

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Salem District Office
1717 Fabry Road, S.E.
Salem, Oregon 97306

ORS040-TS13-504
Mini Flats Thinning

Date: October 26, 2012

PROSPECTUS

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

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 her 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, November 28, 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 Sandy Post on or about October 31, 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.

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

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

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.

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

TIMBER SALE NOTICE

SALEM DISTRICT
CASCADES RESOURCE AREA
SALEM DISTRICT MASTER UNIT

SALE DATE: November 28, 2012

ORS040-TS13-504, MINI FLATS THINNING TIMBER SALE
CLACKAMAS, OREGON: O&C: ORAL AUCTION: BID DEPOSIT REQUIRED: \$34,600.00

All timber designated for cutting on: NW¼, Sec.13, T.4 S, R.4 E., W.M.

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 |
|--------------------------------|-----------------------|---------------|-------------|-----------------------|-------------------------|--|
| 8,461 | 1,370 | 2,912 | Douglas-fir | 1,598 | \$216.10 | \$345,327.80 |
| 8,461 | 1,370 | 2,912 | Totals | 1,598 | | \$345,327.80 |

CRUISE INFORMATION: The timber volumes were based on a variable plot and 3-P cruise methods using form class tables for estimation board feet volume of trees in 16-foot logs. None of the total sale volume is salvage material. With respect to merchantable trees of all species; the average tree is: 13.5 inches DBHOB; the average log contains 44 bd. ft.; the total gross volume is approximately 1,625 MBF; and 98% recovery is expected.

CUTTING AREA: 1 unit, totaling 68 acres, of which includes approximately 1 acre of right-of-way on BLM land. Approximately 67 acres remaining shall be partial cut. Acres shown on Exhibit A have been computed using a Trimble Geo XT Global Positioning System receiver. Acreage was calculated based on Global Positioning System traverse procedures including differential correction.

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

LOCATION: The Contract Area is located approximately eight miles south of Estacada, Oregon and is accessible by Oregon State Highway 211, Clackamas County Hillock Burn Road, BLM and North Fork Road (4-4E-24.1) Private to enter Unit 1. For overview of sale area please refer to the Timber Sale vicinity map.

ACCESS AND ROAD MAINTENANCE:

Gate keys are required for access. Prospective bidders may obtain a key from the Salem District Office, Monday through Friday from 7:45 a.m. to 4:30 p.m. CREDIT CARD is required at the time of checking out a key. A \$50.00 charge will apply if key is not returned.

In the use of the Bureau of Land Management controlled roads which the Purchaser is authorized to use, the Purchaser shall pay a rock wear obligation of one-hundred thirty-eight and 55/100ths dollars, (\$138.55) to the Bureau of Land Management. The Purchaser will be required to maintain all Bureau of Land Management controlled roads he or she is authorized to use.

In the use of Port Blakely Tree Farms controlled roads which the Purchaser is authorized to use, the Purchaser shall enter into a license agreement with Port Blakely Tree Farms and pay to Port Blakely a road use fee of four-thousand seven-hundred ninety-four and 00/100ths dollars, (\$4,794.00) and pay a rockwear fee of eight-

hundred eighty and 18/100ths dollars, (\$880.18). The Purchaser is required to carry liability insurance with limits of \$500,000/\$500,000/\$500,000 and a performance bond of \$2,000. Purchaser will be required to perform maintenance during use.

In the use of the Department of Agriculture, United States Forest Service controlled roads which the Purchaser is authorized to use; the Purchaser shall enter into a license agreement with Forest Service and perform road maintenance during use.

Purchaser maintenance shall include frequent blading and shaping of road surface; spot rocking, 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 each seasonal operation. Purchaser shall also be responsible for performing post storm inspections and maintenance during the winter season for all Purchaser maintained roads.

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.

a. Road Construction:

Road 4-4E-13.00, 1,490 feet, 14-foot subgrade, outsloped, no ditch,
Surfacing - dirt, Usable width 12 feet.

Road 4-4E-13.01, 490 feet, 14-foot subgrade, outsloped, no ditch,
Surfacing - dirt, Usable width 12 feet.

b. Improvement: no roads

c. Renovation:

1.55 miles of road blading, roadside brushing, ditch cleaning, clean inlet, outlet and barrel of all existing culverts.

d. Estimated Quantities:

Clearing:

1.2 acres of new construction

Excavation:

99 cubic yards of common

Culvert and Flume:

None

Aggregate Material:

Quantity

170 cubic yards (truck measure yards)

Description

1½ inch minus crushed rock

Rock Sources:

1½ inch minus crushed rock to be obtained from a commercial source.

Watering: As needed.

Rolling: 3.3 hours (includes new construction, embankment, subgrade, & surfacing)

e. Right-of-way Debris Disposal:

Debris resulting from new construction and renovation on BLM shall be disposed of by scattering onto adjacent BLM lands.

A sufficient amount of stumps near the beginning of new construction shall be retained in stockpile and used for traffic barricade construction upon completion of timber sale.

OTHER: All earth disturbing equipment and logging equipment shall be cleaned and inspected prior to entry onto BLM land.

Upon completion of timber haul: Construct 1 debris barricade and water-bar 0.38 miles of dirt roads.

Seed and fertilize 1.2 acres.

DESIGNATION AND SALE OF ADDITIONAL TIMBER (Sec. 42.)

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

-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 not representative of the forest stand(s) being thinned;

-Government reservation of trees previously marked for cutting (replacement) when the Authorized Officer determines that it is necessary in order to maintain stand densities consistent with objectives set forth in management prescriptions;

-The use of unilateral modifications executed by BLM for such additional timber and replacement 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 162 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

Seasonal Restriction Matrix

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 | | | |
| Ground-based logging ** | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Road Construction, Renovation, stabilization and hauling on natural surface roads ** | | | | | | | | | | | | | | | | | | | | | | | | | | | |

*Shaded areas in the "1" cells indicate effective dates from the 1st to the 14th of each month. Shaded areas in the "15" cells indicate effective dates from the 15th to the end of each month.

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

SPECIAL ATTENTION ITEMS:

- Sec.41.a-e Reserve timber
- Sec.42.f. Ground-based yarding
- Sec.42.y-z. Logging Residue Reduction
- Sec.42.aa. Contributed Funds

TIMBER SALE CONTRACT SPECIAL PROVISIONS

Section 41.

RESERVED

- a. All timber within the Reserve Areas shown on Exhibit A and all painted orange and posted trees which are on or mark the boundaries of the Reserve Areas and/or Right-Of-Way Areas.
- b. All trees marked with orange paint within the boundary of the timber cutting areas shown on Exhibit A.
- c. All snags greater than (15) inches DBH and taller than fifteen (15) feet tall in the cutting Areas shown on Exhibit A.
- d. All existing down logs at least twenty (20) inches diameter and larger on the large end and at least twenty (20) feet long.
- e. All hardwood tree species seven (7) inches and greater DBH within the boundary of the timber cutting areas shown on Exhibit A.

Section 42. 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 prework conference between the Purchaser's authorized representative and the Authorized Officer's representative must be held at a location designated by the Authorized Officer before the logging plan will be approved. The Purchaser shall provide a minimum of seven (7) days notice when requesting the scheduling of a pre-work conference. Before beginning operations on the Contract Area for the first time or after a shutdown of seven (7) or more days, the Purchaser shall notify the Authorized Officer in writing of the date the Purchaser plans to begin operations.

c. 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 trail, skyline corridors; tailhold, tieback, guyline, lift, intermediate support and danger trees; and the clearing limits of landings on the ground in a manner approved by the Authorized Officer at the pre-work conference and documented in the logging plan required in Sec. 42.b. 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 trails 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 each skid trail and/or skyline corridor shall be limited to twelve (12) feet.

