

After Recording Return To:  
Cooperative Conservation Programs  
Asset Management and Recreation Division  
Washington State Department of Natural Resources  
1111 Washington Street SE  
P. O. Box 47014  
Olympia, WA 98504-7014

Sec 31651

**CONSERVATION EASEMENT DEED**

**Grantor:** Pope Resources, a Delaware limited partnership

**Grantee:** State of Washington, acting by and through the Department of Natural Resources

**Abbreviated Legal Description:**

Sec. 1, 2, 3, 11, 12, & ptn of 13, T 6 N, R 5 E, W.M., Sec 3, ptn of 4, ptn of 5, ptn of 6, Sec. 7, ptn of 8, ptn of 9, Sec.10, T 6 N, R 6 E., W. M., County of Skamania, State of Washington.

Complete legal description is at pages 14 to 16 (Exhibit A) attached hereto.

**Property Tax Parcel Account Numbers:** 06-05-00-0-0-0100-00; 06-06-00-0-0-0200-00 (W)

**REAL ESTATE EXCISE TAX**

**Reference Numbers of Related Documents:** None.

28905

DEC 30 2010

PAID \$36,724.65

Vicki Chellard, Deputy  
SKAMANIA COUNTY TREASURER

## CONSERVATION EASEMENT DEED

This Conservation Easement Deed ("Easement") is made as of this \_\_\_\_\_ day of December, 2010, by Pope Resources, a Delaware limited partnership, Grantor, and the State of Washington, acting by and through the Department of Natural Resources, Grantee.

WHEREAS, Grantor is the owner of certain real property located in Skamania County, Washington, which is legally described in Exhibit A (hereafter, the "Property"), and displayed on the map attached as Exhibit B; and

WHEREAS, Grantee desires to put into effect the provisions of the Forest Legacy Program upon said Property, which purposes include protecting forested lands that are threatened by conversion to non-forest uses; promoting forest land uses, including timberland management, timber production, protecting forest landscapes and the sale of other forest products, and meeting multiple conservation opportunities, including protecting important scenic, cultural, fish, wildlife and recreational resources, riparian areas, ecological values, and environmentally important areas; and

WHEREAS, the State of Washington has the authority to obtain interests in real property for the purpose of conservation, protection and preservation under RCW 64.04.130, and in accordance with the provisions of the Forest Legacy Program authorized by the Cooperative Forestry Assistance Act of 1978, as amended by section 1217 of the Food Agriculture, Conservation and Trade Act of 1990 (104 Stat. 3528) and Title XII of the Food, Agriculture, Conservation and Trade Act of 1990 (16 U.S.C. § 2103 c); and

WHEREAS, the conservation values of the Property are to be documented in an inventory of relevant features of the Property, to be completed by January 30, 2011 and then on file at the Department of Natural Resources ("Baseline Documentation"), which may include reports, maps, photographs, and other documentation that the parties agree provide, collectively, an accurate representation of the Property at the time of this grant and which is intended to serve as an objective, though non-exclusive, information baseline for monitoring compliance with the terms of this grant; and

WHEREAS, Grantor intends to reserve certain additional uses of the Property, as specifically identified herein, which do not significantly impair or interfere with the conservation objectives of this Easement; and

NOW, THEREFORE in consideration of TWO MILLION THREE HUNDRED NINETY-NINE THOUSAND NINE HUNDRED SEVENTY-SEVEN AND 58/100 U.S. Dollars (\$2,399,977.58), and other good and valuable consideration, receipt of which is hereby acknowledged, the Grantor does hereby grant, convey and warrant to Grantee, subject to the matters of record described on Exhibit C attached hereto, an easement in perpetuity over, in and upon the Property subject to the terms and conditions of this Easement.

## PART I AUTHORIZED USES BY GRANTOR

Grantor reserves the right to use the Property for ingress and egress, natural resource production, including commercial forestry, recreation, environmental educational purposes, and other uses not prohibited by this Easement so long as such other uses are consistent with the goals of the Forest Legacy Program, as currently defined and the limitations set forth hereafter. No other use is permitted.

## PART II RESTRICTIONS ON THE USE OF THE PROPERTY BY GRANTOR

**A. Subdivision.** The parties acknowledge and agree that the Property comprises multiple lots, tracts, or parcels as of the date of this Easement. After Grantor completes the consolidation of the lots, parcels, and tracts comprising the Property into not more than fourteen (14) lots, parcels, or tracts, which Grantor shall complete within sixty (60) days after the date of execution of this Easement, the Property shall not be further subdivided into additional lots, tracts, or parcels. For clarity, the following actions are not limited by the foregoing sentence: lot line adjustments and tax parcel segregations resulting in (a) no increase in the total number of lots, tracts, or parcels, and (b) no material decrease in the acreage of the Property. No conveyance by Grantor of fee ownership of any portion of the Property shall convey fewer than 640 acres in land surface area.

