PROSPECTUS

THIS IS A SCALE SALE

ASHLAND RESOURCE AREA JACKSON MASTER UNIT

Medford Sale # OR110-TS11-17 September 15, 2011 (CB)

#1 Pilot Joe Timber Sale, Jackson County, O&C, P.D.

BID DEPOSIT REQUIRED: \$5,300.00

All timber designated for cutting in 3 Unnamed Lots, SW ¼ NE ¼, E ½ NW ¼, NE ¼ SW ¼, NW ¼ SE ¼, Section 31, SW ¼ NW ¼, SW ¼, W ½ SE ¼, Section 32, T. 38 S., R. 3 W.; SW ¼ SW ¼, Section 25, E ½ SW ¼, Section 26, NE ¼ NE ¼, Section 34, NE ¼ NW ¼, W ½ NW ¼, Section 35, T. 38 S., R. 4 W.; NE ¼ NE ¼, W ½ NE ¼, E ½ NW ¼, Section 1, T. 39 S., R. 4 W.; Willamette Meridian.

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
21,890	1,192	3,035	Douglas-fir	1,516	**\$34.20	\$51,847.20
144	5	13	Ponderosa pine	6	**\$29.00	\$174.00
22,034	1,197	3,048	Totals	1,522		\$52,021.20

*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.

**Minimum stumpage values were used to compute the appraised price (10% of pond value).

<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, September 15, 2011.

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> – All tree species have been cruised using the Variable Plot Cruise method. The sample trees have been measured, and the volume expanded to a total sale volume. With respect to merchantable trees of all conifer species: the average tree is 11.7 inches DBHOB; the average gross merchantable log contains 36.7 bd. ft.; the total gross volume is approximately 1763 M bd. ft; and 86% recovery is expected. (Average DF is 11.7 inches DBHOB; average gross merchantable log DF contains 36.7 bd. ft.)

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>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 – 18 unit(s) containing 245 acres must be partial cut.

<u>CUTTING TIME</u> - Contract duration will be twenty-five (25) months for cutting and removal of timber.

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

<u>ROAD MAINTENANCE</u> - BLM will maintain 2.51 miles of roads listed in Section 41(C)(1). The Purchaser will be required to pay a maintenance and rockwear fee of \$2.52 per MBF or a total of \$3837.66 for the use of these roads as shown in Section 41(C)(2). The Purchaser will be required to maintain 17.45 miles of BLM roads prior to timber haul and upon completion of timber haul under the terms of Exhibit D, "Road Maintenance Specifications."

<u>SOIL DAMAGE PREVENTION</u> - Pursuant to Section 25 of Form 5450-3, Timber Sale Contract, the Purchaser shall not operate or cause to have operated on the contract area any tractor-type logging equipment when soil moisture content is high as determined by the Authorized Officer. The Purchaser shall construct motor vehicle barricades on all primary skid roads which intersect any haul roads; water bar all skid trails; and mulch and seed fill slopes on the newly constructed landings fill slope.

<u>EQUIPMENT REQUIREMENTS</u> - LOGGING: A yarding tractor not greater than 9 feet wide as measured from the outer edges of standard width shoes and equipped with an integral arch and a winch for lining logs seventy-five (75) feet. A skyline yarder capable of one-end suspension with a minimum lateral yarding capability of seventy-five (75) feet while maintaining a fixed position during inhaul.

SLASH DISPOSAL - Slash disposal will consist of Hand Piling.

<u>CONTRACT TERMINATION</u> - A Special Provision has been added to the contract which enables the Contracting Officer to suspend the contract to facilitate protection of certain plant or animal species, and/or to modify or terminate the contract when necessary to comply with the Endangered Species Act, or comply with a court order, or protect occupied marbled murrelet sites in accordance with the Standards and Guidelines of the Medford District Record of Decision (ROD) and Resource Management Plan (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. There will be representation from the collaborative group during all phases of this contract and, at times, on the logging sites during operations. The collaborative group is six to eight people from the general public and BLM that were involved in developing this timber sale.
- 3. The purchaser shall be required to maintain 17.45 miles of BLM road as shown in Section

41(C)(2) **prior** to any timber haul. Required Maintenance is specified under the terms of Exhibit D-2, "Road Maintenance Specifications – Operational Maintenance - Section 3100".

<u>NARRATIVE DESCRIPTION OF HOW TO GET TO THE TIMBER SALE AREA</u> – From Ruch, proceed west on Highway 238 for approximately 1.3 miles to Hamilton road. Turn left on Hamilton Road and proceed for approximately 1.0 miles to Cantrall Road. Turn right on Cantrall Road and proceed approximately 1.0 miles to contract area.

<u>ENVIRONMENTAL ASSESSMENT</u> - An environmental assessment (DOI-BLM-OR-M060-2011-0016-EA) 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 3 Pilot Joe Timber Sale OR110-TS11-17

*Restricted Times are Shaded

Sale Area		J	an	F	eb	Μ	lar	Α	pr	Μ	[ay	Ju	ine	J	uly	A	ug	S	ept	C	oct	N	ov	D	ec
	Activity	1	15	1	15	1	15	1	15	1	15	1	15	1	15	1	15	1	15	1	15	1	15	1	15
Unit 26-1A	Falling and bucking																								
	Cable yarding																								
	Hauling ¹																								
Unit 26-1B	Falling and bucking																								
	Ground Based Operations ¹																								
	Hauling ¹																								
Unit 26-2	Falling and bucking																								
	Cable Yarding																								
	Hauling																								
Unit 35-1A	Falling and bucking																								
	Cable Yarding																								
	Hauling ¹																								
Unit 35-1B	Falling and bucking																								
	Cable yarding																								
	Hauling ¹																								
Unit 35-1C	Falling and bucking																								
	Cable yarding																								
	Hauling ¹																								
Unit 35-2	Falling and bucking																								
	Ground Based Operations ¹																								
	Hauling ¹																								
Unit 25-1	Falling and bucking																								
	Ground Based Operations ¹																								
	Hauling ¹																								

¹ Some variation of these dates possible depending on conditions

Seasonal Restriction Matrix

Sheet 2 of 3 Pilot Joe Timber Sale OR110-TS11-17

*Restricted Times are Shaded

Sale Area		J	an	F	'eb	Ν	lar	Α	pr	Μ	[ay	Jı	ine	J	uly	A	ug	S	ept	C	Oct	N	lov	D	ec
	Activity	1	15	1	15	1	15	1	15	1	15	1	15	1	15	1	15	1	15	1	15	1	15	1	15
Unit 31-1	Falling and bucking																								
	Ground Based Operations ¹																								
	Hauling ¹																								
Unit 31-2	Falling and bucking																								
	Cable Yarding																								
	Hauling ¹																								
Unit 31-3A	Falling and bucking																								
	Cable Yarding																								
	Hauling ¹																								
Unit 31-3B	Falling and bucking																								
	Cable Yarding																								
	Hauling ¹																								
Unit 32-3	Falling and bucking																								
	Cable yarding																								
	Hauling ¹																								
Unit 32-4B	Falling and bucking																								
	Ground Based Operations ¹																								
	Hauling ¹																								
Unit 32-6	Falling and bucking																								
	Cable yarding																								
	Hauling ¹																								
Unit 1-1	Falling and bucking																								
	Cable yarding																								
	Hauling ¹																								

¹ Some variation of these dates possible depending on conditions

Seasonal Restriction Matrix

Sheet 3 of 3 Pilot Joe Timber Sale OR110-TS11-17

*Restricted Times are Shaded

Sale Area		J	an	F	'eb	N	Iar	A	pr	Ν	lay	Jı	ıne	J	uly	A	ug	S	ept	(Oct	N	lov	D	Dec
	Activity	1	15	1	15	1		1	15	1	15	1	15	1	15	1		1	15		15	1	15	1	15
Unit 1-3A																									
	Ground Based Operations ¹																								
	Hauling ¹																								
Unit 1-3B	Falling and bucking																								
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¹ Some variation of these dates possible depending on conditions

PILOT JOE TIMBER SALE <u>SPECIAL PROVISIONS</u>

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>AR-1</u> All timber on the Reserve Area(s) as shown on Exhibit A and all orange painted trees which are on or mark the boundaries of the Reserve Area(s).
- (B) <u>IR-1</u> Approximately Six Thousand One (6001) trees marked with Yellow Paint above and below stump height in all units as shown on Exhibit A.
- (C) <u>IR-6</u> All conifers less than 7 inches DBH and all hardwood trees in all units as shown on Exhibit A.
- (D) <u>IR-6</u> All snags, except when determined to be a hazard during operations by the Authorized Officer, in all units as shown on Exhibit A.
- (E) <u>IR-10M</u> Genetically superior trees marked with orange paint and seed trees tags in the contract area. These trees are selected, genetically superior trees and are specially valued as a component of the tree improvement program. Any damage to such reserve trees caused by Purchaser shall be charged for on the basis of the resulting total loss to the Government including any loss in value as a superior seed source.

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 (834) 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^{3}) 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.

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.

Prior to the termination of this contract, the Purchaser shall submit to the Authorized Officer Form 5460-15 (Log Scale and Disposition of Timber Removed Report) which shall be executed by the Purchaser. In addition, the Purchaser is required under the terms of this contract to retain for a three-year period from the date of termination of the contract the records of all sales or transfer of logs involving timber from the sale for inspection and use of the Bureau of Land Management.

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

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

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

In the event of the Purchaser's noncompliance with this subsection of the contract, the Authorized Officer may take appropriate action as set forth in

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-5</u> All trees seven (7) inches or larger D.B.H.O.B. designated for cutting shall be felled concurrently with all other trees designated for cutting in all harvest units.
- (3) <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.

In Units 1-3A, 25-1, 26-1B, 31-1, 32-4B, and 35-2.	All ground-based yarding systems shall be approved by the Authorized Officer.
and 33-2.	Yarding tractor width will not be greater than nine (9) feet as measured from the outer edges of standard width track shoes.
	Yarding tractors will operate only on tractor skid roads approved by the Authorized Officer. Skid road locations will be approved prior to felling of timber to be yarded over that skid trail and trees shall be felled to the lead. The location of the tractor skid roads must be clearly designated on the ground and spaced at approximately one hundred fifty (150) foot intervals where feasible. Existing skid roads will be utilized where possible. Ground based yarding systems shall be limited to slopes thirty-five (35) percent or less except as approved by the Authorized Officer. Disturbance to natural openings/meadows within tractor units shall be kept to a minimum. No yarding will be allowed up or down draw bottoms. Skid trails shall avoid areas with high water tables.
	Yarding tractors will be equipped with integral arches and winch systems capable of lining logs at least one hundred fifty (150) feet.
	Landing size shall not exceed one-quarter (1/4) acre. Front end loaders shall not be used in units or on landings.
	No tractor yarding is permitted when soil moisture content is high as determined by the Authorized Officer. Yarding will be limited in accordance with Section 25 if detrimental soil damage about to occur, as determined by the Authorized Officer.
	Front end loaders shall not be used in units or on landings. Equipment will be equipped with rubber tires when operating on BST to protect road surfaces as approved by the Authorized Officer.
	Trees shall be bucked at log length except the top log shall be yarded with top attached. (This restriction is to reduce activity fuel density within units.) All trees in all units required for harvest shall be yarded.

