Prospectus

ASHLAND RESOURCE AREA JACKSON MASTER UNIT

Medford Sale # TS11-01 November 18, 2010 (CB:CB)

#1. Shale City Salvage, Jackson County, O&C, P.D. (5900) BID DEPOSIT REQUIRED: \$6,500.00

All timber designated for cutting in SW $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{4}$ S = $\frac{1}{$

Approx. Number Merch. Trees	Est. Volume MBF 32' Log	Est. Volume CCF	Species	Est. Volume MBF 16' Log	Appr. Price Per MBF*	Est. Volume Times Appraised Price
487	360	653	Douglas-fir	435	\$147.80	\$64,293.00
13	3	6	White Fir	4	\$99.40	\$397.60
500	363	659	Totals	439		\$64,690.60

^{*}Stumpage values have been determined by market value estimates and analytical appraisal methods were used to compute the appraised price. Additional information concerning the appraised price is available at the Medford Interagency Office.

<u>TIMBER AUCTION LOCATION</u> – The timber auction will be held at the Medford Interagency Office, located at 3040 Biddle Road, Medford, Oregon, at 9:00 a.m. on Thursday, November 18, 2010.

Bidders will be restricted to bidding on a unit (MBF) rate of the Douglas-fir volume. All other species will be sold at appraised price per unit (MBF). The minimum bid increment will be \$0.10 per MBF.

<u>CRUISE INFORMATION</u> - The timber volumes were based on a 100% cruise using form class tables for estimating board foot volume of trees in 16-foot logs. All of the sale volume is salvage material. With respect to merchantable trees of all conifer species: the average tree is 27.0 inches DBHOB; the average gross merchantable log contains 185 bd. ft.; the total gross volume is approximately 544 M bd. ft; and 81% recovery is expected. (Average DF is 27.2 inches DBHOB; average gross merchantable log DF contains 186 bd. ft.

<u>LOG EXPORT AND SUBSTITUTION RESTRICTIONS</u> - All timber sold to the Purchaser under the terms of the contract, except exempted species, 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.

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.

CUTTING AREA - 12 units containing 37 acres must be partial cut.

<u>CUTTING TIME</u> - Contract duration will be 9 months for cutting and removal of timber.

ACCESS - Access to the sale area is available via an existing BLM road.

<u>ROAD MAINTENANCE</u> - The Purchaser will be required to pay a maintenance fee of \$3.11 per MBF or a total of \$1362.31 for the use of these roads.

<u>EQUIPMENT REQUIREMENTS</u> – A yarding tractor not greater than 9 feet in width equipped with a winch capable of end lining logs a minimum of 200 feet.

<u>SLASH DISPOSAL</u> - Slash disposal will consist of lop and scatter on approximately 12 acres and hand pile approximately 25 acres of activity fuels created in the course of operations.

<u>CONTRACT TERMINATION</u> - 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.

<u>PERFORMANCE BOND</u> - A performance bond in the amount of 20% of the total purchase price will be required.

OTHER -

- 1. No extension of time beyond the normal 30 days will be granted for completing bonding and contract signing requirements.
- 2. Ground based units are seasonally restricted.
- 3. Hauling on all roads is seasonally restricted. However, this restriction could be waived during dry conditions, as directed by the authorized officer.
- 4. Cleaning of equipment to eliminate noxious weed seeds is required prior to move-in of equipment onto federal lands.

NARRATIVE DESCRIPTION OF HOW TO GET TO THE TIMBER SALE AREA – From the city of Ashland turn left onto Dead Indian Memorial Hwy and proceed to Shale City Road (37-2E-27). Turn left onto Shale City Road and proceed to the Grizzly Peak Road (38-2E-9.2). Turn left onto the Grizzly Peak Road and proceed to the contract area.

<u>ENVIRONMENTAL ASSESSMENT</u> - A Categorical Exclusion (DOI-BLM-OR-M060-2010-0021-CX) was prepared for this sale, and a Finding of No Significant Impact has been documented. This document is available for inspection as background for this sale at the Medford Interagency Office.

Seasonal Restriction Matrix

Sheet 1 of 1 **Shale City Salvage Sale** OR-110-TS11-01



*Possible Waived Times are Hatched



*Restricted Times are Shaded

Sale Area		J	an	F	'eb	N	Iar	A	pr	N	Iay	Ju	ıne	J	uly	A	ug	S	ept	(Oct	N	ov	Dec	c
	Activity	1	15	1	15	1	15	1	15	1	15	1	15	1	15	1	15	1	15	1	15	1	15		15
Unit 1	Hauling ^{1,2}							//																	
	Ground based yarding ²																								
Unit 2 - 12	Hauling ^{1,2}																								

¹ Hauling restriction may be shortened or extended depending on adequacy of road surfacing.
² Wet season restrictions may be shortened or extended depending on weather conditions.

Seasonal Restriction Matrix

Sheet 2 of 3 **Shale City Salvage Sale** OR-110-TS11-01



*Possible Waived Times are Hatched

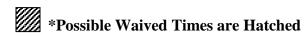
*Restricted Times are Shaded

Sale Area			Jan		Feb		Mar		pr		Ma	ıy	Ju	ıne	J	uly		Aug	Sept		Oct			Nov		Dec	
	Activity	1	15	1	15	1	15	1	15	1	1 :	15	1	15	1	15	1	15	1	15	1	15	1	1	5	1 1	15
Unit 6	Yarding, loading or hauling ^{1,2}																										
Unit 7	Yarding, loading or hauling ^{1,2}																										
Unit 8	Yarding, loading or hauling ^{1, 2}																										
Unit 9	Yarding, loading or hauling ^{1,2}																										
Unit 10	Yarding, loading or hauling ^{1,2}																										
Unit 11	Yarding, loading or hauling ^{1, 2}																										

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Seasonal Restriction Matrix

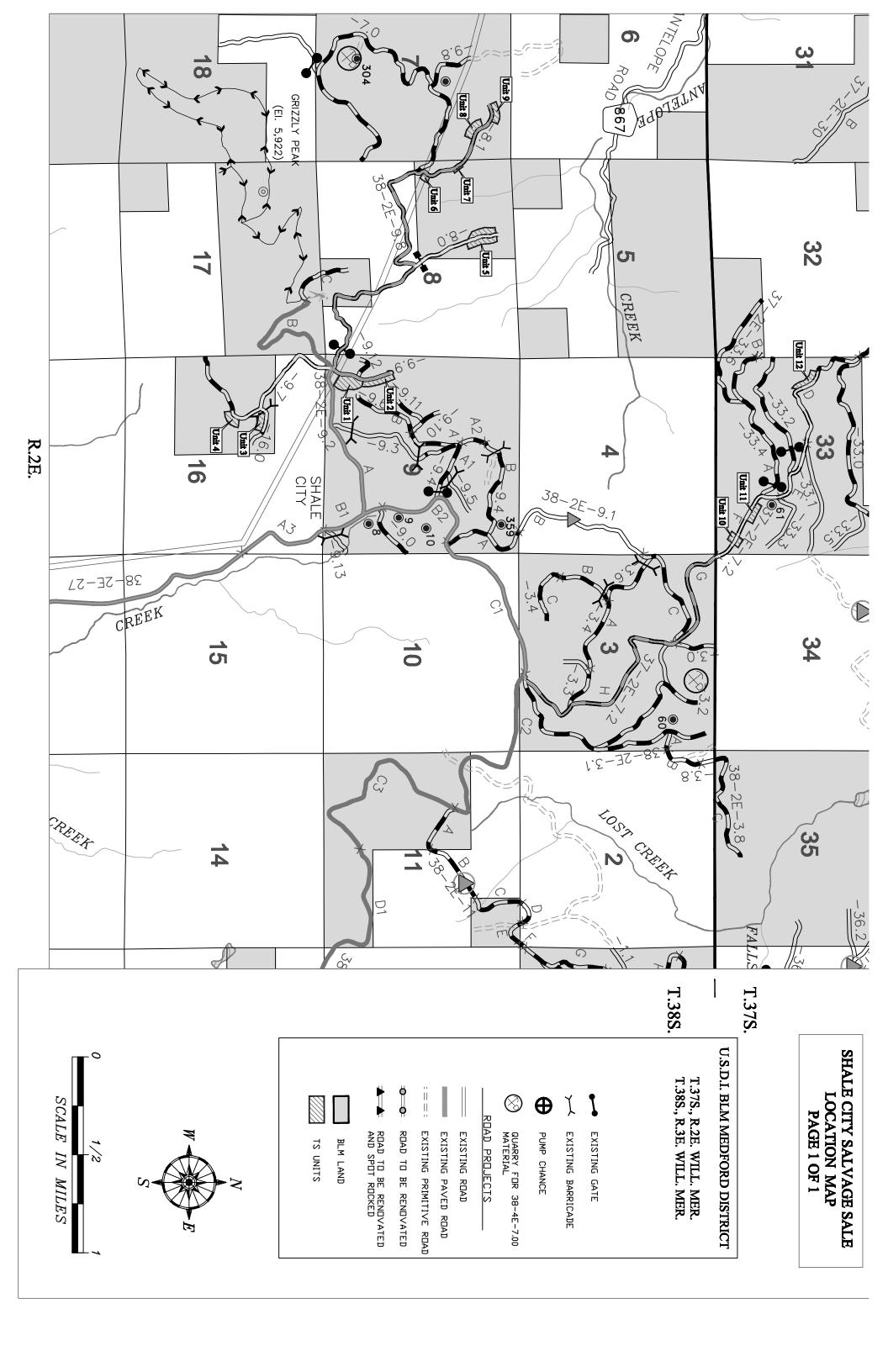
Sheet 3 of 3 **Shale City Salvage Sale** OR-110-TS11-01



*Restricted Times are Shaded

Sale Area		J	an	F	'eb	N	Iar	A	pr	N	I ay	J	une	J	uly	A	ug	Se	ept	()ct	N	lov	L)ec
	Activity	1	15	1	15	1	15	1	15	1	15	1	15	1	15		15	1	15		15		15	1	15
Unit 12	Yarding, loading or hauling ^{1, 2}																								

¹ Hauling restriction may be shortened or extended depending on adequacy of road surfacing.
² Wet season restrictions may be shortened or extended depending on weather conditions.