2. The Purchaser may immediately cut and remove additional timber to clear skid trails, skyline corridors and landings and cut danger trees when the trees have been marked with a paint color to be designated by the Authorized Officer above and below stump height by the Authorized Officer and thereby approved for cutting and removal by the Authorized Officer. The volume of the timber to be sold will be determined by the Authorized Officer in accordance with Bureau of Land Management prescribed procedures. No timber may be cut or removed under terms of this provision unless sufficient installment payments have been made in accordance with Sec. 3.(b) of the contract or sufficient bonding has been provided in accordance with Sec. 3.(d) of the contract.

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 trees otherwise reserved in Sec. 41 of the contract or any tree that exceeds thirty(30) 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 Sec. 10 of the contract constitutes a violation of the contract and under Sec. 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.

d. No trees may be felled across or into the Reserve Areas shown on Exhibit A or adjacent private land, unless expressly authorized by other provisions of this contract. Tree jacks or pulling of trees with designated yarding equipment shall be employed when necessary to meet this requirement. Tops, limbs, and other logging debris entering the Reserve Area or adjacent Private Land from felling operations shall be pulled back into the Partial Cut Area shown on Exhibit A, unless otherwise directed by the Authorized Officer.

e. In the Partial Cut Areas shown on Exhibit A, all trees designated for cutting and removal shall be felled and cut into log lengths not to exceed forty (40) feet plus trim before being yarded unless otherwise approved in writing by the Authorized Officer.

f. In the Partial Cut Area – Ground-Based Yarding, shown on Exhibit A, skidding shall be done by a skidder equipped with a winch capable of winching logs seventy-five (75) feet unless otherwise approved by the Authorized Officer. The minimum distance between skid trails shall be one hundred fifty (150) feet unless otherwise approved by the Authorized Officer. Such skid trails shall be limited to the minimum width necessary for skidding of logs with minimum damage to reserve trees. All trees that must be removed to facilitate construction of these skid trails shall be felled and skidded prior to falling operations in the remainder of these areas unless otherwise approved by the Authorized Officer. The Purchaser shall directionally fall trees into lead with the winching or skidding direction and winch to these skid trails. The leading end of all logs shall be transported free of the ground during skidding. No skidding equipment shall be permitted to operate off these skid trails.

g. Excessive damage to the reserve timber, as determined by the Authorized Officer, will result in suspension of the operation(s) until mitigation measures are in place to prevent further damage as directed by the Authorized Officer.

h. 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.

i. The following seasonal restrictions shall be observed:

1) No skidding, mechanized felling, shovel logging, machine piling, hauling on natural surface roads, road construction, renovation or road stabilization shall be conducted on the Contract Area shown on Exhibit A between November 1 of one calendar year and May 31 of the following year both days inclusive or during other periods of wet soil conditions as determined by the Authorized Officer.

ROAD CONSTRUCTION, IMPROVEMENT, MAINTENANCE AND USE

- j. The Purchaser shall construct and renovate roads in strict accordance with the plans and specifications shown on Exhibit C which is attached hereto and made a part hereof.
- k. Any required construction or renovation of roads shall be completed and accepted prior to the removal of any timber, except right-of-way timber, over that road.
- l. The Purchaser shall not commence work until receipt of written notice to do so from the Authorized Officer.
- m. Upon completion of hauling the Purchaser shall water bar, construct a barricade, seed and fertilize in accordance with the plans and specifications shown on Exhibit D and E, which are attached hereto and made a part hereof.
- n. The Purchaser is authorized to use the roads listed below and shown on Exhibit E which are under the jurisdiction of the Bureau of Land Management for the removal of Government timber sold under the terms of this contract and the hauling of rock as required in Exhibit C provided that the Purchaser comply with the conditions set forth in Section 42.p. and pay the required rockwear obligation described in Section 42.o. The Purchaser shall pay current Bureau of Land Management rockwear fees for the sale of additional timber under modification of the contract.

| Road No. and Segment | Length Miles Used | Road Control | Road Surface Type |
|----------------------|-------------------|--------------|-------------------|
| 4-4E-24.01 B, Dpart | 0.17 | BLM | ASC & Natural |

- o. The Purchaser shall also pay to the Government a road maintenance obligation for rockwear in the amount of one-hundred thirty-eight and 55/100ths dollars (\$138.55), for the transportation of timber included in the contract price and for transportation of any mineral material required under terms of the contract over road or roads listed in Section 42.n. The amount of the rockwear shown above shall be paid prior to removal of timber from the contract area; Provided, however, that if the total of such amount exceeds five hundred dollars (\$500.00), the Purchaser may elect to make the payment in installments in the same manner as and together with payments required in Section 3 of this contract.
- p. The Purchaser shall perform any road repair and maintenance work on roads used by him, under the terms of Exhibit D, "Purchaser Road Maintenance Specifications," of this contract which is attached hereto and made a part hereof.
- q. In the renovation and use of roads listed below and shown on Exhibit E, the Purchaser shall comply with the conditions of Right-of-Way and Road Use Agreement No. S-440 dated March 18, 1960 between the United States of America and Port Blakely Tree Farms Limited Partnership. These conditions include: Executing a License Agreement with Port Blakely Tree Farms Limited Partnership, which requires payment of a road use obligation of four-thousand seven-hundred ninety-four and 00/100ths dollars, (\$4,794.00) and a rockwear obligation of eight-hundred eighty and 18/100ths dollars (\$880.18) payable at the time indicated in the license agreement. This document is available for inspection at the office of the Authorized Officer. Prior to the use of said roads, the Purchaser shall furnish the Authorized Officer a copy of the executed license agreement. Default by the Purchaser of said Right-of-Way and Road use Agreement or any license agreement executed pursuant thereto, for failure to pay appropriate road use fees shall be

considered a violation of this contract. The amount of unpaid fees shall be considered as the amount of damage suffered by the Government as a result of the violation of this provision. The Purchaser will be required to perform road maintenance during use and carry liability insurance with limits of \$500,000/\$500,000/\$500,000 and a performance bond of \$2,000.00.

| Road No. and Segments | Length Miles Used | Road Control | Road Surface Type |
|------------------------|-------------------|--------------|-------------------|
| 4-4E-24.01 A/2, A/3, C | 1.08 | PBTF | ASC |

r. In the renovation and use of road 4-4E-24.01 segment A/1, the Purchaser shall comply with the conditions of the Bureau of Land Management and U.S. Forest Service Interagency Right-of-Way and Road Use Agreement dated May 20, 1980 and Exhibit A. The conditions include: entering into a license agreement with the U.S. Forest Service and performing road maintenance during use.

s. The Purchaser also agrees that if they elect to use any other private road which is the subject of a right-of-way agreement with the Government for the removal of Government timber sold under the terms of this contract, Purchaser shall request and agree to the modification of this contract to provide for such use and for allowances for amortization of the Government's share of the capital investment of any such road.

t. The Purchaser shall be required to secure written approval to use vehicles or haul equipment over Government-owned or private bridges or culvert structures 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 or bridge owner when crossing with protective devices.

Details of such equipment shall be furnished to the Authorized Officer or bridge owner 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

u. In addition to the requirements set forth in Sec. 26 of this contract, the Purchaser shall clean all plant parts and soil from all earth disturbing equipment and logging equipment prior to entry onto and departure from lands managed by the BLM unless otherwise agreed by the Authorized Officer to reduce or prevent the spread of noxious weeds to and from the Contract Area shown on Exhibit A. Equipment shall be inspected by the Authorized Officer at a site approved by the Authorized Officer to verify that the equipment had been reasonably cleaned prior to entry onto lands managed by the BLM.

v. The Purchaser shall install water bars or comparable erosion control measures and/or place logging slash and debris on skid trail roads in accordance with instructions from the Authorized Officer. This work shall be completed within fifteen (15) days after notification by the Authorized Officer after completion of hauling logs from that landing.

w. 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.
- (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 Contraction Officer determines that continued operation 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 standard and guidelines established in the ROD and RMP, the Contracting Officer determines it may be necessary to modify or terminate the contract.

