PART III: EXHIBITS

State Timber Sale Contract No. 341-07-37 Wild rice

EXHIBIT B

Page 1 of 3 629-Form 341-203 Revised 06/97

OREGON DEPARTMENT OF FORESTRY

TIMBER SALE OPERATIONS PLAN

(See Page 2 for instructions)

Date	Received by STATE:	(5) State Bran	d Information (complete):	{ } {
(1)	Contract No.: 341-07-37	T-19akan		
(2)	Sale Name: Wild Rice			
(3)	Contract Expiration Date: October 31, 2009	Project Complet	tion Dates: October 31, 2	.008
(4)	Purchaser:	_ ,		<u>~~~</u>
	Purchaser Representatives:			
(6)	r drenaser Representatives.		Cell/Other	
	Projects:	Phone:		Home:
			Cell/Other	
	Projects:	Phone:		Home:
	Designata	Db	Cell/Other	TT
	Projects:	Phone:	Phone: Cell/Other	Home:
	Projects:	Phone:		Home:
	110,000	i none.	Cell/Other	
	Logging:	Phone:		Home:
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	Logging:	Phone:		Home:
	* .	701	Cell/Other	
	Logging:	Phone:		Home:
	Logging:	Phone:	Cell/Other Phone:	Home:
(7)	State Representatives:			
(7)	State Representatives:		Cell/Other	
	Projects:	Phone:		Home:
	110,0000.	i none.	Cell/Other	
	Logging:	Phone:		Home:
(8)	Name of Subcontractors & Starting Dates:			
	Projects: No(s)	Date:	Phone:	
	No(s)	Date:	Phone:	
	No(s)	Date:	Phone:	
	No(s)	Date:	Phone:	
	Logging: Felling	Date:		
	Yarding:	Date:	Phone:	
(9)	Comments:			
	PARTA			****
		·		

		.		

(10) Operations Map: Attach a copy of timber sale Exhibit A or other suitable map which plainly shows the items listed on the instruction sheet.

EXHIBIT B

INSTRUCTION SHEET FOR OPERATIONS PLAN

SUBMIT ONE COPY OF PLAN TO STATE

Operations shall be limited to the work shown in the plan until a revised plan or supplemental plan is submitted covering additional work. Compliance with this plan is not in lieu of compliance with any federal requirements related to the federal Endangered Species Act. If STATE has prepared a required Forest Practices Act (FPA) "Written Plan" for operations, PURCHASER shall comply with all provisions of the Written Plan.

Item No. (from Page 1)

- (5) All sales require you to use a brand furnished by STATE. If the State brand has not been assigned when the plan is submitted, it will be furnished and assigned later. Complete drawing. If more than one brand is assigned to the sale, complete both drawings.
- (6) The contract requires you to have a designated representative available on the sale area or work location who is authorized to receive in your behalf any notice or instruction given by STATE and to take action in regard to performance under the contract. If logging and project work is widely separated, a representative is required for each.
- (7) The STATE representative will be designated when your plan is approved and is the person who will inspect and issue instructions regarding performance.
- (8) Show names of subcontractors to be used for any or all phases of the operations. If subcontractors are not known, or are changed later, give notification to the STATE representative prior to commencement of work by subcontractor.
 - Show projected dates for commencement of both projects and logging. If projected dates need to be changed at a later date, notification must be given to the STATE representative by supplemental plan or otherwise, prior to commencement of such operations.
- (10) The STATE representative will furnish extra copies of Exhibit A of the contract for your use in preparing the operations map. The map shall use the following legend and show:
 - 1. Landing locations, approximate setting boundaries, and probable sequence of logging the settings. Number the settings in sequence.
 - 2. Locations of spur roads planned for construction, other than those required by the timber sale contract. Provide spur road specifications.
 - 3. Location of proposed tractor yarding roads. Show if and how marked on the ground.
 - 4. Location of temporary stream crossings.
 - 5. List the sequence of performing project work.
 - 6. Location of rock sources attach pit development plans.

(1)	Cable landing, with numbers for sequence.
A	Tractor landing with alphabetical sequence.
عبد مست بيني بيني	Approximate setting boundary.
	Spur truck roads.
~~	Tractor yarding roads.
X	Temporary stream crossings.

State Timber Sale Contract No. 341-07-37 Wild Rice

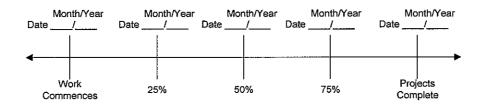
EXHIBIT B

OPERATIONS PLAN

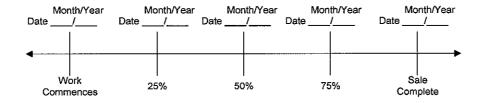
Completion Timeline

Indicate on the appropriate timeline below, the dates by which you plan to complete the work as required under this contract. The purpose of this section is to develop a plan that will ensure you complete the work as required, and meet the interim completion date(s) and contract expiration date. This plan is incorporated and made a part of the contract. When, in the opinion of STATE, operations are not commencing in a manner that meets the intent of this plan, you may be placed in violation of contract and your operations suspended until an amended plan is submitted and approved by STATE.

Projects



Harvest & Other Requirements



The Federal Endangered Species Act (ESA) prohibits a person from taking any federally listed threatened or endangered species. Taking under the federal ESA may include alteration of habitat. STATE's approval of this plan does not certify that PURCHASER's operation under the plan is lawful under the federal ESA. As provided in the timber sale contract, PURCHASERS must comply with all applicable state, federal, and local laws.

PURCHASER's compliance with this plan is not in lieu of compliance with any federal requirements related to the federal Endangered Species Act.

APPROVED: Date:	SUBMITTED BY: PURCHASER	
STATE OF OREGON - DEPARTMENT OF FORESTRY	TORONIDER	
Title	Title	

Original: cc:

Salem District File Purchaser

Operations Plan.doc/Jaz B (TS)

EXHIBIT C

SCALING INSTRUCTIONS -- LOCATION APPROVAL -- BRAND INFORMATION

(1)		L REGISTRA N NUMBER _		Date _		(12)	SALE NAME Wild Rice COUNTY Washington	
	CANCELL			Date _		(13)	STATE CONTRACT NUMBER 341-07-37	
(2)	TO:(Third Party Scaling Organization)		(14)	SCALE: westside ☑ eastside ☐ cubic foot [
(3)	FROM: F	orest Grove State Forestry [<u>(05)</u> Phone			(15) (16)		
	Address 8	301 <u>Gales Cr</u> DR 97116		Forest Gro	ove,	(17)		
(4)	PURCHAS	SER:					(COMPLETE)	
(5)		SCALING ATIONS			ASS			
	PECIES	SCALING DIAMETER INCHES	*NET SCALE VOLUME	MBF SI	M SUB			
	Conifers ardwoods		10	X	x —			
, 14								
*	Apply minimum v Sum (if indicated	volume test to whole i): see instructions a	logs over 40' Wests nd explain in Item (2	side; 20' Eastsid 20).	e.			
(6) (7)	=	DE SCALE:	ng length	YES		(18)	PAINT REQUIRED: YES ⊠ COLOR Orange	
(7) (8)		butt logs over 40' sc	aling length				SPECIAL SCALES	
(9)	back to Minin	num Scaling Diamete K VOLUME				UTI	ELABLE CULL (all species) LITY/PULP (all species) DEDUCTIONS ALLOWED	
(0)	Deductions d			\boxtimes		FO	R MECHANICAL DAMAGE HER:	
(10)	APPROVI LOCATIO	ED SCALING	G Species	Yard	Truck	ОТІ	HER:	
•						(20)	REMARKS: <u>Loads containing only SUM maneed not be accounted for by scale ticket.</u>	aterial
	.					Opera	tor's Name (Optional inclusion by District):	
						·	SIGNATURES:	_
(11)		OF CANCEL Date:			····		Purchaser or Authorized Representative	Date
	State Forest	er's Representa	ative				State Forester Representative	Date

Notify the District within one hour when branding or painting is inadequate for quick identification, the receipts are missing, not correctly or completely filled out, and/or when logs presented for scaling are impossible to scale accurately.

