

**United States Department of the Interior
Bureau of Land Management
Coos Bay District Office
1300 Airport Lane
North Bend, Oregon 97459**

July 27,2018

30-DAY TIMBER SALE NOTICE

The timber described below was offered for sale on July 27, 2018; no bids were received; therefore, pursuant to 43 CFR 5443.1, the sale of such timber is kept open for a period of not to exceed 30 days for the above-mentioned date.

Written bids will be received for not less than the advertised appraised price during the time these sales are open. The required deposit must accompany the bid. Notice of receipt of any bids submitted on these sales will be posted for a period of seven days during which other written bids may be submitted. If no other bids are submitted within seven day period, the sole bidder shall be deemed the high bidder. If more than one written bid is submitted, an oral auction will be held after notice to the bidders.

Further information concerning these sales may be obtained from the above address.

PROSPECTUS

COOS BAY SALE NO. ORC00-TS-2018.0005
Church Yard CT

COOS BAY DISTRICT OFFICE
UMPQUA RESOURCE AREA

SALE DATE: July 27, 2018
SALE TIME: 10:00 a.m.

SALE NO. ORC00-TS-2018.0005, Church Yard CT

DOUGLAS COUNTY: OREGON: O&C: ORAL AUCTION: Bid deposit required: \$ 76,400.00

All timber designated for cutting on: T. 21 S., R. 9 W., Sec. 27 SW¹/₄NE¹/₄, SE¹/₄NW¹/₄, S¹/₂ Will. Mer.

Approx. No. Merch. Trees	Est. Vol. MBF 32' Log	Species	Est. Vol. MBF 16' Log	Appraised Price Per MBF	Estimated Vol. Times Appraised Price
20,604	3,142	Douglas-fir	3,616	\$194.70	\$704,035.20
1,249	108	western hemlock	133	\$66.50	\$8,844.50
3,444	242	red alder	309	\$155.70	\$48,111.30
971	78	big leaf maple	106	\$22.10	\$2,342.60
26,268	3,570	Totals	4,164		\$763,333.60

THIS TIMBER SALE HAS BEEN CRUISED, APPRAISED, AND ADVERTISED BASED UPON SCRIBNER BOARD FOOT MEASURE (16 FOOT LOG). THE MINIMUM BID FIGURES SHOWN BY SPECIES ARE DOLLARS PER THOUSAND BOARD FEET (MBF). THE MINIMUM BID INCREMENT WILL BE \$0.50 PER MBF. SCRIBNER BOARD FOOT VOLUMES (32 FOOT LOG) BY SPECIES ARE DISPLAYED FOR INFORMATIONAL PURPOSES.

LOG EXPORT AND SUBSTITUTION: All timber sales, including timber from Federal rights-of-ways, 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 5424 as amended.

LOG EXPORT AND SUBSTITUTION RESTRICTIONS: Excepting Port-Orford-cedar, all timber offered for sale hereunder is restricted from export from the United States in the form of unprocessed timber and is prohibited from being used as a substitute for exported private timber.

CRUISE INFORMATION: With respect to merchantable trees of all species in all cruise strata: the average DBHOB is 12.4 inches: the average gross merchantable log contains 44 bd. ft.; the total gross volume is approximately 4,594 thousand bd. ft.; and 91% recovery is expected. The average DBHOB for Douglas-fir is 12.4 inches; and the average gross merchantable log contains 44 bd. ft. The following cruise methods were used for volume determination:

VARIABLE PLOT: Timber volumes in Units 1&2 were based on a variable plot cruise. Using a 20 basal area

COOS BAY SALE NO. ORC00-TS-2018.0005
Church Yard CT

factor (BAF), 253 plots were measured and 209 trees were randomly selected to be sampled. The sample trees have been cruised and their volumes computed using form class tables for estimating board foot volumes of trees in 16-foot logs.

100% CRUISE: Timber volumes for all tree species within the road right-of-way, were based on a 100% cruise using form class tables for estimating board foot volume of trees in 16-foot logs.

CUTTING AREA: Units 1&2 contain 207 acres of partial cut. There are 4 acres of road right-of-way to be cut. Acreage data was collected using a Trimble Geo XT Global Positioning System receiver. Acreage was calculated based on Global Positioning System traverse procedures including differential correction.

ACCESS: Access to the sale area is provided via: Oregon State highways, government controlled roads, and privately controlled roads. A gate restricts access to this sale. Keys are available at Coos Bay District Office. A refundable deposit of \$100 is required to obtain a key.

DIRECTIONS TO SALE AREA: From Reedsport Oregon, travel East on Highway 38 towards Elkton and travel 22 miles. Turn left onto Weatherly Creek Rd and refer to Exhibits A and A-1 for unit locations.

ROAD USE & MAINTENANCE: Purchaser shall pay a maintenance and rockwear obligation totaling \$41,028.25 to the Government. Purchaser shall pay Maintenance fees totaling \$8,713.17 and Road use fees totaling \$122,092.91, to Oxbow Timber I LLC. Purchaser shall maintain 5.83 miles of road.

ROAD CONSTRUCTION: Road construction and improvement estimates include the following

5.30 stations Class SN-12 road

36.45 stations Class SN-14 road

55.75 stations Class SN-16 road

Refer to Exhibit C

Surfacing:

- 1312 cu. yds. of 1½-inch minus crushed hardrock
- 1520 cu. yds. of 3-inch minus crushed hardrock
- 3674 cu. yds. of 6-inch minus crushed hardrock
- 40 cu. yds. of 34 inch Rip Rap Barrier Rock
- 5 cu. yds. of 8"-24" of rip rap barrier rock

Drainage:

- 20 linear feet of 12-inch CMP culvert
- 1 Culvert Markers

DURATION OF CONTRACT: Will be 36 months for cutting and removal of timber. The contract will contain special stipulations regarding logging, road construction, road use and maintenance, fire prevention, hazard reduction and logging residue reduction, log export and substitution, optional scale check of lump sum sales, equal opportunity in employment, cultural resource protection, and sensitive, threatened, or endangered plants or animals.

