Application for Use of State-owned Aquatic Lands

Applicant Name: Cosmo Specialty Fibers, Inc.
County: Grays Harbor County
Water Body: Cosmopolis Harbor, Chehalis River
Type of Authorization - Use: Right of Entry – Water Intake Utility Line Repairs
Authorization Number: Pending
Term: One year

Description: This agreement will allow the use of State-owned aquatic lands for the sole purpose of water intake utility line repairs. It is located in Cosmopolis Harbor on the Chehalis River, in Grays Harbor County, Washington.
Cosmo Specialty Fibers, Inc.
Authorization No. 23-000000
Authorized Use: Water Intake Utility Line Repair
Location: Chehalis River, Grays Harbor County

Location of repairs to be made on water intake pipe are within the Cosmopolis Harbor area

Vicinity Map

Legal Description

Latitude: 46.9598N, Longitude: 123.75418W
Section 13, Township 17N, Range 08W W.M.

Prepared By: RH Date: 01/05/2011
APPLICATION MUST BE FILLED OUT IN BLUE OR BLACK PEN

This application is to be used for the following Department of Natural Resources (DNR) uses on state-owned land. Please circle the use you are applying for below: Multi-Region projects complete both Upland and Aquatic sections and survey specifications for Multi-Region projects.

Upland Uses: Please complete sections I, III, and IV, below for the following uses.

Temporary Road Use Permit - Used for hauling valuable materials across DNR managed land (Upland use only, timber, crops, rock, etc).

Urban/Rural Easement - For crossings in an urban or rural upland area (Homesite and non-forestry uses).

Resource Management Easement - For crossings in areas where resources are managed (Removal of timber, crops, rock, etc.)

Utility Line Easement - For utility line crossing uplands (Power, water, sewer, telephone, etc.)

Public Highway - For local government and state agencies crossing state lands.

Aquatic Land Uses: Please complete sections I, II, and IV, below for the following uses.

Aquatic Easement - For crossing state-owned aquatic land (Pacific Ocean, Puget Sound, navigable rivers and lakes, waterways, harbor areas).

Aquatic Right-of-Entry - For uses on aquatic land which will be for a term of less than a year.

I SUBMISSION OF APPLICATION

PLEASE NOTE: NO WORK CAN BE STARTED WITHIN THE PROJECT AREA UNTIL A USE AUTHORIZATION AGREEMENT HAS BEEN GRANTED BY THE DEPARTMENT OF NATURAL RESOURCES.

This application will be reviewed by the Department of Natural Resources upon receipt at one of the DNR offices shown below. Applicants will be notified in writing if the application will be accepted for further review. However, this application may be rejected at any time before execution of a use authorization granted by DNR.

Form Date: June, 2005
For Aquatic Land applications, please include a $25.00 non-refundable application processing fee (this fee is not required for local, state, and other government agencies).

Completion of this application form and notice of acceptance of the application should not be considered approval of your project. A use authorization agreement allows the applicant to use state-owned land. It is a legal real estate agreement which will be signed by both parties and in most cases recorded with the appropriate county.

**DNR REGION OFFICES AND COUNTIES SERVED**

**Northeast Region -**

225 South Slike Road  
P.O. Box 190  
Colville, WA 99114

**Counties** - Lincoln**, Spokane, Stevens, Pend Oreille, Ferry Okanogan

**Northwest Region -**

919 North Township Street  
Sedro Woolley, WA 98284

**Counties** - Whatcom, Island, San Juan, Skagit, Snohomish

**Olympic Region -**

411 Tillicum Lane  
Forks, WA 98331

**Counties** - Clallam, Jefferson, north half of Grays Harbor

**South Puget Sound Region -**

950 Farman Ave North  
Enumclaw, WA 98022-9282

**Counties** - Pierce, King, Kitsap Mason; parts of Lewis, Thurston* and Snohomish

**Southeast Region -**

713 Bowers Road  
Ellensburg WA 98926

**Counties** - Adams, Benton, Douglas, Chelan, Franklin, Grati, Kittitas, Yakima, Klickitat, Walla Walla, Columbia, Whitman, Garfield, Asotin, parts of Lincoln**

**Pacific Cascade Region -**

601 Bond Road  
P.O. Box 280  
Castle Rock, WA 98611

**Counties** - Wahkiakum, Cowlitz, Clark, Skamania, Thurston*, Lewis, Pacific, south half of Grays Harbor

* Jurisdiction in these counties is shared by two regions  
** Jurisdiction in these counties is shared by two regions

Form Date: June, 2005  
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Application for Authorization to Use SOAL
**GENERAL APPLICATION INFORMATION**

**Date of Application: 12/17/10**

(NOTE: This application will expire two (2) years from this date.)

