

Cathy Gray
c/o U.S. Timberlands Klamath Falls, L.L.C.
P.O. Box 10 6400 Hwy. 66
Klamath Falls, OR 97601

State of Oregon, County of Klamath
Recorded 07/23/2002 8:46 a m.
Vol M02, Pg 41410 - 41420
Linda Smith, County Clerk
Fee \$ 71.00 # of Pgs 11

**Until a change is requested, all
severance and harvest tax state-
ments shall be sent to Grantee
at the following address:**

U.S. Timberlands Klamath Falls, LLC
6400 Highway 66
Klamath Falls, OR 97601

**TIMBER DEED
(2002 Antelope Timber Sale)**

U.S. TIMBERLANDS SERVICES YAKIMA, 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 U.S. TIMBERLANDS KLAMATH FALLS, LLC, a Delaware limited liability company ("Grantee"), all of the "Conveyed Timber" (as defined below) located on the land situated in Klamath County, Oregon, described on Exhibit A (the "Land") and more specifically, within the areas depicted on the maps marked Exhibit B. Exhibits A and B are attached hereto and incorporated herein.

The true and actual cash consideration for this conveyance is: \$10.00.

As used herein, the term "Conveyed Timber" shall mean all timber now standing, growing, lying or being on the Land within the areas depicted on Exhibit B 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 April 30, 2002 between Grantor and Grantee.

Grantee shall have until May 1, 2005 (the "Termination Date") to cut and remove the Conveyed Timber. 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 notice, deed or any other action by any party hereto. Provided however, in the event Grantee's harvest or removal of the Covered Products is delayed or prevented due to causes beyond Grantee's reasonable control, the Termination Date may be extended on the terms and conditions set forth in Section 1.6 of the Agreement.

To the extent necessary, Grantee may use the road system on the Land and construct and improve the same for the purposes referenced above, provided that Grantee shall maintain the roads in serviceable, usable condition. Grantee shall abide by all laws applicable to its activities on the Land, except, however, Grantor shall satisfy any reforestation obligations and pay all timber taxes that arise by virtue of the cutting and removal of Conveyed Timber from the Land.

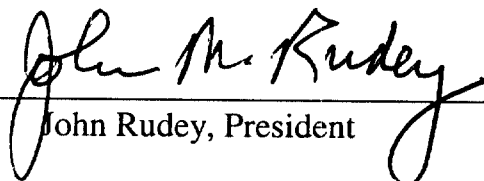
THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES AND TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930.

Dated this 12th day of July, 2002.

GRANTOR:

U.S. TIMBERLANDS SERVICES
YAKIMA, L.L.C.

By


John Rudey, President

STATE OF NEW YORK)
 NEW YORK) ss.
 COUNTY OF ~~WESCHESTER~~)

On the 15th day of July, 2002, before me personally came John Rudey, to me known, who, being by me duly sworn, did depose and say that he resides at 625 Madison Ave, Suite 10-B New York, NY 10022; that he is the Authorized Representative of U.S. TIMBERLANDS SERVICES YAKIMA, L.L.C., the limited liability company that executed the foregoing instrument as President of U.S. TIMBERLANDS SERVICES YAKIMA, L.L.C., the grantor therein; and that he signed his name thereto by authority of the board of directors of said limited liability company, as President.

JOEL MAXMAN
 Notary Public, State of New York
 No. 02MA5022639
 Qualified in New York County
 Commission Expires January 18, 2006



 Notary Public

(Seal)

EXHIBIT A**Klamath County**

**STANDING TIMBER ON THE FOLLOWING DESCRIBED PROPERTY IS
LOCATED IN KLAMATH COUNTY, OREGON,**

TOWNSHIP 29 SOUTH, RANGE 10 EAST, W.M.:

**SECTION 1: GOVERNMENT LOTS 1 AND 2; SOUTH HALF OF THE
 NORTHEAST QUARTER**

TOWNSHIP 28 SOUTH, RANGE 11 EAST, W.M.:

**SECTION 7: EAST HALF OF THE NORTHEAST QUARTER; SOUTHWEST
 QUARTER OF THE NORTHEAST QUARTER; SOUTHEAST
 QUARTER; EAST HALF OF THE SOUTHWEST QUARTER;
 SOUTHEAST QUARTER OF THE NORTHWEST QUARTER**