EXHIBIT C

INSTRUCTIONS FOR FORM 343-307 (rev. 5/01)

- (1) Check appropriate box. REVISION NUMBER requires comments. CANCELLATION requires Item (21). Complete date.
- (2) Designate Third Party Scaling Organization (TPSO). Send 4 copies to TPSO, 1 to purchaser, 1 to Salem, and keep such copies as to district needs.
- (3) State District office, address and phone.
- (4) Enter Purchaser's business name and address as it appears on the Contract.
- (5) Minimum Scaling Specifications. Review Section 2040 or 2045, "Log Removal," of the Contract. Species, or combined species can be separate entries. Information serves as a basis for scaling (see also Items (13) thru (17)), and is required to show existence on the sale. PerM (per MBF). SUM (lump sum material). SUB (submerchantable material. SUB, as used by the State, references that material containing at least 10 bf (net) but less than the lower merchantable net volume limit or grade requirements for other merchantable (PerM) entries. PerM, SUM, and Sub must be indicated by checking the appropriate column. Species with the same specifications and value are combined into one entry. PerM and Sub require scaling therefore complete specifications. SUM need not be scaled, hence no specifications. Loads containing only SUM are to be ticketed if so instructed in Item (19). Mixed loads of SUM, PERM and/or subspecies will always be scaled.
- (6) Westside -- actual taper segment scale. Check Yes or No. Special Service Rules on file with TPSO. See: Segment Scaling and Grading of Long Logs -- All Species -- State Forestry Department Scaling Practices (Westside).
- (7) Eastside -- actual taper/taper table segment scale. Special Service Rules on file with TPSO. See: Segment Scaling and Grading of Long Logs -- All Species -- State Forestry Department Scaling Practices (Eastside). Items with * follow U.S. Forest Service Eastside rules.
- (8) Pencil Buck. Check NO if a westside sale, optional for eastside sales.
- (9) Add-Back Volume. Add-Back is normally checked YES. Scaler records deductions (sap rot, weather checks, etc.) caused by an abnormal delay in removal. Enter separately on scale ticket. TPSO provides State with summaries that include this as a net volume by species. Salvage sales and certain other circumstances may require that "NO" be checked.
- (10) Show scaling locations only applicable to TPSO. Not necessary to list markets. If all species are scaled at same location, enter "ALL."
- (11) When logging is complete, recall branding hammers, date and sign where indicated, check CANCELLATION box at top of form, and send to TPSO.
- (12) Enter sale name and county.
- (13) Enter sale Contract number.
- (14) Check Westside or Eastside log scale. Cubic foot refers to Northwest Log Rules Cubic Foot Scale.
- (15) Oregon Forest Products Brand Registry Number (optional).
- (16) DO NOT USE -- TPSO will fill in when applicable.
- (17) Show one brand only. Complete drawing. If more than one brand is assigned to the sale, (1) make separate form for each brand, and (2) on each form, explain and show other brand(s) under REMARKS, Item 19.
- (18) Check YES and designate orange.
- (19) Special Scales. These are the Special Scales that will be applied. If "Other" is indicated, please describe. Give comments in Item (19).
- (20) Use this space to designate weight conversion factors, or any other explanations to clarify scaling requirements. If additional scaling locations are approved, prepare another form showing all (old and new) locations. Check REVISION box at top of form and explain under remarks. Route as indicated.
- (21) Require purchaser to sign and date completed form.

EXHIBIT D FOREST ROAD SPECIFICATIONS

POINT TO POINT	STATION TO STATION	DRAINAGE
A to B	0+00 to 4+30	Outslope
B to C	0+00 14+95	Outslope
B to D	0+00 to 14+52	Outslope

<u>CLEARING</u>. This work shall consist of clearing, removing, and disposing of all trees, Snags, Down Timber, brush, surface objects, and protruding obstructions within the clearing limits.

Where clearing limits have not been marked, the clearing limits shall extend 10 feet back of the top of the cutslope and 5 feet out from the toe of the fill slope, or as directed by STATE. Clearing debris shall not be placed or permitted to remain in or under any road embankment sections. Clearing debris shall not be left lodged against standing trees.

All danger trees, leaners, and Snags outside the clearing limits which could fall and hit the road shall be felled.

GRUBBING. This work shall consist of the removal or digging out of stumps and protruding objects.

All stumps shall be completely removed within the limits of required grubbing. Stumps overhanging cutslopes shall be removed. Grubbing debris shall not be placed or permitted to remain in or under any road embankment sections. Grubbing debris shall not be left lodged against standing trees. Grubbing classifications are as follows:

New construction - From the top of the cutslope to the toe of the fill.

Improvements and reconstructions - 4 feet back from the shoulder of the subgrade or ditch, whichever is widest, or as marked in the field.

<u>CLEARING AND GRUBBING DISPOSAL</u>. Scatter through openings in the timber outside of the cleared right-of-way, except areas where end-haul is required.

State Timber Sale Contract No. 341-07-37 Wild Rice

EXHIBIT D

FOREST ROAD SPECIFICATIONS

EXCAVATION. Excavation and grading shall not be done when weather and/or ground conditions are such that damage will result to existing subgrade or cause excessive erosion.

Excavation shall conform to STATE-engineered lines, grades, dimensions, and plans when provided.

All suitable excavated material shall be used where possible for the formation of fills, shoulders, and drainage structure backfills. Embankment materials shall be free of woody debris, brush, muck, sod, frozen material, and other deleterious materials. All fills and drainage structure backfills shall be machine compacted according to the specifications in Exhibit E.

Unless road design plans show otherwise, all roads shall be on a balanced cross section, except when the slope is over 50 percent, the road shall be on full bench for the width specified.

Excess excavation shall not be sidecast where material will enter a stream course or where material will accumulate in areas deemed a high landslide hazard location by STATE.

<u>ROAD WIDTH LIMITATIONS</u>. PURCHASER shall obtain advance written approval from STATE to construct the road to a greater width than specified. Extra subgrade width shall be required for:

Fill Widening. Add to each fill shoulder 1 foot for fills 3 feet to 6 feet high; 2 feet for fills over 6 feet high.

<u>Curve Widening</u>. Widen the inside shoulder of all curves as follows: 400 divided by the radius of the curve equals the amount of extra width.

DRAINAGE

Outslope. Road subgrade shall be outsloped at 4 to 6 percent.

<u>TURNOUTS</u>. Increase roadbed width an additional 8 feet for both subgrade and surfacing. Length shall be at least 25 feet, or as staked on the ground, plus 25-foot approaches at each end.

Location: Intervisible but not greater than 750 feet.

GRADING	Back Slopes	Fill Slopes
Rock	Vertical to 1/4:1	Not steeper
Common - side slopes 50% and over	1/2:1	than 11/2:1
Common - side slopes less than 50%	3/4:1	
Common - turnpike (level) section	2:1	

Top of cutslope shall be rounded.

<u>LANDINGS</u>. Landings shall be constructed as posted in the field, no less than 50 feet wide and no more than 70 feet wide. Surface is to be crowned for drainage, with general grade no more than 3 percent.

TURNAROUNDS. Increase subgrade width an additional 20 feet for a length of 20 feet.

