NOTICE OF SALE

Department of Natural Resources & Conservation Timber Sale

The Barrett Salvage Timber is located within Sections 24 & 25, T10S-R13W on the State's Dillon Unit. Approximately 5,695 tons, consisting primarily of Douglas-fir and lodgepole pine sawlogs is offered for sale.

Sealed bids will be opened at the Department of Natural Resources & Conservation, 2705 Spurgin Road, Missoula, Montana on September 2, 2010 at 2:00 p.m. Bids may be hand delivered or mailed and will be accepted any time prior to the bid opening. DNRC recommends that bidders contact the Trust Land Management Division (406-542-4300) prior to the bid opening to ensure that your bid has been received. Bids must be accompanied by a deposit of $382.00, representing 5% of the minimum bid value of the sale in cashier's check, certified check, bank money order or bank draft to be applied to the stumpage for the successful bidder. Bid bonds will be accepted and, for the successful bidder, will be closed upon execution of the Timber Sale Contract and Timber Sale Bond.

The sale will be awarded to the highest responsible bidder. If the successful bidder is unable to execute the contract within 30 calendar days from the date the sale is awarded, the bid deposit will be retained by the Department as liquidated damages. The right is reserved to reject any or all bids.

Prospective bidders can obtain the sale prospectus, sale contract and bid forms from the Department of Natural Resources & Conservation, Trust Land Management Division, in Missoula (406-542-4300), the Central Land Office, In Helena (406-458-3500), or the Dillon Unit Office in Dillon, MT (406-683-6305).


/s/ Shawn Thomas, Chief
Forest Management Bureau
Trust Land Mgmt Division

Publication Dates: August 4, 11, 18, 25, 2010
TIMBER SALE PROSPECTUS
MONTANA DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

<table>
<thead>
<tr>
<th>Timber Sale Name:</th>
<th>Barrett Salvage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Timber Sale Location:</td>
<td>Sections 24 &amp; 25, T10S-R13W, Beaverhead County</td>
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</table>

For specific sale information, contact:

<table>
<thead>
<tr>
<th>Phone</th>
<th>Chuck Barone</th>
<th>Dillon Unit Office</th>
</tr>
</thead>
<tbody>
<tr>
<td>406-683-6305</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

For copies of the Timber Sale Contract and bid forms, contact:

<table>
<thead>
<tr>
<th>Phone</th>
<th>Forest Management Bureau</th>
<th>DNRC Missoula Office</th>
</tr>
</thead>
<tbody>
<tr>
<td>406-542-4300</td>
<td></td>
<td></td>
</tr>
<tr>
<td>406-458-3500</td>
<td></td>
<td></td>
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</table>

General Bidding Information

1. Bids must be submitted on standard Department of Natural Resources & Conservation (Dept) bid forms.
2. Timber will be sold to the highest responsible bidder; however, the Dept reserves the right to reject any or all bids.
3. The Dept recommends that bidders contact the Forest Management Bureau, Trust Land Management Division (406-542-4300) prior to the bid opening to ensure that your bid has been received.
4. A Bid Guarantee must accompany all bids and must be in the form of cash, cashiers check, certified check, money order, bank draft, surety bond or irrevocable letter of credit.
5. The Purchaser must submit a Performance Bond to the Dept within a maximum of 45 days of notification of sale award. The bond amount will be, at a minimum, 20% of the total bid value of the sale. The performance bond may be in the form of cash, irrevocable letter of credit, surety bond or certificate of deposit. The performance bond must be maintained separately from other payments for the duration of the sale contract. See the Timber Sale Contract for additional information.
6. The Purchaser must submit an Advance Stumpage Payment prior to cutting any timber. The amount of the advance stumpage payment will be based on the expected harvest rate and the bid value of the stumpage. The advance stumpage payment may be in the form of cash, irrevocable letter of credit, payment bond or certificate of deposit.
7. At rates specified in the Contract, the purchaser will pay Forest Improvement Fees on all sawlog volume.
8. This sale is being sold based on the gross weight of all species. Minimum price and bid price are on a per ton basis. Unless specified, the price applies to all species, green and dead. Price may vary by product. Billing will be based on gross weight. A weight ticket from a certified scale is required for each load hauled, regardless of product type.
9. The Dept has estimated the net scale merchantable sawlog volume to be available for purchase under this contract. Other products may be part of this sale. All delivered wood will be weighed and billed at per ton bid rates. The Dept recognizes that a percentage of delivered wood may not meet the log manufacturing and recovery standards of the timber sale contract. The actual percentage will vary based on the log manufacturing and recovery specifications of the purchaser and tree conditions in the sale area. The actual delivered weight may vary, resulting in an overrun or under-run of the estimated tonnage. The Dept strongly recommends that bidders evaluate these effects before bidding.
10. The Dept does not conduct detailed road appraisals. All appraised costs are gross estimates or averages, provided only to show the relative amount of work required, and not the true market value. The Dept strongly recommends that bidders make their own estimates based on contract requirements. Cost estimates provided are not guaranteed.
11. Bidders are encouraged to examine the complete Timber Sale Package and Sale Area prior to bidding. Additional information is available at the phone numbers shown above. A tour of the sale area will be held August 24th, leaving from the DNRC Dillon Unit Office at 9:00 a.m. Sale area will not be available for inspection except during the specified sale tour. An ATV may be necessary to access the sale units without walking a significant distance. Contact Chuck Barone, at (406) 683-6305, for additional information or to make arrangements to site that day.
12. Estimates for sale volume, species percents, defect, product class, etc. provided in this prospectus and volume estimates listed in the sale contract are not guaranteed.
13. This prospectus is provided for information purposes only. If the prospectus is in error or contradicts the Timber Sale Contract, the contract governs.
Additional Sale Information:

1. The Purchaser will be required to provide two (2) culverts and install four (4) culverts at the locations identified on the sale map and Attachment "B" of the sale contract. Excavator installation is required. The Purchaser will be required to provide materials and labor for improvements to existing bridge. All culverts and improvements will remain as property of the DNRC or the appropriate landowner when use is completed.

2. The Purchaser will be required to lop and scatter, trample, return skid and/or spot pile all slash to meet slash requirements.

3. The Purchaser will be required to purchase and deliver to the Department of Natural Resources and Conservation 205 pounds of pure live grass seed.

4. Two private "Temporary Right-of-Way Easements" have been secured by the Department of Natural Resources and Conservation. The Purchaser will be required to pay any access fees prior to entry to the sale area. All conditions/stipulations of the road agreements become a part of the Timber Sale Contract. Copies of the agreements are available for review at the Dillon Unit Office, 730 North Montana St., Dillon, MT. (406-683-6305) or at the Central Land Office, 8001 N. Montana Ave., Helena, MT. (406-458-3500).

5. All logging and heavy equipment must be power washed by the Purchaser and inspected by the Forest Officer prior to entry to the sale area.

6. Segments of the new construction are to be effectively closed through the placement of slash and debris. Two (2) 30" x 36' culverts will be removed and slopes re-contoured. All work will be done with an excavator. Locations and type of work will be identified by the Forest Officer prior to closure phase of the project.

7. Recurrent maintenance of all roads (~10 miles) is required.

8. OPERATING PERIOD: June 15 – March 1. **EXCEPTION:** All vehicular traffic activities on the Main Haul road on Hansen Livestock properties will cease during the first three (3) weeks of general deer/elk rifle hunting season. General deer/elk rifle hunting season dates as established by the Montana Fish, Wildlife and Parks for the given hunting year of current activity.
## Barrett Salvage Timber Sale Cruise Data

<table>
<thead>
<tr>
<th>SPECIES</th>
<th>PP</th>
<th>DF</th>
<th>WL</th>
<th>LP</th>
<th>ES</th>
<th>WF</th>
<th>CE</th>
<th>WP</th>
<th>Dead</th>
<th>TOTAL or AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum Bid</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$1.34/ton</td>
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<tr>
<td>Pounds per cubic foot</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Estimated tons of sawlogs (5.6&quot; top DIB)</td>
<td>5,467</td>
<td>114</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>5,695 tons</td>
<td></td>
</tr>
<tr>
<td>Estimated tons of other material (pulp, etc)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0 tons</td>
</tr>
<tr>
<td>Gross MBF (Scribner 5.6&quot; top DIB)</td>
<td>908</td>
<td>19</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>946 MBF</td>
<td></td>
</tr>
<tr>
<td>% Cull and Breakage</td>
<td>10</td>
<td>10</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>10.1%</td>
<td></td>
</tr>
<tr>
<td>Net MBF (Scribner 5.6&quot; top DIB)</td>
<td>816</td>
<td>17</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>850 MBF</td>
<td></td>
</tr>
<tr>
<td>Average logs per MBF</td>
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<td></td>
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<td></td>
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<td></td>
<td>30.3 logs/M</td>
</tr>
<tr>
<td>Average DBH</td>
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<td></td>
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<td></td>
<td></td>
<td>12.9 in.</td>
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<tr>
<td>Average tons per acre harvested in leave-tree marked units</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0 tons/ac</td>
</tr>
<tr>
<td>Average tons per acre harvested in cut-tree-marked units</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0 tons/ac</td>
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<tr>
<td>Average MBF to cut per acre on the timber sale</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>7.2 MBF/ac</td>
</tr>
<tr>
<td>Range of cut trees per acre based on unit cruise</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0</td>
</tr>
<tr>
<td>Calculated Sampling Error: Total cruising volume will fall between</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>755 and 945 Net MBF in 9 out of 10 cruises</td>
</tr>
<tr>
<td><strong>Tons Per Thousand Board Feet</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contract Value - Estimated tons hauled per thousand Scribner board feet</td>
<td>5,695 estimated tons to a 5.6 inch top / 850 Net MBF Scribner to a 5.6 inch top DIB</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>6.70 tons/MBF</td>
<td></td>
</tr>
</tbody>
</table>

## Contract Information

| Contract ending date | 7/31/2013 |
| Contract length | 35 months |
| Operating Season: | June 15 - March 1 (Additional operating restrictions - See Prospectus/Contract) |
## Logging Information

<table>
<thead>
<tr>
<th>Logging Information</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>% of volume logged by clearcut or seed tree cut</td>
<td>05%</td>
</tr>
<tr>
<td>% of volume logged with tractors</td>
<td>100%</td>
</tr>
<tr>
<td>% of volume logged by ground lead (jammer)</td>
<td>00%</td>
</tr>
<tr>
<td>% of volume logged by skyline</td>
<td>00%</td>
</tr>
<tr>
<td>Yarding distance tractor (maximum)</td>
<td>3000 ft.</td>
</tr>
<tr>
<td>Yarding distance ground lead</td>
<td>0 ft.</td>
</tr>
<tr>
<td>Yarding distance skyline</td>
<td>0 ft.</td>
</tr>
<tr>
<td>Estimated haul distance (paved)</td>
<td>124.0 miles</td>
</tr>
<tr>
<td>Estimated haul distance (unpaved)</td>
<td>9.2 miles</td>
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</tbody>
</table>

## Purchaser fees and estimated costs

<table>
<thead>
<tr>
<th>Purchaser fees and estimated costs</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Forest Improvement fee perMBF</td>
<td>$16.47/MBF</td>
</tr>
<tr>
<td>Forest Improvement fee per ton</td>
<td>$2.46/ton</td>
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<tr>
<td>Forest Improvement fee estimated total</td>
<td>$14,009.70</td>
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<tr>
<td>Forest Improvement fee quarterly installment</td>
<td>$2,334.95</td>
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<td>Estimated Purchaser-do FI total $</td>
<td>$0</td>
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<tr>
<td>Estimated Purchaser-do FI per ton</td>
<td>$0.00/ton</td>
</tr>
<tr>
<td>Estimated Purchaser-do slash disposal work total</td>
<td>$0.00</td>
</tr>
<tr>
<td>Estimated Purchaser-do slash disposal work per ton</td>
<td>$0.00/ton</td>
</tr>
<tr>
<td>Bid Guarantee (total $)</td>
<td>$382.00</td>
</tr>
<tr>
<td>Performance Bond</td>
<td>20% of bid value</td>
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## Road development and maintenance fees and estimates

<table>
<thead>
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<th>Road development and maintenance fees and estimates</th>
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<tbody>
<tr>
<td>Estimated development cost total</td>
<td>$33,273</td>
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<tr>
<td>Estimated development cost per ton</td>
<td>$5.84/ton</td>
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<td>Estimated development cost perMBF</td>
<td>$39.14/MBF</td>
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<tr>
<td>Estimated State road maintenance cost total</td>
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<tr>
<td>Estimated State road maintenance cost per ton</td>
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<tr>
<td>Private road maintenance charges per ton</td>
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<td>USFS road maintenance charges per ton</td>
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<tr>
<td>Miles of road construction</td>
<td>2.1 miles</td>
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<tr>
<td>Miles of road reconstruction</td>
<td>0.3 miles</td>
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<tr>
<td>Miles of road with site improvements</td>
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<tr>
<td>Miles of road reclamation or abandonment</td>
<td>0.9 miles</td>
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<tr>
<td>Miles of road maintenance and blading</td>
<td>10.0 miles</td>
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## Unit harvest volume