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

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

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

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

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

The Contracting Officer may determine that it is necessary to terminate the cutting and removal rights under the contract in order to comply with the Endangered Species Act, protect species that have been discovered which were identified for protection through survey and manage and/or

protection buffer standards and guidelines established in the ROD and RMP, or comply with a court order. Following the issuance of a written notice that cutting and removal rights will be terminated, the Purchaser will be permitted to remove timber cut under the contract, if allowed by the Endangered Species Act, survey and manage and/or protection buffer standards and guidelines established in the ROD and RMP, or court order requirements necessitating the modification or termination.

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

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

FIRE PROTECTION

x. Primarily for purposes of fire prevention and control, the Purchaser shall comply with the following provisions when operating at Oregon Department of Forestry Industrial Fire Precaution Level (IFPL) I (Closed Fire Season). At IFPL II and III, additional fire prevention and control provisions may be added as determined by the Authorized Officer and specified in written instructions to the Purchaser to mitigate dry fuel and weather conditions.

- (1) Prior to the operation of power-driven equipment in construction or logging operations under this contract during the closed fire season or periods of fire danger, prepare a fire prevention and control plan to the satisfaction of the Authorized Officer.
- (2) Provide and maintain in good working order, and immediately available on the contract area, the following equipment for use during closed fire season or periods of fire danger:
 - (a) Fire fighting tools shall be kept at each landing or at such other place at the Authorized Officer shall designate whenever people are working on the contract area. All fire fighting tools shall be kept in a sturdily constructed box which shall be painted red and lettered on the front or top in large letters "For Fire Only." The box shall have a hinged lid and a hasp by which the lid can be sealed. One (1) box may serve two landings, not over six hundred (600) feet apart. When filled, the box shall not weigh over two hundred (200) pounds. The fire tools shall be in good condition, be tight on strong handles, and have sharp cutting edges. There shall be not less than four (4) tools in

each box or less than one (1) tool for each man working on the contract area. Three-fourths (3/4) of all fire tools shall be shovels, hazel hoes, or other scraping tools. The fire tools shall be used only for fighting fire.

(b) At each landing or such other place as the Authorized Officer shall designate during periods of operation, one (1) 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 Fire Season, no smoking shall be permitted outside of closed vehicles.

LOGGING RESIDUE REDUCTION

y. The Purchaser shall perform logging residue reduction at landings and within the Fuel Reduction Areas as shown on Exhibit F, which is attached hereto and made a part hereof. All work shall be done as directed by the Authorized Officer in accordance with the specifications described on Exhibit G which is attached hereto and made a part hereof. This logging residue work will occur upon completion of

logging operations on the units where it is required within thirty (30) days after completion of skidding or yarding on each Fuel Reduction Area unless otherwise agreed by the Authorized Officer.

z. 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 landing pile burning, hand pile burning, and fire control on the day (or days) of ignition by furnishing, at his own expense, the services of personnel and equipment on all units as shown below.

- (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 of landing piles, and handpiles.
- (3) Five (5) drip torches with eighty (80) 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

CONTRIBUTED FUNDS

aa. The Purchaser shall assist the Government in the pile burning in accordance with Sec. 42.z. pertaining to Prescribed Burning. The Purchaser shall have the option of completing this work, or in lieu thereof, may make a contribution to the Bureau of Land Management in the amount of six hundred eighty one and 48/100 dollars (\$681.48). Upon making such contribution, the Purchaser shall be relieved of the obligations set out in Sec. 42.z. The Purchaser shall notify the Authorized Officer in writing of his intention to make this contribution prior to approval of this contract. If the Purchaser elects to make a contribution, the Authorized Officer shall establish an installment schedule of payments of the contribution.

LOG EXPORT RESTRICTIONS

bb. 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 or specifications or suitable for end-product uses; or (4) western red cedar lumber which does not meet lumber of American 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 the 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 the Domestic Processing of Timber". The original of such certification shall be filed with the Authorized Officer. Additionally, when the other party is an affiliate of the Purchaser, the Purchaser will be required to update information under item (2) of Form 5450-17 (Export Determination) and file the form with the Authorized Officer.

In the event an affiliate of the Purchaser has exported private timber within twelve (12) months prior to purchaser 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 Contracting Officer, the Purchaser shall brand clearly and legibly one end of all logs with a scaling diameter (small end inside bark) of over ten (10) inches, prior to the removal of timber from the contract area. All loads of eleven (11) logs or more will have a minimum of ten (10) logs clearly and legibly branded on one end regardless of the diameter of the logs. All logs will be branded on loads of ten (10) logs or less. One end of all branded logs to be processed domestically will be marked with a three (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 cost for log branding and painting shall be the responsibility of the Purchaser.

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

EQUAL OPPORTUNITY IN EMPLOYMENT

cc. 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

EQUAL OPPORTUNITY IN EMPLOYMENT
CERTIFICATION OF NONSEGREGATED FACILITIES

Bid, offer, or contract
number or other
identification

ORS040-TS13-504

By the submission of this bid or offer and/or by entering into this contract, the bidder, offeror, lessee, subcontractor, or applicant certifies that he does not maintain or provide for his employees any segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location, under his control, where segregated facilities are maintained. He certifies further that he will not maintain or provide for his employees any segregated facilities at any of his establishments, and that he will not permit his employees to perform their services at any location, under his control, where segregated facilities are maintained. The bidder, offeror, applicant, or subcontractor agrees that a breach of this certification is a violation of the Equal Opportunity clause in this contract. As used in this certification, the term "segregated facilities" means, but is not limited to, any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas,

time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, sex, or national origin, because of habit, local custom, or otherwise. He further agrees that (except where he has obtained identical certifications from proposed subcontractors for specific time periods) he will obtain identical certifications from proposed subcontractors prior to the award of subcontractors exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity clause; that he will retain such certifications in his files; and that he will forward the following notice to such proposed subcontractors (except where the proposed subcontractors have submitted identical certifications for specific time periods):

NOTICE TO PROSPECTIVE SUBCONTRACTORS OF REQUIREMENT
FOR CERTIFICATIONS OF NONSEGREGATED FACILITIES

A Certification of Nonsegregated Facilities, as required by the May 9, 1967, order (32 F.R. 7439, May 19, 1967) on Elimination of Segregated Facilities, by the Secretary of Labor, must be submitted prior to the award of a sub-contract exceeding \$10,000 which is

not exempt from the provisions of the Equal Opportunity clause. The certification may be submitted either for each subcontract or for all subcontracts during a period (i.e., quarterly, semiannually, or annually).