SPECIAL PROVISIONS:

1. Snags that are felled for safety reasons will be left on site.
2. All Pacific yew are reserved from cutting, except within road right-of-ways.
3. All existing down coarse woody debris is reserved from cutting and removal.
4. Seasonal restrictions will apply in the Seasonally Restricted Area, as shown on Exhibit A
5. Directional felling is required away from roads, property lines, posted boundaries, orange-painted reserve trees, stream channels, and snags.
6. Cutting or yarding during high sap flow, March 31 through July 1, may be restricted by the Authorized Officer.
7. In the Partial Cut Area, conifer trees will be bucked to a maximum of 41-foot lengths.
8. All hardwood trees eight (8) inches DBHOB and larger designated for cutting in the Special Treatment Area shall be felled and yarded concurrently with all other trees designated for cutting in the Special Treatment Area.
9. All trees designated for cutting in the Special Treatment Area shall not be topped or limbed prior to reaching the landing. If the Authorized Officer determines that this stipulation is not being met, the purchaser will be required to gross yard any bucked tops and/or bucked limbs within the Special Treatment Area. The Special Treatment Area is shown on the Exhibit A.
10. In the Cable Yarding Area, yarding shall be completed with cable-type equipment capable of lateral yarding 75 feet each side of the skyline road.
11. In the Cable Yarding Area, one-end suspension is required. Lift trees and/or intermediate support trees may be necessary to achieve suspension.
12. No-harvest zones will be maintained adjacent to stream channels. Corridor trees felled within the no-harvest zone shall be left on site. Unless designated for removal by the Authorized Officer.

COOS BAY SALE NO. ORC00-TS-2018.0005
Church Yard CT

13. Full-log suspension will be required over stream channels. Where full suspension cannot be achieved, yarding will occur during the dry season.
14. Within safety standards, harvest trees will be directionally felled away from any stream channels; however, trees that must be felled toward or parallel to the stream channel should be temporarily retained on site to provide bank armament if other trees need to be yarded across the channel.
15. Ground based equipment shall be approved by the Authorized Officer prior to operations. The yarding machine shall utilize slash on skid trail as directed.
16. The location and use of yarding roads and harvester roads in the Cable Yarding Area and Ground Based Yarding Area shall be approved by BLM prior to use by the Purchaser.
17. Skyline corridors will be no wider than 12 feet as measured between reserve trees and 150 feet apart on one end as measured perpendicular to the proceeding corridor.
18. Road building and logging equipment will be washed prior to moving into the Contract Area to minimize the spread of noxious weeds.
19. Hauling on dirt surfaced roads will be permitted between July 1 and October 15, unless dry conditions extend the hauling season.
20. Any required construction, improvement, or renovation of structures and roads shall occur during the dry season, June 1 through October 1, unless dry conditions exist that may extend those dates as approved by the authorized officer.
21. BLM will assume supervisory responsibility for disposal of logging slash.
22. Hand or machine piling is required in Roadside Hazard Reduction Area.
23. Slashing, loping, and scattering is required on approximately 17 acres in the Special Treatment Area.
24. Purchaser shall enter into a License Agreement with Oxbow Timber I, LLC.
25. No trees shall be felled into the Reserve Areas or Botany Reserve Areas, as shown on the Exhibit A. Line pulling, jacking or other mechanical devices shall be used as necessary.

SCHEDULE I

Sec. 41. TIMBER RESERVED FROM CUTTING. The following timber on the Contract Area, shown on Exhibit A, which is attached hereto and made a part hereof, is hereby reserved from cutting and removal under the terms of this contract and is retained as the property of the Government:

- a. All timber on the Reserve Area, shown on Exhibit A, and all blazed, orange painted and/or posted trees which are on or mark the boundaries of the Reserve Area.
- b. All orange painted reserve trees marked above and or below stump height within the Partial Cut Area, as shown on Exhibit A.
- c. All existing standing dead trees within the Partial Cut Area and Special Treatment Area except those trees which must be felled to permit safe working operations. Snags felled for safety reasons shall be left on site.
- d. All Pacific yew are reserved from cutting, except within road right-of-ways.
- e. All existing coarse woody debris within the Contract Area, unless the Authorized Officer determines the volume to be included in the Exhibit B, which is attached hereto and made a part hereof.
- f. All Bearing Trees with metal tags which mark property corners.
- g. Approximately 2-4 Douglas-fir trees in unit 1 and 2 each marked with an orange painted "W" above stump height and orange paint below stump height as shown on Exhibit A.

SPECIAL PROVISIONS - Page 1 of 22 pages

Sec. 42. SPECIAL PROVISIONS. Purchaser shall comply with the special provisions which are attached hereto and made a part hereof unless otherwise authorized, in writing, by the Authorized Officer:

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 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 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 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 days, and the interruption or delay is beyond the Purchasers 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. Logging

(1) Prior to 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 pre-work 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.

(2) Before beginning operations on the contract area for the first time, or after a shutdown of ten or more days, the Purchaser shall notify the Authorized Officer in writing of the date he plans to begin operations. He shall also notify the Authorized Officer in writing if he intends to cease operations for any period of ten or more days.

