

After recording return to:

Rt. U.S. Timberlands Klamath Falls, L.L.C.
Attn: Cathy Gray
6400 Highway 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:

Roseburg Resources Co.
P. O. Box 1088
Roseburg, OR 97470

This space reserved for recorder's use.

State of Oregon, County of Klamath
Recorded 07/10/2003 8:06 a. m.
Vol M03 Pg 47806-09
Linda Smith, County Clerk
Fee \$ 36.00 # of Pgs 4

GRANTOR: U.S. TIMBERLANDS KLAMATH
FALLS, L.L.C.
GRANTEE:

Longbell 2ND QTR. 2003

STATUTORY WARRANTY TIMBER DEED

U.S. TIMBERLANDS KLAMATH FALLS, a Delaware limited liability company
("Grantor") conveys and warrants to **ROSEBURG RESOURCES CO.** ("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 May 15, 2006 (the "Termination Date") to cut and remove the Conveyed
Timber, **unless the Termination Date is extended to May 15, 2007 pursuant to the provisions
of the Lump Sum Timber Sale Agreement dated May 15, 2003 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.

36✓

This Timber Deed has been executed and delivered, and accepted, subject to the terms and provisions of the Agreement, dated May 15, 2007 between Grantor and Grantee, the terms and conditions of which are incorporated herein.

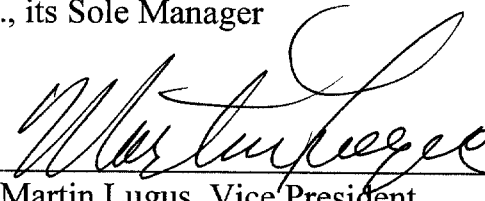
THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO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

Executed as of the 14th day of May, 2003.

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

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

By



Martin Lugus, Vice President,
Timberland Operations

STATE OF OREGON)
) ss.
County of Klamath)

This instrument was acknowledged before me on May 14, 2003, by Martin Lugus as Vice President, 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.



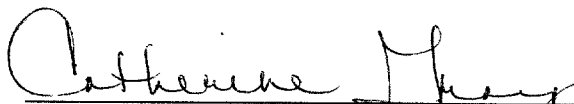

NOTARY PUBLIC FOR Oregon
My Commission Expires: 5/6/04

EXHIBIT A

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

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

SECTION 25 THE SOUTH HALF OF THE SOUTH HALF; THE NORTHEAST
 QUARTER OF THE SOUTHEAST QUARTER

SECTION 35 THE EAST HALF OF THE SOUTHEAST QUARTER

SECTION 36 THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER;
 THE SOUTHWEST QUARTER; THE WEST HALF NORTHWEST
 QUARTER

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

SECTION 1 THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER

SECTION 2 THE NORTH HALF; THE NORTHEAST QUARTER OF THE
 SOUTHEAST QUARTER; THE NORTHWEST QUARTER OF THE
 SOUTHWEST QUARTER

SECTION 3 THE EAST HALF OF THE NORTHEAST QUARTER

TOWNSHIP 28 SOUTH, RANGE 8 EAST, W.M.:

SECTION 5 THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER

**EXCEPTING FROM THE SOUTHEAST QUARTER OF THE
SOUTHEAST QUARTER STRIPS FOR HIGHWAY AND RAILROAD
AND 40 FOOT WIDE STRIP AS DESCRIBED IN BOOK 224, PAGE
137, AND LESS TRACT DESCRIBED IN BOOK 129, PAGE 300, ALL
DEED RECORDS OF KLAMATH COUNTY, OREGON**

SECTION 8 THE NORTHEAST QUARTER; THE SOUTHEAST QUARTER; THE
 EAST HALF OF THE SOUTHWEST QUARTER

**EXCEPT THAT PORTION DESCRIBED IN WARRANTY DEED
RECORDED APRIL 18, 1979 IN VOLUME M79, PAGE 8328,
MICROFILM RECORDS OF KLAMATH COUNTY, OREGON. ALSO
EXCEPT PORTION FOR HIGHWAY AND RAILROAD AND TRACT
DESCRIBED IN BOOK 224, PAGE 137, DEED RECORDS OF
KLAMATH COUNTY, OREGON.**

EXHIBIT B**SUBJECT TO:**

- (1) Reservation by Weyerhaeuser Company, its successors and assigns, of all geothermal steam and heat and all metals, ores and minerals of any nature whatsoever in or upon said land, together with all appurtenances thereto, as set forth in that certain deed, including terms and provisions thereof, from Weyerhaeuser Company, a Washington corporation, to U.S. Timberlands Klamath Falls, L.L.C., a Delaware limited liability company, recorded August 30, 1996, in Volume M96 at Page 26858, Klamath County Microfilm Records;
- (2) All easements and rights of way for public roads and utilities heretofore established and existing on said lands or any similar rights established by prescription or adverse possession;
- (3) Rights reserved in federal patents or state deeds and mineral or fossil rights reservations;
- (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) Compensating tax, if any, upon removal of the designation of certain of subject property carried on county assessor's rolls for tax purposes as "Classified and/or Designated Forest Land";
- (6) All building or use restrictions general to the area and planning, building, zoning, health and other governmental regulations or provisions, if any, affecting subject property;
- (7) Any change in the boundary or legal description of the real property, or title to the estate conveyed, that may arise due to the shifting and changing in the course of navigable waters of Oregon or the United States;
- (8) Right of the State of Oregon in and to that portion, if any, of subject property which lies below the line of ordinary high water of the navigable waters of Oregon or the United States;
- (9) Any prohibition or limitation of use, occupancy or improvement of the land resulting from the rights of the public or riparian owners to use any portion which is now, or has formerly been covered by water; and
- (10) All matters of public record.