SHALE CITY SALVAGE SPECIAL PROVISIONS

THIS IS A SALE PROSPECTUS ONLY. THESE ARE THE SPECIAL PROVISIONS AS THEY WILL BE WRITTEN IN THE CONTRACT. ATTACHMENTS MAY NOT INCLUDE ALL EXHIBITS REFERRED TO IN THE CONTRACT PROVISIONS. THE COMPLETE CONTRACT, INCLUDING ALL EXHIBITS, IS AVAILABLE FOR INSPECTION AT THE MEDFORD DISTRICT OFFICE.

Sec. 40. TIMBER RESERVED FROM CUTTING - The following timber on the contract area is hereby reserved from cutting and removal under the terms of this contract and is retained as the property of Government.

- (A) <u>IR-2</u> All timber except approximately 46 trees marked for cutting heretofore by the Government with White Paint above and below stump height in units 10, 11, and 12 as shown on Exhibit A.
- (B) <u>IR-2</u> All timber except approximately 454 trees marked for cutting heretofore by the Government with Blue Paint above and below stump height in units 1, 2, 3, 4, 5, 6, 7, 8, and 9 as shown on Exhibit A.

Section 41

(A) Log Exports

(1) LE-1 All timber sold to the Purchaser under the terms of this contract 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. 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 threequarters (8:) 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 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. Thus, timber manufactured into the following will be considered processed: (1) lumber and construction timber, 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 threequarters (8:) 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 twelve (12) months from the date of last export sale.
- (d) Volume of Federal timber purchased in the past twelve (12) months from the date of last export sale.
- (e) Volume of timber exported in succeeding twelve (12) months from date of last export sale.

- (f) 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 Form 5460-16 (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.
- (h) In the event an affiliate of the Purchaser has exported private timber within twelve (12) 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.
- (i) 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.
- (j) Unless otherwise authorized in writing by the Authorized Officer, the Purchaser shall, prior to the removal of timber from the contract area, brand with the Purchaser's registered log brand at least one end of each log bolt or other roundwood and identify each of these by painting with highway yellow paint.
- (k) 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 Section 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.

(B) Logging

- (1) <u>L-1</u> Before beginning operations on the contract area for the first time or after a shutdown of seven (7) or more days, the Purchaser shall notify the Authorized Officer in writing of the date they plan to begin operations. The Purchaser shall also notify the Authorized Officer in writing if they intend to cease operations for any period of seven (7) or more days.
- (2) <u>L-7MC</u> Yarding on the areas designated herein and shown on Exhibit A shall be done in accordance with the yarding requirements or limitations for the designated area.

Designated Area	Yarding Requirements or Limitations
Designated Area Unit 1.	Yarding Requirements or Limitations Yarding tractor width will not be greater than 9 feet as measured from the outer edges of standard width track shoes. Yarding tractors will operate only on designated skid roads. Skid roads shall be spaced at approximately one hundred fifty (150) foot intervals where feasible. Skid Roads shall be pre-designated by the purchaser and approved by the Authorized officer. Yarding tractors will be equipped with integral arches and winch systems capable of lining logs seventy-five (75) feet. Landing size shall not exceed one-quarter (1/4) acre. No Yarding up or down draw bottoms as determined by the Authorized Officer.

Designated Area	Yarding Requirements or Limitations
Unit 2, 3. 4, 5, 6, 7, 8, 9, 10, 11, and 12.	Equipment will operate only on existing improved roads and equipment will be equipped with rubber tires when operating on BST to protect road surfaces as approved by the Authorized Officer. Equipment shall be equipped with a winch system capable of yarding 200 feet. Landing size shall not exceed one-quarter (1/4) acre. No Yarding up or down draw bottoms as determined by the Authorized Officer.

- (3) <u>L-18</u> No hauling of logs shall be conducted on all roads between October 15 of one calendar year and May 15 of the following calendar year, both days inclusive, unless approved by the authorized officer.
- (4) <u>L-18</u> No skidding shall be conducted on the contract area between October 15 of one calendar year and June 1 of the following calendar year, both days inclusive, unless approved by the authorized officer.
- (5) <u>L-23</u> 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. All logging shall be done in accordance with the plan developed by this provision.

(6) <u>L-26</u> In all units shown on Exhibit A, all trees designated for cutting shall be felled away from property lines, unit boundaries, plant sites, and corner monuments. The Purchaser shall notify the Authorized Officer two days before beginning felling operations in the above areas.

(C) Road Construction - Maintenance - Use

(1) RC-2 The Purchaser is authorized to use the roads listed below and shown on Exhibit A which are under the jurisdiction of the Bureau of Land Management for the removal of Government timber sold under the terms of this contract, provided that the Purchaser pay the required maintenance obligations described in Section 41(C)(2). The Purchaser shall pay current Bureau of Land Management maintenance fees for the sale of additional timber under modification to the contract.

Road No. and Segment	Length Miles Used	Road Control	Road Surface Type
38-2E-27	4.59	BLM	BST
38-2E-9.2	0.82	BLM	BST
38-2E-9.7	0.71	BLM	ASC
38-2E-9.8	1.63	BLM	GRR
38-2E-9.9	0.30	BLM	NAT
38-2E-8.0	0.47	BLM	GRR
38-2E-8.1	0.78	BLM	ASC
38-2E-16.0	0.15	BLM	ASC
37-2E-7.2	3.07	BLM	ASC

(2) RC-2c The Purchaser shall pay the Government a road maintenance obligation in the amount of One Thousand Three Hundred Sixty Two and 31/100 dollars (\$1362.31) for the transportation of timber included in the contract price over road or roads listed in Section 41(C)(1).

The above road maintenance amount is for use of 12.52 miles of road or less. The total maintenance amount shall be paid prior to the removal of timber from the contract area.

(3) RC-2d The Purchaser shall be authorized to use other roads not included in Section 41(C)(1) and/or Section 41(C)(2); provided, that in the use of such road(s), the Purchaser shall pay the Government current Bureau of Land Management road maintenance and/or rockwear fees for the particular surface type of the road(s) used.

For administrative purposes the total maintenance and rockwear obligation due shall be based upon the estimated volume set forth in Exhibit B of this contract and mileage of roads used as determined by the Authorized Officer.

In the event logs are hauled over more than one route, the estimated volume set forth in Exhibit B shall be proportioned on the basis of actual volume removed. Prior to the use of such roads, the Purchaser shall give written notice to the Authorized Officer of the roads intended for use in the removal of the timber purchased under this contract, together with an estimate of the volume to be hauled over such roads.

Section 41(C)(1) and Section 41(C)(2) of this contract shall be amended to include adjustments of fee obligations.

- (4) <u>RC-3d</u> The Purchaser 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, the 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.
- (5) RC-8 The Purchaser shall be required to secure written approval to use vehicles or haul equipment over Government owned or controlled roads and/or structures when that vehicle or equipment exceeds the maximum allowable weights or dimensions established by the State for vehicles operating without a permit.

Details of such equipment shall be furnished to the Authorized Officer 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 vehicle.
- (f) Operating speed.
- (g) Frequency of use.
- (h) Special features (e.g., running tracks, overhang loads, etc.)
- (i) The Purchaser shall be responsible for repair of any damage to roads or 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.

(D) Environmental Protection

- (1) <u>E-1</u> In addition to the requirement set forth in Sec. 25 of this contract, the Purchaser shall remove all slash and debris from roadways and ditches concurrently with yarding as directed by the Authorized Officer.
- (2) <u>E-1</u> In addition to the requirement set forth in Sec. 25 of this contract, due to high recreational use and to reduce the need for dust abatement, all truck traffic shall be limited in speed to less than 10 miles per hour on roads 38-2E-9.2, 38-2E-9.7, 38-2E-9.8, 38-2E-9.9, 38-2E-8.0, 38-2E-8.1, and 38-2E-16.0.
- (3) <u>E-1</u> In addition to the requirement set forth in Sec. 25 of this contract, purchaser shall place and maintain traffic signs for safety during the work period. Roads shall be signed notifying the public of timber operations ahead, log haul, and delays. All signs shall have reflectorized sheeting, and meet the standards of the current manual on Uniform Traffic Control Devices for Streets and Highways (MUTCD) for colors, sizes and shapes.
- (4) <u>E-1</u> In addition to the requirement set forth in Sec. 25 of this contract, the Purchaser shall be responsible for repair of any damage to roads or structures caused by logging operations. The amount of actual damage shall be determined by the Authorized Officer following a technical inspection and evaluation.

