State of Washington

Department of Natural Resources

Peter Goldmark, Commissioner of Public Lands

TO: Members of the Board of Natural Resources

FROM: Product Sales and Leasing Division

SUBJECT: Timber Sales Packet to be Presented at the July 2016 Board Meeting

SEPTEMBER 2016

Attached is a package of timber sales proposed for future auction. This packet will be presented to the Board of Natural Resources at the July 5, 2016 Board Meeting.
### SUMMARY OF PROPOSED BOARD SALES

**SEPTEMBER 2016**

<table>
<thead>
<tr>
<th>No.</th>
<th>County</th>
<th>Region</th>
<th>Agree #</th>
<th>FSC®</th>
<th>Sale Name</th>
<th>Species</th>
<th>Acres</th>
<th>Age</th>
<th>Type</th>
<th>Harvest Type</th>
<th>Value/MBF</th>
<th>Total MBF</th>
<th>Total Minimum Bid Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Clark</td>
<td>PC</td>
<td>93596</td>
<td></td>
<td>HAVARTI SORTS</td>
<td>DF-92%,WW-4%,RA-4%</td>
<td>180</td>
<td>72</td>
<td>Variable Retention</td>
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<td>35</td>
<td>$548</td>
<td>$3,457,186</td>
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<tr>
<td>2</td>
<td>Kitsap</td>
<td>SPS</td>
<td>92037</td>
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<td>MUFFET</td>
<td>DF-79%,WW-14%,RC-7%</td>
<td>152</td>
<td>79</td>
<td>Variable Retention</td>
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<td>30</td>
<td>$280</td>
<td>$1,277,000</td>
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<td>3</td>
<td>Pacific</td>
<td>PC</td>
<td>93073</td>
<td></td>
<td>SAWTOOTH</td>
<td>WW-94%,DF-6%</td>
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<td>Variable Retention</td>
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<td>30</td>
<td>$162</td>
<td>$414,000</td>
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<tr>
<td>4</td>
<td>Stevens</td>
<td>NE</td>
<td>91740</td>
<td></td>
<td>GONE DRY</td>
<td>PP-77%,WL-16%,DF-7%</td>
<td>470</td>
<td>28</td>
<td>Shelterwood Removal</td>
<td></td>
<td>3</td>
<td>$109</td>
<td>$155,000</td>
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<tr>
<td>5</td>
<td>Stevens</td>
<td>NE</td>
<td>92349</td>
<td></td>
<td>SACKIT SUMMIT</td>
<td>DF-55%,WL-24%,WW-8%,RCP-9%,LP-4%</td>
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<td>96</td>
<td>Variable Retention</td>
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<td>14</td>
<td>$195</td>
<td>$894,000</td>
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**Totals**

<table>
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<tr>
<th>No.</th>
<th>County</th>
<th>Region</th>
<th>Agree #</th>
<th>FSC®</th>
<th>Sale Name</th>
<th>Species</th>
<th>Acres</th>
<th>Age</th>
<th>Type</th>
<th>Harvest Type</th>
<th>Value/MBF</th>
<th>Total MBF</th>
<th>Total Minimum Bid Value</th>
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<td></td>
<td>1,206</td>
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<td></td>
<td>16</td>
<td>$319</td>
<td>$6,197,186</td>
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**Trust Codes:**

01 = State Forest Board Transfer  
02 = State Forest Board Purchase  
03 = Common School & Indemnity  
04 = Agricultural School  
05 = University - Transferred  
06 = C.E.P. & R.I.  
07 = Capitol Building  
08 = Normal School  
09 = Escheat  
10 = Scientific School  
11 = University - Original  
12 = Community College Forest Reserve

**Species Codes:**

DF= Douglas-fir  
RA= Red alder  
RC= Western red cedar  
WW= White Woods (hemlock and true firs)  
WL= Western larch  
PP= Ponderosa pine  
LP= Lodgepole pine

∞: If marked, all or part of this sale Forest Stewardship Council® (FSC)-certified (certificate No. BV-FM/COC-080501)

Note: Contract harvest sort sales above list the total minimum bid as delivered values, not stumpage. The net or stumpage value will be realized after the harvesting costs are paid out.

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### SEPA SUMMARY OF PROPOSED BOARD SALES

**SEPTEMBER 2016**

<table>
<thead>
<tr>
<th>No.</th>
<th>County</th>
<th>Agreement #</th>
<th>Sale Name</th>
<th>Acres</th>
<th>Threshold Determination</th>
<th>SEPA Comments</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Clark</td>
<td>93596</td>
<td>HAVARTI SORTS</td>
<td>180</td>
<td>DNS: X</td>
<td>X</td>
</tr>
<tr>
<td>2</td>
<td>Kitsap</td>
<td>92037</td>
<td>MUFFET</td>
<td>152</td>
<td>DNS: X</td>
<td>X</td>
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<tr>
<td>3</td>
<td>Pacific</td>
<td>93073</td>
<td>SAWTOOTH</td>
<td>86</td>
<td>DNS: X</td>
<td>X</td>
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<tr>
<td>4</td>
<td>Stevens</td>
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<td>GONE DRY</td>
<td>470</td>
<td>DNS: X</td>
<td>X</td>
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<tr>
<td>5</td>
<td>Stevens</td>
<td>92349</td>
<td>SACKIT SUMMIT</td>
<td>318</td>
<td>DNS: X</td>
<td>X</td>
</tr>
</tbody>
</table>

