

AFTER RECORDING RETURN TO:
TOM COTTINGHAM
BLM
2795 ANDERSON AVE BLDG #25
KLAMATH FALLS, OR 97603

15-10-95P03:46 RCV0

Vol. m95 Page 5465

M-690/L-690

96035 MTC 1346-7401

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUPPLEMENTAL AGREEMENT

EXCHANGE OF ROAD USE DEFICIENT BALANCES
PURSUANT TO RIGHT-OF-WAY AND ROAD USE AGREEMENT M-690/L-690
AND O&C LOGGING ROAD RIGHT-OF-WAY PERMIT M-690/L-690

WEYERHAEUSER COMPANY, a Washington corporation, henceforth referred to as Weyco, and the UNITED STATES OF AMERICA, acting by and through its agency, Department of the Interior, Bureau of Land Management, henceforth referred to as BLM, hereby agree that they will exchange deficient investment shares annually in accordance with this supplemental agreement.

THE PARTIES will meet annually and agree to the preceding year's bookkeeping called the annual business.

THE PARTIES agree the annual business report totals referenced herein are the records and balances representing each party's exchange of use in lieu of payment for use by each party under the terms of said agreement and permit.

THIS AGREEMENT supplements said M-690/L-690 and any conflict between this document and said M-690/L-690 will be resolved pursuant to said Agreement and/or Permit. All other stipulations contained in M-690/L-690 remain in full force and effect.

THE PARTIES mutually agree that the Original Agreement shall be and is hereby supplemented as follows:

- A) The Official Record is represented by the Annual Business printouts.
- B) All other related printouts and files are obsolete and not considered as the Official Record.
- C) The Official Record:
 - 1) 1986 Annual Business, printout, dated July 28, 1987, Weyco's total deficient balance = \$858.58
 - 2) First Amendment, 87 Business (#2), dated December 29, 1989, BLM's total deficient balance = \$52,170.16
 - 3) Second Amendment, 88 Business, dated March 6, 1989, BLM's total deficient balance = \$74,133.81

- 4) Third Amendment, 89 Business, dated October 5, 1990, BLM's total deficient balance = \$30,722.24
- 5) Fourth Amendment, 1990 Annual Business, dated April 9, 1991, BLM's total deficient balance = \$76,876.51
- 6) Fifth Amendment, 1991 Annual Business, dated March 9, 1993, BLM's total deficient balance = \$84,604.83
- 7) Sixth Amendment, 1992 Annual Business, dated March 16, 1993, BLM's total deficient balance = \$84,604.83

D) Subsequent Amendments:

- 1) Each year's annual business report will revise the deficient parties exchange of use balance upon signatures of Weyco and the two concerned BLM district offices, Medford and Lakeview.
- 2) Prior individual road record sheets may differ from the project data. Project data, i.e. the computer disk files supersede road records data sheets. The Road Records (file jackets), green sheets and black book were not revised and may be in error.

E) Definitions:

ANNUAL BUSINESS REPORT: This amends the exchange of use agreement balance and calculates a new exchange of use balance. It is the agreed upon list of roads, shares and exchange of deficient investment balance in any calendar year.

BEGINNING DATE: The date the project began as evidenced by the 1986 Annual Business. Said business has not been previously approved.

DEFICIENT PARTY: The party with an Exchange of Use Balance.

EXCHANGE OF USE BALANCE: The mathematical balance of investments and payments for use as described in the Agreement and Permit.

GROSS ERROR: A gross error is a correction representing a difference of 15% or more in the value in error.

INCLUDED ROAD: The road is listed on an Annual Business Report. Only roads controlled by the "other party" on which first use has occurred are included in the Exchange of Deficient Shares Project.

PAYMENTS: Payments made by the deficient party.

REMAINING VOLUME: That volume used in the Capital Improvement fee formula as defined in the M-650/L-690 Agreement and Permit.

OFFICIAL RECORD: Consists of the original 1986 Annual Business sheet as defined above and all subsequent annual business sheets.

HOST PARTY: Weyerhaeuser Co. Office, Medford BLM Office or Klamath Falls BLM Office responsible for the current year's annual business meeting. Responsibility for the annual meeting will rotate among the three offices.

F) Annual Business Procedures:

- 1) Before the Annual Business Meeting each party (BLM Ashland Resource Area, BLM Klamath Falls Resource Area and Weyco) will send their year's data to the host party.
- 2) The host party will prepare the consolidated Annual Business Sheet.
- 3) The host party will resolve conflicts.
- 4) The host party will arrive at the annual meeting with the Current Year's Annual Business Sheet printed out and ready for signature. (Signature blocks for Area Manager, Ashland; Area Manager, Klamath Falls; and Weyco Timberlands Manager)
- 5) Once the copy of the Annual Business Report is approved, it becomes that year's amendment to the Official Record.

G) The Deficient Party Will Pay:

The Fee Schedule attached as Attachment A is hereby made a part of this Agreement. From time to time the parties may review this schedule. There are no free use roads in this Agreement.