- (5) <u>E-1</u> In addition to the requirement set forth in Section 25 of this contract, the Purchaser shall implement the following noxious weed control measures shall be implemented by the purchaser:
 - (a) In order to prevent the potential spread of noxious weeds into the Medford District BLM, the operator would be required to clean all logging and transportation equipment prior to entry on BLM lands.
 - (b) Cleaning shall be defined as removal of dirt, grease, plant parts, and material that may carry noxious weed seeds into BLM lands. Cleaning prior to entry onto BLM lands may be accomplished by using a pressure hose.
 - (c) Only logging and construction equipment inspected by the BLM would be allowed to operate within the Contract Area. All subsequent move-ins of logging and construction equipment as described above shall be treated the same as the initial move-in.
 - (d) Prior to initial move-in of any logging or construction equipment, and all subsequent move-ins, the operator shall make the equipment available for BLM inspection at an agreed upon location off Federal lands.
 - (e) Logging and construction equipment would be visually inspected by the Authorized officer to verify that the equipment has been reasonably cleaned.
- (6) <u>E-3</u> If, in connection with operations under this contract, the Purchaser, their contractors, subcontractors, 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, graves or grave markers, fossils, or artifacts, the Purchaser shall immediately suspend all operations in the vicinity of the cultural value and shall 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.
- (7) <u>E-4</u> "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, 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, 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 a Court-ordered injunction results in a suspension period in which the Purchaser loses operating time of 30 calendar days or more between May 15 and October 15 during the contract period, the Contracting Officer shall unilaterally modify the contract based on reappraisal of the remaining volume as of the date that the suspension is lifted. The 30 days can be the sum of days accruing during more than one operating season. Reappraisal may result in a decrease to the unit price bid per species. Reappraisal will be based on the loss of net volume due to the deterioration of logs during the period of delay and any associated changes in the amortization of logging costs per unit of volume, as determined by the Authorized Officer. Amortization of road construction cost over a reduced net volume will be considered as well as any additional move-in or logging costs caused by the delay, as determined by the Authorized Officer. Reappraisal will adjust Exhibit B volume and values, and will <u>not</u> consider changes in the market price of timber.

"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."

(E) Miscellaneous

(1) M-2 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. 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, the purchase price of this contract shall be reduced by three hundred twenty nine and 25/100 dollars (\$329.25). In the event that only a portion of the contract timber is scaled, the purchase price shall be reduced by that portion of three hundred twenty nine and 25/100 dollars (\$329.25) 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 National Cubic 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.

(2) M-5 The Purchaser shall, without expense to the government, be responsible for obtaining any necessary licenses and permits and for complying with any and all Federal, State, County and municipal laws, codes, regulations, and administrative rules applicable to the performance of this contract. The Purchaser shall also be responsible for all damages to any persons or property that arise out of any operations under this contract and result from any breach of contract or wrongful or negligent act or omission of the Purchaser, its contractors, subcontractors, or employees of any of them.

(F) Fire Prevention and Control

- (1) <u>F-1a Fire Prevention and Control</u>. Primarily for purposes of fire prevention and control, the Purchaser shall comply with the following provisions:
- (2) 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 State of Oregon, Department of Forestry.
- (3) Provide and maintain in good repair, on the contract area, the following equipment for use during closed fire season or periods of fire danger:

- (a) F-2a 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 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 not be less than four (4) tools in each box nor less than one (1) tool for each person working on the contract area. Three-fourths (34) of all fire tools shall be shovels, hazel hoes, or other scraping tools. The fire tools shall be used only for fighting fire.
- (b) <u>F-2b</u> A round pointed size "0" or larger shovel in good condition, shall be within fifty (50) feet of any power saw when in operation
- (c) F-2c At each landing during periods of operation one (1) tank truck. Each truck shall have three hundred (300) gallons minimum capacity with five hundred (500) feet minimum of hose and a nozzle acceptable to the Authorized Officer and a mounted or portable pump conforming to the standards set forth in Oregon Revised Statute (ORS) 477.645 through ORS 477.670 and any rule promulgated pursuant to those statutes. All hose couplings shall have the standard thread adopted by the State Fire Marshall pursuant to ORS 476.410 as amended or be provided with suitable adapters. At the close of each working day, all bulldozers and tank trucks shall be filled with fuel and made ready for immediate use. All tank trucks and portable tanks shall be filled with water and made available for immediate use.
- (d) <u>F-2d</u> Serviceable radio or cellular/satellite telephone equipment able to provide prompt and reliable communication between the contract area and Medford, Oregon. Such communication shall be available during periods of operation including the time watch-service is required.
- (e) <u>F-2e</u> A pair of headlights capable of being quickly attached to each bulldozer used on the contract area. The headlights shall be adequate

- to provide illumination sufficient to allow use of the bulldozers for fire fighting and construction of fire trails at night.
- (f) F-2f A headlight for each person in the woods crew adequate to provide sufficient illumination for night fire fighting. A headlight shall be of the type that can be fastened to the head so as to allow independent use of the hands. It shall be equipped with a battery case so designed that it can be either carried in the hip pocket or fastened to the belt. The head of the light and the battery case shall be connected by insulated wires. At least one extra set of batteries shall be provided for each such headlight.
- (g) <u>F-2g</u> Two (2) back-pack pumps at each landing and one (1) at each tail block, all to be kept full of water and in good operating condition.
- (h) F-2h A chemical fire extinguisher of at least eight (8) ounces minimum capacity of a type approved by the Oregon State Forester shall be carried during the closed fire season or periods of fire danger by each saw operator 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. A size "0" or larger shovel shall be available with each gas can when refueling. 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.
- (i) <u>F-5</u> Where blocks and cables are used on the contract area during periods of fire danger, the Purchaser shall remove all flammable material at least ten (10) feet from the place where the tail or any other block will hang when the cable is tight. Such clearings shall be inspected periodically by the Purchaser, and shall be kept free of flammable material.
- (G) Slash Disposal and Site Preparation
 - (1) <u>SD-4 Logging Residue Reduction</u>. In addition to the requirements of Sect.15 of this contract, and notwithstanding the Purchaser's satisfactory compliance with State laws

and regulations regarding offsetting or abating the additional fire hazard created by this operation and the State's willingness to release the Purchaser from liability for such hazard, the Purchaser shall remain responsible to the Government for performance of the following logging residue reduction and site preparation measure(s) required by this contract:

- (a) Prior to commencement of any operation under this section of the contract, a slash disposal and site preparation pre-work conference between the purchaser's representative and the Authorized Officer must be held at a location designated by the Authorized Officer. All slash disposal and site preparation shall be done in accordance with the plans developed at this pre-work conference.
- (b) Slash, as defined for this section, shall mean all material (brush, limbs, tops, unmerchantable stems, and chunks) severed or knocked over as a result of purchasers operations under the terms of this contract, including material cut during slashing activities for the purposes of fuels reduction.
- (c) Refueling of chainsaws and other equipment will be done no closer than one hundred fifty (150) feet of any stream or wet area. Spilled fuel and oil would be cleaned-up and would be disposed of at an approved disposal site.
- (d) <u>SD-1a LOP AND SCATTER</u> Lop and scatter all slash as directed by the Authorized Officer concurrently with normal felling operations. All top and side branches must be free of the central stem so that such slash is reduced to the extent that it is within eighteen (18) inches of the ground at all points.
- (e) <u>SD-1h HANDPILE</u> Handpile all slash as directed by the Authorized Officer in accordance with the following specifications:
 - 1. Piling shall be accomplished by hand. Finished piles shall be tight and free of earth.
 - 2. Pile all slash which is between one (1) and six (6) inches in diameter on the large end and exceeds three (3) feet in length.
 - 3. A six (6) foot by six (6) foot sheet of 6 mil black plastic shall be placed in each pile in a manner such that approximately one-third (1/3) of the pile lies above it to hold it in place and so that a two (2) foot by two (2) foot dry ignition point is maintained for one (1) year or until

burned. The ignition point will consist of fine fuel material such as needles, small limbs, and branches less than one-half (½) inch in diameter and free of dirt. Piles shall be constructed by aligning individual pieces in the same direction and placing the heavier slash on top. Piles shall have a stable base to prevent toppling. The long axis of individual pieces shall be oriented up and down the slope. Protruding pieces shall be trimmed to allow covering in a manner that permits the pile to shed water. Height shall be no less than four (4) feet and no greater than six (6) feet; width shall not exceed six (6) feet; piles shall be circular and not windrowed. No pile shall be located in any stream channel; on down logs, stumps, talus slopes, roadways, drainage ditches, within ten feet of reserve trees, within 25 feet of designated wildlife trees and within ten feet of any other pile or unit boundary. No portion of the pile will be under the crown of any living conifer tree.

- (f) <u>SD-1d</u> Operations required by this provision shall be kept current with yarding as directed by the Authorized Officer and shall be conducted as follows:
 - 1. Units shall be piled and covered during the same season that they are logged. Piling shall be completed in each unit or portion thereof, within eight (8) weeks after being notified of BLM site treatment determination.
- (g) <u>SD-1j LANDING SLASH</u> In all units as shown in the Exhibit A, pile all slash located within fifty (50) feet on each side of each landing. Slash shall be piled by a grapple loader. Finished piles shall be tight and free of earth.
 - 1. A ten (10) foot by ten (10) foot cover of six (6) mil black plastic shall cap each hand pile to maintain a dry ignition point. The cover shall be firmly fixed to each pile to hold it in place. Landings shall be piled and covered during the same season that they are logged.
- (2) <u>SD-5</u> Perform logging residue reduction and site preparation work on approximately 37 acres located in all cutting units as shown on Exhibit A as directed by the Authorized Officer.

