

AFTER RECORDING, RETURN TO:

Perkins Coie LLP
1201 Third Avenue, 40th Floor
Seattle, Washington 98101-3099
Attention: Karin A. Cumming

State of Oregon, County of Klamath
Recorded 12/30/2002 3:35 p. m.
Vol M02, Pg 76224-34
Linda Smith, County Clerk
Fee \$ 71.00 # of Pgs 11

SEND TAX STATEMENTS TO:

U.S. Timberlands Yakima, LLC
c/o U.S. Timberlands Services
Yakima, LLC
625 Madison Avenue, Suite 10-B
New York, NY 10022

59432

**WARRANTY DEED
(Chemult Tract)**

U.S. TIMBERLANDS KLAMATH FALLS, L.L.C., a Delaware limited liability company, GRANTOR, conveys and warrants to U.S. TIMBERLANDS YAKIMA, LLC, a Delaware limited liability company, GRANTEE, the real property in Klamath County, Oregon, described in EXHIBIT A attached hereto ("Land"), excluding therefrom and reserving to Grantor all merchantable timber now standing, growing, lying or being on the Land, free of encumbrances except as specifically set forth on EXHIBIT B attached hereto.

The true and actual cash consideration for this transfer is: NONE. Other property or value was the whole consideration.

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

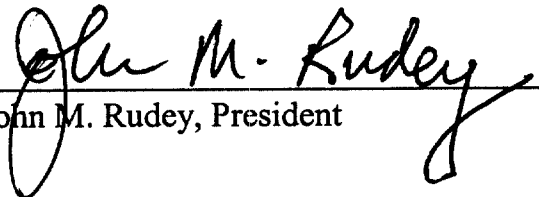
76225

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 20th day of December, 2002.

U.S. TIMBERLANDS KLAMATH FALLS,
L.L.C.

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

By 
John M. Rudey, President

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

On the 20th day of December, 2002, before me personally came John M. Rudey, to me known, who, being by me duly sworn, did depose and say that he resides at 625 Madison Avenue, Suite 10-B, New York, New York 10022; that he is the President of U.S. TIMBERLANDS SERVICES COMPANY, L.L.C., the limited liability company that executed the foregoing instrument as Manager of U.S. TIMBERLANDS KLAMATH FALLS, 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.

Margaret H. Kinnaird
 Notary Public

(Seal)

MARGARET H. KINNAIRD
 Notary Public, State of New York
 No. 41-4912676
 Qualified in Queens County
 Commission Expires July 8, 2006

EXHIBIT A

76227

**CHEMULT TRACT
KLAMATH COUNTY, OREGON**

TOWNSHIP 27 SOUTH, RANGE 7 EAST, W.M.:

- SECTION 25: NORTHEAST QUARTER OF THE SOUTHEAST QUARTER;
SOUTH HALF OF THE SOUTH HALF
- SECTION 35: EAST HALF OF THE SOUTHEAST QUARTER
- SECTION 36: NORTHEAST QUARTER OF THE NORTHEAST QUARTER;
WEST HALF OF THE NORTHWEST QUARTER; SOUTHWEST
QUARTER

TOWNSHIP 28 SOUTH, RANGE 7 EAST, W.M.:

- SECTION 1: GOVERNMENT LOTS 1, 2, 3 AND 4; THE SOUTH HALF OF
THE NORTH HALF; THE SOUTH HALF
- SECTION 2: GOVERNMENT LOTS 1, 2, 3 AND 4; THE SOUTH HALF OF
THE NORTH HALF; THE SOUTH HALF
- SECTION 3: GOVERNMENT LOTS 1, 2, 3 AND 4; THE SOUTH HALF OF
THE NORTH HALF; THE SOUTH HALF
- SECTION 4: GOVERNMENT LOTS 1, 2, 3 AND 4; THE SOUTH HALF OF
THE NORTH HALF; THE SOUTH HALF
- SECTION 7: THE SOUTH HALF OF THE SOUTHEAST QUARTER
- SECTION 8: THE SOUTH HALF OF THE NORTH HALF; THE SOUTH HALF
- SECTION 9: ALL
- SECTION 10: ALL
- SECTION 11: ALL
- SECTION 12: ALL

SECTION 13: ALL

SECTION 14: ALL

76228

SECTION 15: ALL

SECTION 16: ALL

SECTION 17: ALL

SECTION 18: GOVERNMENT LOTS 1, 2, 3 AND 4; THE EAST HALF OF THE WEST HALF; THE EAST HALF

SECTION 19: GOVERNMENT LOTS 1, 2, 3 AND 4; THE EAST HALF OF THE WEST HALF; THE EAST HALF

SECTION 20: ALL

SECTION 21: ALL

SECTION 22: ALL

SECTION 23: ALL

SECTION 24: ALL

SECTION 25: ALL

SECTION 26: ALL

SECTION 27: ALL

SECTION 28: ALL

EXCEPT THE FOLLOWING: A PARCEL OF LAND BEING SITUATE IN THE SOUTHEAST QUARTER OF SECTION 28, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SECTION 28, TOWNSHIP 28 SOUTH, RANGE 7 EAST, W.M.; THENCE NORTH 77°59'42" WEST 596.16 FEET TO THE CENTER POINT OF AFORESAID SITE; THENCE SOUTH 24°49'06" WEST 100.00 FEET TO A POINT MARKED BY A STAKE ON THE

