

01 DEC 5 10:56

After recording return to:

Gary Johnson
Fremont Sawmill
P.O. Box 1340
Lakeview, OR 97630

State of Oregon, County of Klamath

Recorded 12/05/01 10:56 a m.Vol M01, Pg 62035-41

Linda Smith, County Clerk

Fee \$ 51.00 # of Pgs 7

Until a change is requested, all Severance and
Harvest tax statements shall be sent to Grantee at
the following address:

Fremont Sawmill
P. O. Box 1340
Lakeview, OR 97630

oc GRANTOR: U.S. TIMBERLANDS YAKIMA,
L.L.C.
GRANTEE: Fremont Sawmill

Yainax Timber Sale**STATUTORY WARRANTY TIMBER DEED**

U.S. TIMBERLANDS YAKIMA, a Delaware limited liability company ("Grantor") conveys and warrants to Fremont Sawmill. ("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")

The true consideration for this conveyance is the sum of \$ 10.00

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 ("Agreement"), which is defined below.

Grantee shall have until October 31, 2004 (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. If any such extension shall apply, Grantee shall use its best efforts to complete its full performance hereunder as soon as possible thereafter.

On the Termination Date, all right, title and interest in and to any remaining Conveyed Timber shall revert automatically to the Grantor herein, it 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, dated November 23, 2001 between Grantor and Grantee, the terms and conditions of which are incorporated herein.

THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES.

Executed as of the 23rd day of November, 2001.

GRANTOR:

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

By: _____

Name: _____

Its: _____

[Signature]
Martin L. Lugo
U.S. Timberlands Operations

STATE OF OREGON)
) ss.
COUNTY OF KLAMATH_)

The foregoing instrument was acknowledged before me this 23rd day of November 2001,
by Martin Lugas as General Manager of U.S. Timberlands Yakima, L.L.C., a Delaware limited
liability company.



Catherine Gray

Notary Public for Oregon
My commission expires: May 6, 2004

EXHIBIT A

LEGAL DESCRIPTION

Setting 52500

| | | |
|--|------------|------------|
| Portion of Govt. Lot 1 | Section 11 | T37S, R13E |
| All of Govt. Lots 2, 3, 4 & 5 | " " | " " |
| Portion of Govt. Lot 6 | " " | " " |
| All of SW $\frac{1}{4}$ SE $\frac{1}{4}$ | " " | " " |
| Portion of SE $\frac{1}{4}$ SE $\frac{1}{4}$ | " " | " " |
| Portion of NE $\frac{1}{4}$ SE $\frac{1}{4}$ | " " | " " |
| Portion of SE $\frac{1}{4}$ NE $\frac{1}{4}$ | " " | " " |

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| All of NE $\frac{1}{4}$ NE $\frac{1}{4}$ | Section 14 | T37S, R13E |
| All of NW $\frac{1}{4}$ NE $\frac{1}{4}$ | " " | " " |
| Portion of NE $\frac{1}{4}$ NW $\frac{1}{4}$ | " " | " " |
| Portion of SE $\frac{1}{4}$ NW $\frac{1}{4}$ | " " | " " |
| Portion SW $\frac{1}{4}$ NE $\frac{1}{4}$ | " " | " " |

Setting 52501

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|--|------------|------------|
| Portion of NW $\frac{1}{4}$ SW $\frac{1}{4}$ | Section 13 | T37S, R13E |
| Portion of SW $\frac{1}{4}$ SW $\frac{1}{4}$ | " " | " " |
| Portion of SE $\frac{1}{4}$ SW $\frac{1}{4}$ | " " | " " |

| | | |
|--|------------|------------|
| Portion of SE $\frac{1}{4}$ NW $\frac{1}{4}$ | Section 14 | T37S, R13E |
| Portion of SW $\frac{1}{4}$ NE $\frac{1}{4}$ | " " | " " |
| Portion of NE $\frac{1}{4}$ SW $\frac{1}{4}$ | " " | " " |
| Portion of SE $\frac{1}{4}$ SW $\frac{1}{4}$ | " " | " " |
| Portion of NE $\frac{1}{4}$ SE $\frac{1}{4}$ | " " | " " |
| Portion of NW $\frac{1}{4}$ SE $\frac{1}{4}$ | " " | " " |
| All of SW $\frac{1}{4}$ SE $\frac{1}{4}$ | " " | " " |
| All of SE $\frac{1}{4}$ SE $\frac{1}{4}$ | " " | " " |