Easement to be Issued To (how name will appear on contract)  
Cosmo Specialty Fibers, Inc.

Address including City, State and Zip Code  
1701 First Street Cosmopolis, WA 98537

<table>
<thead>
<tr>
<th>Telephone Number</th>
<th>Fax Number</th>
<th>Applicant's Representative</th>
<th>Relationship to Applicant</th>
</tr>
</thead>
<tbody>
<tr>
<td>(360) 249-3851 or (360) 292-8981</td>
<td>N/A</td>
<td>Randy Cox</td>
<td>Environmental Manager</td>
</tr>
</tbody>
</table>

Address including City, State and Zip Code  
1701 First Street Cosmopolis, WA 98537

<table>
<thead>
<tr>
<th>Telephone Number</th>
<th>Fax Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>(360) 249-3851</td>
<td>N/A</td>
</tr>
</tbody>
</table>

If Property will be used for business purposes, Applicants' Washington Department of Revenue Tax *Registration Number (Unified Business Identifier) is REQUIRED: 603041016

Which of the following applies to Applicant (Check One and Attach written authority to sign - by laws, power of attorney, etc):

<table>
<thead>
<tr>
<th>Corporation: YES</th>
<th>(State of Registration): Washington</th>
<th>Governmental Agency: Secretary of State Corporation Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Partnership:</td>
<td>Limited Partnership:</td>
<td>(State of Registration):</td>
</tr>
<tr>
<td>Sole Proprietorship:</td>
<td>Marital Community:</td>
<td>(Spouse):</td>
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<td>Other: (Please Explain):</td>
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</table>

Has the site use been authorized before or is it currently under an easement? **Circle one**

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>Don't Know</th>
<th>If yes</th>
<th>Agreement #</th>
</tr>
</thead>
<tbody>
<tr>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td>24562</td>
</tr>
</tbody>
</table>

Form Date: June, 2005

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## USE OF STATE PROPERTY

Describe the proposed use of the property and identify any additional proposed use:

| The property is used for a access box for the 42-inch water intake line into the Cosmo Specialty Fibers, Inc. Mill site. |

| Estimate volume of timber and/or rock to be hauled. | 0 Mbf | 0 Cu.Yds. |

Who will the project ultimately serve?

| Cosmo Specialty Fiber, Inc. |

How many people will benefit from this project?

| 200 Family Wage Jobs |

What is the legal description of the benefiting property?

| SW 1/4 of NW 1/4, Section 13, Township 17 North, Range 9 West |

Length of time requested for the easement?


Proposed construction starting date and completion date

| Estimated cost of construction $100,000 |

Length of the project in feet or miles

| Approximately 125 feet |

Width of the proposed R/W in feet

| 32 feet wide |

If the project is for utilities (telephone, sewer lines, outfall, power, water, natural gas, etc.), what are the dimensions of the material to be used? (e.g., six inch doubled walled pipe, or six fiber optic conduits)

| Water Utility Pipe (42-inch Diameter) |

What is the use capacity of the utility?

| Process water for the Mill Site |

If the project is a bridge, what is the anticipated life span of the bridge? N/A

Will utilities be a part of the bridge? YES NO X

If utilities are a part of the bridge, please list which utilities (include company name and address if known) N/A

Will the easement, or any portion thereof, be assigned to another party? YES NO X (If yes, submit a copy of the conveyance agreement.)
What are the current and past uses of the site? Former operator Weyerhaeuser NR

Do you have any knowledge of contamination of the site by toxic or hazardous substances? Any past uses or practices that might have led to contamination by such substances? If so, please explain:

No known knowledge of contamination, toxic or hazardous substances at this location. We identify the junction box is composed of creosote-treated wood.

IMPROVEMENTS

PHYSICAL IMPROVEMENTS ARE STRUCTURES PLACED ON THE LAND THAT CANNOT BE REMOVED WITHOUT DAMAGE TO THE LAND. EXAMPLES OF SUCH STRUCTURES INCLUDE PILINGS, DOLPHINS, PIERS, WHARVES, PILING-SUPPORTED BUILDINGS, STRUCTURES BUILT ON FILL OR CONCRETE FOUNDATIONS, BURIED PIPELINES AND CABLES, AND SUPPORT STRUCTURES FOR BRIDGES. NEW CONSTRUCTION WILL REQUIRE SUBMISSION OF SURVEY.