<table>
<thead>
<tr>
<th>Unit #</th>
<th>Acres</th>
<th>Est Tons</th>
<th>Est MBF</th>
<th>Harvest date</th>
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<tbody>
<tr>
<td>1</td>
<td>6.1</td>
<td>368.5</td>
<td>55</td>
<td>March 1, 2013</td>
</tr>
<tr>
<td>2</td>
<td>7.5</td>
<td>435.5</td>
<td>65</td>
<td>March 1, 2013</td>
</tr>
<tr>
<td>3</td>
<td>22</td>
<td>1,306.5</td>
<td>195</td>
<td>March 1, 2013</td>
</tr>
<tr>
<td>4</td>
<td>19.1</td>
<td>1,105.5</td>
<td>165</td>
<td>March 1, 2013</td>
</tr>
<tr>
<td>5</td>
<td>2.9</td>
<td>100.5</td>
<td>15</td>
<td>March 1, 2013</td>
</tr>
<tr>
<td>6</td>
<td>16.5</td>
<td>1,005.0</td>
<td>150</td>
<td>March 1, 2013</td>
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<tr>
<td>7</td>
<td>22.8</td>
<td>1,373.5</td>
<td>205</td>
<td>March 1, 2013</td>
</tr>
</tbody>
</table>

| 97 Ac. | 5,695 tons | 850 MBF |
### Legal description by trust

<table>
<thead>
<tr>
<th>Legal description - subdivisions</th>
<th>Section</th>
<th>Twn</th>
<th>Rge</th>
<th>Grant</th>
<th>Unit #</th>
<th>Acres</th>
<th>Est Tons</th>
<th>Est MBF</th>
</tr>
</thead>
<tbody>
<tr>
<td>S2SW4SE4</td>
<td>24</td>
<td>10S</td>
<td>13W</td>
<td>CS</td>
<td>4</td>
<td>12.3</td>
<td>707.5</td>
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<tr>
<td>SE4SE4SW4</td>
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<td>10S</td>
<td>13W</td>
<td>CS</td>
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<td>1</td>
<td>35.0</td>
<td>5</td>
</tr>
<tr>
<td>SE4SW4SW4 and SW4SE4SW4</td>
<td>24</td>
<td>10S</td>
<td>13W</td>
<td>CS</td>
<td>6</td>
<td>5.2</td>
<td>311.5</td>
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</tr>
<tr>
<td>NW4NE4NE4 and NE4NW4NW4</td>
<td>25</td>
<td>10S</td>
<td>13W</td>
<td>CS</td>
<td>1</td>
<td>6.1</td>
<td>368.5</td>
<td>55</td>
</tr>
<tr>
<td>SW4NE4</td>
<td>25</td>
<td>10S</td>
<td>13W</td>
<td>CS</td>
<td>2</td>
<td>7.5</td>
<td>435.5</td>
<td>65</td>
</tr>
<tr>
<td>W2W2NE4, E2E2NW4 and NW4SE4NW4</td>
<td>25</td>
<td>10S</td>
<td>13W</td>
<td>CS</td>
<td>3</td>
<td>22</td>
<td>1,306.5</td>
<td>195</td>
</tr>
<tr>
<td>W2NW4NE4</td>
<td>25</td>
<td>10S</td>
<td>13W</td>
<td>CS</td>
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<td>6.8</td>
<td>398.0</td>
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<tr>
<td>NE4NE4NW4</td>
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<td>13W</td>
<td>CS</td>
<td>5</td>
<td>1.9</td>
<td>65.5</td>
<td>10</td>
</tr>
<tr>
<td>NW4NW4 and NW4NE4NW4</td>
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<td>10S</td>
<td>13W</td>
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<td>693.5</td>
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<tr>
<td>E2NW4SW4, W2NE4SW4, SE4SW4NW4</td>
<td>25</td>
<td>10S</td>
<td>13W</td>
<td>CS</td>
<td>7</td>
<td>22.8</td>
<td>1,373.5</td>
<td>205</td>
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</tbody>
</table>

*See Instructions for how to fill in this table*

### Unit harvest volume

<table>
<thead>
<tr>
<th>Legal description by trust</th>
<th>Unit #</th>
<th>Acres</th>
<th>Est Tons</th>
<th>Est MBF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Totals</td>
<td>97 Ac.</td>
<td>5,695</td>
<td>850 M</td>
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</table>
STATE OF MONTANA - TIMBER SALE CONTRACT
FOR STUMPAGE SOLD BY THE TON
VERSION 11 – APRIL 2009

DEPARTMENT OF NATURAL RESOURCES & CONSERVATION
2705 Spurgin Road
Missoula, MT 59804

NAME, ADDRESS AND PHONE NUMBER OF PURCHASER:

<table>
<thead>
<tr>
<th>LAND OFFICE</th>
<th>SALE NAME</th>
<th>SALE NUMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central</td>
<td>Barrett Salvage</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>UNIT OFFICE</th>
<th>AWARD DATE</th>
<th>TERMINATION DATE</th>
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</thead>
<tbody>
<tr>
<td>Dillon</td>
<td></td>
<td>July 31, 2013</td>
</tr>
</tbody>
</table>

THIS CONTRACT IS MADE AND ENTERED INTO by and between the State of Montana, acting through its Department of Natural Resources & Conservation, Trust Land Management Division (hereinafter called the State) and (     , a sole proprietorship; or     , a partnership; or     , Inc. a corporation) (hereinafter called Purchaser) having an office and principal place of business at the address shown above. Purchaser’s bid on the timber described in this contract has been accepted by the State after having been estimated, appraised and advertised for sale as required by law. Therefore, in consideration of the mutual promises contained in this agreement, the State agrees to sell and the Purchaser agrees to purchase the designated timber located on the areas described in this Contract at the specified rates of payment and in strict conformity with the requirements, standards, specifications and conditions set forth in this Contract.

-CONTENTS OF CONTRACT-

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>TABLE 1</td>
<td>2</td>
</tr>
<tr>
<td>I. GENERAL TERMS</td>
<td>3</td>
</tr>
<tr>
<td>II. CHARGES AND PAYMENTS</td>
<td>9</td>
</tr>
<tr>
<td>III. MEASUREMENT AND LOG ACCOUNTABILITY</td>
<td>10</td>
</tr>
<tr>
<td>IV. CONTRACT VIOLATIONS AND PENALTIES</td>
<td>11</td>
</tr>
<tr>
<td>V. FIRE PROTECTION</td>
<td>14</td>
</tr>
<tr>
<td>VI. RESOURCE PROTECTION</td>
<td>15</td>
</tr>
<tr>
<td>VII. LOGGING</td>
<td>17</td>
</tr>
<tr>
<td>VIII. EXECUTION</td>
<td>24</td>
</tr>
</tbody>
</table>

-ATTACHMENTS-

The following attachments are hereby made a part of this contract:

| ATTACHMENT A: Timber Sale Maps | 4 Pages |
| ATTACHMENT B: Road Construction, Improvements and Maintenance Specifications | 23 Pages |
| ATTACHMENT C: Forest Fire Regulations | 2 Pages |
| ATTACHMENT D: Montana Streamside Protection Act (124 Permit) | 2 pages |
| ATTACHMENT F: Temporary Right-of-Way Easements | 9 Pages |
### TABLE 1 - LEGAL DESCRIPTION OF THE GROSS SALE AREA

The timber designated for sale under this Contract is within the following sale area:

<table>
<thead>
<tr>
<th>Subdivisions</th>
<th>Section</th>
<th>Twn</th>
<th>Rge</th>
</tr>
</thead>
<tbody>
<tr>
<td>S2S2</td>
<td>24</td>
<td>10S</td>
<td>13W</td>
</tr>
<tr>
<td>N2 and N2SW4</td>
<td>25</td>
<td>10S</td>
<td>13W</td>
</tr>
</tbody>
</table>

- Total approximate acres in gross sale area: 640
- Number of harvest units (Including Right-of-Way): 7
- Total acres in harvest units (Including Right-of-Way): 97

### TABLE 1 (continued) - ESTIMATED SALE VOLUME

The state does not guarantee the product weight, by species or in total, to equal the estimated advertised weight in quantity or product designation.

<table>
<thead>
<tr>
<th>Product</th>
<th>Estimated Quantity (Tons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sawlogs</td>
<td>5,695</td>
</tr>
</tbody>
</table>

**Total Estimated Volume**: 5,695

### TABLE 1 (continued) - PAYMENT RATES

<table>
<thead>
<tr>
<th>Payment</th>
<th>Amount</th>
<th>Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance Bond</td>
<td>20% of bid value</td>
<td>See Section II.A.1-3.</td>
</tr>
<tr>
<td>Amount</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product</td>
<td>Amount</td>
<td></td>
</tr>
<tr>
<td>Stumpage Rate per ton</td>
<td>Sawlogs</td>
<td>Bid Rate</td>
</tr>
<tr>
<td>Forest Improvement (FI)</td>
<td>Sawlogs</td>
<td>$2.46</td>
</tr>
<tr>
<td>Fee Per ton</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quarterly F.I. payment</td>
<td>Sawlogs</td>
<td>$2,334.95</td>
</tr>
</tbody>
</table>

### TABLE 1 – (continued) – ROAD USE AND MAINTENANCE PAYMENTS

<table>
<thead>
<tr>
<th>Road Name or Number</th>
<th>Rate</th>
<th>Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hansen Livestock Co.</td>
<td>N/A</td>
<td>See Attachment F and Section II.C.1-2 and Section XI.A.1.</td>
</tr>
<tr>
<td>Access Road</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Centennial Livestock, Inc.</td>
<td>N/A</td>
<td>See Attachment F and Section II.C.1-2 and Section XI.A.1.</td>
</tr>
<tr>
<td>Access Road</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
I. GENERAL TERMS

A. DEFINITION OF CONTRACT LANGUAGE: The following definitions apply to terms used in this Contract:

1. Administrator – The Forest Management Bureau Chief, Trust Land Management Division, Department of Natural Resources & Conservation


3. Department – The Department of Natural Resources and Conservation.

4. Draw – A swale or drainageway that may not have perceptible or definite beds or banks.


6. Forest Officer – The State field representative assigned the job of contract administration for this timber sale Contract.

7. Hazardous or deleterious substance – Means a substance that, because of its quantity, concentration, or physical, chemical, or infectious characteristics, may pose an imminent and substantial threat to public health, safety, or welfare or the environment, and is:

a. A substance that is defined as a hazardous substance by section 101(14) of CERCLA, 42 U.S.C. § 9601(14), as amended.

b. A substance identified by the administrator of the United States Environmental Protection Agency as a hazardous substance pursuant to section 102 of CERCLA, 42 U.S.C. § 9602, as amended.

c. A substance that is defined as a hazardous waste pursuant to section 1004(5) of RCRA, 42 U.S.C. § 6903(5), as amended, including a substance listed or identified in 40 CFR 261.

d. Any petroleum product.

8. Operating season – The annual time period during which field activities (logging, hauling, construction, etc.) may be conducted.

9. Paid or payment – Except as otherwise expressly stated in the Contract, full remuneration by either cash, money order or certified check.

10. Purchaser – The signatory party to this Contract other than the Administrator. Purchaser is also defined to include employees and agents of the Purchaser authorized to conduct activities as required for execution of the timber sale Contract. As an independent contractor, neither the Purchaser, its employees or agents shall be considered employees of the State of Montana pursuant to work performed under this Contract.
11. Sawlog – A green or dead log as further defined under Section VII.C.


13. Stream – A stream is a natural watercourse of perceptible extent that has a sandy or rocky bottom or definite banks and confines and conducts continuously or intermittently flowing water.

14. Stumpage – The rate paid in dollars per ton as specified in Table 1 for Sawlogs and/or Other Material.

15. Supervisor – A person designated by the Purchaser in charge of operations on site at the sale area at all times when construction or harvesting operations are in progress. The Supervisor shall have authorization to receive notices from the Forest Officer and take appropriate action with regard to breach and/or violations of the terms of the contract.

B. REMOVAL OF TIMBER AND TITLE TRANSFER:

1. Provided the Purchaser has paid for timber as required in Section II.B.1, ADVANCE STUMPAGE PAYMENT, the Purchaser has the right to cut and remove timber from the sale area provided all Contract requirements related to the commencement of operations have been met.

2. Title to all timber included in this contract shall be retained by the State until:
   a. The timber has been paid for.
   b. The timber has been measured, as described in Section III.A. MEASUREMENT AND LOG ACCOUNTABILITY.
   c. The timber has been properly marked and ticketed as described in Section III.C & E. MEASUREMENT AND LOG ACCOUNTABILITY, and removed from the gross sale area,

3. Title to timber remaining on the gross sale area at termination of the contract shall remain with the State of Montana.

4. As documented in this contract, or otherwise agreed to, all roads and other improvements become the property of the State as they are constructed.

C. TERM OF CONTRACT: This Contract is effective upon approval and execution by the Administrator and shall terminate on the Termination Date shown on page 1 unless terminated sooner for successful completion or for gross or persistent breach and/or failure to promptly and properly remedy contract violations of the Contract terms pursuant to Section IV. B. TERMINATION.

D. PRE-OPERATIONS MEETING: No activity may occur on the sale area until a pre-operations meeting is conducted between the Purchaser and the State. The Purchaser shall notify the Forest Officer at least seven (7) days prior to the start of operations to schedule the pre-operations meeting. The Forest Officer will specify to the Purchaser what information the Purchaser must provide to the State at the pre-operations meeting.

E. ANNUAL OPERATING PLAN: Purchaser may be required to submit a written annual operating plan, as specified by, and at the request of the Forest Officer.

F. CONTRACT TERM EXTENSION:

1. In the event that Purchaser’s operations are delayed and Purchaser is not able to complete the requirements of this Contract prior to the harvest completion date or the termination date, the State may grant an extension of the term of this Contract. An extension will be considered by the State under only the following circumstances:
TIMBER SALE CONTRACT

a. The State determines an extension is in its best interests;

b. Purchaser applies for the extension in writing at least 30 days prior to the termination date.

c. The State notifies the Purchaser that an extension is required.

d. Purchaser has provided the State with written notice from the surety that the performance bond on this contract has been extended for a period commensurate with the requested contract extension.

e. Purchaser has made a good faith effort to complete the sale.

f. The extension request is not based on poor log and/or market conditions.

2. If the contract-term extension is granted, Purchaser shall conduct continuous operations through the operating periods and/or resume operations at the start of the next operating period until the requirements of this Contract are completed. No extension shall be granted for a period longer than eighteen (18) months after the termination date as provided herein unless a longer extension is determined to be in the State’s best interest.

3. If the extension is requested and granted because of delays resulting from matters within Purchaser’s control, the following will apply:

a. Purchaser shall pay an extension fee of $500.00.

b. Stumpage rates for any volume cut, skidded or hauled during the extension period will be escalated a minimum of 10% to reflect the interest lost to the trust beneficiaries.

c. In addition to the minimum 10% stumpage-rate escalation provided for in Section I.F.3.b., the original stumpage bid rate will be subject to escalation to reflect an increase in market value of lumber products for each 3 (three)-month period, beginning on the first day of the quarter that the extension is granted. Increased stumpage rates for each subsequent 3 month period will be determined by dividing the bid price by the 3 (three) month average lumber price for Douglas-fir as reported by the Western Wood Products Association Inland Lumber Price Index for the period ending the quarter prior to granting the extension; that ratio is then multiplied by the average lumber price for the 3 (three) month period immediately preceding each adjustment to determine the stumpage rates to be charged for that period. When Western Wood Products Inland Lumber Price Indexes are revised to reflect updated grade recovery percentages, the new index values will be used in the escalation calculations.

d. No de-escalation will occur from the time the extension is granted by the Administrator, as documented in a signed modification, through the remainder of the Contract.

4. An extension may be granted to the Purchaser without penalty if the State prohibits logging activity for more than 2 weeks during the operating period described in this Contract.