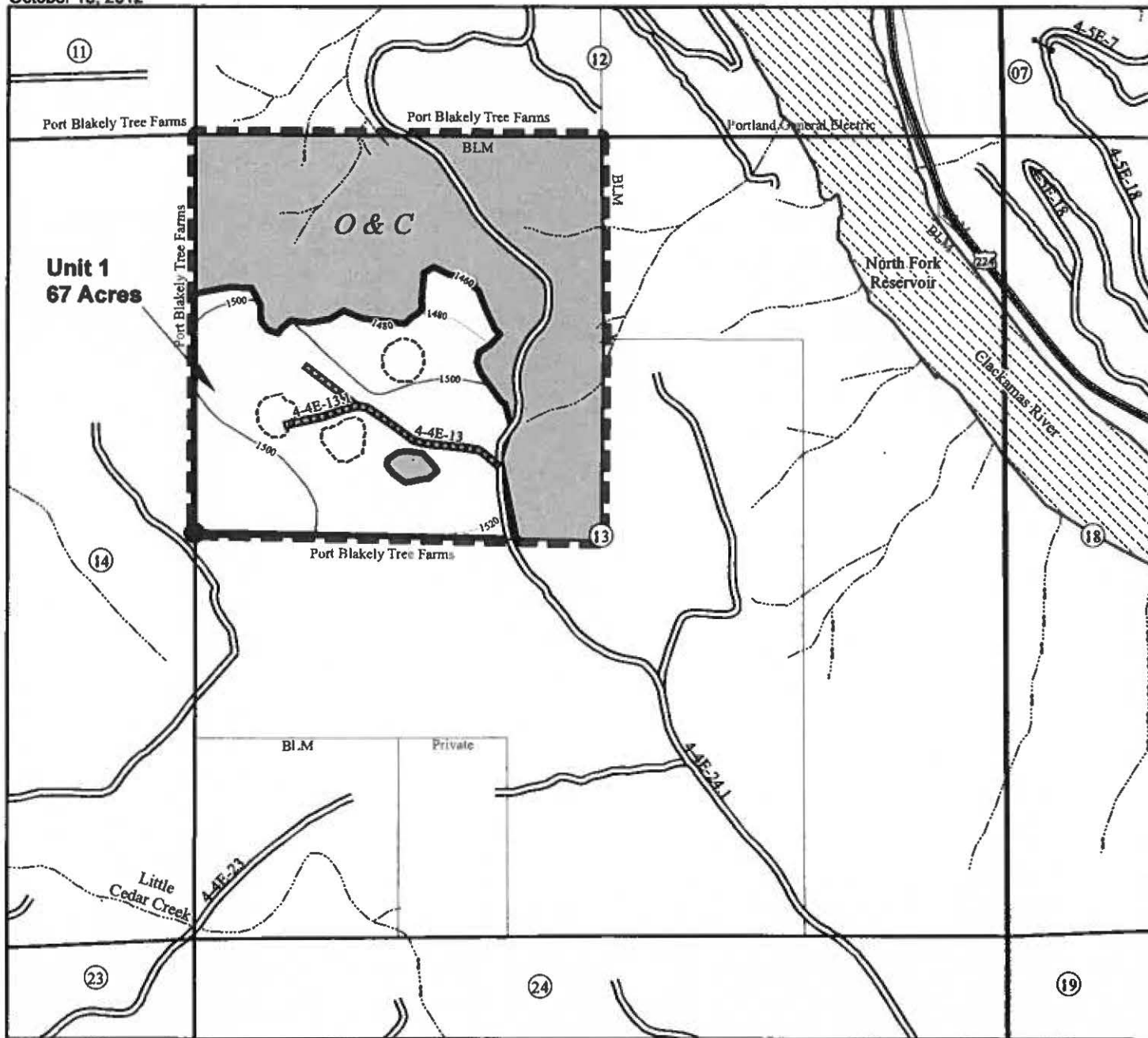
In accordance with 41 CFR 60, as amended May 19, 1967, and Executive Order No. 11246 of September 24, 1965, as amended, this certification is applicable to all bids, offers, contracts and subcontracts as well as agreements with applicants who are themselves performing federally assisted contracts, which may exceed \$10,000 and are not exempt from the provisions of the Equal Opportunity clause of the Order.

United States Department of the Interior
 BUREAU OF LAND MANAGEMENT
 Salem District - Oregon
TIMBER SALE CONTRACT MAP - Contract No.ORS040-TS13-504

Mini Flats
 Timber Sale
 Exhibit A
 Page 1 of 1

T.4S., R.4E., Section 13 W.M.

October 18, 2012



| | |
|----------------------|------------------|
| Partial Cut Area | 67 Acres |
| Road Right of Way | 1 Acres |
| Reserve Area | 92 Acres |
| Contract Area | 160 Acres |

Contour Interval : 20'



- Gate
- Corner Found
- Stream
- == Highway
- == Existing Road
- Right-of-Way
- Road to be constructed
- Low Density Thinning Area
- ▣ Contract Area
- ▨ Reserve Area
- ▤ Partial Cut Area Unit Boundary
- ▥ Partial Cut Area - Ground-Based Yarding

Note: Boundaries of Partial Cut Area are painted orange and posted.

Note: Unit acres do not include existing or new roads. Acres shown on Exhibit A have been computed using a Trimble Geo XT 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

Contract No.
ORS04-TS-2013.0504
Mini Flats Thinning

EXHIBIT B / PRE-SALE

5450-3

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

| SPECIES | ESTIMATED VOLUME OR QUANTITY (Units Specified) | PRICE PER UNIT | ESTIMATED VOLUME OR QUANTITY X UNIT PRICE |
|---------------|---|----------------|---|
| Douglas Fir | 1,598.0 MBF | \$216.10 | \$345,327.80 |
| TOTALS | 1,598.0 MBF | | \$345,327.80 |

The apportionment of the total purchase price is as follows:

Unit 1 - Unit 1

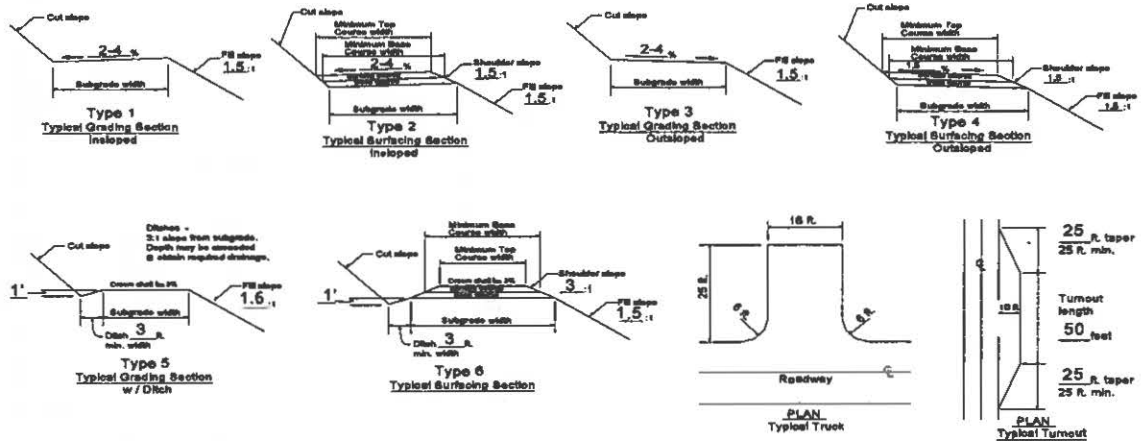
| | | | | | |
|--------------|-------------------|---|----------|---|--|
| Douglas Fir | 1,540.0 MBF | X | \$216.10 | = | \$332,794.00 |
| Total | 1540.0 Mbf | | | | \$332,794.00 ÷ 67.0 acres = \$4,967.07/Acre |

Unit RW - Right of Way

| | | | | | |
|--------------|-----------------|---|----------|---|---|
| Douglas Fir | 58.0 MBF | X | \$216.10 | = | \$12,533.80 |
| Total | 58.0 Mbf | | | | \$12,533.80 ÷ 1.0 acres = \$12,533.80/Acre |

