



TIMBER NOTICE OF SALE

SALE NAME: LOST AND FOUND SORTS

AGREEMENT NO: 30-104781-30-104782

AUCTION: June 28, 2023 starting at 10:00 a.m.

COUNTY: Clallam

Olympic Region Office, Forks, WA

SALE LOCATION: Sale located approximately 11 miles southwest of Sequim, WA

PRODUCTS SOLD AND SALE AREA:

Contractor shall harvest and deliver, all timber except trees painted with blue paint or bounded out by yellow "Leave Tree Area" tags, bounded by the following: Timber Sale Boundary tags and red painted take trees in Units 1 and 2; Timber Sale Boundary tags, timber type change, the PA-L-4000 road and the PA-L-4400 road in Unit 3.

All timber bound by the PA-L-6000 road and red painted take trees in Right-of-Way Units 5, and 6, meeting the specifications described below; on parts of Sections 7, 8, 17, and 18 all in Township 29 North, Range 4 West W.M., containing 164 acres, more or less.

MINIMUM BID AND ESTIMATED LOG VOLUMES:

Table with 10 columns: Agreement #, Sort #, Species and Sort Specifications, Average Log Length, Estimated Volume (Mbf, Tons), Tons Per MBF, Minimum Bid Delivered Prices (\$/mbf, \$/Ton), Total Appraised Value, Bid Deposit. Rows include data for agreements 104781 and 104782.

Totals: 1122 7261 \$476,850.00

CERTIFICATION: This sale is certified under the Sustainable Forestry Initiative® program Standard (cert no: PwC-SFIFM-513)

BID METHOD: Sealed Bids UNIT OF MEASURE: MBF Scale/Tonnage Scale

EXPIRATION DATE: March 29, 2024 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 Olympic Region Office in Forks WA. Phone number (360)374-2800.



TIMBER NOTICE OF SALE

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 = \$110.00 per MBF for sorts 06 and 07.

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

Base Rate = \$2.35 per ton

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

ARRF = \$26.00 per MBF for sorts 06 and 07.

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

Long-haul surcharge: An additional haul payment of \$25/mbf net scale for mbf scale sorts or \$4.60/ton for tonnage sorts will be added for delivery destinations in excess of 250 total one-way miles (A miles plus C miles).

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

Sort 6 is being offered as an optional Sample Scale. See Schedule S –Sample Scaling in the Sort 6 Contract.

There are locked gates on the PA-L-4000 - contact the Olympic Region Dispatch Center at 360-374-2811 to obtain a AA-1 key.

Contractor shall develop a new Borrow pit on the Old PA-L-6100 at 7+00. See road plan for specifics.

Road work is in close proximity to a utility. Known utilities are listed, but it is the Contractor's responsibility to identify any utilities not listed.

There are Hazard Abatement requirements as shown on map.



TIMBER NOTICE OF SALE

All trees marked with a double orange painted band shall be felled and left onsite in Units 4 and 7.

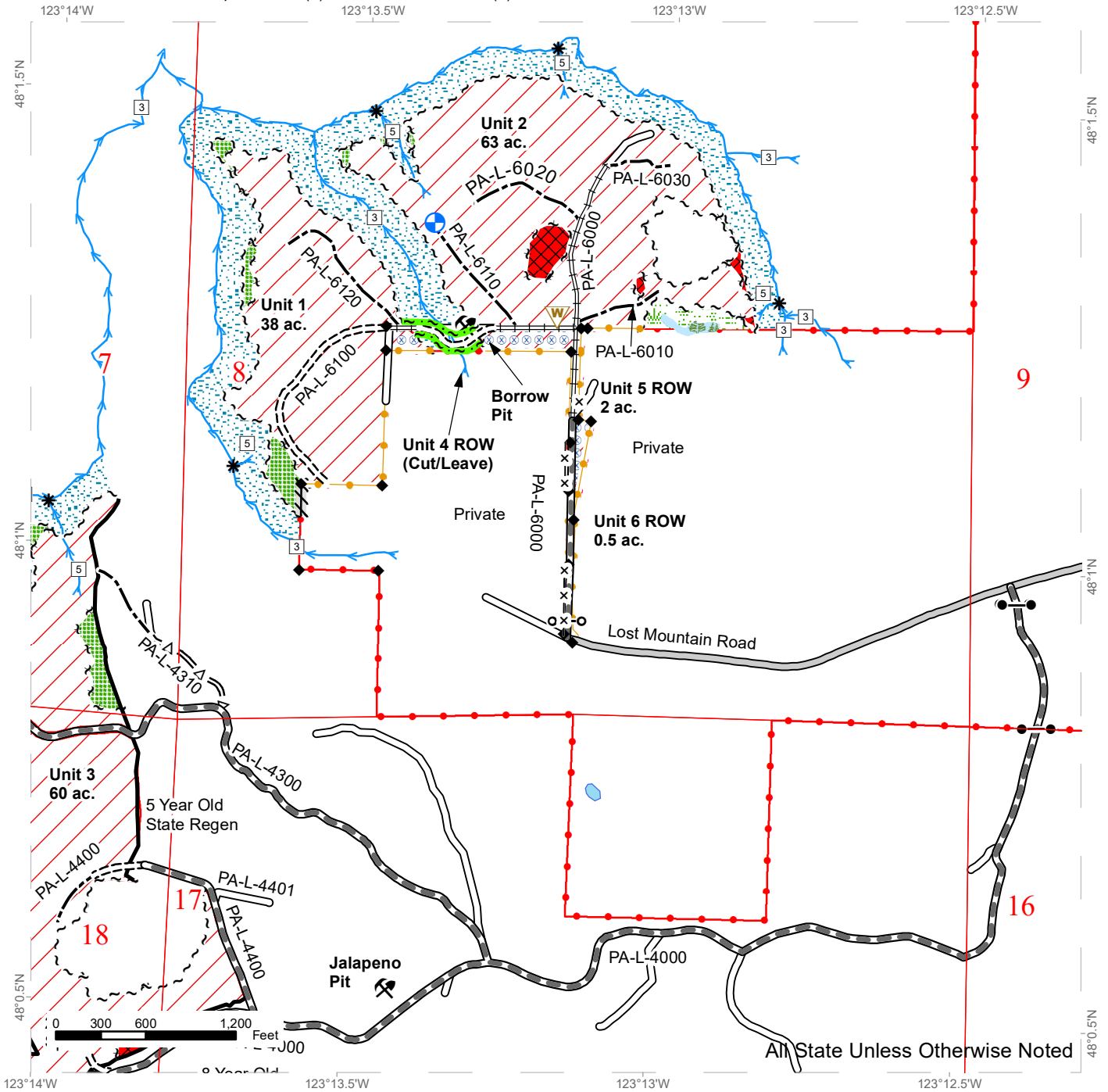
Slash generated during felling and yarding within 100 feet of county roads, 200 feet of structures and south of the PA-L-6100 from station 0+00 to 12+90, must be pulled back and piled north of the PA-L-6100 as shown on the timber sale map to reduce the residual volume to less than 9 tons per acre of material 3 inches and less in diameter in accordance with WAC 332-24-650, extreme fire hazard requiring abatement, and approved by the Contract Administrator.

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 Jeremy Brown at the Olympic Region Office at (360)391-5976 or Steven Tietzel at the Product Sales and Leasing Division Office in Olympia at (360)702-1641.

TIMBER SALE MAP

SALE NAME: LOST AND FOUND SORTS
AGREEMENT #: 30-103559
TOWNSHIP(S): T29R4W
TRUST(S): Capitol Grant (7), State Forest Transfer (1)

REGION: Olympic Region
COUNTY(S): Clallam
ELEVATION RGE: 1130-1760



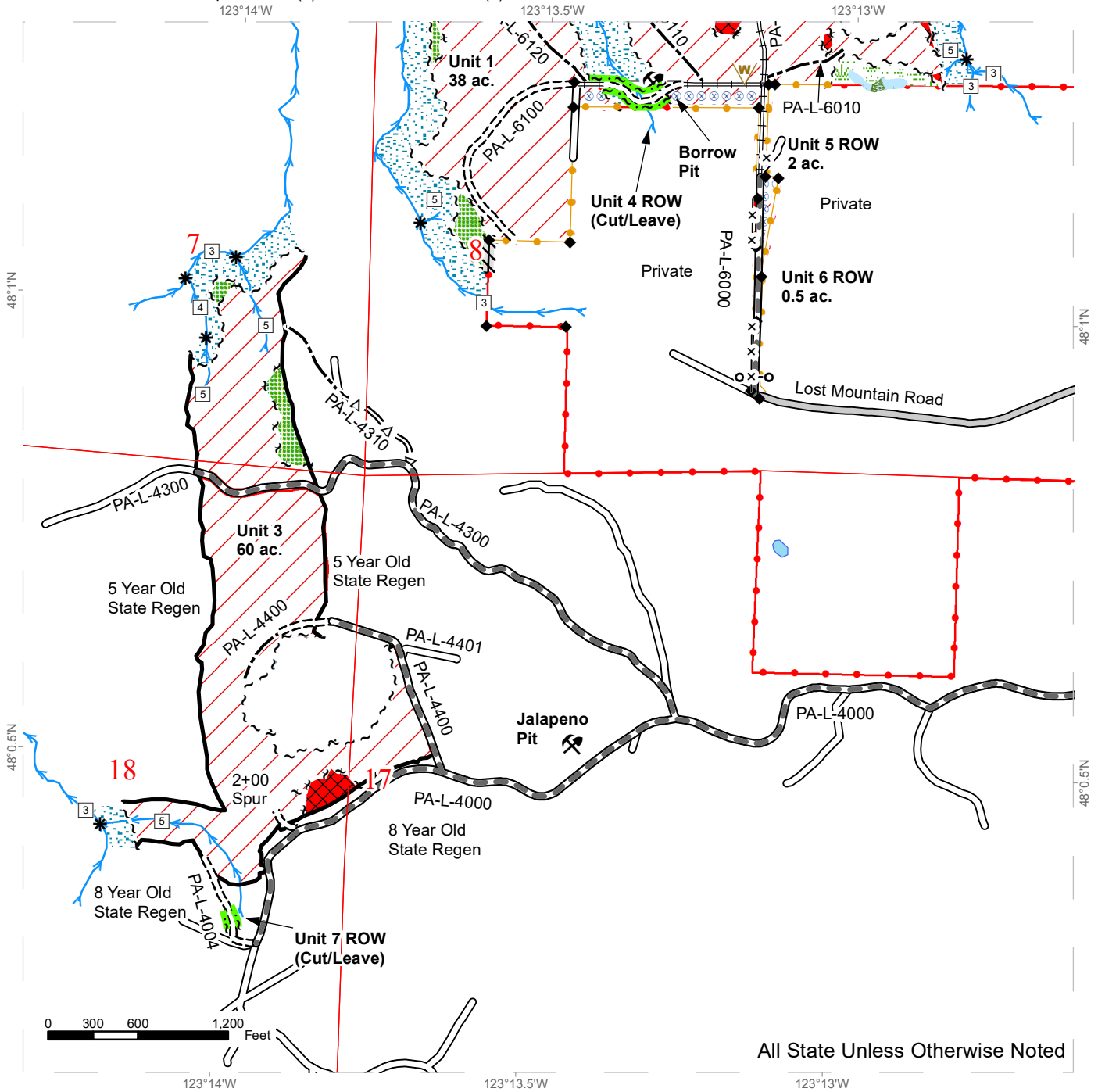
| | | | |
|-------------------------------|--|--------------------------|--------------------|
| Variable Retention Harvest | Sale Boundary Tags | Non-Tradeable Leave Area | Waste Area |
| Public Land Survey Townships | Leave Tree Tags | Leave Tree Area | Landing - Proposed |
| Public Land Survey Sections | Take / Removal Trees (red single-ringed) | Riparian Mgt Zone | Gate (AA1 Key) |
| County Road | Property Line | Forested Wetland | Gate Installation |
| Existing Roads | Flag Line | Wetland Mgt Zone | Rock Pit |
| Required Pre-Haul Maintenance | Timber Type Change | Hazard Abatement Area | Survey Monument |
| Required Construction | Cut/Leave Trees (orange double-ringed) | DNR Managed Lands | Fence |
| Required Reconstruction | Open Water | Stream Break | Stream Type |
| Optional Pre-Haul Maintenance | Streams | | |
| Optional Construction | | | |



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All State Unless Otherwise Noted

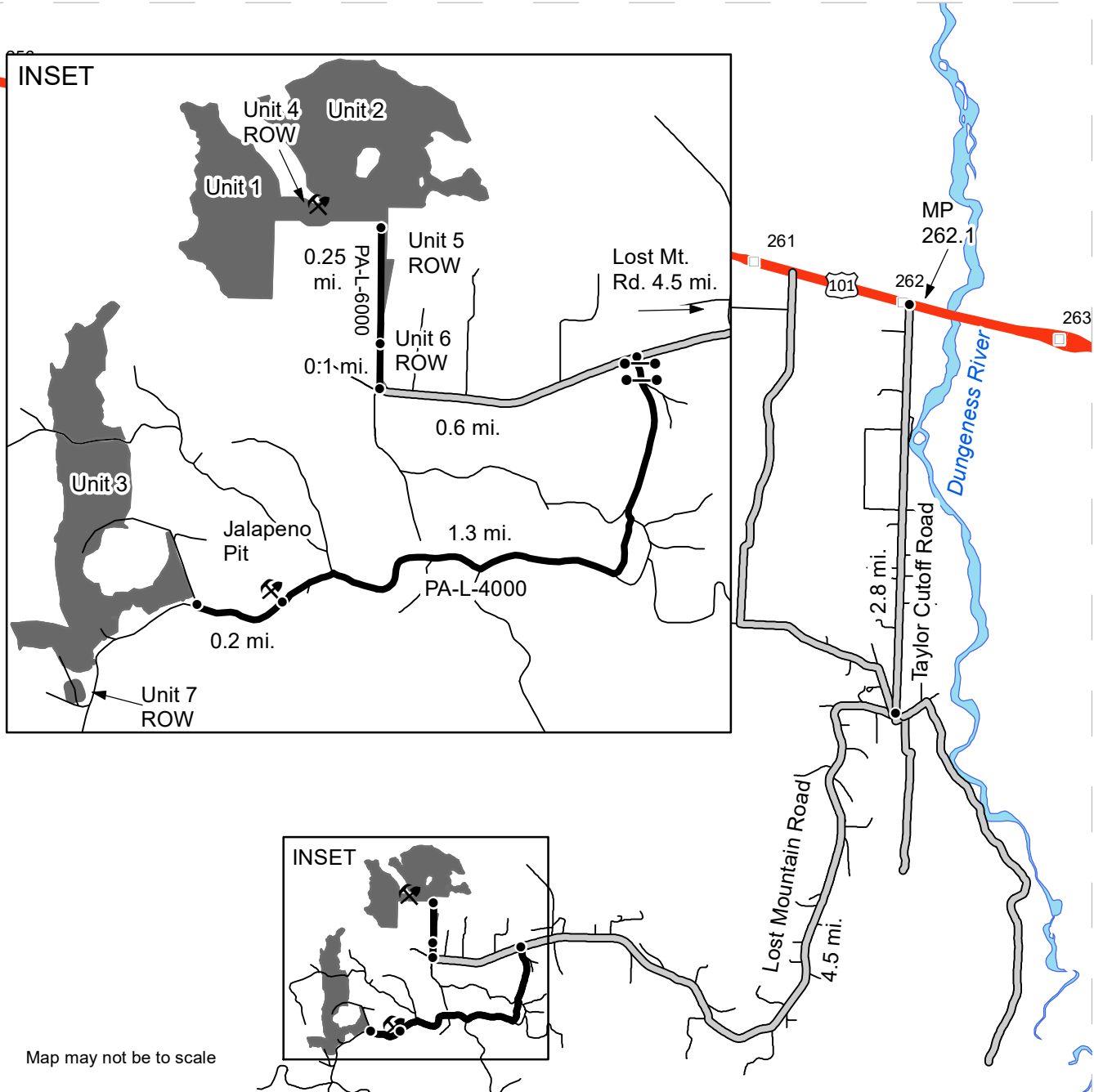
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DRIVING MAP

SALE NAME: LOST AND FOUND SORTS
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TOWNSHIP(S): T29R4W
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REGION: Olympic Region
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Map may not be to scale

| | |
|--|--------------------|
| | Timber Sale Unit |
| | Haul Route |
| | County Roads |
| | Highway |
| | Milepost Markers |
| | Distance Indicator |
| | Gate (AA1 Key) |
| | Rock Pit |

DRIVING DIRECTIONS:

From HWY 101, turn south on Taylor Cutoff Road at MP 262.1. and drive 2.8 mi. Turn west onto Lost Mountain Road and drive 4.5 mi. to arrive at the PA-L-4000.

UNIT 6 ROW: From the PA-L-4000, drive west on Lost Mt. Rd. 0.6 mi. to arrive at Unit 6 ROW.

UNIT 5 ROW: From the end of Lost Mountain Road, drive north on PA--L-6000, through Unit 6 ROW, to arrive at Unit 5 ROW.

UNIT 1, 2, & 4 ROW: From the start of Unit 5 ROW, drive 0.25 mi. on the PA-L-6000 to arrive at the end of drivable road until road work is complete. From here walk-in only to access Units 1, 2, & 4 ROW.

JALAPENO PIT: From Lost Mountain Rd./PA-L-4000 jct., drive 1.3 mi. on the PA-L-4000, through the locked double gates, to arrive at Jalapeno Pit.

UNIT 3: From Jalapeno Pit, drive 0.2 west on the PA-L-4000 to arrive at Unit 3.



**STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES**

LOG SALE AND PURCHASE CONTRACT

AGREEMENT NO. 30-0104781

SALE NAME: LOST AND FOUND SORT 06

**THE STATE OF WASHINGTON DEPARTMENT OF NATURAL
RESOURCES, HEREINAFTER ACTING SOLELY, IN ITS PROPRIETARY
CAPACITY, STATE, AND PURCHASER, AGREE AS FOLLOWS:**

Section G: General Terms

G-001.2 Definitions

The following definitions apply throughout this contract;

Contract Administrator: Region Manager's designee responsible for assuring that the contractual obligations of the Purchaser and Contractor are met.

Contractor: State-selected harvester responsible to perform all duties as required by the Harvesting Services Contract, including but not limited to timber harvesting, road construction, debris removal and piling, hauling and delivery of forest products for weighing and/or scaling, to the Purchasers of the timber sales Sorts.