5. All conditions of this contract shall remain in force during any period of extension, unless those conditions are amended by the terms of the extension.

6. In the event the Contract terminates pursuant to Section I.C, TERM OF CONTRACT due to expiration of the time period within which its performance shall have been completed, and the Department has not granted an extension, the Purchaser shall immediately cease all operations within the Gross Sale Area as shown in Table 1. Operations beyond the contract termination date for which the Department has not granted an extension will be treated as trespass.

G. LIABILITY FOR LOSS: The Purchaser is responsible for loss, degradation, or damage to timber while the timber is in his, her or its custody, including but not limited to, timber which has been felled,
skidded or decked and/or timber which has been lost, damaged or stolen after removal from the sale area but before scaling or weight is recorded.

H. SUPERVISION: When construction or harvesting operations are in progress, the Purchaser shall have exclusive control over the manner in which the Contract is executed if, as determined by the Department, the Purchaser has and is complying with all terms and conditions provided herein. Purchaser is required to have a supervisor(s) in charge of operations on the sale area at all times. Such supervisor(s) shall have authorization to receive notices from the Forest Officer and take appropriate action with regard to breach and/or violations of the terms and conditions of the Contract.

I. COMPLAINTS:

1. Complaints by the Purchaser concerning any action or decision of a Forest Officer, including suspension orders, must be made in writing to the Administrator postmarked within 30 days of the disputed action or decision. In the interim, Purchaser must comply with the directions of the Forest Officer.

2. Upon receipt of a complaint, the Administrator, or a designated representative, shall promptly hold an informal conference with the Purchaser and the Forest Officer to review the disputed action. The Purchaser shall be given adequate notice of the conference and shall be given the opportunity to present evidence and an argument to rebut the reasons given by the Forest Officer for the disputed action. After review, the Administrator shall notify the Purchaser in writing of his decision. The decision of the Administrator is final on behalf of the State, except regarding termination of the contract.

J. ASSIGNMENT: This contract shall not be assigned in whole or in part unless approved in writing by the Administrator.

K. MODIFICATIONS:

1. This contract, together with the attachments listed herein, contains the entire agreement of the parties and no statements, promises or inducements made by either party, or agents of either party, that are not contained in such written Contract shall be valid or binding. This Contract, except as described in Section I.K.2 below, cannot be enlarged, modified or altered except upon written agreement signed by all parties to this contract. Only the Administrator, his successor, his designated representative, or the Board of Land Commissioners, is authorized to enter into such modification on behalf of the State.

2. To protect cultural or natural resources the State may modify provisions of the Contract without prior agreement by the Purchaser. If such modifications occur the State will provide equitable compensation to the Purchaser for those modifications.

L. EQUAL EMPLOYMENT OPPORTUNITY: Pursuant to Section 49-3-207, MCA, any hiring by the Purchaser under this agreement must be on the basis of merit and qualifications and there must be no discrimination on the basis of race, color, religious creed, political ideas, sex, marital status, physical or mental handicap, national origin or ancestry by any person performing this Contract.

M. LIABILITY INSURANCE:

1. Prior to the commencement of any work to be performed under this Contract, the Purchaser or their agents shall be required to obtain, carry and keep in good standing for the remainder of the contract period, with any extensions, comprehensive general liability insurance coverage to the limit of $1,000,000.00 per occurrence and $2,000,000.00 per aggregate. Each such policy shall include endorsements, which shall name the State as an additional insured and shall provide that the State shall be given 30 days written notice, at the address stated above, prior to cancellation or any material change in such policy.
2. In lieu of such coverage, the Purchaser may provide proof of self-insurance in a least an amount equal to that provided above.

3. Prior to the commencement of any work to be performed under this contract, Purchaser shall deliver to the State a certificate of insurance from the insurer(s) of the Purchaser or their agents certifying that coverage in at least the amounts stated above is in force. Such certificate shall be submitted to the State for approval of the insurer(s), the amount, and the form. The State reserves the right to require a certified copy of any such policy or to examine the policy itself.

4. A self-insured Purchaser shall provide an equivalent certificate of insurance subject to the approval of the State.

5. It is further understood and agreed that this Contract shall terminate immediately in the event that the mandatory liability insurance coverage required under this part is for any reason not obtained or is discontinued.

N. WORKERS’ COMPENSATION INSURANCE:

1. Prior to the commencement of any work under this Contract, Purchaser shall provide written verification to the Administrator that any and all individuals who are to be engaged in work under this Contract, including but not limited to employees, agents or independent contractors of the Purchaser or of its subcontractors, are either insured for workers’ compensation coverage or are exempted from such coverage as certified independent contractors pursuant to § 39-71-401 MCA.

2. It is expressly understood and agreed that no such individual may engage in work in furtherance of this Contract at any time during its period unless either insured for workers’ compensation coverage or exempted from such coverage as indicated above.

3. It is understood and agreed that this Contract shall terminate immediately in the event that workers’ compensation coverage or exemptions required under this part is discontinued for any individuals engaged in work under this Contract.

O. SAFETY: The Purchaser, employees, subcontractors and their employees shall conduct their activities in a safe and workmanlike manner, shall cooperate in making it possible for the Forest Officer to safely, efficiently, and economically perform his, her or its administrative duties, and shall comply with federal and State safety standards for logging operations as established by the United States Department of Labor, Occupational Safety and Health Administration (OSHA; 29 Code of Federal Regulations 1910 and any other such applicable regulations promulgated by OSHA) and as required by Title 50, Chapter 71 of the Montana Code Annotated, and any regulations promulgated to implement the statutes found in that Title and Chapter of the Montana Code Annotated. The Purchaser, and not the State, is responsible for instituting and maintaining all precautions, procedures and programs for the safety of all persons on the project site, and the State hereby disclaims any and all responsibility for injuries or accidents occurring at the site.

P. SAWMILLS PROHIBITED: No sawmills shall be allowed to operate on the gross sale area.

Q. LOG CHIPPERS OR GRINDERS: No log chippers or grinders shall be allowed to operate on the gross sale area unless written approval to do so is granted by the Forest Officer. In order for approval to be granted, the Purchaser shall identify a method acceptable to the State for the measurement of all wood to be ground or chipped. If the Purchaser intends to operate a log chipper outside of the gross sale area, provisions must be made for obtaining certified weights of either the material removed from the sale or of the resultant products.
R. SALE DELAYED OR PRECLUDED BY JUDICIAL ACTION OR GOVERNMENT REGULATORY ACTION:

1. In the event judicial action, change in applicable law, or implementation of government regulatory action renders proceeding with this contract unlawful, the State will suspend or terminate the Contract in whole or in part. Upon notice of such suspension or termination, Purchaser shall immediately cease all or any portion of such operations under the Contract as directed by the State. If a court of competent jurisdiction has entered a final judgment rendering further proceeding with this Contract unlawful, or government regulatory action takes effect, the State may terminate the Contract or, at the State’s option, suspend the Contract in whole or in part, pending appeal of the court’s final judgment. If the Contract is suspended, the State shall not be liable to the Purchaser for damages or losses resulting from the delay. In the event the Contract is terminated due to judicial action, a change in law, or government regulations, the State shall be liable to Purchaser only as follows:

   a. The State shall refund any portion of advance stumpage payments or down payments not needed to compensate the State for timber removed.

   b. The State shall release any portion of the performance bond not needed to compensate the State for timber removed or other losses suffered by the State due to breach of contract by the Purchaser.

   c. The State shall reimburse the Purchaser for the portion of reasonable costs of constructing or improving roads or of installing other facilities on State lands pursuant to this Contract that the Purchaser has not been able to use for removing timber. The Purchaser shall provide documentation requested by the State of the Purchaser’s actual costs of constructing or improving such roads or installing other improvements.

S. VENUE AND CHOICE OF LAW: In the event of litigation concerning this agreement, venue shall be in the First Judicial District, Lewis and Clark County, Montana, and this agreement shall be governed by the laws of the State of Montana both as to interpretation and performance.

T. AUTHORIZATION TO ENTER: The Purchaser is authorized to enter the sale area only for purposes related to the performance of this Contract.

U. USE BY OTHERS: The State reserves the right to issue timber permits or other permits on the sale area for forest products not included in this Contract or for other uses not in conflict with this Contract. The State also reserves the right to permit other persons to cross the sale area to gain access to other lands for fire suppression or for other purposes. Where the Purchaser improves or reconstructs an existing road, the use thereafter by the Purchaser shall accommodate safe use by others.

V. OTHER OPERATIONS BY THE STATE: The State reserves the right to at any time conduct within the gross sale area forest management operations including, but not limited to, slash piling, burning, handwork, broadcast burning, mop-up, patrolling, thinning and tree planting during the term of this Contract.

W. INDEMNITY AND LIABILITY:

1. The Purchaser agrees to indemnify the State, its officials, agents, and employees, while acting within the scope of their duties and hold the State harmless from and against all claims, demands, and causes of action of any kind or character, including the cost of defense, arising in favor of the Purchaser’s employees or third parties on account of bodily or personal injuries, death or damage to property arising out of services performed, goods or rights to intellectual property provided or omissions of services or in any way resulting from the acts or omission of the Purchaser and/or its agents, employees, subcontractors or its representatives while engaged in work under this Contract, all to the extent of the Purchaser’s negligence.
2. The Purchaser shall be responsible for, indemnify, defend and hold the State harmless from and against any loss, cost (including, without limitation, reasonable legal, accounting, consulting, engineering and similar expenses), damage, claim, fine or liability, including the necessity for tests, inspections or other work, and any damage, claim, fine or liability arising as a result of such tests, inspections or other work, the State must perform:
   a. Based upon an actual or alleged violation by the Purchaser of, or failure by the Purchaser to comply with, any Environmental Law during the term of this Contract;
   b. Arising from the discharge, release, threatened release, handling, storage, treatment, deposit or disposal of any Hazardous or Deleterious Substances caused or exacerbated by the activities of the Purchaser on or in the gross sale area during the term of this Contract; or
   c. Otherwise arising out of or in connection with any environmental condition or action caused or created by the Purchaser.

X. PROTECTION OF IMPROVEMENTS: The Purchaser shall to the greatest extent practicable protect from damage all gates, signs, road improvements, and any other improvements or infrastructure within the gross sale area and/or along haul routes. Damages caused by the Purchaser, his, her or its employees or subcontractors, and expenses associated with the repair or replacement of damaged structures and improvements are the sole responsibility of the Purchaser.

II. CHARGES AND PAYMENTS

A. PERFORMANCE BOND:

1. As a guarantee of the faithful performance of this Contract, Purchaser shall furnish a bond, with sufficient sureties, to the State in an amount equal to the potential loss to the State in the event of Purchaser’s breach or default under the terms of this Contract as determined by the Administrator. The performance bond may be in cash, bond, irrevocable letter of credit, or certificate of deposit with sufficient sureties. The bond shall not be less than five percent (5%) of the estimated value of the timber sold. The performance bond the Purchaser must submit for this contract is shown in Table 1.

2. Upon full performance of the terms of the Contract, the State shall release the performance bond.

3. Upon substantial performance of the terms of the Contract, the Administrator may release a portion of the performance bond not needed to compensate the State for any remaining timber to be removed or any other losses that may be suffered by the State due to breach of Contract by the Purchaser. The bond shall not be reduced to less than five percent (5%) of the estimated value of the total Contract volume.

B. PAYMENTS: The Purchaser agrees to make payments to the Treasurer of the State of Montana as follows:

1. ADVANCE STUMPAGE PAYMENTS: The Purchaser is required to pay for all timber in advance of cutting at the rates shown in Table 1. Advance stumpage payments will be held by the State to cover the Purchaser’s estimated timber cutting for at least six (6) weeks of operations. Advance stumpage payments may be reduced just before completion of the sale or when cutting requirements are to be suspended for at least 3 months. Advance stumpage payments may be in cash, bond, irrevocable letter of credit, or certificate of deposit with sufficient sureties.

2. INITIAL ADVANCE STUMPAGE PAYMENT: The initial advance payment will be made by the Purchaser prior to the start of timber cutting operations.
3. **PAYMENT SCHEDULE:** Payments in full for individual invoices will be made by the Purchaser as called for by the Administrator; in no event will payments be made by the Purchaser more than 14 days from the date of billing.

4. **FOREST IMPROVEMENT PAYMENTS:** The Purchaser is required to pay a fee for Forest Improvement on all sawlogs cut, both live and dead. The Forest Improvement fee for this sale is shown in Table 1. The Purchaser agrees to make these payments in 6 installments. The first 5 payments will be calculated using the formula: [Forest Improvement fee per ton times total estimated tons divided by 6]. The final payment will be made in conjunction with the final sale billing. The amount of the final billing will be adjusted to reflect payment due based on the actual sale weight. The Purchaser will be billed quarterly for the 5 payments on or about the first day of January, April, July and October. Payments will start on the first quarterly billing date after award of the sale. If the sale is completed before all of the Forest Improvement payments have been made, the Purchaser will be billed for the balance owed.

C. **ROAD USE AND MAINTENANCE PAYMENTS:**

1. **PAYMENTS:** The Purchaser is required to make payments for road use and maintenance at the rates listed in Table 1 or as amended by revisions to road use permits. Payments will be made as called for by the Administrator or as otherwise directed in this contract.

2. **ALTERNATE HAUL ROUTES:** The Purchaser is authorized by the State to use the haul route described in this contract and attachments. If the Purchaser chooses to use an alternate haul route, that haul route must be approved by the State. Road use charges, maintenance requirements and payments may be adjusted to reflect the haul route used by the Purchaser. The Purchaser is responsible for obtaining any right-of-way required for an alternate haul route and for meeting all requirements of any agreements associated with that right-of-way. Proof of any such agreement must be provided to the State prior to use. Stumpage fees and Forest Improvement fees are not subject to a downward adjustment under this clause.

III. **MEASUREMENT AND LOG ACCOUNTABILITY**

A. **PRODUCT MEASUREMENT:**

1. The State will determine the value of products removed from the sale based on the total gross weight of material hauled. Weight tickets will be used to obtain the total value.

2. When mixed products with different payment rates per ton are hauled on one load, the entire load will be charged at the rate of the product with the highest value contained in the load.

B. **WEIGHT TICKETS:** The Purchaser is required to furnish weight tickets to the State as agreed to by the Forest Officer and the Purchaser.

1. All weight tickets shall be mailed or delivered, as outlined below, directly to the DNRC Unit or Land Office administering this contract. In this case, send truck tickets to (Chuck Barone, DNRC Dillon Unit, 730 N. Montana St., STE 5, Dillon, MT 59725-8498). This requirement may be waived or changed by the Forest Officer. Truck ticket information may be provided to DNRC electronically if all required ticket information is provided. Contact Sarah Lyngholm (406) 542-4276 at the Forest Management Bureau to implement electronic transfer.

