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C.O.I.C.

--- HUFFMAN & WRIGHT

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18113

EXHIBIT "A"

*RP*  
8/10/92

PARCEL 1:

Government Lots 2 and 4, Section 13, Township 38 South, Range 8 East of the Willamette Meridian, in the County of Klamath, State of Oregon. EXCEPTING THEREFROM the Northerly and Northeasterly parts thereof deeded to R. W. Browning, et ux., by deed recorded in Book 210 at Page 321, Deed Records of Klamath County, Oregon.

PARCEL 2:

That part of Lot 3, Section 13, Township 38 South, Range 8 East of the Willamette Meridian, in the County of Klamath, State of Oregon, which lies Northeasterly of the right of way of the Central Pacific Railway Company. EXCEPTING THEREFROM any portion lying within Hanks Spur Railroad right of way.

CODE 183 MAP 3808-1300 TL 800

## EXHIBIT B

Klamath Falls Veneer Plant  
Equipment Description

LOG TRAILER LOADER - Constructed with 18" H-boom, 25 HP gear reducer, cable drum hoist with brake.

VENEER TRUCK SCALE - Electric ramp scale made for dual axle weighing.

LOG TRUCK SCALE - HOWE balance beam platform scale.

BOILER - The boiler house is an all steel building with a 40 unit fuel house adjacent to it. The boiler is a wood fired 500 HP KEELER, with water purification system, 12 starter control circuits, turbine fed water pump, I.D. fan, and particulate detector system.

STEAM VATS - Six 12' x 18' x 110' concrete tunnels with cantilever doors and hydraulic controls. The heat system has 3 HARRIS heat exchangers, three 30 HP 1500 gal. sump pumps and condensate return.

FUEL HOUSE - Concrete fuel containment house, 12,000 gal. diesel tank, 500 gal. bulk motor oil, and 500 gal. hydraulic oil tank. Adjacent 18' x 40' maintenance shop.

AIR COMPRESSORS - Compressor room is a separate steel building with panel controls and starting equipment. One 740B QUINCY and one 650H QUINCY, air cooled compressors, both are driven with 150 HP LINCOLN motors.

DEBARKER - Log infeed is twin 3' x 45' live log deck with 12' open center and steel/concrete column base; two 15 HP gear reduction drives with separate controls. Barker infeed conveyor and alligator chain outfeed are powered with a 40 HP DC variable speed drive. 35" SALEM ring debarker with air operated tools and hold down rolls. Control house with console panel and electrical control. Six log clamp hydraulic system, hour glass roll conveyor, 3 sort block bins with hydraulic kickers. Hydraulic operated 84" circular chop saw with 150 HP DC drive.

LOG SPLITTER - 3' X 5' single ram splitter, hydraulic system, 100 HP AC drive. Three deck infeed/outfeed system.

LOG CHIPPER - 84" PRECISION 3 knife chipper; 600 HP AC drive, gravity infeed, bottom discharge; 30" infeed conveyor and 16" veneer trash conveyor equipped with metal detector.

BLOCK INFEED - Two deck system, 30' and 50'; two automatic stop loaders. 10 HP and 7.5 HP gear reducers.



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J.A.J.

EXHIBIT B

Klamath Falls Veneer Plant  
Equipment Description cont.

CHARGER - DURAND swing arm charger powered with 40 HP AC hydraulic unit. System is computerized and integrated with XY scanner or can be operated manually from centering vees.

XY SCANNER - APPLIED THEORY XY system with monticom scanners. Computer controls with CRT screen and printout. Complete data collection of block information, veneer tally, etc.

LATHE - 36" RAUTE 8' lathe, 125 HP DC drive, 150 HP AC MG, 100 KW generator. INOVEC computerized hydraulic carriage positioner. Botch valves. 40 HP lathe chuck compensator with 2 pump system. 40 HP hydraulic operated backup roll with mechanical positioner.

CORES - Core conveyor with 2 sort bins, electric eye kicker system. Unit core package machine with manual bander.