(3) In the Seasonal and Timing Restriction, as shown on Exhibit A, falling, bucking and yarding operations shall cease between April 1 and August 5 of the same calendar year, both days inclusive. Daily timing restrictions (work is limited to two hours after sunrise to two hours before sunset) will apply from August 6 through September 15 of the same calendar year, both days inclusive.

(4) Directional felling is required away from roads, property lines, posted boundaries, orange-painted reserve trees, no-harvest areas and snags.

(5) Cutting or yarding during high sap flow, March 31 through July 1, may be restricted by the Authorized Officer.

(6) All trees designated for cutting shall be felled to the lead of the pre-marked yarding corridors or pre-marked skid roads.

- (7) All trees designated for cutting in the Partial Cut Area shall be felled, limbed, topped, and cut into log lengths not to exceed 41 feet before yarding.
- (8) Rub trees may be cut and yarded after all lateral yarding is complete on each cable setting, as directed by Authorized Officer.
- (9) All hardwood trees eight (8) inches DBHOB and larger designated for cutting in the Special Treatment Area shall be felled and yarded concurrently with all other trees designated for cutting in the Special Treatment Area.
- (10) All trees designated for cutting in the Special Treatment Area shall not be topped or limbed prior to reaching the landing. If the Authorized Officer determines that this stipulation is not being met, the purchaser will be required to gross yard any bucked tops and/or bucked limbs within the Special Treatment Area. The Special Treatment Area is shown on Exhibit A.
- (11) Yarding shall be completed with cable-type equipment. A carriage capable of yarding in a fixed position 75 feet in either direction from the skyline corridor will be required.
- (12) Complete re-spooling of lines is required in making cable yarding road changes.
- (13) One-end suspension will be required for in-haul of logs during cable yarding operations. Lift trees and or intermediate supports may be required to obtain the required suspension.
- (14) Cable yarding corridors will be 150 feet apart, as measured from the tail hold, or where the skyline reaches the far edge of the unit, perpendicular to the preceding corridor.
- (15) Where yarding road locations allow, cable yarding will be done so that corridors are parallel rather than radiating from one central landing, and are placed to avoid a stream channel, shown on Exhibit A. Where yarding is to occur over a stream channel, the yarding roads will be kept as perpendicular to the stream channel as possible.
- (16) A minimum 50 foot slope distance no-harvest zone shall be maintained on either side of intermittent stream channel and 120 feet of perennial stream channels. Corridor trees felled within the no-harvest zone will be felled toward the stream channel and left in place. All trees within the no-harvest zone are either painted orange, or posted out of the unit.
- (17) Where cable yarding must occur through the no-harvest area adjacent to a stream channel, logs will be fully suspended to protect stream banks. Where full suspension is not feasible, operations over any stream channel with visible surface flow will occur only during the dry season, as designated by the Authorized Officer. Bare mineral soil within 50 feet of a stream channel, which has been exposed by yarding, shall be covered with slash to trap sediment and prevent erosion.

(18) Within safety standards, harvest trees will be directionally felled away from any stream channels; however, trees that must be felled toward or parallel to the stream channel should be temporarily retained on site to provide bank armament if other trees need to be yarded across the channel.

(19) 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

(20) In the Ground-based Yarding Area, as shown on the Exhibit A:

(a) In the Ground-based Yarding area, all equipment must be approved in writing by the Authorized Officer prior to any operations.

(b) Ground-based operations shall be conducted when soil moisture content is below 25% plastic limit, as determined by the Authorized Officer. Unseasonably dry or wet weather may shorten or extend the operating season. The Purchaser shall be notified in writing when weather conditions extend the operating season. The Purchaser may be required to suspend ground-based operations during periods of rain, as directed by the Authorized Officer.

(c) Trees shall be felled manually or by a mechanized harvester utilizing a “cut-to-length” system capable of directionally felling, cutting to length, and depositing slash along the harvesting path. The yarding machine shall utilize slash on skid trails and continually place slash on trails so as to not expose bare mineral soil.

(d) The yarding machine must be approved by the Authorized Officer. It must be equipped with a grapple or an extendable and retractable arch and fairlead which is an integral part of the machine that is capable of lifting the leading end of the turn clear of the ground. All logs in the Ground-based Yarding Area shall be yarded with their leading end clear of the ground. A forwarder or tracked log loader may also be used to yard logs within the Ground-based Yarding Area.

(f) Primary skid trails shall use existing trails wherever possible, be spaced at least 100 feet apart, and be no wider than 12 feet as measured between reserve trees.

(g) Primary skid trails shall be blocked with slash or cull material after completion of harvest where the Authorized Officer determines vehicle access is possible.

(h) All ground-based equipment shall be restricted to operating on slopes less than 35% and shall not operate within 50 feet of a stream channel.

(i) Upon completion of seasonal forwarding use, any skid trail with more than 100 feet of continuous bare ground shall have water bars installed and or be covered with slash for erosion control prior to October 15th.

(21) Before cutting and removing any trees necessary to facilitate logging in the Partial Cut Area, the Purchaser shall identify the location of the harvester roads, cable yarding roads and tailhold, tieback, guyline, lift, intermediate support, and danger trees on the ground in a manner approved by the Authorized Officer at the pre-work conference and documented in the Logging Plan. Said Purchaser's 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:

(a) All cable yarding roads 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 removal of timber sold under this contract and shall be limited to the minimum width necessary for yarding of logs with minimum damage to reserve trees, however, unless otherwise approved in writing by the Authorized Officer, the width of each cable yarding corridor shall be limited to 12 feet.