2. Weight tickets shall show gross, tare and net weights and the corresponding load ticket number of each product load. Weight tickets must be from State of Montana certified scales, and all weight tickets must have mechanically stamped weights for the gross and tare weights unless otherwise permitted in writing by the Forest Officer. Weight tickets will be mailed or delivered to the State on a bi-weekly basis or as otherwise agreed to by the Forest Officer. A weight ticket will...
be considered as missing if not furnished within 4 weeks of the load delivery date. Failure to comply with this provision may be treated by the State as a contract violation.

3. The Purchaser or his agents may, upon approval by the Forest Officer, supply the weight ticket information, as required above, electronically to the State. The information must be provided to the State on a bi-weekly basis prior to the tenth (10th) and twenty-fourth (24th) of each month. The paper copy of the weight tickets must also continue to be provided to the State. The requirement to supply the paper copy of the weight tickets may be waived by the Administrator.

C. LOAD TICKETS: The Purchaser will be issued load ticket books with consecutively numbered tickets for uniquely identifying truckloads of logs. A load ticket shall be attached to the driver’s side bunk log of each product load prior to hauling, with the Scaler’s copy given to the State from the delivery point. The Purchaser shall complete each ticket with the sale information required by the State. The Purchaser shall provide to the Forest Officer a complete list of destinations to which loads will be delivered. The State, at its discretion, may require a separate ticket book for each destination. Failure to comply with this provision may be treated by the State as a contract violation.

D. SORTING OF PRODUCTS: The State may require separate ticket books for any loads sorted by the Purchaser by size or species or by specific products intended for different delivery points. Load tickets designated for a specific product must only be used for that specific product. When a load ticket is used with an incorrect product the State may treat such misuse as a contract violation.

E. LOAD MARKING: The Purchaser is required to mark all loads of logs before removal from the loading area to assist in identification while in transit or at the point of delivery. Marking shall be accomplished by painting “ST” in blue paint and the last three digits of the truck load ticket number on log ends of at least three logs on each load, both front and back. The driver’s side bunk log shall be one of the marked logs. Failure to comply with this provision may be treated by the State as a contract violation.

F. SCALE RULE:

1. Any sawlogs scaled by the State shall be scaled using the Scribner Decimal “C” log rule. Log scaling will follow the procedures listed in the National Forest Log Scaling Handbook (FSH 2409.11) excluding Region 1 supplements.

2. In cases where conversion is required, a conversion factor of 6.7 tons per thousand board feet will be used for sawlogs.

IV. CONTRACT VIOLATIONS AND PENALTIES

A. SUSPENSION:

1. FAILURE TO PAY ADVANCE STUMPAGE: If Purchaser fails to submit advance stumpage payments as directed by the Administrator pursuant to the terms of this Contract within 30 days of the request for such payments, all operations covered by this Contract shall immediately cease upon written or oral order from the State until all required advance stumpage payments, or guarantee of payment satisfactory to the State, have been made. The cutting and removal of timber may resume only upon receipt of written notice to the Purchaser from the State that acknowledges adequate payment or guarantee.

2. LOSS OF BOND: If the surety bond or other bond securing performance of this Contract is canceled or otherwise becomes ineffective, operations covered by this Contract shall immediately cease upon written or oral order from the State to the Purchaser. Cutting and removal of timber may resume only upon receipt of written notice from the State that acknowledges adequate bond.
3. OTHER CONTRACT VIOLATIONS:
   a. If upon inspection of the sale area the Forest Officer observes conditions that violate the terms of this Contract, the Forest Officer may immediately suspend any or all operations on the sale area to prevent harm to the interests of the State or the public.
   
b. The suspension order may be oral if necessary to abate immediate damage or harm of the type described above but must be followed within 10 (ten) calendar days by a written order. Such order shall notify Purchaser of: 1. The breach observed and harm anticipated. 2. The contract provisions violated. 3. If possible, the measures required to abate the problem and allow operations to resume. If satisfactory measures or remedies cannot be found to abate the breach, the Administrator may terminate the Contract pursuant to Section IV.B. TERMINATION.
   
c. Suspension orders may be given in writing or verbally to the Purchaser, or to his, her or its employees or subcontractors. Once given, the Purchaser, and his, her or its employees or subcontractors shall immediately comply with such order of suspension and failure to do so shall constitute grounds for termination of this Contract. Suspension orders are reviewable under the provisions described in Section I.I. COMPLAINTS.

B. TERMINATION:
   1. Gross or persistent contract violations and/or failure to promptly and properly remedy contract violations by the Purchaser pursuant to the terms of this Contract shall be grounds for termination of the Contract by the State.
   
   2. If this Contract is terminated by the State, the Administrator shall immediately notify the Purchaser of the termination and the reasons for it by certified mail. Such notice shall describe in what respects the Contract has been breached, the means, if any, by which the breach can be remedied and the consequences of such termination. The Contract shall be terminated 18 days from the date the notice is mailed to the Purchaser at the address stated in this Contract.
   
   3. Upon receipt of the notice of termination the Purchaser shall immediately cease all operations pursuant to and permitted by the contract until the termination is resolved as provided pursuant to this Section of the Contract, Section IV.B. TERMINATION.
   
   4. The Purchaser has 18 days after mailing of the notice of termination within which to file with the State a notice of appeal for a hearing before the Board of Land Commissioners or its appointee. If a timely notice of appeal is filed, the Contract remains in effect until the decision of the Board, but any suspension order shall remain in effect in the interim. The Board or its appointee shall conduct an informal open hearing to determine whether the Contract should be reinstated.
   
   5. If the Contract is reinstated the Purchaser will not be penalized for any delays that resulted from the appeal.
   
   6. If the Contract is terminated for breach and not reinstated, it is understood that the Administrator may refuse to accept bids from the Purchaser on future State timber sales for a minimum period of 2 years.

C. LIABILITY FOR DAMAGES:
   1. The Purchaser shall be liable for any damages sustained by the State arising from Purchaser’s breach of the terms of this Contract and the State may cause all or part of the performance bond to be forfeited to recover such damages.
   
   2. In the event that a portion of the timber sale under this Contract is resold as a result of the Purchaser’s forfeiture and the stumpage rate pursuant to the resold contract is lower than the stumpage rate provided herein, the difference between the original rate and the new rate shall be
considered damages and the Purchaser shall be liable to the State for those damages. The State may cause all or part of the Purchaser’s performance bond to be forfeited to recover such damages.

D. STATE’S OPTION TO COMPLETE CONTRACT REQUIREMENTS: If the Purchaser fails to complete the requirements described in this Contract in a timely manner or if the Contract is terminated pursuant to Section IV.B. TERMINATION, the State reserves the right to complete the work itself or through a contractor. The Purchaser will be billed for any additional costs incurred by the State due to the Purchaser’s failure to perform the requirements of this Contract. These additional costs may include State employee time and expenses that were extraordinary to the normal administration of the contract, such as time and expenses incurred to hire a replacement contractor. Purchaser’s failure to make payment within 14 days from the date of billing may cause all or part of the performance bond to be forfeited to recover such costs.

E. WAIVER OF PENALTIES: The penalties specified in this section shall be regarded as liquidated damages and may be waived or reduced at the discretion of the Administrator in exceptional cases.

F. FOREST PRACTICES LAWS: The Purchaser shall conduct logging operations in compliance with all laws relating to forest practices in the State of Montana. The Purchaser shall be responsible for all reclamation and penalties that result from violations of applicable forest practices laws.

G. LOGGING REQUIREMENT VIOLATIONS:

1. HIGH STUMPS: The Purchaser may be charged $25.00 for each tree stump cut higher than 12 inches on the side adjacent to the highest ground except in unusual cases when this height is not considered practical.

2. LONG BUTTS: The Purchaser may be required to pay $25.00 per long butt for cutting long butts that contain useable material in excess of the minimum net scale in percentage of gross shown in Table 2.

3. LARGE TOPS: The Purchaser may be required to pay for cutting tops larger than the Top Diameter Inside Bark (DIB) shown in Table 2. This charge will be at the current contract rate for the net volume by species, or $25.00 per large top, whichever is greater.

4. UNDESIGNATED TREES:
   a. Undesignated or reserve trees that are cut or damaged as a result of Purchaser’s operations shall be considered cut in trespass and the Purchaser may be charged three times the highest Contract stumpage rate (minimum $10.00/ton) for the Contract product class(es) the tree contains.
   b. If the Forest Officer determines that a suitable replacement for a reserve tree as described above is not available, Purchaser agrees to pay the State $500.00 per tree, in addition to the rates charged in Section IV.G.4.a. UNDESIGNATED TREES.

5. FAILURE TO REMOVE: The State may charge the Purchaser for trees that are designated for cutting under the terms of this contract and/or logs that meet the Manufacturing and Recovery Standards shown in Table 2 that are not removed from the sale area or presented for measurement. This charge may be up to triple the Contract stumpage rate plus the Forest Improvement rate for the class of material contained in those trees fixed in accordance with the terms of this Contract. If the State removes such material from the sale area, the Purchaser will be required to reimburse the State for all applicable cutting, yarding, processing, loading and hauling costs.
6. LOSS IN WEIGHT DUE TO PURCHASER DELAY: A 15% increase in net weight of logs may be added by the State for loss in weight due to delay by the Purchaser in delivering cut logs to the manufacturing point. A delay is defined as in excess of 30 days after felling.

H. MEASUREMENT AND LOG ACCOUNTABILITY VIOLATIONS:

1. MISSING LOAD TICKETS: The Purchaser may be charged $500.00 for each unused load ticket that the Purchaser has lost or misplaced while in his, her or its possession. An unused ticket is defined as a ticket that is not turned into the State with an associated truckload weight.

2. FAILURE TO ATTACH OR COMPLETE LOAD TICKET: The Purchaser may be charged $500.00 per load for failure to attach a load ticket to each product load prior to hauling, or for failure to complete the load ticket with all required information.

3. MISSING WEIGHT TICKETS:
   a. The Purchaser may be charged triple the Contract stumpage rate plus the Forest Improvement rate \([\text{stumpage} + \text{FI}] \times 3 = \text{penalty}\) for each truck weight ticket not furnished to the State.
   b. The Forest Officer will notify the Purchaser of each missing weight ticket.
   c. The load weight will be determined by averaging weights from other loads hauled by the Purchaser to the same mill within the same billing period, or 30 tons for single loads and 38 tons for loads with a pup trailer attached.
   d. For Other Material, as defined by this Contract, the minimum stumpage for purposes of penalty shall be $10.00 per ton or the Contract stumpage rate multiplied by 3, whichever is higher. The Forest Improvement fee is not included in Other Material penalties.

4. IMPROPERLY LABELED PRODUCT: The Purchaser may be charged $500.00 per load for loads with an incorrect load ticket for the product (Sawlog or Other Material) in the load. In addition, the stumpage paid for an improperly ticketed load shall be at the highest Contract stumpage rate for products hauled pursuant to this Contract.

5. IMPROPERLY MARKED LOADS: The Purchaser may be penalized forty dollars ($40.00) per load for each load not marked in accordance with Section III.E. LOAD MARKING.

I. FAILURE TO MEET COMPLETION DATES: The Purchaser may be charged a penalty of $100.00 for each complete calendar day the Purchaser fails to meet the deadlines shown in Table 3 and Table B1.

J. LATE PAYMENTS: The Purchaser may be charged $100.00 per day beginning the 15th day after the billing date for failure to pay for forest products, pursuant to Section II.B PAYMENTS.

V. FIRE PROTECTION

A. FIRE REGULATIONS: The Purchaser is required to conduct all operations in accordance with the Montana Forest Fire Regulations, Attachment C.

B. FIRE PREVENTION: During the time that this Contract remains in force, the Purchaser shall, to the greatest extent practicable, prevent forest fires on the area described in this Contract and in its vicinity, and shall require all employees, contractors and employees of contractors to do likewise.

C. OPEN BURNING REQUIREMENTS: The Purchaser is required to conduct any burning of slash or other debris in accordance with the Montana Department of Environmental Quality open burning restrictions. The Forest Officer must be notified prior to the start of any burning operations.
D. **FIRE SUPPRESSION:** Unless prevented by circumstances over which he, she or it has no control, the Purchaser shall place qualified employees, contractors and employees of contractors and all equipment at the disposal of any authorized State, County, or Federal Forest Officer for the purpose of fighting forest fires. Payment for such services shall be made at rates to be determined by the Forest Officer, which shall be within a range of payment rates shown in the Interagency Incident Business Management Handbook, NWCG Handbook 2. Any employees or equipment furnished by the Purchaser, contractors or employees of contractors, shall be relieved from fire fighting as soon as it is practicable for the Forest Officer to obtain other adequate labor or equipment.

E. **FIRE COSTS:** The costs borne by the State for suppressing fires that are intentionally lit by the Purchaser or that are caused by negligence or fault in the Purchaser’s operations shall be paid by the Purchaser to the State. The Purchaser shall also be liable for property and resource damage resulting from these fires.

F. **FIRE REPORTING:** Any wildfires, which the Purchaser detects or suppresses, must be reported as soon as possible to the responsible fire protection agency and the Department.

G. **SUSPENSION OF OPERATIONS:** When fire danger reaches extreme levels that cause operations to be curtailed through Stage II, Hoot Owl requirements or other measures, the State may suspend operations until fire conditions in and/or around the sale area improve. The State will grant a contract extension to compensate for the time suspended.

VI. **RESOURCE PROTECTION**

A. **DAMAGE PREVENTION:** The Purchaser shall use reasonable skill and care in all operations to prevent damage to soils, trails, meadows, stream banks, stream channels, wetlands, lakeshores or other natural features of the sale area.

B. **STREAM PROTECTION:**

1. Construction and logging equipment will not be operated in Streamside Management Zones. An exception may be provided for through this Contract or the Forest Officer may grant written permission. Additional protection measures may be required in Section VII.G, SPECIAL OPERATING REQUIREMENTS and in Contract Attachments.

2. The Purchaser shall notify the Forest Officer immediately if debris from logging or construction enters a stream or stream channel.

3. The Purchaser shall remove any debris resulting from logging or construction operations, which may affect the natural flow of any streams traversing the sale area. This work will be completed in a manner that causes the least disturbance to the streams, as directed by the Forest Officer.

