UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT TILLAMOOK RESOURCE AREA 4610 THIRD STREET TILLAMOOK, OREGON 97141

Sale Date: May 25, 2011

PROSPECTUS

THIS IS A PROSPECTUS ONLY. ATTACHMENTS MAY NOT INCLUDE ALL EXHIBITS REFERRED TO IN THE CONTRACT. THE COMPLETE CONTRACT, INCLUDING ALL EXHIBITS, IS AVAILABLE FOR INSPECTION AT THE SALEM DISTRICT OFFICE AND THE TILLAMOOK RESOURCE AREA OFFICE.

NOTICE IS HEREBY GIVEN that the Bureau of Land Management will offer for sale timber as described herein for oral auction, pursuant to Instructions to Bidders, as stated on Form No. 5440-9 and subject to Notice of Requirement for Certification of Nonsegregated Facilities, Form No. 1140-4, attached. Written and oral bids will be received by the District Manager, or his representative, in the timber sale room at the District Office, 1717 Fabry Road, S.E., Salem, Oregon. The timber sale will commence at 9:00 a.m., on Wednesday, May 25, 2011.

THIS TIMBER SALE NOTICE does <u>not</u> constitute the decision document for purposes of protest and appeal of a forest management decision. Consistent with 43 CFR Subpart 5003-Administrative Remedies, the notice of a timber sale, when published as a legal ad in a newspaper of general circulation shall constitute the decision document for purposes of protest and appeal. Protests may be filed with the Contracting Officer within 15 days of the publication of the aforementioned decision document in the newspaper. It is anticipated that the decision document will be published in the Tillamook Headlight Herald newspaper on or about April 27, 2011. BLM does not warrant publication on this exact date. All parties considering protest of the timber sale decision document are encouraged to review the aforementioned newspaper(s) to ensure accurate knowledge of the exact publication date.

AN ENVIRONMENTAL ASSESSMENT was prepared for each timber sale tract, and a Finding of No Significant Impact has been documented. These documents are available for inspection as background for each timber sale tract at the Salem District Office.

A WRITTEN BID on Form 5440-9 at not less than the advertised appraised price on a unit basis per species and the required minimum bid deposit shall be required to participate in oral bidding for each tract.

THE SUCCESSFUL BIDDER, as a condition of award, will be required to sign Form 1140-6, a certification that the bid was arrived at by the bidder or offeror independently, and was tendered without collusion with any other bidder or offeror. Form 1140-7, Equal Opportunity Affirmative Action Program Representation, must also be completed by the successful bidder for all contracts over \$10,000. Form 1140-8, Equal Opportunity Compliance Report Certification, must be completed by the successful bidder. Form 5450-17, Export Determination, must be completed by the successful bidder. To expedite procedure, this form should be completed and submitted with the written bid.

THE VOLUMES LISTED herein are estimates only. The sale volumes listed are based on 16-foot taper breaks which must be taken into consideration if comparisons are made with volume predictions based on other standards. The volumes based on 32-foot taper breaks are shown for comparison purposes. No sale shall be made for less than the advertised appraised price. The Purchaser shall be liable for the total purchase price, without regard to the amount bid per unit, even though the quantity of timber actually cut or removed or designated for taking is more or less than the estimated volume or quantity so listed.

THIS TIMBER SALE has been cruised based upon Eastside Scribner board foot measure. The minimum bid figures shown by species are dollars per thousand board feet (MBF). The minimum bid increment will be \$0.10 per MBF. Scribner board foot volumes by species are displayed for informational purposes.

A PERFORMANCE BOND in an amount not less than 20 percent of the total purchase price will be required for all contracts of \$2,500 or more. A minimum performance bond of not less than \$500 will be required for all installment contracts less than \$2,500.

QUALIFIED SMALL BUSINESS concerns may apply to SBA for a loan to provide financing for access road construction required under the terms of qualifying timber sale contracts, and necessary contract changes will be made. Approval of loan applications rests with SBA and may be contingent on availability of funds. Applicants for such loans shall notify BLM of their intention to apply for a loan.

PRE-AWARD QUALIFICATIONS. The high bidder may be required to furnish information to determine the ability to perform the obligations of the contract. If the high bidder is determined not qualified, responsible or refuses to respond within fifteen (15) days of a request for information pertaining to qualifications, the contract may be offered and awarded for the amount of the high bid to the highest of the bidders who is qualified, responsible, and willing to accept the contract.

LOG EXPORT AND SUBSTITUTION: All timber sales 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 5420, as amended. 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.

<u>CONTRACT TERMINATION</u>: A revised Special Provision has been added to the contract which enables the Contracting Officer to suspend the contract to facilitate protection of certain plant or animal species, and /or to modify or terminate the contract when necessary to:

- 1. Comply with the Endangered Species Act, or;
- 2. Comply with a court order, or;
- 3. Protect occupied marbled murrelet sites in accordance with the Standards and Guidelines of the Salem District Record of Decision (ROD) and Resource Management Plan (RMP), or;
- 4. Protect species which were identified for protection through survey and manage and/or protection buffer standards and guidelines established in the ROD and RMP.

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

ADDITIONAL INFORMATION concerning each timber sale tract described herein is available at the above District Office. A copy of the timber sale contract is also available for inspection at the District Office.

Attachments:

Form 1140-4

Form 5450-17

Form 5440-9

TIMBER SALE NOTICE

Sale Date: May 25, 2011

SALEM DISTRICT
TILLAMOOK RESOURCE AREA
COLUMBIA MASTER UNIT

TS11-105, Head East Timber Sale

TILLAMOOK COUNTY, OREGON: O&C: ORAL AUCTION: BID DEPOSIT REQUIRED: \$103,000

All timber designated for cutting on Lot 1, Lot 2, S ½ NE ¼, N ½ SE ¼, Sec. 3, N ½ NE ¼, SE ¼ NE ¼, Sec. 11, NE ¼, NW ¼, N ½ SW ¼, NW ¼ SE ¼, Sec. 13, N ½ NW ¼, Sec. 14, NE ¼, Sec. 15, T. 3 S., R. 8 W., W. M., Tillamook County, Oregon

THIS TIMBER SALE HAS BEEN CRUISED BASED UPON EASTSIDE SCRIBNER MEASURE.

Minimum bid figures shown by species are dollars per thousand board feet (MBF). The minimum bid increment will be \$0.10 per MBF.

Approx. No. Merchantable Trees	Est. Vol. MBF 32' Log	Est. Vol. CCF	Species	Est. Vol. MBF 16' Log	Appraised Price Per MBF	Estimated Volume Times Appraised Price
23,053	2,755	5,989	Douglas-fir	3,155	\$197.60	\$623,428.00
25,168	2,563	6,507	w. hemlock	3,434	\$113.70	\$390,445.80
1,672	30	85	Red alder	42	\$370.70	\$15,569.40
49,893	5,348	12,581	Totals	6,631		\$1,029,443.20

LOG EXPORT AND SUBSTITUTION RESTRICTIONS: All timber offered for sale hereunder is restricted from export from the United States in the form of unprocessed timber and also prohibited from substitution of exported private timber.

<u>CRUISE INFORMATION</u>: The timber volumes for the partial cut units were based on a variable plot cruise for estimating the board foot volume of trees. Plots were measured using a 20 basal area factor (BAF) for partial cut units. None of the total sale volume is salvage material. For merchantable Douglas-fir trees the average DBHOB is 12.4 inches; the average gross merchantable log contains 38 bf; the total gross volume is approximately 6,901 MBF; and 96% recovery is expected. The Right-of-Way volume is based on a 3-P cruise for estimating the board foot volume of trees.

<u>CUTTING AREA</u>: 9 units totaling approximately 290 acres are partial cut and 12 acres are Right-of-Way. Acres shown on Exhibit A have been computed using a Trimble Pro XH Global Positioning System receiver. Acreage was calculated based on Global Positioning System traverse procedures including differential correction.

<u>CONTRACT TERMINATION</u>: A revised Special Provision has been added to the contract which enables the Contracting Officer to suspend the contract to facilitate protection of certain plant or animal species, and /or to modify or terminate the contract when necessary to:

- 1. Comply with the Endangered Species Act, or;
- 2. Comply with a court order, or;

- 3. Protect occupied marbled murrelet sites in accordance with the Standards and Guidelines of the Salem District Record of Decision (ROD) and Resource Management Plan (RMP), or;
- 4. Protect species which were identified for protection through survey and manage and/or protection buffer standards and guidelines established in the ROD and RMP.

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

DURATION OF CONTRACT: Will be 36 months for cutting and removal of timber.

LOCATION: The Head East Timber Sale is located approximately 14 air miles southeast of Tillamook, Oregon in Sections 3, 11, 13, 14, and 15, T. 3 S., R. 8 W., W. M. From Hwy 101 at Beaver, OR, take Blaine Road east for approx 6 miles to Moon Creek Road, then take 1st right onto East Creek Road, follow East Creek Road into sale areas. See vicinity map for details.

ACCESS AND ROAD MAINTENANCE: Access is provided by County, Oregon Department of Forestry, Nestucca Forests LLC, Forest Service and Bureau of Land Management, (BLM) controlled roads. All Oregon Department of Forestry, Nestucca Forests LLC and Forest Service controlled roads used in conjunction with this sale will be maintained by the Purchaser. All BLM controlled roads used in conjunction with this sale will be maintained by the Purchaser, except roads 3-6-13 (Nestucca Access Road), 3-7-32.1 (Bear Ridge Road), 4-7-22 (Bible Creek Road) and 4-7-27 (Bald Mtn. Road) will be maintained by the BLM.

In the use of Oregon Department of Forestry controlled roads, as shown on Exhibit E, the Purchaser will be required to enter into a license agreement which requires: The Purchaser shall place 450 cubic yards of crushed rock on ODF controlled roads in lieu of paying a rockwear fee for the transportation of timber included in the contract price over roads below. Provide proof of insurance with limits of \$2,000,000/\$2,000,000/\$2,000,000 and provide a performance bond in the amount of \$2,000.00. Prior to the use of said road, the Purchaser shall furnish the Authorized Officer a copy of the executed license agreement.

In the use of Forest Service roads as shown on Exhibit E, the Purchaser shall comply with the conditions of the BLM /Forest Service Interagency Right-of-Way and Road Use Agreement. The Purchaser will be required to obtain a road use permit from the Forest Service prior to haul. The road use will require the Purchaser to maintain all Forest Service roads. A processing fee in the amount of \$111.00 and an annual use fee in the amount of \$100.00 will be charged for a special use permit. Permits shall be obtained from the Forest Service a minimum 90 days prior to operation. Prior to the use of Forest Service roads or land, the Purchaser shall furnish the Authorized Officer a copy of the executed permits.

In the use of Nestucca Forest LLC. controlled roads 3-8-12.1 segment A and 4-8-2 segments O - Q as shown on Exhibit E, the Purchaser will be required to obtain an access permit from Nestucca Forests LLC. prior to haul. The access permit will include the following conditions: Payment to Nestucca Forests LLC., a road use obligation of three thousand nine hundred and 63/100 dollars (\$3,900.63). In lieu of paying a rockwear fee, the Licensee shall place 50 C.Y. (cubic yards) of 1 ½ minus crushed rock on Nestucca Forests LLC. controlled roads. The Purchaser will be required to carry liability insurance with limits of \$2,000,000/\$2,000,000/\$1,000,000. Prior to the use of said road, the Purchaser shall furnish the Authorized Officer a copy of the executed access permit.

Purchaser maintenance shall include frequent blading and shaping of road surface; ditch, culvert, and catch basin cleaning; removal of minor slides and other debris. Roads shall be left in a condition to withstand adverse weather at the end of the seasonal operations.

ROAD CONSTRUCTION, IMPROVEMENT AND RENOVATION: The Purchaser shall be required to do all work set forth below. The Purchaser shall supply all materials unless otherwise indicated.

1. Improvement:

Road P1, 407 feet, 12-foot outsloped subgrade, move piled material, use in subgrade, Existing surfacing.

