

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Tillamook Field Office
4610 Third Street
Tillamook, Oregon 97141

ORS060-TS12-101
Hoag Heaven Timber Sale

Date: April 25, 2012

PROSPECTUS
SBA SET-ASIDE

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.

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, April 25, 2012.

THIS TIMBER SALE NOTICE does not 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 Headlight Herald on or about March 28, 2012. 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.

FOR SBA SET-ASIDE TRACTS, the bidder must not have been determined by the Small Business Administration to be ineligible for preferential award for set-aside sales and must accompany his deposit with a self-certification statement that he is qualified as a small business concern as defined by the Small Business Administration in its regulations, Title 13, Chapter I, Part 121 (Revision 7) as amended, of the Code of Federal Regulations. The Form 5430-1 Self Certification Statement is attached hereto. The successful bidder will be required to sign SBA Form 723 "Small Business Certification Required on All Preferential Sales of Set-Aside Timber" at the time he signs the timber sale contract. Section 2(a) of Form 723 requires that successful bidders of SBA set-aside tracts must comply with delivery requirements pertaining to sawtimber volume. No more than 30% of the advertised sawtimber volume from a set-aside sale may be delivered for manufacturing to a business that is not a small business, as defined by the SBA (13 CFR 121.507 (a)). A copy of SBA Form 723 is attached.

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.

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 be

completed by the successful bidder for all contracts over \$10,000. Form 1140-8, Equal Opportunity Compliance Report Certification, must also 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.

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, including timber from Federal rights-of-ways, shall be subject to the restrictions relating to the export and substitution of unprocessed timber from the United States in accordance with P.L. 94-165 and 43 CFR 5400 and 5420, as amended. The BLM has revised the log export restrictions special provision to reduce the log branding and painting requirements.

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

CONTRACT TERMINATION: 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 this timber sale tract is available at the above District Office. A copy of the timber sale contract is also available for inspection at the District Office. The prospectus for this/these sale(s) is also available online at: <http://www.blm.gov/or/districts/salem/timbersales/index.php>. The prospectus includes maps and tables that cannot be made Section 508 compliant. For help with its data or information, please contact the Salem District Office at 503-375-5646.

Attachments:

Form 1140-4
Form 5450-17
Form 5440-9
Form 5430-1
SBA Form 723

TIMBER SALE NOTICE

SBA SET-ASIDE SALE

THIS IS A SMALL BUSINESS SET-ASIDE SALE FOR PREFERENTIAL BIDDING BY SMALL BUSINESS CONCERNS AS DEFINED BY THE SMALL BUSINESS ADMINISTRATION .

SALEM DISTRICT
TILLAMOOK FIELD OFFICE
COLUMBIA MASTER UNIT

Sale Date: April 25, 2012

ORS060-TS12-101, Hoag Heaven Timber Sale

TILLAMOOK COUNTY, OREGON: O&C: ORAL AUCTION: BID DEPOSIT REQUIRED:
\$14,200.00

All timber designated for cutting on: SE 1/4, SECTION 34, S1/2 NE1/4, S1/2 NW1/4, SECTION 35, NW1/4, NE1/4 SW1/4, SECTION 36, T.3S. R.7W., W.M., 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
6,999	1,419	3,117	Douglas-fir	1,759	\$79.20	\$1,393,12.80
15	1	3	Western Hemlock	2	\$22.60	\$45.20
535	5	19	Red Alder	9	\$221.70	\$1,995.30
7,549	1,425	3,139	Totals	1,770		\$141,353.30

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.

CRUISE INFORMATION: 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 15.3 inches; the average gross merchantable log contains 58 bf; the total gross volume is approximately 1,829 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.

CUTTING AREA: 8 units totaling approximately 116 acres are partial cut and 4 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.

CONTRACT TERMINATION: Special Provisions have been added to the contract which enables the Contracting Officer to suspend, modify or terminate the contract to protect or to facilitate protection of certain plant or animal species, and to comply with the Endangered Species Act or to protect occupied marbled murrelet sites in accordance with the Standards and Guidelines of the Record of Decision for Amendments to Forest Service and Bureau of Land Management Planning Documents Within the Range of the Northern Spotted Owl. This contract provision limits the liability of the Government to the actual cost incurred by the Purchaser which have not been amortized by the timber removed from the contract area.

DURATION OF CONTRACT: Contract length will be 36 months for cutting and removal of timber.

LOCATION: The Hoag Heaven Timber Sale is located approximately 21 air miles south east of Tillamook, Oregon in Sections 34, 35 and 36, T. 3 S., R. 7 W. W. M. See Exhibit A for details.

ACCESS AND ROAD MAINTENANCE: Access is provided by County, Oregon Department of Forestry (ODF) and Bureau of Land Management (BLM) controlled roads. All roads controlled by Oregon Department of Forestry used in conjunction with this sale will be maintained by the Purchaser. Roads 3-6-13, 4-7-27, 3-7-28 and 4-7-1 used in conjunction with this sale will be maintained by BLM and the Purchaser will be required to pay a road maintenance obligation of (\$19,012.82) to the Government. All other roads controlled by BLM and ODF controlled roads used in conjunction with this sale will be maintained by the Purchaser.

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: (a) purchaser maintenance of all Oregon Department of Forestry controlled roads (b) provide proof of insurance with limits of \$1,500,000/ \$1,500,000/ \$1,500,000/ \$1,500,000 and a performance bond of \$1,000.00. Prior to the use of said road, the Purchaser shall furnish the Authorized Officer a copy of the executed license agreement.

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.

Alternate access is available but will require a contract modification.

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

1. **New Road Construction:**
3-7-36/3-7-36.1 switchback, 400 feet, construct & place 300 CY of surface rock
Road P1, 1,645 feet, 14-foot subgrade, Natural surfacing
Road P2, 755 feet, 14-foot subgrade, Natural surfacing
Road P3, 40 feet, 14-foot subgrade, Natural surfacing
2. **Improvement**
Road 3-7-36B, 0.19 miles, Blade, Brush, Install culvert, Place 40 CY spot rock
Road 3-7-36.1, 1.60 miles, Blade, Brush, Install culverts, Place 200 CY spot rock

3. Renovation:
Road 3-7-35, 0.45 miles, Blade, Clean Culverts, Brush, Place 100 CY spot rock
Road 3-7-35.2, 0.30 miles, Blade, Clean Culverts, Brush
Road 3-7-36A, 0.20 miles, Blade, Clean Culverts, Brush, Install culvert
Road 3-7-36.8, 0.15 miles, Natural surfacing, Blade surface, Excavate and endhaul 500 CY
Road 3-7-36.9, 0.24 miles, Natural surfacing, Blade surface

4. Estimated Quantities:

- a. Clearing:
2.8 acres of new construction
1.3 acres of renovation
- b. Culverts:
100 feet of 36 inch Aluminized Steel Culvert (CMP)
40 feet of 24 inch Corrugated Plastic Pipe (CPP) – Type S
1 - 24" flared inlet

c. Aggregate Material:

<u>Quantity</u>	<u>Description</u>
640 cubic yards	2" minus crushed rock – construction rock
200 cubic yards	2" minus crushed rock – maintenance rock

Rock Source: Commercial

OTHER

Compaction of all final subgrades will be required.

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

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

Roads P1, P2 and P3 will 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.

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

SPECIAL ATTENTION ITEMS

Reserve trees felled in skyline corridors, skid roads, landing areas, or haul roads that are greater than or equal to 16" DBH in units 35-2, 36-2, 36-3, and 36-4, and 20" DBH in the remaining 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.

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	<p>This contract contains provisions for the sale and removal of additional timber necessary to facilitate safe and efficient Purchaser operations. These provisions include:</p> <ul style="list-style-type: none"> - The designation and sale of additional timber, such as corridor and guyline trees, at contract price, as necessary to facilitate safe and efficient logging. Such trees may be felled and removed when they are painted by 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 142 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.n-s	Seasonal restrictions
Sec. 41.t-cc	Road construction, improvement, renovation, maintenance and use.
Sec. 41.gg, hh	Water-bar, place coarse woody debris and slash, and block skid trails
Sec. 41.ii	Removal of logging debris from OHV trails
Sec. 41.ll	Logging residue reduction: construction and covering landing piles, slash pullback.
Sec. 41.nn	Log Export Restriction
Exhibit F	Special provisions for tractor subsoiler.

Seasonal Restriction Matrix

Hoag Heaven Timber Sale
ORS060-TS12-101

*Restricted Times are Shaded

	Activity	Jan		Feb		Mar		Apr		May		Jun		Jul		Aug		Sept		Oct		Nov		Dec	
		1	15	1	15	1	15	1	15	1	15	1	15	1	15	1	15	1	15	1	15	1	15	1	15
Sale Area	Falling ¹																								
	Ground-based yarding ^{1,2}																								
	Skyline yarding ^{1,2}																								
	Hauling ²																								
Haul Routes	Road Maintenance ²																								
All Roads	Road Construction and Renovation ²																								
	Road Decommissioning or subsoiling ²																								
	Instream culvert work																								

¹ Bark slip seasonal restrictions (normally May 1 – July 15) may be conditionally waived.

² Seasonal restrictions may be shortened or extended depending on weather conditions.



Seasonal restriction for bark slip only.

TIMBER SALE CONTRACT SPECIAL PROVISIONS

Sec. 40. Reserved Timber

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 and western hemlock, noble fir, and western redcedar in the partial cut areas shown on Exhibit A, unless marked with pink paint or otherwise approved by the Authorized Officer.
- d. All snags and existing logs and down trees in the partial cut areas shown on Exhibit A, unless approved by the Authorized Officer.

