



Public Auction Sale of Timber

Book 910

.....
December 2011



WASHINGTON STATE DEPARTMENT OF
Natural Resources

Peter Goldmark - Commissioner of Public Lands

Caring for
your natural resources ...
now and forever

IMPORTANT NOTICES

Natural Resources (DNR)

Governmental Regulatory Actions or Orders

The purchaser assumes the risk of liabilities related to regulatory actions or orders by any government agency that may affect the operability of these timber sales. Such regulatory actions or orders include, but are not limited to, actions taken pursuant to the State Forest Practices Act, Chapter 76.09 RCW, and the Federal Endangered Species Act, 16 U.S.C. §§ 1531-1544. Please see timber sale contract clauses G-066 and G-220 for further information.

Threatened and Endangered Species

DNR cannot verify the presence or absence of **any** threatened or endangered species that may affect the operability of the timber sale. Purchasers must rely on their own assessments.

Export Restricted

All timber purchased under these state DNR contracts shall not be exported outside of the United States until the timber has been processed. Purchasers shall not violate any of the prohibitions in WAC 240-15-015 (relating to the prohibitions on export and substitution), WAC 240-15-025 (relating to reporting requirements), and WAC 240-15-030 (relating to enforcement). If purchasers knowingly violate WAC 240-15-015, purchasers shall be barred from bidding on or purchasing export restricted timber as provided.

Cover photos

Timber Sales in this book are from state trust lands, managed to help build K-12 public schools, state universities, colleges, prisons, mental hospitals, the state Capitol; and to support local services in many counties.

Top left: State Forest Lands are managed to provide revenue to the counties in which they are located such as the Pacific County Courthouse in South Bend, Washington. Northwest Bridge Company of Portland, Oregon completed construction of the courthouse building in June of 1911. One unusual feature of the historic building is an "art glass dome" that crowns the structure. The courthouse is listed on the National Register of Historic Places.
Photo: DNR/Tom Heller

Bottom left: Grade school students learn from high school students in the North Mason School District during Students in the Watershed day in the Tahuya State Forest trust lands. **Photo:** DNR/Staff

Right: Landscape view of DNR managed trust lands in western Washington. **Photo:** DNR/Staff



Certification Opportunities for DNR Timber Purchasers

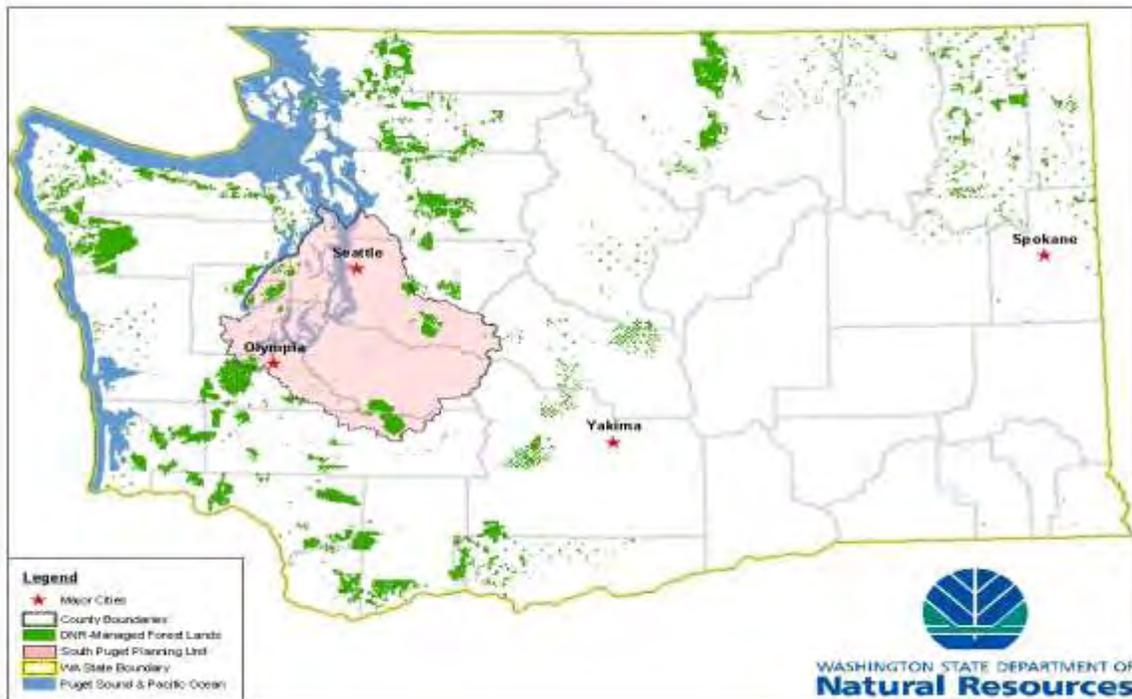
Certified forests are grown to an approved set of standards which demonstrate environmentally responsible, socially beneficial, and economically viable management practices that promote responsible forestry. This unique commitment to responsible forestry recognizes that forest landowners play a critical role in ensuring the long-term health and sustainability of our forests.

Forest Stewardship Council® (FSC®) is an independent, non-profit organization that promotes responsible management of the world's working forests through the development of forest management standards, a voluntary certification system, and trademarks that provide recognition and value to products bearing the FSC label in the marketplace. FSC standards ensure forestry is practiced in an environmentally responsible, socially beneficial, and economically viable way.

Sustainable Forestry Initiative, Inc. is an independent non-profit organization internationally endorsed and accepted around the world. The *Sustainable Forestry Initiative® (SFI®)* program is based on the premise that responsible environmental behavior and sound business decisions can co-exist. Its three-chamber Board of Directors governs all aspects of the SFI program, with equal representation from the environmental, economic and social sectors.

Currently, all Department of Natural Resources (DNR)-managed forested state trust lands in Washington State are certified under the 2010-2014 SFI program Standard. Lands within DNR's South Puget Habitat Conservation Plan Planning Unit, located within parts of King, Pierce, Thurston, Lewis, Kitsap, and Mason counties, are dually certified under the FSC Pacific Coast Regional Standard and the 2010-2014 SFI program Standard.

Certification under each standard involves an inspection audit of the landowner's forest management activities by an independent third-party accredited team to verify that it meets specified forest management principles. If the forest unit complies with the specific standard, the landowner receives a certificate of conformance ensuring that responsible forestry is being practiced. Both standards encourage integration of perpetual growing and harvesting of trees with strong measures to protect wildlife, plants, soil, water, and air quality. Both standards provide a seal of approval that forests certified under these principles are well-managed. The global marketplace recognizes and endorses multiple forest certification standards. Each standard has individual market niches. By being dually certified, DNR can maximize its customer base and provide choices to the consumer.



DNR's FSC certificate number is: BV-FM / COC-080501

DNR's SFI certificate number is: BV-SFIS-US09000572

DNR-managed forested state trust lands within the South Puget Habitat Conservation Plan Planning Unit (located within parts of King, Pierce, Thurston, Lewis, Kitsap, and Mason counties) are certified as being in compliance with the Forest Stewardship Council Pacific Coast Regional Standard. This makes DNR's SP Planning Unit dually certified under both the FSC and SFI program Standards.

To learn more about chain-of-custody and demonstrating that your timber is derived from a responsibly managed forest and/or desires of becoming a "program participant" in the FSC Program, visit www.fscus.org.

To learn more about DNR timber sales certified under the FSC Standard, visit www.dnr.wa.gov.

FSC A.C. owns all right, title, and interest in and to the Forest Stewardship Council trademarks.

All DNR-managed forested state trust lands across the state have been certified as being in compliance with the 2010-2014 Sustainable Forestry Initiative program Standard.

To learn more about chain-of-custody and demonstrating that your timber is derived from a responsibly managed forest and/or desires of becoming a "program participant" in the SFI program, visit www.sfiprogram.org.

To learn more about DNR timber sales certified under the SFI program Standard, visit www.dnr.wa.gov.

Sustainable Forestry Initiative® and SFI® word marks and logo marks used are registered marks owned by Sustainable Forestry Initiative Inc.

To learn more about certification on DNR-managed forested state trust lands, visit <http://www.dnr.wa.gov/BusinessPermits/TimberSales> or contact the following:

Forest Resources and Conservation Division, Product Sales Section:

Dave Gordon, Acting Assistant Division Manager, 360-902-1733, david.gordon@dnr.wa.gov
 Steve Teitzel, Operations, 360-902-1741, steve.teitzel@dnr.wa.gov

Forest Resources and Conservation Division, Ecosystem Services Section:

Clay Sprague, Assistant Division Manager, 360-902-1788, clay.sprague@dnr.wa.gov
 Allen Estep, Forest Certification Program Lead, 360-902-2898, allen.estep@dnr.wa.gov
 Lislie Sayers, Forest Certification Implementation Lead, 360-902-2896, lislie.sayers@dnr.wa.gov

Washington State Department of Natural Resources (DNR)

Bidder's/Purchaser's Inspection of Sale Area and Forest Products

Acreage estimates and volume estimates contained within each timber notice of sale and each timber sale contract are made only for administrative and identification purposes. Except as expressly provided by the timber sale contract, the purchaser shall be responsible for paying the entire purchase price, even if the actual acreage or timber volume varies from the estimated quantity or volume shown.

All prospective bidders have the opportunity and are expected to inspect the sale area and the forest products located thereon. Bidders shall not rely on any representations by the State including, but not limited to, acreage estimates, volume estimates, appraisal or pre-bid documentation. The successful bidder/purchaser will further warrant that they have entered the timber sale contract without any reliance upon the DNR's volume estimates, acreage estimates, appraisals, pre-bid documentation, or any other representation by the DNR.

Any timber sale contract arising out of these public auctions will require the successful purchaser to warrant that they are entering the timber sale contract based solely upon their own judgment of the value of the forest products, formed after their own examination and inspection of both the timber sale area and the forest products being sold.

Exclusion and Disclaimer of Warranties

The PARTIES AGREE that the IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, and ALL OTHER WARRANTIES EXPRESS OR IMPLIED, ARE EXCLUDED from this transaction, and shall not apply to the goods sold. For example, THE FOLLOWING SPECIFIC MATTERS ARE NOT WARRANTED, and are EXCLUDED from this transaction:

- a. ***The merchantability of the forest products.*** The use of the term "merchantable" in any document is not intended to vary the foregoing.
- b. ***The condition of the forest products.*** All forest products will be conveyed "AS IS."
- c. ***The acreage contained within any sale area.*** Any acreage descriptions appearing in the timber notices of sale, timber sale contract, timber sale map or other documents are estimates only, provided solely for administrative and identification purposes.
- d. ***The volume, quality, or grade of the forest products.*** The descriptions of the forest products to be conveyed are estimates only, made solely for administrative and identification purposes.
- e. ***The correctness of any soil or surface conditions, presale construction appraisals, investigations, and all other pre-bid documents prepared by or for the State.*** These documents have been prepared for the State's appraisal purposes only.
- f. ***That the sale area is free from threatened or endangered species, or their habitat.*** The State is not responsible for any interferences with forestry operations that result from the presence of any

threatened or endangered species, or the presence of their habitat, within the sale area.

g. *That the forestry operations to be performed under this contract will be free from regulatory actions by governmental agencies.* The State is not responsible for actions to enforce regulatory laws, such as the Washington Forest Practices Act (Chapter 76.09 RCW), taken by the Department of Natural Resources or any other agency that may affect the operability of these timber sales.

h. Items contained in any other documents prepared for or by the State.

Please also see timber sale contract clause G-060 for further information.

BIDDING PROCEDURES FOR TIMBER AUCTIONS

The general requirements that follow are a part of all Timber Notices of Sale to be auctioned by the Department of Natural Resources (DNR).

General Information

The State reserves the right to waive minor irregularities and the right to reject any or all bids.

- A. This book contains the timber notices of sale and maps for each timber sale scheduled to be auctioned. More specific information can be obtained by contacting the appropriate region office at the number listed on the back cover of this book.
- B. The timber notice of sale is a summary of sale information. For more specific information, interested parties are encouraged to view the Appraisal Packets on the DNR Internet Site @ www.dnr.wa.gov, this will take you directly to the Product Sales Section. The Appraisal Packets contain **DRAFT** copies of the timber notice of sale, map, contract, road plan, cruise data, precruise and cruise narrative, Forest Practices Application (FPA).
- C. The sale preview packets may be obtained at no charge for individual sales by visiting the appropriate region office.
- D. Timber sale contracts contain extensive terms and conditions that will be binding upon successful high bidders. Each bidder should carefully review all terms contained in the appropriate **DRAFT** timber sale contract prior to bidding on a sale, and should review the final contract prior to signing. **DRAFT** timber sale contracts are contained in the preview and presales packets and are available upon request at the respective region office.
- E. Sales advertised in this book have not been approved by the Board of Natural Resources and are subject to the Board's approval before they will be sold. The Board meets and approves sales approximately six weeks prior to auction. All sales are subject to confirmation by the DNR under RCW 79.15.120.
- F. The State does not guarantee the accuracy of any information contained herein pertaining to particular sales. Therefore, all prospective purchasers are expected to make their own independent inspections and appraisals prior to bidding.
- G. If any conflict exists between the information in the Timber Notice of Sale, timber sale map,

sale preview packets and that in the timber sale contract, the **signed contract will prevail**.

H. Purchasers must pay the Forest Excise Tax on the bid price, permanent road construction costs, and other considerations. The tax rate is 5% without the EARR credit and 4.2% with the credit. For more information contact the Department of Revenue, Forest Tax Section at 1-800-548-8829.

I. **Within 30 days of sale confirmation, the apparent high bidder will provide to the State the Performance Security** specified on each Notice of Sale. **The successful bidder also agrees to return a signed contract to the State within 30 days of confirmation.** Failure to provide a signed contract to the state within 30 days of confirmation may result in a loss of bidder's rights to the products sold and forfeiture of initial deposit moneys.

J. Each DNR region office has information about sales offered in that region. For further information, contact the respective DNR region office. Region office addresses and telephone numbers appear on the back cover of this booklet.

K. The purchaser assumes the responsibility for any costs associated with extra maintenance or repair levied by a county for any county road used by the purchaser.

Bidding Process

A. All timber will be auctioned using the sealed bid method.

B. Bids submitted on day of auction must be in the bid box at the specified auction location before 10:00 a.m. The respective DNR region office must receive mailed bids by 4:30 p.m., on the last business day before the auction. Bidders assume all risk for the method of delivery.

C. The DNR has the right to reject bid forms that are completed incorrectly. *All bid forms must have an original signature on behalf of the person or entity submitting the bid, and must be on the form provided in this booklet or a photocopy thereof. Revised documents are not permissible.* Bidding instructions are on the back of the Sealed Bid Form. A bid deposit must be included in the sealed bid envelope unless using a Timber Sale Statewide Bid Bond.

D. All bids must include the completed Sealed Bid Form and bid deposit.

E. Bids will be opened in each respective region in the order in which sales appear in the Public Auction Sale of Timber book (alphabetically by county and by agreement number). Sales added after the book is printed will be inserted to retain this order. Sort sales may be auctioned out of this sequence at the State's convince.

F. If a tie bid occurs, the names of the tie bidders will be placed in a hat and the successful bidder will be determined by a drawing.

G. For sales offered on a stumpage basis, the apparent high bidder on a particular sale will have the option of withdrawing additional sealed bids submitted for any remaining sales to be auctioned. The apparent high bidder must exercise this option within two minutes after the apparent high bidder is announced. **This option is not available for sales offered on a delivered basis.**

Auction Time and Location

Auctions will start at 10:00 a.m. and close at 4:00 p.m. on the date and at the location specified in each Timber Notice of Sale.

Bid Deposits

- A. Required bid deposits are listed on each Timber Notice of Sale.
- B. Bid deposits must be in the form of cash, certified check, cashiers' check, money order or bid bond.
- C. Bid bonds may be either a Timber Sale Statewide Bid Bond or a Timber Sale Per Sale Bid Bond.
- D. All bid deposits shall be submitted by the person or entity submitting the bid and made payable to the Department of Natural Resources. **Third party deposits will not be accepted.**

Timber Sale Per Sale Bid Bonds

- A. The Per Sale Bid Bond shall guarantee payment of the bid deposit **within ten days of auction.**
- B. The balance between the bid bond and the Initial Deposit payment is due by 4:30 p.m., **on the day of auction.**
- C. Additional forms and instructions for a Per Sale Bid Bond are available at any DNR region office.

Timber Sale Statewide Bid Bond

- A. Statewide Bid Bonds shall guarantee payment of the Initial Deposit on any statewide timber sale while the bond is in effect.
- B. The Statewide Bid Bond must be received by the Department of Natural Resources, Forest Resources and Conservation Division, PO BOX 47016, Olympia, Washington, 98504-7016, ten days in advance of the auction date. The bond shall be in the amount of \$150,000.00.
- C. Successful bidders using a Statewide Bid Bond must pay the total Initial Deposit payment (10 percent of the total bid price) **by 4:30 p.m., on the day of the auction.**
- D. A Statewide Bid Bond cannot be used to secure the Initial Deposit payment due the day of auction.
- E. Additional forms and instructions for a statewide bid bond are available at any DNR region office.

Payments

The initial deposit for a sale is 10% of the total bid value as submitted by the apparent high bidder (25% if the bidder is a defaulter as defined under WAC 332-140-300) and never less than \$5,000.00 for lump sum sales. For Lump Sum sales appraised at less than \$5,000.00, the entire bid value is due on day of auction.

- a. Apparent high bidders using cash, certified check, cashiers' check or money order as a bid deposit must pay the total Initial Deposit amount by 4:30 p.m. on auction day.
- b. Apparent high bidders using a Timber Sale Per Sale Bid Bond as a bid deposit must pay the difference between the bid deposit and the total initial deposit by 4:30 p.m., on the day of auction. The bid bond amount must be replaced with a certified check, cashiers' check, bank draft, cash, money order, or wire transfer within ten days of the auction.
- c. Apparent high bidders using a Timber Sale Statewide Bid Bond must pay the entire Initial Deposit amount by 4:30 p.m. on the day of auction.

Fees due on the day of sale must be paid by 4:30 p.m.

All payments must be in the form of a certified check, cashiers' check, bank draft, cash, money order or wire transfer.