(b) The Purchaser may immediately cut and remove additional timber to clear cable yarding corridors; and provide tailhold, tieback, guyline, lift and intermediate support trees; and clear danger trees when the trees have been marked with blue paint 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.

(c) The Purchaser agrees that sale of this additional timber shall be accomplished by a unilateral modification of the contract executed by the Authorized Officer and that such timber shall be sold at the unit prices shown in the 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 any tree that exceeds 24 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.

(d) 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.

(e) If authorization is withdrawn, the Authorized 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 three working days 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 the 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 Authorized 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.

(f) The Government may reserve trees previously designated for cutting and removal by applying orange paint as replacements for additional trees cut and removed for skid roads and/or cable yarding road corridors when the Authorized Officer determines such reservation is necessary to maintain stand densities consistent with objectives set forth in the management prescription. This may include the replacement of trees damaged by storm events, insects or disease. The volume of this timber to be reserved will be determined by the Authorized Officer in accordance with Bureau of Land Management prescribed procedures and the value shall be based on the unit prices shown in Exhibit B of the contract. The Purchaser agrees that the Total Purchase Price stated in Sec. 2 of this contract shall be reduced accordingly through a unilateral modification to the contract executed by the Authorized Officer.

(22) In accordance with the requirements of Sec. 8, it has been determined that it is in the best interest of the government and within the provisions of 43 CFR 5402.0-6 to sell additional timber located in the Contract Area that is: obstructing needed cable yarding corridors, hazardous to workers in accordance with applicable State safety laws, codes, or regulations and must be cut or removed so that the Purchaser can continue active falling or yarding operations; needed for guyline trees to meet all applicable State safety laws, codes or regulations and must be cut or removed so the Purchaser can continue active yarding operations; or are severely damaged from the normal conduct of felling or yarding operations. The Purchaser is therefore authorized to cut and remove such additional timber in accordance with the provisions of Sec. 8; provided, however, that:

(a) the Purchaser shall identify each tree sold and cut in accordance with this provision by marking the surface of the stump immediately after cutting with a large "X", cut with a chain saw, and by painting the stump with fluorescent red paint so that the stump can be visually located from a distance of not less than 100 feet;

(b) concurrently with falling, paint the butt of each tree with fluorescent red paint. When butt logs are yarded, deck separately for inspection by Authorized Officer;

(c) The Purchaser conforms to all requirements of Sec. 8 of this contract; provided that (1) the unit prices for additional timber within unit boundaries shall be the unit prices shown in Exhibit B of this contract, or the reappraised unit prices arrived at in accordance with Sec. 9 of this contract, and (2) timber outside of unit boundaries shall be sold at fair market value;

(d) no timber may be cut or removed under the terms of this provision if all contract payments required by Sec. 3. (b) or 3.(d) have not been made; and,

(e) permission to cut and remove additional timber contained in this provision may be withdrawn by the Contracting Officer if the Authorized Officer determines that the Purchaser:

- (1) failed to properly mark any stump with the "X" mark.
- (2) failed to properly mark any butt log with the "X" mark.
- (3) cut any tree that was reserved for tree improvement and/or wildlife habitat.
- (4) cut any tree in or adjacent to cable yarding corridors that was not necessary to facilitate cable yarding.
- (5) cut any reserve tree in or adjacent to tractor skid roads that was not necessary to facilitate ground-based yarding.
- (6) cut any reserve tree that was not severely (as defined during the pre-work conference and documented in the approved logging plan) damaged from felling and yarding operations.
- (7) cut more than the minimum number of trees necessary to properly serve as guyline anchor stumps.
- (8) cut or topped more than the minimum number of trees necessary to properly serve as tailhold trees.
- (9) cut more than the minimum number of trees necessary to properly serve as tie-backs for topped tailhold trees.

Failure to perform any of the conditions listed above may be considered a trespass.

(23) As directed by Authorized Officer, for a distance of 100 feet from the perimeter of each landing, all logs more than eight inches diameter at the large end and longer than eight feet in length shall be decked or windrowed at the location designated by the Authorized Officer except logs removed from the contract area. If a log or a piece of a log meeting or exceeding the above specifications is bucked all portions of that log shall be yarded and decked at the above described location.

(24) In the Partial Cut Area, significant damage to residual trees shall be kept to a minimum. Significant damage is defined as any tree having greater than twelve square inches of the bark removed from the circumference of the tree, any tree with top diameter broken at three inches in diameter or greater, or any tree being visually root-sprung. If the Authorized Officer determines that damage has become commonplace due to a lack of caution or operator negligence, a written warning of non-compliance will immediately be issued to the Purchaser. The Authorized Officer may suspend operations until safeguards are put in place to protect the reserve trees. If the damage continues, it will result in a violation of Sec. 13 of the contract, Timber Trespass, and the Purchaser will be held liable for damages. Any reserved trees significantly damaged or destroyed by the Purchaser shall be valued at current market value of the merchantable volume for purposes of determining damages.

(25) To control the spread of noxious weeds, the Purchaser shall conduct all operations involving the transportation and use of equipment and vehicles in strict accordance with the requirements shown on Exhibit F,

which is attached hereto and made part hereof. All road building and logging equipment which will be used off of existing roads will be washed prior to moving into the Contract Area to minimize the spread of noxious weeds.

(26) Hauling on dirt surfaced roads will be permitted between July 1 and October 15 unless dry conditions extend the hauling season, as directed by Authorized Officer.

(27) To minimize the risk of attracting predators to activity areas, **all garbage** (especially food products) would be contained or removed daily from the vicinity of any activity.

c. Road Construction

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

(2) Any required construction, improvement, or renovation of structures and roads shall occur during the dry season, June 1 through October 1, unless dry conditions exist that may extend those dates as approved by the authorized officer.

