DAVE UPTHEGROVE
COMMISSIONER OF PUBLIC LANDS

BOUGH LEASE

Lease No. 35-110758 **Lease Name: Toutle Ridge Bough Lease 2026**

BY THIS LEASE (hereinafter "Agreement"), the STATE OF WASHINGTON, Department of Natural Resources, (hereinafter "State") leases to «Lessee_Name_CAPS» (hereinafter "Lessee") the premises in Cowlitz County, Washington, the legal description of which is set forth in Exhibit A. This Agreement is made upon the terms and conditions and for the consideration enumerated herein. Said premises and rights leased hereby are hereinafter referred to as the lease "Premises".

SECTION 1 OCCUPANCY

1.01 Lease Term. This Agreement shall commence on September 15, 2026 ("Commencement Date") and expire on December 31, 2030.

1.02 No Warranty of Quiet Enjoyment. State makes no warranty of quiet enjoyment of the lease Premises.

1.03 Condition of Premises. Lessee has had an opportunity to inspect lease Premises and enters into this Agreement solely in reliance on Lessee's own examination and not by reason of any representation by State. Lease Premises are accepted in its present condition "AS IS WHERE IS". No reliance shall be placed on any opinion, material, or information provided by or through State, and Lessee does so at its own risk, cost and expense.

SECTION 2 USE OF PREMISES

2.01 Optional Permitted Use. For this Agreement, the following products can be harvested. Lessee must complete a Plan of Operations as required in Section 5.05. Payment for all products harvested will be made as required in Special Payment Conditions in Section 3.02.

PERMITTED USE	APPROXIMATE ACRES	AUTHORIZED PRODUCTS
Bough harvesting	5,279 Acres	Douglas-fir boughs, lodgepole pine boughs, western white pine boughs, and noble fir boughs, Pacific silver fir boughs, grand fir boughs.

In the event the Lessee desires a change in acreage or use, authorization must be obtained in advance and in writing from the State. Approval may be conditioned upon adjustment of the payment in accordance with changes in acreage, products, or use. Permitted use may be further limited by SECTION 5.

2.02 Third-Party Interests. This Lease is subject to all valid interests of third parties noted in the records of Thurston County and on file with the Department of Natural Resources in Olympia, Washington as of the signature date of the Lessee.

2.03 Hauling and Harvest Schedule. The hauling and harvest of forest products will not be permitted on weekends and from 6:00 p.m. to 6:00 a.m. daily unless authorized in writing by the Lease Administrator.

2.04 Operational Lease Provisions.

1. Before commencing any commercial activity, Lessee will provide the State, a list, known as the "Approved Harvester List", of authorized individuals engaged in any commercial harvest activity. Lessee will provide the name of each authorized harvester, Special Forest Products Harvesting Permit number, type of picture identification and corresponding identification number on the Approved Harvester List. Lessee will timely notify Lease Administrator of any authorized harvester added or deleted from the Approved Harvester List. DNR must be notified of any changes, additions, or deletions to this Approved Harvester List within 48 hours, failure to do so will result in 1) citation to the individual; 2) confiscation of product; 3) loss of performance security deposit.

2. All persons engaged in any commercial activity on the lease Premises will carry a valid photo identification card.

3. All persons engaged in any commercial activity on the lease Premises will carry a valid Special Forest Products harvest Permit per Chapter 76.48 RCW.

4. Lessee is required to have a person on site during all operations who is authorized to receive instructions and notices from the State. The foreman shall speak and understand English at a level that allows for easy communication with the DNR representative.

5. Any vehicle engaged in commercial operations on the lease Premises will be required to have a Windshield Card which will be at all times visible and readable from the outside of the vehicle and contain the following information:

   a) Signature of approval to transport or harvest by Lessee;
   b) Driver's name and Vehicle license number;
   c) Dates authorized to harvest or transport valuable material; and,
   d) Names of any other harvesters who are passengers in vehicle.

6. A working vehicle must remain on the Premises during any commercial operations, not more than 1 miles from any harvester and shall be available for transportation.

7. Only authorized gates shown on Exhibit D shall be used to access the Premises.

8. Lessee is responsible for providing and maintaining locks on authorized gates.

9. Gates shall be kept closed and locked except to allow immediate passage of vehicles.

10. Do not block roads or gates at any time.

11. Vehicle access and parking is restricted to existing DNR maintained roads and public roads. Access from private roads and private land is prohibited unless approved in writing by the Lease Administrator.

12. If at any time the Lessee's access causes theft, vandalism, unauthorized access, garbage problems or any violation of the contract, State reserves the right to restrict vehicle access immediately. If contract violations continue the approved vehicle access may be denied through the remainder of the contract period.

13. State suggests all persons engaged in any commercial activity on the lease Premises should wear high-visibility clothing and hard hats.

14. No camping is allowed.

15. Any cutting, removal, or damage of forest products by Lessee or Lessee's delegate or agent, in a manner inconsistent with the terms of this contract or State law, is unauthorized. Such activity may subject Lessee to liability for triple the

value of said forest products under RCW 79.02.320 and may result in prosecution under RCW 79.02.330 or other applicable statutes.

16. No wheeled or tracked vehicles may be operated off existing roads or trails without prior written approval of the Lease Administrator.

17. An Emergency Response Plan (ERP) shall be provided to the Lease Administrator containing but not limited to, valid contact numbers and procedures for medical emergencies, fire, hazardous spills, aviation operation safety plan, and any unauthorized or unlawful activity on or in the vicinity of the lease area. The Lease Administrator and the State shall be promptly notified whenever an incident occurs requiring an emergency response.

    The ERP must be present for inspection at the prework meeting and kept readily available to all personnel, including subcontractors, on site during lease activities.

18. Bough Harvesting Provisions

a) All trees must retain a minimum of 50% live crown after bough harvest unless otherwise authorized by the Lease Administrator.

b) No cutting is allowed from the top 4 whorls of any tree.

c) For all branches of the tree, only the last three-year candle growth starting from the tip of the limb can be removed.

d) No bough harvest shall occur within 25 horizontal feet of any stream without written approval from Lease Administrator.

e) Machetes shall not be used to harvest boughs.

f) Forest products included in this agreement which are destroyed, damaged, stolen, lost, or mismanufactured shall be paid for by the Lessee on demand of State. The rates in Clause 3.02 shall apply, or if no rate is fixed for a particular forest product, at the appraised value as determined by State.

g) Lessee, at its sole discretion, may climb trees to remove boughs if conducted in a manner that causes no damage to the tree bole or branches. Spikes and/or spurs are not permitted for climbing.

h) Cutting trails for the purpose of removing boughs from the lease Premises may be authorized with prior written approval from the Lease Administrator.

i) Lessee shall remove all bough harvesting debris and waste materials from

all roads and ditches within the premises after each load.

k) Payment for boughs must be submitted to the Pacific Cascade Region office by the 10th of each month for boughs harvested the prior month. Included with the payment should be a summary report, load tickets, and attached certified weight tickets. The summary report will list the load tickets in ascending numerical order with the corresponding weight ticket number and weight for each load. Refer to Subsection 3.02 for Special Payment Conditions.