State Timber Sale Contract No. 341-07-37 Wild Rice

EXHIBIT E

COMPACTION AND PROCESSING REQUIREMENTS

<u>Subgrade</u>. Subgrade surfaces of the road segments listed below shall be graded and compacted prior to rocking. Compaction shall be accomplished by traveling all surfaces from shoulder to shoulder until visible deformation ceases, or in the case of a sheepsfoot roller, the roller "walks out." At least 3 passes shall be made over the entire width and length of the road. A pass is defined as traveling a road section in one direction and then back over that same section again. Compaction shall be accomplished by using the approved equipment listed below or others approved by STATE:

ROAD SEGMENT	COMPACTION EQUIPMENT OPTIONS
All segments	1

<u>Fills</u>. Embankments and fills shall be placed in (approximately) horizontal layers not more than 8 inches in depth. Each layer shall be separately, and thoroughly, compacted. Compaction equipment shall be operated over the entire width of each layer until visible deformation of the layers ceases or, in the case of a sheepsfoot roller, the roller "walks out." At least 3 passes shall be made over the entire width and length of each layer. A pass is defined as traveling a fill layer in one direction and then back over that same layer again.

Placing individual rocks or boulders with more depth than the allowed layer thickness shall be permitted, provided the embankment will accommodate them. Such rocks and boulders shall be at least 6 inches below the subgrade. They shall be carefully distributed and the voids filled with finer material, forming a dense and compacted mass. Compaction shall be accomplished by using the approved equipment listed below or others approved by STATE:

ROAD SEGMENT	COMPACTION EQUIPMENT OPTIONS
All segments	1, 2

COMPACTION EQUIPMENT OPTIONS

- (1) <u>Vibratory Rollers</u>. The drum shall have a smooth surface, a diameter not less than 48 inches, a width not less than 58 inches, and a turning radius of 15 feet or less. Vibration frequency shall be regulated in steps to 1400, 1500, and 1600 VPM, corresponding to engine speeds of 1575, 1690, and 1800 RPM. The centrifugal force developed shall be 7 tons at 1600 VPM. It shall be activated by a power unit of not less than 25 horsepower. The vibratory roller shall be self-propelled and operated at speeds ranging from 0.9 mile to 1.8 miles per hour as directed by STATE.
- (2) <u>Crawler Tractors</u>. D-7 Caterpillar or equivalent or larger.

EXHIBIT F

SEEDING AND FERTILIZING

This work shall consist of preparing seedbeds and furnishing and placing required seed and fertilizer.

<u>Seeding Seasons</u>. Seeding shall be performed only from <u>March 1</u> through <u>June 15</u> and <u>August 15</u> through <u>October 31</u>. Seeding materials shall not be applied during windy weather or when the ground is excessively wet or frozen. Areas of disturbed soil shall be seeded by the end of the project period in which work was started. PURCHASER shall notify STATE 24 hours prior to seeding.

<u>Soil Preparation</u>. Areas to be seeded that have been damaged by erosion or other causes shall be restored prior to seeding. All areas to be seeded shall be finished and then cultivated to provide a reasonably firm, but friable seedbed. A minimum of 1/2 inch of surface soil shall be in a loose condition.

Application Methods for Seed and Fertilizer

<u>Dry Method</u>. Mechanical seeders, seed drills, landscape seeders, cultipacker seeders, fertilizer spreaders, or other approved mechanical seeding equipment shall be used to apply the seed and fertilizer in the amounts and mixtures specified. Hand-operated seeding devices may be used when seed and fertilizer are applied in dry form.

Application Rates for Seed and Fertilizer

Seed listed below shall be applied at the following rates per acre:

Species	Lb./Acre	<u>Mixture</u>	Pure Live <u>Seed</u>	Poison and/or <u>Repellent</u>
Highland Bentgrass	12	40%	98%	0
Annual Ryegrass	6	20%	98%	0
Perennial Ryegrass	9	30%	98%	0
White Dutch Clover	3	10%	98%	0

Fertilizer: Chemical analysis shall be 16-20-0 and shall be applied at the rate of 300 pounds per acre.

ADDENDÚM To Timber Sale Contract

The following terms and conditions are incorporated into the Wild Rice Timber Sale Contract No. 341-07-37 (the "Contract") by and between The State of Oregon, acting by and through the State Forester on behalf of the Department of Forestry ("State") and _______ ("Purchaser"). In the event of any conflict between the terms and conditions contained in this Addendum and the terms and conditions found in the Contract, less this Addendum, the terms and conditions of this Addendum will control. Terms that are capitalized but not defined in this Addendum will have the meaning assigned to them in the Contract.

A portion of the Designated Timber lies on lands belonging to Longview Fibre Company ("Longview"), upon which State enjoys a timber reservation (the "Reserved Tracts"). The Reserved Tracts are identified on Exhibit A to this Addendum. In addition, State has obtained from Longview permission to use certain log haul roads located on Longview property. These off-reservation haul roads are, together with the haul roads on the Reserved Tracts, collectively referred to as the "Longview Roads." Exhibit B depicts those Longview Roads over which Longview has granted to State specific permission for use by Purchaser (subject to Purchaser obtaining permission from any third party owners). Such roads are described and legended as "Timber Reserve Road" or "New Construction" on Exhibit B. The Longview Roads and the Reserved Tracts are collectively referred to as the "Longview Lands."

Purchaser acknowledges and agrees that:

- a) the Contract is specifically subject to the terms and conditions of State's timber reservation;
- b) the rights granted to Purchaser under the Contract do not create an interest or estate in the Reserved Tracts or in any real property in which Longview has an interest or estate; and
- c) Purchaser will execute and deliver to Longview, and will remain bound by the terms and conditions of, a license agreement in favor of Longview in the form attached to this Addendum as Exhibit C.
- d) Prior to engaging in Operations on the Longview Lands, and at all times during such operations, Purchaser must demonstrate to State that it has procured and is insured under, policies of insurance meeting the minimum requirements of <u>Exhibit D</u>. The requirements of Exhibit D are in addition to and not in lieu of any other insurance requirements under the Contract.

Purchaser further agrees that:

- a) Purchaser will indemnify, defend and hold Longview harmless from any and all actions, claims, costs, expenses (including reasonable attorney's fees), losses, liabilities, injuries (including death), damages, penalties, obligations, judgments, fines, consequences of orders or decrees, or suits for the enforcement of any of the foregoing, of any kind or nature, arising from, resulting from, or connected with: (i) the activities of Purchaser on the Longview Lands, or while accessing the Longview Lands, or while operating on adjacent parcels in conjunction with activity on the Longview Lands, and (ii) the actual or alleged tortious or improper conduct of Purchaser or of Purchaser's employees, agents, subcontractors or such other persons operating through or under Purchaser. This indemnity must be provided notwithstanding that Longview may be a participant in the activity giving rise to such liability.
- b) Notwithstanding the foregoing, Purchaser's duty to indemnify does not apply to liability or damages arising out of bodily injury (including death) to persons, or damage to property, caused by, or resulting from, the sole negligence of Longview.
- c) Purchaser must defend Longview from all claims, suits and related litigation described in this paragraph where the indemnity or hold harmless arguably arises, and Purchaser must pay to Longview, when incurred by Longview, all of Longview's investigation-related costs, reasonable attorney's fees, court costs and all other claim-related expenses.