(3) Any required construction, improvement, or renovation of structures and roads shall be completed and accepted prior to the haul of any timber, except right-of-way timber, over that road.

(4) In addition to the requirements set forth in Sec. 26 of this contract, the Purchaser shall complete erosion control and soil stabilization measures on all cuts, fills, waste areas, and scarified areas, as designated by the Authorized Officer, along all sections of roadway disturbed during the year prior to October 1 of each year. The Authorized Officer may set time limits for the beginning and completion of erosion control and soil stabilization measures and modify seasonal dates to conform to existing weather conditions and changes in the construction schedule. Such work shall be accomplished in accordance with Erosion Control and Soil Stabilization, 1700 and 1800 Series, contained in Exhibit C.

(5) The Purchaser shall, prior to construction of landings, stake all landing locations in accordance with the requirements set forth in Exhibit C. Concurrently with, or at the termination of logging operations, the Purchaser shall pull back and shape onto the landings all overhanging materials to prevent erosion in accordance with the requirements set forth in Exhibit C.

d. Road Use and Maintenance

(1) The Purchaser shall be required to secure written approval to use or haul equipment over Government owned or controlled structures when that equipment exceeds the maximum allowable weights or dimensions established by the State for vehicles operating without a permit.

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 when crossing with protective devices.

Details of such equipment shall be furnished to the Authorized Officer for evaluation of load characteristics, at least 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 vehicle;
- (f) operating speed;
- (g) frequency of use; and,
- (h) special features (e.g. running tracks, overhang loads, etc.).

The Purchaser shall be responsible for repair of any damage to structures caused by the use of overweight or over-dimension vehicles: (1) without written approval, (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 a technical inspection and evaluation.

(2) At all times during the period of his operations on the contract area, and upon completion of said operations, the Purchaser shall be liable for maintenance and repair of such roads shown on Exhibit D, which is attached hereto and made a part hereof, resulting from wear or damage in accordance with the maintenance specifications as shown on Exhibit D

(3) The Purchaser is authorized to use the roads shown on Exhibit E, which is attached hereto and made a part hereof, for the removal of Government timber sold under the terms of this contract and for haul of mineral material required under the terms of this contract; provided, that the Purchaser shall pay a Maintenance Obligation to the Government totaling \$41,028.25 as shown on Exhibit E. Unless the total Maintenance Obligation due to the BLM is paid prior to commencement of operations on the contract area, payments shall be made in installments payable in the same manner as and together with payments required by Sec. 3 of this contract. Timber modification volume will be assessed at a rate of \$9.85/MBF for removal of timber over Government controlled roads.

(4) With the prior written approval of the Authorized Officer, the Purchaser may arrange for cooperative maintenance with other users of any BLM controlled road included in Secs. 42(c)(1) and 42(d)3 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.

USE IF OTHER THAN OXBOW TIMBER I, LLC IS PURCHASER

(5) In the use of required Oxbow Timber I, LLC roads, shown on Exhibit E, the Purchaser shall comply with the conditions of Right-of-Way and Road Use Agreements C-320 and C-339, between the United States and Oxbow Timber I, LLC, available for inspection at the Bureau of Land Management, North Bend, Oregon. Prior to commencement of operations, the Purchaser shall enter into and furnish to the Authorized Officer a copy of the required executed License Agreement. Purchaser shall pay Maintenance fees totaling \$8,713.17 and Road use fees totaling \$122,092.91, to Oxbow Timber I LLC.

Default by the Purchaser of said Right-of-Way and Road Use Agreement, of any License Agreement executed pursuant thereto shall be considered a violation of this contract.

USE ONLY IF OXBOW TIMBER I, LLC IS PURCHASER

(6) In accordance with 43 CFR 2812.6, 2(a)(5) the following allowances have been made for amortization of capital investment of the road covered by Road Agreement C-320 and C-339, with the Purchaser: Road use fees payable to Oxbow Timber I LLC will be calculated after the award of the timber sale and a modification will be processed. It is understood that the Total Purchase Price stated in Sec. 2 of this contract is the net price and that no deduction will be made from the contract price because of such allowance.

e. Fire Prevention, Hazard Reduction and Logging Residue Reduction

(1) BLM will assume supervisory responsibility for disposal of logging slash. The assumption by the Government of all obligations for the disposal or reduction of fire hazard under state law does not relieve the Purchaser of the obligations to perform the fire prevention, hazard reduction and logging residue reduction measures required by this contract.

(2) Fire Prevention and Hazard Reduction. Primarily for purposes of fire prevention and fire hazard reduction, the Purchaser shall comply with the following provisions:

(a) 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, the Purchaser shall, on an annual basis during the term of this contract, prepare fire prevention and control plans to the satisfaction of the Authorized Officer.

(b) Slash shall be disposed of in accordance with the written instructions of the Authorized Officer.

(3) Logging Residue Reduction. Primarily for hazardous fuel reduction, watershed protection and silvicultural purposes, the Purchaser shall comply with the following provisions:

(a) In addition to the requirements of Section 15 of this contract, the Purchaser shall be responsible for logging residue reduction at all landing sites in the sale area.

Specifications for Landing Piling

(b) At all landing sites within the sale area, the Purchaser shall either (1) remove from the site for offsite utilization or (2) pile for burning, all logging residue that is presently on and around the immediate vicinity of the landing site.

(c) If offsite utilization is intended, the Purchaser shall upon request from the Authorized Officer, provide information on the method of removal, the total tonnage, the intended use and destination of logging residue being removed from the sale area.