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. This area extends fifty (50) feet slope distance on both sides of the stream banks. 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 capable of yarding two thousand five hundred (2,500) feet slope distance from the landings and 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 Ground-Based Yarding areas shown on Exhibit A, all yarding shall be done as much as possible by equipment operated on existing skid roads. All equipment operated off of existing skid roads 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 leading 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. 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. In addition, the following yarding restriction shall apply:

1. In the special yarding areas in Unit 36-4, as shown in the Exhibit A, all ground-based harvesting and yarding equipment shall be prohibited from operating within "Boundary of Special Yarding Area" as marked in the field.

j. Mechanical harvesting shall be allowed in areas approved by the Authorized Officer. All equipment operated off of existing skid roads 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, have a minimum of a 20 foot operating radius, and be approved by the Authorized Officer. All equipment operated off of skid roads shall operate on a continuous layer of slash. No more than 2 passes over the same ground shall be permitted.

k. 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 contract 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 to 16" DBH in units 35-2, 36-2, 36-3, and 36-4; and any reserve tree greater or equal to 20" DBH in units 34-1, 34-2, 35-1, and 36-1; 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 or any tree that exceeds 24 inches diameter at breast height shall be appraised and sold by bilateral modification of the contract at current fair market value in accordance with Sec. 8 of the contract.

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.

SEASONAL RESTRICTIONS

n. No felling and yarding operations shall be conducted between May 1 and July 15 during peak bark-slip period. This restriction may be waived by the Authorized Officer.

o. No ground-based yarding shall be conducted on the partial cut areas shown on Exhibit A between October 16 of one calendar year and June 14 of the following calendar year, both days inclusive, or during other periods of wet soil conditions as determined by the Authorized Officer. This restriction may be waived during dry soil conditions as determined by the Authorized Officer.

p. No 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, or during other periods of wet soil conditions as determined by the Authorized Officer. This restriction may be waived during dry soil conditions as determined by the Authorized Officer.

q. No road renovation, road construction, road decommissioning, sub-soiling, or road maintenance shown on Exhibit C shall be conducted between October 16 of one calendar year and May 31 of the following calendar year, both days inclusive, or during other periods of wet soil conditions as determined by the Authorized Officer. This restriction may be waived during dry soil conditions as determined by the Authorized Officer.

r. No hauling shall be conducted between October 16 of one calendar year and May 31 of the following calendar year, both days inclusive, or during other periods of wet soil conditions as determined by the Authorized Officer. This restriction may be waived during dry soil conditions as determined by the Authorized Officer.

s. 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.

ROAD CONSTRUCTION, IMPROVEMENT, RENOVATION, MAINTENANCE AND USE

t. The Purchaser shall construct natural surfaced spurs P1, P2, P3 and the switchback at the junction of roads 3-7-36.1 & 3-7-36B. Renovate roads 3-7-35, 3-7-35.2, 3-7-36A, 3-7-36.8, 3-6-30.8 and 3-7-36.9. Improve roads 3-7-36B & 3-7-36.1. All roads are to be constructed, renovated or improved in strict accordance with the plans and specifications shown on Exhibit C, which is attached hereto and made a part hereof.

u. Any required construction, renovation or improvement of roads shall be completed and accepted prior to the removal of any timber, except right-of-way timber, over that road.

v. Upon completion of operations, as required in Exhibit C, the Purchaser shall subsoil road P1 and P2 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 F, "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. 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, 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	Miles Used	Maintenance Responsibility	Road Control	Road Surface Type
3-6-13 – Nestucca Access Road	5.74	BLM	BLM	Double Lane Paved
4-7-27 – Bald Mtn. Road	8.40	BLM	BLM	Single Lane Paved
3-7-28 – Hoag Pass Road	2.40	BLM	BLM	Crushed Rock
4-7-1	2.28	BLM	BLM	Crushed Rock

x. Provided, that the Purchaser shall pay the Government a road maintenance obligation of nineteen thousand twelve dollars and 82/100 (\$19,012.82) for the transportation of any timber included in this contract price 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 provided that the Purchaser comply with the conditions set forth in Section 41.aa.

Road No. and Segment	Miles Used	Maintenance Responsibility	Road Control	Road Surface Type
3-7-35A	0.17	Purchaser	BLM	Crushed Rock
3-7-35.2	0.30	Purchaser	BLM	Crushed Rock
3-7-36 A&B	0.39	Purchaser	BLM	Crushed Rock
3-7-36.1B	0.28	Purchaser	BLM	Crushed Rock
3-7-36.8	0.15	Purchaser	BLM	Crushed Rock
3-7-36.9	0.24	Purchaser	BLM	Crushed Rock
P1	0.31	Purchaser	BLM	Natural
P2	0.14	Purchaser	BLM	Natural
P3	0.01	Purchaser	BLM	Natural

z. The Purchaser shall pay to the Government a road maintenance obligation for rockwear in the amount of (\$0.00) for the transportation of timber included in the contract price over roads listed in Section 41.y.

aa. Except for road maintenance in accordance with Section 41.w, 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: a road maintenance obligation for rockwear in the amount of (\$0.00) for the transportation of timber included in the contract price over roads above. Provide proof of insurance with limits of \$1,500,000/ \$1,500,000/ \$1,500,000/ \$1,500,000and provide a performance bond in the amount of \$1,000.00.

Road No. and Segment	Length Miles Used	Road Control	Road Surface Type
3-7-35 B	0.28	ODF	Crushed Rock
3-7-36.1A	1.32	ODF	Crushed Rock

cc. 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 structures, 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 over dimension 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

dd. 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.

ee. 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.

ff. 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;
- (2) 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

gg. 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.

hh. Upon completion of ground-based yarding, and pursuant to Section 41 o. of this contract, the purchaser shall water-bar, place coarse woody debris and slash, and block tractor skid roads within the partial cut ground-based yarding areas shown on Exhibit A as directed by the Authorized Officer.

ii. Upon completion of yarding in units containing OHV (off highway vehicles) trails as indicated on the Exhibit G, the purchaser shall clear the OHV trails of all logging debris as directed by the Authorized Officer.

jj. 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 \$888.50. In the event only a portion of the contract timber is scaled, the purchase price shall be reduced by that portion of \$888.50 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

kk. 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) Firefighting 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 firefighting 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) fire engine or 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 fire engine, 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 1 ½ 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 (1 ½ 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 buckner 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

II. Immediately upon completion of harvest on any individual units, logging slash at all landings and slash located along designated property lines and roads, or along existing designated motorcycle trails will be treated as follows. See Exhibit G which is attached hereto and made a part hereof:

CONSTRUCTION AND COVERING OF LANDING PILES

1. Within twenty-five (25) feet (horizontal distance) of the edge of each landing, all tops, broken pieces, limbs, and other activity generated woody debris greater than one (1) inch in diameter at the large end and longer than three (3) feet in length shall be piled and covered for burning within fifteen (15) days of the removal of logs from the landing area.
2. Landing piles should be located as far as possible from green trees, snags, or unit boundaries to minimize damage.
3. Landing piles shall be kept free of dirt and other non-wood debris and constructed as compactly as possible. There should be an adequate supply of finer fuels located within and under the covered area of the pile to ensure ignition of the larger fuels, and the completed piles shall be free of projecting limbs or slash which would interfere with the adequate covering of the piles. To the maximum extent possible, hardwood slash shall be mixed with conifer slash to create piles that are more burnable.
4. The landing piles shall be adequately covered with four (4) mil. (0.004) inch thick black polyethylene plastic to ensure ignition. The plastic shall be furnished by the Purchaser. The plastic shall be oriented southwest (SW) to northeast (NE) and over the top of the pile. Plastic shall be held in place with woody debris or tied with rope or twine. The plastic must be secured so that it is held in place during strong wind conditions. Covering shall be completed before September 30th of the year in which the piling occurred, or as directed by the Authorized Officer.
5. No landing debris shall be dozed off the landing and covered with dirt. Debris which has been buried and is determined to be the source of holdover fire shall be excavated by the Purchaser, at the Purchaser's expense, with a tractor and/or hydraulic excavator as directed by the Authorized Officer.
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.
7. If the construction of the landing piles will not permit adequate consumption of the piled debris, the Purchaser shall be required to re-pile the debris at the direction of the Authorized Officer.

SLASH PULLBACK

8. The Authorized Officer shall notify the Purchaser of the date work is to begin. Work shall begin within ten (10) days of such date.

9. 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 roads, or along existing designated motorcycle trails 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.

mm. 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 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 burning and fire control on the day of ignition. The Purchaser shall furnish, at his own expense, the services of personnel and equipment on all units requiring burning as shown below.

Unit No. 34-1, 35-2, 35-3, 36-1, 36-2, 36-3 & 36-4

1. One (1) work leader (Firefighter Type 1 (FFT1)) to supervise crew and to serve as Purchaser's representative.
2. A five (5) person crew (Firefighter Type 2 (FFT2)) for ignition.
3. Five (5) drip torches with thirty-five (35) gallons of slash fuel (4:1 ratio of diesel to gasoline).
4. Aluma-gel or other incendiary device.
5. One (1) chain saw with fuel.
6. One (1) hand tool per above listed personnel on the day of ignition.

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 (Nomex™ 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 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.