In Units 1-1, 1-3B, 26-1A, 26-2, 31-2, 31-3A, 31-3B, 32-3, 32-6, 35-1A, 35-1B,	All yarding corridors, guyline trees, tailholds and lift trees shall be designated on the ground by the Purchaser and approved by the Authorized Officer.
and 35-1C.	Yarding will be done with a cable yarding system which will suspend one end of the log clear of the ground during inhaul on the yarding corridor.
	A carriage is required which will maintain a fixed position on the skyline during lateral yarding and has a minimum lateral yarding capability of seventy-five (75) feet. The carriage will be a minimum of twelve (12) feet above the ground during lateral yarding.
	Yarding corridors will be perpendicular to the contours and landings shall be spaced at an average of one hundred fifty (150) foot intervals where feasible. The width of the skyline corridors shall be as narrow (maximum 15 feet) as operationally feasible. The number of corridors for each cable setting is limited to two (2). Exceptions must have prior approval from the Authorized Officer.
	No yarding will be allowed up or down draw bottoms and no yarding corridors will be allowed in riparian reserves.
	Trees shall be felled to the lead in respect to the yarding corridor.
	Front end loaders shall not be used in units or on landings.
	Hand waterbars would be constructed on cable corridors that are gouged or likely to channel water, as directed by the Authorized Officer.
	Equipment will be equipped with rubber tires when operating on BST to protect road surfaces as approved by the Authorized Officer.
	Trees shall be bucked at log length except the top log shall be yarded with top attached. (This restriction is to reduce activity fuel density within units.) All trees in all units required for harvest shall be yarded. 5

- (4) $\underline{L-9}$ No yarding or loading is permitted in or through the reserve area as shown on Exhibit A.
- (5) <u>L-9</u> No ground or vegetative disturbing activities, such as falling, skidding, or yarding, shall be permitted in or through the reserve areas as shown on Exhibit A.
- (6) <u>L-11</u> No new landings shall be located within the riparian reserve of any stream as shown on Exhibit A.
- (7) <u>L-18</u> No ground-based operations 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. This restriction may be waived during dry soil conditions as approved by the Authorized Officer.
- (8) <u>L-18</u> No landing construction activities shall be permitted on the contract area between October 15 of one calendar year and June 1 of the following calendar year, both days inclusive. This restriction could be waived during dry conditions as approved by the Authorized Officer.
- (9) <u>L-18</u> No hauling shall be conducted on BLM roads 38-3-31.0, 38-3-32.1, 38-3-33.0A-E, 38-4-28.0, 38-4-33.0, and 39-4-1.0 between October 15 of one calendar year and May 15 of the following calendar year, both days inclusive. This restriction could be waived during dry conditions as directed by the Authorized Officer.
- (10) <u>L-18</u> No hauling shall be conducted on BLM road 38-4-35.3 from October 15 of one calendar year and June 1 of the following calendar year, both days inclusive. This restriction could be waived during dry conditions as directed by the Authorized Officer.
- (11) <u>L-</u>18 No road maintenance shall be permitted on the contract area between October 15 of one calendar year and June 1 of the following calendar year, both days inclusive. This restriction could be waived during dry conditions as approved by the Authorized Officer.
- (12) <u>L-18a</u> No work activities that produce noise above ambient levels will occur in unit 32-3 between March 1 and June 30 (or until two weeks after the fledgling period). This restriction will not apply if it can be shown from spotted owl surveys conducted in accordance with accepted standards that spotted owl nesting and/or fledging activities are not occurring during the year of harvest.

- (13) <u>L-20</u> During logging operations, the Purchaser shall keep road 38-3-33.0, where it passes through the contract area, clear of trees, rock, dirt, and other debris so far as is practicable. The road shall not be blocked by such operations for more than thirty (30) minutes unless a resident living beyond the blockage is delayed from reaching and/or leaving their home, in which case, they should be let through as soon as possible.
- (14) <u>L-21</u> The Purchaser shall provide sufficient warning signs to control traffic on all roads where it passes through the contract area whenever harvest operations are adjacent to these roads and the harvest operations could create a hazard to the public.
- (15) <u>L-24</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.
- (16) <u>L-27</u> In all units shown on Exhibit A, all trees designated for cutting shall be felled away from unit boundaries, property lines, fences, streams, draw bottoms, irrigation ditches, seed trees, and reserve areas. The Purchaser shall notify the Authorized Officer three (3) days before beginning felling operations in the above area(s).
- (17) <u>L-29</u> In the harvest units to be cable yarded as shown on Exhibit A, the Purchaser shall make cable yarding road changes by completely spooling the cables and restringing the layout from the head spar to the new tailhold to protect advance reproduction and/or reserve trees and snags present on these areas.
- (18) <u>L-25</u> Before cutting and removing any trees necessary to facilitate logging in the all units shown on Exhibit A, the Purchaser shall identify the location of the skid roads, cable yarding roads, and tailhold, tieback, guyline, lift, intermediate support, and danger trees on the ground in a manner approved by the Authorized Officer at the pre-work conference and documented in the Logging Plan. Said Purchaser identification of trees to be cut and removed does not constitute authority to proceed with cutting and removal. In addition, before proceeding the following conditions must be met:
 - (a) All skid roads, cable yarding roads, and tailhold, tieback, guyline, lift, intermediate support, and danger trees upon which timber is identified by

the Purchaser to be cut and removed in accordance with this special provision must be necessary for the safe and expeditious removal of timber sold under this contact and shall be limited to the minimum width necessary for yarding of logs with a minimum of damage to reserve trees; however, unless otherwise approved in writing by the Authorized Officer, the width of each skid roads and cable yarding roads shall be limited to 12 feet.

- (b) The Purchaser may immediately cut and remove additional timber to clear skid roads and cable yarding roads; and provide tailhold, tieback, guyline, lift and intermediate support trees; and clear danger trees when the trees have been marked with pink paint above and below stump height by the Authorized Officer and thereby approved for cutting and removal by the Authorized Officer. The volume of the timber to be sold will be determined by the Authorized Officer in accordance with Bureau of Land Management prescribed procedures. No timber may be cut or removed under terms of this provision unless sufficient installment payments have been made in accordance with Sec. 3.(b). of the contract or sufficient bonding has been provided in accordance with Sec. 3.(d). of the contract.
- (c) The Purchaser agrees that sale of this additional timber shall be accomplished by a unilateral modification of the contract executed by the Contracting Officer and that such timber shall be sold at the unit prices shown in Exhibit B of this contract unless: the value of the timber must be reappraised subject to the terms for contract extension set forth in Sec. 9 of the contract; or, the Authorized Officer determines that the any tree that exceeds 28 inches diameter at breast height shall be appraised and sold by bilateral modification of the contract at current fair market value in accordance with Sec. 8 of the contract.
- (d) This authorization for the Purchaser to cut and remove additional timber prior to the execution of a modification may be withdrawn by the Contracting Officer if the Authorized Officer determines that the Purchaser has cut and removed any tree not previously marked and approved for cutting by the Authorized Officer, which under Section 10 of the contract constitutes a violation of the contract and under Section 13 of the contract may constitute a trespass rendering the Purchaser liable for damages under applicable law.
- (e) If authorization is withdrawn, the Contracting Officer shall issue a written notice to the Purchaser that the sale of additional timber under this special provision is no longer approved. In this case, the Purchaser shall inform the Authorized Officer at least one (1) working day prior to the need for

cutting and removing any additional timber, and execute a bilateral modification prior to cutting for such additional approved timber at the unit prices shown in Exhibit B of the contract or in accordance with Sec. 8 or Sec. 9 of the contract as determined by the Authorized Officer in accordance with this provision. The Contracting Officer may issue a written order to the Purchaser to suspend, delay, or interrupt any or all contract work for the period of time deemed necessary and appropriate for the Government to safely measure and mark additional timber.

- (f) The Government may reserve trees previously designated for cutting and removal by applying yellow paint as replacements for additional trees cut and removed for skid roads and/or cable yarding roads when the Authorized Officer determines such reservation is necessary to maintain stand densities consistent with objectives set forth in the management prescription(s). The volume of this timber to be reserved will be determined by the Authorized Officer in accordance with Bureau of Land Management prescribed procedures and the value shall be based on the unit prices shown in Exhibit B of the contract. The Purchaser agrees that the Total Purchase Price shall be reduced accordingly through a unilateral modification to the contract executed by the Contracting Officer.
- (C) Road Construction Maintenance Use
 - (1) <u>RC-2</u> The Purchaser is authorized to use the roads listed below and shown on Exhibit D 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)(4). 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
38-3-33.0 А-Е	2.51	BLM	BST
Total	2.51		

(2) <u>RC-2a</u> The Purchaser is authorized to use the roads listed below and shown on Exhibit D 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 comply with the conditions set forth in Section 41 (C)(8) and pay the required rockwear obligation described in Section 41(C)(7). The

Road No. and			
Segment	Length Miles Used	Road Control	Road Surface Type
38-3-31.0	5.14	BLM	ASC
38-3-32.1	5.22	BLM	ASC
38-4-28.0	2.9	BLM	ASC
38-4-33.0	1.19	BLM	PRR
38-4-35.3 A-E	2.38	BLM	NAT
39-4-1.0	0.62	BLM	ASC
Total	17.45		

Purchaser shall pay current Bureau of Land Management rockwear fees for the sale of additional timber under modification to the contract.

- (3) <u>RC-2b</u> With the prior written approval of the Authorized Officer, the Purchaser may arrange for cooperative maintenance with other users on roads included in Section 41(C)(2) of this contract; provided, that such cooperative arrangement shall not relieve the Purchaser of his liability for the maintenance and repair of such roads resulting from wear or damage, in accordance with this contract. The Purchaser shall furnish the Authorized Officer a copy of any cooperative maintenance agreements entered into with other users on these roads.
- (4)RC-2e Provided, that the Purchaser shall pay a road maintenance fee of \$1.15 per thousand board feet log scale per mile for the use of said roads. The total maintenance fee due shall be based upon volumes determined pursuant to Section (2 and 3) of this contract and mileage of roads used as determined by the Authorized Officer. 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 timber purchased under this contract, together with an estimate of the volume to be hauled over such roads. The Purchaser will be required to label, with a permanent ink marker, each load ticket with the corresponding unit number as directed by the Authorized Officer. The Authorized Officer shall establish an installment schedule of payment of the maintenance obligation. If it is determined by the Authorized Officer, after all merchantable timber has been cut and scaled, that the total maintenance payments made under this contract exceed the total maintenance payment due, such excess shall be returned to the Purchaser within sixty (60) days after such determination is made.
- (5) <u>RC-2d</u> 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)(4) and/or Section 41 (C)(7) of this contract shall be amended to include adjustments of fee obligations.

