



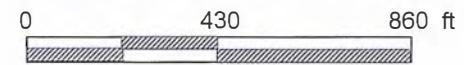
DOGAMI ID#: 10-0191

Permittee: ODOT

Site Name: Foster Creek

Photo Source / Date: D. Shear 4-20-98

File Name: d:\sitemaps\10graph\100191.CVS



Approx. scale 1 in = 430 ft +/- 10 ft

Oregon Dept. of Geology and Mineral Industries

Phone Memo to File

TO: File No. 10-0191
File Name Roy L. Houck Construction Co

FROM: *Allen Throop*

TALKED WITH: Larry Knudson

PHONE:

AGENCY

PUBLIC

PERMITTEE

COMPLAINT? Yes

No

MEMO

In response to my question, Larry K. confirmed the letter from Fab Inc that under normal circumstances we cannot relate two connected companies such as Fab Inc and Roy Houck, Inc. They are separate entities. I will write a letter to Pamela Houck taking the Tysling site out of the Forter Creek closure order.

ACTION

- Post to Inspect
- Post to Recall
- Fax
- Data Entry
- Mail
- Copy to Complaint File
- Other

ACTION COMPLETED

-
-
-
-
-
-
-

Original in File

Date: July 31, 1995
9:07 AM

Phone Memo to File

TO: File No. 10-0191
File Name Bracelin & Yeager

FROM: Allen Throop *AT*

TALKED WITH: Rick Kobernic
ODOT - Roseburg

PHONE: 957-3597

AGENCY PUBLIC PERMITTEE
COMPLAINT? Yes No

MEMO

Rick had checked with their field engineer who said that Houck has crushed the rock he needs but has not removed it from this site. I told him that we would issue Houck a closure order for the site. Houck is also looking at using either Pit Lake #2 or the Boundary Quarry to get the asphalt rock that he needs to complete the job.

ACTION

- Post to Inspect
- Post to Recall
- Fax
- Data Entry
- Mail
- Copy to Complaint File
- Other

ACTION COMPLETED

-
-
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-
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-
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Original in File

Date: July 27, 1995
4:32 PM

PHONE MEMO

TO: File No. 10-0191 & 10-0046
File Name Bracelin & Yeager - Foster Creek & Pit Lake sites

FROM: Allen Throop *dtw*

TALKED WITH: Jim Talbert
USFS - Umpqua NF - Roseburg SO

PHONE: 672-6601

AGENCY PUBLIC PERMITTEE

COMPLAINT? Yes No

MEMO: I called Jim to ask him about the status of the B&Y permit on this site. He said that they were finished except for removal of material from a stockpile (that is on ground already affected - aht).

He also stated that ODOT just got a free use permit for the site. They will be using the source for base rock of the next project to the east of the one just finished. They also have a permit for production of asphalt from the Pit Lake site

ACTION: I will contact ODOT and find out what they want to do with this permit. Sue D'Agnese is the region III geologist.

<input type="checkbox"/> Post to Inspect	_____
<input type="checkbox"/> Post to Recall	_____
<input type="checkbox"/> Data Entry	_____
<input type="checkbox"/> Mail	_____
<input type="checkbox"/> Other	_____

Entered on Database Action Completed Copied to complaint file Original to File

FABRICATORS INCORPORATED

AN EQUAL OPPORTUNITY EMPLOYER

2705 LANCASTER DRIVE N.E. • SALEM, OREGON 97305 • PHONE (503) 585-5950



July 28, 1995

Gary Lynch
DOGAMI
1536 Queen Avenue SE
Albany, OR 97321

RE: Status of Reclamation for #18-0029, #18-009

VIA FACSIMILE (503) 967-2075 AND MAIL

Dear Gary,

The Closure Order for Foster Creek Quarry, dated July 17, 1995, from DOGAMI to Roy L. Houck Construction Company has been brought to my attention. This correspondence links Roy L. Houck Construction Company (Roy L. Houck III) to Fabricators, Incorporated (Roy L. Houck Jr.). Please update DOGAMI records to show that Roy L. Houck Construction Co. is a separate independent operating entity from Fabricators, Incorporated.

The Closure Order correspondence notes the incomplete status of the Tysling Pit (#03-0007). Fabricator's records indicate that this was dependent upon the completion of Reclamation for both the Kleos and Balsum sites. I requested inspection of these site in May and was informed that the inspections would be complete by the end of the month (May). We have not received notification from DOGAMI of the status of inspections.

If the Reclamation is accepted and complete, Fabricators, Inc. is then ready to transfer the Tysling Pit. Please let me know when we may precede in the transfer or if you need additional information.

Thank you.

Sincerely,

Pamela Houck
Fabricators, Incorporated

03-0007
10-0191

FABRICATORS INCORPORATED

AN EQUAL OPPORTUNITY EMPLOYER

2705 LANCASTER DRIVE N.E. • SALEM, OREGON 97305 • PHONE (503) 585-5950



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1536 Queen Avenue SE
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If the Reclamation is accepted and complete, Fabricators, Inc. is then ready to transfer the Tysling Pit. Please let me know when we may precede in the transfer or if you need additional information.

Thank you.

Sincerely,

Pamela Houck
Fabricators, Incorporated

RECEIVED
JUL 31 1995

MLR

10-0191

ROY L. HOUCK CONSTRUCTION COMPANY

HEAVY CONSTRUCTION

AN EQUAL OPPORTUNITY EMPLOYER

2705 Lancaster Drive N.E. / Salem, Oregon 97305 / 585-5572

July 28, 1995

Mike Gardner, Project Mgr.
Oregon State Highway Dept.
3140 NE Stephens
Roseburg OR 97470

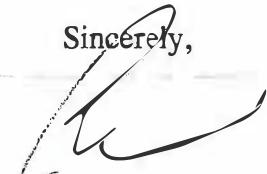
Re: Steamboat Creek - Boulder Flat (East Unit), OSHD 11542

Dear Sir:

Enclosed is a copy of a letter received today from the Oregon Department of Geology and Mineral Industries regarding closure of the Foster Creek Quarry due to a lack of an operating permit. Since Foster Creek Quarry is listed in Section 00160.40 of the Special Provisions for this project as a Division-Furnished Source, the contractor requests that the State fulfill its obligation to make the source available by obtaining the necessary permits.

We intend to start removing material from Foster Creek in the near future, so any delay in obtaining the permits will result in a delay in our schedule.

Sincerely,



Roy L. Houck, III
President

10-0191

ROY L. HOUCK CONSTRUCTION COMPANY

HEAVY CONSTRUCTION

AN EQUAL OPPORTUNITY EMPLOYER

2705 Lancaster Drive N.E. / Salem, Oregon 97305 / 585-5572

July 28, 1995

Gary Lynch, Supervisor
Mined Land Reclamation
Dept. of Geology & Mineral Industries
1536 Queen Ave. SE
Albany OR 97321

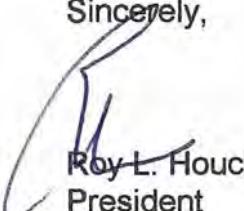
Re: ID No. 10-0191

Dear Sir:

In your letter of July 27, 1995, regarding the Foster Creek Quarry, you mentioned that all other sites permitted by Roy Houck Construction Co. must be in compliance, including Tyseling Pit. The permit for Tyseling Pit was applied for by Fabricators, Incorporated, which is a separate company owned by Roy Houck, Jr.

I realize it is confusing dealing with two different Roy Houcks at the same address, but Roy Houck Construction Co. is not involved in any way with Tyseling Pit or its permit application process. I suggest you contact Fabricators, Incorporated regarding any concerns with that site.