* ALL DOCUMENTS ARE AVAILABLE TO THE BOARD AND THE PUBLIC FOR REVIEW
TIMBER NOTICE OF SALE

SALE NAME: HAVARTI SORTS
AGREEMENT NO: 30-93597 - 30-93610

AUCTION: November 17, 2016 starting at 10:00 a.m.      COUNTY: Clark
Pacific Cascade Region Office, Castle Rock, WA

SALE LOCATION: Sale located approximately 10 miles, by road, east of Battle Ground, Washington

PRODUCTS SOLD AND SALE AREA: All timber described below, except leave trees bounded by yellow “Leave Tree Area” tags and pink flagging and individual leave trees marked with blue paint, down timber greater than 36 inches diameter, western red cedar, and snags bounded by: white "Timber Sale Boundary" tags, property line marked with pink flagging, reprod marked with pink flagging and the L-1413 in Unit 1; white "Timber Sale Boundary" tags, property line marked with pink flagging and reprod marked with pink flagging in Unit 2; white "Timber Sale Boundary" tags and reprod marked with pink flagging, in Unit 3 meeting the specifications described below; on parts of Section 1 in Township 3 North, Range 3 East, Sections 6, 7, 17, and 18 all in Township 3 North, Range 4 East, Section 31 in Township 4 North, Range 4 East W.M., containing 180 acres, more or less.

MINIMUM BID AND ESTIMATED LOG VOLUMES:

<table>
<thead>
<tr>
<th>Agreement #</th>
<th>Sort #</th>
<th>Species and Sort Specifications</th>
<th>Average Log Length</th>
<th>Estimated Volume</th>
<th>Tons Per MBF</th>
<th>Minimum Bid Delivered Prices</th>
<th>Total Appraised Value</th>
<th>Bid Deposit</th>
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<tbody>
<tr>
<td>30-093597</td>
<td>1</td>
<td>DF 5&quot;-7&quot; dib</td>
<td>N/A</td>
<td>213</td>
<td>1704</td>
<td>8 $55.00</td>
<td>$93,720.00</td>
<td>$9,372.00</td>
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<tr>
<td>30-093598</td>
<td>2</td>
<td>DF 8&quot;-11&quot; dib</td>
<td>28'</td>
<td>449</td>
<td>3053</td>
<td>6.8 $500.00</td>
<td>$224,500.00</td>
<td>$22,450.00</td>
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<tr>
<td>30-093599</td>
<td>3</td>
<td>DF 12&quot;-19&quot; dib</td>
<td>28'</td>
<td>1332</td>
<td>6926</td>
<td>5.2 $525.00</td>
<td>$699,300.00</td>
<td>$69,930.00</td>
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<tr>
<td>30-093600</td>
<td>4</td>
<td>DF 20&quot;+ dib</td>
<td>28'</td>
<td>1751</td>
<td>8230</td>
<td>4.7 $540.00</td>
<td>$945,540.00</td>
<td>$94,554.00</td>
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<td>30-093601</td>
<td>5</td>
<td>DF HQB 8&quot;-11&quot; dib</td>
<td>28'</td>
<td>322</td>
<td>1996</td>
<td>6.2 $600.00</td>
<td>$193,200.00</td>
<td>$19,320.00</td>
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<tr>
<td>30-093602</td>
<td>6</td>
<td>DF HQB 12&quot;-19&quot; dib</td>
<td>28'</td>
<td>1222</td>
<td>5866</td>
<td>4.8 $600.00</td>
<td>$733,200.00</td>
<td>$73,320.00</td>
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<td>30-093603</td>
<td>7</td>
<td>DF HQB 20&quot; + dib</td>
<td>28'</td>
<td>292</td>
<td>1226</td>
<td>4.2 $600.00</td>
<td>$175,200.00</td>
<td>$17,520.00</td>
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<tr>
<td>30-093604</td>
<td>8</td>
<td>RA 5&quot;+ dib</td>
<td>24'</td>
<td>195</td>
<td>1404</td>
<td>7.2 $600.00</td>
<td>$117,000.00</td>
<td>$11,700.00</td>
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<tr>
<td>30-093605</td>
<td>9</td>
<td>WW 5&quot;-11&quot; dib</td>
<td>28'</td>
<td>71</td>
<td>483</td>
<td>6.8 $400.00</td>
<td>$28,400.00</td>
<td>$2,840.00</td>
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<tr>
<td>30-093606</td>
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<td>WW 12&quot;+ dib</td>
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<td>168</td>
<td>874</td>
<td>5.2 $425.00</td>
<td>$71,400.00</td>
<td>$7,140.00</td>
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<td>30-093607</td>
<td>11</td>
<td>DF Pulp 2&quot;+ dib</td>
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<td>429</td>
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<td>$1,115.40</td>
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<td>30-093608</td>
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<td>Hardwood Pulp 2&quot;+</td>
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<td>1170</td>
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<td>$3,042.00</td>
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<td>30-093609</td>
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<td>WW Pulp 2&quot;+</td>
<td>N/A</td>
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<td>52</td>
<td>13 $26.00</td>
<td>$1,352.00</td>
<td>$135.20</td>
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<tr>
<td>30-093610</td>
<td>14</td>
<td>DF Poles 60'+</td>
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<td>166</td>
<td>863</td>
<td>5.2 $800.00</td>
<td>$132,800.00</td>
<td>$13,280.00</td>
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</tbody>
</table>