**B. Structures and Improvements.** Grantor shall not construct any building, structure, or other improvements of any kind, temporary or permanent, on the Property, including but not limited to houses, sheds, tanks, mobile homes, dams, and impoundments, except buildings, structures, and other improvements that are either expressly permitted in this Easement or are customarily appurtenant to uses expressly permitted in this Easement.

**C. Forest Management.** Timber management, silviculture, removal of minor forest products for sale (including but not limited to boughs, floral greens, bark, Christmas trees, pine needles, firewood, mushrooms) and timber harvesting, and the construction, installation, maintenance, and use of temporary buildings, storm water and utility facilities, other temporary structures, and other improvements customarily appurtenant to such uses, are permitted on the Property for commercial purposes in accordance with applicable federal, state, and local laws and regulations and the following provisions:

1. An acceptable Forest Management Plan ("Plan") relating to the Property shall be prepared by Grantor and filed with the Department of Natural Resources within sixty (60) days after the date of execution of this Easement by Grantor. The Plan shall be approved in writing by Grantee, which approval shall not be unreasonably withheld. The Plan shall be consistent with the provisions of Section 5(f) of the Cooperative Forestry Assistance Act of 1978, as amended, 16 U.S.C. 2103a (f), and the Washington State

Forest Stewardship Plan Guidelines as of the date hereof, and shall be subject to revision in order to incorporate forest management practices that are prescribed under federal or state law. The Plan shall be reviewed and updated as needed every 10 years. Any subsequent amendments to the Plan must be submitted to the Grantee for review and approval, which approval shall not be unreasonably withheld. In the event of any inconsistency or conflict between the provisions of this Easement and the required Plan, this Easement shall control.

2. In addition to the structures described above, Grantor may construct, repair, and maintain forest management access and logging roads, fences, gates, barriers, and the following structures and improvements for forest management purposes: bridges, culverts, landings, fire ponds, heliports and skid trails. Grantor's roads may be utilized by adjoining property owners who have access rights over such roads.

#### **D. Mineral Development.**

1. No mining, drilling, excavation or mineral development of any kind shall be permitted in, under or upon the Property, including but not limited to the development of minerals or common varieties of mineral resources such as sand, gravel, stone and clay, or the mining of organic materials such as peat. Notwithstanding the foregoing, Grantor may designate not more than twenty (20) areas (with no single area exceeding 5 acres and all areas not to exceed a total of 75 acres) of land at any given time from which sand, gravel and stone may be extracted for use as is reasonably necessary (a) for the construction and maintenance of those trails, roads, landing areas, and parking areas located within the Property and other real property in Skamania County, Washington, owned by Grantor, its parents, subsidiaries, or affiliates, (b) for use on roads leading to the Property, and (c) for sale to neighboring landowners of the Property and other real property in Skamania County, Washington, owned by Grantor, its parents, subsidiaries, when suitable sources of rock materials are not available on such lands. Incidental sand, gravel and rock resources naturally occurring alongside existing roads may be utilized for general road maintenance, repair and construction. These sources will not count towards the limitations described above.
2. Notwithstanding subsection D.1 above, Grantor shall designate and use not more than 5 acres of un-reclaimed Property at any given time from which specialty landscape rock may be excavated, extracted, and removed, for sale to third parties. The specialty landscape rock operation shall count against the total 75 acre allowable open mineral extraction acres referred to in subsection D.1 above.
3. Grantor shall give Grantee thirty (30) days prior written notice of Grantor's intent to engage in the activities authorized in this subsection D.

4. The Property shall be occupied, used, or disturbed only as is necessary to perform the authorized activities in this subsection D.
5. Grantor may construct such temporary structures and improvements that are necessary to perform the activities permitted in this subsection D, but Grantor shall remove all such structures, other improvements, and materials from the Property within one year of terminating operations. Should the Grantor fail to do so, the Grantee may remove, destroy or otherwise dispose of such structures, improvements, and materials at Grantor's expense.
6. In performing the activities authorized in this subsection D, Grantor shall take all reasonable provisions to dispose of tailings, dumpage, or other deleterious materials or substances to prevent obstruction, pollution, or deterioration of water and other natural resources.
7. Grantor shall give Grantee written notice of the completion of operations and permanent closure of a rock source and within one year of such notice Grantor shall re-vegetate and reclaim the site to the extent required by any applicable permit, but if there is no permit, then Grantor shall provide a sufficient layer of topsoil on the site to support tree seedling growth, and shall replant the site with tree seedlings, within one year after completion of mining operations.

**E. Recreation/Education.** Grantor may construct or reconstruct the following structures and improvements for educational and recreational purposes: trails, primitive camping sites, outhouses, composting toilets, interpretive signs, directional signs, railings, walkways, wildlife observation stands or blinds, septic systems, water and utility services and systems, paved roads, similar structures and improvements, and appurtenant facilities.

**F. Topography Modification.** Changes in the existing general topography of the landscape or land surface of the Property, excluding change as a result of activities permitted by this Easement, are prohibited unless such changes were caused by circumstances beyond the control of the Grantor.