- (6) <u>RC-2f</u> The Authorized Officer may at any time by written notice, terminate the Purchaser's operator road maintenance obligations and require instead payment of current Bureau of Land Management road maintenance fees for the particular surface type of the road(s) involved. These fees will be applied to the remaining contract volume on the sale area to be transported over road or roads listed in Section 41(C)(2). The Purchaser shall pay the total maintenance amount for said road(s) within thirty (30) days following receipt of written notice; provided, however, that if the total amount exceeds five hundred and no/100 dollars (\$500.00), the Purchaser may elect to make payment in installments in the same manner as and together with payments required in Section 3 of this contract.
- (7) $RC-2e_{(TW)}$ Provided, that the Purchaser shall pay a road rockwear fee of \$1.37 per thousand board feet log scale per mile for the use of said roads. The total rockwear fee due shall be based upon volumes determined pursuant to Section (2 and 3) of this contract and mileage of roads used as determined by the Authorized Officer. 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 timber purchased under this contract, together with an estimate of the volume to be hauled over such roads. The Purchaser will be required to label, with a permanent ink marker, each load ticket with the corresponding unit number as directed by the Authorized Officer. The Authorized Officer shall establish an installment schedule of payment of the rockwear obligation. If it is determined by the Authorized Officer, after all merchantable timber has been cut and scaled, that the total rockwear payments made under this contract exceed the total rockwear payment due, such excess shall be returned to the Purchaser within sixty (60) days after such determination is made.

- (8) <u>RC-2h</u> The Purchaser shall perform any required road repair and maintenance work on roads used by him, under the terms of Exhibit D, "Road Maintenance Specifications," of this contract, which is attached hereto and made a part hereof.
- (9) <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.
- (10) <u>RC-8</u> 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.)

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 :
 - (a) Abate dust created from hauling in accordance with Exhibit D.
 - (b) Construct earth and log motor vehicle barricades on all major skid roads which intersect any haul road.
 - (c) In addition to the requirement set forth in Sec. 25 of this contract, the Purchaser shall, prior to October 15 of the same operating season, winterize and rehabilitate temporary routes, landings, skid trails, cable yarding corridors, and other areas of exposed soils by properly installing and/or using water bars, berms, sediment basins, silt fencing, gravel pads, hay bales, small dense woody debris, seeding and/or mulching, to reduce sediment runoff as directed by the Authorized Officer.
 - (d) All snags greater than 16" DBH would be reserved from cutting unless they pose a safety hazard, in which case they would be left on the ground in the unit and a replacement standing tree would be identified for retention.
 - (e) Remove all slash and debris from roadways, ditchlines, catchbasins, and landings concurrently with yarding, or as directed by the Authorized Officer.
 - (f) Water bar all skid trails utilized in the contract area in accordance with specifications shown on Exhibit W.
 - (g) Coarse woody debris (CWD) would be retained and protected from disturbance to the greatest extent possible during logging, burning and other project activities.
 - (h) The Purchaser shall perform any required road maintenance work before and after haul of logs, under the terms of Exhibit D, "Road Maintenance Specifications," of this contract, which is attached hereto and made a part hereof.
- (2) <u>E-1</u> In addition to the requirement set forth in Sec. 25 of this contract, the Purchaser shall prepare a Spill Prevention, Control, and Countermeasure Plan for all hazardous substances to be used in the contract area, as directed by the Authorized Officer. Such plan shall include identification of Purchaser's representatives responsible for supervising initial containment action for releases and subsequent cleanup. Such plans must comply with the State of Oregon DEQ OAR 340-142, Oil and Hazardous Materials Emergency Response Requirements.
- (3) <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 construction, rock crushing, 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 Analysis 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.
- (4) <u>E-1</u> Scarify and contour landings to provide for adequate drainage. Bare soil due to landing construction/renovation would be protected and stabilized prior to fall rains to reduce soil erosion and sediment potential. Straw mulch and seed exposed earth on temporary logging spurs and tractor landings with certified weed free straw and seed mixture as directed and approved by the Authorized Officer. Selected landings may be left "as is" where natural rock occurs or where vegetation/topography prevents movement of sediment, as determined by the Authorized Officer. The seed mix and straw shall be provided by the BLM if the purchaser is unable to locate and buy the certified seed and straw. The purchaser shall reimburse the government for the cost of seed and straw if provided by the government.

The Purchaser shall furnish and apply to acres designated for treatment as directed by the Authorized Officer, a mixture of grass seed and mulch material at the following rate of application:

Grass seed	20 lbs./acre
Straw mulch	1000 lbs./acre (approx. 2 inches in depth)

The Purchaser shall furnish the following species of grass seed meeting corresponding germination, purity, and weed content requirements:

	Germination	Purity	Weed Content
<u>Species</u>	<u>Min. %</u>	<u>Min. %</u>	<u>Max. %</u>

California Brome	85	95	0.2
Blue Wild Rye	85	95	0.2

The grass seed furnished shall meet the minimum requirement for Blue Tag Seed as set forth in the latest edition of Oregon Certification Standards published by Oregon State University. Seed source shall be approved by the Authorized Officer and shall be from the general region where the project occurs. Straw mulch shall be from native grass or other approved grain crops which are certified weed free, and free of mold or other objectionable materials. Straw mulch shall be in an air-dry condition and suitable for placing in a uniform manner.

The Purchaser shall mix grass seed in the following proportions:

	Percent of	
<u>Species</u>	<u>Total by Wt</u> .	Lbs. per Acre
California Brome	50%	10
Blue Wild Rye	50%	10
TOTALS	100%	20 lbs./ac.

The Purchaser shall furnish the Authorized Officer a Seed Test result from a certified seed testing lab (i.e. Oregon State University), which shall include: date of test; lot number of each kind of seed; seed source; and results of tests as to name, percentages of purity and of germination, weed species and percentage of weed content, for each kind of seed furnished and, in case of mixture, the proportions of each kind of seed. The seed must have been tested within the last year to be accepted for use on this contract. The seed and straw mulch shall be applied between August 1 and October 15. The Purchaser shall notify the Authorized Officer at least 5 days in advance of the date he intends to commence the specified soil stabilization work.

- (5) <u>E-1</u> In addition to the requirement set forth in Sec. 25 of this contract, the Purchaser shall not refuel equipment, store, or cause to have stored, any fuel or other petroleum products inside any riparian management or wet areas. All Petroleum products shall be stored in durable containers and located so that any accidental releases will be contained and not drain into any stream system. Hydraulic fluid and fuel lines on heavy mechanized equipment would be in proper working condition in order to minimize potential for leakage into streams.
- (6) <u>E-2</u> The water bars to be constructed as required by Sec. 25(c) shall be constructed in accordance with the specifications shown on Exhibit W, which is attached hereto and made a part hereof.

- (7) <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.
- (8) <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.a 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.a of the contract within 15 days after the bill for collection is issued, subject to Section 3.g 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 June 1 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 not 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.

- (9) <u>E-5</u> The Purchaser shall immediately discontinue specified construction or timber harvesting operations upon written notice from the Authorized Officer that a spotted owl has been located in the sale area. Discontinued operations may be resumed upon receipt of written instructions and authorizations by the Authorized Officer.
- (10) <u>E-6</u> The Purchaser shall notify the Authorized Officer in writing by February 1 of each calendar year in which operations are expected to take place on the contract area between March 1 and September 30, both days inclusive. If notification is not received by the Authorized Officer by February 1, felling, bucking, yarding, road construction, or any other activity with the potential to disturb nesting owls may not be allowed during this time period.

Upon receipt of a notice that the Purchaser expects to perform such operations during this time period, the Government will conduct surveys to determine whether spotted owls are nesting within 0.25 miles of the harvest units. If it is determined that spotted owls are not nesting or that no young have been produced, the Authorized Officer may lift the seasonal restriction on such operations in writing. Without this written approval, such operations are prohibited from March 1 through September 30 of each year.

- (E) Miscellaneous
 - (1) <u>M-5</u> 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:
 - (a) Prior to the operation of power driven equipment in construction or logging operations under this contract during the closed fire season or periods of fire danger, prepare a fire prevention and control plan to the satisfaction of the State of Oregon, Department of Forestry.
 - (b) Provide and maintain in good repair, on the contract area, the following equipment for use during closed fire season or periods of fire danger:
 - (1) <u>F-2a</u> 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 (³/₄) of all fire tools shall be shovels, hazel hoes, or other scraping tools. The fire tools shall be used only for fighting fire.

- (2) $\underline{F-2b}$ A round pointed size "0" or larger shovel in good condition, shall be within fifty (50) feet of any power saw when in operation
- (3) <u>F-2c</u> 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.

- (4) <u>F-2d</u> Serviceable radio or radio-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 watchservice is required.
- (5) <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.
- (6) <u>F-2h</u> 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.
- (G) Slash Disposal and Site Preparation
 - (1) <u>SD-5</u> Perform logging residue reduction and site preparation work on approximately ten (10) acres of harvest area located in the harvest units as shown on Exhibit A.
 - (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
Handpile and Cover	\$422.00

(b) The following treatments were assumed for appraisal purposes on this contract:

Appraised Treatment	Acres	Cost/Acre	Total Cost per Treatment
Handpile and Cover	10	\$422.00	\$4,220.00
Total Appraised Cost			\$4,220.00

- (c) 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)(1)(a) differs from \$4,220.00 as calculated by using the estimated acres determined by the Authorized Officer and the per acre costs listed in Section 41(G)(1)(a). Actual acres treated may vary considerably from the estimated acres shown in Section 41(G)(1)(b). The area to be treated may vary from zero acres to all harvest units shown on the Exhibit A.
- (d) There is significant uncertainty as to the appropriate slash disposal. The above slash disposal requirements have been appraised. This provision establishes a "menu" of available treatments (based on the above pre-sale determination) for the selection by the Authorized Officer upon post-harvest determination of need.
- (2) <u>SD-1</u> Fire Hazard Reduction. In addition to the requirements of Sec. 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 hazard reduction 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-1c HAND PILING</u> Hand pile all slash in accordance with the following specifications:

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.

Piling shall be accomplished by hand. Finished piles shall be tight and free of earth.

Pile all slash which is between one (1) and six (6) inches in diameter on the large end and exceeds two (2) feet in length.

A six (6) foot by six (6) foot sheet of six (6) mil. black plastic or equivalent material shall be placed in each pile in a manner such that approximately one-third (a) 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 ($\frac{1}{2}$) 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 five (5) feet and no greater than eight (8) 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 or stumps, within twenty-five (25) feet of any other pile, unit boundary or the trunk of the nearest living tree. No portion of the pile will be under the crown of any living tree.

Operations required by this provision shall be kept current with yarding as directed by the Authorized Officer and shall be conducted as follows:

- (1) Piling shall be completed in each unit or portion thereof, within four (4) weeks after completion of yarding that unit, or portion thereof.
- (e) <u>SD-1i</u> <u>LANDING PILES</u> Pile all slash located within one hundred (100) feet on each side of log landing. Slash shall be piled by hand or machine. 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 or equivalent material shall cap each landing pile to maintain a dry ignition point. The cover shall be firmly fixed to each pile to hold it in place. Maximum pile size shall be twenty (20) feet in diameter by fifteen (15) feet in height.
- (H) Equal Opportunity in Employment

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

PILOT JOE TIMBER SALE LOCATION MAP OR-110-TS11-17



TIMBER SALE CONTRACT MAP CONTRACT NO. OR-110-TS11-17 EXHIBIT A PAGE 1 OF 6



TRACTOR YARD HARVEST UNITS UNITS YELLOW RESERVED MARKED 1-3A, 25-1, 26-1B, 31-1, 32-4B, 35-2	47.00 AC.
CABLE YARD HARVEST UNITS UNITS YELLOW RESERVED MARKED 1-1, 1-3B, 26-1A, 26-2, 31-2, 31-3A,, 31-3B, 32-3, 32-6, 35-1A, 35-1B, 35-1C	198.00 AC.
TOTAL	245.00 AC.
RESERVE AREA	887.00 AC.
TOTAL CONTRACT AREA	1,132.00 AC.