SECTION 3 PAYMENT

Payments made hereunder will be applied first to interest, then to outstanding or delinquent rent, leasehold tax and other charges owed, then to current rent, leasehold tax, and charges.

3.01 Payments.

a) **Rent.** The Lessee shall pay to the State, at Olympia, Washington 98504, in advance, the required rent of $20,000.00 for the period of September 2, 2026 to June 30, 2027 and annually thereafter by July 1, through December 31, 2030. The Annual Rent payable for the final lease year shall be the full annual amount stated in 3.01 and shall not be subject to proration or reduction by reason of the final lease year containing fewer than twelve (12) months.

b) **Cash Bond**. In addition, a Cash Bond in the amount of $2,000.00 (10% of the annual payment) will be obtained within 10 days of the confirmation date and held until December 31, 2030, the term of the lease. This Cash Bond will be held to assure the State receives all payments set forth in this contract. If the Lessee fails to follow the payment schedule resulting in cancellation of the lease the Cash Bond will not be refunded at the end of the term.

c) **Performance Security.** Purchaser agrees to furnish, within 10 days of the confirmation date, security acceptable to the State in the amount of $2,000.00. The Security provided shall guarantee performance of all provisions of this contract and payment of any damages caused by operations under this contract or resulting from Purchaser's noncompliance with any rule or law. Acceptable performance security may be in the form of a performance bond, irrevocable letter of credit, cash or savings account assignments, and must name the State as the obligee or beneficiary. A letter of credit must comply with Title 62A RCW, Article 5. Performance security must remain in full force over the duration of the contract length. Surety bonds issued shall conform to the issuance and rating requirements in Subsection 7.02. The State shall retain the performance security pursuant to RCW 79.15.100. Purchaser shall not operate unless the performance security has been accepted by the State. If at any time the State decides that the security document or amount has become unsatisfactory, Purchaser agrees to suspend

operations and, within 30 days of notification, to replace the security with one acceptable to the State or to supplement the amount of the existing security.

3.02 Special Payment Conditions. Purchaser guarantees that rent for each year shall be no less than twenty thousand dollars and zero cents ($20.000.00) regardless of actual forest product removals. Within the year the values of the removals shall apply first to the yearly rent as described in 3.01. In addition to the cash rent required under Subsection 3.01, Lessee shall make payments to the State based on the removal of the following products (upon State's approval).

Douglas-fir boughs, lodgepole pine boughs, western white pine boughs, noble fir boughs, Pacific silver fir boughs and grand fir boughs

The Lessee must file a written accounting to the Department for the number of pounds of specified boughs harvested. The Department must receive the accounting by the 10th of each month for harvest of the prior month. The Department will audit the accounting and apply the rent paid in 3.01 towards harvested boughs each month. When the value of the removals exceeds the yearly rent paid in 3.01, remaining amounts will be billed at the following rate:

All Boughs from noble fir, Pacific silver fir, grand fir, Douglas-fir, lodgepole pine, western white pine **$Amt per pound**

3.03 No Counterclaim, Setoff, or Abatement of Rent. Rent and all other sums payable by Lessee hereunder shall be paid without the requirement of prior notice or demand by the State, and shall not be subject to any counterclaim, setoff, deduction or defense and without abatement. The obligations and liabilities of Lessee hereunder shall in no way be released, discharged or otherwise affected, except as expressly provided in Subsection 13.06 (Condemnation).

3.04 Interest Charged for Past-Due Rent and Other Sums Owed. Lessee shall pay interest at the rate of one percent (1%) per month (or at such higher rate as may be authorized by statute after the Commencement Date hereof), until paid, on rent or other sums owing under the terms of this Agreement commencing the date such rent or other sum is due and payable. In the event the State pays any sum or incurs any expense which Lessee is obligated to satisfy or pay under this Agreement, or which is made on behalf of Lessee, the State shall be entitled to receive reimbursement thereof from Lessee upon demand, together with interest thereon from the date of expenditure at the rate stated above.

3.05 Late Charge for Failure to Pay. In the event the Lessee fails to make any payment of rent due hereunder upon the date due, the State shall be entitled to collect from the Lessee a late charge equal to six percent (6%) of the amount of the delinquent payment. Any failure to pay rent or any amount specified in this Section 3, or any other amount to be paid by the Lessee under terms of this Agreement within thirty (30) days of the date due, shall be a material default hereunder by the Lessee and such default shall entitle the State to pursue all remedies specified in this Agreement, including the right to terminate this Agreement, though failure to exercise such right shall not be construed as a waiver of the right and thereafter pursue any remedies

available at law or equity, including those contained in Chapter 59.12 RCW.

3.06 Records and Reporting. Lessee shall prepare, maintain, and keep a clear, complete, detailed record and accounting of business of every kind and character affecting payment due the State and products harvested. These records shall be maintained at a location in Washington for a period of at least three years. Lessee shall report annually to the state by September 1 the amount of products harvested within the Premises during the previous fiscal year (July 1- June 30). Further, Lessee shall prepare, maintain, and keep records of all management practices conducted on the lease Premises including, but not limited to, the use of pesticides, for the term of this Agreement or as required by law.

3.07 Audit. The State shall have a right to conduct, at any reasonable time upon forty-eight (48) hour's notice, an audit of the Lessee's business records. If an audit discloses that additional payments are due the State, Lessee shall make such payments no later than thirty (30) days after receipt of a bill from the State plus interest from the date the payment was originally due and payable. The acceptance by the State of any payment under Section 3 herein shall be without prejudice to the State's right to examine the Lessee's books and records to verify the rent and payments due hereunder.

SECTION 4 RESERVATIONS

4.01 Compliance. The State shall have access to the lease Premises at all reasonable times to determine and secure compliance with this Agreement. Failure to inspect or enforce compliance shall not be construed as a waiver of the State's right to declare a breach, nor relieve Lessee of any liability to the State for any breach of the terms, conditions, or requirements of this Agreement.

4.02 Compatible Uses. State reserves for itself, its successors and assigns, the right at all times for any purpose to cross and re-cross the lease Premises at any place or grade, to grant easements/licenses over or leases to the lease Premises, to sell, or otherwise dispose of State-owned minerals, coal, oil, timber, gas, or other valuable materials from the lease Premises insofar as the State's activities on the lease Premises and any grant of rights the State makes to any person or entity shall not unreasonably interfere with the activities permitted hereunder.

4.03 Non-Default Termination. State reserves the right to terminate this Agreement upon sixty (60) days' written notice in the event the State includes the lease Premises in a plan for higher and better use, land exchange or sale.