SOUTHERLY LINE OF SAID SITE, SAID POINT BEING THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE NORTH 65°10'54" WEST 100.00 FEET TO A POINT MARKED BY A STAKE; THENCE NORTH 24°49'06" EAST 200.00 FEET TO A POINT MARKED BY A STAKE; THENCE SOUTH 65°10'54" EAST 200.00 FEET TO A POINT MARKED BY A STAKE; THENCE SOUTH 24°49'06" WEST 200.00 FEET TO A POINT MARKED BY A STAKE THENCE NORTH 65°10'54" WEST 100.00 FEET, MORE OR LESS, TO THE TRUE POINT OF BEGINNING.

SECTION 29: THE NORTH HALF OF THE NORTH HALF

SECTION 30: THE NORTH HALF OF THE NORTHEAST QUARTER;
GOVERNMENT LOT 4

SECTION 31: GOVERNMENT LOTS 1, 2, 3 AND 4; THE EAST HALF OF THE WEST HALF; THE EAST HALF

SECTION 32: THE NORTHEAST QUARTER; THE SOUTH HALF ,

SECTION 33: ALL

SECTION 34: THE WEST HALF OF THE NORTHWEST QUARTER; THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER; THE NORTH HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER; THE EAST HALF OF THE NORTHWEST QUARTER; THE SOUTHWEST QUARTER; THE SOUTH HALF OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER; THE SOUTH HALF OF THE SOUTHEAST QUARTER

SECTION 35: ALL

SECTION 36: ALL

TOWNSHIP 29 SOUTH, RANGE 7 EAST, W.M.:

SECTION 1: ALL

EXCEPT THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER AND THAT PORTION DESCRIBED IN DEED TO

KLAMATH COUNTY FOR DIAMOND LAKE HIGHWAY
RECORDED MAY 5, 1931 IN DEED BOOK 95, PAGE 202,
DEED RECORDS OF KLAMATH COUNTY, OREGON

SECTION 2: ALL

EXCEPT THAT PORTION DESCRIBED IN DEED RECORDED
FEBRUARY 26, 1953 IN DEED BOOK 259, PAGE 338, DEED
RECORDS OF KLAMATH COUNTY, OREGON, AND THAT
PORTION DESCRIBED IN DEED TO KLAMATH COUNTY
FOR DIAMOND LAKE HIGHWAY RECORDED MAY 5, 1931
IN DEED BOOK 95, PAGE 202, DEED RECORDS OF
KLAMATH COUNTY, OREGON

SECTION 4: GOVERNMENT LOTS 1, 2, 3 AND 4; THE SOUTH HALF OF
THE NORTH HALF

SECTION 5: GOVERNMENT LOTS 1, 2, 3 AND 4; THE SOUTH HALF OF
THE NORTH HALF

SECTION 6: GOVERNMENT LOTS 1, 2, 3, 4 AND 5; THE SOUTHEAST
QUARTER OF THE NORTHWEST QUARTER; THE SOUTH
HALF OF THE NORTHEAST QUARTER

EXHIBIT B**76231**

1. Statutory powers, including the power of assessment and easements, of Klamath Lake Grazing Fire Patrol and Klamath Lake Timber Fire Patrol.
2. Rights of the public in and to any portion of the herein described premises lying within the limits of streets, roads or highways.
3. Additional tax if the property described herein is disqualified for special assessment as Forest Use Land, together with any penalty if notice of disqualification is not timely given.
4. Ancestral rights, if any, of descendants of aboriginal inhabitants to occupy, use and possess any portion of the premises, as reserved by treaties, understandings, practice, statutes or judicial decisions, for food gathering, shelter, religious ceremonies, social and economic gatherings, battlefields and burial sites.
5. Easement for telephone and telegraph, including the terms and provisions thereof, granted to United States of America, recorded November 19, 1932, in Volume 99, page 218, Deed Records of Klamath County, Oregon.
6. Easement for telephone and telegraph, including the terms and provisions thereof, granted to United States of America, recorded December 17, 1932, in Volume 99, page 288, Deed Records of Klamath County, Oregon.
7. Reservations and restriction as contained in Quitclaim Deed, including the terms and provisions thereof, recorded December 31, 1941, in Volume 143, page 540, Deed Records of Klamath County, Oregon.
8. Reservations as contained in Deed, including the terms and provisions thereof, recorded August 17, 1949, in Volume 233, page 334, Deed Records of Klamath County, Oregon.
9. Lease for grazing purposes, including the terms and provisions thereof, between St. Helens Pulp and Paper Company, as Lessor, and A. W. Arnold and Maude E. Liskey, as executrix of the Estate of Dave Liskey, deceased, as Lessee, recorded August 17, 1949, in Volume 233, page 345, Deed Records of Klamath County, Oregon, assigned by instruments recorded April 24, 1961 in Volume 329, page 79 and page 81, in said Deed Records, and by instruments

recorded September 27, 1985 in Volume M85, page 15705, and October 10, 1985 in Volume M85, page 16438, Microfilm Records of Klamath County.