**SECTION 8: SOUTHWEST QUARTER; SOUTHWEST QUARTER OF THE
 NORTHWEST QUARTER**

**SECTION 17: NORTH HALF OF THE SOUTHWEST QUARTER; NORTHWEST
 QUARTER**

**SECTION 18: NORTHEAST QUARTER; NORTHEAST QUARTER OF THE
 SOUTHEAST QUARTER; EAST HALF OF THE NORTHWEST
 QUARTER**

**SECTION 19: GOVERNMENT LOTS 3 AND 4; EAST HALF OF THE
 SOUTHWEST QUARTER**

**SECTION 30: GOVERNMENTS LOTS 1, 2, 3 AND 4; EAST HALF OF THE
 WEST HALF; SOUTHWEST QUARTER OF THE SOUTHEAST
 QUARTER**

**SECTION 31: GOVERNMENTS LOTS 1, 2 AND 4; SOUTHEAST QUARTER OF
 THE NORTHEAST QUARTER; NORTHEAST QUARTER OF THE
 SOUTHEAST QUARTER; SOUTHWEST QUARTER OF THE
 SOUTHEAST QUARTER; SOUTHEAST QUARTER OF THE
 SOUTHWEST QUARTER; EAST HALF OF THE NORTHWEST
 QUARTER**

(continued)

TOWNSHIP 28 SOUTH, RANGE 11 EAST, W.M.:

SECTION 32: NORTHWEST QUARTER OF THE SOUTHEAST QUARTER;
 NORTHEAST QUARTER OF THE SOUTHWEST QUARTER;
 WEST HALF OF THE SOUTHWEST QUARTER

SECTION 36: EAST HALF OF THE EAST HALF

TOWNSHIP 29 SOUTH, RANGE 11 EAST, W.M.:

SECTION 1: GOVERNMENT LOT 1; SOUTHEAST QUARTER OF THE
 NORTHEAST QUARTER; EAST HALF OF THE SOUTHEAST
 QUARTER

SECTION 6: GOVERNMENTS LOTS 3, 4 AND 5

State : Oregon
County : Klamath
Tract : North District
Operator: _____
Start Date: _____
Written Plan Req'd: NO
Laid Out By: BH _____ Date Laid Out: 02/02

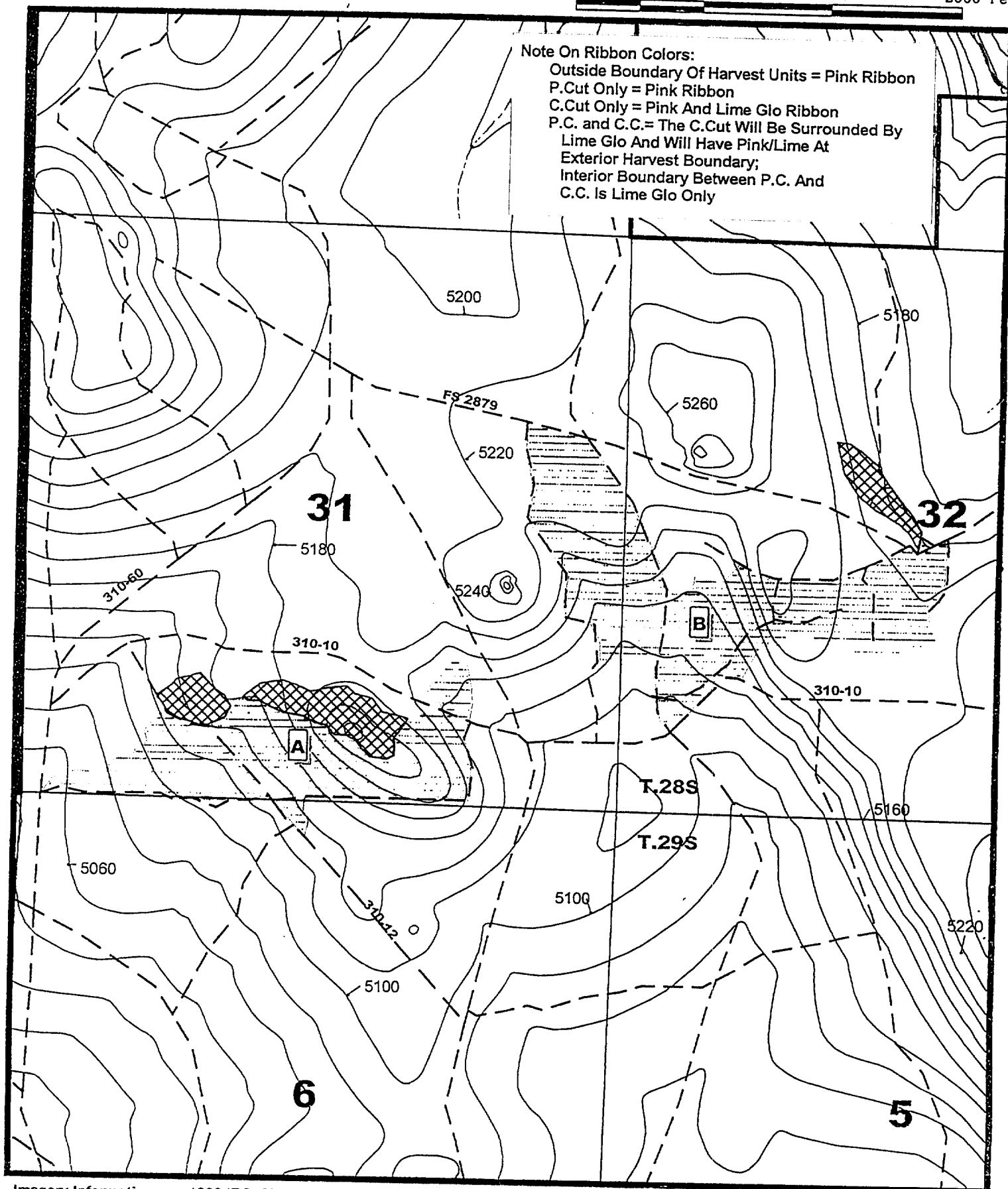
Plan # 7606
Project : 2002 Harvest Units
Setting Number : _____