Eligibility to Bid

In order to bid on State timber sales you must be:

- 18 years of age (or have a co-signer who meets the eligibility requirements)
- Licensed to do business in the State of Washington
- Eligible to bid on Export Restricted timber
- Authorized to submit bids

Authorized Representatives

Company officers or company authorized representatives may bid on State sales, sign State documents or sign checks. A list of authorized representatives and their specific authorities must be submitted in writing to the Department of Natural Resources, Forest Resources and Conservation Division, PO BOX 47016, Olympia, Washington, 98504-7016, ten days in advance of the auction. A company owner or officer must sign this submittal.

**State of Washington
Department of Natural Resources
Peter Goldmark, Commissioner of Public Lands**

SEALED BID FORM

Sale Name _____ Agreement Number _____

_____ hereby submits the following bid for timber.
(Print full, legal company name)

(Street address, City, State, Zip Code)

(Phone Number)

Lump Sum Bid (Not Including Fees) \$ _____ **For Total Sale**

Weight Scale Sale Bid (Not Including Fees) \$ _____ / **Ton**

Scribner Scale Sale Bid (Not Including Fees) \$ _____ / **MBF**

BID DEPOSIT

Bid Deposit Amount: \$ _____

Bid Deposit Type:

- Cash, certified check, cashiers check, or money order
 Per Sale Bid Bond
 Statewide Bid Bond, Number _____

Within 30 days of confirmation date the successful bidder agrees to furnish Performance Security acceptable to the State in the amount specified on the Notice of Sale. Performance Security must guarantee performance of all provisions of the contract and payment of any damages caused by operations under the contract or resulting from the successful bidders noncompliance with any rule or law.

Bidder's Warranty and Bid Signature

By signing and submitting this bid as an offer to purchase forest products from the State, the Bidder hereby warrants to the State that they have had an opportunity to fully inspect the sale area and the forest products being sold. Bidder further warrants to the State that they enter this bid based upon their own judgments of the value of the forest products, formed after their own examination and inspection of both the timber sale area and the forest products being sold. Bidder also warrants to the State that they enter this bid without any reliance upon the volume estimates, acreage, appraisals, pre-bid documentation, or any other representation by the Washington State Department of Natural Resources.

_____ Date _____
(Signature of Authorized Representative submitting this bid)

(Print name and title of Authorized Representative submitting this bid)

Note: all sales are subject to confirmation by the Commissioner of Public Lands (Refer 79.15.120)

Instructions For Completing Sealed Bid Form

All bids submitted for the purchase of forest products being sold by the Washington State Department of Natural Resources must have an original signature on behalf of the person or entity submitting the bid, and must be on the form provided in this booklet or a photocopy thereof. The DNR will not accept bids that are not signed, and will not accept bids that are not on the current, approved bid form. All appropriate blanks on bid form must be completed including the bid bond number if the bidder is relying upon a bid bond for bid deposit.

For more specific information, contact the appropriate region office.

In-Person Bids

- A. Sealed bids must be in auction box before 10:00 a.m. on the day of auction at the location specified in the Timber Notice of Sale.
- B. Sealed bids must be submitted in an envelope with the name of the sale, the bidder's name and the contract number clearly written on the outside of the envelope. The full legal name and business address of the bidder must be inserted where indicated on the form, and must be on the bid bond and timber sale contract. The bid form must be signed by an authorized representative. When a bidder has more than one person authorized to bid, documentation of those persons with signature authority for bidding must accompany the bid or be on file at the region office. Sealed bid envelopes are available at all region offices. One bid per envelope.
- C. Sealed bid envelopes **must** contain a completed bid form and a bid deposit.
- D. Sealed bid envelopes **may** contain a check for the Initial Deposit amount and a check for fees.

Mailed Bids

- A. Bids that are mailed are required to have printed on the outside: "DO NOT OPEN UNTIL SALE DATE. SEALED BIDE NCLOSED". The sealed bid envelope(s) will be enclosed inside the mailed-in envelope. Mailed bids must be submitted in an envelope with the name of the sale, the bidder's name and the agreement number clearly written on the outside of the envelope. The full legal name and business address of the bidder must be inserted where indicated on the form, and must be the same on the bid bond and timber sale contract. The Sealed Bid Form must be signed by an authorized representative. When a bidder has more than one person authorized to bid, then documentation of those persons with signature authority for bidding must accompany the bid or be on file at the region office. Mail-in envelopes are available at all region offices. One bid per mailed-in envelope.
- B. Bids that are mailed will be accepted up to 4:30 p.m. the last business day before the auction by the region office in which the sale is located. Bidders assume the risk for the method of delivery. The DNR assumes no responsibility for any delays caused by any delivery service.
- C. Sealed bid envelopes **must** contain a completed bid form and a bid deposit.
- D. Sealed bid envelopes **may** contain a check for the Initial Deposit amount and a check for fees.

Initial Deposit:

Lump Sum Sales - Initial Deposit must equal 10% of the total bid submitted.
(25% if the bidder is a defaulter as defined under WAC 332-140-300)

Weight Scale Sales - Initial Deposit must equal 10% of the bid per ton multiplied by the total sale estimated tonnage. (25% if the bidder is a defaulter as defined under WAC 332-140-300)

Scribner MBF Scale Sales - Initial Deposit must equal 10% of the bid per MBF multiplied by the total sale MBF. (25% if the bidder is a defaulter as defined under WAC 332-140-300)

State of Washington
Department of Natural resources
Peter Goldmark, Commissioner of Public Lands

STATEWIDE BID BOND

Bond Number _____

_____ of _____,
(Principal's Name) (City, State)

hereinafter called PRINCIPAL, and _____ hereinafter called
SURETY,

a corporation organized under the laws of the State of _____, and authorized to transact surety business in the State of Washington, as SURETY, are held and firmly bound jointly and severally to the State of Washington, Department of Natural Resources, hereinafter called the STATE, in the sum of \$150,000.00 Dollars, lawful money of the United States of America. The PRINCIPAL binds itself, its heirs, executors, administrators, successors, and assigns, and the SURETY binds itself, its successors, and assigns, all jointly and severally.

This bond shall be governed by the laws of the State of Washington. In the event of a lawsuit involving this bond, a venue shall be proper only in Thurston County Superior Court.

Signed, sealed and dated this _____ day of _____, _____.
(month) (year)

This statewide bid bond may be used for bidding between the following dates:

Starting:

Ending:

It Is Hereby Understood and Agreed:

If PRINCIPAL is an apparent high bidder, PRINCIPAL shall before 4:30 p.m ., on day of sale, pay to the STATE the amount of the initial deposit in the form of a certified check, cashier's check, bank draft, cash or money order, then this agreement shall be void for the sale on which the payment is made; otherwise, it will remain in force.

SURETY will make payment to the STATE within ten days after demand by the STATE if the PRINCIPAL shall fail to make timely payment as described above.

The SURETY may cancel this bond by sending a written notice to the STATE, not less than forty-five days before a cancellation date; liability shall terminate as to acts or omissions of the PRINCIPAL that occur after the cancellation date.

The PRINCIPAL and the SURETY executed this bond on the date first mentioned.

Principal: (Above named)

Signature: _____

Name: _____

Title: _____

Address: _____

City: _____
State & Zip Code

Surety: (Above named)

Signature: _____

Name: _____

Title: _____

Address: _____

City: _____
State & Zip Code

Surety: (Local Office of Authorized agent)

Signature: _____

Name: _____

Title: _____

Address: _____

City: _____
State & Zip Code

Notary or Company Seal in Space Above

Instructions for Completing Timber Sale Statewide Bid Bond

- A. This form is authorized for use as bid guaranty to qualify for bidding on Washington State Department of Natural Resources timber sales.
- B. The Statewide Bid Bond may be used as bid guaranty on more than one timber sale.
- C. The full legal name and business address of the PRINCIPAL must be inserted where indicated and must be the same as will appear on the bidding record and timber sale contract. The bond must be signed by an authorized person. Additionally, the name must be typed or printed below the signature and title must be shown.
- D. The full legal name and business address of the SURETY must be inserted where indicated. The bond must be signed by an authorized person. Additionally, the name must be typed or printed below the signature and the title must be shown.
- E. If the SURETY does not have a Washington State office or resident agent, but is authorized to transact surety business in the State of Washington as SURETY, it may leave this signature block blank.
- F. This form must be received by the Department of Natural Resources, Forest Resources and Conservation Division, PO BOX 47016, Olympia, Washington, 98504-7016, ten days in advance of the auction.
- G. **The State reserves the right to reject *incomplete or incorrect* bid bond forms, making such forms unacceptable as bid guaranty.**

**State of Washington
Department of Natural Resources
Peter Goldmark, Commissioner of Public Lands**

Timber Sale Per Sale Bid Bond

Bond Number _____

_____ of _____, hereinafter called PRINCIPAL, and _____, hereinafter called SURETY, a corporation organized under the laws of the State of _____ and authorized to transact surety business in the State of Washington, as SURETY, are held and firmly bound jointly and severally to the State of Washington, Department of Natural Resources, hereinafter called the STATE, in the sum of \$_____ Dollars, lawful money of the United States of America. The PRINCIPAL binds itself, its heirs, executors, administrators, successors, and assigns, and the SURETY binds itself, its successors, and assigns, all jointly and severally.

This bond shall be governed by the laws of the State of Washington. In the event of a lawsuit involving this bond, venue shall be proper only in Thurston County Superior Court.

Signed, sealed, and dated this _____ day of _____, 20 _____.

BID IDENTIFICATION:

| SALES NAME(S) | REQUIRED DEPOSIT | AGREEMENT NUMBER(S) |
|---------------|------------------|---------------------|
| | | |
| | | |
| | | |
| | | |

DATE OF BID: _____

It Is Hereby Understood and Agreed:

If PRINCIPAL is the high bidder on the sale(s) identified above and, within ten (10) days of the day of sale, transmits cash, certified check, cashier's check, bank draft or money order, payable to the STATE, in the amount of the bid guaranty required by the terms of the Notice of Sale, then this obligation shall be void; otherwise, it shall remain in force.

SURETY will make payment to the STATE within ten (10) days after demand by the STATE whenever the PRINCIPAL shall fail to make timely payment as described above.

IN WITNESS WHEREOF: the PRINCIPAL and the SURETY have caused this bond to be executed on the date first mentioned.

SECOND OFFICER:

Signature: _____

Name: _____

Title: _____

PRINCIPAL: (Above Named)

Signature: _____

Name: _____

Title: _____

SURETY: (Local Office of Authorized Agent)

Signature: _____

Name: _____

Title: _____

Address: _____

City: _____

State & Zip: _____

SURETY: (Above Named)

Signature: _____

Name: _____

Title: _____

Address: _____

City: _____

State & Zip _____

NOTARY OR COMPANY SEAL IN THE SPACE ABOVE

Instructions for Completing Timber Sale PerSale (s) Bid Bond

- A. This form is authorized for use as bid guaranty to qualify for bidding on Washington State Department of Natural Resources timber sales.
- B. The Timber Sale Per Sale Bid Bond may be used as bid guaranty on more than one timber sale auction held the same date at the same location.
- C. The full legal name and business address of the PRINCIPAL must be the same as will appear on the bidding record and timber sale contract. The bond must be signed by an authorized person, the name typed or printed, and title shown. If PRINCIPAL is a corporation, a second officer must sign in the space to the left of the signature of the officer executing for the PRINCIPAL.
- D. The full legal name and business address of the SURETY must be inserted where indicated. The bond must be signed by an authorized person. Additionally, the name must be typed or printed below the signature and the title must be shown. If this person is not an officer of the corporation, evidence of authority must be submitted.
- E. If the SURETY does not have a Washington State office or resident agent, but is authorized to transact surety business in the State of Washington as Surety, it may leave the local office signature block blank.
- F. The date of the bid bond must not be later than the auction date.
- G. **The State reserves the right to reject incomplete or *incorrect* bid bond forms, making such forms unacceptable as guaranty.**

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES
Peter Goldmark, Commissioner of Public Lands

LOG SORT SEALED BID FORM

Sale Name _____ Agreement Number _____ Date _____

_____ hereby submits the following bid for delivered logs.
(Print Company Name)

_____ Telephone Number _____
(Print Name Authorized Company Representative) (Contact for bid result notification)

(Street Address)

(City, State and Zip)

| Agreement Number | Sort Number | <u>Delivered Logs Bid Amount</u> (fill in one only) | |
|------------------|-------------|---|----------|
| | | \$ / MBF | \$ / ton |
| | | | |

Bid Deposit Amount \$ _____

- Bid Deposit Type:**
- Cash, Certified Check, Cashiers Check, or Money Order
 - Per Sale Bid Bond
 - Statewide Bid Bond, Number _____

The successful bidder agrees to furnish payment security acceptable to the State in the amount as described in clause P-041 of the Purchaser's contract prior to log delivery and at a date to be determined by the State.

Bidder's Warranty and Bid Signature

By signing and submitting this bid as offer to purchase forest products from the State, the Bidder hereby warrants to the State that they have had an opportunity to fully inspect the sale area and the forest products being sold. Bidder further warrants to the State that they enter this bid based solely upon their own judgment of the value of the forest products, formed after their own examination and inspection of both the timber sale area and the forest products being sold. Bidder also warrants to the State that they enter this bid without any reliance upon the volume estimates, acreage estimates, appraisals, pre-bid documentation, or any other representation by the State Department of Natural Resources.

(Signature of Authorized Representative submitting this bid)

(Date of Signature)

(Print name and title of Authorized Representative submitting this bid)

NOTES: A separate bid form is required for each log sort bid and must be delivered in a separate envelope. Photocopies of this bid form may be used. Each photocopy must have original signatures. 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. All sales are subject to confirmation by the Commissioner of Public Lands as per RCW 79.15.100.

LOG SORT SEALED BID SUPPLEMENTAL INFORMATION FORM

(Print Company Name)

(Sale Name)

(Agreement Number)

(Sort Number)

(email: optional for DNR production report distribution)

Log Manufacturing Specifications:

Sawlog sorts: Enter two or more preferred log lengths for each log length range below

Peeler sorts: Enter one or more preferred log length for each log length range below

Ponderosa pine sorts: Enter one or more preferred log length for each log length range below

Pole sorts (Distribution): Enter three or more lengths. Attach preferred manufacturing information.

Pole sorts (Transmission): Enter six or more lengths. Attach preferred manufacturing information.

Tonnage sorts: See bid form instructions for required log lengths. Enter additional custom lengths as desired.

| Log Length Ranges | Bidder's Preferred Log Lengths (Log lengths exclude trim) |
|---|---|
| 12 ft. through 20 ft. | |
| 22 ft. through 30 ft. | |
| 32 ft. through 40 ft. | |
| Distribution Poles – 35 ft. through 55 ft. | |
| Transmission Poles – 60 ft.+ | |

Additional Log or Pole Length Information:

To provide additional preferred cutting information you may attach a separate sheet or "Cutting card".

Log Delivery Information:

1) Designate the point of delivery and address (must be a street address)

(Location Name)

(Street Address)

(City, State and Zip)

2) Designate the state approved Scaling and Weighing facilities closest to the point of delivery as needed.

Scaling Location Information

Weigh

ing Location Information

(Scaling Location Name)

(Weighing Location Name)

(Third Party Scaling Organization)

(Weighing Location Owner)

(Scaling Location Street Address)

(Weighing Location Street Address)

(Scaling Location City, State and Zip)

(Weighing Location City, State and Zip)

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. Additional terms or conditions requested by the bidder on or attached to the Log Sort Sealed Bid or Supplemental Information Forms are informational only and non-binding.

Instructions for Completing the Log Sort Sealed Bid and Supplemental Information Forms.

All bids submitted for the purchase of forest products being sold by the Washington State Department of Natural Resources must have an original signature on behalf of the person or entity submitting the bid, and must be on the form(s) provided in this booklet or a photocopy thereof. The DNR will not accept bids that are not signed, and will not accept bids that are not on the current, approved bid form. All appropriate blanks including Agreement Number, Sort Number, Bid amount (per mbf or ton as appropriate for the sort), Bid deposit amount and type. Signatures and date on bid form must be completed including the bid bond number if bidder is relying upon a bid bond for bid deposit.

Bids may not be accepted if a completed '**Log Sort Sealed Bid Supplemental Information Form**' is not included with the approved '**Log Sort Sealed Bid Form**'.

Required log lengths for tonnage sorts: Preferred log lengths for tonnage sawlog sorts shall include the following plus any additional lengths identified on the Bid Supplemental Information form:

| Species Type | Preferred Lengths |
|---------------------|--|
| Conifer Sorts | 16', 20', 24', 26', 32', 40' |
| Hardwood Sorts | 18', 20', 26', 28', 30', 36', 38', 40' |

For more specific information, contact the appropriate region office.