Delivery: Occurs when logs or forest products meeting the sorting specifications arrive at the Purchasers destination, as described in the contract.

Forest Product: Any material derived from the forest for commercial use.

Harvesting: A general term, referring to the Contractor's various obligations under the Harvesting Services Contract.

Harvesting Services Contract: Contract between the Contractor and the State, which sets forth the procedures and obligations of the Contractor for completing the harvesting of timber, and the delivery of various log sorts to the State’s purchasers, and the payment obligations of the State, The Harvesting Services Contract will include a Road Plan for any road construction or reconstruction, where applicable.

Log Sale and Purchase Contract: Purchase Agreement between the State and Purchaser(s) of particular log sorts from the timber sale.

Purchaser: The company or individual that has entered into a Log Sale Contract with the State for individual log sorts from the timber sale area. The Contractor must deliver the designated log sorts to this company or individual. Contractor will likely be delivering different log sorts to different purchasers under the Harvesting Services Contract.

State: The Washington State Department of Natural Resources, landowner and seller of forest products from the timber sale area. The State is represented by the Region Manager as designated on the contract signature page. Contractual obligations to the State are enforced by the Region Manager or the designated Contract Administrator.

G-010.2 Products Sold and Sale Area

Purchaser was the successful bidder on June 28, 2023 and sale was confirmed on _____. The State, as owner, agrees to sell and deliver to the Purchaser logs meeting the log sort specifications as described in the G-022.2 clause. Logs will be delivered from the LOST AND FOUND SORTS Timber Sale described as parts of Sections 7, 8, 17, and 18 all in Township 29 North, Range 4 West W.M., in Clallam County.

G-022.2 Sorting Specifications

Purchaser shall accept and pay for delivery of log sorts by a state selected contractor to the designated Purchaser location that meets the following specifications:

| Agreement No. | Sort # | Description | Destination |
|---------------|--------|--------------------------------|-------------|
| 104781 | 6 | Whitewood Sawlog 5" to 11" dib | |

G-024.2 Manufacturing Standards

All forest products except poles, produced and sold under this contract will be manufactured to maximize the amount of logs meeting preferred log lengths and to achieve the average log length listed.

| Agreement No. | Sort # | Scaling Rule |
|---------------|--------|--------------|
| 104781 | 06 | WS |

| Average Log Length | Preferred Log Lengths |
|--------------------|-----------------------|
| 28 | |

"WS" indicates that west side scaling rules apply. Minimum trim is 8 inches per scaling segment for west side scaling rules. "ES" indicates that east side scaling rules apply. Minimum trim is 4 inches per scaling segment for east side scaling rules.

Poles produced under this contract will be manufactured to ANSI specifications (American National Standard Specifications and Dimensions for Wood Poles), in force at the time of signing this contract.

- a. Sweep will be limited to within the bole of the log as measured using a tape stretched between the centers of each end of the log.
- b. Logs approved by the state for peelers shall be chuckable with no more than a 2 inch diameter area of rot within a 5 inch diameter circle located at the center of either end of the log.
- c. Limbs and knots shall be cut flush, with no more than 15 percent of a log having limbs or knots over 2 inches in diameter extending more than 2 inches above the surface of the log.

G-025 Schedules

The following attached schedules are hereby incorporated by reference:

| Schedule | Title |
|----------|----------------|
| S | Sample Scaling |

G-026.2 Log Delivery Destination

Purchaser shall accept logs delivered to the destination as described in the G-022.2 clause. Purchaser may make a written request to the State for a change in log delivery destination or scaling or weighing location. If agreeable and in the best interest of the State, the State may approve the Purchaser's request. Written approval must be granted by the State prior to log delivery to a new destination or use of a new scaling or weighing facility.

Increased haul distance shall result in an increase in the P-028.2 log delivery payment rate in an amount to be calculated by the State. In no circumstance shall the payment rate for delivered logs be reduced as a result of a state approved delivery destination or scaling or weighing facility change.

Purchaser may refuse loads delivered to the wrong destination.

G-027.2 Log Delivery Schedule and Conditions

- a. Delivery hours - Purchaser agrees to accept logs from the Contractor at the Purchaser's delivery location during Purchaser's working hours or at least between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday, except legal holidays unless otherwise agreed upon by the State.
- b. Improperly loaded trucks - It is understood and agreed that the Purchaser incurs no obligation to accept improperly or illegally loaded trucks in its facility. Any truck so loaded may be directed to vacate the yard and shall remain the responsibility of the harvesting contractor. The Purchaser shall notify the State within 24 hours of any load (s) rejected and specify the reasons why.
- c. Log Delivery Interruptions - Purchaser may schedule times in which delivery of logs will not be accepted. The Purchaser shall notify the Contract Administrator at least five (5) working days before the scheduled interruption or closure occurs. The duration of the log delivery interruption shall not exceed seven (7) consecutive working days or a total of ten (10) working days over the duration of the contract term. If Purchaser's scheduled delivery interruption exceeds contract requirements and causes the State harm, Purchaser will be in breach of contract and subject to liquidated damages as per the D-026.2 and D-027.2 clauses, unless Purchaser and the State have made a prior agreement in writing to mitigate potential harm to the State.
- d. Required Acceptance of Daily Load Deliveries and Notification - If the State is harmed by purchaser's refusal to accept up to DATA MISSING truck deliveries of any one sort per day, Purchaser will be in breach of contract and subject to damages as per the D-026.2 and D-027.2 clauses. A truck delivery is all the wood delivered including sorts on super trucks, mule trains and pups brought to the delivery point by a single truck. The Purchaser shall notify the Contract Administrator at least 48 hours in advance if:
 1. Purchaser intends to limit the number of truck deliveries accepted on any day to less than that listed above, or
 2. Purchaser intends to limit the number of truck deliveries accepted on any day to the number listed above.
- e. State Notification to Purchaser - The State will notify the Purchaser when it anticipates or schedules an interruption of deliveries and when it anticipates the number of truck deliveries on any day will exceed the number listed above.
- f. If payments are not received or, the State determines that the payment security has become unsatisfactory or, a demand is made against the payment security under the P-045.2 clause the State shall suspend deliveries until such time as

the violation has been remedied. Any suspension of deliveries due to late payment or inadequate payment security will be considered a Log Delivery Interruption under (c) of this clause.

G-030.2 Contract Term and Expiration Date

Purchaser agrees to accept and pay for forest products delivered through the period ending March 29, 2024.

G-054.2 Early Contract Termination

The State may terminate this contract in whole or in part by giving fifteen (15) days written notice to the Purchaser when it is in the best interests of the State. If this contract is so terminated, the State shall be liable only for the return of that portion of the initial deposit that is not required for payment, and the return of unapplied payments. The State shall not be liable for damages, whether direct or consequential.

G-056.2 Force Majeure

No Party shall be liable for any failure to perform its obligations, other than payments due, where such failure is as a result of Acts of Nature (including fire, flood, earthquake, storm, or other natural disaster), war, act of foreign enemies, hostilities (whether war is declared or not), terrorist activities, government sanction, fire, labor dispute, strike or lockout.

Any Party asserting Force Majeure as an excuse shall have the burden of proving that reasonable steps were taken (under the circumstances) to minimize delay or damages caused by foreseeable events, that all non-excused obligations were substantially fulfilled, and that the other Party was timely notified of the likelihood or actual occurrence which would justify such an assertion, so that other prudent precautions could be contemplated.

In the event of Force Majeure, the State reserves the right to terminate this agreement in accordance with clause G-054.2 'Early Contract Termination'.

G-060.2 Exclusion of Warranties

The PARTIES AGREE that the IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE and ALL OTHER WARRANTIES EXPRESSED OR IMPLIED ARE EXCLUDED from this transaction and shall not apply to the goods to be harvested or 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. The forest products will be conveyed "AS IS."

- c. THE VOLUME, WEIGHT, QUANTITY, OR QUALITY, of the forest products to be harvested. The descriptions of the forest products to be conveyed, are estimates only, made solely for administrative and identification purposes. The timing of forest product deliveries.
- d. Items contained in any other documents prepared for or by the State.

G-065 Regulatory Disclaimer

The State disclaims any responsibility for, or liability relating to, regulatory actions by any government agency, including actions pursuant to the Forest Practices Act, Ch. 76.09 RCW that may affect the operability of the timber sale.

G-070.2 Limitation on Damage

In the event of a breach of any provision of this contract by the State, the liability of the State shall be limited to return of the unused initial deposit and unapplied payments to the Purchaser. The State shall not be liable for any damages, whether direct, incidental, or consequential.

G-112.2 Title

The State hereby warrants that State is the owner of said logs and has the right to sell same, free of liens, encumbrances, or claims, but subject to trade restrictions promulgated in WAC 240-15-015. Purchaser assumes title and all risk and responsibility for said logs upon delivery.

G-116.2 Sustainable Forestry Initiative® (SFI) Certification

Forest products purchased under this contract are certified as being in conformance with the Sustainable Forestry Initiative program Standard under certificate number: PwC-SFIFM-513.

G-160.2 Agents

The State's rights and duties will be exercised by the Region Manager at Forks, Washington. The Region Manager will notify Purchaser in writing who is responsible for administering the contract. The Region Manager has sole authority to waive, modify, or amend the terms of this contract in the manner prescribed in clause G-180. No agent, employee, or representative of the State has any authority to bind the State to any affirmation, representation, or warranty concerning the logs conveyed beyond the terms of this contract.

The Purchaser agrees to notify the State in writing of their authorized representative at the log delivery destination who will be readily available and who shall be authorized to receive, on behalf of the Purchaser any instructions or notices given by the State in regard to performance under this contract, and any limits to this person's authority.

G-180 Modifications

Waivers, modifications, or amendments of the terms of this contract must be in writing signed by Purchaser and the State.

G-190 Contract Complete

This contract is the final expression of the Parties' agreement. There are no understandings, agreements, or representations, expressed or implied, which are not specified in this contract.

G-200.2 Notice

Notices required to be given under the following clauses shall be in writing and shall be delivered to the State or Purchaser's authorized agent or sent by certified mail to the Purchaser's address of record, so that their receipt may be acknowledged.

G-026.2 Log Delivery Destination

G-027.2 Log Delivery and Schedule Conditions

G-210.2 Violation of Contract

All other notices required to be given under this contract shall be in writing and delivered to their respective authorized agent or mailed to the Party's post office address. Parties agree to notify the other of any change of mailing address.

G-210.2 Violation of Contract

- a. If Purchaser violates any provision of this contract, the Contract Administrator, by written notice, may suspend delivery of further loads of forest products. If the violation is capable of being remedied, the Purchaser has five (5) days after receipt of suspension notice to remedy the violation. If the violation cannot be remedied (such as violation of WAC 240-15-015) or Purchaser fails to remedy the violation within five (5) days after receipt of a suspension notice, the State may terminate the rights of the Purchaser under this contract and collect damages as described in the damages clause in this contract.
- b. The State has the right to remedy the breach in the absence of any indicated attempt by the Purchaser or if Purchaser is unable, as determined by the State, to remedy the breach. Any expense incurred by the State shall be charged to Purchaser and shall be paid within thirty (30) days of receipt of billing.
- c. If Purchaser's violation is a result of a failure to make payment to the State when due, in addition to (a.) above, interest shall accrue on the unpaid balance at 12 percent per annum, beginning the date payment was due. The State may secure payments from the security provided.

G-240.2 Dispute Resolution

The following procedures apply in the event of a dispute regarding interpretation or administration of this contract and the parties agree that these procedures must be followed before a lawsuit can be initiated.

- a. In the event of a dispute, Purchaser must make a written request to the Region Manager for resolution prior to seeking other relief.

- b. The Region Manager will issue a written decision on Purchaser's request within five business days.
- c. Within five business days of receipt of the Region Manager's decision, the Purchaser may make a written request for resolution to the Deputy Supervisor - Uplands of the Department of Natural Resources.
- d. Unless otherwise agreed, the Deputy Supervisor - Uplands will hold a conference within 15 calendar days of the receipt of Purchaser's request for review of the Region Manager's written decision. Purchaser and the Region Manager will have an opportunity to present their positions. The Deputy Supervisor - Uplands will issue a decision within a reasonable time of being presented with both Parties' positions.

G-252.2 Forest Excise Tax

Purchaser shall be responsible for payment of all forest excise taxes pursuant to chapter 84.33 RCW.

G-253.2 Harvesting Cost Information

The State agrees to supply all harvesting cost information to the Purchaser for their consideration in payment of forest excise taxes.

G-260 Venue

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

G-330.2 Contract Review

Purchaser may arrange with the Contract Administrator to review the provisions of this contract prior to the delivery of forest products.

Section P: Payments and Securities

P-010 Initial Deposit

Purchaser paid DATA MISSING initial deposit, which will be maintained pursuant to RCW 79.15.100(3). If the operating authority on this contract expires without Purchaser's payment of the full amount specified in the 'Payment for Forest Products' clause, the initial deposit will be immediately forfeited to the State, and will be offset against Purchaser's remaining balance due. Any excess initial deposit funds not needed to ensure full payment of the contract price, or not needed to complete any remaining obligations of the Purchaser existing after contract expiration, will be refunded to the Purchaser.

P-028.2 Payment for Forest Products Delivered

Purchaser agrees to pay the State for delivered forest products at the following rate:

\$0.00/MBF

\$250.00/MBF for incorrect species delivery*
 \$20/mbf for Utility logs (Adjusted Gross).

Purchaser agrees to increase the above delivered payment rate as approved by the State in the event the location of delivery is changed per the G-026.2 clause.

Purchaser will not be billed for any delivered logs that are scaled as containing metal.

P-036.2 Missorts and Payment Reduction for Delivered Forest Products

Forest Products delivered that do not meet the sorting specifications in G-022.2 are considered mis-sorts. Purchaser receiving mis-sort Forest Products is required to pay the State at the bid price under this contract.

However, when mis-sorted Forest Products amount to more than 5% of the total delivered sort volume, Purchaser may request approval for payment reduction for delivered volume exceeding the mis-sort threshold.

Requests for payment reduction must be submitted to the State in writing prior to contract expiration. Eligibility for mis-sort payment reduction is subject to State approval and shall be determined by the State's delivered product analysis. Forest Products determined by the State eligible for mis-sort price reduction are not eligible for any other price adjustments.

Payment reduction for Forest Products deemed mis-sorted will be calculated as follows:

$$\text{Payment Reduction} = (B \times M) \times R$$

Where:

B = Bid rate from P-028.2 clause

M = Mis-sorted volume exceeding threshold excluding utility

R = Reduction factor*

0.2 for diameter mis-sort

0.3 for high quality mis-sort

*Logs eligible for payment reduction based on multiple reduction factors will be calculated at the higher payment reduction factor.

Third-party scaling organization information is required to determine Scribner mbf for payment reduction purposes. Value will be derived from the applicable sort value as described in this contract.

Scale information for determining mis-sort payment reduction eligibility must be obtained from roll-out scale. Truck-ramp, sample scaling, and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser's exclusive remedy for mis-sorts shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code

P-037.2 Mismanufacture and Payment Reduction for Delivered Forest Products

Forest Products delivered that do not meet preferred log length specifications or multiples or combinations of preferred lengths and Forest Products delivered not meeting manufacturing standards as described in clause G-024.2 are considered mis-manufactured. Purchaser receiving mis-manufactured Forest Products is required to pay the State at the bid price under this contract.

However, when mis-manufactured Forest Products amount to more than 5% of the total delivered sort volume, Purchaser may request approval for payment reduction for delivered volume exceeding the mis-manufacture threshold.

Requests for payment reduction must be submitted to the State in writing prior to contract expiration. Eligibility for mis-manufacture payment reduction is subject to State approval and shall be determined by the State's delivered product analysis. Forest Products determined by the State eligible for mis-manufacture price reductions are not eligible for any other price adjustments.

Payment reduction for Forest Products deemed mis-manufactured will be calculated as follows:

$$\text{Payment Reduction} = (B \times M) \times (0.2)$$

Where:

B = Bid rate from P-028.2 clause

M = Mis-manufactured volume exceeding threshold excluding utility

Third-party scaling organization information is required to determine Scribner mbf for payment reduction purposes. Value will be derived from the applicable sort value as described in this contract.

Scale information for determining mis-manufacture payment reduction eligibility must be obtained from roll-out scale. Truck-ramp, sample scaling, and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser's exclusive remedy for mis-manufacture shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code.

P-038.2 Average Log Length and Payment Reduction

If the average log length for all logs delivered under this contract is less than the average log length specified in the table in clause G-024.2, The amount of allowable payment reduction shall be calculated by multiplying the payment rate in P-028.2 by the total volume delivered, and the difference between the average length of logs delivered and the average log length specified in G-024.2, times 1% as follows:

$$\text{Log Length Payment Reduction} = (B \times V \times L) \times (.01)$$

Where:

B = Bid rate from P-028.2 clause

V = total delivered log Volume

L = Length in feet below specified average (rounded to nearest 1/10th)

Average log length payment reductions calculated by the Purchaser must be approved by the State, prior to payment for the final billing period.

Third-party scaling organization information is required to determine Scribner mbf and Average log length for payment reduction purposes. Average log length is determined on a piece count basis. Value of log length price reduction will be derived from the applicable sort value as described in this contract.

Scale information for determining Average log length for payment reduction eligibility must be obtained from roll-out scale. Truck-ramp, sample scaling, and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser's exclusive remedy for below average log lengths shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code.

P-040.2 Weighing and Scaling Costs

Purchaser agrees to pay for all weighing costs for logs delivered regardless if logs are purchased on a weight or scale basis. In addition, Purchaser agrees to pay for all scaling costs for logs delivered on a scale basis. Purchaser also agrees to pay for all costs associated with the transmission and reporting of scale or weight data.

P-045.2 Guarantee of Payment

Prior to the delivery of forest products and at a date determined by the State, Purchaser shall guarantee payment to the State for products delivered by posting with the State an approved payment security. If the Purchaser has purchased more than one sort, the payment securities may be consolidated for all the sorts. Acceptable payment security includes cash, certificate of deposit assignment, payment bond, savings account assignment, or irrevocable bank letter of credit.

The amount of payment security shall be determined by the State. The amount of payment security shall represent at least 30 days value of forest product deliveries. Payment security for products delivered will be used to guarantee payment to the State for late or non-payments.