30910
W  E
S
41415

Owner : U.S. Timberlands
Township : 28S; 29S
Range : 11E;
Section : 31,32; 6
Map Scale 1:14000
Date : 3/8/2002 Diane

1000 0 1000 2000 Feet

Note On Ribbon Colors:
Outside Boundary Of Harvest Units = Pink Ribbon
P.Cut Only = Pink Ribbon
C.Cut Only = Pink And Lime Glo Ribbon
P.C. and C.C.= The C.Cut Will Be Surrounded By
Lime Glo And Will Have Pink/Lime At
Exterior Harvest Boundary;
Interior Boundary Between P.C. And
C.C. Is Lime Glo Only



Imagery Information : 1999 IRS; Photo 99-86-3 & 99-89-4

Unit #	Acres	Harvest Prescription
"A"	58 ac.	C.Cut-- Cut all species to minimum merch specs.; PROTECT all sub-Rx trees
"B"	91 ac	C.Cut-- Cut all species to minimum merch specs.; PROTECT all sub-Rx trees

Total: 149 ac.

FPA Requirements: Two Up: Within WHA for units "A,B"
Two Down: Two per acre req'd for units "A,B"
Other: Protect All Sub Rx Trees

Nroads.shp
Dirt Rds
Improved Rds
Paved Rds.
Property Line Nowner1.shp
Rr1.shp
SECTION LINES Nedt_pls.shp
Digitized Streams Nstream3
20' USGS Contours Ncontour
H7606e
Clearcut
WHA'S-- Blue Ribbon

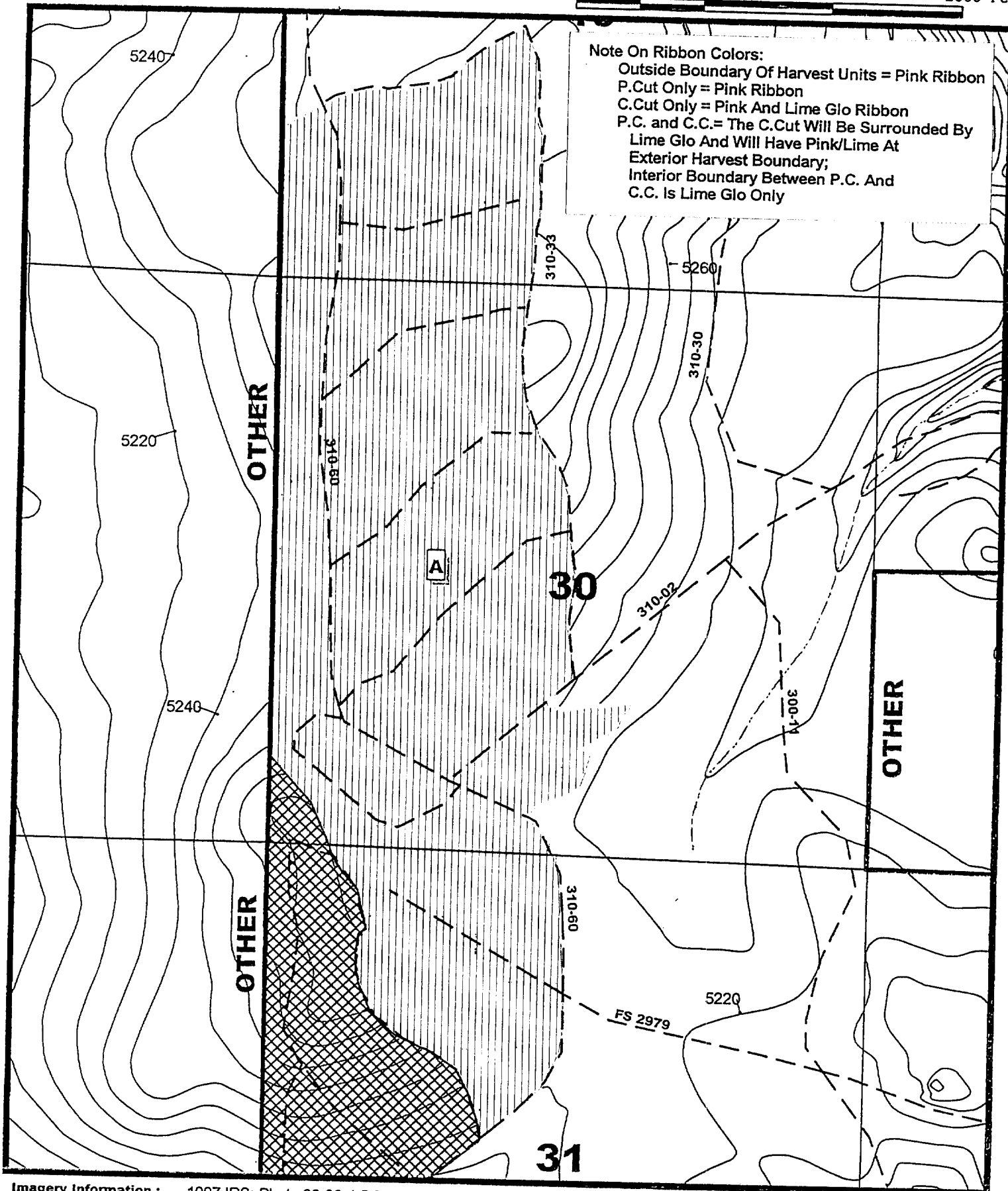
State : Oregon
County : Klamath
Tract : North District
Operator: _____
Start Date: _____
Written Plan Req'd: NO
Laid Out By: BH _____ Date Laid Out: 02/03 _____