TIMBER SALE CONTRACT MAP CONTRACT NO. OR-110-TS11-17 EXHIBIT A PAGE 2 OF 6





TIMBER SALE CONTRACT MAP CONTRACT NO. OR-110-TS11-17 EXHIBIT A PAGE 3 OF 6





TIMBER SALE CONTRACT MAP CONTRACT NO. OR-110-TS11-17 EXHIBIT A PAGE4 OF 6




U.S.D.I. BLM MEDFORD DISTRICT SALE PILOT JOE TIMBER SALE T.38S., R.3W. SEC. 31, 32 T.38S., R.4W. SEC. 25, 26, 34, 35 T.39S., R.4W. SEC. 1 TIMBER SALE CONTRACT MAP CONTRACT NO. OR-110-TS11-17 EXHIBIT A PAGE 5 OF 6





U.S.D.I. BLM MEDFORD DISTRICT SALE PILOT JOE TIMBER SALE T.38S., R.3W. SEC. 31, 32 T.38S., R.4W. SEC. 25, 26, 34, 35 T.39S., R.4W. SEC. 1 TIMBER SALE CONTRACT MAP CONTRACT NO. OR-110-TS11-17 EXHIBIT A PAGE 6 OF 6





Contract No.: TS 11 - 17

Sale Name: Pilot Joe

Issuing Office: Medford District

EXHIBIT B

SCALE SALE

PURCHASE PRICE SCHEDULE AND MEASUREMENT SPECIFICATIONS

I. Total Actual Purchase Price - In accordance with Section 3.(d). of the contract, the Purchaser agrees to pay the Government for the timber sold under the contract in accordance with the following schedule and measurement requirements. Timber sold is comprised of Merchantable Timber, Merchantable Timber Remaining, and Other Timber as defined below. In the event an Extension of Time is approved, the prices per measurement unit are subject to readjustment (refer to Section 9 of the contract).

Schedule c	of Species, Measurement	Units, and Prices
Species	Measurement Unit	Price Per Measurement Unit
Merchantable logs -		
All Species	MBF	
Utility logs	MBF	Not Applicable

II. Merchantable Timber - All timber which can be cut into logs, which equal or exceed the following specifications, shall be considered merchantable timber. Purchaser shall pay for same in accordance with Sec. 3 of the contract at the unit prices shown in Section I of this Exhibit.

Schedule of Minimum Material Specifications							
Species and Products	Length	Diameter (inside bark at small end)	Net Scale				
All Species	8 feet	5 inches	33 1/3% of gross volume of any log segment				

(Only use this paragraph if a significant volume of non-merchantable volume is anticipated. In that case a per MBF value must be placed in the top table on this page for Utility Logs deleting the words "Not Applicable.") If Purchaser elects to remove any logs which do not meet the above minimum log specifications and which have not been reserved to Government in Sec. 40 of the contract, such logs shall be scaled for their merchantable content as provided herein and be paid for in accordance with Sec. 2 and 3 of this contract and the value in Section 1 of this Exhibit.

III. Merchantable Timber Remaining - Measurement Requirements - The remaining volume of any merchantable sold timber on the contract area shall be determined as provided in Section 3.(e). of the contract. Purchaser shall pay for same in accordance with Sec. 3 of the contract at the unit prices shown in Section I of this Exhibit.

IV. Scaling

A. Log Rule and Measurement - All logs shall be scaled according to the Northwest Log Rules Eastside Log Scaling Handbook, as amended, or supplemented by BLM before the first advertisement date of the sale. A Scaling Authorization Form (OR 5300-18) must be completed prior to beginning of operations. If sample log scaling is agreeable to Purchaser and the Contracting Officer, the procedures will be agreed upon in writing regarding sample design, number of log sorts, expansion of sample volumes for computation of Merchantable Timber volume, etc.

B. **Scaling Service** - Log scaling services shall be provided and performed by BLM personnel or parties under contract to BLM.

1. All logs shall be scaled and volumes determined by BLM or a certified contract scaler.

2. The BLM scaler or contract scaler is designated to collect Eastside MBF scale data from all loads.

C. **Other Timber** - If any timber is of a species or size not listed in Section II of this Exhibit (above) or is of a quality different from merchantable timber described herein, the Authorized Officer shall establish volumes and values in accord with Standard BLM methods.

D. **Defect Caused by Abnormal Delay** - Scaling deductions made for rot, check or other defect resulting from abnormal delay in scaling caused by Purchaser shall be recorded separately and charged to the Purchaser in accordance with Section 3. of the contract.

E. Log Presentation - Purchaser shall present logs so that they may be scaled in an economical and safe manner in accordance with the Memorandum(s) of Agreement for Yard Scaling required in Section IV.G.5. of this Exhibit.

F. Check Scale - The Government will conduct check scales as set forth in the following section.

Normally a check scale includes at least 200 short logs (20 feet or less) or at least 100 multiple-segment logs. Sample the species and defect situation as fairly as possible. Individually analyze more complex scaling situations and increase the number of logs check scaled if necessary.

The following standards will be used to determine the proficiency of individual scalers.

<u>Gross Scale</u>. A variance of one percent in gross scale is the standard unless otherwise justified.

Net scale. The allowable variance is as follows:

Check scaler's percent defect in logs	Scalers allowable variance
0-10 percent	2 percent
	.2 x percent defect

over 10 percent to a maximum of 5 percent

Determinations as to volume of timber made by a government check scaler in conformance with the standards as set forth herein shall be final. All loads check scaled by BLM will be identified with the check scaler's initials legibly marked or painted in the face of the first log in each load. When such checks show a variance in scale in excess of acceptable standards, in two or more consecutive check scales, an adjustment to the volume reported as scaled will be made by BLM. Such adjustments will be made based on the difference between available BLM check scales and the original scale during the period covered by the unsatisfactory check scales. Unless otherwise approved in writing by the Authorized Officer, the volume to which this difference will be applied will be 50 percent of the volume scaled between the last satisfactory check and the first unsatisfactory check, 100 percent of the volume scaled during the unsatisfactory check, and 50 percent of the volume between the last unsatisfactory check scale and the next satisfactory check scale.

G. Accountability

1. Purchaser shall notify the Authorized Officer three (3) days prior to starting or stopping of hauling operations performed under the contract.

2. All logs will be painted and branded at the landing and accounted for in accordance with Sec. 41 of the contract. Each truck driver shall obtain a load receipt and a BLM scaler receipt (Use the following for less than 100% administration sales: from the Log Truck Ticket Book issued by the Authorized Officer and comply with the instructions specified on the cover of said book.) (Use the following for 100% administration sales: from the Authorized Officer for each load of products before removal from the landing. Upon completion of each day's operation, the log decks will be painted, or otherwise identified, by the Authorized Officer and no material on the landing will be removed or disturbed until the Authorized Office arrives the next day.) While products are in transit, the truck driver shall display the load receipt and BLM scaler receipt on the bunk or wing log at the front of the load on the driver's side. All logs on each load shall be delivered to the destination listed on the woods receipt. The BLM scaler receipt shall be surrendered at the location of BLM scaling, the unloading location, or as requested by BLM.

3. The Purchaser shall not haul logs from the contract area on weekends; Memorial Day, Fourth of July, Labor Day, Thanksgiving, Christmas, and New Year's holidays; or outside the hours of 4:00 a.m. to 8:00 p.m. daily, unless otherwise approved in writing by the Authorized Officer or designated in the Approved Logging Plan (Refer to Section 41 of the contract).

4. The Purchaser shall furnish BLM a map showing the route which shall be used to haul logs from the timber sale area to the scaling location. Such route shall be the most direct haul route between the two points, unless another route is approved by BLM. The route of haul may be changed only with advance notice to and approval by BLM. The haul route map shall be attached to the Approved Logging Plan.

5. All loads will be scaled at scale locations listed on the Scaling Authorization (Form OR 5300-18) as approved by the Authorized Officer. The Purchaser shall ensure that all scale site owners listed on the Scaling Authorization enter into a Memorandum of Agreement for Yard Scaling before requesting BLM approval of the Scaling Authorization. Areas for scaling BLM logs will be designated on the ground and identified on the yard map as required in the Memorandum(s) of Agreement for Yard Scaling.

6. Any removal of logs from loaded trucks before being accounted for and/or scaled as required by the contract shall be considered a willful trespass and render the Purchaser liable for damages under applicable law. Any payment made for purchase of such logs shall be deducted from amount due because of trespass.

H. Scaling Lost Products - The value of lost loads shall be equal to the highest value load for the month in which the lost load is hauled regardless of where the highest value load is scaled. If no loads have been scaled in that month, value will be determined from the closest month in which loads were scaled.

V. Estimated Volumes and Values - The following volume estimates and calculations of value of timber sold are made solely as an administrative aid for determining payment amounts, when payments are due, the value of timber subject to any special bonding provisions, and other purposes specified in various portions of the contract. The cutting areas are shown on Exhibit A of the contract.

A. Merchantable Timber Volume Removed from Contract Area - The total volume of removed timber shall be determined using the Government's records of scaled volumes of timber skidded or yarded monthly, or a shorter period if agreed to by the Purchaser and Government, to loading points or removed from the contract area.

B. Merchantable Timber Not Yet Removed from Contract Area - The value of merchantable timber which has not been removed will be determined by multiplying the value per acre as shown below times the amount of acreage subject to the purpose of the value determination, as determined by the Authorized Officer:

(If the sale does not involve acreage, e.g., selling log decks, the two columns for Volume per Acre and Value per Acre in the following table may be deleted.)

Total Est	imated Volume	Total	Estimated		
	(MBF)	Purch	ase Price		
Cutting	Approximate	Volume per	Total Volume	Value per	Total Value
Area	Number of	Acre		Acre	
Number	Acres				
1-1	11	7	78		

1-3A	19	7	135
1-3B	13	7	92
25-1	7	7	49
26-1A	25	2	52
26-1B	2	7	14
26-2	11	7	78
31-1	4	7	28
31-2	8	7	57
31-3A	55	7	391
31-3B	9	7	64
32-3	28	7	199
32-4B	7	2	14
32-6	11	7	78
35-1A	11	2	23
35-1B	11	7	78
35-1C	5	7	35
35-2	8	7	57
Sale Total	245	Avg. 6.2	1522

1	Time and Date Load Delivered
2	Sale Name
3	Load Receipt No.
4	Number of Logs
5	Signature of Person Receiving the Load
6	Date and Time Load Released
7	Signature of Person Releasing the Load

OVERNIGHT LOAD CONTROL RECORD

Log Delivery Location

Timber Sale

	g Delivery Location
Τi	mber Sale
1	Time and Date Load Delivered
2	Sale Name
3	Load Receipt No.
4	Number of Logs
5	Signature of Person
	Receiving the Load
6	Date and Time Load Released
7	Signature of Person
	Releasing the Load

OVERNIGHT LOAD CONTROL RECORD

Instructions:

Instructions:

1. Designated individual fills out 1. Designated individual fills out

the heading and lines 1 through 5 (including FULL SIGNATURE in ink on line 5.)