If at any time the State determines that the security has become unsatisfactory or a demand is made against the payment security, the Purchaser agrees to increase the amount or replace the security with one acceptable to the State within 5 business days. Failure to increase the amount or replace the security is considered a breach of contract.

P-050.2 Billing and Payment Procedure for Forest Products Delivered

The State will compute and forward to Purchaser a billing statement of charges for forest products delivered during the billing period at the delivered rate shown in P-028.2 clause. After receipt of the billing statement, Purchaser's payment must be received by the Department of Natural Resources on or before the due date shown on the billing statement. Purchaser agrees to make payment, payable to the Department of Natural Resources. Failure to pay on time for forest products delivered is considered a breach of contract.

Included with the billing statement will be a summary report for the billing period compiled by the State or their log and load reporting service.

The State will adjust final billings to account for any State approved payment reductions.

P-080 Payment Account Refund

Advance payments made under P-045 or P-045.2 remaining on account above the value for the charges shall be returned to Purchaser within 30 days following the final report of charges. Refunds not made within the 30 day period will accrue interest at the interest rate, as established by WAC 332-100-030, computed on a daily basis until paid.

Section L: Log Definitions and Accountability**L-010.2 Forest Products Conveyed**

Forest products conveyed are logs or parts of logs delivered meeting the sorting criteria defined by clause G-022.2 and manufacturing standards defined by clause G-024.2 of this contract

L-014.2 Sorts Delivered to Incorrect Destination

Purchaser has agreed to purchase the sort as described in the G-022.2 clause. In the event a load from a different sort is delivered to Purchaser, Purchaser may reject the load. If Purchaser receives an incorrectly delivered load, they shall notify the State within 24 hours. If the Purchaser accepts the load, provisions in the P-035.2 or P-036.2 clause may apply.

L-071.2 Log and Load Reporting Service

This contract may at the States discretion, require the services of a State approved third party log and load reporting service. Purchaser shall ensure log volume measurement, weight, or scale and weight data for each load is received by the log and load reporting service within 1 business day of logs being measured or weighed.

If during the term of this contract, the State discontinues use of the Log and Load Reporting Service, the State will notify the Purchaser in writing, and will approve an alternative log and load reporting process.

L-080 Scaling Rules

Determination of volume and grade of any forest products shall be conducted by a state approved third party scaling organization and in accordance with the Westside log scaling and grading rules and Scribner Volume Table, revised July 1, 1972, contained in the Northwest Log Rules Eastside and Westside Log Scaling Handbook (developed and produced by the Northwest Log Rules Advisory Group) and in effect on the date of confirmation of this contract.

Special scaling specifications shall be noted on the State's Brand Designation form which is hereby incorporated to this contract by reference.

L-110 State Approval of Log Scaling and Weighing Locations

Forest Product measurement and weighing facilities required by this contract must be approved by the State. Forest products sold under the contract which require log scaling shall be scaled, measured, or counted by a State approved third party log scaling organization. Forest products sold under the contract which require weighing shall be weighed at a location that meets Washington State Department of Agriculture approval.

Prior to forest products being hauled, the Contract Administrator must authorize in writing the use of State approved measurement and/or weighing facilities that are at or enroute to final destinations. Forest products from this sale shall be measured or weighed at facilities, which are currently approved for use by the State and are currently authorized for this sale. The State reserves the right to verify load volume and weights with State employees or contractors at the State's own expense. The State reserves the right to revoke the authorization of previously approved measurement locations.

Section D: Damages**D-010 Liquidated Damages**

The clauses in the DAMAGES section of this contract provide for payments by Purchaser to the State for certain breaches of the terms of this contract. These payments are agreed to as liquidated damages and not as penalties. They are reasonable estimates of anticipated harm to the State caused by Purchaser's breach. These liquidated damages provisions are agreed to by the State and Purchaser with the understanding of the difficulty of proving loss and the inconvenience or infeasibility of obtaining an adequate remedy. These liquidated damages provisions provide greater certainty for the Purchaser by allowing the Purchaser to better assess its responsibilities under the contract.

D-026.2 Damages for Delivery Interruptions and Load Non-Acceptance

- a. Purchaser's failure to accept delivery of forest products due to an extended delivery interruption exceeding the limits as described in the G-027.2 (c) clause, results in substantial injury to the State. The Purchaser shall pay the State liquidated damages at a rate of \$1,000.00 per each day of breach, until breach is remedied.

- b. Unless Purchaser and the State have made a prior agreement in writing, Purchaser's failure to accept at least the number of delivered loads as described in the G-027.2 (d) clause, results in substantial injury to the State. The Purchaser shall pay the State liquidated damages at a rate of \$200 per each truck delivery not accepted, until breach is remedied.

D-027.2 Failure to Accept Forest Products Sold

Purchaser's failure to accept all or part of the forest products sold in this agreement prior to expiration or completion of the contract results in substantial injury to the State. Except for reasons other than 'Force Majeure' (G-056.2), either section a. or b. below will apply as determined by the State.

- a. When Purchaser's refusal to accept forest products does not prevent further harvesting operations, or forest products can be re-sold to another buyer acceptable to the State, Purchaser shall be liable for and pay State for actual damages plus costs, as determined by the State associated with the administration and re-sale of forest products not accepted by Purchaser under the terms of this contract.
- b. When Purchaser's refusal to accept forest products causes a stoppage of the State's harvesting operations and prevents the State from further harvest of the sale area, the actual damage to the State and associated costs are difficult to assess. The remaining value of all the forest products left in the sale area once the stoppage occurs is not readily ascertainable. Purchaser's failure to perform disrupts the State's management plans. Therefore, Purchaser agrees to pay the State as liquidated damages, a sum calculated using the following formula:

$$LD = (.35V-I) + C + A - P$$

Where:

LD = Liquidated Damages

V = The stumpage value remaining in the sale area at the date of work stoppage. This will be determined by multiplying the contract bid rate contained in the P-028.2 clause for all sorts originating in the sale area, by the State's estimate of the remaining volume, less the cost of harvesting and delivery associated with each sort.

I = Initial Deposit

C = Costs associated with required harvesting services and road construction services prior to work stoppage but not amortized or paid.

A = Administrative fee = \$2,500.00

P = Advance payments received exceeding the value of logs delivered under this contract.

The above formula reflects the Purchaser's forfeiture of the initial deposit in accordance with clause P-010 by deducting the initial deposit from the amount owed. In no event shall the liquidated damages be less than zero. Interest on the liquidated

damage is owed from the date of the work stoppage until final payment, calculated using the following formula:

$$\text{Interest} = r \times \text{LD} \times N$$

Where:

r = daily equivalent of an annual interest at current interest rate as established by WAC 332-100-030.

N = Number of days from work stoppage to time of payment

D-030.2 Inadequate Log Accountability

Failure to provide weighing and third party scaling information result in substantial injury to the State. The potential loss of accountability is not readily ascertainable. These contractual breaches result in an increase in the potential for the delivery of forest products for which the State receives inadequate payment and causes an increase in the State's administration costs associated with this contract. The actual costs of these breaches are difficult to assess.

For these reasons, Purchaser's payments for forest product delivery under this contract will be increased in the following amounts, as liquidated damages, to compensate the State for these breaches: \$250.00 each time a load weight is not provided as required by the contract, and \$250.00 each time load scale data is not determined and provided by a State approved third party scaling organization in accordance with this contract.

SIGNATURES

This agreement may be executed in any number of counterparts (including by electronic mail in portable document format (.pdf), or by facsimile) each of which shall be deemed an original but all of which, when taken together, shall constitute one and the same Agreement binding on all parties.

IN WITNESS WHEREOF, the Parties hereto have entered into this contract.

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES

Purchaser

Mona Griswold

Print Name

Olympic Region Manager

Date: _____

Date: _____

Address: _____

CORPORATE ACKNOWLEDGEMENT
(Required for both LLC and Inc. Entities)

STATE OF _____)

COUNTY OF _____)

On this _____ day of _____, 20____, before me personally appeared _____

_____ to me known to be the _____ of the corporation

that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of the corporation, for the uses and purposes therein mentioned, and on oath stated that (he/she was) (they were) authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Notary Public in and for the State of

My appointment expires _____

Schedule S
Sample Scaling

Weight Conversion Sample Scaling

For this contract, weight conversion sample scaling will be allowed for the following species:
Whitewood Sawlog 5" to 11" dib

The Purchaser must make a written request for sample scaling and the State shall authorize in writing the use of sample scaling and amend the brand designation form accordingly. Upon facility inspection and approval for weight conversion sample scaling, DNR will set the sample scaling intensity for this contract.

DNR requires roll out scale for all weight conversion sample scale loads. The default frequency shall be 1:2. However, any facility that can provide the most recent sample scale load for check scaling may use a frequency of 1:3.

All loads arriving at a facility approved for weight conversion sample scale shall be weighed. DNR may force scaling at any time. Scale data from the forced scale loads will be included in the sample pool. The State may revoke the approval of the facility for weight conversion sample scaling at any time. Any load presented for weight conversion sample scale that is mis-sorted by species or diameter in excess of one log shall be scaled and excluded from the sample pool.

**STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES**

LOG SALE AND PURCHASE CONTRACT

AGREEMENT NO. 30-0104782

SALE NAME: LOST AND FOUND SORT 07

**THE STATE OF WASHINGTON DEPARTMENT OF NATURAL
RESOURCES, HEREINAFTER ACTING SOLELY, IN ITS PROPRIETARY
CAPACITY, STATE, AND PURCHASER, AGREE AS FOLLOWS:**

Section G: General Terms

G-001.2 Definitions

The following definitions apply throughout this contract;

Contract Administrator: Region Manager's designee responsible for assuring that the contractual obligations of the Purchaser and Contractor are met.

Contractor: State-selected harvester responsible to perform all duties as required by the Harvesting Services Contract, including but not limited to timber harvesting, road construction, debris removal and piling, hauling and delivery of forest products for weighing and/or scaling, to the Purchasers of the timber sales Sorts.

Delivery: Occurs when logs or forest products meeting the sorting specifications arrive at the Purchasers destination, as described in the contract.

Forest Product: Any material derived from the forest for commercial use.

Harvesting: A general term, referring to the Contractor's various obligations under the Harvesting Services Contract.

Harvesting Services Contract: Contract between the Contractor and the State, which sets forth the procedures and obligations of the Contractor for completing the harvesting of timber, and the delivery of various log sorts to the State’s purchasers, and the payment obligations of the State, The Harvesting Services Contract will include a Road Plan for any road construction or reconstruction, where applicable.

Log Sale and Purchase Contract: Purchase Agreement between the State and Purchaser(s) of particular log sorts from the timber sale.

Purchaser: The company or individual that has entered into a Log Sale Contract with the State for individual log sorts from the timber sale area. The Contractor must deliver the designated log sorts to this company or individual. Contractor will likely be delivering different log sorts to different purchasers under the Harvesting Services Contract.

State: The Washington State Department of Natural Resources, landowner and seller of forest products from the timber sale area. The State is represented by the Region Manager as designated on the contract signature page. Contractual obligations to the State are enforced by the Region Manager or the designated Contract Administrator.

G-010.2 Products Sold and Sale Area

Purchaser was the successful bidder on June 28, 2023 and sale was confirmed on _____. The State, as owner, agrees to sell and deliver to the Purchaser logs meeting the log sort specifications as described in the G-022.2 clause. Logs will be delivered from the LOST AND FOUND SORTS Timber Sale described as parts of Sections 7, 8, 17, and 18 all in Township 29 North, Range 4 West W.M., in Clallam County.

G-022.2 Sorting Specifications

Purchaser shall accept and pay for delivery of log sorts by a state selected contractor to the designated Purchaser location that meets the following specifications:

| Agreement No. | Sort # | Description | Destination |
|---------------|--------|----------------------------|-------------|
| 104782 | 7 | Whitewood Sawlog 12" + dib | |

G-024.2 Manufacturing Standards

All forest products except poles, produced and sold under this contract will be manufactured to maximize the amount of logs meeting preferred log lengths and to achieve the average log length listed.

| Agreement No. | Sort # | Scaling Rule |
|---------------|--------|--------------|
| 104782 | 07 | WS |

| Average Log Length | Preferred Log Lengths |
|--------------------|-----------------------|
| 28 | |

"WS" indicates that west side scaling rules apply. Minimum trim is 8 inches per scaling segment for west side scaling rules. "ES" indicates that east side scaling rules apply. Minimum trim is 4 inches per scaling segment for east side scaling rules.

Poles produced under this contract will be manufactured to ANSI specifications (American National Standard Specifications and Dimensions for Wood Poles), in force at the time of signing this contract.

- a. Sweep will be limited to within the bole of the log as measured using a tape stretched between the centers of each end of the log.
- b. Logs approved by the state for peelers shall be chuckable with no more than a 2 inch diameter area of rot within a 5 inch diameter circle located at the center of either end of the log.
- c. Limbs and knots shall be cut flush, with no more than 15 percent of a log having limbs or knots over 2 inches in diameter extending more than 2 inches above the surface of the log.

G-026.2 Log Delivery Destination

Purchaser shall accept logs delivered to the destination as described in the G-022.2 clause. Purchaser may make a written request to the State for a change in log delivery destination or scaling or weighing location. If agreeable and in the best interest of the State, the State may approve the Purchaser's request. Written approval must be granted by the State prior to log delivery to a new destination or use of a new scaling or weighing facility.

Increased haul distance shall result in an increase in the P-028.2 log delivery payment rate in an amount to be calculated by the State. In no circumstance shall the payment rate for delivered logs be reduced as a result of a state approved delivery destination or scaling or weighing facility change.

Purchaser may refuse loads delivered to the wrong destination.

G-027.2 Log Delivery Schedule and Conditions

- a. Delivery hours - Purchaser agrees to accept logs from the Contractor at the Purchaser's delivery location during Purchaser's working hours or at least between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday, except legal holidays unless otherwise agreed upon by the State.

- b. Improperly loaded trucks - It is understood and agreed that the Purchaser incurs no obligation to accept improperly or illegally loaded trucks in its facility. Any truck so loaded may be directed to vacate the yard and shall remain the responsibility of the harvesting contractor. The Purchaser shall notify the State within 24 hours of any load (s) rejected and specify the reasons why.
- c. Log Delivery Interruptions - Purchaser may schedule times in which delivery of logs will not be accepted. The Purchaser shall notify the Contract Administrator at least five (5) working days before the scheduled interruption or closure occurs. The duration of the log delivery interruption shall not exceed seven (7) consecutive working days or a total of ten (10) working days over the duration of the contract term. If Purchaser's scheduled delivery interruption exceeds contract requirements and causes the State harm, Purchaser will be in breach of contract and subject to liquidated damages as per the D-026.2 and D-027.2 clauses, unless Purchaser and the State have made a prior agreement in writing to mitigate potential harm to the State.
- d. Required Acceptance of Daily Load Deliveries and Notification - If the State is harmed by purchaser's refusal to accept up to DATA MISSING truck deliveries of any one sort per day, Purchaser will be in breach of contract and subject to damages as per the D-026.2 and D-027.2 clauses. A truck delivery is all the wood delivered including sorts on super trucks, mule trains and pups brought to the delivery point by a single truck. The Purchaser shall notify the Contract Administrator at least 48 hours in advance if:
 - 1. Purchaser intends to limit the number of truck deliveries accepted on any day to less than that listed above, or
 - 2. Purchaser intends to limit the number of truck deliveries accepted on any day to the number listed above.
- e. State Notification to Purchaser - The State will notify the Purchaser when it anticipates or schedules an interruption of deliveries and when it anticipates the number of truck deliveries on any day will exceed the number listed above.
- f. If payments are not received or, the State determines that the payment security has become unsatisfactory or, a demand is made against the payment security under the P-045.2 clause the State shall suspend deliveries until such time as the violation has been remedied. Any suspension of deliveries due to late payment or inadequate payment security will be considered a Log Delivery Interruption under (c) of this clause.

G-030.2 Contract Term and Expiration Date

Purchaser agrees to accept and pay for forest products delivered through the period ending March 29, 2024.

G-054.2 Early Contract Termination

The State may terminate this contract in whole or in part by giving fifteen (15) days written notice to the Purchaser when it is in the best interests of the State. If this contract is so terminated, the State shall be liable only for the return of that portion of the initial deposit that is not required for payment, and the return of unapplied payments. The State shall not be liable for damages, whether direct or consequential.

G-056.2 Force Majeure

No Party shall be liable for any failure to perform its obligations, other than payments due, where such failure is as a result of Acts of Nature (including fire, flood, earthquake, storm, or other natural disaster), war, act of foreign enemies, hostilities (whether war is declared or not), terrorist activities, government sanction, fire, labor dispute, strike or lockout.

Any Party asserting Force Majeure as an excuse shall have the burden of proving that reasonable steps were taken (under the circumstances) to minimize delay or damages caused by foreseeable events, that all non-excused obligations were substantially fulfilled, and that the other Party was timely notified of the likelihood or actual occurrence which would justify such an assertion, so that other prudent precautions could be contemplated.

In the event of Force Majeure, the State reserves the right to terminate this agreement in accordance with clause G-054.2 'Early Contract Termination'.

G-060.2 Exclusion of Warranties

The PARTIES AGREE that the IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE and ALL OTHER WARRANTIES EXPRESSED OR IMPLIED ARE EXCLUDED from this transaction and shall not apply to the goods to be harvested or 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. The forest products will be conveyed "AS IS."
- c. THE VOLUME, WEIGHT, QUANTITY, OR QUALITY, of the forest products to be harvested. The descriptions of the forest products to be conveyed, are estimates only, made solely for administrative and identification purposes. The timing of forest product deliveries.
- d. Items contained in any other documents prepared for or by the State.

G-065 Regulatory Disclaimer

The State disclaims any responsibility for, or liability relating to, regulatory actions by any government agency, including actions pursuant to the Forest Practices Act, Ch. 76.09 RCW that may affect the operability of the timber sale.

G-070.2 Limitation on Damage

In the event of a breach of any provision of this contract by the State, the liability of the State shall be limited to return of the unused initial deposit and unapplied payments to the Purchaser. The State shall not be liable for any damages, whether direct, incidental, or consequential.

G-112.2 Title

The State hereby warrants that State is the owner of said logs and has the right to sell same, free of liens, encumbrances, or claims, but subject to trade restrictions promulgated in WAC 240-15-015. Purchaser assumes title and all risk and responsibility for said logs upon delivery.

