NOTICE OF TIMBER SALE

(Recovery - Scaled Sale)

SALE NAME/NO.: Rock-n-Roy 341-08-71

AUCTION DATE/TIME: May 20, 2008, 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

Tillers and Oncore 07

Tillamook, Oregon 97141

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

HARVEST TYPE: Approximately 66 acres of modified clear-cut harvest of conifers and alder; and 32

acres partial cut of Douglas-fir, hemlock, and spruce, with regeneration of alder.

Stands are approximately 60 years old.

SALE LOCATION: Portions of Section 32, T3N, R9W, W.M., Tillamook County, Oregon.

DIRECTIONS TO TIMBER

From Tillamook, travel north via Highway 101 to Miami Foley County Road. Take

SALE AREA: Foss Road 2 miles to Peterson Creek Road.

APPRAISED VOLUMES AND QUALITY:

| SPECIES | AVG DBH | TOTAL MBF | | | | | | | | | | | | | | | | | |
|--------------|------------|--------------|------|----|----|-------|--------|-------|-----|-----|-----|----|-------|---------|-------|-----|----|-----|-----|
| | | | 1P | 2P | 3P | Р | SM | 1S | 2S | 3S | 4S | 5S | 6S | SEL | SC | UT | CR | WRM | PLP |
| Douglas-fir | 15" | 511 | | | | | | | 188 | 216 | 107 | | | | | | | | |
| W Hem. / fir | 14" | 324 | | | | | | | 105 | 132 | 87 | | | | | | | | |
| Sitka Spruce | 12" | 19 | | | | | | | | 17 | 2 | | | | | | | | |
| W Redcedar | 14" | 19 | | | | | | | | 8 | 11 | | | | | | | | |
| Red Alder | 17" | 586 | | | | | | | 144 | 198 | 244 | | | | | | | | |
| Sale Total | | 1,459 | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| MINIMUM E | BID: B | ID SPEC | IES | | D | oug | as-fir | · | | | | | \$ 98 | 3.20 pe | er MB | 3F | | | |
| | | | | | R | ed a | ılder. | | | | | | \$185 | 5.96 pe | er ME | 3F | | | |
| | N | O-BID SI | PECI | FS | ۱۸ | /este | ern he | emloc | k | | | | \$ 45 | 5.69 pe | er MP | RF. | | | |
| | | 0 210 01 | _0 | _0 | | | | | | | | | | | | | | | |

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 \$77,500 after the project work is completed and accepted, as described in Section 2630, "Credit for Project Work."

The timber sale areas contain negligible volumes of other logs to be paid for at the prices in Section 1740.

PERFORMANCE SECURITY: 20% of bid value (unknown) or the total value of the project work (\$78,000),

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

Western redcedar..... \$721.81 per MBF

EXPIRATION DATE: June 30, 2010 BID METHOD: Sealed Bids

BID DEPOSIT: \$11,100 SALE TYPE: Recovery/BOF - 100%

INSURANCE: \$1,000,000 Commercial General Liability; \$1,000,000 Automobile Liability;

\$1,000,000 Logger's Broad Form

HARVEST METHOD: 90% cable, 10% ground.

PROJECTS: 2 miles of road improvement; 0.5 mile of road construction; and road vacating.

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:

NO PERSONAL OR COMPANY CHECKS WILL BE ACCEPTED FOR THE BID DEPOSIT.

SEASONAL RESTRICTIONS APPLY - SEE SECTION 2455.

- Sale acreage was calculated using ortho photographs and ArcMap GIS.
- Create 50 Snags (Section 2335).
- Sections 1740, "Log Prices," 2015, "Log Accountability"; 2020, "Log Measurement"; 2030, "Log Branding and Painting"; and Exhibit C, pages 3 and 4, contain special language for pulp removal.
- Minimum removal specifications for western hemlock, Sitka spruce, and western red cedar peeler or sawmill grade logs are: 8 inches in gross scaling diameter, containing 20 board feet (net). (Section 2045).
- All felling shall be completed by March 15, 2010.