4. Logs shall not be hauled, skidded or yarded across streams unless the logs are fully suspended, or otherwise yarded as specified in this Contract. The Forest Officer must approve all logging and construction plans, including changes, before implementation.

5. All operations shall be conducted in a manner to comply with Montana Water Quality Standards, the Streamside Management Zone Law, and all applicable permits.

C. **CULTURAL RESOURCES:** If a cultural resource is discovered, the Purchaser shall immediately suspend all operations in the vicinity of the cultural resource and notify the Forest Officer. Operations may only resume if authorized by the Forest Officer. Cultural resources identified and protected elsewhere in this contract are exempted from this clause. Cultural resources, once discovered or identified, are not to be disturbed by the Purchaser, or his, her or its employees and/or sub-contractors.
D. DISCOVERY OF THREATENED AND ENDANGERED SPECIES:

1. If a specific habitat feature for a federally listed threatened or endangered species is encountered, the Purchaser shall suspend all operations in the vicinity of the observation or discovery and immediately notify the Forest Officer. Operations may resume only if authorized by the Forest Officer. Habitat features identified and protected elsewhere in this contract are exempted from this clause.

2. If a federally listed threatened or endangered species is encountered, the Purchaser shall immediately notify the Forest Officer. The Purchaser may be required to suspend operations in the vicinity of the observation or discovery. If suspended, operations may resume only if authorized by the Forest Officer.

E. SANITATION: The Purchaser’s operations, as described by this contract, shall comply with all applicable State laws, rules and regulations concerning sanitation in operations. Refuse resulting from the Purchaser’s activities, including the use, servicing, repair, or abandonment of equipment, shall be removed, buried or otherwise disposed of in a manner that complies with all State laws and meets the approval of the Forest Officer. The Purchaser shall not service tractors, trucks and similar pieces of equipment on lands that directly drain into or are within 100 feet of lakes, streams or recreational facilities. No logging camp will be located on the gross sale area without prior approval by the Forest Officer.

F. HAZARDOUS SUBSTANCES: In addition to the indemnification provided in Section I.W.2. INDEMNITY AND LIABILITY, with respect to Hazardous Substances, the following duties shall apply:

1. The Purchaser shall know and comply with regulations governing the storage, handling, application and disposal of pesticides, herbicides, containers, biological waste, petroleum products, dust abatement compounds, and other hazardous substances. The Purchaser shall obtain the approval of the Forest Officer to store, handle, apply or dispose of these substances on State land.

2. The Purchaser shall not transport, handle, store, load, apply, or dispose of any hazardous substance in such a manner as to pollute water supplies or waterways, or cause damage or injury to people, land, desirable plants, and animals.

G. IMPROVEMENT PROTECTION: All telephone lines, power lines, fences, gates, signs, irrigation ditches or pipelines, cattle guards, drainage structures, roads and other improvements within the gross sale area and on adjacent lands shall be protected as much as possible in the Purchaser’s operations, and if damaged by the Purchaser shall be repaired or replaced immediately at the Purchaser’s expense.

H. PROPERTY CORNER RESTORATION: The Purchaser is required to replace any General Land Office township, section, quarter or meander corners, monuments or witness trees on or adjacent to the timber sale area which may have been moved, disturbed or lost, as a result of the Purchaser’s logging or construction operations. Any necessary replacements must be carried out by a licensed surveyor at the Purchaser’s expense.

I. PASSABLE ROADS: The Purchaser will leave all roads and trails free from obstruction by logs, brush or debris following the completion of logging operations. Temporary or permanent obstructions may be acceptable if approved by the Forest Officer.

J. NOXIOUS WEED MANAGEMENT: All equipment used in road construction and off-road logging activity must be pressure-washed by the Purchaser and inspected by the Forest Officer prior to entering the sale area. This cleaning will remove all dirt, plant parts, and material that may carry noxious weed seeds into the sale area. Other equipment and vehicles entering and leaving the sale area shall be cleaned prior to start up and kept reasonably clean during the course of operations. All
subsequent move-ins of logging and construction equipment shall be treated the same as the initial move-in.

K. WILDLIFE PROTECTION:

1. The Purchaser is authorized to enter areas closed by gates, barricades or berms with motorized vehicles only for the purposes related to the performance of this contract. Motorized vehicle entry for purposes other than contract performance, such as hunting or transporting game animals will be considered trespass and prosecuted to the fullest extent of the law (Montana Code Annotated § 45-6-203).

2. The Purchaser is prohibited from carrying firearms while conducting contract operations [ARM 36.11.432(1)(m); 36.11.433(1)(d); 36.11.443(2)].

VII. LOGGING

A. TREES DESIGNATED FOR CUTTING: All trees meeting the following requirements must be cut by the Purchaser.

1. TREES IN UNITS: Trees that meet the Minimum Log Size of Trees Designated for Cutting in Table 2 are to be cut in each unit according to the Marking specifications shown in Section VII.F. UNIT DESIGNATIONS.

2. RIGHT-OF-WAY TREES: All trees within road right-of-way boundaries must be cut.

3. DAMAGED TREES: Reserved trees, which are root-cut, damaged by felling or skidding, uprooted or broken off by the Purchasers operations may be designated for cutting by the Forest Officer. The Forest Officer may mark additional reserve trees to replace those that have been cut or damaged.

4. FIRE KILL, INSECT INFESTATIONS AND WIND THROWN: The Purchaser may be required to cut and remove at current contract rates, fire-killed, high hazard, disease infected, insect-infested or wind thrown (defined as blown down or wind-damaged to the extent that the tree is expected to fall or is dying) trees that occur in any part of the gross sale area while this Contract is in effect, if the Forest Officer determines that the stumpage value per ton of the additional timber is approximately equal to the value of the timber being harvested under this Contract.

B. TREES RESERVED FROM CUTTING:

1. LEAVE TREES: Trees, both live and dead, marked to leave or otherwise described to leave are reserved from cutting. Any trees not specifically required to be cut are reserved from cutting.

2. BOUNDARY AND BEARING TREES: Trees marking the boundaries of ownership, logging units, equipment restriction zones, streamside management zones, road rights-of-way, and bearing trees, are reserved from cutting unless otherwise designated by this contract or by the Forest Officer.

3. VALID CLAIMS: Timber to which there exists a claim under valid contracts with the State of Montana is exempted from this sale.

C. LOG MANUFACTURING AND RECOVERY STANDARDS:

1. SAWLOG STANDARDS: Trees cut by the Purchaser shall be manufactured to secure the maximum utilization of forest products. All logs that meet or exceed the Manufacturing and Recovery Standards in Table 2 and this section shall be skidded to landings and hauled by the Purchaser.
a. Logs shall be bucked to utilize the entire length of the tree to the top diameter specified under Manufacturing and Recovery Standards in Table 2.

b. Logs meeting utilization specifications in Table 2 shall be manufactured in such a manner as to minimize waste during bucking operations.

c. A tree or log larger than 5.6” top DIB is considered to be a sawlog if it contains Scribner Decimal C Net Scale ≥ 33% of Gross.

2. OTHER MATERIAL: The Purchaser may elect to remove other material that does not meet Sawlog Manufacturing and Recovery Standards in Table 2, only if approved by the Forest Officer. Such products shall be billed at the rate for other material shown in Table 1.

a. All contract provisions apply to the removal of Other Material.

b. Other Material that has been manufactured by the Purchaser shall be decked and hauled separately from sawlogs. All hauled loads will have a truck ticket assigned and will meet the specifications in Section III, MEASUREMENT AND LOG ACCOUNTABILITY.

c. Butt cut logs (the first log cut above the stump) that meet LOG MANUFACTURING AND RECOVERY STANDARDS in Table 2, but do not meet TREES DESIGNATED FOR CUTTING minimum top DIB and length, may be considered as Other Material, not sawlogs.

3. DOWN WOODY MATERIAL: Ten to fifteen tons per acre of downed woody material larger than 3 inches in diameter shall be left scattered throughout the sale units. The Forest Officer will determine the appropriate amount of material and may designate pieces to be left for this purpose that would otherwise be skidded and hauled under Sections VII.C.1 or VII.C.2, LOG MANUFACTURING AND RECOVERY STANDARDS.

<table>
<thead>
<tr>
<th>PRODUCT</th>
<th>TREES DESIGNATED FOR CUTTING</th>
<th>SAWLOG MANUFACTURING AND RECOVERY STANDARDS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sawlogs</td>
<td>The Purchaser must fell all trees marked or designated for cutting that contain a log of this minimum size.</td>
<td>The Purchaser must skid and haul all sawlogs that meet this minimum specification.</td>
</tr>
<tr>
<td>Top DIB</td>
<td>5.6”</td>
<td>5.6”</td>
</tr>
<tr>
<td>Length</td>
<td>16.5’</td>
<td>8.5’</td>
</tr>
</tbody>
</table>

D. TREE AND BOUNDARY MARKING:

1. TREES MARKED TO CUT: Trees within SMZ/RMZ designated for harvest marked with at least two horizontal Blue paint marks.

2. TREES MARKED TO LEAVE: Marked with at least two horizontal Blue paint marks.

3. HARVEST UNIT BOUNDARIES: Marked with Blue flagging and/or two Blue paint dots facing into the unit.

4. ROAD RIGHT-OF-WAY BOUNDARIES: N/A.

5. PROPERTY BOUNDARIES: Marked with Pink flagging.

6. STREAMSIDE MANAGEMENT ZONES: Marked with fluorescent Pink flagging stenciled with “STREAMSIDE MANAGEMENT ZONE”.

TABLE 2.
7. **EQUIPMENT RESTRICTION ZONES:** Marked with **Yellow** striped flagging.

E. **HARVEST SCHEDULE:** Trees shall be cut and removed from the sale or portions of the sale, such as units, by the dates shown on the HARVEST COMPLETION SCHEDULE, Table 3:

<table>
<thead>
<tr>
<th>Priority</th>
<th>Unit or Portion of Sale</th>
<th>Completion Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>All Units</td>
<td>March 1, 2013</td>
</tr>
</tbody>
</table>

F. **UNIT DESIGNATIONS:** The following requirements are to be performed by the Purchaser in the harvest units listed below and as shown on the sale map, Attachment A. Paragraph headings refer to paragraphs listed in Section VII.G, SPECIAL OPERATING REQUIREMENTS.

<table>
<thead>
<tr>
<th>HARVEST UNIT NUMBER(S)</th>
<th>ACRES</th>
<th>ESTIMATED VOLUME (Tons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-7</td>
<td>97</td>
<td>5,695</td>
</tr>
</tbody>
</table>

**YARDING METHOD:** Conventional Ground Based Yarding

**HARVEST/MARKING:** All harvest units are leave tree mark except within SMZ/RMZ. Leave trees are marked with two horizontal **Blue** paint marks. Trees within SMZ/RMZ designated for harvest are cut tree mark with two horizontal **Blue** paint marks. Harvest all merchantable lodgepole pine, spruce and Alpine fir sawlog trees within the designated harvest units (Excluding SMZ/RMZ designated areas).

**OPERATING PERIOD:** June 15 – March 1. **EXCEPTION:** All vehicular traffic activities on the Main Haul road on Hansen Livestock properties will cease during the first three (3) weeks of general deer/elk rifle hunting season. General deer/elk rifle hunting season dates as established by the Montana Fish, Wildlife and Parks for the given hunting year of current activity. Forest Officer will determine the open and closure dates of the Main Haul road.

**SPECIAL OPERATING REQUIREMENTS:** Designated/Approved Skid Trails Required; Nutrient Recycling Requirement; Slashing of Logging Damaged Trees Required; Reserved Submerchantable Tree Protection; Reserve Snags; Skid Trail Spacing/Closure/Rehabilitation; Skidding Slope Limitations; Bucking in Woods; Winter Skidding Requirement.

G. **SPECIAL OPERATING REQUIREMENTS:** The following requirements are to be performed by the Purchaser in specific sale units as shown in Section VII.F, UNIT DESIGNATIONS.

1. **DESIGNATED/APPROVED SKID TRAILS REQUIRED:** Skid trail locations shall be flagged by the Purchaser and approved by the Forest Officer prior to felling trees in this unit.

2. **NUTRIENT RECYCLING REQUIREMENT:** Purchaser is required to leave material in the unit for recycling of forest nutrients. At the same time, logging slash loading shall be kept to a minimum by skidding and piling some slash at the landings.
   a. Purchaser is required to leave most logging slash **foliage** scattered on the forest floor. The Forest Officer may require lopping and scattering of limbs, severing tops before skidding, returning tops to the woods, or other methods to achieve this requirement.
   b. Purchaser is required to leave 5-10 tons of material 3 inches in diameter or larger to meet DOWN, WOODY MATERIAL requirements in Section VII.C-3. The Forest Officer may require the bucking of cull material in the woods, leaving dead, down sawlogs, or other methods.
c. Purchaser is required to reduce slash loading above the amounts required to meet 3a and 3b above. The Forest Officer may require whole-tree skidding (top and limbs attached, bucking permitted) of some material to meet this requirement.

d. The Forest Officer and Purchaser will agree to amounts of material and the bucking, lopping, and skidding methods to meet these requirements prior to felling and skidding in the unit.

3. SLASHING OF LOGGING-DAMAGED TREES REQUIRED: The Purchaser shall fell all submerchantable trees with logging-related root or stem damage, causing lean. The stem shall be completely severed from the stump below the lowest live limb. Maximum stump height shall be 12 inches on the uphill side.

4. RESERVED SUBMERCHANTABLE AND NONMERCHANTABLE TREE PROTECTION: Care shall be exercised in felling and skidding operations to minimize damage to submerchantable and nonmerchantable trees. If damage is excessive as determined by the Forest Officer, operations may be suspended until suitable arrangements are made to reduce damage.

5. RESERVE SNAGS: One snag and one snag recruit, of the largest diameter class, per acre will be retained in all harvest units. No undesignated snags shall be cut, unless a safety hazard or approved by the Forest Officer.

6. SKID TRAIL SPACING/CLOSURE/REHABILITATION: Skid trails shall be spaced not less than 70 feet apart between trails except at common landings. Skid trails shall be closed with distribution of slash debris and have erosion control measures installed as directed by the Forest Officer. Skid trails with excessive soil displacement shall be rehabilitated as directed by the Forest Officer.

7. SKIDDING SLOPE LIMITATIONS: Ground-based logging systems (tractor, skidders and mechanical harvesters) shall be limited to operation on sustained slopes $\leq 50\%$.

8. BUCKING IN THE WOODS: All long butts, broken ends, and other cull material shall be left in the woods and not returned to the landing.

