

- TIMBER CONTRACT -

THIS AGREEMENT made this 18 day of JANUARY, 1973,
by and between DAYTON O. HYDE and GERDA V. HYDE, husband and wife,
hereinafter called "Hyde" and EVERETT DOYLE, hereinafter called
"Doyle".

R E C I T A L S:

Hydes are the owners of certain real property situate in
Klamath County, Oregon, known as the Yamsi Ranch, more particularly
described as follows:

DESCRIPTION ATTACHED HERETO AND MARKED AS "EXHIBIT A"

Hydes desire to sell the merchantable lodge pole pine on
the above-described property and Doyle Desires to buy the same.

W I T N E S S E T H:

NOW THEREFORE, in consideration of the covenants and agree-
ments hereinafter contained, enter into this Timber Contract.

Hydes covenant and agree as follows:

1. To sell, and do hereby sell to Doyle, all merchantable
lodge pole pine now located on the above described real property
and grant unto Doyle the right to enter upon said real property
and cut and remove said timber therefrom.

2. Hydes warrant that they are lawfully seised in fee
simple of the above-described real property and have good right
to sell the timber herein sold. That said timber is free and
clear of all liens and encumbrances and that they and their heirs,
executors, administrators, and assigns shall warrant and forever
defend the title of said timber against the lawful claims and
demands of all persons whomsoever.

Doyle covenants and agrees as follows:

1. To purchase the merchantable lodge pole pine growing
upon the above-described real property, except Doyle will not cut

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any lodge pole pine within one-half (1/2) mile of the Yamsi ranch-house or one-half (1/2) mile of the Williamson River, except under the supervision of Hyde.

2. Doyle agrees to pay for the lodge pole pine the sum of Thirty and No/100ths (\$30.00) DOLLARS per thousand board feet, payable as follows:

A. Twenty-Five Thousand and No/100ths (\$25,000.00) DOLLARS as a deposit against the faithful performance of this contract, to be left on deposit until the completion of this contract.

B. Thirty Thousand and No/100ths (\$30,000.00) DOLLARS to be paid upon commencement of the logging operation on the above-described property, but in no event no later than March 15, 1973.

C. Payment to be made on the 10th of each month for all logs delivered from the 15th to the end of preceeding month and payments to be made on the 25th of each month for all logs delivered between the 1st and 15th of that month.

D. At the time of each payment, and not less than twice each month, Doyle shall furnish to Hydes a copy of the log scale for the period for which payments are made. Hydes shall have the right to inspect Doyle's records for the purpose of determining the accuracy of such scale.

3. Doyle agrees to cut a minimum of two million board feet in any one calendar year during the term of this agreement and in the event of his failure to meet this minimum requirement he shall be liable to Hyde for the payment of two million board feet per year, whether the timber is removed or not.

4. Doyle agrees to cut and remove the timber in a good and workmanlike manner with as little damage to remaining timber and soil as consistent with normal logging practices in the area. It is specifically understood that Doyle will avoid undue damage to wet meadow lands. It is understood that all logging is to be tree length and limbs are to be removed only in designated decking areas.

2. TIMBER AGREEMENT

It is mutually understood and agreed as follows:

1. Doyle shall remove all of the merchantable lodge pole pine herein sold from the above-described real property on or before the 15th day of March, 1978 and if the same be not removed by said date then Doyle shall cruise said remaining timber and pay Hyde the cash balance within fifteen (15) days and have until March 15, 1979 to remove the balance thereof. Upon Doyle's failure to cruise said timber, as herein specified, Hyde may have the same cruised at Doyle's cost and charge Doyle for the cash balance upon completion of the cruise.
2. Merchantable lodge pole pine as herein used shall mean all trees of lodge pole pine species having a diameter of not less than nine (9) inches breast high, inside the bark, containing at least one-third sound wood, capable of producing one or more logs twelve feet long or longer in length and not less than five inches in diameter at the small end of the log.
3. All logs shall be scaled if at all possible at a mill site upon scribner scale.
4. It is agreed by the parties hereto that Hyde will pay all harvest taxes and severance taxes upon said merchantable timber.
5. Doyle will be responsible for any and all loss caused by fire due to the logging operation and will save Hyde harmless on any claims by third parties, or governmental agencies; Doyle shall provide Hyde a certificate evidencing insurance in a sum of not less than \$300,000 with an insurance carrier acceptable to Hyde to cover the third party liability as set out herein above. Failure of Doyle to provide satisfactory evidence of such insurance shall constitute a material breach of this contract.
6. It is understood and agreed that Hyde intends to exchange a portion of the property described hereinabove for Forest Service Land;