(a) The required work shall consist of any treatment or combination of treatments listed in the table below, as determined by the Authorized Officer and specified in writing by the Contracting Officer. The number of acres of each treatment shall be determined by the Authorized Officer.

Treatment	Cost/Acre
Lop and Scatter	\$43.71
Handpile and Cover – L1	\$295.03

1. The following treatments were assumed for appraisal purposes on this contract:

Treatment/Level	Cost Per	Number of	Total Cost Per
	Acre	Acres	Treatment Type
Lop and Scatter	\$43.71	12	\$524.52
Hand pile and cover L2	\$295.03	25	\$7,376.75
Total Appraised Cost			\$7901.27

- (b) 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 41(G)(2)(a) differs from \$7,901.27 as calculated by using the estimated acres determined by the Authorized Officer and the per acre costs listed in Section 41(G)(2)(a).
- (2) <u>SD-2</u> Notwithstanding the provisions of Section 15 of this contract, the Government shall assume all obligations for disposal or reduction of fire hazards created by Purchaser's operations on Government lands, except for burning, and mop-up assistance 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 designated representative, assist in preparing units for burning, mop-up, and patrol by furnishing, at the Purchaser's own expense, the services of personnel and equipment on each unit as shown below.
 - (a) In Units the Purchaser shall fall any trees or snags as determined by the Authorized Officer or designated representative to be hazardous for the prescribed burning operations. This work shall be completed within one (1) month of completion of yarding the unit.
 - (b) Burn and mop-up landings in accordance with Sections 41(G)(3)(b)(1) and (G)(3)(b)(2).
 - 1. Prescribed fire plans shall be prepared for hand pile burning activities to ensure that resource and fire management objectives are met by setting parameters under which the burning may take place. Prescribed burning within the harvest units will be conducted in a manner that will minimize damage to reserve trees, duff and soil, and to avoid loss of large, coarse woody debris and will be consistent with ecosystem management objectives.

2. Piles will be burned in the fall/winter season after one or more inches of precipitation has occurred to reduce the potential for fire spread and scorch and mortality to the residual trees and shrubs. Patrol and mop-up of burning piles will occur when needed to prevent escape. The timing of prescribed burns depends on these parameters and the availability of adequate fire suppression resources as a contingency plan in the event of escaped fire.

3. For Igniting and Burning Piles in Units as directed by the Authorized Officer and All Landings

- a. One (1) person to supervise crew(s) and equipment operators, and to serve as Purchaser's representative. One (1) person shall meet the qualifications and fitness standards for Crew Boss (Single Resource) (CRWB) as shown on Exhibit S-310-1
- b. One (1) crew with ten (10 members per crew, including a designated crew foreman. Each crew shall be equipped with fuel, drip torches, shovels, pulaskis, one (1) power saw and one (1) backpack pump; one (1) tool for each crew member. Crew members shall meet the qualifications and fitness standards for Firefighter (FFT2) as shown on Exhibit S-310-1. Crew Foreman shall meet the qualifications and fitness standards for Advanced Firefighter/Squad Boss (FFT1) as shown on Exhibit S-310-1.
- c. Two (2) tank truck drivers. One (1) person assigned to each tank truck shall meet the qualifications and fitness standards for Engine Boss (Single Resource) (ENGN) as shown on Exhibit S-310-1.
- d. Two (2) tank trucks. One truck shall have one thousand (1,000) gallons or more capacity and one (1) truck shall have five hundred (500) gallons acceptable to the Authorized Officer. Each truck shall be equipped with a mounted pump conforming to the standards set forth in ORS 477.645 through ORS 477.670 and any rule promulgated pursuant to those statutes. Tank(s) shall be filled with water.

- e. Each tank truck shall have one thousand (1,000) feet of one and one-half (1½) inch hose and one thousand (1,000) feet of one (1) inch hose. Six (6) gated "Y" valves, six (6) one and one-half (1½) to one (1) inch reducers, and six (6) combination fog and stream nozzles. All hose fittings shall match the couplings on the required hose. All hose couplings shall have the standard thread adopted by the State Fire Marshall pursuant to ORS 476.410 as amended.
- f. Ten (10) drip torches, Forester Sealtite, or equivalent.
- g. Hand ignition with drip torches is required in Units described by the Authorized Officer, all ignition personnel will be directly supervised by a BLM representative.
- h. All crews shall arrive on the project area(s) with radios capable of inter-crew communications and communications with a BLM representative at a ratio of one (1) radio per every five (5) crew members.
- i. All ignition personnel shall arrive at the project area(s) with the following personal protective equipment: minimum eight (8) inch top, laced, leather boots with lug soles, long sleeve Aramid shirts and full length Aramid trousers, leather gloves, fire shelter, hardhat with chin strap, goggles, and ear plugs.
- 4. <u>Mop-up of All Hand Piles in Units described by the Authorized Officer. And all Landing Piles as Shown on Exhibits A. All mop-up personnel will be directly supervised by a BLM representative.</u>
 - a. Foam will not be used within 150 feet of stream channels to control spread of prescribed fire.
 - b. One (1) person to supervise crew(s) and equipment operators, and to serve as Purchaser's representative. One (1) person shall meet the qualifications and fitness standards for Crew Boss (Single Resource) (CRWB) as shown on Exhibit S-310-1.
 - c. One (1) crew with ten (10 members per crew, including a designated crew foreman. Each crew shall be equipped with

fuel, drip torches, shovels, pulaskis, one (1) power saw and one (1) backpack pump; one (1) tool for each crew member. Crew members shall meet the qualifications and fitness standards for Firefighter (FFT2) as shown on Exhibit S-310-1. Crew Foreman shall meet the qualifications and fitness standards for Advanced Firefighter/Squad Boss (FFT1) as shown on Exhibit S-310-1.

- d. One (1) tank truck driver. One (1) person assigned to each tank truck shall meet the qualifications and fitness standards for Engine Boss (Single Resource) (ENGN) as shown on Exhibit S-310-1.
- e. One (1) tank truck. Each truck shall have one thousand (1,000) gallons or more capacity acceptable to the Authorized Officer. Each truck shall be equipped with a mounted pump conforming to the standards set forth in ORS 477.645 through ORS 477.670 and any rule promulgated pursuant to those statutes. Tank(s) shall be filled with water.
- f. Each tank truck shall have one thousand (1,000) feet of one and one-half (1½) inch hose and one thousand (1,000) feet of one (1) inch hose. Six (6) gated "Y" valves, six (6) one and one-half (1-½) to one (1) inch reducers, and six (6) combination fog and stream nozzles. All hose fittings shall match the couplings on the required hose. All hose couplings shall have the standard thread adopted by the State Fire Marshall pursuant to ORS 476.410 as amended.
- g. All crews shall arrive on the project area(s) with radios capable of inter-crew communications and communications with a BLM representative at a ratio of one (1) radio per every five (5) crew members.
- h. All mop-up personnel shall arrive at the project area(s) with the following personal protective equipment: minimum eight (8) inch top, laced, leather boots with lug soles, long sleeve Aramid shirts and full length Aramid trousers, leather gloves, fire shelter, hardhat with chin strap, goggles, and ear plugs.

Aircraft and pilots used for Logging Residue Reduction or the suppression of escaped

fires from Logging Residue Reduction operations, shall be acquired from a list of aircraft and pilots approved (i.e., carded for these specific activities) by the Office of Aircraft Services or the U.S. Forest Service. This list is available from BLM District Offices upon request.

All listed personnel shall meet the qualifications, physical fitness standards, and currency requirements shown on Exhibit S-310-1. All personnel shall arrive at the project area(s) with the following personal safety equipment: minimum eight (8) inch top, laced, leather boots with lug soles, long sleeve Aramid shirts and full length Aramid trousers, leather gloves, fire shelter, hardhat with chin strap, goggles, and ear plugs.

All crews shall arrive on the project area(s) equipped with radios capable of intercrew communications and communication with a BLM representative at the ratio of one (1) radio per every five (5) crew members.

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.

Except as provided hereafter for fire escapement, the Purchaser shall continue the required assistance in mop-up on each unit to be burned as shown on Exhibit S as required in Section 41(G) for 750 work hours for each broadcast burn unit and 450 work hours for each piled unit and piled landing as directed by the Authorized Officer within a ten (10)-day period beginning 8:00 a.m. the day following completion of ignition in that unit or until released from such services by the Authorized Officer, whichever occurs first.

In the event of a fire escapement, Purchaser's personnel and equipment shall, under supervision of the Authorized Officer or designated representative, take action to suppress, including 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 Purchaser for such additional use of personnel and equipment at wage rates shown in the current Administratively Determined Pay Rates for 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.

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 area 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.