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 Timber Sale Schedule handbook for disclaimer regarding all governmental regulatory actions.

SALE NAME: Rock-n-Roy COUNTY: Tillamook CONTRACT NO.: 341-08-71

TIMBER SALE NAME: Rock-n-Roy

TIMBER SALE NO.: 341-08-71

OPENING DATE: May 20, 2008

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:

| above-cited timbe | er sale, and blds, | and will pay: | | |
|-------------------------------------|--|---|---|--------------------|
| Bid Species: | | | | |
| Douglas-fir, saw | mill grade or bett | er, | | |
| | | | Dollars (\$ |) per MBF. |
| Red alder, sawm | nill grade or better | ·, | | |
| | | | Dollars (\$ |) per MBF. |
| Minimum grades | and volumes for | bid species are stated in the ti | mber sale prospectus. | |
| No-bid species w | vill remain as show | vn: | | |
| Sitka spruce | | | \$ 45.69 per M \$ 92.21 per M \$721.81 per M | MBF. |
| | | ed, consisting of aepartment of Forestry. | | in the amount of |
| performance bon | |) days of the date of the writte | al payment, required certificates of in an notice of intent to award; and that a | |
| contract within th liquidated damag | e thirty-day period ges. If the unders | d, the bid deposit shall become | her agrees that if they fail to qualify ue the property of the Oregon Departmhe thirty-day period, STATE may di | ent of Forestry as |
| | BIDDER | (Name of Individual or 0 | Company and Authorized Official) | |
| | TAX ID NO. | | | |
| | ADDRESS | | | |
| | | | | |
| | PHONE | ; | | |
| | BY | | | |

COMPLETE PURCHASER'S STATUS ON PAGE 2

(Signature of Authorized Official & Title)

PURCHASER'S STATUS

| Purchaser is | a corporation () | | Incorporated in the State of | |
|---------------|--|---|------------------------------------|------------------|
| Pres | sident's Name | | | |
| Seci | retary's Name | | | |
| Purchaser is: | () a partnership () an individual | () an assumed (business) name | () company | |
| List | names of all persons doing l | business under the partnership or as | ssumed name: | |
| | | | | |
| | | | | |
| | | | | |
| If as here | | o a corporation, fill in data requested | of corporation also and write in o | corporation name |
| | | | | |

Rev. 05/03 629: Form 301-020

CERTIFICATION OF ELIGIBILITY TO BID ON STATE TIMBER

| | hereby certifies that they: |
|--------------|---|
| EXPOR | <u>T</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



Department of Forestry

State Forester's Office 2600 State Street Salem, OR 97310 (503) 945-7200 FAX (503) 945-7212 TTY (503) 945-7213 / (800) 437-4490 http://www.odf.state.or.us

Biological Survey Report

STEWARDSHIP IN FORESTRY

Project:

Rock-n-Roy

Date:

January 9, 2008

To:

Tim Lieske

CC:

Bob Gustavson, District Sale File

From:

Marcia Humes/

Habitat Suitability

This sale contains suitable habitat for northern spotted owls and potential habitat for marbled murrelets.

Survey Results

This sale was surveyed for northern spotted owls in 2006 and 2007, using a protocol endorsed by the U.S. Fish and Wildlife Service¹. Northern spotted owls were not observed during these surveys.

Surveys for marbled murrelets were conducted in 2006 and 2007, using a protocol developed by the Pacific Seabird Group². Murrelets were not detected during these surveys.

Known T&E Resources

There are no northern spotted owl activity centers within 1.5 miles of this sale.

A portion of this sale is within 0.25 miles of a Marbled Murrelet Management Area (MMMA).

¹ USDI Fish and Wildlife Service. 1991, revised 1992. Protocol for surveying proposed management activities that may impact northern spotted owls. 15pp.