2. Renovation:

Road P1, 300 feet, 12-foot outsloped subgrade, Existing surfacing.

Road P4, 920 feet, 12-foot outsloped subgrade, Existing surfacing.

Road P6, 490 feet, 12-foot outsloped subgrade, Existing surfacing.

Road P7, 400 feet, 12-foot outsloped subgrade, Existing surfacing.

Road P8, 400 feet, 12-foot ditched subgrade, Existing surfacing.

Road P9 1,180 feet, 12-foot ditched subgrade, Existing surfacing.

Road P11, 750 feet, 12-foot ditched subgrade, Existing surfacing.

Road P13, 1,435 feet, 12-foot outsloped subgrade, Existing surfacing.

Road P14, 1,020 feet, 12-foot outsloped subgrade, Existing surfacing, Install 1 culvert, 100 CY Borrow material needed for culvert.

3-8-1.0, 0.53 miles, 14-foot ditched subgrade, Existing surfacing, Place spot rock.

3-8-1.1, 2.58 miles, 14-foot ditched subgrade, Existing surfacing, Place spot rock.

3-8-2.0, 0.16 miles, 14-foot ditched subgrade, Existing surfacing, Place spot rock, base rock, surfacing rock, and culvert bedding rock, Install 3 culverts, Place slope protection.

3-8-2.2, 0.64 miles, 14-foot ditched subgrade, Existing surfacing.

3-8-12.1, 1.19 miles, 14-foot ditched subgrade, Existing surfacing, Place spot rock, Install 2 culverts.

3-8-12.1, 0.53 miles, 14-foot outsloped subgrade, Existing surfacing, Place spot rock.

3-8-13.0, 0.69 miles, 14-foot ditched subgrade, Existing surfacing, Place spot rock, Install 1 culvert, 2 large fill constructions.

3-8-13.2, 0.13 miles, 14-foot ditched subgrade, Existing surfacing, Remove existing culvert section on fill slope.

3-8-13.7, 0.10 miles, 14-foot outsloped subgrade, Existing surfacing.

3-8-15.0, 2.43 miles, 16-foot ditched subgrade, Existing surfacing, Place spot rock, Install 4 culverts, Fix existing downspout, Place slope protection at existing culvert.

3-8-20.0, 1.05 miles, 14-foot ditched subgrade, Existing surfacing, Place spot rock, base rock, surfacing rock and culvert bedding rock, Install 7 culverts, Place slope protection.

3-8-24.0, 0.485 miles, 14-foot ditched subgrade, Existing surfacing.

3-8-24.1, 2.10 miles, 14-foot ditched subgrade, Existing surfacing, Place spot rock, base rock, surfacing rock and culvert bedding rock, Install 13 culverts (10 large fills), Place slope protection, Incorporate unused fill material into the subgrade, Install gate.

4-8-2.0, 2.48 miles, 16-foot ditched subgrade, Existing surfacing.

FS 8300, 0.31 miles, 16-foot ditched subgrade, Existing surfacing.

3. Estimated Quantities:

a. Clearing/Grubbing (only):

0.10 acres Improvement

7.4 acres of Renovation

b. Brushing (only):

13.0 acres of Renovation

c. <u>Culverts:</u>

314 feet of 18 inch Corrugated Plastic Pipe (CPP) - Type S

344 feet of 24 inch Corrugated Plastic Pipe (CPP) - Type S

380 feet of 36 inch Corrugated Plastic Pipe (CPP) – Type S

126 feet of 48 inch Aluminized Steel (CMP)

d. <u>Downspouts:</u>

10 feet of 18 inch Corrugated Plastic Pipe (CPP)-Type C.

e. Aggregate Material:

Quantity	<u>Description</u>
190 cubic yards	1-1/2"-0" Crushed Rock
400 cubic yards	1-1/2"-0" Crushed Rock-Spot Rock
700 cubic yards	Grid Rolled Rock
140 cubic yards	1-1/2"-0" Crushed Rock - Culvert Bedding/Backfill
1000 cubic yards	1-1/2"-0" Crushed Rock-Maintenance Rock

f. Slope Protection Material:

QuantityDescription165 cubic yardsClass C Riprap Rock65 cubic yardsClass F Riprap Rock

Rock Source: Commercial

DECOMISSIONING

Roads P1, P4, P6, P7, P8, P9, P11, P13 (Sta. 10+05 to 14+35), P14, 3-8-13.0, 3-8-13.2, 3-8-13.7, and 3-8-24.1 (M.P. 1.077 to 2.10) shall be subsoiled to a depth of 18"inches, water barred & blocked upon completion of logging. Clearing debris shall be placed on and around the barriers so as to prevent further use of the road by vehicles. Total length of road to be decommissioned by subsoiling is 3.13 miles.

Road 3-8-12.1 (M.P. 1.19 to 1.72) shall not be subsoiled, but shall be water barred & blocked upon completion of logging. Clearing debris shall be placed on and around the barriers so as to prevent further use of the road by vehicles. Total length of road to be decommissioned without subsoiling is 0.53 miles.

Roads P13 (Sta. 0+00 to 10+05), 3-8-1.1 (M.P. 1.41 to 2.58), 3-8-2.0, 3-8-2.2, 3-8-20.0, and 3-8-24.1 (M.P. 0.00 to 1.077) shall have drivable waterbars installed within 30 days after all harvest activities have been completed on that road segment. All culverts are to remain and shall not be blocked to traffic. Total length of road to have drivable waterbars installed after use is 4.28 miles.

OTHER

Blading and Compacting of all subgrades and surfacing layers shall be required.

Right of way debris shall be disposed of by scattering on all roads.

All natural surface roads shall be water barred and blocked at the end of seasonal operations.

Grass seeding shall be required on all newly disturbed areas. Grass seed shall be furnished by the Government.

All areas of disturbed soil around "Live" Water shall be straw mulched.

SPECIAL ATTENTION ITEMS

Sec. 40. a-d	Reserved timber
Sec. 41.d, h	Skyline yarding requirements
Sec. 41.f	Log length restrictions

Sec. 41.i, j Ground-based yarding requirements

Sec. 41.k This contract contains provisions for the sale and removal of additional timber necessary to facilitate safe and efficient Purchaser operations. These provisions include:

- Reserve trees felled in skyline corridors, skid roads, landing areas, or haul roads that are greater than or equal to 20" DBH in all units shall remain on site. It is anticipated that a small portion of these felled trees would be removed in order to avoid the creation of operational problems and/or safety hazards at the discretion of the Authorized Officer.
- Sale of additional timber volume at current fair market value where the species and/or size of trees are <u>not</u> representative of the forest stand(s) being thinned;
- The use of unilateral modifications executed by BLM for such additional timber;
- Revocation of the Purchaser's right to cut additional timber if the Authorized Officer determines that trees have been cut and removed that were not previously marked and approved for cutting and removal by the Authorized Officer; and,
- It is estimated that approximately 769 MBF of such additional timber may be removed under the contract, but is not included in the advertised sale volume nor was it included in the timber sale appraisal.

Sec. 41.o-s	Seasonal restrictions
Sec. 41.t-ff	Road construction, improvement, renovation, maintenance and use.
Sec. 41.kk	Water-bar, place coarse woody debris and slash, and block skid trails
Sec. 41.nn	Logging residue reduction: construction and covering landing piles, slash pullback.
Sec. 41.pp	Log Export Restriction
Exhibit H	Special provisions for tractor subsoiler.

Seasonal Restriction Matrix

*Restricted Times are Shaded

	Jan	Fe	eb	M	ar	A	pr	M	ay	Ju	ne	Ju	ıly	A	ug	Se	pt	0	ct	N	ov	D	ec
Activity																							
Cable and Ground Yarding		5																					
Hauling																							
Road Construction/Maintenance																					4,5		
In-stream work																							

TIMBER SALE CONTRACT SPECIAL PROVISIONS

Sec. 40.

RESERVED

- a. All timber on the reserve area(s) shown on Exhibit A and all painted orange and/or posted trees which are on or mark the boundaries of the reserve areas and/or Right-of-Way Areas of the roads to be constructed shown on Exhibit A.
 - b. All trees marked with orange paint in the partial cut areas shown on Exhibit A.
- c. All hardwood trees in the partial cut areas shown on Exhibit A unless otherwise approved by the Authorized Officer.
- d. All snags, logs, and down trees in the partial cut areas shown on Exhibit A, unless approved by the Authorized Officer. Snags that are knocked over or felled during logging shall be left on site.

Sec. 41. Special Provisions

LOGGING

- a. Periodic Payment and First Installment Adjustment
- 1. Notwithstanding the provisions of Sec. 3(b), the amount of the first installment may be reduced by the Government when the Contracting Officer requests the Purchaser to interrupt or delay operations for a period expected to last more than thirty (30) days during the operating season. Such interruption or delay must be beyond the Purchaser's control. Operating Season shall be defined, for this purpose, as the time of year in which operations of the type required are normally conducted and not specifically restricted under the contract. The first installment may be reduced to five (5) percent of the installment amount listed in Sec. 3(b), during the delay period. The Purchaser must request such a reduction in writing. When the Contracting Officer notifies the Purchaser that operations may proceed, the Purchaser shall have fifteen (15) days after such notification to return the first installment to the full value specified in Sec. 3(b). Failure to return the first installment to the full value within the allotted time will be considered a material breach of contract. No timber shall be cut or removed from the contract area until the first installment is restored to the full amount.
- 2. Notwithstanding the provisions of Sec. 3(b), adjustments in the due dates for periodic payments may be made by the Government if the Contracting Officer interrupts or delays contract operations for a period expected to last at least thirty (30) days, and the interruption or delay is beyond the Purchaser's control. Any adjustment made shall provide the Purchaser with an equal amount of operating time as would have been available without the delay. The Purchaser shall request such adjustment in writing before the due date for a periodic payment contained in Sec. 3(b).

- b. 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's representative must be held at a location designated by the Authorized Officer before the logging plan will be approved. The Purchaser shall provide a minimum of seven (7) days' notice when requesting the scheduling of a pre-work conference.
- c. Before beginning operations on the contract area for the first time or after a shutdown of fourteen (14) or more days, the Purchaser shall notify the Authorized Officer in writing of the date he plans to begin operations. This written notification must be received by the Authorized Officer no less than fourteen (14) days prior to the date the Purchaser plans to begin or resume operations. The Purchaser shall also notify the Authorized Officer in writing if he intends to cease operations for any period of seven (7) or more days.
- d. Where skyline yarding occurs through the reserve areas that buffer streams all logs must be transported completely clear of the ground for a minimum of fifty (50) feet slope distance on both sides of the stream. Skyline yarding roads that cross streams shall be perpendicular to streams.
- e. All trees designated for cutting shall be cut so that the resulting stumps shall not be higher than twelve (12) inches measured from the ground on the uphill side of the trees.
- f. In the Partial Cut Areas shown on Exhibit A, all trees designated for cutting shall be felled and cut into log lengths not to exceed forty (40) feet plus trim before being yarded.
- g. No trees may be felled in or into the reserve areas designated on Exhibit A, or adjacent private land, unless expressly authorized by other provisions of this contract.
- h. In the Partial Cut Area Skyline Yarding shown on Exhibit A, yarding shall be done with a skyline-type cable system. The skyline-type system shall be equipped with a clamping energized or mechanical slackpulling carriage that has at least seventy-five (75) feet lateral yarding capabilities. The carriage shall be capable of being held in position on the skyline during all lateral yarding and shall be able to pass intermediate support jacks as required. Skyline yarding roads shall be spaced an average of one hundred fifty (150) feet apart at the point where the skyline intersects the Partial Cut Area boundaries. Skyline yarding roads shall be located perpendicular to the yarding slope unless otherwise approved by the Authorized officer. The Purchaser shall directionally fall trees into the lead with the yarding direction. The leading end of all logs shall be transported free of the ground during yarding. The rigging of tail or lift trees, intermediate supports and use of tail holds outside the Partial Cut Areas shall be required where necessary to meet this requirement. The number of designated corridors and their locations and tail and lift trees will be approved by the Authorized Officer prior to commencement of falling operations.
- i. In the "Partial Cut Area Ground-Based areas" shown on Exhibit A, equipment shall not exceed a ground pressure rating of 8 p.s.i. (pounds per square inch), and shall be tracked-mounted, have a boom mounted cutting head or grapple and be approved by the Authorized Officer. Yarding shall be done so that the lead-end of the log is lifted fully off the ground. Skid roads shall be spaced no closer than 150 feet unless otherwise agreed to by the Authorized Officer. Operations on existing skid roads within 240 feet

of streams shall not have a grade in excess 20%. Ground based skidding equipment shall not operate off of existing skid roads within 240 feet of streams. Excavation on designated skid roads shall be limited to a maximum cut of one foot unless authorized by the Authorized Officer. All trees that must be removed to facilitate construction of these skid roads shall be felled prior to falling operations in the remainder of this area. The Purchaser shall directionally fall trees into the lead with the skidding direction and winch or carry to these skid roads. Skid roads shall be approved by the Authorized Officer prior to the commencement of falling operations. All equipment operated off skid roads shall operate on a continuous layer of slash with no more than two passes over the same ground shall be permitted.

