

PROSPECTUS

SCALE SALE

Sale Date: November 19, 2013

(1) Roseburg Sale No.: ORR05-TS-2014.0010
Douglas County, Oregon: O&C: Oral Auction

Sale Name: Green Bunny Log Deck Removal
Bid Deposit Required: \$6,000.00

All timber designated for cutting on:

Lot 4, SE $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$	Sec. 9, T. 31 S., R. 8 W.,	Willamette Meridian
Lots 8, 9 & 10	Sec. 15, T. 31 S., R. 8 W.,	Willamette Meridian
SE $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ SE $\frac{1}{4}$	Sec. 17, T. 31 S., R. 8 W.,	Willamette Meridian
NW $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$	Sec. 21, T. 31 S., R. 8 W.,	Willamette Meridian
S $\frac{1}{2}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ SE $\frac{1}{4}$	Sec. 11, T. 32 S., R. 7 W.,	Willamette Meridian

Species	Est. Vol. MBF 16' Log	Appraised Price Per MBF	Est. Volume Times Appraised Price
Douglas-fir	224	\$256.10	\$57,366.40
Port-Orford Cedar	1	\$222.10	\$222.10
Ponderosa Pine	1	\$81.50	\$81.50
Western Redcedar	1	\$363.80	\$363.80
Incense-cedar	1	\$184.40	\$184.40
Western Hemlock	1	\$179.60	\$179.60
Grand Fir	1	\$180.40	\$180.40
	230		\$58,578.20

THE VOLUMES LISTED herein are based on ocular estimates and comparable sales, which must be taken into consideration if comparisons are made with volume predictions based on other standards. Total quantity of timber actually cut or removed or designated for taking will be determined by scale.

APPRAISED PRICES are determined by analytical appraisal methods unless otherwise noted on individual timber sale notices.

LOG EXPORT AND SUBSTITUTION RESTRICTIONS:

All timber sales, including timber from Federal rights-of-ways, shall be subject to the restrictions relating to the export and substitution of unprocessed timber from the United States in accordance with P.L. 94-165 and 43 CFR 5400 and 5424 as amended.

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

CUTTING AREA: This sale consists of an area of approximately 7 acres in 7 separate areas ranging from .1 to 2.5 acres. Timber to be removed consists of log decks and individual logs and felled trees marked for cutting with orange paint along identified roads in the Harvest Areas. See Exhibit A for details.

ACCESS: Access to the sale area is provided by Government, County, and privately controlled roads. Road use fees are approximated based on volumes determined in Exhibit B of this contract and on mileage of roads used. Final fees will be determined after all merchantable timber has been cut and scaled, as determined by the Authorized Officer.

- A road use fee of \$144.92 will be required to be paid to Roseburg Resources Company.
- A road use fee of \$22.82 will be required to be paid to Seneca Jones Timber Company, LLC.

DIRECTIONS TO SALE AREA: For all sale areas, take I-5 exit 103 (Tri City) and proceed west from Riddle on County Road 39 (Cow Creek Road).

For sale areas in Sections 9, 15, 17, and 21 of T. 31 S., R. 8 W., W.M., Cow Creek Road becomes BLM Road No. 30-6-32.0. Continue on BLM Road No. 30-6-32.0 for approximately 10 miles, and turn right on BLM Rd. 31-7-19.0 (Union Creek Rd.). Follow Road No. 31-7-19.0 for approximately 4 miles and turn left on BLM Road No. 31-8-3.0. Follow Road No. 31-8-3.0 for approximately 3 miles to sale area. Refer to timber sale Exhibits A and C for further details.

To reach Area #11-1 in section 11 of T 32 S. R 7 W, W.M, proceed west from Riddle for approximately 5.8 miles to County Road 39A (Glenbrook Loop Rd), and turn left. After 0.2 miles, turn right on County Road 93 (Council Creek Road). Continue to the junction of BLM Road No. 31-6-4.0 (Council Creek Rd.), and turn left. Proceed on BLM Road No. 31-6-4.0 for approximately 9.1 miles, and turn left at BLM Road No. 31-7-25.0 (Peavine Creek). In less than 0.1 miles, turn right on BLM Road No. 31-7-25.1. Proceed on BLM Road No. 31-7-25.1 for approximately 3.1 miles to the junction of BLM Road No. 32-7-1.0, and turn right. Proceed on BLM Road No. 32-7-1.0 for approximately 1.3 miles to the junction of BLM Road No. 32-7-12.2. Proceed on BLM Road No. 32-7-12.2 for approximately 1 mile to timber sale area. Refer to timber sale Exhibits A and C for further details.

ROAD MAINTENANCE: Rockwear and maintenance fees due are approximated based upon volumes determined in Exhibit B of this contract and mileage of roads used. Final fees will be determined after all merchantable timber has been cut and scaled, as determined by the Authorized Officer.

- Rockwear and maintenance fees of \$3,316.30 will be required to be paid to the BLM.
- Rockwear and maintenance fees of \$45.25 will be required to be paid to the Medford BLM.
- Rockwear and maintenance fees of \$627.69 will be required to be paid to Roseburg Resources Company.
- Rockwear and maintenance fees of \$209.90 will be required to be paid to Seneca Jones Timber Company, LLC.
- Rockwear and maintenance fees of \$9.88 will be required to be paid to Plum Creek Timber Company.

DURATION OF CONTRACT will be 3 months for cutting and removal of timber. The contract will contain SPECIAL PROVISIONS regarding: logging, environmental protection, road use, road maintenance, fire protection, slash disposal and log exporting. Log scaling is required under the terms of this contract. See Exhibit B for details.

ADDITIONAL INFORMATION: This prospectus includes maps and tables that cannot be made Section 508 compliant. For help with its data or information, please contact the Roseburg District Office at 541-440-4930.

NOTES:

1. A revised Special Provision has been added to the contract which enables the Contracting Officer to suspend the contract to facilitate protection of certain plant or animal species, and /or to modify or terminate the contract when necessary to: (1) Comply with the Endangered Species Act, or; (2) Comply with a court order, or; (3) Protect species which were identified for protection through survey and manage and/or protection buffer standards and guidelines established in the ROD and RMP.

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

2. This is a scale for payment sale; please refer to the Exhibit B of the contract for specific requirements such as log branding on all logs, and hauling restrictions.
3. A majority of the volume offered is decked along rocky roads. However, a long line may be needed to facilitate removal of logs up to 50 feet from existing roads.
4. The Purchaser will be required to label with a permanent ink marker each load ticket with the corresponding Harvest Area number as shown on Exhibit A, as directed by the Authorized Officer.
5. License Agreements with Plum Creek Timber Company, Roseburg Resource Co. and Seneca Jones Timber Company, LLC are required.

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

Section 41. TIMBER RESERVED FROM CUTTING - The following timber in the Contract Area is hereby reserved from cutting and removal under the terms of this contract and is retained as the property of the Government.

- (a) All timber in the Reserve Areas, except log decks and individual logs and felled trees marked for cutting with orange paint along identified roads in the Harvest Areas as shown in Exhibit A. Standing trees which pose a hazard to operations may be felled with the approval of the Authorized Officer.
- (b) All existing coarse woody debris (logs and snags) classified as decay Classes 3, 4, and 5, (having bark substantially sloughed off and in advanced stages of decay), within the Harvest Areas as shown on Exhibit A. Snags which pose a hazard to operations may be felled with the approval of the Authorized Officer.

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

Section 42(A) Logging:

- (1) Before beginning operations on the Contract Area for the first time or after a shutdown of ten (10) 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 ten (10) or more days.
- (2) 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 pre-work conference between the Purchaser's authorized representative and the Authorized Officer 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.
- (3) Prior to attaching any logging equipment to a reserve tree, the Purchaser shall obtain written approval from the Authorized Officer and shall take precautions to protect the tree from damage as directed in writing by the Authorized Officer.
- (4) During logging operations, the Purchaser shall keep BLM Roads No. 31-8-3.0, 31-8-8.1, 31-8-15.2, and 32-8-11.0 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 otherwise approved by the Authorized Officer.
- (5) The Purchaser will be required to label with a permanent ink marker each load ticket with the corresponding Harvest Area number as shown on Exhibit A, as directed by the Authorized Officer.
- (6) The Purchaser shall brand clearly and legibly one end of all logs prior to the removal of timber from the Contract Area. One end of all branded logs to be processed domestically will be marked with a spot of highway yellow paint, unless otherwise directed in writing by the Authorized Officer.
- (7) 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.