² Evans, D. M., W. P. Ritchie, S. K. Nelson, E. Kuo-Harrison, Peter Harrison, T. E. Hamer, eds. 2003. Methods for surveying marbled murrelets in forests: an revised protocol for land management and research. Unpublished report for the Pacific Seabird Group Marbled Murrelet Technical Committee. 76 pp.

Operational Considerations

Seasonal operating restrictions are not required since sale areas are further than 330 feet from a MMMA.

Current northern spotted owl survey results are valid until March 15, 2010. Marbled murrelet survey results are valid until April 1, 2013. All timber should be felled by March 15, 2010.

Future Survey Plans

ODF has no plans for further survey of 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.

Survey Results Summary

Table 1. Northern Spotted Owl Surveys of Rock-n-Roy

| Year | Visit #1 | Visit#2 | Visit#3 | Visit#4 | Visit #5 | Visit#6 |
|--------------------------------|--------------|---------------|-------------------------------|-------------------|-------------------------------|---------------|
| Survey Area | Date | Date | Date | Date | Date | Date |
| Rock N Roy | 4/20 | 6/5-6 | 7/10-11 | | | |
| , | 4/20-21 | 6/6-7 | | | | |
| | 4/24-25 | | | | | |
| 2006 | NR | NR | NR | | 0.50 | |
| Rock N Roy | 4/17-18 | 5/29-30 | 7/25-26 | | | |
| • | 4/18-19 | 5/30-31 | 7/26 | | | |
| | . 4/19 | 5/31-6/1 | 7/26-27 | | | |
| | 4/19-20 | 6/2 | 7/29-30 | 0.010 0.00 | 100000 | |
| | | 6/4 | | | | |
| 2007 | NR | NR | NR | | | resident Same |
| NR - no response | j - juveni | le | M ₀ - mou | use refused | M_4 - 4 | mice taken |
| V - visual response | jj - 2 juver | niles | M_1 - $1mi$ | ce taken | $M_5 - 5$ | mice taken |
| bb - new bird banded | - last | visit to site | M ₂ - 2 mice taken | | M ₆ - 6 mice taken | |
| | | | M_3 - 3 m | ice taken | | |
| ♀ ♀ ♀ · Pair (day, night, ea | rly morning) | φ φ | ⊜ ∔ - Female (d | iay, night, early | / morning) | |
| o' ⊗' ©' - Male (day, night, e | | | 0 00 | 🕲 - Sex Unkt | n (day, night, ea | rly morning) |

