

PART III: EXHIBITS

State Timber Sale Contract
No. 341-12-57
Fat Cat

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 Brand Information (complete):



(1) Contract No.: 341-12-57

(2) Sale Name: Fat Cat

(3) Contract Expiration Date: October 31, 2013

Project Completion Dates: _____

(4) Purchaser: _____

(6) Purchaser Representatives:

Projects: _____

Phone: _____

Cell/Other

Phone: _____

Home: _____

Projects: _____

Phone: _____

Cell/Other

Phone: _____

Home: _____

Projects: _____

Phone: _____

Cell/Other

Phone: _____

Home: _____

Projects: _____

Phone: _____

Cell/Other

Phone: _____

Home: _____

Logging: _____

Phone: _____

Cell/Other

Phone: _____

Home: _____

Logging: _____

Phone: _____

Cell/Other

Phone: _____

Home: _____

Logging: _____

Phone: _____

Cell/Other

Phone: _____

Home: _____

Logging: _____

Phone: _____

Cell/Other

Phone: _____

Home: _____

(7) State Representatives:

Projects: _____

Phone: _____

Cell/Other

Phone: _____

Home: _____

Logging: _____

Phone: _____

Cell/Other

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: _____

Phone: _____

Yarding: _____

Date: _____

Phone: _____

(9) Comments:

(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.

Explanation of 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.







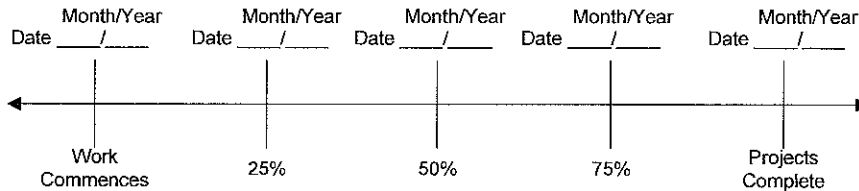
- | | |
|---|---|
|  | Cable Landing, with numbers for sequence. |
|  | Tractor Landing with alphabetical sequence. |
|  | Approximate setting boundary. |
|  | Spur truck roads. |
|  | Tractor yarding roads. |
|  | Temporary stream crossings. |

EXHIBIT B
OPERATIONS PLAN

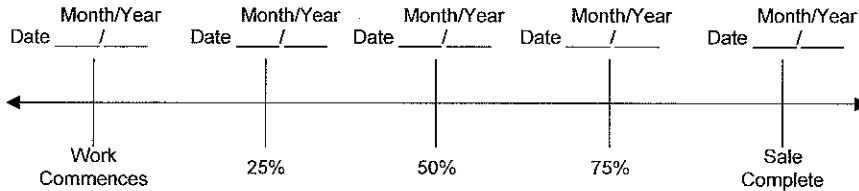
Completion Timeline

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

Title _____

Title _____

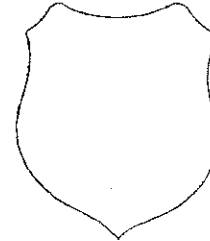
Original: Salem
cc: District File
Purchaser

EXHIBIT C – SAWMILL GRADE

SCALING INSTRUCTIONS -- LOCATION APPROVAL -- BRAND INFORMATION

- (1) ORIGINAL REGISTRATION Date _____
 REVISION NUMBER _____ Date _____
 CANCELLATION Date _____
- (2) TO: _____
 (Third Party Scaling Organization)
- (3) FROM: Klamath-Lake (10) Phone 541.883.5681
 (State Forestry District)
 Address 3200 Delap Rd., Klamath Falls, OR 97601
- (4) PURCHASER: _____
 Mailing Address: _____
 Phone Number: _____

- (13) SALE NAME: Fat Cat
 COUNTY: Klamath
- (14) STATE CONTRACT NUMBER: 341-12-57
- (15) STATE BRAND REGISTRATION NUMBER _____
- (16) STATE BRAND INFORMATION (COMPLETE):



- (17) PAINT REQUIRED: YES
 COLOR: Orange

(5) MINIMUM SCALING SPECIFICATIONS			CLASS		
SPECIES	SCALING DIAMETER INCHES	*NET SCALE VOLUME	PER MBF	** SUM	SUB
Conifers	6	20	x		
Conifers	-	< 20			x
Utility	-	-	x		

- (18) SPECIAL REQUESTS (Check applicable)
- PEELABLE CULL (all species)
NO DEDUCTIONS ALLOWED FOR MECHANICAL DAMAGE
 PENCIL BUCK.....
 ADD-BACK VOLUME - Deductions due to delay
 OTHER: _____

- * Apply minimum volume test to whole logs over 40' Westside; 20' Eastside.
 ** Sum (if indicated); see instructions and explain in item (19).
- (6) WESTSIDE SCALE: YES NO
 Use Region 6 actual taper rule. Logs over 40'.
- (7) EASTSIDE SCALE: YES NO
 Use Region 6 actual taper rule. Logs over 40'.
- (8) Weight Scale Sample YES NO
 (6) - (8), pink log load receipts
- (9) Weight Sale YES NO
- (10) Per Load YES NO
 (9) and (10), yellow log load receipts

- (19) REMARKS A taper rule of 1 inch in diameter for every four feet in length shall be used for pencil bucking if scaled on truck.