G-116.2 Sustainable Forestry Initiative® (SFI) Certification

Forest products purchased under this contract are certified as being in conformance with the Sustainable Forestry Initiative program Standard under certificate number: PwC-SFIFM-513.

G-160.2 Agents

The State's rights and duties will be exercised by the Region Manager at Forks, Washington. The Region Manager will notify Purchaser in writing who is responsible for administering the contract. The Region Manager has sole authority to waive, modify, or amend the terms of this contract in the manner prescribed in clause G-180. No agent, employee, or representative of the State has any authority to bind the State to any affirmation, representation, or warranty concerning the logs conveyed beyond the terms of this contract.

The Purchaser agrees to notify the State in writing of their authorized representative at the log delivery destination who will be readily available and who shall be authorized to receive, on behalf of the Purchaser any instructions or notices given by the State in regard to performance under this contract, and any limits to this person's authority.

G-180 Modifications

Waivers, modifications, or amendments of the terms of this contract must be in writing signed by Purchaser and the State.

G-190 Contract Complete

This contract is the final expression of the Parties' agreement. There are no understandings, agreements, or representations, expressed or implied, which are not specified in this contract.

G-200.2 Notice

Notices required to be given under the following clauses shall be in writing and shall be delivered to the State or Purchaser's authorized agent or sent by certified mail to the Purchaser's address of record, so that their receipt may be acknowledged.

- G-026.2 Log Delivery Destination
- G-027.2 Log Delivery and Schedule Conditions
- G-210.2 Violation of Contract

All other notices required to be given under this contract shall be in writing and delivered to their respective authorized agent or mailed to the Party's post office address. Parties agree to notify the other of any change of mailing address.

G-210.2 Violation of Contract

- a. If Purchaser violates any provision of this contract, the Contract Administrator, by written notice, may suspend delivery of further loads of forest products. If the violation is capable of being remedied, the Purchaser has five (5) days after receipt of suspension notice to remedy the violation. If the violation cannot be remedied (such as violation of WAC 240-15-015) or Purchaser fails to remedy the violation within five (5) days after receipt of a suspension notice, the State may terminate the rights of the Purchaser under this contract and collect damages as described in the damages clause in this contract.
- b. The State has the right to remedy the breach in the absence of any indicated attempt by the Purchaser or if Purchaser is unable, as determined by the State, to remedy the breach. Any expense incurred by the State shall be charged to Purchaser and shall be paid within thirty (30) days of receipt of billing.
- c. If Purchaser's violation is a result of a failure to make payment to the State when due, in addition to (a.) above, interest shall accrue on the unpaid balance at 12 percent per annum, beginning the date payment was due. The State may secure payments from the security provided.

G-240.2 Dispute Resolution

The following procedures apply in the event of a dispute regarding interpretation or administration of this contract and the parties agree that these procedures must be followed before a lawsuit can be initiated.

- a. In the event of a dispute, Purchaser must make a written request to the Region Manager for resolution prior to seeking other relief.
- b. The Region Manager will issue a written decision on Purchaser's request within five business days.

- c. Within five business days of receipt of the Region Manager's decision, the Purchaser may make a written request for resolution to the Deputy Supervisor - Uplands of the Department of Natural Resources.
- d. Unless otherwise agreed, the Deputy Supervisor - Uplands will hold a conference within 15 calendar days of the receipt of Purchaser's request for review of the Region Manager's written decision. Purchaser and the Region Manager will have an opportunity to present their positions. The Deputy Supervisor - Uplands will issue a decision within a reasonable time of being presented with both Parties' positions.

G-252.2 Forest Excise Tax

Purchaser shall be responsible for payment of all forest excise taxes pursuant to chapter 84.33 RCW.

G-253.2 Harvesting Cost Information

The State agrees to supply all harvesting cost information to the Purchaser for their consideration in payment of forest excise taxes.

G-260 Venue

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

G-330.2 Contract Review

Purchaser may arrange with the Contract Administrator to review the provisions of this contract prior to the delivery of forest products.

Section P: Payments and Securities

P-010 Initial Deposit

Purchaser paid DATA MISSING initial deposit, which will be maintained pursuant to RCW 79.15.100(3). If the operating authority on this contract expires without Purchaser's payment of the full amount specified in the 'Payment for Forest Products' clause, the initial deposit will be immediately forfeited to the State, and will be offset against Purchaser's remaining balance due. Any excess initial deposit funds not needed to ensure full payment of the contract price, or not needed to complete any remaining obligations of the Purchaser existing after contract expiration, will be refunded to the Purchaser.

P-028.2 Payment for Forest Products Delivered

Purchaser agrees to pay the State for delivered forest products at the following rate:

\$0.00/MBF

\$250.00/MBF for incorrect species delivery*

\$20/mbf for Utility logs (Adjusted Gross).

Purchaser agrees to increase the above delivered payment rate as approved by the State in the event the location of delivery is changed per the G-026.2 clause.

Purchaser will not be billed for any delivered logs that are scaled as containing metal.

P-036.2 Missorts and Payment Reduction for Delivered Forest Products

Forest Products delivered that do not meet the sorting specifications in G-022.2 are considered mis-sorts. Purchaser receiving mis-sort Forest Products is required to pay the State at the bid price under this contract.

However, when mis-sorted Forest Products amount to more than 5% of the total delivered sort volume, Purchaser may request approval for payment reduction for delivered volume exceeding the mis-sort threshold.

Requests for payment reduction must be submitted to the State in writing prior to contract expiration. Eligibility for mis-sort payment reduction is subject to State approval and shall be determined by the State's delivered product analysis. Forest Products determined by the State eligible for mis-sort price reduction are not eligible for any other price adjustments.

Payment reduction for Forest Products deemed mis-sorted will be calculated as follows:

$$\text{Payment Reduction} = (B \times M) \times R$$

Where:

B = Bid rate from P-028.2 clause

M = Mis-sorted volume exceeding threshold excluding utility

R = Reduction factor*

0.2 for diameter mis-sort

0.3 for high quality mis-sort

*Logs eligible for payment reduction based on multiple reduction factors will be calculated at the higher payment reduction factor.

Third-party scaling organization information is required to determine Scribner mbf for payment reduction purposes. Value will be derived from the applicable sort value as described in this contract.

Scale information for determining mis-sort payment reduction eligibility must be obtained from roll-out scale. Truck-ramp, sample scaling, and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser's exclusive remedy for mis-sorts shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code

P-037.2 Mismatch and Payment Reduction for Delivered Forest Products

Forest Products delivered that do not meet preferred log length specifications or multiples or combinations of preferred lengths and Forest Products delivered not meeting manufacturing standards as described in clause G-024.2 are considered mis-manufactured. Purchaser receiving mis-manufactured Forest Products is required to pay the State at the bid price under this contract.

However, when mis-manufactured Forest Products amount to more than 5% of the total delivered sort volume, Purchaser may request approval for payment reduction for delivered volume exceeding the mis-manufacture threshold.

Requests for payment reduction must be submitted to the State in writing prior to contract expiration. Eligibility for mis-manufacture payment reduction is subject to State approval and shall be determined by the State's delivered product analysis. Forest Products determined by the State eligible for mis-manufacture price reductions are not eligible for any other price adjustments.

Payment reduction for Forest Products deemed mis-manufactured will be calculated as follows:

$$\text{Payment Reduction} = (B \times M) \times (0.2)$$

Where:

B = Bid rate from P-028.2 clause

M = Mis-manufactured volume exceeding threshold excluding utility

Third-party scaling organization information is required to determine Scribner mbf for payment reduction purposes. Value will be derived from the applicable sort value as described in this contract.

Scale information for determining mis-manufacture payment reduction eligibility must be obtained from roll-out scale. Truck-ramp, sample scaling, and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser's exclusive remedy for mis-manufacture shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code.

P-038.2 Average Log Length and Payment Reduction

If the average log length for all logs delivered under this contract is less than the average log length specified in the table in clause G-024.2, The amount of allowable payment reduction shall be calculated by multiplying the payment rate in P-028.2 by the total volume delivered, and the difference between the average length of logs delivered and the average log length specified in G-024.2, times 1% as follows:

$$\text{Log Length Payment Reduction} = (B \times V \times L) \times (.01)$$

Where:

B = Bid rate from P-028.2 clause

V = total delivered log Volume

L = Length in feet below specified average (rounded to nearest 1/10th)

Average log length payment reductions calculated by the Purchaser must be approved by the State, prior to payment for the final billing period.

Third-party scaling organization information is required to determine Scribner mbf and Average log length for payment reduction purposes. Average log length is determined on a piece count basis. Value of log length price reduction will be derived from the applicable sort value as described in this contract.

Scale information for determining Average log length for payment reduction eligibility must be obtained from roll-out scale. Truck-ramp, sample scaling, and/or bundle scaling information is not acceptable for determining eligibility.

Purchaser's exclusive remedy for below average log lengths shall be the payment reduction described in this clause, notwithstanding other provisions in the Uniform Commercial Code.

P-040.2 Weighing and Scaling Costs

Purchaser agrees to pay for all weighing costs for logs delivered regardless if logs are purchased on a weight or scale basis. In addition, Purchaser agrees to pay for all scaling costs for logs delivered on a scale basis. Purchaser also agrees to pay for all costs associated with the transmission and reporting of scale or weight data.

P-045.2 Guarantee of Payment

Prior to the delivery of forest products and at a date determined by the State, Purchaser shall guarantee payment to the State for products delivered by posting with the State an approved payment security. If the Purchaser has purchased more than one sort, the payment securities may be consolidated for all the sorts. Acceptable payment security includes cash, certificate of deposit assignment, payment bond, savings account assignment, or irrevocable bank letter of credit.

The amount of payment security shall be determined by the State. The amount of payment security shall represent at least 30 days value of forest product deliveries. Payment security for products delivered will be used to guarantee payment to the State for late or non-payments.

If at any time the State determines that the security has become unsatisfactory or a demand is made against the payment security, the Purchaser agrees to increase the amount or replace the security with one acceptable to the State within 5 business days. Failure to increase the amount or replace the security is considered a breach of contract.

P-050.2 Billing and Payment Procedure for Forest Products Delivered

The State will compute and forward to Purchaser a billing statement of charges for forest products delivered during the billing period at the delivered rate shown in P-028.2 clause. After receipt of the billing statement, Purchaser's payment must be received by the Department of Natural Resources on or before the due date shown on the billing statement. Purchaser agrees to make payment, payable to the Department of Natural Resources. Failure to pay on time for forest products delivered is considered a breach of contract.

Included with the billing statement will be a summary report for the billing period compiled by the State or their log and load reporting service.

The State will adjust final billings to account for any State approved payment reductions.

P-080 Payment Account Refund

Advance payments made under P-045 or P-045.2 remaining on account above the value for the charges shall be returned to Purchaser within 30 days following the final report of charges. Refunds not made within the 30 day period will accrue interest at the interest rate, as established by WAC 332-100-030, computed on a daily basis until paid.

Section L: Log Definitions and Accountability**L-010.2 Forest Products Conveyed**

Forest products conveyed are logs or parts of logs delivered meeting the sorting criteria defined by clause G-022.2 and manufacturing standards defined by clause G-024.2 of this contract

L-014.2 Sorts Delivered to Incorrect Destination

Purchaser has agreed to purchase the sort as described in the G-022.2 clause. In the event a load from a different sort is delivered to Purchaser, Purchaser may reject the load. If Purchaser receives an incorrectly delivered load, they shall notify the State within 24 hours. If the Purchaser accepts the load, provisions in the P-035.2 or P-036.2 clause may apply.

L-071.2 Log and Load Reporting Service

This contract may at the States discretion, require the services of a State approved third party log and load reporting service. Purchaser shall ensure log volume measurement, weight, or scale and weight data for each load is received by the log and load reporting service within 1 business day of logs being measured or weighed.

If during the term of this contract, the State discontinues use of the Log and Load Reporting Service, the State will notify the Purchaser in writing, and will approve an alternative log and load reporting process.

L-080 Scaling Rules

Determination of volume and grade of any forest products shall be conducted by a state approved third party scaling organization and in accordance with the Westside log scaling and grading rules and Scribner Volume Table, revised July 1, 1972, contained in the Northwest Log Rules Eastside and Westside Log Scaling Handbook (developed and produced by the Northwest Log Rules Advisory Group) and in effect on the date of confirmation of this contract.

Special scaling specifications shall be noted on the State's Brand Designation form which is hereby incorporated to this contract by reference.

L-110 State Approval of Log Scaling and Weighing Locations

Forest Product measurement and weighing facilities required by this contract must be approved by the State. Forest products sold under the contract which require log scaling shall be scaled, measured, or counted by a State approved third party log scaling organization. Forest products sold under the contract which require weighing shall be weighed at a location that meets Washington State Department of Agriculture approval.

Prior to forest products being hauled, the Contract Administrator must authorize in writing the use of State approved measurement and/or weighing facilities that are at or enroute to final destinations. Forest products from this sale shall be measured or weighed at facilities, which are currently approved for use by the State and are currently authorized for this sale. The State reserves the right to verify load volume and weights with State employees or contractors at the State's own expense. The State reserves the right to revoke the authorization of previously approved measurement locations.

Section D: Damages**D-010 Liquidated Damages**

The clauses in the DAMAGES section of this contract provide for payments by Purchaser to the State for certain breaches of the terms of this contract. These payments are agreed to as liquidated damages and not as penalties. They are reasonable estimates of anticipated harm to the State caused by Purchaser's breach. These liquidated damages provisions are agreed to by the State and Purchaser with the understanding of the difficulty of proving loss and the inconvenience or infeasibility of obtaining an adequate remedy. These liquidated damages provisions provide greater certainty for the Purchaser by allowing the Purchaser to better assess its responsibilities under the contract.

D-026.2 Damages for Delivery Interruptions and Load Non-Acceptance

- a. Purchaser's failure to accept delivery of forest products due to an extended delivery interruption exceeding the limits as described in the G-027.2 (c) clause, results in substantial injury to the State. The Purchaser shall pay the State liquidated damages at a rate of \$1,000.00 per each day of breach, until breach is remedied.

- b. Unless Purchaser and the State have made a prior agreement in writing, Purchaser's failure to accept at least the number of delivered loads as described in the G-027.2 (d) clause, results in substantial injury to the State. The Purchaser shall pay the State liquidated damages at a rate of \$200 per each truck delivery not accepted, until breach is remedied.

D-027.2 Failure to Accept Forest Products Sold

Purchaser's failure to accept all or part of the forest products sold in this agreement prior to expiration or completion of the contract results in substantial injury to the State. Except for reasons other than 'Force Majeure' (G-056.2), either section a. or b. below will apply as determined by the State.

- a. When Purchaser's refusal to accept forest products does not prevent further harvesting operations, or forest products can be re-sold to another buyer acceptable to the State, Purchaser shall be liable for and pay State for actual damages plus costs, as determined by the State associated with the administration and re-sale of forest products not accepted by Purchaser under the terms of this contract.
- b. When Purchaser's refusal to accept forest products causes a stoppage of the State's harvesting operations and prevents the State from further harvest of the sale area, the actual damage to the State and associated costs are difficult to assess. The remaining value of all the forest products left in the sale area once the stoppage occurs is not readily ascertainable. Purchaser's failure to perform disrupts the State's management plans. Therefore, Purchaser agrees to pay the State as liquidated damages, a sum calculated using the following formula:

$$LD = (.35V-I) + C + A - P$$

Where:

LD = Liquidated Damages

V = The stumpage value remaining in the sale area at the date of work stoppage. This will be determined by multiplying the contract bid rate contained in the P-028.2 clause for all sorts originating in the sale area, by the State's estimate of the remaining volume, less the cost of harvesting and delivery associated with each sort.

I = Initial Deposit

C = Costs associated with required harvesting services and road construction services prior to work stoppage but not amortized or paid.

A = Administrative fee = \$2,500.00

P = Advance payments received exceeding the value of logs delivered under this contract.

The above formula reflects the Purchaser's forfeiture of the initial deposit in accordance with clause P-010 by deducting the initial deposit from the amount owed. In no event shall the liquidated damages be less than zero. Interest on the liquidated

damage is owed from the date of the work stoppage until final payment, calculated using the following formula:

$$\text{Interest} = r \times \text{LD} \times N$$

Where:

r = daily equivalent of an annual interest at current interest rate as established by WAC 332-100-030.

N = Number of days from work stoppage to time of payment

D-030.2 Inadequate Log Accountability

Failure to provide weighing and third party scaling information result in substantial injury to the State. The potential loss of accountability is not readily ascertainable. These contractual breaches result in an increase in the potential for the delivery of forest products for which the State receives inadequate payment and causes an increase in the State's administration costs associated with this contract. The actual costs of these breaches are difficult to assess.

For these reasons, Purchaser's payments for forest product delivery under this contract will be increased in the following amounts, as liquidated damages, to compensate the State for these breaches: \$250.00 each time a load weight is not provided as required by the contract, and \$250.00 each time load scale data is not determined and provided by a State approved third party scaling organization in accordance with this contract.

SIGNATURES

This agreement may be executed in any number of counterparts (including by electronic mail in portable document format (.pdf), or by facsimile) each of which shall be deemed an original but all of which, when taken together, shall constitute one and the same Agreement binding on all parties.

IN WITNESS WHEREOF, the Parties hereto have entered into this contract.