U.S. DEPT. OF THE INTERIOR
Bureau of Land Management
SALEM DISTRICT OFFICE - OREGON
150: ROAD PLAN AND DETAIL SHEET

| Road Number | Start Station or Milepost | End Station or Milepost | Total Length | Typical Cross Section | Min. Curve Radius | ROAD WIDTH | | GRADIANT | | SURFACING (*5) | | | | | | | | | | Remarks | | | | |
|-----------------|---------------------------|-------------------------|--------------|-----------------------|-------------------|------------|-------|----------------|--------------|----------------|-------------|-------------------|-------------------|-----------------|----------------|-------------|-------------------|-------------------|-----------------|---------|--|--|------------------|---|
| | | | | | | Subgrade | Ditch | Max. Favorable | Max. Adverse | Min. Width | Comp. Depth | BASE COURSE | | | SURFACE COURSE | | | | | | | | | |
| | | | | | | | | | | | | Surface Type (*3) | Grading Size (*3) | Number of Lifts | Min. Width | Comp. Depth | Surface Type (*3) | Grading Size (*3) | Number of Lifts | | | | | |
| 4-4E-13 (P) | 0+00 | 14+90 | 14+90 | 3 | 75' | 14 | 0 | | | | | | | | | | | | | | | | New Construction | |
| 4-4E-13.01 (P1) | 0+00 | 4+90 | 4+90 | 3 | 75' | 14 | 0 | | | | | | | | | | | | | | | | | New Construction |
| 4-4E-24.01 | 0.00 | 1.55 | 1.55 | 6 | | 16 | 2 | | | | | | | | | | | | | | | | | Renovation includes brushing, grading, cleaning ditches and culverts, filling in a trench & berm barricade and spot rockng. |



- *NOTES**
- Extra subgrade widths**
Add to each shoulder: 1 ft. for fills of 1-6 ft. and 2 ft. for fills over 6 ft. When the inside shoulder of curves as follow:
(See Road Plan Map, Exhibit C)
 - Backslopes**

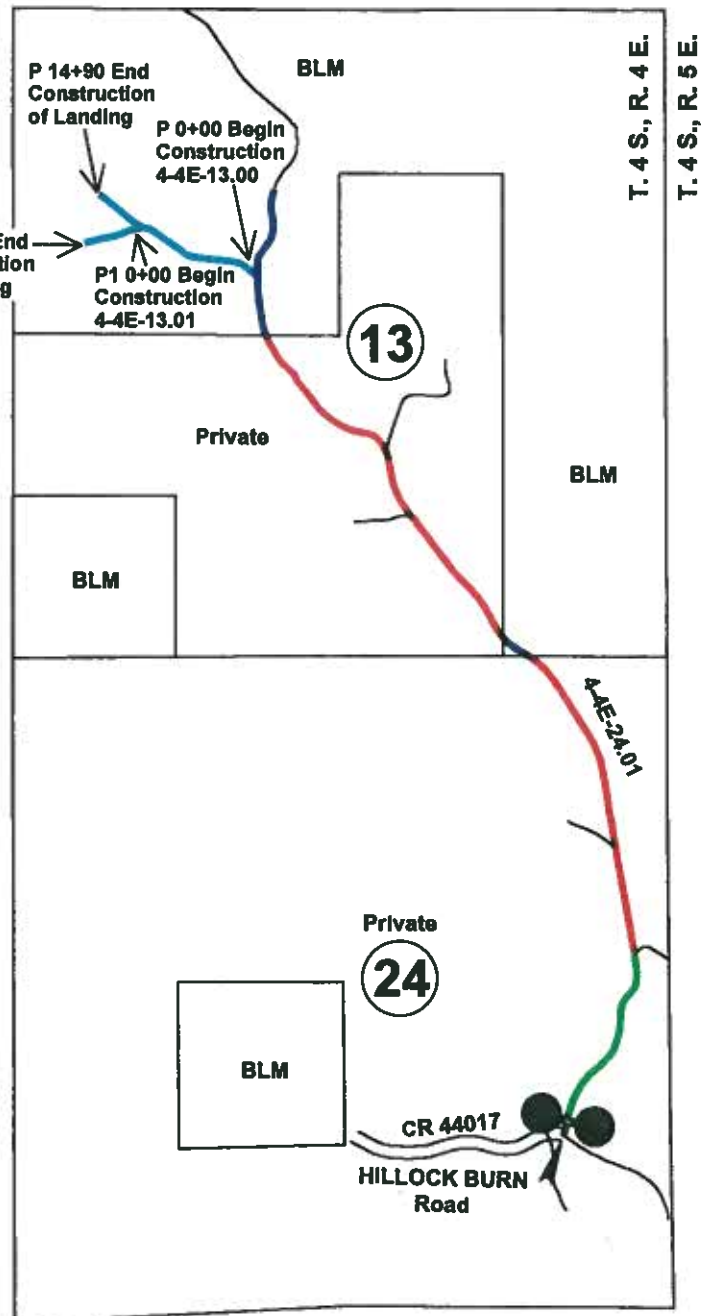
| Materials | Cut slopes | FFI slopes |
|------------------|------------|------------|
| Soft rock | 1A:1 | |
| Common | 1/2:1 | |
| Slopes under 55% | 1:1 | 1-1/2:1 |
| Slopes over 55% | 3/4:1 | 1-1/2:1 |
 - Surface type**

| Surface type | Grading |
|----------------------------|------------------------------|
| PRR - Pit run rock | A - 3" |
| GRR - Grid rolled rock | B - 2" |
| SRN - Screened rock | C - 3" jaw run (base course) |
| JRR - Jaw run rock | |
| ABC - Aggr. base course | D - 1-1/2" |
| ABC - Aggr. surface course | D - 1" |
| WC - Wood chips | E - 3/4" |
 - Turnouts**
Width - 10 ft. in addition to subgrade width, or as shown on the plans. Located approximately as shown on the plans. Inseparable and not more than 750 ft. apart.
 - Surfacing**
Turnouts, curve widening and road approach aprons shall be surfaced.
 - Clearing width** 200
 - As posted and painted for Right-of-Way.
 - Drainage**
See Culvert List
 - Construction**
See Sections 300 and 400
- * Clearing Limits as posted on ground

UNITED STATES
DEPARTMENT OF THE INTERIOR
Bureau of Land Management
Road Plan Map
Secs. 13, 24, T. 4 S., R. 4 E.

Exhibit C
 ORS040-TS13-504
 Mini Flats Thinning
 Sheet 19 of 19


- Legend:**
- New construction,
 - BLM roads to be renovated
 - USFS roads to be renovated
 - Port Blakely Tree Farm roads to be renovated
 - County roads
 - Other roads
 - Port Blakely Tree Farm Existing Gate
 - Segment Breaks