2. Contractor or BLM scaler will fill out lines 6 and 7 (including FULL SIGNATURE in ink) when loads are released for scaling, otherwise the BLM and/or yard owner will be required to sign.

3. Unless otherwise agreed, scaler will attach this form to the Load Receipt.

the heading and lines 1 through 5 (including FULL SIGNATURE in ink on line 5.

2. Contractor or BLM scaler will fill out lines 6 and 7 (including FULL SIGNATURE in ink) when loads are released for scaling, otherwise the BLM and/or yard owner will be required to sign.

3. Unless otherwise agreed, scaler will attach this form to the Load Receipt.



United States of Americac

Department of the Interiorc

Bureau Of Land Managementc

Timber Sale Appraisalc

Districte Medfords Sale Name : c Pilot Joes Sale Date : c 09/15/2011s Appraisal Method : c 16' MBFs

Contract # :c 11-17s Job File # :c M11277s Master Unit :c Jacksons PlanningcUnit :c Ashlands

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Timber - Sale - Summaryc

Legal Descriptionc

Forestc Typec	Townshipc	Rangec	Sectionc	Subdivisionc
O&Cs	38Ss	3Ws	31s	W1/4 NE1/4, E1/2 NW1/4, 3 Un-numbered Lots
O&Cs	38Ss	3Ws	31s	NE1/4 SW1/4, NW1/4 SE1/4s
PDs	38Ss	3Ws	32s	W1/4 NW1/4, SW1/4, W1/2 SE1/4s
O&Cs	38Ss	4Ws	25s	W1/4 SW1/4s
PDs	38Ss	4Ws	26s	E1/2 SW1/4s
PDs	38Ss	4Ws	34s	NE1/4 NE1/4s
O&Cs	38Ss	4Ws	35s	NE1/4 NW1/4, W1/2 NW1/4s
O&Cs	39Ss	4Ws	1s	NE1/4 NE1/4, W1/2 NE1/4, E1/2 NW1/4s

	Cutting Volume (16' MBF)c											
Units	DFs	PPs							otals	Regens	Partials	ROWs
1-1s	78	\$							78s	0	11s	0
1-3As	134	s 1s							1358	0	19s	0
1-3Bs	92:	\$							92s	0	13s	0
25-1s	49	\$							49s	0	7s	0
26-1As	52:	8							528	0	25s	0
26-1Bs	14:	\$							14s	0	2s	0
26-2s	78	8							78s	0	11s	0
31-1s	28	8							285	0	4s	0
31-2s	57:	8							57s	0	8s	0
31-3As	387	s 4s							391s	0	55s	0
31-3Bs	64	8							64s	0	9s	0
32-3s	198	15							1998	0	28s	0
32-4Bs	14:	8							149	0	7s	0
32-6s	78:	8							788	0	11s	0
35-1As	23:	8							238	0	11s	0
35-1Bs	78:	\$							78s	0	11s	0
35-1Cs	35	5							35s	0	5s	0
35-2s	57:	\$							57s	0	8s	0
otals	1,516	c 6	2						1,522	: 0	e 245e	0c

Medfords Pilot Joes 11-17s

Logging Costs per 16' MBFc

tum p to Trucks	\$s	237.62s
rans portations	\$s	45.77s
Road Constructions	\$s	0.00
Road Amortizations	\$s	0.00
Road Maintenances	\$s	16.90
Other Allowances :s		
Fuels Treatments	\$ 2.	77 s

Total Other Allowances :c	\$ 5.70 c
Other Costs	\$ 2.93 s
Fuels Treatments	\$ 2.77 s

otal Lo gging Costs per 16' MBFs	\$s	306.00c
Utilization Centers		
Center #1 : White City, ORs	30	Miles
Center #2s	0	Miles
Weighted distance to Utilization Centers		30
Length of Contractc		
Cutting and Removal Times	25	5s Months
Personal Property Removal Times		s Months

Profit & Riskc

otal Profit & Ris	sks		7s %s
Basic Profit & Ri	isks 7s% + Addition	nal Risk 0 %s	
Back Offs			0 %s
	Tract Feat	uresc	
Avg Logs	Douglas-fir : 37 bf	All : 37 bfs	
Recoverys	Douglas-fir : 86 %	All : 86 %s	
alva ges	Douglas-fir : 0 %	All : 0 %s	
Avg Volume (s	16' MBF per Acre)		6s
Avg Yarding Slo	pes		50 %s
Avg Yarding Dis	stance (feet)s		350
Avg Ages			140
Volume Cables			80 %s
Volume Grounds	3		20 %s
Volume Aerials			0 %s
Road Construction	on Stations		0.00
Road Improveme	ent Stations		0.00
Road Renovation	n Stations		0.00
Road Decomis id	on Stations		0.00
	Cruise	c	
Cruised Bys		C	Parks
Dates		07/0	1/2011s
ype of Cruises		Variab	le Plots
County, States		Jackso	on, ORs
	Net Volu	mec	
Green (16' MBF)	S		1,522s
alvage (16' MBI	F)s		0
Douglas-fir Peele	ers		0
Export Volumes			0
-	ce (\$0.75 per 16' MBF)s	\$1,	141.50

Medfords Pilot Joes 11-17s

Stumpage Summaryc

Stumpage Computation	c (16' MBF)s
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Speciesc	Treesc	Netc Volumec	Pondc Valuec	(-)c Profitc & Riskc	(-)c Loggingc Costc	(+)c Marginalc Log Valuec	(-)c Backc ffc	Appraisedc Pricec	Appraisedc Valuec
DFs	21,890	1,516s	\$ 341.65 s	\$ 23.92 s	\$ 306.00 s			\$ 34.20 c	\$ 51,847.20 s
PPs	1448	6s	\$ 290.16 s	\$ 20.31 s	\$ 306.00 s			\$ 29.00 c	\$ 174.00 s
Totalsc	22,034	e 1,522							\$ 52,021.20 c

Log Code by Percent c

Speciesc	Code #1c	Code #2c	Code #3c	Code #4c	Code #5c	Code #6c
Douglas-firs				26.0	52.0	22.0
Ponderosa Pines					64.0	36.0

Marginal Log Volume c

pecies	Grade #7 s	Grade #8s
Douglas-firs		
Ponderosa Pines		

Appraised By : c Parks, Coreys

Date : c 07/26/2011s

Area Approval By : c

District Approval By : c

Date : c

Date : c

Medfords Pilot Joes 11-17s

Prospectusc

Appraisal Method : c (16' MBF)s								
Speciesc	Treesc	Net Volumec 16' MBFc	Net Volumec 32' MBFc	Net Volumec CCFc				
Douglas-firs	21,890	1,516s	1,192s	3,0355				
Ponderosa Pines	144s	6s	5s	139				
Totalc	22,034c	1,522c	1,197c	3,0480				

All Species c

Grossc Volumec	Numberc Treesc	Avg bf Volumec Per Treec	DBHc	Gross Merchc Volumec	Merchc Logsc	Avg bf Gross c Merch Logc
1,763s	22,034s	80	11.7s	1,635s	44,555s	36s

Merchc Logsc	Cullc Logsc	Totalc Logsc	Logs perc Treec	Netc Volumec	Grossc Volumec	Recoveryc
44,555s	2,322s	46,877s	2s	1,522s	1,763s	86s %s

Douglas-firc

Grossc Volumec	Numberc Treesc	Avg bf Volumec Per Treec	DBHc	Gross Merchc Volumec	Merchc Logsc	Avg bf Gross c Merch Logc
1,756s	21,890	80	11.7s	1,628s	44,271s	36s

Merchc Logsc	Cullc Logsc	Totalc Logsc	Logs perc Treec	Netc Volumec	Grossc Volumec	Recoveryc
44,271s	2,322s	46,593s	2s	1,516s	1,756s	86s%s

Medfords Pilot Joes 11-17s

Cutting Areas c

Unitc	Regenc Acresc	Partial Cutc Acresc	Right Of Wayc Acresc	Totalc Acresc
1-1s		11s		11s
1-3As		19s		19s
1-3Bs		13s		13s
25-1s		7s		7s
26-1As		25s		25s
26-1Bs		2s		2s
26-2s		11s		11s
31-1s		4s		4s
31-2s		8s		8s
31-3As		55s		55s
31-3Bs		9s		9s
32-3s		28s		28s
32-4Bs		7s		7s
32-6s		11s		11s
35-1As		11s		11s
35-1Bs		11s		11s
35-1Cs		5s		5s
35-2s		8s		8s
Totals :c		245c		245c

Medfords Pilot Joes 11-17s

Exhibit Bc

The following estimates and calculations of timber sold are made solely as an administrative aid for determining: (1) Adjustments made or s 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 s provisions. The value of timber will be determined by multiplying the value per acre as shown below, times the amount of acreage as s determined by the authorized officer, which has been cut or removed or designated for taking.s

Except provided in Section 2, Purchaser shall be liable for the total purchase price even though the quantity of timber actually cut or s removed or designated for taking is les than the estimated volume or quantity shown. Cutting areas are shown on the Exhibit A.s

Sale Totals (16' MBF)c

Speciesc	Netc Volumec	Bidc Pricec	Salec SubTotalc
Douglas-firs	1,516s		
Ponderosa Pines	6s		
Sale Totalsc	1,522c		

Unit Details (16' MB)Oc

Unite 1-1c		11 Acresc	Value per	Acre : \$0.00Oc
	Speciesc	Netc Volumec	Bidc Pricec	Speciesc Valuec
Douglas-fir	rs	78s		
	Unit Totalsc	78c		
Unite 1-	-3Ac	19 Acresc	Value per	Acre : \$0.00c
	Speciesc	Netc Volumec	Bidc Pricec	Speciesc Valuec
Douglas-fir	'S	134s		
Ponderosa	Pines	1s		
	Unit Totalsc	135c		
Unite 1-	-3Bc	13 Acresc	Value per	Acre : \$0.00c
	Speciesc	Netc Volumec	Bidc Pricec	Speciesc Valuec
Douglas-fir	rs	92s		
	Unit Totalsc	92c		
Unite 25	5-1c	7 Acresc	Value per	Acre : \$0.00c
	Speciesc	Netc Volumec	Bidc Pricec	Speciesc Valuec
Douglas-fir	"S	49s		
	Unit Totalsc	49c		

Medfords Pilot Joes 11-17s

UNITED STATESc DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENTc

Unite 26-1Ac	25 Acresc	Value per	Acre : \$0.00c
Speciesc	Netc Volumec	Bidc Pricec	Speciesc Valuec
Douglas-firs	52s		
Unit Totalsc	52c		

Unite 26-1Bc

Value per Acre : \$0.00c

Speciesc	Netc Volumec	Bidc Pricec	Speciesc Valuec
Douglas-firs	14s		
Unit Totalsc	14c		

2 Acresc

Unite 26-2c 11 Acresc Value per Acre : \$0.00c

Speciesc	Netc Volumec	Bidc Pricec	Speciesc Valuec
Douglas-firs	78s		
Unit Totalsc	78c		