Sincerely,


Roy L. Houck, III
President

RECEIVED
JUL 31 1995

MLR

Oregon

July 27, 1995

DEPARTMENT OF
GEOLOGY AND
MINERAL
INDUSTRIES

Roy Houck, Roy Houck Construction, Inc.
2705 Lancaster Drive
Salem OR 97305

MINED LAND
RECLAMATION

CLOSURE ORDER

RE: ID No. 10-0191

Dear Mr. Houck:

By authority of ORS 517.880, your operation located in Section 36, Township 26S, Range 2E, Douglas County, known as the Foster Creek Quarry, is closed to all surface mining activities. The site shall remain closed until such time as an Operating Permit is obtained. Civil penalties may be imposed as provided under OAR 517.992, for operating a rock quarry without a permit. You were notified of the need for this permit in our letter of January 13, 1995.

To obtain an Operating Permit you will need to submit the following items:

- Application
- Application Fee of \$675
- Reclamation Plan
- Site Plan Map

All other sites permitted by you must also be in compliance before a permit will be issued. This includes completion of transfer of the Tyseling Pit (ID No. 03-0007).

If this site is not brought into full compliance with the provisions of ORS 517.750 et seq. within 30 days of this notice, you must provide evidence that the required reclamation has been completed or is underway and will be completed in accordance with the approved reclamation plan.

No further extractive mining activity or processing or removal of stockpiled materials may be conducted at this site in the absence of a valid operating permit. Violation of this Closure Order is subject to the penalties provided by law.



Roy Houck
Page 2
July 27, 1995

You have the right to a contested case hearing under ORS 183.310 to 183.550. Prior to filing a request for a contested case hearing, you must first request informal review by the State Geologist. OAR 632-33-050(1). A written request for a contested case hearing must be filed in writing within 30 days after you receive the State Geologist's written decision on your request for informal review.

If you have any questions, please contact Allen Throop in this office.

Sincerely,



Gary W. Lynch
Supervisor
Mined Land Reclamation

Enclosure: Division 30 Packet

c: Douglas County Planning Department
DEQ - Roseburg
ODOT - Roseburg
USFS - Roseburg

CERTIFIED MAIL

Is your RETURN ADDRESS completed on the reverse side?

10-0191 C/O 7-27-95

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

3. Article Addressed to:

Roy Houck
2705 Lancaster Dr.
Salem OR 97305

5. Signature (Addressee)

Roy Houck

6. Signature (Agent)

I also wish to receive the following services (for an extra fee):

1. Addressee's Address
2. Restricted Delivery
Consult postmaster for fee.

4a. Article Number

2022460834

4b. Service Type

Registered Insured
 Certified COD
 Express Mail Return Receipt for Merchandise

7. Date of Delivery

7-28-95

8. Addressee's Address (Only if requested and fee is paid)

Thank you for using Return Receipt Service.

PS Form 3811, December 1991 ★U.S. GPO: 1993-352-714 DOMESTIC RETURN RECEIPT

2022460834



**Receipt for
Certified Mail**

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to		<i>Roy Houck</i>
Street and No.		10-0191
P.O., State and ZIP Code		
Postage	\$.32	
Certified Fee	1.10	
Special Delivery Fee		
Restricted Delivery Fee		
Return Receipt Showing to Whom & Date Delivered	1.10	
Return Receipt Showing to Whom, Date, and Addressee's Address		
TOTAL Postage & Fees	\$ 2.52	
Postmark or Date		

7-27-95

PS Form 3800, March 1993

Phone Memo to File

TO: File No. 10-0191
File Name Bracelin & Yeager

FROM: Allen Throop *Act*

TALKED WITH: Rick Kobernic
ODOT - Roseburg

PHONE: 957-3597

AGENCY

PUBLIC

PERMITTEE

COMPLAINT? Yes

No

MEMO

Rick had checked with their field engineer who said that Houck has crushed the rock he needs but has not removed it from this site. I told him that we would issue Houck a closure order for the site. Houck is also looking at using either Pit Lake #2 or the Boundary Quarry to get the asphalt rock that he needs to complete the job.

ACTION

- Post to Inspect
- Post to Recall
- Fax
- Data Entry
- Mail
- Copy to Complaint File
- Other

ACTION COMPLETED

-
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-
-

Original in File

Date: July 27, 1995
2:27 PM

PHONE MEMO

TO: File No. 10-0191
File Name Bracelin-Yeager

FROM: Dawn Marshall *DM*

TALKED WITH: Doug Angell

PHONE:

AGENCY PUBLIC PERMITTEE

COMPLAINT? Yes No

MEMO

They received a 2nd notice. He said they sent the first notice back to us stating that they were done mining. I started to explain about having to let us know ahead of time and about a vegetation permit, etc., when he mentioned that another company has already come in and undone the reclamation/ revegetation and he believes they are now done with their project (highway).

ACTION

Pedro needs to call Doug and get this figured out.

- Post to Inspect _____
- Post to Recall _____
- Data Entry _____
- Mail _____
- Other _____

Entered on Database Action Completed Copied to complaint file Original to File

dm:compform (Rev. 4/94)

Date: July 19, 1995

Oregon

July 6, 1995

DEPARTMENT OF
GEOLOGY AND
MINERAL
INDUSTRIES

Ric Kobernik
Geologist
Oregon Department of Transportation
3500 Stewart Pkwy Blvd
Roseburg OR 97470

MINED LAND
RECLAMATION

RE: ID No. 10-0191 & 10-0046

Dear Ric:

As I mentioned on the phone on June 12, the Foster Creek quarry is now covered by a permit to Bracelin and Yeager. Conversion to an ODOT permit would not be difficult. The Pit Lake Quarry will also need a permit from DOGAMI.

10-0191

The Foster Creek quarry is in a condition acceptable to the Forest Service so one option is to close the permit. ODOT would then need to pay the full application fee and start the permitting process over again. Alternatively, ODOT may take over the existing permit with less paperwork and less money than involved with opening a new permit.

To assume the obligations of the permit, the following items are necessary:

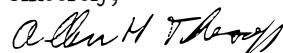
1. write us a letter requesting that the permit be transferred to ODOT and agreeing to following the existing reclamation plan. Since the existing reclamation plan refers to Bracelin and Yeager's development with the USFS, item 2 is really the technical document involved in this quarry.
2. submit a copy of the new development and reclamation obligations that ODOT has for the site with the USFS. This would include new development maps for the quarry.
3. Paying the annual fee of \$525.

10-0046

Prior to reactivating this site, a new permit is required from DOGAMI. Our last permit on the site, also issued to ODOT, was closed March 1994. That site has excellent potential for reclamation into a pond with good wildlife habitat values. A concern of ours on the site after the last entry was proper sloping of the final excavation walls. Final sloping at 3:1 or flatter on those areas where no further mining is planned should meet the requirements of our sloping regulations. Close cooperation between ODOT, the USFS, DOGAMI, and the contractor could lead to an excellent example of reclaimed mining land.

If you have any questions please call Peter Wampler in this office.

Sincerely,



Allen H. Throop
Reclamationist
Mined Land Reclamation

c: Closed/10-0046

AHT/cc:10-01910795.let



Oregon

January 13, 1995

DEPARTMENT OF
GEOLOGY AND
MINERAL
INDUSTRIES

MINED LAND
RECLAMATION

Roy Houck
Roy L. Houck Construction Co.
2705 Lancaster Dr. NE
Salem OR 97305

Dear Mr. Houck,

It appears that mining activity planned by you in Section 36, Township 26S, Range 2E, in Douglas County may exceed that limit which may be conducted without compliance with Oregon State surface mining law. The surface mining law provides that up to one acre of ground and/or 5,000 cubic yards, whichever comes first, may be surface mined during any given year without the need to apply for and receive a Reclamation Permit from the Department of Geology and Mineral Industries. Enclosed is a copy of that law.

If your mining operation will exceed those limits stated above, you need to do one of the following:

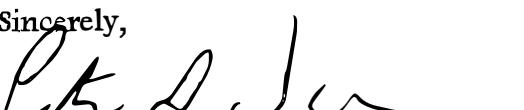
1. Contact the current permittee for this site, Bracelin and Yeager Excavating and Trucking, and determine if they wish to transfer the permit to you at this time. In order to accomplish the transfer you will need to post a replacement bond in the amount of \$5,500 and file a completed transfer form.
2. File a new application accompanied by a fee of \$675 (ORS 517.800). Annual renewal fees are \$525. In addition, you will need to complete the enclosed reclamation guidelines and prepare a site plan which will demonstrate how the mined area will be reclaimed following the conclusion of the mining activity.