What physical improvements currently exist on the site? (Photos may be required.)

A junction box to access the 42-inch water intake line (Photos included)

If there are physical improvements currently on the site, who holds ownership to them?

Cosmos Specialty Fibers, Inc.

If there are physical improvements currently on the site, describe their condition:

The pipe is a cement steel cased 42-inch pipe extending from Lake Aberdeen, across the beds and banks of the Chehalis River and into the Cosmo Specialty Fibers, Inc. Mill site. The pipe is in good condition with exception of a small leak.

Which, if any, of the existing physical improvements will be removed, remodeled, or reconstructed?

A new section of pipe 15-foot, 42-inch diameter is proposed for installation and removal of creosote treated wood box frame. The new box frame would be interlocking steel sheet pile composition.

Describe any physical improvements that the applicant is proposing to construct on the site:

Upgrade the water in-take junction access box from creosote wood to steel sheet pile.

Has any fill material been placed on the site? If Yes, please describe:

No known fill material has been placed on the state owned aquatic lands.

II AQUATIC LOCATION

THE AUTHORIZATION TO USE AQUATIC LANDS IS OFTEN SUBJECT TO PREFERENCE RIGHTS. APPLICANTS AND SURVEYORS SHOULD CAREFULLY DETERMINE THE DIRECTION, AND SHOW DETAIL OF, THE PRORATION OF COVES AND IRREGULAR SHORELINES.
The Body of Water on which the state property is located: Beds and banks of the Chehalis River

County in which the state property is located:
Grays Harbor County, WA

<table>
<thead>
<tr>
<th>Government Lots,</th>
<th>Section,</th>
<th>Township,</th>
<th>Range,</th>
<th>East/West</th>
</tr>
</thead>
<tbody>
<tr>
<td>4 &amp; 5</td>
<td>13</td>
<td>17 North</td>
<td>9</td>
<td>West</td>
</tr>
</tbody>
</table>

A LEGAL PROPERTY SURVEY INCLUDING THE LEGAL DESCRIPTION AND OTHER INFORMATION ABOUT THE PROPERTY IS REQUIRED TO OBTAIN AN EASEMENT. THE SURVEY REQUIREMENTS ARE DESCRIBED BELOW IN PROPERTY SURVEY (AQUATIC EASEMENT), PROPERTY SURVEY OF THIS FORM. THE SURVEY PLAT WILL BE ATTACHED TO THE EASEMENT DOCUMENT AS EXHIBIT A. ENGINEERING DRAWINGS ARE NOT ACCEPTABLE. (THE SURVEY CAN BE COMPLETED AFTER YOU HAVE BEEN NOTIFIED IN WRITING THAT THE APPLICATION HAS BEEN ACCEPTED. HOWEVER, THE EASEMENT AGREEMENT CANNOT BE COMPLETED UNTIL A SURVEY IS APPROVED BY OUR DEPARTMENT.)

Physical description of Project Area (For example, Marsh, Tideflat adjacent to the Chehalis River, etc.): Bed lands, tidel wetlands and uplands associated with and adjacent to the Chehalis River.

Name of Owner(s) of Uplands, Shorelands, and/or Tidelands shoreward and adjacent to the Property:
Uplands: Cosmo Specialty Fibers, Inc.

<table>
<thead>
<tr>
<th>Name</th>
<th>Address</th>
<th>City</th>
<th>State</th>
<th>Zip Code</th>
<th>Phone Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cosmo Specialty Fibers, Inc.</td>
<td>1701 First Street</td>
<td>Cosmopolis</td>
<td>WA</td>
<td>98537</td>
<td>(360) 249-3851</td>
</tr>
</tbody>
</table>

County Parcel No(s). for adjacent properties, upland, and /or adjacent tideland properties (NOTE: You may attach copies of county assessor's information relating to parcel numbers. Please verify that the section, township and range is identified in the assessor's information.)

EXCEPT FOR PROPERTY LOCATED WITHIN ESTABLISHED HARBOR AREAS, PROOF OF OWNERSHIP, OR AUTHORIZATION TO USE THE ADJACENT TIDELAND, SHORELAND, OR UPLAND PROPERTY MAY BE REQUIRED. IF THE APPLICANT IS THE OWNER OF THE ADJACENT LAND, ATTACH A COPY OF THE DEED OR CONTRACT OF SALE.

