timbers, regardless of size, manufactured to standards and specifications suitable for end product uses; (2) chips, pulp and pulp products; (3) green or dry veneer and plywood; (4) poles and piling cut or treated for use as such; (5) cants, squares, and lumber cut for remanufacture of eight and three quarters (8-3/4) inches in thickness or less, or (6) shakes and shingles. in event purchaser wishes to sell any or all of timber restricted from export in the form of unprocessed timber. the buyer, exchanges, or recipient shall be required to comply with contractual provisions relating to "unprocessed timber". Special reporting, branding and painting of logs may be included in contract provisions. *

18. DETAILED INFORMATION - Detailed information concerning contract provisions, bid, performance bond forms, tract location maps, and access conditions may be obtained from the District Manager. All persons interested in bidding on the products listed are encouraged to familiarize themselves with all such detailed information.