Plan # 7618
Project : 2002 Harvest Units
Setting Number : _____

30911
W  E
S
41416

Owner : U.S. Timberland
Township : 28S
Range : 11E;
Section : 19, 30, 31
Map Scale 1:14000
Date : 3/07/2003 Diane

1000 0 1000 2000 Feet



Imagery Information : 1997 IRS; Photo 99-86-4,5,6

Unit # Acres Harvest Prescription

"A" 498 ac. P.Cut-- Overstory Removal-- Minimum Merch All Species

UNIT B

Total: 498 ac.

FPA Requirements: Two Up: Within WHA for units "A"
Two Down: Two per acre req'd for units "A"
Other: Protect All Sub Rx Trees

Nroads.shp
Dirt Rds
Improved Rds
Paved Rds.
Property Line Nowner1.shp
Rr1.shp
SECTION LINES Nedt_pls.shp
H7618e
Partial Cut
WHA'S-- Blue Ribbon
Digitized Streams Nstream3
20' USGS Contours Ncontour

State : Oregon
 County : Klamath
 Tract : North District
 Operator: _____
 Start Date: _____
 Written Plan Req'd: NO
 Laid Out By: BH _____ Date Laid Out: 02/02

Plan # 7619
 Project : 2002 Harvest Units
 Setting Number : _____

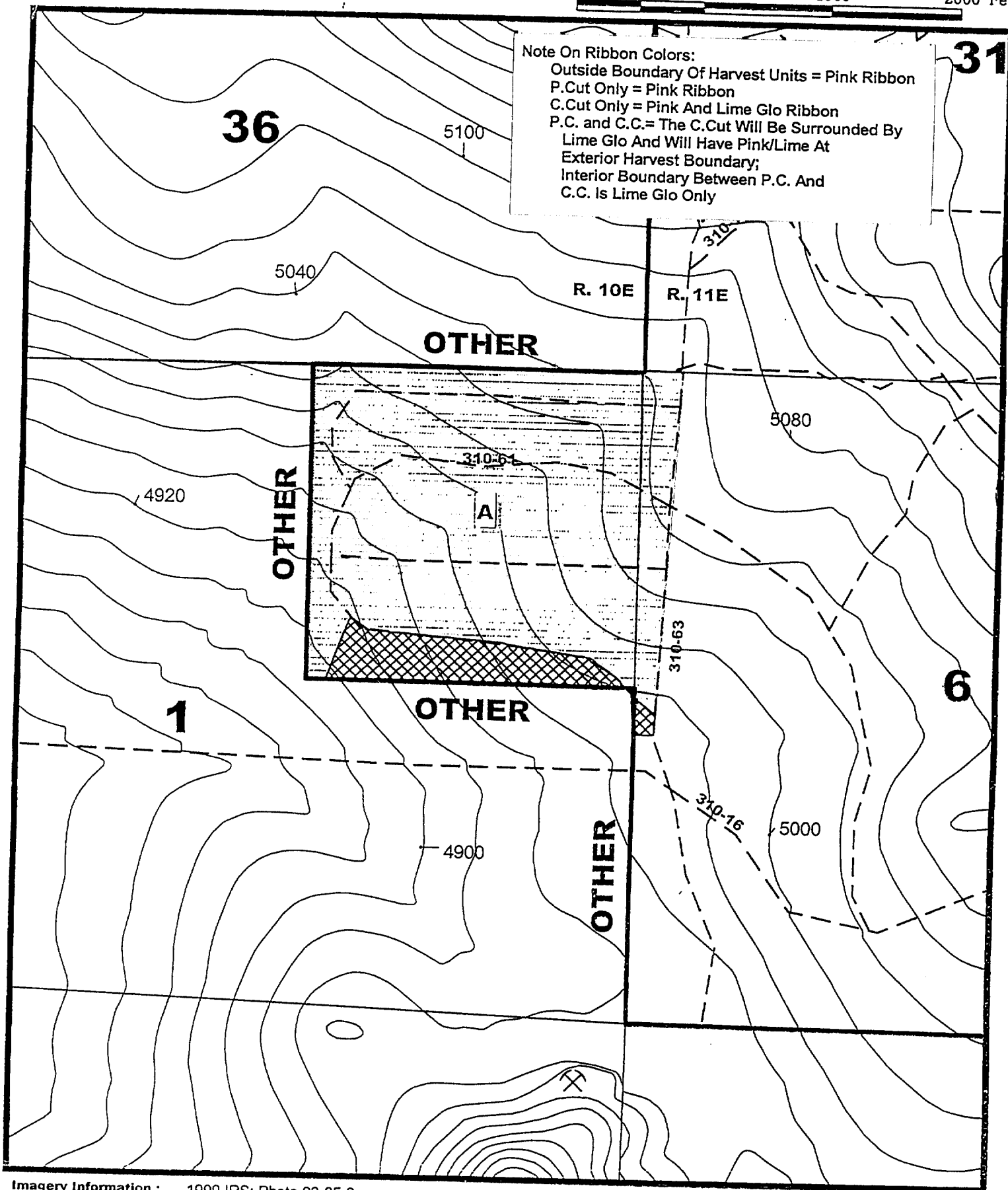
30912
 41417



Owner : U.S. Timberlands
 Township : 29S
 Range : 10E; 11E