TRAY SYSTEM - Hydraulic trash gate, air driven tippie, 90' three tray automated system. 30 HP DC variable speed drive. Air flex brake and clutch.

CLIPPER - CYPRESS moisture detector with computerized controls for moisture sorting and clip width variation. ACROWOOD clip scanner. Computerized control and monitor, integrated with clipper and moisture detector. ELLIOTT BAY platen rotary clipper. Twin blade over belt drive. AC variable speed belt drives; electric servo blade drives. Complete monitor, console access, and live control from computer room.

STACKER - DURAND 4 bay automatic stacker; outfeed roll case. Computerized system, variable speed drives, moisture sort, 54's/27's sort. ANDERSON automatic suction fan system with cyclone exhaust.

TRAYS & GREEN CHAIN - Three tray system off clipper diverter; 50' green chain, carts, and hydraulic scissor end stacker.

CORE SAW - SWEED VENCOR single band trim saw with power roll table.

BANDER - US wire veneer bander with infeed/outfeed table.

RETURN TRAY SYSTEM - 9' x 170' steel apron refuse return conveyor and 20' incline conveyor. 10 HP drives. 24" x 35" veneer chipper infeed; crush, feed and drive rolls.

## EXHIBIT B

Klamath Falls Veneer Plant  
Equipment Description cont.

DQJ.

## CHIP SYSTEM

- 78" BLACK & CLAWSON 8 knife veneer chipper, 175 HP AC drive.
- 42" ARASMITH stump chipper, 200 HP AC drive.
- 8 unit chip surge bin, bin screens, and RADAR chip feeder.
- KOCKUMS 9' X 9' oscillating screen shaker.
- JEFFERIES overs hammer mill, 30 HP AC drive.
- Fines feeder & blower.
- Chip blower system, 125 HP AC drive.
- Chip car loader, 6" I-beam const. and access deck. Car loader and wig-wag.
- Chip car haul, cable drive and drum, 7.5 HP.

## HOG FUEL SYSTEM

- WILLIAMS mulcher/crusher, 150 HP AC drive.
- Yard hopper with infeed.
- 28 unit fuel bin with clam gate, 15 HP hydraulic controls.
- Associated conveyors, chains, crossovers, etc.

## MISCELLANEOUS

- 12' lathe and chipper knife grinder.
- Complete radio and intercom system.
- Scrap chopper.
- Core stacker.
- Existing security and fire alarm systems.
- Miscellaneous office equipment including 10 desks, 10 chairs, and IBM typewriter.
- 500-gallon gasoline tank on stand.
- Engine hoist.
- Capital knife grinder.
- 12-speed drill press.
- Electric-driven Lincoln welding machine.
- Miscellaneous spare parts and electric motors.

18117

This Certificate is attached to UCC Financing Statement between Central Oregon Intergovernmental Council, (Secured Party) and Klamath Veneer, Inc., (Debtor) and if it is ever detached it is void.

STATE OF OREGON )  
 ) ss.  
County of Douglas )

On July 30, 1992, personally appeared the above named  
KLAMATH VENEER, INC., through HAROLD HUFFMAN, its PRESIDENT, and acknowledged  
the foregoing instrument to be his voluntary act. Before me:

Lynette L. Wilcox  
Notary Public for Oregon  
My Commission Expires: 6/94

STATE OF OREGON )  
 ) ss.  
County of Douglas )

On July 30, 1992, personally appeared the above named  
KLAMATH VENEER, INC., through GREG GASTON, its SECRETARY/TREASURER, and  
acknowledged the foregoing instrument to be his voluntary act. Before me:

Lynette L. Wilcox  
Notary Public for Oregon  
My Commission Expires: 6/94

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Klamath County the 13th day  
of Aug. A.D., 19 92 at 3:44 o'clock P.M., and duly recorded in Vol. M92  
of Mortgages on Page 18112

Evelyn Biehn County Clerk

FEE \$30.00

By Danine M. Mendenhall