

2000 SEP 22 PM 3: 27

K56014  
**TIMBER DEED**Hayden Mtn. Timber Sale

U.S. TIMBERLANDS KLAMATH FALLS, L.L.C., a Delaware limited liability company ("Grantor"), for and in consideration of Ten Dollars (\$10) and other good and valuable consideration in hand paid, receipt of which is hereby acknowledged, conveys to Michigan California Lumber Company. ("Grantee"), all of the "Conveyed Timber" (as defined below) on those certain parcels of land situated in Klamath County, Oregon, described below, free of encumbrances except as set forth in Exhibit "B" attached hereto and incorporated herein:

SEE EXHIBIT "A" ATTACHED HERETO  
AND INCORPORATED HEREIN (the "Land")

As used herein, the term "Conveyed Timber" shall mean all timber now standing, growing, lying or being on the Land which, as of the date of this Deed, or through growth, during the term hereof, meets the specifications for "Covered Products" set forth in the Lump Sum Timber Sale Agreement dated September 8, 2000 between the Grantor and the Grantee ("Agreement").

Grantee shall have until September 30, 2003 (the "Termination Date") to cut and remove the Conveyed Timber. Provided however, at the election of Grantee, the Termination Date shall be extended during General Operating Seasons for the period of any delay(s) in Grantee's harvest and removal of the Conveyed Timber upon the terms and conditions set forth in Section 1.6 of the Agreement.

On the Termination Date, all right, title and interest in and to any remaining Conveyed Timber shall revert automatically to the Grantor herein, its successors and assigns, without the requirement of any action by any party hereto.

This Timber Deed has been executed and delivered, and accepted, subject to the terms and provisions of the Agreement between Grantor and Grantee, the terms and conditions of which are incorporated herein.

EXECUTED as of the 10<sup>th</sup> day of September, 2000.

GRANTOR:

U.S. TIMBERLANDS KLAMATH FALLS,  
L.L.C., a Delaware limited liability company

By: U.S. TIMBERLANDS SERVICES, L.L.C.

By: Robert A Broadhead


Name: Robert A Broadhead

Its: \_\_\_\_\_

STATE OF OREGON            )  
                                      ) ss.  
County of Klamath            )

This instrument was acknowledged before me on September 22, 2000, by Robert A. Broadhead for Martin Lugas, Vice President of Timberland Operations of U.S. Timberlands Services Company, L.L.C., the limited liability company acting as Manager of U.S. Timberlands Klamath Falls, L.L.C., a/an Delaware limited liability company.



  
NOTARY PUBLIC FOR OREGON  
My Commission Expires: May 6, 2004

Upon recording return to:

Bill Turner  
Michigan-California Lumber Company  
P. O. Box 766  
Yreka, CA 96099