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|--|------------|------------|
| All of NE $\frac{1}{4}$ NE $\frac{1}{4}$ | Section 23 | T37S, R13E |
| All of NW $\frac{1}{4}$ NE $\frac{1}{4}$ | " " | " " |
| Portion of NE $\frac{1}{4}$ NW $\frac{1}{4}$ | " " | " " |
| All of SE $\frac{1}{4}$ NW $\frac{1}{4}$ | " " | " " |

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| Portion of NE $\frac{1}{4}$ NW $\frac{1}{4}$ | Section 24 | T37S, R13E |
| Portion of NW $\frac{1}{4}$ NW $\frac{1}{4}$ | " " | " " |
| Portion of SW $\frac{1}{4}$ NW $\frac{1}{4}$ | " " | " " |
| Portion of SE $\frac{1}{4}$ NW $\frac{1}{4}$ | " " | " " |

Setting 52502

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|--|------------|------------|
| Portion of SW $\frac{1}{4}$ NW $\frac{1}{4}$ | Section 17 | T37S, R14E |
| Portion of NW $\frac{1}{4}$ SW $\frac{1}{4}$ | " " | " " |
| Portion of SW $\frac{1}{4}$ SW $\frac{1}{4}$ | " " | " " |
| Portion of SE $\frac{1}{4}$ NE $\frac{1}{4}$ | Section 18 | T37S, R14E |
| Portion of NE $\frac{1}{4}$ SW $\frac{1}{4}$ | " " | " " |
| Portion of Govt. Lot 3 | " " | " " |
| Portion of Govt. Lot 4 | " " | " " |
| Portion of SE $\frac{1}{4}$ SW $\frac{1}{4}$ | " " | " " |
| All of NE $\frac{1}{4}$ SE $\frac{1}{4}$ | " " | " " |
| Portion of NW $\frac{1}{4}$ SE $\frac{1}{4}$ | " " | " " |
| Portion of SE $\frac{1}{4}$ SE $\frac{1}{4}$ | " " | " " |
| Portion of NE $\frac{1}{4}$ NE $\frac{1}{4}$ | Section 19 | T37S, R14E |
| Portion of NW $\frac{1}{4}$ NE $\frac{1}{4}$ | " " | " " |
| Portion of SW $\frac{1}{4}$ NE $\frac{1}{4}$ | " " | " " |
| Portion of SE $\frac{1}{4}$ NE $\frac{1}{4}$ | " " | " " |
| Portion of NE $\frac{1}{4}$ NW $\frac{1}{4}$ | " " | " " |
| Portion of SE $\frac{1}{4}$ NW $\frac{1}{4}$ | " " | " " |

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| Portion of NW $\frac{1}{4}$ NW $\frac{1}{4}$ | Section 20 | T37S, R14E |
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Setting 52503

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|--|------------|------------|
| Portion of NE $\frac{1}{4}$ SE $\frac{1}{4}$ | Section 13 | T37S, R13E |
| Portion of NW $\frac{1}{4}$ SE $\frac{1}{4}$ | " " | " " |
| Portion of SW $\frac{1}{4}$ SE $\frac{1}{4}$ | " " | " " |
| All of SE $\frac{1}{4}$ SE $\frac{1}{4}$ | " " | " " |
| Portion of NE $\frac{1}{4}$ NE $\frac{1}{4}$ | Section 24 | T37S, R13E |
| Portion of SE $\frac{1}{4}$ NE $\frac{1}{4}$ | " " | " " |
| Portion of NE $\frac{1}{4}$ SE $\frac{1}{4}$ | " " | " " |
| Portion of Govt. Lot 3 | Section 18 | T37S, R14E |
| Portion of Govt. Lot 4 | " " | " " |
| Portion of SE $\frac{1}{4}$ SW $\frac{1}{4}$ | " " | " " |
| Portion of NE $\frac{1}{4}$ NW $\frac{1}{4}$ | Section 19 | T37S, R14E |
| All of Govt. Lot 1 | " " | " " |
| All of Govt. Lot 2 | " " | " " |
| Portion of Govt. Lot 3 | " " | " " |
| Portion of SE $\frac{1}{4}$ NW $\frac{1}{4}$ | " " | " " |
| Portion of NE $\frac{1}{4}$ SW $\frac{1}{4}$ | " " | " " |