9. WINTER SKIDDING REQUIREMENTS: To avoid loss of sawlogs in the snow, skidding operations shall be kept current with felling operations.

H. LOGGING OPERATIONS PLAN: The Forest Officer shall approve a plan for felling, yarding, and landing logs (both Sawlogs and Other Material) in each harvest unit prior to the start of operations in that unit.

I. SKID TRAIL LAYOUT AND YARDING PLAN: The Purchaser must follow these requirements along with those shown under VII.G. SPECIAL OPERATING REQUIREMENTS when developing a yarding plan for each unit. The Forest Officer may approve exceptions to these requirements in writing.

1. The Purchaser shall lay out skid trails and have locations approved by the Forest Officer prior to felling trees.

2. All skid trails will be located within the harvest unit boundaries.

3. Any constructed skid trails shall be completed and approved by the Forest Officer prior to felling timber.

4. Skid trails will not be located in draws, and may only cross draws at locations flagged and approved by the Forest Officer.
J. LANDINGS AND LOG DECKS:

1. The Purchaser shall construct landings at locations approved by the Forest Officer prior to felling timber.

2. Landings shall be kept to the minimum size necessary to allow the safe handling of logs. The Forest Officer must approve landing size.

3. All deck locations shall be approved by the Forest Officer prior to clearing or use. Decks shall be located so as to minimize the number of trees cut for construction of the deck area.

K. FELLING:

1. In each harvest unit, a felling pattern shall be used which conforms to the logging operations plan and causes the least damage to reserve trees and other resources.

2. Felling shall be systematic and continuous to avoid lost logs and minimize the number of skidding trips.

3. Trees shall be directionally felled away from features requiring protection within or adjacent to harvest units. Features requiring protection include streams, meadows, wet areas, and areas specified under Section VII.F. UNIT DESIGNATIONS. Wedges, jacks, winches, or other special equipment may be required to direct trees when felling. Trees falling into protection areas shall be winch-line skidded out of protected features. All necessary mitigation for damage caused by improper and/or non-approved felling into a protected zone is the responsibility of the Purchaser. The Forest Officer must approve all mitigation work.

4. Traffic Control Required For Felling along Roads: If felling operations occur along public roads, traffic guards with “STOP” signs shall be posted 500 feet in both directions from the units on open roads, providing a safety zone to warn oncoming traffic that logging operations are in progress. All traffic shall be stopped when tree felling is in progress. Traffic stops should not exceed 15 minutes at any one time. All saws will be shut off when traffic is moving through the safety zone. Wedges and/or jacks shall be used to ensure trees do not fall onto the roadway. In the event a tree falls across the roadway, all debris shall be removed immediately from the roadway and right-of-way. The Forest Officer must approve any extended road closures for logging operations.

L. YARDING AND MECHANICAL FELLING: The Purchaser must follow these requirements during logging operations, along with those shown under Section VII.G. SPECIAL OPERATING REQUIREMENTS. The Forest Officer will determine when restrictive conditions apply, and may approve exceptions to these requirements in writing.

1. Soil Compaction Restrictions: In order to prevent soil resource impacts, ground-based mechanical felling and yarding are restricted to periods when one or more of the following conditions occur:
   a. Soil moisture content at 4-inch depth less than 20% oven-dry weight.
   b. Minimum frost depth of 4 inches.
   c. Minimum snow depth of 18 inches, loose, or 12 inches, packed.

2. Suspended Operations for Soil Compaction and Displacement: The Purchaser will be required to restrict or suspend logging operations when soils are subject to compaction or displacement by heavy equipment.
3. **Equipment Restrictions:**
   
   a. Equipment shall not be operated in areas designated as EQUIPMENT RESTRICTION ZONES, WETLAND MANAGEMENT ZONES or STREAMSIDE MANAGEMENT ZONES as shown in Section VII.D.6 and 7, unless authorized by this Contract or the Forest Officer.
   
   b. Equipment shall not be operated in soft soils, boggy areas or areas where skidding would cause excessive compaction and displacement.
   
   c. Any trees designated for harvest within such zones shall be winchline skidded to skid trails outside the zone.
   
   d. Slash will not be piled in or pushed into these zones.
   
   e. The Forest Officer must approve any designated crossings of restricted areas.

4. **Protection of Reserved Trees:** The Purchaser shall exercise reasonable care to prevent damage to trees reserved from cutting during logging operations.

**M. CLEAN-UP AND COMPLETION:** The Purchaser must follow these requirements and those shown under Section VII.G. SPECIAL OPERATING REQUIREMENTS during logging operations. The Forest Officer will determine when restrictive conditions apply, specifications and dates to meet these requirements and may approve exceptions in writing. The Forest Officer must approve all designated work prior to the removal of Purchaser’s equipment.

1. **Logging Debris Confined To Units:** All debris from logging shall be confined within the harvest unit boundaries. Any logging debris outside a harvest unit must be returned to within the unit boundary.

2. **Skidding Debris on Roads:** The Purchaser shall remove logging slash remaining on any portion of a road cutbank or traveled way. Cut and fill slopes, ditches, or road surfaces damaged by skidding operations shall be restored to original conditions. Reseeding is required if vegetation is damaged by skidding.

3. **Repair of Improvements:** Damage caused by the Purchaser’s operations to culverts, waterlines, fences, roads, bridges, gates, cattleguards, signs, and all other improvements must be adequately repaired or replaced.

4. **Erosion Control:**
   
   a. The Purchaser shall construct slash and debris erosion barriers, dips, water bars or ditches in skid trails and landings as directed by the Forest Officer.
   
   b. The kinds and frequency of erosion control structures shall be adjusted to soil types, topography and climatic conditions as directed by the Forest Officer.
   
   c. The Purchaser is required to recontour any excavated skid trails, and provide for effective erosion control in the trail location as directed by the Forest Officer.
   
   d. Erosion control work shall commence as soon as skidding is completed on each skid trail or landing, and must be kept current with unit operations.
   
   e. Erosion control work shall be completed and approved by the Forest Officer in unfinished units before operations cease for inactive periods including heavy winter snowfall, spring breakup and restricted dates.
   
   f. All erosion control work in each unit shall be completed prior to notification pursuant to Section VII.M.7. **Acceptance of Completed Harvest Units.**
g. The Purchaser shall maintain erosion control structures in active sale areas throughout the contract period or extensions thereof.

5. **Landing and Decking Area Cleanup**: The Purchaser is required to pile logging residues on landings and log-decking areas. Proper equipment (e.g. brush blade, log loader) shall be used to ensure that no dirt is incorporated into the piles. Mechanical scarification of landing and decking areas may be required. Where logs have been decked on the downhill or fill side of a road, the Purchaser may be required to pile residue with a log loader or by hand. Residue piles shall be a minimum of 15 feet away from any live trees. Piles shall be located and constructed as directed by the Forest Officer.

6. **Systematic Harvest Unit Operations**: When harvest operations are begun on a designated harvest unit, the harvest operations on that unit shall be fully completed before cutting may begin on other harvest units.

7. **Acceptance of Completed Harvest Units**: The Forest Officer shall notify the Purchaser in writing when all contract requirements for each specified harvest unit or area have been met. After notice has been received, the Purchaser is not required to do additional work on the specified area except as provided in Section VII.A.4. FIRE KILL, INSECT INFESTATION, AND WIND THROWN.

N. **HAULING RESTRICTIONS**: The Purchaser will be required to restrict or suspend hauling during periods when the compacted road surface would be damaged, as directed by the Forest Officer. Restrictions are required when hauling would cause rutting into the subgrade, or surfacing materials would be displaced, such as during heavy rainfall or spring breakup freezing and thawing cycles.

O. **LOGGING OPERATIONS SAFETY SIGNS**: Road signs warning of logging and road construction operations shall be posted 500 feet from the operations. When log hauling is in progress, warning signs shall be posted at major road junctions as directed by the Forest Officer. Warning signs must comply with specifications in the Manual on Uniform Traffic Control Devices.
I. CONSTRUCTION REQUIREMENTS

A. ROADS: The Purchaser is required to construct the roads shown in Table B-1 according to the schedules stated, as shown on the Sale Map, Attachment A, and to the specifications and drawings in Attachment B and other applicable attachments.

<table>
<thead>
<tr>
<th>Road Name or Number</th>
<th>Approximate Length (feet)</th>
<th>Type of Construction</th>
<th>Operation Period</th>
<th>Completion Date or Requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reconstruction</td>
<td>1,585</td>
<td>Reconstruction</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spur Road A</td>
<td>9,263</td>
<td>New Temporary Minimum Standard</td>
<td>June 15 – December 30</td>
<td>As directed by the Forest Officer</td>
</tr>
<tr>
<td>Spur Road B</td>
<td>1,825</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

B. ROAD CONSTRUCTION MATERIALS ESTIMATE:

<table>
<thead>
<tr>
<th>Corrugated Metal Pipe</th>
<th>Quantity</th>
<th>Other Materials</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>6</td>
<td>Metal Culvert Band Bolts</td>
</tr>
<tr>
<td>~72 feet</td>
<td></td>
<td>3” x 10” or 12”, minimum length 10-12 feet, Douglas-fir, construction grade #2 or better, running planks for bridge</td>
</tr>
<tr>
<td>Plastic Culvert Pipe</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
TABLE B-2 (CONTINUED): SEED REQUIREMENTS

The Purchaser is required to furnish certified noxious weed-free, pure live seed mixture(s) in the amounts shown. Total pounds mixed seed are pure live seed, corrected for germination and purity. Germination and purity tests must have been conducted within the last 12 months prior to delivery. Purchaser shall furnish documentation of germination and purity tests to the Forest Officer prior to application.

<table>
<thead>
<tr>
<th>Pounds</th>
<th>Certified Noxious Weed-Free Seed</th>
<th>Fertilizer</th>
</tr>
</thead>
<tbody>
<tr>
<td>51</td>
<td>&quot;Revenue or Primar&quot; Slender Wheatgrass</td>
<td>Pounds</td>
</tr>
<tr>
<td>41</td>
<td>&quot;Durar or Whitmar&quot; hard Fescue</td>
<td>Analysis (N-P-K)</td>
</tr>
<tr>
<td>51</td>
<td>Pubescent Wheatgrass</td>
<td>N/A</td>
</tr>
<tr>
<td>31</td>
<td>&quot;Bromar&quot; Mountain Brome</td>
<td>N/A</td>
</tr>
<tr>
<td>31</td>
<td>&quot;Reubens&quot; Canada Bluegrass</td>
<td>N/A</td>
</tr>
<tr>
<td>205</td>
<td>Total</td>
<td></td>
</tr>
</tbody>
</table>

TABLE B-2 (Continued): MATERIALS FURNISHED BY THE STATE AND INSTALLED BY THE PURCHASER:

The Purchaser is required to load and haul the described materials from the State source and install them as required in Attachment B.

<table>
<thead>
<tr>
<th>Quantity</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>24&quot; x 20' CMP, 24&quot; x 18' CMP and 24&quot; x 16' CMP with bands</td>
</tr>
<tr>
<td>1</td>
<td>18&quot; x 24' plastic culvert pipe with band</td>
</tr>
<tr>
<td>1</td>
<td>18&quot; x 4' plastic culvert pipe</td>
</tr>
</tbody>
</table>

TABLE B-2 (Continued): MATERIALS FURNISHED BY THE PURCHASER FOR DELIVERY:

The Purchaser is required to furnish the described material, to be delivered and unloaded by the Purchaser at the DNRC Dillon Unit office. Materials shall be delivered as requested by the Forest Officer. All materials furnished by the Purchaser become the property of the State when delivered.

<table>
<thead>
<tr>
<th>Amount</th>
<th>Description and Specifications</th>
</tr>
</thead>
<tbody>
<tr>
<td>205 lbs.</td>
<td>Certified noxious weed-free, pure live seed mixture</td>
</tr>
</tbody>
</table>

C. MINOR CHANGES: The Forest Officer may require minor changes in location, design or specifications of road construction, improvement or maintenance requirements. Such changes must be within the scope of Attachment B requirements, and not result in a significant increase or decrease in cost as agreed to by the Forest Officer and the Purchaser.

D. ADJUSTMENT FOR CHANGE IN REQUIREMENTS: If a significant change in road construction, improvement or maintenance specifications is deemed necessary by the Forest Officer, subsequent to the award of this sale; and if in the opinion of the State it results in a significant increase in cost to the Purchaser, then the State may compensate the Purchaser. If a significant change in road construction, improvement or maintenance specifications is requested by the Purchaser and is acceptable to the Forest Officer; and if in the opinion of the State it significantly reduces cost to the Purchaser, then the Purchaser will compensate the State. Compensation to the Purchaser will be in the form of stumpage credit. Compensation to the State will be in cash and will be billed as a supplement to the stumpage bill. All significant changes and compensation will be described in a contract modification.
II. RIGHT-OF-WAY CLEARING

A. CLEAR LIMIT DEFINITIONS are shown in Section IX. SPECIFICATIONS AND DRAWINGS.

B. CLEAR LIMIT MARKING:

1. Clear limits for existing roads are not marked.

2. Clear limits for all new construction are not marked. Centerline marked with orange flagging, paint and/or stakes.

C. CLEARING REQUIREMENTS:

1. Brush or trees on existing roads may be removed by sawing individual stems, cutting with a rotary brush cutter, uprooting with an excavator or other methods approved by the Forest Officer.

2. Inside the clear limits, but outside the road prism, trees and brush less than 20 feet tall and less than 3 inches in diameter that do not interfere with visibility or slope stability may be left as directed by the Forest Officer.

3. All merchantable timber within the clear limits on all roads to be constructed under the terms of this Contract shall be cut to the specifications in the timber sale contract and skidded to decks, or decked with an excavator, prior to earth moving.

4. Clearing procedures shall protect residual stands, prevent incorporation of construction slash into the road prism, and protect roadside appearance outside clear limits.

5. Grubbing will be limited to only those stumps and large roots within the road prism.

III. TREATMENT OF RIGHT-OF-WAY CLEARING MATERIALS

A. GENERAL TREATMENT REQUIREMENTS:

1. Road construction slash more than 3 inches in diameter and 6 feet long and all concentrations of slash which would adversely affect the stability of the road shall be disposed of by the methods described in this section.

2. Slash and debris shall not be placed in drainages, roadside ditches or heads of culverts where the flow of water may be obstructed and shall be removed if placed therein.

3. Lopping and scattering are defined as delimbing and sawing slash materials into lengths which will easily scatter to a maximum depth of 18 inches. Materials shall be scattered outside the road prism.