**G. Waste Disposal and Hazardous Materials.** Grantor shall not use any portion of the Property for dumps, landfills, or the storage or deposit of waste materials of any kind, except septic system or composting toilet waste, nor transport over or keep on or around the Property for use, disposal, treatment, generation, storage or sale any substance designated as hazardous, dangerous, toxic, or harmful as those terms are used in any federal, state, or local law regulating such substance except to the extent necessary to perform activities authorized by this Easement and applicable law. Grantor shall have the right to use and transport forest chemicals and fertilizers commonly used for forest health management, whether now known or hereafter discovered. Grantor shall have the right to deposit woody and soil laden debris and other earthen material or overburden material in locations allowed by applicable federal, state or local law



when generated from the Property or roads thereon or roads leading thereto: (a) rock quarry overburden material, (b) woody and soil laden debris from roadside slides, debris flows or other road events, and (c) other earthen waste materials generated by road construction or maintenance activities.

**H. Industrial, Commercial and Residential Activities.** Except as authorized herein, the use of the Property for industrial, commercial or residential activities is prohibited.

**I. Signs and Billboards.** Grantor shall not place any sign or billboard on the Property, except to state the name and address of the property owner or manager or interpretive signs referring to forestry and timberland management, signs related to silvicultural treatments as required by law, road numbering signs, survey monument signs, signs providing road and trail directions, real estate signs, timber sale and harvest boundary or leave-tree signs, warning signs, signs disclosing access rules and regulations, or to control unauthorized entry or use as may be permitted herein. Authorized signs shall be no larger than thirty-six (36) square feet in area.

**J. Utility Facilities.** Except as otherwise permitted in this Easement or those existing as of the date of the easement, no additional utility easements or rights-of-way shall be located within the Property after the date of this Easement without Grantee's prior written consent, which will not be unreasonably withheld.

### PART III USE OF THE PROPERTY BY GRANTEE

Under this Easement, Grantee shall have the following rights, but not the obligation, to use the Property:

**A. Entry and Inspection.** Grantee may enter upon the Property to inspect for compliance with the terms of this Easement, and otherwise administer use of the Property pursuant to the rights acquired hereunder. In exercising this right, Grantee may utilize motorized vehicles including, but not limited to, cars, trucks, and helicopters. Access by Grantee for inspection purposes shall be on twenty-four hours advance oral or written notice to Grantor except in emergencies or cases of suspected deliberate violations.

**B. Signs and Notices.** Grantee may post signs and notices to survey, mark and monument the boundaries of the Property to identify and interpret natural environmental features, to promote on-site activities permitted on the Property; to give road or trail directions; or to control unauthorized entry or uses as described herein. Grantee shall notify the Grantor orally or in writing of Grantee's intention to post the allowed signs at least one week in advance of doing so.

**C. Monitoring and Research.** Grantee, at its sole expense, may conduct research activities and monitor such activities in connection with promoting forest land use, protection, and conservation such as protecting important scenic, cultural, fish, wildlife and recreational resources, riparian areas and ecological values, public recreation, and environmental quality

consistent with all provisions of this Easement. Grantee shall notify Grantor orally or in writing of Grantee's intention to conduct such monitoring and research at least one week in advance of doing so.

#### PART IV PUBLIC ACCESS

**A. Recreation.** The public shall have the right to enter, traverse and otherwise use the Property for recreational activities, including but not limited to hiking, snowshoeing, cross-country skiing, biking and horseback riding, except within those portions of the Property in which Grantor or a third party authorized by Grantor is engaged in an authorized use of the Property. Hunting, trapping, fishing, motorized vehicle access, and snowmobiling are not permitted public uses of the Property unless specifically allowed by Grantor in writing. Grantor may reasonably regulate and restrict public use and access of the Property, including the prohibition of certain recreational activities and other public uses, to avoid interference with the use of the Property by Grantor and third parties authorized by Grantor, and to promote public safety. Neither Grantor nor Grantee shall charge the public or otherwise impose a fee for public use of the Property, provided, however, that Grantor may charge or impose fees for hunting, trapping, fishing, motorized vehicle access, and snowmobiling and any lawful public use that otherwise is prohibited under this Easement and does not significantly impair or interfere with the conservation objectives of this Easement, subject to compliance with applicable state laws and regulations, including any Washington State Department of Fish and Wildlife rules and regulations.

**B. Restrictions on Public Use.** Grantor may reasonably regulate or prohibit antisocial and unlawful behavior, unsafe behavior, destruction or vandalism to improvements, and removal of any trees, firewood or other forest products by the general public. Grantor may reasonably regulate or prohibit public use and access where public safety may be threatened by the risk of wildfire, floods, landslides, or other hazards. Grantor may reasonably regulate or prohibit public use of and access to the Property to avoid interference with Grantor's reserved rights and to reduce the risk of accidents, damage to or destruction of property, exposure to physical hazards, fire, unlawful conduct, and trespassing.

#### PART V GENERAL TERMS AND CONDITIONS

**A. Successors in Interest.** The obligations of Grantor under this Easement shall bind Grantor's heirs, successors, agents, and assigns.