- j.. Before cutting and removing any trees necessary to facilitate logging in the Partial Cut Areas shown on Exhibit A, the Purchaser shall identify the location of 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:
 - 1. All skid roads and/or cable yarding roads upon which timber is identified by the Purchaser to be cut and removed in accordance with this special provision must be necessary for the safe 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 both skid roads and cable roads shall be limited to twelve (12) feet.
 - 2. 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 a non-reserve color of paint above and below stump height by the Authorized Officer and thereby approved for cutting and removal by the Authorized Officer. Any reserve tree greater or equal 20" DBH that must be cut for operational purposes shall be left on the Contract Area, unless otherwise approved 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.
 - 3. 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 tree species are not listed in Exhibit B of this contract and otherwise reserved in Section 40 of the contract shall be appraised and sold by bilateral modification of the contract at current fair market value in accordance with Sec. 8 of the contract.
 - 4. 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.

- 5. 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.
- 6. The Government may reserve trees previously designated for cutting and removal by applying orange paint as replacements for additional trees cut and removed for skid roads and/or cable yarding roads when the Authorized Officer determines such reservation is necessary to maintain stand densities consistent with objectives set forth in the management prescriptions. This may include the replacement of trees damaged by storm events, or insects or disease. The volume of this timber to be reserved will be determined by the Authorized Officer in accordance with Bureau of Land Management prescribed procedures and the value shall be based on the unit prices shown in Exhibit B of the contract. The Purchaser agrees that the Total Purchase Price shall be reduced accordingly through a unilateral modification to the contract executed by the Contracting Officer.
- l. No yarding or loading is permitted in or through the reserve area, shown on Exhibit A, unless approved by the Authorized Officer.
- m. 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.
- n. Excessive damage to reserve timber, as determined by the authorized officer, will result in suspension of yarding operations until corrective measures to prevent further damages have been approved by the authorized officer.

SEASONAL RESTRICTIONS

- o. No ground-based or cable yarding shall be conducted on the partial cut areas shown on Exhibit A between October 16 of one calendar year and May 31 of the following calendar year, both days inclusive, and during other periods of wet soil conditions as determined by the Authorized Officer.
- p. No road renovation, road construction, road decommissioning, sub-soiling, or road maintenance shown on Exhibit C and E shall be conducted between October 16 of one calendar year and May 31 of the following calendar year, both days inclusive, and during other periods of wet soil conditions as determined by the Authorized Officer.
 - q. No hauling shall be conducted between October 16 of one calendar year and May 31 of the

following calendar year, both days inclusive, and during other periods of wet soil conditions as determined by the Authorized Officer.

- r. No instream work on culverts shall be conducted between September 16 of one calendar year and June 30 of the following calendar year, both days inclusive.
- s. All road maintenance, renovation, or culvert work shall be conducted two (2) hours after sunrise and two (2) hours before sunset on road 3-8-24.1, between roads 3-8-15 and 3-8-13.7.

ROAD CONSTRUCTION, IMPROVEMENT, RENOVATION, MAINTENANCE AND USE

- t. The Purchaser shall improve road P1 (Sta. 0+00-4+07); renovate roads P1 (Sta. 4+07-7+07), P4, P6, P7, P8, P9, P11, P13, P14, 3-8-1, 3-8-1.1, 3-8-2, 3-8-2.2, 3-8-12.1, 3-8-13, 3-8-13.2, 3-8-13.7, 3-8-15 (East & West), 3-8-20, 3-8-24.1, 4-8-2 and FS8300. All roads are to be constructed in strict accordance with the plans and specifications shown on Exhibit C, which is attached hereto and made a part hereof.
- u. Any required improvement and renovation of roads shall be completed and accepted prior to the removal of any timber, except right-of-way timber, over that road.
- v. Within 30 days of completion of yarding and hauling operations, the Purchaser shall subsoil roads P1, P4, P6, P7, P8, P9, P11, P13 (Sta. 10+05 14+35), P14, 3-8-13, 3-8-13.2, 3-8-13.7, and 3-8-24.1 (M.P. 1.077 2.100) as shown on Exhibit C. Subsoiling shall consist of loosening the soil to a depth of eighteen (18) inches utilizing a winged subsoiler acceptable to the Authorized Officer, described in Exhibit H, "Special Provisions for Tractor Subsoiler" of this contract which is here to attached and made a part of. No subsoiling shall be required where the road traverses rock outcroppings. All natural water courses shall be opened to prevent erosion of the road. All culverts shall be removed and disposed of by the Purchaser. Barriers shall be constructed and clearing debris shall be placed on and around the barriers so as to prevent further use of the road by vehicles.
- w. The Purchaser is authorized to use the roads listed below and shown on Exhibit E which are under the jurisdiction of the Bureau of Land Management for the removal of Government timber sold under the terms of this contract and/or the hauling of rock as required in Exhibit C, provided that the Purchaser pay the required maintenance obligations described in Section 41 x. The Purchaser shall pay current Bureau of Land Management maintenance and rockwear fees for the sale of additional timber under modification to the contract.

Road No. and Segment	Length Miles Used	Road Control	Road Surface Type	Maintenance Responsibility
3-6-13 – Nestucca Access Road	3.50	BLM	Double Lane Paved	BLM
3-7-32.1 – Bear Ridge Road	4.20	BLM	Crushed Rock	BLM
4-7-22 – Bible Creek Road	5.20	BLM	Single Lane Paved	BLM
4-7-27 - Bald Mtn. Road	1.20	BLM	Single Lane Paved	BLM

x. Provided, that the Purchaser shall pay the Government a road maintenance obligation of fifty-two thousand fifty-six dollars and 64/100 (\$52,056.64) for the transportation of any timber included in this contract price and/or the hauling of rock as required in Exhibit C over said road.

Unless the total maintenance amount is paid prior to commencement of operations on the contract area, payments shall be made in installments payable in the same manner as and together with payments required by Sec. 3 of this contract.

y. The Purchaser is authorized to use the roads listed below and shown on Exhibit E which are under the jurisdiction of the Bureau of Land Management for the removal of Government timber sold under the terms of this contract and/or the hauling of rock as required in Exhibit C provided that the Purchaser comply with the conditions set forth in Section 41 aa. and pay the required rockwear obligation described in Section 41 z. The Purchaser shall pay current Bureau of Land Management rockwear fees for the sale of additional timber under modification of the contract.

Road No. and Segment	Length Miles Used	Road Control	Road Surface Type	Maintenance Responsibility
P1 (3-8-3.1)	0.14	BLM	Natural	Purchaser
P4	0.17	BLM	Natural	Purchaser
P6	0.09	BLM	Natural	Purchaser
P7	0.08	BLM	Natural	Purchaser
P8	0.08	BLM	Natural	Purchaser
P9	0.22	BLM	Natural	Purchaser
P11	0.14	BLM	Natural	Purchaser
P14	0.19	BLM	Natural	Purchaser
3-8-1.1 D & F	0.51	BLM	Crushed Rock	Purchaser
3-8-12.1 B	0.53	BLM	Crushed Rock	Purchaser
3-8-13	0.69	BLM	Crushed Rock	Purchaser
3-8-13.2	0.13	BLM	Crushed Rock	Purchaser
3-8-13.7	0.09	BLM	Crushed Rock	Purchaser
3-8-15	2.43	BLM	Crushed Rock	Purchaser
3-8-15.3	2.82	BLM	Crushed Rock	Purchaser
3-8-20	1.05	BLM	Crushed Rock	Purchaser
3-8-24.1	2.10	BLM	Crushed Rock	Purchaser
4-8-2 K-M & R-S	1.73	BLM	Crushed Rock	Purchaser

z. The Purchaser shall also pay to the Government a road maintenance obligation for rockwear in the amount of (\$3,357.10) for the transportation of timber included in the contract price and for transportation of any mineral material required under terms of the contract over road or roads listed in Section 41 y.

Unless the total rockwear amount is paid prior to commencement of operations on the contract area, payments shall be made in installments payable in the same manner as and together with payments required by Sec. 3 of this contract.

- aa. The Purchaser shall perform any 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.
- bb. In the use of roads listed below and shown on Exhibit E, the Purchaser shall comply with the conditions of the Cooperative Right-of-Way Agreement, between the State of Oregon and the United States, dated April 19, 1960, which requires that the Purchaser enter into a license agreement with the Oregon State Department of Forestry. Prior to commencement of operations, the Purchaser shall furnish to the Authorized Officer a copy of the required executed license agreement. These conditions include: The Purchaser shall place 450 cubic yards of crushed rock on ODF controlled roads in lieu of paying a rockwear fee for the transportation of timber included in the contract price over roads below. Provide proof of insurance with limits of \$2,000,000/\$2,000,000/\$2,000,000 and provide a performance bond in the amount of \$2,000.00.

Road No. and Segment	Length Miles Used	Road Control	Road Surface Type	Maintenance Responsibility
2-8-12	0.14	ODF	Crushed Rock	Purchaser
3-8-1 A-B	0.53	ODF	Crushed Rock	Purchaser
3-8-1.1 A-E	2.07	ODF	Crushed Rock	Purchaser
3-8-2 A	0.16	ODF	Crushed Rock	Purchaser
3-8-2.2	0.64	ODF	Crushed Rock	Purchaser
3-8-14.4	0.26	ODF	Crushed Rock	Purchaser
4-8-2 T	0.04	ODF	Crushed Rock	Purchaser

cc. In the use of roads listed below and shown on Exhibit E, the Purchaser shall comply with the conditions of Right-of-Way and Road Use Agreement No. S-1004 between the United States of America and Nestucca Forests LLC. The Purchaser will be required to obtain an access permit from Nestucca Forests LLC. prior to haul. The access permit will include the following conditions: Payment to Nestucca Forests LLC., a road use obligation of three thousand nine hundred and 63/100 dollars (\$3,900.63). In lieu of paying a rockwear fee, the Licensee shall place 50 C.Y. (cubic yards) of 1½ minus crushed rock on Nestucca Forests LLC. controlled roads. The Purchaser shall furnish the Authorized Officer a copy of the executed access permit prior to haul. Default by the Purchaser of said Right-of-Way and access permit 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. The Purchaser will be required to carry liability insurance with limits of \$2,000,000/\$2,000,000/\$1,000,000/\$1,000,000.

Road No. and Segment	Length Miles Used	Road Control	Road Surface Type	Maintenance Responsibility
3-8-12.1 A	1.19	Nestucca Forests	Crushed Rock	Purchaser
4-8-2 O-Q	0.70	Nestucca Forests	Crushed Rock	Purchaser

dd. In the use of roads listed below and shown on Exhibit E, the Purchaser shall comply with the conditions of the BLM /Forest Service Interagency Right-of-Way and Road Use Agreement. The Purchaser will be required to obtain a road use permit from the Forest Service prior to haul. Default by the Purchaser of said permits executed pursuant thereto, for failure to pay appropriate 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.