Purchaser further agrees that all Operations on the Longview Lands will conform to the following minimum requirements:

- 1. After felling, and collection and hauling of severed Designated Timber, all such Designated Timber must be promptly hauled off the Reserved Tracts or it must be safely decked and stored by Purchaser. Purchaser must haul all Designated Timber form the Reserved Tracts before the end of the Contract.
- 2. That portion of the Reserved Tracts where harvesting has occurred (including all buffers and other environmentally sensitive adjacent areas) must be secured and protected environmentally, including stream sedimentation protection and protection of buffers and adjacent areas from environmental damage.
- 3. Following harvesting, all roadways on Longview lands used by Purchaser must be repaired and restored to at least their former condition.
- 4. Unless otherwise specified in the Contract, Purchaser will not be required to clear slash or other brush from the Reserved Tracts, or to scarify the land following harvesting, nor to replant seedlings or take further steps towards reproduction. Slash burning on the Reserved Tracts is prohibited.

- 5. Purchaser must not commit or suffer waste on the Longview Lands, including the land, the haul roads, improvements on the land, Designated Timber, non-merchantable timber, or any of Longview's operations on such Lands. This covenant and the covenants which are contained in this reservation also apply to all haul roads (i) owned by Longview off of the Reserved Tracts and (ii) those haul roads owned by third parties and controlled by Longview in some manner. In either case, these haul roads may be used by Purchaser only if Purchaser has first obtained prior written permission from Longview and any third party owner (as necessary).
- 6. Except for those Timber Reserve Roads and the New Construction roadways depicted on Exhibit B or which will be identified and permitted by Longview in the License, Purchaser's use of any Longview Roads not located on the Timber Reserve Premises without Longview's prior written consent will constitute waste. Longview may withhold its consent for any reason and may grant consent only under any conditions and terms it desires in its sole discretion.
- 7. Purchaser agrees that it may only use existing, safe, and environmentally compliant haul roads on the Longview Lands under the conditions described in this Addendum, and to do otherwise will constitute waste. Except insofar as such activity is required in connection with the construction of approved roads, it will also constitute waste to generate, process, deposit or dispose of, use, apply, store, transport, handle, or release soils or other fill material, spoils, gravel, debris, refuse, garbage, or other waste matter on the Longview Lands or to suffer the creation of any "attractive nuisances."
- 8. The storage of fuel for machinery or vehicles on the Longview Lands is prohibited except to the extent of fuel maintained in the original manufacturer's reservoirs or tanks on Purchaser's machinery or vehicles; provided that, Purchaser may bring fuel trucks onto, but may not park such vehicles overnight on, the Longview Lands for fueling of vehicles.
- 9. It will constitute waste to generate, process, deposit or dispose of, use, apply, store, transport, handle, or release any "hazardous substances", "toxics", oil, materials defined or generally described to be "pollutants", herbicides, pesticides, or fungicides in or on the Longview Lands. The terms, "hazardous substances," "pollutant," and "toxics" mean, for purposes of statutory or legal purposes, those substances or materials as those terms are now or are hereafter defined or regulated under any federal, state, or local law, including but not limited, to the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA 42 USC 9601 et seq.) and the Toxics Use Reduction and Hazardous Waste Reduction Act (ORS, Chapter 465).
- 10. If generation, processing, deposit or disposal, use, application, storage, transportation, handling, or release of any of the substances identified under paragraphs 7 or 9 occur in, on, under, or above the Longview Lands arising out of any action (or tortious omission or inaction) of Purchaser, Purchaser must, at its sole expense, immediately notify State and Longview, must notify all authorities which are required to

be notified under the circumstances, and, after consultation with State and Longview, must take all actions necessary or advisable to clean up, contain, and remove the substances in accordance with applicable laws.

- 11. Longview has the right to inspect Purchaser's operations and activities to ensure compliance with the terms of this Addendum and the License.
- 12. Purchaser must use only existing and improved log haul roads that are in good condition and environmentally compliant, for access to Designated Timber and for transporting Designated Timber and other materials on and off of the Longview Lands. Where roadways are not in good condition, they must either not be used or must be improved by Purchaser to a good, safe and environmentally compliant condition (so as to meet all legally required rules, regulations and statutes under all federal, state or local statutes, regulations, rules or guidelines, including all forest practice rules and standards, and including those rules published by Longview's Tree Farm Manager). All such improvements and compliance will be at the sole cost and expense of Purchaser.
- 13. Where circumstances require that Purchaser seek permission to construct new roads for harvesting on the Reserve Tracts, Purchaser may construct such roads only with the prior, written approval of Longview, which approval will not be unreasonably withheld, but at Purchaser's sole cost and expense. Purchaser must submit all requests for such approval to State, which will submit the request to Longview on behalf of Purchaser. Each such request must include field marking and appropriate mapping of the location of the haul road, reasonably complete construction specifications and details, and evidence of compliance with forest practices and environmental laws (including compliance with the federal endangered species act). Any new roads or other improvements permissibly constructed or erected by Purchaser on the Longview Lands under this Addendum will be the property of Longview at the expiration of the term of State's timber reservation
- 14. Longview and its business invitees and guests may use existing or new haul roads in common with State and Purchaser.
- 15. No right of access over any lands adjacent to the Reserve Tracts that are owned by Longview will be implied at law or in equity or claimed by adverse possession or prescription. Purchaser fully and completely waives any such right of access, including demands or rights acquired by public or private condemnation.
- 16. All improvements constructed by Purchaser and all operations conducted on the Longview Lands must be planned, established and prosecuted in full compliance with all federal, state and local rules, regulations and statutes, including all forest practice rules. Not by way of limitation, Purchaser must comply with federal and state natural resources, cultural resources and preservation or species legislation, including the federal endangered species act, with all environmental, hazardous, toxic and waste management statutes and regulations, including those concerning herbicides, pesticides, fungicides, toxins and oil.

17. Purchaser must bear the full cost of complying with this Addendum, including all costs of road maintenance and repair.

ACKNOWLEDGED and AGREED:

Purchaser: _	
By: _	
As its: _	
Date:	

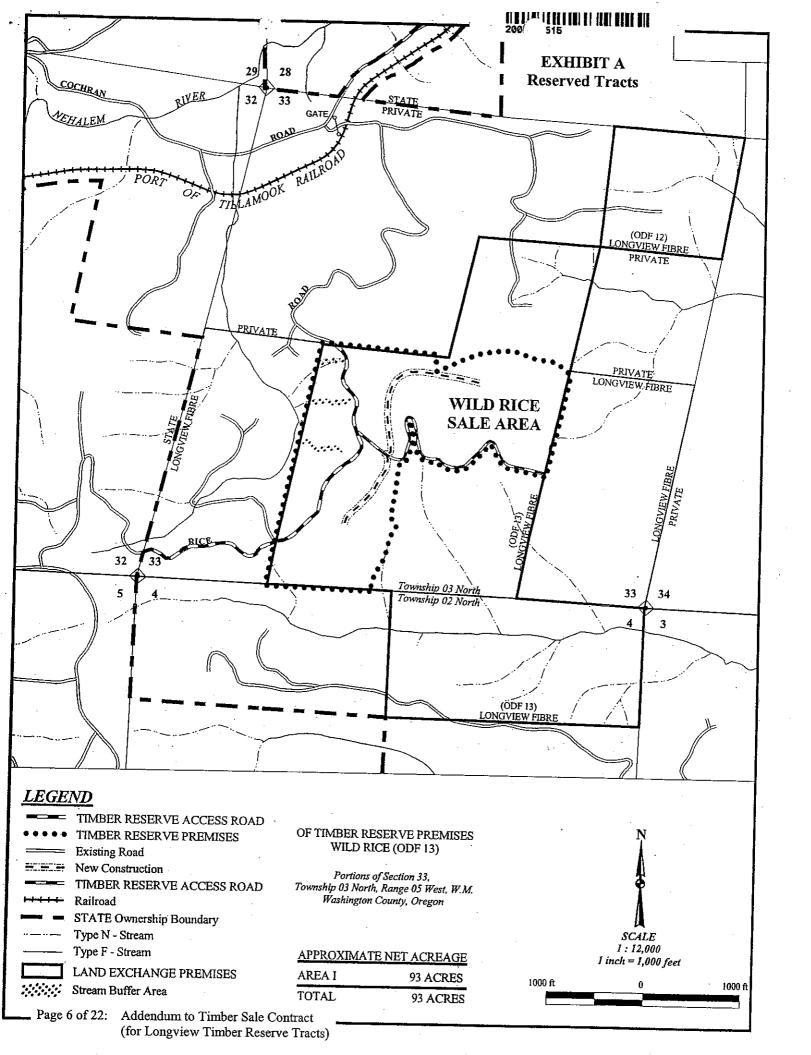
Attachments:

