

EXHIBIT B

I. PURCHASE PRICE - The Purchaser agrees to pay the Government for the timber sold under this contract in accordance with one of the following schedules. The prices per measurement unit are subject to readjustment. See Section 9 of the timber sale contract.

SPECIES	VOLUME (Tons)	STUMPAGE (\$/Ton)	CONTRIBUTED FUNDS (\$/Ton)	TOTAL AMT DUE BLM (\$/Ton)
All species (sawlogs)	5,632	\$9.22	\$0.00	\$9.22
Other Products (Pulp, post/pole)	216	\$1.00	\$0.00	\$1.00

II. MERCHANTABLE TIMBER - All timber which can be cut into logs which equal or exceed the following specifications shall be considered merchantable timber. The Purchaser shall pay for same in accordance with Section 3 of the timber sale contract at the unit prices shown in I. above:

Minimum Specifications Table

SPECIES	PRODUCT	UNITS	MINIMUM SPECIFICATIONS					MAX. STUMP HEIGHT
			MERCHANTABLE TREE		PIECES REQUIRED TO BE REMOVED			
			DIAMETER BREST HEIGHT	MINIMUM NUMBER OF PIECES PER TREE	LENGTH (FEET)	DIAMETER INSIDE BARK AT SMALL END (INCHES)	MERCHANTABILITY	
Sawtimber - All	Sawlogs	Tons	8.0	1	10.0	5.6	33.3%	12"

If the Purchaser elects to remove any logs which do not meet the above minimum log specifications and which have not been reserved to the Government in Section 40 of the timber sale contract, such logs shall be scaled for their merchantable content as provided herein and be paid for in accordance with Sections 2 and 3 of this contract.

III. SCALING - PRESENTATION FOR WEIGHT SCALING

The Contractor, unless otherwise agreed in writing, shall:

- A. Utilize scales that meet the standard for commercial vehicle scales defined in the National Bureau of Standards Handbook 44, current edition.

- B. Weigh all loads on scales currently certified by the State in which weighed. Scales must have a current inspection tag or seal posted which shows the date of the most recent test by the State weights and measures agency. No load shall be presented for weighing that weighs more than the certified capacity of the scales in use. Each load shall be weighed as a single unit with the gross and tare weights stamped and recorded by an automatic recording device on the scales. In addition to the gross weight and tare weight of the load, the Contractor shall record the following on each weight slip:
1. Contract Name
  2. Load removal receipt number
  3. Date and time weighed
- C. Maintain load accountability from the Contract Area to point of weighing. In doing so, the load of products shall remain intact while in transit. Products accidentally lost in transit shall be promptly identified by load removal receipt number and contract designation. Contractor shall, within 24 hours, load out such lost products and present them for weighing or make other arrangements acceptable to the BLM.
- D. Clearly and legibly paint the last three numbers of the load removal receipt in large numbers in black colored paint on the back end of at least **three (3)** logs in every load transported from the contract area.
- E. Other Timber - All timber which does not meet the minimum log specifications shown in (II). (above), but which is more than 3 inches in diameter at the small end and longer than 10 feet in length, shall be considered as other timber sold under the terms and conditions of the contract. The Purchaser shall pay for same at the unit prices shown in Section (I). of Exhibit B, in accordance with Section 3 of the timber sale contract. If such timber is of a species or size not listed above or is of a quality different from merchantable timber described herein, the Authorized Officer shall establish volumes and values in accord with the Standard Bureau of Land Management methods.
- F. Defect Caused by Abnormal Delay - Scaling deductions made for rot, check, or other defect resulting from abnormal delay in scaling caused by the Purchaser shall be recorded separately and charged to the Purchaser in accordance with Section 3 of the timber sale contract.
- G. The Purchaser shall present products so that they may be scaled in an economical manner.
- H. The Government, at its discretion, may check scale all scalers. When such checks show a variable in scale in excess of acceptable standards as set forth in BLM Manual Supplement 5320 in two or more consecutive check scales an adjustment to volume reported scaled may be made by the BLM.
- I. Accountability - When scaling is performed away from the contract area (as shown on Exhibit

“A & C”) as approved by the Authorized Officer, products shall be accounted for as follows, unless otherwise agreed to in writing. The Purchaser shall plainly mark or otherwise identify products prior to hauling. The truck driver shall obtain a removal receipt. The Purchaser shall assign a competent individual at the landing to issue receipts for products removed from the contract area (as shown on Exhibit “A & C”). A duplicate copy or stub of such receipt shall be retained by the Purchaser and delivered to the BLM at periodic intervals. When the products are in transit, the truck driver shall keep the original copy of the receipt in his possession and show it upon request or display it as evidence of his authority to move products. The original removal receipt shall be surrendered at point of scaling, the unloading point, or as requested by the BLM. Products shall not be placed in storage for deferred scaling unless approved in writing by the Authorized Officer.

- J. Scaling Lost Products - The volume of lost products shall be determined by the best method currently available, using data from the records for the period in which the loss occurred or the most applicable period if loss should occur substantially after cutting. In the absence of specific information indicating size or species of lost products, species distribution for entire truckloads shall be assumed to be the same as for volume scaled during the report period, and for individual products it shall be assumed that the volume and species were the average volume of the highest priced species scaled during the report period.

IV. Volume and Value Estimates

- A. When payments are made under Section 3 of the timber sale contract, the following estimates of volumes of timber sold are made solely as an administrative aid for determining: (1) when payments are due; and (2) value of timber subject to any special bonding provisions.
- B. Cutting areas are shown on Exhibit “A & C”.
- C. When payments are made under Section 3 of the timber sale contract, the Authorized Officer shall determine amounts due based on the Government's records of volume skidded or yarded monthly to loading points or removed monthly from the contract area.

Value

	<b>Timber</b>
<b>Approximate Acres</b>	78
<b>Est. Volume/Acre</b>	72 ton
<b>Est. Total Volume (Tons)</b>	5,632
<b>Total Purchase Price</b>	\$51,927.00
<b>Est. Total Value/Acre</b>	\$665.73
<b>Est. Total \$/Ton</b>	\$9.22