In-Person Bids

- A. Sealed bids must be in auction box or auction envelope before 10:00 a.m. on the day of sale at the location specified in the notice of sale.
- B. Sealed bids must be submitted in an envelope with the name of the sale, the bidder's name and the contract agreement number clearly written on the outside of the envelope. The full legal name and business address of the bidder must be inserted where indicated on the form, and must be the same as the name on the bid bond and timber sale contract. The bid form must be signed by an authorized person. When a bidder has more than one person authorized to bid, then documentation of those persons with signature authority for bidding must accompany the bid or be on file at the region office. Sealed bid envelopes are available at all region offices. One bid per envelope, please.
- C. Sealed bid envelopes must contain the following:
 1. A completed Log Sort Sealed Bid form;
 2. A completed Supplemental Information form; and
 3. A bid deposit

Mailed Bids

- A. Mail-in bid envelopes are required to have printed on the outside: "DO NOT OPEN UNTIL SALE DATE. SEALED BID ENCLOSED." The sealed bid envelope(s) will be enclosed inside the mailed-in envelope. Mailed bids must be submitted in an envelope with the name of the sale, the bidder's name and the agreement number clearly written on the outside of the envelope. The full legal name and business address of the bidder must be inserted where indicated on the form, and must be the same on the bid bond and timber sale contract. The bid form must be signed by an authorized person. When a bidder has more than one person authorized to bid, then documentation of those persons with signature authority for bidding must accompany the bid or be on file at the region office. Mail-in envelopes are available at all region offices. One bid per mailed-in envelope, please.
- B. Mail-in or otherwise delivered bids will be accepted up to 4:30 p.m. the last business day before the auction by the region office in which the sale is located. Bidders assume the risk for the method of delivery they chose. The DNR assumes no responsibility for any delays caused by any delivery service.
- C. Sealed bid envelopes must contain the following:
 1. A completed '**Log Sort Sealed Bid Form**';
 2. A completed '**Log Sort Sealed Bid Supplemental Information Form**' and;
 3. A bid deposit

Summary Report of All Sales for the Month of December 2011

Board Sales

| <u>County Regi</u> | <u>on Agree</u> | <u>#</u> | <u>FSC</u> | <u>Sale Name</u> | <u>Volume</u> | <u>Value</u> |
|--------------------|-----------------|----------|------------|------------------|---------------|----------------|
| Clallam | Olympic | 84833 | | DEEP SIX | 4,683 | \$1,299,000.00 |
| Clallam | Olympic | 87236 | | BIG BOE | 3,420 | \$686,000.00 |
| Lewis | Pacific Cascade | 87395 | | SMARTY PANTS | 2,626 | \$656,000.00 |
| Mason | South Puget | 84699 | | FINAL DIVIDE | 1,815 | \$564,000.00 |
| Skagit | Northwest | 86721 | | HUNDRED DAYS | 4,317 | \$1,276,000.00 |
| Thurston | Pacific Cascade | 86332 | | PEAR SORTS | 5,861 | \$3,041,510.00 |
| Total | | | | | ===== | ===== |
| | | | | | 22,722 | \$7,522,510.00 |

TIMBER NOTICE OF SALE

SALE NAME: DEEP SIX

AGREEMENT NO: 30-084833

AUCTION: December 14, 2011 starting at 10:00 a.m.,
Olympic Region Office, Forks, WA

COUNTY: Clallam

SALE LOCATION: Sale located approximately 36 miles northeast of Forks, WA

**PRODUCTS SOLD
AND SALE AREA:**

All timber, except trees marked with blue paint, bounded by timber sale boundary tags and special management unit boundary tags in Units #1 and #2; all timber as described in Schedule C, bounded by timber sale boundary tags and special management unit boundary tags in Units #1 and #2 RMZ/WMZ Thinning; all timber, except trees marked with blue paint, bounded by timber sale boundary tags in Unit #3 on part(s) of Sections 34 and 36 all in Township 31 North, Range 11 West, W.M., containing 118 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:

| Species | Avg Ring DBH | Ring Count | Total MBF | MBF by Grade | | | | | | | | |
|-------------|-----------------|---------------|--------------|--------------|----|----|----|----|-----|-----|-----|----|
| | | | | 1P | 2P | 3P | SM | 1S | 2S | 3S | 4S | UT |
| Douglas fir | 17.1 | 8 | 1,858 | | | | 72 | | 704 | 887 | 195 | |
| Hemlock | 12.4 | 6 | 1,199 | | | | | | 240 | 516 | 443 | |
| Red alder | 13.8 | | 975 | | | | | | 82 | 296 | 597 | |
| Spruce | 18.6 | | 630 | | | | | | 299 | 286 | 45 | |
| Red cedar | 19.2 | | 18 | | | | | | | 18 | | |
| Maple | 16 | | 3 | | | | | | | | | 3 |
| Sale Total | | | 4,683 | | | | | | | | | |

MINIMUM BID: \$1,299,000.00

BID METHOD: Sealed Bids

**PERFORMANCE
SECURITY:**

\$100,000.00

SALE TYPE: Lump Sum

EXPIRATION DATE: October 31, 2013

ALLOCATION: Export Restricted

BID DEPOSIT: \$129,900.00 or Bid Bond. Said deposit shall constitute an opening bid at the appraised price.

HARVEST METHOD: 100% ground based or cable. Ground based will be limited to shovel - no dozers or rubber tired skidders will be allowed. For marbled murrelet timing restrictions, no operations will be allowed from one hour before official sunrise to two hours after official sunrise and one hour before official sunset to one hour after official sunset from April 1 to August 31, in Unit 1, east of the timing restriction line shown on the timber sale map.

ROADS: 1.58 stations of required reconstruction. 33.85 stations of optional construction. 14.75 stations of required pre-haul maintenance. Purchaser must install one bridge, which is available at the Clearwater Camp, and repair another bridge - see road plan for details. Purchaser maintenance on all new construction, the MR-3100 and MR-3200 Roads. Designated Maintenance on all other forest roads used. On the MR-3100_95 stations 19+93 - 28+70, there will be no operations one hour before to two hours after official sunrise and one hour before to one hour after official sunset from April 1 through August

TIMBER NOTICE OF SALE

31 for murrelet restrictions. In the Mary Clark Pit, Purchaser must perform 10 hours of work with a D8 equivalent crawler tractor stripping or reclaiming. Rock hauling and road construction will not be permitted from November 1 to April 30 unless authorized in writing by the Contract Administrator.

ACREAGE DETERMINATION

CRUISE METHOD: Sale acreage was 100% GPS'd. Sale area was cruised using a variable plot sample with a BAF of 62.50F on a 3.93 x 3.93 CH grid for Unit #1, #2 and the WMZ/RMZ Thinning; a BAF of 46.94F on a 3.93 x 3.93 CH grid for Unit #3.

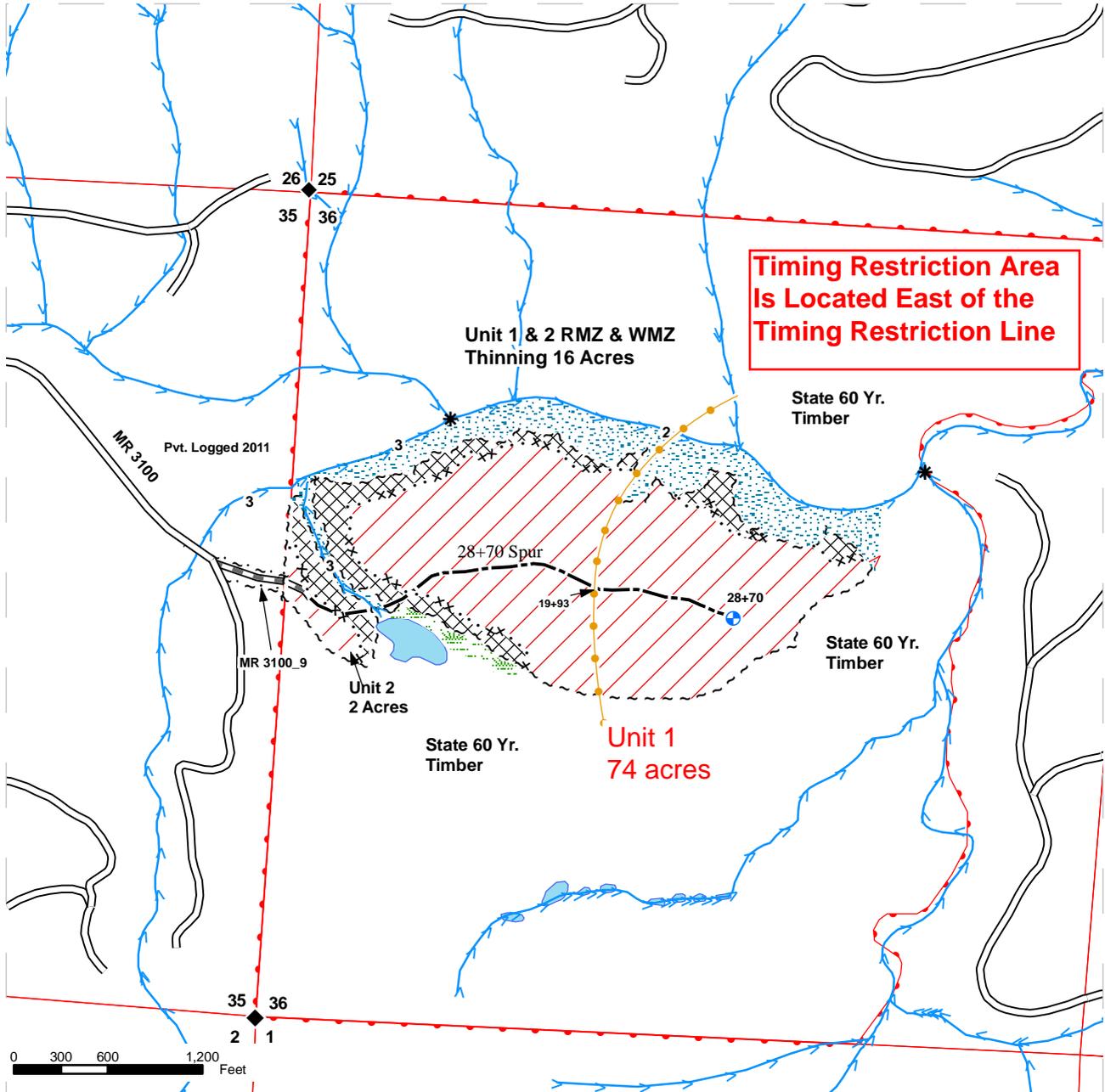
FEES: \$62,050.00 is due on day of sale. \$9.00 per MBF is due upon removal. These are in addition to the bid price.

SPECIAL REMARKS: There is a locked gate on the E-3000 Road - contact the Olympic Region Dispatch Center at 360-374-2800 to obtain a AA-1 key. Please note, that this sale requires a HPA.

TIMBER SALE MAP

SALE NAME: Deep Six
AGREEMENT#: 30-084833
TOWNSHIP(S): T31N R11W
TRUST(S): State Forest Board(01);Common School (03)

REGION: Olympic
COUNTY(S): Clallam
ELEVATION RGE: 267 - 650



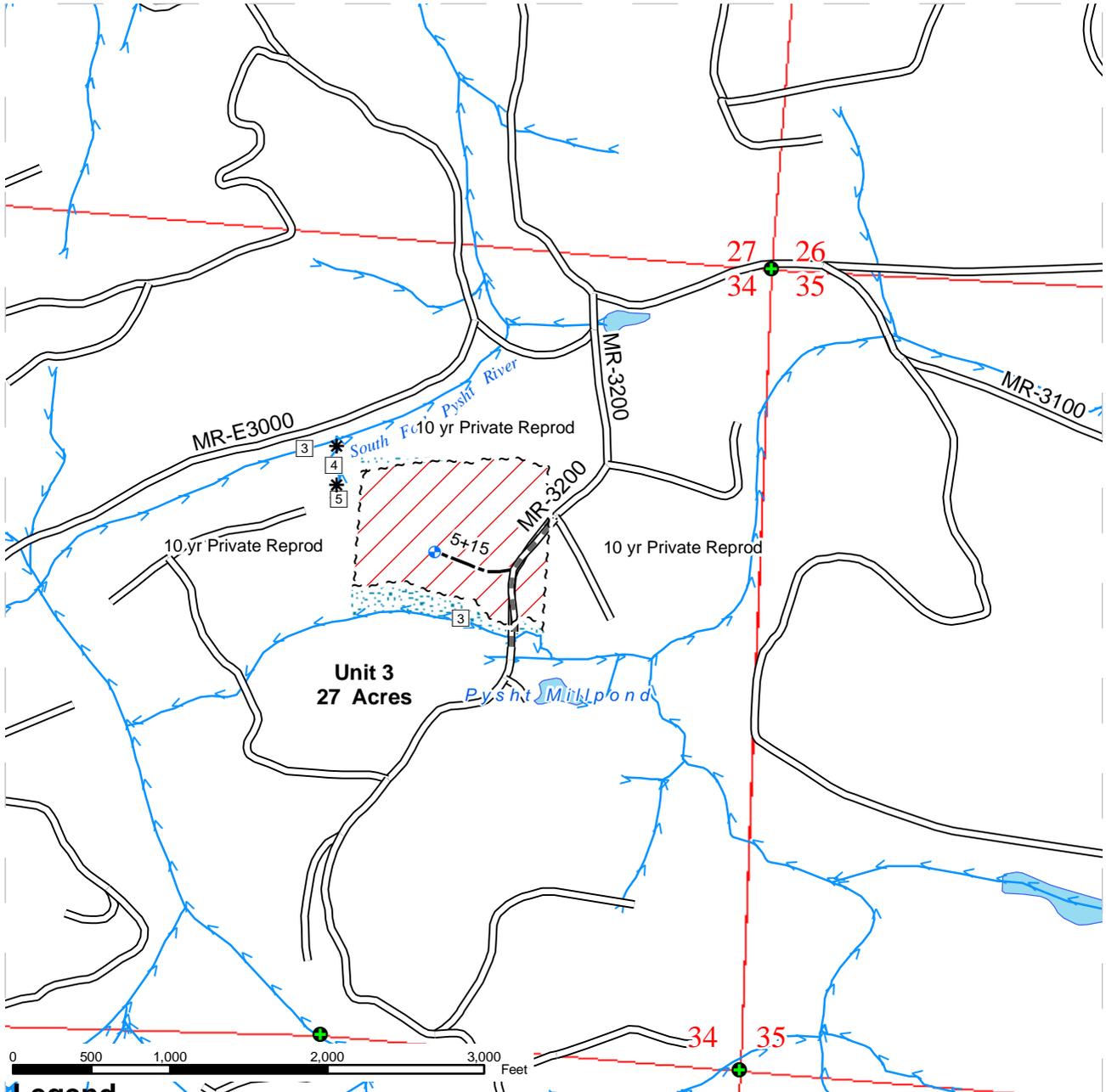
| | | |
|-----------------------|-----------------------------|---------------------------|
| Ground Based Logging | Required Pre-Haul | Monumented Section Corner |
| Sale Boundary Tags | Public Land Survey Sections | RMZ/WMZ Thinning |
| Special Mgt. Tags | Open Water | Timing Restriction Area |
| ROW Tags | Streams | |
| Existing Roads | Riparian Mgt. Zone | |
| Optional Construction | Wetland Mgt. Zone | |



TIMBER SALE MAP

SALE NAME: DEEP SIX
AGREEMENT#: 30-084833
TOWNSHIP(S): T31R11W
TRUST(S): State Forest Transfer(1), Common School and Indemnity(3)

REGION: Olympic Region
COUNTY(S): CLALLAM
ELEVATION RGE: 267-650



Legend

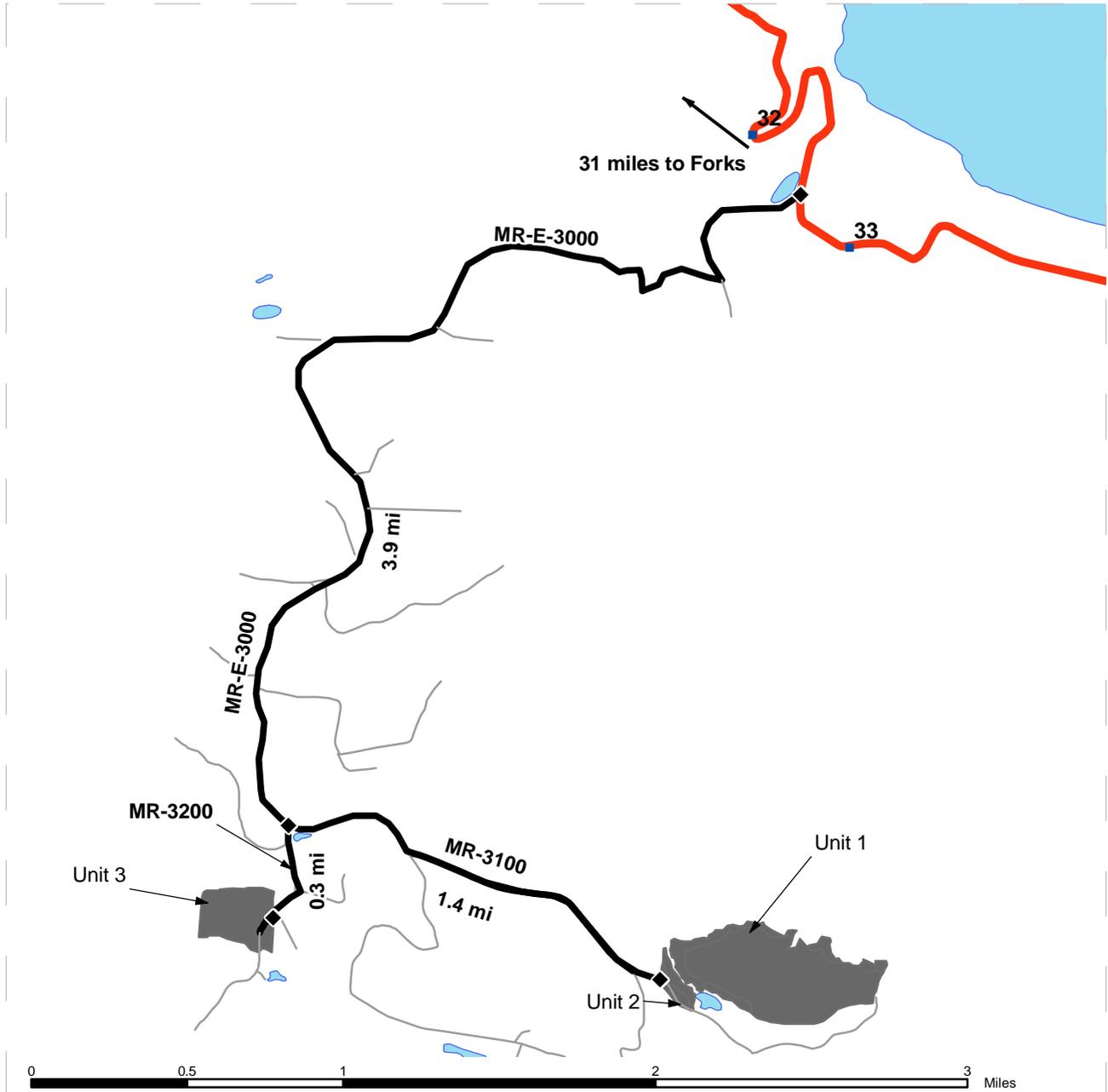
| Road Construction Types | Special Mgt Areas | Unit Tags |
|-------------------------------|-----------------------------|--------------------------|
| Existing Road | Riparian Mgt Zone | Right of Way |
| Optional Construction | Wetland Mgt Zone | Sale Boundary Tags |
| Required Pre-Haul Maintenance | Public Land Survey Sections | Special Mgt Area Tags |
| Logging Methods | Stream Type Break | Monumented Survey Points |
| Ground RMZ/WMZ Thinning | Streams | Landing |
| Ground | | |



DRIVING MAP

SALE NAME: DEEP SIX
AGREEMENT#: 30-084833
TOWNSHIP(S): T31R11W
TRUST(S): State Forest Transfer(1), Common School and Indemnity(3)

REGION: Olympic Region
COUNTY(S): CLALLAM
ELEVATION RGE: 267-650



DRIVING DIRECTIONS:

From east bound Highway 112, turn right on the MR-E-3000. Travel 3.9 miles to the MR-3100/MR-3200 junction. To access Units 1 and 2, turn left on the MR-3100 and travel 1.4 miles. To access Unit 3, turn right on the MR-3200 and travel 0.3 miles.