 Section : 1; 6
 Map Scale 1:12000
 Date : 3/8/2002 Diane

1000 0 1000 2000 Feet

Note On Ribbon Colors:
 Outside Boundary Of Harvest Units = Pink Ribbon
 P.Cut Only = Pink Ribbon
 C.Cut Only = Pink And Lime Glo Ribbon
 P.C. and C.C.= The C.Cut Will Be Surrounded By
 Lime Glo And Will Have Pink/Lime At
 Exterior Harvest Boundary;
 Interior Boundary Between P.C. And
 C.C. Is Lime Glo Only



Imagery Information : 1999 IRS; Photo 99-85-2

Unit # Acres Harvest Prescription

"A" 149 ac. P.Cut-- Overstory Removal-- Minimum Merch All Species

EXHIBIT B

Total: 149 ac.

FPA Requirements: Two Up: Within WHA for units "A"
 Two Down: Two per acre req'd for units "A"
 Other: Protect All Sub Rx Trees

- Property Line Nowner1.shp
- Roads.shp
- Dirt Rds
- Improved Rds
- Paved Rds.
- Rr11.shp
- SECTION LINES Nedt_pls.shp
- Digitized Streams Nstream3
- 20' USGS Contours Ncontour
- H7619e
- Clearcut
- WHA'S-- Blue Ribbon

State : Oregon
County : Klamath
Tract : North District
Operator: _____
Start Date: _____
Written Plan Req'd: NO
Laid Out By: BH _____ Date Laid Out: 02/02