If you choose to apply for a new permit the amount of the bond and the area to be bonded will be determined by on-site inspection after the application for the permit has been received.

If your operation will not exceed those limits, please fill out and return the application without fees. Fill out the application for a Grant of Total Exemption.

If you have any questions concerning the information provided above or need any assistance, please contact me. Please return the application by February 15, 1995.

Sincerely,



Peter J. Wampler
Environmental Specialist II
Mined Land Reclamation

Enclosure: Division 30 Packet

c: Douglas County Planning Department
USFS - Roseburg
Bracelin-Yeager Excavating and Trucking



MEMO TO FILE

TO: File No. 10-0191
File Name Foster Creek

FROM: Peter Wampler

TALKED WITH: Irv Yeager
Bracelin-Yeager Excavating & Trucking **PHONE:** 269-1915

AGENCY PUBLIC PERMITTEE

COMPLAINT? Yes No

MEMO

Talked to Irv Yeager about the status of B&R's interest in the Foster site. He said that he is still in the process of negotiating with the forest service. He said that they are anticipating making a deal with the forest service and that Houcke was probably going to be in the pit during the summer July? He also said that the forest service was thinking of modifying the reclamation plan to allow 1/4:1 slopes to be excavated then backfilled with material from a landslide that they need to move and from rock at the top of the quarry. Irv mentioned a 11/2:1 slope. We will need to be involved in the reclamation process

ACTION

wait to send letter to Houcke, Irv Yeager will call within a week to let us know what is going on

<input checked="" type="checkbox"/>	Put on Schedule Plus	inspect this spring with B&R, USFS, Houcke?
<input type="checkbox"/>	Recall	_____
<input type="checkbox"/>	Fax	_____
<input type="checkbox"/>	Data Entry	_____
<input type="checkbox"/>	Mail	_____
<input type="checkbox"/>	Other	_____

Entered on Database
 Action Completed
 Copied to complaint file
 Original to File

Date: January 12, 1995
11:34 AM

United States
Department of
Agriculture

Forest
Service

Umpqua National Forest
O Box 1008
Roseburg, OR 97470
(503) 672-6601
FAX (503) 673-4017

For Info Only

REPLY TO: 7730/7770

DATE: December 6, 1994

Roy L. Houck Construction Company
2705 Lancaster Drive, NE
Salem, OR 97305

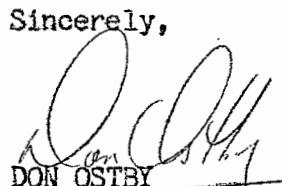
Dear Mr. Houck:

Enclosed are two copies of your Mineral Materials Permit for the removal of Redacted of crushed aggregate from the Foster Creek Rock Source. A Bill For Collection in the amount of \$8,100 is also enclosed. This amount due includes \$1,800 for administrative fees associated with preparing and administering the permit and \$6,300 to cover the permits share of pit reclamation. Please mail this payment in the enclosed envelope to San Francisco, CA by the due date.

Also enclosed are two copies of the Road Use Permit for the purpose of accessing the aggregate materials source, asphalt plant site, and excess excavation disposal site. Please sign and return both copies of the Mineral Materials Permit and the Road Use Permit. After approval, a copy will be sent to you for your files.

If you have any questions, please contact Jim Talburt at 503-672-6601.

Sincerely,


DON OSTBY

Forest Supervisor

Enclosure

cc: J. Talburt
District Ranger, DL
R. Paul, ODOT

RD/pg

12/13/94
P-1213
A/R

USDA - Forest Service

CONTRACT FOR THE SALE OF
MINERAL MATERIALS
(Ref. FSM 2850)

For Forest Service Use Only

Forest Service Unit Name

Diamond Lake Ranger District

Contract Number

NOTE: This information is being collected to process your application and effect a binding contract agreement. This information will also be used to identify and communicate with applicants. Response to this request is required to obtain a benefit.

Public reporting burden for this collection of information is estimated to average 2 hours 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Department of Agriculture, Clearance Officer, O1RM, Room 404-W, Washington, D.C. 20250; and to the Office of Management and Budget, Paperwork Reduction Project (OMB No. 0596-0081), Washington, D.C. 20503.

THIS AGREEMENT, made this _____ day of _____, 19____, under authority of the Acts of July 31, 1947 (61 Stat. 681), as amended (30 U.S.C. 601 et seq.), March 4, 1917 (16 U.S.C. 520), and June 11, 1960 (74 Stat. 205), and the regulations set forth in 36 CFR 228, Subpart C, between the UNITED STATES OF AMERICA, hereinafter called the "Government", acting through the Authorized Officer of the Forest Service, hereinafter called the "Authorized Officer", and Roy L. Houck Construction Company, hereinafter called Houck Construction.

WITNESSETH, That the parties hereto mutually agree as follows:

Sec. 1. Contract area. The Government hereby sells to Houck Construction and Houck Construction hereby buys from Government, under the terms and conditions of this contract, all of the mineral materials described in Sec. 2 below, for severance, extraction, or removal, on the following described lands situated in the Umpqua National Forest, County of Douglas, State of Oregon, as shown on the Location and Vicinity Maps marked Exhibit A, and in accordance with the Prospective Excavation Plan marked Exhibit B, attached hereto and made a part hereof, viz: Foster Creek rock source located in Section 36, Township 26 S, Range 2 East, Containing 3 acres, more or less,

Sec. 2. Amount and price of materials. The total purchase price will be determined by multiplying the total quantity of each kind of mineral material designated by the respective unit price as set forth below, or as changed through reappraisal hereunder.

KIND OF MATERIALS	QUANTITY (Units Specified)	PRICE PER UNIT	TOTAL PRICE
Stone - For Crushing	30,000 Cu.Yd.	\$1.00/Yd.	\$ 30,000.00
Administration Fee	1	\$0.06/Yd.	\$ 1,800.00
Reclamation Fee	30,000 Cu.Yd.	\$0.21/Yd.	\$ 6,300.00
SUB-TOTAL			\$ 50,000.00
Stone - For Crushing	30,000 Cu.Yd.	WAIVED 1/	<\$ 30,000.00>
TOTAL DUE THIS SALE			\$ 8,100.00

1/ This fee is waived as long as the material removed is used only on the reconstruction of the North Umpqua Highway. No other use of material included in this permit is authorized.

Determination by the Authorized Officer of the quantity of materials taken is binding on Houck Construction subject to appeal only as provided in Sec. 14. All materials in the contract area in excess of the estimated quantity listed above are reserved by Government.

Sec. 3. Payments, passage of title, and risk of loss. Title to materials sold hereunder passes to Houck Construction immediately before excavation and upon proper payment for such materials. No part of the material sold hereunder may be severed, extracted, or removed by Houck Construction until payment for such materials has been made in accordance with the following:

a. Unless materials sold under this contract are paid for in full in advance, payment for materials must be made in installments of not less than \$ N/A each. The first installment must be paid upon approval of this contract.

b. Each additional installment is due and payable as billed by the Authorized Officer in advance of removal of the remaining material. The first installment will be retained as additional security for the full and faithful performance of this contract by Houck Construction, and will be applied in whole or in part to the payment of the last installment required hereunder to make the total payment equal the total price set forth in Sec. 2, above.

The total purchase price must equal the sum of the total quantities severed, extracted, or designated therefor, multiplied by their respective unit prices. The balance due where less than a full installment remains to be paid upon the total price will be the value of material remaining to be severed or extracted. Each installment will be held in suspense until the quantity of material covered thereby has been determined. The total purchase price must be paid at least 60 days before the expiration date of the contract.

