

'02 JUL 29 AM 11:49

Vol M02 Page 42541

After recording return to:

U.S. Timberlands Klamath Falls
Attn: Cathy Gray
6400 Hwy 66
Klamath Falls, OR 97601
Until a change is requested, all Severance and
Harvest tax statements shall be sent to Grantee at
the following address:

This space reserved for recorder's use.

State of Oregon, County of Klamath
Recorded 07/29/2002 11:49 a.m.
Vol M02, Pg 42541-48
Linda Smith, County Clerk
Fee \$ 56.00 # of Pgs 8

GRANTOR: U.S. TIMBERLANDS YAKIMA,
L.L.C.
GRANTEE: FREMONT SAWMILL

CAMP SIX 3RD QTR 2002

STATUTORY WARRANTY TIMBER DEED

U.S. TIMBERLANDS YAKIMA, L.L.C., 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 July 22, 2005 (the "Termination Date") to cut and remove the Conveyed Timber, unless the Termination Date is extended to July 22, 2006 pursuant to the provisions of the Lump Sum Timber Sale Agreement dated July 22, 2002 by and between Grantor and Grantee, in which case the Grantee shall have until the extended 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 any action by any party hereto.

256

This Timber Deed has been executed and delivered, and accepted, subject to the terms and provisions of the Agreement, dated July 22, 2002 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 22nd day of July, 2002.

GRANTOR:

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

By U.S. TIMBERLANDS SERVICES COMPANY,
L.L.C., its Sole Manager

By: 
Martin Lugus, Authorized Representative

STATE OF OREGON)
) ss.
 COUNTY OF KLAMATH)

On the 22nd day of July, 2002, before me personally came Martin Lugas, to me known, who, being by me duly sworn, did depose and say that he resides at 6400 Highway 66, Klamath Falls, Oregon 97601; that he is the Authorized Representative of U.S. TIMBERLANDS SERVICES COMPANY, L.L.C., the limited liability company that executed the foregoing instrument as Manager of U.S. TIMBERLANDS 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 Manager.



Catherine Gray
 Notary Public for Oregon
 My commission expires: 5/6/04

EXHIBIT A

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

TOWNSHIP 34 SOUTH, RANGE 14 EAST, W.M.:

- SECTION 27 THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER;
 THE SOUTHEAST QUARTER; THE WEST HALF
- SECTION 28 THE SOUTHEAST QUARTER
- SECTION 29 THE SOUTH HALF OF THE NORTHEAST QUARTER; THE NORTH
 HALF OF THE SOUTHEAST QUARTER; THE SOUTHWEST
 QUARTER OF THE SOUTHEAST QUARTER; THE SOUTH HALF OF
 THE SOUTHWEST QUARTER
- SECTION 32 THE WEST HALF OF THE NORTHEAST QUARTER; THE NORTH
 HALF OF THE SOUTHWEST QUARTER; THE EAST HALF OF THE
 NORTHWEST QUARTER; THE SOUTHWEST QUARTER OF THE
 NORTHWEST QUARTER
- SECTION 33 THE EAST HALF
- SECTION 34 THE SOUTHWEST QUARTER; THE SOUTHEAST QUARTER OF
 THE NORTHWEST QUARTER

TOWNSHIP 35 SOUTH, RANGE 14 EAST, W.M.:

- SECTION 3 GOVERNMENT LOT 4; THE SOUTHWEST QUARTER OF THE
 NORTHWEST QUARTER; THE SOUTH HALF OF THE
 SOUTHWEST QUARTER; THE NORTHWEST QUARTER OF THE
 SOUTHWEST QUARTER
- SECTION 4 GOVERNMENT LOT 1; THE SOUTHEAST QUARTER OF THE
 NORTHEAST QUARTER; THE NORTHEAST QUARTER OF THE
 SOUTHEAST QUARTER

State : Oregon
County : Klamath
Tract : East District
Operator : _____
Start Date : _____
Written Plan Req'd : YES
Laid Out By : BH Date Laid Out : 3/01