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES

Purchaser

Mona Griswold
Olympic Region Manager

Print Name

Date: _____

Date: _____

Address: _____

CORPORATE ACKNOWLEDGEMENT
(Required for both LLC and Inc. Entities)

STATE OF _____)

COUNTY OF _____)

On this _____ day of _____, 20____, before me personally appeared _____

_____ to me known to be the _____ of the corporation that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of the corporation, for the uses and purposes therein mentioned, and on oath stated that (he/she was) (they were) authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

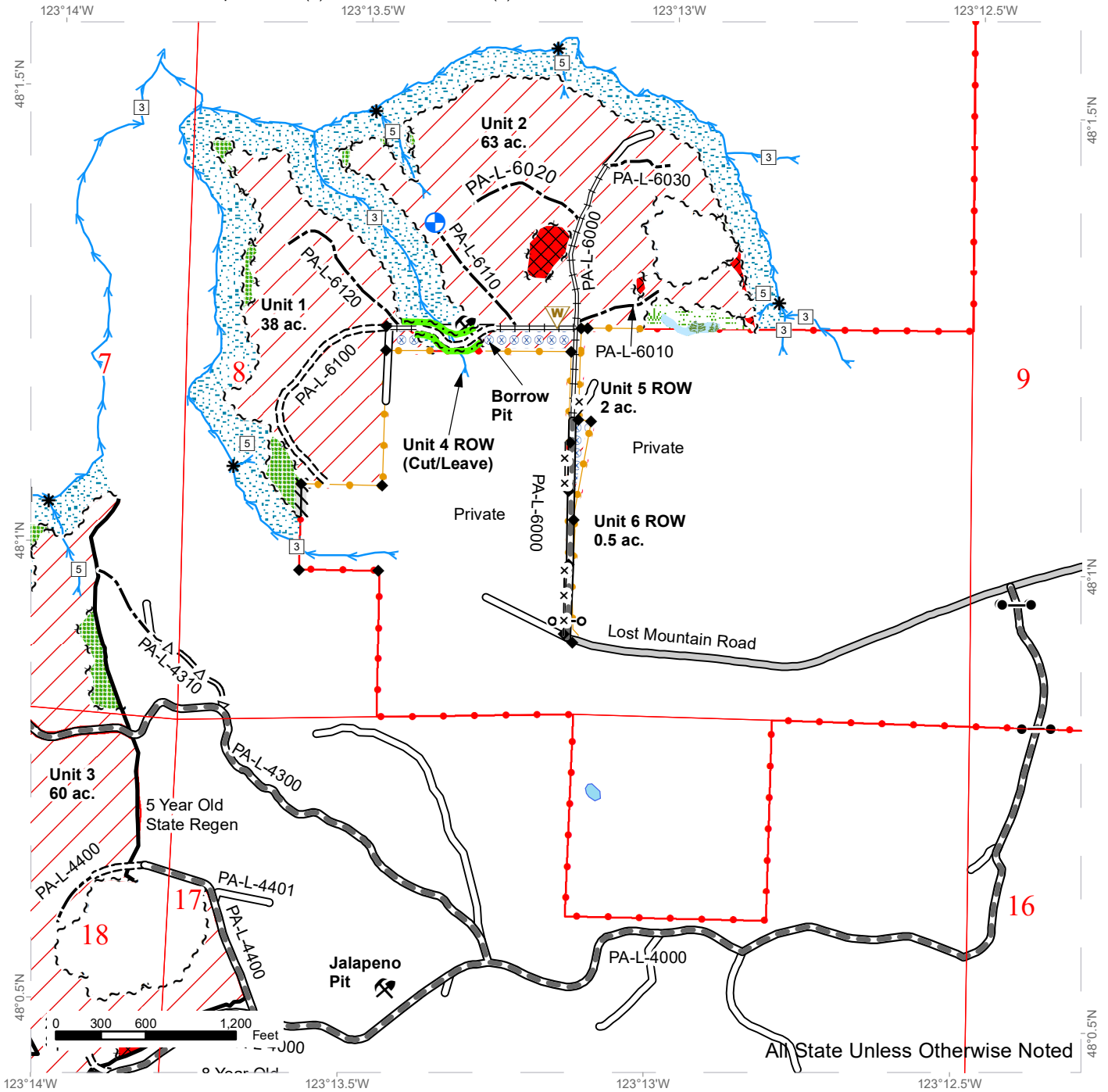
Notary Public in and for the State of

My appointment expires _____

TIMBER SALE MAP

SALE NAME: LOST AND FOUND SORTS
AGREEMENT #: 30-103559
TOWNSHIP(S): T29R4W
TRUST(S): Capitol Grant (7), State Forest Transfer (1)

REGION: Olympic Region
COUNTY(S): Clallam
ELEVATION RGE: 1130-1760



All State Unless Otherwise Noted

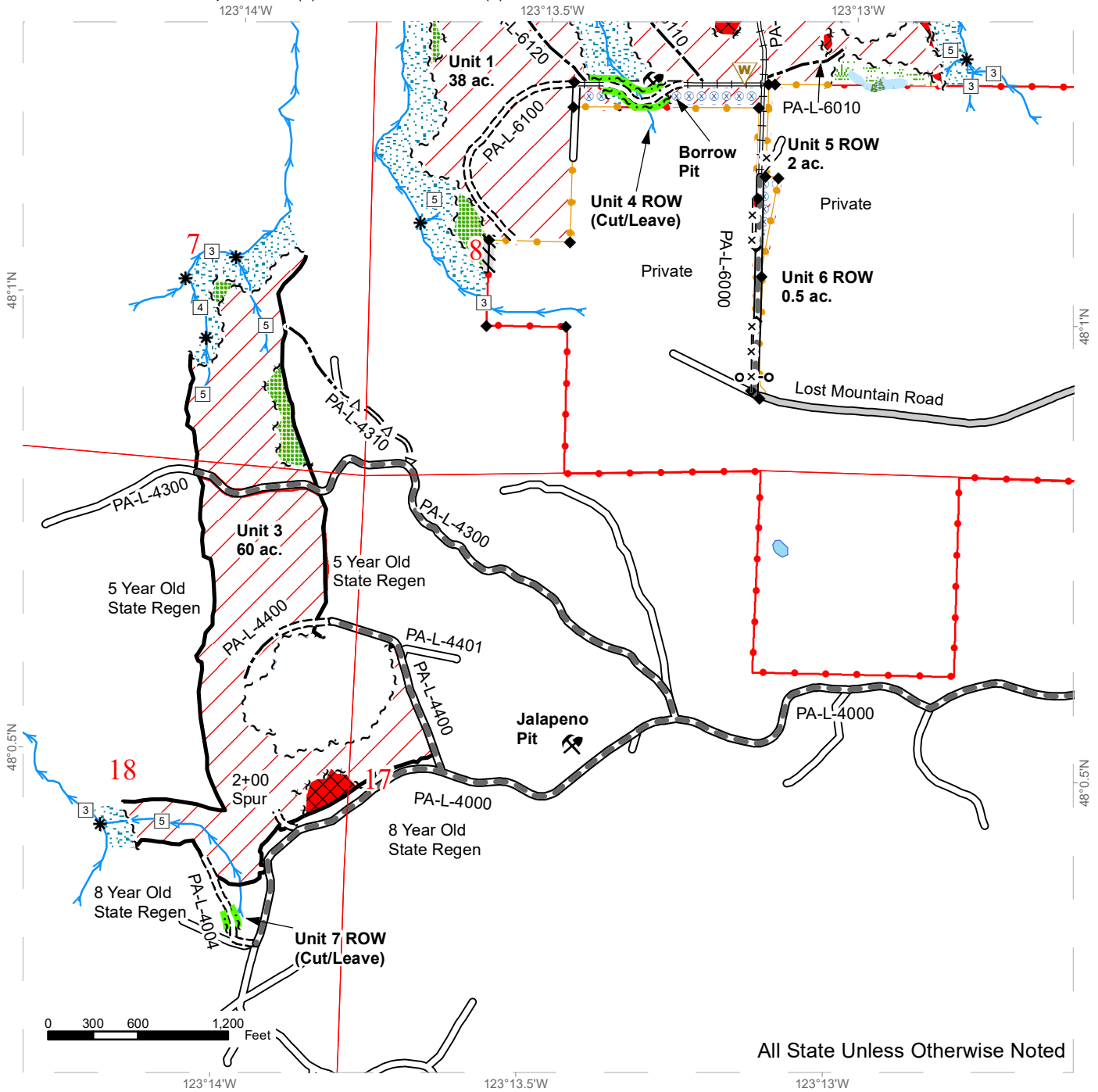
| | | | |
|-------------------------------|--|--------------------------|--------------------|
| Variable Retention Harvest | Sale Boundary Tags | Non-Tradeable Leave Area | Waste Area |
| Public Land Survey Townships | Leave Tree Tags | Leave Tree Area | Landing - Proposed |
| Public Land Survey Sections | Take / Removal Trees (red single-ringed) | Riparian Mgt Zone | Gate (AA1 Key) |
| County Road | Property Line | Forested Wetland | Gate Installation |
| Existing Roads | Flag Line | Wetland Mgt Zone | Rock Pit |
| Required Pre-Haul Maintenance | Timber Type Change | Hazard Abatement Area | Survey Monument |
| Required Construction | Cut/Leave Trees (orange double-ringed) | DNR Managed Lands | Fence |
| Required Reconstruction | Open Water | Stream Break | Stream Type |
| Optional Pre-Haul Maintenance | Streams | | |
| Optional Construction | | | |



TIMBER SALE MAP

SALE NAME: LOST AND FOUND SORTS
AGREEMENT #: 30-103559
TOWNSHIP(S): T29R4W
TRUST(S): Capitol Grant (7), State Forest Transfer (1)

REGION: Olympic Region
COUNTY(S): Clallam
ELEVATION RGE: 1130-1760



All State Unless Otherwise Noted

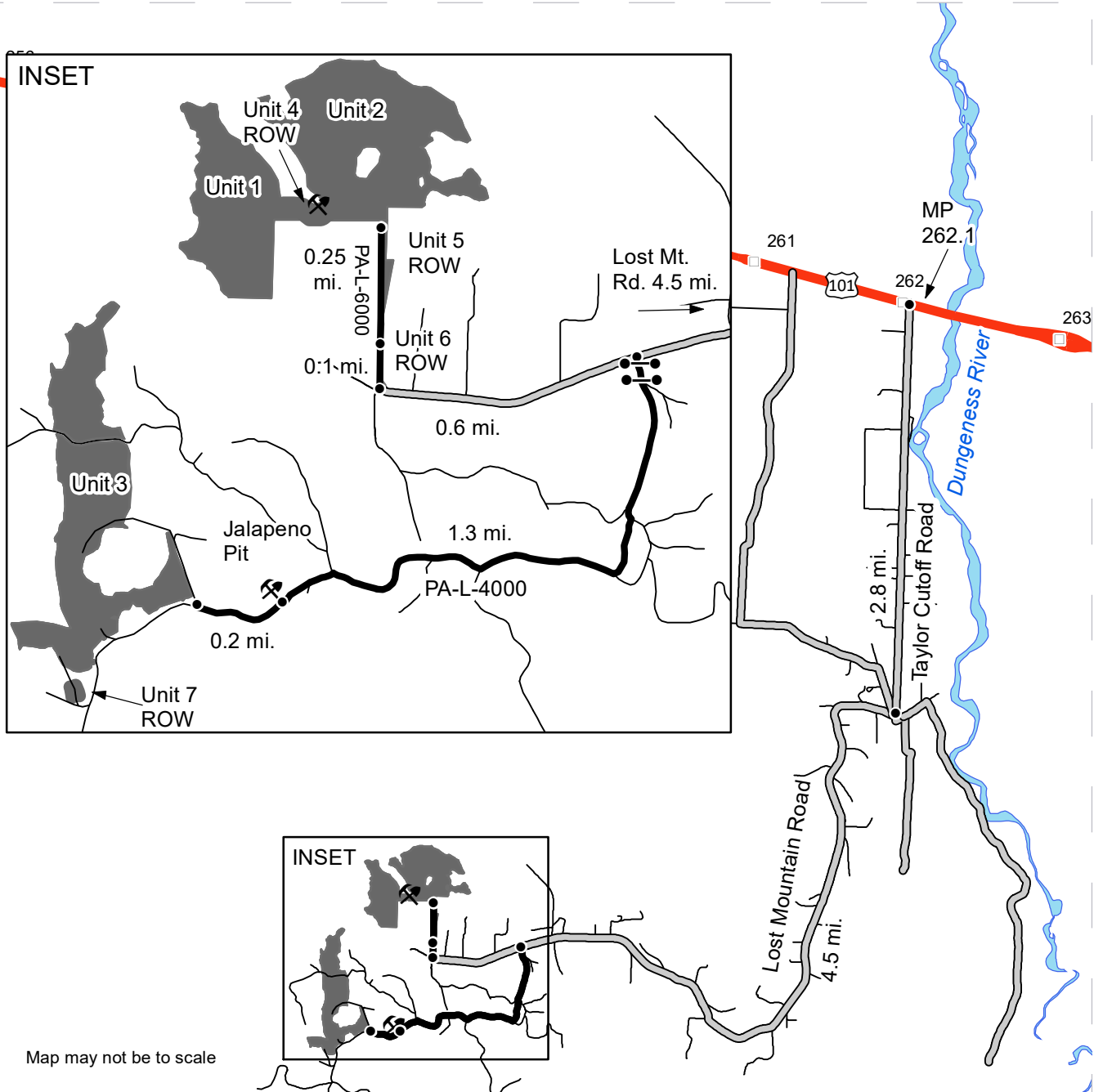
| | | | |
|-------------------------------|--|--------------------------|--------------------|
| Variable Retention Harvest | Sale Boundary Tags | Non-Tradeable Leave Area | Waste Area |
| Public Land Survey Townships | Leave Tree Tags | Leave Tree Area | Landing - Proposed |
| Public Land Survey Sections | Take / Removal Trees (red single-ringed) | Riparian Mgt Zone | Gate (AA1 Key) |
| County Road | Property Line | Forested Wetland | Gate Installation |
| Existing Roads | Flag Line | Wetland Mgt Zone | Rock Pit |
| Required Pre-Haul Maintenance | Timber Type Change | Hazard Abatement Area | Survey Monument |
| Required Construction | Cut/Leave Trees (orange double-ringed) | DNR Managed Lands | Fence |
| Required Reconstruction | Open Water | Stream Break | Stream Type |
| Optional Pre-Haul Maintenance | Streams | | |
| Optional Construction | | | |



DRIVING MAP

SALE NAME: LOST AND FOUND SORTS
AGREEMENT#: 30-103559
TOWNSHIP(S): T29R4W
TRUST(S): Capitol Grant (7), State Forest Transfer (1)

REGION: Olympic Region
COUNTY(S): Clallam
ELEVATION RGE: 1130-1760



Map may not be to scale

| | |
|--|--------------------|
| | Timber Sale Unit |
| | Haul Route |
| | County Roads |
| | Highway |
| | Milepost Markers |
| | Distance Indicator |
| | Gate (AA1 Key) |
| | Rock Pit |

DRIVING DIRECTIONS:

From HWY 101, turn south on Taylor Cutoff Road at MP 262.1. and drive 2.8 mi. Turn west onto Lost Mountain Road and drive 4.5 mi. to arrive at the PA-L-4000.

UNIT 6 ROW: From the PA-L-4000, drive west on Lost Mt. Rd. 0.6 mi. to arrive at Unit 6 ROW.

UNIT 5 ROW: From the end of Lost Mountain Road, drive north on PA--L-6000, through Unit 6 ROW, to arrive at Unit 5 ROW.

UNIT 1, 2, & 4 ROW: From the start of Unit 5 ROW, drive 0.25 mi. on the PA-L-6000 to arrive at the end of drivable road until road work is complete. From here walk-in only to access Units 1, 2, & 4 ROW.

JALAPENO PIT: From Lost Mountain Rd./PA-L-4000 jct., drive 1.3 mi. on the PA-L-4000, through the locked double gates, to arrive at Jalapeno Pit.

UNIT 3: From Jalapeno Pit, drive 0.2 west on the PA-L-4000 to arrive at Unit 3.





WASHINGTON STATE DEPARTMENT OF NATURAL RESOURCES
FOREST EXCISE TAX ROAD SUMMARY SHEET

Region:

Timber Sale Name:

Application Number:

EXCISE TAX APPLICABLE ACTIVITIES

Construction: **linear feet**
Road to be constructed (optional and required) but not abandoned

Reconstruction: **linear feet**
Road to be reconstructed (optional and required) but not abandoned

Abandonment: **linear feet**
Abandonment of existing roads not reconstructed under the contract

Decommission: **linear feet**
Road to be made undriveable but not officially abandoned.

Pre-Haul Maintenance: **linear feet**
Existing road to receive maintenance work (optional and required) prior to haul

EXCISE TAX EXEMPT ACTIVITIES

Temporary Construction: **linear feet**
Roads to be constructed (optional and required) and then abandoned

Temporary Reconstruction: **linear feet**
Roads to be reconstructed (optional and required) and then abandoned

All parties must make their own assessment of the taxable or non-taxable status of any work performed under the timber sale contract. The Department of Revenue bears responsibility for determining forest road excise taxes. The Department of Natural Resources developed this form to help estimate the impact of forest excise taxes. However, the information provided may not precisely calculate the actual amount of taxes due. The Department of Revenue is available for consultation by calling 1.800.548.8829.

(Revised 9/18)

Timber Sale Cruise Report Lost and Found

Sale Name: LOST AND FOUND SORTS

Sale Type: SORT

Region: OLYMPIC

District: STRAITS

Lead Cruiser: Kevin Peterson

Other Cruisers:

Cruise Narrative:

Location:

This sale is located off of Lost Mountain Road. An AA1 key is need to access unit 3. Access to all units is pretty good.

Cruise Design:

I used a 71.11/40 BAF combo for all the units on this sale. RA, RC and MA were cruised with a 40.

Merch height was determined at 40% of the diameter at 16'. All logs were cruised in 40' lengths; except RC and HQ DF.

Timber Quality:

This sale comprised of mostly of DF, WH, RC and RA with some scattered GF and MA. 40% of the DF is of high quality with minimal defect. I found about 50 MBF of RC distribution poles throughout the sale.

Common defects were sweep, forked tops and spike knots.

Logging and Stand Conditions:

This sale is 100% ground based harvest. All units are pretty easy to walk through with some occasional brush patches.

General Remarks:

ROW 6 was 100% cruised. I counted the WP and OO (Cottonwood) so the land owner was aware of the tree count being removed.