Timber Sale Unit
 Hauling Routes
 Haul Route
 Other Route
 Highways
 Milepost Markers



TIMBER NOTICE OF SALE

SALE NAME: BIG BOE

AGREEMENT NO: 30-087236

AUCTION: December 14, 2011 starting at 10:00 a.m.,
Olympic Region Office, Forks, WA

COUNTY: Clallam

SALE LOCATION: Sale located approximately 43 miles north of Forks, WA

**PRODUCTS SOLD
AND SALE AREA:**

All timber, except trees marked with blue paint or bounded out by leave tree area tags, bounded by timber sale boundary tags in Unit #1; all timber, except trees marked with blue paint, bounded by timber sale boundary tags in Unit #2; all timber, except trees marked with blue paint, bounded by timber sale boundary tags and a timber type change in Unit #3; all timber, except trees marked with blue paint or bounded out by leave tree area tags, bounded by timber sale boundary tags and blazed property lines in Unit #4 on part(s) of Sections 28 and 29 all in Township 31 North, Range 14 West, W.M., containing 125 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:

| Species | Avg Ring DBH | Ring Count | Total MBF | MBF by Grade | | | | | | | | | |
|-------------|-----------------|---------------|--------------|--------------|----|----|----|----|-----|-------|-----|----|--|
| | | | | 1P | 2P | 3P | SM | 1S | 2S | 3S | 4S | UT | |
| Hemlock | 16.3 | 4 | 2,166 | | | | | | 796 | 1,176 | 194 | | |
| Douglas fir | 16.1 | 4 | 633 | | | | | | 198 | 358 | 77 | | |
| Spruce | 21.7 | 4 | 460 | | | | | | 233 | 206 | 21 | | |
| Red alder | 12.4 | | 144 | | | | | | 6 | 41 | 97 | | |
| Red cedar | 12.7 | | 17 | | | | | | | 12 | 5 | | |
| Sale Total | | | 3,420 | | | | | | | | | | |

MINIMUM BID: \$686,000.00

BID METHOD: Sealed Bids

**PERFORMANCE
SECURITY:** \$100,000.00

SALE TYPE: Lump Sum

EXPIRATION DATE: November 15, 2013

ALLOCATION: Export Restricted

BID DEPOSIT: \$68,600.00 or Bid Bond. Said deposit shall constitute an opening bid at the appraised price.

HARVEST METHOD: 93% - ground/7% uphill cable. Ground based restricted to shovel only (no rubber tired skidders). 30' No Equipment Zones on all Type 5 streams. Ground Based Yarding will not be permitted from October 15 to April 15 unless authorized in writing by the Contract Administrator.

ROADS: 65.00 stations of required construction. 51.48 stations of optional construction. 44.00 stations of optional reconstruction. 198.41 stations of optional pre-haul maintenance. 56.29 stations of required pre-haul maintenance. Purchaser maintenance on all new road construction, the CP-650, CP-658.1, B-6550, B-6555, OZ-1401, OZ-1450, and all other forest roads used. Designated maintenance on the D-5096. Deactivation and timber haul restricted from November 15 to May 15. Rock haul, pre-haul maintenance, reconstruction and road construction will not be permitted from October 15 to May 15 unless authorized in writing by the Contract Administrator.

TIMBER NOTICE OF SALE

ACREAGE DETERMINATION

CRUISE METHOD: Sale acreage was 100% GPS'd. Sale acres were cruised using a variable plot sample with a BAF of 54.45F and 40.00F on a 330 x 330 foot grid for Unit #1; a BAF of 46.94F on a 330 x 330 foot grid for Units #2 and 3; a BAF of 54.45F on a 330 x 330 foot grid for Unit #4.

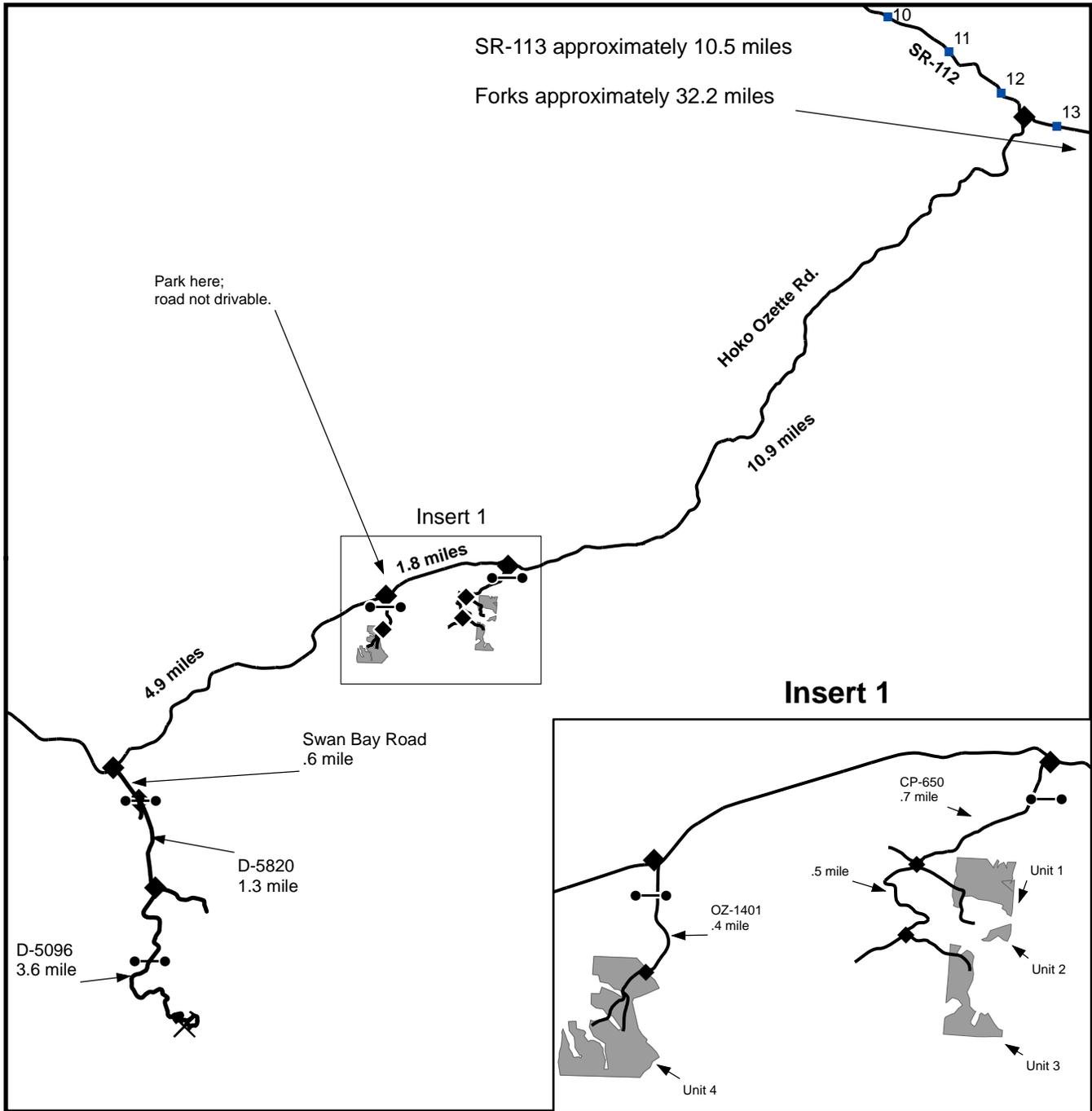
FEES: On day of sale, Purchaser must provide the DNR with cashier's checks made payable to Hawthorn Timberlands LLC - The Campbell Group for \$3,900.00, Green Crow for \$1,222.25 and Merrill and Ring for \$6,568.12 for Road Use Permits. \$45,315.00 is due on day of sale. \$9.00 per MBF is due upon removal. These are in addition to the bid price.

SPECIAL REMARKS: There are locked gates on the CP-650, D-5820 and D-5096 Roads - contact the Olympic Region Dispatch Center at 360-374-2811 to obtain a AA-1 key.

DRIVING MAP

SALE NAME: BIG BOE
AGREEMENT#: 30-087236
TOWNSHIP(S): T31R14W
TRUST(S): State Forest Transfer(1)

REGION: Olympic Region
COUNTY(S): CLALLAM
ELEVATION RGE: 154-717



Legend

- Rockpit
- Mileage Marker
- Haul_Route
- Units
- Milepost Markers (DOT)
- Gates

DRIVING DIRECTIONS:

From Forks: take US 101 north to SR-113 (approximately 11.7 miles). Turn left onto SR-113 and continue to SR-112 (approximately 10 miles) and continue straight on SR-112 to the Hoko Ozette Rd (approximately 10.5 miles). Turn left onto the Hoko Ozette Rd and continue 10.9 miles to the CP-650. To get to units 1-3 turn left on CP-650 and continue .7 mile. To get to unit 4 continue past CP-650 for 1.8 miles to the OZ-1401. Turn left on the OZ-1401 and travel .4 mile. OZ-1401 not drivable at this time.

Old Siwash Pit: From the SR-112 turn left on the Hoko Ozette Rd and travel 17.6 miles to the Swan Bay Road. Turn left on the Swan Bay Road and travel .6 miles to the D-5820. turn left onto the D-5820 through the gate and continue 1.3 miles to the D-5096. Turn right onto the D-5096 and continue 3.6 miles to the pit, which will be on the spur to the right.

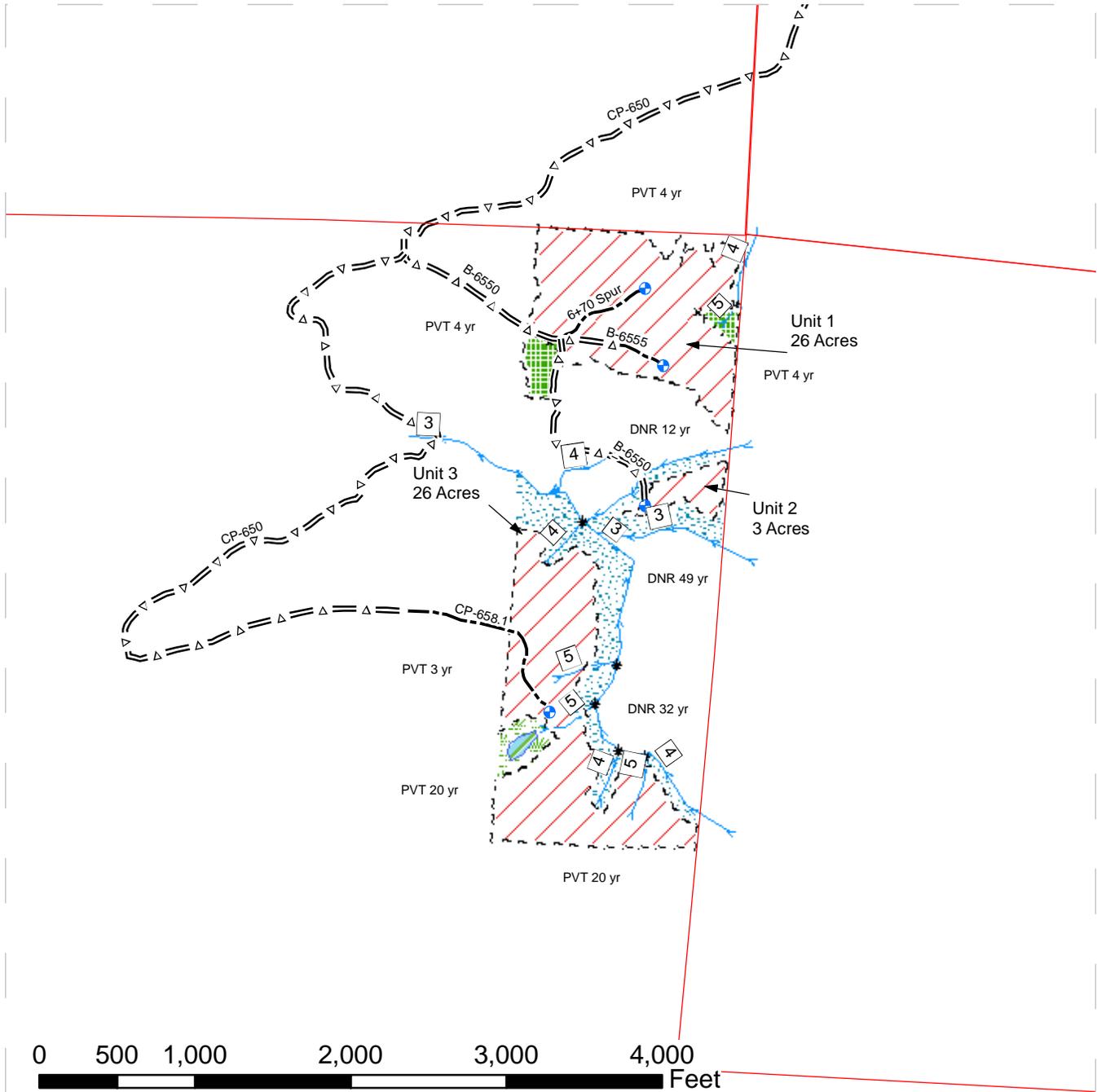
Gated Roads:
 CP-650 (gated off at the Hoko Ozette Rd)
 OZ-1401 (gated off at the Hoko Ozette Rd) No key / not drivable (farm gate)
 D-5820 (gated off the Swan Bay Road)
 D-5096 (gated at the north DNR property line)



TIMBER SALE MAP

SALE NAME: Big Boe
AGREEMENT#: 30-087236
TOWNSHIP(S): T31N R14W
TRUST(S): 01 State Forest Transfer Lands

REGION: Olympic
COUNTY(S): Clallam
ELEVATION RGE: 120-520



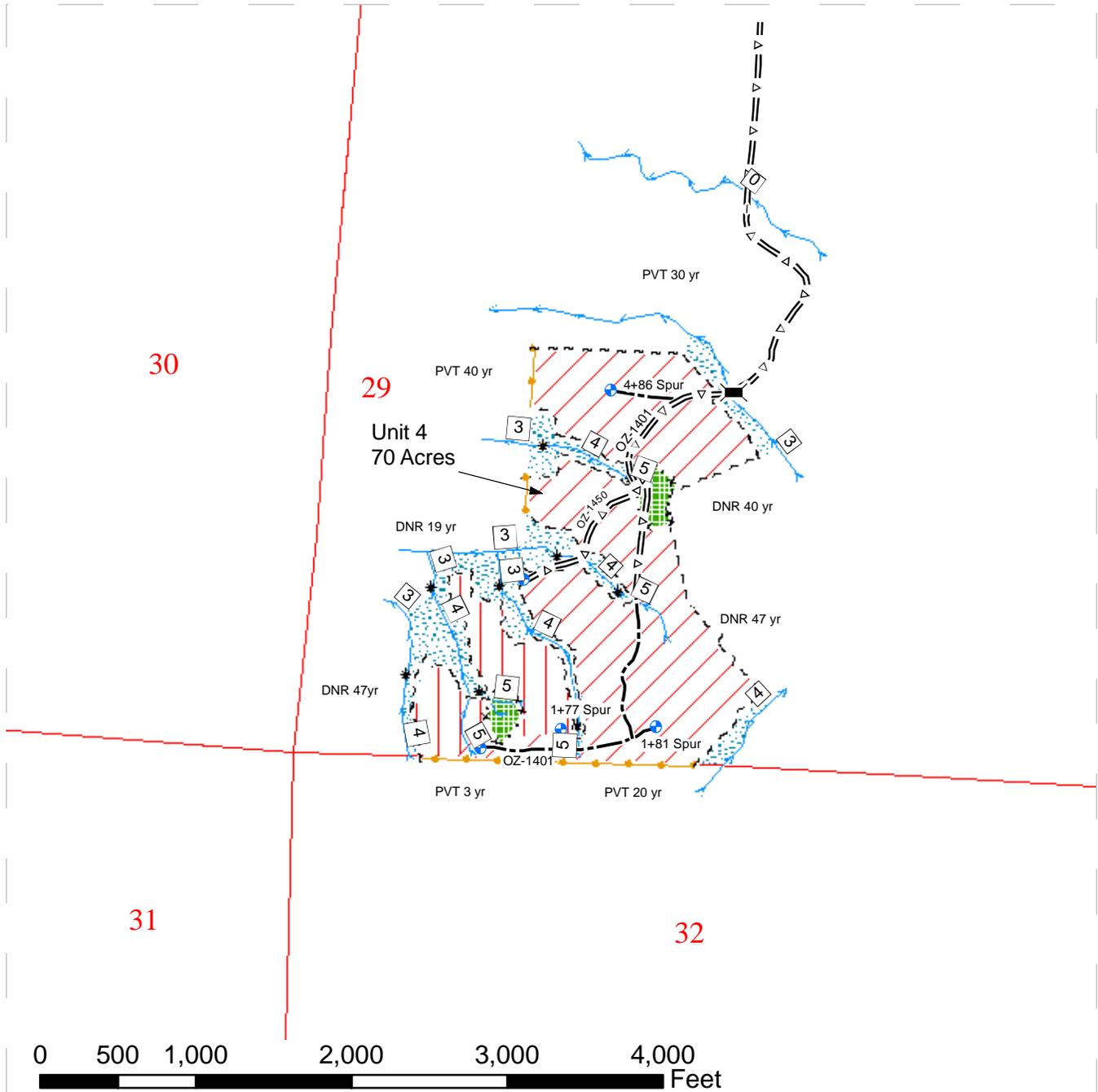
| | | |
|--------------------|------------------------------|--------------------|
| Cable | Bridge | Stream Type Breaks |
| Ground | Landings | Streams |
| Leave Tree Area | Optional Reconstruction | Wetland |
| Unit Boundary Tags | Optional Prehaul Maintenance | WMZ |
| Blazed Lines | Optional Construction | RMZ |
| Leave Tree Areas | Section Lines | |
| Open Lines | | |



TIMBER SALE MAP

SALE NAME: Big Boe
AGREEMENT#: 30-087236
TOWNSHIP(S): T31N R14W
TRUST(S): 01 State Forest Transfer Lands

REGION: Olympic
COUNTY(S): Clallam
ELEVATION RGE: 120-520



| | | |
|--------------------|------------------------------|--------------------|
| Cable | Bridge | Stream Type Breaks |
| Ground | Landings | Streams |
| Leave Tree Area | Optional Reconstruction | Wetland |
| Unit Boundary Tags | Optional Prehaul Maintenance | WMZ |
| Blazed Lines | Optional Construction | RMZ |
| Leave Tree Areas | Section Lines | |
| Open Lines | | |



TIMBER NOTICE OF SALE

SALE NAME: SMARTY PANTS

AGREEMENT NO: 30-087395

AUCTION: December 15, 2011 starting at 10:00 a.m., **COUNTY:** Lewis
Pacific Cascade Region Office, Castle Rock, WA

SALE LOCATION: Sale located approximately 13 miles southwest of Mossyrock, Washington.