Section 42(B) Environmental Protection:

- (1) In addition to the requirements set forth in Section 26 of this contract, the Purchaser shall clean road surfaces, cut banks, landings, ditch lines and culverts of all debris created by logging operations.
- (2) In addition to the requirements set forth in Section 26 of this contract, the Purchaser shall steam clean or pressure wash all logging and road building equipment, except logging trucks and crew transport, prior to initial move-in, to minimize the likelihood of spreading Port-Orford cedar root disease or introducing noxious weeds to the Contract Area. Equipment washing shall occur at a location approved by the Authorized Officer. Equipment will be visually inspected by the Authorized Officer prior to use. Any logging or road building equipment removed from the Contract

Area during the duration of the contract must be steam cleaned or pressure washed before it is returned to the Contract Area. Cleaning shall be defined as removal of all dirt, grease, plant parts and material that may carry noxious weed seeds.

- (3) 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 Record of Decision (ROD) and Resource Management Plan (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 thirty (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 thirty (30) days, the First Installment on deposit may be reduced to five (5) percent of the First Installment amount listed in

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

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

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

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

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

The Purchaser specifically and expressly waives any right to claim damages, other than those described in the preceding paragraph, 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.

Section 42(C) Road Maintenance – Use:

- (1) The Purchaser is authorized to use the roads listed and shown on Exhibit C 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 and rockwear obligations described in Section 42(C)(2). The Purchaser shall pay current Bureau of Land Management maintenance and rockwear fees for the sale of additional timber under modification to the contract.
- (2) The Purchaser shall pay the Government a road maintenance and rockwear obligation in the amount of Three Thousand Three Hundred Sixteen and 30/100 dollars (\$3,316.30) to Roseburg District BLM and Forty-five and 25/100 dollars (\$45.25) to Medford District BLM for the transportation of timber included in the contract price over roads listed and shown on Exhibit C, which are under the jurisdiction of the Bureau of Land Management. This approximated maintenance fee due is based upon volumes determined pursuant to Exhibit B of this contract and mileage of roads used determined by the Authorized Officer. Unless the total maintenance amount is paid prior to commencement of operations on the Contract Area, payments shall be made in installments of not less than Five Hundred and 00/100 dollars (\$500.00) payable in the same manner as and together with payments required in Section 3 of this contract. 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 payments due, such excess shall be returned to the Purchaser after such determination is made.
- (3) The Purchaser shall perform any required road repair and maintenance work on roads used by them, under the terms of Exhibit C of this contract.
- (4) The Purchaser also agrees that if they elect to use any other private road which is the subject of a right-of way agreement with the Government for the removal of Government timber sold under the terms of this contract, 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.

IF OTHER THAN ROSEBURG RESOURCES COMPANY PURCHASES:

- (5) In the use of Roads No. 31-6-4.0 Segments A, B, and C (portion), 31-7-25.0 Segment A, 31-7-25.1 Segment A, 31-8-3.0 Segment D (base), 31-8-33.2 Segments B, and D, 31-8-8.1 Segments D (base), E (improvement), F, and G (improvement), 32-7-1.0 Segment A (base), and 32-8-11.0 Segment A as shown on Exhibit C, the Purchaser shall comply with the conditions of Right-of-Way and Road Use Agreements No. R-851, dated July 13, 1967, and M-700, between the United States of America and Roseburg Resources Company. This document is available for inspection at the

Bureau of Land Management, Roseburg District Office, 777 NW Garden Valley Blvd., Roseburg, Oregon 97471.

These conditions include:

- (a) Prior to the use of said roads, the Purchaser shall furnish the Authorized Officer a copy of the executed license agreement.
- (b) Payment of a road use obligation in the amount of One Hundred Forty-four and 92/100 dollars (\$144.92).
- (c) Default by the Purchaser of said Right-of-Way and Road Use Agreement, or any License Agreement executed pursuant thereto, for failure to pay appropriate road use fees shall be considered a violation of this contract. The amount of unpaid fees shall be considered as the amount of damage suffered by the Government as a result of the violation of this provision.

IF ROSEBURG RESOURCES COMPANY PURCHASES:

- (5) In accordance with 43 CFR 2812.6-2(a)(5), the following allowances have been made for amortization on capital investment of the roads covered by Road Agreements No. R-851 and M-700 with the Purchaser; One Hundred Forty-four and 92/100 dollars (\$144.92) for Roads No. 31-6-4.0 Segments A, B, and C (portion), 31-7-25.0 Segment A, 31-7-25.1 Segment A, and 32-8-11.0 Segment A.

It is understood that the purchase price stated in Sec. 2 of this contract is the net price and no deductions will be made from the purchase price because of such allowances.

IF OTHER THAN SENECA JONES TIMBER COMPANY, LLC PURCHASES:

- (6) In the use of Road No. 31-8-3.0 Segment A (base) as shown on Exhibit C, the Purchaser shall comply with the conditions of Right-of-Way and Road Use Agreement No. R-791, dated February 1, 1965, between the United States of America and Seneca Jones Timber Company, LLC. This document is available for inspection at the Bureau of Land Management, Roseburg District Office, 777 NW Garden Valley Blvd., Roseburg, Oregon 97471.

These conditions include:

- (a) Prior to the use of said roads, the Purchaser shall furnish the Authorized Officer a copy of the executed license agreement.
- (b) Payment of a road use obligation in the amount of Twenty-two and 82/100 dollars (\$22.82).
- (c) Default by the Purchaser of said Right-of-Way and Road Use Agreement, or any License Agreement executed pursuant thereto, for failure to pay appropriate road use fees shall be considered a violation of this contract. The amount of unpaid fees shall be considered as the amount of damage suffered by the Government as a result of the violation of this provision.

IF SENECA JONES TIMBER COMPANY, LLC PURCHASES:

- (6) In accordance with 43 CFR 2812.6-2(a)(5), the following allowances have been made for amortization on capital investment of the roads covered by Road Agreement No. R-791 with the Purchaser; Twenty-two and 82/100 dollars (\$22.82) for Road No. 31-8-3.0 Segment A (base).

It is understood that the purchase price stated in Sec. 2 of this contract is the net price and no deductions will be made from the purchase price because of such allowances.

Section 42(D) Fire Prevention and Control:

- (1) Primarily for purposes of fire prevention and control, the Purchaser shall, prior to the operation of power driven equipment in construction or logging operations under this contract during the closed fire season or periods of fire danger, prepare a fire prevention and control plan to the satisfaction of the Authorized Officer.

Section 42(E) Slash Disposal:

- (1) In addition to the requirements of Section 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 measures required by this contract:
- (a) Prior to commencement of any operation under Section F (Slash Disposal) of this contract, a slash disposal prework conference between the Purchaser's representative and the Authorized Officer must be held at a location designated by the Authorized Officer. All slash disposal shall be done in accordance with the plans developed at the prework 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 Purchaser's operations under the terms of this contract.
 - (c) Machine pile all slash created by operations. Piling is to be completed within thirty (30) days of the completion of operations. Piles are to be tight and free of dirt.
 - (d) Cover each pile with a minimum ten (10) foot by ten (10) foot sheet of four (4) mil. black plastic, unless otherwise directed by the Authorized Officer, to meet ignition and combustion needs. The cover shall be firmly fixed or weighed down to hold in place. Covering shall be done concurrently with piling.
 - (e) No pile shall be located within (10) feet of any snag, large downed log, or reserve tree, unless approved by the Authorized Officer.

Section 42(F) Log Exports:

- (1) All timber sold to the Purchaser under the terms of this contract, except exempted species, 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 three-quarters ($8\frac{3}{4}$) 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 three-quarters ($8\frac{3}{4}$) inches in thickness or less; (6) shakes and shingles.

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

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

- (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 No substitution 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 Authorized Officer, the Purchaser shall brand clearly and legibly one end of all logs prior to the removal of timber from the contract area. 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.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0113
Expires: July 31, 1992

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

SCALE SALE

Tract Number
(1) 2014.0010
Sale Name
Green Bunny Log Deck Removal
Sale Notice (dated)
October 29, 2013 (sale date 11/19/13)
BLM District
Roseburg

☐ Sealed Bid for Sealed Bid Sale ☒ Written Bid for Oral Auction Sale

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

Required bid deposited is \$ **6,000.00** and is enclosed in for form of ☐ cash ☐ money order ☐ bank draft

☐ cashier's check ☐ certified check ☐ bid bond of corporate surety on approved list of the United States Treasury

☐ guaranteed remittance approved by the authorized officer.