Unite 31-1c Value per Acre : \$0.00c 4 Acresc

Speciesc	Netc Volumec	Bidc Pricec	Speciesc Valuec
Douglas-firs	28s		
Unit Totalsc	28c		

Unite 31-2c 8 Acresc

Value per Acre : \$0.00c

Speciesc	Netc Volumec	Bidc Pricec	Speciesc Valuec
Douglas-firs	57s		
Unit Totalsc	57c		

Unite 31-3Ac 55 Acresc

Value per Acre : \$0.00c

Speciesc	Netc Volumec	Bidc Pricec	Speciesc Valuec
Douglas-firs	387s		
Ponderosa Pines	4s		
Unit Totalsc	391c		

Unite 31-3Bc 9 Acresc Value per Acre : \$0.00c

Speciesc	Netc Volumec	Bidc Pricec	Speciesc Valuec
Douglas-firs	64s		
Unit Totalsc	64c		

Medfords Pilot Joes 11-17s

UNITED STATESC DEPARTMENT OF THE INTERIORC BUREAU OF LAND MANAGEMENTC

Unite 32-3c	28 Acresc	Value per Acre : \$0.00c	
Speciesc	Netc Volumec	Bidc Pricec	Speciesc Valuec
Douglas-firs	198s		
Ponderosa Pines	1s		
Unit Totalsc	199c		

Unite 32-4Bc

Value per Acre : \$0.00c

Speciesc	Netc Volumec	Bidc Pricec	Speciesc Valuec
Douglas-firs	14s		
Unit Totalsc	14c		

7 Acresc

Unite 32-6c 11 Acresc

Value per Acre : \$0.00c

Speciesc	Netc Volumec	Bidc Pricec	Speciesc Valuec
Douglas-firs	78s		
Unit Totalsc	78c		

 Unite
 35-1Ac
 11 Acresc
 Value per Acre : \$0.00c

 Netc
 Bidc
 Speciesc

 Speciesc
 Volumec
 Pricec
 Valuec

 Douglas-firs
 23s

23c

Unite 35-1Bc 11 Acresc

Unit Totalsc

Value per Acre : \$0.00c

Speciesc	Netc Volumec	Bidc Pricec	Speciesc Valuec
Douglas-firs	78s		
Unit Totalsc	78c		

Unite 35-1Cc 5 Acresc

Value per Acre : \$0.00c

Speciesc	Netc Volumec	Bidc Pricec	Speciesc Valuec
Douglas-firs	35s		
Unit Totalsc	35c		

Unite 35-2c

Value per Acre : \$0.00c

Speciesc	Netc Volumec	Bidc Pricec	Speciesc Valuec
Douglas-firs	57s		
Unit Totalsc	57c		

8 Acresc

Medfords Pilot Joes 11-17s

Volume Summaryc

Sale Volume TotalsOc

245s Ac	resc		0 Reg	genc	24	5s Partialc		0 R /V	Wc	18s	UnitsOc	
SpeciesNamec	# ofc Treesc	Merchc Logsc	Cullc Logsc	16' MBFc Netc	16' MBFc GMc	16' MBFc Grossc	32' MBFc Netc	32' MBFc GMc	32' MBFc Grossc	CCFc Netc	CCFc GMc	CCFc Grossc
Douglas-firs	21,890	44,271s	2,322s	1,516s	1,628s	1,756s	1,192s	1,282	1,384	s 3,035s	3,249s	3,488s
Ponderosa Pines	144s	284s	0	6s	7s	7s	55	5	5	s 13s	14s	14s
Totalsc	22,0340	44,555	2,3220	e 1,522c	1,6350	1,7630	1,197	: 1,287	c 1,389	c 3,048	c 3,263	c 3,502c

Unit Totalsc

Unit :c 1-1c	11cAcresc		0cReger	nc	11dPartialc	0cR/Wc
SpeciesNamec	# ofc Treesc	Merchc Logsc	Cullc Logsc	16' MBFc Grossc	16' MBFc GMc	16' MBFc Netc
Douglas-firs	1,016s	2,189s	126s	90	83s	78s
Unit Totalsc	1,016c	2,189c	126c	90c	83c	78c

Unit : c 1-3Ac	19cAcresc		0cReger	ic	19dPartialc	0cR/Wc
SpeciesNamec	# ofc Treesc	Merchc Logsc	Cullc Logsc	16' MBFc Grossc	16' MBFc GMc	16' MBFc Netc
Douglas-firs	1,756s	3,781s	218s	156s	144s	134s
Ponderosa Pines	13s	27s		1s	1s	1s
Unit Totalsc	1,769c	3,808c	218c	157c	145c	135c

Unit : c 1-3Bc	13cAcresc		0cReger	ic	13dPartialc	0cR/Wc
SpeciesNamec	# ofc Treesc	Merchc Logsc	Cullc Logsc	16' MBFc Grossc	16' MBFc GMc	16' MBFc Netc
Douglas-firs	1,201s	2,587s	149s	107s	99s	92s
Unit Totalsc	1,201c	2,587c	149c	107c	99c	92c

Unit :c 25-1c	7cAcresc		0cReger	nc	7dPartialc	0cR/Wc
SpeciesNamec	# ofc Treesc	Merchc Logsc	Cullc Logsc	16' MBFc Grossc	16' MBFc GMc	16' MBFc Netc
Douglas-firs	647s	1,393s	80	58s	53s	49s
Unit Totalsc	647c	1,393c	80c	58c	530	49c

Unit :c 26-1Ac	25cAcresc		0cReger	ıc	25dPartialc	0cR/Wc
SpeciesNamec	# ofc Treesc	Merchc Logsc	Cullc Logsc	16' MBFc Grossc	16' MBFc GMc	16' MBFc Netc
Douglas-firs	1,876s	2,368s		55s	55s	52s

Unit Totalsc	1,876c	2,368c		55c	550	52c		

Unit :c 26-1B	2cAcresc		0cReger	ic	2dPartialc	0cR/Wo
SpeciesNamec	# ofc Treesc	Merchc Logsc	Cullc Logsc	16' MBFc Grossc	16' MBFc GMc	16' MBFc Netc
Douglas-firs	185s	398s	23s	16s	15s	14s
Unit Totalsc	185c	398c	23c	16c	150	14c

Unit :c 26-2c	11cAcresc		0cRegen	ic	11dPartialc	0cR/Wc
SpeciesNamec	# ofc Treesc	Merchc Logsc	Cullc Logsc	16' MBFc Grossc	16' MBFc GMc	16' MBFc Netc
Douglas-firs	1,016s	2,189s	126s	90	83s	78s
Unit Totalsc	1,016c	2,189c	126c	90c	83c	78c

Unit : c 31-1c	4cAcresc		0cReger	ic	4dPartialc	0cR/Wc
SpeciesNamec	# ofc Treesc	Merchc Logsc	Cullc Logsc	16' MBFc Grossc	16' MBFc GMc	16' MBFc Netc
Douglas-firs	370	796s	46s	33s	30	28s
Unit Totalsc	370c	796c	46c	33c	30c	28c

Unit :c 31-2c	8cAcresc		0cReger	ıc	8dPartialc	0cR/Wc
SpeciesNamec	# ofc Treesc	Merchc Logsc	Cullc Logsc	16' MBFc Grossc	16' MBFc GMc	16' MBFc Netc
Douglas-firs	739s	1,592s	92s	66s	61s	57s
Unit Totalsc	739c	1,592c	92c	66c	610	57c

Unit : c 31-3Ac	55cAcresc	resc 0cRegenc			55dPartialc	0cR/Wc	
SpeciesNamec	# ofc Treesc	Merchc Logsc	Cullc Logsc	16' MBFc Grossc	16' MBFc GMc	16' MBFc Netc	
Douglas-firs	5,082s	10,945s	632s	455s	420	387s	
Ponderosa Pines	89s	178s		5s	5s	4s	
Unit Totalsc	5,171c	11,123c	632c	460c	4250	391c	

Unit : c 31-3Bc	9cAcresc		0cReger	ic	9dPartialc	0cR/Wc
SpeciesNamec	# ofc Treesc	Merchc Logsc	Cullc Logsc	16' MBFc Grossc	16' MBFc GMc	16' MBFc Netc
Douglas-firs	832s	1,791s	103s	74s	68s	64s
Unit Totalsc	832c	1,791c	103c	74c	680	64c

Unit : c 32-3c	28cAcresc		0cReger	ıc	28dPartialc	0cR/Wc
SpeciesNamec	# ofc Treesc	Merchc Logsc	Cullc Logsc	16' MBFc Grossc	16' MBFc GMc	16' MBFc Netc
Douglas-firs	2,587s	5,572s	326s	230	213s	198s
Ponderosa Pines	42s	79s		1s	1s	1s

Unit Totalsc	2,629c	5,651c	326c	231c	214c	199c		

Unit :c 32-4B	7cAcresc		0cReger	ıc	7 d Partialc	0cR/Wc
SpeciesNamec	# ofc Treesc	Merchc Logsc	Cullc Logsc	16' MBFc Grossc	16' MBFc GMc	16' MBFc Netc
Douglas-firs	525s	663s		15s	15s	14s
Unit Totalsc	525c	663c		15c	150	14c

Unit :c 32-6c	11cAcresc		0cReger	ıc	11dPartialc	0cR/Wc
SpeciesNamec	# ofc Treesc	Merchc Logsc	Cullc Logsc	16' MBFc Grossc	16' MBFc GMc	16' MBFc Netc
Douglas-firs	1,016s	2,189s	126s	90	83s	78s
Unit Totalsc	1,016c	2,189c	126c	90c	83c	78c

Unit :c 35-1Ac	11cAcresc		0cReger	nc	11 Partialc	0cR/Wc
SpeciesNamec	# ofc Treesc	Merchc Logsc	Cullc Logsc	16' MBFc Grossc	16' MBFc GMc	16' MBFc Netc
Douglas-firs	825s	1,042s		24s	24s	23s
Unit Totalsc	825c	1,042c		24c	240	23c

Unit :c 35-1Bc	11cAcresc		0cReger	ıc	11dPartialc	0cR/Wc
SpeciesNamec	# ofc Treesc	Merchc Logsc	Cullc Logsc	16' MBFc Grossc	16' MBFc GMc	16' MBFc Netc
Douglas-firs	1,016s	2,189s	126s	90	83s	78s
Unit Totalsc	1,016c	2,189c	126c	90c	83c	78c

Unit :c 35-1Cc	5cAcresc		0cRegen	ic	5dPartialc	0cR/Wc
SpeciesNamec	# ofc Treesc	Merchc Logsc	Cullc Logsc	16' MBFc Grossc	16' MBFc GMc	16' MBFc Netc
Douglas-firs	462s	995s	57s	41s	38s	35s
Unit Totalsc	462c	995c	57c	41c	38 c	35c

Unit :c 35-2c	8cAcresc		0cReger	ıc	8dPartialc	0cR/Wc
SpeciesNamec	# ofc Treesc	Merchc Logsc	Cullc Logsc	16' MBFc Grossc	16' MBFc GMc	16' MBFc Netc
Douglas-firs	739s	1,592s	92s	66s	61s	57s
Unit Totalsc	739c	1,592c	92c	66c	61c	57c