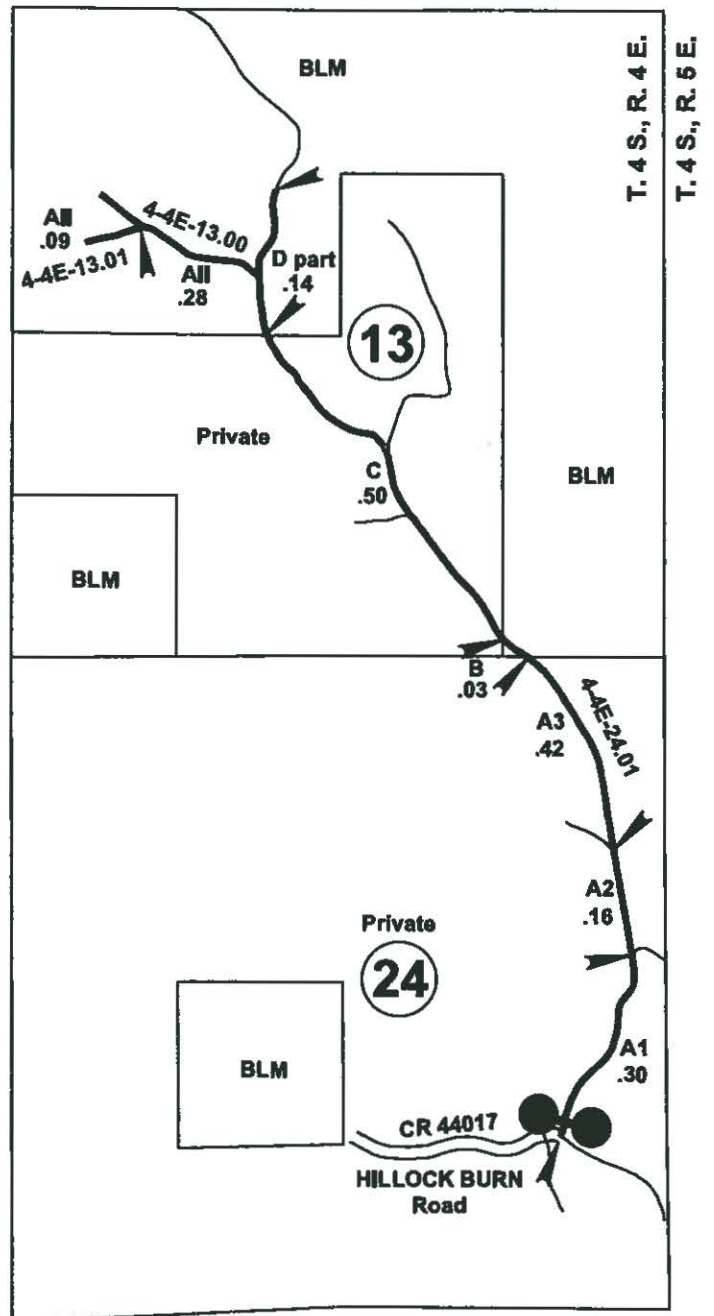


UNITED STATES
DEPARTMENT OF THE INTERIOR
Bureau of Land Management
Road Use and Maintenance Map
Secs. 13, 24, T. 4 S., R. 4 E.

ORS040-TS13-504
Mini Flats Thinning
Exhibit "E"

Legend:

-  **New construction, Purchaser maintenance**
-  **BLM roads over which access is provided, Purchaser maintenance**
-  **USFS roads over which access is provided, Purchaser maintenance**
-  **Port Blakely Tree Farm roads over which access is provided, Purchaser maintenance**
-  **County roads**
-  **Other roads**
-  **Port Blakely Tree Farm Existing Gate**
-  **Segment Breaks**

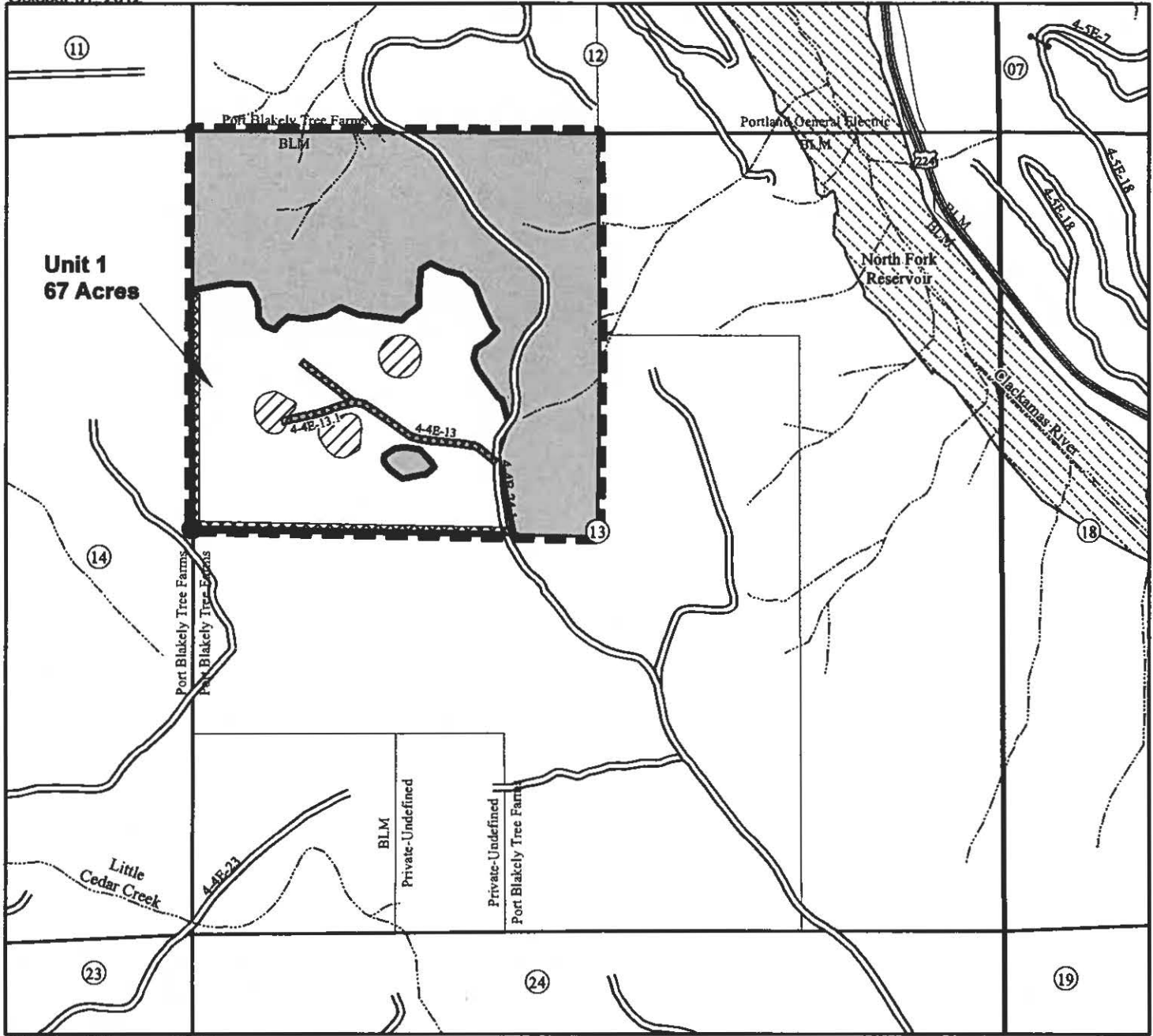


United States Department of the Interior
 BUREAU OF LAND MANAGEMENT
 Salem District - Oregon
TIMBER SALE CONTRACT MAP - Contract No.ORS040-TS13-504

Mini Flats
 Timber Sale
 Exhibit F
 Page 1 of 1

T.4S., R.4E., Section 13 W.M.

October 01, 2012



- Gate
- Corner Found
- Stream
- === Highway
- == Existing Road
- Right-of-Way
- Road to be constructed
- ▨ Fuel Treatment Area
Slash pullback 50 ft.
- ▧ Fuel Treatment Area
Handpile Construction
- ▭ Contract Area
- Reserve Area
- ▭ Partial Cut Area Unit Boundary
- Partial Cut Area - Ground-Based Yarding

Note: Boundaries of Partial Cut Area are painted orange and posted.

Note: Unit acres do not include existing or new roads. Acres shown on Exhibit A have been computed using a Trimble Geo XT global positioning system receiver. Acreage was calculated based on global positioning system traverse procedures including differential correction.

LOGGING RESIDUE REDUCTION

Immediately upon completion of harvest, logging slash at all landings and logging slash in Fuel Treatment Areas along property lines resulting from timber sale operations will be treated as follows:

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

1. The Authorized Officer shall notify the Purchaser of the date work is to begin. Work shall begin within ten (10) days of such date.
2. 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. Larger material which has a portion meeting this specification must be bucked at the six (6) inch diameter and that portion pulled back.
3. Slash shall not be piled, or windrowed.
4. Slash shall be scattered over the site so that the slash is no more than one-foot in depth, measured from mineral soil.