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

BID SCHEDULE – SCALE SALE

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

BID SUBMITTED			(Est. Volume MBF 16' Log)		ORAL BID MADE	
PRODUCT SPECIES	UNIT	ESTIMATED VOLUME OR QUANTITY	UNIT PRICE	TOTAL VALUE	UNIT PRICE	TOTAL VALUE
Douglas-fir	MBF	224	x _____ = _____		x _____ = _____	
Port-Orford Cedar	MBF	1	x _____ = _____		x _____ = _____	
Ponderosa Pine	MBF	1	x _____ = _____		x _____ = _____	
Western Redcedar	MBF	1	x _____ = _____		x _____ = _____	
Incense-cedar	MBF	1	x _____ = _____		x _____ = _____	
Western Hemlock	MBF	1	x _____ = _____		x _____ = _____	
Grand Fir	MBF	1	x _____ = _____		x _____ = _____	
	MBF		x _____ = _____		x _____ = _____	
	MBF		x _____ = _____		x _____ = _____	
	MBF		x _____ = _____		x _____ = _____	
	MBF		x _____ = _____		x _____ = _____	
	MBF		x _____ = _____		x _____ = _____	
	MBF		x _____ = _____		x _____ = _____	
	MBF		x _____ = _____		x _____ = _____	
Totals	MBF	230	x _____ = _____		x _____ = _____	
TOTAL PURCHASE PRICE						

(Continued on reverse)

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

Bid submitted on *(date)*

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

<input type="checkbox"/> Signature, if firm is individually owned	Name of firm <i>(type or print)</i>
<input type="checkbox"/> Signatures, if firm is a partnership	Business address, include zip code <i>(type or print)</i>
<input type="checkbox"/> Corporation organized under the state laws of	<i>(To be completed following oral bidding)</i>
Signature of Authorized Corporate Signing Officer	I HEREBY confirm the above oral bid By <i>(signature)</i>
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.	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
Oral Auction — Submit to Sales Supervisor prior to closing of qualifying period for tract.	
The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et. seq.) requires us to inform you that: This information is being collected to obtain data relevant to the operation of this timber sale contract. This information will be used to administer our timber sale program. Response to this request is required to obtain a benefit.	

NOTICE

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

AUTHORITY: 38 FR 6280 and 43 CFR 5442.1

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

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

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

BURDEN HOURS STATEMENT

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

INSTRUCTIONS TO BIDDERS

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

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

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

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

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

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

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

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

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

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

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

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

*Applies to Timber Only

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

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

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

10. PERFORMANCE BOND —

(a) A performance bond in an amount of not less than 20 percent of total purchase price is required, but the amount of the bond shall not be in excess of \$500,000, except when the purchaser opts to increase the minimum bond to permit cutting prior to payment as provided in 43 CFR 5451.2, or in the event the purchaser is a holder of an unresolved default the bond may be increased as provided in 43 CFR 5450.1(b). Performance bond may be (1) bond of a corporate surety shown on approval list issued by the United States Treasury Department and executed on an approved standard form, (2) personal surety bond executed on an approved standard form if Government determines principals and bondsman are capable of carrying out the terms of the contract, (3) cash bonds, (4) negotiable securities of the United States, or (5) Any guaranteed remittance approved by the Authorized Officer.

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

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

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

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

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

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 Num-

ber 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.







District	Township	Range	Section	Meridian	Contract Number
Roseburg	31S 32S	8W 7W	9,15,17,21 11	Willamette	ORR05-TS-2014.0010

TOTAL HARVEST AREA ----- 7 Ac.
RESERVE AREA ----- 584.64 Ac.
TOTAL CONTRACT AREA ----- 591.64 Ac.

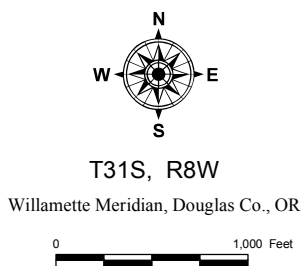
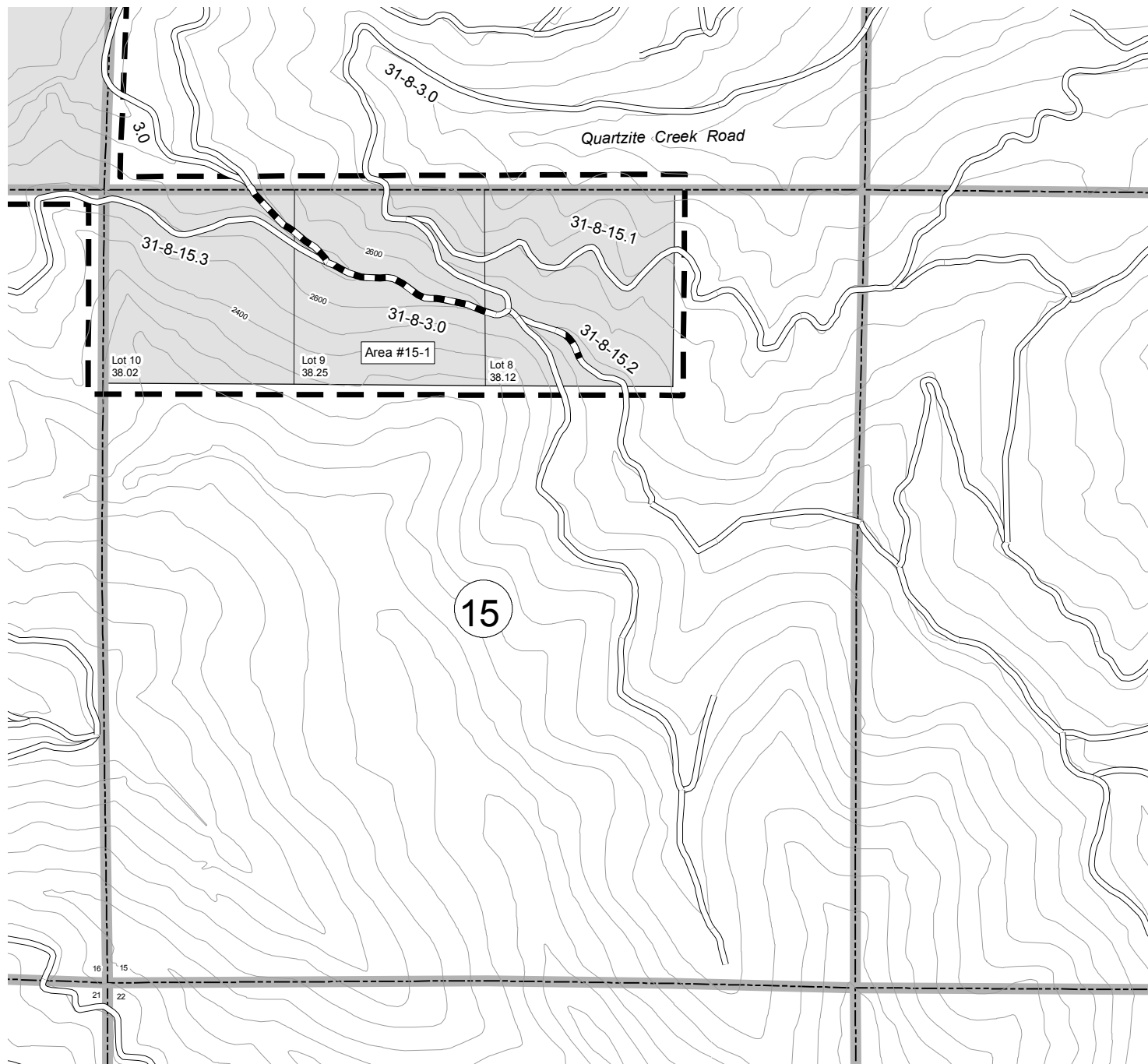
NOTE:

1. TREES DESIGNATED FOR REMOVAL HAVE ALREADY BEEN FELLED AND LAY ALONG THE ROADSIDE, OR ARE CUT-TO-LENGTH AND DECKED.
2. LOG DECKS DESIGNATED FOR REMOVAL ARE IDENTIFIED AS "BLM" WITH ORANGE PAINT (APPROXIMATELY 8 DECKS).
3. AREAS WHERE INDIVIDUAL TREES/LOGS ARE SCATTERED ALONG THE ROADSIDE DESIGNATED FOR REMOVAL ARE IDENTIFIED WITH ORANGE PAINT. SOME AREAS MAY REQUIRE UP TO 50 FEET OF YARDING DISTANCE TO ROAD.