4.04 Public Hunting or Fishing. The lease Premises shall be open and available to the public for purposes of hunting and fishing unless a closure is authorized in writing by the State. In the event that a closure is authorized for either hunting or fishing, or both, the Lessee shall post the lease Premises accordingly with signs to inform the public of such closure. Authority to close the lease Premises may be given to protect interests of the Lessee, the State, or the general public.

SECTION 5 SPECIAL RESTRICTONS

5.01 Permits and Conformance With Laws.

(a) Lessee shall obtain all building permits and other required permits, licenses, permissions, consents, and approvals from governmental agencies or third parties in connection with this Agreement and Lessee's permitted use including construction of any improvements, changes, alterations, additions, repairs, maintenance to or replacement of the lease Premises, or for the conduct of any business upon the lease Premises at the sole cost and expense of Lessee. Copies of such permits, licenses, permissions, consents, and approvals shall be supplied to the State on request.

(b) Lessee shall conform to all applicable laws, regulations, permits, orders, or requirements of any public authority affecting the lease Premises and the use thereof, and shall correct at the Lessee's own cost and expense any failure of compliance created through the Lessee's fault or by reason of the Lessee's use. In no event shall Lessee undertake or suffer any activity to be conducted upon the lease Premises which constitutes a nuisance or which is a threat to the health or welfare of the general public.

(c) Lessee shall cause all work on the lease Premises and all business conducted thereon during the term to be performed in accordance with all applicable laws and all directions and regulations of all governmental agencies and the representatives of such agencies having jurisdiction.

(d) Lessee assumes all risks associated with government regulatory actions including actions taken pursuant to the Forest Practices Act Ch. 76.09 and the Endangered Species Act 16 U.S.C of 1531-1544.

5.02 State owned valuable material. Subject to the provisions of this Agreement, Lessee shall not cut State-owned timber or remove State-owned valuable material, without prior written consent of the State. Prior to the State's authorization for the cutting of State owned timber or removal of valuable material, the Lessee must pay to the State the fair market value of the timber or valuable material, as determined by the State.

5.03 Fire. Lessee shall take all reasonable precautions to protect the land and improvements on the lease Premises from fire, and make every reasonable effort to report and suppress such fires as may affect the lease Premises. Lessee and any Lessee's agents, employees, contractors, sub-contractors or approved harvesters shall have in possession at the location of its vehicle, when working on the lease Premises between April 15 and October 15 of each year, the following fire protection equipment: one (1) Fire Extinguisher, one (1) Shovel with handle at least 40 inches long and one (1) Pulaski.

5.04 No residential use. Lessee shall not live or reside or permit others to live or reside on the lease Premises.

5.05 Plan of Operations

(a) The Lessee shall meet with a designated State employee ("Lease Administrator") to develop and seek State's approval of a plan of operations for all activities authorized under this lease before beginning any harvest operations. To the extent that the plan of operations is inconsistent with the lease, the terms of the lease shall prevail.

(b) The plan of operations shall be in writing and be signed by the Lessee and Lease Administrator. State's acceptance and approval of Lessee's plan of operations shall not be construed as a statement or warranty that the plan of operations is adequate for Lessee's purposes or complies with applicable laws.

(c) Lessee shall meet with the Lease Administrator annually thereafter to review and update the plan of operations. The existing plan of operations will remain in effect until a new plan of operations is approved by the State.

5.06 Load Tickets. Lessee will be required to complete and use load tickets as directed by the Lease Administrator to ensure accounting of boughs removed from the lease Premises if applicable. A load ticket must be fixed as designated by the Lease Administrator, to each truck or trailer load prior to leaving the lease Premises. Lessee shall account for all load tickets issued by the Lease Administrator. The State may treat load tickets not accounted for as lost. All costs associated with computing the billings for lost loads shall be borne by Lessee. Failure to comply with the load ticket requirements shall be deemed a material breach entitling State to, at State's option, (1) cancel the lease or (2) suspend operations until the lost load tickets can be located and verified.

5.07 Closure. Shutdowns of all or a portion of the area near or surrounding the lease Premises for any reason beyond the control of the State or shutdowns by the State or other agencies of the State of Washington because of fire danger shall not be a basis of claim against the State.

5.08 Condition of Premises. At all times Lessee shall manage and maintain the lease Premises in accordance with customary industry standards. Lessee shall prevent accumulation of trash, equipment parts, or "bone yards" on the lease Premises. Upon vacating the lease Premises at the end of the lease, Lessee shall leave the lease Premises in the state of repair and cleanliness required to be maintained by Lessee during the Lease and shall peaceably surrender the same to State.

5.09 Habitat Conservation Plan. The lease Premises is located within an area that is subject to State's Habitat Conservation Plan adopted in connection with Incidental Take Permit No. TE812521-1 (ITP) as supplemented by Permit No. 1168 (Collectively "ITP"). As long as the Habitat Conservation Plan remains in effect, Lessee and all persons acting under Lessee shall comply with the terms and conditions set forth in Exhibit B while operating on the lease Premises. State shall have the right to modify these terms and conditions from time to time to comply with the Habitat Conservation Plan, the ITP, the Endangered Species Act, the implementing regulations, and amendments thereto, or the requirements of the federal agencies administering these laws.

SECTION 6 UTILITIES, TAXES, LIENS

6.01 Utilities and Maintenance. During the term of this Agreement, Lessee shall pay all expenses incurred by Lessee in the use, enjoyment, and operation of the lease Premises, including, but not limited to, utility charges and all costs of maintaining and repairing the lease Premises and all improvements thereon whether now existing or hereafter installed. Lessee shall indemnify and hold the State harmless against any loss, liability, or expense resulting from any failure of Lessee to pay all such charges when due.

6.02 Taxes and Assessments.

(a) Lessee shall pay during the term of this Agreement all taxes and other governmental charges of any kind applicable or attributable to the installation of Lessee owned improvements on the lease Premises, Lessee's leasehold interest therein, and Lessee's use and enjoyment thereof.

(b) Lessee shall pay its prorated share of all assessments that are legally required to be paid now or may be charged during the lease term to the lease Premises or Lessee owned improvements thereon. Lessee shall not cause or suffer the imposition of any assessment upon the lease Premises without the prior written consent of the State. In the event any new assessment is proposed which affects the lease Premises, Lessee shall immediately notify the State of such proposal after Lessee has knowledge or receives notice thereof. Any assessment upon the lease Premises shall be made in compliance with all applicable statutes, including, but not limited to, Chapter 79.44 RCW.