Upon termination, if the total payments made under the contract exceed the total value of the actual materials removed, the excess will be returned to Houck Construction, except as noted in 36 CFR 228.66.

c. Risk of loss shall be borne by the party holding title to the mineral material at the time of loss except that nothing herein shall be construed to relieve either party from liability for breach of contract or any wrongful or negligent act.

Sec. 4. Stipulation and reserved items. The rights of Houck Construction are subject to the regulations in 36 CFR 228, Subpart C, which are made a part of this contract, and to the stipulation, if any, which are attached hereto and made a part hereof as Exhibit A.

Sec. 5. Bonds.

(a) Houck Construction must file with the Authorized Officer and must maintain at all times the bond required under the regulations to be furnished as a condition to the award of this contract in the amounts established by the Authorized Officer and to furnish additional bonds or security as the Authorized Officer may require.

(b) If all terms of this contract are not faithfully and fully performed by Houck Construction, the bond in the sum of \$ N/A filed at the time of the signing of this contract will be forfeited to the amount of damages determined by the Authorized Officer. If damages exceed the amount of the bond, Houck Construction hereby acknowledges liability for such excess. Upon satisfactory performance of this contract, the bonds will be canceled, or if cash or United States securities were furnished in lieu of a security bond, such cash or securities will be returned to Houck Construction.

(c) Whenever any bond furnished under this contract is found unsatisfactory by the Authorized Officer, the Authorized Officer may require a new bond which is satisfactory.

Sec. 6. Expiration of contract and extensions of time. This contract will expire on September 30, 1996 unless an extension of time is granted in accordance with the provisions of 36 CFR 228.53(b). Written application for an extension of time may be made by Houck Construction between 30 and 90 days before the expiration date of the contract.

Sec. 7. Duties of Houck Construction. Houck Construction must take fire precaution and conservation measures and must dispose of slash and other debris resulting from operations hereunder in accordance with the requirements shown on the Prospective Excavation Plan marked Exhibit B.

Sec. 8. Notice of operations. Houck Construction must notify the Authorized Officer immediately of the commencement and termination of operations hereunder. A report of production will be furnished at least annually by Houck Construction to the Authorized Officer.

Sec. 9. Responsibility for damages. Houck Construction is liable in damages for the loss or destruction of all Government property for which Houck Construction is directly or indirectly responsible under this contract, or resulting from Houck Construction's failure to perform under this contract in accordance with the instruction of the Authorized Officer, as well as for costs incurred by Government resulting from Houck Construction's breach of any of the terms hereof, or Houck Construction's failure to engage in proper conservation practice. For damages resulting from willful action or gross negligence of Houck Construction, Houck Construction's contractors or subcontractors, or any of their employees, Houck Construction is liable for triple the appraised value of damaged or destroyed materials as determined by the Authorized Officer. If the Authorized Officer determines that the damage or destruction did not result from Houck Construction's willful action or gross negligence, lesser damages may be charged, but not less than the actual appraised value of the materials. Houck Construction must pay the Government for such damages within 30 days after a written demand therefor by the Authorized Officer.

Sec. 10. Violations, suspension, and cancellation.

(a) If Houck Construction violates any provision of this contract, the Authorized Officer may, after giving written notice, suspend any further operations for Houck Construction under this contract, except such operations as may be necessary to remedy any violations. The Authorized Officer may grant Houck Construction an additional 30 days, after service of written notice, to correct any violations. If Houck Construction fails to remedy all violations, the Authorized Officer may, by written notice, cancel this contract and take

appropriate action to recover all damages suffered by the Government by reason of such violations, including application toward payment of such damages of any advance payments and bonds.

(b) If Houck Construction extracts or removes any mineral materials sold under this contract during any period of suspension, or if Houck Construction extracts any of such material after expiration of the time for extraction or the cancellation of this contract, such extraction or removal is in trespass and renders Houck Construction liable for triple damages.

Sec. 11. Time for removal of personal property. Houck Construction has the right within One month after expiration of the time for extraction and removal of mineral materials, if not in default, to remove equipment, improvements, or other personal property from Government lands or rights-of-way. Any improvements such as road surfacing, culverts, and bridges which have become a permanent part of a Government road may not be removed. Any equipment, improvements, or other personal property remaining on Government lands and rights-of-way at the end of the period for removal as set forth herein becomes the property of the Government.

Sec. 12. Assignments. This contract or any portion of it may not be assigned without written approval of the Authorized Officer.

Sec. 13. Tenure. Unless otherwise provided by this contract, Houck Construction has the right to extract and remove the materials until the termination of the contract, notwithstanding any subsequent appropriation or disposition under the general land laws, including the mining and mineral leasing laws.

Sec. 14. Appeal. Unless specifically excluded by 36 CFR 251.80, Houck Construction may appeal any decision by the Authorized Officer regarding this sale of mineral materials.

ROY L. HOUCK CONSTRUCTION COMPANY

2705 Lancaster Drive, NE, Salem OR 97305
(Address, include zip code)

BY _____

ROY L. HOUCK
President

Date

If this contract is executed by a corporation, it must affix its corporate seal.

UNITED STATES OF AMERICA

BY _____

DON OSTBY
Forest Supervisor

Date

DEPARTMENT OF GEOLOGY & MINERAL INDUSTRIES
1536 Queen Avenue, SE
Albany, OR 97321
(503) 967-2039

file

TO: ODA - Natural Resources DATE: July 26, 1994
ODFW - Portland
Water Resources
Douglas County Planning Department
DEQ - Roseburg
USFS Roseburg, Landowner

RE: Bracelin-Yeager Excavating & Trucking Inc.
Our ID No. 10-0191

The Mined Land Reclamation office of the Department of Geology and Mineral Industries has received the attached application for a surface mining permit.

Please comment and return by August 16, 1994. If you have no comments, it is not necessary to return.

{ } We have no objection to the proposed project subject to the modifications listed below.

{ } We recommend that the conditions listed below be added to the permit. Include reasons for conditions.

Other comments listed below.

Please send a copy of the Operating Permit and future Inspection Reports.

COMMENTS

DATE: August 8, 1994

AGENCY: D.E.Q

They may need a Stormwater Permit from
The Department. Should have them check
with our Medford Office

BY: Ron Baker, Environmental Specialist PHONE: (503)440-3338
Please print or type name>Title RECEIVED

Please print or type name/Title

RECEIVED

SMLR-20 (Rev. 9/93)

AUG 12 1994

AHT

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DEPARTMENT OF GEOLOGY & MINERAL INDUSTRIES
1536 Queen Avenue, SE
Albany, OR 97321
(503) 967-2039

RECEIVED

JUL 27 1994

TO: ODA - Natural Resources
ODFW - Portland
Water Resources
Douglas County Planning Department
DEQ - Roseburg
USFS Roseburg, Landowner

DATE: July 26, 1994
DOUGLAS COUNTY
PLANNING DEPARTMENT

RE: Bracelin-Yeager Excavating & Trucking Inc.
Our ID No. 10-0191

The Mined Land Reclamation office of the Department of Geology and Mineral Industries has received the attached application for a surface mining permit.

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- { } We have no objection to the proposed project subject to the modifications listed below.
- { } We recommend that the conditions listed below be added to the permit. Include reasons for conditions.
- { } Other comments listed below.
- { } Please send a copy of the Operating Permit and future Inspection Reports.

COMMENTS

DATE: 8-11-94

AGENCY: Douglas County

*This mining and processing operation is
subject to Conditional Use Permit. No
application has been requested*

RECEIVED

AUG 12 1994

MLR

BY: BETTY L. MACK PLANNER
Please print or type name>Title

PHONE: 503-440-4289

OREGON DEPARTMENT OF GEOLOGY & MINERAL INDUSTRIES
MINED LAND RECLAMATION

Operating and Reclamation Plans For Non-Metal and Placer Mines

Applicant: Bracelin-Yeager Excavating & Trucking Inc.