Plan # 34608
Project : 2002 Harvest Units
Setting Number : 34608

42545

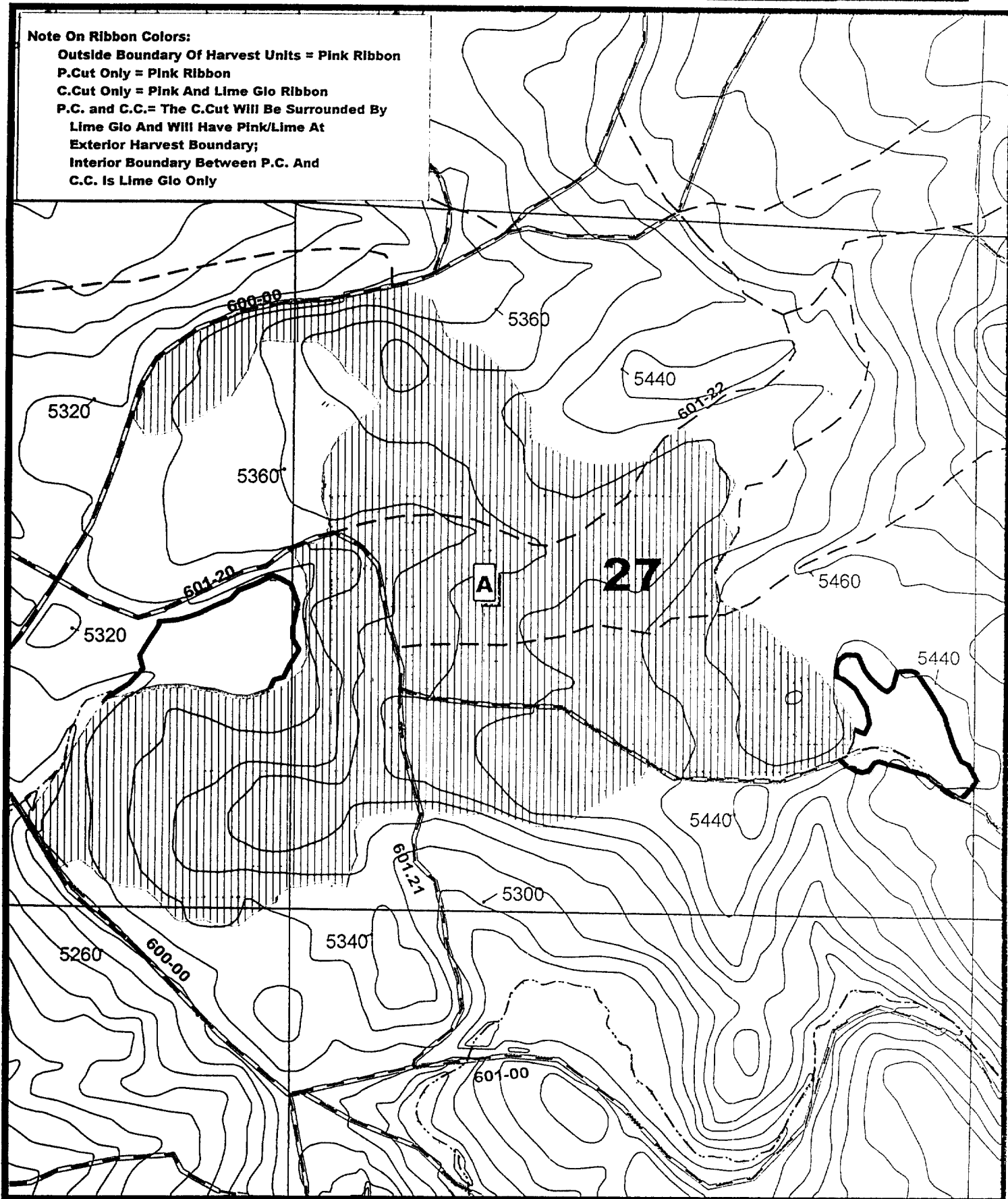


Owner : U.S. Timberlands
Township : 34S
Range : 14E
Section : 27, 28 & 33
Map Scale 1:12000
Date : 3/28/2002 Kelly C.