SITE PREPARATION

Immediately upon completion of harvest, logging slash resulting from timber sale operations in the Fuel Treatment Areas identified as patch openings (three (3) patch openings totaling three (3) acres will be treated as follows:

CONSTRUCTION AND COVERING OF HAND PILES

1. In the three (3) patch openings all logging slash and slashed woody vegetation greater than two (2) feet long and between one (1) inch and six (6) inches in diameter at the large end shall be hand piled. Larger material which has a portion meeting this specification must be bucked at the six (6) inch diameter and that portion shall be piled.
2. Hand piles should be located as far as possible from green trees, snags, or unit boundaries to minimize damage.
3. All hand piles shall have the slashed limbs, logs, and slashed woody vegetation placed parallel in the pile and should be constructed as compactly as possible. There shall 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. Piles shall be no larger than ten (10) feet in diameter, nor taller than six (6) feet unless otherwise directed by the Authorized Officer. To the maximum extent possible, hardwood slash shall be mixed with conifer slash to create piles that are more burnable. Hand piles shall not be placed in stream channels or on roads.

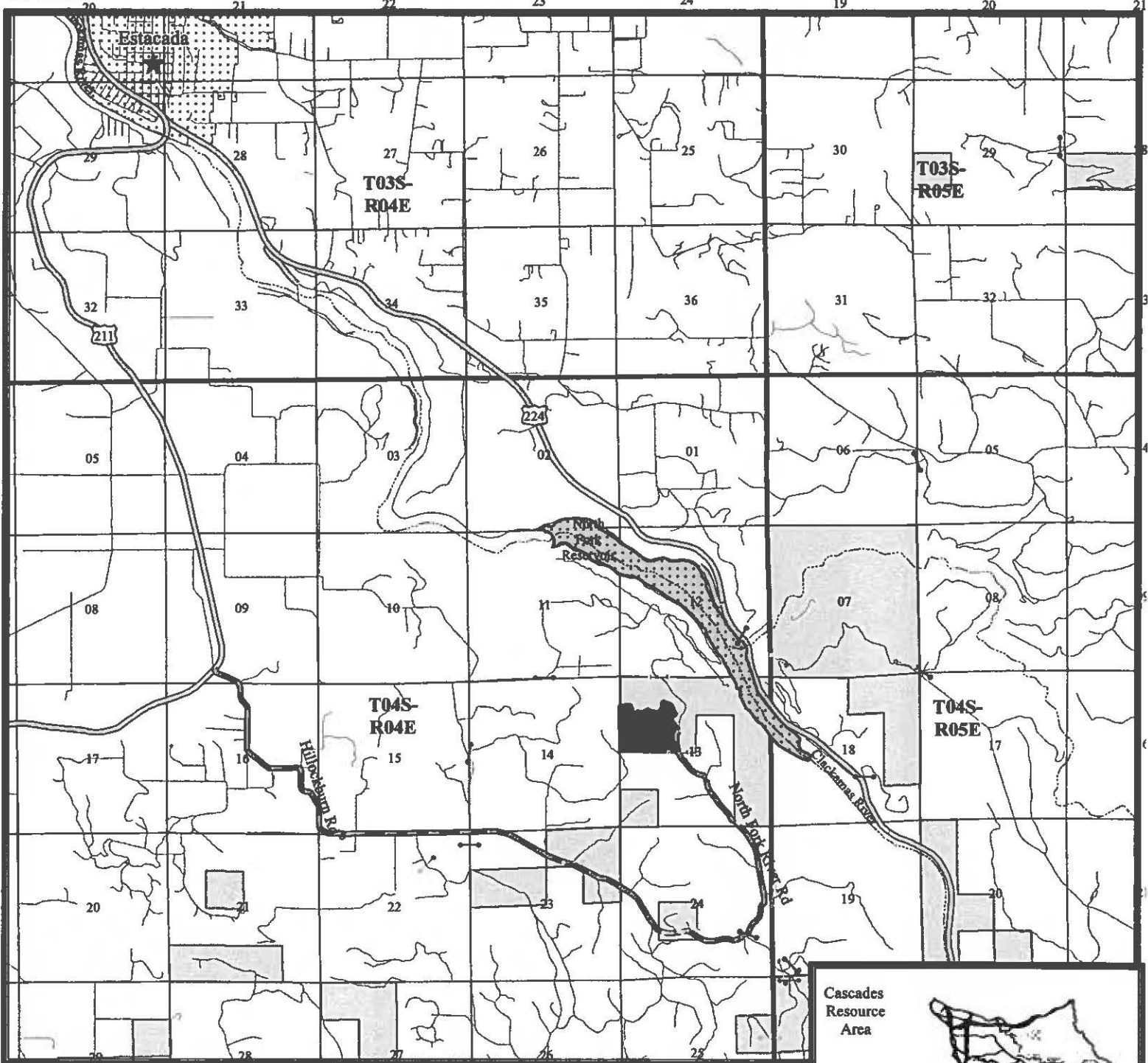
4. The hand piles shall be adequately covered with four (4) mil. (0.004) inch thick black polyethylene plastic to ensure ignition. The plastic shall be furnished by the Purchaser. The plastic shall be oriented southwest (SW) to northeast (NE) and over the top of the pile. Plastic shall be held in place 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. The Purchaser shall provide all tools, materials, equipment, personnel and incidentals necessary to satisfactorily perform and complete the work at the Purchasers expense.

United States Department of the Interior
 BUREAU OF LAND MANAGEMENT
MINI FLATS - TIMBER SALE CONTRACT LOCATION MAP
 Contract No. ORS040-TS13-504

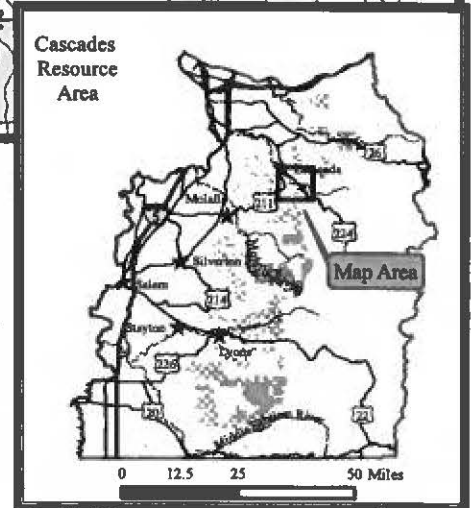
10/18/2012

T. 04S, R.04E, Section 13 W. M. - SALEM DISTRICT - OREGON



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.

- ★ City
- Locked Gate
- Unlocked Gate
- Access Route
- Roads
- Interstate Hwys
- State Hwys
- Thinning Unit
- Bureau of Land Management



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

Salem
Mini Flats Thinning Timbersale
ORS040-TS13-504

Legal Description

| Forest Type | Township | Range | Section | Subdivision |
|-------------|----------|-------|---------|-------------|
| O&C | 04 | 04 | 13 | NW1/4 |

Cutting Volume (16' MBF)

| Unit | DF | | | | | | | | Total | Regen | Partial | ROW |
|---------------|-------|--------------|--|--|--|--|--|--|--------------|----------|-----------|----------|
| 1 | 1,540 | | | | | | | | 1,540 | 0 | 67 | 0 |
| 2 | 58 | | | | | | | | 58 | 0 | 0 | 1 |
| Totals | | 1,598 | | | | | | | 1,598 | 0 | 67 | 1 |

Logging Costs per 16' MBF

| | | |
|-------------------|----|--------|
| Slump to Truck | \$ | 131.54 |
| Transportation | \$ | 38.13 |
| Road Construction | \$ | 4.43 |
| Road Amortization | \$ | 3.00 |
| Road Maintenance | \$ | 3.06 |