(d) Any logs or useable residue identified in the contract as reserved shall remain the property of the Government and may not be shipped for offsite utilization.

(e) Prior to commencement of logging residue removal, the Purchaser shall provide advanced notification to the Authorized Officer in order to arrange for on-site inspections of the removal operations. Upon completion of residue removal, the Purchaser shall notify the Authorized Officer to arrange for a final inspection of the landing sites.

(f) Unless approved in advance by the Authorized Officer, landing piling shall be completed at each yarding location (setting) at the conclusion of yarding operations at that setting while logging equipment is on site.

(g) Unless directed or approved by the Authorized Officer, no landing piles shall be constructed within twenty feet of any reserved green trees, snags, marked wildlife trees, corrugated plastic pipes (CPP's) or other constructed feature or improvement that could be damaged by fire.

(h) Logging residue within the immediate vicinity of the landing and any residue that overhangs the landing sites that can be reached with the logging equipment on site shall be pulled completely back up onto the landing surface and either piled for burning or segregated for other uses.

(i) Logging residue meeting the criteria set forth in Sec. 42.b.(23), shall not be piled for burning but shall be segregated into separate piles that are no closer than twenty feet from residue piles that will be burned.

(j) If during the course of pile construction or during a final acceptance inspection, the Authorized Officer determines that landing piles contain excessive amounts of logging residue that meets the specifications as described in Sec. 42.b.(23), the purchaser may be required to remove the specified residue from the burn piles.

(k) Root wads from road and landing construction activities shall not be included in the landing

piles. Piling of slash on top of root wad piles is not permitted. Any root wad piles found by the Authorized Officer to be capped by slash will require the removal and re-piling of the slash by the Purchaser.

(l) To promote efficient and complete burning, landing piles shall be constructed as upright as possible and have a solid base to promote stability and prevent toppling. Construction of low-profile, flat topped piles is generally considered as unacceptable. The Purchaser is responsible for ensuring that properly shaped; contoured and stable landing piles are constructed.

(m) During or after pile construction, landing piles shall be shaped and contoured in such a manner that will allow for polyethylene sheeting (PE) to lay in a smooth and uniform manner completely across the top and partially down the sides of the pile to promote shedding of water, prevent pooling of water and to reduce the possibility of PE being ripped or torn by underlying slash or from wind. Landing piles found by the Authorized Officer not meeting this shaping requirement shall be reconstructed or reshaped by the Purchaser.

(n) The Purchaser shall request an inspection of landing piles before equipment used in piling is moved off site. If piling equipment is moved off site before inspection and the landing piles are subsequently found to be noncompliant with the specifications and require a re-work, the Purchaser shall be responsible for costs associated with move-in of piling equipment to rework piles. Unless approved by the Authorized Officer, all requests for inspection of landing piling shall be made in writing (email is acceptable) at least ten days in advance of planned equipment removal.

Specifications for Landing Pile Covering

(o) Only landing piles that have been inspected and approved by the Authorized Officer shall be covered. Pile covering shall be completed no later than September 15 of the current year at all landing sites where yarding activities have been completed. This applies to each year that the timber sale is active.

(p) The Purchaser shall place polyethylene sheeting (PE), four MIL thickness and black in color over the pile so as to provide an adequate level of protection from fall/winter rains. PE sheeting shall lie uniformly and as smoothly as possible across the top of the pile and shall extend partially down the sides. For small properly constructed piles with base dimensions of approximately 10 ft. x 10 ft. or less, the size of the PE sheeting should not need to exceed approximately 100 square feet.

(q) To meet ignition and combustion needs, larger piles will require additional PE sheeting in excess of 100 square feet to adequately cover the pile and protect it from wetting fall/winter rains. The Purchaser shall contact the Authorized Officer before any pile covering begins to receive specific direction on which piles will require additional covering. At that time, the Authorized Officer will identify all piles that shall have additional PE covering. If piles are covered without the advice and consent of the Authorized Officer and are subsequently found to be inadequately covered, the Purchaser may be required to re-cover or add additional covering to the piles before acceptance is made.

(r) At landing sites with excessive logging residue that overhangs the landing which cannot be

reached and pulled back up onto the landing with equipment on site, the Purchaser shall place additional PE sheeting over the residue concentrations below the landings.

(s) On roads that have been closed and/or decommissioned, decks of Purchaser owned logs that were not shipped by the Purchaser shall be covered with PE for burning. The Authorized Officer may waive this requirement if future utilization is determined to be feasible. Decks of reserved logs belonging to the Government are exempt from this requirement.

(t) All PE sheeting shall be weighted down with slash or logging debris in order to prevent blowing off or sliding. An adequate amount of anchoring material should be placed on top of the pile but no more than 20 percent of the material to be piled may be placed on top of the PE. For piles described in (q) above, the Authorized Officer may require the removal of PE before burning so the Purchaser should exercise discretion with respect to the method of application, the amount and composition of anchoring material used when securing the PE.

(u) Piles of root wads generated from road and landing construction activities and piles of residue identified by the Authorized Officer for other uses shall not be covered with PE sheeting.

Specifications Applicable to Landing Pile Burning

1. The BLM will assume responsibility for pile burning.
2. The Purchaser shall provide a total of 30 fresh, unmixed gallons of diesel and gasoline fuel to the BLM for pile burning. The 30 gallons of fuel shall consist of 21 gallons diesel and 9 gallons of gasoline. The fuels shall not be pre-mixed without verbal approval from the Authorized Officer.
3. The Authorized Officer shall arrange for a time and place to transfer the fuel to the BLM.