Plan # 7623
Project : 2002 Harvest Units
Setting Number : _____

30913

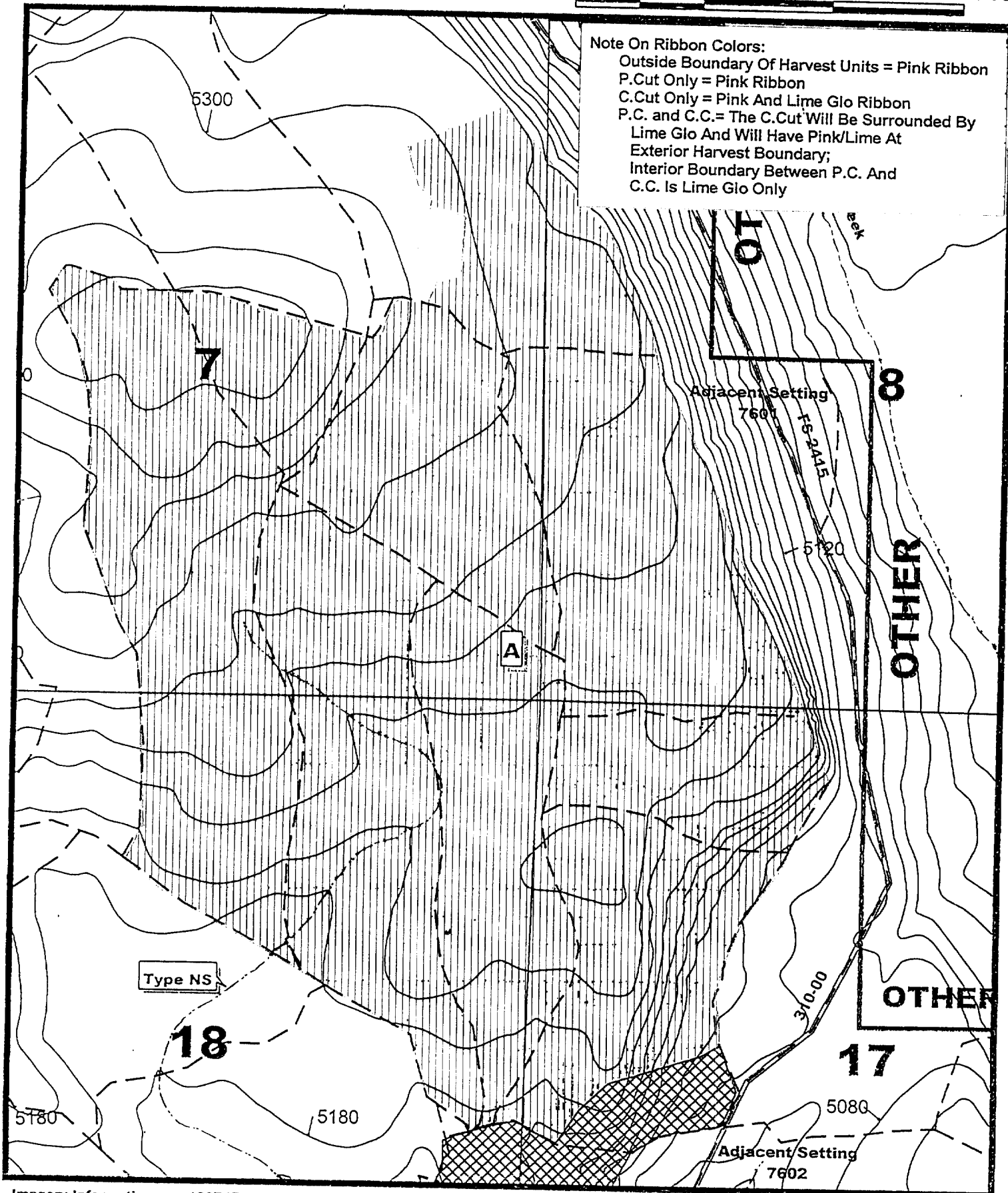


41418

Owner : U.S. Timberlands
Township : 28S
Range : 11E
Section : 7, 8, 17, 18
Map Scale 1:12000
Date : 3/06/2002 Diane

1000 0 1000 2000 Feet

Note On Ribbon Colors:
Outside Boundary Of Harvest Units = Pink Ribbon
P.Cut Only = Pink Ribbon
C.Cut Only = Pink And Lime Glo Ribbon
P.C. and C.C. = The C.Cut Will Be Surrounded By
Lime Glo And Will Have Pink/Lime At
Exterior Harvest Boundary;
Interior Boundary Between P.C. And
C.C. Is Lime Glo Only



Imagery Information : 1997 IRS; Photo 99-86-10,11;99-89-9

Unit # Acres Harvest Prescription

"A" 685 ac. P.Cut-- Overstory Removal-- Minimum Merch All Species



Total: 685 ac.

FPA Requirements: Two Up: Within WHA for units "A"
Two Down: Two per acre req'd for units "A"
Other: Protect All Sub Rx Trees

Nroads.shp
Dirt Rds
Improved Rds
Paved Rds.
Property Line Nowner1.shp
SECTION LINES Nedt_pls.shp
Digitized Streams Nstream3
20' USGS Contours Ncontour
H7623e
Partial Cut
WHA'S-- Blue Ribbon

County : Klamath
Tract : North District

Operator: _____

Start Date: _____

Written Plan Req'd: Yes

Laid Out By: BH _____ Date Laid Out: 01/02

Project : 2002 Harvest Units

Setting Number : _____



Township : 28S;

Range : 11E;

