

NEIMAN TIMBER CO., L.L.C.

P.O. BOX 218, HULETT, WYOMING 82720
(307) 467-5252 • FAX (307) 467-5418

TIMBER SALE CONTRACT

This AGREEMENT, effective this ^{12th} ~~24th~~ day of ^{May} ~~February~~, 2009. By and between Neiman Timber Company, LC, P.O. Box 218, Hulett, Wyoming 82720, hereafter referred to as BUYER, and Bryan W. Paul Family Limited Partnership, of P.O. Box 2357, Labelle, Florida 33975, hereafter referred to as SELLER. SELLER owns the following described land in Weston County, State of Wyoming:

Township Forty Six North, Range Sixty One West, Black Hills Meridian

Section 9: SE 1/4

Section 10: S1/2S1/2; NW1/4SW1/4

Section 11: S1/2SW1/4; SW1/4SE1/4

Section 14: W1/2; W1/2E1/2

Section 15: ALL

Section 21: N1/2NE1/4; SE1/4NE1/4; SW1/4NE1/4



SELLER does hereby presently bargain, sell, and convey unto BUYER, approximately sixty percent of the live merchantable timber, **9 (nine) inches** or more diameter breast high, to a **6 (six) inch** top (d.i.b.), standing on the above-described land. Merchantable timber is understood to be a tree with at least one (1) 16 foot log, 1/3 sound that is physically, safely and economically accessible. It is further understood that not all of the merchantable timber will be removed from the sale area. The parties agree that this agreement is a present sale of identified goods.

BUYER shall have until **October 31, 2013** to remove the timber conveyed hereby. Any timber not removed by that date, or any extension thereof, shall become the property of the SELLER. SELLER warrants that it has full authority to sell said timber and that such timber is free and clear of liens and claims.

The SELLER is responsible for providing access to areas to be used by the BUYER in all sale activities. BUYER and its contractors shall have the right to use existing roads on the land described above and on adjoining lands owned by SELLER. Logging slash will be piled by the buyer where physically and safely possible. BUYER shall keep gates closed as directed by SELLER, and shall repair all fences and improvements damaged by BUYER's activities.

BUYER shall pay SELLER the sum of **\$ 9.00** per ton for green sawtimber removed from the sale area and delivered to sawmills owned by Neiman Enterprises, Inc. and located in Hill City and Spearfish, South Dakota and Hulett, Wyoming. All loads shall be weighed and the volume of timber removed and paid for shall be determined by weight. Stumpage payments will be made on a bi-monthly basis with scale weight tickets provided.

Areas will be logged according to generally accepted logging practices, including, but not limited to, Sustainable Forestry Initiative principles, Best Management Practices, state, local and federal guidelines, and as safety, ground and weather conditions permit.

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ADDITIONAL TERMS:

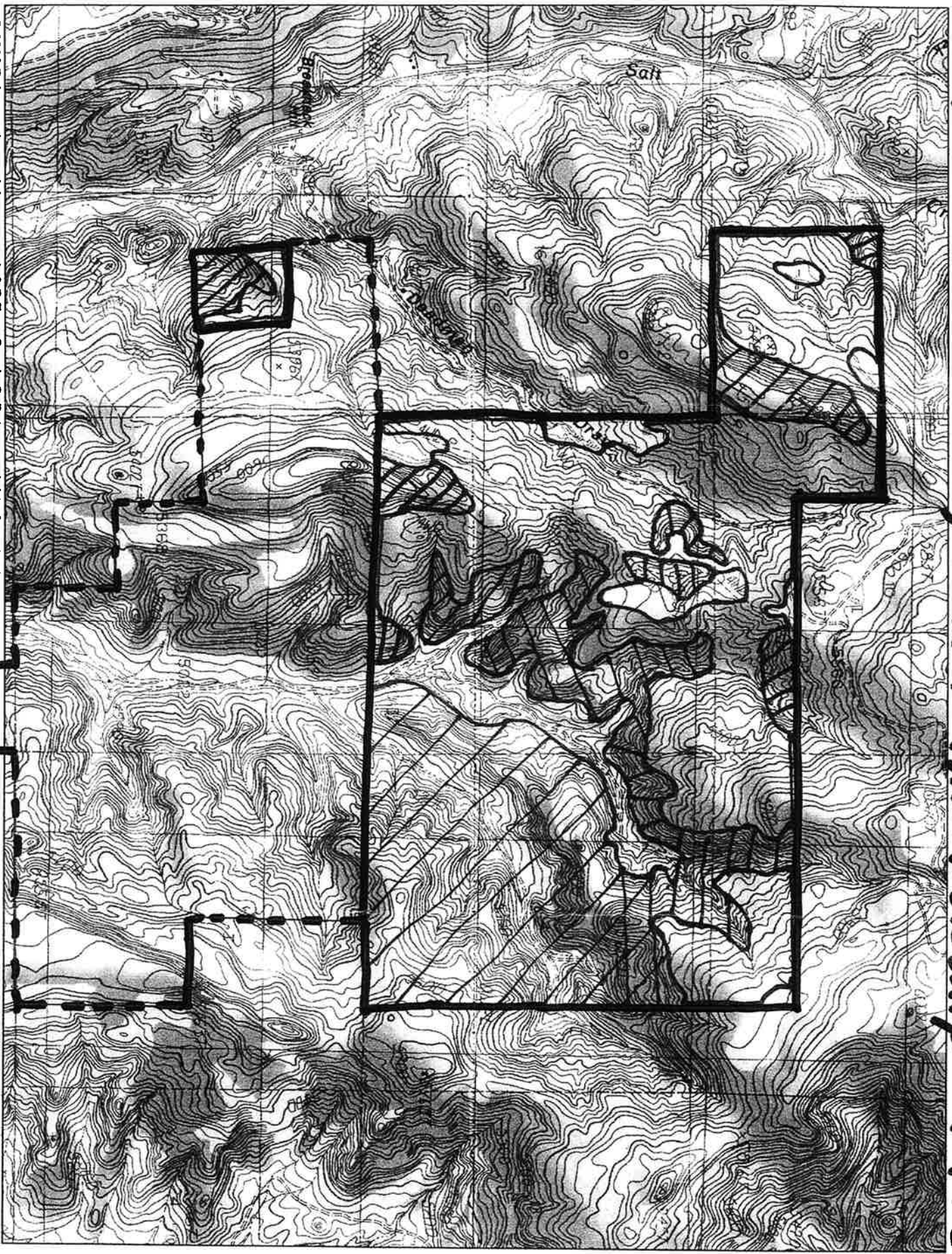
- 1) Timber removed shall be from areas that are accessible to conventional rubber tired skidding and generally, on slopes less than 40% grade unless agreed to by both parties.
- 2) Timber will be harvested so that a well-managed, residual stand of timber is left consisting of dominant and co-dominant trees. The intermediate age class stands (80-120 years old) will be harvested so that a growing stock level of approximately fifty square feet of basal area will be remaining in the residual stand. Most of the older mature stands will have over story removal or seed tree cuts. There will be some wildlife opening harvests designated by the landowner. The landowners' objectives for this sale are to create a healthy, aesthetically pleasing forest, reduce fuel hazard, eliminate mountain pine beetle infestation, create wildlife openings, and manage for timber and grass production.
- 3) Where Buyer determines the area(s) to be physically, safely, and economically accessible to be whole tree harvested, trees will be skidded to the landing areas where the limbs and tops ("logging slash") will be concentrated by piling and/or stacking. Logging slash will be lopped to 18" depth in areas where the Buyer determines the terrain and conditions cannot be physically, safely or economically whole tree harvested. "Whole tree harvesting" means skidding trees to an area where the trees can be limbed, topped, and processed into logs and tops and limbs can be piled and/or stacked.
- 4) In addition to the removal of commercial size timber from the sale area, the buyer will have an option to remove products other than logs (POL) from this sale area. Products other than logs (POL) will be processed from trees that are 5.0 inches to 8.9 inches in diameter at breast height. There will be no stumpage payment for the POL material.
- 5) A timber sale map will be furnished showing areas to be harvested and shall be included as part of this contract.
- 6) The owner will furnish culverts for installation by the buyer if it is deemed necessary for crossing road drainages.
- 7) ~~Buyer~~ Buyer will maintain the Road system during calendar year 2010. BHN/BP

By: Frank H. Neuman
Neiman Timber Co., L.C.

By: [Signature]
Seller

Seller's Address: P.O. Box 2357
Labelle, Florida 33975

Bryan Paul Family Lmt. Partnership 10/08



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Scale: 1 : 24,000 Map Rotation: 0° Magnetic Declination: 0.0°E

Sawtimber Cut Area

No cut

Contract dates may 12, 2009

GHN