**PRODUCTS SOLD
AND SALE AREA:**

All timber, except leave trees bounded by yellow leave tree area tags, leave trees marked with blue paint, snags, stumps, and all down timber existing 2 years prior to the day of sale, bounded by the following: timber sale boundary tags, reprod, and private property in Unit #1; timber sale boundary tags, reprod, and W-1200 and W-1220 roads in Unit #2; timber sale boundary tags in Units #3 and #4; and all timber bounded by Right-of-Way boundary tags on part(s) of Sections 19, 30 and 31 all in Township 12 North, Range 2 East, Sections 24 and 25 all in Township 12 North, Range 1 East, W.M., containing 91 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:

| Species | Avg DBH | Ring Count | Total MBF | MBF by Grade | | | | | | | | |
|-------------|---------|------------|-----------|--------------|----|----|----|----|-------|-----|-----|----|
| | | | | 1P | 2P | 3P | SM | 1S | 2S | 3S | 4S | UT |
| Douglas fir | 18.9 | 8 | 1,626 | | | | 42 | | 1,126 | 371 | 87 | |
| Red alder | 11.6 | | 626 | | | | | | 87 | 46 | 493 | |
| Maple | 13.6 | | 192 | | | | | | 35 | 36 | 121 | |
| Hemlock | 19.1 | 8 | 82 | | | | | | 38 | 40 | 4 | |
| Cottonwood | 23.5 | | 55 | | | | | | 53 | | 2 | |
| Red cedar | 20 | | 33 | | | | | | | 30 | 3 | |
| Grand fir | 34 | | 12 | | | | | | 12 | | | |
| Sale Total | | | 2,626 | | | | | | | | | |

MINIMUM BID: \$656,000.00 **BID METHOD:** Sealed Bids

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

EXPIRATION DATE: October 31, 2013 **ALLOCATION:** Export Restricted

BID DEPOSIT: \$65,600.00 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 75% ground-based and 25% cable harvesting. Ground based equipment will be restricted to slopes less than 40%. Shovel logging shall only operate during dry soil conditions. See clause H-140 and Schedule L for further harvest requirements. A detailed felling and yarding plan, per clause H-040, shall be required prior to any harvest activities and approved in writing by the Contract Administrator. Ground Based Yarding will not be permitted from November 1 to May 31 unless authorized in writing by the Contract Administrator.

ROADS: 20.47 stations of required construction. 26.38 stations of optional construction. 460.35 stations of required pre-haul maintenance. 27.87 stations of required light abandonment. Rock for construction or pre-haul maintenance under this contract may be obtained at no

TIMBER NOTICE OF SALE

cost to the Purchaser from the Jupe Quarry located in Section 32, Township 12 North, Range 02 East, W.M. Purchaser shall remove existing culverts and/or embankment in accordance with the Hydraulics Project Approval, SETTLING POND AND PUMP DETAIL, and the LIVE STREAM CULVERT REMOVAL PROCEDURE on the W-1220 road at stations 4+33, 15+50, 21+50. Hauling shall be suspended when wheel track rutting exceeds 6 inches; hauling may resume with written Contract Administrator approval. Road construction will not be permitted from September 30 to May 1 unless authorized in writing by the Contract Administrator. Construction restriction applies to road construction, pre-haul maintenance, and road abandonment activities. The hauling of forest products will not be permitted from September 30 to May 1 unless authorized in writing by the Contract Administrator. The hauling of forest products restriction only applies to the W-1300, W-1380, and Spur 1A roads. Rock hauling will not be permitted between September 30 and May 1 unless authorized in writing by the Contract Administrator.

ACREAGE DETERMINATION

CRUISE METHOD: The sale acres were determined by GPS. The sale area was cruised using a variable plot cruise method.

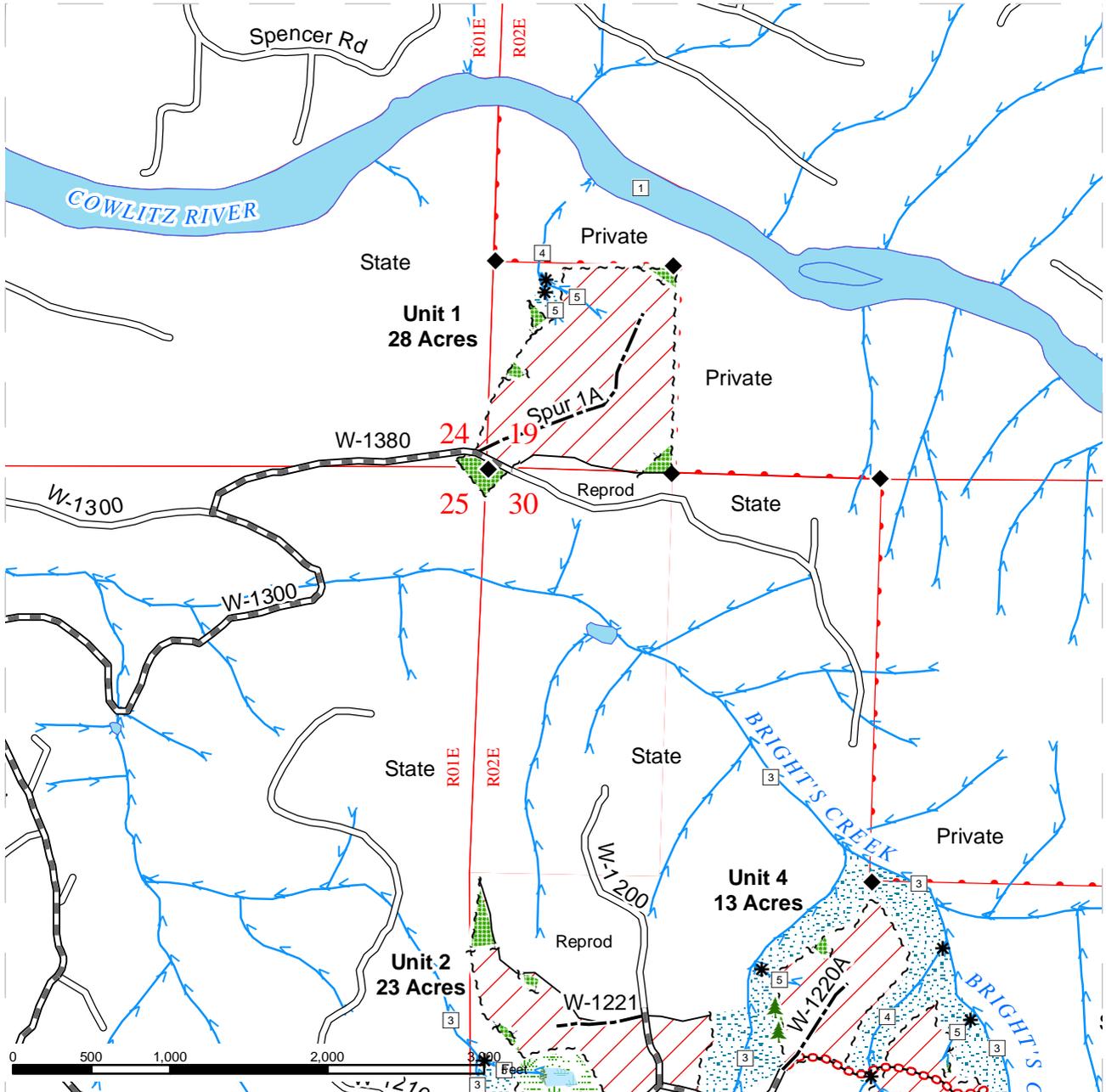
FEES: \$34,800.00 is due on day of sale. \$9.00 per MBF is due upon removal. These are in addition to the bid price.

SPECIAL REMARKS: None.

TIMBER SALE MAP

SALE NAME: SMARTY PANTS
AGREEMENT#: 30-087395
TOWNSHIP(S): T12R01E, T12R02E
TRUST(S): State Forest Purchase(2), Common School and Indemnity(3), Scientific School(10)

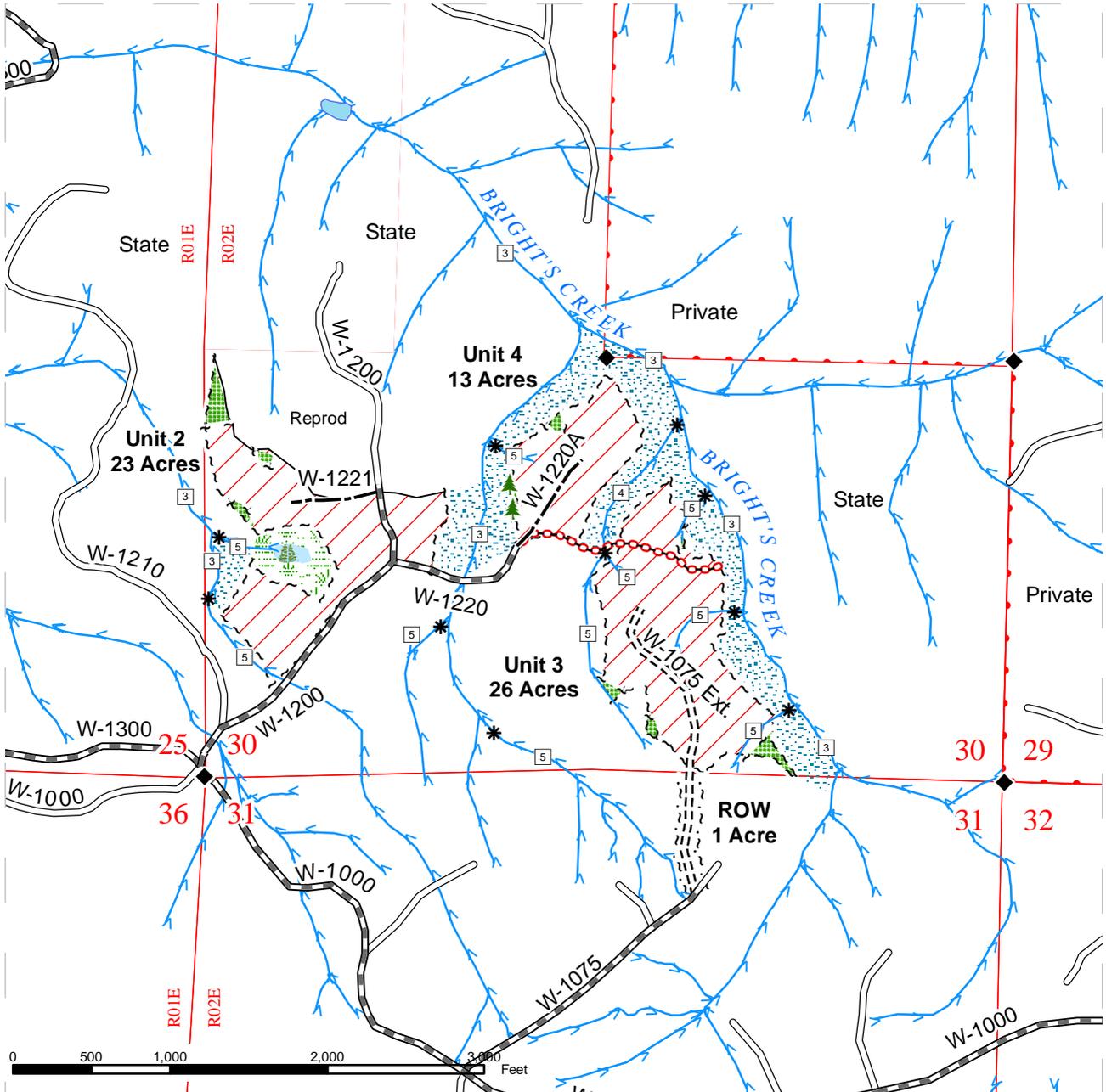
REGION: Pacific Cascade Region
COUNTY(S): LEWIS
ELEVATION RGE: 459-1047



TIMBER SALE MAP

SALE NAME: SMARTY PANTS
AGREEMENT#: 30-087395
TOWNSHIP(S): T12R01E, T12R02E
TRUST(S): State Forest Purchase(2), Common School and Indemnity(3), Scientific School(10)

REGION: Pacific Cascade Region
COUNTY(S): LEWIS
ELEVATION RGE: 459-1047



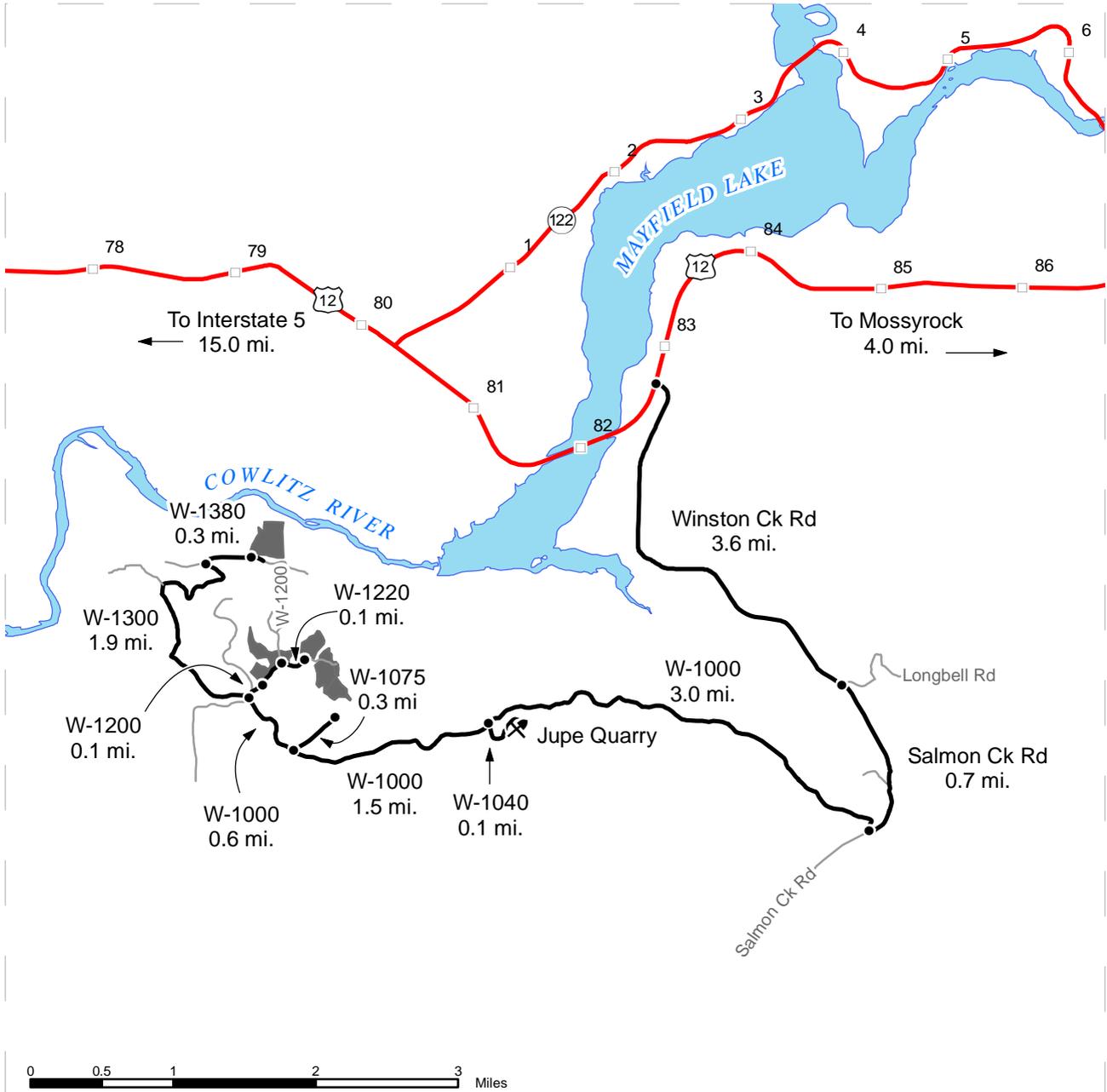
| | | |
|--------------------|-------------------------------|-------------------|
| Sale Area | Right of Way Tags | Streams |
| Leave Tree Area | Existing Roads | Stream Type |
| Riparian Mgt Zone | Required Pre-Haul Maintenance | Stream Type Break |
| Wetland Mgt Zone | Required Construction | Monumented Corner |
| Forested Wetland | Optional Construction | Leave Trees |
| Sale Boundary Tags | Required Abandonment | |
| Leave Tree Tags | | |



DRIVING MAP

SALE NAME: SMARTY PANTS
AGREEMENT#: 30-087395
TOWNSHIP(S): T12R01E, T12R02E
TRUST(S): State Forest Purchase(2), Common School and Indemnity(3), Scientific School(10)

REGION: Pacific Cascade Region
COUNTY(S): LEWIS
ELEVATION RGE: 459-1047



| | |
|--|--------------------|
| | Timber Sale Unit |
| | Highways |
| | Haul Route |
| | Other Route |
| | Milepost Marker |
| | Distance Indicator |
| | Existing Rock Pit |

DRIVING DIRECTIONS:

From State Route 12, before milepost 83, turn south onto Winston Creek Road. Travel 3.6 miles to Longbell Road, Winston Creek Road turns into Salmon Creek Road. Continue on Salmon Creek Road for about 0.7 miles and turn right onto the W-1000. Follow W-1000 for about 4.5 miles and turn right onto W-1075. Follow W-1075 for about 0.3 miles to access Unit 3. To access Units 2 and 3, continue on the W-1000 from the W-1075 for 0.6 miles. Turn right onto W-1200 to access Units 2 and 3. To access Unit 1, continue on the W-1300 from the W-1200 for about 1.9 miles. Veer right onto the W-1380 and follow for about 0.3 miles.



TIMBER NOTICE OF SALE

SALE NAME: FINAL DIVIDE

AGREEMENT NO: 30-084699

AUCTION: December 13, 2011 starting at 10:00 a.m., **COUNTY:** Mason
South Puget Sound Region Office, Enumclaw, WA

SALE LOCATION: Sale located approximately 9 miles north of the town of Hoodspport.

