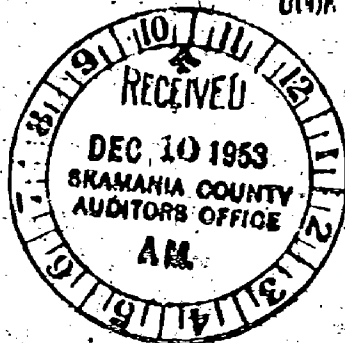


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TIMBER SALE AGREEMENT



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THIS AGREEMENT, made and entered into at Olympia, Washington, this 2nd day of December, 1953, by and between GEORGIA-PACIFIC PLYWOOD COMPANY, a Georgia corporation, qualified to do business in the State of Washington and successor to Washington Veneer Corporation, a former Washington corporation, hereinafter called first party, and the E. H. DREIFUS LBS. INC., a Washington corporation, hereinafter called second party,

WITNESSETH:

WHEREAS, first party is now the owner of the following described real property situate in the County of Skamania, State of Washington, to-wit:

Government Lot 2 of Section 26, Township 7 North,
Range 5 East, W.H.,

upon which is located certain merchantable timber which first party desires to sell and second party to buy.

NOW, THEREFORE, in consideration of the terms, covenants and conditions herein expressed, to be kept and performed by the respective parties hereto, said parties hereby mutually agree as follows:

1. First party agrees to sell to the second party, upon the payment of the sum of \$11,000, the receipt of which is hereby acknowledged, all of the merchantable timber standing or being upon the above described real property, reserving, however, from this sale any other or greater interest in the fee therein, except that first party agrees to allow second party to operate a small sawmill upon said property for the sole purpose of sawing timber purchased under the terms of this agreement, it being understood that second party will conduct said sawmill operation in a safe and workmanlike manner and will save and hold Georgia-Pacific Plywood Company harmless from loss or damage to its property or to the property of others arising from the conduct of said sawmill operation.

It is further understood that second party shall have the right to remove from said real property any sawmill equipment which it places thereon during the term of this agreement.

2. The right of second party to cut and remove said timber shall terminate two years from the date hereof. From and after said date, all further rights of second party in and to any of the merchantable timber standing or being upon said real property above described shall cease and terminate.

3. First party hereby grants to second party reasonable rights of ingress and egress over and across said real property for the purposes of this contract in cutting and removing said merchantable timber thereon. The cost of building and maintaining any necessary logging roads over and across said real property shall be wholly at the expense of second party.

4. Second party agrees that it will, before commencement of any cutting operations under this agreement, obtain from the State of Washington Supervisor of Forestry a cutting permit in compliance with the provisions of Chapter 193, Section 3 of the Laws of 1945, Laws of the State of Washington, as amended by Chapter 210, Section 2 of the Laws of 1947.

5. Second party agrees, during the process of logging, to take adequate precautions to leave reserve trees of commercial species adequate to maintain continuous forest growth or to provide adequate restocking to insure future forest production. Specifically, second party shall reserve and leave uncut not less than five per cent (5%) of the timber on said land well stocked with commercial coniferous trees not less than sixteen (16) inches in diameter breast high outside the bark in compliance with the provisions of Chapter 193, Section 6 of Laws of 1945, Laws of the State of Washington as amended by Chapter 14, Section 2 of the Laws of 1953.

6. Second party agrees to fall all snags or standing dead trees over twenty-five feet in height and sixteen inches and over in diameter breast high on said real property during its operations hereunder in compliance with the provisions of Chapter 13, 1951 Laws of the State of Washington.

7. Second party agrees, after completion of its cutting operations on said lands, to obtain from the State of Washington Supervisor of Forestry a certificate of clearance and incidental thereto do all acts necessary to qualify said land for such certificate, all in accordance with the provisions of Chapter 102, Section 1, 1945 Laws of the State of Washington as amended by Chapter 58, Section 3, Laws of 1951.