

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 8 of the timber sale contract.

Table: Merchantable Timber

MERCHANTABLE TIMBER SPECIES	STUMPAGE (\$/Ton)	CONTRIBUTED FUNDS (\$ Total)
Sawlogs*	\$2.61	N/A
Pulp/Firewood**	\$2.00	N/A
Noxious Weed Contributed Funds***	N/A	\$850

(*) **Ton (Small) Wood: Logs that are processed by "Hew Saws" designed to handle small diameter logs.**

(Logs ≥ 4 " and < 5.5 " diameter on the small end.)

() Other products that do not meet sawlog or ton wood specifications.**

(*) Mandatory contributed monies for noxious weed treatment.**

II. MERCHANTABLE TIMBER

All timber that 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 2 of the timber sale contract at the unit prices shown in Section I above.

SPECIES AND PRODUCTS: All Species

MINIMUM LOG SPECIFICATIONS:

LENGTH: 16 Ft.

DIAMETER: >5.4 " DIB; Small End

NET SCALE: 33% of a 16' Log

SCRIBNER DECIMAL C

III. WEIGHT SCALING

- A. The Purchaser shall utilize scales that meet the standard for commercial vehicle scales defined in the National Bureau of Standards Handbook 44, current edition.
- B. The Purchaser shall 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 tear weight of the load, the Purchaser shall record the following on each weight slip:

1. Contract Name
2. Load removal receipt number

3. Date and time weighed

- C. The Purchaser shall maintain load accountability from the Contract Area to point of weighing. The Purchaser shall plainly mark or otherwise identify products prior to hauling. The truck driver shall obtain a removal load receipt (Log Truck Ticket). The Purchaser shall assign a competent individual at the landing to issue load receipts for products removed from the contract area (as shown on Exhibit A). A duplicate copy or stub of such load receipt shall be retained by the Purchaser and delivered to the BLM at the same intervals described in Section II G below. At the discretion of the Authorized Officer, the Purchaser may use mill scale reports showing the Log Truck Ticket (load receipt) number, what timber sale load originated from, driver, date load originated, log brand, gross weight, tare weight, net weight, and other required data in lieu of providing the Authorized Officer the duplicate copy or stub. When the products are in transit, the truck driver shall keep the original copy of the load receipt in his possession and show it upon request or display it as evidence of his authority to move products. The original removal load 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. 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. The Purchaser shall, within 24 hours, load out such lost products and present them for weighing or make other arrangements acceptable to the BLM.
- D. The Government shall provide Log Truck Tickets (load receipts) Books to the Purchaser. The Purchaser is responsible for securing ticket books. All used and unused ticket books shall be returned to the Authorized Officer's Representative within 30 days after completion of hauling operations. Each unaccounted load ticket shall be considered as a one truck load and shall be treated as specified in Section III.I below.
- E. The Purchase shall 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 logs in every load transported from the contract area.
- F. Prior to hauling logs the Purchaser shall provide to the Authorized Officer Representative a copy of the purchase agreement between the Purchaser [and/or the Purchaser's subcontractor(s)] and mill(s), company(ies), individual(s), etc. receiving sawlogs, ton (small) wood, and other products from the contract area.
- G. Unless otherwise approved in writing by the Authorized Officer, the Purchaser shall provide the Authorized Officer's Representative bimonthly [on the 15th and the 30th (or 31st) of each month] scaling reports, indicating the merchantable volume removed from the contract area.
- H. Other Biomass (e.g. pulp, hog fuel, clean chips, etc.) - All timber or biomass which does not meet the minimum log specifications shown in Section II (above), shall be considered as other products 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 biomass material 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 accordance with the standard Bureau of Land Management methods.
- I. 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 type of product removed (sawlog, hew wood, other product, etc.), each missing load ticket shall be assumed to be the same as for the average net weight scale (truck gross weight less empty truck weight) for the highest priced product 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. 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.

Table: Approximate Timber Volume and Value

Approximate Acres	340
Est. Total Volume (Tons)	28,818
Esti. Total Volume (MBF)	5,186
Est. Total Value	\$75,301.38
Est. Total Value/Acre	\$221.47
Est. Total \$/Ton	\$2.61