PRODUCTS SOLD AND SALE AREA:

All timber bounded by property lines marked with yellow flagging, except those trees marked with blue paint or bounded out by yellow leave tree area tags and down timber existing more than 5 years from the day of sale in Unit #1; all timber bounded by white timber sale boundary tags and logged areas, except those trees marked with blue paint or bounded out by yellow leave tree area tags and down timber existing more than 5 years from the day of sale in Unit #2; all timber marked with red paint within the wetland thinning area in Unit #3 on part(s) of Sections 8 and 16 all in Township 23 North, Range 4 West, W.M., containing 104 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:

| Species | Avg DBH | Ring Count | Total MBF | MBF by Grade | | | | | | | | |
|-------------|---------|------------|-----------|--------------|----|----|----|----|-----|-----|-----|----|
| | | | | 1P | 2P | 3P | SM | 1S | 2S | 3S | 4S | UT |
| Douglas fir | 11.4 | 12 | 1,441 | | | | 13 | | 365 | 769 | 294 | |
| Hemlock | 10.5 | 9 | 326 | | | | | | | 223 | 103 | |
| Red cedar | 9.8 | | 48 | | | | | | | 17 | 31 | |
| Sale Total | | | 1,815 | | | | | | | | | |

MINIMUM BID: \$564,000.00 **BID METHOD:** Sealed Bids

PERFORMANCE SECURITY: \$50,000.00 **SALE TYPE:** Lump Sum

EXPIRATION DATE: August 31, 2013 **ALLOCATION:** Export Restricted

BID DEPOSIT: \$56,400.00 or Bid Bond. Said deposit shall constitute an opening bid at the appraised price.

HARVEST METHOD: Yarded by cable and tracked ground based equipment with ground based equipment limited to slopes that are 40 percent and less. Yarding may be restricted during wet weather if rutting becomes excessive in the opinion of the Contract Administrator. If Purchaser elects to shovel log, shovel logging shall be done in accordance with the attached Schedule A, which is part of this contract.

Falling, yarding and timber haul will not be permitted from October 1 to April 30, nor 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 October 1 to April 30, the Purchaser shall be required to provide a "Winter Operating Plan" to include further protection of water, soil, roads and other forest assets. The "Winter Operating Plan" must be approved in writing by the Contract Administrator prior to commencing any winter operations.

TIMBER NOTICE OF SALE

ROADS: 16.83 stations of optional reconstruction. 16.83 stations of abandonment, if reconstructed. Purchaser maintenance on all roads used.

Road reconstruction and rock haul will not be permitted from October 1 to April 30, nor 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 October 1 to April 30, the Purchaser shall be required to provide a "Winter Operating Plan" to include further protection of water, soil, roads and other forest assets. The "Winter Operating Plan" must be approved in writing by the Contract Administrator prior to commencing any winter operations.

ACREAGE DETERMINATION

CRUISE METHOD: Acreage was determined in Units #1 and #2 by traversing boundaries by GPS. Acreage was determined in Unit #3 by multiplying length times width. Traverse GPS data files are available upon request by emailing audrey.mainwaring@dnr.wa.gov or calling Audrey Mainwaring at (360) 802-7001. Units #1 and #2 were cruised using a variable plot sample with a BAF of 27.78 on a 246x246 foot grid. Unit #3 was cruised using individual tree sampling.

FEES: \$24,049.00 is due on day of sale. \$9.00 per MBF is due upon removal. These are in addition to the bid price.

SPECIAL REMARKS: Portions of this sale have been pre-poled. Stands contain high variability. See pre-cruise and cruise narrative for additional information.

Purchaser shall cut vine maple and sever from the stump within the timber sale area.

No equipment will be allowed within the boundaries of Unit #3. All trees to be felled within Unit #3 are marked with red paint and must be hand felled towards the boundary of Unit #2, where they can be reached with equipment.

Extreme hazard abatement will be required within 100 feet from the edge of the road for the entire length of State Route 119 in Unit 1. Required hazard abatement shall be completed and approved in writing by the Contract Administrator prior to leaving the unit.

Purchaser assumes responsibility for any county road use permits and for all costs associated with permits and extra maintenance or repair levied by a county for any county road used by the Purchaser.

A Road Approach Permit (RAP) has been obtained with Washington State Department of Transportation for the approach to State Route 119. All work must be done in accordance with the RAP.

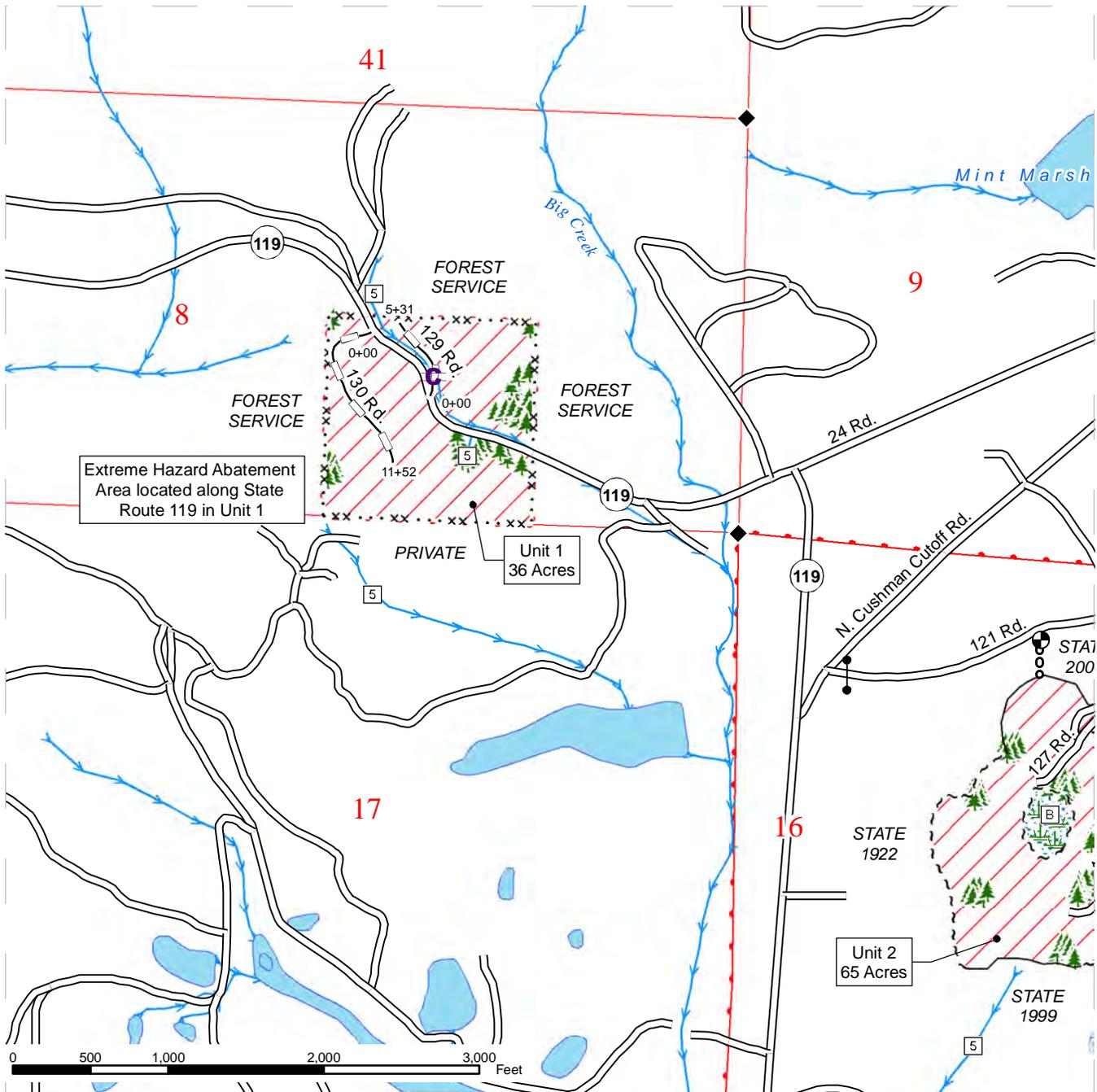
To drive to Units #2, #3 and Saddle Pit, please obtain a Master 383 key from the SPS Region office in Enumclaw or the workspace in Shelton by contacting Mike Davies at (360) 801-0682 or Matt Provencher at (360) 463-1829.

This sale contains approximately 255 mbf of high quality Douglas fir mini-peeler.

TIMBER SALE MAP

SALE NAME: FINAL DIVIDE
AGREEMENT#: 30-084699
TOWNSHIP(S): T23R04W
TRUST(S): Common School and Indemnity(3), Charitable/Educational/Penal & Reformatory Instit.(6)

REGION: South Puget Sound Region
COUNTY(S): MASON
ELEVATION RGE: 810-1149 ft.



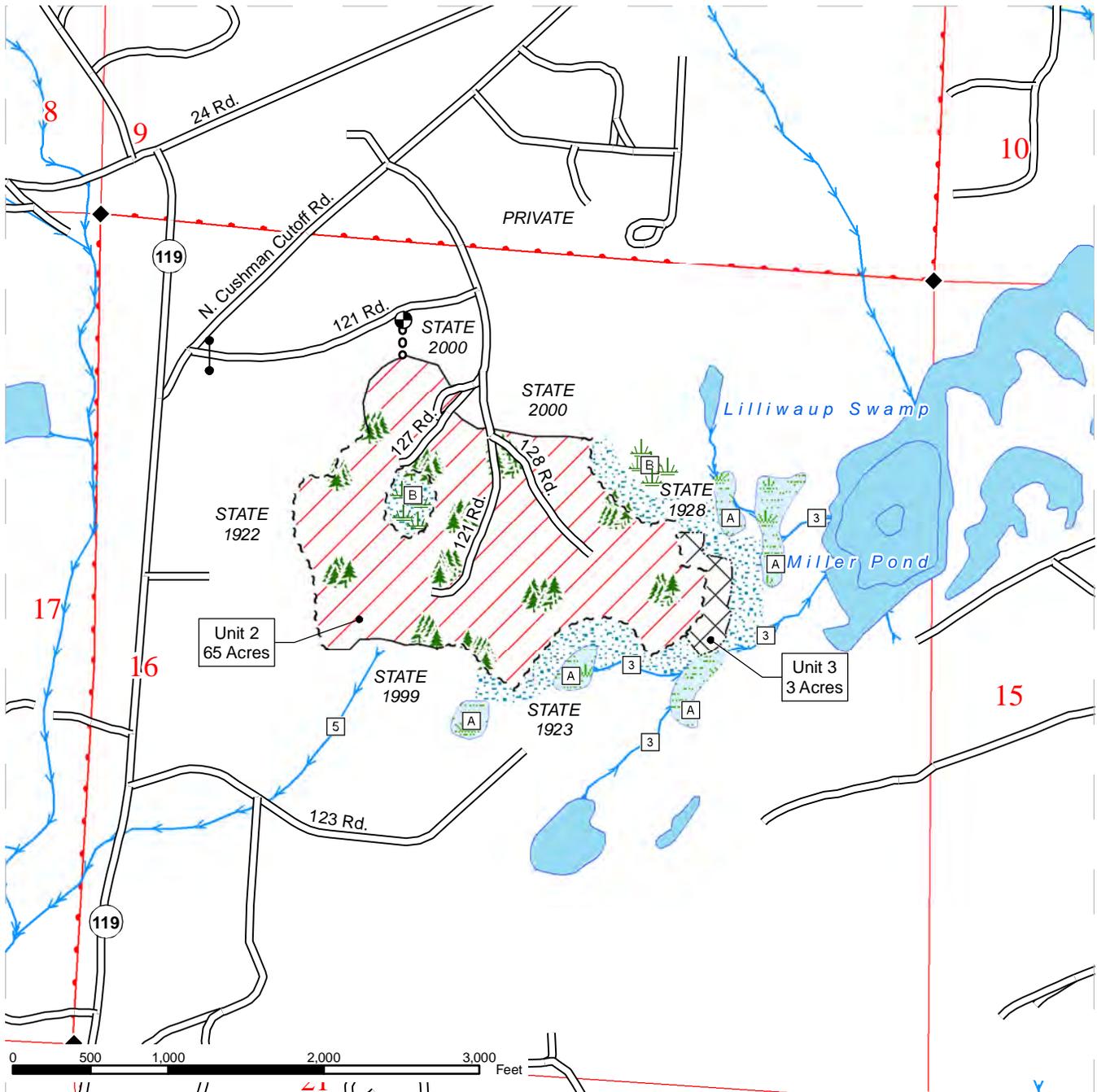
| | | |
|---|--|-----------------------------|
| Timber Sale Area | Designated Skid Trail | Designated Landing |
| Wetland Thinning Area | WMZ/RMZ Area | Survey Corner |
| No Boundary Tags | Wetland | DNR Managed Lands |
| Reprod/Stand Type Change | Streams | Public Land Survey Sections |
| White Timber Sale Boundary Tags | Water Type | Open Water |
| Property Line Marked with Yellow Ribbon | Culvert Installation | |
| Existing Roads | Gate: Master 383 | |
| Optional Reconstruction | Leave Tree Areas Marked with Yellow Tags | |



TIMBER SALE MAP

SALE NAME: FINAL DIVIDE
AGREEMENT#: 30-084699
TOWNSHIP(S): T23R04W
TRUST(S): Common School and Indemnity(3), Charitable/Educational/Penal & Reformatory Instit.(6)

REGION: South Puget Sound Region
COUNTY(S): MASON
ELEVATION RGE: 810-1149 ft.



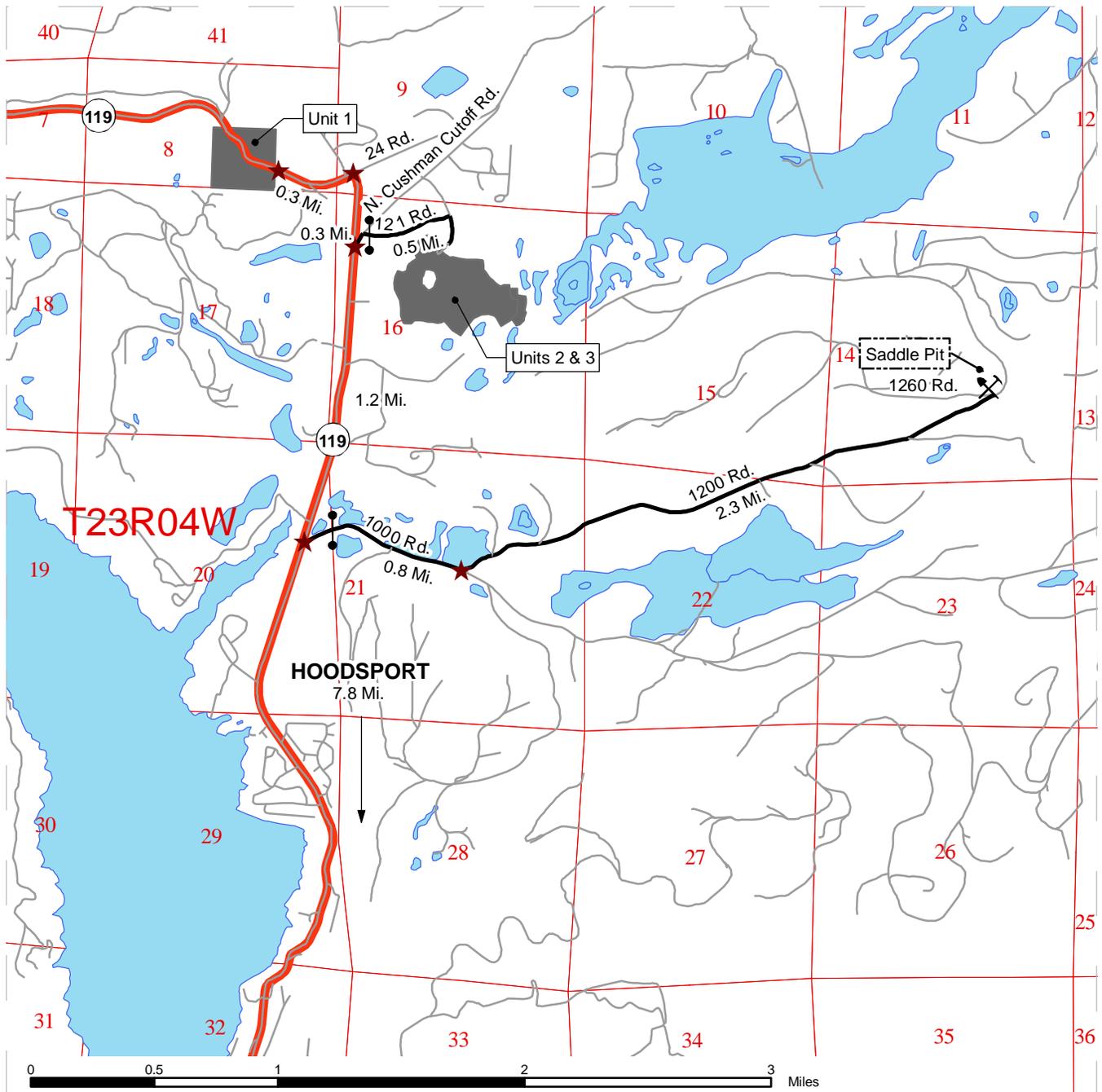
| | | |
|---|--|-----------------------------|
| Timber Sale Area | Designated Skid Trail | Designated Landing |
| Wetland Thinning Area | WMZ/RMZ Area | Survey Corner |
| No Boundary Tags | Wetland | DNR Managed Lands |
| Reprod/Stand Type Change | Streams | Public Land Survey Sections |
| White Timber Sale Boundary Tags | Water Type | Open Water |
| Property Line Marked with Yellow Ribbon | Culvert Installation | |
| Existing Roads | Gate: Master 383 | |
| Optional Reconstruction | Leave Tree Areas Marked with Yellow Tags | |



DRIVING MAP

SALE NAME: FINAL DIVIDE
 AGREEMENT#: 30-084699
 TOWNSHIP(S): T23R04W
 TRUST(S): Common School and Indemnity(3), Charitable/Educational/Penal & Reformatory Instit.(6)

REGION: South Puget Sound Region
 COUNTY(S): MASON
 ELEVATION RGE: 810-1149 ft.



| | |
|--|--|
| <ul style="list-style-type: none"> Timber Sale Unit Existing Roads Haul Route Highways Open Water Distance Indicator Rock Pit Gate: Master 383 | <p>From Hoodspport take State Route 119 north for approximately 9.0 miles. Turn east on N. Cushman Cutoff Road and take the first right onto the 121 Road. Follow the 121 Road for about 0.5 miles to Units 2 & 3.</p> <p>Unit 1: Continue north on State Route 119 for about 0.3 miles to the T-intersection. Turn left to stay on State Route 119 and follow it approximately 0.3 miles to Unit 1.</p> <p>Saddle Rock Pit: Follow State Route 119 north from Hoodspport for about 7.8 miles. Turn right onto the 1000 Road, pass through the gate and follow for approximately 0.8 miles. Turn left onto the 1200 Road and follow for another 2.3 miles to the 1260 Road and Saddle Pit.</p> |
|--|--|

TIMBER NOTICE OF SALE

SALE NAME: HUNDRED DAYS

AGREEMENT NO: 30-086721

AUCTION: December 14, 2011 starting at 10:00 a.m., **COUNTY:** Skagit
Northwest Region Office, Sedro Woolley, WA

SALE LOCATION: Sale located approximately 12 miles northeast of Arlington, WA.