LEGEND

	RESERVE AREA
	SECTION LINE
	BOUNDARY OF CONTRACT AREA
	EXISTING ROAD
	HARVEST AREA - APPROXIMATE LOCATION OF TREES FELLED ALONG ROADSIDE DESIGNATED FOR REMOVAL
	HARVEST AREA - APPROXIMATE LOCATION OF LOG DECKS DESIGNATED FOR REMOVAL

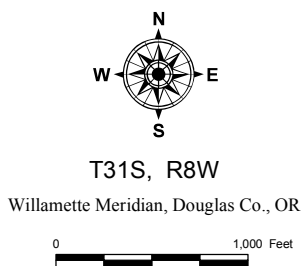
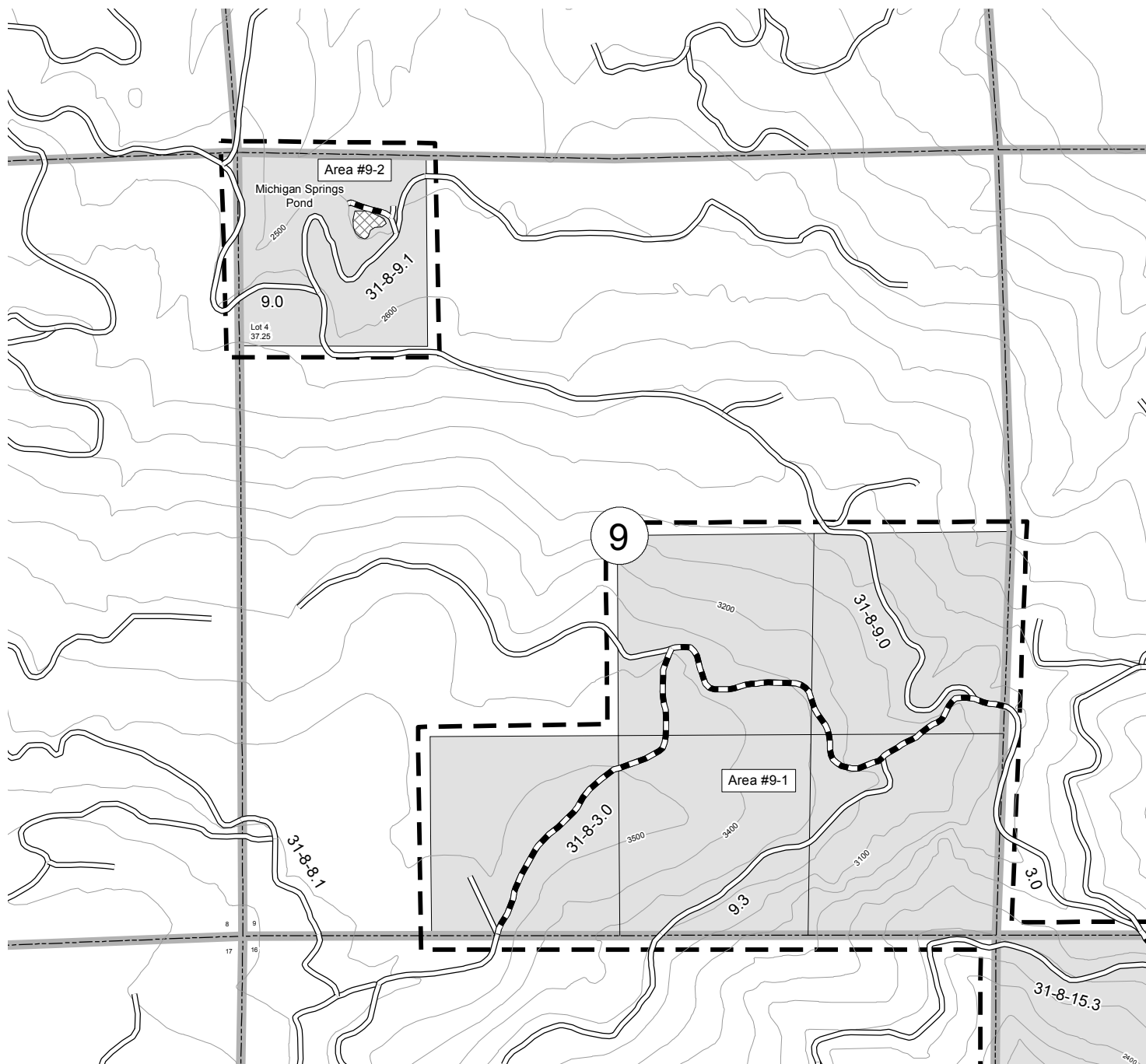
District	Township	Range	Section	Meridian	Contract Number
Roseburg	31 S	8 W	15	Willamette	ORR05-TS-2014.0010



LEGEND

-  RESERVE AREA
-  SECTION LINE
-  BOUNDARY OF CONTRACT AREA
-  EXISTING ROAD
-  HARVEST AREA - APPROXIMATE LOCATION OF TREES FELLED ALONG ROADSIDE DESIGNATED FOR REMOVAL
-  HARVEST AREA - APPROXIMATE LOCATION OF LOG DECKS DESIGNATED FOR REMOVAL

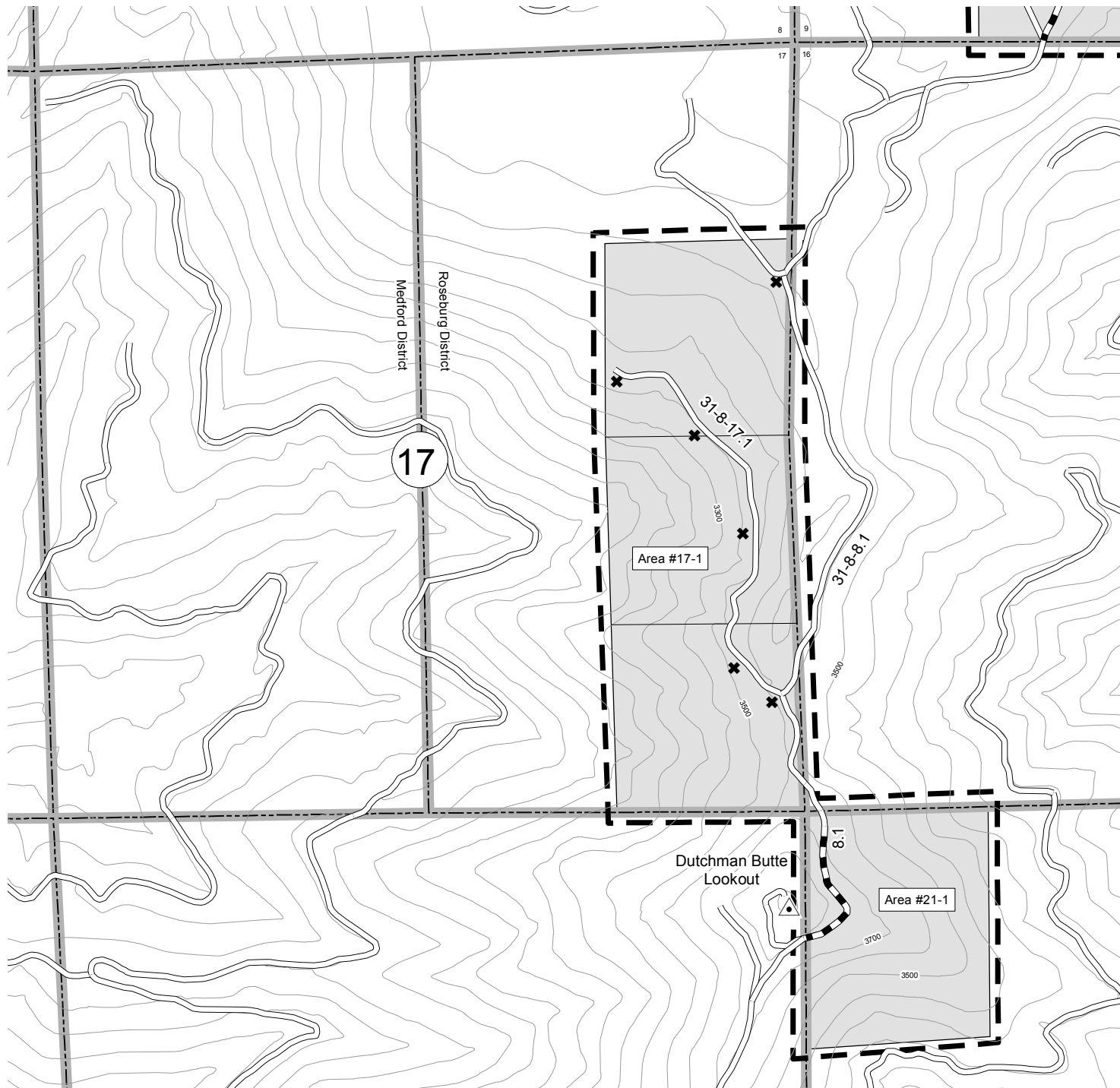
District	Township	Range	Section	Meridian	Contract Number
Roseburg	31 S	8 W	9	Willamette	ORR05-TS-2014.0010