LOG EXPORT RESTRICTION

nn. 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

oo. 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

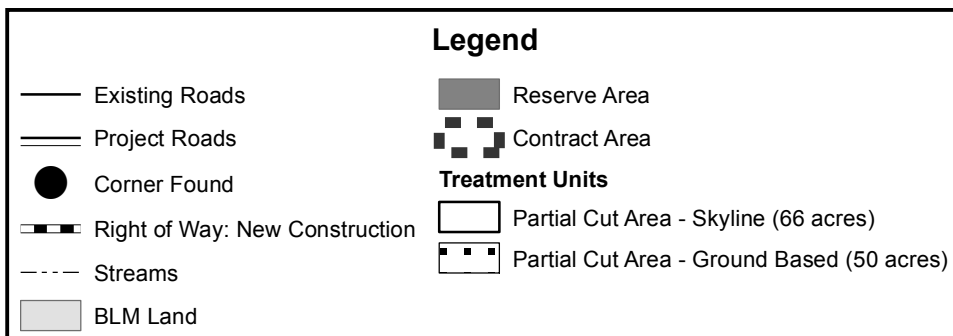
Contract No. TS12-101
Hoag Heaven Timber Sale
Exhibit A
Page 1 of 2

T. 3S, R. 7W, Sections 34, 35 & 36, W. M. - SALEM DISTRICT - OREGON

March 26th, 2012



Contour Interval: 40 feet 1 inch = 1,000 feet



Note: Boundaries of Harvest Areas are posted and/or painted orange.

Acres shown on Exhibit A for partial cut 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.

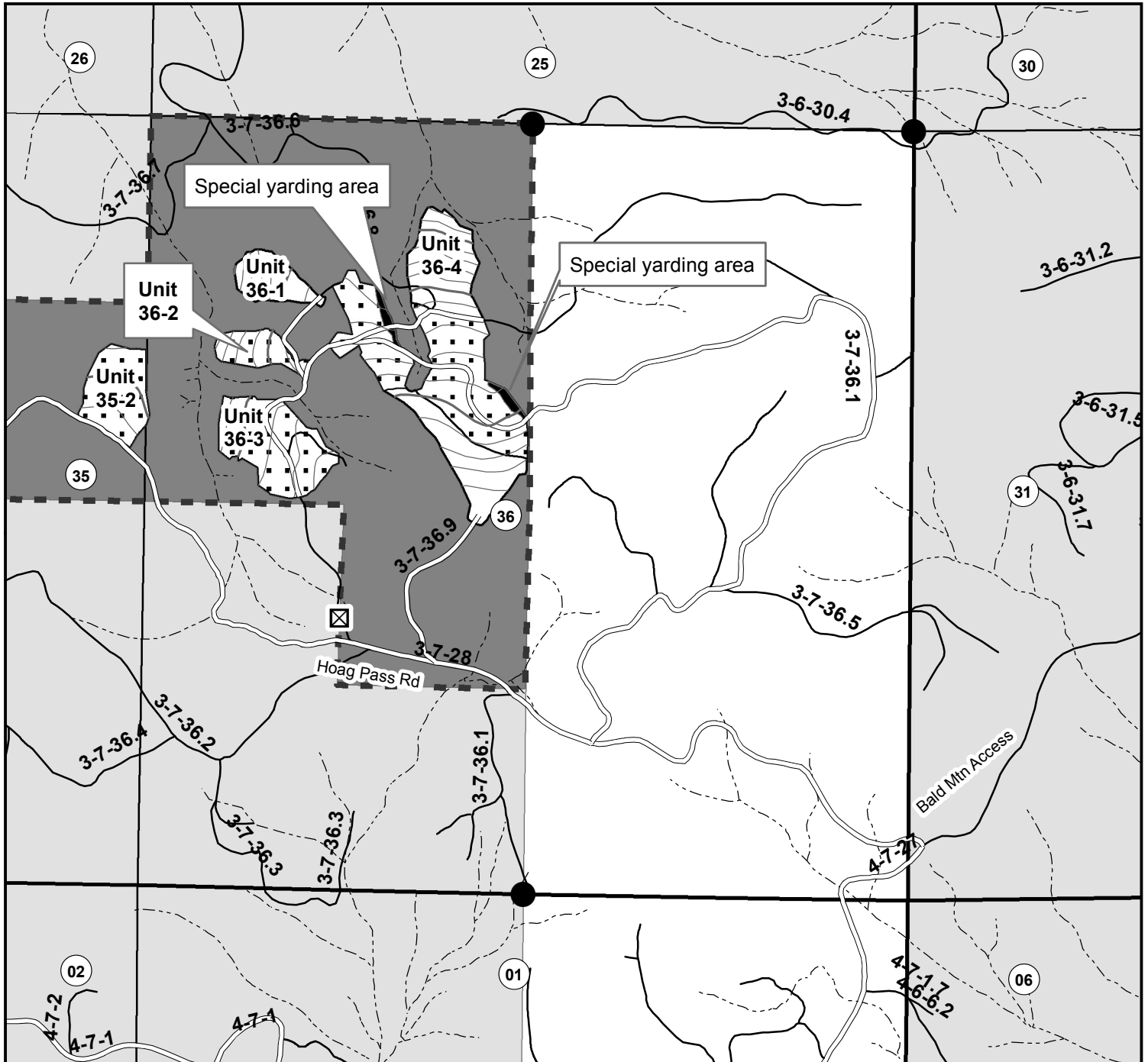
Prepared By: csween 03/26/2012

United States Department of the Interior
BUREAU OF LAND MANAGEMENT
TIMBER SALE CONTRACT MAP

Contract No. TS12-101
Hoag Heaven Timber Sale
Exhibit A
Page 2 of 2

T. 3S, R. 7W, Sections 34, 35 & 36, W. M. - SALEM DISTRICT - OREGON

March 26th, 2012



Legend

- | | |
|---|--|
| <ul style="list-style-type: none"> Road Blocked Existing Roads Project Roads Corner Found Right of Way: New Construction Streams BLM Land | <ul style="list-style-type: none"> Reserve Area Contract Area Treatment Units Partial Cut Area - Skyline Partial Cut Area - Ground Based ground special yarding area |
|---|--|

Contour Interval: 40 feet 1 inch = 1,000 feet



Note: Boundaries of Harvest Areas are posted and/or painted orange.

Acres shown on Exhibit A for partial cut 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.

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

Salem
Hoag Heaven
TS 12-101

Exhibit B

The following estimates and calculations of timber sold are made solely as an administrative aid for determining: (1) Adjustments made or credits given in accordance with Sections 6, 9, or 11; (2) When payments are due; and (3) Value of timber subject to any special bonding provisions. The value of timber will be determined by multiplying the value per acre as shown below, times the amount of acreage as determined by the authorized officer, which has been cut or removed or designated for taking.

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

Sale Totals (16' MBF)

Species	Net Volume	Bid Price	Sale SubTotal
Douglas-fir	1,759		
Red Alder	9		
Western Hemlock	2		
Sale Totals	1,770		

Unit Details (16' MB)

Unit 34-1 54 Acres Value per Acre : \$0.00

Species	Net Volume	Bid Price	Species Value
Douglas-fir	935		
Unit Totals	935		

Unit 34-1 R/W 1 Acres Value per Acre : \$0.00

Species	Net Volume	Bid Price	Species Value
Douglas-fir	77		
Unit Totals	77		

Unit 34-2 2 Acres Value per Acre : \$0.00

Species	Net Volume	Bid Price	Species Value
Douglas-fir	35		
Unit Totals	35		

Unit 35-1 16 Acres Value per Acre : \$0.00

Species	Net Volume	Bid Price	Species Value
Douglas-fir	265		
Red Alder	2		
Unit Totals	267		

Salem
Hoag Heaven
TS 12-101

Species	Net Volume	Bid Price	Species Value
Douglas-fir	39		
Red Alder	3		
Unit Totals	42		

Species	Net Volume	Bid Price	Species Value
Douglas-fir	38		
Unit Totals	38		

Species	Net Volume	Bid Price	Species Value
Douglas-fir	52		
Unit Totals	52		

Species	Net Volume	Bid Price	Species Value
Douglas-fir	23		
Unit Totals	23		

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

Species	Net Volume	Bid Price	Species Value
Douglas-fir	62		
Red Alder	2		
Unit Totals	64		

Species	Net Volume	Bid Price	Species Value
Douglas-fir	194		
Red Alder	2		
Unit Totals	196		