**B. Authorized Representatives.** As used in this Easement, the term Grantee shall include its agents, successors or assigns.

**C. Hold Harmless.** Grantor hereby releases and agrees to hold harmless, indemnify, and defend Grantee (with counsel acceptable to Grantee) and its employees, agents, and contractors

and the heirs, personal representatives, successors, and assigns of each of them from and against any and all liabilities, penalties, fines, charges, costs (including reasonable attorney fees), losses, damages, expenses, causes of action, claims, demands, orders, judgments, or administrative actions, including injury to or death of any person, or physical damage to any property (collectively, "losses"), to the extent that the same shall arise out of or result from any act or omission of Grantor, its employees, agents, contractors, or licensees and guests, within the Property under this Easement, including the violation or alleged violation of, or other failure to comply with, any state, federal, or local law, regulation, or requirement, including without limitation the Comprehensive Environmental Response, Compensation and Liability Act and the Model Toxics Control Act, except to the extent that the losses arise out of or result from any act or omission of Grantee. As between Grantor and Grantee, Grantee shall be liable for all losses arising after the date hereof to the extent that the losses arise from or relate to Grantee's negligence or intentional misconduct in the performance of its monitoring activities under this Easement.

**D. Enforcement.** Grantee shall give Grantor thirty (30) days' prior written notice ("Cure Period") of a violation of this Easement. If Grantee determines, in its sole discretion, that circumstances require immediate action to prevent or mitigate significant damage to the conservation values of the Property, Grantee may pursue such corrective action without waiting for the Cure Period to expire, including but not limited to commencing a lawsuit for injunctive relief. In the event the violation is not cured within the Cure Period, Grantee may take such action as is reasonably necessary to correct the violation and recover the cost of such corrective action as damages including Grantee's administrative costs. If a dispute arises out of a breach of this Easement that does not entitle the Grantee to take immediate action as set forth above, and if such dispute cannot be settled through negotiations within thirty (30) days of Grantee giving Grantor written notice of an alleged breach ("Negotiation Period"), that matter will be submitted to mediation before resorting to litigation or some other dispute resolution procedure. If the Grantor and Grantee cannot agree on a mediator within thirty (30) days after conclusion of the Negotiation Period, the matter shall be referred to the Seattle Office of the American Arbitration Association for mediation. Grantee shall be entitled to recover damages for injury to any conservation values protected by this easement, including but not limited to damages for the loss of scenic, aesthetic, or environmental values. In the event a party retains an attorney to bring suit or seek alternative dispute resolution to interpret or enforce this Easement, the prevailing party shall be entitled to reasonable attorney's fees whether or not such matter proceeds to judgment.

**E. Waiver.** Enforcement of the terms of this Easement shall be at the discretion of Grantee. Any forbearance by Grantee to exercise its rights under this Easement in the event of breach of any term by Grantor shall not be deemed a waiver by Grantee of such term or of any subsequent breach of the same or any other term of this Easement or of any of the rights of Grantee under this Easement. No delay or omission by Grantee in exercising its rights shall impair such right or remedy or be construed as a waiver.



**F. Acts Beyond Grantor's Control.** Nothing contained in this Easement shall be construed to entitle Grantee to bring any action against Grantor for any injury to or change in the Property resulting from causes beyond the control of Grantor, including but not limited to vandalism, fire, flood, storm, and earth movement.

**G. Unpaid Obligations.** Grantor shall pay before delinquency all obligations secured by the Property and all taxes, assessments, fees, and charges of whatever description levied on or assessed against the Property and upon written request, provide Grantee evidence of payment. In the event such obligations become delinquent, Grantee shall have the right, but not the obligation, to cure the delinquency and recover such payments with interest at twelve percent per annum as damages.

**H. Extinguishment.** If circumstances arise that render the purpose of this Easement impossible to accomplish, this Easement can only be terminated or extinguished, whether in whole or in part, by consent of the parties or judicial proceedings in a court of competent jurisdiction. Grantee shall be entitled to the value of this Easement or proportionate part thereof, which would have remained had this Easement continued, as of the date this Easement is extinguished, as determined by agreement of the parties or a court of competent jurisdiction.

**I. Entire Agreement.** This document sets forth the entire agreement of the parties. Any prior or contemporaneous discussions, negotiations, or agreements are of no effect.

**J. Amendment.** All amendments must be in writing and signed by an authorized representative of each party.

**K. Subsequent Transfer of Ownership.** Grantor may convey Grantor's interest in the Property, or any part of it, subject to the terms of this easement after sixty (60) days' prior written notice to Grantee. Grantor shall reference this Easement in its deed of conveyance. Grantee may assign its rights and obligations under this Easement only to an organization that is a qualified organization at the time of transfer under Section 170(h) of the Internal Revenue Code of 1954, as amended (or any successor provision then applicable), and the applicable regulations promulgated thereunder, and authorized to acquire and hold conservation easements under RCW 64.04.130 (or any successor provision then applicable).