6.03 Lessee Liens. Lessee shall not suffer or permit any lien to be filed against the State's interest in the lease Premises, or improvements thereon by reason of work, labor, or services performed thereon or materials supplied to, by or through the Lessee. If any such lien is filed, Lessee shall cause the same to be discharged of record within thirty (30) days after the date of filing or creation of such lien unless other arrangements are authorized in writing by the State in advance. Lessee shall indemnify the State for any costs, damages or expenses (including attorneys' fees and courts' costs) incurred as a result of such liens or in obtaining their discharge whether such costs, damages or expenses were incurred prior or subsequent to termination or cancellation of this Agreement.

SECTION 7 LESSEES INDEMNITY; INSURANCE REQUIREMENTS

7.01 Indemnity. Lessee releases and shall indemnify and defend (with counsel acceptable to State) State, its employees, officers, and agents from and against any and all claims arising out of the use, occupation or control of the lease Premises by Lessee, its agents, and employees. A "claim" as used in this subsection means any claim of any nature whatsoever for penalties, financial loss, damages (including but not limited to bodily injury, sickness, disease or death, or injury to or destruction of property, land and other natural resources including the loss of use

thereof), costs or expenses (including but not limited to attorney's fees), whether or not resulting in a suit or action or reduced to judgment. This release and the obligation to indemnify shall not be eliminated or reduced by the concurrent negligence of the State, its officials, employees, or agents, except as provided in this subsection. To the extent that RCW 4.24.115 applies, Lessee shall not be required to indemnify State from State's sole or concurrent negligence. Lessee waives its immunity under Title 51 to the extent it is required to indemnify the State herein.

7.02 Insurance Requirements. Lessee shall, at all times during the term of this contract at its cost and expense, buy and maintain insurance of the types and amounts listed below. Failure to buy and maintain the required insurance may result in the termination of the contract at the State's option.

If Lessee fails to procure and maintain the insurance described below, Lessee shall be in material breach of this contract. In case of breach, the State, at its election, shall have the right to terminate the contract or to procure and maintain, at Lessee's expense, substitute insurance with right of offset against any money due Lessee.

All insurance and surety bonds should be issued by companies admitted to do business within the State of Washington and have a rating of A-, Class VII or better in the most recently published edition of Best's Reports. Any exception shall be reviewed and approved by the department's risk manager before the contract is accepted. If an insurer is not admitted, all insurance policies and procedures for issuing the insurance policies must comply with Chapter 48.15 RCW and 284-15 WAC.

State of Washington, Department of Natural Resources shall be provided written notice before cancellation or non-renewal of any insurance referred to therein, in accord with the following specifications:

1. Insurers subject to Chapter 48.18 RCW (admitted and regulated by the Insurance Commissioner): The insurer shall give the State 45 days advance notice of cancellation or non-renewal. If cancellation is due to non-payment of premium, the State shall be given 10 days advance notice of cancellation.

2. Insurers subject to Chapter 48.15 RCW (surplus lines): The State shall be given 20 days advance notice of cancellation. If cancellation is due to non-payment of premium, the State shall be given 10 days advance notice of cancellation.

Before starting work, Lessee shall furnish State of Washington, Department of Natural Resources with a certificate(s) of insurance, executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements specified in the contract and, if requested, copies of polices to the State. The certificate of insurance shall reference the State of Washington, Department of Natural Resources, and the lease number.

The State of Washington, Department of Natural Resources, its elected and appointed officials, agents and employees shall be named as an additional insured on all general liability,

excess, umbrella, and property insurance policies.

All insurance provided in compliance with this contract shall be primary as to any other insurance or self-insurance programs afforded to or maintained by the State.

Lessee waives all rights against the State for recovery of damages to the extent these damages are covered by general liability or umbrella insurance maintained pursuant to this contract. All insurance policies must expressly waive any right of subrogation by the insurance company against the State and the State's officials, employees, and agents.

If Lessee is self-insured, evidence of its status as a self-insured entity shall be provided to the State. If requested by State, Lessee must describe its financial condition and the self-insured funding mechanism.

By requiring insurance herein, the State does not represent that coverage and limits will be adequate to protect Lessee, and such coverage and limits shall not limit Lessee's liability under the indemnities and reimbursements granted to the State in this contract.

The limits of insurance, which may be increased by State of Washington, Department of Natural Resources, as deemed necessary, shall not be less than as follows:

Commercial General Liability (CGL) Insurance. Lessee shall maintain general liability (CGL) insurance covering claims for bodily injury, personal injury, or property damage arising on the property and/or out of Lessee's operations and, if necessary, commercial umbrella insurance with a limit of not less than $1,000,000 per each occurrence. If such CGL insurance contains aggregate limits, the General Aggregate limit shall be at least twice the "each occurrence" limit. CGL insurance shall have products-completed operations aggregate limit of at least two times the "each occurrence" limit.

CGL insurance shall be written on Insurance Services Office (ISO) occurrence form CG 00 01 (or a substitute form providing equivalent coverage). All insurance shall cover liability arising out of premises, operations, independent contractors, products completed operations, personal injury and advertising injury, and liability assumed under an insured contract (including the tort liability of another party assumed in a business contract), and contain separation of insured (cross liability) condition.

Workers' Compensation Coverage. Lessee shall comply with all State of Washington workers' compensation statutes and regulations. Workers' compensation coverage shall be provided for all employees of Lessee and employees of any subcontractor or sub-subcontractor. Coverage shall include bodily injury (including death) by accident or disease, which exists out of or in connection with the performance of this contract. Except as prohibited by law, Lessee waives all rights of subrogation against the State for recovery of damages to the extent they are covered by workers' compensation, employer's liability, commercial general liability, or commercial umbrella liability insurance.

If Lessee, subcontractor or sub-subcontractor fails to comply with all State of Washington workers' compensation statutes and regulations and the State incurs fines or is required by law to provide benefits to or obtain coverage for such employees, Lessee shall indemnify State. Indemnity shall include all fines, payment of benefits to Lessee or subcontractor employees, or their heirs or legal representatives, and the cost of effecting coverage on behalf of such employees.

Aircraft Liability insurance. Lessee shall maintain aircraft liability insurance with a limit of not less than $500,000 per occurrence for bodily injury and $500,000 per occurrence for property damage including loss of damage arising out of the actual use of any pesticide, including chemical drift damage onto property other than the property to which the chemical is being applied. All aircraft used on the contract must be listed under the coverage certificate.

Business Auto Policy (BAP). Lessee shall maintain business auto liability and, if necessary, commercial umbrella liability insurance with a limit not less than $1,000,000 per accident. Such insurance shall cover liability arising out of "Any Auto".

Business auto coverage shall be written on ISO form CA 00 01, or substitute liability form providing equivalent coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage and cover a "covered pollution cost or expense" as provided in the 1990 or later editions of CA 00 01.

Lessee waives all rights against the State for the recovery of damages to the extent they are covered by business auto liability or commercial umbrella liability insurance.