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

Salem
Hoag Heaven
TS 12-101

Unit 36-4 R/W 1 Acres Value per Acre : \$0.00

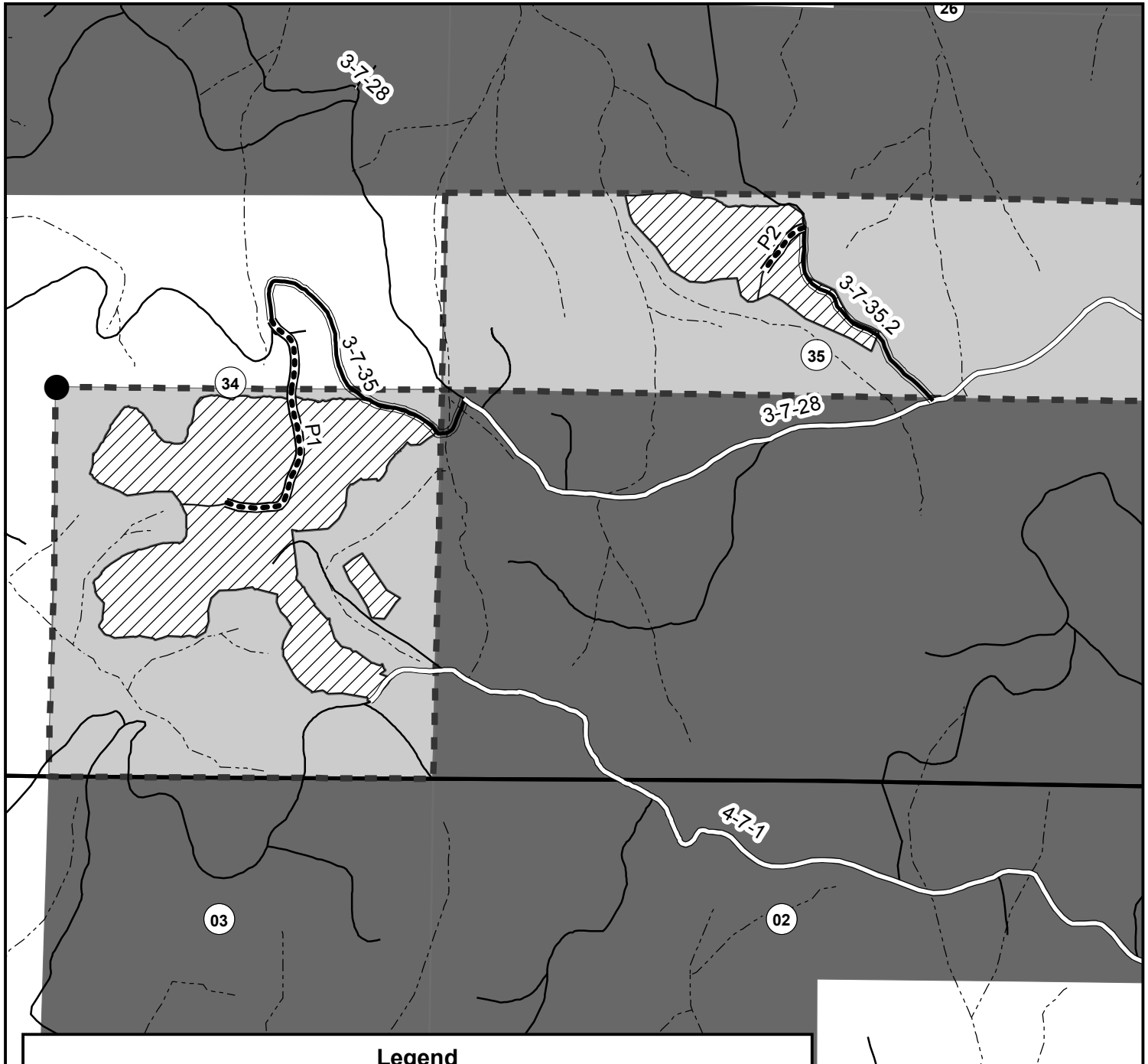
Species	Net Volume	Bid Price	Species Value
Douglas-fir	13		
Western Hemlock	2		
Unit Totals	15		

United States Department of the Interior
BUREAU OF LAND MANAGEMENT
ROAD PLAN MAP

Contract No. TS12-101
Hoag Heaven Timber Sale
Exhibit C
Page 20 of 26

T. 3S, R. 7W, Sections 34, 35 & 36, W. M. - SALEM DISTRICT - OREGON

January 24th, 2012



Project Roads

Exhibit_C

- Existing Project Roads
- Natural surfaced spurs to be constructed - decommission after use
- Roads to be renovated
- Roads to be renovated - decommission after use
- Existing Roads
- Corner Found

- Streams
- BLM Land
- Reserve Area
- Contract Area
- Treatment Units

1 inch = 1,000 feet

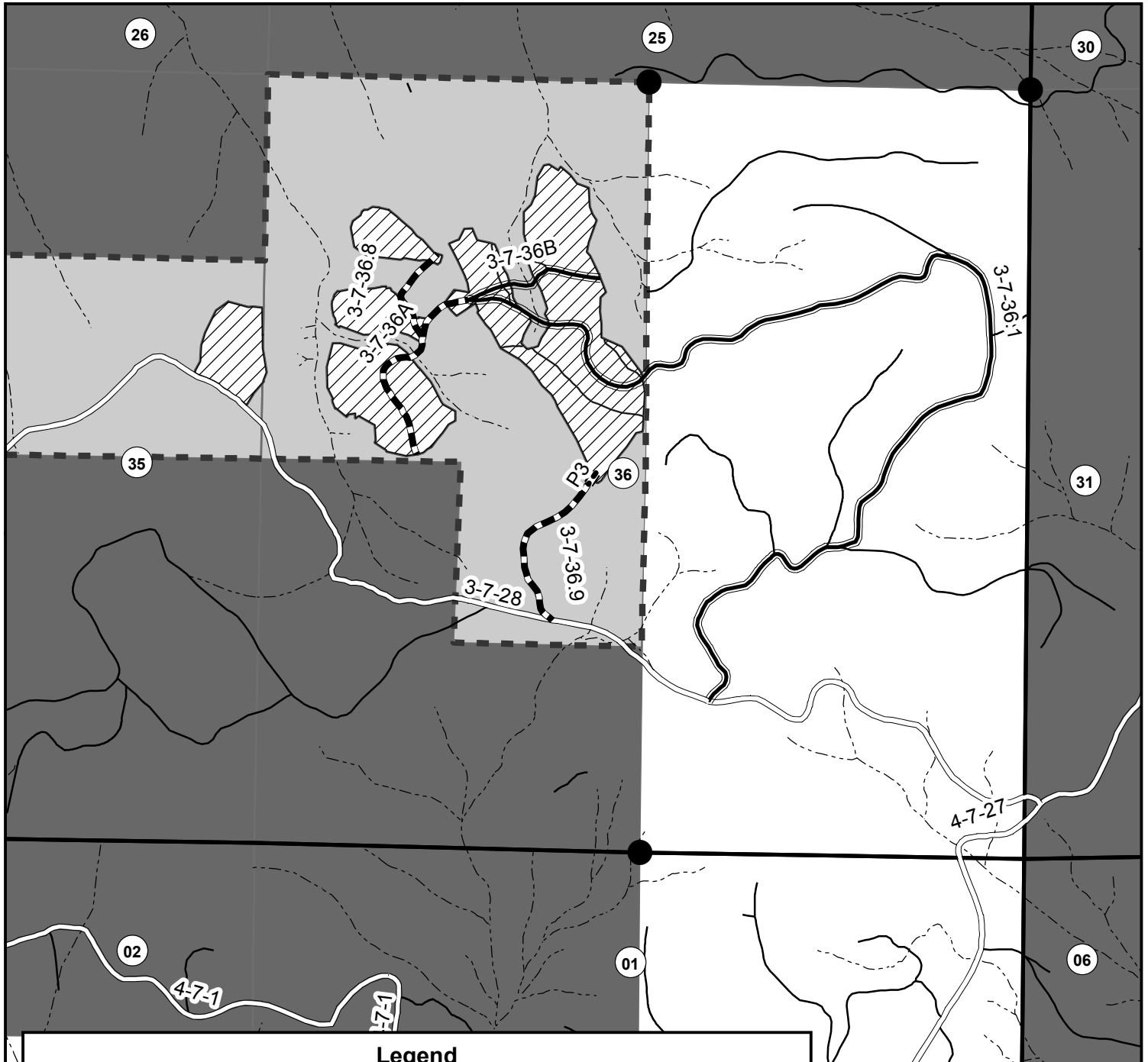


United States Department of the Interior
BUREAU OF LAND MANAGEMENT
ROAD PLAN MAP

Contract No. TS12-101
Hoag Heaven Timber Sale
Exhibit C
Page 21 of 26

T. 3S, R. 7W, Sections 34, 35 & 36, W. M. - SALEM DISTRICT - OREGON

January 24th, 2012



Legend

Project Roads

Exhibit_C

- Existing Project Roads
- Natural surfaced spurs to be constructed - decommission after use
- Roads to be renovated
- Roads to be renovated - decommission after use
- Existing Roads
- Corner Found