3. TIMBER CONTRACT

in the event of such exchange Doyle agrees to release the land herein to the Forest Service and Hyde agrees to extend the rights of this contract to the acquired Forest Service lands.

7. It is understood and agreed by the parties hereto that Hyde has sold one million board feet of timber mentioned in this contract to Modoc Veneer Company which contract right will be first in time and right to the present contract.

8. Doyle shall not leave stumps more than 12 inches high on the high side of the stump.

9. In the event that Doyle shall default in any provision of this contract wherein Hyde would be required to bring a court action or retain an attorney to assist him in the enforcement of this contract, then Hyde shall be allowed such sum as awarded by the court, either trial court or on appeal, as reasonable attorney's fees in such suit or action.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals the day and year first hereinabove written.

Dayton O. Hyde
Gerda V. Hyde Hyde
Everett Doyle Doyle

STATE OF OREGON)
 County of Klamath) ss.
 January 18, 1973.

Personally appeared the above named DAYTON O. HYDE and GERDA V. HYDE, husband and wife, and EVERETT DOYLE, and acknowledged the foregoing instrument to be their voluntary act. Before me:

William R. Brown
 Notary Public for Oregon
 My Commission expires: 7-24-73

A portion of Lots 1 & 2, Section 16, Township 33, Range 11 E.W.M.; a portion of the S 1/2 SE 1/4 of Section 9, Township 33, Range 11 E.W.M.; a portion of Sections 4 & 5 and a portion of Sections 8 & 9, Township 33, Range 11 E.W.M.; a portion of Township 32, Range 11 E.W.M.; a portion of Section 23, Township 32, Range 10 E.W.M.; a portion of Sections 7 & 18, Township 32, Range 11, E.W.M.; a portion of Section 36, Township 32, Range 10, E.W.M.; a portion of Section 23, Township 32, Range 10 E.W.M.; the SE 1/4 E 1/2 SW 1/4 of Section 35, Township 33, Range 9 E.W.M.; the E 1/2 NE 1/4 of Section 2, Township 34, Range 9 E.W.M.; the W 1/2 SE 1/4 Section 2, Township 34, Range 9 and the W 1/2 NE 1/4 of Section 11, Township 34, Range 9 E.W.M.; the SW 1/4 of Section 11, Township 34, Range 9 E.W.M.; the W 1/2 of Section 15, Township 34, Range 9 E.W.M.; Lots 1 & 2 in the S 1/2 NE 1/4 of Section 6, Township 32, Range 11 E.W.M.; the W 1/2 SE 1/4 SW 1/4 of Section 18, Township 32, Range 11 and the W 1/2 NE 1/4 NW 1/4 of Section 19, Township 32, Range 11 E.W.M.; the S 1/2 SW 1/4 SE 1/4 Section 18, Township 32, Range 11 and the NW 1/4 NE 1/4 of Section 19, Township 32, Range 11, E.W.M.; the N 1/2 NW 1/4 SW 1/4 Section 9, Township 33, Range 11 E.W.M.; and the N 1/2 SE 1/4, S 1/2 NE 1/4 of Section 16, Township 33, Range 11, E.W.M. Klamath County, Oregon

STATE OF OREGON, }
County of Klamath } ss.

Filed for record at request of:
WM. BRANDENESS ATTY

on this 18th day of January A.D., 1973
at 2:32 o'clock P.M. and duly
recorded in Vol. M 73 of DEEDS
Page 666

WM. D. MILNE, County Clerk

Fee \$ 10.00 By *Klausel* Deputy.

Ret. Wm Brandeness
292 Main

"EXHIBIT A"