Road No. and Segment	Length Miles Used	Road Control	Road Surface Type	Maintenance Responsibility
4-8-2 I-J (FS 8300)	0.31	Forest Service	Crushed Rock	Purchaser

- ee. 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, 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.
- ff. The Purchaser shall be required to secure written approval to use vehicles or haul equipment over Government-owned or controlled bridges when such vehicles or equipment exceed the maximum allowable weights or dimensions established by the State for vehicles operating without a permit.

Tracked-type equipment shall not be allowed to cross over concrete-bridge decks, other concrete surfaced tructures, or asphalt surfaced roads without the proper protection of that surface. Prior approval shall be obtained from the Authorized Officer when crossing with protective devices.

Details of such equipment shall be furnished to the Authorized Officer for evaluation of load characteristics at least 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 vehicles.
- 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 overdimension or tracked vehicles or equipment: (1) without written approval, or (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 technical inspection and evaluation.

ENVIRONMENTAL PROTECTION

- gg. During culvert installation or replacement activities all stream flow shall be diverted around the culvert work occurring in live streams, as to maintain downstream flows and minimize turbidity. Woody material removed from stream channels during culvert work shall be placed in the stream channel downstream of the culvert.
- hh. If in connection with operations under this contract the Purchaser, his contractors, subcontractors, or the employees of any of them, discover, encounter, or become 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 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.
- ii. In addition to the requirements set forth in Section 25 of this contract, the Purchaser shall power wash all road construction and ground-based logging equipment including loaders and mechanically propelled brush cutters, prior to entry onto BLM lands each work season, or before returning to BLM lands after leaving it. Equipment shall be inspected by the Authorized Officer at a site approved by the Authorized Officer to verify that the equipment has been reasonably cleaned prior to entry onto BLM lands.
- jj. The Purchaser shall immediately discontinue specified construction or timber harvesting operations upon written notice from the Contracting Officer that:
 - (1) 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;
 - when, in order to comply with the Endangered Species Act (or to protect occupied marbled murrelet sites in accordance with the Standards and Guidelines of the Salem District Record of Decision (ROD) and Resource Management Plan (RMP)), the Contracting Officer determines it may be necessary to modify or terminate the contract, or;
 - (3) 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;

- (4) 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;
- (5) 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;
- (6) when, in order to comply with a court order, the Contracting Officer determines it may be necessary to modify or terminate the contract, or;
- (7) 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;
- (8) 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 terminated the contract.

Those operations necessary for a safe removal of personnel and equipment from the contract area and those directed by the Contracting Officer which are required in order to leave the contract area in an acceptable condition will be permitted. Discontinued operations may be resumed upon receipt of written instructions and authorization by the Contracting Officer.

During any period of suspension, the Purchaser may withdraw performance and payment bond coverage aside from that deemed necessary by the Authorized Officer to secure cut and/or removed timber for which the Bureau of Land Management has not received payment, and/or unfulfilled contract requirements associated with harvest operations that have already occurred and associated post-harvest requirements.

In the event of a suspension period or a combination of suspension periods that exceed a total of 30 days, the First Installment held on deposit may be temporarily reduced upon the written request of the Purchaser. For the period of suspension extending beyond 30 days, the First Installment on deposit may be reduced to five (5) percent of the First Installment amount listed in Section 3.b. of the contract. Any First Installment amount temporarily reduced may be refunded or transferred to another BLM contract at the request of the Purchaser. However, if the Purchaser has outstanding debt owing the United States, the Contracting Officer must first apply the amount of First Installment that could be refunded to the debt owed in accordance with the Debt Collection Improvement Act, as amended (31 USC 3710, et seq.). Upon Purchaser's receipt of a bill for collection and written notice from the Contracting Officer lifting the suspension, the Purchaser shall restore the First Installment to the full amount shown in Section 3.b. of the contract within 15 days after the bill for collection is issued, subject to Section 3.h. of the contract. The Purchaser shall not resume contract operations until the First Installment amount is fully restored.

In the event of a suspension period or a combination of suspension periods that exceed a total of 30 days, the unamortized Out-of-Pocket Expenses for road or other construction required pursuant to Exhibit C of the contract shall be refunded or transferred to another BLM contract at the request of the Purchaser. Upon

written notice from the Contracting Officer lifting the suspension, the Purchaser shall reimburse the Government the amounts refunded or transferred. The Purchaser may choose to pay this reimbursement at once or in installments payable at the same time as payments are due for the timber under the contract and in amounts approximately equal to the expenses associated with the timber for which payment is due.

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

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

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

The Purchaser specifically and expressly waives any right to claim damages, other than those described in the preceding paragraphs, based on an alleged breach of any duty to the Purchaser, whether express or implied, in regard to the manner in which the Government defended the litigation which resulted in the court order affecting the operation of the contract. This waiver also extends to any claims based on effects on the operation of the contract that arise from litigation against another agency. Furthermore, the Purchaser specifically acknowledges and agrees that a court ruling that the Government violated the Administrative Procedures Act cannot be interpreted, in itself, to mean that the Government had not acted reasonably in regard to its duties to the Purchaser under this contract.

MISCELLANEOUS

- kk. Immediately following ground-based yarding activities for any operating season, the Purchaser shall construct water bars and block skid trails as designated by the Authorized Officer.
- Il. The Government, at its option, may administratively check scale any portion of the timber removed from the contract area, and if necessary, conduct check scaling of independent scalers contracted to BLM for administrative check scaling purposes. The Purchaser hereby agrees to make such contract timber

available for such scaling at a location or locations to be approved in writing by the Authorized Officer. At the approved location or locations, the Purchaser shall provide an area for logs to be safely rolled out for scaling, to unload logs from trucks, place logs in a manner so that both ends and three faces of each log are visible for scaling, and to reload or remove logs after scaling has been completed. In the event that BLM elects to administratively check scale and if such check scaling causes a delay in log transportation time, an adjustment will be made to the purchase price as follows. If the entire sale is check scaled, the purchase price of this contract shall be reduced by \$3315.50. In the event only a portion of the contract timber is scaled, the purchase price shall be reduced by that portion of \$3,315.50 which is equal to the percentage of timber sold which was actually scaled by the Government. For purposes of computing this price reduction, the percentage of timber sold which has been scaled shall be determined by the Government. Any reduction in purchase price under the terms of this provision shall be full compensation to the Purchaser for any expense or loss incurred as a result of such scaling. Scaling shall be conducted in accordance with the Northwest Log Rules, Eastside Scribner, by BLM scalers, and/or independent scalers contracted to BLM. A copy of the scale report will be made available to the Purchaser upon request."

FIRE PROTECTION

- mm. Primarily for purposes of fire prevention and control, the Purchaser shall comply with the following provisions when operating at Oregon Department of Forestry Industrial Fire Precaution Level (IFPL) I (Closed Fire Season). At IFPL II and III, additional fire prevention and control provisions may be added as determined by the Authorized Officer and specified in written instructions to the Purchaser to mitigate dry fuel and weather conditions.
 - (1) 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.
 - (2) Provide and maintain in good working order, and immediately available on the contract area, the following equipment for use during closed fire season or periods of fire danger:
 - (a) Fire fighting tools shall be kept at each landing or at such other place at 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 (1) 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 be not less than four (4) tools in each box or less than one (1) tool for each man 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.
 - (b) At each landing or such other place as the Authorized Officer shall designate during periods of operation, one (1) tank truck of one thousand (1000) gallons or more capacity, or multiple engines equal to 1000 gallons capacity, with five hundred (500) feet of 1 ½ inch hose, one thousand (1000) feet of 1 inch hose, one (1) 1 ½ inch gated wye, one (1) 1 inch gated wye, two (2) 1 ½ to 1 inch reducers, and three (3) 1 inch nozzles. The tank truck or smaller engines shall be equipped with

a pump capable of delivering a minimum of forty (40) pounds per square inch (psi) engine pressure through fifty (50) feet of 1½ inch hose. The pump may be either a power take off (PTO), or a truck-mounted auxiliary engine. All equipment shall be acceptable to the Authorized Officer and shall conform to the standards set forth in Oregon Revised Statutes 477.645 through 477.670 and any rule promulgated pursuant to these statutes. All hose couplings shall have the standard thread adopted by the BLM (1½ inch National Hose Thread (NH), 1 inch National Pipe Straight Hose Thread (NPSH) or be provided with suitable adapters. At the close of each working day, all bulldozers, tank trucks, and/or engines shall be filled with fuel and made ready for immediate use. All tank trucks, and /or engines and portable tanks shall be filled with water and made available for immediate use.

- (c) Two (2) backpack pumps at each landing and one (1) at each tail block, or any other block, all to be kept full of water and in good operating condition.
- (d) A chemical fire extinguisher of at least eight (8) ounces minimum capacity of a type approved by the Oregon State Forester and a size 0 or larger shovel shall be carried during the closed fire season or periods of fire danger by each falling crew and each bucker 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. 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.
- (e) Where blocks and cables are used on the contract area during periods of fire danger, the Purchaser shall remove all flammable material at least ten (10) feet from the place where the tail or any other block shall hang when the cable is tight. Such clearings shall be inspected periodically by the Purchaser and shall be kept free of flammable material.
- (f) During Oregon Department of Forestry Regulated Use Closure, no smoking shall be permitted outside of closed vehicles.

LOGGING RESIDUE REDUCTION

nn. Immediately upon completion of harvest on any individual units, logging slash at all landings, slash located along designated property lines and roads, (shown on Ex. G), and site preparation, will be treated as follows, see Exhibits F and G attached hereto and made a part hereof:

LOG EXPORT RESTRICTION

oo. All timber sold to the Purchaser under the terms of the contract, except exempted species, is restricted from export under the United States in the form of unprocessed timber, and is prohibited from being used as a substitute for exported private timber. For the purpose of this contract, unprocessed timber is defined as (1) any logs except those of utility grade or below, such as 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 uses; or (4) western redcedar lumber which does not meet lumber of American Lumber Standards Grades of Number 3 dimension or better, or Pacific Lumber Inspection Bureau R-List Grades of Number 3 Common or better. Thus, timber manufactured into the following will be considered processed: (1) lumber and construction timbers, regardless of size, manufactured to standards and specifications suitable for end product uses; (2) chips, pulp and pulp products; (3) green or dry veneer and plywood; (4) poles and piling cut or treated for use as such; (5) cants, squares, and lumber cut for remanufacturing of eight and three-quarters (8-3/4) 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:

- 1. Date of last export sale.
- 2. Volume of timber contained in last export sale.
- 3. Volume of timber exported in the past twelve (12) months from the date of last export sale.
- 4. Volume of Federal timber purchased in the past twelve (12) months from date of last export sale.
- 5. Volume of timber exported in succeeding twelve (12) months from date of last export sale.
- 6. 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 "Certificate as to Nonsubstitution and 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 the 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, prior to the removal of timber from the contract area, brand with Purchaser's registered log brand at least one end of each log, bolt, or other roundwood and identify each of these by painting with highway yellow paint.

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.

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.

EQUAL OPPORTUNITY IN EMPLOYMENT

pp. Certification of Nonsegregated Facilities, Form 1140-3, is attached hereto and made a part hereof.