- Streams
- BLM Land
- Reserve Area
- Contract Area
- ▨ Treatment Units

1 inch = 1,000 feet

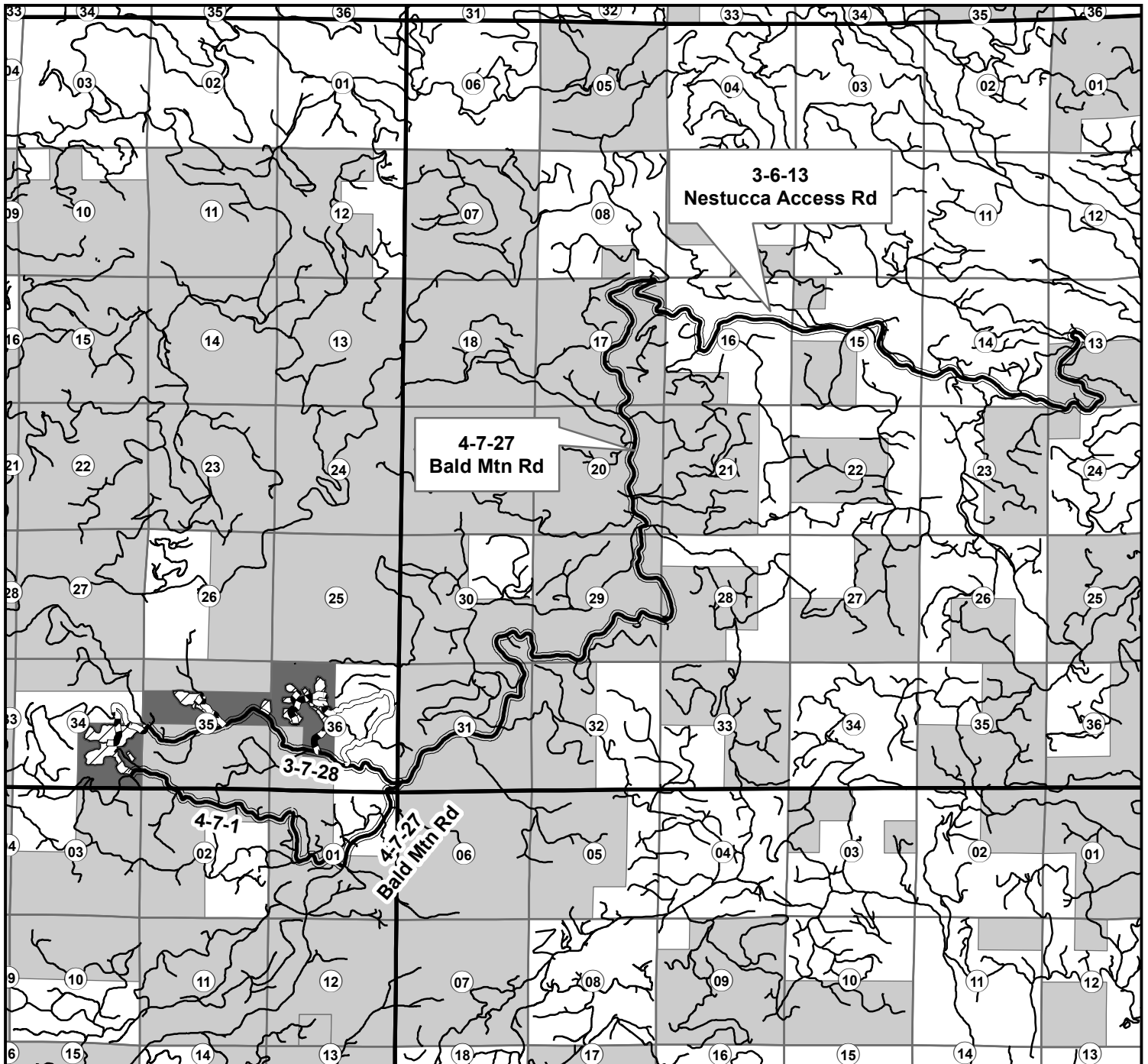


United States Department of the Interior
BUREAU OF LAND MANAGEMENT
MAINTENANCE AND ACCESS MAP

Contract No. TS12-101
Hoag Heaven Timber Sale
Exhibit E
Page 1 of 2

T. 3S, R. 7W, Sections 34, 35 & 36, W. M. - SALEM DISTRICT - OREGON

March 26th, 2012







1 inch = 6,000 feet

Legend

Project Roads

Exhibit_E

-  BLM controlled roads - BLM maintenance
-  BLM controlled roads - purchaser maintenance
-  BLM controlled roads - purchaser maintenance - decommission after use
-  Oregon Department of Forestry controlled roads - purchaser maintenance

-  Existing Roads
-  BLM Land
-  Reserve Area
-  Treatment Units

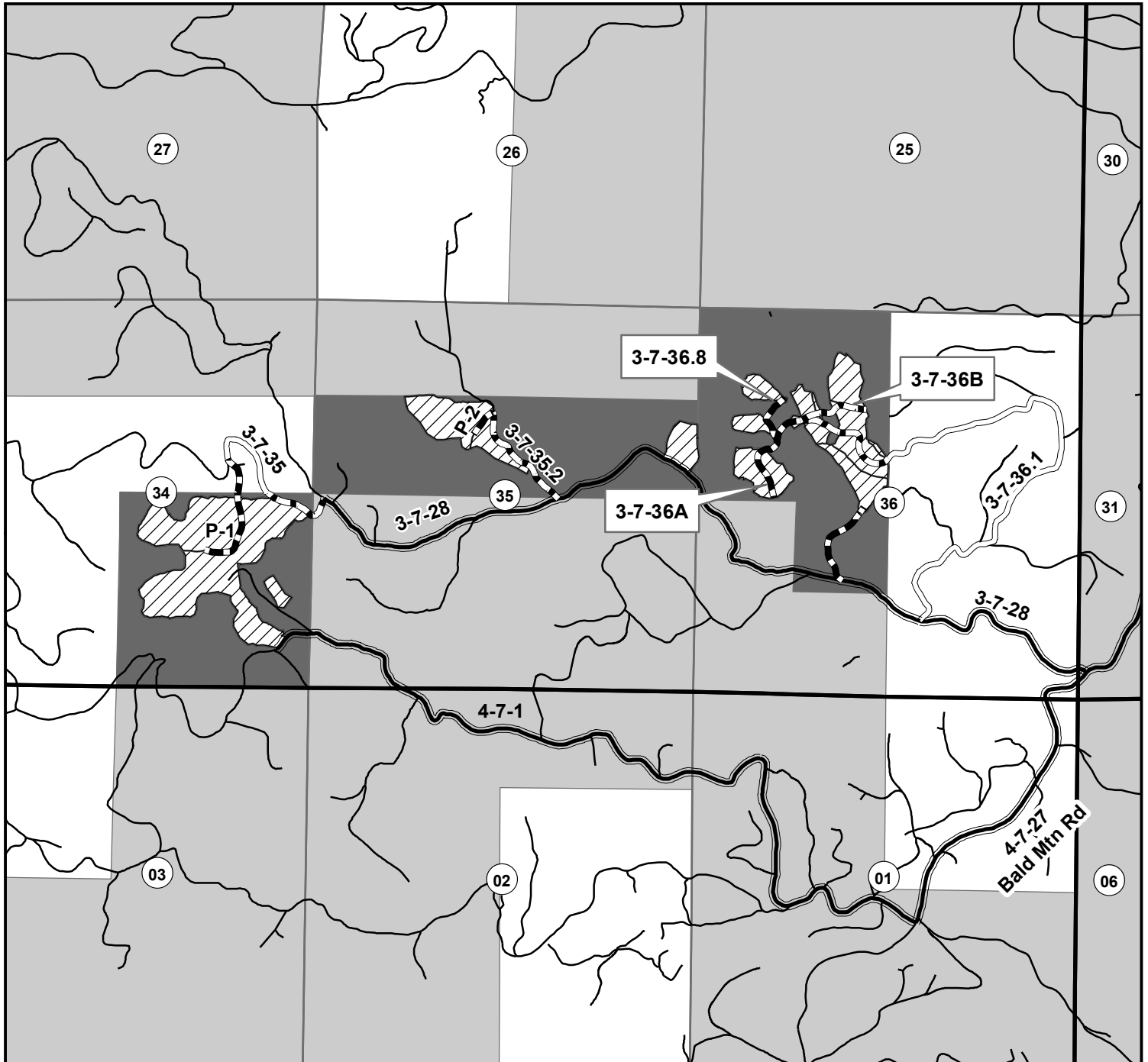


United States Department of the Interior
BUREAU OF LAND MANAGEMENT
MAINTENANCE AND ACCESS MAP

Contract No. TS12-101
Hoag Heaven Timber Sale
Exhibit E
Page 2 of 2

T. 3S, R. 7W, Sections 34, 35 & 36, W. M. - SALEM DISTRICT - OREGON

March 26th, 2012



1 inch = 2,000 feet

Legend

Project Roads

Exhibit_E

- BLM controlled roads - BLM maintenance
- BLM controlled roads - purchaser maintenance
- BLM controlled roads - purchaser maintenance - decommission after use
- Oregon Department of Forestry controlled roads - purchaser maintenance

- Existing Roads
- BLM Land
- Reserve Area
- Treatment Units



SPECIAL PROVISION FOR TRACTOR SUBSOILER

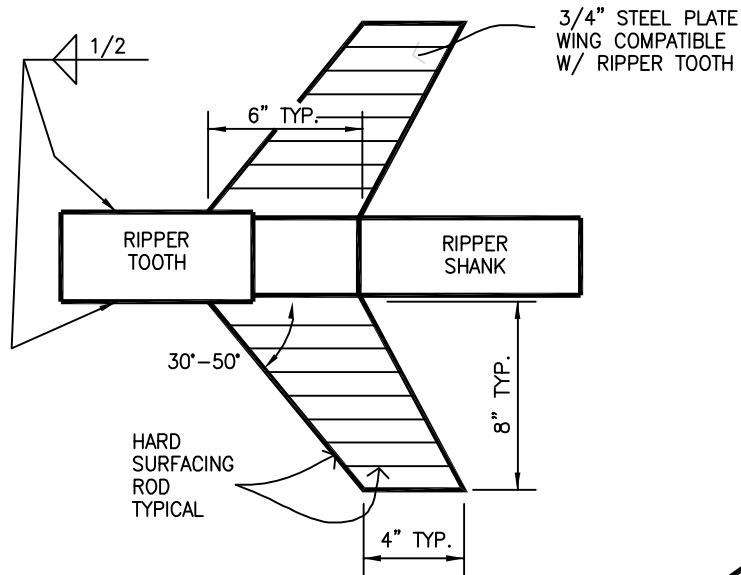
The Purchaser shall subsoil roads and skid roads as specified in Section 41 as directed by the Authorized Officer using a winged subsoiler.

A winged subsoiler is a device pulled by a tractor that horizontally fractures the soil. It consists of horizontal wings fastened onto curved shanks (see attached diagram in exhibit F sheet 2). The winged subsoiler assembly is to be self-drafting. The wings need to be bolted or welded to the “shoe” which is to be attached to the end of the curved shank. The assembly is to be attached to a rear-mounted hitch with the wing angle in proper balance for penetrating compacted soil and to fracture the soil at the proper working depth from the bottom upwards without turning over the soil.