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

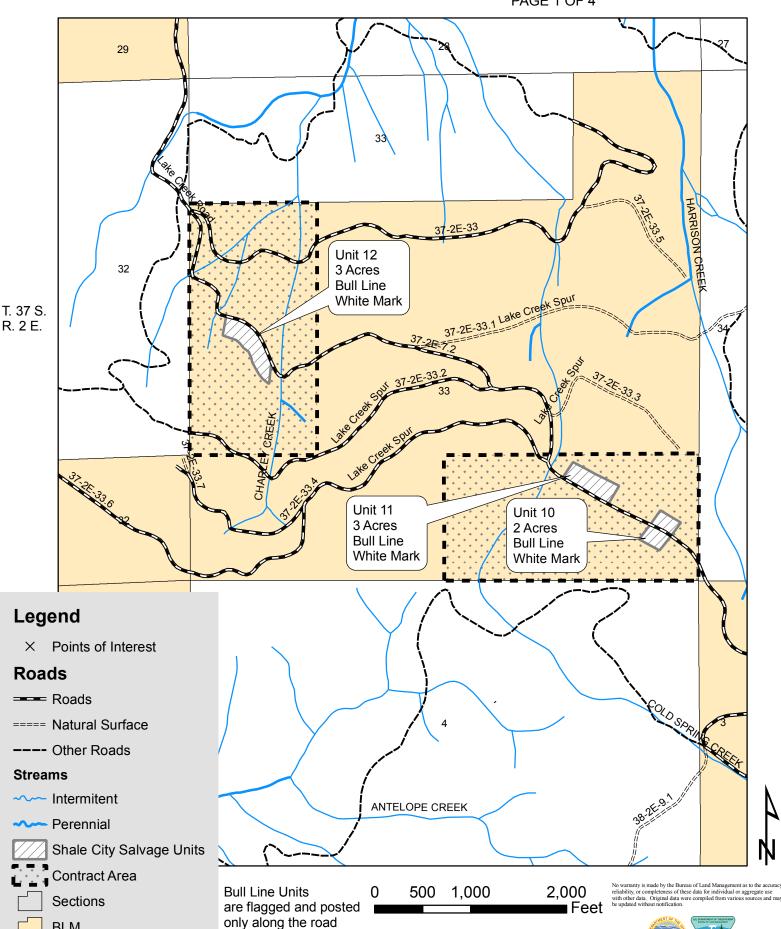
Time is of the essence in complying with this provision. In the event the Purchaser fails to provide the personnel and equipment required herein, the Purchaser shall be responsible for all additional costs incurred by the Government in disposing of slash including but not limited to the wages and other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

(H) Equal Opportunity in Employment

Certification of Nonsegregated Facilities attached hereto and made a part hereof.

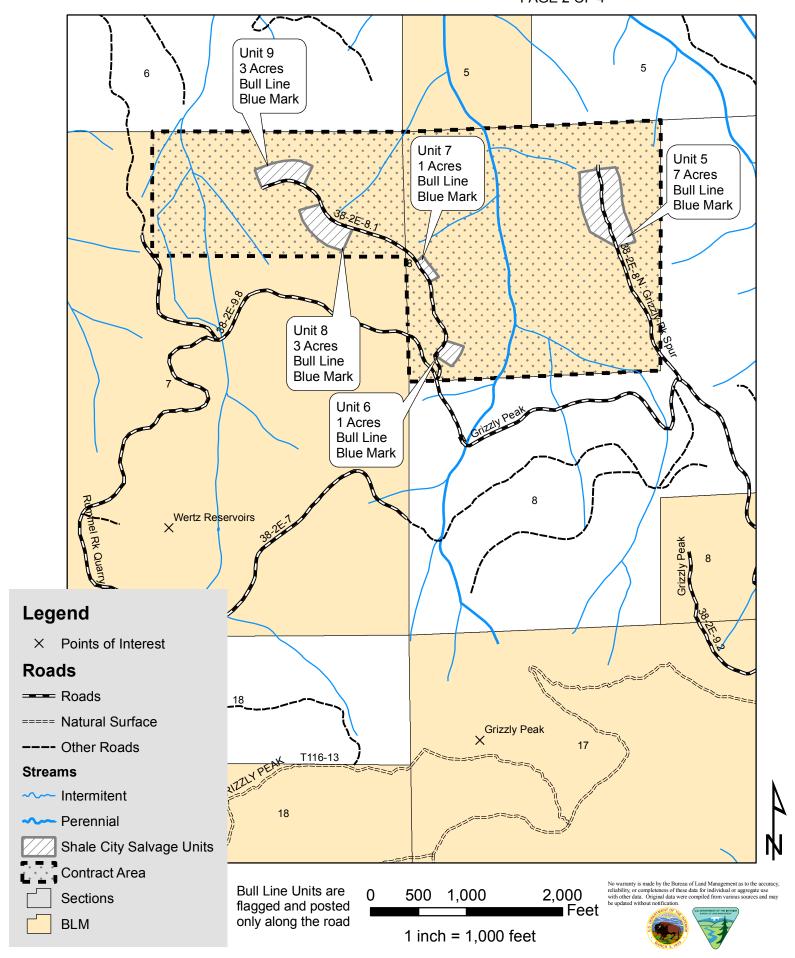
BLM

TIMBER SALE CONTRACT MAP CONTRACT NO. OR110-TS11-01 **EXHIBIT A** PAGE 1 OF 4

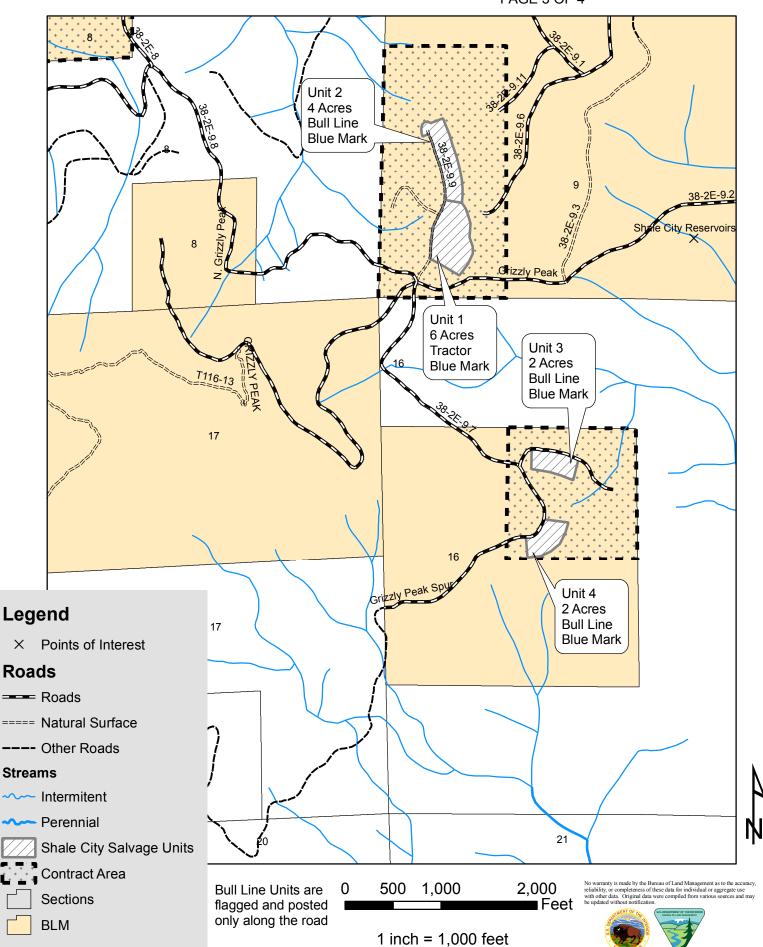


1 inch = 1,000 feet

TIMBER SALE CONTRACT MAP CONTRACT NO. OR110-TS11-01 EXHIBIT A PAGE 2 OF 4



TIMBER SALE CONTRACT MAP CONTRACT NO. OR110-TS11-01 EXHIBIT A PAGE 3 OF 4



U.S.D.I. BLM MEDFORD DISTRICT SALE NO. 11-01 SHALE CITY SALVAGE

T. 37 S., R 2 E., SEC 33

T. 38 S., R 2 E., SEC 7, 8, 9, and 16

TIMBER SALE CONTRACT MAP CONTRACT NO. OR 110-TS11-01 EXHIBIT A PAGE 4 0F 4

SECTION	UNIT NUMBER	UNIT ACRES	RESERVE ACRES	CONTRACT ACRES
33	10 though 12	8	112	120
7	8 and 9	6	74	80
8	5 through 7	9	151	160
9	1 and 2	10	70	80
16	3 and 4	4	36	40
Totals	12 Units	37	443	480



United States of America

Department of the Interior

Bureau Of Land Management

Timber Sale Appraisal

District: Medford Contract #: 110-11-01

Sale Name: ShaleCitySalvage

Job File #: 263

Sale Date: 11/18/2010 Master Unit: Jackson

Appraisal Method: 16' MBF Planning Unit: Ashland

Contents

Timber Sale Summary	2
Stumpage Summary	4
Prospectus	5
Exhibit B	6
Volume Summary	9
Stump to Truck Costs	12
Other Allowances Costs	13
Consolidated Comments	14

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

Legal Description

Forest Type	Township	Range	Section	Subdivision
O&C	37S	2E	33	SW1/4 NW1/4, NW1/4 SW1/4, S1/2 SE1/4.
O&C	38S	2E	7	N1/2 NE1/4.
PD	38S	2E	8	NW1/4.
O&C	38S	2E	9	W1/2 SW1/4.
O&C	38S	2E	16	SE1/4 NW1/4.