Table 2. Marbled Murrelet Surveys of Rock-n-Roy

| Survey Area | Site | Station | Date | # Detections |
|-------------|------|---------|------------|--------------|
| ROCK N ROY | 1 | 1 | 05/05/2006 | 0 |
| ROCK N ROY | 1 | 2 | 05/17/2006 | 0 |
| ROCK N ROY | 1 | 3 | 05/31/2006 | 0 |
| ROCK N ROY | 1 | 4 | 06/14/2006 | 0 |
| ROCK N ROY | 1 | 5 | 06/29/2006 | 0 |
| ROCK N ROY | 1 | 1 | 07/06/2006 | 0 |
| ROCK N ROY | 1 | 2 | 07/13/2006 | 0 |
| ROCK N ROY | 1 | 3 | 07/20/2006 | 0 |
| ROCK N ROY | 1 | 1 | 07/28/2006 | 0 |
| ROCK N ROY | 1 | 1 | 05/03/2007 | 0 |
| ROCK N ROY | 1 | 2 | 05/15/2007 | 0 |
| ROCK N ROY | 1 | 3 | 05/24/2007 | 0 |
| ROCK N ROY | 1 | 4 | 06/05/2007 | 0 |
| ROCK N ROY | 1 | 5 | 06/19/2007 | 0 |
| ROCK N ROY | 1 | 1 | 07/03/2007 | 0 |
| ROCK N ROY | 1 | 2 | 07/12/2007 | 0 |
| ROCK N ROY | 1 | 3 | 07/19/2007 | 0 |
| ROCK N ROY | 1 | 4 | 07/27/2007 | 0 |
| ROCK N ROY | 2 | 1 | 05/04/2006 | 0 |
| ROCK N ROY | 2 | 2 | 05/15/2006 | 0 |
| ROCK N ROY | 2 | 3 | 05/26/2006 | 0 |
| ROCK N ROY | 2 | 1 | 06/12/2006 | 0 |
| ROCK N ROY | 2 | 2 | 06/22/2006 | 0 |
| ROCK N ROY | 2 | 3 | 07/06/2006 | 0 |
| ROCK N ROY | 2 | 1 | 07/15/2006 | 0 |
| ROCK N ROY | 2 | 2 | 07/24/2006 | 0 |
| ROCK N ROY | 2 | 3 | 07/31/2006 | 0 |
| ROCK N ROY | 2 | 1 | 05/04/2007 | 0 |
| ROCK N ROY | 2 | 2 | 05/18/2007 | 0 |
| ROCK N ROY | 2 | 3 | 05/29/2007 | 0 |
| ROCK N ROY | 2 | 1 | 06/08/2007 | 0 |
| ROCK N ROY | 2 | 2 | 06/21/2007 | 0 |
| ROCK N ROY | 2 | 3 | 07/05/2007 | 0 |
| ROCK N ROY | 2 | 1 | 07/13/2007 | 0 |
| ROCK N ROY | 2 | 2 | 07/20/2007 | 0 |

| Survey Area | Site | Station | Date | # Detections |
|-------------|------|---------|------------|--------------|
| ROCK N ROY | 2 | 3 | 07/29/2007 | 0 |
| ROCK N ROY | 3 | 1 | 05/05/2006 | 0 |
| ROCK N ROY | 3 | 2 | 05/16/2006 | 0 |
| ROCK N ROY | 3 | 3 | 05/30/2006 | 0 |
| ROCK N ROY | 3 | 1 | 06/13/2006 | 0 |
| ROCK N ROY | 3 | 2 | 06/26/2006 | 0 |
| ROCK N ROY | 3 | 3 | 07/07/2006 | 0 |
| ROCK N ROY | 3 | 1 | 07/17/2006 | 0 |
| ROCK N ROY | 3 | 2 | 07/25/2006 | 0 |
| ROCK N ROY | 3 | 3 | 08/01/2006 | 0 |
| ROCK N ROY | 3 | 1 | 05/04/2007 | 0 |
| ROCK N ROY | 3 | 2 | 05/21/2007 | 0 |
| ROCK N ROY | 3 | 3 | 05/31/2007 | 0 |
| ROCK N ROY | 3 | 1 | 06/12/2007 | 0 |
| ROCK N ROY | 3 | 2 | 06/25/2007 | 0 |
| ROCK N ROY | 3 | 3 | 07/06/2007 | 0 |
| ROCK N ROY | 3 | 1 | 07/17/2007 | 0 |
| ROCK N ROY | 3 | 2 | 07/24/2007 | 0 |
| ROCK N ROY | 3 | 3 | 07/31/2007 | 0 |
| ROCK N ROY | 4 | 1 | 05/16/2006 | 0 |
| ROCK N ROY | 4 | 2 | 05/26/2006 | 0 |
| ROCK N ROY | 4 | 1 | 06/02/2006 | 0 |
| ROCK N ROY | 4 | 2 | 06/13/2006 | 0 |
| ROCK N ROY | 4 | 1 | 06/21/2006 | 0 |
| ROCK N ROY | 4 | 2 | 07/06/2006 | 0 |
| ROCK N ROY | 4 | 1 | 07/13/2006 | 0 |
| ROCK N ROY | 4 | 2 | 07/20/2006 | 0 |
| ROCK N ROY | 4 | 1 | 07/28/2006 | 0 |
| ROCK N ROY | 4 | 1 | 05/03/2007 | 0 |
| ROCK N ROY | 4 | 2 | 05/15/2007 | 0 |
| ROCK N ROY | 4 | 1 | 05/24/2007 | 0 |
| ROCK N ROY | 4 | 2 | 06/05/2007 | 0 |
| ROCK N ROY | 4 | 1 | 06/19/2007 | 0 |
| ROCK N ROY | 4 | 2 | 07/03/2007 | 0 |
| ROCK N ROY | 4 | 1 | 07/12/2007 | 0 |
| ROCK N ROY | 4 | 2 | 07/19/2007 | 0 |
| ROCK N ROY | 4 | 2 | 07/27/2007 | 0 |