Setting 52504

| | | |
|--|------------|------------|
| Portion of SE $\frac{1}{4}$ SE $\frac{1}{4}$ | Section 12 | T37S, R13E |
| Portion of NE $\frac{1}{4}$ NE $\frac{1}{4}$ | Section 13 | T37S, R13E |
| Portion of NW $\frac{1}{4}$ NE $\frac{1}{4}$ | " " | " " |
| Portion of SW $\frac{1}{4}$ NE $\frac{1}{4}$ | " " | " " |
| Portion of SE $\frac{1}{4}$ NE $\frac{1}{4}$ | " " | " " |
| Portion of NE $\frac{1}{4}$ NW $\frac{1}{4}$ | " " | " " |
| Portion of SW $\frac{1}{4}$ NW $\frac{1}{4}$ | " " | " " |
| All of SE $\frac{1}{4}$ SW $\frac{1}{4}$ | " " | " " |
| Portion of NE $\frac{1}{4}$ SW $\frac{1}{4}$ | " " | " " |
| Portion of NW $\frac{1}{4}$ SW $\frac{1}{4}$ | " " | " " |
| Portion of NE $\frac{1}{4}$ SE $\frac{1}{4}$ | " " | " " |
| Portion of NW $\frac{1}{4}$ SE $\frac{1}{4}$ | " " | " " |
| Portion of SW $\frac{1}{4}$ SE $\frac{1}{4}$ | " " | " " |
| Portion of Govt. Lot 4 | Section 7 | T37S, R14E |
| Portion of Govt. Lot 1 | Section 18 | T37S, R14E |
| Portion of Govt. Lot 2 | " " | " " |
| Portion of Govt. Lot 3 | " " | " " |

Setting 52505

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|---|------------|------------|
| Portion of NE $\frac{1}{4}$ SW $\frac{1}{4}$ | Section 7 | T37S, R14E |
| Portion of Govt. Lot 4 | " " | " " |
| Portion of SE $\frac{1}{4}$ SW $\frac{1}{4}$ | " " | " " |
| Portion of NE $\frac{1}{4}$ SE $\frac{1}{4}$ | " " | " " |
| Portion of NW $\frac{1}{4}$ SE $\frac{1}{4}$ | " " | " " |
| All of SW $\frac{1}{4}$ SE $\frac{1}{4}$ | " " | " " |
| Portions of SE $\frac{1}{4}$ SE $\frac{1}{4}$ | " " | " " |
| Portion of SW $\frac{1}{4}$ SW $\frac{1}{4}$ | Section 8 | T37S, R14E |
| All of NW $\frac{1}{4}$ NE $\frac{1}{4}$ | Section 18 | T37S, R14E |
| Portion of SW $\frac{1}{4}$ NE $\frac{1}{4}$ | " " | " " |
| Portion of SE $\frac{1}{4}$ NE $\frac{1}{4}$ | " " | " " |
| All of NE $\frac{1}{4}$ NW $\frac{1}{4}$ | " " | " " |
| Portion of Govt. Lot 1 | " " | " " |
| Portion of Govt. Lot 2 | " " | " " |
| All of SE $\frac{1}{4}$ NW $\frac{1}{4}$ | " " | " " |
| Portion of Govt. Lot 3 | " " | " " |
| Portion of NE $\frac{1}{4}$ SW $\frac{1}{4}$ | " " | " " |
| Portion of NW $\frac{1}{4}$ SE $\frac{1}{4}$ | " " | " " |
| Portion of NE $\frac{1}{4}$ SE $\frac{1}{4}$ | " " | " " |

62041

Setting 52505 (cont'd)

Portion of NE $\frac{1}{4}$ NW $\frac{1}{4}$
All of NW $\frac{1}{4}$ NW $\frac{1}{4}$
Portion of SW $\frac{1}{4}$ NW $\frac{1}{4}$
Portion of SE $\frac{1}{4}$ NW $\frac{1}{4}$

Section 19

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T37S, R14E

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