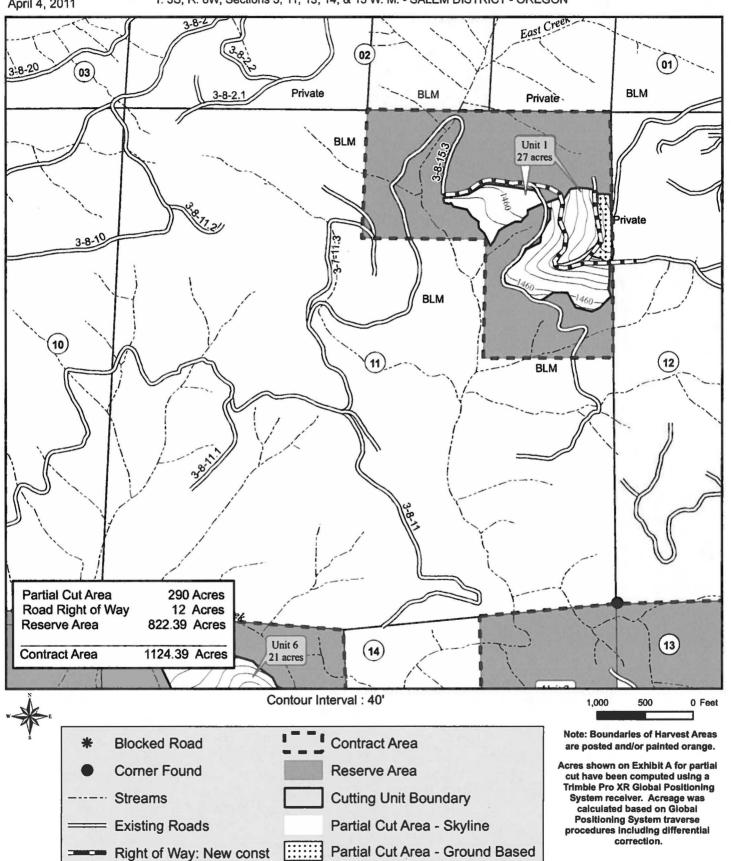
United States Department of the Interior **BUREAU OF LAND MANAGEMENT**

TIMBER SALE CONTRACT MAP

Contract No. ORS000-TS11-105 Head East Timber Sale Exhibit A Page 1 of 4

April 4, 2011

T. 3S, R. 8W, Sections 3, 11, 13, 14, & 15 W. M. - SALEM DISTRICT - OREGON



Right of Way: Renovate

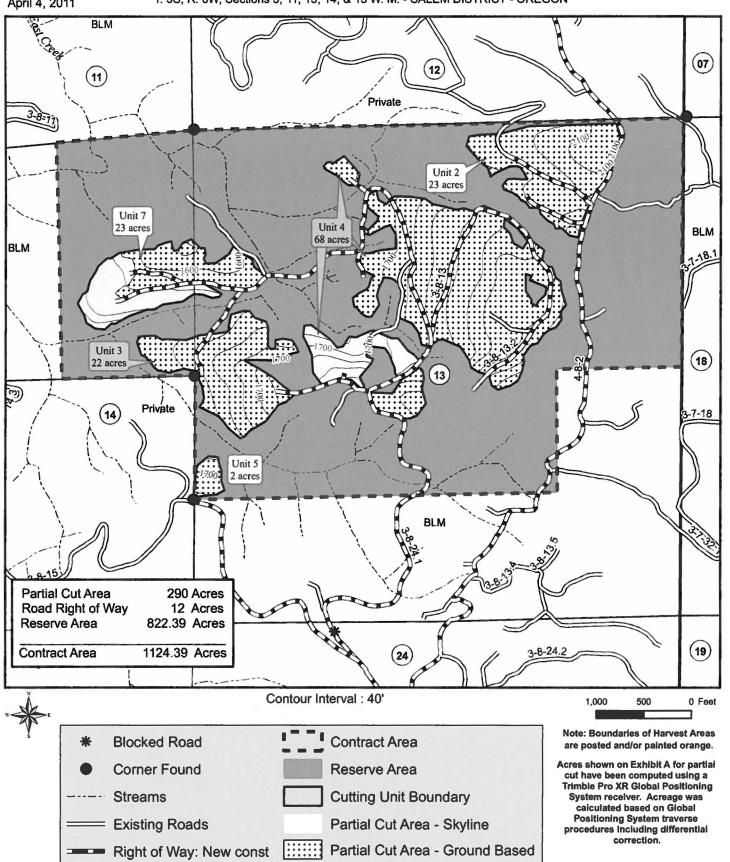
United States Department of the Interior **BUREAU OF LAND MANAGEMENT**

TIMBER SALE CONTRACT MAP

Contract No. ORS000-TS11-105 **Head East Timber Sale** Exhibit A Page 2 of 4

April 4, 2011

T. 3S, R. 8W, Sections 3, 11, 13, 14, & 15 W. M. - SALEM DISTRICT - OREGON

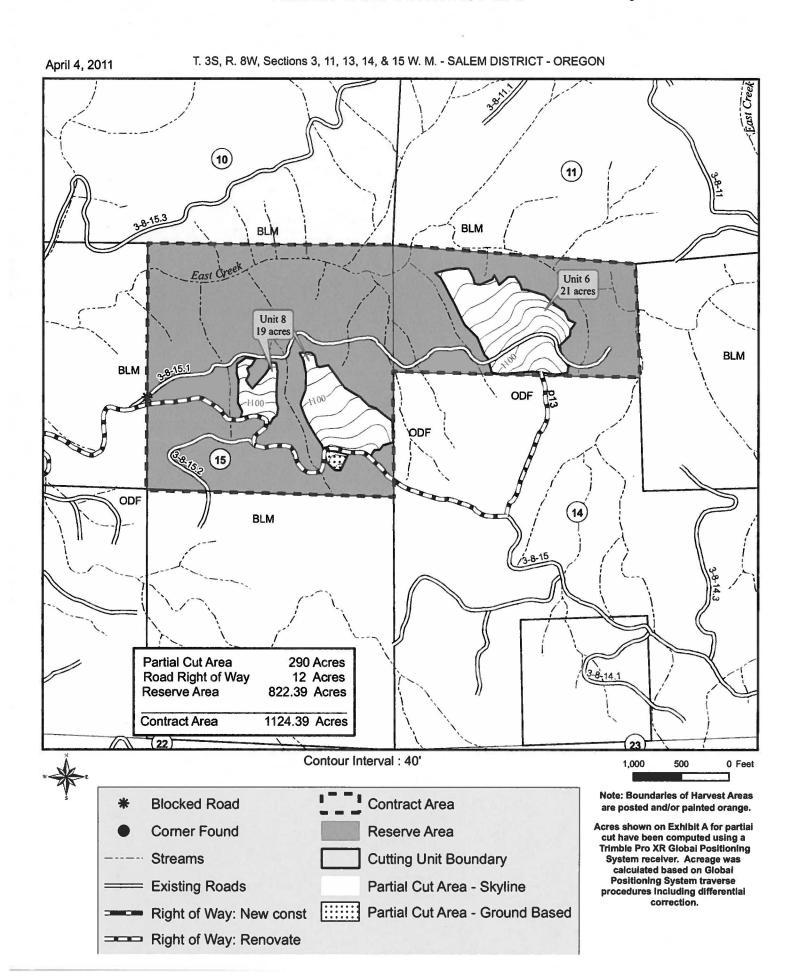


Right of Way: Renovate

United States Department of the Interior BUREAU OF LAND MANAGEMENT

TIMBER SALE CONTRACT MAP

Contract No. ORS000-TS11-105 Head East Timber Sale Exhibit A Page 3 of 4



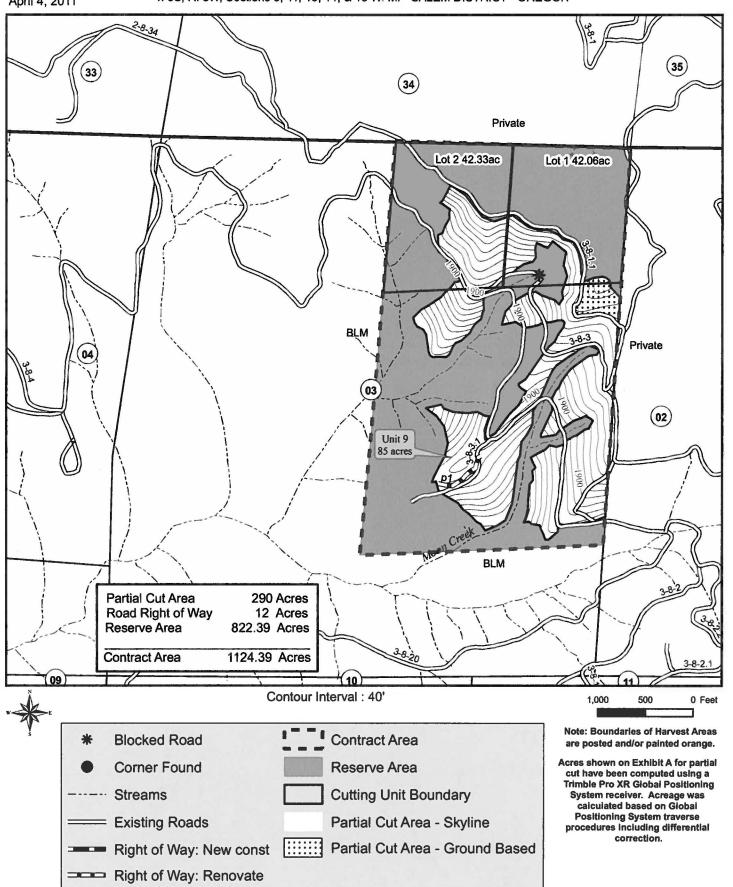
United States Department of the Interior BUREAU OF LAND MANAGEMENT

TIMBER SALE CONTRACT MAP

Contract No. ORS000-TS11-105 **Head East Timber Sale** Exhibit A Page 4 of 4

April 4, 2011

T. 3S, R. 8W, Sections 3, 11, 13, 14, & 15 W. M. - SALEM DISTRICT - OREGON



Check Sums: Acres = 302.0 and Trees = 49893

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Contract No. OR08-TS-2011.0105 Head East reoffer Sheet 1 of 4

EXHIBIT B

The following estimates and calculations of timber sold are made solely as an administrative aid for determining: (1) adjustments made or credits given in accordance with Secs. 6, 9, or 11; (2) when payments are due; and (3) value of timber subject to any special bonding provisions. The value of timber will be determined by multiplying the value per acre as show below, times the amount of acreage as determined by the Authorized Officer, which has been cut or removed or designated for taking. Except as provided in Sec. 2, Purchaser shall be liable for the total purchase price even though quantity of timber actually cut or removed or designated for taking is less than the estimated volume or quantity shown. Cutting areas are shown on EXHIBIT A

Species	Est. Vol.	Price	\$
	in MBF	/UNIT	SUBTOTAL
Douglas Fir	3,155.0	\$	\$
Western Hemlock	3,434.0	\$	\$
Red Alder	42.0	\$	\$
	6,631.0	=========	\$

The apportionment of the purchase price is as follows:

Unit#:	1 Unit	: 1	*		
Approx #	G		Est. Vol.	Price	\$
of Trees	Species		in MBF	/UNIT	SUBTOTAL
=======	:======	=========	========	=======================================	
2,480	Douglas		508.0	\$	\$
804	Western	Hemlock	148.0	\$	\$
=======	:=======		==========	=======================================	========
3,284					\$
				BY ACRES:	27.0
			= Ş	PER ACRE:	Ş -

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

11,712

Contract No. OR08-TS-2011.0105 Head East reoffer Sheet 2 of 4

\$ ----

DIVIDED BY ACRES: 68.0
= \$ PER ACRE: \$ ----

EXHIBIT B LUMP SUM SALE

Unit#: 2 Unit 2			
Approx # of Trees Species	Est. Vol.	Price	\$
	in MBF	/UNIT	SUBTOTAL
1,809 Douglas Fir	214.0	\$	\$
2,234 Western Hemlock	296.0	\$	\$
4,043	DIVIDED BY ACRES: = \$ PER ACRE:		\$ 23.0 \$
Unit#: 3 Unit 3 ====== Approx # of Trees Species	Est. Vol.	Price	\$
	in MBF	/UNIT	SUBTOTAL
1,602 Douglas Fir	188.0	\$	\$
2,141 Western Hemlock	285.0	\$	\$
3,743	DIVIDED BY ACRES: = \$ PER ACRE:		\$ 22.0 \$
Unit#: 4 Unit 4			
Approx # of Trees Species	Est. Vol.	Price	\$
	in MBF	/UNIT	SUBTOTAL
5,186 Douglas Fir	634.0	\$	\$
6,526 Western Hemlock	873.0	\$	\$

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Contract No. OR08-TS-2011.0105 Head East reoffer Sheet 3 of 4