2:47:53PMs

Stump to Truck Costsc

Total (16' MBF)c

Total Stump toc	Netc	Cost / Netc
Truck Costsc	Volumec	Volumec
\$ 361,663.94 s	1,522s	\$ 237.62 s

Detailc

Yarding & Loadingc

Yarding Systeme	Unit Ofc Measurec	Unitsc	Cost /c Unitc	Totalc Costc
Med Twr=40-70	GM MBFs	1,316s	\$ 237.16 s	\$ 312,102.56 s
Wheel Skidders	GM MBFs	319s	\$ 145.02 s	\$ 46,261.38 s
Subtotalc				\$ 358,363.94 c

ther Costsc

Explanationc	Unit Ofc Measurec	Unitsc	Cost /c Unitc	Totalc Costc
Subtotalc				

Additional Move-Insc

Equipmentc	# Move-Inc	Cost /c Move Inc	Totalc Costc
Yarder / Loaders	1s	\$ 2,400.00 s	\$ 2,400.00 s
Dozers	1s	\$ 450.00 s	\$ 450.00 s
kidders	1s	\$ 450.00 s	\$ 450.00 s
Subtotalc			\$ 3,300.00 c

ther Allowances Costsc

Medfords Pilot Joes 11-17s

Total (16' MBF)c

Total Otherc	Netc	Cost / Netc	Total Buy Outc
Allowances Costsc	Volumec	Volume *c	Costc
\$8,680.00	1,522s	\$5.70	

Fuels Treatments

Other Costs

Detail (16' MBF)c

Cost Itemc	Totalc Costc	Cost /c Net Vol *c	Buyc utc	Buy Outc Costc
Hand Pile, Cvr - Level 3s	\$ 4,220.00 s	\$ 2.77 s	Ns	\$ 0.00 s
Subtotale	\$ 4,220.00 c	\$ 2.77 c		\$ 0.00 c

her Costs	Detail ¢	16' MBF)c		
Cost Itemc	Totalc Costc	Cost /c Net Vol *c	Buyc utc	Buy Outc Costc
Equipment Washings	\$ 400.00 s	\$ 0.26 s	Ns	\$ 0.00 s
Hand Seeding @ 17 lb seed per hours	\$ 2,850.00 s	\$ 1.87 s	Ns	\$ 0.00 s
kid Locations	\$ 160.00 s	\$ 0.11 s	Ns	\$ 0.00 s
Waterbar Skids	\$ 600.00 s	\$ 0.39 s	Ns	\$ 0.00 s
Barricades	\$ 450.00 s	\$ 0.30 s	Ns	\$ 0.00 s
Subtotalc	\$ 4,460.00 c	\$ 2.93 c		\$ 0.00 c

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

Consolidated Commentsc

Generalc					
Yarding & Loadingc					
Road Costsc					
From Engineer.s					
(see Engineering Appraisal for details).s					
Transportationc					
From BLM Transportation page included in packet.s					
(see Transportation appendix for details).s					
ther Allowancesc					
Hand seed includes mulching = landings and log barricades.s					
Prospectusc					
Sale cruised using Variable Plot cruise with 20BAF. Final sampling error of 15.27%. Reserve trees marked in yellow. Form class used s was district avg. for DF (76)and PP (80).s					



SPECIFICATION TABLE OF CONTENTS

Section 3000	General	Sheet 2
Section 3100	Operational Maintenance	Sheet 2
Section 3200	Seasonal Maintenance	Sheet 4
Section 3300	Final Maintenance	Sheet 5
Section 3400	Other Maintenance	Sheet 5

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GENERAL - 3000

- 3001 The Purchaser shall be required to maintain all roads listed and/or referenced in Section 41(C)(2) Special Provisions of this contract in accordance with Sections 3000, 3100, 3200, 3300, and 3400 of this exhibit.
- 3001a The Purchaser shall be required to provide maintenance on roads in accordance with Subsections 3403 and 3404.
- 3002 The Purchaser shall maintain the cross section of existing dirt or graveled roads to the existing geometric standards.
- 3003 The minimum required maintenance on any roads shall include the provisions specified in Subsections 3101, 3104, and 3105.
- The Purchaser shall be responsible for providing timely maintenance and cleanup on any road(s) with logging units substantially completed prior to moving operations to other roads. The maximum length of non-maintained or non-cleanup of the road prism, shall not exceed the sum of one (1) mile at any time. Release of maintenance requirements may be granted, upon written request, when the conditions specified in Sections 3300 and 3400 are met satisfactorily.

OPERATIONAL MAINTENANCE - 3100

- The Purchaser shall blade and shape the road surface and shoulders with a motor patrol grader. Banks shall not be undercut.
 Back blading with tractors or similar equipment will be allowed only around landings and other areas when approved by the Authorized Officer.
- 3103 The Purchaser shall maintain established berms and place additional berms using adjacent material where needed to protect fills as directed by the Authorized Officer.
- The Purchaser shall perform other road cleanup including removal of debris, fallen timber, bank slough, and slides which can practicably be accomplished by a motor patrol grader, rubber-tired front-end bucket loader, rubber-tired backhoe or comparable equipment, and by the use of hand tools.

- 3104a Removal of bank slough and slide material includes placement of material at the nearest suitable turnout or disposal site where material cannot erode into streams, lakes, or reservoirs or cause undue damage to road fill slopes which have been planted or mulched to control soil erosion.
- 3104b The Purchaser shall be responsible for removal of all slides or slough, up to fifteen (15) station yards in quantity, at any one site. This work includes unlimited multiple sites on all roads required to be maintained by the Purchaser.

Prior to removal of any slough or slide material exceeding fifteen (15) station yards at any one site, the Purchaser and the Authorized Officer or their Authorized Representatives shall agree in writing, in the field, to the quantity of material, method of disposal, and the disposal site. Work may commence immediately after agreement.

Upon completion of agreed-upon work, a reduction in timber sale purchase price will be made to offset the cost of work, based on current BLM Timber Appraisal Production Cost Schedules. Adjustments in purchase price for completed work shall be made as necessary and no less than once per year when actual work is ongoing.

- 3105 The Purchaser shall be responsible for maintaining normal flow in drainage structures. This includes cleaning out drainage ditches, catch basins, clearing pipe inverts of sediment and other debris lodged in the barrel of the pipe and maintaining water dips and waterbars using equipment specified in Subsection 3104 and other culvert cleaning and flushing equipment.
- The Purchaser shall be responsible for repair and replacement of all materials eroded from road shoulders and fill slopes, up to fifteen (15) station yards in quantity, at any one site. The work includes unlimited multiple sites on all roads required to be maintained by the Purchaser. Prior to repair and replacement of eroded material exceeding fifteen (15) station yards at any one site, the Purchaser and the Authorized Officer or their Authorized Representatives shall agree in writing, in the field, to the quantity of material, borrow source, and method of repair. Work may commence immediately after agreement.

Upon completion of agreed-upon work, a reduction in timber sale purchase price will be made to offset the cost of the work, based upon current BLM Timber Sale Appraisal Production Cost Schedules. Adjustments in purchase price for completed work shall be made as necessary, and no less than once per year when actual work is ongoing.

3107 - The Purchaser shall cut or trim trees and brush which obstructs vision or prevents the safe passage of traffic along the traveled way, when directed by the Authorized Officer.

The Purchaser shall also cut trees or brush encroaching on the road prism that are a result of his activities or winter damage during the contract period. Disposal of such vegetative material shall be by scattering below the road.

- 3108 The Purchaser shall avoid fouling gravel or bituminous surfaces through covering with earth and debris from side ditches, slides, or other sources. The Purchaser shall also avoid blading surfacing material off the running surface of the roadway.
- 3108a The Purchaser shall perform logging operations on gravel bituminous roadways only where the locations have been marked on the ground and/or approved by the Authorized Officer. Repair of the road shall be as specified in Subsection 3401.

SEASONAL MAINTENANCE - 3200

- 3201 The Purchaser shall perform preventive maintenance at the end of Purchaser's hauling each season and during nonhauling periods which occur between other operations on the contract area. This includes cross ditching, removing ruts or other surface irregularities, and all other requirements specified in Section 3100.
- The Purchaser shall perform and complete maintenance, specified in Sections 3000, 3100, and 3200, on all roads maintained by him, prior to October 1 each year, except as specified in Subsection 3203, after initial commencement of construction or logging operations. Thereafter all roads shall have continuous preventive maintenance and road cleanup until suspension of seasonal operations. This includes all roads used and not used during the preceding operating seasons.
- 3203 The Purchaser shall complete road cleanup and maintenance, as specified in Section 3100, at the completion of logging operations on any road(s) located in an area separate from the area where logging activities will resume.
- 3204 The Purchaser shall be responsible for performing post storm inspections and maintenance during the winter season to minimize erosion and potential road or watershed damage.

FINAL MAINTENANCE - 3300

- The Purchaser shall complete final maintenance and/or damage repairs on all roads used under terms of their contract within 30 calendar days following the completion of hauling and in accordance with Sec. 16(b) of this contract. This work shall include any maintenance and/or damage repairs specified in Sections 3000, 3100, and 3200 necessary to meet the conditions specified in Subsection 3002 and shall be executed in accordance with Subsection 3302 of this section. The Authorized Officer may grant acceptance of Purchaser's maintenance responsibility in part where certain individual roads or road segments are no longer of any use to the Purchaser's remaining removal operations, providing that all contract requirements as specified under Sec. 16(b), Special Provisions (Sections 3000, 3100, 3200, and 3300 of the maintenance specifications) have been completed and a relinquishment of cutting and removal rights on cutting units tributary to these roads is signed by the Purchaser. Request for partial acceptance must be submitted in writing by the Purchaser.
- 3302 The Purchaser shall perform final road maintenance only when weather or soil moisture conditions are suitable for normal maintenance equipment operations as determined by the Authorized Officer.

If final maintenance is delayed after the date required in Subsection 3301 of this contract by adverse soil moisture or unsuitable equipment operating conditions, the Purchaser will be notified by the Authorized Officer when soil moisture and equipment operating conditions are suitable. The Purchaser shall then be required to complete final maintenance within 30 days.

OTHER MAINTENANCE - 3400

- The Purchaser shall repair any damage to road surfaces that was specified under Subsection 3108a. This repair includes restoring the roadway to the designed standard and replacement of surfacing with approved surface material. This repair is not limited to use of equipment specified in Subsection 3104.
- The Purchaser shall be permitted to remove ice and snow from roads authorized for use under this contract only when prior written approval has been secured from the Authorized Officer. The Purchaser shall submit a written request for permission to remove ice and snow in advance of the date operations are to begin.

Upon receiving written authorization for ice and snow removal, the Purchaser will perform the work according to the conditions and equipment requirements set forth in the Authorization.

Pilot Joe T.S. Exhibit D-2 Page 6 of 7

The Purchaser shall be required to furnish and apply non-saline water during dry hauling periods, when directed by the Authorized Officer, for the purpose of laying dust and to prevent loss of surface material. The first application of water shall be made at the rate of one-half gallon per yd² of road surface traveled. Subsequent applications shall be made for each 40 MBF of timber or 120 yds² of rock hauled. Subsequent waterings may be done at a rate less than one-half gallon per yd² when a specified lesser rate is approved by the Authorized Officer.