ALL LANDOWNER(S) WITHIN THE PERMIT AREA

(Attach a separate piece of paper if more space is required.)

Name Umpqua National Forest
Address P. O. Box 1008
City/ST/Zip Roseburg, OR 97470
Phone (503) 672-6601

Name _____
Address _____
City/ST/Zip _____
Phone _____

ALL MINERAL RIGHT OWNERS (IF DIFFERENT FROM LANDOWNER(S))

(Attach a separate piece of paper if more space is required.)

Name n/a
Address _____
City/ST/Zip _____
Phone _____

Name _____
Address _____
City/ST/Zip _____
Phone _____

A. PRE-MINE CONDITIONS

1. Current land use
2. Depth of topsoil
3. Type & density of vegetation

rock source
mineral materials

1' - 3'

brush (sparse)

B. OPERATING PLAN (See attached plan) Designed by USFS - Jim Talburt

1. Mining method(s) to be employed (circle all that apply):

a. Single Bench b. Multiple Bench c. Side Hill Cut
d. Pond Excavation e. Placer Mine f. Other _____

2. Disposition of removed vegetation _____

3. Topsoil salvage depth _____

4. Overburden removal depth _____

5. Will overburden spoil piles or waste dumps be created
during mining?

Yes / No

If yes, what is/are the estimated volume(s)? _____

ADDITIONAL INFORMATION MAY BE REQUIRED FOR LARGE DUMPS
OR THOSE LOCATED ON STEEP TERRAIN.

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JUL 21 1994 1

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10-0191

09-0164

RECEIVED

JUN 30 1994

MLR

0

6. Ground Water Information

a. Approximate depth: MINE see plan GROUNDWATER none

b. What is the ground water depth estimate based on? (Wells within the permit area must be shown on the map.)
n/a

7. List types of equipment to be used for mining and processing.

a. Mining equipment: Dozer, rubber tired loader, crusher

b. Type of processing (Check One):

1) Wash water will be discharged off-site.

2) Wash water will be contained in a closed system.
Source of water? _____

3) Dry processing.

4) No on-site processing.

5) Other. Explain _____

C. POST-MINING LAND USE

What will be the planned post-mining beneficial use of the permit area? The use must be compatible with the post-mining landform and the local land use requirements. Please be specific.

USFS existing material source

D. RECLAMATION TIMING

Oregon State law requires that reclamation be completed within three years following completion of mining.

Reclamation will begin _____ days after mining is completed.

- - OR - -

If reclamation will be concurrent with mining, please explain the procedure for concurrent reclamation.

See attached plan

E. SURFACE WATER MANAGEMENT

1. Will mine site dewatering be necessary?

Yes / No

Explain the procedure and where the water will be disposed.

n/a

A PERMIT MAY BE REQUIRED FROM WATER RESOURCE DEPT.
FOR DEWATERING ACTIVITY.

2. Will waste water or storm water be contained on-site in a pond? Yes / No
Will waste water or storm water be discharged off site? Yes / No

Explain discharges or containment procedures.

No activities during rainy season.

A PERMIT FROM THE DEPT. OF ENVIRONMENTAL QUALITY
IS REQUIRED WHERE POINT SOURCE DISCHARGES ARE MADE FROM THE SITE.

3. Will any drainages or streams be relocated? Yes / No
IF YES, SECTION M-4 MUST BE COMPLETED.

4. What will be the minimum undisturbed setback of the operation from any
stream or drainage? State name of stream or drainage and distance.

See plan

5. Describe methods employed to control erosion and sedimentation in the
permit area. Be specific, i.e., seeding and mulching stockpiles and bare
areas, contour ditching, waterbars, etc.

See plan

6. Will settling ponds or dams be constructed? Yes / No

a. Please state size of the impoundment(s) and how they will be built.
Will the pond be excavated or will berms be constructed?

n/a

b. If a dam will be constructed, how high will it be? n/a
IF A DAM IS HIGHER THAN 10 FEET
OR STORES MORE THAN 9.2 ACRE FEET OF WATER,
APPROVAL FROM THE WATER RESOURCES DEPT. IS REQUIRED.

c. If berms or a dam will be constructed, please describe construction details and attach a sketch showing construction methods.

d. How deep will the impoundments be? n/a

e. If the impoundments are to be removed upon completion of mining, how will the ponds be drained or filled?

n/a

f. Are settling ponds, wetlands, or a water impoundment to be left upon final reclamation?

Yes / No

IF YES, SEE SECTION K.

F. VISUAL AND NOISE SCREENING

Screening can be very effectively employed to isolate sites from public notice.

1. Does a natural landform or vegetative screen presently exist Yes / No along the permit boundary?

If yes, what screen width will be maintained during mining? See plan

2. Will a berm and/or vegetation be established to develop a visual screen for the operation? Yes / No

If yes, please describe the height and width of the berms and/or the type and density of vegetation and show the location on the mine map. (Crushed rock stockpiles, although not permanent, can also be used as effective screens.)

See plan

G. EQUIPMENT AND STRUCTURES REMOVED

Upon final reclamation, will all structures, equipment, and refuse be removed from the site? Yes / No

If not, please explain what structures will be left.

H. MAP OR AERIAL PHOTO REQUIREMENTS

A mine map is required. It can be based on an aerial photograph, an engineered drawing, a properly scaled hand drawing, or an enlargement of a USGS topographic map. The department can often supply a topographic base map.

1. Map requirements include, but are not limited to:

- a. scale (1" = 100' to 500')
- b. north arrow
- c. appropriate legal description(s) and, if practical, tax lot numbers, etc.
- d. boundary of the area to be permitted

- e. location of plant, office, and maintenance facilities
- f. locations of all intermittent water courses, perennial streams, springs, wetlands, and wells
- g. present mine areas and future mining blocks
- h. areas for topsoil and overburden storage or spoil locations, including berms
- i. location of all proposed access roads
- j. all property lines within 500' of the permit boundary
- k. location of mine, processing, and stockpile areas plus visual and sound berms or screens
- l. setbacks from property lines, streams, etc.
- m. utility poles, gas line rights-of-way, etc.
- n. date of map preparation and the name of the person preparing map

2. Pre- and post-mining cross-sections of the land surface may also be required.

1. RECLAMATION PROCEDURES

1. Land Shaping

- a. What will be the steepest above-water excavated slopes left after mining? (1-1/2:1 is the general maximum.) See plan
- b. What will be the steepest above-water fill slopes left after mining? (2:1 is the general maximum.) See plan
- c. What will be done to ensure their stability?

Excavated Slopes

Fill Slopes

See attached plan

2. Reclamation techniques.

- a. What will be done with any oversized rock not used during mining? See plan

- b. How and where will soil or subsoils be stored for reclamation? See plan

- c. What measures will be taken to reduce compaction and prevent water and wind erosion of the topsoil stockpiles?

n/a

- d. What will be the average depth of soil replaced on the area to be reclaimed? All available material.

IF LESS THAN 12" OF TOPSOIL IS AVAILABLE,
A SUBSTITUTE MATERIAL MAY BE REQUIRED.

e. Will additional material be utilized as a soil substitute to complete the revegetation? Yes / No

If yes, please specify type(s), amount(s), and source.

See plan

f. Will any waste products, such as tailings, crusher rejects, etc., be generated during mining? Yes / No
If yes, what will be done with them? used in pre-leveling

g. Describe seedbed preparation methods prior to planting.

dozer with grousers

h. List species to be seeded and/or planted by type and amount.

as per plan

i. Describe planting method and the time of year for the planned planting.

as per plan

j. List types and amounts of fertilizer, mulch, and lime to be used to supplement the seeding.

as per plan

Vegetative survival equal to the density of original ground cover will normally be considered acceptable. This may take three or more years to complete.

3. How will the processing and stockpile sites be reclaimed? If they are to be revegetated, explain the procedures which will be employed to decompact the area prior to topsoiling and seeding.

