

After Recording,
Document Returned to:

Longview Timberlands LLC
P. O. Box 667
Longview, WA 98632

REAL ESTATE EXCISE TAX

27770

SEP 12 2008

PAID $138.11 + 26.984 \text{ tax} = 170.09$

Vicki Orellana
SKAMANIA COUNTY TREASURER

Grantor:	Longview Timberlands LLC
Grantee:	SDS Lumber Company
Legal Description (abbreviated):	Portions of the SE ¼ of NE ¼, NW ¼ of SE ¼, NE ¼ & NW ¼ of SW ¼ Sec. 25 T2N, R5E; NE ¼ of SE ¼ Sec 26, T2N, R5E; NW ¼ Sec 19, T2N, R6E; NE ¼, NW ¼ & SE ¼ of SW ¼ Sec 19, T2N, R6E W.M.; SE ¼ of SW ¼ & NW ¼ of SE ¼, Sec 18, T2N, R6E, W.M. all in Skamania County
Assessor's Tax Parcel I.D. Nos.:	02-05-25-0-0-0100-00, 02-05-25-0-0-0200-00; 02-05-26-0-0-1000-00; 02-06-00-0-0-1602-00, 02-06-00-0-0-1602-06, 02-06-00-0-0-2400-00, 02-06-00-0-0-4000-00, 02-06-00-0-0-4100-00 G.S.

EASEMENT

KNOW ALL MEN BY THESE PRESENTS: That the Grantor, Longview Timberlands LLC, for and in consideration of Ten thousand seven hundred eighty-nine dollars and twenty six cents (\$10,789.26) and other valuable consideration, the receipt and adequacy of which is hereby acknowledged, grants to SDS Lumber Company, Grantee, its successors and assigns, a perpetual, but non-exclusive, easement fifty (50) feet in width over existing roads on, over, across, and through that portion of the Grantor's lands situated in the Southeast quarter of the Northeast quarter, the Northwest quarter of the Southeast quarter, the Northeast quarter and Northwest quarter of the Southwest quarter of Section 25, Township 2 North, Range 5 East; the Northeast quarter of the Southeast quarter of Section 26 Township 2 North, Range 5 East; the Northwest quarter of Section 19, Township 2 North, Range 6 East; the Northeast, Northwest and Southeast quarters of the Southwest quarter of Section 19, Township 2 North, Range 6 East, and the Southeast quarter of the Southwest quarter and the Northwest quarter of the Southeast quarter of Section 18, Township 2 North, Range 6 East of the Willamette Meridian in Skamania County, Washington, more particularly described on Exhibit "A" and generally depicted on Exhibits "B-1", "B-2" and "B-3", each of which are attached hereto and by this reference made a part hereof.

The parties hereby grant and agree as follows:

1. This easement is conveyed for the purposes of, use and maintenance of a road to haul forest products and other valuable materials from lands now owned or hereafter acquired by Grantee and to provide access to said lands for land management and administrative activities.
2. Grantor reserves for itself, its successors and assigns, the right at all times for any purpose to cross and recross at any place on grade or otherwise and to use said right-of-way in a manner that will not unreasonably interfere with the rights granted to Grantee hereunder.
3. Grantor reserves the right to authorize third parties to use its land described in this agreement, provided that such use by the third party shall be subject to the terms and conditions of this agreement and shall not unreasonably interfere with the rights granted to Grantee herein.

4. The cost of road maintenance and resurfacing shall be allocated on the basis of respective uses of said road. When any party uses said road, that party shall perform or cause to be performed, or contribute or cause to be contributed, that share of maintenance and resurfacing occasioned by such use as hereinafter provided. During periods when said road is being used solely by one party, such party shall maintain the portion of said road so used to the standards existing at the time use is commenced. During periods when more than one party is using said road, or any portion thereof, the parties shall meet and establish necessary maintenance provisions.

For purposes of this Agreement, "maintenance" is defined as the work normally necessary to preserve and keep the roadway, road structure, and road facilities as nearly as possible in their present condition or as hereafter improved.

5. Each party using any portion of said road shall repair or cause to be repaired, at its sole cost and expense, that damage to said road occasioned by it which is in excess of that caused through normal and prudent usage of said road. Should inordinate damage to said road occur which is not caused by an authorized user of said road, the parties shall meet to agree upon the cost of replacement, the party to undertake the replacement, and the shares of replacement cost to be borne by each user of said road.

6. Unless the parties agree in writing to share the cost of improvements, in advance of such improvements being made, such improvements shall be solely for the account of the improver.

