

U.S. DEPARTMENT OF AGRICULTURE FOREST SERVICE  <b>TIMBER SALE CONTRACT</b> (Applicable to Sales to be Measured before Felling)		Name of Purchaser	
National Forest Ochoco	Ranger District Lookout Mountain	Region Pacific N-West	Contract Number
Sale Name Hulk		Award Date	Termination Date 03/31/2018

The parties to this contract are The United States of America, acting through the Forest Service, United States Department of Agriculture, hereinafter called Forest Service, and \_\_\_\_\_ hereinafter called Purchaser.

Forest Service having advertised a sale at which either (1) Purchaser, whose required bid deposit is now held by Forest Service as an initial deposit, was the successful bidder, or (2) no bids were received and Purchaser having subsequently offered at least the minimum advertised price and made an initial deposit in the same amount as the bid deposit specified in the sale advertisement; and the parties hereto desiring to record their agreement; now therefore,

Unless provided otherwise herein, Forest Service agrees to sell and permit Purchaser to cut and remove Included Timber and Purchaser agrees to purchase, cut, and remove Included Timber.

This contract consists of three Divisions: AT - Specific Conditions, BT - Standard Provisions, and CT - Special Provisions, together with Sale Area Map, Plans and specifications for developments (if any), and such attachments as may be provided for in Division CT. Specific Conditions are numbered and apply to the Part, Section, Subsection, or Item of the Standard Provisions, as indicated hereunder. Other conditions of this contract are stated in Division CT - Special Provisions.

IN WITNESS WHEREOF, the parties hereto have executed this contract as of the award date.

**UNITED STATES OF AMERICA**

Two Witnesses: <sup>1/</sup>

\_\_\_\_\_  
(Name)  
  
\_\_\_\_\_  
(Address)  
  
\_\_\_\_\_  
(Name)  
  
\_\_\_\_\_  
(Address)

By: \_\_\_\_\_  
Contracting Officer  
  
\_\_\_\_\_  
(Title)  
  
By: \_\_\_\_\_ <sup>2/</sup>  
(Purchaser)  
  
\_\_\_\_\_  
(Title)  
  
\_\_\_\_\_  
(Business Address)

I, <sup>3/</sup> \_\_\_\_\_, certify that I am the \_\_\_\_\_  
Secretary of the corporation named as Purchaser herein; that \_\_\_\_\_  
who signed this contract on behalf of Purchaser, was then \_\_\_\_\_  
of the corporation; that the contract was duly signed for and in behalf of the corporation by authority of its governing body, and is  
within the scope of its corporate powers.

**CORPORATE  
SEAL <sup>4/</sup>**

The following conditions apply to the indicated portions of Division BT - Standard Provisions issued June 2006.

**AT1 - Location and Area**, applicable to BT1.1

This Sale Area of 1598 acres more or less is located in:

T.12S., R.17E., Sections 33, 34, 35; T.13S., R.17E., Sections 1, 2, 3, 4, 5, 6, 7, 8, 10, 11; WM, Surveyed, Crook County, Oregon

**AT2 - Volume Estimate and Utilization Standards**, applicable to BT2.1, BT2.2, BT2.4, and BT6.4

Species	Product	Estimated Quantity *	Unit of Measure	Minimum Specifications				
				Merchantable Tree		Piece Required to be Removed		
				Diameter Breast High (d.b.h.) (inches)	Number of Minimum Pieces per Tree	Length (feet)	Diameter Inside Bark at Small End (inches)	Net Scale in % of Gross Scale
Douglas-fir and Other Coniferous Species	Sawtimber	1,266.00	CCF	8.0	1	8	5.0	40
Ponderosa Pine	Sawtimber	3,902.00	CCF	9.0	1	16	6.0	40
All Coniferous Species	Grn Bio Cv	747.00	CCF	7.0	1	12	3.0	N/A
<b>Timber Subject to Agreement under CT2.11#</b>								
Landing Piles	Grn Bio Cv	unestimated	CCF	N/A	N/A	N/A	N/A	N/A
<b>Total Quantity</b>		5,915.00	CCF					

\* Quantities not included here are described in BT2.4.