LOCAL, STATE, AND FEDERAL REGULATORY PERMITS (AQUATIC EASEMENTS ONLY)

COPIES OF ALL GOVERNMENT REGULATORY PERMITS ARE REQUIRED BEFORE ISSUANCE OF A DNR EASEMENT. YOUR PROJECT MAY REQUIRE SOME OR ALL OF THESE PERMITS. (WAC 332-30-122 (1)(c)

PLEASE INCLUDE THE FOLLOWING PERMIT APPLICATIONS, PERMITS, LETTERS OF CONCURRENCE OR WAIVERS WITH THE APPLICATION:

JARPA (Joint Aquatic Resources Permit Application) This one form is used to apply for all of the following permits:
Form Date: June, 2005

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Section 10 Permit - Required by the US Army Corps of Engineers for any work in or affecting navigable waters, e.g., floats, docks, piers, dredging, pilings, bridges, overhead power lines.

Shoreline Substantial Development, Conditional Use, Variance Permit or Exemption - Issued by Local Government, and is required for work or activity in the 100-year flood plain, or within 200 feet of the Ordinary High Water mark of certain waters; and which included any one of the following: dumping, drilling, dredging, filing, placement or alteration of structures or any activity which substantially interferes with normal public use of the waters.

Hydraulic Project Approval - Required by the Department of Fish and Wildlife if the project includes work that will use, divert, obstruct, or change the natural flow or bed of any fresh or salt water of the state
Section 404 Permit - Required by the US Army Corps of Engineers if your project will discharge or excavate any dredged or fill material waterward of the Ordinary High Water mark or the Mean Higher High Tide Line in tidal areas.

Section 401 Water Quality Certification - Required by the Department of Ecology if a Section 404 permit is required.

NPDES (National Pollutant Discharge Elimination System Permit) - Required by the Department of Ecology under delegated authority from the Federal Environmental Protection Agency for projects that include the discharge of fluid on or into surface water.

SEPA (State Environmental Policy Act) Checklist and Environmental Review - When you submit a permit application to any agency, you will be asked to fill out an environmental checklist (unless your project is categorically exempt per WAC 197-11-800 through 890). Based on checklist answers and the reviewers knowledge of the project site, the “lead agency’s” SEPA responsible official will determine the types of impacts the project may have on the environment. (“Lead agency” is defined in WAC 197-11-050).

The lead agency will make a determination as to the environmental impact of this proposal and will issue one of the following:

- Determination of Non-significance (DNS)
- Mitigated Determination of Non-significance (MDNS), which will require mitigation measures to reduce the environmental impact
- Determination of Significance (DS), which will trigger a requirement to produce an environmental impact statement (EIS)
- The lead agency’s determination of non-significance will not automatically cause DNR’s approval of this proposal for right of way on the lands it manages.

Describe any habitat mitigation required by any of the permitting agencies identified above and identify in detail where such mitigation is proposed to occur: No mitigation is being proposed for these temporary impacts. Through implementation of BMPs and project minimization actions no habitat modification would occur.

PROPERTY SURVEY (AQUATIC EASEMENT)

A survey of the easement area is required for each application. A third order survey is required and a Record of Survey shall be submitted showing the results of the survey and the location of the easement site applied for. A copy of the final proposed survey must be submitted directly to the land manager who will pass on to the department’s State Land Survey Unit, for preliminary review prior to submission of the final survey. The final survey shall be filed with the county auditor and a copy that includes the auditor’s recording information shall be submitted to the department’s land manager. The final recorded copy should include the department’s easement number which will be given at the time of application acceptance.
THE AUTHORIZATION TO USE AQUATIC LANDS IS OFTEN SUBJECT TO PREFERENCE RIGHTS. APPLICANTS AND SURVEYORS SHOULD CAREFULLY DETERMINE THE DIRECTION, AND SHOW DETAIL OF, THE PRORATION OF COVES AND IRREGULAR SHORELINES.