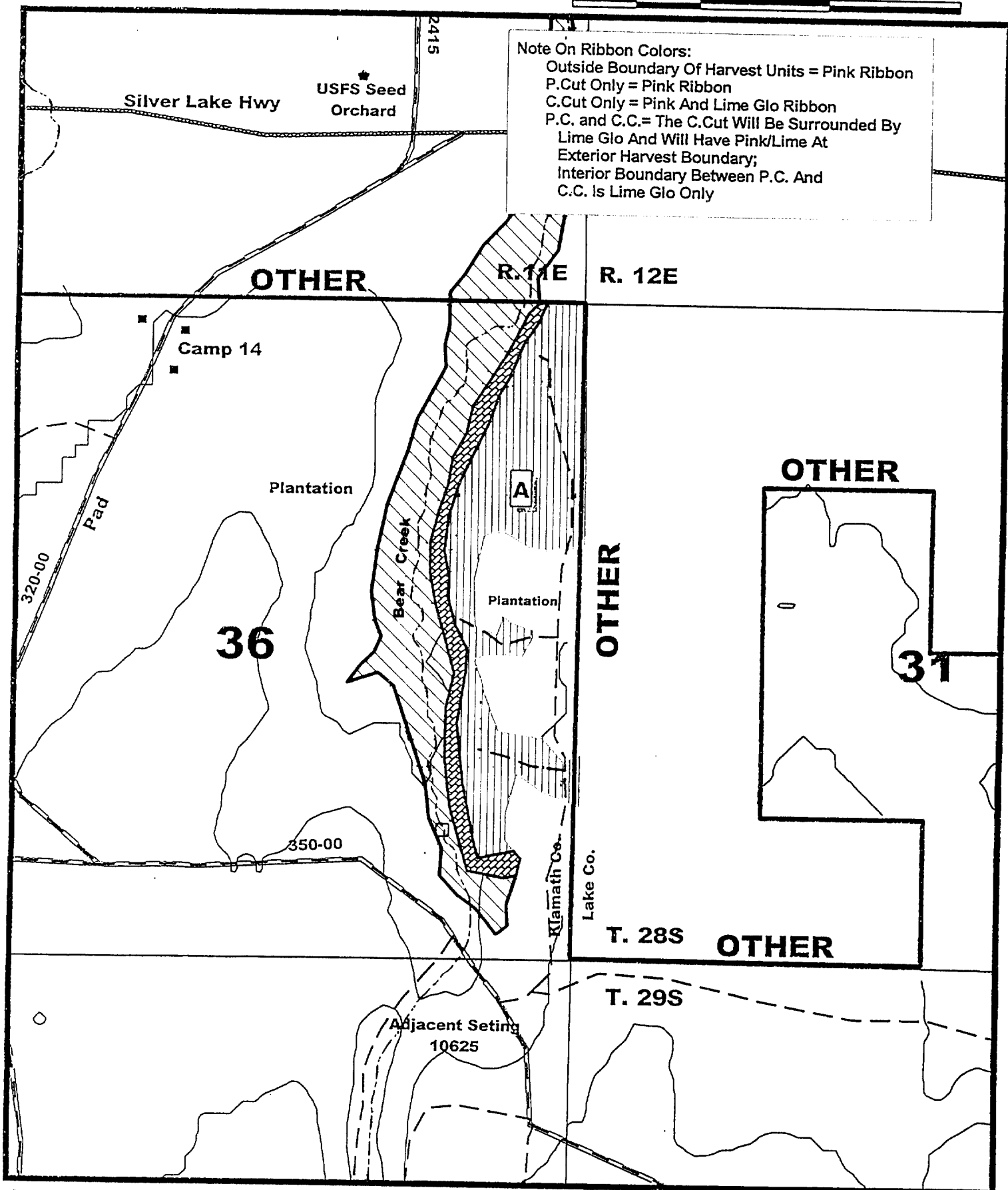
Section : 36

Map Scale 1:12000

Date : 2/19/2002 Diane

41419

1000 0 1000 2000 Feet



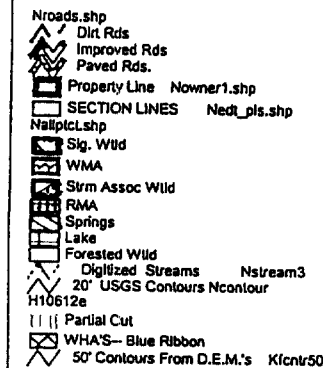
Imagery Information : 1997 IRS; Photo 99-98-4

Unit # Acres Harvest Prescription

"A" 53 ac. P.Cut- Overstory Removal- Minimum Merch All Species

Total: 53 ac.