Totals: 6308 34276 $3,457,186.00
TIMBER NOTICE OF SALE

CERTIFICATION: This sale is certified under the Sustainable Forestry Initiative® program Standard (cert no: BV-SFIS-US09000572)

BID METHOD: Sealed Bids

UNIT OF MEASURE: MBF Scale/Tonnage Scale

EXPIRATION DATE: July 31, 2017

ALLOCATION: Export Restricted

PAYMENT SECURITY: To be determined by the State as described in Clause P-045.2 of the Purchaser’s Contract.

BIDDING PROCEDURES: A separate sealed bid and envelope must be submitted for each log sort. Prospective Purchasers may bid on any or all log sorts. On the day of sale the Purchaser must bring their bid deposit up to 10% of their total bid price. Complete bidding procedures and auction information may be obtained from the Pacific Cascade Region Office in Castle Rock WA. Phone number (360)577-2025.

TIMBER EXCISE TAX: Purchaser must pay the forest excise taxes associated with the log sorts delivered to them. The tax rate for this sale is 4.2%. Taxable Stumpage = Total Delivered Value – (Harvest Cost + Estimated Haul Cost + ARRF). For more information contact the Department of Revenue, Forest Tax Section at 1-800-548-8829.

Use the following rates for estimating taxable stumpage:

Harvest Cost = $0.00 per MBF for sorts 2, 3, 4, 5, 6, 7, 8, 9, 10 and 14, $10.00 per Ton for sorts 11, 12 and 13 and $12.00 per Ton for sort 1.

Hauling Services Payment Rate per Ton = (Base Rate + Mileage Rate) x (Contractor's hauling bid factor)

Base Rate for Sawlogs and Utility Sorts = $2.35 per ton
Base Rate for Poles = $3.35

Mileage Rate = (($0.16 x C miles) + ($0.11 x A miles)) x Fuel Index Factor

ARRF = $0.00 per MBF for sorts 11, 12 and 13 and $26.75 per MBF for sorts 1, 2, 3, 4, 5, 6, 7, 8, 9, 10 and 14.

Note: To calculate AARF rates per ton use the tons:mbf conversion factor in the table above.

CONFIRMATION: Each sort is subject to confirmation following auction. Sorts will not be confirmed until at least 10 days after auction. Final contract award is contingent upon the State’s haul cost analysis. Actual haul route may vary and is subject to change at the State’s discretion.

SPECIAL REMARKS: The successful Purchaser(s) will be required to purchase logs from the sale area upon delivery to their location specified in the bid submitted. Logs will be delivered to the Purchaser’s delivery location by the State’s contract harvester. Purchaser is responsible for weighing and scaling costs. All tonnage loads will be weighed and all mbf loads will
TIMBER NOTICE OF SALE

be scaled at State approved locations. The State reserves the right to determine where logs are authorized to be scaled and weighed.

For more information regarding this log sort sale visit our web site: http://www.dnr.wa.gov/programs-and-services/product-sales-and-leasing/timber-sales/timber-auction-packets. If you have questions call Jon Olson at the Pacific Cascade Region Office at (360)577-2025 or Steve Teitzel at the Product Sales and Leasing Division Office in Olympia at (360)902-1741.
DRIVING DIRECTIONS:
From State Route 500 (milepost 7.5) turn northeast onto NE Ward Rd and follow for 3.2 miles.
NE Ward Rd becomes NE 182nd Ave; continue for 1.0 miles.
Turn right (east) onto NE 139th St; continue for 2.4 miles.
NE 139th becomes Rawson Rd., continue for 3.5 miles.
NE Rawson Rd becomes the L-1400; continue for 1.6 miles.
Turn left (north) onto the L-1410 (Gate PCP 1-1) for 1.7 miles.

Following the L-1410 (north) for another 0.9 miles, turn right onto the L-1413 (Gate) for 1.6 miles to access Unit 1.

Prepared By: aapp490 12/30/2015
Modification Date: 6/1/2016
TIMBER NOTICE OF SALE

SALE NAME: MUFFET

AGREEMENT NO: 30-092037

AUCTION: September 27, 2016 starting at 10:00 a.m., COUNTY: Kitsap
South Puget Sound Region Office, Enumclaw, WA

SALE LOCATION: Sale located approximately 13 miles northwest of Bremerton.