Operator's Name (Optional inclusion by District): _____

- (20) SIGNATURES:
- _____
 Purchaser or Authorized Representative Date
- _____
 State Forester Representative Date
- _____
 State Forester Representative PRINT NAME

(11) APPROVED SCALING LOCATIONS
 (as shown on the ODF Approved Locations website)

	Species	Yard	Truck	Weight

- (12) NOTICE OF CANCELLATION OF BRAND:
 Effective 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- SAWMILL GRADE
INSTRUCTIONS FOR FORM 343-307 (rev. 01/09)

- (1) Check appropriate box. REVISION NUMBER requires comments. CANCELLATION requires Item (12). Complete date.
- (2) Designate Third Party Scaling Organization (TPSO).
- (3) State District office, address and phone.
- (4) Enter Purchaser's business name, address, and phone number 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 (16) thru (18)), and is required to show existence on the sale. **SUM** (lump sum material). **SUB** (sub-merchantable 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 (Per MBF) entries. Per MBF, SUM, and SUB must be indicated by checking the appropriate column. Species with the same specifications and value are combined into one entry. Per MBF 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, Per MBF and/or subspecies will always be scaled.
- (6) Westside – Region 6 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 – Region 6 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 (Northwest Log Rules Eastside). Items with * follow U.S. Forest Service Eastside rules.
- (8) Weight Scale Sample – Check box if sale is to be a Weight Scale Sample. All specifics for handling, scaling and processing will be attached or explained in the Remarks section Item (19).
- (9) Weight Sale – Check box if sale is to be sold as a weight sale. Processing procedures from approved locations to TPSO's will be explained in the Remarks section of Item (19).
- (10) Per Load – Check box if volumes on sale are per load. Specific instructions for handling and processing will be fully explained in the Remarks section of Item (19).
- (11) Show scaling locations only applicable to TPSO. Location name should appear as it does on the ODF Approved Scaling Location web site: http://www.odf.state.or.us/DIVISIONS/management/asset_management/ScalingLocation.asp Locations with scaling and processing directions specific to their location should be on a separate form. Species should be identified if not capable of receiving "all" species. Check appropriate box for either: yard, truck scale, or weight. Refer to the web site listed above for the locations approval status.
- (12) When logging and hauling is complete, recall branding hammers, date and sign where indicated, check CANCELLATION box in Item (1), and send to TPSO.
- (13) Enter sale name and county.
- (14) Enter sale Contract number.
- (15) Enter Oregon's State Brand Registry Number (**REQUIRED**).
- (16) Show brand assigned to timber sale. One brand only. 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) in the Remarks section Item (19).
- (17) Check yes for Paint Required and designate "Orange" for color. Non required removal volumes may sometimes require blue paint.
- (18) Special Requests. These are requests that will be applied to ODF timber sales. All boxes applicable to the timber sales designated in the Exhibit C form must be "marked". If "Other" is indicated, it must contain a description and any necessary comments.
- (19) Use this space to designate any weight conversion factors, per load volumes, weight scale sample instructions or any other explanations to clarify scaling, processing and/or mailing requirements. If additional scaling locations are approved, revise original or current form showing all (old and new) locations. Check REVISION box at top of form and explain under remarks. Route as indicated.
- (20) Require purchaser to sign and date completed form in addition to State Forester Representative, sign and print name on the form.

Salem Distribution Instructions: Original will be mailed to Salem after it is electronically scanned and e-mailed directly to the State Forests Program/Asset Management Unit to both Timber Revenue Specialists. Scaling instructions for each brand should be scanned separately, for each approved TPSO.

EXHIBIT D

FOREST ROAD SPECIFICATIONS
ROAD IMPROVEMENT

SUBGRADE WIDTH	RUNNING WIDTH	POINT TO POINT	DRAINAGE
12 feet	12 feet	A to Q	Shape to drain
12 feet	12 feet	B to S	Shape to drain
12 feet	12 feet	D to R	Shape to drain
12 feet	12 feet	C to O	Shape to drain
12 feet	12 feet	E to N	Shape to drain
12 feet	12 feet	F to M	Shape to drain
12 feet	12 feet	G to L	Shape to drain
12 feet	12 feet	H to X	Shape to drain
12 feet	12 feet	I to K	Shape to drain
12 feet	12 feet	J to U	Shape to drain
12 feet	12 feet	G to V	Shape to drain
12 feet	12 feet	D to W	Shape to drain

CLEARING. 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.

Clearing debris shall not be placed or permitted to remain in or under road embankment sections. Clearing debris shall not be left lodged against standing trees.