FPA Requirements: Two Up: Within WHA for units "A"
Two Down: Two per acre req'd for units "A"
Other: Protect All Sub Rx Trees

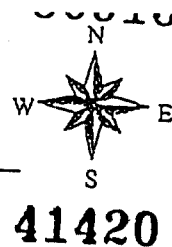


County : Klamath / Lake
Tract : North District
Operator: _____
Start Date: _____
Written Plan Req'd: NO
Laid Out By: BH _____ Date Laid Out: 02/02

Plan # 10625

Project : 2002 Harvest Units

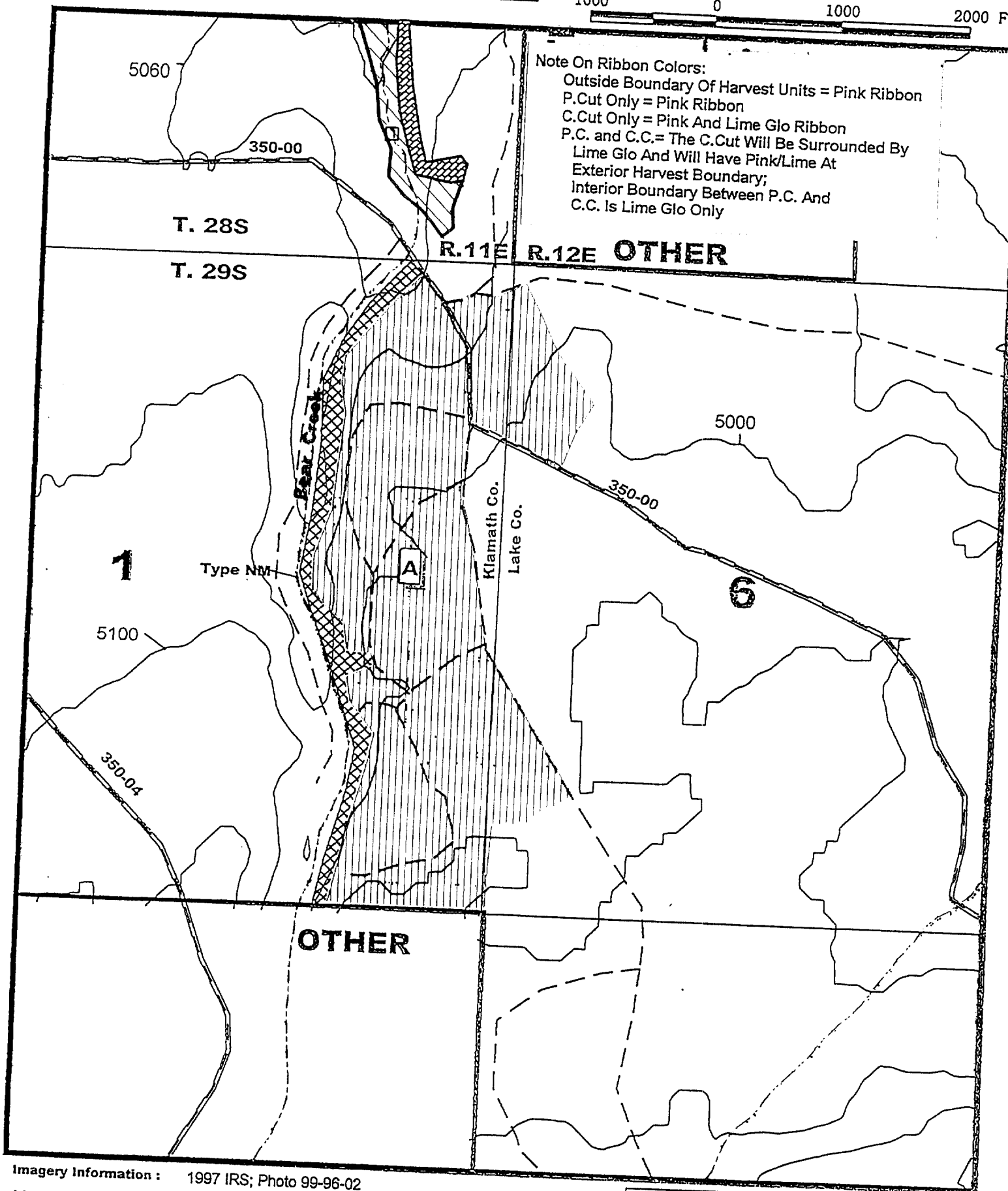
Setting Number : _____



Owner : U.S. Timberla
Township : 29S;
Range : 11E; 12E
Section : 1; 6
Map Scale 1:12000
Date : 2/20/2002 Dia

1000 0 1000 2000 F

Note On Ribbon Colors:
Outside Boundary Of Harvest Units = Pink Ribbon
P.Cut Only = Pink Ribbon
C.Cut Only = Pink And Lime Glo Ribbon
P.C. and C.C.= The C.Cut Will Be Surrounded By
Lime Glo And Will Have Pink/Lime At
Exterior Harvest Boundary;
Interior Boundary Between P.C. And
C.C. Is Lime Glo Only



Imagery Information : 1997 IRS; Photo 99-96-02

Unit # Acres Harvest Prescription

"A" 156 ac. P.Cut-- Overstory Removal-- Minimum Merch All Species

Total: 156 ac.

FPA Requirements: Two Up: Within WHA for units "A"
Two Down: Two per acre req'd for units "A"
Other: Protect All Sub Rx Trees