**AT3- Timber Designations**, applicable to BT2.3; acres are approximate:

	Number	Acres
Clearcutting Units (BT2.31)	_____	_____
Specified Road Clearing (BT2.32)	_____	_____
Overstory Removal Units (BT2.33)	_____	_____
Understory Removal Units (BT2.34)	_____	_____
Individual Trees (BT2.35)	_____	649
Incompletely Measured Payment Units (BT2.36)	_____	_____

**AT4 - Timber Payment Rates**, applicable to BT3.1 and BT4.0

**AT4a - For Species and Products to be Paid for at Rates Escalated under BT3.2**

Species	Product	Unit of Measure	Rates per Unit of Measure				Required Deposits Slash Disposal \$	Base Index
			Base \$	Advertised \$	Bid Premium \$	Bid (Tentative) \$		
Douglas-fir and Other Coniferous Species	Sawtimber	CCF	3.00	20.81			1.21	199.79

**AT4b- For Species and Products to be Paid for at Flat Rates**

Species	Product	Unit of Measure	Rates per Unit of Measure				Required Deposits Slash Disposal \$
			Base \$	Advertised \$	Bid Premium \$	Bid (Flat) \$	
Ponderosa Pine	Sawtimber	CCF	1.00	16.33			1.21
All Coniferous Species	Grn Bio Cv	CCF	.25	.25			1.21
<b>Timber Subject to Agreement under CT2.11#</b>							
Landing Piles	Grn Bio Cv	CCF	.25	.25			.00

For purposes of convenience in collection and bookkeeping, Bid Rates stated in AT4 include payment of deposits for sale area betterment required pursuant to 16 USC 576b. Such deposits are not included as Required Deposits defined hereunder.

AT4c - Schedule of Payment Units

Payment Unit No.	App rox. Acres	Quantity of Species and Products to be Escalated under AT4a	Total Tentative Payment \$	Quantity of Species and Products to be Paid for at Flat Rates under AT4b	Total Flat Rate Payment \$	Total Required Deposits for Slash Disposal \$
01	158	Douglas-fir and Other Coniferous Species	Sawtimber 109.00 CCF	Ponderosa Pine All Coniferous Species	Sawtimber 680.00 CCF Grn Bio Cv 130.00 CCF	1,111.99
		<b>Total PU Quantity And Value</b> 109.00 CCF		<b>Total PU Quantity And Value</b> 810.00 CCF		
02	211	Douglas-fir and Other Coniferous Species	Sawtimber 196.00 CCF	Ponderosa Pine All Coniferous Species	Sawtimber 1,712.00 CCF Grn Bio Cv 200.00 CCF	2,550.68
		<b>Total PU Quantity And Value</b> 196.00 CCF		<b>Total PU Quantity And Value</b> 1,912.00 CCF		
03	155	Douglas-fir and Other Coniferous Species	Sawtimber 720.00 CCF	Ponderosa Pine All Coniferous Species	Sawtimber 623.00 CCF Grn Bio Cv 269.00 CCF	1,950.52
		<b>Total PU Quantity And Value</b> 720.00 CCF		<b>Total PU Quantity And Value</b> 892.00 CCF		
04	123	Douglas-fir and Other Coniferous Species	Sawtimber 241.00 CCF	Ponderosa Pine All Coniferous Species	Sawtimber 859.00 CCF Grn Bio Cv 143.00 CCF	1,504.03
		<b>Total PU Quantity And Value</b> 241.00 CCF		<b>Total PU Quantity And Value</b> 1,002.00 CCF		
05	2	Douglas-fir and Other Coniferous Species	Sawtimber 0.00 CCF	Ponderosa Pine All Coniferous Species	Sawtimber 28.00 CCF Grn Bio Cv 5.00 CCF	39.93
		<b>Total PU Quantity And Value</b> 0.00 CCF		<b>Total PU Quantity And Value</b> 33.00 CCF		

The following definitions are established for the terms used in AT4:

**Base Rates** are the lowest rates of payment for timber that are authorized by this contract. Base Rates remain constant throughout the life of this contract and are not subject to change by rate redetermination, except for reduction under BT3.31, BT3.32, or BT3.33.