In the event of any loss, damage or casualty which is covered by one or more of the types of insurance described above, the parties to this agreement shall proceed cooperatively to settle the loss and collect the proceeds of such insurance, which shall be held in trust by the State, including interest earned by the State on such proceeds, for use according to the terms of this agreement. The parties agree that such insurance proceeds shall be used to repair and restore damaged improvements to their former condition and usefulness or replacement of the same with equivalent or more suitable improvements.

When sufficient funds are available, using insurance proceeds described above, the parties shall continue with reasonable diligence to prepare plans and specifications for, and thereafter carry out, all work necessary to:

a. Repair and restore damaged building(s) and/or improvements to their former condition, or

b. Replace said building(s) and/or improvements with a new building(s) and/or improvements on the premises of a quality and usefulness at least equivalent to, or more suitable than, damaged building(s) and/or improvements.

SECTION 8 HARMFUL SUBSTANCES

8.01 Hazardous, Toxic, or Harmful Substances.

(a) Deleterious Material. Lessee shall not make, or suffer to be made, any filling in of the lease Premises or any deposit of rock, earth, ballast, refuse, garbage, waste matter, chemical, biological or other wastes, hydrocarbons, any other pollutants, or other matter within or upon the lease Premises, except as approved in writing by the State, or unless permitted by Subsection 2.01 (Permitted Use). If the Lessee fails to remove all nonapproved fill material, refuse, garbage, wastes or any other of the above materials from the lease Premises, the Lessee agrees that the State may, but is not obligated to, remove such materials and charge the Lessee for the cost of removal and disposal.

(b) Hazardous, Toxic, or Harmful Substances.

(1) Lessee shall not keep on or about the lease Premises, any substances now or hereinafter designated as or containing components now or hereinafter designated as hazardous, toxic, dangerous, or harmful, and/or which are subject to regulation as hazardous, toxic, dangerous, or harmful by any federal, state or local law, regulation, statute or ordinance (hereinafter collectively referred to as "Hazardous Substances") unless such are necessary to carry out Lessee's permitted use under Subsection 2.01 (Permitted Use) and unless Lessee fully complies with all federal, state and local laws, regulations, statutes, and ordinances, now in existence or as subsequently enacted or amended. Lessee shall:

(i) Immediately notify the State of: all spills or releases of any Hazardous Substance affecting the lease Premises; all failures to comply with any federal, state, or local law, regulation or ordinance, as now enacted or as subsequently enacted or amended; all inspections of the lease Premises by, or any correspondence, orders, citations, or notifications from any regulatory entity concerning Hazardous Substances affecting the lease Premises; and all regulatory orders or fines or all response or interim cleanup actions taken by or proposed to be taken by any government entity or private party concerning the lease Premises; and

(ii) On request, provide copies to the State of any and all correspondence, pleadings, and/or reports received by or required of Lessee or issued or written by Lessee or on Lessee's behalf with respect to the use, presence, transportation or generation of Hazardous Substances related to the lease Premises.

(2) Lessee shall be fully and completely liable to the State, and shall indemnify, defend, and save harmless State and its agencies, employees, officers, and agents with respect to any and all damages, costs, fees (including attorneys' fees and costs), penalties (civil and criminal), and cleanup costs assessed against or imposed as a result of Lessee's use, disposal, transportation, generation and/or

sale of Hazardous Substances or that of Lessee's employees, agents, assigns, sublessees, contractors, subcontractors, licensees or invitees, and for any breach of this subsection.

SECTION 9 ASSIGNMENTS

9.01 Assignment. Lessee shall not hypothecate, mortgage, assign, sublease, transfer, or otherwise alienate this Agreement ("Assignment"), or any interest therein, without the prior written consent of State, which consent shall not be unreasonably withheld. In granting any such consent under this clause the State shall be entitled to consider, among other items, the proposed assignee's, sublessee's or transferee's financial condition, business reputation, business, and such other factors as may reasonably bear upon the suitability of the assignee, sublessee, or transferee as lessee of the lease Premises. If Lessee is a corporation, partnership, or other association, (1) the transfer of more than fifty percent (50%) of the ownership interest in such entity, or (2) the sale of all or substantially all of the assets of Lessee shall be deemed to constitute an "assignment" of this Agreement which requires consent of the State. The consent of the State to any one assignment shall not constitute a waiver of the State's right to consent to subsequent assignments, nor shall consent of the State to any one assignment relieve any party previously liable as Lessee from any obligations under this Agreement, who shall remain joint and severally liable as primary obligor and not as surety. The acceptance by the State of the payment of rent following an assignment shall not constitute consent to any assignment and the State's consent shall be evidenced only in writing. This may require reimbursement for any additional administrative costs resulting from the assignment.

SECTION 10 IMPROVEMENTS

10.01 Improvements. No improvement shall be placed on the lease Premises. Unauthorized improvements shall either be removed by the Lessee without damage to the lease Premises, removed by the State at the Lessee’s expense, or become the property of the State at the State’s option.

SECTION 11 ROADS

11.01 Access Across Premises. Lessee is authorized, subject to any rights previously granted to third parties, to use existing roads on the lease Premises as needed to enjoy the permitted uses.

11.02 Access to Premises.

Non-State Land. Access to the lease Premises includes use of existing roads across private or other government owned land. Lessee is authorized to use and agrees to comply with all the terms and conditions of the easement(s) or agreement(s) entered into by and between State and Weyerhaeuser dated January 31, 1967 filed under Application No. 55-000018 attached as "Exhibit F".

Adjacent State Land. Access to lease Premises includes a non-exclusive right to use an existing road over the location shown on the map(s) attached as Exhibit E for the purpose of exercising the rights granted herein.

11.03 Road Repair. Lessee shall repair or cause to be repaired at its sole cost and expense that damage to said road(s) occasioned by it which is in excess of that which it would cause through normal and prudent usage of said road(s). Within fifteen (15) days of the damage, Lessee shall meet with the State and provide a plan of operation for the repairs.

11.04 Road Maintenance. Road maintenance is defined as work normally necessary to preserve and keep the roads in their present condition or as hereafter improved. At a minimum, roads shall be maintained to meet forest practice standards set forth in WAC 222-24-050 as now written or hereafter amended. Unless contrary to the terms of an express easement authorizing access, the cost of performance of road maintenance and resurfacing shall be allocated on the basis of respective uses of said road. During periods when a road, or portions thereof, is used solely by Lessee, Lessee shall solely maintain that portion of said road to the standards set forth above; provided the State reserves the right to make reasonable allocations concerning priority of use and maintenance of said roads by it and others. Where there is joint use of a road, or portion thereof, Lessee shall perform or cause to be performed, or contribute or cause to be contributed, that share of maintenance and resurfacing occasioned by such use as hereinafter provided.