AQUATIC EASEMENT LEGAL DESCRIPTION

<table>
<thead>
<tr>
<th>The Body of Water on which the state property is located:</th>
<th>Bed and banks of the Chehalis River</th>
</tr>
</thead>
<tbody>
<tr>
<td>County in which the state property is located:</td>
<td>Grays Harbor County, WA</td>
</tr>
<tr>
<td>Government Lots, Section, Township, Range, East/West</td>
<td>4 &amp; 5 13 17 North 9 West</td>
</tr>
</tbody>
</table>

III UPLAND EASEMENTS

COPIES OF ALL GOVERNMENT REGULATORY PERMITS ARE REQUIRED BEFORE ISSUANCE OF A DNR AGREEMENT. YOUR PROJECT MAY REQUIRE THE FOLLOWING PERMITS OR OTHER PERMITS.

For all new construction, consultation with a DNR field representative is required prior to submitting an application. In addition, a site visit may also be required prior to submitting an application.

Note: A survey plat will be required to accompany the application. Contact the Region representative for the appropriate plat specifications.

For non-exempt projects, applicant must complete a SEPA checklist and include any additional information required by SEPA before DNR will offer an agreement.

SEPA (State Environmental Policy Act) Checklist and Environmental Review - When you submit a permit application to any agency, you will be asked to fill out an environmental checklist (unless your project is categorically exempt per WAC 197-11-800 through 890). Based on checklist answers and the reviewers knowledge of the project site, the “lead agency’s” SEPA responsible official will determine the types of impacts the project may have on the environment. ("lead agency" is defined in WAC 197-11-050). The lead agency will make a determination as to the environmental impact of this proposal and will issue one of the following:

- Determination of Nonsignificance (DNS)
- Mitigated Determination of Non-significance (MDNS), which will require mitigation measures to reduce the environmental impact.
- Determination of Significance (DS), which will trigger a requirement to produce an environmental impact statement (EIS)
- The lead agency’s determination of non-significance will not automatically cause DNR’s approval of this proposal for right of way on the lands it manages.

Must be in place before work can be started:

Form Date: June, 2005
FPA (Forest Practices Application): Required for activities conducted on forest lands related to growing, harvesting or processing timber and are regulated by the Forest Practices Act. Activities include road construction and maintenance, thinning and salvage of trees, harvesting, reforestation, brush control, and using fertilizers or pesticides.

HPA (Hydraulic Project Approval) - Required by the Department of Fish and Wildlife if the project includes work that will use, divert, obstruct, or change the natural flow or bed of any fresh or salt water of the state.

**UPLAND LOCATION INFORMATION**
For longer location information descriptions, please use the attached supplemental page.

County (s)  **Grays Harbor County**

1) Legal description of new construction (road, utility)

<table>
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<tr>
<th>Subdivision</th>
<th></th>
<th>Section</th>
<th>13</th>
<th>Township</th>
<th>17N</th>
<th>Range</th>
<th>9W</th>
</tr>
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<tbody>
<tr>
<td>N/A</td>
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</table>

and will be 50 feet wide, 1,000 feet long and consists of 1.147 acres of land.

2) Legal description of Existing Road

<table>
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<tr>
<th>Subdivision</th>
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<th>Section</th>
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<th>Township</th>
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<th>Range</th>
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<tbody>
<tr>
<td>N/A</td>
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<td>N/A</td>
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<td>N/A</td>
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</table>

and will be N/A feet wide, N/A miles/feet long and consists of N/A acres of land.

3) Legal description of land from which materials (products) will be removed

<table>
<thead>
<tr>
<th>Subdivision</th>
<th></th>
<th>Section</th>
<th></th>
<th>Township</th>
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<th>Range</th>
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</tr>
</tbody>
</table>

Tax Parcel Numbers, tract numbers, lot names and physical address numbers:
Tax Parcel No. 17093330000, Government Lots 4 & 5, 1701 First Street Cosmopolis, WA 98537
IV APPLICATION VERIFICATION AND AUTHORIZATION

All answers and statements are true and correct to the best of my knowledge.

<table>
<thead>
<tr>
<th>Applicant</th>
<th>Custom Specialty P.C., Inc.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Signed</td>
<td>[Signature]</td>
</tr>
<tr>
<td>Date</td>
<td>[Signature]</td>
</tr>
<tr>
<td>Company</td>
<td>Northern Resource Consulting, Inc.</td>
</tr>
<tr>
<td>Date</td>
<td>January 3, 2011</td>
</tr>
</tbody>
</table>

NOTE: If the above questions concern you or your client, contact the Department of Natural Resources, State Land Office, Unit 2, 1660/1672, Lincoln.