See plan

4. If applicable, what provisions have been made for stream channel and bank stabilization and rehabilitation?

See plan

A DIVISION OF STATE LANDS' PERMIT IS REQUIRED
FOR RELOCATION OF ALL PERENNIAL
AND SOME INTERMITTANT WATER COURSES.

5. What provisions will be made to control surface water runoff and erosion through the permit area upon completion of mining?

See attached plan

6. POND DECOMMISSIONING

a. Will dewatering be required to complete reclamation? Yes /

b. Will backfilling a water filled excavation pit or pond be necessary during reclamation? Yes /

c. How will settling ponds be stabilized and revegetated?

n/a

7. Will off-site materials be imported to complete the backfilling of ponds or other excavations?

Yes /

If yes, how will quality of imported backfill be monitored to protect groundwater quality? Monitoring or testing may be required to ensure groundwater protection.

J. OTHER PERMITS IF APPLICABLE

	<u>No. & Type</u>	<u>Date Issued</u>
Division of State Lands		
Dept. of Environmental Quality		
Land Use Permit		
Water Rights		
Other (Identify)	<u>U. S. F. S.</u>	<u>06/24/94</u>

K. POST-MINING WATER IMPOUNDMENTS

1. Number of impoundments
2. Use of Impoundment
see plan
3. Total surface area in acres
4. Average depth
5. What will be the steepest and flatest in-water slopes left after mining?
(Generally 3:1 in-water slopes are the steepest allowable.)

6. Will any shallow ponds, shorelines, or other areas conducive to wetland plant development be left after mining? Yes / No

7. What will be the water source for the impoundment None

8. What will be done for wildlife and fish enhancement?
(islands, peninsulas, irregular shorelines, fish structures)
n/a

9. If wetlands are to be constructed, explain the methods and final configuration.
n/a

L. LANDOWNER CONSENT See attached contract.

As surface or mineral rights owner, I concur with the proposed subsequent use for any mining operation and with the operating and reclamation plan as submitted. I also agree to provide access to the State Department of Geology and Mineral Industries or their contractor for reclamation of the mine site if it is declared abandoned by the Department of Geology and Mineral Industries.

APPROPRIATE SIGNATURES ARE NEEDED FOR EACH LAND PARCEL.

I CONCUR (Surface Rights)

Name _____
Title _____

Signature _____
Date _____

I CONCUR (Mineral Rights):

Name Don Ostby
Title Forest Supervisor

Signature Don L. Shug
Date 7-18-94

M. APPLICANT'S ACCEPTANCE:

Name James F. eagles
Title President

Signature _____
Date _____



United States
Department of
Agriculture

Forest
Service

Ompqua National Forest
PO Box 1008
Roseburg, OR 97470
(503) 672-6601
FAX (503) 673-4017

REPLY TO: 2850

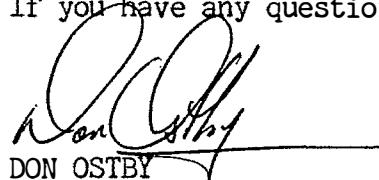
June 27, 1994

SUBJECT: Foster Creek Rock Source
Mineral Material Permit

TO: Bracelin-Yeager Excavating and Trucking, Inc.
3055 Ocean Blvd.
Coos Bay, OR 97420

Enclosed is an approved copy of your Mineral Materials permit for the removal of
Redacted [Redacted] of crushed aggregate from the Foster Creek Rock Source. A
or Collection in the amount of \$8,100 is also enclosed. This amount due
includes \$1,800 for administrative fees associated with preparing and
administering the permit and \$6,300 to cover the permits share of pit
reclamation. Please mail this payment in the enclosed envelope to Lockbox in
San Francisco, California, by the due date.

If you have any questions, please contact Jim Talburt at 503-672-6601.


DON OSTBY

Forest Supervisor

Enclosure

cc: J.Talburt
District Ranger, DL
P. Wampler

RD/pg

RECEIVED
JUL 1 1994

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RECEIVED
JUL 1 1994



Caring for the Land and Serving People

MLR

FS-6200-28 (7-82)

July 6, 1994

Oregon

DEPARTMENT OF
GEOLOGY AND
MINERAL
INDUSTRIES

Bracelin-Yeager Excavating & Trucking, Inc.
3055 Ocena Boulevard
Coos Bay, OR 97420

MINED LAND
RECLAMATION

RE: Application

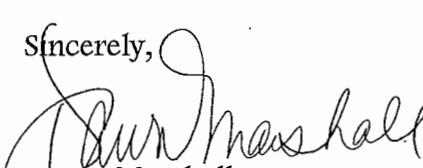
Dear Applicant:

On June 30, 1994, we received the following items regarding an Operating Permit:

- Application
- Fee
- Reclamation Plan
- Location Map
- Site Plan Map
- Aerial Photo
- Other

ID No. 10-0191 has been assigned to your application.
Please use this number in all future references to this site.

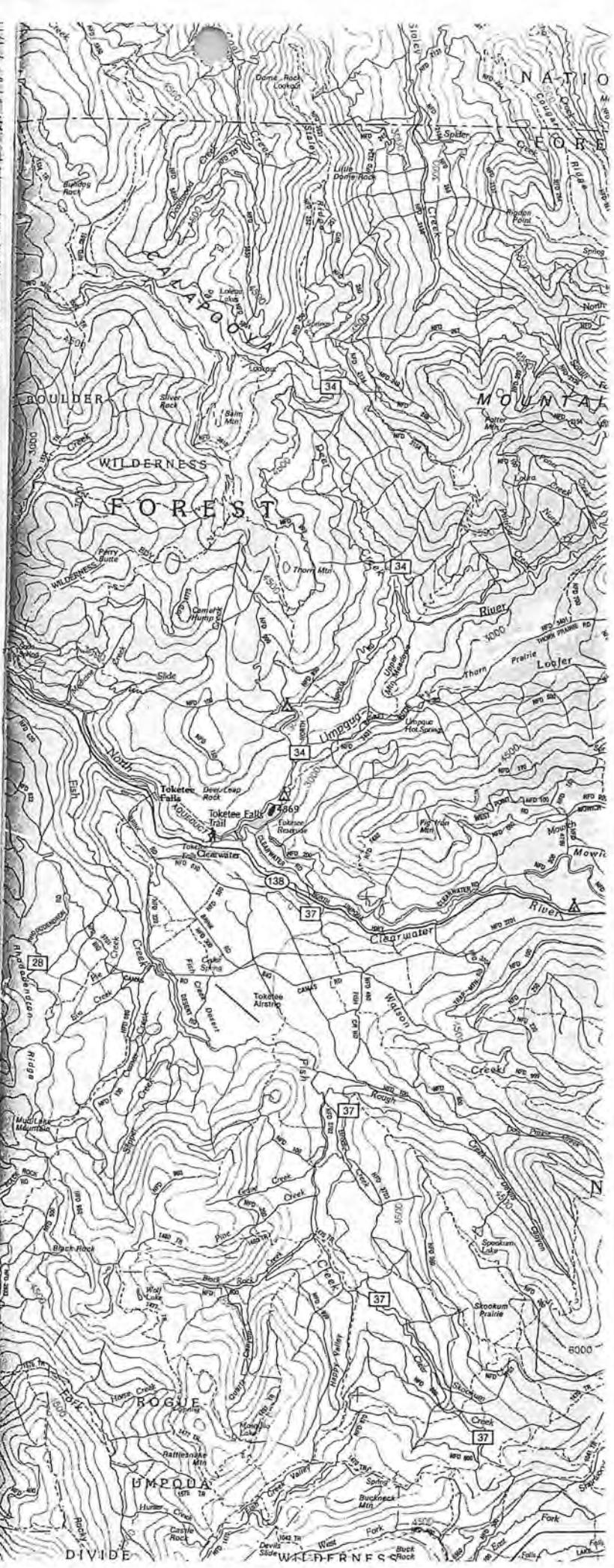
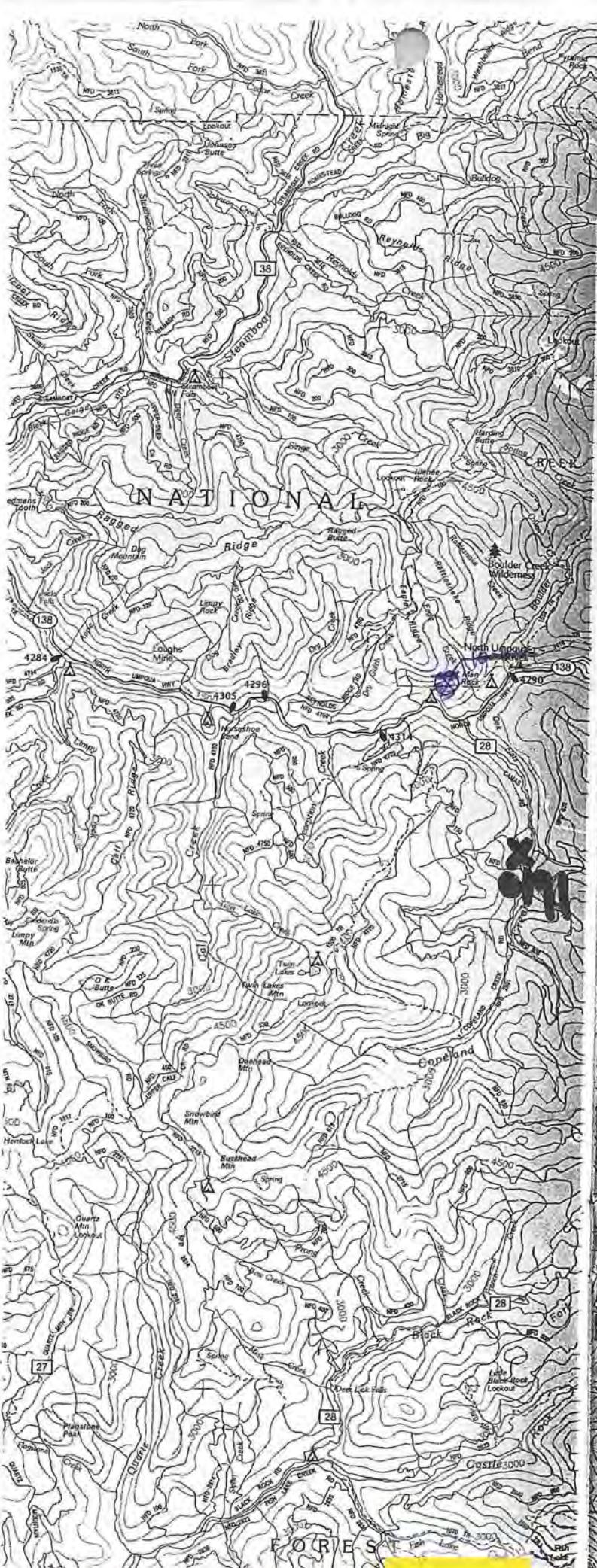
On July 5, 1994, we also received a fax of your bond. The reclamation plan was sent to you by Ben Mundie today to be signed.