7. Grantor reserves to itself all timber now on or hereafter growing within the rights-of-way on its lands and the right to remove said timber via the right-of-way herein granted.

8. Grantee may permit its respective contractors, licensees, purchasers of timber, or other valuable materials and resources and their agents, hereinafter individually referred to as "Permittee" and collectively referred to as "Permittees", to exercise the rights granted to it herein.

9. In the event that any party retains an attorney, including in-house counsel, to enforce any provision of this easement, then the successful party shall be entitled to the award of reasonable attorney's fees from any party in default including fees incurred by either in-house or outside counsel in State and Federal trial, bankruptcy, and appellate courts, and fees incurred without suit and all court and accounting costs incurred in resolution of such dispute.

10. Any and all suits and proceedings to enforce provision of this easement may be instituted and maintained in the Superior Court of the State of Washington, located in Skamania County, Washington.

11. This easement shall be governed by the Laws of the State of Washington, both as to interpretation and performance, provided that in no event shall either party be liable for punitive damages in any action, suit, or proceeding under this Agreement.

12. Grantee shall require each of its Permittees, before using said road on the lands of Grantor, to:

- A. Obtain and, during the term of such use, maintain a policy of liability insurance in a form generally acceptable in the trade and customary in the area of said rights-of-way, insuring the Grantee against liability arising out of its operations, including use of vehicles. Minimum amounts of insurance shall be:

	<u>Limits</u>	
	<u>Each</u>	<u>Aggregate</u>
Commercial General Liability,	<u>Occurrence</u>	

Including Loggers Broad Form
Property Damage
Blanket XCU Endorsement:

Combined Single Limit Bodily Injury and Property Damage	\$2,000,000	\$2,000,000
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Automobile Liability:

Combined Single Limit Bodily Injury and Property Damage	\$1,000,000
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- B. Deliver to Grantor a certificate from the insurer of Grantee certifying that coverage in not less than the above-named amounts is in force and that, in the event of cancellation or modification of such coverage, the insurer will give Grantor thirty (30) days written notice prior to any cancellation or modification.
- C. During the term hereof, and for the extended period described below, each party shall procure, for the mutual benefit of the parties, commercial liability coverage, together with aircraft and chemical liability coverage therewith, from recognized A.M. Best rated companies of A VIII or better. All coverage shall be primary to Owner and non-contributory to Owner's other coverage. The policies may not exclude so-called pollution events or accidents. The carrier shall provide a waiver of subrogation to Owner.
- D. Insured's insurance carrier shall also provide Owner with a Commercial General Liability form CG 24 04 10 93 (with the protections further described herein). The minimum amount of liability coverage shall be \$2 Million in the aggregate and \$2 Million per occurrence. Owner shall be named as an additional primary insured and shall receive an endorsement evidencing that status under a 1985 CG2010 ADDITIONAL INSURED OWNERS, LESSEES OR CONTRACTORS (FORM B), together with an original copy of the insurance policy to be provided to Owner. Coverage shall be afforded for Owner's direct, indirect (vicarious), contributory, comparative and sole negligence (to the extent such coverage for sole negligence would otherwise be permissible if Owner procured the policy directly from carrier).
- E. In the event of cancellation, the Insured's carrier shall furnish Owner at least ten (10) days prior written notice of cancellation.
- F. The foregoing coverage shall be procured before, and shall be in full force and effect at all times during, the term hereof. In the event that the Insured's policy is a "claims made" form, Insured shall be contractually bound to provide identical coverage to Owner on a "contractual" basis for an additional three years after the expiration of the term to cover claims during term; and, in the event it does not, Owner may procure same for Insured's account and charge Insured the cost thereof.

13. Grantee agrees to save, defend, and hold harmless Grantor from all claims, costs, damage, or expense of any kind arising out of the occupancy or use of said roads by Grantee, its permittees, or employees and to require of their contractors and purchasers of their timber or other valuable resources using said roads or their contractors using said roads, the same agreement for the benefit of Grantor.

14. Grantee hereby waives any and all legal action, suit, or proceeding, and agrees not to take any action whatsoever to cause or persuade Grantor, its successors and assigns, to cease or modify any accepted practice regarding their current, past, or future forestry operations on any of Grantor's forestland, including the servient estate.

15. The Grantor does hereby covenant that it is lawfully seized in fee simple of the above-described premises free from all encumbrances, except those appearing of record, and that it, its successors, and assigns, will warrant and defend its title to said premises and every part and parcel thereof, subject to the aforesaid reservations and exceptions.