**PRODUCTS SOLD
AND SALE AREA:**

All timber bounded by white timber sale boundary tags, adjacent young stands and the CN-11 Road, except trees marked with blue paint on the bole and root collar, forest products tagged out by yellow leave tree area tags, and cedar snags, preexisting dead and down cedar trees and logs in Units #1, 3, and 4.

All timber bounded by white timber sale boundary tags and adjacent young stands, except trees marked with blue paint on the bole and root collar, forest products tagged out by yellow leave tree area tags, and cedar snags, preexisting dead and down cedar trees and logs in Unit #2.

All timber bounded by orange right of way tags.

The above described products on part(s) of Sections 25, 26 and 35 all in Township 33 North, Range 5 East, W.M., containing 81 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:

| Species | Avg DBH | Ring Count | Total MBF | MBF by Grade | | | | | | | | |
|-------------|---------|------------|-----------|--------------|----|----|-----|----|-------|-----|-----|----|
| | | | | 1P | 2P | 3P | SM | 1S | 2S | 3S | 4S | UT |
| Douglas fir | 24 | 6 | 3,132 | | | | 571 | | 1,812 | 668 | 81 | |
| Hemlock | 16 | 6 | 974 | | | | | | 438 | 431 | 105 | |
| Red cedar | 16 | | 211 | | | | | | | 192 | 19 | |
| Sale Total | | | 4,317 | | | | | | | | | |

MINIMUM BID: \$1,276,000.00 **BID METHOD:** Sealed Bids

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

EXPIRATION DATE: September 30, 2013 **ALLOCATION:** Export Restricted

BID DEPOSIT: \$127,600.00 or Bid Bond. Said deposit shall constitute an opening bid at the appraised price.

HARVEST METHOD: Cable; cable or shovel on sustained slopes 35% or less, and rubber tired or tracked skidder on abandoned road/orphaned grade only as depicted on the timber sale map. Falling and Yarding will not be permitted from November 1 to March 31 unless authorized in writing by the Contract Administrator (THIS PERTAINS TO GROUND-BASED EQUIPMENT ONLY) to reduce soil damage and erosion.

ROADS: 26.21 stations of required construction. 82.85 stations of required reconstruction. 5.64 stations of optional construction. 3.06 stations of optional reconstruction. 14.87 stations of existing road to be abandoned. 5.64 stations of road to be abandoned if built.

TIMBER NOTICE OF SALE

Removal of two old log culverts and their associated fill on the orphan grade in Unit #1 of the timber sale. See road plan for further details.

Development of an existing hardrock source (CN-2006-0101 Hardrock Pit) at station 6+40 of the CN-2006-01 Road will involve drilling, shooting, and processing rock to generate riprap, shotrock, and 3-inch-minus ballast. This rock is available at no cost on State land.

Acquisition of 78 cubic yards of streambed gravel mix from a commercial rock source for placement within the two fish passage pipe installations at stations 71+46 and 107+24 of the CN-11 Road.

An estimated total quantity of rock need for this proposal: 424 cubic yards of riprap and 7,000 cubic yards of ballast rock.

Road construction, road reconstruction, road abandonment, and the hauling of rock will not be permitted from November 1 to March 31 unless authorized in writing by the Contract Administrator to reduce soil damage and siltation. The hauling of forest products will not be permitted from November 1 to March 31 unless authorized in writing by the Contract Administrator to reduce soil damage and siltation.

ACREAGE DETERMINATION

CRUISE METHOD: Acres determined by GPS traverse. 150.2 acres gross. 5.9 acres deducted for green tree retention clumps, 54.7 acres deducted for RMZs, 7.1 acres deducted for existing roads, 0.8 acres deducted of non-forested area and 1.0 acres deducted for exclusion area. 80.7 acres net. Cruised using variable plot method. Expansion factor used is 54.54. Sighting height is 4.5 feet. A total of 57 plots were taken.

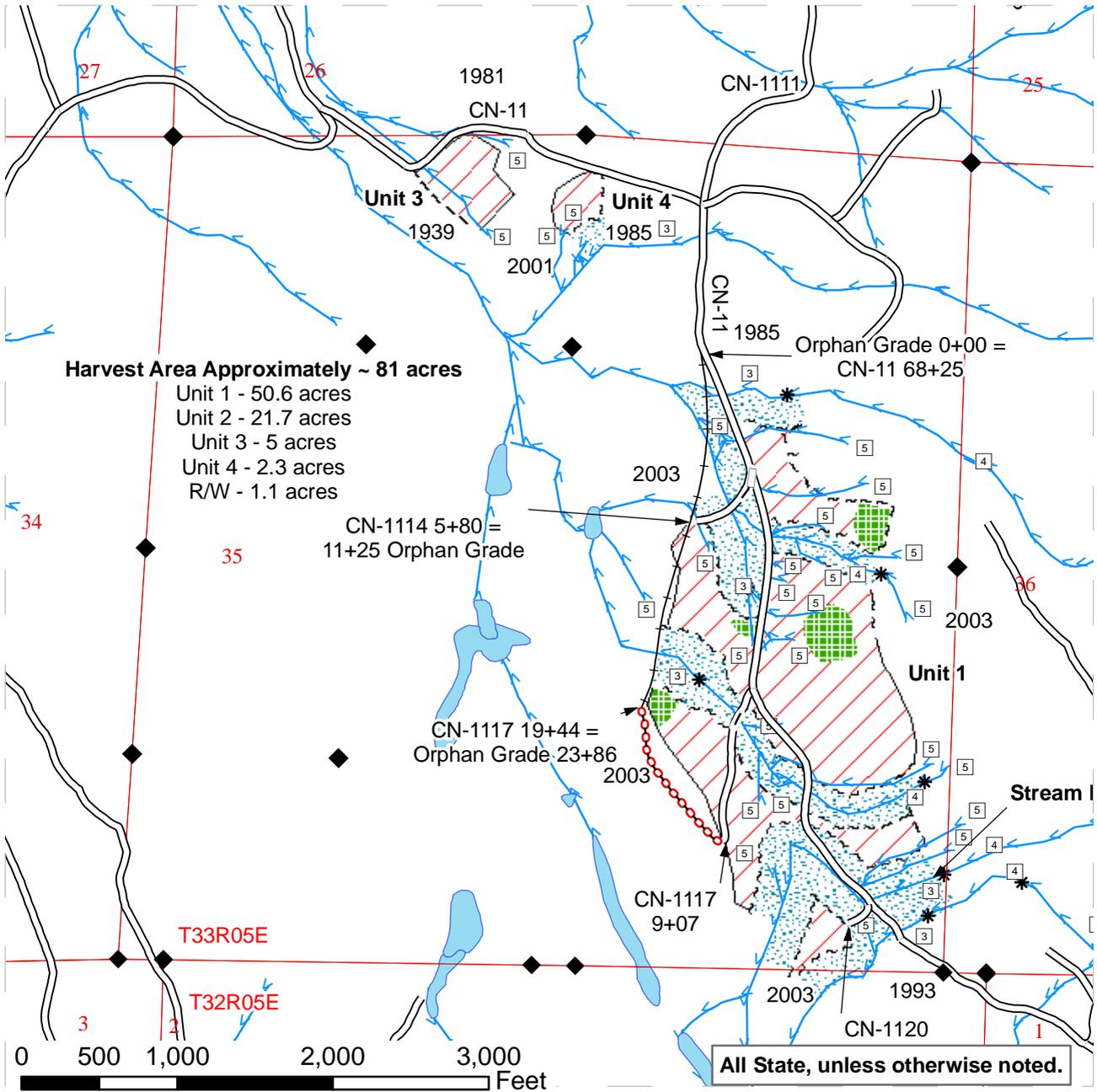
FEES: \$57,200.25 is due on day of sale. \$9.00 per MBF is due upon removal. These are in addition to the bid price.

SPECIAL REMARKS: HQ DF noted within the sale area. See cruise for further details (approximately 319 mbf of the above listed DF 2S and approximately 23 mbf of the above listed WH 2S are deemed high quality by the Department).

TIMBER SALE MAP

SALE NAME: HUNDRED DAYS
AGREEMENT#: 86721
TOWNSHIP(S): T33R05E
TRUST(S): State Forest Transfer(1), Agricultural School(4), Normal School(8)

REGION: Northwest Region
COUNTY(S): SKAGIT
ELEVATION RGE: 917-1945

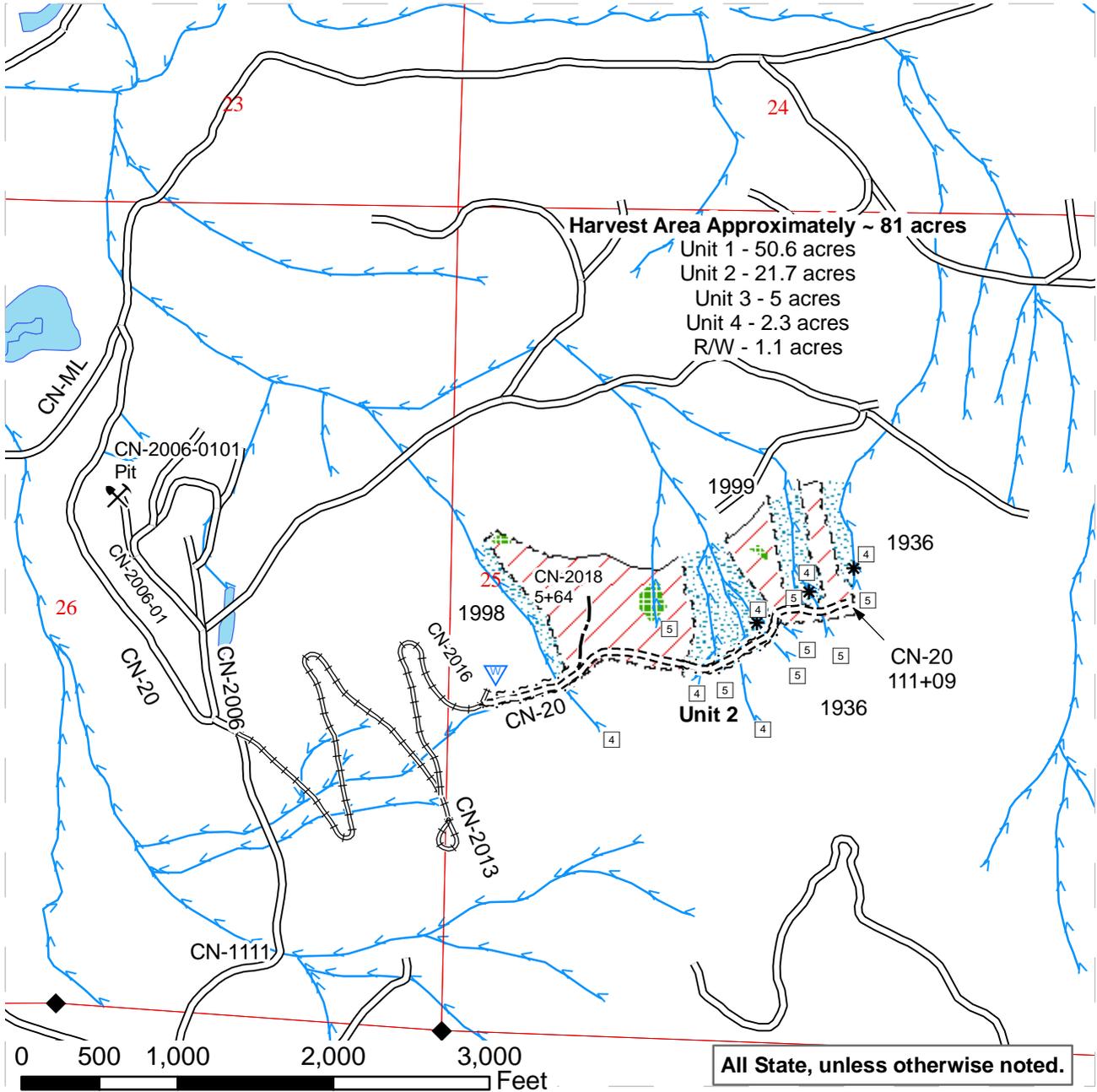


| | | | |
|---|---|---|---|
| <p> Sale Area Special Mgt Areas Riparian Mgt Zone Leave Trees </p> | <p> Public Land Survey Sections Open Water Streams Survey Corner Stream Type Break Waste Area </p> | <p> Unit Tags Sale Boundary (Reprod) Right of Way </p> | <p> Road Construction Types Existing Roads Required Reconstruction Required Construction Optional Reconstruction Orphan Grade Abandoned </p> |
|---|---|---|---|

TIMBER SALE MAP

SALE NAME: HUNDRED DAYS
AGREEMENT#: 86721
TOWNSHIP(S): T33R05E
TRUST(S): State Forest Transfer(1), Agricultural School(4), Normal School(8)

REGION: Northwest Region
COUNTY(S): SKAGIT
ELEVATION RGE: 917-1945



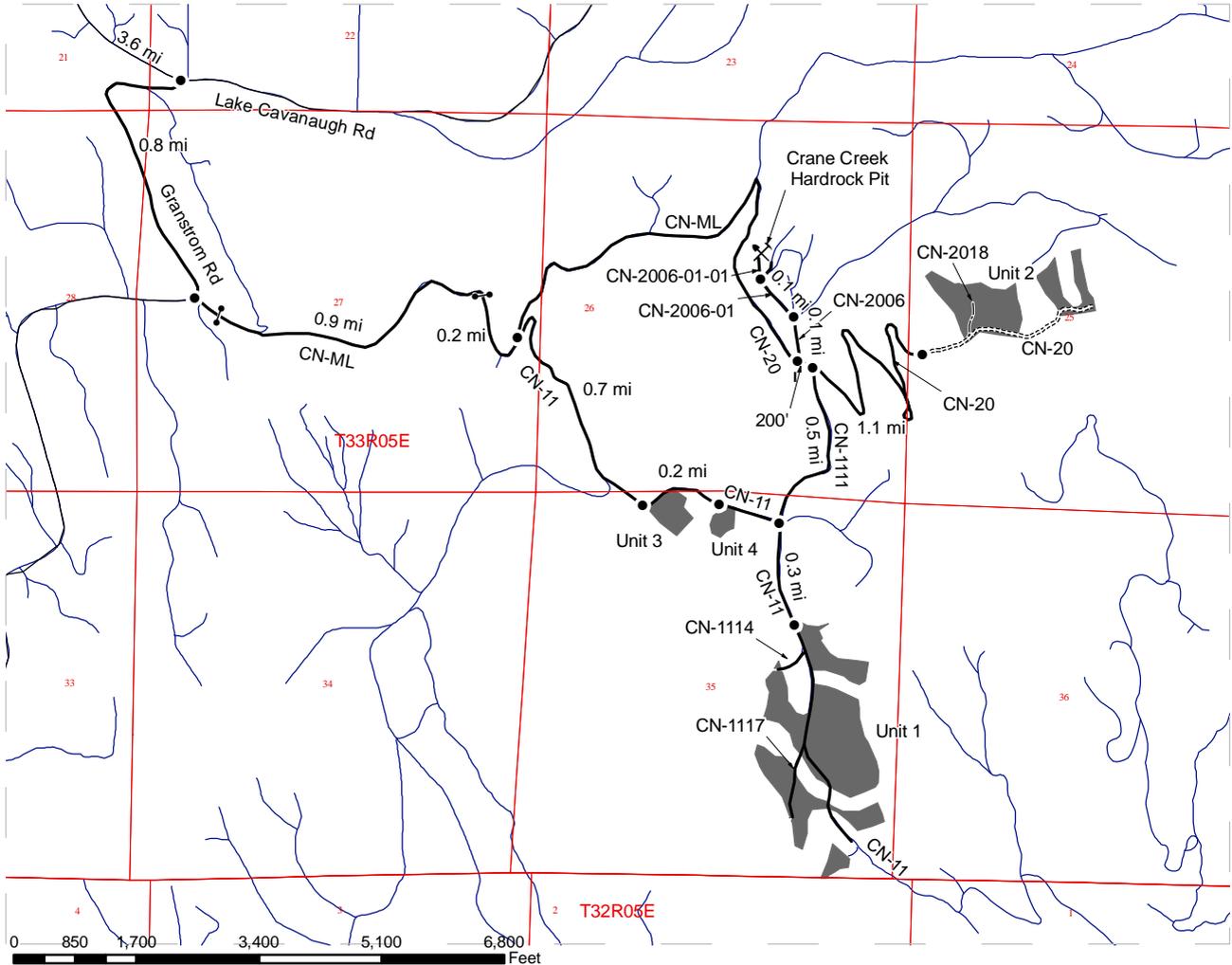
| | | | |
|-------------------|-----------------------------|------------------------|-------------------------|
| Sale Area | Public Land Survey Sections | Sale Boundary Tags | Existing Roads |
| Special Mgt Areas | Open Water | Sale Boundary (Reprod) | Required Reconstruction |
| Riparian Mgt Zone | Streams | Right of Way | Required Construction |
| Leave Trees | Survey Corner | | Optional Reconstruction |
| | Stream Type Break | | Optional Construction |
| | Waste Area | | Orphan Grade |
| | | | Abandoned |



DRIVING MAP

SALE NAME: HUNDRED DAYS
AGREEMENT#: 86721
TOWNSHIP(S): T33R05E
TRUST(S): State Forest Transfer(1), Agricultural School(4), Normal School(8)

REGION: Northwest Region
COUNTY(S): SKAGIT
ELEVATION RGE: 917-1945



| | |
|---|---|
| <ul style="list-style-type: none">  Haul Route  Sale Area  Distance Indicator  Rock Pit  Gate | <p>Driving Directions</p> <p>From the intersection of Hwy. 9 & Lk. Cavanaugh Rd. turn onto Lk. Cavanaugh Rd and continue for 3.6 miles. Turn right onto Granstrom Rd and follow for .8 miles to the Crane Creek Mainline (CN-ML). Go thru the gate and follow the CN-ML for .9 miles to the next gate. Continue on the CN-ML for .2 miles and turn right at the CN-11 road. Unit 3 Follow the CN-11 road for .7 miles. Unit 4 From Unit 3 continue on the CN-11 for .2 miles Unit 1 From Unit 4 continue on the CN-11 for .2 miles and turn right at the junction of the CN-11 and the CN-1111 and continue on the CN-11 for .3 miles. Unit 2 From the CN-11/CN-1111 junction, turn left on the CN-1111 and continue for .5 miles to where it dead ends at the CN-20. Take a right at the CN-20 and follow for 1.1 miles. Crane Creek Hardrock Pit From the junction of the CN-1111/CN-20, go left and follow for 200' and turn right at the CN-2006. Follow the CN-2006 for .1 miles and turn left at the CN-2006-01 and follow for .1 miles. Turn left at the CN-2006-01-01.</p> |
|---|---|



TIMBER NOTICE OF SALE

SALE NAME: *Pear Sorts*

AGREEMENT NO: *30-087376 - 30-087385*

AUCTION: December 15, 2011, starting at 10:00 a.m.,
Pacific Cascade Region Office, Castle Rock, WA.