During periods when more than one party is using the same road or any portion thereof, the parties hereto shall meet and establish necessary maintenance provisions. Such provisions shall include, but shall not be limited to:

(a) The appointment of a maintainer, which may be one of the parties hereto or any third party, who will perform or cause to be performed at a reasonable and agreed upon rate the maintenance and resurfacing of the road or the portion thereof being used; and

(b) A method of payment by which each party using said road or a portion thereof, shall pay its pro rata share of the cost incurred by said by said maintainer in maintaining or resurfacing said road or portion thereof.

11.05 Road Improvements. Lessee shall construct no improvements to roads where access has been provided by the State without the prior written consent of the State, which shall not be unreasonably withheld. Unless the State agrees to share in the cost of the improvement in writing, the improvements shall be at the sole cost of the improver.

11.06 Insurance. The provisions under Section 7 – Lessees' Indemnity; Insurance Requirements shall apply to Lessee's use of roads authorized herein.

SECTION 12 DEFAULT AND REMEDIES

12.01 Default. In the event of any material breach of any provision of this Agreement by Lessee, the State shall be entitled to cancel this Agreement and seek any other remedies set forth in this Agreement or otherwise available at law or equity. State shall not cancel this Agreement if the breach pertains to a matter other than the payment of any monies due under this agreement, and Lessee shall promptly commence to cure the breach and shall cure the breach within forty-five (45) days. If such breach is non-monetary in nature, and, as determined by the State, is not reasonably susceptible of being cured in said forty-five (45) days (provided that the lack of funds, or the failure or refusal to spend funds, shall not be an excuse for a failure to cure), Lessee shall commence to cure such breach within said period and diligently pursue such action with continuity to completion. If Lessee fails to cure a material breach, all Lessee owned improvements shall at the option of the State, be removed by Lessee, be removed by the State at the cost to Lessee, or be forfeited to the State.

12.02 Reentry. Except as provided in 12.01, in the event of material breach by Lessee, State shall have the right, with or without canceling the Lease, to reenter the lease Premises and remove all persons and property from the lease Premises and take whatever actions may be necessary or advisable to relet, protect or preserve the lease Premises. Any property so removed may be stored in a public warehouse or other suitable place or otherwise disposed of in State's discretion at the expense and for the account of Lessee. State shall not be responsible for any damages or losses suffered by Lessee as a result of such reentry, removal, storage or other disposition, and no such action shall be construed as an election to terminate this Lease unless a written notice of termination is given to Lessee.

12.03 Termination of Agreements. Whether or not the State elects to terminate this Agreement on account of any breach by Lessee and subject to any non-disturbance and attornment agreements, if any, the State shall have a right to terminate any and all subleases, licenses, concessions or other arrangement for possession affecting lease Premises. Alternatively, the State, in its sole discretion, may succeed to Lessee's interest in such sublease, license, concession or arrangement, and Lessee shall have no further right to or interest in the rent or other consideration receivable thereunder.

12.04 Survival. All obligations of Lessee to be performed prior to the expiration or earlier termination shall not cease upon the termination or expiration of this Agreement and shall continue as obligations until fully performed. All clauses of this Agreement that require performance beyond the termination or expiration date shall survive the termination or expiration date of this Agreement. Upon expiration or earlier termination of this Agreement, the rights of Lessee and of all persons, firms, corporations, and entities claiming under Lessee in and to the lease Premises and all improvements hereon, unless specified otherwise in this Agreement, shall cease.

12.05 State's Right to Cure Defaults. If Lessee fails to perform and is in breach of any undertaking or promise contained herein, the State shall have the option, but is not obligated, to make such performance after giving ten (10) days written notice to the Lessee. The State's costs and expense to correct Lessee's failure to perform shall be reimbursed by Lessee and shall be immediately due and payable, together with interest accruing from the date such cost or expense

is incurred.

12.06 Remedies Cumulative. The specified remedies to which the State may resort under the terms of this Agreement are cumulative and are not intended to be exclusive of any other remedies or means of redress to which the State may lawfully be entitled in case of any breach or threatened breach by Lessee of any provision of this Agreement.

12.07 Nonwaiver. Waiver by the State of strict performance of any provision of this Agreement shall not be a waiver of nor prejudice the State's right to require strict performance of the same provision in the future or of any other provision. The acceptance of performance, rent, or any other sum owing, by the State following a breach by the Lessee of any provision of this Agreement shall not constitute a waiver of any right of the State with respect to such breach and the State shall be deemed to have waived any right hereunder only if the State shall expressly do so in writing.

12.08 Force Majeure. The Lessee's failure to comply with any of the obligations under this Agreement shall be excused only if due to causes beyond Lessee's control and without the fault or negligence of the Lessee, including acts of God, acts of the public enemy, acts of any government, fires, floods, epidemics and strikes.

12.09 Insolvency of Lessee. If the Lessee becomes insolvent, a receiver is appointed, or Lessee's interest is transferred by operation of law by reason of insolvency, the State may terminate this Agreement at its option. Insolvency as used herein will mean the inability of the Lessee to meet its monetary obligations under this Agreement as they come due.

SECTION 13 GENERAL PROVISIONS

13.01 Governing Law. This Agreement shall be construed, interpreted and enforced pursuant to the laws of the State of Washington. Venue shall be in Thurston County. The terms of this Agreement shall be given their ordinary meaning and shall not be presumed construed in favor of or against either party hereto.

13.02 No Partnership. The State is not a partner nor a joint venturer with the Lessee in connection with the activities conducted and business carried on under this Agreement, and the State shall have no obligation with respect to the Lessee's debts or other liabilities.

13.03 Lessee's Authority. Persons executing this Agreement on behalf of Lessee represent that they are authorized to do so and represent and warrant that this Agreement is a legal, valid, and binding obligation on behalf of Lessee, and is enforceable in accordance with its terms.

13.04 State's Authority. This Agreement is entered into by the State pursuant to the authority granted by statute and the Constitution of the State of Washington. The terms and conditions hereof are subject to such statutory and constitutional provisions as may be now in effect and

such provisions which do not impair the contractual rights of Lessee under this Agreement which may lawfully be enacted subsequent to the date of this Agreement.

13.05 Preservation of Markers. Lessee shall not destroy any land survey corner monuments and reference points (including but not limited to corner markers, witness objects, or line markers) without prior written approval from the State, which shall not be unreasonably withheld. Monuments or reference points that must necessarily be disturbed or destroyed during construction or operations must be adequately referenced and replaced, at the Lessee's cost, under the direction of a State of Washington Professional Land Surveyor, in accordance with all applicable laws of the State of Washington, including but not limited to RCW 58.24, and all relevant Department of natural Resources regulations.

