NOTICE OF TIMBER SALE

(Recovery - Scaled Sale)

SALE NAME/NO.: Sixteen Loons Thinning 341-04-25

AUCTION DATE/TIME: July 16, 2003, starting at 2:00 p.m.

AUCTION LOCATION: Oregon Department of Forestry
Coos District – CFPA Crewhouse

63612 Fifth Road

Coos Bay, Oregon 97420

(541) 267-4136 FAX (541) 269-2027

DISTRICT/UNIT Oregon Department of Forestry

OFFICE (MAILING Coos District ADDRESS FOR BIDS): 63612 Fifth Road

Coos Bay, Oregon 97420

(541) 267-4136 FAX (541) 269-2027

HARVEST TYPE: Thinning harvest with approximately 214 net thinning acres and 10 acres of group

selection cuts in 30- to 40-year-old timber.

SALE LOCATION: Portions of Sections 4, 11, 14, 22, 23, 29, 30, 31, and 32, T23S, R10W, W.M., Coos

and Douglas Counties, Oregon.

DIRECTIONS TO TIMBER

SALE AREA:

Enter from the south past Allegany, take Marlow Creek/Elk Ridge Road (1000 line) north.

Approximately 13 miles to Areas 3 and 4.

Approximately 19.5 miles, right on 1940 Road, south 0.5 mile to Areas 1 and 2.

Approximately 20 miles, left on 1960 Road, north 1 mile to Area 5.

Approximately 16 miles, left on 8000 Road, north 2.5 miles, right on 7600 Road, north

2.5 miles, right on 7640 Road, east 0.5 mile to Area 6.

APPRAISED VOLUMES AND QUALITY:

SPECIES	AVG DBH	TOTAL MBF								GF	RADES B	Y MBF							
			1P	2P	3P	Р	SM	1S	28	3S	4S	5S	6S	SEL	SC	UT	CR	WRM	PLP
Douglas-fir	11"	1,291							257	824	210								
W Hem. / fir	10"	95								78	17								
Sale Total		1,386																	

MINIMUM BID: BID SPECIES Douglas-fir......\$212.00 per MBF

NO-BID SPECIES Western hemlock and other conifers \$ 27.98 per MBF

Red alder and other hardwoods...... \$150.00 per MBF Red cedar and grand fir \$400.00 per MBF

There is no project amortization. ODF will **not** reduce the price of a species to amortize the project work. Instead ODF will credit PURCHASER's timber account in the amount of \$28,015.20 after the project work is completed and accepted, as described in the section titled, "Credit for Project Work."

The timber sale areas contain negligible volumes of other logs to be paid for at the prices in Section 44.

PERFORMANCE SECURITY: 20% of bid value (unknown) or the total value of the project work (\$29,000),

whichever is greater. Actual bond amount will be rounded up to an even \$1,000 unit.

EXPIRATION DATE: October 1, 2005 BID METHOD: Sealed Bids
BID DEPOSIT: \$24,800 SALE TYPE: CSL - 100%

INSURANCE: \$500,000 Commercial General Liability; \$500,000 Automobile Liability;

\$500,000 Logger's Broad Form

HARVEST METHOD: Uphill cable logging.

PROJECTS: Road and landing improvement.

FEES: None.

ENDANGERED SPECIES ACT COMPLIANCE STATEMENT:

The Oregon Department of Forestry (ODF) is engaged in an active threatened and endangered (T&E) species survey program. Surveys, determinations, and management measures are developed and implemented in good faith compliance with federal and state Endangered Species Act (ESA) requirements. Restrictions on

operations due to T&E species considerations are included in the prospectus. Purchasers are required to comply with all federal and state laws, including the Endangered Species Act. Purchaser should take steps to be certain that no ESA violations occur. Prospective purchasers of timber sales are reminded that ODF surveying efforts may take place any time during the term of a timber sale contract. As part of the survey program, ODF surveys its lands on a continuing basis for land management, species protection, research, and other reasons. During the contract term, T&E survey work and/or the discovery of a threatened or endangered species within or in the vicinity of a timber sale may affect operations contemplated under the contract. In the event a threatened or endangered species is found within or near this sale, ODF may take steps necessary to protect the interests of the State,

including contract alteration, suspension, or termination.

Prospective purchasers are encouraged to contact the Coos District ODF District at

541-267-4136 for further information or questions relative to threatened or endangered species surveys, future planned survey information, or other threatened

or endangered species information.

SPECIAL REMARKS: SEASONAL RESTRICTIONS APPLY - SEE SECTION 39.

Sale acreage was determined from aerial photos and GIS mapping.

SALE OBJECTIVES: To produce revenue for the Common School Fund and to maintain stand vigor and

health by thinning these stands before they become over-dense.

The information shown on the Exhibit "A" map(s) are approximate locations. Exact locations of features represented by map symbols shall be determined on site and shall depend upon the conditions that exist on site. Activities shall be conducted based upon features determined on site rather than features shown on maps.

See inside front cover of Auction Schedule booklet for disclaimer regarding all governmental regulatory actions.