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. Grubbing debris shall not be placed or permitted to remain in or under any road embankment sections. Grubbing debris shall not be lodged against standing trees.

All trees marked with a blue "G" along the 3 Road from points Y to Z shall be cut and the stumps grubbed. PURCHASER shall exercise care not to disturb roots of adjacent leave trees.

CLEARING AND GRUBBING DISPOSAL. Scatter through openings in the timber outside of the cleared right-of-way.

SIDECAST RETRIEVAL. Previous sidecast soil on the 3 road shall be retrieved and blended into the existing road surface.

DRAINAGE DITCHES. Ditches shall be "V" shaped, approximately 2 feet wide, with a depth of approximately 1 foot below the subgrade.

Suitable material removed from the drainage ditch shall be blended into the existing road surface.

LEAD OFF DITCHES. Construct and /or improve leadoff ditches as directed by STATE.

BLADE AND SHAPE EXISTING SURFACE. The existing road surface, including shoulders and turnouts, shall be bladed and shaped to produce a surface which is uniform, consistent to grade and crowned at ½ inch per foot of width.

Out slope surface where a ditch is not applicable, as directed by STATE.

PURCHASER shall apply water prior to blading and shaping of the 1, 2, and 3 roads, when sufficient moisture is not present to prevent segregation.

EXHIBIT E

SPOT ROCK REPLACEMENT – 3 Road

TYPE OF ROCK	SIZE OF ROCK	COMPACTED DEPTH	POINT TO POINT	STATION TO STATION	APPROX. TOTAL TRUCK MEASURE VOLUME
Crushed	¾"-0"	3"	As Directed By STATE	As Directed By STATE	180 CY

Roads shall be uniformly graded and approved by STATE prior to rocking.

*Spot rocking will occur in locations determined by STATE.

CRUSHED ROCK SPECIFICATIONS

Grading Requirements

<u>For ¾" - 0"</u>	Passing	1"	100%
	Passing	¾"	90-100%
	Passing	⅜"	55-75%
	Passing	¼"	40-60%

ROCK ACCOUNTABILITY

The rock shall meet the quality and size specifications listed above. A sample of the rock shall be supplied to STATE for testing and approval prior to rocking. PURCHASER shall obtain subgrade approval from STATE prior to rocking. Rocking shall be limited to periods when weather conditions are acceptable to STATE and when sediments will not enter streams.

Rock accountability shall be determined by the following methods, as directed by STATE. STATE shall be given 24 hours' notice prior to rocking.

Depth Measurement. Rock shall be spread and compacted according to the depths specified above. Truck measure volumes are given, but shall not limit the amount of rock spread.

Depth shall be determined in the most compacted area of the surface cross section. If additional rock is required because of insufficient depth, it shall be added by truck measure to those areas that were slighted. The conversion from compacted yardage to truck yardage is 1.3 multiplied by the compacted yardage equals truck yardage.

The depth of compacted aggregates shall not vary more than 1 inch from the depth specified above. The average depth for each road segment shall be the specified depth or greater.

Load Records. Notify STATE before spreading the rock and maintain a record of all rock delivered for spreading. Make the record available for STATE inspection. A report listing the amount of rock delivered the prior month must be submitted no later than the 15th of each month.

NOTICE OF TRANSFER OF STATE TIMBER

Instructions

629:-Form-301-010

Complete Section 1. Mark the box which applies to you/your company in Section 2. Complete Section 3 and obtain signatures.

SECTION 1

On _____, state timber sale purchaser (Transferor)
_____, sold, exchanged or otherwise transferred to
_____, (Transferee) state timber originating from State
Timber Sale Contract No. _____.

Transferee hereby certifies that they:

- (a) Will not export the unprocessed state timber which is the subject of this transaction;
- (b) Will not sell, transfer, exchange or otherwise convey the unprocessed timber which is the subject of this transaction to any other person without first obtaining a like certification from that person; and
- (c) Are not prohibited by OAR's 629-31-005 through 045 from purchasing state timber or logs directly from the State Forester, or this is a sale of Western Red Cedar for domestic processing.

SECTION 2

- Have not exported unprocessed timber originating from private lands in Oregon in the last 24 months.
- This is a sale of hardwood logs for domestic processing.
- This is a sale of Western Red Cedar for domestic processing.
- This is a sale of pulp logs or cull logs processed at domestic pulp mills, domestic chip plants or other domestic operations for the purpose of conversion of the logs into chips.

SECTION 3

The parties understand that falsely entering into this certification, or failure to comply with the terms of this certification is a violation of the Forest Conservation and Shortage Relief Act of 1990 and OAR Chapter 629, Division 31, and is subject to any and all penalties contained therein.

Transferor:

Transferee:

Signed

Signed

Title

Title

Dated

Dated

[Note: For the purpose of this form, the definition of unprocessed timber is the same as in OAR 629-31-005]

Mail To: State Forester
2600 State Street
Salem, OR 97310