EXHIBIT B LUMP SUM SALE

=======================================			
Unit#: 5 Unit 5 ======= Approx # of Trees Species	Est. Vol. in MBF	Price /UNIT	\$ SUBTOTAL
144 Douglas Fir 195 Western Hemlock	16.0 25.0	\$ \$	\$ \$
339	DIVIDED BY = \$ PE	ACRES: R ACRE:	\$ 2.0 \$
Unit#: 6 Unit 6			
Approx # of Trees Species	Est. Vol. in MBF	Price /UNIT	\$ SUBTOTAL
1,601 Douglas Fir 1,907 Western Hemlock	200.0 252.0	\$ \$	\$ \$
1,907 Western Hemlock	252.0 DIVIDED BY	==========	\$ \$ \$ 21.0 \$
1,907 Western Hemlock 3,508 Unit#: 7 Unit 7	252.0 DIVIDED BY	ACRES:	\$
1,907 Western Hemlock 3,508	252.0 DIVIDED BY	ACRES:	\$
1,907 Western Hemlock ===================================	252.0 DIVIDED BY = \$ PE	ACRES: R ACRE: Price	\$ 21.0 \$

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Contract No. OR08-TS-2011.0105 Head East reoffer Sheet 4 of 4

EXHIBIT B LUMP SUM SALE

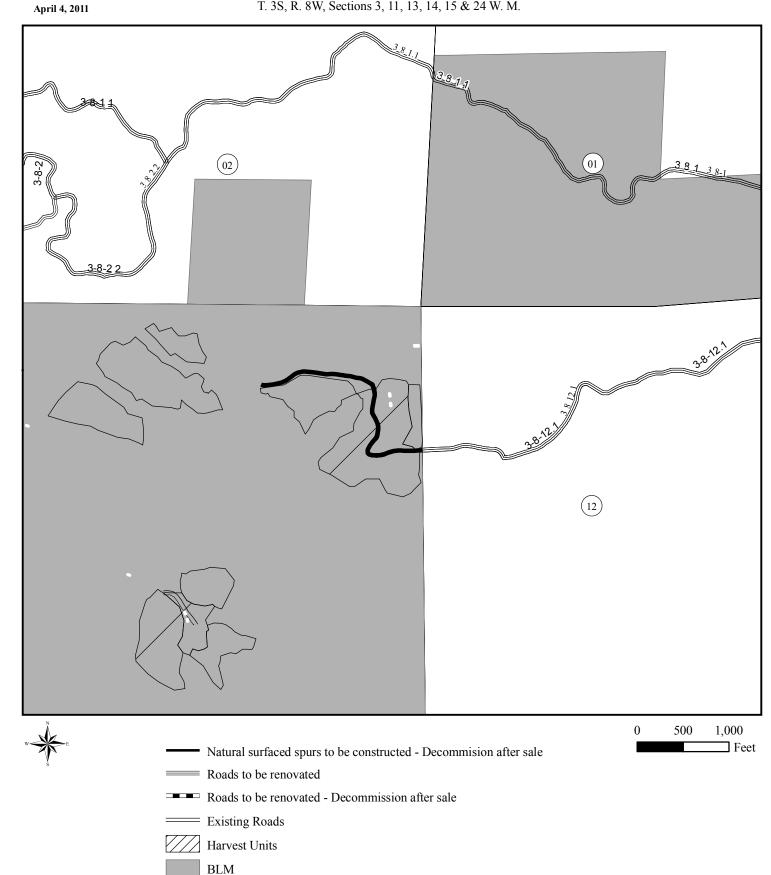
Unit#: 8 Unit 8			
Approx # of Trees Species	Est. Vol. in MBF	Price /UNIT	\$ SUBTOTAL
1,619 Douglas Fir 615 Western Hemlock	329.0 112.0	\$ \$	\$ \$
2,234	DIVIDED BY = \$ PE	\$ 19.0 \$	
Unit#: 9 Unit 9			
Approx # of Trees Species	Est. Vol. in MBF	Price /UNIT	\$ SUBTOTAL
6,385 Douglas Fir 8,334 Western Hemlock	762.0 1,122.0	\$ \$	\$ \$
14,719	DIVIDED BY = \$ PE	\$ 85.0 \$	
Unit#: 10 All R/W			
Approx # of Trees Species	Est. Vol. in MBF	Price /UNIT	\$ SUBTOTAL
601 Douglas Fir 254 Western Hemlock 1,672 Red Alder	118.0 41.0 42.0	\$ \$ \$	\$ \$ \$
2,527			\$

DIVIDED BY ACRES: = \$ PER ACRE: 12.0

Road Plan Map

T. 3S, R. 8W, Sections 3, 11, 13, 14, 15 & 24 W. M.

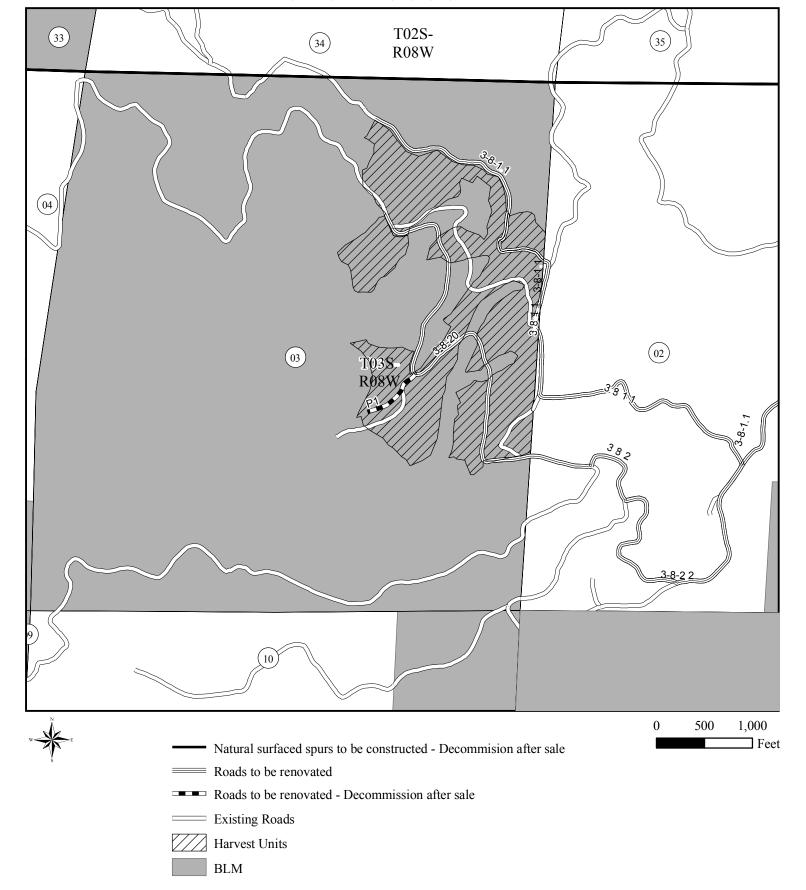
Contract No. ORS000-TS11-105 Head East Timber Sale Exhibit C Page 29 of 38



Contract No. ORS000-TS11-105 Head East Timber Sale Exhibit C Page 28 of 38

Road Plan Map

April 4, 2011 T. 3S, R. 8W, Sections 3, 11, 13, 14, 15 & 24 W. M.



Road Plan Map

T. 3S, R. 8W, Sections 3, 11, 13, 14, 15 & 24 W. M.

Contract No. ORS000-TS11-105 Head East Timber Sale Exhibit C Page 31 of 38

April 4, 2011



Existing Roads Harvest Units

BLM

Road Plan Map

T. 3S, R. 8W, Sections 3, 11, 13, 14, 15 & 24 W. M.

Contract No. ORS000-TS11-105 Head East Timber Sale Exhibit C Page 30 of 38

April 4, 2011

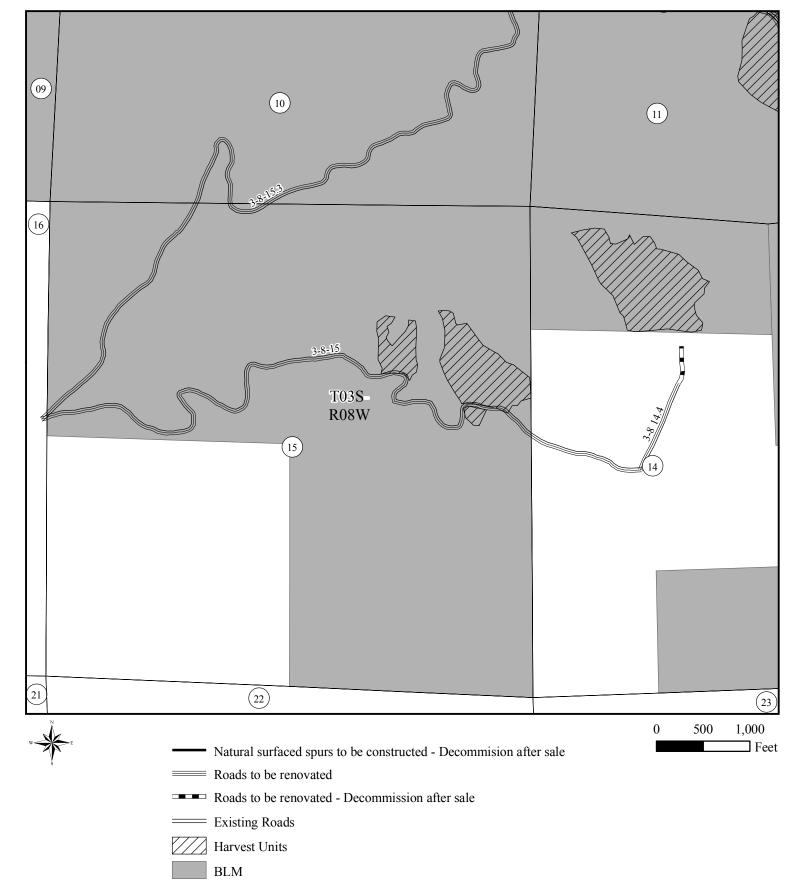


EXHIBIT F

LOGGING RESIDUE REDUCTION

a. The Authorized Officer shall notify the Purchaser of the date work is to begin. Work shall begin within ten (10) days of such date. Slashing, hand pile construction and covering of hand piles shall be completed as follows:

CONSTRUCTION AND COVERING OF MACHINE PILES

- 1. Within thirty (30) feet (horizontal distance) of the edge of each landing, tops, and other activity generated woody debris shall be piled for burning and covered within fifteen (15) days of the removal of yarding equipment from the landing area.
- 2. Landing piles should be located as far as possible from green trees, to minimize damage.
- 3. Landing piles should be free of dirt and other non-wood debris, constructed as compactly as possible, with an adequate supply of finer fuels located within and under the covered area of the pile to ensure ignition of the larger fuels.
- 4. The piles should be covered with four (4) mil. (0.004) inch thick black plastic. The plastic shall be oriented southwest to northeast. Placement of the plastic shall start on the southwest side of each pile and extend over the top on the opposite northeast side. Woody debris shall then be placed on top of the plastic so that both sides and the middle are held in place during strong wind conditions.
- 5. No landing debris shall be dozed off the landing and covered with dirt.
- 6. If landing debris is minimal and determined by the Authorized Officer to not be a major fire hazard, the debris should be removed from the landing area and scattered on yarding corridors or skid trails to a depth not to exceed six (6) inches, as directed by the Authorized Officer.

SLASH PULLBACK

- 7. The Authorized Officer shall notify the Purchaser of the date work is to begin. Work shall begin within ten (10) days of such date.
- 8. All logging slash greater than two (2) feet long and between one (1) inch and six (6) inches in diameter at the large end should be completely removed at least twenty-five (25) feet (horizontal distance) from the edges of designated property lines, and the designated roadbeds to reduce the fire hazard. Larger material which has a portion meeting this specification must be bucked at the six (6) inch diameter and that portion

pulled back. Slash shall not be piled, or windrowed. Slash shall be scattered over the site so that the slash is no more than one-foot in depth, measured from mineral soil.