Timber Sale Notice Volume (MBF)

| Sp | DBH | Rings/In | Age | MBF Volume by Grade | | | | | |
|-----|------|----------|-----|---------------------|-----------|-------|-------|-------|---------|
| | | | | All | Spec Mill | 2 Saw | 3 Saw | 4 Saw | Utility |
| DF | 21.3 | 9.0 | | 3,926 | 75 | 2,482 | 1,097 | 221 | 52 |
| WH | 15.2 | 8.0 | | 1,052 | | 408 | 484 | 150 | 10 |
| RC | 14.5 | | | 753 | | | 546 | 206 | |
| RA | 17.7 | | | 307 | | 144 | 54 | 102 | 7 |
| GF | 27.5 | | | 79 | | 72 | 7 | | |
| MA | 20.8 | | | 13 | | 7 | 4 | | 2 |
| ALL | 17.2 | 8.5 | | 6,129 | 75 | 3,113 | 2,192 | 679 | 71 |

Timber Sale Notice Weight (tons)

| Sp | Tons by Grade | | | | | |
|-----|---------------|-----------|--------|--------|-------|---------|
| | All | Spec Mill | 2 Saw | 3 Saw | 4 Saw | Utility |
| DF | 30,273 | 535 | 18,355 | 8,756 | 2,170 | 457 |
| WH | 10,683 | | 3,862 | 5,149 | 1,569 | 104 |
| RC | 6,798 | | | 4,913 | 1,885 | |
| RA | 3,079 | | 1,445 | 490 | 1,084 | 61 |
| GF | 634 | | 546 | 88 | | |
| MA | 167 | | 102 | 49 | | 16 |
| ALL | 51,634 | 535 | 24,310 | 19,444 | 6,706 | 639 |

Timber Sale Overall Cruise Statistics (Cut + Leave Trees)

| BA (sq ft/acre) | BA SE (%) | V-BAR (bf/sq ft) | V-BAR SE (%) | Net Vol (bf/acre) | Vol SE (%) |
|--------------------|--------------|---------------------|-----------------|----------------------|---------------|
| 291.7 | 3.9 | 129.0 | 2.5 | 37,923 | 4.7 |

Timber Sale Unit Cruise Design

| Unit | Design | Cruise Acres | FMA Acres | N Plots | N Cruise Plots | N Void Plots |
|-----------------------------------|---|-----------------|--------------|------------|-------------------|-----------------|
| LOST AND FOUND SORTS U1 | B2C: VR, 2 BAF (71.11, 40 for some species) Measure/Count Plots, Sighting Ht = 4.5 ft | 38.0 | 37.6 | 29 | 13 | 0 |
| LOST AND FOUND SORTS U2 | B2C: VR, 2 BAF (71.11, 40 for some species) Measure/Count Plots, Sighting Ht = 4.5 ft | 63.0 | 60.4 | 40 | 20 | 1 |
| LOST AND FOUND SORTS U3 | B2C: VR, 2 BAF (71.11, 40 for some species) Measure/Count Plots, Sighting Ht = 4.5 ft | 60.0 | 59.8 | 38 | 19 | 0 |
| LOST AND FOUND SORTS U5 ROW | B2C: VR, 2 BAF (40, 40 for some species) Measure/Count Plots, Sighting Ht = 0 ft | 2.0 | | 1 | 1 | 0 |
| LOST AND FOUND SORTS U6 ROW | ST: Strip/Percent Sample (1 tree expansion) | 0.5 | | 1 | 1 | 0 |
| All | | 163.5 | 157.8 | 109 | 54 | 1 |

Timber Sale Log Grade x Sort Summary

| Sp | Status | Grade | Sort | Dia | Len | BF Gross | BF Net | Defect % | Tons | MBF Net |
|----|--------|-------|----------|------|-----|----------|--------|----------|---------|---------|
| DF | LIVE | 2 SAW | Domestic | 15.3 | 40 | 6,567 | 6,143 | 6.5 | 7,344.3 | 1,004.3 |
| DF | LIVE | 2 SAW | HQ-A | 13.8 | 34 | 1,000 | 964 | 3.6 | 1,253.2 | 157.6 |

| Sp | Status | Grade | Sort | Dia | Len | BF Gross | BF Net | Defect % | Tons | MBF Net |
|----|--------|--------------|----------|------|-----|----------|--------|----------|---------|---------|
| DF | LIVE | 2 SAW | HQ-B | 16.0 | 34 | 8,642 | 8,072 | 6.6 | 9,757.6 | 1,319.7 |
| DF | LIVE | 3 SAW | Domestic | 9.7 | 39 | 6,441 | 6,009 | 6.7 | 7,872.9 | 982.4 |
| DF | LIVE | 3 SAW | HQ-B | 11.5 | 34 | 703 | 703 | 0.0 | 883.4 | 114.9 |
| DF | LIVE | 4 SAW | Domestic | 6.5 | 26 | 1,439 | 1,349 | 6.3 | 2,169.4 | 220.5 |
| DF | LIVE | SPECIAL MILL | HQ-A | 17.5 | 34 | 474 | 455 | 3.9 | 534.9 | 74.4 |
| DF | LIVE | UTILITY | Pulp | 5.7 | 36 | 320 | 320 | 0.0 | 457.4 | 52.3 |
| GF | LIVE | 2 SAW | Domestic | 16.2 | 40 | 503 | 443 | 12.0 | 546.1 | 72.4 |
| GF | LIVE | 3 SAW | Domestic | 8.0 | 35 | 54 | 41 | 23.8 | 87.8 | 6.8 |
| MA | LIVE | 2 SAW | Domestic | 14.1 | 40 | 70 | 42 | 40.2 | 102.2 | 6.9 |
| MA | LIVE | 3 SAW | Domestic | 10.0 | 40 | 38 | 25 | 33.3 | 48.8 | 4.1 |
| MA | LIVE | CULL | Cull | 8.2 | 33 | 7 | 0 | 100.0 | 0.0 | 0.0 |
| MA | LIVE | UTILITY | Pulp | 5.7 | 21 | 10 | 10 | 0.0 | 15.8 | 1.6 |
| RA | LIVE | 2 SAW | Domestic | 13.2 | 39 | 1,020 | 883 | 13.5 | 1,444.9 | 144.3 |
| RA | LIVE | 3 SAW | Domestic | 11.2 | 37 | 377 | 328 | 13.0 | 489.6 | 53.6 |
| RA | LIVE | 4 SAW | Domestic | 6.3 | 31 | 691 | 623 | 9.8 | 1,083.5 | 101.8 |
| RA | LIVE | UTILITY | Pulp | 5.6 | 23 | 43 | 43 | 0.0 | 61.4 | 7.1 |
| RC | LIVE | 3 SAW | Domestic | 10.0 | 36 | 3,839 | 3,341 | 13.0 | 4,913.2 | 546.2 |
| RC | LIVE | 4 SAW | Domestic | 5.3 | 25 | 1,311 | 1,262 | 3.7 | 1,884.6 | 206.3 |
| RC | LIVE | CULL | Cull | 5.6 | 21 | 21 | 0 | 100.0 | 0.0 | 0.0 |
| WH | LIVE | 2 SAW | Domestic | 15.1 | 40 | 2,779 | 2,496 | 10.2 | 3,861.5 | 408.0 |
| WH | LIVE | 3 SAW | Domestic | 8.6 | 40 | 3,113 | 2,957 | 5.0 | 5,148.6 | 483.5 |
| WH | LIVE | 4 SAW | Domestic | 5.4 | 25 | 977 | 919 | 5.9 | 1,568.8 | 150.2 |
| WH | LIVE | UTILITY | Pulp | 5.6 | 22 | 62 | 62 | 0.0 | 104.3 | 10.2 |

Timber Sale Log Sort x Diameter Bin Summary

| Sp | Bin | Status | Sort | Dia | Len | BF Net | Defect % | Tons | MBF Net |
|----|---------|--------|----------|------|-----|--------|----------|---------|---------|
| DF | 5 - 8 | LIVE | Pulp | 5.2 | 35 | 242 | 0.0 | 367.7 | 39.6 |
| DF | 5 - 8 | LIVE | Domestic | 6.8 | 30 | 2,418 | 6.8 | 3,877.9 | 395.4 |
| DF | 9 - 11 | LIVE | Pulp | 10.3 | 40 | 78 | 0.0 | 89.7 | 12.7 |
| DF | 9 - 11 | LIVE | Domestic | 10.4 | 39 | 4,117 | 6.4 | 5,183.8 | 673.2 |
| DF | 9 - 11 | LIVE | HQ-B | 11.1 | 34 | 432 | 0.0 | 535.7 | 70.6 |
| DF | 12 - 14 | LIVE | Domestic | 13.2 | 40 | 3,470 | 5.3 | 4,211.0 | 567.4 |
| DF | 12 - 14 | LIVE | HQ-A | 13.5 | 34 | 811 | 4.3 | 1,076.2 | 132.6 |
| DF | 12 - 14 | LIVE | HQ-B | 13.7 | 34 | 1,894 | 4.9 | 2,503.2 | 309.6 |
| DF | 15 - 19 | LIVE | HQ-B | 16.4 | 34 | 5,568 | 6.2 | 6,629.9 | 910.4 |
| DF | 15 - 19 | LIVE | Domestic | 16.7 | 40 | 2,527 | 6.6 | 2,979.3 | 413.2 |
| DF | 15 - 19 | LIVE | HQ-A | 17.0 | 34 | 608 | 2.9 | 712.0 | 99.5 |

| Sp | Bin | Status | Sort | Dia | Len | BF Net | Defect % | Tons | MBF Net |
|----|---------|--------|----------|------|-----|--------|----------|---------|---------|
| DF | 20+ | LIVE | Domestic | 21.2 | 40 | 968 | 11.0 | 1,134.5 | 158.2 |
| DF | 20+ | LIVE | HQ-B | 21.6 | 34 | 881 | 10.8 | 972.2 | 144.1 |
| GF | 5 - 8 | LIVE | Domestic | 7.6 | 35 | 32 | 25.2 | 70.1 | 5.2 |
| GF | 9 - 11 | LIVE | Domestic | 10.8 | 32 | 10 | 18.9 | 17.7 | 1.6 |
| GF | 12 - 14 | LIVE | Domestic | 13.8 | 40 | 148 | 8.5 | 192.7 | 24.2 |
| GF | 15 - 19 | LIVE | Domestic | 17.7 | 40 | 221 | 9.1 | 250.8 | 36.2 |
| GF | 20+ | LIVE | Domestic | 24.2 | 40 | 73 | 25.0 | 102.6 | 12.0 |
| MA | 5 - 8 | LIVE | Pulp | 5.7 | 21 | 10 | 0.0 | 15.8 | 1.6 |
| MA | 5 - 8 | LIVE | Cull | 8.2 | 33 | 0 | 100.0 | 0.0 | 0.0 |
| MA | 9 - 11 | LIVE | Domestic | 10.0 | 40 | 25 | 33.3 | 48.8 | 4.1 |
| MA | 12 - 14 | LIVE | Domestic | 12.4 | 40 | 23 | 28.1 | 50.1 | 3.7 |
| MA | 15 - 19 | LIVE | Domestic | 16.9 | 40 | 19 | 50.0 | 52.1 | 3.2 |
| RA | 5 - 8 | LIVE | Pulp | 5.5 | 22 | 43 | 0.0 | 61.4 | 7.1 |
| RA | 5 - 8 | LIVE | Domestic | 5.8 | 31 | 524 | 8.7 | 919.2 | 85.7 |
| RA | 9 - 11 | LIVE | Domestic | 9.9 | 38 | 399 | 13.1 | 606.3 | 65.3 |
| RA | 12 - 14 | LIVE | Domestic | 13.1 | 38 | 910 | 13.7 | 1,492.5 | 148.8 |
| RC | 5 - 8 | LIVE | Cull | 5.6 | 21 | 0 | 100.0 | 0.0 | 0.0 |
| RC | 5 - 8 | LIVE | Domestic | 5.7 | 27 | 1,949 | 5.8 | 3,089.0 | 318.7 |
| RC | 9 - 11 | LIVE | Domestic | 10.3 | 36 | 1,150 | 7.7 | 1,591.4 | 188.1 |
| RC | 12 - 14 | LIVE | Domestic | 13.2 | 36 | 552 | 13.5 | 825.3 | 90.3 |
| RC | 15 - 19 | LIVE | Domestic | 16.2 | 36 | 890 | 17.2 | 1,178.4 | 145.4 |
| RC | 20+ | LIVE | Domestic | 23.2 | 36 | 61 | 50.0 | 113.7 | 10.0 |
| WH | 5 - 8 | LIVE | Pulp | 5.6 | 22 | 62 | 0.0 | 104.3 | 10.2 |
| WH | 5 - 8 | LIVE | Domestic | 6.2 | 31 | 2,447 | 4.2 | 4,515.0 | 400.1 |
| WH | 9 - 11 | LIVE | Domestic | 10.8 | 40 | 1,429 | 6.9 | 2,202.4 | 233.6 |
| WH | 12 - 14 | LIVE | Domestic | 14.1 | 40 | 1,081 | 12.2 | 1,899.8 | 176.8 |
| WH | 15 - 19 | LIVE | Domestic | 16.3 | 40 | 1,415 | 8.6 | 1,961.7 | 231.3 |

Cruise Unit Report LOST AND FOUND SORTS U1

Unit Sale Notice Volume (MBF): LOST AND FOUND SORTS U1

| Sp | DBH | Rings/In | Age | MBF Volume by Grade | | | | | |
|-----|------|----------|-----|---------------------|-----------|-------|-------|-------|---------|
| | | | | All | Spec Mill | 2 Saw | 3 Saw | 4 Saw | Utility |
| DF | 20.9 | | | 1,095 | 28 | 659 | 322 | 64 | 22 |
| WH | 15.4 | | | 266 | | 95 | 130 | 42 | |
| RC | 14.8 | | | 159 | | | 129 | 30 | |
| RA | 11.1 | | | 67 | | 6 | | 57 | 4 |
| ALL | 16.7 | | | 1,586 | 28 | 759 | 580 | 193 | 25 |

Unit Cruise Design: LOST AND FOUND SORTS U1

| Design | Cruise Acres | FMA Acres | N Plots | N Cruise Plots | N Void Plots |
|--|--------------|-----------|---------|----------------|--------------|
| B2C: VR, 2 BAF (71.11, 40 for some species) Measure/Count Plots, Sighting Ht = 4.5 ft | 38.0 | 37.6 | 29 | 13 | 0 |

Unit Cruise Summary: LOST AND FOUND SORTS U1

| Sp | Cruised Trees | All Trees | Trees/Plot | Ring-Count Trees |
|-----|---------------|-----------|------------|------------------|
| DF | 30 | 75 | 2.6 | 0 |
| WH | 10 | 25 | 0.9 | 0 |
| RC | 11 | 32 | 1.1 | 0 |
| RA | 10 | 16 | 0.6 | 0 |
| ALL | 61 | 148 | 5.1 | 0 |

Unit Cruise Statistics (Cut + Leave Trees): LOST AND FOUND SORTS U1

| Sp | BA (sq ft/acre) | BA CV (%) | BA SE (%) | V-BAR (bf/sq ft) | V-BAR CV (%) | V-BAR SE (%) | Net Vol (bf/acre) | Vol CV (%) | Vol SE (%) |
|-----|--------------------|--------------|--------------|---------------------|-----------------|-----------------|----------------------|---------------|---------------|
| DF | 183.9 | 79.7 | 14.8 | 158.7 | 16.3 | 3.0 | 29,191 | 81.4 | 15.1 |
| WH | 61.3 | 141.1 | 26.2 | 114.3 | 24.0 | 7.6 | 7,008 | 143.2 | 27.3 |
| RC | 44.1 | 88.5 | 16.4 | 94.6 | 37.1 | 11.2 | 4,174 | 95.9 | 19.9 |
| RA | 22.1 | 178.6 | 33.2 | 79.9 | 22.6 | 7.1 | 1,762 | 180.0 | 33.9 |
| ALL | 311.4 | 37.1 | 6.9 | 135.3 | 31.9 | 4.1 | 42,136 | 48.9 | 8.0 |

Unit Summary: LOST AND FOUND SORTS U1

| Sp | Status | Rx | N | D | DBH | BL | THT | BF Gross | BF Net | Defect % | TPA | BA | RD | MBF Net |
|-----|--------|------|----|-----|------|----|-----|-------------|-----------|-------------|-------|-------|------|------------|
| DF | LIVE | CUT | 30 | ALL | 20.9 | 97 | 123 | 30,796 | 28,802 | 6.5 | 76.2 | 181.5 | 39.7 | 1,094.5 |
| DF | LIVE | LEA | 0 | ALL | 35.0 | | | 416 | 389 | 6.5 | 0.4 | 2.5 | 0.4 | 14.8 |
| RA | LIVE | CUT | 10 | ALL | 11.1 | 49 | 59 | 1,898 | 1,762 | 7.2 | 32.8 | 22.1 | 6.6 | 67.0 |
| RC | LIVE | CUT | 8 | ALL | 14.3 | 46 | 57 | 3,945 | 3,653 | 7.4 | 34.6 | 38.6 | 10.2 | 138.8 |
| RC | LIVE | POLE | 3 | ALL | 16.9 | 67 | 84 | 564 | 522 | 7.4 | 3.5 | 5.5 | 1.3 | 19.8 |
| WH | LIVE | CUT | 10 | ALL | 15.4 | 68 | 84 | 7,400 | 7,008 | 5.3 | 47.4 | 61.3 | 15.6 | 266.3 |
| ALL | LIVE | LEA | 0 | ALL | 35.0 | | | 416 | 389 | 6.5 | 0.4 | 2.5 | 0.4 | 14.8 |
| ALL | LIVE | CUT | 58 | ALL | 17.1 | 72 | 90 | 44,039 | 41,225 | 6.4 | 191.0 | 303.4 | 72.1 | 1,566.5 |
| ALL | LIVE | POLE | 3 | ALL | 16.9 | 67 | 84 | 564 | 522 | 7.4 | 3.5 | 5.5 | 1.3 | 19.8 |
| ALL | ALL | ALL | 61 | ALL | 17.1 | 72 | 90 | 45,019 | 42,136 | 6.4 | 194.9 | 311.4 | 73.9 | 1,601.2 |

Cruise Unit Report LOST AND FOUND SORTS U2

Unit Sale Notice Volume (MBF): LOST AND FOUND SORTS U2

| Sp | DBH | Rings/In | Age | MBF Volume by Grade | | | | | |
|-----|------|----------|-----|---------------------|-----------|-------|-------|-------|---------|
| | | | | All | Spec Mill | 2 Saw | 3 Saw | 4 Saw | Utility |
| DF | 19.4 | | | 1,088 | 46 | 562 | 380 | 68 | 31 |
| WH | 15.9 | | | 368 | | 152 | 169 | 48 | |
| RC | 16.2 | | | 325 | | | 266 | 59 | |
| RA | 20.2 | | | 188 | | 118 | 42 | 28 | |
| GF | 36.0 | | | 20 | | 18 | 2 | | |
| MA | 27.0 | | | 3 | | 3 | | | |
| ALL | 17.8 | | | 1,992 | 46 | 853 | 858 | 204 | 31 |