Specifications for Slashing, Lopping and Scattering (SLS) in the Special Treatment Areas (STA)

(v) In accordance with oral, email or written instructions to be issued by the Authorized Officer at least ten days in advance of earliest date of required performance, the Purchaser shall, under supervision of the Authorized Officer or their designated representative, assist in site preparation of the Special Treatment Areas (STA). The Purchaser, at their own expense, shall provide the services of personnel and equipment as follows:

(w) The Purchaser shall perform logging residue reduction and site preparation work on approximately 17 acres of STA as directed by the Authorized Officer.

1. The required work shall consist of the treatment listed in the table below. The locations of Special Treatment Areas shall be determined by the Authorized Officer as harvest activity progresses. The final number of treatment acres shall be determined by the Authorized Officer and specified in writing by the Contracting Officer before contract termination. Final treatment acreage shall be determined using the same methods that were used for calculating the sale unit acreage. The following treatment and estimated treatment acres was assumed for appraisal purposes on this contract:

Treatment Type	SCA Treatment Acres (estimated)	Cost per Acre	Total Cost
Slash, Lop and Scatter (SLS)	17	\$283.90	\$4,826.00
Total Appraised Cost			\$4,826.00

2. The total Purchase Price set forth in Section 2 shall be adjusted by the amount that the total cost of the site preparation treatments designated pursuant to Section 42(e.)(3)(w)1. differs from: four thousand eight hundred twenty six dollars (\$4,826.00) as calculated by using the final acreage as determined by the Authorized Officer and the per acre cost listed in Section 42(e.)(3)(w)1. An increase of treatment acres would result in a purchase price reduction whereas a decrease of treatment acres would result in a purchase price increase.

(x) The required work shall consist of post-harvest slashing, lopping and scattering (SLS) of residual vegetation (brush and damaged trees) and logging residue. Multiple entries over the life of the contract may be required in order to meet critical silvicultural objectives. SLS work shall comply with the following:

1. All brush species one foot or greater in height, damaged conifer reproduction and hardwoods, and hardwoods not marked or otherwise identified for retention, shall be completely severed from the stumps. Brush species consist of shrubs with single or multiple stems originating at or near ground level and not normally reaching twenty feet in height. Examples include (but are not limited to) vine maple, salmonberry, hazel, huckleberry, thimbleberry, manzanita, ocean spray, ceanothus species, broom species, blackberry species and rhododendron.
2. Stump heights shall not exceed four inches measured on the uphill side.
3. No live limbs will be left on stumps.

4. Slashed hardwoods shall be bucked every four feet and the limbs will be completely severed from the bole of the cut hardwood.
5. Except for felled or existing down trees identified by the Authorized Officer as coarse wood, conifers (including blowdown) and hardwoods felled but not yarded during harvest operations shall be bucked sufficiently to bring the bole down to the ground. All limbs will be severed from the bole of the trees.
6. All slashed vegetation and logging debris (brush, limbs and boles) shall be sufficiently cut and/or scattered in such a manner that will reduce the average slash depth in any given location to no more than twelve inches (1 foot).

(y) Time is of the essence in complying with these provisions. In the event the Purchaser fails to provide the personnel, equipment and materials required herein, the Purchaser shall be responsible for all additional costs 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, materials and appropriate additional overhead expenses. If the Purchaser's failure results in deferral of treatments and conditions necessitate additional site preparation work and/or the use of additional personnel and equipment to accomplish the planned treatments, the Purchaser also shall be responsible for such additional costs.

e. Optional Scale Check of Lump Sum Sales

(1) The Government, at its option, may administratively check scale any portion of the timber removed from the contract area, and if necessary, conduct check scaling of independent scalers contracted to BLM for administrative check scaling purposes. The Purchaser hereby agrees to make such contract timber available for such scaling at a location or locations to be approved in writing by the Authorized Officer. At the approved location or locations, the Purchaser shall provide an area for logs to be safely rolled out for scaling, to unload logs from trucks, place logs in a manner so that both ends and three faces of each log are visible for scaling, and to reload or remove logs after scaling has been completed.

(2) In the event that BLM elects to administratively check scale and if such check scaling causes a delay in log transportation time, an adjustment will be made to the purchase price as follows. If the entire sale is check scaled by yard scale, the purchase price of this contract shall be reduced by \$3,123.00. In the event only a portion of the contract timber is scaled, the purchase price shall be reduced by that portion of \$3,123.00 which is equal to the percentage of timber sold which was actually scaled by the Government. For purposes of computing this price reduction, the percentage of timber sold which has been scaled shall be determined by the Government. Any reduction in purchase price under the terms of this provision shall be full compensation to the Purchaser for any expense or loss incurred as a result of such scaling. Scaling shall be conducted in accordance with the Eastside Scribner Scaling Rules by BLM scalers, and/or independent scalers contracted to BLM. A copy of the scale report will be made available to the Purchaser upon request.

f. Log Export and Substitution

All timber sales, including timber from Federal rights-of-ways, 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 5424 as amended.

(1) 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 saw logs, peeler logs, and pulp logs; (2) cants or squares to be subsequently remanufactured exceeding eight and three-quarters inches in thickness; (3) split or round bolts or other roundwood not processed to standards and specifications suitable for end-product uses; or (4) western redcedar 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. 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 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:

- (a) date of last export sale;
- (b) volume of timber contained in last export sale;
- (c) volume of timber exported in the past 12 months from the date of last export sale;
- (d) volume of Federal timber purchased in the past 12 months from the date of last export sale;
- (e) volume of timber exported in succeeding 12 months from date of last export sale; and,
- (f) volume of Federal timber purchased in succeeding 12 months from date of last export sale.