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 99-184-9

Unit # Acres Harvest Prescription
"A" 345 ac. P.Cut-- Marked Cut-- Cut Trees Marked
With A Blue Slash on Two Sides

Eroads. shp
Dirt Rds
Improved Rds
Paved Rds.
USGS Streams
SECTION LINES
20' USGS Contours
H34608e
Partial Cut
Eallptct. shp
Forested Wtld
Estreams
Eed_t_pls. shp
Econtour

Total: 345 ac.

FPA Requirements: Two Up: N/A
Two Down: N/A

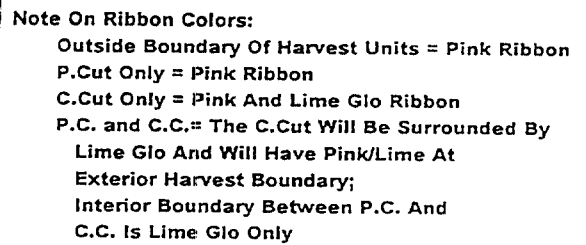
EXHIBIT E












Laid Out By: JRM Date Laid Out: 3/02

Setting Number: _____

Date : 3/14/2002 Diane

1000 0 1000 2000 Feet



 Eroads. shp
 Dirt Rds
 Improved Rds
 Paved Rds.
 Property Line
 SECTION LINES
 USGS Streams
 20' USGS Contours
 H35603e
 Clearcut
 WHA'S-- Blue Ribbon