PRODUCTS SOLD AND SALE AREA: All timber, except leave trees marked with blue paint or bounded out by yellow leave tree area tags, snags, and down timber existing more than 5 years from the day of sale, bounded by the following: white "Timber Sale Boundary" tags, the GM-2 Road, and property line marked with pink flagging in Unit #1; white "Timber Sale Boundary" tags and the GM-23 Road in Unit #2; white "Timber Sale Boundary" tags, timber type change, property line marked with pink flagging, and the GM-1 and GM-12 roads in Unit #3; white "Timber Sale Boundary" tags, the GM-1 and GM-2 roads in Unit #4; white "Timber Sale Boundary" tags and Kingsway NW Road in Unit #5; white "Timber Sale Boundary" tags, timber type change, and property line marked with pink flagging in Unit #6; white "Timber Sale Boundary" tags, property line marked with pink flagging, Hintzville Road NW, and the Seabeck Holly Road in Unit #7; white "Timber Sale Boundary" tags and timber type change in Unit #8; all timber bounded by orange right of way tags on part(s) of Sections 14 and 15 all in Township 24 North, Range 2 West, Sections 8, 9, 16 and 17 all in Township 24 North, Range 1 West, W.M., containing 152 acres, more or less.

CERTIFICATION: This sale is certified under the Sustainable Forestry Initiative® program Standard (cert no: BV-SFIS-US09000572) and FSC 100% raw materials under the Forest Stewardship Council® Standard (cert no: BV-FM/COC-080501).

ESTIMATED SALE VOLUMES AND QUALITY:

<table>
<thead>
<tr>
<th>Species</th>
<th>Avg DBH</th>
<th>Ring Count</th>
<th>Total MBF</th>
<th>1P</th>
<th>2P</th>
<th>3P</th>
<th>SM</th>
<th>1S</th>
<th>2S</th>
<th>3S</th>
<th>4S</th>
<th>UT</th>
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<tbody>
<tr>
<td>Douglas fir</td>
<td>15</td>
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<td>3,608</td>
<td>102</td>
<td>2,142</td>
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<td>469</td>
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<td>Hemlock</td>
<td>12.8</td>
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<td>588</td>
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<td>Red cedar</td>
<td>13.9</td>
<td>307</td>
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<tr>
<td>White pine</td>
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<td>12</td>
<td>4</td>
<td>3</td>
<td></td>
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<tr>
<td>Red alder</td>
<td>16.9</td>
<td>15</td>
<td>6</td>
<td>6</td>
<td>3</td>
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<tr>
<td>Cottonwood</td>
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</tbody>
</table>

MINIMUM BID: $1,277,000.00
BID METHOD: Sealed Bids

PERFORMANCE SECURITY: $100,000.00
SALE TYPE: Lump Sum

EXPIRATION DATE: September 30, 2018
ALLOCATION: Export Restricted

BID DEPOSIT: $127,700.00 or Bid Bond. Said deposit shall constitute an opening bid at the appraised price.
TIMBER NOTICE OF SALE

HARVEST METHOD: Harvesting activities are estimated to be 100% ground-based. Yarding may be restricted during wet weather if rutting becomes excessive, per clause, H-017.

Cutting and yarding will not be permitted from November 1st to April 30th, nor on weekdays from 7:00 pm to 7:00 am, weekends, or state recognized holidays, unless authority to do so is granted, in writing, by the Contract Administrator. If permission is granted to operate from November 1st to April 30th, the Purchaser shall comply with a Winter Operating Plan to include further protection of water, soil, roads and other forest assets at the Purchaser’s expense. Preventative measures must be in place prior to commencing any winter operations.

Cutting, yarding, rock pit operation, road construction or heavy equipment operation is not allowed from one hour before official sunrise to two hours after official sunrise, and from one hour before official sunset to one hour after official sunset from April 1 through August 31, within wildlife timing restriction area as shown on the timber sale map. This restriction does not apply to hauling timber, rock or equipment.

ROADS: 68.72 stations of optional construction. 156.35 stations of required pre-haul maintenance. 163.08 stations of required post-haul maintenance. 68.72 stations of decommissioning, if built. Cross section designs are available at the South Puget Sound Region office upon request. Purchaser maintenance on the AR-4, GM-2, GM-10, GM-12, GM-23 roads, and Spurs 1-9. Designated maintenance on all other roads used. Rock for this proposal may be obtained from the state owned Horse Camp Rock Pit located in Section 10, Township 24 North, Range 01 West, W.M. or from any commercial source at the Purchaser's expense, as approved in writing by the Contract Administrator.

Road construction, rock haul and timber haul, will not be permitted from November 1st to April 30th, nor on weekdays from 7:00 pm to 7:00 am at all on weekends or state recognized holidays, unless authority to do so is granted, in writing, by the Contract Administrator. If permission is granted to operate from November 1st to April 30th, the Purchaser shall comply with a Winter Operating Plan to include further protection of water, soil, roads and other forest assets at the Purchaser’s expense. Preventative measures must be in place prior to commencing any winter operations.