13.06 Condemnation. If all of the lease Premises are taken by any lawful authority under the power of eminent domain for a period which will end on or extend beyond the expiration of the term of this Agreement, this Agreement terminates as of the date the condemner takes possession. If part of the lease Premises is taken by any lawful authority under the power of eminent domain for a period which will end on or extend beyond the expiration of the term of this Agreement, the State or Lessee may choose to terminate this Agreement as of the date the condemner takes possession. If either the State or Lessee elects to terminate this Agreement, the rents or other charges to be paid by Lessee will be apportioned by the State and paid by the Lessee to the date of taking. If neither the State nor Lessee elects to terminate this Agreement, the rent will be reduced in the same proportion that the value of the portions of the site to be taken bears to the value of the entire site as of the date condemner takes possession.

If the taking is for a period which will end on or extend beyond the expiration of the term of this Agreement, Lessee will have no claim or interest in or to any award of damages for the whole or partial taking of the site, except that the Lessee will be entitled to an amount equal to the fair market value of any improvements as of the date of taking (except trade fixtures) considered by this Agreement to be owned by the Lessee taken by the condemner.

If temporary use of all or part of the site is taken by any lawful authority under the power of eminent domain for a period ending before the expiration of the term, this Agreement will continue in full force and Lessee will be entitled to receive any award from the condemner for the use of all or part of the lease Premises.

The State and Lessee will give to the other immediate written notice of any proceedings with respect to a condemnation and of any intentions of any authority to exercise the power of eminent domain.

13.07 Interpretation and Numbering. Section numbers, headings, or titles are for convenience only and are not to be construed to limit or to extend the meaning of any part of this Agreement.

13.08 Time of Essence. Time is expressly declared to be of the essence of this Agreement and each and every covenant of Lessee and the State hereunder.

13.09 Amendments. Any amendments, revisions, supplements, or additions to this Agreement or the attached exhibits shall be made in writing executed by the parties hereto, and neither State nor Lessee shall be bound by verbal or implied agreements. Such changes may be made by re-execution of the signature page and the deletion and addition of the appropriate new effective pages or exhibits governing the change, if any.

13.10 Entire Agreement. This written Agreement or its successor or replacement contains the entire agreement of the parties hereto with respect to the matters covered hereby, and no other agreement, statement or promise made by any party hereto, or to any employee, officer or agent of any party hereto, which is not contained herein, shall be binding or valid.

13.11 Invalidity. If any term or provision of this Agreement or the application thereof to any person or circumstance shall to any extent prove to be invalid, unenforceable, void, or illegal, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall be not affected thereby, and each term and provision of this Agreement shall be valid and be enforced as written to the fullest extent permitted by law.

13.12 Attorney Fees. If either party brings suit or submits to an alternative dispute process to interpret or enforce any provision of the agreement, the prevailing party shall be entitled to reasonable attorney fees, paralegal fees, accountant and other expert witness fees and all other fees, costs and expenses actually incurred in connection therewith, including those incurred on appeal, in addition to all other amounts provided by law, regardless of whether the matter proceeds to judgment or is resolved by the defaulting party curing the default.

13.13 Notices and Submittals. Any notice or submittal given under this Agreement shall be deemed as received when delivered by hand or five (5) days after deposit in the United States mail with first-class postage affixed, addressed as noted. Changes of address may be given in accordance with this section. Any notice or submittal given under this Agreement shall be:

To the State:

Where Agreement provisions require submittal to State office:

Department of Natural Resources
601 Bond Rd
Castle Rock, WA 98611

To the Lessee at the address affixed with signature or Lessee's last known address.

13.14 Proprietary Information/Public Disclosure. Materials or information submitted as required in this Agreement shall become public records within the meaning of RCW Chapter 42.56.

Any submitted materials or information that the Lessee claims as exempt from disclosure under the provisions of RCW 42.56.210 must be clearly designated. The page must be identified and the particular exemption from disclosure upon which the Lessee is making the claim must be identified by the RCW citation number.

The State will consider a Lessee's request for exemption from disclosure; however, the State will make an independent decision on the applicability of any claimed exemption consistent with applicable laws. The portion of a document claimed as exempt must qualify for exempt status as identified in RCW 42.56. Marking the entire submitted materials or information exempt from disclosure cannot be honored. If a public records request is made regarding materials that the Lessee has requested as exempt, the affected Lessee will be given notice of the request and allowed ten business days to seek a court injunction against the requested disclosure prior to the State fulfilling the public records request.

13.15 Exhibits. This Agreement is subject to the terms and conditions of exhibits referenced herein, which are attached hereto and by this reference made a part hereof.

Exhibits:	A	Legal Description of Premises
	B	HCP Requirements
	C	Gates and Locks Specifications
	D	Authorized Gates List
	E	Lease Premises/Access Map
	F	Easements

Dated: _____, 20____.

_____
«Lessee_Name_CAPS»
«Lessee_Street_Address»
«Lessee_City_State_Zip»

Phone: «Lessee_Phone_No»

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES

Dated: _____, 20____.

_____
Scott Sargent

Pacific Cascade Region Manager
601 Bond Road
Castle Rock, WA 98611

Phone: (360)577-2025

Approved as to form this
17th day of November, 2003
Mike Rollinger, Assistant Attorney General

NOTARIAL CERTIFICATE
ACKNOWLEDGMENT IN A REPRESENTATIVE CAPACITY

STATE OF _____)
) ss.
COUNTY OF _____)

I certify that I know or have satisfactory evidence that _____ _____ [name**(s)**] **(is / are)** the person**(s)** who appeared before me, and said person**(s)** acknowledged that **(he / she / they)** signed this instrument, on oath stated that **(he / she / they) (was / were)** authorized to execute the instrument, and acknowledged it as the _____[office**(s)** or title**(s)**] of _____(business name of the Lessee) to be the free and voluntary act of such party**(ies)** for the uses and purposes mentioned in the instrument.

DATED: _____

(Seal or Stamp)

_____
NOTARY PUBLIC in and for the
State of _____
My appointment
expires _____

DRAFT DRAFT DRAFT

STATE ACKNOWLEDGEMENT

STATE OF WASHINGTON)
)ss
County of Cowlitz)

On this _____ day of_____, 20____, personally appeared before me SCOTT SARGENT, to me known to be the Pacific Cascade Region Manager of the Department of Natural Resources, State of Washington, who executed the within and foregoing instrument on behalf of the State of Washington, and acknowledged said instrument to be the free and voluntary act and deed of the State of Washington for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument and that the seal affixed is the official seal of the Commissioner of Public Lands for the State of Washington.

