NOTICE OF TIMBER SALE

(Recovery - Scaled Sale)

SALE NAME/NO.: Thin Steere Combination 341-05-06

AUCTION DATE/TIME: August 19, 2004, starting at 10:00 a.m.

AUCTION LOCATION: Oregon Department of Forestry

West Oregon District Headquarters

24533 Alsea Highway Philomath, Oregon 97370

(541) 929-3266 FAX (541) 929-5549

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

ADDRESS FOR BIDS): 24533 Alsea Highway Philomath, Oregon 97370

(541) 929-3266 FAX (541) 929-5549

HARVEST TYPE: Automark commercial thinning harvest containing 233 net acres of 28- to 43-year-old

Douglas-fir and western hemlock timber; and modified clearcut harvest containing

28 net acres of 38-year-old Douglas-fir and western hemlock timber.

SALE LOCATION: Portions of Section 34, T9S, R8W and Sections 2, 3, 9, and 10, T10S, R8W, W.M.,

Polk and Lincoln Counties, Oregon.

DIRECTIONS TO TIMBER

SALE AREA:

From Philomath, proceed west on Hwy. 20 approximately 11 miles to Blodgett; turn right and travel 7 miles to Nashville; turn right on Logsden Road and go 8 miles to Steere Creek Road; turn right and go 1.6 miles to Beaver Creek Road; turn left and travel 0.3 mile to Area V. From the Steere Creek Road and Beaver Creek Road intersection, proceed 1.5 miles up Steere Creek Road to Area I. A gate key is required to access Area IV and can be checked out at the Philomath District Office.

APPRAISED VOLUMES AND QUALITY:

SPECIES	AVG DBH	TOTAL MBF								GF	RADES E	Y MBF							
			1P	2P	3P	Р	SM	18	28	3S	48	5S	6S	SEL	SC	UT	CR	WRM	PLP
Douglas-fir	12"	1,668							42	1,152	474								
W Hem. / fir	13"	89								75	14								
Red Alder	13"	30															30		
Sale Total	_	1,787																	

NO-BID SPECIES Red alder and other hardwoods...... \$158.00 per MBF

Western hemlock and other conifers \$ 85.15 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 \$156,360 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 (\$157,000),

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

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

BID DEPOSIT: \$16,300 SALE TYPE: Recovery/BOF - 71%

CSL - 29%

INSURANCE: \$2,000,000 Commercial General Liability; \$2,000,000 Automobile Liability;

\$2,000,000 Logger's Broad Form

HARVEST METHOD: A combination of cable yarding (approximately 82%) and ground-based yarding

(approximately 18%) by volume.

PROJECTS: Road construction (1.1 miles), road improvement (18.7 miles), road brushing

(17.1 miles); and post-harvest activities.

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 West Oregon ODF District at (541) 929-3266 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.

- Net and gross acreage for all timber sale areas was determined using digital orthophotos and GIS.
- Areas I, III, IV, and V are automark thinning units.
- Douglas-fir in Area II will be clearcut harvested; western hemlock will be automark thinned.
- Area I contains 7 patchcuts within its boundaries.
- A gate key is required to access Area IV and can be checked out at the Philomath District Office.
- A portion of Area I and all of Area III have seasonal operating restrictions due to their proximity to a Marbled Murrelet Management Area.
- All operations in Area III must be completed in 2005.
- Access roads for Areas I and III will be surfaced, which will allow operations to continue during the wet season.
- PURCHASER's use of a portion of road segment C to C1 is subject to a license agreement that shall be completed with Green Diamond Resource Company.

SALE OBJECTIVES:

The objectives of this timber sale are to reduce stand densities which will enhance and maintain the growth of 28- to 43-year-old conifer stands, and to develop a Complex Forest Structure over a portion of the landscape.

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: Thin Steere Combination

COUNTY: Polk and Lincoln

CONTRACT NO.: 341-05-06

TIMBER SALE NAME: Thin Steere Combination

TIMBER SALE NO.: 341-05-06

OPENING DATE: August 19, 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, sawm	ill grade or better	,		
			Dollars (\$) per MBF.
Minimum grades a	nd volumes for bi	d species are stated in the timber sale pro	spectus.	
No-bid species will	remain as shown	:		
		ers		
		d, consisting of a partment of Forestry.		_ in the amount of
	within thirty (30)	and deliver the contract, initial payment, re days of the date of the written notice of into r sale payment.		
	thirty-day period,	ne bid is irrevocable and further agrees that the bid deposit shall become the property		
E	BIDDER	(Name of Individual or Company and	Authorized Official)	
Т	AX ID NO.			
A	ADDRESS			
		_		
F	PHONE			
E	BY	(Signature of Authorized Official of	 & 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: Thin Steere Combination

Date: February 27, 2004

To: Dan Borg

CC: Steve Laam, District Sale File

From: Marcia Humes

Habitat Suitability

This sale does not contain suitable habitat for northern spotted owls or potential habitat for 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. Portions of the sale are within 0.25 miles of a Marbled Murrelet Management Area (MMMA).

Operational Considerations

Operations will be restricted to the period of September 16 to March 31, annually, for those portions of the sale that are within 0.25 miles of the MMMA. Operations may be allowed from 2 hours after sunrise until 2 hours before sunset from August 6 through September 15, annually.

Future Survey Plans

There are no future survey plans for this sale. However, ODF has an active survey program and northern spotted owl surveys will be conducted within 3 miles of this sale during the life of the contract.