ACREAGE DETERMINATION CRUISE METHOD: Unit acreage was determined by traversing the boundaries by GPS. Right of way acreage was determined by multiplying length times width. GPS data files are available upon request by emailing rachel.mason@dnr.wa.gov. See cruise narrative for cruise method.

FEES: $81,029.00 is due on day of sale. $9.00 per MBF is due upon removal. These are in addition to the bid price.

SPECIAL REMARKS: Purchaser must provide a written Extreme Hazard Abatement Plan, which meets the requirements of contract clause S-020. Hazard Abatement is required within 100 feet of Kingsway NW in Unit #5 and Seabeck Holly Road in Unit #7, and 200 feet from any structures along the north and west boundary of Unit #3 and southwest corner of Unit #7. Approximate areas shown on the Timber Sale Map.

Type 5 streams are protected with 30 foot Equipment Limitation Zones or 50 foot Equipment Exclusion Zones, per contract clauses H-140 and H-141. These are marked with pink and black striped ribbon in Units #1, #3, and #8.
There is a designated skid trail marked with orange flagging across a Type 5 stream located in Unit #8.

Purchaser must enter into two road approach permits with Kitsap County. One for Kingsway NW and one for Seabeck Holly Road NW.

Cutting, yarding, rock pit operation, road construction or heavy equipment operation is not allowed from one hour before official sunrise to two hours after official sunrise, and from one hour before official sunset to one hour after official sunset from April 1 through August 31, within wildlife timing restriction area as shown on the timber sale map. This restriction does not apply to hauling timber, rock or equipment.

See map for gate locations. Gate keys may be obtained by contacting the South Puget Sound Region Office at (360) 825-1631 or by contacting Nathan McReynolds at (253) 381-2015.
Type 5 streams located within Unit 1 and south of Spur 1 in Unit 3 are marked with a 30 foot Equipment Limitation Zone. Type 5 streams located north of Spur 1 in Unit 3 and within Units 8 are marked with a 50 foot Equipment Exclusion Zone except for a designated skid trail in Unit 8.

Variable Retention Harvest
- Leave Trees marked with yellow "Leave Tree Area" tags
- Riparian Mgt Zone
- Forested Wetland
- Wetland Mgt Zone
- Extreme Hazard Abatement
- DNR Managed Lands

Streams
- Stream Type
- Stream Type Break
- Monumented Corners
- Blue Painted Leave Trees
- Structure
- Gate (A786)

Existing Roads
- Required Pre-Haul Maintenance
- Optional Construction
- White Timber Sale Boundary Tags
- Leave Tree Tags
- Timber Type Change
- Property Line

Prepared By: kfry490 01/14/2016
Modification Date: kfry490 - 05/31/2016
TIMBER SALE MAP

SALE NAME: MUFFET
AGREEMENT #: 92037
TOWNSHIP(S): T24R01W, T24R02W
TRUST(S): State Forest Transfer (1)
Stream Type Break

Modification Date: kfry490 - 05/31/2016

3,000 White Timber Sale Boundary Tags
2,000
1,000

Structure
Monumented Corners
Blue Painted Leave Trees

Type 5 streams located within Unit 1 and south of Spur 1 in Unit 3 are marked with a 30 foot Equipment Limitation Zone. Type 5 streams located north of Spur 1 in Unit 3 and within Units 8 are marked with a 50 foot Equipment Exclusion Zone except for a designated skid trail in Unit 8.

All State Unless Otherwise Noted

Variable Retention Harvest
Leave Trees marked with yellow "Leave Tree Area" tags
Riparian Mgt Zone
Forested Wetland

Accessory Structures for designated skid trail

Wildlife Timing Restriction

Prepared By: kfry490 01/14/2016

Modification Date: kfry490 - 05/31/2016
Driving Directions

Directions to Units 1 – 6: From Highway 3 in Chico, head south on Chico Way NW for 0.6 miles. Turn right on Northlake Way NW and travel for 0.4 miles. Take a slight right onto Seaback Highway NW and travel for 2.9 miles. At the traffic circle, take the 2nd exit onto NW Holly Rd and travel for 4.2 miles. Turn left on to Lake Tahuyeh Rd NW and travel for 0.75 miles to gate #221. Turn right up to the GM-10 Rd and Unit 6 is 0.1 miles down on the left. On Lake Tahuyeh Rd NW, travel another 0.1 miles to gate #201. Take GM-1 0.3 miles, Unit 4 is on the left. Travel 0.2 miles to gate #223, Unit 3 is on both sides of road. Continue 0.75 miles through gate #223 on GM-2 road, Unit 1 is on the right. From gate #223, back on GM-1 road, travel for 1.1 miles, turn left onto to GM-23 and travel 0.2 miles. Unit 2 is on the left. Lastly back on Lake Tahuyeh Rd NW at gate #201, travel 0.3 miles south. Turn right onto to Kingsway NW. Travel for 0.2 miles, Unit 5 is on the right.