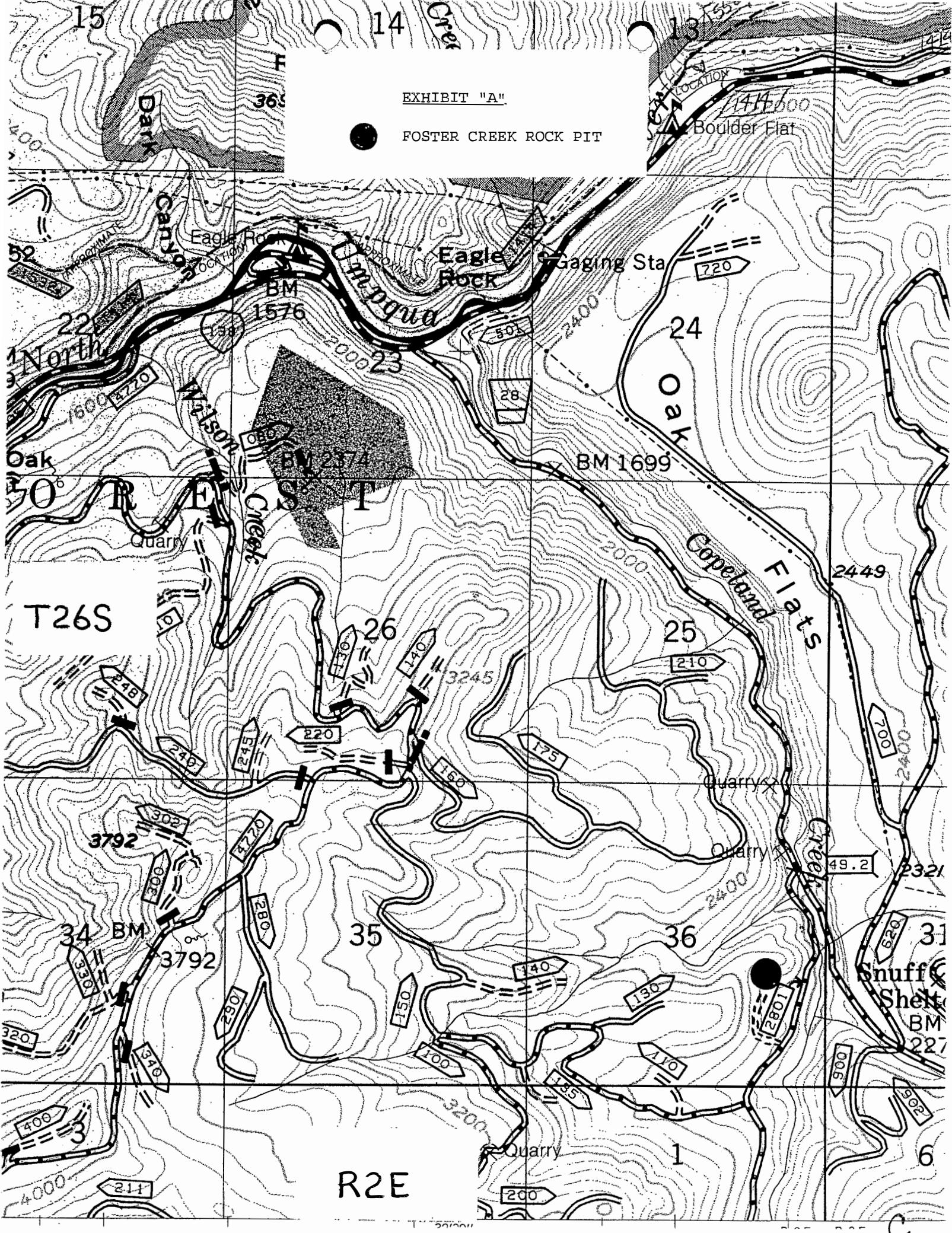
Sincerely,

Dawn Marshall
Office Coordinator

dm's\ack.dot
10-01910794.ack



1536 Queen Avenue SE
Albany, OR 97321
(503) 967-2039





USDA - Forest Service

For Forest Service Use Only

CONTRACT FOR THE SALE OF
MINERAL MATERIALS
(Ref. FSM 2850)Forest Service Unit Name
Diamond Lake Ranger District
Contract Number

NOTE: This information is being collected to process your application and effect a binding contract agreement. This information will also be used to identify and communicate with applicants. Response to this request is required to obtain a benefit.

Public reporting burden for this collection of information is estimated to average 2 hours 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Department of Agriculture, Clearance Officer, O1RM, Room 404-W, Washington, D.C. 20250; and to the Office of Management and Budget, Paperwork Reduction Project (OMB No. 0596-0081), Washington, D.C. 20503.