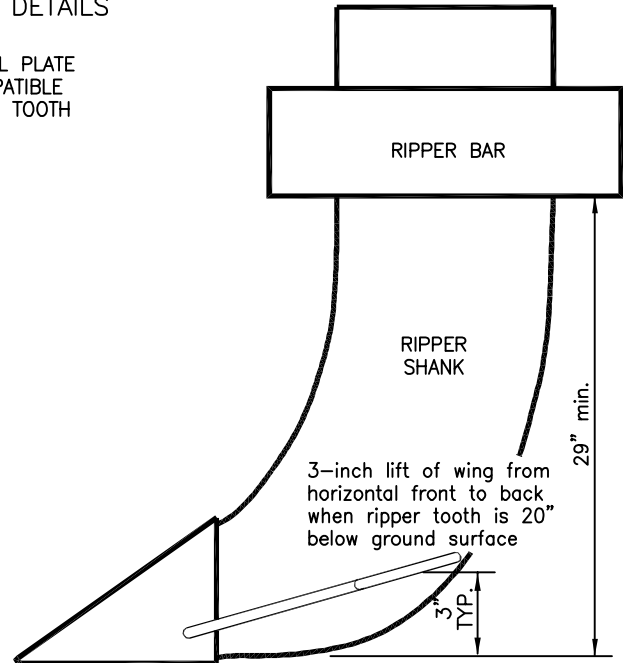
1. Subsoiling shall be accomplished utilizing a D-6 crawler type tractor (equivalent or larger) and three rear mounted winged, curved shanks, equally spaced, with outside shanks in line with the tractor tracks. The curved shanks and “wings” shall meet the specifications shown on the attached diagram. Prior to commencement of work, equipment must meet approval of Authorized Officer.
2. Subsoiling shall occur during the same summer season described in the timber sale contract as falling and yarding operations on each partial cut area. Subsoiling shall occur when the soil moisture is less than 25% or below field capacity, as determined by the Authorized Officer.
3. The equipment shall be capable of subsoiling to an 18- inch depth and will sufficiently loosen compacted soil in the natural surface haul roads, skid roads and landings so that no more than 50% of the soil particles are greater than 2 inches in size.
4. Areas traveled by equipment after subsoiling shall be re-subsoiled.
5. Subsoiling shall be confined to the natural surface haul roads, skid roads, landings and any other compacted areas created by the Purchaser’s operation; as determined by the Authorized Officer.

WINGED SUBSOILER

FABRICATION DETAILS



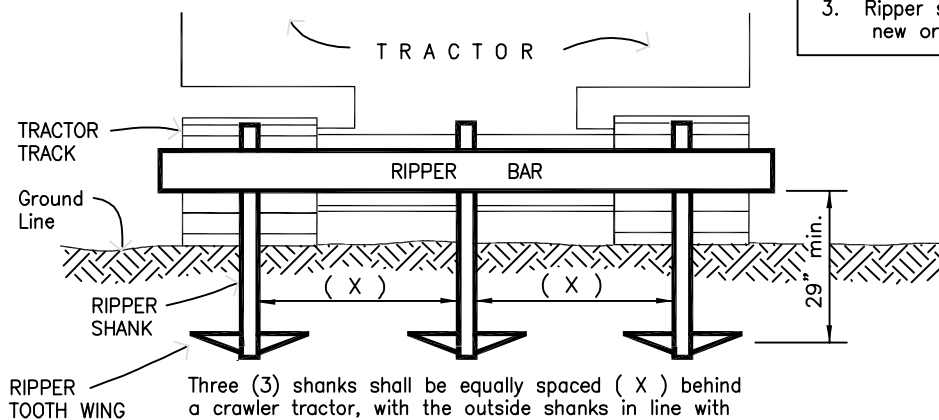
RIPPER — TOP VIEW



RIPPER — SIDE VIEW

NOTES — TYPICAL RIPPER TOOTH CONSTRUCTION

1. Use hard surfacing rod for all edge and surface reinforcement.
2. Weld that attaches wings to ripper teeth must be compatible with metal in teeth and wings.
3. Ripper shanks and ripper teeth may be new or used.



TYPICAL RIPPER POSITIONS

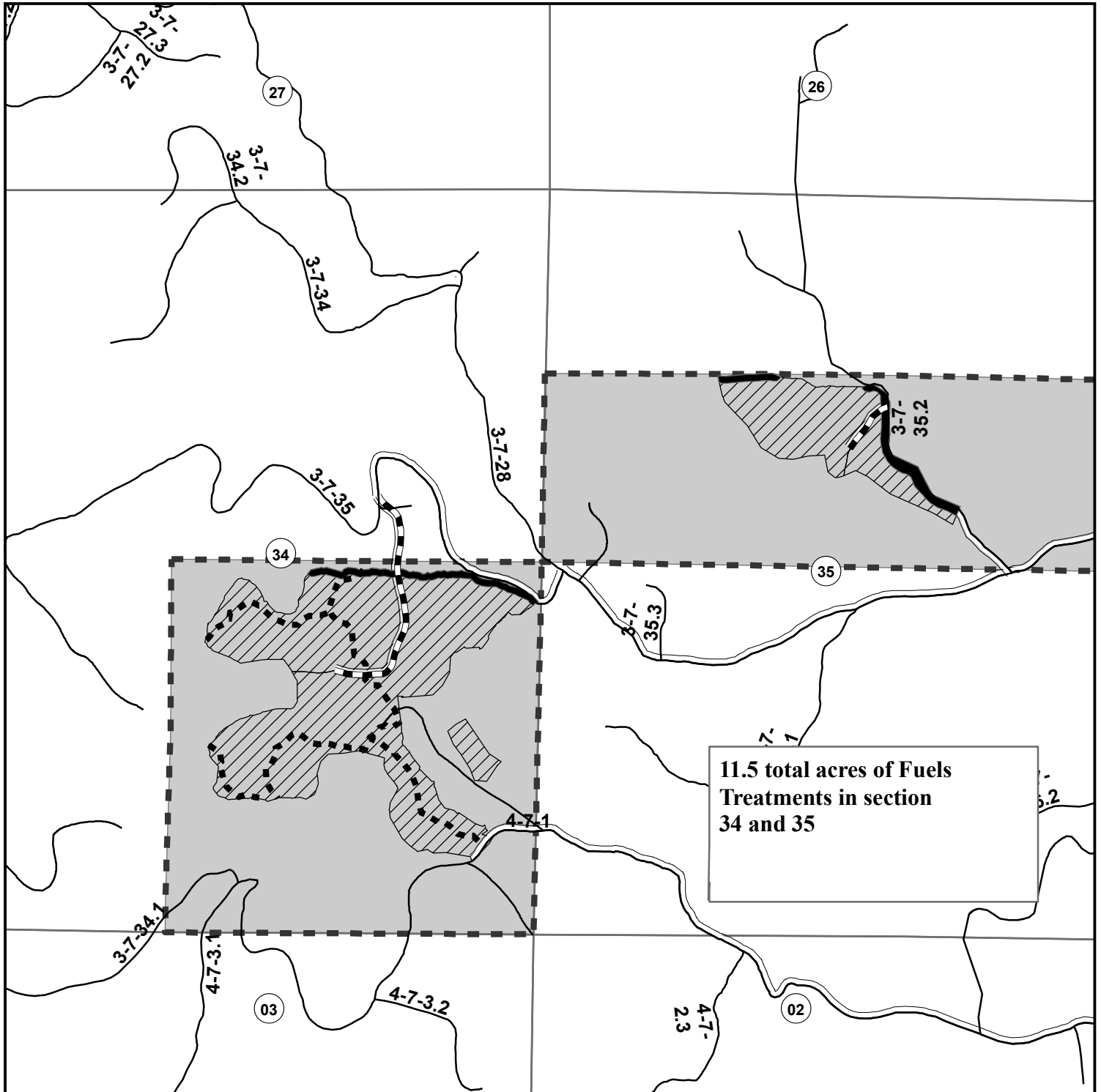
NOT TO SCALE

United States Department of the Interior
BUREAU OF LAND MANAGEMENT
FUELS TREATMENT MAP

Contract No. TS12-101
Hoag Heaven Timber Sale
Exhibit G
Page 1 of 2

T. 3S, R. 7W, Sections 34, 35 & 36, W. M. - SALEM DISTRICT - OREGON

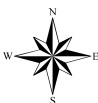
February 15th, 2012



Legend

- | | |
|--------------------------------------|--------------------------------|
| Road & Property Line Fuel Treatments | Right of Way: New Construction |
| Motorcycle Trail Fuel Treatments | Reserve Area |
| Existing Roads | Contract Area |
| Project Roads | Cutting Unit Boundary |