Directions to Units 7 & 8: At the intersection of Holly Rd NW and Lake Tahuyeh Rd NW, continue west on Holly Rd NW for 0.9 miles. Turn left on to Seaback Holly Rd NW, travel for 2.9 miles, Unit 7 is on the left. Continue on Seaback Holly Rd NW past Unit 7 for 0.7 miles to gate #231. Travel 0.2 miles on AR-4 Rd Unit 8 is on the left.
TIMBER NOTICE OF SALE

SALE NAME: SAWTOOTH

AGREEMENT NO: 30-093073

AUCTION: September 29, 2016 starting at 10:00 a.m., COUNTY: Pacific
Pacific Cascade Region Office, Castle Rock, WA

SALE LOCATION: Sale located approximately 7 miles southwest of Menlo

PRODUCTS SOLD AND SALE AREA: All timber, except leave trees tagged out with yellow Leave Tree Area tags, leave trees marked with blue paint, down timber existing 5 years prior to the day of sale bounded by the following: Timber Sale Boundary tags, private ownership repro, repord, the M-Line, and M-1700 roads in Unit 1; Timber Sale Boundary tags, private ownership, repro, the B-Line and B-1200 Ext roads in Unit 2; on part(s) of Sections 5 all in Township 12 North, Range 8 West, Sections 32 all in Township 13 North, Range 8 West, W.M., containing 86 acres, more or less.

CERTIFICATION: This sale is certified under the Sustainable Forestry Initiative® program Standard (cert no: BV-SFIS-US09000572)

ESTIMATED SALE VOLUMES AND QUALITY:

<table>
<thead>
<tr>
<th>Species</th>
<th>Avg DBH</th>
<th>Ring Count</th>
<th>Total MBF</th>
<th>MBF by Grade</th>
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<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1P</td>
</tr>
<tr>
<td>Hemlock</td>
<td>16.5</td>
<td>7</td>
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<td>Douglas fir</td>
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<td>7</td>
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<tr>
<td>Silver fir</td>
<td>23.5</td>
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<td>Red cedar</td>
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<td>Sale Total</td>
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MINIMUM BID: $414,000.00

BID METHOD: Sealed Bids

PERFORMANCE SECURITY: $82,800.00

SALE TYPE: Lump Sum

EXPIRATION DATE: October 31, 2018

ALLOCATION: Export Restricted

BID DEPOSIT: $41,400.00 or Bid Bond. Said deposit shall constitute an opening bid at the appraised price.

HARVEST METHOD: Cable and Shovel. Harvesting activities are estimated to be approximately 40% ground-based and 60% cable harvesting. Ground-based harvesting equipment shall be restricted to slopes of 40% and less, and only operate during soil conditions.

ROADS: 2.30 stations of required construction. 18.58 stations of optional construction. 9.80 stations of optional reconstruction. 46.60 stations of required pre-haul maintenance. Rock for construction, reconstruction, and pre-haul maintenance under this contract may be obtained from the B-1321 Pit and Stockpile located in Section 30, Township 13 North, Range 08 West, W.M., at no charge to the Purchaser. Rock quantities taken from the B-1321 Stockpile shall be in accordance with quantities on the ROCK LIST. Purchaser shall not remove additional yardage without written approval from the Contract Administrator. Rock used in accordance with the quantities on the ROCKLIST may be obtained from any commercial source at the Purchaser's expense and subject to approval in writing by
the Contract Administrator before their use. On the M-1800 from station 1+33 to 3+14 and where side slopes exceed 45% Purchaser shall use full bench construction for the entire subgrade width. Road construction will not be permitted from October 1 to April 30 unless authorized in writing by the Contract Administrator.

ACREAGE DETERMINATION
CRUISE METHOD: Acreage was determined by GPS. The sale area was cruised using a variable plot cruise method.

FEES: Fee of $4,551.00 paid to Rayonier Forest Resources, L.P. for a Road Use Permit. $45,298.00 is due on day of sale. $9.00 per MBF is due upon removal. These are in addition to the bid price.

SPECIAL REMARKS: This sale contains approximately 463 mbf of high quality 2 and 3 saw grade western hemlock, approximately 41 mbf of high quality 2 saw grade Douglas-Fir, and approximately 6 mbf of high quality 2 saw grade Pacific silver fir. The gate on the B-Line at station 272.90 shall be closed and locked except when vehicles are passing through. See driving map for gate locations. PCP 1-1 gate keys may be obtained from the Pacific Cascade Region office.
DRIVING DIRECTIONS:

From State Route 6: Turn west in town of Menlo on to Rue Creek County Road. Continue southwest for 2 miles.

Unit 1: Turn south (left) on Stout P-Line and continue 2.7 miles to M-4700.
   Turn slight right on M-4700 for 1 mile. Turn left at shoofly onto M-line and continue 0.8 miles to unit.

Unit 2: Turn south (left) on Mccorkle B-Line and continue 5.1 miles to unit.
SALE NAME: GONE DRY  AGREEMENT NO: 30-091740

AUCTION:  September 27, 2016 starting at 10:00 a.m.,  COUNTY:  Stevens
Northeast Region Office, Colville, WA

SALE LOCATION:  Sale located approximately 12 miles northwest of Colville, WA

PRODUCTS SOLD AND SALE AREA:  All green conifer species, (excluding ponderosa pine) 7 inches and greater in diameter at breast height and all green ponderosa pine 8 inches and greater in diameter at breast height, not banded with purple paint in Unit 1 bounded by white timber sale boundary tag on part(s) of Sections 7 and 18 all in Township 37 North, Range 39 East, Sections 12 and 13 all in Township 37 North, Range 38 East, W.M., containing 470 acres, more or less.