**Advertised Rates** are the minimum acceptable Bid Rates for timber, exclusive of Required Deposits. These rates are those indicated by appraisal, with a cost allowance made for construction of Specified Roads listed in AT7, but are never less than Base Rates.

**Bid Premium Rates** are the amounts by which Purchaser's bid is in excess of Advertised Rates. The Bid Premium Rates are constant during this contract, except as provided in BT3.31, BT3.32, and BT3.33.

**Bid Rates** are the rates bid by Purchaser (exclusive of Required Deposits for slash disposal and road maintenance) and are the sum of Advertised Rates and Bid Premium Rates. Until a rate redetermination becomes effective, the Bid Rate for species and products in AT4a is the Tentative Rate that is subject to quarterly adjustment under BT3.2; for species and products in AT4b, the Bid Rate is the Flat Rate.

**Required Deposits** are deposits that Purchaser may be required to pay for slash disposal (16 USC 490) and road maintenance (16 USC 537). Required Deposits may be adjusted as part of a rate redetermination or a Contract Term Extension. The table shows only Required Deposits for slash disposal; road maintenance deposits, if any, are given in CT5.32#.

**Base Index** is the specified average of the lumber or other product selling value index used as the basis for computing adjustment in rates for variance in product selling value, as provided in BT3.2.

**AT5 - Indices Used in Quarterly Adjustment, applicable to BT3.2**

Species	Index Name and Date
Douglas-fir and Other Coniferous Species	WWPA, Inland Douglas Fir-Larch (07-08 Basis), (WWPAB)

**AT6 - High Stumps, applicable to BT6.412**

Species	Product	Maximum Stump Height * (Inches)
All	All	12

\* Cutting Units # 41, 42, 44, 45, 48, 49, 50, 51, 52, 53, 55, 56, 64 - 8" stump height required 75 feet from the edge of FS 2700 and 3300 roads.

**AT7 - Specified Roads, applicable to BT5.2**

Name and Date of Governing Road Specifications: Federal Highway Administration Standard Specifications for Construction of Roads and Bridges on Federal Highway Projects(2003)-english

Project		Design Class	Approx. Length (mi./km.)	Sheet Numbers and Approval Date	Performance Responsibility		
Road No.	Name				Survey	Design	Construction Staking 1/
3300-032	road (C) (segment 0 to .88)	Single Lane - 10 mph	.88 / 1.42	1 - 15 05/16/2014	FS	FS	FS BC
3300-175	road (R) (segment 0 to .44)	Single Lane - 10 mph	.44 / .71	1 - 15 05/16/2014	FS	FS	FS BC
3300-000	road (R) (segment 0 to 2.12)	Single Lane - 25 mph	2.12 / 3.41	1 - 15 05/16/2014	FS	FS	FS BC
3300-170	road (R) (segment 0 to 2.82)	Single Lane - 10 mph	2.82 / 4.54	1 - 15 05/16/2014	FS	FS	FS BC

1/ Indicate timing, i.e., before clearing (BC) or after clearing (AC). Applicable to BT5.212.

**AT8 - Forest Service Engineering Completion Schedule, applicable to BT5.21**

Road No.	Road Name	Type of Work	Completion Date
3300-000	road (R) (segment 0 to 2.12)	Survey and Design and Construction Stakin	10/03/2014
3300-175	road (R) (segment 0 to .44)	Survey and Design and Construction Stakin	10/03/2014
3300-032	road (C) (segment 0 to .88)	Survey and Design and Construction Stakin	10/03/2014
3300-170	road (R) (segment 0 to 2.82)	Survey and Design and Construction Stakin	10/03/2014