Unofficial
Copy

IN WITNESS WHEREOF, the parties have executed this instrument this 6th day of August, 2008.

GRANTOR:
Longview Timberlands LLC

By: Blake S. Rowe
Blake S. Rowe
Its: President

GRANTEE:
SDS Lumber Company

By: [Signature]
Its: PRESIDENT

STATE OF WASHINGTON)
) ss.
County of Cowlitz)

On this 12th day of August, 2008, before me personally appeared **BLAKE S. ROWE**, to me known to be the President of the limited liability corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above-written.

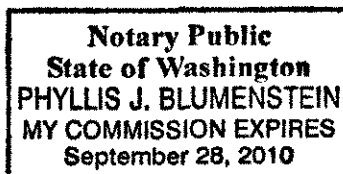


[Signature]
Notary Public in and for the State of Washington
My Commission Expires: 9-13-10

STATE OF Washington)
) ss.
County of Klickitat)

On this 11 day of August, 2008, before me personally appeared Jason S. Spadaro, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that she/he signed the same as her/his free and voluntary act and deed, for the uses and purposes therein mentioned.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year first above written.



[Signature]
Notary Public in and for the State of Washington
My Commission Expires: 9-28-10

Exhibit "A"

Description of Easement Location

Beginning on McCloskey Creek Road, at the terminus of the Skamania County Right of Way, co-extant with the South edge of the Bonneville Power Administration's transmission line Right of Way, in the Southeast quarter of the Southeast quarter of Section 26 located approximately 1,112.0 feet west and 1,126.0 feet north of the Southeast corner of Section 26, thence in a Northeasterly direction across the Northeast quarter of the Southeast quarter of Section 26 to the East edge of Section 26 at a point approximately 1,722.0 feet North of the Southeast corner of Section 26. Thence in an Easterly direction across the North half of the South half of Section 25 and ending at the Northern edge of the North half at a point approximately 424.0 feet East of the center of Section 25, all within Township 2 North, Range 5 East of the Willamette Meridian.

Beginning again on McCloskey Creek road at a point approximately 358.0 feet South of the center of the Northeast quarter of Section 25, thence Easterly across the Southeast quarter of the Northeast quarter of Section 25 to a point 973.0 feet North of the East quarter corner of Section 25 where said road intersects the West edge of Section 30. Thence in a Northeasterly direction across the Northwest quarter of Section 30, to the North edge of Section 30 at a point approximately 437.0 feet West of the North quarter corner of Section 30. Thence in a Northerly direction across the East half of the Southwest quarter of Section 19, crossing into the Northwest quarter of the Southeast quarter of Section 19 at a point approximately 240.0 feet South of the center of Section 19, thence in a Northeasterly direction, across the Northwest quarter of the Southeast quarter of Section 19 to a point approximately 76.0 feet East of the center of Section 19, thence in a Northwesterly direction, across the Southwest quarter of the Northeast quarter of Section 19 to a point approximately 165.0 feet North of the center of Section 19, thence Southwesterly across the Southeast quarter of the Northwest quarter of Section 19 to a point approximately 148.0 feet West of the center of Section 19, thence Southwesterly across the Northeast quarter of the Southwest quarter of Section 19 to a point approximately 213.0 feet North of the center of the Southwest quarter, thence Northerly across the Northwest quarter of the Southwest quarter of Section 19 to a point approximately 18.0 feet West of the North sixteenth corner of the Southwest quarter, thence Northerly across the Northwest quarter of Section 19 to the North edge of Section 19 at a point approximately 472.0 feet West of the North quarter corner of Section 19. Thence in a Northeasterly direction across the Southeast quarter of the Southwest quarter of Section 18 to a point approximately 1,122.0 feet North of the South quarter corner of section 18, thence Northeasterly across the Southeast quarter of Section 18 and ending at the Northern edge of the Bonneville Power Administration's transmission line Right of Way at a point located approximately 1,281.0 feet West and 2,735.0 feet North of the Southeast corner of Section 18, co-extant with the terminus of an existing easement document number 118058 recorded in Book 139, Pages 794-800, all within Township 2 North, Range 6 East of the Willamette Meridian.