CERTIFICATION:  This sale is certified under the Sustainable Forestry Initiative® program Standard (cert no: BV-SFIS-US09000572)

ESTIMATED SALE VOLUMES AND QUALITY:

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<thead>
<tr>
<th>Species</th>
<th>Avg DBH</th>
<th>Ring Count</th>
<th>Total MBF</th>
<th>P</th>
<th>SM</th>
<th>1S</th>
<th>2S</th>
<th>3S</th>
<th>4S</th>
<th>5S</th>
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<tr>
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<tr>
<td>Larch</td>
<td>15.2</td>
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<td>57</td>
<td>122</td>
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<tr>
<td>Douglas fir</td>
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<td>111</td>
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<td>23</td>
<td>81</td>
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<td></td>
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<tr>
<td>Lodgepole</td>
<td>9.4</td>
<td>6</td>
<td></td>
<td>2</td>
<td>3</td>
<td></td>
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<td>Sale Total</td>
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MINIMUM BID:  $155,000.00  BID METHOD:  Sealed Bids

PERFORMANCE SECURITY:  $31,000.00  SALE TYPE:  Lump Sum

EXPIRATION DATE:  November 30, 2018  ALLOCATION:  Export Restricted

BID DEPOSIT:  $15,500.00 or Bid Bond. Said deposit shall constitute an opening bid at the appraised price.

HARVEST METHOD:  Forwarder and Feller Processor. Falling and Yarding will not be permitted from February 1 to July 31 unless authorized in writing by the Contract Administrator due to spring breakup and pine beetle activity.

ROADS:  1.75 stations of required construction.  64.60 stations of required reconstruction.  83.38 stations of required prehaul maintenance. Road construction will not be permitted from November 15 to April 30 unless authorized in writing by the Contract Administrator due to frozen conditions and spring breakup. The hauling of forest products will not be permitted from February 1 to April 30 unless authorized in writing by the Contract Administrator due to spring breakup.

ACREAGE DETERMINATION CRUISE METHOD:  Acreage determined using GPS methods. Acreage shown above is net harvest acres in harvest units. Ponderosa pine: 8.0 - 17.5 inches dbh has a minimum top of 5.6 inch dbh. All other species: 7.0 - 17.5 inches dbh has minimum top of 4.6 inch dbh. All species
17.6 inches and greater dbh have a minimum top dib of 40% of dob at 16 feet or a 6 inch top whichever is greater. Utility wood: comprised of non-board foot volume and volume below the minimum top diameter of 5.0 inches or 40% of dob at 16 feet to a minimum of a 2.6 inch top.

FEES: A Stevens County Road Approach Permit fee in the amount of $15.00 is due within 10 days of day of sale. $25,134.00 is due on day of sale. $9.00 per MBF is due upon removal. These are in addition to the bid price.

SPECIAL REMARKS: Forwarder equipment will be required for this sale.
**Driving Directions:**

The sale is located approximately 11.9 miles northwest of Colville, WA. From the stoplight located at the junction of N. Wynne Street and Highway 395 in Colville, travel northwest on Highway 395 for 2.1 miles and turn right onto Williams Lake Road. Travel north on Williams Lake Road for 9.8 miles to the sale entrance. Turn left at the wooden DNR sign to access the sale.

The sale is located approximately 15.0 miles northeast of Kettle Falls, WA. From the stoplight located at the junction of Gold Hill Rd and Highway 395 in Kettle Falls, travel southeast on Highway 395 for 5.6 miles and turn left onto Spanish Prairie Rd. Travel northeast on Spanish Prairie for 2.4 miles and turn left onto Williams Lake Rd; travel north on Williams Lake Rd for 7.0 miles to the sale entrance. Turn left at the wooden DNR sign to access the sale.
SALE NAME: SACKIT SUMMIT

AGREEMENT NO: 30-092349

AUCTION: September 27, 2016 starting at 10:00 a.m., COUNTY: Stevens
Northeast Region Office, Colville, WA

SALE LOCATION: Sale located approximately 23 miles north of Kettle Falls, WA

PRODUCTS SOLD AND SALE AREA: All green conifer species (excluding ponderosa pine) 7 inches and greater in diameter at breast height not banded with blue paint; all green ponderosa pine 8 inches and greater in diameter at breast height not banded with blue paint; all down and standing dead Douglas-fir and western larch except for two down logs per acre which meet Forest Practice requirements in Units 1, 2, 3, 4, 5 and 6 bounded by white timber sale boundary tags on part(s) of Sections 35 and 36 all in Township 39 North, Range 37 East, W.M., containing 318 acres, more or less.