Cutting Volume (16' MBF)

TT '4	DE	ME	1	1	<u> </u>	1	TF (1	D	D (1	DOW
Unit	DF	WF					Total	Regen	Partial	ROW
1	129						129		6	
2	36						36		4	
3	9						9		2	
4	49	1					50		2	
5	69	1					70		7	
6	34						34		1	
7	2						2		1	
8	2						2		3	
9	51	2					53		3	
10	26						26		2	
11	2						2		3	
12	26						26		3	
Totals	435	4					439	0	37	0

Printed: 10/25/2010 10:11:48AM Page 2 of 14

Logging Costs per 16' MBI	3	Profit & Ris	k
Stump to Truck Transportation	\$ 107.91 \$ 45.67	Total Profit & Risk Basic Profit & Risk 7 % + Additio	7 % nal Risk 0 %
Road Construction	\$ 0.00	Back Off	0 %
Road Amortization Road Maintenance	\$ 0.00 \$ 3.10	Tract Featur	res
	\$ 3.10	Avg Log Douglas-fir: 186 bf	All: 185 bf
Other Allowances :	<u>. </u>	Recovery Douglas-fir: 81 %	All: 81 %
Fuels Treatment	\$18.10	Salvage Douglas-fir: 100 %	All: 100 %
Other Costs	\$2.05	Avg Volume (16' MBF per Acre)	12
Total Other Allowances :	\$ 20.15	Avg Yarding Slope	18 %
	<u>. </u>	Avg Yarding Distance (feet)	100
		Avg Age	180
		Volume Cable	71 %
		Volume Ground	29 %
		Volume Aerial	0 %
		Road Construction Stations	0.00
		Road Improvement Stations	0.00
		Road Renovation Stations	0.00
		Road Decomission Stations Cruise	0.00
		Cruised By Date	Worman,Rentz,Parks 09/01/2010
T-t-11in-Ct 1CIMPE	9 176 92	Type of Cruise	blm100
Total Logging Costs per 16' MBF	\$ 176.83	County, State	Jackson, OR
Utilization Centers Center #1: White City	33 Miles	Net Volume	
Center #2	0 Miles	Green (16' MBF)	0
Weighted distance to Utilization Centers	33	Salvage (16' MBF)	439.00
Length of Contract		· · · · · · · · · · · · · · · · · · ·	
Cutting and Removal Time	12 Months	Douglas-fir Peeler	44.00
Personal Property Removal Time	3 Months	Export Volume	0
		Scaling Allowance (\$0.75 per 16' MBF)	\$329.25

Printed: 10/25/2010 10:11:48AM Page 3 of 14

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT 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
DF	487	435	349.10	24.44	176.83			147.80	64,293.00
WF	13	4	297.07	20.79	176.83			99.40	397.60
Totals	500	439							\$ 64,690.60

Log Code by Percent

Species	Code #1	Code #2	Code #3	Code #4	Code #5	Code #6
Douglas-fir		2.0	8.0	57.0	33.0	
White Fir				53.0	45.0	2.0

Marginal Log Volume

Species	Grade #7	Grade #8
Douglas-fir		
White Fir		

Appraised By: Worman, Aaron **Date:** 09/30/2010

Area Approval By: Date:

District Approval By: Date:

Printed: 10/25/2010 10:11:48AM Page 4 of 14

Prospectus

Appraisal Method: (16' MBF)

Species	Trees	Net Volume 16' MBF	Net Volume 32' MBF	Net Volume CCF
Douglas-fir	487	435	360	653
White Fir	13	4	3	6
Total	500	439	363	659

All Species

I	Gross	Number	Avg bf Volume		Gross Merch	Merch	Avg bf Gross
	Volume	Trees	Per Tree	DBH	Volume	Logs	Merch Log
Ī	544	500	1,088	27.0	487	2,633	185

Merch Logs	Cull Logs	Total Logs	Logs per Tree	Net Volume	Gross Volume	Recovery
2,633	375	3,008	6	439	544	81 %

Douglas-fir

Gross Volume	Number Trees	Avg bf Volume Per Tree	DBH	Gross Merch Volume	Merch Logs	Avg bf Gross Merch Log
540	487	1,108	27.2	483	2,590	186

Merch Logs	Cull Logs	Total Logs	Logs per Tree	Net Volume	Gross Volume	Recovery
2,590	369	2,959	6	435	540	81 %

Cutting Areas

Unit	Regen Acres	Partial Cut Acres	Right Of Way Acres	Total Acres
1		6		6
2		4		4
3		2		2
4		2		2
5		7		7
6		1		1
7		1		1
8		3		3
9		3		3
10		2		2
11		3		3
12		3		3
Totals :		37		37

Printed: 10/25/2010 10:11:48AM Page 5 of 14

Exhibit B

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 Sections 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 shown below, times the amount of acreage as determined by the authorized officer, which has been cut or removed or designated for taking.

Except provided in Section 2, Purchaser shall be liable for the total purchase price even though the 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 the Exhibit A.

Sale Totals (16' MBF)

Species	Net Volume	Bid Price	Sale SubTotal
Douglas-fir	435		
White Fir	4		
Sale Totals	439		

Unit Details (16' MB)

Unit	1	6 Acres	Value per Acre: \$0.00
UIIII	1	U ACIES	value per Acre: 50.00

Species	Net Volume	Bid Price	Species Value
Douglas-fir	129		
Unit Totals	129		

Unit 10 2 Acres Value per Acre: \$0.00

Species	Net Volume	Bid Price	Species Value
Douglas-fir	26		
Unit Totals	26		

Unit 11 3 Acres Value per Acre: \$0.00

Species	Net Volume	Bid Price	Species Value
Douglas-fir	2		
Unit Totals	2		

Unit 12 3 Acres Value per Acre: \$0.00

Species	Net Volume	Bid Price	Species Value
Douglas-fir	26		
Unit Totals	26		

Printed: 10/25/2010 10:11:48AM Page 6 of 14

Species	Unit	2	4 Acres	Value per	Acre: \$0.00	
Douglas-fir			Species			_
Unit Totals			_		THE	value
Unit 3						
Net			Unit Totals	30		
Species	Unit	3	2 Acres	Value per	Acre: \$0.00	.
Douglas-fir 9			<u> </u>			
Unit 1					Price	Value
Unit 4 2 Acres Value per Acre : \$0.00			Douglas-fir	9		
Net			Unit Totals	9		
Species	Unit	4	2 Acres	Value per	Acre : \$0.00	
Douglas-fir 49					Bid	Species
White Fir			Species	Volume	Price	Value
Unit Totals 50			Douglas-fir	49		
Value per Acre : \$0.00			White Fir	1		
Net			Unit Totals	50		
Species Volume Price Value	Unit	5	7 Acres	Value per	Acre : \$0.00	
Douglas-fir 69						Species
White Fir			Species	Volume	Price	Value
Unit Totals 70				69		
Unit 6			White Fir	1		
Net			Unit Totals	70		
Species Volume Price Value	Unit	6	1 Acres	Value per	Acre : \$0.00	
Douglas-fir 34						
Unit Totals 34			Species	Volume	Price	Value
Unit 7 1 Acres Value per Acre: \$0.00 Net			Douglas-fir	34		
Net Bid Species Value			Unit Totals	34		
Species Volume Price Value	Unit	7	1 Acres	Value per	Acre : \$0.00	
Douglas-fir 2						_
Unit Totals 2 Unit Totals 2 Value per Acre: \$0.00 Net Bid Species Volume Price Value Douglas-fir 2 White Fir			Species	Volume	Price	Value
Unit 8 3 Acres Value per Acre: \$0.00 Net Species Volume Price Value Douglas-fir 2 White Fir			Douglas-fir	2		
Species Net Volume Bid Price Species Value Douglas-fir 2 White Fir 2			Unit Totals	2		
Species Volume Price Value Douglas-fir 2 White Fir	Unit	8	3 Acres	Value per	Acre : \$0.00	
Douglas-fir 2 White Fir						_
White Fir			_		Price	Value
			Douglas-fir	2		
Unit Totals 2			White Fir			
			Unit Totals	2		

Printed: 10/25/2010 10:11:48AM Page 7 of 14

Unit 9 3 Acres Value per Acre: \$0.00

Species	Net Volume	Bid Price	Species Value
Douglas-fir	51		
White Fir	2		
Unit Totals	53		

Printed: 10/25/2010 10:11:48AM Page 8 of 14

Sale Volume Totals

3	7 Acres	0 Regen	37 Partial	0 R/W	12 Units

SpeciesName	# of Trees	Merch Logs	Cull Logs	16' MBF Net	16' MBF GM	16' MBF Gross	32' MBF Net	32' MBF GM	32' MBF Gross	CCF Net	CCF GM	CCF Gross
Douglas-fir	487	2,590	369	435	483	540	360	399	448	653	726	818
White Fir	13	43	6	4	4	4	3	3	3	6	7	7
Totals	500	2,633	375	439	487	544	363	402	451	659	733	825

Unit Totals

U	nit: 1	6 Acre	S	0 Reg	en	6 Partial	0 R/W
	SpeciesName	# of Trees	Merch Logs	Cull Logs	16' MBF Gross	16' MBF GM	16' MBF Net
	Douglas-fir	96	634	48	155	143	129
	Unit Totals	96	634	48	155	143	129

U	nit: 2	4 Acre	S	0 Reg	en	4 Partial	0 R/W
	SpeciesName	# of Trees	Merch Logs	Cull Logs	16' MBF Gross	16' MBF GM	16' MBF Net
	Douglas-fir	63	288	21	45	40	36
	Unit Totals	63	288	21	45	40	36