- b. Notwithstanding the provisions of Section 15 of this contract, the Government shall assume all obligations for the disposal or reduction of the fire hazards caused by slash created by the Purchaser's operations on Government lands, except for logging residue reduction and slash pullback operations listed above, and burning and fire control assistance as required herein. Upon phone notification by the Authorized Officer of required performance prior to ignition, the Purchaser shall, under supervision of the Authorized Officer or his designated representative, assist in, landing pile burning, and fire control on the day of ignition. In addition, debris which has been buried at landings and is determined to be the source of holdover fire shall be excavated by the Purchaser with a tractor and/or hydraulic excavator as directed by the Authorized Officer. The Purchaser shall furnish, at his own expense, the services of personnel and equipment on all units requiring burning as shown below.
 - (1) One (1) work leader (Firefighter Type 1 (FFT1)) to supervise crew and to serve as Purchaser's representative.
 - (2) One (1) additional person (crew) (Firefighter Type 2 (FFT2)) for ignition of landings with hand tools on the day of ignition.
 - (3) Three (3) drip torches with thirty-five (35) gallons of slash fuel (4:1 ratio of diesel to gasoline).
 - (4) One (1) chain saw with fuel.

All listed personnel shall be physically fit, experienced and fully capable of functioning as required. In addition, all listed personnel shall be qualified according to the National Wildfire Coordinating Group (NWCG) Wildland Fire Qualification System Guide, PMS-310-1 and provide documentation of these qualifications. On the day of ignition all listed personnel shall be fluent in speaking and understanding English, clothing shall consist of long pants and long sleeved shirts, and be of approved aramid fabric (NomexTM or equivalent), as well as being free of diesel fuel oil. All personnel shall wear lug sole boots with minimum eight (8) inch tall uppers that provide ankle support, approved hardhats and leather gloves. Personnel who do not meet these requirements or do not have proper clothing and personal protective equipment (PPE) will not be allowed to participate.

All listed tools and equipment shall be in good usable condition. All power-driven equipment shall be fully fueled and available for immediate use. During periods of use under this subsection, the Purchaser shall provide fuel and maintenance for all such power-driven equipment.

In the event of a fire escapement, the Purchaser's personnel and equipment shall, under supervision of the Authorized Officer or his designated representative, take action to control and mop-up the escaped fire until released from such service by the Government. If it becomes necessary to suppress a fire which escapes from the prescribed fire area for a period beyond midnight of ignition day, then the Government shall, at its option: (1) reimburse the Purchaser

LLORS00000-TS11-105 Head East Timber Sale EXHIBIT F Page 3 of 3

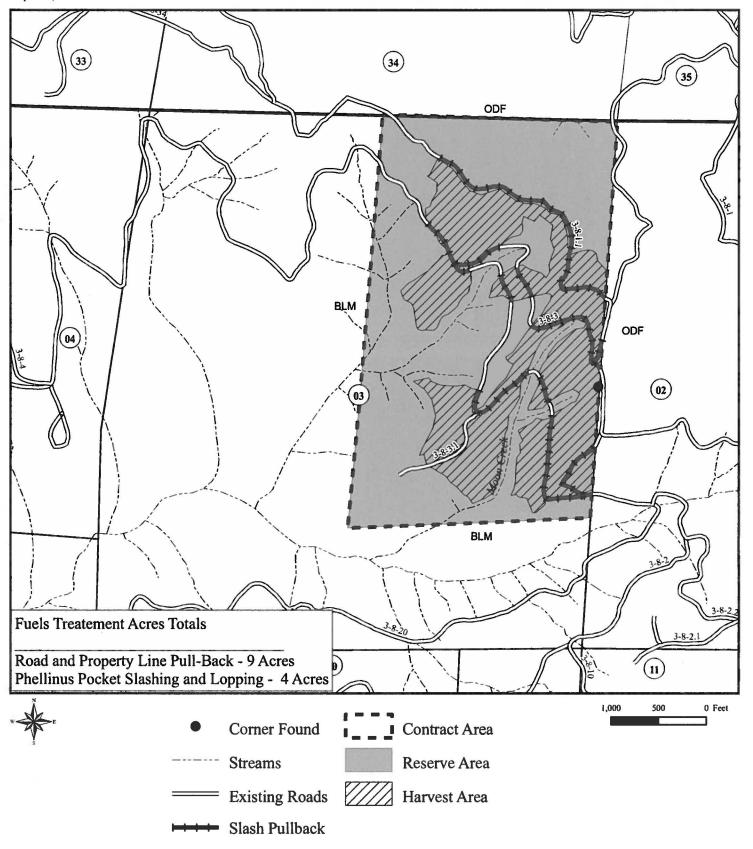
for such additional use of personnel and equipment at wage rates shown in the current Administratively Determined Pay Rates for the Western Area and at equipment rates shown in the current Oregon-Washington Interagency Fire Fighting Equipment Rental Rates schedule until the Purchaser is released from such service by the Government or (2) release the Purchaser from additional suppression work and assume responsibility for suppressing the escaped fire.

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

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

Contract No. ORS000-TS11-105 Head East Timber Sale Exhibit G Page 1 of 4

April 13, 2011

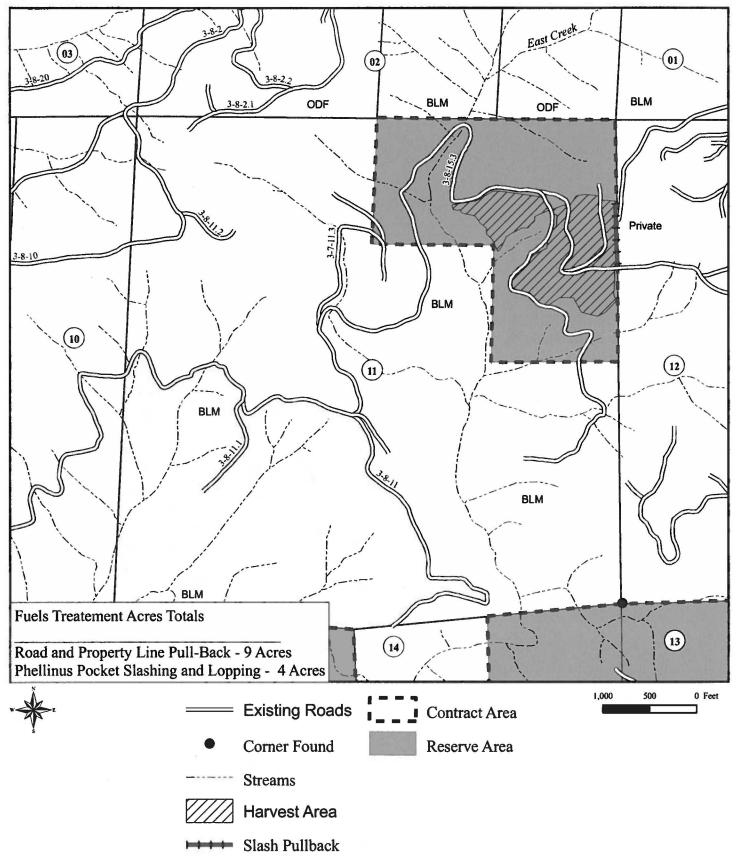


United States Department of the Interior BUREAU OF LAND MANAGEMENT SALEM DISTRICT - OREGON

FUELS TREATMENT MAP

Contract No. ORS000-TS11-105 Head East Timber Sale Exhibit G Page 2 of 4

April 13, 2011

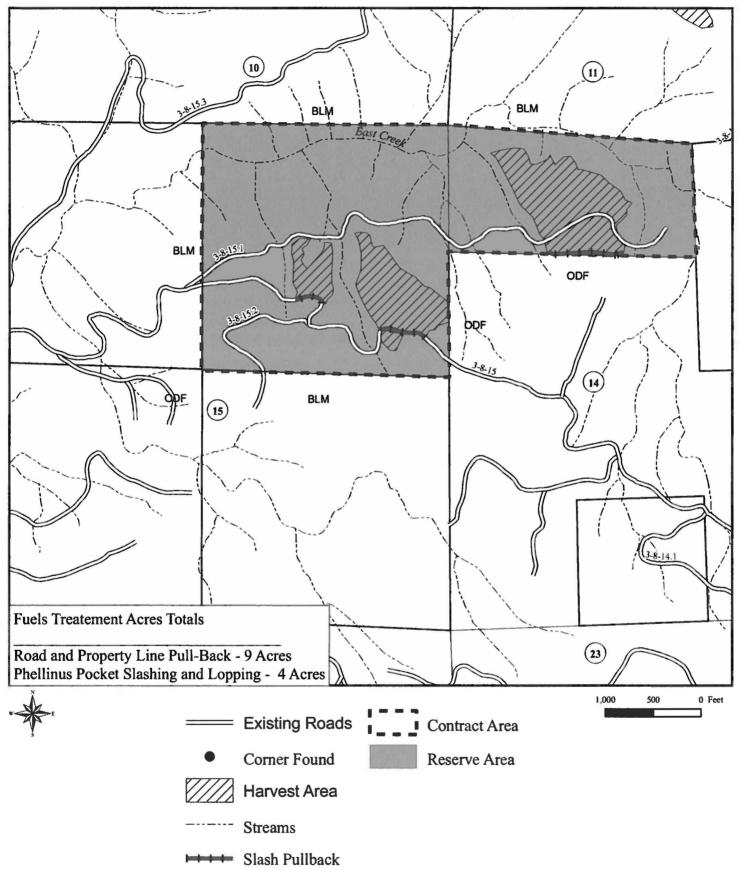


United States Department of the Interior BUREAU OF LAND MANAGEMENT SALEM DISTRICT - OREGON

FUELS TREATMENT MAP

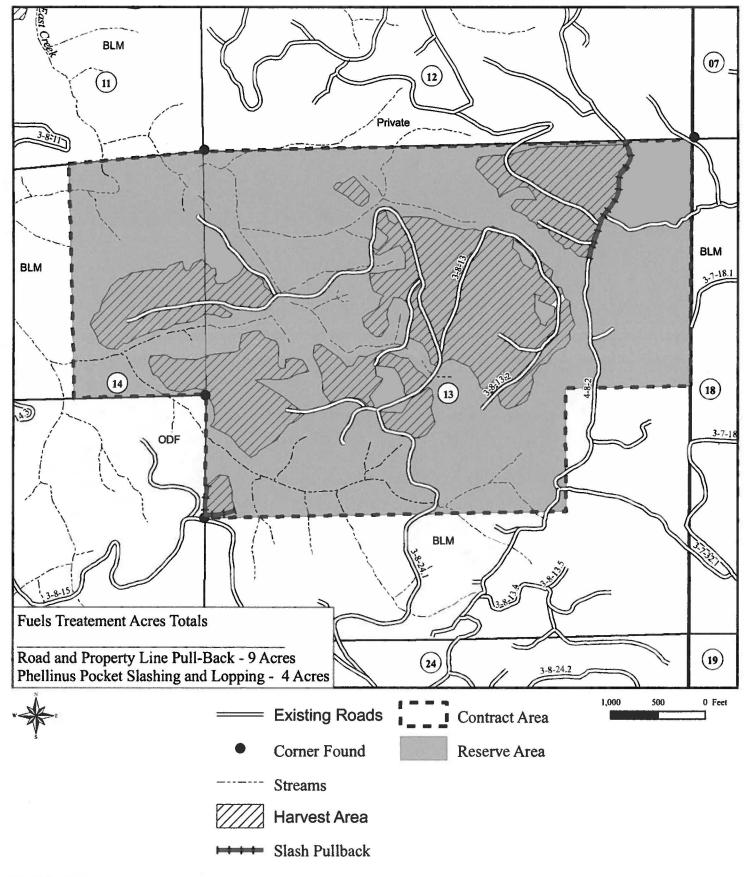
Contract No. ORS000-TS11-105 Head East Timber Sale Exhibit G Page 3 of 4