Exhibit A - Reserved Tracts

Exhibit B - Longview Roads

Exhibit C – Longview License Agreement

Exhibit D – Additional Insurance Requirements for Operations on Longview Lands



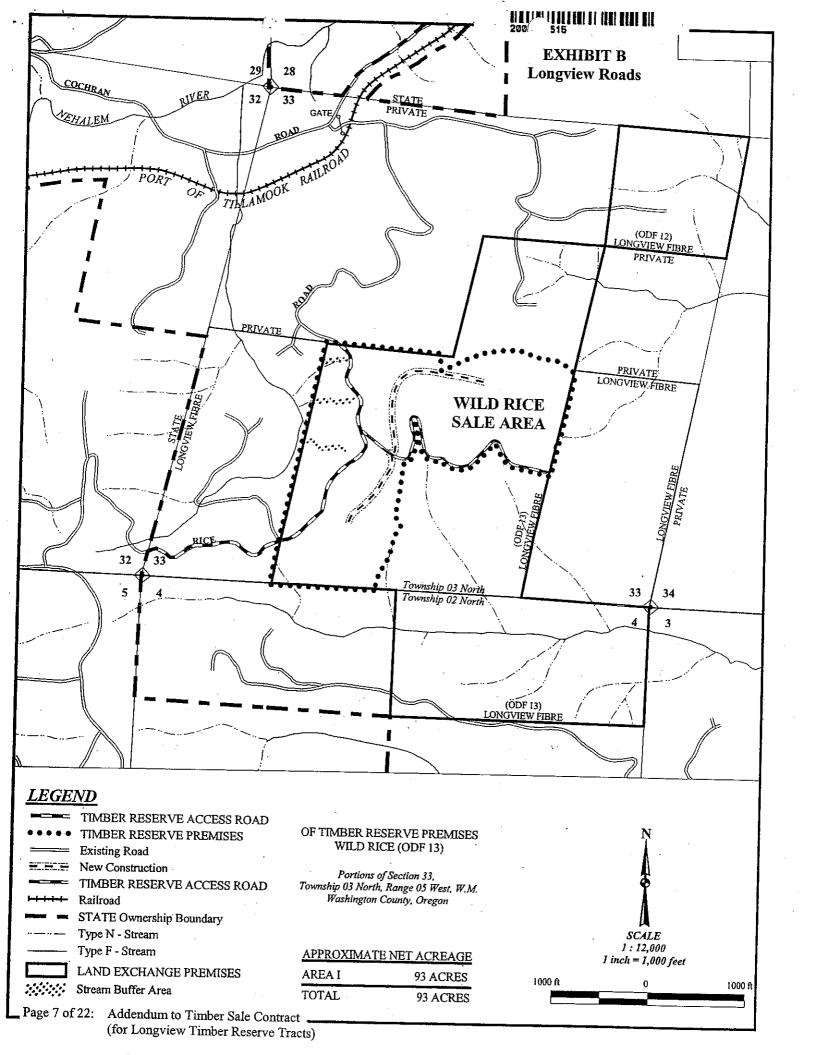


EXHIBIT C Form of License

LONGVIEW FIBRE COMPANY LICENSE AGREEMENT

Oregon Timber Harvest No. 341-07-37

This License ("License" or "Agreement") is made and entered into this	day of
, 20, by and between <i>LONGVIEW FIBRE</i>	COMPANY, a
Washington corporation, herein called the "Grantor",	4
and , herein called "Grantee";	

RECITALS:

- A. Grantor and the State of Oregon, acting by and through the Board of Forestry on behalf of the Oregon Department of Forestry ("Oregon"), have agreed to a timber reservation on certain lands now owned by Grantor that will allow Oregon to harvest and collect growing merchantable timber and already severed timber. The lands are in Washington County, Oregon and a copy of the timber reservation is attached as Exhibit "A" (it is referred to herein as the "Reservation"). For purposes of this License, the term "harvest" or "harvesting" shall be deemed to include felling, yarding, decking and hauling of timber and all other associated activities necessary to successfully complete timber sale contract requirements.
- B. Oregon has selected Grantee as a purchaser of Oregon's rights to harvest timber under the Reservation. This may or may not be of all of the harvesting rights enjoyed by Oregon under the Reservation, but in all events the rights of Grantee encompass only trees and timber on that real property described on Exhibit "B" attached (the "Grantee Parcel").
- C. As a condition of the exercise of any of Grantee's rights as such a purchaser, the Reservation requires: (i) that Grantee assume, relative to the parcel it is harvesting (and other lands of Grantor affected by Grantee's operations), all of Oregon's responsibilities and duties under the Reservation, (ii) that Grantee specifically indemnify Grantor for Grantee's actions (and certain inactions) on the "Longview Lands" (as defined in the Reservation), and (iii) that Grantee provide to Grantor directly certain insurance protections, including direct coverage as an additional party insured.
- D. Under the Reservation, Longview has agreed to make access over certain of its log haul roads (or other property in the case of roadways to be constructed) available to Oregon and Grantee in connection with hauling timber associated with the harvesting (these areas are included in the definition of "Longview

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Lands"), and if the Grantee Parcel benefits from these, this Agreement contains other terms and provisions concerning that access. (If no access rights are included, Exhibits C and D hereto are designated "None".)

LICENSES AND AGREEMENTS:

Now therefore, for and in consideration of the promises, covenants and other terms and conditions specified herein, together with the pecuniary remuneration described below, and for the term specified below, the parties do hereby agree and grant as follows:

- 1. Grantee, for itself and its successor and assigns hereby specifically assumes Oregon's obligations and duties under the Reservation as to the Grantee Parcel and also as to any of the Longview Lands on which Grantee is operating or which are in any way affected by Grantee's operations.
- 2. Not by way of derogation of paragraph 1, Grantee does hereby make specifically undertake as a primary obligor, assume, re-make and ratify, in favor of Grantor and its successors and assigns, all the obligations and duties of Oregon described in the Reservation, as though fully stated herein.
- 3. On or before the date that Grantee first gains any access to the Grantee Parcel for any reason, Grantee will procure and deliver to Grantor, and thereafter keep continuously in full force and effect, all of the insurance described in paragraph 20 of the Reservation and as otherwise specified under paragraph 13 below.
- 4. Grantee shall have a nonexclusive license for the purpose of access and road construction for forestry harvesting, including log hauling, on and over the road or roads described on <u>Exhibit "C"</u> attached.
- 5. This Agreement, and any of the rights granted herein, shall not be assigned without prior written consent of Grantor, except that said rights granted herein may be used by any employee, contractor, or representative of Grantee, and each of them, except employees of Grantee, and while engaged in Grantee's operations, are hereinafter collectively referred to as the "Agents" (and singularly as an "Agent").
- 6. The consideration to be paid by Grantee to Grantor is as follows:
- 7. The access rights under this License, if any, shall commence on the date first written above and shall wholly expire upon the termination of the Reservation, as applicable to the Grantee Parcel, or upon any earlier termination based upon the default of Grantee or Oregon.