In the event the balance reaches a deficit value in excess of \$150,000 and exchange of work or alternate projects are not immediately available to reduce the deficit, a road use fee schedule will be developed jointly. The deficit party will pay a road use fee according to said Fee Schedule as referenced hereinabove for the use of any road system controlled by the other party. It is the intent of both parties that the payment rate is to amortize outstanding percentage shares. A bookkeeping meeting will be held each December to update the balance and set fees for the ensuing year.

- H) The Road Cost Tables attached as Attachment B1 and B2 are hereby made a part of this Agreement. From time to time the parties may review this schedule.**
- I) If Weyerhaeuser or the Bureau of Land Management dispose of land and/or roads in the swapout agreement area an agreement shall be reached between Weyco, the new landowner and BLM as to the disposition of the deficient investment current at the time of sale.**

- J) Quarterly reports of volume hauled over BLM controlled roads in the swapout agreement area are required. A negative report is required if no hauling occurred.
- K) Capital investments may be exchanged if the deficient investment remains less than \$150,000.

EXCEPT as herein expressly provided, all of the terms and conditions of the Original Right-of-Way and Road Use Agreement shall remain unmodified.

Dated this _____ Day of _____, 19____.

APPROVED:

UNITED STATES OF AMERICA
Acting by and through its agency,
Department of Interior,
Bureau of Land Management

WEYERHAEUSER COMPANY
A Washington Corporation

BY: *W. J. Kuhn*
Acting
TITLE: District Manager, Medford

DATE: _____

BY: *Edmund J. Gifford*

TITLE: District Manager, Lakeview

DATE: _____

BY: *D. J. Wilson*

TITLE: Forest Land Use Manager

DATE: October 31, 1994

ATTEST: *Pamela M. Redmon*

TITLE: Assistant Secretary

DATE: November 1, 1994



CORPORATE ACKNOWLEDGMENT

STATE OF WASHINGTONCOUNTY OF KING

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) ss
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On the 1st day of November, 1994, personally came before me, a notary public in and for said County and State, the within named D. W. Wilbur and Pamela M. Redmon, to me personally known to be the Forest Land Use Mgr. and Asst. Secretary of the corporation that executed the foregoing instrument, and acknowledged the instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned and on oath stated they are authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation.

Given under my hand and official seal the day and year last above written.

My commission expires:

March 20, 1996

(SEAL)

G.W. BJERKE
 STATE OF WASHINGTON
 NOTARY -- PUBLIC
 My Commission Expires 3-20-96

G.W. Bjerke
 Notary public in and for the
 State of Washington

Residing at Seattle

DISTRICT MANAGER ACKNOWLEDGMENT

STATE OF OREGON

COUNTY OF JACKSON

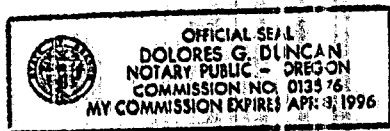
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On the 20th day of October, 1994, personally came before me, a notary public in and for said County and State, WAYNE M. KUHN, who, being duly sworn, did say that he is the Acting District Manager of the Medford District of the Bureau of Land Management (BLM), and that he that executed the foregoing instrument by authority of and in behalf of the United States of America; and he acknowledged said instrument to be the act and deed of the United States of America.

Given under my hand and official seal the day and year last above written.

My commission expires:

(SEAL)



Dolores G. Duncan
 Notary public in and for the
 State of Oregon

Residing at Medford

DISTRICT MANAGER ACKNOWLEDGMENT

STATE OF OREGON

COUNTY OF KLAMATH

) ss:

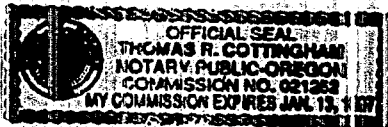
On the 9th day of March, 1995, personally came before me, a notary public in and for said County and State, Edwin J. Singleton who, being duly sworn, did say that he is the District Manager of the Lakeview District of the Bureau of Land Management and that he executed the foregoing instrument by the authority of and in behalf of the United States of America and he acknowledged said instrument to be the act and deed of the United States of America.

Given under my hand and official seal the day and year last above written

My commission expires:

January 13, 1997

(Seal)



Thomas R. Cottingham
Notary Public in and for the
State of Oregon

Residing at Klamath Falls



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

MEDFORD DISTRICT OFFICE

3040 Biddle Road
Medford, Oregon 97504

IN REPLY REFER TO:
2810 (110.6a)
Weyerhaeuser
4197L

FILE COPY

RECEIVED 5/11/90

1/15/90 X ACTION

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Weyerhaeuser Company
Attn: John Monfore
P. O. Box 9
Klamath Falls, OR 97601

RECEIVED

JUL 22 1988

JUL 21 1988

OCT 5 1990

Gentlemen:

We are presently working on the next M-690 amendment. The only item it will deal with is the addition of lands to the agreement. The other items we have discussed in the last several years will be handled by this letter of agreement.