Exhibit B-1

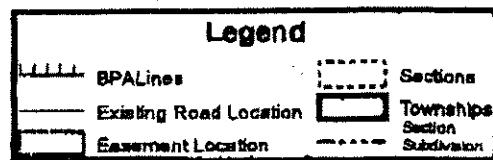
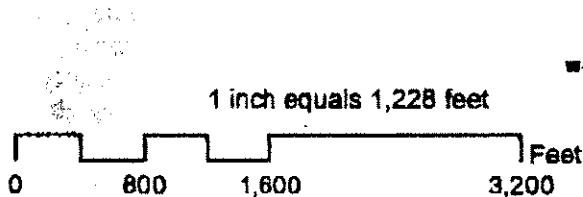
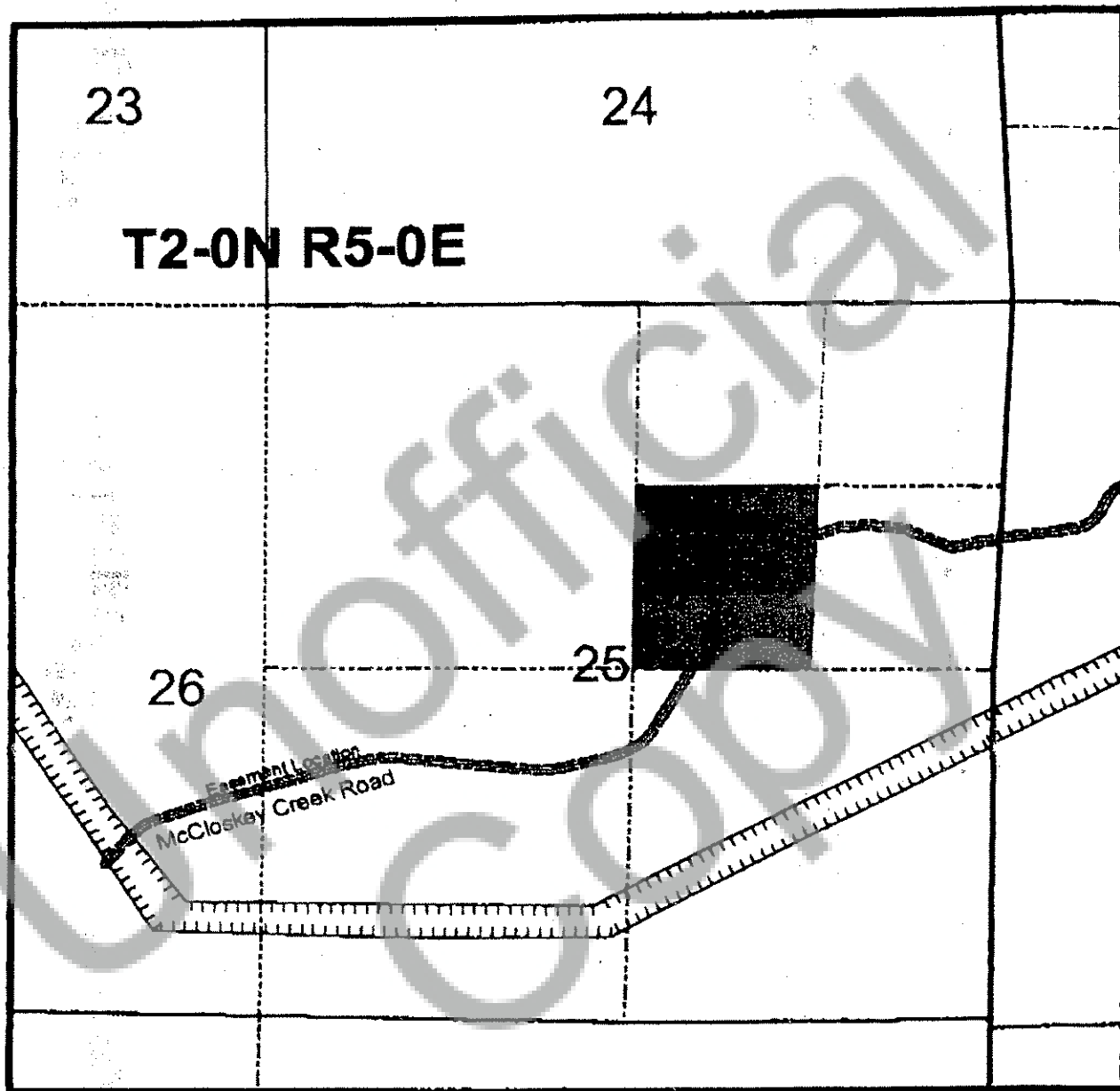
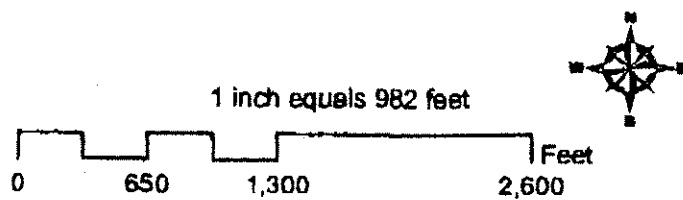