**L. Endowment for Monitoring.** Grantor, or its designee, shall provide Grantee a one-time payment of \$10,000.00 to be used for expenses incurred monitoring compliance with this Easement.

**M. Rule of Construction.** This Easement shall be liberally construed to carry out the purposes of the Forest Legacy Program and its guidelines under the Final Version Forest Legacy Program Implementation Guidelines dated June 30, 2003, to protect forest lands that are threatened by conversion to non-forest uses and other conservation purposes for which this Easement was acquired. The parties acknowledge that each has had an opportunity to have this

Easement reviewed by an attorney and agree that the terms shall not be presumed construed against the drafter.

**N. Easement Management.** The Grantee shall have the right to delegate management and enforcement authority under this Easement to any duly appointed easement manager, which may include a federal, state, or local government agency or non-profit agency, with the approval of the Grantor, which shall not be unreasonably withheld. This appointment may be changed from time to time.

**O. Invalidity.** Invalidity of any of these covenants and restrictions or anything else contained herein or any part thereof by judgments or court orders shall in no way affect the validity of any of the other provisions hereof which shall remain in full force and effect.

**P. Compliance with Laws.** Grantor shall comply with all federal, state, or local laws while performing any of the activities on the Property authorized herein.

**Q. Exhibits.** All exhibits referenced herein are incorporated into this Easement as part of this Easement.

**EXHIBITS:**

- A - Legal Description of the Property
- B - Map of the Property
- C - Preliminary Title Report -Matters of Record

**GRANTOR:**

Pope Resources, a Delaware limited partnership

By Pope MGP, Inc., a Delaware corporation, its  
managing general partner

Dated: \_\_\_\_\_

12/23/10

By: \_\_\_\_\_

*David L. Nunes*

David L. Nunes  
President and Chief Executive Officer

GRANTEE:

State of Washington  
Department of Natural Resources

Dated: December 29, 2010

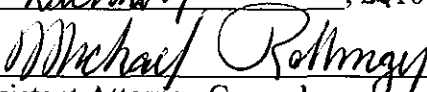
By: 

Peter Goldmark  
Commissioner of Public Lands



Affix the Seal of the  
Commissioner of Public Lands

Approved as to Form this 22 day of  
December, 2010

  
Assistant Attorney General  
State of Washington

STATE OF WASHINGTON )

COUNTY OF KITSAP ) ss.

On this 23<sup>rd</sup> day of December, 2010, before me, a Notary Public in and for the State of Washington, personally appeared David L. Nunes, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed this instrument, on oath stated that he was authorized to execute the instrument, and acknowledged it as the President and Chief Executive Officer of Pope MGP, INC., the managing general partner of Pope Resources, to be the free and voluntary act and deed of said corporation and partnership for the uses and purposes mentioned in the instrument.

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



Susan M. Graham-Schuyler  
 NOTARY PUBLIC in and for the State of  
 Washington, residing at Indianola  
 My appointment expires May 20, 2014  
 Print Name Susan M. Schuyler

STATE OF WASHINGTON )  
COUNTY OF Thurston ) ss  
)

On this 29<sup>th</sup> day of December, 2010, personally appeared before me Peter Goldmark, to me known to be the Commissioner of Public Lands, State of Washington, who executed the within and foregoing instrument on behalf of the State of Washington, and acknowledged said instrument to be the free and voluntary act and deed of the State of Washington for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument and that the seal affixed is the official seal of the Commissioner of Public Lands for the State of Washington.

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



Brenda Jean Treadwell  
NOTARY PUBLIC in and for the State of  
Washington, residing at Olympia  
My appointment expires 2-25-2012  
Print Name Brenda Jean Treadwell



## EXHIBIT A

### MT. ST. HELENS FOREST LEGACY

A tract of land in Sections 1, 2, 3, 11, 12 & 13, Township 6 North, Range 5 East, and in Sections 3, 4, 5, 6, 7, 8, 9 & 10, Township 6 North, Range 6 East, of the Willamette Meridian, in the County of Skamania, State of Washington, being a portion of the land described in the "Revised Division Map of Swift South", recorded under Auditor's File No. 2007167210 and Statutory Warranty Deed recorded under Auditor's File No. 2007167218, more particularly described as follows:

#### PARCEL I

Section 1, Township 6 North, Range 5 East of the Willamette Meridian, in the County of Skamania, State of Washington. Also described as Lots E-1 through E-32 of "Revised Division Map of Swift South", recorded under AFN 2007167210.

Section 2, Township 6 North, Range 5 East of the Willamette Meridian, in County of Skamania, State of Washington. Also described as Lots D-1, D-3, D-4, D-5, D-7 through D-9, D-11 through D-13 and D-15 through D-32 of "Revised Division Map of Swift South", recorded under AFN 2007167210.

Except Government Lot 3 and the Southeast Quarter of the Northwest Quarter of said Section 2. Said exception also described as Lots D-2, D-6, D-10 & D-14 of "Revised Division Map of Swift South", recorded under AFN 2007167210.