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

DATED:_____

(Seal or Stamp)

_____
NOTARY PUBLIC in and for the
State of Washington
My appointment expires_____

EXHIBIT A
LEGAL DESCRIPTION OF PREMISES

Unit Name	**Section, Township, Range**
Switched Signal Bough U2	S4, T9N, R2E, W.M.
Noble Bough U1	S4, T9N, R2E, W.M.
Mixed Gravy Bough U4	S3, T9N, R2E, W.M.
Jackhammer Bough U1	S1, S2, S11, S12, T9N, R2E, W.M.
Jackhammer Bough U2	S11, S12, T9N, R2E, W.M.
Tulsa Bough U6	S12, T9N, R2E, W.M.
Ridge Walker Bough U1	S1, T9N, R2E, W.M., S6, T9N, R3E, W.M., S36, T10N, R2E, W.M.
Ridge Top Bough U3	S6, S7, T9N, R3E, W.M.
Deer Creek Bough U1	S5, S6, S7, S8, T9N, R3E, W.M.
Saddle Bronc Bough U3	S7, T9N, R3E, W.M.
Tulsa Bough U1	S7, S8, T9N, R3E, W.M.
Tulsa Bough U5	S7, S8, T9N, R3E, W.M.
Deer Creek Bough Unit 5	S8, T9N, R3E, W.M.
Ridge Walker Bough U4	S8, S17, T9N, R3E, W.M.
Ridge Walker Bough U5	S8, S17, T9N, R3E, W.M.
Bocephus Bough U2	S5, S6, T9N, R3E, W.M.
Deer Creek Bough U3	S5, S8, T9N, R3E, W.M.
Tulsa Bough U3	S8, T9N, R3E, W.M.
Tulsa Bough U2	S8, T9N, R3E, W.M.
Saddle Bronc Bough U2A	S17, T9N, R3E, W.M.
Saddle Bronc Bough U2B	S17, T9N, R3E, W.M.
Ridge Top Bough U2	S7, S18, T9N, R3E, W.M.
Shoe Shiner Bough U3	S18, T9N, R3E, W.M.
Shoe Shiner Bough U4	S18, T9N, R3E, W.M.
Shoe Shiner Bough U2	S18, T9N, R3E, W.M.
Shoe Shiner Bough U6	S17, S18, S19, S20, T9N, R3E, W.M.
Shoe Shiner Bough U1	S13, T9N, R2E, W.M., S18, T9N, R3E, W.M.
Ridge Top Bough U1	S12, S13, T9N, R2E, W.M., S7, S18, T9N, R3E, W.M.
Buckhorn Bough U6	S9, S10, T9N, R3E, W.M.
Hyatt Bough	S10, 9N, R3E, W.M.
Buckhorn Bough U3	S9, S16, T9N, R3E, W.M.
Shoe Shiner Bough U7	S16, S17, T9N, R3E, W.M.
Latigo Bough U1	S16, T9N, R3E, W.M.
Saddle Bronc Bough U1C	S16, T9N, R3E, W.M.
Saddle Bronc Bough U1D	S16, S21, T9N, R3E, W.M.
Saddle Bronc Bough U1	S17, T9N, R3E, W.M.

Saddle Bronc Bough U1B	S16, S17, T9N, R3E, W.M.
Chotchkies Bough U3	S20, T9N, R3E, W.M.
Flair Bough U11	S21, S22, T9N, R3E, W.M.
Large Farva Bough U1	S22, T9N, R3E, W.M.
Large Farva Bough U2	S22, S27, S28, T9N, R3E, W.M.
Spotted Buck Bough U5	S14, T9N, R3E, W.M.
Rider Ridge Bough	S3, T9N, R3E, W.M.
Bough Wave Bough	S3, T9N, R3E, W.M.
Skyline Bough	S25, T9N, R3E, W.M.
Upper Flye Bough	S30, T9N, R3E, W.M.
Hum Bough	S24, T9N, R3E, W.M., S17, S18, S19, S20, T9N, R4E, W.M.
Spud Patch Bough U1	S16, S17, S19, S20, S21, T9N, R4E, W.M.
Spud Patch Bough U2	S20, T9N, R4E, W.M.
Spud Patch Bough U3	S20, S21, T9N, R4E, W.M.
Spud Patch Bough U4	S20, S21, T9N, R4E, W.M.
Castle Lake Bough	S16, S17, S19, S20, S21, S22, S27, S28 T9N, R4E, W.M.
Disappointing Bough U1	S32, S33, T9N, R4E, W.M.
Disappointing Bough U2	S33, T9N, R4E, W.M.
Helen Bough	S26, S27, S34, S35, T9N, R4E, W.M.
Green Mountain Thin U16	S11, T9N, R2E, W.M.

EXHIBIT B
HCP REQUIREMENTS

1. The Lessee shall immediately notify the State of new locations of Permit species covered in the Incidental Take permit (ITP) that are discovered within the leased Premises covered by the Habitat Conservation Plan (HCP), including, but not limited to: locations of occupied murrelet habitat; spotted owl nest sites; wolves; grizzly bears; nests, communal roosts, or feeding concentrations of bald eagles; peregrine falcon nests; Columbian white-tailed deer; Aleutian Canada geese; and Oregon silverspot butterflies. In all circumstances notification must occur within a 24 hour time period.

2. Upon locating any live, dead, injured, or sick specimens of any listed species covered by the ITP within the leased Premises the Lessee shall immediately notify the State. In all circumstances notification must occur within a 24 hour time period. Lessee may be required to take certain actions to help the State safeguard the well being of any live, injured or sick specimens of any listed species discovered, until the proper disposition of such specimens can be determined by the State.

3. Lessee shall refer to ITP number TE812521-1 (a copy of the ITP is located for reference in the region office) in all correspondence and reports concerning Permit activities.

4. All applicable provisions of the ITP and this schedule must be presented and clearly explained by Lessee to all authorized officers, employees, contractors, or agents of Lessee conducting authorized activities on the Property. Any questions Lessee may have about the ITP should be directed to the State.

EXHIBIT C
GATES AND LOCKS

1. Gates shall be kept closed, locked and properly latched at all times unless vehicles are passing through the gate.

2. Lessee shall provide keys to the State as required by the Lease Administrator. If Lessee elects to change existing locks new keys will be provided to the State prior to changing locks.

3. If a gate cannot be properly secured for any reason the Lessee shall notify the State immediately.

4. If locks or hardware are lost or damaged due to the Lessee's activities, the Lessee may be required to replace them at the Lessee's expense.

5. If at any time the Lessee's access causes theft, vandalism, unauthorized access, garbage problem or any violation of the contract, the State reserves the right to restrict vehicle access immediately. If contract violations continue the approved vehicle access may be denied through the remainder of the contract period.

6. Lessee is required to provide and maintain locks on approved gates that meet the minimum requirements shown below.

Required Lock Specifications:

Key type padlocks only:	No combination locks.
Minimum shackle size:	5/16 inch
Maximum shackle clearance:	1 and 9/16 inch
Key retaining:	Key cannot be removed from lock unless it is closed.

Exceptions to the above requirements will require approval from the Lease Administrator.

Failure to meet these requirements may be considered breach of contract and may result in termination of contract.

EXHIBIT D
AUTHORIZED GATES

EXHIBIT F
Easements

Easement # 55-000018 between State and Weyerhaeuser dated January 31, 1967.