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

State of Oregon

County: Klamath

Tract: East District

Operator: _____

Start Date: _____

Written Plan Req'd: Yes

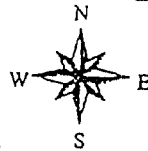
Laid Out By: BH Date Laid Out: 3/02

Plan # 36603

Project: 2002 Harvest Units

Setting Number: _____

42547



Owner: U.S. Timberlands

Township: 34S; 35S

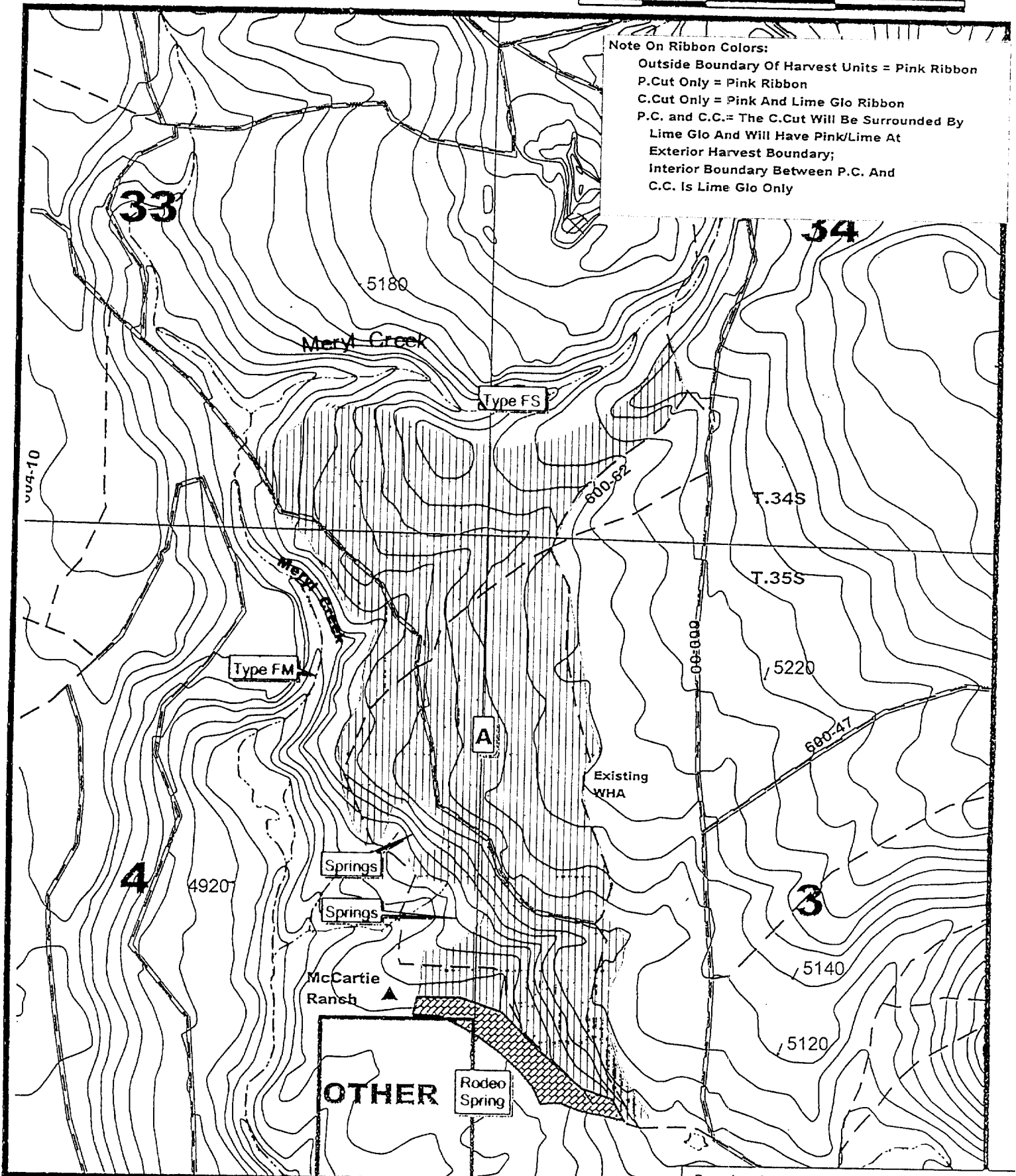
Range: 14E

Section: 33, 34; 4

Map Scale 1:12000

Date: 3/14/2002 Diane

1000 0 1000 2000 Feet



Imagery Information: 1999 IRS; Photo 01-183-6,

Unit # Acres Harvest Prescription

"A" 205 ac. P.Cut-- 12" + DBH P.Pine; 9" + DBH other

2XCT3

EXHIBIT B

Total: 205 ac.

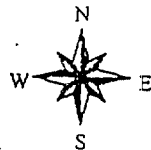
FPA Requirements: 100' Buffer along Meryl Creek
50' Buffer around Springs

- Eroads.shp
Dirt Rds
Improved Rds
Paved Rds.
Property Line
SECTION LINES
Eallptct.shp
Sig. Wtld
WMA
RMA
USGS Streams
20' USGS Contours
H36603e
Partial Cut
- Eowner1.shp
Eedt_pls.shp
Estreams
Econtour

State: Oregon
County: Klamath
Tract: East District
Operator: _____
Start Date: _____
Written Plan Req'd: No
Laid Out By: BH Date Laid Out: 3/02