Section 3, Township 6 North, Range 5 East of the Willamette Meridian, in the County of Skamania, State of Washington. Also described as Lots C-1 through C-26, Lots C-28 through C-30 and Lot C-32 of "Revised Division Map of Swift South", recorded under AFN 2007167210.

Except the Southwest Quarter of the Southeast Quarter of said Section 3. Said exception also described as Lots C-27 & C-31 of "Revised Division Map of Swift South", recorded under AFN 2007167210.

Section 11, Township 6 North, Range 5 East of the Willamette Meridian, in the County of Skamania, State of Washington. Also described as Lots L-1 through L-32 of "Revised Division Map of Swift South", recorded under AFN 2007167210.

Section 12, Township 6 North, Range 5 East of the Willamette Meridian, in the County of Skamania, State of Washington. Also described as Lots M-1 through M-32 of "Revised Division Map of Swift South", recorded under AFN 2007167210.

The North Half of Section 13, Township 6 North, Range 5 East, of the Willamette Meridian, in the County of Skamania, State of Washington. Also described as Lots T-1 through T-16 of "Revised Division Map of Swift South", recorded under AFN 2007167210.

## PARCEL II

The South 198 feet of the North Half of the South Half of Section 3, Township 6 North, Range 6 East, of the Willamette Meridian, in the County of Skamania, State of Washington. Also described as the South 198 feet of Lots I-21 through I-24 of "Revised Division Map of Swift South", recorded under AFN 2007167210.

The South Half of the South Half of Section 3, Township 6 North, Range 6 East of the Willamette Meridian, in the County of Skamania, State of Washington. Also described as Lots I-25 through I-32 of "Revised Division Map of Swift South", recorded under AFN 2007167210.

The South 198 feet of the North Half of the Southeast of Section 4, Township 6 North, Range 6 East, of the Willamette Meridian, in the County of Skamania, State of Washington. Also described as the South 198 feet of Lots H-17 and H-18 of "Revised Division Map of Swift South", recorded under AFN 2007167210.

The South Half of the Southeast Quarter of Section 4, Township 6 North, Range 6 East, of the Willamette Meridian, in the County of Skamania, State of Washington. Also described as Lots H-20, H-21, H-24 & H-25 of "Revised Division Map of Swift South", recorded under AFN 2007167210.

Government Lots 3 & 4, the South Half of the Northwest Quarter and the West Half of the Southwest Quarter of Section 5, Township 6 North, Range 6 East, of the Willamette Meridian, in the County of Skamania, State of Washington. Also described as Lots G-1 through G-12 of "Revised Division Map of Swift South", recorded under AFN 2007167210.

Government Lots 1,2,3,6,7,8,10 & 12, the South Half of the Northeast Quarter, the Southeast Quarter of the Northwest Quarter, the East Half of the Southwest Quarter and the Southeast Quarter of Section 6, Township 6 North, Range 6 East, of the Willamette Meridian, in the County of Skamania, State of Washington. Also described as Lots F-1 through F-32 of "Revised Division Map of Swift South", recorded under AFN 2007167210, except Government Lots 9 & 11.

Section 7, Township 6 North, Range 6 East, of the Willamette Meridian, in the County of Skamania, State of Washington. Also described as Lots N-1 through N-32 of "Revised Division Map of Swift South", recorded under AFN 2007167210.

Section 8, Township 6 North, Range 6 East, of the Willamette Meridian, in the County of Skamania, State of Washington. Also described as Lots O-1, O-3, O-5 through O-28 of "Revised Division Map of Swift South", recorded under AFN 2007167210.

Except the Northeast Quarter of the Northwest Quarter and the North Half of the Northeast

Quarter of said Section 8. Said exception includes Lots O-2, and O-4 of "Revised Division Map of Swift South", recorded under AFN 2007167210.

Section 9, Township 6 North, Range 6 East, of the Willamette Meridian, in the County of Skamania, State of Washington. Also described as Lots P-3, P-4 and P-7 through P-32 of "Revised Division Map of Swift South", recorded under AFN 2007167210.

Except the North Half of the Northwest Quarter of said Section 9, said exception also described as P-1, P-2, P-5 and P-6 of "Revised Division Map of Swift South", recorded under AFN 2007167210.