10. Easement for electric power transmission lines, including the terms and provisions thereof, granted to United States of America, recorded June 24, 1952, in Volume 255, page 362, Deed Records of Klamath County, Oregon.
11. Transmission Line Easement, including the terms and provisions thereof, granted to United States of America, recorded April 20, 1960, in Volume 320, page 416, Deed Records of Klamath County, Oregon.
12. Easement for transmission line right of way, including the terms and provisions thereof, granted to United States of America, recorded June 7, 1960, in Volume 321, page 636, Deed Records of Klamath County, Oregon.
13. Easement for roadway, including the terms and provisions thereof, granted to United States of America, recorded July 18, 1960, in Volume 322, page 606, Deed Records of Klamath County, Oregon.
14. Easement for pipe line right of way, including the terms and provisions thereof, granted to Pacific Gas Transmission Company, recorded September 26, 1960, in Volume 324, page 295, Deed Records of Klamath County, Oregon; Supplemental Agreement, including the terms and provisions thereof, recorded August 10, 1961, in Volume 331, page 485, Deed Records of Klamath County, Oregon; Easement Supplement, including the terms and provisions thereof, recorded January 6, 1992, in Volume M92, page 219, Microfilm Records of Klamath County, Oregon; Notice of Location, including the terms and provisions thereof, recorded July 8, 1994 in Volume M94, page 21121, Microfilm Records of Klamath County, Oregon; and Consent to Common Use, including the terms and provisions thereof, recorded April 30, 1996, in Volume M96, page 12030, Microfilm Records of Klamath County, Oregon.
15. Easement to clear path for transmission of microwave beams, including the terms and provisions thereof, granted to Pacific Gas Transmission Company, recorded September 1, 1961, in Volume 332, page 123, Deed Records of Klamath County, Oregon.
16. Reservations as contained in Warranty Deed, including the terms and provisions thereof, recorded November 23, 1962, in Volume 341, page 461, Deed Records of Klamath County, Oregon.

17. Easement for right of way and construction of road, including the terms and provisions thereof, granted to Pacific Northwest Bell Telephone Company, recorded March 13, 1968, in Volume M68, page 2041, Microfilm Records of Klamath County, Oregon.
18. Easement for electrical transmission line, including the terms and provisions thereof, granted to Midstate Electric Cooperative Inc., recorded March 27, 1968, in Volume M68, page 2381, Microfilm Records of Klamath County, Oregon, and Consent Agreement pertaining thereto, recorded April 2, 1997, in Volume M97, page 9646, Microfilm Records of Klamath County, Oregon.
19. Easement for electrical facilities, including the terms and provisions thereof, granted to Midstate Electric Cooperative Inc., recorded November 30, 1970, in Volume M70, page 10608, Microfilm Records of Klamath County, Oregon.
20. Easement for telephone line, including the terms and provisions thereof, granted to United Telephone Company of Northwest, recorded May 8, 1973, in Volume M73, page 5521, Microfilm Records of Klamath County, Oregon, and Supplemental Agreement, including the terms and provisions thereof, recorded June 22, 1987, in Volume M87, page 10781, said Microfilm Records.
21. Reservations and restrictions as contained in deed, including the terms and provisions thereof, recorded May 12, 1987, in Volume M87, page 8149, Microfilm Records of Klamath County, Oregon.
22. Easement Exchange between Weyerhaeuser Company and State of Oregon, acting by and through its Board of Forestry, including the terms and provisions thereof, recorded September 8, 1992, in Volume M92, page 20513, Microfilm Records of Klamath County, Oregon.
23. Easement for roadway, including the terms and provisions thereof, granted to United States of America, recorded October 16, 1995, in Volume M95, page 28190, Microfilm Records of Klamath County, Oregon, Consent and Subordination Agreement, including the terms and provisions thereof, recorded March 22, 1996, in Volume M96, page 7924, and Consent to Common Use, including the terms and provisions thereof, recorded April 30, 1996, in Volume M96, page 12030, said Microfilm Records.
24. Reservation by Weyerhaeuser Company, as set forth in that certain deed, including the terms and provisions thereof, recorded August 30, 1996, in Volume M96, page 26858, Microfilm Records of Klamath County, Oregon.

25. Easement for access road, including the terms and provisions thereof, granted to United States of America, Department of Energy, Bonneville Power Administration, recorded May 19, 1998, in Volume M98, page 17062, Microfilm Records of Klamath County, Oregon.
26. Terms and provisions of Timber Deed recorded March 17, 2000, in Volume M00, page 8843, Microfilm Records of Klamath County, Oregon, from U.S. Timberlands Klamath Falls, L.L.C. to Crown Pacific Limited Partnership (Chemult 2000).
27. Terms and provisions of Timber Deed recorded November 14, 2001, in Volume M01, page 58452, Microfilm Records of Klamath County, Oregon, from U.S. Timberlands Klamath Falls, L.L.C. to U.S. Timberlands Yakima, LLC (4th Quarter 2001).