(2) 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" (Form 5460-16). 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.

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

(4) Prior to the termination of this contract, the Purchaser shall submit to the Authorized Officer a "Log Scale and Disposition of Timber Removed Report" (Form 5460-15) 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.

(5) 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 inches, prior to the removal of timber from the contract area. All loads of eleven logs or more will have a minimum of ten logs clearly and legibly branded on one end regardless of the diameter of the logs. All logs will be branded on loads of ten logs or less. One end of all branded logs to be processed domestically will be marked with a three 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 costs for log branding and painting shall be the responsibility of the Purchaser.

(6) 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.

g. Cultural Resource Protection

(1) If in connection with operations under this contract, the Purchaser, his contractors, sub-contractors, or the employees of any of them, discovers, encounters or becomes aware of any objects or sites of cultural value on the contract area such as historical or prehistorical ruins, 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.

(2) Pursuant to 43 CFR 10.4(g) the holder of this authorization must notify the Authorized Officer, by telephone, with written confirmation, immediately upon discovery of human remains, funerary items, sacred objects, or objects of cultural patrimony. Further, pursuant to 43 CFR 10.4(c) and (d), you must stop activities in the vicinity of the discovery and protect it for 30 days or until notified to proceed by the Authorized Officer.

h. Sensitive, Threatened, or Endangered Plants or Animals

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

- (a) 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;
- (b) when, in order to comply with the Endangered Species Act or to protect occupied marbled murrelet sites in accordance with the Standards and Guidelines of the Coos Bay District Record of Decision (ROD) and Resource Management Plan (RMP), the Contracting Officer determines it may be necessary to modify or terminate the contract, or;
- (c) 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;
- (d) 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;
- (e) 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;
- (f) when, in order to comply with a court order, the Contracting Officer determines it may be necessary to modify or terminate the contract, or;
- (g) 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;
- (h) 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,
- (i) 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 percent of the First Installment amount listed in Sec. 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 Sec. 3.b. of the contract within fifteen days after the bill for collection is issued, subject to Sec. 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 thirty 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 occupied marbled murrelet sites in accordance with the ROD and RMP, 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, marbled murrelet occupied site protection in accordance with the ROD and RMP, 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.

i. Safety

Purchaser's operations shall facilitate BLM's safe and practical inspection of Purchaser's operations and BLM's conduct of other official duties on Contract Area. Purchaser has all responsibility for compliance with safety requirements for Purchaser's employees, contractors and subcontractors.

In the event that the Authorized Officer identifies a conflict between the requirements of this contract or agreed upon methods of proceeding hereunder and State or Federal safety requirements, the contract may be modified. If the cost of such contract modification is of a substantial nature (\$2,000.00 or more), the Purchaser may request, in writing, an adjustment in the total contract purchaser price specified in Section 2 of the timber sale contract, as amended, to compensate for the changed conditions.

Unless otherwise specified in writing, when operations are in progress adjacent to or on roads and/or trails in the harvest unit area, Purchaser shall furnish, install, and maintain all temporary traffic controls that provide the road or trail user with adequate warning of and protection from hazardous or potentially hazardous conditions associated with its operations. Purchaser shall prepare a Traffic Control Plan, which the Purchaser has determined is compliant with state and local OSHA and Transportation standards no later than the pre-work meeting and prior to commencing operations. Traffic control devices shall be appropriate to current operating and/or weather conditions and shall be covered or removed when not needed. Flagmen and devices shall be as specified in state OSHA and Transportation standards for logging roads or the "Manual on Uniform Traffic Control Devices for Streets and Highways" (MUTCD) published by the U.S. Department of Transportation – Federal Highway Administration. Included in the Traffic Control Plan, Purchaser shall note traffic control device locations on a Purchaser produced copy of the contract Exhibit "A" Map.

j. SBA SET-ASIDE

The purchaser agrees not to sell and/or exchange more than 30 percent of the timber or log volume from this preferential sale to concerns that do not meet the Small Business Administration small business size standard (13 CFR 121).

The purchaser understands that in addition to other penalties which may be imposed for violating the foregoing, the purchaser may be declared ineligible to participate in future Federal timber sales that are set-aside for preferential bidding by small business qualified concerns for two semi-annual triggered periods succeeding the violation.

The purchaser shall provide a current, interim Log Scale and Disposition of Timber Removed Report (Form 5460-15) upon request by the Authorized Officer at any time during the contract period for cutting and removal specified in Section 4 of this contract as amended.

Exhibit F

SPECIAL PROVISIONS TO CONTROL THE SPREAD OF NOXIOUS WEEDS

Vehicle and Equipment Cleaning

1. Cleaning shall consist of the removal of soil and debris by washing with a high pressure hose or steam cleaning. Cleaning and inspection sites will be agreed to by Purchaser and BLM. All petroleum product residues shall be contained at wash sites and dealt with in accordance to DEQ standards. Contractor shall provide an approved plan for the cleaning station that demonstrates that the station meets all DEQ and water quality regulations. All necessary permits shall be obtained by the contractor.

2. All equipment parts shall be cleaned as designated by the Authorized Officer, including removal of tractor belly plates, in accordance with Sec. 1 above.

All construction, logging and slash disposal equipment shall be cleaned prior to entering the contract area. The Authorized Officer will determine if log trucks and vehicles used for transportation of personnel shall be cleaned, based upon the location of use immediately prior to current timber sale. If the vehicles have been in a weed-infested area, they shall be washed before entering Contract Area, as shown on Exhibit A.