Item 1: Rockwear (surface rock replacement) fees will not be charged by either party. Surface rock replacement will be considered a capital improvement to be shared in by both parties.

Item 2: A road use fee will be set each year for the entire Weyerhaeuser-BLM road system. A computerized balance sheet has been developed over the past several years which indicates every road presently in the system that has been used. It shows the original values, capital improvement values, tributary volumes, payments and deficit shares for each segment. After addition of all deficits and payments, a net deficient share may result for one of the parties. The deficient party will pay a road use fee according to the schedule below for use of any road in the system controlled by the other party. It is the intent of both parties that the payment rate is to amortize outstanding percentage shares with timber merchantable at the time of percentage share calculations. A bookkeeping meeting will be held each December to bring the computer sheet up to date and set the fee for the next calendar year.

The road use fee schedule is as follows:

Deficient Balance

Less than \$150,000
\$150,000 - \$249,999.99
\$250,000 - \$499,999.99
\$500,000 - \$1,000,000
Greater than \$1,000,000

Fee for Next Calendar Year

Negotiable
\$0.25/MBF
\$0.50/MBF
\$1.00/MBF
\$2.00/MBF

MAY 8 1990

ATTACHMENT A
Page 2 of 2

If you agree to Items 1 and 2 above, please sign and return one copy of this letter. If you have any questions, please call Lance Nimmo at 1-776-4181.

Sincerely yours,

Robert L. Todd, Acting
David A. Jones
District Manager

Approved for Weyerhaeuser Co.

By: *Sam M. Minter*
Title: *Land Use Manager*

Date: *7/29/88*

cc: Lakeview D.M.
Klamath Falls A.M.

9/13/88

ROAD COST TABLE

ATTACHMENT B1
Page 1 of 1

Costs include clearing, grubbing, excavation, culverts, blasting and final grading. These costs also include an allowance for profit and risk, engineering, and overhead. No allowance for surfacing or large culvert.

Cost/sta.	Subgrade	Clearing	DESCRIPTION		CHPs	Shoot rock	Slope
			Excavation	Ditch			
\$100.00	12'	minimum	little	no	no	no	no
\$150.00	14'	light	light	yes	scattered	no	no
\$200.00	14'	average	average	yes	500-1000'	no	30%
\$250.00	14-16'	average	high	yes	300-500'	some	up to 50%
\$300.00	16'	heavy	heavy	yes	300'	more	up to 50%

SURFACING COST

Yds/sta. includes turnouts and assumes loose measure yards. Cost/sta. includes allowance for profit and risk, engineering, and overhead. An adjustment should be made for different haul distances.

Cost/sta.	Rd. width	Depth	DESCRIPTION		
			Yd/sta.	Material	Miles to Pit
\$100.00	12'	4"	30	cinder	8
\$160.00	14'	6"	48	cinder	8
\$225.00	14'	4"	30	crushed rock	8
\$300.00	14'	6"	48	crushed rock	8

ROAD COST TABLE
M-690 Agreement

Costs include clearing, grubbing, excavation, culverts, blasting and final grading. These costs also include an allowance for profit, risk, engineering, and overhead. No allowance for surfacing of large culverts (84"+).


<u>Cost/Sta.</u>	<u>Description</u>
\$100	12' subgrade, minimum clearing, little excavation, no shoot rock or culverts. No ditch.
\$150	14' subgrade, light clearing and excavation, no shoot rock, few CMPs ditched.
\$200	14' subgrade average clearing, balanced excavation on 30% SS, no shoot rock, CMPs every 300-500', ditched.
\$250	14'-16' subgrade, average clearing up to 50% SS, normal culverts up to 36", some short rock, ditched.
\$300	16' subgrade, usually surfaced, heavier clearing or shoot rock or excavation. Some large pipes 48"+.
\$350	16'-20' subgrade, heavy poles or slash, steep to full bench construction high culvert cost in size or number, shoot rock in sections.

Surfacing Costs

Surfacing costs are dependent on the type (rock or cinders), processing needed, quantity/station, and distance to source. In general, pit run cinders and rock are half the cost of crushed surfacing.

Cost/Sta.

\$100	4" = 30 yds/station pit run cinders or pit run rock x \$3.50/yd. 12' wide.
\$140	6" = 40 yds/station x \$3.50/sta. 14' wide. Cinders
\$200	4" = Crushed rock 30 yds/sta. @ \$6.50. Average haul 3 miles.
\$260	6" = Crushed rock 40 yds/sta. @ \$6.50.
\$325	8" = Crushed rock 50 yds/sta. @ \$6.50.



STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Co. the 10th day
of March A.D., 19 95 at 2:45 o'clock P M., and duly recorded in Vol. M95
of Deeds on Page 5465

FEE \$55.00

Bernetha G. Letsch, County Clerk
By Shirley M. Letts