U	nit: 3	2 Acre	s	0 Reg	en	2 Partial	0 R/W
	SpeciesName	# of Trees	Merch Logs	Cull Logs	16' MBF Gross	16' MBF GM	16' MBF Net
	Douglas-fir	14	71	10	12	10	9
	Unit Totals	14	71	10	12	10	9

U	nit: 4	2 Acre	S	0 Reg	en	2 Partial	0 R/W
	G	# of	Merch	Cull	16' MBF	16' MBF	16' MBF
	SpeciesName	Trees	Logs	Logs	Gross	GM	Net
	Douglas-fir	87	449	44	58	54	49
	White Fir	3	11	1	1	1	1
	Unit Totals	90	460	45	59	55	50

U	nit: 5	7 Acre	s	0 Rege	en	7 Partial	0 R/W
	SpeciesName	# of Trees	Merch Logs	Cull Logs	16' MBF Gross	16' MBF GM	16' MBF Net
	Douglas-fir	77	415	65	84	76	69
	White Fir	2	9		1	1	1

Printed: 10/25/2010 10:11:48AM Page 9 of 14

Unit Totals	79	424	65	85	77	70

U	nit: 6	1 Acre	S	0 Reg	en	1 Partial	0 R/W
	SpeciesName	# of Trees	Merch Logs	Cull Logs	16' MBF Gross	16' MBF GM	16' MBF Net
	Douglas-fir	52	245	43	41	38	34
	Unit Totals	52	245	43	41	38	34

U	nit: 7	1 Acre	s	0 Reg	en	1 Partial	0 R/W
	SpeciesName	# of Trees	Merch Logs	Cull Logs	16' MBF Gross	16' MBF GM	16' MBF Net
	Douglas-fir	3	17	1	3	3	2
	Unit Totals	3	17	1	3	3	2

U	nit: 8	3 Acre	s	0 Reg	en	3 Partial	0 R/W
	SpeciesName	# of Trees	Merch Logs	Cull Logs	16' MBF Gross	16' MBF GM	16' MBF Net
	Douglas-fir	8	32		3	3	2
	White Fir	2	6	1			
	Unit Totals	10	38	1	3	3	2

U	nit: 9	3 Acre	S	0 Reg	en	3 Partial	0 R/W
	SpeciesName	# of Trees	Merch Logs	Cull Logs	16' MBF Gross	16' MBF GM	16' MBF Net
	Douglas-fir	41	220	66	68	56	51
	White Fir	6	17	4	2	2	2
	Unit Totals	47	237	70	70	58	53

U	nit: 10	2 Acre	s	0 Reg	en	2 Partial	0 R/W
	SpeciesName	# of Trees	Merch Logs	Cull Logs	16' MBF Gross	16' MBF GM	16' MBF Net
	Douglas-fir	12	60	30	34	29	26
	Unit Totals	12	60	30	34	29	26

U	nit: 11	3 Acre	s	0 Reg	en	3 Partial	0 R/W
	SpeciesName	# of Trees	Merch Logs	Cull Logs	16' MBF Gross	16' MBF GM	16' MBF Net
	Douglas-fir	2	9	3	3	2	2
	Unit Totals	2	9	3	3	2	2

U	nit: 12	3 Acre	s	0 Rege	en	3 Partial	0 R/W
	SpeciesName	# of Trees	Merch Logs	Cull Logs	16' MBF Gross	16' MBF GM	16' MBF Net
	Douglas-fir	32	150	38	34	29	26

Printed: 10/25/2010 10:11:48AM Page 10 of 14

Medford ShaleCitySalvage 110-11-01

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

Unit Totals 32 150 38 34 29 26	Unit Totals
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Printed: 10/25/2010 10:11:48AM Page 11 of 14

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT Stump to Truck Costs

Total (16' MBF)

Total Stump to	Net	Cost / Net
Truck Costs	Volume	Volume
\$47,374.25	439	\$107.91

Detail

Yarding & Loading

Yarding System	Unit Of Measure	Units	Cost / Unit	Total Cost
Track Skidder	GM	143	\$57.51	\$8,223.93
Short Twr<40	GM	344	\$108.71	\$37,396.24
Subtotal				\$45,620.17

Other Costs

Explanation	Unit Of Measure	Units	Cost / Unit	Total Cost
Dir. felling	mbf	88	\$5.16	\$454.08
Subtotal				\$454.08

Additional Move-Ins

Equipment	# Move-In	Cost / Move In	Total Cost
Yarder / Loader	1	\$750.00	\$750.00
Dozer	1	\$550.00	\$550.00
Subtotal			\$1,300.00

Printed: 10/25/2010 10:11:48AM Page 12 of 14

Other Allowances Costs

Total (16' MBF)

Total Other	Net	Cost / Net	Total Buy Out	
Allowances Costs	Volume	Volume *	Cost	
\$8,843.98	439	\$20.15		

Fuels Treatment

Detail (16' MBF)

Cost Item	Total Cost	Cost / Net Vol *	Buy Out	Buy Out Cost
Lop and Scatter-Lvl 1	568.23	1.29	N	0.00
Hand Pile Brn-Level 1	7,375.75	16.80	N	0.00
Subtotal	7,943.98	18.10		0.00

Other Costs

Detail (16' MBF)

Cost Item	Total Cost	Cost / Net Vol *	Buy Out	Buy Out Cost
Landing Clean up	900.00	2.05	N	0.00
Subtotal	900.00	2.05		0.00

^{*} Cost / Net Volume has been rounded to the nearest \$0.01 Subtotals may not tie to Sale Total Cost / Net Volume.

Printed: 10/25/2010 10:11:48AM Page 13 of 14

Medford ShaleCitySalvage 110-11-01

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT Consolidated Comments

General
Yarding & Loading
Tarung & Loading
Road Costs
(see Engineering Appraisal for details).
(see Engineering Appraisal for details).
Transportation
(see Transportation appendix for details).
(see Transportation appendix for details).
Other Allowances
Other Allowances
Prospectus

Printed: 10/25/2010 10:11:48AM Page 14 of 14

Tract No : 11-01

Sale Name: Shale City Salvage

Prep. By : Josh R

Sale Date: November 18,2010

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

ROAD MAINTENANCE AND ROAD USE APPRAISAL WORK SHEET

Summary of Costs

1. Road Use - Amortization: (1) \$0.00/439 MBF = \$0.00/MBF 1/ (RC-3 & RC-3a) (Tot Sale Vol)

2. Road Maintenance Obligation:

$$\frac{\$1362.31}{(2.1)} + \frac{\$0.00}{(3.1)} + \frac{\$0.00}{(4.1)} + \frac{\$0.00}{(5.1)} = \frac{\$1362.31}{(RC-2c)}$$

3. Rockwear Obligation:

$$\frac{\$0.00}{(4.2)} + \frac{\$0.00}{(5.2)} + \frac{\$0.00}{(7.1)} + \frac{\$0.00}{(7.2)} = \frac{\$0.00}{(RC-2g)}$$

4. Other Maintenance Payments:

Total (6) =
$$\frac{\$0.00}{(RC-3a)}$$

5. Purchaser Maintenance Allowances:

(7.3A)	Move In	\$0.00
(7.3B)	Culverts, Catch Basins, Downspouts	\$0.00
(7.3C)	Grading, Ditching	\$0.00
(7.3D)	Slide Removal and Slump Repair	\$0.00
(7.3E)	Dust Palliative (Water)	\$0.00
(7.3F)	Surface Repair (Aggregate)	\$0.00
(7.3G)	Dust Palliative (Bituminous, Lignin, MgCl)	\$0.00
(7.3H)	Other	\$0.00

Total (7.3) =
$$\frac{\$0.00}{(RC-2a \& Ex D)}$$

$$(2+3+4+5)$$
 Total = \$1,362.31/439 MBF = $\frac{$3.10/MBF}{(Total Sale Vol)}$ 1/

1. Road Use Fees - Amortization

R/W		Rd Use	Vol	Road Use
Number	Road Number	Fee x	MBF	= Obligation

(1) Subtotal

2. BLM Maintenance - Timber Haul 1/2/3/4/5/

Road Number	Α	Surf		Maint	Vol		Total
and Segment	N	Type	Mi	x Fee x	MBF	=	Maint
38-2E-27.00	Α	BST1	3.04	0.46	383		\$535.59
38-2E-27.00	Α	BST1	4.59	0.46	54		\$114.02
38-2E-16.00	N	ASC	0.15	1.35	8		\$1.62
38-2E-9.09	Α	NAT	0.17	0.66	129		\$14.47
38-2E-9.09	Α	NAT	0.30	0.66	36		\$7.13
38-2E-9.08	Α	GRR	0.92	1.12	69		\$71.10
38-2E-9.08	Α	GRR	1.63	1.12	91		\$166.13
38-2E-9.07	N	ASC	0.53	1.35	9		\$6.44
38-2E-9.07	N	ASC	0.71	1.35	49		\$46.97
38-2E-9.02	Α	BST1	0.82	0.46	382		\$144.09
38-2E-8.01	Α	ASC	0.09	1.12	34		\$3.43
38-2E-8.01	Α	ASC	0.26	1.12	2		\$0.58
38-2E-8.01	Α	ASC	0.49	1.12	3		\$1.65
38-2E-8.01	Α	ASC	0.78	1.12	52		\$45.43
38-2E-8.00	N	GRR	0.47	1.35	69		\$43.78
37-2E-7.02	Α	ASC	1.75	1.12	54		\$105.84
37-2E-7.02	N	ASC	0.19	1.35	26		\$6.67
37-2E-7.02	N	ASC	0.39	1.35	2		\$1.05
37-2E-7.02	N	ASC	1.32	1.35	26		\$46.33

(2.1) Subtotal \$1362.31

- 1/ Enter list of roads in Sec. 41(RC-2).
- 2/ Rockwear is included in fee as a maintenance cost for BLM maintained roads.
- 3/ Include lump sum logging damage repair (see Ex. D, Subsection 3108a Option F & 3401a).