- 8. Upon default by Grantee or Oregon hereunder or under the Reservation (and beyond the applicable period of cure), this Agreement may be suspended or terminated by Grantor.
- 9. For all activities conducted pursuant to this Agreement, each party shall, at its own expense, comply with all applicable laws in effect now and as hereafter modified.
- 10. Site-specific operational requirements concerning access, if any, are listed in Exhibit "D" attached hereto. Non-compliance with these requirements shall constitute a breach of contract and may result in the Grantor, at its option (exercised by written notice), requiring the immediate suspension by Grantee and all Agents of all current operations until the breach is remedied.
- 11. This Agreement is subject to any rights and valid claims pending on the Grantee Parcel, including (but not limited to) forest practice rules, the current forest practice plan or plans, and any rights and valid claims previously conveyed by Grantor. Not by way of limitation of the foregoing, Grantee's rights are subject to all matters of public record and to all prior unrecorded (where notice is given to Grantee) or recorded easements, permits, leases, options and Permits affecting said lands or Grantee rights across, over or upon such lands. Grantee's rights herein are also subject to the rights of the Grantor to use its own lands for any and all legal purposes including the use of the land by third parties with the permission of the Grantor. Grantee's right to use the premises is concurrent with Grantor's and other's use, and is non-exclusive, and Grantor reserves the right to grant in the future to other parties either permission to use the premises or permanent interests in the premises (whether as a license, permit, lease, easement or otherwise), subject only to Grantee's reasonable concurrent use for the term hereof. Grantor specifically reserves all rights incident to fee ownership of the underlying real estate and the right of use thereon for any purpose including, but not limited to, the right to remove profits within the premises (except merchantable timber), the right at all times to cross and re-cross the premises at any place on grade or otherwise, and the right to use, maintain, patrol, reconstruct or repair the premises. Grantor may grant to third parties any and all rights reserved.
- 12. Grantee shall take all reasonable precautions to protect timber, crops and improvements owned by Grantor and its successors and assigns. Grantee must notify the Grantor two (2) weeks in advance of completion of said operations for the purpose of inspection for compliance with the terms hereof. Grantee shall pay Grantor for any damage to Grantor's timber, crops and improvements not identified and paid for under the terms and conditions of this Agreement. Grantor shall appraise the damage at market value at the time of damage and bill Grantee for said damages at said value.

- 13. Besides providing its own insurance as described in the Reservation, Grantee shall cause every Agent to whom it extends rights hereunder to obtain and keep in force, during that time each such Agent has entry onto the premises, insurance of the type described below (or such similar insurance as mutually approved by the parties as may in the future be permissible). These policies shall insure Grantor, Grantee and the Agent against liability arising out of their operations, including use of vehicles. The type of insured risk and coverage limits shall not be less than the following:
 - A. Commercial General Liability (CGL) insurance, including loggers broad form property damage blanket XCU endorsement, with a limit of not less than \$2,000,000 per each occurrence. If such CGL insurance contains aggregate limits, the general aggregate limits shall be at least twice the "each occurrence" limit, and the products-completed operations aggregate limit shall be at least twice the "each occurrence" limit. The policy may not exclude pollution events or accidents.
 - B. Employer's Liability ("Stop Gap") insurance, and commercial umbrella liability insurance and pollution insurance, all with limits not less than \$2,000,000 each accident for bodily injury by accident or \$2,000,000 each employee for bodily injury by disease.
 - C. Business Auto Policy (BAP) insurance, and if necessary, commercial umbrella liability insurance with a limit of not less than \$1,000,000 per accident, with such insurance covering liability arising out of "Any Auto".
 - D. Grantee and its Agent's shall comply with all State of Oregon workers' compensation statutes and regulations. Workers' compensation coverage shall be provided for all employees of Grantee and its Agents.
 - E. Except as prohibited by law, each Agent shall procure a waiver of its insurance carrier's rights of subrogation against Grantor to the extent the Grantor is covered by workers compensation, employers liability, commercial general liability or commercial umbrella liability insurance as an additional party insured.
 - F. All insurance must be issued and maintained on an occurrence basis and must be issued by companies admitted to do business within the state where this License is operable, and have a rating of A-VI or better in the most recently published edition of Best's Reports.
 - G. The Grantor and its elected directors, officers, agents and employees shall be named as additional insureds on all general liability, excess, and umbrella insurance policies of Grantee and all Agents.

- H. Grantor's, and each Agent's additional insured coverage shall be non-contributory as respects other insurance maintained by Grantor and it shall be primary (and not limited to vicarious liability). However, in any instance where there are multiple policies (not including policies).
- I. All parties shall provide, upon entry onto the premises and thereafter thirty (30) days before any policies expire (and for so long as they are granted access to the premises), certificates of insurance and appropriate endorsements evidencing coverage, reasonably satisfactory to Grantor, and including a CG 20 10 03 97 form of endorsement (or equivalent). Copies of policies shall be provided upon the request of Grantor.
- J. Grantor shall be provided forty-five (45) days written notice before cancellation or non-renewal of any insurance referred to herein, as prescribed in statute.
- K. Failure of a Agent to comply with insurance requirements shall not limit Grantee's liability or responsibility.
- 14. Grantee and its Agents shall indemnify, defend and hold Grantor harmless as follows:
 - A. The Grantee and its Agents shall, jointly and severally, indemnify and hold Grantor harmless from any and all actions, claims, costs, expenses (including reasonable attorney's fees), losses, liabilities, injuries (including death), damages, penalties, obligations, judgments, fines, consequences of orders or decrees, or suits for the enforcement of any of the foregoing, of any kind or nature, arising from, resulting from, or connected with, Grantee's operations or to the extent performed below the required standard or where they result, for any reason in a loss to Grantor (except the value of the merchantable timber), and from the actual or alleged tortious or improper conduct of Grantee or the Agent (including omissions of Grantee or its Agent) or that of their respective employees, agents, subcontractors or such other persons operating through or under Grantee or the Agents (collectively "Agents") while exercising Grantee's rights hereunder. This indemnity shall be extended notwithstanding that Grantor may be a participant in the activity-giving rise to such liability, loss or claim.
 - B. Notwithstanding the foregoing, the duty to indemnify the Grantor shall not apply to liability or damages arising out of bodily injury (including death) to persons, or damage to property, caused by, or resulting from, the proven sole negligence of Grantor or Grantor's agents or employees.
 - C. Grantee and each Agent shall have a duty to defend all claims, suits and related litigation described in this paragraph, and Grantee and its Agents

- shall pay to the Grantor, when incurred by the Grantor, all of the Grantor's investigation-related costs, reasonable attorney's fees, court costs and all other claim-related expenses.
- D. Grantee shall immediately and affirmatively notify all Agents of the covenants and duties and take reasonable steps to procure compliance under this Agreement and obtain from each Agent a written confirmation of undertaking in Grantor's favor.
- Grantee may bring fueling vehicles onto the premises for fueling of vehicles, but 15. shall not cause any such vehicle to remain on the premises overnight, nor shall Grantee or an Agent cause or permit any other filling activity to occur in or on the premises, except by prior written approval of the Grantor. Grantee or an Agent shall not deposit refuse, garbage, or other waste matter or use, store, generate, process, transport, handle, release, or dispose of any hazardous substance, or other pollutants in or on the premises except in accordance with all applicable laws. The term hazardous substance means any substance or material as those terms are now or are hereafter defined or regulated under any federal, State, or local law including but not limited to the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA 42 USC 9601 et seq.), or other similar state statutes. Grantee or an Agent shall immediately notify the Grantor if Grantee or a Agent becomes aware of any release or threatened release of hazardous substance on the premises or adjoining property. If a release of hazardous substance occurs in, on, under, or above the premises arising out of any action of Grantee or an Agent, its contractors, subcontractors, invitees, agents, employees, licensees, or Agents, Grantee or an Agent shall, at its sole expense, promptly take all actions necessary or advisable to clean up, contain, and remove the hazardous substance in accordance with applicable laws.
- 16. Grantee and its Agents shall not destroy any land survey monuments marking local control points, geodetic control points, and land boundary survey corners without prior written approval from the landowner, which shall not be unreasonably withheld. Land survey monuments that must necessarily be disturbed or destroyed during construction or maintenance activities must be adequately referenced and replaced, at the permit holder's expense, under the direction of a Professional Land Surveyor, licensed in the State of Oregon, in accordance with all applicable laws of the State of Oregon in force at the time of construction.
- 17. Maintenance is defined as work normally necessary to preserve and keep the roads in their present condition or as hereafter improved. At a minimum, the roads will be maintained to meet forest practice standards set forth under any applicable state forestry rules.
 - When a road is being used solely by one party, that party shall be solely responsible for maintaining that portion of the road so used to the standards