Road No.	From M.P./STA	To M.P./STA
38-3-31.0	0.00	5.14
38-3-32.1	0.00	5.22
38-4-28.0	0.00	2.9
38-4-33.0	0.00	1.19
38-4-35.3 А-Е	0.00	2.38
39-4-1.0	0.00	0.62

The following roads shall be watered:

During drought periods when the transportation of water from the source to the roads noted above exceeds 10 miles, a reduction shall be made in the total purchase price to reflect the additional haul or the substitution of other acceptable dust palliatives in lieu of watering, based on equipment rental rates from current BLM Timber Appraisal Production Cost Schedules.

3403a - During dry hauling conditions when the authorized officer determines watering is not required, the Purchaser shall reduce hauling speeds to 5 MPH and/or restrict the number of loads hauled to 2 per day on the following road:

Road No.	From M.P./STA	To M.P./STA
38-3-31.0	0.00	5.14

Pilot Joe T.S. Exhibit D-2 Page 7 of 7

Road No.	From M.P./STA	To M.P./STA			
38-3-32.1	0.00	5.22			
38-4-28.0	0.00	2.9			
38-4-33.0	0.00	1.19			
38-4-35.3 А-Е	0.00	2.38			
39-4-1.0	0.00	0.62			

Adjustments to the above schedules may be made by the Authorized Officer at his option as hauling conditions improve. The Purchaser, at his option and expense, may elect to substitute watering or other dust palliatives in lieu of the above hauling requirements provided that written approval is received from the Authorized Officer. Such authorization shall include the approval of product specifications for the application and the product to be used.

The Purchaser may at his option and expense, substitute lignin sulfonate or bituminous dust palliatives for water on any or all road segments listed in Subsection 3403 or 3403a provided that written approval is received from the Authorized Officer. Such authorization shall include approval of product specifications for the application of the product to be used. Multiple applications may be required to maintain the conditions specified in Subsection 3403.





Tract No : 11-17 Sale Name: Pilot Joe Prep. By : Josh R Sale Date: Sept 15, 2011

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

ROAD MAINTENANCE AND ROAD USE APPRAISAL WORK SHEET

Summary of Costs

1.	Road I	Use	-	Amortization:	(1)		\$0	.00/15	522	MBF =	=	\$0.00/MBF	1/
					(RC-3	&	RC-3a)	(Tot	Sal	e Vol)			

2. Road Mainte	nance Obligation:			
\$1746.84 (2.1)	+ $\frac{\$0.00}{(3.1)}$	+ $\frac{\$0.00}{(4.1)}$	+ $\frac{\$0.00}{(5.1)}$	= \$1746.84 (RC-2c)
3. Rockwear Ob	ligation:			
\$0.00 (4.2)	+ $\frac{\$0.00}{(5.2)}$	+ $\frac{\$2090.82}{(7.1)}$	+ $\frac{\$0.00}{(7.2)}$	= <u>\$2090.82</u> (RC-2g)

4. Other Maintenance Payments:

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

5. Purchaser Maintenance Allowances:

(7.3A)	Move In	\$1681.50
(7.3B)	Culverts, Catch Basins, Downspouts	\$0.00
(7.3C)	Grading, Ditching	\$16040.04
(7.3D)	Slide Removal and Slump Repair	\$0.00
(7.3E)	Dust Palliative (Water)	\$4157.67
(7.3F)	Surface Repair (Aggregate)	\$0.00
(7.3G)	Dust Palliative (Bituminous, Lignin, MgCl)	\$0.00
(7.3H)	Other	\$0.00

Total	(7.3)	=	\$21879.21
			(RC-2a & Ex D)

(2+3+4+5) Total = \$25,716.87/1522 MBF = <u>\$16.90/MBF</u> 1/

Costs are estimates only and do not include Profit and Risk. 1/ Enter on Timber Sale Summary Form OSO 5420-1.

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	A Surf		Maint	Vol		Total
and Segment	N Туре	Mi	x Fee x	MBF	=	Maint
38-3-33.00	A BST1	2.18	0.65	1128		\$1598.38
38-3-33.00	A BST1	2.33	0.65	14		\$21.20
38-3-33.00	A BST1	2.51	0.65	78		\$127.26

(2.1) Subtotal <u>\$1746.84</u>

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	Α	Surf]	Maint	Vol		Total
and Segment	Ν	Туре	Mi	Х	Fee x	С.Ү.	=	Maint

(3.1) Subtotal

1/ Enter list of roads in Section 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).

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

		MAIN	TENANCE	(4.1)			ROCKWEAR (4.2)	2/3/
Road Number	A		Maint	Vol	Total		Rkwear Vol	Total
and Segment	Ν	Mi x	Fee x	MBF =	Maint	Mi	x Fee x MBF =	Rkwear

(4.1) Subtotal (4.2) Subtotal

1/ Enter list of roads in Sec. 41(RC-2).

 $2/\ {\rm Rockwear}$ 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/

MAINTENANCE (5.1)								AR (5.	2) 2/ 3/
Road Number	A		Maint	Vol	Total		Rkwear	Vol	Total
and Segment	Ν	Mi	x Fee x	C.Y. =	Maint	Mi	x Fee x	С.Ү.	= Rkwear

(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	Þ	laint	
Number	Road	Number	MBF/Mi	Х	Mi	=	/MBF	Х	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		Rkwea	r Vol	Total
and Segment N	Mi x Fee x	MBF	= RkWear	Mi :	x Fee	x C.Y.=	Rkwear
38-3-31.00 A1 A	0.36 0.51	28	\$5.14				
38-3-31.00 A1 A	1.10 0.51	305	\$171.11				
38-3-31.0 A2-3N	0.66 0.51	213	\$71.70				
38-3-31.0 A2-3N	1.64 0.51	92	\$76.95				
38-3-32.01 A	0.29 0.51	100	\$14.79				
38-3-32.01 A	1.73 0.51	64	\$56.47				
38-3-32.01 A	2.06 0.51	753	\$791.10				
38-3-32.01 A	2.28 0.51	28	\$32.56				
38-3-32.01 A	2.47 0.51	84	\$105.81				
38-3-32.01 N	1.74 0.51	49	\$43.48				
38-3-32.01 N	2.75 0.51	35	\$49.09				
39-4-1.0 N	0.62 0.51	135	\$42.69				
38-4-28.0 A	2.90 0.51	302	\$446.66				
38-4-33.0 A	1.19 0.51	302	\$183.28				
38-4-35.03 A-BA	1.01 0.00	35	\$0.00	0.00	0.00	0	\$0.00
38-4-35.03 B-CN	1.12 0.00	302	\$0.00	0.00	0.00	0	\$0.00
38-4-35.03 C2 A	0.25 0.00	302	\$0.00	0.00	0.00	0	\$0.00
(7.1) Subtot	al <u>\$2090.82</u>		(7.2)	Subto	tal <u></u> \$	0.00	

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).

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

• 5/1 HOVE III					
	No	Move	e Cost/	Dist	Sub-
Equipment 1/	Units	x in	x 50 Mi	x Factor	= total
Motor Grader:	1	2	\$335.00	0.59	\$395.30
Back Hoe:	1	2	\$335.00	0.59	\$395.30
Loader:	1	2	\$335.00	0.59	\$395.30
Water Truck:	1	2	\$206.00	0.59	\$243.08
Dump Truck 2/:	1	2	\$214.00	0.59	\$252.52

(7.3A) Total <u>\$1681.50</u>

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

2/ Dump truck is allowable for surface repair only.

7.3B 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.

7.3C Grading (Includes Ditches and Shoulders) 1/

		Miles	Х	Cost/Mi	Х	Freq	= Subtotal
Blade	Road:	17.45		459.60		2	\$16040.04
Blade	Ditch:	0.00		153.20		0	\$0.00

(7.3C) Total \$16040.04

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

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

Туре	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

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.

7.3E Dust Palliative (Water) 1/

Spreading Hours

1	2						No		Freq		Truck	
	Miles	/	MPH	=	Hours	Х	Days	Х	/Day	=	Hours	
	17.45		5		3.5		11		1		38.5	
	& Haul d Hours			-			6		1		12.0	
		、 -			,				Tot	al	Hours =	= 50.5

Truck Cost: \$82.33/Hr. x 50.5 Hours = \$4157.67

(7.3E) Total \$4157.67

1/ Allow water for all BLM maint. non-oiled roads. Subsection 3403 requires 0.50 gal/syd.

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

1/ Use unit cost from Road Construction Cost Guide.

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

(7.3G) Total

```
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 <u>$0.00</u>
1/ Exhibit D Subsection 3104.
2/ Exhibit D Subsection 3107.
3/ Exhibit D Subsection 3401a.
4/ Exhibit D Subsection 3405b.
```

Form 5440-9 (December 2004)	UNITED STATES Name of Bidder DEPARTMENT OF THE INTERIOR							
(=)	BUREAU OF LAND MANAGEMENT Tract Number							
		OR110-TS11-17						
X TIMBER* Sale Name								
DEPOS		Pilot Joe						
	Sale Notice (<i>dated</i>)							
<u>08/17/2011</u>								
		SCALE	SALE		BLM District Medford			
<u> </u>				I	Wiediord			
Sealed Bid for 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 \$5,	300.00		and is enclo	osed in the form of	□ cash □ mor	ney order 🛛 bank		
draft \Box cashier's check		certified check	\Box bid bo	nd of corporate surety	on approved list	of the United States		
Treasury 🗆 guarantee	ed remit	tance approved by	the authorized	officer.				
IT IS AGREED That the b	oid dep	osit shall be retain	ed by the Unite	d States as liquidated	damages if the big	1 is accepted and the		
undersigned fails to execute								
within 30 days after the contr						n the appraised price		
on a unit basis per species wi	ll be con	nsidered. If the big	d is rejected the	deposit will be return	ed.			
		BID SCH	EDULE – LUN	/IP SUM SALE				
NOTE: E	Bidders	should carefully	check compu	tations in completing	g the Bid Schedu	le		
		BID SUBMITTED			ORAL	BID MADE		
PRODUCT SPECIES	UNIT	ESTIMATED VOLUME OR QUANTITY	UNIT PRICE TOTAL VALU		UNIT PRICE	TOTAL VALUE		
Douglas-fir	MBF	1,516	х	=	х	=		
Ponderosa pine	MBF	6	x	=	х	=		
Total		1,522	х	=	x	=		
			х	=	х	=		
			Х	=	х	=		
			х	=	х	=		
			Х	=	х	=		
			X	=	х	=		
			х	=	х	=		
			Х	=	х	=		
			х	=	х	=		
			Х	=	х	=		
			Х	=	Х	=		
			х	=	х	=		
			х	=	х	=		
			Х	=	х	=		
	TOTAL PURCHASE PRICE							

(Continued on reverse)

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

Bid submitted on (*date*)

(Check appropriate box, sign in ink, and complete the following)						
Signature, if firm is individually owned	Name of firm (<i>type or print</i>)					
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.

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 determined 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 **Applies to Timber Only*

and removed prior to expiration of time for cutting and removal as specified in $\ensuremath{\mathsf{contract}}\xspace^*$

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, (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.

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.