## EXHIBIT "A"

## HAYDEN MTN. TIMBER DEED SALE

Portions of the following:	SW $\frac{1}{4}$ SW $\frac{1}{4}$	Section 31, T39S, R6E
	SE $\frac{1}{4}$ SW $\frac{1}{4}$	" "
	SW $\frac{1}{4}$ SE $\frac{1}{4}$	" "
	SE $\frac{1}{4}$ SE $\frac{1}{4}$	" "
	SW $\frac{1}{4}$ SW $\frac{1}{4}$	Section 32, T39S, R6E
	SE $\frac{1}{4}$ SW $\frac{1}{4}$	" "
	SE $\frac{1}{4}$ NE $\frac{1}{4}$	Section 1, T40S, R5E
	SW $\frac{1}{4}$ SW $\frac{1}{4}$	Section 2, T40S, R6E
	NE $\frac{1}{4}$ SW $\frac{1}{4}$	Section 3, T40S, R6E
	NW $\frac{1}{4}$ SW $\frac{1}{4}$	" "
	SW $\frac{1}{4}$ SW $\frac{1}{4}$	" "
	SE $\frac{1}{4}$ SW $\frac{1}{4}$	" "
	NW $\frac{1}{4}$ SE $\frac{1}{4}$	" "
	SW $\frac{1}{4}$ SE $\frac{1}{4}$	" "
	SE $\frac{1}{4}$ SE $\frac{1}{4}$	" "
	NW $\frac{1}{4}$ NW $\frac{1}{4}$	Section 5, T40S, R6E
	NE $\frac{1}{4}$ NE $\frac{1}{4}$	Section 6, T40S, R6E
	NW $\frac{1}{4}$ NE $\frac{1}{4}$	" "
	SW $\frac{1}{4}$ NE $\frac{1}{4}$	" "
	SE $\frac{1}{4}$ NE $\frac{1}{4}$	" "
	NE $\frac{1}{4}$ NW $\frac{1}{4}$	" "
	NW $\frac{1}{4}$ NW $\frac{1}{4}$	" "
	SW $\frac{1}{4}$ NW $\frac{1}{4}$	" "
	SE $\frac{1}{4}$ NW $\frac{1}{4}$	" "
	NE $\frac{1}{4}$ SW $\frac{1}{4}$	" "
	NW $\frac{1}{4}$ SW $\frac{1}{4}$	" "
	NE $\frac{1}{4}$ SE $\frac{1}{4}$	" "
	NW $\frac{1}{4}$ SE $\frac{1}{4}$	" "
	NE $\frac{1}{4}$ NE $\frac{1}{4}$	Section 10, T40S, R6E
	NW $\frac{1}{4}$ NE $\frac{1}{4}$	" "
	SW $\frac{1}{4}$ NE $\frac{1}{4}$	" "
	SE $\frac{1}{4}$ NE $\frac{1}{4}$	" "
	NE $\frac{1}{4}$ NW $\frac{1}{4}$	" "
	SE $\frac{1}{4}$ NW $\frac{1}{4}$	" "
	NE $\frac{1}{4}$ SW $\frac{1}{4}$	" "
	SE $\frac{1}{4}$ SW $\frac{1}{4}$	" "
	NE $\frac{1}{4}$ SE $\frac{1}{4}$	" "
	NW $\frac{1}{4}$ SE $\frac{1}{4}$	" "
	SW $\frac{1}{4}$ SE $\frac{1}{4}$	" "
	SE $\frac{1}{4}$ SE $\frac{1}{4}$	" "
	NE $\frac{1}{4}$ NW $\frac{1}{4}$	Section 14, T40S, R6E
	NW $\frac{1}{4}$ NW $\frac{1}{4}$	" "
	SW $\frac{1}{4}$ NW $\frac{1}{4}$	" "
	SE $\frac{1}{4}$ NW $\frac{1}{4}$	" "
	NE $\frac{1}{4}$ SW $\frac{1}{4}$	" "
	NW $\frac{1}{4}$ SW $\frac{1}{4}$	" "
	SW $\frac{1}{4}$ SW $\frac{1}{4}$	" "
	SE $\frac{1}{4}$ SW $\frac{1}{4}$	" "

Portions of the following:	NE 1/4 NE 1/4	Section 15, T40S, R6E
	NW 1/4 NE 1/4	" "
	SW 1/4 NE 1/4	" "
	SE 1/4 NE 1/4	" "
	NW 1/4 SW 1/4	" "
	SW 1/4 SW 1/4	" "
	NE 1/4 SE 1/4	" "
	SE 1/4 SE 1/4	" "
	NW 1/4 NE 1/4	Section 16, T40S, R6E
	SW 1/4 NE 1/4	" "
	SE 1/4 NE 1/4	" "
	NE 1/4 SE 1/4	" "
	NW 1/4 SE 1/4	" "
	SE 1/4 SE 1/4	" "
	NW 1/4 NW 1/4	Section 17, T40S, R6E
	SW 1/4 NW 1/4	" "
	NE 1/4 NE 1/4	Section 18, T40S, R6E
	SE 1/4 NE 1/4	" "
	NE 1/4 NE 1/4	Section 28, T40S, R6E
	NW 1/4 NE 1/4	" "
	SW 1/4 NE 1/4	" "
	SE 1/4 NE 1/4	" "
	NE 1/4 SW 1/4	" "
	SE 1/4 SW 1/4	" "
	NE 1/4 SE 1/4	" "
	NW 1/4 SE 1/4	" "
	SW 1/4 SE 1/4	" "
	SE 1/4 SE 1/4	" "
	NE 1/4 NE 1/4	Section 33, T40S, R6E
	NW 1/4 NE 1/4	" "
	NE 1/4 NW 1/4	" "

**EXHIBIT B**  
**TO**  
**TIMBER DEED**

**Exceptions to Title**

**None**

**State of Oregon, County of Klamath**  
Recorded 09/22/00, at 3:27<sup>p</sup> m.  
In Vol. M00 Page 34860  
**Linda Smith,**  
County Clerk Fee\$ 41.<sup>00</sup>