April 13, 2011



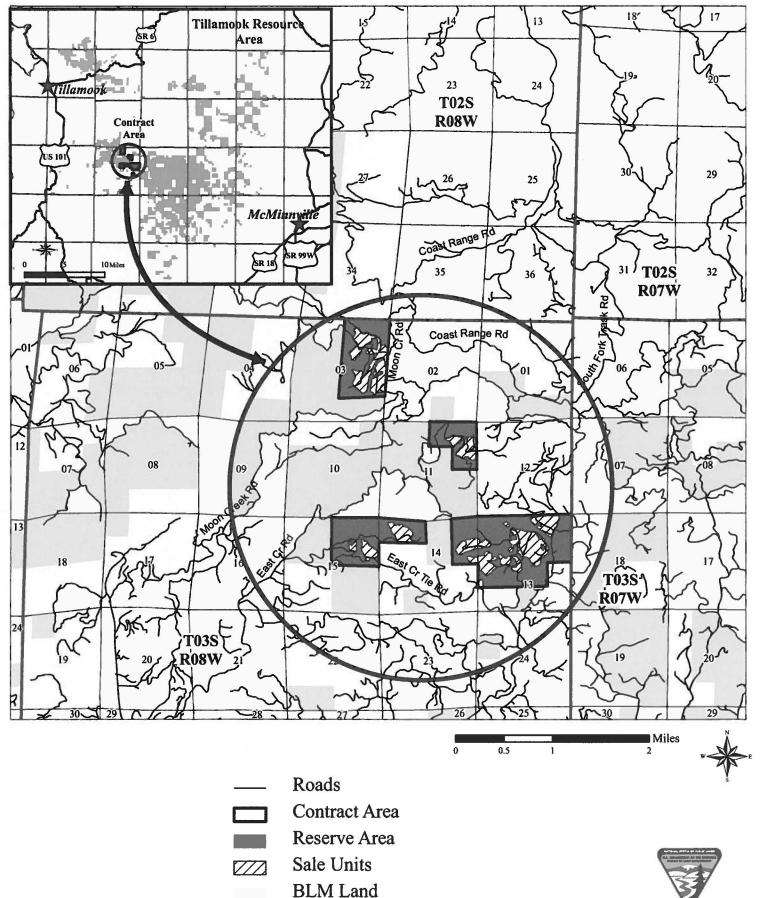
Contract No. ORS000-TS11-105 Head East Timber Sale Exhibit G Page 4 of 4

April 13, 2011



United States Department of the Interior BUREAU OF LAND MANAGEMENT SALEM DISTRICT - OREGON TIMBER SALE LOCATION MAP

April 13, 2011



Form 5440-9 July 1990)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

DEPOSIT AND BID FOR

☑ TIMBER*

VEGETATIVE RESOURCE

(Other Than Timber)

LUMP SUM SALE

FORM APPROVED 0MB NO.1004-0113 Expires: July 31, 1992

Tract Number

TS11-105

Sale Name

Head East

Sale Notice (dated)

May 25, 2011

BLM District

SALEM

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 \$ and is enclosed in the 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 - LUMP SUM SALE

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

	BID SUBMITTED									
PRODUCT SPECIES	UNIT	ESTIMATED VOLUME OR QUANTITY	UNIT PRICE	TOTAL VALUE	UNIT PRICE	TOTAL VALUE				
Douglas-fir	_MBF	3,155	x:	=	x=	=				
Western hemlock	_MBF	3,434	х=		х=					
Red alder	_MBF	42	x:	-	x=	=				
	_MBF	7-1-1	. x:	-	x=					
	_MBF		x	=	x=					
	_MBF		. x	=	x:	=				
	_MBF		x	=	x:	=				
	_MBF		x	=	x:	=				
	_MBF		. x		x:					
	_MBF		. x	=	х=					
	_MBF		x	=	x=					
	_MBF		x	=	x=	=				
	_MBF		x		x=	= 1				
	_MBF		. x:		х=					
		TOTAL PUR	CHASE PRICE							

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

Bid submitted on (date)								
(Check appropriate box, sig	(Check appropriate box, sign in ink, and complete the following)							
Signature, if firm is individually owned	Name of firm (type or print)							
□Signatures, if firm is a partnership	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 duplicate, 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							

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 timber or vegetative resources.

BURDEN HOURS STATEMENT

Public reporting burden for this form is estimated to average 1 hr. 15 mm. 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

- 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.
- 118la); 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 Rid 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 CER 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 hoard 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. *

- 1. AUTHORITY Timber located on the revested Oregon and California Railroad Grant 7. BID DEPOSIT All bidders must make a deposit of not less than the amount specified in the Timber/Vegetative Resource Notic. 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 band, will be returned at the time the contract is signed by the Government.
 - 8. A WARD 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 5150. l(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 5 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 cot and/or removed in advance of payment. *
- 12. PAYMENT OF PURCHASE PRICE For sates of \$500 or more, Government may allow payment by installments. Except as discussed in paragraphs 10 and II 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.

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. (I) 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. Decial reporting, branding and painting of logs may be included in contract provisions. *

18.DETAILED INFORMATION - Detailed information concerning contract provisions, hid, 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.

US GOVERNMENT PRINTING OFFICE: 1990-832-998

NOTICE OF REQUIREMENT FOR CERTIFICATION OF NONSEGREGATED FACILITIES

Bidders and offerors are cautioned as follows: by signing this bid or offer or entering into this contract or lease, as the case may be, the bidder, offeror, or contractor will be deemed to have signed and agreed to the provisions of the Certification of Nonsegregated Facilities in this solicitation. The certification provides that the bidder or offeror does not maintain or provide for his employees facilities which are segregated on a basis of race, color, religion, sex, or national origin, whether such facilities are segregated by directive or on a de facto basis. The certification also provides that he will not maintain such segregated facilities. Failure of a bidder or offeror to agree to the Certification of Nonsegregated Facilities will render his bid or offer nonresponsive to the terms of solicitations involving awards of contract exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity clause.

In accordance with 41 CFR 60, as amended May 19, 1967, and Executive Order No. 11246 of September 24, 1965, as amended, this notification will be included in all notices of invitations for bid, lease, offers, and requests for proposal where prospective nonexempt contracts may exceed \$10,000.

EXPORT DETERMINATION

OMB CLEARANCE NO. 1004-0058 EXPIRES MAY 31, 1983

Location of facility where Federal Timber is expected to be processed.

INSTRUCTIONS

Timber sale applicant forwards information to authorized officer.

	authorized officer.	
In compliance with requirements of 43 CFR 5424, □I □We her	eby submit the following	information:
(1) Have you exported private timber from lands tributary to the ☐ Yes ☐ No (If Yes, give date of last export sale.) a. Export (date)	above processing facility v	vithin the last 12 months?
(2) Provide names of affiliates* who have exported private timbe facility within the last 12 months and date of last export sale.	er from lands tributary to the	ne above processing
a. Affiliate	Export date	
b. Affiliate		
c. Affiliate	Export date	
*See 43 CFR 5424.0-5		
Name of Firm		
Signature of Signing Officer	Title	Date

(See statement on reverse)

Form 5450-17 (June 1981)

The Bureau of Land Management collects this information pursuant to the law(see 43 CFR 5400.0-3(c)).

The Bureau of Land Management uses the information to determine whether Federal timber has been substituted for exported private timber (see 43 CFR 5400.0-5(n) and 5424.0-6(c)(2)).

A Bureau of Land Management timber purchaser is obligated to report this information under provisions of the above-numbered contract (see 43 CFR 5424.1).

Salem Head East TS 11-105

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

Timber - Sale - Summary

Legal Description

Forest Type	Township	Range	Section	Subdivision
0&C	3S	8W	3	Lot 1,Lot2,S1/2,NE1/4,N1/2SE1/4
O&C	38	8W	LL	N1/2NE1/4,SE1/4NE1/4
O&C	38	8W	13	NE1/4,NW1/4,N1/2SW1/4,NW1/4SE1/4
O&C	38	8W	14	N1/2NW1/4
O&C	3W	8W	15	NEU/4

Cuttln	a Valu	mn (1)	61 M	DE'
Cuttin	R A OIR	me (1)	D. IAI	IDF I

						inic (10 MDE)				
Unit	WH	DF	RA				Total	Regen	Partial	ROW
1	148	508			. 14		656	0	27	0
2	296	214					510	0	23	0
3	285	188					473	0	22	0
4	873	634					1,507	0	68	0
5	25	16		12 Tel 10 Te		- 1	41	0	2	0
6	252	200				_	452	0	21	0
7	280	186	All en				466	0	23	0
8	112	329					441	0	19	0
9	1,122	762					1,884	0	85	0
RWI	3	23	14				40	0	0	1
RW2	12	27	2				41	0	0	1
RW3	7	11	9				27	0	0	1
RW4	3	8	8		W		19	0	0	4
RW5	10	16	2			1	28	0	0	1
RW6	6	33	7				46	0	0	4
otals	3,434	3,155	42				6,631	0	290	12

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Logging Costs per 16' MBF				Profit & Rlsk			
Stump to Truck	\$ 132	2.18	Total Profit & Risk			%	
Transportation	S 52	2.95	Basic Profit & Risk	7 % + Additional Risk	3 %		
Road Construction	\$ 30	0.28	Back Off		0	%	
Road Amortization	S 0	1.59		Tract Features			
Road Maintenance	\$ 14	.50	Avg Log Western	Hemlock: 38 bf	All: 38 bf		
Other Allowances :				Hemlock : 96 %	All : 96 %		
Equipment Washing	\$ 0.07		Salvage Western	Hemlock : 0 %	All:0%		
Landing Clean-up	\$ 0.19		Avg Volume (16' MBF	per Acre)		22	
Misc	\$ 0.16		Avg Yarding Slope				%
Piling	\$ 0.19		Avg Yarding Distance (fee	et)		450	
Road Blocking, Stumps	\$ 0.11		Avg Age			50	
Slash Pullback	\$ 0.41		Volume Cable				%
Water Bars/ Berms	\$ 0.18		Volume Ground Volume Aerial				%
		1.32	Road Construction Station	e		0.00	70
Total Other Allowances :	3	1.52	Road Improvement Station			4.07	
			Road Renovation Stations		850	6.35	
			Road Decomission Station		19	3.27	
				Cruise			
			Cruised By		Kevin Teig	land	
			Date		05/06/2	010	
Total Logging Costs per 16' MBF	(s 2	231.81	Type of Cruise		PCMTRE &	k 3P	
CONTRACTOR			County, State		Tillamook,	OR	
Utilization Centers Center #1: Willamina, Oregon	35 1	Miles		** . ** .			
Center #t : Tillamook, Oregon		Miles	Green (16' MBF)	Net Volume		,631	
Weighted distance to Utilization Centers		38	Salvage (16' MBF)		0,	0 .00	
Length of Contract			Salvage (to MDF)			U	
Cutting and Removal Time	36 1	Months	Western Hemlock Peeler			0	
Personal Property Removal Time	t 2	Months	Export Volume			0	
			Scaling Allowance (\$0.50	per (6' MBF)	\$3,31	5.50	

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
WH	25,168	3,434	\$ 383.92	\$ 38.39	\$ 231.81			\$ 113.70	\$ 390,445.80
DF	23,053	3,155	\$ 477.09	\$ 47.71	\$ 231.81			\$ 197.60	\$ 623,428.00
RA	1,672	42	\$ 344.88	\$ 34.49	\$ 231.81	\$ 292.07		\$ 370.70	\$ 15,569.40
Totals	49,893	6,631							\$ 1,029,443.20

Log Code by Percent

Species	Code #1	Code #2	Code #3	Code #4	Code #5	Code #6
Douglas-fir				32.0	58.0	10.0
Western Hemlock				36.0	55.0	9.0
Red Alder		1.0	21.0	77.0		

Marginal Log Volume

Species	Grade #7	Grade #8
Douglas-fir		
Western Hemlock		
Red Alder	47	

Appraised By: Bryant, William Date: 04/04/2011

Area Approval By: Bryant, William Date: 04/04/2011

District Approval By: Date:

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