SALE NAME: Sixteen Loons Thinning COUNTY: Douglas and Coos

CONTRACT NO.: 341-04-25

TIMBER SALE NAME: Sixteen Loons Thinning

TIMBER SALE NO.: 341-04-25

OPENING DATE: July 16, 2003

FORM OF PROPOSAL

The undersigned agrees to accept and perform all of the above terms and conditions as stated in the form of contract for the above-cited timber sale, and bids, and will pay:

ON THE BASIS OF PRICE PER THOUSAND BOARD FEET FOR:

Bid Species:			
Douglas-fir, s	sawmill grade or bett	ter,	
		Dollars (\$) per MBF.
Minimum grad	des and volumes for	bid species are stated in the timber sale prospectus.	
No-bid species	s will remain as show	wn:	
Red alder and	d other hardwoods	nifers	oer MBF.
		red, consisting of aepartment of Forestry.	in the amount of
performance b		te and deliver the contract, initial payment, required certificates 0) days of the date of the written notification of high bid; and the ber sale payment.	
	the thirty-day period	t the bid is irrevocable and further agrees that if they fail to qua d, the bid deposit shall become the property of the Oregon Dep	
	BIDDER		
		(Name of Individual or Company and Authorized Official)
	TAX ID NO.		
	ADDRESS		<u> </u>
	PHONE		<u> </u>
	BY	(Signature of Authorized Official & Title)	

COMPLETE PURCHASER'S STATUS ON PAGE 2

PURCHASER'S STATUS

Purchaser is a corporation	Check ()	Incorporated in the State of
President's Name		_
Secretary's Name		-
Purchaser is: () a partnership () an individual	o () an assumed (business) name	() company
List names of all persons	doing business under the partnership of	or assumed name:
If assumed name is subsinere:	idiary to a corporation, fill in data reque	ested of corporation also and write in corporation name

Rev. 05/03 629: Form 301-020

CERTIFICATION OF ELIGIBILITY TO BID ON STATE TIMBER

	hereby certifies that they:
EXPOR	<u> </u>
(a)	Will not export the unprocessed State timber as defined in OAR 629-031-0020 which is the subject of this transaction
(b)	Will not sell, transfer, exchange, or otherwise convey the unprocessed timber as defined above which is the subject of this transaction to any other person without first obtaining a certification from that person which meets the requirements of OAR 629-031-0030.
(c)	Are not prohibited by OAR's 629-031-0005 through 0045 from bidding for unprocessed State timber as defined above directly from the State Forester.
(d)	Understand that falsely entering into this certification is a violation of the Forest Resources Conservation Amendments Act of 1993 and OAR Chapter 629, Division 31, and is subject to any and all penalties contained therein.
(e)	Have not exported unprocessed timber originating from private lands in Oregon in the last 24 months, or if bidding only on STATE hardwood timber or logs, HAVE exported unprocessed timber originating from private lands in Oregon in the last 24 months, but HAVE NOT exported unprocessed hardwood timber originating from private lands in Oregon in the last 24 months and meet the requirements of OAR 629-031-0010(2).
DEFAU	LT, TERMINATION, AND OTHER RELATED MATTERS
(a)	Are not currently in default status under any timber sale contract sold by the State Forester.
(b)	Has not, within a 3-year period preceding this bid, had one or more Federal, State, or local timber sales terminated for cause or default.
(c)	If (b) above is Yes, has submitted an explanation, in writing, with this bid for consideration by STATE. Any such explanation shall be submitted at the time of bid on a separate piece of paper.
Signed	
Title	

[NOTE: For the purpose of this form, the definition of unprocessed timber is the same as in OAR 629-031-0005.]

Dated

Biological Survey Report

Project: Sixteen Loons Thinning

Date: May 5, 2003

To: Norma Kline

CC: Jim Young, District Sale File

From: Marcia Humes

Habitat Conservation Plan Area

This sale is within an area covered by a Habitat Conservation Plan (HCP) approved by the U. S. Fish and Wildlife Service. The Incidental Take Permit for the HCP covers northern spotted owls. Under the provisions of this HCP, surveys are not required for northern spotted owls.

Habitat Suitability

This sale does not contain potentially suitable habitat for marbled murrelets. There is potentially suitable habitat adjacent to Areas 4 and 6.

Survey Results

Northern spotted owl and marbled murrelet surveys are not necessary for this sale.

Known T&E Resources

Area 4 of this sale is within 0.25 miles of a Marbled Murrelet Management Area (MMMA) established by ODF.

Operational Considerations

Seasonal operating restrictions are in effect for Areas 4 and 6 of this sale, from 1 April to 15 September, annually. Operations may be permitted between August 6 and 15 September, annually, from two hours after sunrise until 2 hours before sunset, by written approval from the State.

Future Survey Plans

There are no future survey plans for this sale. However, ODF is engaged in an active active threatened or endangered species survey process and surveys for murrelets may be conducted adjacent to this sale during the contract. In addition, ODF is conducting a spotted owl survey across the entire Elliott State Forest in 2003, however. A portion of these surveys will take place in or around the sale area.