1 inch = 1,000 feet

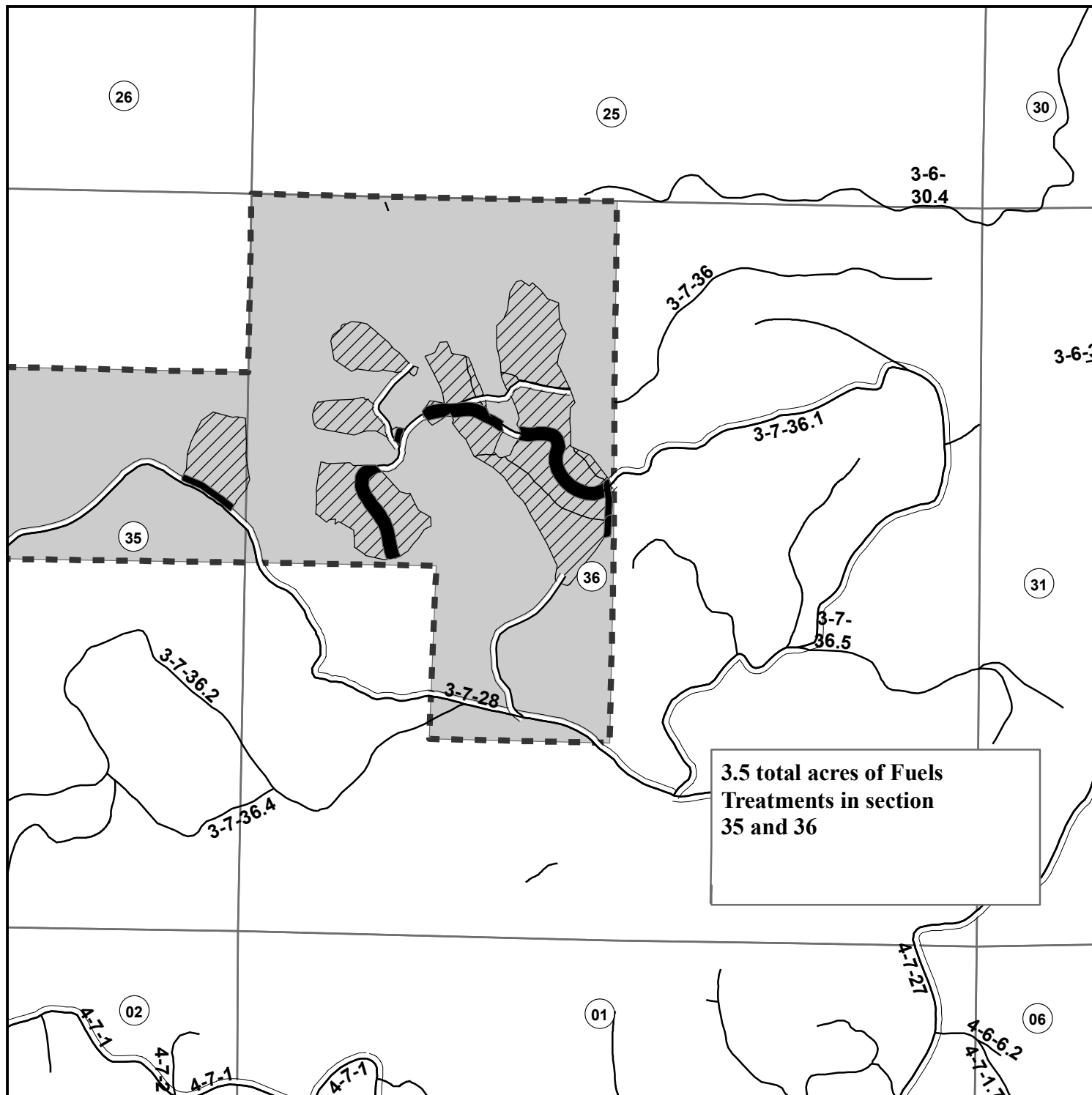


United States Department of the Interior
BUREAU OF LAND MANAGEMENT
FUELS TREATMENT MAP

Contract No. TS12-101
Hoag Heaven Timber Sale
Exhibit G
Page 2 of 2

T. 3S, R. 7W, Sections 34, 35 & 36, W. M. - SALEM DISTRICT - OREGON

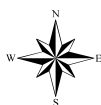
February 15th, 2012



Legend

- | | |
|--------------------------------------|--------------------------------|
| Road & Property Line Fuel Treatments | Right of Way: New Construction |
| Motorcycle Trail Fuel Treatments | Reserve Area |
| Existing Roads | Contract Area |
| Project Roads | Cutting Unit Boundary |

1 inch = 1,000 feet

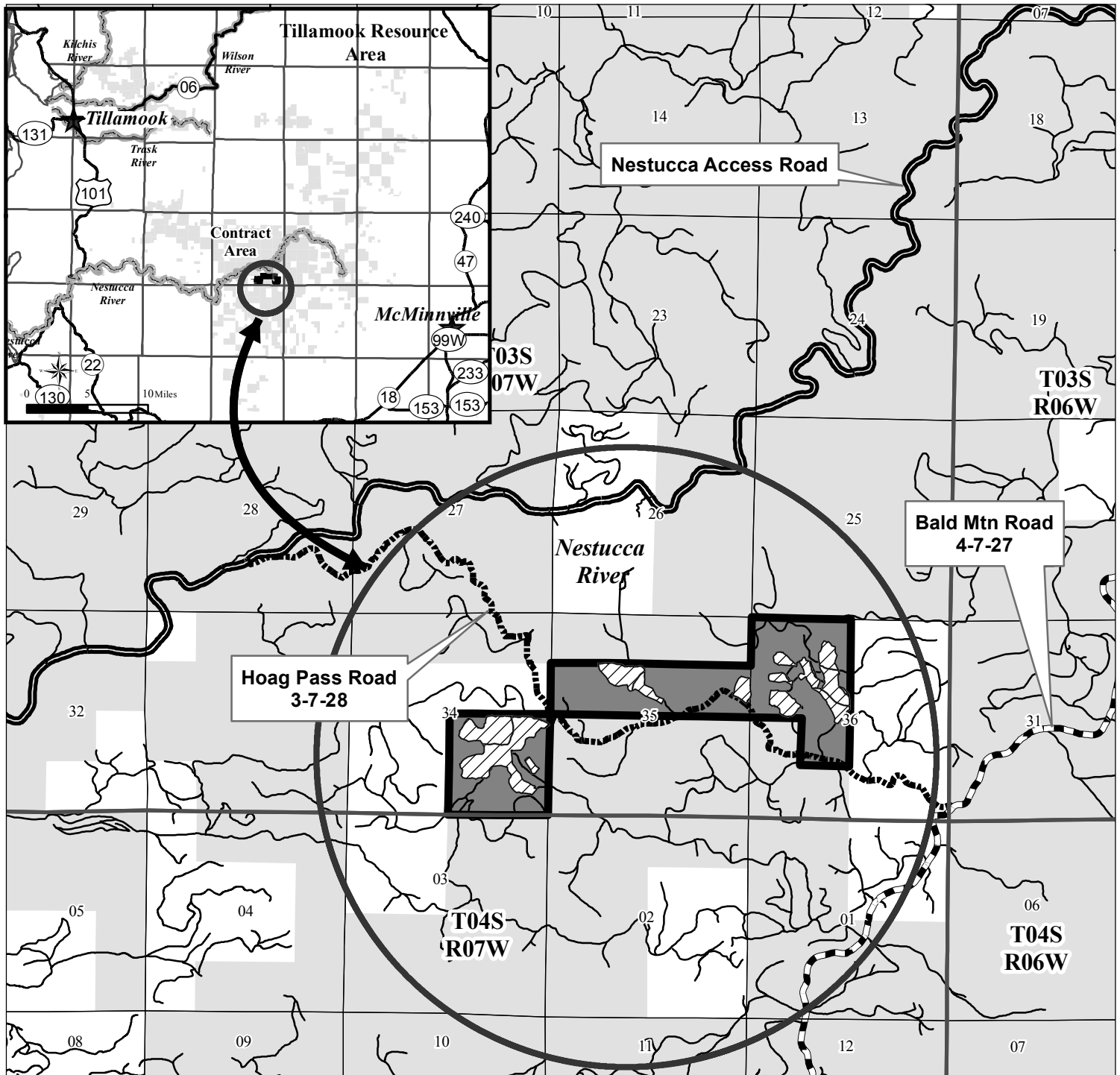


United States Department of the Interior
BUREAU OF LAND MANAGEMENT
TIMBER SALE LOCATION MAP

Contract No. TS12-101
Hoag Heaven Timber Sale
Project Location
Page 1 of 1

March 26th, 2012

T. 3S, R. 7W, Sections 34, 35 & 36, W. M. - SALEM DISTRICT - OREGON



0 0.5 1 2 Miles



- Contract Area
- Sale Units
- Reserve Area
- Nestucca River
- BLM Land

- ## Roads
- Roads
 - Bald Mtn Access
 - Hoag Pass Rd
 - Nestucca Access

No warranty is made by the Bureau of Land Management as to the accuracy, reliability, or completeness of these data for individual or aggregate use with other data. Original data were compiled from various sources and may be updated without notification.

Prepared By: csween 03/26/2012

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

Salem
Hoag Heaven
TS 12-101

Legal Description

Forest Type	Township	Range	Section	Subdivision
O&C	3S	7W	34	SE1/4,
O&C	3S	7W	35	S1/2 NE1/4, S1/2 NW1/4
O&C	3S	7W	36	NW1/4 NE1/4, SW1/4

Cutting Volume (16' MBF)

Unit	DF	RA	WH						Total	Regen	Partial	ROW
34-1	935								935	0	54	0
34-2	35								35	0	2	0
35-1	265	2							267	0	16	0
35-2	39	3							42	0	5	0
36-1	52								52	0	3	0
36-2	23								23	0	3	0
36-3	62	2							64	0	8	0
36-4	194	2							196	0	25	0
34-1 R/W	77								77	0	0	1
35-2 R/W	38								38	0	0	1
36-2 R/W	26								26	0	0	1
36-4 R/W	13		2						15	0	0	1
Totals	1,759	9	2						1,770	0	116	4

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

Salem
Hoag Heaven
TS 12-101

Logging Costs per 16' MBF

Stump to Truck	\$	189.22
Transportation	\$	78.75
Road Construction	\$	30.98
Road Amortization	\$	0.00
Road Maintenance	\$	15.71

Other Allowances :

Equipment Washing	\$ 0.26
Landing Clean-up	\$ 0.26
Misc	\$ 0.36
Piling	\$ 1.77
Road Blocking, Stumps	\$ 0.41
Slash Pullback	\$ 3.48
Water Bars/ Berms	\$ 0.68
Total Other Allowances :	\$ 7.22