4. Sufficient slash shall be stockpiled for road rehabilitation. Excess slash shall be piled in burn bays at locations approved by the Forest Officer. Construction of piles will be of such size and at a sufficient distance from trees so that burning does not result in unnecessary damage to remaining trees. The Purchaser may be required to remove any trees damaged by burning operations at current contract rates. If burning is incomplete the residue must be disposed of as directed by the Forest Officer.

B. SIDESLOPES OF 35% OR LESS AND EXISTING ROADS:

1. Disposal will be by hand or machine piling for burning as directed by the Forest Officer.

2. Minor concentrations of slash or individual trees may be disposed of outside of the road prism by lopping and scattering as directed by the Forest Officer.
3. Tree stumps, large boulders and cull logs may be scattered outside the road right-of-way clear limits if approved in writing by the Forest Officer. Scattered stumps and boulders shall be placed away from trees and positioned so they will not roll.

C. SIDESLOPES OF 35% AND GREATER:

1. Treatment will be by excavator only, or by whole tree skidding to a decking area.

2. Where topography and timber types permit, piling for burning will be required as directed by the Forest Officer.

3. Where piling is not practical, treatment will be by windrowing at the toe of the fill. Slash will be windrowed on a trail constructed at the bottom of the right-of-way. Slash will be trampled and covered with organic surface material taken from the road prism as directed by the Forest Officer. Fill material may butt up against but not cover or bury the windrow.

4. Minor concentrations of slash or individual trees may be disposed of by lopping and scattering as directed by the Forest Officer.

5. Tree stumps, large boulders and cull logs may be scattered outside the road right-of-way clear limits if approved in writing by the Forest Officer. Scattered stumps and boulders shall be placed away from trees and positioned so they will not roll.

IV. EXCAVATION AND EMBANKMENT OF FILL MATERIALS

A. EXCAVATION OF ROAD CROSS SECTION:

1. All grubbing and clearing shall be completed prior to the beginning of any excavation.

2. Surface organic layer and ash cap (surface reddish-brown soils with low gravel content) will be bladed to the side of the road and not incorporated into fills.

3. Wasted soils and organic layer will be shaped and spread to natural contours at locations approved by the Forest Officer.

4. When excavating on tangents and when balanced section construction is indicated, the following table will be used as a guideline to determine if sufficient excavation of road solid has occurred. Tolerances for road solid will be +1.0 feet and -0.5 feet.
B. EMBANKMENT OF FILL MATERIALS:

1. Fill materials shall be unfrozen and free of snow and ice.

2. Fill materials shall be sorted to remove large rocks over 6 inches in diameter near the surface, which may interfere with surface blading.

3. Where possible all fill materials shall be applied in layers not to exceed 18 inches and each layer compacted with heavy equipment prior to application of the next layer.

4. If fill materials are too dry to allow compaction, the Forest Officer may require watering of layers followed by heavy equipment compaction.

5. Gravel used for surfacing shall be compacted into place using loaded dump trucks or a vibratory drum roller if specified in the Road Log.

C. PIT DEVELOPMENT AND RECLAMATION:

a. During the period the gravel pit or borrow area is open the surface of the pit shall be kept clean of noxious weeds. The Purchaser shall remove any weeds found growing at the pit by pulling, cultivating, covering with plastic, spraying, or as directed by the Forest Officer.

b. At completion of use, the pit area will be reshaped to as near natural contours as possible. Backslope ratios shall not exceed 3:1. Purchaser may be required to save topsoil, recontour the pit wall, and reclaim the disturbed portion of pit. All disturbed portions of the pit shall be grass seeded and fertilized.

c. At completion of use, talus slopes shall be backsloped and reshaped as directed by the Forest Officer. Grass seeding and fertilizing are required on any disturbed areas with exposed soil.

V. DRAINAGE STRUCTURES

A. CORRUGATED METAL PIPE: The corrugated metal pipe required in Table B-2 will be installed as follows:
1. All pipes shall be installed with a backhoe or excavator. The exact locations shall be determined and approved by the Forest Officer after the right-of-way is brushed and cleared.

2. The excavation trench for culvert installation shall not be wider than necessary to permit satisfactory jointing and thorough tamping of the bedding material under and around the pipe.

3. The bedding surface shall be constructed to provide a firm foundation of uniform density through the entire length of the culvert and shall be slightly cambered along the centerline to correct for expected settlement.

4. Where the bedding surface is not firm at the grade established, all unstable soil under the pipe and for a width of at least one diameter on each side of the pipe shall be removed and replaced with suitable selected material. Rock encountered in the bedding foundation will be removed to at least 12 inches below the bottom of the pipe and one diameter on each side. The final bedding area shall consist of fine, compacted granular material.

5. Selected material shall be placed alongside the pipe for backfill in alternating layers not exceeding six inches in depth and thoroughly compacted by a hand held mechanical tamper (wacker packer). Special care must be taken to compact the fill thoroughly under the haunches of the pipe. Wacker packer compaction of backfill must be done for a horizontal distance on each side of the pipe equal to either one pipe diameter or to the outside limits of the trench, whichever is less. The depth of wacker packer compaction must extend at least to the top of the pipe.

6. Selected native fill material will be free from rocks and hard earth clods larger than 3 inches in size. Frozen material, sod or a high percentage of organic matter is not permitted.

7. The remainder of the fill above the top of the pipe may be compacted by tractor or rubber-tired roller. Fill is to extend above each pipe at least one-half the pipe diameter or a minimum of 12 inches, whichever is greater.

8. The pipe shall be protected by adequate fill cover before heavy equipment is permitted to cross during roadway construction.

9. Pipe that is damaged or improperly installed shall be repaired or replaced at Purchaser expense as directed by the Forest Officer.

10. The Forest Officer must be contacted two days before any culvert installation and must be present at any wet site culvert installation.

11. Riprap consisting of angular native rock of graded sizes 6 to 12 inches in diameter shall be installed to armor cuts and fills at both ends of all culverts installed in streams.

12. Energy dissipators consisting of native rock at least 24 inches in diameter with flat cross section shall be installed below culvert outlets in all perennial streams.

B. WET SITE CULVERT INSTALLATION REQUIREMENTS:

1. The Forest Officer and the Purchaser shall agree upon a site specific sediment and erosion control plan that meets the requirements of all attachments and permits for each wet installation prior to any construction. Sediment and erosion control features may include any or all of the following at each site:
   a. Filter Fabric Sediment Traps.
   b. Sediment Control Fence.
   c. Slash Filter Windrows.
d. Other measures as directed by Forest Officer.

2. The Forest Officer and the Purchaser shall agree upon a site specific water diversion plan for each wet installation. Diversions may include: by-pass ditches, plastic lined by-pass ditches, plastic or metal pipe by-passes or other methods as directed by the Forest Officer. Pumping with discharge back into the channel is not permitted.

3. All wet site culvert installations require seeding of all disturbed areas with Quick Cover Mix the same day as installation is completed.

4. Any equipment operated within the high-water level of any stream or river channel shall be free of oil and fluid leaks and shall be clean of mud. Said equipment must be inspected by the Forest Officer and approved prior to any use.

5. Filter fabric sediment traps shall be installed prior to any construction activities on all wet culvert installations.

VI. ROAD MAINTENANCE

A. ROAD MAINTENANCE SCHEDULE AND REQUIREMENTS:

1. Road maintenance will be required on all native material or gravel roads designated for hauling purposes.

2. Road maintenance is defined to include all operations listed under Section VI. of Attachment B.

3. Initial maintenance of the roads shall be completed prior to use for logging and hauling.

4. The Forest Officer will determine the number, type, extent and frequency of intermediate maintenance operations. Road maintenance shall be repeated as needed to facilitate traffic and proper road drainage. The Purchaser will be advised of the time limitations to complete each maintenance project.

5. Final maintenance of the road system is required after all logging and hauling and prior to termination of the Timber Sale Contract.

B. SURFACE BLADING:

1. Description: Surface blading is keeping a native or aggregate roadbed in a condition to facilitate traffic and provide proper drainage. It includes maintaining the crown or slope, shoulder, drainage dips, leadoff ditches, berms and turnouts, and provides a level of smoothness appropriate for the amount and kind of traffic served and consistent with existing surfacing.

2. Specifications:

   a. The existing roadbeds, including turnouts, shall be bladed and shaped to reasonably conform to the designed cross section, and to eliminate ruts. Existing aggregate surfacing shall be bladed to conserve material and to prevent segregation of particle sizes. Rocks or other material remaining on the traveled way surface after final blading which are 4 inches or larger in size shall be removed from the road surface.

   b. Roadside cutslopes should not be undercut when cleaning ditches or removing road sloughs. Berms shall be removed from road shoulders when blading, except where berms are located as part of road design.

   c. Cutslopes that have been undercut may require backsloping, seeding and fertilizing.
d. At intersections, the roadbeds at side roads shall be graded for a reasonable distance to assure proper blending of the two riding surfaces.

e. Drainage dips and leadoff ditches shall be cleaned and graded to form their previous line and grade.

f. Crowned roads should slope towards shoulders at least 2-5% (1/4-1/2 inch per foot road width) on native and gravel roads.

g. At intersections where side roads enter the main road and the entering side road exceeds +3%, shallow ditching across the side road may be required to divert surface runoff and protect the main road's stability.

h. The side-casting of road material into a stream, lake, wetland, or other body of water during road maintenance operations is prohibited in the SMZ.

C. DITCH CLEANING:

1. Description: Ditch cleaning is removing and disposing of all foreign and slough material from roadside ditches to provide an unobstructed waterway conforming reasonably to previous line, grade and cross section.

2. Specifications:
   a. Slough material removed from the ditch may be blended into existing native road surface or shoulder only if it is the same material as the road surface. Slough material that is not suitable for blending should be disposed of as directed by the Forest Officer.
   b. Live vegetation and other organic material shall be removed and disposed of as directed by the Forest Officer.
   c. Unstable stumps, rocks, leaning trees or other debris shall be removed from the cutslope as directed by the Forest Officer.

D. CULVERT MAINTENANCE:

1. Description: Maintenance is work performed on inlets, outlets, catch basins, related channels, existing riprap, trash racks and any other facilities related to the drainage structure.

2. Specifications: Catch basins, outlets and energy dissipaters shall be kept functioning and cleaned of debris. Ends of culverts shall be kept straight and undamaged. Any washing alongside or underneath the culvert shall be repaired.

E. ROADSIDE VEGETATION MAINTENANCE:

1. Description: Maintenance of roadside vegetation includes removal of brush, tree growth, deadfall or other obstructions to passage, safety or visibility, as such obstructions are present or develop during the contract period.

2. Specifications:
   a. All trees that have fallen across the road shall be removed from the road prism unless otherwise agreed upon. Merchantable timber, if any, shall be cut in appropriate lengths and decked along the roadside in locations where traveled way width or sight distances will not be impaired.
   b. Brush and seedling trees that encroach upon the original road clear limits shall be removed when they reduce safe sight distances. Low shrubs and brush that do not restrict sight distance but provide cover and reduce erosion shall not be removed. Brush and seedling
trees removed shall be disposed of as directed by the Forest Officer.

F. SNOWPLOWING: If hauling occurs during the winter months, the Purchaser will be required to plow snow to the following guidelines on all State and private roads.

1. Snow should be windrowed beyond the fill shoulder line.

2. To protect the road surface, a 1 to 4-inch cushion of snow may be left on the road.

3. At termination of use, the road will be prepared for spring runoff by opening drainage outlets through the plowed berms and by installing a snow-berm road closure.

4. Tracked equipment will not be used to plow snow without prior written approval from the Forest Officer.

5. The side-casting of road material into a stream, lake, wetland, or other body of water during snow plowing operations is prohibited in the SMZ.

G. NOXIOUS WEED MANAGEMENT: The Purchaser may be required to perform noxious weed management on any of the roads designated as part of the haul route and on landings. Noxious weed management may include grass seeding, equipment washing and herbicide spraying.

1. Grass seeding, if required, is shown in Section IX, GRASS SEEDING SPECIFICATIONS.

2. All road construction equipment and equipment used in off-road logging activity must be pressure-washed by the Purchaser and inspected by the Forest Officer prior to entering the sale area. This cleaning will remove all dirt, plant parts, and material that may carry noxious weed seeds into the sale area. Other equipment and vehicles entering and leaving the sale area shall be cleaned prior to start up and kept reasonably clean during the course of operations. All subsequent move-ins of logging and construction equipment shall be treated the same as the initial move-in.

3. If spraying is required in Attachment B, it shall be done by a commercial applicator licensed by the State of Montana or by personnel under the direct supervision of the licensed applicator. All herbicide applications shall follow EPA label requirements. Any weed control must comply with the current standards of the County Weed Board and as directed by the Forest Officer.

VII. ADDITIONAL REQUIREMENTS

A. TEMPORARY SPUR ROAD SPECIFICATIONS: Temporary spur roads are defined as any roads constructed by the Purchaser to access a harvest unit or landing which is not an existing road or shown as a road to be constructed in Table B-1. All temporary roads will be constructed to the following specifications:

1. Forest Officer shall approve the location prior to any construction.

2. Clearing and excavation shall be kept to the absolute minimum for safe truck hauling and to prevent erosion and water quality impacts. Some sidehill excavation, minor through cuts, ditching and turnpiking may be required.

3. Temporary culverts may be required at ditch crossings, wet areas or other locations as directed by the Forest Officer.

4. Temporary erosion control measures may be required to meet BMP standards on the road and/or the landing area while being used.

5. At the completion of use the road shall be shaped back to natural contours, temporary culverts removed, erosion control measures installed, the disturbed areas grass seeded and the access closed to all vehicular traffic. The Forest Officer may require scarification or ripping of compacted
landings and temporary spur roads.

B. GATES ON PRIVATE ROAD EASEMENTS: When using private road easements to access the timber sale area, any gate encountered on private land will be left as prescribed by the easement grantor or as directed by the Forest Officer.

C. TRAFFIC CONTROL AND WARNING SIGN SPECIFICATIONS:

1. The Purchaser shall furnish, erect, and maintain all necessary barricades, suitable and sufficient lights, danger signals, signs, and other traffic control devices, and shall take all necessary precautions for the protection of the work and safety of the public. Suitable warning signs shall be provided to properly control and direct traffic as requested by the Forest Officer.

2. All road barricades, warning signs, lights, temporary signals, flagger and pilot car operations and equipment, and other protective devices, shall conform to the specifications in the Manual on Uniform Traffic Control Devices (MUTCD).