Unit Cruise Design: LOST AND FOUND SORTS U2

| Design | Cruise Acres | FMA Acres | N Plots | N Cruise Plots | N Void Plots |
|--|--------------|-----------|---------|----------------|--------------|
| B2C: VR, 2 BAF (71.11, 40 for some species) Measure/Count Plots, Sighting Ht = 4.5 ft | 63.0 | 60.4 | 40 | 20 | 1 |

Unit Cruise Summary: LOST AND FOUND SORTS U2

| Sp | Cruised Trees | All Trees | Trees/Plot | Ring-Count Trees |
|-----|---------------|-----------|------------|------------------|
| DF | 30 | 65 | 1.6 | 0 |
| WH | 11 | 26 | 0.7 | 0 |
| RC | 37 | 72 | 1.8 | 0 |
| RA | 8 | 29 | 0.7 | 0 |
| GF | 1 | 1 | 0.0 | 0 |
| MA | 1 | 1 | 0.0 | 0 |
| ALL | 88 | 194 | 4.9 | 0 |

Unit Cruise Statistics (Cut + Leave Trees): LOST AND FOUND SORTS U2

| Sp | BA (sq ft/acre) | BA CV (%) | BA SE (%) | V-BAR (bf/sq ft) | V-BAR CV (%) | V-BAR SE (%) | Net Vol (bf/acre) | Vol CV (%) | Vol SE (%) |
|----|-----------------|-----------|-----------|------------------|--------------|--------------|-------------------|------------|------------|
| DF | 115.6 | 113.8 | 18.0 | 151.7 | 20.1 | 3.7 | 17,535 | 115.6 | 18.4 |
| WH | 45.4 | 130.2 | 20.6 | 128.6 | 39.3 | 11.9 | 5,845 | 136.0 | 23.8 |
| RC | 72.8 | 78.6 | 12.4 | 72.7 | 41.4 | 6.8 | 5,288 | 88.8 | 14.2 |
| RA | 29.0 | 179.4 | 28.4 | 102.7 | 9.6 | 3.4 | 2,979 | 179.7 | 28.6 |
| GF | 1.8 | 632.5 | 100.0 | 177.5 | 0.0 | 0.0 | 316 | 632.5 | 100.0 |

| Sp | BA (sq ft/acre) | BA CV (%) | BA SE (%) | V-BAR (bf/sq ft) | V-BAR CV (%) | V-BAR SE (%) | Net Vol (bf/acre) | Vol CV (%) | Vol SE (%) |
|-----|--------------------|--------------|--------------|---------------------|-----------------|-----------------|----------------------|---------------|---------------|
| MA | 1.0 | 632.5 | 100.0 | 50.3 | 0.0 | 0.0 | 50 | 632.5 | 100.0 |
| ALL | 265.6 | 42.4 | 6.7 | 120.5 | 40.0 | 4.3 | 32,012 | 58.3 | 7.9 |

Unit Summary: LOST AND FOUND SORTS U2

| Sp | Status | Rx | N | D | DBH | BL | THT | BF Gross | BF Net | Defect % | TPA | BA | RD | MBF Net |
|-----|--------|------|----|-----|------|-----|-----|-------------|-----------|-------------|-------|-------|------|------------|
| DF | LIVE | CUT | 30 | ALL | 19.4 | 88 | 112 | 18,224 | 17,265 | 5.3 | 55.4 | 113.8 | 25.8 | 1,087.7 |
| DF | LIVE | LEA | 0 | ALL | 27.0 | | | 285 | 270 | 5.3 | 0.4 | 1.8 | 0.3 | 17.0 |
| GF | LIVE | CUT | 1 | ALL | 36.0 | 115 | 148 | 418 | 316 | 24.5 | 0.3 | 1.8 | 0.3 | 19.9 |
| MA | LIVE | CUT | 1 | ALL | 27.0 | 75 | 93 | 119 | 50 | 57.7 | 0.3 | 1.0 | 0.2 | 3.2 |
| RA | LIVE | CUT | 8 | ALL | 20.2 | 71 | 88 | 3,432 | 2,979 | 13.2 | 13.0 | 29.0 | 6.5 | 187.7 |
| RC | LIVE | CUT | 32 | ALL | 16.2 | 46 | 57 | 5,243 | 4,796 | 8.5 | 46.1 | 66.0 | 16.4 | 302.1 |
| RC | LIVE | POLE | 5 | ALL | 16.2 | 63 | 79 | 397 | 363 | 8.5 | 3.5 | 5.0 | 1.2 | 22.9 |
| RC | LIVE | LEA | 0 | ALL | 38.0 | | | 141 | 129 | 8.5 | 0.2 | 1.8 | 0.3 | 8.1 |
| WH | LIVE | CUT | 11 | ALL | 15.9 | 70 | 87 | 6,247 | 5,845 | 6.4 | 33.0 | 45.4 | 11.4 | 368.2 |
| ALL | LIVE | CUT | 83 | ALL | 17.9 | 70 | 87 | 33,683 | 31,250 | 7.2 | 148.1 | 257.0 | 60.6 | 1,968.7 |
| ALL | LIVE | POLE | 5 | ALL | 16.2 | 63 | 79 | 397 | 363 | 8.5 | 3.5 | 5.0 | 1.2 | 22.9 |
| ALL | LIVE | LEA | 0 | ALL | 31.1 | | | 426 | 399 | 6.3 | 0.6 | 3.6 | 0.6 | 25.1 |
| ALL | ALL | ALL | 88 | ALL | 17.9 | 70 | 87 | 34,506 | 32,012 | 7.2 | 152.2 | 265.6 | 62.4 | 2,016.8 |

Cruise Unit Report LOST AND FOUND SORTS U3

Unit Sale Notice Volume (MBF): LOST AND FOUND SORTS U3

| Sp | DBH | Rings/In | Age | MBF Volume by Grade | | | | |
|-----|------|----------|-----|---------------------|-------|-------|-------|---------|
| | | | | All | 2 Saw | 3 Saw | 4 Saw | Utility |
| DF | 22.8 | 9.0 | | 1,726 | 1,254 | 385 | 86 | |
| WH | 14.4 | 8.0 | | 418 | 161 | 185 | 61 | 10 |
| RC | 12.2 | | | 263 | | 147 | 116 | |
| GF | 24.6 | | | 59 | 54 | 5 | | |
| RA | 18.9 | | | 38 | 21 | 4 | 9 | 3 |
| MA | 18.7 | | | 9 | 4 | 4 | | 2 |
| ALL | 17.0 | 8.5 | | 2,512 | 1,494 | 731 | 272 | 15 |

Unit Cruise Design: LOST AND FOUND SORTS U3

| Design | Cruise Acres | FMA Acres | N Plots | N Cruise Plots | N Void Plots |
|--|--------------|-----------|---------|----------------|--------------|
| B2C: VR, 2 BAF (71.11, 40 for some species) Measure/Count Plots, Sighting Ht = 4.5 ft | 60.0 | 59.8 | 38 | 19 | 0 |

Unit Cruise Summary: LOST AND FOUND SORTS U3

| Sp | Cruised Trees | All Trees | Trees/Plot | Ring-Count Trees |
|-----|---------------|-----------|------------|------------------|
| DF | 38 | 88 | 2.3 | 1 |
| WH | 16 | 33 | 0.9 | 1 |
| RC | 25 | 67 | 1.8 | 0 |
| GF | 3 | 3 | 0.1 | 0 |
| RA | 5 | 6 | 0.2 | 0 |
| MA | 2 | 2 | 0.1 | 0 |
| ALL | 89 | 199 | 5.2 | 2 |

Unit Cruise Statistics (Cut + Leave Trees): LOST AND FOUND SORTS U3

| Sp | BA (sq ft/acre) | BA CV (%) | BA SE (%) | V-BAR (bf/sq ft) | V-BAR CV (%) | V-BAR SE (%) | Net Vol (bf/acre) | Vol CV (%) | Vol SE (%) |
|----|-----------------|-----------|-----------|------------------|--------------|--------------|-------------------|------------|------------|
| DF | 164.7 | 92.1 | 14.9 | 174.6 | 18.9 | 3.1 | 28,759 | 94.0 | 15.2 |
| WH | 61.8 | 142.1 | 23.1 | 119.9 | 31.1 | 7.8 | 7,407 | 145.5 | 24.3 |
| RC | 70.5 | 106.7 | 17.3 | 63.0 | 34.8 | 7.0 | 4,446 | 112.2 | 18.6 |
| GF | 5.6 | 454.5 | 73.7 | 176.1 | 34.8 | 20.1 | 988 | 455.8 | 76.4 |
| RA | 7.1 | 331.7 | 53.8 | 88.2 | 9.2 | 4.1 | 629 | 331.8 | 54.0 |

| Sp | BA (sq ft/acre) | BA CV (%) | BA SE (%) | V-BAR (bf/sq ft) | V-BAR CV (%) | V-BAR SE (%) | Net Vol (bf/acre) | Vol CV (%) | Vol SE (%) |
|-----|--------------------|--------------|--------------|---------------------|-----------------|-----------------|----------------------|---------------|---------------|
| MA | 2.1 | 430.0 | 69.7 | 74.4 | 7.0 | 4.9 | 157 | 430.0 | 69.9 |
| ALL | 311.8 | 42.0 | 6.8 | 135.9 | 42.2 | 4.5 | 42,385 | 59.6 | 8.2 |

Unit Summary: LOST AND FOUND SORTS U3

| Sp | Status | Rx | N | D | DBH | BL | THT | BF Gross | BF Net | Defect % | TPA | BA | RD | MBF Net |
|-----|--------|------|----|-----|------|-----|-----|-------------|-----------|-------------|-------|-------|------|------------|
| DF | LIVE | CUT | 38 | ALL | 22.8 | 96 | 123 | 30,743 | 28,759 | 6.5 | 58.1 | 164.7 | 34.5 | 1,725.5 |
| GF | LIVE | CUT | 3 | ALL | 24.6 | 103 | 132 | 1,081 | 988 | 8.5 | 1.7 | 5.6 | 1.1 | 59.3 |
| MA | LIVE | CUT | 2 | ALL | 18.7 | 63 | 78 | 215 | 157 | 27.1 | 1.1 | 2.1 | 0.5 | 9.4 |
| RA | LIVE | CUT | 5 | ALL | 18.9 | 67 | 82 | 746 | 629 | 15.7 | 3.7 | 7.1 | 1.6 | 37.7 |
| RC | LIVE | CUT | 23 | ALL | 12.1 | 38 | 45 | 5,027 | 4,247 | 15.5 | 84.4 | 67.4 | 19.4 | 254.8 |
| RC | LIVE | POLE | 2 | ALL | 15.3 | 62 | 78 | 157 | 133 | 15.5 | 1.6 | 2.1 | 0.5 | 8.0 |
| RC | LIVE | LEA | 0 | ALL | 21.0 | | | 79 | 66 | 15.5 | 0.4 | 1.1 | 0.2 | 4.0 |
| WH | LIVE | CUT | 16 | ALL | 14.4 | 65 | 80 | 7,640 | 6,958 | 8.9 | 51.3 | 58.0 | 15.3 | 417.5 |
| WH | LIVE | LEA | 0 | ALL | 14.1 | | | 493 | 449 | 8.9 | 3.5 | 3.7 | 1.0 | 26.9 |
| ALL | LIVE | CUT | 87 | ALL | 16.7 | 63 | 78 | 45,451 | 41,737 | 8.2 | 200.3 | 304.9 | 72.4 | 2,504.2 |
| ALL | LIVE | POLE | 2 | ALL | 15.3 | 62 | 78 | 157 | 133 | 15.5 | 1.6 | 2.1 | 0.5 | 8.0 |
| ALL | LIVE | LEA | 0 | ALL | 15.0 | | | 571 | 515 | 9.8 | 3.9 | 4.8 | 1.2 | 30.9 |
| ALL | ALL | ALL | 89 | ALL | 16.7 | 63 | 78 | 46,180 | 42,385 | 8.2 | 205.8 | 311.8 | 74.2 | 2,543.1 |

Cruise Unit Report LOST AND FOUND SORTS U5 ROW

Unit Sale Notice Volume (MBF): LOST AND FOUND SORTS U5 ROW

| Sp | DBH | Rings/In | Age | MBF Volume by Grade | | | |
|-----|------|----------|-----|---------------------|-------|-------|-------|
| | | | | All | 2 Saw | 3 Saw | 4 Saw |
| DF | 18.7 | | | 19 | 7 | 10 | 2 |
| RA | 12.2 | | | 14 | | 7 | 7 |
| RC | 20.0 | | | 6 | | 5 | 1 |
| ALL | 15.2 | | | 38 | 7 | 21 | 10 |

Unit Cruise Design: LOST AND FOUND SORTS U5 ROW

| Design | Cruise Acres | FMA Acres | N Plots | N Cruise Plots | N Void Plots |
|--|--------------|-----------|---------|----------------|--------------|
| B2C: VR, 2 BAF (40, 40 for some species) Measure/ Count Plots, Sighting Ht = 0 ft | 2.0 | | 1 | 1 | 0 |

Unit Cruise Summary: LOST AND FOUND SORTS U5 ROW

| Sp | Cruised Trees | All Trees | Trees/Plot | Ring-Count Trees |
|-----|---------------|-----------|------------|------------------|
| DF | 2 | 2 | 2.0 | 0 |
| RA | 2 | 2 | 2.0 | 0 |
| RC | 1 | 1 | 1.0 | 0 |
| ALL | 5 | 5 | 5.0 | 0 |

Unit Cruise Statistics (Cut + Leave Trees): LOST AND FOUND SORTS U5 ROW

| Sp | BA (sq ft/acre) | BA CV (%) | BA SE (%) | V-BAR (bf/sq ft) | V-BAR CV (%) | V-BAR SE (%) | Net Vol (bf/acre) | Vol CV (%) | Vol SE (%) |
|-----|--------------------|--------------|--------------|---------------------|-----------------|-----------------|----------------------|---------------|---------------|
| DF | 80.0 | 0.0 | 0.0 | 116.1 | 11.6 | 8.2 | 9,286 | 11.6 | 8.2 |
| RA | 80.0 | 0.0 | 0.0 | 89.0 | 21.9 | 15.5 | 7,119 | 21.9 | 15.5 |
| RC | 40.0 | 0.0 | 0.0 | 70.2 | 0.0 | 0.0 | 2,806 | 0.0 | 0.0 |
| ALL | 200.0 | 0.0 | 0.0 | 96.1 | 24.1 | 10.8 | 19,211 | 24.1 | 10.8 |

Unit Summary: LOST AND FOUND SORTS U5 ROW

| Sp | Status | Rx | N | D | DBH | BL | THT | BF Gross | BF Net | Defect % | TPA | BA | RD | MBF Net |
|----|--------|-----|---|-----|------|----|-----|----------|--------|----------|------|------|------|---------|
| DF | LIVE | CUT | 2 | ALL | 18.7 | 76 | 96 | 10,174 | 9,286 | 8.7 | 41.9 | 80.0 | 18.5 | 18.6 |
| RA | LIVE | CUT | 2 | ALL | 12.2 | 54 | 65 | 7,525 | 7,119 | 5.4 | 98.5 | 80.0 | 22.9 | 14.2 |
| RC | LIVE | CUT | 1 | ALL | 20.0 | 64 | 80 | 3,485 | 2,806 | 19.5 | 18.3 | 40.0 | 8.9 | 5.6 |

| Sp | Status | Rx | N | D | DBH | BL | THT | BF Gross | BF Net | Defect % | TPA | BA | RD | MBF Net |
|-----|--------|-----|---|-----|------|----|-----|----------|--------|----------|-------|-------|------|---------|
| ALL | LIVE | CUT | 5 | ALL | 15.2 | 61 | 75 | 21,184 | 19,211 | 9.3 | 158.7 | 200.0 | 50.3 | 38.4 |
| ALL | ALL | ALL | 5 | ALL | 15.2 | 61 | 75 | 21,184 | 19,211 | 9.3 | 158.7 | 200.0 | 50.3 | 38.4 |

Cruise Unit Report LOST AND FOUND SORTS U6 ROW

Unit Sale Notice Volume (MBF): LOST AND FOUND SORTS U6 ROW

| Sp | DBH | Rings/In | Age | MBF Volume by Grade | | | | |
|-----|------|----------|-----|---------------------|-------|-------|-------|---------|
| | | | | All | 2 Saw | 3 Saw | 4 Saw | Utility |
| RC | 16.9 | | | 1 | | 0 | 0 | |
| RA | 14.6 | | | 0 | 0 | | 0 | 0 |
| ALL | 16.1 | | | 1 | 0 | 0 | 0 | 0 |

Unit Cruise Design: LOST AND FOUND SORTS U6 ROW

| Design | Cruise Acres | FMA Acres | N Plots | N Cruise Plots | N Void Plots |
|---|--------------|-----------|---------|----------------|--------------|
| ST: Strip/Percent Sample (1 tree expansion) | 0.5 | | 1 | 1 | 0 |

Unit Cruise Summary: LOST AND FOUND SORTS U6 ROW

| Sp | Cruised Trees | All Trees | Trees/Plot | Ring-Count Trees |
|-----|---------------|-----------|------------|------------------|
| OO | | 9 | 9.0 | 0 |
| WP | | 18 | 18.0 | 0 |
| RC | 8 | 8 | 8.0 | 0 |
| RA | 5 | 5 | 5.0 | 0 |
| ALL | 13 | 40 | 40.0 | 0 |

Unit Cruise Statistics (Cut + Leave Trees): LOST AND FOUND SORTS U6 ROW

| Sp | BA (sq ft/acre) | BA CV (%) | BA SE (%) | V-BAR (bf/sq ft) | V-BAR CV (%) | V-BAR SE (%) | Net Vol (bf/acre) | Vol CV (%) | Vol SE (%) |
|-----|-----------------|-----------|-----------|------------------|--------------|--------------|-------------------|------------|------------|
| OO | 2.4 | 0.0 | 0.0 | | | | | | |
| WP | 4.9 | 0.0 | 0.0 | | | | | | |
| RC | 25.0 | 0.0 | 0.0 | 42.0 | 34.7 | 12.3 | 1,050 | 34.7 | 12.3 |
| RA | 11.6 | 0.0 | 0.0 | 37.4 | 32.3 | 14.5 | 432 | 32.3 | 14.5 |
| ALL | 43.9 | 0.0 | 0.0 | 40.5 | 33.8 | 9.4 | 1,778 | 33.8 | 9.4 |

Unit Summary: LOST AND FOUND SORTS U6 ROW

| Sp | Status | Rx | N | D | DBH | BL | THT | BF Gross | BF Net | Defect % | TPA | BA | RD | MBF Net |
|----|--------|-----|---|-----|------|----|-----|----------|--------|----------|------|------|-----|---------|
| OO | LIVE | CUT | 0 | ALL | 5.0 | 19 | 20 | | | | 17.8 | 2.4 | 1.1 | |
| RA | LIVE | CUT | 5 | ALL | 14.6 | 34 | 40 | 490 | 432 | 11.8 | 9.9 | 11.6 | 3.0 | 0.2 |

| Sp | Status | Rx | N | D | DBH | BL | THT | BF Gross | BF Net | Defect % | TPA | BA | RD | MBF Net |
|-----|--------|-----|----|-----|------|----|-----|----------|--------|----------|------|------|------|---------|
| RC | LIVE | CUT | 8 | ALL | 16.9 | 37 | 44 | 1,270 | 1,050 | 17.3 | 16.0 | 25.0 | 6.1 | 0.5 |
| WP | LIVE | CUT | 0 | ALL | 5.0 | 19 | 20 | | | | 35.6 | 4.9 | 2.2 | |
| ALL | LIVE | CUT | 13 | ALL | 10.1 | 24 | 27 | 1,760 | 1,482 | 15.8 | 79.3 | 43.9 | 12.4 | 0.7 |
| ALL | ALL | ALL | 13 | ALL | 10.1 | 24 | 27 | 1,760 | 1,482 | 15.8 | 79.3 | 43.9 | 12.4 | 0.7 |



Forest Practices Application/Notification Notice of Decision

FPA/N No: 2617839

Effective Date: 3/30/2023

Expiration Date: 3/30/2026

Shut Down Zone: MULTIPLE

EARR Tax Credit: Eligible Non-eligible

Reference: Dept. of Natural Resources

Lost and Found Sorts

Decision

- Notification Accepted** Operations shall not begin before the effective date.
- Approved** This Forest Practices Application is subject to the conditions listed below.
- Disapproved** This Forest Practices Application is disapproved for the reasons listed below.
- Withdrawn** Applicant has withdrawn the Forest Practices Application/Notification (FPA/N).
- Closed** All forest practices obligations are met.