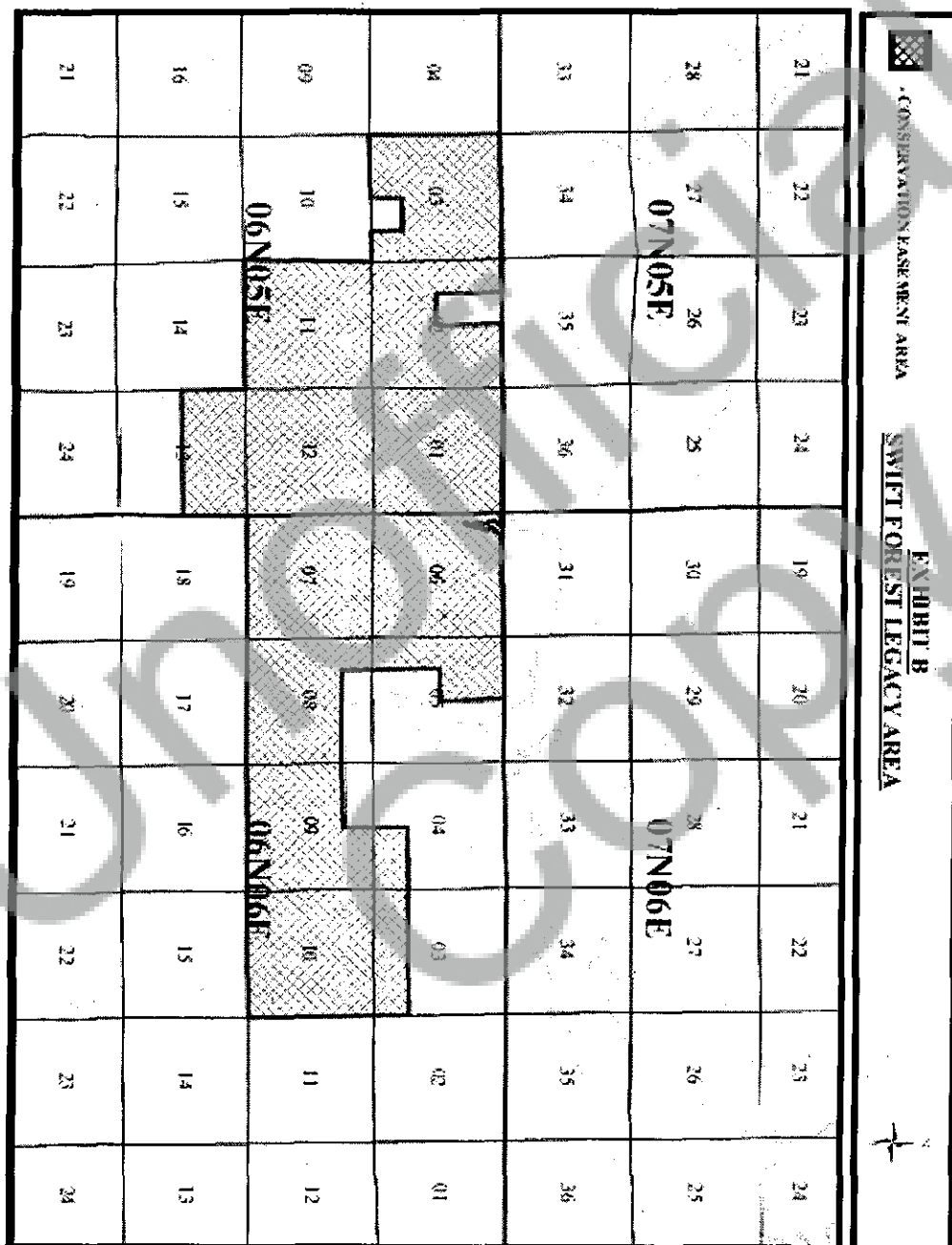
Section 10, Township 6 North, Range 6 East of the Willamette Meridian, in the County of Skamania, State of Washington. Also described as Lots Q-1 through Q-32 of "Revised Division Map of Swift South", recorded under AFN 2007167210.

APPROVED AS TO FORM ONLY

  
D.N.R. LAND SURVEY

12-21-10

# EXHIBIT B MAP OF THE PROPERTY



## EXHIBIT C MATTERS OF RECORD

### GENERAL EXCEPTIONS:

1. Rights or claims of parties in possession, or claiming possession, not shown by the Public Records.
2. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land.
3. Easements, prescriptive rights, rights-of-way, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any lien, or right to a lien, for contributions to employee benefit funds, or for state workers' compensation, or for services, labor, or material heretofore or hereafter furnished, all as imposed by law, and not shown by the Public Records.
5. Taxes or special assessments which are not yet payable or which are not shown as existing liens by the Public Records.
6. Any lien for service, installation, connection, maintenance, tap, capacity, or construction or similar charges for sewer, water electricity, natural gas or other utilities, or for garbage collection and disposal not shown by the Public Records.
7. Unpatented mining claims, and all rights relating thereto.
8. reservations and exceptions in United States Patents or in Acts authorizing the issuance thereof.
9. Indian tribal codes or regulations, Indian treaty or aboriginal rights, including easements or equitable servitude.
10. Water rights, claims or title to water.
11. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the Public Records, or attaching subsequent to the effective date hereof but prior to the date the proposed insured acquires of records for value the estate or interest or mortgage thereon covered by this Commitment.

### SPECIAL EXCEPTIONS:

#### PARCEL 1

1. TAXES FOR YEAR 2010: \$4,028.13  
PARCEL NO. 06-05-00-0-0-0100-00 "AFFECTS ADDITIONAL PROPERTY"
2. The Lien of Real Estate Excise Sales Tax upon any sale of said property, if unpaid. The state rate is 1.53%.  
  