COUNTY: Thurston

SALE LOCATION: Sale located approximately 9 miles west of Littlerock, Washington.

**PRODUCTS SOLD
AND SALE AREA:**

All delivered timber, including orange painted trees in Unit 1 and blue painted trees in Unit 2, except leave trees tagged out with yellow leave tree area boundary tags, leave trees marked with blue painted trees in Unit 1, and pre-existing stumps, bounded by the following: Timber Sale Boundary Tags, reproduction, the D-8100, and the D-8300 roads in Unit 1; Timber Sale Boundary Tags, reproduction, the D-line, D-8000, and the D-8004 roads in Unit 2; meeting the specifications described below; on parts of Section 1, 2, 11, and 12, Township 16 North, Range 4 West, W.M. , containing 113 acres, more or less.

MINIMUM BID AND ESTIMATED LOG SORT VOLUMES:

| Agreement # | Sort # | Species and Sort Specifications | Average Log Length | Estimated Volume | | | Minimum Bid Delivered Prices | | Total Appraised Value | Bid Deposit |
|-------------|--------|---------------------------------|--------------------|------------------|--------------|--------------|------------------------------|---------|-----------------------|--------------|
| | | | | mbf | Tons per mbf | Tons | \$/mbf | \$/Ton | | |
| 30-087376 | 1 | DF Sawlog 5-7" dib | N/A | 77 | 8.5 | 655 | | \$60.00 | \$39,300.00 | \$3,930.00 |
| 30-087377 | 2 | DF Sawlog 8-11" dib | 28 | 502 | 6.7 | | \$515.00 | | \$258,530.00 | \$25,853.00 |
| 30-087378 | 3 | DF Sawlog 12-19" dib | 28 | 1,915 | 5.6 | | \$525.00 | | \$1,005,380.00 | \$100,538.00 |
| 30-087379 | 4 | DF Sawlog 20"+ dib | 28 | 1,786 | 4.9 | | \$475.00 | | \$848,350.00 | \$84,835.00 |
| 30-087380 | 5 | DF HQ 12-19" dib | 28 | 787 | 5.4 | | \$535.00 | | \$421,050.00 | \$42,105.00 |
| 30-087381 | 6 | DF HQ 20"+ dib | 28 | 424 | 4.5 | | \$525.00 | | \$222,600.00 | \$22,260.00 |
| 30-087382 | 7 | WW Sawlongs 5"+ dib | 28 | 41 | 6.8 | | \$440.00 | | \$18,040.00 | \$1,804.00 |
| 30-087383 | 8 | RC Sawlogs 5"+ dib | 26 | 31 | 9.1 | | \$750.00 | | \$23,250.00 | \$2,325.00 |
| 30-087384 | 9 | Pulp 2"+ dib | N/A | 63 | 9.0 | 567 | | \$30.00 | \$17,010.00 | \$1,701.00 |
| 30-087385 | 10 | DF Poles 55'+ | N/A | 235 | 5.0 | | \$800.00 | | \$188,000.00 | \$18,800.00 |
| | | | | 5,861 | | 1,222 | | | \$3,041,510.00 | |

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

BID METHOD: Sealed Bids **UNIT OF MEASURE:** MBF scale/Tonnage scale

EXPIRATION DATE: June 30, 2012 **ALLOCATION:** Export Restricted

PAYMENT SECURITY: To be determined by the State as described in Clause P-041 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 NOTICE OF SALE

TIMBER EXCISE

TAX: P

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 + Haul Cost + ARRF). For more information contact the Department of Revenue, Forest Tax Section at 1-800-548-8849.

Use the following rates for estimating taxable stumpage: Harvest Cost = Insert harvest cost per mbf for Sorts 2-8; \$8.00 per ton for Sorts 1; and \$7.00 per ton for Sort 9.

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

Base Rate = \$2.35 per ton

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

ARRF = \$22.25 per mbf for Sorts 2-8 & 10. ARRF(sort 1) = \$2.62 per ton. There is no ARRF charge for sort 9.

CONFIRMATION:

Each sort is subject to confirmation following auction. No sorts will be confirmed until at least 10 days after all sorts are successfully auctioned. 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 be scaled at State approved scaling locations. The State reserves the right to determine where logs are authorized to be scaled and weighed.

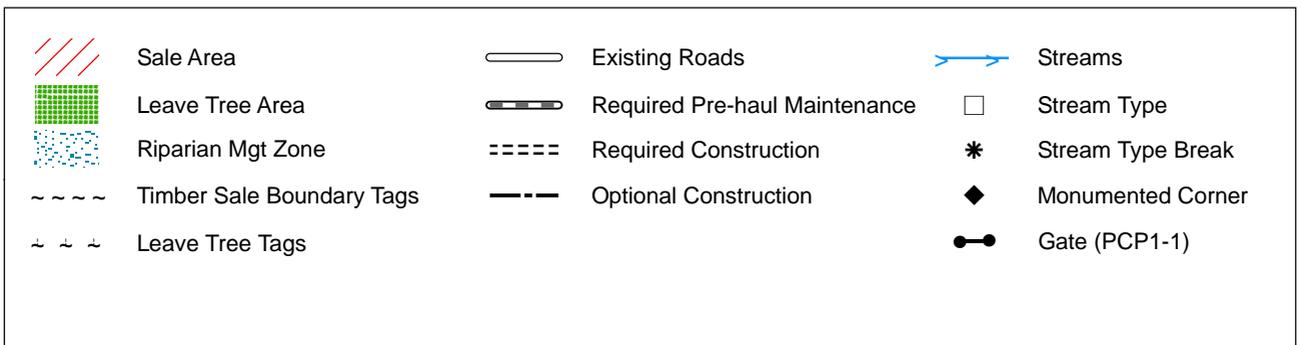
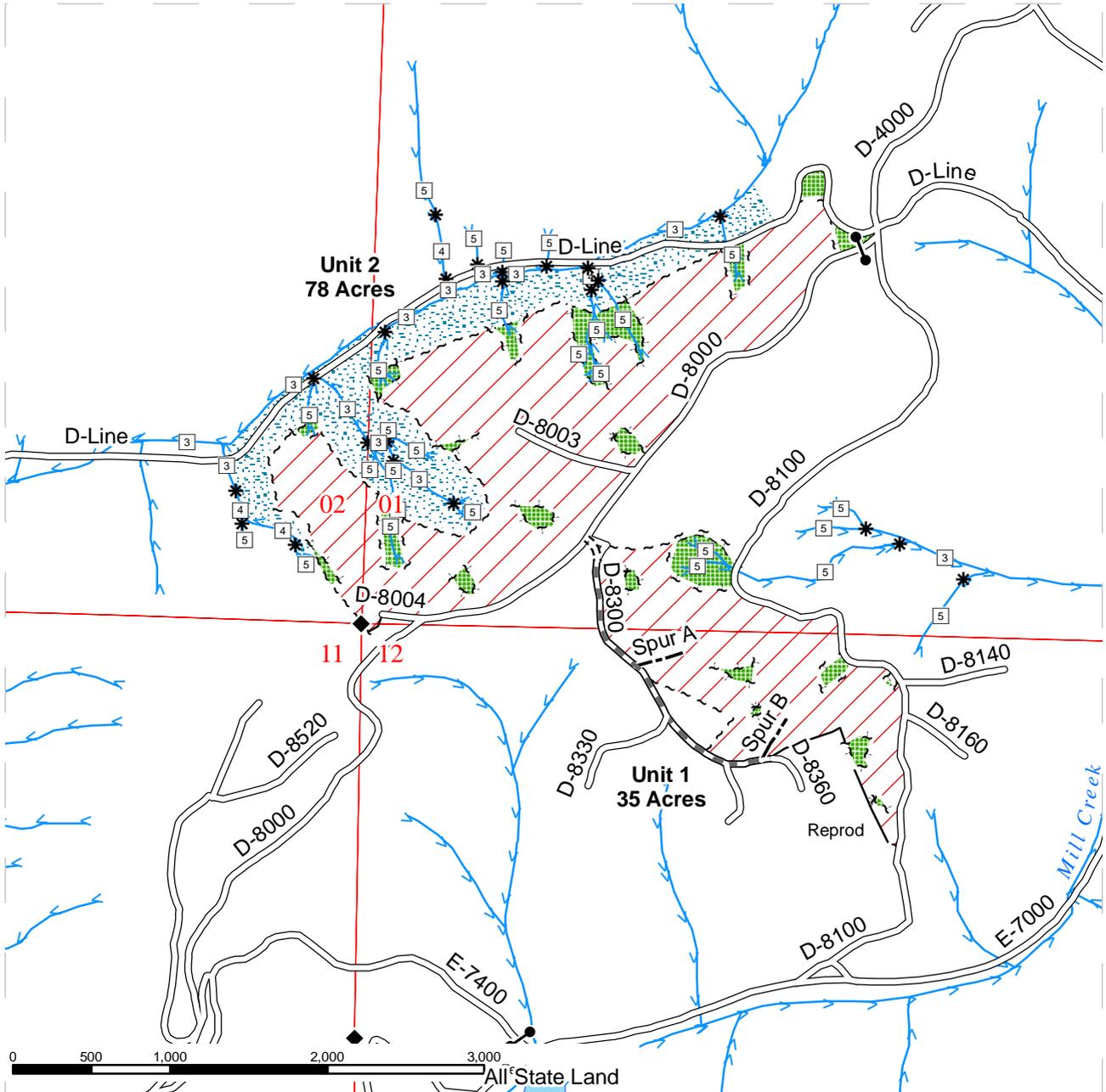
For more information regarding this log sort sale visit our web site:

<http://www.dnr.wa.gov/BusinessPermits/Topics/AppraisalPackets/Pages/Home.aspx> . If you have questions call Marcus Johns 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.

TIMBER SALE MAP

SALE NAME: PEAR SORTS
AGREEMENT#: 30-086332
TOWNSHIP(S): T16R04W
TRUST(S): State Forest Purchase (02) & Forest Board Repayment (42)

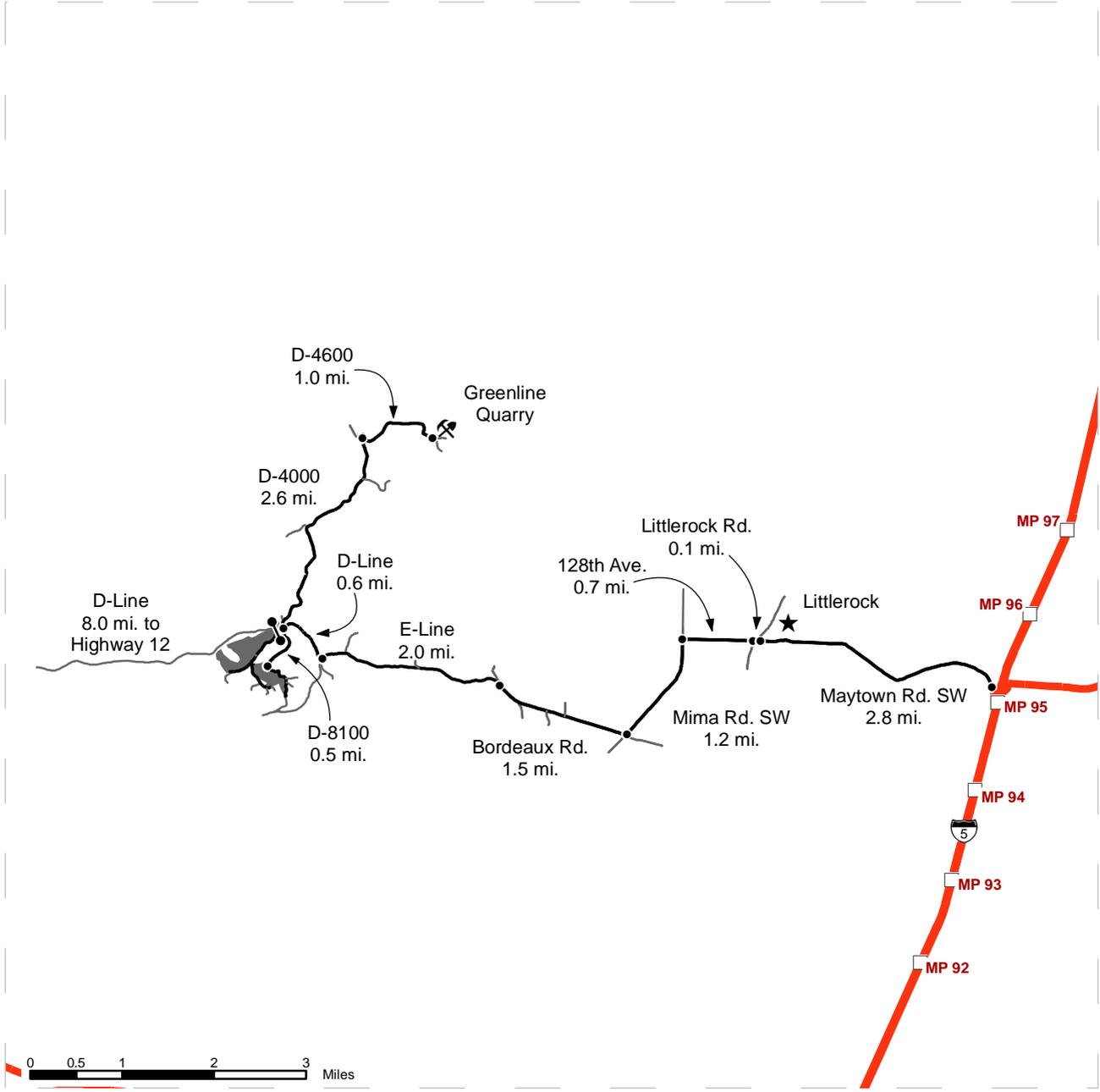
REGION: Pacific Cascade Region
COUNTY(S): THURSTON
ELEVATION RGE: 744ft. - 1,009ft.



DRIVING MAP

SALE NAME: PEAR SORTS
AGREEMENT#: 30-086332
TOWNSHIP(S): T16R04W
TRUST(S): State Forest Purchase (02) & Forest Board Repayment (42)

REGION: Pacific Cascade Region
COUNTY(S): THURSTON
ELEVATION RGE: 744ft. - 1,009ft.



| | |
|--|--------------------|
| | Timber Sale Unit |
| | Highways |
| | Haul Route |
| | Other Route |
| | Milepost Marker |
| | Distance Indicator |
| | Gate (PCP1-1) |
| | Existing Rock Pit |

DRIVING DIRECTIONS:

From Interstate 5 (milepost 95) turn west onto Maytown Rd. SW and follow for 2.8 miles.
 Turn left (west) onto Littlerock Rd. and follow for 0.1 miles.
 Turn right (west) onto 128th Ave. and follow for 0.7 miles.
 Turn left (south) onto Mima Rd. SW and follow for 1.2 miles.
 Turn right (west) onto Bordeaux Rd. and follow for 1.5 miles.
 Bordeaux Rd. becomes the E-Line; continue for 2.0 miles.
 Turn right (north) onto the D-Line and follow for 0.6 miles to Unit 2.
 Turn left (west) onto the D-8100 and follow for 0.5 miles to Unit 1.



Department of Natural Resources Region Offices

Olympia Headquarters

1111 Washington St. SE
MS 47000
Olympia, WA 98504-7000
(360) 902-1000
www.dnr.wa.gov

Forest Resources & Conservation

1111 Washington St. S.E.
MS 47016
Olympia, WA 98504-7016
(360) 902-1340
www.dnr.wa.gov

South Puget Sound Region

950 Fairman Ave. N.
Enumclaw, WA 98022-9282
(360) 825-1631

Pacific Cascade Region

601 Bond Road
PO Box 280
Castle Rock, WA 98611-0280
(360) 577-2025

Southeast Region

713 Bowers Road
Ellensburg, WA 98926-9301
(509) 925-8510

Northwest Region

919 N. Township St.
Sedro Woolley,
WA 98284-9384
(360) 856-3500

Olympic Region

411 Tillicum Lane
Forks, WA 98331-9271
(360) 374-2800

Northeast Region

225 S. Silke Road
PO Box 190
Colville, WA 99114-0190
(509) 684-7474



DNR REGIONS

-  DNR Region Boundaries
-  County Boundaries
-  DNR Region Office
-  Olympia Headquarters



WASHINGTON STATE DEPARTMENT OF
Natural Resources



For more information about how public lands
are managed visit DNR's web page at
www.dnr.wa.gov

Fire, Burn Ban Information and Region Offices
Toll Free: 1-800-527-3305 General TTY: 7-1-1





WASHINGTON STATE DEPARTMENT OF
Natural Resources

1111 WASHINGTON ST SE
MS 47016
OLYMPIA WA 98504-7016

www.dnr.wa.gov

For alternate formats
of this document,
Call (360) 902-1000
TRS: 7-1-1

PRINTED IN THE USA ON RECYCLED PAPER