3. BLM Maintenance - Rock Haul 1/ 2/ 3/

Road Number	A Surf	Maint	Vol		Total
and Segment	N Type	Mi x Fee x	C. Y.	=	Maint

(3.1) Subtotal

- 1/ Enter list of roads in Section 41(RC-2).
- $\ensuremath{\text{2/}}$ Rockwear is included in fee as a maintenance cost for BLM maintained roads.
- 3/ Include lump sum logging damage repair (See Ex. D, Subsection 3108a Option F & 3401a).

4. Third Party Maintenance and Rockwear - Timber Haul 1/

MAINTENANCE (4.1)					ROCKWEAR (4.2) 2/ 3/	
Road Number	Α			Maint Vol	Total	Rkwear Vol Total
and Segment	N	Μi	x	Fee x MBF	= Maint	Mi x Fee x MBF = Rkwear

(4.1) Subtotal (4.2) Subtotal

- $1/\ \mbox{Enter}$ list of roads in Sec. $41(\mbox{RC-2})\,.$
- $\ensuremath{\mathrm{2/}}$ Rockwear is included in fee as a maintenance cost for BLM maintained roads.
- 3/ Include lump sum logging damage repair (see Ex. D, Subsection 3108a Option F & 3401a).

5. Third Party Maintenance and Rockwear - Rock Haul 1/

(5.1) Subtotal (5.2) Subtotal

- 1/ Enter list of roads in Sec. 41(RC-2).
- 2/ Rockwear is included in fee as a maintenance cost for BLM maintained roads.
- 3/ Include lump sum logging damage repair (see Ex. D, Subsection 3108a Option F & 3401a).
- 6. Other Maintenance Payments USFS or Others Perform Maintenance

Agreement Fee Fee Vol Maint Number Road Number MBF/Mi x Mi = /MBF x Hauled = Cost

(6) Subtotal

7. Purchaser Maintenance - Rock Wear

TIMBER HAUL (7.1)

ROCK HAUL (7.2) 2/ 3/

Road No 1/ A RkWear Vol Total Rkwear Vol Total and Segment N Mi x Fee x MBF = RkWear Mi x Fee x C.Y.= Rkwear

(7.1) Subtotal (7.2) Subtotal

7. Purchaser Operational Maintenance

Cost allowances must be limited to work required under timber sale Exhibit D. If purchaser maint. such as dust control/damage repair is performed on BLM maint. roads, add appropriate mandatory Ex. D provisions, RC-2a and RC-2h stips. Note in prospectus.

7.3A Move In

	No	Move	Cost/	Dist	Sub-
Equipment 1/	Units	x in x	50 Mi	x Factor =	total
Motor Grader:		\$	335.00	0.59	\$0.00
Back Hoe:		\$	335.00	0.59	\$0.00
Loader:		\$	335.00	0.59	\$0.00
Water Truck:		\$	206.00	0.59	\$0.00
Dump Truck 2/:		\$	214.00	0.59	\$0.00

(7.3A) Total \$0.00

7.3B Culvert Maintenance - Including Catchbasins and Downpipes 1/

 $\frac{\text{Miles x Cost/Mi} = \text{Subtotal}}{292.45}$

(7.3B) Total \$0.00

1/ Does not include purchase or installation of culvert pipe. Refer to Sch. 20 Table 32.

^{1/} List all purchaser maintained roads and enter list in Section 41(RC-2a). Don't repeat any BLM maintained roads listed on appraisal. List may include new const. roads without fees.

^{2/} All surfaced roads have a rockwear fee, except no rockwear fee is charged for rock haul on roads surfaced or resurfaced under this timber sale.

^{3/} Include lump sum logging damage repair (See Ex. D, Subsection 3108a Option F & 3401a).

^{1/} Equipment limited to that allowed in Exhibit D. Refer to Sch. 20 Table 2.

^{2/} Dump truck is allowable for surface repair only.

7.3C Grading (Includes Ditches and Shoulders) 1/

	Miles	x	Cost/Mi	X	Freq	=	Subtotal
Blade Road:	0.00		459.60		0		\$0.00
Blade Ditch:	0.00		153.20		0		\$0.00

(7.3C) Total \$0.00

7.3D Slide and Slough removal, Slump Repair (15 sta-yds. ea.) 1/

Type	No Slide	s	Hours		Equip		
Equipment	/Slumps	Х	Each	х	Cost	=	Subtotal
Grader:	0		0		119.90		\$0.00
Loader:	0		0		84.43		\$0.00
Backhoe:	0		0		62.55		\$0.00

(7.3D) Total \$0.00

7.3E Dust Palliative (Water) 1/

Spreading Hours

							No		Freq		Truck	
	Miles	/	MPH	=	Hours	х	Days	х	/Day	=	Hours	
	0.00		0				0		0		0.0	
	& Haul Hours			-			0		0		0.0	
LIXEC	illours	()	ooo Ga	1. C	alikei)				Tot	~ I	Hours -	Λ

Total Hours = 0.0

Truck Cost: \$82.33/Hr. x 0.0 Hours = \$0.00

(7.3E) Total \$0.00

7.3F Surface Repair (Aggregate)

Production Cost: 1/	0 C.Y. x \$0.00/C.Y.	=	\$0.00
Haul to Stockpile:	0 C.Y. x \$2.18/C.Y. x 0.00 Mi	=	\$0.00
Stockpile:	0 C.Y. x \$1.18/C.Y.	=	\$0.00
Load from Stockpile:	0 C.Y. x \$1.30/C.Y.	=	\$0.00
Haul from Stockpile:	0 C.Y. x \$2.18/C.Y. x 0.00 Mi	=	\$0.00
Process with Grader:	0 C.Y. x \$1.00/C.Y.	=	\$0.00

(7.3F) Total \$0.00

7.3G Dust Palliative (Bituminous, Lignin, Magnesium Chloride)

(7.3G) Total

^{1/} Watch for double allowance on roadway preparation for dust palliative application.

^{1/} Maximum haul is 15 sta. yds. Use grader or front end loader only. Dump truck not allowed in specifications. Refer to Sch. 20 Table 28.

 $^{1/\ \}mbox{Allow water}$ for all BLM maint. non-oiled roads. Subsection 3403 requires 0.50 gal/syd.

^{1/} Use unit cost from Road Construction Cost Guide.

7.3H Other

Fallen Timber Cutting: 1/ 0.0 Hours x \$0.00/Hour = \$0.00 Brush Cutting/Tree Trimming: 2/ 0.0 Hours x \$0.00/Hour = \$0.00 Oil/Asphalt Materials: 3/ Lump Sum = \$0.00 Signing for Dust Palliatives: 4/ Lump Sum = \$0.00 Misc. L.S. = \$0.00

(7.3H) Total \$0.00

- 1/ Exhibit D Subsection 3104. 2/ Exhibit D Subsection 3107. 3/ Exhibit D Subsection 3401a.
- 4/ Exhibit D Subsection 3405b.

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 provides that he will not maintain such certification also 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.

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 Bid 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 bond, will be returned at the time the contract is signed by the Government.
- 8. AWARD 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 5450.1(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 a 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.

^{*}Applies to Timber Only

- 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.
- 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.

Form 5440-9 (December 2004)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

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

Name of Bidder
Name of Bidder
Tract Number
OR110-TS11-01
Sale Name
Shale City Salvage
Sale Notice (dated)
10/22/2010
BLM District
Medford

LUMP SUM SALE

		Sealed Bid for S	Sealed Bid Sale		x	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 \$6500.00 and is enclosed					ed in	the form of \Box cash \Box money order \Box bank draft		
	□ cashier's check □ certified check □ bid bond of corporate surety on approved list of the United States Tre					orate 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								

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

within 30 days after the contract is received by the successful bidder. It is understood that no bid for less than the appraised price

		BID SUBMITTED			ORAL	BID MADE
PRODUCT SPECIES	UNIT	ESTIMATED VOLUME OR QUANTITY	UNIT PRICE	TOTAL VALUE	UNIT PRICE	TOTAL VALUE
Douglas Fir	MBF	435	x	=	х	=
White Fir	MBF	4	х	=	х	=
			х	=	х	=
Total		439	х	=	х	=
			х	=	х	=
			х	=	х	=
			х	=	х	=
			х	=	х	=
			х	=	Х	=
			Х	=	Х	=
			х	=	Х	=
			Х	=	X	=
			Х	=	Х	=
			Х	=	Х	=
			х	=	Х	=
			х	=	Х	=
		TOTAL PUR	RCHASE PRICE			

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)					
Signature, if firm is individually owned	Name of firm (type or print)					
Signatures, if firm is a partnership or L.L.C.	Business address, include zip code (type or print)					
Corporation organized under the state laws of Signature of Authorized Corporate Signing Officer	(To be completed following oral bidding) I HEREBY confirm the above oral bid By (signature)					
Title	Date					
Submit bid, in <i>duplicate</i> , 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					

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.