CERTIFICATION: This sale is certified under the Sustainable Forestry Initiative® program Standard (cert no: BV-SFIS-US09000572)

ESTIMATED SALE VOLUMES AND QUALITY:

<table>
<thead>
<tr>
<th>Species</th>
<th>Avg DBH</th>
<th>Ring Count</th>
<th>Total MBF</th>
<th>MBF by Grade</th>
</tr>
</thead>
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<td></td>
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<td></td>
<td>P SM 1S 2S 3S 4S 5S 6S UT</td>
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<tr>
<td>Douglas fir</td>
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<td>2,583</td>
<td>157 1,392 764 270</td>
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<td>11.1</td>
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<td>Red cedar</td>
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<td>354</td>
<td>194 160</td>
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<td>Grand fir</td>
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<td>113 118 37</td>
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<tr>
<td>Lodgepole</td>
<td>12.6</td>
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<td>149 21 5</td>
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<td>Spruce</td>
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MINIMUM BID: $894,000.00  BID METHOD: Sealed Bids

PERFORMANCE SECURITY: $100,000.00  SALE TYPE: Lump Sum

EXPIRATION DATE: December 15, 2018  ALLOCATION: Export Restricted

BID DEPOSIT: $89,400.00 or Bid Bond. Said deposit shall constitute an opening bid at the appraised price.

HARVEST METHOD: Track skidder and Rubber tired skidder. Falling and Yarding will not be permitted from February 1 to May 1 unless authorized in writing by the Contract Administrator due to spring breakup.

ROADS: 19.65 stations of required construction. 10.35 stations of required reconstruction. 498.80 stations of required prehaul maintenance. Road construction will not be permitted from November 15 to May 31 unless authorized in writing by the Contract Administrator due to spring breakup and frozen conditions. The hauling of forest products will not be permitted from February 1 to May 1 unless authorized in writing by the Contract Administrator due to spring breakup.
ACREAGE DETERMINATION

CRUISE METHOD: Acreage determined using GPS methods. Acreage shown above is net harvest acres in harvest units. Ponderosa pine: 8.0 - 17.5 inches dbh has a minimum top of 5.6 inch dib. Red cedar: 7.0 - 17.5 inches dbh has a minimum top of 5.6 inch dib. All other species: 7.0 - 17.5 dbh has minimum top of 4.6 inch dib. All species 17.6 inch and greater dbh measure height to 40% of dob at 16 feet or a 6 inch top whichever is greater. Utility wood: comprised of non-board foot volume and volume below the minimum top diameter of 5.0 inches or 40% of dob at 16 feet to a minimum of a 2.6 inch top. Firewood volume (214 mbf) is included in the utility wood volume on the notice of sale. Firewood volume per species is available in the cruise.

FEES: Within 10 days of day of sale, Purchaser shall provide a check payable to Golden Pond Timberlands, Inc. in the amount of $2,537.00 for a road use permit and for 5.0 mbf of right of way timber at the purchaser's bid price. $81,508.00 is due on day of sale. $9.00 per MBF is due upon removal. These are in addition to the bid price.

SPECIAL REMARKS: This sale requires felling of all stems 3 inches in diameter or greater at breast height not banded with blue paint. Purchaser may pay for and remove conifer products that do not meet the definition of products sold in the G-011 Clause and as outlined in the Schedule A. An exterior optional designated skid trail is located in the upper portion of Unit 6. No timber removal is required for this skid trail.
TIMBER SALE MAP

SALE NAME: SACKETT SUMMIT
AGREEMENT#: 30-092349
TOWNSHIP(S): T39R37E
TRUST(S): Common School and Indemnity(3)

REGION: Northeast Region
COUNTY(S): STEVENS
ELEVATION RGE: 2719-3573

UNIT 2
27 ACRES

UNIT 3
39 ACRES

UNIT 4
34 ACRES

UNIT 5
94 ACRES

UNIT 6
47 ACRES

PRIVATE

26
25
2
1
30
31
35
3
36

PRIVATE

2/13/2015
3/24/2016

Prepared By: dzei490
Creation Date: 2/13/2015
Modification Date: 3/24/2016

~ ~ ~ Sale Boundary Tags
/ / / Ground Skidding
/ / ELZ
/ / / Fenceline

--- Existing Roads
- - - - - Required Construction
- - - - - Required Reconstruction
- - PreHaul Maintenance
- - Designated Skid Trail
- Haul Route

~ ~ ~ Streams

MONUMENTED CORNERS
DRIVING DIRECTIONS:

From the town of Colville go north on Hwy 395 for 7.0 miles to Kettle Falls. Continue another 14.6 miles north on Hwy 395 to Barstow. Turn right on Barstow Road and go 0.9 miles. Turn left on Pierre Lake Road and go 1.3 miles. Turn right on Barrett / Gallaher Road and go 1.2 miles to McNitt Road. Stay right on McNitt Road and go 0.9 miles to Beardslee Road. Turn left on Beardslee Road and go 2.4 miles to the Jumbo/Sackit Canyon junction. Stay right on Sackit Canyon Road and go 1.2 miles to Unit 1. See timber sale map for access to Units 2 through Unit 6.