● Page 4 Rock-n-Roy

| Survey Area | Site | Station | Date | # Detections |
|-------------|------|-----------|------------|--------------|
| ROCK N ROY | 5 | Station 1 | 05/04/2006 | 0 |
| ROCK N ROY | 5 | 2 | 05/15/2006 | 0 |
| ROCK N ROY | 5 | 3 | 05/24/2006 | 0 |
| ROCK N ROY | 5 | 1 | 06/05/2006 | 1 0 |
| ROCK N ROY | 5 | 1 | 06/20/2006 | 0 |
| ROCK N ROY | 5 | 1 | 07/05/2006 | 0 |
| ROCK N ROY | 5 | 2 | 07/12/2006 | 0 |
| ROCK N ROY | 5 | 2 | 07/20/2006 | 0 |
| ROCK N ROY | 5 | . 2 | 07/27/2006 | 0 |
| ROCK N ROY | 5 | 1 | 05/08/2007 | 0 |
| ROCK N ROY | 5 | 2 | 05/21/2007 | 0 |
| ROCK N ROY | 5 | 3 | 05/31/2007 | 0 |
| ROCK N ROY | 5 | 1 | 06/12/2007 | 0 |
| ROCK N ROY | 5 | 2 | 06/25/2007 | 0 |
| ROCK N ROY | 5 . | 3 | 07/06/2007 | 0 |
| ROCK N ROY | 5 | 1 | 07/17/2007 | 0 |
| ROCK N ROY | 5 | 2 | 07/24/2007 | 0 |
| ROCK N ROY | 5 | 3 | 07/31/2007 | 0 |
| ROCK N ROY | 6 | 1 | 05/05/2006 | 0 |
| ROCK N ROY | 6 | 2 | 05/16/2006 | 0 |
| ROCK N ROY | 6 | 1 | 05/30/2006 | 0 |
| ROCK N ROY | 6 | 2 | 06/13/2006 | 0 |
| ROCK N ROY | 6 | 1 | 06/30/2006 | 0 . |
| ROCK N ROY | 6 | 2 | 07/07/2006 | 0 |
| ROCK N ROY | 6 | 1 | 07/17/2006 | 0 |
| ROCK N ROY | 6 | 2 | 07/24/2006 | 0 |
| ROCK N ROY | 6 | 1 | 08/01/2006 | 0 |
| ROCK N ROY | 6 | 1 | 05/08/2007 | 0 |
| ROCK N ROY | 6 | 2 | 05/18/2007 | 0 |
| ROCK N ROY | 6 | 1 | 05/29/2007 | 0 |
| ROCK N ROY | 6 | 2 | 06/08/2007 | 0 |
| ROCK N ROY | 6 | 1 | 06/21/2007 | 0 |
| ROCK N ROY | 6 | 2 | 07/05/2007 | 0 |
| ROCK N ROY | 6 | 1 | 07/13/2007 | 0 |
| ROCK N ROY | 6 | 2 | 07/20/2007 | 0 |
| ROCK N ROY | 6 | 1 | 07/29/2007 | 0 |

Rock-n-Roy