LEGEND

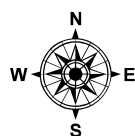
- RESERVE AREA
- SECTION LINE
- BOUNDARY OF CONTRACT AREA
- EXISTING ROAD
- HARVEST AREA - APPROXIMATE LOCATION OF TREES FELLED ALONG ROADSIDE DESIGNATED FOR REMOVAL
- HARVEST AREA - APPROXIMATE LOCATION OF LOG DECKS DESIGNATED FOR REMOVAL

District	Township	Range	Section	Meridian	Contract Number
Roseburg	31 S	8 W	17, 21	Willamette	ORR05-TS-2014.0010



LEGEND

-  RESERVE AREA
-  SECTION LINE
-  BOUNDARY OF CONTRACT AREA
-  EXISTING ROAD
-  HARVEST AREA - APPROXIMATE LOCATION OF TREES FELLED ALONG ROADSIDE DESIGNATED FOR REMOVAL
-  HARVEST AREA - APPROXIMATE LOCATION OF LOG DECKS DESIGNATED FOR REMOVAL

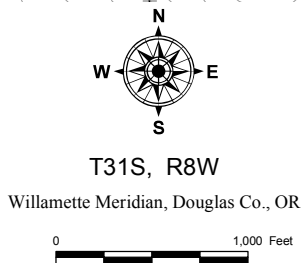
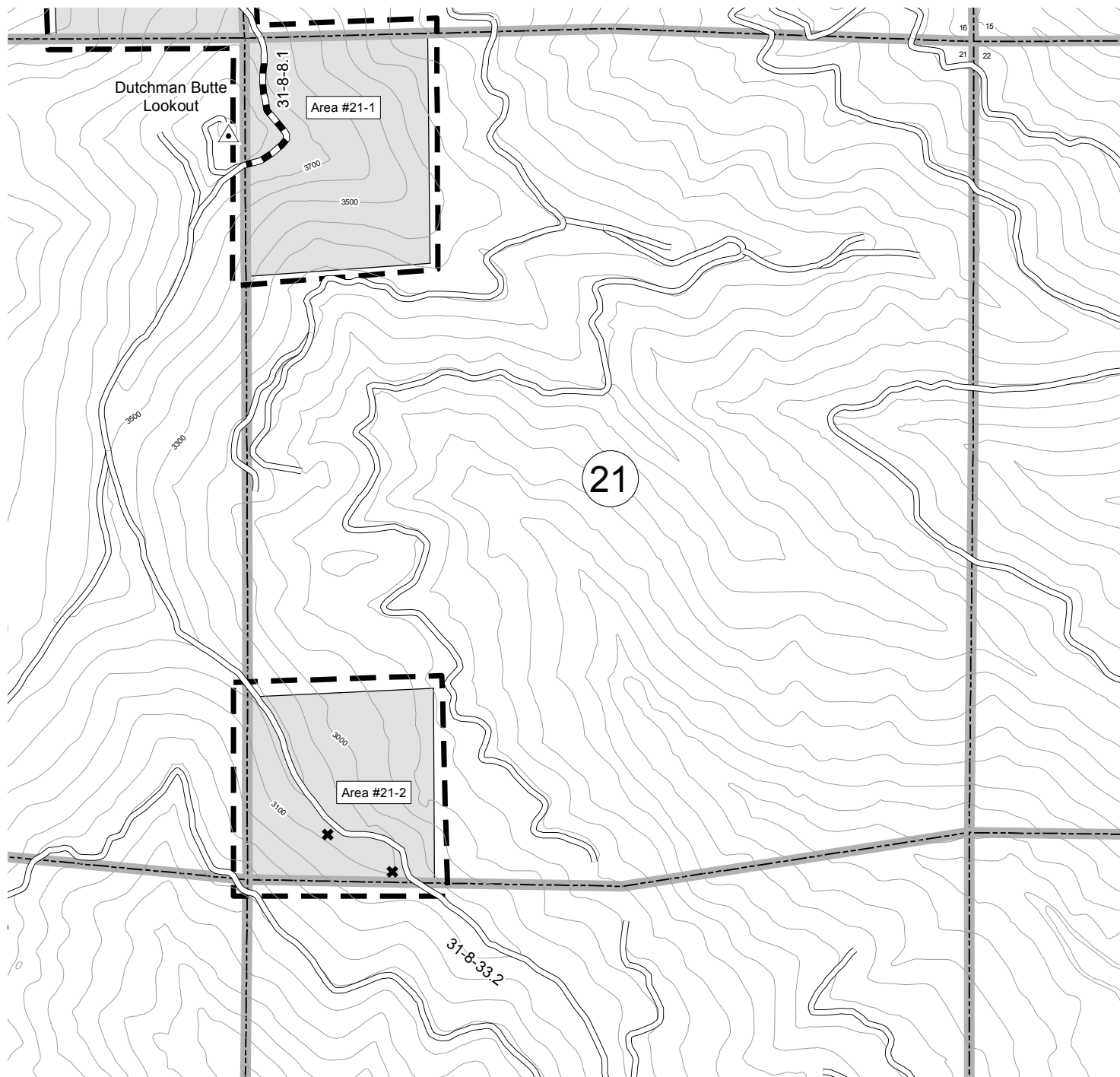