Total Logging Costs per 16' MBF

\$ 321.87

Utilization Centers

Center #1 : Banks,OR. 52 Miles
Center #2 0 Miles
Weighted distance to Utilization Centers 52

Length of Contract

Cutting and Removal Time 36 Months
Personal Property Removal Time 1 Months

Profit & Risk

Total Profit & Risk 10 %
Basic Profit & Risk 7 % + Additional Risk 3 %
Back Off 5 %

Tract Features

Avg Log Douglas-fir : 59 bf All : 59 bf
Recovery Douglas-fir : 96 % All : 96 %
Salvage Douglas-fir : 0 % All : 0 %
Avg Volume (16' MBF per Acre) 15
Avg Yarding Slope 35 %
Avg Yarding Distance (feet) 585
Avg Age 65
Volume Cable 57 %
Volume Ground 43 %
Volume Aerial 0 %
Road Construction Stations 28.40
Road Improvement Stations 94.51
Road Renovation Stations 70.75
Road Decommission Stations 0.00

Cruise

Cruised By Mario Salmon
Date 01/06/2010
Type of Cruise PCMTRE/3P/100%
County, State Tillamook, OR

Net Volume

Green (16' MBF) 1,770
Salvage (16' MBF) 0
Douglas-fir Peeler 248
Export Volume 0
Scaling Allowance (\$0.50 per 16' MBF) \$885.00

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Salem
Hoag Heaven
TS 12-101

Stumpage Summary

Stumpage Computation (16' MBF)

Species	Trees	Net Volume	Pond Value	(-) Profit & Risk	(-) Logging Cost	(+) Marginal Log Value	(-) Back Off	Appraised Price	Appraised Value
DF	6,999	1,759	\$ 450.29	\$ 45.03	\$ 321.87		\$ 4.17	\$ 79.20	\$ 139,312.80
RA	535	9	\$ 376.14	\$ 37.61	\$ 321.87	\$ 216.67	\$ 11.67	\$ 221.70	\$ 1,995.30
WH	15	2	\$ 225.98	\$ 22.60	\$ 321.87		\$(5.92)	\$ 22.60	\$ 45.20
Totals	7,549	1,770							\$ 141,353.30

Log Code by Percent

Species	Code #1	Code #2	Code #3	Code #4	Code #5	Code #6
Douglas-fir			14.0	50.0	31.0	5.0
Red Alder				100.0		
Western Hemlock				74.0	4.0	22.0

Marginal Log Volume

Species	Grade #7	Grade #8
Douglas-fir		
Red Alder	13	
Western Hemlock		

Appraised By :	Date :
Area Approval By :	Date :
District Approval By :	Date :

Form 5440-9 July 1990) <div style="text-align: center; margin-top: 10px;"> UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT </div> <div style="display: flex; justify-content: space-between; align-items: center; margin-top: 20px;"> <div style="text-align: center;"> DEPOSIT AND BID FOR LUMP SUM SALE </div> <div style="text-align: center;"> <input checked="" type="checkbox"/> TIMBER* <input type="checkbox"/> VEGETATIVE RESOURCE (Other Than Timber) </div> </div>					FORM APPROVED OMB NO.1004-0113 Expires: July 31, 1992	
					Tract Number: <div style="text-align: center; font-weight: bold;">ORS060-TS12-101</div>	
					Sale Name <div style="text-align: center; font-weight: bold;">HOAG HEAVEN</div>	
					Sale Notice (dated): <div style="text-align: center; font-weight: bold;">April 25, 2012</div>	
					BLM District: <div style="text-align: center; font-weight: bold;">SALEM</div>	

<input type="checkbox"/> Sealed Bid for Sealed Bid Sale	<input checked="" type="checkbox"/> 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 deposit is \$ 14,200.00 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					ORAL BID MADE	
PRODUCT SPECIES	UNIT	ESTIMATED VOLUME OR QUANTITY	UNIT PRICE	TOTAL VALUE	UNIT PRICE	TOTAL VALUE
<u>Douglas-fir</u>	<u>MBF</u>	<u>1759</u> x _____ = _____			x _____ = _____	
<u>Western hemlock</u>	<u>MBF</u>	<u>2</u> x _____ = _____			x _____ = _____	
<u>Red Alder</u>	<u>MBF</u>	<u>9</u> x _____ = _____			x _____ = _____	
_____	<u>MBF</u>	_____ x _____ = _____			x _____ = _____	
_____	<u>MBF</u>	_____ x _____ = _____			x _____ = _____	
_____	<u>MBF</u>	_____ x _____ = _____			x _____ = _____	
_____	<u>MBF</u>	_____ x _____ = _____			x _____ = _____	
_____	<u>MBF</u>	_____ x _____ = _____			x _____ = _____	
_____	<u>MBF</u>	_____ x _____ = _____			x _____ = _____	
_____	<u>MBF</u>	_____ x _____ = _____			x _____ = _____	
_____	<u>MBF</u>	_____ x _____ = _____			x _____ = _____	
_____	<u>MBF</u>	_____ x _____ = _____			x _____ = _____	
_____	<u>MBF</u>	_____ x _____ = _____			x _____ = _____	

TOTAL PURCHASE PRICE				
----------------------	--	--	--	--

(Continued on reverse)

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

Bid submitted on *(date)*

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

☐ 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

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

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

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

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

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

(a) *Sealed Bid Sales* - Bids will be received until time for opening which is set out in the Notice. Enclose both copies of bid with required bid deposit in a sealed envelope marked on the outside *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 board feet that will be paid for each species. High bidder will be determined by multiplying bid price per thousand board feet per species by Bureau of Land Management estimate of volume of each species. Purchaser shall be liable for purchase price of all merchantable timber sold under contract even though all such timber is not actually cut and removed prior to expiration of time for cutting and removal as specified in contract. *

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

8. **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 5150.1(b). Performance bond may be (1) bond of a corporate surety shown on approval list issued by the United States Treasury Department and executed on an approved standard form, (2) personal surety bond executed on an approved standard form if Government determines principals and bondsman are capable of carrying out the terms of the contract, (3) cash bonds, (4) negotiable securities of the United States, or (5) Any guaranteed remittance approved by the Authorized Officer.

(b) If purchaser elects to cut timber without skidding or yarding it to a loading point or removing it prior to the payment of the second or subsequent installments, Government shall require an increase in amount of performance bond initially required by an amount equal to the value of timber to be cut. Such increase must be on 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 cut and/or removed in advance of payment.*

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

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

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

15. **UNAUTHORIZED USE OF GOVERNMENT PROPERTY** - A sale may be refused to high bidder who has been notified that he has failed to make satisfactory arrangements for payment of damages resulting from unauthorized use of, or injury to, property of the United States.

*Applies to Timber Only

EQUAL OPPORTUNITY CLAUSE - This contract is subject to the provisions of Executive Order No. 11246 of September 24, 1965, as amended, which sets forth the nondiscrimination clauses. Copies of this order may be obtained from the District Manager. 43 CFR 60-1.7(b) requires that the Equal Opportunity *Compliance Report Certification* will be completed by prospective contractors. Certification may be obtained from District Manager.

17.LOG EXPORT - All timber offered for sale except as noted in the *Timber Sale Notice* is restricted from export from the United States in the form of unprocessed timber and cannot be used as a substitute for exported private timber. For the purpose of this contract, unprocessed timber is defined as: (1) any logs except those of utility grade or below, such as sawlogs, peeler logs, and pulp logs; (2) cants or squares to be subsequently remanufactured exceeding eight and three quarters (8-3/4) inches in thickness; (3) split or round bolts or other roundwood not processed to standards and specifications suitable for end product use; or (4) western red cedar lumber which does not meet lumber of American Lumber Standards Grades of Number 3 dimension

or better, or Pacific Lumber Inspection Bureau R-List Grades of Number 3 common or better. Timber manufactured into the following will be considered processed.. (1) lumber and construction timbers, regardless of size, manufactured to standards and specifications suitable for end product uses; (2) chips, pulp and pulp products; (3) green or dry veneer and plywood; (4) poles and piling cut or treated for use as such; (5) cants, squares, and lumber cut for remanufacture of eight and three quarters (8-3/4) inches in thickness or less, or (6) shakes and shingles. in event purchaser wishes to sell any or all of timber restricted from export in the form of unprocessed timber. the buyer, exchanges, or recipient shall be required to comply with contractual provisions relating to "*unprocessed timber*." Special reporting, branding and painting of logs may be included in contract provisions. *

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT 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.	
In compliance with requirements of 43 CFR 5424, <input type="checkbox"/> I <input type="checkbox"/> We hereby submit the following information:		
(1) Have you exported private timber from lands tributary to the above processing facility within the last 12 months? <input type="checkbox"/> Yes <input type="checkbox"/> No <i>(If Yes, give date of last export sale.)</i> a. Export (date)_____		
(2) Provide names of affiliates* who have exported private timber from lands tributary to the above processing facility within the last 12 months and date of last export sale. <div style="display: flex; justify-content: space-between;"> <div style="width: 55%;">a. Affiliate_____</div> <div style="width: 40%;">Export date_____</div> </div> <div style="display: flex; justify-content: space-between;"> <div style="width: 55%;">b. Affiliate_____</div> <div style="width: 40%;">Export date_____</div> </div> <div style="display: flex; justify-content: space-between;"> <div style="width: 55%;">c. Affiliate_____</div> <div style="width: 40%;">Export date_____</div> </div>		
<i>*See 43 CFR 5424.0-5</i>		
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).