

PROSPECTUS

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
LAKEVIEW DISTRICT
KLAMATH FALLS RESOURCE AREA OFFICE

KLAMATH FALLS RESOURCE AREA
KLAMATH MASTER UNIT

Klamath Falls Sale No. ORL04-TS12-01
Sale Date: May 23, 2012 (10:00am)

PVJ Timber Sale-Lump Sum
Klamath County, O&C

Bid Deposit Required: **\$3,800.00**

All timber designated for cutting in all of Section 7; E1/2SW1/4, E1/2SE1/4, Section 9; SE1/4SW1/4, Section 10; Lots 3 and 4 and N1/2NW1/4, Section 15; T.41S., R.7E., Willamette Meridian.

<u>Approximate Number of Trees</u>	<u>Species</u>	<u>Est. Volume MBF 16' Log</u>	<u>Est. Volume CCF</u>	<u>Appraised Price Per MBF*</u>	<u>Est. Volume Times Appraised Price</u>
15,511	Ponderosa Pine	1,059	2,117	\$28.70**	\$30,393.30
2,590	Douglas-fir	189	364	\$35.40**	\$6,690.60
217	Incense Cedar	18	39	\$42.50**	\$765.00
18,318	TOTAL	1,266	2,520		\$37,848.90

*Stumpage values have been determined by analytical and market value appraisal methods. Additional information concerning the appraised price is available at the Klamath Falls Resource Area Office.

**Minimum stumpage value was used to compute the appraised price for these species (stumpage prices were set at 10% of pond value).

CRUISE INFORMATION - SAWLOG INFORMATION - Timber Volumes were based upon 3-P Volt Cruise for estimating board foot volume of trees in 16 foot logs. Approximately 0% of the total sale volume is salvage material. With respect to merchantable trees of all conifer species: the average tree is 12.5 inches DBHOB; the average gross merchantable log contains 38 bd. ft.; the average tree contains approximately 79 bd. ft.; the total gross volume is approximately 1,456 MBF; and 87% recovery is expected.

Note: This timber sale has been cruised, appraised, and advertised based upon Scribner Board Foot Volumes (16 Foot Log). The minimum bid figures shown by species are dollars per thousand board feet (MBF). The minimum bid increment will be \$.10 per MBF. Cubic foot volumes by species are displayed for informational purposes only.

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 is prohibited from use as a substitute for exported private timber.

CUTTING AREA – Five units containing approximately 790 acres of density management.

CUTTING TIME - Contract duration will be thirty (30) months for cutting and removal of timber.

ACCESS - Access to the sale area is available via existing Klamath and Siskiyou County and BLM roads and via Right-of-way and Road Use Agreement L-690 with Jeld-Wen and via Right-of-Way and Road Use Agreement M-660 with Forest Capital Partners and via License Agreement with Oregon Department of Forestry.

ROAD MAINTENANCE - The Purchaser will be required to maintain approximately ten (10) miles of existing BLM and private roads. The Purchaser will be required to pay a road use fee of \$57.24 to JWTR. The Purchaser is also required to pay a rockwear fee of \$ 0.60 per MBF or a total of \$763.08 for the use of these roads.

ROAD CONSTRUCTION – None

SOIL DAMAGE PREVENTION - Pursuant to Section 25 of Form 5450-3, Timber Sale Contract, the Purchaser shall not operate or cause to have operated on the contract area, any tractor type logging equipment when soil moisture content exceeds 20% by weight as determined by the Authorized Officer. This requirement does not apply if snow logging conditions exist as described in the contract.

EQUIPMENT REQUIREMENTS – LOGGING AND SITE PREPARTION:

1. Mechanized harvesting equipment capable of cutting up to a 20 inch DBH tree and reaching a minimum of twenty (20) feet laterally.
2. At least one ground based yarding tractor shall be equipped with an integral arch and winch system capable of lining logs at least one hundred feet (100’).

SLASH DISPOSAL - Slash disposal will consist of:

1. Slashing all sprung or otherwise severely damaged trees between one (1) inch and seven (7) inches DBH on one hundred (100) acres as determined by Authorized Officer.
2. Slash or other residual material on one hundred (100) acres must be lopped and scattered so that slash depth is twelve (12) inches or less.
3. All trees designated for removal must be whole-tree yarded to designated locations. limbing and bucking of larger trees may be required if damage to reserve timber is occurring.
4. The Purchaser will be required to cut and yard all western juniper greater than six (6) feet tall and less than twenty-four (24) inches Diameter Breast Height (DBH). (See Exhibit S for details).
5. In lieu of burning, unmerchantable timber (slash, limbs, tops, cull logs, pieces of logs) can be removed as biomass or other products. If unmerchantable timber is removed as biomass or other nontraditional products, a second contract will be used and the price of the material will be negotiated.

UNDERSTORY THINNING

1. On two hundred (200) acres trees between three (3) inches and seven (7) inches DBH shall be thinned (felled and yarded) in accordance with Section 40 and Exhibit S concurrently with other trees designated for cutting. (See Exhibit S for details).

OTHER

1. Extension of time beyond the normal 30 days may be granted for completing bonding and contract signing requirements upon written request and justification from the Purchaser.
2. All operations, except burning are seasonally restricted from October 15th of one calendar year to June 1st of the following calendar year, unless waived by the Authorized Officer or winter logging conditions exist. Winter logging will be allowed when the snow depth is at least twenty inches (20").
3. All operations in Unit 1 are seasonally restricted from January 1st to August 15th unless waived by the Authorized Officer.
4. Cut stumps of all species, except western juniper, fourteen (14) inches in diameter and larger will be treated with a fungicide. The fungicide will contain a cement dye to help monitor application compliance.
5. All logging equipment will be cleaned prior to operating on BLM lands to prevent the spread of noxious weeds.

CONTRACT TERMINATION - A 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 comply with the Endangered Species Act or comply with a court order. 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.

NARRATIVE DESCRIPTION OF HOW TO GET TO THE TIMBER SALE AREA -

The sale is located approximately thirty-three (33) miles from Klamath Falls, Oregon. From Klamath Falls, take Highway 97 south for approximately twenty (20) miles to the town of Dorris, California. From Dorris, proceed west and north on the Dorris Road for approximately 12 miles to the 41-7E-12.0 Road. Turn right (east) on the 41-7E-12.0 Road and proceed approximately one mile to Unit 5 and the contract area.

ENVIRONMENTAL ASSESSMENT - An environmental assessment was prepared for this sale, and a Finding of No Significant Impact has been documented. This document is available for inspection as background information for this sale at the Klamath Falls Resource Area Office.

Notice of Decision for sale of timber dated April 19, 2012.