NOTICE OF TIMBER SALE

(Recovery - Scaled Sale)

SALE NAME/NO.: Miller 341-04-72

AUCTION DATE/TIME: May 18, 2004, starting at 10:00 a.m.

AUCTION LOCATION: Oregon Department of Forestry Tillamook District Headquarters

5005 Third Street

Tillamook, Oregon 97141

(503) 842-2545 FAX (503) 842-3143

DISTRICT/UNIT Oregon Department of Forestry
OFFICE (MAILING Tillamook District Headquarters

ADDRESS FOR BIDS): 5005 Third Street

Tillamook, Oregon 97141

(503) 842-2545 FAX (503) 842-3143

HARVEST TYPE: Approximately 259 acres of clearcut and 121 acres of retention cut in 38-year-old

timber with moderate to severe symptoms of Swiss needle cast.

SALE LOCATION: Portions of Sections 28, 32, and 33, T2S, R7W, W.M., Tillamook County, Oregon.

DIRECTIONS TO TIMBER Approximately 20 miles east of Tillamook via Trask River County Road, then East

SALE AREA: Fork Trask River Road to Miller Road.

APPRAISED VOLUMES AND QUALITY:

TOTAL GRADES BY MBF AVG SPECIES 1P 68 UT WRM 2P 3P Р SM 1S 2S 38 4S 5S SC CR PLP Douglas-fir 13" 250 3,910 881 5.041 Sale Total 5.041

MINIMUM BID: BID SPECIES Douglas-fir......\$310.83 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 \$387,634 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 (\$388,000).

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

EXPIRATION DATE: October 31, 2006 BID METHOD: Sealed Bids

BID DEPOSIT: \$117,900 SALE TYPE: Recovery/BOF – 100%

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

\$500,000 Logger's Broad Form

HARVEST METHOD: 74% cable, 26% tractor.

PROJECTS: Road improvement, road construction, road vacating, and stream enhancement.

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 Tillamook ODF District at (503) 842-2545 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 calculated using ortho photographs in ArcView GIS.

A license agreement is available should Purchaser want to haul over BLM roads to the south. The license agreement requires a \$10,000 performance bond, maintenance and rock fees, and special conditions. Maintenance and rock fees are \$18.18/MBF for the Elk Creek to Gilbert Creek haul route, \$9.09/MBF for the Ginger Creek to Carlton haul route, and \$17.12/MBF for the Bear Ridge to Gilbert Creek haul route.

SALE OBJECTIVES:

Harvest Douglas-fir with severe symptoms of Swiss needle cast to prepare for replanting with other native conifer species.

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: Miller
COUNTY: Tillamook
CONTRACT NO.: 341-04-72

TIMBER SALE NAME: Miller

TIMBER SALE NO.: 341-04-72

OPENING DATE: May 18, 2004

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:

Bid Species:			
Douglas-fir , sa	wmill grade or bette	er, Dollars (\$) per MBF
Minimum grade	s and volumes for b	oid species are stated in the timber sale prospectus.	
		ed, consisting of a	in the amount of
performance bo		e and deliver the contract, initial payment, required certificates or) days of the date of the written notification of high bid; and that er sale payment.	
	he thirty-day period,	the bid is irrevocable and further agrees that if they fail to qualif I, the bid deposit shall become the property of the Oregon Depa	
	BIDDER	(Name of Individual or Company and Authorized Official)	_
	TAX ID NO.		<u> </u>
	ADDRESS		_
			_
	PHONE		_
	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).
<u>DEFAU</u>	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: Miller

Date: November 3, 2003

To: Ed Keith

CC: Mark Labhart, District Sale File

From: Marcia Humes

Habitat Suitability

This sale does not contain suitable habitat for northern spotted owls or marbled murrelets.

Survey Results

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

Known T&E Resources

There are no known northern spotted owl activity centers within 1.5 miles or Marbled Murrelet Management Areas within 0.25 miles of this sale.

Operational Considerations

There are no seasonal restrictions or felling deadlines associated with northern spotted owls or marbled murrelets for this sale.

Future Survey Plans

There are no future survey plans for this sale. ODF will be conducting spotted owl surveys within 3 miles of this sale, as part of surveys for future planned management activities and for monitoring purposes.