

**KOVALIC FOREST SERVICES, INC.
487 ECTON ROAD
WINCHESTER, KY 40391
(859) 744-2930**

APRIL 7 2011

Resource Land Holdings, LLC
Attn Sam Herman
619 North Cascade Suite 200
Colorado Springs, CO 80903

Mr. Herman:

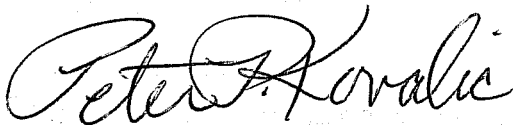
Enclosed is the appraisal report for Resource Land Holdings Kennessee Properties, LLC on a 187 acre property near Hitchins in Carter County, Kentucky.

The timber condition is healthy and growing very well as can be expected on this particular site. The only mortality is a few wind blown trees. The timber is very heavy to white oak with very good quality sawtimber and several veneer quality logs. The small amount of red oak volume is very excellent quality saw timber. The other species are average or below average quality sawlogs.

The enclosed two tables are information by volume, species, size class, number of trees, and averages.

If I can be of further assistance with the appraisal please do not hesitate to give me a call. My invoice is enclosed.

Sincerely,



Peter P Kovalic, ACF, CF
Consulting Forester

PPK/jtk

Enclosures 3

Table 1

Resource Land Holdings Kennessee Properties, LLC

VOLUME AND NUMBER OF TREES BY SPECIES

BOARD FEET - DOYLE LOG RULE

<u>SPECIES</u>	<u>VOLUME</u>	<u>%</u>	<u>NO. OF TREES</u>	<u>AVG. VOL/TREE</u>
Red Oak	16,873	3	70	240
White Oak	379,046	61	2,930	129
Black Oak	102,787	17	588	175
Chestnut Oak	36,271	6	371	173
Scarlet Oak	25,057	4	106	235
Yellow Poplar	33,593	5	182	184
Hickory	13,017	2	207	63
Sugar Maple	4,998	1	17	294
Pitch Pine	<u>4,998</u>	<u>1</u>	<u>17</u>	<u>294</u>
TOTALS	616,640	100%	4,488	137

Average volume based on 187 acres is, 3,297 board feet/acre.

TOTAL TIMBER VOLUME 616,640

**Peter P. Kovalic, A. C. F. CF
Consulting Forester
487 Ecton Road
Winchester, Kentucky 40391
(859) 744-2930
CELL # (859) 595-2218**

TABLE 2

RESOURCE LAND HOLDINGS, LLC

VOLUME

BY

DBH AND SPECIES

BOARD FEET - DOYLE LOG RULE

187 ACRES

DBH	RO	WO	BO	CO	SO	YP	HIC	SM	PP	TOTALS
14		36,387	4,328	3,871		2,639	5,065			52,290
16		159,715	24,687	19,083		6,683	5,818			215,986
18	4,680	71,094	28,068	13,317	7,001	12,699	2,134			138,993
20	7,300	63,423	26,971		12,864	5,114		4,998	4,998	125,668
22	4,893	48,427	9,775							63,095
24			3,511		5,192	6,458				15,161
26			5,447							5,447
Totals	16,873	379,046	102,787	36,271	25,057	33,593	13,017	4,998	4,998	616,640