VIII. ROAD LOG AND SITE DESCRIPTIONS

A. General Access Route: See Timber Sale Map/Vicinity Map

B. Road Segment 1: This road segment begins at the junction of Hwy 324 and the main haul access road through Hansen Livestock (Section 1, T10S-R12W) and ends at the bridge crossing of Barrett Creek (Section 29, T10S-R12W). There is a locked Powder River gate just past the Hwy 324 junction. The road continues ~4.9 miles to another Powder River gate and a road junction to the right (Sec. 21, T10S-R12W). The gate will need to be realigned to accept log truck traffic. The road continues (through the gate) for ~1.3 miles to the bridge crossing. There are ~6.2 miles of existing road on this segment. The gates will be kept closed at all times and as directed in Attachment F, “Temporary Right-of-Way Easement”. General road maintenance will be required and rolling dips will be constructed on this segment as needed and directed by the Forest Officer.

C. Existing Bridge and Bridge Repair: Purchaser will be required to perform the following work on the bridge or at the bridge site as directed by the Forest Officer.

1) Replace the running planks with wider planks to accommodate log trucks. (See Attachment B, Bridge Running Planks)

2) Reconstruct bridge approach grades to same elevation as bridge deck.

3) Install sediment fence (~100 feet) at the toe of fill on both sides of the bridge approaches.

4) Realign road from east approach of bridge to main haul road (~75 feet) and armor with native material from adjacent pit source.

D. Road Segment 2: This road segment begins at end of Road Segment 1 at the wooden gate just past the bridge crossing (Section 29, T10S-R12W) and ends at the beginning of the road reconstruction. This segment is entirely on Centennial Livestock. The road continues from the wooden gate ~0.6 miles to a road junction (Section 19, T10S-R12W). Continue on left junction for ~0.6 miles to the beginning of the road reconstruction. There are ~6.2 miles of existing road on this segment. The gate will be kept closed at all times and as directed in Attachment F, “Temporary Right-of-Way Easement”. General road maintenance will be required and rolling dips will be constructed on this segment as needed and directed by the Forest Officer.

E. Road Segment 3_Road Reconstruction: This road segment begins at the end of Road Segment 2 (Section 19, T10S-R12W) and ends at the beginning of the new road construction, Spur A, (Section 19, T10S-R12W). Road reconstruction will be minimum standard and will consist of road widening and alignment to facilitate log truck traffic. There are ~0.6 miles of existing road on this segment. General road maintenance will be required and rolling dips will be constructed on this segment as
F. **Road Segment 4_Spur A:** This road segment begins at the end of Road Segment 3 at the beginning of the new road construction, Spur A, on Centennial Livestock (Section 19, T10S-R12W) and ends at the beginning of the new road construction, Spur A, on State lands (Section 24, T10S-R13W). Road construction will be minimum standard needed to facilitate log truck traffic and will require the installation of an 18” X 28’ CMP (Site 1). There are ~0.25 miles of new road on this segment. General road maintenance will be required and rolling dips will be constructed on this segment as needed and directed by the Forest Officer. The new road will be effectively closed with slash, debris and drainage features at the end of the project as directed by the Forest Officer.

G. **Road Segment 5_Spur A:** This road segment begins at the end of Road Segment 4 at the beginning of the new road construction, Spur A, on State lands (Section 24, T10S-R13W) and continues to the end of the new road construction of Spur A on State lands (Section 25, T10S-R13W). Road construction will be minimum standard needed to facilitate log truck traffic and will require the installation of a 24” X 54’ CMP (Site 2), a 30” X 36’ CMP (Site 3) and a 30” X 36’ CMP (Site 4). There are ~1.5 miles of new road on this segment. General road maintenance will be required and rolling dips will be constructed on this segment as needed and directed by the Forest Officer. The new road will be effectively closed with slash, debris and drainage features; and the culverts at Site 3 and 4 will be removed and crossings rehabilitated at the end of the project as directed by the Forest Officer.

H. **Road Segment 6_Spur B:** This road segment begins at the junction of Spur A and Spur B (Section 25, T10S-R13W) and continues to the end of the new road construction of Spur B (Section 25, T10S-R13W). Road construction will be minimum standard needed to facilitate log truck traffic. There are ~0.35 miles of new road on this segment. General road maintenance will be required and rolling dips will be constructed on this segment as needed and directed by the Forest Officer. The new road will be effectively closed with slash, debris and drainage features at the end of the project as directed by the Forest Officer.

IX. **SPECIFICATIONS AND DRAWINGS**

A. **REQUIREMENTS:** Any construction requirements or structures shown in the Timber Sale Contract or Attachment B shall be constructed and installed by the Purchaser to specifications in this section. Structures shall be constructed at locations shown in the Road Log and as specified or staked by the Forest Officer.

B. **SPECIFICATIONS:**

1. **Road Construction Fabric:** When road construction fabric is required the following specifications shall be met: minimum twenty mills thick with minimum trapezoid tear strength (ASTMD-1117-80) of 110 and mullen burst strength (ASTMD-3786-80) of minimum 375 psi; (e.g. Mirafi 500x or AMOCO 200208).

C. **SPECIFICATION DRAWINGS:**

   GENERAL SPECIFICATIONS

   GRAVEL AND ROCK SPECIFICATIONS

   CLEAR LIMITS AND TYPICAL CROSS SECTIONS

   CLEAR LIMIT DEFINITIONS FOR EXISTING ROADS

   BRIDGE RUNNING PLANK

   TYPICAL STREAM CROSSING OR WET SITE CULVERT INSTALLATION

   FILTER FABRIC SEDIMENT TRAP
<table>
<thead>
<tr>
<th>GENERAL SPECIFICATIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ALIGNMENT</strong></td>
</tr>
</tbody>
</table>
| Minimum Curve Radius:   | Common excavation: 1:1  
|                         | Angular Rock: 3/4:1  
|                         | Solid Rock: 1:4:1  
| Switchbacks: 50 Feet    | Maximum tolerance: plus 15% minus 0%  
| Curves: As marked on the ground |

<table>
<thead>
<tr>
<th><strong>ROAD GRADE MAXIMUM</strong></th>
<th><strong>FILL SLOPE RATIO</strong></th>
</tr>
</thead>
</table>
| Favorable: 12%         | Common material: 1-1/2:1  
| Adverse: 8%            | Angular rock: 1-1/3:1  
| Grades as shown in the Road Log |

<table>
<thead>
<tr>
<th><strong>DITCHES</strong></th>
<th><strong>TURNOUTS</strong></th>
</tr>
</thead>
</table>
| Width: 3 feet        | Length: 75 feet        
| Depth: 1 foot        | Width: 7 feet          
| Located as shown in the Road Log or as directed by the Forest Officer |

<table>
<thead>
<tr>
<th><strong>USABLE ROAD SURFACE</strong></th>
<th><strong>TURNAROUNDS</strong></th>
</tr>
</thead>
</table>
| Tangents: 14 feet       | Dimensions: large enough to safely turn around a long wheel base 2-wheel-drive pickup.  
| Curves: 16 feet (radius over 75 feet)  
20 feet (radius under 75 feet)  
Switchbacks: 22 feet  
Slough widening: (in addition to usable road surface) Tangents: 1 foot  
Curves and all fills over 6 feet height: 2 feet.  
| Located by Purchaser and approved by the Forest Officer. Spacing will be intervisible as topography allows.  
| Location: at or near the end of all dead end roads as approved by the Forest Officer. |
# GRAVEL AND ROCK SPECIFICATIONS

<table>
<thead>
<tr>
<th>Material</th>
<th>Specifications</th>
</tr>
</thead>
<tbody>
<tr>
<td>3/4” minus crushed gravel</td>
<td>Crushed gravel. Well graded. Fine fraction (minus 200 sieve) not to exceed 15%</td>
</tr>
<tr>
<td>Pit run gravel</td>
<td>Native gravel, well graded, with binder, compactable and not containing any rocks over 4” diameter.</td>
</tr>
<tr>
<td>Drain rock</td>
<td>1”- 3” diameter, screened clean rock.</td>
</tr>
<tr>
<td>General Large Rock Requirements</td>
<td>Stone shall be hard; durable; angular in shape; resistant to weathering and weather action; free from overburden, soil, and organic matter. Stone must be hard enough so pieces do not fracture or break during the loading, hauling, or placement activities. Neither breadth nor thickness of stone shall be less than one-third its length. Rounded stone or boulders from a streambed will not be accepted unless authorized by the State.</td>
</tr>
<tr>
<td>Rock armor</td>
<td>Large rock with most sizes ranging from 6” to 12” diameter, used to armor fill slopes and catch basins.</td>
</tr>
<tr>
<td>Talus rock</td>
<td>Large rock of variable sizes used as load-bearing fill or drainage rock in soft areas or French drains, as approved by Forest Officer.</td>
</tr>
<tr>
<td>Energy dissipaters</td>
<td>Large rock 18-24” diameter placed in-stream at culvert outlets</td>
</tr>
</tbody>
</table>
Clear Limits and Typical Cross Sections

Figure I: Clear limits for New Construction

Figure II: Typical turn out construction

Figure III: Typical Cross Sections
CLEAR LIMIT DEFINITIONS FOR EXISTING ROADS

For outsloped roads - 12' to 16' on tangents

For both outsloped and ditched roads - greater than 16' wide on tangents

For ditched roads - 12' to 16' wide on tangents
ATTACHMENT B

Bridge Running Plank

a. Planking Material: Douglas-fir or larch, construction grade #2 or better. Minimum dimensions 3 inches x 10 inches.

b. Running plank are to be laid parallel to the stringer logs for the entire span of the bridge and firmly secured to the cross planking with 60d common nails at staggered 16” centers. On bridge spans greater than the length of the planking material, the end joints shall be staggered.

c. Running planks shall be butted tightly on sides and ends. Tread spacing will be a minimum spacing of not less than 30 inches wide to accommodate log trucks. Running planks shall have the approach ends tapered at a 30 degree angle.
TYPICAL STREAM CROSSING OR WET SITE CULVERT INSTALLATION

Gravel armoring of drain dips may be required if soil types indicate.

Ditch water must be routed into filtration zone prior to entering stream.

Rock armoring of inlet and outlet fill slopes is required.

50 ft. + Water flow - 2% away from high point of crossing

High Point of Road Crossing

Energy dissipator rocks are required in streams.

50 ft. + Water flow - 2% away from high point of crossing

Entry Drain Dip

Slash filter windrows are required on all through fill slopes and below drain dips.

Rock armoring or other long-term filtration may be required for installations where 50 foot channel separation is not possible.

Drain dips or grade reverses must be far enough from crossing to provide filtration of water running off the road surface before it reaches the stream.
Filter Fabric Sediment Trap

INSTALL DOWNSTREAM FROM CONSTRUCTION PROJECTS IN STREAM
TO PREVENT RELEASE OF SEDIMENT

6 x 6 inch steel fencing (utility wire)

Filter Fabric - AMOCO 2122,
tie to fencing and posts with tie wire

Steel Fence Posts

Weight upstream edge of fabric with large rocks

WATER FLOW

1. Filter fence must be wide enough to allow stream to dam behind it and filter water through the fabric. Water should not run around the ends or over the top.

2. Hand shovel cleaning or pumping and depositing away from the stream may be needed to remove built-up sediment. Accumulations must be disposed of prior to changing fabric.


4. Traps must be removed immediately after construction.
FILTER FABRIC SEDIMENT CONTROL FENCE

Install on stream bank or fill slopes to prevent sediment from entering watercourses

INSTALLATION REQUIREMENTS

1. Installation may be required prior to any construction activities at crossing sites.

2. Two to four fences per crossing site may be required.

3. Fences will be removed or left in place following construction as directed by the Forest Officer.

4. Wood-staked commercial silt fence may be approved by the Forest Officer only for short-term, light duty fences used for less than one season.

5. Steel posts and wire backing are required for all heavy duty applications, fences where fill may back up against the fence, fences that may overwinter, and permanent applications.

Backfill placement to prevent sediment from running under fence

Typical Application at Culvert Installation
STANDARD DRAIN DIP FOR SINGLE LANE ROAD

- Length D
- Length E
- Rip-rap, slash filter windrow or Strawbale sediment trap may be required on fill slope

**SPECIFICATIONS**

<table>
<thead>
<tr>
<th>% Road Grade</th>
<th>Length D</th>
<th>Length E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 5%</td>
<td>50'</td>
<td>50'</td>
</tr>
<tr>
<td>6</td>
<td>55'</td>
<td>50'</td>
</tr>
<tr>
<td>8</td>
<td>70'</td>
<td>60'</td>
</tr>
<tr>
<td>10</td>
<td>80'</td>
<td>65'</td>
</tr>
<tr>
<td>12</td>
<td>90'</td>
<td>70'</td>
</tr>
<tr>
<td>14</td>
<td>100'</td>
<td>75'</td>
</tr>
<tr>
<td>16</td>
<td>115'</td>
<td>80'</td>
</tr>
</tbody>
</table>

Measured grade from B to A = - 2% or more
Measured grade from A to C = - 3% or more

Overbuild fill as necessary for compaction
Extend and feather surface of fill to match existing road grade
SLASH FILTER WINDROW SPECIFICATIONS

Materials must be stockpiled prior to construction of windrows.

Cull logs must be anchored in place against undisturbed stumps, large rocks or trees at the toe of the fill.

Slash must be placed above the logs with a backhoe and tamped into place with the bucket.

Slash should be tamped so it is embedded approximately 6 inches into the fill surface to prevent water from running under the windrow.

Slash, limbs and tops must be smaller than 12 feet long and 6 inches diameter. Stumps and root wads may not be used.

Anchor logs must be larger than 16 inches diameter. Reasonably sound cull logs may be used.

Windrows shall not interfere with the functioning of drainage structures or block stream channels.

All locations will be staked or flagged by the Forest Officer.

When installing windrows over the top of culverts, pipe length must be increased by 3 - 4 feet to accommodate windrow placement.
Warning Sign Specifications

Size: 30" x 30"
Shape: Diamond
Color: Diamond: Orange and Black. Barricade: Red and Silver
Lettering: Minimum 4 inch letters. Standard Alphabet
          Series C. 1/2 inch Border.
Reflective Background Required
Mounting: Posts or portable sign stands, clearly visible to drivers. Do not mount on trees.

Installation Specifications

LOGGING OPERATION
ROAD MACHINERY
ROAD CLOSED
DETOUR
BARRICADE
Minimum 8 ft. long
ROAD CONSTRUCTION
500 FT
ROAD CONSTRUCTION
1000 FT
ROAD CONSTRUCTION
1500 FT

6' to 12'

5' min.