T31S, R8W







Willamette Meridian, Douglas Co., OR



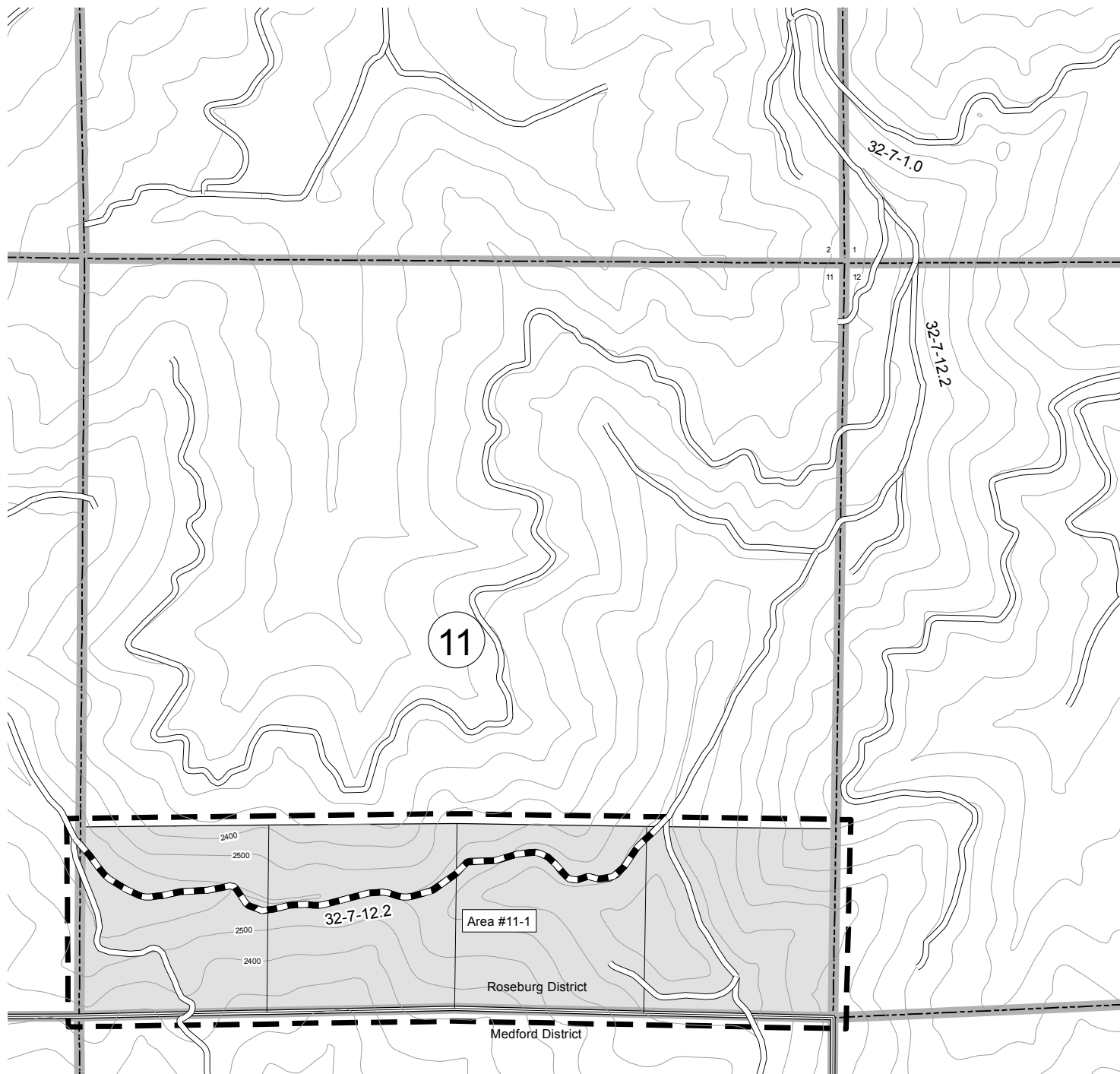
District	Township	Range	Section	Meridian	Contract Number
Roseburg	31 S	8 W	21	Willamette	ORR05-TS-2014.0010









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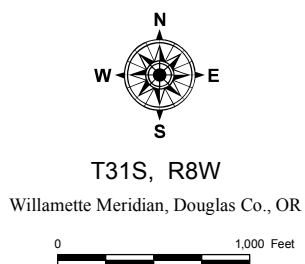
-  RESERVE AREA
-  SECTION LINE
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-  HARVEST AREA - APPROXIMATE LOCATION OF TREES FELLED ALONG ROADSIDE DESIGNATED FOR REMOVAL
-  HARVEST AREA - APPROXIMATE LOCATION OF LOG DECKS DESIGNATED FOR REMOVAL

District	Township	Range	Section	Meridian	Contract Number
Roseburg	32 S	7 W	11	Willamette	ORR05-TS-2014.0010



LEGEND

-  RESERVE AREA
-  SECTION LINE
-  BOUNDARY OF CONTRACT AREA
-  EXISTING ROAD
-  HARVEST AREA - APPROXIMATE LOCATION OF TREES FELLED ALONG ROADSIDE DESIGNATED FOR REMOVAL
-  HARVEST AREA - APPROXIMATE LOCATION OF LOG DECKS DESIGNATED FOR REMOVAL



**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT (BLM)**

Contract No.: ORR05-TS-2014.0010

Sale Name: Green Bunny Log Deck Removal

Issuing Office: Roseburg

**EXHIBIT B
SCALE SALE**

PURCHASE PRICE SCHEDULE AND MEASUREMENT SPECIFICATIONS

- I. **Total Actual Purchase Price** - In accordance with Section 3(f) 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 of Species, Measurement Units, and Prices		
Species	Measurement Unit	Price Per Measurement Unit
Douglas-fir	MBF	
Port-Orford Cedar	MBF	
Ponderosa Pine	MBF	
Western Redcedar	MBF	
Incense-cedar	MBF	
Western Hemlock	MBF	
Grand Fir	MBF	

- 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

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. 41 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.(g). 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.
- 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 Instruction Memorandum OR-2003-081, Item 2b (Administrative Check Scaler). 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, as set forth in Instruction Memorandum OR-2003-081, Item 2b (Administrative Check Scaler), 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 five (5) 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. 42(A) of the contract. If Sale Area is within a State that maintains a log brand register, brands shall be registered with the State. Purchaser shall use assigned brand(s) exclusively on logs from this sale until the Authorized Officer releases the brand(s).** Each truck driver shall obtain a load receipt and a BLM scaler receipt from the Log Truck Ticket Book issued by the Authorized Officer and comply with the instructions specified on the cover of said book. 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. A designated area shall be identified at the yard scaling location for logs arriving during off hours. Logs arriving during off hours shall be left on the truck or may be off loaded to the designated area.
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 42(A) 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.

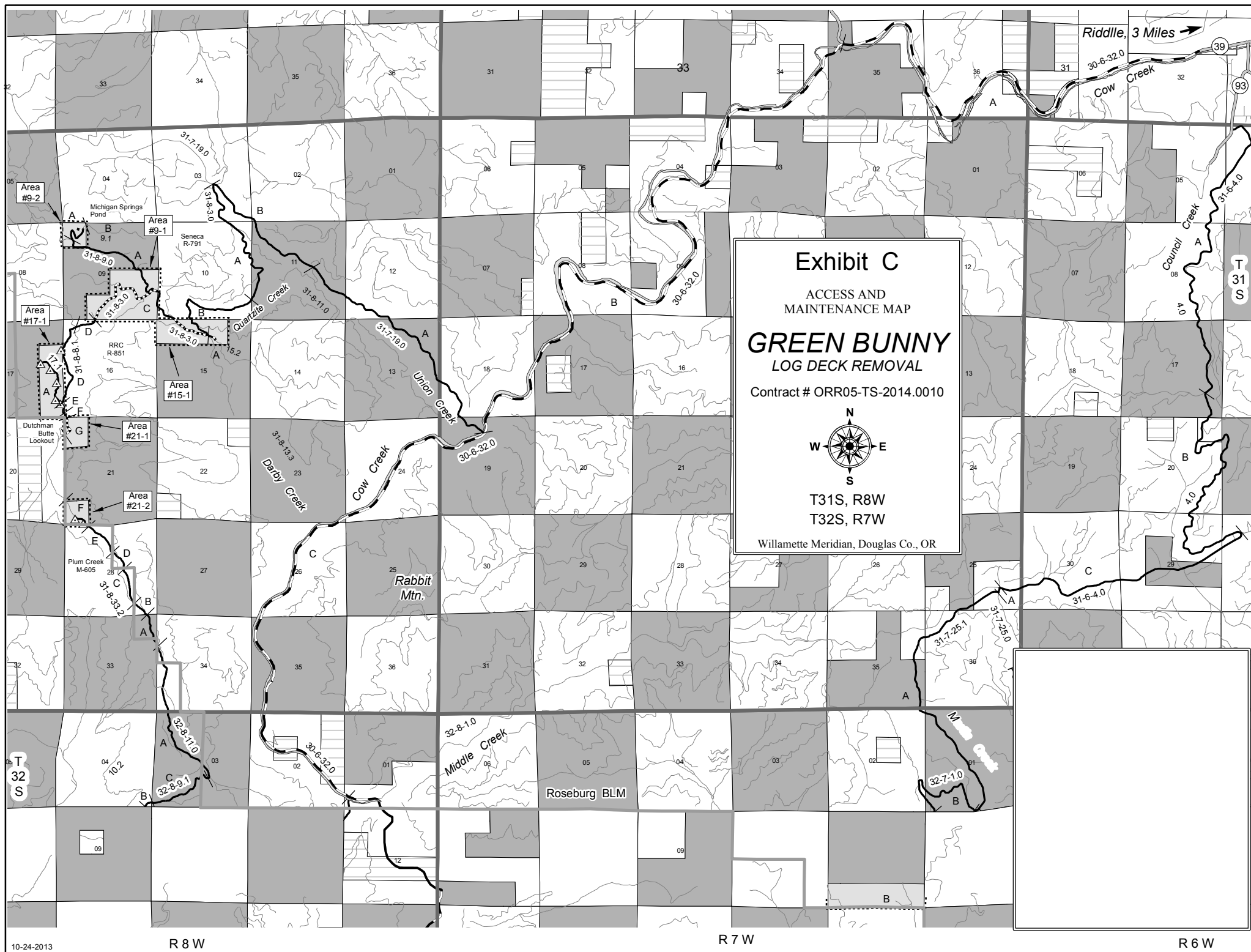
- H. **Scaling Lost Products** - The value of lost loads shall be equal to the highest value load for the month in which the lost load is hauled regardless of where the highest value load is scaled. If no loads have been scaled in that month, value will be determined from the closest month in which loads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