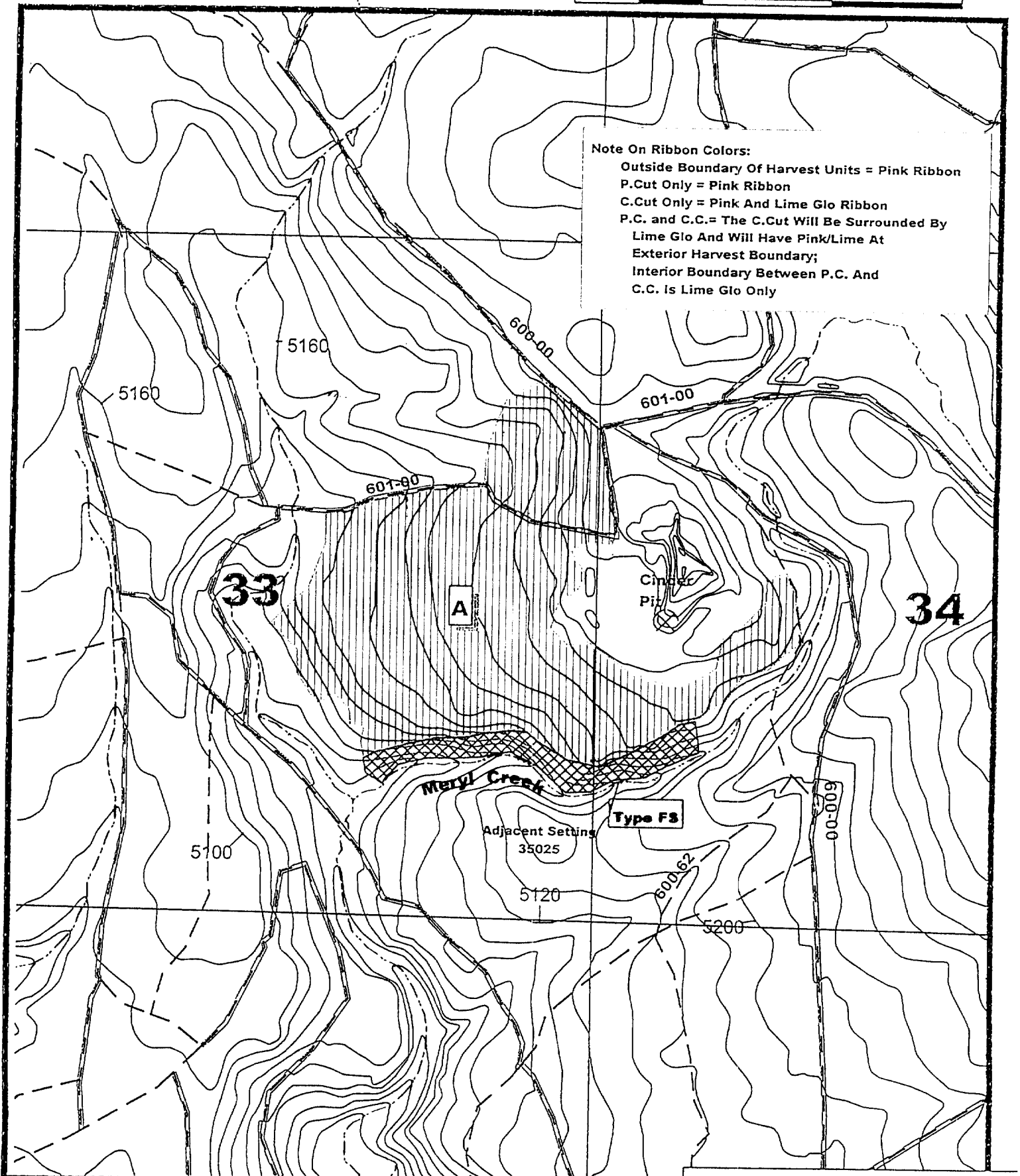
Plan # 35605
Project: 2002 Harvest Units
Setting Number: _____

42548



Owner: U.S. Timberlands
Township: 34S;
Range: 14E
Section: 33, 34;
Map Scale 1:12000
Date: 3/14/2002 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 01-183-7
Unit # Acres Harvest Prescription

"A" 130 ac. P.Cut-- 10" + DBH All Species

EXHIBIT B

Total: 130 ac.

FPA Requirements: Two Up: Within WHA for Units "A"
Two Down: Two Per Acre req'd for Units "A"
Other: Protect All Sub Ex Trees

- Eroads.shp
Dirt Rds
Improved Rds
Paved Rds.
Property Line
SECTION LINES
USGS Streams
20' USGS Contours
H35605e
Partial Cut
WHA'S-- Blue Ribbon
- Owner1.s
Eedt_1
Est1
Ecc