FPA/N Classification

Class II Class III Class IVG Class IVS

Number of Years Granted on Multi-Year Request

4 years 5 years

Conditions on Approval/Reasons for Disapproval

Issued By: Levi Puksta

Region: Olympic

Title: Forest Practices Forester

Date: 3/30/2023

Copies to: Landowner, Timber Owner and Operator

Issued in person: LO TO OP By: Krista Pagel *Ka Pagel*

Date: 3/30/2023

Appeal Information

You have thirty (30) days to *file* (i.e., *actually deliver*) an appeal in writing of this Decision and any related State Environmental Policy Act (SEPA) determinations to the Pollution Control Hearings Board, the Attorney General's Office, and the Department of Natural Resources' region office. See [RCW 76.09.205](#). The appeal period starts when the applicant receives this decision, which usually happens electronically on the date indicated below.

You must file your appeal at all three addresses below:

| Pollution Control Hearings Board | Office of the Attorney General Natural Resources Division | Department Of Natural Resources Olympic Region |
|---|---|---|
| <u>Physical Address</u> 1111 Israel Road, SW Suite 301 Tumwater, WA 98501 <u>Mailing address</u> Post Office Box 40903 Olympia, WA 98504-0903 | <u>Physical Address</u> 1125 Washington Street, SE Olympia, WA 98504 <u>Mailing Address</u> Post Office Box 40100 Olympia, WA 98504-0100 | <u>Physical & Mailing Address</u> 411 Tillicum Lane Forks, WA 98331 |

Information regarding the Pollution Control Hearings Board can be found at: <http://elaho.wa.gov/>

Other Applicable Laws

Operating as described in this application/notification does not ensure compliance with the Endangered Species Act, or other federal, state, or local laws.

Transfer of Forest Practices Application/Notification (WAC 222-20-010)

Use the "Notice of Transfer of Approved Forest Practices Application/Notification" form. This form is available at region offices and on the Forest Practices website <https://www.dnr.wa.gov/programs-and-services/forest-practices/review-applications-fpars/forest-practices-forms-and>. Notify DNR of new Operators within 48 hours.

Continuing Forestland Obligations (RCW 76.09.060, RCW 76.09.070, RCW 76.09.390, and WAC 222-20-055)

Obligations include reforestation, road maintenance and abandonment plans, conversions of forestland to non- forestry use and/or harvest strategies on perennial non-fish habitat (Type Np) waters in Eastern Washington.

Before the sale or transfer of land or perpetual timber rights subject to continuing forest and obligations, the seller must notify the buyer of such an obligation on a form titled "Notice of Continuing Forest Land Obligation". The seller and buyer must both sign the "Notice of Continuing Forest Land Obligation" form and send it to the DNR Region Office for retention. This form is available at DNR region offices.

If the seller fails to notify the buyer about the continuing forestland obligation, the seller must pay the buyer's costs related to continuing forestland obligations, including all legal costs and reasonable attorneys' fees incurred by the buyer in enforcing the continuing forestland obligation against the seller.

Failure by the seller to send the required notice to DNR at the time of sale will be prima facie evidence in an action by the buyer against the seller for costs related to the continuing forestland obligation prior to sale.

DNR Declaration of Mailing

I, Choose an item., caused the Notice of Decision for FPA/N No. [Click or tap here to enter text](#) to be placed in the United States mail at Forks, WA, postage paid. I declare under penalty of perjury of the laws of the State of Washington, that the foregoing is true and correct.

Click or tap to enter a date.

(Date)

Forks, Washington

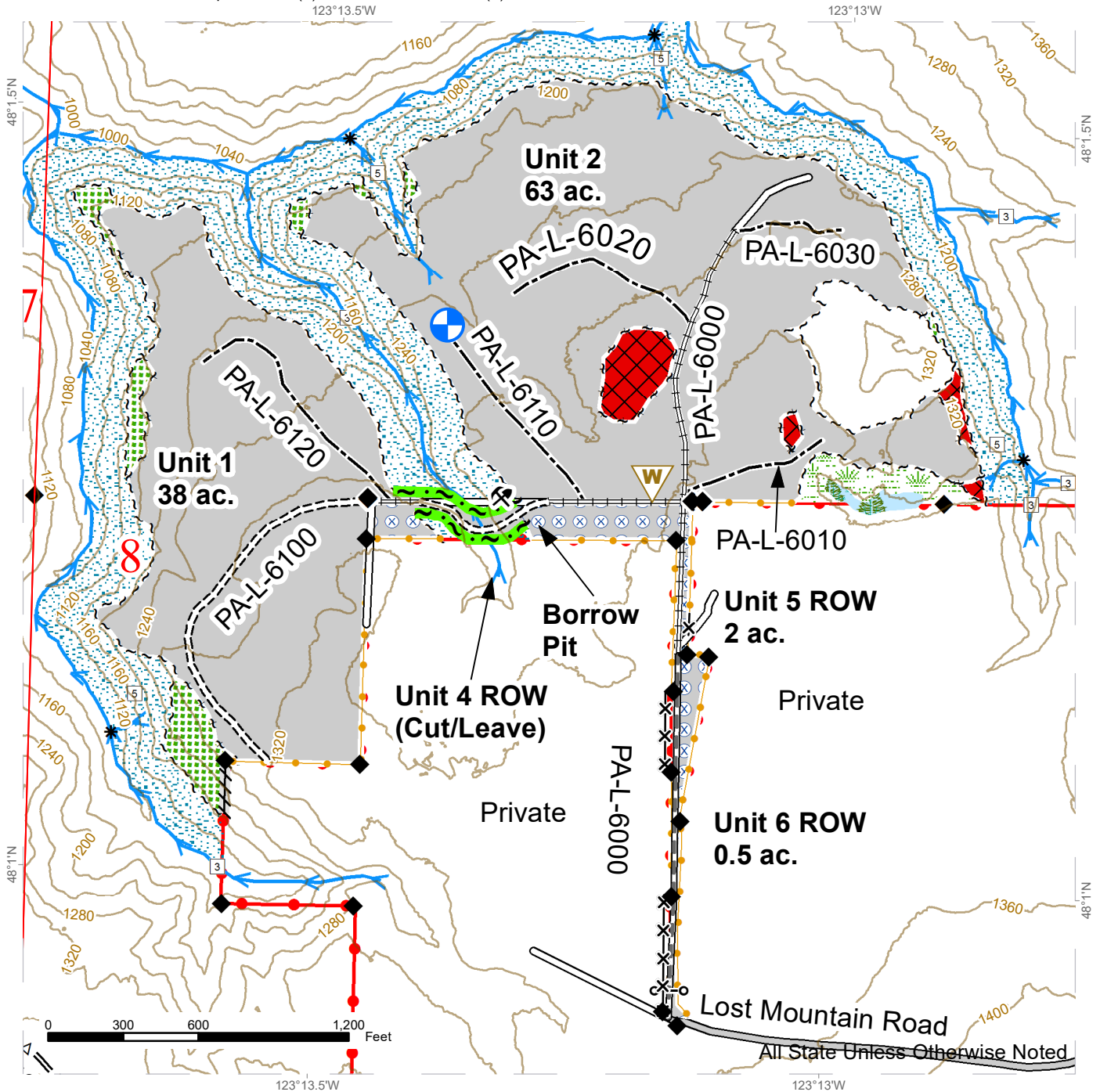
(City & State where signed)

(Signature)

LOGGING PLAN MAP

SALE NAME: LOST AND FOUND SORTS
AGREEMENT #: 30-103559
TOWNSHIP(S): T29R4W
TRUST(S): Capitol Grant (7), State Forest Transfer (1)

REGION: Olympic Region
COUNTY(S): Clallam
ELEVATION RGE: 1130-1760



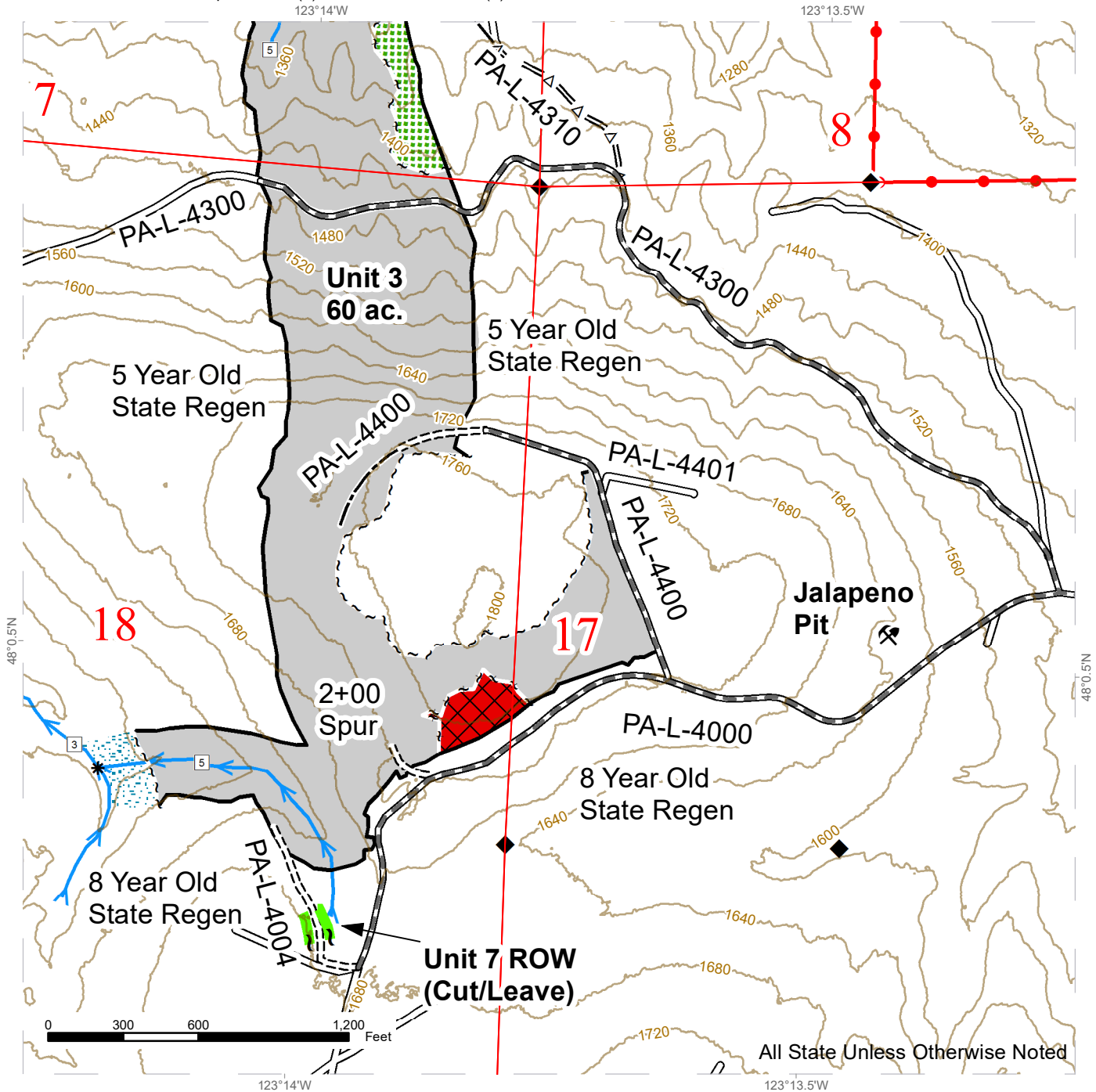
| | | | |
|-------------------------------|--|--------------------------|--------------------|
| Ground Based Harvest | Sale Boundary Tags | Non-Tradeable Leave Area | Waste Area |
| Public Land Survey Townships | Leave Tree Tags | Leave Tree Area | Landing - Proposed |
| Public Land Survey Sections | Take / Removal Trees (red single-ringed) | Riparian Mgt Zone | Gate (AA1 Key) |
| County Road | Property Line | Forested Wetland | Gate Installation |
| Existing Roads | Flag Line | Wetland Mgt Zone | Rock Pit |
| Required Pre-Haul Maintenance | Timber Type Change | Hazard Abatement Area | Survey Monument |
| Required Construction | Cut/Leave Trees (orange double-ringed) | DNR Managed Lands | Fence |
| Required Reconstruction | Open Water | Stream Break | Stream Type |
| Optional Pre-Haul Maintenance | Streams | | |
| Optional Construction | | | |



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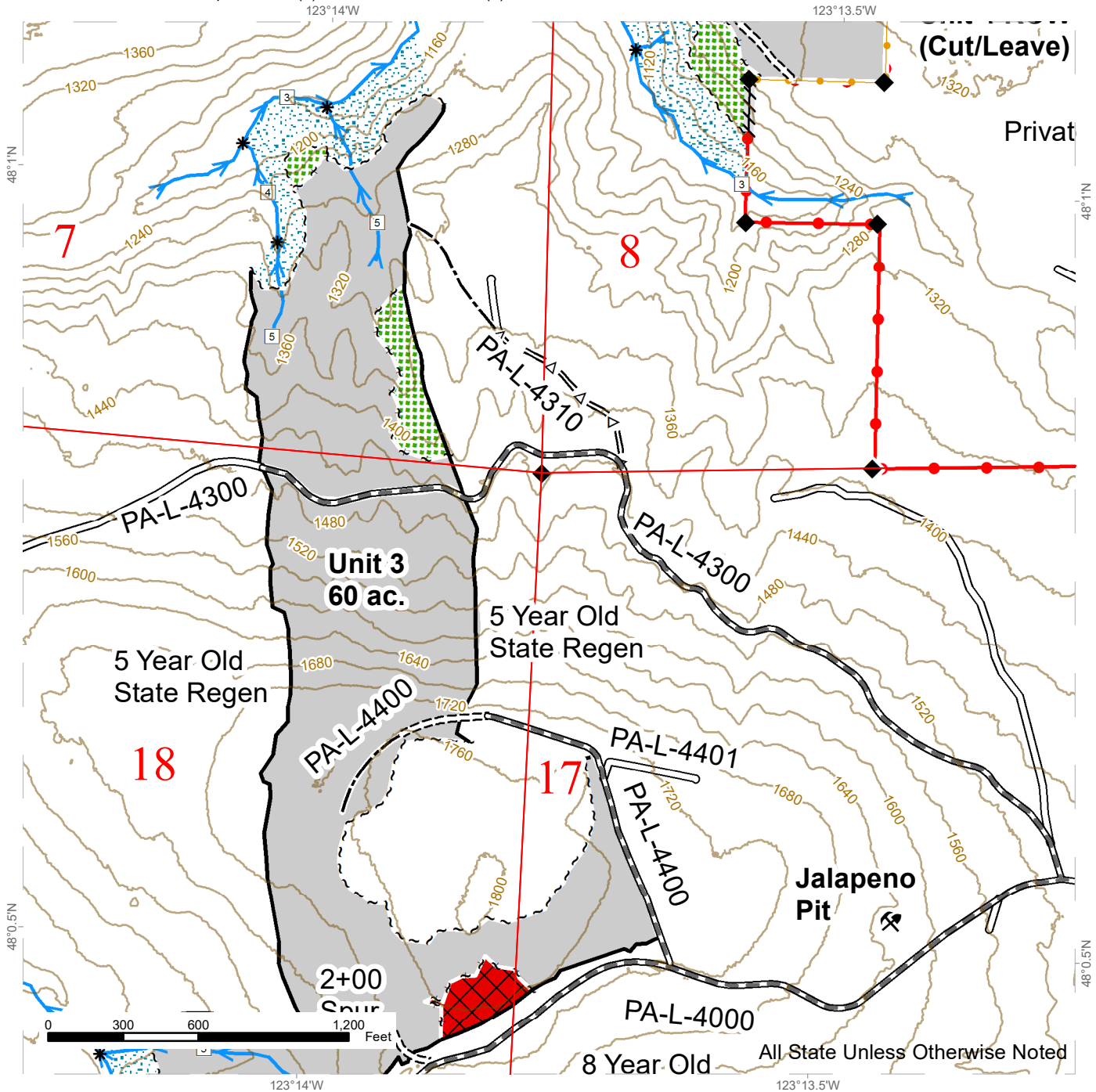


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