Total Estimated Purchase Price And/Or Schedule of Volumes and Values for Merchantable Timber Not Yet Removed from Contract Area					
Cutting Area		Total Estimated Volume (MBF)		Total Estimated Purchase Price	
Cutting Area Number	Approximate Number of Acres	Volume per Acre	Total Volume	Value per Acre	Total Value
Area 9-1	2	37	74		
Area 9-2	0.5	40	20		
Area 15-1	0.5	64	32		
Area 17-1	0.5	42	21		
Area 21-1	1	16	16		
Area 21-2	0.5	20	10		
Area 11-1	2	28.5	57		
Sale Total	7	32.9	230		



**United States Department of the Interior
Bureau of Land Management Roseburg District
EXHIBIT C**

Sale Name: Green Bunny Log Deck Removal							
Contract No. ORR05-TS-2014.0010							
Road Number	Road Seg.	Segment Length	Segment Owner	Road Use Fees	Surface Type	Timber Haul Fees	Maintained By
30-6-32.0	A	5.20	BLM		BST	\$0.65	BLM
30-6-32.0	B	8.00	BLM		BST	\$0.65	BLM
30-6-32.0	C	5.80	BLM		BST	\$0.65	BLM
31-6-4.0	A	3.65	RRC	\$0.16	Rock	\$1.30	RRC
31-6-4.0	B	3.30	RRC	\$0.16	Rock	\$1.30	RRC
31-6-4.0	C (POR)	2.76	RRC	\$0.56	Rock	\$1.30	RRC
31-7-19.0	A	2.70	BLM		BST	\$0.65	BLM
31-7-19.0	B	1.50	BLM		BST	\$0.65	BLM
31-7-25.0	A	0.04	RRC	\$0.55	Rock	\$1.30	RRC
31-7-25.1	A	3.10	RRC	\$0.53	Rock	\$1.30	RRC
31-8-15.2	A (POR)	0.09	BLM		Rock	\$1.30	BLM
31-8-17.1	A	0.60	BLM		Rock	\$1.30	BLM
31-8-3.0	A (BASE)	1.63	Seneca	\$0.14	Rock	\$0.79	Seneca
31-8-3.0	A (IMP)	1.63	BLM		Rock	\$0.51	Seneca
31-8-3.0	B	1.30	BLM		Rock	\$1.30	BLM
31-8-3.0	C	1.88	BLM		Rock	\$1.30	BLM
31-8-3.0	D (BASE)	0.20	RRC	Paid Off	Rock	\$0.79	RRC
31-8-3.0	D (IMP)	0.20	BLM		Rock	\$0.51	RRC
31-8-33.2	A	0.27	BLM		Rock	\$1.30	BLM
31-8-33.2	B	0.18	RRC	Free Use	Rock	\$1.30	RRC
31-8-33.2	C	0.38	Plum Creek	Free Use	Rock	\$1.30	Plum Creek
31-8-33.2	D	0.22	RRC	Free Use	Rock	\$1.30	RRC
31-8-33.2	E	0.38	Plum Creek	Free Use	Rock	\$1.30	Plum Creek
31-8-33.2	F (POR)	0.16	BLM		Rock	\$1.30	BLM
31-8-8.1	D (BASE)	0.90	RRC	Paid Off	Rock	\$0.79	RRC
31-8-8.1	D (IMP)	0.90	BLM		Rock	\$0.51	RRC
31-8-8.1	E (BASE)	0.14	BLM		Rock	\$0.79	BLM
31-8-8.1	E (IMP)	0.14	RRC	Free Use	Rock	\$0.51	BLM
31-8-8.1	F	0.04	RRC	Free Use	Rock	\$1.30	RRC
31-8-8.1	G (BASE)	0.20	BLM		Rock	\$0.79	BLM
31-8-8.1	G (IMP)	0.20	RRC	Free Use	Rock	\$0.51	BLM
31-8-9.0	A (POR)	0.99	BLM		Rock	\$1.30	BLM
31-8-9.1	A (POR)	0.33	BLM		Rock	\$1.30	BLM
32-7-1.0	A (BASE)	0.03	RRC	Paid Off	Rock	\$0.79	RRC
32-7-1.0	A (IMP)	0.03	BLM		Rock	\$0.51	RRC
32-7-1.0	B (POR)	1.30	BLM		Rock	\$1.30	BLM

**United States Department of the Interior
Bureau of Land Management Roseburg District
EXHIBIT C**

Sale Name: Green Bunny Log Deck Removal							
Contract No. ORR05-TS-2014.0010							
Road Number	Road Seg.	Segment Length	Segment Owner	Road Use Fees	Surface Type	Timber Haul Fees	Maintained By
32-7-12.2	A	0.37	BLM		Rock	\$1.30	BLM
32-7-12.2	B (POR)	1.26	BLM		Rock	\$1.30	BLM
32-8-1.1	A	2.54	Medford BLM		BST	\$0.65	Medford BLM
32-8-10.2	A	0.44	Medford BLM		Rock	\$1.30	Medford BLM
32-8-10.2	B (POR)	0.61	Medford BLM		Rock	\$1.30	Medford BLM
32-8-11.0	A	1.58	RRC	\$3.32	Rock	\$1.30	RRC
32-8-9.1	A	0.35	Medford BLM		Rock	\$1.30	Medford BLM
32-8-9.1	B	0.09	Medford BLM		Rock	\$1.30	Medford BLM
32-8-9.1	C	0.72	Medford BLM		Rock	\$1.30	Medford BLM



United States of America
Department of the Interior
Bureau Of Land Management
Timber Sale Appraisal

District : Roseburg	Contract # : ORR05-TS-2014.0010
Sale Name : Green Bunny	Job File # :
Sale Date : 11/19/2013	Master Unit : Douglas
Appraisal Method : 16' MBF	Planning Unit : South River

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

Roseburg
Green Bunny
ORR05-TS-2014.0010

Legal Description

Forest Type	Township	Range	Section	Subdivision
O&C	31S.	8W.	9	Lot 4, SE1/4 SW1/4, SE1/4
O&C	31S.	8W.	15	Lots 8, 9, & 10
O&C	31S.	8W.	17	SE1/4 NE1/4, E1/2 SE1/4
O&C	31S.	8W.	21	NW1/4 NW1/4, SW1/4 SW1/4
O&C	32S.	7W.	11	S1/2 SW1/4, S1/2 SE1/4

Cutting Volume (16' MBF)

Unit	DF	WRC	WH	PP	POC	IC	GF		Total	Regen	Partial	ROW
All Areas	224	1	1	1	1	1	1	1	230	0	7	0
Totals	224	1	1	1	1	1	1	1	230	0	7	0

Logging Costs per 16' MBF

Stump to Truck	\$ 123.58
Transportation	\$ 52.52
Road Construction	\$ 0.00
Road Amortization	\$ 0.73
Road Maintenance	\$ 18.30

Other Allowances :

Equipment Cleaning	\$ 2.15
Slash Disposal	\$ 3.80
Total Other Allowances :	\$ 5.96

Profit & Risk

Total Profit & Risk	8 %
Basic Profit & Risk	8 % + Additional Risk 0 %
Back Off	0 %

Tract Features

Recovery	Douglas-fir : 84 %	All : 83 %
Salvage	Douglas-fir : 100 %	All : 100 %

Avg Yarding Slope	20 %
Avg Yarding Distance (feet)	50
Avg Age	0
Volume Cable	0 %
Volume Ground	100 %
Volume Aerial	0 %
Road Construction Stations	0.00
Road Improvement Stations	0.00
Road Renovation Stations	0.00
Road Decommission Stations	0.00

Cruise

Cruised By	DS,K,T,MK
Date	09/01/2013
Type of Cruise	
County, State	Douglas, OR

Net Volume

Green (16' MBF)	0
Salvage (16' MBF)	230
Douglas-fir Peeler	0
Export Volume	0
Scaling Allowance (\$0.00 per 16' MBF)	\$0.00