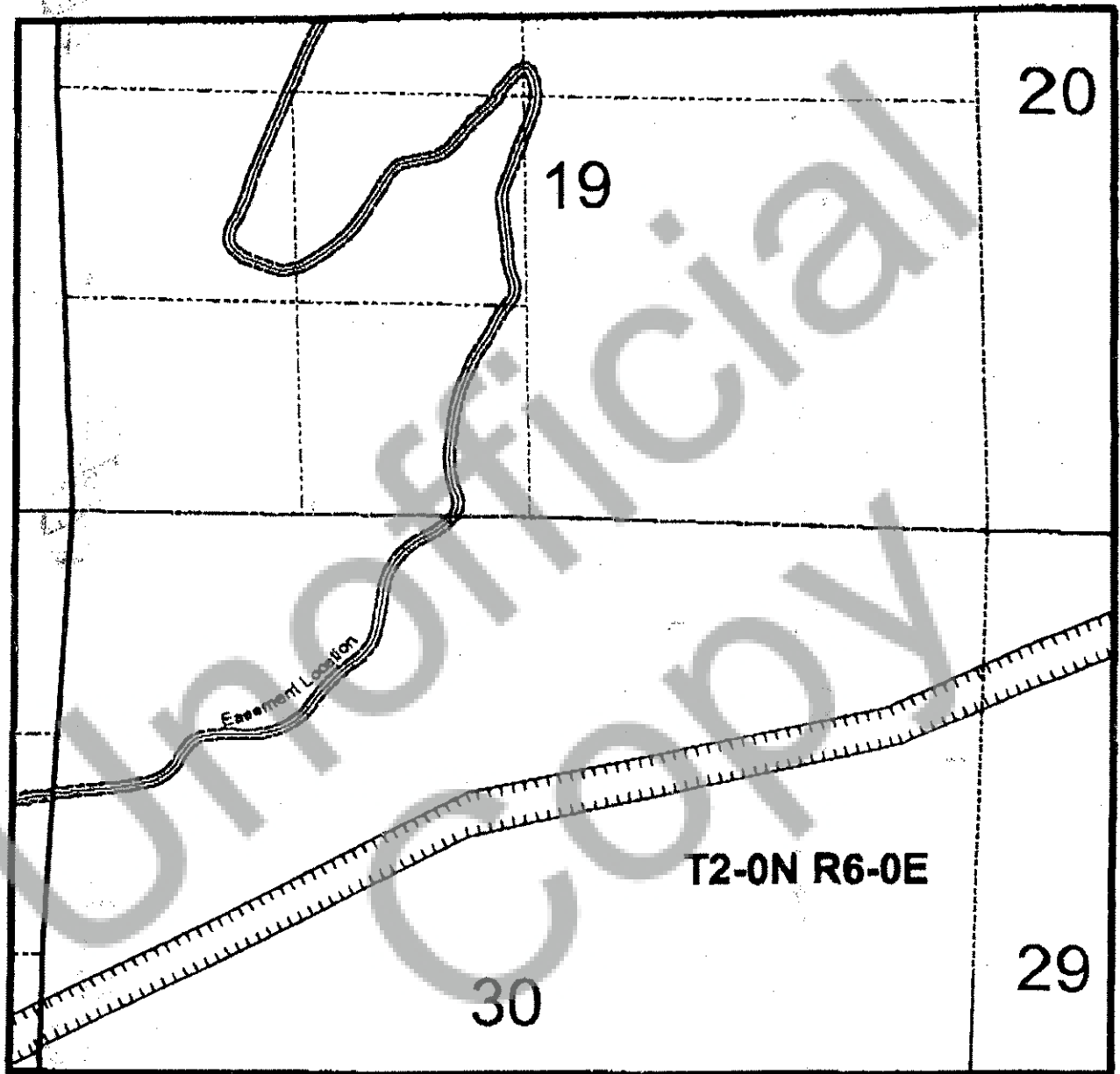


Exhibit B-2



Legend	
	BPALines
	Existing Road Location
	Easement Location
	Sections
	Townships
	Section
	Subdivision

Exhibit B-3