**AT9 - Fire Precautionary Period, applicable to BT7.2**

April 01 to October 31, inclusive

**AT10 - Purchaser Responsibility to Furnish Crews and Equipment for:**

**Initial Fire Suppression, applicable to BT7.3**

Within 5 road miles

**Fire Suppression Reinforcement, applicable to BT7.312 and BT7.313**

Within 100 road miles

**AT11 - Purchaser's Obligation per Operations Fire, applicable to BT7.41**

Maximum Amount: \$ \$300,000

**AT12 - Termination Date, applicable to BT8.2**

March 31, 2018

**AT13 - Normal Operating Season, applicable to BT6.31, BT6.66, BT8.21 and BT9.3**

First Period: June 15 to November 15, inclusive

Second Period: \_\_\_\_\_ to \_\_\_\_\_, inclusive

**AT14 - Performance Bond, applicable to BT9.1**

Performance Bond Amount: \_\_\_\_\_

**AT15 - Downpayment, applicable to BT4.211**

Downpayment Amount: \_\_\_\_\_

**AT16 - Periodic Payment Amount, applicable to BT4.213**

	<u>Periodic Payment Determination Date</u>	<u>Amount</u>
Initial Payment:	<u>January 22, 2017</u>	_____
Additional Payment:	<u>August 31, 2017</u>	_____

**AT17 - Market-Related Contract Term Addition Producer Price Index, applicable to BT8.212**Index Name: Softwood Lumber Index Number: 0811**AT18 - Inapplicable Standard Provisions**

The following listed Sections, Subsections, or Items of Division BT - Standard Provisions - are hereby made inapplicable. (Instructions: List by reference number and title.)

BT4.211	DOWNPAYMENT
BT4.4	PAYMENTS NOT RECEIVED
BT8.212	MARKET-RELATED CONTRACT TERM ADDITION

**AT19 - List of Special Provisions**

The following listed special provisions are attached to and made a part of this contract as Division CT. Provisions with reference numbers followed by # contain blanks into which data have been entered for this sale. (Instructions: List by reference number, title, and date.)

CT2.11#	TIMBER SUBJECT TO AGREEMENT (06/1972)
CT2.3#	RESERVE TREES (04/2004)
CT2.35# (OPTION 1)	INDIVIDUAL TREE DESIGNATION (06/2010)
CT4.211	DOWNPAYMENT (06/2007)
CT4.212	TEMPORARY REDUCTION OF DOWNPAYMENT (08/2009)
CT4.4	PAYMENTS NOT RECEIVED (08/2012)
CT5.12#	USE OF ROADS BY PURCHASER (06/1999)
CT5.13#	ROAD COMPLETION DATE (04/2004)
CT5.213#	DEPOSIT FOR RECONSTRUCTION ENGINEERING SERVICES (04/2004)
CT5.221#	MATERIAL SOURCES (04/2004)
CT5.31#	ROAD MAINTENANCE REQUIREMENTS (07/2001)
CT5.32#	ROAD MAINTENANCE DEPOSIT SCHEDULE (07/2001)
CT6.22#	PROTECTION OF IMPROVEMENTS (07/2001)
CT6.315#	SALE OPERATION SCHEDULE (06/1994)
CT6.32#	PROTECTION OF RESERVE TREES (04/2004)
CT6.405	ALTERNATE REMOVAL OF INCLUDED TIMBER (05/2005)
CT6.41#	SPECIFIC REQUIREMENTS (01/2000)
CT6.42#	YARDING/SKIDDING REQUIREMENTS (06/2010)
CT6.6#	EROSION CONTROL AND SOIL TREATMENT BY PURCHASER (04/2014)
CT6.7	SLASH DISPOSAL (06/2008)
CT6.74#	SLASH TREATMENT REQUIREMENTS (02/2002)

CT6.8	MEASURING (08/2000)
CT6.84	ACCOUNTABILITY (06/2006)
CT6.84 (OPTION 1)	USE OF PAINT BY PURCHASER (05/2005)
CT7.1	PLANS (09/2004)
CT7.2	SPECIFIC FIRE PRECAUTIONS (09/2002)
CT7.201	BURNING BY PURCHASER (01/1993)
CT7.22	EMERGENCY FIRE PRECAUTIONS (09/2004)
CT8.13	DISCLAIMER OF EXPRESSED OR IMPLIED WARRANTY (09/2004)
CT8.212	MARKET-RELATED CONTRACT TERM ADDITION (11/2008)
CT8.66# (Option 1)	USE OF TIMBER (04/2004)
CT8.71	TRIPARTITE LAND EXCHANGE (04/1999)
CT8.72	BIPARTITE LAND EXCHANGE (04/2004)