existing at the time sole use is commenced. During periods when either party and/or other parties with an easement or license jointly use the road(s), or any portion thereof, the cost of maintenance and resurfacing shall be allocated among such users on the basis of their respective use including that of their Agents.

During periods of joint maintenance, the users shall meet at times to be set by mutual agreement and establish necessary maintenance provisions. Such provisions shall include, but not be limited to the following:

- A. The appointment of a maintainer, which may be one of the parties or any third party, to perform or contract the maintenance;
- B. The extent of maintenance necessary to keep the road safe and to reduce environmental impacts; and
- C. A method of payment by which each party using the road or a portion thereof shall pay its pro rata share of the cost of maintenance and resurfacing.
- 18. No improvements will be made without prior written approval of Grantor and unless the parties agree in writing to share the cost of improvements in advance of such improvements being made, such improvements shall be solely for the account of the improver. Grantor may require prior security for any such agreement.
- 19. Each party shall repair, or cause to be repaired at its sole cost, that damage to the road arising out of its use which is in excess of that which it would cause through normal and prudent usage.
- 20. Grantee shall be responsible for satisfying the requirements of the laws of Oregon pertaining to forest protection; and, in addition thereto, Grantee and its Agents shall, during the Closed Season, contact Grantor who shall determine any extra requirements pertaining to burning procedure, blasting, watchman, extra patrol, pumpers, tankers, fire hoses, fire tools, etc., which are deemed necessary for prevention and suppression of fire which may result from Grantee's and its Agents operations.
- 21. Grantee or Grantee's Agent shall construct or reconstruct roads within the premises only pursuant to the terms of Grantee's contract with Oregon. Grantee acknowledges that Oregon must obtain Grantor's written approval of the road construction plans prior to commencing construction work. Grantor may require security for any such agreement.
- 22. This Agreement constitutes the entire agreement and understanding of the parties with respect to the subject matter of the Permit and supersedes all prior negotiations and representations. This Agreement may not be modified except in

- writing signed by the parties. The parties agree to execute any additional documents reasonably necessary to effectuate the provisions and purposes of this License.
- 23. Each party acknowledges that it and its legal counsel have had the opportunity to review this Agreement. The parties agree that the terms and conditions of this Agreement shall not be construed against any party on the basis of such party's drafting, in whole or in part, of such terms and conditions. The parties acknowledge that this Agreement does not transfer any real property interests and that it creates only a personal right of surface entry for ingress and egress in favor of Grantee, limited to the term and the covenants and limitations described above.
- 24. Failure of either party to insist upon the strict performance of any of the terms and conditions of this Agreement, or failure to exercise any rights or remedies provided in this Agreement or by law, or to notify the other party in the event of breach, shall not release the other party of any of its obligations under this Agreement, nor shall any purported oral modification or rescission of this Agreement by either party operate as a waiver of any of the terms hereof. No waiver by either party of any breach, default, or violation of any term, warranty, representation, agreement, covenant, right, condition, or provision of this Agreement shall constitute waiver of any subsequent breach, default, or violation of the same or other term, warranty, representation, agreement, covenant, right, condition, or provision.
- 25. If any provision of this Agreement is held to be invalid or unenforceable, this provision shall not affect or invalidate the remainder of this Agreement, and to this end the provisions of this Agreement are declared to be severable. If any such invalidity becomes known or apparent to the parties, the parties agree to negotiate promptly in good faith in an attempt to amend such provision as nearly as possible to be consistent with the intent of this Agreement.
- 26. All exhibits referred to in this Agreement are deemed to be incorporated in this Agreement in their entirety.
- 27. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which counterparts together shall constitute the same instrument which may be sufficiently evidenced by one counterpart. Execution of this Permit at different times and places by the parties shall not affect its validity so long as all the parties execute a counterpart of this Permit.
- 28. Unless otherwise specified herein, any notices required or permitted under this Agreement may be delivered personally, sent by facsimile machine or mailed certified, return receipt requested, to the following addresses or to such other place as the parties hereafter direct. Notice will be deemed given upon delivery, confirmation of facsimile, or three days after being mailed, whichever is applicable.

Grantor:	Grantee:
Longview Fibre Company P. O. Box 667 Longview, WA 98632 Attn: Easement Coordinator Fax: (360) 575-5932	Fax:
With a copy to:	
WITNESS WHEREOF, the parties hereto elow subscribed.	have caused this Agreement to be executed as LONGVIEW FIBRE COMPANY
	By:
	Title: Senior V.PTimber Address: P.O. Box 667 Longview, WA 98632 Phone No. (360) 575-5107 Date:
	Ву:
	Title:Address:
	Dhone No

Date:

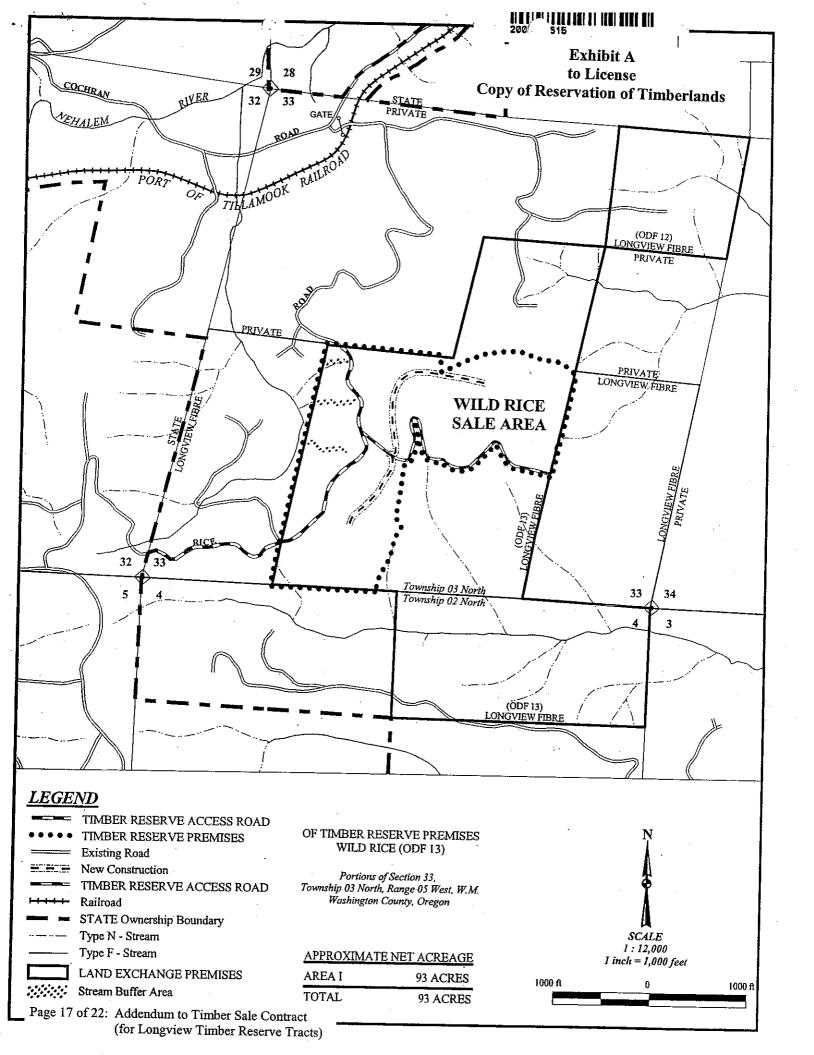


Exhibit B to License Grantee Parcel

The Southwest one-quarter of the Northeast one-quarter (SW½NE½), the East one-half of the Southwest one-quarter (E½SW½), and the West one-half of the Southeast one-quarter (W½SE½) of Section 33, Township 3 North, Range 5 West of the Willamette Meridian, in the County of Washington and State of Oregon.

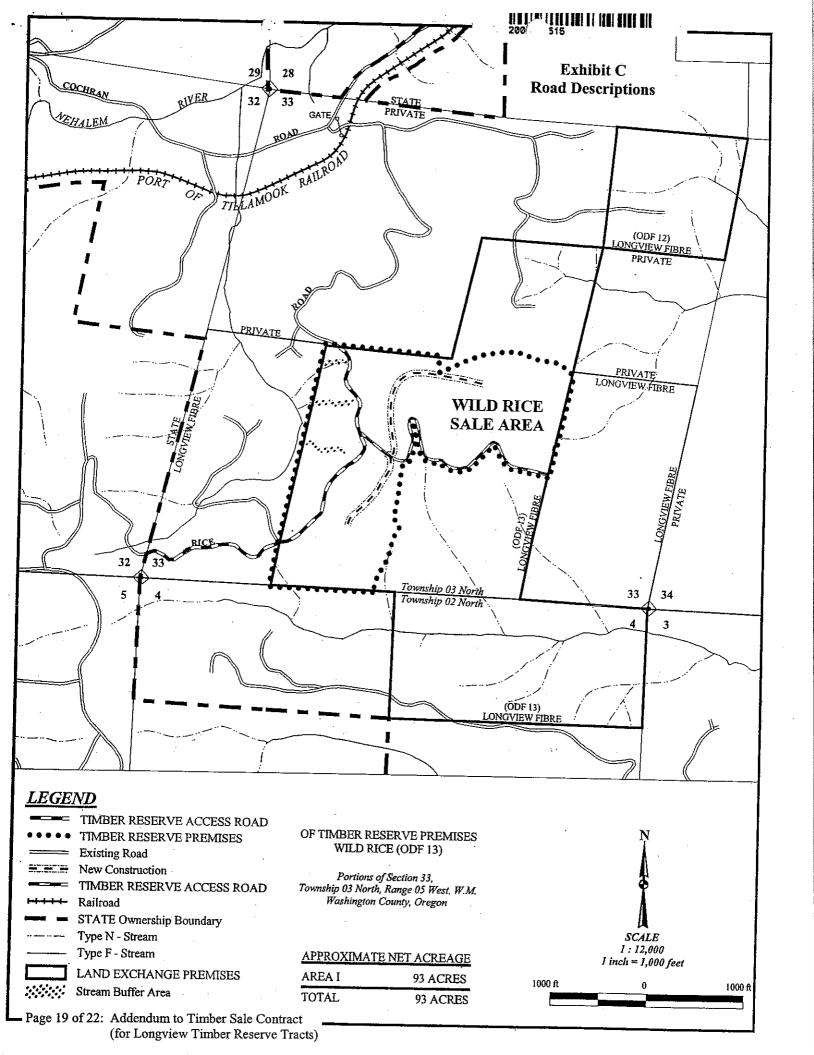


Exhibit D to License Site Specific Operational Requirements

[Possible topics: Debris Disposal, Tree Removal, Road Maintenance and Abandonment Plan restrictions, Hauling Restrictions, Permits required (HPA, FPA, etc.), Falling and Yarding Restrictions, Speed limits, Open Fires, Permanent Plots, Blocking Roads, Gates, Sediment Control, Cessation for Low Humidity, Stream Protections.]

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EXHIBIT D

Additional Insurance Requirements for Operations on Longview Lands

Purchaser and every party to whom Purchaser may have extended rights under the Contract for access (including subcontractors haulers, etc., collectively referred to as the "Agents") must obtain and keep in force during such time as Purchaser or its Agents has access to the Longview Lands insurance of the type described below (or such similar insurance as mutually approved in writing by the parties). These policies must insure Purchaser and its Agents against liability arising out of their operations, including the use of vehicles.

- (a) Commercial General Liability (CGL) insurance, including loggers broad form property damage blanket XCU endorsement, with a limit of not less then \$2,000,000 per each occurrence. If such CGL insurance contains aggregate limits, the general aggregate limits must be at least twice the "each occurrence" limit, and the products-completed operations aggregate limit shall be at least twice the "each occurrence" limit. The policy may provide only standard pollution exclusions and where separate coverage is reasonably and customarily available, it must be procured.
- (b) Employer's Liability insurance, and commercial umbrella liability insurance with limits not less than \$2,000,000 each accident for bodily injury by accident or \$2,000,000 each employee for bodily injury by disease.
- (c) Business Auto Policy (BAP) insurance, and if necessary, commercial umbrella liability insurance with a limit not less than \$1,000,000 per accident, with such insurance covering liability arising out of "Any Auto".
- (d) Purchaser and Agents must comply with all State of Oregon workers' compensation statutes and regulations. Workers' compensation coverage must be provided for all employees.
- (e) Loggers Broad Form insurance satisfactory to Longview must be procured. In its sole discretion, and in lieu of Purchaser's or an Agent's policy, Longview may offer to Purchaser or Agents access to similar coverage Longview maintains (where it collects premium payments from Purchaser or Agents on a policy Longview procures).
- (f) Each named insured must procure a waiver of its insurance carrier's right of subrogation against Longview.
- (g) All insurance must be issued and maintained on an occurrence basis, issued by companies admitted to do business within the State of Oregon and the insurers must possess a rating of A-VI or better in the most recently published edition of Best's Reports.

- (h) Longview, and its directors, officers, agents and employees, must be named as additional insureds on all general liability, excess, and umbrella insurance policies.
- (i) Each of Purchaser's or Agent's additional insured coverage must be primary and non-contributory as respects other insurance maintained by Longview (and not limited to vicarious liability).
- (j) All parties must provide, upon entry onto the Longview Lands and thirty (30) days before any policies expire (and for so long as they are granted access to the premises), reasonably satisfactory certificates of insurance and appropriate endorsements evidencing coverage. The endorsements must afford coverage under not less than a CG 20 10 10 93 form of liability endorsement (or equivalent). Copies of policies must be provided to Longview upon the request of Longview.
- (k) Purchaser, Agents and Longview must be provided forty-five (45) days written notice before cancellation or non-renewal of any insurance required under this exhibit, as prescribed in statute.
- (1) Purchaser and Agents must include Oregon as additional party insured under all insurance policies required in this reservation.
- (m) Failure of an Agent to comply with insurance requirements will not limit Purchaser's liability or responsibility.
- (n) By requiring the insurance described in this exhibit, no party represents to any other that coverage and limits will be adequate to protect Purchaser, Longview or the Agents from out of pocket costs or loss.