Total Logging Costs per 16' MBF

\$ 201.09

Utilization Centers

Center #1 : Riddle Oregon	24 Miles
Center #2	0 Miles
Weighted distance to Utilization Centers	24

Length of Contract

Cutting and Removal Time	3 Months
Personal Property Removal Time	1 Months

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Roseburg
Green Bunny
ORR05-TS-2014.0010

Stumpage Summary

Stumpage Computation (16' MBF)

Species	Trees	Net Volume	Pond Value	(-) Profit & Risk	(-) Logging Cost	(+) Marginal Log Value	(-) Back Off	Appraised Price	Appraised Value
DF	1	224	\$ 496.99	\$ 39.76	\$ 201.09			\$ 256.10	\$ 57,366.40
POC	1	1	\$ 460.00	\$ 36.80	\$ 201.09			\$ 222.10	\$ 222.10
PP	1	1	\$ 307.20	\$ 24.58	\$ 201.09			\$ 81.50	\$ 81.50
WRC	1	1	\$ 614.00	\$ 49.12	\$ 201.09			\$ 363.80	\$ 363.80
IC	1	1	\$ 419.00	\$ 33.52	\$ 201.09			\$ 184.40	\$ 184.40
WH	1	1	\$ 413.80	\$ 33.10	\$ 201.09			\$ 179.60	\$ 179.60
GF	1	1	\$ 414.70	\$ 33.18	\$ 201.09			\$ 180.40	\$ 180.40
Totals	7	230							\$ 58,578.20

Log Code by Percent

Species	Code #1	Code #2	Code #3	Code #4	Code #5	Code #6
Douglas-fir		1.0	1.0	25.0	55.0	18.0
Grand Fir				35.0	55.0	10.0
Western Hemlock				20.0	70.0	10.0
Incense-cedar						100.0
Western red-cedar						100.0
Ponderosa Pine			10.0	30.0	50.0	10.0
Port-Orford-cedar						100.0

Marginal Log Volume

Species	Grade #7	Grade #8
Douglas-fir		
Grand Fir		
Western Hemlock		
Incense-cedar		
Western red-cedar		
Ponderosa Pine		
Port-Orford-cedar		

Appraised By : Snider, Douglas	Date : 10/23/2013
Area Approval By : Snider, Douglas	Date : 10/23/2013
District Approval By : Thompson, Kristen	Date : 10/24/2013

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Volume Summary

Roseburg
Green Bunny
ORR05-TS-2014.0010

Sale Volume Totals

7 Acres 0 Regen 7 Partial 0 R/W 1 Units

SpeciesName	# of Trees	Merch Logs	Cull Logs	16' MBF Net	16' MBF GM	16' MBF Gross	32' MBF Net	32' MBF GM	32' MBF Gross	CCF Net	CCF GM	CCF Gross
Douglas-fir	1	1	0	224	266	266	0	0	0	0	0	0
Port-Orford-cedar	1	1	0	1	2	2	0	0	0	0	0	0
Ponderosa Pine	1	1	0	1	2	2	0	0	0	0	0	0
Western red-cedar	1	1	0	1	2	2	0	0	0	0	0	0
Incense-cedar	1	1	0	1	2	2	0	0	0	0	0	0
Western Hemlock	1	1	0	1	2	2	0	0	0	0	0	0
Grand Fir	1	1	0	1	2	2	0	0	0	0	0	0
Totals	7	7	0	230	278	278	0	0	0	0	0	0

Unit Totals

Unit : All Areas 7 Acres 0 Regen 7 Partial 0 R/W

SpeciesName	# of Trees	Merch Logs	Cull Logs	16' MBF Gross	16' MBF GM	16' MBF Net
Douglas-fir	1	1		266	266	224
Western red-cedar	1	1		2	2	1
Grand Fir	1	1		2	2	1
Incense-cedar	1	1		2	2	1
Ponderosa Pine	1	1		2	2	1
Port-Orford-cedar	1	1		2	2	1
Western Hemlock	1	1		2	2	1
Unit Totals	7	7		278	278	230

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

Roseburg
Green Bunny
ORR05-TS-2014.0010

Stump to Truck Costs

Total (16' MBF)

Total Stump to Truck Costs	Net Volume	Cost / Net Volume
\$ 28,424.42	230	\$ 123.58

Detail

Yarding & Loading

Yarding System	Unit Of Measure	Units	Cost / Unit	Total Cost
Wheel Skidder	MBF	182	\$ 92.05	\$ 16,753.10
Wheel Skidder	MBF	41	\$ 75.31	\$ 3,087.71
Wheel Skidder	MBF	22	\$ 151.54	\$ 3,333.88
Wheel Skidder	MBF	27	\$ 123.99	\$ 3,347.73
Subtotal				\$ 26,522.42

Other Costs

Explanation	Unit Of Measure	Units	Cost / Unit	Total Cost
Lim & Buk	Per Day	2	\$ 300.00	\$ 600.00
Subtotal				\$ 600.00

Additional Move-Ins

Equipment	# Move-In	Cost / Move In	Total Cost
Yarder / Loader	1	\$ 434.00	\$ 434.00
Skidder	1	\$ 434.00	\$ 434.00
Delimber	1	\$ 434.00	\$ 434.00
Subtotal			\$ 1,302.00

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

Roseburg
Green Bunny
ORR05-TS-2014.0010

Other Allowances Costs

Total (16' MBF)

Total Other Allowances Costs	Net Volume	Cost / Net Volume *	Total Buy Out Cost
\$1,370.00	230	\$5.96	\$0.00

Equipment Cleaning

Detail (16' MBF)

Cost Item	Total Cost	Cost / Net Vol *	Buy Out	Buy Out Cost
Track Skidder	\$ 165.00	\$ 0.72	N	\$ 0.00
Shovel	\$ 165.00	\$ 0.72	N	\$ 0.00
Other Equipment	\$ 165.00	\$ 0.72	N	\$ 0.00
Subtotal	\$ 495.00	\$ 2.15		\$ 0.00

Slash Disposal

Detail (16' MBF)

Cost Item	Total Cost	Cost / Net Vol *	Buy Out	Buy Out Cost
Landings-All (clean-up, covering, piling, burning)	\$ 875.00	\$ 3.80	N	\$ 0.00
Subtotal	\$ 875.00	\$ 3.80		\$ 0.00

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

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

Roseburg
Green Bunny
ORR05-TS-2014.0010

General

This Sale has 7 different areas of fire salvage log decks. Most of the volume (173mbf) is located in sections 9,15,17 & 21 of T.31S. R.8W.. The remaining volume (57mbf) is located approximately 8-10 miles SW in T.32S. R.7W. section 11 requiring an additional move-in cost for 1 loader, 1 Skidder & 1 Processor.

Yarding & Loading

This Sale has 7 different areas of fire salvage log decks. Most of the volume (173mbf) is located in sections 9,15,17 & 21 of T.31S. R.8W.. The remaining volume (57mbf) is located approximately 8-10 miles SW in T.32S. R.7W. section 11 requiring an additional move-in cost. Over half of the volume is not decked but cut with a mechanized harvester and layed down top dropped into the stand and the butt facing the rocked road. This in the appraisers judgement can be reached by a mechanized processor/stroke delimber and decked along the road for loading. Approximately 49mbf will need to be reached with some bull line to be pulled to the road for loading. There is also an additional cost for some manual limbing and bucking were the processor can not reach or the wood is to big.

- \$4.25/gallon fuel cost.
- 4500mbf for second growth & 5500mbf for mature growth were used to estimate the number of log loads.
- One additional move-in was appraised for due to the distance of a quarter of the volume away from the majority of the sale volume.

Road Costs

(see Engineering Appraisal for details).

Transportation

This sale has three different transportation Haul routes due to road conditions and log deck locations.

(see Transportation appendix for details).

Other Allowances

Slash Disposal:
- Landing Machine Pile & Cover: 7 landings @ \$125.00/landing = \$875.00
Miscellaneous:
- Equipment Cleaning: 1 Loader, 1 Skidder & 1 Processor @ \$55.00/hr x 3hrs/piece = \$495.00

Prospectus

The volume for this scale for payment sale was estimated by two certified BLM Cruiser/Appraisers who are also Certified Check Scalers.

- 8% profit and risk was used because this is a scale for payment sale.
- The log grades were determined by comparing other advertised sales in the area.