Other Allowances :

| | |
|---------------------------------|----------------|
| Misc | \$ 3.09 |
| Total Other Allowances : | \$ 3.09 |

Total Logging Costs per 16' MBF

\$ 183.25

Utilization Centers

Center #1 : Molalla, Oregon 22 Miles
Center #2 0 Miles
Weighted distance to Utilization Centers 22

Length of Contract

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

Profit & Risk

Total Profit & Risk 14 %
Basic Profit & Risk 11 % + Additional Risk 3 %
Back Off 0 %

Tract Features

Avg Log Douglas-fir : 44 bf All : 44 bf
Recovery Douglas-fir : 98 % All : 98 %
Salvage Douglas-fir : 0 % All : 0 %

Avg Volume (16' MBF per Acre) 24
Avg Yarding Slope 10 %
Avg Yarding Distance (feet) 400
Avg Age 65
Volume Cable 0 %
Volume Ground 100 %
Volume Aerial 0 %
Road Construction Stations 19.80
Road Improvement Stations 0.00
Road Renovation Stations 81.84
Road Decomission Stations 19.80

Cruise

Cruised By H. Christensen
Date 06/07/2012
Type of Cruise Variable Plot & 3-P
County, State Columbia, OR

Net Volume

Green (16' MBF) 1,598
Salvage (16' MBF) 0
Douglas-fir Peeler 0
Export Volume 0
Scaling Allowance (\$0.00 per 16' MBF) \$0.00

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Salem
Mini Flats Thinning Timbersale
ORS040-TS13-504

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 | 8,461 | 1,598 | \$ 464.34 | \$ 65.01 | \$ 183.25 | | | \$ 216.10 | \$ 345,327.80 |
| Totals | 8,461 | 1,598 | | | | | | | \$ 345,327.80 |

Log Code by Percent

| Species | Code #1 | Code #2 | Code #3 | Code #4 | Code #5 | Code #6 |
|-------------|---------|---------|---------|---------|---------|---------|
| Douglas-fir | | | | 36.0 | 55.0 | 9.0 |

Marginal Log Volume

| Species | Grade #7 | Grade #8 |
|-------------|----------|----------|
| Douglas-fir | | |

Appraised By : Christensen, Heidi

Date : 10/17/2012

Area Approval By : Hazen, Pete

Date : 10/17/2012

District Approval By :

Date :

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Salem
Mini Flats Thinning Timbersale
ORS040-TS13-504

Prospectus

Appraisal Method : (16' MBF)

| Species | Trees | Net Volume 16' MBF | Net Volume 32' MBF | Net Volume CCF |
|--------------|--------------|-----------------------|-----------------------|-------------------|
| Douglas-fir | 8,461 | 1,598 | 1,370 | 2,912 |
| Total | 8,461 | 1,598 | 1,370 | 2,912 |

All Species

| Gross Volume | Number Trees | Avg bf Volume Per Tree | DBH | Gross Merch Volume | Merch Logs | Avg bf Gross Merch Log |
|--------------|--------------|------------------------|------|--------------------|------------|------------------------|
| 1,625 | 8,461 | 192 | 13.5 | 1,625 | 36,922 | 44 |

| Merch Logs | Cull Logs | Total Logs | Logs per Tree | Net Volume | Gross Volume | Recovery |
|------------|-----------|------------|---------------|------------|--------------|----------|
| 36,922 | 0 | 36,922 | 4.4 | 1,598 | 1,625 | 98 % |

Douglas-fir

| Gross Volume | Number Trees | Avg bf Volume Per Tree | DBH | Gross Merch Volume | Merch Logs | Avg bf Gross Merch Log |
|--------------|--------------|------------------------|------|--------------------|------------|------------------------|
| 1,625 | 8,461 | 192 | 13.5 | 1,625 | 36,922 | 44 |

| Merch Logs | Cull Logs | Total Logs | Logs per Tree | Net Volume | Gross Volume | Recovery |
|------------|-----------|------------|---------------|------------|--------------|----------|
| 36,922 | 0 | 36,922 | 4.4 | 1,598 | 1,625 | 98 % |

Cutting Areas

| Unit | Regen Acres | Partial Cut Acres | Right Of Way Acres | Total Acres |
|-----------------|-------------|-------------------|--------------------|-------------|
| 1 | | 67 | | 67 |
| 2 | | | 1 | 1 |
| Totals : | | 67 | 1 | 68 |

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 5424.1, I 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?

Yes No (If "Yes", give date of last export sale.)

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.

a. Affiliate _____ Export date _____

b. Affiliate _____ Export date _____

c. Affiliate _____ Export date _____

*See 43 CFR 5424.0-5

Name of Firm _____

Signature of Signing Officer _____

Title _____

Date _____

(See statement on reverse)

Form 5450-17 (June 1981)

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

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

LUMP SUM SALE

Tract Number
ORS040-TS13-504

Sale Name
MINI FLATS THINNING

Sale Notice (dated)
October 26, 2012

BLM District
SALEM

Sealed Bid for Sealed Bid Sale

Written Bid for Oral Auction Sale

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

Required bid deposited is \$34,600.00 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 |
|----------------------|------|------------------------------|-----------------|-------------|-----------------|-------------|
| Douglas-fir | MBF | 1,598 | x _____ = _____ | | x _____ = _____ | |
| | MBF | | x _____ = _____ | | x _____ = _____ | |
| | MBF | | x _____ = _____ | | x _____ = _____ | |
| | MBF | | x _____ = _____ | | x _____ = _____ | |
| | MBF | | x _____ = _____ | | x _____ = _____ | |
| | MBF | | x _____ = _____ | | x _____ = _____ | |
| | MBF | | x _____ = _____ | | x _____ = _____ | |
| | MBF | | x _____ = _____ | | x _____ = _____ | |
| | MBF | | x _____ = _____ | | x _____ = _____ | |
| | MBF | | x _____ = _____ | | x _____ = _____ | |
| | MBF | | x _____ = _____ | | x _____ = _____ | |
| | MBF | | x _____ = _____ | | x _____ = _____ | |
| | MBF | | x _____ = _____ | | x _____ = _____ | |
| | MBF | | x _____ = _____ | | x _____ = _____ | |
| | MBF | | x _____ = _____ | | x _____ = _____ | |
| TOTAL PURCHASE PRICE | | | | | | |

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

Bid submitted on *(date)*

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

| | |
|--|--|
| <input type="checkbox"/> Signature, if firm is individually owned | Name of firm <i>(type or print)</i> |
| <input type="checkbox"/> Signatures, if firm is a partnership | Business address, include zip code <i>(type or print)</i> |
| | |
| <input type="checkbox"/> Corporation organized under the state laws of | (To be completed following oral bidding) I HEREBY confirm the above oral bid By (signature) |
| Signature of Authorized Corporate Signing Officer | |
| 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 | Sealed Bid - Send to District Manager, who issued the sale notice, in a sealed envelope marked on the outside: (1) "Bid for Timber" (2) Vegetative Resource Other Than Timber (3) Time bids are to be opened (4) Legal description |
| Oral Auction - Submit to Sales Supervisor prior to closing of qualifying period for tract. | |

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et. seq.) requires us to inform you that:

This information is being collected to obtain data relevant to the operation of this timber sale contract.
 This information will be used to administer our timber sale program.
 Response to this request is required to obtain a benefit.

NOTICE

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

AUTHORITY: 38 FR 6280 and 43 CFR 5442.1

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

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

EFFECT OF NOT PROVIDING INFORMATION: Filing this deposit and bid information is necessary only when an individual wishes to participate in a sealed or auction bid sale for 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. (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, bid, performance bond forms, tract location maps, and access conditions may be obtained from the District Manager. All persons interested in bidding on the products listed are encouraged to familiarize themselves with all such detailed information.