As of July 1, 2005 an additional fee of \$5.00 will be applied to all non-exempt Excise Tax Forms and a fee of \$10.00 will be applied to all exempt Excise Tax Forms.
3. Potential Taxes, Penalties and Interest incurred by reason of a change in the use or withdrawal from classified use of the herein described property. Notice of approval of such classified use was given by the Skamania County Assessor and is disclosed on the Tax Roll.  
  
NOTE: Buyers must contact the Assessor's Office about this Classification as they are requiring a Timber Management Plan and it MUST be complete before closing unless Classification is being paid off at closing.
4. Rights of the State of Washington in and to that portion of said premises, if any, lying in the bed or former bed of the creeks, if it is navigable.

CONTINUED



5. Any question that may arise due to shifting or change in the course of the creeks or due to the creeks having shifted or changed its course.
6. Any prohibition or limitation on the use, occupancy, or improvements of the land resulting from the rights of the public or riparian owners to use any waters which may cover the land or to use any portion of the land which is now or may formerly have been covered by water.
7. An easement, including the terms and provisions thereof, recorded July 12, 1973 in Book 65, Page 481.
8. An easement, including the terms and provisions thereof, recorded March 11, 1983 in Book 82, Page 27.
9. An easement, including the terms and provisions thereof, recorded July 12, 1985 in Book 84, Page 743.  
Easement Supplement recorded March 23, 1987 in Book 104, Page 605.
10. An easement, including the terms and provisions thereof, recorded February 6, 1989 in Book 112, Page 900.  
Easement Supplement recorded April 19, 1991 in Book 123, Page 6.

PARCEL II

11. TAXES FOR YEAR 2010: \$6,389.09  
PARCEL NO. 06-06-00-0-0-0200-00 "AFFECTS ADDITIONAL PROPERTY"
12. Potential Taxes, Penalties and Interest incurred by reason of a change in the use or withdrawal from classified use of the herein described property. Notice of approval of such classified use was given by the Skamania County Assessor and is disclosed on the Tax Roll.  
  
**NOTE: Buyers must contact the Assessor's Office about this Classification as they are requiring a Timber Management Plan and it MUST be complete before closing unless Classification is being paid off at closing.**
13. Rights of the State of Washington in and to that portion of said premises, if any, lying in the bed or former bed of the Swift Reservoir & Creeks, if it is navigable.
14. Any question that may arise due to shifting or change in the course of the Swift Reservoir and Creeks or due to the Swift Reservoir and Creeks having shifted or changed its course.
15. Any questions that may arise due to shifting or change of the line of high water of the Swift Reservoir or due to the Swift Reservoir having shifted or changed its line of high water.

CONTINUED

16. Any prohibition or limitation on the use, occupancy, or improvements of the land resulting from the rights of the public or riparian owners to use any waters which may cover the land or to use any portion of the land which is now or may formerly have been covered by water.
17. An easement, including the terms and provisions thereof, recorded February 6, 1989 in Book 112, Page 900.  
Easement Supplement recorded April 19, 1991 in Book 123, Page 6.

CONTINUED

THE FOLLOWING EXCEPTIONS AFFECT MULTIPLE PARCELS:

1. Rights of the public in and to that portion lying within their Roads & Highways.
2. Reservations, including the terms and provisions thereof, in favor of Plum Creek Timber, recorded July 3, 1989 in Book 114, Page 702. Also recorded January 15, 1993 in Book 132, Page 881.
3. Terms, provisions, covenants, conditions, restrictions, easements, charges, assessments and liens provided in the Covenants, Conditions and Restrictions, recorded March 30, 2001 in Book 208, Page 110.
4. Reservation, including the terms and provisions thereof, in favor of Meridian Oil, Inc., recorded July 3, 1989 in Book 114, Page 714 and in Book 114, Page 716, and in Book 109, Page 929, 933 & 937.  
  
Corporation name change between Meridian Oil, Inc. To Burlington Resources Oil and Gas Co., recorded December 20, 1998 in Book 185, Page 108.  
  
Certificate of Meyer Meridian Minerals, etal to Glacier Park, recorded April 8, 2002 in Book 222, Page 820.
5. Notice of Claim to Severed Mineral Interest recorded by Burlington Resources Oil & Gas Company, including the terms and provisions thereof recorded December 16, 2008, in Auditor File NO. 2008171682.
6. Any rights, easements, interests or claims which may exist by reason of or be reflected by the following facts shown on the survey recorded in Auditors File No. 2007166684, and revised by 2007167210.
7. We will need a copy of any amendments to the Partnership of the Vestee. Also a copy of the current filing with the Corporation Department. Also copy as to who can sign for Pope Resources.

NOTE: This legal Exhibit "A" is not the same as the Deed recorded in Auditor File No. 2007167218. Pope Resources broke down parcels into 20 Acres. The County did not change the maps nor did they do separate parcels per the request of the Owner, so we stayed with the Original Legals to match the Counties maps.