THIS AGREEMENT, made this 20th day of June, 1994, under authority of the Acts of July 31, 1947 (61 Stat. 681), as amended (30 U.S.C. 601 et seq.), March 4, 1917 (16 U.S.C. 520), and June 11, 1960 (74 Stat. 205), and the regulations set forth in 36 CFR 228, Subpart C, between the UNITED STATES OF AMERICA, hereinafter called the "Government", acting through the Authorized Officer of the Forest Service, hereinafter called the "Authorized Officer", and Bracelin-Yeager Excavating & Trucking, Inc., hereinafter called Bracelin-Yeager.

WITNESSETH, That the parties hereto mutually agree as follows:

Sec. 1. Contract area. The Government hereby sells to Bracelin-Yeager and Bracelin-Yeager hereby buys from Government, under the terms and conditions of this contract, all of the mineral materials described in Sec. 2 below, for severance, extraction, or removal, on the following described lands situated in the Umpqua National Forest, County of Douglas, State of Oregon, as shown on the Location and Vicinity Maps marked Exhibit A, and in accordance with the Prospective Excavation Plan marked Exhibit B, attached hereto and made a part hereof, viz: Foster Creek rock source located in Section 36, Township 26 S, Range 2 East, Containing 3 acres, more or less,

Sec. 2. Amount and price of materials. The total purchase price will be determined by multiplying the total quantity of each kind of mineral material designated by the respective unit price as set forth below, or as changed through reappraisal hereunder.

KIND OF MATERIALS	QUANTITY (Units Specified)	PRICE PER UNIT	TOTAL PRICE
Stone - For Crushing	30,000 Cu.Yd.	\$1.00/Yd.	\$ 30,000.00
Administration Fee	1	\$0.06/Yd.	\$ 1,800.00
Reclamation Fee	30,000 Cu.Yd.	\$0.21/Yd.	\$ 6,300.00
SUB-TOTAL			\$ 38,100.00
Stone - For Crushing	30,000 Cu.Yd.	WAIVED 1/	<\$ 30,000.00>
TOTAL DUE THIS SALE			\$ 8,100.00

1/ This fee is waived as long as the material removed is used only on the reconstruction of the North Umpqua Highway. No other use of material included in this permit is authorized.

Determination by the Authorized Officer of the quantity of materials taken is binding on Bracelin-Yeager subject to appeal only as provided in Sec. 14. All materials in the contract area in excess of the estimated quantity listed above are reserved by Government.

Sec. 3. Payments, passage of title, and risk of loss. Title to materials sold hereunder passes to Bracelin-Yeager immediately before excavation and upon proper payment for such materials. No part of the material sold hereunder may be severed, extracted, or removed by Bracelin-Yeager until payment for such materials has been made in accordance with the following:

a. Unless materials sold under this contract are paid for in full in advance, payment for materials must be made in installments of not less than \$ N/A each. The first installment must be paid upon approval of this contract.

b. Each additional installment is due and payable as billed by the Authorized Officer in advance of removal of the remaining material. The first installment will be retained as additional security for the full and faithful performance of this contract by Bracelin-Yeager, and will be applied in whole or in part to the payment of the last installment required hereunder to make the total payment equal the total price set forth in Sec. 2, above.

The total purchase price must equal the sum of the total quantities severed, extracted, or designated therefor, multiplied by their respective unit prices. The balance due where less than a full installment remains to be paid upon the total price will be the value of material remaining to be severed or extracted. Each installment will be held in suspense until the quantity of material covered thereby has been determined. The total purchase price must be paid at least 60 days before the expiration date of the contract.

Upon termination, if the total payments made under the contract exceed the total value of the actual materials removed, the excess will be returned to Bracelin-Yeager, except as noted in 36 CFR 228.66.

c. Risk of loss shall be borne by the party holding title to the mineral material at the time of loss except that nothing herein shall be construed to relieve either party from liability for breach of contract or any wrongful or negligent act.

Sec. 4. Stipulation and reserved items. The rights of Bracelin-Yeager are subject to the regulations in 36 CFR 228, Subpart C, which are made a part of this contract, and to the stipulation, if any, which are attached hereto and made a part hereof as Exhibit A.

Sec. 5. Bonds.

(a) Bracelin-Yeager must file with the Authorized Officer and must maintain at all times the bond required under the regulations to be furnished as a condition to the award of this contract in the amounts established by the Authorized Officer and to furnish additional bonds or security as the Authorized Officer may require.

(b) If all terms of this contract are not faithfully and fully performed by Bracelin-Yeager, the bond in the sum of \$ N/A filed at the time of the signing of this contract will be forfeited to the amount of damages determined by the Authorized Officer. If damages exceed the amount of the bond, Bracelin-Yeager hereby acknowledges liability for such excess. Upon satisfactory performance of this contract, the bonds will be canceled, or if cash or United States securities were furnished in lieu of a security bond, such cash or securities will be returned to Bracelin-Yeager.

(c) Whenever any bond furnished under this contract is found unsatisfactory by the Authorized Officer, the Authorized Officer may require a new bond which is satisfactory.

Sec. 6. Expiration of contract and extensions of time. This contract will expire on September 30, 1995 unless an extension of time is granted in accordance with the provisions of 36 CFR 228.53(b). Written application for an extension of time may be made by Bracelin-Yeager between 30 and 90 days before the expiration date of the contract.

Sec. 7. Duties of Bracelin-Yeager. Bracelin-Yeager must take fire precaution and conservation measures and must dispose of slash and other debris resulting from operations hereunder in accordance with the requirements shown on the Prospective Excavation Plan marked Exhibit B.

Sec. 8. Notice of operations. Bracelin-Yeager must notify the Authorized Officer immediately of the commencement and termination of operations hereunder. A report of production will be furnished at least annually by Bracelin-Yeager to the Authorized Officer.

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(a) If Bracelin-Yeager violates any provision of this contract, the Authorized Officer may, after giving written notice, suspend any further operations for Bracelin-Yeager under this contract, except such operations as may be necessary to remedy any violations. The Authorized Officer may grant Bracelin-Yeager an additional 30 days, after service of written notice, to correct any violations. If Bracelin-Yeager fails to remedy all violations, the Authorized Officer may, by

written notice, cancel this contract and take appropriate action to recover all damages suffered by the Government by reason of such violations, including application toward payment of such damages of any advance payments and bonds.

(b) If Bracelin-Yeager extracts or removes any mineral materials sold under this contract during any period of suspension, or if Bracelin-Yeager extracts any of such material after expiration of the time for extraction or the cancellation of this contract, such extraction or removal is in trespass and renders Bracelin-Yeager liable for triple damages.

Sec. 11. Time for removal of personal property. Bracelin-Yeager has the right within One month after expiration of the time for extraction and removal of mineral materials, if not in default, to remove equipment, improvements, or other personal property from Government lands or rights-of-way. Any improvements such as road surfacing, culverts, and bridges which have become a permanent part of a Government road may not be removed. Any equipment, improvements, or other personal property remaining on Government lands and rights-of-way at the end of the period for removal as set forth herein becomes the property of the Government.

Sec. 12. Assignments. This contract or any portion of it may not be assigned without written approval of the Authorized Officer.

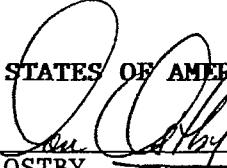
Sec. 13. Tenure. Unless otherwise provided by this contract, Bracelin-Yeager has the right to extract and remove the materials until the termination of the contract, notwithstanding any subsequent appropriation or disposition under the general land laws, including the mining and mineral leasing laws.

Sec. 14. Appeal. Unless specifically excluded by 36 CFR 251.80, Bracelin-Yeager may appeal any decision by the Authorized Officer regarding this sale of mineral materials.

BRACELIN-YEAGER EXCAVATING & TRUCKING, INC.

UNITED STATES OF AMERICA

3055 Ocean Blvd, Coos Bay, OR 97420
(Address, include zip code)

BY 
DON OSTBY
Forest Supervisor

BY


IRVIN YEAGER
President

6-28-94

Date

6-24-94

If this contract is executed by a corporation, it must affix its corporate seal.